
algoWatt: postponement of the approval of the 2022 financial statements for the update of the Restructuring Plan and Financial Agreement, and approval of new strategic guidelines.

algoWatt, a GreenTech Company listed on the Euronext Milan market of Borsa Italiana, announce the postponement of the approval and publication date of the separated and the consolidated financial statements 2022, compared to what was communicated in the corporate event calendar released on January 10, 2023.

In this regard, algoWatt's Board of Directors has noted that:

- On December 13, 2022, as announced in a press release (available on the website www.algowatt.com / "Press Releases" section) regarding the implementation status of the Restructuring Plan and Financial Agreement pursuant to Article 67, paragraph 3, letter d) of the Italian L.F. (now Article 56 of the C.C.I.A.A.), algoWatt and its parent company Italeaf submitted a proposal for a "Stand Still" until June 30, 2023 to the signatories of the aforementioned plan;
- Following the above proposal, discussions with the counterparties of the Financial Agreement are currently underway to negotiate a modification of it, and therefore, it has become appropriate to postpone the approval of the 2022 budget plan, also to take into account the update of the Restructuring Plan.

UPDATE OF THE CORPORATE EVENTS CALENDAR

Taking into account the progress of the process described - of which the market will be regularly informed - and the relevance of the outcome of the negotiations aimed at achieving an update of the Plan, the Board of Directors deemed it appropriate to postpone any decision regarding the approval of the separate and the consolidated financial statements as of December 31, 2022, until June 30, 2023, in order to fully take into account the impacts arising from the definition of the updated financial agreement in the approval of such financial data.

The precise date of the board meeting for the approval of the 2022 financial statements and for the convening of the Shareholders' Meeting will be communicated to the market in a subsequent press release, in the manner established by the applicable regulations.

APPOINTMENT OF ADVISORS FOR UPDATING THE RESTRUCTURING PLAN AND FINANCIAL AGREEMENT

With regard to the process of updating the Restructuring Plan and the Financial Agreement, also in light of the regulatory changes introduced by the Italian Corporate Insolvency and Recovery Code and by Decree Law 13/2023, algoWatt has appointed R&S Advisory S.r.l., represented by dr Paolo Lisca, as financial advisor and the law firm Fallanca-Scicolone & Partners, represented by lawyer Marco Scicolone, for legal assistance in order to negotiate the aforementioned update of the Financial Agreement.

NEW STRATEGIC GUIDELINES

alگوWatt also informs that the amendment to the Restructuring Plan envisages, inter alia, the launch of a new business plan, through the modification of the business model and a revision of the Company's strategic and financial objectives. As part of this activity, the counterparties to the Financial Agreement had been notified of the intention to approve the strategic guidelines, relating to the industrial activities of the new Industrial Plan 2023-2025, by March 2023.

In particular, the new strategic guidelines - drawn up with the consultancy of STAM Srl, a company specialising in high technology applied to energy, the environment, industry and automation - identify three high-level objectives, consistent with the Plan defined by alگوWatt to emerge from the current state of financial tension, based on four drivers of industrial growth.

Three high-level objectives

1. Leadership in the twin transition market (digital solutions for sustainability)

The energy sector is responsible for about three quarters of today's greenhouse gas emissions and is the key to averting the worst effects of climate change. The Twin Transition assets and competencies (software solutions and associated services) are part of the company's history. The portfolio of alگوWatt's solutions and services is characterised by a focus on energy and elements related to its management. Among the fundamental assets functional to the "Twin Transition" objective is alگوWatt's European and regional R&D project portfolio, which is strongly aimed at enhancing and innovating technology on the core themes of the Twin Transition itself.

2. From provider to partner

Starting from the assumption that in today's market, a service provider is now regarded as a commodity (with the high risk of turnover), the transformation into a technology partner becomes essential to affirm the role of a company that becomes an integral part of the customer's business. The markets of digital solutions for energy, environment and plants represent a fundamental part of alگوWatt's history, which has a characterising know-how and can represent a great added value for prospects and customers. alگوWatt can also count on the added value, skills and track record of TerniEnergia Progetti, an asset to be leveraged to present itself as a partner with experience in the sector and the ability to make a supply chain in an excellent market moment for the photovoltaic sector.

3. Growth in the Digital Circular Economy

Environmental sustainability, and in particular the circular economy, are at the centre of the main European and national strategic agendas (Green New Deal, Circular Economy Package, National Strategy for the Circular Economy, PNRR, co-funded research and innovation programmes, etc.) with the consequent mobilisation of significant public-private investments to boost this sector as it is considered key to: i) achieving the 2030 and 2050 decarbonisation targets; ii) decoupling production from raw material consumption; iii) activating new business models. To date, the main focus has been on the development and industrialisation of technologies and less on digitalisation aspects related to both logistics and process automation. This opens up space for market expansion and diversification within the 'digital circular economy'.

Four strategic drivers

a. Achieving financial sustainability

Resolution of the financial tension as the main driver, through a negotiated revision of the Recovery Plan and the related Financial Agreement.

b. EPC and O&M with TerniEnergia Progetti

The operational re-launch of TerniEnergia Progetti will represent a key element of the strategy, allowing an increase in consolidated revenues and at the same time the possibility to achieve relevant stewardship and partnership agreements, functional to the change of the business model from provider to partner.

c. Research Development and Innovation

algoWatt's excellence in RD&I will be put at the service of the development of innovative solutions in the Twin Transition and Digital Circular Economy.

d. Portfolio rationalisation

Greater focus on the Twin Transition and Digital Circular Economy, with the consequent exploitation of opportunities for divestment or disposal of software platforms and contracts not in scope, as well as M&A opportunities through the use of treasury shares, amounting to approximately 2.15% of the share capital, to integrate into the Group realities possessing competences and skills capable of strengthening algoWatt's technological offering.

This press release is also available on the Company's website www.algowatt.com and on the regulated information dissemination system 1INFO www.1info.it.

algoWatt (ALW), a *GreenTech solutions company*, designs, develops and integrates solutions for managing energy and natural resources in a sustainable and socially responsible manner. The company provides management and control systems that integrate devices, networks, software and services with a clear sectoral focus: digital energy and utilities, smart cities & enterprises and green mobility. algoWatt was born from 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 in 7 locations in Italy and investments in research and innovation amounting to more than 12% of its turnover, operates with an efficient corporate organisation, focused on its reference markets: Green Energy Utility: renewable energies, digital energy, smart grids; Green Enterprise&City: IoT, data analysis, energy efficiency, building and process automation; Green Mobility: electric, sharing and on demand. Different markets, one focus: sustainability. algoWatt is listed on the Euronext Milan market of Borsa Italiana S.p.A..

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