

## **Il Consiglio di Amministrazione di algoWatt approva il piano industriale 2022-2024 “Leading the clean energy transition”**

- Una rinnovata visione strategica alla luce della sottoscrizione del Piano di Risanamento e dell’Accordo Finanziario, del recupero della solidità finanziaria e della valorizzazione dei fattori di contesto, che pongono algoWatt in un business attrattivo
- Nel piano previsti: rafforzamento della governance e ottimizzazione della struttura aziendale e commerciale in direzione del conseguimento dei target
- Definite 6 leve strategiche per accelerare la generazione dei Ricavi e dell’Ebitda con conseguente riduzione del rischio, integrazione di attività a completamento della catena del valore della digital energy e del cleantech
- Scouting per operazioni di M&A in compliance con Il Piano di Risanamento e l’Accordo Finanziario e utilizzando il portafoglio azioni proprie
- Ricavi nel triennio: circa Euro 92 milioni (CAGR 2022-24 +5,34%); incremento dei margini e della redditività; riduzione progressiva della PFN e crescita contemporanea del Patrimonio Netto con miglioramento di tutti i Ratios

Il Consiglio di Amministrazione di algoWatt, GreenTech Company quotata sul mercato Euronext Milan di Borsa Italiana, riunitosi in data odierna con la presidenza di Stefano Neri, ha approvato il piano industriale 2022-2024 “Leading the clean energy transition”.

Il piano sarà illustrato oggi alla comunità finanziaria in webcast sul sito internet della società [www.algowatt.com](http://www.algowatt.com) e sul sito internet dello Specialist Integrae SIM [www.integrae.it](http://www.integrae.it) alle ore 15.30 CET dal Presidente di algoWatt Stefano Neri, dal CEO Paolo Piccini, dal Direttore generale Idilio Ciuffarella e dal direttore finanziario Filippo Calisti.

### **“LEADING THE CLEAN ENERGY TRANSITION”: PRINCIPALI ASSUMPTION**

algoWatt punta ad affermarsi come punta avanzata dell’industria italiana GreenTech con la missione di “abilitare la trasformazione digitale e la transizione energetica ed ecologica attraverso tecnologie intelligenti, permettendo a clienti e consumatori di utilizzare le risorse in modo più sostenibile”.

La nuova configurazione aziendale e il posizionamento sul mercato dell’integrazione digitale di prodotti e/o servizi che migliorano le prestazioni operative, riducendo allo stesso tempo i costi, il consumo di energia, i rifiuti e gli effetti negativi sull’ambiente, derivano dal turnaround operativo e industriale conseguente alla sottoscrizione del Piano di Risanamento e dell’Accordo Finanziario, avvenuta nel giugno 2021.

Grazie a questa intesa, che ha visto Obbligazionisti e Istituti di credito manifestare fiducia nella resilienza della Società, algoWatt ha ridotto il suo indebitamento finanziario (pressoché costante dal 2018) dai 66,9 milioni di euro del 2020 ai 14,1 milioni di euro con cui si è chiuso l’esercizio al 31 dicembre scorso 2021. A questa energica manovra di esdebitamento, va aggiunto anche il deconsolidamento del debito legato agli impianti

industriali, funzionali al vecchio modello di business e destinati alla vendita, per oltre 12 milioni di euro complessivi.

Grazie al Piano di Risanamento, all'Accordo Finanziario e alla fusione tra TerniEnergia e Softeco, viene così consegnato al mercato dei capitali un nuovo player che esce definitivamente dal settore Utility ed entra in quello del Digitale, con l'identità di GreenTech company. Un'identità nuova in linea con i megatrend più attrattivi, che riguardano la digitalizzazione pervasiva di tutti i comparti industriali e la transizione ecologica ed energetica.

Gli obiettivi industriali di algoWatt appaiono, inoltre, totalmente coerenti con gli obiettivi di decarbonizzazione dell'economia e dei consumi, in linea con i target fissati dall'Unione europea nell'ambito del Green Deal e dal Governo nazionale con il Piano Nazionale di Ripresa e Resilienza. Strumenti che si accompagnano ad un quadro normativo unico e fortemente favorevole per l'innovazione digitale, diventata l'asse strategico di tutti i programmi di modernizzazione e rilancio della crescita.

L'execution del Piano, l'approccio ai nuovi mercati di riferimento e il cambio di modello di business sono stati accelerati anche attraverso un rinnovamento e un rafforzamento della governance. L'Amministratore delegato, Paolo Piccini, al quale è stata affidata la sfida della crescita in linea con gli obiettivi del Piano, è stato affiancato dal nuovo Direttore generale Idilio Ciuffarella per apportare alla gestione aziendale competenze consolidate e un solido track record professionale nei settori tecnologico e dell'innovazione.

Infine, sono stati varati un rinnovamento e un rafforzamento dell'organizzazione aziendale, con l'eliminazione delle 3 Business Units per privilegiare una struttura più snella ed efficiente, basata su divisioni rispondenti ai bisogni del cliente, come la software factory unificata, un sistema centralizzato di project management e di solution delivery e un rafforzamento della struttura commerciale.

#### **“LEADING THE CLEAN ENERGY TRANSITION”: PRINCIPALI OBIETTIVI STRATEGICI**

Il Piano fonda le prospettive di crescita sull'integrazione tra le attività *business as usual* e sei nuovi leve di accelerazione dello sviluppo del giro d'affari, di incremento dell'*order intake* e aumento del fatturato:

##### **Partnership con provider di tecnologia top in class**

- Reselling con Valore aggiunto (VAR) di componenti chiave del Fotovoltaico (inverter e storage), attraverso le competenze, la valorizzazione del track record e le referenze della ex TerniEnergia;
- Ampliamento del “Portafoglio Prodotti Virtuale”, con focus sul Settore Energy Intensive e dei Datacenter, con implementazione di componenti HW (UPS e Sistemi di Cooling) che, integrati con il Sistema di Supervisione e Monitoraggio proprietario (ER-BEMS, Building Energy Management System) consentono di offrire un bouquet di soluzioni di efficientamento energetico allargate;
- EV Chargers: Supporto industriale nella realizzazione di un sistema completo di colonnine di ricarica a partire da moduli di carica batteria high tech.

##### **Partnership con Player/Utility nel dominio Energia e Ambiente**

- Soluzioni chiavi in mano per le Comunità Energetiche (CER) con le seguenti attività: Consulenza tecnico/finanziaria/legale; Promozione modello di business; Piattaforma SW; Fornitura in opera di micro grid;

- Soluzioni per la realizzazione di Virtual Power Plant (VPP) e per il settore degli aggregatori di risorse energetiche per migliorare la produzione di energia, la flessibilità della rete, nonché di scambiare o vendere energia sul mercato elettrico;
- Servizi di digitalizzazione dell'industria Cleantech per la transizione ecologica, come - ad esempio - software, piattaforme e soluzioni per servizi di raccolta e gestione evoluta, cassonetti intelligenti, robotica, app, strumenti analitici e software di supporto alle decisioni;
- Partnership con il modello della "stewardship" con aziende del settore ambientale con l'obiettivo di proporre prodotti da customizzare, sviluppare nuovi prodotti e servizi con costi coperti dai partner a condizioni vantaggiose, monitorare opportunità di potenziali operazioni straordinarie.

#### **General Contracting**

- Espansione della pipeline dedicata alle attività legate all'efficienza energetica degli edifici con il Superbonus del 110% e accelerazione dei cantieri grazie all'accordo con un partner commerciale/finanziario;
- System Integration per infrastrutture critiche con implementazione di HW e SW dedicati alla digitalizzazione di servizi, sulla base del track record dell'azienda (es. Terminal di ticketing Caronte & Tourist)
- Installazione chiavi in mano per la riduzione e la gestione dei consumi energetici di aziende energivore o di strutture complesse con formule innovative come il PPA e le CER (es. siti industriali, edifici, pubblica amministrazione).

#### **Rivisitazione/Revitalizzazione del business FV**

- Valorizzando le solide referenze (oltre 400 MW installati) nazionali ed internazionali e il valore del brand della ex TerniEnergia, sarà possibile utilizzare la subsidiary TerniEnergia Progetti per le attività di O&M (inclusi PAM/PV Inspector e Sundrone) e per la gestione di attività di co-sviluppo ed EPC per impianti utility scale inferiori ai 4MW, con autorizzazioni agevolate ed Agrivoltaico.

#### **Internazionalizzazione**

- Processo di ampliamento internazionale dei mercati tramite le subsidiary in Grecia (forte sviluppo e valore del mercato pari a circa 5 GW/anno) e Sud Africa (storico mercato di TerniEnergia con 6 GW/anno di nuove installazioni fotovoltaiche), utilizzando la presenza commerciale e le capacità progettuali di alto livello come differenziazione del business.

