

LETTER TO SHAREHOLDERS

Dear Shareholders,

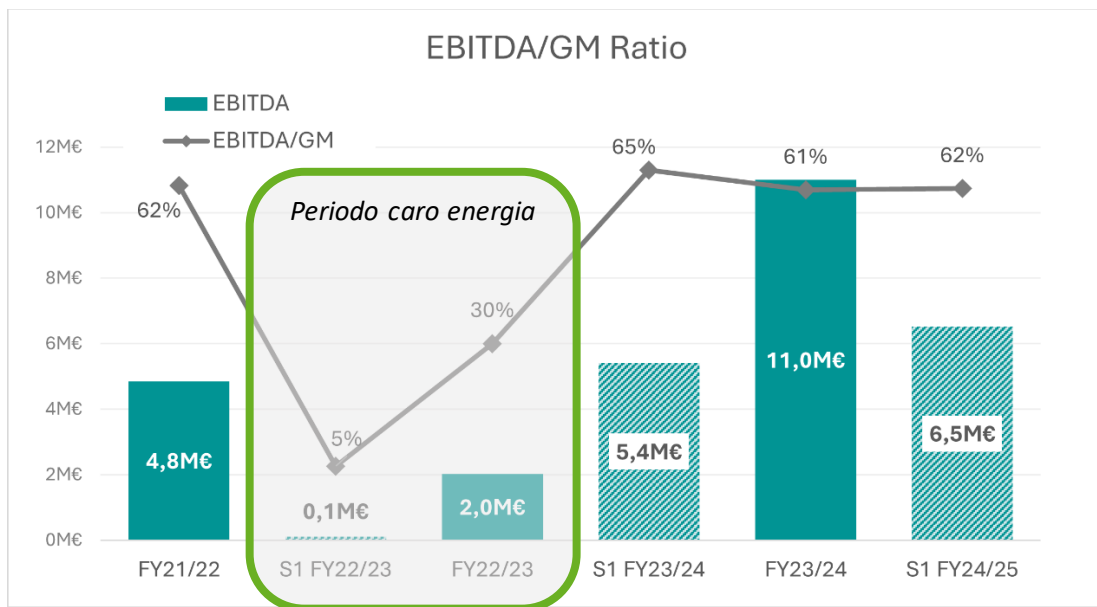
I am proud to announce that your company, in the first half of FY 2024/2025, **achieved its best half-year result ever** in terms of Gross Margin (GM), EBITDA and NET PROFIT.

The Gross Margin (GM) reached **€10.6 million, up 28%** compared to the same half-year of the previous financial year (S1-FY23/24). The half-year Gross Margin per outstanding shares (i.e. total shares minus treasury shares) is **€0.45, +31%** compared to €0.34 in S1-FY23/24. Total revenues reached **€170 million, +56%** compared to the previous €109 million (S1-FY23/24).

EBITDA reached **€6.5 million, up 20%** compared to €5.4 million generated in the same semester of the previous year.

Net profit reached **€3.5 million, +46%** compared to €2.4 million generated in the same semester of the previous year.

In this letter I want to focus on an indicator that characterizes your company: the GM → EBITDA conversion rate.



EBITDA (M€) and GM conversion rate → EBITDA (% EBITDA/GM): the histograms represent the historical EBITDA in M€. The line represents the EBITDA / GM ratio in percentage. The dotted columns represent the first 6 months of each financial year while the solid columns represent 12 months. The S1 half-year of FY24/25 recorded the highest half-year EBITDA ever. The 2022/23 financial year shows a decline linked to two factors: the freeze on contractual conditions imposed by the government in 2022 and ending in June 2023; the management costs of the “high energy prices” period of summer 2022.

The graph above highlights how EVISO has managed to maintain a conversion rate above 60% over the years during a rapid growth in turnover and EBITDA (excluding anomalous years related to the period of high energy prices).

The **strength of the platform business model becomes even more important after an analysis of your company's cost structure**. In a simplified way, the cost structure can be divided into two macro-areas: i) ordinary operating costs, necessary to maintain the current level of volumes; ii) growth costs, i.e. costs to add volumes and gross margins to existing levels.

In the semester, **your company decided to support a set of costs for growth (COST FOR GROWTH)** that previously did not exist, including: i) Costs of the new sales point (opened in May 2024) and costs related to commercial promotion and hiring of sales staff linked to the September 2024 agreements with the Banca di Credito Cooperativo di Cherasco and the Order of Engineers. ii) Training costs: eVISO has increased the training costs of the sales network in the gas segment.

