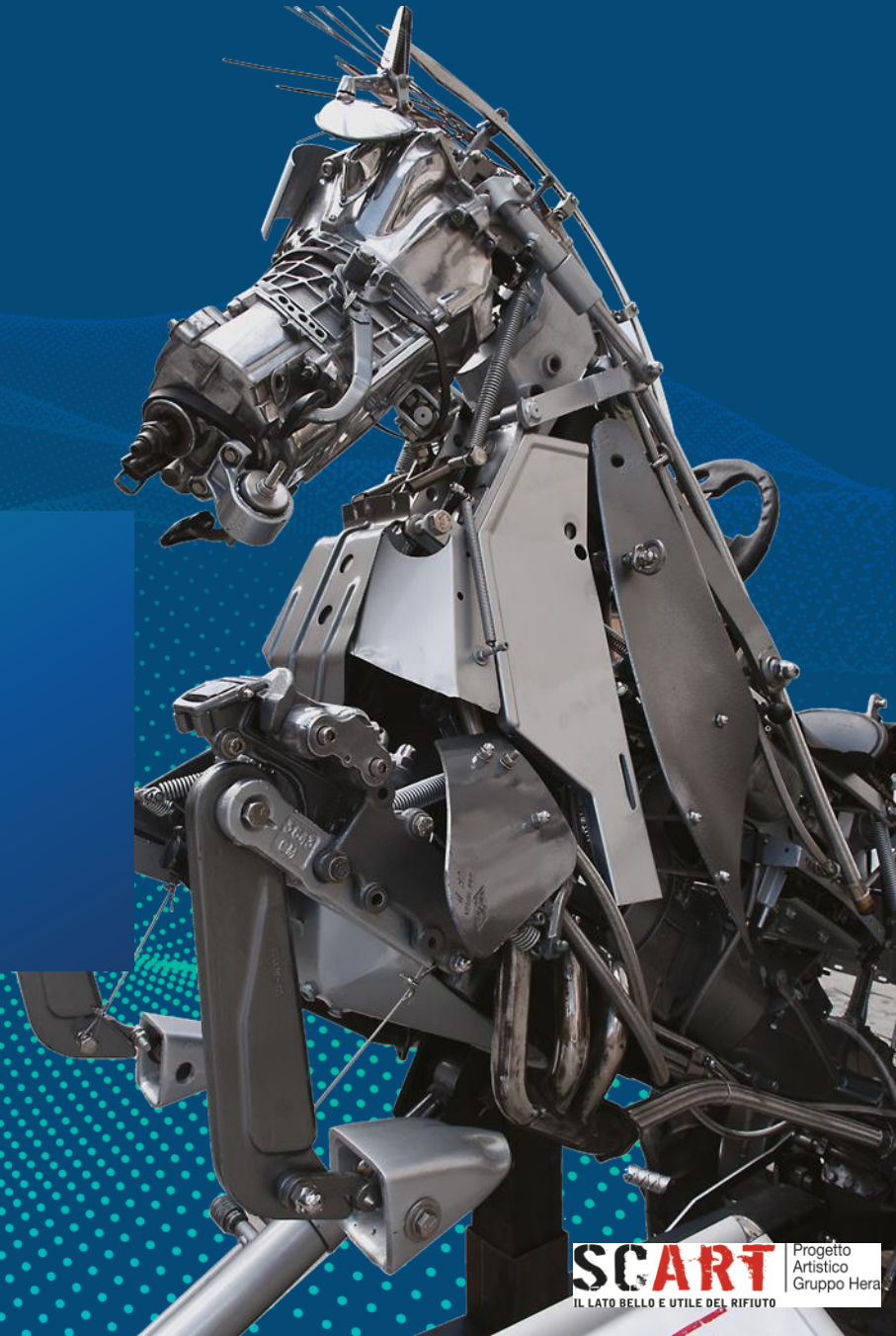


Q1 2022 FINANCIAL RESULTS



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SCART Progetto
Artistico
Gruppo Hera
IL LATO BELLO E UTILE DEL RIFIUTO



