algoWatt: 2020 industrial results reviewed. Strong growth in the three business units in the energy, mobility and smart cities sectors

algoWatt S.p.A. , a GreenTech Solutions Company listed on the Italian Stock Exchange's electronic share market (MTA), after examining the separate preliminary results (announced on 16 December 2020), also analysed the industrial results achieved during the 2020 financial year.

The results indicate a **consistent advancement of the business**, which reflects the preliminary figure of growth in the **value of production** (equal to **Euro 18.9 million** approximately **+9%**) achieved in full pandemic, compared to the corresponding value of the previous year. In particular, alongside the consolidation of economic and technological results achieved thanks to the improved and updated *guidance* with the merger between TerniEnergia and Softeco, algoWatt has laid the foundations of the pillars that will support the growth assumed in the business plan 2021-2024, currently being defined and approved.

Business Unit Breakdown

The **Green Energy Utility** BU consolidated its technological leadership in the remote control segment for the transmission and distribution networks of the main operators in the sector, improving the backlog of orders and the customer portfolio and increasing the contribution to the EBITDA margin. Tangible results were achieved with the new strategic and technological consulting service applied to the main innovative trends in the sector. Significant acceleration was given to the acquisition of skills and the activation of partnerships on energy storage, one of the key components for innovative projects aimed at the Smart Grid, the innovative Fast Reserve service (in which AlgoWatt has developed original and competitive support solutions for utilities), passing through the Capacity Market and the Energy Communities, and finally the Vehicle 2 Grid. Finally, the company has enhanced and innovated its historic position as a technological leader in renewable energy production, generating advanced asset management solutions in particular for the photovoltaic and hydroelectric sectors and for plant O&M.

The **Green Enterprise & City** BU **has** extended the scope of its solutions component to include leading and well-established customers in industry and the tertiary sector. It has begun to apply the proprietary solutions of the AI-Green line, based on the implementation of artificial intelligence technologies to environmental and industrial processes. algoWatt has made significant investments in training for the development of new solutions aimed at remote control of the railway sector, the most energy-intensive of all, which will begin to bear fruit in 2021. The pooling of the decades of expertise of Softeco and TerniErnergia has enabled the construction of a complete, modular and replicable proposal for the residential, tertiary, industrial and public administration sectors. To this end, a new consultancy service has been developed to identify the most suitable incentive tool to optimise the return on investment in energy efficiency and sustainability.

The **Green Mobility** BU has improved the margins of its products on its main customers, particularly in electric mobility and in the management of road fleets and port terminals and hubs. The optimisation of the offer aimed at local public transport has enabled the internationalisation of the proprietary, modular and scalable solution for on-call public services, for which algoWatt remains the leader in Italy. In addition, a complete commercial proposal has been prepared for the engineering and implementation of corporate electric mobility solutions. After the success of the Villa San Giovanni terminal for Caronte&Tourist, algoWatt is ready to replicate its experience in port ticketing and boarding, complementing it with the new requirements of "green" and sustainable ports. Finally, the BU is completing the definition of an offer for the innovative management of separate waste collection ("per use") by vehicle fleets, according to the new European regulations and for the application of the punctual tariff.

The establishment of a specialised division to launch an offer dedicated to the emerging segment of energy and seismic upgrading of real estate, envisaged under the **110% Superbonus** legislation, has enabled the development of a **substantial pipeline of projects** to be carried out over the next few years. algoWatt is confident that this new line of business will generate a significant contribution in terms of turnover and therefore margins for the Group, also thanks to the extension of the instrument until 2022 envisaged by the 2021 Budget Law.

The new **Product Development** unit launched a major overhaul of the product portfolio, with the implementation of a new cross-product and cross-market architecture, based on the most modern principles of modularity and reuse and, therefore, on the most innovative microservices technologies.

Thanks to the creation of dedicated task forces across the three BUs, they will be able to count on the skills and processes necessary to relaunch their System Integration and General Contractor activities in order to achieve the growth envisaged in the 2021-2024 plan.

Research & Innovation R&I activity is the driving force behind the company's competitiveness and the enhancement of the creative capital of the business units, contributing to the realisation of the exponential technologies that make algoWatt's proposition unique. Thanks to its consolidated ability to obtain funding for research projects through national and European calls for proposals, algoWatt is involved as a coordinator or partner in 18 multi-year projects with contributions of around 5 million euros.

In 2020, the contribution of technology transfer activities to the operating result was further consolidated through the signing of Technology Transfer Agreements, which made it possible to exploit internally developed know-how and expand the company's range of products and services. Lastly, expertise in the virtuous use of subsidised finance has led to the creation of a task force capable of providing specialist consultancy services for the implementation of strategic projects for large-scale investments in energy, mobility and automation.

This press release is available on the Company's website www.algowatt.com

algoWatt (ALW), *greentech solutions company,* designs, develops and integrates solutions for energy and natural resource management in a sustainable and socially responsible manner. The Company provides management and control systems that integrate devices, networks, software and services with a clear sector focus: digital energy and utilities, smart cities & enterprises and green mobility. algoWatt is the result of the merger of TerniEnergia, a leading company in the renewable energy and environmental industry, and Softeco, an ICT solutions provider with over 40 years of experience for customers operating in the energy, industry and transport sectors. The company, with more than 200 employees located in 7 locations in Italy and investments in research and innovation for more than 12% of turnover, operates with an efficient corporate organization, focused on the following markets: Green Energy Utility: renewable energy, digital energy, smart grids; Green Enterprise&City: IoT, data analysis, energy efficiency, building and process automation; Green Mobility: electric, shared and on demand. Different markets, a single focus: sustainability. algoWatt is listed on the Mercato Telematico Azionario (MTA) of Borsa Italiana S.p.A..

For further info:

Investor Relations	**Press Office**	**Investor & Media Relations**
algoWatt SpA	**algoWatt SpA**	Domenico Gentile, Pietro Autelitano
Filippo Calisti (CFO)	Federico Zacaglioni	Via Bigli, 19 - 20121 Milano
Tel. +39 0744 7581	Tel. +39 0744 7581	Tel. +39 02 4547 3883/4
filippo.calisti@algowatt.com	Mobile +39 340 5822368	ir@irtop.com
	federico.zacaglioni@algowatt.com	ufficiostampa@irtop.com