These costs were added to the **costs related to the strong expansion of the direct sales network, the training of new hires and the expansion of the indirect sales network through agencies**. In total, the people active in the sales structure grew by 44% compared to December 2023 (S1-FY23/24). In eVISO these costs (COST FOR GROWTH) are entirely allocated to the current year.

In eVISO we want the "costs for growth" to increase. And we are working to "freeze" as much as possible the growth of the "ordinary operating costs" by investing heavily in the proprietary digital platform and in automation.

Management calculations indicate that the discounting of the costs for commercial growth over the average useful multi-year life of the customer in eVISO produces a **reclassified EBITDA of €7.7 million**. **In other words**, approximately 30% of the total costs are costs for growth.

The multi-year accrual of such costs, although potentially applicable at an accounting level, is a procedure not adopted by eVISO which, in line with a prudential accounting attitude, allocates non-amortisable costs in the current financial year, in order to: i) create long-term value for shareholders; ii) maintain a diligent pricing structure that discounts; iii) free up resources for growth.

At eVISO we will continue to strongly accelerate the growth of the commercial structure, with consequent increase in growth costs, and at the same time we remain focused on investments in the digital infrastructure, the soul of the platform business model.

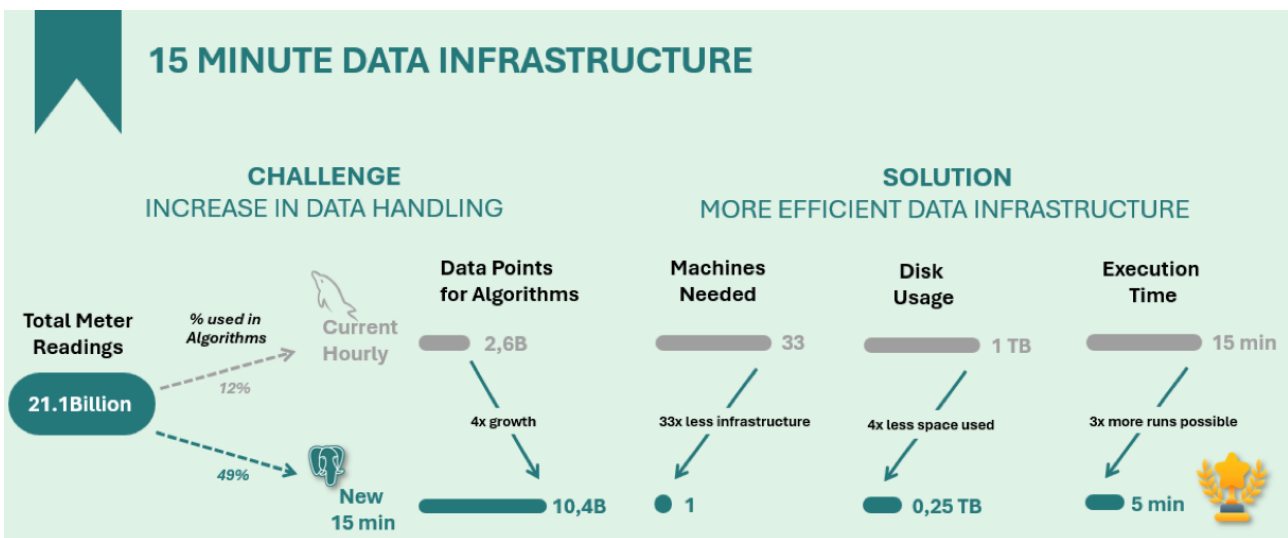
With these economic diligence bases we are sure to continue to create long-term value for your company.

UPGRADE IT platform: 4X data managed, 4X faster, 33X fewer servers r

A substantial and significant upgrade of the IT platform was released at the end of October.

The upgrade of the IT platform has allowed eVISO to manage the activities performed by its artificial intelligence infrastructure in a faster, more efficient and cost-effective way. In particular, the upgrade facilitates the transition from hourly energy data to the use of reading data every 15 minutes, with a consequent four-fold increase in data volume. Starting in January 2025, the electricity market has migrated from an hourly purchase typology to a 15-minute purchase modality. The significant improvement of the platform is linked to the preparation of the infrastructure for the rapid, effective and efficient management of data every 15 minutes along the energy value chain.

