

W MAY 5th 2022
FINANCE **gala** by TSIM INTEGRÆ

FINANCE GALA 2022 INVESTOR PRESENTATION

algowATT  **eureka!**
GREEN TECH SOLUTIONS



This document, prepared by algoWatt S.p.A., is for information purposes only.

This document contains forward-looking data, projections, targets, estimates and forecasts that reflect the Company's management's current estimates of future events. Such forecasts include, but are not limited to, all information other than factual information, including, without limitation, information regarding operating results, strategy, plans, objectives and future developments in the markets in which the Group operates or intends to operate. The Group, its advisers, representatives, directors, officers or employees shall not be liable (negligently or otherwise) for any loss arising from the use of or reliance on this document and its contents.

All forward-looking information contained herein has been prepared on the basis of certain assumptions which may prove to be incorrect and, accordingly, the results presented herein may vary. The Group's ability to achieve its intended results and objectives is dependent on external factors. Actual results may differ from those projected or implied in the forward-looking statements.

Subject to compliance with applicable laws, the Group does not undertake any obligation to publicly update and revise any forecasts and estimates, whether as a result of new information, future events or otherwise.

Neither this document nor its delivery to any recipient constitutes or is intended to constitute or contains or forms part of any offer or invitation to buy or sell any securities or related financial instruments. Any such offer or solicitation will be made by means of a prospectus.



AGENDA



Stefano Neri
CHAIRMAN



Paolo Piccini
CEO



Idilio Ciuffarella
GENERAL MANAGER



Filippo Calisti
CFO & IR



MAY 5th 2022

FINANCE **gala** by ISM INTEGRÆ

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

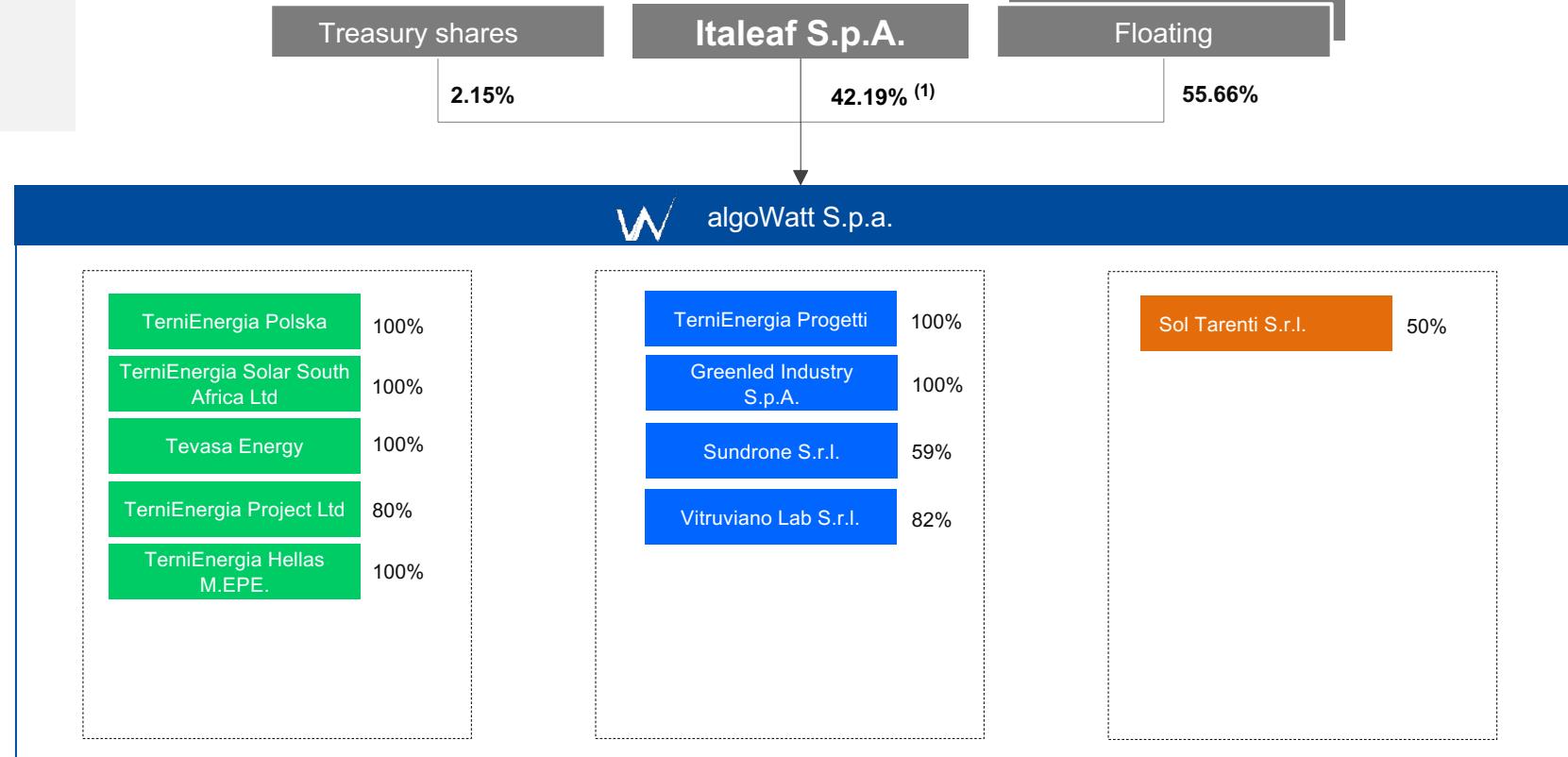


10
7 ITALIAN OFFICES
1 SOUTH AFRICAN OFFICE
1 GREEK OFFICE
1 POLAND OFFICE

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**

WHERE WE ARE – OUR HEADQUARTERS AND OFFICES





TURNKEY SOLUTIONS

- Distribution Grid Solutions
- Solutions for Transport Networks
- Billing-Invoicing & Metering
- Smart & Micro Grid
- O&M and aerial imaging analysis

