

## Hera Group approves results at 31/12/2024

*The year closed with growth in the main operating and financial indicators and in investments. The value created for all stakeholders and the Group's financial solidity once again prove the validity of its multi-business model and ability to combine corporate growth with sustainable development. The proposed dividend was raised to 15 cents per share.*

### Financial highlights

- Revenues at 12,889.7 million euro
- Ebitda\* a 1,587.6 million euro (+6.2%)
- Net profit\* for shareholders at 494.5 million euro (+31.8%)
- Gross operating investments at 860.3 million euro (+5.5%)
- Net financial debt settles at 3,963.7 million euro, with net debt/Ebitda\* at 2.50x
- Return on invested capital increases, with ROI rising to 10.4%
- Proposed dividend rises to 15 euro cents per share (+7.1%)

### Operating and sustainability highlights

- Growth in operating results supported by all business areas
- Energy customers rise to 4.6 million (+20%), while over 7.5 million citizens have at least one service provided by the Group
- Innovative initiatives continue to help the communities served pursue the ecological transition and strengthen the resilience of assets under management, in line with the industrial strategy to 2028 and the Net Zero by 2050 target
- Shared-value Ebitda rises to 856.6 million euro (+10%) and shared-value investments amount to 655.1 million euro (76% of total investments)
- Economic value distributed in the areas served over 2.1 billion euro

Today, the Board of Directors of the Hera Group, chaired by Executive Chairman Cristian Fabbri, unanimously approved the consolidated financial results at 31 December 2024, along with the Sustainability reporting, which as of this year is an integral part of the annual report, as foreseen by Directive 2022/2464/EU (CSRD), and the Report on remuneration policy and compensation paid.

In 2024, the Hera Group continued along its path of growth in both free-market and regulated businesses; the 5.5% increase in gross operating investments demonstrates the Group's ongoing focus on developing, enhancing and strengthening the resilience of the assets managed, whose solidity was confirmed even during the extreme weather and climate phenomena that hit Emilia-Romagna last autumn.

In particular, the commitment to combine corporate growth and sustainable development with concrete initiatives capable of helping the country move towards the green transition was confirmed, fully consistent with the Group's 2024-2028 Business plan and its Climate Transition Plan with a Net Zero by 2050 target.

The operating and financial results thus highlight the ability to create value that orients the Group's growth.

\* In order to ensure that the results presented reflect the actual performance of the gas business more closely, and are thus more easily comparable, the figures with an asterisk include a managerial adjustment on an accounting difference based on a valuation of stocked gas at prices pertaining to the period of injection. See the paragraph entitled "Special items and managerial adjustments / balance sheet reconciliation", which contains a comparison between the managerial statement and the IFRS balance sheets.

**Cristian Fabbri, Executive Chairman of the Hera Group:**

*"The results achieved confirm the Hera Group's ability to continue along its path of creating sustainable value. The increase in the main economic-financial indicators and continuous improvement in return on invested capital, with ROI rising to 10.4% and Total shareholders return exceeding 35%, are clear signs of the solidity of our industrial model. We obtained significant growth in both our free market and regulated businesses, with Ebitda reaching close to 1.6 billion euro in 2024, while gross operating investments stood at 860.3 million euro, 35% higher than the average of the previous five years, 76% of which was aimed at pursuing decarbonisation, resilience and the circular economy. The growth in shared-value Ebitda as well, in absolute and percentage terms, testifies to our constant focus on creating not only economic, but also social and environmental value. Evidence of this lies in the economic value distributed in the local areas in which we operate, which in 2024 reached 2.1 billion euro. In addition to our infrastructural growth, we have also achieved commercial growth in all free market businesses and, in particular, in energy supplies, where we have reached 4.6 million customers, up 20%. Thanks to this further development, more than 13% of Italy's population now receives at least one service from the Hera Group. In light of the results achieved and the Group's financial solidity, we will propose to the Shareholders Meeting the payment of a dividend set at 15 euro cents per share, up 7.1% compared to the last dividend paid. The effects of this increase will extend to our entire dividend policy for the upcoming years. The results for 2024 therefore confirm once again the validity of our Group's strategic vision and constitute the first building block of our Business plan."*

**Orazio Iacono, CEO of the Hera Group:**

*"In 2024, the Hera Group confirmed its solidity and capacity for growth, recording an increase of over 30% in net profit for Shareholders, which rose to almost 500 million euro. All business areas contributed to this result, which proves the Hera Group's ability to continue growing in a complex macroeconomic context. The positive operating performances were supported by effective financial operations, since 2024 benefited from the liability management and debt rationalisation initiatives undertaken since the beginning of the energy market crisis, which have helped maintain a net debt to Ebitda ratio of 2.5x, ensuring that the Group has significant financial solidity and flexibility among the lowest reached in last two decades. This operating-financial solidity allows us to continue along our path of external growth, fully consistent with the perspectives defined in the Business plan. Moreover, we continued to accelerate our commitment to the green transition, with a focus on decarbonisation, circular economy and resource protection, also thanks to the contribution coming from of the EIB financing line. In 2024, gross operating investments reached 860.3 million euro, continuing the trend in infrastructure development that has lasted for years, aimed at improving the quality of services and the efficiency of assets, thus making the local areas served increasingly liveable, competitive and resilient. The Hera Group has therefore once again demonstrated its ability to combine economic development and sustainability, making a significant contribution to the creation of value in the areas it serves and to the achievement of its sustainability objectives, using the lever of innovation to ensure efficiency and new opportunities for growth. Lastly, we must mention that this year we have drafted a Sustainability reporting that covers all the core standards defined by the ESRS (European Sustainability Reporting Standards)."*

