



**Altea**  
Green Power



# Financial Statements

## 2022



## **FINANCIAL STATEMENTS AT DECEMBER 31, 2022**

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### **ALTEA GREEN POWER S.P.A.**

Share capital: € 830,663 fully paid up  
Registered office: Corso Re Umberto, 8 - 10121 Turin (Italy)  
REA Turin no. 939243  
VAT Number and Tax Code: 08013190015

Legal status: joint stock company  
Main activity code (ATECO): 432101  
Company in liquidation: no  
Company with sole shareholder: no  
Company subject to the direction and coordination of others: no  
Part of a group: yes



# 1

## Corporate Bodies of the Parent Company



**Chairman of the Board of Directors**

Giovanni Di Pascale

**Directors**

Cecilia Martucci

Luca de Zen

Laura Guazzoni (indipendenti)

Marco Di Miceli (indipendenti)



**Chairman of the Board of Statutory Auditors**

Fabrizio Morra

**Standing Auditors**

Franco Cattaneo

Rosa Chirico

**Alternate Auditors**

Jolanda Fumia

Roberto Nicola



**BDO Italia S.p.A.**



# 2

## Report on Operations at December 31, 2022

### Foreword

*This Report on Operations was prepared in accordance with Articles 2423 et seq. of the Civil Code as interpreted and supplemented by the National Accounting Standards issued by the National Accounting Board (OIC), in compliance with the general principles of clarity and true and fair presentation.*

## Information on the Company and on significant events during the year

Shareholders,

the financial statements at December 31, 2022, which you are called upon to approve, show a pre-tax profit for the year of € 6,003,639, with amortization and depreciation of € 162,854, a provision for post-employment benefits of € 62,068 and tax for the year of € 1,834,314.

The list of the Company's investments is summarized below.

### List of Altea Green Power S.p.A. investments at 31/12/2022

	Registered office	Tax code	Currency	Share cap. in Euro	Investment	% Share held	Interest in %
<b>Companies owned at beginning of 2022</b>							
Brindisi Solar Energy S.r.l.	P.zza A. Diaz 7 - MI	10812770963	Euro	10,000	Direct	100%	100%
IBE Guglionesi Wind S.r.l.	C.so Re Umberto 8 - TO	12291540016	Euro	10,000	Direct	100%	100%
IBE Campolieto S.r.l.	C.so Re Umberto 8 - TO	12291490014	Euro	10,000	Direct	100%	100%
IBE Genzano S.r.l.	C.so Re Umberto 8 - TO	12291460017	Euro	10,000	Direct	100%	100%
IBE Manieri S.r.l.	C.so Re Umberto 8 - TO	12291520018	Euro	10,000	Direct	100%	100%
IBE Montecilfone S.r.l.	C.so Re Umberto 8 - TO	12291530017	Euro	10,000	Direct	100%	100%
IBE Alessandria S.r.l.	C.so Re Umberto 8 - TO	12291500010	Euro	10,000	Direct	100%	100%
IBE Venosa S.r.l.	C.so Re Umberto 8 - TO	12291480015	Euro	10,000	Direct	100%	100%
Altea Green Power US Corp.	Delaware - USA	n/a	U.S. \$	n/a	Direct	100%	100%
<b>Companies acquired in 2022</b>							
Crumiere Energia S.r.l.	C.so Re Umberto 8 - TO	03505520043	Euro	10,000	Direct	100%	100%
<b>Companies established in 2022</b>							
Montenero Green Energy S.r.l.	C.so Re Umberto 8 - TO	12692000016	Euro	10,000	Direct	100%	100%
Padula Green Energy S.r.l.	C.so Re Umberto 8 - TO	12710550018	Euro	10,000	Direct	100%	100%
Cuyler Green Energy LLC	Delaware - USA	n/a	U.S. \$	n/a	Indirect	100%	100%
Quitman Green Energy LLC	Delaware - USA	n/a	U.S. \$	n/a	Indirect	100%	100%
A Mesagne S.r.l.	Via S. Vittore 45 - MI	12677100963	Euro	10,000	Direct	100%	100%
Tuono Green Energy S.r.l.	C.so Re Umberto 8 - TO	12752950019	Euro	10,000	Direct	100%	100%
RAL Green Energy Corp.	Delaware - USA	n/a	U.S. \$	n/a	Indirect	50%	50%
BESS Corp.	Delaware - USA	n/a	U.S. \$	n/a	Indirect	65%	65%
Blue BESS S.r.l.	C.so Re Umberto 8 - TO	12786310016	Euro	10,000	Direct	100%	100%
Green BESS S.r.l.	C.so Re Umberto 8 - TO	12731150012	Euro	10,000	Direct	100%	100%
<b>Companies sold in 2022</b>							
AS Storage S.r.l.	C.so G. Ferraris 73 - TO	12718740017	Euro	10,000	Direct	100%	100%
Botrugno Green Energy S.r.l.	C.so Re Umberto 8 - TO	12686240016	Euro	10,000	Direct	100%	100%
Apollo Guglionesi S.r.l.	C.so Re Umberto 8 - TO	12291450018	Euro	10,000	Direct	100%	100%
<b>Companies incorporated in 2022</b>							
Pomarico Solar Energy S.r.l.	P.zza A. Diaz 7 - MI	10812760964	Euro	10,000	Direct	100%	100%



In 2022, the Parent Company acquired the stakes owned by third-party shareholders of Brindisi Solar Energy S.r.l. (1%) and Pomarico Solar Energy S.r.l. (1%). The following companies were established: Blue BESS S.r.l., Green BESS S.r.l., A Mesagne S.r.l. and Tuono Green Energy S.r.l.; all the newly-established companies are under Italian law and are 100% directly held by Altea Green Power.

Cuyler Green Energy LLC and Quitman Green Energy LLC were established in June 2022 by Altea Green Energy US Corp., which has 100% direct control. In August 2022, RAL Green Energy Corporation was established; the company was incorporated under U.S. law, and is owned 50% by Altea Green Energy US Corp. and the remaining 50% by Redelfi Corporation. In the second half of 2022, RAL Green Energy Corporation acquired a 65% stake in the share capital of the U.S.-registered company BESS Corp.. AS Storage S.r.l. was sold to a third party on July 1, 2022. Botrugno Green Energy S.r.l. was sold to a third party on September 16, 2022.

The investees shown are almost all Special Purpose Vehicles (SPVs) used to support co-development projects: each company represents an ongoing project to which all contractual costs are reversed.

Subsidiaries include Altea Green Power Corporation, a company under U.S. law, established in May 2021 as an L.L.C. and then transformed into a Corporation in August 2022.

In first quarter 2023, Altea Green Power S.p.A. acquired a 100% stake in GF Green Energy S.r.l., concurrently changing its name to Altea Independent Power Producer S.r.l., which will include, among its activities, the initiatives that will remain the property of Altea Green Power.

## Summary of significant events in 2022

In 2022, Altea Green Power made remarkable progress towards growing and diversifying its business. Despite the persistent challenging context, Altea Green Power continued to develop in the areas that are driving its growth.



Co-development activities in the traditional photovoltaic and wind renewable energy segments were successfully complemented by diversification into the segment of Storage BESS plants, which cater to the needs of the national power grid.

During the year, the company added to the initial portfolio of 500 MW a second and a third group of sites, for other 1.5 GW, located in various regions of Italy. The two additional “Storage BESS” project portfolios are placed in two specific corporate vehicles: Green BESS S.r.l. and Blue BESS S.r.l..

Mention should be made that in July 2022, the company signed an agreement with Irish Aer Soléir to co-develop a 510 MW capacity plant. Aer Soléir is invested by the U.S. Quantum Energy fund, one of the world leaders in alternative energy and storage, and the total capacity will be 510 MW.

The profit from this agreement is estimated at a margin of over 40%, with the total value of the contract exceeding € 40 million.

Additionally, the agreement includes an option to design and build the plants upon completion of the required permit procedures.

This is undoubtedly one of the most significant storage contracts signed in Italy, both in terms of size and site location. It represents a significant acknowledgement of the company's ability to proactively pursue development opportunities ahead of market scenarios.

The option secured for the potential of carrying out activities following the "ready to build" phase is a testament to Altea Green Power's technical, design, and construction capabilities, as recognized by such a top international player.



During the year, Altea Green Power also pursued a promising opportunity for expansion by developing its presence on the US market, which offers significant potential and a dynamic business environment.

The development model adopted will initially prioritize the scouting of sites (some of which have already been found) and the subsequent completion of activities required for achieving the "ready to build" status.

The other two business lines, namely energy efficiency and E.P.C., experienced a slowdown during the year.

Regarding energy efficiency, the company completed the activities initiated in previous years, but due partly to the great uncertainty related to energy bonuses, it increasingly shifted towards activities aimed at private or industrial customers, under market conditions.

E.P.C. activities also lost momentum due to a less appealing market with limited profit potential in the current economic cycle. Additionally, we believe the current situation with gas prices is generating significant interest from users, particularly industrial ones, in making substantial investments in this market segment. As a result, we are organizationally concentrating our efforts to intercept this increasing demand.

On the organization front, the Company sustained its internal growth by strengthening all departments, while still upholding the principle of high organizational flexibility, and overseeing processes essential to the core business, and outsourcing specific non-core activities.

The Governance model saw the completion of the Organizational Model under Legislative Decree 231/2001; during the year, the disciplinary code will be issued, marking completion of the final requirement.

## Business segments

Today your company operates in 3 areas of development:

1. Co-development of large-scale sites suitable for wind and photovoltaic plants and storage stand-alone, on behalf of its customers. At the closing date of these Financial Statements, this activity accounts for more than 90% of the value of production.
2. E.P.C. (Engineering Procurement and Construction) of mainly smaller photovoltaic plants often used to enhance energy efficiency at industrial sites. At the closing date of these Financial Statements, this activity accounts for approximately 3% of the value of production.
3. Energy efficiency.

All three business segments covered by the company show impressive margins, thanks also to the substantial economies of scale that can be realized. At the closing date of these Financial Statements, this activity accounts for approximately 7% of the value of production.

**Order Book:** at March 2023, the company's order book, in terms of value, stands at over 70M€.

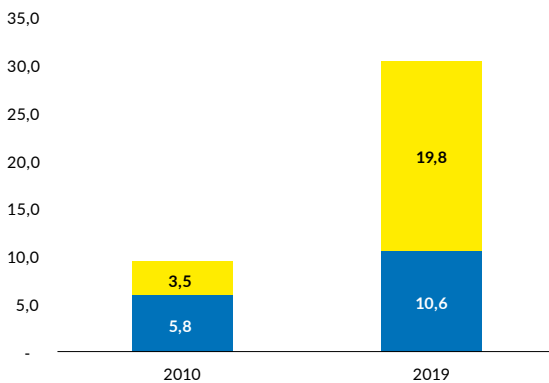
## Italian renewable energy market

In 2022, the Italian energy market experienced a strong upswing in demand, surging by over +6.2%, while the supply grew by just over 3%.

The Italian renewable energy market experienced strong growth, from an installed capacity of 9.3 GW to 30.4 GW in the 2010-2019 period (Picture 1), while the 2019-2030 period is expected to exceed 70 GW (Picture 2).

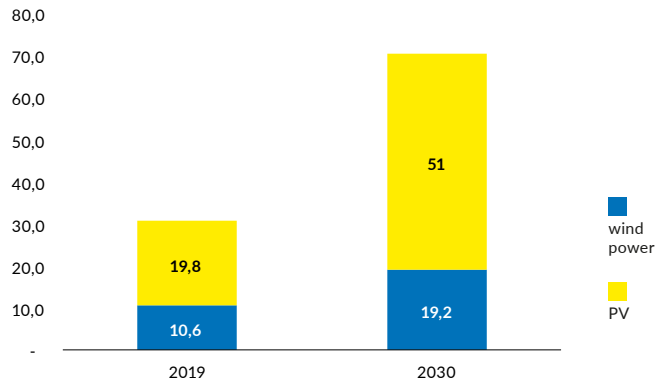
### ITALIAN MARKET GROWTH 2010-2019\*

Picture 1



### EXPECTED ITALIAN MARKET GROWTH 2019-2030\*

Picture 2



Over the next decade, the installed wind and photovoltaic capacity in Italy is projected to grow from the current 30.4 GW to 70 GW by 2030. In 2022, 940 MW were installed - source GSE. These forecasts are supported by a positive regulatory environment, which includes the Renewable Energy Sources (RES) decree, the Recovery Plan, and the National Recovery and Resilience Plan.

The growth of the market is driven by both stringent regulatory requirements on European CO<sub>2</sub> emission reduction targets, and the need to revitalize the economy, which has been sluggish since the pandemic crisis. The financial plan introduced by the European Union, known as the Recovery Fund, amounts to a total of € 750 billion. The primary focus of these financial resources

\* source PoliMi

is directed towards digital transformation and ecological transition; these areas are prioritized with a minimum allocation of 20% and 37% of spending in national plans, respectively.

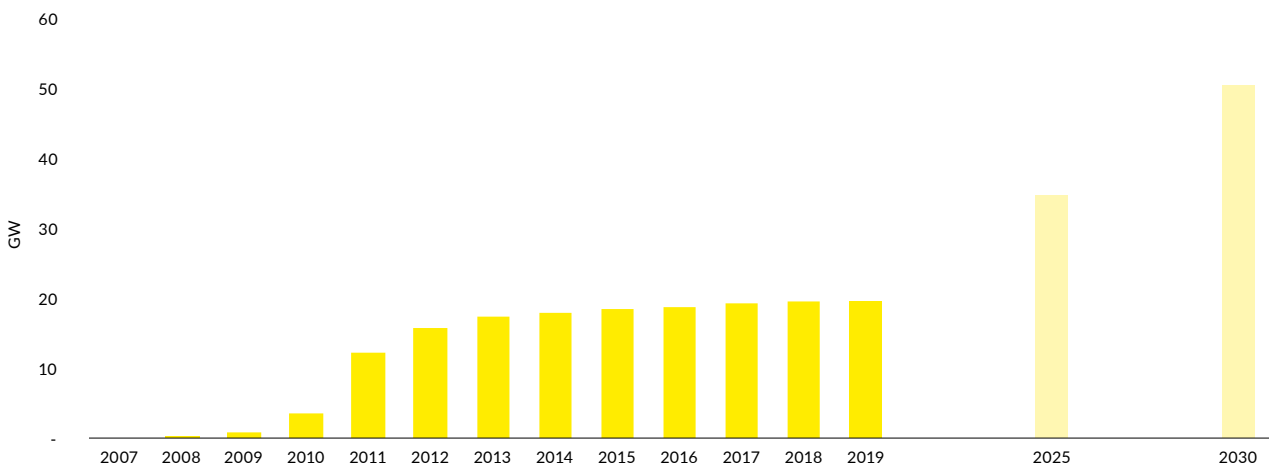
## Photovoltaics in Italy

In Italy, 2020 saw the highest annual output for photovoltaics (+9.6%); 25.5 TWh covered 8.4% of the country's electricity demand (7.6% in 2019) - source Terna.

Since 2009, 20 GW of photovoltaics have been installed. Over the next 10 years, these investments are set to increase to (+152%), reaching a total cumulative capacity of 51 GW.

The company currently has contracts for more than 1 GW in photovoltaics.

### POTENTIAL GROWTH OF THE PHOTOVOLTAIC MARKET IN ITALY



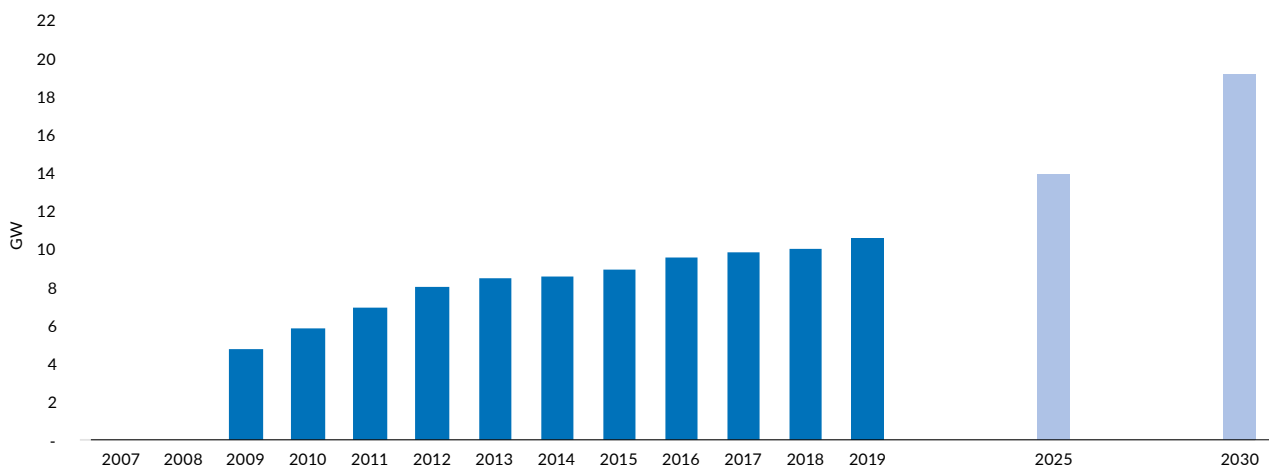
## Wind power in Italy

Since 2009, 11 GW of wind power have been installed, of which 25 MW installed in 2022.