CURRENT EXTRAORDINARY SCENARIO

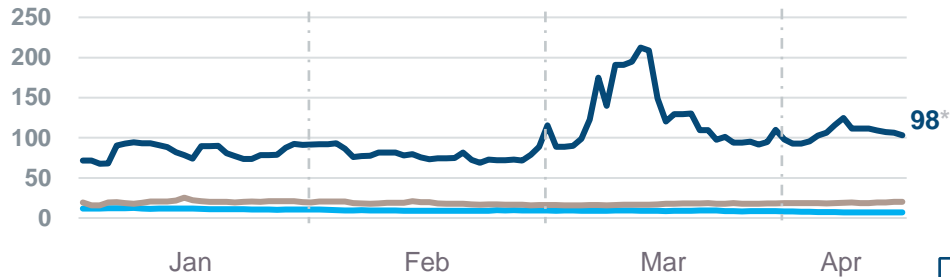


Tensions on energy commodity

Last 4 months 2022 vs 2021 and 2020

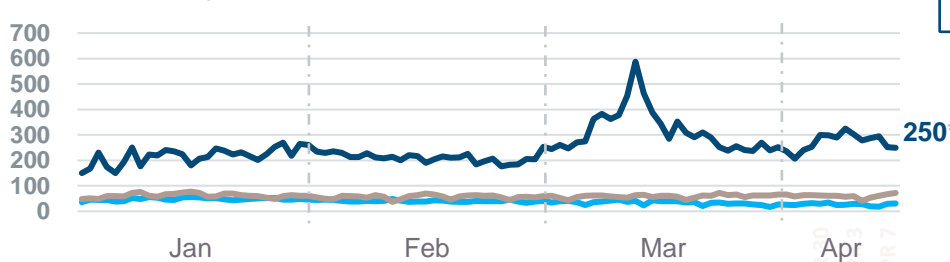
ENERGY PRICES (€/Mwh)

Gas prices on TTF (€/Mwh)



2022
2021
2020

Electricity avg price PUN prices (€/Mwh)



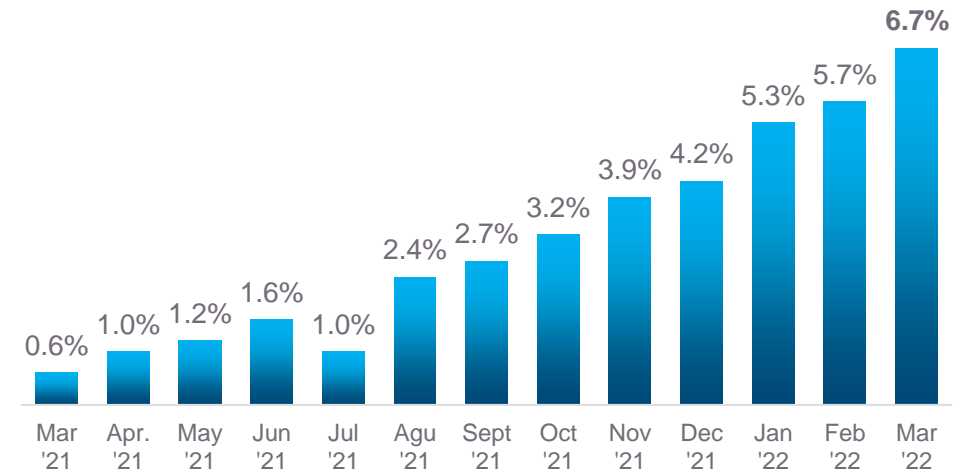
* Average quarter



Extraordinary inflation

Last 12 months

ITALIAN INFLATION RATE (%)



Extraordinary energy prices, inflations rates and uncertainty

1Q '22 RESULTS AT A GLANCE (1)



