

## Alternus Energy Group Plc: Launch of private placement

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Alternus Energy Group Plc: Launch of private placement ahead of listing on Euronext Growth Oslo.

Oslo, 23 June 2021: Alternus Energy Group Plc ("Alternus" or the "Company"), a fast-growing pan-European power producer with focus on the midsized utility scale solar PV market, today announces the launch of a private placement of up to 2,000,000 new shares in the Company (the "Offer Shares") to be delivered through the Norwegian Central Securities Depository (the "VPS") in the form of depository receipts (the "Depository Receipts"), to raise gross proceeds of up to NOK 56 million ("The Private Placement").

Alternus has engaged Arctic Securities AS ("Arctic" or the "Manager") as Sole Global Coordinator and Bookrunner in connection with the Privat Placement and subsequent listing on Euronext Growth Oslo.

The net proceeds from the Private Placement will be used to support Alternus' growth strategy through the acquisition of additional solar projects, and for working capital purposes.

Vincent Browne, Executive Chairman and CEO of Alternus commented:

"Listing on Euronext Growth Oslo is a significant milestone for us as we now enter a new phase in our remarkable growth journey. The world is currently in a one-time transition from fossil fuels to renewable energy, and solar power is a key component of this transition. With the help of our partners and investors we are determined and proud to make this amazing and "limitless" energy source widely available, and we have never been better positioned to succeed with this mission."

### About Alternus Energy Group Plc

Alternus is a fast-growing pan-European vertically integrated independent power producer ("IPP"), headquartered in Ireland, with a focus on the midsized utility scale solar PV market in Europe.

Alternus owns and operates a diverse portfolio of utility scale solar PV parks that connect directly to national power grids on long-term government contracts and/or Power Purchase Agreements with investment grade off-takers.

Alternus works closely with both local and international specialist development partners that each provide a constant pipeline of new

projects for acquisition and construction by Alternus. Alternus aims to own and operate over 3.5 GWs of solar parks by the end of 2025 and to become one of the largest pan-European IPPs by the end of this decade.

#### The private placement in brief

The price per share in the Private Placement has been set to NOK 28, equivalent to a pre-money equity value of the Company of NOK 663 million based on 23,682,276 total shares in the Company.

The application period in the Private Placement will commence today, 23 June 2021 at 16:30 CEST and close on 24 June 2021 at 16:30 CEST. The Manager and the Company may, however, at any time resolve to close or extend the application period without notice. If the application period is shortened or extended, any other dates referred to herein may be amended accordingly. The final number of New Shares will be determined by the Company in consultation with the Manager after completion of the application period.

The Company and members of the Company's board of directors and management will enter into customary lock-up arrangements with the Sole Global Coordinator that will restrict, subject to certain exceptions, their ability to, without the prior written consent of the Sole Global Coordinator, issue, sell or dispose of shares, as applicable, for a period of six months for the Company and 12 months for members of the Company's board of directors and management after the commencement of trading in the shares on Euronext Growth Oslo and until 5 January 2022 for certain other large existing shareholders.

#### Application for admission on Euronext Growth Oslo:

The Company has applied, and expects, subject to the necessary approvals from the Oslo Stock Exchange, to have its shares admitted to trading on Euronext Growth Oslo. The first day of trading on Euronext Growth Oslo is currently anticipated to be on or about 30 June 2021.

#### Conditions for the Private Placement:

The Private Placement will be directed towards Norwegian and international investors (a) outside the United States, subject to applicable exemptions from any prospectus and registration requirements and in reliance on Regulation S under the U.S. Securities Act, and (b) to investors in the United States who are QIBs as defined in, and in reliance on, Rule 144A under the U.S. Securities Act, in each case subject to an exemption being available from offer prospectus requirements and any other filing or registration requirements in the applicable jurisdictions and subject to other selling restrictions. The minimum application and allocation amount has been set to the NOK equivalent of EUR 100,000 per investor. The Company may, however, at its sole discretion,

allocate an amount below EUR 100,000 to the extent applicable exemptions from the prospectus requirement pursuant to the Norwegian Securities Trading Act and ancillary regulations are available. Further selling restrictions and transaction terms will apply.

Issuance and delivery of the New Shares and payment for the New Shares in the Private Placement is subject to (i) all necessary corporate resolutions being validly made by the Company, including without limitation, the Company's board of directors resolving to consummate the Private Placement and allocate the Offer Shares, (ii) the New Shares being validly issued and (iii) issuance of the Depository Receipts with the VPS.

The Company's board of directors reserves the right to cancel the Private Placement at any time and for any reason prior to delivery of the New Shares. The Company reserves the right, at any time and for any reason, to cancel, and/or modify the terms of, the Private Placement. Neither the Company nor the Manager will be liable for any losses incurred by applicants if the Private Placement is cancelled, irrespective of the reason for such cancellation. Further announcements relating to the Private Placement and the admission will be made in due course.

#### Advisors

The Company has appointed Arctic Securities AS to Sole Global Coordinator and Bookrunner in the Private Placement and subsequent listing on Euronext Growth Oslo. Advokatfirmaet Thommessen AS is acting as legal advisor to the Company, while First House has been engaged as advisors on communication.

For more information, please contact:

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#### Important Notice

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In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the EU Prospectus Regulation, i.e., only to investors who can receive the offer without an approved prospectus in such EEA Member State. The expression "EU Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (together with any applicable implementing measures in any Member State).

In the United Kingdom, this communication is only addressed to and is only directed at Qualified Investors who (i) are investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (ii) are persons falling within Article 49(2)(a) to (d) of the Order (high net worth companies, unincorporated associations, etc.) (all such persons together being referred to as "Relevant Persons"). These materials are directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this announcement relates is available only to Relevant Persons and will be engaged in only with Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Private Placement.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Company's shares.

Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Company's shares and determining appropriate distribution channels.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "anticipate", "believe", "continue", "estimate", "expect", "intend", "may", "should", "will" and similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such

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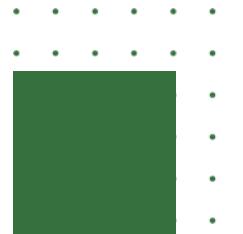
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# INVESTOR PRESENTATION

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JUNE 2021

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ONLY A LIMITED LEGAL DUE DILIGENCE HAS BEEN CARRIED OUT WITH RESPECT TO THE GROUP. The Issuer has engaged Advokatfirmaet Thommessen AS as its Norwegian legal counsel, whereas Advokatfirmaet Schjødt AS has acted as the Manager's Norwegian legal counsel in connection with the offering of the Shares. Only a limited and selective legal due diligence exercise has been carried out, primarily on a reliance basis. This means that the Manager and its Norwegian legal counsel has relied on previous legal due diligence reports (the "Local Reports") prepared on behalf of the Company (and not the Manager). For assets in Italy, reliance on such reports have been granted by Orrick, Herrington & Sutcliffe (Europe) LLP. For the Zonnepark PV plant in the Netherlands, reliance on such reports have been granted by Jones Day (it should be noted that no due diligence reports have been received or reviewed for Unisun Energy Holding BV and its subsidiaries). For assets in Romania, reliance on such reports has been granted by Nestor Nestor Diculescu Kingston Peterson. For assets in Poland, reliance on such reports have been granted by Soltyński Kawecki Szlezak. For assets in Germany, the Manager has relied on confirmations on certain legal aspects from Arnecke Sibeth Dabelstein, acting as the Company's German legal counsel. Any focus for the reliance based due diligence exercise has been limited a selective reading of the Local Reports to assess (i) title and ownership to shares and plants (including land lease agreements), (ii) material regulatory licenses, and (iii) Power Purchase Agreements, Feed in Tariff schemes and other local pricing schemes for the sale of electricity ((i), (ii) and (iii) jointly referred to as the "DD Scope"). In addition, the Manager has relied on a "Declaration of Completeness" signed on behalf of the Issuer (the "DoC"), as well as a completed "Bring down due diligence call" (the "BDDC"), among others confirming to the Manager that (i) the marketing material, in all material respect, is correct and complete, (ii) that all matters relevant for evaluating the Issuer and the Transaction is properly disclosed in the marketing material, and (iii) that there are no material developments since the cut-off dates for each respective Local Report.

Based on the granted reliance on the Local Reports and legal review performed on behalf of the Manager (both only within the DD Scope), the DoC and the BDDC (jointly; the "Limited Legal Due Diligence"), except as set out below for Romania, no material, negative findings have been made with respect to the matters comprised by the DD Scope. However, the Limited Legal Due Diligence is associated with several uncertainties and risks, in particular (i) the Local Reports have only been reviewed in part and matters important for the DD Scope may be described in other parts not reviewed, (ii) the Local Reports are not prepared on behalf of the Manager and reliance to such Local Reports are given only on certain conditions which may mean that responsibility and liability towards the Manager is excluded or severely restricted, (iii) the DD Scope relates to complex legal matters in jurisdictions other than Norway and as such the Manager and its Norwegian legal counsel have no basis to question any description or interpretation of local laws, and (iv) investors may be of the opinion that legal matters not covered by the DD Scope is of material importance to their decision to invest in the Shares.

Hence, they may be risks related to the Group which are not discovered by the Limited Legal Due Diligence and which still may be of importance for the business of the Group or the investment decision for possible investors in the Shares.

With respect to legal matters in Romania, investors are notified that Romanian counsel has, *inter alia*, advised that "substantial aspects of Romanian law are contained in relatively controversial legislation not always complied with even by the authorities having the authority to implement it" and investors should thus note that legal uncertainties involving Romania may be bigger than for other jurisdictions in which the Group operates.

An investment in the Shares involves a high level of risk and several factors could cause the actual results or performance of the Group or the Shares to be different from what may be expressed or implied by statements contained in this Presentation. By attending a meeting where this Presentation is presented, or by reading this Presentation, you acknowledge that you will be solely responsible for and rely on your own assessment of the market and the market position of the Group and that you will conduct your own analysis and be solely responsible for forming your own view of the potential future performance of the Group, its business and the Shares and other securities. The content of this Presentation is not to be construed as legal, credit, business, investment or tax advice. Each recipient should consult with its own legal, credit, business, investment and tax advisers to receive legal, credit, business, investment and tax advice. Each potential investor in the Shares must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- a) have sufficient knowledge and experience to make a meaningful evaluation of the Shares, the merits and risks of investing in the Shares and the information contained or incorporated by reference in this document or any applicable supplement;
- b) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Shares and the impact other Shares will have on its overall investment portfolio;
- c) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Shares;
- d) understand thoroughly the final terms and conditions for the Shares; and
- e) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the relevant risks.

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The Manager and/or their Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Manager may have other financial interests in transactions involving these securities or the Group.

This Presentation is subject to Norwegian law, and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Norwegian courts with Oslo district court (Nw: Oslo tingrett) as exclusive legal venue.

### Forward Looking Statements

Certain information contained in this presentation, including any information on the Group's plans or future financial or operating performance and other statements that express the Group's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate" and "expect" and similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Group cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Group to be materially different from the Group's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

### Claims and legal disputes

Claims or legal action may in the future be made or initiated against the Group which may have significant unfavourable effects on the Group's financial position, performance and market position or on the pricing of the Shares.

### Audit Review of Financial Information

Certain financial information contained in this Presentation has not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations. The Group is the source of the financial information, and neither the Manager nor any of their Representatives shall have any liability (in negligence or otherwise) for any inaccuracy of the financial information set forth in this Presentation.

### Target market

Solely for the purposes of the Manufacturer's (as used herein, "**Manufacturer**" refers to Arctic Securities AS) product approval process, the target market assessment in respect of the Shares has led to the conclusion that: (i) the target market for the Shares is professional clients as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Shares are appropriate. The negative target market for the Shares is retail clients as defined in MiFID II and investors looking for full capital protection or full repayment of the amount invested or having no risk tolerance, or investors requiring a fully guaranteed income or fully predictable return profile. Any person subsequently offering, selling or recommending the Shares (a "**Distributor**") should take into consideration the Manufacturer's target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Shares (by either adopting or refining the Manufacturer's target market assessment) and determining appropriate distribution channels.

### Placing fee

The Manager will be paid a fee by the Issuer in respect of the Private Placement.

ANY POTENTIAL INVESTOR INVESTING IN THE SHARES IS BOUND BY THE FINAL TERMS WHICH THE INVESTOR ACKNOWLEDGES HAVING ACCEPTED BY SUBSCRIBING FOR SUCH SHARES.

**1****INVESTMENT HIGHLIGHTS**

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**2****ALTERNUS ENERGY GROUP**

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**3****MARKET OVERVIEW**

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**4****FINANCIAL OVERVIEW**

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**5****RISK FACTORS**

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**6****PROJECT PROFILES + APPENDICES**

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1

# INVESTMENT HIGHLIGHTS

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1

## Vertically Integrated Solar IPP

- Targeted focus on fragmented European mid-sized utility market
- Diversified Portfolio of 153 MWp solar PV assets with 1.4 GWp of contracted acquisitions
- Vertically integrated allowing increased value capture across project value chain



3

## Equity Focused Financial Profile

- EUR 19.9 M annual recurring revenue (“ARR”)
- 8.8 years contract coverage
- Funding strategy focused on maximizing equity IRR and growth through efficient debt management

2

## Efficient Operations and Project Sourcing

- De-risked operations with value added services kept in house
- Opportunistic approach to project sourcing – “Finance first”
- Cultivated partner network providing early access to attractive projects

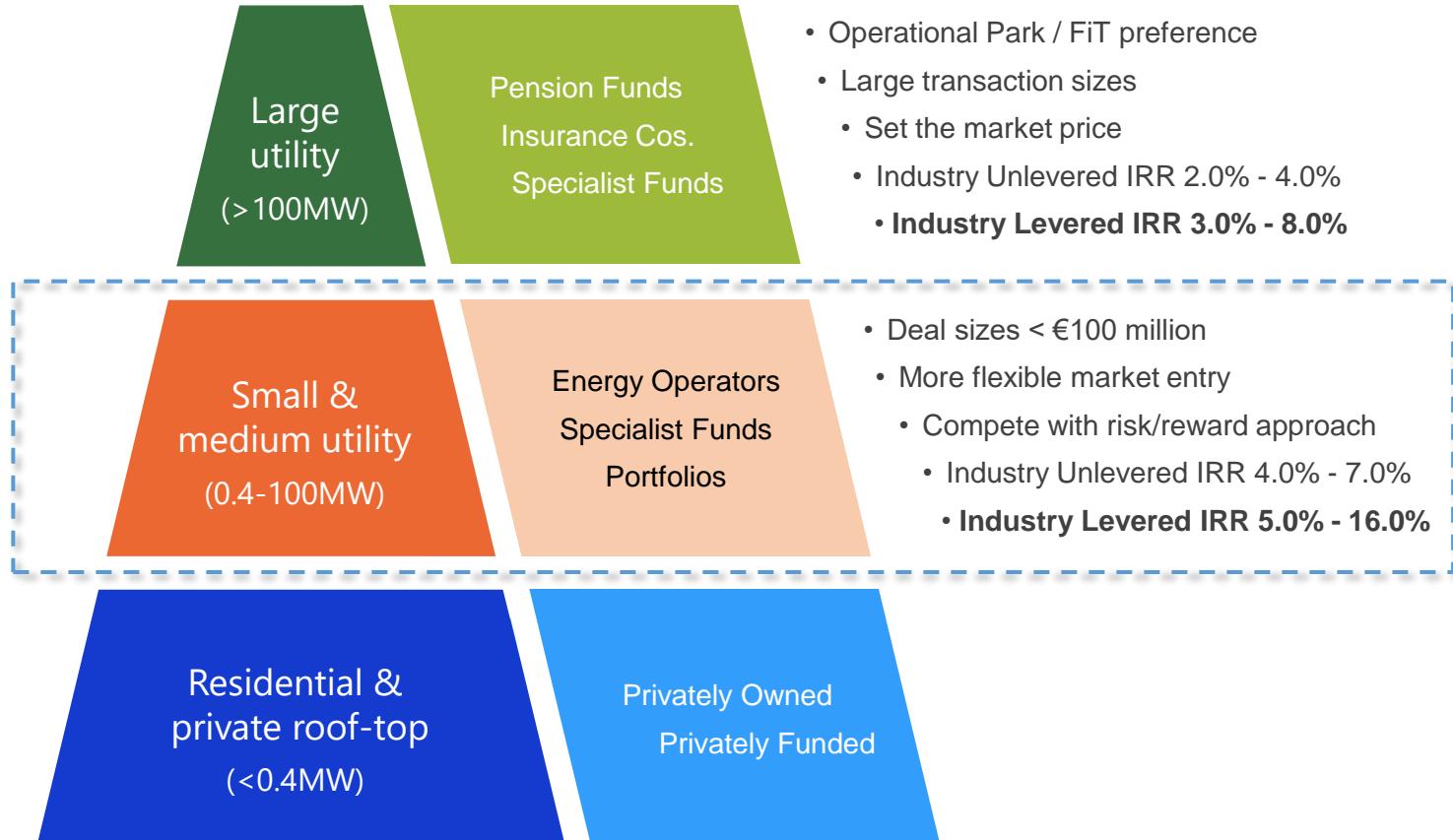
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## Positioned for Significant Growth

- Energy transition megatrend driving significant market growth
- Clear path towards 1.5 GWp of operating assets and EUR ~100 million ARR by end of 2023
- Targeting 3.5 GWp of operating assets by end of 2025



1 Focus on a well-defined solar plant segment delivers



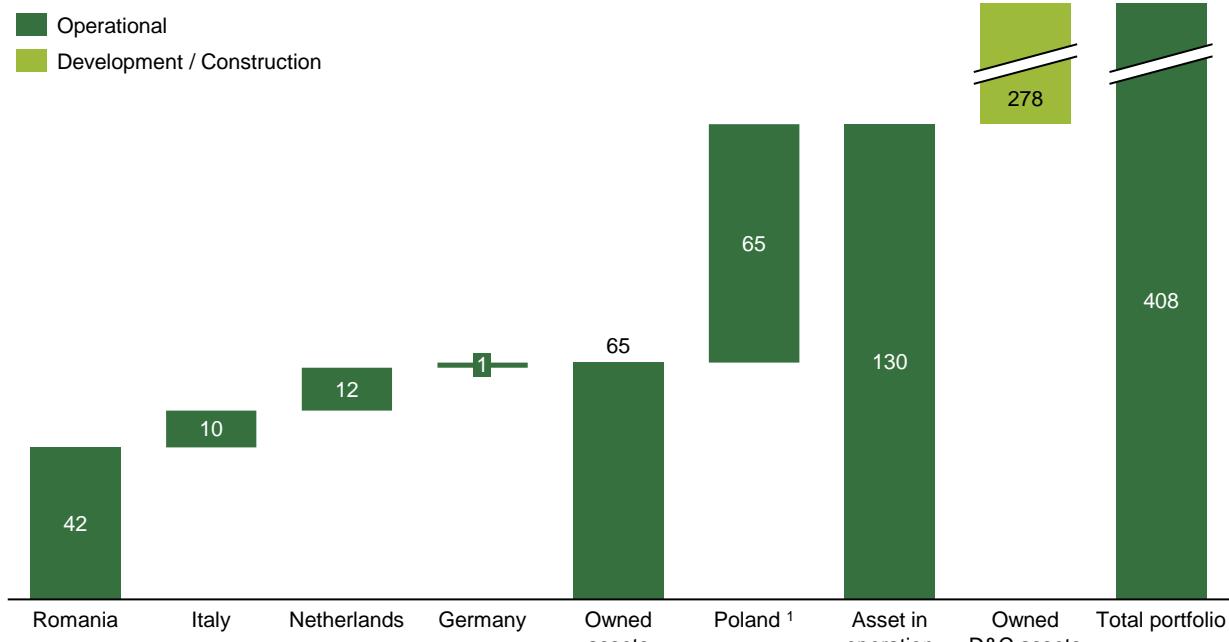
Commentary

- Industry return gap between “Large utility” segment and “Small & medium utility” delivers immediate equity value from each Alternus operational project
- Business model drives accretive acquisitions building a portfolio delivering greater economies of scale at higher return levels
- Larger portfolios will become attractive to large utility participants providing multiple exit opportunities for investors

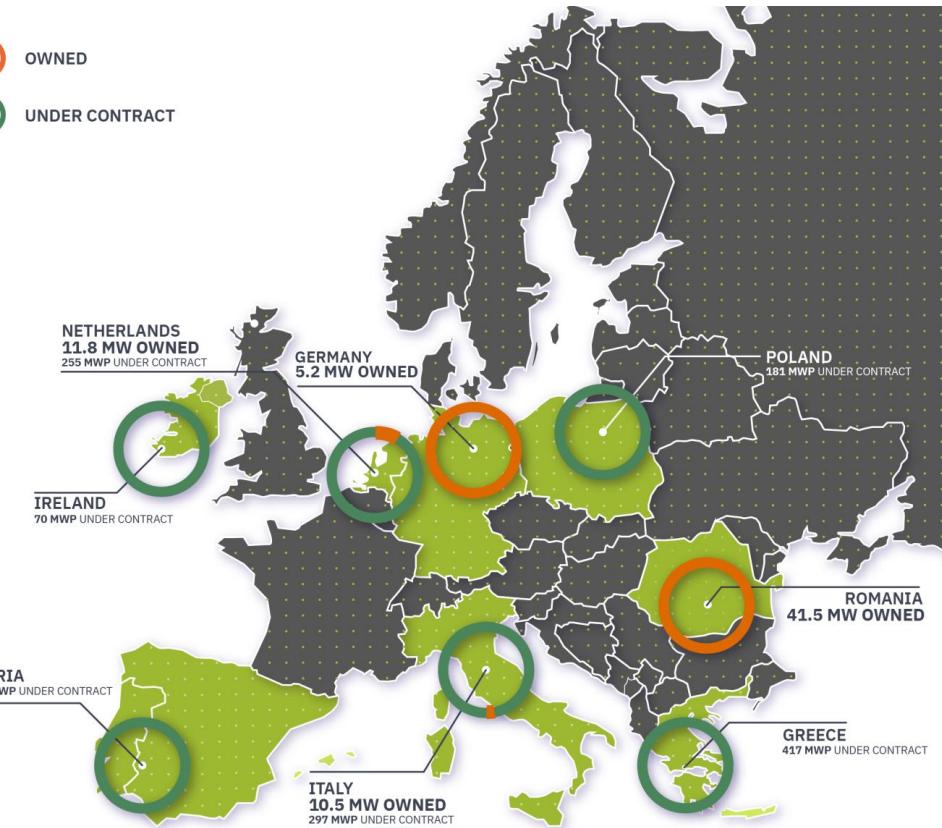
**Current Alternus  
Owned + Backlog Portfolio  
achieves blended  
Levered IRR of ~15%**