- Industrial Automation
- Supervision and Process Control
- Scada System
- Building Automation
- Energy Saving
- Superbonus General Contractor

- Local Public Transport
- Flexible Transport
- Infomobility
- Traffic & Safety
- Logistics
- Railways & Subways
- Electric mobility
- Routing and Ticketing of multi-modal hubs EPC solutions and O&M

SOFTWARE AND TECH PRODUCTS



MOBILITY



ENERGY&ENV



BIOMED



EWORK



MEDIA



~30
YEARS OF ACTIVITY
IN RESEARCH

105+
RESEARCH
PROJECTS

25+
COORDINATED
RESEARCH
PROJECTS

1000+
RESEARCH
PARTNERSHIP

11
H2020 RESEARCH
PROJECTS
4
4 COORDINATED
PROJECTS

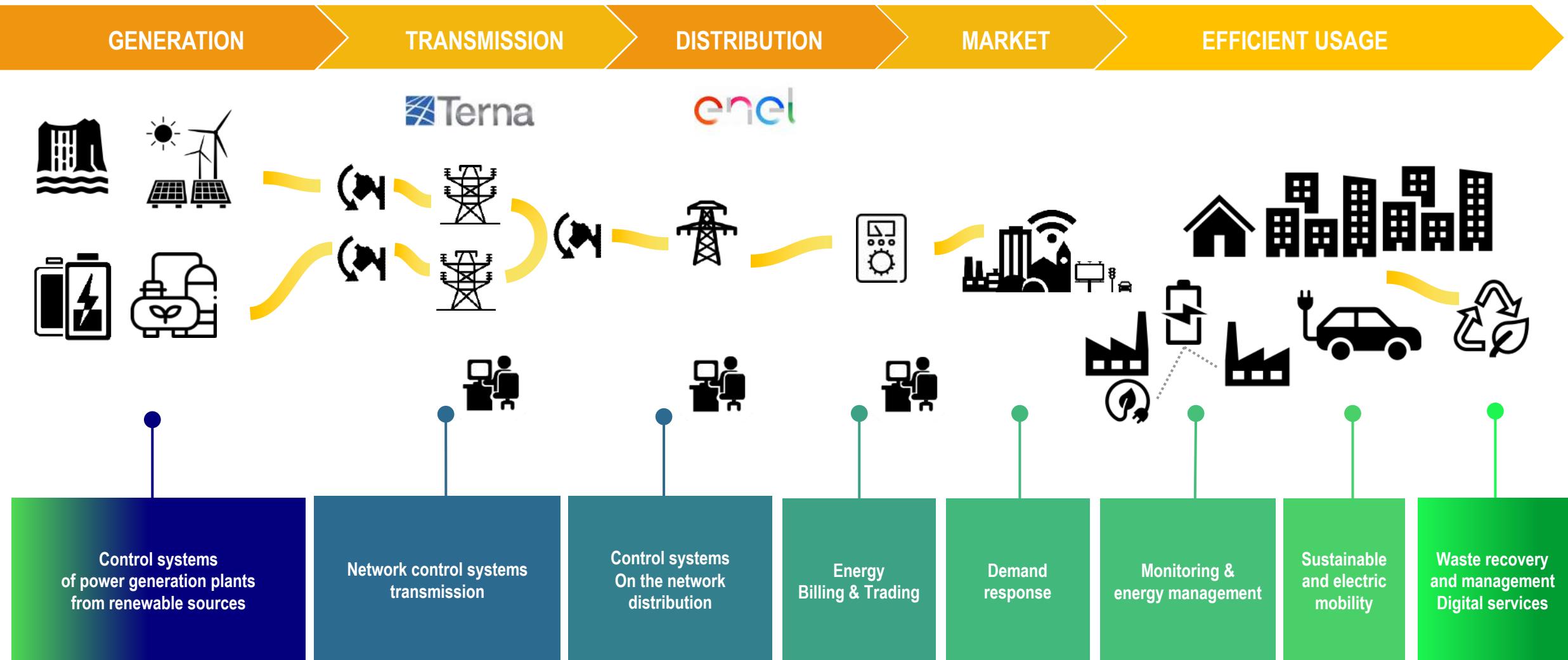
4.2M€
H2020
CONTRIBUTIONS
FROM EU

AFFILIATIONS



Associazione Italiana
della Telematica
per i Trasporti e la Sicurezza







MAY 5th 2022

FINANCE **gala** by ISM INTEGRÆ



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



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.



All rights reserved algoWatt S.p.A.



