SERVIZI INTEGRATI BELLUNESI SPA

Via Tiziano Vecellio 27/29 – 32100 Belluno

INTERIM REPORT AS AT 30 June 2026

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Interim Financial Statements as at 30 June 2026

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Shareholders' meeting

1st Call 14 October 2026

2nd Call 15 October 2026

SERVIZI INTEGRATI BELLUNESI SPA

Registered Office in via TIZIANO VECELLIO 27/29 - 32100 Belluno - share capital EUR 3,819,694.80 fully paid-in

INTERIM REPORT AS AT 30 June 2026

REPORT ON THE INTERIM FINANCIAL STATEMENTS

Dear Shareholders:

we submit for your examination and approval the Interim Financial Statements as at 30 June 2026, which closed with a profit for the period of EUR 310 thousand.

The main results as at 30 June 2026 are set out below:

- Total revenue EUR 19.9 million, compared to EUR 22.1 million as at 30 June 2025
- Ebitda EUR 3 million, compared to EUR 5.4 million as at 30 June 2025
- Ebit EUR 151 thousand, compared to EUR 2.8 million as at 30 June 2025
- Net Profit EUR 310 thousand, compared to EUR 2.3 milion as at 30 June 2025
- Investments EUR 12 million, compared to EUR 11.3 million as at 30 June 2025
- Financial position EUR 20.1 million (positive), compared to EUR 23.4 million (positive) as at 31 December 2025.

While we refer you to the Explanatory Notes to the Financial Statements for clarifications on the data resulting from the Balance Sheet and Income Statement, we would like to present here some considerations on the Company's management, both with reference to the half-yearly position as at 30 June 2026 and future prospects, all in accordance with art. 2428 of the Italian Civil Code.

We present below the reclassified Income Statement and Balance Sheet, in order to allow a comparison not only with the final data of the previous period, but also with the forecast data defined as part of the 2026--2028 Three-Year Business Plan approved by the Shareholders' Meeting on 23 December 2025.

Significant events during the period and events after 30 June 2026

2026 marks the second financial year following the merger by absorption of the related company Bim Belluno Infrastrutture S.p.A., during which the integration of the activities arising from the merger – namely, the production of electricity from micro-plants and the District Heating Service in the Municipality of Santo Stefano di Cadore.

In the first part of 2026, the Company was strongly committed to completing regeneration projects for parts of the Integrated Water Service that were awarded funding from the National Recovery and Resilience Plan (PNRR): (i) the Basin Sludge Hub project, with funding amounting to EUR 1.2 million, (ii) the Loss reduction project, with funding amounting to EUR 20.4 million, and (iii) the Marisiga di Belluno purification plant upgrading project, including a 184.5 kW photovoltaic plant on the roof, with funding amounting to EUR 2.9 million. The complex reporting phase, which will enable the final disbursement of the funding due, is nearing completion.

During the first half of 2026, the Company was engaged in ensuring the operation of the Integrated Water Service during the Milano Cortina 2026 Olympic Games. The significant organisational and management effort put in place ensured full service continuity and enabled an effective response to the needs arising from the event, without any major issues emerging.

With regard to tariffs, it is noted that ARERA is currently conducting a preliminary review with a view to approving the regulatory framework for the tariff update for the two-year period 2026–2027, proposed by the Dolomiti Bellunesi Basin Council in accordance with the Resolution of the Shareholders' Meeting No. 11, adopted on 28 July 2026.

The expected tariff multipliers, referring to the base year 2023, for the two-year period 2026-2027 are as follows:

Tariff multiplier ϑ^{2026}	Tariff multiplier ϑ^{2027}
1.236	1.291

The percentage increases over the previous year are shown below:

Increase % 2026 over 2025	Increase % 2027 over 2026
4.7%	4.5%

For 2026, no tariff adjustments will be necessary for users.

After the end of the half-year, the Company was awarded a grant under the National Financial Instrument for Infrastructure Investments and Security in the Water Sector (SFNIISSI), established under Investment 4.5 of Mission 2, Component 4 of the PNRR. On 25 August 2026, the resolution allocating the resources was adopted, and the related Funding Agreement with Invitalia was subsequently signed. The grant, amounting to EUR 22.2 million, is intended to fund the project "Increasing the resilience of the Cortina d'Ampezzo water supply system by upgrading the Forame supply line and increasing storage capacity", with a total value of EUR 24.7 million, and will make a significant contribution to the financial coverage of the company's investment plan.

It should be noted that the ongoing dispute with Italgas Reti S.p.A. concerning the reimbursement value of the plants and assets comprising the ATEM Belluno natural gas distribution system is still pending resolution at the date of this report.

In the hydroelectric sector, low energy production was recorded due to the lack of rainfall that characterised the entire first half of the year and also the beginning of the second half.

There have been some significant regulatory and jurisprudential developments for the hydroelectric sector, which are briefly outlined below.

I. The judgment of the European Court of Justice of 22 January 2026 (Case C-423/23) confirmed the legality of the 2022 regulations on extraordinary profits; it therefore appears increasingly unlikely that additional revenue for that fiscal year - estimated by the acquired company at approximately EUR 1 million, which nevertheless had not been recognised in the income statement - will be recognised.

II. In its judgment of 3 September 2026 (Case C-653/24), the Court of Justice of the European Union clarified that Directive 2006/123/EC ("Bolkestein Directive") does not apply to small-scale hydroelectric diversion plants whose main activity consists of energy production – classified as the production of a good rather than the provision of services – suggesting a significant simplification in the procedures renewing concessions for small-scale water diversion channels. In fact, setting aside hydroelectric plants on aqueducts - for which the issue of renewals is not in question - the ruling could have a significant impact on the concessions for the 15 plants on mountain streams managed by the Company, either under a contract awarded by the municipalities or as company-owned assets, thereby exempting them from the obligation to renew through a public selection procedure open to other operators.

With reference to the draft assessment notice, served on the Company on 25 July 2025, concerning the correct determination of taxes for the 2021 financial year, with particular reference to the deduction for invested equity (so-called ‘ACE’ relief), the Company has decided to make use of the ‘settlement by agreement’ procedure (*accertamento con adesione*) provided for in Legislative Decree No. 218/1997, with a view to entering into a dialogue with the tax authorities regarding the findings in question. The procedure concluded on 17 September 2026 with the signing of the settlement agreement, which resulted in additional taxes of EUR 87,288, plus interest and penalties of EUR 29,028. The Company has also agreed with the Italian Revenue Agency to submit supplementary tax returns for the years 2022–2023, for which the same risk of assessment exists. The resulting additional tax liability, including interest and penalties, amounts to approximately EUR 67,500. In view of the risks associated with the tax assessment, a provision for risks of EUR 130,000 had been prudently set aside in the financial statements as at 31 December 2025; this will therefore be used, in the second half of the financial year, to partially cover the additional cost, estimated at a total of EUR 184,000.