Over the next 10 years, these investments are set to nearly double (+82%), reaching a total cumulative capacity of over 19 GW.

The following page shows a chart of the potential growth of the wind market in Italy.

### POTENTIAL GROWTH OF THE WIND MARKET IN ITALY

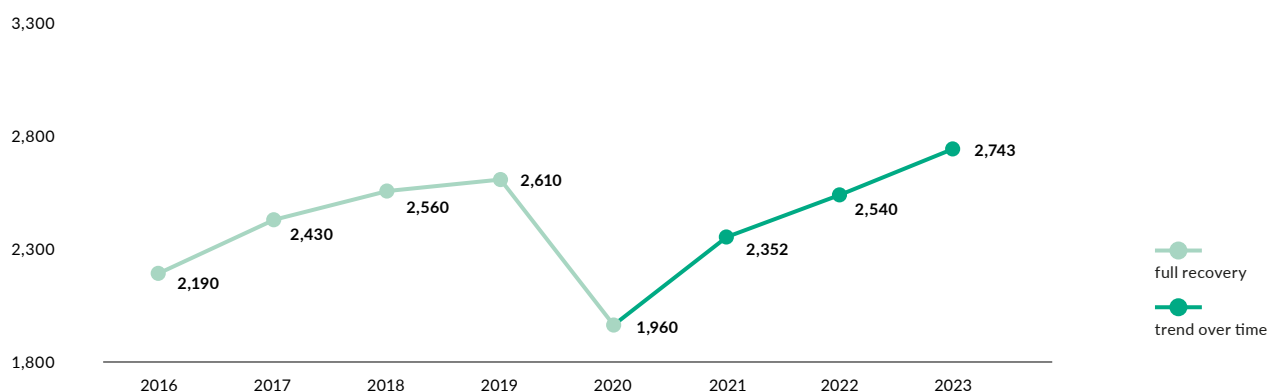


## Energy efficiency

The energy efficiency segment also has highly promising growth prospects, as the attached chart shows.

### ENERGY EFFICIENCY INVESTMENT M€\*

Picture 3



Altea Green Power's energy efficiency activities are being repositioned toward both the needs of private households and industrial plants.

## Performance

### Co-development

In 2022, the operating structure remained actively engaged in executing activities associated with the finalization of co-development projects: at present, the company is developing activities referring to customer contracts for approximately 560 MW.

At December 31, Altea Green Power had the availability of developable sites for over 500 MW, allocated between wind and photovoltaic sources, and over 2 GW of storage in addition to those transferred to customer Air Solèir.

These figures align with the plan forecasts and reflect Altea Green Power's consistent efforts. This line of business currently accounts for more than 90% of the Value of Production, with an average profitability of over 35%, ensuring a pipeline of activity that extends until 2027.

### Storage

On June 20, 2022, Pomarico Solar Energy S.r.l. (Share Capital € 10,000.00 fully paid up), a wholly-owned subsidiary of Altea Green Power S.p.A., established AS Storage S.r.l. through the transfer of the business unit from Pomarico Solar Energy S.r.l. for a total net value of € 4.7 million, based on a sworn appraisal dated May 31, 2022.

On July 1, 2022, Pomarico Solar Energy S.r.l. sold its stake in AS Storage S.r.l. to Altea Green Power S.p.A., which on the same date sold it in its entirety to the third-party Aer Solèir for a price of € 5.5 million, earning a nominal capital gain of € 0.8 million.

The merger of Pomarico Solar Energy S.r.l. into Altea Green Power S.p.A. was officially documented on December 23, 2022.

\* source PoliMi

## Engineering Procurement Construction (E.P.C.)

E.P.C. activities witnessed a significant slowdown during the first half of the year, given the company's increased commitment to co-development activities, with a focus on storage; therefore, no significant developments are expected within the year due to current market conditions.

## Energy efficiency

As previously mentioned, Altea Green Power's decision to reduce its activities was driven by the absence of regulatory certainty regarding the means through which tax receivables linked to energy efficiency activities can be converted into cash by the banking system. Focusing on market segments that are not dependent on public incentives.

The activity is shifting towards industrial energy efficiency, particularly with rooftop solar systems.

The activity involves conducting an energy diagnosis of the industrial site by the engineering department, identifying the required interventions classified by payback period.

The main activities on which the company is focused are:

- rooftop or functional photovoltaics at industrial sites;
- cogeneration;
- relamping.

The Efficiency BU has also moved toward working with utilities to install photovoltaic systems on apartment buildings and businesses. Our goal for 2023 is to contract 100-200 kW per month.

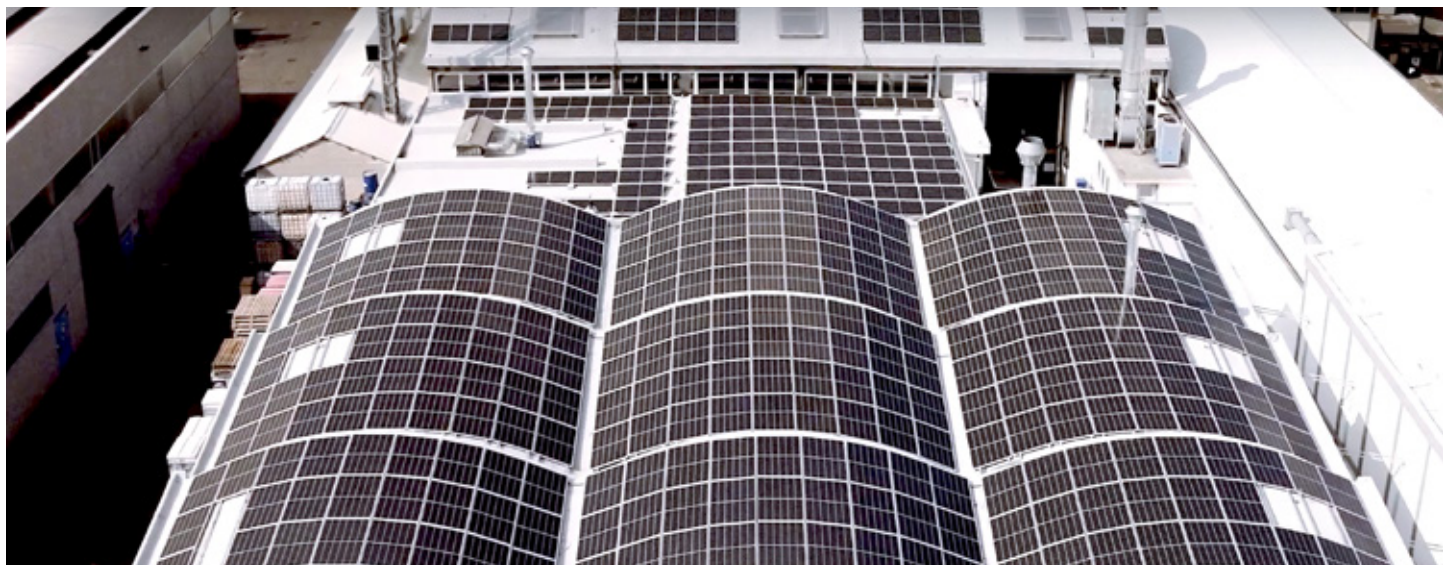
## Safety

In 2022, the company remained strongly committed to addressing safety concerns; a key aspect in both pre-construction and on-site phases is the management and coordination of worker safety.

From an internal perspective, all Altea Green Power employees are trained and informed about safety risks and responsibilities. However, given that activities on various sites are subcontracted to external contractors and/or craftsmen, effective control by Altea Green Power becomes essential. Altea Green Power has engaged an external RSPP (a legally-mandated expert in



workplace safety) who collaborates with the internal ASPP, the safety manager, and the employer; this team meets regularly to analyze and address any issues that may arise in relation to the construction sites. From a procedural perspective, the company follows all the necessary legal requirements, activating the complete procedural, documentary, and substantive system.



## Summary of the results of activities

The main results of the three lines of Business are shown below.

<b>INCOME STATEMENT</b> <i>(Figures in Euro/000)</i>	<b>31/12/2022</b> Cons.	<b>%</b> (*)	<b>31/12/2021</b> Cons.	<b>%</b> (*)	<b>Chg.</b>	<b>% Chg.</b>
Value of production	16,118	100%	5,878	100%	10,240	174%
EBITDA	6,211	39%	2,102	36%	4,109	195%
EBIT	6,048	38%	2,088	36%	3,960	190%

The value of production versus the previous year increased by over 174%, primarily driven by the start of co-development activities on storage sites, which were planned to start after 2023.

## Stock market and share performance

On January 28, 2022, the company, assisted by EGA Integrae SIM, was admitted to listing on the Euronext Growth Milan market of Borsa Italiana: trading began on February 1.

The structure of the offering involved:

- a share capital increase of up to € 7 million;
- a greenshoe option included in the share capital increase up to 15%;
- free warrants allocated to the market at a ratio of 1-1 exercisable in three time windows at a ratio of 1-2.

The number of warrants issued was 4,161,000 exercisable in three time windows:

- December 1-15, 2022 (First Exercise Period);
- December 1-15, 2023 (Second Exercise Period);

- December 1-15, 2024 (Third Exercise Period).

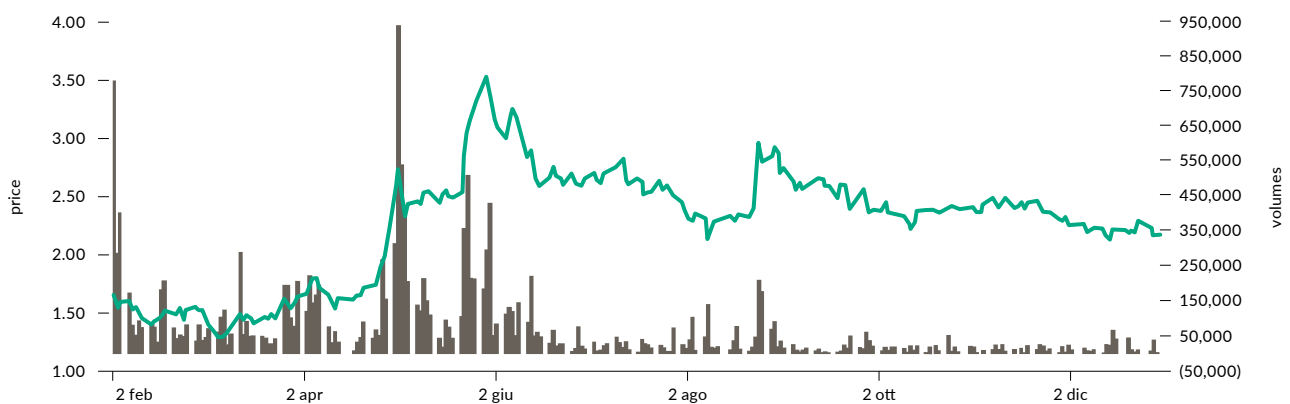
Warrant exercise prices:

- € 1.32 (First Exercise Period price);
- € 1.45 (Second Exercise Period price);
- € 1.60 (Third Exercise Period price).

The major shareholder committed to a 24-month lockdown period.

Despite a challenging market environment that negatively impacted stock markets, the company's share price exhibited a remarkable performance throughout 2022, as shown in the chart.

### ALTEA GREEN POWER SHARE PERFORMANCE



Despite a loss of over 11% in the relevant market, the chart clearly shows an extremely positive trend in the company's share.

## Personnel and organization

During the year, the company hired a number of specialized personnel, to ensure that it effectively and professionally oversees the new areas of development.

At the end of the period, the Company had a workforce of 23 employees. Please refer to the notes to the financial statements for details of the positions.

The new hires made during the year are experienced professionals in the same field, which significantly increased the average level of professionalism.

The company intends to continue investing in human resources in the coming years, both through recruitment from the labour market and providing professional development opportunities to its existing staff. The company is committed to enhancing its resources through technical and managerial training programs that promote the increasing adoption of managerial autonomy and accountability for achieving company objectives.

## Compensation policy and benefits

Altea Green Power has signed an individual health policy with a leading insurance company for its employees.

During the year, the company implemented a variable-based incentive system tied to both individual performance and the company's results. The goal is to increase the variable portion



of each person's pay in the short to medium term (one/three years) by holding everyone accountable to individual planned objectives (MBOs) and the company's performance. Last but not least, to retain resources.

## Image and Communication

In 2022, the company placed increasing emphasis on its corporate image, by prioritizing effective communication strategies with external stakeholders.

Specifically, actions were taken for:

- the revamping of the website;
- the new layout of corporate documents;
- the reshaping of the company profile to align it with the development of the company;
- the improvement of corporate communication both towards the external stakeholders and its employees;
- a better focus of social activities;
- the implementation of a corporate intranet functional to the development of internal communication protocols and the execution of routine procedures through IT tools.

## Information Tecnology

The I.T.-related business underwent a major transformation in 2022 to meet the growing demands of the different business areas. Specifically, actions were taken to:

- redesign the architecture of management systems;
- improve the internal service level of diagnosing and solving user problems;
- on data security management and storage by deploying encrypted disaster recovery systems on a weekly basis, provided by external service companies;
- improve network security through professional Firewall systems furnished by external providers;
- improve individual output;
- on hardware equipment in line with the best technological standards.



## Organizational and Management Model 231/01

On November 5, 2021, Altea Green Power adopted its own Organizational Model and Code of Ethics to achieve the crucial objective of defining principles, policies, procedures, and behavioural practices that complement its internal control system.

The MOG, in addition to a general section, consists of the following 4 special sections:

- A - computer crimes;
  - B - crimes against PA;
  - C - corporate crimes;
  - D - crimes of receiving stolen goods, money laundering, self-laundering;
- and of several annexes, including:
- Code of Ethics;
  - "Whistleblowing" procedure with establishment of a dedicated e-mail for anonymous reporting (as required by law);
  - "Information Flows to the SB" procedure.

The MOG was published on the Company website (only the General Section and the Code of Ethics). Meetings were held during 2022, drawing up the relevant separate reports (one also in the presence of the board of statutory auditors) for the BoD.

On March 2, 2022, a special notice of adoption of the MOG was sent to employees, associates and external

consultants. On April 6, special training (documented) was given to all employees by Avv. Pradal. An ad hoc 231 clause was included on contractual formats guaranteeing third-party compliance with the Model adopted by Altea Green Power.

In 2022, the Company updated its MOG by introducing 2 new special sections:

- occupational health and safety crimes (Legislative Decree 81/08);
- tax crimes (including in 2023 also environmental crimes).

## Safety and quality certifications

The company holds UNI ISO 9001:2015 and UNI CEI 113392014:2014 certifications.

The company has an EGE UNI CEI 11339.

In the first half of 2022, the company managed the activities functional to achieving two new certifications: UNI ISO 45001-2018 and UNI ISO 37001-2016. The first certification will be instrumental in improving the Company's coverage of worker safety and environmental concerns, while the second will serve to cover possible corruptive practices and complement the measures already provided for in Law 231.

The company's procedural and management systems underwent major actions to obtain both of these certifications in September 2022.

## Significant events after year end

### Exercise of options from warrant rights (First Exercise Period).

As envisaged at the time of Altea Green Power's listing on the Euronext Growth Milan market, the first option to exercise warrants opened in January 2023, which had the following outcome:



assignment of 452,251 newly-issued Altea Green Power Shares, resulting from the exercise of 904,502 warrants during the First Exercise Period of the "Altea Green Power 2022-2024 Warrants" comprised between December 1, 2022 and December 15, 2022.

Following the exercise of rights, the new composition of Altea Green Power's share capital (fully subscribed and paid up) is summarized below.

Share cap. **16,613,251 shares (16,161,000 + 452,251 new shares from EX. WARRANT 2022).**

Shareholder	Number of shares	% Share Capital
DXOR S.r.l.	10,920,000	65.73%
CECILIA MARTUCCI	1,080,000	6.50%
MERCATO	4,613,251	27.77%

## Wind power and photovoltaics

In February 2023, a major co-development agreement was signed with Irish Air Soléir aimed at developing photovoltaic sites in Italy. The agreement aims to sell photovoltaic sites with a potential of 300 MW over a three-year period, with contract values that meet the most favourable market conditions.