#### **Potenziali M&A**

Valutazioni di acquisizioni su 3 settori (in alternativa):

- Smart Building/Smart City (Integrazioni di Sistema per l'efficientamento di Edifici di Clienti fortemente Energivori)
- Digitalizzazione Sistemi Ambientali
- Billing (recupero della storica leadership italiana di ex Softeco in tale settore)

Le valutazioni in corso si concentrano su diverse realtà, in coerenza con il Piano di Ristrutturazione e prevedendo l'utilizzo del portafoglio di azioni proprie a disposizione della Società. Nel caso in cui le valutazioni non andassero a buon fine, le operazioni di M&A saranno convertite in Partnership/Stewardship per la fornitura

di servizi.

#### **“LEADING THE CLEAN ENERGY TRANSITION”: IL PIANO IN CIFRE**

algoWatt prevede al 2024 un consistente aumento dei ricavi e della profittabilità e, contestualmente, un ulteriore contenimento della PFN.

Il Piano stima una crescita del valore della produzione (CAGR 2022-2024) del 5,34%, per circa Euro 92 milioni nel triennio, con obiettivi intermedi pari a circa Euro 28 milioni nel 2022, Euro 31 milioni nel 2023, Euro 38 milioni nel 2024, con un incremento dei ricavi derivanti dalle sei nuove leve di sviluppo del business a sostegno della crescita strategica.

L'Ebitda nel periodo di piano si prevede in crescita del 9,4%, stimato in circa Euro 4,5 milioni nel 2022 (Ebitda Margin 16,8%), Euro 5,5 milioni nel 2023 (Ebitda Margin 18,5%) e Euro 6 milioni (Ebitda Margin 8,8%) nel 2024. L'Ebit crescerà con un CAGR del 4,8%, con obiettivi intermedi di circa Euro 1 milione nel 2022, Euro 2 milioni nel 2023 e Euro 2,5 milioni nel 2024.

Grazie alla nuova struttura finanziaria, la Posizione Finanziaria Netta decrescerà nel periodo di Piano con obiettivi di circa Euro 12 milioni nel 2022, Euro 10 milioni nel 2023 ed Euro 7 milioni nel 2024. In crescita il Patrimonio Netto che si attesterà nei tre anni a circa Euro 12 milioni nel 2022, Euro 13 milioni nel 2023 ed Euro 15 milioni nel 2024. Migliorano sensibilmente le ratios: in particolare il rapporto PFN/Patrimonio netto (Gearing Ratio) si ridurrà da 1x nel 2022, a 0,8x nel 2023 fino a 0,5x nel 2024. Il rapporto PFN/EBITDA diminuirà virtuosamente da 2,7x del 2022, a 1,8x del 2023 fino a 1,2x del 2024.

*Il presente comunicato stampa è disponibile anche sul sito internet della Società [www.algowatt.com](http://www.algowatt.com).*

**algoWatt (ALW)**, *GreenTech solutions company*, progetta, sviluppa e integra soluzioni per la gestione dell'energia e delle risorse naturali, in modo sostenibile e socialmente responsabile. La Società fornisce sistemi di gestione e controllo che integrano dispositivi, reti, software e servizi con una chiara focalizzazione settoriale: digital energy e utilities, smart cities & enterprises e green mobility. algoWatt è nata dalla fusione di TerniEnergia, azienda leader nel settore delle energie rinnovabili e dell'industria ambientale, e di Softeco, un provider di soluzioni ICT con oltre 40 anni di esperienza per i clienti che operano nei settori dell'energia, dell'industria e dei trasporti. La società, con oltre 200 dipendenti dislocati in 7 sedi in Italia e investimenti in ricerca e innovazione per oltre il 12% del fatturato, opera con un'efficiente organizzazione aziendale, focalizzata sui mercati di riferimento: Green Energy Utility: energie rinnovabili, energia digitale, reti intelligenti; Green Enterprise&City: IoT, analisi dei dati, efficienza energetica, automazione degli edifici e dei processi; Green Mobility: elettrica, in sharing e on demand. Mercati diversi, un unico focus: la sostenibilità. algoWatt è quotata sul mercato Euronext Milan di Borsa Italiana S.p.A..

#### **Per informazioni:**

**Investor Relations**  
**algoWatt SpA**  
Filippo Calisti (CFO)  
Tel. +39 0744 7581  
[filippo.calisti@algowatt.com](mailto:filippo.calisti@algowatt.com)

**Press Office**  
**algoWatt SpA**  
Federico Zacaglion  
Tel. +39 0744 7581  
Mobile +39 340 5822368  
[federico.zacaglion@algowatt.com](mailto:federico.zacaglion@algowatt.com)

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**algoWatt's Board of Directors approves the 2022-2024 business plan "Leading the clean energy transition".**

- A renewed strategic vision in the light of the signing of the Recovery Plan and the Financial Agreement, the recovery of financial solidity and the enhancement of contextual factors, which place algoWatt in an attractive business
- In the plan: strengthening of governance and optimisation of the corporate and commercial structure towards the achievement of targets
- Defined 6 strategic levers to accelerate revenue and EBITDA generation resulting in reduced risk, integration of activities to complete the digital energy and cleantech value chain
- Scouting for M&A transactions in compliance with the Recovery Plan and the Financial Agreement and using the treasury shares portfolio
- Revenues over the three-year period: approximately Euro 92 million (CAGR 2022-24 +5.34%); increase in margins and profitability; progressive reduction in NFP and simultaneous growth in shareholders' equity with improvement in all ratios

The Board of Directors of algoWatt, a GreenTech Company listed on the Euronext Milan market of Borsa Italiana, met today under the chairmanship of Stefano Neri and approved the 2022-2024 business plan "Leading the clean energy transition".

The plan will be illustrated to the financial community today in a webcast on the company's website [www.algowatt.com](http://www.algowatt.com) and on Specialist Integrae SIM's website [www.integrae.it](http://www.integrae.it) at 15.30 CET by the Chairman of algoWatt Stefano Neri, CEO Paolo Piccini, General Manager Idilio Ciuffarella and CFO Filippo Calisti.

**"LEADING THE CLEAN ENERGY TRANSITION: MAIN ASSUMPTIONS**

algoWatt aims to establish itself as the cutting edge of the Italian GreenTech industry with a mission to "enable digital transformation and the energy and ecological transition through smart technologies, enabling customers and consumers to use resources in a more sustainable way".

The new corporate configuration and positioning in the market for digital integration of products and/or services that improve operational performance while reducing costs, energy consumption, waste and negative effects on the environment result from the operational and industrial turnaround following the signing of the Recovery Plan and Financial Agreement in June 2021.

Thanks to this agreement, which saw Bondholders and Banks express confidence in the resilience of the Company, algoWatt reduced its financial debt (almost constant since 2018) from 66.9 million euros in 2020 to 14.1 million euros at the end of the year to 31 December 2021. In addition to this energetic debt reduction

manoeuvre, there was also the deconsolidation of debt linked to industrial plants, functional to the old business model and destined for sale, for a total of more than €12 million.

Thanks to the Restructuring Plan, the Financial Agreement and the merger between TerniEnergia and Softeco, is thus delivered to the capital market a new player that leaves the Utility sector and enters the Digital one, with the identity of GreenTech company. A new identity in line with the most attractive megatrends, which concern the pervasive digitalization of all industrial sectors and the ecological and energy transition.

algoWatt's industrial objectives also appear to be fully consistent with the objectives of decarbonising the economy and consumption, in line with the targets set by the European Union as part of the Green Deal and by the national government with the National Recovery and Resilience Plan. These instruments are accompanied by a unique and highly favourable regulatory framework for digital innovation, which has become the strategic axis of all modernisation and growth recovery programmes.

The execution of the Plan, the approach to new reference markets and the change in the business model were also accelerated through a renewal and strengthening of governance. The Chief Executive Officer, Paolo Piccini, who has been entrusted with the challenge of growth in line with the objectives of the Plan, has been joined by the new General Manager, Idilio Ciuffarella, who brings to the company management consolidated skills and a solid professional track record in the technology and innovation sectors.

Lastly, a renewal and strengthening of the company organisation was launched, with the elimination of the three Business Units in favour of a leaner and more efficient structure, based on divisions that respond to customer needs, such as a unified software factory, a centralised project management and solution delivery system, and a strengthened commercial structure.

