

Press release

Milan, 30 December 2021



algoWatt: payments to creditors due on 31 December 2021 completed as provided for in the Restructuring Agreement

- **Further reduction of financial debt as at 31 December 2021 by approximately Euro 11 million**

algoWatt, a GreenTech Company listed on the Euronext Milan market of Borsa Italiana, with reference to the announcement made on 21 June 2021 regarding the approval of the Recovery Plan and the signing of the Restructuring Agreement, informs that it has completed - before the expected deadline of 31 December 2021 - all payments to creditors (banks and bondholders) for approximately Euro 6 million, as provided for in the aforementioned Agreement with reference to that deadline. As a result of these fulfilments, the debt to the Banks was written off by approximately Euro 5 million, with a reduction in algoWatt's financial debt as at 31 December 2021 of approximately Euro 11 million.

In particular, it is announced that:

- i. in relation to the exposure accrued to the **Bondholders**, payment of 70% of the interest accrued on the Bond between 6 February 2018 and 30 June 2021 was made from the proceeds of the sale of non-strategic assets, as an equity component of the algoWatt participating capital instruments convertible into algoWatt ordinary shares (SFP algoWatt) granted to the Bondholders themselves as *datio in solutum*;
- ii. in relation to the exposure accrued towards the Lenders assisted by a *corporate* surety issued by Italeaf S.p.A. (the "**AlgoWatt Secured Banks**"), payment was made of the 10% (ten per cent.) portion of the rescheduling as provided for in the Agreement, as well as full cash payment of interest accrued between 1 January 2021 and 30 June 2021;
- iii. in relation to the exposure accrued towards the Lenders not backed by a *corporate* surety provided by Italeaf ("**Non-guaranteed AlgoWatt Banks**"), payment was made, in full and final settlement, of a percentage equal to 20% (twenty percent) of the related debt exposure existing at December 31, 2020, as well as full payment in cash of interest accrued between January 1, 2021 and June 30, 2021, with the consequent cancellation of the residual debt;
- iv. in relation to the exposure accrued towards a Lender (with limited reference to the exposure accrued relating to the mortgage-backed loan on the Nera Montoro real estate complex and on Italeaf RE Immobili), algoWatt repaid 10% (ten per cent.) of the exposure as at 31 December 2020 and paid the interest accrued at a fixed interest rate of 150 (one hundred and fifty) *basis points* from 1 January 2021 to 30 June 2021, without prejudice to the obligation of further repayment by Italeaf for the remaining 90% (ninety per cent.) by 31 December 2022, with the consequent settlement of algoWatt's debt upon completion of the above payments;
- v. in relation to the exposure accrued with other Lenders, the interest accrued from 1 January 2021 to

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30 June 2021 was paid in cash, and algoWatt PFS were allocated as *datio in solutum* against the extinction of the full credit exposure to these Lenders;

- vi. in relation to the exposure accrued towards the *leasing* companies, it was repaid and/or rescheduled at the time of the sale of the relevant assets.

Lastly, it should be noted that by the scheduled date of 31 December 2021, AlgoWatt had completed the disposal of assets *that were* no longer strategic in accordance with the terms, conditions and values set out in the Reorganisation Plan. In particular, it should be noted - as already announced on 7 December 2021 - that the Company has completed divestments for a countervalue (net proceeds of divestment) of no less than Euro 9 million (covenant "Financial Parameter 2021").

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

algoWatt (ALW), Green Tech solutions company, designs, develops and integrates solutions for the management of energy and natural resources in a sustainable and socially responsible way. 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 over 200 employees in 7 locations in Italy and investments in research and innovation amounting to over 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, in 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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