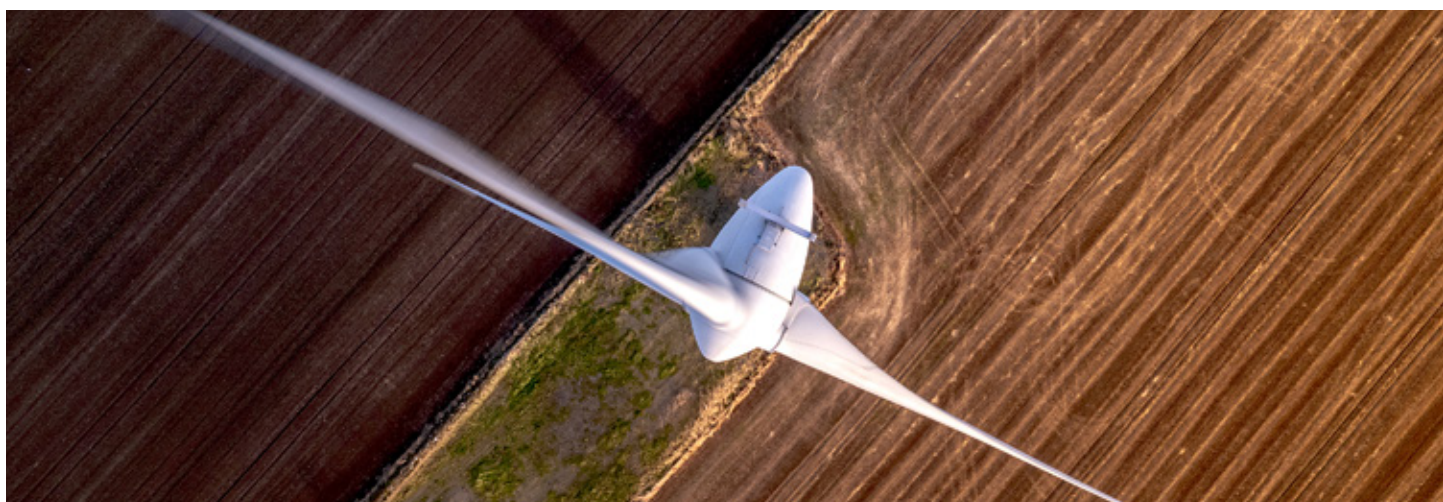
## Development in USA

In early 2023, the company formed a corporate partnership that led to the establishment of B.E.E.S. corporation, a U.S. company owned 65% by RAL Corp., 30% by Elio Group Corp. and 5% by Siniscalco L.L.C.. Through this partnership with an established partner, development activities have been initiated on sites in Texas and Arizona, totaling over 800 MW, with the goal of reaching 1.5 GW within a two-year timeframe. In February 2023, B.E.S.S. Storage acquired a project company Lound Storage, with projects under development for 200 MW mainly in Arizona.

## Certifications

As mentioned, the company obtained two important certifications in September: ISO 45001 and ISO 37001.

These are two significant certifications, the first aiming to prevent health and safety risks to workers, the second to prevent illicit practices.



## Information on the risks and uncertainties to which the Group is exposed

(Ref. Article 2426, paragraph 2)

### Credit risk

Credit risk refers to the Group's potential exposure to counterparties failing to fulfill their obligations.

Due to the size of the counterparties involved in contractual payment arrangements, the nature of the business itself makes the risk of non-performance by counterparties remote.

### Liquidity risk

Due to the structure of its contracts with customers, which envisage in co-development the payment of services on a progress basis with chargeback of costs incurred, and the high margin levels of its business, liquidity risk is considered marginal. Altea Green Power's bank exposure is considered marginal, primarily related to normal cash requirements, which were limited during the year. Investment activities related to the company's core business generate a positive cash flow that corresponds to and exceeds the amount invested when sites are allocated to customers.

### Exchange risk

In 2022, the limited operations of the company's US subsidiary resulted in no risk being incurred for foreign currency projects. As the volume of business in that market grows, the company will implement hedging mechanisms to manage any associated risk.

### Transactions with related parties

At the Board of Directors' meeting held on July 12, the opinion issued by the Related Party Transactions Committee (RPT) in favour of the additional and extraordinary fee, assigned to the Director, on the proposal of a Board Member, was approved; the fee was considered appropriate given the special offices held in accordance with Article 2389, paragraph 3 of the Civil Code.

## Business outlook

Throughout the rest of 2023, the company will be engaged on various fronts in the different areas of development.

On the co-development front, the contracts signed with customers provide for both the advancement of work in the current order book and the initiation of new projects. Specifically, activities are currently underway to implement the recently signed contract with Air Soléir for 300 MW of photovoltaic projects, with an expected execution timeline of three years. Activities related to technical and design feasibility studies will be completed during the year.

On the Storage BESS front, the company, as mentioned, has an available pipeline of approximately 1.5 GW spread over two corporate vehicles (Blue BESS and Green BESS). Initial talks are underway with international investors to convert this important asset of Altea Green Power into lucrative co-development contracts. The goal for the current year is to complete a third grouping of projects included in a corporate vehicle called Yellow BESS, bringing the total theoretical capacity of storage projects in Italy to over 2 GW.

On the project development front in the US, the company is expected to finalize the acquisition of sites that are currently under negotiation during the year, and also begin to enter into the first agreements with grid operators for future energy sales. The aim is to initiate discussions by the end of the year with potential customers to conclude the first co-development agreements also on the US market, generating also commercial value for the ongoing activities.

The operational reference quantities in the US market are found to be quite comparable to those of the domestic market. In this case too, the projects have the potential for high profitability.

On the organizational and management front, the company is continuing its efforts to improve internal efficiency through the inclusion of professional staff, the improvement of the procedural system, and the creation of a corporate information system aligned more with the new size of the company and the increased complexity to be addressed.

The company plans to prepare a new five-year Business Plan by the end of the year to formalize the financial, equity, and operational magnitudes of all major ongoing activities and strategic projects.

### **E.S.G. reporting**

Lastly, the company plans to undertake all necessary functional activities in 2023 to prepare a Sustainability Report. Through this document, it aims to showcase its activities and the progress made in the social, environmental, and governance areas.



## Income and Financial Figures and Main Indicators

### INCOME AND FINANCIAL FIGURES

(Figures in Euro/000)

	31/12/2022	31/12/2021	Chg.	% Chg.
Net revenue from sales	7,557,015	2,551,401	5,005,614	196.2%
EBITDA	6,160,141	2,145,755	4,014,386	187.1%
EBIT	5,997,287	2,131,336	3,865,951	181.4%
Consolidated net profit	4,117,721	1,186,763	2,930,958	247.0%
Consolidated net profit attributable to the owners of the parent	4,117,721	1,187,041	2,930,680	246.9%
Fixed assets	793,780	252,316	541,464	214.6%
Total equity	11,706,583	1,976,093	9,730,490	492.4%
Equity attributable to the owners of the parent	11,706,583	1,976,216	9,730,367	492.4%
Net financial position	863,225	(1,009,191)	1,872,416	(185.5%)
Net revenue and other income	8,382,589	2,976,146	5,406,443	181.7%
Change in inventory and contract work in progress	8,342,178	3,240,784	5,101,394	157.4%
External costs	(9,389,775)	(3,556,754)	(5,833,021)	164.0%
<b>Value Added</b>	<b>7,334,992</b>	<b>2,660,176</b>	<b>4,674,816</b>	<b>175.7%</b>
Payroll costs	(1,174,851)	(514,421)	(660,430)	128.4%
EBITDA	6,160,141	2,145,755	4,014,386	187.1%
Amortization, depreciation, write-downs and other provisions	(162,854)	(14,419)	(148,435)	1,029.4%
EBIT	5,997,287	2,131,336	3,865,951	181.4%
Financial income and expense	(45,252)	(371,373)	326,121	(87.8%)
<b>Profit (loss) from core operations</b>	<b>5,952,035</b>	<b>1,759,963</b>	<b>4,192,072</b>	<b>238.2%</b>
Write-backs and write-downs	-	-	-	n/a
<b>Profit (loss) before tax</b>	<b>5,952,035</b>	<b>1,759,963</b>	<b>4,192,072</b>	<b>238.2%</b>
Income tax	(1,834,314)	(573,200)	(1,261,114)	220.0%
<b>Profit (loss)</b>	<b>4,117,721</b>	<b>1,186,763</b>	<b>2,930,958</b>	<b>247.0%</b>

### MAIN INDICATORS

	31/12/2022	31/12/2021
ROE	35.2%	60.1%
ROI	55.3%	71.4%
ROS	71.5%	71.6%

**INCOME AND FINANCIAL FIGURES***(Figures in Euro/000)*

	31/12/2022	31/12/2021	Chg.	% Chg.
Net intangible fixed assets	623,735	46,665	577,070	1,236.6%
Net tangible fixed assets	81,555	12,483	69,072	553.3%
Investments and other financial fixed assets	20,000	-	20,000	n/a
<b>Fixed capital</b>	<b>725,290</b>	<b>59,148</b>	<b>666,142</b>	<b>1,126.2%</b>
Inventory	15,067,913	6,903,430	8,164,483	118.3%
Receivables from customers	3,992,559	490,362	3,502,197	714.2%
Other receivables	3,030,049	3,388,577	(358,528)	(10.6%)
Accrued income and prepaid expense	81,375	133,682	(52,307)	(39.1%)
<b>Current operating assets</b>	<b>22,171,896</b>	<b>10,916,051</b>	<b>11,255,845</b>	<b>103.1%</b>
Payables to suppliers	(1,594,809)	(1,826,238)	231,429	(12.7%)
Advances	(6,697,760)	(4,212,537)	(2,485,223)	59.0%
Tax and social security payables	(2,983,322)	(1,216,720)	(1,766,602)	145.2%
Other payables	(419,457)	(677,281)	257,824	(38.1%)
Accrued expense and deferred income	(305,060)	(632)	(304,428)	48,169.0%
<b>Current operating liabilities</b>	<b>(12,000,408)</b>	<b>(7,933,408)</b>	<b>(4,067,000)</b>	<b>51.3%</b>
<b>Net short-term working capital</b>	<b>10,171,488</b>	<b>2,982,643</b>	<b>7,188,845</b>	<b>241.0%</b>
Post-employment benefits	(52,820)	(56,507)	3,687	(6.5%)
Tax and social security payables (beyond the next year)	-	-	-	n/a
Other medium- and long-term liabilities	-	-	-	n/a
<b>Medium- and long-term liabilities</b>	<b>(52,820)</b>	<b>(56,507)</b>	<b>3,687</b>	<b>(6.5%)</b>
<b>Capital employed</b>	<b>10,843,958</b>	<b>2,985,284</b>	<b>7,858,674</b>	<b>263.2%</b>
Equity	(11,706,583)	(1,976,093)	(9,730,490)	492.4%
Medium- and long-term net financial position	(535,608)	127,095	(662,703)	(521.4%)
Short-term net financial position	1,398,833	(1,136,286)	2,535,119	(223.1%)
<b>Equity and net financial debt</b>	<b>(10,843,358)</b>	<b>(2,985,284)</b>	<b>(7,858,074)</b>	<b>263.2%</b>



## Closing remarks

Shareholders,

your company has continued its growth trajectory from the previous year, showing remarkable growth and profitability rates; the strategic assessments underlying the company's plan are yielding the expected results; specifically, the emphasis on the development of high-power storage has enabled it to consolidate a significant long-term financial performance, well ahead of other market competitors.

To elaborate further on the company's business areas, it is our belief that substantial progress can still be made by end 2022 in the field of co-development, encompassing wind and photovoltaic energy segments and storage.

In fact, we are confident that new sites suitable for the construction of large-scale storage plants can be acquired for an additional 500 MW and plans can be filed for initiating the permitting process, for 250 MW. In the photovoltaic segment, we plan to file projects for 16 MW, and we are also optimistic that we can assign suitable sites to the RP customer to build an additional 20 MW.

On the Energy Efficiency front, by the end of the year we expect to regain momentum in the activities as uncertainties surrounding the sale of accumulated credits subside. However, we still consider this market to be a strong growth driver given the sustained demand coming from the market.

Lastly, we do not expect growth trends in the E.P.C. business by the end of the year, due to the limited profitability of a highly competitive market. The company's business model in this segment involves a commitment to sites pertaining to Altea.

This will facilitate the maximization of value and integration between co-development and E.P.C. activities.

In conclusion, the company will continue its expansion into foreign markets, particularly in the United States, with the goal of entering into a joint venture agreement with one or more local developers who can bring in a suitable pipeline of projects.

We are reasonably confident that the second half of the year will further confirm the positive results of the first half and exceed our planned expectations.



## Conclusions

Shareholders,

the company has continued its growth trajectory from the previous year, showing remarkable growth and profitability rates. The strategic decisions taken by the Company have produced the expected results. Specifically, the emphasis on the development of high-power storage has enabled it to consolidate a significant long-term financial performance, well ahead of other market competitors.

As indicated in 2022, the company's listing on the Euronext Growth Milan market provided it with sufficient financial resources to continue its development in accordance with its strategic plan. We invite you to approve the Financial Statements as prepared.

*Turin, March 28, 2023*

For the Board of Directors  
The Chairman  
Giovanni Di Pascale



# 3

## Financial Statements at December 31, 2022



# Statement of Financial Position

## STATEMENT OF FINANCIAL POSITION - ASSETS

(Figures in Euro/000)

	31/12/2022	31/12/2021
<b>B) Fixed assets</b>		
<b>I - Intangible fixed assets</b>		
3) industrial patent and intellectual property rights	7,522	2,197
7) other	602,802	44,468
<b>Total intangible fixed assets</b>	<b>610,324</b>	<b>46,665</b>
<b>II - Tangible fixed assets</b>		
2) plant and machinery	1,542	-
3) industrial and commercial equipment	1,119	1,438
4) other assets	57,894	11,045
<b>Total tangible fixed assets</b>	<b>60,555</b>	<b>12,483</b>
<b>III - Financial fixed assets</b>		
<b>1) Investments</b>		
a) subsidiaries	53,887	99,800
<b>Total investments</b>	<b>53,887</b>	<b>99,800</b>
<b>2) Receivables</b>		
d-bis) from others		
due within one year	68,490	193,168
<b>Total receivables from others</b>	<b>68,490</b>	<b>193,168</b>
<b>Total receivables</b>	<b>68,490</b>	<b>193,168</b>
<b>Total financial fixed assets</b>	<b>122,377</b>	<b>292,968</b>
<b>Total fixed assets (B)</b>	<b>793,256</b>	<b>352,116</b>
<b>C) Current assets</b>		
<b>I - Inventory</b>		
3) contract work in progress	14,251,536	6,464,875
4) finished products and goods	-	129,757
<b>Total inventory</b>	<b>14,251,536</b>	<b>6,594,632</b>
<b>II - Receivables</b>		
<b>1) from customers</b>		
due within one year	4,001,916	490,362
<b>Total receivables from customers</b>	<b>4,001,916</b>	<b>490,362</b>
<b>2) from subsidiaries</b>		
due within one year	2,784,590	2,018,391
<b>Total receivables from subsidiaries</b>	<b>2,784,590</b>	<b>2,018,391</b>
<b>5-bis) Tax receivables</b>		
due within one year	143,684	159,184
due beyond one year	1,293,151	1,087,113
<b>Total tax receivables</b>	<b>1,436,835</b>	<b>1,246,297</b>
<b>5-ter) prepaid tax</b>	-	323
<b>5-quater) from others</b>		
due within one year	904,187	284,239
due beyond one year	-	102,366
<b>Total receivables from others</b>	<b>904,187</b>	<b>386,605</b>
<b>Total receivables</b>	<b>9,127,528</b>	<b>4,141,978</b>
<b>IV - Cash</b>		
1) bank and postal deposits	1,490,985	783
3) cash and valuables on hand	8	2,709
<b>Total cash</b>	<b>1,490,993</b>	<b>3,492</b>
<b>Total current assets (C)</b>	<b>24,870,057</b>	<b>10,740,102</b>
<b>D) Accrued income and prepaid expense</b>	<b>35,684</b>	<b>7,005</b>
<b>Total Assets</b>	<b>25,698,997</b>	<b>11,099,223</b>

**STATEMENT OF FINANCIAL POSITION - LIABILITIES**

(Figures in Euro/000)