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

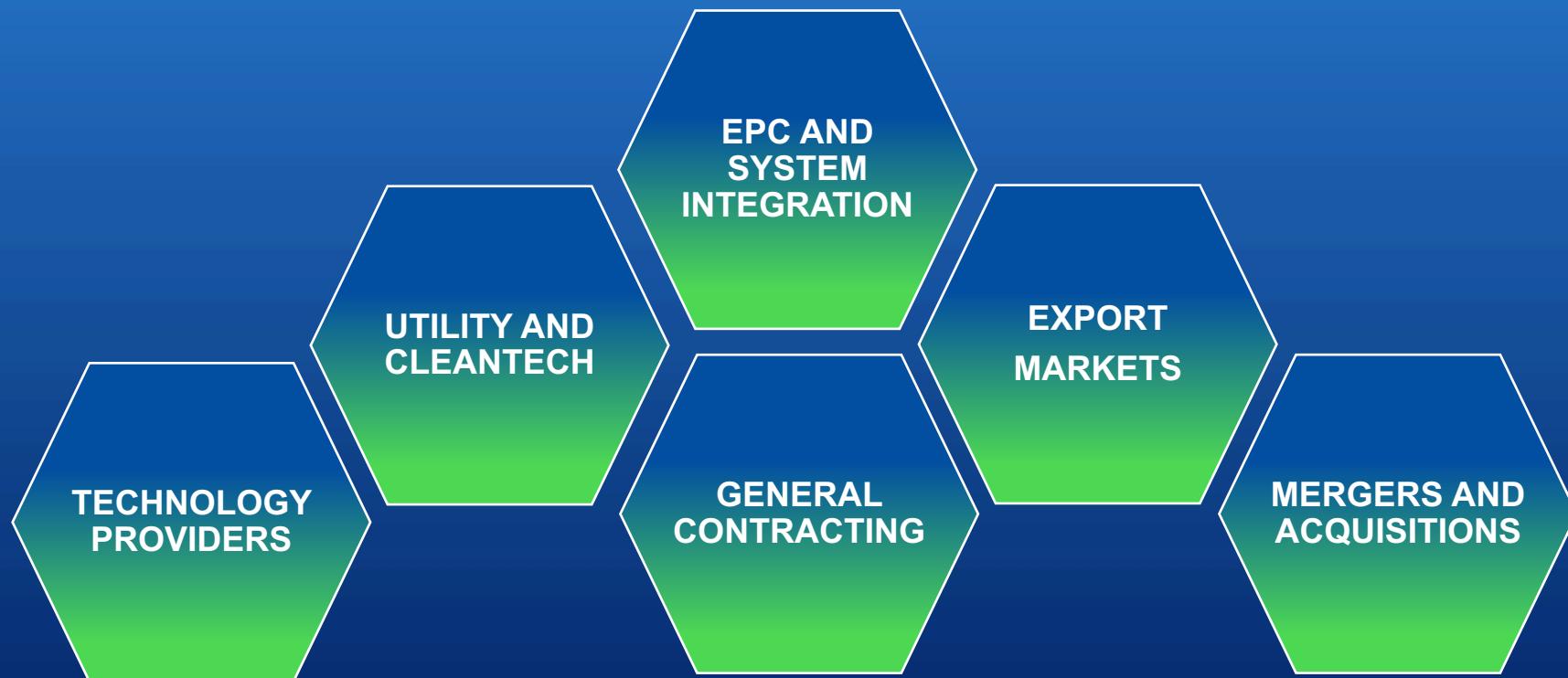


Review of strategic options to accelerate transformation and address structural issues



INDUSTRIAL PLAN 2022-2024

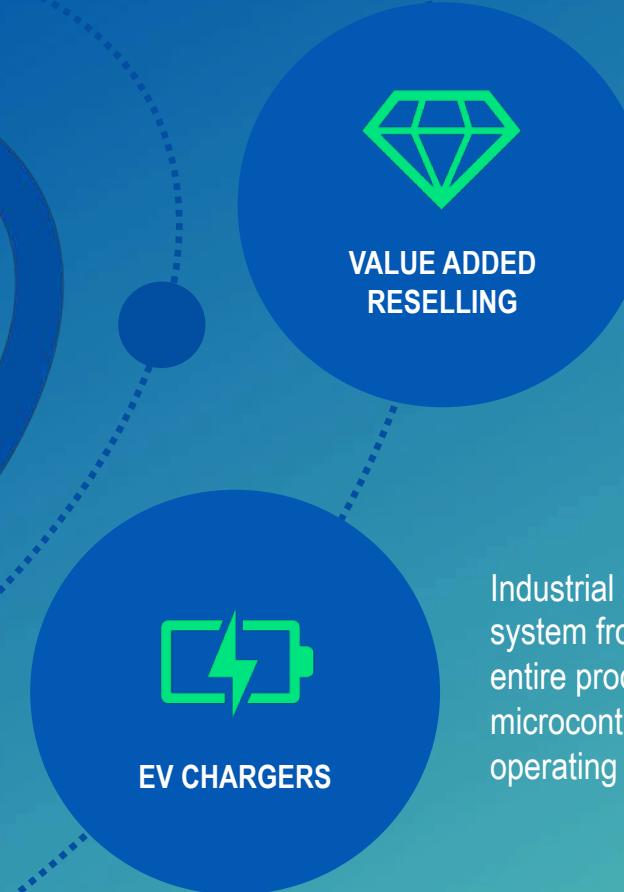
The 6 strategic layers



W ALLIANCE PARTNERSHIPS WITH TOP CLASS TECHNOLOGY PROVIDERS



EXPANSION OF VIRTUAL
PRODUCT PORTFOLIO
FOCUSED ON ENERGY
INTENSIVE SECTOR



Value Added Reselling (VAR) of key components of Photovoltaic (inverter and storage) enabled by the expertise, history and references of TerniEnergia

Industrial support in the realisation of the complete system from high-tech battery charging modules to the entire product range (power conversion, microcontrollers, security, auxiliary power supply, operating service and communication solution).

