



**CVA.**

**ANNUAL  
FINANCIAL  
REPORT 2023**





**CVA GROUP**

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FINANCIAL  
REPORT 2023**





## COMPANY DETAILS

Legal Form	<b>Sole shareholder joint-stock company</b>
Registered Office	<b>Châtillon (AO), Via Stazione, 31</b>
Share capital	<b>Euro 395,000,000.00 fully paid-in</b>
Fiscal code, VAT and Companies Register Office entry number	<b>01013130073</b>
Economic Administrative Index:	<b>AO 61357</b>



## CORPORATE BODIES

### BOARD OF DIRECTORS

<i>Chair</i>	Marco Cantamessa
<i>Chief Executive Officer</i>	Giuseppe Argirò
<i>Director</i>	Valeria Casali
<i>Director</i>	Marzia Grand Blanc
<i>Director</i>	Fabio Marra

### BOARD OF STATUTORY AUDITORS

<i>Chair</i>	Massimo Scarrone
<i>Standing Auditor</i>	Federica Paesani
<i>Standing Auditor</i>	Carmelo Marco Termine

### INDEPENDENT AUDITORS

EY S.p.A.

### SUPERVISORY BODY LEGISLATIVE DECREE 231/2001

<i>Chair</i>	Vincenzo Scipioni
<i>Member</i>	Nicola Distasi
<i>Member</i>	Federico Massa



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*La Tour photovoltaic plant in Quart (AO)  
and loading tank of the hydroelectric plant in Nus (AO)*



## LETTER TO SHAREHOLDERS

**S**hareholders,

For the CVA Group, 2023 was an extraordinarily important and complex year.

The tail end of the energy shock, the collapse in energy prices, the aftermath of the effects of the severe water crisis of 2022, which persisted for the first four months of 2023, and the significant rise in interest rates, provided the context in which the diversification process was substantially initiated, consistent with the strategic plan objectives.

This scenario constitutes, together with the previous 2022 financial year, one of the most complex that can be remembered for the Italian energy sector, and it has been correctly interpreted by the CVA Group (hereinafter also referred to as the “**Group**”) from both an industrial and economic-financial standpoint, guaranteeing a delicate and complex balance between the necessary development of investments and the evolution of the scenario with its criticalities, and with a prudential but incisive approach, which has set the conditions to reap the relevant and positive results that can be referred to the 2023 financial statements.

Once again in 2023, management was set against a backdrop of great market volatility, with the associated risks and complexities, which the CVA Group was able to deal with, managing the impacts of market instability from both an economic and financial perspective, while at the same time working to seize all the opportunities that the market offered.

By doing so, the Group was able to confirm the extraordinary economic results of 2022, consolidating an economic picture well above the average of the previous 21 financial years. In fact, it can be said that, by riding the momentum given by the markets without being overwhelmed by it, and flanking it with a robust component dictated by industrial growth, the Group has actually doubled its economic size compared to the historical figure.

Unlike 2022, which had been characterised by an initial macroeconomic context of strong economic recovery on a global level, generating a post-pandemic recovery with world GDP growing by around 3% on a global basis, 2023 was a year of moderate growth for the Italian economy. GDP increased by 0.7%, slowing down from 1.4% in 2022. Growth was mainly driven by domestic demand, while net foreign demand made a negative contribution. The slowdown in growth was caused by a number of factors:

- the rise in energy and commodity prices, which eroded the purchasing power of households and held back business investment,
- the war in Ukraine, which created uncertainty in the financial markets and triggered a wave of inflation,
- the restrictive monetary policies implemented by the ECB and other central banks around the world, in order to cope with the inflationary flare-up,
- the global economic slowdown, which reduced demand for Italian goods and services.

However, the Italian economy has shown resilience in the face of these challenges. The labour market continued to improve, with the unemployment rate falling to 7.8%. The Italian production system has shown a good ability to adapt to new challenges, such as digital transition and decarbonisation. The forecast for 2024 is uncertain. Istat forecasts GDP growth of 0.6%, with a downside risk. Growth will be mainly driven by domestic demand, while net foreign demand is expected to make a marginal contribution.

The weakness of the international and national macroeconomic framework contributed significantly to the sudden drop in energy prices, despite the persistence of a dramatic geopolitical context, generated by the Russian invasion of Ukraine in February 2022, which, bringing war to the heart of Europe, and together with its tragic consequences, had led to the energy shock of 2022.

Against this backdrop of uncertainty, geopolitical tension and the onset of a significant inflationary process have led global monetary authorities to implement restrictive economic policies, resulting in a significant increase in interest rates, with a significant impact on the renewable energy sector. Being based on capital intensive activities, the sector was strongly affected by the rising cost of money, both in the primary development market and in the secondary market.

In this complex and difficult to foresee framework, the Company was able to maintain the hedging strategy put in place since the beginning of the energy shock between the end of 2021 and the beginning of 2022, a period in which a series of incisive and far-sighted financial choices were made, which not only ensured safety against price volatility, but also allowed it to seize the opportunity of rising prices by setting hedges in a multi-year portfolio logic. These hedging transactions, which were put in place in advance of the market, also covered 2023 and, thanks to them, it was possible to secure the extraordinary financial statements that we present below. The extraordinary nature of the financial statements stems from the fact that the Group avoided suffering, as its main competitors did, a significant impact on revenues due to falling prices, which saw the Italian PUN, highly dependent on gas prices, drop to 127 €/MWh (-58%) in 2023 (-176.72 €/MWh on 2022) and fall back to 2021 levels, effectively cancelling out the record increases recorded in 2022. The sudden downward trend in the Italian price was caused by a decrease in purchases (278.0 TWh, -3.9% over 2022), an increase in sales from renewable sources, with water volumes recovering from the very low levels of 2022, and net imports at an all-time high. The Group also participated in the recovery of production compared to 2022, but nevertheless delivered a level about 5 percentage points below the 10-year average.

It is therefore worth highlighting how, in the presence of such rapidly and sharply reduced prices, and despite a production level not yet in line with historical averages, the management strategy produced a historic result. Net of non-recurring items (related to extraordinary tax levies), adjusted EBITDA reached an all-time high of Euro 325 million (Euro 289 million unadjusted).

These flattering results contribute, albeit in a complex scenario, to building further economic-financial solidity that is particularly useful with a view to consolidating the very important development and diversification process set in motion with the investments made in 2023 on Other RES. These investments project the Group towards greater size, sustainability, resilience to risks arising from potential water crises related to climate change, and with an improved production profile, while at the same time guaranteeing the most suitable conditions to face the delicate phase of reallocation of hydroelectric concessions, and related investments.

It should be remembered that the company is still heavily biased towards generation from hydroelectric sources, and is heavily exposed to potential adverse weather conditions. In 2022, climate change produced low rainfall and anomalous temperatures in Italy, which climatologists consider a hot-spot from this point of view, which caused widespread drought in almost all the countries of the European Union: according to estimates from the European Drought Observatory (EDO), as of August 2022, 60% of Europe's territory was in critical or extremely critical conditions due to drought. In Italy, the year 2022 was recorded as the hottest year ever, with an extraordinary drought season, which resulted in significant damage to the agricultural production sector, and heavy negative repercussions on hydroelectric power production volumes. In 2022, the crisis was offset by a price level never seen in the history of electricity. In the future, such a water crisis could happen again, however in a normalised price scenario, thus generating a particularly critical impact on the budget balances.

The strategy of diversification of energy production sources that the Group is pursuing with strong determination is inspired precisely by the urgency of mitigating this risk, while always reaffirming that, under normal or positive hydraulic conditions, the plant set-up will continue to exploit its full production potential.

## GROUP PERFORMANCE

The substantial stability of the Gross Operating Margin (EBITDA) (Euro 289,464 thousand compared to Euro 295,281 thousand in 2022), when analysed excluding non-recurring items, shows a significant improvement in profitability. Adjusted EBITDA at 31 December 2023 was in fact Euro 324,535 thousand (19.58% of revenues), up about 10% from Euro 295,557 thousand in 2022 (17.1% of revenues).

The analysis with the main comparables of the sector shows that the company also achieved the best performance in the sector in the current year, with a gross profitability on turnover of 17.46% and a net profitability, attributable to the Group, also on turnover of 9.52%.

These figures place it first in the ranking for performance among the country's leading energy companies.

Also in terms of revenue, the reduction, despite the significant drop in prices (-58%), was only -4.1%, compared to an average of the leading na-



tional energy companies and direct comparables of more than -32%.

An analysis of the company's history shows a significant jump in size and profitability.

In comparison with the average figures of the previous decade, a 187% growth over the average is observed for revenues, 195% for gross profitability and 233% for net profitability. This growth, based on the foreseeable elements of operations, is likely to be confirmed, if not exceeded, in the financial year 2024.

Moreover, the first effects, still partial on the 2023 financial year, but which will be more fully manifested in 2024, of the investments in development by external lines have begun to contribute to these results, which, through the value produced by the subsidiaries holding plants, or related and collateral activities, have determined and consolidated the growth and profitability indicated. The Group implemented an acquisition campaign with a strong focus on the proper valorisation of targets and the subsequent integration and development phase in order to create further value.

These results are the result of the activities implemented by the Company in the face of the volatility that has characterised the energy markets in the last two financial years. This event represented an enormous criticality however, correctly interpreted and managed by the Company, it was transformed into a major opportunity with multi-year effects. On these positive multi-year effects is based the solidity on which to build a challenging and complex diversification process that, in line with the strategic plan forecasts, and thanks to the intervening amendments to the Madia law, has allowed the Group's great potential to be visibly and significantly deployed in 2023.

## KEY EVENTS

The diversification strategy put in place saw a significant acceleration in 2023, with many deals finalised, in line with plan targets.

In particular, referring to the Report on Operations of the 2023 Consolidated Financial Statements for details, we highlight the main transactions implemented by the Group in order to assume the industrial structure consistent with the achievement of the targets set in the plan. On 22 February 2023, the Group, through the sub-holding CVA EOS, acquired 100 % of the shares of SR Investimenti S.r.l., a company at the head of a corporate group that is a leader in the Italian renewables market, which at the date of acquisition held 42 MW of operational photovoltaic plants (now 84 MW), 192 MW of authorised projects and 846 MW of projects under development, as well as an additional pipeline under further development for a further 1,200 MW; on 13 October 2023, CVA EOS signed a partnership agreement with the BF Group, Italy's leading agricultural group, with the aim of developing and building advanced agri-voltaic projects. The authorisation process for the first 100 MW agri-voltaic project in the municipality of Jolanda di Savoia (FE) started in December 2023. On 24 October 2023, CVA EOS acquired

control of Renergetica S.p.A., one of Italy's leading developers.

The company CVA Smart Energy, established on 7 February 2023, was entrusted with the task of developing the Group's activities in the field of Energy Efficiency and Open Innovation, becoming for this purpose the Group's industrial sub-holding focused on these segments. Major transactions include the acquisition on 26 July 2023 of 75% of the share capital of Sharenergy S.r.l. (later renamed Nuova Energia) a company active in the construction, installation, operation and maintenance of plumbing, heating and electrical systems, as well as in the energy upgrading of buildings. On 28 June 2023, the company RTS S.r.l. was established, which then acquired two business units specialising in industrial energy efficiency. On 27 September 2023, CVA Smart Energy finalised the purchase of 70% of the share capital of R.S. SERVICE S.r.l., a leading company in the design, construction and maintenance of electrical and mechanical systems.

In support of these industrial operations, the 2023 financial year saw the finalisation of three important financial transactions to support the growth of the CVA Group. In particular:

In April, the Parent Company CVA, one of the first Italian utilities to use this instrument, subscribed a *Schuldschein*-type (senior unsecured) loan from leading international institutional investors, regulated by German law, divided into two tranches maturing in April 2028 and April 2030, amounting to Euro 200 million and Euro 50 million, respectively.

In September 2023, a medium/long-term amortising loan agreement was signed with Cassa Depositi e Prestiti S.p.A. for a maximum amount of Euro 100 million maturing in September 2031, which provides for, *inter alia*, an initial availability period of 12 months during which it is possible to request the disbursement of the loan (which has not been utilised to date)

In December 2023, an agreement was signed with PRICOA PRIVATE CAPITAL, one of the world's leading Private Placement operators, for a private Shelf Agreement of US\$ 200 MILLION with a simultaneous first utilisation with a bond loan of Euro 30 million, maturing in December 2038 fully subscribed by PGIM Inc. and listed on the Euronext Dublin market.

It is worth emphasising the particularity of the deadlines, which, in the last two cases, extend beyond the formal expiry dates of CVA hydroelectric concessions, testifying to the credibility and sustainability of the Group's strategic plan in the eyes of investors.

## STRATEGY AND DEVELOPMENT

The Group's strategy is clear and, recalling the considerations in the previous paragraphs, is based on 3 basic guidelines:

- 1) creation of the technical, operational, regulatory and economic-financial conditions to successfully deal with the procedures for the reallocation of large hydroelectric derivation concessions and, in the future, those for electricity distribution;

- 2) diversification of the generation source, in order to mitigate the current risk of hydraulicity, which is further aggravated by climate change, and to make the production curve more efficient, currently excessively conditioned by a highly seasonal profile.
- 3) The realisation of a platform for the promotion, development and management of energy efficiency processes in both the civil and industrial sectors.

The three guidelines are strongly interconnected, since the diversification process allows for an improvement in the industrial operating perimeter and an economic-financial consolidation that will be instrumentally useful when dealing with investments for the reallocation of large hydroelectric derivation concessions. At the same time, the diversification process is essential for a Group operating in a highly regulated context, but also subject to a very high degree of regulatory instability, which could, depending on political orientations, have both positive and negative impacts on ongoing development processes.

With regard to the diversification process, the strategic vision put in place was to build a robust industrial set-up that would internalise operational capacity along the entire value chain, from development, design, authorisation, construction and operation of wind and photovoltaic plants. This industrial operating capacity was realised through the acquisition of a large developer, Renenergetica, a large project platform, Sistema Rinnovabili, and, in the current financial year, with the acquisition of the EPC called SUN-ENERG Group.

This industrial set-up not only consists of profitable companies, which already guarantee a significant prospective contribution in terms of profitability, but also constitutes a wealth of knowledge unique in the national panorama. This will allow CVA not only to reach its strategic plan targets with less risk, but also to ensure further financial and economic consolidation and a very significant value production in the coming years, to the benefit of all stakeholders.

As far as energy efficiency activities are concerned, the first three partnerships implemented with high-profile and complementary companies allow the CVA Group to operate with an innovative business model in one of the key activities of the energy transition, and to do so at both territorial and national level, thanks to the broad market coverage that characterises the companies in which it has acquired a majority stake. This strategy and this industrial configuration are the basis for implementing, with a horizon of at least 20 years, the vision of a CVA that is expanded, diversified, consolidated, and placed in the best possible position to deal with the complexities of hydroelectric investments. In fact, it is clear that hydroelectricity, representing 58% of the electricity generation expected at the conclusion of the Group's strategic plan, will remain central in terms of both territorial and operational investments.

In this complex yet opportunity-rich environment, the CVA Group's strategic positioning is recognised in the industry as a true best practice that



will allow it, in line with the last three financial years, to continue to produce value and performance among the best in the market. All this is made possible by the competence, dedication, and ability to take responsibility that characterises all employees, managers, and members of the management and control bodies of the various Group companies more and more each year. Women and men who work on a daily basis in challenging and complex conditions but who, thanks also to a company climate geared towards professionalism and serenity, manage to bring about the outstanding results that we are pleased to submit to your attention today.

**Giuseppe Argirò**

Chief Executive Officer

**Marco Cantamessa**

Chairman





*Piansano wind farm (VT)*

## REPORT ON OPERATIONS

### CVA GROUP

The CVA Group, whose parent company is C.V.A. S.p.A. (a public interest entity as the issuer of two bonds listed on the Dublin Euronext market) is one of the most important Italian companies active in the green energy sector. The Group qualifies as Italy's only 100% green integrated operator and is entirely controlled by the Valle d'Aosta Region.

The history of C.V.A. S.p.A. a s.u. (hereinafter "CVA" or the "Company" or the "Parent Company") and of the CVA Group can be summarised in a few key stages.

The creation of CVA dates back to the liberalisation of the electricity market that took place thanks to Legislative Decree 79/99 ("Bersani Decree") and the consequent obligation on Enel to sell, to other operators, certain assets owned by it through the so-called "Genco".

With reference to Valle d'Aosta, with a far-sighted and highly opportune operation, the Autonomous Region of Valle d'Aosta (hereinafter "Region" or "RAV-DA") began negotiations with the former energy monopolist that had decided to sell all the regional hydroelectric plants, managing to acquire them and create a company that, for "Vision" and industrial vocation, will soon become one of the main national producers of energy from renewable sources.

Over the following ten years, the CVA Group concentrated on its own hydroelectric plants, consolidating its management and operating capabilities and dedicating its investments to their ordinary and extraordinary maintenance and, when necessary, to their renewal. At the same time, the activity of selling electricity was developed, initially in the Business market, with the aim of acquiring important customers in the banking and large-scale retail sectors, subsequently opening up to the domestic market of Valle d'Aosta. In these years, thanks to the positive results achieved at the industrial level and, above all, to the Shareholder's decision to contribute to the consolidation of the Group's assets with a policy of reinvesting profits, the Parent Company saw its financial position grow considerably.

Starting from 2009, the CVA Group began to embark on the path - the "Mission" - that will allow it to establish itself among the main producers of energy from renewable sources, as well as the only integrated "pure green" producer on the national market. CVA noted the limited development opportunities in the hydroelectric sector, due to the congestion of water resources and the enactment of regional regulations restricting its use and the uncertainties related to the renewal of concessions. At the same time, thanks to European and national regulations aimed at promoting the development of renewable sources and decarbonisation and to the consequent and very favourable incentive mechanisms introduced in the regulations, the Company decided to start a new expansion phase, aimed at acquiring photovoltaic and wind energy production plants.

In 2009, the CVA Group acquired its first photovoltaic plant in Alessandria followed by the one in Valenza: development activities continued in a considered manner - but always with a view to diversifying the risk of production, so as to cope with years of poor water levels - until 2018, with the acquisition of the Pontedera and Monteverde wind farms and the achievement of a total capacity of "Other RES" of 170 MW.



In the following years and up to 2022, as a result of regulatory rigidities related to compliance with the Consolidated Law on Publicly Owned Companies (the "TUSP" - Legislative Decree No. 175 of 19 August 2016), the Group continued to develop its "Other RES" production capacity starting from the origination (with the identification of the possible suitable area and the start of the authorisation process) of the project with a longer timeframe compared to the purchase of plants already built. These regulatory rigidities were overcome with the entry into force of D.L. No. 50 of 17 May 2022, converted by Law No. 91 of 15 July 2022, as a result of which CVA S.p.A. may be considered a "listed company" within the meaning of the TUSP insofar as it issues a bond listed on the Dublin regulated market by 31 December 2021, thus allowing it to benefit from the exemptions that the TUSP granted to "listed companies".

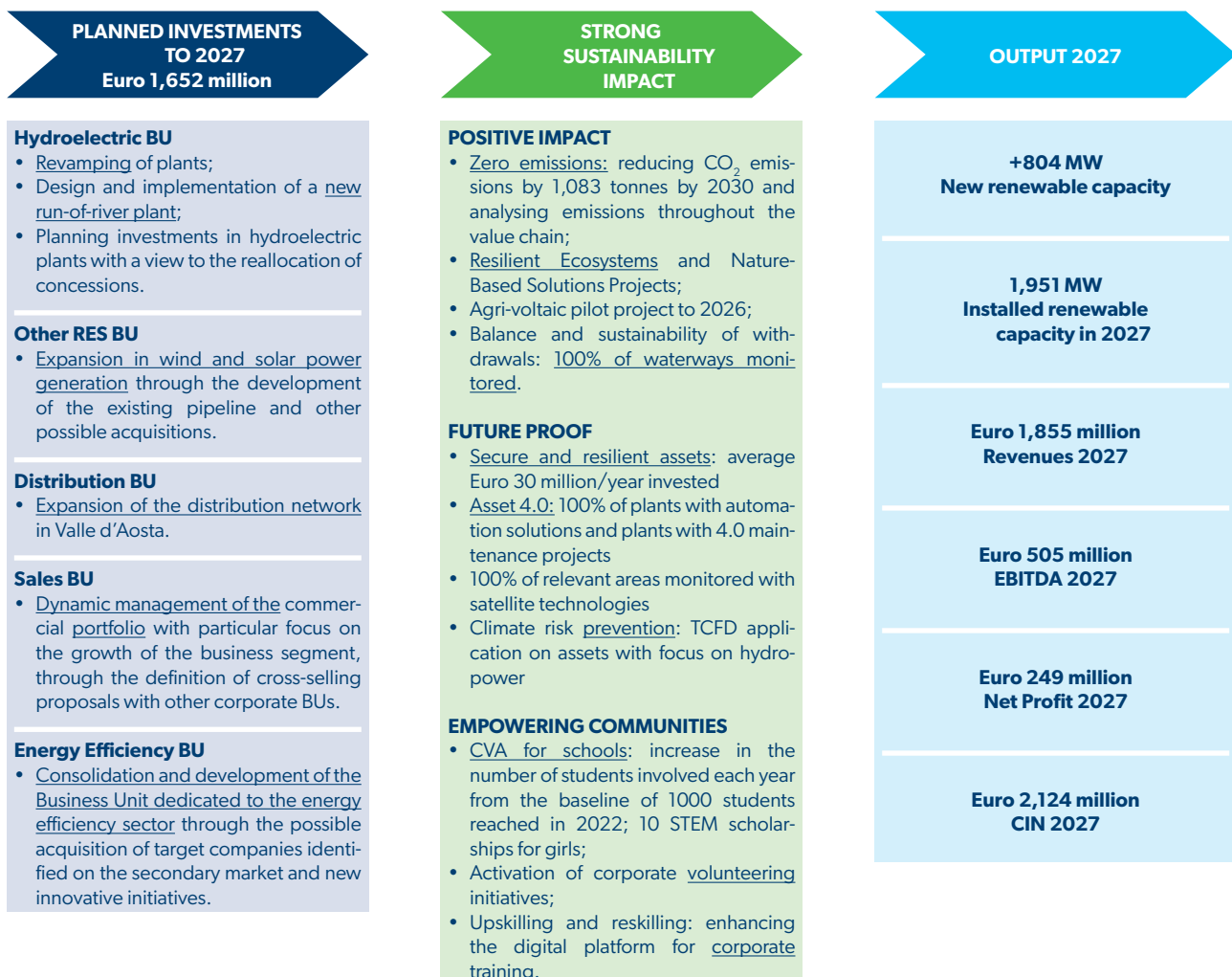
In 2023, considering how climate change is negatively affecting hydraulicity and, consequently, hydroelectric energy generation, which is the Group's core business, the Board of Directors deemed it necessary to mitigate the risk of specialising in a single renewable energy source and focus on: *i)* diversifying power generation sources while maintaining the focus on their renewability, and *ii)* strengthening the know-how of industrial skills. Consequently, also as a result of the reduced regulatory constraints, the Group revised its industrial objectives and resolved to update its strategic plan by approving the 2023-2027 Strategic Plan (hereinafter the "**Strategic Plan**") which, laying the foundations on the Group's already consolidated businesses (hydroelectric, distribution, sales) and maintaining the strategic lines already identified since 2021, identified growth targets for each of the Group's business units and in particular with reference to the business unit:

- Hydroelectric: provides for the revamping of the Hône II and Chavonne hydroelectric plants, the construction of the Morgex plant, and activities for the planning of investments on the plants, in view of the reallocation of concessions;
- Other RES: provides for entrusting the subsidiary CVA EOS with the role of sub-holding company with the task of pursuing the Group's strategy of technological and geographical diversification in the production of electricity, envisaging, over the course of the Strategic Plan, the installation of 804 MW of additional capacity, as well as the creation of an industrial structure that brings together the skills of origination, development, engineering, procurement, construction and industrial management of power generation plants from wind and photovoltaic sources, capable of exploiting these skills on the market. The goal is to achieve an installed capacity of more than 1 GW in non-hydro renewable power plants, as well as to become a national player in the development of renewable power plants;
- Distribution: provides for the subsidiary DEVAL, also with the support of funds made available under the PNRR, to upgrade and digitalise its electricity distribution infrastructure;
- Sales: provides, in the commercial sphere, for the focus on optimising the Business Customer portfolio, paying attention to the marginality of individual orders and the mitigation of counterparty risks, with a focus

on proposing the possibility of signing long-term supply contracts (so-called PPA) in synergy with the implementation activities of the new pipeline by CVA EOS;

- **Energy Efficiency:** provides, also on the assumption of the favourable regulatory context, for entrusting the subsidiary CVA Smart Energy with the role of sub-holding company to develop a “platform” business model that sees activities managed by specific corporate vehicles, maximising synergies between these vehicles and the other companies of the CVA Group, leveraging their respective specificities in terms of skills and markets covered, in the awareness that activities in the energy efficiency sector are key activities in the context of energy transition.

The Strategic Business Plan envisages 1.65 billion investment and 804 MW of additional renewable capacity, divided by the BUs above with the following initiatives:



## THE CORPORATE STRUCTURE OF THE CVA GROUP

At 31 December 2023, the CVA Group consisted of the parent company C.V.A. S.p.A. and its subsidiaries listed in the "Scope of Consolidation" section of the Notes to the Financial Statements. In 2023, the Group's scope changed radically compared to the picture as at 31 December 2022, mainly due to the following transactions:

- › with the contribution of the "Other RES" industrial assets owned, until 31 December 2022, by the parent company, CVA EOS became the Group's industrial sub-holding focused on the production of electricity from renewable sources other than hydroelectric. CVA EOS was entrusted with the task of realising the Group's technological diversification in the field of production from renewable sources. In order to achieve its objectives, CVA EOS, with the support of the parent company, set up the following operations in 2023:
  - with the purchase, on 22 February 2023, of 100 % of the shares of the company SR Investimenti S.r.l., the parent company of a group of companies that is a leader in the Italian renewable energy market, which at the date of acquisition held 42 MW of operational photovoltaic plants (now 84 MW), 192 MW of authorised projects and 846 MW of projects under development, as well as an additional pipeline under further development for a further 1,200 MW;
  - with the purchase from the company DUE A ENERGY S.r.l., on 02 August 2023, of 20% of the shares of three corporate vehicles described below for which CVA EOS committed to make down payments on the transfer price of the remaining shares to reach the value of 100% of the share capital:
    - EOS SERRA 1 S.r.l., owner of a wind farm project called "Serracapriola 1", located in the municipality of Serracapriola, in the province of Foggia, with a capacity of 72 MW
    - EOS SERRA 2 S.r.l., owner of a wind farm project called "Serracapriola 2", located in the municipality of Serracapriola, in the province of Foggia, with a capacity of 108 MW
    - EOS SAN SEVERO 1 S.r.l., owner of a wind farm project called "San Severo 1", located in the municipality of San Severo, in the province of Foggia, with a capacity of 108 MW
  - with the acquisition by VEN.SAR. S.r.l. (hereinafter "VS"), on 7 August 2023, of 51% of the share capital of the corporate vehicle MONTE RUGHE S.r.l. (renamed EOS MONTE RUGHE S.r.l.), owner of a wind power project called "Pozzomaggiore", 65 MW, located in the municipality of Pozzomaggiore (SS).
  - with the purchase, on 08 August 2023, of 100% of the shares of the share capital of the company FV SAN GIORGIO S.r.l., owner of an authorised photovoltaic project located in Piedmont, in the municipality of San Giorgio Canavese (TO), with a capacity of 1.47 MWp.
  - with the subscription by CVA EOS, on 13 October 2023, of a share capital increase in the subsidiary Agreen Energy S.r.l., from Euro



10,000 to Euro 2 million, for a 70% share, while the remaining 30% share was subscribed by BF Agricola S.r.l. Società Agricola. The partnership with the BF Group, Italy's leading agricultural group, aims to develop and build advanced agri-voltaic projects. The authorisation process for the first 100 MW agri-voltaic project in the municipality of Jolanda di Savoia (FE) started in December 2023.

- with the purchase from Exacto S.p.A. (hereinafter referred to as "Exacto"), on 24 October 2023, of 4,862,219 ordinary shares of Renergetica S.p.A. (hereinafter referred to as "Renergetica"), a company with securities listed on Euronext Growth Milan of Borsa Italiana, representing 60% of the Renergetica share capital. Following this acquisition and in accordance with the Renergetica articles of association, on 14 December 2023, CVA EOS launched a mandatory full takeover bid for the remaining ordinary shares of Renergetica (excluding the 1,797,143 shares held by Exacto, representing 22.18% of the Renergetica share capital) at the value of Euro 10.11 per share, equal to the amount paid by CVA EOS to Exacto for each of the ordinary shares acquired. The takeover offer was concluded with the full purchase and delisting of Renergetica.
- with the purchase from its subsidiary Renergetica S.p.A., on 29 December 2023, of 100% of the shares in the following special purpose vehicle companies:
  - REN 167 S.r.l. (holder of the Single Authorisation for the construction and operation of a photovoltaic plant with a capacity of 2.44 MWp to be built in the municipality of Tarquinia, in the province of Viterbo);
  - REN 208 S.r.l. (holder of the PAS for the construction and operation of a photovoltaic plant with a capacity of 5.448 MWp to be built in the province of Catania);
  - REN 170 S.r.l. (holder of the PAS for the construction and operation of a photovoltaic plant with a capacity of 9.99 MWp to be built in the province of Matera)
- › entrusting the company CVA Smart Energy, incorporated on 7 February 2023, with the task of developing the Group's activities in the field of Energy Efficiency and Open Innovation, becoming for this purpose the Group's industrial sub-holding focused on these segments. In order to achieve its objectives, CVA Smart Energy, with the support of the parent company, set up the following operations in 2023:
  - the subsidiary RTS S.r.l., incorporated on 28 June 2023 and 70% owned at 31 December 2023, on 10 July 2023 acquired from RENEWABLE TECHNICAL SOLUTIONS S.r.l. and BEYOND ZERO S.r.l. two business units operating in the field of industrial energy efficiency, with activities in the installation of cogeneration, trigeneration and photovoltaic plants or other energy efficiency systems, dedicated to the industrial sector, and O&M contracts for cogeneration plants and consultancy for the purchase of energy carriers, planning, design and

supervision of works in the field of industrial energy efficiency.

- on 26 July 2023, CVA Smart Energy acquired 75% of the share capital of Sharenergy S.r.l. (later named Nuova Energia) a company active in the construction, installation, operation and maintenance of plumbing, heating and electrical systems, as well as in the energy upgrading of buildings.
- on 27 September 2023, CVA Smart Energy finalised the purchase of 70% of the share capital of R.S. SERVICE S.r.l., active in the design, construction and maintenance of electrical and mechanical systems.

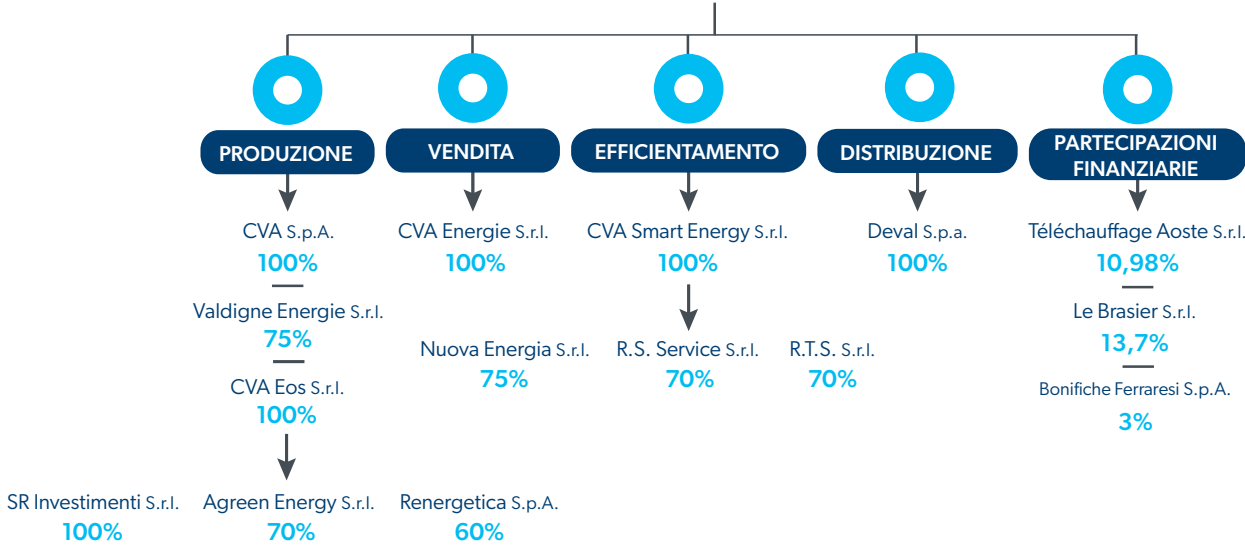
With reference to the other business sectors, the CVA Group remains active in the production of energy from hydroelectric sources with the plants owned by the Parent Company and Valdigne Energie S.r.l., carries out electricity distribution activities in the Autonomous Region of Valle d'Aosta through the plants owned by the company DEVAL S.p.A. and, finally, with the company CVA Energie carries out the activities of energy flow management and supply of electricity to end customers.

CVA also holds the following additional shareholdings:

- Téléchauffage Aoste S.r.l. (hereinafter also "TELCHA"), with a shareholding of 10.98% (valued using the equity method). The company, which carries out its activity in the sector of construction and management of district heating plants, provides district heating to the city of Aosta with a project that is among the most advanced and innovative, adhering to both the regional policies and the new National Energy Strategy as it is in line with the future objectives of reducing emissions and related energy costs.
- Le Brasier S.r.l. (hereinafter "LE BRASIER"), with a shareholding of 13.7% (valued using the cost method). The company provides district heating to the municipality of Morgex with a plant powered by biomass.
- Bonifiche Ferraresi S.p.A., with a 3% shareholding acquired in line with the Group's diversification process in order to create an exclusive strategic partnership aimed at developing an agri-voltaic pipeline in the BF Group's areas.

The corporate structure of the CVA Group, represented by Business Unit, is shown below.

# CVA.



## BUSINESS MODEL

The Group is structured according to a model whereby the parent company carries out the hydroelectric power generation activity in addition to the centralised coordination and management of corporate functions (strategic and organisational planning, financial planning, administrative and budget management, marketing objectives and policies, human resources planning and management, business management planning and control, IT management and telecommunications management).

Two sub-holdings are called upon to respectively coordinate two sub-groups with special-purpose companies operating in the following sectors:

- origination, development, engineering, procurement, construction and industrial management of wind and photovoltaic power plants, and
- technical-operational management of district heating plants and heat management, upgrading and energy efficiency activities.

The Group is also structured with further special purpose companies operating in the following segments:

- electricity production from renewable sources (hydroelectric, photovoltaic and wind power);
- scheduling of electricity production, energy management and sales at national level;
- distribution of electricity exclusively in the territory of the Valle d’Aosta region.

The business model on the basis of which the activities of the CVA Group are organised can be summarised as follows:

### ENERGY PRODUCTION FROM HYDROELECTRIC SOURCE (HYDRO BU)

The CVA Group owns and directly manages one of the most important Italian hydroelectric portfolios, consisting of 6 large dams, 61 intakes, more than 210 km of channels, about 50 km of penstocks and 32 power plants (18 run-of-river type, 9 basin type, 5 reservoir type) with 74 hydroelectric groups. The plant park has a total capacity of 935 MW for an average production of about 3,000,000 MWh of clean energy (10-year historical average). The activity is carried out through the plants owned by the parent company and the company Valdigne Energie.

### ENERGY PRODUCTION FROM OTHER SOURCES (OTHER RES BU)

It is an integrated business model that, within the perimeter of the same corporate group, brings together the competencies of origination, development, engineering, procurement, construction and industrial management of wind and photovoltaic power plants. At 31 December 2023, the BU consisted of a total platform of approximately 5 GW, of which 214 MW related to operating plants (comprising 8 wind power plants for 158 MW of installed capacity and 47 photovoltaic plants for 56 MW of installed capacity). At the end of the year, plants with access to incentives to support the production of energy from renewable sources add up to an installed capacity of 158 MW in wind power



plants and 54 MW in photovoltaic plants, respectively. Production activities are carried out through the plants owned by the sub-holding CVA EOS and those owned by dedicated companies (“SPV”), while origination, development, engineering, procurement and construction activities are carried out through the subsidiaries Renergetica and SR Investimenti.

### **DISTRIBUTION (DISTRIBUTION BU)**

The CVA Group, through its subsidiary DEVAL, distributes to users located in almost all the municipalities of Valle d’Aosta the electricity they need thanks to a capillary distribution network covering 69 municipalities in the region and comprising approximately 57 km of high-voltage lines, 1,544 km of medium-voltage lines and 2,705 km of low-voltage lines with almost 130,000 meters managed.

### **ENERGY ADMINISTRATION AND ENERGY MANAGEMENT (SALES BU)**

Activity carried out by the company CVA ENERGIE, which operates in the sector of electricity supply to end customers on the free market (retail and business) and on the market for higher protection, with a portfolio at 31 December 2023, of 1,507 business customers and 52,846 retail customers on the free market and 28,827 customers on the higher protection market to whom a total of 3,395 GWh of energy were supplied. CVA Energie, in addition to the supply activity, also deals with the Energy Management of the energy produced by the Group operating in the energy markets mainly for reasons of balancing the energy produced and the energy provided and for purposes of hedging against the risks related to the fluctuation of energy prices, also carrying out trading activities. Operations are conducted by purchasing the commodity energy through bilateral contracts or by trading on spot and/or futures market platforms.

### **ENERGY EFFICIENCY (ENERGY EFFICIENCY BU)**

This is a “platform” business model that, within the perimeter of a corporate sub-group headed by the sub-holding CVA Smart Energy, sees activities managed by specific corporate vehicles characterised by different technical skills and markets covered, maximising synergies both between these vehicles and towards the other companies of the CVA Group. In addition to the parent company, this activity is also carried out by three subsidiaries (Renewable Technical Solutions S.r.l., Nuova Energia S.r.l. and RS Service S.r.l.), which allow an integrated offer to the market through a flexible platform of services distributed as follows:

- Renewable Technical Solutions S.r.l. carries out activities in the area of operation and maintenance of co-generation/trigeneration plants, design and installation of trigeneration plants, energy and energy efficiency consulting, and provision of services aimed at achieving savings.
- Nuova Energia S.r.l. is active in the construction, installation, operation and maintenance of plumbing, heating and electrical systems, as well as in the energy upgrading of buildings.
- Rs Service S.r.l. is active in the design, construction and maintenance of electrical and mechanical systems.

## REFERENCE SCENARIOS

### MACROECONOMIC SCENARIO

In 2023, the Italian and European economies faced a complex macroeconomic landscape characterised by a combination of challenges and opportunities.

In Italy, economic growth was moderate, with GDP showing signs of recovery from previous periods of stagnation, thanks to an increase in domestic demand and exports. However, inflation was a significant obstacle, fuelled mainly by rising energy and commodity prices as well as persistent disruptions in global supply chains. The European Central Bank (ECB) maintained a relatively restrictive monetary policy to combat inflation, with higher interest rates than in previous years.

At the European level, the European Union continued to navigate an environment of geopolitical uncertainty and global trade tensions. The war in Ukraine put additional pressure on the energy markets, further contributing to rising energy costs. The European economy showed heterogeneous growth across member countries, with some northern European economies performing better than those in the south.

The fiscal policies of various governments have tried to balance support for economic growth with the need to maintain public debt sustainability. Investments in green technologies and digital transition, supported by Next Generation EU funds, have been key elements of the EU economic recovery strategy.

In summary, 2023 was a year of challenges and adjustments for Italy and Europe, with economies trying to navigate inflation, geopolitical uncertainties and the need to sustain long-term sustainable growth.

### ENERGY MARKET

Although the most acute phase of the energy crisis seems to have passed and there is a sharp decline from the record levels reached in 2022, 2023 is characterised by still very high energy commodity prices.

Intra-annual dynamics show quotations in the first half of the year that, continuing a trend that started in the second half of 2022, tend to gradually decline until the beginning of the summer, to reach annual highs between the end of September and October, also in correspondence with new international tensions triggered by the tensions in the Middle East, and close 2023 below annual average values.

In detail, in 2023 Brent crude oil prices were just under 84 \$/bbl (83.72 \$/bbl, -19% on 2022), while fuel oil (543.08 \$/MT, -21%) and diesel (813.87 \$/MT, -21%) were around 543 \$/MT and just under 814 \$/MT respectively. European coal shows weak volatility during 2023, being more than halved from its all-time high in 2022 (134.98 \$/MT, -53%).

ANNUAL*					
FUEL	UoM	FY	VAR Y-1 (%)	LAST PRICE FUTURE Y-1	CALENDAR Y+1
<b>Brent</b>	<b>USD/BBL</b>	83,72	-19%		
<b>Fuel Oil</b>	<b>USD/MT</b>	543,08	-21%	432,88	453,90
<b>Diesel</b>	<b>USD/MT</b>	813,87	-21%		
<b>Coal</b>	<b>USD/MT</b>	134,98	-53%	200,91	111,81

FUEL	UoM	FY	VAR Y-1 (%)	LAST PRICE FUTURE Y-1	CALENDAR Y+1
<b>Brent</b>	<b>EUR/BBL</b>	77,51	-21%		
<b>Fuel Oil</b>	<b>EUR/MT</b>	502,82	-23%		404,69
<b>Diesel</b>	<b>EUR/MT</b>	753,78	-23%		
<b>Coal</b>	<b>EUR/MT</b>	124,97	-55%		99,69
<b>Exchange Rate</b>	<b>EUR/USD</b>	1,08	3%	1,09	1,12

Figure 1. Crude oil and fuels, spot and forward annual prices. Arithmetic average  
(Source GME "GME Newsletter issue 177 January 2024")

These dynamics are also reflected in the prices of the European electricity markets, which are halved compared to the record levels of 2022, but return to around the still very high values of 2021. In particular, the Italian PUN, which is highly dependent on gas prices, falls to 127 €/MWh (-58%) and is still higher than the prices recorded on neighbouring northern foreign exchanges and in Germany at 95/107 €/MWh (-60/-65%), on which there is a price differential between the latter and France that is almost zero (-2 €/MWh, it was -40 €/MWh in 2022) in correspondence, on the one hand, with the reduced unavailability of the French nuclear park and, on the other, with the shutdown from April of the last nuclear reactors in Germany.

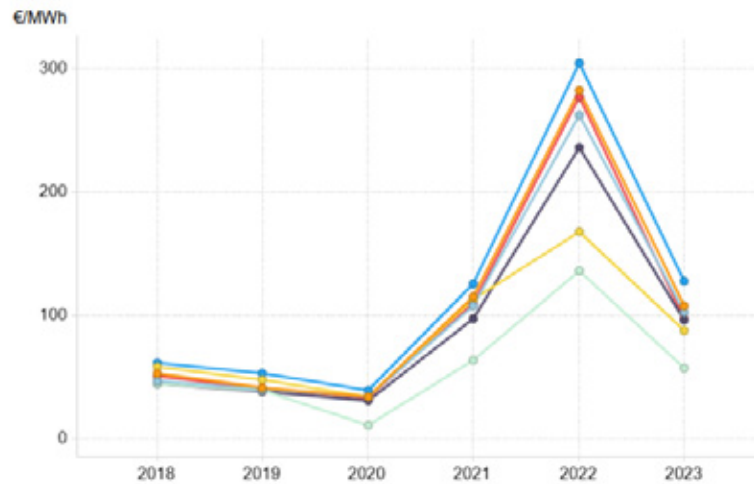


Figure 2. European stock exchanges, 2023 annual prices. Arithmetic average  
(Source GME "GME Newsletter issue 166 January 2023")

Regarding electricity in Italy in more detail, and in analogy with what has been observed on the other major European electricity exchanges, the PUN in 2023 drops to 127.24 €/MWh (-176.72 €/MWh) and falls back to 2021 levels, effectively cancelling out the record increases recorded last year. The downward trend in the Italian price is supported by a decrease in purchases (278.0 TWh, -3.9% on 2022), an increase in renewable sales, with water volumes recovering from the very low levels of 2022, and net imports at their highest ever recorded levels. The drop in the PUN can be observed in all hour groups, with the peak price falling to 138.16 €/MWh, and the peak/baseload ratio never so low at 1.09. With regard to price extremes, hourly minimum prices of up to 2.46 €/MWh on Sunday, 5 November and highs of 295 €/MWh reached on Friday, 13 January were reported.



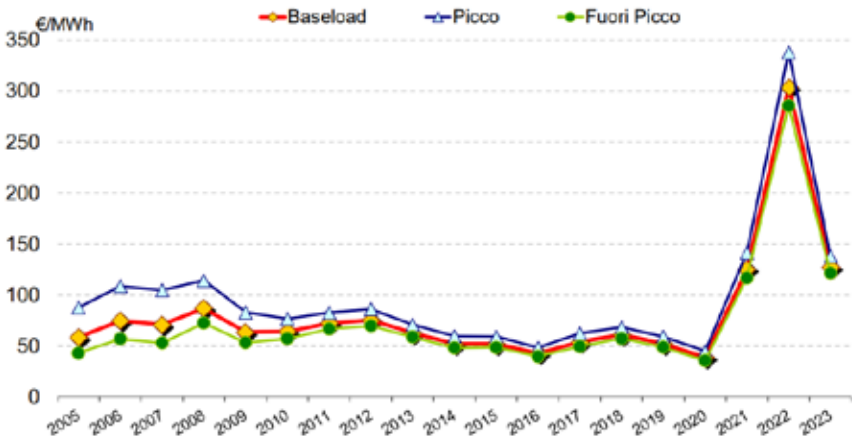


Figure 3. MGP, National Single Price (PUN)  
(Source GME "GME Newsletter issue 177 January 2024")

Price trends on a zonal basis were more closely aligned: down sharply to 128/129 €/MWh in the centre-north (-180/-179 €/MWh), even in the presence of higher water availability and increased imports, to 125/126 €/MWh in the centre-south and Sicily (-172/-169 €/MWh), and finally to 123 €/MWh in Sardinia (-164 €/MWh). A direct consequence of this alignment is a narrowing of the differential between the North and the South to about +3 €/MWh on average, down sharply from the record level recorded in 2022 (it was about +12 €/MWh on average).

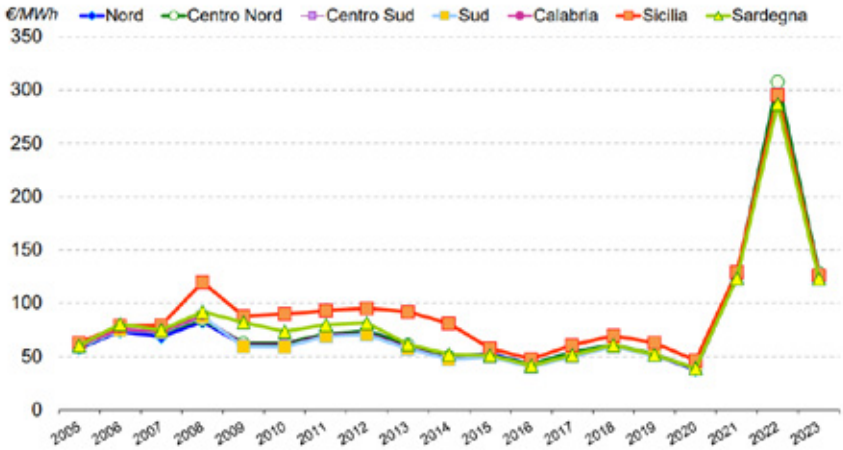


Figure 4. MGP, historical trend of zonal selling prices  
(Source GME "GME Newsletter issue 177 January 2024")

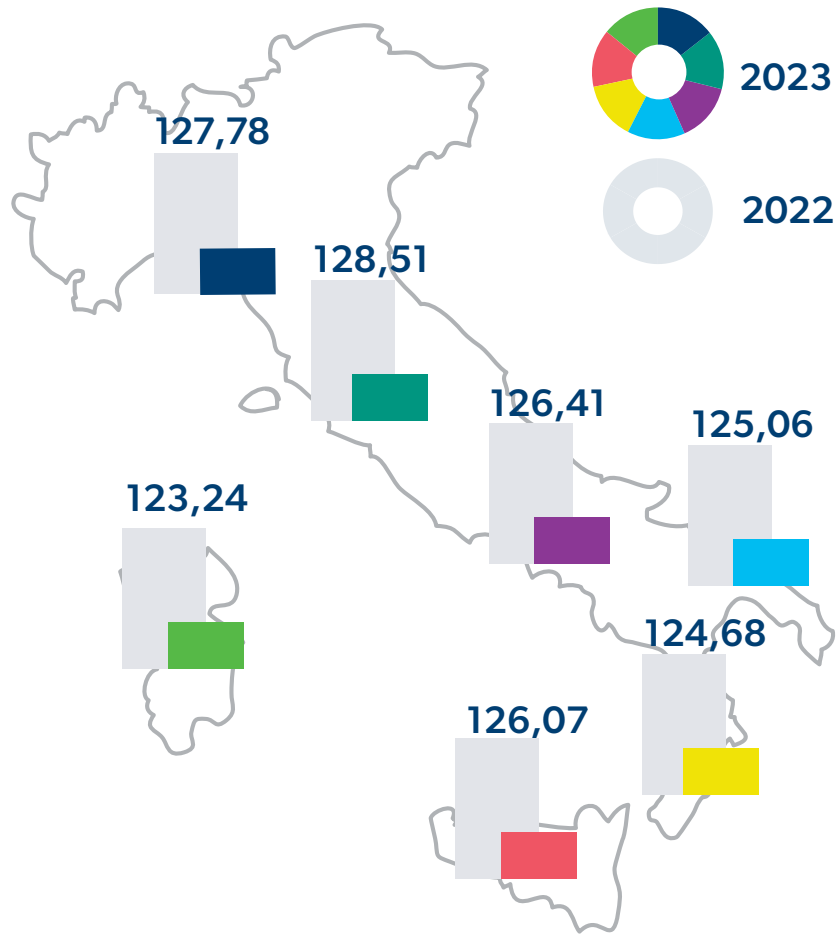


Figure 5. MGP, comparison of zonal prices 2023 and 2022  
 (Source GME "GME Newsletter issue 177 January 2024")

On the demand side in 2023, the demand for electricity (306,090 GWh) was lower than in the same period in 2022 (-2.8%) and compared to the 2021 forecast (-4.3%). This value was achieved with two fewer working days (18 vs. 20) and an average temperature substantially the same as in December last year (-0.1°C).

[GWH]	DECEMBER 2023	DECEMBER 2022	%23/22	JAN-DEC 23	JAN-DEC 2022	%23/22
Renewable Water	3.284	2.341	40,3%	38.244	28.094	36,1%
Pumping in production <sup>(2)</sup>	95	123	-22,3%	1.529	1.810	-15,5%
Thermal	13.007	16.696	-22,1%	157.934	191.276	-17,4%
of which Biomass	1.212	1.437	-15,6%	15.108	16.094	-6,1%
of which Coal	419	2.161	-80,6%	12.108	20.765	-41,7%
Geothermal	458	460	-0,4%	5.347	5.449	-1,9%
Wind	2.441	1.718	42,1%	23.374	20.304	15,1%
Photovoltaic	1.198	849	41,1%	30.595	27.674	10,6%
<b>Total net production</b>	<b>20.483</b>	<b>22.187</b>	<b>-7,7%</b>	<b>257.023</b>	<b>274.607</b>	<b>-6,4%</b>
<b>Energy for pumping</b>	<b>136</b>	<b>175</b>	<b>-22,3%</b>	<b>2.185</b>	<b>2.586</b>	<b>-15,5%</b>
<b>Total net production for consumption</b>	<b>20.347</b>	<b>22.012</b>	<b>-7,6%</b>	<b>254.838</b>	<b>272.021</b>	<b>-6,3%</b>
of which RES <sup>(3)</sup>	8.593	6.805	26,3%	112.668	97.615	15,4%
of which not RES	11.754	15.207	-22,7%	142.170	174.406	-18,5%
Import	4.924	3.321	48,3%	54.572	47.379	15,2%
Export	402	659	-39,0%	3.320	4.392	-24,4%
<b>Foreign Balance</b>	<b>4.522</b>	<b>2.662</b>	<b>69,9%</b>	<b>51.252</b>	<b>42.987</b>	<b>19,2%</b>
<b>Electricity demand<sup>(1)</sup></b>	<b>24.869</b>	<b>24.674</b>	<b>0,8%</b>	<b>306.090</b>	<b>315.008</b>	<b>-2,8%</b>

(1) Electricity demand = Total net production for consumption + Foreign balance, where Total net production for consumption = Total net production - energy for transfers

(2) Share of production by pumping, calculated with the theoretical average yield from pumping in absorption

(3) Production from RES = Renewable Water + Biomass + Geothermal + Wind + Photovoltaic

Figure 6. Energy Balance

(Source: Terna "Monthly Report on the Electricity System - Issue December 2023")

The aforementioned demand for electricity was met 46.5% by production from non-renewable energy sources, 36.8% from renewable energy sources and the remainder from the foreign balance. In 2023, the weight of renewable hydroelectric generation is increasing, while the contribution of the remaining sources is generally decreasing compared to 2022.

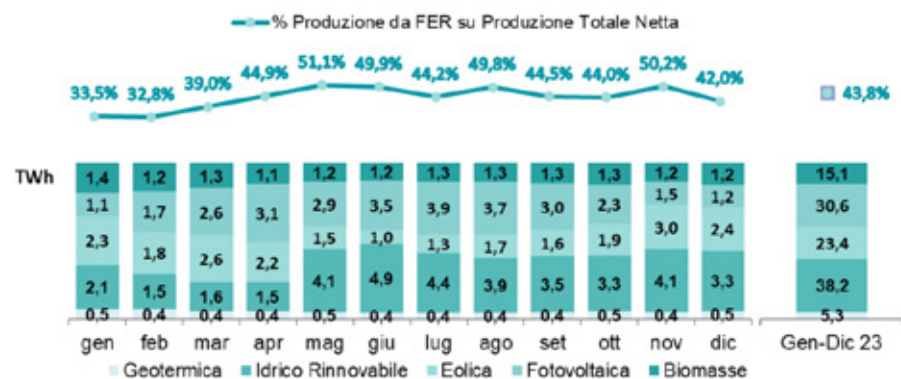


Figure 7. Trend of net production from RES in 2023 and change with 2022

(Source: Terna "Monthly Report on the Electricity System - Issue December 2023")

### MARKETS OPERATED BY THE GME

In 2023, total volumes traded on the intraday market (hereafter “MI”) increased to 29.1 TWh (+3.1 TWh over 2022, an all-time high), with most of the trade concentrated in auction trading (22.3 TWh, +0.4 TWh) and in particular on MI-A1 (14.4 TWh, +0.4 TWh). However, it is XBID that is driving the growth in volumes, with more than double the number of subscriptions compared to the previous year (over 3.5 million) for a total of about 6.8 TWh (+2.8 TWh), concentrated downstream of the MI-A2 auction. On a monthly basis, the growth of XBID appears most intense in the second half of the year, in which continuous trading records almost 3.9 TWh.

With reference to the prices recorded on the intraday markets, values are observed to have fallen sharply during the year and to have fallen sharply since 2022. Quotations on the auction markets are slightly lower than the corresponding values on the day-ahead market (hereafter “MGP” -1/-2 €/MWh), slightly exceeded instead by the price on XBID (+1 €/MWh). Finally, numerous negative price matches were reported in continuous trading sessions, widespread in all areas, with prices as low as -282 €/MWh recorded in November in the Centre South.

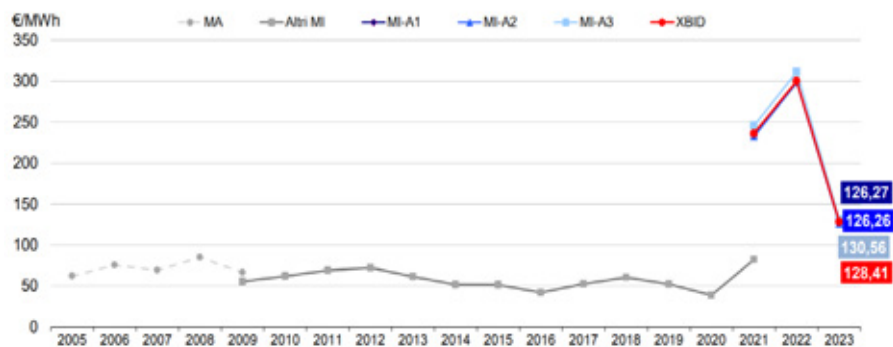


Figure 8. MI, average prices per market session  
(Source GME “GME Newsletter issue 177 January 2024”)

With reference to the Dispatching Services Market (MSD), the volume handled by Terna is still decreasing on an annual basis, with purchases by the electricity network manager in the market rising to 1.7 TWh (-47.0% on 2022) and its sales on the market to fall to 2.6 TWh (-28.2%).



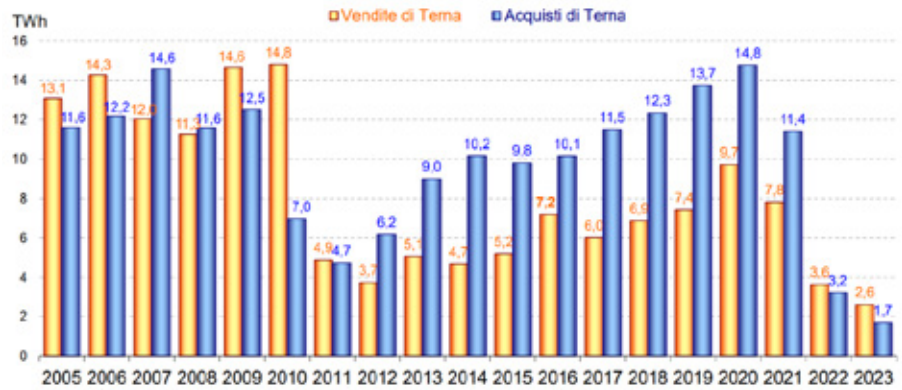
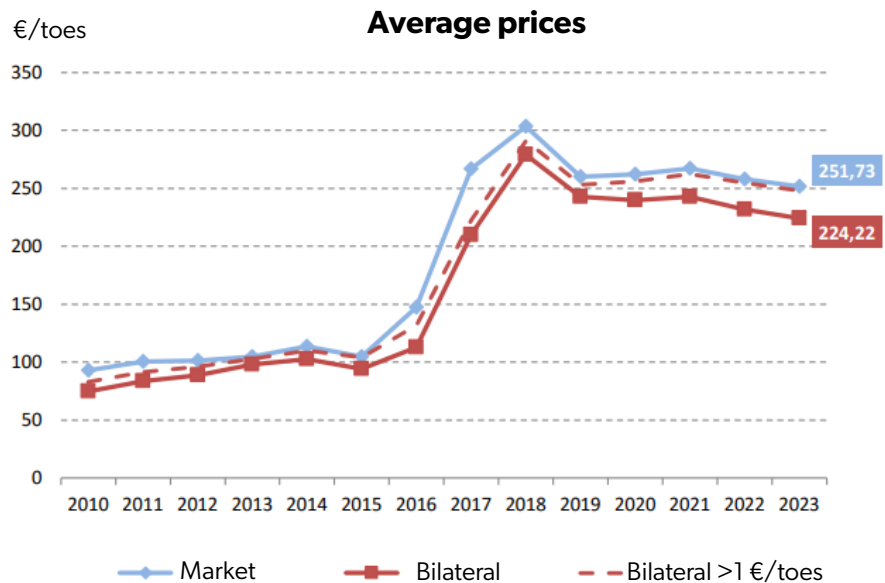


Figure 9. MSD, volumes traded up and down  
(Source GME "GME Newsletter issue 177 January 2023")

Transactions registered on the Forward Energy Accounts Platform (PCE) with delivery/withdrawal in 2023 fell back to 229.2 TWh (-8.0%), to the lowest level since 2010.

On the environmental markets, in 2023, the average price of energy efficiency certificates showed a decline both on the organised market (MTEE), where it stood at just under 252 €/toe (-2.4%), and on the bilateral platform, in which is equal to 224 €/toe (-3.3%).

Total traded securities amounted to 1.76 million toe on the MTEE, while on the bilateral platform there was an increase in trades to 1.06 million toe (+9.5%), with market liquidity dropping slightly to 62% (-2 p.p.).



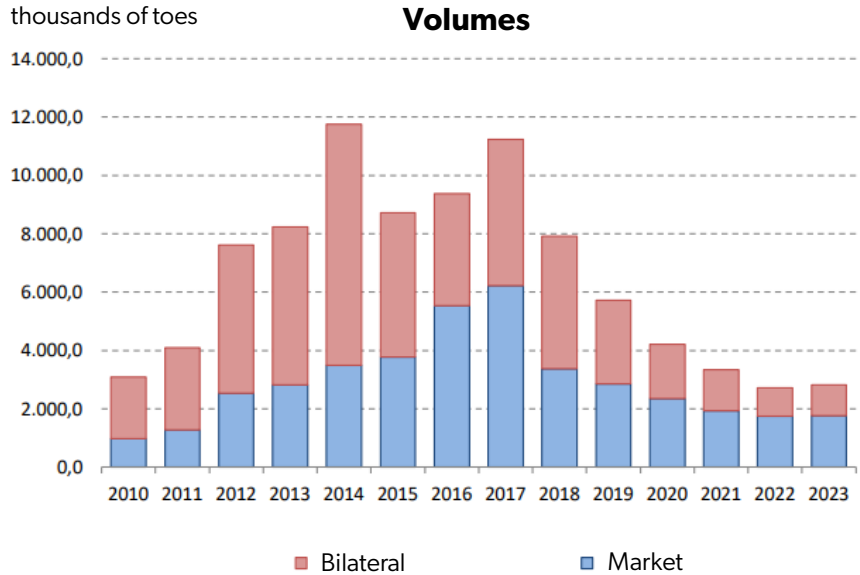


Figure 10. TEE, annual prices and volumes  
(Source GME "GME Newsletter Issue 177 January 2024")

For the obligation year 2023, the breakdown of the national obligation to increase energy efficiency pursuant to the Interministerial Decree of 11 January 2017, as amended by Ministerial Decree 21 May 2021, with which each electricity and natural gas distributor must comply for its share, was defined by ARERA with Determination DSME/3/2023.

	QUANTITATIVE OBLIGATION (NUMBER OF WHITE CERTIFICATES)
AcegasApsAmga S.p.a.	3.235
Areti S.p.a.	36.627
Asm Terni S.p.a.	1.374
Deval S.p.a.	2.165
e-distribuzione S.p.a.	926.506
Edyna S.r.l.	8.020
Inrete Distribuzione Energia S.p.a.	8.435
Ireti S.p.a.	14.245
Servizi a Rete S.r.l.	1.931
Set Distribuzione S.p.a.	8.466
Unareti S.p.a.	34.193
V-Reti S.p.a.	4.803

Figure 11. Quantitative obligation for electricity distributors subject to the national obligation of energy efficiency increase for the year 2023 (Source: ARERA Determination 31 October 2023 DSME/3/2023)

On the organised Guarantees of Origin (MGO) market in 2023, the average price recorded a generalised and transversal increase compared to the three negotiation methods, updating the historical maximum everywhere. The most intense growth was recorded on the MGO market and amounted to +3.88 €/MWh, with the average price at 6.10 €/MWh. All categories showed prices around 6 €/MWh, with a minimum of 3.06 €/MWh of the newly introduced Bio type traded only in November and December. In terms of volumes, on the other hand, there is a general decline across all trading modes.

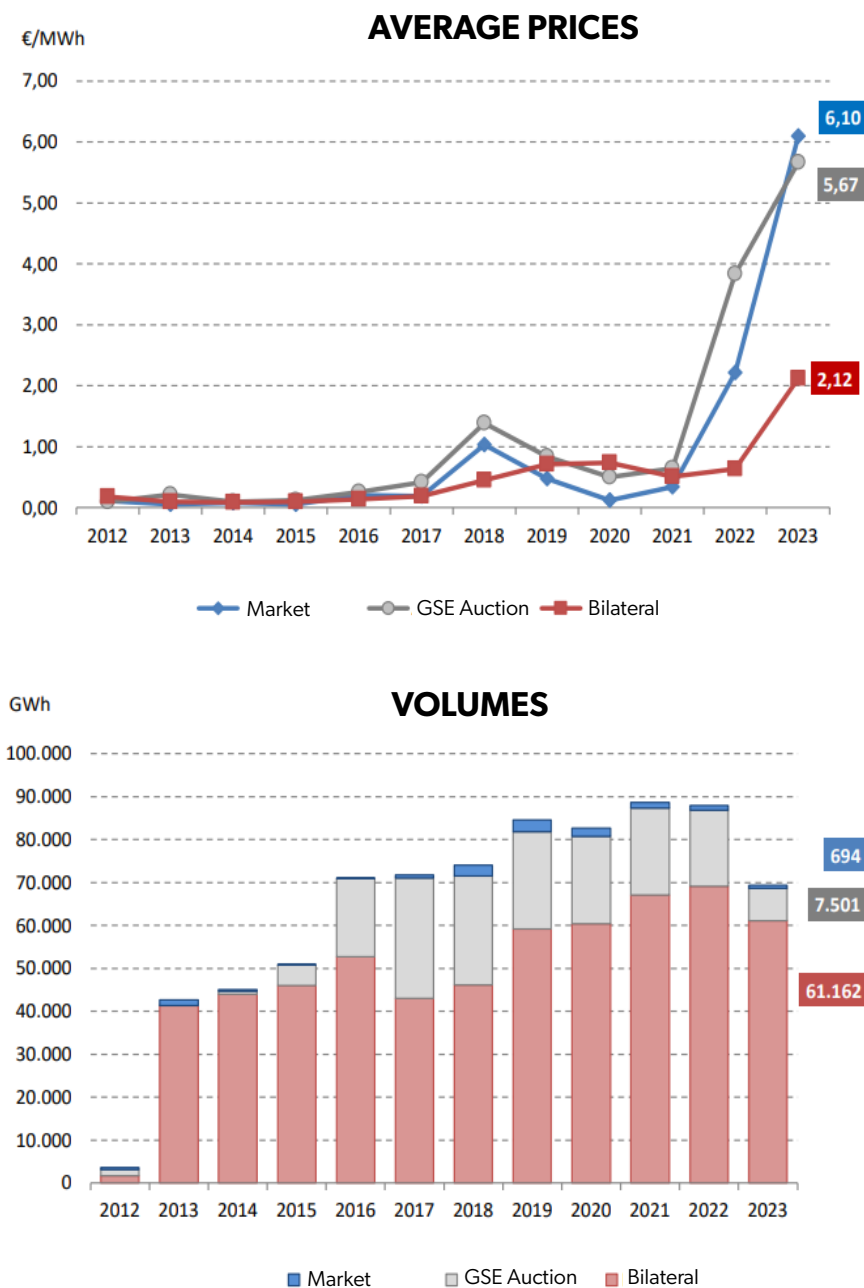


Figure 12. GO, annual prices and volumes -  
 Source GME "GME Newsletter Issue 177 January 2024"

## NATIONAL REGULATORY SCENARIO

The regulatory and legislative context of the electricity sector was characterised, during 2023, by various interventions by the Regulatory Authority for Energy, Networks and the Environment (hereinafter “**ARERA**” or “**Authority**”), as well as by national legislators and other entities that regulate the electricity system and the market.

The regulatory acts of greatest interest to the CVA Group in 2023 prior, but with a start date in that period, are described in more detail below.

Below are the main events involving the company during the last financial year.

### INTERVENTIONS ON PRODUCER REMUNERATION ARTICLE 15 BIS COMPENSATION MECHANISM AND ONE-WAY COMPENSATION MECHANISM

Law No. 25 of 28 March 2022 converted into law, with amendments, the content of Decree-Law No. 4 of 27 January 2022, regarding “Urgent measures in support of companies and economic operators, labour, health and territorial services, connected with the COVID-19 emergency, as well as for the containment of the effects of price increases in the electricity” (so-called “**DL Sostegni ter**” or “**One-Way Compensation Mechanism**”). In particular, Article 15-bis of the decree, entitled “Further interventions on electricity produced by renewable energy plants”, introduced a two-way compensation mechanism on the price of energy, with reference to electricity fed into the grid for the period from 1 February 2022 to 31 June 2023. The generation plants subject to this electricity price compensation mechanism were identified as:

- photovoltaic systems with power of more than 20 kW that benefit from fixed premiums deriving from the Energy Account mechanism, which are not dependent on market prices (i.e. the incentives under Ministerial Decrees of 28.7.2005, 19.02.2007, 6.8.2010 and 5.5.2011);
- solar, hydroelectric, geothermal and wind power plants with power of more than 20 kW that do not qualify for incentive mechanisms, which began operating before 1 January 2010.

Plants subject to dedicated collection (including those benefiting from minimum guaranteed prices) and exchange on the spot also fall within the scope of the mechanism.

Furthermore, article 1, paragraphs 30-38, of Law No. 197 of 29 December 2022 (so-called “**2023 Budget Law**”) setting out the State’s budget for the financial year 2023 and multi-year budget for the three-year period 2023-2025 introduced, for the period 1 December 2022 - 30 June 2023, a cap on market revenues obtained from the production of electricity equal to 180 €/MWh, through a one-way compensation mechanism, with reference to the electricity fed into the grid by:

- plants powered by renewable sources not covered by DL Sostegni ter;
- plants powered by non-renewable sources as referred to in Article 7(1) of Regulation (EU) 2022/1854.



This mechanism does not apply to plants with a power output of up to 20 kW, to electricity falling within the scope of Article 5-bis of DL 14/2022, to energy covered by supply contracts concluded before 1 December 2022, provided that they are not linked to the price trends of the spot energy markets to electricity covered by off-take contracts concluded by the GSE, to renewable energy plants with active incentive contracts that are regulated by a two-way mechanism, which provide for the off-take of electricity by the GSE at an all-inclusive fixed tariff, or to electricity shared within energy communities and self-consumption configurations.

In implementation of the aforementioned provisions, the Authority published Resolution No. 143/2023/R/eel of 4 April 2023 to regulate the application modalities of Article 15-bis of DL Sostegni ter for the period 1 January 2023 - 30 June 2023 and of paragraphs 30-38 of the 2023 Budget Law for the period 1 December 2022 - 30 June 2023.

The GSE has, therefore, published an update to the Technical Rules regarding the application of the Two-Way Compensation Mechanism in order to allow operators owning plants falling within the perimeter of application of the mechanism to send notices of exemption for the presence of supply contracts concluded prior to 27 January 2022 and not linked to the price trend of the spot energy markets and, in any case, not stipulated at an average price 10% higher than the reference value identified by the legislator for the production period 1 January 2023 - 30 June 2023.

Operators are still waiting for the technical implementing provisions of paragraphs 30-38 of the 2023 Budget Law for the period from 1 December 2022 to 30 June 2023.

### **EXTRAORDINARY CONTRIBUTION UNDER ART. 1, PARAGRAPHS 115-119, 2023 BUDGET LAW**

Law No. 197 of 29 December 2022 (so-called “**2023 Budget Law**”), setting out the state budget for the financial year 2023 and the multi-year budget for the three-year period 2023-2025, provided for the application for the year 2023 of a temporary solidarity contribution to be paid by entities engaged in the business of electricity production and electricity resellers.

This extraordinary contribution is determined by applying a rate of 50% to the amount of the portion of the total income determined for corporate income tax purposes for the tax period prior to the tax period commencing on 1 January 2023 that exceeds the average of the total income determined for corporate income tax purposes for the four tax periods prior to the tax period commencing on 1 January 2022 by at least 10%. The amount of the extraordinary contribution, in any event, may not exceed a portion equal to 25% of the equity value at the end of the financial year preceding the one in progress on 1 January 2022.

The contribution due shall be paid no later than the sixth month following the end of the financial year preceding that in progress on 1 January 2023.

### **INTERVENTIONS ON ARERA REMUNERATION**

With Resolution 395/2023/A, the Authority sets the rate of the ARERA operating contribution for the year 2023 at 0.25 per thousand of the revenues result-

ing from the approved financial statements for the year 2022 and confirms also for 2023 the additional contribution of 0.02 per thousand due by companies that carry out one or more infrastructure activities subject to tariffs (transmission, dispatching, distribution, metering).

Subsequently, by Resolution No. 562/2023/A, the Authority ordered an extraordinary intervention concerning the 2023 operating contribution towards electricity operators, providing for the return to them of 40% of the contribution they had already paid for the year 2023. To this end, operators must send the Authority the data relating to the contribution for the year 2023 (amount already paid, amount to be repaid, IBAN of the bank to which the sum is to be credited) by 16 February 2024.

### **MEASURES AGAINST HIGH ENERGY PRICES**

Despite the fact that international tensions have not abated, energy commodity prices fell sharply during the second half of 2023. Therefore, for the first half of 2023, the national legislator and ARERA confirmed the measures to support households, workers and businesses in order to counteract the effects on the economy, while, from the second half of 2023, these measures were progressively reduced and/or eliminated.

### **REDUCTION OF ELECTRICITY BILL CHARGES**

In continuity with the provisions of the year 2022, the zeroing of the components covering general system charges was also confirmed for the first quarter of 2023 for domestic and non-domestic low voltage users only, for other uses, with available power up to 16.5 kW. In particular, with Resolution 735/2022/R/com, the Authority implemented the 2023 Budget Law, which provided for the cancellation of the Asos and Arim tariff components only for domestic and non-domestic low voltage users, for other uses, with available power up to 16.5 kW.

From the second quarter of 2023, the tariff components covering general system charges were then revalorised for all users. In fact, with Resolution 134/2023/R/com, ARERA approved the values of the Asos and Arim components for the second quarter of 2023, restoring the relative rates also for domestic users and low-voltage users with available power up to 16.5 kW.

### **SOCIAL BONUS**

The 2023 Budget Law contains in Article 1, paragraphs 17 and 18, provisions in relation to the electricity bonus for the year 2023. In particular, these provisions provide for the expansion of the number of beneficiaries of the social electricity bonus by raising the threshold of the indicator of the equivalent economic situation (ISEE) for access to the benefits for the year 2023 to Euro 15,000 and, in addition, by providing a benefit that guarantees higher savings to households with lower ISEE values. Moreover, as of 1 January 2023, the value of the ISEE threshold for the access of economically disadvantaged households to the social electricity bonus was updated, setting it at Euro 9,530 (until 31 December 2022 it was Euro 8,265).

Consequently, the benefit classes provided for in Article 4 of Annex A to Resolution 63/2021/R/com, which increase from 3 to 4, are modified as follows:

a) DSU having households with ISEE = 9,530; b) DSU having households with  $9,530 < \text{ISEE} = 20,000$  with 4 (or more) children; c) DSU having households with  $\text{ISEE} > 9,530$  citizenship income or pension recipients with less than 4 children; d) DSU having households with  $\text{Isee } 9,530 < \text{ISEE} = 15,000$  with less than 4 children.

### SUPPLEMENTARY SOCIAL BONUS

The year 2023 is characterised by a continuation of the reinforcement of the electricity bonus by means of a supplementary compensation component, in order to minimise increases in supply costs for disadvantaged customers.

In fact, starting from 1 January 2023, a series of legislative provisions subsequently introduced on a quarterly basis have once again provided for the application of supplementary social bonuses, the amount of which is added to that of the compensation already recognised to electricity sector customers in a state of economic/physical hardship referred to in resolution 63/2021/R/com.

ARERA implemented the legislative provision during its quarterly tariff updates (Resolution 735/2022/R/com, Resolution 134/2023/R/com, Resolution 297/2023/R/com and Resolution 429/2023/R/com).

### UNILATERAL VARIATIONS

Article 3 of Decree-Law 09 August 2022, No. 115 ("**DL Aid bis**") suspends, until 30 April 2023, the effectiveness of any contractual clause that allows the electricity supplier to unilaterally change the general terms and conditions of the contract relating to the definition of the price, even if the counterparty's right of withdrawal is contractually recognised. Decree Law No. 198 of 29 December 2022 (so-called "**Milleproroghe**") postpones to 30 June 2023 the suspension of the effectiveness of the aforementioned clauses and excludes from the scope of Article 3 the contractual clauses that allow the electricity supply company to update the contractual economic conditions upon their expiry, in compliance with the contractually provided notice periods and without prejudice to the counterparty's right of withdrawal.

Furthermore, Article 3 of the Aid bis DL provides for the ineffectiveness of notices communicated for the aforementioned purposes prior to the date of entry into force of this decree, unless the contractual changes were finalised prior to the entry into force of the decree.

### TAX CREDIT

In order to contain the effects of increases in electricity prices, the 2023 Budget Law provides for the recognition in favour of electricity-intensive companies referred to in the Decree of the Minister of Economic Development of 21 December 2017, published by notice in Official Journal No. 300 of 27 December 2017 (so-called "**energy-intensive enterprises**") and to enterprises with electricity meters with an available power of 4.5 kW or more, other than energy-intensive enterprises, an extraordinary contribution, in the form of a tax credit, equal to 45% and 35%, respectively, of the expenses incurred for the purchase of the energy component, actually used in the first quarter of 2023. A similar measure was then also confirmed for the second quarter of 2023, with decree-law 30 March 2023, no. 34.

To access the tax relief, it is always necessary that in the quarter preceding

the one for which the tax credit is due, there has been an increase in the costs per kWh of the electricity component of more than 30% compared to the same quarter of 2019.

Furthermore, in order to benefit from the extraordinary contributions, in the form of a tax credit, where the undertaking receiving the contribution is supplied with electricity or natural gas by the same seller from which it was supplied in the year 2019, the seller, within sixty days from the expiry of the period for which the tax credit is due, must send to its customer, upon its request, a communication in which it states the calculation of the increase in the cost of the energy component and the amount of the deduction due.

### **DEVELOPMENT OF RENEWABLE SOURCES AUTHORISATION PROCEDURES**

Decree-Law No. 13 of 24 February 2023 (hereinafter referred to as “**DL Semplificazioni-ter**”), introduces provisions to accelerate the completion of the reforms envisaged in the National Recovery and Resilience Plan, intervening on the authorisation procedures for renewable source plants, with simplifications and exemptions.

With regard to authorisation procedures for RES plants, the *Semplificazioni-ter* decree introduces several new features: the buffer zone for areas subject to protection under art. 136 of Legislative Decree no. 42/2004; ground-mounted photovoltaic plants (and connected works) located in areas and zones for industrial, artisan and commercial use as well as in landfills or closed and restored landfill lots or in quarries or quarry lots that cannot be further exploited are freely installable; the margin of intervention of the Ministry of Culture is reduced for plants to be installed in areas adjacent to areas subject to landscape protection; the Single Authorisation for the construction of plants fuelled by RES will include, where required, the EIA measure, can also be initiated pending the term for the conclusion of the EIA procedure and must be concluded within 150 days; the construction of photovoltaic and thermal plants on buildings in the historic centre can be initiated subject to the approval of the Superintendence, which is deemed to be issued in the case within 45 days of receipt of the application.

Furthermore, with reference to the Simplified Enabling Procedure (“PAS”), it is provided that: once 30 days have elapsed from the sending of the declaration within which the Municipality may block the intervention, the proponent shall send a copy of the declaration for publication in the BUR of the Region in which the project will be carried out, the Region shall publish it within the following 10 days, and from the publication the terms for challenging the measure shall begin; simplification of the authorisation procedures for wind power plants with a power of less than 20 kW; the applicability of the procedure to the installation of electrochemical storage plants connected to authorised plants; photovoltaic plants located in agricultural areas, if placed outside protected areas or those belonging to the Natura 2000 Network and within the limits allowed by any prescriptions where they are placed in areas subject to direct or indirect landscape constraints, are considered instrumental to the agricultural activity and are freely installable if built by agricultural entrepreneurs and if the solar panels are placed on top of plantations at least two metres above the ground, without

concrete foundations or if they are difficult to remove, and if the construction methods provide for their effective compatibility and integration with agricultural activities as support for plants or for parcelled irrigation systems and protection or shading of the crops below.

Finally, DL Semplificazioni ter intends to give priority in the environmental impact assessment procedure to projects relating to green or renewable hydrogen production plants as such included among the projects to be submitted to an EIA pursuant to the new point 6-bis) of Annex II to Part II of Legislative Decree 152/2006.

### INCENTIVES

With Resolution 27/2023/R/efr, ARERA determined, for the purpose of quantifying the value of the incentives that replace green certificates for the year 2023, the average annual value recorded in the year 2022 of the sale price of electricity, equal to 298.05 €/MWh.

### ELECTRICITY MARKET

#### TIDE

With Resolution 345/2023/R/eel, the Authority approved the Integrated Electricity Dispatch Text (TIDE), which will replace Resolution 111/06 as of 1 January 2025.

The TIDE has the following aims:

1. promote an efficient and sustainable use of the resources available in the electricity system (Production Units (PU), Consumption Units (CU) and transmission and distribution networks) in line with the environmental and decarbonisation objectives set by European law;
2. promote the development of liquid and competitive electricity markets;
3. ensure impartiality, neutrality and transparency towards all users of the system.

### GUARANTEES OF ORIGIN

On 17 July 2023, Decree No. 224 of 14 July 2023 "Implementation of Article 46 of Legislative Decree No. 199 of 8 November 2021 on Guarantees of Origin" was published by the Ministry of the Environment and Energy Security (hereinafter "**MASE**"), implementing the provisions of Legislative Decree 199/2021 transposing the Red II Directive on Guarantees of Origin (hereinafter "**GO Decree**").