	31/12/2022	31/12/2021
<b>A) Equity</b>		
I - Share capital	830,663	600,000
II - Share premium reserve	5,359,509	-
IV - Legal reserve	104,891	45,754
VI - Other reserves, indicated separately		
<i>extraordinary reserve</i>	59,832	59,832
<i>capital contributions</i>	1,293	1,293
<i>miscellaneous other reserves</i>	(3)	1
Total other reserves	61,122	61,126
VIII - Profit (loss) carried forward	1,235,823	112,217
IX - Profit (loss) for the year	4,169,325	1,182,743
<b>Total equity (A)</b>	<b>11,761,333</b>	<b>2,001,840</b>
<b>C) Post-employment benefits</b>	<b>52,820</b>	<b>56,507</b>
<b>D) Payables</b>		
<b>4) Payables to banks</b>		
due within one year	261,648	1,059,361
due beyond one year	604,098	146,835
<b>Total payables to banks</b>	<b>865,746</b>	<b>1,206,196</b>
<b>6) advances</b>		
due within one year	7,831,244	4,212,537
<b>Total advances</b>	<b>7,831,244</b>	<b>4,212,537</b>
<b>7) Payables to suppliers</b>		
due within one year	1,560,982	1,759,385
<b>Total payables to suppliers</b>	<b>1,560,982</b>	<b>1,759,385</b>
<b>9) Payables to subsidiaries</b>		
due within one year	76,952	98,130
<b>Total payables to subsidiaries</b>	<b>76,952</b>	<b>98,130</b>
<b>12) Tax payables</b>		
due within one year	2,780,309	1,120,612
due beyond one year	84,983	-
<b>Total tax payables</b>	<b>2,865,292</b>	<b>1,120,612</b>
<b>13) Payables to welfare and social security entities</b>		
due within one year	21,404	56,765
<b>Total payables to welfare and social security entities</b>	<b>21,404</b>	<b>56,765</b>
<b>14) Other payables</b>		
due within one year	303,380	534,917
due beyond one year	54,810	51,702
<b>Total other payables</b>	<b>358,190</b>	<b>586,619</b>
<b>Total payables</b>	<b>13,579,810</b>	<b>9,040,244</b>
<b>E) Accrued expense and deferred income</b>	<b>305,034</b>	<b>632</b>
<b>Total liabilities</b>	<b>25,698,997</b>	<b>11,099,223</b>



# Income Statement

(Figures in Euro/000)

	31/12/2022	31/12/2021
<b>A) Value of production</b>		
1) Revenue from sales and services	7,553,575	2,551,401
2) Changes in inventory in work in progress, semi-finished and finished products	-	(3,432,171)
3) Changes in contract work in progress	7,927,307	6,464,875
5) Other revenue and income		
<i>other</i>	636,774	293,682
Total other revenue and income	636,774	293,682
<b>Total value of production (A)</b>	<b>16,117,656</b>	<b>5,877,787</b>
<b>B) Production costs</b>		
6) For raw and ancillary materials, consumables and goods	661,154	143,936
7) For services	6,488,822	2,464,531
8) For rentals and leases	168,028	78,250
9) For personnel		
<i>a) wages and salaries</i>	874,152	378,136
<i>b) social security charges</i>	191,950	89,197
<i>c) post-employment benefits</i>	62,068	25,728
<i>e) other costs</i>	34,829	21,360
Total personnel expense	1,162,999	514,421
10) Amortization, depreciation and write-downs		
<i>a) amortization of intangible fixed assets</i>	155,695	12,162
<i>b) depreciation of tangible fixed assets</i>	7,159	2,257
Total amortization, depreciation and write-downs	162,854	14,419
11) Changes in raw and ancillary materials, consumables and goods	129,757	-
14) Sundry operating expense	1,154,095	480,928
<b>Total production costs (B)</b>	<b>9,927,709</b>	<b>3,696,485</b>
<b>Difference between value of production and production costs (A - B)</b>	<b>6,189,947</b>	<b>2,181,302</b>
<b>C) Financial income and expense</b>		
16) Other financial income		
<i>d) Income other than above</i>		
<i>other</i>	149,036	-
Total income other than above	149,036	-
Total other financial income	149,036	-
17) Interest and other financial expense		
<i>other</i>	193,944	369,202
Total interest and other financial expense	193,944	369,202
17-bis) exchange gains and losses	(287)	(21)
<b>Total financial income and expense (15 + 16 - 17 + - 17-bis)</b>	<b>(45,195)</b>	<b>(369,223)</b>
<b>D) Value adjustments of financial assets and liabilities</b>		
19) Write-downs		
<i>(a) Of investments</i>	141,113	93,745
Total interest and other financial expense	141,113	93,745
<b>Total value adjustments of financial assets and liabilities (18 - 19)</b>	<b>(141,113)</b>	<b>(93,745)</b>
<b>Profit (loss) before tax (A - B + - C + - D)</b>	<b>6,003,639</b>	<b>1,718,334</b>
<b>20) Income tax for the year, current, deferred and prepaid tax</b>		
Current tax	1,833,991	535,914
Deferred and prepaid tax	323	(323)
<b>Total income tax for the year, current, deferred and prepaid tax</b>	<b>1,834,314</b>	<b>535,591</b>
21) Profit (loss) for the year	4,169,325	1,182,743

# Statement of Cash Flows

## INDIRECT METHOD

(Figures in Euro/000)

	31/12/2022	31/12/2021
<b>A) Cash flow from operations (indirect method)</b>		
Profit (loss) for the year	4,169,325	1,182,743
Income tax	1,834,314	535,591
Interest expense/(income)	44,908	369,223
1) Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals	6,048,547	2,087,557
Adjustments for non-monetary items that had no balancing item in the NWC		
<i>allocations to provisions</i>	62,068	25,728
<i>amortization and depreciation of fixed assets</i>	162,854	14,419
<i>impairment losses</i>	-	93,745
<i>Value adjustments to financial assets and liabilities of financial derivatives that do not entail monetary changes</i>	141,113	-
Total adjustments for non-monetary items that had no balancing item in the NWC	366,035	133,892
2) Cash flow before changes in net working capital	6,414,582	2,221,449
Changes in net working capital		
<i>decrease/(increase) in inventory</i>	(7,656,904)	(3,032,704)
<i>decrease/(increase) in receivables from customers</i>	(3,511,554)	(161,264)
<i>increase/(decrease) in payables to suppliers</i>	(198,403)	129,723
<i>decrease/(increase) in accrued income and prepaid expense</i>	(28,679)	2,400
<i>increase/(decrease) in accrued expense and deferred income</i>	304,402	(787)
<i>other decreases/(other increases) in net working capital</i>	1,835,364	41,137
Total changes in net working capital	(9,255,774)	(3,021,495)
3) Cash flow after changes in net working capital	(2,841,192)	(800,046)
Other adjustments		
<i>interest received/(paid)</i>	(55,999)	(67,709)
<i>(income tax paid)</i>	(54,167)	(186,850)
<i>(utilization of provisions)</i>	(65,755)	-
<i>Other receipts/(payments)</i>	-	(25,185)
Total other adjustments	(175,921)	(279,744)
<b>Cash flow from operations (A)</b>	<b>(3,017,113)</b>	<b>(1,079,790)</b>
<b>B) Cash flow from investing activities</b>		
Tangible fixed assets		
<i>(purchases)</i>	(55,231)	(6,641)
Intangible fixed assets		
<i>(purchases)</i>	(719,355)	(58,331)
Financial fixed assets		
<i>(purchases)</i>	(115,200)	-
<i>disposals</i>	144,678	270,105
<b>Cash flow from investing activities (B)</b>	<b>(745,108)</b>	<b>205,133</b>
<b>C) Cash flow from financing activities</b>		
Loan capital		
<i>increase/(decrease) in short-term payables to banks</i>	(1,255,450)	753,597
<i>new loans</i>	915,000	72,977
Equity		
<i>share capital increase against payment</i>	5,590,172	50,000
<b>Cash flow from financing activities (C)</b>	<b>5,249,722</b>	<b>876,574</b>
<b>Increase (decrease) in cash (A ± B ± C)</b>	<b>1,487,501</b>	<b>1,917</b>
<b>Cash, beginning of year</b>		
Bank and postal deposits	783	988
Cash and valuables on hand	2,709	587
<b>Total cash, beginning of year</b>	<b>3,492</b>	<b>1,575</b>
<b>Cash, end of year</b>		
Bank and postal deposits	1,490,985	783
Cash and valuables on hand	8	2,709
<b>Total cash, end of year</b>	<b>1,490,993</b>	<b>3,492</b>







# 4

## Notes to the Financial Statements at December 31, 2022

Shareholders,

the financial position and results of operations that we submit to you match the accounting entries made in the context of the activities regarding the installation of plants and production of energy obtained through renewable sources.

In 2022, the company continued to engage in energy efficiency activities related to building renovations, associated with minor tax benefits of 50% and 65%, as well as the "Superbonus 110%". These explanatory notes are an integral part of the Financial Statements at 31/12/2022.

The Financial Statements comply with the provisions of Articles 2423 et seq. of the Civil Code and with national accounting standards as published by the Italian Accounting Board; they therefore give a true and fair view of the company's financial position and results of operations for the year.

The contents of the Statement of Financial Position and Income Statement are as required by Articles 2424 and 2425 of the Civil Code, while the Statement of Cash Flows was prepared in accordance with Article 2425-ter.

The purpose of the Notes to the Financial Statements, is to explain, analyze and in some cases supplement the figures in the Financial Statements, and contain the information required by Article 2427 of the Civil Code, other provisions of Legislative Decree no. 127/1991 and other laws or subsequent supplements in order to provide a correct interpretation of the Financial Statements.

The criteria used in the preparation and assessment of the Financial Statements take account of the changes introduced into the national legal system by Legislative Decree 139/2015, implementing Directive 2013/34/EU.

All transactions recorded in these Financial Statements result from the accounting records for the period from January 1, 2022 to December 31, 2022, supplemented, where appropriate, with any additional information deemed necessary to give a true and fair view of the company's financial position and results of operations.

The financial statements are drawn up in units of Euro, with no decimal places.

For additional information on the company's position and on the performance and results of operations, as a whole and in the various business segments, including through subsidiaries, with particular regard to costs, revenue and investments, as well as for a description of the main risks and uncertainties to which the company is exposed, please refer to the Report on Operations.

For the sake of completeness, it should be noted that the company prepares Consolidated Financial Statements, which are presented to accompany these Financial Statements.

## Preparation criteria

### Preparation of the Financial Statements

The information in this document is presented in the order in which the relevant items are shown in the Statement of Financial Position and Income Statement.

In the preparation of the Financial Statements, current regulations were complied with, requiring the consent of the Board of Statutory Auditors in the cases provided for by the Law, and applying the same valuation criteria, accounting and financial statement preparation principles adopted in the previous year. The relevant accounting standards are those established by the National Boards of Public Accountants and Accounting Professionals, as supplemented by the OIC documents issued by the Italian Accounting Board.

As per the introductory part of these explanatory notes, it is hereby certified that additional information is provided, as required by Article 2423, paragraph 3 of the Civil Code, if the

mandatory information is not sufficient to provide a true and fair view of the Company's situation.

No exceptional cases were reported requiring the use of exceptions under Article 2423, paragraphs 4 and 5, and Article 2423-bis, paragraph 2, of the Civil Code.

## Preparation standards

The items presented in the Financial Statements were evaluated in compliance with the principles of accrual, prudence, and on a going-concern basis. In accordance with Article 2423-bis, paragraph 1, point 1-bis of the Civil Code, items are recognized and presented based on the substance of the transaction or contract, rather than solely on its form.

In the preparation of the Financial Statements, expense and income were recorded on an accrual basis, regardless of the timing of their actual payment or receipt. Additionally, risks and losses pertaining to the year were taken into account, even if they became known after year end.

## Structure and content of the Financial Statements

In the presentation of the Statement of Financial Position and Income Statement, items preceded by Arabic numerals were not grouped together, as optionally required by Article 2423 ter of the Civil Code.

Pursuant to Article 2423 ter of the Civil Code, it should be noted that all items in the Financial Statements are comparable with the previous year, and therefore no adjustments to any items from the previous year were required.

Pursuant to Article 2424 of the Civil Code, there are no assets or liabilities falling under more than one item in the Financial Statements.

## Valuation criteria

The criteria applied in the valuation of financial statement items and in value adjustments are in accordance with the provisions of the Civil Code and the instructions contained in the accounting standards issued by the Italian Accounting Board. The criteria were unchanged from the previous year.

Pursuant to Article 2427, paragraph 1, no. 1 of the Civil Code, here below are the most significant valuation criteria adopted in compliance with the provisions contained in Article 2426 of the Civil Code, with particular regard to those items in the Financial Statements for which the legislator allows different valuation and adjustment criteria or for which no specific criteria are provided. The company has an adequate organizational and administrative structure.

At the reporting date, the company held a foreign currency receivable from Altea Green Power Corp. (former Altea Green Power LLC), a company incorporated under U.S. law, a receivable of € 170,000 (\$178,000).

## Other information

### Reverse repos

Pursuant to Article 2427 no. 6-ter of the Civil Code, the company certifies that during the year it did not enter into any reverse repos.

## Assets

The amounts entered as assets in the Statement of Financial Position were measured in accordance with Article 2426 of the Civil Code and with national accounting standards. Sections on individual items indicate the criteria applied specifically.

### Fixed assets

#### Intangible fixed assets

Intangible Fixed Assets comprise amounts that, by their nature, have a long-term useful life.

No write-backs were made.

Intangible fixed assets, having met the requirements set out in the accounting standards, are entered in the assets side of the Statement of Financial Position at the purchase and/or production costs and are amortized on a straight-line basis according to their future useful life. The value of fixed assets is shown net of accumulated amortization and write-downs.

Specifically, they have been amortized as per the table below:

	Rate
Software	5 years on a straight-line basis
Maintenance on third-party assets	Based on the life of the contract
Long-term financial expense	5 years on a straight-line basis

Financial expense to be amortized refers to costs incurred for the listing of shares at Euronext Growth Milan on February 1, 2022.

There were no development costs and/or fixed assets in progress attributable to Research and Development Projects capitalizable under OIC 24.

If, irrespective of the amortization already recorded, an impairment loss occurs, the fixed asset is written down accordingly. If, in subsequent years, the reasons for the write-down no longer apply, the original value is restored, adjusted only for amortization.

	Historical cost	Initial amount	Acquis	Amortiz	Closing amount
Industrial patent and intellectual property rights	2,197	2,197	7,835	2,510	7,522
Other	44,468	44,468	711,520	153,186	602,802
<b>Total</b>	<b>46,665</b>	<b>46,665</b>	<b>719,355</b>	<b>155,696</b>	<b>610,324</b>

#### Tangible fixed assets

Assets belonging to the category of tangible fixed assets, recognized on the date on which the transfer of the risks and rewards associated with the acquired asset takes place, are recorded in the financial statements at purchase cost, increased by any ancillary expense incurred until the assets are ready for use, and in any case within the limit of their recoverable value.

These assets are shown on the assets side of the statement of financial position net of accumulated depreciation and provision for write-downs. The depreciation rates applied are as follows (see next page):

	Rate
Furniture and furnishings	12%
Electronic and ordinary office machinery	20%
Specific equipment	20%

Routine maintenance and repair expense is charged in full to the Income Statement in the year in which it is incurred. Incremental maintenance and repair expense is allocated to the asset to which it relates and depreciated over the remaining useful life of the asset.

The carrying amount of assets, categorized by their nature and the year of acquisition, is allocated to the years during which they are expected to be used. This procedure is implemented by systematically allocating to the Income Statement depreciation rates corresponding to established plans, defined at the time the asset is available and ready for use, with regard to the expected remaining useful life of the assets. These plans, subject to annual review, are formed with regard to the gross value of the assets and assuming zero realizable value at the end of the process.

Any disposals of assets (sales, scrapping, etc.) during the year led to the elimination of their residual value. Any difference between carrying amount and disposal value was recognized in the Income Statement.

For fixed assets acquired during the year, the depreciation rates have been reduced to half, since the resulting rate is not significantly different from the rate calculated from the time the asset is available and ready for use.

The depreciation criteria for tangible fixed assets were unchanged from those applied in the previous year.

Pursuant to and for the purposes of Article 10 of Law no. 72 of March 19, 1983, as also referred to by subsequent laws on monetary revaluation, it is hereby clarified that no monetary revaluation was ever made for the tangible assets still held in the assets.

Mention should be made that no write-downs were required, pursuant to Article 2426, paragraph 1, no. 3 of the Civil Code since, under OIC 9, no indicators of potential impairment of tangible fixed assets were found.

The following table shows the changes in these fixed assets.

"Other tangible assets" include the following categories: "Electronic office machinery" and "Furniture and furnishings".

	Historical cost	Initial amount	Acquis	Disp.	Depr	Closing amount
Plant and equipment	-	-	1,714	-	172	1,542
Industrial and commercial equipment	1,598	1,438	-	-	319	1,119
Other assets	23,212	11,045	56,908	1,640	8,419	57,894
<b>Total</b>	<b>24,810</b>	<b>12,483</b>	<b>58,622</b>	<b>1,640</b>	<b>8,910</b>	<b>60,555</b>

## Financial fixed assets

This category includes only assets intended for long-term business use. Valuation is based on the principle of purchase cost including ancillary and directly attributable expense, reduced by any impairment losses; however, the original value is reinstated in subsequent years if the reasons for the write-down made no longer apply.