Energy saving of Datacenters with HW components such as UPS and Cooling Systems that, integrated with the Supervision and Monitoring System (BEMS, Building Energy Management System) allow to offer a package of energy efficiency solutions extended

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.

Enabling digital transformation and new energy and sustainable resources management paradigms

CLEANTECH

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

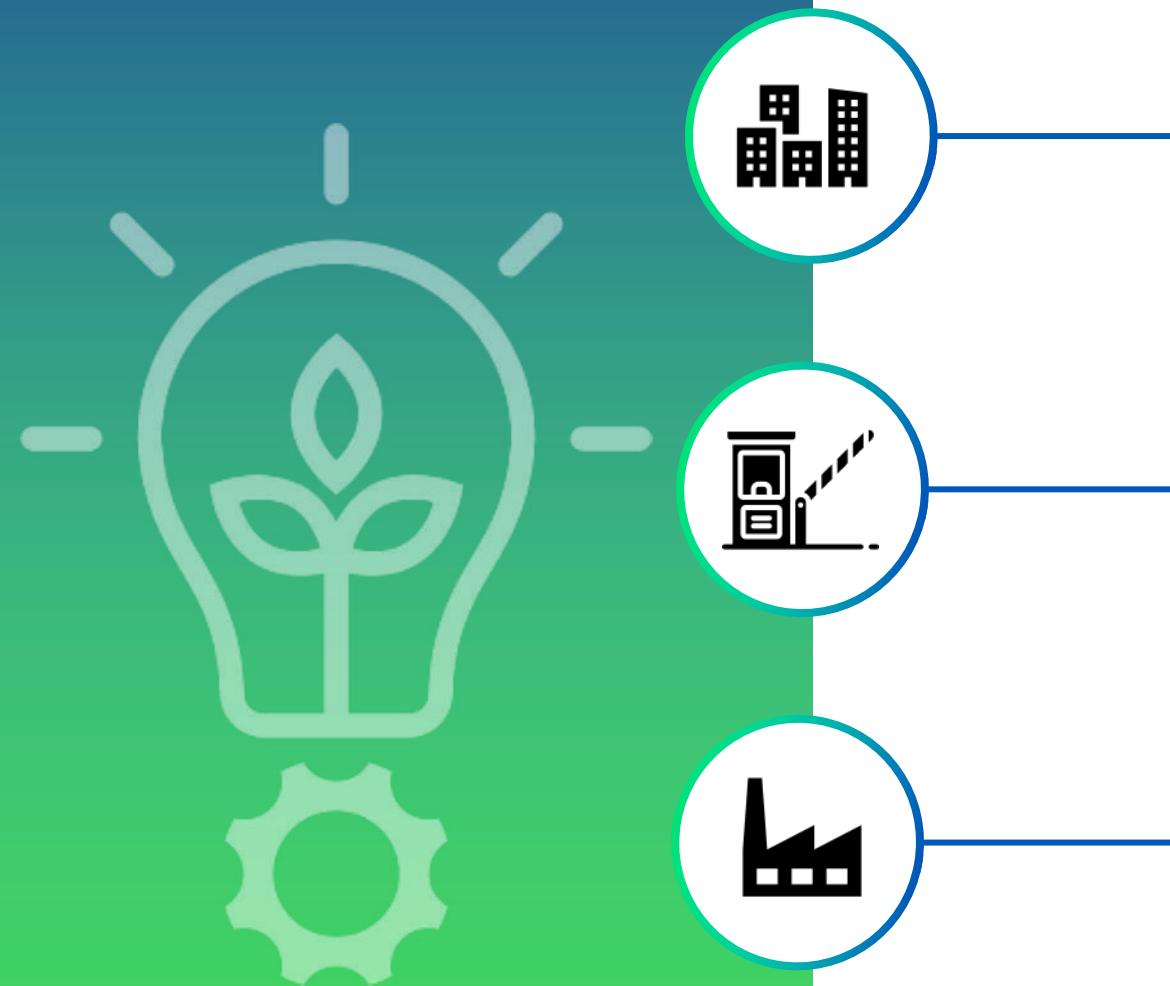
PARTNERSHIP WITH THE STEWARDSHIP
MODEL

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



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.

