

Consolidate quarterly
report
as at 30 September 2025

FR SEP/25

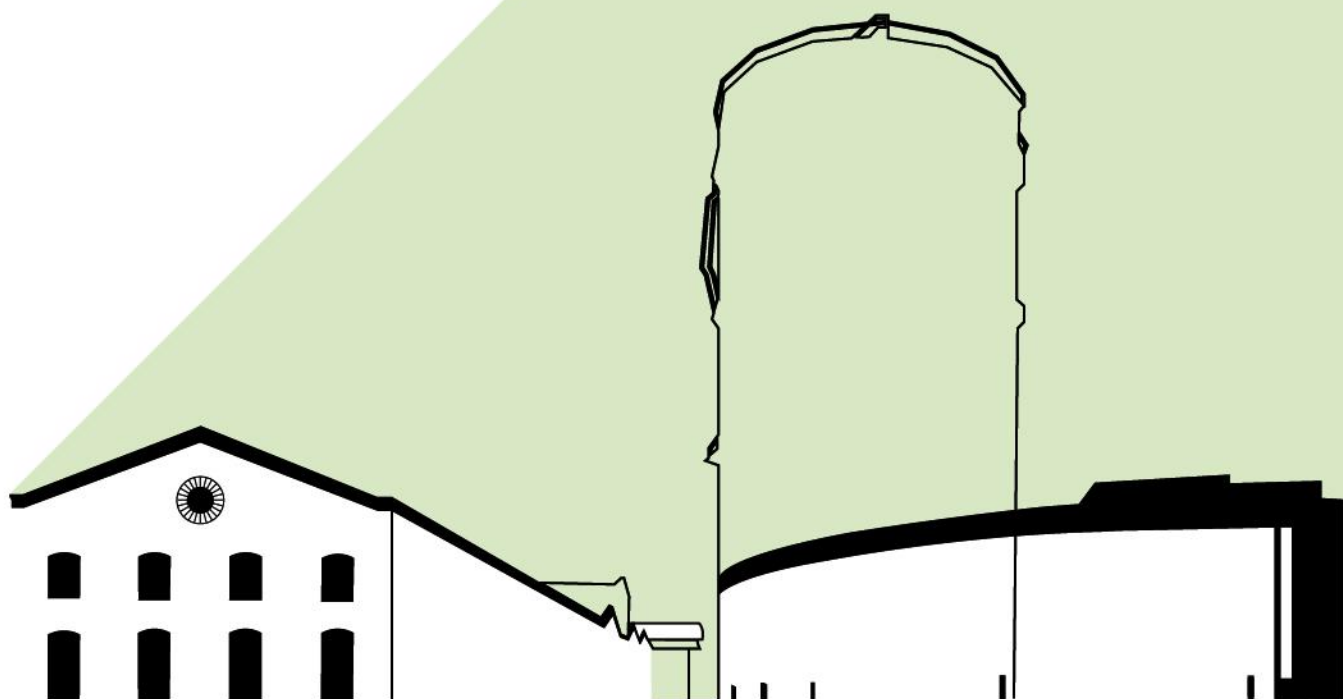


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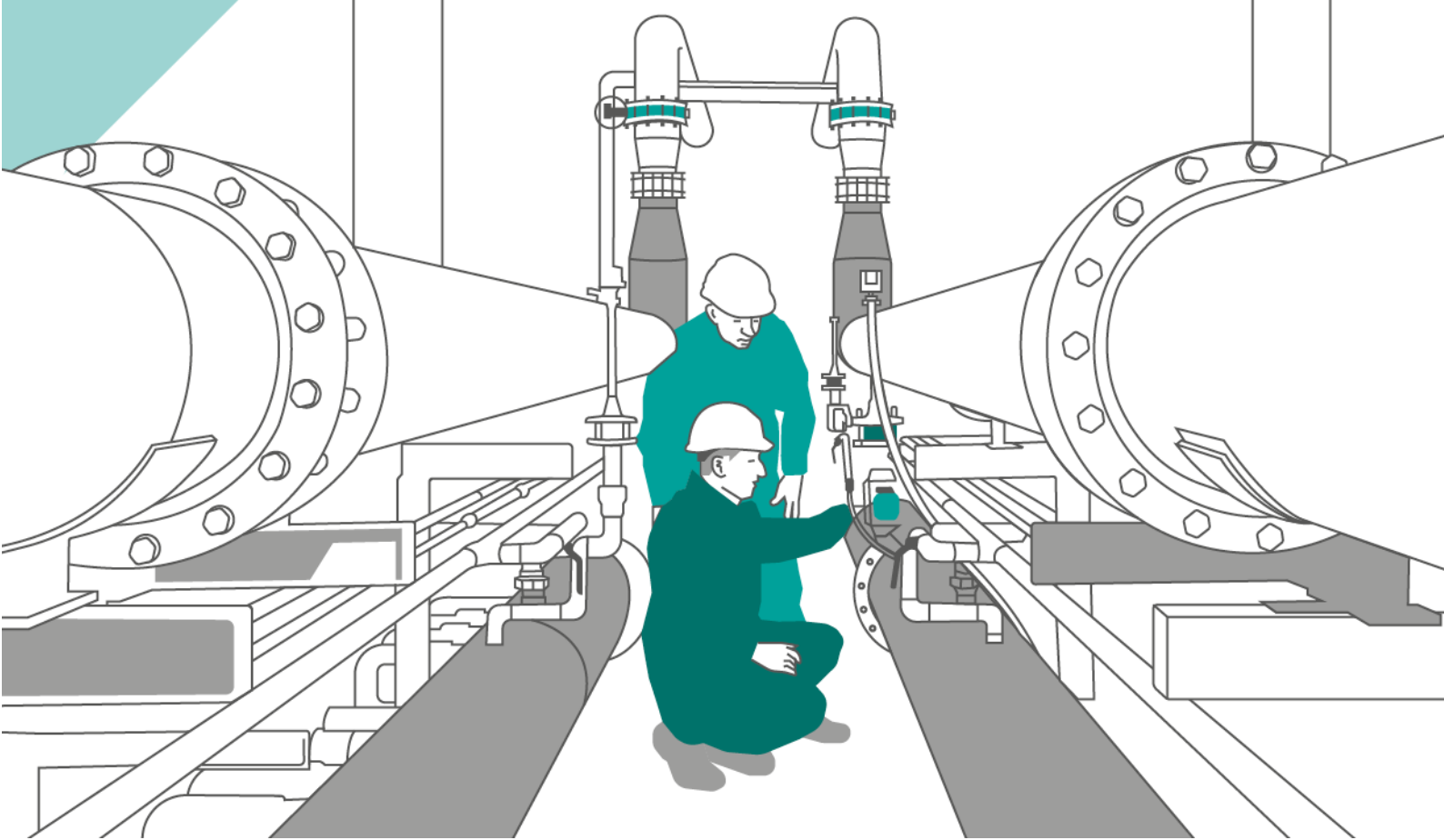
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DIRECTORS' REPORT



1.01 - TRENDS AND CONTEXTS

During the first nine months of 2025, the global macroeconomic environment was characterised by persistent international trade tensions, with particular reference to the tariff policies applied by the United States to its trading partners. These measures led to a contraction of international trade flows, negatively affecting the prospects for global GDP growth in the medium term. The International Monetary Fund estimates that average global growth for 2025-2026 will be lower than in 2024. US economic policies affected emerging economies, such as China - still suffering from weak domestic demand - but did not help the US domestic market either, where GDP recovery was accompanied by a weakening labour market.

MACROECONOMIC CONTEXT

The deceleration of US demand, partly anticipated by the tariff-related inventory effect, contributed to a significant slowdown in growth in the euro area. The European Central Bank's projections indicate average annual GDP growth of more than 1% over the three-year period 2025-2027. Consumer inflation, which has stabilised at around 2% since May 2025, is expected to decline slightly in 2026, with a subsequent return to target in 2027.

In Italy, after a recessionary phase in the first two quarters, the third quarter of 2025 witnessed a moderate recovery in economic activity, supported by more favourable financing conditions, tax incentives, measures linked to the PNRR (National Recovery and Resilience Plan) and a marginal increase in private consumption, correlated with an improvement in household confidence and the stability of employment income. Growth was driven by the services and construction sectors, while the manufacturing sector continued to show signs of weakness. Increased demand for Italian government bonds by foreign investors was observed, with the net international investment position still in credit, although declining due to the depreciation of the dollar against the euro.

In the third quarter, the inflation rate remained marginally below 2%. The ECB forecasts consumer inflation at 1.7 % in 2025, dropping to 1.5 % in 2026 and rising to 1.9 % in 2027. Italian GDP is expected to grow by 0.6% in both 2025 and 2026, accelerating to 0.7% in 2027.

The financial environment continues to present a mixed picture, with markets still experiencing high valuations but at the same time significant volatility related to macroeconomic risks and geopolitical tensions. Faced with this context, the main Central Banks took different decisions in September; while on the one hand, the Fed made its first rate cut of this year, by 25 basis points, with the prospect of continuing this reduction in the coming months, on the other hand, the Bank of England (BoE) and the ECB kept their respective main reference rates unchanged. The interest rate curve on short-term levels is stationary with an average rate around 2%, although reduced compared to the previous year by about 120 basis points, due to the ECB's easing of monetary policy during the course of the year, whereas the medium-long-term Euro swap rates show an upward trend, with an average level of around 2.6%. The 10-year BTP-Bund sovereign spread narrowed by a wide margin (50 basis points) compared to the close of September in the previous year, to a level of roughly 82 basis points, thanks to the resilience of Italy Risk, as well as the outlook for economic growth and improvement in the public deficit. This view was also confirmed by the rating agencies S&P and Fitch, which improved their sovereign rating by one notch to BBB+, outlook stable, and Moody's, which improved the outlook from stable to positive on the Baa3 rating level.

FINANCIAL ENVIRONMENT AND MONETARY POLICY

Also, due to the unstable geopolitical environment, crude oil and fuel prices in the first nine months of 2025 showed a volatile trend, albeit at lower levels than in the same period of 2024. In the first nine months of 2025, with the exception of August and September, electricity prices showed a year-on-year increase in line with the growth of natural gas spot prices. The price rise was mitigated by the increased availability of renewable sources of energy (especially solar and wind power), which now cover about 50% of requirements (new 2025 installed capacity of 4 GW and 370 MW respectively), and by China's declining demand for LNG. In the first nine months of 2025, the price index for natural gas at the Dutch hub (TTF), taken as a reference for European short-term spot market prices, showed a 26% increase over the same period in 2024. The information released by the national gas transmission network operator (Snam Rete Gas) indicates a 5% increase in natural gas consumption compared to the same period of the previous year, amounting to roughly 44.7 to billion cubic metres (42.6 billion cubic metres in the first nine months of 2024). The most significant growth in consumption is attributable to electricity generation, which amounted to 15.5 billion cubic metres, an increase of +4% over the same period last year. Both demand for civil use, at 18.2 billion cubic metres (+1.3% compared to the same period in 2024) and industrial demand (+1.2% compared to the same period in 2024) grew slightly. Exports grew significantly (+106.2% compared to the same period in 2024), with volumes standing at 2.3 billion cubic metres. During 2025, 94.2% of demand was met, in terms of feed-in, by imports (net of exports and storage requirements) and 5.8% by domestic production.

MARKET-BASED BUSINESS ENVIRONMENT

The day-ahead market for electricity (Mgp) showed a price increase of 14% in the period from January to September 2025 compared to the same period in 2024. The data made available by the company that manages the national transmission grid (Terna Spa) show that electricity consumption in the first nine months of the year fell by 1.1% to 233.4 TWh (236.0 TWh in the same period last year). Overall, 85.7% of demand was met by domestic production,

which increased compared to the same period in 2024, while the foreign balance stood at 33.4 TWh compared to 37 TWh in 2024.

In the first nine months of 2025, net domestic production from renewable sources of energy accounted for 45.6% of total net production and amounted to a volume of 91.2 TWh, lower than the 93 TWh produced in the same period of 2024. The share of consumption satisfied by renewables was 39.1%, down from the volumes recorded on 30 September 2024, due to the observed contraction in hydroelectric (-18.6%), wind (-4%) and geothermal (-0.5%) production, despite substantial strong growth in photovoltaic production (+22.5%). Consequently, the growth in thermoelectric production was significant, increasing by 2.7% (+2.8 TWh) compared to the same period last year.

REGULATED BUSINESS ENVIRONMENT

Turning to legislative and regulatory factors, the most significant interventions for the Group, issued during the first nine months of 2025, include:

- the conversion into law, with amendments, of Decree-Law No. 19 of 28 February 2025 on measures to facilitate tariffs for the supply of electricity and natural gas in favour of households and businesses as well as for the transparency of retail offers and the strengthening of sanctions by the Supervisory Authorities. Among other measures, the provision stipulates that customers in vulnerable categories who, as at 31 March 2027, are still supplied under the transitional protection scheme, will automatically enter the greater protection service upon expiry of that service;
- the conversion into law, with amendments, of Decree-Law No. 202 of 27 December 2024, which stipulates that the obligation to increase thermal energy from Renewable Energy Sources (RES) in energy supplies of more than 500 TOE per year will come into effect on 1 January 2025;
- the Fer X Ministerial Decree aimed at promoting renewable electricity production, in particular through the development of photovoltaics;
- the conversion into law, with amendments, of Decree-Law No. 208 of 31 December 2024, containing measures to cope with situations of particular emergency, as well as for the implementation of the National Recovery and Resilience Plan (Emergencies and PNRR), which contains rules for the development of long-term contracts for the purchase and sale of electricity from renewable sources of energy;
- the conversion into law, with amendments, of Decree-Law No. 39 of 31 March 2025, setting out urgent measures on insurance against catastrophic risks (Law No. 78/2025), which postpones the commencement of the obligation for medium-sized enterprises to take out insurance contracts to 1 October 2025 and to 31 December 2025 for small and micro enterprises. For large companies, however, the deadline was 31 March 2025, with a transitional period of 90 days (until 30 June);
- the European Delegation Law 2024 (Law 91/2025), which entrusts the Government with the transposition of European directives such as the Directive on energy efficiency, on the promotion of energy from renewable sources, on common rules for the internal markets for renewable gas, natural gas and hydrogen, on waste landfills and on air quality.
- the conversion into law, with amendments, of Decree-Law No. 116 of 8 August 2025, which lays down urgent provisions to combat illegal activities in the field of waste, for the remediation of the area known as Terra dei fuochi, as well as in the field of assistance to the population affected by calamitous events, introducing new offences for the abandonment and burning of waste;
- the decree of the Ministry of the Environment and Energy Security of 21 July 2025, which updates the regulation of white certificates under Article 7 of Legislative Decree No. 115 of 30 May 2008, defining national targets and quantitative energy-saving obligations for the period 2025-2030, and introducing new ways of recognising energy efficiency certificates;
- Legislative Decree No. 102 of 19 June 2025, supplementing and correcting Legislative Decree No. 18 of 23 February 2023, implementing Directive (EU) 2020/2184 on the quality of water intended for human consumption, amending certain definitions and compliance requirements for materials and products and introducing monitoring parameters (including Pfas and microplastics) and new assessment systems and authorisation procedures;
- the conversion into law, with amendments, of Decree-Law No. 95 of 30 June 2025, which introduces significant measures for the energy and environment sector, including: provisions to solve the problem of virtual grid saturation, sterilisation of the Ttf-Psv differential on gas prices, rules for the development and regulation of data centres, CO₂ capture and storage (CCS) initiatives, and changes to the regulation of gas release for industry.

As regards new regulations, the measures having the most significance for the Group, adopted in the first nine months of 2025 by the Italian Energy, Networks and Environment Regulatory Authority (ARERA), are as follows:

- the definition of the modalities for requesting access to the transitional protection scheme by vulnerable domestic customers (Resolution 48/2025/R/eel);
- the definition of the time permanence of vulnerable domestic customers in the transitional protection scheme (Resolution 110/2025/R/eel);
- additions to “the energy end customers’ bill”, some specific provisions for the bill of multi-site customers (Resolution 64/2025/R/com) and the extension of “Bill 2.0” for customers served in the greater protection service (Resolution 223/2025/R/com);
- the first urgent measures on the transparency and comparability of offers in the retail electricity and natural gas markets (Resolution 156/2025/R/com) and further measures to rationalise the prices of electricity and natural gas offers for domestic customers for the purposes of implementing Article 5(1) of Decree-Law 19/2025 (Resolution 386/2025/R/com);
- the updating of the regulation of sales quality (TIQV), concerning assistance services to end customers of electricity and natural gas (Resolution No. 399/2025/R/com);
- regulatory updates aimed at reconciling the development of electric mobility with the need for rational and efficient development of electricity grids (Resolution 22/2025/R/eel);
- the functional provisions for the initial implementation of the new Electricity Settlement regulations (Resolution 40/2025/R/eel) within the Integrated Information System;
- the integration of some provisions concerning the accountability mechanism in the management of delta in-out (Resolutions 28 and 111/2025/R/gas);
- the definition of the calculation methods and other parameters relating to the benefit categories for cost-benefit analyses of electricity distribution network development initiatives (Resolution 112/2025/R/eel);
- the initiation of proceedings for the adoption of the proposal on extraordinary multi-year investment plans for the purpose of the remodulation of electricity distribution concessions and the criteria for determining the related charges (Resolution 237/2025/R/eel);
- ARERA's proposal to the Minister of the Environment and Energy Security and the Minister of Economy and Finance regarding the decree on the remodulation of electricity concessions (Resolution 392/2025/R/eel);
- the adjustment of specific instruments of ROSS-basic regulations and the experimental introduction of regulatory tools for the evolution of regulation towards ROSS-integral (regulation by expenditure and service objectives) for electricity distribution revenues (Resolution 390/2025/R/com);
- the initiation of proceedings for the formation of measures on tariffs and quality of gas distribution and metering services for the sixth regulatory period, and the extension of the provisions of the Consolidated Tariff and Quality Act (TUDG) for the years 2026 and 2027 (Resolution 221/2025/R/gas);
- the revision of the regulations of the Standard Network Code for the natural gas distribution service (Crdg), on the subject of guarantees and payments (Resolution 222/2025/R/gas), which will take effect from 1 May 2026;
- the revision of the criteria for the revaluation of capital costs for infrastructure services in the electricity and gas sectors as of the tariff year 2024 (130/2025/R/com);
- the closure of the proceedings to comply with the Council of State rulings that annulled Resolution 570/19 (concerning the 2020-25 gas distribution tariff regulation) on the recognised operating expenses (Resolution 87/2025/R/gas) and the consequent redetermination of the reference tariffs for gas distribution and metering services for the years 2020-2023 (Resolution 98/2025/R/gas);
- Arera's acceptance of the requests for admission to the revenue adjustment mechanism admitted for the application of the recognised operating expense reduction rate (customised X-factor) for the company-specific gas distribution service (Resolution 260/2025/R/gas);
- the revision of the provisions on procedures for verifying VIR-RAB deviations and tender notices in relation to updates of VIR values, when publishing tender documents (Resolution 142/2025/R/gas);
- the confirmation of the extension of the transitional tariff method of the district heating service to 2025 (Resolution 54/2025/R/tlr);
- the initiation of proceedings to update the regulation of metering, connection fees and contract quality in the district heating and cooling sector (Resolution 177/2025/R/tlr);
- the initiation of proceedings to amend and update the rules on the transparency of billing documents for the integrated water service (Resolution 122/2025/R/idr);
- the initiation of proceedings to update the contractual and technical quality of the integrated water service (Resolutions 424 and 425/2025/R/idr);
- the initiation of proceedings for the biannual update of the tariff arrangements for the integrated water service for the fourth regulatory period MTI-4 (Resolution 426/2025/R/idr);

- the publication of the final results of the application of the incentive mechanism of the regulation of technical quality (RQTl) and contractual quality (RQSII) of the Integrated Water Service, for the two-year period 2022-2023 (Resolutions 225 and 277/2025/R/idr);
- the definition of the Model Tender Template for the assignment of the integrated water service (Resolution 347/2025/R/idr);
- provisions for the recognition of the social waste bonus for domestic users of the integrated urban waste management service in economically and socially disadvantaged conditions (Resolution 355/2025/R/ref);
- the publication of the directives for accounting and administrative unbundling in the urban waste sector (Resolution 373/2025/R/ref);
- the completion of the regulation of technical quality in the urban waste sector (Resolution 374/2025/R/ref);
- the tariff structure for users of the urban waste management service that will be in force from January 2028 (Resolution 396/2025/R/ref);
- the definition of the Waste Tariff Method for the third regulatory period (MTR-3) (Resolution 397/2025/R/ref).