## **"LEADING THE CLEAN ENERGY TRANSITION: MAIN STRATEGIC OBJECTIVES**

The Plan bases its growth prospects on the integration of *business-as-usual* activities and six new levers for accelerating turnover development, increasing *order intake* and increasing turnover:

### **Partnership with top technology providers**

- Value-added reselling (VAR) of key photovoltaic components (inverters and storage), through the expertise, track record and references of the former TerniEnergia;
- Expansion of the "Virtual Product Portfolio", with a focus on the Energy Intensive and Datacentre Sectors, with the implementation of HW components (UPS and Cooling Systems) which, integrated with the proprietary Supervision and Monitoring System (ER-BEMS, Building Energy Management System), make it possible to offer a bouquet of extended energy efficiency solutions;
- EV Chargers: Industrial support in the development of a complete system of charging stations from high-tech battery charging modules.

### **Partnership with Player/Utility in the Energy and Environment domain**

- Turnkey solutions for Energy Communities (ERCs) with the following activities: Technical/financial/legal consultancy; Business model promotion; SW platform; Micro grid supply in place;

- Solutions for Virtual Power Plant (VPP) and energy resource aggregators to improve energy production, grid flexibility and to exchange or sell energy on the electricity market;
- Cleantech industry digitisation services for the ecological transition, such as - for example - software, platforms and solutions for advanced collection and management services, smart bins, robotics, apps, analytical tools and decision support software;
- Partnerships with the "stewardship" model with companies in the environmental sector with the aim of proposing products to be customised, developing new products and services with costs covered by the partners at advantageous conditions, monitoring opportunities for potential extraordinary operations.

#### **General Contracting**

- Expansion of the pipeline dedicated to activities related to the energy efficiency of buildings with the 110% Superbonus and acceleration of construction sites through an agreement with a commercial/financial partner;
- System Integration for critical infrastructures with implementation of HW and SW dedicated to the digitalisation of services, based on the company's track record (e.g. Caronte & Tourist ticketing terminal)
- Turnkey installation for the reduction and management of energy consumption of energy-hungry companies or complex structures with innovative formulas such as PPAs and CERs (e.g. industrial sites, buildings, public administration).

#### **Revitalisation/Revitalisation of PV business**

- Valuing the solid references (over 400 MW installed) national and international and the value of the brand of the former TerniEnergia, it will be possible to use the subsidiary TerniEnergia Progetti for O&M activities (including PAM/PV Inspector and Sundrone) and for the management of co-development and EPC activities for utility scale plants below 4MW, with facilitated permits and Agrivoltaic.

#### **Internationalisation**

- Process of international expansion of markets through subsidiaries in Greece (strong development and market value of about 5 GW/year) and South Africa (historic market of TerniEnergia with 6 GW/year of new photovoltaic installations), using the commercial presence and high-level project capabilities as business differentiation.

#### **M&A potential**

Acquisition assessments on 3 sectors (alternatively):

- Smart Building/Smart City (System Integration for the Efficiency of Buildings of Highly Energy Intensive Customers)
- Digitisation of Environmental Systems
- Billing (recovery of former Softeco's historic Italian leadership in this sector)



The ongoing evaluations are focused on different realities, in line with the Restructuring Plan and foreseeing the use of the portfolio of treasury shares available to the Company. If the evaluations are not successful, the M&A transactions will be converted into Partnership/Stewardship for the provision of services.

### **"LEADING THE CLEAN ENERGY TRANSITION: THE PLAN IN FIGURES**

algoWatt expects a significant increase in revenue and profitability by 2024 and, at the same time, a further reduction in NFP.

The Plan estimates a growth in value of production (CAGR 2022-2024) of 5.34%, for approximately €92 million over the three-year period, with intermediate targets of approximately €28 million in 2022, €31 million in 2023, €38 million in 2024, with an increase in revenues deriving from the six new business development levers supporting strategic growth.

Ebitda over the plan period is expected to grow by 9.4%, estimated at approximately Euro 4.5 million in 2022 (Ebitda Margin 16.8%), Euro 5.5 million in 2023 (Ebitda Margin 18.5%) and Euro 6 million (Ebitda Margin 8.8%) in 2024. Ebit will grow at a CAGR of 4.8%, with intermediate targets of approximately €1 million in 2022, €2 million in 2023 and €2.5 million in 2024.

Thanks to the new financial structure, the Net Financial Position will decrease over the period of the Plan with targets of approximately € 12 million in 2022, € 10 million in 2023 and € 7 million in 2024. Shareholders' equity will grow, reaching approximately €12 million in 2022, €13 million in 2023 and €15 million in 2024. The ratios improve significantly: in particular, the NFP/EBITDA ratio will decrease from 1x in 2022, to 0.8x in 2023 and 0.5x in 2024. The NFP/EBITDA ratio will virtuously decrease from 2.7x in 2022, to 1.8x in 2023 to 1.2x in 2024.

*This press release is also available on the Company's website [www.algowatt.com](http://www.algowatt.com).*

**algoWatt (ALW)**, *GreenTech 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..

### **For information:**

**Investor Relations**  
**algoWatt SpA**  
Filippo Calisti (CFO)  
Tel. +39 0744 7581  
[filippo.calisti@algowatt.com](mailto:filippo.calisti@algowatt.com)

**Press Office**  
**algoWatt SpA**  
Federico Zacaglioni  
Tel. +39 0744 7581  
Mobile +39 340 5822368  
[federico.zacaglioni@algowatt.com](mailto:federico.zacaglioni@algowatt.com)



W MARCH 29<sup>th</sup> 2022

INDUSTRIAL PLAN 2022-2024

# LEADING THE CLEAN ENERGY TRANSITION

algowATT  eureka!  
GREEN TECH SOLUTIONS

# W AGENDA



Stefano Neri  
CHAIRMAN



Paolo Piccini  
CEO



Idilio Ciuffarella  
GENERAL MANAGER



Filippo Calisti  
CFO & IR



 MARCH 29<sup>th</sup> 2022

# INDUSTRIAL PLAN 2022-2024



- ✓ **BACKGROUND AND OVERVIEW**
- **BUSINESS MODEL & STRATEGY**
- **FINANCIAL PLAN TO 2024**

**CONSOLIDATED AND EMERGING TECHNOLOGIES, SUCH AS THOSE OF DEMAND RESPONSE, UVAM AND FAST RESERVE, MEET AND OPEN UP NEW INTERESTING SCENARIOS**

Virtual power plant market to be worth \$ 4.5 billion by 2024  
**Bis Research**



**AS ENERGY USE FALLS, ELECTRIFICATION AND RENEWABLE ENERGY WILL KEEP EXPANDING**

1,200 GW of additions seen by 2024 (60% new PV plants)  
**S&P Global Commodities Insight**



**DIGITAL TRANSFORMATION IS CRITICAL TO THE SUCCESS OF THIS NEW MODEL**

Market for Digitalization in Energy Sector to Grow to \$ 64 billion by 2025  
«Italy is one of the global leaders in utility and small-scale PV, has almost 100% high speed network coverage, and supportive regulation for digital technologies»  
**Bloomberg New Energy Finance**



**A DISTRIBUTED ENERGY NETWORK WILL REPLACE THE TRADITIONAL UTILITY BUSINESS MODEL AND DEMAND PROFILE**

Financial analysts predict that microgrids' share of the market will increase by 19% to 2024 (\$ 19 billion)

**Global Market Insights**

- Renewable energy community
- Minigrid & Microgrid
- Self-consumption
- Collaboration between utility, prosumer, citizens



**GROWTH IN DEMAND FOR ENERGY EFFICIENCY SMART CITIES AND SMART BUILDINGS**

The integrated building management systems (IBMS) market is expected to grow by \$ 328.6 billion to 2029, CAGR of over 22,2%.  
Smart City Market to grow at a CAGR of 23% by 2024, with an incremental growth of \$ 2118.14 billion  
**Fortune Business and Technavio Research**



**EUROPE'S ENERGY PRICES ARE EXTREMELY VOLATILE AFFECTED BY POST COVID-19 AND UKRAINE WAR**

Wholesale gas prices are around 400% higher than a year ago and wholesale electricity prices have followed the same pattern, increasing by 260%

«Gas and electricity prices will remain high and volatile until at least 2023»

**Long term forecasts by European Commission's communication on energy prices**



**STORAGE AND EV-CHARGES RISE UP**

EV charging points in Europe is forecast to grow at a compound annual growth rate (CAGR) of 31.1%, to 5.2 billion in 2024.