RECLASSIFIED INCOME STATEMENT AS AT 30/06/2026

Figures in EUR thousands	Final balance 1st half 2026		Final balance 1st half 2025		Budget 1st half 2026		Δ Final balance 2026/ Final balance 2025	Δ Final balance 2026 / Budget 2026
Revenues from Integrated Water Service	16,243		15,073		16,193		1,170	50
Electricity Production Revenues	1,300		1,885		1,931		(585)	(631)
Revenues from miscellaneous services	334		316		297		18	37
Total revenue from services	**17,877**		**17,274**		**18,421**		**603**	**(544)**
Increase in fixed assets	1,612		2,246		1,563		(633)	49
Other revenues	451		2,559		443		(2,108)	8
Total Revenues	**19,940**	*100%*	**22,078**	*100%*	**20,427**	*100%*	**(2,138)**	**(486)**
Purchase of materials	(1,614)		(1,937)		(974)		323	(640)
Purchase of services	(6,094)		(5,689)		(6,602)		(405)	508
Use of third party assets	(1,882)		(2,220)		(2,190)		338	307
Personnel costs	(6,972)		(6,326)		(6,972)		(646)	0
Other costs	(417)		(456)		(353)		39	(63)
Total Costs	**(16,979)**		**(16,628)**		**(17,091)**		**(350)**	**112**
EBITDA	**2,962**	*15%*	**5,450**	*25%*	**3,336**	*16%*	**(2,488)**	**(374)**
Amortisation of Investments	(2,635)		(2,402)		(2,471)		(233)	(165)
Allocation to Provision for Bad Debts	(50)		(50)		(50)		0	0
Other Provisions	(125)		(200)		(125)		75	0
Total Provisions	**(2,810)**		**(2,652)**		**(2,646)**		**(158)**	**(165)**
EBIT	**151**	*1%*	**2,798**	*13%*	**690**	*3%*	**(2,647)**	**(539)**
Net financial expenses	343		492		292		(149)	51
EBT before tax	**494**	*2%*	**3,291**	*15%*	**983**	*5%*	**(2,796)**	**(488)**
Taxes	(184)		(972)		(320)		788	136
Net Result	**310**	*2%*	**2,318**	*11%*	**663**	*3%*	**(2,008)**	**(352)**

Total revenues amounted to EUR 19.9 million, a decrease of EUR 0.5 million compared to the forecast figure. The decrease of EUR 2.1 million compared to the first half of 2025 is mainly due to the extraordinary item of EUR 1.5 million recognised in 2025 for ARERA rewards.

Revenues from the Integrated Water Service recorded an increase of EUR 1.2 million compared to 2025, in line with the forecast figure.

Electricity Production Revenues were affected by the reduced availability of water flow, especially from streams, and showed significant declines compared to both the 2025 final figure (EUR -585 thousand) and the forecast figure (EUR -631 thousand).

Revenues from miscellaneous services relate to the LPG supply service, amounting to EUR 135 thousand, and to the district heating service operated in the municipality of Santo Stefano di Cadore, amounting to EUR 199 thousand.

The *Increase in Fixed Assets*, amounting to EUR 1.6 million, represents the share of internal personnel costs and materials used in the implementation of the investments. Compared to the first half of 2025, it decreased by EUR 633 thousand, as the comparison period was significantly affected by the mass meter replacement activities envisaged under the PNRR Loss reduction project.

Other revenues, broadly in line with the forecast figure, decreased by EUR 2.1 million compared to the first half of 2025. This change is attributable to the inclusion, in the comparison period, of non-recurring items, comprising the aforementioned rewards awarded by ARERA for technical and commercial quality in relation to the two-year period 2022–2023 (EUR 1.5 million), the re-invoicing of extraordinary maintenance work carried out at the Rio San Rocco power station in the municipality of Auronzo (EUR 0.5 million), and insurance compensation.

Total costs amounted to EUR 17 million, an increase of EUR 350 thousand compared to the first half of 2025

and broadly in line with the forecast figure. The change is mainly attributable to the increase *in personnel costs*, resulting both from the strengthening of the organisational structure and from the salary adjustments provided for under collective bargaining agreements.

Due to the factors described above, the Gross Operating Margin (**EBITDA**) stood at EUR 3 million, down by EUR 2.5 million compared with the first half of 2025 and compared with the forecast figure of EUR 374 thousand.

Depreciation, amortisation and provisions for the period totalled EUR 2.8 million; consequently, the **Operating Profit (EBIT)** amounted to EUR 151 thousand.

Net **financial expenses** were positive and amounted to EUR 343 thousand, due to the income realised from the use of liquidity from the merger pending its use for investments in the energy sector, in accordance with the guidelines set out by the Shareholders' Meeting.

The **Net result** as at 30/06/2026, after taxes recognised on an accrual basis in the amount of EUR 184 thousand, totalled EUR 310 thousand.

RECLASSIFIED BALANCE SHEET AS AT 30/06/2026

Figures in EUR thousands	Final balance 30/06/2026		Final balance 31/12/2025		Budget 31/12/2026		Δ Final balance 2026 / Final balance 2025	Δ Final balance 2026 / Forecast Budget 2026
Tangible and intangible fixed assets	109,899		100,707		104,128		9,191	5,770
Financial fixed assets	1,591		1,590		1,657		*0*	*(67)*
NET FIXED ASSETS	**111,489**	121%	**102,298**	115%	**105,786**	110%	**9,192**	**5,704**
Trade receivables	9,573		12,031		11,694		*(2,458)*	*(2,122)*
Receivables from customers with VRG adjustment	(1,463)		(212)		2,046		*(1,251)*	*(3,509)*
Inventories	2,294		2,801		1,200		*(507)*	*1,094*
Deferred tax assets	1,624		1,613		1,576		*11*	*48*
Sundry receivables	4,036		4,255		6,654		*(219)*	*(2,618)*
Current assets	**16,064**		**20,487**		**23,171**		***(4,424)***	***(7,107)***
Trade payables	(12,681)		(14,515)		(18,209)		*1,834*	*5,528*
Tax payables	(595)		(561)		(775)		*(34)*	*180*
Sundry payables	(19,092)		(16,200)		(11,302)		*(2,892)*	*(7,790)*
Current Liabilities	**(32,368)**		**(31,276)**		**(30,287)**		***(1,092)***	***(2,081)***
NET WORKING CAPITAL	**(16,304)**	-18%	**(10,789)**	-12%	**(7,116)**	-7%	***(5,515)***	***(9,188)***
Provisions	(2,774)	-3%	(2,660)	-3%	(2,780)	-3%	*(114)*	*6*
NET INVESTED CAPITAL	**92,411**	100%	**88,849**	100%	**95,889**	100%	***3,562***	***(3,478)***
Share Capital	(3,820)		(3,820)		(3,820)		*0*	*0*
Reserves	(108,402)		(106,911)		(108,338)		*(1,491)*	*(64)*
Net result	(310)		(1,491)		(1,325)		*1,181*	*1,015*
SHAREHOLDERS' EQUITY	**(112,532)**	122%	**(112,222)**	126%	**(113,483)**	118%	***(310)***	***951***
Medium/long-term financial payables	(22,219)		(23,760)		(20,608)		*1,541*	*(1,611)*
Medium/long-term financial receivables	5,605		5,601		4,876		*4*	*729*
Short-term financial payables	0		0		0		*0*	*0*
Cash	36,735		41,532		33,325		*(4,797)*	*3,410*
NET FINANCIAL POSITION	**20,121**	-22%	**23,373**	-26%	**17,594**	-18%	***(3,252)***	***2,528***
SOURCES OF FUNDING	**(92,411)**	100%	**(88,849)**	100%	**(95,889)**	100%	***(3,562)***	***3,478***

Net Invested Capital amounted to EUR 92.4 million, an increase of EUR 3.6 million compared to 31/12/2025.

Net Fixed Assets increased by EUR 9.2 million to EUR 111.5 million, due to the significant investment programme carried out during the half-year, mainly relating to the upgrading and modernisation of the Integrated Water Service's infrastructure. Investments are shown gross of PNRR grants, for which the accrual and reporting process is ongoing.

Net Working Capital decreased by EUR 5.5 million, mainly due to:

- a reduction in *trade receivables and receivables for VRG adjustment* (-EUR 3.7 million), in relation to collection and tariff dynamics;
- a decrease in *Inventories* (-EUR 0.5 million), mainly attributable to the use of materials purchased in the previous year, in particular water meters and flow meters intended for the works under the PNRR Loss reduction project;
- an increase in *sundry payables* of EUR 2.9 million, mainly due to advance payments received during the half-year in respect of PNRR grants, which have not yet been matched to the corresponding reported investments.