1.02 OVERVIEW OF OPERATING AND FINANCIAL TRENDS

The Hera Group uses alternative performance measures (APMs) to convey information concerning trends in the profitability of the businesses in which it operates, as well as its equity and financial position. In accordance with the guidelines published on 4 March 2021 by the European securities and markets authority (ESMA) and in keeping with the provisions of Consob communication no. 5/21 of 29 April 2021, the content of and the criteria used in defining the APMs used in this financial report as at 30 September 2025, are explained below. The determination criteria used to calculate the alternative performance measures are the same as those already used with reference to the consolidated financial statements as at 31 December 2024, to which reference should be made for a complete representation of all APMs used by the Hera Group.

ALTERNATIVE
PERFORMANCE
MEASURES
(APM)

The indicators illustrated below are used as financial targets in internal presentations (business plans) and in external presentations (for analysts and investors) and provide useful measures for assessing the Group's operating performance (as a whole and within each business unit), including comparisons between the reporting period in question and previous periods as regards operating profitability.

Ebitda is calculated as the sum of revenues, other income, raw and other materials, service costs, personnel costs, other operating expenses and capitalised costs.

Ebit (operating margin) is calculated by adding depreciation, amortisation and impairment losses to Ebitda. This indicator corresponds to the operating result in the income statement.

The **result before taxes** corresponds to the pre-tax profit shown in the income statement.

The **profit for the year** corresponds to the net profit for the year as shown in the income statement.

Ebitda on revenues, Ebit on revenues and profit for the year on revenues measure the Group's operating performance through a proportion, expressed as a percentage, of Ebitda, Ebit and profit for the year divided by the revenues shown in the income statement.

OPERATING
APMS AND
INVESTMENTS

Capital expenditure (CAPEX) is the sum of investments in property, plants and equipment (Note 21 of the consolidated financial statements), intangible assets (Note 23) and investments in subsidiaries/associates (Note 25), net of the capital grants received (as shown in paragraph 1.02.01 of the Directors' report).

Net non-current assets are calculated as the sum of: property, plant and equipment, right-of-use assets, intangible assets, goodwill, investments valued using the equity method, other equity investments, and deferred tax assets and liabilities.

Net working capital is made up of the sum of: inventories, trade receivables and payables, current tax assets and liabilities, other current assets and liabilities, the current portion of assets and liabilities for financial derivatives on commodities (Note 27) and current assets and liabilities arising from contracts with customers in the statement of financial position.

Provisions are defined as the sum of the items employee benefits and funds in the statement of financial position.

Net invested capital is defined by calculating the sum of net fixed assets, net working capital and provisions, as described above.

Net financial debt (at times referred to below as **Net debt**) is a measure of the company's financial structure determined in accordance with ESMA guidelines 32-382-1138, adding the value of non-current financial assets

Sources of financing are obtained by adding net financial debt and equity.

FINANCIAL APMS

The Hera Group's APMs are provided in the following table:

Operating APMs and investments (mn€)	30-SEPT-25	30-SEPT-24	ABS. CHANGE	% CHANGE
Revenues	9,365.6	8,471.4	894.2	+10.6%
Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Ebitda/revenues	11.1%	12.2%	(1.2) pp	+0.0%
Ebit	519.9	522.5	(2.6)	(0.5)%
Ebit/revenues	5.6%	6.2%	(0.6) pp	+0.0%
Profit for the year	324.6	312.1	12.5	+4.0%
Profit for the year/revenues	3.5%	3.7%	(0.2) pp	+0.0%
Capital expenditure (CAPEX)	632.6	535.8	96.8	+18.1%

Financial APMs (mn€)	30-SEPT-25	31-DEC-24	% CHANGE	% CHANGE
Net non-current assets	8,788.6	8,496.4	292.2	+3.4%
Net working capital	307.8	227.2	80.6	+35.5%
Provisions	(771.9)	(773.0)	1.1	(0.1)%
Net invested capital	8,324.5	7,950.6	373.9	+4.7%
Net financial debt	4,147.2	3,963.7	183.5	+4.6%
Sources of financing	8,324.5	7,950.6	373.9	+4.7%

1.02.01 - Financial results and investments

GROWING PROFIT FOR THE YEAR AND INVESTMENTS

The Hera Group's results as at 30 September 2025 show a positive performance, with growth in net profit and investments compared to the same period of the previous year, in line with corporate objectives and strategies. This performance, in spite of the gross operating margin being substantially in line with the previous year and the net operating margin declining slightly by 0.5%, is attributable to the solid and efficient financial management that contributed to a net profit of EUR 324.6 million in the first nine months of 2025, marking growth of 4.0%. As regards investments, growth amounted to 18.3% compared to September 2024, reflecting the Group's ongoing focus on increasing, enhancing and strengthening the resilience of the assets under management.

The results for the first nine months of 2025 must be considered against an external scenario that showed less volatility in energy commodity prices, allowing the Hera Group to operate once again in a more stable market context, even if not yet similar to the levels seen prior to the crisis.

The performance was driven by the Group's multi-business strategy, balanced between regulated and free market activities, with the usual focus on sustainability and the circular economy. The Hera Group pursues this model through both organic growth and the opportunities offered by the market through external development.

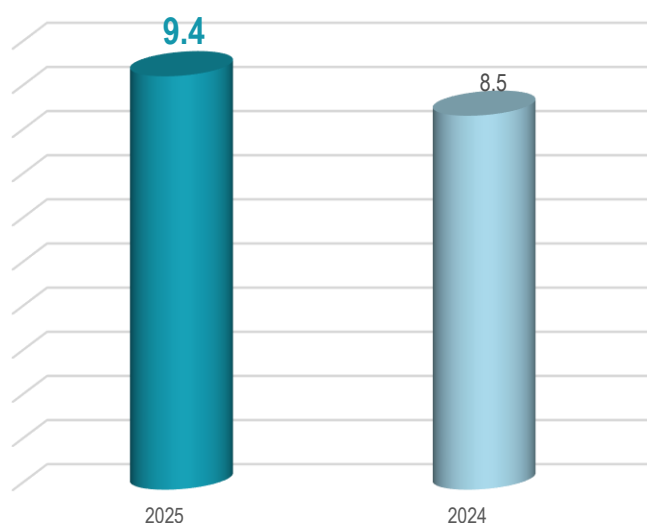
In particular, during 2025 the Hera Group continued to strengthen its activities in the waste management area by expanding its corporate perimeter through CircularYard Srl, a company that manages industrial waste produced by Fincantieri and the acquisition of Ambiente Energia Srl, an important company that treats liquid industrial waste through the plant located in Schio. Detailed information on this matter is provided in paragraph 1.03.04.

Finally, the award to Hera Comm Spa of seven of the nine lots of the Safeguard service for the years 2025 and 2026, an increase of five compared to the previous two-year period, should be noted. Detailed information on this matter is provided in paragraph 1.03.02.

The following table shows operating results at 30 September 2025 and 2024

INCOME STATEMENT (MNE)	SEPT-25	% INCREASE	SEPT-24	% INCREASE	% CHANGE	% CHANGE
Revenues	9,365.6	0.0%	8,471.4	0.0%	894.2	10.6%
Other income	109.7	1.2%	105.7	1.2%	4.0	3.8%
Raw and other materials	(5,266.0)	(56.2)%	(4,357.9)	(51.4)%	908.1	20.8%
Service costs	(2,657.1)	(28.4)%	(2,681.6)	(31.7)%	(24.5)	(0.9)%
Other operating expenses	(67.1)	(0.7)%	(63.6)	(0.8)%	3.5	5.5%
Personnel costs	(526.4)	(5.6)%	(494.1)	(5.8)%	32.3	6.5%
Capitalised costs	78.5	0.8%	57.7	0.7%	20.8	36.0%
Ebitda	1,037.2	11.1%	1,037.6	12.2%	(0.4)	(0.0)%
Depreciation, amortisation and impairment losses	(517.3)	(5.5)%	(515.1)	(6.1)%	2.2	0.4%
Ebit	519.9	5.6%	522.5	6.2%	(2.6)	(0.5)%
Net finance result	(71.4)	(0.8)%	(98.9)	(1.2)%	(27.5)	(27.8)%
Share of profits (losses) pertaining to joint ventures and associates	8.7	0.1%	9.9	0.1%	(1.2)	(12.1)%
Result before taxes	457.2	4.9%	433.5	5.1%	23.7	5.5%
Taxes	(132.6)	(1.4)%	(121.4)	(1.4)%	11.2	9.2%
Net profit for the period	324.6	3.5%	312.1	3.7%	12.5	4.0%
Attributable to:						
Parent company shareholders	294.7	3.1%	282.9	3.3%	11.8	4.2%
Non-controlling interests	29.9	0.3%	29.2	0.3%	0.7	2.4%

Revenues (bn€)



9.4

BILLION EURO
REVENUES

(+10.6%)

Revenues at September 2025 increased by 894.2 million euro compared to the same period in 2024. The energy segments showed growth of 718 million euro, mainly due to higher energy commodity prices and greater volumes of gas and electricity sales. These positive effects are partly mitigated by the lower volumes of gas sold to end customers due to the reduced consumption of the customer base as a result of the increasingly widespread energy-saving measures in line with the climate-changing emissions reduction target, and finally by lower revenues from system charges.

Revenues from network services grew by a total of 164.1 million euro, due both to higher tariff revenues as a result of the Authority's resolutions, a description of which is provided in chapter 1.03 of the business areas, and to the bonuses that the Authority recognised to the Hera Group for the Integrated Water Service, as proof of the excellent performance achieved by the Group in terms of quality in the management of the service itself. In total, the above-mentioned revenue

contributes approximately 81 million euro. Finally, revenues from orders on goods under concession, connections and services to customers contribute a total of about 73 million euro.

Revenues in the Waste management area increased due to the significant expansion in the recovery market, growth in the industrial market due to the development in the remediation business, and higher revenues in the urban waste service due to both tariff adjustments and increased supplementary services.

Finally, lower revenues were reported as a result of the reduction in incentivised activities on energy-saving services, in residential buildings, following changes in energy-saving regulations.

For further details, see the analyses of each individual business area in paragraph 1.03.

Other income in September 2025 was up by 4 million euro compared to the same period in 2024. This trend is mainly attributable to higher recoveries of expenses and insurance reimbursements, greater contributions received, despite lower revenues for energy efficiency certificates due to the decrease in the obligation assigned to the Group's distribution companies for the year 2025.

RAW MATERIAL COSTS RELATED TO THE TREND IN REVENUES

Costs for raw and other materials rose by 908.1 million euro compared to September 2024. This rise is mainly related to the performance of energy revenues in relation to the increase in energy commodity prices, the growth in volumes of electricity sold as described above under revenues, despite the aforementioned lower volumes of gas sold to end customers.

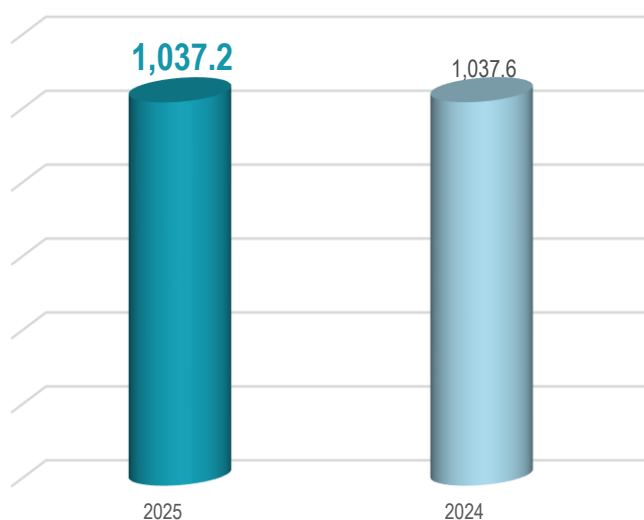
Other operating expenses dropped by 21 million euro (lower service costs amounting to 24.5 million euro and higher operating expenses coming to 3.5 million euro). Costs related to gas transport, storage and transportation decreased, mainly due to the reduction in volumes handled and lower transportation tariffs in the first nine months of 2025. System charges also decreased, especially in electricity, despite the increase in gas; to this end, see Chapters 1.03.01 and 1.03.02. Finally, there was an increase in transmission costs in electricity due to the increase in the customer base and volumes sold. Overall, the above-mentioned effects contribute to a general decrease in costs of approximately 83 million euro. Energy services for energy efficiency saw lower costs for works amounting to approximately 61 million euro, related to the trend in revenues. In addition, higher costs were registered in the Waste management area for the development of separated waste collection projects, higher costs in the industry market and in the waste treatment and recovery market related to the above-mentioned revenues. Finally, higher costs were related to orders on goods under concession amounting to approximately 96 million euro.

+6.5% INCREASE IN PERSONNEL COSTS

Personnel costs increased by 6.5%, or 32.3 million euro, compared to September 2024. This increase is mainly related to salary increases under the national collective labour agreement and the higher average attendance.

Capitalised costs amounted to 78.5 million euro at September 2025, up year-on-year due to higher investments on Group-owned assets.

Ebitda (mn/euro)



1,037.2

MILLION EURO
EBITDA

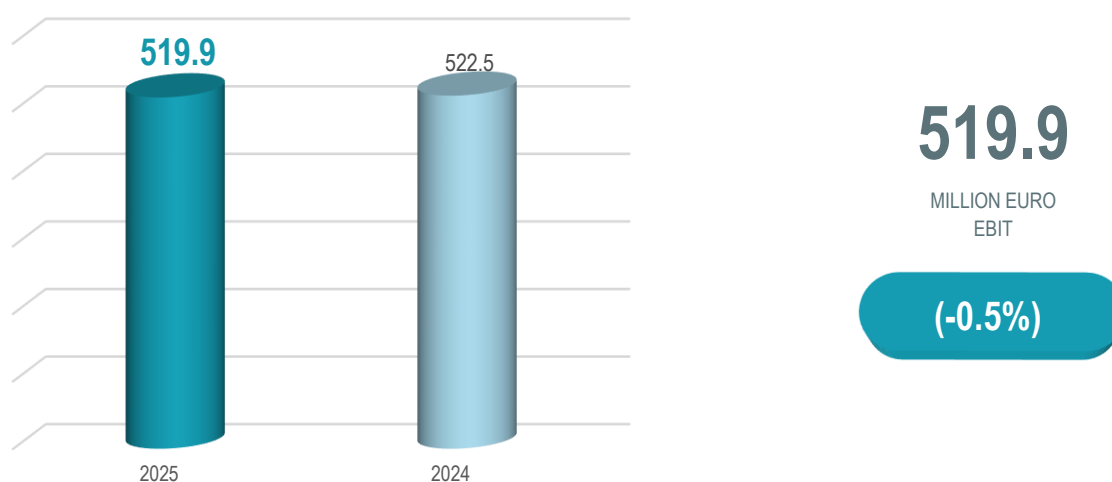
(0.0%)

EBITDA was substantially in line with the previous year with a slight decrease of 0.4 million euro compared to September 2024. The decrease in the energy areas, amounting to 23.3 million euro, is essentially offset by the positive contribution of the water cycle, coming to 18.9 million euro, the strong performance of the waste management area, up by 3.3 million euro, and other services, up by 0.6 million euro.

For further details, see the analyses of the individual business areas.

Amortisation, depreciation and provisions as at 30 September 2025 increased by 2.2 million euro year-on-year, up 0.4%. Higher amortisation was mainly due to new operating investments, in particular in the regulated and waste treatment segments. Provisions for risks decreased overall due to the non-recurrence of specific provisions made in the first half of 2024. Provisions for bad debts decreased; this trend is mainly due to the decline in volumes handled in the last resort gas markets and to lower requirements in the TSG market.

Ebit (mn/euro)



The operating margin amounted to 519.9 million euro, down slightly by 0.5% compared to September 2024. The slight decrease in EBITDA was augmented by the effect of higher depreciation, amortisation and provisions, as described above.

Financial operations in the third quarter decreased by 27.5 million euro compared to the same period of the previous year due to the continued rationalisation of the financial structure and the contribution of lower IAS charges.

The share of profits (losses) pertaining to joint ventures and associates include the effects of the valuation using the equity method for the companies included in the scope of consolidation. At September 2025, this amounted to 8.7 million euro, down 1.2 million euro compared to the previous year.

The profit before taxes showed a 5.5% increase compared to September 2024, since the result deriving from Ebit was accompanied by the trend in financial operations and the companies valued according to the equity method, as mentioned above.

Accrued taxes as at 30 September 2025 amounted to 132.6 million euro, compared to 121.4 million as at 30 September 2024. The tax rate was 29%, up from 28% in the corresponding period of 2024. In the previous period, in particular, the tax burden had benefited from the redemption of higher values arising from the acquisition of certain subsidiaries.

As a result of all the events described above, net profit increased by 12.5 million euro compared to the figure observed in September 2024.