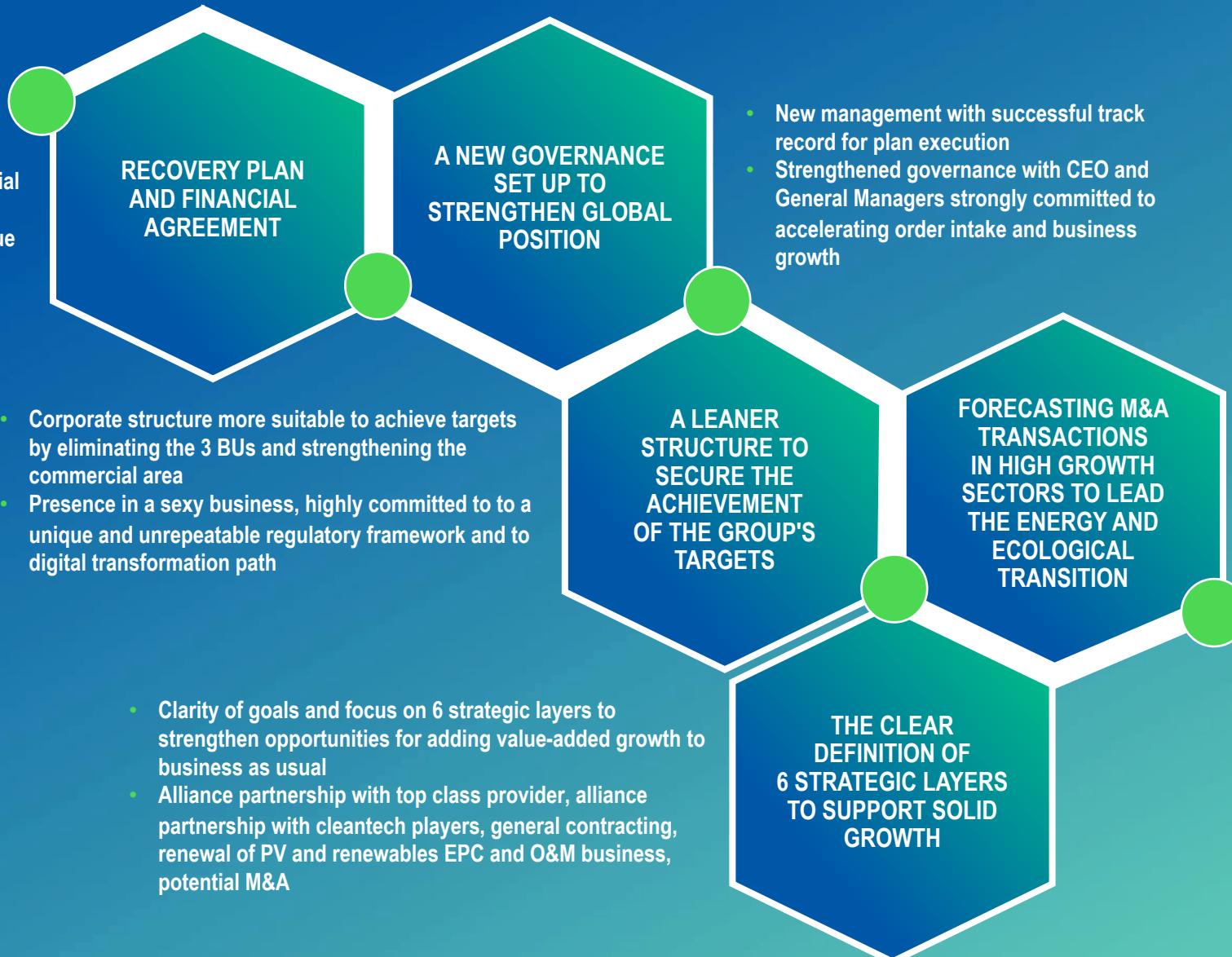
In the event that the assessments will be not successful, the merger transactions will be converted into