As regards **sources of funding**, the increase in invested capital was funded primarily through the use of cash and cash equivalents, which decreased from EUR 41.5 million to EUR 36.7 million, representing a reduction

of EUR 4.8 million during the half-year.

ANALYSIS OF SECTOR MARGINS AND COMPARISON WITH FORECAST DATA

At the Income Statement level, a summary report is provided up to the operating result (EBIT), showing, as required by the Articles of Association, the comparison with the data contained in the Forecast Budget.

The General Services and other items do not pertain to the individual public services managed but rather to the entire company (e.g. legal entities, administration, procurement, warehouse logistics, vehicles, etc.). These are apportioned proportionally among them, as indicated in the *General Services Expenditure Portion* line, based on the prevailing methodology on separate accounting (also known as unbundling), where applicable and relevant.

Figures in EUR thousands	Integrated Water Service		Production of Electricity		District heating		LPG		General services and other items		Total	
	Final balance - 1st half 2026	Budget - 1st half 2026	Final balance - 1st half 2026	Budget - 1st half 2026	Final balance - 1st half 2026	Budget - 1st half 2026	Final balance - 1st half 2026	Budget - 1st half 2026	Final balance - 1st half 2026	Budget - 1st half 2026	Final balance - 1st half 2026	Budget - 1st half 2026
Revenues from Integrated Water Service	16,243	16,193	0	0	0	0	0	0	0	0	16,243	16,193
Revenues from Production service Electricity	0	0	1,300	1,931	0	0	0	0	0	0	1,300	1,931
Revenues from miscellaneous services	0	0	0	0	199	177	135	113	0	7	334	297
Total revenue from services	**16,243**	**16,193**	**1,300**	**1,931**	**199**	**177**	**135**	**113**	**0**	**7**	**17,877**	**18,421**
Increase in fixed assets	1,600	1,563	5	0	3	0	0	0	4	0	1,612	1,563
Other revenues	405	251	3	75	0	0	3	3	41	114	451	443
Total Revenues	**18,248**	**18,007**	**1,307**	**2,006**	**203**	**177**	**138**	**116**	**45**	**121**	**19,940**	**20,427**
Purchase of materials	(1,315)	(712)	(19)	(9)	(5)	(6)	(82)	(60)	(194)	(188)	(1,614)	(974)
Purchase of services	(4,560)	(4,782)	(122)	(220)	(173)	(157)	(20)	(17)	(1,219)	(1,427)	(6,094)	(6,602)
Use of third party assets	(709)	(705)	(970)	(1,266)	(1)	0	(5)	(5)	(198)	(214)	(1,882)	(2,190)
Personnel costs	(5,273)	(5,267)	(153)	(228)	(17)	(16)	(74)	(43)	(1,454)	(1,418)	(6,972)	(6,972)
Other costs	(263)	(219)	(51)	(23)	(1)	(1)	(2)	(1)	(101)	(111)	(417)	(353)
Total Costs	**(12,120)**	**(11,684)**	**(1,315)**	**(1,746)**	**(197)**	**(180)**	**(182)**	**(125)**	**(3,165)**	**(3,357)**	**(16,979)**	**(17,091)**
EBITDA	**6,128**	**6,323**	**(8)**	**260**	**6**	**(3)**	**(44)**	**(9)**	**(3,120)**	**(3,236)**	**2,962**	**3,336**
Amortisation of Investments	(2,084)	(2,042)	(179)	(178)	(21)	(21)	(6)	(5)	(346)	(225)	(2,635)	(2,471)
Allocation to Provision for Bad Debts	(50)	(50)	0	0	0	0	0	0	0	0	(50)	(50)
Other Provisions	(125)	(125)	0	0	0	0	0	0	0	0	(125)	(125)
Total Provisions	**(2,259)**	**(2,217)**	**(179)**	**(178)**	**(21)**	**(21)**	**(6)**	**(5)**	**(346)**	**(225)**	**(2,810)**	**(2,646)**
EBIT (gross of general services)	**3,868**	**4,106**	**(186)**	**83**	**(15)**	**(24)**	**(50)**	**(14)**	**(3,466)**	**(3,461)**	**151**	**690**
General services expenditure share	(3,432)	(3,426)	(35)	(35)	0	0	0	0	3,466	3,461	0	0
EBIT (net of general services)	**437**	**680**	**(221)**	**48**	**(15)**	**(24)**	**(50)**	**(14)**	**0**	**0**	**151**	**690**
Net financial (expenses)/income											343	292
EBT before tax											**494**	**983**
Taxes											(184)	(320)
Net Result											**310**	**663**

The Integrated Water Service is operating in economic balance, owing to the tariff mechanisms covering external costs, albeit with lower margins than forecast.

In the first half of the year, the hydroelectric sector was affected by seasonal factors, resulting in a negative margin and highlighting the uncertainty surrounding forecasts of returns on initiatives in this sector.

For the District Heating and LPG services, there are negative results already outlined in the forecast data. The Company remains committed to identifying operating models for these services that will enable them to restore economic and financial balance.

It should be noted that net financial expenses/income are not allocated to activities, in accordance with the aforementioned methodology currently in force for separate accounting (also known as unbundling). From an economic perspective, however, financial expenses should be attributed to the investment requirements of the Integrated Water Service, whereas financial income relates to the energy-related activities incorporated

through the corporate merger at the end of 2024. Pending the implementation of appropriate investments, the liquidity obtained through the merger provides financial support to all sectors, and the surplus liquidity, over and above requirements, is invested in instruments that generate interest income.

INVESTMENTS

The following table shows the investments made in the first half of 2026, gross of depreciation and contributions allocated on an accrual basis, as well as a comparison with the forecast data.

The amounts do not include any advance payments to suppliers for investments to be made.

Investment description Figures in EUR thousands	Final balance 30/06/2026	Budget 30/06/2026	Δ Final 2026/ Budget 2026	Forecast Financial Statement 2026	Δ Final 2026 / Budget 2026
PNRR (National Recovery and Resilience Plan) Works	4,852	546	4,306	546	4,306
Major IWS works	3,975	7,449	(3,474)	20,691	(16,716)
Minor IWS extraordinary maintenance	2,503	2,863	(359)	7,952	(5,449)
Capital goods	556	275	281	765	(209)
TOTAL Investment Expenditure IWS Programme	**11,886**	**11,133**	**753**	**29,954**	**(18,068)**
Other investments ("VAIA" IWS with reimbursement to the Operator/Other sectors)	105	0	105	3,069	(2,964)
TOTAL Company investments	**11,991**	**11,133**	**858**	**33,023**	**(21,031)**

During the first half of 2026, activities related to the PNRR projects continued. Following the extension granted by the Directorate General for Dams and Water Infrastructure (information note no. 5683 of 18 March 2026), which extended the deadline for the completion of the works from 31 March 2026 to 30 June 2026, it was possible to reschedule the works and complete the planned initiatives within the new deadlines.

It should be noted that the forecast figures shown in the 2026 Budget reflect the investment plan available at the date of preparation of the 2026–2028 Three-Year Business Plan and are based on the Works Programme approved by the Area Governing Authority on 4 July 2024.

The planning underwent significant changes with the approval of the Works Programme, as part of the tariff update for the 2026-2027 two-year period by the Dolomiti Bellunesi Basin Council, and will be incorporated into the 2027-2029 Three-Year Business Plan, which is currently being drawn up.