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Schematic of the main changes of the eVISO proprietary platform upgrade. 4X increase in Data Points used in the algorithms. Reduction of the number of machines from 33 to 1. Reduction of the required space by 4X from 1TB to 0.25TB. 3X increase in the speed of execution of predictions.

The most significant changes are identified in the image above:

- 4X increase in data managed;
- greater precision thanks to the use of quadrupled data volumes in the operations performed by the algorithms;
- 33X reduction in the required machines; 4X reduction in the necessary memory and contextual 3X reduction in the execution time of the forecasts, in order to bring the forecasting capacity to 5 minutes, below the critical threshold of 15 minutes.

The release of the upgrade allows eVISO to be prepared to significantly increase the number of points served, to release offers and strategies based on data every 15 minutes and at the same time to maintain diligent control over costs, with consequent improvement in the gross margin thanks to the new efficiencies introduced.

Market status

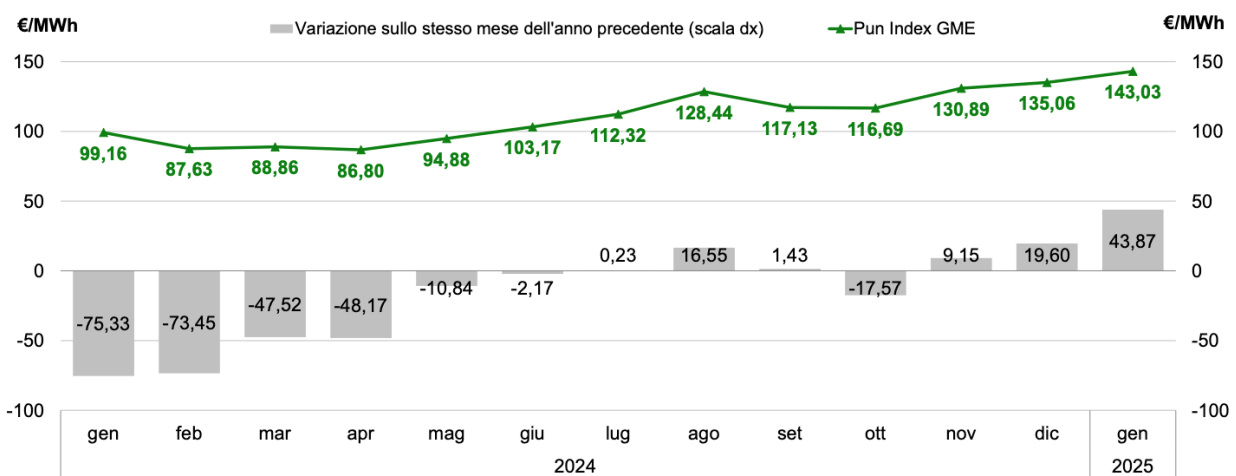
We are in a historical period characterized by the presence of international conflicts, tensions between superpowers (USA, China, Arab countries, EU) and technological changes among the most significant of the last 50 years (from the green deal to artificial intelligence).

Energy commodity markets have reacted with a relative stability of prices from January to June 2024, in a very strong decline compared to the prices of 2023. The month of January 2024, for example, recorded a price of €99/MWh, a decrease of €75/MWh compared to January 2023.

Starting from the month of June 2024, energy prices have begun to increase steadily, reaching the annual peak of €135/MWh in December 2024. An increase of over €19/MWh compared to December 2023. The same upward trend is still ongoing.

Grafico 1: MGP, Pun Index GME

Fonte: GME



Single National Price (PUN), Day-Ahead Market (MGP) Source: GM, monthly newsletter. The line indicates the evolution of the PUN from January 2024 to January 2025. The histogram indicates the difference between the PUN of the month and the PUN of the same month of the previous year.

ARTIFICIAL INTELLIGENCE: A paradigm shift

The launch of DeepSeek in January 2025 has led to a cultural paradigm shift: from the American one, with generative AI developed with huge capital injections and managed by a few ultra-rich people, to the Chinese one, based on broad accessibility and attention to costs.