The GO Decree establishes:

- a. the modalities for the issuance, transfer, recognition and cancellation of guarantees of origin of energy production from renewable sources related to the following energy vectors: i. electricity; iii. hydrogen, also in implementation of reform 3.1 "Administrative simplification and reduction of regulatory barriers to hydrogen deployment" of mission 2, Component 2 of the PNRR;
- b. the methods of use of guarantees of origin by energy suppliers in the context of energy supplied to consumers on the basis of contracts concluded



with reference to the consumption of energy produced from renewable sources;

- c. the manner in which the accuracy, reliability and authenticity of guarantees of origin issued by other Member States are verified.

In addition, the GO Decree defines criteria and modalities for providing end customers with information on the composition of the energy mix used to produce the electricity supplied, as well as on the environmental impact of production.

In light of these provisions, with Resolution 496/2023/R/com, the Authority updates the provisions on Guarantees of Origin (GO), renewable energy sales contracts and fuel mix disclosure and, in particular, amends and supplements Resolution ARG/elt/104/11, the Code of Business Conduct and Bill 2.0.

In mid-November 2023, amendments to the Regulation for the operation of the organised market and platform for the registration of bilateral exchanges of guarantees of origin, adjusted to implement the aforementioned changes, came into force.

## RETAIL SALES SELLER LIST

On 17 November 2022, in implementation of the provisions of Article 1, paragraphs 80-82, of Law 124/2017, was the entry into force of Decree No. 164 "Regulation on criteria, methods and requirements for registration in the list of entities qualified for the sale of electricity pursuant to Article 1, paragraph 81, of Law No. 124 of 4 August 2017" (so-called "**Vendors' List**"), which lays down the modalities and technical, financial and honourability requirements for the registration and permanence on the list of persons authorised to sell electricity to end customers.

In particular, all companies that carry out sales activities in the retail electricity market are required to be included on the Seller List, as inclusion on that list constitutes an eligibility requirement. On the other hand, companies operating in the retail electricity market exclusively as operators of the greater protection service are excluded. To complete the registration, sales companies, including CVA Energie S.r.l. (hereinafter referred to as "**CVA Energie**"), submitted the appropriate application, filling in the forms that were published by the MASE in its Directorial Decree of 16 January 2023, prot. 1294.

On 4 April 2023, with Protocol No. 52197, the MASE accepted the CVA Energie application for inclusion in the Vendors List. As of that date, CVA Energie is therefore entered in the Vendors List under code 109.

In order to remain in the Vendors List, sales companies must ensure the regularity of payments made to distribution companies and Terna under electricity dispatching and transportation contracts, instrumental to the physical performance of their supply contracts. In particular, payments to distribution companies are regular when, with respect to transport invoices due for payment in the relevant six-month period, there are not two or more delays in payment, even if not consecutive; payments to Terna are regular when the good repute index

does not show, with reference to withdrawal dispatching contracts, non-compliance with the good repute requirement two or more times in the same six-month period of reference. Irregularity of payments constitutes grounds for exclusion from the Vendors List if it occurs for two consecutive half-years or for two consecutive years in the case of late payments to distribution companies to which less than 100,000 POD are connected.

Consequently, with Resolution no. 339/2023/R/eel, ARERA adopted the provisions concerning the communications required for the permanence of companies selling electricity to end customers in the Vendors List, placing the burden of verifying the existence of the aforementioned requirement on the distribution companies and on Terna, which, starting from January 2024 and starting from the invoices due for payment in the second half of 2023, must communicate to the Integrated Information System Operator (so-called SII) any irregularities.

#### **NETWORK LOSSES**

With Resolution 117/2022/R/eel, the Authority ordered that, from 1 January 2023, the conventional percentage loss factor for low-voltage withdrawal points defined in Table 4 of the TIS is 10%.

With Resolution 336/2023/R/eel, the Authority then initiated proceedings for the adoption of measures to reform the regulation of electricity settlement and grid losses in consideration of the innovations that have taken place in recent years in relation to the meter reading activity, the gradual overcoming of the greater protection service, and the innovation of dispatching regulation. Consequently, pending the definition of these measures, the Authority has ordered to apply the same standard loss factors for the year 2024 as were applied for the year 2023 to withdrawals, injections and interconnections between networks in Table 4 of the TIS.

#### **FACILITIES FOLLOWING SEISMIC EVENTS**

With Resolution 2/2023/R/com, ARERA extended the tariff concessions supporting the populations affected by the seismic events that occurred in Central Italy and in the municipalities of Casamicciola Terme, Lacco Ameno and Florio, in 2016 and 2017. In particular, in implementation of the provisions of the 2023 Budget Law, the extension until 31 December 2023 has been established of the tariff facilitations set forth in Resolutions 252/2017/R/com and 429/2020/R/com.

#### **FACILITIES FOLLOWING THE EXCEPTIONAL WEATHER EVENTS IN THE YEAR 2023**

As a result of the exceptional meteorological events of a flooding nature that occurred from 1 May 2023 in part of the territory of Emilia-Romagna, in some municipalities in the province of Pesaro and Urbino and in the metropolitan city of Florence, the Authority regulated tariff facilitations in favour of end customers.

In particular, in order to benefit from these tariff reductions, the end customers must be holders of supply points active as of 1 May 2023 and located in the municipalities or in the fractions of municipalities referred to in Annex 1 to Decree-Law No. 61 of 1 June 2023, and serving homes or premises whose func-

tional integrity was impaired as a result of the flooding events that occurred in May 2023.

With reference to the invoices issued or to be issued or to the payment notices referring to the months of May, June, July, August, September and October 2023, ARERA has provided that the tariff components covering network costs and general charges (components A and UC), as well as the fixed-rate contributions due to sales operators for the deactivation, reactivation and/or switching of utilities are not applicable.

In addition, with Resolution 519/2023/R/com, ARERA ordered the suspension of the payment terms for invoices issued or to be issued to protect users and supplies located in the territory of the provinces of Florence, Livorno, Pisa, Pistoia and Prato affected by the exceptional weather events occurring from 2 November 2023.

### CODE OF BUSINESS CONDUCT

In implementation of the provisions of Directive (EU) 2019/944 of 5 June 2019 concerning common rules for the internal market in electricity (hereinafter "Directive") and Legislative Decree No. 210 of 8 November 2021 (hereinafter "Legislative Decree 210/21"), implementing the Union's energy regulations, the Authority adopted Resolution 250/2023/R/com with which it provided its contribution to the regulation of early termination and renewal charges for economic conditions in electricity contracts.

In particular, with regard to early termination, as of 9 June 2023, electricity suppliers may also apply early termination charges to household customers and micro-businesses, provided that the supply contract concluded with them is at a fixed price and has a fixed term, or an indefinite term with economic conditions of a fixed duration.

In order to ensure awareness, participation of the end customer in the electricity retail markets and maximum transparency, ARERA has updated the content of the preliminary information that the end customer must receive on the occasion of an offer proposal and in any case prior to the conclusion of the contract, as well as the content of the relevant supply contract.

In addition, as of 1 January 2024, ARERA imposes an additional obligation on electricity suppliers to notify end customers in the case of supply contracts with fixed-term economic conditions that are tacitly renewable, with the seller having the option of applying new and different economic conditions for a new predefined period of time. In such cases, the electricity suppliers must give written notice to each of the end customers concerned, no less than three months before the new and different economic conditions take effect.

### GRADUAL PROTECTION SERVICE FOR NON-VULNERABLE AND VULNERABLE DOMESTIC CUSTOMERS

With Resolution 362/2023/R/eel, the Authority laid down the provisions for the provision of the gradual protection service for non-vulnerable domestic customers in the electricity sector (hereinafter "**non-vulnerable domestic STG**"). In particular, the Authority has regulated the scope of application, the terms and conditions of provision, as well as the allocation methods and timing of the relevant service.

This service will automatically involve, without any interruption in the supply of electricity, only non-vulnerable domestic end customers who have not yet chosen a seller in the free market, since, in compliance with Article 16-ter of Decree-Law No. 152 of 6 November 2021, vulnerable domestic end customers will continue to be provisionally served by the current operator of the greater protection service. Vulnerable customers are those who fulfil at least one of the following conditions:

- are in an economically disadvantaged condition or have a serious health condition requiring the use of electricity-powered medical/therapeutic equipment;
- where there are people in serious health conditions that require the use of electricity-powered medical/therapeutic equipment;
- fall within the category of persons with disabilities (as per art. 3 L. 104/1992);
- whose utilities are located in the non-interconnected smaller islands;
- whose utilities are located in emergency housing facilities following calamitous events;
- over 75 years of age.

As in the case of the graduated small business and micro-business protection service, the Authority decided to identify the operators of the service through the conduct of competitive procedures. The successful tenderers will have to deliver the STG for non-vulnerable domestic customers from 1 July 2024 to 31 March 2027.

From the date of termination of the greater protection service, vulnerable domestic customers are entitled to be supplied with electricity, as part of the vulnerability service, according to the conditions regulated by ARERA and at a price reflecting the cost of electricity in the wholesale market and efficient costs of the marketing activities of the service itself, determined on the basis of market criteria.

#### **BILL 2.0**

With Resolution 637/2022/R/com, the Authority provides for the revision of the regulation of Bill 2.0 in order to further increase the transparency of electricity end customers' bills, increase the availability of the document of detailed elements, and define new measures aimed at rationalising and systematising the Authority's communications.

In particular, as of 1 April 2023, suppliers must include an information message within the summary bill showing the availability of the detailed elements and the reading guide, as well as reporting in the detailed elements, in addition to the total amount of the general system charges, the invoiced amounts related to the unbundled tariff components ASOS and ARIM covering the general system charges.

In addition, the Authority introduces provisions to systematise its communications within the bill. In particular, as of 1 July 2023, sellers must provide a special space entitled "Space reserved for communications from the Regula-

tory Authority for Energy, Networks and the Environment” in which only the communications listed in the special register prepared by the Authority on its website are included.

### WACC

With Resolution 556/2023/R/eel, the Authority updates, for the year 2024, the values of the WACC parameters common to all infrastructure services of the electricity sectors. Consequently, the 2024 WACC for electricity distribution is set at 6.0%, thus higher than the 2022-2023 rate (5.2%).

### GOLDEN POWERS

Decree-Law No. 104 of 10 August 2023 on Urgent Provisions for the Protection of Users, Economic and Financial Activities and Strategic Investments (hereinafter “**DL Omnibus**”) amended the regulation of the so-called golden powers, i.e. the powers through which the government, in the presence of a specific public interest, can prevent or condition a transaction involving certain strategic assets for the State (Decree-Law No. 21 of 15 March 2012).

In particular, Article 7 of the Omnibus Decree-Law provides that the government’s special powers also apply within the same group in the case of acts, transactions and resolutions concerning intellectual property rights relating to artificial intelligence, semiconductor manufacturing, cybersecurity, aerospace, energy storage, quantum and nuclear technologies or food production, which concern one or more entities outside the European Union.

### RED III

On 31 October 2023, Directive (EU) 2023/2413 of the European Parliament and of the Council of 18 October 2023 was published in the Official Journal of the European Union, amending Directive (EU) 2018/2001 (so-called RED II), Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources and repealing Council Directive (EU) 2015/652. This Directive, so-called RED III, is a further revision of the Renewable Energy Directive as part of the “Fit for 55” package that aims to adapt EU climate and energy legislation in light of the EU new climate targets (i.e. 55% greenhouse gas emission reduction by 2030 and climate neutrality by 2050).

In fact, the main objective is to raise the share of energy from renewable sources in the Union’s gross final energy consumption to 42.5% in 2030 (as opposed to the 32% set in RED II), with an indicative supplement of 2.5% to reach 45%.

Further objectives of the Directive are the reduction of greenhouse gas emissions, energy dependency and energy prices.

In this regard, the Directive lays down some basic principles of procedures to simplify obtaining authorisation for the installation of renewable energy production plants. In particular, after specifying that the permitting procedure covers all relevant administrative authorisations to construct, to revise the capacity and to operate renewable energy production facilities, the directive dis-



tinguishes between regulations depending on whether the project is located in renewable energy acceleration zones or not.

Member States must now adopt the laws, regulations and administrative provisions necessary to comply with this Directive by 21 May 2025, with the exception of the provisions on renewable permitting, which must be transposed by 1 July 2024.

### TAXONOMY

On 21 November 2023, Commission Delegated Regulation 2023/2486 of 27 June 2023, which supplements the Taxonomy Regulation 2020/852, was published in the Official Journal of the European Union. It sets out the criteria for technical examination to determine under which conditions an economic activity can be considered to contribute substantially to one of the four environmental objectives of the Taxonomy Regulation. The measure under analysis also amends Delegated Regulation 2021/2178, which regulates the way in which specific information on economic activities included in the taxonomy is disclosed to the public.

### SUPERBONUS AND ENERGY EFFICIENCY

In the course of 2023, the 110% Superbonus regulation set forth in Decree-Law No. 34 of 19 May 2020 (hereinafter “**DL Rilancio**”) was amended as follows:

- extends to 31 December 2023 the deadline to benefit from the 110 % Superbonus for works carried out on single-family buildings, provided that at least 30 % of the total work had been carried out by 30 September 2022;
- the obligation, as from 1 December 2023, for final transferees who are unable to use building bonuses to make a special report to the Revenue Agency within 30 days of the cause that led to their non-usability. In the event that knowledge of the event giving rise to the non-usability of the credit occurred before 1 December 2023, the disclosure shall be made no later than 2 January 2024.

Moreover, as of 17 February 2023, it is no longer possible to take advantage of the invoice discount or assignment of credit for the interventions referred to in Article 121(2) of DL Rilancio. However, this prohibition does not apply:

- to expenses incurred in the context of the Superbonus (Article 119 DL Rilancio) for which the date is before 17 February 2023:
  - for interventions other than those carried out by condominiums, a CILA is submitted;
  - for works carried out by condominiums, the assembly resolution approving the works is adopted and the CILA is submitted;
  - for works involving the demolition and reconstruction of buildings, the application for the acquisition of the permit is submitted.
- to expenses incurred for interventions other than those carried out under the Superbonus for which the date is before 17 February 2023:

- the application for a permit is submitted;
- for interventions for which the submission of a permit is not required, work has already started;
- the preliminary contract is duly registered or the final contract of sale of the property is concluded in the case of the purchase of property units.

Also repealed are the provisions that provided for the possibility of assigning credits relating to: expenses for energy requalification and major renovation works (energy performance) for the common parts of condominium buildings, with an amount of works equal to or exceeding Euro 200,000; expenses for seismic risk reduction interventions carried out on the common parts of condominium buildings or carried out in the municipalities falling within the areas classified as seismic risk 1, 2 and 3, through demolition and reconstruction of entire buildings, carried out by construction or real estate restructuring companies, which subsequently sell the building.

## FY 2023

### ECONOMIC AND FINANCIAL PERFORMANCE

The year 2023 saw the entire C.V.A. Group focused on achieving the Strategic Plan objectives set by the Parent Company's Board of Directors; this activity saw the completion during the year of a series of extraordinary transactions that significantly changed the Group's economic/financial structure and whose results will be, in consideration of the effective dates of these transactions, more evident starting in 2024.

### ECONOMIC SITUATION OF THE C.V.A. GROUP

AMOUNTS IN THOUSANDS OF EURO	2023	2022
TOTAL REVENUES (A)	1.657.858	1.728.280
TOTAL OPERATING COSTS	(1.368.394)	(1.432.999)
<b>EBITDA</b>	<b>289.464</b>	<b>295.281</b>
Amortisation, depreciation, provisions and write-downs	(77.851)	(59.094)
<b>EBIT</b>	<b>211.613</b>	<b>236.187</b>
Financial management	7.728	14.558
<b>EBT</b>	<b>219.341</b>	<b>250.745</b>
Tax expenses	(59.663)	(86.341)
<b>PERIOD NET RESULT</b>	<b>159.678</b>	<b>164.404</b>
Profit/(loss) attributable to the Group	157.834	163.975
Profit/(loss) attributable to non-controlling interests	1.845	430

In spite of the uncertainty and volatility of the scenario characterised by falling energy commodity prices (the average PUN in 2023 was 127.24 €/MWh compared to 303.95 €/MWh in 2022), 2023 saw the Parent Company and the C.V.A. Group confirm the solid economic and financial results already achieved in the previous year. Revenues from sales and services amounted to Euro 1,657,858 thousand at the end of 2023, a slight decrease (-4.07%) compared to Euro 1,728,280 thousand in 2022. As far as sales are concerned, the change is attributable to the sum of opposing factors, on the one hand, lower revenues from the sale of electricity due to the contraction of electricity prices on the markets and, on the other hand, the higher production achieved (+26.7% from 2.372 GWh produced in 2022 to 3,006 GWh produced in 2023), mainly due to the greater availability of the hydroelectric source, and the increase in business customers and the related greater volumes of energy supplied to end customers (3,404 GWh supplied in 2023 against 1,610 GWh in 2022).

Revenues for services went from Euro 32,583 thousand in 2022 to Euro 116,428 thousand in 2023 the change (+257%) is mainly attributable to the activities of the Energy Efficiency BU and for Euro 111,881 thousand (Euro 31,610 thousand in 2022) refers to energy efficiency services for buildings related to the so-called "superbonus 110" and for Euro 2,145 thousand to energy services provided by the subsidiary Nuova Energia. With reference to the energy efficiency performance of buildings related to the so-called "superbonus 110", in-

terest income on trade receivables, related to the application of the amortised cost, accrued in the year in the amount of Euro 5,506 thousand against Euro 692 thousand in 2022.

“Operating grants” recorded a positive change of more than 40% from Euro 18,758 thousand in 2022 to Euro 23,286 thousand in 2023. The change that, as a result of the pricing algorithm, reflects the elimination of the value of the Ministerial Decree of 6 July 2012 - former Green Certificates Incentives (which amounted to Euro 11,423 thousand in 2022), shows, on the other hand, the effect of the increase, which took place with the acquisition at the end of February of the SR group, of the incentivised photovoltaic plants, whose installed power increased from 12 MW in 2022 to 54 MW in 2023. Incentives related to the production realised by plants incentivised under the various photovoltaic energy accounts amounted to Euro 19,980 thousand at the end of 2023, compared to Euro 5,087 thousand in 2022.

The substantial stability of the Gross Operating Margin (EBITDA) (Euro 289,464 thousand compared to Euro 295,281 thousand in 2022), when analysed excluding non-recurring items, shows a significant improvement in profitability. Adjusted EBITDA at 31 December 2023 was Euro 324,535 thousand (19.58% of revenues), up about 10% from Euro 295,557 thousand in 2022 (17.1% of revenues).

The acquisition of the Renergetica group finalised in October 2023 made it possible to internalise the origination and development skills that are partly destined to meet the internal needs of the CVA group, showing on the income statement higher revenues for capitalised work in progress, which amounted to Euro 8,759 thousand at the end of 2023, an increase of more than 50% compared to the previous year.

The change in other operating expenses, which amounted to Euro 90,598 thousand at 31 December 2023 (Euro 47,751 thousand in 2022) was affected by the impact of non-recurring items related to extraordinary levies from energy operators introduced by the Italian government in order to finance measures to contain the increase in energy prices. These contributions amounted to Euro 35,874 thousand in 2023 (Euro 4,084 thousand in 2022). Also with reference to other operating costs, 2023 showed a change of over 21% in fees for the derivation of water for hydroelectric use, which, with an increase in absolute value of Euro 7,823 thousand, amounted to a total of Euro 44,851 thousand at the end of 2023.

The increase in personnel costs from Euro 42,246 thousand at the end of 2022 to Euro 49,681 thousand recorded at the end of 2023 is mainly a consequence of the Group’s new scope of consolidation, which, as a result of the acquisitions completed in 2023, brought the average workforce of the CVA Group to a total of 717 employees (the workforce at the end of 2023 amounted to 840 employees) compared to an average of 623 employees in 2022.

The change in Depreciation, amortisation, provisions and write-downs went from Euro 59,094 thousand in 2022 to Euro 77,851 thousand in 2023, reflecting the effect of the change in the scope of consolidation due to the acquisitions completed during the year. On a like-for-like basis, the cost would have amounted to Euro 61,334 thousand, with an increase referring mainly to the revision, made by the Board of Directors of the subsidiary CVA EOS, of the depreciation

rates for tangible assets in order to make them more in line with the nature/type and presumed future usefulness of the generation plants. The change in the useful life of the assets was assessed by paying attention to the technological evolution of the sector, which, in consideration of the improvement in production efficiency consequent to normal and continuous technological progress, allows a reduction in the time required to assume economically advantageous refurbishment of the plants.

EBIT stood at over Euro 211,613 thousand (down by 10.4% compared to 2022) and generated, after having benefited from the positive balance of financial charges and income of over Euro 7,728 thousand and absorbed tax charges of Euro 59,663 thousand, a consolidated net profit of Euro 159,678 thousand (Euro 164,404 thousand in 2022), of which Euro 157,834 thousand pertaining to the Group and Euro 1,845 thousand pertaining to third parties.

The result for financial income and expenses was positive, as it was influenced not only by the market rate trend, which saw a sudden increase in 2023, but also by the release of the ineffective part of the hedges set up against the interest rate risk of the new debt (for Euro 25,453 thousand) and by interest related to the 'Superbonus 110' loans acquired from customers (for Euro 5,506 thousand).

The table below shows the main indicators of the consolidated income statement adjusted for the contribution of non-recurring items.

<b>INCOME STATEMENT FIGURES NET OF NON-RECURRING ITEMS</b>				
<b>AMOUNTS IN THOUSANDS OF EURO</b>	<b>2023</b>	<b>2022</b>	<b>2023 VS 2022</b>	
Adjusted revenues	1,657,055	1,727,810	(70,755)	-4.10%
Adjusted Gross Operating Margin (Adjusted EBITDA)	324,535	295,557	28,978	9.80%
Adjusted Operating Result (Adjusted EBIT)	244,752	239,875	4,877	2.03%
Adjusted pre-tax result (Adjusted EBT)	226,790	254,433	(27,644)	-10.86%

The table below summarises the main indicators of the consolidated income statement at 31 December 2023 on a like-for-like basis with 2022. For more information on the change in the scope of contribution in 2023, please refer to the section "Scope of Consolidation" in the Notes to the Financial Statements.

<b>INCOME STATEMENT FIGURES - OLD SCOPE OF CONSOLIDATION</b>				
<b>AMOUNTS IN THOUSANDS OF EURO</b>	<b>2023</b>	<b>2022</b>	<b>2023 VS 2022</b>	
Adjusted revenues	1,616,219	1,728,280	(112,061)	-6.48%
Gross Operating Margin (EBITDA)	273,678	295,281	(21,603)	-7.32%
Operating Result (EBIT)	212,344	236,187	(23,843)	-10.09%



## BALANCE SHEET FIGURES

The main balance sheet trends for the period are a result of the extraordinary transactions implemented to achieve the Business Plan targets.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
Invested Capital	1,687,104	1,223,109	463,995	37.94%
Gross financial debt	929,764	572,071	357,693	62.53%
Cash and cash equivalents and other financial assets	389,411	227,834	161,577	70.92%
Shareholders' equity	1,146,751	878,873	267,879	30.48%

Invested Capital at 31 December 2023 (Euro 1,687,104 thousand) shows an increase of Euro 463,995 thousand compared to 31 December 2022, when it amounted to Euro 1,223,109 thousand. The increase is mainly attributable to the effect of the following determining factors:

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
Tangible assets	934,751	606,905	327,845	54.02%
Intangible assets	26,009	14,126	11,883	84.12%
Goodwill	419,441	225,564	193,876	85.95%
Equity investments	23,780	14,649	9,130	62.33%
Other non-current assets	238,564	169,446	69,118	40.79%
Current assets	500,550	745,919	(245,369)	-32.89%
Non-current liabilities	(176,688)	(200,074)	23,386	-11.69%
Current liabilities	(279,302)	(353,428)	74,125	-20.97%
<b>Total invested capital</b>	<b>1,687,104</b>	<b>1,223,109</b>	<b>463,995</b>	<b>37.94%</b>

Fixed assets at 31 December 2023 amounted to Euro 1,642,544 thousand (Euro 934,751 in tangible assets, Euro 26,209 in intangible assets, Euro 419,441 in goodwill, Euro 23,780 in equity investments and Euro 238,564 in other non-current assets, respectively), an increase compared to 31 December 2022, when it amounted to Euro 1,030,690 thousand. The increase (Euro 611,853 thousand) is mainly due to the effect of the following determining factors:

- Euro 67,469 thousand for investments in tangible and intangible assets referred to the Group's 2022 scope of consolidation (of which 20 referred to the Other RES BU and 20 referred to the Distribution BU) in addition to the related depreciation and amortisation (Euro 62,172 thousand) for the period;
- new assets, including goodwill, arising from the extraordinary transactions of the period for a total of Euro 518,422 thousand plus amortisation

and depreciation of Euro 15,024 thousand. With reference to the new assets, it should be noted that the change in goodwill, amounting to Euro 193,876 thousand, is inherent for Euro 117,008 thousand to the allocation of goodwill emerging for the SR Investimenti Group after performing the Purchase Price Allocation procedure required by IFRS 3. The additional goodwill, referring to the remaining extraordinary transactions realised in 2023, was recognised on a provisional basis as the Company decided to avail itself of the option, provided for by international accounting standards, to carry out the PPA procedure in the 12 months following the date of completion of the transaction;

- receivables from customers, receivables accrued for invoices issued or to be issued on energy efficiency activities on buildings carried out by the Parent Company by offering its customers the so-called "invoice discount".

As regards current assets, the better balancing of hedges taken out on the forward energy markets (EEX) to which your company refers to manage the risk of volatility in the price of the commodity electricity, obtained as a result of the greater purchase hedges put in place to close the risk associated with contracts with customers, which balanced in terms of volumes those on sale on energy produced by the group, together with the drop in prices, caused the guarantee deposits, made in fulfilment of market obligations, for the so-called "Margin Call" to decrease to reach, at the end of 2023, the sum of Euro 39,898 thousand against Euro 247,101 thousand in 2022.

## NET FINANCIAL POSITION

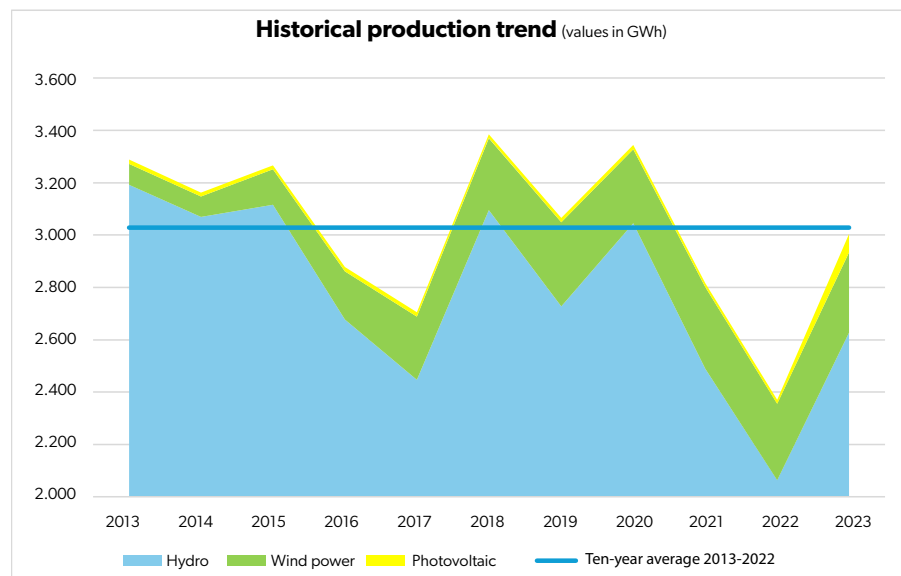
The Net Financial Position (i.e. the "Total Financial Debt", the result of the sum of the Group's "Current Financial Debt" and "Non-Current Financial Debt" net of "Liquidity", the assets that can be used to repay debt) changed by 57% in 2023, from Euro 344,236 thousand in 2022 to Euro 540,353 thousand in 2023. The cash flows generated and the careful management of working capital made it possible to contain the increase in debt despite the considerable capital expenditure plan that absorbed financial resources in 2023 in the amount of Euro 644,145 thousand and Euro 75,011 thousand in dividends distributed. Although the NFP/EBITDA ratio deteriorated from 1.17 in 2022 to 1.87 in 2023, it is still fully sustainable for the Group and significantly lower than that of other market players.

The year 2023 saw, inter alia, the signing of a US\$ 200 million Private Shelf Agreement to support the Group's growth plans, which was partially utilised with an initial Euro 30 million bond issue, fully subscribed by PGIM, Inc and listed on the Euronext Dublin market. The loan, although not large in size, received significant economic/financial conditions, including a 15-year term.

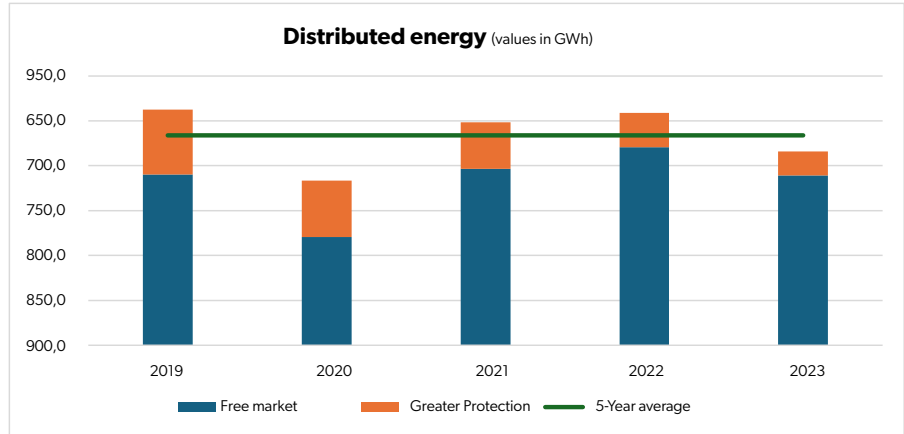
AMOUNTS IN EURO THOUSANDS	DECEMBER 2023	DECEMBER 2022	2023 VS 2022	
			CHANGE	CHANGE %
A - CASH AND CASH EQUIVALENTS	378,568	226,609	151,959	67%
B - CASH EQUIVALENT TO LIQUID ASSETS	10,058	53	10,004	18704%
C - OTHER CURRENT FINANCIAL ASSETS	886	1,171	(285)	-24%
<b>D - LIQUIDITY (A) + (B) + (C)</b>	<b>389,513</b>	<b>227,834</b>	<b>161,679</b>	<b>71%</b>
E - CURRENT FINANCIAL DEBT (including debt instruments, but excluding the current portion of non-current financial debt)	12,654	1,372	11,282	822%
F - CURRENT PORTION OF NON-CURRENT FINANCIAL DEBT	85,226	79,348	5,878	7%
<b>G - CURRENT FINANCIAL DEBT (E+F)</b>	<b>97,880</b>	<b>80,720</b>	<b>17,159</b>	<b>21%</b>
<b>H - NET CURRENT FINANCIAL DEBT (G - D)</b>	<b>(291,633)</b>	<b>(147,114)</b>	<b>(144,519)</b>	<b>98%</b>
I - NON-CURRENT FINANCIAL DEBT (excluding current portion and debt instruments)	747,276	441,732	305,544	69%
J - DEBT INSTRUMENTS	84,711	49,618	35,092	71%
K - TRADE PAYABLES AND OTHER NON-CURRENT PAYABLES	-	-	-	
<b>L - NON-CURRENT FINANCIAL DEBT (I + J + K)</b>	<b>831,986</b>	<b>491,350</b>	<b>340,636</b>	<b>69%</b>
<b>M - TOTAL FINANCIAL DEBT (H + L)</b>	<b>540,353</b>	<b>344,236</b>	<b>196,117</b>	<b>57%</b>

## INDUSTRIAL TREND

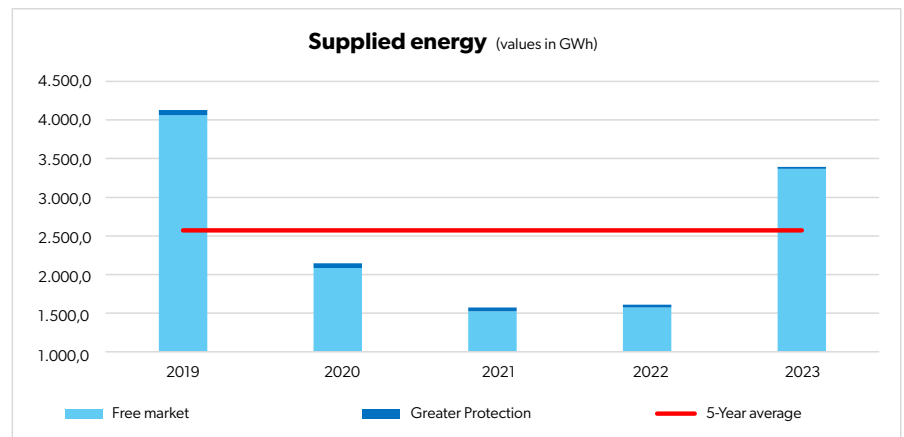
As far as industrial operations are concerned, 2023 saw a recovery in the volumes of energy produced compared to the previous year. The production volumes realised were substantially in line with the 10-year historical average volumes (-0.8%), although 54 GWh of them incorporated the extraordinary operations of 2023 by incorporating the production realised by the SR Group's plants, which, at the end of 2023, added up to an installed capacity of 44MW. In comparison with the 2022 final figures, realised production increased by 27%, almost exclusively due to the improved hydraulic performance.



In addition to power generation, the Hydro BU (32 plants in operation with an installed capacity of 935 MW at the end of 2023) and Other RES BU (56 plants in operation with an installed capacity of 214 MW at the end of 2023 and 57 plants with an installed capacity of 243 MW at 30 April 2024) continued and developed the preparatory activities for the increase of installed capacity in production plants as envisaged in the Strategic Plan. In particular, the Hydro BU oversaw the authorisation processes for the refurbishment of the Hone 2 and Chavonne plants, while the Other RES BU continued the development of its pipeline of plants under development, reaching, as of 31 December 2023, a project portfolio of 5 GW, of which 331 MW already authorised for which plant construction activities had begun.



Distribution saw the volumes of distributed energy decline by 4.7% year-on-year and 2.04 below the five-year historical average of distributed energy.



In 2023, in the free market business customer segment, due to the volatility of the energy markets and the difficulties experienced by other electricity market players, customers were looking for industrially and financially reliable suppliers. This trend has rewarded the CVA Group and, with reference to the volumes of energy supplied to end customers, 2023 saw these volumes increase significantly (+111%), while maintaining the focus on the margins of individual orders.

In this section, it is considered useful to coordinate with as stated in the letter to shareholders and in the same section of the 2022 Report.



## ALTERNATIVE PERFORMANCE INDICATORS (API)

In this Report on Operations, in order to allow for a better assessment of economic-financial operating performance, certain Alternative Performance Indicators (hereinafter also "API") are reported, in line with the indications of the European Securities and Markets Authority (ESMA). In accordance with the aforementioned Guidelines, the descriptions, content and bases of calculation used for the construction of the Alternative Performance Indicators adopted by the Group are described below.

Below is a table summarising the main API identified by the Group.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
<b>Economic data</b>				
EBIT	211,613	236,187	(24,574)	-10.40%
Adjusted EBIT	244,752	239,875	4,877	2.03%
EBITDA	289,464	295,281	(5,817)	-1.97%
<b>Equity and financial information</b>				
Investments	413,750	39,355	374,396	951.33%
Net Working Capital	313,565	301,964	11,601	3.84%
Net Invested Capital	1,620,950	1,188,516	432,434	36.38%
Net Financial Debt	540,353	344,236	196,117	56.97%
<b>Economic-Equity indexes</b>				
ROE	16.18%	23.01%	-6.83%	
ROI	13.05%	19.87%	-6.82%	
Financial independence	53.51%	49.47%	4.04%	

## ECONOMIC DATA

**Gross Operating Margin or EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)** - It is an indicator of the operating performance, used by the management to monitor and evaluate the performance of the Group. It is defined by management as a result before tax for the year, financial income/expenses, income/expenses from investment, amortisation, provisions and write-downs.

**Adjusted Gross Operating Margin (Adjusted EBITDA)** - This is the Gross Operating Margin or EBITDA (as defined in the previous point) adjusted to take account of some non-recurring income and expenses, not strictly related to the Group's core business and operations. The identification of this indicator therefore allows a more homogeneous analysis of the Group's performance during the financial years.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
<b>EBITDA</b>	<b>289,464</b>	<b>295,281</b>	<b>(5,817)</b>	<b>-1.97%</b>
Contribution to GSE pursuant to Art. 15-BIS DL 4/2022	35,063	3,195	31,867	997.27%
Contribution to GSE Art. 1 paragraph 30 Law 197/22	812	889	(77)	-8.70%
Contribution to non-energy-intensive enterprises	(248)	(471)	223	-47.25%
Tozzi Sud Bankruptcy Indemnity	(555)	-	(555)	n.a
Release of Imbalance Fund as per Resolution 507/2022/EEL	-	(1,934)	1,934	n.a
Release of Penalty Fund for non-diligent conduct TAR 26/08/2022	-	(1,404)	1,404	n.a
<b>Adjusted EBITDA</b>	<b>324,535</b>	<b>295,557</b>	<b>28,978</b>	<b>9.80%</b>

**Operating result or EBIT (Earnings Before Interest and Taxes)** - Also in this case, it is an indicator of operating Performance and is used by management to monitor and evaluate the performance of the Group. It is defined by the management as the result before taxes for the year, financial income/expenses and income/expenses from investment.

**Adjusted Operating Result (Adjusted EBIT)** - This is the Operating Result or EBIT (as defined in the previous point) adjusted to take account of some non-recurring income and expenses, not strictly related to the Group's core business and operations. The identification of this indicator therefore allows a more homogeneous analysis of the Group's performance during the financial years.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
<b>EBIT</b>	<b>211,613</b>	<b>236,187</b>	<b>(17)</b>	<b>-16%</b>
Contribution to GSE pursuant to Art. 15-BIS DL 4/2022	35,063	3,195	31,867	997%
Contribution to GSE Art. 1 paragraph 30 Law 197/22	812	889	(77)	-9%
Contribution to non-energy-intensive enterprises	(248)	(471)	223	-47%
Definition Dispute Self-producer with AdD	(2,287)	-	(2,287)	n.a
Tozzi SUD bankruptcy definition	(164)	-	(164)	n.a
Allocation to provision Additional Dispute	(36)	-	(36)	n.a
Release of Imbalance Fund as per Resolution 507/2022/EEL	-	(1,934)	1,934	n.a
Release of Penalty Fund for non-diligent conduct TAR 26/08/2022	-	(1,404)	1,404	n.a
Goodwill impairment of DEVAL (in application of Impairment Test)	-	3,412	(3,412)	n.a
<b>Adjusted EBIT</b>	<b>244,752</b>	<b>239,875</b>	<b>4,877</b>	<b>2%</b>

## EQUITY/FINANCIAL INFORMATION

**Shareholders' equity Adjusted** – Represents a balance sheet indicator that allows for the evaluation of the value of the Group's Shareholders' Equity adjusted by the effect deriving from the reserves recognised for hedging transactions in derivatives as well as the reserve that includes the actuarial value related to defined benefit plans for employees, not considered in the calculation of shareholders' equity for the purposes of Articles 2412, 2433, 2442, 2446 and 2447 of the Civil Code.

AMOUNTS IN EURO THOUSANDS	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
<b>SHAREHOLDERS' EQUITY</b>	<b>1,146,751</b>	<b>878,873</b>	<b>267,878</b>	<b>30.48%</b>
Cash Flow Hedge reserve	153,655	(63,943)	217,598	(340.30%)
IAS 19 Employee benefits reserves	(1,382)	(1,101)	(281)	25.56%
Cost of Hedging reserve	(122,733)	(83,634)	(39,099)	46.75%
<b>SHAREHOLDERS' EQUITY Adjusted</b>	<b>1,117,212</b>	<b>1,027,551</b>	<b>89,661</b>	<b>8.73%</b>

**Net investments** - Represents an equity indicator that allows an assessment of the increase in fixed assets of the Group, determined by the sum of increases (costs incurred for the realization and/or acquisition of goods or services for which the Group expects to be able to benefit from future economic benefits) in tangible, intangible and financial assets, net of divestments, including any effect deriving from changes in the scope of consolidation for the year. The value also includes gains/losses on the disposal of assets, write-downs made in connection with a goodwill Impairment test as well as the value of write-downs and write-backs of assets.

**Net Working Capital** - Represents an equity indicator that allows the Group's liquidity situation to be assessed and is determined by the algebraic sum of the values represented in the balance sheet of Current assets (positive sign) and Current liabilities (negative sign) of a non-financial nature.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
Inventories	17,764	5,095	12,669	248.68%
Trade receivables	330,961	196,423	134,537	68.49%
(Trade payables)	(181,242)	(86,093)	(95,149)	110.52%
<b>TRADE WORKING CAPITAL</b>	<b>167,482</b>	<b>115,424</b>	<b>52,058</b>	<b>45.10%</b>
Tax receivables/(payables)	35,641	(15,093)	50,734	-336.15%
Other assets/(liabilities)	110,442	201,633	(91,191)	-45.23%
<b>NET WORKING CAPITAL</b>	<b>313,565</b>	<b>301,964</b>	<b>11,601</b>	<b>3.84%</b>

**Net Invested Capital** - Represents an equity indicator that allows the total assets held by the Group to be valued and is determined by the algebraic sum (balance sheet asset positive sign and balance sheet liability negative sign) of "Net fixed assets", "Net working capital" and "Employee benefits", "Provisions for risks and charges" and "Deferred tax liabilities". "Net fixed assets", which are equal to Total Non-current assets, are determined as the sum of Tangible assets, Intangible assets, Goodwill, Equity investments, Financial assets, Sensitivity assets and Other non-current assets.

AMOUNTS IN THOUSANDS OF EURO	2023	2022	2023 VS 2022	
			CHANGE	CHANGE %
Fixed capital	1,403,980	861,245	542,735	63.02%
Net Working Capital (*)	313,565	301,964	11,601	3.84%
Deferred tax assets/(liabilities)	(46,645)	80,080	(126,724)	-158.25%
Provisions for risks/charges and Employee benefits	(30,796)	(36,135)	5,339	-14.78%
Other non-current assets/(liabilities)	(19,154)	(18,638)	(516)	2.77%
<b>NET INVESTED CAPITAL (*)</b>	<b>1,620,950</b>	<b>1,188,516</b>	<b>432,434</b>	<b>36.38%</b>

## ECONOMIC-EQUITY INDEXES

**ROE or Return On Equity** - Represents an economic-equity indicator that allows assessing the ability to remunerate the risk capital that shareholders used. It is determined by the ratio between net profit (or loss) for the year and shareholders' equity, net of the net result for the year.

AMOUNTS IN THOUSANDS OF EURO	2023	2022
Net result of the period (A)	159,678	164,404
Total shareholders' equity (B)	1,146,751	878,873
Total shareholders' equity, adjusted of the result of the year (B-A)	987,073	714,469
<b>ROE (Return on Equity) [A / (B-A)]</b>	<b>16.18%</b>	<b>23.01%</b>

**ROI or Return On Investment** - Represents an economic-equity indicator that allows evaluating the profitability and the economic efficiency of the ordinary operations regardless of the sources used; i.e. this index expresses the yield of the capital invested through typical operations. It is determined by the ratio between the Operating Result (EBIT) and the Net Invested Capital, as defined above.

AMOUNTS IN THOUSANDS OF EURO	2023	2022
EBIT (A)	211,613	236,187
Net Invested Capital (B)	1,620,950	1,188,516
<b>ROI (Return on Investment) (A / B)</b>	<b>13.05%</b>	<b>19.87%</b>

**Financial independence** - The financial independence index indicates the percentage of business activity guaranteed by equity, i.e. the capital contributed by the shareholders. This index is determined by the ratio between shareholders' equity and total assets, net of other current financial assets and cash and cash equivalents.

**Adjusted financial independence**, which expresses the ratio between the **adjusted equity** as described above and the total assets, net of other current financial assets and cash and cash equivalents.

AMOUNTS IN THOUSANDS OF EURO	2023	2022
<b>Total shareholders' equity (A)</b>	<b>1,146,751</b>	<b>878,873</b>
Total Assets (B)	2,532,607	2,004,445
Other current financial assets (C)	10,889	1,171
Cash and cash equivalents (D)	378,624	226,663
<b>Adjusted Total Assets (B-C-D)</b>	<b>2,143,094</b>	<b>1,776,610</b>
<b>Financial Independence Index [A / (B-C-D)]</b>	<b>53.51%</b>	<b>49.47%</b>
<b>Total Shareholders' Equity (Adjusted) (E)</b>	<b>1,117,212</b>	<b>1,027,551</b>
<b>Financial Independence Index (Adjusted) [E/ (B-C-D)]</b>	<b>52.13%</b>	<b>57.84%</b>

## OPERATING PERFORMANCE BY BUSINESS UNIT (BU)

For management purposes, the Group is organised into Business Units (also business sectors), the subdivision of which reflects the reporting structure analysed by the management and the Board of Directors in order to manage and plan the Group's activities. In compliance with the provisions of IFRS 8 - Operating Segments, information is provided below for Business Units, identified on the basis of the management structure and the internal reporting system of the Group.

The operating segments in which the CVA Group is divided are represented by the following Business Units:

- Hydro Business Unit;
- Distribution Business Unit;
- Sales Business Unit;
- Other RES Business Unit;
- Energy Efficiency Business Unit;
- Corporate Business Unit.

The following tables provide a breakdown by business unit of the Group's income statement and balance sheet figures for the financial years 2023 and 2022.



AMOUNTS IN EURO THOUSANDS	FOR THE YEAR ENDED 31 DECEMBER 2023							
	HYDRO	DISTRIBUTION	SALES	OTHER RES	ENERGY EFFICIENCY	CORPORATE	ELIMINATIONS	TOTAL
<b>Economic data by business sector</b>								
Revenues	276,246	34,246	1,491,606	70,602	115,695	4,081	(334,618)	1,657,858
Personnel cost	(15,922)	(8,193)	(4,339)	(2,200)	(2,064)	(16,966)	3	(49,681)
Other operating costs	(88,415)	(10,221)	(1,431,214)	(16,500)	(94,012)	(15,343)	336,992	(1,318,714)
<b>Gross Operating Margin (EBITDA)</b>	<b>171,909</b>	<b>15,832</b>	<b>56,052</b>	<b>51,902</b>	<b>19,619</b>	<b>(28,228)</b>	<b>2,377</b>	<b>289,464</b>
% of revenues	62.2%	46.2%	3.8%	73.5%	17.0%	-691.7%	-0.7%	17.5%
Amortisation, depreciation, provisions and write-downs	(26,023)	(10,356)	1,419	(32,898)	(622)	(3,159)	(6,212)	(77,851)
<b>Operating Result (EBIT)</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(31,387)</b>	<b>(3,835)</b>	<b>211,613</b>
% of revenues	52.8%	16.0%	3.9%	26.9%	16.4%	-769.1%	1.1%	12.8%
Result from non-recurring transactions	(34,261)	-	2,322	(1,449)	-	248	-	(33,139)
<b>Adjusted Operating Result (Adjusted EBIT)</b>	<b>180,148</b>	<b>5,477</b>	<b>55,149</b>	<b>20,453</b>	<b>18,997</b>	<b>(31,636)</b>	<b>(3,835)</b>	<b>244,752</b>
% of revenues	65.2%	16.0%	3.7%	29.0%	16.4%	-775.2%	-	14.8%
Financial balance	-	-	-	-	-	7,728	-	7,728
<b>PRE-TAX RESULT</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(23,659)</b>	<b>(3,835)</b>	<b>219,341</b>
Expenses for income taxes	-	-	-	-	-	(59,663)	-	(59,663)
<b>PERIOD NET RESULT</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(83,322)</b>	<b>(3,835)</b>	<b>159,678</b>
<b>Equity data by business sector</b>								
Investments	19,492	20,328	12	533,035	37,124	7,650	-	617,642
Tangible assets	299,766	122,503	519	331,785	2,204	38,303	139,671	934,751
Intangible assets	174,480	13,431	-	61,741	1,032	1,809	188,898	441,392
Trade receivables	40,728	7,804	184,297	5,565	146,066	4,027	(57,525)	330,961
Trade payables	45,622	9,337	111,031	13,947	55,248	6,660	(60,603)	181,242

AMOUNTS IN EURO THOUSANDS	FOR THE YEAR ENDED 31 DECEMBER 2022							
	HYDRO	DISTRIBUTION	SALES	OTHER RES	ENERGY EFFICIENCY	CORPORATE	ELIMINATIONS	TOTAL
<b>Economic data by business sector</b>								
Revenues	142,926	34,933	1,627,434	57,121	31,610	3,835	(169,579)	1,728,280
Personnel cost	(14,854)	(7,758)	(4,109)	(597)	(518)	(14,411)	-	(42,246)
Other operating costs	(47,795)	(9,906)	(1,446,125)	(13,071)	(28,789)	(14,058)	168,991	(1,390,752)
<b>Gross Operating Margin (EBITDA)</b>	<b>80,277</b>	<b>17,269</b>	<b>177,200</b>	<b>43,453</b>	<b>2,303</b>	<b>(24,633)</b>	<b>(588)</b>	<b>295,281</b>
% of revenues	56.2%	49.4%	10.9%	76.1%	7.3%	-642.3%	0.3%	17.1%
Amortisation, depreciation, provisions and write-downs	(24,659)	(12,541)	(1,438)	(17,735)	(20)	(3,156)	454	(59,094)
<b>Operating Result (EBIT)</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,283</b>	<b>(27,789)</b>	<b>(134)</b>	<b>236,187</b>
% of revenues	38.9%	13.5%	10.8%	45.0%	7.2%	-724.6%	0.1%	13.7%
Result from non-recurring transactions	(773)	(3,412)	3,338	(3,312)	-	471	-	(3,688)
<b>Adjusted Operating Result (Adjusted EBIT)</b>	<b>56,391</b>	<b>8,140</b>	<b>172,424</b>	<b>29,030</b>	<b>2,283</b>	<b>(28,260)</b>	<b>(134)</b>	<b>239,875</b>
% of revenues	39.5%	23.3%	10.6%	50.8%	7.2%	-736.9%	-	13.9%
Financial balance	-	-	-	-	352	19,719	(5,512)	14,558
<b>PRE-TAX RESULT</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,635</b>	<b>(8,070)</b>	<b>(5,646)</b>	<b>250,745</b>
Expenses for income taxes	-	-	-	-	-	(86,361)	20	(86,341)
<b>PERIOD NET RESULT</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,635</b>	<b>(94,432)</b>	<b>(5,626)</b>	<b>164,404</b>
<b>Equity data by business sector</b>								
Investments	17,493	14,498	176	3,738	692	14,758	-	51,355
Tangible assets	306,479	113,588	632	154,400	1,037	33,320	(2,552)	606,905
Intangible assets	174,509	12,402	5	50,602	1	2,254	(82)	239,690
Trade receivables	20,546	4,396	155,357	4,302	36,682	2,604	(27,464)	196,423
Trade payables	11,215	7,577	75,018	4,173	8,961	6,757	(27,608)	86,093

## HYDRO BUSINESS UNIT

### DESCRIPTION OF THE REFERENCE MARKET

Hydroelectric is a renewable energy source that uses the natural flow of water to generate electricity and is a significant source of energy in both Italy and Europe. In our country, hydroelectric has historically been one of the main sources of energy, thanks to the abundance of water resources, while in Europe, countries such as Norway, Sweden and Switzerland are historically known for their significant production.

Hydroelectric is considered an important pillar in the transition to a more sustainable energy system, as it is a low-carbon source and can contribute to the reduction of dependence on fossil fuels.

### PERFORMANCE OF THE REFERENCE SECTOR

In 2023, the hydroelectric market in Italy and Europe continued to show overall stability, with constant production quantities, despite the ongoing challenges related to water management and climate change, contributing significantly to the country's total energy production.

In 2023 alone, Italy produced about 120 TWh of hydroelectric, accounting for about 15% of the total energy production in the country, with a global capacity of Italian hydroelectric power plants of about 32 GW.

As for Europe, on the other hand, a total of about 1,000 TWh of hydroelectric energy was produced in the last calendar year, accounting for about 40% of the total energy production on the continent.

Numerous advantages and positive scenarios for this type of energy are expected in the near future. In particular, we can indicate the following elements:

- Innovative Technologies: The hydroelectric sector is expected to continue to benefit from technological innovation, with the development of more efficient turbines and advanced water management techniques.
- Environmental Sustainability: With the increasing emphasis on environmental sustainability, hydroelectric is expected to continue to be promoted as a key source of renewable energy, contributing to the goals of reducing carbon emissions and transitioning to a low-emission economy.
- Water resource management: Given concerns about climate change and the availability of water resources, it is expected that there will be an increased commitment to sustainable water management, with a focus on mitigating the environmental impacts of hydroelectric power plants.
- Integration with other Renewable Sources: Hydroelectric is expected to continue to be integrated with other renewable sources, such as solar and wind, to ensure a stable and balanced energy supply.

It is also expected that by 2030, Italy could increase its installed capacity by 20%, mainly through the upgrading of existing power plants and the development of new hydroelectric plants.

At the European level, hydroelectric generation is expected to continue to grow, with an estimated additional capacity of around 150 GW by 2030, due to investments in the modernisation of existing infrastructure and the development of larger-scale hydroelectric projects.

**The Hydro Business Unit of the CVA Group** refers to the activity of electricity generation from hydroelectric sources, and to the relative sale of the same to wholesalers/traders. The CVA Group has 32 hydroelectric plants in the Valle d'Aosta area with a total nominal power of 934.5 MW. In 2023, these plants produced 2,627 GWh. The companies of the Group operating in the production sector of hydroelectric energy are the Parent Company and the subsidiary VALDIGNE.

## REVENUES

Revenues in 2023 amounted to Euro 276,246 thousand, up 93% from Euro 142,926 thousand in 2022. This increase is mainly attributable to the change in sales revenue of energy produced by the Group's hydroelectric plants, which produced a total of 2,627 GWh in 2023 compared to 2,063 GWh in 2022, developing a 27% year-on-year increase in quantities; likewise, the increase in sales prices affected the positive change in the item.

## GROSS OPERATING MARGIN (EBITDA)

The Gross Operating Margin shows a significant increase from Euro 80,227 thousand in 2022 to Euro 171,909 thousand in 2023 (+62.2% of Revenues).

The significant positive change in Revenues described above has generated a direct impact on the value of this index, even though this is partly absorbed by the increase in costs related to fees for the derivation of water for hydroelectric use (equal to Euro 43,740 thousand in FY2023 against Euro 36,125 thousand in FY2022) due for the derivation of water, based on the reference legislation and according to the rates resolved by the competent authorities, to the Valle d'Aosta Region and other public entities such as the municipalities of Valle d'Aosta and the Province of Turin.

Other contributions also increased as a result of the contributions due to the GSE pursuant to Article 1, paragraph 30, Law 197/22 and Article 15-bis DL 4/22, which establish a cap on revenues from electricity production from renewable sources, through a compensation mechanism, applicable to the energy fed into the grid by the plants. These charges are represented as non-recurring.

Finally, labour costs show an increase due to both an increase in the number of dedicated resources and salary adjustments.

## OPERATING RESULT (EBIT)

Operating income for the year 2023 amounted to Euro 145,886 thousand (52.8% of Revenues), a marked improvement compared to the same indicator of the previous year, which amounted to Euro 55,618 thousand, and is in direct correlation with the upward trend in Revenues and EBITDA described above. The value absorbed depreciation, amortisation, provisions and write-downs of Euro 26,023 thousand, an increase of 6% compared to Euro 24,659 thousand in 2022. The increase in this item is mainly attributable to the value of incremental depreciation related to the assets of the Parent Company's hydroelectric plants, included in this Business Unit, which entered into operation in 2023, and which are discussed in this report in the dedicated section.

## ADJUSTED OPERATING RESULT

The Adjusted Operating Result was Euro 180,148 thousand (65.2% of Revenues) and shows a difference of Euro 34,261 thousand, which is broken down into contributions due to the GSE pursuant to Art. 1 paragraph 30, Law 197/22 (Euro 333 thousand), contributions pursuant to Article 15-bis DL 4/22 (Euro 33,929 thousand), both of which establish a cap on revenues from the production of electricity from renewable sources, through a compensation mechanism, applicable to the energy fed into the grid by the plants and applicable, for 2023, to hydroelectric plants with a capacity greater than 20 kW.

## INVESTMENTS

Investments related to the Hydro Business Unit show an increase of 11% between the two years, rising from Euro 17,493 thousand in 2022 to Euro 19,492 thousand in 2023, and refer to plant and machinery modernisation activities pertaining to the Business Unit. Major investments during the year included work on the Hone 2, Hone 1 and Saint Claire plants, as well as the renovation of the Chavonne plant.

## DISTRIBUTION BUSINESS UNIT

The “Distribution” Business Unit of the CVA Group refers to the activity of electricity distribution to end users, as well as to the management of the network itself. DEVAL is the Group company that deals with the distribution in the territory of the Region, by virtue of the concession of the distribution and metering service assigned by the Ministry of Productive Activities, free of charge, expiring on 31 December 2030. In 2023, DEVAL distributed 866 GWh for consumption for the current year, serving an average of 129,038 delivery points.

## REVENUES

The trend in revenues year on year shows a decrease of Euro 687 thousand (-1.97%). This decrease is mainly due to lower contingent assets in the amount of Euro 1,571 thousand, a decrease in revenues for energy efficiency certificates in the amount of Euro 255 thousand, and a decrease in other sales and services in the amount of Euro 259 thousand, effects partially offset by an increase in tariff revenues for energy transport and equalisation in the amount of Euro 1,325 thousand and connection fees in the amount of Euro 117 thousand.

## GROSS OPERATING MARGIN (EBITDA)

The gross operating margin shows a decrease of 8.32% (equal to Euro 1,437 thousand). Against the negative dynamics of revenues (-1.97%), the increase in operating costs (+3.18%) and personnel costs (+5.61%).

## OPERATING RESULT (EBIT)

The operating result for the year 2023 shows an improvement of Euro 748 thousand due to the presence in the previous year of the goodwill write-down of Euro 3,412 thousand

## ADJUSTED OPERATING RESULT

The adjusted operating result for the year 2023 shows a decrease of 32.72%. Operating margins totalled 16.00%, compared to 23.30% in 2022. There are no values referable to non-recurring items.

## INVESTMENTS

Investments relating to the Distribution Business Unit in 2023 show an increase of Euro 5,830 thousand compared with 2021 (40.21%). The increase was mainly due to higher investments in meter replacement and in distribution networks.



## SALES BUSINESS UNIT

The “Sales” Business Unit of the CVA Group contains Energy Management and Market activities. Energy Management activity refers to operations on energy and financial markets in order to procure electricity and related network services and to optimise its energy portfolio.

The term Market represents the sales activity to end users that takes place both in the free market (divided into the Retail and Business segments) and in the Greater Protection market. In the first, the sale of energy takes place according to conditions agreed freely between the parties. In the second case, the economic and contractual conditions of supply are established by ARERA. Energy Management and Market activities are overseen in the Group by CVA ENERGIE, which in 2022 supplied end customers with a total of 3,404 GWh of electricity distributed over approximately 120,425 delivery points.

## REVENUES

The year-on-year revenue trend shows a decrease of 8% to Euro 1,491,606 thousand in 2023 from Euro 1,627,434 thousand in 2022.

This trend is the result of two opposing effects, the decrease in revenues from wholesale activities (-45%) due to the reduction in sales prices, and the increase in revenues from sales to end customers (+63%) due to higher volumes supplied. There was also a significant decrease in income from commodities trading activities, which included the margin generated by trading in commodities trading portfolios and amounted to Euro 16,696 thousand in 2023 compared to Euro 26,099 thousand at 31 December 2022, as a result of the commodities market operations.

## GROSS OPERATING MARGIN (EBITDA)

The gross operating margin amounted to Euro 56,052 thousand (+3.8% of revenues), down from Euro 177,206 thousand in 2022 as a direct consequence of the decrease in revenues described above against an almost stable cost trend between the two years. Also contributing to absorbing part of the EBITDA is the increase in labour costs, mostly due to an increase in average remuneration mainly related to an increase in contractual minimums and to a lesser extent to an increase in the average number of resources.

## OPERATING RESULT (EBIT)

Operating income amounted to Euro 57,471 thousand (3.9% of revenues), down from Euro 175,762 thousand in 2022, as a result of the decrease in revenues described above and after having benefited from the positive contribution of depreciation, amortisation, provisions and write-downs.

The item depreciation and amortisation was substantially stable compared to the previous year, while the item provisions and write-downs took on a significant value, as well as the opposite sign to the year of comparison, a year in which the value of the provision for bad debts became necessary due to the valuations made on trade receivables. In the financial year 2023, the impact of the reversal into income of the provision for risks (Euro 1,325 thousand) allocated to cover legal expenses at the time of the litigation with the Customs Agency for the non-recognition of the exemption from excise duty on self-production prevails. The Company decided to abandon the litigation in light of the orientation

of the Court of Cassation, which is now uniformly and consistently opposed to the arguments put forward by the Company in its numerous lawsuits, together with the response of the European Court of Human Rights, which rejected the appeals filed by CVA Energie, arguing that the latter would not be entitled to appeal to it since it cannot be defined as a non-governmental organisation. At the same time, always with reference to the dispute described above, the Company concluded the adhesion to the facilitated definition of pending litigations provided for by Article 1, paragraphs 186-205, of Budget Law 197/2022, which allowed a further reversal into income of the provision (Euro 929 thousand) allocated to cover the disputed values from the beginning of the litigation.

### **ADJUSTED OPERATING RESULT**

The operating result adjusted for non-recurring items amounted to Euro 55,149 thousand (+3.7% of revenues) and was affected by adjustments related to the reversal to income and release of provisions set aside in previous years for the dispute with the Customs Agency as described above.

### **INVESTMENTS**

The value of investments for the year amounted to Euro 12 thousand and related to remote control and anti-intrusion equipment, as well as increases in Right of Use assets.

## **OTHER RES BUSINESS UNIT**

### **DESCRIPTION OF THE REFERENCE MARKET**

Photovoltaics is a branch of the energy industry that deals with the production of electricity through the use of photovoltaic solar panels. These devices directly convert sunlight into electrical energy using the so-called "photovoltaic effect". Solar energy is considered a renewable and sustainable source because its generation process does not involve the emission of greenhouse gases or other air pollutants.

The wind power sector, on the other hand, is concerned with the production of electricity through the use of wind turbines. These turbines harness the power of the wind to generate mechanical energy, which is then converted into electrical energy via generators. Wind energy is also considered a renewable source since it is derived from the natural resource of wind, which is abundant and non-depletable globally. The wind energy sector comprises the design, production, installation and maintenance of wind turbines, which can be located in various contexts, such as onshore or offshore wind farms.

Both sectors, photovoltaics and wind power, are essential in the transition to a more sustainable, low-carbon energy system. Their continued growth is key to reducing dependence on fossil fuels and mitigating the effects of climate change.

### **PERFORMANCE OF THE REFERENCE SECTORS**

The photovoltaic and wind power sectors in Italy and Europe have experienced a remarkable expansion phase, driven by the growing demand for sustainable energy and government policies focused on reducing carbon emissions. This growing demand has stimulated an increase in installed capacities in both sectors with a significant spread of the respective technologies.

This trend has also been boosted by falling technology costs, which have made solar and wind energy increasingly competitive with traditional energy sources. However, despite the growth, both sectors face significant challenges, including strong competition. The emergence of large multinational companies, together with local companies and new entrants, has increased competition in the renewable energy market. Furthermore, the stability of energy policies, both at national and European level, has become crucial to ensure a favourable environment for investment and continued growth in the sector.

The **“Other RES” Business Unit of the CVA Group** in 2023 differs substantially from 2022 as a result of a series of corporate transactions that took place in response to a broader rationalisation process undertaken by the CVA Group, which began in 2020, and which sees CVA EOS as the focus of all of the CVA Group’s activities of power generation from sources other than hydroelectricity. The growth in generation from solar and wind power responds to the strategy of diversification of industrial risks and mitigation of climate change risks pursued by the CVA Group in 2023 with a series of important M&A transactions, for a detailed explanation of which please refer to the relevant section of this report. For 2023, the new companies acquired during the year will also be part of the Other RES Business Unit, together with the company CVA EOS, already present in 2022: SR Investimenti S.r.l., RENERGETICA S.p.A., as well as corporate vehicles owning wind and photovoltaic development projects.

## REVENUES

The year-on-year revenue trend showed an increase of 27% to Euro 70,602 thousand compared to Euro 57,121 thousand in the previous year. This increase can be attributed to two main factors. On the one hand, the increase in the production of the plants pertaining to the CVA Eos perimeter, which produced a total of 5% more than the previous year; this trend was partly absorbed by the decrease in the average energy selling price. On the other hand, the contribution represented by the new companies, mentioned above, which became part of the perimeter of the Business Unit.

Gross Operating Margin (EBITDA) EBITDA amounted to Euro 51,902 thousand (26.9% of Revenues), an increase of 26% compared to the value expressed in 2022 of Euro 43,453 thousand.

The increase internalises the change in scope as well as in revenues, described above.

## OPERATING RESULT (EBIT)

The Operating Result was Euro 19,004 thousand (26.9% of Revenues), a decrease of 19% compared to the value expressed in 2022 of Euro 25,718 thousand. This absorbs the increase in the item depreciation, amortisation, provisions and write-downs, which is mainly attributable to the item depreciation and amortisation which, between the two financial years, changes due to the decision made by the Board of Directors of CVA Eos to revise the depreciation rates used, in order to make them more in line with the nature/type and presumed future usefulness of the generation plants. In addition, the increase is generated by the contribution to the item by the Companies acquired in 2023.

## ADJUSTED OPERATING RESULT

The adjusted Operating Result was Euro 20,453 thousand (29% of Revenues). Non-recurring items in 2023 include, for wind farms, the contributions recognised to the GSE pursuant to Article 1, paragraph 30 of Law 197/22, as well as the positive balance generated by the comparison between the compensation received for the bankruptcy of the company Tozzi Sud and the provision for bad debts recognised for receivables due from the latter. With regard to photovoltaic plants, non-recurring items include the impact of the extraordinary contribution recognised to the GSE pursuant to Article 15-bis of Decree Law 4/2022, which provides for a levy on the higher profits obtained from the sale of electricity from renewable sources, following the increase in the market price of electricity, incurred for the Alessandria, Valenza and La Tour photovoltaic plants. Lastly, the contribution, internalised in revenues and already present in the previous year, provided for by Law No. 51 of 20 May 2022 for companies other than electricity-intensive companies, a perimeter, the latter, to which CVA Eos falls.

## INVESTMENTS

Investments increased significantly between the two years to Euro 533,035 thousand in 2023 (Euro 3,738 thousand in 2022).

The main factors to which this trend can be ascribed are represented by the acquisitions made by the company CVA Eos, as described in this report, as well as investments in tangible and intangible assets made on the company's plants as a result of a series of significant interventions, the main one of which related to the replacement of the original blades of the Piansano plant with new blades of innovative design in order to improve performance and, therefore, productivity. The remaining increase is attributable to the contribution, under investments, due to the expansion of the scope of the Business Unit with the entry of the newly acquired companies and the corporate vehicles owning plant development projects.

## ENERGY EFFICIENCY BUSINESS UNIT

**The "Energy Efficiency" Business Unit of the CVA Group** launched in 2021 by the Parent Company CVA S.p.A., encompasses within it all energy efficiency support activities operated through structural interventions on civil and instrumental buildings as well as industrial efficiency projects. The 2023 financial year saw a strong expansion of the Business Unit against the backdrop of the Group's growth in the sector, through the establishment of a new company CVA Smart Energy, set up at the beginning of 2023 in order to develop an innovative "platform" business model, in partnership with specialised companies, acquired during the year, to strengthen its positioning in this field and propose an integrated offer to the market by means of a flexible platform of services.

As of this year, in addition to the activities historically carried out by the Parent Company related to the Superbonus sites, the Business Unit's scope also includes the companies Renewable Technical Solutions S.r.l., Nuova Energia S.r.l. and RS Service S.r.l., for a detailed explanation of the acquisition process of which please refer to the relevant section of this report.

## REVENUES

The year-on-year revenue trend shows a significant increase from Euro 84,085 thousand in 2022 to Euro 115,695 thousand at 31 December 2023. This trend is attributable to two main factors; the first concerns the change in the scope of the Business Unit, described in the prologue of this section and occurred following the acquisition process of the companies identified above, which contributed to the growth of the Business Unit's production value. In addition, the activities, historically carried out by the Parent Company, relating to the Superbonus-related sites were almost entirely completed within the deadlines imposed by the specific regulations, resulting in a significant increase in revenues from contracted customers, which, between the two financial years, amounted to approximately Euro 67 million.

## GROSS OPERATING MARGIN (EBITDA)

EBITDA increased in absolute value by Euro 17,316 thousand, from Euro 2,303 thousand in 2022 to Euro 19,619 thousand in 2023 (7.3% of revenues). The increase is attributable both to the contribution of the marginality of the activities developed by the new companies that have joined the Group and are included in this business segment and, above all, to the marginality expressed by the Superbonus site orders completed in 2023. In fact, it should be noted that, in accordance with as indicated in the sections dedicated to the "Summary of the main accounting standards adopted in preparing the Financial Statements" and the use of "Significant accounting estimates", the achievement of the final Work progress status allowed for the recognition of the margins of orders that in previous years, in the absence of a certain right to invoicing due to the lack of customer approval on the Progress Status, had been recognised up to the amount of external costs incurred, without recording, therefore, margins that were recognised in this year.

## OPERATING RESULT (EBIT)

The Operating Result amounted to Euro 18,997 thousand (+16.4% of Revenues), a strong increase compared to the comparative year, due to the reasons explained with reference to the Gross Operating Margin.

This absorbed the value of depreciation, amortisation, provisions and write-downs in the amount of Euro 622 thousand represented, mainly, by depreciation referred to durable goods necessary for the activities carried out by the companies acquired during the year. There was also an increase in depreciation and amortisation due to the commissioning of the trigeneration plant whose project, started by the Parent Company in 2021, was completed in the spring of 2023, allowing for the installation and commissioning of a first trigeneration plant for electric, thermal and cooling energy.

## ADJUSTED OPERATING RESULT

The Adjusted Operating Result coincides with the Operating Margin, as there are no non-recurring items in the items related to the business unit's activities.

## INVESTMENTS

Investments increased in absolute value by Euro 36,432 thousand to Euro 37,124 from Euro 692 thousand in 2022.

Mainly, the change is represented by the increase in equity investments due to the aforementioned acquisitions made in order to strengthen its position in the sector. Investments in tangible and intangible assets also grew significantly against the investments made by the acquired companies.

### **CORPORATE BUSINESS UNIT**

The **“Corporate” Business Unit** contains all the administrative, accounting, financial, strategic and coordination support activities, whose costs are not re-debited to the individual Business Units.

### **REVENUES**

The revenues of the business unit increased slightly year-on-year to Euro 4.08 million.

### **GROSS OPERATING MARGIN (EBITDA)**

EBITDA amounted to a negative Euro 28,228 thousand, an increase compared to the previous year due to the growth in the item referring to the cost of resources dedicated to support activities, due both to the increase in resources brought in by the entry into the Group of the newly acquired companies, and to the strengthening of the staff bodies already present in the Parent Company. By contrast, other operating expenses decreased year-on-year.

### **OPERATING RESULT (EBIT)**

In 2023, the Operating Margin amounted to Euro 31,387 thousand, in line with the worsening of the indicator previously described, without being affected by the item Depreciation, amortisation, provisions and write-downs, which remain essentially stable.

### **ADJUSTED OPERATING RESULT**

In 2023, the Adjusted operating profit was Euro 31,636 thousand, and differed from the same unadjusted indicator due to the absorption of extraordinary subsidies obtained by the Group for energy-intensive businesses in the form of a tax credit, amounting to 15% of the expenses incurred for the purchase of the energy component, actually utilised in the first and second quarters of 2023.

### **INVESTMENTS**

Investments of the Corporate Business Unit decreased from the previous year to Euro 7,650 thousand and mainly related to investments in tangible assets. These include work on various buildings located in Aosta, including the re-vamping of the air-conditioning system of the buildings in Via Clavalité, where the offices leased to the subsidiaries CVA Energie Srl and Deval spa are located, the renovation of the roof and gutters of the warehouse in Via Monte Emilius leased to Deval, and the fireproofing of the building in Via Piave, where the regional offices leased to Rava are located.



## INSIDE INFORMATION

### THE RISK MANAGEMENT MODEL

The CVA Group has developed an integrated corporate risk management model that is inspired by the international principles of Enterprise Risk Management (ERM), in particular the Committee of Sponsoring Organisations (COSO) framework, the main purpose of which is to adopt a systematic approach to the identification of the company's priority risks in order to assess their potential negative effects in advance and take appropriate action to mitigate them. The ERM is constantly evolving and improving: over the last three years, the framework has been periodically updated, in particular considering not only short-medium term risk events but also those impacting industrial and strategic targets in the long term, as well as ESG and sustainability issues in the broad sense. In addition, the year 2023 saw the start of an integration path with climate-related risks according to the international guidelines of the Task Force on Climate-related Financial Disclosures (hereinafter TCFD).

The Corporate Risk Model encompasses the different types of risk characterising the business in which the Group operates, namely:

- risks relating to the external environment, depending on market conditions and the competitive environment within which the Group operates, as well as changes in the political, legal and regulatory environment;
- operational risks, related to the company's internal processes, structures and management systems, particularly with regard to electricity generation and the marketing of commodities and services;
- strategic risks, relating to the definition and implementation of the Company's strategic guidelines.

Within the ERM framework, the Enterprise Risk Assessment (ERA) process allows the Group's residual risk profile to be defined which, together with the mitigation strategies, is brought to the attention of the Board of Directors. Periodically, with the coordination of the Risk Management Function, the managers of the various company areas (risk owners) and the experts (subject matter experts) identify and evaluate the risks within their competence through a Risk Self Assessment process, providing an initial indication on the mitigation associated with them. The results of the process are then consolidated centrally in a map, in which risks are prioritised according to the resulting scoring and aggregated to facilitate the coordination of mitigation plans with a view to integrated risk management. The results of the ERM are used by the General Management as information elements for the preparation of updates to the strategic plan.



## **CORPORATE BODIES: GOVERNANCE AND THE INTERNAL CONTROL SYSTEM THE GOVERNANCE MODEL OF CVA S.P.A.**

The Company's Corporate Governance is articulated according to the traditional model, a model that is widely used and able to provide a stable and regulated framework for the management of business activities, protecting the interests of shareholders, creditors and other stakeholders. This model assigns management responsibility to the Board of Directors, supervisory functions to the Board of Statutory Auditors and auditing functions to the auditing company.

### **DECISION-MAKING PROCESSES AND ORGANISATIONAL STRUCTURES**

In compliance with the regulations in force, the Company has implemented a series of measures and procedures to ensure efficient and legally compliant management. Among these measures, decision-making processes and organisational structures play a major role, ensuring that business decisions are made in a structured, transparent and accountable manner.

#### **DECISION-MAKING PROCESSES**

The decision-making processes adopted by our organisation are characterised by a well-defined structure, with a clear articulation of the decision-making phases, from the gathering of information to the evaluation of alternatives and the final choice. Such a structure minimises the risk of arbitrary decisions and ensures greater consistency with the company's strategic objectives.

#### **ORGANISATIONAL STRUCTURES**

To ensure effective and compliant management, the Company has adopted a detailed organisation chart and function chart, which clearly outline responsibilities and competencies within the organisation.

In particular, the company organisation chart is structured to reflect a clear separation of functions and responsibilities, facilitating communication and coordination between the various departments. Each position is clearly defined in terms of tasks, authority and hierarchical relationships. The function chart, on the other hand, describes in detail the operational and decision-making processes, specifying the procedures to be followed for each business activity. This tool is essential to ensure the consistency of business operations with strategic policies and objectives.

#### **MAIN FULFILMENTS ADOPTED**

Among the main fulfilments adopted by the Company in order to comply with the requirements of the Law are:

Compliance and Internal Control: Implementation of a compliance and internal control system that constantly monitors adherence to regulations and promptly identifies any critical issues.

Ongoing Training: Ongoing training programmes for staff, aimed at ensuring that they are constantly updated on current regulations and best management practices.

Internal and External Audits: Periodic internal and external audits to verify compliance of company operations and to identify areas for improvement.

Transparency and Communication: Adoption of clear and timely transparency and communication policies towards all stakeholders, ensuring that relevant information is easily accessible and understandable.

These measures not only ensure compliance with applicable regulations, but also contribute to an efficient, transparent and continuous improvement-oriented working environment.

### **ORGANISATIONAL AND MANAGEMENT MODEL**

Legislative decree No. 231 of 8 June 2001, entitled "Discipline of the administrative responsibility of legal entities, companies and associations also without legal personality, in accordance with Article 11 of Italian Law No. 300 of 29 September 2000", introduced into the Italian legal system a regime of administrative responsibility for companies for some types of offences (by way of example and not exhaustively, offences against the public administration, corporate offences, offences concerning health and safety in the workplace, environmental offences, etc.) committed by persons who perform functions of representation, administration or management of the entity, as well as by persons subject to the management or supervision of the latter, in the interest or advantage of the companies themselves.

In implementation of the provisions of Article 6 of the aforementioned legislative decree no. 231/2001, the administrative bodies of the parent company CVA S.p.A. a s.u. and of the subsidiaries CVA Energie S.r.l., Deval S.p.A., CVA EOS S.r.l., Valdigne Energie S.r.l., Renergetica S.p.A. and SR Investimenti S.r.l. resolved to approve their own "Organisation, Management and Control Model". With reference to the subsidiaries/investees of SR Investimenti S.r.l., it should be noted that many of them have approved their own Organisation, Management and Control Model, while the remainder are in the process of implementing the same.

The purpose of this model is the preparation of a structured and organic system of procedures and of control activities, aimed at preventing the commission of the different types of crime envisaged in Legislative Decree No. 231/2001. Likewise, the aforementioned Companies appointed a Supervisory Body with a three-year mandate.

The Bodies - with independent powers of initiative and control - monitor the functioning and observance of the Model, regularly reporting their work in the periodic Reports submitted to the attention of the administrative bodies, within which it was also highlighted what emerged from the significant information flows received from the various corporate structures concerned. From the same point of view, the Supervisory Bodies have been responsible for monitoring the regulatory updates, as well as the structural changes that have affected the companies of the CVA Group, so as to constantly assess the adequacy and compliance of the corporate organisational models - and if necessary - remind the governing bodies of the appropriate updates to said models.

Finally, in verifying the relevance of the control standards already implement-

ed for the activities deemed sensitive pursuant to the aforementioned Decree, the Bodies assessed and suggested any necessary adjustments to the existing procedural system and/or recommended the implementation of new specific company procedures, also supporting the Group companies in training and informing all company personnel.

For the sake of completeness, it must be pointed out that during 2023, several extraordinary transactions were concluded that expanded the scope of the CVA Group, with the acquisition of controlling and non-controlling stakes in various companies. With reference to these legal entities, CVA S.p.A. took the lead in initiating the in-depth investigations aimed at their full compliance with the dictates of Legislative Decree 231/2001.

### CODE OF ETHICS AND CONDUCT

The awareness of the ethical, moral, social and environmental aspects that accompany the activities carried out by the companies of the CVA Group - together with the consideration of the importance of both the cooperative approach with stakeholders and the good reputation of the same - have inspired the drafting of the Code of Ethics and Conduct of the CVA Group.

The issue of the eighth revision of the Code of Ethics and Conduct was adopted by resolution of the Board of Directors of CVA and the document is unique for all the companies of the CVA Group, which ratify the entry into force with an appropriate resolution of the related administrative Bodies. The Code of Ethics and Conduct is binding, as expressive of the commitments and ethical responsibilities in the conduct of business and company activities undertaken by all those operating for and on behalf of the Group.

Also with reference to the Code of Ethics and Conduct, towards the end of the year, discussions began on its adoption by the companies that will become part of the CVA Group in 2023.

### ANTI-BRIBERY AND TRANSPARENCY REGULATIONS

Law No. 190 of 6 November 2012 and Legislative Decree No. 33 of 14 March 2013 introduced significant obligations regarding the prevention of corruption, publicity and transparency on the part of public administrations and the companies controlled by them or in which they have an interest. These provisions are implemented in the context of the CVA Group, with reference only to Valdigne Energie S.r.l., placing various obligations on the latter: in particular, it is required to prepare supplementary corruption prevention measures with respect to those adopted pursuant to Legislative Decree 231/2001, of publicity and transparency, as well as the periodic publication of a series of company data and information in the "Transparent Company" section specially created on the institutional website of the Parent Company.

In view of its willingness to comply with the above requirements, Valdigne Energie S.r.l. appointed a person responsible for the prevention of corruption and transparency, in compliance with the provisions of ANAC Determination No. 1134/2017 "New guidelines for the implementation of legislation on the prevention of corruption and transparency by companies and private law entities

*controlled and owned by public administrations and public economic entities”, which came into force on 5 December 2017, the date of publication in the Official Journal.*

Valdigne Energie S.r.l. consolidated the integration of the anti-corruption and transparency measures within its Model 231 and, in the course of 2023, the entire system was supervised, cyclically verified and - if necessary - perfected; furthermore, the “Transparent Company” section on the institutional website of the Parent Company was constantly populated and monitored, within which the publications made pursuant to Legislative Decree 33/2013.