## 1 130 MW operational<sup>1</sup> – 278 MW in development / construction

■ Operational  
■ Development / Construction



○ OWNED  
○ UNDER CONTRACT



### Team

**Sizable and diversified portfolio of European producing PV assets with attractive return characteristics (incl. Poland park<sup>1</sup>)**

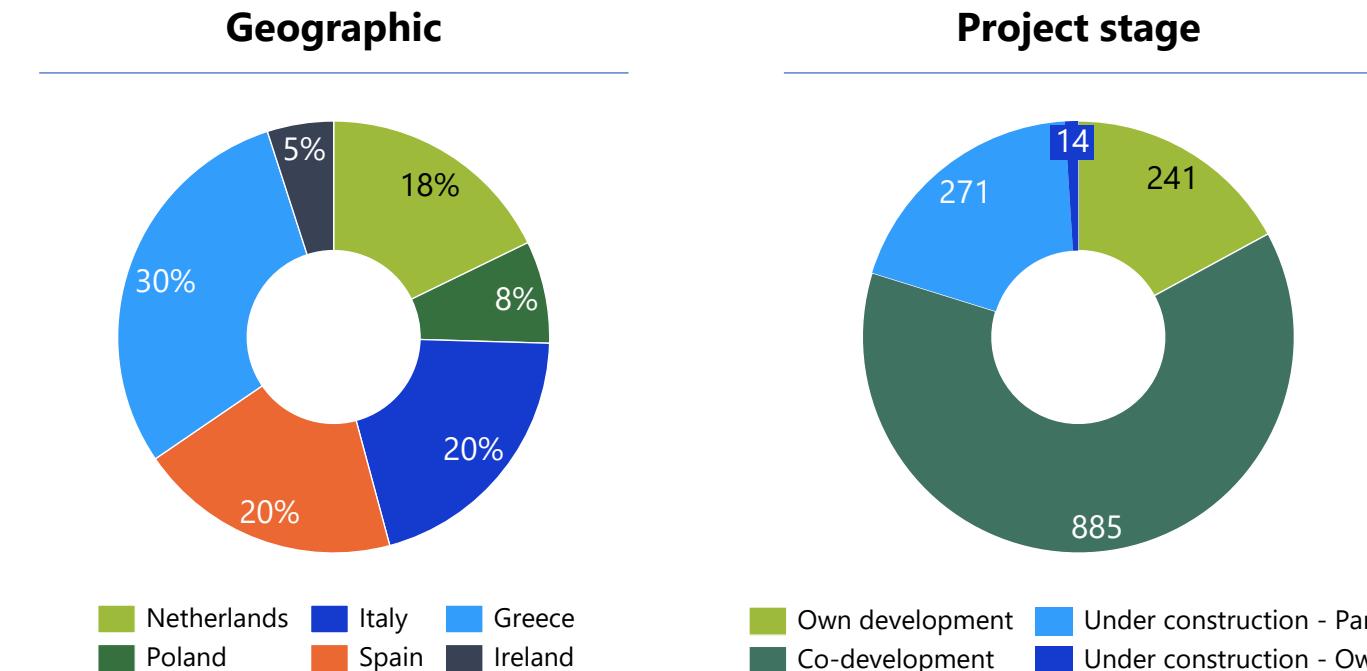
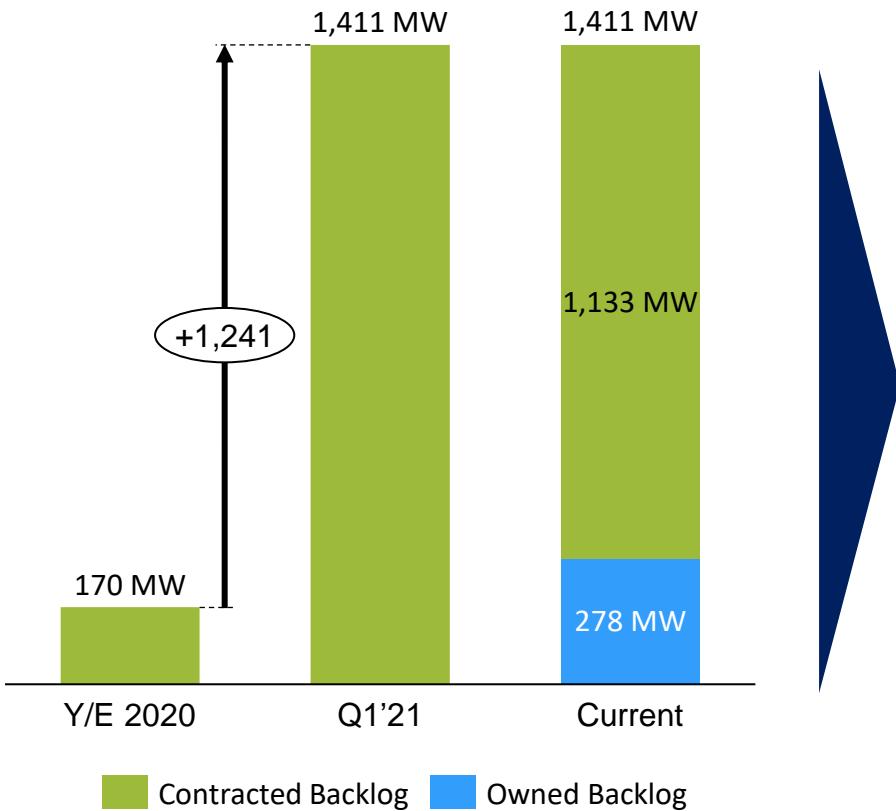
Current Headcount	Number of assets in operation	Operating capacity	Annual production Operational	Operational ARR	Run-rate Project EBITDA	Weighted avg. unexpired FiT/PPA term
25	24 <sup>1</sup>	130 MW	143 GWh	EUR 19.9m	EUR 17.6m	8.8 years

<sup>1</sup>) Poland acquisition not yet completed but Alternus is receiving cash benefit since January 1, 2021

1

Significant increase in contracted backlog...

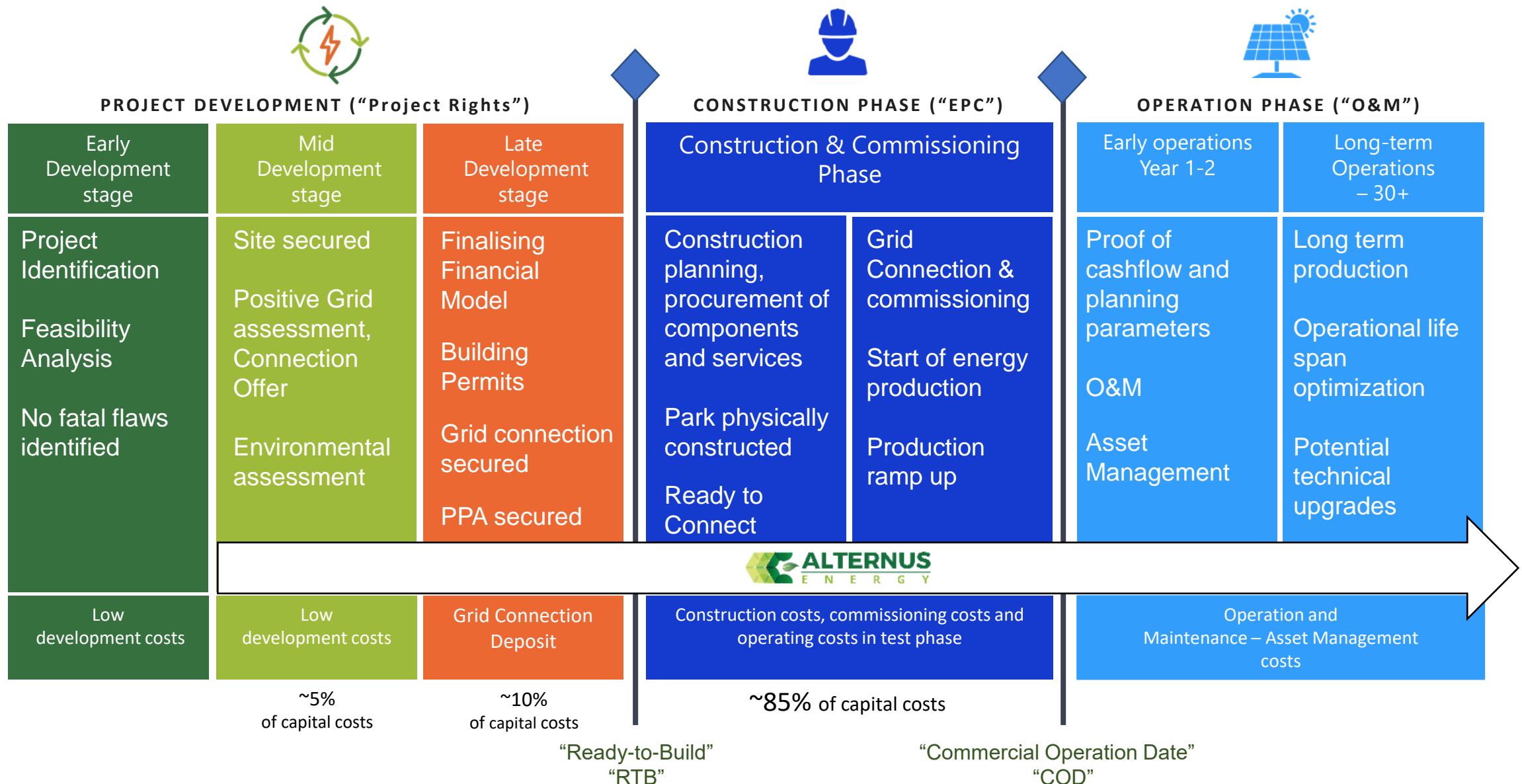
...further enhancing portfolio diversification in both geography and project stage



**Contracted Backlog**

Contracted acquisitions were

- Commercial terms are agreed
- Due diligence not yet concluded
- Alternus has exclusivity
- 80% completion expectation

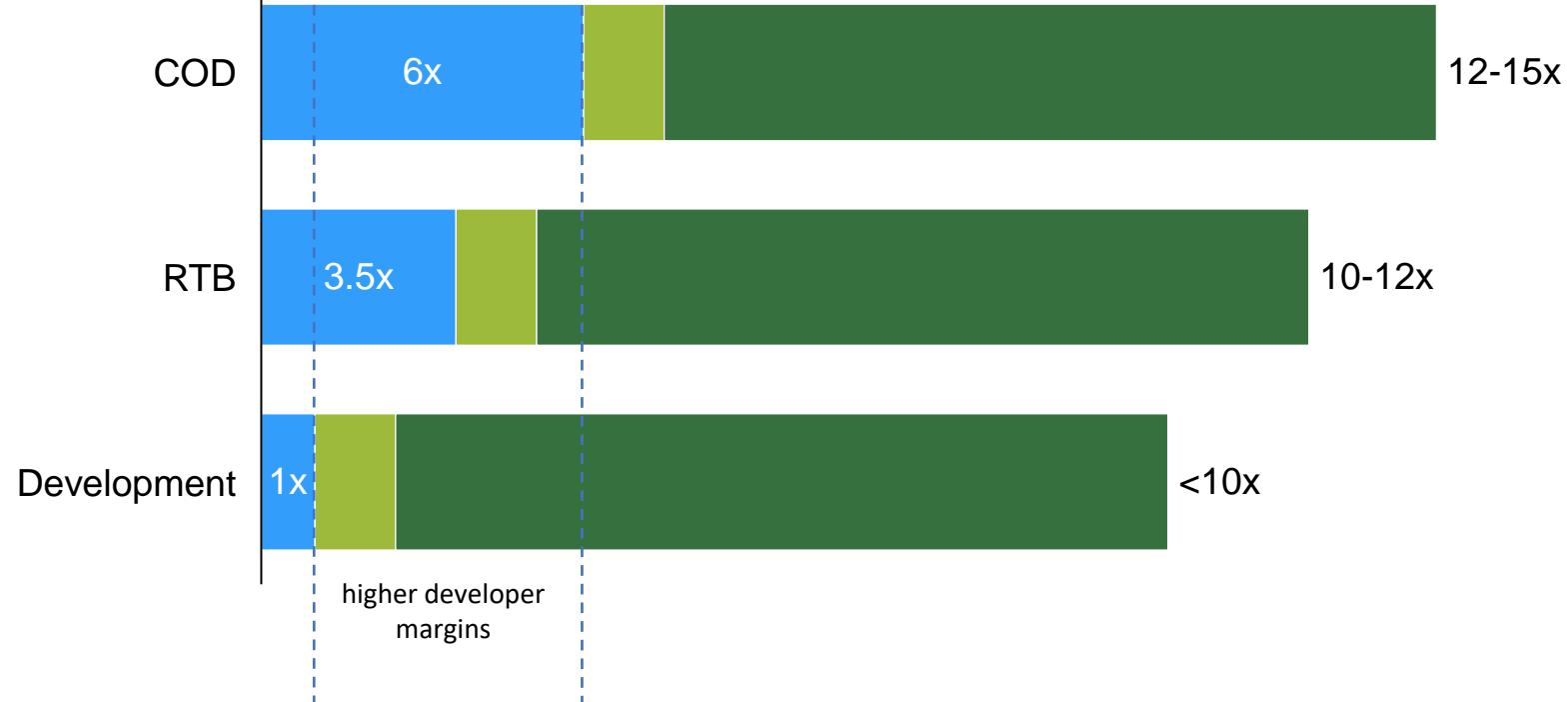


1 Significant cost difference in buying projects earlier in cycle stage, with incremental differences reflected as equity returns

**EV/EBITDA project cost at various stages in project cycle**

Project Rights   Connection   EPC

Acquired at:

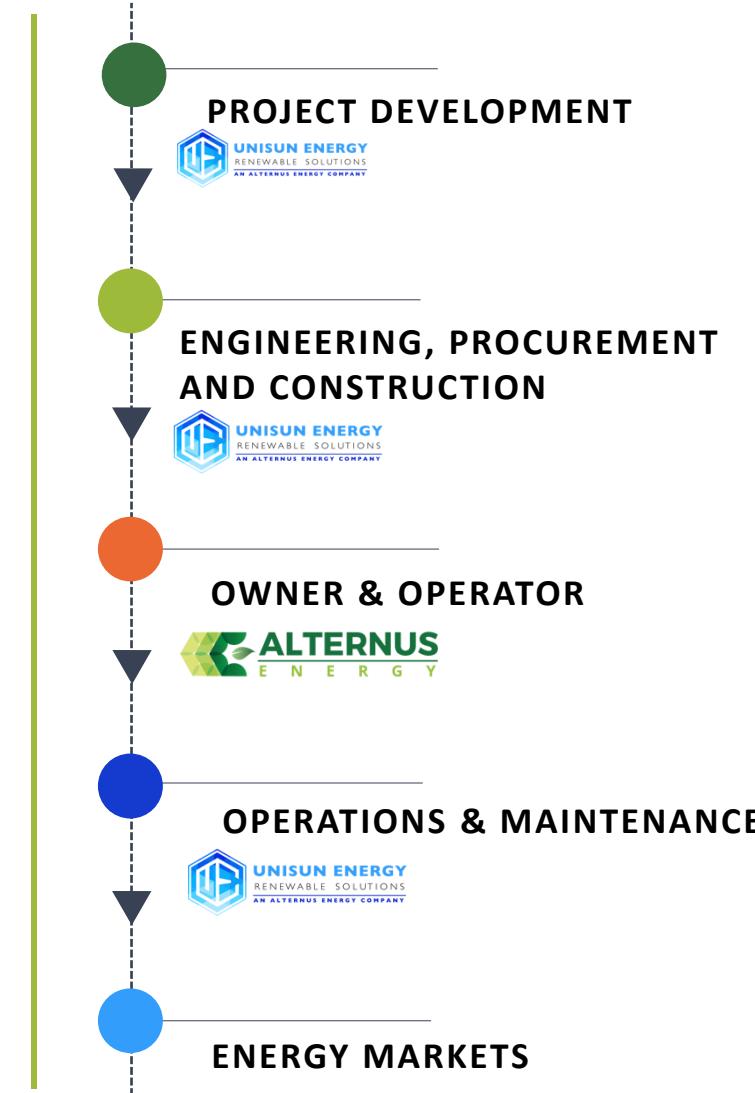


- **6:1 Development to Operating Project Right costs**
- **Only 40% of development at risk prior to Construction phase – *timing risk thereafter***
- **Assuming only 50% of Development projects reach Construction then still 3:1 vs acquiring operational projects**

## 1 Unisun allows for in-sourcing of EPC and O&M activities and limits third party value leakage from projects

Headquartered in Rotterdam, the Netherlands, Unisun Energy Europe BV is a proven pan-European developer, EPC and O&M service provider of clean and sustainable energy solutions.

- Makes Alternus a vertically integrated IPP – ‘can build own parks’
- Adds significant development, construction and operational expertise to Alternus in addition to recent appointment of experienced CTO.
- Allows for increased value capture from project construction and operations
- Team of 10 international industry specialists, led by proven management who collectively have successfully completed over 1 GW of energy projects.
- Acquisition also included a project development backlog of 255 MW; 14 MW of this currently in construction
- Alternus paid EUR 650k in cash and approximately EUR 150k in shares (50,000 new shares issued) for a 60% ownership in Unisun Energy Holding B.V.



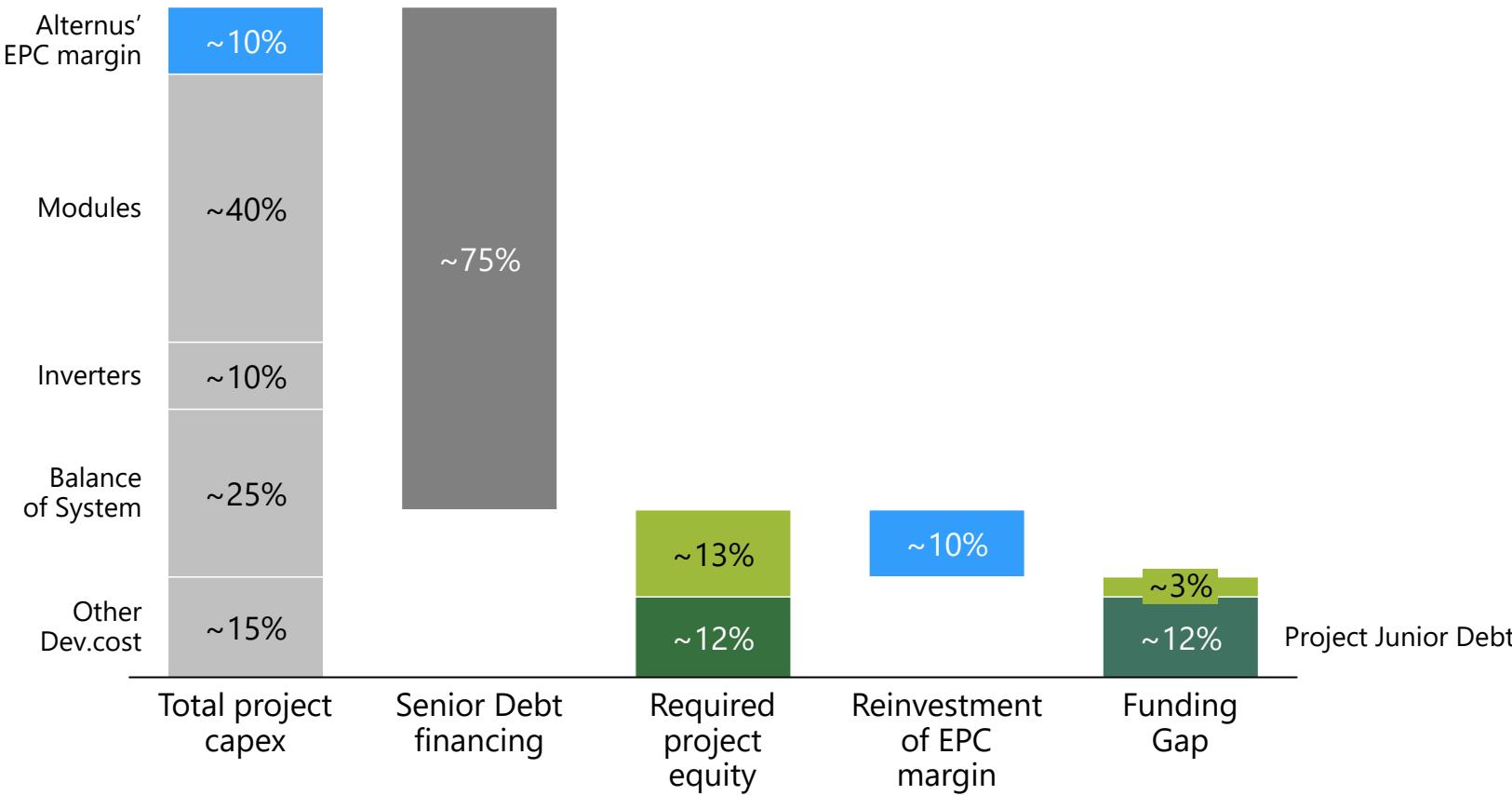
Vertical integration allowing for further value capture throughout solar PV value chain, lower cost growth and diversification of revenue streams