In essence, building and training models becomes much less expensive, going from the order of billions to that of millions, and super-chips in super-servers of super-data-centers managed by a few giants are

no longer necessary. With DeepSeek technology, and with other models launched in the last 60 days, even a medium-sized company can train its own system using internal computers. With energy consumption potentially up to 100 times lower, while waiting to understand the precise data.

To date, we know for sure that DeepSeek does not have free access to all Nvidia chips, due to the US blockade, yet the startup founded in 2023 in Hangzhou, on a project of the hedge fund High-Flyer, boasts performances comparable to those of the star-spangled Big Tech.

Until January 28, 2025, Sam Altman's competitive lever was the scale effect: billion-dollar spending power on training processes and servers. An advantage accessible to Gates, Bezos, Musk and a few others. DeepSeek has swept away these competitive levers, the prerogative of a few American groups, paving the way for hordes of new models. An effect similar to the transition from supercomputers in the 1970s to PCs in the 1980s. The price war launched by DeepSeek will reduce the cost of technology, making it universally accessible.

Generative AI has become a commodity, and European companies, such as eVISO, now have the opportunity to transform it and arrive at high added value products. It is good for competitiveness.

Your company was ready for this scenario, and in fact avoided investments in proprietary LLM (Large Language Model), waiting for AI as a raw material.

FINANCIAL TIMES: EVISO among the TOP in Europe

I am proud to say that, in Europe, your company plays a pioneering role in the application of Artificial Intelligence.

With an absolute growth rate of 364.6% and a compound annual growth rate (CAGR) of 66.9%, eVISO is positioned among the top 500 European companies for growth and achieves three important records: in order of turnover it is third among Italian companies, **third in the Energy segment in the EU**, and **in the "Top 10" in Europe in the IT & Software segment** as the only Italian company.

The ranking, created by the **Financial Times** in collaboration with **Statista**, rewards the companies that have recorded the best performances in terms of turnover growth between 2020 and 2023. This recognition represents a confirmation of the excellence of eVISO, which has been able to combine technology, artificial intelligence and innovation to offer cutting-edge solutions in the energy and raw materials market.

eVISO's positioning among the top 10 IT companies by turnover and in the top 5 of the Energy sector at European level highlights the company's key role in the technology and energy landscape. Its growth is the result of a strategy based on data, operational efficiency and advanced use of artificial intelligence, which has allowed it to stand out in an increasingly competitive market.



- ## FT1000: Europe's Fastest Growing Companies 2025 ranking

The ninth annual list showcases 1,000 examples of outstanding business performance

Name	Country	Sector	Absolute growth rate (%)	Compound annual growth rate (%)	Revenue 2023 (€)	Revenue 2020 (€)
Alchemy Global Solutions	Ireland	IT & Software	211.4	46	658,999,380	211,651,563
Vizion Network	UK	IT & Software	303.2	59.2	490,322,380	117,817,103
Equativ	France	IT & Software	185.6	41.9	377,424,216	132,134,415
Odooc	Belgium	IT & Software	290.4	57.5	324,214,000	83,044,000
reMarkable	Norway	IT & Software	145	34.8	306,258,712	112,843,868
EasyPark Group	Sweden	IT & Software	260.5	53.3	297,660,000	82,569,000
eViso	Italy	IT & Software	364.6	66.9	225,665,906	48,567,777

At EVISO we believe that the volatility of energy prices, the introduction of new rules in energy markets (purchase every 15 minutes) and the massive availability of low-cost generative intelligence tools are an excellent context to continue to offer products and services that are different from the competition, high value and difficult to replicate.

FORESEEABLE MANAGEMENT EVOLUTION

Energy is one of the economic vectors that has recently gained prominence in the agenda of governments at the Italian and European level. The industrial introduction of innovative technologies such as heat pumps, photovoltaics, storage batteries, electric vehicles, energy communities will increase the level of market volatility. The broad current discussions on energy production from nuclear sources will have potential impacts starting from 2040, and therefore in a very long-term horizon.