**Berg Insight**

Residential storage in Europe to grow 500% by 2024 (6.6 GW)

**Wood Mackenzie forecasts**





PROPOSAL FOR NEW BIOENERGY PLANTS (12 GIGAWATTS) WITH ENERGY THUS PRODUCED AT A FIXED PRICE OF 65 EUROS PER MWH (COMPARED TO A PRICE THAT HAS NOW REACHED 280 EUROS) FOR 20 YEARS, WITHOUT INDEXATION  
Energia Futura



PLANT DEFICIT TO 2035 OF 3.2 MILLION TONNES FOR ORGANIC TREATMENT AND 2.7 MILLION TONNES FOR ENERGY RECOVERY  
Utilitalia

BIOMETHANE DERIVED FROM THE ORGANIC FRACTION OF MUNICIPAL WASTE (1.5 BILLION CUBIC METRES), TOTALLING 8 BILLION CUBIC METRES TO 2030  
Consorzio Italiano Biogas



OPPORTUNITIES OF PARTNERSHIP BETWEEN DIGITAL, WASTE MANAGEMENT AND CLEANTECH COMPANIES AIMED AT THE ESTABLISHMENT, MANAGEMENT AND IMPLEMENTATION OF A COMMON PROJECT WITH THE STEWARDSHIP MODEL



WASTE TO ENERGY (WTE) MARKET SIZE TO REACH \$ 35.5 BILLION BY 2024, WITH A PROJECTED CAGR OF 6.5%  
Global Market insights

THE GLOBAL WASTE RECYCLING SERVICES MARKET IS VALUED AT 66.9 BILLION TO 2024, REGISTERING A CAGR OF 4.8 %  
Statista



BIOMETHANE CAN COVER 10% OF CURRENT DEMAND, BUT WITH MEASURES TO REDUCE CONSUMPTION ITS CONTRIBUTION COULD RISE TO 15%, IN LINE WITH THE TARGET SET BY THE EU COMMISSION'S PLAN  
Consorzio Italiano Biogas



DIGITAL TECHNOLOGIES WILL DELIVER MORE EFFICIENT WASTE MANAGEMENT IN EUROPE WITH AN EXPECTED GROW AT A CAGR OF 10.87% TO REACH NEARLY \$ 4.3 BILLION BY 2027  
EMR Global smart waste management market



## MORE THAN A RECOVERY PLAN

Single market, innovation and digital € 11.5 billion  
Natural resources and environment € 18.9 billion  
Horizon Europe € 95.5 billion

## LARGEST STIMULUS PACKAGE EVER

Digitalisation, innovation, competitiveness and culture € 40.32 billion  
Green revolution and ecological transition € 59.47 billion  
Infrastructure for sustainable mobility € 25.40 billion

## ECOLOGICAL AND ENERGY TRANSITION

Sets a target of a 30% share of renewable energy in final energy consumption by 2030, and 21.6% in transport, which is higher than the 14% set by the EU

## DECARBONISATION OF THE EUROPEAN ECONOMY

The European Climate Law sets a legally binding target of net zero greenhouse gas emissions by 2050, taking into account an indicative greenhouse gas budget for 2030-2050 to be published by the Commission

## MODERNISING TRADITIONAL POLICIES

Building a stronger economic base", starting with "Reducing strategic dependencies". The measures include circular economy and sustainable agriculture; renewable energy, hydrogen, grid and sustainable mobility; energy efficiency and building renovation

## FINANCING BUILDING ENERGY EFFICIENCY

A 110% deduction of the expenses for interventions aimed at energy efficiency and static consolidation or reduction of seismic risk in buildings. Include the installation of PV plants and EV-charge.  
The Superbonus is available until 31 December 2025, in the following measures:  
110% for expenses incurred until 31 December 2023; 70% in 2024; 65% in 2025

## NEXT GENERATION EU

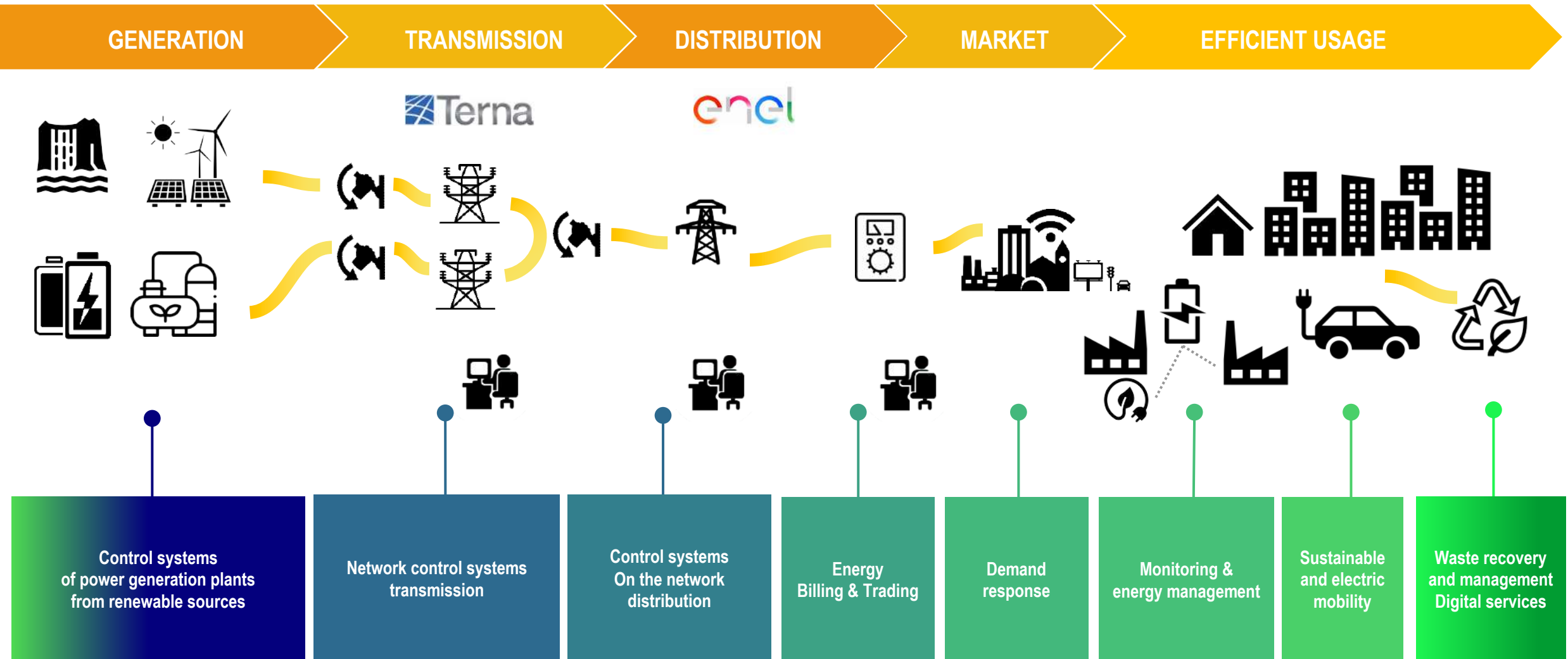
## PNRR

## PNIEC 2030

## EMISSIONS REDUCTION STRATEGY TO 2050

## NEW MITE DECREES

## SUPERBONUS 110% AND ECOBONUS





The background image is a composite illustration of a sustainable energy landscape. It features a field of solar panels in the foreground, a modern city skyline with various skyscrapers in the middle ground, and several wind turbines scattered across the horizon under a blue sky with light clouds. The entire image has a semi-transparent blue overlay.

**W** MARCH 29<sup>th</sup> 2022

**INDUSTRIAL PLAN 2022-2024**

# algoWatt at-a-glance



\*BALANCE SHEET CLOSED AS AT 31/12/2021

## GREENTECH Solutions for a SUSTAINABLE Development

algoWatt designs, develops and integrates solutions for the sustainability for the responsible social management of energy and natural resources, generating a competitive advantage