1

## Highly profitable activities will provide a significant share of equity funding required for own development projects

### Commentary

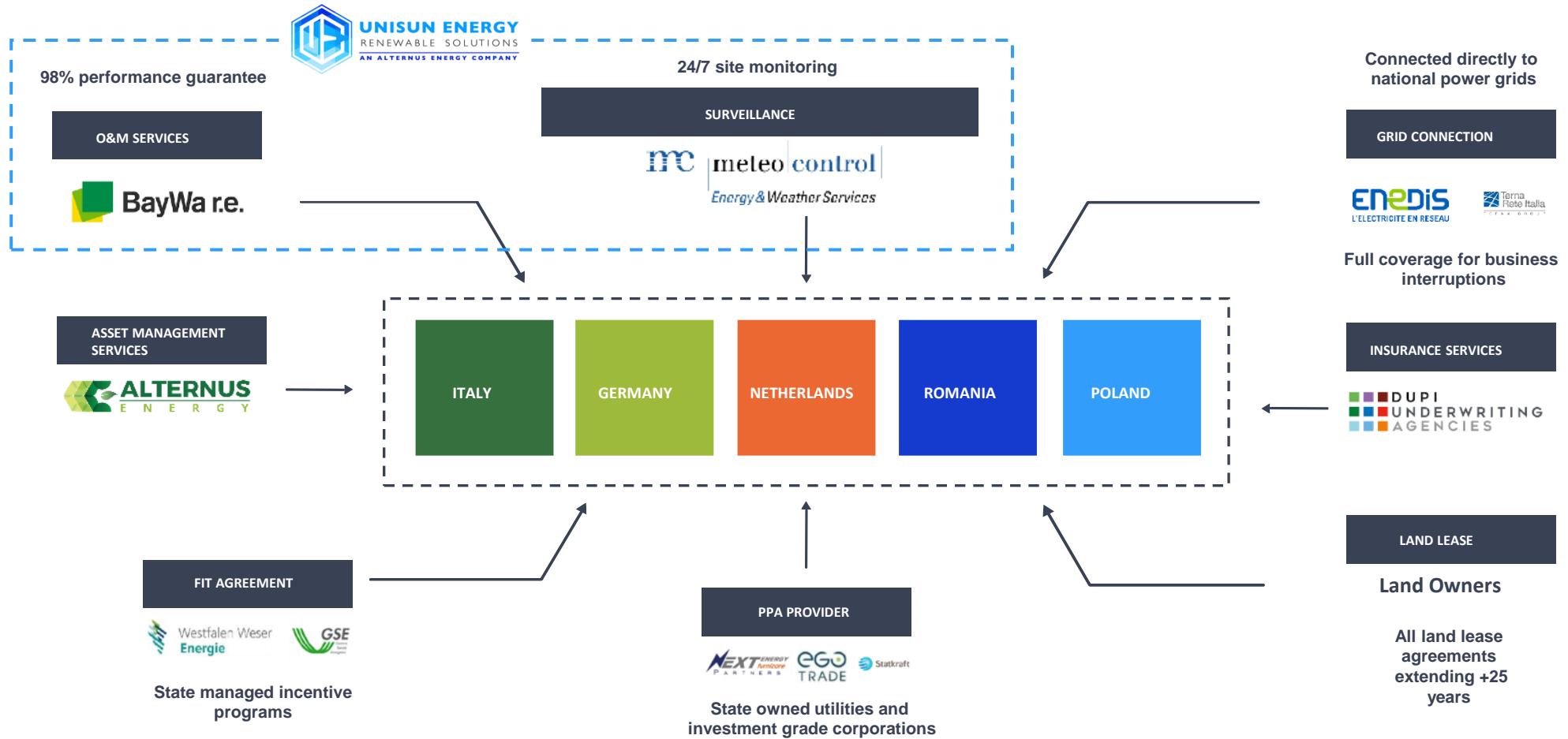
#### Solar park project - Sources and uses capital



- Alternus expects to achieve a gross margin of approximately 10% on its EPC activities in line with market norms.
- Depending on the EPC gross margin and ownership stake in the project, the EPC margin can fund a significant share of the required project equity contribution
- 'Funding Gap' will be filled by a combination of either / or:
  - Project Junior debt
  - Cashflows from owned operating assets
  - Additional equity raise

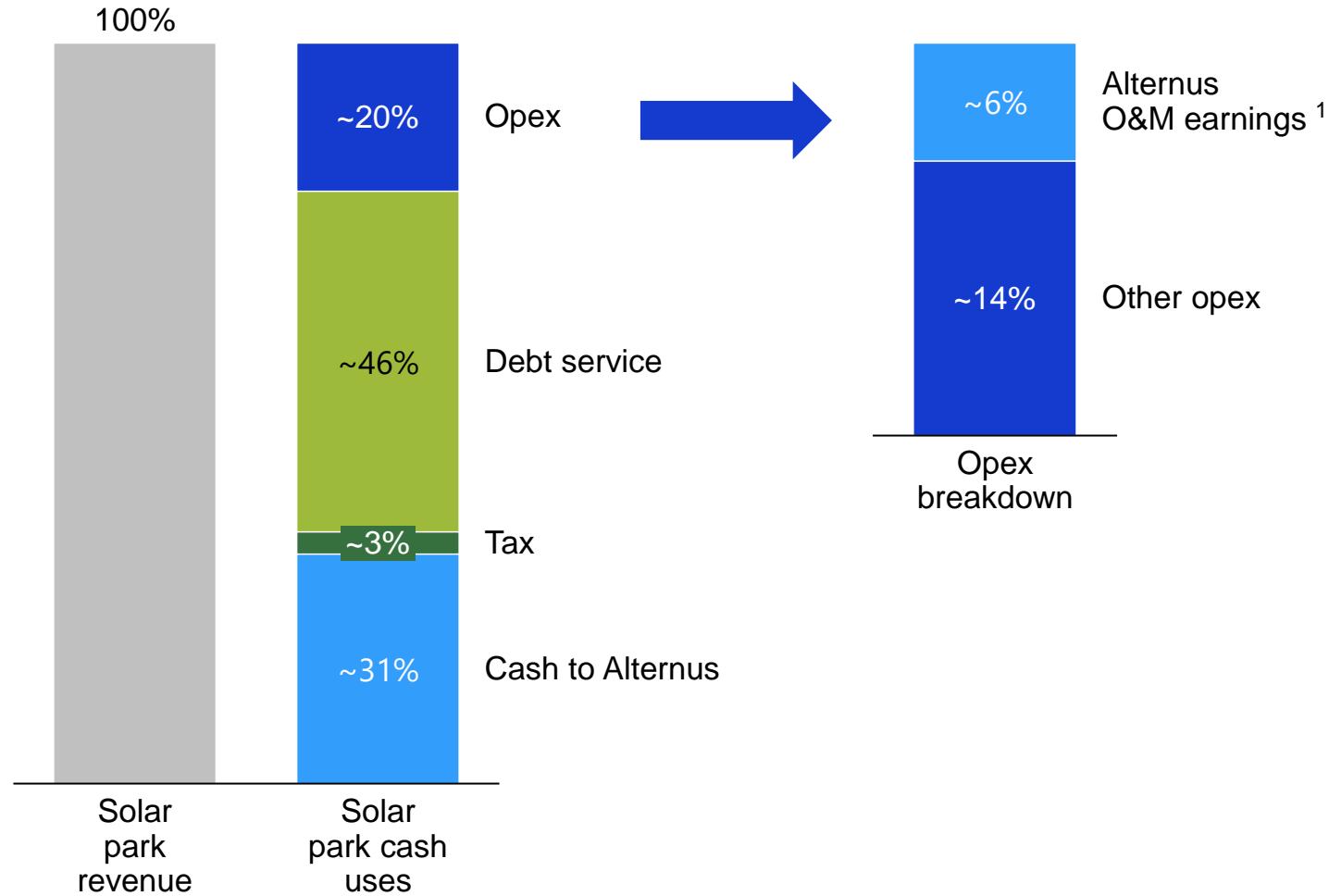
2 Unisun Energy acquisition brings in-house O&M services and enhanced management of outsourced activities

In-house management of critical performance areas ensures maximum return from projects



2

## Project cash generation for Alternus for projects with in-house O&amp;M services



## Commentary

- Alternus benefits from in-house O&M capability by capturing margin otherwise paid to third party providers.
- Cashflow from projects is available to fund additional construction / acquisition of additional capacity to further grow portfolio and reduce external funding requirements

**~37% of project cashflows received by Alternus during first 10 years**  
(using Bond debt)

<sup>1</sup> O&M fees charged to project SPV's less cost of providing the services, where Alternus is the O&M provider. Not all projects will be serviced by Alternus.

2 Opportunistic & Agnostic approach to development construction / operations.... Driving rapid growth...

Multiple in-country partnerships allow for rapid scale at no fixed cost



Germany



Netherlands



Italy



Romania



Spain



Greece



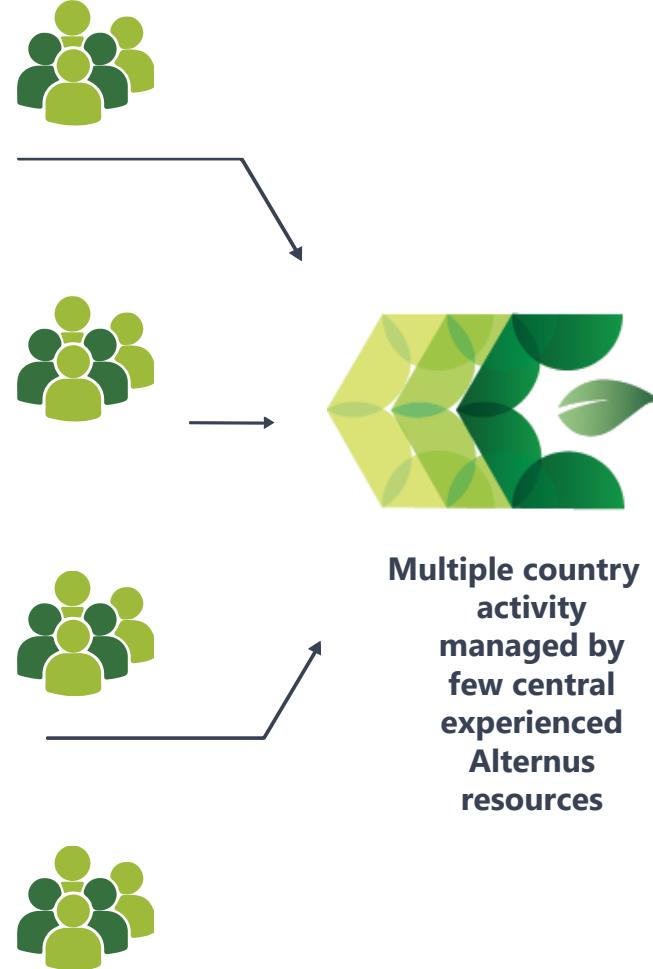
Poland



Ireland



Others



▪ Cultivated partner networks

- provide priority access to secondary market operational solar park opportunities
- source development and ready-to-build projects
- provide greater and early access to new project low

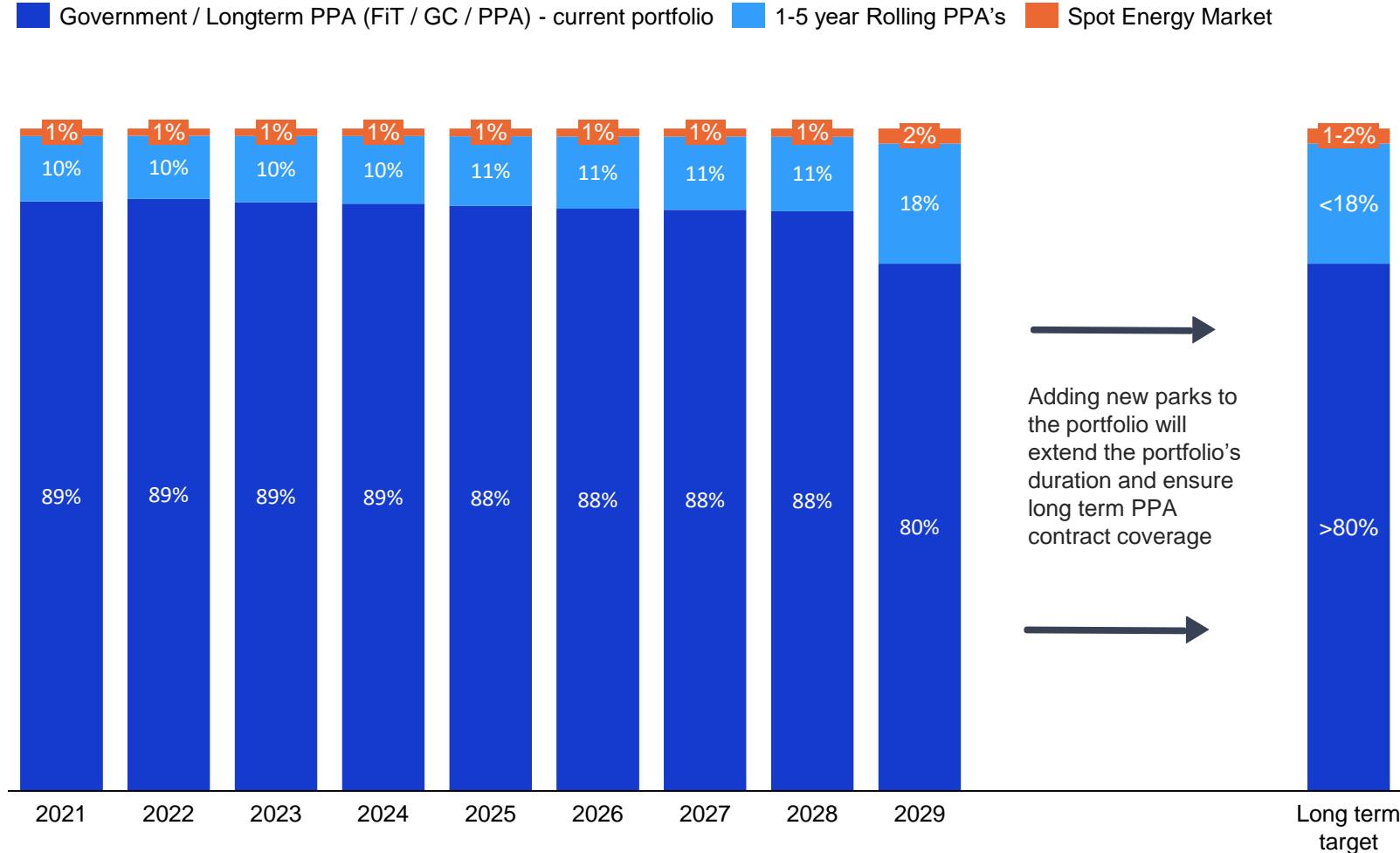
▪ Success based only compensation creates variable cost model without fixed commitments

Some of our partners:



### 3 Current portfolio weighted average unexpired FiT/GC/PPA term of 8.8 years

#### Commentary



- Long term contract coverage with investment grade counterparties allows for higher leverage to maximise equity returns
- As new projects are added the company expects to maintain >80% contracted revenue mix in the medium to long term to ensure strong leverage capacity

**Portfolio additions will mostly have 30+ years incomes due to move toward CPI adjusted PPA contracts**

### 3 Cash flows to equity (EURm)

#### Project Characteristics

Sample Size: **100 MW**

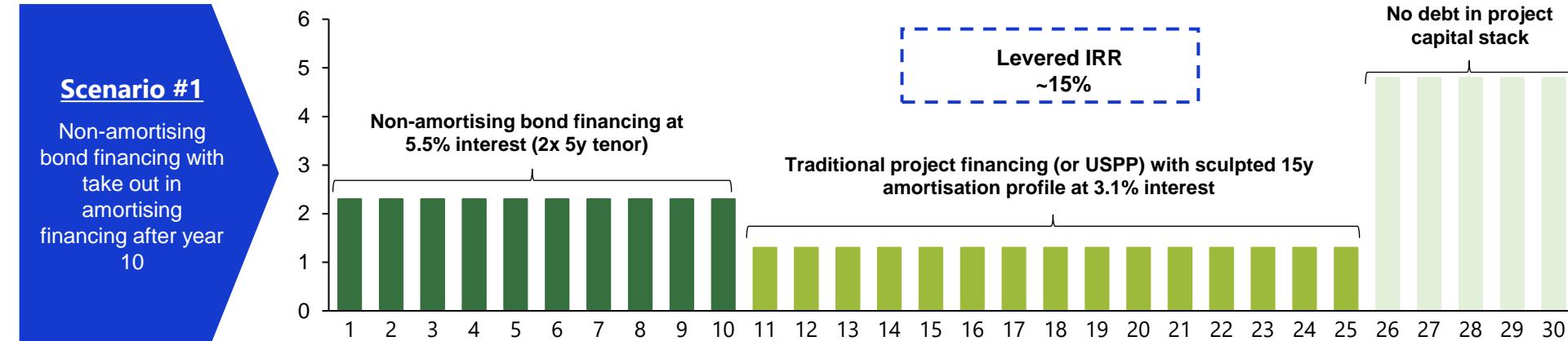
Reflects Profile of **1.4GW Portfolio**

Offtake: **Rolling 5/10 yr PPA's**

Coupon on bond financing: **5.5%**

Project finance lending rate: **3.1%**

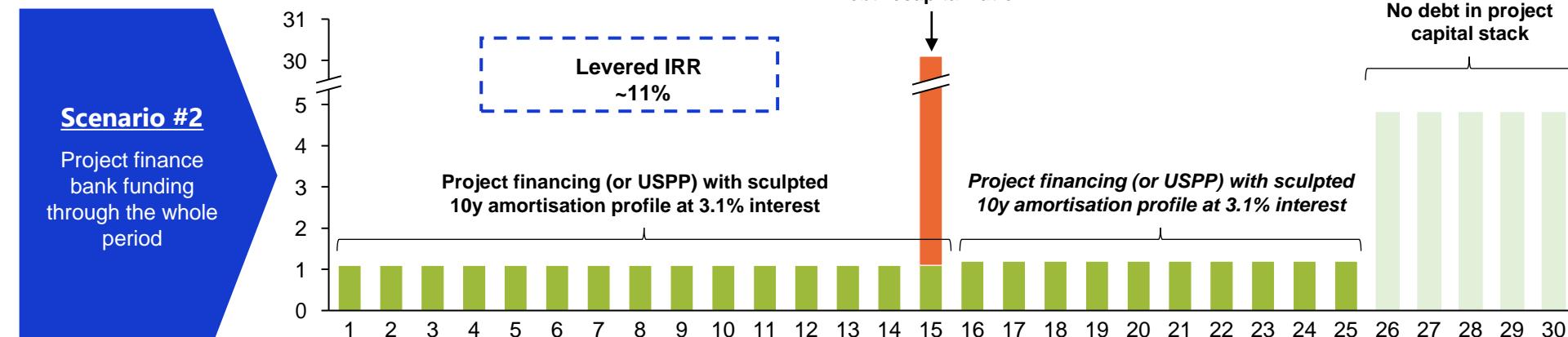
Unlevered IRR: **6.6%**



#### Commentary

Figures exclude project junior debt that would further enhance equity returns.

Expected that up to 50% of required project equity will be provided by project junior debt at the local hold-co level.

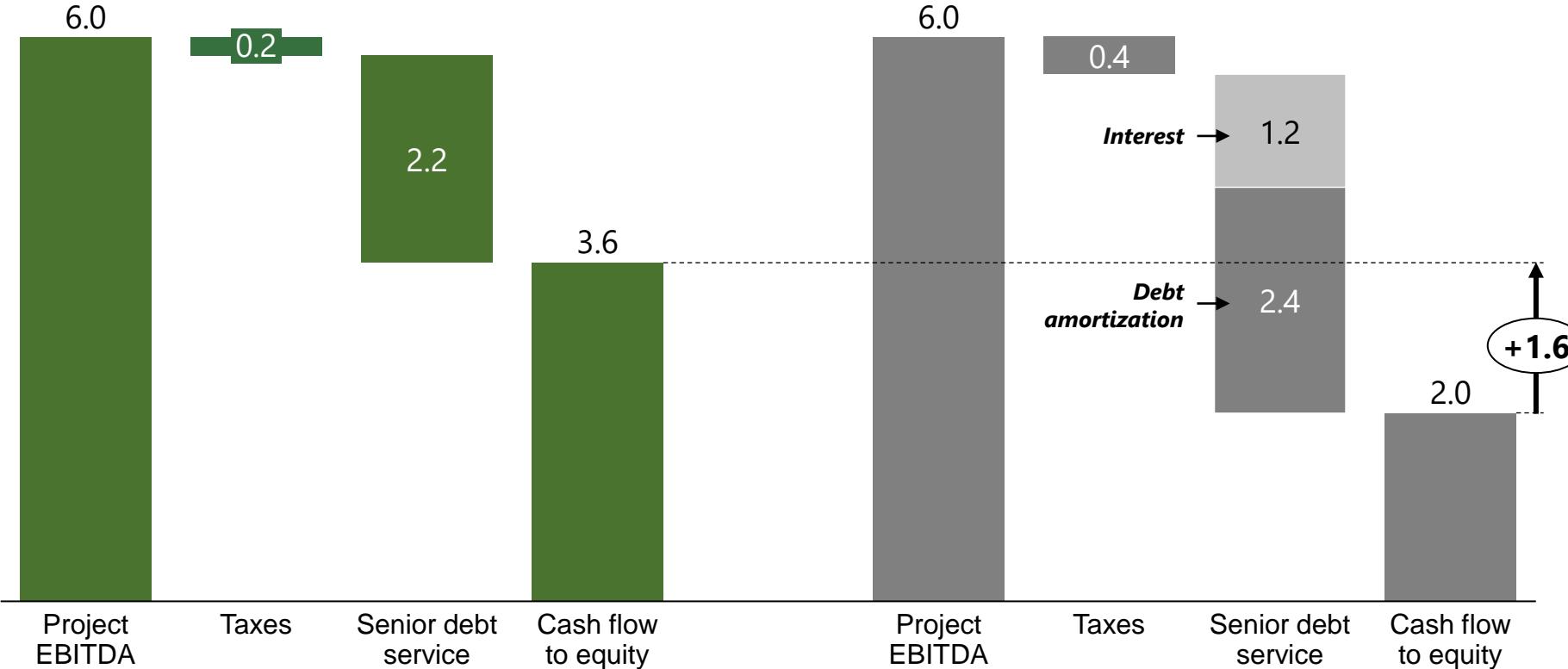


3

**Project Cash flow with non-amortising debt funding** (year 1) – (EURm)

**Project Cash flow with amortizing debt funding** (year 1) – (EURm)

*Cash flow example from a 100MW park on PPA*

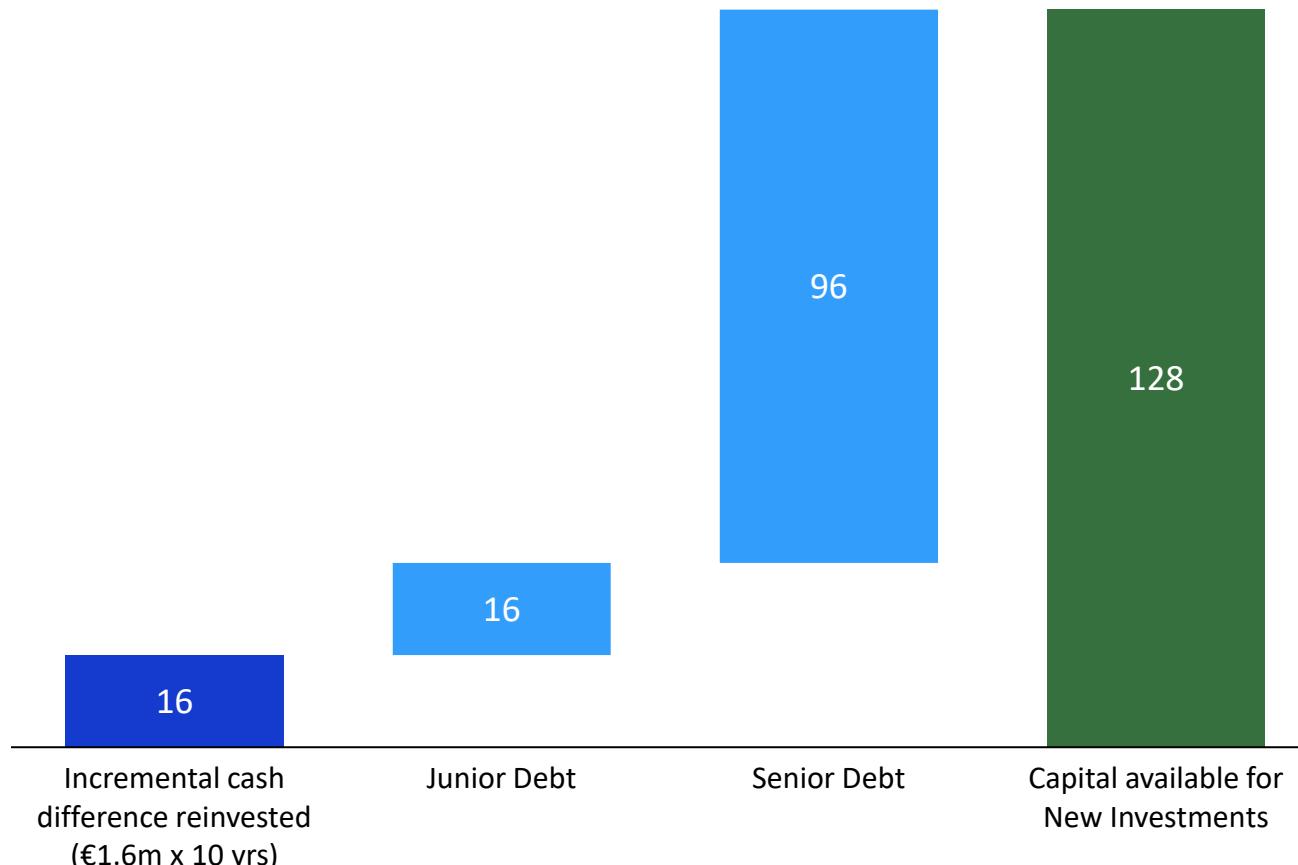


**Incremental difference in equity cash flow from using non- amortising debt funding used to accelerate growth**

**Incremental difference**  
**EUR 1.6m annually**

3 Reinvested cash generated during bond financing is leveraged 8x with senior and junior debt....

...to acquire additional capacity resulting in increased Annual Recurring Revenues for 30+ years