+128%
1Q '22 VS. 1Q '21

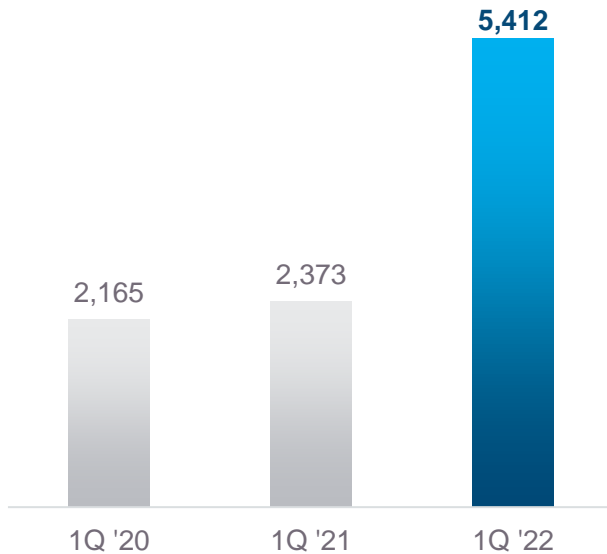


+3%
1Q '22 VS. 1Q '21

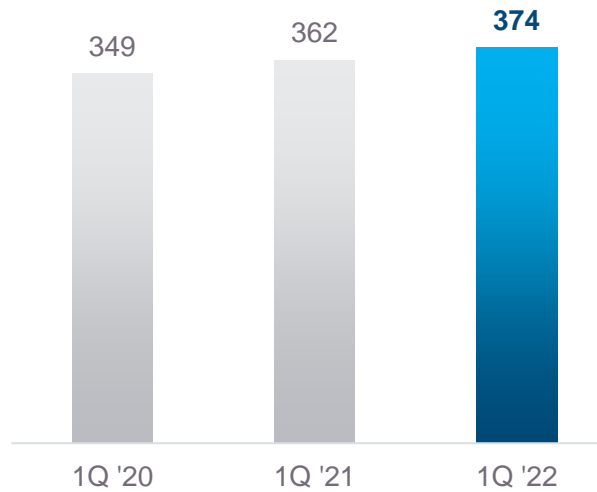


Confirmed
1Q '22 VS. 1Q '21

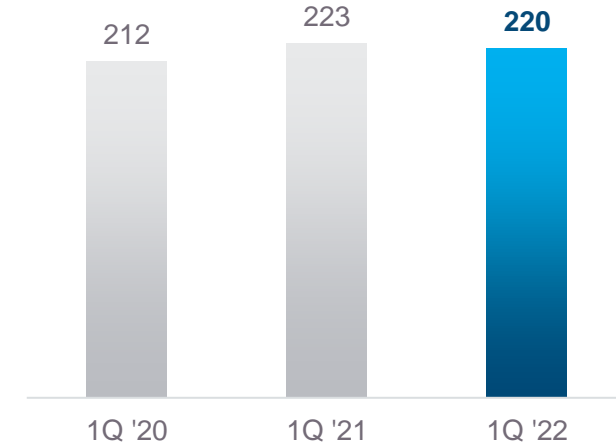
Turnover (m€)



Ebitda (m€)



Ebit (m€)



Resilient growth underpins prudent provisioning

1Q '22 RESULTS AT A GLANCE (2)