## Investments

All investments recorded in the Financial Statements were valued using the cost method, where cost means the expense incurred for the purchase, regardless of the method of payment, including any ancillary expense and direct and indirect costs.

The company assesses - at each balance sheet date - whether there is an indicator that an investment may be impaired, writing it down accordingly where deemed necessary.

### Movements in investments, other securities and financial derivatives - fixed assets

The following table shows the changes in these fixed assets.

	Registered office	Share Capital	Equity	Profit/Loss for the year	% Share held	Carrying amount	Net book value
<b>Companies owned at beginning of 2022</b>							
Brindisi Solar Energy S.r.l.	P.zza A. Diaz 7 - MI	10,000	(33,922)	(41,814)	100	10,000	(31,814)
IBE Guglionesi Wind S.r.l.	C.so Re Umberto 8 - TO	10,000	3,025	(6,762)	100	10,000	3,238
Yellow BESS S.r.l.	C.so Re Umberto 8 - TO	10,000	7,735	(1,811)	100	10,000	8,644
IBE Genzano S.r.l.	C.so Re Umberto 8 - TO	10,000	(5,490)	(15,272)	100	10,000	(5,272)
IBE Manieri S.r.l.	C.so Re Umberto 8 - TO	10,000	127	(9,345)	100	10,000	655
IBE Montecilfone S.r.l.	C.so Re Umberto 8 - TO	10,000	1,973	(7,497)	100	10,000	2,503
IBE Alessandria S.r.l.	C.so Re Umberto 8 - TO	10,000	5,863	(4,093)	100	10,000	5,907
IBE Venosa S.r.l.	C.so Re Umberto 8 - TO	10,000	(946)	(10,418)	100	10,000	418
Altea Green Power US Corp.	Delaware - USA	-	-	(18,567)	100	-	-
<b>Companies established in 2022</b>							
Montenero Green Energy S.r.l.	C.so Re Umberto 8 - TO	10,000	7,006	(2,994)	100	10,000	7,006
Padula Green Energy S.r.l.	C.so Re Umberto 8 - TO	10,000	7,556	(2,442)	100	10,000	7,558
Zefiro Seawind S.r.l.	C.so Re Umberto 8 - TO	10,000	9,952	(48)	100	10,000	9,952
Green BESS S.r.l.	C.so Re Umberto 8 - TO	10,000	8,993	(1,007)	100	10,000	8,993
Blue BESS S.r.l.	C.so Re Umberto 8 - TO	10,000	-	-	100	10,000	10,000
A. Mesagne S.r.l.	Via S. Vittore 45 - MI	10,000	-	-	100	10,000	10,000
<b>Companies acquired from third parties in 2022</b>							
Crumiere Energia S.r.l.	C.so Re Umberto 8 - TO	10,000	16,932	(63,753)	100	10,000	16,933

The following table shows the details of investments in subsidiaries:

	Balance 31/12/2022	Balance 31/12/2021	Change
Brindisi Solar Energy S.r.l.	10,000	9,900	(100)
Pomarico Solar Energy S.r.l.	-	9,900	9,900
IBE Guglionesi S.r.l.	-	10,000	10,000
IBE Genzano S.r.l.	10,000	10,000	-
Yellow BESS S.r.l.	10,000	10,000	-
IBE Venosa S.r.l.	10,000	10,000	-
IBE Montecifone S.r.l.	10,000	10,000	-
IBE Manieri S.r.l.	10,000	10,000	-
IBE Alessandria S.r.l.	10,000	10,000	-
IBE Guglionesi Wind S.r.l.	10,000	10,000	-
Altea Green Power LCC	-	-	-
Crumiere Energia S.r.l.	55,000	-	(55,000)
Montenero Green Energy S.r.l.	10,000	-	(10,000)
Padula Green Energy S.r.l.	10,000	-	(10,000)
Zefiro Seawind S.r.l.	10,000	-	(10,000)
Green BESS S.r.l.	10,000	-	(10,000)
A. Mesagne S.r.l.	10,000	-	(10,000)
Blue BESS S.r.l.	10,000	-	(10,000)
<b>Total</b>	<b>195,000</b>	<b>99,800</b>	<b>(95,200)</b>
Allowance for Impairment of Investments	(141,113.27)		
Net carrying amount of investments	53,886.73		

In 2022, the Parent Company acquired the stakes owned by third-party shareholders of Brindisi Solar Energy S.r.l. (1%) and Pomarico Solar Energy S.r.l. (1%). The following companies were established: Blue BESS S.r.l., Green BESS S.r.l., A Mesagne S.r.l. and Tuono Green Energy S.r.l.; all the newly-established companies are under Italian law and are 100% directly held by Altea Green Power.

Cuyler Green Energy LLC and Quitman Green Energy LLC were established in June 2022 by Altea Green Energy US Corp., which has 100% direct control. In August 2022, RAL Green Energy Corporation was established; the company was incorporated under U.S. law, and is owned 50% by Altea Green Energy US Corp. and the remaining 50% by Redelfi Corporation. In the second half of 2022, RAL Green Energy Corporation acquired a 65% stake in the share capital of the U.S.-registered company BESS Corp.. AS Storage S.r.l. was sold to a third party on July 1, 2022. Botrugno Green Energy S.r.l. was sold to a third party on September 16, 2022.

The investees shown are almost all Special Purpose Vehicles (SPVs) used to support co-development projects: each company represents an ongoing project to which all contractual costs are reversed.

Subsidiaries include Altea Green Power Corporation, a company under U.S. law, established in May 2021 as an L.L.C. and then transformed into a Corporation in August 2022.

In first quarter 2023, Altea Green Power S.p.A. acquired a 100% stake in GF Green Energy S.r.l., concurrently changing its name to Altea Independent Power Producer S.r.l., which will include, among its activities, the initiatives that will remain the property of Altea Green Power.

In 2022, the parent company Altea Green Power S.p.A. made a write-down of € 141,113 due to losses incurred by subsidiaries during the year.

<i>(Dati in Euro/000)</i>	Investments in subsidiaries	Total investments
<b>Amount at beginning of year</b>		
Carrying amount	99,800	99,800
<b>Changes in the year</b>		
New acquisitions	95,200	95,200
Write-downs	(141,113)	(141,113)
<b>Total changes</b>	<b>(45,913)</b>	<b>(45,913)</b>
<b>Carrying amount</b>	<b>53,887</b>	<b>53,887</b>

## Changes in and maturity of long-term receivables

### Long-term receivables from others

The item consists of an interest-bearing loan granted to the former Sole Director, which was originally agreed to be repaid over a period of five years starting from January 2022. On January 27, 2022, in the minutes of the decision of the former Sole Director, it was resolved to repay € 43,168 (which took place in March 2022) and irrevocably waive the collection of the Director's net compensation of € 81,510 for 2022, offsetting the remaining component of the payable to the company for 2022. The remaining portion will be repaid in 2023.

<b>LONG-TERM RECEIVABLES</b> <i>(Figures in Euro/000)</i>	Amount beginning of year	Changes in the year	Amount end of year	Portion due within one year
Long-term receivables from others	193,168	(124,678)	68,490	68,490
<b>Total</b>	<b>193,168</b>	<b>(124,678)</b>	<b>68,490</b>	<b>68,490</b>

## Current assets

Items of current assets are measured in accordance with the provisions of Article 2426 of the Civil Code from paragraphs 8-11 bis. The criteria used are stated in the paragraphs of the respective Financial Statement items.

### Inventory

Inventory of goods is measured at the lower of purchase and/or production cost and realizable value, based on market trends.

The purchase cost includes any directly attributable ancillary expense.



## Contract work in progress

<b>INVENTORY</b>			
<i>(Figures in Euro/000)</i>			
	<b>Amount beginning of year</b>	<b>Changes in the year</b>	<b>Amount end of year</b>
Contract work in progress	6,464,875	7,786,661	14,251,536
Finished products and goods	129,757	(129,757)	-
<b>Total</b>	<b>6,594,632</b>	<b>7,656,904</b>	<b>14,251,536</b>

## Receivables under current assets

### Changes in and maturity of receivables under current assets

Receivables under current assets were recognized in the Financial Statements according to their presumed realizable value, as defined by Article 2426, paragraph 2, of the Civil Code, taking account of the time factor, in accordance with Article 2426, paragraph 1, no. 8 of the Civil Code. Adjustment to the estimated realizable value was made by allocating an allowance for doubtful accounts.

The amortized cost criterion is not applied to receivables if its effects are immaterial. Generally, the effects are considered immaterial for short-term receivables (i.e., maturing in less than 12 months).

The following table shows information on changes in receivables under current assets as well as, if significant, information on their maturity.

<i>(Figures in Euro/000)</i>	<b>Initial amount</b>	<b>Incr.</b>	<b>Transf. to item</b>	<b>Transf. from item</b>	<b>Decr.</b>	<b>Closing amount</b>	<b>Absolute chg.</b>	<b>Chg. %</b>
<b>Receivables from customers</b>								
Invoices to issue to third-party customers	2,780	791,565	-	-	5,281	789,284	786,284	28,284
Credit notes to issue to third-party customers	(1,500)	55,313	-	-	837,560	(783,747)	(782,247)	52,150
Third-party customers - Italy	524,090	7,548,530	-	-	4,030,522	4,042,098	3,518,008	671
Third-party customers - Foreign	-	-	-	-	-	-	-	-
Trade accounts receivable to settle	10,491	-	-	-	10,491	-	(10,491)	(100)
Provision for bad debts	(45,499)	-	-	-	-	(45,499)	-	-
<b>Total</b>	<b>490,362</b>	<b>8,395,408</b>	<b>-</b>	<b>-</b>	<b>4,883,854</b>	<b>4,001,916</b>	<b>3,511,554</b>	
<b>Receivables from subsidiaries</b>								
Loans to subsidiaries	2,018,391	1,806,135	-	-	1,039,936	2,784,590	766,199	38
<b>Total</b>	<b>2,018,391</b>	<b>1,806,135</b>	<b>-</b>	<b>-</b>	<b>1,039,936</b>	<b>2,784,590</b>	<b>766,199</b>	

*continued on next page*



(Figures in Euro/000)	Initial amount	Incr.	Transf. to item	Transf. from item	Decr.	Closing amount	Absolute chg.	Chg. %
<b>Tax receivables</b>								
Tax authorities VAT settlement a/c	-	1,707,241	(142,171)	-	1,545,533	19,537	19,537	-
Tax authorities miscellaneous tax receivables a/c	1,226,297	2,640,407	-	-	2,470,944	1,395,760	169,463	14
Tax authorities tax receivables a/c	20,000	-	-	-	-	20,000	-	-
Other withholdings incurred	-	38	-	-	-	38	38	-
Tax authorities other tax a/c	-	1,500	-	-	-	1,500	1,500	-
<b>Total</b>	<b>1,246,297</b>	<b>4,349,186</b>	<b>(142,171)</b>	<b>-</b>	<b>4,016,477</b>	<b>1,436,835</b>	<b>190,538</b>	
<b>Deferred tax assets</b>								
IRES receivables for deferred tax assets	323	323	-	-	-	323	(323)	(100)
<b>Total</b>	<b>323</b>	<b>323</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>323</b>	<b>(323)</b>	
<b>Receivables from others</b>								
Loans to third parties	31,000	-	-	-	31,000	-	(31,000)	(100)
Advances to third-party suppliers	282,740	4,275,217	-	-	3,854,699	703,258	420,518	149
Sundry advances	-	105,603	-	-	108,008	(2,405)	(2,405)	-
Security deposits for utilities	388	-	-	-	388	-	(388)	(100)
Miscellaneous security deposits	70,977	25,076	-	-	28,646	67,407	(3,570)	(5)
Miscellaneous receivables from third parties	31,000	5,270,626	-	-	5,166,575	135,051	104,051	336
Bank accounts receivable to settle a/c	-	21	-	-	21	-	-	-
Third-party suppliers - Italy	-	13,292	-	-	13,489	(197)	(197)	-
Third-party suppliers - Foreign	-	13,292	-	-	13,489	(197)	(197)	-
INPS employees	1,500	17,211	(16,138)	1,500	-	1,073	(427)	(28)
<b>Total</b>	<b>417,605</b>	<b>9,707,046</b>	<b>(16,138)</b>	<b>1,500</b>	<b>9,202,826</b>	<b>904,187</b>	<b>486,582</b>	

#### RECEIVABLES UNDER CURRENT ASSETS

(Figures in Euro/000)

	Amount beginning of year	Change in the year	Amount end of year	Portion due within one year	Portion due beyond one year	Of which with residual maturity of over 5 years
Receivables from customers under current assets	490,362	3,511,544	4,001,916	4,001,916	-	-
Receivables from subsidiaries under current assets	2,018,391	766,199	2,784,590	2,784,590	-	-
Tax receivables under current assets	1,246,297	190,538	1,436,835	143,684	1,293,151	525,803
Deferred tax assets under current assets	323	(323)	-	-	-	-
Other receivables under current assets	417,605	(486,582)	904,187	148,042	756,145	-
<b>Total</b>	<b>4,172,978</b>	<b>3,981,386</b>	<b>9,127,528</b>	<b>7,078,232</b>	<b>2,049,296</b>	<b>525,803</b>

The increase in "Receivables from Subsidiaries" is due to the financing of the activities of certain investees, during 2022, through the advance from Altea Green Power on co-development expense.

The increase in "Tax receivables" is attributable to the energy efficiency activities that started in 2021 and continued in 2022; specifically, these are tax receivables acquired on account of payment of the price due from contracting customers (so-called "invoice discount" as established by Legislative Decree 34/2020 and subsequent legal provisions). These receivables were treated for accounting purposes in accordance with the provisions of OIC 16 and the OIC document "Communication on the Methods of Accounting for Tax Bonuses".

"Other receivables" includes advances paid to suppliers, advances for payment of Surface Rights and "Security deposits".

## Cash

Cash at year end is measured at face value, which reasonably approximates fair value. Cash denominated in foreign currencies, if any, is converted at the year-end exchange rate.

The following table shows information on changes in cash.

<b>CASH</b> <i>(Figures in Euro/000)</i>	<b>Amount beginning of year</b>	<b>Change in the year</b>	<b>Amount end of year</b>
Bank and postal deposits	783	1,490,202	1,490,985
Cash and other valuables on hand	2,709	(2,701)	8
<b>Total</b>	<b>3,492</b>	<b>1,487,501</b>	<b>1,490,993</b>

The amount refers to receivables from the bank for temporary current account balance, and for monetary amounts in cash (Euro) required for current financial needs.

## Accrued income and prepaid expense

Accruals and deferrals were calculated on an accrual basis by allocating revenue and/or expense common to two years.

The table below shows the breakdown of the items in question, as recorded in the financial statements.

<b>ACCRUED INCOME AND PREPAID EXPENSE</b> <i>(Figures in Euro/000)</i>	<b>Current-year amount</b>
Accrued income	109
Prepaid expense	35,575
<b>Total</b>	<b>35,684</b>

Prepaid expense refers to insurance premiums paid in 2022, and was calculated based on the "economic time" criterion, since the contractual services have an economic content beyond the year of accrual, therefore the allocation of the cost (and thus the allocation to the current year of the accrued portion) is made with regard to the conditions of management performance as stated in OIC 18.



## Capitalized financial expense

All interest and other financial expense were fully expensed during the year. For the purposes of Article 2427, paragraph 1, no. 8, of the Civil Code, it is hereby certified that no financial expense was capitalized.

## Liabilities and Equity

Equity and liability items in the Statement of Financial Position were recorded in accordance with national accounting standards; the sections on individual items indicate the criteria applied specifically.

The movements of the individual items are analyzed in detail below, in accordance with current legislation.

Items are shown in the Financial Statements at their carrying amount in accordance with OIC 28.

## Equity

At December 31, 2022, the share capital of Altea Green Power S.p.A. amounts to € 830,663, divided into 830,663 ordinary shares with a par value of € 1 each.

It should be noted that, on November 26, 2021, the Extraordinary Shareholders' Meeting approved a divisible share capital increase against payment, with the exclusion of option rights pursuant to Article 2441, paragraph 5, of the Civil Code, up to a maximum amount of € 350,000, plus share premium, through the issuance of up to 7,000,000 new shares with no par value, to serve the transaction of admission to trading on Euronext Growth Milan.

## Changes in equity items

With regard to the year under review, the following tables show the changes in individual items of Equity, as well as details of other reserves, if any.