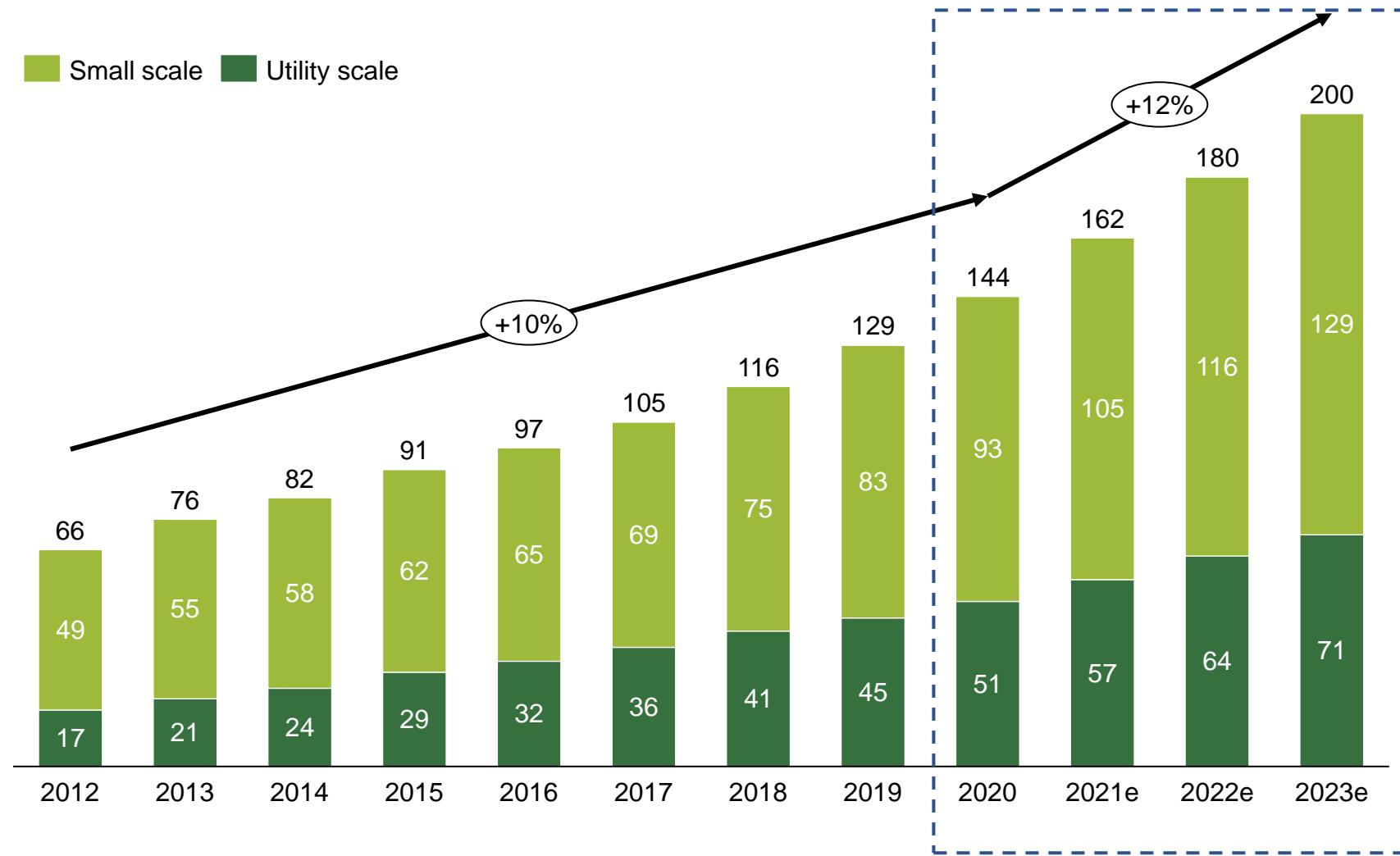
- Additional projects acquired / constructed
  - Incremental EBITDA
  - No new equity
- +~200MW

**EUR 128m**  
in available capital  
can be redeployed  
towards adding  
additional assets  
generating

**EUR ~14m**  
in ARR

1) O&M fees charged to project SPV's less cost of providing the services, where Alternus is the O&M provider. Not all projects will be serviced by Alternus.

## 4 Installed solar capacity in Europe (GW)



## Commentary

- European solar power capacity has increased rapidly in the last decade, growing 10% p.a. since 2012
- Going forward, Europe capacity expected to continue growing fast, with annual growth of 12% towards 2023
- Annual capacity additions expected at ~29 GW in 2021-23, approx. similar y/o/y growth rate as 2019

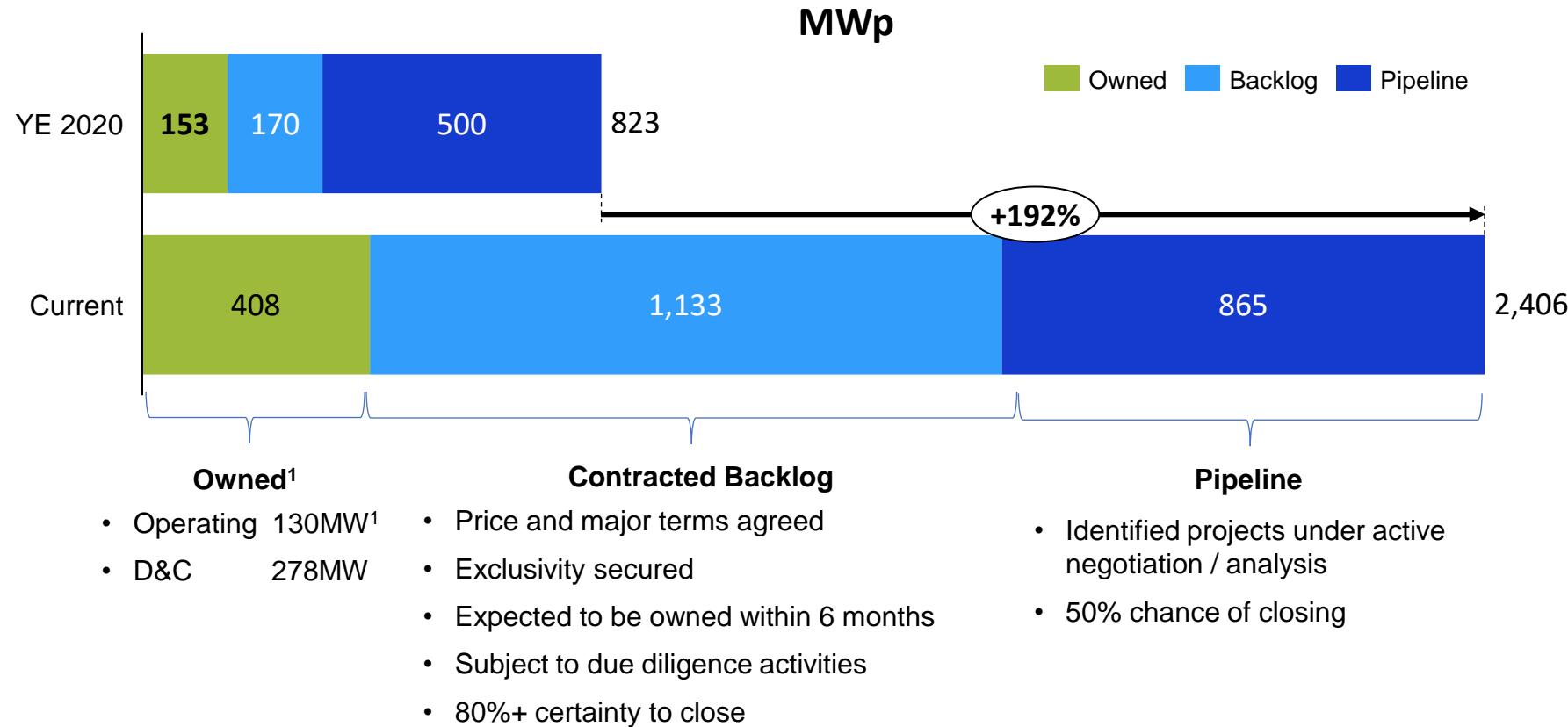
Mass Solar PV adoption phase as grid-parity achieved

Growth is now market demand driven – not subsidy driven

Swinging towards operator model

4

#### Extensive third-party expert analysis of technical, regulatory and profitability before acquiring new projects



**'Finance First' methodology for project selection**

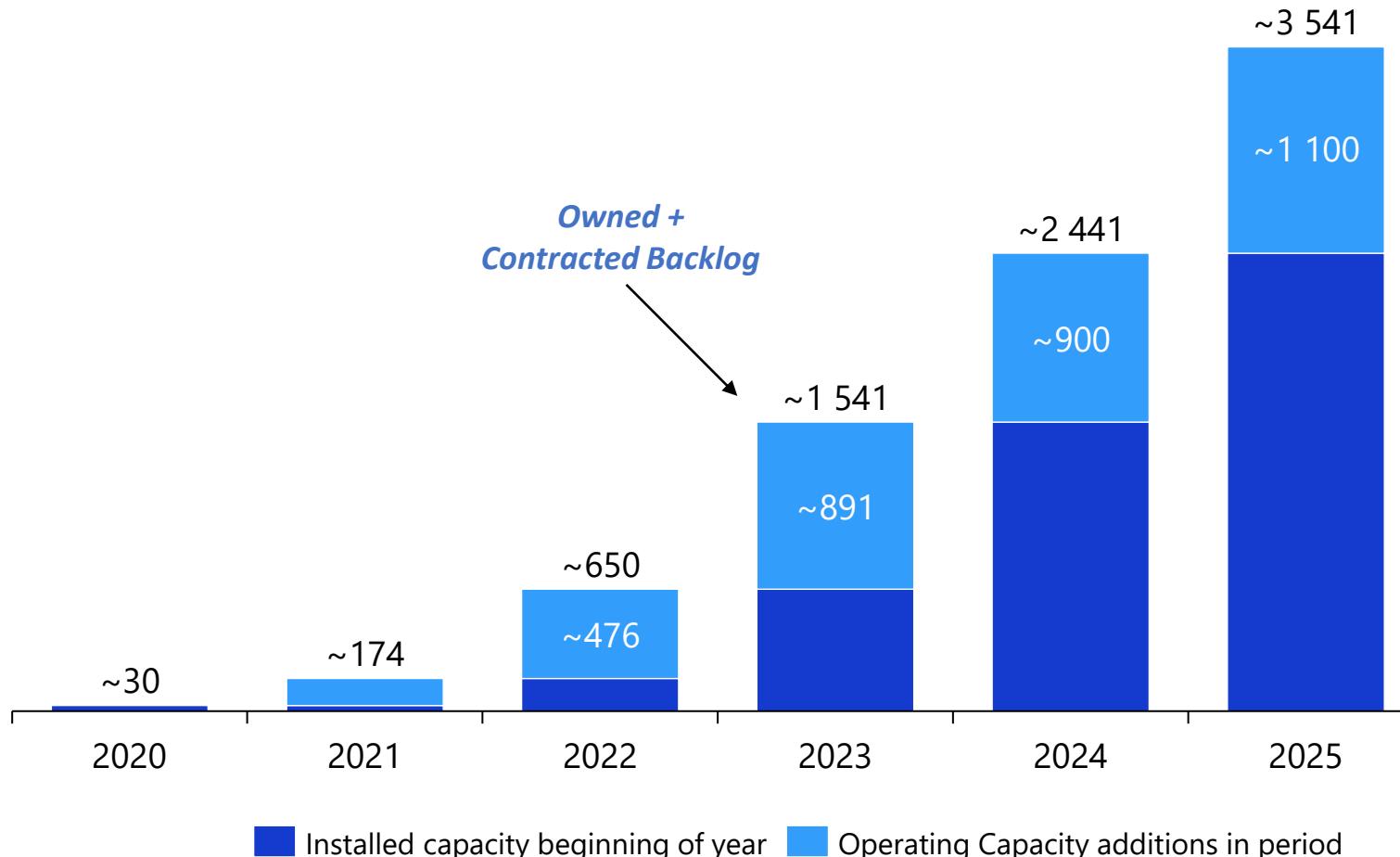
**20+ developer partners in multiple countries across Europe that provide a constant flow of new projects from their portfolios**

**Currently receive approximately 200 MW per month of new projects for evaluation**

1. Owned and operating includes 65MW Poland project not yet completed – Alternus is receiving the cashflow benefits of this park from January 2021.

4

## Accelerated growth plan with contracted backlog expected in operation by end of year 2023



- Each operational MW added is expected to add circa EUR 70k in annual recurring revenues based on expected portfolio profiles

**2025 operational portfolio target increased by 75% to 3.5 GWp**

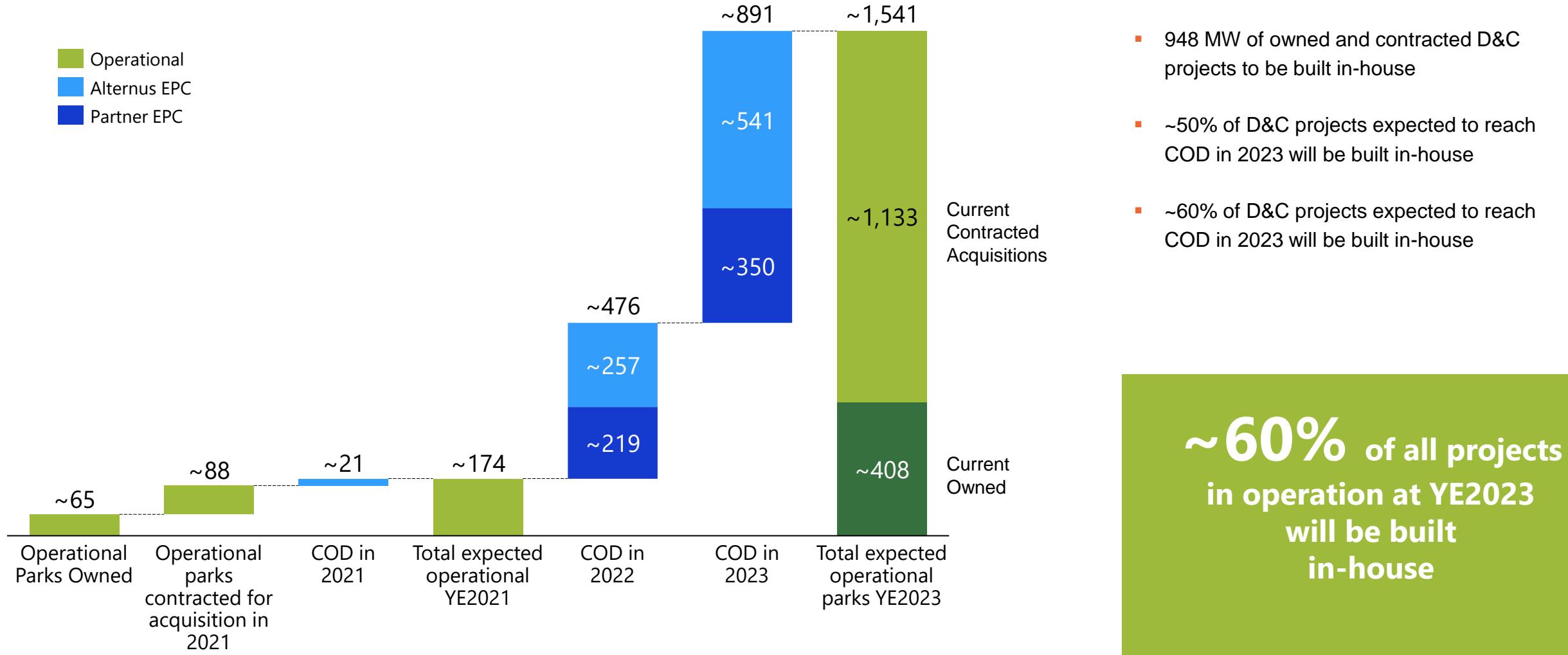
**Indicates ~EUR 110m ARR's at YE2023**

**Potential ~EUR 250m ARR's at YE2025**

4

## Bridge from currently owned operating parks to YE2023- MW

## Commentary



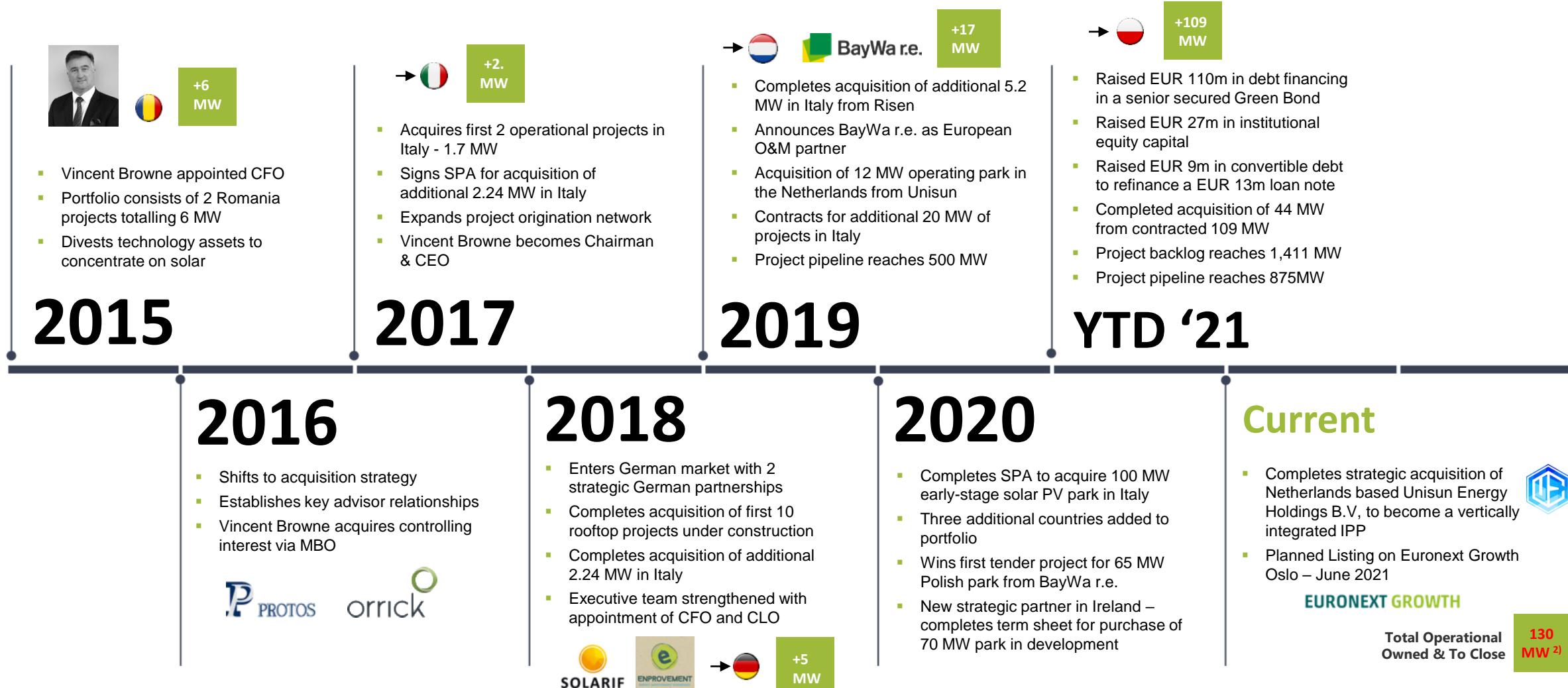


2

# ALTERNUS ENERGY GROUP

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<sup>1)</sup> Note that the acquisitions are not yet completed; please see the first risk factor relating to unsuccessful completion of transactions

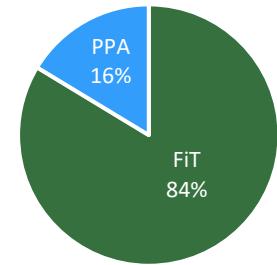
<sup>2)</sup> Including 65MW Polish asset expected to close in Q3