COMPANY FINANCIAL POSITION

The Company's **Net Financial Position** as at 30 June 2026 is summarised below, with a comparison with 31/12/2025:

NET FINANCIAL POSITION Data in EUR thousands	30/06/2026	31/12/2025	Change
Bank and postal deposits	2,379	8,758	(6,379)
Cash and other valuables on hand	2	2	(0)
Securities held for trading	34,354	32,772	1,582
Cash and cash equivalents	**36,735**	**41,532**	**(4,797)**
Short-term portion of financial receivables (within 12 months)	871	871	0
Short-term portion of medium- to long-term financing (within 12 months)	(3,119)	(3,101)	(17)
Net short-term financial debt	**(2,248)**	**(2,230)**	**(17)**
Short-term net financial position	**34,487**	**39,302**	**(4,814)**
Medium/long-term financial receivables (over 12 months)	4,734	4,730	4
Medium/long-term financial payables (over 12 months)	(19,100)	(20,659)	1,559
Medium- and long-term net financial position	**(14,366)**	**(15,929)**	**1,562**
Net financial position	**20,121**	**23,373**	**(3,252)**

The **short-term net financial position** is positive and amounts to EUR 34.5 million. Compared to 31/12/2025, it decreased by EUR 4.8 million due to the use of cash and cash equivalents.

Cash and cash equivalents are held in free current accounts (EUR 2.4 million) and in technical forms of "cash park" (EUR 34.4 million) which, while aiming at capital preservation, allow better returns.

The **medium- and long-term net financial position** is negative and amounts to EUR 14.4 million. Compared to 31/12/2025, it decreased by EUR 1.6 million due to the repayment of loan instalments due during the half-year.

The **total net financial position** is positive and amounts to EUR 20.1 million.

FINANCIAL COVENANTS

In the underwriting agreement for the Hydrobond 4 bonds issued in the year 2022, the following covenants are provided for, which, as of 30/06/2026, do not present any issues:

Covenants Hydrobond [1]		Final balance 2026/06	Final balance 2025	Final balance 2024
EBITDA / Financial charges		(13.1)	(8.1)	59.4
threshold	≥	3.5	3.5	2.5
Net debt / EBITDA		(3.2)	(2.5)	2.4
threshold	≤	6.5	6.5	6
Net debt/ Fixed assets		(12.4%)	(16.5%)	20.1%
threshold	≤	50%	50%	50%

[1] The covenants calculation elements have been updated for all issues, as per Hydrobond bond subscription contract 4 (February 2022).

As already noted in the 2025 Financial Statements, the Company also maintained a significant net liquidity position in the first half of 2026, resulting from the high level of cash and cash equivalents and current financial assets, which exceeded financial debt. Consequently, the net financial position is positive, as are the net financial expenses.

In this context, the financial covenants set out in the bond loan regulations are not significant, although they are fully complied with.

CASH FLOW STATEMENT, INDIRECT METHOD

in EUR thousands	1st half 2026	1st half 2025	31/12/2025
A) Cash flow from operating activities (indirect method)			
Profit (loss) for the period	310	2,318	1,491
Income taxes	184	972	633
Interest expense/(income)	(343)	(417)	(885)
(Dividends)	0	(75)	(170)
1) Profit (loss) for the period before income tax, interest, dividends and capital gains/losses on disposal	**151**	**2,798**	**1,070**
Adjustments for non-monetary items not reflected in net working capital			
Provisions to funds	125	488	860
Amortisation/Depreciation of fixed assets	2,635	2,402	5,568
Other adjustments up/(down) for non-monetary items	23	0	70
Total adjustments for non-monetary elements that did not have a contra-item in net working capital	**2,783**	**2,890**	**6,498**
2) Cash flow before changes in net working capital	**2,934**	**5,688**	**7,568**
Changes in net working capital			
Decrease/(Increase) in inventories	507	(1,020)	(576)
Decrease/(Increase) in trade receivables	3,709	(859)	417
Increase/(Decrease) in trade payables	(1,834)	(38)	808
Decrease/(Increase) in accrued income and prepaid expenses	(442)	(733)	(157)
Increase/(Decrease) in accrued expenses and deferred income	(15)	43	2
Other decreases/(Other increases) in net working capital	6,051	1,867	4,041
Total changes in net working capital	**7,976**	**(739)**	**4,537**
3) Cash flow after changes in net working capital	**10,910**	**4,950**	**12,104**
Other adjustments			
Interest received/(paid)	309	329	1,133
(Income taxes paid)	(14)	0	(524)
Dividends received	0	0	170
(Use of provisions)	(11)	0	(167)
Total other adjustments	**284**	**329**	**613**
Cash flow from operating activities (A)	**11,194**	**5,279**	**12,717**

in EUR thousands	1st half 2026	1st half 2025	31/12/2025
B) Cash flows from investing activities			
Tangible fixed assets			
(Investments)	(4,078)	(12,856)	(17,597)
Divestments	9	22	363
Intangible fixed assets			
(Investments)	(7,763)	(6,819)	(12,843)
Divestments	5	0	205
Financial fixed assets			
(Investments)	(4)	(1,434)	(1,575)
Divestments	0	0	527
Non-fixed financial assets			0
(Investments)	(4,759)	(30,480)	(32,772)
Divestments	3,177	0	0
Cash flow from investing activities (B)	**(13,413)**	**(51,568)**	**(63,692)**
C) Cash flows from financing activities			
Third-party funding			
Acquisition of merger loans		2,363	2,363
(Repayment of loans)	(1,564)	(2,479)	(4,849)
Equity			
Capital increase from merger		52,766	52,766
(Dividends and advance dividends paid)	(2,596)		(967)
Cash flow from financing activities (C)	**(4,160)**	**52,649**	**49,313**
Increase (decrease) in cash and cash equivalents (A ± B ± C)	**(6,379)**	**6,360**	**(1,662)**
Cash and cash equivalents at the beginning of the period	**8,760**	**10,422**	**10,422**
Cash and cash equivalents at the end of the period	**2,381**	**16,782**	**8,760**

As shown in the cash flow statement, prepared using the indirect method, there was a **decrease in liquidity** of EUR 6.4 million during the half year.

Cash flow before changes in net working capital amounted to EUR 2.9 million. The change in net working capital, amounting to EUR 8 million, together with the other adjustments, results in a **positive cash flow from operating activities** of EUR **11.2** million.

Investments resulted in a **negative cash flow from investment activities** of EUR **-13.4** million, of which EUR 1.6 million related to current financial assets representing a temporary use of cash and cash equivalents; net of this item, the amount of EUR 11.9 million was used to finance the investments made during the half-year.

The **cash flow from financing activities**, which was **negative**, amounted to EUR **-4.2** million, resulting from the repayment of loan instalments due in the half-year (EUR 1.6 million) and the payment of dividends approved in 2025 but paid in January 2026 (EUR 2.6 million).

EMPLOYMENT DATA

The following table shows the average company workforce, broken down by category, as at 30/06/2026 compared with the similar figure as at 31/12/2025, for the change over the six-month period, and with the figure at 30/06/2025, for the annual change.

Headcount		Average units at[1]		Six-month change	Average units at[1]	Annual change
		30/06/2026	31/12/2025		30/06/2025	
Executives		1	1	0	1	0
Employees	Technicians	77.25	74	+3.25	73.75	+3.5
	Administrative staff	83.75	79.5	+4.25	81.25	+2.5
Workers		85	84	+1	82	+3
Total		**247**	**238.5**	**8.5**	**238**	**+9**

[1] no. of employees in relation to full-time units on the date indicated (incidence of part-time contracts and leave).

The workforce, expressed in *full-time equivalent* units employed as at 30/06/2026, is up compared to the same figure as at 31/12/2025, due to the strengthening of the organisational structure.

CONCLUSIONS

Dear Shareholders:

we submit for your review and approval the Interim Report as at 30 June 2026, as set out and illustrated in this document.