### **PERSONAL DATA PROTECTION**

On 4 May 2016, Regulation 2016/679 (GDPR) of 27 April 2016 on the protection of individuals with regard to the processing of personal data was published in the Official Gazette of the European Union and subsequently came into force on 25 May 2018. With Legislative Decree No. 101/2018, in force since 19 September 2018, Italy has adapted its national legislation to the provisions of the GDPR, adapting and updating Legislative Decree No. 196/2003 (Privacy Code).

In order to make data protection even more secure and effective, the GDPR has appointed the Data Protection Officer (DPO); a professional with particular expertise in the fields of information technology, law, risk assessment and process analysis, whose main responsibility is to support the Controller in the management of the processing of personal data in accordance with European and national privacy laws.

CVA S.p.A. a s.u. and its direct subsidiaries with employees, as Data Controllers, have appointed a DPO and several Privacy Officers. The main tasks of the DPO - with the collaboration of the Privacy Reference Persons - are: i) advise on the GDPR and other provisions on personal data protection; ii) continuously monitor compliance with the GDPR and other provisions on personal data protection, through appropriate structuring of regular on-site and remote monitoring activities; iii) provide training for personnel on personal data protection; iv) give prior opinions on the Privacy impact assessment, for example on the introduction of new processing of personal data; v) cooperate, where necessary, with the control authorities; vi) act as a point of contact for the control authority on matters relating to processing, including prior consultation, and provide consultations, where appropriate, on any other matter.

With reference to the aforementioned extraordinary operations that have affected the CVA Group and its affiliated companies, also in relation to the issue of privacy, the parent company CVA has become the common denominator, in order to consolidate the compliance of its subsidiaries and/or investees with the principles of the regulations concerning the protection of personal data.

## HUMAN RESOURCES, INDUSTRIAL RELATIONS, SAFETY THE GROUP

During 2023, the corporate scope of the CVA Group increased due to the establishment/acquisition of companies. Among the newly established/acquired companies, 5 have employees:

- R.S. Service S.r.l, acquired on 27 September 2023, whose workforce as at 1 October 2023 consisted of a total of 80 resources (1 executive, 2 managers, 24 clerks and 53 workers);
- Renergetica S.p.A., acquired on 24 October 2023, whose workforce as at 1 November 2023 consisted of a total of 20 resources (1 executive, 2 managers and 17 clerks);
- Renewable Technical Solutions S.r.l., incorporated on 28 June 2023 and populated on 10 July 2023 following the sale of business units, whose workforce as at 10 July 2023 consisted of a total of 2 resources (1 clerk and 1 worker);
- Sharenergy S.r.l., acquired on 26 July 2023, whose workforce as at 1 August 2023 totalled 56 resources (13 clerks and 43 workers);
- SR Investimenti S.r.l. a s.u., acquired on 22 February 2023, whose workforce as at 1 March 2023 consisted of a total of 12 resources (1 executive, 6 managers and 5 clerks).

At 31 December 2023, the CVA Group consisted of 840 employees (647 employees at 31 December 2022, 600 employees at 31 December 2021), of whom 6 executives, 76 managers, 478 clerks and 280 workers divided as follows for each company:

- 449 at CVA (434 in 2022);
- 64 at CVA ENERGIE (62 in 2022);
- 15 at CVA EOS (6 in 2022);
- 144 at DEVAL (145 in 2022);
- 80 at R.S. Service S.r.l.;
- 20 at Renergetica S.p.A.;
- 3 at Renewable Technical Solutions S.r.l.;
- 56 at Sharenergy S.r.l.;
- 9 at SR Investimenti S.r.l.

Labour relations are governed by the following contracts:

- National Collective Labour Contract for managers of companies producing goods and services;
- National Collective Labour Contract for managers of companies in the service industry, distribution and trade executive services;
- National Collective Labour Contract for workers in the electricity sector.
- National Collective Labour Contract for the metalworking industry;



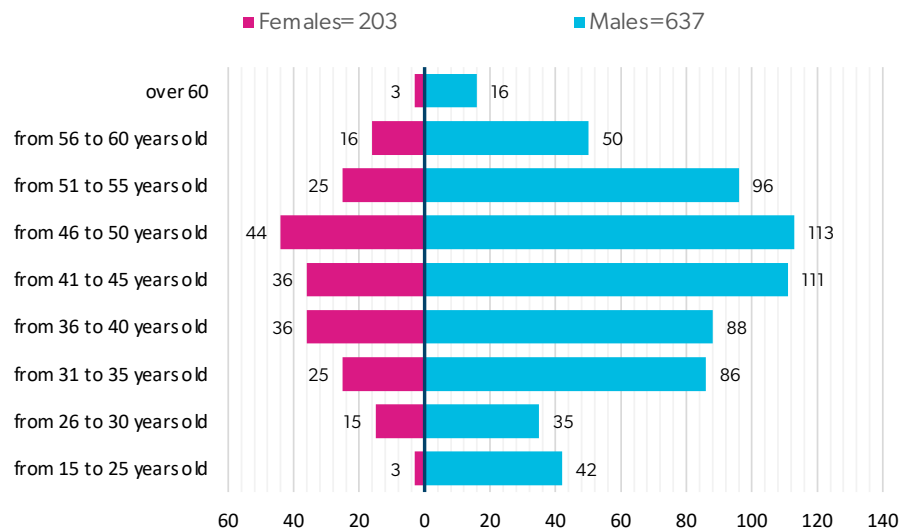
- National Collective Labour Contract for the construction industry;
- National Collective Labour Contract for trade;
- National Collective Labour Contract for small and medium-sized metal-working companies.

Below is a breakdown of the changes occurred in the number of Group employees in the last three years:

	BALANCE AT 31 DECEMBER 2022	ACQUISITIONS / COMPANY INCORPORATIONS	OTHER CHANGES	BALANCE AT 31 DECEMBER 2023
Executives	3	3	-	6
Managers	65	10	1	76
Clerks	396	60	22	478
Workers	183	97	-	280
<b>Totale</b>	<b>647</b>	<b>170</b>	<b>23</b>	<b>840</b>

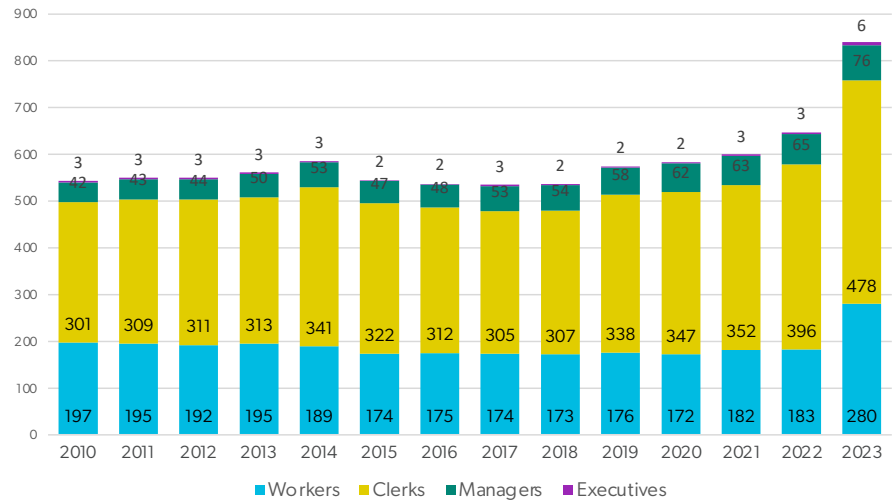
The increase in personnel with respect to 2022 not only refers to the 170 employees included in the extraordinary transactions concluded in 2023, but also sees an overall increase in personnel of 23 employees referring to 44 hirings and 21 terminations. The breakdown by age and gender is as follows:

### CVA group - Breakdown of balance at 31/12/2023 by age and gender range



The breakdown by professional category (executives, managers, clerks, workers) and the evolution compared to previous years is shown below:

### CVA Group - Personnel balance



### INDUSTRIAL RELATIONS

The Group continues to maintain with the trade unions the necessary relations to express the most complete transparency on the significant activities undertaken, to apply the contractual rules and to allow the management of personnel for the organisation of work and in compliance with occupational prevention and safety regulations.

During 2023, the activity, begun in previous years, continued, aimed at standardising the treatments relating to staff present in the companies of the CVA Group (CVA, CVA Energie, CVA Eos and Deval) in accordance with the provisions of the "Protocol of industrial relations at the CVA Group".

### CVA

During the year 2023, the CVA average workforce was 439 persons (416 persons in 2022 and 390 persons in 2021), with an average workforce of 449 persons at 31 December 2023 (434 persons at 31 December 2022 and 398 persons at 31 December 2021). Below is a breakdown of the changes occurred in the number of CVA employees between 31 December 2021 and 31 December 2023:

	BALANCE AT 31 DECEMBER 2022	HIRES	TERMINATIONS	INTRA-GROUP MOBILITY	INCOMING CATEGORY CHANGES	OUTGOING CATEGORY CHANGES	BALANCE AT 31 DECEMBER 2023
Executives	3	-	-	-	1	-	4
Managers	46	-	(1)	(1)	2	(1)	45
Clerks	254	22	(5)	(1)	1	(2)	269
Workers	131	3	(1)	(1)	-	(1)	131
<b>Total</b>	<b>434</b>	<b>25</b>	<b>(7)</b>	<b>(3)</b>	<b>4</b>	<b>(4)</b>	<b>449</b>

In 2023, there were 25 hires, 2 positive contract terminations by the Group, 5 negative contract terminations to the Group and 7 work terminations. The 25 hires (22 clerks and 3 workers), all of which were permanent, were made:

- for incremental needs for 21 employees (including protected categories);
- for the replacement of personnel terminated/being terminated/transferred/unqualified 4.

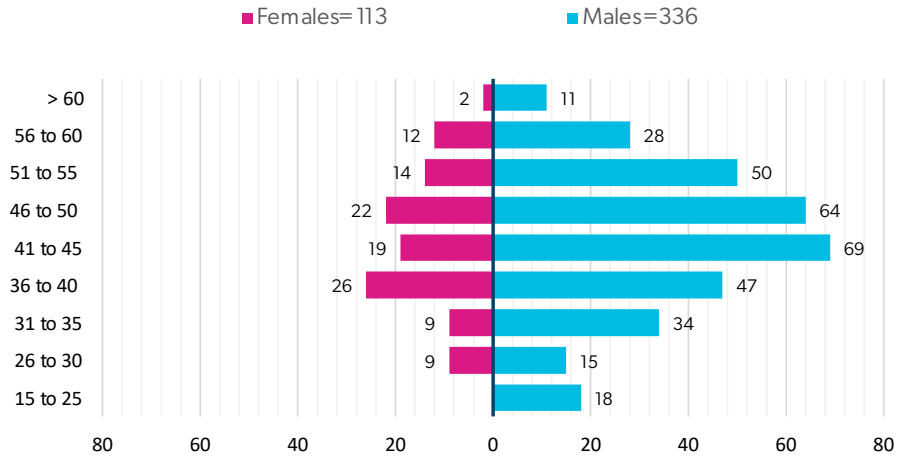
Recruitment took place at the following Operating Units:

DESCRIPTION OF THE OPERATIONAL UNIT AS OF 31/12/2023	INCREASES (OLD BUDGET – STRATEGIC PLAN INCREASE_NEW)	REPLACEMENTS (OLD BUDGET – STRATEGIC PLAN TURNOVER-CES 21_25 NEW)	PROTECTED CATEGORIES	GENERAL TOTAL
DAFCS-CFO/Assets and Services Function			1	1
DALS-CLO/Legal Affairs Function	1			1
DALS-CLO/Procurement and Tenders Department	1	1	1	3
DALS-CLO/Compliance Function	1			1
DALS-CLO/Legal Affairs Office	1			1
DG-GM/AITIEE-CITIEEO/Function Eff. Energy and Open Innovation	1			1
DG-GM/AITIEE-CITIEEO/Information Technology Services Function	1			1
DG-GM/Comm. Office, Marketing, Support and UE Prog.	1			1
DG-GM/Risk Management Function	1			1
DG-GM/Management Secretariat Office	1			1
DO-COO/Operations Division	2	1		3
DO-COO/Electromechanical Engineering Division	6	1		7
DO-COO/Telecommunications Office	2	1		3
	19	4	2	25

Between 2022 and 2023, there was a change in the average workforce of 23 employees, while the actual increase was of 15 units, resulting in a shift from 434 employees at 31 December 2022 to 449 employees at 31 December 2023, of whom 4 have a managerial qualification and are governed by the National Collective Labour Contract of executives of companies producing goods and services and 445 (as follows: 45 managers, 269 clerks and 131 workers) are regulated by the National Collective Labour Contract for workers in the electricity sector.

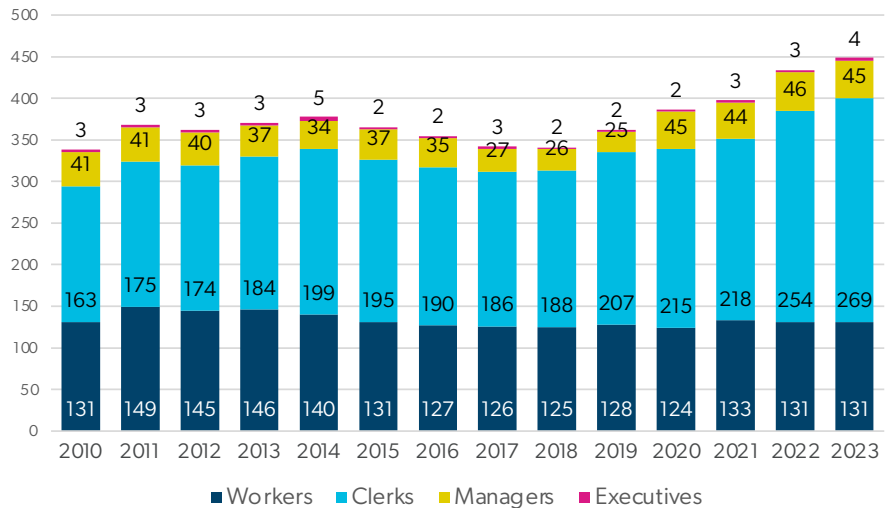
The breakdown of CVA employees at 31 December 2023 by age and gender ranges is as follows:

### CVA - Breakdown of balance at 31/12/2023 by age and gender range



The breakdown by professional category (executives, managers, clerks, workers) and the evolution compared to previous years is shown below:

### CVA - Personnel balance



In 2022, hours worked totalled 660,412 hours (637,270 ordinary and 23,142 overtime) corresponding to 1,595 hours (1,532 ordinary and 63 overtime) average worked by each employee in force at CVA.

In 2023, hours worked totalled 695,812 hours (674,185 ordinary and 21,627 overtime) corresponding to 1,592 hours (1,537 ordinary and 55 overtime) average worked by each employee in force at CVA.

Of the 449 employees in service at 31 December 2023, 381 (359 at the end of 2022 and 325 at the end of 2021) opted for a full contribution to a complementary pension fund, 24 (25 at the end of 2022 and 28 at the end of 2021) for the partial transfer to a complementary pension fund and 36 (32 at the end of 2022 and 30 at the end of 2021) for the maintenance of employee severance indemnity (TFR) at the company and 8 new hires (18 at end 2022 and 15 at the end of 2021), having 6 months to express their intentions, have not yet made their choice.

In addition to the normal entry training activity that involved the newly hired staff, training courses were offered to employees, both at company headquarters and outside.

The number of people trained in the year 2023 is indicated below:

- health and safety training - 385 employees;
- periodic department training - 87 employees;
- environmental training - 8 employees;
- professional training - 323 employees;
- language training - 26 employees;
- meetings, conferences, workshops - 40 employees.

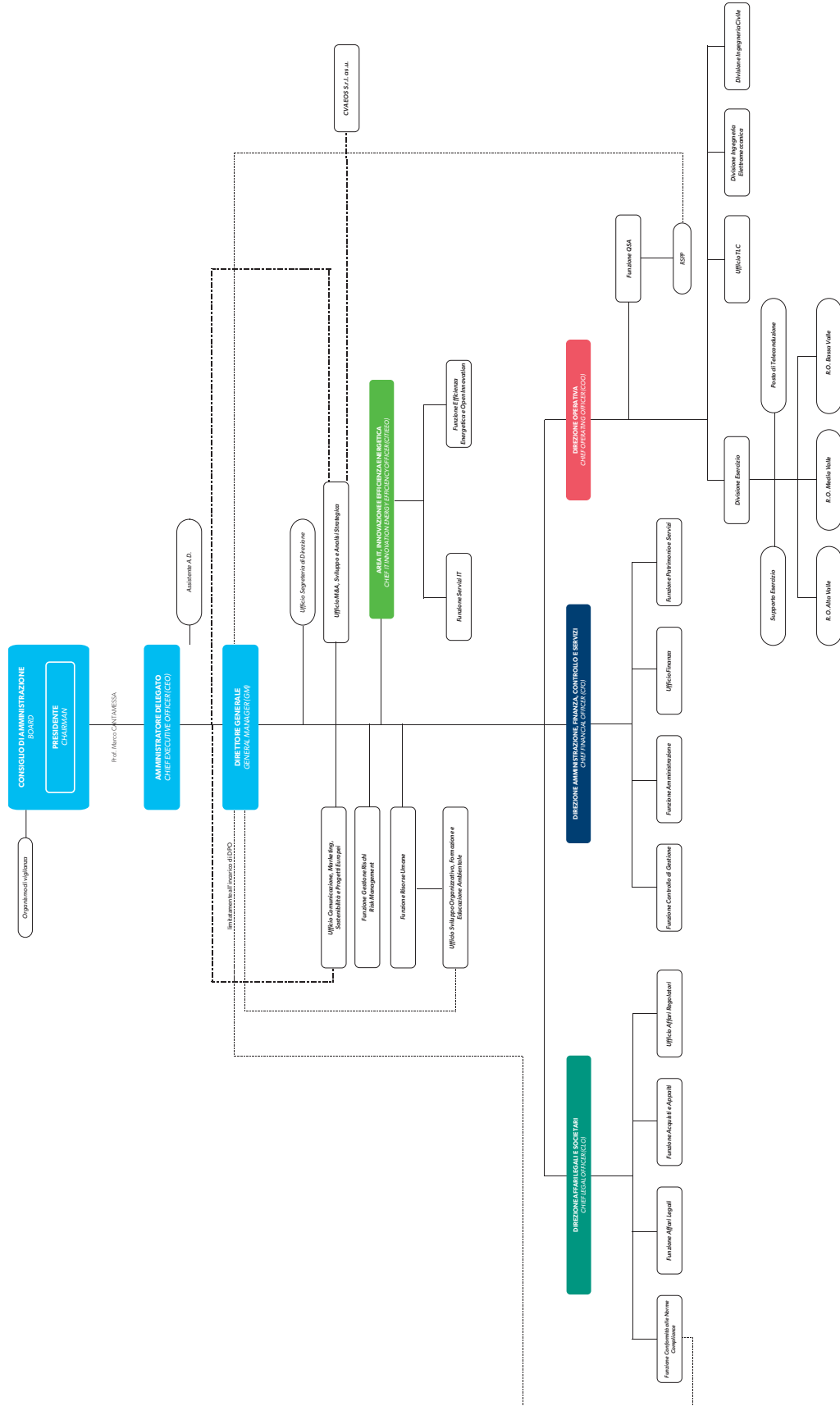
### ORGANISATION CHART

In 2023, the reorganisation process continued in order to align the organisational prerequisites effective to achieve implementation of the Group's Strategic Plan 2023-2027 defined by the Company and its constant review to the changing context in which it operates. The revision was implemented during the year 2023 at various times.

In April 2023, as a result of the corporate acquisitions and investments undertaken, the Legal and Corporate Affairs Department was set up, to which the complex and articulated legal and corporate organisation of the CVA Group was entrusted.

The reinforcement of the powers of the CEO aimed at strengthening the CVA image and the need for the parent company to also oversee M&A activities, saw the Communication, Marketing, Sustainability and European Projects Office reporting directly to the CEO in June 2023, and the transfer of M&A activities from CVA EOS to the CVA M&A, Planning and Strategic Analysis Office.

At 31 December 2023, the organisation chart of CVA was as follows:





### **SAFETY, ACCIDENTS AND OCCUPATIONAL ILLNESSES**

During 2023, the regular safety management activities, which had already been carried out in previous years, continued. Examples include: organisation of health and safety training, inspections and audits of workplaces and company processes, coordination meetings, drafting of the DUVRI, legal inspections (lifts, servos, cranes, hoists, mobile platforms, workshop cranes, pressure vessels, safety valves,...), reporting of equipment to INAIL, maintenance of fire prevention certificates in the company.

With a view to continuous improvement, the CVA Group works daily and constantly with the involvement of all personnel to pursue the goal of "0 injuries".

It should also be noted that no occupational accidents involving serious or very serious injuries or occupational illnesses were reported for any of the Group companies in 2023.

## RISK FACTORS AND UNCERTAINTY

As anticipated in the previous paragraphs, the CVA Group has developed an integrated corporate risk management model that is inspired by the international principles of Enterprise Risk Management (ERM), in particular the Committee of Sponsoring Organisations (COSO) framework, the main purpose of which is to adopt a systematic approach to the identification of the company's priority risks in order to assess their potential negative effects in advance and take appropriate action to mitigate them.

The Corporate Risk Model encompasses the different types of risk characterising the business in which the Group operates as set out below.

### RISKS RELATED TO CLIMATE CHANGE

A source of uncertainty for the Group derives from the possibility that the progressive change in climatic conditions could have an impact on the business of the CVA Group deriving mainly from the volatility of electricity generation volumes, with particular reference to renewable production. In a shorter time frame, the main risks may be due to an increase in the frequency and intensity of extreme weather events that may cause potential damage to plants and/or infrastructure, reduced performance and availability, increased O&M costs and higher insurance costs.

The climate risk management strategy is aimed both at the implementation of meteorological models that allow to define more accurate and effective production and safety plans and at the management of potential intense events that could affect the assets. Particular attention is paid to the Group's hydroelectric plants through the implementation of prevention and restoration plans and measures, and continuous dialogue with the relevant authorities on land protection. The risk mitigation strategy also provides for greater technological diversification and territorial dislocation of electricity production plants from renewable sources through the application of the strategic plan, which envisages a strong presence of the Group in the photovoltaic, wind and energy efficiency sectors. The risk assessment process also includes the presence of adequate insurance coverage as one of the risk transfer solutions.

Finally, the Group continues a progressive path of analysis of climate risks and opportunities according to the international guidelines of the TCFD. TCFD reporting will assess the financial impacts of climate change on the Group's business, according to internationally recognised scenarios of physical change and energy policy transition. The ultimate goal is to contribute to operational and strategic business decisions in order to increase resilience and ensure value generation over time.

### RISKS RELATED TO THE CHANGING REGULATORY CONTEXT

A potential and significant source of uncertainty for the Group arises from the constant evolution of the relevant legal and regulatory environment with effects on the functioning of markets, tariff plans, required levels of service quality, and technical-operational compliance.

The CVA Group, with reference to such potential risks, operates continuous

monitoring and constructive dialogue with institutions aimed at seeking moments of dialogue and timely evaluation of regulatory changes that have occurred, working to minimise the economic impact resulting from them. Details of the regulatory impacts for the year can be found in the specific chapter on “Evolution of the regulatory framework” in this report.

In particular, please note:

- the impact in terms of economic spillover of the various interventions on the remuneration of producers and, in particular, of the so-called two-way compensation mechanism pursuant to Article 15-bis of Decree-Law No. 4 of 27 January 2022, the one-way compensation mechanism pursuant to Article 1, paragraphs 30-38, of Law No. 197 of 29 December 2022 (so-called 2023 Budget Law), as well as the extraordinary contribution pursuant to Article 37 of Decree-Law No. 21 of 21 March 2022 (so-called DL Aiuti) and the extraordinary contribution pursuant to Article 1, paragraphs 115-119, of the 2023 Budget Law. These measures have all been challenged before the competent judicial authorities by not only the companies of the CVA Group, but also by most operators in the electricity sector. In particular, a case is currently pending before the Court of Justice of the European Union concerning the two-way compensation mechanism because, by order No. 1744/2023 published on 7 July 2023, the Lombardy Regional Administrative Court (TAR) referred the question to the aforementioned Court for a preliminary ruling in order for it to assess the compatibility of Article 15-bis with European Union law. At the same time, the Tax Court of First Instance of Rome, with Order No. 2437/2023 filed on 28 June 2023, referred to the Constitutional Court the question of the constitutional legitimacy of Article 37 of the DL Aiuti and, on 23 January 2024, a hearing was held before the Constitutional Court concerning the extraordinary contribution referred to in paragraphs 115-119 of the 2023 Budget Law;
- the impact in terms of operating costs of the measures against high energy prices (additional social bonuses, tax credit and zeroing of tariff components covering general system charges). In fact, despite the fact that 2023 was characterised by a progressive fall in energy commodity prices, the Authority and the national legislature nevertheless adopted measures to support households, workers and businesses for the first half of 2023.

Also likely to have an impact are the various interventions by the legislator to regulate authorisation procedures for the construction of new renewable energy plants, an issue on which there are unfortunately conflicting signals to date. In addition, the extraordinary intervention of the Regulatory Authority for Energy, Networks and Environment (ARERA) concerning the contribution for its operation in the year 2023 may have an impact. With Resolution 562/2023/A, ARERA in fact ordered the reimbursement to electricity operators of 40% of the contribution paid by them for the year 2023.

The evolution of the regulatory environment linked to climate change is also analysed in the disclosure process pursuant to TCFD recommendations.

## STRATEGIC RISKS

The growth path undertaken by the Group involves, first and foremost, technological and geographical diversification and the growth of energy generation capacity from renewable sources through the construction of approximately 800 MW of wind and photovoltaic plants throughout Italy. This path is based on strengthening the Group's technological know-how and positioning on the entire "value chain". The M&A transactions finalised in 2023 represent the grounding of the development of the business plan. The hydroelectric sector, on the other hand, is involved in the maintenance and expansion of existing capacity through significant repowering and modernisation, also in preparation for 2029, when the main hydroelectric concessions expire.

Strategic planning also includes the consolidation of other important areas. The year 2023 saw the launch of several initiatives of the Energy Efficiency Platform, with growth by external lines through the acquisition of target companies in 2022, the General Contractor activity under the "110% Superbonus", which will continue from 2024 with reduced tax rates, and the commissioning of the first Trigenation plant. In the field of electricity distribution, the Smart Grids Valle d'Aosta project financed in 2023 within the framework of the National Recovery and Resilience Plan (PNRR) marks a further acceleration of investments in the modernisation and resilience of the distribution network in Valle d'Aosta. Furthermore, as part of its sustainability journey, the CVA Group has defined an integrated strategy whereby it combines corporate growth with environmental and social sustainability, by setting specific sustainability targets.

The risk of failure or partial achievement of the strategic objectives could lead to both an economic and financial impact due to a lower growth in the Group's margins and impacts of a reputational nature, due to the failure to meet the expectations of the Stakeholders regarding sustainability commitments. Among the main risk factors that weigh on the various areas of development are: possible authorisation criticalities and delays in the entry into operation of new plants, presence of competitors with greater investment capacity, extra costs and difficulties in finding suppliers of goods and strategic services, unforeseen events linked to the intrinsic nature of the works, uncertainties on legislative and regulatory evolution, unpredictable external events, extension of ongoing conflicts on a global scale, with consequent impacts on the supply chain and profitability of the planned initiatives. In fact, tensions on the supply chain remain high, with the risk of seeing the difficulties exacerbated in the supply of certain goods that are used both in the ordinary operation and maintenance activities of the plants, and in perspective at the sites for the implementation of the development. This phenomenon is accompanied by a significant and generalised increase in the prices of materials, equipment, machinery and services.

Lastly, during annual risk assessment activities, the Enterprise Risk Management process monitors the risks associated with strategic and sustainability objectives and submits them to the Management in order to prioritise any corrective actions.

## INFORMATION SECURITY RISKS

IT and TLC systems support almost all business activities and processes; some of the data stored are particularly significant, such as business information and personal information of customers, service providers and employees. The functioning of these information and technology systems and networks, as well as the ability to process and store data securely, are fundamental to the Group's activities.

Also in 2023, the alert level of threats to the security of systems and networks maintained a high level of attention and engagement on the part of the relevant company structures. Incidents and system breaches could compromise the confidentiality, integrity and availability of such data and lead to misuse of information, loss of financial resources and operational disruptions. The same events could also lead to litigation, fines and disqualifications, as well as operating and other costs.

In order to reduce this risk, the Group has taken numerous actions, including, first and foremost, adapting its systems to the standards ISO/IEC 27001 and 27701 concerning information security and privacy management respectively. In December 2022, CVA obtained the aforementioned certifications, issued by the DNV certification body, which were confirmed in 2023. The results of the Business Continuity project, aimed at improving the level of business continuity of IT (Information Technology) and TLC (Telecommunications) services, were incorporated into the recent evolution of ISO 27001, which fully incorporates ICT business continuity among the requirements that will come into force in the coming years.

The experience of the IT incident that occurred in November 2022, which was overcome without significant impact, demonstrated in the field the responsiveness of the internal structures in charge and the resilience of the IT systems. In the wake of the event, the existing safeguards were further strengthened with the activation of enterprise-level services for monitoring and incident response and the grounding of additional hardware and process measures.

The CVA group adopts a highly reliable hardware and software architecture. To protect against disastrous events, it has a business continuity solution aimed at maintaining the functionality of IT and TLC services and the correct, rapid and efficient restoration of their operation, should an event occur that causes an interruption.

Significant investments were also dedicated to the security of the electricity distribution network. In the first half of the year, the renewal of the DEVAL remote control system platform was completed and the implementation of the application map dedicated to the management of the distribution network and meter reading was completed. These measures reduce the possibility of failure or vulnerability to potential cyber attacks with consequences in terms of business continuity and the quality of services provided to customers.

Finally, various periodic and/or event-driven audits (e.g. vulnerability assessments and penetration tests) are carried out in the ordinary course of business. An ongoing training and information programme is also underway to spread the culture of privacy and cyber security, including through phishing simulations to assess the degree of employee awareness.

## FINANCIAL RISKS

### RISKS RELATED TO CHANGES IN COMMODITY PRICES

The Company is exposed to market risks on electricity prices for all generation plants for which market sales are planned, for the volumes of electricity delivered to end customers and, to a lesser extent, as concerns the short-term purchase and sale of futures and physical energy. This risk is identified as the possibility that changes in market prices will produce changes in economic performance that could jeopardise the achievement of the Group's objectives set by the strategic plan. The year 2023 ended with a significant price correction, resuming a downward trajectory that began a year ago and continued, with some interruptions, throughout the year. Nevertheless, a high degree of volatility remains, also due to an international and geopolitical context full of uncertainties and critical issues.

Management and control activities monitor the risk in terms of Economic Capital, combined in terms of both variability (VaR) and maximum Mark to Market Loss, and the use of derivative financial instruments commonly used in the market in order to limit exposure to price risk. The strategic policy of the CVA Group is also aimed at limiting exposure to market volatility, while operations are directed towards the goal of harmonising energy purchase and sale price structures by signing, wherever possible, supply contracts structured in such a manner so as to reduce exposure to the risk of energy price fluctuations.

At 31 December 2023, the Group holds financial and physical derivative contracts aimed at hedging the risk of fluctuations in the price of electricity generated by the purchase and sale portfolio; in addition, it holds in its portfolio some physical and financial positions on the price of energy traded for purely short-term brokerage and/or arbitrage purposes. As in previous years, the Company has deemed it necessary to face the risk of volatility in the amount for the allocation of transport capacity to supplement the rules governing dispatching economic conditions, referring to the differential between zone prices and the single national price, participating in 2023 in the 2024 CCC annual auction and also in the monthly auctions taking place.

### CREDIT RISK

Credit risk represents the exposure of the Company to potential losses arising from the non-fulfilment of the obligations assumed by the counterparty. This risk can arise from factors that are more strictly technical-commercial or administrative-legal (disputes over the nature/quantity of the supply, the interpretation of contractual clauses, etc.) and from factors that are typically financial or, the credit standing of the counterparty.

Exposure to credit risk is mainly linked to the correct assessment and monitoring of the customer, who will then be supplied with electricity. In order to control this risk, the Company, with reference to customers in the Free Market, uses tools for assessing the "Business" and "Small Business" customer at the time of its supply request, for the subsequent monitoring of the expected flows and for the implementation of any recovery actions. With regard to credit risk relating to other customers in the Free Market operating in the customer segment defined as "domestic" and in the Greater Protection Market, the



Company, even though it cannot implement actions aimed at the preliminary assessment of the customer, will continue to maintain the already consolidated control standards. In addition, in order to further mitigate the risk linked to the possible insolvency of customers supplied on the Free Market, a contract was also stipulated for the insurance of receivables deriving from supplies to Business and Small Business customers.

### **LIQUIDITY RISK**

Liquidity risk represents the possibility that the company's financial resources may be insufficient to meet its financial and commercial obligations pursuant to the contractual terms and conditions set. The risk management policy, also in view of the Group's significant cash generation, has always involved maintaining sufficient liquidity, readily marketable securities and quickly liquidating investments. This management policy has recently been changed and, in the wake of issues relating to the exceptional volatility experienced in the energy futures markets, the Group now pursues a policy aimed at making liquidity risk reasonably remote, through the constant availability of irrevocable credit lines, which allow reasonably foreseeable future financial commitments to be met and with the minimum objective of providing the Group with the necessary financial resources at all times. The Group monitors risk by seeking to maintain a balance between continuity in the availability of funds and flexibility in utilisation.

### **INTEREST RATE RISK**

Interest rate risk is the risk of higher financing costs due to an unfavourable change in interest rates.

The Group is exposed to market risk arising from changes in interest rates exclusively with reference to rates in the Eurozone, as all of the Group's debt is denominated in Euros. The Group has adopted a balancing strategy between fixed and variable rate debt following which fixed rate gross financial debt, including the effect of hedging derivatives, is predominant at the end of 2023.

The Group manages its exposure to interest rate risk on a dynamic basis, resorting to simulations of prospective needs and cash flows, and, where deemed necessary, identifying hedging policies, even in advance of financing expectations.

The major investment plan 2023 - 2027 foresees an increase in financial requirements, compared to the past, which, however, has already been largely met.

### **EXCHANGE RATE RISK**

The Group's operations in currencies other than the Euro are significantly limited, so there is no risk resulting from exchange rate fluctuations.

## COMMERCIAL RISKS

### MARKET COMPETITIVENESS RISK

In 2023, the energy markets within which the Group operates experienced fragile stability in a context governed by unpredictable global forces. In the Italian electricity market, there was a general bearish phase, which also benefited from the renewed contribution of hydroelectric, which was much higher than last year. Prices therefore followed supply/demand fundamentals driven by the European (slowing German economy) and global (low Chinese growth) macro-economic scenario, together with the structural impact of energy efficiency on corporate consumption.

The Group operates, through the subsidiary CVA Energie, in the energy sales sector, which is characterised by high levels of competition, determined by the presence of a vast number of operators, including international ones, which are offering increasingly competitive prices, in addition to the increasingly large number of resellers. Although exposure to risks related to the competitiveness of the retail market remains significant, the success of the commercial offering in the business and retail market significantly benefits from the renewable nature of the energy produced, the recognised strength and positive brand reputation of the CVA Group. In 2023, as part of its commercial strategy, the Group launched a new offer for its customers in Valle d'Aosta with the application of a price for the energy component, fixed and invariable for seven years with a view to focusing on the territory and stabilising revenues.

### COUNTERPARTY RISK

Counterparty risk is linked to the possibility that a counterparty may not fulfil its contractual obligations of payment or delivery/withdrawal of commodities, goods and services in the agreed time and manner. The methodology adopted by the CVA Group for the management of counterparty risk is characterised by a prudential approach and is aimed at the conscious assumption of this risk. Specifically, the counterparty risk management process includes the following phases:

prevention: this includes all precautionary activities aimed at assessing the creditworthiness of a potential counterparty, establishing the associated operational limits and consequently identifying the strategy to be adopted for the (possible) conclusion of the contract;

monitoring: this includes all activities carried out in order to measure and monitor the evolution of exposure to counterparty risk through the assessment of concentration risk with reference to the defined risk limits, and to promptly identify any changes in the creditworthiness of counterparties. These activities are carried out both for individual counterparties and at Group level;

response: this includes corrective action taken if risk limits are exceeded or if the creditworthiness of the counterparty deteriorates. These actions aim to minimise losses and maximise coverage of the credit exposure associated with the counterparty.

## **REGULATORY AND FISCAL RISKS**

The Group constantly monitors the development of tax regulations from which additional tax disputes may arise that may result in tax risks against which the payment of additional taxes, penalties or interest cannot be ruled out. In addition to what has been described above in relation to risk management and mitigation activities, the Group, in the presence of current obligations resulting from past events, which may be of a legal or contractual nature or arise from statements or conduct of the company such so as to induce in third parties a valid expectation that the company itself will be responsible or assume responsibility for fulfilling an obligation, has made appropriate allocations over the years in special provisions for risks and charges present among the liabilities in the financial statements and described in detail below in this report in the Notes to the Financial Statements items.

## EVENTS OCCURRING AFTER THE END OF THE FINANCIAL YEAR AND BUSINESS OUTLOOK

The business outlook for the financial year 2024 is based on a number of objective elements that make it possible to express significant confidence in the positive trend that is shaping up for the current financial year.

In particular, the main elements that will affect the results of the current year are represented by:

- price volatility related to continuing geopolitical tensions and concerns about the duration of extraordinary maintenance of strategic plants (Norwegian gas);
- a level of energy price hedging realised at values averaging over 2023, which nevertheless ensured a very strong performance;
- a level of hydraulicity that could be above the ten-year average for the company, net of course of the hoped-for maintenance of the production set-up suitable to take advantage of this objectively peculiar and unexpected weather season, with a potential Hydro production above the planned budget;
- new plants went into operation (in April, the Arlena plant with an installed capacity of 28.8 MW), with others becoming operational, and still others, the acquisition of which has been decided and which will increase the plant equipment and related production capacity;
- the conclusion of the strategic path to configure the industrial structure of the Other RES Business Unit with the completion of the acquisition of the majority of the capital, on 27 May, of SUNNERG GROUP and some of its subsidiaries, a leading EPC (engineering, procurement and construction) operator for the construction of photovoltaic plants; an operator that, moreover, is showing growth potential (an element that was at the basis of the strategic decision to proceed with the acquisition of the majority together with the need to equip itself with autonomous construction capacity) as expected very significant;
- legal and regulatory uncertainties, including the Decree on Suitable Areas and the Decree on Agriculture (currently being discussed for conversion into law), which introduce severe limitations on the development of new Other RES plants in the country;
- the full consolidation of the results of the acquired companies, which for the current year will be included for the entire year and not for a fraction as was the case for the year 2023, (results, moreover, increasing in all investee companies).

These are the main elements that will allow the company for the current financial year to reap the full benefits of the strategy implemented over the last three years, in positive reaction, on the one hand, to the energy shock and, on the other, in the pursuit of a diversification and growth strategy aimed at mitigating the serious risks that can impact the single source of hydroelectric generation.

The international framework is still seriously uncertain from both a geopolitical and economic perspective. However, it is inescapable from an industrial perspective that the energy transition will be based primarily, for at least the next decade, on the development of renewables. This change sees the Com-

pany at the centre of the process, as one of the leading players in the national energy system, in its capacity as the largest purely green operator, fully integrated and structured so as to be able to manage the entire chain that starts from the development, to the construction and management of renewable plants, with the ability, as demonstrated in previous years, to valorise production on all markets.

In terms of investments, Valle d'Aosta and hydroelectricity remain central, with the start of the procedures for the awarding of the Hone2 works in the current financial year, for an auction base amounting to about Euro 140 million, with the prospect of a significant increase in the productivity of the plants themselves, as well as the unavoidable need to intervene for their proper operational maintenance.

The current financial year will be the year in which the regulatory framework for the reallocation of large hydroelectric derivation concessions will be finally defined.

The company has prepared for every scenario and is ready to face the challenge, both technically and financially. This is in the knowledge that the economic-financial strengthening brought about by the group's development over the last three years has consolidated both the ability to successfully participate in any competitive procedures and the broader sustainability of an investment plan that is necessary and correlated with the reallocation of the concessions themselves, in whatever manner they may take place.

Assets related to the Other RES BU will also be consolidated with the ongoing evaluation of possible acquisitions of operating plants of particular value and positive profitability.

## OTHER INFORMATION

### DEFERRAL OF THE TERMS FOR APPROVAL OF THE FINANCIAL STATEMENTS

The Company decided to avail itself of the longer term provided for by Article 2364 of the Civil Code and the Articles of Association for the approval of the Financial Statements of CVA S.p.a.: this was done in consideration of the complexities related to the need to consolidate the new perimeter of the Group that had grown following the extraordinary transactions implemented in 2023, which entailed an extension of the time required to prepare these Financial Statements.

### SECONDARY OFFICES

In addition to its registered office in Via Stazione 31 in Châtillon (AO), CVA exercises its activities at the secondary offices indicated in the Annexes.

### MANAGEMENT AND COORDINATION ACTIVITIES

Pursuant to Art. 2497 and following of the Civil Code, it is noted that CVA is assigned tasks of strategic guidelines, management and coordination with regard to its subsidiaries which, at 31 December 2023, are represented by:

- CVA ENERGIE S.r.l.;
- CVA EOS S.r.l.;
- DEVAL S.p.A.;
- VALDIGNE ENERGIE S.r.l.;
- SR INVESTIMENTI S.r.l.;
- CVA SMART ENERGY S.r.l.;
- AGREEN ENERGY S.r.l..2100.....

The sole shareholder of CVA is FINAOSTA S.p.A. a s.u. (hereinafter "FINAOSTA"), which holds 100% of the share capital under special management regime on behalf of the Region; the FINAOSTA capital is 100% owned by the Valle d'Aosta Autonomous Region. The Board of Directors of CVA has constantly and periodically evaluated the issue of being subject to management and coordination activities with reference to both the shareholder FINAOSTA and RAVDA.

The Company is not subject to management and coordination by FINAOSTA or RAVDA.

### TRANSACTIONS WITH RELATED PARTIES

For related party transactions, please refer to the appropriate descriptive sections of the Notes to the Consolidated and Annual Financial Statements





## CONSOLIDATED FINANCIAL STATEMENTS

## FINANCIAL STATEMENTS

<b>CONSOLIDATED BALANCE SHEET ASSETS AND LIABILITIES</b>			
AMOUNTS IN EURO THOUSANDS	Notes	2023	2022
<b>ASSETS</b>			
<b>Non-current assets</b>			
Tangible assets	(12) - (14)	934,751	606,905
Intangible assets	(13) - (14)	26,009	14,126
Goodwill	(15)	419,441	225,564
Equity investments	(16)	23,780	14,649
Deferred tax assets	(17)	76,064	103,375
Non-current tax receivables	(23)	19,351	4,378
Assets for non-current financial derivatives	(24)	1,556	1,309
Other non-current financial assets	(18)	46,804	30,215
Trade receivables	(21)	89,709	25,037
Other non-current assets	(19)	5,081	5,132
<b>Total non-current assets</b>		<b>1,642,544</b>	<b>1,030,691</b>
<b>Current assets</b>			
Inventories	(20)	17,764	5,095
Trade receivables	(21)	241,252	171,386
Receivables for income taxes	(22)	17,825	5,521
Current tax receivables	(23)	42,606	26,588
Assets for current financial derivatives	(24)	103,779	255,148
Other current financial assets	(25)	10,889	1,171
Other current assets	(26)	77,325	282,181
Cash and cash equivalents	(27)	378,624	226,663
<b>Total current assets</b>		<b>890,063</b>	<b>973,753</b>
Assets classified as held for sale		-	-
<b>TOTAL ASSETS</b>		<b>2,532,607</b>	<b>2,004,445</b>

	Notes	2023	2022
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	(28)	395,000	395,000
Other reserves	(28)	493,767	255,741
Accumulated Profits/(Losses)	(28)	78,570	55,269
Net result of the year	(28)	157,834	163,975
Shareholders' equity attributable to the Group		1,125,171	869,985
Shareholders' equity - Minority interests		21,581	8,888
<b>Total shareholders' equity</b>		<b>1,146,751</b>	<b>878,873</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Employee benefits	(29)	6,139	4,632
Provisions for risks and charges	(30)	22,516	30,488
Deferred tax liabilities	(17)	122,709	23,295
Liabilities for non-current financial derivatives	(24)	1,088	117,887
Other non-current financial liabilities	(31)	831,986	491,350
Other non-current liabilities	(32)	24,236	23,771
<b>Total non-current liabilities</b>		<b>1,008,674</b>	<b>691,424</b>
<b>Current liabilities</b>			
Employee benefits	(29)	1,130	887
Provisions for risks and charges	(30)	1,010	127
Trade payables	(33)	181,242	86,093
Payables for income taxes	(34)	2,925	44,351
Other tax payables	(34)	21,865	2,851
Liabilities for current financial derivatives	(24)	31,456	198,718
Other current financial liabilities	(31)	97,880	80,720
Other current liabilities	(35)	39,674	20,400
<b>Total current liabilities</b>		<b>377,182</b>	<b>434,148</b>
Liabilities related to assets held for sale		-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,532,607</b>	<b>2,004,445</b>

<b>CONSOLIDATED INCOME STATEMENT</b>			
AMOUNTS IN EURO THOUSANDS	NOTES	2023	2022
<b>Revenues</b>			
Revenues from sales and services	(1)	1,627,075	1,701,857
Other revenues and income	(2)	32,196	26,422
Change in contract work in progress	(3)	(1,412)	-
<b>TOTAL REVENUES (A)</b>		<b>1,657,858</b>	<b>1,728,280</b>
of which: impact of non-recurring items		803	471
<b>Operating costs</b>			
Costs for raw materials and services	(4)	1,236,875	1,348,822
Personnel costs	(5)	49,681	42,246
Other operating costs	(6)	90,598	47,751
Capitalised days of work	(7)	(8,759)	(5,820)
<b>TOTAL OPERATING COSTS (B)</b>		<b>1,368,394</b>	<b>1,432,999</b>
of which: impact of non-recurring items		35,874	746
<b>EBITDA (A-B)</b>		<b>289,464</b>	<b>295,281</b>
of which: impact of non-recurring items		(35,071)	(276)
<b>Amortisation, depreciation, provisions and write-downs</b>			
Amortisation/Depreciation	(8) - (14)	77,196	54,377
Provisions and write-downs	(9)	655	4,717
<b>TOTAL AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS (C)</b>		<b>77,851</b>	<b>59,094</b>
of which: impact of non-recurring items		(1,932)	3,412
<b>EBIT (A-B+/-C)</b>		<b>211,613</b>	<b>236,187</b>
of which: impact of non-recurring items		(33,139)	(3,688)
<b>Financial management</b>			
Financial income	(10)	15,237	3,236
Financial expenses	(10)	7,509	(11,322)
<b>TOTAL FINANCIAL BALANCE (D)</b>		<b>7,728</b>	<b>14,558</b>
of which: impact of non-recurring items		25,691	-
<b>PRE-TAX RESULT (A-B+/-C+/-D)</b>		<b>219,341</b>	<b>250,745</b>
of which: impact of non-recurring items		(7,448)	(3,688)
Gains/(losses) for income taxes	(11)	59,663	86,341
<b>Net result of continuing operations</b>		<b>159,678</b>	<b>164,404</b>
Net result of discontinued operations		-	-
<b>PERIOD NET RESULT</b>		<b>159,678</b>	<b>164,404</b>
Profit/(loss) attributable to the Group		157,834	163,975
Profit/(loss) attributable to non-controlling interests		1,845	430
Basic earnings per share (Euro)		0,40	0,42
Diluted earnings per share (Euro)		0,40	0,42

<b>CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME</b>			
AMOUNTS IN EURO THOUSANDS	NOTES	2023	2022
Result of the period (A)	(27)	159,678	164,404
<b>Other components of the Comprehensive Income Statement that can be reclassified to the Income Statement in subsequent periods (net of the tax effect)</b>			
- Effective portion of changes in fair value of cash flow hedges	(28)	217,598	27,258
- Share of change in fair value attributable to cost of cash flow hedging (cost of hedging)	(28)	(39,099)	(76,641)
<b>Total other components of Comprehensive Income that can be reclassified to the Income Statement in subsequent periods (net of the tax effect) (B)</b>		<b>178,500</b>	<b>(49,384)</b>
<b>Other components of Comprehensive Income that cannot be reclassified to the Income Statement in subsequent periods (net of taxes)</b>			
- Remeasurement of liabilities for defined benefit plans for employees	(28)	(281)	658
<b>Total other components of the Comprehensive Income Statement that cannot be reclassified to the Income Statement in subsequent periods (net of taxes) (C)</b>		<b>(281)</b>	<b>658</b>
Total profit/(loss) recognised directly in equity (B+C)		178,219	(48,725)
<b>Total profit recognised in the year (A+B+C)</b>		<b>337,897</b>	<b>115,679</b>

<b>CONSOLIDATED STATEMENT OF CHANGES IN EQUITY ITEMS</b>									
AMOUNTS IN EURO THOUSANDS	SHARE CAPITAL	OTHER RESERVES	RESERVE FROM REMEASUREMENT FOR EMPLOYEE BENEFIT PLANS	CASH FLOW HEDGE RESERVE	COST OF HEDGING RESERVE	NET RESULT OF THE YEAR	GROUP SHAREHOLDERS' EQUITY	SHAREHOLDERS' EQUITY - MINORITY INTERESTS	TOTAL SHAREHOLDERS' EQUITY
<b>At 01 January 2022</b>	<b>395,000</b>	<b>386,216</b>	<b>(1,760)</b>	<b>(91,201)</b>	<b>(6,993)</b>	<b>133,441</b>	<b>814,703</b>	<b>9,495</b>	<b>824,197</b>
<b>Allocation of 2021 profits/(losses)</b>									
- profits carried forward	-	73,440	-	-	-	(73,440)	-	-	-
- distribution of dividends	-	-	-	-	-	(60,001)	(60,001)	-	(60,001)
<b>Comprehensive profit/(loss) recognised in the year</b>									
- profits and losses recognised directly in equity	-	-	658	27,258	(76,641)	-	(48,725)	-	(48,725)
- profit for the year	-	-	-	-	-	163,975	163,975	430	164,404
<b>Other changes</b>	-	<b>33</b>	-	-	-	-	<b>33</b>	<b>(1,036)</b>	<b>(1,003)</b>
<b>At 31 December 2022</b>	<b>395,000</b>	<b>459,689</b>	<b>(1,101)</b>	<b>(63,943)</b>	<b>(83,634)</b>	<b>163,975</b>	<b>869,985</b>	<b>8,888</b>	<b>878,873</b>
<b>At 01 January 2023</b>	<b>395,000</b>	<b>459,689</b>	<b>(1,101)</b>	<b>(63,943)</b>	<b>(83,634)</b>	<b>163,975</b>	<b>869,985</b>	<b>8,888</b>	<b>878,873</b>
<b>Allocation of 2022 profits/(losses)</b>									
- profits carried forward	-	88,964	-	-	-	(88,964)	-	-	-
- distribution of dividends	-	-	-	-	-	(75,011)	(75,011)	(187)	(75,198)
<b>Comprehensive profit/(loss) recognised in the year</b>									
- profits and losses recognised directly in equity	-	-	(281)	217,598	(39,099)	-	178,219	-	178,219
- profit for the year	-	-	-	-	-	157,834	157,834	1,845	159,678
<b>Other changes</b>	-	<b>(5,856)</b>	-	-	-	-	<b>(5,856)</b>	<b>11,035</b>	<b>5,179</b>
<b>At 31 December 2023</b>	<b>395,000</b>	<b>542,797</b>	<b>(1,382)</b>	<b>153,655</b>	<b>(122,733)</b>	<b>157,834</b>	<b>1,125,171</b>	<b>21,581</b>	<b>1,146,751</b>



<b>CONSOLIDATED CASH FLOW STATEMENT</b>		
AMOUNTS IN EURO THOUSANDS	2023	2022
<b>A. Cash flows from operating activities (indirect method)</b>		
Profit (loss) of the year	159,678	164,404
Income taxes	59,663	86,341
Net financial interest expenses	(7,291)	(14,271)
Allocations and income provisions for risks and charges	(1,609)	(4,108)
Allocations and reversal to income of employee severance indemnity (TFR) and other benefits	657	247
Amortisation/Depreciation of fixed assets	77,196	54,377
Bad debts	1,128	2,344
Write-downs, revaluations and gains/losses	1,875	3,649
Result from shareholdings carried at equity	1	(301)
Other adjustments for non-monetary elements	141,957	(129,842)
<b>Cash flow after adjustments of non-monetary items</b>	<b>433,255</b>	<b>162,841</b>
<b>Changes in NWC</b>		
Decrease/(increase) in trade receivables net of write-downs	(135,275)	(102,764)
Increase/(decrease) in payables to suppliers	95,149	12,986
Increase/(decrease) in other current assets/liabilities	141,459	(192,257)
<i>of which: net taxes (paid)/reimbursed</i>	<i>(57,785)</i>	<i>(61,760)</i>
<b>Changes in NWC</b>	<b>101,333</b>	<b>(282,035)</b>
<b>Cash flow after changes in NWC</b>	<b>534,588</b>	<b>(119,194)</b>
<b>Other changes not included in changes in NWC</b>		
Net change in provisions for risks and charges	(9,877)	(585)
Net change in Employee severance indemnity (TFR) and other employee benefits	703	(890)
Change in other assets and liabilities not included in NWC	516	500
<b>Other changes not included in changes in NWC</b>	<b>(8,658)</b>	<b>(975)</b>
<b>Cash flow from operating activities (A)</b>	<b>525,930</b>	<b>(120,169)</b>
<b>B. Cash flows from investment activities</b>		
(Investments)/divestments - Tangible assets	(399,387)	(35,556)
(Investments)/divestments - Intangible assets	(14,363)	(3,799)
(Investments)/divestments - Equity investments and goodwill	(203,891)	(12,000)
(Investments)/divestments or repayments - Financial assets (current and non-current)	(26,503)	60,831
<b>Cash flows from investment activities (B)</b>	<b>(644,145)</b>	<b>9,476</b>
<b>C. Cash flows from financing activities</b>		
<b>Interest collected/(paid)</b>	<b>(27,901)</b>	<b>69,679</b>
<b>Borrowed capital</b>	<b>362,057</b>	<b>100,847</b>
Increase/(decrease) in financial assets/liabilities centralised treasury	-	-
New/(Repayment of) loans	362,057	100,847
<b>Equity</b>	<b>(63,979)</b>	<b>(60,000)</b>
Other capital increases (decreases)	11,031	-
Dividends (and interim dividends) paid	(75,011)	(60,001)
<b>Cash flow from financing activities (C)</b>	<b>270,177</b>	<b>110,525</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>151,961</b>	<b>(168)</b>
<b>Cash and cash equivalents at 1 January</b>	<b>226,663</b>	<b>226,831</b>
<b>Cash and cash equivalents at 31 December</b>	<b>378,624</b>	<b>226,663</b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### FORM AND CONTENT OF THE FINANCIAL STATEMENTS

The Consolidated Financial Statements of the CVA Group for the year ended 31 December 2023 have been prepared on the basis of the business operating as a going concern and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the legislative and regulatory provisions in force in Italy. IFRS refers to all the revised international accounting standards (IAS/IFRS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the Standing Interpretations Committee (SIC).

In this regard, it is noted that the accounting standards and criteria applied to these financial statements comply with those adopted in the previous year, except for the "Accounting standards, amendments and interpretations approved and applied from 1 January 2023", to which reference is made.

The Consolidated Annual Financial Report has been prepared on a general historical cost basis, with the exception of items that under IFRS must or can be measured at fair value. The Consolidated Financial Statements for the year 2023 consist of the Consolidated Statement of Financial Position, the Consolidated Income Statement, the Statement of the other components of the Consolidated Comprehensive Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the related Notes to the Consolidated Financial Statements.

In accordance with IAS 1 (Presentation of Financial Statements) comparative information included in the consolidated financial statements refers, unless otherwise indicated, to the previous year. Where a better representation has required a different reclassification of the items in the financial statements, the comparative information has been adapted accordingly.

The reporting currency of the consolidated financial statements is the Euro. Unless otherwise indicated, the financial statements and related notes are presented in thousands of Euros, rounded off to the nearest business unit.

It is specified that for the Consolidated Balance Sheet, the classification of assets and liabilities is carried out according to the "current/non-current" criterion - as required by paragraph 60 and following of IAS 1 - with specific separation of assets and liabilities discontinued or destined to be sold.

An asset is considered current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held mainly for the purpose of negotiating it;
- it is expected to be realised within twelve months of the closing date of the year;
- it consists of cash or cash equivalents unless it is forbidden to exchange it or use it to settle a liability for at least twelve months from the closing date of the financial year.

All other assets are classified as non-current.

Similarly, a liability is considered current when:

- it is expected to be settled in its normal operating cycle;
- it is held mainly for the purpose of negotiating it;
- it must be settled within twelve months of the closing date of the year; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of the closing date of the year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The Consolidated Income Statement is classified according to the nature of costs, as this form of presentation is considered more appropriate for representing the Group's economic activities, complies with internal reporting procedures and is in line with the practices of the reference industrial sector. In addition to the Operating Result, the Consolidated Income Statement shows the Gross Operating Margin obtained by subtracting total operating costs from total revenues. For more information on the Alternative Performance Indicators (API) adopted by the Group and different from the financial indicators expressly provided for by the IAS/IFRS international accounting standards, reference is made to the Report on Operations.

The Consolidated Statement of Changes in Equity has been prepared in accordance with the provisions of IAS 1.

The Statement of Comprehensive Income includes the profit or loss for the year as shown in the income statements and all other non-owner changes in equity.

The Consolidated Cash Flow Statement is presented using the indirect method as permitted by IAS 7.

Furthermore, in the Income Statement, income and expenses relating to transactions which by nature do not occur during normal operation (non-recurring transactions) have been specifically identified and their impact has been shown separately, when they are significant.

The Group uses the "net presentation" method to represent the trading margin of electricity trading activities in the income statement, considering that the new presentation - together with the related explanatory notes - provides a better representation of the substance of the transaction as required by the reference accounting standards.

## STANDARDS AND SCOPE OF CONSOLIDATION ADOPTED IN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS SUBSIDIARIES

The Consolidated Financial Statements include the financial statements of CVA and its subsidiaries at 31 December 2023. Control is obtained when the Group is exposed or entitled to variable returns, deriving from its relationship with the investee and, at the same time, has the ability to impact these returns by exercising its power over such entity. Specifically, the Group controls an investee if, and only if, the following conditions are met:

- the Group exercises its power over the investee (or holds valid rights that give it the current ability to manage the relevant activities of the investee);
- the Group is exposed or has rights to variable returns arising from the relation with the entity of the investment;
- the Group has the ability to exercise its power on the entity of the investment to affect the amount of its returns.

Generally, there is a presumption that the majority of voting rights entails control. In support of this presumption and when the Group holds less than the majority of voting rights (or similar rights), the Group considers all the relevant facts and circumstances to determine whether it controls the investee, including:

- contractual agreements with other holders of voting rights;
- rights deriving from contractual agreements;
- voting rights and potential voting rights of the Group;
- a combination of the above.

The Group reconsiders whether or not it has control of an investee if the facts and circumstances indicate that there have been changes in one or more of the elements relevant to the definition of control. The consolidation of a subsidiary begins when the Group obtains control and ceases when the Group loses control. The assets, liabilities, revenues and costs of the subsidiary acquired or sold during the year are included in the Consolidated Financial Statements from the date on which the Group obtains control until the date on which the Group no longer exercises control over the company.

The profit (loss) for the year and each of the other components of Comprehensive Income are attributed to the shareholders of the parent company and minority holdings, even if this implies that the minority holdings have a negative balance. When necessary, appropriate adjustments are made to the Financial Statements of the subsidiaries, in order to ensure compliance with the Group's accounting standards. All assets and liabilities, equity, revenues, costs and inter-group financial flows relating to transactions between Group entities are derecognised completely during the consolidation phase.

Changes in the investment in a subsidiary that do not involve the loss of control are recognised in equity.

If the Group loses control of a subsidiary, it must derecognise the related assets (including goodwill), liabilities, minority interests and other components of equity, while any profit or loss is recognised in the Income Statement.

## ASSOCIATED COMPANIES

Companies in which the Group exercises significant influence, but not control (or joint control), on financial and operating policies are considered associated. The Consolidated Financial Statements include the Group's portion of the results of associates, accounted for using the equity method, from the date on which significant influence commences until the time said significant influence ceases to exist. Should the portion attributable to the Group of any losses of the associate exceed the carrying value of the investment in the financial statements, the value of the investment is set to zero, and the excess share of the additional loss is not recognised, except and to the extent in which the Group is responsible.

## SCOPE OF CONSOLIDATION

The scope of consolidation includes companies that the Parent Company directly or indirectly controls, joint ventures and associated companies. The details of the Group's scope of consolidation at 31 December 2023 are shown below.

### List of companies included in the Consolidated Financial Statements on a line-by-line basis at 31 December 2023

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
<b>Compagnia Valdostana delle Acque – Compagnie Valdôtaine des Eaux S.p.A. a s.u.</b>	Euro 395,000,000 fully paid-in	Châtillon (AO), Via Stazione, 31	Parent Company
<b>CVA Energie S.r.l. a s.u.</b>	Euro 3,000,000 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Deval S.p.A. a s.u.</b>	Euro 38,632,000 fully paid-in	Aosta (AO), Via Clavalità 8	100.00%
<b>CVA EOS S.r.l. a s.u.</b>	Euro 75,000,000 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Valdigne Energie S.r.l.</b>	Euro 11,474,567 fully paid-in	Pré-Saint-Didier (AO), P.za Vittorio Emanuele II 14	75.00%
<b>SR Investimenti S.r.l.</b>	Euro 20,202.02 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Agro Solar I S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Agro Solar II S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Aje S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Be Ascoli S.r.l.</b>	Euro 30,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Be Solar 2 S.r.l.</b>	Euro 60,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
<b>Be Solar 4 S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Biotwin S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Biotwin 2 S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Bloomotion S.r.l.</b>	Euro 50,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Cavaglia'.PV S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Corvo S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Denergia Sviluppo Holding S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Domus Solar 2 S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Energia Due S.r.l.</b>	Euro 1,044,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Energia Sei S.r.l.</b>	Euro 20,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Energia Uno S.r.l.</b>	Euro 1,048,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Enki Impianti Fotovoltaici S.r.l.</b>	Euro 40,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Felcino S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Flusi S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Har Projects S.r.l.</b>	Euro 30,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Helio Trinitapoli S.r.l.</b>	Euro 311,126.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Lindo S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Me Progetto Uno S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Medusa Energia Solare S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Morgana Projects S.r.l.</b>	Euro 30,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>Mottalciata.PV S.r.l.</b>	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
Nettuno Solar S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Onda Solare S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Sicilia Energy S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	100.00%
Solar Italy VIII S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XI S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XIV S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
SR Investimenti 2 S.r.l.	Euro 200,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Sviluppo S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Tabata Projects S.r.l.	Euro 30,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Tridente Solar S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Valle S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Vivaterra Green S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XIX S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XXII S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XVIII S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Solar Italy XIII S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
Agreen Energy S.r.l.	Euro 10,000,000.00	Châtillon (AO), Via Stazione, 31	70.00%
CVA Smart Energy S.r.l.	Euro 10,000,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
R.T.S. S.r.l.	Euro 1,000,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	70.00%
EOS San Giorgio S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
EOS Monte Rughe S.r.l.	Euro 10,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	51.00%



COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
<b>Nuova Energia S.r.l.</b>	Euro 50,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	75.00%
<b>RS Service S.r.l.</b>	Euro 500,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	70.00%
<b>Renergetica S.p.A.</b>	Euro 1,108,237.00 fully paid-in	Châtillon (AO), Via Stazione, 31	60.00%
<b>ZAON SRL</b>	Euro 200,000.00 fully paid-in	Châtillon (AO), Via Stazione, 31	30.60%
<b>REN 146 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 148 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 152 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 154 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 156 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 157 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 158 SRL</b>	Euro 1,500.00 fully paid-in	Catania (CT), Corso Italia 302	39.00%
<b>REN 159 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 160 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 165 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 166 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 167 SRL</b>	Euro 1,500.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>REN 168 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 169 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 170 SRL</b>	Euro 1,500.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
<b>REN 171 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
<b>REN 172 SRL</b>	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
REN 173 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 174 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 175 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 176 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 177 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 178 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 179 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 180 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 182 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 183 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 184 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 185 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 186 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 187 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 188 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 190 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 191 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 192 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 193 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 194 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 195 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
REN 196 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 197 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 198 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 199 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 200 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 201 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 203 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 204 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 205 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 206 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 207 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 208 SRL	Euro 1,500.00 fully paid-in	Châtillon (AO), Via Stazione, 31	100.00%
REN 209 SRL	Euro 1,500.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%
REN 210 SRL	Euro 10,000.00 fully paid-in	Genoa (GE), Salita Santa Caterina 2/1	100.00%

### List of equity investments not fully consolidated at 31 December 2023 Associated companies

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
EOS San Severo 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
EOS Serra 1 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
EOS Serra 2 S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
Byopro DEV 2 S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Alessandro Manzoni 41	20.00%
Byopro DEV 3 S.r.l.	Euro 10,000.00 fully paid-in	Rome (RM), Via Sardegna	20.00%
Cairone 1 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Cairone 3 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Clanis Sun S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	20.00%
Duna Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
Fila Sviluppi S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Fioriti S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
GRIFONI PV S.r.l.	Euro 10,000.00 fully paid-in	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%
Maiella Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
Nora Solare S.r.l.	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
PFM S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
Poggio Olivastro S.r.l.	Euro 10,000.00 fully paid-in	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%
Salomone 1 S.r.l.	Euro 10,000.00 fully paid-in	Modena (MO), Piazza Roma 30	20.00%
San Giorgio Rinnovabili Prima S.r.l.	Euro 10,000.00 fully paid-in	Trieste (TS), Via Carducci 8	20.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
<b>Sant'Alessio Rinnovabili Prima S.r.l.</b>	Euro 10,000.00 fully paid-in	Trieste (TS), Via Carducci 8	20.00%
<b>Siamaggiore S.r.l.</b>	Euro 10,000.00 fully paid-in	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%
<b>Sicilia Power S.r.l.</b>	Euro 10,000.00 fully paid-in	Arezzo (AR), area Rigutino Ovest 253/B	20.00%
<b>Solar Italy XXI S.r.l.</b>	Euro 10,000.00 fully paid-in	Milan (MI), Galleria San Babila 4/B	19.00%
<b>Solar Liri S.r.l.</b>	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
<b>Solar PV Uno S.r.l.</b>	Euro 10,000.00 fully paid-in	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%
<b>Sole d'Abruzzo S.r.l.</b>	Euro 10,000.00 fully paid-in	Milan (MI), Via Vincenzo Monti 4	20.00%
<b>SR Foggia 1 S.r.l.</b>	Euro 10,000.00 fully paid-in	Foggia (FG), Via Torelli 22	20.00%
<b>SR Toritto 01 S.r.l.</b>	Euro 10,000.00 fully paid-in	Montemesola (TA), Viale Degli Ulivi SNC	20.00%
<b>SR Troia S.r.l.</b>	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
<b>STM22 S.r.l.</b>	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
<b>STM24 S.r.l.</b>	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
<b>STM25 S.r.l.</b>	Euro 10,000.00 fully paid-in	Imola (BO), Via Nenni 6/E	20.00%
<b>Tep Renewables (Chiamonte Gulfi 1 PV) S.r.l.</b>	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
<b>Tep Renewables (Licodia Eubea 1 PV) S.r.l.</b>	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
<b>Tep Renewables (Scicli 1 PV) S.r.l.</b>	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
<b>Tep Renewables (Vittoria 1 PV) S.r.l.</b>	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%
<b>Tep Renewables (Vittoria 2 PV) S.r.l.</b>	Euro 10,000.00 fully paid-in	Palermo (PA), Via Giorgio Castriota 9	20.00%

COMPANY NAME	SHARE CAPITAL	REGISTERED OFFICE	% INVESTMENT (DIRECT OR INDIRECT)
Vittoria Progetti S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Vittoria Sviluppo S.r.l.	Euro 10,000.00 fully paid-in	Foggia (FG), Piazza Umberto Giordano 26	20.00%
Telcha S.r.l.	Euro 17,667,500.00 fully paid-in	Châtillon (AO), Via Stazione, 31	10.98%

### Other companies

At 31 December 2023, CVA holds:

- 13.7% in the share capital of LE BRASIER, recognised in the financial statements at fair value with a counter-entry on the income statement;
- 3.0% in the share capital of Bonifiche Ferraresi S.p.A. Società Agricola, recorded in the financial statements at fair value with a balancing entry in the income statement;

### Main changes in the scope of consolidation in 2023

The year 2023 saw a change in the scope of consolidation with the entry of a significant number of companies. The following table summarises the companies that entered the scope and the relevant date of first consolidation.

COMPANY NAME	RELATION	DATE OF FIRST CONSOLIDATION
CVA Smart Energy S.r.l.	SUBSIDIARY	07/02/2023
SR Investimenti S.r.l.	SUBSIDIARY	22/02/2023
Agro Solar I S.r.l.	SUBSIDIARY	22/02/2023
Agro Solar II S.r.l.	SUBSIDIARY	22/02/2023
Aje S.r.l.	SUBSIDIARY	22/02/2023
Be Ascoli S.r.l.	SUBSIDIARY	22/02/2023
Be Solar 2 S.r.l.	SUBSIDIARY	22/02/2023
Be Solar 4 S.r.l.	SUBSIDIARY	22/02/2023
Biotwin 2 S.r.l.	SUBSIDIARY	22/02/2023
Biotwin S.r.l.	SUBSIDIARY	22/02/2023
Bloomotion S.r.l.	SUBSIDIARY	22/02/2023
Cavaglia'.PV S.r.l.	SUBSIDIARY	22/02/2023
Corvo S.r.l.	SUBSIDIARY	22/02/2023
Denergia Sviluppo Holding S.r.l.	SUBSIDIARY	22/02/2023
Domus Solar 2 S.r.l.	SUBSIDIARY	22/02/2023

COMPANY NAME	RELATION	DATE OF FIRST CONSOLIDATION
Energia Due S.r.l.	SUBSIDIARY	22/02/2023
Energia Sei S.r.l.	SUBSIDIARY	22/02/2023
Energia Uno S.r.l.	SUBSIDIARY	22/02/2023
Enki Impianti Fotovoltaici S.r.l.	SUBSIDIARY	22/02/2023
Felcino S.r.l.	SUBSIDIARY	22/02/2023
Flusi S.r.l.	SUBSIDIARY	22/02/2023
Har Projects S.r.l.	SUBSIDIARY	22/02/2023
Helio Trinitapoli S.r.l.	SUBSIDIARY	22/02/2023
Lindo S.r.l.	SUBSIDIARY	22/02/2023
Me Progetto Uno S.r.l.	SUBSIDIARY	22/02/2023
Medusa Energia Solare S.r.l.	SUBSIDIARY	22/02/2023
Morgana Projects S.r.l.	SUBSIDIARY	22/02/2023
Mottalciata.PV S.r.l.	SUBSIDIARY	22/02/2023
Nettuno Solar S.r.l.	SUBSIDIARY	22/02/2023
Onda Solare S.r.l.	SUBSIDIARY	22/02/2023
Sicilia Energy S.r.l.	SUBSIDIARY	22/02/2023
Solar Italy VIII S.r.l.	SUBSIDIARY	22/02/2023
Solar Italy XI S.r.l.	SUBSIDIARY	22/02/2023
Solar Italy XIII S.r.l.	SUBSIDIARY	15/12/2023
Solar Italy XIV S.r.l.	SUBSIDIARY	22/02/2023
Solar Italy XIX S.r.l.	SUBSIDIARY	03/05/2023*
Solar Italy XVIII S.r.l.	SUBSIDIARY	15/12/2023
Solar Italy XXII S.r.l.	SUBSIDIARY	03/05/2023*
SR Investimenti 2 S.r.l.	SUBSIDIARY	22/02/2023
Sviluppo S.r.l.	SUBSIDIARY	22/02/2023
Tabata Projects S.r.l.	SUBSIDIARY	22/02/2023
Tridente Solar S.r.l.	SUBSIDIARY	22/02/2023
Valle S.r.l.	SUBSIDIARY	22/02/2023
Vivaterra Green S.r.l.	SUBSIDIARY	22/02/2023
Agreen Energy S.r.l.	SUBSIDIARY	28/02/2023
R.T.S. S.r.l.	SUBSIDIARY	28/06/2023
Nuova Energia S.r.l.	SUBSIDIARY	26/07/2023
EOS Monte Rughe S.r.l.	SUBSIDIARY	07/08/2023



COMPANY NAME	RELATION	DATE OF FIRST CONSOLIDATION
EOS San Giorgio S.r.l.	SUBSIDIARY	08/08/2023
RS Service S.r.l.	SUBSIDIARY	27/09/2023
Renenergetica S.p.A.	SUBSIDIARY	24/10/2023
REN 146 SRL	SUBSIDIARY	24/10/2023
REN 148 SRL	SUBSIDIARY	24/10/2023
REN 152 SRL	SUBSIDIARY	24/10/2023
REN 154 SRL	SUBSIDIARY	24/10/2023
REN 156 SRL	SUBSIDIARY	24/10/2023
REN 157 SRL	SUBSIDIARY	24/10/2023
REN 158 SRL	SUBSIDIARY	24/10/2023
REN 159 SRL	SUBSIDIARY	24/10/2023
REN 160 SRL	SUBSIDIARY	24/10/2023
REN 165 SRL	SUBSIDIARY	24/10/2023
REN 166 SRL	SUBSIDIARY	24/10/2023
REN 167 SRL	SUBSIDIARY	24/10/2023
REN 168 SRL	SUBSIDIARY	24/10/2023
REN 169 SRL	SUBSIDIARY	24/10/2023
REN 170 SRL	SUBSIDIARY	24/10/2023
REN 171 SRL	SUBSIDIARY	24/10/2023
REN 172 SRL	SUBSIDIARY	24/10/2023
REN 173 SRL	SUBSIDIARY	24/10/2023
REN 174 SRL	SUBSIDIARY	24/10/2023
REN 175 SRL	SUBSIDIARY	24/10/2023
REN 176 SRL	SUBSIDIARY	24/10/2023
REN 177 SRL	SUBSIDIARY	24/10/2023
REN 178 SRL	SUBSIDIARY	24/10/2023
REN 179 SRL	SUBSIDIARY	24/10/2023
REN 180 SRL	SUBSIDIARY	24/10/2023
REN 182 SRL	SUBSIDIARY	24/10/2023
REN 183 SRL	SUBSIDIARY	24/10/2023
REN 184 SRL	SUBSIDIARY	24/10/2023
REN 185 SRL	SUBSIDIARY	24/10/2023

COMPANY NAME	RELATION	DATE OF FIRST CONSOLIDATION
REN 186 SRL	SUBSIDIARY	24/10/2023
REN 187 SRL	SUBSIDIARY	24/10/2023
REN 188 SRL	SUBSIDIARY	24/10/2023
REN 190 SRL	SUBSIDIARY	24/10/2023
REN 191 SRL	SUBSIDIARY	24/10/2023
REN 192 SRL	SUBSIDIARY	24/10/2023
REN 193 SRL	SUBSIDIARY	24/10/2023
REN 194 SRL	SUBSIDIARY	24/10/2023
REN 195 SRL	SUBSIDIARY	24/10/2023
REN 196 SRL	SUBSIDIARY	24/10/2023
REN 197 SRL	SUBSIDIARY	24/10/2023
REN 198 SRL	SUBSIDIARY	24/10/2023
REN 199 SRL	SUBSIDIARY	24/10/2023
REN 200 SRL	SUBSIDIARY	24/10/2023
REN 201 SRL	SUBSIDIARY	24/10/2023
REN 203 SRL	SUBSIDIARY	24/10/2023
REN 204 SRL	SUBSIDIARY	24/10/2023
REN 205 SRL	SUBSIDIARY	24/10/2023
REN 206 SRL	SUBSIDIARY	24/10/2023
REN 207 SRL	SUBSIDIARY	24/10/2023
REN 208 SRL	SUBSIDIARY	24/10/2023
REN 209 SRL	SUBSIDIARY	24/10/2023
REN 210 SRL	SUBSIDIARY	24/10/2023
ZAON SRL	SUBSIDIARY	24/10/2023
Byopro DEV 2 S.r.l.	ASSOCIATE	22/02/2023
Byopro DEV 3 S.r.l.	ASSOCIATE	22/02/2023
Cairone 1 S.r.l.	ASSOCIATE	22/02/2023
Cairone 3 S.r.l.	ASSOCIATE	22/02/2023
Clanis Sun S.r.l.	ASSOCIATE	22/02/2023
Duna Solare S.r.l.	ASSOCIATE	22/02/2023
Fila Sviluppi S.r.l.	ASSOCIATE	30/05/2023
Fioriti S.r.l.	ASSOCIATE	22/02/2023
GRIFONI PV S.r.l.	ASSOCIATE	22/02/2023

COMPANY NAME	RELATION	DATE OF FIRST CONSOLIDATION
Maiella Solare S.r.l.	ASSOCIATE	22/02/2023
Nora Solare S.r.l.	ASSOCIATE	15/03/2023
PFM S.r.l.	ASSOCIATE	22/02/2023
Poggio Olivastro S.r.l.	ASSOCIATE	22/06/2023
Salomone 1 S.r.l.	ASSOCIATE	22/02/2023
San Giorgio Rinnovabili Prima S.r.l.	ASSOCIATE	02/11/2023
Sant'Alessio Rinnovabili Prima S.r.l.	ASSOCIATE	02/11/2023
Siamaggiore S.r.l.	ASSOCIATE	22/06/2023
Sicilia Power S.r.l.	ASSOCIATE	15/06/2023
Solar Italy XXI S.r.l.	ASSOCIATE	22/02/2023
Solar Liri S.r.l.	ASSOCIATE	15/03/2023
Solar PV Uno S.r.l.	ASSOCIATE	22/02/2023
Sole d'Abruzzo S.r.l.	ASSOCIATE	22/02/2023
SR Foggia 1 S.r.l.	ASSOCIATE	01/08/2023
SR Toritto 01 S.r.l.	ASSOCIATE	23/05/2023
SR Troia S.r.l.	ASSOCIATE	21/09/2023
STM22 S.r.l.	ASSOCIATE	22/02/2023
STM24 S.r.l.	ASSOCIATE	22/02/2023
STM25 S.r.l.	ASSOCIATE	06/10/2023
Tep Renewables (Chiamonte Gulfi 1 PV) S.r.l.	ASSOCIATE	22/02/2023
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	ASSOCIATE	22/02/2023
Tep Renewables (Scicli 1 PV) S.r.l.	ASSOCIATE	22/02/2023
Tep Renewables (Vittoria 1 PV) S.r.l.	ASSOCIATE	22/02/2023
Tep Renewables (Vittoria 2 PV) S.r.l.	ASSOCIATE	22/02/2023
Vittoria Progetti S.r.l.	ASSOCIATE	21/09/2023
Vittoria Sviluppo S.r.l.	ASSOCIATE	02/11/2023
EOS San Severo 1 S.r.l.	ASSOCIATE	02/08/2023
EOS Serra 1 S.r.l.	ASSOCIATE	02/08/2023
EOS Serra 2 S.r.l.	ASSOCIATE	02/08/2023

(\*date of first full consolidation - previously consolidated under the equity method)

## SUMMARY OF THE MAIN ACCOUNTING STANDARDS ADOPTED IN PREPARING THE CONSOLIDATED FINANCIAL STATEMENTS

### REVENUES

As required by IFRS 15, revenue recognition is based on the following five steps: (i) identification of the contract with the customer; (ii) identification of the performance obligations, represented by the contractual promises to transfer goods and/or services to a customer; (iii) determination of the transaction price; (iv) allocation of the transaction price to the performance obligations identified on the basis of the stand-alone sale price of each good or service; (v) recognition of the revenue when the relative performance obligation is satisfied, i.e. when the promised good or service is transferred to the customer; the transfer is considered completed when the customer obtains control of the good or service, which can occur continuously over time diluted and extended or at a point in time.

With reference to the assessment of progress toward full compliance to do, the Group generally applies the output-based method. Where the outcome of a long-term obligation to do is not reliably estimable, revenue is recognised within the limits of external contract costs, with no margin recognised.