### **The Group's path of growth continues at the same rate as the creation of value for stakeholders**

In line with the results achieved in 2023, 2024 was also a year that saw significant development for the Group, which continued to consolidate its role as a leading player in the sector, pursuing a strategy geared towards creating value for all stakeholders. In addition to significant internal growth, the company also continued to expand through external lines, with the aim of offering increasingly complete, innovative and competitive solutions to its customers. In addition, it leveraged its financial solidity and flexibility to acquire new strategic assets, expand the corporate scope and successfully participate in the tender for the Gradual protection electricity service.

In a year characterised by ongoing international instability, persistent volatility in commodity prices due mainly to geopolitical tensions, as well as the extreme weather phenomena, the Hera Group was committed to guaranteeing the continuity and quality of its services with positive repercussions for the served communities fully concentrated in the Northeast part of the domestic market. This concrete and transparent value was also quantified by Ebitda and shared value investments. The Group's ability to combine corporate growth and sustainable development was also proven by its increased investments for the circular economy, decarbonisation and energy efficiency, along with innovation and resilience of the assets managed, with concrete projects that are consistent with major national and international policies.

Particularly significant is the path taken towards carbon neutrality, outlined in the Climate Transition Plan approved on 31 July 2024, with the ambitious target of reaching Net Zero by 2050. This goal will be pursued through an overall 90% reduction in emissions compared to 2019, in addition to offsetting residual emissions. This commitment reflects a long-term strategic vision, consistent with the objectives of the Paris Agreement and the 2030 decarbonisation outlook previously defined. In 2024, the Hera Group's overall emissions for the defined scope of operation have already decreased by 14% (compared to 2019).

Among the main events of 2024, mention must surely go to the tender awarded in February for the Gradual protection electricity service for household customers in 37 Italian provinces, which led the company to acquire approximately one million new customers, consolidating its role as the third largest operator in the sector. Once again in the energy area, in December the Group's shareholding in EstEnergy increased to 100%, following the acquisition of 25% of the share capital from Ascopiave. Furthermore, in May the Group was awarded the tender called by the company Soelia, 100% owned by the Municipality of Argenta (Ferrara), for the corporate branch concerning plants, natural gas distribution networks and related management services, effective from 1 July.

In the waste management sector, also in July, the Hera Group launched a partnership with Fincantieri that led to the establishment of the newco CircularYard, to optimise the management of the waste cycle in shipyards in line with the principles of the circular economy. The Group also continued to grow through strategic acquisitions, including the one involving 70% of TRS Ecology, thus consolidating its leadership in industrial waste treatment and recovery.

In the area of public lighting, 30% of Triveneta Luce (Vicenza) was acquired, aiming to increasingly improve the energy efficiency and management of facilities in the municipalities served with advanced technologies.

### **Revenues at approximately 13 billion euro**

The Hera Group's 2024 revenues amounted to 12,889.7 million euro, down from 15,331.1 million euro in 2023 (-15.9%), mainly due to lower energy commodity prices and the loss of activities linked to the super-ecobonus. This drop was offset by higher volumes of electricity sold, thanks to significant commercial development.

**Ebitda\* increases to almost 1.6 billion euro (+6.2%)**

Ebitda\* for 2024 rose to 1,587.6 million euro, up 6.2% from 1,494.7 million euro at 31 December 2023. This growth was mainly organic and structural, and is due to the overall contribution coming from the energy area with 50.2 million euro, the water cycle with 25.7 million euro, and the good performance of the waste management area with 13.6 million euro. This result fully offsets the lack of margins related to the super-ecobonus and once again confirmed the solidity of the Group's multi-business portfolio.

**Ebit\* rises to 829.9 million euro (+12%)**

Ebit\* increased to 829.9 million euro (+12%) from 741 million euro at 31 December 2023, twice the percentage growth seen in Ebitda thanks to normalised provisions to bad debts benefitting the drop from energy commodity prices.

**Net result\* increases to 535.9 million euro (+28.5%)**

Financial operations in 2024 amounted to 153.8 million euro, with a clear improvement of 61 million euro compared to the previous year, mainly due to the optimisation of the financial structure and lower costs related to super-ecobonus activities. Even taking into account the 29.1% tax rate, higher than the 27.3% seen in 2023 (with a change due to the reduction of some benefits the Group received in the past and some write-downs made during the year that were not tax-relevant), the net result\* at 31 December 2024 reached 535.9 million euro, up 28.5% from 417.0 million euro in the previous year.

These figures also include the contribution of some positive non-recurring items mainly related to the acquisition of minority interests in EstEnergy. Net of these special items, the 2024 net profit\* amounted to 488.1 million, as against a 2023 amount of 390.1 million euro, showing a 25.1% increase in Group profit.