EQUITY (Figures in Euro/000)	Allocation of previous- year's profit/loss		Other changes		Profit (loss) for the year	Amount end of year
	Amount beginning of yr	Other allocations	Increases	Decreases		
Share	600,000	-	230,663	-		830,663
Share premium reserve	-	-	5,359,509	-		5,359,509
Legal reserve	45,754	59,137	-	-		104,891
<b>Other reserves</b>						
Extraordinary reserve	59,832	-	-	-		59,832
Capital contributions	1,293	-	-	-		1,293
Miscellaneous other reserves	1	-	-	4		(3)
<b>Total other reserves</b>	<b>61,126</b>	<b>-</b>	<b>-</b>	<b>4</b>		<b>61,122</b>
Retained earnings (losses) carried forward	112,217	1,123,606	-	-		1,235,823
Profit (loss) for the year	1,182,743	(1,182,743)	-	-	4,169,325	4,169,325
<b>Total equity</b>	<b>2,001,840</b>	<b>-</b>	<b>5,590,172</b>	<b>4</b>	<b>4,169,325</b>	<b>11,761,333</b>

## Availability and utilization of equity

The following tables analytically show the items of Equity, specifying their origin, eligibility for use and distributability, as well as their utilization in the previous three years.

	Amount	Origin/nature	Eligibility for use
Share capital	830,663	Share capital	
Share premium reserve	5,359,509	Share capital	
Legal reserve	104,891	Profits	A;B
<b>Other reserves</b>			
Extraordinary reserve	59,832	Profits	A;B;C
Capital contributions	1,293	Share capital	A;B;C
Miscellaneous other reserves	(3)	Share capital	
<b>Total other reserves</b>	<b>61,122</b>	<b>Share capital</b>	
Retained earnings	1,235,823	Profits	A;B;C
<b>Total</b>	<b>7,592,008</b>		

Key

A: for share capital increase

B: for loss coverage

C: for distribution to shareholders

D: for other statutory constraints

E: other

## Details of other reserves

(Figures in Euro/000)

	Current-year amount
<b>Extraordinary reserve</b>	
Extraordinary res. (with profits until 2016)	59,832
<b>Total Extraordinary Reserve</b>	<b>59,832</b>
<b>Capital contributions</b>	
Reserve from capital contribution	1,293
<b>Total Capital contributions</b>	<b>1,293</b>
<b>Miscellaneous other reserves</b>	
Rounding reserve diff. Euro units	(3)
<b>Total Miscellaneous other reserves</b>	<b>(3)</b>

## Post-employment benefits

Post-employment benefits were calculated in accordance with the provisions of Article 2120 of the Civil Code, considering the relevant legal regulations, contractual terms, and job categories, and include annual accrued dues and revaluations based on ISTAT coefficients.

The amount of the provision is recognized net of advances paid and amounts used for terminations of employment during the year, and represents the certain payable to employees at the balance sheet date.



The following table shows information on changes in post-employment benefits.

<i>(Figures in Euro/000)</i>	<b>Provision for post-employment benefits</b>
<b>Amount at beginning of year</b>	<b>56,507</b>
<b>Changes in the year</b>	
Allocation in the year	9,339
Utilization in the year	13,026
<b>Total changes</b>	<b>(3,687)</b>
<b>Amount at end of year</b>	<b>52,820</b>

## Payables

Payables were recorded at face value. The nature of these payables makes the application of amortized cost irrelevant.

### Changes and maturity of payables

The following table shows information on changes in payables and any information on the maturity of payables.

<i>(Figures in Euro/000)</i>	<b>Initial amount</b>	<b>Incr.</b>	<b>Transf. to item</b>	<b>Transf. from item</b>	<b>Decr.</b>	<b>Closing amount</b>	<b>Absolute chg.</b>	<b>Chg. %</b>
<b>Payables to banks</b>								
Bank a/c	1,054,537	208,000	-	5,780	1,256,757	-	(1,054,537)	(100)
Di Pascale prepaid card	2,428	24,270	-	-	24,958	1,740	(688)	(28)
Rosa credit card	2,395	24,147	-	-	25,855	687	(1,708)	(71)
Sacani credit card	-	5,076	-	-	4,287	789	789	-
Galassi credit card	-	1,597	-	-	1,355	242	242	-
Medium/long-term bank loans	66,073	712,492	-	-	174,466	604,099	538,026	814
Short-term loan	80,762	406,791	-	-	229,364	258,189	177,427	220
<b>Total</b>	<b>1,206,195</b>	<b>1,382,373</b>	<b>-</b>	<b>5,780</b>	<b>1,717,042</b>	<b>865,746</b>	<b>(340,449)</b>	
<b>Advances</b>								
Advances from third-party customers and expense funds	4,212,534	6,575,231	-	-	2,956,521	7,831,244	3,618,710	86
<b>Total</b>	<b>4,212,534</b>	<b>6,575,231</b>	<b>-</b>	<b>-</b>	<b>2,956,521</b>	<b>7,831,244</b>	<b>3,618,710</b>	

*continued on next page*

(Figures in Euro/000)	Initial amount	Incr.	Transf. to item	Transf. from item	Decr.	Closing amount	Absolute chg.	Chg. %
<b>Payables to suppliers</b>								
Invoices to receive from third-party suppliers	642,159	528,163	-	-	642,159	528,163	(113,996)	(18)
Credit notes to receive from third-party suppliers	(126,325)	126,370	-	-	9,802	(9,757)	116,568	(92)
Third-party suppliers - Italy	1,193,770	5,617,237	-	-	5,768,431	1,042,576	(151,194)	(13)
Third-party suppliers - Foreign	49,983	-	-	-	49,983	-	(49,983)	(100)
<b>Total</b>	<b>1,759,587</b>	<b>6,271,770</b>	<b>-</b>	<b>-</b>	<b>6,470,375</b>	<b>1,560,982</b>	<b>(198,605)</b>	
<b>Payables to subsidiaries</b>								
Sundry payables to subsidiaries	98,130	6,019,360	-	-	6,040,538	76,952	(21,178)	(22)
<b>Total</b>	<b>98,130</b>	<b>6,019,360</b>	<b>-</b>	<b>-</b>	<b>6,040,538</b>	<b>76,952</b>	<b>(21,178)</b>	
<b>Tax payables</b>								
Tax authorities VAT settlement a/c	142,171	-	-	142,171	-	-	(142,171)	(100)
Tax authorities VAT penalties a/c	15,381	-	-	-	7,200	8,181	(7,200)	(47)
Tax authorities with. tax on empl. inc. and the like a/c	30,117	192,788	-	-	181,973	40,932	10,815	36
Tax authorities with. tax on self-emp., agents, rep. income a/c	85,744	122,539	-	-	40,256	168,027	82,283	96
Tax authorities withholding tax on other income a/c	30,852	216,449	-	-	219,236	28,065	(2,787)	(9)
Tax authorities subs. tax on post-employment benefits a/c	326	1,087	-	-	357	1,056	730	224
Tax authorities IRES a/c	457,256	1,563,450	-	-	457,255	1,563,451	1,106,195	242
Tax authorities IRAP a/c	78,658	270,541	-	-	78,658	270,541	191,883	244
Tax authorities suspended and in-instalment tax a/c	280,107	610,888	-	-	105,956	785,039	504,932	180
<b>Total</b>	<b>1,120,612</b>	<b>2,977,742</b>	<b>-</b>	<b>142,171</b>	<b>1,090,891</b>	<b>2,865,292</b>	<b>1,744,680</b>	
<b>Payables to welfare and social security entities</b>								
INPS employees	51,788	300,089	(1,500)	16,138	319,206	15,033	(36,755)	(71)
INPS associates	4,048	-	-	-	-	4,048	-	-
INAIL employees/associates	930	5,982	-	-	4,589	2,323	1,393	150
<b>Total</b>	<b>56,766</b>	<b>306,071</b>	<b>(1,500)</b>	<b>16,138</b>	<b>323,795</b>	<b>21,404</b>	<b>(35,362)</b>	

continued on next page



(Figures in Euro/000)	Initial amount	Incr.	Transf. to item	Transf. from item	Decr.	Closing amount	Absolute chg.	Chg. %
<b>Other payables</b>								
Invoices to issue to third-party customers	-	-	-	-	-	-	-	-
Third-party customers - Italy	41,017	48,286	-	-	80,397	8,906	(32,111)	(78)
Third-party customers - Foreign	-	-	-	-	-	-	-	-
Payables to supplementary pension funds	12,133	47,047	-	-	7,478	51,702	39,569	326
Security deposits received	51,702	-	-	-	9,364	42,338	(9,364)	(18)
Payables to directors	1,847	315,928	-	-	327,094	(9,319)	(11,166)	(605)
Payables for withholdings third parties a/c	-	1,873	-	-	1,495	378	378	-
Sundry payables to third parties	398,437	291,806	-	-	677,771	12,472	(385,965)	(97)
Director expense note a/c	-	5,015	-	-	5,015	-	-	-
Clients inter-company advances a/c	-	31	-	-	31	-	-	-
Personnel wages and salaries a/c	54,956	558,915	-	-	548,751	65,120	10,164	18
Personnel expense note a/c	889	16,101	-	-	16,139	851	(38)	(4)
Employees deferred pay a/c	64,756	185,742	-	-	64,756	185,742	120,986	187
<b>Total</b>	<b>625,737</b>	<b>1,470,744</b>	<b>-</b>	<b>-</b>	<b>1,738,291</b>	<b>358,190</b>	<b>(267,547)</b>	

The amount at December 31, 2022 relating to "Payables to banks" consists of ordinary current account debt positions of € 3,458 and bank loans totaling € 862,288, of which € 258,190 due within the next year and € 604,098 due beyond the next year.

The decrease in "Payables to banks" is mainly due to the early repayment in 2022 of 2 loans: the unsecured loan taken out in 2016 with Banca Unicredit S.p.A. and the loan taken out in 2020 with Banca Intesa Sanpaolo. The company resumed payments during 2022 after the COVID-19 moratorium expired on 31/12/2021.

"Advances" increased by € 3,618,707 due to higher volume of sales to SPVs for milestones achieved and invoiced.

Payables to suppliers reflect obligations already incurred in connection with purchases made. Invoices to receive, which refer to the company's normal business, are in line with the progress of the contracts they relate to and reflect the existing lag between service rendered and amounts invoiced.

At December 31, 2022, the company owed only domestic suppliers.

"Payables to subsidiaries" dropped versus the previous year, due to the reclassification of the SPV transitional account to items in the Income Statement; the balance at December 31, 2022 is € 76,952, of which € 49,847 for the residual balance of the transitional account, € 15,000 for share capital increase in Crumiere Energie S.r.l. and € 12,104 for amounts from the merger with Pomarico Solar Energy S.r.l..

"Tax and social security payables" increased due to the allocation of higher current tax than last year, due to the higher profit in the separate financial statements and the payable to the tax authorities for IRES and IRAP from previous years and paid in instalments.



"Payables to welfare and social security entities" decreased versus the previous year due to lower exposure to INPS.

Payables to "Personnel wages and salaries a/c" refer entirely to payables to personnel and the like and refer to accruals (holidays, RWH) accrued during the year and not yet paid.

The item also includes the payable for salaries accruing in December, which are settled in the following month, and the provision for the production bonus accruing in 2022, which will be settled in the second quarter of 2023.

<b>PAYABLES</b> (Figures in Euro/000)	<b>Amount beginning of yr</b>	<b>Change in the year</b>	<b>Amount end of year</b>	<b>Portion due within one year</b>	<b>Portion due beyond one year</b>
Payables to banks	1,206,196	(340,450)	865,746	261,648	604,098
Advances	4,212,537	3,618,707	7,831,244	7,831,244	-
Payables to suppliers	1,759,385	(198,403)	1,560,982	1,560,982	-
Payables to subsidiaries	98,130	(21,178)	76,952	76,952	-
Tax payables	1,120,612	1,744,680	2,865,292	2,780,309	84,983
Payables to pension and soc. security institutions	56,765	(35,361)	21,404	21,404	-
Other payables	586,619	(228,429)	358,190	303,380	54,810
<b>Total</b>	<b>9,040,244</b>	<b>4,539,566</b>	<b>13,579,810</b>	<b>12,835,919</b>	<b>743,891</b>

## Breakdown of payables by geographical area

A breakdown of payables by geographical area is not provided as they are mainly composed of domestic suppliers.

## Payables secured by collateral on company assets

Pursuant to Article 2427, paragraph 1, no. 6 of the Civil Code, it is hereby certified that there are no payables secured by collateral on company assets.

## Accrued expense and deferred income

Accruals and deferrals were calculated on an accrual basis by allocating costs and/or revenue common to two years.

The following table shows information on changes in accrued expense and deferred income.

<b>ACCRUED EXPENSE AND DEFERRED INCOME</b> (Figures in Euro/000)	<b>Amount beginning of year</b>	<b>Change in the year</b>	<b>Amount end of year</b>
Accrued expense	632	(469)	163
Deferred income	-	304,871	304,871
<b>Total</b>	<b>632</b>	<b>304,402</b>	<b>305,034</b>

These represent the adjusting entries of the year calculated on an accrual basis.

Accruals refer to interest expense on current accounts; they were calculated on an accrual basis, based on the period accrued at the end of the year.

The significant change in Deferred income is attributable to the listing tax receivable, which is deferred over 5 years, in line with the repayment schedule of capitalized financial expense



among other deferred expense, to which it relates.

At 31/12/2022, there was no accrued expense or deferred income with a duration exceeding five years.

## Income Statement

The Income Statement shows the result for the year.

It presents operations by summarizing the positive and negative income items that contributed to the result. The positive and negative income items, recorded in the financial statements in accordance with the provisions of Article 2425-bis of the Civil Code, are distinguished according to whether they belong to the various categories: core, ancillary and financial.

The core business identifies the items of income generated by transactions that occur on an ongoing basis and in the segment relevant to the performance of operations, which identify and qualify the specific and distinctive part of the business carried on by and the object of the company.

Financial activities consist of transactions that generate financial income and expense. On a residual basis, ancillary activities consist of transactions that generate income items that are part of ordinary activities but are not part of the core business and of financial activities.

## Value of production

Revenue is recorded in the financial statements on an accruals basis, net of returns, allowances, discounts and rebates, as well as tax directly related thereto.

Regarding the transfer of assets, the related revenue is recorded when the substantial and not formal transfer of ownership has taken place, taking the transfer of risks and benefits as the benchmark for the substantial transfer.

## Breakdown of revenue from sales and services by business category

The following table shows the breakdown of revenue from sales and services by business category.

### REVENUE FROM SALES AND SERVICES

(Figures in Euro/000)

	31/12/2022	31/12/2021	Deviation
Sale of finished products	1,066,695	819,552	247,143
Sale of goods (electricity and gas)	-	23,560	(23,560)
Provision of services	6,486,874	1,707,989	4,778,885
Other revenue	3,446	300	3,146
<b>Total</b>	<b>7,557,015</b>	<b>2,551,401</b>	<b>5,005,614</b>

"Sale of finished products" includes revenue generated from the sale of turnkey plants built in the wind and photovoltaic segments related to contracts that have reached completion. The value, up from the previous year, is justified by the fact that technical activity focused on the energy efficiency business, which is more profitable than the installation of turnkey systems. Mention should be made in particular of the "solar thermal" interventions in southern Italy worth close to € 700,000 and the closing of certain major construction sites on the 110% Superbonus worth a total of approximately € 300,000.

"Provision of services" mainly refers to co-development activities (€ 6,013,197), of which the major transaction was the sale of the stake in AS Storage S.r.l. to the third company under Irish law Aer Soléir for € 5,500,000, earning a capital gain of € 800,000.

## Changes in inventory of finished products and contract work in progress

<i>(Figures in Euro/000)</i>	Initial amount	Incr.	Transf. to item	Transf. from item	Decr.	Closing amount	Absolute chg.	Chg. %
Contract work in progress	6,464,875	14,251,536	-	-	6,464,875	14,251,536	7,786,661	120
Finished products and goods	129,757	-	-	-	129,757	-	(129,757)	(100)
<b>Total</b>	<b>6,594,632</b>	<b>14,251,536</b>	<b>-</b>	<b>-</b>	<b>6,594,632</b>	<b>14,251,536</b>	<b>7,656,904</b>	<b>116</b>

The increase in the change in contract work in progress versus 2022 is attributable to the increase in co-development activity. Co-development projects are invoiced to the end customer when certain project "milestones" are reached. Milestones are accounted for in the Financial Statements under Advances from customers (a liability item in the Statement of Financial Position), hence they do not contribute to determining the Result for the Year. The valuation of work in progress is determined based on the percentage of completion.

This percentage is returned to the total value of the order contractually established with the customer.

The increase is largely justified by development in the storage segment.

## Other revenue and income

The item includes € 333,618 for revenue from reimbursements for expense advanced to group subsidiaries; € 76,218 is the 20% share accruing in 2022 on the 50% bonus related to listing expense incurred.

The remainder consists mainly of contingent assets following the reversal of invoices to be received from previous years.

Revenue from sales and services in 2022 was mainly generated in Italy.