Partnerships/Stewardship for the provision of services.

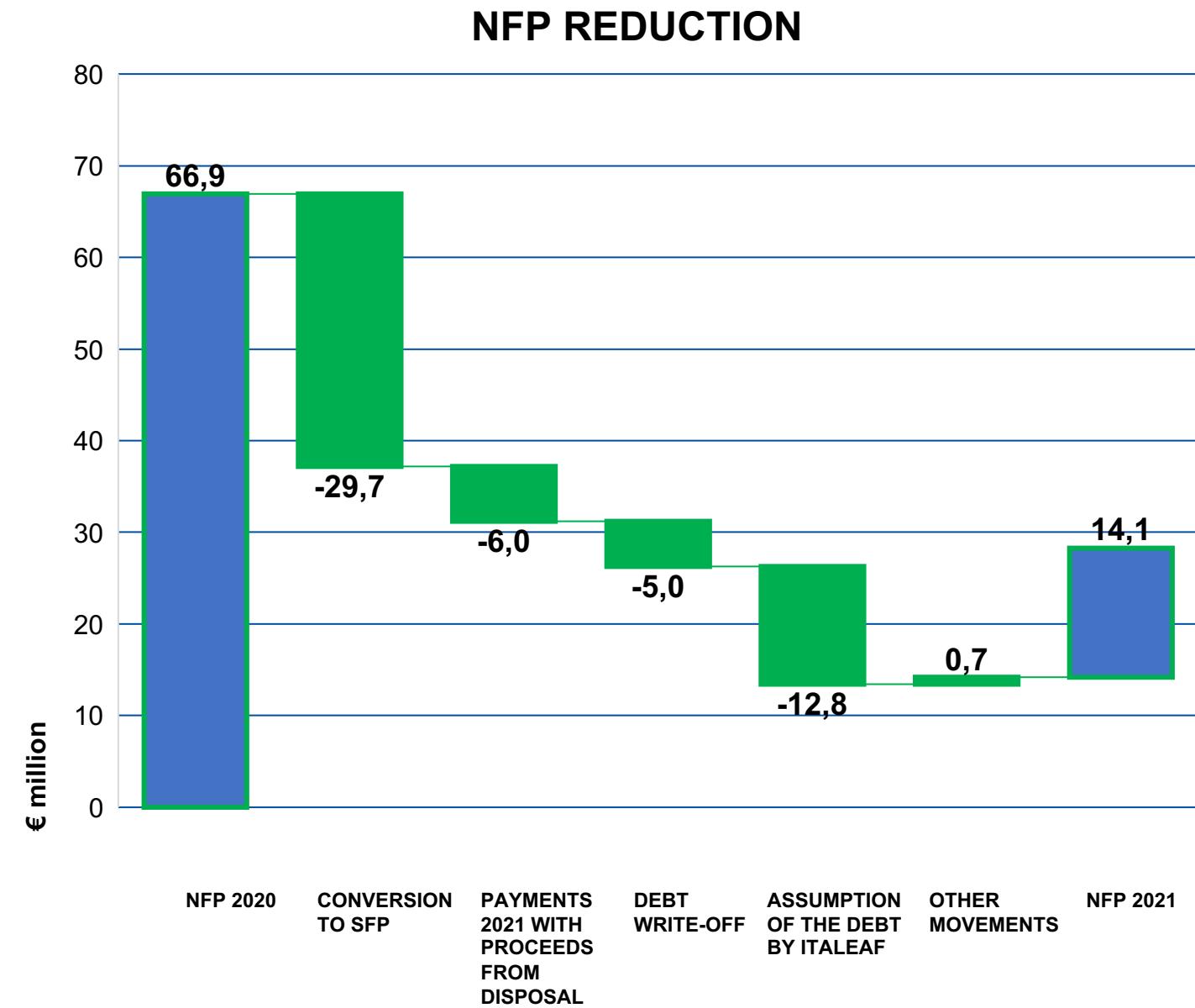
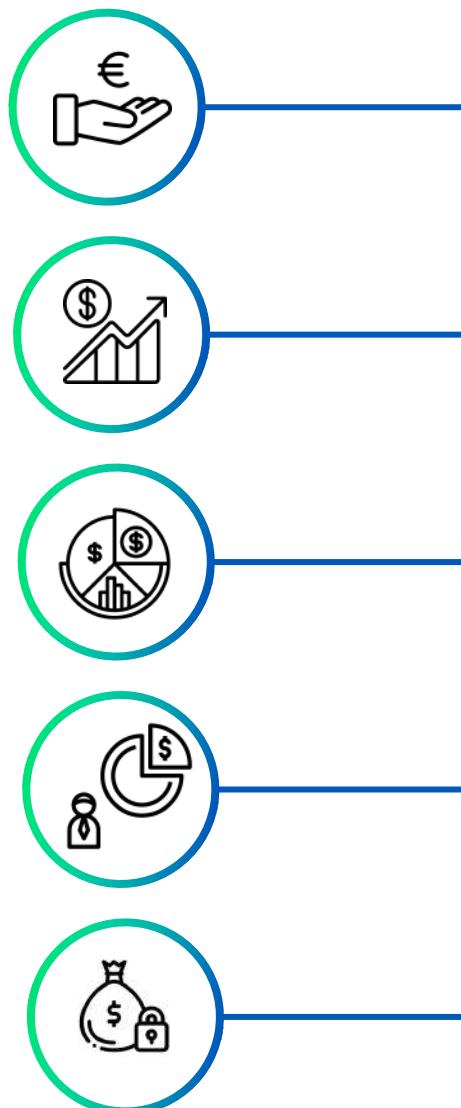
 MAY 5th 2022