**40+ YEARS**  
IN THE DIGITAL MARKET



**100+ CLIENTS**  
LEADER IN THE ENERGY, UTILITY,  
MOBILITY, TECHNOLOGY, SOFTWARE



**22 ML EURO\***  
REVENUES



**10%+**  
PERCENTAGE OF TURNOVER INVESTED  
IN INNOVATION AND RESEARCH



**73 PLANTS**  
**60+ MW**  
OPERATION AND MAINTENANCE MANAGEMENT  
ON PV PLANTS



**200+**  
EMPLOYEES

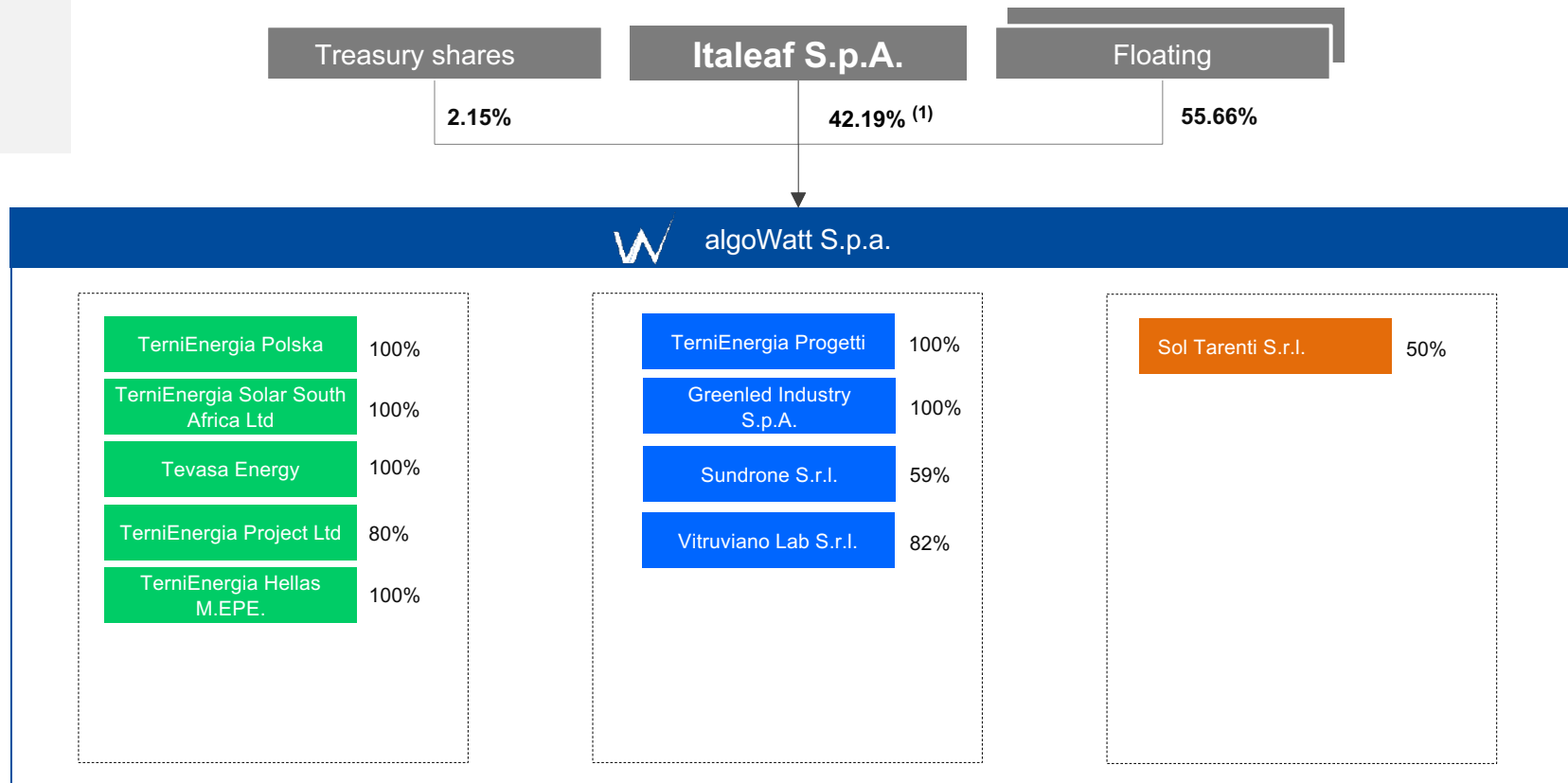


**10**  
7 ITALIAN OFFICES  
1 SOUTH AFRICAN OFFICE  
1 GREEK OFFICE  
1 POLAND OFFICE

LISTED ON BORSA ITALIANA SINCE 2008

**CAPTION:**

- Abroad Subsidiaries
- Italian Subsidiaries
- SPV plant owners on divesting



Source: Company information

1) The percentage relating to the Italeaf's voting rights at the shareholders' meeting is 58.38%

\*Represents a simplified structure of the Group, with subsidiaries abroad, those operating in the core sectors and those holding assets that are being sold as part of the Recovery plan.



## MISSION

We enable digital transformation and the energy and ecological transition through smart technologies, empowering customers and consumers to use resources in a more sustainable way.



## VISION

We want to foster the culture of energy, representing the Italian technological edge and anticipating the future sustainable solutions.



**WITH OUR SOLUTIONS ECOSYSTEM  
AND OUR PARTNERSHIP FOCUS,  
WE ENSURE ALWAYS  
THE BROADEST WAY TO INNOVATION**



# W WHERE WE ARE – OUR HEADQUARTERS AND OFFICES

**Milano**  
Headquarter  
Corso Magenta, 85  
20123 MILANO

**Genova**  
Operational Headquarters  
Via Sampierdarena, 71  
16149 GENOVA

**Athens**  
**GREECE**

Kentrikos Tomeas  
Athinon

**Roma**  
Via Giacomo Peroni 130  
00131 ROMA

**Terni**  
Nera Montoro  
Strada dello Stabilimento, 1  
05035 Narni (TERNI)

**Warsaw**  
**POLAND**  
Królewska 16,  
Warszawa 00-103














**Napoli**  
Centro Direzionale  
Isola F/3  
4° piano interno 10  
80143 NAPOLI

**Lecce**  
Via Colonnello A. Costadura, 3,  
73100 LECCE

**Cape Town**  
**SOUTH AFRICA**  
Boulevard office Park, 2nd  
floor, Block D, Searle.  
District of Woodstock

**Catania**  
Via Leucatia, 9  
95125 CATANIA

<b>HITACHI</b>	<b>Posteitaliane</b>	<b>RFI</b>	<b>acea</b>	<b>Terna</b>	<b>enel</b>	<b>SIEMENS</b>	<b>EDISON</b>
<b>amiu</b>	<b>SOGEGROSS</b>	<b>Infineum</b>	<b>IST OSPEDALE SAN MARTINO</b>	<b>ABB</b>	<b>TOSHIBA</b>	<b>TIM</b>	<b>SORGENIA</b>
<b>AMT Genova</b>	<b>autostrade per l'Italia</b>	<b>UniCredit</b>	<b>LEONARDO</b>	<b>ALPIQ</b>	<b>irén</b>	<b>alperia</b>	<b>AU Acquirente Unico</b>
<b>Civil Aviation Authority</b>		<b>ICHI ISTITUTO CLINICO HUMANITAS</b>	<b>life.augmented</b>	<b>CESI</b>	<b>helios Energia</b>	<b>PLC</b>	<b>Atos</b>
<b>ACI GLOBAL</b>	<b>ENAC ENTE NAZIONALE PER L'AVIAZIONE CIVILE</b>	<b>SITAF spa</b>	<b>europ assistance</b>	<b>RINA</b>	<b>CARONTE &amp; TOURIST</b>	<b>European Commission Joint Research Centre</b>	<b>Duferco Energia</b>
<b>ATM AZIENDA TRASPORTI MILANESI S.p.A.</b>	<b>ataf GRUPPO FERROVIE DELLO STATO ITALIANE</b>	<b>SEA AEROPORTI DI MILANO LINATE E MALPENSA</b>	<b>TRENORD</b>	<b>INSIS system engineering S.p.A.</b>	<b>Liguria Digitale</b>	<b>nsa GRUPPO BUSINESS PARTNER</b>	<b>olivetti</b>
<b>Buzzi Unicem</b>	<b>seaside energy advisors</b>	<b>Telenergy</b>	<b>ferrero manifatturi</b>	<b>enav</b>	<b>AU Acquirente Unico</b>	<b>Servizio Elettrico Nazionale</b>	<b>ALCHIMIA HOLDING</b>

	TURNKEY SOLUTIONS	SOFTWARE AND TECH PRODUCTS					
SMART UTILITY	<ul style="list-style-type: none"> <li>▪ Distribution Grid Solutions</li> <li>▪ Solutions for Transport Networks</li> <li>▪ Billing-Invoicing &amp; Metering</li> <li>▪ Smart &amp; Micro Grid</li> <li>▪ O&amp;M and aerial imaging analysis</li> </ul>						
SMART CITY	<ul style="list-style-type: none"> <li>▪ Industrial Automation</li> <li>▪ Supervision and Process Control</li> <li>▪ Scada System</li> <li>▪ Building Automation</li> <li>▪ Energy Saving</li> <li>▪ Superbonus General Contractor</li> </ul>						
SMART MOBILITY	<ul style="list-style-type: none"> <li>▪ Local Public Transport</li> <li>▪ Flexible Transport</li> <li>▪ Infomobility</li> <li>▪ Traffic &amp; Safety</li> <li>▪ Logistics</li> <li>▪ Railways &amp; Subways</li> <li>▪ Electric mobility</li> <li>▪ Routing and Ticketing of multi-modal hubs EPC solutions and O&amp;M</li> </ul>						