NET FINANCE
RESULT
IMPROVES

RESULT OF
EQUITY METHOD
VALUATION

TAX RATE
AT 29.0%

+4%
NET PROFIT

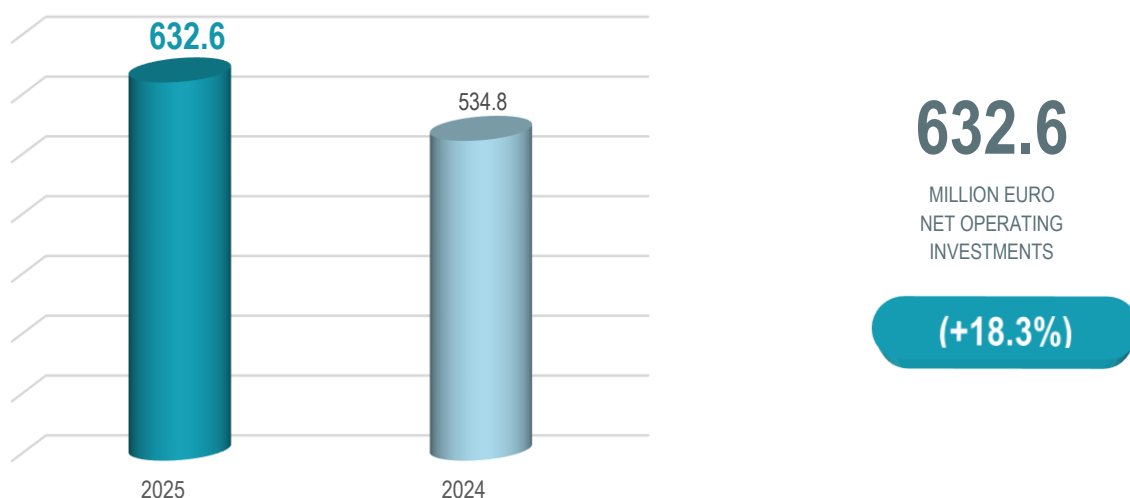
In September 2025, the Group's capital expenditure (CAPEX) amounted to 632.6 million euro, up 96.8 million euro compared to the previous year. This increase is recorded mainly in operating investments in the water cycle and the waste management area.

Capital grants amounted to 34.2 million euro, of which 6.0 million euro were related to FoNI investments, as established by the tariff method for the integrated water service, and increased by a total of 7.9 million euro over the previous year.

The following table provides a breakdown by business area, with separate mention of capital grants:

Total investments (mn€)	SEPT-25	SEPT-24	% change	% change
Gas area	137.3	126.2	11.1	+8.8%
Electricity area	82.2	85.9	(3.7)	(4.3)%
Integrated water service area	243.3	174.9	68.4	+39.1%
Waste management area	123.7	93.8	29.9	+31.9%
Other services area	6.8	8.0	(1.2)	(15.0)%
Headquarters	73.5	72.3	1.2	+1.7%
Total gross operating investments	666.8	561.1	105.7	+18.8%
Capital grants	34.2	26.3	7.9	+30.0%
of which FoNi (New Investments Fund)	6.0	16.8	(10.8)	(64.3)%
Total net operating investments	632.6	534.8	97.8	+18.3%
Financial investments	-	1.0	(1.0)	(100.0)%
Total capital expenditure (CAPEX)	632.6	535.8	96.8	+18.1%

Total net operating investments (mn/euro)



Including capital grants, the Group's operating investments amounted to 666.8 million euro, up 105.7 million euro over the previous year, and were mainly related to works on plants, networks and infrastructures. In addition, regulatory upgrading was carried out, especially in the gas distribution sector for the large-scale meter replacement, and in the purification and sewage sector.

Comments on investments in the individual areas are provided in the analysis by business area.

At Group headquarters, investments concerned works on corporate buildings, IT systems and the vehicle fleet, as well as laboratories and remote control structures.

Overall, investments in structures amounted to 73.5 million euro, up 1.2 million euro on the previous year, mainly due to investments in IT systems and property investments relating to the Group's facilities.

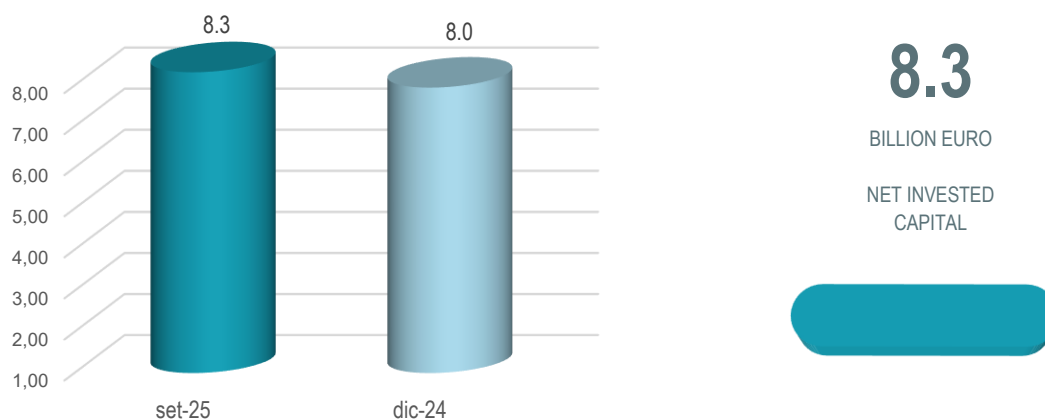
1.02.02 - Financial structure and adjusted net financial debt

What follows is an analysis of trends in the Group's net invested capital and sources of financing as at 30 September 2025.

NET INVESTED CAPITAL AND SOURCES OF FINANCING (MNE)	30-SEPT-25	% INC.	31-DEC-24	% INC.	% CHANGE	% CHANGE	GROUP SOLIDITY CONFIRMED
Net non-current assets	8,788.6	+105.6%	8,496.4	+106.9%	292.2	+3.4%	
Net working capital	307.8	+3.7%	227.2	+2.9%	80.6	+35.5%	
(Provisions)	(771.9)	(9.3)%	(773.0)	(9.7)%	1.1	(0.1)%	
Net invested capital	8,324.5	+100.0%	7,950.6	+100.0%	373.9	+4.7%	
Equity	4,177.3	+50.2%	3,986.9	+50.1%	190.4	+4.8%	
Net non-current financial debt	4,628.2	+55.6%	4,051.3	+51.0%	576.9	+14.2%	
Net current financial debt	(481.0)	(5.8)%	(87.6)	(1.1)%	(393.4)	+449.1%	
Net financial debt	4,147.2	+49.8%	3,963.7	+49.9%	183.5	+4.6%	
Total sources of financing	8,324.5	+100.0%	7,950.6	+100.0%	373.9	+4.7%	

At 8,324.5 million euro, net invested capital (NIC) increased by 373.9 million compared to 31 December 2024. The change is affected by the increase in net working capital, mainly due to the increase in closing inventories for gas storage, the increase in net fixed assets due to the significant investing activities, for both development and maintenance, and the corporate transactions carried out in the period, including the acquisition of 75% of Ambiente Energia Srl, a company operating in the treatment of liquid industrial waste.

Net invested capital



As at 30 September 2025, provisions amounted to 771.9 million euro, in line with the figure recorded in the previous year (773.0 million euro). This result is mainly the consequence of provisions for the period and adjustments to the post-closure provisions for landfills and restoration of third-party assets, which offset releases for utilisation.

771.9
MILLION EURO
PROVISIONS

Equity increased from 3,986.9 million euro as at 31 December 2024 to 4,177.3 million euro as at 30 September 2025, strengthening the Group's solidity, thanks to the net operating result of 324.6 million euro for the first nine months of 2025, partially offset by the distribution of dividends of 251.8 million euro and the effect of the sale of 26.4 million treasury shares held in the portfolio.

4.2
BILLION EURO
EQUITY

An analysis of adjusted net financial debt is shown in the following table:

MN€	30-SEPT-25	31-DEC-24
Cash holdings	943.9	1,315.6
Cash equivalents	-	-
Other current financial assets	73.7	23.1
Liquidity	1,017.6	1,338.7
Current financial debt	(394.3)	(525.8)
Current portion of non-current financial debt	(87.6)	(474.1)
Current financial indebtedness	(481.9)	(999.9)
Net current financial indebtedness	535.7	338.8
Non-current financial debt	(840.6)	(712.6)
Debt instruments	(3,910.4)	(3,401.3)
Non-current trade and other payables	-	-
Non-current financial debt	(4,751.0)	(4,113.9)
Total financial debt (excluding put options)	(4,215.3)	(3,775.1)
Non-current financial receivables	160.0	158.0
Net financial debt (excluding put option)	(4,055.3)	(3,617.1)
Nominal amount - fair value put option	(84.9)	(318.4)
Net financial debt adjusted with put option (NetDebt put option adj)	(4,140.2)	(3,935.5)
Portion of future dividends - fair value put option	(7.0)	(28.2)
Net financial debt (Net debt)	(4,147.2)	(3,963.7)

Total net financial debt amounted to 4,147.2 million euro, up by 183.5 million euro compared to 31 December 2024.

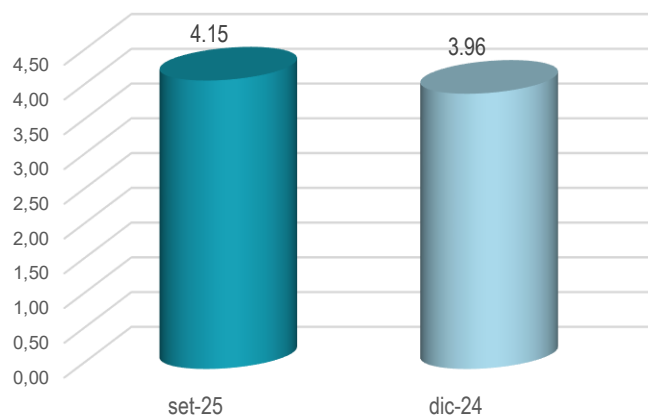
Current financial assets increased by about 50.6 million euro, mainly due to the disbursement in March 2025 of the 30 million euro shareholder loan to Aimag Spa.

The financial structure shows a total current debt of 481.9 million euro, down 518.0 million euro from the December 2024 figure, and includes bank debt, accrued interest expenses on financial debt, and other payables: the positive variance is mainly due to the repayment of maturing mortgages and bank lines.

Non-current financial debt amounted to 4,751.0 million euro, up by approximately 637.1 million euro compared to the previous period, mainly due to the new 500 million euro green bond issue in January 2025 and new bank loans subscribed by Group companies, of which 85.0 million euro to Hera Spa.

Cash holdings decreased from 1,315.6 million euro in 2024 to 943.9 million euro as at 30 September 2025.

As at 30 September 2025, 80% of medium-/long-term debt consisted of bonds with repayment at maturity. Medium- and long-term debt, 94% of which is fixed-rate, had an average residual maturity coming to approximately five years, of which 51% of debt maturing after five years.

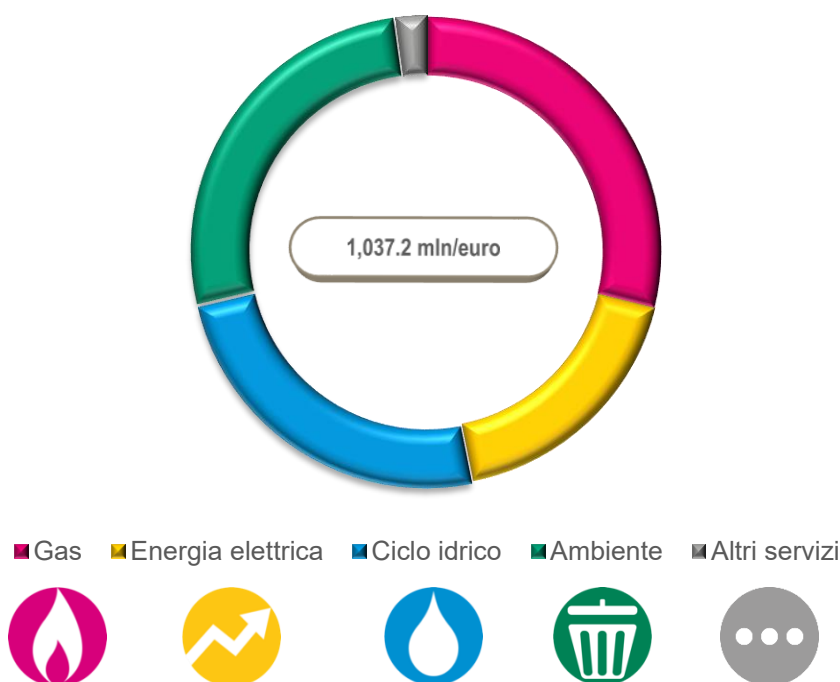
Net financial debt (Net debt) (bn/euro)**4.15**BILLION EURO
NET FINANCIAL
DEBT

1.03 - ANALYSIS BY BUSINESS AREA

MULTI-BUSINESS STRATEGY

An analysis of the operating results achieved in the Group's business areas is provided below, including: the gas area, which covers services in natural gas distribution and sales, district heating and energy services; the electricity area, which covers generation, distribution and sales services and public lighting services; the integrated water service area, which covers aqueduct, purification and sewerage services; the waste management area, which covers services in waste collection, treatment and recovery; the other services area, which covers services in telecommunications and other minor services.

Ebitda September 2025



The Group's income statements include corporate headquarters costs and account for intercompany transactions at arm's length.

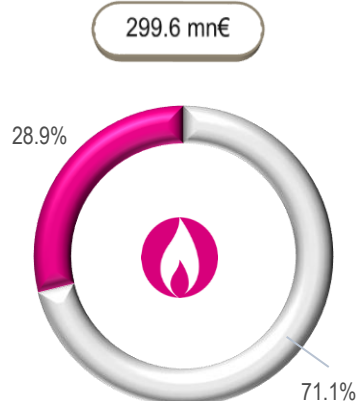
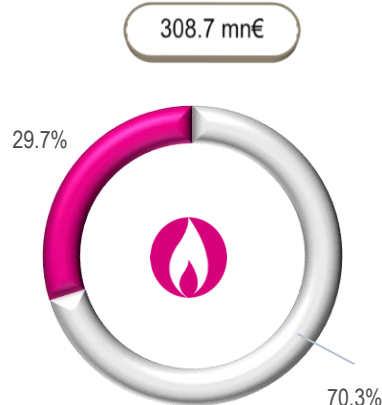
The following analyses of each single business area take into account all increased revenues and costs, having no impact on Ebitda, related to the application of IFRIC 12. The business areas affected by this accounting standard are: natural gas distribution services, electricity distribution services, all integrated water services, waste collection services and public lighting services.

1.03.01 - Gas

The results for the first nine months of 2025 show a downward trend compared to the previous year due to the decline in margins related to the markets of last resort, brokerage activities and energy efficiency activities, as a result of changes in energy saving regulations, despite the increase in average energy commodity prices and higher regulated revenues from gas distribution.

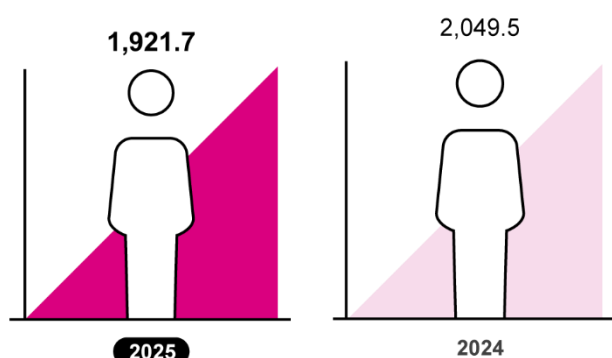
The Group maintained its leading presence in last resort markets, given that Hera Comm Spa has been awarded tenders for the following lots across Italy:

- eight of the nine lots of the last resort gas service (for customers involved in public services or without a supplier) for the period from 1 October 2023 - 30 September 2025 in: Valle d'Aosta, Piedmont, Liguria, Trentino A.A., Veneto, Friuli-Venezia Giulia, Emilia-Romagna, Tuscany, Umbria, Marche, Abruzzo, Molise, Basilicata, Apulia, Lazio and Campania. In the previous tender, Hera Comm was awarded six out of nine lots;
- all nine lots of the default gas distribution service (for customers in arrears), for the period from 1 October 2023 - 30 September 2025 in: Valle d'Aosta, Piedmont, Liguria, Lombardy, Trentino A.A., Veneto, Friuli-Venezia Giulia, Emilia-Romagna, Tuscany, Umbria, Marche, Abruzzo, Molise, Basilicata, Apulia, Lazio, Campania, Sicily and Calabria. In the previous tender as well, Hera Comm was awarded nine out of nine lots.

Ebitda gas area 2025**Ebitda gas area 2024**

The following table shows the changes occurred in terms of Ebitda:

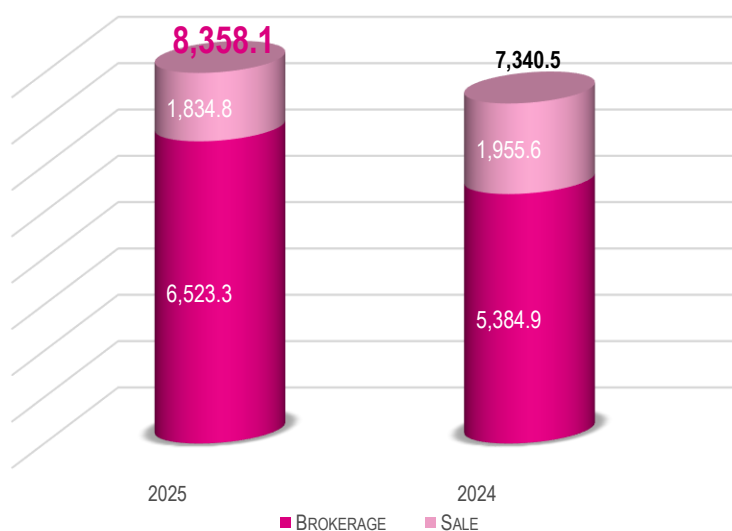
(mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Area Ebitda	299.6	308.7	(9.1)	(2.9)%
Group Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Percentage weight	28.9%	29.7%	(0.8) pp	

Customers (k)

1.9
MILLION
GAS CUSTOMERS

(-6.2%)

The total number of gas customers was lower than the previous year, down 127.8 thousand, mainly in traditional markets for 129.8 thousand, and partly offset by the growth in last resort markets for 2.0 thousand.

Volumes sold (mn m³)

8.4
BILLION
M3 SOLD

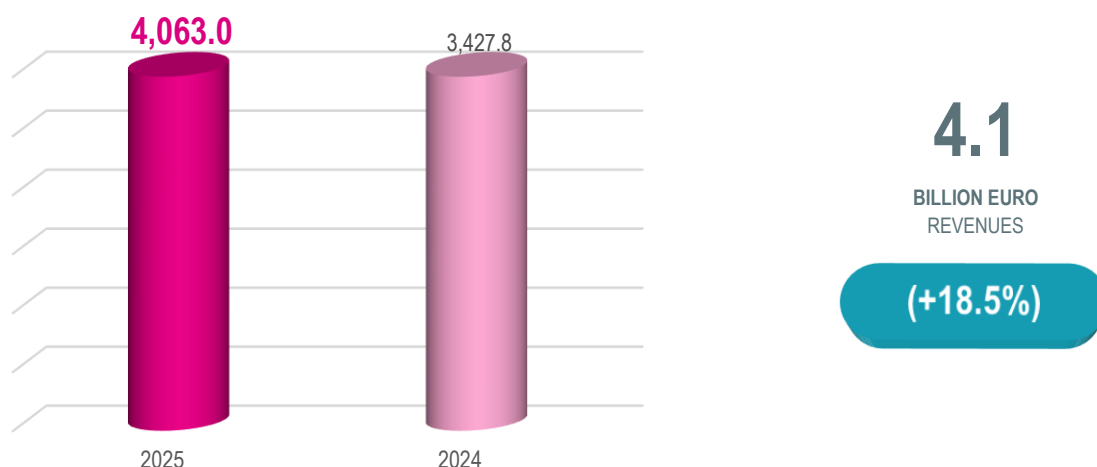
(+13.9%)

Total volumes of gas sold increased by 1,017.6 million m³ (+13.9%) due to higher intermediation, amounting to 1,138.4 million m³. Volumes sold to end customers dropped, down 120.8 million m³ (-6.2%), due to both last resort markets, amounting to 40.1 million m³ (-19.2%) and traditional markets, down 80.6 million m³ (-4.6%). This trend is mainly influenced by the decline in the customer base and the energy-saving behaviour of customers.