**Profit for Shareholders\* up by more than 30%**

At 31 December 2024, profit for shareholders\* rose to 494.5 million euro, up 31.8% from 375.2 million euro in the previous year.

Net of contributions from special items, profit for shareholders in 2024 amounted to 446.7 million euro, compared to 348.3 million euro in 2023, up 98.4 million euro.

**Growth in investments and improved net debt/Ebitda ratio\***

In 2024, the Hera Group's operating investments, including capital grants, reached 860.3 million euro, up 5.5% from 815.8 million euro in 2023. Investments on the Group's regulated infrastructures led to an increase in RAB, which rose to 3.6 billion euro, 250 million euro more than in 2023.

The Group's financial solidity was fully confirmed by a net debt/Ebitda\* ratio at 2.50x, an improvement over both the third quarter of 2024 and the figure at 31 December 2023.

Net financial debt amounted to 3,963.7 million euro, compared to 3,827.7 million euro at 31 December 2023, mainly as a result of increased capital expenditure and M&A, including the acquisition of 70% of TRS Ecology. The creation of value in 2024 is clear from the upward trend in return on equity (ROE), at 12.2% and up from 10.4% in the previous year. An improvement also occurred in return on invested capital (ROI), standing at 10.4%, compared to 9.8% in 2023.

### **Shared-value Ebitda and investments increase to 856.6 million euro (+10%) and 655.1 million euro (76% of total investments) respectively**

As confirmation of the Group's commitment to sustainability and creating value in the areas it serves, 2024 shared-value Ebitda, referring to business activities that also meet the goals on the Global Agenda, rose to 856.6 million euro, up 10% from 776.0 million euro in 2023 and corresponding to 54% of Group Ebitda. This result confirms the significant evolution of the CSV Ebitda foreseen by the Business plan, projected at more than 1,100 million euro in 2028, or 66% of total Ebitda.

Shared-value investments also rose, up from 558.4 million euro in 2023 to 655.1 million euro in 2024 and accounting for approximately 76% of total gross operating investments. Moreover, around 90% of the investments eligible for the Taxonomy are already aligned with the criteria of the European Regulation and are thus able to contribute to environmental objectives including climate change mitigation, circular economy, water resource protection and pollution prevention.

All this data testifies to the growing weight of initiatives that not only generate margins for the company, but also bring concrete benefits for the areas and communities served, in line with the goals on the UN Agenda.

### **Over 2.1 billion distributed in the areas in which the Group operates**

In 2024, the Group distributed over 2.1 billion euro to suppliers, employees and public administrations in the areas it serves.

### **Sustainability reporting in compliance with the CSRD and ESRS reporting standards**

The 2024 annual financial report includes, for the first time, the Hera Group's Sustainability reporting prepared in accordance with legislative decree 125/2024 implementing the Corporate Sustainability Reporting Directive (CSRD) 2022/2464/EU and the European Sustainability Reporting Standards (ESRS). As required by legislation, this reporting is an integral part of the report on operations and contains all information necessary to understand the company's impact on sustainability matters and how they affect its performance and results. More specifically, the Hera Group's Sustainability reporting is structured according to the requirements of ESRS 1, which call for the document to be divided into four parts: general information, environmental (including disclosures pursuant to Article 8 of EU Regulation 2020/852, also known as the "Taxonomy"), social, and governance. The scope of the reported sustainability data and information includes all companies fully consolidated in the Group's consolidated financial statements.

### **Proposed dividend increases to 15 euro cents per share**

As announced in January during the presentation of the new Business plan to 2028, and in consideration of the significant results achieved, the Board of Directors decided to propose to the Shareholders Meeting held on 30 April the payment of a dividend coming to 15 euro cents per share, up 7.1% compared to the last dividend paid.

This increase will be extended to the entire dividend policy in the upcoming years, reaching 17 euro cents per share in 2028, with net earnings per share rising by an average of 6% per year.

The ex-dividend date has been set for 23 June 2025, with payment as of 25 June 2025. The dividend will be paid to the shares recorded on 24 June 2025.

### **Report on remuneration policy and compensation paid approved**

The Board of Directors also approved the Report on remuneration policy and compensation paid, in line with international best practices.



## Gas

Ebitda\* for the gas area, which includes natural gas distribution and sales, district heating and energy services, rose to 571.4 million euro at 31 December 2024, up 10.5% from 516.9 million euro in 2023.

The upward trend compared to the previous year was due to a return of variability on energy markets to the levels seen prior to the crisis, which offset the disappearance of non-recurring business opportunities that characterised 2023, such as energy efficiency activities supported by tax incentives (110% ecobonus), and lower customer consumption due to the increase in average temperatures and energy-saving behaviour. The reduction of modulation costs, in particular, consolidated sales margins and significantly improved the sector's performance during the year. The contribution coming from gas distribution was also positive, benefiting from increased investments and positive changes in tariffs due to inflation recovery and WACC.

The number of gas customers totalled approximately 2 million.

Gross investments in 2024 amounted to 180.5 million euro, as against 191.8 million euro in the previous year, and went towards work on gas distribution and district heating networks and plants, the acquisition of new customers, and energy services. In particular, the Esco Hera Servizi Energia continued to provide condominiums, public administrations and industrial customers with its decarbonisation and energy saving services, including the construction of an NZEB (Nearly Zero Energy Building) structure and the seismic and energy requalification of a number of schools.