ANASTACIA  
INCLUSION  
IMOVE  
TRUSTONOMY  
VPP4ISLANDS  
CHOReVOLUTION

ELVITEN  
FALCON  
ZDMP  
PROSFET  
WInSiC4AP

**~30**  
YEARS OF ACTIVITY  
IN RESEARCH

**105+**  
RESEARCH  
PROJECTS

**25+**  
COORDINATED  
RESEARCH  
PROJECTS

**1000+**  
RESEARCH  
PARTNERSHIP

**11**  
H2020 RESEARCH  
PROJECTS  
  
**4**  
COORDINATED  
PROJECTS

**4.2M€**  
H2020  
CONTRIBUTIONS  
FROM EU

AFFILIATIONS



Associazione Italiana  
della Telematica  
per i Trasporti e la Sicurezza



**Polo EASS**  
Energia, Ambiente  
Sviluppo Sostenibile



**Polo SOSIA**  
Automazione  
e Sicurezza



**Polo TRANSIT**  
Logistica e Trasporti



**Polo PLSV**  
Polo Ligure  
Scienze della Vita



W MARCH 29<sup>th</sup> 2022

## INDUSTRIAL PLAN 2022-2024



- BACKGROUND AND OVERVIEW
- ✓ BUSINESS MODEL & STRATEGY
- FINANCIAL PLAN TO 2024





W MARCH 29<sup>th</sup> 2022

INDUSTRIAL PLAN 2022-2024

# A new governance to boost execution



# Enabling **New Organisational Solutions** to strengthen our core skills

Simplification of the corporate structure by eliminating business units to increase efficiency and optimise costs

**READY FOR CHALLENGE**



Review of strategic options to accelerate transformation and address structural issues

**FASTER AND SMARTER**



Managed change with strong leadership to be close to the customer with new structures (software factory, centralised project management, solution delivery) and improved business processes.

**FIT TO GROW**

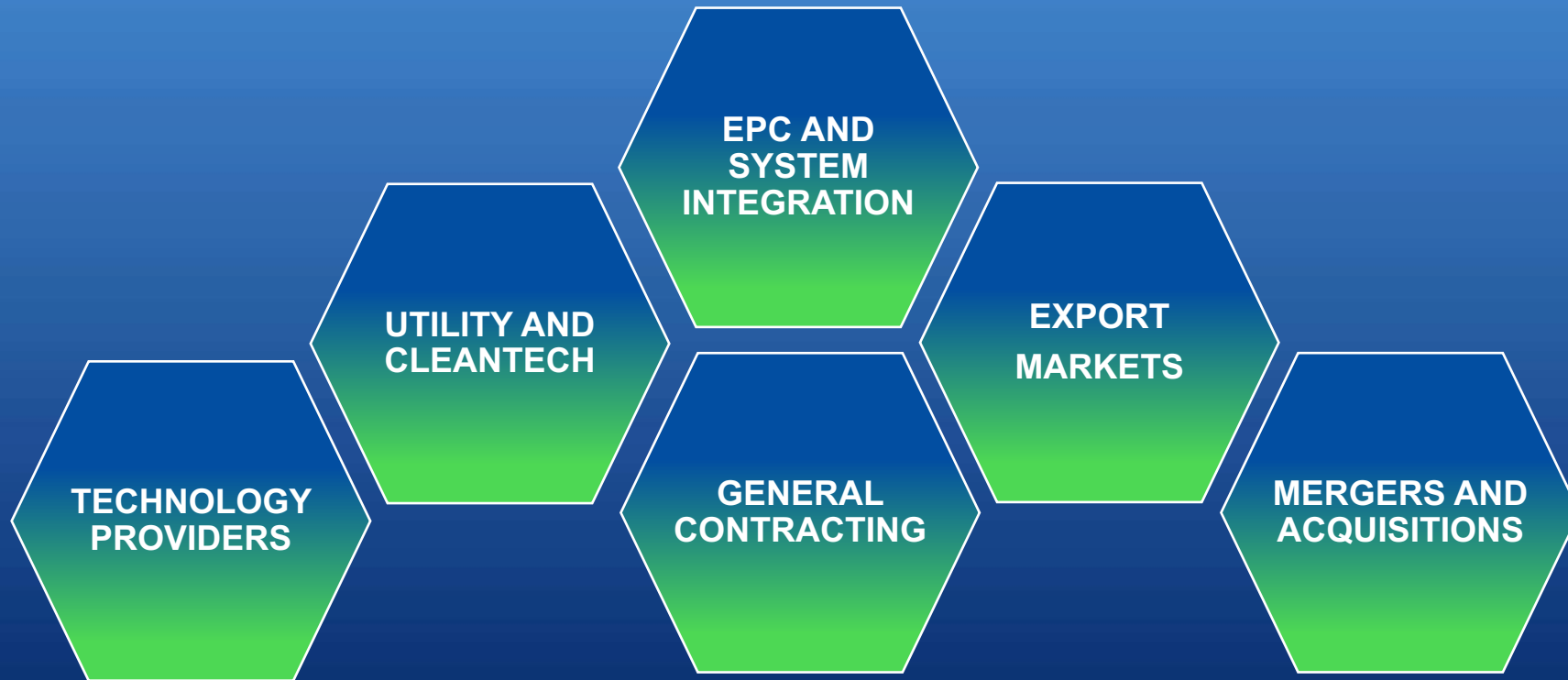


We want to combine our strong technological core with the recovery of system integration expertise and know-how, to provide turnkey solutions to meet the demand for widespread digitalisation and new solutions for sustainable energy and resource management

**TECHNOLOGICAL ENABLER**



# The 6 strategic layers





# ALLIANCE PARTNERSHIPS WITH TOP CLASS TECHNOLOGY PROVIDERS





## IN ADDITION TO ALGOWATT'S MAINSTREAM BUSINESS

UTILITY



### RENEWABLE ENERGY COMMUNITIES (PA, INDUSTRIAL, RESIDENTIAL)

- Technical/financial/legal advice
- Business model promotion
- SW platform
- Supply of full EPC and micro-grid



### VIRTUAL POWER PLANT

VPP is a cloud-based distributed power plant that aggregates the capacities of heterogeneous distributed energy resources (DER) for the purposes of enhancing power generation, as well as trading or selling power on the electricity market.



### CLEANTECH INDUSTRY DIGITALISATION SERVICES FOR ECOLOGICAL TRANSITION

Introduction of digital technologies for the development and adoption of smart solutions for the environmental industry and the management of waste and marginal resources. New services: e.g. smart waste bins, robotics, apps, analytical tools and decision support software



### PARTNERSHIP WITH THE STEWARDSHIP MODEL

Subscription of at least 3 Stewardships with companies in the sector for:

- propose existing products for customisation;
- development of new products and services with the costs covered by the partners on favourable terms;
- potential extraordinary transactions



### LAUNCH OF ESG REPORTING TO STEER INVESTMENT DECISIONS

We want to disclosure our environmental, social and governance criteria to be evaluated beyond the balance sheet by impact investors

CLEANTECH

*Enabling digital transformation and new energy and sustainable resources management paradigms*



# GENERAL CONTRACTING AND TURNKEY BUSINESS



EXPANSION OF THE PIPELINE DEDICATED TO ACTIVITIES RELATED TO THE BUILDING ENERGY EFFICIENCY WITH THE 110% SUPERBONUS AND FAST-TRACKING OF CONSTRUCTION SITES THANKS TO THE AGREEMENT WITH A COMMERCIAL/FINANCIAL PARTNER



INSTALLATION OF CRITICAL INFRASTRUCTURES WITH IMPLEMENTATION OF HW AND SW DEDICATED TO DIGITALISATION, BASED ON THE COMPANY'S TRACK RECORD (E.G. TICKETING TERMINAL FOR CARONTE & TOURIST)



CONSTRUCTION OF TURNKEY SYSTEMS FOR THE REDUCTION AND MANAGEMENT OF ENERGY CONSUMPTION OF ENERGY-INTENSIVE COMPANIES OR COMPLEX STRUCTURES WITH INNOVATIVE FORMULAS SUCH AS PPA (E.G. INDUSTRIAL SITES, BUILDINGS, PUBLIC ADMINISTRATION)

**Revamping and relaunch of the PV business counting on the solid national and international references of TerniEnergia (over 400MW installed since 2005) and on the value of the brand, through the subsidiary TerniEnergia Progetti, which will be put back on track.**



