

PRESS RELEASE

TOZZI GREEN APPROVES THE CONSOLIDATED RESULTS FOR FINANCIAL YEAR 2020

- **Turnover of 88.3 million euros, EBITDA of 45 million, net profit of 4.5 million euros**
- **Net Financial Position of 143.3 million euros, NFP/EBITDA equal to 3.2x**
- **The EBITDA/turnover ratio rose to a historical record of 51%**
- **Foreign turnover accounted for more than 60% of the total.**
- **Major investments in the pipeline of approximately 43 mln euros for the development of new plants in Italy, South America and Africa**
- **Possible acquisitions of individual plants or companies in Italy and worldwide being investigated to speed up the increase in the installed capacity**

Mezzano (RA), XX April 2021 - The Shareholders' Meeting of the Tozzi Green Group, one of Italy's leading renewable energy groups and one of the world's leading players in rural electrification, approved the 2020 consolidated financial statements.

The Group, founded by Franco Tozzi, closed the year with a **consolidated turnover of 88.3 million** euros, down from 147.31 million euros in 2019. The decrease in revenues, which was fully expected by management, is mainly attributable to lower revenues from the rural electrification activities in Peru, since the project's installation phase has been completed, and, due to the effect of accounting principle IFRIC 12, higher levels of revenue were booked during the supply and installation period (mainly in the years 2018 and 2019) compared to the period of operation and maintenance (which will take place over the next 13 years).

EBITDA amounted to 45 million euros (equal to 51% of consolidated turnover - an historical record for the group). **Net profit was equal to 4.5 million** euros compared with the 13 million euros of 2019.

Foreign turnover made up 60% of the total, which was broken down as follows: Italy 35.2 mln (39%), South America 38.7 mln (44%) and Africa 14.4 mln (17%).

Energy production from renewable sources contributed 47% of turnover, rural electrification contributed 44% and corporate services (which include the activities of Operation & Maintenance and Asset Management for our own or third-party plants and the agricultural branch) 9%.

The Covid-19 pandemic had virtually no effect on the group's accounts, other than in a minor way due to the lower electricity selling prices that impacted only the revenues of the photovoltaic plants. The pandemic, however, did slow down the construction of some new plants around the world, although they have now restarted.

The rural electrification project in Peru, for which the Group won **an international government tender to bring autonomous electricity to rural areas not connected** to the national electricity grid, will see a **further development thanks to the installation** of over 14,000 new photovoltaic kits by the end of 2021

that will lead to **a total of 222,000 kits installed** and that will provide energy to nearly 1,000,000 people and 3,000 health and energy facilities.

For 2021 the Group has prepared **a major investment plan** of about 43 million euros **to increase installed capacity** through new plants in Italy, South America and Africa.

At the beginning of 2021 the Group started the construction of a new 11.83MW solar power plant in Tinogasta (Argentina) while the construction of the hydroelectric power plant of Mahitsy Hydro in Madagascar is expected to be completed during 2021.

Thanks to its significant financial strength, the Group is also **investigating various potential acquisitions** of individual plants or companies both in Italy and worldwide in order to **increase installed power** and accelerate the growth path.

The Group has been working for over 30 years developing plants for the generation of energy from renewable sources and is **the only one that completely and horizontally integrates the entire supply chain** (Development, EPC, O&M) **for all plants from renewable energy sources (RES)**: hydroelectric, wind, photovoltaic, and biogas.

It is also **one of the world's leading players in rural electrification and sustainable rural development**, responding to the growing need for electricity supply in developing countries.

At the end of 2020, the Group had its own plants in Italy and worldwide and qualifying shareholdings for a total installed capacity of 118.56 MW and over 217,000 photovoltaic kits.

Andrea Tozzi, the CEO of Tozzi Green, stated: "*For us, 2020 was a year in which, first of all, we dedicated ourselves to the safety of our colleagues in Italy and around the world in view of the serious pandemic in progress. We have adopted strict protocols everywhere to comply with the health guidelines prescribed by the authorities and I am glad to say that the pandemic has had a marginal effect on the whole Group.*

In 2021, a season of new and great challenges is opening for the Group. We have a very ambitious growth plan in all the large areas of the world where we operate and we are investigating different possible acquisitions of both new plants under development and companies, that will allow us to increase our installed capacity around the world.

We are confident that we will be able to obtain permits from the Government to start new plants for over 200 MW in Italy and for which we have been awaiting the green light for decades. I am more optimistic about Italy than I was a few months ago because an important window has been opened for implementing the reforms that the country has been awaiting for decades, which will help the development of businesses and the creation of new jobs.

The new Minister of Ecological Transition Roberto Cingolani is a person of great substance, who knows our sector in depth and who is very well aware that in recent years the new installed power has been minimal. A huge effort is needed to simplify the bureaucratic and authorisation procedures if we are to come even close to the target of 33% of national energy needs being met by renewable energy plants by 2030 (currently 18%) set by the Ministry of Economic Development in May 2019. We have leaders of international stature in the government who I am sure will be able to implement the key reforms that have been awaited for decades and who will be able to have a decisive impact on the development of renewable energy in our country."

Tozzi Green

Tozzi Green is one of Italy's leading renewable energy groups and one of the world's leading players in rural electrification. The Group has been operating worldwide for over 30 years developing plants for the generation of energy from renewable sources and is the only one that completely and horizontally integrates the entire supply chain (Development, EPC, O&M) for all plants from renewable energy sources (RES): hydroelectric, wind, photovoltaic, and biogas. It is also one of the world's leading players in rural electrification and sustainable rural development. Consolidated revenues in 2020 amounted to 88.3 million euros, EBITDA amounted to 45 million euros with a net profit of 4.5 million euros. As of the end of 2020, the Group owned plants in Italy and worldwide and qualified interests with total installed capacity of 118.56 MW and has installed over 217,000 photovoltaic power kits.

For further information:

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