Operating grants are entirely related to the accrual portion of the listing tax receivable, deferred over 5 years, in perfect accordance with the repayment schedule of capitalized financial expense under other deferred expense, to which it refers.

Revenue from sales and services in the current year was mainly generated in Italy.

## Production costs

Costs and expense are allocated on an accrual basis and according to their nature, net of returns, allowances, discounts and rebates, in accordance with the principle of matching revenue, and recorded in the respective items in accordance with the provisions of OIC 12.

With regard to the purchase of goods, the related costs are recorded when the substantial and not formal transfer of ownership has taken place, taking the transfer of risks and benefits as the benchmark for the substantial transfer. In the case of purchase of services, the related costs are entered when the service has been received, or when the service has ended, while in the case of ongoing service provision, the related costs are entered for the accrued portion.



## Costs for raw and ancillary materials, consumables and goods

### COSTS FOR RAW AND ANCILLARY MATERIALS, CONSUMABLES AND GOODS

(Figures in Euro/000)

	31/12/2022	31/12/2021	Deviation
Purchases of goods for photovoltaic/wind activities	624,953	85,057	539,896
Purchase of electricity	-	35,866	(35,866)
Other purchases	36,201	23,014	13,187
<b>Total</b>	<b>661,154</b>	<b>143,937</b>	<b>517,217</b>

Purchases for the production of goods and services refer mainly to the supply of consumables used on turnkey contracts, and their increase is proportional to the increased activity in this segment.

## Service costs

These items are closely related to the trend in turnover. Service costs are broken down as follows:

### SERVICE COSTS

(Figures in Euro/000)

	31/12/2022	31/12/2021	Deviation
Purchases of services	379,774	117,936	261,838
Consulting	4,442,427	1,996,510	2,445,917
Fees to the Board of Statutory Auditors	18,200	18,200	-
Fees to corporate bodies	626,529	124,800	501,729
Advertising costs	139,750	10,057	129,693
Travel expense	273,162	22,355	250,807
Insurance	82,113	32,389	49,724
Software support	18,997	12,142	6,855
Bank fees	33,090	109,197	-76,107
Other costs	474,782	20,497	454,285
<b>Total</b>	<b>6,488,824</b>	<b>2,464,083</b>	<b>4,024,741</b>

Details of Consulting costs are shown in the table below (see next page):

**SERVICE AND CONSULTING COSTS***(Figures in Euro/000)*

	31/12/2022	31/12/2021	Deviation
Costs for consulting, studies and co-development services	2,678,279	991,087	1,687,192
Administrative and financial costs	132,872	147,633	(14,761)
Legal and notary costs	145,876	110,612	35,264
Marketing costs	67,174	28,482	38,692
Technical consulting costs	104,351	85,899	18,452
Other costs for third-party services	1,213,753	569,607	644,146
Other costs	100,122	63,189	36,933
<b>Total</b>	<b>4,442,427</b>	<b>1,996,509</b>	<b>2,445,918</b>

The increase in co-development consulting is attributable to the expanded operations in the storage area.

"Other costs for third-party services" includes costs related to energy efficiency contracts: the costs of suppliers for masonry, plumbing and other specialized services required for "Ecobonus"-eligible projects.

**Costs for rentals and leases**

The item is broken down as follows:

**COSTS FOR RENTALS AND LEASES***(Figures in Euro/000)*

	31/12/2022	31/12/2021	Deviation
Property lease fees	66,996	29,034	37,962
Rentals	80,751	38,391	42,360
Software license rights	20,281	10,825	9,456
<b>Total</b>	<b>168,028</b>	<b>78,250</b>	<b>89,778</b>

In 2022, the operational headquarters was moved, again using the property lease arrangement.

"Rentals" includes long-term rental fees for cars given for use by employees.

As a result of the increase in the number of employees in 2022, mostly in the engineering department, the number of vehicles under long-term rental contracts increased from 5 at the beginning of the year to 12 at the end of 2022.

"Software license rights" refers to rental fees for the company's IT infrastructure (servers and licenses). Details of personnel expense are as follows:

**PERSONNEL EXPENSE***(Figures in Euro/000)*

	31/12/2022	31/12/2021	Deviation
Wages and salaries	874,152	378,136	496,016
Social security charges	191,950	89,197	102,753
Post-employment benefits	62,068	25,728	36,340
Other costs	34,829	21,360	13,469
<b>Total</b>	<b>1,162,999</b>	<b>514,421</b>	<b>648,578</b>



The item includes all employee-related expense, including performance increases, promotions, cost-of-living increases, untaken holidays and other accruals made pursuant to the law and collective labour agreements.

In 2021 and 2022, the Group did not make use of social safety nets.

The trend in the number of employees is shown in the following table:

HEADCOUNT	Average number			Number at year end		
	2022	2021	Deviation	2022	2021	Deviation
	Employees	22	16	6	22	16
<i>of which part time</i>	-	-	-	1	0	-
Workers	1	2	(1)	1	2	(1)
<i>of which part time</i>	-	-	-	1	0.5	-
<b>Total</b>	<b>23</b>	<b>18</b>	<b>5</b>	<b>23</b>	<b>18</b>	<b>5</b>

## Amortization, depreciation and write-downs

It is important to note that amortization/depreciation was calculated based on the useful life of the assets and their participation in the production process.

### AMORTIZATION, DEPRECIATION AND WRITE-DOWNS (Figures in Euro/000)

	31/12/2022	31/12/2021	Deviation
Depreciation of tangible fixed assets	7,159	2,257	4,902
Amortization of intangible fixed assets	155,695	12,162	143,533
<b>Total</b>	<b>162,854</b>	<b>14,419</b>	<b>148,435</b>

## Sundry operating expense

Sundry operating expense is broken down as follows:

### SUNDRY OPERATING EXPENSE (Figures in Euro/000)

	31/12/2022	31/12/2021	Deviation
Contingent liabilities from operations	791,340	72,693	718,647
Bad debts	-	-	-
Penalties and compensation	23,000	290,683	(267,683)
Other indirect tax and duties	24,882	63,985	(39,103)
Unrecoverable co-development costs	228,291	33,669	194,622
Other expense	86,582	19,897	66,685
<b>Total sundry operating expense</b>	<b>1,154,095</b>	<b>480,928</b>	<b>673,167</b>

Contingent liabilities mainly include credit notes issued, beyond the accrual year, to co-development customers. The calculation of the State of Progress of Work on specific contracts was not considered at the time of the erroneous invoices. In order to adopt the correct method

of SPW calculation, appropriate credit notes were issued in 2022 to generate new invoices that had "Advances from customers" as an offset.

Approximately € 50,000 stems from merger by incorporation entries with Pomarico Solar Energy. A residual portion stems from supplier invoices booked beyond the accrual year. Unrecoverable co-development costs regard projects that were started but have been deemed technically and economically unfeasible.

"Penalties and compensation" includes the last repayment instalment on the Blowind dispute.

## Financial income and expense

Financial income and expense is recorded on an accrual basis relating to the portion accrued in the year.

### Financial income

The item is broken down as follows:

<b>FINANCIAL INCOME</b> (Figures in Euro/000)	31/12/2022	31/12/2021	Deviation
Interest income on bank accounts	147	-	147
Other financial income from third parties	148,889	-	148,889
<b>Total</b>	<b>149,036</b>	<b>-</b>	<b>149,036</b>

"Other financial income from third parties" for € 148,889 refers to financial income from energy efficiency activities: the "Superbonus 110%" receivables exceeding the nominal value of the work were accounted for as financial income and are related to the repayment of sundry financial expense charged to the Income Statement in previous years as a result of the receivable offset in F24 and/or the transfer of receivables to third parties.

### Other interest and financial expense

All interest and financial expense were fully expensed during the year.

The item is broken down as follows:

<b>OTHER INTEREST AND FINANCIAL EXPENSE</b> (Figures in Euro/000)	31/12/2022	31/12/2021	Deviation
Bank interest expense	4,621	45,620	(40,999)
Interest expense on loans	20,687	2,877	17,810
Interest expense on arrears	23,339	15,013	8,326
Sundry financial expense	145,297	305,693	(160,396)
<b>Total</b>	<b>193,944</b>	<b>369,203</b>	<b>(175,259)</b>

"Sundry financial expense" refers to expense generated by receivables related to tax bonuses and treated under OIC 16, as mentioned in the above paragraphs. In this regard, Altea Green Power S.p.A. recognized financial expense of € 137,797 based on the market parameters applied to the company by lending institutions.



## Income tax for the year, current, deferred and prepaid tax

The company allocated tax for the year based on the application of current tax regulations. Current tax refers to tax for the year; previous years' tax includes direct tax for previous years, including interest and penalties, and also refers to the positive (or negative) difference between the amount due as a result of the settlement of litigation or an assessment compared to the value of the provision set aside in previous years.

<b>TAX</b> (Figures in Euro/000)	31/12/2022	31/12/2021	Deviation
Current tax	1,833,991	535,914	1,298,077
Previous-years' tax	-	-	-
Deferred and prepaid tax	323	37,286	(36,963)
<b>Total</b>	<b>1,834,314</b>	<b>573,200</b>	<b>1,261,114</b>

Current IRES and IRAP set aside at December 31, 2022 amount to € 1,563,450 and € 270,541, respectively.

## Statement of Cash Flows

The company prepared the Statement of Cash Flows, which is a condensed document presenting the relationship between changes that occurred during the year in the company's assets with the changes in its financial position; it highlights the amounts related to the financial resources the company needed during the year as well as their uses.

The company followed the indirect method, in compliance with OIC 10, under which the cash flow is reconstructed by adjusting the operating result of non-monetary items.

## Other information

Other information required by the Civil Code is provided below.

### Fees, advances and receivables granted to directors and statutory auditors and commitments undertaken on their behalf

The following table sets out the information required by Article 2427, no. 16 of the Civil Code, specifying that there are no advances and receivables, and no commitments were made on behalf of the Governing Body as a result of guarantees of any kind given.

	Directors	Statutory Auditors
Fees	598,997	17,500



## Fees to the Auditor or to the Independent Auditors

For the year under review, the fees payable for services rendered by the Independent Auditors BDO Italia S.p.A. totaled € 18,000 for the statutory audit of the Financial Statements and Consolidated Financial Statements.

## Categories of shares issued by the company

At 31/12/2022, there are no. 830,663 Ordinary Shares with a par value of € 1 Euro each.

## Securities issued by the company

The company has not issued any security or similar value falling under the provision of Article 2427 no. 18 of the Civil Code.

## Details of other financial instruments issued by the company

The company has not issued any other financial instruments pursuant to Article 2346, paragraph 6 of the Civil Code.

## Commitments, guarantees and contingent liabilities not resulting from the Statement of Financial Position

There are no commitments, guarantees and contingent liabilities not resulting from the Statement of Financial Position.

## Information on assets and loans allocated for a specific transaction

### Assets allocated for a specific transaction

It is certified that, at the balance sheet date, there are no assets allocated for a specific transaction pursuant to point 20 of Article 2427 of the Civil Code.

### Loans allocated for a specific transaction

It is certified that, at the balance sheet date, there are no loans allocated for a specific transaction pursuant to point 21 of Article 2427 of the Civil Code.

### Information on related party transactions

It is hereby certified that the interest-bearing loan granted to the Sole Director, subject to a repayment plan, is still outstanding at the balance sheet date.

## Information on agreements not resulting in the Statement of Financial Position

No agreements not resulting in the Statement of Financial Position were concluded during the year.

## Significant events after year end

No significant events occurred after year end that would affect the balances in these Financial Statements. The outlook suggests a consolidation of activities, co-development in particular.

## Entities that prepare the financial statements of the larger/smaller body of entities they are part of as subsidiary

There are no cases referred to in Article 2427, nos. 22-quinquies and sexies of the Civil Code.

## Information on derivative financial instruments pursuant to Article 2427-bis of the Civil Code

It is hereby certified that no derivative financial instruments were entered into.

## Summary of the financial statements of the company exercising direction and coordination

Pursuant to Article 2497-bis, paragraph 4, of the Civil Code, it is hereby certified that the Company is not subject to the direction and coordination of others.

## Information on startups, including social enterprises, and innovative SMEs

The Company obtained registration in the appropriate section of the Company Register of Innovative SMEs in 2021.

With regard to the information required by Article 4, Legislative Decree no. 3 of January 24, 2015 concerning research, development and innovation costs, it is specified that the Company during the year incurred costs related to the implementation of highly innovative proprietary solutions.

## Conclusions

Shareholders,

We confirm that these Financial Statements, consisting of the Statement of Financial Position, Income Statement, Statement of Cash Flows, and Notes to the Financial Statements give a true and fair view of the Company's financial position and results of operations for the year and match the accounting records. We therefore invite you to approve the draft Financial Statements at 31/12/2022 together with the proposed allocation of Profit for the Year, as prepared by the Governing Body. The Financial Statements are true and fair and match the accounting records.

*Turin, March 28, 2023*

For the Board of Directors  
The Chairman  
Giovanni Di Pascale





# 5

## Board of Statutory Auditors' Report



# ALTEA GREEN POWER SPA

Sede in Torino, Corso Re Umberto n° 8

Capitale sociale € 830.663,00 interamente versato

Registro Imprese di Torino n. 08013190015

Codice fiscale e Partita IVA n. 08013190015

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**Relazione del Collegio Sindacale all'assemblea degli Azionisti ai sensi  
dell'art. 153 del T.U.F. e dell'artt. 2429, comma 3, del codice civile**

All'Assemblea degli Azionisti

della Altea Green Power S.p.A.

La presente relazione è redatta dal Collegio Sindacale ai sensi dell'articolo 153 del T.U.F. e dell'articolo 2429, secondo comma, del Codice Civile.

Nel corso dell'esercizio chiuso al 31 dicembre 2022 e fino alla data odierna la nostra attività è stata ispirata alle disposizioni di legge, alle Norme di comportamento del collegio sindacale di società quotate emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili, dalle disposizioni CONSOB in materia di controlli societari, nonché dalle previsioni contenute nell'art. 19 del D. Lgs. 39/2010.

### **Nomina ed indipendenza del Collegio Sindacale**

Il Collegio Sindacale in carica alla data della presente Relazione è stato nominato dall'Assemblea degli Azionisti del 26 novembre 2021 nelle persone di Fabrizio Morra (Presidente), Rosa Chirico (Sindaco Effettivo), Franco Cattaneo (Sindaco Effettivo), nonché di Roberto Nicola e Jolanda Fumia (Sindaci Supplenti). L'organo di controllo resterà in carica per tre esercizi e scadrà alla data dell'assemblea convocata per l'approvazione del Bilancio relativo all'esercizio 2024.

Il Collegio Sindacale, all'atto della nomina e successivamente, ha verificato la sussistenza del requisito di indipendenza nell'ambito del più ampio processo di autovalutazione dell'organo di controllo ai sensi della Norma Q.I.I. delle Norme di comportamento delle società quotate.

Il Collegio Sindacale precisa che nel corso dell'esercizio nessuno dei suoi membri ha avuto, per conto proprio o di terzi, interessi in nessuna operazione societaria.

### **Attività di vigilanza e controllo del Collegio Sindacale.**

Il Collegio Sindacale nell'espletamento dei compiti di sua competenza ha svolto l'attività di vigilanza prescritta dall'art. 2403 del Codice Civile, dall'art. 149 del D. Lgs. n. 58 del 1998, dall'art. 19 del D. Lgs. 39/2010, dalle raccomandazioni della CONSOB in materia di controlli societari e attività del Collegio Sindacale, nonché alle Norme di comportamento del collegio sindacale di società quotate emanate dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili.

Abbiamo vigilato sull'osservanza della legge e dello statuto e sul rispetto dei principi di corretta amministrazione.

Abbiamo effettuato, nel corso dell'esercizio, 5 riunioni della durata di circa 3 ore.

Abbiamo partecipato alle riunioni del Consiglio di Amministrazione e alle assemblee degli Azionisti e, sulla base delle informazioni acquisite e disponibili, non abbiamo rilevato violazioni della legge e dello statuto, né operazioni manifestamente imprudenti, azzardate, in potenziale conflitto di interesse o tali da compromettere l'integrità del patrimonio sociale.

Abbiamo ottenuto dall'Organo Amministrativo, anche durante le riunioni svolte, informazioni sul generale andamento della gestione e sulla sua prevedibile evoluzione, nonché sulle operazioni di maggiore rilievo, per le loro dimensioni o caratteristiche, effettuate dalla società e dalle sue controllate e, in base alle informazioni acquisite, non abbiamo osservazioni particolari da riferire.

Abbiamo accertato che non sono state poste in essere operazioni, comprese quelle infragruppo e con parti correlate, atipiche e/o inusuali.