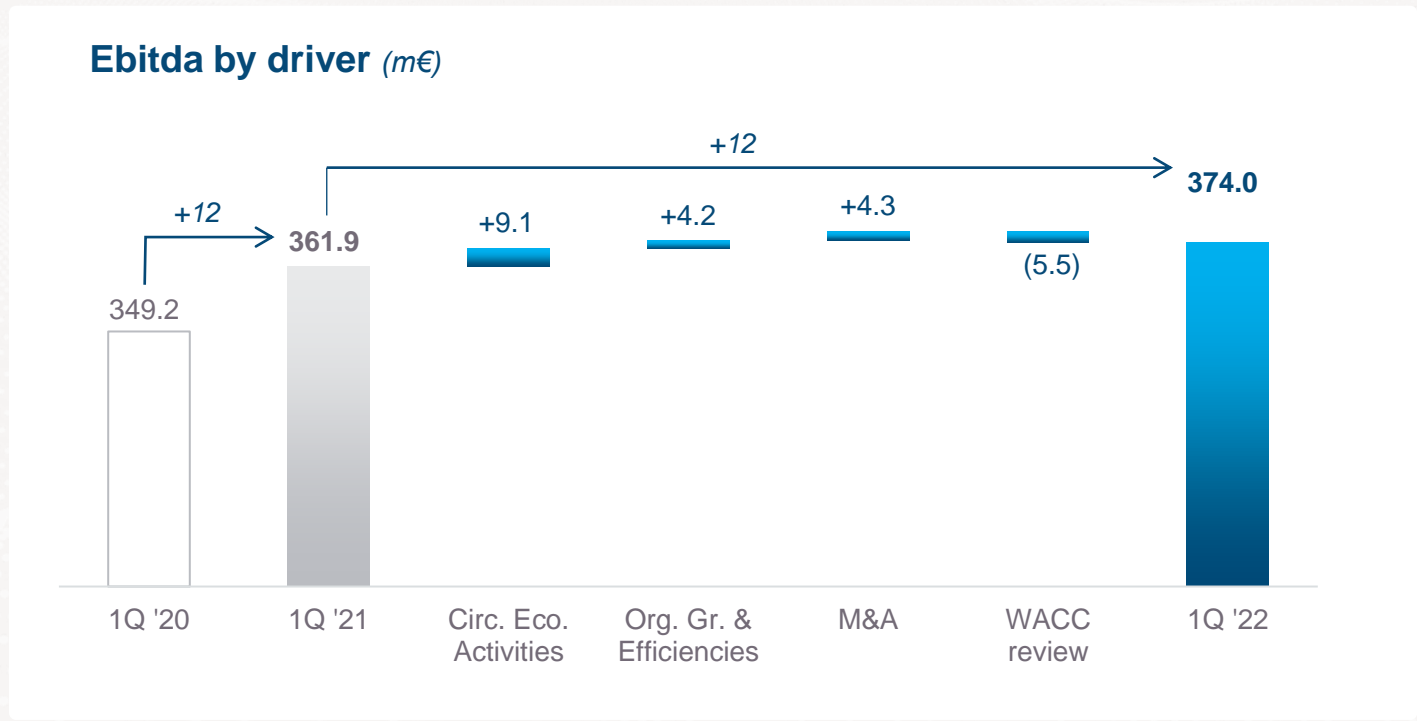


Financial strength to face future challenges

EBITDA GROWTH ON TRACK

 **+12 m€**
EBITDA GROWTH

 **All drivers at work**
INTERNAL AND EXTERNAL GROWTH



All growth drivers at work



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BUSINESS GROWTH

ENERGY



+1.8 m€

ENERGY EBITDA GROWTH



+1.2%

ENERGY EBITDA GROWTH



Highlights

Ebitda growth drivers (m€)



- **Ancillary services** (“MSD”) normalized compared to extraordinary positive results of 1Q ‘21.
- **Eco-Efficiency services** (Eco-bonus) performed well, once again
- **Supply activities** benefit from market expansion fully offsetting slight costs increase

Taking advantage from the strong demand of “Eco” services

NETWORKS



+4.7 m€

NETWORKS EBITDA GROWTH



+3.6%

NETWORKS EBITDA GROWTH



Highlights

Ebitda growth drivers (m€)



- **WACC** review implied 70bps reduction on return from all regulated network activities
- **Organic growth** refers to benefit from cold winter season in District Heating
- **Efficiencies** driven by cost cutting, lower White Certificates
- **Quality Premiums** achieved both in Gas and Water activities

