

PRESS RELEASE

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AGS SPA: CONSOLIDATED FINANCIAL STATEMENTS 2023
INCREASED REVENUES AND EBITDA
A GROUP SERVING THE TERRITORY
PROPOSED GROSS DIVIDEND OF € 1.40 PER SHARE

- Revenues: € 44.2 mln (+21%)
- EBITDA: € 11.7 mln (+27%)
- Net profit: € 6.1 mln (-36%)
- Proposed gross dividend of € 1.40 p.a.
- NFI: € 30.6 mln

Riva del Garda, 21 May 2024

The Board of Directors of AGS S.p.A., a company listed on the Vienna Stock Exchange, today approved the Draft Financial Statements and Consolidated Financial Statements as at 31 December 2023, prepared in accordance with IAS/IFRS.

MAIN CONSOLIDATED RESULTS AS AT 31 DECEMBER 2023

REVENUES

Revenues amounted to **€ 44.2 mln**, an increase of € 7.7 mln compared to € 36.5 mln in 2022, up **21%**, supported by superbond-related activities.

GROSS OPERATING MARGIN (EBITDA)

The gross operating margin (EBITDA) amounted to **€ 11.7 mln, equivalent to 26% of revenue**, up **27%** from € 9.2 mln in 2022.

Consolidated EBITDA is influenced by some components:

- heat purchase contract from AG Power Srl - which allows a more consistent relationship between production costs and incentives (white certificates);
- activities related to the 110% superbond - focused on interventions on apartment buildings located throughout the Province.

NET OPERATING PROFIT (EBIT)

Net operating profit (EBIT) amounted to **€ 7.4 mln**, equivalent to 16% (compared to € 6.1 mln in 2022, 17%). Depreciations, amounted to € 2.7 mln, increased comparing to € 2.6 mln of the previous year.

EARNINGS BEFORE TAX (EBT)

Profit before tax (EBT) amounted to **€ 8.0 mln**, down from € 11.3 mln in 2022, a year in which financial management had recognised the € 6 mln capital gain from the sale of shares in DEH Spa.

NET RESULT

The net result was **€ 6.1 mln**, equivalent to 14%, (- € 3.5 mln compared to FY22), after taxes of € 1.9 mln (+ € 0.2 mln compared to FY22).

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NET ASSETS

Net assets amounted to € 70.5 mln, an increase of € 4.3 mln compared to 2022 (€ 66.2 mln). This change mainly includes the profit contribution for the current year.

NET FINANCIAL DEBT

Net financial debt amounted to € 30.6 mln, up by € 25.1 mln compared to € 5.5 mln as at 31.12.2022 considering investments for more than € 17 mln in the production of electricity from renewable sources through the associated company Kairos Alps S.r.l., see the section on significant events.

EMPLOYEES

There were 138 employees of the AGS Group as at 31 December 2023 (133 as at 31 December 2022).

MAIN RESULTS OF THE PARENT COMPANY AGS S.p.A. AS AT 31 DECEMBER 2023

The parent company AGS S.p.A. reported total revenues of € 14.0 mln (compared to € 15.3 mln in 2022), EBITDA of € 5.0 mln (€ 5.5 mln in 2022) and a net result of € 4.2 mln (€ 8.4 mln in 2022).

PROPOSED ALLOCATION OF THE RESULT FOR THE YEAR

The Board of Directors has resolved to propose to the Shareholders' Meeting convened for 21 June 2024, at the Hotel Lido Palace, Viale Carducci n.10 in Riva del Garda (TN), the following allocation of AGS's net profit for the year amounting to € 4.2 mln:

- the allocation of 5% of the net profit for the year ending 31 December 2023 to the legal reserve;
- € 1,218,537 to non-distributable reserve;
- distribution of a gross dividend of € 1.40 per share with payment starting from 30 September 2024;
- the remainder to the extraordinary reserve.

SIGNIFICANT EVENTS IN 2023

The Company renegotiated the Bond issued on 15 July 2014 and listed on the regulated market managed by the Vienna Stock Exchange of a nominal value of € 5 million maturing on 30 June 2023 by extending the maturity date to 30 June 2033. The new amortisation plan provides for capital repayment instalments of Euro 3 million with first maturity on 30 June 2026 and the remaining Euro 2 million bullet on 30 June 2033. The Company managed to revise the economic conditions downwards, bringing the spread to 285 bp.

It should be noted that at the end of March 2023 the company Kairos Alps S.r.l. was established, of which AGS S.p.A. holds 40% of the shares; the other shareholders are ACSM Primiero S.p.A. and FT Energia S.p.A. with 40% and 20% of the shares, respectively.

The company was established in order to identify investment projects on the national market for the development and management of plants for the production of energy from renewable sources. During 2023, Kairos Alps S.r.l. concentrated, with the support of its Shareholders, on the research and evaluation of projects to be developed or already operational, both in the photovoltaic and wind power sectors.