The following table summarises operating results for this area:

INCOME STATEMENT (MNE)	SEPT-25	% INC.	SEPT-24	% INC.	% CHANGE	% CHANGE
Revenues	4,063.0		3,427.8		635.2	+18.5%
Operating expenses	(3,696.5)	(91.0)%	(3,045.3)	(88.8)%	651.2	+21.4%
Personnel costs	(89.5)	(2.2)%	(88.8)	(2.6)%	0.7	+0.8%
Capitalised costs	22.6	+0.6%	15.0	0.4%	7.6	+50.7%
Ebitda	299.6	7.4%	308.7	9.0%	(9.1)	(2.9)%

Revenues (mn€)



In 2025, 90% of revenues referred to sales and brokerage activities (87% in 2024), 8% came from distribution and district heating revenues (9% in 2024) and 2% from energy efficiency activities (4% in 2024).

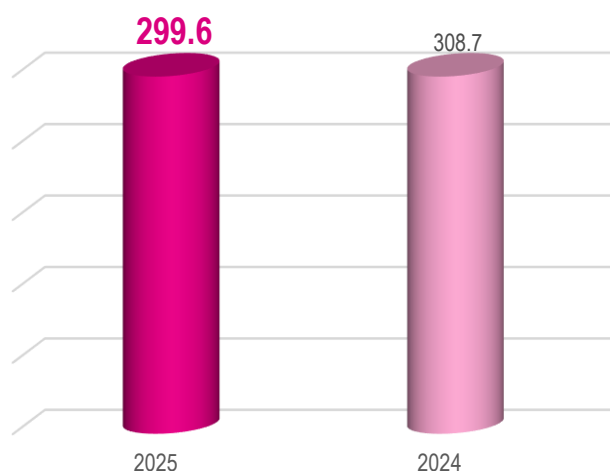
Compared to the previous year, revenues rose by 635.2 million euro. Overall, sales and brokerage activities contributed 662 million euro and the main determinants of this performance were higher raw material prices, higher system charges and higher brokerage volumes, despite lower consumption by the customer base.

Energy efficiency activities show a drop in revenues of 61 million euro, following the aforementioned regulatory changes to renovation and ecobonuses, which reduced the percentage deduction from 50-65% in 2024 to 36-50% in 2025.

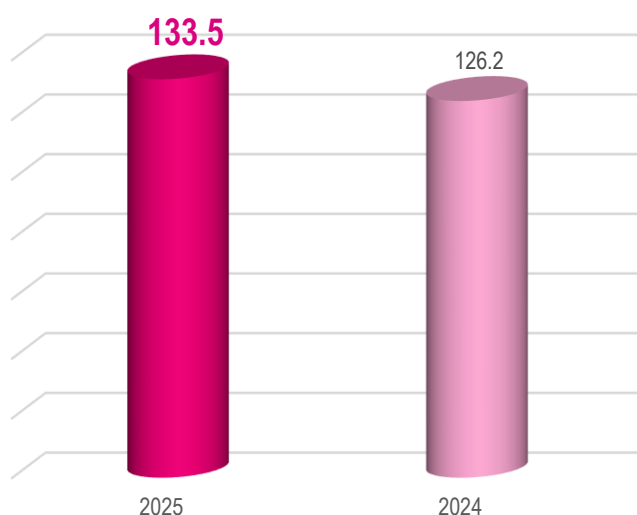
There was also an increase in district heating revenues, resulting from the rise in the amount of energy sold and energy prices. Further contributions come from the concession contracts, from activities in Bulgaria and from white certificates, for smaller quantities. Together, these factors resulted in an increase of approximately 14 million euro.

Regulated revenues are up by 20 million euro, mainly due to the redetermination of tariffs for distribution and metering services in accordance with Resolutions 87/2025/R/gas and 98/2025/R/gas, the growth of the Regulatory asset base (Rab) of the Group's owned assets, and the incorporation of the inflationary increase, despite the decrease in the rate of return on invested capital (Wacc) of gas distribution activities from 6.5% in 2024 to 5.9% in 2025, as a result of Resolution 513/2024/R/com, published at the end of 2024.

The increase in revenues was also proportionally reflected in operating expenses, which recorded an overall rise of 651.2 million euro. This trend is mainly related to the increase in raw material prices and system charges, despite the reduction in gas transport and storage, lower consumption of the customer base and a decline in energy efficiency activities.

Ebitda (mn/euro)**299.6**MILLION EURO
EBITDA**(-2.9%)**

EBITDA decreased by 9.1 million euro, or -2.9%, as a result of lower margins in the markets of last resort, brokerage and energy efficiency activities. The positive performance of traditional sales markets and regulated distribution revenues offset this decrease.

Capital expenditure - gas (mn€)**133.5**MILLION EURO
CAPITAL EXPENDITURE**(+5.8%)**

In September 2025, capital expenditure in the gas area amounted to 133.5 million euro, up by 7.3 million euro compared to the previous year. The increase in gas distribution amounts to 5.1 million euro and derives mainly from the investment in the hydrogen production plant in Trieste, a project accessing PNRR (National Recovery and Resilience Plan) grants, as well as from extraordinary maintenance work on networks and plants in the territories served.

In gas sales, investments decreased by 4.3 million euro, due to activities related to the acquisition of new customers.

In district heating and energy services, investments were up by a total of 10.4 million euro compared to the previous year, increasing primarily due to the significant works on district heating networks and plants. Investments in energy services are also up with the activities of the company Hera Servizi Energia Spa.

Requests for new connections in the gas area were down compared to the same period of the previous year.

Details of operating investments in the gas area are as follows:

Gas (mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Networks and plants	86.2	81.1	5.1	+6.3%
Acquisition of gas customers	15.4	19.7	(4.3)	(21.8)%
DH/Energy services	35.8	25.4	10.4	+40.9%
Total gas - gross	137.3	126.2	11.1	+8.8%
Capital grants	3.8	-	3.8	+100.0%
Total gas - net	133.5	126.2	7.3	+5.8%

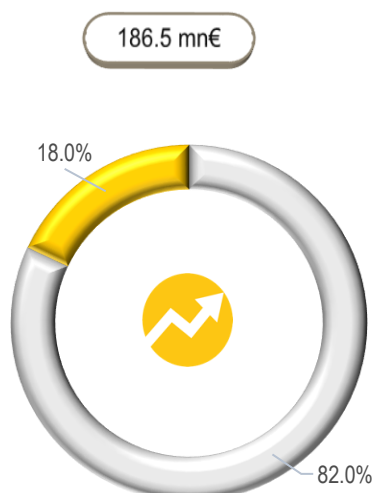
1.03.02 - Electricity

The results for the first nine months of 2025 show a year-on-year decrease, due to the reduction in sales margins attributable in particular to the effects of the new tenders for the Electricity Safeguard Service and the Transitional protection scheme (STG), despite the increase in volumes sold to end customers, the increase in Pun prices and the increase in regulated revenues from electricity distribution.

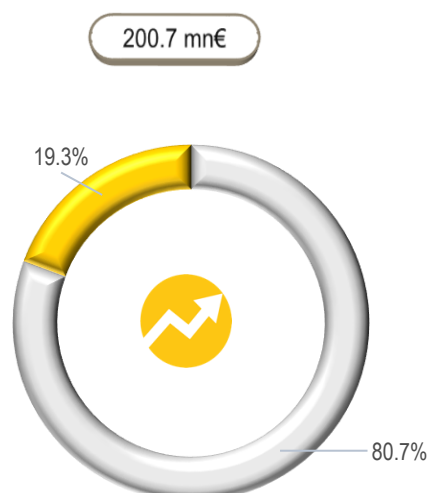
In summary, Hera Comm was awarded:

- seven of the nine lots for the Safeguard service for 2025 and 2026 in: Lombardy, Trentino Alto Adige, Veneto, Emilia-Romagna, Friuli-Venezia-Giulia, Marche, Tuscany, Sardinia, Lazio, Umbria, Campania, Abruzzo, Calabria and Sicily, winning five more lots than in the previous two-year period;
- seven lots (the maximum allowed out of a total of 26) in the tender for the transitional protection scheme for domestic customers for the period from 1 July 2024 to 31 March 2027 in 37 Italian provinces, strengthening its presence in several Italian regions (Emilia-Romagna, Veneto, Friuli-Venezia Giulia, Marche, Tuscany, Abruzzo, Lazio, Umbria, Liguria, Piedmont, Lombardy and Campania);
- one of the 12 lots in the transitional protection scheme for supplying electricity to micro-businesses for the period from 1 April 2023 to 31 March 2027 in: Friuli-Venezia Giulia, Trentino-Alto Adige and in the Provinces of Belluno, Venice and Verona.
- one of the 17 lots in the Consip EE22 tender for supplying electricity to public administrations in 2025 in Calabria, compared to the four lots awarded in the previous tender.

Ebitda electricity area 2025



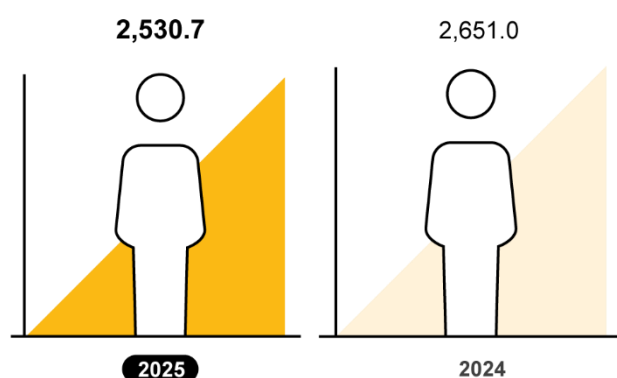
Ebitda electricity area 2024



The following table shows the changes occurred in terms of Ebitda:

(mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Area Ebitda	186.5	200.7	(14.2)	(7.1)%
Group Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Percentage weight	18.0%	19.3%	(1.3) pp	

Customers ^(k)



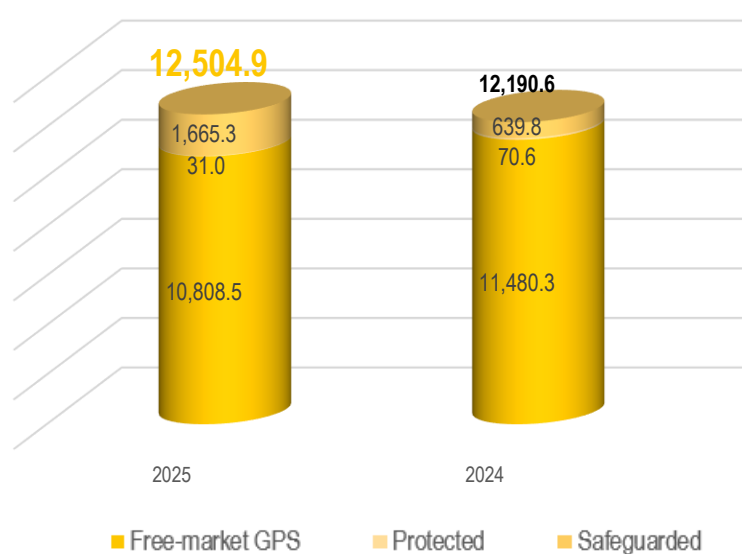
2.5
MILLION
ELECTRICITY CUSTOMERS

(-4.5%)

In the first nine months of 2025, customers of the Group's electricity sales decreased by 120.3 thousand (-4.5%) compared to 2024. The decrease in the free market of about 156.4 thousand customers is mainly due to the effect of the TPS market for 139.6 and the decrease in Consip tenders customers for 26.7, as a consequence of the change in the lots won in the new tender, mentioned above. Customers in the Safeguard market increased by about 36.9 thousand, due to the new tender 2025-2026.

Customer appreciation and loyalty was confirmed, including the value-added services offered by the Group, which were requested by more than 80 thousand customers at September 2025, up 27.3% compared to the first nine months of 2024.

Volumes sold ^(GWh)



12.5
TWH
SOLD

(+2.6%)

Volumes of electricity sold increased by 314.3 GWh, up 2.6% compared to the same period of the previous year. This trend is generated by the increase in volumes in the Safeguard market for 1,025.5 GWh (+160.3%), partially offset by a drop in the free market for 671.7 GWh (-5.9%) as a result of the decline stemming from Consip tenders for the reasons already mentioned above for 894.2, partially mitigated by the positive effects of the TPS families perimeter (started in July 2024). In addition to these effects, there was a drop in protection volumes of 39.6 GWh (-56.0%), mainly due to the option granted to customers in vulnerable categories to access the TPS following Resolution 10/2025/R/eel as of January 2025 (confirmed by Resolution 267/2025/R/eel).

The main indicators concerning public lighting are as follows:

QUANTITY	SEPT-25	SEPT-24*	% CHANGE	% CHANGE
Public lighting				
Lighting points (k)	662.1	627.3	+34.8	+5.5%
of which LED	59.6%	48.8%	+10.8 p.p.	
Municipalities served	229	216	13	+6.0%

* the 2024 data has been updated to reflect the consolidation of municipalities and lighting points consistently with the same period in 2025

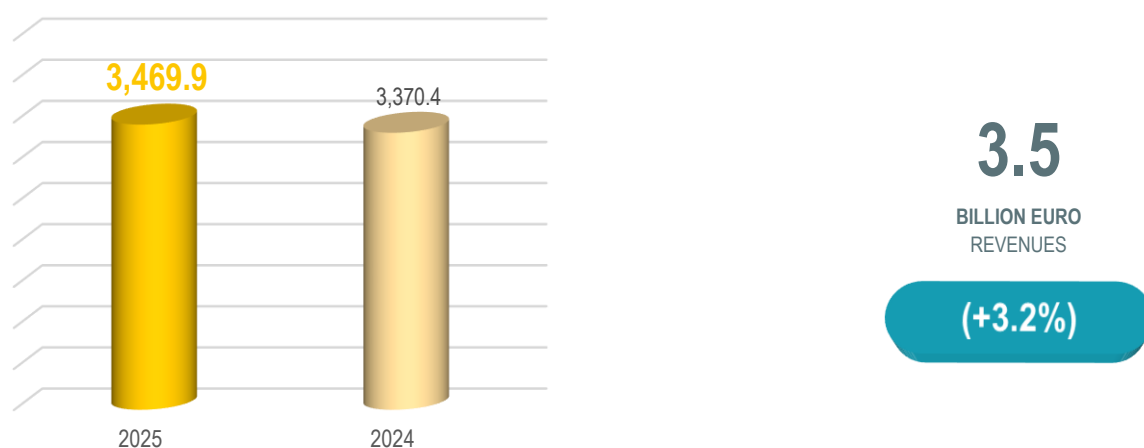
In the first nine months of 2025, the Hera Group acquired approximately 45.8 thousand lighting points in 16 new municipalities. From a geographical point of view, the most significant acquisition included around 14.4 thousand lighting points in Triveneto, roughly 9.8 thousand lighting points in Emilia-Romagna, approximately 6.4 thousand lighting points in Lombardy, roughly 4 thousand lighting points in Sardinia, around 3.7 thousand lighting points in Tuscany and roughly 2.5 thousand lighting points in Abruzzo. Also note the acquisitions made in other regions, mainly in central Italy, amounting to roughly 5 thousand lighting points. The increases during the period fully offset the loss of 11 thousand lighting points and 3 municipalities managed, mainly in Friuli-Venezia Giulia and Emilia-Romagna.

The percentage of lighting points using LED lamps settled at 59.6%, up 10.8 percentage points. This trend highlights the Group's continued focus on an increasingly efficient and sustainable management of public lighting.

The following table summarises operating results for this area:

INCOME STATEMENT (Mn€)	SEPT-25	% INC.	SEPT-24	% INC.	% CHANGE	% CHANGE
Revenues	3,479.7		3,370.4		109.3	3.2%
Operating expenses	(3,256.1)	(93.6)%	(3,134.2)	(93.0)%	121.9	3.9%
Personnel costs	(58.9)	(1.7)%	(54.6)	(1.6)%	4.3	7.9%
Capitalised costs	21.8	0.6%	19.2	0.6%	2.6	13.6%
Ebitda	186.5	5.4%	200.7	6.0%	(14.2)	(7.1)%

Revenues (mn€)



Similarly to 2024, 93% of the 2025 revenues relate to sales and brokerage activities, 3% to distribution revenues, 3% to public lighting and value-added services and 1% to production revenues.

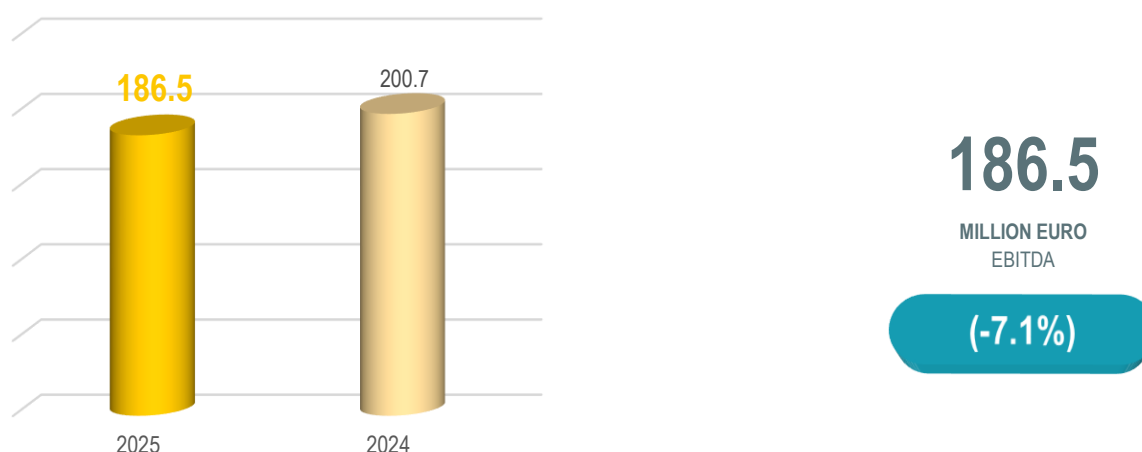
Revenues increased by 109.3 million euro compared to the same period of the previous year.