Depending on the type of transaction, the main revenues are recognised on the basis of the following specific criteria:

- revenues for the sale and transport of electricity and gas are recognised at the time that the energy is supplied or the service rendered, even if invoicing has not yet taken place, and are determined by adding estimates of consumption to amounts resulting from pre-established meter-reading schedules. Where applicable, these revenues are based on the tariffs and related tariff restrictions in force during the year prescribed by the law and ARERA. In particular, with regard to the sale of energy, the time of transfer of control can be identified as the time of consumption (for end customers) or physical delivery (for wholesale customers);
- revenues from services are recorded with reference to the stage of completion of the activities. If it is impossible to calculate revenues on a reliable basis they are recognised up to the amount of the costs incurred providing they are expected to be recovered. With reference to operations in the field of building efficiency, the service towards the customer is identified as a single performance obligation. Revenues are recognised in the financial statements using the output method and the relevant margins are only recognised against Works Progress Reports approved by the Works Management as an element certifying the accrual of the margin itself;
- connection fees paid by users are measured at fair value when there is the reasonable certainty that they will be received and that the Group will be able to comply with the terms and conditions for recognising them. Revenues from connection to the electricity network are closely related to the nature of the regulatory obligations in place; therefore, certain electricity network connection services are deferred on the basis of the nature of the obligation resulting from the contract with customers;

- revenues from the sale of certificates are recognised at the time of sale thereof.
- Revenues for contract work are valued according to the logic of the “completed order” as the group only has contracts with a duration of less than 12 months;
- Revenues are recognised, net of returns, discounts, allowances and premiums.

The Group has generally concluded that it acts as the “Principal” in the agreements that generate revenues, as it usually controls the goods and services before they are transferred to the customer. The status of Principal was also recognised with reference to the activity of General Contractor in the energy efficiency sector, where, although acting through subcontractors, the Group is primarily responsible for the execution of services and has the discretion to set their prices.

In determining the price of the sale of the assets, the Group considers any effects deriving from the presence of variable fee, significant financing components and/or non-monetary fees. The Group also considers whether there are other promises in the contract that represent obligations to make to which a part of the transaction fee must be allocated.

The following section “Use of estimates” explains the significant discretionary evaluations, estimates and assumptions relating to revenues deriving from contracts with customers.

## GRANTS

Grants, both from public entities and from third party private entities, are measured at fair value when there is the reasonable certainty that they will be received and that the Group will be able to comply with the terms and conditions for obtaining them.

Grants related to plants received for specific assets are recognised, when they become payable, as deferred revenue and recognised as income in the Income Statement systematically during the useful life of the asset to which they refer. The deferred revenue relating to the grants themselves is reflected in the balance sheet as other liabilities, with appropriate separation between the current portion and the non-current one.

Revenue grants (given to provide the company with immediate financial support or as compensation for expenses or losses incurred in a previous accounting period) are recognised in their entirety in the Income Statement as soon as the conditions for recognising the grants are met.

## Tax relief on investments

Tax relief on investments are handled as capital grants. Where the relief is granted in the form of a tax deduction (even a multi-year one) from income taxes, it is entered only when there is a reasonable certainty of having a future tax liability on which to exercise that deduction. The right to the deduction is represented as a tax credit recorded as an income tax receivable.

### **ENVIRONMENTAL CERTIFICATES: GUARANTEE OF ORIGIN CERTIFICATES**

Guarantee of Origin certificates issued against the production of electricity by IGO-certified plants are considered to be held for own-use, i.e. against own requirements. Certificates that have been issued or for which the right to issue has accrued are entered in inventories at production cost, which is deemed to be zero.

With regard to certificates bought and sold by third parties to the Group, different valuation criteria are applied between certificates held for own-use, i.e. for own requirements, and those held for trading purposes. In both cases, certificates held at the end of the financial year are entered in inventories at the lower of purchase cost and estimated realisable value based on market trends.

The market value is defined with reference to any sales contracts, including forward contracts, already signed at the reporting date and, residually, to market quotations.

The valuation of the obligations undertaken towards customers (to whom energy is supplied) for the cancellation of Guarantee of Origin Certificates takes into account the inventories in the Group's possession and only if a further requirement is recognised, an estimated charge is allocated on the basis of any purchase contracts, including forward contracts, already signed at the reporting date and, residually, market quotations.

### **OTHER INCOME**

Other income includes all types of revenues not included in the previous types and not of a financial nature and are recognised according to the methods indicated above for revenues from the sale of goods and provision of services.

### **COSTS**

Costs are measured at fair value of the amount paid or to be paid, net of returns, discounts, rebates and premiums, and net of taxes directly associated with the purchase of goods and provisions of services.

Costs for the acquisition of goods and services are recognised when their amount can be determined reliably. Costs for the purchase of goods are recognised at the time of delivery, which on the basis of the contracts in force identifies the time of transfer of the related risks and benefits. Costs for services are recognised on an accrual basis when they are received.

The costs for purchasing certificates are accounted for at the time of actual acquisition.

### **DIVIDENDS**

Dividends are recognised when the unconditional right to receive payment is established and are classified in the Income Statement as financial income.

### OTHER FINANCIAL INCOME AND EXPENSES

With reference to assets and liabilities valued at amortised cost and financial assets that accrue interests classified as available for sale, interest income and expense are recognised using the effective interest rate method (TIE), which represents the rate that exactly discounts expected future cash flows based on the expected life of the financial instrument.

Financial income is recognised when the following conditions are met:

- it is likely that the selling company will enjoy the economic benefits of the transaction;
- the amount of revenues can be determined reliably.

Borrowing costs are recognised as costs for the year in which they are incurred.

### COMPENSATION OF FINANCIAL ASSETS AND LIABILITIES

An asset and a liability (financial and/or trade) may be offset and the net balance shown in the Statement of Financial Position, when:

- there is a current legal right to offset the amounts recognised in the accounts; and
- there is the intention to settle the net residual, or realise the asset and at the same time settle the liability.

### IMPAIRMENT OF NON-FINANCIAL ASSETS (IMPAIRMENT TESTING)

On each reporting date, the Group assesses whether there is evidence that an asset may be impaired. In this case, or if annual impairment testing is required, the Group estimates the recoverable value. Recoverable amount is the fair value of the asset or the CGU, net of selling costs, or its value in use if greater. Recoverable amount is determined for each individual asset, except when the asset generates cash flows that are not fully independent from those generated by other assets or groups of assets. If the carrying amount of an asset is higher than its recoverable amount, the asset is considered impaired and is consequently written down to its recoverable amount.

In measuring value in use, the Group discounts the forecast cash flows to their present value, using a discount rate that reflects the market assessment of the current value of money and the specific risks associated with the asset. In determining the fair value less costs to sell, recent transactions on the market are taken into account. If these transactions cannot be identified, an appropriate valuation model is used.

The Group bases its impairment test on detailed budgets and forecast calculations, prepared separately for each CGU. These budgets and forecast calculations generally cover a period of five years. To project future cash flows beyond the fifth year, a long-term growth rate is calculated.

The impairment of continuing operations is recognised in the annual profit/(loss) statement in the cost categories consistent with the function of the im-



paired assets. Exceptions are previously revalued assets, where the revaluation was recognised as other components of Comprehensive Income. In such cases, the impairment loss is in turn recognised as other components of Comprehensive Income up to the previous revaluation. At each reporting date, the Group assesses the existence of indications of the loss (or reduction) of previously recognised impairment losses and, if such indications exist, estimates the recoverable value of the asset or of the CGU. The value of a previously impaired asset is only reinstated if the assumptions used to determine its recoverable amount change after recognition of the last impairment. The recovery in value cannot exceed the carrying amount that would have been determined, net of amortisation/depreciation, had no impairment been recognised in prior years. Such recovery is recognised in the annual profit/(loss) statement unless the asset is recognised at a revalued amount, in which case the recovery is treated as a revaluation increase. In any case, goodwill cannot be reinstated following a write-down.

## INCOME TAXES

### Current taxes

Current tax assets and liabilities for the year are measured for the amount expected to be recovered or paid to the tax authorities. The tax rates and tax laws used to calculate the amount are those enacted or substantially in force at the reporting date.

Current taxes related to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the annual profit/(loss) statement.

### Deferred taxes

Deferred taxes are calculated on the temporary differences at the reporting date between the tax values of assets and liabilities and the corresponding carrying amounts.

Deferred tax assets are also recognised for tax receivables and unused tax losses that can be carried forward, to the extent that it is probable that sufficient future taxable income will be available to allow the use of the tax reduction.

The book value of deferred tax assets is reviewed at each reporting date and reduced when it is no longer probable that sufficient taxable income will be available in the future to allow the full or partial use of such receivable. The unrecognised deferred tax assets are reviewed at each reporting date and are recognised to the extent that it becomes probable that the taxable income will be sufficient to allow the recovery of these deferred tax assets. Deferred tax assets and liabilities are measured using the tax rates that are expected to be applied in the year in which said assets will be realised or said liabilities will be settled, considering the rates currently in force and those already enacted, or substantially in force, at the reporting date.

Deferred taxes relating to items recognised outside the Income Statement are also recognised outside the Income Statement and, therefore, as shareholders' equity or in the Comprehensive Income Statement, in line with the element to which they refer.

Deferred tax assets and deferred tax liabilities are offset if there is a legal right that allows compensation of current tax assets and current tax liabilities and the deferred taxes refer to the same taxpayer and the same tax authority.

## **TANGIBLE ASSETS**

### **Property, plant and equipment**

Property under construction, equipment and plants are recorded at historical cost, net of the related accumulated depreciation and accumulated impairment losses.

Pursuant to IAS 16, an operating condition for an item of property, plant and equipment may require significant regular checks for any failures, regardless of whether the parts of the item are replaced; when each significant check is carried out, its cost is recognised in the carrying amount of the asset as a replacement, provided that the recognition criteria are met.

The historical cost of property, plant and equipment may also include the costs for the replacement of part of machinery and plant at the time they are incurred, if they comply with the recognition criteria. Where periodic replacement of significant parts of plant and equipment is necessary, the Group depreciates them separately based on their specific useful life. Likewise, during major revisions, the cost is included in the carrying amount of the plant or equipment as in the case of replacement, where the criterion for recognition is met.

All other repair and maintenance costs are recognised in the Income Statement as incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

The useful life of leasehold improvements is determined on the basis of the duration of the lease or, if lower, of the duration of the benefits deriving from the improvement itself; land is not depreciated as it has an indefinite useful life.

The carrying amount of an item of property, plant and equipment and any significant component initially recognised is derecognised at the time of disposal or when no future economic benefit is expected from their use or disposal. Any profit or loss that arises at the time the asset is derecognised (calculated as the difference between the carrying amount of the asset and the net amount) is recognised in the Income Statement when the item is derecognised.

The residual values, useful lives and depreciation methods of tangible assets are reviewed at the end of each financial year and, where appropriate, corrected prospectively.

### **Freely transferable assets**

Tangible assets also include freely transferable assets that are subject to the concessions mainly referable to large water diversions and state-owned areas destined for the operation of such plants. These assets are normally depreciated over a period equal to the duration of the concession to which they refer, with the sole exception of work on wet works, for which, pursuant to Art. 12, paragraph 1 of Legislative Decree No. 79 of 16 March 1999 by Art. 11-quater, paragraph 1, letter a) of Decree Law No. 135 of 14 December 2018, converted

into law, with amendments, by Art. 1 of Law No. 12 of 11 February 2019, there is an indemnity in favour of the concession-holder, liquidated at the time of the "reallocation of the concession" and equal to the residual book value of the investment. These assets are therefore depreciated on the basis of their useful economic and technical life. Assets that can be returned free of charge also include cyclical maintenance for cleaning and draining the basins, which is capitalised as it is intended to ensure the future functionality of the asset. The useful life of these interventions is determined on the basis of the multi-year cyclicity with which they must be carried out.

### Financial expenses

Financial expenses directly attributable to the acquisition, construction or production of an asset that requires a period long enough before being available for use are capitalised on the cost of the asset. All other financial expenses are recognised as costs for the year in which they are incurred. Financial expenses consist of interest and other costs incurred by an entity in relation to obtaining loans.

### Right of use of leased assets

In accordance with IFRS 16, lease liabilities are presented through the recognition of a financial liability in the statement of financial position consisting in the present value of future lease payments, against the recognition of the right of use of the leased asset.

On the commencement date of the lease, the right of use is recognised at cost including: the amount of the initial measurement of the lease liability, *any* lease payments made at or before the commencement date, initial direct costs incurred for the signature of the lease and the present value of the estimated restoration and dismantling costs set out in the lease, less any incentives.

Subsequently, the right of use is amortised over the term of the lease (or the useful life of the asset, if lower), subject to impairment and adjusted for any remeasurement of the lease liability.

## INTANGIBLE ASSETS

Intangible assets are assets that are not physical, identifiable, controlled by the company, and that can produce future economic benefits.

Intangible assets acquired separately are initially recognised at cost, while those acquired through business combinations are recognised at fair value on the acquisition date. After initial recognition, intangible assets are recognised at cost, net of accumulated amortisation and accumulated impairment, if any.

The useful life of intangible assets may be definite or indefinite.

Intangible assets with a definite useful life are amortised over their useful life and tested for impairment whenever there is evidence of a loss of value. The amortisation period and the amortisation method of an intangible asset with definite useful life are reconsidered at least at the end of each year. Changes in the expected useful life or in the manner in which the future economic benefits related to the asset will be realised are recognised through the change in the period or amortisation method, as the case may be, and are considered chang-

es in accounting estimates. The amortisation of intangible assets with definite useful life is recognised in the annual profit/(loss) statement in the cost category that reflects the function of the intangible asset.

Amortisation is calculated on a straight-line basis over the estimated useful life of intangible assets.

Intangible assets with indefinite useful life are not amortised but are subject to an annual impairment test at an individual level or at cash generating unit level. The valuation of the indefinite useful life is reviewed annually to determine whether this allocation continues to be sustainable, otherwise, the change from indefinite useful life to definite useful life is applied on a prospective basis.

The profits or losses deriving from the derecognition of an intangible asset are calculated as the difference between the net revenue from the disposal and the carrying value of the intangible asset and are recognised in the Income Statement at the time of derecognition.

### Goodwill

Goodwill arising from the acquisition of subsidiaries or business units represents the excess of the sum of i) the consideration agreed for the acquisition of control (measured at fair value at the acquisition date) ii) the value of any non-controlling interest, and the value of the net assets identifiable in the acquired business. Net assets are defined as the total value of assets, measured at fair value, expressed net of current and contingent liabilities relating to the acquired business, also measured at their fair value.

If the fair value of the net assets acquired exceeds the agreed consideration, the Group rechecks that it has correctly identified and valued all the assets acquired and all the liabilities assumed, reviewing, if necessary, the procedures used to determine these values. If after this restatement, the current values of current and potential assets and liabilities exceed the acquisition cost, the excess is immediately recognised in the Income Statement.

Goodwill is initially recorded at cost. After initial recognition, goodwill is not subject to amortisation, but subjected to an annual verification of recoverability in accordance with the methods described in the paragraph "Impairment test". For the purposes of the impairment test, goodwill is allocated, from the acquisition date, to each cash generating unit (hereinafter "CGU") identified.

### EQUITY INVESTMENTS

As illustrated in the previous paragraph dedicated to the standards and scope of consolidation of the Group:

- investments in subsidiaries are consolidated on a line-by-line basis;
- investments in associates are accounted for in the Consolidated Financial Statements using the equity method;
- investments in other companies are measured at fair value with a counter-entry in the income statement. When a market value is not available or the fair value cannot be reliably determined using other methods, the share of the investee company's equity is used as the best estimate. The

risk arising from potential losses exceeding the carrying value of the investment is recognised in a specific provision as long as the controlling company is committed to fulfil the legal or implicit obligations towards the subsidiary or to cover its losses.

### NON-CURRENT ASSETS HELD FOR SALE

A non-current asset (or a disposal group consisting of assets and liabilities) is classified as held for sale if its carrying amount will be recovered mainly through a sale transaction, rather than through its continued use. Immediately prior to the initial classification of the asset (or disposal group) as held for sale, the carrying amounts of the asset are valued in accordance with the Group's accounting standards. Subsequently, the asset (or group held for sale) is measured at the lower amount between its carrying amount and fair value less costs to sell. The impairment loss of a group held for sale is allocated primarily to goodwill, then to the remaining assets and liabilities in a proportional manner, with the exception of inventories, financial assets, deferred tax assets, employee benefits, property investments and biological assets, which continue to be assessed in accordance with the Group's accounting standards. Impairment losses for the initial classification of an asset as held for sale and subsequent valuation differences are recognised in the Income Statement. Positive changes in value are recognised only up to the amount of any accumulated impairment losses.

### OTHER FINANCIAL ASSETS

#### Initial recognition and subsequent evaluation

Upon initial recognition, financial assets are classified, as the case may be, on the basis of subsequent measurement methods, i.e. at amortised cost, at fair value in OCI and at fair value in profit or loss.

The classification of financial assets at initial recognition depends on the characteristics of the contractual cash flows of the financial assets and the business model that the Group uses to manage them.

With the exception of trade receivables that do not contain a significant financing component or for which the practical expedient was applied, as envisaged by paragraph 63 of IFRS15, the Group initially values a financial asset at its fair value plus transaction costs, in the case of a financial asset not at fair value through the Income Statement. Trade receivables that do not contain a significant financing component or for which the Group has applied a practical expedient are valued at the transaction price determined in accordance with IFRS 15.

The Group's Business model for the management of financial assets refers to the way in which it manages its financial assets in order to generate financial flows. The business model determines whether the cash flows will arise from the collection of contractual cash flows, the sale of financial assets or both.

For the purposes of subsequent evaluation, financial assets are classified in the following four categories:

- **financial assets at amortised cost (debt instruments)**, if both of the following requirements are met:

- the financial asset is held as part of a Business model whose objective is to hold financial assets for the purpose of collecting contractual cash flows;
- the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest on the amount of principal to be repaid.

Financial assets at amortised cost are subsequently valued using the effective interest method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or revalued.

- **financial assets at fair value through Comprehensive Income with reclassification of cumulative gains and losses (debt instruments)**, if both of the following requirements are met:
  - the financial asset is held as part of a Business model whose objective is achieved both through the collection of contractual cash flows and through the sale of financial assets;
  - the contractual terms of the financial asset provide for cash flows at certain dates represented solely by payments of principal and interest determined on the amount of principal to be repaid.

For assets from debt instruments measured at fair value through OCI, interest income, changes in exchange rates and impairment losses, together with reversals, are recognised in the income statement and are calculated in the same way as for financial assets measured at amortised cost. The remaining changes in fair value are recognised in OCI. Upon derecognition, the cumulative change in fair value recognised in OCI is reclassified to the income statement.

- **Financial assets at fair value through profit or loss without reversal of cumulative gains and losses at the time of derecognition (equity instruments)**. On initial recognition, the Group may irrevocably choose to classify its equity investments as equity instruments recognised at fair value through profit and loss when they meet the definition of equity instruments pursuant to IAS 32 - "Financial instruments: Presentation" and are not held for trading. The classification is determined for each individual instrument. Gains and losses on these financial assets are never reclassified to the income statement. Dividends are recognised as other income in the income statement when the right to payment has been approved, except when the Group benefits from such income as a recovery of part of the cost of the financial asset, in which case such profits are recognised in OCI. Equity instruments recognised at fair value through OCI are not subject to impairment testing.
- **Financial assets at fair value through profit or loss**. This category includes assets held for trading, assets designated at the time of initial recognition as financial assets at fair value with changes recognised in the income statement, or financial assets that must be measured at fair value. Assets held for trading are all those assets acquired for sale or repurchase in the short term. Derivatives, including those separated, are classified

as financial instruments held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not represented solely by principal and interest payments are classified and measured at fair value in the income statement, regardless of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be recognised at fair value through profit or loss upon initial recognition if this results in the elimination or significant reduction of an accounting mismatch. Financial instruments at fair value with changes recognised in the income statement are recognised in the statement of financial position at fair value and net changes in fair value are recognised in the annual profit/(loss) statement.

### **Derecognition**

A financial asset (or where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset no longer apply; or
- the Group has transferred to a third party the right to receive the cash flows from the asset or has undertaken the contractual obligation to pay them full and promptly and (a) it has transferred substantially all of the risks and rewards of ownership of the financial asset, or (b) it has neither transferred nor retained substantially all of the risks and rewards of the asset but has transferred control of the asset.

### **Impairment of financial assets**

On each reporting date, the Group assesses whether a financial asset or group of financial assets has been impaired. There is an impairment loss when, after initial recognition, one or more events have occurred that have an impact, which can be reliably estimated, on the estimated future cash flows of the financial asset or group of financial assets.

In particular, the Group recognises an expected credit loss (hereinafter “**ECL**”) write-down for all financial assets represented by debt instruments not held at fair value in the income statement. ECLs are based on the difference between the contractual cash flows due under the contract and all the cash flows the Group expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows arising from the enforcement of collateral held or other credit guarantees that are an integral part of the terms of the contract. Reference should be made to the following paragraph on “Use of estimates” for further information on the determination of the provision for credit risks.

### **TRADE RECEIVABLES AND PAYABLES**

Trade receivables and payables are initially recognised at the fair value of the amount to be received/paid, which for this type normally corresponds to the nominal value indicated on the invoice. Trade receivables, where necessary, are recognised at their estimated realisable value, by means of appropriations (bad debts provision) that reflect the estimate of losses on receivables (determined in accordance with the provisions of IFRS 9) and that are recognised as a



write-down of nominal values (see the following paragraph “Use of estimates” for further details).

Subsequently, where the conditions are met, receivables and payables are valued using the amortised cost method. It is noted that trade receivables and payables, the expiration of which falls within normal commercial terms, are not discounted, since the time component has little relevance in their valuation, and continue to be recognised at nominal value.

## INVENTORIES

Inventories are recognised at the lower of the cost and the net estimated realisable value. The cost configuration used is the weighted average cost, which includes ancillary charges.

Net realisable value is the estimated selling price in the ordinary course of business, net of estimated completion costs and estimated selling costs.

## DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

### Initial recognition and subsequent evaluation

Financial assets and liabilities, including derivative financial instruments, are recognised at the time that the contractual rights and obligations forming part of the instrument arise. Financial assets and liabilities are accounted for in accordance with IFRS 9 - “Financial Instruments”.

The definition of a derivative instrument of IFRS 9 includes both financial contracts (commodity swaps, commodity futures and interest rate swaps) and forward supply or sale contracts which, although providing for the physical delivery of the underlying energy, are not directly attributable to the Group’s operational needs as stipulated for the purposes of brokerage and/or arbitrage.

Forward contracts on commodities stipulated and maintained to receive or deliver the underlying energy with respect to the Group’s purchase, sale or use forecasts (“own use”) are instead normally recognised at cost.

The Group uses derivative financial instruments (such as forward contracts, commodity swaps, commodity futures and interest rate swaps) to hedge exposure to the price risk of its energy portfolio and exposure to interest rate risk on loans. These derivative financial instruments - including embedded derivatives subject to separation from the main contract (“hybrid instruments”) - are initially recognised at fair value on the date the derivative contract is signed and subsequently measured at fair value. Derivatives are accounted for as financial assets when the fair value is positive and as a liability when the fair value is negative.

In accordance with IFRS 9, derivative financial instruments are accounted for as trading instruments, with any gains or losses deriving from fair value changes recognised directly in the Income Statement, with the exception of derivatives for which the Group applies the accounting treatment envisaged for hedging derivatives (hedge accounting). Specifically, for hedge accounting purposes, hedging derivatives can be classified as:

- fair value hedges, if they are to cover the risk of changes in the fair value

of the underlying asset or liability or an irrevocable commitment not recognised;

- cash flow hedges, if they are exposed to the variability of cash flows attributable to a particular risk associated with a recognised asset or liability or a highly probable scheduled transaction or a currency risk related to an irrevocable commitment not recognised;
- hedging of a net investment in a foreign operation.

At the start of a hedge operation, the Group formally designates and documents the hedging relationship, to which it intends to apply hedge accounting, its objectives in risk management and the strategy pursued.

In compliance with IFRS 9 (as described below), the documentation includes the identification of the hedging instrument, the hedged item, the nature of the risk and the way in which the Group assesses whether the hedging relationship meets the requirements of hedge effectiveness (including the analysis of the sources of hedge ineffectiveness and how the hedging relationship is determined).

The hedging relationship meets the eligibility criteria for hedge accounting if all of the following requirements are met:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of the credit risk does not prevail over the changes in value resulting from the aforementioned economic relationship;
- the hedging ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge this quantity of hedged item.

Transactions that meet all the criteria for hedge accounting are accounted for as described in greater detail below.

### **Fair Value Hedges**

The fair value hedge is used by the Group to protect itself from the risk of adverse changes in fair value, assets, liabilities or irrevocable commitments, which are attributable to a specific risk and which could impact the Income Statement. Changes in the fair value of derivatives of this type, which qualify and are designated as hedging instruments, are recognised in the annual profit/(loss) statement under other costs. Changes in the fair value of the hedged item attributable to the hedged risk are recognised as part of the carrying amount of the hedged item and are also recognised in other expenses under profit or loss. With regard to fair value hedges relating to items recognised at amortised cost, any adjustment to the carrying amount is amortised in profit or loss over the remaining life of the hedge using the effective interest rate (EIR) method. The amortisation thus determined may begin as soon as an adjustment exists but may not extend beyond the date on which the hedged item ceases to be adjusted due to changes in fair value attributable to the hedged risk. If the hedged item is derecognised, the unamortised fair value is immediately recognised in the profit/(loss) statement of the year.

### Cash Flow Hedges

The cash flow hedge is applied with the intent of hedging the Group from exposure to the risk of changes in the expected cash flows associated with a highly probable asset, liability or transaction. These changes are attributable to a specific risk and may impact the Income Statement.

The portion of gain or loss on the hedged instrument relating to the effective portion of the hedge is recognised in Other Comprehensive Income in the “cash flow hedge reserve”, while the ineffective portion is recognised directly in profit or loss. The cash flow hedge reserve is adjusted to the lower of the cumulative gain or loss on the hedging instrument and the cumulative change in the fair value of the hedged item.

With respect to commodity derivatives, the Group designates only the spot component of forward contracts as a hedging instrument, while the forward component is cumulatively recognised in OCI in a separate line item in the “cost of hedging” reserve.

Amounts accumulated in other comprehensive income are reclassified to the income statement as a reclassification adjustment in the same period or periods during which the hedged cash flows impact the income statement.

If the cash flow hedge accounting is discontinued, the accumulated amount in OCI must remain so if the hedged future cash flows are expected to occur. Otherwise, the amount shall be immediately reclassified to profit or loss for the period as a reclassification adjustment. After suspension, once the hedged cash flow occurs, any accumulated amount remaining in OCI must be accounted for depending on the nature of the underlying transaction as described above.

### Fair value measurement

As specified, the Group assesses derivative financial instruments at fair value at each reporting date. Fair value is the price that would be received for the sale of an asset, or that would be paid to transfer a liability in an arm’s length transaction at the measurement date. The fair value of an asset or liability is therefore valued by adopting the assumptions that market operators would use in the determination of price of the asset or liability, assuming that market operators act to best meet their own economic interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities for which the fair value is measured or recognised in the financial statements are classified according to the fair value hierarchy, as described below:

- **level 1** - quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- **level 2** - inputs other than the quoted prices included in Level 1, directly or indirectly observable for the asset or liability;
- **level 3** - valuation techniques for which the input data is not observable for the asset or liability.

The fair value is entirely classified in the same level of the fair value hierarchy in which the input of the lowest level of hierarchy used for the valuation is classified.

For assets and liabilities recognised in the financial statements at fair value on a recurring basis, the Group determines whether there have been transfers between the hierarchy levels re-evaluating the classification (based on the lowest level input that is significant for the purposes of the fair value measurement in its entirety) at each reporting date.

For reporting purposes related to the fair value, the Group determines classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy.

### CASH AND CASH EQUIVALENTS

Cash and cash equivalents and short-term deposits include cash on hand and demand and short-term deposits with a maturity of no more than three months, held to meet short-term cash commitments, rather than for investment or other purposes, and which are not subject to significant risks associated with changes in value.

For the purposes of presentation in the consolidated cash flow statement, cash and cash equivalents are represented by cash as defined above.

### EMPLOYEE BENEFITS

Post-employment benefits are defined on the basis of programs that according to their characteristics can be divided into "defined contribution" programs and "defined benefit" programs.

Until 31 December 2006, the employee severance indemnity (TFR) of Italian companies was considered a defined benefit plan. The discipline of this fund was amended by Law 296 of 27 December 2006 and subsequent decrees and regulations issued in the first few months of 2007. As a result of these changes, companies with at least 50 employees are required to transfer the TFR to the "Treasury Fund" managed by the INPS (National Social Security Institute) or other supplementary pension funds. Before these amendments, the TFR of all Italian companies could be managed by the companies themselves.

In accordance with IAS 19 - Employee benefits, the TFR accrued starting from 1 January 2007 and which is paid into the INPS fund and the part paid to any supplementary pension scheme, are classified as defined contribution plans as the company's obligation is limited to the payment of contributions due to the State or to a legally distinct equity or entity (fund).

The sums recognised as provisions for TFR, consisting of the residual obligation relating to the TFR until 31 December 2006 (or the date of choice by the employee in the case of allocation to supplementary funds), instead retain their nature as defined benefits. This is a non-financed defined benefit plan, considering the benefits almost entirely accrued, with the sole exception of future revaluations.

In addition to the severance indemnity accrued up to 31 December 2006, for the Company, the following components also belong to the category of defined benefit plans:

- additional monthly payments due to eligible employees on the basis of the requisites envisaged by the CCNL National Collective Bargaining Agreement (“IMA”);
- the company loyalty bonus paid to employees, determined on the basis of the achievement of a certain length of service;
- indemnities in lieu of tariff concessions (referred to as the “electricity discount”), granted to former employees after retirement;
- additional compensation for FOPEN contributions due to eligible employees;
- benefits deriving from the plan related to the Agreement on art. 4 of the Law no. 92/2012 (“Riforma del Lavoro Fornero” - Fornero Labour Reform).

The current cost of work services and the current value of obligations for defined benefit plans and other long-term benefits granted to employees is determined on the basis of actuarial valuations (see the following paragraph “Use of estimates” for further details).

The components of defined benefits are recognised as follows:

- the components for the re-measurement of liabilities, which include actuarial gains and losses, are recognised as other comprehensive income (losses) (these components are never reclassified to the Income Statement in subsequent periods);
- the costs related to service provisions are recognised in the Income Statement;
- the net financial expenses on the defined benefit liabilities are recognised in the Income Statement as financial expenses.

### PROVISIONS FOR RISKS AND CHARGES

Provisions for risks and charges of the Group are recognised where there is a legal or constructive obligation as a result of a past event at the closing of the financial year, the settlement of which will likely result in an outflow of resources whose amount can be estimated reliably. If the effect is significant, provisions are determined by discounting expected future cash flows at a pre-tax discount rate that reflects current market assessments of money in relation to time and, if applicable, the specific risk attributable to the obligation.

If the provision is discounted, the periodic adjustment of present value due to the time factor is recognised as a financial expense in the Income Statement. Where it is assumed that all expenses, or part of them, required to settle an obligation are repaid by third parties, compensation, if virtually certain, is recognised as a separate asset. If the liability is connected to the dismantling of the plants and/or restoration of the site where they are located, the provision is

recognised as a balancing entry to the asset to which it refers and the charge is recognised in the Income Statement through the amortisation process of the aforementioned tangible asset.

For contracts whose non-discretionary costs necessary to fulfil the obligations undertaken are higher than the economic benefits that are supposed to be obtainable from the contract (onerous contracts), the Group recognises a provision equal to the lower between the cost necessary to fulfil and any compensation or penalty resulting from breach of the contract.

Changes in the estimates of accruals to the provision are reflected in the Income Statement for the financial year in which the changes occur, with the exception of those relating to the costs of decommissioning and/or restoration resulting from changes in the timetable and costs necessary to extinguish the obligation or from a change in the discount rate. These changes increase or decrease the related assets and are recognised in the Income Statement through the amortisation process. When they increase the value of the assets, it is also assessed whether the new carrying amount of the assets is fully recoverable. If this is not the case, a loss equal to the unrecoverable amount is recognised in the Income Statement.

Changes in the estimate are shown as a balancing entry to the asset up to its carrying amount and, for the excess, immediately in the Income Statement. For further details on the estimate criteria adopted in determining the liabilities relating to the decommissioning and restoration of sites, reference is made to the following paragraph dedicated to the use of significant estimates.

## OTHER FINANCIAL LIABILITIES

### Initial recognition and subsequent evaluation

At the time of initial recognition, the other financial liabilities (other than the derivatives described above) are recognised as liabilities at fair value in the income statement, in addition (in the case of mortgages, loans and payables) to the transaction costs directly attributable.

For the purposes of subsequent evaluation, financial liabilities are classified in the following categories:

- **Financial liabilities at fair value recognised in the Income Statement** - The first category includes the liabilities held for trading and the liabilities designated at the time of the first recognition as financial liability at fair value with changes recognised in the Income Statement. Liabilities held for trading are all those undertaken with the intention of extinguishing or transferring them in the short term. Gains or losses on liabilities held for trading are recognised in the profit/(loss) statement of the year. Financial liabilities are designated at fair value with changes recognised in the income statement from the date of initial recognition, only if the criteria of IFRS 9 are met.
- **Loans** - after initial recognition, loans are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains or losses are recognised in the Income Statement when the liability is settled, as

well as through the amortisation process. The amortised cost is calculated by recognising the discount or premium on the acquisition and fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included in financial expenses in the profit/(loss) statement.

### **Derecognition**

A financial liability is derecognised when the obligation underlying the liability is settled, cancelled or honoured. If an existing financial liability is replaced by another one from the same lender, under substantially different conditions, or the conditions of an existing liability are substantially modified, this exchange or modification is accounted for as a derecognition of the original liability, accompanied by the recognition of a new liability, with any differences in carrying amounts recognised in the annual profit/(loss) statement.

### **FINANCIAL GUARANTEES PAYABLE**

Financial guarantees payable are contracts that require a payment to reimburse the holder of a debt security following a loss suffered by it as a result of default on the part of the debtor in payment at the contractually agreed deadline. Financial guarantee contracts are initially recognised as liabilities at fair value, increased by transaction costs directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the greater of the amount of the provision to cover expected losses at the reporting date and the amount initially recognized, net of accumulated amortisation.

### **CONVERSION CRITERIA FOR FOREIGN CURRENCY ITEMS**

The functional and reporting currency adopted by the Group is the Euro. Foreign currency transactions are initially recognised at the exchange rate in effect on the date of the transaction. Apart from fixed assets, any assets and liabilities held in foreign currencies are recognised at the exchange rate of reference at the end date of the period; the related exchange gains and losses are recognised in the Income Statement for the period of competence. Any net gain is allocated to non-distributable reserve until the date of realisation.



## **CHANGES IN ACCOUNTING STANDARDS, NEW ACCOUNTING STANDARDS, CHANGES IN ESTIMATES AND RECLASSIFICATIONS ENDORSED ACCOUNTING STANDARDS, AMENDMENTS AND INTERPRETATIONS APPLIED SINCE 1 JANUARY 2023**

In accordance with IAS 8 (Accounting standards, changes in accounting estimates and errors), the IFRS effective from the 1 January 2023 are indicated and briefly illustrated below.

### **Amendments to IFRS 17 - Insurance contracts: first-time application of IFRS 17 and IFRS 9 - Comparative information**

On 08 September 2022, EU Regulation no. 2022/1491 was issued, which endorsed some amendments relating to the presentation of comparative information on financial assets upon first-time application of IFRS 17 "Insurance Contracts".

The amendment adds a transition option that allows an entity to apply an optional classification overlay in the comparative period/s presented in applying IFRS 17 for the first time.

The overlay allows all financial assets, including those held in connection with non-contract assets within the scope of IFRS 17, to be classified instrument by instrument in the comparative period/s to align with how the entity expects those assets to be classified for initial application of IFRS 9. The overlay may be applied by entities that have already applied IFRS 9 or will apply it when they apply IFRS 17.

IFRS 17 implementing the amendment became effective for financial years beginning on or after 1 January 2023.

The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2023.

### **Amendments to IAS 8 - Accounting standards, changes in accounting estimates and errors**

On 2 March 2022, Regulation (EU) No 2022/357 was issued, which implemented amendments to IAS 8 - Accounting standards, changes in accounting estimates and errors, in which it introduces a new definition of "accounting estimates".

In the revised standard, accounting estimates are now defined as "monetary amounts in the financial statements subject to measurement uncertainty".

The amendments clarify what changes in accounting estimates are and how they differ from changes in accounting standards and error corrections.

The amendments came into force for financial years beginning on or after 1 January 2023.

The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2023.

### **Amendments to IAS 12 Income taxes: Deferred taxes related to assets and liabilities arising from a single transaction**

On 11 August 2022, Regulation (EU) no. 2022/1392 was issued, which implemented some amendments to IAS 12 – Income taxes.

The amendments clarify how companies must account for deferred taxes on leases and decommissioning/restoration costs.

IAS 12 specifies how a company should account for income taxes, including deferred taxes, which represent the amounts of taxes payable or recoverable in the future.

These amendments require an entity to recognise deferred taxes on certain transactions (e.g., leases and decommissioning and restoration costs) that give rise to taxable and deductible temporary differences of equal amount upon initial recognition.

According to IAS 12, under certain circumstances, companies are exempt from recognising deferred taxes when they recognise assets or liabilities for the first time.

As a result of the uncertainty that arose as to whether the exemption applies to leases and decommissioning/restoration obligations, in order to allow for consistent application of the Standard, the IASB issued these limited amendments.

According to these amendments, the exemption under the standard would not apply to leases and decommissioning/restoration obligations, transactions for which companies must, therefore, recognise both an asset and a liability for deferred taxes.

The amendments came into force on 1 January 2023.

The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2023.

### **Amendments to IAS 1 - Presentation of Financial Statements**

On 2 March 2022, Regulation (EU) No. 2022/357 was issued, which incorporated certain amendments to IAS 1 - Presentation of Financial Statements, in which it provides guidelines and examples to assist entities in making materiality judgements for the purposes of financial reporting.

The IASB also issued amendments to “IFRS Practice Statement 2 - Making Materiality Judgements (the PS)” to support the amendments to IAS 1, explaining and demonstrating the application of the “4 step materiality process” to accounting policy disclosures. In particular, the amendments aim to help entities provide more useful disclosure of accounting standards through:

- replacing the requirement for entities to disclose their “significant” accounting standards with the requirement to disclose their “material” accounting standards; and
- the addition of guidance on how entities apply the concept of “materiality” when deciding on accounting standards disclosure.

The amendments came into force for financial years beginning on or after 1 January 2023.

The adoption of said amendments has had no impact on the consolidated financial statements at 31 December 2023.

### **Amendments to IAS 12 - Income taxes: International Tax Reform - "Pillar Two Model" Rules**

Regulation (EU) no. 2023/2468 was issued on 8 November 2023, which implemented some amendments to IAS 12 – Income taxes: International Tax Reform - "Pillar Two Model" rules. The amendments introduce:

- a temporary exception to the obligation to account for deferred taxes resulting from the implementation of the second-pillar model legislation; and
- targeted disclosure requirements for affected entities to help users of financial statements better understand an entity's exposure to income taxes arising from the application of Pillar 2 legislation.

The Amendments clarify that IAS 12 applies to income taxes arising from tax legislation implementing the rules of the "Pillar Two Model" published by the OECD (Organisation for Economic Co-operation and Development, which addresses taxation issues arising from the digitisation of the global economy, the so-called BEPS - Base Erosion and Profit Shifting; these rules apply to multinational enterprises (MNE) with a turnover exceeding Euro 750 million at consolidated level). This tax legislation and the resulting income taxes are referred to as "second pillar legislation" and "second pillar income taxes", respectively. The amendments introduce a mandatory exception in IAS 12 for the recognition and disclosure of deferred tax assets and liabilities related to second-pillar income taxes.

The amendments state that the temporary exception provides entities with an exemption from accounting for deferred taxes in connection with this new and complex tax legislation, allowing stakeholders time to assess the implications.

The temporary exception from the recognition and disclosure of deferred taxes and the requirement to disclose information about the application of the exception apply immediately and retroactively to the issuance of the amendments.

Disclosure of current Pillar 2 income tax expense and disclosures for periods prior to the enactment of the legislation are required for annual periods beginning on or after 1 January 2023, but are not required for interim periods ending before 31 December 2023.

The CVA Group applied the exception to the recognition and disclosure of deferred tax assets and liabilities. Therefore, the adoption of these amendments had no impact on the financial statements at 31 December 2023.

## STANDARDS ISSUED BY THE IASB BUT NOT YET APPLICABLE

At the date of preparation of these separate financial statements, the IASB had issued the following new standards/interpretations which have not yet come into force:

New Standards/Interpretations transposed by the EU but not yet in force	Mandatory application from
Amendments to IAS 7: Cash Flow Statement and IFRS 7 - Financial Instruments: Disclosures	01/01/2024
Amendments to IAS 21 - Effects of changes in exchange rates	01/01/2025
New Standards/Interpretations not yet endorsed by the EU	Mandatory application from
Amendments to IAS 1: Presentation of financial statements: non-current liabilities with covenants	01/01/2024
Amendments to IAS 1 Presentation of Financial Statements: classification of liabilities as current or non-current	01/01/2024
Amendments to IFRS 16: Lease liabilities in a sale and leaseback	01/01/2024

The potential impacts on the separate financial statements from application of these new standards and interpretations are currently being assessed.

## SIGNIFICANT ACCOUNTING ESTIMATES

The preparation of the Consolidated Financial Statements, drawn-up in compliance with the IAS/IFRS standards, required the use of estimates, judgements and hypotheses that have an effect on the carrying amount of assets and liabilities, on the information regarding contingent assets and liabilities and on the value of revenues and costs recognised. The estimates and related assumptions are based on elements known at the date of preparation of the financial statements, on historical experience and on other factors that may be considered relevant.

The underlying estimates and assumptions are updated periodically and regularly by the management. Actual results may differ from estimates and therefore need to be amended. The effects of any changes in estimates are recognised in the Income Statement in the period in which they occur or in subsequent periods.

The main items requiring estimates are described below and for which a significant difference with respect to the carrying amounts of assets and liabilities may be required in the future.

## IMPAIRMENT TEST

The book value of non-current assets is subjected to periodic verification (at each reporting date) and whenever circumstances or events require more frequent verification. In the presence of potential impairment loss indicators (and obligatory at each reporting date for assets with indefinite useful life), it is necessary to proceed with an impairment test, within which the recoverable value is determined, which is the higher of fair value less costs to sell the asset or of

the smaller CGU and its value in use. The recoverable value is determined by individual asset or CGU, in the event that it is not possible to allocate the cash flows to the individual asset. An impairment loss must be recognised when the book value of the asset being tested exceeds its recoverable value; conversely, if the recoverable value exceeds the book value, no recognition is necessary. Impairment related to goodwill cannot be reinstated in following years.

The value in use is the present value of future cash flows expected from the use of the asset or CGU and from its disposal at the end of its useful life. Based on the IFRS accounting standards applied in professional practice on valuation, the estimate of the value in use is made by discounting the operating cash flows, i.e. the cash flows available before the repayment of financial payables and the remuneration of shareholders (Unlevered Discounted Cash Flow (UDCF) method), appropriately calculated assuming an actual marginality that can be realised by the company in the event of carrying out the activity at normal market conditions.

The cost of capital of the Group is determined using the WACC method, so as to be representative of the weighted average cost of financing sources (risk capital and debt capital). Some of the parameters used to calculate the WACC are derived from market indicators and from comparable companies/groups.

It is believed that the estimates underlying the calculation of the recoverable amounts determined in the context of the impairment test conducted by the management are reasonable; however, possible variations in the underlying estimating factors could produce different evaluations.

## RECOGNITION OF REVENUES

Revenues from sales to customers are recognised on an accruals basis and on the basis of the fair value of the amount received or receivable. Revenues from sales of electricity to end customers are recorded in the financial statements on the basis of the time of supply and include, in addition to the amount invoiced on the basis of periodic readings, or on the basis of the volumes communicated by distributors and transporters, an estimate of the electricity supplied during the year but not yet invoiced. Revenues between the last reading date and the end of the financial year are partly based on estimates of the customer's consumption, based on the related historical profile.

## EMPLOYEE BENEFITS

As previously specified, the current cost related to work services and the current value of obligations for defined benefit plans and other long-term benefits granted to employees is determined on the basis of actuarial valuations using the Projected Unit Credit Cost Method). According to this methodology, the Group assigns the benefit deriving from the plan to the years in which the obligation arises to provide the benefit itself or, in the moment in which employees provide work service. The amount of the liability is calculated by estimating the amount to be paid upon termination of the employment relationship, taking into consideration economic, financial and demographic assumptions, which

are annually validated by a third-party and independent actuary. This value is charged pro-rata temporis based on the period of work already accrued. For severance indemnity accrued at 31 December 2006 (or the date of choice by the employee in the case of allocation to complementary funds), the *pro-rata temporis* is instead not applied, since as specified above, at the reporting date the benefits can be considered fully accrued.

The components of remeasurement of the liability, which include actuarial gains and losses, as well as any effects deriving from changes to the actuarial assumptions adopted, are recognised as comprehensive profits (losses).

Although the determination of the current value of the obligation is based on the use of objective and compatible actuarial assumptions, as well as on financial parameters deriving from market estimates known at the reporting date, regarding the year in which the obligations will be settled, the use of different assumptions, or the change in macro-economic conditions, could determine a change in the current value of the obligation.

### AMORTISATION/DEPRECIATION

Tangible and intangible assets with definite useful life are depreciated or amortised on a straight-line basis over their estimated useful life. The useful economic life of these assets is determined at the time of purchase, with the support of technical experts. The Group periodically evaluates technological and sector developments, dismantling/closure charges and the recovery value to update the residual useful life of assets. This evaluation could result in a change in the economic useful life of assets and, consequently, also in the depreciation period and the underlying depreciation portion to be recognised in future years.

### RECOVERABLE VALUE OF DEFERRED TAX ASSETS

Income taxes (current and deferred) are calculated according to a prudent interpretation of the tax laws in effect.

This process sometimes involves complex estimates to determine taxable income and deductible and taxable temporary differences between the carrying amounts and the taxable amounts. In particular, prepaid tax assets are recognised to the extent that future taxable income will be available against which they can be recovered.

The measurement of the recoverability of prepaid tax assets, recognised based on both unused tax loss carry-forwards to future years and deductible temporary differences, takes into account the estimate of future taxable income and is based on conservative tax planning.

In making these valuations, management relies on the most recent budgets and business plans (prepared and used also as part of the asset impairment testing) and also takes into account participation in the group's domestic consolidated tax regime, which allows the Company to transfer its taxable income, whether positive or negative, to the Group.

These estimates and assumptions are subject to a certain degree of uncertainty, especially with reference to the future macro-economic trend. Therefore,

changes in current estimates due to unforeseen events could impact the valuation of deferred tax assets.

### MEASUREMENT OF DERIVATIVE FINANCIAL INSTRUMENTS

The fair value of derivative instruments is determined both using valuation models which also take into account subjective measurements such as, for example, cash flow estimates, expected volatility of prices, etc., and on the basis of prices existing in regulated markets or quotations provided by financial counterparties.

More specifically, the derivative financial instruments on commodities used by the Group are measured at fair value based on the forward market curve at the reporting date, if the underlying of the derivative is traded on markets that provide official, liquid forward prices. If instead the market does not provide forward prices, forecast price curves are used based on simulation models developed by the Group internally. However, the actual results of derivatives could differ from the measurements made.

It is also noted that, the serious turbulence that took place on the markets for the energy Commodities traded by the Group, could lead to greater volatility in Cash Flows and in expected results.

### TRADE RECEIVABLES MEASURED AT AMORTISED COST

Trade receivables for which extensions have been granted beyond 12 months are valued at their amortised cost. Where the instalment agreement does not provide for the recognition of explicit interest, the financial effect was determined by discounting the expected cash flows at a rate equal to that normally applied to the payment of arrears by customers. The difference between the nominal value of the receivable and its amortised cost has been deducted from the related revenues. Different assessments of the discount rate could change the results of the financial statements.

### EVALUATION OF TRANSACTIONS INVOLVING THE ACQUISITION OF TAX CREDITS AS COLLECTION

Some of the activities carried out by the Group involve the collection of fees in whole or in part through the acquisition of tax credits recoverable over multi-year time frames varying from 5 to 10 years (mechanism of the so-called "Invoice discount").

Tax credits thus acquired do not appear to be directly applicable to the definition of a financial asset in IAS 32, paragraph 11, since the resulting right to offset taxes and contributions is based on ex lege provisions and does not derive from a Contract.

However, the tax credits in question are, in substantive terms, comparable to a financial asset in that they can be used to offset a debt usually paid in cash (tax debts), they can be exchanged for other financial assets on terms that may be potentially favourable to the entity, and they can be framed in a business model (e.g. Hold to Collect in the case of holding to maturity). For these reasons, it



is believed that an accounting model based on IFRS 9 is the most appropriate accounting policy to provide relevant and reliable information, as required by IAS 8 paragraph 10. Such a model, in fact, seems to more adequately ensure a true representation of the Group's financial position, income and cash flows, reflecting the economic substance and not merely the form of the transaction, in a neutral, prudent and complete manner.

In view of the Group's aims, which are to maximise the profitability of such transactions by using the credits acquired to offset tax liabilities, it was deemed appropriate to carry out the valuation of these credits according to the "hold-to-collect" business model and thus at their amortised cost.

Where the contract with the customer includes a rate implicit in the structure of the transaction, the amortised cost of credit was determined using the internal rate of the transaction itself.

When, on the other hand, the contract with the customer does not provide for an implicit rate, we proceed (also in compliance with the dictates of IFRS 15 in terms of revenue allocation) to unbundle the financial component from the contractually stipulated consideration, using an interest rate consistent with the risk expressed by the counterparty (the Italian State) and the identified business model. Specifically, the rate of a BTP with a maturity aligned with that of the loan being evaluated was chosen.

With reference to the time of recognition of the credits, they are recorded at the same time as revenue recognition as receivables from customers. Only with the actual acquisition of the tax credit, which is also subsequent to obtaining the appropriate endorsements, is the receivable from the customer cancelled and the tax credit recorded. The amortised cost valuation, however, is carried out from the time the customer receivable is first recorded in accordance with the above principles.

### **PROVISION FOR RISKS ON RECEIVABLES**

As previously specified, receivables are recognised in the financial statements at their estimated realisable value, by adding appropriations that reflect the estimate of losses on receivables and that are recognised as a nominal value adjustment.

The Group uses a matrix to calculate ECL for trade receivables and contractual activities. The allocation rates are based on the days past due for each class of customers grouped in the various segments with similar historical loss trends (market, type of customer, contract status, type of payment).

The matrix is initially based on the historical default rates observed by the Group. At least once per financial year, the historical insolvency rates are updated.

Although the provision is considered adequate, the use of different calculation assumptions or changes in macro-economic conditions could cause a change in the bad debts provision.

### **PROVISIONS FOR RISKS AND CHARGES**

The identification of the existence or non-existence of a current obligation (legal or implicit), as well as the subsequent quantification of any underlying, represents a process that is not easy to determine by the Directors.

Management carries out a case-by-case assessment of the potential obligations, together with the estimate of the amount of economic resources required for the fulfilment of the same. Estimating allocations to the provisions for risks and charges is therefore the result of a complex process that can also involve subjective judgements on the part of Company management. When the directors are of the opinion that it is only possible that a liability could arise, the risks are disclosed in the section on commitments and contingent liabilities without making a provision.

### **Obligations for dismantling and/or recovery**

The nature of the activity carried out by the Group may entail a related obligation for future activities and interventions required for the dismantling of plants (renewable energy production) and/or restoration of the site on which they are located. The estimate of future expenses depends on the type of generation adopted and is based on financial and engineering assumptions that depend on the existing technology at the valuation date, as well as the laws and regulations in force. The current liability is then calculated by discounting the expected future cash flows that the Group believes will be required for the obligation assumed. Subsequent to initial recognition, the value of the obligation is reviewed annually and possibly adjusted to reflect the passing of time and any change in the underlying estimates. As specified above in the context of the accounting standards adopted by the Group, the provision relating to these obligations is recognised as a balancing entry to the asset to which it refers and the charge is recognised in the Income Statement not only at the financial value over time but also through the depreciation process of the aforementioned tangible asset.

### **ABSENCE OF AN APPLICABLE STANDARD OR INTERPRETATION**

As required by IAS 8 (Accounting Standards, Changes in Accounting Estimates and Errors), paragraph 10, in the absence of a Standard or an Interpretation that specifically applies to a particular transaction, Management, through careful subjective evaluation techniques, chooses the accounting methods to adopt with a view to providing financial statements which faithfully represent the financial position, the results of operations and the cash flows of the Group, which reflect the economic substance of the transactions, which are neutral, prepared on a prudent basis and complete in all material respects.

## INFORMATION RELATED TO OPERATING SECTORS

For management purposes, the Group is organised into Business Units, the subdivision of which reflects the reporting structure analysed by the Management and the Board of Directors in order to manage and plan the Group's activities. In compliance with the provisions of IFRS 8 - Operating Segments, information is provided below for Business Units, identified on the basis of the management structure and the internal reporting system of the Group.

More specifically, as set out in the relevant section of the Report on Operations in this issue, the CVA Group operates in the following business sectors:

- **Hydro BU:** dedicated to electricity generation from hydroelectric sources, and to the relative sale of the same to wholesalers/traders. This production mainly relates to the Parent Company and, to a residual extent, to VALDIGNE;
- **Other Renewable Energy Sources BU** (hereinafter for brevity also "**Other RES**"): dedicated to the activity of electricity generation from renewable energy sources other than the hydroelectric source, and to the relative sale of the same to wholesalers/traders. The activity is carried out mainly by the Parent Company and by the company CVA EOS;
- **Distribution BU:** dedicated to the distribution of electricity to end users entirely carried out by DEVAL, which manages a distribution network (located exclusively in Valle d'Aosta);
- **Sales BU:** includes the activities performed by CVA ENERGIE which operates (i) in the electricity sales sector; (ii) in the energy management sector, also carrying out electricity trading activities mainly in physical and financial energy markets;
- **Energy Efficiency BU:** a new operating sector of the Group that includes the energy efficiency activities of civil and capital buildings carried out by CVA as General Contractor as well as by CVA Smart Energy.

In addition to these Business Units, it is also possible to identify the so-called "Corporate" includes the result of the activities and Businesses that do not constitute an operating segment pursuant to IFRS 8, as well as values not attributable to the performance of the business areas identified, as they are not directly attributable to their management responsibility.

The item "Eliminations and adjustments", on the other hand, includes consolidation adjustments and eliminations between the individual Business Units.

Based on the nature of the activities carried out by the companies of the Group, the breakdown by geographical area is not significant.

The following tables show some economic and financial information broken down by segment for the years 2023 and 2022 (for comparative purposes):

### Summary data by Business Unit at 31 December 2023

AMOUNTS IN EURO THOUSANDS	FOR THE YEAR ENDED 31 DECEMBER 2023							
	HYDRO	DISTRIBUTION	SALES	OTHER RES	ENERGY EFFICIENCY	CORPORATE	ELIMINATIONS	TOTAL
<b>Economic data by business sector</b>								
Revenues	276,246	34,246	1,491,606	70,602	115,695	4,081	(334,618)	1,657,858
Personnel cost	(15,922)	(8,193)	(4,339)	(2,200)	(2,064)	(16,966)	3	(49,681)
Other operating costs	(88,415)	(10,221)	(1,431,214)	(16,500)	(94,012)	(15,343)	336,992	(1,318,714)
<b>Gross Operating Margin (EBITDA)</b>	<b>171,909</b>	<b>15,832</b>	<b>56,052</b>	<b>51,902</b>	<b>19,619</b>	<b>(28,228)</b>	<b>2,377</b>	<b>289,464</b>
% of revenues	62.2%	46.2%	3.8%	73.5%	17.0%	-691.7%	-0.7%	17.5%
Amortisation, depreciation, provisions and write-downs	(26,023)	(10,356)	1,419	(32,898)	(622)	(3,159)	(6,212)	(77,851)
<b>Operating Result (EBIT)</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(31,387)</b>	<b>(3,835)</b>	<b>211,613</b>
% of revenues	52.8%	16.0%	3.9%	26.9%	16.4%	-769.1%	1.1%	12.8%
Result from non-recurring transactions	(34,261)	-	2,322	(1,449)	-	248	-	(33,139)
<b>Adjusted Operating Result (Adjusted EBIT)</b>	<b>180,148</b>	<b>5,477</b>	<b>55,149</b>	<b>20,453</b>	<b>18,997</b>	<b>(31,636)</b>	<b>(3,835)</b>	<b>244,752</b>
% of revenues	65.2%	16.0%	3.7%	29.0%	16.4%	-775.2%	-	14.8%
Financial balance	-	-	-	-	-	7,728	-	7,728
<b>PRE-TAX RESULT</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(23,659)</b>	<b>(3,835)</b>	<b>219,341</b>
Expenses for income taxes	-	-	-	-	-	(59,663)	-	(59,663)
<b>PERIOD NET RESULT</b>	<b>145,886</b>	<b>5,477</b>	<b>57,471</b>	<b>19,004</b>	<b>18,997</b>	<b>(83,322)</b>	<b>(3,835)</b>	<b>159,678</b>
<b>Equity data by business sector</b>								
Investments	19,492	20,328	12	533,035	37,124	7,650	-	617,642
Tangible assets	299,766	122,503	519	331,785	2,204	38,303	139,671	934,751
Intangible assets	174,480	13,431	-	61,741	1,032	1,809	188,898	441,392
Trade receivables	40,728	7,804	184,297	5,565	146,066	4,027	(57,525)	330,961
Trade payables	45,622	9,337	111,031	13,947	55,248	6,660	(60,603)	181,242

### Summary data by Business Unit at 31 December 2022

AMOUNTS IN EURO THOUSANDS	FOR THE YEAR ENDED 31 DECEMBER 2022							
	HYDRO	DISTRIBUTION	SALES	OTHER RES	ENERGY EFFICIENCY	CORPORATE	ELIMINATIONS	TOTAL
<b>Economic data by business sector</b>								
Revenues	142,926	34,933	1,627,434	57,121	31,610	3,835	(169,579)	1,728,280
Personnel cost	(14,854)	(7,758)	(4,109)	(597)	(518)	(14,411)	-	(42,246)
Other operating costs	(47,795)	(9,906)	(1,446,125)	(13,071)	(28,789)	(14,058)	168,991	(1,390,752)
<b>Gross Operating Margin (EBITDA)</b>	<b>80,277</b>	<b>17,269</b>	<b>177,200</b>	<b>43,453</b>	<b>2,303</b>	<b>(24,633)</b>	<b>(588)</b>	<b>295,281</b>
% of revenues	56.2%	49.4%	10.9%	76.1%	7.3%	-642.3%	0.3%	17.1%
Amortisation, depreciation, provisions and write-downs	(24,659)	(12,541)	(1,438)	(17,735)	(20)	(3,156)	454	(59,094)
<b>Operating Result (EBIT)</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,283</b>	<b>(27,789)</b>	<b>(134)</b>	<b>236,187</b>
% of revenues	38.9%	13.5%	10.8%	45.0%	7.2%	-724.6%	0.1%	13.7%
Result from non-recurring transactions	(773)	(3,412)	3,338	(3,312)	-	471	-	(3,688)
<b>Adjusted Operating Result (Adjusted EBIT)</b>	<b>56,391</b>	<b>8,140</b>	<b>172,424</b>	<b>29,030</b>	<b>2,283</b>	<b>(28,260)</b>	<b>(134)</b>	<b>239,875</b>
% of revenues	39.5%	23.3%	10.6%	50.8%	7.2%	-736.9%	-	13.9%
Financial balance	-	-	-	-	352	19,719	(5,512)	14,558
<b>PRE-TAX RESULT</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,635</b>	<b>(8,070)</b>	<b>(5,646)</b>	<b>250,745</b>
Expenses for income taxes	-	-	-	-	-	(86,361)	20	(86,341)
<b>PERIOD NET RESULT</b>	<b>55,618</b>	<b>4,728</b>	<b>175,762</b>	<b>25,718</b>	<b>2,635</b>	<b>(94,432)</b>	<b>(5,626)</b>	<b>164,404</b>
<b>Equity data by business sector</b>								
Investments	17,493	14,498	176	3,738	692	14,758	-	51,355
Tangible assets	306,479	113,588	632	154,400	1,037	33,320	(2,552)	606,905
Intangible assets	174,509	12,402	5	50,602	1	2,254	(82)	239,690
Trade receivables	20,546	4,396	155,357	4,302	36,682	2,604	(27,464)	196,423
Trade payables	11,215	7,577	75,018	4,173	8,961	6,757	(27,608)	86,093

For further details regarding results by Business Unit, reference is made to as illustrated in the Report on Operations.

## COMMENTS ON THE MAIN CONSOLIDATED INCOME STATEMENT ITEMS

The breakdown of the main items of the Consolidated Income Statement is provided below. The following tables, unless otherwise indicated, show the figures in thousands of Euro.

### 1. REVENUES FROM SALES AND SERVICES

Revenues from sales and services totalled Euro 1,627,075 thousand in 2023 (Euro 1,701,857 thousand in 2022). A breakdown of revenues by nature is provided below:

2023													
AMOUNTS IN EURO THOUSANDS	HYDRO		DISTRIBUTION		SALES		OTHER RES		ENERGY EFFICIENCY		CORPORATE		TOTAL GROUP
	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	
<b>REVENUES FROM SALES AND SERVICES</b>	<b>275,626</b>	<b>(275,349)</b>	<b>32,835</b>	<b>(16,519)</b>	<b>1,487,712</b>	<b>(3,372)</b>	<b>43,853</b>	<b>(33,141)</b>	<b>121,961</b>	<b>(6,554)</b>	<b>9,709</b>	<b>(9,687)</b>	<b>1,627,075</b>
Sale of electricity	269,212	(268,934)	-	-	989,853	(1,926)	43,419	(32,826)	(1)	-	1	-	998,797
<i>To wholesale customers</i>	269,212	(268,934)	-	-	514,325	-	43,419	(32,826)	-	-	-	-	525,196
<i>To end customers - Free market</i>	-	-	-	-	580,998	(1,334)	-	-	(1)	-	1	-	579,664
<i>To end customers - Greater Protection Market</i>	-	-	-	-	3,794	(592)	-	-	-	-	-	-	3,202
<i>Income from energy hedging instruments</i>	-	-	-	-	(109,265)	-	-	-	-	-	-	-	(109,265)
Income from commodities trading activities	-	-	-	-	16,696	-	-	-	-	-	-	-	16,696
Income from commodities hedging activities	-	-	-	-	223,595	-	-	-	-	-	-	-	223,595
Fees for use of the system	5,172	(5,172)	-	-	59,119	(121)	-	-	-	-	-	-	58,998
Revenues for energy transport	-	-	30,972	(16,301)	188,342	(546)	-	-	-	-	-	-	202,467
Connection fees and fixed fees	-	-	1,726	(214)	3,319	(713)	-	-	-	-	-	-	4,118
Disposal of energy certificates/ securities	947	(947)	-	-	6,041	(65)	177	(177)	-	-	-	-	5,975
Provision of services	295	(295)	137	(4)	748	-	257	(139)	121,962	(6,554)	9,708	(9,687)	116,428

2022													
AMOUNTS IN EURO THOUSANDS	HYDRO		DISTRIBUTION		SALES		OTHER RES		ENERGY EFFICIENCY		CORPORATE		TOTAL GROUP
	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	TOTAL	INTRA-GROUP ITEMS	
	<b>REVENUES FROM SALES AND SERVICES</b>	<b>135,875</b>	<b>(134,612)</b>	<b>31,651</b>	<b>(16,105)</b>	<b>1,623,957</b>	<b>(5,231)</b>	<b>46,582</b>	<b>(11,876)</b>	<b>31,610</b>	<b>-</b>	<b>9,491</b>	
Sale of electricity	124,879	(123,616)	-	-	967,172	(3,803)	45,416	(11,030)	-	-	-	-	999,019
<i>To wholesale customers</i>	124,879	(123,616)	-	-	933,388	-	45,416	(11,030)	-	-	-	-	969,037
<i>To end customers - Free market</i>	-	-	-	-	356,145	(3,136)	-	-	-	-	-	-	353,009
<i>To end customers - Greater Protection Market</i>	-	-	-	-	14,242	(667)	-	-	-	-	-	-	13,575
<i>Income from energy hedging instruments</i>	-	-	-	-	(336,602)	-	-	-	-	-	-	-	(336,602)
Income from commodities trading activities	-	-	-	-	26,099	-	-	-	-	-	-	-	26,099
Income from commodities hedging measured at fair value	-	-	-	-	544,559	-	-	-	-	-	-	-	544,559
Fees for use of the system	4,816	(4,816)	-	-	38,960	(180)	-	-	-	-	-	-	38,780
Revenues for energy transport	-	-	29,647	(15,882)	37,404	(231)	-	-	-	-	-	-	50,938
Connection fees and fixed fees	-	-	1,607	(216)	2,556	(961)	-	-	-	-	-	-	2,985
Disposal of energy certificates/ securities	5,907	(5,907)	-	-	6,951	(55)	482	(482)	-	-	-	-	6,896
Provision of services	273	(273)	397	(7)	257	-	684	(364)	31,610	-	9,491	(9,486)	32,583



The Group's revenue structure was influenced by several factors. On the hydroelectric production business on the energy sales side, the increase in revenue recorded was due to the joint effect of higher energy sales prices (mostly intra-group) and an increase in production volumes. There was also a reduction in revenue from the sale of energy certificates, mostly related to the different timing of their placement on the market: unlike in 2022, in 2023, a large part of the certificates issued were still to be placed on the market.

The distribution business shows a substantially stable revenue structure and main dimensions.

The business of energy sales to end customers, however, recorded an overall decline in revenue volumes due to the combination of several effects. Revenues for sales to supplied customers increased against the points and volumes of energy supplied (almost doubled), although average sales prices in 2023, compared to 2022, declined markedly. Wholesale disposals (down by more than 40%) are dominated by the effect of falling market prices, as the volumes of energy sold increased by around 10%. Revenues from the supply of energy in the market for greater protection recorded a significant drop as a result of both a drop in average prices and a natural reduction in volumes in view of the regulatory forecast that will see the extinction of the greater protection regime in 2024 and the consequent exit of users who opted for the free market.

The effects of hedging were also affected by market price declines, and the corrective effect on energy sales revenue was significantly reduced compared to 2022.

Similarly, price dynamics affected the results of the hedging portfolio booked at fair value as well as the margin realised by the trading portfolio.

It should be noted that the item "results from commodity trading activities" includes the margin generated on transactions in trading commodity trading portfolios as shown in the table below:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>RESULT FROM TRADING ACTIVITIES</b>	<b>16,696</b>	<b>26,099</b>
Income from trading activities	287,569	439,229
Expenses from trading activities	(270,874)	(413,130)

It should be noted that the result from commodities trading activities, being related to derivative transactions, is regulated by IFRS 9 and is consequently excluded from the scope of application of IFRS 15.

Another noteworthy dynamic in sales activity is the increase in revenues for energy transport against the return to "normal" tariffs with the end of the concessions that had been granted to cope with high energy prices. It should be noted that in all cases these are revenues on which the Group has no margin, but the result of a charge-back of what was incurred as a cost.

Energy generation from other non-hydroelectric renewable sources (Other RES) remained broadly in line with the previous year with an overall decrease of around 6%. On the one hand, this result responds to the drop in energy transfer

prices on the historical portfolio of the group's plants, which led to a reduction in their revenues of more than 25% despite the increase in production. The expansion of the scope of consolidation to include companies active in the sector, however, offset the decline. The efficiency business, on the other hand, recorded a strong increase in sales, first of all due to the completion of substantially all orders in the building efficiency portfolio in which the Group acted as General Contractor (for which the revenue recorded went from Euro 31.6 million to Euro 98.6 million). Not secondary, then, was the contribution of the companies acquired during the period and active in the same sector.

Corporate activities did not change substantially.

For further details regarding revenues by nature and Business Unit, reference is made to as illustrated in the specific section of the Report on Operations.

## 2. OTHER REVENUES AND INCOME

The breakdown of the item "Other operating revenues and income" is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER REVENUES AND INCOME</b>	<b>32.196</b>	<b>25.388</b>
Incentives on energy production	21,789	16,724
Penalties and insurance reimbursements	4,082	3,421
Contingent assets	1,649	2,131
Leases	1,178	934
Operating contributions	899	1,183
Contribution for the purchase of TEE securities	597	852
Capital contributions	233	144
Other income	1,768	1,034

Below are also the details of the incentives on energy production, by type of contribution and by Business Unit:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>INCENTIVES ON ENERGY PRODUCTION</b>	<b>21,789</b>	<b>16,724</b>
Photovoltaic plant incentives	19,980	5,087
Incentive tariffs	1,809	214
GRIN (former Green Certificates)	-	11,423

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>PRODUCTION INCENTIVES BY B.U. BY B.U.</b>	<b>18,758</b>	<b>42,329</b>
Other RES	21,789	10,037
Hydro	-	6,686

Incentives for energy production increased mainly due to the extension of the scope of consolidation to companies active in the production of energy from photovoltaic sources. As can be seen, the contributions to this production increased by about Euro 15 million, which is entirely attributable to the new plants owned by the Group, since no noteworthy changes were recorded on the old plants.

Incentive tariffs referring to the amount received from the GSE by way, precisely, of “incentive tariff”, a form of incentive whereby a fixed tariff is guaranteed for each MWh produced by the plant under agreement through the integration of the market price with a contribution from the GSE. The incentive tariffs, guaranteeing a fixed value of the energy sold, move inversely proportional to the market prices of electricity. This form of incentive, in the Group, only remunerates the production of wind plants. Its increase is mainly attributable to its inverse correlation with energy prices.

The GRIN incentives, dominant in the last financial year, refer to the contribution received from the GSE on the basis of the incentive mechanism replacing the “green certificates”. The considerable reduction compared to the previous year is mainly attributable to the reduction of the unit value of the GRIN incentive from Euro 42.85/MWh in the financial year 2022 to a zero value for the financial year 2023. The value of the incentive is established annually by the GSE on the basis of the provisions of Ministerial Decree 6 July 2012 as amended and inversely proportional to the energy prices of the previous year.

“Penalties and insurance reimbursements”, which amounted to Euro 4,082 thousand, include all penalties applied to suppliers for contractual defaults, as well as indemnities and social bonuses received from distributors and insurance reimbursements received for credit losses (the latter two items are characteristic of CVA ENERGIE sales of energy to end customers).

In the current year, on the one hand, there was a substantial constancy, compared to 2022, in revenues for social bonuses (stable at about Euro 2.5 million), and on the other hand, there was an increase in indemnities from third parties, as a result of two specific indemnities obtained, one for a damage caused by a supplier on a plant (Euro 200 thousand) and the other for the procedures to settle liabilities not declared by the seller at the closing with reference to the acquisition of the Monteverde wind farm (indemnity recognised of Euro 500 thousand). This indemnity was partly collected by offsetting debts to the same seller and partly recorded in receivables, which were then written down in view of the bankruptcy of the counterparty.

Contingent assets mainly refer to revised estimates on items in the SR Group’s 2022 financial statements. In 2022, contingencies mainly originated from the release of residual customer payables (Euro 1,587 thousand), owed by DEVAL, related to the exceeding of the limits imposed by the tariff constraints in force until 2007, which were recorded under “Other current liabilities” in previous financial statements and for which the company, after several attempts, was unable to trace the beneficiaries;

The item “leasing of properties”, amounting to Euro 1,178 thousand, mainly refers to the income from the leasing of the real estate units owned by CVA located in various Municipalities of Valle d’Aosta. The contracts, in accordance with IFRS 16, have all been classified as operating leases; the increase recorded is entirely related to the income from the lease of a trigeneration plant built by

CVA and commissioned in 2023. For the first year, the facility was exercised by a third party against payment of a fee. At the end of the financial year, the same plant was sold to the R.T.S. group company, which will take over its operation directly from 2024.

Operating contributions, amounting to Euro 899 thousand, mainly refer to:

- the value of the service continuity premium due to DEVAL, estimated on the basis of the relevant regulations in force (Integrated text of ARERA's provisions on the quality of electricity distribution, metering and sales services), and amounting to Euro 582 thousand (Euro 606 thousand in 2022). The award relates to service continuity levels realised in 2023 and determined based on the number and duration of outages;
- the contribution for non-energy consuming companies granted in the form of a tax credit in the amount of Euro 248 thousand in 2023 (Euro 469 thousand in 2022). The item should be regarded as non-recurring.

The item "Contribution for the purchase of TEE securities", amounting to Euro 597 thousand, is related to the cancellation value of the securities purchased in the year 2023 relative to the 2022 and previous obligation year, which ended in May 2023, and to the cancellation on account occurred in November relative to the 2023 obligation year, for Euro 244 thousand, and to the estimated cancellation value of the securities purchased to cover the 2023 obligation, which expires in May 2024, for Euro 353 thousand.

The item "capital contributions", amounting to Euro 233 thousand, corresponds to the portion of contributions received for investments in assets accounted for using the indirect method. These include tax facilitations on investments in the form of tax deductions or tax credits.

The item "Other income" amounts to Euro 1,768 thousand and mainly refers to the following types:

- income for reimbursements obtained by the management companies of the ski lifts to draw the water needed for artificial snow (for Euro 238 thousand);
- income received by CVA ENERGIE following participation in the mechanism to compensate for arrears of end customers under Greater Protection, as well as following the presentation of the COR model, which amounted to Euro 347 thousand in 2023 (Euro 134 thousand in 2022);
- Income for the fees received for the precarious concession for the use works drainage Bard power plant and to the related charge-back of maintenance expenses in addition to the fees received for the maintenance of some power stations located in the municipalities of Pontey, Gressoney La Trinité, Antey Saint André, Cogne and Issogne (for Euro 386 thousand);
- income from fees received from TIM S.p.A: for the maintenance of fibre optics owned by the Region (Euro 70 thousand);

The remainder of the item is attributable to the sum of miscellaneous revenues that are not individually significant.

### 3. CHANGE IN CONTRACT WORK IN PROGRESS

The change in contract work in progress recorded a decrease of Euro 1,412 thousand. This item was absent in the previous year, as the Group did not operate on a contract basis, which is typical of some of the companies that entered the Group's scope in 2023 and operate in the field of energy efficiency. The change recorded is that which occurred between the date of first consolidation of the aforementioned companies and the end of the financial year, and therefore does not balance with the change in the related inventories recorded in the balance sheet assets. It should be noted that the valuation of orders, as they all have a duration of less than 12 months, is carried out using the "completed order" criterion.

### 4. COSTS FOR RAW MATERIALS AND SERVICES

Costs for raw materials and services amounted to a total of Euro 1,236,875 thousand.

Their breakdown by type is shown in the table below:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>COSTS FOR RAW MATERIALS AND SERVICES</b>	<b>1,236,875</b>	<b>1,348,822</b>
Costs for raw materials	647,195	590,493
Expenses from commodities hedging measured at fair value	239,284	643,210
Expenses for energy transport	178,961	27,554
Costs for services	122,960	60,421
Expenses for use of the system	45,339	25,721
Connection fees and similar	2,099	1,077
Costs for rents and leases	1,037	345

Raw materials and services costs do not include the costs incurred during the year in connection with transactions in commodity trading portfolios, amounting to Euro 270,874 thousand (Euro 413,130 thousand at 31 December 2022), because, as explained in greater detail above, the margin generated is represented in accordance with the "net presentation" and, being positive, is shown under revenues.

#### Costs for raw materials

The item "costs for raw materials" totalled Euro 647,195 thousand. The detail of costs for raw materials is as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>COSTS FOR RAW MATERIALS</b>	<b>647,195</b>	<b>590,493</b>
Wholesale electricity	632,295	586,005
Raw and ancillary materials and consumables	13,655	3,051
Energy securities/certificates	593	1,058
Vehicle power sources	392	380
Energy for auxiliary services of generating plants	260	-

Wholesale electric power represents all transactions carried out with wholesalers (including the GME), as well as imbalances between consumption and production units.

The increase in purchasing costs is attributable to the increase in purchased volumes, which almost tripled compared to the previous year. The fall in market prices of average purchase prices mitigated the increase in costs.

Wholesale purchased energy also includes the effects of cash flow hedges entered into to cover expected cash flows from energy purchases, which resulted in an upward cost adjustment of Euro 17,165 thousand.

Costs for the purchase of raw, ancillary and consumable materials increased sharply, mostly related to the expansion of the scope of consolidation to companies that, operating in the energy efficiency sector, incur costs for the purchase of materials used in the construction of plants and building works.

The costs of certificates/energy certificates are open to the costs for procurement of Guarantee of Origin Certificates (for the portion necessary to cover the quantities of renewable energy sold and not produced by the Group's plants) and TEE Certificates. With specific reference to 2023, the total cost as well as the change recorded is almost entirely attributable to the latter.

Automotive power sources represent the cost of purchasing fossil fuels and electricity for transport.

Energy for auxiliary services of the generation plants represents the cost incurred towards third parties other than the Group for the purchase of energy useful for the operation of the plants. Its occurrence with respect to the financial year 2022 is related to the acquisition of plants supplied by non-Group entities (as opposed to the historical plant stock) following the acquisition of the SR Investimenti Group.

#### **Expenses from commodities hedging measured at fair value**

This item represents the effect of commodity derivatives entered into for hedging purposes, but which were not subject to hedge accounting and which were, therefore, measured at fair value against the income statement. The change in effects compared to the previous year is related to the market price trend. Typically, all transactions entered into during the financial year are measured at fair value.

#### **Expenses for energy transport**

These are the expenses incurred towards energy distributors for supply to end customers. These costs are then charged back to the users without any margin. Their increase is linked, on the one hand, to the invalidity, in the course of 2023, of regulatory concessions that had compressed system charges to cope with high energy prices, and, on the other hand, to the increase in the volumes of energy supplied (which more than doubled).

### Costs for services

The item “costs for services” totalled Euro 122,960 thousand. Details are shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>COSTS FOR SERVICES</b>	<b>122,960</b>	<b>60,421</b>
Services for energy efficiency interventions	82,873	28,513
Commercial, legal, administrative and professional consultancy	10,394	7,846
Maintenance	9,506	8,115
Insurance	5,313	4,273
Telephone and data transmission services	2,271	2,076
Costs for Information & Communication Technology services - IT services	1,930	1,997
Regarding personnel	1,798	1,560
Fees for Directors, Auditors, SB and Independent Auditors	1,490	688
Trips and transfers, representation	1,366	846
Costs for bank and postal services	809	597
Car park management expenses	747	460
Advertising	710	1,003
Miscellaneous utilities	137	142
Other costs for services	3,614	2,305

The increase in service costs is due for about Euro 12.5 million to the extension of the scope of consolidation. Please note that the newly acquired companies contributed to the 2023 result from the date of their acquisition. Most of the increase, however, amounting to approximately Euro 50 million, is attributable to the increase in the item “Energy Efficiency Services”. Costs related to energy efficiency interventions correspond mostly to all external costs incurred as part of the CVA General Contractor activity in the sector of building energy efficiency. The closure of orders from the Superbonus-related portfolio led to an acceleration in 2023, which, as already mentioned, also generated an increase in related revenues.

The cost of consultancy services increased from the previous year (Euro +2,549 thousand) mainly due to the extension of the scope of consolidation. With reference to the old scope, there was actually a decrease of Euro 856 thousand driven by a reduction in costs for technical professional services. Please note that 2022 was also impacted by the costs incurred to prepare a bond issue, which then did not take place due to the absence of market conditions deemed favourable (Euro 460 thousand).

After the acceleration of 2022, the expenditure for the evaluation of new investment projects remained substantially constant and amounted to approximately Euro 1.9 million.



There was also an increase in commercial consultancy services aimed at increasing the contracted customer portfolio, which amounted to Euro 927 thousand, an increase of Euro 380 thousand.

Consultancy also includes tax and legal consultancy expenses totalling Euro 921 thousand.

The increase in maintenance costs is primarily related to the extension of the Group's plant fleet. Looking at the breakdown by sector of activity, maintenance of the hydroelectric plant park went from Euro 1,843 thousand to Euro 2,207 thousand, those of the wind and photovoltaic plant park from Euro 4,639 thousand to Euro 5,794 thousand, and those of the distribution network from Euro 1,082 thousand to Euro 867 thousand. The residual amount is mainly represented by maintenance costs for leased and non-leased civil and instrumental (office use) buildings.

The costs for insurance services mainly consist of the charges for the RC and "All Risk" insurance coverage of the plants (equal to Euro 2,287 thousand and Euro 800 thousand respectively) essentially in line with the previous year (increase of just over 5%). Credit insurance more than doubled from Euro 346 thousand to Euro 730 thousand. This increase is directly related to the increase in the portfolio of supplied customers. The remainder of the increase is mainly attributable to the extension of the scope of consolidation.

Costs for Information & Communication Technology services refer to support services for computer systems, hardware and software maintenance, while telephone and data transmission services refer to fees and maintenance of fixed and mobile telephone networks. No significant changes were recorded.

Personnel-related expenses increased by Euro 238 thousand mainly attributable to the change in the consolidation scope.

The increase recorded in entertainment and travel expenses is, on the one hand, due to their physiological increase (quantifiable in about Euro 400 thousand) due to the dynamism that characterised the Group's operations in 2023 and, on the other hand, to the extension of the consolidation perimeter to new companies.

Costs for banking and postal services were mainly affected by the entry of new companies into the Group.

Costs for the management of the car park, on the other hand, were conditioned in the first instance by an increase in the number of vehicles, and at the same time, by the difference in the perimeter of the Group.

Advertising costs decreased by about 30% due exclusively to the Group's communication choices.

