

Bolzano, 7 August 2020

## **Alperia Group: approves the interim consolidated financial statements with positive Group results despite the effects of COVID-19**

- **Total revenues down by 11% due to the reduction in sales prices and volumes managed**
- **EBITDA of 106.9 million euros, up from 105.1 million in the first half of 2019**
- **Group net profit was positive**
- **Over 38 million of investment despite the shut-down of some sites due to the health emergency**
- **Support for South Tyrol with activities for customers in difficulty and donations to community organisations**

\*\*\*\*\*

On 6 August 2020, the Management Board of Alperia SpA examined and approved the interim consolidated financial statements at 30 June 2020.

**Overall Group revenues stood at 661.5 million euros**, down on last year (- 84.7 million).

In the half year under review, hydroelectric production increased by 16% compared to that of the same period of the previous year. By contrast, the average price of electricity recorded on the Power Exchange was equal to just over 32 €/MWh, suffering a drastic drop (- 41.5%) compared to the figure for 2019, equal to over 55 €/MWh.

On the energy markets, the effects of the global spread of the epidemiological emergency added to a situation already marked by a series of decidedly bearish factors, amplifying the effects and determining historical low prices in the first half of 2020.

**Group EBITDA amounted to 106.9 million euros** compared to 105.1 million euros in the first half of 2019. However, the comparison between the two years is not uniform, with the 2020 figure affected by some companies classified in Discontinuing Operations and the change in the scope of consolidation.

**Group net profit for the first six months of 2020, equal to 14.3 million euros, was positive** considering the impact of the Coronavirus, which negatively affected volumes of electricity and gas sold, but did not significantly impact management of Alperia in terms of margins.

It is noted that the result for the same period of the previous year, equal to 24.9 million, benefited from a one-off transaction carried out by the Group, relating to the tax exemption of some "intangible assets" represented by the value of some hydroelectric concessions equal to 7.7 million euros.

**Investments increased** in the period under review, amounting to over 38 million euros (over 36 million euros in 2019), in particular in electricity distribution to strengthen service quality and continuity.

At 30 June 2020, **net financial debt** stood at 446.4 million euros (395.8 million euros at the end of 2019), reflecting the cyclical nature of the Group's activities which sees hydroelectric production concentrated in the summer months, the moratorium on bill payment granted by the Group to South Tyrolean companies and the

dividends approved by the Shareholders' Meetings for the financial statements relating to the year 2019. These factors highlight the Group's positive ability to generate operating cash.

## **COVID-19 Effects**

From 23 February 2020, the Group took prompt action to implement and communicate the necessary measures to guarantee health protection for colleagues (in a short time, 700 of the approximately 1,100 Group employees were working remotely) and continuity of essential services for South Tyrol with the usual levels of efficiency. This was all implemented in compliance with the orders and provisions issued by national and local public administration.

As regards the relationship with South Tyrol, it is noted that the Group took prompt action by providing various initiatives to support customers in difficulty.

The Alperia Group also donated a total of 1 million euros to various organisations involved in the management of the epidemiological emergency.

## **Relevant factors in the individual Business Units**

### **Generation Business Unit**

- Electricity generation, mainly concentrated in hydroelectric production in South Tyrol, reached 2,052 GWh, up 16% compared to the same period of 2019.

### **Sales and Trading Business Unit**

- The quantity of electricity sold (end customers and wholesale) was equal to 4,072 GWh, down on the same period of the previous year (- 752 GWh)
- Volumes of natural gas were at 214 million cubic meters, down compared to 2019 (- 41 million cubic meters)

### **Grids Business Unit**

- in July, the sector authority approved Edyna Srl's commissioning plan for the 2G smart metering system. The first installations are scheduled for September in the municipality of Egna, followed by the municipality of Ora from October and the municipality of Caldaro from December

### **Heat and Services Business Unit**

- Electricity produced by cogeneration and biomass, equal to 147 GWh, was in line with that of 2019 (149 GWh)
- The production of thermal energy, equal to 117 GWht, was also in line with that of 2019 (114 GWht)

### **Smart Region Business Unit**

- This includes Alperia Bartucci Spa and Gruppo Green Power Spa as well as its subsidiaries, active in the energy efficiency sector
- It also includes Alperia Fiber Srl, operating in the optical fibre sector. It should be noted that in April 2020, the company transferred the business unit to a third party operator for the management of the FTTH fibre optic telecommunication infrastructures located in the municipalities of Sesto, Chiusa and Tirolo.

The General Manager **Johann Wohlfarter** commented: "The first half of 2020 showed just how resilient the Group is in the face of the ongoing health emergency, producing a good result despite the negative impact of Coronavirus, which I am pleased to note has not significantly affected any Group employee, thanks to the Group's focus on protecting the health of its employees. The Group's Risk Management policies also proved to be particularly effective against the sharp drop in energy market prices, having already sold most of its current year production. The Group's advanced digitalization plan allowed agile working to be quickly rolled out for over 700 employees. Furthermore, although the Group was not objectively able to predict the totality and pervasiveness of the Coronavirus impact, it nevertheless took into account the hypothetical effects, with the setting aside of some funds in the consolidated financial statements as at 31 December 2019, partially used in the interim financial statements. This, together with the Group's economic-financial, managerial and industrial stability achieved in recent years, will go some way to limiting the negative effects of the Covid-19 emergency, which will also impact the consolidated financial statements for 2020".

Chairwoman **Flora Emma Kröss** commented: "In these difficult times as a result of the health emergency, the management is committed to making Alperia a safe place for employees and customers. It is providing support for customers in difficulty and the efforts of community organisations through donations. It has been able to ensure that employee productivity has remained consistent by implementing remote working and allowing employees to contribute to this more than satisfactory interim result. On behalf of myself and the entire Management Board, I would like to express extreme gratitude for their effort.

Despite this difficult situation, activities aimed at rationalising and increasing the efficiency of the Group's business portfolio have continued, with the finalisation of the sale of a non-priority shareholding. At the same time we have focussed on strategically important dossiers, including that relating to the establishment of a multiutility company in the Veneto region, for which Alperia has jointly applied as a potential industrial partner with Dolomiti Energia Holding Spa".

\*\*\*\*\*

For more information:

Paolo Vanoni  
Chief Strategy Officer  
[paolo.vanoni@alperia.eu](mailto:paolo.vanoni@alperia.eu)

Stefan Stabler  
Director Brand & Communication  
[stefan.stabler@alperia.eu](mailto:stefan.stabler@alperia.eu)

This announcement has been issued through the Companies Announcement Service of Euronext Dublin.

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [rns@lseg.com](mailto:rns@lseg.com) or visit [www.rns.com](http://www.rns.com).

END

ISEFIFSA TIID III