More in detail, at the end of June 2023, Kairos Alps S.r.l. positively completed the purchase of 100% of the capital of Open Piemonte S.r.l., after a negotiation that had already begun in the autumn of 2022 by the Shareholders, through the release of an exclusivity period by the promoter of the initiative, which allowed for the Due Diligence activity to proceed. Following a positive evaluation and subsequent negotiation of contractual agreements, the purchase of the entire capital of Open Piemonte S.r.l., a company that holds a single authorisation for the construction of a photovoltaic park in the municipality of Alice Castello (VC) with a total installed capacity of 16.2 MW, divided into two plants of equal capacity, was completed. In August 2023, the Company negotiated and signed a contract for the construction of the plant and the related connection to the medium-voltage electricity grid, to be completed in the following 12 months, allowing the energy produced by the plant to be connected to the grid as early as the beginning of August 2024. Kairos Alps S.r.l. has fully financed the acquisition

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of the capital of Open Piemonte S.r.l., through resources contributed directly by the Shareholders, while it has subscribed a mortgage bank loan of up to Euro 12,500,000 to complete the construction of the photovoltaic plant, which is scheduled in its entirety for the end of July 2024. At the end of December 2023, the progress of the plant was 40%, while at the date of this report, the progress was about 70%.

In addition, in the spring of 2023, Kairos Alps S.r.l. took part in a competitive process aimed at winning the shares of Eco Puglia Energia S.r.l., owner of two wind farms in the province of Foggia, with a total capacity of 27.5 MW. The plants are located in the municipality of Troia, with a capacity of 15.75 MW, and in the municipality of Foggia, in the locality of Montecalvello, with a capacity of 11.75 MW. The Company subsequently involved the Dolomiti Energia Group in order to participate in the acquisition of 100% of the shares, proposing a subsequent spin-off process to be able to complete the direct assignment of a wind farm to each company during 2024. The plant optioned by Kairos Alps S.r.l. turns out to be the one located in the municipality of Troia, the largest in terms of power. In the course of 2023, a Due Diligence activity entrusted to primary advisors was started, which subsequently allowed for the negotiation of an investment agreement, with the acquisition of the shares of Eco Puglia Energia S.r.l. at the end of October 2023, after the incorporation of Kairos Wind S.r.l. based in Riva del Garda (TN), with a 57.27% share by Kairos Wind S.r.l. itself and 42.73% by Dolomiti Energia Wind Power S.r.l.

SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

No significant events occurred after the end of the financial year.

FORESEEABLE EVOLUTION OF OPERATIONS

The evolution of operations from an economic point of view foresees for the financial year 2024 a decrease in revenue due to the discontinuation of the superbond business. Despite this, the 2024 budget, approved by the parent company's Board of Directors, forecasts a positive result on both the economic and financial side.

2023 SHAREHOLDERS' MEETING DOCUMENTATION

We remind you that, in compliance with the regulations in force, the Shareholders' Meeting documentation will be available within the terms of the law, at the registered office and on the Company's website in the "Investor Relations" section at www.altogardaservizi.com

The Manager in charge of preparing the company's financial reports, Andrea Carloni, declares, pursuant to paragraph 2 of Article 154-bis of the Consolidated Law on Finance, that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

CONTACTS

Andrea Carloni (Manager responsible for preparing the company's financial reports - Alto Garda Servizi S.p.A contact tel. 0464/553565; carloni.a@altogardaservizi.com).

ACCOUNTING SCHEDULES

Attached are the financial statements relating to the consolidated and statutory financial statements of Alto Garda Servizi S.p.A., noting that the independent auditors' report has not yet been issued.

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Consolidated Profit and Loss Account	31.12.2023	31.12.2022
Revenues from sales and services	38.604.496	32.334.461
Other revenues and income	5.573.856	4.148.259
Total Operating Revenues and Income	44.178.352	36.482.720
Costs for raw materials, consumables and goods	7.587.206	8.934.249
Costs for services	16.741.881	10.549.641
Use of third party assets	588.347	566.150
Personnel costs	7.208.893	6.544.889
Depreciation of fixed assets	2.735.518	2.595.407
Provisions and write-downs	1.499.216	474.749
Sundry operating expenses	1.294.956	1.216.116
Capitalised costs for internal work	-913.452	-503.259
Total Operating Costs	36.742.565	30.377.942
GROSS OPERATING PROFIT	7.435.787	6.104.778
Income from participations	170.394	206.089
Write-down of participations	0	5.588
Financial expenses	1.308.471	1.465.552
Financial income	507.235	6.285.593
Income and expenses from equity investments equity method	1.218.537	206.200
PROFIT BEFORE TAX	8.023.482	11.331.520
Current and deferred taxes	1.919.159	1.735.930
NET RESULT FOR THE YEAR	6.104.323	9.595.590

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of which Group	5.042.465	8.947.200
of which non-controlling interests	1.061.858	648.390