## Commentary

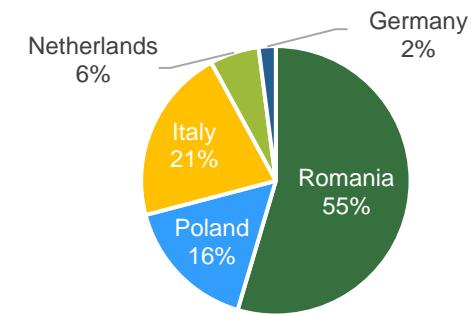
- Strong diversification across portfolio
- FiT contract structure representing 84% of portfolio
- Ground mounted Solar PV assets representing 91% of portfolio
- Geographic diversification with lion share of revenue generated in Romania, Poland and Italy
- Low single asset exposure with largest asset representing 32% of revenue

## Portfolio composition (annual run rate 130MW operating parks)<sup>1</sup>

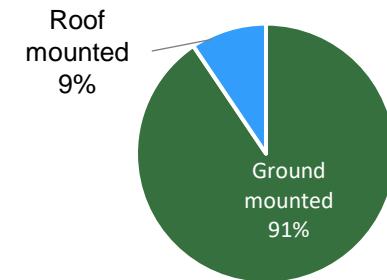
Revenue by contract type



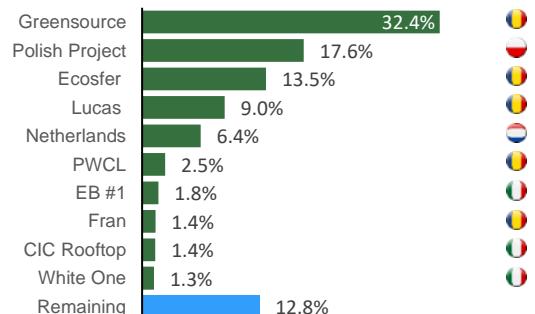
Revenue by country (pro-forma)



Revenue by asset type



Revenue distribution – top 10 assets



## Off-take partners



<sup>1</sup> Including 65MW Polish asset expected to close in Q3

## Key operating activities

### O&M Partner

- O&M by market leading service providers BayWa and Meteo Control
- Master O&M agreement to lock in pricing – 98% performance uptime
- 24/7 park monitoring

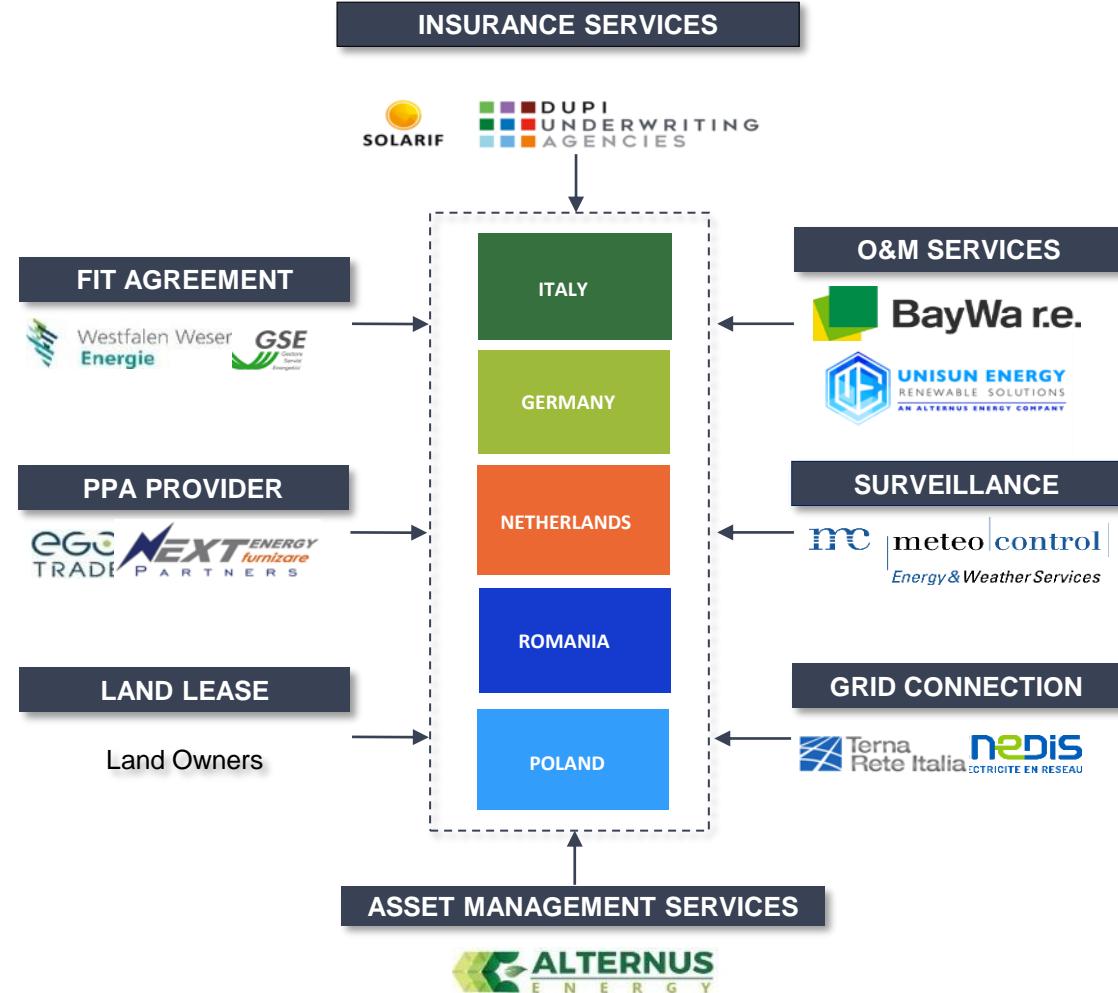
### Asset Management

- In-house asset management
- External advisor groups to prepare the required compliance documents
- Local Operations group in each country provide real time responses as required, and support to the O&M process
- Responsible for liaison with the various land-owners and other stakeholders across the project lifecycle

### Insurance

- Group wide policy terms utilising leading underwriters
- Full coverage for business interruption, loss of earnings insurance and equipment replacement

## Operating flows



**Cost effective & efficient acquisition process...**

1

Non-binding offer («NBO») letter & Compliance check (30-45 days)

- Commercial terms lock-in with NBO Letter
- Internal due diligence evaluation to verify LOI inputs
- Top Tier technical and legal Advisors perform 'Red flag' Evaluation

2

Full stage due diligence (30-60 days)

- Due Diligence is undertaken by quality Advisors Orrick, KPMG, Protos & Moroni & Partners.
- Escrow and adjustments to be reflected in the SPA if required

3

Sales purchase agreement (~30 days)

- SPA signed by both parties
- Information package sent to funding partners for drawdown – if applicable

4

Closing (~15 days)

- The transaction is closed and ALTN becomes the owner of the project

**...with strong risk management**

Contractual

- Rigorous Due Diligence and Financial Modelling
- Binding long-term Government backed consumption contracts
- FiT/PPA's with bankable off-takers and municipalities
- Backup Spot Market revenues available constantly

Operational

- Diversified portfolio revenues
- Comprehensive performance guarantee insurance
- World leading O&M providers & plant operational performance guarantees
- 24/7 plant monitoring

Geographical

- Country diversification mitigating regulatory risk exposure
- Asset diversification mitigating operational risks from park outages
- Blending of operational incomes allows for better revenue

Exit

- Liquid Assets - highly active and competitive secondary market
- Project origination below market value
- Aggregation attracts more prominent investors & builds larger portfolios

### Experienced leadership



**VINCENT BROWNE** | Chief Executive Officer

- Joined Alternus in 2015 as CFO, completed MBO in 2016, becoming Chairman and CEO in 2017
- Over 20 years of experience in finance and operations, including M&A, project finance and capital market transactions for both public and private companies
- Founded two technology start-ups that became leaders in their respective fields and previously held the position of Head of Procurement with Esat Telecom Group, Ireland's premier competitive telecom operator, quoted on NASDAQ
- Previously held both CEO and CFO positions at other OTC-listed companies in the US
- BComm (Accounting) University College Dublin



**GARY SWAN** | Chief Technical Officer

- 30 years of construction experience working on the design, construction, operation and sale of approximately 1 GWp of renewable energy assets across multiple continents
- Joined the Alternus team in 2021
- Previously responsible for the construction of several large-scale wind and solar projects owned by Actis Energy portfolio companies AELA Energia (Chile) and BioTherm Energy (Africa)
- Prior to this spent 6 years at Mainstream Renewable Power as Head of Construction – responsible for delivering wind and solar projects through the construction phase into operation across Europe, North America, Latin America and Africa
- BAI in Civil, Structural and Environmental Engineering from Trinity College Dublin and an MSc in Project Management from the University College Dublin Michael Smurfit Graduate Business School.



**JOSEPH DUEY** | Chief Financial Officer

- Over 12 years of experience in the development, acquisition, construction and financing of renewable energy assets including key operating management, finance and audit functions
- Joined the Alternus team in 2018
- Former CFO with IPP - Green States Energy, and Financial Controller for Power Partners Group (MasTec)
- The Power Partners group installed over 3.5 GWp of wind assets in the United States as the electrical contractor over a 7-year period
- Various finance and operations roles with Fortune 500 manufacturing companies
- MBA from the University of Illinois and has achieved CPA, CMA, CIA, and CFM designations



**TALIESIN DURANT** | Chief Legal Officer

- Over 20 years serving in senior operating roles in a variety of corporate and public enterprises providing legal counsel services to small public companies and General Counsel to various US public companies
- Joined the Alternus team in 2018
- has worked alongside Vincent since 2008
- Responsible for all legal activities of the group ensuring the company takes the best legal approach in all aspects of the business
- Juris Doctor degree, BA Degree Economics, Member of the California State Bar Association



## LARRY FARRELL | Vice President of Operations

- 20+ years experience in production, operations, and service delivery management
- Former senior leadership roles at Fortune 500 companies with experience in building high performing cross functional global teams with a proven track record of assisting companies in process and function outsourcing
- Joined Alternus in 2019
- BA in Management, Mechanical Engineering and ITIL, Six Sigma certified



## ANDRE KEMPEAARS | CEO Unisun Energy Holdings B.V

- Over a decade in Renewables industry across both solar PV and Wind
- First project leading team to deliver 450 MW windfarm in the North Sea
- 6 years with French multinational electric utility company Engie as business development manager for Belgium and the Netherlands
- Joined Unisun as General Manager in the Netherlands in 2016
- Has since grown the business and team to full-service EPC and O&M company in Rotterdam developing and constructing over 150MW of solar PV projects in multiple European countries and building a substantial pipeline of solar PV projects in the Netherlands



## LEON HEIJKOP | COO Unisun Energy Holdings B.V

- Over 25 years in various senior management roles in the Oil and Gas industry in engineering, design, construction and commissioning
- Joined Unisun in 2018 to move into deeper into the renewables industry, becoming COO for all operating companies in 2021
- Has developed an excellent worldwide reputation in delivery of major EPC construction projects with over 15 years in the Middle East
- Directly responsible for the successful construction and delivery of over 150MW of solar PV projects with Unisun



## GITA SHAH | Strategic Planning Manager

- Over 10 years of experience supporting the delivery of infrastructure projects across Europe, 6 of which in the renewables industry across the solar PV and Biogas sectors
- Joined the Alternus team in 2017 Gita joined Alternus to support of her passion and enthusiasm to drive a carbon neutral world
- Member of the senior management team - drives cross functional activities at all levels within the company to ensure coordination with the strategic goals set by board
- Transitioning to lead sustainability across Alternus group
- BSc in Spatial Planning & Environmental Management



## BRAM BROSHIUS | Head of Business Development

- Over 13 years experience in the solar PV industry across project management and business development roles, cultivating a far-reaching international network in the solar industry
- Joined the Alternus team in 2019
- Leads business development activities within Alternus
- Coordinated on the acquisition of multiple solar PV projects in Italy and Spain for various investor groups and previously spent 7 years as a broker between project developers, EPC contractors and investors with the Solarif Group
- BSc in Management



## IONELA CAINARU | Romania Country Manager

- 14 years of experience in financial accounting with extensive knowledge and expertise in energy production, supply and trading
- Joined the Alternus team in 2016
- Responsible for all business activities and operations in Romania including all energy trading activities and reporting to the relevant authorities
- Certified accountant and holds a BSc in Accounting and Management Informatics from the Faculty of Economic Sciences at the University Lucian Blaga in Sibiu and is a certified accountant and member of CECCAR



## STEFANO STAVROGIANNIS | Italy Country Manager

- Over 20 years experience in consultancy activities in manufacturing, oil, gas and renewables and infrastructures across Italy, Greece, Romania and the Middle East
- Joined the Alternus team in 2016
- With deep sector knowledge responsible efficient running of Alternus Energy's Italian country operations from project origination, developer relationships and project operations
- Integral in the development of a number of renewables projects in Italy for Enerfin SPA
- BSc in Mechanical Engineering





**VINCENT BROWNE | Chairman**

- Joined Alternus in 2015 as CFO, completed an MBO in 2016 taking majority ownership, became Chairman and CEO in 2017
- 20+ years of international experience in finance and operations, including M&A, project finance and capital market transactions for both public and private companies
- Previously held both CEO and CFO positions at other OTC-listed companies in the US
- BComm (Accounting) University College Dublin



**JOHN MCQUILLAN | Board Member**

- CFO of Homecare Direct and a non-executive director in a range of industries in the leasing, accounting, utilities and consumer goods industries
- Was Financial Controller of the ESB Group Network Business before starting his own practice in 2005 providing audit, assurance and accounting services to a wide range of clients in the SME sector, including professional and financial services
- Fellow of Chartered Accountants Ireland and an Associate of the Chartered Institute of Arbitrators in Ireland



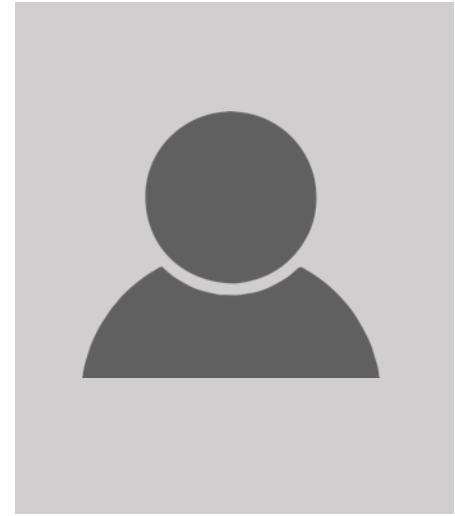
**JOHN THOMAS | Board Member**

- Co-Founder and Managing Partner of Doonbeg Group, Inc., an advisory and merchant banking firm founded in February of 2013
- Accomplished Senior Executive with core skill sets of leadership, strategic, and operational management in an international environment
- Significant expertise in international trade and finance with proven success in the transportation, defence, and infrastructure industries with an emphasis in the emerging markets
- B.S. in Business Administration



**ROLF A. WIKBORG | Board Member** **NEW MEMBER | Board Member**

- Partner in ARC Maritime, a New York-based merchant banking platform
- Broad international experience, working as an advisor to Middle East and Chinese financial institutions, and was previously director of NYSE and OSX listed companies
- 16 years' experience in Financial Services in New York, US with AMA Capital partners in addition to two years experience in Mexico with Fearnleys
- B.Sc. (Hons) University of Manchester Institute of Science & Technology. Marine Law at Norwegian Shipping Academy





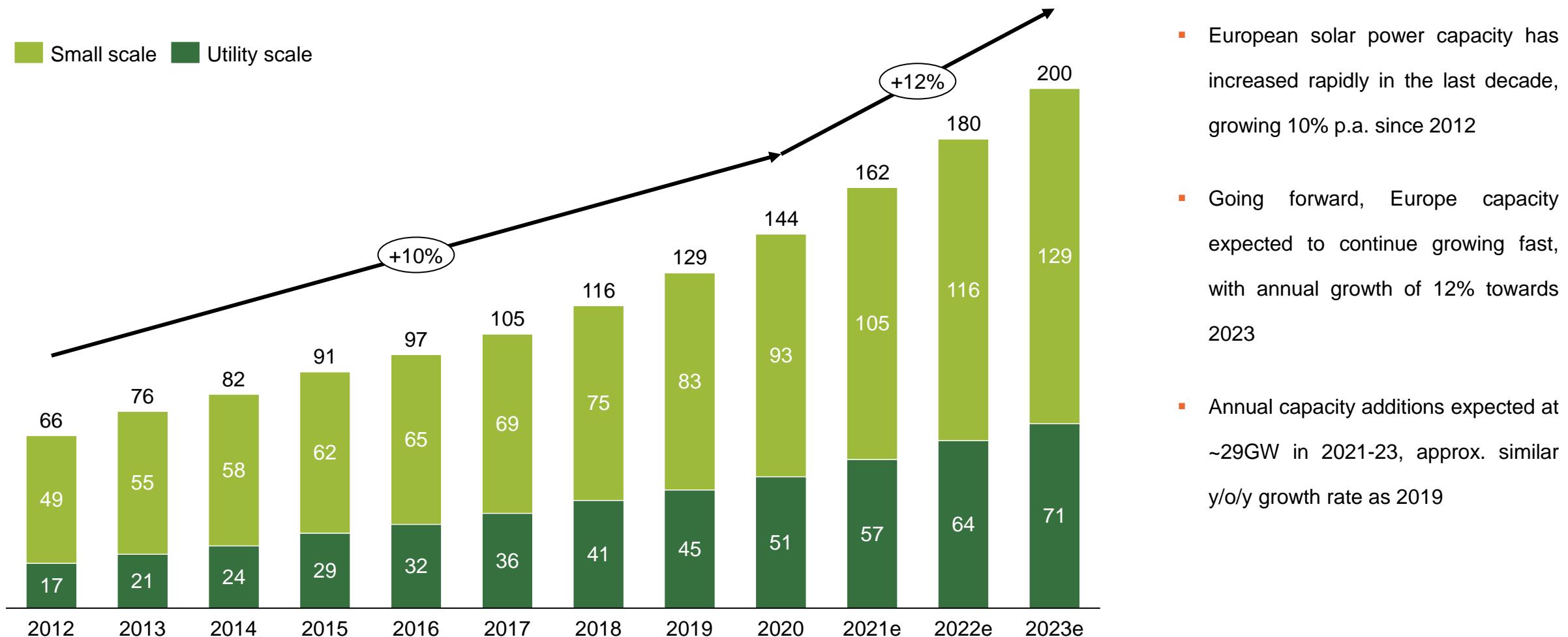
3

# MARKET OVERVIEW

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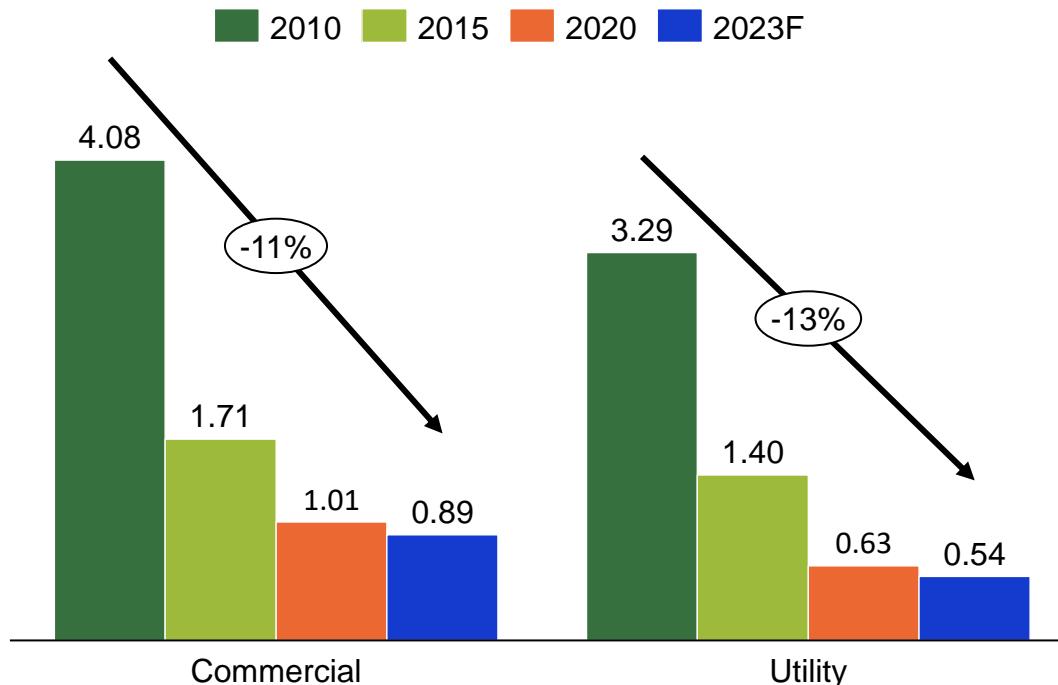
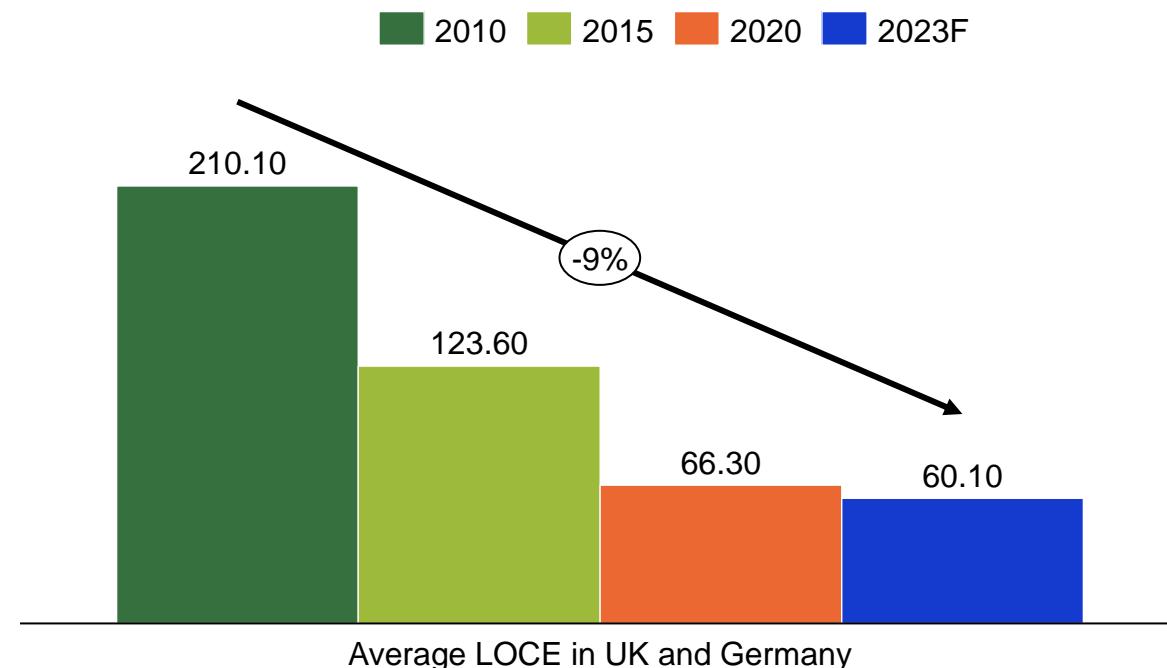