During 2024, investments continued for the replacement of gas meters, while non-recurring maintenance work on networks and plants was carried out. Extraordinary items also included the corporate acquisition of Soelia, concerning gas distribution in the municipality of Argenta (Ferrara).

The partnership with Panasonic Industry Europe, an operating company of the Japanese multinational and world leader in the production of electronic products and components, was also strengthened to increase distribution of the innovative NexMeter gas meter in the Italian and European markets.

In addition, the construction of the two Hydrogen Valleys under construction in Modena and Trieste continued, which have obtained PNRR funding and will produce approximately 800 tonnes of green hydrogen per year, contributing to the decarbonisation of the companies and local areas involved, as well as redeveloping disused areas, with significant and positive environmental, social and economic consequences.

The Group's green gas strategy also includes experimenting with the first plant in Italy, located in Castelfranco Emilia (Modena), to use a mixture of gas and hydrogen in a municipal distribution network, which will be resumed in the coming weeks following the recent protocol signed with the Ministry for the Environment and Energy Security and the Italian Gas Committee.

The gas area accounted for 36% of Group Ebitda.

## Electricity

In the electricity area, which includes electricity generation, distribution and sales services as well as public lighting, Ebitda stood at 322 million euro at 31 December 2024, compared to 326.3 million euro in 2023. This result was mainly due to decreased volumes supplied in the safeguarded service and a slowdown in energy efficiency activities following changes in tax incentives, only partially offset by higher margins related to growth in the energy customer market. Electricity distribution made a larger contribution thanks to the application of the ROSS regulatory criterion, investments in development, inflation recovery and the increased WACC.

The number of customers in the electricity area reached 2.6 million, up 50.4% compared to the same period of 2023, mainly due to the positive outcome of the previously mentioned tender for the Gradual protection service for household customers, but also thanks to the contribution coming from activities to strengthen commercial action on the free market, focusing on value-added services involving the decarbonisation of consumption.

In particular, due to a partnership with the Rimini-based company F.Ili Franchini, of which Hera Comm acquired 60% in 2023, the range of energy efficiency solutions has been expanded, with a focus on the corporate

segment, strengthening its presence in the market for sustainable solutions, including the construction of thermal and mechanical systems capable of significantly reducing energy consumption and CO2 emissions. This consolidation further strengthens the Hera Group's position in the sector, while promoting sustainable solutions for businesses as well. In the context of the energy transition, the corporate market has in fact seen significant growth, partially thanks to the valorisation of new services integrated with the supply of this commodity, such as plants for self-consumption integrated with storage systems, and energy consumption monitoring and management, which makes it possible to optimise supply costs, improve overall energy efficiency and reduce the carbon footprint.

With regard to public lighting, in 2024 the Hera Group acquired approximately 44.5 thousand lighting points in 24 new municipalities, mainly located in Tuscany, Emilia-Romagna, Lombardy, Umbria, Liguria and Sardinia. The percentage of lighting points managed that use LED bulbs also rose, confirming the Group's constant focus on an increasingly efficient and sustainable management of public lighting.

Overall, in the electricity area, gross investments in 2024 amounted to 127.2 million euro, in line with the previous year. In distribution, instead, investments increased by 14.6%, for interventions mainly concerning upgrading on plants and networks, including the construction of new primary substations to increase hosting capacity, as well as the ongoing 2G meter installation activities and work to improve network resilience. These actions respond to the goal of anticipating the future incremental demand for electricity linked to the increasing electrification of consumption, and to enable the growing development of distributed generation. They also include the Smart Grid project developed by subsidiary AcegasApsAmga: planning has been completed and construction sites are underway for the main works that will strengthen the Trieste electricity grid and create new plants to power the port terminals in Trieste, responding to the city's evolving needs, which will see the overall power demand double over the next 10 years.

Lastly, in December, the Hera Group obtained 9.4 million euro from the PNRR to develop two advanced agrivoltaic systems in Emilia-Romagna, with an expected production of almost 30 GWh per year.

The electricity area accounted for 20.3% of Group Ebitda.

## **Water cycle**

Ebitda for the integrated water cycle area, which includes aqueduct, purification, and sewerage services, amounted to 297.1 million euro, up 9.5% compared to 271.4 million euro in the previous year, thanks to investments in development, increased regulatory WACC as of 2024 and inflation recoveries.

The result for 2024 did not benefit from the two-year bonuses recognised by ARERA for the high-quality standards achieved by Hera in managing the integrated water service as it will be accounted for next year. More specifically, last year the Group was awarded first and third place in the general ranking of Italian operators (2020-21 two-year period) for its significant investments, state-of-the-art plants and use of the best technologies for an efficient management of the water cycle in the areas served, in line with the Group's sustainability and circular economy strategies.