**Enhancement of the hi-tech O&M activities (including PAM/PV Inspector and Sundrone)**



**Managing co-development and EPC for plants <4MW with simplified authorisations and Agrivoltaic formula**



**Internationalisation of AlgoWatt** through its abroad subsidiaries using their commercial presence and high-level project capabilities as differentiation

**MAIN TARGETS**



**Greece**

(strong development process of renewable energy)  
5542 licences are available for renewable energy projects involving all type of power generation and market value of 5 GW



**South Africa**

(TerniEnergia's historic market) expected as electricity system reform 6 GW of new solar photovoltaic capacity and 14 GW of new wind power capacity



## SMART BUILDING / SMART CITY

SYSTEM INTEGRATION FOR THE EFFICIENCY OF THE BUILDINGS OF HIGHLY ENERGY-INTENSIVE CUSTOMERS (PREFERRED OPTION)



## DIGITALISATION OF ENVIRONMENTAL SYSTEMS

TARGET COMPANIES WITH STRONG GROWTH POTENTIAL ACTIVE IN THE DECARBONISATION, WASTE MANAGEMENT, RECOVERY AND RECYCLING, SUSTAINABLE RESOURCE MANAGEMENT SECTORS



## BILLING

RECOVERY OF THE HISTORIC ITALIAN LEADERSHIP OF EX-SOFTECO IN THIS SECTOR



The current evaluations are focused on different realities consistent with the Restructuring Plan by using the treasury shares available to the Company.

In the event that the assessments will be not successful, the merger transactions will be converted into Partnerships/Stewardship for the provision of services.