## Installed solar capacity in Europe (GW)



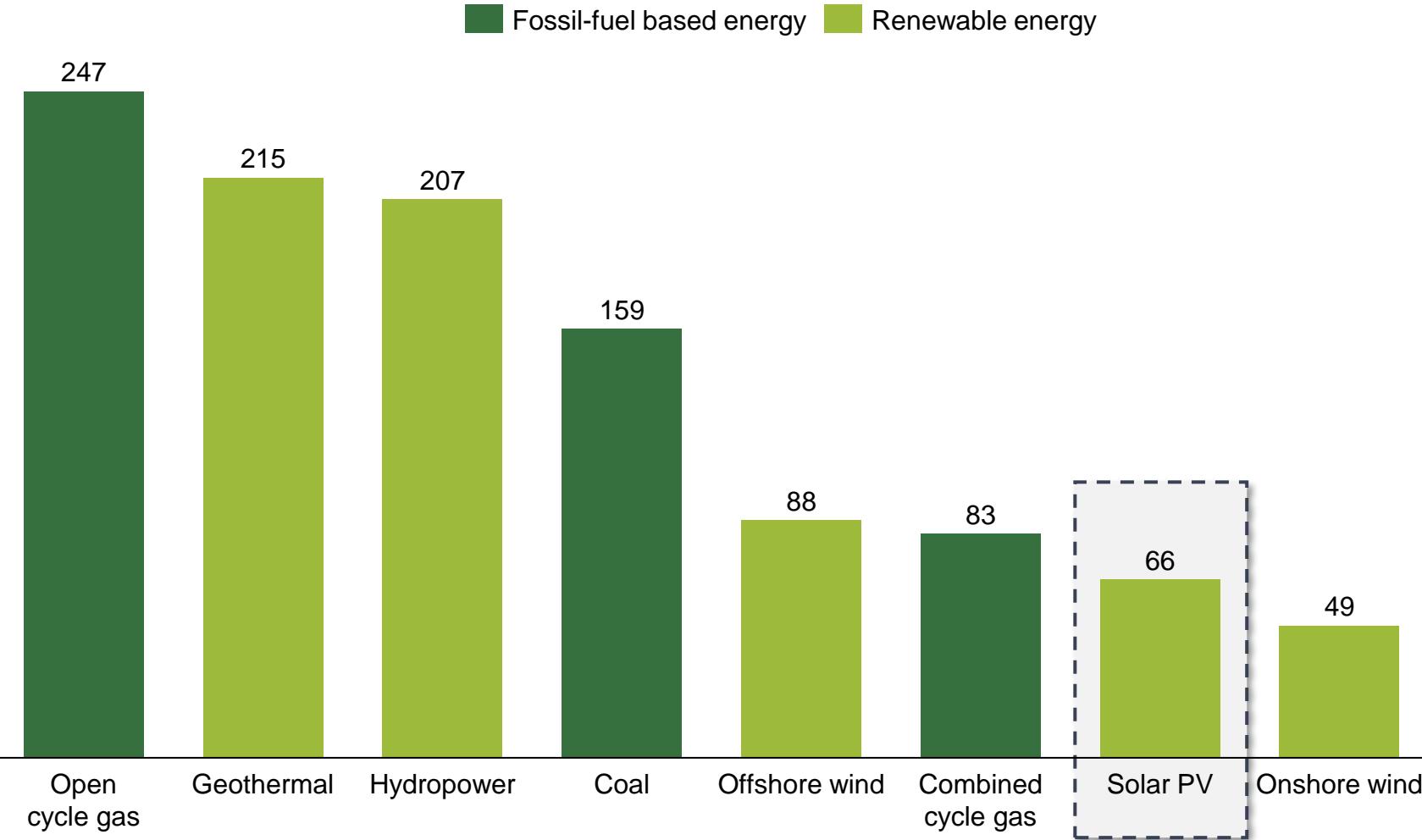
Source: Bloomberg New Energy Finance

Note: Europe refers to all EU countries plus Switzerland, Ukraine, and Turkey.

**Solar System Prices (2020), (USD/W)****Levelized Cost of Energy (LCOE): Solar in Europe (USD/MWh)**

- Global solar systems prices for commercial and utility deployments have fallen 14-15% per year since 2010
- Next three years to see 4-5% p.a. decline in PV system prices

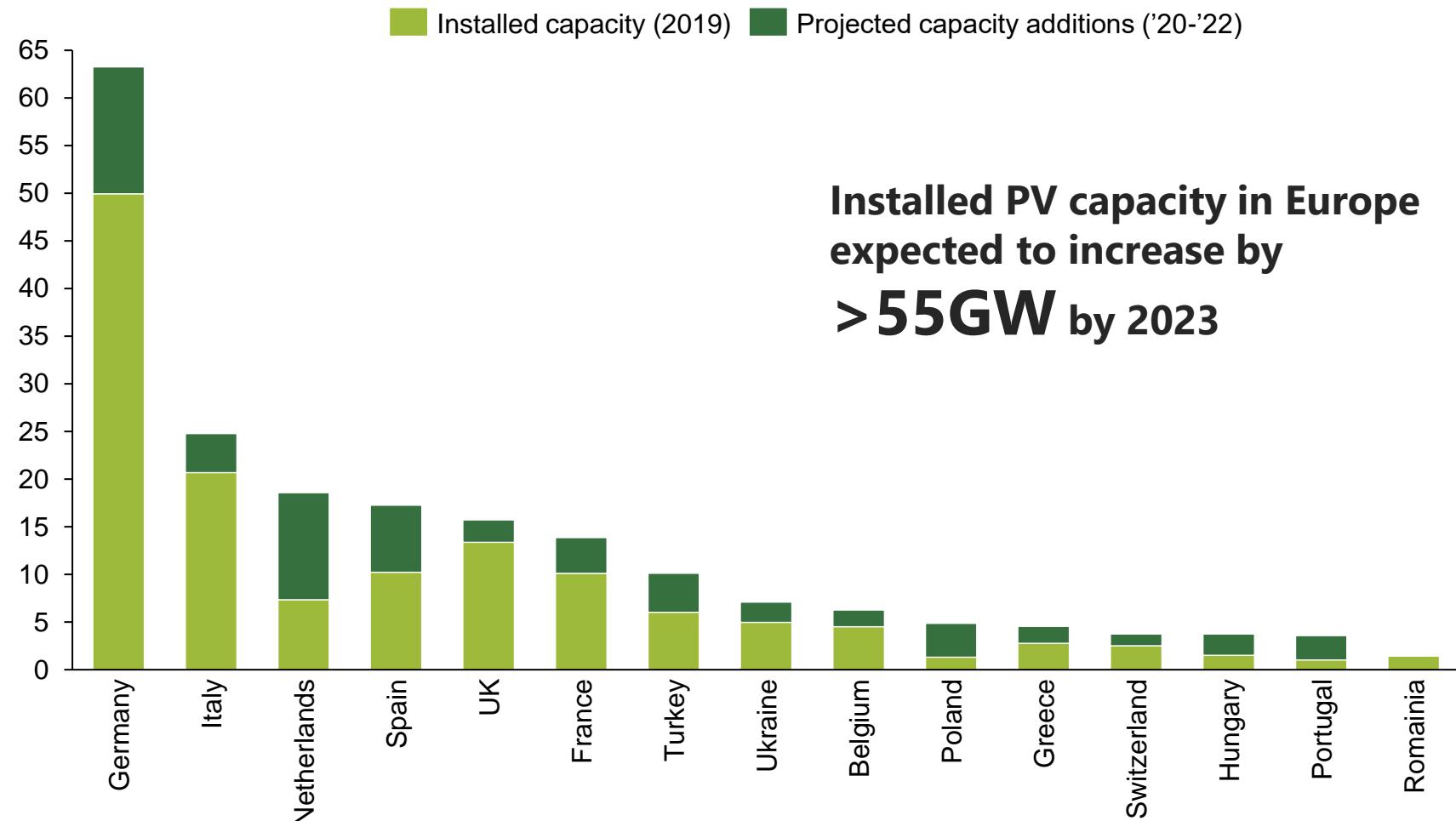
- LCOE in key European markets have fallen ~11% p.a. since 2010
- Going forward, LCOE is forecasted to continue declining, albeit at a slower pace than before (~3% p.a. to 2023)

Levelized Cost of Energy (LCOE) in Europe<sup>1)</sup>, by Technology (USD/MWh, real 2019)

## Commentary

- After falling 70% since 2010, solar power is now the second-cheapest source of energy in Europe, behind onshore wind
- On an LCOE basis, fossil-fuel based energy is 20-260% more expensive than solar power
- Solar competitiveness versus other energy technologies expected to persist, despite recent drop in fossil fuel prices

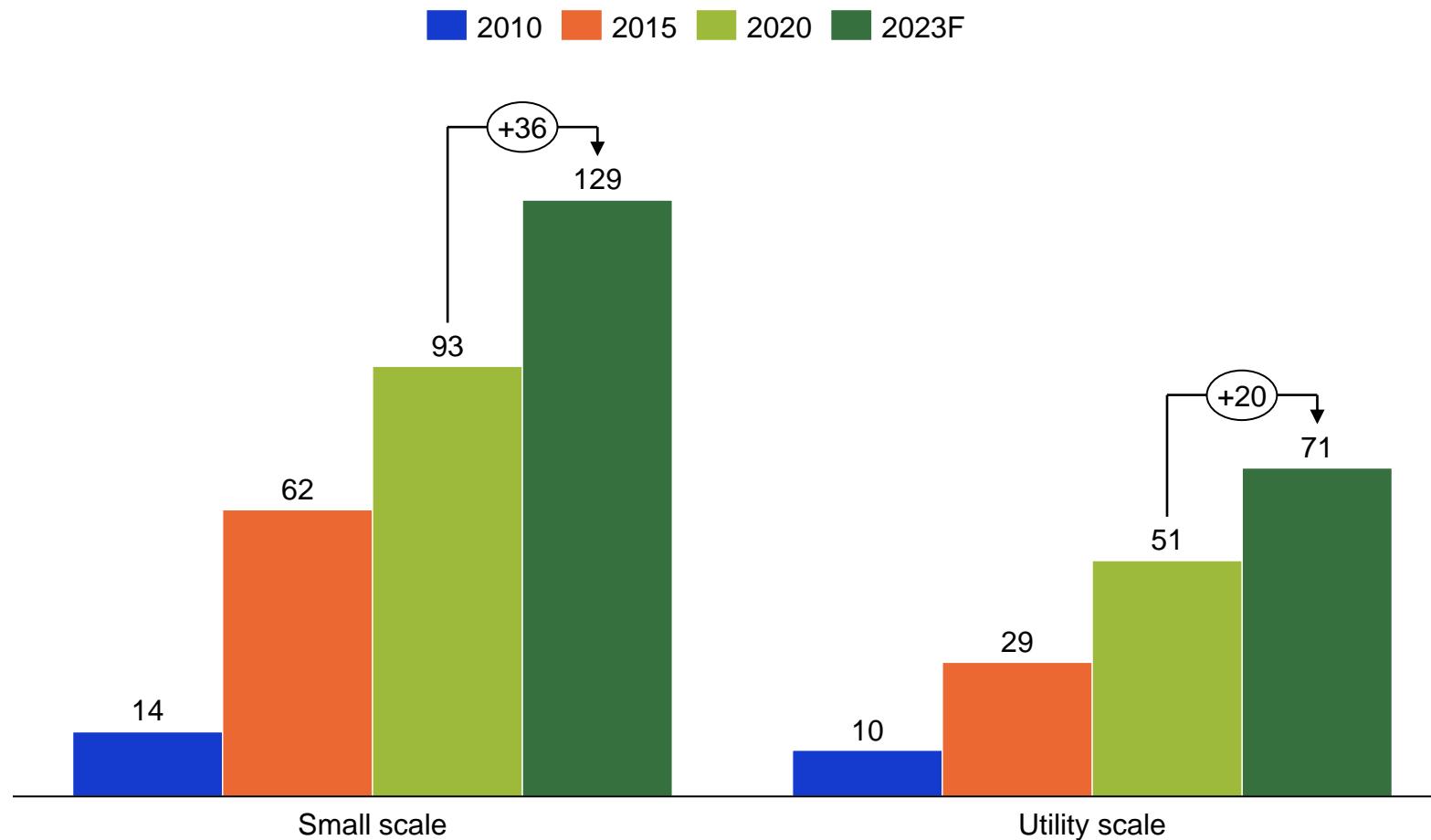
## Installed PV capacity, selected European countries (GW)



## Commentary

- Germany the largest market PV market in Europe followed by Italy, UK, France and Spain
- Germany, Netherlands and Spain expected to see the largest capacity additions to 2023, each growing by 7-13GW vs. 2020
- Several countries to add 2-5GW of PV capacity by 2023, incl. Turkey, Italy, France, Poland, UK, Ukraine, Hungary, Portugal

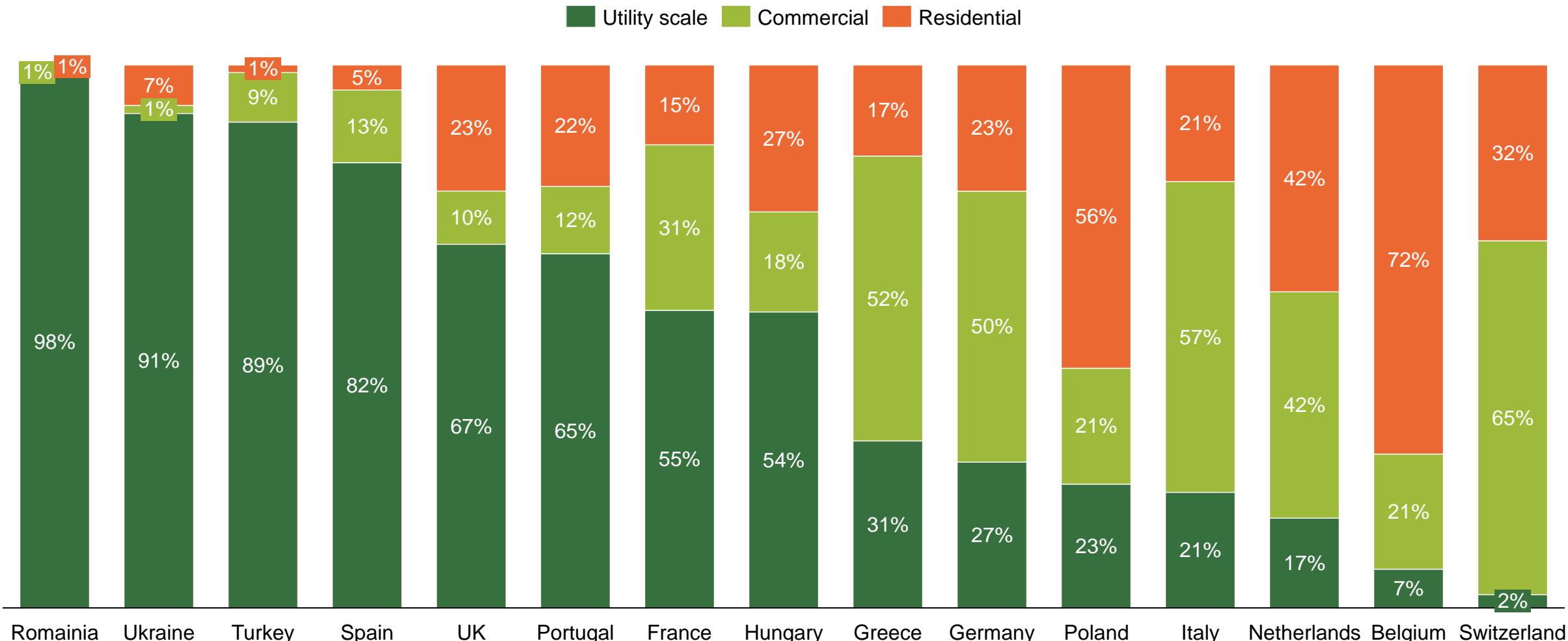
## Solar PV Capacity in Europe, by Segment (GW)



## Commentary

- Utility-scale solar is the largest and fastest growing PV segment in Europe
- More than 30GW of new utility-scale PV capacity expected to be installed over the next three years, growing 15% p.a.
- Commercial and industrial scale PV capacity to grow 22GW in 2019-22, growing 12% p.a.
- Residential PV is the smallest and slowest growing segment, adding 12GW of capacity in 2019, growing 11% p.a.

## Solar Segment Mix, by Country – installed capacity



Source: Bloomberg New Energy Finance

Note: Europe refers to all EU countries plus Switzerland, Ukraine, and Turkey.

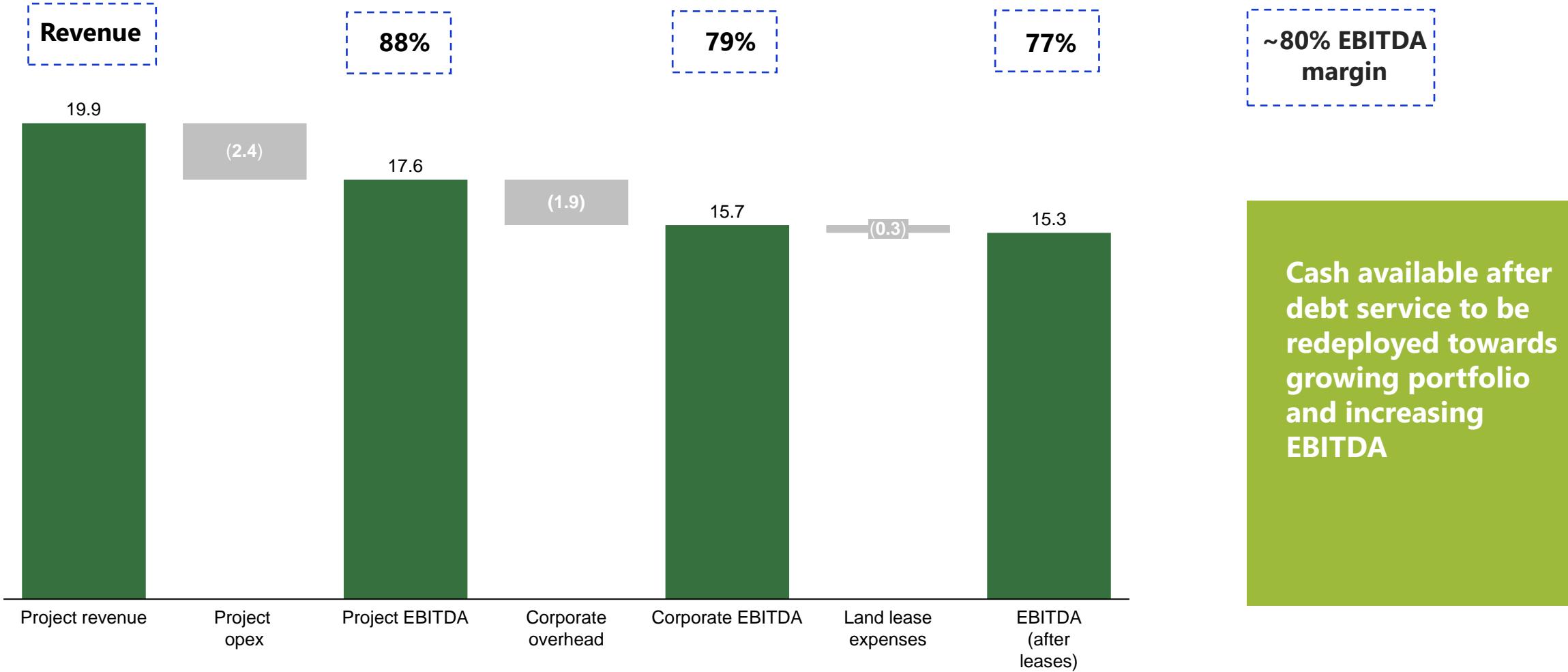


4

# FINANCIAL OVERVIEW

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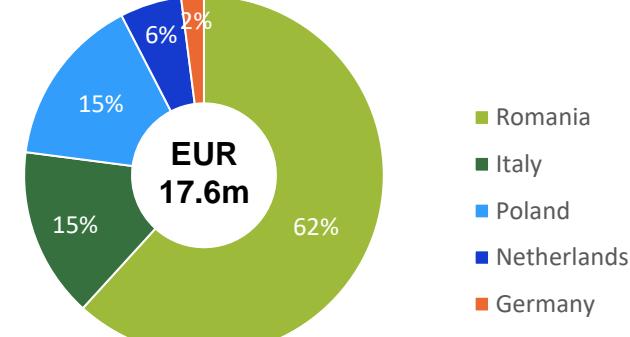
**High and stable margins yielding considerable cash flows** (Current portfolio run-rate figures in EURm)

## P&amp;L

EUR '000	Audited			Unaudited	Current
	2018	2019	2020	1Q '21	Run Rate
<b>Revenue</b>	<b>2,319</b>	<b>2,310</b>	<b>3,827</b>	<b>700</b>	<b>19,912</b>
Cost of goods sold	(1,144)	(660)	(969)	(108)	(2,356)
<b>Gross profit (reported)</b>	<b>1,175</b>	<b>1,650</b>	<b>2,857</b>	<b>592</b>	<b>17,556</b>
Selling, general & administrative	(1,626)	(3,978)	(2,561)	(489)	(1,900)
Loss on disposals of energy assets	(609)	-	-	-	-
<b>EBITDA</b>	<b>(1,060)</b>	<b>(2,328)</b>	<b>297</b>	<b>103</b>	<b>15,656</b>
D&A	(626)	(1,066)	(1,634)	(524)	(5,354)
<b>EBIT</b>	<b>(1,686)</b>	<b>(3,394)</b>	<b>(1,338)</b>	<b>(421)</b>	<b>10,302</b>
Other non-operating income / (loss)	-	(119)	-	4,001	
Gain on bargain purchase	1,452	3,675	-	392	
Net financial expenses	(1,264)	(2,868)	(3,932)	(4,212)	
<b>Pre-tax profits</b>	<b>(1,497)</b>	<b>(2,706)</b>	<b>(5,270)</b>	<b>(240)</b>	
Provision for income tax	(161)	-	-	-	
<b>Net income</b>	<b>(1,658)</b>	<b>(2,706)</b>	<b>(5,270)</b>	<b>(240)</b>	

Note that audited financials in USD converted to EUR at exchange rate .894 for 2018, .893 for 2019, and .891 for 2020