Other service costs mainly include:

- Charges for membership in portals and marketplaces amounting to Euro 964 thousand (up by Euro 145 thousand)
- Charges to GSE for the management of incentives (Euro 394 thousand, stable);
- Services on plant areas such as snow removal, green area maintenance,

etc... (Euro 316 thousand);

- Waste disposal (Euro 234 thousand)
- Security services (Euro 596 thousand), an increase of Euro 452 thousand due to the extension of the plant fleet;
- Expenses for obtaining a rating (Euro 111 thousand, stable).

The remaining portion relates to services of various kinds, the increase in which was influenced by the extension of the Group's scope.

### Expenses for use of the System

Charges for system use refer to the cost incurred for the dispatch of electricity, as well as charges incurred for the use of transmission networks.

Their increase is directly related to the increase in the volumes of energy supplied.

### Connection fees and fixed fees

Connection fees and fixed charges refer to costs incurred for activities carried out by the distributor for new connections, power increases or the like requested by the customers served. Again, their increase is related to the extension of the supplied customer portfolio.

### Costs for rents and leases

The item "costs for rents and leases" amounted to Euro 1,037 thousand and the breakdown is as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>COSTS FOR RENTS AND LEASES</b>	<b>1,037</b>	<b>345</b>
Rents and leases	118	5
Car park rental fees	50	33
License and software fees	325	277
Other costs for rents and leases	543	31

The costs recorded in this item correspond to rentals on contracts excluded from the scope of application of IFRS 16 because they do not meet the requirements to be defined as leases or because, although classified as such, they have been excluded due to their duration of less than 12 months or their low unit value. Non-lease components (mainly non-deductible VAT) of lease contracts subject to IFRS 16 are also recorded in this item.

Their increase is entirely attributable to the extension of the scope of consolidation and, in particular, to the short-term rental of equipment in the energy efficiency business.

## 5. PERSONNEL COSTS

The breakdown of personnel costs is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>PERSONNEL COSTS</b>	<b>49,681</b>	<b>42,246</b>
Wages and salaries	35,063	30,152
Social security contributions	11,275	9,509
Employee severance indemnity and others	2,223	1,525
Other personnel costs	1,119	1,060

The item “personnel costs” amounted to a total of Euro 49,681 thousand. Of the recorded increase, about Euro 4 million resulted from the dynamics of the companies belonging to the Group’s historical perimeter, including:

- Increase in average workforce by classification;
- Wage increases for contractual increases;

The remaining increase is the result of the entry of companies with their own staff into the Group’s perimeter.

The table below shows the average number of employees during the years under review, broken down by category and the related changes:

AMOUNTS IN EURO THOUSANDS	2023	2022	CHANGE
Executives	5	3	+2
Managers	69	63	+6
Clerks	428	379	+49
Workers	214	182	+32
<b>TOTALE</b>	<b>716</b>	<b>627</b>	<b>+89</b>

## 6. OTHER OPERATING COSTS

In 2023, other operating costs amounted to Euro 90,598 thousand and are detailed as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER OPERATING COSTS</b>	<b>90,598</b>	<b>47,751</b>
Fees for the derivation of water for hydroelectric use, contributions, licenses and other fees	45,700	37,799
Contributions to GSE	35,874	4,084
Indemnities and penalties	3,989	4,066
Stamp duties, levies and various taxes	2,180	1,783
Other sundry expenses	2,855	20

The item “fees for the derivation of water for hydroelectric use, contribu-

tions, licenses and other fees”, equal to Euro 45,700 thousand, includes the fees for hydroelectric use of state, waterways and mountain catchment basins due to the Region and other public bodies such as the Municipalities and the Province of Turin for the derivation of water based on the relevant legislation. On a residual basis, it also includes the fees paid to bodies and authorities for the exercise of the Group’s activities. The recorded increase reflects the increases set forth by the granting bodies and, in particular, the effect of the provision by the Valle d’Aosta Region for a variable component of state fees, which impacted for Euro 5,833 thousand.

The item “Contributions to GSE” includes, at 31 December 2023:

- the extraordinary contribution to the GSE pursuant to Article 15 bis DL 4/2022, due for the first half of the year and consisting of a levy on revenues from the sale of electricity from renewable sources. The contribution amounted to Euro 35,063 thousand. The greatest impact was on the production of the hydroelectric plant, which alone generated a contribution of Euro 33,929 thousand. The remaining portion relates to photovoltaic production, of which Euro 923 thousand on newly acquired plants;
- the extraordinary contribution to the GSE pursuant to art. 1 paragraph 30 of law 197/22, valid until 30 June 2023 and consisting of a levy on the increased revenues obtained from the sale of electricity from renewable sources, applicable to systems with certain characteristics that are excluded from the field of application of the contribution pursuant to art. 15 bis DL 4/2022 previously described. The amount of the contribution was Euro 812 thousand and is attributable exclusively to the production of the historical plant park (mainly wind power).

Both items should be regarded as **non-recurring**.

The item “indemnities and penalties” mainly includes:

- indemnities paid to customers for various types of breach of contract. A large part of this is compensation paid by distribution companies outside the Group and reimbursed to users;
- Environmental compensation due to the municipalities where the Group’s wind plants are located (Euro 939 thousand, down Euro 460 thousand compared to the previous year). It is emphasised that these charges are parametrised to the value of the energy sold and are therefore affected by market price developments.

The item “stamp duties, levies and various taxes” amounted to Euro 2,180 thousand and includes municipal taxes and fees, including IMU, TASI, TOSAP, COSAP and stamp and registration duties. The increase is the result of the new group perimeter.

The item “other expenses” amounted to Euro 2,855 thousand. On the one hand, its change is influenced by the presence in the year 2022 of a contingent asset for the release of a provision on a penalty that had an impact of Euro 1,403 thousand. Net of this effect, Euro 1,054 thousand derive from cost increases brought into the perimeter by the historical companies, including capital loss-

es on the disposal of fixed assets for Euro 950 thousand (mainly attributable to the assets disposed of as part of the revamping operation of the Piansano wind farm) and the increase of Euro 117 thousand in expenses for fish restocking, which reached a total of Euro 474 thousand (this increase is proportionally linked to the increase in state fees). Expenditure on fish restocking was affected by the provisions of the regional law no. 5 of 24 April 2019, which provides that concessionaires of public water derivations from surface water bodies for hydroelectric, industrial and heat exchange use are required to pay, as compensation for the greater burdens falling on fisheries management determined by the water derivation, an annual sum in addition to the state concession fee, in an amount equal to 2% of the fee itself, to be paid directly to the Regional Consortium for Fisheries Protection. In essence, therefore, the contribution for fish restocking is directly proportional to the State fees.

Net of the effects described above, the remaining portion of the increase stems from the new companies merged into the Group.

At a general level, in addition to the items already described, the item includes membership fees pertaining to Group companies (Euro 498 thousand), various donations (Euro 289 thousand), contingent and non-existent liabilities (Euro 278 thousand), and various fines and penalties (Euro 47 thousand).

## 7. CAPITALISED DAYS OF WORK

In 2023, capitalised days of work amounted to Euro 8,759 thousand (Euro 5,820 thousand in 2022). Capitalised costs refer to the materials used and hours of employees involved in the realisation of assets. Capitalised days of work mainly refer to distribution infrastructures, for Euro 6,713 thousand, up from Euro 4,193 thousand in 2022, consistent with the extraordinary works plan on the network. The residual part of 1,919 refers mainly to hydroelectric plants.

## 8. AMORTISATION/DEPRECIATION

Amortisation/depreciation can be detailed as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>AMORTISATION/DEPRECIATION</b>	<b>77,196</b>	<b>54,377</b>
Proprietary tangible assets	73,163	51,253
Rights of use on tangible assets	1,163	865
Proprietary intangible assets	2,669	2,213
Rights of use for intangible assets	201	48

Depreciation of proprietary tangible assets amounted to Euro 73,163 thousand and refer to the depreciation of buildings, industrial and commercial equipment, plant and machinery and other goods, as better detailed in the table below:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>DEPRECIATION OF PROPRIETARY TANGIBLE ASSETS</b>	<b>73,163</b>	<b>51,253</b>
Buildings	5,068	5,057
Plants and machinery	66,698	44,794
Industrial and commercial equipment	251	220
Other assets	953	1,023
Leasehold improvements	193	160

Depreciation and amortisation of plant and machinery increased by Euro 21,904 thousand, which is partly due to an acceleration of depreciation schedules for photovoltaic and wind plants that is responsible for a large part of the increase of Euro 7,601 thousand recorded on the historical plant stock. The rate increase responds to a change in the timing of plant obsolescence in line with what are also planned revamping plans and industry practice.

The additional incremental portion of depreciation mainly resulted from the acquisition of new plants.

Amortisation for proprietary intangible assets amounted to Euro 2,669 thousand. They are detailed below:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>AMORTISATION OF PROPRIETARY INTANGIBLE ASSETS</b>	<b>2,669</b>	<b>2,213</b>
Industrial patents and intellectual property rights	1,796	1,606
Concessions, licences, trademarks and similar rights	210	93
Other intangible assets	662	513

The increase in patent and intellectual property rights is the result of investments in software in the distribution business.

The amortisation of rights of use are recognised in accordance with IFRS 16 for a total of Euro 1,364 thousand, including Euro 1,163 thousand for rights of use on tangible assets (land, buildings, vehicles and equipment) and Euro 201 thousand for rights of use on intangible assets (building rights and rights of way). A summary table of movements in user rights is available in note 14.

## 9. PROVISIONS AND WRITE-DOWNS

Net provisions and write-downs (net of reversal to income) totalled Euro 655 thousand. Below are details:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>PROVISIONS AND WRITE-DOWNS</b>	<b>655</b>	<b>4,717</b>
Net write-downs		
Ordinary	1,166	2,353
Extraordinary	1,330	3,412
Accantonamenti netti		
Ordinary	99	(1,048)
Extraordinary	(1,940)	-

A breakdown of the item "write-downs" is provided in the table below:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>ORDINARY WRITE-DOWNS</b>	<b>1,166</b>	<b>2,353</b>
Write-downs of fixed assets	47	9
Bad debts	1,119	3,041
Proceeds from provisions for bad debts	-	(697)
<b>EXTRAORDINARY WRITE-DOWNS</b>	<b>1,330</b>	<b>3,412</b>
Impairment of goodwill	1,322	3,412
Bad debts	391	-
Proceeds from provisions for bad debts	(382)	-

Write-downs of fixed assets were recorded in the current year for minimal amounts. Ordinary bad debts (mainly trade receivables) for the year amounted to Euro 1,119 thousand.

Of particular significance in the extraordinary items is the write-down of goodwill recorded on the plants owned by the newly acquired company ZAON S.r.l..

Bad debts of Euro 391 thousand refer, instead, to the assessment on the low possibility of recoverability of the receivable claimed from the party from which the Monteverde plant was purchased in 2018 (for more details, see note 2).

The reversal to income relates to the provision for bad debts recorded against refunds paid to customers for the excise tax surcharge. These refunds are the result of the orders following the negative rulings that saw CVA ENERGIE lose out against customers in the context of the litigation opened as a result of the declared incompatibility of the state surtax with the European system. As a result of a revision in the recovery estimates for these receivables, the provision deemed surplus was released in 2023.



The following table provides a breakdown of "Provisions":

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>ORDINARY PROVISIONS</b>	<b>99</b>	<b>(1,048)</b>
Allocations to provisions for risks and charges	99	15
Proceeds from provisions for sundry risks and charges	-	(1,064)
<b>EXTRAORDINARY PROVISIONS</b>	<b>(1,940)</b>	<b>-</b>
Allocations to provisions for risks and charges	347	-
Reversal to income of provisions for sundry risks and charges	(2,287)	-

With reference to the extraordinary items, which undoubtedly had the greatest impact in the year 2023, reversals to income mainly correspond to the release of Euro 2,255 thousand from the provision set aside to cover risks arising from disputes concerning the excise exemption for self-producers. In particular, on the one hand, there was a reduction in the risk of disbursements as a result of adhering to the facilitated settlement of pending litigations, and on the other hand, a reduction in the expected legal fees as a result of the decision to proceed with a general waiver of litigation.

In addition, incremental allocations were made to the risk provision established in 2019 for litigation risks arising from the declared incompatibility of the tax surcharge with European law

For details on the amount and changes in provisions for risks and charges, as well as for more information about the nature of the main disputes, please refer to note 30.

## 10. FINANCIAL MANAGEMENT

Financial management generated a positive margin of Euro 14,558 thousand. The breakdown of the margin is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>FINANCIAL MANAGEMENT</b>	<b>7,728</b>	<b>14,558</b>
Financial income	14,771	2,935
Financial expenses	(7,479)	11,336
Results from investments	437	287

### Financial income

Financial income was Euro 2,935 thousand. The following table provides a breakdown of this item:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>INCOME</b>	<b>14,771</b>	<b>2,935</b>
Interest income and income from financial investments	546	1,329
Interest income on trade receivables	5,911	867
Interest income and income on financial receivables from related parties	353	245
Interest income on bank deposits	4,165	56
Other income	3,616	438
Dividends	180	-

Interest income on financial investments is comprised of income accrued on investments of cash, which amounted to Euro 546 thousand, a decrease compared to FY2022 due to the reduction of investments against the use of cash in industrial investments.

Interest on trade receivables mainly consists of default interest applied to CVA ENERGIE customers as well as income recorded on receivables measured at amortised cost because they are due in more than 12 months. The sharp increase is related precisely to the income from discounting the loan portfolio acquired as part of the building efficiency business (on so-called “superbonus” transactions), a portfolio that increased sharply during the year.

Interest income and financial income from related parties represent the income from the loan granted to associates valued at amortised cost.

Other income mainly includes the income deriving from the closure of a SWAP on interests (Euro 1,948 thousand - non-recurring item), the interest income accrued on the amounts pledged to guarantee transactions in derivatives on commodities (Euro 1,213 thousand) and the interest accrued on tax credits requested for reimbursement (Euro 170 thousand)

### Financial expenses

The breakdown of financial expenses is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>EXPENSES</b>	<b>7,479</b>	<b>(11,336)</b>
Interest and expense on bank loans	2,113	(13,637)
Interest expense on rights of use (IFRS16)	446	211
Interest expense on bonds	481	471
Other financial expenses	4,440	1,619

The item “interest and expense on bank loans” represents all charges arising from financing transactions (including the effects of applying amortised cost) shown net of the effects of any hedging transactions. In the financial year 2022, the balance was heavily influenced by the result of pre-hedging hedges entered into to cover interest flows on loans payable, which, as they were partially ineffective for a portion of them, could not be accounted for according to the dictates of hedge accounting.

In the current year, this item amounted to Euro 2,113 thousand. This balance, however, was also affected by an extraordinary transaction that saw Euro 20,497 thousand in income on pre-hedging transactions suspended in previous years by virtue of hedge accounting rules, but which in the 2023 financial year lost their effectiveness with respect to interest flows expected from future financing transactions.

Added to this effect was the proceeds of Euro 3,918 thousand generated by the early termination of SWAP on interest stipulated to hedge loans settled during the year (and belonging to companies that entered the Group perimeter in 2023).

Without these extraordinary effects, bank loan charges would have amounted to Euro 22,302 thousand, a marked increase due to the growth in interest rates and the Group's higher degree of indebtedness.

Interest expense on bonds includes interest expense on the bond issued in November 2021 and maturing in 2028, adjusted by charges from the application of amortised cost.

Interest expense on rights of use is equal to the interest calculated on lease contracts accounted for in accordance with the new standard IFRS 16; information is given in note 14.

The item "other financial expenses" is equal to Euro 4,440 and mainly includes:

- charges for the discounting of provisions (specifically, provisions for plant decommissioning and provisions for employee benefits) for Euro 428 thousand – increasing due to the increase in discount rates;
- interest expense paid to customers on reimbursements of additional excise taxes amounting to Euro 671 thousand (it should be noted that there are disputes in civil court following the declared incompatibility of the additional excise tax with the European law and in which CVA ENERGIE is directly answerable to customers and then claims against the Customs Agencies);
- Commissions on loans and transaction costs for Euro 2,874 thousand;
- Euro 145 thousand for factoring transactions;
- Euro 91 thousand deriving from the adjustment of liabilities for surface rights indexed to inflation;

### Results from investments

The item in question includes the net result, pertaining to the Group, of investments in associated companies valued based on the corresponding portion of equity, the write-backs/write-downs of minority shareholdings measured at fair value:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>RESULTS FROM INVESTMENTS</b>	<b>437</b>	<b>287</b>
Write-backs/(write-downs) of equity investments	437	287
Other income/(expense)	-	-

## 11. INCOME TAXES

Income taxes amounted to Euro 59,663 thousand in 2023 (Euro 86,319 thousand in 2022) and the breakdown is as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>INCOME TAXES</b>	<b>59,663</b>	<b>86,319</b>
Current IRES	51,432	59,168
Current IRAP	7,183	9,118
IRES deferred tax assets	3,276	402
IRAP deferred tax assets	424	13
IRES deferred tax liabilities	(1,322)	961
IRAP deferred tax liabilities	(109)	135
Taxes from previous years	(1,091)	(90)
Extraordinary taxes	(130)	16,611
Substitute advance taxes	-	22

The reduction in current taxes is mainly due to a reduction in the pre-tax result and to the presence, in the 2022 financial year, among current taxes, in addition to IRES and IRAP, of the extraordinary solidarity contribution for the year 2023 (Euro 10,374 thousand) provided for by Law no. 197/2022 calculated on the 2022 taxable income and the extraordinary solidarity contribution of 2022 pursuant to art. 37 DL 21/22 (Euro 6,237 thousand). The extraordinary contribution was classified as income tax, given its purpose and in application of IAS 12.

Net deferred tax assets and liabilities for IRES and IRAP are positive for Euro 2,270 thousand in 2023 (positive for Euro 1,511 thousand in 2022).

The following statement shows the reconciliation between the IRES ordinary rate and effective rate. The reconciliation between the IRAP ordinary rate and the effective rate is not significant.

IRES - Reconciliation between theoretical and effective tax expense	NOTE	2023
<b>Pre-tax result</b>	<b>A</b>	<b>219,341</b>
Theoretical tax expense	B	52,642
Temporary differences taxable in subsequent years	C	4,941
Temporary differences deductible in subsequent years	D	(8,344)
Reversal of taxable temporary differences from previous years	E	(10,447)
Reversal of deductible temporary differences from previous years	F	21,993
Permanent differences	G	(13,254)
Taxable amount	[A+C+D+E+F+G]	214,229
<b>Current taxes</b>	<b>[I]</b>	<b>51,415</b>
Effective rate	[L]	23.44%

## COMMENT ON THE MAIN CONSOLIDATED STATEMENT OF FINANCIAL POSITION ITEMS

The breakdown of the main items of the consolidated statement of financial position at 31 December 2023 is provided here below.

### 12. TANGIBLE ASSETS

Tangible assets totalled Euro 934,751 thousand at 31 December 2023 (Euro 606,905 thousand at 31 December 2022).

Tangible assets are all the proprietary tangible assets and the rights of use on tangible assets. Their breakdown and changes are shown in the table below:

EURO THOUSANDS	PROPRIETARY TANGIBLE ASSETS	RIGHTS OF USE ON TANGIBLE ASSETS	TOTAL
Historical cost	1,244,274	11,584	<b>1,255,858</b>
Provisions for amortisation	(646,135)	(2,818)	<b>(648,953)</b>
<b>Net value at 31.12.2022</b>	<b>598,139</b>	<b>8,766</b>	<b>606,905</b>
Increases	397,890	4,589	<b>402,479</b>
Amortisation/Depreciation	(73,124)	(1,202)	<b>74,326</b>
Decreases due to contract termination	-	(2)	<b>(2)</b>
Change Accumulated amortisation for concluded contracts	-	146	<b>146</b>
Change in Right of use for concluded contracts	-	(190)	<b>(190)</b>
Reclassifications	(375)	-	<b>(375)</b>
Disposals	(4,259)	-	<b>(4,259)</b>
Other changes	4,165	253	<b>4,418</b>
<b>Total net changes in 2023</b>	<b>324,252</b>	<b>3,594</b>	<b>327,846</b>
Historical cost	1,683,529	16,235	<b>1,699,764</b>
Provisions for amortisation	(761,138)	(3,875)	<b>(765,013)</b>
<b>Net value at 31.12.2023</b>	<b>922,391</b>	<b>12,360</b>	<b>934,751</b>

With reference to the rights of use and their description, please refer to explanatory note no. 14

### Proprietary tangible assets

The following table summarises the changes in proprietary tangible assets:

EURO THOUSANDS	LAND	BUILDINGS	PLANTS AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER ASSETS	LEASEHOLD IMPROVEMENTS	TANGIBLE ASSETS IN PROGRESS AND ADVANCES	TOTAL
Historical cost	9,511	144,693	1,044,060	4,988	12,521	3,220	25,282	<b>1,244,274</b>
Provisions for amortisation	(29)	(58,058)	(572,790)	(3,768)	(10,357)	(1,133)	-	<b>(646,135)</b>
<b>Net value at 31.12.2022</b>	<b>9,482</b>	<b>86,635</b>	<b>471,270</b>	<b>1,220</b>	<b>2,164</b>	<b>2,087</b>	<b>25,282</b>	<b>598,139</b>
Increases	21,087	2,538	162,884	308	917	88	199,668	<b>397,890</b>
Amortisation/Depreciation	-	(5,068)	(66,659)	(230)	(973)	(193)	-	<b>(73,124)</b>
Reclassifications	1,711	681	35,547	146	928	-	(39,387)	<b>(375)</b>
Disposals	(268)	(1,181)	(2,267)	(43)	-	(24)	(475)	<b>(4,259)</b>
Write-downs	-	-	(47)	-	-	-	-	<b>(47)</b>
Other changes	-	4,165	-	-	-	-	-	<b>4,165</b>
<b>Total net changes in 2023</b>	<b>22,530</b>	<b>1,135</b>	<b>128,173</b>	<b>180</b>	<b>871</b>	<b>(130)</b>	<b>171,493</b>	<b>324,252</b>
Historical cost	32,078	151,276	1,279,542	5,428	15,110	3,321	196,775	<b>1,683,529</b>
Provisions for amortisation	(66)	(63,506)	(680,099)	(4,027)	(12,076)	(1,364)	-	<b>(761,138)</b>
<b>Net value at 31.12.2023</b>	<b>32,012</b>	<b>87,770</b>	<b>599,443</b>	<b>1,400</b>	<b>3,034</b>	<b>1,957</b>	<b>196,775</b>	<b>922,391</b>

#### Land

This item mainly includes land related to the Group's industrial buildings. The increase was mainly the result of the extended scope of consolidation.

#### Buildings

This item mainly includes the industrial buildings connected to the Group's plants. The increases recorded were mainly the result of the extension of the Group's perimeter. Disposals refer to the sale of a building owned by RS Service S.r.l. located in Genoa. Other changes refer to the adjustment of decommissioning and land restoration costs associated with wind farm and photovoltaic assets to new estimates.

#### Plants and machinery

This item includes costs relating to hydroelectric, wind and photovoltaic production plants and the distribution networks. Electricity production assets include freely transferable works connected with concessions. Divestments mainly refer to the revamping of the Piansano plant. The increase is the result of the extension of the scope to companies active in the production of energy from photovoltaic sources. It should be noted that the plants acquired as a result of corporate transactions during the year were measured at their fair value, and the surplus value that emerged with respect to the book values was subject to depreciation over the same time horizon as the original asset.

#### Industrial and commercial equipment

This item includes costs related to the purchase of complementary or ancil-

lary assets for plant and machinery and various equipment. Also in this case, the increases are primarily attributable to the extension of the scope of consolidation.

#### **Other assets**

This item includes costs related to the purchase of furniture and office equipment and vehicles. Also in this case, the increases are primarily attributable to the extension of the scope of consolidation.

#### **Leasehold improvements**

This item mainly includes the costs incurred by CVA for the construction of a photovoltaic plant located at the ISITIP School Institute, as part of a project developed with the Institute itself and improvements related to the plants of Lamacarvotta and Lamia di Clemente.

#### **Assets in progress and advances**

The item "assets in progress" includes all the charges incurred for investments in progress and not yet in operation. The increase is related to the acquisition of a package of projects under development in the area of photovoltaic and wind production. The price allocation process of certain corporate vehicles acquired during the year, which resulted in the fair value valuation of assets in progress being different from the original book value, is to be considered provisional and will be completed within 12 months from the date of acquisition of control (Ref. p. 45 IFRS 3).

Overall, during the year 2023, there was a net increase in tangible assets mainly due to the combined effect of the ordinary depreciation process (Euro 73,124 thousand), investments for the year (Euro 397,890 thousand) and disposals (Euro 4,259 thousands), mainly for goods that have been eliminated from the production cycle due to plant modernisation.

The net increase in proprietary tangible assets is mainly attributable to new company acquisitions, which impacted the balance as of 31 December by a total of Euro 300,268 thousand.

The following table shows the main investments made during the year and the main assets commissioned:

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Agro Solar II S.r.l. - Project Montalto - photovoltaic	-	34,477	-	-	34,477
Agro Solar I S.r.l. - Project Arlena - photovoltaic - photovoltaic	-	31,292	-	-	31,292
Solar Italy XXII S.r.l. - Project Vittoria/Pavone - photovoltaic	-	22,568	-	-	22,568
Lindo S.r.l. - Project Lindo - photovoltaic	-	15,347	-	-	15,347



DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Piansano wind farm - project Reblading	-	9,891	(9,891)	-	-
Low voltage network	424	7,176	(7,137)	-	463
Medium voltage network	1,439	6,724	(7,306)	-	857
Solar Italy XVIII S.r.l. - Project Comiso/ Pedalino - photovoltaic	-	6,170	-	-	6,170
Toppetti photovoltaic plant development	-	5,437	352	-	5,789
Sicilia Energy S.r.l. - photovoltaic	-	4,278	-	-	4,278
Solar Italy XIII S.r.l. - Project Benincontro - photovoltaic	-	3,919	-	-	3,919
Monte Rughe (SS) wind farm development	-	3,638	-	-	3,638
Solar Italy XI S.r.l. - Project Vittoria/Market - photovoltaic	-	3,456	-	-	3,456
Other distribution systems	294	2,833	(1,313)	-	1,814
Hone 2 Plant - Plant renovation and extraordinary maintenance (shunt canal)	1,325	2,332	(895)	-	2,762
Other hydroelectric plants - revamping plants	-	2,320	-	-	2,320
Solar Italy VIII S.r.l. - Project Francavilla Fontana - photovoltaic	-	2,258	-	-	2,258
Solar Italy XIV S.r.l. - photovoltaic	-	1,900	-	-	1,900
Saint Clair plant - extraordinary maintenance (main object: automation - turbine regeneration - canal restoration)	980	1,846	(1,318)	-	1,508
Other hydroelectric power plants - extraordinary incremental maintenance	795	1,817	(1,405)	-	1,207

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Photovoltaic plant in Biella (BI)	-	1,731	-	-	1,731
Solar Italy XI S.r.l. - Project Acate/ Lombardy - photovoltaic	-	1,710	-	-	1,710
Solar Italy XIII S.r.l. - Project Spedalotto - photovoltaic	-	1,681	-	-	1,681
Photovoltaic plant development Solar Farm Calapricello - Taranto (TA)	-	1,660	-	-	1,660
Solar Italy XIX S.r.l. - Project Comiso/Boscarino - photovoltaic	-	1,508	-	-	1,508
Hone 1 plant - plant modernisation (main object: generator and turbine overhauling and purchase hub+blades transformer)	6,564	1,428	(7,993)	-	-
High voltage network	-	1,418	(1,418)	-	-
Solar Italy XIII S.r.l. - Project Speranza - photovoltaic	-	1,369	-	-	1,369
Solar Italy XIX S.r.l. - Project Comiso/ Saddemi/Cicogne - photovoltaic	-	1,348	-	-	1,348
Champagne 2 plant - extraordinary maintenance (main object: extraordinary maintenance shunt canal-overhaul turbines)	179	1,346	(976)	-	548
Tridente Solar S.r.l. - photovoltaic	-	1,341	(1,014)	-	327
Nettuno Solar S.r.l. - photovoltaic	-	1,308	(987)	-	320
Solar Italy XI S.r.l. - Project Acate/Chiappa - photovoltaic	-	1,235	-	-	1,235
Solar Italy XIII S.r.l. - Project Bompolieri 2 - photovoltaic	-	1,215	-	-	1,215

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Medusa Energia Solare S.r.l. - fotovoltaic	-	1,197	-	-	1,197
Solar Italy XI S.r.l. - Project Melilli/Vitale - fotovoltaic	-	1,162	-	-	1,162
Photovoltaic plant development Lo Monaco	-	1,084	(720)	-	364
Solar Italy XI S.r.l. - Project De Bartolo 1 - fotovoltaic	-	1,021	-	-	1,021
Chavonne plant - plant renovation	1,615	1,020	(2)	-	2,633
Solar Italy XIX S.r.l. - Project Acate/Filetti - fotovoltaic	-	1,006	-	-	1,006
Photovoltaic plant development Solar Farm Paradiso - Poirino (TO)	-	1,003	-	-	1,003
Onda Solare S.r.l. - fotovoltaic	-	931	-	-	931
Chavonne Plant - canal waterproofing renovation	384	915	(964)	-	335
Photovoltaic plant development Castellamare	-	902	(391)	-	511
Signayes plant - extraordinary maintenance (main object: new impellers and overhaul alternator 1)	107	885	(958)	-	35
Solar Italy XI S.r.l. - Project Pozzallo/Matarazzo - fotovoltaic	-	881	-	-	881
Solar Italy XIII S.r.l. - Project Colla - fotovoltaic	-	870	-	-	870
Avisè plant - extraordinary maintenance (main object: penstock and shunt canal)	92	854	(877)	-	69

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Photovoltaic plant development Solar Farm del Principe - Masserano (BI)	-	824	-	-	824
New wind plant development	294	798	-	-	1,092
Photovoltaic plant development Solar Farm Gerbi - Ispica (RG)	-	784	-	-	784
Solar Italy XIX S.r.l. - Project Scordia/ Frazzetto - photovoltaic	-	778	-	-	778
Solar Italy XIX S.r.l. - Project Vittoria/Dirillo - photovoltaic	-	752	-	-	752
Solar Italy XIX S.r.l. - Project De Bartolo 2 - photovoltaic	-	708	-	-	708
Solar Italy XIII S.r.l. - Project Bompolieri 1 - photovoltaic	-	577	-	-	577
Capital buildings - Aosta - extraordinary maintenance	299	557	(254)	-	602
Photovoltaic plant development Genzano - Genzano Lucania (PZ)	-	537	-	-	537
Photovoltaic plant development Melfi 3 - Melfi (PZ)	-	515	-	-	515
CVA - Renovation of network equipment and telephone exchanges	624	506	(655)	-	475
Headquarters building - Chatillon - extraordinary maintenance - main activity Revamping of air conditioning system	107	481	(194)	-	394
Photovoltaic plant development Solar Farm Azzolina - Piazza Armerina (EN)	-	467	-	-	467
Signayes plant - extraordinary maintenance of loading tank and intake work	239	457	(689)	-	6

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Photovoltaic plant development Grottole 4 - Grottole (MT)	-	416	-	-	416
Photovoltaic plant development in Matera (MT)	-	409	-	-	409
Quart plant - extraordinary maintenance (main object: new impellers)	406	408	(566)	-	248
Photovoltaic plant development Solar Farm Aurano - ROME	-	404	-	-	404
Photovoltaic plant development in San Giorgio Canavese (TO)	-	397	-	-	397
Photovoltaic plant development Solar Farm Roggia Bardesa - Roasio (VC)	-	374	-	-	374
Photovoltaic plant development Solar Farm Fontana Rossa - Santeramo in Colle (BA)	-	367	-	-	367
Champagne 1 plant - extraordinary maintenance (main object: new impellers and shunt canal)	346	366	(597)	-	114
Trigeneration plant	1,037	365	(1,402)	-	-
Gressoney Buildings - building redevelopment	40	362	(402)	-	-
Photovoltaic plant development Grottole 3 - Grottole (MT)	-	356	-	-	356
Pont Saint Martin plant - plant refurbishment (main object: new impellers and turbine shafts)	228	348	(405)	-	171
Photovoltaic plant development Solar Farm dell'Olmo - Buronzo (VC)	-	337	-	-	337

DESCRIPTION	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Photovoltaic plant development Solar Farm 154 CAS - Castellaneta (TA)	-	335	-	-	335
Photovoltaic plant development Solar Farm Tecetti - Ceva (CN)	-	334	-	-	334
Photovoltaic plant development Solar Farm Santino - San Pancrazio Salentino (BR)	-	332	-	-	332
Photovoltaic plant development Solar Farm Coste Fredde - Noto (SR)	-	328	-	-	328
Verres plant - plant renovation (main object: generator overhaul - purchase and replacement of impellers)	318	308	(547)	-	80
Photovoltaic plant development Solar Farm Formica - Pontecurone (AL)	-	307	-	-	307
Perreres Buildings - building redevelopment	191	-	(191)	-	-
Advances on investments	1,140	1,077	-	(171)	2,046
Other photovoltaic plant developments	4,515	2,655	(1,025)	-	6,146
Other investments	1,297	3,976	(3,208)	-	2,065
<b>General total</b>	<b>25,282</b>	<b>227,012</b>	<b>(55,348)</b>	<b>(171)</b>	<b>196,774</b>

### 13. INTANGIBLE ASSETS

Intangible assets consist of all the proprietary intangible assets and the rights of use on intangible assets. Their breakdown and changes are shown in the table below:

EURO THOUSANDS	PROPRIETARY INTANGIBLE ASSETS	RIGHTS OF USE FOR INTANGIBLE ASSETS	TOTAL
Historical cost	40,144	762	<b>40,906</b>
Provisions for amortisation	(26,617)	(163)	<b>(26,780)</b>
<b>Net value at 31.12.2022</b>	<b>13,527</b>	<b>599</b>	<b>14,126</b>
Increases	9,823	4,576	<b>14,339</b>
Amortisation/Depreciation	(2,669)	(201)	<b>(2,870)</b>
Decreases due to contract termination	-	-	-
Change Accumulated amortisation for concluded contracts	-	7	<b>7</b>
Change in Right of use for concluded contracts	-	(7)	<b>(7)</b>
Reclassifications	368	-	<b>368</b>
Disposals	(163)	-	<b>(163)</b>
Other changes	-	148	<b>148</b>
<b>Total net changes in 2023</b>	<b>7,360</b>	<b>4,523</b>	<b>11,883</b>
Historical cost	54,420	5,478	<b>59,899</b>
Provisions for amortisation	(33,533)	(357)	<b>(33,890)</b>
<b>Net value at 31.12.2023</b>	<b>20,887</b>	<b>5,122</b>	<b>26,009</b>

With reference to the rights of use and their description, please refer to explanatory note no. 14

#### Proprietary intangible assets

The breakdown and change in "Proprietary intangible assets" is shown in the following table:

EURO THOUSANDS	INDUSTRIAL PATENTS AND INTELLECTUAL PROPERTY RIGHTS	CONCESSIONS, LICENSES, TRADEMARKS AND SIMILAR RIGHTS	INTANGIBLE ASSETS IN PROGRESS AND ADVANCES	OTHER INTANGIBLE ASSETS	TOTAL
Historical cost	23,035	2,267	4,412	10,430	<b>40,144</b>
Provisions for amortisation	(20,566)	(1,058)	-	(4,994)	<b>(26,617)</b>
<b>Net value at 31.12.2022</b>	<b>2,470</b>	<b>1,209</b>	<b>4,412</b>	<b>5,437</b>	<b>13,527</b>
Increases	2,092	2,115	3,046	2,571	<b>9,823</b>
Amortisation/ Depreciation	(1,714)	(269)	-	(686)	<b>(2,669)</b>
Reclassifications	4,301	-	(4,338)	405	<b>368</b>
<b>Disposals</b>	<b>-</b>	<b>-</b>	<b>(163)</b>	<b>-</b>	<b>(163)</b>
Write-downs	-	-	-	-	-
Other changes	-	-	-	-	-
<b>Total net changes in 2023</b>	<b>4,679</b>	<b>1,846</b>	<b>(1,455)</b>	<b>2,289</b>	<b>7,360</b>
Historical cost	29,687	5,164	2,957	16,613	<b>54,420</b>
Provisions for amortisation	(22,538)	(2,109)	-	(8,886)	<b>(33,533)</b>
<b>Net value at 31.12.2023</b>	<b>7,149</b>	<b>3,055</b>	<b>2,957</b>	<b>7,726</b>	<b>20,887</b>

### Industrial patents and intellectual property rights

The item mainly refers to the total costs incurred for the purchase of company and management software amortised over five years.

### Concessions, licences, trademarks and similar rights

The item mainly consists of concessions for the use of optical fibre and for the production of hydroelectric, photovoltaic and wind energy.

### Intangible assets in progress and advances

The item "assets in progress and advances" mainly consists of investments in progress relating to software use licenses and related costs incurred for implementation.

### Other intangible assets

The item "Other intangible assets" mainly includes the value of long-term expenses incurred for the acquisition of easement rights and the land area of the electrical, photovoltaic and wind plants.

The change in intangible assets in 2023 is essentially due to the combined effect of the ordinary amortisation process (Euro 2,669 thousand) and investments for the year (Euro 9,283 thousand).

The net increase in proprietary intangible assets is mainly attributable to new company acquisitions, which had an impact of Euro 9,254 thousand.



#### 14. RIGHTS OF USE OF TANGIBLE AND INTANGIBLE ASSETS AND RELATED FINANCIAL LIABILITIES

At 31 December 2023, rights of use on tangible and intangible assets amounted to Euro 17,482 thousand (Euro 9,365 thousand at 31 December 2022).

The following table summarises the breakdown and movements during the year, as well as the movements of the related financial liabilities recorded in the balance sheet liabilities:

RIGHTS OF USE					
	INTANGIBLE RIGHTS OF USE		TANGIBLE RIGHTS OF USE		TOTAL
	BUILDING RIGHTS AND EASEMENT FEES	RIGHTS OF USE ON REAL ESTATE	RIGHTS OF USE ON INDUSTRIAL AND COMMERCIAL EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	
Opening value of right of use	762	9,588	167	1,829	<b>12,346</b>
Accumulated amortisation	(163)	(1,866)	(36)	(916)	<b>(2,981)</b>
<b>Net value at 31.12.2022</b>	<b>599</b>	<b>7,722</b>	<b>131</b>	<b>913</b>	<b>9,365</b>
Increases for new contracts	4,576	3,950	-	639	<b>9,165</b>
Decreases due to contract termination	-	-	-	(2)	<b>(2)</b>
Amortisation/Depreciation	(201)	(777)	(60)	(365)	<b>(1,403)</b>
Change Accumulated amortisation for concluded contracts	7	15	-	131	<b>153</b>
Change in Right of use for concluded contracts	(7)	(15)	-	(175)	<b>(197)</b>
Reclassifications	-	-	-	-	<b>-</b>
Other changes	148	216	-	37	<b>401</b>
<b>Total net changes in 2023</b>	<b>4,523</b>	<b>3,389</b>	<b>(60)</b>	<b>264</b>	<b>8,117</b>
Closing value of right of use	5,478	13,740	167	2,328	<b>21,713</b>
Provisions for amortisation	(357)	(2,628)	(96)	(1,151)	<b>(4,231)</b>
<b>Net value at 31.12.2023</b>	<b>5,122</b>	<b>11,112</b>	<b>71</b>	<b>1,177</b>	<b>17,482</b>

FINANCIAL LIABILITIES					
	INTANGIBLE RIGHTS OF USE		TANGIBLE RIGHTS OF USE		TOTAL
	BUILDING RIGHTS AND EASEMENT FEES	RIGHTS OF USE ON REAL ESTATE	RIGHTS OF USE ON INDUSTRIAL AND COMMERCIAL EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	
Residual capital portion at 31.12.2022	606	7,142	119	911	<b>8,777</b>
Accrued interest to 31.12.2022	7	110	-	-	<b>18,237</b>
<b>Total financial liability 2022</b>	<b>612</b>	<b>7,252</b>	<b>119</b>	<b>911</b>	<b>8,894</b>
Increases for new contracts	4,436	3,808	-	639	<b>8,883</b>
Decreases due to contract termination	-	26	-	(46)	<b>(20)</b>
Increases/(decreases) due to changes in fees	148	186	-	37	<b>371</b>
Installments paid in the year	(344)	(867)	(62)	(389)	<b>(1,662)</b>
<i>Capital portion</i>	(181)	(653)	(59)	(357)	<b>(1,251)</b>
<i>Interest</i>	(163)	(214)	(2)	(32)	<b>(411)</b>
<b>Residual capital portion at 31.12.2023</b>	<b>5,008</b>	<b>10,509</b>	<b>60</b>	<b>1,183</b>	<b>16,759</b>
Accrued interest	29	121	-	1	<b>151</b>
<b>Total financial liability 2023</b>	<b>5,037</b>	<b>10,630</b>	<b>60</b>	<b>1,184</b>	<b>16,911</b>

SUMMARY ECONOMIC EFFECTS					TOTAL	
accrued interest		(100)	159	2	10	<b>70</b>
amortisation/depreciation		(55)	405	60	320	<b>730</b>
Non lease component		-	-	-	13	<b>13</b>
<b>Total costs on the income statement 2023</b>		<b>(155)</b>	<b>564</b>	<b>62</b>	<b>343</b>	<b>814</b>

Rights of use for building rights and easement fees correspond to the value of contracts for the granting of such rights for which a periodic fee is paid. A portion of the fees is due to the related party Region.

Rights of use of real estate assets primarily reflect the value of contracts concerning the lease of land on which wind farms are located and the lease of operating buildings.

Rights of use of other assets mainly represent the value of rental contracts for the fleet of company vehicles.

The increases recorded during the year are related to the acquisition of a portfolio of photovoltaic and wind power plants under development through

corporate acquisitions during the year.

With reference to financial liabilities, the table below shows their maturity by bracket and the related expected financial outlay:

MATURITY ANALYSIS			
	WITHIN 1 YEAR	MORE THAN 1 YEAR, BUT WITHIN 5 YEARS	MORE THAN 5 YEARS
Expected cash flows (instalments to be paid)	2,067	6,292	14,376
Capital portion by maturity	1,621	4,268	11,022

## 15. GOODWILL

At 31 December 2023, goodwill amounted to Euro 419,441 thousand (Euro 225,564 thousand at 31 December 2022).

Goodwill is considered an intangible asset with indefinite useful life and is therefore not amortised, but is subjected at least once a year to an impairment test in order to verify the recoverability of the value recognised in the financial statements. Since goodwill does not generate independent cash flows and cannot be sold separately, the impairment testing of recognised goodwill is carried out by referring to the cash-generating unit to which it may be allocated. The cash-generating units are identified with the individual Business Units and correspond to the business segments represented in the introduction to these notes and are based on the Group's management structure and internal reporting system.

This method allows the most effective verification of future goodwill and investment plans and provides a homogeneous analysis of the information disclosed to the market. The following table shows the allocation of the item Goodwill to the cash-generating units:

AMOUNTS IN EURO THOUSANDS	2023	2022
Hydroelectric	173,544	173,544
Other RES	203,361	44,125
Distribution	7,896	7,896
Energy efficiency	34,639	-
<b>TOTAL GOODWILL</b>	<b>419,441</b>	<b>225,564</b>

The impairment test consists of verifying that the book value of an asset recognised in the financial statements does not exceed the estimate of the recoverable value of the asset itself. The recoverable value of an asset is the higher of its fair value less costs to sell and its value in use.

The impairment test as at 31/12/2023 used the Unlevered Discounted Cash Flow (UDCF) method to estimate value, whereby operating cash flows are discounted at a rate equal to the weighted average cost of capital (WACC) in order to obtain the value of the company's operating capital (Enterprise Value).

The UDCF method is based on the assumption that the value of the operating capital of a company at a certain date (the reference date) is equal to the current value of the cash flows produced by the company's operating management. The prevailing doctrine and professional practice suggest to break down the operating value of the company into two parts to be assessed independently:

- current value of cash flows produced by the company's operating management over a defined period of time (explicit projection period);
- current value of the company's operating activities at the end of the explicit projection period (Terminal Value).

Projections of cash flows for the explicit forecasting period, typically corresponding to the first five years are based on the most recent budget or multi-year plan approved by the Board of Directors, excluding any future cash inflows or outflows that are estimated to result from future restructuring or improvement or optimisation of business performance. The cash flow forecast also takes into account information from external sources (by way of indication, prices on futures markets or information from macroeconomic research). Expected operating costs are based on plans specifically formulated at the level of a single CGU. The methodology for calculating terminal value varies between CGUs in order to better represent the specificities of each business.

The WACC used in carrying out the impairment tests in the last two financial years for each CGU is shown below:

<i>Percentage values</i>	2023	2022
Hydroelectric	6.7%	7.0%
Other RES	6.8%	7.0%
Distribution	5.8%	6.4%
Energy efficiency	8.4%	-

### Hydroelectric CGU

The value of goodwill, equal to Euro 173,544 thousand at 31 December 2023, was generated mainly following the acquisition of ENEL plants in 2011. There were no changes in goodwill attributable to this CGU compared to the previous year.

### Other RES CGU

At 31 December 2023, goodwill attributable to this CGU amounted to Euro 203,361 thousand and consisted of goodwill recognised at the time of the acquisition of the Group's wind and photovoltaic plants (productive and under development). The change recorded during the year is mainly attributable to the entry into the scope of consolidation of the corporate groups SR INVESTIMENTI S.r.l. and RENERGETICA S.p.A. (acquired in 2023 by CVA EOS S.r.l.). The value recorded as goodwill corresponds to the portion of the price that cannot be allocated to the assets acquired and therefore recorded as goodwill and subjected to an impairment test. With particular reference to the Renergetica Group, all the difference between the acquisition price and the book values at the acquisition date has been temporarily allocated to goodwill and the final allocation will be finalised within 12 months from the acquisition date (Ref. p.45

IFRS 3).

### Distribution CGU

At 31 December 2023, the goodwill attributable to this CGU amounted to Euro 7,896 thousand. This goodwill was recognised in 2001 upon the transfer of the electricity business division carried out by Enel Distribuzione S.p.A. in favour of DEVAL. There were no changes in goodwill attributable to this CGU compared to the previous year.

### Energy Efficiency CGU

At 31 December 2023, the goodwill attributable to this CGU amounted to Euro 38,453 thousand. This goodwill was recognised in 2023 following the acquisitions by CVA Smart Energy S.r.l. of the companies NUOVA ENERGIA S.r.l., R.S. SERVICE S.r.l. and in the acquisition of a business unit by R.T.S. (RENEWABLE TECHNICAL SOLUTIONS) S.r.l.

With reference to the goodwill arising in the acquisition of NUOVA ENERGIA s.r.l. and R.S. Service S.r.l., all the difference between the acquisition price and the book values at the acquisition date has been temporarily allocated to goodwill and the final allocation will be finalised within 12 months from the acquisition date.

## 16. EQUITY INVESTMENTS

At 31 December 2023, equity investments amounted to Euro 41,740 thousand (Euro 14,649 thousand at 31 December 2022).

The item includes:

- **equity investments, consisting of equity investments in companies in which the Group has joint control or exercises significant influence, so-called associates.** At 31 December 2023, the Group held the following investments in associated companies:

EURO THOUSANDS							
INVESTMENT	REGISTERED OFFICE	% OF OWNERSHIP	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH PROFIT (LOSS) OF THE YEAR	EQUITY ATTRIBUTABLE TO THE GROUP	INVESTMENT VALUE
ByoPro Dev 2 S.r.l.	Milan (MI), Via Alessandro Manzoni 41	20.00%	10	10	(3)	2	1,021
ByoPro Dev 3 S.r.l.	Rome (RM), Via Sardegna	20.00%	10	11	(3)	2	544
Cairone 1 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(8)	(9)	(2)	442
Cairone 3 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(7)	(7)	(1)	327
Clanis Sun Srl S.r.l.	Arezzo (AR), area Rigutino Ovest 253/B	20.00%	10	-	(3)	-	123
Duna Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	7	(3)	1	200
Fila Sviluppo S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	6	(4)	1	148
Fioriti Srl S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	2	(3)	-	262
Grifoni PV Srl S.r.l.	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%	10	7	(3)	1	26
Maiella Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	7	(3)	1	460
Nora Solare S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	8	(2)	2	26
PFM S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(43)	(13)	(9)	276

Poggio Olivastro S.r.l.	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%	10	9	(1)	2	2
Salomone 1 S.r.l.	Modena (MO), Piazza Roma 30	20.00%	10	(11)	(12)	(2)	566
San Giorgio Rinnovabili Prima S.r.l.	Trieste (TS), Via Carducci 8	20.00%	10	9	(1)	2	1
Sant'Alessio Rinnovabili Prima S.r.l.	Trieste (TS), Via Carducci 8	20.00%	10	9	(1)	2	-
Siamaggiore S.r.l.	Montalto di Castro (VT), Lungomare Harmine 79/A	20.00%	10	9	(1)	2	2
Sicilia Power Srl S.r.l.	Arezzo (AR), area Rigutino Ovest 253/B	20.00%	10	5	(3)	1	-
Solar Italy XXI S.r.l.	Milan (MI), Galleria San Babila 4/B	19.00%	10	9	(7)	2	482
Solar Liri S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	8	(2)	2	6
Solar PV Uno S.r.l.	Arezzo (AR), Via Don Luigi Sturzo 14	20.00%	10	0	(4)	-	800
Sole D'Abruzzo S.r.l.	Milan (MI), Via Vincenzo Monti 4	20.00%	10	2	(3)	-	141
SR Foggia 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	8	(2)	2	30
SR Toritto 01 S.r.l.	Montemesola (TA), Viale Degli Ulivi SNC	20.00%	2	-	(2)	-	15
SR Troia 1 S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	9	(1)	2	152
STM22 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	(2)	(9)	-	795
STM24 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	(2)	(7)	-	66
STM25 S.r.l.	Imola (BO), Via Nenni 6/E	20.00%	10	7	(3)	1	2
Tep Renewables (Chiaromonte Gulfi 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	7	(3)	1	251
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	7	(3)	1	363
Tep Renewables (Scicli 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	7	(3)	1	363
Tep Renewables (Vittoria 1 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	7	(3)	1	183
Tep Renewables (Vittoria 2 PV) S.r.l.	Palermo (PA), Via Giorgio Castriota 9	20.00%	10	7	(3)	1	303
Vittoria Progetti S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	6	(4)	1	200
Vittoria Sviluppo S.r.l.	Foggia (FG), Piazza Umberto Giordano 26	20.00%	10	6	(4)	1	57
EOS San Severo 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	8	(2)	2	11
EOS Serra 1 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	8	(2)	2	8
EOS Serra 2 S.r.l.	Foggia (FG), Via Torelli 22	20.00%	10	8	(2)	2	11
Telcha S.r.l.	Châtillon (AO), Via Stazione, 31	10.98%	17,668	27,004	4,132	2,965	2,965
<b>TOTAL</b>							<b>11,627</b>

Apart from the company TELCHA (which is active in the district heating sector), the other companies are all vehicles with one or more projects in development for wind and/or photovoltaic plants. The Group's interest is to acquire a 100% stake in these companies when the projects finish their development phase and reach a stage where it is possible to proceed with the construction of the plants.

- **non-controlling interests measured at fair value**, at 31 December 2022 consisting of the investment in:
  - LE BRASIER, a company active in the provision of district heating services in the municipality of Morgex. The value of the equity investment amounts to Euro 143 thousand and represents 13.70% of the shareholders' equity. At 31 August 2023 (end of the corporate year), LE BRASIER showed a profit of Euro 21 thousand; shareholders' equity, at the same date, amounted to Euro 1,045 thousand. During the year, the equity investment was revalued by Euro 3 thousand. In the absence of better indicators, equity is considered the best estimate of fair value.
  - Bonifiche Ferraresi S.p.A. The value of the investment amounts to Euro 12,000 thousand and represents 3% of the share capital of the Società per la Bonifica dei Terreni Ferraresi e per Imprese Agricole S.p.A. Società Agricola, belonging to the BF Group and controlled by B.F. S.p.A. majority shareholder. The aforementioned transaction was carried out to share the BF Group development in the Agritech & Food sector. The equity investment was acquired on 23 December 2022.

The value of the provision contributed to the I.T.S. Foundation in the amount of Euro 8 thousand.

## 17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The changes relating to "deferred tax assets" and "deferred tax liabilities" by type of time differences are detailed below:

DEFERRED TAX ASSETS AND LIABILITIES	2023	2022
<b>Deferred tax assets for:</b>		
Differences in value on tangible and intangible assets	17,679	17,079
Write-down of trade and other receivables	12	12
Charges, bonuses and other employee benefits	861	938
Provisions for risks and charges	2,459	5,343
Non-deductible interest	1,622	-
Application of IFRS 15	4,095	4,354
Valuation of financial instruments	47,516	75,387
Previous losses	1,333	

Other items	487	263
<b>Total deferred tax assets</b>	<b>76,064</b>	<b>103,375</b>
<b>Deferred tax liabilities for:</b>		
Differences in value on tangible and intangible assets	(63,642)	(8,064)
Charges, bonuses and other employee benefits	(577)	(178)
Default interest not collected	-	-
Valuation of financial instruments	(58,060)	(14,945)
Exclusivity rights assigned	(386)	
Other items	(44)	(108)
<b>Total deferred tax liabilities</b>	<b>(122,709)</b>	<b>(23,295)</b>
<b>Total net deferred tax assets/(liabilities)</b>	<b>(46,645)</b>	<b>80,080</b>
Net change	(126,725)	20,860
<b>of which:</b>		
Ø Change in scope of consolidation	(53,334)	
Ø Income Statement	(2,270)	(1,534)
Ø Shareholders' Equity	(71,121)	22,394

The “deferred tax assets” recognised in the financial statements, for IRES and IRAP purposes, as there is a reasonable certainty of their recoverability, amounted to Euro 76,052 thousand at 31 December 2023 (Euro 103,375 thousand at 31 December 2022).

The decrease in the value of deferred tax assets recognised in 2023 is mainly due to the reduction of deferred tax assets recognised against changes in the fair value of financial instruments (specifically interest rate swaps) accounted for under hedge accounting.

This return of advance payments produced its effects in the statement of comprehensive income. The reduction in the provisions for risks (in particular, the utilisation of a provision of approximately Euro 9 million for the imbalance dispute) also contributed to the reduction in the balance of advance payments.

The deferred tax assets recognised against previous losses and non-deductible interest mainly derive from the extension of the scope of consolidation.

Deferred taxes amounted to Euro 122,709 thousand at 31 December 2023 (Euro 23,295 thousand at 31 December 2022). The increase is mainly due to the differences in the value of financial instruments due to the change in the fair value of interest rate hedging derivatives on loans. Since these transactions are accounted for in accordance with the hedge accounting principles of IFRS 9, the impact of these increases was reflected in the appropriate equity reserves. The increase in taxable differences on tangible and intangible assets, on the other hand, is mainly attributable to the extension of the scope of consolidation



and the allocation of the purchase prices of investments to fixed assets. Also of significant importance (about Euro 800 thousand) are the differences accrued on goodwill with tax recognition.

For IRES purposes, deferred taxation was calculated using the ordinary rate of 24%, while for IRAP purposes it was calculated using a rate of 3.9%.

## 18. NON-CURRENT FINANCIAL ASSETS

At 31 December 2023, non-current financial assets amounted to Euro 46,804 thousand (Euro 30,215 thousand at 31 December 2022).

The item is detailed in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>NON-CURRENT FINANCIAL ASSETS</b>	<b>46,804</b>	<b>30,215</b>
Insurance policies	25,009	23,900
Receivables from associates	15,469	6,315
Advances on investments	5,739	-
Portfolio of securities/funds with maturity	130	-
Others	457	-

Capitalisation insurance policies, which amounted to Euro 25,009 at 31 December 2023 (Euro 23,900 at 31 December 2022), refer to long-term cash investments, which increased during the year as a result of the returns accrued by single operations and as a result of the acquisitions of new companies (Euro +809 thousand).

For further details, the following table summarises the composition and size of the policies portfolio:

AMOUNTS IN EURO THOUSANDS	INSURED CAPITAL	CAPITAL REVALUED AT 31.12.2023
<b>INSURANCE POLICIES</b>	<b>23,769</b>	<b>25,009</b>
Cardif Vita S.p.A.	4,500	4,830
Alleanza Assicurazioni S.p.A.	10,809	11,362
AXA Assicurazioni S.p.A.	5,960	6,232
Generali Italia S.p.A.	2,500	2,585

The item "loans to associates" mainly includes all non-interest-bearing, open-ended shareholder loans granted to the special purpose vehicles in which the Group has a minority interest as described above. The Group finances the development of the projects that characterise the operation of these vehicles with the aim of acquiring ownership upon completion of the authorisation procedures. This was due to the extension of the scope of consolidation during the year. This item also includes the loan granted to TELCHA with a balance of Euro 5,662 thousand. All loans described are accounted for using the amortised cost method.

Advances on participations were paid against the future acquisition of corporate vehicles in which the Group currently has a minority interest. As already explained, these vehicles aim to develop projects for wind and photovoltaic plants and the Group has an interest in acquiring full ownership when the development reaches completion and the plant has all the authorisations to be built.

Other non-current financial assets represent financial receivables for the instalment sale of efficiency upgrades of condominiums acquired with the extension of the scope of consolidation.

### 19. OTHER NON-CURRENT ASSETS

This item, which amounted to Euro 5,081 thousand at 31 December 2023 (Euro 5,132 thousand at 31 December 2022), mainly included guarantee deposits with third parties in accordance with contractual obligations and medium/long-term receivables from employees, relating to loans granted to employees and interest bearing. In particular, the main components of guarantee deposits are the cash guarantees presented to Terna for participation in capacity market auctions and the guarantees given to energy distributors outside the Group. The item is detailed in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER NON-CURRENT ASSETS</b>	<b>5,081</b>	<b>5,132</b>
Security deposits	3,262	3,131
Receivables from employees	1,186	1,367
Receivables from employees	634	634

### 20. INVENTORIES

At 31 December 2023, inventories amounted to Euro 17,764 thousand (Euro 5,095 thousand at 31 December 2022). The increase is mainly due to inventories of work in progress, acquired by the new companies that joined the Group (Euro 9,527 thousand) and working on energy efficiency projects. Furthermore, inventories attributable to DEVAL increased (Euro 5,906 thousand at 31 December 2023 compared to Euro 3,362 thousand at 31 December 2022), consisting of materials and equipment intended for the operation, maintenance and construction of distribution plants. The remaining portion is mainly to be attributed to materials and spare parts serving the hydroelectric plants. Any obsolete materials are constantly written down during the year.

## 21. CURRENT AND NON-CURRENT TRADE RECEIVABLES

At 31 December 2023, current and non-current trade receivables amounted to Euro 330,961 thousand (Euro 196,423 thousand at 31 December 2022). The detail is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>CURRENT TRADE RECEIVABLES</b>	<b>241,252</b>	<b>171,386</b>
Receivables from customers	243,725	176,127
Trade receivables	3,993	1,912
Bad debts provision	(6,466)	(6,653)
<b>NON-CURRENT TRADE RECEIVABLES</b>	<b>89,709</b>	<b>25,037</b>
Receivables from customers	89,709	25,037
<b>TOTAL TRADE RECEIVABLES</b>	<b>330,961</b>	<b>196,423</b>

Current trade receivables increased by about Euro 25 million compared to last year as a result of the acquisition of the new companies. The further increase was due on the one hand, to the increase in receivables for services rendered as General Contractor in the field of energy efficiency (Euro +19 million) and on the other hand, to the increase in the number of customers contracted for energy supply (Euro +27 million). The latter effect was mitigated by the effect of lower average energy sales prices applied.

It is noted that overall, receivables from customers include receivables for invoices issued or to be issued.

Receivables from suppliers consist of receivables for credit notes to be received or received for adjustments to the amounts invoiced by them.

The net balance takes into account the bad debts provision of Euro 6,466 thousand (Euro 6,653 thousand at 31 December 2022) determined using a model based on ECL consistent with the relevant provisions of IFRS 9. Following this analysis, the bad debt provision was increased, in order to adjust it to the probable risk of loss, by means of a net provision of Euro 1,089 thousand. In the year, utilisations of about Euro 1.7 million were recorded, concentrated on the coverage of losses on the supplied customer receivables portfolio. The extension of the scope of consolidation resulted in the acquisition of provisions in the amount of about 562 thousand.

Non-current trade receivables refer exclusively to invoices issued and to be issued in connection with the improvement of buildings, which will be collected with the acquisition of tax credits that have accrued to customers and can be offset over a 4- or 10-year horizon depending on the type of facilitation. Receivables are valued at amortised cost and thus deprived of the financial effect of collection times deferred beyond 12 months.

## 22. RECEIVABLES FOR INCOME TAXES

The breakdown of receivables for income taxes is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>RECEIVABLES FOR INCOME TAXES</b>	<b>17,825</b>	<b>5,521</b>
IRES	12,855	4,235
IRAP	4,970	1,286

The item in question includes tax credits on direct taxes (IRES and IRAP) equal to Euro 17,825 thousand at 31 December 2023 (Euro 5,521 thousand at 31 December 2022). IRES credits mainly refer to surpluses of advance payments with respect to the quantification of current tax.

## 23. CURRENT AND NON-CURRENT TAX RECEIVABLES

The breakdown of other tax receivables is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER TAX RECEIVABLES</b>	<b>42,606</b>	<b>26,588</b>
Receivables from Tax Authorities for VAT	12,118	64
Receivables from Tax Authorities for excise	2,122	6,291
Other tax receivables	28,367	20,233
<b>NON-CURRENT TAX RECEIVABLES</b>	<b>19,351</b>	<b>4,378</b>
Other non-current receivables	19,351	4,378
<b>TOTAL OTHER TAX RECEIVABLES</b>	<b>61,957</b>	<b>30,967</b>

The item Other Tax Receivables recorded as current assets is mainly composed of:

- The credit of Euro 19,135 thousand for the CVA request for reimbursement of the extraordinary contribution pursuant to art. 37 DL 21/2022 established as an "extraordinary solidarity levy" for the year 2022, payable by subjects who carry out the electricity production activity in the territory of the State, for the subsequent sale of goods. The Company was subject to the contribution before the changes introduced by law 197/22 and therefore proceeded to pay the contribution according to the established calculation methods. In light of the changes introduced at the regulatory level at the end of the financial year 2022, CVA was removed from the scope of the contribution. For this reason, the contribution was claimed back in the financial year 2023;
- Tax credits acquired by CVA as General Contractor and accrued for energy efficiency measures in buildings. The current portion represents the portion of receivables that can be offset in the year 2024 for Euro 8,622 thousand;
- Receivables from the tax authorities for excise duties on electricity mainly include receivables for tax on consumption ("IEC") of electricity and for

the related additional taxes, for an amount of Euro 2,122 thousand, and net receivables relating to tax and additional taxes requested for excise duty reimbursement, for Euro 611 thousand. These credits are determined based on the processing produced for the returns to be filed with reference to FY 2023.

- The credits for excise duties on electricity are determined on the basis of the calculations produced for return presented with reference to the 2023 financial year. It is evident that there was a decrease of Euro 4,169 thousand in the receivables in the financial statements, originating mainly from the use of offsetting credits to pay part of the excise tax payables originating from the greater volumes of energy supplied to customers.

The item "receivables from Tax Authorities for VAT" for Euro 12,118 thousand at 31 December 2023 (Euro 64 thousand at 31 December 2022) and shows the VAT receivable balance from the Tax Authorities for the companies presenting a credit position at 31 December. Almost all of this balance represents an effect of the extension of the consolidation perimeter to new companies.

Non-current tax receivables, on the other hand, refer almost exclusively to the portion of receivables acquired by CVA as General Contractor in the field of energy efficiency and can be offset in a time horizon longer than 12 months.

#### 24. CURRENT AND NON-CURRENT DERIVATIVES

Derivative instruments (assets and liabilities) refer to the measurement at fair value of commodity derivatives (electricity) and interest rates at the reporting date.

The following is a breakdown at the reporting date and the related comparative information:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>DERIVATIVE ASSETS</b>	<b>105,334</b>	<b>256,457</b>
Non-current derivative assets	1,556	1,309
Current derivative assets	103,779	255,148
AMOUNTS IN EURO THOUSANDS	2023	2022
<b>DERIVATIVE LIABILITIES</b>	<b>32,544</b>	<b>316,605</b>
Non-current derivative liabilities	1,088	117,887
Current derivative liabilities	31.456	198.718

It is noted that at 31 December 2023 and for the comparative period, there are no positions offset among assets and liabilities for derivative financial instruments.

### Fair value derivatives by type of transactions and accounting methods

The following tables show the fair value of derivatives (assets and liabilities) at the reporting date, divided according to the type of accounting treatment applied (cash flow hedge or trading) and the derivative instrument used:

#### Derivative assets

<b>DETAIL DERIVATIVE ASSETS</b>		
	<b>Fair value</b>	<b>Fair value</b>
	<b>31 December 2023</b>	<b>31 December 2022</b>
<b>Cash flow hedge derivatives</b>		
<b>Energy derivatives</b>		
Swaps / Forwards	-	-
Futures	24,134	31,401
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	4,871	8,194
Asset Linked Inflation Swap	-	-
<b>Total cash flow hedge derivatives</b>	<b>29,005</b>	<b>39,595</b>
<b>Hedging derivatives not in Hedge Accounts</b>		
<b>Energy derivatives</b>		
Swaps / Forwards	56,578	154,346
Futures	955	1,504
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	625	1,160
Asset Linked Inflation Swap	-	-
<b>Total hedging derivatives not in Hedge Accounts</b>	<b>58,158</b>	<b>157,010</b>
<b>Trading derivatives</b>		
<b>Energy derivatives</b>		
Swaps / Forwards	10,849	10,798
Futures	7,309	49,052
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	-	-
Asset Linked Inflation Swap	-	-
<b>Derivatives on guarantee of origin certificates</b>		
Swaps / Forwards	-	10,798
Futures	14	49,052
Options	-	-
<b>Total trading derivatives</b>	<b>18,171</b>	<b>59,850</b>
<b>TOTAL DERIVATIVE ASSETS</b>	<b>105,334</b>	<b>256,455</b>

## Derivative liabilities

<b>DETAIL DERIVATIVE LIABILITIES</b>		
	<b>Fair Value 31 December 2023</b>	<b>Fair Value 31 December 2022</b>
<b>Cash flow hedge derivatives</b>		
<b>Commodity derivatives</b>		
Swaps / Forwards	-	4.743
Futures	7.915	103.029
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	6.555	3
Asset Linked Inflation Swap	-	-
<b>Total cash flow hedge derivatives</b>	<b>14.470</b>	<b>107.775</b>
<b>Hedging derivatives not in Hedge Accounts</b>		
<b>Commodity derivatives</b>		
Swaps / Forwards	-	63.358
Futures	4.771	79.429
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	-	-
Asset Linked Inflation Swap	-	-
<b>Total hedging derivatives not in Hedge Accounts</b>	<b>4.771</b>	<b>142.787</b>
<b>Trading derivatives</b>		
<b>Commodity derivatives</b>		
Swaps / Forwards	5.214	18.571
Futures	8.086	47.472
Options	-	-
<b>Interest derivatives</b>		
Interest rate Swap	-	-
Asset Linked Inflation Swap	-	-
<b>Derivatives on guarantee of origin certificates</b>		
Swaps / Forwards	-	10.798
Futures	2	49.052
Options	-	-
<b>Totale derivati di trading</b>	<b>13.303</b>	<b>66.043</b>
<b>TOTAL DERIVATIVE LIABILITIES</b>	<b>32.544</b>	<b>316.605</b>

## Hedge accounting

Derivative contracts are initially recognised at fair value, on the trading date of the contract, and subsequently measured at their fair value. The Group defined its model for the application of hedge accounting and provided the operating tools necessary for formal documentation of the hedging relationships, the verification of the effectiveness and the accounting measurement of the hedging effects, as specifically requested by IFRS 9.

The hedge accounting model requires that derivatives traded by the Group

be classified as cash flow hedges. Specifically, the hedging instruments used (commodity futures, interest rate swaps) are designated for accounting purposes as follows:

- to hedge expected future transactions involving the procurement of energy on the market or sales to its customer portfolio that are considered highly probable. The objective of the designated hedging relationships is, therefore, to fix, in whole or in part, through the commodity future positions traded, the economic value of the future flows of electricity purchased and/or sold by the Group;
- to hedge interest flows paid on underlying loans payable. The objective that the Group intends to pursue through the designated hedging transactions is therefore to mitigate its risk exposure deriving from the volatility of the market rates by fixing or limiting the onerousness of its variable rate loans or setting the rate of highly probable future loans;

As a result of the cash flow hedge accounting, the economic effects generated by the fair value measurement of hedging derivatives are recognised in specific equity reserves (and represented in the Statement of Comprehensive Income) and then transferred to the Income Statement in the following financial years, i.e. concurrently with the recognition of the underlying transactions. Specifically, for commodity derivatives, two separate equity reserves are replenished that respectively accommodate the spot effects of hedging separately from the forward transaction cost of hedging. Also with reference to commodity hedges, in consideration of the hedging strategies realised dynamically by the Group (aimed at the economic balancing of its energy purchases and sales portfolio) and the operating functioning of future markets, derivatives designated in hedge accounting are normally settled before the relevant contractual expiry date (i.e. the related hedged purchase/sale flows), with the consequent interruption of the hedging relationships designated for hedge accounting purposes; as specifically provided for by IFRS 9, changes in the fair value of hedging derivatives recognised at the date of termination of hedging relationships remain recognised in equity until the date of recognition of the economic effects of the underlying purchases/sales, when they are transferred to the Income Statement. This is valid unless said amount is a loss and the Company expects that all or part of said loss cannot be recovered in one or more future years. In such a case, the amount that is not expected to be recovered has been reclassified to the Income Statement as a reclassification adjustment.

For all of the above, it therefore follows that, at the end of the financial year, the hedging effects recognised in the cash flow hedge reserve and cost of hedging reserve are generated both by transactions completed in the year and only by positions outstanding at the reporting date and recognised in the balance sheet at fair value.

#### **Effects of derivatives accounted in cash flow hedge**

The following table shows the impact on the shareholders' equity of the Group of the cash flow hedge reserve recognised with reference to hedging derivatives accounted for in hedge accounting at 31 December 2023, gross of the tax effect:



	BOOK VALUE
<b>Closing balances at 31.12.2022</b>	<b>(208,046)</b>
Reversal of unrealised effects at the end of the previous year	71,886
Changes in fair value with impact in equity	78,020
Effects released to Income Statement	99,593
<b>Closing balances at 31.12.2023</b>	<b>41,452</b>

With reference to commodity transactions, the effectiveness of hedging derivatives recognised at 31 December 2023 in the cash flow hedge reserve and the cost of hedging reserve (negative for Euro 15,090 thousand, gross of the tax effect) is partly related to derivatives settled early in the course of the year (positive for Euro 185,316 thousand) and partly to the derivatives existing at the reporting date (negative for Euro 170,226 thousand); this amount suspended in the accounts in equity refers to future purchase and/or sale flows of electricity that will be recognised (with the consequent release of the economic effects suspended in equity) and in 2024 (positive for Euro 6,310 thousand) and partly in 2025 (positive for Euro 8,575 thousand) and the difference for 2026 (negative for Euro 205 thousand).

With reference, however, to operations to hedge interest rate risk, the Cash Flow Hedge reserve (positive for Euro 26,361 thousand, the tax effect of which is mainly related to the value of the reserve of the effective portion of derivatives extinguished during of 2022 to cover financial liabilities realised in 2023 and at the fair value of existing derivative financial instruments, net of interest differentials accrued at the reporting date; this amount suspended for accounting purposes in equity refers to future interest flows that will have economic manifestation (with consequent release of the economic effects suspended in equity) partly in the financial year 2024 (net collections estimated at approximately Euro 4,852 thousand) and partly in subsequent years (net payments estimated at approximately Euro 7,155 thousand).

#### **Sensitivity analysis of commodity price and interest and inflation rate risk**

As explained in the following paragraphs, the Group is exposed to the risk of fluctuations in Commodity prices - with exclusive reference to the price of electricity - and to the risk of fluctuating interest rates the volatility of which could have negative effects on the cash flows and on the income prospects of the Group.

The following is a sensitivity analysis to reasonably possible changes in electricity prices and interest and inflation rates at the reference date, keeping all the other variables underlying the valuation model constant. In particular, for the present analysis, the range of assumed variations on the electricity price curve is  $\pm 10\%$ , on the interest rate curve  $\pm 50$  bps (basis points).

### Sensitivity analysis of commodity price risk and interest rate at 31 December 2023

SENSITIVITY ANALYSIS OF RATE RISK		AT 31 DECEMBER 2023			
DESCRIPTION	CHANGE IN THE RATE	IMPACT ON INCOME STATEMENT		IMPACT ON SHAREHOLDERS' EQUITY	
		(BEFORE TAXES)		(BEFORE TAXES)	
		INCREASE	DECREASE	INCREASE	DECREASE
Changes in fair value of rate derivatives designated in hedge accounting	±50 bps	497	(831)	6,476	(6,334)
Changes in fair value of rate derivatives not designated in hedge accounting	±50 bps	106	(108)	8	(7)

SENSITIVITY ANALYSIS OF COMMODITY PRICE RISK		AT 31 DECEMBER 2023			
DESCRIPTION	COMMODITIES PRICE CHANGE	IMPACT ON INCOME STATEMENT		IMPACT ON SHAREHOLDERS' EQUITY	
		(BEFORE TAXES)		(BEFORE TAXES)	
		INCREASE	DECREASE	INCREASE	DECREASE
Changes in fair value of commodity derivatives designated in Hedge Accounting	±10 %	-	-	(15,760)	15,760
Changes in fair value of commodity derivatives designated in Hedge Accounting	±10 %	925	(925)	-	-
Changes in fair value of trading commodity derivatives	±10 %	(110)	110	-	-

#### Market risks on Commodity prices

For more information regarding market risks on commodity prices, reference is made to the Report on Operations.

#### Interest rate risk

For more information regarding market risks on interest rates, reference is made to the Report on Operations.

#### Inflation rate risk

For more information regarding market risks on inflation rates, reference is made to the Report on Operations.

## 25. OTHER CURRENT FINANCIAL ASSETS

The breakdown of other current financial assets is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER CURRENT FINANCIAL ASSETS</b>	<b>10,889</b>	<b>1,171</b>
Portfolio of securities/funds	10,002	-
Loans to associates	707	691
Other financial assets	180	480

The securities/funds portfolio, which was not present in the previous year, includes short-term deposits of Euro 10,002 thousand held by the Parent Company.

Financial receivables from associated companies amounted to Euro 707 thousand (Euro 691 thousand at 31 December 2022) and refer to the short-term portion relating to the loan receivable granted to TELCHA.

“Other financial assets” amounting to Euro 180 thousand at 31 December 2023 refer almost entirely to receivables claimed from financial institutions by the newly acquired companies.

## 26. OTHER CURRENT ASSETS

At 31 December 2023, the item “other current assets” amounted to Euro 77,325 thousand (Euro 282,181 thousand at 31 December 2022) and is detailed in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER CURRENT ASSETS</b>	<b>77,325</b>	<b>282,181</b>
Security deposits	39,898	247,101
Deferred assets	9,513	11,496
Receivables from the G.S.E. for incentives	8,148	2,677
Receivables from C.S.E.A.	1,004	1,692
Other current assets	18,763	19,215

### Security deposits

The item “security deposits” mainly includes the nominal value of the security deposits receivable of CVA ENERGIE equal to Euro 36,340 thousand at 31 December 2023 (Euro 247,069 thousand at 31 December 2022), which comprise:

- receivables amounting to Euro 6,964 thousand at 31 December 2023 (Euro 10,224 thousand at 31 December 2022) referring to the opening of a security deposit of the “Business Account” opened at the Joint Allocation Office, a company that manages cross-border transmission capacity for Central Western Europe and the borders of Italy and Northern Switzerland. The rules for participation in auctions for transport capacity at the border, require the deposit of an amount to guarantee transactions

carried out on a current account in the name of the Joint Allocation Office (the "Business Account"). The amounts for the transport capacity purchased are also debited on this account and, therefore, the guarantee is subject to interim changes for its constant adjustment. The amount of the guarantee is defined according to the type of auction being participated in and the purchase volumes;

- receivables of Euro 14,376 thousand at 31 December 2023 (Euro 201,845 thousand at 31 December 2022) for guarantee deposits with Clearing Bank to operate on EEX (European Energy Exchange), the main European financial organised market, as well as on EPEX Spot (European Power Exchange), which underlies physical energy exchanges on the market. These are the margins used to guarantee the transactions carried out. The decrease is a function of falling energy market prices and their lower volatility
- Receivables amounting to Euro 15,000 thousand at 31 December 2023 for non-interest-bearing security deposits paid to G.M.E. during the year

This item also includes Euro 3,543 thousand in security deposits from third parties arising from the newly acquired companies.

#### **Deferred assets**

This item mainly consists of deferred assets relating to water derivation supra-fees (Euro 5,495 thousand at 31 December 2022, Euro 5,488 thousand at 31 December 2022) due from CVA and VALDIGNE, as provided by the relevant legislation. The item also includes deferred assets relating to insurance premiums, long-term charges and other miscellaneous deferrals.

The item also includes an increase of Euro 791 due to the extension of the Group's perimeter.

#### **Receivables from the GSE for incentives**

The item "receivables from the GSE for incentives" includes the receivables for grants related to incentives recognised by the GSE, but not yet disbursed equal to Euro 8,148 thousand at 31 December 2023 (Euro 2,677 thousand at 31 December 2022). The increase is due to the Group's extension to companies active in the production of incentivised energy, which accrued receivables from the GSE for Euro 6,433 thousand.

#### **Receivables from C.S.E.A.**

The main components of this item are:

- the distribution service continuity premium receivable, which includes the estimated service continuity premium related to the year 2023 totalling Euro 583 thousand;
- the receivable pertaining to DEVAL, relating to the equalisation mechanisms applied to electricity distributors. The balance at 31 December 2023 (Euro 335 thousand) mainly consists of receivables for equalisation for 2023;
- energy efficiency bond receivables, which refer to the value of bonds acquired during the year 2023 net of collections (Euro 87 thousand at 31 December 2023);

### Other current assets

The residual items included in other current assets amounted to Euro 18,763 thousand at 31 December 2023 (Euro 19,215 thousand at 31 December 2022) and mainly refer to:

- receivables from customers for additional tax refunded: these are receivables that arose from refunds made in respect of the additional tax on the state excise tax by virtue of the negative rulings at first instance that saw CVA ENERGIE lose out against customers as part of the disputes opened following the declared incompatibility of this tax with the European legal system (as described in detail above). These receivables have a value of Euro 8,581 thousand and have been written down by Euro 837 thousand consistently with the risk coefficient estimated on all disputes. These amounts will become due in the event of a victory in the subsequent levels of court or will be claimed for reimbursement from the Customs Agency in the event of a final loss in civil court.
- advances to suppliers and third parties Euro 2,980 thousand at 31 December 2023 (Euro 8,764 thousand at 31 December 2022);
- Receivables accrued for energy efficiency activities related to the 110% bonus, amounting to Euro 5,259 thousand. These are the expenses incurred in the name and on behalf of customers and which will be recovered through the acquisition of tax credits accrued on them;
- Receivables accrued for price adjustments accrued on the acquisition of two businesses acquired during the year (in the field of energy efficiency);
- Receivables from employees and social security institutions in the amount of Euro 191 thousand.

## 27. CASH AND CASH EQUIVALENTS

The item mainly includes the balance receivable of current bank accounts at the reporting date, equal to Euro 378,624 thousand at 31 December 2023 (Euro 226,663 thousand at 31 December 2022); balances are recorded at nominal value and also include interest accrued, but not yet credited at year-end.

They are not burdened by constraints of any kind that limit their availability.

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>CASH AND CASH EQUIVALENTS</b>	<b>378,624</b>	<b>226,663</b>
Bank accounts	378,549	226,593
Cash and cash equivalents	76	70

## 28. SHAREHOLDERS' EQUITY

The breakdown of shareholders' equity is as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>SHAREHOLDERS' EQUITY</b>	<b>1,146,751</b>	<b>878,873</b>
Share capital	395,000	395,000
Reserves and profits (losses) carried forward	572,337	311,010
Net result of the year	157,834	163,975
Minorities Shareholders' Equity	21,581	8,888

### Share capital

The share capital amounted to Euro 395,000 thousand, divided into 395,000,000 shares with a nominal value of Euro 1 each. There were no changes from the previous year.

### Reserves and profits (losses) carried forward

The item "Reserves and profits (losses) carried forward" is as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>RESERVES AND PROFITS (LOSSES) CARRIED FORWARD</b>	<b>572,337</b>	<b>311,010</b>
Legal reserve	63,605	60,616
Cash flow hedge reserve	153,655	(63,943)
Cost of Hedging reserve	(122,733)	(83,634)
IAS 19 reserves - Employee Benefits	(1,382)	(1,101)
Realignment reserve pursuant to Article 110 DL 104/2020	186,649	186,649
Other reserves and profits (losses) carried forward	292,542	212,423

The changes recorded have various origins:

- 2022 retained earnings or reserves (with impact on the legal reserve and other reserves and retained earnings);
- changes in the shareholders' equity of certain newly acquired subsidiaries in the period between the date of acquisition and the end of the financial year due to changes in cash flow hedge reserves, OCI reserves and certain minor capital transactions (with an impact on other reserves and retained earnings);
- the change in the fair value of derivative transactions designated as hedges with effects on the cash flow hedge reserve and the cost of hedging reserve changed in line with developments;
- Changes in liabilities to employees measured in accordance with IAS 19.