 MARCH 29th 2022

# INDUSTRIAL PLAN 2022-2024



- BACKGROUND AND OVERVIEW
- BUSINESS MODEL & STRATEGY
- ✓ FINANCIAL PLAN TO 2024









**REVENUES**  
**€ 22 ML**



**EBITDA**  
**€ 3.2 ML**



**NET RESULT**  
**€ 8.6 ML**

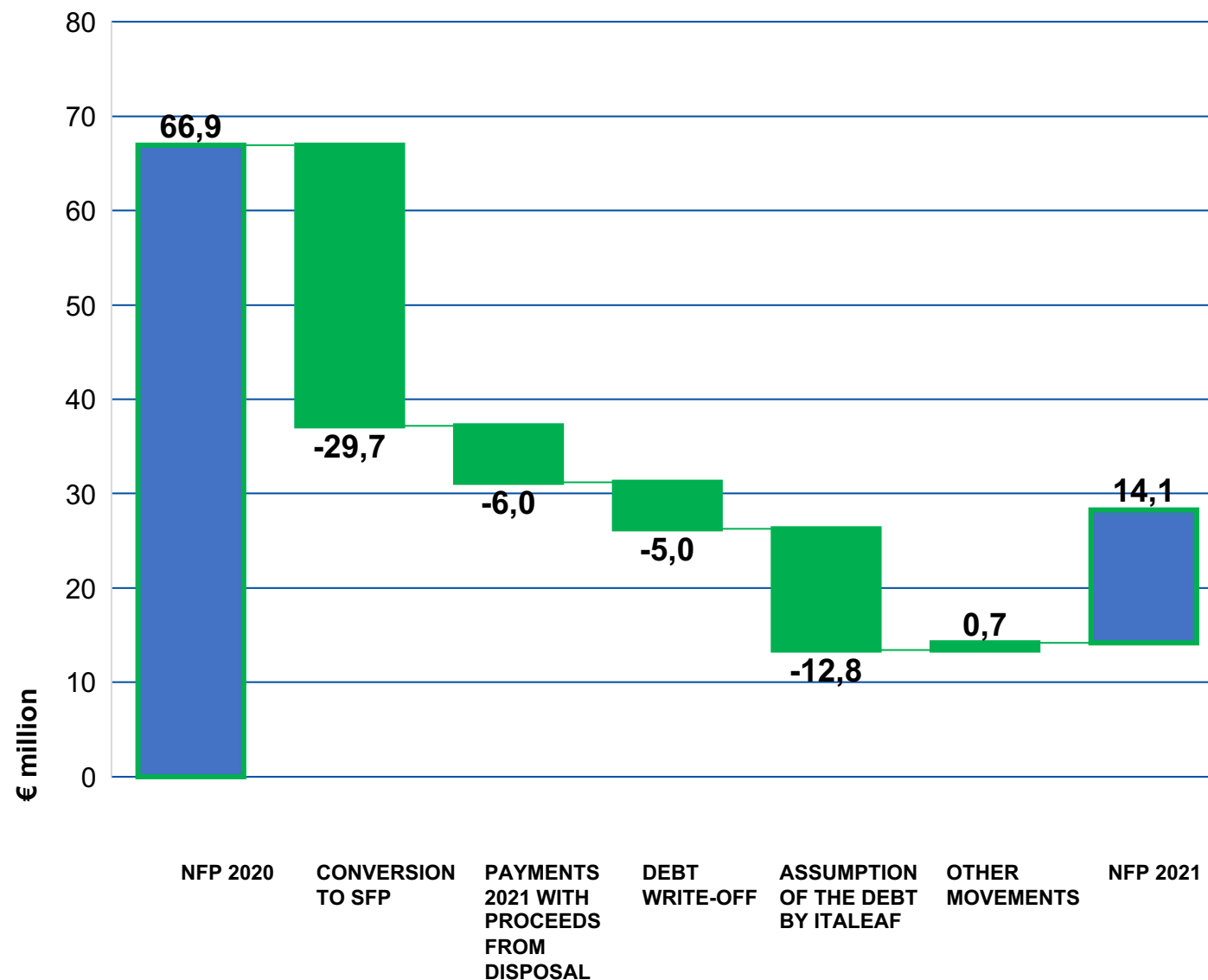


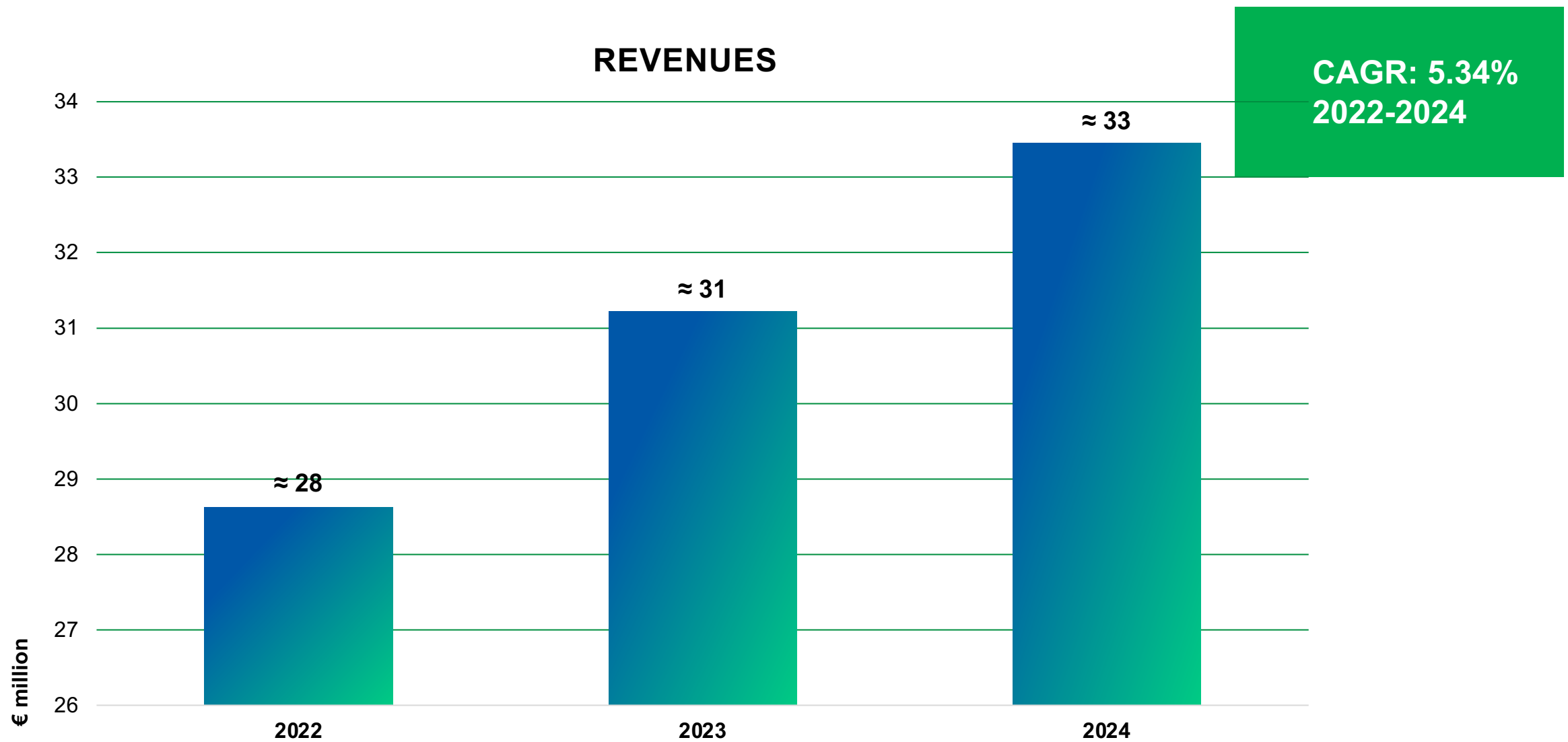
**NET EQUITY**  
**€ 12,1 ML**

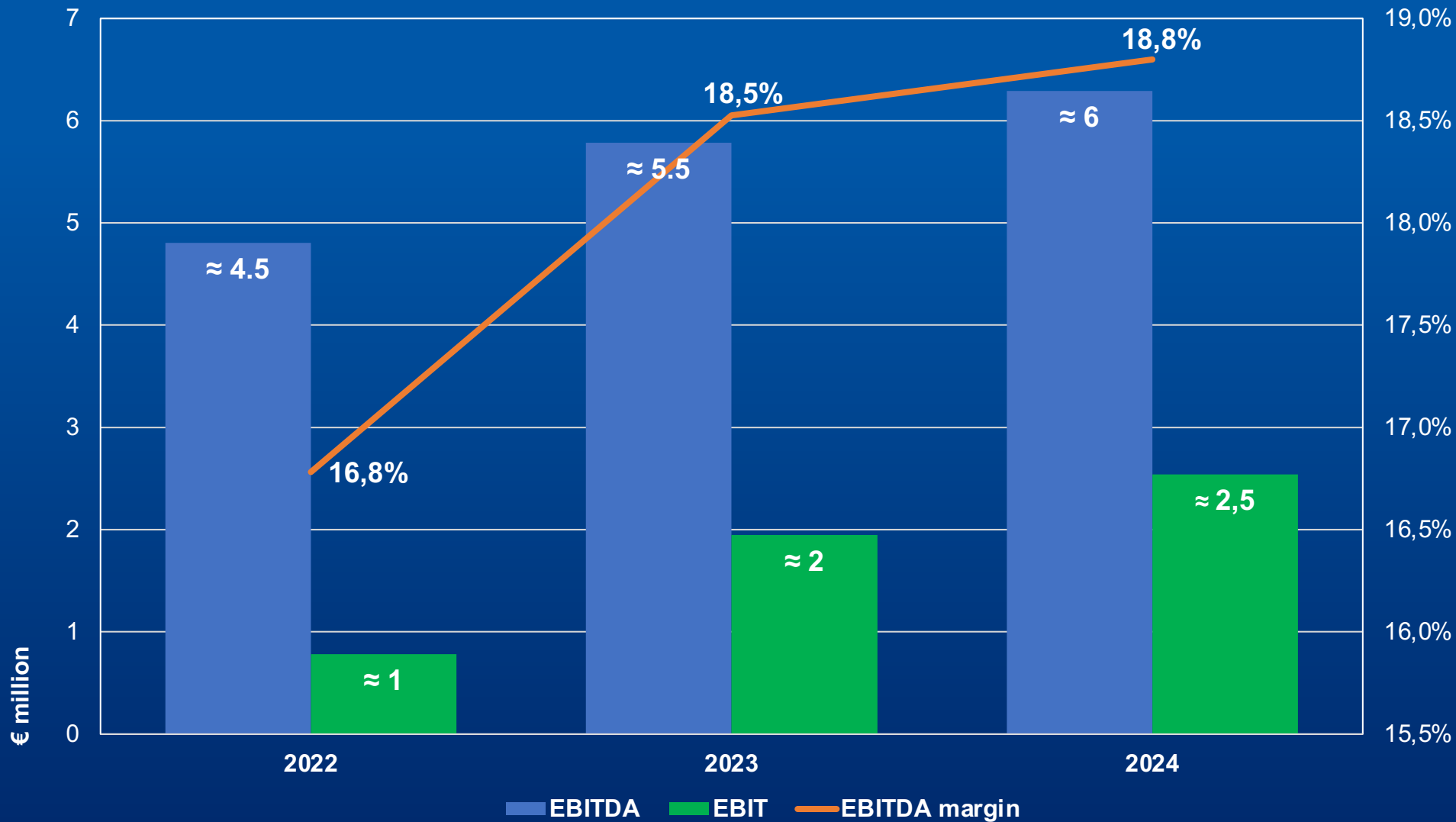


**NFP**  
**€ 14.1 ML**

## NFP REDUCTION



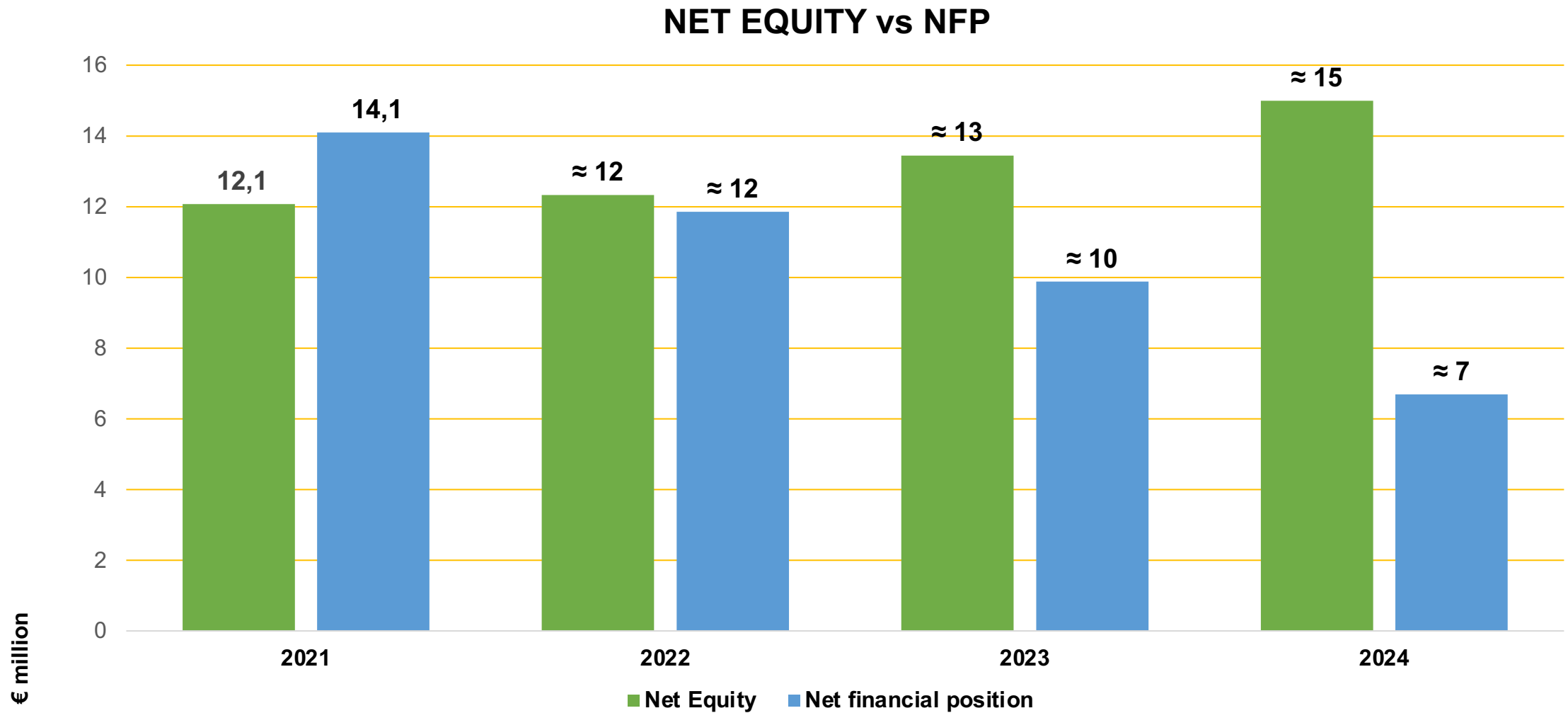




**EBITDA  
CAGR: 9.4%**

**EBIT CAGR:  
48%**

**2022-2024**



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**[www.algowatt.com](http://www.algowatt.com)**

**[info@algowatt.com](mailto:info@algowatt.com)**