CONSOLIDATED BALANCE SHEET

Assets	31/12/2023	31/12/2022
<i>Non-current Assets</i>		
Tangible Assets	44.557.197	44.456.034
Intangible Assets	3.688.361	3.900.504
Equity investments	11.828.019	10.545.482
Non-current financial receivables	104.863	88.571
Deferred tax assets	1.803.096	1.833.201
Total non-current assets	61.981.536	60.823.792
<i>Current assets</i>		
Inventories	3.190.047	3.718.635
Trade receivables	30.062.560	21.913.659
Receivables from parent and associated companies	18.929.416	2.600.140
Current tax receivables	13.640.208	2.531.755
Other current assets	4.252.368	4.959.077
Cash and cash equivalents	4.253.343	4.557.109
Total Current Assets	74.327.942	40.280.375
Total Assets	136.309.478	101.104.167

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Liabilities and Shareholders' Equity	31/12/2023	31/12/2022
<i>Shareholders' Equity</i>		
Share Capital	23.234.016	23.234.016
Reserves	39.649.222	32.160.701
Net result for the year	5.042.465	8.947.200
TOTAL GROUP SHAREHOLDERS' EQUITY	67.925.703	64.341.917
Minority interests in capital and reserves	1.540.629	1.202.981
Minority profit/(loss)	1.061.858	648.390
TOTAL SHAREHOLDERS' EQUITY OF MINORITY INTERESTS	2.602.487	1.851.371
TOTAL CONSOLIDATED SHAREHOLDERS' EQUITY	70.528.190	66.193.288
<i>Non-current liabilities</i>		
Non-current financial liabilities	29.112.305	5.145.504
Employee benefits	1.692.310	1.518.473
Provisions for liabilities and charges	1.410.461	1.324.461
Deferred tax liabilities	59.796	62.743
Total non-current liabilities	32.274.872	8.051.181
<i>Current liabilities</i>		
Current financial liabilities	8.535.750	8.179.702
Trade payables	6.640.989	5.177.548
Payables to parent company and associates	1.745.774	1.793.221
Tax payables	3.966.806	2.226.317
Other current liabilities	12.617.097	9.482.910
Total Current Liabilities	33.506.416	26.859.698

Total Liabilities	65.781.288	34.910.879
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Total Liabilities and Shareholders' Equity	136.309.478	101.104.167
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SEPARATE INCOME STATEMENT AGS SPA

Profit and Loss Account	31.12.2023	31.12.2022
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Revenues from sales and services	11.619.631	13.401.413
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Other revenue and income	2.355.584	1.923.341
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Total Operating Revenues and Income	13.975.215	15.324.754
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Costs for raw materials, consumables and goods	1.944.384	2.472.050
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Costs for services	3.158.459	2.969.430
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Use of third party assets	447.368	464.852
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Personnel costs	3.542.820	3.360.240
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Depreciation of fixed assets	1.730.160	1.680.278
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Provisions and write-downs	0	457.022
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Sundry operating expenses	783.616	1.006.685
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Capitalised costs for internal work	-913.452	-503.259
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Total Operating Costs	10.693.355	11.907.298
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GROSS OPERATING PROFIT	3.281.860	3.417.456
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Income from participations	463.252	308.089
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Write-down of participations	3.938	0
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Financial expenses	841.200	1.233.386
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Financial income	962.570	6.389.852
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Income and expenses from equity investments equity method	1.218.537	206.200
Revaluation of participations	0	402.294
PROFIT BEFORE TAX	5.081.081	9.490.505
Current and deferred taxes	853.044	1.115.824
NET RESULT FOR THE YEAR	4.228.037	8.374.681

SEPARATE FINANCIAL STATEMENT AGS SPA

Assets	31/12/2023	31/12/2022
Non-current Assets		
Tangible Assets	33.474.677	33.469.817
Intangible Assets	236.354	165.383
Equity investments	18.391.887	16.573.288
Non-current financial receivables	10.272.358	10.636.586
Deferred tax assets	1.799.335	1.826.676
Total non-current assets	64.174.611	62.671.750
Current assets		
Inventories	627.923	753.655
Trade receivables	6.742.690	6.256.297
Receivables from parent, subsidiaries and associates	19.119.138	2.712.643
Current tax receivables	7.747.563	897.562
Other current assets	2.545.261	3.883.010
Cash and cash equivalents	2.222.877	4.205.332
Total Current Assets	39.005.452	18.708.499

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Total Assets	103.180.063	81.380.249
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Liabilities and Shareholders' Equity	31/12/2023	31/12/2022
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Shareholders' Equity		
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Share Capital	23.234.016	23.234.016
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Reserves	39.213.817	32.033.249
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Net result for the year	4.228.037	8.374.681
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TOTAL SHAREHOLDERS' EQUITY	66.675.870	63.641.946
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Non-current liabilities		
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Non-current financial liabilities	19.318.830	775.709
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Employee benefits	1.268.401	1.144.076
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Provisions for liabilities and charges	0	0
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Total non-current liabilities	20.587.231	1.919.785
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Current liabilities		
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Current financial liabilities	4.543.530	5.327.150
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Trade payables	1.212.489	1.042.120
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Payables to parent, subsidiary and associated companies	1.771.492	1.793.221
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Tax payables	453.623	1.226.109
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Other current liabilities	7.935.828	6.429.918
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Total Current Liabilities	15.916.962	15.818.518
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Total Liabilities	36.504.193	17.738.303
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Total Liabilities and Shareholders' Equity	103.180.063	81.380.249
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