### Legal reserve

The legal reserve amounted to Euro 63,605 thousand at 31 December 2023 (Euro 60,616 thousand at 31 December 2022). The Increase recorded is equal to the allocation of the profit, as required by Article 2430 of the Civil Code.

### Cash flow hedge reserve (OCI)

This reserve, with a value of Euro 153,655 thousand (a negative Euro 63,943 thousand at 31 December 2022), includes the effective portion of the change in fair value of hedging derivatives on changes in energy prices and interest rates classified as cash flow hedges for accounting purposes. The reserve is determined net of the related tax effects and is reported in other comprehensive income as a component reclassifiable to profit or loss in subsequent periods.

### Cost of Hedging reserve

This reserve includes the portion of the change in fair value attributable to the costs of hedging derivatives on the change in the price of energy designated of cash flow hedges. At 31 December 2023, it has a negative value of Euro 122,733 thousand (Euro 83,634 thousand at 31 December 2022). The reserve is expressed net of the tax effect. Its movement was also reported in other comprehensive income components reclassifiable to profit or loss in subsequent years.

### Actuarial reserve IAS 19 (OCI)

The item includes actuarial losses relating to defined benefit plans for employees, negative for Euro 1,382 thousand (Euro 1,101 thousand at 31 December 2022). The reserve is determined net of the related tax effects and is reported in other comprehensive income as a component not reclassifiable to profit or loss in subsequent periods.

### Reserve for realignment of tax value of goodwill pursuant to article 110 DL 104/2020

Following the realignment of the statutory and fiscal values of goodwill described and carried out in 2021 pursuant to art. 110 of Decree-Law 104/2020, a special reserve was set up, amounting to Euro 186,649 thousand, value subject to realignment net of the substitute tax, with a specific tax suspension restriction for tax purposes (as governed by paragraph 8 of the aforementioned provision). The realignment operation was completed in CVA, CVA EOS and DEVAL.

### Other reserves

The item mainly includes:

- Accumulated retained earnings of Euro 194,622 thousand (Euro 73,501 as at 31 December 2022). This consists of the Group's undistributed profits and consolidation differences allocated to equity. Specifically, there are consolidation differences attributable to changes in the shareholders' equity of certain newly acquired subsidiaries in the period between the date of acquisition and the end of the financial year due to changes in cash flow hedge reserves, OCI reserves and certain minor capital transactions;
- the extraordinary reserve, amounting to Euro 87,619 thousand (Euro 128,620 thousand at 31 December 2022), includes the allocation of profits realised in previous years and the distribution by CVA to the parent company Finaosta as resolved in the minutes of the Shareholders' Meeting held on 21 June 2023;
- the First Time Adoption ("FTA") reserve of Euro 9,824 thousand (unchanged on last year), which represents the balancing entry in shareholder-

ers' equity deriving from the first application of the IAS/IFRS accounting standards on the transition date of 1 January 2014;

- the reserve relating to the effects of interest rate hedges (carried out with IRS) accrued under national accounting standards, the value of which (net of the tax effect) was recognised for the first time in the financial statements on the first-time adoption of IAS/IFRS, to be released to the income statement in subsequent years in accordance with the financial amortisation plan. The reserve expired in 2023 (Euro 10 thousand at 31 December 2022);
- the merger reserve for Euro 476 thousand and equal to the net merger capital resulting from the 2001 CVA merger operation.

### Group net result

The Group net result was positive for Euro 157,834 thousand in 2023 (Euro 163,975 thousand at 31 December 2022). This item includes the profit pertaining to the Group recognised in the year under review.

### Earnings per share

For the purposes of calculating earnings per share, it is noted that during the three-year period no changes occurred in the number of ordinary shares.

	2023	2022
<b>Net result of the period (EURO THOUSANDS)</b>	<b>157,834</b>	<b>163,975</b>
Number of shares at 31 December	395,000,000	395,000,000
Number of shares adjusted at 31 December	395,000,000	395,000,000
Earnings per share (Euro)	<b>0.40</b>	<b>0.42</b>
Diluted earnings per share (Euro)	<b>0.40</b>	<b>0.42</b>



## 29. EMPLOYEE BENEFITS

Employee benefits amounted to Euro 7,310 thousand at 31 December 2023 (Euro 5,520 thousand at 31 December 2022).

AMOUNTS IN EURO THOUSANDS	EMPLOYEE SEVERANCE INDEMNITY (TFR)	LOYALTY BONUS	ENERGY DISCOUNT	EMPLOYEE BONUSES	OTHER EMPLOYEE BENEFITS	TOTAL
<b>Current value of the obligation at 31/12/2022</b>	<b>2,853</b>	<b>1,216</b>	<b>519</b>	<b>514</b>	<b>417</b>	<b>5,520</b>
Current cost	97	67	1	536	10	712
Financial expenses	118	46	19	-	14	196
Increases/(decreases) for acquisitions and transfers	1,494	-	-	-	-	1,494
Benefits provided	(271)	(21)	(36)	(498)	(44)	(871)
Revaluations (*)	22	24	19	-	22	87
Other changes	117	7	(5)	(1)	13	131
<b>Current value of the obligation at 31/12/2023</b>	<b>4,431</b>	<b>1,338</b>	<b>517</b>	<b>551</b>	<b>432</b>	<b>7,269</b>
<b>of which</b>						
current portion	405	47	35	552	91	735
non-current portion	4,026	1,290	482	-	341	6,576

The following components mainly fall into the category of defined benefit plans:

- severance indemnity (TFR) recognised in compliance with the provisions of current legislation. The value of this liability amounted to Euro 4,431 thousand at 31 December 2023 (Euro 2,853 thousand at 31 December 2022). The increase recorded in the year due to the extension of the scope of consolidation is noted;
- the company loyalty bonus to be paid to employees, determined on the basis of the achievement of a certain length of service, equal to Euro 1,338 thousand at 31 December 2023 (Euro 1,216 thousand at 31 December 2022);
- the energy discount fund allocated against the agreement entered into on 6 May 2019 to overcome electricity tariff concessions for former employees and which provides former employees who have so requested with a payment of an annual lump sum of Euro 360 fixed until the age of sixty-five. The liability accrued amounted to Euro 517 thousand (Euro 519 thousand at 31 December 2022).
- The provision for employee bonuses is equal to the amounts set aside for incentives to be paid to department heads and executives upon achievement of specific objectives (according to the corporate MBO plan) in the amount of Euro 551 thousand;
- other employee benefits totalled Euro 473 thousand at 31 December 2023 (Euro 417 thousand at 31 December 2022) and are represented by: (i) additional allowance for FOPEN contributions recognised to em-

employees who have chosen this option as part of the agreement entered into in May 2019 to overcome the concessions on energy tariffs and who are entitled to the payment of a fixed amount to the supplementary pension fund or in coupons up to the age of 65 regardless of the age at which they will cease service; (ii) additional monthly payments due to eligible employees based on the requirements set forth in the CCNL (the "IMA") by the July 2001 agreement.

For the purpose of defining the amount of the current value of the obligations, an estimate was made of the future provisions which, on the basis of development assumptions related to both the numerical development of the community and the salary development, will be provided to each employee in the case of continuation of work, retirement, death, resignation or request for anticipation.

The only exception is the provision for employee bonuses, which, in view of its nature as a short-term benefit (bonuses are paid in the following year), has not been discounted. Since these premiums have a prevalent valuation component in their determination, they have been recorded under provisions and not under payables.

The main economic and financial assumptions adopted for the calculations are as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
Discount rate	3.20%	3.77%
Annual inflation rate	2.00%	2.30%
Rate of increase in labour costs		
- age 40 and under	4.00%	4.30%
- age over 40 but under 55	3.00%	3.30%
- age over 55	2.00%	2.30%

The decrease in the real discount rate led to a general increase in liabilities with actuarial losses being recognised.

In compliance with the provisions of IAS 19, a sensitivity analysis is provided for each significant actuarial assumption at the end of the year, showing the effects that there would be as a result of changes in actuarial assumptions reasonably possible at said date, in absolute terms.

	CHANGE IN LIABILITIES	ONE YEAR COST	CHANGE IN LIABILITIES	ONE YEAR COST
	DISCOUNT RATE CHANGE		DISCOUNT RATE CHANGE	
	<b>-0,50%</b>		<b>0,50%</b>	
Employee severance indemnity (TFR)	215	337	(202)	293
Loyalty bonus	81	77	(447)	66
Other employee benefits	35	12	(33)	11

### 30. PROVISIONS FOR RISKS AND CHARGES

At 31 December 2023, provisions for risks and charges amounted to Euro 23,527 thousand (Euro 30,616 thousand at 31 December 2022).

The breakdown of the provisions in the last two years is shown in the following table:

EURO THOUSANDS	PROVISION FOR DISPUTES	PROVISIONS FOR CHARGES	PROVISION FOR EXCISE DUTY DISPUTE SELF-PRODUCER	PROVISION FOR ADDITIONAL EXCISE DUTY DISPUTE	BOOK VALUE
<b>Value at 31.12.2022</b>	<b>1,288</b>	<b>17,044</b>	<b>3,346</b>	<b>8,938</b>	<b>30,616</b>
(Uses)	(116)	(9,287)	(478)	(40)	(9,922)
(Releases)	(47)	(91)	(2,255)	-	(2,393)
Allocations	-	669	-	347	1,016
Other changes	24	4,185	-	-	4,210
<b>Value at 31.12.2023</b>	<b>1,149</b>	<b>12,520</b>	<b>614</b>	<b>9,244</b>	<b>23,527</b>
<i>of which</i>					
current portion	36	974	-	-	1,010
non-current portion	1,113	11,546	614	9,244	22,516

**Provision for excise dispute:** the provision amounts to Euro 614 thousand. This is the provision for risks allocated to the dispute between CVA ENERGIE and the Customs Agency (in its division of provincial offices) for the failure to recognise the qualification of self-producer and the consequent exemption from excise duty for the years from 2008 to 2013. The change in the year recorded uses for Euro 478 thousand to cover the costs of legal and tax consultancy services used to assist with disputes.

**Provision for additional excise disputes:** The provision was allocated in 2018 in the amount of Euro 10,236 thousand. CVA ENERGIE, following the ruling of the Court of Cassation No. 15198 of 4 June 2019, which established the incompatibility of the provisions establishing the additional excise duties on electricity with Directive 2008/118/EEC, is faced with the probable risk of having to reimburse customers, following a dispute in the civil courts, the additional taxes collected for the years from 2010 to 2012 (the year in which they were abolished). In fact, the Supreme Court has indicated in the seller of energy the person to whom to address the request for refund, not addressable by customers rightly to the Customs Agency. Given the complexities of appealing to the Customs Agency, the Company finds itself facing, in addition to the risk of the cost of disputes with customers, also the cost of reimbursement of the surcharge;

- Uses: the provision was used in the amount of Euro 40 thousand for legal expenses incurred during the year for litigation activities;
- Provisions: for Euro 437 thousand to adjust the provision to new estimates of the risk of disbursement for the repayment of alleged undue payments to customers and for the legal expenses that will be incurred to cope with the large number of disputes first in civil court and then in tax court.

**Provisions for disputes:** provisions for disputes amounted to Euro 1,149 thousand (Euro 1,288 thousand at 31 December 2022). No new provisions were recognised. The number of existing ones and their changes are summarised in the following table:

PROVISION FOR DISPUTES	31/12/2022	ALLOCATIONS	USES	RELEASES	OTHER CHANGES	31/12/2023
Other excise disputes	459	-	(3)	(47)	-	409
Station dispute provision	738	-	(22)	-	-	716
Electrical line interference provision	91	-	(91)	-	-	-
Risk provision for other legal disputes	-	-	-	-	24	24
<b>TOTAL</b>	<b>1,288</b>	<b>-</b>	<b>(116)</b>	<b>(47)</b>	<b>24</b>	<b>1,149</b>

**Excise Dispute:** the main litigation covered by the fund appears to be against the Piacenza Customs Office following the failure to recognise offsets made by CVA ENERGIE. The dispute has a value of Euro 409 thousand and is still awaiting the ruling of the First Instance Tax Commission. In 2018, the latter had ordered a stay of judgment pending the Supreme Court's ruling with reference to the other litigation initiated by CVA ENERGIE on the same matter (and concluded in its favour with ruling 27290/19).

**Stations Dispute:** the provision refers to future charges related to disputes concerning leased buildings used as distribution stations by DEVAL.

**Distribution line interference provision:** provision set aside by DEVAL to cover the risk that the granting bodies, when renewing the agreements issued prior to 2002, may request past instalments. The provision has been fully utilised.

**Legal disputes:** amounted to Euro 25 thousand related to the SR Group.

**Provision for charges:** provisions for charges amounted to Euro 12,520 thousand (Euro 17,044 thousand at 31 December 2022). The number of existing ones and their changes are summarised in the following table:

PROVISIONS FOR CHARGES	31/12/2022	ACCRUALS	USES	RELEASES	OTHER CHANGES	31/12/2023
Plant dismantling/restoration plant areas	6,147	232	-	-	4,165	10,544
Province of Foggia compensation indemnities	1,016	161	-	-	-	1,177
Maintenance staff bonuses	50	178	(14)	(14)	-	200
Securing of property and land	299	-	-	(58)	-	241
Aosta lighting plant remediation	105	-	-	-	-	105
Guarantees on distribution network works	-	79	-	-	-	79

Construction of drainage trench Faubourg Power Plant	65	-	-	-	-	65
Insurance deductibles provision	48		(3)		-	45
Fees for exceeding nominal powers hydroelectric concessions	25	-	-	-	-	25
Complaints from customers	-	20	-	-	-	20
Restoration of leased company assets	-	-	-	-	20	20
Provisions for unbalancing	9,270	-	(9,270)	-	-	-
Data network fees	19	-	-	(19)	-	-
<b>TOTAL</b>	<b>17,044</b>	<b>669</b>	<b>(9,287)</b>	<b>(91)</b>	<b>4,185</b>	<b>12,520</b>

The provision refers to various risks identified by the Group as probable.

The following is a list of significant contingent liabilities recognised in the financial statements:

**Plant dismantling provision:** represents the accumulated liabilities for the dismantling of wind and photovoltaic plants at the end of their useful life, equal to Euro 10,544 at the end of the year (6,147 at 31 December 2022). The revision of the estimate of liabilities, attributable in part to a change in the discounting assumptions and in part to a restatement of the estimates of the expected decommissioning cost, generated a change in the provision of Euro 4,165 thousand that impacted the value of the relevant assets. The discounting of the year, on the other hand, generated financial expenses of Euro 232 thousand.

**Provision for compensation indemnities potentially due to the Municipality of Foggia:** with reference to the Ponte Albanito plant, in the absence of an agreement regulating the economic relations with the Municipality of Foggia with reference to potential environmental compensation indemnities, an amount equal to 3% of the revenues for the sale of energy and related incentives (Euro 161 thousand) was set aside also in 2023. This percentage is a conservative estimate. The provision has a total balance of Euro 1,177 thousand.

**Maintenance technicians bonus provision:** this is an allocation to cover variable maintenance fees on wind and photovoltaic plants.

**Property and land safety fund:** in light of the increasingly frequent natural disasters, in 2020 it was decided to manage all risk situations arising from instability of land and property adjacent to regional roads. The Company's commitment to complete the activity had been measured at Euro 377 thousand, broken down as follows:

- professional assignment to carry out the activity of defining the potential risks of the properties along the entire route of Regional Road No. 44 of Valle d'Aosta for Euro 225 thousand;
- safety work related to potential risks in the amount of Euro 152 thousand.

During the year, a portion of the provision deemed surplus in the amount of Euro 58 thousand was released. The remaining portion of the provision has not changed because the Company's commitment is still current.

**Imbalance charges:** The provision was set up in 2021 following the opening of a proceeding by ARERA aimed at verifying whether, as a result of the alleged non-diligent imbalances recorded in 2016, there had been an actual infringement of end-users' rights. The matter had already been the subject of a dispute that had seen the company victorious before the Council of State in 2020.

The provision corresponded to the amount claimed and invoiced by Terna pursuant to ARERA Resolution 507/2022/EEL. In 2023, the provision was used following the decision to proceed with the payment of the amount requested, although the dispute has not yet been settled, in order to avoid recovery actions by Terna that could have jeopardised CVA Energie operations. The decision to make payment also entailed the Terna waiver of interest accrued from 24 November 2022 to 21 February 2023, the date of payment (quantifiable in excess of Euro 200 thousand).

The dispute is currently pending before the Lombardy Regional Administrative Court (TAR), after the Council of State, to which the appeal had been filed, did not uphold the request for the nullity of ARERA Resolution No. 507/2022/EEL due to non-compliance with the judgement set forth in the judgment of the Council of State 6488/2020 and ordered that the action for the annulment of said resolution be, precisely, filed before the Lombardy Regional Administrative Court (TAR).

### 31. CURRENT AND NON-CURRENT FINANCIAL LIABILITIES

#### Non-current financial liabilities

Non-current financial liabilities amounted to Euro 831,986 thousand at 31 December 2023 (Euro 491,350 thousand at 31 December 2022), and consisted mainly of the long-term portion of bank loans held by the Group (valued at amortised cost); the long-term share of bonds; liabilities entered in respect of rights of use in accordance with IFRS 16 (as described in note 14) and of the financial liabilities still outstanding for the acquisition of area rights on the land where the Valenza photovoltaic plant and the Tarifa wind power plant are located.

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>NON-CURRENT FINANCIAL LIABILITIES</b>	<b>831,986</b>	<b>491,350</b>
Bank loans	729,769	431,570
Financial liabilities for leasing	15,549	7,998
Bonds	84,711	49,618
Other financial payables	1,957	2,164

Bank loans increased (net of repayments made) in response, on the one hand, to the signing of new loan agreements (about Euro 350 million) to meet the investments made in the period, and, on the other hand, to the acquisition

of loans payable with the extension of the scope of consolidation (about Euro 3.7 million) attributable to the signing of new medium- to long-term loans and the acquisition of the new companies.

The change recorded on bonds is due to the acquisition of two bonds through the acquisition of the Renergetica S.p.A. Group for a total value (current and non-current) of about Euro 8.8 million (value at 31 December), as well as the issue of a further bond in the last months of 2023 for a nominal value of Euro 30,000 thousand (with bullet repayment at 2031).

### Current financial liabilities

Current financial liabilities, amounting to Euro 97,880 thousand at 31 December 2023 (Euro 80,720 thousand at 31 December 2022), have a similar composition, including the short-term portion of the same items.

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>CURRENT FINANCIAL LIABILITIES</b>	<b>97,880</b>	<b>80,720</b>
Bank loans	79,312	76,596
Financial liabilities for leasing	5,099	896
Payables for factoring	3,137	1,341
Bonds	2,522	60
Payables to related parties	1,784	1,597
Payables for share price adjustment	1,267	-
Other financial payables	4,759	1,572

Compared to non-current liabilities, added are DEVAL payables for factoring operations carried out to raise liquidity (at the end of the year, the payables amounted to Euro 3,137 thousand), the payable of Euro 1,784 thousand for the dividend approved but not paid from VALDIGNE to the shareholder Municipality of Pré-Saint-Didier and the payable of Euro 1,267 for the price adjustment due on the acquisition of the shareholding in RS Service S.r.l.

Lease liabilities also include liabilities for financial leases on two photovoltaic plants acquired during the year. Since the two leases were settled at the beginning of 2024, the entire debt was recorded as current in the amount of Euro 3,699.

The increase in other financial payables was mainly due to the acquisition of financial advances from customers acquired with the extension of the scope of consolidation.

### Financial liabilities: other details

Changes in bond issues during the year are shown below:

GROUP COMPANIES	COUNTERPARTY	31/12/2022	MONETARY NET CHANGE	NON-MONETARY NET CHANGE	31/12/2023
CVA S.p.A. a.s.u.	Bond 2021/2028	49,678	-	62	49,740
CVA S.p.A. a.s.u.	Bond 2023/2038	-	30,000	(885)	29,115
Renergetica S.p.A.	Exacto	-	3,984	3	3,987
Renergetica S.p.A.	Anthilia	-	4,384	7	4,391
	<b>TOTAL</b>	<b>49,678</b>	<b>38,368</b>	<b>(813)</b>	<b>87,233</b>

Changes during the year in loans payable are shown below:

GROUP COMPANIES	COUNTERPARTY	31/12/2022	MONETARY NET CHANGE	NON-MONETARY NET CHANGE	31/12/2023
CVA S.p.A. a.s.u.	Intesa Sanpaolo	9,001	(9,002)	1	-
CVA S.p.A. a.s.u.	BNL	69,178	-	282	69,461
CVA S.p.A. a.s.u.	Mediobanca	30,003	-	5	30,007
CVA S.p.A. a.s.u.	EIB	44,092	(11,000)	25	33,118
CVA S.p.A. a.s.u.	CDP 2023/31	-	-	(228)	-228
CVA S.p.A. a.s.u.	Intesa Sanpaolo 2022/25	75,579	-	72	75,651
CVA S.p.A. a.s.u.	Mediobanca 2022/25	100,129	-	70	100,199
CVA S.p.A. a.s.u.	Deutsche Bank 2022/25	25,193	-	15	25,208
CVA S.p.A. a.s.u.	BNL finanz. 2022/25	50,239	-	571	50,810
CVA S.p.A. a.s.u.	Unicredit finanz. 2022/25	50,404	-	(444)	49,961
CVA S.p.A. a.s.u.	BPM finanz. 2023/26	-	30,000	(179)	29,821
CVA S.p.A. a.s.u.	Bper 2023/26	-	35,000	(42)	34,958
CVA S.p.A. a.s.u.	SSD 2023/28	-	200,000	(3,279)	196,721
CVA S.p.A. a.s.u.	SSD 2023/30	-	50,000	(718)	49,282
CVA S.p.A. a.s.u.	Sella RCF	5	10,000	18	10,022
CVA S.p.A. a.s.u.	Crédit Agricole RCF	50,141	-	89	50,230
CVA S.p.A. a.s.u.	BNL RCF	2	-	19	21
CVA S.p.A. a.s.u.	Intesa Sanpaolo RCF	5	-	34	39
CVA S.p.A. a.s.u.	Unicredit RCF	7	-	2	9
CVA S.p.A. a.s.u.	Deutsche B RCF	1	-	16	17
CVA S.p.A. a.s.u.	BPM RCF	-	-	1	1



CVA S.p.A. a s.u.	BPER RCF	-	-	32	32
Deval S.p.A a s.u.	Cariparma	1,911	(1,911)	-	-
Valdigne Energie S.r.l. a s.u.	Intesa Sanpaolo	2,274	(2,274)	-	-
RS Service S.r.l.	Intesa San Paolo		493	1	494
Renergetica S.p.A.	Intesa San Paolo (20K)	-	4	-	4
Renergetica S.p.A.	Intesa San Paolo (400K)	-	115	-	115
Renergetica S.p.A.	Intesa San Paolo (720K)	-	45	-	45
Renergetica S.p.A.	Banca BPM (2 Mln)	-	1,006	-	1,006
Nuova Energia S.r.l.	Intesa San Paolo (370K)	-	245	-	245
Nuova Energia S.r.l.	Intesa San Paolo (160K)	-	13	-	13
Nuova Energia S.r.l.	Intesa San Paolo (1.4 Mln)	-	881	1	882
Nuova Energia S.r.l.	Intesa San Paolo (800K)	-	717	1	718
Nuova Energia S.r.l.	BIVER (500K)	-	196	2	198
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
Nuova Energia S.r.l.	PSA	-	3	-	3
<b>TOTAL</b>		<b>508,164</b>	<b>304,549</b>	<b>(3,633)</b>	<b>809,081</b>

With reference to the maturity analysis required by the standard IFRS 7 for financial liabilities, the table below shows the analysis by expiry of expected cash flows (non-discounted values) from loans recognised in the financial statements (distinguishing between interest and capital flows).

### Maturity analysis at 31 December 2023

AMOUNTS IN EURO THOUSANDS		2023				
		1 YEAR	1-2 YEARS	2-5 YEARS	> 5 YEARS	TOTAL
Bank loans and bonds	Capital flows	75,036	418,241	326,601	80,295	900,173
	Interest flows	34,116	26,134	33,382	19,407	113,040

### 32. OTHER NON-CURRENT LIABILITIES

The item “other non-current liabilities” amounted to Euro 24,236 thousand at 31 December 2023 (Euro 23,771 thousand at 31 December 2022) and mainly consists of the portion beyond 12 months of deferred income recorded against contributions received from customers, third parties and local authorities for distribution plant-related activities. The application of IFRS 15 involves the deferral of contributions received from customers on the basis of the nature of the obligation resulting from the contract with customers, with the recognition of the related deferred liability, released on the basis of the useful life of the asset to which the contribution refers.

The item “other non-current liabilities” also includes deferred income in respect of capital grants of Euro 1,982 thousand, the largest of which relates to the Lamacarvotta wind farm, for Euro 1,021 thousand at 31 December 2023.

### 33. TRADE PAYABLES

The breakdown of trade payables is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>TRADE PAYABLES</b>	<b>181,242</b>	<b>86,093</b>
Payables to suppliers	179,385	81,374
Trade payables	1,857	4,719

#### Payables to suppliers

These are trade payables to suppliers consisting of all invoices to be received and received. The increase is attributable to:

- higher payables for wholesale energy purchases, due to the higher quantities of energy purchased (albeit in a context of decreasing prices). This increase amounts to approximately Euro 13 million;
- the higher debts accrued to CVA subcontractors in the context of its activity as General Contractor. This effect can be quantified at approximately Euro 55 million.
- The extension of the scope of consolidation had an effect of approximately Euro 34 million.

#### Trade payables

These are debt positions with customers (mainly customers of CVA ENERGIE for the supply of electricity) that cannot be offset against receivables and are therefore shown separately.

### 34. INCOME TAX PAYABLES AND OTHER TAX PAYABLES

“Income tax payables” of Euro 2,925 thousand at 31 December 2023 (Euro 44,351 thousand at 31 December 2022) refer to current tax payables accrued during the year (Euro 285 thousand for IRES and Euro 2,640 thousand for IRAP). The decrease is the result on the one hand, of the dynamics of advance payments in the financial year, and on the other hand, of the absence of extraordinary impositions, which in 2022 had weighed in at around Euro 10.4 million.

Other tax payables amounting, on the other hand, to Euro 21,864 thousand (Euro 2,851 thousand at 31 December 2022) mainly include:

- withholding taxes to employees of Euro 1,085 thousand at 31 December 2023;
- VAT payables amounted to Euro 11,457 thousand;
- Payables to the tax authorities for excise taxes on electricity amounted to Euro 8,883 thousand.

It is the VAT position, which increased by Euro 9.7 million, and the excise position, which increased by Euro 8.7 million, that determine the increase in the 2023 balance.

### 35. OTHER CURRENT LIABILITIES

At 31 December 2023, other current liabilities amounted to Euro 20,400 thousand (Euro 20,400 thousand at 31 December 2022) and are mainly related to the following categories:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>OTHER CURRENT LIABILITIES</b>	<b>39,674</b>	<b>20,400</b>
Payables to C.S.E.A.	9,558	3,157
Payables for variable state fees	5,949	-
Deferred liabilities	5,601	2,645
Payables to employees	5,167	3,409
Payables for security deposits	4,396	1,470
Payables to INPS and other social security institutions	3,768	2,968
Advances from customers	2,860	2,463
Other current liabilities	2,374	4,288

A description of the main components is given below:

- payables to the “Energy and Environmental Services Fund”, relating to the payable deriving from the application of the equalisation mechanisms on sales to end customers in Greater Protection, by CVA ENERGIE, equal to Euro 5,104 thousand at 31 December 2023 (Euro 2,632 thousand at 31 December 2022), as well as the payables of DEVAL to CSEA for the payment of components A and UC charged to customers, and to be transferred to CSEA (Euro 4,454 thousand at 31 December 2023 and Euro 554 thousand at 31 December 2022);
- Payables to the Valle d’Aosta Region and the Fisheries Consortium for variable state fees introduced for the year 2023 and amounting to Euro 5,949;
- deferred liabilities, mainly comprising deferrals on contributions received from customers, third parties and local authorities for plant-related activities are also recorded in accordance with IFRS 15 as described

for non-current deferrals. This item also includes prepaid expenses for grants in the nature of capital contributions received by the Group;

- payables to employees, equal to Euro 5,167 thousand at 31 December 2023 (Euro 3,409 thousand at 31 December 2022), mainly relating to expenses for holidays and leave accrued by Group employees, and not taken at the reporting date. This item was affected by the extension of the scope of consolidation;
- payables for security deposits and guarantees collected, equal to Euro 4,396 thousand at 31 December 2023 (Euro 1,470 thousand at 31 December 2022), deriving from the security deposits paid by customers at the time of activation of the user to guarantee the correct fulfilment of the obligations assumed. The item was affected by the extension of the scope of consolidation
- payables to INPS and other social security institutions, equal to Euro 3,768 thousand at 31 December 2023 (Euro 2,968 thousand at 31 December 2022), such as INPS, INAIL and other supplementary pension funds. The item was affected by the extension of the scope of consolidation
- advances from customers, amounting to Euro 2,860 thousand (Euro 2,463 thousand at 31 December 2022) mainly include Euro 2,201 thousand in advances on fees for works on behalf of third parties with reference to energy efficiency activities;
- other current liabilities, which mainly include payables for environmental compensation indemnities due on wind farm production (Euro 741 thousand); payables for the repayment of the RAI licence fee billed by CVA ENERGIE (Euro 384 thousand); and payables for litigation expenses for which Group companies have been ordered to pay Euro 274 thousand.

### 36. CATEGORIES OF FINANCIAL INSTRUMENTS

The following table shows the values of the financial statements at 31 December 2023 of financial assets and liabilities, broken down into the categories of financial instruments defined by IFRS 9:

#### Financial assets

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>Financial assets measured at fair value</b>	<b>105,334</b>	<b>256,455</b>
Assets for financial derivatives in hedge accounting	29,005	39,595
Assets for financial derivatives not in hedge accounting	76,329	216,860
<b>Loans and receivables</b>	<b>16,175</b>	<b>7,006</b>
Loans receivables from associates	16,175	7,006
<b>Financial assets held to maturity</b>	<b>-</b>	<b>-</b>
<b>Financial assets available for sale</b>	<b>35,141</b>	<b>23,900</b>
Insurance policies	25,009	23,900
Portfolio of securities/funds	10,132	-



AMOUNTS IN EURO THOUSANDS	2022				
	BOOK		FAIR VALUE		
	VALUE	TOTAL	1 LEVEL	2 LEVEL	3 LEVEL
<b>Financial liabilities</b>	<b>874,450</b>	<b>866,268</b>	<b>316,602</b>	<b>549,666</b>	-
Bank loans and bonds	557,844	549,663	-	549,663	-
Liabilities for financial derivatives	316,605	316,605	316,602	3	-

In general, the fair value of derivatives traded on regulated markets (such as future commodities) is determined using the official prices for financial instruments (Level 1). For financial instruments not listed on regulated markets, on the other hand, the relative fair value is determined using appropriate valuation models for each category, using the market data available at the reporting date and discounting expected cash flows based on the interest rate curves (Level 2 input data). With reference to cash and cash equivalents and other short-term financial assets or liabilities, the nominal value recognised in the financial statements represents a reasonable approximation of the relative fair value.

## TRANSACTIONS WITH RELATED PARTIES

With regard to the identification of the economic-equity relations with related parties and for the definition of "related party", reference is made to the international accounting standard IAS 24, approved by EC Regulation No. 1725/2003. Transactions with the companies belonging to the CVA Group, as well as with the other related parties - mainly the Region and FINAOSTA, as well as the other subsidiaries and associates - are governed by specific contracts. The following tables summarise the economic and financial relations between the Group and the other related parties during the financial years 2023 and 2022 (the values are shown in Euro thousands):

## RECEIVABLES FROM RELATED PARTIES

EURO THOUSANDS	2023				2022			
	FINANCIAL RECEIVABLES	TRADE RECEIVABLES	OTHER RECEIVABLES	RIGHTS OF USE (IFRS 16)	FINANCIAL RECEIVABLES	TRADE RECEIVABLES	OTHER RECEIVABLES	RIGHTS OF USE (IFRS 16)
<b>Parent Company</b>	-	15	188	-	-	-	-	-
Finaosta S.p.A.	-	15	188	-	-	-	-	-
<b>Associated Companies</b>	<b>6,369</b>	<b>2</b>	<b>-</b>	<b>-</b>	<b>7,006</b>	<b>4</b>	<b>-</b>	<b>-</b>
Téléchauffage Aoste S.r.l.	6,369	2	-	-	7,006	4	-	-
<b>Other companies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Finaosta Group Companies</b>	<b>-</b>	<b>3,943</b>	<b>124</b>	<b>1,463</b>	<b>-</b>	<b>4,513</b>	<b>401</b>	<b>-</b>

Monterosa S.p.A.	-	1,005	-	-	-	1,139	-	-
Pila S.p.A.	-	707	-	-	-	1,106	82	-
Cervino S.p.A.	-	957	-	-	-	978	149	-
Courmayeur Mont Blanc Funivie S.p.A.	-	648	-	-	-	618	79	-
Funivie Piccolo San Bernardo S.p.A.	-	256	-	-	-	520	-12	-
FUNIVIE MONTE BIANCO S.P.A.	-	68	-	-	-	128	103	-
AEROPORTO VALLE D'AOSTA S.P.A.	-	83	-	-	-	-	-	-
STRUTTURA VALLE D'AOSTA S.R.L.	-	53	116	1,397	-	24	-	-
AUTOPORTO VALLE D'AOSTA S.P.A.	-	104	-	52	-	-	-	-
IN.VA S.P.A.	-	53	-	-	-	-	-	-
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES S.r.l.	-	8	-	-	-	-	-	-
S.A.V. S.p.a.	-	-	8	14	-	-	-	-
<b>Valle d'Aosta Region and its investees</b>	-	<b>843</b>	<b>566</b>	<b>4</b>	-	<b>529</b>	<b>571</b>	<b>1</b>
Valle d'Aosta Region	-	568	566	4	-	362	571	1
Council of the Valle d'Aosta Region	-	32	-	-	-	25	-	-
Casinò de la Vallée	-	165	-	-	-	77	-	-
AVDA S.p.A.	-	52	-	-	-	32	-	-
VALECO S.P.A.	-	-22	-	-	-	-	-	-
Other companies controlled by the Valle d'Aosta Region	-	48	-	-	-	32	-	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	-	<b>5</b>	<b>-</b>	<b>-</b>	-	<b>6</b>	<b>-</b>	<b>-</b>
Directors	-	3	-	-	-	2	-	-
Executives	-	3	-	-	-	4	-	-
Auditors	-	-	-	-	-	-	-	-
<b>Other related parties</b>	-	<b>-</b>	<b>177</b>	<b>-</b>	-	<b>1</b>	<b>45</b>	<b>-</b>
<b>TOTAL</b>	<b>6,369</b>	<b>4,808</b>	<b>1,055</b>	<b>1,467</b>	<b>7,006</b>	<b>5,053</b>	<b>1,017</b>	<b>1</b>

## PAYABLES TO RELATED PARTIES

EURO THOUSANDS	2023			2022		
	COMPANY	TRADE PAYABLES	FINANCIAL PAYABLES AND IFRS 16	OTHER PAYABLES	TRADE PAYABLES	FINANCIAL PAYABLES AND IFRS 16
<b>Parent Company</b>	-	-	179	-	-	-
Finaosta S.p.A.	-	-	179	-	-	-
<b>Associated Companies</b>	-	-	-	-	-	-
Le Brasier S.r.l.	-	-	-	-	2	-
<b>Other companies</b>	-	-	-	-	-	-
<b>Finaosta Group Companies</b>	<b>88</b>	<b>1,425</b>	<b>17</b>	<b>43</b>	<b>299</b>	<b>-</b>
Autoporto VALLE D'AOSTA S.P.A.	54	54	-	-	-	-
ISECO S.P.A.	-	-	-	43	-	-
STRUTTURA VALLE D'AOSTA S.R.L.	34	1,371	-	-	299	-
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES S.r.l.	-	-	9	-	-	-
IN.VA S.P.A.	-	-	8	-	-	-
<b>Valle d'Aosta Region and its investees</b>	<b>11</b>	<b>-</b>	<b>6,147</b>	<b>122</b>	<b>2</b>	<b>17</b>
Valle d'Aosta Region	-	-	5,873	-	2	17
FUNIVIE MONTE BIANCO S.P.A.	-	-	-	75	-	-
CASINO DE LA VALLEE S.P.A.	1	-	-	7	-	-
Valeco S.p.A.	-	-	-	23	-	-
S.A.V. S.p.a.	-	-	-	1	-	-
Pila S.p.a.	-	-	275	-	-	-
Other companies controlled by the Valle d'Aosta Region	10	-	-	16	-	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>-</b>	<b>-</b>	<b>119</b>	<b>-</b>	<b>-</b>	<b>89</b>
Directors	-	-	45	-	-	23
Auditors	-	-	74	-	-	66
Executives	-	-	-	-	-	-



## REVENUES AND OTHER INCOME WITH RELATED PARTIES

EURO THOUSANDS	2023			2022		
	COMPANY	REVENUES FROM SALES AND SERVICES	OTHER REVENUES AND INCOME	FINANCIAL INCOME	REVENUES FROM SALES AND SERVICES	OTHER REVENUES AND INCOME
<b>Parent Company</b>	95	9	-	69	-	-
Finaosta S.p.A.	95	9	-	69	-	-
<b>Associated Companies</b>	6	-	404	-	-	245
Téléchauffage Aoste S.r.l.	6	-	224	-	-	245
Bonifiche Ferraresi S.p.A.	-	-	180	-	-	-
<b>Other companies</b>	-	-	2	-	-	-
<b>Finaosta Group Companies</b>	12,200	355	-	12,043	187	-
Cervino S.p.A.	3,012	140	-	2,979	107	-
Monterosa S.p.A.	3,097	98	-	3,098	80	-
Funivie Piccolo San Bernardo S.p.A.	1,348	-	-	1,328	-	-
Pila S.p.A.	1,869	-	-	1,789	-	-
Courmayeur Mont Blanc Funivie S.p.A.	1,483	-	-	1,576	-	-
Funivie Monte Bianco S.p.A.	694	-	-	535	-	-
STRUTTURA VALLE D'AOSTA S.R.L.	298	6	-	262	-	-
ISECO S.p.A.	187	-	-	89	-	-
AUTOPORTO VALLE D'AOSTA S.p.A.	158	111	-	117	-	-
SOCIÉTÉ INFRASTRUCTURES VALDÔTAINES	53	-	-	-	-	-
Società di servizi Valle d'Aosta S.p.a.	1	-	-	270	-	-
<b>Valle d'Aosta Region and its investees</b>	4,987	349	-	3,215	327	-
Valle d'Aosta Region	2,583	30	-	2,016	29	-
Council of the Valle d'Aosta Region	40	299	-	-	298	-
Casino de la Vallée	1,995	-	-	963	-	-
SITRASB S.p.A.	132	-	-	64	-	-
IN.VA S.P.A.	193	20	-	137	-	-
AVDA S.p.A.	44	-	-	-	-	-
S.A.V. S.p.a.	-	-	-	57	-	-

Other companies controlled by the Valle d'Aosta Region	-	-	-	(22)	-	-
<b>Other related parties</b>	<b>4</b>	<b>-</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>-</b>
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>14</b>	<b>9</b>	<b>-</b>	<b>12</b>	<b>16</b>	<b>-</b>
Directors	7	-	-	5	2	-
Executives	1	9	-	1	14	-
Auditors	94	-	-	6	-	-
<b>TOTAL</b>	<b>17,393</b>	<b>721</b>	<b>406</b>	<b>15,349</b>	<b>530</b>	<b>245</b>

### COSTS AND OTHER EXPENSES WITH RELATED PARTIES

EURO THOUSANDS	2023		2022	
	OPERATING COSTS	AMORTISATION, DEPRECIATION AND INTEREST IFRS 16	OPERATING COSTS	AMORTISATION, DEPRECIATION AND INTEREST IFRS 16
<b>Parent Company</b>	-	-	-	-
Finaosta S.p.A.	-	-	-	-
<b>Associated Companies</b>	<b>30</b>	<b>-</b>	<b>-</b>	<b>-</b>
Téléchauffage Aoste S.r.l.	30	-	-	-
<b>Other companies</b>	<b>404</b>	<b>1</b>	<b>73</b>	<b>-</b>
<b>Finaosta Group Companies</b>	<b>111</b>	<b>139</b>	<b>76</b>	<b>86</b>
Cervino S.p.A.	1	-	1	-
Funivie Piccolo San Bernardo S.p.A.	35	-	-	-
Funivie Monte Bianco S.p.A.	-	-	75	-
STRUTTURA VALLE D'AOSTA S.R.L.	6	130	-	86
ISECO S.p.A.	-	-	-	-
AUTOPORTO VALLE D'AOSTA S.p.A.	69	9	-	-
<b>Valle d'Aosta Region and its investees</b>	<b>25,341</b>	<b>4</b>	<b>18,566</b>	<b>2</b>
Valle d'Aosta Region	25,239	2	18,494	2
IN.VA S.P.A.	65	-	40	-
R.A.V. S.P.A.	12	-	11	-
SAV	26	2	21	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>1,367</b>	<b>-</b>	<b>1,073</b>	<b>-</b>
Directors	164	-	150	-
Executives	1,118	-	838	-
Auditors	85	-	84	-
<b>TOTAL</b>	<b>27,253</b>	<b>144</b>	<b>19,787</b>	<b>87</b>

### RELATIONS WITH THE PARENT COMPANY

The main contract with FINAOSTA concerns the supply of electricity through CVA ENERGIE. During the year, CVA received a grant from the Parent Company for the Project "BESS-2L", which aims to apply Second Life Batteries for Energy Storage in Renewable Energy Source Plants.

### RELATIONS WITH ASSOCIATES

The nature of relations with associated companies is related to the following aspects:

- financial transactions: interest-bearing loans granted by CVA to associated companies;
- commercial relations: supply of electricity through CVA ENERGIE, according to the normal market conditions applied to the majority of customers.

### RELATIONS WITH OTHER RELATED PARTIES

Pursuant to IAS 24, related parties also include the subsidiaries and associated companies of FINAOSTA, the Region and its subsidiaries, as well as the directors, executives with strategic responsibilities and statutory auditors of CVA, as Parent Company, and of FINAOSTA. The relations with these parties are mainly of a commercial nature, related to the supply of electricity, as well as compensation for the services performed by the directors, by the executives with strategic responsibilities and auditors with respect to CVA. In the specific case of the Region, the main economic relationship arises from the economic relationship between the concessionaire and the granter with regard to hydroelectric concessions. The fees due to the Region for the exploitation of water for hydroelectric purposes are, in fact, of paramount importance with their value of Euro 25,040 thousand.

It should be noted that the accounting treatment as required by IFRS 16 has led to the emergence of fixed assets and financial liabilities attributable to lease contracts with related parties. Specifically, these are fees for crossings due to the Region.

Furthermore, as regards the members of the Board of Directors, there are no further relations in addition to the offices held in CVA and from which the related remuneration and economic benefits derive.

It should be noted that in November 2023, to the Chair of the Board of Statutory Auditors of CVA, the Company invoiced, on the basis of a contract signed on 10 May 2022, services related to energy efficiency and building renovation works for a total amount, gross of discounts and net of VAT, of Euro 87,539. At the end of the financial year 2023, the invoices were fully paid.

## OTHER INFORMATION

### INDEPENDENT AUDITORS' FEES

Pursuant to article 2427 paragraph 1 point 16-bis of the Civil Code, below is information concerning the fees paid to the independent auditors for the audit of these financial statements, the signing of the related tax returns and the certification of the Separate Annual Accounts for ARERA. These fees will flow into the 2024 financial statements:

AMOUNTS IN EURO			
TYPE OF SERVICES	SERVICE PROVIDER	PARENT COMPANY	OTHER GROUP COMPANIES
Statutory audit	EY S.p.A.	34,943	227,647
	Deloitte S.p.a.	-	38,760
	Dott. Valerio Predaroli	-	832
	Dott. Marta Rossi	-	4,000
	Dott. Cesare Bortone	-	20,000
<b>Total Statutory Audit</b>		<b>34,943</b>	<b>291,239</b>
Other services other than auditing	EY S.p.A.	16,969	28,723
<b>Total fees paid to the independent auditors</b>		<b>51,912</b>	<b>319,962</b>

### COMMITMENTS, GUARANTEES AND CONTINGENT LIABILITIES

Below is a breakdown of the sureties and credit lines obtained and released by the Group on the date the note was prepared:

- the Parent Company has issued personal sureties for the benefit of suppliers to guarantee the correct fulfilment of all the contractual obligations of the subsidiaries, for a total amount of Euro 247,068 thousand at 31 December 2022 (249,619 thousand at 31 December 2022). More specifically, at 31 December 2023, the main ones refer to personal guarantees issued for:
  - CVA ENERGIE for Euro 243,926 thousand;
  - DEVAL, as distributor of the Group, for Euro 1,353 thousand;
  - CVA EOS for Euro 1,789 thousand;
- the Parent Company has issued personal sureties to guarantee the correct fulfilment of all the contractual obligations of the associated company TELCHA for Euro 944 thousand (Euro 944 thousand at 31 December 2022)
- there were Euro 106,610 thousand (Euro 66,792 at 31 December 2022) for sureties issued by leading banking and insurance institutions to guarantee the correct fulfilment of all contractual obligations to suppliers and all tax obligations of Group companies.
- These amount to Euro 6,984 thousand and mainly refer to the company

RS Service and concern guarantees issued in favour of third-party companies in connection with tender and subcontracting contracts for contract work. Specifically, sureties were issued for advance payment bonds, performance bonds and warranty bonds.

### INFORMATION PURSUANT TO ARTICLE 1, PARAGRAPH 125, OF THE LAW OF 4 AUGUST 2017 NO. 124

Law 124 of 4 August 2017, Article 1, paragraphs 125-129 (Annual Law on the Market and Competition), introduced new disclosure requirements regarding the transparency of public funding received and granted. This discipline has recently been modified by Art. 35 of Decree-Law No. 34/2019 ("Growth Decree"), which has limited the obligations of transparency, excluding from the perimeter the advantages received by the beneficiary on the basis of a general regime (tax facilitations, contributions that are given to all those who meet certain conditions). The transparency rules of Law No. 124/2017 are therefore focused on bilateral relations, in which a given entity in the public sphere attributes an advantage to a particular entity in the third sector or to a specific company. As a result of this new legislation, tax facilitations were not taken into account, as they were general and not individual measures. The reporting criterion to be followed is the "cash criterion". Contributions are expressed gross of any withholding and/or other compensation. In light of the above, the grants (contributions, paid tasks, economic benefits) received by public administrations are summarised below.

BENEFICIARY	DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
CVA S.p.A.	GSE S.p.A.	113,370.81	GRIN incentive - Convention 000023	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	49,691.42	GRIN incentive - Convention 000648	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	49,993.01	GRIN incentive - Convention 001579	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	54,257.99	Feed-In Tariff - Convention S01L232266707	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	54,202.82	Feed-In Tariff - Convention H01L229497207	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	38,143.79	Feed-In Tariff - Convention S01L232264707	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	128,808.73	Feed-In Tariff - Convention H01F10829207	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	38,191.47	Feed-In Tariff - Convention S01L242645207	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	109,824.00	Feed-In Tariff - Convention H01F11146607	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	4,941.20	Feed-In Tariff - Convention S01B00319806	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	39,833.45	Feed-In Tariff - Convention S01L232264007	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	155,155.22	Feed-In Tariff - Convention H01F11430307	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	175,498.48	Feed-In Tariff - Convention H01F11146807	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	38,865.44	Feed-In Tariff - Convention S01L232259507	Incentive published on the website of GSE

BENEFICIARY	DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
CVA S.p.A.	GSE S.p.A.	39,722.61	Feed-In Tariff - Convention S01L232261007	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	112,744.91	Feed-In Tariff - Convention H01F10827507	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	55,454.25	Feed-In Tariff - Convention S01L244972507	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	153,427.42	Feed-In Tariff - Convention H01F10828407	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	151,413.50	Feed-In Tariff - Convention H01F10828007	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	32,756.02	Feed-In Tariff - Convention S01F10764307	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	54,272.17	Feed-In Tariff - Convention S01L242987407	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	35,864.65	Feed-In Tariff - Convention S01L232277807	Incentive published on the website of GSE
CVA S.p.A.	GSE S.p.A.	36,595.17	Incentive tariff - Convention FER000672	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	597,953.03	GRIN incentive - Convention 001018	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	15,032.14	GRIN incentive - Convention 000624	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	50,301.76	GRIN incentive - Convention 000481	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	120,731.19	GRIN incentive - Convention 001036	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	112,074.54	Feed-In Tariff - Convention S01L232266707	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	109,679.21	Feed-In Tariff - Convention H01L229497207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	123,023.60	Feed-In Tariff - Convention S01L232264707	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	320,436.79	Feed-In Tariff - Convention H01F10829207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	113,938.21	Feed-In Tariff - Convention S01L242645207	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	366,870.30	Feed-In Tariff - Convention H01F11146607	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	126,621.54	Feed-In Tariff - Convention S01L232264007	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	333,984.54	Feed-In Tariff - Convention H01F11430307	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	276,127.89	Feed-In Tariff - Convention H01F11146807	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	130,948.61	Feed-In Tariff - Convention S01L232259507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	133,053.03	Feed-In Tariff - Convention S01L232261007	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	383,382.83	Feed-In Tariff - Convention H01F10827507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	110,681.58	Feed-In Tariff - Convention S01L244972507	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	330,586.38	Feed-In Tariff - Convention H01F10828407	Incentive published on the website of GSE

BENEFICIARY	DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
CVA EOS S.r.l.	GSE S.p.A.	328,098.15	Feed-In Tariff - Convention H01F10828007	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	63,733.19	Feed-In Tariff - Convention S01F10764307	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	111,829.66	Feed-In Tariff - Convention S01L242987407	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	112,397.36	Feed-In Tariff - Convention S01L232277807	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	243,002.55	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER001115	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	385,260.68	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER002202	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	394,938.13	RES incentive tariffs pursuant to Ministerial Decree 06/07/2012 - Convention FER002027	Incentive published on the website of GSE
CVA EOS S.r.l.	GSE S.p.A.	26,284.60	Dedicated collection - Convention RID010391	Incentive published on the website of GSE
CVA ENERGIE S.r.l.	C.S.E.A.	1,586.67	Adjustment of credit items deriving from the application of MT components - PPE and PCV accounts - TIV - Notes 26 Jan. - 27 Mar. - 26 Apr. - 26 May.	Incentive published on the website of CSEA
CVA ENERGIE S.r.l.	C.S.E.A.	146,490.87	Compensation mechanism for customers' exit Art. 20 of TIV - PCV account - (Res. 301/2012/R/eel) - note 27 Sept.	Incentive published on the website of CSEA
CVA ENERGIE S.r.l.	C.S.E.A.	198,834.73	Mechanism for compensating delinquencies of end customers Art. 19 of TIV - PCV account - Res. 301/2012/R/eel - note 26 July	Incentive published on the website of CSEA
CVA ENERGIE S.r.l.	C.S.E.A.	1,946.99	Compensation mechanism for arrears for fraudulent withdrawals Art. 18 of the TIV - PCV Account (Res. 301/2012/R/eel) - note 26 July.	Incentive published on the website of CSEA
CVA ENERGIE S.r.l.	C.S.E.A.	5,501.50	OGdS recognition mechanism Resolution 32/2021/R/eel - CMOG account - Notes 26 Oct.	Incentive published on the website of CSEA
CVA ENERGIE S.r.l.	TERNA S.p.A.	11,693,244.97	Production capacity availability provisioning (MiSE Decree 28 June 2019)	Reg. (EU) 2015/1589 procedural aid notified pursuant to Art. 108 TFEU - Granted on 25/03/2021, but collected in 2023. Incentive published on "rna.gov.it" (National Aid Register)
DEVAL S.p.A.	CSEA	5,535,384.52	Equalisation advances TIT 2022 - UC3 account	
DEVAL S.p.A.	CSEA	18,600.00	Adjustment of credit items charged to accounts relating to general system charges and other components	
DEVAL S.p.A.	CSEA	1,017,660.12	Extraordinary contribution for the achievement of specific targets for primary energy savings	
DEVAL S.p.A.	CSEA	605,193.28	Service continuity awards	

BENEFICIARY	DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
DEVAL S.p.A.	CSEA	1,143,235.80	TIV and TIT 2022 and prior year equalisation balances	
VALDIGNE ENERGIE S.r.l.	G.S.E. S.p.A.	218,538.38	GRIN incentive pursuant to Ministerial Decree 6 July 2012 - Convention 000543	Incentive published on the website of GSE
VALDIGNE ENERGIE S.r.l.	G.S.E. S.p.A.	99,503.39	GRIN incentive pursuant to Ministerial Decree 6 July 2012 - Convention 001048	Incentive published on the website of GSE
R.S. SERVICE S.r.l.	LIGURIA REGION	34,923.00	Provisions on the payment of IRAP. Tax exemptions and tax credits adopted as a result of the economic crisis caused by the COVID-19 outbreak [with amendments resulting from the decision SA. 62668 and decision C(2022) 171 final on HS 101076)	
SR INVESTIMENTI S.r.l.	GSE S.p.A.	413,814.62	Feed-In Tariff - Convention I08F31076207	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	357,820.77	Feed-In Tariff - Convention I08L31675407	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	474,516.41	Feed-In Tariff - Convention I08F23541707	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	417,892.62	Feed-In Tariff - Convention R01L236133307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	310,148.36	Feed-In Tariff - Convention T06L239494907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	214,439.53	Feed-In Tariff - Convention T06L237710807	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	209,796.16	Feed-In Tariff - Convention T06L236438907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	192,608.34	Feed-In Tariff - Convention T06L236456407	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	232,033.16	Feed-In Tariff - Convention T06L236475407	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	225,062.10	Feed-In Tariff - Convention T06L236804907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	149,824.11	Feed-In Tariff - Convention O06L251868607	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	81,523.96	Feed-In Tariff - Convention O06L251863307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	273,034.13	Feed-In Tariff - Convention I08L253694107	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	181,826.93	Feed-In Tariff - Convention I08L254521007	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	148,985.19	Feed-In Tariff - Convention H04L240207207	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	850,272.17	Feed-In Tariff - Convention L06F27077507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	162,683.35	Feed-In Tariff - Convention R01L259689307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	240,829.24	Feed-In Tariff - Convention L03L229623007	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	523,247.36	Feed-In Tariff - Convention E01F23629007	Incentive published on the website of GSE



BENEFICIARY	DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
SR INVESTIMENTI S.r.l.	GSE S.p.A.	541,649.09	Feed-In Tariff - Convention E01F22950607	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	441,835.05	Feed-In Tariff - Convention I08F26513507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	437,490.64	Feed-In Tariff - Convention I08F25082507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	473,167.65	Feed-In Tariff - Convention I08F26698507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	448,382.45	Feed-In Tariff - Convention I08F25181307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	453,855.54	Feed-In Tariff - Convention I08F25192007	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	391,130.70	Feed-In Tariff - Convention I08F25533107	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	424,925.25	Feed-In Tariff - Convention I08F29617307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	483,530.42	Feed-In Tariff - Convention I08L33736807	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	458,844.05	Feed-In Tariff - Convention I08F27837607	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	456,447.61	Feed-In Tariff - Convention I08F29463907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	469,578.05	Feed-In Tariff - Convention G04F11241907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	455,293.78	Feed-In Tariff - Convention G04F11626207	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	337,759.29	Feed-In Tariff - Convention L03M229769507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	403,144.60	Feed-In Tariff - Convention M01F16878207	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	757,326.15	Feed-In Tariff - Convention M01F23935507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	619,725.65	Feed-In Tariff - Convention M01F16771407	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	655,958.39	Feed-In Tariff - Convention M01F19666707	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	657,234.57	Feed-In Tariff - Convention M01F16734107	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	288,887.98	Feed-In Tariff - Convention M01F19667707	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	450,806.49	Feed-In Tariff - Convention M01F21601907	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	521,361.85	Feed-In Tariff - Convention M01F21600307	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	623,838.89	Feed-In Tariff - Convention M01F17362507	Incentive published on the website of GSE
SR INVESTIMENTI S.r.l.	GSE S.p.A.	706,185.16	Feed-In Tariff - Convention M01F19668007	Incentive published on the website of GSE

Please also refer to the information provided on the National State Aid Register, transparency section.

## ANNUAL FINANCIAL STATEMENTS

## FINANCIAL STATEMENTS

BALANCE SHEET ASSETS AND LIABILITIES					
AMOUNTS IN EURO	NOTES	2023		2022	
		TOTAL	OF WHICH RELATED PARTIES	TOTAL	OF WHICH RELATED PARTIES
<b>ASSETS</b>					
<b>Non-current assets</b>					
Tangible assets	(12) - (14)	292,468,385	-	354,846,858	-
Intangible assets	(13) - (14)	3,467,423	-	6,309,571	1,468
Goodwill	(15)	172,876,038	-	188,216,585	-
Equity investments	(16)	240,722,535	-	133,203,650	-
Non-current tax receivables	(23)	19,339,678	-	4,367,231	-
Deferred tax assets	(17)	5,436,206	-	10,844,352	-
Non-current financial assets	(18)	464,999,534	440,799,176	110,862,692	86,962,929
Other non-current assets	(19)	1,678,876	553,498	2,003,267	553,498
Trade receivables	(21)	89,708,691	-	25,036,822	-
<b>Total non-current assets</b>		<b>1,290,697,366</b>		<b>835,691,029</b>	
<b>Current assets</b>					
Inventories	(20)	1,673,674	-	1,669,936	-
Trade receivables	(21)	77,120,692	44,335,522	36,576,210	22,568,392
Receivables for income taxes	(22)	11,538,538	755,720	39,711,778	34,362,940
Other tax receivables	(23)	37,174,797	9,252,600	24,693,811	4,497,374
Derivatives	(24)	5,451,018	-	9,356,173	-
Other current financial assets	(25)	294,085,719	284,083,148	377,489,874	377,009,474
Other current assets	(26)	18,118,926	3,655,662	22,052,110	17,043
Cash and cash equivalents	(27)	325,522,282	-	220,283,591	-
<b>Total current assets</b>		<b>770,685,647</b>		<b>731,833,483</b>	
<b>Assets classified as held for sale</b>		-		-	
<b>TOTAL ASSETS</b>		<b>2,061,383,013</b>		<b>1,567,524,512</b>	

AMOUNTS IN EURO	NOTES	2023		2022	
		TOTAL	OF WHICH RELATED PARTIES	TOTAL	OF WHICH RELATED PARTIES
<b>SHAREHOLDERS' EQUITY</b>					
Share capital	(28)	395,000,000		395,000,000	-
Other reserves	(28)	347,552,909		412,987,131	-
Accumulated Profits/(Losses)	(28)	58,592,960		35,814,527	-
Net result of the year	(28)	205,877,394		59,776,772	-
<b>Total shareholders' equity</b>		<b>1,007,023,263</b>		<b>903,578,429</b>	-
<b>LIABILITIES</b>					
<b>Non-current liabilities</b>					
Employee benefits	(29)	2,537,987	-	2,518,670	-
Provisions for risks and charges	(30)	1,376,655	-	4,913,394	-
Deferred tax liabilities	(17)	14,712,024	-	22,697,725	-
Non-current financial liabilities	(31)	808,309,076	1,042,876	484,803,672	-
Other non-current liabilities		940,949	-	907,614	-
<b>Total non-current liabilities</b>		<b>827,876,691</b>		<b>515,841,075</b>	
<b>Current liabilities</b>					
Employee benefits	(29)	699,450	-	595,726	-
Trade payables	(34)	81,357,406	2,427,776	26,688,497	625,939
Payables for income taxes	(35)	36,021,595	33,959,141	32,118,294	2,159,844
Other tax payables	(36)	12,150,789	314	2,414,882	10,440
Derivatives	(24)	6,525,285	-	-	-
Other current financial liabilities	(31)	77,939,682	86,430	77,510,669	4,541,740
Other current liabilities	(37)	11,788,853	5,927,991	8,776,940	114,646
<b>Total current liabilities</b>		<b>226,483,059</b>		<b>148,105,008</b>	
<b>Liabilities related to assets held for sale</b>		-		-	
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,061,383,013</b>		<b>1,567,524,512</b>	

<b>INCOME STATEMENT</b>					
AMOUNTS IN EURO	NOTES	2023		2022	
		TOTAL	OF WHICH RELATED PARTIES	TOTAL	OF WHICH RELATED PARTIES
<b>Revenues</b>					
Revenues from sales and services	(1)	374,243,045	275,359,478	195,636,150	145,069,897
Other revenues and income	(2)	3,419,362	1,128,144	15,620,446	1,014,788
<b>TOTAL REVENUES (A)</b>		<b>377,662,408</b>		<b>211,256,596</b>	
of which: impact of non-recurring items		<b>221,912</b>		<b>428,483</b>	
<b>Operating costs</b>					
Costs for raw materials and services	(3)	103,897,016	1,890,206	54,009,418	3,766,195
Personnel costs	(4)	30,953,812	1,116,348	28,550,209	838,157
Other operating costs	(5)	80,634,548	24,386,625	42,899,422	18,317,744
Capitalised days of work	(6)	(1,610,213)	-	(1,627,483)	-
<b>TOTAL OPERATING COSTS (B)</b>		<b>213,875,164</b>		<b>123,831,566</b>	
of which: impact of non-recurring items		<b>34,213,687</b>		<b>3,520,775</b>	
<b>GROSS OPERATING MARGIN (A-B)</b>		<b>163,787,244</b>		<b>87,425,029</b>	
of which: impact of non-recurring items		<b>(33,991,775)</b>		<b>(3,092,292)</b>	
<b>Amortisation, depreciation, provisions and write-downs</b>					
Amortisation/Depreciation	(7)	26,009,144	28,570	33,992,307	1,468
Provisions and write-downs	(8)	277,610	-	(27,530)	-
<b>TOTAL AMORTISATION, DEPRECIATION, PROVISIONS AND WRITE-DOWNS (C)</b>		<b>26,286,754</b>		<b>33,964,777</b>	
of which: impact of non-recurring items		-		-	
<b>OPERATING RESULT (A-B+/-C)</b>		<b>137,500,489</b>		<b>53,460,252</b>	
of which: impact of non-recurring items		<b>(33,991,775)</b>		<b>(3,092,292)</b>	
<b>Financial management</b>					
Financial income	(9)	117,853,587	107,648,150	17,455,994	14,963,531
Financial expenses	(10)	3,181,721	31,902	(12,317,309)	92,873
<b>TOTAL FINANCIAL BALANCE (D)</b>		<b>114,671,866</b>		<b>29,773,303</b>	
of which: impact of non-recurring items		<b>20,496,967</b>		-	
<b>PRE-TAX RESULT (A-B+/-C+/-D)</b>		<b>252,172,356</b>		<b>83,233,555</b>	
of which: impact of non-recurring items		<b>(13,494,808)</b>		<b>(3,092,292)</b>	
Gains/(losses) for income taxes	(11)	46,294,962	(104,816)	23,456,783	-
<b>Net result of continuing operations</b>		<b>205,877,394</b>		<b>59,776,772</b>	
<b>Net result of discontinued operations</b>		-		-	
<b>PERIOD NET RESULT</b>		<b>205,877,394</b>		<b>59,776,772</b>	

<b>STATEMENT OF OTHER COMPREHENSIVE INCOME</b>			
<b>AMOUNTS IN EURO</b>	<b>NOTES</b>	<b>2023</b>	<b>2022</b>
Result of the period (A)	(28)	205,877,394	59,776,772
<b>Other components of the Comprehensive Income Statement that can be reclassified to the Income Statement in subsequent periods (net of the tax effect)</b>			
- Effective portion of changes in fair value of cash flow hedges		(27,216,817)	46,036,826
Total other components of Comprehensive Income that can be reclassified to the Income Statement in subsequent periods (net of the tax effect) (B)		(27,216,817)	46,036,826
<b>Other components of Comprehensive Income that cannot be reclassified to the Income Statement in subsequent periods (net of taxes)</b>			
- Remeasurement of liabilities for defined benefit plans for employees		(205,243)	417,884
Total other components of the Comprehensive Income Statement that cannot be reclassified to the Income Statement in subsequent periods (net of taxes) (C)		(205,243)	417,884
Total profit/(loss) recognised directly in equity (B+C)		(27,422,060)	46,454,709
Total profit recognised in the year (A+B+C)		178,455,334	106,231,481

## STATEMENT OF CHANGES IN EQUITY ITEMS

EURO	SHARE CAPITAL	LEGAL RESERVE	OTHER RESERVES	RESERVE FROM REMEASUREMENT FOR EMPLOYEE BENEFIT PLANS	CASH FLOW HEDGE RESERVE	ACCUMULATED PROFITS/(LOSSES)	NET RESULT OF THE YEAR	TOTAL
<b>At 01 January 2022</b>	395,000,000	55,000,185	258,376,131	(356,471)	1,188,397	35,814,527	112,324,680	857,347,448
<b>Allocation of 2021 profits/(losses)</b>								
- profits carried forward	-	5,616,234	46,707,946	-	-	-	(52,324,180)	-
- distribution of dividends	-	-	-	-	-	-	(60,000,500)	(60,000,500)
<b>Comprehensive profit/(loss) recognised in the year</b>								
- profits and losses recognised directly in equity	-	-	-	417,884	46,036,826	-	-	46,454,709
- profit for the year	-	-	-	-	-	-	59,776,772	59,776,772
<b>Other changes</b>	-	-	-	-	-	-	-	-
<b>At 31 December 2022</b>	395,000,000	60,616,419	305,084,077	61,412	47,225,223	35,814,527	59,776,772	903,578,429
<b>At 01 January 2023</b>	395,000,000	60,616,419	305,084,077	61,412	47,225,223	35,814,527	59,776,772	903,578,429
<b>Allocation of 2022 profits/(losses)</b>								
- profits carried forward	-	2,988,839	(41,001,000)	-	-	22,778,433	(25,767,272)	-
- distribution of dividends	-	-	-	-	-	-	(34,009,500)	(75,010,500)
<b>Comprehensive profit/(loss) recognised in the year</b>								
- profits and losses recognised directly in equity	-	-	-	(205,243)	(27,216,817)	-	-	(27,422,060)
- profit for the year	-	-	-	-	-	-	205,877,394	205,877,394
<b>Other changes</b>	-	-	-	-	-	-	-	-
<b>At 31 December 2023</b>	395,000,000	63,605,257	264,083,077	(143,831)	20,008,406	58,592,960	205,877,394	1,007,023,263

<b>CASH FLOW STATEMENT</b>		
AMOUNTS IN EURO	2023	2022
<b>A. Cash flows from operating activities (indirect method)</b>		
Profit (loss) of the year	205,877,394	59,776,772
Income taxes	46,294,962	23,456,783
Net financial interest expenses	(114,205,231)	(29,486,087)
Allocations and income provisions for risks and charges	(70,033)	253,071
Allocations and reversal to income of employee severance indemnity (TFR) and other benefits	486,407	235,765
Amortisation/Depreciation of fixed assets	26,009,144	33,992,307
Bad debts	277,610	(13,781)
Write-downs, revaluations and gains/losses	(261,484)	109,726
Result from shareholdings carried at equity	-	(301,301)
Other adjustments for non-monetary elements	-	-
<b>Cash flow after adjustments of non-monetary items</b>	<b>164,408,769</b>	<b>88,023,255</b>
<b>Changes in NWC</b>		
Decrease/(increase) in trade receivables net of write-downs	(105,493,961)	(17,296,783)
Increase/(decrease) in payables to suppliers	54,668,909	8,693,218
Increase/(decrease) in other current assets/liabilities	(24,589,934)	(75,984,280)
<i>of which: net taxes (paid)/reimbursed</i>	<i>(13,379,172)</i>	<i>(41,913,188)</i>
<b>Changes in NWC</b>	<b>(75,414,986)</b>	<b>(84,587,846)</b>
<b>Cash flow after changes in NWC</b>	<b>88,993,783</b>	<b>3,435,410</b>
<b>Other changes not included in changes in NWC</b>		
Net change in provisions for risks and charges	(1,750)	(142,836)
Net change in Employee severance indemnity (TFR) and other employee benefits	(518,841)	(723,985)
Change in other assets and liabilities not included in NWC	347,511	365,350
<b>Other changes not included in changes in NWC</b>	<b>(173,081)</b>	<b>(501,471)</b>
<b>Cash flow from operating activities (A)</b>	<b>88,820,702</b>	<b>2,933,939</b>
<b>B. Cash flows from investment activities</b>		
(Investments)/divestments - Tangible assets	(22,832,163)	(21,578,621)
(Investments)/divestments - Intangible assets	(1,299,436)	(610,071)
(Investments)/divestments - Equity investments and goodwill	(107,052,249)	(12,000,000)
(Investments)/divestments or repayments - Financial assets (current and non-current)	(371,806,893)	64,964,075
<b>Cash flows from investment activities (B)</b>	<b>(425,938,492)</b>	<b>30,775,383</b>
<b>C. Cash flows from financing activities</b>		
<b>Interest collected/(paid)</b>	<b>89,231,912</b>	<b>78,135,306</b>
<b>Borrowed capital</b>	<b>428,135,069</b>	<b>(54,373,247)</b>
Increase/(decrease) in financial assets/liabilities centralised treasury	91,724,000	(162,655,000)
New/(Repayment of) loans	336,411,069	108,281,753
<b>Equity</b>	<b>(75,010,500)</b>	<b>(60,000,500)</b>
Paid capital increase	-	-
(Capital redemption)	-	-
Other capital increases (decreases)	-	-
Change in receivables from shareholders	-	-
Sale (purchase) of treasury shares	-	-
Dividends (and interim dividends) paid	(75,010,500)	(60,000,500)
<b>Cash flow from financing activities (C)</b>	<b>442,356,481</b>	<b>(36,238,441)</b>
<b>Increase (decrease) in cash and cash equivalents (A ± B ± C)</b>	<b>105,238,691</b>	<b>(2,529,120)</b>
<i>Of which net cash and cash equivalents from extraordinary transactions</i>	<i>-</i>	<i>-</i>
<b>Cash and cash equivalents at 1 January</b>	<b>220,283,591</b>	<b>222,812,711</b>
<b>Cash and cash equivalents at 31 December</b>	<b>325,522,282</b>	<b>220,283,591</b>

## NOTES TO THE ANNUAL FINANCIAL STATEMENTS

### COMPANY INFORMATION

The Company and the CVA Group, of which it is the Parent Company, operate mainly in the electricity sector. The Company, which has the legal form of a Sole Shareholder Company, has its registered office in Via Stazione 31 in Châtillon (AO).

Since the prerequisites set forth in Article 2364 of the Civil Code and in compliance with the Articles of Association were met, we availed ourselves of the option to approve the financial statements within 180 days of the end of the financial year due to the new group perimeter, which was created with the extraordinary transactions implemented during the year and better detailed in the Report on Operations, to which we refer.

### FORM AND CONTENT OF THE FINANCIAL STATEMENTS

The Financial Statements of CVA for the year ended 31 December 2023 have been prepared on the basis of the business operating as a going concern and in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and approved by the European Union, as well as the legislative and regulatory provisions in force in Italy. IFRS refers to all the revised international accounting standards (IAS/IFRS), all the interpretations of the International Financial Reporting Interpretations Committee (IFRIC), previously referred to as the Standing Interpretations Committee (SIC).

In this regard, it is noted that the accounting standards and criteria applied to these financial statements comply with those adopted in the previous year, except for the "Accounting standards, amendments and interpretations approved and applied from 1 January 2023", to which reference is made.

The Company's Annual Financial Report has been prepared on a general historical cost basis, with the exception of items that under IFRS must or can be measured at fair value.

The Annual Financial Statements for the year ended 31 December 2023 consist of the Statement of Financial Position, the Income Statement, the Statement of the other components of the Comprehensive Income Statement, the Statement of Changes in Equity, the Cash Flow Statement and the related Notes to the Financial Statements.

In accordance with IAS 1 (Presentation of Financial Statements) comparative information included in the consolidated financial statements refers, unless otherwise indicated, to the previous year. Where a better representation has required a different reclassification of the items in the financial statements, the comparative information has been adapted accordingly.

The Statement of Financial Position, the Income Statement, the Statement of Other Comprehensive Income, the Statement of Changes in Equity, the Cash Flow Statement are presented in euros (without cents) and the notes to these separate financial statements in thousands of euros, unless otherwise indicated.

It is specified that for the Statement of Financial Position the classification of assets and liabilities is carried out according to the "current/non-current" crite-



tion with specific separation of assets and liabilities discontinued or destined to be sold.

An asset is considered current when:

- it is expected to be realised, or is held for sale or consumption, in the normal course of the operating cycle;
- it is held mainly for the purpose of negotiating it;
- it is expected to be realised within twelve months of the closing date of the year;
- it consists of cash or cash equivalents unless it is forbidden to exchange it or use it to settle a liability for at least twelve months from the closing date of the financial year.

All other assets are classified as non-current.

Similarly, a liability is considered current when:

- it is expected to be settled in its normal operating cycle;
- it is held mainly for the purpose of negotiating it;
- it must be settled within twelve months of the closing date of the year;
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months of the closing date of the year.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified respectively as non-current assets and liabilities.

The Income Statement is classified according to the nature of costs, as this form of presentation is considered more appropriate for representing the Company's specific business, complies with internal reporting procedures and is in line with the practices of the reference industrial sector. In addition to the Operating Result, the Income Statement shows the Gross Operating Margin obtained by subtracting total operating costs from total revenues.

The Statements of Comprehensive Income include the profit or loss for the year as shown in the separate income statements and all other non-owner changes in equity;

The Cash Flow Statement has been prepared by presenting cash flows from operating activities according to the "indirect method", as permitted by IAS 7 (Statement of Cash Flows).

Furthermore, in the separate Income Statement, income and expenses relating to transactions, which by nature do not occur during normal operation (non-recurring transactions) have been specifically identified and their impact has been shown separately, when they are significant.

In the financial statements, the amounts relating to positions or transactions with related parties have been shown separately.

## SUMMARY OF ACCOUNTING STANDARDS ADOPTED

The accounting principles and valuation criteria adopted in the preparation of the CVA annual financial statements are consistent with those adopted in the preparation of the CVA Group's Consolidated Annual Financial Report, to which reference should be made, except for the recognition and valuation of investments in subsidiaries and associates.

Investments in subsidiaries are valued in the Separate Financial Statements according to the purchase cost method, possibly reduced in the event of capital distribution, or in the presence of impairment losses determined by impairment testing. Should the portion of losses of the investee attributable to the Company exceed the carrying value of the investment, the value of the investment is set to zero, and the excess share of the loss is recognised among liabilities as a provision in the event the Company is responsible for said liability. The cost is restored in subsequent periods if the reasons for the impairment should cease to apply.

The companies in which CVA exercises control are controlled, as required by IFRS 10 - Consolidated Financial Statements, as it is exposed or entitled to variable returns deriving from its relation with the investee and at the same time has the ability to affect these returns by exercising its power over the entity itself.

Investments in associated companies are recognised according to the equity method. The carrying value is therefore equal to the purchase cost adjusted for subsequent changes in the share of the investee's equity and written down for impairment losses.

The companies in which CVA exercises significant influence are associated; significant influence means the power to participate in determining the financial and operating policies of the investee without having control or joint control.

## USE OF ESTIMATES

With reference to the use of accounting estimates in preparation of the annual financial statements of CVA, reference is made to as illustrated in the specific section of the notes to the Consolidated Annual Financial Report of the CVA Group.

## RECENTLY ISSUED ACCOUNTING STANDARDS

With reference to the recently applied accounting standards, reference is made to as illustrated in the specific section of the notes to the Consolidated Annual Financial Report of the CVA Group.

## INFORMATION ON THE INCOME STATEMENT OF THE COMPANY

The breakdown of the main items of the Income Statement is provided below. The following tables, unless otherwise indicated, show the figures in thousands of Euro. The acronym "OTHER RES", used in the remainder of the document, refers to values attributable to non-hydroelectric renewable source plants.

## 1. REVENUES FROM SERVICES

The breakdown of the item Revenues from services is shown in the following table:

EURO THOUSANDS	2023					2022				
	HYDROELECTRIC PRODUCTION	PRODUCTION OTHER RES	ENERGY EFFICIENCY	OTHER	TOTAL	HYDROELECTRIC PRODUCTION	PRODUCTION OTHER RES	ENERGY EFFICIENCY	OTHER	TOTAL
<b>REVENUES FROM SALES AND SERVICES</b>	<b>265,903</b>	<b>45</b>	<b>98,605</b>	<b>9,690</b>	<b>374,243</b>	<b>131,161</b>	<b>23,374</b>	<b>31,610</b>	<b>9,491</b>	<b>195,636</b>
Sale of electricity	259,563	-	-	1	259,564	120,451	22,994	-	-	143,445
Fees for use of the system	5,172	-	-	-	5,172	4,816	-	-	-	4,816
Disposal of energy certificates/ securities	874	45	-	-	919	5,621	256	-	-	5,876
Provision of services	295	-	98,605	9,688	108,589	273	124	31,610	9,491	41,498

Revenues from sales and services totalled Euro 374,243 thousand in 2023, an increase of Euro 178,607 thousand compared to the previous year (Euro 195,636 thousand in 2022), mainly attributable to the sale of electricity and the provision of services.

Revenues from the sale of electricity totalled Euro 259,564 thousand in the year 2023 (Euro 143,445 thousand in 2022) and are mainly composed of the sale of electricity to wholesalers, including CVA ENERGIE (Euro 259,285 thousand in 2023). The electricity sold in 2023 is entirely generated by the hydroelectric plants, whereas in the previous year, a portion of the revenues (Euro 22,994 thousand) came from the photovoltaic and wind plants, which were transferred to the subsidiary CVA EOS S.r.l. effective 1 January 2023. The increase in this revenue item is a consequence of both the price increase and the increase in production (about 2.5 TWh in 2023 versus about 2 TWh in 2022).

GWH	
PLANT	PRODUCTION 2023
AVISE	324
QUART	154
VALPELLINE	318
SIGNAYES	179
NUS	14
SAINT CLAIR	122
PERRERES	13
MAEN	82

COVALOU	112
CHÂTILLON	51
MONTJOVET	168
HONE	86
CHAMPDEPRAZ	11
ISOLLAZ	79
BARD	23
GRESSONEY	19
SENDREN	25
ZUINO	58
PONT ST. MARTIN	145
ISSIME	12
CHAMPAGNE 2	136
CHAMPAGNE 1	54
CHAVONNE	115
AYMAVILLES	47
GRAND EYVIA	9
HONE 2	43
QUINCINETTO 2	91
VERRES	38
<b>Total Production</b>	<b>2,528</b>

Revenues for services amounted to Euro 108,589 thousand in FY2023 (Euro 41,498 thousand in FY2022) and mainly include revenues for services outsourced to subsidiaries and revenues generated by the energy requalification of buildings in which CVA has assumed the role of General Contractor, to which the positive change in this item between FY2023 and FY2022 (amounting to Euro 67,090 thousand) should be attributed. It should be noted that, in accordance with as indicated in the sections dedicated to the "Summary of the main accounting standards adopted in preparing the Financial Statements" and the use of "Significant accounting estimates", the revenue shown here corresponds exclusively to that attributable to operating activities, as the financial component has been duly separated. These revenues, accrued on the progress of an obligation to do, were valued using the "output" method by taking as a reference the Work Progress States for which the right to invoice the customer contractually accrued. To these was added a portion of revenues, which, in the absence of a certain right to invoicing by lacking customer approval on the Progress States, were recognised up to the amount of the external costs incurred (thus without recognition of margins).

The "sale of energy certificates/securities" equal to Euro 919 thousand in 2023 (Euro 5,876 thousand in 2022) includes the proceeds from the sale of guarantee of origin certificates ("GO" certificates) to CVA ENERGIE for a total of 398,563 certificates. The portion not yet sold is entered in inventories at pro-

duction cost, which is to be considered nil. The reduction in value compared to the previous year, although in a context of rising prices, is mainly attributable on the one hand, to the loss of revenue from the photovoltaic and wind power plants, which were transferred effective 1 January 2023 to the subsidiary CVA EOS S.r.l., on the other hand, the non-disposal of all certificates produced in the financial year (which will be disposed of in year 2024).

Revenues also include the fees received from CVA ENERGIE and related to the latter's participation in the Capacity Market, for which, in 2019, it was the successful bidder in the Capacity Market auctions by offering the production capacity of CVA plants, as the dispatching manager. The agreements between the parties foresaw, in the event of the award, a payment to CVA of a consideration equal to 50% of the net consideration received from CVA ENERGIE. For 2023, these fees amounted to Euro 5,172 thousand.