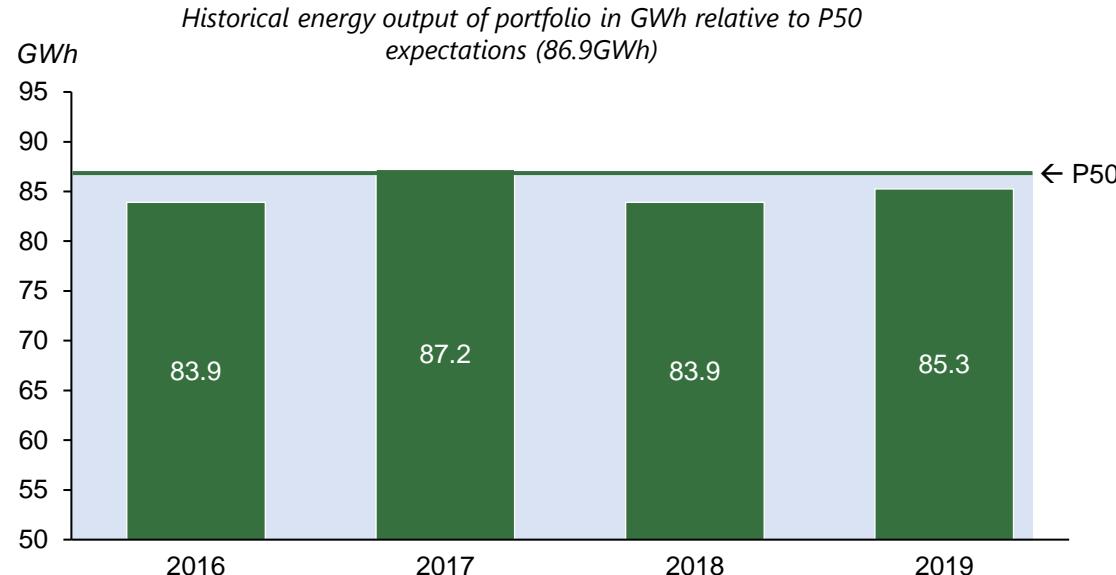
## Run-rate project EBITDA by country



## Commentary

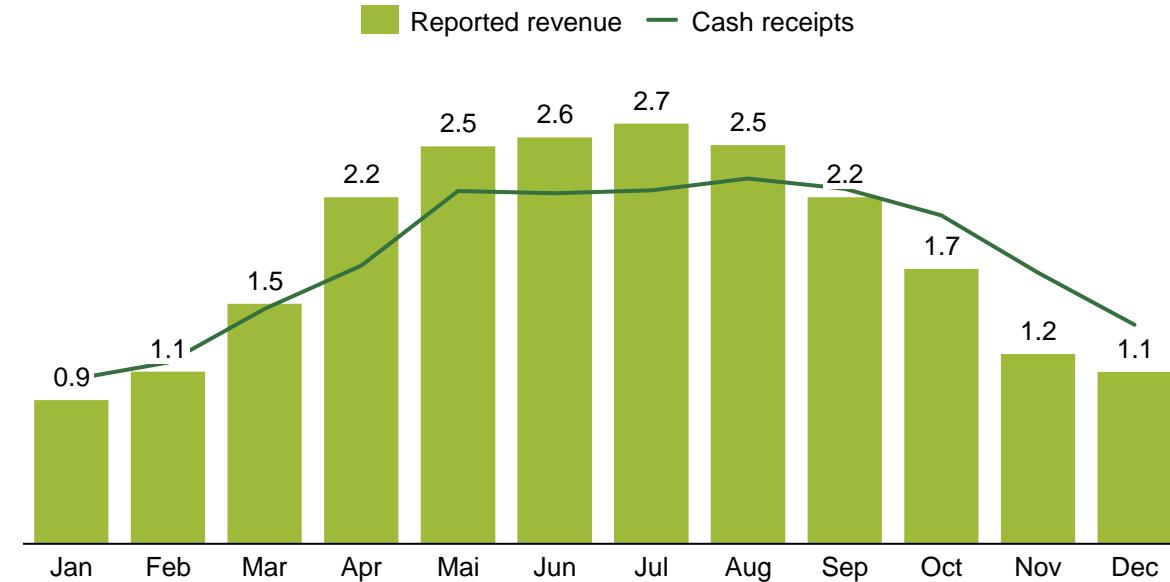
- Significant increase in EoP contracted Revenue/EBITDA as a result of acquiring a large amount of Solar PV plants with FiT/PPAs contracts in place in Italy, Romania, and Poland
- Note that run-rate figures also include revenue/EBITDA from assets acquired that are not yet acquired and still in construction.

## Historical energy output relative to expectations



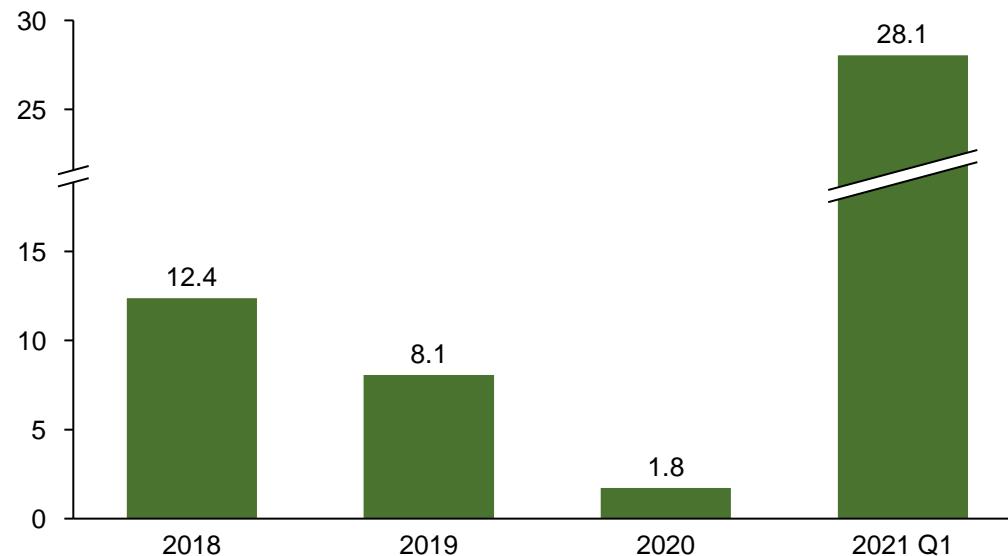
- Consistent year over year performance in line with P50 expectations
- Real-time monitoring and proactive management sees park production tracking ahead of mid year expectations
- Master O&M agreement in place with 98% performance uptime SLA
- In country resources augment O&M operations and ensures fast response times, problem identifications and resolution

## Seasonality profile of portfolio – (current run-rate) (EURm)

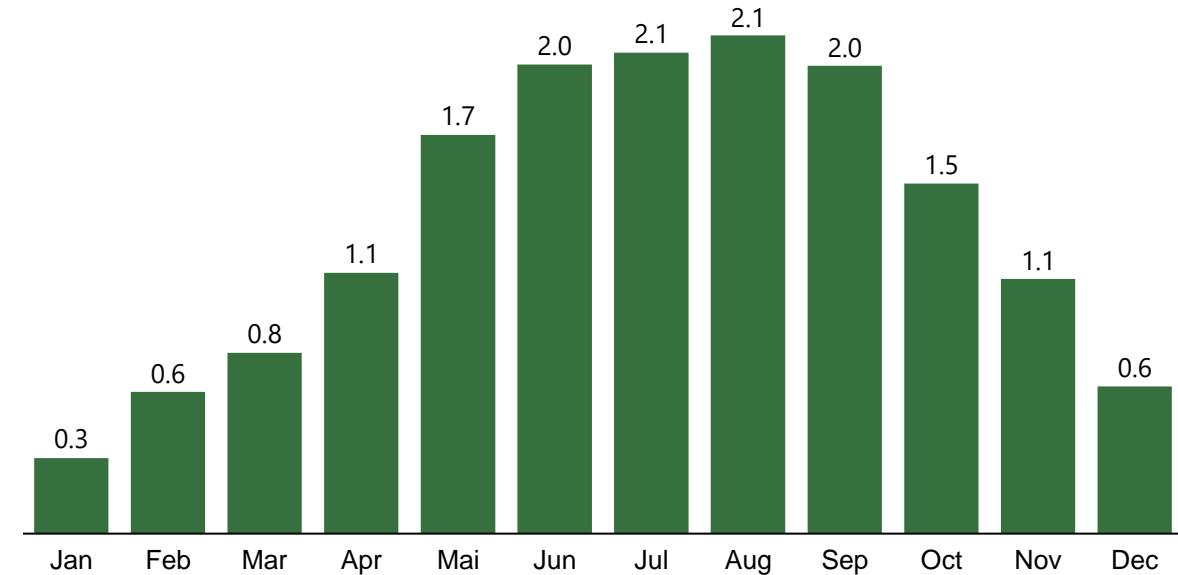


- Alternus actively manages the asset management, billing and cash collection process
- Seasonality profile of portfolio reflecting higher energy output during summer season
- Regulatory environment in Italy and Netherlands resulting in cash collections being more balanced as 80-90% of estimated annual production is paid equally on a monthly basis
  - All other projects, monthly production is invoiced on a monthly basis with payments received within 10-30 days

### Capital expenditures and acquisitions (EURm)



### Monthly net working capital development (current run rate) (EURm)



- Acquisitions of new projects and investment in energy assets represents 99% of Alternus' capital expenditures
- Ongoing maintenance on assets in operations is covered under the O&M agreement with BayWa
  - A very small amount of expected maintenance capex is not covered through BayWa agreement (e.g., replacement of inverters)
  - Contingency for these unforeseen expenses are set of annually into a "capital reserve account" and represent approx. EUR 319,000 p.a.

- Limited net working capital requirements with limited year on year changes
- Payments received on 30-day cycle – monthly change in net working capital will consequently follow seasonality profile of cash receipts on energy sales

EUR '000	Audited			Unaudited
	2018	2019	2020	Q1 '21
<b><u>Cash flows from operating activities</u></b>				
Net loss	(1,657)	(2,706)	(5,670)	(240)
Depreciation & Amortisation	626	1,066	1,758	1,053
Gain on bargain purchase	(1,452)	(3,675)	-	(392)
Loss on sale of energy assets	609	-	-	-
Other	1,095	1,712	771	(3,936)
Change in NWC	827	1,397	2,781	776
<b>Net cash from operating activities</b>	<b>47</b>	<b>(2,206)</b>	<b>(359)</b>	<b>(2,739)</b>
<b><u>Cash flows from investing activities</u></b>				
Additions to plants under construction	(6,263)	(49)	(1,334)	(217)
Acquisition of energy assets	(6,145)	(8,050)	(424)	(27,867)
Proceeds from sale of energy assets	3,363	-	-	-
<b>Net cash flow from investing activities</b>	<b>(9,046)</b>	<b>(8,099)</b>	<b>(1,758)</b>	<b>(28,084)</b>
<b><u>Cash flows from financing activities</u></b>				
Debt/Equity drawings	21,147	4,470	2,443	123,815
Debt repayments	(3,684)	(1,702)	(42)	-
Payments on leased assets	-	-	(83)	-
<b>Net cash flow from financing activities</b>	<b>17,463</b>	<b>2,768</b>	<b>2,318</b>	<b>123,815</b>
<i>Effect of exchange rates on cash</i>	259	(20)	82	18
<b>Net increase in cash and equivalents</b>	<b>8,724</b>	<b>(7,557)</b>	<b>282</b>	<b>93,010</b>
Cash balance, beginning of period	112	8,839	1,273	1,532
<b>Cash balance, end of period</b>	<b>8,839</b>	<b>1,273</b>	<b>1,532</b>	<b>94,542</b>

Note that audited financials in USD converted to EUR at exchange rate, .894 for 2018, .893 for 2019, and .877 for 2020



**Assets**

EUR '000	Audited			Unaudited Q1 '21
	2018	2019	2020	
<b>Current Assets</b>				
Cash and equivalents	897	960	971	18,056
Accounts receivable	268	187	698	696
Other short term assets	1,056	1,335	1,199	2,660
<b>Total current assets</b>	<b>2,222</b>	<b>2,482</b>	<b>2,868</b>	<b>21,412</b>
<b>Non-current assets</b>				
Investment in energy assets	18,979	36,318	35,947	64,071
Leased assets (IFRS)	-	-	-	1,881
Other long term assets	-	354	6,624	-
Goodwill	-	1,207	1,100	3,776
Restricted cash	7,740	312	455	76,378
<b>Total non-current assets</b>	<b>26,719</b>	<b>38,191</b>	<b>44,126</b>	<b>146,106</b>
<b>Total Assets</b>	<b>28,941</b>	<b>40,673</b>	<b>46,994</b>	<b>167,518</b>

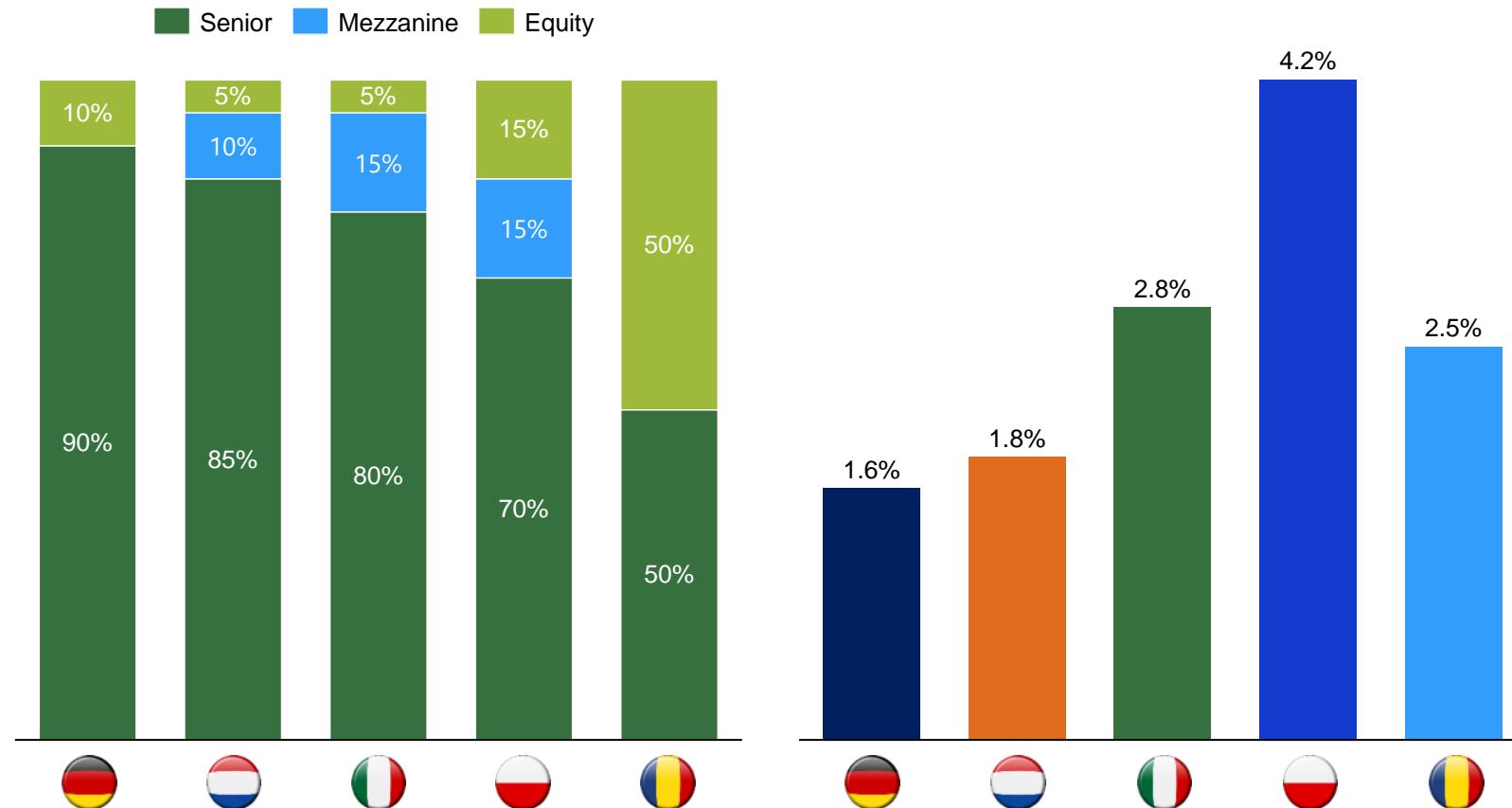
**Liabilities & Shareholders Equity ("SE")**

EUR '000	Audited			Unaudited Q1 '21
	2018	2019	2020	
<b>Current liabilities</b>				
Accounts payable		1,483	3,300	12,631
Interest bearing debt, current		12,679	20,247	21,133
Asset retirement obligation		395	133	82
<b>Total Current liabilities</b>	<b>14,557</b>	<b>23,680</b>	<b>33,846</b>	<b>21,235</b>
<b>Non-current liabilities</b>				
Interest bearing debt, non-current (net of debt discount)		9,018	12,581	13,710
Land lease liability (IFRS)		-	-	1,881
Other non-current liabilities		967	954	878
<b>Total non-current liabilities</b>	<b>9,985</b>	<b>13,535</b>	<b>14,588</b>	<b>122,663</b>
<b>Total liabilities</b>	<b>28,086</b>	<b>41,735</b>	<b>48,434</b>	<b>143,898</b>
<b>Shareholders' equity</b>				
Paid in capital (Incl. shareholders loan)		11,600	13,848	12,804
Retained earnings		(7,201)	(10,390)	(14,246)
<b>Total Shareholders equity</b>	<b>4,399</b>	<b>3,458</b>	<b>(1,442)</b>	<b>23,620</b>
<b>Total liabilities &amp; SE</b>	<b>28,941</b>	<b>40,673</b>	<b>46,992</b>	<b>167,518</b>

Note that audited financials in USD converted to EUR at exchange rate, .894 for 2018, .893 for 2019, and .815 for 2020

**Commentary****Current average capital stack on portfolio****Senior debt lending rates by country**

- Given the governmental contracts underpinning revenues - Alternus enjoys long term low interest rates
- Rates range from 1.6% fixed for 19 years in Germany up to 4.2% for Poland projects for 15 years on up to 90% of project costs
- Mezzanine is 8% average and typically supports both construction and operational phases at local holdco level

**Integrated banking relationships**

**Business Performance was not materially impacted in 2020**

- Marginal negative impact on the spot market energy prices in Italy
  - Approximately 3% of Alternus' current portfolio is exposed to Italian spot energy prices and which saw a marginal impact from this development.
  - The spot energy market in Italy has since then shown signs of a recovery
- Park monitoring is carried out remotely 24/7 via Meteocontrol Performance Monitoring System
  - In Italy there was slight delays in accessing the site if a fault was found via remote monitoring during the height of the Covid-19 pandemic earlier on in 2020
- Some delays on a solar PV ground mounted project that is contracted to close on COD and is currently in construction in Poland -
- Some delays on solar PV rooftop construction projects in Germany
  - Rooftop park construction was somewhat delayed due to limited site access during the height of the Covid-19 pandemic earlier on in 2020
  - The supply chain for material was also affected causing some component shortages and delays in component deliveries
- Project acquisition process in Italy was slightly delayed in terms of due diligence processes as site access was postponed during the height of the Covid-19 pandemic earlier in the year.



**MINIMAL  
OPERATIONAL IMPACT  
FROM COVID-19**



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# RISK FACTORS

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An investment in Alternus Energy Group Public Limited Company, incorporated in Ireland (the "Company") involves inherent risks, and an investment in the Company's shares (the "Shares") is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The following risk factors discuss the principal risks that the Company and all its subsidiaries (together the "Group") face. Any of these risk factors could have a significant or material adverse effect on the Group's business, results of operations, financial condition or liquidity. They could also cause significant fluctuations and volatility in the trading price of the Shares and/or result in the Issuer becoming insolvent or in an adverse financial position, resulting in the loss of all or part of an investment in the Shares. Readers should not consider any descriptions of these factors to be a complete set of all potential risks and uncertainties that could affect the Group, and the order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance. Many of these risks are interrelated, and the occurrence of certain of them may in turn cause the emergence or exacerbate the effect of others. Such a combination could materially increase the severity of the impact of these risks on our business, results of operations, financial condition and liquidity.

## **RISKS RELATING TO UNSUCCESSFUL COMPLETION OF TRANSACTIONS**

The Group is currently negotiating several transactions to acquire solar parks in Poland, Germany, Italy, Greece, Spain, Romania and elsewhere across Europe, all as further described in the Presentation (jointly, the "Transactions"). There can be no assurances that the Transactions will complete. Further, one or more of the Transactions may complete, whereas others may not. Investors thus risk that an investment in the Company is made without the Group becoming the owner of some or all of the assets comprised by the Transactions. In such a case, the descriptions of the Group's business and expected revenues, cash flows and profits may not be correct. The Board of Directors of the Company believes that the Transactions are in the best interests of the Group and that the Transactions will provide the Group with an opportunity to profitably expand its operations.

If some or all of the Transactions do not complete there can be no assurance that the Group would be able to acquire interests at a later stage. In addition, the Group's continued operations will be less diversified. No claims may be made against the Company on the basis that some or all of the Transactions do not complete.

## **RISKS RELATED TO THE BUSINESS AND THE INDUSTRY IN WHICH IT OPERATES**

### ***The Company is a holding company that relies on distributions and other payments, advances and transfers of funds from its subsidiaries to meet its obligations***

The Company has no direct operations and derive all its cash flows from its subsidiaries. Because the Company conducts its operations through its subsidiaries, it depends on those entities for payments or distributions to meet its obligations. The deterioration of the earnings from, or other available assets of, its subsidiaries for any reason could limit or impair their ability to pay the Company.

### ***The reduction, modification or elimination of government subsidies and economic incentives may reduce the economic benefits of existing solar parks and the opportunities to develop or acquire suitable new solar parks***

Government subsidies and incentives have primarily been in the form of Feed-in Tariffs ("FiT") price support schemes, tax credits, net metering and other incentives to end users, distributors, system integrators and manufacturers of solar energy products. The availability and size of such subsidies and incentives depend, to a large extent, on political and policy developments relating to environmental concerns in a given country. Changes in policies could lead to a significant reduction in or a discontinuation of the support for renewable energies in such country, which could in turn have a material adverse effect on the Group's business, financial condition, results of

operations and prospects.