Including capital grants, investments amounted to 261.1 million euro (+14.4%). The main interventions on the aqueduct, across the various areas served, include installing smart meters and districtisation activities (particularly in the Padua and Trieste areas and in the municipalities of the Marche region served by Marche Multiservizi) aimed at reducing network leakage, ongoing reclamation activities on networks and connections, and specific projects such as the development of the new supply system in Castelbolognese and the renewal of the adduction networks in Calderara di Reno and San Pietro in Casale, near Bologna. In the sewerage sector, interventions concerned constructing first rainwater basin in Cattolica, upgrading the sewerage network in various areas served, drain upgrading works, and works required by the extension of the Forlì and Modena bypasses. Moreover, in order to optimise management of the purifiers in Padua, AcegasApsAmga continued works for the construction of 7 new bio-dryers, fully financed by PNRR funds, which at present provide the best sustainable choice for drying sludge from the city sewage plants, destined for recovery. In addition to the

Rimini seawater protection plan (PSBO), other interventions in purification include upgrading and expanding the Ravenna and Lugo purification plants, a new purification plant in Budrio (Bologna), and the construction of the new power-to-gas technology plant at the IDAR purification plant in Bologna, partially financed by the PNRR, which will make it possible to use purified water to produce first renewable hydrogen and then biomethane, using the waste oxygen for purification processes.

Lastly, thanks to the two interventions launched for the construction of a new sewage system for wastewater in the municipalities of Petriano and Vallefoglia, including 4 new lifting stations, and the completion of the San Costanzo sewerage system, which will be concluded in 2025, the Pesaro-Urbino area will be released from the EU infringement procedure on purification.

The integrated water cycle area accounted for 18.7% of Group Ebitda.

## **Waste**

Ebitda for the waste management area, which includes waste collection, treatment and disposal services, stood at 367 million euro, up 4% from 353.4 million euro in 2023. More specifically, Ebitda for waste treatment and recovery services reached 305.8 million, while Ebitda for environmental services involving waste collection and street sweeping rose to approximately 61.2 million, mainly due to the efficiency gains in the operations of new concessions. In particular, an increase occurred in special waste, mainly due to an 8% increase in waste from third parties, thanks to the consolidation of existing business relations, the development of the customer portfolio, particularly in the industrial market, and expansion in complementary industry market segments.

Despite the complex macroeconomic context with repercussions in the markets in which it is present, the Group thus continues along its path of growth in this business area, thanks to the diversification of its offer, the breadth of its customer portfolio and its ability to respond with innovative and integrated services. Hera has thus consolidated its role as a leading Italian and European operator in this sector, in particular in the industrial market following the acquisition of 70% of TRS Ecology, with a portfolio of over 2,700 customers. The renovations begun on the TRS platform in Caorso (Piacenza) are expected to strengthen the growth prospects of a well-established local company, and to develop future technical and commercial synergies with the Group's other plant solutions and companies in an attractive geographical area of the domestic industry market. A key partner supporting companies in reducing and recycling waste, regenerating resources and achieving their ESG targets, Hera continues to play a strategic role in the environmental transition of the Italian industrial sector. One example of this is the aforementioned agreement with Fincantieri to manage almost 100,000 tonnes per year of industrial waste produced in shipyards in Italy and, in the future, also abroad. The goal is to create a new integrated waste management system through concrete initiatives, from reducing the waste produced to increasing the solid waste sent for recycling, valorising residues, recovering water and reducing CO<sub>2</sub> emissions.

In addition, the numerous initiatives in the area of the circular economy and decarbonisation continued to implement the value creation and environmental sustainability objectives of local areas. This includes the CO<sub>2</sub> capture project at the Ferrara WTE plant, the first industrial-scale example of CCS (Carbon Capture and Storage) applied to a plant of this type in Italy, selected to receive almost 24 million euro in funding from the EU Innovation Fund.

Protecting environmental resources was a priority objective in 2024 as well, as was maximising their reuse. This is demonstrated by the special attention dedicated to increasing sorted waste collection which, thanks to the numerous projects the Group has put in place in all areas served, rose by 2.1 percentage points, going to 74.3% as against 72.2% in 2023.

Mention must also go to the commitment to increase the sustainability of company fleets by using electrically powered vehicles and the increasing consumption of HVO fuel produced from depleted vegetable oil, which helps reduce CO<sub>2</sub> by almost 90%.



Gross investments for the waste management sector amounted to 162.3 million euro (+7.6% compared to 2023), mainly for maintenance and upgrading on the set of plants. This includes, for example, work on line 4 of the Padua WTE plant, non-recurring maintenance on the Modena, Forlì and Rimini plants, the work carried out by the companies HEA and Vallortigara to expand the Torrebelvicino plant, and the start of construction in Modena of Aliplast's innovative rigid plastics regeneration plant, partially thanks to PNRR contributions. The authorisation process for expanding PE production and regeneration capacity at Aliplast's Borgolavezzaro (Novara) plant was also launched, which will allow the company to increase its production capacity by approximately 20,000 tonnes per year. At the end of the year, work began on the first of the two lines of the new FIB3R plant in Imola, the only one of its kind in Europe. When fully operational, it will produce 160 tonnes of recycled carbon fibre per year, with a 75% energy saving compared to virgin fibre. Lastly, note that in December the tender called by Conservizi Cispel Toscana was awarded for the management of the Montale (Pistoia) WTE plant, capable of handling 50 thousand tonnes per year of municipal and special waste. The waste management area accounted for 23.1% of Group Ebitda.