## 2. OTHER OPERATING REVENUES AND INCOME

The breakdown of the item "Other operating revenues and income" is shown in the following table:

EURO THOUSANDS	2023					2022			
	HYDROELECTRIC PRODUCTION	PRODUCTION OTHER RES	ENERGY EFFICIENCY	OTHER	TOTAL	HYDROELECTRIC PRODUCTION	PRODUCTION OTHER RES	OTHER	TOTAL
<b>OTHER OPERATING REVENUES AND INCOME</b>	<b>914</b>	<b>48</b>	<b>205</b>	<b>2,252</b>	<b>3,419</b>	<b>4,161</b>	<b>9,442</b>	<b>2,018</b>	<b>15,620</b>
Leases of properties	-	-	-	1,440	1,440	-	-	1,367	1,367
Operating contributions		8	9	226	243	3,524	9,043	433	13,000
Capital contributions	30	-	-	39	69	29	-	36	65
Others	884	40	196	547	1,667	608	399	182	1,189

The item leases of properties amounted to Euro 1,440 thousand in 2023 (Euro 1,367 thousand in 2022). This item mainly refers to the lease income from the real estate units owned by CVA site in various Municipalities of Valle d'Aosta. Euro 848 thousand in lease payments received from related parties of CVA, also including Group companies. Pursuant to IFRS 16, the contracts have all been classified as operating leases.

Operating grants amounted to Euro 243 thousand in 2023 (Euro 13,000 thousand in 2022) and includes, for the Corporate segment, the contributions received in the form of tax credits for the increase in the cost of electricity consumed in its business for the first half of the year (Euro 226 thousand), while for the other divisions the incentives received from the GSE on photovoltaic production relating to the Fotochat plant (Euro 8 thousand in 2023); the reduction in these contributions is attributable to the transfer of the photovoltaic and wind plants to CVA EOS S.r.l. as of 1 January 2023.

Capital contributions relate primarily to the accrued portion of tax benefits on investments.

The item “other revenues” amounted to Euro 1,667 thousand in 2023 (Euro 1,189 thousand in 2022), and consists of the following:

EURO THOUSANDS	2023	2022
<b>Other revenues and income</b>	<b>1,667</b>	<b>1,189</b>
Insurance refunds, indemnities and penalties receivable	578	568
Proceeds from the sale of miscellaneous material	303	20
Refunds for water abstraction	238	187
Trigeneration Plant Lease	196	-
Fees for precarious concessions and third-party power plant maintenance	74	115
RAVA fibre optic maintenance fees	70	70
Contingent assets	32	117
Awards recognised by suppliers	1	29
Others	175	82

Indemnities refer to insurance reimbursements and settlements for damages incurred and penalties applied to suppliers.

Proceeds from the sale of miscellaneous material refer mainly to the sale of multimedia equipment as part of a sponsorship contract.

Reimbursements for drawing water are equal to the amounts owed by the ski lift operating companies for drawing the water needed for snowmaking.

The trigeneration plant lease refers to a plant built by the company, and leased to third parties, which was then sold at the end of the financial year.

### 3. COSTS FOR RAW MATERIALS AND SERVICES

Costs for raw materials and services totalled Euro 103,897 thousand in 2023 (Euro 54,009 thousand in 2022) and the breakdown is as follows:

EURO THOUSANDS	2023	2022
<b>COSTS FOR RAW MATERIALS AND SERVICES</b>	<b>103,897</b>	<b>54,009</b>
Costs for raw materials	3,001	3,996
Costs for services	100,538	49,678
Costs for rents and leases	358	336

#### Costs for raw materials

The breakdown of the item “costs for raw materials” is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>Costs for raw materials</b>	<b>3,001</b>	<b>3,996</b>
Electricity for auxiliary services	1,259	2,668
Raw and ancillary materials and consumables	1,521	1,071
Others	221	257

Energy for auxiliary services represents the expense for the purchase of energy for the operation of the plants and is decreased due to the decrease in raw material prices.

Expenses for purchases of raw materials, ancillary materials, consumables and goods amounted to Euro 1,521 thousand in 2023 (Euro 1,071 thousand at the end of the previous year). This item includes expenses typically related to plant components.

Expenses for other raw materials are made up of the costs for the purchase of fuels used by the company's fleet of vehicles and by the generators of hydro-electric plants (necessary to supply the auxiliary services of the plant in the event of the lack of other sources of power) and the costs for the imbalances between the energy fed into the network and that declared in the programs communicated to Terna.

### Costs for services

The breakdown of the item "costs for services" is shown in the following table:

EURO THOUSANDS	2023	2022
<b>Costs for services</b>	<b>100,538</b>	<b>49,678</b>
Professional subcontracting contracts for energy efficiency	83,188	28,513
Management, legal, tax and administrative consultancy	3,237	3,516
Maintenance	2,642	4,734
Insurance	2,451	2,739
Costs for ICT services - IT services	1,857	1,948
Regarding personnel	1,262	1,151
Telephone and data transmission services	1,155	1,144
Representation	1,036	707
Professional services	925	2,394
Advertising	495	314
Car park management expenses	458	291
Fees for Directors, Auditors, SB and Independent Auditors	377	334
Utilities (water, gas, electricity)	350	571
Business trips and transfers	65	38
Costs for bank and postal services	18	27
Services from Group Companies	1	222
Other costs for services	1,021	1,036

The breakdown of the individual items mainly consists of:

- **professional subcontracting contracts** for energy efficiency in the amount of Euro 83,188 thousand (Euro 28,513 thousand in 2022). This item, to which the increase recorded in the year in the cost of services is substantially attributable, includes charges for services subcontracted as part of the civil building redevelopment activities on behalf of third parties, mentioned above;
- **management, legal, tax and administrative consultancy:** amounted to Euro 3,237 thousand (Euro 3,516 thousand in the previous year) and included all costs related to external consultancy on management and business organisation issues and on legal, tax and administrative matters, also in connection with the performance of due diligence for the acquisition of assets or business units;
- **maintenance:** amounted to Euro 2,642 thousand (previously Euro 4,734 thousand). They include the costs of maintaining machinery, plant and property. The decrease is due to the sale of the wind and photovoltaic plants to CVA EOS S.r.l.;
- **costs for insurance services:** amount to Euro 2,451 thousand (Euro 2,739 thousand in 2022), deriving mainly from the charges for the RC and "All Risk" insurance coverage of the plants, for a total of Euro 1,352 thousand, decreasing by Euro 456 thousand due to the sale of the wind and photovoltaic plants to CVA EOS Srl; the premiums due for third-party civil liability coverage increased, from Euro 615 thousand in 2022 to Euro 800 thousand in the current financial year, as a result of the subscription of new insurance coverage policies;
- **costs for Information & Communication Technology services:** amounted to Euro 1,857 thousand (Euro 1,948 thousand in 2022). They refer to the assistance services of IT systems, hardware and software maintenance;
- **personnel-related costs:** these include charges relating to personnel management and all costs for services provided to all employees. They amounted to Euro 1,262 thousand (Euro 1,151 thousand in the past year) referable for Euro 650 thousand to catering services, for Euro 29 thousand to administrative consultancy regarding personnel, for Euro 354 thousand to expenses related to the participation and organisation of training activities for employees, for Euro 64 thousand to medical expenses and for Euro 144 thousand to services recognised to temporary employment agencies;
- **telephone expenses and data transmission services:** amounted to Euro 1,155 thousand (Euro 1,144 thousand in 2022). These refer to fees and maintenance of fixed and mobile telephone networks;
- **entertainment expenses:** these amount to Euro 1,036 thousand, an increase compared to Euro 707 thousand in the previous year. These are costs incurred mainly for initiatives to improve corporate image in the target territory;



- **professional services** for a total of Euro 925 thousand (Euro 2,394 thousand in 2022), attributable, inter alia, to:
  - professional services and technical consultancy for Euro 407 thousand;
  - costs for research activities, laboratory analyses and environmental monitoring of Euro 297 thousand;
  - costs for performance tests on plants for Euro 161 thousand;
  - costs for miscellaneous technical services for Euro 15 thousand;
  - expenses for environment study services for Euro 24 thousand;
- **expenses for Advertising:** amounted to Euro 495 thousand (Euro 314 thousand in 2022). They refer to advertisements in major industry and local newspapers, sponsorship of events, as well as social campaigns on major social networks;
- **expenses for car park management:** totalled Euro 458 thousand (Euro 291 thousand in 2022) and refer to repairs, maintenance, motorway tolls of company cars as well as the fleet management service included in the rental of the company fleet;
- **costs for fees paid to directors, statutory auditors, supervisory body and Independent Auditors:** totalled Euro 377 thousand (Euro 334 thousand in the previous year) and refer to:
  - for Euro 164 thousand to the expense for the fees due to the members of the Board of Directors;
  - for Euro 85 thousand to the expense for the fees due to the members of the Board of Statutory Auditors;
  - for Euro 11 thousand to the expense for emoluments due to the members of the Supervisory Body;
  - for Euro 117 thousand to costs for the work performed by the independent auditors.
- **utility expenses:** these amounted to Euro 350 thousand (compared to Euro 571 thousand in 2022) and include the costs of all active utilities, such as electricity, water and gas, serving capital and non capital buildings;
- **travel expenses of employees** and temporary workers for Euro 65 thousand;
- **expenses for banking and postal services** for Euro 18 thousand;
- **costs for other services:** amounted to Euro 1,021 thousand (Euro 1,036 thousand in the previous year) and refer to all other services used by the Company, including:
  - costs for services on internal and external areas related to snow removal, greening and other activities for Euro 291 thousand;
  - the fee to cover the management fees for the incentives due to

GSE S.p.A., according to Art. 21, paragraph 5 of Ministerial Decree 06/07/2012, for Euro 129 thousand;

- expenses for waste disposal of Euro 164 thousand;
- the costs incurred for the transport service of persons and/or materials by means of the use of qualified helicopters in places not reached by the road network for Euro 103 thousand;
- costs for the analysis activity aimed at the attribution of a financial reliability rating for Euro 111 thousand;
- fees for access to portals and databases of various kinds amounting to Euro 105 thousand;

#### Costs for rents and leases

At 31 December 2023, costs for rents and leases amounted to Euro 358 thousand (Euro 336 thousand in 2022) and are detailed as follows:

EURO THOUSANDS	2023	2022
<b>Costs for rents and leases</b>	<b>358</b>	<b>336</b>
Software licence fees	313	275
Car park rental fees	24	30
Others	21	31

The costs recorded in this item correspond to rentals on contracts excluded from the scope of application of IFRS 16 because they do not meet the requirements to be defined as leases or because, although classified as such, they have been excluded due to their duration of less than 12 months or their low unit value. Non-lease components (mainly non-deductible VAT) of lease contracts subject to IFRS 16 are also recorded in this item.

#### 4. PERSONNEL COSTS

The breakdown of personnel costs is shown in the following table:

EURO THOUSANDS	2023	2022
<b>PERSONNEL COSTS</b>	<b>30,954</b>	<b>28,550</b>
Wages and salaries	21,821	20,379
Social security contributions	7,032	6,420
Employee severance indemnity and other employee benefits	1,362	1,038
Other personnel costs	738	713

The item “personnel costs” totalled Euro 30,954 thousand in 2023 (Euro 28,550 thousand in 2022). The changes in the year are mainly attributable to the following aspects:

- the increase in the average number of employees and contract staff;

- the provision of the performance bonus;
- the application of the new contractual minimums and the payment of the one-off payment, as provided for with effect from July 2023 by the renewal of the collective contract for the electricity sector;
- the increase in INPS contribution rates for months in which the average number of employees over the previous 6 months exceeded 15.

Other personnel costs mainly include costs for supplementary health funds and insurance coverage offered to employees.

The table below shows the average number of employees during the years under review, broken down by category:

UNIT	2023	2022
Executives	4	3
Managers	43	45
Clerks	261	238
Workers	130	130
TOTAL	438	416

## 5. OTHER OPERATING COSTS

At 31 December 2023, other operating costs amounted to Euro 80,635 thousand (Euro 42,899 thousand in 2022) and are broken down as follows:

EURO THOUSANDS	2023	2022
<b>OTHER OPERATING COSTS</b>	<b>80,635</b>	<b>42,899</b>
Fees for the derivation of water for hydroelectric use	43,740	36,125
Other contributions	34,555	3,854
Stamp duties, levies and various taxes	862	1,119
Other sundry expenses	1,477	1,802

The item “fees for the derivation of water for hydroelectric use”, equal to Euro 43,740 thousand in 2023 (Euro 36,125 thousand in 2022), includes the fees for hydroelectric use of water (state, waterways and mountain catchment basins) due, based on the relevant legislation, to the Region and other public bodies such as the Municipalities of Val d’Aosta and the Province of Turin for the derivation of water. The increase recorded is the result of the general increase in tariffs decided by the competent authorities.

The item other contributions mainly includes contributions due to the GSE pursuant to Art. 1, paragraph 30 Law 197/22 and Art. 15-bis of DL 4/22 (total Euro 34,214 thousand). These rules set a cap on revenues from electricity production from renewable sources, through a compensation mechanism, applicable to the energy fed into the grid by the plants. The rule, which was introduced in 2022, also affected the financial year 2023 in a major way (both of these items are to be considered non-recurring).

The item “stamp duties, levies and various taxes” amounted to Euro 862 thousand in 2023 (Euro 1,119 thousand in 2022) and includes municipal taxes and fees, including IMU (property tax), as well as registration tax and stamp duty.

The item “other sundry expenses” mainly includes membership fees to interest-bearing institutions in the amount of Euro 376 thousand, the annual contribution due to the Regional Consortium for Fisheries Protection for Euro 461 thousand, and donations for Euro 291 thousand.

## 6. CAPITALISED DAYS OF WORK

At 31 December 2023, capitalised days of work correspond to a revenue of Euro 1,610 thousand (Euro 1,627 thousand in 2022) and derive from the capitalisation of costs for materials used and labour services of employees engaged in the execution of works and extraordinary maintenance on plants.

## 7. AMORTISATION/DEPRECIATION

At 31 December 2023, amortisation/depreciation amounted to Euro 26,009 thousand (Euro 33,992 thousand in 2022) and are broken down as follows:

EURO THOUSANDS	2023	2022
<b>AMORTISATION/DEPRECIATION</b>	<b>26,009</b>	<b>33,992</b>
Proprietary tangible assets	24,809	32,400
Proprietary intangible assets	882	1,196
Rights of use on tangible assets	311	368
Rights of use for intangible assets	7	28

The reduction recorded during the year is mainly attributable to the sale of the photovoltaic and wind plants to the subsidiary CVA EOS S.r.l. effective as of 1 January 2023.

## 8. PROVISIONS AND WRITE-DOWNS

The item “Provisions and write-downs” amounted to Euro 278 thousand and consisted solely of the write-down of receivables due to non-collectability.

## 9. FINANCIAL INCOME

The breakdown of financial income is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>FINANCIAL INCOME</b>	<b>117,854</b>	<b>17,456</b>
Dividends	80,242	5,581
Financial income from Group companies and/or related parties	27,406	9,383
Income from equity investments	467	301
Other financial income	9,739	2,191

Dividends are broken down as follows:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>DIVIDENDS</b>	<b>80,242</b>	<b>5,581</b>
Valdigne	562	3,140
Cva Energie	79,500	2,441
Other companies	180	-

Financial income from Group companies and related parties amounted to Euro 27,406 thousand in 2023 (Euro 9,383 thousand in 2022). This income includes interest income received on long-term and short-term loans (multi-annual loans and credit facilities on the centralised treasury account) granted to Group companies (subsidiaries and associates); the increase in this item is attributable to the sharp rise in rates that occurred during the year and to the opening of new lines of financing, particularly towards the subsidiary CVA EOS to financially support the equity investment acquisition operations implemented by the same and towards the indirect subsidiary SR to support its industrial development.

Other financial income amounted to Euro 9,739 thousand in 2023 (Euro 2,191 thousand in 2022) and include mainly:

- interest income on bank current accounts in the amount of Euro 3,470 thousand (Euro 56 thousand in FY2022) up due to the increase in rates recorded;
- income from the amortised cost of receivables related to energy efficiency projects in the amount of Euro 5,506 thousand (Euro 618 thousand in FY2022), which increased due to the growth of the receivables portfolio;
- accrued returns on capitalisation policies in the amount of Euro 305 thousand (Euro 1,320 thousand in FY2022), down due to the reduced average size of these investments.

## 10. FINANCIAL EXPENSES

The breakdown of financial expenses is shown in the following table:

AMOUNTS IN EURO THOUSANDS	2023	2022
<b>FINANCIAL EXPENSES</b>	<b>3,182</b>	<b>(12,317)</b>
Interest expense on bank loans	1,167	(13,713)
Financial expenses on bonds	470	471
Financial expenses to Group companies and related parties	32	93
Interest expense on leases	26	76
Gains on investments	-	14
Other financial expenses	1,487	742

Interest expense on bank loans accrued in 2023 amounted to Euro 1,167 thousand (Euro -13,713 thousand in 2022). The increase in this item, compared to the previous year, stems from two different effects. Firstly, the sharp increase in interest rates, which occurred during the year, and the opening of new financing lines resulted in interest expenses (including the effect of amortised cost) totalling Euro 25,797 thousand (Euro 5,904 thousand in FY2022). Secondly, this item includes the effects of IRS hedging contracts on the related bank loans. It was precisely the latter that generated an antithetical change for a total of Euro 24,630 thousand equal to the ineffective portion of the change in fair value (Euro -19,617 thousand in 2022). In particular, the main component was the ineffectiveness recorded on pre-hedging taken out to hedge interest flows on loans payable the conditions of which were different from those assumed when the hedge was taken out. The latter factor largely offset the increase in interest expenses recorded during the year.

Financial expenses on bonds refer to interest expenses accrued on the outstanding bond issue including the effect of amortised cost.

Other financial expenses mainly comprise interest expenses and expected commissions on the non-utilisation of provisions, for the financing lines taken out.

## 11. INCOME TAXES

Income taxes amounted to Euro 46,295 thousand in 2023 (Euro 23,457 thousand in 2022) and are composed as follows:

- current taxes for Euro 45,625 thousand in 2023 (Euro 22,906 thousand in 2022), of which Euro 41,702 thousand for IRES, Euro 4,058 thousand for IRAP and Euro 134 thousand for extraordinary taxes (this is an adjustment to the amount allocated in the 2022 financial statements).
- deferred tax assets and liabilities for Euro 839 thousand in 2023 (Euro 582 thousand in 2022);
- previous years' taxes for Euro 65 thousand, reducing the 2023 cost (Euro 32 thousand reducing the cost in 2022). These taxes mainly correspond to the changes recorded between the taxes estimated in the 2022 budget and those actually determined on the return.

The following statement shows the reconciliation between the IRES ordinary rate and effective rate in relation to current taxes.

IRES - RECONCILIATION BETWEEN THEORETICAL AND EFFECTIVE TAX EXPENSE	NOTES	2023	2022
<b>Pre-tax result (EURO THOUSANDS)</b>	[A]	<b>252,172</b>	<b>83,234</b>
Theoretical tax expense	[B]	60,521	19,976
Temporary differences taxable in subsequent years	[C]	(3,391)	(3,391)
Temporary differences deductible in subsequent years	[D]	872	4,106
Reversal of taxable temporary differences from previous years	[E]	279	69
Reversal of deductible temporary differences from previous years	[F]	(1,687)	(2,589)
Permanent differences	[G]	(74,488)	(3,756)
Taxable amount	[A+C+D+E+F+G]	173,758	77,673
<b>Current taxes</b>	[H]	<b>41,702</b>	<b>18,642</b>
Effective rate	[I]	16.54%	22.40%
Extraordinary income taxes	[L]	-	2,269
Adjusted IRES rate	[M]	16.54%	25.12%

The effective IRES rate is significantly lower than the theoretical rate due to permanent downward differences mostly attributable to the non-taxable portion (95%) of dividends received during the year.

The reconciliation between the IRAP ordinary rate and the effective rate is not significant.

Please refer to Notes 17 for details of the composition and changes in deferred tax assets and liabilities.

## INFORMATION ON THE COMPANY'S STATEMENT OF FINANCIAL POSITION

Below is a breakdown of the composition of the main items of the Company's equity and financial position. The following tables, unless otherwise indicated, show the figures in thousands of Euro.

### 12. TANGIBLE ASSETS

Tangible assets totalled Euro 292,468 thousand at 31 December 2023 (Euro 354,847 thousand at 31 December 2022).

Tangible assets are all the proprietary tangible assets and the rights of use on tangible assets. Their breakdown and changes are shown in the table below:

EURO THOUSANDS	TANGIBLE ASSETS OWNED	RIGHTS OF USE ON TANGIBLE ASSETS	TOTAL
Historical cost	827,880	4,148	832,028
Provisions for amortisation	(475,968)	(1,213)	(477,181)
<b>NET VALUE AT 31.12.2022</b>	<b>351,911</b>	<b>2,935</b>	<b>354,847</b>
Increases	22,545	1,731	24,276
Amortisation/Depreciation	(24,809)	(311)	(25,120)
Reclassifications	(18)	-	(18)
Disposals	(1,635)	(2)	(1,636)
Other changes	(57,567)	39	(57,528)
Changes in Accumulated amortisation for concluded contracts	-	601	601
Changes in Right of use for concluded contracts	-	(2,953)	(2,953)
<b>TOTAL NET CHANGES 2023</b>	<b>(61,484)</b>	<b>(895)</b>	<b>(62,378)</b>
Historical cost	692,864	2,963	695,827
Provisions for amortisation	(402,436)	(923)	(403,359)
<b>NET VALUE AT 31.12.2023</b>	<b>290,428</b>	<b>2,041</b>	<b>292,468</b>

For rights of use on tangible assets, see chapter 14.



### Proprietary tangible assets

The breakdown and change in the item “proprietary tangible assets” is shown in the following table:

EURO THOUSANDS	LAND	BUILDINGS	PLANTS AND MACHINERY	INDUSTRIAL AND COMMERCIAL EQUIPMENT	OTHER ASSETS	LEASEHOLD IMPROVEMENTS	TANGIBLE ASSETS IN PROGRESS AND ADVANCES	TOTAL
Historical cost	7,090	96,775	690,792	3,420	11,171	232	18,400	<b>827,880</b>
Provisions for amortisation	(29)	(45,089)	(418,812)	(2,688)	(9,275)	(76)	-	<b>(475,968)</b>
<b>Net value at 31.12.2022</b>	<b>7,061</b>	<b>51,687</b>	<b>271,980</b>	<b>732</b>	<b>1,896</b>	<b>156</b>	<b>18,400</b>	<b>351,912</b>
Increases	-	-	-	-	-	-	22,545	<b>22,545</b>
Amortisation/Depreciation	-	(1,974)	(21,898)	(136)	(758)	(43)	-	<b>(24,809)</b>
Reclassifications	17	1,683	21,228	146	1,132	-	(24,224)	<b>(18)</b>
Disposals	(162)	(7,781)	(50,102)	(46)	(13)	-	(1,098)	<b>(59,201)</b>
Other changes	-	-	-	-	-	-	-	-
<b>Total net changes in 2023</b>	<b>(145)</b>	<b>(8,072)</b>	<b>(50,772)</b>	<b>(36)</b>	<b>362</b>	<b>(43)</b>	<b>(2,777)</b>	<b>(61,484)</b>
Historical cost	6,945	76,866	577,614	3,499	12,086	232	15,622	<b>692,864</b>
Provisions for amortisation	(29)	(33,252)	(356,406)	(2,803)	(9,828)	(119)	-	<b>(402,436)</b>
<b>Net value at 31.12.2023</b>	<b>6,916</b>	<b>43,614</b>	<b>221,208</b>	<b>696</b>	<b>2,258</b>	<b>113</b>	<b>15,622</b>	<b>290,428</b>

The value of fixed assets at 31 December 2023 was lower than the value recorded at 31 December 2022 by Euro 61,485 thousand. As extensively described in the Report on Operations, the change is mainly due to the transfer of the wind and photovoltaic plants to the subsidiary CVA EOS, effective as of 01 January 2023. The following table shows the historical cost and related provision for the tangible assets transferred, broken down by nature:

PLANTS TRANSFERRED	HISTORICAL COST	PROVISIONS FOR AMORTISATION	NET VALUE AT 31/12/2022
Land	157	-	157
Buildings	21,592	(13,811)	7,781
Plants and machinery	131,569	(82,996)	48,572
Industrial and commercial equipment	59	(13)	46
Other assets	31	(18)	13
Assets in progress	29	-	29
<b>General total</b>	<b>153,437</b>	<b>(96,838)</b>	<b>56,598</b>

The value of disposals carried out, in addition to the contribution transaction, is equal to Euro 2,603 thousand; this amount mainly refers to the transfer of ownership of the trigeneration plant to the subsidiary RTS for a residual value of Euro 1,285 against the historical cost of Euro 1,401 thousand.

The following table summarises the main investments made during the year:

EURO THOUSANDS	ASSETS IN PROGRESS AT THE BEGINNING OF THE YEAR	NET NEW INVESTMENTS	ASSETS COMMISSIONED	RECOVERY OF ADVANCES	ASSETS IN PROGRESS AT YEAR-END
Hone 2 Plant - Plant renovation and extraordinary maintenance (shunt canal)	1,325	2,332	(895)		2,762
Saint Clair plant - extraordinary maintenance (main object: automation - turbine regeneration - canal restoration)	980	1,846	(1,318)		1,508
Hone 1 plant - plant modernisation (main object: Overhaul generator and turbine purchase hub and blades transformer)	6,564	1,428	(7,993)		-
Champagne 2 plant - extraordinary maintenance (main object: extraordinary maintenance shunt canal, overhaul turbines)	179	1,346	(976)		548
Chavonne plant - plant renovation	1,615	1,020	(2)		2,633
Chavonne Plant - canal waterproofing renovation	384	915	(964)		335
Signayes plant - extraordinary maintenance (main object: new impellers and overhaul alternator 1)	107	885	(958)		35
Avisé plant - extraordinary maintenance (main object: penstock and shunt canal)	92	854	(877)		69
Capital buildings - Aosta - extraordinary maintenance	299	557	(254)		602
CVA - Renovation of network equipment and telephone exchanges	624	506	(655)		475
Headquarters building - Châtillon - extraordinary maintenance - main activity: Revamping air conditioning system	107	481	(194)		394
Signayes plant - extraordinary maintenance of loading tank and intake work	239	457	(689)		6
Quart plant - extraordinary maintenance (main object: new impellers)	406	408	(566)		248
Champagne 1 plant - extraordinary maintenance (main object: new impellers and shunt canal)	346	366	(597)		114
Trigeneration plant	1,037	365	(1,402)		-
Gressoney Buildings - building redevelopment	40	362	(402)		-
Pont-Saint-Martin plant - plant refurbishment (main object: new impellers and turbine shafts)	228	348	(405)		171
Verres plant - plant renovation (main object: generator overhaul - purchase and replacement of impellers)	318	308	(547)		80
Pont-Saint-Martin plant - extraordinary maintenance (main object: shunt canal and sluice gates)	4	281	(285)		1
Valpelline plant - CT generator renewal	4	271	(275)		-
Covalou Plant - Plant refurbishment (main object: installation of canal monitoring instruments)	70	173	(243)		-
Zuino plant - installation slit telecommunications cable in canal	-	167	(167)		-

IT services - hardware implementation (main object: Technological refresh of server rooms)	-	148	(148)	-	
Hydroelectric plants - main object: seismic upgrading of dam guardhouses	596	148	-	745	
Isollaz plant - installation slit telecommunications cable in canal	-	148	(148)	-	
Nus hydroelectric plant - new canal bridge	-	92	(92)	-	
New hydroelectric plant in Morgex (studies and preliminary project)	301	24	-	324	
Maen hydroelectric plant - extraordinary maintenance (main object: Perreres dam intervention)	53	3	(55)	1	
Perreres Buildings - building redevelopment	191	-	(191)	-	
Other hydroelectric plants - revamping plants	-	2,320	-	2,320	
Other investments	323	1,913	(1,520)	717	
Other hydroelectric power plants - extraordinary incremental maintenance	795	1,817	(1,405)	1,207	
Other RES plants - extraordinary incremental maintenance	29	(29)	-	-	
Advances on investments	1,140	(644)		(171)	325
<b>Total</b>	<b>18,400</b>	<b>21,618</b>	<b>(24,224)</b>	<b>(171)</b>	<b>15,622</b>

Assets in progress and advances on tangible assets, which amounted to Euro 15,622 thousand at the end of 2023, were Euro 18,400 thousand at 31 December 2022. It should be noted that the decrease in the item "Assets in progress and advances" originated not only from assets completed during the year, but also from the value of assets in progress and advances transferred as part of the contribution to the company CVA EOS, which amounted to Euro 34 thousand and Euro 930 thousand, respectively. The main investments of the year 2023 concerned:

- the Hone 2 plant, where renovation work continued for Euro 1,536 thousand and, at the same time, the shunt canal was waterproofed for Euro 796 thousand. Every year, waterproofing is carried out on a section of the canal. At the end of the financial year, the section from the intake to the loading tank was completed and the new sluice gates at the Mandaz intake were installed and automated for a value of Euro 871 thousand;
- the Saint Clair plant for an amount equal to Euro 1,846 thousand, which includes the regeneration of the impellers, the renewal of the voltage regulators and the restoration of the shunt canal. The year saw the completion of the restoration of the hydraulic works and fencing of the shunt canal for Euro 774 thousand and the renewal of the excitation system of the two groups for Euro 429 thousand;
- the Hone 1 plant for an amount of Euro 1,428 thousand corresponding to the completion of activities for the modernisation of the same plant. The year 2023 saw the completion of all the works started from the year 2019, which involved the refurbishment of the turbine shaft, the purchase of new Kaplan impellers, the installation of a new alternator, other

activities for the control and automation of the plant, resulting in the entry into operation of new assets worth Euro 7,993 thousand;

- the Champagne 2 plant for an amount of Euro 1,346 thousand, mainly referring to the completion of works for the rehabilitation of the shunt canal (Euro 251 thousand) and the overhaul of the turbines and rotary valves (Euro 1,075 thousand); during the year, Euro 976 thousand came into operation, mainly referring to the overhaul of the injectors and closing parts of unit 3;
- the Chavonne plant for which refurbishment and canal waterproofing works continued for Euro 1,020 thousand and Euro 915 thousand, respectively. Work was completed on the restoration of the walls and waterproofing of the canal for Euro 964 thousand;
- the Signayes plant for an amount equal to Euro 885 thousand with reference to which assets for a value of Euro 958 thousand were commissioned mainly referring to the alternator and a new impeller;
- the Avise plant for an amount of Euro 876 thousand, mainly referring to the restoration of the shunt canal, the replacement of the bottom outlet of the pipeline and the installation of the new flue gas suction system;
- certain buildings located in Aosta where investments amounted to Euro 557 thousand and included various activities, including the revamping of the air conditioning system of the buildings in Via Clavalité, where the offices leased to the subsidiaries CVA Energie Srl and Deval SpA are located, the renovation of the roof and gutters of the warehouse in Via Monte Emilius, leased to Deval, and the fireproofing of the building in Via Piave, where the regional offices are located, leased to the Autonomous Region of Valle d'Aosta;
- the renewal of network equipment and telephone exchanges for Euro 506 thousand. The activity mainly consisted of the renewal of the "VOIP" infrastructure, which enabled the use of fibre optics for communication with fixed telephony;
- the headquarters and adjoining office buildings, for various activities aimed at the energy requalification of the buildings, amounting to Euro 481 thousand, including the installation of heat pumps, waterproofing of the garage and the installation of wall-boxes for recharging the company's electric vehicles;
- the construction of a trigeneration plant by the Open Innovation and Energy Efficiency function for Euro 365 thousand. The investment, which began last year, was completed in March 2023 with the commissioning of the asset, the final value of which amounts to a total of Euro 1,402 thousand. As already mentioned, the asset was sold at the end of the year to the new RTS group company;
- the Verrès plant, investments amounting to Euro 308 thousand, with the commissioning of units 1 and 2 following the replacement of new impellers, voltage regulators and the upgrading of the monitoring system, for a total value of Euro 547 thousand.

### 13. INTANGIBLE ASSETS

Intangible assets totalled Euro 3,467 thousand at 31 December 2023 (Euro 6,310 thousand at 31 December 2022).

Intangible assets consist of all the proprietary intangible assets and the rights of use on intangible assets. Their breakdown and changes are shown in the table below:

EURO THOUSANDS	INTANGIBLE ASSETS OWNED	RIGHTS OF USE ON INTANGIBLE ASSETS	TOTAL
Historical cost	24,343	439	<b>24,782</b>
Provisions for amortisation	(18,379)	(93)	<b>(18,472)</b>
<b>Net value at 31.12.2022</b>	<b>5,964</b>	<b>346</b>	<b>6,310</b>
Increases	1,286	-	<b>1,286</b>
Amortisation/Depreciation	(882)	(7)	<b>(889)</b>
Reclassifications	18	-	<b>18</b>
Disposals	(1)	-	<b>(1)</b>
Other changes	(2,957)	-	<b>(2,957)</b>
Changes in Accumulated amortisation for concluded contracts	-	72	<b>72</b>
Changes in Right of use for concluded contracts	-	<b>(372)</b>	<b>(372)</b>
<b>Total net changes in 2023</b>	<b>(2,536)</b>	<b>(306)</b>	<b>(2,842)</b>
Historical cost	19,976	68	<b>20,043</b>
Provisions for amortisation	(16,548)	(28)	<b>(16,576)</b>
<b>Net value at 31.12.2023</b>	<b>3,428</b>	<b>40</b>	<b>3,467</b>

For rights of use on intangible assets, see chapter 14.

#### Proprietary intangible assets

In 2023, there was an overall decrease in the item proprietary intangible assets, substantially attributable to the transfer of the wind and photovoltaic plants to the subsidiary CVA EOS S.r.l.

As better detailed in the table below, this decrease amounts to Euro 2,957 thousand, of which Euro 2,347 thousand refer to the item "other intangible assets", which includes the multi-year charges incurred for the acquisition of easement rights and surface rights on the land on which the transferred plants are located.

PLANTS TRANSFERRED	HISTORICAL COST	ACCUMULATED AMORTISATION/ DEPRECIATION	NET VALUE AT 31/12/2023
Industrial patent and intellectual property rights	25	(25)	-
Concessions, licences, trade marks and similar rights	1,061	(455)	606
Other intangible assets	4,580	(2,233)	2,347
Assets in progress and advances	4	-	4
<b>General total</b>	<b>5,670</b>	<b>(2,713)</b>	<b>2,957</b>

The increases for the period, totalling Euro 1,286 thousand, include the acquisition of new software as part of the group's digital transformation programme and expenses for the development of lithium battery storage systems, for stationary storage and in storage systems with second life batteries (Euro 808 thousand), as part of the research and development project called "BESS-2L". This is a project aiming at the application of Second Life Batteries for Energy Storage in Renewable Source Plants, conceived and designed together with the Politecnico di Torino and Podium Advanced Technologie. These costs are included in intangible assets because the intangible component, i.e. research and development activities aimed at the development of new knowledge, prevails over the physical substance of the asset.

EURO THOUSANDS	INDUSTRIAL PATENTS AND INTELLECTUAL PROPERTY RIGHTS	CONCESSIONS, LICENSES, TRADEMARKS AND SIMILAR RIGHTS	INTANGIBLE ASSETS IN PROGRESS AND ADVANCES	OTHER INTANGIBLE ASSETS	TOTAL
Historical cost	16,123	1,218	286	6,715	<b>24,343</b>
Provisions for amortisation	(14,141)	(592)	-	(3,646)	<b>(18,379)</b>
<b>Net value at 31.12.2022</b>	<b>1,982</b>	<b>627</b>	<b>286</b>	<b>3,069</b>	<b>5,964</b>
Increases	-	-	1,286	-	<b>1,286</b>
Amortisation/ Depreciation	(747)	(11)	-	(125)	<b>(882)</b>
Reclassifications	521	-	(513)	10	<b>18</b>
Disposals	-	(606)	(5)	(2,347)	<b>(2,958)</b>
Other changes	-	-	-	-	-
<b>Total net changes in 2023</b>	<b>(226)</b>	<b>(616)</b>	<b>769</b>	<b>(2,462)</b>	<b>(2,536)</b>
Historical cost	16,619	158	1,055	2,145	<b>19,976</b>
Provisions for amortisation	(14,863)	(147)	-	(1,538)	<b>(16,548)</b>
<b>Net value at 31.12.2023</b>	<b>1,756</b>	<b>11</b>	<b>1,055</b>	<b>607</b>	<b>3,428</b>

#### 14. RIGHTS OF USE OF TANGIBLE AND INTANGIBLE ASSETS AND RELATED FINANCIAL LIABILITIES

At 31 December 2023, rights of use on tangible and intangible assets amounted to Euro 2,080 thousand. The following table summarises the breakdown and movements during the year, as well as the movements of the related financial liabilities recorded in the balance sheet liabilities:

RIGHTS OF USE					
EURO THOUSANDS	INTANGIBLE RIGHTS OF USE		TANGIBLE RIGHTS OF USE		TOTAL
	BUILDING RIGHTS AND EASEMENT FEES	RIGHTS OF USE ON REAL ESTATE	RIGHTS OF USE ON INDUSTRIAL AND COMMERCIAL EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	
Opening value of right of use	439	2,794	167	1,186	<b>4,587</b>
Accumulated amortisation	(93)	(477)	(36)	(700)	<b>(1,305)</b>
<b>Net value at 31.12.2022</b>	<b>346</b>	<b>2,317</b>	<b>131</b>	<b>487</b>	<b>3,281</b>
Increases for new contracts	-	1,413	-	318	<b>1,731</b>
Decreases due to contract termination	-	-	-	(2)	<b>(2)</b>
Amortisation/Depreciation	(7)	(40)	(60)	(211)	<b>(318)</b>
Change Accumulated amortisation for concluded contracts	72	476	-	124	<b>673</b>
Change in Right of use for concluded contracts	(372)	(2,791)	-	(162)	<b>(3,324)</b>
Reclassifications	-	-	-	-	-
Other changes	-	-	-	39	<b>39</b>
<b>Total net changes in 2023</b>	<b>(306)</b>	<b>(941)</b>	<b>(60)</b>	<b>106</b>	<b>(1,201)</b>
Closing value of right of use	68	1,417	167	1,379	<b>3,031</b>
Provisions for amortisation	(28)	(41)	(96)	(786)	<b>(951)</b>
<b>Net value at 31.12.2023</b>	<b>40</b>	<b>1,376</b>	<b>71</b>	<b>593</b>	<b>2,080</b>

FINANCIAL LIABILITIES					
EURO THOUSANDS	INTANGIBLE RIGHTS OF USE		TANGIBLE RIGHTS OF USE		TOTAL
	BUILDING RIGHTS AND EASEMENT FEES	RIGHTS OF USE ON REAL ESTATE	RIGHTS OF USE ON INDUSTRIAL AND COMMERCIAL EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	
Residual capital portion at 31.12.2022	348	2,383	119	477	<b>3,327</b>
Accrued interest to 31.12.2022	5	36	-	-	<b>42</b>
<b>Total financial liability 2022</b>	<b>353</b>	<b>2,419</b>	<b>119</b>	<b>477</b>	<b>3,368</b>
Increases for new contracts	-	1,413	-	317	<b>1,731</b>
Decreases due to contract termination	(300)	(2,380)	-	(39)	<b>(2,719)</b>
Increases/(decreases) due to changes in fees	-	-	-	39	<b>39</b>
Installments paid in the year	(8)	(90)	(62)	(223)	<b>(382)</b>
Capital portion	(7)	(73)	(59)	(204)	<b>(344)</b>
Interest	(1)	(16)	(2)	(18)	<b>(38)</b>
<b>Residual capital portion at 31.12.2023</b>	<b>41</b>	<b>1,342</b>	<b>60</b>	<b>590</b>	<b>2,033</b>
Accrued interest	1	-	-	1	<b>2</b>
<b>Total financial liability 2023</b>	<b>42</b>	<b>1,343</b>	<b>60</b>	<b>591</b>	<b>2,035</b>

SUMMARY ECONOMIC EFFECTS EURO THOUSANDS	BUILDING RIGHTS AND EASEMENT FEES	RIGHTS OF USE ON PROPERTIES	RIGHTS OF USE ON IND. AND COMM. EQUIPMENT	RIGHTS OF USE ON OTHER ASSETS	TOTAL
Accrued interest	1	16	2	19	<b>39</b>
Amortisation/ Depreciation	7	40	60	211	<b>318</b>
<i>Non lease component</i>	-	-	-	12	<b>12</b>
<b>Total costs on the income statement 2023</b>	<b>8</b>	<b>56</b>	<b>62</b>	<b>242</b>	<b>369</b>

Rights of use of properties primarily express the value of leases of real estate, surface rights, equipment rental and motor vehicles.

With reference to financial liabilities, the table below shows their maturity by bracket and the related expected financial outlay:

MATURITY ANALYSIS			
EURO THOUSANDS	WITHIN 1 YEAR	MORE THAN 1 YEAR, BUT WITHIN 5 YEARS	MORE THAN 5 YEARS
Expected cash flows (instalments to be paid)	448	1,164	786
Capital portion by maturity	373	964	698

## 15. GOODWILL

The following is the detail of changes of the item "goodwill":

Value at 31 December 2022	188,217
Changes in 2023	(15,341)
<b>Value at 31 December 2023</b>	<b>172,876</b>

Goodwill at 31 December 2023 totalled Euro 172,876 thousand and originated in 2001 upon the acquisition of hydroelectric plants from parties outside the group. The decrease in the year is due to the contribution of goodwill related to the wind and photovoltaic plants transferred to the subsidiary CVA EOS S.r.l.

With reference to the item "goodwill", it is noted that, as an intangible asset with indefinite useful life, IAS 36 provides that it is not amortised, but be subject to an impairment test to be carried out at least annually. Considering that goodwill neither generates independent cash flow nor can it be sold separately, IAS 36 calls for a secondary audit of its recoverable amount, determining cash flows generated by a set of assets (Cash Generating Unit - CGU) that identify the groups to which it belongs.

The recoverable amount of goodwill recognised in the financial statements is verified annually as part of the broader Impairment test of the various CGUs within which goodwill is located, conducted at the level of the CVA Group's Consolidated Financial Statements. With reference to the Company, based on



the impairment test carried out, the recoverable value of the CGU revealed no need for write-downs. For a more detailed description of the parameters used for the purposes of the impairment test, reference is made to the Consolidated Annual Financial Report.

## 16. EQUITY INVESTMENTS

Below are the changes of investments:

EURO THOUSANDS	SUBSIDIARIES					ASSOCIATED COMPANIES	OTHER COMPANIES			TOTAL
	CVA ENERGIE S.R.L.	VALDIGNE ENERGIE S.R.L.	DEVAL S.P.A.	C.V.A EOS S.R.L.	CVA SMART ENERGY S.R.L.	TÉLÉCHAUFFAGE AOSTE S.R.L.	LE BRASIER S.R.L.	BONIFICHE FERRARESI SPA SOCIETÀ AGRICOLA	FONDAZIONE ITS	
<b>Net value at 31.12.2022</b>	<b>8,023</b>	<b>12,978</b>	<b>63,529</b>	<b>34,024</b>	-	<b>2,501</b>	<b>140</b>	<b>12,000</b>	<b>8</b>	<b>133,204</b>
Capital increase	-	-	20,000	77,052	10,000	-	-	-	-	107,052
Increases	-	-	-	-	-	-	-	-	-	-
Acquisitions	-	-	-	-	-	-	-	-	-	-
Write-downs/ write-backs	-	-	-	-	-	464	3	-	-	467
Others	-	-	-	-	-	-	-	-	-	-
<b>Total net changes in 2023</b>	<b>-</b>	<b>-</b>	<b>20,000</b>	<b>77,052</b>	<b>10,000</b>	<b>464</b>	<b>3</b>	<b>-</b>	<b>-</b>	<b>107,519</b>
<b>Net value at 31.12.2023</b>	<b>8,023</b>	<b>12,978</b>	<b>83,529</b>	<b>111,076</b>	<b>10,000</b>	<b>2,965</b>	<b>143</b>	<b>12,000</b>	<b>8</b>	<b>240,723</b>

The item investments in subsidiaries totalled Euro 225,607 thousand at 31 December 2023 (Euro 118,555 thousand at 31 December 2022).

With reference to the share capital increases carried out during the year, it should be noted that:

- The Deval capital increase of Euro 20,000 thousand was approved on 09 October 2023 by the CVA Board of Directors in order to support the company's major investment plan;
- The increase in the value of the shareholding in the company CVA EOS, for Euro 77,052 thousand, is a consequence of the transfer transaction mentioned above;
- The company CVA Smart Energy was incorporated with a notarial deed dated 7 February 2023 and a share capital payment of Euro 10,000 thousand. The company's corporate purpose is the provision of integrated services in the field of energy efficiency, also operating on the market as an ESCo (Energy Service Company).

Where the value of the equity investment was higher than the respective portion of shareholders' equity, the impairment test did not reveal any impairment to be made.

#### List of investments in subsidiaries

The following are the figures relating to investments in subsidiaries, pursuant to article 2427, point 5 of the Civil Code.

EURO THOUSANDS							
INVESTMENT	REGISTERED OFFICE	% OF OWNERSHIP	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH: PROFIT/(LOSS) OF THE YEAR	EQUITY ATTRIBUTABLE TO THE GROUP	INVESTMENT VALUE
CVA Energie S.r.l. a s.u.	Via Stazione, 31 Châtillon - AO	100%	3,000	97,754	31,744	97,754	8,023
VALDIGNE ENERGIE S.r.l.	Via Stazione, 31 Châtillon - AO	75%	11,475	36,538	2,714	27,404	12,978
DEVAL S.p.A. a s.u.	Via Clavalité, 8 Aosta - AO	100%	38,632	87,521	487	87,521	83,529
CVA EOS S.r.l. a s.u.	Via Stazione, 31 Châtillon - AO	100%	75,000	102,819	(5,880)	102,819	111,076
CVA Smart Energy S.r.l.	Via Stazione, 31 Châtillon - AO	100%	10,000	9,497	(503)	9,497	10,000

#### List of investments in associated and other companies

The following are the figures relating to investments in associated companies, pursuant to article 2427, point 5 of the Civil Code.

EURO THOUSANDS							
INVESTMENT	REGISTERED OFFICE	% OF OWNERSHIP	SHARE CAPITAL	SHAREHOLDERS' EQUITY	OF WHICH: PROFIT/(LOSS) OF THE YEAR	EQUITY ATTRIBUTABLE TO THE GROUP	INVESTMENT VALUE
Téléchauffage Aoste S.r.l. (siglabile TELCHA)	Via Stazione, 31 Châtillon - AO	10.98%	17,668	27,004	4,132	2,965	2,965
Le Brasier S.r.l.	Viale del convento, 15 Morgex - AO	13.70%	1,053	1,045	21	143	143
Bonifiche Ferraresi S.p.A. Società Agricola	Salita San Nicola da Tolentino Roma	3%	261,883	764,930	12,226	22,948	12,000
Fondazione I.T.S.	Via Cesare Battisti, 10 Pinerolo - TO	n.a.	n.a.	n.a.	n.a.	n.a.	8

It should be noted that, at 31 December 2023, following the revaluation using the equity method, the value of the investment in TELCHA increased by Euro 464 thousand compared to the previous year.

With reference to the company LE BRASIER, it should be noted that the company's last financial year ended on 31 August 2023 and that the data shown in the table above refer to that year. During the year, the equity investment was revalued by Euro 3 thousand.

## 17. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

The changes relating to "deferred tax assets" and "deferred tax liabilities" by type of time differences are detailed below:

EURO THOUSANDS	31.12.2023	31.12.2022
<b>Deferred tax assets for:</b>		
Differences in value on tangible and intangible assets	4,475	9,505
Charges, bonuses and other employee benefits	403	528
Provisions for risks and charges	384	647
Non-deductible interest	-	-
Valuation of financial instruments	4	5
Write-down of trade and other receivables	12	12
Other items	158	147
<b>Total deferred tax assets</b>	<b>5,436</b>	<b>10,844</b>
<b>Deferred tax liabilities for:</b>		
Differences in value on tangible and intangible assets	(8,348)	(7,672)
Valuation of financial instruments	(6,350)	(14,945)
Other items	(14)	(81)
<b>Total deferred tax liabilities</b>	<b>(14,712)</b>	<b>(22,698)</b>
<b>Total net deferred tax assets/(liabilities)</b>	<b>(9,276)</b>	<b>(11,853)</b>
<b>Net change</b>	<b>2,578</b>	<b>(15,039)</b>
<i>of which:</i>		
Ø In Income Statement	(839)	(582)
Ø In Shareholders' Equity	8,447	(14,457)
Ø Extraordinary Transactions	(5,030)	-

The "deferred tax assets" recognised in the financial statements, as there is a reasonable certainty of their recoverability, amounted to Euro 5,436 thousand at 31 December 2023 (Euro 10,844 at 31 December 2022), of which Euro 5,257 thousand (Euro 10,604 at December 2022) for IRES.

Extraordinary transactions include the reduction in the balance of deferred tax assets resulting from the effects of the transfer in the amount of Euro 5,030 thousand.

At 31 December 2023, deferred tax liabilities amounted to Euro 14,712 thousand (Euro 22,698 thousand at 31 December 2022), of which Euro 13,375 thousand (Euro 21,455 thousand at December 2022) for IRES.

The main change is related to the change in fair value of interest rate hedging derivatives on loans. Since these transactions are accounted for in accordance with the hedge accounting principles of IFRS 9, the impact of these changes was reflected in the appropriate equity reserves. For IRES purposes, deferred taxation was calculated using the ordinary rate of 24%, and for IRAP purposes it was calculated using an ordinary rate of 3.90%.

## 18. NON-CURRENT FINANCIAL ASSETS

The breakdown of non-current financial assets is as follows:

EURO THOUSANDS	2023	2022
<b>NON-CURRENT FINANCIAL ASSETS</b>	<b>465,000</b>	<b>110,863</b>
Financial receivables from subsidiaries	435,137	80,647
Capitalisation insurance policies	24,200	23,900
Financial receivables from associated companies	5,662	6,315

Non-current financial receivables from subsidiaries include the long-term portion (due beyond 12 months) of the loans, valued overall at amortised cost, granted to these companies. In particular, there are receivables for loans to VALDIGNE (for Euro 3,011 thousand), to DEVAL (for Euro 14,266 thousand), to CVA EOS (for Euro 265,738 thousand) and to S.R. Investimenti (for Euro 152,121 thousand). The difference from the previous year is due to the major investment plan of the subsidiaries, which was supported by the provision of new intra-group loans for a nominal Euro 375 million (of which non-current portion Euro 367,121 thousand).

The capitalisation insurance policies, equal to Euro 24,200 thousand at 31 December 2023 (Euro 23,900 thousand at 31 December 2022), refer to long-term cash investments as shown in the table below.

EURO THOUSANDS	INSURED CAPITAL	CAPITAL REVALUED AT 31.12.2023
<b>INSURANCE POLICIES</b>	<b>22,960</b>	<b>24,200</b>
Cardif Vita S.p.A.	4,500	4,830
Alleanza Assicurazioni S.p.A.	10,000	10,553
AXA Assicurazioni S.p.A.	5,960	6,232
Generali Italia S.p.A.	2,500	2,585

Financial receivables from associated companies in 2023 amounted to Euro 5,662 thousand and refer to the long-term portion relating to the loan receivable granted to the associated company TELCHA.

## 19. OTHER NON-CURRENT ASSETS

The item in question, equal to Euro 1,679 thousand at 31 December 2023 (Euro 2,003 thousand at 31 December 2022), mainly includes medium/long-term receivables from employees, relating to interest-bearing loans granted to employees (Euro 934 thousand at 31 December 2023) and long-term various security deposits paid by virtue of contractual obligations to third parties (Euro 191 thousand at 31 December 2023) and related parties (Euro 553 thousand at 31 December 2023).

## 20. INVENTORIES

The value of inventories recognised in the financial statements amounted to Euro 1,674 thousand at 31 December 2023 (Euro 1,670 thousand at 31 December 2022).

The item mainly refers to inventories of ancillary materials and consumables (Euro 1,325 thousand) such as spare parts and consumables for plant operations.

## 21. CURRENT AND NON-CURRENT TRADE RECEIVABLES

The breakdown of current and non-current trade receivables is shown in the following table:

EURO THOUSANDS	2023	2022
<b>CURRENT TRADE RECEIVABLES</b>	<b>77,121</b>	<b>36,576</b>
Subsidiaries	44,278	22,509
Customers	32,824	13,888
(Bad debts provision)	(345)	(100)
Suppliers (Credit notes)	306	220
Related parties	56	55
Associated companies	2	4
<b>NON-CURRENT TRADE RECEIVABLES</b>	<b>89,709</b>	<b>25,037</b>
Customers	89,709	25,037
<b>TOTAL TRADE RECEIVABLES</b>	<b>166,829</b>	<b>61,613</b>

### Receivables from subsidiaries

Below is a brief summary of their composition and of the parties from which they are due:

EURO THOUSANDS	2023	2022
<b>Crediti Verso imprese controllate</b>	<b>44,278</b>	<b>22,509</b>
CVA ENERGIE	41,306	21,170
R.T.S	1,598	-
DEVAL	628	605
VALDIGNE ENERGIE	396	397
CVA EOS	322	337
GRUPPO SR	14	-
EOS SAN GIORGIO	5	-
EOS MONTE RUGHE	5	-
SMART ENERGY	2	-
AGREEN ENERGY	2	-

- CVA ENERGIE: receivables, referring to invoices issued and invoices to

be issued, amount to Euro 41,306 thousand. These receivables derive from the services rendered to the subsidiary during the year, as well as the sale to the same of energy produced by the plants in 2023;

- RTS: the receivable mainly relates to the sale of the trigenerator at the end of the financial year;
- DEVAL: receivables totalled Euro 628 thousand and refer to trade receivables for services offered and/or charged to the subsidiary during the year.
- VALDIGNE: receivables totalled Euro 396 thousand and refer to trade receivables for services offered and/or charged to the subsidiary during the year (mainly plant management support service and outsourcing services);
- CVA EOS: receivables amount to Euro 322 thousand and mainly relate to outsourced services;

#### **Receivables from customers**

Receivables from customers totalled Euro 122,533 thousand at 31 December 2023 (Euro 38,925 thousand at 31 December 2022), of which Euro 89,709 thousand due beyond 12 months. Receivables are recorded net of the corresponding provision for bad debts (amounting to Euro 345 thousand at 31 December 2023 and Euro 100 thousand at 31 December 2022). They mainly refer to invoices issued and to be issued relating to energy efficiency work on buildings carried out during the year (total Euro 120,975 thousand). On these transactions CVA offered its customers the so-called "invoice discount", an arrangement through which the right to tax deduction for the customer is transformed into tax credit for the supplier, becoming payment currency. For this reason, these receivables will turn into credits to the Treasury recoverable in multi-year instalments (depending on the type of deduction that originated them), but only after obtaining the relevant tax compliance authorisation. The portion of receivables that will be settled by obtaining a tax credit, therefore, has a collection time of more than 12 months. For this reason, in compliance with the "Summary of the Main Accounting Principles Adopted in the Preparation of the Financial Statements" and the note on the use of "Significant Accounting Estimates", the relevant revenues have been deducted from the financial component (see Notes 1) of the transaction by also going to make a parallel adjustment of receivables to represent them at their amortised cost.

The share of non-current receivables corresponds to the share of receivables that, for the reasons mentioned above, will be collected beyond 12 months.

#### **Receivables due from other related parties**

These are mainly receivables from the Region for business dealings of various kinds (mainly real estate leases).

#### **Trade receivables**

These are receivables for credit notes received or to be received for which compensation with debit items is not possible.

#### **Receivables from associated companies**

These are receivables from the company TELCHA and refer to services provided in Outsourcing and credit notes received concerning the gas adjustment.

## 22. RECEIVABLES FOR INCOME TAXES

The breakdown of receivables for income taxes is as follows.

EURO THOUSANDS	2023	2022
<b>RECEIVABLES FOR INCOME TAXES</b>	<b>11,539</b>	<b>39,712</b>
IRES	10,783	4,112
IRAP	-	1,237
Receivables for adhesion to the Group tax consolidation	756	34,363

The item in question includes tax receivables relating to direct tax (IRES and IRAP) at year-end (Euro 10,783 thousand at 31 December 2023, Euro 5,349 thousand at 31 December 2022), as well as receivables due from Group companies as a result of adhering to the IRES tax consolidation regime (Euro 756 thousand at 31 December 2023, Euro 34,363 thousands at 31 December 2022). IRES credits recorded mainly refer to surpluses of advance payments with respect to the quantification of current tax.

Receivables for adhesion to the tax consolidation correspond to receivables accrued from subsidiaries that adhered to the IRES consolidation.

## 23. OTHER CURRENT AND NON-CURRENT TAX RECEIVABLES

The breakdown of other current tax receivables is shown in the following table:

EURO THOUSANDS	2023	2022
<b>OTHER CURRENT TAX RECEIVABLES</b>	<b>37,175</b>	<b>24,694</b>
Tax receivables	27,922	20,196
Receivables deriving from Group VAT regime	9,253	4,497
<b>NON-CURRENT TAX RECEIVABLES</b>	<b>19,340</b>	<b>4,367</b>
Other receivables	19,340	4,367
<b>TOTAL TAX RECEIVABLES</b>	<b>56,514</b>	<b>29,061</b>

The item amounted to Euro 37,175 thousand at 31 December 2023 (Euro 24,694 thousand at 31 December 2022).

Specifically, the item Tax Receivables, amounting to Euro 27,922 thousand, is mainly composed of:

- payment surplus of Euro 19,135 thousand of the extraordinary contribution pursuant to art. 37 DL 21/2022 established as an "extraordinary solidarity levy" for the year 2022 to be paid by subjects who carry out the activity of producing electricity for subsequent resale in the territory of the State. The Company was subject to the contribution, before the changes introduced by law 197/22, which it duly paid. As a result of these changes, CVA dropped out of the scope of application of the contribution, as it did not achieve 75% of its turnover from energy sector activities in 2021,

and therefore requested reimbursement of the surplus paid, on which interest income of Euro 166 thousand accrued in 2023;

- tax receivables arising from energy efficiency measures in buildings in the amount of Euro 8,449 thousand. CVA operates as a General Contractor using the work of third-party companies to carry out renovation or energy efficiency works that entitle clients to receive public contributions in the form of tax credits. These credits, which can be used in 5 or 10 annual instalments, are then transferred by the clients to CVA itself via the invoice discount procedure and can be used to pay the company's tax payables. The portion due beyond 12 months amounts to Euro 19,340 is instead recorded as non-current asset.

Group VAT receivables, amounting to Euro 9,253 thousand at 31 December 2023 (Euro 4,497 thousand at 31 December 2022) derive from receivables accrued in the December VAT settlement from the companies that adhered to the Group VAT settlement regime and therefore transferred their December VAT balance to the Parent Company.

## 24. DERIVATIVES

This item shows the fair value of derivative financial instruments receivable and payable at the reporting date, as follows.

EURO THOUSANDS	2023	2022
Non-current derivative assets	-	-
Current derivative assets	5,451	9,356
<b>TOTAL DERIVATIVE ASSETS</b>	<b>5,451</b>	<b>9,356</b>
Non-current derivative liabilities	-	-
Current derivative liabilities	6,525	-
<b>TOTAL DERIVATIVE LIABILITIES</b>	<b>6,525</b>	-

It is noted that at 31 December 2023 and for the comparative period, there are no positions offset among assets and liabilities for derivative financial instruments.

Derivative financial instruments existing at year-end were entered into to hedge the interest rate risk on variable-rate financial liabilities by means of interest rate swaps.

### Hedge Accounting

The model of application of Hedge Accounting envisages the classification of derivatives traded by the Company as Cash Flow Hedges; specifically, the hedging instruments used (Interest Rate Swaps and Asset Inflation Linked Swaps) are designated to cover the interest flows paid on underlying loans payable or inflation linked flows of investments in bonds. The objective that the Company intends to pursue through the designated hedging transactions is therefore:



- to mitigate its risk exposure deriving from the volatility of the market rates by fixing or limiting the onerousness of its variable rate loans;
- to mitigate its exposure to the inflation risk deriving from the indexing of interest and capital invested in bonds indexed to inflation.

As a result of the Cash Flow Hedge accounting, the economic effects generated by the fair value measurement of hedging derivatives are recognised in a specific equity reserve (and represented in the Statement of Comprehensive Income) and then transferred to the Income Statement in the following financial years, i.e. concurrently with the recognition of the underlying interest flows. It therefore follows that at the end of the financial year, the hedging effects recognised in the Cash Flow Hedge reserve are entirely generated by positions stipulated from 2016 onwards and in place at the reporting date and recognised in the balance sheet at fair value.

The following table shows the impact on the shareholders' equity of the Company of the Cash Flow Hedge reserve recognised with reference to derivatives to hedge the risk of interest and inflation rate accounted for in Hedge Accounting at 31 December 2023, gross of the tax effect:

EURO THOUSANDS	BOOK VALUE
<b>Closing balances at 31.12.2022</b>	<b>62,138</b>
Changes in fair value with impact in equity	(14,766)
Effects released to Income Statement	(21,045)
<b>Closing balances at 31.12.2023</b>	<b>26,327</b>

The cash flow hedge reserve (positive at Euro 26,327 thousand, gross of the tax effect) holds future interest flows that will be recognised in the income statement (with consequent release to the income statement) partly in the financial year 2024 (estimated net collections of about Euro 4,852 thousand, non-discounted value) and partly in subsequent years (estimated net payments of about Euro 7,155 thousand, non-discounted value). The reserve also includes suspended income related to pre-hedging transactions on financial liabilities that will be released in future years for a total of Euro 28,997 thousand.

### Sensitivity analysis of interest rate risk

As stated in the specific "risk management" section included in the Report on Operations which accompanies these financial statements, the Company is exposed to the risk of fluctuating interest rates, the volatility of which could have negative effects on the Company's cash flows.

The following is a sensitivity analysis to reasonably possible changes in interest rates at the reference date, keeping all the other variables underlying the valuation model constant. In particular, the range of changes assumed on the interest rate curve for the purposes of this analysis is  $\pm 50$  bps (basis points).

### Sensitivity analysis of interest rate risk at 31 December 2023

EURO THOUSANDS		AT 31 DECEMBER 2023			
DESCRIPTION	CHANGE IN THE RATE	IMPACT ON INCOME STATEMENT (BEFORE TAXES)		IMPACT ON SHAREHOLDERS' EQUITY (BEFORE TAXES)	
		INCREASE	DECREASE	INCREMENTO	DECREASE
Changes in fair value of rate derivatives designated in hedge accounting	±50 bps	497	(831)	6,476	(6,334)
Changes in fair value of rate derivatives not designated in hedge accounting	±50 bps	106	(108)	-	-

On the basis of the sensitivity analysis described above, it is noted that changes in the fair value of the derivatives portfolio deriving from the assumed rate changes would impact the Income Statement in all the financial years, as:

- some hedging instruments have not been accounted for in Hedge Accounting;
- the hedging instruments have a share of ineffectiveness, therefore a part of the changes in their fair value is recognised in the Income Statement and not suspended in equity according to the provisions of IFRS 9 for Cash Flow Hedge.

### 25. OTHER CURRENT FINANCIAL ASSETS

The breakdown of other current financial assets is as follows:

EURO THOUSANDS	2023	2022
<b>OTHER FINANCIAL ASSETS</b>	<b>294,086</b>	<b>377,490</b>
Receivables from Group companies for centralised treasury	249,341	345,561
Portfolio of securities/funds	10,002	-
Financial receivables from subsidiaries	34,036	30,758
Financial receivables from associated companies	707	691
Others	-	480

Receivables from Group companies for centralised treasury, equal to Euro 249,341 thousand at 31 December 2023 (Euro 345,561 thousand at 31 December 2022) refer to the credit balances of the intercompany current accounts held with the various subsidiaries. The decrease in the balance compared to the previous year (Euro 96,220 thousand) is due to the combined effect of the lower utilisation of group liquidity by the subsidiary CVA Energie, which was able to benefit from a phase of normalisation of energy prices, offset by a greater need for cash by the other subsidiaries to realise the investments envisaged in the business plan.

The item Portfolio of securities/funds, not present in the previous year, includes short-term deposits in the amount of Euro 10,002 thousand.

Financial receivables from subsidiaries mainly include the receivables relating to the short-term portion (due within 12 months) of loans granted to subsidiaries.

In particular, we highlight the receivables:

- from VALDIGNE for Euro 797 thousand at 31 December 2023 (Euro 3,892 thousand at 31 December 2022);
- from DEVAL, for Euro 2,669 thousand at 31 December 2023 (Euro 2,584 thousand at 31 December 2022);
- from CVA ENERGIE, for Euro 11,489 thousand at 31 December 2023 (Euro 12,750 thousand at 31 December 2022);
- from CVA EOS for Euro 10,017 thousand at 31 December 2023 (Euro 9,091 thousand at 31 December 2022);
- from SR Investimenti for Euro 8,605 thousand at 31 December 2023 (not present in 2022);
- from CVA SMART ENERGY for Euro 419 thousand at 31 December 2023 (not present in 2022);

Financial receivables from associated companies amounted to Euro 707 thousand (Euro 691 thousand at 31 December 2022) refer to the short-term portion relating to the loan receivable granted to the related company TELCHA.

## 26. OTHER CURRENT ASSETS

The breakdown of the item Other current assets is as follows:

EURO THOUSANDS	2023	2022
<b>OTHER CURRENT ASSETS</b>	<b>18,119</b>	<b>22,052</b>
Deferred assets	7,055	9,917
Other assets	5,395	1,018
Other assets subsidiaries	3,455	-
Advances to suppliers	1,789	8,666
Other assets - related parties	200	17
Receivables from social security institutions	97	54
Receivables from employees	83	103
Receivables from the G.S.E. for incentives	41	2,256
Security deposits	3	22

The item "other current assets" amounted to Euro 18,119 thousand at 31 December 2023 (Euro 22,052 thousand at 31 December 2022) and mainly includes the following items:

- Deferred assets, for Euro 7,055 thousand at 31 December 2023 (Euro 9,917 thousand at 31 December 2022), deriving from the deferred asset of water diversion supra-fees for Euro 5,300 thousand at 31 December

2023, as well as from deferred assets of various kinds including: insurance premiums, rents payable and long-term expenses;

- Other assets relating to credits accrued for energy efficiency activities, related to the 110% bonus, and referring to expenses incurred in the name and on behalf of the client with reference to professional services for the supervision of works;
- Other assets from subsidiaries for Euro 3,455 thousand mainly refer to the receivable from CVA EOS for an overpayment related to the financial settlement resulting from the transfer transaction. The receivable was collected in early 2024;
- Advances to suppliers, amounting to Euro 1,789 thousand at 31 December 2023 (Euro 8,666 thousand at 31 December 2022), consisting mainly of advances to suppliers related to energy efficiency work on buildings.
- Other Assets to Related Parties, mainly related to the grant disbursed for the BESS project concerning the application of second life batteries for energy storage in renewable source plants for Euro 188 thousand.

Receivables from the GSE decreased due to the reduction in incentives received for the sale of wind and photovoltaic plants, on the one hand, and the reduction in the average value of incentives on hydroelectric production, on the other.

## 27. CASH AND CASH EQUIVALENTS

The item mainly includes the balance receivable of current bank accounts and short-term deposits at the reporting date, equal to Euro 325,522 thousand (Euro 220,284 thousand at 31 December 2022). Cash and cash equivalents amounted to Euro 2 thousand at 31 December 2023 (Euro 3 thousand at 31 December 2022). Bank deposits amounted to Euro 325,486 thousand at 31 December 2023 (Euro 220,251 thousand at 31 December 2022). All balances are stated at nominal value and also include interest accrued but not yet credited at the end of the year. They are not burdened by constraints of any kind that limit their availability. The increase in cash and cash equivalents of about Euro 105,238 is mainly attributable to an increase in financial liabilities, which was not followed by the immediate use of the sums obtained in investments, and to the concomitant decrease in the liquidity needs of the subsidiary CVA ENERGIE s.r.l., which repaid to CVA SPA centralised treasury uses in the amount of Euro 239,910 thousand in 2023.

## 28. SHAREHOLDERS' EQUITY

The breakdown of the shareholders' equity of the Company is as follows:

EURO THOUSANDS	2023	2022
<b>SHAREHOLDERS' EQUITY</b>	<b>1,007,023</b>	<b>903,578</b>
Share capital	395,000	395,000
Other reserves	347,553	412,987
Accumulated Profits/(Losses)	58,593	35,815
Net result of the year	205,877	59,777

### Share capital

The share capital amounted to Euro 395,000 thousand, divided into 395,000 thousand ordinary shares with a nominal value of Euro 1.00 each. During the 2023 and 2022 financial years, there were no changes in the amount of share capital.

### Other reserves

The breakdown of other reserves is shown in the following table:

EURO THOUSANDS	2023	2022
<b>OTHER RESERVES</b>	<b>347,553</b>	<b>412,987</b>
Realignment Reserve pursuant to Article 110 DL 104/2020	163,697	163,697
Extraordinary reserve	87,619	128,620
Legal reserve	63,605	60,616
Cash Flow Hedge reserve	20,008	47,225
IAS transition FTA reserve	12,289	12,289
Merger reserves	476	476
Hedging reserves	2	2
IAS 19 Employee benefits reserves	(144)	61

### Reserve for realignment of tax value of goodwill pursuant to article 110 DL 104/2020

Following the realignment of the statutory and fiscal values of goodwill carried out in accordance with art. 110 of Decree-Law 104/2020, a portion of the extraordinary reserve amounting to Euro 163,697 thousand, the value subject to realignment net of the substitute tax, was allocated to a special reserve with a specific tax suspension restriction for tax purposes (as governed by paragraph 8 of the aforementioned provision).

### Extraordinary reserve

This reserve amounts to Euro 87,619 thousand (Euro 128,620 thousand at 31 December 2022) and includes the allocation made in the previous years, as approved by the shareholders' meeting. During the year, there was a decrease of Euro 41,001 thousand for extraordinary dividend distributions to the Shareholder as per the minutes of 21/06/23.

### **Legal reserve**

The legal reserve amounted to Euro 63,605 thousand (Euro 60,616 thousand at 31 December 2022). The increase recognised in the year is due to the allocation to this reserve of the twentieth part of the profit for the year 2022, as required by Article 2430 of the Civil Code.

### **Cash Flow Hedge reserve**

This reserve includes the effective portion of the change in the fair value of derivative financial instruments classified as Cash Flow Hedges and designated as hedges of the interest flows generated by the loans payable. The change in fair value is expressed net of accrued interest and the tax effect. The reserve amounted to Euro 20,008 thousand at 31 December 2023. Its change is also reported in the comprehensive income statement, specifically among the components that can be reclassified in the income statement in subsequent periods.

### **IAS transition FTA reserve**

This reserve represents the balancing entry in shareholders' equity of the adjustments of equity balances deriving from the first application of the IAS/IFRS accounting standards at the transition date of 1 January 2014 and amounts to Euro 12,289 thousand.

### **Merger reserves**

The item includes for Euro 476 thousand the net merger capital resulting from the 2001 merger operation.

### **IAS 19 Employee benefits reserve**

The item includes actuarial losses relating to defined benefit plans for employees, for Euro 144 thousand at 31 December 2023 (profits for Euro 61 thousand at 31 December 2022). Its change is also reported in the statement of comprehensive income, specifically among the components that cannot be reclassified in the income statement of subsequent periods.

### **Accumulated profits/(losses)**

The item was positive for Euro 58,593 thousand at 31 December 2023 (Euro 35,815 thousand at 31 December 2022). This item includes retained profits and differences arising from the restatement of prior-year results due to changes in accounting standards or corrections of accounting errors. In particular, the increase recorded in the financial year 2023 is due to the allocation of the profit for the financial year 2022, while the remaining portion is mainly made up of the differences on the 2014 and 2015 results for the first-time application of IAS/IFRS.

### **Result of the year**

The result of the year was positive for Euro 205,877 thousand in 2023 (Euro 59,777 thousand at 31 December 2022).

### Statement of Equity with additional information

The details of the individual shareholders' equity items are shown below, with a breakdown by their origin and possibility of use:

EURO THOUSANDS	ORIGIN	POSSIBILITY OF USE	2023	2022
Share capital			395,000	395,000
Legal reserve	Profit reserve	B	63,605	60,616
Extraordinary reserve	Profit reserve	A,B,C	87,619	128,620
Merger reserves	Other reserves	A,B	476	476
IAS transition FTA reserve	Other reserves	B	12,289	12,289
Loss coverage reserve	Other reserves	B	2	2
Cash Flow Hedge reserve	Other reserves	-	20,008	47,225
IAS 19 reserves - Employee Benefits	Other reserves	-	(114)	61
Realignment Reserve pursuant to Article 110 DL 104/2020	Other reserves	A,B,C	163,697	163,697
Profits/(accumulated losses)	Profit reserve	A,B,C	58,593	35,815
<b>Total</b>			<b>801,146</b>	<b>843,802</b>
<i>Of which:</i>				
<i>Non-distributable portion:</i>			491,237	515,670
<i>Residual distributable portion:</i>			309,909	328,131
Key: A) for capital increase; B) for loss coverage; C) for distribution to shareholders.				

## 29. CURRENT AND NON-CURRENT EMPLOYEE BENEFITS

Employee benefits amounted to Euro 3,237 thousand in the year (Euro 3,114 thousand in 2022). The table below shows the changes in the years:

EURO THOUSANDS	EMPLOYEE SEVERANCE INDEMNITY (TFR)	LOYALTY BONUS	ENERGY DISCOUNT	EMPLOYEE BONUSES	OTHER EMPLOYEE BENEFITS	TOTAL
<b>Current value of the obligation at 31/12/2022</b>	<b>1,534</b>	<b>657</b>	<b>311</b>	<b>405</b>	<b>207</b>	<b>3,114</b>
Current cost	-	40	1	423	5	-
Financial expenses	55	24	11	-	8	-
Increases/(decreases) for acquisitions and transfers	(1)	(6)	-	(20)	-	-
Benefits provided	(57)	(9)	(20)	(385)	(20)	-
Revaluations (*)	17	18	18	-	22	-
Other changes	-	-	-	-	-	-
<b>Current value of the obligation at 31/12/2023</b>	<b>1,548</b>	<b>724</b>	<b>321</b>	<b>423</b>	<b>222</b>	<b>3,238</b>
<b>of which</b>						
current portion	174	20	21	423	62	700
non-current portion	1,374	704	300	-	160	2,538

(\*) The item "revaluations" includes the following components:

1. actuarial (gains)/losses resulting from changes in demographic assumptions;
2. actuarial (gains)/losses resulting from changes in financial assumptions
3. (gains)/losses resulting from the effect of past experience

Liabilities for employee benefits are mainly represented by the following components:

- severance indemnity (TFR) recognised in compliance with the provisions of current legislation. The value of the liabilities in question amounted to Euro 1,548 thousand at 31 December 2023 (Euro 1,534 thousand at 31 December 2022);
- company loyalty bonus to be paid to employees upon reaching a specified length of service. Liabilities accrued amounted to Euro 724 thousand at 31 December 2023 (Euro 657 thousand at 31 December 2022);
- employee bonuses, equal to the amounts allocated for the Management By Objectives plan for Heads of Function, Area Managers and Executives in the amount of Euro 423 thousand;
- other employee benefits totalled Euro 543 thousand at 31 December 2023 (Euro 518 thousand at 31 December 2022) and are represented by: (i) additional allowance for FOPEN contributions recognised to employees who have opted, as part of the agreement entered into in May 2019 to overcome the concessions on energy tariffs for the disbursement



of a fixed amount to the supplementary pension fund or in coupons up to the age of 65 regardless of the age at which they will cease service; (ii) additional monthly payments (so-called "IMA") due to employees in force as of 24/07/2001 and in accordance with Article 43 of the C.C.L. 21/02/1989; (iii) the energy discount fund allocated against the agreement entered into on 6 May 2019 to overcome electricity tariff concessions for former employees and which provides former employees who have opted for the recognition of a lump sum, the payment of a fixed annual amount of Euro 360.

For the purpose of defining the amount of the current value of the obligations, an estimate was made of the future provisions which, on the basis of development assumptions related to both the numerical development of the community and the salary development, will be provided to each employee in the case of continuation of work, retirement, death, resignation or request for anticipation. The only exception is the provision for employee bonuses, which, in view of its nature as a short-term benefit (bonuses are paid in the following year), does not include discounted values. The main economic and financial assumptions adopted for the calculations are as follows:

	2023	2022
Discount rate	3.20%	3.77%
Annual inflation rate	2.00%	2.30%
<b>Rate of increase in labour costs</b>		
- age 40 and under	4.00%	4.30%
- age over 40 but under 55	3.00%	3.30%
- age over 55	2.00%	2.30%

In compliance with the provisions of IAS 19, a sensitivity analysis is provided for each significant actuarial assumption at the end of the year, showing the effects that there would be as a result of changes in actuarial assumptions reasonably possible at said date, in absolute terms.

	CHANGE IN LIABILITIES	ONE YEAR COST	CHANGE IN LIABILITIES	ONE YEAR COST
	WHEN THE RATE CHANGES		WHEN THE RATE CHANGES	
	-0,50%		0,50%	
Employee severance indemnity (TFR)	58	-	(56)	-
Loyalty bonus	48	47	(44)	39
Other employee benefits	20	6	(18)	6

### 30. PROVISIONS FOR RISKS AND CHARGES

The breakdown of provisions for risks and charges is as follows:

EURO THOUSANDS	PROVISIONS FOR CHARGES
<b>Value at 31.12.2022</b>	4,913
(Uses)	(2)
(Releases)	(70)
Allocations	-
Other changes	(3,465)
<b>Value at 31.12.2023</b>	1,377
<b>of which</b>	
current portion	-
non-current portion	1,377

The provision for charges includes the estimate of contingent liabilities deriving:

- from the reclamation of the public lighting systems of the Municipality of Aosta for Euro 105 thousand: it corresponds to the commitment undertaken by CVA regarding maintenance interventions on the lighting systems located in the Municipality of Aosta before their transfer to the Municipality itself. There are no changes compared to the previous year;
- from state fees and surcharges due for exceeding the water withdrawal quotas allowed under the concessions, in the amount of Euro 14 thousand; no change from the previous year;
- from the environmental compensation indemnities due to the Municipality of Foggia, with reference to the Ponte Albanito wind farm, for Euro 1,016 thousand: in the absence of an agreement that regulates the economic relations with the Municipality of Foggia with reference to potential environmental compensation indemnities, in past years, an amount equal to 3% of revenues has been set aside for the sale of energy and related incentives. This percentage represents a conservative estimate; there is no change from the previous year because the plant was transferred to CVA EOS and therefore the risk has not changed and remains as such to the liability accrued until 31.12.2022;
- charges for securing real estate owned and land bordering regional roads, in the amount of Euro 241 thousand: during the year, a portion of the portion deemed surplus in the amount of Euro 58 thousand was released.

Finally, it should be noted that the portion of the provision relating to the restoration costs of the wind and photovoltaic plants contributed to the subsidiary CVA EOS, amounting to Euro 3,465 thousand, was also transferred with the contribution.

### 31. NON-CURRENT AND CURRENT FINANCIAL LIABILITIES

#### Non-current financial liabilities

Non-current financial liabilities amounted to Euro 808,309 thousand at 31 December 2023 (Euro 484,804 thousand at 31 December 2022), and consisted mainly of the long-term portion of bank loans and bonds held by the Company (valued with the amortised cost method), liabilities entered in respect of rights of use in accordance with IFRS 16 (as described in note 14).

EURO THOUSANDS	2023	2022
<b>NON-CURRENT FINANCIAL LIABILITIES</b>	<b>808,309</b>	<b>484,804</b>
Bank loans	727,922	431,570
Bonds	78,725	49,618
Financial payables to related parties	1,043	-
Financial liabilities for leasing	619	2,960
Other financial payables	-	656

The increase in bank loans (increase in the non-current portion of Euro 296,352 thousand) that occurred during the year is mainly attributable to the subscription of new medium/long-term loans for a nominal amount of Euro 315,000 thousand, partially offset by the amortisation of existing loans. In addition, a new bond was issued at the end of the year for a nominal amount of Euro 30,000 thousand with a bullet maturity of 2031.

#### Current financial liabilities

Current financial liabilities amounted to Euro 77,940 thousand at 31 December 2023 (Euro 77,511 thousand at 31 December 2022) and the breakdown is as follows:

EURO THOUSANDS	2023	2022
<b>OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>77,940</b>	<b>77,511</b>
Bank loans	77,420	72,412
Financial liabilities for leasing	286	407
Bonds	130	60
Payables to Group companies for centralised treasury	-	4,496
Financial payables to subsidiaries	-	44
Financial payables to related parties	86	2
Financial payables to parent companies	-	-
Other financial payables	17	91

Bank loans, amounting to Euro 77,420 thousand at 31 December 2023 (Euro 72,412 thousand at 31 December 2022), represent the total of the short-term portion of bank loans held by the Company valued with the amortised cost method and short-term loans.

The financial liabilities for leases have been described in explanatory note 14 on Rights of Use.