Overall, sales, brokerage and production activities contribute 81 million euro and the main determinants of this trend are the higher price of raw materials, the increase in volumes sold for commercial development and new tenders won, only partly offset by brokerage, by production and by the effects of Decree-Law 19/2025, which provided, for households in economic hardship, an extraordinary contribution to their bills and, for small and medium-sized enterprises, the elimination of general system charges linked to the support of renewable sources of energy for a period of six months, from 1 March to 31 August 2025.

Regulated revenues increased by 15 million euro, despite the decrease in the rate of return on capital employed (WACC) for electricity distribution activities from 6.0% in 2024 to 5.6% in 2025, following Resolution 513/2024/R/com, published at the end of 2024. There were also higher revenues for Ifric 12 concession assets of about 7 million euro. Revenues from value-added services to customers increased by 4 million euro and the street lighting business grew by 3 million euro, thanks to the progress of the energy upgrading works compared to the first nine months of 2024.

The increase in revenues was proportionally reflected in operating expenses, which were up by 121.9 million euro. This development is mainly due to the increase in raw material prices, higher sales volumes and services related to the increased upgrading of public lighting installations, despite the effect of intermediation, similar to revenues.

Ebitda (mn/euro)



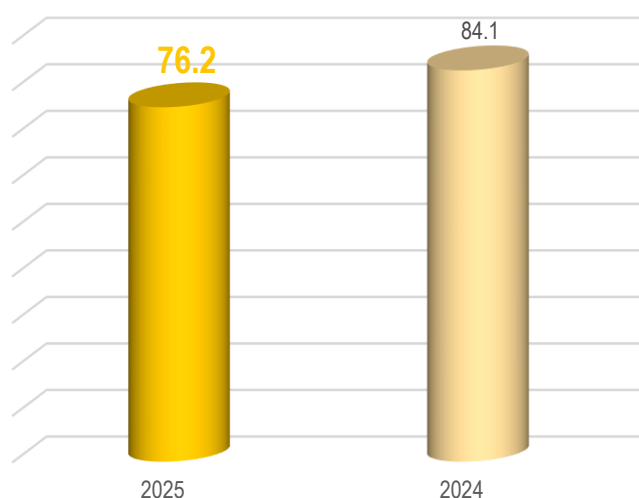
Ebitda decreased by 14.2 million euro compared to 2024. This decline is attributable to the shrinking margins of sales activities following new tenders, despite growth in electricity distribution, value-added services and public lighting.

In the electricity area, capital expenditure in September 2025 amounted to 76.2 million euro, down by 7.9 million euro overall compared to the previous year.

In the electricity distribution sector, work mainly involved extraordinary maintenance and upgrading of plants and distribution networks in the Modena, Imola, Trieste and Gorizia areas, as well as the work to improve network resilience. Investments in electricity distribution increased by 8.2 million euro compared to the previous year.

In energy sales, investments in activities related to acquiring new customers decreased by 10.8 million euro and in public lighting by 1.1 million euro.

Requests for new connections in the electricity area were essentially in line with the previous year.

Capital expenditure - electricity (mn€)**76.2**MILLION EURO
CAPITAL EXPENDITURE**(-9.4%)**

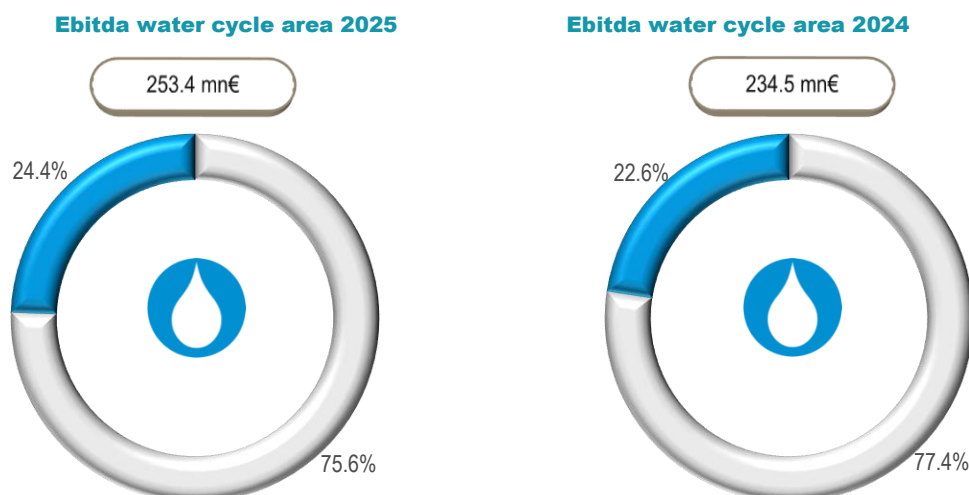
Operating investments in the electricity area were as follows:

Electricity (mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Networks and plants	57.3	49.1	8.2	+16.7%
Acquisition of electricity customers and other sales	24.1	34.9	(10.8)	(30.9)%
Public lighting and traffic lights	0.8	1.9	(1.1)	(57.9)%
Total electricity - gross	82.2	85.9	(3.7)	(4.3)%
Capital grants	6.0	1.8	4.2	+233.3%
Total electricity - net	76.2	84.1	(7.9)	(9.4)%

1.03.03 Integrated water service**GROWTH IN
RESULTS
FOR 2025**

The September 2025 results of the integrated water service area improved when compared to the same period of the previous year, with Ebitda standing at 253.4 million euro.

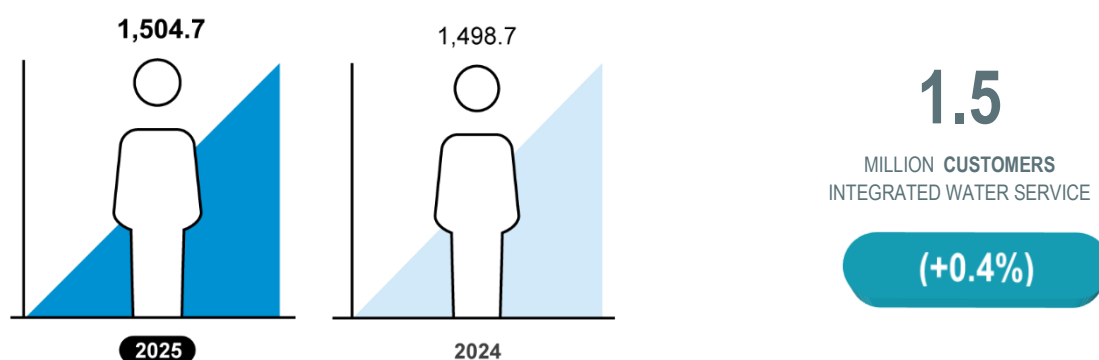
From a regulatory point of view, note that 2025 is the second year in which the tariff method defined by the Authority for the fourth regulatory period (MTI-4), 2024-2029 (Resolution 639/2023/R/ldr) was applied. MTI-4 will have a duration of six years, and, among other new elements, it calls for the component covering the cost of electricity, which has been subject to sharp fluctuations in recent years, to be updated. Each operator is recognised a revenue (VRG - guaranteed revenue cap) determined on the basis of operating expenses and capital costs, according to the investments made, with a view to increasing cost efficiency, in addition to measures to promote and enhance the sustainability and resilience of the areas served. And it is precisely thanks to the significant investments made in the last 5 years that Arera's incentive mechanism for the integrated water service, through Resolutions 225/2025 and 277/2025, has awarded the Hera Group 26 total bonuses for the two-year period 2022-2023 for the technical and contractual quality results achieved: a particularly significant result because it concerns all nine territorial areas managed through the parent company Hera S.p.A. and the companies AcegasApsAmga and Marche Multiservizi.



The following table shows the changes occurred in terms of Ebitda:

(mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Area Ebitda	253.4	234.5	18.9	+8.1%
Group Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Percentage weight	24.4%	22.6%	+1.8 p.p.	

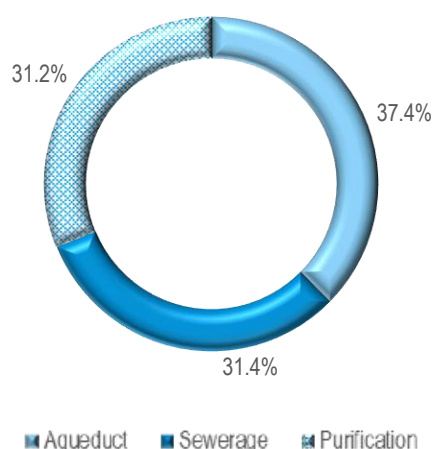
Customers (k)



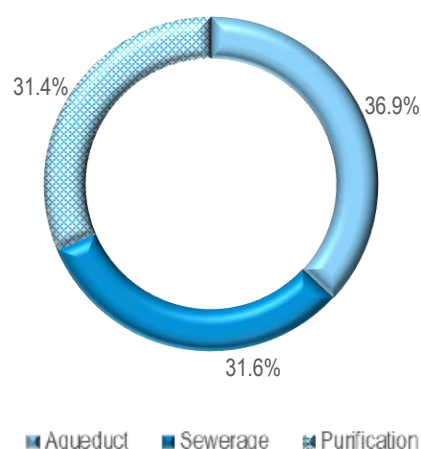
The number of water customers increased compared to September 2024 by 6 thousand, up +0.4%, confirming the moderate trend of internal growth in the Group's reference areas. This growth refers mainly to the Emilia-Romagna area, managed by Hera Spa.

The main indicators for the area are as follows:

Quantities managed 2025 (mn m3)



Quantities managed 2024 (mn m3)



213.4 MILLION CUBIC METRES: QUANTITY MANAGED IN THE AQUEDUCT

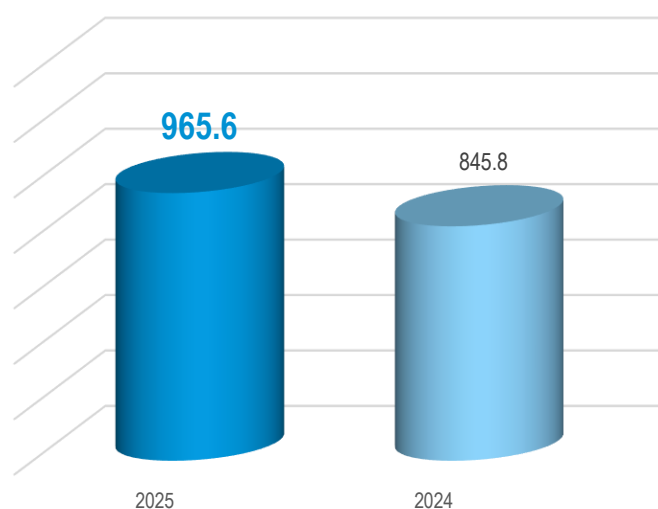
The volumes supplied through the aqueduct settled at 213.4 million cubic metres, decreasing by 1.1% compared to September 2024, down -2.3 million cubic metres.

In September 2025, the quantities managed related to sewerage amounted to 179.1 million cubic metres, down 3.1% compared to the previous year, while those related to purification stood at 177.9 million cubic metres, down by 3.2% compared to last year. The volumes supplied, following the Authority's resolution 639/2023, are an indicator of the activity of the areas in which the Group operates and are subject to equalisation, owing to legislation that provides for a regulated revenue, recognised independently from volumes distributed.

The following table summarises operating results for this area:

INCOME STATEMENT (MNE)	SEPT-25	% INC.	SEPT-24	% INC.	% CHANGE	% CHANGE
Revenues	965.6		845.8		119.8	+14.2%
Operating expenses	(558.5)	(57.8)%	(466.3)	(55.1)%	92.2	+19.8%
Personnel costs	(161.2)	(16.7)%	(148.3)	(17.5)%	12.9	+8.7%
Capitalised costs	7.6	0.8%	3.3	0.4%	4.3	+128.8%
Ebitda	253.4	26.2%	234.5	27.7%	18.9	+8.1%

Revenues (mn€)



965.6

MILLION EURO
REVENUES

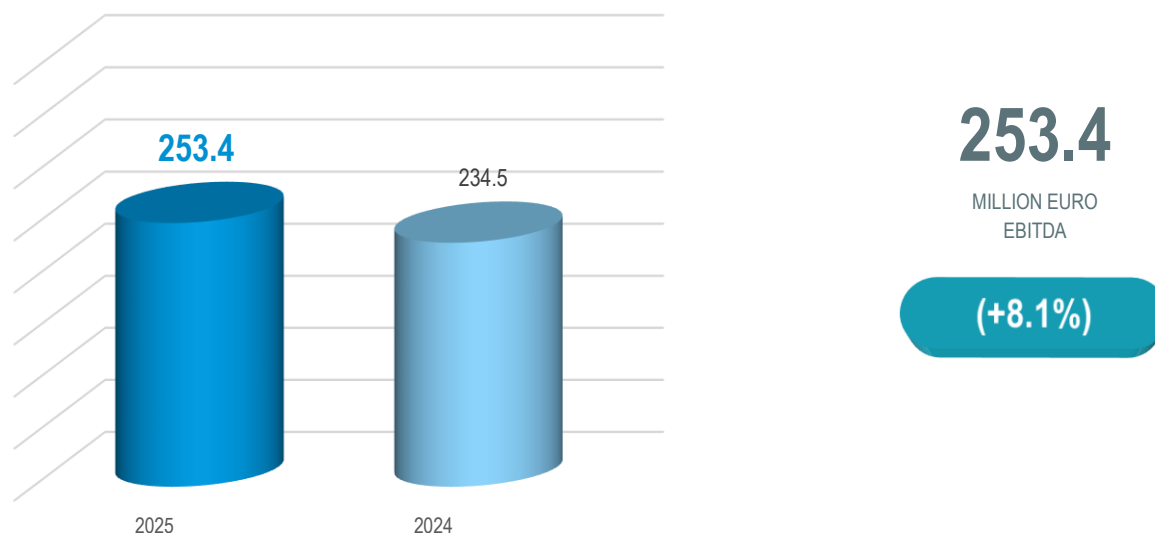
(+14.2%)

Water cycle revenues increased by 14.2% year-on-year, going from 845.8 million euro in September 2024 to 965.6 million euro in September 2025.

This trend is attributable to the higher revenues for equalisations of energy components and higher regulated revenues due to the adjustments resulting from the application of the MTI-4 tariff method, introduced by ARERA resolution 639/2023/R/idr. These are augmented by the revenues from Technical and Contractual Quality bonuses in the management of the Water Service, already mentioned at the beginning, which confirm the excellent quality standards achieved by the Group. Altogether, these effects generate growth of approximately 47 million euro. Lastly, higher revenues coming to roughly 64 million euro were mainly related to orders on goods under concession.

The increase in operating expenses as at September 2025 is mainly attributable to the higher orders realised on goods under concession mentioned above, and to the increase in the prices of all major supplies of materials and services. In addition, the higher costs of energy components as a consequence of an energy scenario with rising commodity prices compared to the same period in 2024 are also highlighted.

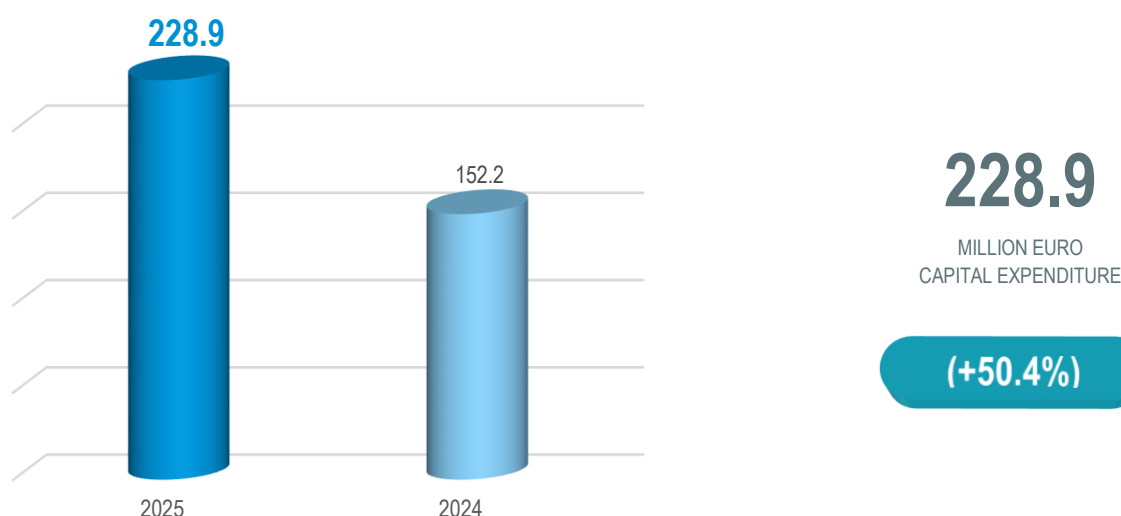
Ebitda (mn/euro)



Ebitda increased by 18.9 million euro, up 8.1%, going from 234.5 million euro in September 2024 to 253.4 million euro in the same period of 2025.

The higher regulated revenues and the recognition of the above-mentioned bonuses are partially offset by the higher operating expenses resulting from the increase in energy components and the rise in the price lists of all major supplies. In the third quarter of 2025, capital expenditure in the integrated water service area amounted to 228.9 million euro, up by 76.7 million euro compared to the previous year. Including the capital grants received, the investments made amounted to 243.3 million euro in works performed.

Investments mainly went towards extensions, remediation and upgrading on networks and plants, as well as regulatory adjustments mainly in the water and sewerage sector, and amounted to 153.0 million euro in the aqueduct, 62.9 million euro in sewerage and 27.4 million euro in purification.

Capital expenditure - water cycle (mn€)

The main initiatives include: in the aqueduct, ongoing remediation activities on networks and connections related to ARERA resolution 917/2017 on the regulation of the technical quality of the integrated water service, the works to resolve the interference of the water network with the works for the construction of the fourth lane of the A14 motorway in the Imola section, as well as the installation of Smart Meters with a view to reducing network leakage, the latter initiative accessing PNRR funds.

In the sewerage sector, the start of construction of the south tanks as part of the continuation of the Rimini bathing protection plan (Psbo), as well as maintenance works to upgrade the sewerage network in other served territories, works to adapt discharges to Dgr 201/2016, and the construction of a first rainwater tank in the municipality of Cattolica. In the field of purification, the upgrading and expansion of the Ravenna purification plant is highlighted, an initiative that accesses PNRR funds.

Requests for new water and sewerage connections were essentially in line with the previous year. Capital grants, standing at 14.4 million euro, were down by 8.4 million euro over the previous year and included contributions from the tariff component of the tariff method for the New Investments Fund (FoNI).

Details of operating investments in the integrated water service area are as follows:

Integrated water service (mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Aqueduct	153.0	107.9	45.1	+41.8%
Purification	27.4	27.2	0.2	+0.7%
Sewerage	62.9	39.8	23.1	+58.0%
Total integrated water service - gross	243.3	174.9	68.4	+39.1%
Capital grants	14.4	22.8	(8.4)	(36.8)%
of which FoNi (New Investments Fund)	6.0	16.8	(10.8)	(64.3)%
Total integrated water service - net	228.9	152.2	76.7	+50.4%

1.03.04 Waste management

EBITDA RISES

The September 2025 results of the waste management area accounted for 26.5% to the Hera Group's profit margin, this area's Ebitda increasing by 3.3 million euro compared to the same period of the previous year. The Group therefore continues to perform strongly in this business area, thanks to the diversification of its offer, the breadth of its customer portfolio and its responsiveness in providing the services it offers, despite a complex macroeconomic context with repercussions in the markets covered.

