



NOTICE TO THE INVESTORS

CVA SPA – MOODY'S CHANGE CVA'S OUTLOOK

Châtillon, 25th November 2022

This morning Moody's decided to change CVA's **outlook to negative from stable while confirming the Baa2 rating**. According to the rating agency, the change in outlook reflects an **increase in gross debt to €1.2bn** (under the assumption that the bond issuance will go ahead as planned), which results in a **projected FFO/Debt ratio of around 20%** over the next eighteen months.

Moody's nevertheless notes that the increase in gross debt is linked to the **execution of CVA's business plan** which entails investments in renewable assets such as wind and solar, enabling the company to **diversify its business mix away from hydropower generation, a credit positive**.

CVA has clearly stated to institutional investors during the road show that it will continue to apply its prudent financial strategy in line with the leverage guidance shared with investors. CVA believes that the exact deployment of the proceeds from the potential bond issuance will therefore reflect CVA's investment opportunities over time together with the **additional cash flow generation that would offset the increase in financial leverage**.

CVA's Baa2 ratings continue to be supported by (1) the low-cost and low-carbon nature of its hydropower generation assets in Italy; (2) the material contribution to its EBITDA from its lower-risk contracted power-generation earnings and regulated electricity distribution activities in Italy (together representing around 38% of CVA's EBITDA in 2021); and (3) high likelihood of extraordinary support from its 100% ultimate shareholder, the Autonomous Region of Valle d'Aosta ("Valle d'Aosta", Baa2 stable), which offsets the alleged decline in CVA's standalone credit quality.

Contacts

Investor Relations CVA SpA

Angelo Biagini

e-mail: biagini.angelo@cvaspa.it

Mara Ghidinelli

e-mail: ghidinelli.mara@cvaspa.it