The changes in bank loans and bonds for the year are shown below, with the breakdown between monetary changes (which are corresponded to an actual cash flow) and non-monetary changes:

COUNTERPARTY	31/12/2022	MONETARY NET CHANGE	NON-MONETARY NET CHANGE	31/12/2023
Intesa Sanpaolo	9,001	(9,002)	1	-
BNL	69,178	-	283	69,461
Mediobanca	30,003	-	5	30,008
EIB	44,092	(11,000)	25	33,117
CDP 2023/31	-	-	(228)	(228)
Intesa Sanpaolo 2022/25	75,579	-	72	75,651
Mediobanca 2022/25	100,129	-	70	100,199
Deutsche Bank 2022/25	25,193	-	15	25,208
BNL finanz. 2022/25	50,239	-	571	50,810
Unicredit finanz. 2022/25	50,404	-	(444)	49,960
BPM finanz. 2023/26	-	30,000	(179)	29,821
Bper 2023/26	-	35,000	(42)	34,958
SSD 2023/28	-	200,000	(2,401)	197,599
SSD 2023/30	-	50,000	(1,596)	48,404
Bond 2021/2028	49,678	-	62	49,740
Bond 2023/2038	-	30,000	(885)	29,115
Sella RCF	5	10,000	18	10,023
Crédit Agricole RCF	50,141	-	89	50,230
BNL RCF	2	-	19	21
Intesa Sanpaolo RCF	5	-	34	39
Unicredit RCF	7	-	2	9
Deutsche B RCF	1	-	16	17
BPM RCF	-	-	1	1
BPER RCF	-	-	32	32
<b>TOTAL</b>	<b>553,660</b>	<b>334,998</b>	<b>(4,461)</b>	<b>884,197</b>

With reference to the maturity analysis required by the standard IFRS 7 for financial liabilities, the table below shows the analysis by expiry of expected cash flows (non-discounted values) from bank loans and bonds payable recognised in the financial statements (distinguishing between interest and capital flows).

### Maturity analysis at 31 December 2023

		2023				
		1 YEAR	1-2 YEARS	2-5 YEARS	> 5 YEARS	TOTAL
<b>Bank loans and bonds</b>	<b>Capital flows</b>	<b>71,000</b>	<b>411,000</b>	<b>326,000</b>	<b>80,000</b>	<b>888,000</b>
	<b>Interest flows</b>	<b>33,994</b>	<b>26,049</b>	<b>33,270</b>	<b>19,386</b>	<b>112,699</b>

### 32. CATEGORIES OF FINANCIAL INSTRUMENTS

The following table shows the values of the financial statements at 31 December 2023 and for comparative periods of financial assets and liabilities, broken down into the categories of financial instruments defined by IFRS 9.

#### Financial assets

EURO THOUSANDS	2023	2022
<b>Financial assets</b>	<b>551,854</b>	<b>133,207</b>
<b>Loans and receivables</b>	<b>522,202</b>	<b>99,951</b>
Certificates of deposit and repurchase agreements	60,152	-
Loans receivables with associates and subsidiaries	462,050	99,951
<b>Financial assets available for sale</b>	<b>24,200</b>	<b>23,900</b>
Insurance policies	24,200	23,900
<b>Financial assets measured at fair value</b>	<b>5,451</b>	<b>9,356</b>
Assets for financial derivatives in hedge accounting	4,826	8,196
Assets for financial derivatives not in hedge accounting	625	1,160

#### Financial liabilities

EURO THOUSANDS	2023	2022
<b>FINANCIAL LIABILITIES</b>	<b>890,722</b>	<b>553,640</b>
<b>Financial liabilities measured at amortised cost</b>	<b>884,197</b>	<b>553,640</b>
Bank loans and bonds	884,197	553,640
<b>Financial liabilities measured at fair value</b>	<b>6,525</b>	<b>-</b>
Liabilities for financial derivatives in hedge accounting	6,525	-
Liabilities for financial derivatives not in hedge accounting	-	-

### 33. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table illustrates, for the financial instruments recognised in the balance sheet, the book value at the end of the reference period for the financial instruments measured at fair value and the related level in the fair value hierarchy by comparing it with the value recorded in the financial statements:

#### Fair value hierarchy at 31 December 2023

EURO THOUSANDS	BOOK VALUE	FAIR VALUE			
		TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
<b>Financial assets</b>	<b>551,854</b>	-	-	<b>619,699</b>	-
Certificates of deposit and repurchase agreements	60,152	-	-	60,263	-
Loans receivables with associates, subsidiaries and parent companies	462,050	-	-	529,765	-
Capitalisation insurance policies	24,200	-	-	24,200	-
Bonds	-	-	-	-	-
Assets for financial derivatives	5,451	-	-	5,470	-

EURO THOUSANDS	BOOK VALUE	FAIR VALUE			
		TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
<b>Financial liabilities</b>	<b>890,772</b>	-	-	<b>908,578</b>	-
Bank loans and bonds	884,197	-	-	901,882	-
Liabilities for financial derivatives	6,525	-	-	6,756	-

#### Fair value hierarchy at 31 December 2022

EURO THOUSANDS	BOOK VALUE	FAIR VALUE			
		TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
<b>Financial assets</b>	<b>133,207</b>	-	-	<b>193,677</b>	-
Certificates of deposit and repurchase agreements	-	-	-	-	-
Loans receivables with associates, subsidiaries and parent companies	99,951	-	-	98,605	-
Capitalisation insurance policies	23,900	-	-	86,784	-
Bonds	-	-	-	-	-
Assets for financial derivatives	9,356	-	-	8,288	-

EURO THOUSANDS	BOOK VALUE	FAIR VALUE			
		TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
<b>Financial liabilities</b>	<b>503,499</b>	<b>438,069</b>	-	<b>438,069</b>	-
Bank loans and bonds	503,499	438,069	-	438,069	-
Liabilities for financial derivatives	-	-	-	-	-

In general, the fair value of financial instruments traded on regulated markets is determined using the official prices (Level 1). For financial instruments not listed on regulated markets (derivative instruments and loans), the relative fair value is instead determined using appropriate valuation models for each category, using the market data available at the reporting date and discounting expected cash flows based on the interest rate curves (Level 2 input data). With reference to cash and cash equivalents and other short-term financial assets or liabilities, the nominal value recognised in the financial statements represents a reasonable approximation of the relative fair value.

As can be seen, a difference accrues on bank loans between the book value (determined using amortised cost) and the fair value due to changes in market interest rates compared to the conditions at which the individual loans were taken out.

On derivatives, the difference between the *fair value* shown in the balance sheet and the *fair value* shown in the table originates from counterparty risk, which enters the former but not the latter.

### 34. TRADE PAYABLES

The breakdown of trade payables is shown in the following table:

EURO THOUSANDS	2023	2022
<b>TRADE PAYABLES</b>	<b>81,357</b>	<b>26,688</b>
Suppliers	78,839	26,063
Subsidiaries	2,427	544
Customers (Credit notes)	90	-
Related parties	1	82
Associated companies	-	-

#### Payables to suppliers

Trade payables, amounting to Euro 78,839 thousand as of 31 December 2023 (Euro 26,063 thousand as of 31 December 2022), refer to ordinary and extraordinary maintenance services for production plants and subcontracts for energy efficiency work. The increase recorded during the year can be attributed to the increased activity in this sector at the end of the year.

#### Other liabilities to subsidiaries

Liabilities to subsidiaries amounted to Euro 2,427 thousand (Euro 544 thousand at 31 December 2022). They mainly refer to invoices to be received from the indirect subsidiary Nuova Energia as subcontractor for building efficiency works (Euro 1,962 thousand). Euro 188 thousand refer to payables to CVA ENERGIE for energy supplied by it.

### 35. PAYABLES FOR INCOME TAXES

Income tax payables, amounting to Euro 36,022 thousand as of 31 December 2023 (Euro 32,118 thousand as of 31 December 2022), mainly refer to IRAP for the year in the amount of Euro 2,062 thousand and to payables to subsidiaries adhering to the national IRES tax consolidation scheme in the amount of Euro 33,959 thousand.

### 36. OTHER TAX PAYABLES

The breakdown of the item "other tax payables" is shown in the following table:

EURO THOUSANDS	2023	2022
<b>TOTAL OTHER TAX PAYABLES</b>	<b>12,151</b>	<b>2,415</b>
Payables to the tax authorities for VAT	11,441	1,718
Withholding tax for employees	553	516
Other tax payables	157	171
Payables deriving from Group VAT regime	-	10

This item mainly includes the VAT payable for the December settlement and payables for withholding taxes paid by the Company as withholding agent to employees and self-employed workers. Treasury at year-end.

### 37. OTHER CURRENT LIABILITIES

Other current liabilities amounted to Euro 11,789 thousand at 31 December 2023 (Euro 8,777 thousand at 31 December 2022) and the breakdown is as follows:

EURO THOUSANDS	2023	2022
<b>OTHER CURRENT LIABILITIES</b>	<b>11,789</b>	<b>8,777</b>
Other liabilities other related parties	5,867	61
Payables to employees	2,664	2,347
Payables to social security institutions	2,236	2,017
Deferred liabilities	328	137
Other liabilities to subsidiaries	45	40
Payables to Directors	16	14
Payables for deposits and guarantees received	4	5
Advances from customers	2	1,983
Other payables	627	2,173

The item other liabilities to other related parties mainly includes payables for State fees and the payable to the Board of Statutory Auditors for fees for the year. The former are also behind the year's increase. They amount to Euro 5,643 thousand and correspond to the value of the variable component of the fees instituted for the first time in 2023 and payable on final productions.



Payables to employees, amounting to Euro 2,664 thousand at 31 December 2023 (Euro 2,347 thousand at 31 December 2022) mainly refer to accrued vacation and ROL that were not paid to employees.

The item also includes payables to social security institutions, equal to Euro 2,236 thousand (Euro 2,017 thousand in 2022), such as INPS and other supplementary pension funds.

Deferred liabilities amounted to Euro 328 thousand (Euro 137 thousand at 31 December 2022) and refer mainly to capital contributions accounted for using the indirect method and deferred over the useful life of the assets to which the facilitation refers.

Other payables mainly include liabilities for environmental compensation indemnities accrued until 31 December 2022 on wind farm production (Euro 385 thousand) and liabilities for fees due for fish restocking calculated as a percentage of variable state fees (Euro 113 thousand).

### **Commitments, guarantees and contingent liabilities**

#### ***Guarantees issued***

The Company has issued personal sureties for the benefit of suppliers to guarantee the correct fulfilment of all the contractual obligations of the subsidiaries in return for payment, for a total amount of Euro 247,068 thousand at 31 December 2023 (Euro 249,619 thousand at 31 December 2022). More specifically, at 31 December 2023, the main ones refer to personal guarantees issued for:

- CVA ENERGIE for Euro 243,926 thousand;
- DEVAL, as distributor of the Group, for Euro 1,353 thousand;
- CVA EOS for Euro 1,789 thousand;

the Company has issued personal sureties to guarantee the correct fulfilment of all the contractual obligations of the associated company TELCHA for Euro 944 thousand;

#### ***Guarantees received***

The Company received guarantees from customers and suppliers for the correct fulfilment of contractual obligations for a total of Euro 7,534 thousand (Euro 8,436 thousand in the previous year). The main share relates to guarantees provided by the successful bidders in tenders organised by the Company.

#### ***Information pursuant to article 1, paragraph 125, of the law of 4 August 2017 no. 124***

Law 124 of 4 August 2017, Article 1, paragraphs 125-129 (Annual Law on the Market and Competition), introduced new disclosure requirements regarding the transparency of public funding received and granted. This discipline has recently been modified by Art. 35 of Decree-Law No. 34/2019 ("Growth Decree"), which has limited the obligations of transparency, excluding from the perimeter the advantages received by the beneficiary on the basis of a general regime (tax facilitations, contributions that are given to all those who meet certain conditions). The transparency rules of Law No. 124/2017 are therefore focused on bilateral relations, in which a given entity in the public sphere attributes an advantage to a particular entity in the third sector or to a specific

company. As a result of this new legislation, tax facilitations were not taken into account, as they were general and not individual measures. The reporting criterion to be followed is the "cash criterion". Contributions are expressed gross of any withholding and/or other compensation. In light of the above, the grants (contributions, paid tasks, economic benefits) received by public administrations are summarised below.

DISBURSING PARTY	AMOUNTS IN EURO	REASON	NOTES
GSE S.p.A.	113,370.81	GRIN incentive - Convention 000023	Incentive published on the website of GSE
GSE S.p.A.	49,691.42	GRIN incentive - Convention 000648	Incentive published on the website of GSE
GSE S.p.A.	49,993.01	GRIN incentive - Convention 001579	Incentive published on the website of GSE
GSE S.p.A.	54,257.99	Feed-In Tariff - Convention S01L232266707	Incentive published on the website of GSE
GSE S.p.A.	54,202.82	Feed-In Tariff - Convention H01L229497207	Incentive published on the website of GSE
GSE S.p.A.	38,143.79	Feed-In Tariff - Convention S01L232264707	Incentive published on the website of GSE
GSE S.p.A.	128,808.73	Feed-In Tariff - Convention H01F10829207	Incentive published on the website of GSE
GSE S.p.A.	38,191.47	Feed-In Tariff - Convention S01L242645207	Incentive published on the website of GSE
GSE S.p.A.	109,824.00	Feed-In Tariff - Convention H01F11146607	Incentive published on the website of GSE
GSE S.p.A.	4,941.20	Feed-In Tariff - Convention S01B00319806	Incentive published on the website of GSE
GSE S.p.A.	39,833.45	Feed-In Tariff - Convention S01L232264007	Incentive published on the website of GSE
GSE S.p.A.	155,155.22	Feed-In Tariff - Convention H01F11430307	Incentive published on the website of GSE
GSE S.p.A.	175,498.48	Feed-In Tariff - Convention H01F11146807	Incentive published on the website of GSE
GSE S.p.A.	38,865.44	Feed-In Tariff - Convention S01L232259507	Incentive published on the website of GSE
GSE S.p.A.	39,722.61	Feed-In Tariff - Convention S01L232261007	Incentive published on the website of GSE
GSE S.p.A.	112,744.91	Feed-In Tariff - Convention H01F10827507	Incentive published on the website of GSE
GSE S.p.A.	55,454.25	Feed-In Tariff - Convention S01L244972507	Incentive published on the website of GSE
GSE S.p.A.	153,427.42	Feed-In Tariff - Convention H01F10828407	Incentive published on the website of GSE

GSE S.p.A.	151,413.50	Feed-In Tariff - Convention H01F10828007	Incentive published on the website of GSE
GSE S.p.A.	32,756.02	Feed-In Tariff - Convention S01F10764307	Incentive published on the website of GSE
GSE S.p.A.	54,272.17	Feed-In Tariff - Convention S01L242987407	Incentive published on the website of GSE
GSE S.p.A.	35,864.65	Feed-In Tariff - Convention S01L232277807	Incentive published on the website of GSE
GSE S.p.A.	36,595.17	Incentive tariff - Convention FER000672	Incentive published on the website of GSE

Please also refer to the information provided on the National State Aid Register, transparency section.

#### **Management and coordination activities**

For as required pursuant to Art. 2497 and following of the Civil Code, reference is made to the Report on Operations.

#### **RELATED PARTIES**

With regard to the identification of the economic-equity relations with related parties and for the definition of "related party", reference is made to the international accounting standard IAS 24, approved by EC Regulation No. 1725/2003. The transactions carried out with the companies belonging to CVA, as well as with other related parties - mainly the Region and FINAOSTA, as well as its other subsidiaries and associates - are regulated at market conditions. The following tables summarize the economic and financial relations between the Company and the other related parties in 2023.

## RECEIVABLES FROM RELATED PARTIES

EURO THOUSANDS	2023				2022				
	COMPANY	FINANCIAL RECEIVABLES	TRADE RECEIVABLES	OTHER RECEIVABLES	RIGHTS OF USE (IFRS 16)	FINANCIAL RECEIVABLES	TRADE RECEIVABLES	OTHER RECEIVABLES	RIGHTS OF USE (IFRS 16)
<b>Parent Company</b>	-	-	188	-	-	-	-	-	-
Finaosta S.p.A.	-	-	188	-	-	-	-	-	-
<b>CVA Group Companies</b>	<b>718,513</b>	<b>44,278</b>	<b>10,008</b>	-	<b>454,525</b>	<b>22,509</b>	<b>41,301</b>	-	-
CVA Energie S.r.l.	95,345	41,306	9,253	-	336,516	21,170	41,115	-	-
CVA EOS S.r.l.	367,870	322	-	-	69,171	337	-	-	-
SR Investimenti S.r.l.	186,726	14	-	-	-	-	-	-	-
Agreen Energy S.r.l.	-	2	-	-	-	-	-	-	-
EOS San Giorgio S.r.l.	351	5	-	-	-	-	-	-	-
EOS Monte Rughe S.r.l.	-	5	-	-	-	-	-	-	-
Valdigne Energie S.r.l.	5,833	396	527	-	11,450	397	-	-	-
CVA Smart Energy S.r.l.	33,519	2	-	-	-	-	-	-	-
R.T.S. S.r.l.	2,064	1,598	228	-	-	-	-	-	-
Nuova Energia S.r.l.	1,499	-	-	-	-	-	-	-	-
Deval S.p.A.	25,307	628	-	-	37,388	605	186	-	-
<b>Associated Companies</b>	<b>6,369</b>	<b>2</b>	<b>-</b>	-	<b>7,006</b>	<b>4</b>	<b>-</b>	-	-
Téléchauffage Aoste S.r.l.	6,369	2	-	-	7,006	4	-	-	-
<b>Other companies</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	<b>-</b>	<b>-</b>	<b>-</b>	-	-
<b>Finaosta Group Companies</b>	<b>-</b>	<b>1</b>	<b>1,157</b>	-	<b>-</b>	<b>11</b>	<b>-</b>	-	-
Cervino S.p.A.	-	1	-	-	-	11	-	-	-
STRUTTURA VALLE D'AOSTA S.R.L.	-	-	1,157	-	-	-	-	-	-
<b>Valle d'Aosta Region and its investees</b>	<b>-</b>	<b>49</b>	<b>566</b>	-	<b>-</b>	<b>38</b>	<b>571</b>	<b>1</b>	<b>1</b>
Valle d'Aosta Region	-	13	566	-	-	12	571	1	1
Council of the Valle d'Aosta Region	-	26	-	-	-	25	-	-	-
IN.VA S.P.A.	-	11	-	-	-	-	-	-	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>-</b>	<b>5</b>	<b>-</b>	-	<b>-</b>	<b>6</b>	<b>-</b>	-	-
Directors	-	3	-	-	-	2	-	-	-
Executives	-	3	-	-	-	4	-	-	-
Auditors	-	-	-	-	-	-	-	-	-
<b>Other related parties</b>	<b>-</b>	<b>-</b>	<b>-</b>	-	<b>-</b>	<b>-</b>	<b>-</b>	-	-
<b>TOTAL</b>	<b>724,882</b>	<b>44,335</b>	<b>11,919</b>	<b>-</b>	<b>461,532</b>	<b>22,568</b>	<b>41,871</b>	<b>1</b>	<b>1</b>

## PAYABLES TO RELATED PARTIES

EURO THOUSANDS						
COMPANY	2023			2022		
	TRADE PAYABLES	FINANCIAL PAYABLES AND IFRS 16	OTHER PAYABLES	TRADE PAYABLES	FINANCIAL PAYABLES AND IFRS 16	OTHER PAYABLES
<b>Parent Company</b>	-	-	179	-	-	-
Finaosta S.p.A.	-	-	179	-	-	-
<b>CVA Group Companies</b>	<b>2,427</b>	-	<b>34,004</b>	<b>544</b>	<b>4,540</b>	<b>2,211</b>
CVA Energie S.r.l.	188	-	29,113	484	-	-
CVA EOS S.r.l.	35	-	3,935	54	4,540	764
Agreen Energy S.r.l.	-	-	3	-	-	-
Valdigne Energie S.r.l.	-	-	-	-	-	1,406
CVA Smart Energy S.r.l.	-	-	55	-	-	-
R.T.S. S.r.l.	53	-	-	-	-	-
Nuova Energia S.r.l.	1,962	-	-	-	-	-
Deval S.p.A.	189	-	898	7	-	41
<b>Associated Companies</b>	-	-	-	-	<b>2</b>	-
Le Brasier S.r.l.	-	-	-	-	2	-
<b>Other companies</b>	-	-	-	-	-	-
<b>Finaosta Group Companies</b>	<b>34</b>	<b>1,129</b>	-	-	-	-
STRUTTURA VALLE D'AOSTA S.R.L.	34	1,129	-	-	-	-
<b>Valle d'Aosta Region and its investees</b>	<b>1</b>	-	<b>5,657</b>	<b>82</b>	<b>2</b>	<b>17</b>
Valle d'Aosta Region	-	-	5,657	-	2	17
FUNIVIE MONTE BIANCO S.P.A.	-	-	-	75	-	-
CASINO DE LA VALLEE S.P.A.	1	-	-	7	-	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	-	-	<b>61</b>	-	-	<b>57</b>
Directors	-	-	16	-	-	14
Auditors	-	-	45	-	-	43
Executives	-	-	-	-	-	-
<b>TOTAL</b>	<b>2,462</b>	<b>1,129</b>	<b>39,902</b>	<b>626</b>	<b>4,544</b>	<b>2,285</b>

## REVENUES AND OTHER INCOME WITH RELATED PARTIES

EURO THOUSANDS	2023			2022		
	COMPANY	REVENUES FROM SALES AND SERVICES	OTHER REVENUES AND INCOME	FINANCIAL INCOME	REVENUES FROM SALES AND SERVICES	OTHER REVENUES AND INCOME
<b>Parent Company</b>	-	9	-	-	-	-
Finaosta S.p.A.	-	9	-	-	-	-
<b>CVA Group Companies</b>	<b>270,182</b>	<b>5,709</b>	<b>107,244</b>	<b>140,244</b>	<b>5,305</b>	<b>14,718</b>
CVA Energie S.r.l.	266,392	5,253	87,917	136,549	4,877	8,581
CVA EOS S.r.l.	1,112	6	12,569	1,078	-	2,084
SR Investimenti S.r.l.	42	-	3,996	-	-	-
Agreen Energy S.r.l.	5	-	-	-	-	-
EOS San Giorgio S.r.l.	5	-	1	-	-	-
EOS Monte Rughe S.r.l.	5	-	-	-	-	-
Valdigne Energie S.r.l.	698	-	1,033	688	4	3,390
CVA Smart Energy S.r.l.	6	-	437	-	-	-
R.T.S. S.r.l.	30	-	44	-	-	-
Nuova Energia S.r.l.	1	-	17	-	-	-
Deval S.p.A.	1,886	450	1,230	1,929	424	663
<b>Associated Companies</b>	<b>6</b>	<b>-</b>	<b>404</b>	<b>-</b>	<b>-</b>	<b>245</b>
Téléchauffage Aoste S.r.l.	6	-	224	-	-	245
Bonifiche Ferraresi. S.p.A.	-	-	180	-	-	-
<b>Other companies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Finaosta Group Companies</b>	<b>-</b>	<b>237</b>	<b>-</b>	<b>-</b>	<b>187</b>	<b>-</b>
Cervino S.p.A.	-	140	-	-	107	-
Monterosa S.p.A.	-	98	-	-	80	-
<b>Valle d'Aosta Region and its investees</b>	<b>-</b>	<b>329</b>	<b>-</b>	<b>-</b>	<b>327</b>	<b>-</b>
Valle d'Aosta Region	-	30	-	-	29	-
Council of the Valle d'Aosta Region	-	299	-	-	298	-
<b>Other related parties</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>-</b>	<b>9</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>
Directors	-	-	-	-	2	-
Executives	-	9	-	-	14	-
Auditors	88	-	-	-	-	-
<b>TOTAL</b>	<b>270,276</b>	<b>6,293</b>	<b>107,647</b>	<b>140,244</b>	<b>5,835</b>	<b>14,964</b>

## COSTS AND EXPENSES WITH RELATED PARTIES

EURO THOUSANDS	2023		2022	
	OPERATING COSTS	AMORTISATION, DEPRECIATION AND INTEREST IFRS 16	OPERATING COSTS	AMORTISATION, DEPRECIATION AND INTEREST IFRS 16
<b>Parent Company</b>	-	-	-	<b>37</b>
Finaosta S.p.A.	-	-	-	37
<b>CVA Group Companies</b>	<b>7,073</b>	<b>19</b>	<b>3,416</b>	<b>56</b>
CVA Energie S.r.l.	1,574	-	3,193	-
CVA EOS S.r.l.	-	19	216	56
Valdigne Energie S.r.l.	-	1	-	-
Deval S.p.A.	4	-	7	-
R.T.S. S.r.l.	39	-	-	-
Nuova Energia S.r.l.	5,456	-	-	-
<b>Associated Companies</b>	<b>6</b>	<b>-</b>	<b>-</b>	<b>-</b>
Téléchauffage Aoste S.r.l.	6	-	-	-
<b>Other companies</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Finaosta Group Companies</b>	<b>1</b>	<b>40</b>	<b>76</b>	<b>-</b>
Cervino S.p.A.	1	-	1	-
Funivie Monte Bianco S.p.A.	-	-	75	-
STRUTTURA VALLE D'AOSTA S.R.L.	-	40	-	-
<b>Valle d'Aosta Region and its investees</b>	<b>24,455</b>	<b>41</b>	<b>18,358</b>	<b>2</b>
Valle d'Aosta Region	24,387	41	18,315	2
IN.VA S.P.A.	65	-	40	-
SAV	3	-	3	-
<b>Directors, Executives with strategic responsibilities and Statutory Auditors</b>	<b>1,367</b>	<b>-</b>	<b>1,073</b>	<b>-</b>
Directors	164	-	150	-
Executives	1,118	-	838	-
Auditors	85	-	84	-
<b>TOTAL</b>	<b>32,901</b>	<b>100</b>	<b>22,922</b>	<b>94</b>

## RELATIONS WITH SUBSIDIARIES AND OTHER CVA GROUP COMPANIES

The main relations with related parties involve subsidiaries and other CVA Group companies. More specifically, the nature of these Intra-group relations is related to the following aspects:

- tax consolidation: the company, as regards the IRES tax, opted for the

taxation regime pursuant to Art. 117 of the TUIR Tax Code, Presidential Decree 917/86 the "National Tax Consolidation" with some of its subsidiaries. In particular, the agreement provides that for the transfer to the parent company of tax losses, surpluses of Gross Operating Income and ACE, a compensation is paid to the Subsidiaries that takes into account their concrete possibilities of fully exploiting the resulting tax advantage;

- Group VAT payment: the Company has opted for the Group VAT payment regime together with the subsidiaries CVA ENERGIE and CVA EOS;
- Centralised treasury: current account contracts are in place between the parent company and its subsidiaries, in order to guarantee centralised treasury to better manage the availability and provision of infra-group liquid resources;
- loans: the Company has granted long-term interest-bearing loans to its subsidiaries at market rates;
- outsourcing services, these are accounting and tax services (accounting, tax consultancy, cash management, UTF management, accounting unbundling for ARERA and other administrative services of various kinds), financial and treasury management services, technical services (services regarding the environment and safety at work and services related to real estate), auditing and supervisory services pursuant to Legislative Decree 231/2001, budgeting and management control services, fixed asset management services, legal services, communication and information technology services, personnel and human resources management services, purchasing and procurement management services, staff services;
- business relations: the parent company and the companies belonging to the Group have commercial relations of various kinds, regulated at market conditions. The main relations are held with CVA ENERGIE and have concerned the following aspects:
  - supply of electricity by CVA ENERGIE;
  - CVA has benefited from the service offered by the subsidiary regarding the management and determination of tariff concessions due to some employees as users of the Greater Protection service;
  - the Company sold to its subsidiary the energy generated with the plants it owns;
  - the Company sold to the subsidiary the Guarantees of Origin on the production of energy from a renewable source;
- other services: in addition to the above, the parent company and the companies belonging to the Group hold further relations, of which the main ones include support services for the management of plants, the leasing of instrumental properties.



## RELATIONS WITH OTHER RELATED PARTIES

The subsidiaries of FINAOSTA, the Region and its direct subsidiaries have been qualified as related parties; relations with these parties are mainly of a commercial nature and pertain to services provided to all customers or, in the specific case of the Region, deriving from economic relations between the concession-holder and the concessionaire with reference to hydroelectric concessions. The fees due to the Region for the exploitation of water for hydroelectric purposes are, in fact, of paramount importance with their value of Euro 18,009 thousand.

It should be noted that the accounting treatment as required by IFRS 16 has led to the emergence of fixed assets and financial liabilities attributable to lease contracts with related parties. Specifically, these are fees for crossings due to the Region.

Managers of the company with the power to direct its strategies are also considered related parties. For this reason, the costs to related parties include the remuneration paid to them.

It should be noted that in November 2023, to the Chair of the Board of Statutory Auditors of CVA, the Company invoiced, on the basis of a contract signed on 10 May 2022, services related to energy efficiency and building renovation works for a total amount, gross of discounts and net of VAT, of Euro 87,539. At the end of the financial year 2023, the invoices were fully paid.

## OTHER INFORMATION

### FEES OF THE CORPORATE BODIES

Below is the information concerning the fees paid to directors and statutory auditors, as well as to members of the Supervisory Body pursuant to art. 2427, point 16 of the Civil Code:

TYPE OF SERVICES	2023 FEES	2022 FEES
Directors' fees	112,718	113,175
Auditors' fees	84,679	84,422
Supervisory Body fees	10,719	11,486

### INDEPENDENT AUDITORS' FEES

For the information required pursuant to article 2427 point 16-bis of the Civil Code, reference is made to the relative note of the Consolidated Financial Statements.

### SIGNIFICANT EVENTS AFTER YEAR-END

Pursuant to article 2427, paragraph 1, number 22-quater of the Civil Code, with reference to significant events occurring after the end of the year, please refer to as indicated in the Report on Operations.

## PROPOSALS OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS' MEETING

To the Sole Shareholder

We submit for your approval the financial statements of the Company at 31 December 2023, which show a profit of Euro 205,887,393.97 which we propose to allocate for Euro 15,394,742.55 to "Legal Reserve". With regard to the balance of Euro 190,492,651.42, we propose to distribute an amount of Euro 75,050,000.00, equal to Euro 0.19 per share and corresponding to approximately 36.45% of the profit, and to allocate the remaining Euro 115,432,651.42 to retained earnings.

Châtillon, 07 June 2024

Chief Executive Officer

**Giuseppe Argirò**



Chairman

**Marco Cantamessa**



## ANNEXES

## CVA GROUP INVESTMENTS AT 31 DECEMBER 2023

COMPANY NAME	REGISTERED OFFICE	CAPITAL	SHAREHOLDERS	% OWNERSHIP	MANAGEMENT AND COORDINATION	% CONSOLIDATION OF CVA	CONSOLIDATION METHOD (*)
<b>CVA S.p.A.</b>	Châtillon	395,000,000	Finaosta S.p.A.	100.00%	CVA S.p.A.	Parent Company	Parent Company
<b>DEVAL S.p.A.</b>	Aosta	38,632,000	CVA S.p.A.	100.00%	CVA S.p.A.	100%	C.I.
<b>VALDIGNE ENERGIE S.r.l.</b>	Prè-Saint-Didier	11,474,567	CVA S.p.A.	75.00%	CVA S.p.A.	100%	C.I.
<b>LE BRASIER S.r.l.</b>	Morgex	1,052,500	CVA S.p.A.	13.70%	no	-	F.V.
<b>TELCHA S.r.l.</b>	Châtillon	17,667,500	CVA S.p.A.	10.98%	no	10.98%	P.N.
<b>BONIFICHE FERRARESI S.p.A.</b>	Ferrara	8,111,250	CVA S.p.A.	3.00%	no	-	F.V.
<b>CVA ENERGIE S.r.l.</b>	Châtillon	3,000,000	CVA S.p.A.	100.00%	CVA S.p.A.	100%	C.I.
<b>Soc. Coop. Elettrica Gignod</b>	Saint-Christophe	276,300	CVA ENERGIE	0.01%	no	-	-
<b>Cooperativa Forza e Luce di Aosta S.C.</b>	Aosta	182,486.20	CVA ENERGIE	0.01%	no	-	-
<b>CVA EOS S.r.l.</b>	Châtillon	75,000,000	CVA S.p.A.	100.00%	CVA S.p.A.	100.00%	C.I.
<b>SR INVESTIMENTI S.r.l. (SR S.r.l.)</b>	Châtillon	20,202	CVA EOS S.r.l.	100.00%	CVA S.p.A.	100.00%	C.I.
<b>SR INVESTIMENTI 2 S.r.l.</b>	Châtillon	200,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>AJE S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>ENKI IMPIANTI FOTOVOLTAICI S.r.l.</b>	Châtillon	40,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>FELCINO S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>FLUSI S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>HAR PROJECTS S.r.l.</b>	Châtillon	30,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>CAVAGLIA' PV S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>CORVO S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>DOMUS SOLAR 2 S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BE ASCOLI S.r.l.</b>	Châtillon	30,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BE SOLAR 2 S.r.l.</b>	Châtillon	60,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BE SOLAR 4 S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BIOTWIN S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BIOTWIN 2 S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>MORGANA PROJECTS S.r.l.</b>	Châtillon	30,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>VALLE S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.

COMPANY NAME	REGISTERED OFFICE	CAPITAL	SHAREHOLDERS	% OWNERSHIP	MANAGEMENT AND COORDINATION	% CONSOLIDATION OF CVA	CONSOLIDATION METHOD (*)
<b>VIVATERRA GREEN S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>TABATA PROJECTS S.r.l.</b>	Châtillon	30,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>BLOOMOTION S.r.l.</b>	Châtillon	50,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>HELIO TRINITAPOLI S.r.l.</b>	Châtillon	311,126	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>LINDO S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>ME PROGETTO UNO S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>MEDUSA ENERGIA SOLARE S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>MOTTALCIATA PV S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>NETTUNO SOLAR S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>ONDA SOLARE S.R.L.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SICILIA ENERGY S.r.l.</b>	Arezzo	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY VIII S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY XI S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY XIII S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY XVII S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY XIX S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SOLAR ITALY XXII S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>TRIDENTE SOLAR S.r.l.</b>	Châtillon	10,000	SR S.r.l.	100.00%	no	100.00%	C.I.
<b>SR TORITTO 01 S.r.l.</b>	Montemesola	2,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SICILIA POWER S.r.l.</b>	Arezzo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>CAIRONE 1 S.r.l.</b>	Modena	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>PFM S.r.l.</b>	Modena	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>BYOPRO DEV 2 S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>TEP RENEVABLES S.r.l. (SCICLI 1 PV)</b>	Palermo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>TEP RENEVABLES S.r.l. (VITTORIA 2 PV)</b>	Palermo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>TEP RENEVABLES S.r.l. (LICODIA EUBEA 1 PV)</b>	Palermo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>STM22 Srl</b>	Imola	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>STM24 Srl</b>	Imola	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>NORA SOLARE S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SOLAR LIRI S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SOLE D'ABRUZZO S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.

COMPANY NAME	REGISTERED OFFICE	CAPITAL	SHAREHOLDERS	% OWNERSHIP	MANAGEMENT AND COORDINATION	% CONSOLIDATION OF CVA	CONSOLIDATION METHOD (*)
<b>DUNA SOLARE S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SR TROIA 1 S.r.l.</b>	Foggia	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SR FOGGIA 1 S.r.l.</b>	Foggia	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>VITTORIA SVILUPPI S.r.l.</b>	Foggia	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SANT'ALESSIO RINNOVABILI PRIMA S.r.l.</b>	Trieste	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>FILA SVILUPPI S.r.l.</b>	Foggia	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>POGGIO OLIVASTRO S.r.l.</b>	Montalto di Castro	2,500	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>CAIRONE 3 S.r.l.</b>	Modena	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SALOMONE 1 S.r.l.</b>	Modena	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>BYOPRO DEV 3 S.r.l.</b>	Rome	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>TEP RENEVABLES S.r.l. (VITTORIA 1 PV)</b>	Palermo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>TEP RENEVABLES S.r.l. (CHIARAMONTE GULFI 1 PV)</b>	Palermo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SOLAR ITALY XXI S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	19.00%	P.N.
<b>SOLAR PV UNO S.r.l.</b>	Arezzo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>GRIFONI PV S.r.l.</b>	Arezzo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>CLANIS SUN S.r.l.</b>	Arezzo	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>MAIELLA SOLARE S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>FIORITI S.r.l.</b>	Milan	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SIAMAGGIORE S.r.l.</b>	Montalto di Castro	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>VITTORIA PROGETTI S.r.l.</b>	Foggia	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>STM25 Srl</b>	Imola	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>SAN GIORGIO RINNOVABILI PRIMA S.r.l.</b>	Trieste	10,000	SR S.r.l.	20.00%	no	20.00%	P.N.
<b>DENERGIA SVILUPPO HOLDING S.r.l. (DSH)</b>	Châtillon	10,000	SR S.r.l.	100.00%	SR S.r.l.	100.00%	C.I.
<b>ENERGIA SEI S.r.l.</b>	Châtillon	20,000	DSH	100.00%	SR S.r.l.	100.00%	C.I.
<b>SVILUPPO S.r.l. (Sviluppo)</b>	Châtillon	10,000	DSH	100.00%	SR S.r.l.	100.00%	C.I.
<b>SOLAR ITALY XIV S.r.l. (Solar Italy XIV)</b>	Châtillon	10,000	DSH	100.00%	no	100.00%	C.I.
<b>AGRO SOLAR I S.r.l.</b>	Châtillon	10,000	Solar Italy XIV	100.00%	no	100.00%	C.I.
<b>AGRO SOLAR II S.r.l.</b>	Châtillon	10,000	Solar Italy XIV	100.00%	no	100.00%	C.I.
<b>ENERGIA DUE S.r.l.</b>	Châtillon	1,044,000	Sviluppo	100.00%	SR S.r.l.	100.00%	C.I.

COMPANY NAME	REGISTERED OFFICE	CAPITAL	SHAREHOLDERS	% OWNERSHIP	MANAGEMENT AND COORDINATION	% CONSOLIDATION OF CVA	CONSOLIDATION METHOD (*)
<b>ENERGIA UNO S.r.l.</b>	Châtillon	1,048,000	Sviluppo	100.00%	SR S.r.l.	100.00%	C.I.
<b>REN 167 S.r.l.</b>	Châtillon	1,500	CVA EOS S.r.l.	100.00%	no	100.00%	C.I.
<b>REN 170 S.r.l.</b>	Châtillon	1,500	CVA EOS S.r.l.	100.00%	no	100.00%	C.I.
<b>REN 208 S.r.l.</b>	Châtillon	1,500	CVA EOS S.r.l.	100.00%	no	100.00%	C.I.
<b>EOS SAN GIORGIO S.r.l.</b>	Châtillon	10,000	CVA EOS S.r.l.	100.00%	no	100.00%	C.I.
<b>RENERGETICA S.p.A.</b>	Châtillon	1,108,237	CVA EOS S.r.l.	60.00%	no	100.00%	C.I.
<b>REN 146 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 148 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 152 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 154 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 156 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 157 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 158 S.r.l.</b>	Genoa	1,500	RENERGETICA	65.00%	RENERGETICA	100.00%	C.I.
<b>REN 159 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 160 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 165 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 166 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 168 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 169 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 171 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 172 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 173 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 174 S.r.l.</b>	Genoa	1,500	ZAON S.r.l.	100.00%	no	100.00%	C.I.
<b>REN 175 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 176 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 177 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 178 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 179 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 180 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 182 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 183 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 184 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 185 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 186 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.

COMPANY NAME	REGISTERED OFFICE	CAPITAL	SHAREHOLDERS	% OWNERSHIP	MANAGEMENT AND COORDINATION	% CONSOLIDATION OF CVA	CONSOLIDATION METHOD (*)
<b>REN 187 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 188 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 190 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 191 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 192 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 193 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 194 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 195 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 196 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 197 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 198 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 199 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 200 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 201 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 203 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 204 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 205 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 206 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 207 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 209 S.r.l.</b>	Genoa	1,500	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>REN 210 S.r.l.</b>	Genoa	10,000	RENERGETICA	100.00%	RENERGETICA	100.00%	C.I.
<b>ZAON S.r.l.</b>	Châtillon	200,000	RENERGETICA	51.00%	no	100.00%	C.I.
<b>AGREEN ENERGY S.r.l.</b>	Châtillon	507,500	CVA EOS S.r.l.	70.00%	CVA S.p.A.	100.00%	C.I.
<b>EOS MONTE RUGHE S.r.l.</b>	Châtillon	10,000	CVA EOS S.r.l.	51.00%	no	100.00%	C.I.
<b>EOS SERRA 1 S.r.l.</b>	Foggia	10,000	CVA EOS S.r.l.	20.00%	no	20.00%	P.N.
<b>EOS SERRA 2 S.r.l.</b>	Foggia	10,000	CVA EOS S.r.l.	20.00%	no	20.00%	P.N.
<b>EOS SAN SEVERO 1 S.r.l.</b>	Foggia	10,000	CVA EOS S.r.l.	20.00%	no	20.00%	P.N.
<b>CVA SMART ENERGY S.r.l. (Smart Energy)</b>	Châtillon	10,000,000	CVA S.p.A.	100.00%	CVA S.p.A.	100.00%	C.I.
<b>NUOVA ENERGIA S.r.l.</b>	Quart	50,000	Smart Energy	75.00%	no	100.00%	C.I.
<b>R.S. SERVICE S.r.l.</b>	Châtillon	500,000	Smart Energy	70.00%	no	100.00%	C.I.
<b>R.T.S. S.r.l.</b>	Châtillon	1,000,000	Smart Energy	70.00%	no	100.00%	C.I.

(\*) or valuation criterion:

C.I. = line-by-line consolidation, SE = equity valuation, Co. = valuation at cost, F.V. = fair value valuation

## LIST OF SECONDARY OFFICES

In addition to its registered office in Châtillon (AO), Via Stazione 31, CVA exercises its activities at the following locations:

- Antey-St-Andre' (AO) – Covalou snc area
- Aosta (AO) – Signayes snc area
- Aosta (AO) – Via Clavalité 8
- Arlena di Castro (VT) – Strada Vicinale della Banditella snc
- Avise (AO) – Baraccon area
- Aymavilles (AO) – Strada Comunale di Aymavilles snc
- Aymavilles (AO) – Strada Vic. Di Saillod snc
- Bard (AO) – San Giovanni snc area
- Bionaz (AO) – Place Moulin snc area
- Brusson (AO) – Via Col Di Joux
- Challand-St-Victor (AO) – Centrale Isollaz snc area
- Champdepraz (AO) – Fabbrica snc area
- Châtillon (AO) – Breil area
- Châtillon (AO) – Via Stazione, 30
- Châtillon (AO) – Via Stazione, 32
- Cogne (AO) – Lillaz 47 area
- Gaby (AO) – Zuino snc area
- Gressoney La Trinitè (AO) – Edelboden area
- Gressoney-La-Trinitè (AO) – Gabiet snc area
- Gressoney-St-Jean (AO) – Sendren snc area
- Hône (AO) - Centrale snc area
- Hône (AO) - Raffort snc area
- Issime (AO) - Grand Praz snc area
- Montjovet (AO) - Le Bourg snc area
- Nus (AO) - Strada Statale 26 snc
- Pontey (AO) - Saint Clair snc area
- Pont-Saint-Martin (AO) - Via Breda, 2
- Quincinetto (TO) - Strada dei Chiappeti snc
- Valgrisenche (AO) - Beauregard snc area
- Valpelline (AO) - Prailles snc area
- Valtournenche (AO) - Perreres snc area
- Valtournenche (AO) - Cignana snc area



- Valtournenche (AO) - Goillet snc area
- Valtournenche (AO) - Maen snc area
- Verres (AO) - Via Degli Artifici snc
- Villeneuve (AO) - Champagne snc area
- Villeneuve (AO) - Chavonne snc area





**REPORT OF THE  
INDEPENDENT  
AUDITORS ON THE  
CONSOLIDATED  
FINANCIAL STATEMENTS**



## Gruppo Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux

Bilancio consolidato al 31 dicembre 2023

Relazione della società di revisione indipendente  
ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39 e dell'art. 10  
del Regolamento (UE) n. 537/2014



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## Relazione della società di revisione indipendente ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39 e dell'art. 10 del Regolamento (UE) n. 537/2014

All'Azionista Unico della  
Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A.

### Relazione sulla revisione contabile del bilancio consolidato

#### Giudizio

Abbiamo svolto la revisione contabile del bilancio consolidato del Gruppo Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux (il Gruppo), costituito dallo Stato Patrimoniale Attivo e Passivo Consolidato, dal Conto Economico Consolidato, dal Prospetto delle Altre Componenti del Conto Economico Complessivo Consolidato e dal Prospetto delle Variazioni nelle Voci di Patrimonio Netto Consolidato, dal Rendiconto Finanziario Consolidato per l'esercizio chiuso a tale data e dalle note al bilancio consolidato che includono le informazioni rilevanti sui principi contabili applicati.

A nostro giudizio, il bilancio consolidato fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. 28 febbraio 2005, n. 38.

#### Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio consolidato* della presente relazione. Siamo indipendenti rispetto alla Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

#### Aspetti chiave della revisione contabile

Gli aspetti chiave della revisione contabile sono quegli aspetti che, secondo il nostro giudizio professionale, sono stati maggiormente significativi nell'ambito della revisione contabile del bilancio consolidato dell'esercizio in esame. Tali aspetti sono stati da noi affrontati nell'ambito della revisione contabile e nella formazione del nostro giudizio sul bilancio consolidato nel suo complesso; pertanto, su tali aspetti non esprimiamo un giudizio separato.

EY S.p.A.  
Via Meucci, 5 - 10121 Torino (TO) - Italia  
Capitale sociale € 2.000.000,00  
RISERVA PER RISCHI E PER ALTRI CONTINGENTI € 1.000.000,00  
RISERVA PER RISCHI E PER ALTRI CONTINGENTI € 1.000.000,00  
RISERVA PER RISCHI E PER ALTRI CONTINGENTI € 1.000.000,00  
RISERVA PER RISCHI E PER ALTRI CONTINGENTI € 1.000.000,00

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Abbiamo identificato i seguenti aspetti chiave della revisione contabile:

Aspetti chiave	Risposte di revisione
<p><b>Impairment test dell'avviamento</b></p> <p>L'avviamento al 31 dicembre 2023 ammonta ad Euro 419.441 migliaia e si riferisce, per Euro 173.544 migliaia all'unità generatrice di flussi di cassa ("CGU") "Idroelettrico", per Euro 203.361 migliaia alla CGU "Altro FER", per Euro 34.639 alla CGU "Efficienza energetica" e per Euro 7.896 alla CGU "Distribuzione".</p> <p>A seguito dell'esercizio di impairment svolto al 31 dicembre 2023, il valore recuperabile delle CGU di cui sopra non ha evidenziato necessità di svalutazioni.</p> <p>I processi e le modalità di valutazione o determinazione del valore recuperabile delle CGU, sono basati su assunzioni a volte complesse che per loro natura implicano il ricorso al giudizio degli amministratori, in particolare con riferimento alla previsione dei loro flussi di cassa futuri e alla determinazione dei tassi di crescita di lungo periodo e di attualizzazione applicati alle previsioni dei flussi di cassa futuri.</p> <p>In considerazione del giudizio richiesto e della complessità delle assunzioni utilizzate nella stima del valore recuperabile dell'avviamento, tale tematica è stata ritenuta un aspetto chiave della revisione.</p> <p>L'informativa di bilancio relativa alla valutazione dell'avviamento è riportata nella nota 15 "Avviamento", nella nota "Sintesi dei principali principi contabili adottati nella Redazione del Bilancio consolidato" al paragrafo «Avviamento» e nella nota "Stime contabili significative".</p>	<p>Le nostre procedure di revisione in risposta all'aspetto chiave hanno riguardato, tra l'altro:</p> <ul style="list-style-type: none"> <li>▶ l'analisi della procedura posta in essere dalla Società in merito a criteri e metodologia dell'impairment test;</li> <li>▶ la verifica dell'adeguatezza del perimetro delle CGU e dell'allocazione dei valori contabili delle attività alle singole CGU;</li> <li>▶ l'analisi della ragionevolezza delle previsioni dei flussi di cassa futuri, utilizzati ai fini della determinazione del <i>fair value</i>;</li> <li>▶ la coerenza delle previsioni dei flussi di cassa futuri delle CGU con il business plan di Gruppo;</li> <li>▶ la valutazione delle previsioni, rispetto all'accuratezza storica di quelle precedenti;</li> <li>▶ la verifica della ragionevolezza dei tassi di crescita di lungo periodo e della determinazione dei tassi di attualizzazione.</li> </ul> <p>Nelle nostre verifiche ci siamo anche avvalsi dell'ausilio di nostri esperti in tecniche di valutazione, che hanno eseguito un ricalcolo indipendente ed effettuato analisi di sensitività sulle assunzioni chiave al fine di determinare i cambiamenti delle assunzioni che potrebbero impattare significativamente la valutazione del valore recuperabile.</p> <p>Infine, abbiamo verificato l'adeguatezza dell'informativa fornita nelle note al bilancio in relazione alla valutazione dell'avviamento.</p>

## Responsabilità degli amministratori o del collegio sindacale per il bilancio consolidato

Gli amministratori sono responsabili per la redazione del bilancio consolidato che fornisca una rappresentazione veritiera e corretta in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. 28 febbraio 2005, n. 38 e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.





Gli amministratori sono responsabili per la valutazione della capacità del Gruppo di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio consolidato, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio consolidato a meno che abbiano valutato che sussistono le condizioni per la liquidazione della capogruppo Compagnia Valdostana delle Acque S.p.A. – Compagnie Valdôtaine des Eaux S.p.A. o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il collegio sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria del Gruppo.

### Responsabilità della società di revisione per la revisione contabile del bilancio consolidato

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio consolidato nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche degli utilizzatori prese sulla base del bilancio consolidato.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio consolidato, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze, e non per esprimere un giudizio sull'efficacia del controllo interno del Gruppo;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori e della relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità del Gruppo di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che il Gruppo cessi di operare come un'entità in funzionamento;



- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio consolidato nel suo complesso, inclusa l'informativa, e se il bilancio consolidato rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione;
- abbiamo acquisito elementi probativi sufficienti e appropriati sulle informazioni finanziarie delle imprese o delle differenti attività economiche svolte all'interno del Gruppo per esprimere un giudizio sul bilancio consolidato. Siamo responsabili della direzione, della supervisione e dello svolgimento dell'incarico di revisione contabile del Gruppo. Siamo gli unici responsabili del giudizio di revisione sul bilancio consolidato.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dai principi di revisione internazionali (ISA Italia), tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluso le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

Abbiamo fornito ai responsabili delle attività di governance anche una dichiarazione sul fatto che abbiamo rispettato le norme e i principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano e abbiamo comunicato loro ogni situazione che possa ragionevolmente avere un effetto sulla nostra indipendenza e, ove applicabile, le azioni intraprese per eliminare i relativi rischi o le misure di salvaguardia applicate.

Ira gli aspetti comunicati ai responsabili delle attività di governance, abbiamo identificato quelli che sono stati più rilevanti nell'ambito della revisione contabile del bilancio dell'esercizio in esame, che hanno costituito quindi gli aspetti chiave della revisione. Abbiamo descritto tali aspetti nella relazione di revisione.

#### **Altre informazioni comunicate ai sensi dell'art. 10 del Regolamento (UE) n. 537/2014**

L'assemblea degli azionisti della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. - ci ha conferito in data 15 marzo 2022 l'incarico di revisione legale del bilancio d'esercizio e consolidato della Società per gli esercizi con chiusura dal 31 dicembre 2021 al 31 dicembre 2029.

Dichiariamo che non sono stati prestati servizi diversi dalla revisione contabile vietati ai sensi dell'art. 5, par. 1, del Regolamento (UE) n. 537/2014 e che siamo rimasti indipendenti rispetto alla Società nell'esecuzione della revisione legale.

Confermiamo che il giudizio sul bilancio consolidato espresso nella presente relazione è in linea con quanto indicato nella relazione aggiuntiva destinata al collegio sindacale, nella sua funzione di comitato per il controllo interno e la revisione contabile, predisposta ai sensi dell'art. 11 del citato Regolamento.





## Relazione su altre disposizioni di legge e regolamentari

**Giudizio ai sensi dell'art. 14, comma 2, lettera c), del D. Lgs. 27 gennaio 2010, n. 39**

Gli amministratori della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. - sono responsabili per la predisposizione della relazione sulla gestione del gruppo Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux al 31 dicembre 2023, inclusa la sua coerenza con il relativo bilancio consolidato e la sua conformità alle norme di legge.

Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 7208 al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio consolidato del gruppo Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux al 31 dicembre 2023 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio consolidato del gruppo Compagnia Valdostana delle Acque - Compagnie Valdôtaine des Eaux al 31 dicembre 2023 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, c. 2, lettera c), del D. Lgs. 27 gennaio 2010, n. 39, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisito nel corso dell'attività di revisione, non abbiamo nulla da riportare.

**Dichiarazione ai sensi dell'art. 4 del Regolamento Consob di attuazione del D. Lgs. 30 dicembre 2016, n. 254**

Gli amministratori della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. sono responsabili per la predisposizione della dichiarazione non finanziaria ai sensi del D. Lgs. 30 dicembre 2016, n. 254. Abbiamo verificato l'avvenuta approvazione da parte degli amministratori della dichiarazione non finanziaria.

Ai sensi dell'art. 3, comma 10, del D. Lgs. 30 dicembre 2016, n. 254, tale dichiarazione è oggetto di separata attestazione di conformità da parte nostra.

Torino, 4 luglio 2024

EY S.p.A.

Ettore Abate  
(Revisore Legale)







**REPORT OF THE  
INDEPENDENT  
AUDITORS ON THE  
ANNUAL FINANCIAL  
STATEMENTS**



## Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A.

Bilancio d'esercizio al 31 dicembre 2023

Relazione della società di revisione indipendente  
ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39 e dell'art. 10 del  
Regolamento (UE) n. 537/2014.







Abbiamo identificato i seguenti aspetti chiave della revisione contabile:

Aspetti chiave	Risposte di revisione
<p><b>Impairment test dell'avviamento</b></p> <p>L'avviamento al 31 dicembre 2023 ammonta ad Euro 172.876 migliaia e si riferisce integralmente all'unità generatrice di flussi di cassa ("CGU") "Idroelettrico" a seguito del conferimento, per Euro 15.341, dell'avviamento precedentemente iscritto sulla CGU "Altre FER", riferibile agli impianti eolici e fotovoltaici trasferiti alla controllata CVA EOS S.r.l.. A seguito dell'esercizio di impairment svolto al 31 dicembre 2023, il valore recuperabile delle CGU di cui sopra non ha evidenziato necessità di svalutazioni.</p> <p>I processi e le modalità di valutazione e determinazione del valore recuperabile delle CGU, sono basati su assunzioni a volte complesse che per loro natura implicano il ricorso al giudizio degli amministratori, in particolare con riferimento alla previsione dei loro flussi di cassa futuri o alla determinazione dei tassi di crescita di lungo periodo e di attualizzazione applicati alle previsioni dei flussi di cassa futuri.</p> <p>In considerazione del giudizio richiesto e della complessità delle assunzioni utilizzate nella stima del valore recuperabile dell'avviamento, tale tematica è stata ritenuta un aspetto chiave della revisione.</p> <p>L'informativa di bilancio relativa alla valutazione dell'avviamento è riportata nella nota 15 "Avviamento".</p>	<p>Le nostre procedure di revisione, in risposta all'aspetto chiave hanno riguardato, tra l'altro:</p> <ul style="list-style-type: none"> <li>▶ l'analisi della procedura posta in essere dalla Società in merito a criteri e metodologia dell'impairment test;</li> <li>▶ la verifica dell'adeguatezza del perimetro delle CGU e dell'allocazione dei valori contabili delle attività alle singole CGU;</li> <li>▶ l'analisi della ragionevolezza delle previsioni dei flussi di cassa futuri, utilizzati ai fini della determinazione del <i>fair value</i>;</li> <li>▶ la coerenza delle previsioni dei flussi di cassa futuri delle CGU con il business plan;</li> <li>▶ la valutazione delle previsioni, rispetto all'accuratezza storica di quelle precedenti;</li> <li>▶ la verifica della determinazione dei tassi di crescita di lungo periodo e dei tassi di attualizzazione.</li> </ul> <p>Nelle nostre verifiche ci siamo anche avvalsi dell'ausilio di nostri esperti in tecniche di valutazione, che hanno eseguito un ricalcolo indipendente ed effettuato analisi di sensitività sulle assunzioni chiave al fine di determinare i cambiamenti delle assunzioni che potrebbero impattare significativamente la valutazione del valore recuperabile.</p> <p>Infine, abbiamo verificato l'adeguatezza dell'informativa fornita nelle note al bilancio in relazione alla valutazione dell'avviamento.</p>

### Responsabilità degli amministratori e del collegio sindacale per il bilancio d'esercizio

Gli amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. 28 febbraio 2005, n. 38 e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella



redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il collegio sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

### Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'omissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche degli utilizzatori prese sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti od eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze, e non per esprimere un giudizio sull'efficacia del controllo interno della Società;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori e della relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenta le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.



Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dai principi di revisione internazionali (ISA Italia), tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.

Abbiamo fornito ai responsabili delle attività di governance anche una dichiarazione sul fatto che abbiamo rispettato le norme e i principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano e abbiamo comunicato loro ogni situazione che possa ragionevolmente avere un effetto sulla nostra indipendenza o, ove applicabile, le azioni intraprese per eliminare i relativi rischi o le misure di salvaguardia applicate.

Tra gli aspetti comunicati ai responsabili delle attività di governance, abbiamo identificato quelli che sono stati più rilevanti nell'ambito della revisione contabile del bilancio dell'esercizio in esame, che hanno costituito quindi gli aspetti chiave della revisione. Abbiamo descritto tali aspetti nella relazione di revisione.

#### Altre informazioni comunicate ai sensi dell'art. 10 del Regolamento (UE) n. 537/2014

L'assemblea degli azionisti della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. ci ha conferito in data 15 marzo 2022 l'incarico di revisione legale del bilancio d'esercizio e consolidato della Società per gli esercizi con chiusura dal 31 dicembre 2021 al 31 dicembre 2029.

Dichiariamo che non sono stati prestati servizi diversi dalla revisione contabile vietati ai sensi dell'art. 5, par. 1, del Regolamento (UE) n. 537/2014 e che siamo rimasti indipendenti rispetto alla Società nell'esecuzione della revisione legale.

Confermiamo che il giudizio sul bilancio d'esercizio espresso nella presente relazione è in linea con quanto indicato nella relazione aggiuntiva destinata al collegio sindacale, nella sua funzione di comitato per il controllo interno e la revisione contabile, predisposta ai sensi dell'art. 11 del citato Regolamento.

#### Relazione su altre disposizioni di legge e regolamentari

##### Giudizio ai sensi dell'art. 14, comma 2, lettera c), del D. Lgs. 27 gennaio 2010, n. 39

Gli amministratori della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. sono responsabili per la predisposizione della relazione sulla gestione della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. al 31 dicembre 2023, inclusa la sua coerenza con il relativo bilancio d'esercizio e la sua conformità alle norme di legge.

Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio d'esercizio della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. al 31 dicembre 2023 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.





A nostro giudizio, la relazione sulla gestione è coerente con il bilancio d'esercizio della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. al 31 dicembre 2023 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, c. 2, lettera d), del D. Lgs. 27 gennaio 2010, n. 39, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

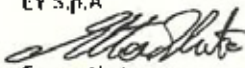
Dichiarazione ai sensi dell'art. 4 del Regolamento Consob di attuazione del D. Lgs. 30 dicembre 2016, n. 254

Gli amministratori della Compagnia Valdostana delle Acque S.p.A. - Compagnie Valdôtaine des Eaux S.p.A. sono responsabili per la predisposizione della dichiarazione non finanziaria ai sensi del D. Lgs. 30 dicembre 2016, n. 254. Abbiamo verificato l'avvenuta approvazione da parte degli amministratori della dichiarazione non finanziaria.

Ai sensi dell'art. 3, comma 10, del D. Lgs. 30 dicembre 2016, n. 254, tale dichiarazione è oggetto di separata attestazione di conformità da parte nostra.

Torino, 4 luglio 2024

EY S.p.A.



Ettore Abate  
(Revisore Legale)







**REPORT OF THE  
BOARD OF STATUTORY  
AUDITORS TO THE  
SHAREHOLDERS'  
MEETING**



**RELAZIONE DEL COLLEGIO SINDACALE****ALL'ASSEMBLEA DEI SOCI AI SENSI DELL'ART. 2429, COMMA 2, C.C.**

All'Assemblea degli Azionisti della Società C.V.A. s.p.a. a s.u.

Nel corso dell'esercizio chiuso il 31 dicembre 2023 la nostra attività è stata ispirata alle disposizioni di legge e alle *Norme di comportamento del collegio sindacale* emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili.

▪ **Attività di vigilanza**

Abbiamo partecipato alle assemblee degli azionisti e alle riunioni del consiglio di amministrazione, nelle quali in relazione alle operazioni deliberate, sulla base delle informazioni acquisite, non sono state riscontrate violazioni della legge e dello statuto, né operazioni manifestamente imprudenti, azzardate, in potenziale conflitto di interesse o tali da compromettere l'integrità del patrimonio sociale.

Abbiamo acquisito dall'organo amministrativo e dalle strutture aziendali, durante gli incontri svolti, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla società e dalle sue controllate e, in base alle informazioni acquisite, non abbiamo osservazioni particolari da riferire.

Abbiamo acquisito dal revisore legale dei conti durante gli incontri svolti informazioni, e, da quanto da esso riferito, non sono emersi dati ed informazioni rilevanti che debbano essere evidenziati nella presente relazione.

Abbiamo acquisito informazioni dai sindaci delle società controllate durante gli incontri svolti e non sono emersi dati ed informazioni rilevanti che debbano essere evidenziati nella presente relazione.

Abbiamo acquisito informazioni dall'organismo di vigilanza e non sono emerse criticità rispetto al modello organizzativo che debbano essere evidenziate nella presente relazione.

Abbiamo acquisito conoscenza e vigilato, per quanto di competenza, sull'adeguatezza del sistema di controllo interno, e attestiamo che l'insieme delle direttive, delle procedure e delle prassi adottate dall'impresa sono idonee al conseguimento degli obiettivi strategici, operativi e di conformità.

Abbiamo acquisito conoscenza e vigilato, per quanto di nostra competenza, sull'adeguatezza e sul funzionamento dell'assetto organizzativo della società, anche tramite la raccolta di informazioni dai responsabili delle funzioni e, a tale riguardo, osserviamo che la struttura del Gruppo CVA è stata ampliata notevolmente attraverso l'acquisizione di gruppi societari operanti nel settore delle energie rinnovabili e di società attive nel settore dell'efficientamento energetico. Per tali ragioni è in atto una riorganizzazione societaria e amministrativa che, considerata la complessità, si protrarrà anche nell'esercizio 2024.

Abbiamo acquisito conoscenza e vigilato, per quanto di nostra competenza, sull'adeguatezza e sul funzionamento del sistema amministrativo-contabile, nonché sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento di informazioni dai responsabili delle funzioni, dal soggetto incaricato della revisione legale dei conti e l'esame dei documenti aziendali, e a tale riguardo rileviamo le inevitabili criticità sorte a seguito dell'incremento del perimetro di consolidamento: le società incluse nel bilancio consolidato sono passate da cinque a oltre cento. La

disomogeneità dei programmi di contabilità utilizzati dalle società acquisite, la necessaria riclassificazione dei piani dei conti e la traduzione, in fase di consolidamento, dei dati di bilancio ai principi contabili IAS IFRS ha causato ritardi e revisioni nella predisposizione dei documenti contabili e di reporting.

Non sono pervenute denunce ex art. 2408 c.c..

Non abbiamo effettuato segnalazioni all'organo amministrativo ai sensi e per gli effetti dell'art. 15 del D.L. n. 118/2021.

Nel corso dell'esercizio sono stati rilasciati 7 pareri nella veste di Comitato per il controllo interno e la revisione contabile (CCIRC).

Nello svolgimento dell'attività di vigilanza, come sopra descritta, non sono emersi altri fatti significativi tali da richiederne la menzione nella presente relazione.

#### ■ **Attività di vigilanza ai sensi del D. Lgs. n. 39/2010**

L'art. 19 del d.lgs. 39/2010 identifica nel Collegio sindacale (per le società amministrate con il metodo tradizionale) il Comitato per il controllo interno e la revisione contabile e pone a suo carico i seguenti compiti specifici:

- a) informare l'organo di amministrazione dell'ente sottoposto a revisione dell'esito della revisione legale e trasmettere a tale organo la relazione aggiuntiva di cui all'articolo 11 del Regolamento europeo, corredata da eventuali osservazioni;
- b) monitorare il processo di informativa finanziaria e presentare le raccomandazioni o le proposte volte a garantirne l'integrità, rilevando le criticità sopra evidenziate;
- c) controllare l'efficacia dei sistemi di controllo interno della qualità e di gestione del rischio dell'impresa e, se applicabile, della revisione interna, per quanto attiene l'informativa finanziaria dell'ente sottoposto a revisione, senza violarne l'indipendenza;
- d) monitorare la revisione legale del bilancio d'esercizio e del bilancio consolidato, anche tenendo conto di eventuali risultati e conclusioni dei controlli di qualità svolti dalla CONSOB a norma dell'articolo 26, paragrafo 6, del Regolamento europeo, ove disponibili;
- e) verificare e monitorare l'indipendenza dei revisori legali o delle società di revisione legale a norma degli articoli 10, 10-bis, 10-ter, 10-quater e 17 del presente decreto e dell'articolo 6 del Regolamento europeo, in particolare per quanto concerne l'adeguatezza della prestazione di servizi diversi dalla revisione all'ente sottoposto a revisione, conformemente all'articolo 5 di tale regolamento;
- f) essere responsabile della procedura volta alla selezione dei revisori legali o delle società di revisione legale e raccomandare i revisori legali o le imprese di revisione legale da designare ai sensi dell'articolo 16 del Regolamento europeo.

Con riferimento alle attività previste dal D. Lgs. 39/2010 si segnala quanto segue.

*A) Informativa al Consiglio di Amministrazione sull'esito della revisione legale e sulla relazione aggiuntiva di cui all'art. 11 del Regolamento Europeo.*

La società di revisione EY s.p.a. ha rilasciato in data 4 luglio 2024 la relazione aggiuntiva ex art. 11 Regolamento n. 537/2014, dalla quale non emergono elementi da segnalare e che verrà trasmessa con le nostre osservazioni al Consiglio di Amministrazione della società.

*B) Attività di vigilanza sul processo di informativa finanziaria*

Il collegio dei sindaci ricopre le funzioni di CCIRC dal 22 novembre 2021; nel corso dell'esercizio chiuso al 31 dicembre 2023 ha monitorato il processo di informativa finanziaria, con specifici incontri con la Direzione Amministrazione, Finanza Controllo e Servizi, le funzioni interessate e la società di revisione.

*C) Attività di vigilanza sul sistema di controllo interno*

Il collegio dei sindaci ricopre le funzioni di CCIRC dal 22 novembre 2021; nel corso dell'esercizio chiuso al 31 dicembre 2023 ha svolto l'attività di vigilanza sull'efficacia del sistema di controllo interno alla luce dei compiti attribuiti dall'art. 19, con specifici incontri con la Direzione Amministrazione, Finanza Controllo e Servizi, le funzioni interessate e la società di revisione.

*D) Attività di vigilanza sulla revisione legale del bilancio d'esercizio e del bilancio consolidato*

Il Collegio dei Sindaci ha incontrato in più occasioni il team di revisione con confronti e aggiornamenti su pianificazione e stato di avanzamento delle attività di revisione.

La società di revisione ha emesso in data 4 luglio 2024 la relazione di revisione sul bilancio di esercizio al 31 dicembre 2023 di CVA spa a s.u., la relazione sulla revisione del bilancio consolidato 2023 e la relazione aggiuntiva ex art. 11 Regolamento 537/2014.

In particolare si sottolinea che le suddette relazioni contengono un giudizio senza rilievi sul bilancio separato e sul bilancio consolidato 2023.

*E) Verifica dell'indipendenza della società di revisione, in particolare per quanto concerne la prestazione di servizi non di revisione*

Il Collegio dei sindaci ha vigilato sull'indipendenza della società di revisione, con evidenza degli incarichi diversi dai servizi di revisione svolti per il gruppo CVA.

▪ **Dichiarazione Non Finanziaria**

Il Consiglio di Amministrazione di CVA spa a s.u. ha approvato in data 7 giugno 2024 la Dichiarazione Non Finanziaria Consolidata / Bilancio di sostenibilità 2023, redatta ai sensi del D. Lgs. 254/2016.

La società di revisione ha emesso in data 4 luglio 2024 la Relazione circa la conformità delle informazioni fornite nella Dichiarazione Non Finanziaria Consolidata rispetto alle norme di legge e allo standard di rendicontazione adottato.

Il Collegio Sindacale, anche a seguito di incontri con la funzione incaricata e il team di revisione, ha vigilato sull'osservanza delle disposizioni stabilite nel suddetto decreto legislativo e non ha osservazioni da riferire in merito.

▪ **Bilancio d'esercizio**

Abbiamo esaminato il progetto di bilancio d'esercizio chiuso al 31 dicembre 2023, in merito al quale riferiamo quanto segue:

- il progetto di bilancio è stato approvato dal Consiglio di amministrazione in data 7 giugno 2024;
- il socio unico ha rinunciato ai termini di cui all'art. 2429 c.c.;
- il Collegio sindacale e la Società di revisione hanno a loro volta rinunciato ai termini di cui all'art. 2429 c.c..

Non essendo a noi demandato la revisione legale del bilancio, abbiamo vigilato sull'impostazione generale data allo stesso, sulla sua generale conformità alla legge per quel che riguarda la sua formazione e struttura

e a tale riguardo non abbiamo osservazioni particolari da riferire.

Il bilancio d'esercizio al 31 dicembre 2023 è costituito dalla Situazione Patrimoniale e Finanziaria, dal Conto Economico, dal Prospetto delle altre componenti di Conto Economico Complessivo, dal Prospetto delle variazioni di Patrimonio Netto, dal Rendiconto Finanziario e dalle relative Note illustrative al Bilancio; il bilancio d'esercizio è stato predisposto nel rispetto degli International Financial Reporting Standards (IFRS) emessi dall'International Accounting Standards Board (IASB) e omologati dall'Unione Europea, nonché delle disposizioni legislative e regolamentari vigenti in Italia ed evidenzia i seguenti dati (in migliaia di euro):

Utile di esercizio	€	205.877
Totale dell'Attivo	€	2.061.383
Patrimonio Netto	€	1.007.023

La nota illustrativa contiene le informazioni richieste dall'art. 2427 c.c. e le informazioni richieste dall'art. 2427-bis c.c., relative agli strumenti finanziari derivati e per le immobilizzazioni finanziarie iscritte ad un valore superiore al loro *fair value*; nella nota risultano esaurientemente esposte le informazioni relative agli impegni, garanzie e passività potenziali non risultanti dallo stato patrimoniale. La nota illustrativa contiene le informazioni previste dall'art. 1 comma 125 della Legge n. 124/2017 sull'obbligo di trasparenza e comunicazione delle erogazioni pubbliche ricevute / incassate nel corso dell'esercizio 2023.

La relazione sulla gestione contiene le informazioni previste dall'art. 2428 codice civile.

Il soggetto incaricato della revisione EY spa ha rilasciato in data 4 luglio 2024 la relazione redatta ai sensi dell'art. 14 D. Lgs. 39/2010 contenente un giudizio positivo e senza rilievi sul bilancio 2023 di CVA spa a s.u..

Per quanto a nostra conoscenza, gli amministratori, nella redazione del bilancio, non hanno derogato alle norme di legge ai sensi dell'art. 2423, comma 4, c.c..

#### ▪ **Bilancio consolidato**

Abbiamo altresì esaminato il progetto di bilancio consolidato chiuso al 31 dicembre 2023 e messo a nostra disposizione nella versione definitiva in data 26 giugno 2024, congiuntamente al progetto di bilancio della società capogruppo e alle relative relazioni sulla gestione. La data di chiusura dei bilanci delle società incluse nel consolidato, peraltro già approvati dalle rispettive assemblee, coincide con quella del bilancio della società che procede al consolidato.

Il Bilancio Consolidato per l'esercizio 2023 è costituito dalla Situazione Patrimoniale-Finanziaria Consolidata, dal Conto Economico Consolidato, dal Prospetto delle altre componenti di Conto Economico Complessivo Consolidato, dal Prospetto delle variazioni di Patrimonio Netto Consolidato, dal Rendiconto Finanziario Consolidato e dalle relative Note illustrative al Bilancio Consolidato, ed evidenzia i seguenti dati (in migliaia di euro):

Utile di esercizio	€	159.678
Totale dell'Attivo	€	2.532.607
Patrimonio Netto Consolidato	€	1.146.751

Il perimetro del consolidamento comprende le società nelle quali la Capogruppo esercita, direttamente o indirettamente, il controllo, le società a controllo congiunto e le società collegate; nello specifico comprende le seguenti società del gruppo:

**Società incluse nel bilancio consolidato con il metodo integrale al 31 dicembre 2023**

DENOMINAZIONE SOCIALE	% DI PARTECIPAZIONE (DIRETTA O INDIRETTA)
Compagnia Valdostana delle Acque – Compagnie Valdôtaine des Eaux S.p.A. a s.u.	Capogruppo
CVA Energie S.r.l. a s.u.	100,00%
Deval S.p.A. a s.u.	100,00%
CVA EDS S.r.l. a s.u.	100,00%
Valdigne Energie S.r.l.	100,00%
SR Investment S.r.l.	100,00%
Agro Solar I S.r.l.	100,00%
Agro Solar II S.r.l.	100,00%
Aje S.r.l.	100,00%
Be Ascoli S.r.l.	100,00%
Be Solar 2 S.r.l.	100,00%
Be Solar 4 S.r.l.	100,00%
Blotwin S.r.l.	100,00%
Blotwin 2 S.r.l.	100,00%
Bloomotion S.r.l.	100,00%
Cavaglia PV S.r.l.	100,00%
Convo S.r.l.	100,00%
Denergia Sviluppo Holding S.r.l.	100,00%
Domus Solar 2 S.r.l.	100,00%
Energia Due S.r.l.	100,00%
Energia Sei S.r.l.	100,00%
Energia Uno S.r.l.	100,00%
Enki Impianti Fotovoltaici S.r.l.	100,00%
Felino S.r.l.	100,00%
Fiusi S.r.l.	100,00%
Har Projects S.r.l.	100,00%
Helio Trinitapoli S.r.l.	100,00%
Linda S.r.l.	100,00%
Me Progetto Uno S.r.l.	100,00%
Medusa Energia Solare S.r.l.	100,00%
Morgana Projects S.r.l.	100,00%
Mottalciata PV S.r.l.	100,00%
Nettuno Solar S.r.l.	100,00%
Onda Solare S.r.l.	100,00%
Sicilia Energy S.r.l.	100,00%
Solar Italy VIII S.r.l.	100,00%
Solar Italy XI S.r.l.	100,00%
Solar Italy XIV S.r.l.	100,00%
SR Investimenti 2 S.r.l.	100,00%



DENOMINAZIONE SOCIALE	% DI PARTECIPAZIONE (DIRETTA O INDIRETTA)
Sviluppo S.r.l.	100,00%
Tabata Projects S.r.l.	100,00%
Tridente Solar S.r.l.	100,00%
Valle S.r.l.	100,00%
Vivaterra Green S.r.l.	100,00%
Solar Italy XIX S.r.l.	100,00%
Solar Italy XXII S.r.l.	100,00%
Solar Italy XVIII S.r.l.	100,00%
Solar Italy XIII S.r.l.	100,00%
Agreen Energy S.r.l.	70,00%
CVA Smart Energy S.r.l.	100,00%
R.T.S. S.r.l.	70,00%
EOS San Giorgio S.r.l.	100,00%
EOS Monte Ruffe S.r.l.	51,00%
Nuova Energia S.r.l.	75,00%
RS Service S.r.l.	70,00%
Rennergetica S.p.A.	07,00%
ZAON SRL	30,60%
REN 145 SRL	100,00%
REN 148 SRL	100,00%
REN 152 SRL	100,00%
REN 154 SRL	100,00%
REN 156 SRL	100,00%
REN 157 SRL	100,00%
REN 158 SRL	39,00%
REN 159 SRL	100,00%
REN 160 SRL	100,00%
REN 165 SRL	100,00%
REN 166 SRL	100,00%
REN 167 SRL	100,00%
REN 168 SRL	100,00%
REN 169 SRL	100,00%
REN 170 SRL	100,00%
REN 171 SRL	100,00%
REN 172 SRL	100,00%
REN 173 SRL	100,00%
REN 175 SRL	100,00%
REN 176 SRL	100,00%
REN 177 SRL	100,00%
REN 178 SRL	100,00%
REN 179 SRL	100,00%
REN 180 SRL	100,00%
REN 182 SRL	100,00%

DENOMINAZIONE SOCIALE	% DI PARTECIPAZIONE (DIRETTA O INDIRETTA)
REN 183 SRL	100,00%
REN 184 SRL	100,00%
REN 185 SRL	100,00%
REN 186 SRL	100,00%
REN 187 SRL	100,00%
REN 188 SRL	100,00%
REN 190 SRL	100,00%
REN 191 SRL	100,00%
REN 192 SRL	100,00%
REN 193 SRL	100,00%
REN 194 SRL	100,00%
REN 195 SRL	100,00%
REN 196 SRL	100,00%
REN 197 SRL	100,00%
REN 198 SRL	100,00%
REN 199 SRL	100,00%
REN 200 SRL	100,00%
REN 201 SRL	100,00%
REN 202 SRL	100,00%
REN 204 SRL	100,00%
REN 205 SRL	100,00%
REN 206 SRL	100,00%
REN 207 SRL	100,00%
REN 208 SRL	100,00%
REN 209 SRL	100,00%
REN 210 SRL	100,00%

Elenco delle partecipazioni non consolidate integralmente al 31 dicembre 2023:

DENOMINAZIONE SOCIALE	% DI PARTECIPAZIONE (DIRETTA O INDIRETTA)
EOS San Severo 1 S.r.l.	20,00%
EOS Serra 1 S.r.l.	20,00%
EOS Serra 2 S.r.l.	20,00%
Byopro DEV 2 S.r.l.	20,00%
Byopro DEV 3 S.r.l.	20,00%
Calrone 1 S.r.l.	20,00%
Calrone 3 S.r.l.	20,00%
Clanis Sun S.r.l.	20,00%
Duna Solare S.r.l.	20,00%
Fila Sviluppo S.r.l.	20,00%
FioriB S.r.l.	20,00%
GRIFONI PV S.r.l.	20,00%
Mafetta Solare S.r.l.	20,00%
Nora Solare S.r.l.	20,00%

DENOMINAZIONE SOCIALE	% DI PARTECIPAZIONE (DIRETTA O INDIRETTA)
PFM S.r.l.	20,00%
Poggio Olivastro S.r.l.	20,00%
Salomone 1 S.r.l.	20,00%
San Giorgio Rinnovabili Prima S.r.l.	20,00%
Sant'Alesso Rinnovabili Prima S.r.l.	20,00%
Siamaggiore S.r.l.	20,00%
Sicilia Power S.r.l.	20,00%
Solar Italy XOU S.r.l.	19,00%
Solar Lini S.r.l.	20,00%
Solar PV Uno S.r.l.	20,00%
Sole d'Abruzzo S.r.l.	20,00%
SR Foggia 1 S.r.l.	20,00%
SR Toritto Q1 S.r.l.	20,00%
SR Troia S.r.l.	20,00%
STM22 S.r.l.	20,00%
STM24 S.r.l.	20,00%
STM25 S.r.l.	20,00%
Tep Renewables (Chiaromonte Gulfi 1 PV) S.r.l.	20,00%
Tep Renewables (Licodia Eubea 1 PV) S.r.l.	20,00%
Tep Renewables (Sicli 1 PV) S.r.l.	20,00%
Tep Renewables (Vittoria 1 PV) S.r.l.	20,00%
Tep Renewables (Vittoria 2 PV) S.r.l.	20,00%
Vittoria Progetti S.r.l.	20,00%
Vittoria Sviluppo S.r.l.	20,00%
Tekha S.r.l.	10,98%

Secondo quanto previsto dall'art. 41 comma 1 D. Lgs. 127/1991, il controllo che accerti la regolarità e la corrispondenza del bilancio consolidato alle scritture contabili dell'impresa controllante e alle informazioni trasmesse dalle imprese incluse nel consolidamento è demandato alla società incaricata della revisione legale EY spa, la quale nella relazione rilasciata in data 4 luglio 2024, attesta che «...il bilancio consolidato fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria del Gruppo al 31 dicembre 2023, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, in conformità agli International Financial Reporting Standards adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. 28 febbraio 2005 n. 38».

Nell'ambito dei propri compiti e doveri il Collegio dei Sindaci si limita, quindi, a dare atto di aver preso visione del bilancio consolidato e della nota illustrativa, della relazione sulla gestione e della relazione dell'organo incaricato della revisione legale; ritiene che sia rispettato il perimetro di consolidamento e che siano correttamente applicati i principi di consolidamento e non ha, pertanto, alcun rilievo, eccezione o proposta da sottoporre all'Azionista.

#### ■ Conclusioni

Considerando le risultanze dell'attività da noi svolta e il giudizio espresso nella relazione di revisione rilasciata dal soggetto incaricato della revisione legale dei conti, non rileviamo motivi ostativi all'approvazione, da parte dei soci, del bilancio d'esercizio chiuso al 31 dicembre 2023 di C.V.A. S.p.A. a s.u., così come redatto dagli amministratori.

Saint-Christophe, 4 luglio 2024

Il collegio sindacale

Massimo Scarrone, Presidente 

Federica Paesani, Sindaco effettivo 

Carmelo Marco Termine, Sindaco effettivo 



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