Belluno, 6 October 2026

For the Board of Directors

The Chairperson

Ms Alice De Cet



INTERIM FINANCIAL STATEMENTS AS AT 30 June 2026

BALANCE SHEET AS AT 30 June 2026

	30/06/2026	31/12/2025
Assets		
B) Fixed Assets		
I - Intangible fixed assets		
4) concessions, licences, trademarks and similar rights	1,823,683	2,128,375
6) fixed assets in progress and advances	10,837,329	2,920,411
7) other	39,303,342	40,684,217
Total intangible fixed assets	*51,964,355*	*45,733,003*
II - Tangible fixed assets		
1) land and buildings	4,638,160	4,707,340
2) plant and machinery	32,838,563	33,176,483
3) industrial and commercial equipment	7,201,658	7,706,525
4) other assets	743,513	940,467
5) fixed assets in progress and advances	12,512,263	8,443,392
Total tangible fixed assets	*57,934,157*	*54,974,207*
III - Financial fixed assets		
1) investments in		
b) associated companies	1,295,828	1,295,828
d-bis) other companies	154,837	154,837
Total investments	*1,450,665*	*1,450,665*
2) receivables		
d-bis) others	5,745,239	5,741,106
Total receivables	*5,745,239*	*5,741,106*
Total financial fixed assets	*7,195,904*	*7,191,771*
Total fixed assets (B)	*117,094,416*	*107,898,981*
C) Current assets		
I - Inventories		
1) raw materials, ancillary materials and consumables	2,293,734	2,800,534
3) contract work in progress	-	-
Total inventories	*2,293,734*	*2,800,534*
II - Receivables		
1) trade receivables	8,110,000	11,818,876
5-bis) tax receivables	178,280	293,709
5-ter) prepaid taxes	1,624,099	1,612,640
5-quater) due from others	2,949,994	3,495,774
Total receivables	*12,862,373*	*17,221,000*
III – Current financial assets		
4) Other investments	-	-
6) Other Securities	34,354,157	32,772,092
Total Current financial assets	*34,354,157*	*32,772,092*
III - Cash and cash equivalents		
1) Bank and postal deposits	2,379,030	8,757,895
3) Cash and cash equivalents on hand	1,975	2,177
Total cash and cash equivalents	*2,381,006*	*8,760,072*
Total current assets (C)	*51,891,270*	*61,553,698*
D) Accruals and deferrals	**907,650**	**465,897**
Total assets	*169,893,337*	*169,918,576*

	30/06/2026	31/12/2025
Liabilities		
A) Shareholders' Equity		
I - Capital	3,819,694	3,819,694
II - Share premium reserve	3,608,001	3,608,001
III - Revaluation reserves	7,773,589	7,773,589
IV - Legal reserve	763,939	763,939
VI - Other reserves, shown separately		
Extraordinary reserve	96,256,692	94,765,254
Various other reserves		
Total other reserves	*96,256,692*	*94,765,254*
VIII - Retained earnings (Accumulated losses)		
IX - Profit (loss) for the period	310,223	1,491,439
X - Negative reserve for treasury shares in portfolio		
Total Shareholders' Equity	*112,532,138*	*112,221,915*
B) Provisions for risks and charges		
2) for taxes, including deferred taxes	98,220	100,461
4) other	2,371,622	2,246,622
Total provisions for risks and charges	*2,469,843*	*2,347,084*
C) Employee severance indemnity	**304,247**	**312,935**
D) Payables		
1) bonds	14,570,606	15,247,483
due within the next financial year	1,360,000	1,360,000
due after the next financial year	13,210,606	13,887,483
4) payables due to banks	7,648,566	8,512,741
due within the next financial year	1,758,694	1,741,196
due after the next financial year	5,889,872	6,771,544
6) payments on account	13,938,371	8,810,172
7) trade payables	12,681,205	14,515,245
12) tax payables	594,648	561,105
13) payables to social security institutions	945,786	855,129
14) other payables	4,019,407	6,330,847
due within the next financial year	4,019,407	6,330,847
due after the next financial year	0	0
Total payables	*54,398,590*	*54,832,721*
E) Accruals and deferrals	**188,519**	**203,921**
Total liabilities	*169,893,337*	*169,918,576*

INCOME STATEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

	30/06/2026	30/06/2025
A) Value of production		
1) revenue from sales and services	17,888,798	17,727,675
3) change in contract work in progress	0	0
4) increases in fixed assets for in-house work	1,612,381	2,245,631
5) other revenues and income	439,275	2,105,155
Total value of production	*19,940,454*	*22,078,461*
B) Production costs		
6) for raw and ancillary materials and consumables and goods	1,107,426	2,444,697
7) for services	6,094,057	5,688,989
8) for use of third-party assets	1,882,344	2,220,241
9) for personnel	6,971,606	6,326,004
10) amortisations and write-downs	2,685,252	2,451,788
11) changes in inventories of raw/ancillary materials, consumables and goods	506,800	-507,368
12) provisions for risks	125,000	200,000
13) other provisions	0	0
14) sundry operating charges	416,516	455,822
Total production costs	*19,789,000*	*19,280,173*
Difference between value of production and production costs (A - B)	**151,454**	**2,798,288**
C) Financial income and charges		
15) income from equity investments	0	75,000
16) other financial income	663,160	811,048
17) interest and other financial expenses	320,199	-393,595
Total financial income and charges (15 +16 -17 + -17-bis)	*342,961*	*492,453*
20) Current, deferred and prepaid income taxes for the period	**184,191**	**972,371**
21) Profit (loss) for the period	**310,223**	**2,318,370**

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 30 June 2026

Foreword and Contents of the Interim Financial Statements

The Interim Financial Statements consist of the Balance Sheet, Income Statement and these Explanatory Notes. Together with the Report, they make up the Interim Report as at 30 June 2026, prepared for the purposes of Title V, Article 23 bis - "'In-house providing engagements" - of the Articles of Association of the Company.

The structure of the financial statements as at 30 June 2026 is consistent and directly comparable with that of the annual financial statements. The Explanatory Notes, on the other hand, are presented in summary form and are therefore limited to the information necessary for an understanding of the economic and financial situation in the first half of 2026.

These Notes show the contents of the balance sheet and income statement items as of 30/06/2026, respectively compared with the balance sheet data resulting from the Financial Statements as of 31/12/2025 and with the income statement data for the first half of 2025, with comments on the main changes.

Unless otherwise stated, the figures in the Notes are in thousands of euro.

The reference accounting standards, as more fully explained in the paragraph below entitled *Criteria for the Drafting and Measurement of Financial Statements*, set forth that the disclosures in the interim financial statements are less detailed than those required for the preparation of the annual financial statements, without prejudice to the true and fair view of the company's financial position and results of operations for the period. Therefore, the disclosures in these interim financial statements should be read in conjunction with those in the Financial Statements for the year ended 31 December 2025, to which reference should be made.

Drafting and measurement criteria

In preparing this interim report as at 30 June 2026, account was taken of the regulatory provisions contained in the Italian Civil Code and national accounting standards, and in particular the accounting standard 'OIC 30 Interim Reporting'.

The valuations of recognised items were carried out on a going concern basis, as well as taking into account the economic function of the asset or liability item considered.

The measurement criteria, to the extent applicable, have not been changed from those applied for the financial statements of the previous year. It should be noted that no changes in accounting standards, measurement criteria or significant adjustments in accounting estimates have been adopted.

Dissimilar elements included in the individual items have been valued separately. Positive and negative items of income were considered on an accrual basis, regardless of the date of receipt or payment, taking into account the risks, losses and positive events accrued during the reporting period, as well as risks and losses accrued, even if they became known at a later date.