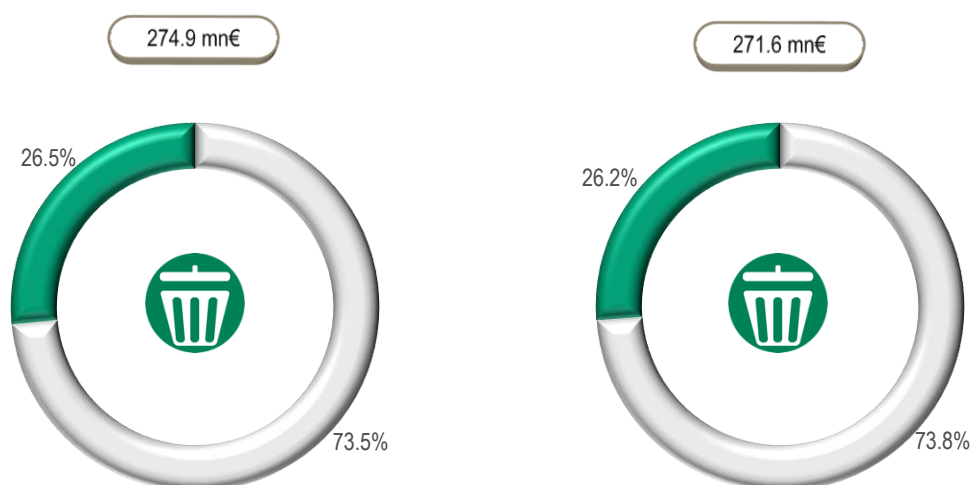
Ecological transition, environmental sustainability and innovation continue to be the drivers steering the Group's plant and business development. With this in mind, the main initiatives were aimed at: expanding the company perimeter through external actions integrated in the commercial offer, also in territories where the Group is not historically present, such as the recent acquisition of Ambiente Energia Srl, a company active in the treatment of liquid industrial waste through the plant located in Schio (VI) and the establishment of Cyrcular Yard Srl, a company that manages

industrial waste produced by Fincantieri. These are augmented by the developments in material recovery and the production of renewable energy, particularly biomethane, leveraging the market leadership and operational capacity of the subsidiary A.C.R., new technologies for remediation management and decommissioning services for industrial plants.

In these first nine months of 2025, the Hera Group also played a leading role in innovation, continuing to make significant and tangible progress towards the circular economy of the future by inaugurating in Imola the first plant of its kind in Europe, capable of regenerating carbon fibre on an industrial scale. It is known as FIB3R, a name under the banner of the three 'R's (recover, reduce and reuse) that form the basis of a unique project, capable of recovering carbon fibre and reusing it, thus reducing the use of virgin fibre and thus the environmental impact that would be required to produce it.

Protecting environmental resources and maximising their reuse continue to be a priority objective; in addition to the initiatives cited above, this is demonstrated by the special attention devoted to the development of separated waste collection, which, thanks to the significant commitment shown by the Group in all regions served, increased by two percentage points compared to 2024.

Ebitda waste management area 2025 Ebitda waste management area 2024



The following table shows the changes occurred in terms of Ebitda:

(mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Area Ebitda	274.9	271.6	3.3	+1.2%
Group Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Percentage weight	26.5%	26.2%	+0.3 p.p.	

The table below analyses the volumes commercialised and treated by the Group:

Quantity (k tons)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Urban waste	1,632.7	1,679.6	(46.9)	(2.8)%
Market waste	2,512.9	2,500.5	12.4	+0.5%
Waste commercialised	4,145.7	4,180.1	(34.4)	(0.8)%
Plant by-products	2,385.1	2,029.1	356.0	+17.5%
Waste treated by type	6,530.7	6,209.3	321.4	+5.2%

The analysis of the quantitative data shows growth in waste treated due to the full capacity of the plants and the expansion of owned and third-party plants.

Urban waste in September 2025 recorded a decrease of 2.8% mainly related to higher deliveries by the collection service operator to external plants not managed by the Group, in accordance with the guidelines of the Urban Waste Service concessions awarded by tender.

Market waste increased by 0.5% mainly in the Recovery and Industry market due to the consolidation of existing business relations and the development of the customer portfolio. This trend is partially offset by the contraction in both the liquid waste trade segment and the brokerage segment.

Lastly, volumes of plant by-products increased compared to the previous year, mainly due to the higher rainfall recorded.

Sorted waste (%)

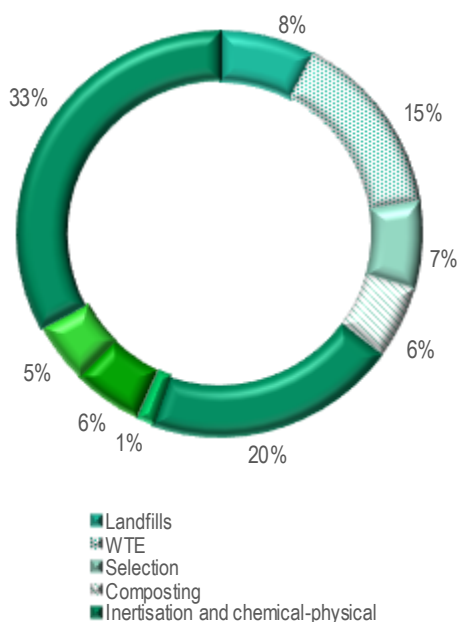


As already mentioned in the introduction, sorted collection of urban waste stood at 75.1%, up 1.2 percentage points over the previous year, thanks to the development of numerous projects in the local areas managed by the Group.

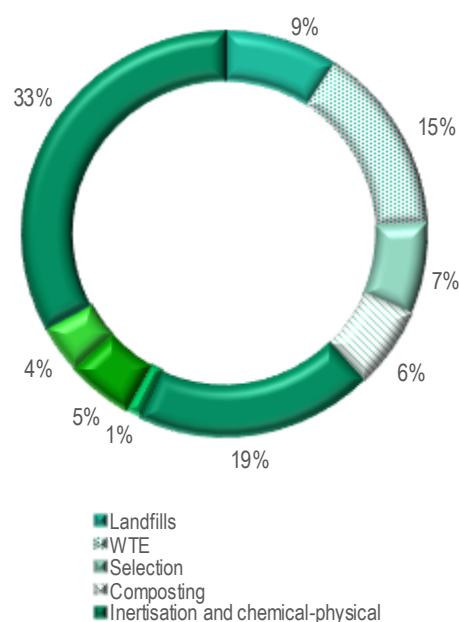
The Hera Group operates in the entire waste cycle, with 95 plants for treating urban and special waste and regenerating plastic materials. Thanks to the cutting-edge technologies they are equipped with, the know-how of their staff and their network of international partners, the Group is able to respond fully to the needs of the reference territory and companies, through innovative and sustainable services and solutions for the complete management and treatment of any type of waste, to be transformed into a resource and value for the community.

The main plants include: 17 sorting plants, whose main objective is to recover materials to be sent to chain consortia for recycling; 10 waste-to-energy plants, confirming Italy's leading position in this sector in terms of both numbers and plant technology; 11 composting and digester plants, which transform wet waste from separated waste collection into compost or produce electricity from renewable sources of energy and biomethane, a green fuel, with significant benefits for air and environmental quality; 4 material recovery plants, including the new FIB3R plant in Imola, already mentioned at the beginning.

Waste disposed of by type
of plant 2025



Waste disposed of by type
of plant 2024



Quantity (k tons)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Landfills	503.9	573.4	(69.5)	(12.1)%
WTE	965.8	926.5	39.3	+4.2%
Sorting plants and other	456.3	458.5	(2.2)	(0.5)%
Composting and stabilisation plants	381.9	397.7	(15.8)	(4.0)%
Inertisation and chemical-physical plants	1,308.4	1,173.5	134.9	+11.5%
Recovery plants	94.9	81.0	13.9	+17.2%
Purification plants	361.9	319.7	42.2	+13.2%
Storage/Soil Washing	311.4	237.2	74.2	+31.3%
Other plants	2,146.3	2,041.8	104.5	+5.1%
Waste treated by plant	6,530.7	6,209.3	321.4	+5.2%
Plastic recycled by Aliplast	72.9	61.0	11.9	+19.5%

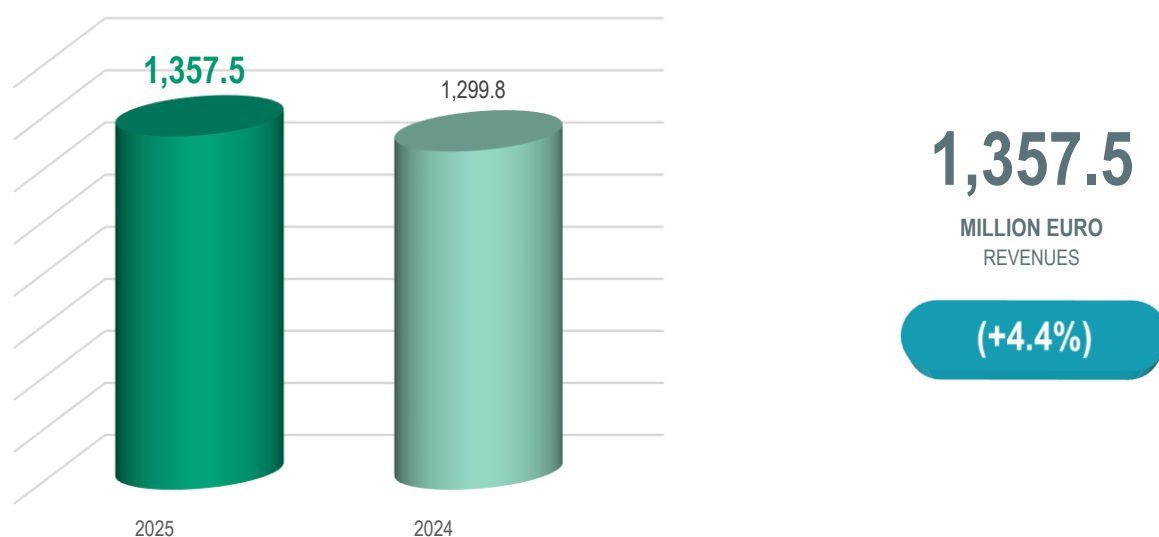
Waste treatment showed an overall increase of +5.2% compared to the same period of 2024. Analysing the individual supply chains, decreasing quantities are reported in landfills mainly due to the conclusion of the transfers to the Tre Monti (Bo) and Il Pago (FI) plants at the end of 2024 while, as regards waste-to-energy plants, the increasing trend is primarily due to greater volumes treated in the Rimini and Modena plants, both of which were shut down in the first six months of 2024. It should also be noted that the subsidiary Herambiente won the tender to manage the Montale waste-to-energy plant from January 2025, making its know-how available to the plant.

Slight decrease in the quantities in sorting plants and composting and stabilisation plants, mainly due to lower quantities treated in the stabilisation plants at Tre Monti (Bo) and in the digesters at Sant'Agata and Nonantola, while in the inertisation and chemical-physical plant chain, the increased quantities were mainly due to the volumes of liquid waste also treated as a result of the higher rainfall recorded during the first nine months of 2025.

In recovery plants, input volumes are increasing due to higher market demand. There was an increase in the amount of waste treated both at purification plants and in the storage/soil washing chain, also thanks to the acquisition of TRS Ecology in the second half of 2024. Lastly, in other plants, the quantities rose due to increased by-products to third-party plants compared to the same period of the previous year.

The following table summarises operating results for the area:

INCOME STATEMENT (MNE)	SEPT-25	% INC.	SEPT-24	% INC.	% CHANGE	% CHANGE
Revenues	1,357.5		1,299.8		57.7	+4.4%
Operating expenses	(899.6)	(66.3)%	(854.1)	(65.7)%	45.5	+5.3%
Personnel costs	(207.0)	(15.3)%	(192.3)	(14.8)%	14.7	+7.6%
Capitalised costs	24.1	1.8%	18.2	1.4%	5.9	+32.4%
Ebitda	274.9	20.3%	271.6	20.9%	3.3	+1.2%

Revenues (mn€)

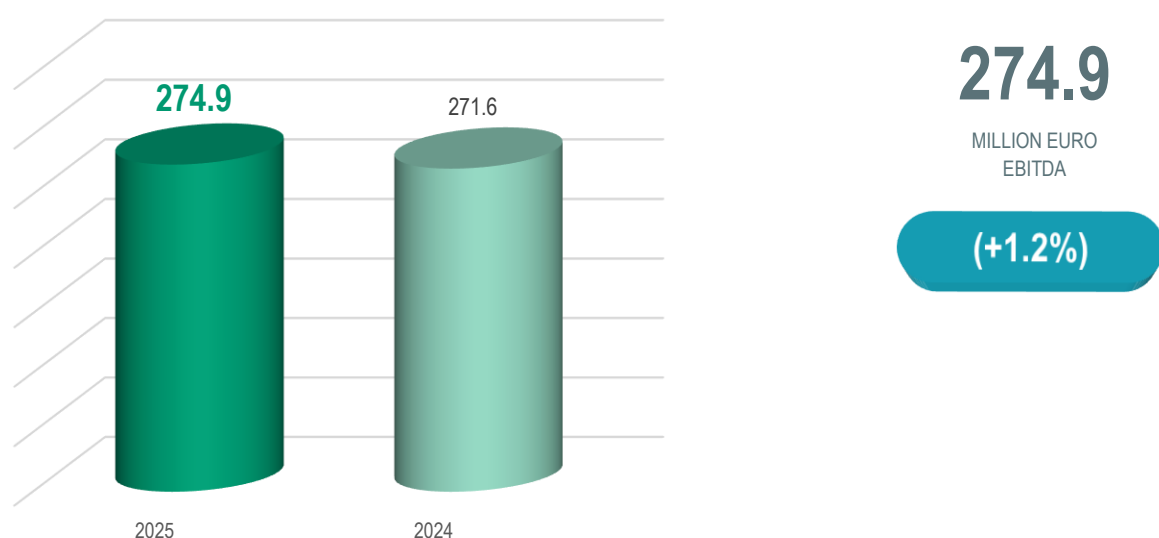
At the end of the third quarter of 2025, revenues increased by 4.4% compared to last year. Note should be taken of the significant expansion in both the Recovery and Industry markets owing to the development of ACR's business, as well as the recent acquisition of Ambiente Energia already mentioned in the introduction and TRS Ecology, the latter consolidated from July 2024. In Recovery, the growth was mainly driven by the contribution of Aliplast, which reported higher sales volumes, as well as higher unit prices, which increased especially in the PET segment, in which increases in raw material costs were reflected.

In the municipal waste service, higher regulated revenues were reported, mainly related to the recognition of inflation and higher supplementary services required in the tender areas.

Lower energy revenues, primarily due to the decline in commodity prices compared to the values of the previous year, partially offset this.

Operating expenses increased by 7.6% in September 2025. In the recovery and remediation market, there was an increase in costs incurred related to the previously mentioned revenue trend.

Also as regards municipal waste collection, note the higher costs for activities related to the development of new separated waste collection projects and higher supplementary services requested.

Ebitda (mn/euro)

EBITDA increased by 3.3 million euro compared to the same period of the previous year due to the positive contribution of treatment and recovery activities due to the higher volumes sold by Aliplast, and the strong performance of ACR, which fully compensated the drop in energy management related to the decrease in commodity prices. Environmental

Hygiene activities also increased, in particular due to the recognition of Inflation and the increased supplementary services required in the tender areas.

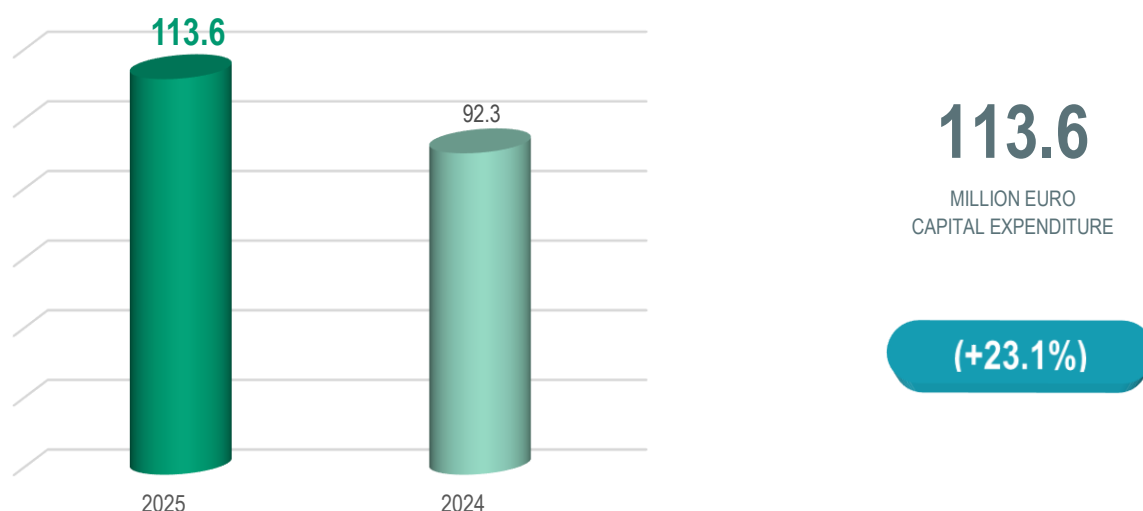
Capital expenditure in the waste management area was related to maintenance and upgrading on waste treatment and recovery plants and amounted to 113.6 million euro, up 21.3 million euro compared to the previous year.

The composting/digester sector recorded growth in investments of 0.6 million euro compared to the previous year, due to the works carried out on the Voltana plant, while in landfills a decrease of 3.8 million euro was recorded compared to the previous year, mainly due to the increased works carried out in the first half of 2024 by the company Feronia.

The waste-to-energy (Wte) sector showed an increase in investments of 6.3 million euro attributable to the construction of line 4 in Padua, while investments in the industrial waste plant sector were in line with the previous year.

The collection areas and equipment sector recorded investments growth of 5.8 million euro, while in the sorting and recovery plant sector there was a total increase of 21.1 million euro, primarily due to the change in the perimeter relating to the integration of the company TRS Ecology Srl, the increase in works done by the company ACR Reggiani, in addition to investments for the new Aliplast plant dedicated to the treatment and recycling of rigid plastics, a project which received PNRR financing.