*The manager responsible for drafting the company's accounting statements, Massimo Vai, declares, pursuant to article 154-bis paragraph 2 of the TUF, that the information contained in the present press release corresponds to the documentation available and to the account books and entries.*

*The financial statement and related materials will be available to the public pursuant to the terms established by law at the Company Headquarters, on the website [www.gruppohera.it](http://www.gruppohera.it) and on the authorised storage platform 1Info ([www.1info.it](http://www.1info.it)).*

*Unaudited extracts from the Consolidated Financial Statements at 31 December 2024 are attached.*

| Income statement<br>(mn€)   | Dec 24         | % Inc.       | Dec 23         | % Inc.      | Abs.<br>change | % change      |
|---|----------------|--------------|----------------|-------------|----------------|---------------|
| Revenues  | 12,889.7       |              | 15,331.1       |             | -2,441.4       | -15.9%        |
| Other income  | 154.7          | 1.2%         | 234.0          | 1.5%        | -79.3          | -33.9%        |
| Raw and other materials   | (7,056.4)      | -54.7%       | (9,765.2)      | -63.7%      | -2,708.8       | -27.7%        |
| Service costs   | (3,724.9)      | -28.9%       | (3,655.9)      | -23.8%      | +69.0          | +1.9%         |
| Other operating expenses  | (97.3)         | -0.8%        | (90.3)         | -0.6%       | +7.0           | +7.8%         |
| Personnel costs   | (667.5)        | -5.2%        | (641.1)        | -4.2%       | +26.4          | +4.1%         |
| Capitalised costs   | 89.3           | 0.7%         | 82.1           | 0.5%        | +7.2           | +8.8%         |
| <b>Ebitda*</b>  | <b>1,587.6</b> | <b>12.3%</b> | <b>1,494.7</b> | <b>9.7%</b> | <b>+92.9</b>   | <b>+6.2%</b>  |
| Amortization, depreciation and provisions                                       | (757.7)        | -5.9%        | (753.7)        | -4.9%       | +4.0           | +0.5%         |
| <b>Ebit*</b>  | <b>829.9</b>   | <b>6.4%</b>  | <b>741.0</b>   | <b>4.8%</b> | <b>+88.9</b>   | <b>+12.0%</b> |
| Financial operations  | (153.8)        | -1.2%        | (214.8)        | -1.4%       | -61.0          | -28.4%        |
| Share of profits (losses) pertaining to joint ventures and associated companies | 12.3           | 0.1%         | 10.3           | 0.1%        | +2.0           | +19.4%        |
| <b>Pre-tax result*</b>  | <b>688.4</b>   | <b>5.3%</b>  | <b>536.5</b>   | <b>3.5%</b> | <b>+151.9</b>  | <b>+28.3%</b> |
| Taxes   | (200.3)        | -1.6%        | (146.4)        | -1.0%       | +53.9          | +36.8%        |
| <b>Net result*</b>  | <b>488.1</b>   | <b>3.8%</b>  | <b>390.1</b>   | <b>2.5%</b> | <b>+98.0</b>   | <b>+25.1%</b> |
| Attributable to:  |                |              |                |             |                |               |
| <b>Parent company shareholders adjusted*</b>                                    | <b>446.7</b>   | <b>3.5%</b>  | <b>348.3</b>   | <b>2.3%</b> | <b>+98.4</b>   | <b>+28.2%</b> |
| Minority shareholders   | 41.4           | 0.3%         | 41.8           | 0.3%        | -0.4           | -1.0%         |
| Result from special items   | 47.8           | 0.4%         | 26.9           | 0.2%        | +20.9          | +100.0%       |
| <b>Net profit for the period*</b>   | <b>535.9</b>   | <b>4.2%</b>  | <b>417.0</b>   | <b>2.7%</b> | <b>+118.9</b>  | <b>+28.5%</b> |
| Attributed to:  |                |              |                |             |                |               |
| <b>Parent company shareholders, adjusted*</b>                                   | <b>494.5</b>   | <b>3.8%</b>  | <b>375.2</b>   | <b>2.4%</b> | <b>+119.3</b>  | <b>+31.8%</b> |
| Minority shareholders   | 41.4           | 0.3%         | 41.8           | 0.3%        | -0.4           | -1.0%         |

\* adjusted amounts

| Invested capital and sources of financing (mn€) | 31 Dec 24      | % Inc.         | 31 Dec 23      | % Inc.         | Abs. change  | % change      |
|---|----------------|----------------|----------------|----------------|--------------|---------------|
| Net non-current assets                          | 8,496.4        | +106.9%        | 8,119.2        | +107.1%        | 377.2        | +4.6%         |
| Net working capital                             | 227.2          | +2.9%          | 166.0          | +2.2%          | 61.2         | +36.9%        |
| (Provisions)                                    | (773.0)        | (9.7)%         | (705.9)        | (9.3)%         | (67.1)       | (9.5)%        |
| <b>Net invested capital</b>                     | <b>7,950.6</b> | <b>+100.0%</b> | <b>7,579.3</b> | <b>+100.0%</b> | <b>371.3</b> | <b>+4.9%</b>  |
| Equity  | 3,986.9        | +50.1%         | 3,751.6        | +49.5%         | 235.3        | (6.3)%        |
| Long-term borrowings                            | 4,051.3        | +51.0%         | 4,315.4        | +56.9%         | (264.1)      | +6.1%         |
| Net current financial debt                      | (87.6)         | (1.1)%         | (487.7)        | (6.4)%         | 400.1        | (82.0)%       |
| Net debt  | 3,963.7        | +49.9%         | 3,827.7        | +50.5%         | 136.0        | (3.6)%        |
| <b>Total sources of financing</b>               | <b>7,950.6</b> | <b>+100.0%</b> | <b>7,579.3</b> | <b>+100.0%</b> | <b>371.3</b> | <b>(4.9)%</b> |