Proactive management of Networks offset WACC cut

WASTE TREATMENT



+10.5 m€

WASTE EBITDA GROWTH



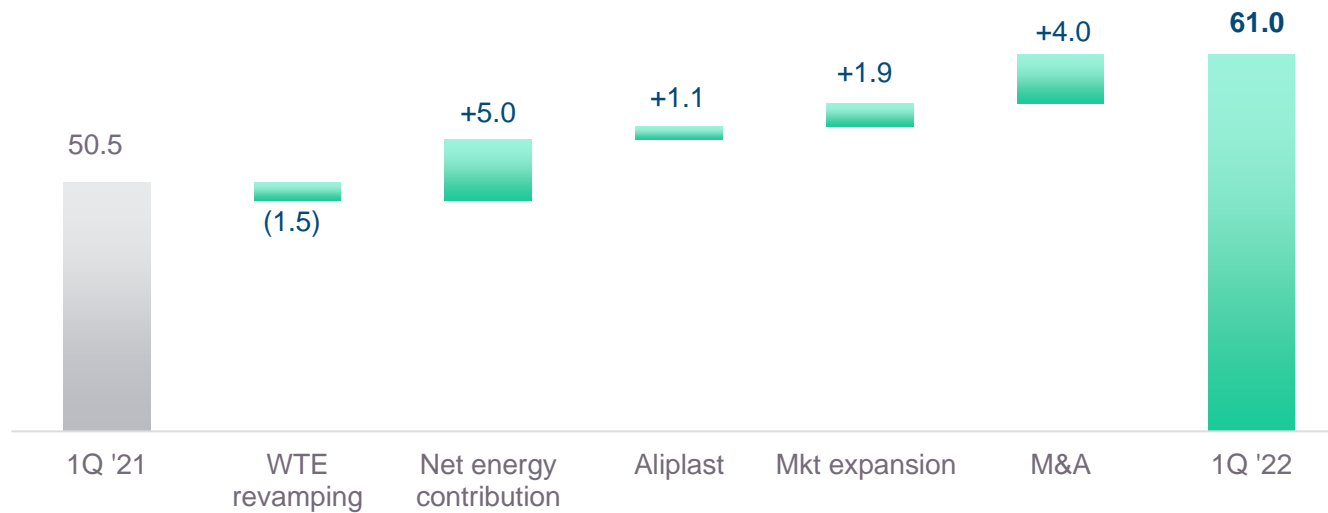
+20.8%

WASTE EBITDA GROWTH



Highlights

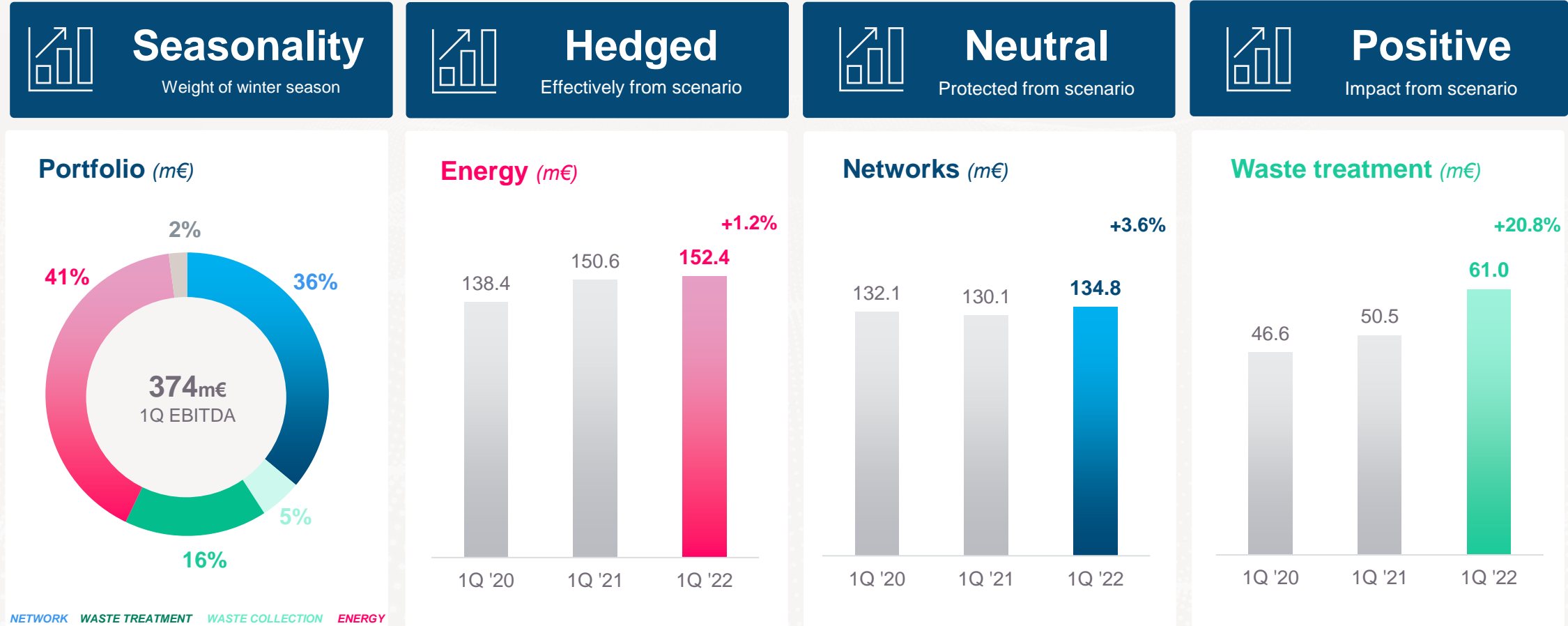
Ebitda growth drivers (m€)



- **WTE** in Trieste and in Ravenna (F3) stop for revamping (capex doubled Q/Q)
- **Energy production** from WTE more than offset the higher energy needs due to cold winter and WTE stop mentioned
- **Aliplast** still benefits from positive market conditions
- **Market expansion** offsets short comes from clients suffering the negative scenario
- **M&A** widened and strengthened geographical presence