With regard to the accounting standards adopted by the Company, please refer to the Notes to the Financial Statements as at 31 December 2025.

Seasonality and use of estimates

As is known, the Company mainly operates in the Integrated Water Service sector, which does not show significant seasonality in the trend in volumes and margins when comparing the two halves of the financial year.

In preparing the Interim Financial Statements, certain estimates have been adopted in continuity with those adopted in preparing the Financial Statements for the year ended 31 December 2025. The main estimates concerned the assumptions about the reference tariff for identifying the revenues accrued by the Integrated Water Service, the estimated net realisable value of user receivables, the valuation of certain contingent liabilities, and income taxes for the period. The estimates are based on reasonable assumptions, but do not preclude the possibility that actual results may differ from those presented in the Interim Financial Statements as at 30 June 2026.

Assets

B) Fixed Assets

I. *Intangible fixed assets*

Account Description	30/06/2026	31/12/2025
I) Intangible fixed assets	**51,964**	**45,733**
4) Concessions, licences, trade marks and similar rights	1,824	2,128
6) Fixed assets in progress and advances	10,837	2,920
7) Other	39,303	40,684

The item **Concessions, licences, trademarks and similar rights** mainly relates to licences for the use of application programmes provided to corporate structures.

The item **Fixed assets in progress and payments on account** mainly includes costs related to improvements to third-party plants that had not yet come into operation at the end of the period.

The item **Other** mainly concerns improvements to third-party assets relating to extraordinary maintenance work on Water Service plants owned by the contracting Municipalities, and to information systems for networks and facilities.

II. *Tangible fixed assets*

Account Description	30/06/2026	31/12/2025
II) Tangible fixed assets	**57,934**	**54,974**
1) Land and buildings	4,638	4,707
2) Plant and machinery	32,839	33,176
3) Industrial and commercial equipment	7,202	7,707
4) Other Assets	744	940
5) Fixed assets in progress and advances	12,512	8,443

The item **Land and buildings** relates to:

- building in Via Masi Simonetti in Belluno;
- land in the Levego locality in the Municipality of Belluno;
- land pertaining to the district heating plant in the Municipality of Santo Stefano di Cadore and the related building;
- building belonging to the Missiaga hydroelectric plant, in the municipality of La Valle Agordina.
- Industrial buildings, mainly relating to new treatment plants.

The item **Plant and machinery** mainly refers to:

- Networks and connections, water supply and sewerage;
- Purification plants;
- Water filtration and purification plants;
- Reservoirs;
- Intake works;
- Hydroelectric plants;
- District heating plant, including the associated distribution networks and connections;
- Remote control systems.

The item **Industrial and commercial equipment** relates for over EUR 5.9 million to meters of the integrated water service and flow meters.

The item **Fixed assets in progress and payments on account** includes investments in works of the

Integrated Water Service that were not completed as of 30 June 2026.

III. *Financial fixed assets*

Account Description	30/06/2026	31/12/2025
III) Financial fixed assets	**7,633**	**6,199**
1) Investments in:	**1,451**	**1,451**
b) Associated companies	1,296	1,296
d) Other companies	155	155
2) Receivables	**5,745**	**5,741**
d) From others	5,745	5,741

Investments

The following Equity investments are entered under the item **Associated companies**:

- Valmontina S.r.l. for EUR 899 thousand;
- Renaz S.r.l. for EUR 366 thousand;
- Società Informatica Territoriale S.r.l. for EUR 31 thousand.

The following Equity investments are entered under the heading **Other Companies**:

- Dolomiti Ambiente S.p.A. for EUR 140 thousand;
- Consorzio Quadrante Levego for EUR 7 thousand (acquired through the merger);
- Viveracqua S.c.a.r.l. for EUR 5 thousand;
- Network contract called Laboratori Viveracqua for EUR 3 thousand.

Receivables

This item refers in part to the receivable due from the Bim Piave Belluno Consortium, with a residual value of EUR 1.7 million, deriving from the payment in instalments of grants on account of plants granted to support the Integrated Water Service and LPG networks.

This item also includes the receivable of EUR 3.7 million related to the *Credit Enhancement* pledge provided as an overall guarantee for the Hydrobonds 1, 2 and 4 issues. It should be noted that the amounts pledged may be used by the special purpose vehicle to pay for the bonds issued by it on the secondary market if, for any reason, even one of the issuers fails to honour its obligations pro-tempore. In July 2026, the repayment plan for the pledges taken out in the context of the Hydrobond 1 and 2 transactions began.

Also included in the Hydrobond transactions is the receivable totalling EUR 90 thousand, attributable to the participation in the reserves established in the vehicle company Viveracqua Hydrobond 1 S.r.l. (EUR 46 thousand) and Viveracqua Hydrobond 2022 S.r.l. (EUR 44 thousand) due to common expenses being incurred related to the operations.

The item also includes EUR 144 thousand relating to Quadrante Levego Consortium, in respect of a loan granted by the Consortium Members.

The remaining amount relates to deposits paid for works carried out on the networks of the Integrated Water Service.

C) Current assets

I. Inventories

Account Description	30/06/2026	31/12/2025
I) Inventories	**2,294**	**2,801**
1) Raw materials, ancillary materials and consumables	2,294	2,801

The inventories of raw materials and consumables consist mainly of meters, water and sewage network components and consumables. The decrease in inventories compared to 31 December 2025 is mainly attributable to the installation of meters that, at the end of the previous year, were held in stock as part of the mass replacement and installation programmes for electronic meters under the PNRR Loss reduction project.

II. Receivables

Account Description	30/06/2026	31/12/2025
II) Receivables	**12,862**	**17,221**
1) Trade receivables	8,110	11,819
4 bis) For tax credits	178	294
4 ter) For prepaid tax assets	1,624	1,613
5) from others	2,950	3,496

The following table provides a breakdown of **trade receivables**, for which there was a decrease in the half-year of EUR 3.7 million:

Trade receivables	30/06/2026	31/12/2025	*Change*
Water receivables for invoices issued	7,751	9,739	(1,988)
Water receivables for invoices to be issued	2,774	4,086	(1,312)
Total water receivables	**10,525**	**13,825**	**(3,300)**
Hydroelectric receivables for invoices issued	340	548	(208)
Hydroelectric receivables for invoices to be issued	259	207	52
Total hydroelectric receivables	**598**	**754**	**(156)**
Receivables from the LPG sector	64	91	(28)
Receivables from the district heating sector	21	135	(114)
Receivables from other sectors	233	304	(71)
from local authorities	71	98	(28)
from others	162	206	(43)
Total receivables gross of write-down	**11,441**	**15,110**	**(3,668)**
Bed debt provision	(3,331)	(3,291)	(41)
Total receivables net of write-down	**8,110**	**11,819**	**(3,709)**

Water receivables for invoices issued decreased in the half-year due to the development of the invoicing plan.

Water receivables for invoices to be issued, including VRG adjustment items, include deviations of the accrued turnover with respect to the Operator's Revenue Constraint, as well as the adjustment of external costs in accordance with the regulatory framework.

Hydroelectric receivables relate to invoices issued and to be issued to Gestore dei Servizi Energetici (GSE) for the feeding into the grid of electricity produced by the managed plants.

Receivables from other sectors include receivables from Municipalities for services rendered. The item also includes a receivable of EUR 83 thousand arising in the merged company Bim Belluno Infrastrutture S.p.A. for services re-invoiced to Italgas Reti S.p.A. following the sale of the methane branch, collected in July 2026.

The **tax receivables** mainly concern excess IRES and IRAP advances, withholdings on the active financial income and the tax credit advanced to the Users of the LPG and District Heating services.

The change in **deferred tax assets** reflects the effect of deductible temporary differences arising during the period, net of reversals of temporary differences recognised in previous years.