## Special items and managerial adjustments / balance sheet reconciliation

| mn€   | Dec 24               |                        |               |                       | Dec 23<br>Redetermined |                        |               |                       |
|---|----------------------|------------------------|---------------|-----------------------|------------------------|------------------------|---------------|-----------------------|
|   | Published statements | Managerial adjustments | Special items | Managerial statements | Published statements   | Managerial adjustments | Special items | Managerial statements |
| Revenues  | 12,889.7             |                        |               | 12,889.7              | 15,331.1               |                        |               | 15,331.1              |
| Other income  | 154.7                |                        |               | 154.7                 | 234.0                  |                        |               | 234.0                 |
| Raw and other materials   | (7,056.4)            |                        |               | (7,056.4)             | (9,672.2)              | (93.0)                 |               | (9,765.2)             |
| Service costs   | (3,724.9)            |                        |               | (3,724.9)             | (3,655.9)              |                        |               | (3,655.9)             |
| Personnel costs   | (667.5)              |                        |               | (667.5)               | (641.1)                |                        |               | (641.1)               |
| Other operating expenses  | (97.3)               |                        |               | (97.3)                | (90.3)                 |                        |               | (90.3)                |
| Capitalised costs   | 89.3                 |                        |               | 89.3                  | 82.1                   |                        |               | 82.1                  |
| <b>Ebitda</b>   | <b>1,587.6</b>       | -                      | -             | <b>1,587.6</b>        | <b>1,587.7</b>         | <b>(93.0)</b>          | -             | <b>1,494.7*</b>       |
| Amortization, depreciation and provisions                                       | (757.7)              |                        |               | (757.7)               | (753.7)                |                        |               | (753.7)               |
| <b>Ebit</b>   | <b>829.9</b>         | -                      | -             | <b>829.9</b>          | <b>834.0</b>           | <b>(93.0)</b>          | -             | <b>741.0*</b>         |
| Financial operations  | (106.0)              |                        | (47.8)        | (153.8)               | (187.9)                |                        | (26.9)        | (214.8)               |
| Share of profits (losses) pertaining to joint ventures and associated companies | 12.3                 |                        |               | 12.3                  | 10.3                   |                        |               | 10.3                  |
| <b>Pre-tax result</b>   | <b>736.2</b>         | -                      | <b>(47.8)</b> | <b>688.4*</b>         | <b>656.4</b>           | <b>(93.0)</b>          | <b>(26.9)</b> | <b>536.5*</b>         |
| Taxes   | (200.3)              |                        |               | (200.3)               | (173.2)                | 26.8                   |               | (146.4)*              |
| <b>Net result</b>   | <b>535.9</b>         | -                      | <b>(47.8)</b> | <b>488.1*</b>         | <b>483.2</b>           | <b>(66.2)</b>          | <b>(26.9)</b> | <b>390.1*</b>         |
| <b>Attributable to:</b>   |                      |                        |               | -                     |                        |                        |               | -                     |
| Adjusted Parent company shareholders  | 494.5                | -                      | (47.8)        | 446.7*                | 441.4                  | (66.2)                 | (26.9)        | 348.3*                |
| Non-controlling interests   | 41.4                 |                        |               | 41.4                  | 41.8                   |                        |               | 41.8                  |
| Result from special items   |                      |                        | 47.8          | 47.8                  |                        |                        | 26.9          | 26.9                  |
| <b>Net profit</b>   | <b>535.9</b>         | -                      | -             | <b>535.9</b>          | <b>483.2</b>           | <b>(66.2)</b>          | -             | <b>417.0*</b>         |
| <b>Attributable to:</b>   |                      |                        |               |                       |                        |                        |               |                       |
| Parent company shareholders   | 494.5                | -                      |               | 494.5                 | 441.4                  | (66.2)                 | -             | 375.2*                |
| Non-controlling interests   | 41.4                 |                        |               | 41.4                  | 41.8                   |                        |               | 41.8                  |