Several drivers at work underpinning a solid growth

1Q '22 EFFECTIVE RISK MANAGEMENT



Risk adverse policies & portfolio diversification

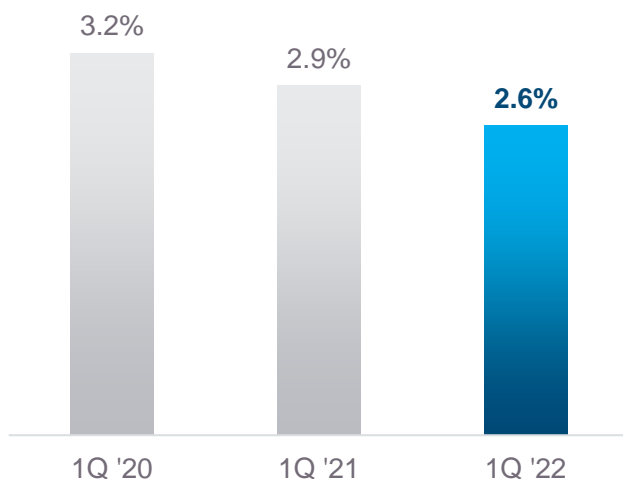
BEYOND EBITDA



-30 bps

AVG. INTEREST RATE ON DEBT

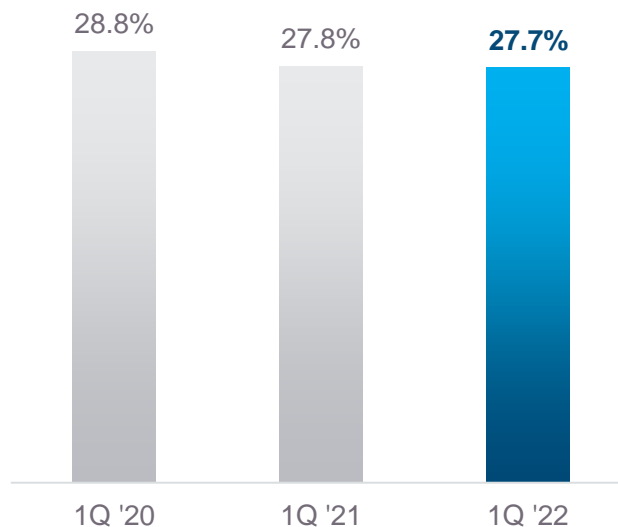
Cost of debt (%)



Confirmed

AVG. CORPORATE TAX RATE

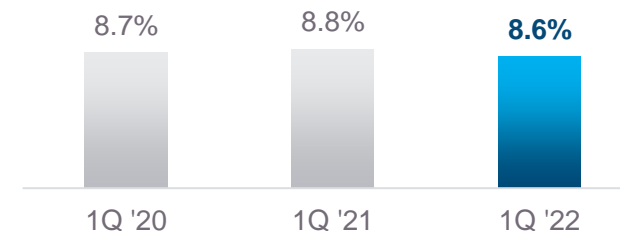
Tax rates (%)



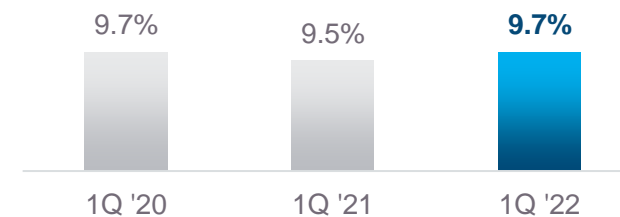
Confirmed returns

ROE and ROI

ROI (%)



ROE (%)