Capital expenditure - waste management (mn€)



Details of operating investments in the waste management area are as follows:

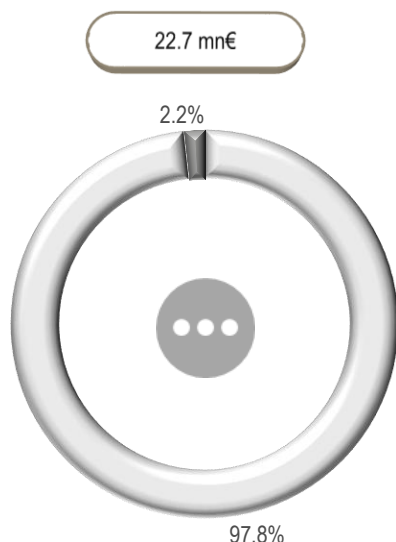
Waste management (mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Composters/digesters	4.2	3.6	0.6	+16.7%
Landfills	8.3	12.1	(3.8)	+(31.4)%
WTE	31.7	25.4	6.3	+24.8%
RI installations	1.9	1.9	-	+0.0%
Collection areas and equipment	19.9	14.1	5.8	+41.1%
Transshipment, selecting and other plants	57.8	36.7	21.1	+57.5%
Total waste management - gross	123.7	93.8	29.9	+31.9%
Capital grants	10.1	1.4	8.7	+621.4%
Total waste management - net	113.6	92.3	21.3	+23.1%

1.03.05- Other services

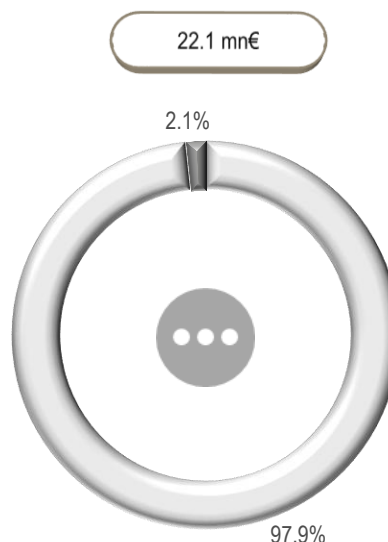
INCREASED MARGINS

The other services area covers the minor businesses managed by the Group, including telecommunications, in which the Group offers, through its own digital company, connectivity for private customers and companies, telephone and data centre services, and cemetery services, the latter only found in the municipality of Trieste, with twelve cemeteries managed in total. In September 2025, results from the other services area stood at 22.7 million euro, up by 0.6 million euro compared to the same period of the previous year.

Ebitda other services 2025



Ebitda other services 2024



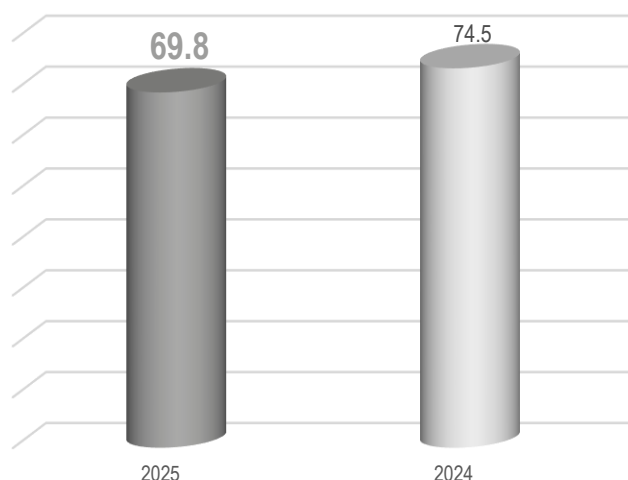
The changes occurred in terms of Ebitda are as follows:

(mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
Area Ebitda	22.7	22.1	0.6	+2.7%
Group Ebitda	1,037.2	1,037.6	(0.4)	(0.0)%
Percentage weight	2.2%	2.1%	+0.1 p.p.	

Quantitative indicators in the other services area also include the more than 6,800 km of proprietary ultra-wideband fibre optic network that the Hera Group owns through its digital company, HERABIT Spa. This network serves the main cities in Emilia-Romagna, Padua and Trieste, and provides companies and individuals with high-performance connectivity, excellent reliability and maximum security for systems, data and service continuity.

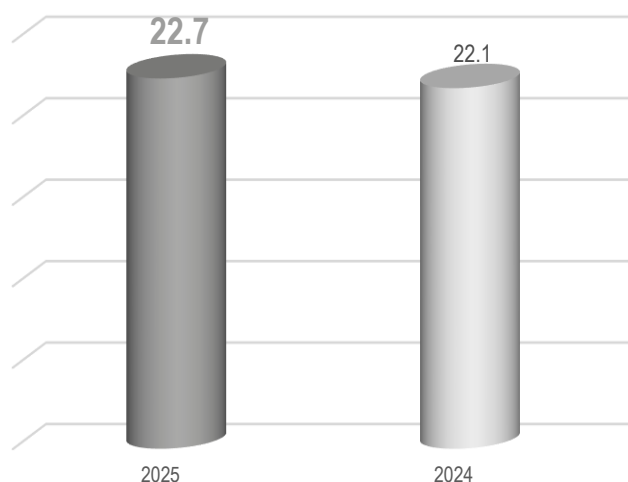
The area's operating results are provided in the table below:

INCOME STATEMENT (MNE)	SEPT-25	% INC.	SEPT-24	% INC.	% CHANGE	% CHANGE
Revenues	69.8		74.5		(4.7)	(6.3)%
Operating expenses	(39.1)	(56.1)%	(44.4)	(59.5)%	(5.3)	(11.9)%
Personnel costs	(9.8)	(14.1)%	(10.1)	(13.5)%	(0.3)	(3.0)%
Capitalised costs	1.9	2.7%	2.1	2.8%	(0.2)	(9.7)%
Ebitda	22.7	32.6%	22.1	29.7%	0.6	+2.7%

Revenues (mn€)**69.8**MILLION EURO
REVENUES**(-6.3%)**

As at September 2025, revenues amounted to 69.8 million euro, down 6.3% to 4.7 million euro. For the telecommunications business, minor resale activities were reported for certain types of telecommunications equipment. Although prices in the telecommunications sector have been steadily declining, the core revenues from telephony and connectivity services activities in the markets served by the digital company have been broadly stable.

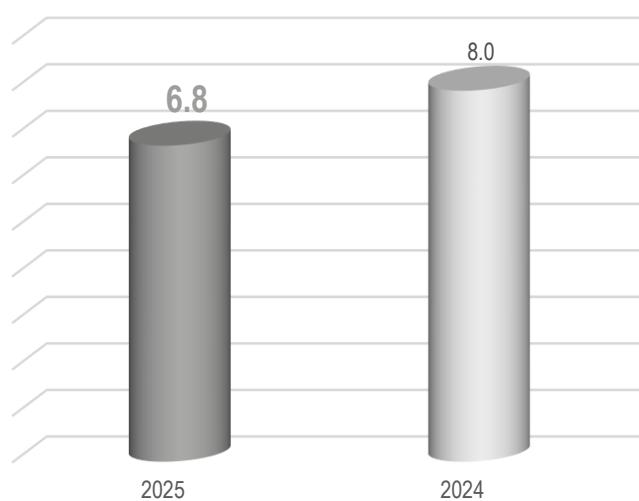
Costs decreased by 5.3 million euro. In the telecommunications sector, the efficiencies and synergies implemented helped to contain operating expenses, particularly those related to services purchased from other market operators.

Ebitda (mn/euro)**22.7**MILLION EURO
EBITDA**(+2.7%)**

Ebitda for the other services business as a whole increased by 2.7% or 0.6 million euro, going from 22.1 million euro in September 2024 to 22.7 million euro in the same period of 2025, largely due to the contribution of telecommunications, mainly thanks to the efficiencies and synergies implemented which helped to contain operating expenses.

In the third quarter of 2025, capital expenditure in the other services area amounted to 6.8 million euro, down by 1.2 million euro year-on-year.

Investments were made in the telecommunications service for network and TLC services, aimed at the construction, development, installation, maintenance, management and supply of public and private telecommunications networks and TLC services as well as Internet Data Centres.

Capital expenditure - other services (mn€)**6.8**MILLION EURO
CAPITAL EXPENDITURE**(-15.0%)**

Details of operating investments in the other services area are as follows:

Other Services (mn€)	SEPT-25	SEPT-24	% CHANGE	% CHANGE
TLC	6.8	8.0	(1.2)	(15.0)%
Other	-	-	-	+0.0%
Total other services - gross	6.8	8.0	(1.2)	(15.0)%
Capital grants	-	-	-	+0.0%
Total other services - net	6.8	8.0	(1.2)	(15.0)%

1.04 - SHARE PERFORMANCE AND INVESTOR RELATIONS

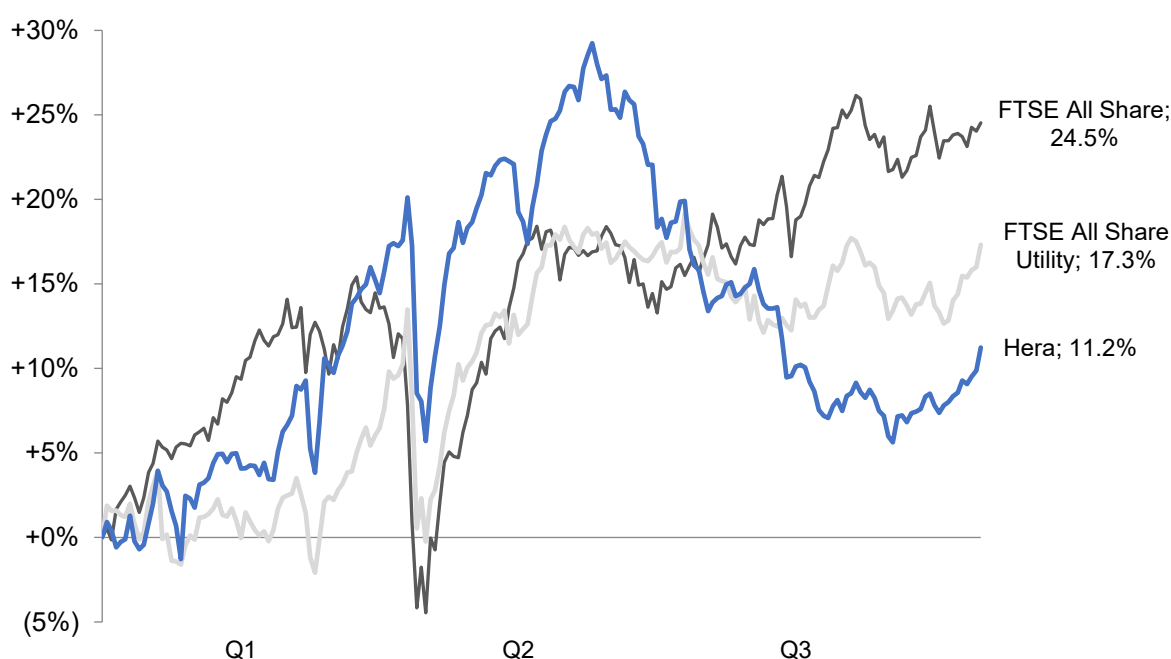
In the first nine months of 2025, global equity markets performed positively; however, they were marked by considerable volatility due to trade tensions arising from the introduction of tariffs on imports of goods into the US. The economic framework proved resilient, with governments maintaining expansionary fiscal policies to finance defence spending and foster growth in sectors considered strategic, while central banks were able to progressively reduce the level of interest rates by containing inflationary dynamics.

The Italian FTSE All Share index rose by +24.5%, buoyed by the performance of the banking sector (+50.8%), which accounts for about one third of the total capitalisation.

Following last year's strong performance, Hera's share price continued to grow this year, posting an increase of +11.2%, buoyed by the performance of the utilities sector and standing out in the comparison with local multi-utilities, ranking as the second best in the sample.

**HERA SHARES
UP +11.2% IN
THE FIRST 9
MONTHS OF 2025**

Hera Stock 2025 (9 months) performance, ITALIAN Utilities and Italian market comparison



Hera's Board of Directors, which met on 26 March 2025 to approve the year-end results for 2024, decided to propose to the Shareholders' Meeting a dividend per share of 15 cents, up +7% and consistent with the indications contained in the Business plan. Following the approval of the shareholders, given during the Shareholders' Meeting held on 30 April 2025, the ex-dividend date was set at 23 June, with payment on 25 June. Hera thus confirmed its ability to remunerate shareholders thanks to the resilience of its business portfolio, which has enabled it to pay steady and growing dividends since its listing.

**DIVIDEND RISES TO
15 CENTS PER
SHARE**

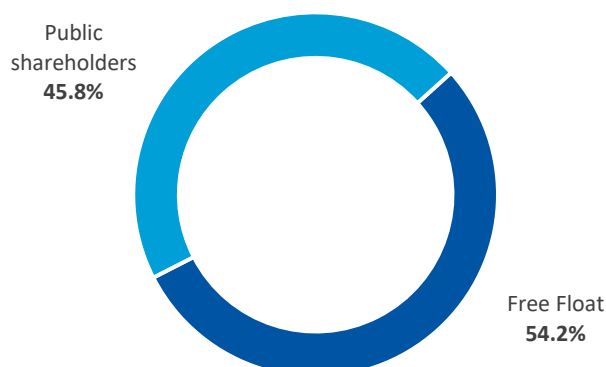
The joint effect of the uninterrupted remuneration of shareholders through the dividends paid and the increase in the share price accumulated over the years has allowed the total shareholders' return to remain consistently positive since listing, reaching over +370.5% at the end of the period in question.

**+394.1%
TOTAL
SHAREHOLDERS'
RETURN SINCE
THE IPO**

The financial analysts covering the stock (Banca Akros, Equita Sim, Intermonte, Intesa Sanpaolo, Kepler Cheuvreux, Mediobanca) expressed positive or neutral recommendations, with a target price of 4.23 euro.

**4.23 EURO:
CONSENSUS
TARGET PRICE**

Shareholder breakdown at 30 SEPTEMBER 2025



45.8% SHARE CAPITAL PERTAINING TO THE PUBLIC SHAREHOLDERS' AGREEMENT

As at 30 September 2025, the shareholder breakdown showed its usual stability and balance, with 45.8% of shares belonging to 110 public shareholders located across the areas served and brought together by a stockholders agreement, and a 54.2% free float. The shareholding structure includes high number of public shareholders (110 municipalities, the largest of which holds shares amounting to less than 10% of the total) and a large number of private institutional and retail shareholders.

TREASURY SHARE BUYBACK PLAN RENEWED

Since 2006, Hera has adopted a share buyback programme, most recently renewed by the Shareholders Meeting held on 30 April 2025 for a further 18 months, for an overall maximum amount of 240 million euro. This plan is aimed at financing the integration opportunities of smaller companies and pursuing the creation of shareholder value. As at 30 September 2025, Hera held 21.6 million treasury shares.

ONGOING COMMUNICATION S WITH THE MARKET IN 2025 AS WELL

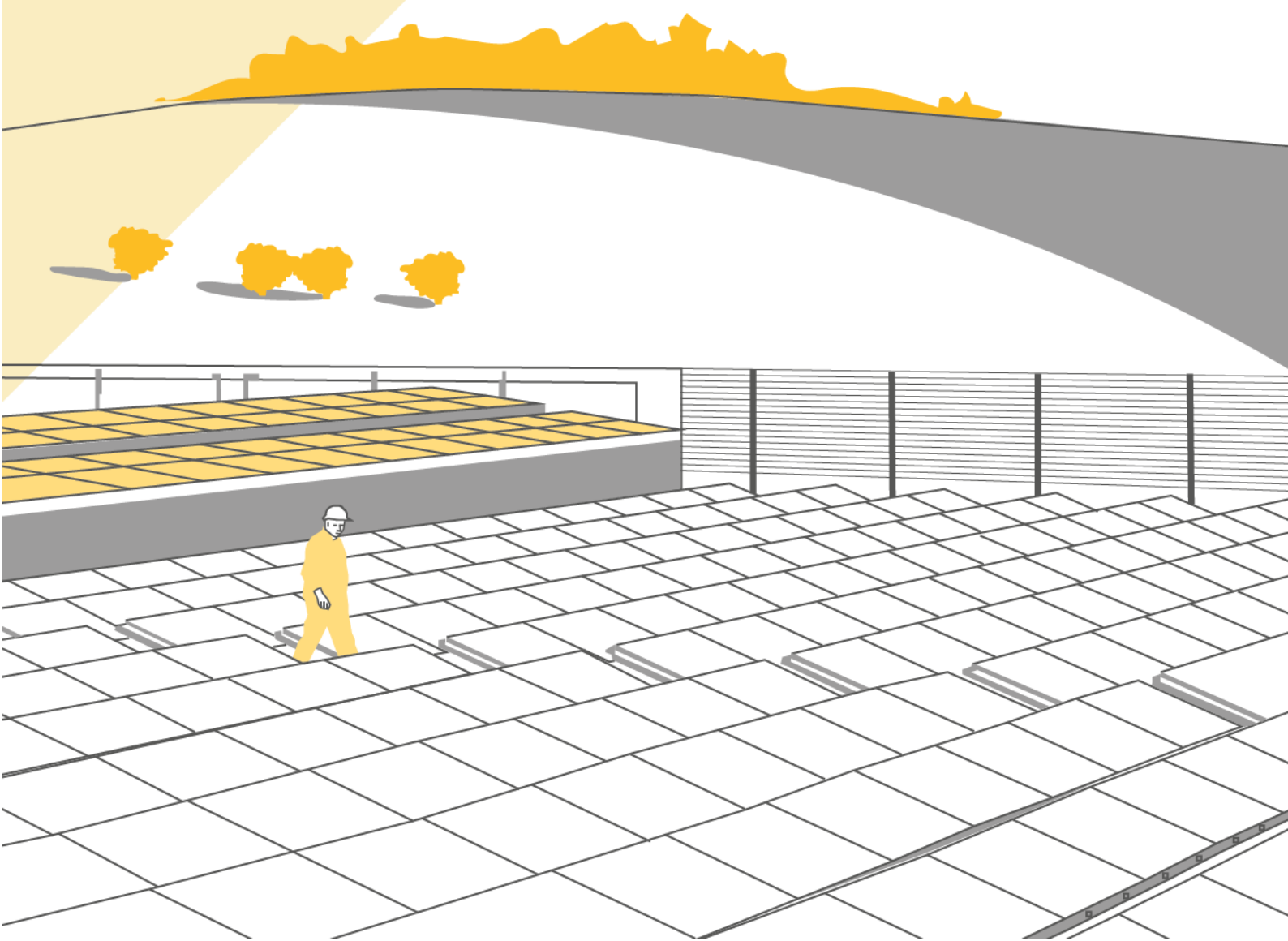
Intense communications with financial market players continued in 2025 as well. After the business plan road show in the first quarter, top management took part in the following two quarters in the JP Morgan, Goldman Sachs, Unicredit, Mediobanca and Borsa Italiana conferences in London and Milan.

In addition, the usual discussions with financial market participants took place to answer questions regarding the Governance and Remuneration documents published prior to the Shareholders' Meeting.

The intensity of the Group's commitment to dialogue with investors helps strengthen its reputation on the markets and constitutes an intangible asset to the benefit of Hera's stock and stakeholders, as also confirmed by the stock performance in the first few months of the current year.