Abbiamo vigilato sull'adeguatezza del flusso reciproco di informazioni tra Altea Green Power SpA e le sue controllate ai sensi dell'articolo 114, comma 2, del D. Lgs. n. 58 del 1998, assicurato dalle istruzioni emanate dalla direzione della Società nei confronti delle Società del Gruppo.

Abbiamo vigilato in merito agli adempimenti correlati alle norme del "Market abuse", della "Tutela del risparmio" e in materia di "Internal Dealing", con particolare riferimento al trattamento delle informazioni privilegiate e alla procedura di diffusione dei comunicati e delle informazioni al pubblico. E' stato monitorata la procedura adottata dalla Società per la gestione delle informazioni privilegiate e rilevanti redatta alla luce delle Linee Guida CONSOB n. 1/2017.

Abbiamo valutato e vigilato sull'adeguatezza dell'assetto organizzativo, amministrativo e contabile, nonché sull'affidabilità di quest'ultimo a rappresentare correttamente i fatti di gestione, mediante l'ottenimento delle necessarie informazioni dall'Organo Amministrativo, dai responsabili delle funzioni interessate, dall'Organismo di Vigilanza, dal soggetto incaricato della revisione legale dei conti ed attraverso l'esame dei documenti aziendali ed, a tale riguardo, non abbiamo osservazioni particolari da riferire, pur valutando con estremo favore la prossima entrata in organico di un responsabile amministrativo di adeguato standing.

Abbiamo valutato e vigilato sull'adeguatezza e sul funzionamento del sistema di controllo interno della Società, mediante l'ottenimento di informazioni dall'Organo Amministrativo, dai responsabili delle funzioni interessate e dall'Organismo di Vigilanza, e a tale riguardo, non abbiamo osservazioni particolari da riferire.



Abbiamo da ultimo incontrato lo scorso 7 febbraio 2023 la società BDO Italia SpA, incaricata dell'attività di revisione legale dei conti, dal cui scambio di informazioni non sono emersi dati o fatti rilevanti da segnalare nella presente relazione.

Abbiamo altresì incontrato l'Organismo di Vigilanza monocratico, Avv. Eleonora Pradal, acquisendo le necessarie informazioni sull'adeguatezza e sulla corretta attuazione del "*Modello di Organizzazione, Gestione e Controllo*" ai sensi del D. Lgs. 8 giugno 2001 n. 231.

Al proposito abbiamo preso atto delle modifiche apportate al Modello organizzativo citato nel corso del Consiglio di Amministrazione dello scorso 13 gennaio 2023. Tali modifiche si sono rese necessarie anche alla luce dell'ammissione alle negoziazioni sul mercato Euronext Growth Milan degli strumenti finanziari della Società.

I Sindaci, inoltre, attestano che nel corso dell'esercizio 2022:

- non sono pervenute denunce dai soci ex art. 2408 c.c.
- non sono stati notificati alla Società ricorsi relativi a denunce al Tribunale ai sensi dell'art. 2409 del Codice Civile;
- non è stato presentato al Collegio Sindacale alcun esposto.

Nel corso dell'esercizio non sono stati rilasciati dal collegio sindacale pareri previsti dalla legge. Per completezza di informazione si anticipa che in data 30 marzo 2023 ha reso all'Assemblea degli Azionisti il proprio parere motivato in merito alla richiesta di integrazione del compenso formulata dalla società di revisione BDO Italia SpA in relazione all'attività di revisione legale dei conti a far data dal bilancio d'esercizio 2022.

Nel corso dell'attività di vigilanza, come sopra descritta, non sono emersi altri fatti significativi tali da richiederne la menzione nella presente relazione.

#### **Attività di vigilanza sui rapporti con Società controllate**

Il Collegio ha vigilato sull'adeguatezza delle disposizioni impartite dalla Società alle controllate, ai sensi dell'art. 114, comma 2, del D. Lgs. n. 58 del 1998.

Dagli incontri periodici con il management non sono emersi elementi di criticità da segnalare nella presente relazione.

#### **Attività di vigilanza sulle operazioni con parti correlate**

In relazione a quanto disposto dall'art. 2391-bis del Codice Civile, il Collegio Sindacale dà atto che il Consiglio di Amministrazione ha adottato una procedura per la disciplina delle Operazioni con Parti Correlate, il cui obiettivo principale è quello di definire le linee guida e i criteri per l'identificazione delle operazioni con parti correlate e declinarne ruoli, responsabilità e modalità operative atte a garantire, per tali operazioni, un'adeguata trasparenza informativa e la relativa correttezza procedurale e sostanziale.

In ossequio alla "Procedura relativa alla disciplina delle Operazioni con Parti Correlate" adottata dalla Società il Consiglio di Amministrazione il 27 maggio 2022 ha proceduto alla nomina di un Comitato Parti Correlate, composto da tutti gli amministratori indipendenti di volta in volta in carica. In considerazione del fatto che nell'attuale Consiglio di Amministratore figurano due amministratori indipendenti, nelle persone della Dott.ssa Laura Guazzoni e del Dott. Marco Di Miceli, il comitato in questione si intende validamente costituito con la presenza di questi ultimi.

Nel corso del 2022 le operazioni con parti correlate riassunte in Nota Integrativa sono state:

- finanziamento al Presidente del Consiglio di Amministrazione;
- remunerazione aggiuntiva a favore dell'amministratore investito di particolari cariche ai sensi dell'art. 2389, 3° comma, c.c.

Su quest'ultima operazione, in particolare, il Collegio Sindacale dà atto che il Comitato Operazioni con Parti Correlate ha rilasciato parere in data 11 luglio 2022 depositato agli atti della società, e il Consiglio di Amministrazione tenutosi il 12 luglio 2022 l'ha approvata.

### **Osservazioni in ordine al bilancio d'esercizio**

Il progetto di bilancio relativo all'esercizio chiuso al 31 dicembre 2022, composto dallo stato patrimoniale, dal conto economico, dalla nota integrativa e dal rendiconto finanziario, è stato approvato dal Consiglio di Amministrazione nella riunione del 28 marzo 2023 e consegnato ai Sindaci in tale data insieme alla relazione sulla gestione.

Il bilancio al 31 dicembre 2022 di Altea Green Power SpA, redatto in conformità alle norme del Codice Civile integrate dai Principi Contabili Nazionali statuiti dal Consiglio Nazionale dei Dottori Commercialisti ed Esperti Contabili e dai Documenti emanati dall'Organismo Italiano di Contabilità, chiude con un utile di €. 4.169.325, al netto delle imposte sul reddito, correnti, anticipate e differite, stanziato per €. 1.834.314.

Compete alla società di revisione BDO Italia SpA, incaricata della revisione legale dei conti, esprimere il giudizio sul bilancio ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010 n. 39.

Abbiamo preso atto che la relazione emessa dalla società di revisione in data odierna riporta il giudizio sul bilancio d'esercizio al 31 dicembre 2022 senza rilievi, attestando che fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2022, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

La relazione della società di revisione riporta anche il giudizio positivo sulla coerenza della relazione sulla gestione con il bilancio di esercizio al 31 dicembre 2022 e attesta che è redatta in conformità alle norme di legge.

Non essendo a noi demandato il controllo analitico di merito sul contenuto del bilancio, abbiamo vigilato sull'impostazione generale data a tale documento, accertandone la sua generale conformità alla legge per quel che riguarda la sua formazione e struttura e sul processo di predisposizione e presentazione dell'informativa di bilancio all'Assemblea degli Azionisti.

Abbiamo altresì verificato l'osservanza delle norme di legge inerenti la predisposizione della relazione sulla gestione ed anche a tale riguardo non abbiamo osservazioni particolari da riferire.

Per quanto a nostra conoscenza, l'Organo Amministrativo non ha derogato alle norme di legge in materia di redazione del bilancio ai sensi dell'art. 2423, comma quarto, del Codice Civile.

Abbiamo, inoltre, verificato la rispondenza del bilancio ai fatti e alle informazioni di cui siamo a conoscenza a seguito dell'espletamento dei nostri doveri e non abbiamo osservazioni al riguardo.

### **Osservazioni e proposte in ordine alla approvazione del bilancio**

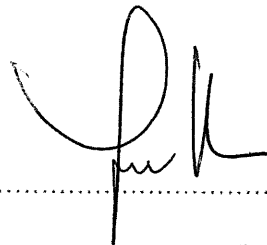
Considerando le risultanze dell'attività da noi svolta, invitiamo gli azionisti ad approvare il bilancio d'esercizio chiuso al 31 dicembre 2022, così come redatto dall'Organo di Amministrazione.

Il collegio concorda con la proposta di destinazione del risultato d'esercizio fatta Consiglio di Amministrazione in nota integrativa.

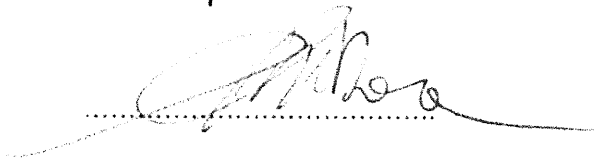
Torino, 13 aprile 2023

*Il Collegio Sindacale*

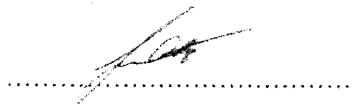
Fabrizio Morra



Rosa Chirico



Franco Cattaneo



# 6

## Independent Auditors' Report



**Altea Green Power S.p.A.**

Relazione della società di revisione  
indipendente ai sensi dell'art. 14 del  
D. Lgs. 27 gennaio 2010, n. 39

Bilancio d'esercizio al 31 dicembre 2022



## Relazione della società di revisione indipendente ai sensi dell'art. 14 del D. Lgs. 27 gennaio 2010, n. 39

Agli Azionisti della  
Altea Green Power S.p.A.

### Relazione sulla revisione contabile del bilancio d'esercizio

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#### Giudizio

Abbiamo svolto la revisione contabile del bilancio d'esercizio della Altea Green Power S.p.A. (la Società) costituito dallo stato patrimoniale al 31 dicembre 2022, dal conto economico, dal rendiconto finanziario per l'esercizio chiuso a tale data e dalla nota integrativa.

A nostro giudizio, il bilancio d'esercizio fornisce una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società al 31 dicembre 2022, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data in conformità alle norme italiane che ne disciplinano i criteri di redazione.

#### Elementi alla base del giudizio

Abbiamo svolto la revisione contabile in conformità ai principi di revisione internazionali (ISA Italia). Le nostre responsabilità ai sensi di tali principi sono ulteriormente descritte nella sezione *Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio* della presente relazione. Siamo indipendenti rispetto alla Società in conformità alle norme e ai principi in materia di etica e di indipendenza applicabili nell'ordinamento italiano alla revisione contabile del bilancio. Riteniamo di aver acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio.

#### Responsabilità degli amministratori e del collegio sindacale per il bilancio d'esercizio

Gli amministratori sono responsabili per la redazione del bilancio d'esercizio che fornisca una rappresentazione veritiera e corretta in conformità alle norme italiane che ne disciplinano i criteri di redazione e, nei termini previsti dalla legge, per quella parte del controllo interno dagli stessi ritenuta necessaria per consentire la redazione di un bilancio che non contenga errori significativi dovuti a frodi o a comportamenti o eventi non intenzionali.

Gli amministratori sono responsabili per la valutazione della capacità della Società di continuare ad operare come un'entità in funzionamento e, nella redazione del bilancio d'esercizio, per l'appropriatezza dell'utilizzo del presupposto della continuità aziendale, nonché per una adeguata informativa in materia. Gli amministratori utilizzano il presupposto della continuità aziendale nella redazione del bilancio d'esercizio a meno che abbiano valutato che sussistono le condizioni per la liquidazione della Società o per l'interruzione dell'attività o non abbiano alternative realistiche a tali scelte.

Il collegio sindacale ha la responsabilità della vigilanza, nei termini previsti dalla legge, sul processo di predisposizione dell'informativa finanziaria della Società.

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## Responsabilità della società di revisione per la revisione contabile del bilancio d'esercizio

I nostri obiettivi sono l'acquisizione di una ragionevole sicurezza che il bilancio d'esercizio nel suo complesso non contenga errori significativi, dovuti a frodi o a comportamenti o eventi non intenzionali, e l'emissione di una relazione di revisione che includa il nostro giudizio. Per ragionevole sicurezza si intende un livello elevato di sicurezza che, tuttavia, non fornisce la garanzia che una revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia) individui sempre un errore significativo, qualora esistente. Gli errori possono derivare da frodi o da comportamenti o eventi non intenzionali e sono considerati significativi qualora ci si possa ragionevolmente attendere che essi, singolarmente o nel loro insieme, siano in grado di influenzare le decisioni economiche prese dagli utilizzatori sulla base del bilancio d'esercizio.

Nell'ambito della revisione contabile svolta in conformità ai principi di revisione internazionali (ISA Italia), abbiamo esercitato il giudizio professionale e abbiamo mantenuto lo scetticismo professionale per tutta la durata della revisione contabile. Inoltre:

- abbiamo identificato e valutato i rischi di errori significativi nel bilancio d'esercizio, dovuti a frodi o a comportamenti o eventi non intenzionali; abbiamo definito e svolto procedure di revisione in risposta a tali rischi; abbiamo acquisito elementi probativi sufficienti ed appropriati su cui basare il nostro giudizio. Il rischio di non individuare un errore significativo dovuto a frodi è più elevato rispetto al rischio di non individuare un errore significativo derivante da comportamenti o eventi non intenzionali, poiché la frode può implicare l'esistenza di collusioni, falsificazioni, omissioni intenzionali, rappresentazioni fuorvianti o forzature del controllo interno;
- abbiamo acquisito una comprensione del controllo interno rilevante ai fini della revisione contabile allo scopo di definire procedure di revisione appropriate nelle circostanze e non per esprimere un giudizio sull'efficacia del controllo interno della Società;
- abbiamo valutato l'appropriatezza dei principi contabili utilizzati nonché la ragionevolezza delle stime contabili effettuate dagli amministratori, inclusa la relativa informativa;
- siamo giunti ad una conclusione sull'appropriatezza dell'utilizzo da parte degli amministratori del presupposto della continuità aziendale e, in base agli elementi probativi acquisiti, sull'eventuale esistenza di una incertezza significativa riguardo a eventi o circostanze che possono far sorgere dubbi significativi sulla capacità della Società di continuare ad operare come un'entità in funzionamento. In presenza di un'incertezza significativa, siamo tenuti a richiamare l'attenzione nella relazione di revisione sulla relativa informativa di bilancio, ovvero, qualora tale informativa sia inadeguata, a riflettere tale circostanza nella formulazione del nostro giudizio. Le nostre conclusioni sono basate sugli elementi probativi acquisiti fino alla data della presente relazione. Tuttavia, eventi o circostanze successivi possono comportare che la Società cessi di operare come un'entità in funzionamento;
- abbiamo valutato la presentazione, la struttura e il contenuto del bilancio d'esercizio nel suo complesso, inclusa l'informativa, e se il bilancio d'esercizio rappresenti le operazioni e gli eventi sottostanti in modo da fornire una corretta rappresentazione.

Abbiamo comunicato ai responsabili delle attività di governance, identificati ad un livello appropriato come richiesto dagli ISA Italia, tra gli altri aspetti, la portata e la tempistica pianificate per la revisione contabile e i risultati significativi emersi, incluse le eventuali carenze significative nel controllo interno identificate nel corso della revisione contabile.



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**Relazione su altre disposizioni di legge e regolamentari****Giudizio ai sensi dell'art. 14, comma 2, lettera e), del D. Lgs. 39/10**

Gli amministratori della Altea Green Power S.p.A. sono responsabili per la predisposizione della relazione sulla gestione della Altea Green Power S.p.A. al 31 dicembre 2022, incluse la sua coerenza con il relativo bilancio d'esercizio e la sua conformità alle norme di legge.

Abbiamo svolto le procedure indicate nel principio di revisione (SA Italia) n. 720B al fine di esprimere un giudizio sulla coerenza della relazione sulla gestione con il bilancio d'esercizio della Altea Green Power S.p.A. al 31 dicembre 2022 e sulla conformità della stessa alle norme di legge, nonché di rilasciare una dichiarazione su eventuali errori significativi.

A nostro giudizio, la relazione sulla gestione è coerente con il bilancio d'esercizio della Altea Green Power S.p.A. al 31 dicembre 2022 ed è redatta in conformità alle norme di legge.

Con riferimento alla dichiarazione di cui all'art. 14, co. 2, lettera e), del D. Lgs. 39/10, rilasciata sulla base delle conoscenze e della comprensione dell'impresa e del relativo contesto acquisite nel corso dell'attività di revisione, non abbiamo nulla da riportare.

Torino, 13 aprile 2023

BDO Italia S.p.A.



Eugenio Vicari  
Socio

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## **Altea Green Power S.p.A.**

### **OPERATIONAL HEADQUARTERS**

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### **REGISTERED OFFICE**

Corso Re Umberto, 8 - 10121 Torino - Italy

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