Visible value creation also through liability and tax mgmt




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CASH FLOW

CASH FLOW



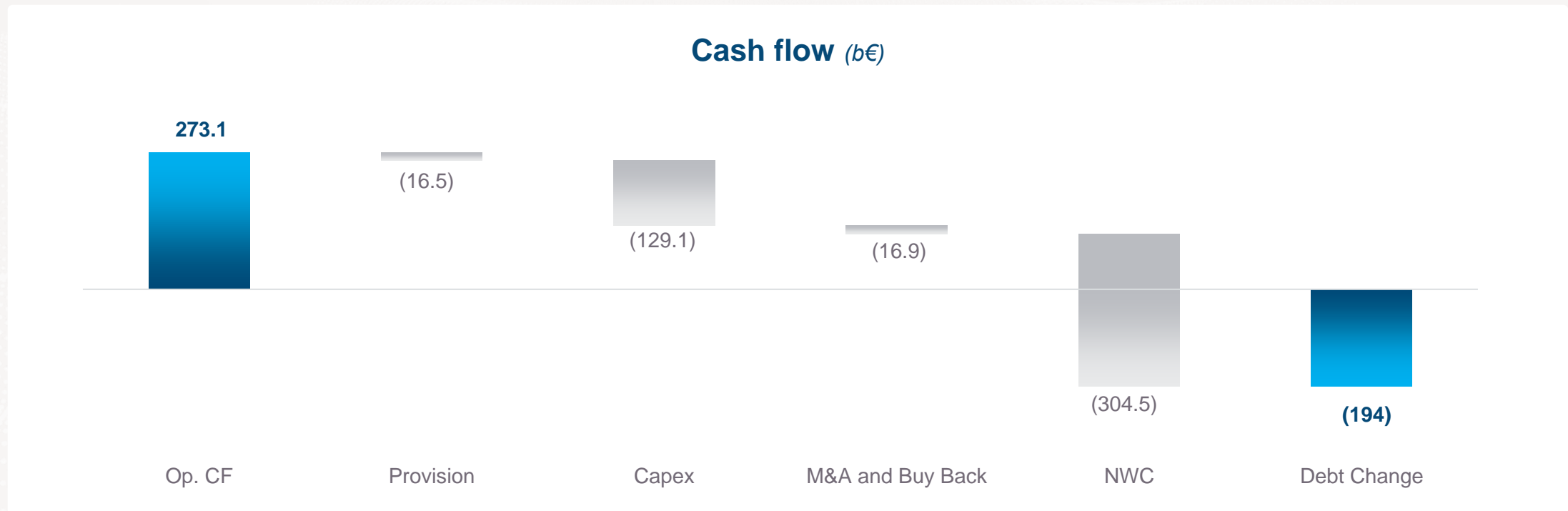
3.455 m€
1Q '22 NET DEBT



2.8x
NET DEBT / EBITDA



7 Years
AVG DURATION



Hera stays next to customers impacted by extraordinary scenario



CLOSING REMARKS

CLOSING REMARKS



+9%

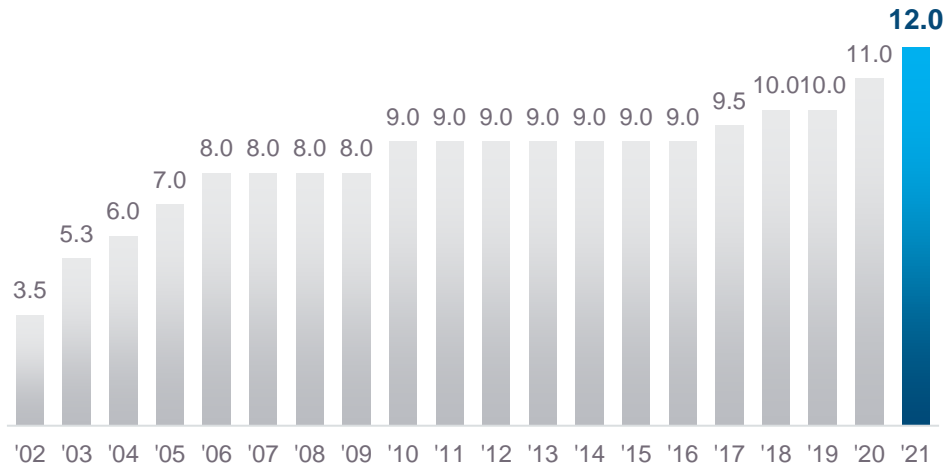
DPS INCREASE '21 vs '20



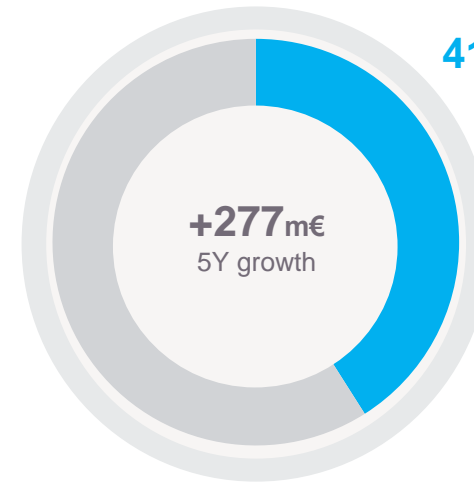
Well on track

PLAN EXECUTION IN TERM OF EBITDA GROWTH

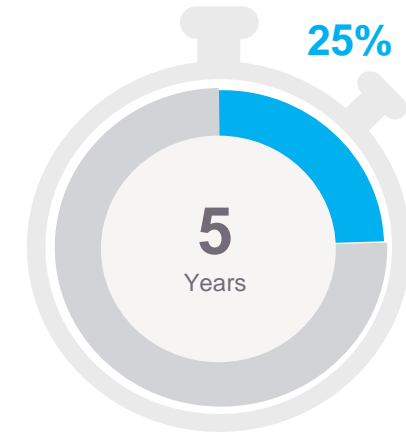
DPS (c€)



% OF ACHIEVEMENT ON EBITDA GROWTH TARGET



% OF BP TIME HORIZON



Commitments to grow fully confirmed

The background features a complex, abstract pattern of white dots and lines on a blue gradient. The pattern consists of multiple layers of wavy, undulating lines that create a sense of depth and movement. A central horizontal band, transitioning from green on the left to blue on the right, contains the word "ANNEX" in white, bold, uppercase letters.