2

CONSOLIDATED FINANCIAL STATEMENTS



2.01 FINANCIAL STATEMENT FORMATS

2.01.01 Income statement

MN€	30-SEPT-2025 (9 MONTHS)	30-SEPT-2024 (9 MONTHS)
Revenues	9,365.6	8,471.4
Other income	109.7	105.7
Raw and other materials	(5,266.0)	(4,357.9)
Service costs	(2,657.1)	(2,681.6)
Personnel costs	(526.4)	(494.1)
Other operating expenses	(67.1)	(63.6)
Capitalised costs	78.5	57.7
Depreciation, amortisation and impairment losses	(517.3)	(515.1)
Operating profit	519.9	522.5
Finance income	92.6	115.5
Finance costs	(164.0)	(214.4)
Net finance result	(71.4)	(98.9)
Share of profits (losses) pertaining to joint ventures and associates	8.7	9.9
Earnings before taxes	457.2	433.5
Taxes	(132.6)	(121.4)
Net profit for the period	324.6	312.1
Attributable to:		
Parent company shareholders	294.7	282.9
Non-controlling interests	29.9	29.2
Earnings per share		
basic	0.201	0.196
diluted	0.201	0.196

2.01.02 Statement of financial position

MN€	30-SEPT-25	31-DEC-24
ASSETS		
Non-current assets		
Property, plant and equipment	2,237.0	2,160.7
Right-of-use assets	89.8	84.2
Intangible assets	5,142.2	4,945.8
Goodwill	942.3	933.0
Investments measured using the equity method	130.1	127.3
Other equity investments	50.6	47.3
Non-current financial assets	160.0	158.0
Deferred tax assets	348.5	342.9
Total non-current assets	9,100.5	8,799.2
Current assets		
Inventories	295.0	168.1
Trade and other receivables	2,303.0	3,172.5
Current financial assets	73.7	23.1
Current tax assets	88.7	31.3
Current assets from customer contracts	303.4	263.9
Other current assets	849.5	1,104.5
Derivative financial instruments	181.8	182.4
Cash and cash equivalents	943.9	1,315.6
Total current assets	5,039.0	6,261.4
TOTAL ASSETS	14,139.5	15,060.6

MNE	30-SEPT-25	31-DEC-24
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	1,467.2	1,440.8
Reserves	2,106.1	1,744.8
Profit (loss) for the period	294.7	494.5
Equity attributable to owners of the parent	3,868.0	3,680.1
Non-controlling interests	309.3	306.8
Total equity	4,177.3	3,986.9
Non-current liabilities		
Non-current financial liabilities	4,726.2	4,154.6
Non-current lease liabilities	62.0	54.7
Employee benefits	71.9	79.9
Provisions	700.0	693.1
Deferred tax liabilities	151.9	144.8
Total non-current liabilities	5,712.0	5,127.1
Current liabilities		
Current financial liabilities	514.6	1,226.7
Current lease liabilities	22.0	24.4
Trade and other payables	1,656.0	2,723.9
Current tax liabilities	126.8	48.2
Current liabilities arising from contracts with customers	174.4	203.2
Other current liabilities	1,559.2	1,512.8
Derivative financial instruments	197.2	207.4
Total current liabilities	4,250.2	5,946.6
TOTAL LIABILITIES	9,962.2	11,073.7
TOTAL EQUITY AND LIABILITIES	14,139.5	15,060.6

2.01.03 Cash flow statement

MN€	30-SEPT-25	30-SEPT-24
Profit before taxes	457.2	433.5
Adjustments to reconcile net profit to the cash flow from operating activities		
Depreciation, amortisation and impairment losses	425.3	407.7
Provisions	92.0	107.4
Effects of valuation using the equity method	(8.7)	(9.9)
Financial (income) expenses	71.4	98.9
(Gains) losses and other non-monetary elements	(10.2)	(23.5)
Change in funds	(28.8)	(24.7)
Change in provision for employee benefits	(6.6)	(6.9)
Total cash flow generated before changes in net working capital	991.6	982.5
(Increase) decrease in inventories	(125.8)	(35.6)
(Increase) decrease in trade receivables	735.2	358.7
Increase (decrease) in trade payables	(1,073.1)	(958.0)
Increase/decrease in other current assets/liabilities, including contracts with customers	238.9	269.4
Change in working capital	(224.8)	(365.5)
Dividends received	11.6	12.8
Interest income and other finance income collected	36.2	32.3
Interest expenses, net charges on derivatives and other paid finance costs	(153.4)	(157.3)
Taxes paid	(35.7)	(189.3)
Cash flow from (for) operating activities (a)	625.5	315.5
Investments in property, plant and equipment	(203.8)	(178.2)
Investments in intangible assets	(463.1)	(382.9)
Investments in subsidiary companies and business units net of cash holdings	(24.8)	(23.7)
Other equity investments	-	(1.0)
Transfer price of property, plant, machinery and intangible assets	4.5	5.1
Divestment of equity investments and contingent consideration	0.2	-
(Increase) decrease in other investing activities	(29.3)	67.1
Cash flow from (for) investing activities (b)	(716.3)	(513.6)
New issue of long-term bonds	652.1	-
Repayments of non-current financial liabilities	-	(7.9)
Repayments and other net changes in financial liabilities	(533.8)	(4.2)
Repayments of lease liabilities	(19.0)	(15.3)
Proceeds from the sale of shares without loss of control	0.8	-
Acquisition of investments in consolidated companies	(234.1)	(1.3)
Increase in non-controlling interests	1.2	1.3
Dividends paid out to Hera shareholders and non-controlling interests	(254.0)	(241.5)
(Investments) divestments in treasury shares	105.9	(7.6)
Cash flow from (for) financing activities (c)	(280.9)	(276.5)
Net increase (decrease) in cash and cash equivalents (a+b+c)	(371.7)	(474.6)
Cash and cash equivalents at the beginning of the year	1,315.6	1,332.8
Cash and cash equivalents at the end of the year	943.9	858.2

2.01.04 Statement of changes in equity

MN€	SHARE CAPITAL	RESERVES	HEDGING RESERVES	ACTUARIAL RESERVES	FAIR VALUE RESERVES	PROFIT FOR THE PERIOD	EQUITY	NON-CONTROLLING INTERESTS	TOTAL
Balance as at 31 December 2023	1,443.0	1,549.3	44.5	(33.1)	(6.9)	441.4	3,438.2	313.4	3,751.6
Profit for the period						282.9	282.9	29.2	312.1
Other components of comprehensive income:									
fair value of derivatives, change for the period			(36.0)				(36.0)	(6.2)	(42.2)
Remeasurements of defined benefit plans				5.1			5.1	0.4	5.5
fair value of investments, change for the period					7.2		7.2		7.2
Comprehensive profit for the period	-	-	(36.0)	5.1	7.2	282.9	259.2	23.4	282.6
change in treasury shares	(2.5)	(5.1)					(7.6)		(7.6)
payments of non-controlling shares							-	0.3	0.3
change in equity investments		(0.2)					(0.2)	(1.1)	(1.3)
other movements		(4.6)					(4.6)	5.6	1.0
Profit allocation:									
dividends paid						(201.9)	(201.9)	(37.4)	(239.3)
allocation to reserves		239.5				(239.5)	-		-
Balance as at 30 September 2024	1,440.5	1,778.9	8.5	(28.0)	0.3	282.9	3,483.1	304.2	3,787.2
Balance as at 31 December 2024	1,440.8	1,785.0	2.2	(31.7)	(10.7)	494.5	3,680.1	306.8	3,986.9
Profit for the period						294.7	294.7	29.9	324.6
Other components of comprehensive income:									
fair value of derivatives, change for the period			(0.7)				(0.7)	2.3	1.6
Remeasurements of defined benefit plans				4.3			4.3	0.4	4.7
fair value of investments, change for the period					3.4		3.4		3.4
Comprehensive profit for the period	-	-	(0.7)	4.3	3.4	294.7	301.6	32.6	334.2
change in treasury shares	26.4	79.5					105.9		105.9
payments of non-controlling shares							-	1.2	1.2
change in equity investments		0.4					0.4	0.4	0.8
Profit allocation:									
dividends paid						(220.1)	(220.1)	(31.7)	(251.8)
allocation to reserves		274.4				(274.4)	-		-
Balance as at 30 September 2025	1,467.2	2,139.3	1.5	(27.4)	(7.3)	294.7	3,868.0	309.3	4,177.3

2.02 ACCOUNTING POLICIES

2.02.01 - Introduction

As set forth in article 82-ter "Informazioni finanziarie periodiche aggiuntive" (additional periodic financial information) of the Issuers' Regulation, the Hera Group has voluntarily decided to publish the consolidated three-month report as at 30 September 2025.

This report was not prepared in accordance with what is outlined in the accounting principle regarding the sub-annual financial statement (IAS 34 "Interim Financial Reporting") even though it was prepared in accordance with accounting standards in relation to the consolidated financial statements as at 31 December 2024.

The preparation of this three-month report required estimates and assumptions to be made that affect the reported amounts of revenues, expenses, assets, and liabilities as of the reporting date. If, in the future, such estimates and assumptions, which are based on the management's best judgment, should differ from actual events, they will be adjusted accordingly to provide an accurate representation of management operations. It is also noted that certain valuation processes, specifically the more complex ones such as establishing any impairment of non-current assets, are generally carried out in full only for the preparation of the annual financial statements, except in cases where there are impairment indicators that require an immediate impairment test.

The data included in this consolidated three-month report are comparable to the same data of the previous periods, also taking into account what is described in the following section "Scope of consolidation".

The financial statement formats are expressed in millions of euro to one decimal point.

Scope of consolidation

The consolidated financial statements as at 30 September 2025 include the financial statements of the Parent Company Hera Spa and those of its subsidiaries. Control is obtained when the Parent Company has the power to determine the financial and operational policies of a company, by way of currently valid rights, in such a way as to obtain benefits from the company's activity. Jointly controlled assets (joint operations) are recognised in proportion to the Group's shareholding. Equity investments in joint ventures in which the Group exercises joint control with other companies, as well as the companies over which the Group exercises significant control are consolidated with the equity method. Small-scale subsidiaries and associated companies are excluded from overall consolidation and valued at fair value.

The lists of the companies included in the scope of consolidation are shown at the end of these notes.

Changes in the scope of consolidation

The table below shows changes in the scope of consolidation introduced during the first months of the 2025 financial year as compared to the consolidated financial statements as at 31 December 2024:

On 13 January 2025, the newco CircularYard Srl was established, with Herambiente Servizi Industriali Srl holding 55%, A.C.R. di Reggiani Albertino Spa 5% and Fincantieri Spa 40%. The partnership aims to manage the tonnes of industrial waste produced by Fincantieri, but also to implement a new integrated waste management system.

The acquisition of the "Gurit" branch by the subsidiary Aliplast Spa took place in March 2025, with effect from 1 April 2025. Specifically, this is a group of assets organised for the operation of plastics sorting and recycling activities at the industrial site in Carmignano di Brenta (Pd).

On 7 May 2025, Hera Servizi Energia Spa established ElettraCHP Srl, a company whose purpose is to operate and maintain the trigeneration plants and the power plant of the customer Elettra Sincrotrone Trieste Scpa. Following the company's incorporation, the special purpose company Tri-generazione Scarl, which represented the previous operator of the customer Elettra Sincrotrone Trieste Scpa, was put into liquidation.

Effective 1 July 2025, the company HERAcquamodena Srl entered the scope of consolidation and is fully consolidated, having become operational as a result of the transfer of the business units pertaining to the Integrated Water System of the Modena area by the parent company Hera Spa.

With an effective date of 1 July 2025, A.C.R. di Reggiani Albertino Spa acquired from Gerotto Federico Srl the Gerotto Ear business unit, which specialises in the remediation and regeneration of contaminated sites in complex and risky environments, through the use of high-tech robotic machinery and exclusive know-how on the national scene.

On 22 July 2025, Herambiente Servizi Industriali Srl acquired 100% of the share capital of Ambiente Energia Srl from Manifattura Lane Gaetano Marzotto & Figli Spa. The company is active in the treatment of liquid industrial waste through its plant in Schio (Vi).

Change in equity investments

On 27 April 2025, the company Herambiente Servizi Industriali Srl sold 0.4% of the shares in the company A.C.R. di Reggiani Albertino Spa to the two minority shareholders, resulting in the shareholding changing from 60% to 59.6%.

The difference between the amount adjusting the minority shareholding and the fair value of the consideration paid was reported directly in equity and attributed to the shareholders of the Parent company.

Other operations

On 2 July 2025, Herambiente Spa acquired from the minority shareholder Rogroup Srl the entire stake held by the latter in Aliplast Spa, equal to 20% of the share capital, thus holding 100% of the company. However, the company was already fully consolidated by virtue of contractual agreements signed between the parties that provided for a put option in favour of the minority shareholder.

Earnings per share

The following is a statement of earnings per share, calculated in relation to profit or loss attributable to holders of ordinary shares of the parent company.

	30-SEPT-2025 (9 MONTHS)	30-SEPT-2024 (9 MONTHS)
Profit or loss for the period attributable to holders of ordinary shares of the Parent entity (A)	294.7	282.9
Weighted average number of shares outstanding for the purposes of calculating earnings (loss) per share		
basic (B)	1,462,638,141	1,441,334,028
diluted (C)	1,462,638,141	1,441,334,028
Earnings (loss) per share (in euro)		
basic (A/B)	0.201	0.196
diluted (A/C)	0.201	0.196

At the date on which this Consolidated quarterly report was drafted, the share capital of the parent company Hera Spa consisted of 1,489,538,745 ordinary shares, unchanged from 31 December 2024, used to calculate basic and diluted earnings per share.

Other information

This consolidated financial report as at 30 September 2025 was drawn up by the Board of Directors and approved by the latter at the meeting held on 12 November 2025.

2.03 LIST OF CONSOLIDATED COMPANIES

Subsidiaries

REGISTERED NAME	REGISTERED OFFICE	SHARE CAPITAL (EURO) (*)	CONSOLIDATED PERCENTAGE		TOTAL INTEREST
			DIRECT	INDIRECT	
A.C.R. di Reggiani Albertino Spa	Mirandola (Mo)	390,000		44.70%	44.70%
AcegasApsAmga Spa	Trieste	284,677,324	100.00%		100.00%
Aliplast Spa	Istrana (Tv)	5,000,000		75.00%	75.00%
Aliplast France Recyclage Sas	La Wantzenau (France)	1,025,000		75.00%	75.00%
Aliplast Iberia Slu	Calle Castilla-Leon (Spain)	815,000		75.00%	75.00%
Aliplast Polska Spzoo	Zgierz (Poland)	1,200,000 PLN		75.00%	75.00%
Ambiente Energia Srl	Schio (VI)	100,000		75.00%	75.00%
Aresenergy Eood	Varna (Bulgaria)	50,000 Lev		100.00%	100.00%
AresGas Ead	Sofia (Bulgaria)	22,572,241 Lev		100.00%	100.00%
Ares Trading Eood	Varna (Bulgaria)	50,000 Lev		100.00%	100.00%
Asa Scpa	Castelmaggiore (BO)	1,820,000		38.25%	38.25%
Biorg Srl	Bologna	1,000,000		75.00%	75.00%
Black Sea Gas Company Eood	Varna (Bulgaria)	5,000 Lev		100.00%	100.00%
CircularYard Srl	Bologna	400,000		43.49%	43.49%
ElettraCHP Srl	Udine	100,000		84.5%	84.5%
EstEnergy Spa	Trieste	299,925,761		100.00%	100.00%
Etra Energia Srl	Cittadella (PD)	100,000		51.00%	51.00%
F.Ili Franchini Srl	Rimini	1,100,000		100.00%	100.00%
Feronia Srl	Bologna	100,000		75.00%	75.00%
Fruzzo Energia Ambiente Srl	Bologna	17,139,100		38.25%	38.25%
Green Factory Srl	Pesaro	500,000		46.70%	46.70%
Herabit Spa**	Imola (BO)	27,094,468	70.16%		70.16%
HERAcquamodena Srl	Bologna	10,000,000	100.00%		100.00%
Herambiente Spa	Bologna	271,648,000	75.00%		75.00%
Herambiente Servizi Industriali Srl	Bologna	5,000,000		75.00%	75.00%
Hera Comm Spa	Imola (BO)	53,595,899	100.00%		100.00%
Hera Luce Srl	Cesena	1,000,000		100.00%	100.00%
Hera Servizi Energia Spa	Udine	13,216,899		84.50%	84.50%
Heratech Srl	Bologna	2,000,000	100.00%		100.00%
Hera Trading Srl	Trieste	22,600,000	100.00%		100.00%
HestAmbiente Srl	Trieste	1,010,000		82.50%	82.50%
Horowatt Srl	Cesena	550,000	50.00%		50.00%
Inrete Distribuzione Energia Spa	Bologna	10,091,815	100.00%		100.00%
Macero Maceratese Srl	Macerata (MC)	1,032,912		46.70%	46.70%
Marche Multiservizi Spa	Pesaro	16,388,535	46.70%		46.70%
Marche Multiservizi Falconara Srl	Falconara Marittima (AN)	100,000		46.70%	46.70%
Primagas Ad	Varna (Bulgaria)	1,149,860 Lev		97.34%	97.34%
Recycla Spa	Maniago (Pn)	90,000		75.00%	75.00%
Tiepolo Srl	Bologna	1,305,000	100.00%		100.00%
Tri-Generazione Scarl in liquidazione (in liquidation)	Padua	100,000		71.83%	71.83%
Triveneta Luce Scarl	Vicenza	400,000		100.00%	100.00%
TRS Ecology Srl	Caorso (PC)	1,000,000		75.00%	75.00%
Uniflotte Srl	Bologna	2,254,177	100.00%		97.00%

Vallortigara Servizi Ambientali Spa	Torrebelvicino (Vi)	330,000		75.00%	75.00%
Wolmann Spa	Bologna	400,000		100.00%	100.00%

(*) unless otherwise specified

(**) formerly Acantho Spa

Jointly controlled entities

REGISTERED NAME	REGISTERED OFFICE	SHARE CAPITAL (EURO)	PERCENTAGE HELD		TOTAL INTEREST
			DIRECT	INDIRECT	
Enomondo Srl	Faenza (Ra)	14,000,000		37.50%	37.50%
Set Spa	Milan	120,000	39.00%		39.00%

Associates

REGISTERED NAME	REGISTERED OFFICE	SHARE CAPITAL (EURO) (*)	PERCENTAGE HELD		TOTAL INTEREST
			DIRECT	INDIRECT	
Aimag Spa*	Mirandola (Mo)	78,027,681	25.00%		25.00%
ASM Servizi Energetici e Tecnologici (ASM SET) Srl	Rovigo	200,000		49.00%	49.00%
SEA - Servizi Ecologici Ambientali Srl	Camerata Picena (AN)	100,000		23.25%	23.25%
Sgr Servizi Spa	Rimini	5,982,262		29.61%	29.61%
Tamarete Energia Srl	Ortona (CH)	3,600,000	40.00%		40.00%

*The share capital of these companies consists of 67,577,681 euro of ordinary shares and 10,450,000 euro of related shares.

Hera Spa

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Gruppo Iva "Gruppo Hera" P. IVA 03819031208