Receivables from others mainly include receivables for financial advances granted to suppliers in accordance with the law (EUR 989 thousand), for advances on future hydroelectricity fees granted to Municipalities (EUR 884 thousand), for contributions on investments in the Water Service (EUR 227 thousand), and receivables from banks (EUR 500 thousand) arising from a repurchase agreement maturing in September 2026.

III. Current financial assets

Current financial assets, which were recognised in the Company's balance sheet following the merger by absorption of Bim Belluno Infrastrutture S.p.A., amounted to EUR 34.4 million as at 30 June 2026, compared with EUR 32.8 million as at 31 December 2025. During the half year, as the Company had cash and cash equivalents in excess of its operating needs, it adopted a cash optimisation policy by allocating the surplus to securities portfolios or other forms of temporary liquidity parking with the aim of maximising their return without compromising the prompt availability of funds.

All investments are made in accordance with a liquidity management policy adopted by the Company with the aim of minimising the risks associated with the invested capital.

IV. Cash and cash equivalents

Account Description	30/06/2026	31/12/2025
IV) Cash and cash equivalents	**2,381**	**8,760**
1) Bank and postal deposits	2,379	8,758
3) Cash and cash equivalents on hand	2	2

The balance represents cash and cash equivalents and valuables at the end of the financial year. Cash held in bank deposits is maintained at levels strictly necessary to meet payments as they fall due.

D) Accruals and deferrals

Account Description	30/06/2026	31/12/2025
D) Accruals and deferrals	**908**	**466**

Accrued income, amounting to EUR 259 thousand, relates to interest accrued on securities held in the investment portfolio, whose coupons will be collected after the end of the half-year, and income accrued as remuneration for the Cash Collateral, as provided for in the Credit Enhancement Agreement among creditors in connection with the Hydrobond 1, 2 and 4 transactions.

Prepaid expenses, amounting to EUR 648 thousand, are mainly determined by software support fees, insurance premiums, surety commissions, and rental fees whose accrual period refers to the second half of 2026.

Liabilities

A) Shareholders' Equity

The changes in shareholders' equity during the six-month period are shown below:

	Share Capital	Share premium reserve	Revaluation reserve	Legal reserve	Other reserves	Retained earnings (losses)	Profit/(loss) for the period	Negative reserve for treasury shares in portfolio	Total
Values as at 31/12/2024	**2,010**	**0**	**204**	**409**	**57,804**	**0**	**1,551**	**(450)**	**61,527**
Allocation of previous year's profit					1,551		(1,551)		**0**
Other changes	1,810	3,608	7,570	354	35,411			450	**49,203**
Profit (loss) for the year 2025					0		1,491		**1,491**
Values as at 31/12/2025	**3,820**	**3,608**	**7,774**	**764**	**94,765**	**0**	**1,491**	**0**	**112,222**
Allocation of previous year's profit					0	1,491	(1,491)		**0**
Other changes					0				**0**
Result for the period					0		310		**310**
Values as at 30/06/2026	**3,820**	**3,608**	**7,774**	**764**	**94,765**	**1,491**	**310**	**0**	**112,532**

The share capital is EUR 3,819,693.80 and consists entirely of 7,639 ordinary shares.

Pursuant to Article 2346 of the Italian Civil Code, the shares have no nominal value, are not represented by share certificates and are allocated to the shareholders in proportion to the shareholding in the share capital held.

The result for the year 2025 was fully allocated to the extraordinary reserve, as per the shareholders' resolution of 05/05/2026.

B) Provisions for risks and charges

Account Description	30/06/2026	31/12/2025
B) Provisions for risks and charges	**2,470**	**2,347**
II) Provision for taxes	98	100
IV) Other	2,372	2,247

Provisions for taxes represent deferred tax liabilities related to taxable temporary differences.

Other provisions mainly include the provision related to probable charges arising from the regularisation of water concessions on state-owned areas and probable charges on the purification service, as a result of Italy's sentence of 6 October 2021 by the European Court involving the Falcade and Borca di Cadore sites. This item also includes a provision of EUR 130 thousand, recognised in the 2025 financial statements, for potential liabilities arising from the tax audit currently being conducted on the Company in relation to the application of the ACE (Allowance for Corporate Equity) regime. As explained in the introduction, the dispute was resolved in September 2026.

C) Employee severance indemnity

Account Description	30/06/2026	31/12/2025
C) Employee severance indemnity	304	313

The provision accrued represents the Company's actual liability as at 30/06/2026 towards employees in force at that date, net of severance indemnities paid, and corresponds to the indemnities accrued up to 31 December 2006, and does not include the indemnities accrued as of 1 January 2007, which are allocated to supplementary pension plans pursuant to Legislative Decree No. 252 of 5 December 2005, or transferred to the INPS treasury.

The change in the period relates to severance payments to employees who left the company.

D) Payables

Payables are valued at their nominal value and are summarised below by balance sheet item.

Account Description	30/06/206	31/12/2025
D) Payables	**54,399**	**54,833**
I) Bonds	14,571	15,247
IV) Due to banks	7,649	8,513
VI) Advances	13,938	8,810
VII) Trade payables	12,681	14,515
XII) Tax payables	595	561
XII) Payables due to social security institutions	946	855
XIV) Other payables	4,019	6,331

The item total decreased by EUR 434 thousand in the half-year, mainly due to the following changes:

- decrease in **bonds payable** of EUR 677 thousand, in connection with the repayment of instalments due during the half-year;
- decrease in **bank payables** of EUR 864 thousand, in connection with the repayment of loan instalments due during the half-year. The balance of this item consists entirely of medium- and long-term loans, as there was no need to draw on short-term credit facilities during the period;
- the EUR 5.1 million increase in **advances** relates to grants received during the half-year for PNRR projects, which have not yet been deducted from the carrying amounts of the related assets, as their amounts had not yet been definitively determined as at the half-year end. It should be noted that this item includes EUR 4.7 million received in 2024 by the merged company, Bim Belluno Infrastrutture S.p.A., as an advance against the redemption value for the sale of the gas business unit. This amount was not confirmed by the contracting authority in the final redemption value. The Company is awaiting the outcome of the legal proceedings initiated before the Regional Administrative Court (TAR) of Veneto in connection with this matter;
- a EUR 1.8 million decrease in **trade payables**, reflecting trends in the accounts payable cycle and the related invoice settlement times. This item includes EUR 863 thousand in payables to local authorities, mainly relating to fees for the Electricity Production Service;
- a EUR 2.1 million decrease in **other payables**, mainly attributable to the distribution to shareholders of reserves approved on 15/10/2025 and paid out in January 2026.

E) Accruals and deferrals

Account Description	30/06/2026	31/12/2025
E) Accruals and deferrals	**189**	**204**

The item **Accrued expenses and deferred income** refers to the accrued interest expense pertaining to the first half of 2026, included in the repayment instalments of the bond loans and loans due in the second half of the year.

Income Statement

A) Value of production

Description	30/06/2026	30/06/2025
Revenues from sales and services	17,889	17,728
Increases in fixed assets for internal work	1,612	2,246
Other revenues and income	439	2,105
Grand total	**19,940**	**22,078**

Revenues from sales and services are broken down as follows:

Sector	1st half 2026	1st half 2025	Change
Revenues from the Integrated Water Service	16,243	15,074	1,169
Revenues from the Electricity Production Service	1,300	1,885	(585)
Revenues from the District Heating Service	199	187	13
LPG service revenues	135	128	7
Revenues from work in progress	3	453	(451)
Miscellaneous revenues	9	2	8
Grand total	**17,889**	**17,728**	**161**

Revenues from the Water Service are aligned with the Operator's revenue constraint (VRG) expected for the first half of the year. As mentioned in section *"Significant events during the period and events after 30 June 2026*", the tariff update for the two-year period 2026–2027 is currently under review by ARERA. Revenues for the half-year have been duly adjusted to reflect the external costs actually incurred during the period.