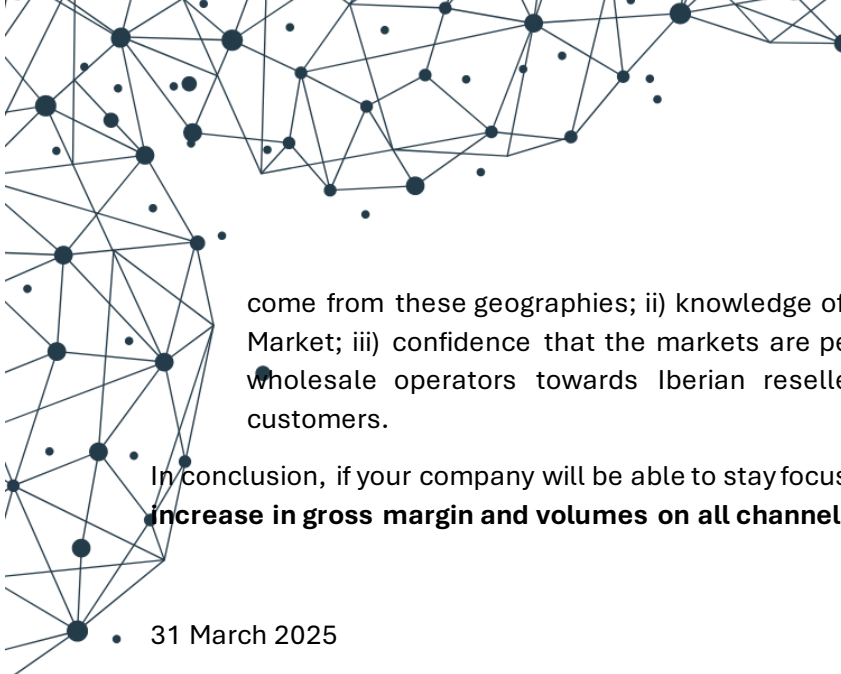
Global warming has already changed the consumption profile of families and businesses: periods of extreme heat and extreme cold, lasting from a few days to entire weeks, introduce consumption peaks that increase volatility.

I think that the energy and gas supply sector is in a moment of cultural change, **moving from generic and substantially indifferent value propositions for the customer**, with announcements such as “competitive prices and clean energy”, to distinctive value propositions with high added value (e.g. monitoring systems, alerts to consume less and better etc... on specific market segments (SMEs, retail etc..).

This is the playing field of your company that has developed a proprietary digital infrastructure and a corporate organization designed to create distinctive and differentiating value propositions, on high added value segments.

Here is a list of the activities that your company will focus on in the next 12 months:

- **Operational implementation of the BUDGET 24/25 on electricity and gas in Italy** and organizational changes to achieve the challenging objectives of the plan and prepare the ground for the following years. The unique value propositions on the market developed by eVISO and the ability to innovate indicate that there is potential to continue growing both in volumes and gross margins thanks to a different mix of customers.
- **Expansion of commercial activities in the segment of sales to small and medium-sized enterprises** in Piedmont and Liguria, strong in the technological value proposition, as far as we know unique in Italy, linked to the monitoring of consumption and the alert system to consume better and less.
- **Expansion throughout Italy of commercial activities in the segment of indirect sales through agencies**, strong in monitoring technologies, diligent payment of commissions to agencies, made possible by the proprietary digital platform, and the technological ability to generate dynamic pricing on large industrial customers.
- **Expansion of commercial activities to promote GAS towards all types of customers, throughout Italy**, also thanks to the release of the CORTEX GAS practice management platform and the complete coverage of the supply chain announced in February 2025.
- **Expansion of commercial activities in the RETAIL segment towards customers sensitive to local presence**, strong in the point of sale in the new headquarters in Saluzzo and the framework agreements with the Credito Cooperativo bank of Cherasco, with the Order of Engineers of Turin and with various large companies in the area.
- **Investments in proprietary platforms that continue to transform recurring operating costs into digital infrastructural tools accessible to all workers, regardless of technical skills.** The industrial scalability of the platform business model indicates that the automation of recurring activities can free up potential margins for improvement in the GM → EBITDA conversion rate.
- **Expansion of activities in Southern Europe (Spain, Portugal etc.) also through M&A operations.** We are actively seeking growth opportunities in the Iberian markets for the following reasons: i) cultural proximity given that a significant number of eVISO collaborators



come from these geographies; ii) knowledge of the dynamics of the MIBEL, Iberian Electricity Market; iii) confidence that the markets are permeable to eVISO value propositions both as wholesale operators towards Iberian resellers and to value propositions towards end customers.

In conclusion, if your company will be able to stay focused on the priorities listed above, **we expect an increase in gross margin and volumes on all channels served by your company.**

• 31 March 2025

signed
Gianfranco Sorasio
Chairman and CEO