# IFRS financial statements

## Income statement

| mn€   | Note | 2024           | 2023           |
|---|------|----------------|----------------|
| Revenues  | 1    | 12,889.7       | 15,331.1       |
| Other income  | 2    | 154.7          | 234.0          |
| Raw and other materials   | 3    | (7,056.4)      | (9,672.2)      |
| Service costs   | 4    | (3,724.9)      | (3,655.9)      |
| Personnel costs   | 5    | (667.5)        | (641.1)        |
| Other operating costs   | 6    | (97.3)         | (90.3)         |
| Capitalized costs   | 7    | 89.3           | 82.1           |
| Amortisation. depreciation and provisions                                       | 8    | (757.7)        | (753.7)        |
| <b>Operating profit</b>   |      | <b>829.9</b>   | <b>834.0</b>   |
| Financial income  | 9    | 202.5          | 157.1          |
| Financial expenses  | 10   | (308.5)        | (345.0)        |
| <b>Financial operations</b>   |      | <b>(106.0)</b> | <b>(187.9)</b> |
| Share of profits (losses) pertaining to joint ventures and associated companies | 11   | 12.3           | 10.3           |
| <b>Earnings before taxes</b>  |      | <b>736.2</b>   | <b>656.4</b>   |
| Taxes   | 12   | (200.3)        | (173.2)        |
| <b>Net profit for the period</b>  |      | <b>535.9</b>   | <b>483.2</b>   |
| <b>Attributed to:</b>   |      |                |                |
| Parent company shareholders   |      | 494.5          | 441.4          |
| minority shareholders   |      | 41.4           | 41.8           |
| <b>Earnings per share</b>   |      |                |                |
| Basic   | 17   | 0.343          | 0.305          |
| Diluted   | 17   | 0.343          | 0.305          |



## Statement of financial position

| mn€  | Notes  | 31 Dec 24       | 31 Dec 23       |
|--|--------|-----------------|-----------------|
| <b>ASSETS</b>  |        |                 |                 |
| <b>Non-current assets</b>                            |        |                 |                 |
| Property, plants and equipment                       | 21, 25 | 2,160.7         | 2,059.3         |
| Rights of use  | 22, 25 | 84.2            | 90.6            |
| Intangible assets                                    | 23, 25 | 4,945.8         | 4,719.6         |
| Goodwill   | 24, 25 | 933.0           | 908.7           |
| Shareholdings valued using the equity method         | 26, 27 | 127.3           | 147.0           |
| Other shareholdings                                  | 26     | 47.3            | 48.6            |
| Non-current financial assets                         | 18     | 158.0           | 162.8           |
| Deferred tax assets                                  | 14     | 342.9           | 302.3           |
| Derivative instruments                               | 29     | -               | 0.3             |
| <b>Total non-current assets</b>                      |        | <b>8,799.2</b>  | <b>8,439.2</b>  |
| <b>Current assets</b>                                |        |                 |                 |
| Inventories  | 32     | 168.1           | 198.5           |
| Trade receivables                                    | 33     | 3,172.5         | 3,586.8         |
| Current financial assets                             | 18     | 23.1            | 90.9            |
| Current tax assets                                   | 13     | 31.3            | 11.4            |
| Current assets arising from contracts with customers | 35     | 263.9           | 433.1           |
| Other current assets                                 | 37     | 1,104.5         | 509.3           |
| Derivative instruments                               | 29     | 182.4           | 478.0           |
| Cash and cash equivalents                            | 18     | 1,315.6         | 1,332.8         |
| <b>Total current assets</b>                          |        | <b>6,261.4</b>  | <b>6,640.8</b>  |
| <b>TOTAL ASSETS</b>                                  |        | <b>15,060.6</b> | <b>15,080.0</b> |

| mn€   | Notes | 31 Dec 24       | 31 Dec 23       |
|---|-------|-----------------|-----------------|
| <b>NET EQUITY AND LIABILITIES</b>                         |       |                 |                 |
| <b>Share capital and reserves</b>                         |       |                 |                 |
| Share capital   | 15    | 1,440.8         | 1,443.0         |
| Reserves  | 15    | 1,744.8         | 1,553.8         |
| Profit (loss) for the period                              | 15    | 494.5           | 441.4           |
| <b>Group net equity</b>                                   |       | <b>3,680.1</b>  | <b>3,438.2</b>  |
| Non-controlling interests                                 | 16    | 306.8           | 313.4           |
| <b>Total net equity</b>                                   |       | <b>3,986.9</b>  | <b>3,751.6</b>  |
| <b>Non-current liabilities</b>                            |       |                 |                 |
| Non-current financial liabilities                         | 19    | 4,154.6         | 4,421.7         |
| Non-current lease liabilities                             | 22    | 54.7            | 56.8            |
| Employee benefits   | 30    | 79.9            | 88.1            |
| Provisions  | 31    | 693.1           | 617.8           |
| Deferred tax liabilities                                  | 14    | 144.8           | 156.9           |
| <b>Total non-current liabilities</b>                      |       | <b>5,127.1</b>  | <b>5,341.3</b>  |
| <b>Current liabilities</b>                                |       |                 |                 |
| Current financial liabilities                             | 19    | 1,226.7         | 890.8           |
| Current lease liabilities                                 | 22    | 24.4            | 24.5            |
| Trade payables  | 34    | 2,723.9         | 2,619.3         |
| Current tax liabilities                                   | 13    | 48.2            | 110.2           |
| Current liabilities arising from contracts with customers | 36    | 203.2           | 397.4           |
| Other current liabilities                                 | 38    | 1,512.8         | 1,487.3         |
| Derivative instruments                                    | 29    | 207.4           | 457.6           |
| <b>Total current liabilities</b>                          |       | <b>5,946.6</b>  | <b>5,987.1</b>  |
| <b>TOTAL LIABILITIES</b>                                  |       | <b>11,073.7</b> | <b>11,328.4</b> |
| <b>TOTAL NET EQUITY AND LIABILITIES</b>                   |       | <b>15,060.6</b> | <b>15,080.0</b> |