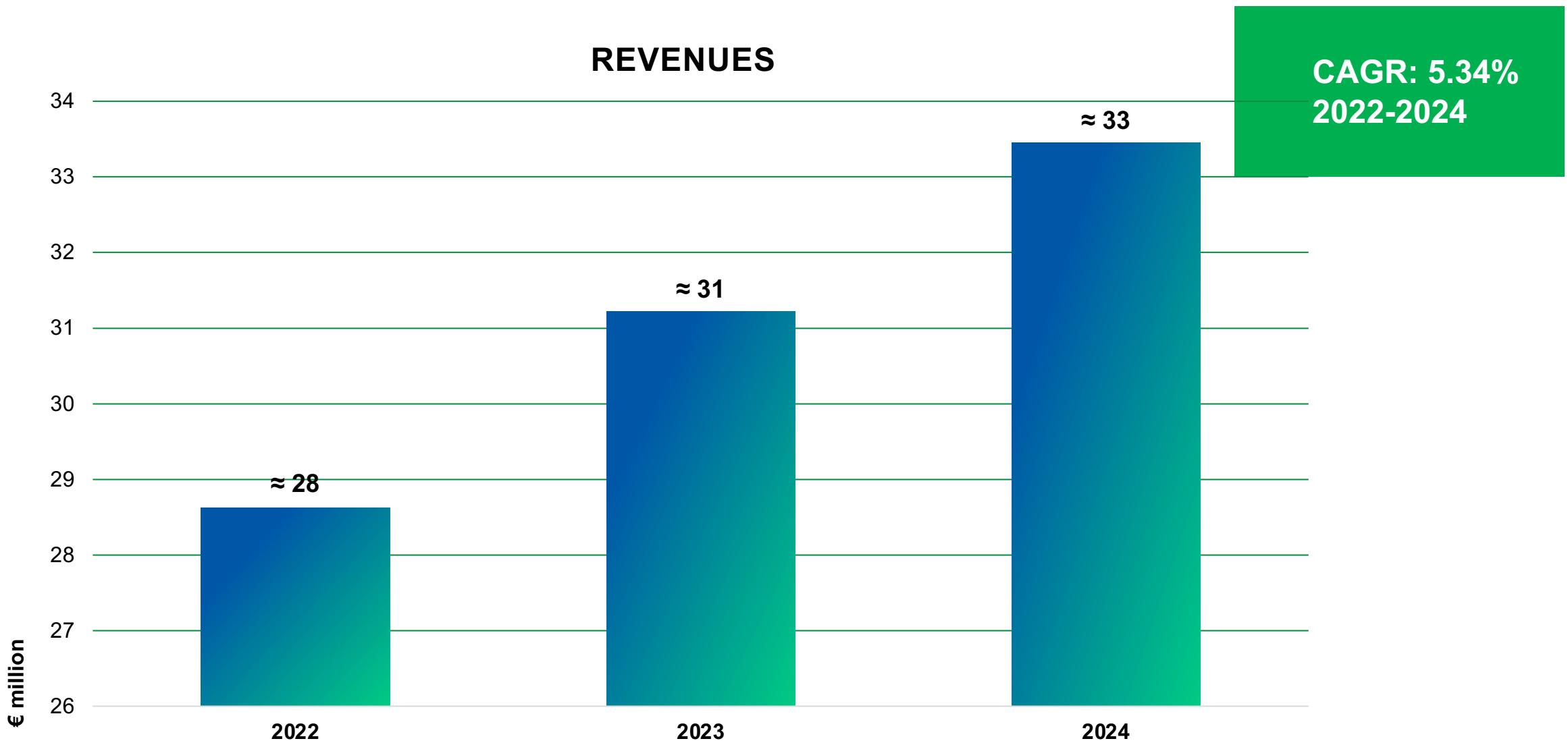
FINANCE **gala** by ISM INTEGRÆ

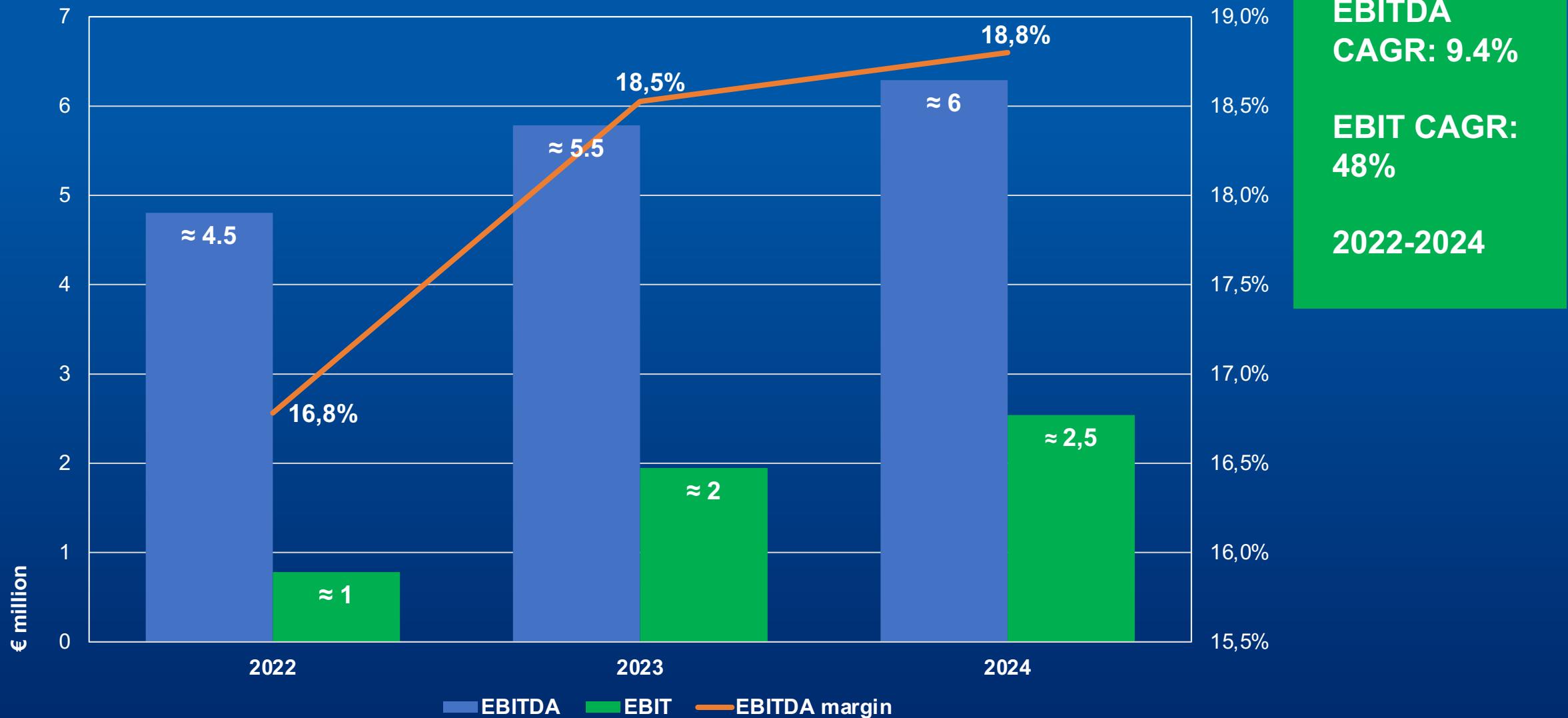
Financial plan to 2024

- Powerful and decisive Financial Agreement
- Conditions for a return to value creation
- Industrial turnaround and positioning in GreenTech sector