Revenues from the Electricity Production Service relate to the sale of 7.4 million kWh of electricity produced by the micro-plants and fed into the grid. A marked decrease compared with the previous period should be noted, due to the scarcity of water flow (11.2 million kWh in the first half of 2025)

Revenues of the District Heating Service relate to the management of district heating in the Municipality of Santo Stefano di Cadore, and are valued on the basis of the actual turnover at the current rate and are in line with the same period in financial year 2025.

Revenues from the LPG Service are valued on the basis of actual turnover at the current tariff and are in line with the same period in the financial year 2025.

The item **Increases in fixed assets for in-house work** amounting to EUR 1.6 million are related to in-house labour (EUR 0.7 million) and inventory material (EUR 0.9 million), is linked to the construction of Water service works, particularly the mass replacement of meters in the areas included in the PNRR Loss reduction project.

The item **Other revenues and income** mainly includes the reimbursement of operating costs amounting to EUR 232 thousand and the portion of connection contributions for the Integrated Water Service and the LPG Service recognised as operating income, amounting to EUR 82 thousand.

B) Production costs

Description	30/06/2026	30/06/2025
For raw and ancillary materials, consumables and goods	1,107	2,445
For services	6,094	5,689
For use of third-party assets	1,882	2,220
For personnel	6,972	6,326
Amortisation, depreciation and write-downs	2,685	2,452
Changes in inventories of raw and ancillary materials, consumables and goods	507	(507)
Provision for risks	125	200
Other provisions	0	0
Sundry operating charges	417	456
Grand total	**19,789**	**19,280**

Costs for raw/ancillary materials and consumables and goods

The costs of raw/ancillary materials and consumables and goods pertain to the purchase of stock materials, mainly connected with the management of plants and the construction and maintenance of networks and connections of the Integrated Water Service, including the meters intended for the mass replacement campaign planned in the areas covered by the PNRR project. This item also includes consumables for vehicles, stationery, printed material for users and items for office equipment.

Costs for services

	1st half 2026	1st half 2025
Management and maintenance services	2,291	1,770
Electricity	1,437	1,319
Sludge disposal cost	536	437
Meter reading services	246	200
Invoicing and collection services	108	114
Water analysis	246	203
Insurance	279	175
Personnel services	187	190
Consulting for project reporting	106	13
Dedicated Call Centre Service	101	83
Expenses for associated services	97	65
Technical consultancy	57	62
Administrative consultancy	55	61
Telephony services	35	53
Expenses for payment reminders	51	50
Promotion and disclosure expenses	46	44
Personnel training	45	41
Services for office use	31	36
Legal services	20	27
Audit and control services	29	25
Bank charges	24	23
Gas consumption	24	20
Payroll processing services	20	15
Director’s fees	19	10
Remuneration of Board of Statutory Auditors	12	10
Postal charges	11	10
IT consultancy	5	8
Supervisory Board's remuneration	9	9
Work in progress to be re-invoiced	0	453
Other costs	58	197
Total	**6,094**	**5,689**

The main costs for services relate to the costs of *operating and maintenance services* for networks and plants (EUR 2.3 million) and the supply of *electricity* (EUR 1.4 million), which have increased compared to the previous year. The costs for *sludge disposal* are highlighted (EUR 536 thousand), showing an increase compared to the previous period.

The costs of meter reading services (EUR 246 thousand) increased due to the fees for the operation of the electronic meters installed as part of the PNRR Loss project.

Services for invoicing and collections (EUR 108 thousand), consisting of meter reading services, bill printing and delivery, and collection services, were in line with the previous year.

Personnel services (EUR 187 thousand) consist mainly of the cafeteria service, established on the basis of union negotiations, provided to employees by means of meal vouchers.

Expenses for associated services refer to the operating costs of the Viveracqua Consortium in which the company participates.

Lease and rental costs

This item mainly includes fees recognised to Municipalities for the use of hydroelectric micro-power stations (EUR 882 million), derivation fees for drinking water and for water crossings (EUR 485 thousand), as well as fees for the use of the Water Service plants corresponding to the residual loans to be repaid to Municipalities (EUR 300 thousand), fees for the rental and use of buildings (EUR 168 thousand), and for the rental of vehicles and equipment (EUR 30 thousand).

Personnel costs

Personnel costs increased by EUR 646 thousand compared to the first half of 2025, due both to the strengthening of the organisational structure and to salary adjustments provided for under collective bargaining agreements.

The personnel are covered by the CCNL (national collective labour agreement) for the gas-water sector, updated on 8 May 2025 and valid until 31 December 2027. The new CCNL stipulates periodic increases in the contractual minimums across all classification levels, staggered across four dates (01/07/2025, 01/07/2026, 01/07/2027, and 01/10/2027), with an average annual increase of 2.2%.

The shared protocol agreed with the Unitary Trade Union Representative Body (RSU), governing the arrangements for the use of Smart Working, is currently in force and expires on 31 December 2027. On the basis of this protocol, individual annual agreements have been entered into with the employees concerned.

On 15/09/2026, an agreement was entered into with the RSUs on the Performance Bonus for 2026, providing for the payment to employees of a bonus linked to the achievement of specific targets, in line with the arrangements adopted in previous years.

Amortisation, depreciation and write-downs

Description	30/06/2026	30/06/2025
Amortisation of intangible fixed assets	1,526	1,291
Depreciation of tangible fixed assets	1,109	1,111
Write-downs of receivables included in current assets and cash and cash equivalents	50	50
Grand total	**2,685**	**2,452**

Depreciation and amortisation increased overall due to the depreciation and amortisation of works brought into operation at the end of the previous financial year.

The provision for loan loss provisions is in line with the forecasts made at the end of the previous year and confirmed by the average degree of insolvency in the sectors concerned.

Sundry operating charges

The item mainly includes the operating fee of the Dolomiti Bellunesi Basin Council, which amounted to EUR 185 thousand in the first half of the year, in addition to taxes other than income taxes, duties, fees, and compensation to users and third parties; it also includes costs of an ordinary nature pertaining to previous years that arose in the current year and membership fees to trade associations.

C) Financial income and charges

Description	30/06/2026	30/06/2025
Income from equity investment	0	75
Income from securities included in current assets not constituting investments	522	390
Income other than the above	141	421
Interest and other financial charges	(320)	(394)
Grand total	**343**	**492**

Income from securities included in current assets comprises interest accrued on the securities portfolios held by the Company and capital gains realised from the disposal of financial instruments during the half-year.

Income other than the above mainly relates to late payment interest charged on invoices for the Water Service, bank interest income accrued on unrestricted bank current accounts, and interest accrued on amounts securing Hydrobond transactions.

Interest and other financial charges mainly relate to charges accrued on the Company's bonds and bank borrowings.

D) Value adjustments on financial assets

No adjustments were made to financial assets during the period.

Income taxes for the period

Taxes pertaining to the half-year period were recognised, assessed on the basis of current rates (IRES 24%, IRAP 4.38%). The calculation of taxes for the first half of 2026 is not affected by anomalous elements in the determination of taxable income.

Taxes	1st half 2026	1st half 2025
Taxes for the financial year (current and deferred)	184	972

Other information

The total remuneration due to the Directors, members of the Board of Statutory Auditors and the Independent Auditors is shown.

Qualification	1st half 2026	1st half 2025
Administrative Body	19	10
Board of Statutory Auditors	12	10
Independent Auditors	29	25

Belluno, 6 October 2026

For the Board of Directors

The Chairperson

Ms Alice De Cet