ANNEX

ANNEX: Networks, Energy and Waste



Networks

Ebitda (m€)	Q1 2021	Q1 2022	Ch.
Networks	130.1	134.9	+4.7
District Heating	8.7	11.9	+3.2
Gas distribution	55.8	56.9	+1.1
Electricity distribution	10.6	10.5	(0.0)
Water	55.0	55.5	+0.4
<hr/>			
Volumes	Q1 2021	Q1 2022	Ch.
Water (mm3)	65.4	66.9	+1.5
Gas Distribution (mm3)	1,199.0	1,177.9	(21.1)
Electricity Distribution (GWh)	687.8	697.4	+9.5
District Heating (GWht)	238.1	246.5	+8.4



Energy

Ebitda (m€)	Q1 2021	Q1 2022	Ch.
Energy	150.6	152.5	+1.9
Gas supply	102.8	114.8	12.1
Electricity supply	27.6	17.2	(10.4)
Power generation	8.3	2.7	(5.6)
Energy efficiency	12.0	17.8	5.8
<hr/>			
Customers ('000)	Q1 2021	Q1 2022	Ch.
Gas customers	2,056.7	2,091.0	+34.4
Electricity customers	1,315.6	1,385.7	+70.1
Energy customers	3,372.2	3,476.7	+104.4



Waste

Ebitda (m€)	Q1 2021	Q1 2022	Ch.
Waste	70.8	78.9	+8.1
Treatment	50.5	61.0	10.5
Collection	20.3	17.9	(2.4)
<hr/>			
Volumes (kton)	Q1 2021	Q1 2022	Ch.
Urban W. Volumes	522.3	514.5	(7.8)
Special W. Volumes	626.2	644.2	+18.1
Waste from third parties	1,148.4	1,158.7	+10.3
Internal W. Volumes	586.8	556.3	(30.4)
Total Volumes Treated	1,735.2	1,715.1	(20.1)

ANNEX: Water and Waste



Water

(m€)	Q1 2021	Q1 2022	Ch.
Revenues	209.8	225.5	+15.7
Ebitda	55.0	55.5	+0.4

Data	Q1 2021	Q1 2022	Ch.
Aqueduct (mm3)	65.4	66.9	+1.5
Sewerage (mm3)	55.5	55.5	+0.0
Purification (mm3)	54.5	54.7	+0.2



Waste

(m€)	Q1 2021	Q1 2022	Ch.
Revenues	302.9	364.5	+61.5
Ebitda	70.8	78.9	+8.1

Volumes (kton)	Q1 2021	Q1 2022	Ch.
Urban W. Volumes	522.3	514.5	(7.8)
Special W. Volumes	626.2	644.2	+18.1
Waste from third parties	1,148.4	1,158.7	+10.3
Internal W. Volumes	586.8	556.3	(30.4)
Total Volumes Treated	1,735.2	1,715.1	(20.1)

ANNEX: Gas and Electricity



Gas

(m€)	Q1 2021	Q1 2022	Ch.
Revenues	1,338.6	3,945.2	+2,606.6
Ebitda	178.5	201.4	+23.0

Data	Q1 2021	Q1 2022	Ch.
Volumes distrib. (mm3)	1,199.0	1,177.9	(21.1)
Volumes sold (mm3)	4,944.8	5,372.6	+427.9
<i>of which trading (mm3)</i>	<i>3,462.0</i>	<i>3,609.0</i>	<i>+147.0</i>
District Heating (GWht)	238.1	246.5	+8.4
Final retail volumes (mm3)	1,482.8	1,763.6	+280.9
Clients ('000 unit)	2,056.7	2,091.0	+34.4



Electricity

(m€)	Q1 2021	Q1 2022	Ch.
Revenues	590.6	1,026.2	+435.5
Ebitda	47.2	30.4	(16.8)

Data	Q1 2021	Q1 2022	Ch.
Volumes sold (GWh)	2,861.9	2,695.2	(166.6)
<i>of which Salvaguardia (GWh)</i>	<i>170.8</i>	<i>200.9</i>	<i>+30.1</i>
Volumes distrib. (GWh)	687.8	697.4	+9.5
Clients ('000 unit)	1,315.6	1,385.7	+70.1

ANNEX: P&L

	Q1 '21	Q1 '22	
REVENUES	2,372.5	5,412.7	+128.1%
EBITDA	362.0	374.0	+3.3%
<i>Ebitda margin</i>	15.3%	6.9%	
Depreciation and provisions	(138.9)	(154.0)	
EBIT	223.1	220.0	+5.7%
Financial costs	(21.9)	(23.1)	
Figurative interests (IAS)	(10.1)	(9.3)	
Income from Associates & J.V.	3.2	2.9	
PRETAX PROFIT	194.3	190.5	+6.5%
Tax	(54.0)	(52.8)	
<i>Tax rate</i>	27.8%	27.7%	
Minorities	(8.1)	(11.3)	
Special items	0.0	0.0	
NET PROFIT POST MINORITIES	132.2	126.4	(4.4%)