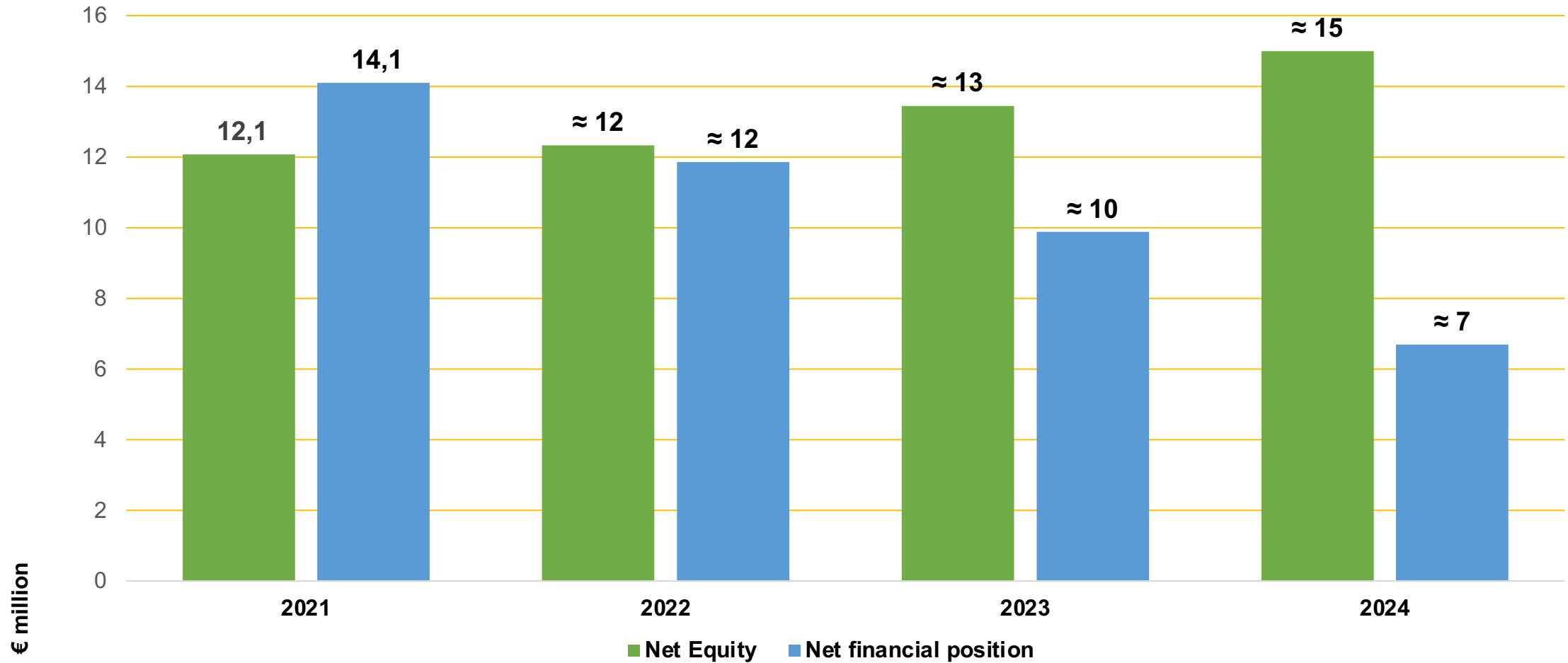








NET EQUITY vs NFP





follow us @algoWatt



INFO

www.algowatt.com
info@algowatt.com

 MAY 5th 2022

FINANCE **gala** by ISM INTEGRÆ

Annexes

INCREASING OUR FOOTPRINT
THROUGH ALLIANCES FOR EE
AND RENEWABLES, SMART CITY
AND SMART BUILDING

PLANNING OF DEALS
FOR INTERNAL AND
EXTERNAL GROWTH

INVESTING IN HUMAN
RESOURCES TO INCREASE
SKILLS AND GROWTH
OPPORTUNITIES

SOLID FINANCIAL FRAMEWORK:
IMPLEMENTING AND VALORIZING
THE RECOVERY PLAN AND THE
FINANCIAL AGREEMENT



BECOME A LEADER OF ENERGY
TRANSITION DELIVERING PROVEN
BENEFITS TO CUSTOMERS



INTEGRATION OF BUSINESS AS
USUAL ACTIVITIES AND
DEVELOPMENT OF NEW HW/SW
AND PLANT TURNKEY SOLUTIONS



DRIVE AN ORGANISATIONAL
FOCUS TO ENHANCE VALUE
CREATION



STRENGTHENING RESEARCH AS
A DRIVER TO DEVELOP NEW
SOLUTIONS AND TO OVERSEE
INNOVATION FRONTIERS



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

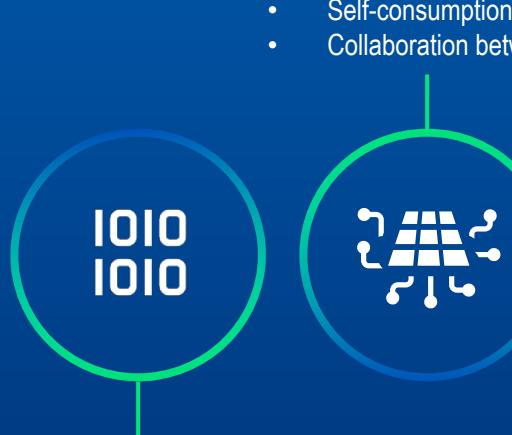


AS ENERGY USE FALLS, ELECTRIFICATION AND RENEWABLE ENERGY WILL KEEP EXPANDING

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



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

Consorzio Italiano Biogas

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



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

Utilitalia

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

DIGITAL TECHNOLOGIES WILL DELIVER MORE EFFICIENT WASTE MANAGEMENT IN EUROPE WITH AN EXPECTED GROWTH 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****PNIET 2030****EMISSIONS REDUCTION STRATEGY TO 2050****NEW MITE DECREES****SUPERBONUS 110% AND ECOBONUS**