### ***Decreases in the spot market price of electricity could harm the Group's revenue and reduce the competitiveness of solar parks in grid-parity markets***

The price of electricity from the Group's solar parks are fixed through power purchase agreements ("PPAs") or FiTs for 100% of its owned capacity. The FiTs are typically long term arrangements and provide a pricing, and hence revenue "floor", whereas the PPAs that currently provide the additional revenue are typically renewed and may be terminated annually. In countries where the price of electricity is sufficiently high that solar parks can be profitably developed without the need for government price supports, solar parks may choose not to enter into PPAs and sell based on the spot market price of electricity. Revenue for the Group's solar parks in Italy and Romania will also fluctuate with the electricity spot market after the expiration of any PPA, unless renewed. The market price of electricity can be subject to significant fluctuations.

Decreases in the spot price of electricity in such countries would render PV energy less competitive compared to other forms of electricity. Thus, the spot market price of electricity may have a material adverse effect on the Group's business, results of operations, cash flows and financial condition.

### ***Risks related to power purchase agreements ("PPAs")***

Payments by power purchasers pursuant to a PPA may provide the majority of a company's or a project's cash flows. There can be no assurance that any or all of the power purchasers will fulfil their obligations under their PPAs or that a power purchaser will not become bankrupt or that upon any such bankruptcy its obligations under its respective PPA will not be rejected by a bankruptcy trustee. There are also additional risks relating to PPAs, including the occurrence of events beyond the control of a power purchaser that may excuse it from its obligation to accept and pay for delivery of energy generated by the project company's plant. The failure of a power purchaser to fulfil its obligations under any PPA or the termination of any PPA may have a material adverse effect on the respective project or project company and therefore on the Group.

### ***The seasonality of the Group's operations may affect its liquidity and will affect quarterly results***

The energy production industry is subject to seasonal variations as well as other significant events. For instance, the amount of electricity and revenues generated by the Group's solar generation facilities is dependent in part on the amount of sunlight, or irradiation, where the assets are located. Due to shorter daylight hours in winter months which results in less irradiation, the generation produced by these facilities will vary depending on the season.

The seasonality of the Group's energy production may create increased demands on liquidity during periods when cash generated from operating activities are lower and the Group may also require additional equity or debt financing to maintain its solvency, which may not be available when required or available on commercially favourable terms. Thus, there is a risk that the Group can struggle to maintain sufficient financial liquidity to absorb the impact of seasonal variations in energy productions and other significant events and seasonal variations may materially affect the Group's business, results of operations, cash flow and financial condition.

### ***Risks related to acquisitions***

A significant part of the Group's business model is to acquire new renewable energy facilities and companies that own and operate renewable energy facilities. Acquisition of renewable energy facilities or of companies that own and operate renewable energy facilities is subject to substantial risk. While the Group performs due diligence on prospective acquisitions, it may not be able to discover all potential operational deficiencies in such renewable energy facilities. In addition, the Group's expectations for the operating performance of newly constructed renewable energy facilities as well as those under construction are based on assumptions and estimates made without the

benefit of operating history.

If the Group consummates any future acquisitions, its capitalization and results of operations may change significantly, and shareholders will generally not have the opportunity to evaluate the economic, financial and other relevant information that the Group considers in determining the application of these funds and other resources. As a result, the consummation of acquisitions may have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Further, the Group may not be able to successfully integrate acquired businesses and, where desired, their product portfolios, and therefore the Group may not be able to realize the intended benefits of such acquisitions. The failure to integrate acquired businesses effectively may adversely impact the Group's business, results of operations or financial condition.

***Failure to manage the Group's growing and changing business could have a material adverse effect on the business, prospects, financial condition and results of operations***

The Group intends to expand its business significantly within selected existing markets and in a number of new locations in the future. As the Group grows, it expects to encounter additional challenges to internal processes, external construction management, capital commitment process, project funding infrastructure, acquisition funding and financing capabilities. Existing operations, personnel, systems and internal control may not be adequate to support the Group's growth and expansion and may require the Group to make additional unanticipated investments in its infrastructure. To manage the future growth of operations, the Group will be required to improve its administrative, operational and financial systems, procedures and controls, and maintain, expand, train and manage its growing employee base. The Group will need to hire and train project development personnel to expand and manage its project development efforts. If the Group is unable to manage its growth effectively, it may not be able to take advantage of market opportunities, execute its business strategies successfully or respond to competitive pressures. As a result, its business, prospects, financial condition and results of operations could be materially and adversely affected.

***The delay between making significant upfront investments in the Group's solar parks and receiving revenue could materially and adversely affect the Group's liquidity, business and results of operations***

There are generally multiple months between the initial significant upfront investments in developing permits to build solar parks which the Group expects to own and operate and when the Group begins to receive revenues from the sale of electricity generated by such solar parks after grid connection. Historically, the Group has relied on third party equity contribution, bridging and bank loans to pay for costs and expenses incurred during project development, especially to third parties for PV modules and balance-of-system components and EPC and operations and maintenance ("O&M") services. Such investments may be non-refundable. Solar parks typically generate revenue only after becoming commercially operational and once they are able to sell electricity to the power grid. Between the Group's initial investments in the development of solar parks (through its model of working with local developers) and their connection to the transmission grid, there may be adverse developments impacting such solar parks. The timing gap between the Group's upfront investments and actual generation of revenue, or any added delay due to unforeseen events, could put strains on the Group's liquidity and resources and materially and adversely affect the Group's profitability and results of operations.

***Risks related to developing and maintaining renewable energy projects***

Development of solar power projects can take many months or years to complete and may be delayed for reasons beyond the Group's control. Development usually requires the Group to make some up-front payments for, among other things, land/rooftop use rights and permitting in advance of commencing construction, and revenue from these projects may not be recognized for several additional months following contract signing. Furthermore, the Group

may become constrained in its ability to simultaneously fund other investments in such projects.

Development, operation and maintenance of renewable energy projects and related infrastructure expose the Group to numerous risks, including construction, environmental, regulatory, permitting, commissioning, start-up, operating, economic, commercial, political and financial risks. This will involve risks of failure to obtain or substantial delays in obtaining: (i) regulatory, environmental or other approvals or permits; (ii) financing; (iii) leasing; and (iv) suitable equipment supply, operating and off-take contracts. Moreover, renewable energy assets are subject to energy regulation and require governmental licenses and approval for their operation. The failure to obtain, maintain or comply with the licenses and approvals relating to the Group's assets and the resulting costs, fines and penalties, could materially and adversely affect the Group's ability to operate the assets. Renewable energy projects also require significant expenditure before the assets begin to generate income and often require long-term investment to enable projects to generate expected levels of income. Development of solar power projects also requires significant management attention to negotiate the terms of engagement and monitor the progress of the projects which may divert management's attention from other matters.

***Solar project development is challenging and may ultimately not be successful and miscalculations in planning a project may negatively affect engineering, procurement and construction ("EPC") prices, all of which could increase the Group's costs, delay or cancel a project, and have a material adverse effect on its business, financial condition, results of operations and profit margins***

The development of solar projects involves numerous risks and uncertainties and requires extensive research, planning and due diligence. The Group may be required to incur significant amounts of capital expenditure for land/rooftop use rights, interconnection rights, preliminary engineering, permits, legal and other expenses before it can determine whether a solar power project is economically, technologically or otherwise feasible. Success in developing a solar power project is contingent upon, among other things:

- securing investment or development rights;
- securing suitable project sites, necessary rights of way, satisfactory land/rooftop use or access rights in the appropriate locations with capacity on the transmission grid and related permits, including completing environmental assessments and implementing any required mitigation measures;
- rezoning land, as necessary, to support a solar power project;
- negotiating satisfactory EPC agreements;
- negotiating and receiving required permits and approvals for project development from government authorities on schedule;
- completing all required regulatory and administrative procedures needed to obtain permits and agreements;
- procuring rights to interconnect the solar power project to the electric grid or to transmit energy;
- paying interconnection and other deposits, some of which are non-refundable;
- signing grid connection and dispatch agreements, power purchase agreements, or PPAs, or other arrangements that are commercially acceptable, including adequate for providing financing;
- obtaining project financing, including debt financing and own equity contribution;
- negotiating favorable payment terms with suppliers; and
- completing construction on schedule in a satisfactory manner.

Successful completion of a particular solar project may be adversely affected by numerous factors, including without limitation:

- unanticipated changes in project plans or defective or late execution;
- difficulties in obtaining and maintaining governmental permits, licenses and approvals required by existing laws and regulations or additional regulatory requirements not previously anticipated;
- potential challenges from local residents, environmental organizations, and others who may not support the project;
- uncertainty in the timing of grid connection;
- the inability to procure adequate financing with acceptable terms;
- unforeseeable engineering problems, construction or other unexpected delays and contractor performance shortfalls;
- labor, equipment and materials supply delays, shortages or disruptions, or work stoppages;
- adverse weather, environmental and geological conditions, force majeure and other events outside of the Group's control; and
- cost overruns, due to any one or more of the foregoing factors.

Accordingly, some of the solar power projects in the Group's pipeline may not be completed or even proceed to construction. If a number of solar power projects are not completed, the Group's business, financial condition and results of operations could be materially and adversely affected.

***Development activities may be subject to cost overruns or delays, which may materially and adversely affect the Group's financial results and results of operations***

Development of the Group's solar power projects may be adversely affected by circumstances outside of its control, including inclement weather, a failure to receive regulatory approvals on schedule or third-party delays in providing solar modules, inverters or other materials. Obtaining full permits for solar power projects is time consuming and the Group may not be able to meet the expected timetable for obtaining full permits for solar power projects in the pipeline. In addition, the Group usually rely on external contractors for the development and construction of solar power projects, and may not be able to negotiate satisfactory agreements with them. If contractors do not satisfy their obligations or do not perform work that meets the Group's quality standards or if there is a shortage of third-party contractors or if there are labor strikes that interfere with the ability of employees or contractors to complete their work on time or within budget, the Group could experience significant delays or cost overruns. Changes in project plans or designs, or defective or late execution may increase the Group's costs and cause delays. Increases in the prices of solar products and balance-of-system components may increase procurement costs. Labor shortages, work stoppages or labor disputes could significantly delay a project or otherwise increase costs. In addition, delays in obtaining, the Group's inability to obtain, or a lack of proper construction permits or post-construction approvals could delay or prevent the construction of solar power projects, commencing operation and connecting to the relevant grid.

The Group may not be able to recover any of these losses in connection with construction cost overruns or delays. In addition, in certain cases of delay, the Group might not be able to obtain any FIT or PPA at all, as certain FITS or PPAs require that it connects to the transmission grid by a certain date. A reduction or forfeiture of FIT or PPA payments or would materially and adversely affect the financial results and results of operations for that solar power project.

***Risks relating to PV plants quality or PV plants performance***

Insufficient quality of installed solar modules and other equipment resulting in faster than estimated degradation, may lead to lower revenues and higher maintenance costs, particularly if the product guarantees have expired or the supplier is unable or unwilling to respect its obligations. Even well maintained high quality PV solar power plants may from time to time experience technical breakdown. Furthermore, widespread PV plant failures may damage the Company's market reputation, reduce its market share and cause a decline of construction projects. Although a defect in the Company's PV plants may be caused by defects in products delivered by the Company's sub-suppliers which are incorporated into the Company's PV plants, there can be no assurance that the Company will be entitled to or successful in claiming reimbursement, repair, replacement or damages from its sub-suppliers relating to such defects.

***The Group's limited operating history may not serve as an adequate basis to judge its future prospects and results of operations***

The Group began its business in 2014 and therefore have a limited operating history. After its initial two parks totaling 6 MW were constructed in Romania in 2014, the Group began to acquire existing operational solar parks in Italy. As of December 31, 2020 the Group had a total of 50 MWp of solar parks in ownership with 26 MWp in operation giving a carrying value of USD 44.1 million.

The Group intends to further expand its business operations in Europe and over time, to also establish operations outside of Europe and enter other select geographies where high solar radiation accessibility, regulatory environments, power pricing, land availability, sufficient and cost effect financing access and overall power market trends support the high return on capital employed (ROCE) targets that the Group achieves today. The Group's rapidly evolving business and, in particular, its relatively limited operating history may not be an adequate basis for evaluating its business prospects and financial performance, and makes it difficult to predict the future results of operations.

***The holding companies in the Group have a significant number of foreign subsidiaries with whom they have entered into many related party transactions. The relationship of such holding companies with these entities could adversely affect the Group in the event of their bankruptcy or similar insolvency proceeding***

Holding companies in the Group have historically entered into many transactions with their affiliates. These transactions include financial guarantees and other credit support arrangements, including letters of comfort to such affiliates pursuant to which the holding companies undertake to provide financial support to these affiliates and adequate resources as required to ensure that they are able to meet certain liabilities and local solvency requirements. These holding companies are currently party to many such affiliate transactions, and it is likely they will enter into new and similar affiliate transactions in the future.

In the event that any of these affiliates become bankrupt or insolvent, there can be no assurance that a court or other foreign tribunal, liquidator, monitor, trustee or similar party would not seek to enforce these intercompany arrangements and guarantees or otherwise seek relief against the holding companies and their other affiliates. If any of the Issuer's material foreign subsidiaries (e.g. subsidiaries that hold a significant number of customer contracts, or that are the parent company of other material subsidiaries) become subject to a bankruptcy, liquidation or similar insolvency proceeding, such proceeding could have a material adverse effect on the business and results of operations of the Group.

***The Group's business as an independent power producer ("IPP") requires significant financial resources and the growth prospects and future profitability of the Group depends to a significant extent on the availability of additional funding options with acceptable terms. If the Group does not successfully execute its financing plan, it may have to sell certain of its solar parks***

The Group's principal resources of liquidity to date have been cash from its operations and borrowings from banks and its shareholders. The Group leverages bank facilities in certain countries in order to meet working capital requirements for construction activities. The Groups' principal use of cash has been for pipeline development, working capital and general corporate purposes.

The Group also requires a significant amount of cash to fund the acquisition, installation and construction of its projects and other aspects of its operations. The Group may also require additional cash due to changing business conditions or other future developments, including any investments or acquisitions it may decide to pursue in order to remain competitive. Historically, the Group has used bank loans, bridging loans and third-party equity contribution to fund its project acquisition and development. The Group expects to seek to expand its business with third-party financing options, including bank loans, equity partners, financial leases and securitization. However, it cannot be guaranteed that the Group will be successful in locating additional suitable sources of financing in the time periods required or at all, or on terms or at costs that it finds attractive or acceptable, which may render it impossible for the Group to fully execute its growth plan.

Any debt financing may require restrictive covenants and additional funds may not be available on terms commercially acceptable to the Group. Failure to manage discretionary spending and raise additional capital or debt financing as required may adversely impact the Group's ability to achieve its intended business objectives.

The Group cannot assure that it will successfully execute its financing plan. If it does not successfully execute this plan, it may not be able to continue as a going concern. Such failure could materially and adversely affect the Group's financial condition, results of operations and business prospects.

#### **Risk related to competition**

The renewable energy industry is highly competitive and the Group faces significant competition in the markets in which it operates. Some of its competitors may have advantages over it in terms of greater operational, financial, technical, management or other resources in particular markets or in general. The Group's competitors may also enter into strategic alliances or form affiliates with other competitors to the Group's detriment. Suppliers or contractors may merge with the Group's competitors which may limit the Group's choices of contractors and hence the flexibility of its overall project execution capabilities. Increased competition may result in price reductions, reduced profit margins and loss of market share.

Moreover, the Group's current business strategy is to become a global IPP and to own and operate all of the solar parks which the Group develops and acquires. As part of the Group's growth plan, it may, in the future, acquire solar parks in various development stages through a competitive bidding process as part of the auction schemes in the various jurisdictions it plans to grow and establish itself in as well as the current countries the Group operates in. The bidding and selection process is affected by a number of factors, including factors which may be beyond the Group's control, such as market conditions or government incentive programs. The Group's competitors may have greater financial resources, a more effective or established localized business presence or a greater willingness or ability to operate with little or no operating margins for sustained periods of time. Any increase in competition during such bidding processes or reduction in the Group's competitive capabilities could have a significant adverse impact on the Group's market share and on the margins it generates from its solar parks.

Further, large, utility-scale solar parks must be interconnected to the power grid in order to deliver electricity, which requires the Group, through its local partnerships, to find suitable sites with capacity on the power grid available. The Group's competitors may impede the Group's development efforts by acquiring control of all or a portion of a PV site the Group seek to develop. Even when the Group has identified a desirable site for solar park, its ability to obtain site control with respect to the site is subject to its ability to finance the transaction and growing competition from other solar power producers that may have better access to local government support, financing or other resources. If the Group is unable to find or obtain site control for suitable PV sites on commercially acceptable terms, its ability

to develop new solar parks on a timely basis or at all might be harmed, which could have a material adverse effect on the Group's business, financial condition and results of operations.

#### **Risk related to personnel**

The success of the Group depends to a significant degree on the services rendered to it by its key employees. Due to the level of technical expertise necessary to support the Group's business strategy, the success of the Group will depend upon its ability to attract and retain highly skilled and seasoned professionals in the solar industry for which competition is intense. In particular, the Group is heavily dependent on the continued services of Mr. Vincent Browne, Chief Executive Officer and Chairman of the Board. The loss of any key employee, including executive officers or members of senior management teams, and the failure to attract, train and retain highly skilled personnel with sufficient experience in the industry to replace them, could harm the Group's prospects, business, financial condition, and the results of operations will be materially affected. In addition, the Group does not maintain any "key-man" insurance policies on Mr. Vincent Browne or any other employees.

***If sufficient demand for solar parks does not develop or takes longer to develop than anticipated, the Group's business, financial condition, results of operations and prospects could be materially and adversely affected***

The PV market is at a relatively early stage of development in some of the markets that the Group intends to enter. The PV industry continues to experience lower costs, improved efficiency and higher electricity output. However, trends in the PV industry are based only on limited data and may not be reliable. Many factors may affect the demand for solar parks including, among other, cost and availability of financing for solar parks, fluctuations in economic and market conditions, competition from non-solar energy sources, environmental concerns, public perception and regulations and policies governing the electric power industry and the broader energy industry.

If market demand for solar parks fails to develop sufficiently, the Group's business, financial condition, results of operations and prospects could be materially and adversely affected.

***The Group is subject to risks associated with fluctuations in the prices of PV modules and balance-of-system components or in the costs of design, construction and labour***

The Group procures supplies for solar park construction, such as PV modules and balance-of-system components, from third-party suppliers. The Group typically enters into contracts with its suppliers and contractors on a project-by-project basis or a project portfolio basis. The Group generally does not maintain long-term contracts with its suppliers. Therefore the Group is exposed to fluctuations in prices for its PV modules and balance-of-system components. Increases in the prices of PV products or balance-of-system components or fluctuations in design, construction, labor and installation costs may increase the cost of procuring equipment and engaging contractors and hence materially and adversely affect the Group's results of operations.

***The Group may be subject to unforeseen costs, liabilities or obligations when operating and maintaining (O&M) solar parks***

The Group has a contract with a third party O&M company to carry out the O&M of the Group's solar parks. They may subcontract certain on-the-ground O&M services, including security and repair, to third-parties, who may not perform their services adequately. If the Group's third-party contractors fail to properly operate and maintain the solar parks, the solar parks may experience decreased performance, reduced useful life or shut downs. Through changes in the Group's own operation or in local conditions, the costs of operating the project may increase, including costs related to labor, equipment, insurance and taxes. If the contractors are careless or negligent, resulting in damage to third parties, the Group may become liable for the consequences of any resulting damage.

The Group may also experience equipment malfunction or failure, leading to unexpected maintenance needs, unplanned outages or other operational issues. In addition, inconsistencies in the quality of solar panels, PV modules, balance-of-system components or maintenance services for the Group's solar parks may affect the system efficiency of the solar parks. The Group may also encounter difficulties selling electricity to the power grid due to failures in infrastructure or transmission systems. To the extent that any of the foregoing affect the Group's ability to sell electricity to the power grid, or the Group incurs increased costs in relation to operating and maintaining solar parks, the Group's business, financial condition and results of operation could be materially and adversely affected.

***Refurbishment of renewable energy facilities involve significant risks that could result in unplanned power outages or reduced output***

The Group's facilities may require periodic upgrading and improvement. Any unexpected operational or mechanical failure, such as the failure of a single inverter, or other failures associated with breakdowns and forced outages generally, and any decreased operational or management performance, could reduce its facilities' generating capacity below expected levels, reducing the Group's revenues. Unanticipated capital expenditures associated with upgrading or repairing the Group's facilities may also reduce profitability.

The Group may also choose to refurbish or upgrade its facilities based on its assessment that such activity will provide adequate financial returns and key assumptions underpinning a decision to make such an investment may prove incorrect, including assumptions regarding construction costs, timing, available financing and future power prices. This could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

Moreover, spare parts for solar facilities and key pieces of equipment may be hard to acquire or unavailable to the Group. Sources of some significant spare parts and other equipment are located outside of the jurisdictions in which the Group operates. Suppliers of some spare parts have filed, or may in the future file for, bankruptcy protection, potentially reducing the availability of parts that the Group requires to operate certain of its power generation facilities. Other suppliers may for other reasons cease to manufacture parts that the Group requires to operate certain of its power generation facilities. If the Group was to experience a shortage of or inability to acquire critical spare parts, it could incur significant delays in returning facilities to full operation, which could negatively impact its business financial condition, results of operations and cash flows.

***The Group's project operations may be adversely affected by weather and climate conditions, natural disasters and adverse work environments***

The Group may operate in areas that are under the threat of floods, earthquakes, landslides, mudslides, sandstorms, drought, or other inclement weather and climate conditions or natural disasters. If inclement weather or climatic conditions or natural disasters occur in areas where the Group's solar parks and project teams are located, project development, connectivity to the power grid and the provision of O&M services may be adversely affected. In particular, materials may not be delivered as scheduled and labor may not be available. As some of the Group's solar parks are located in the same region, such solar parks may be simultaneously affected by weather and climate conditions, natural disasters and adverse work environments.

Moreover, natural disasters which are beyond the Group's control may adversely affect the economy, infrastructure and communities in the countries and regions where it conducts its business operations. Such conditions may have an adverse effect on the Group's work performance, progress and efficiency or even result in personal injuries or fatalities.

***Business interruptions, whether due to catastrophic disasters or other events, could adversely affect the Group's operations, financial condition and cash flows***

The Group's operations and those of its contract manufacturers and outsourced service providers are vulnerable to interruption by fire, earthquake, hurricane, flood or other natural disaster, power loss, computer viruses, computer systems failure, telecommunications failure, quarantines, national catastrophe, terrorist activities, war and other events beyond the Group's control. For instance, some of the Group's solar parks are located in Italy, near to medium risk areas regarding seismic activity and may be vulnerable to damage from earthquakes. If any disaster were to occur, the Group's ability and the ability of its contract manufacturers and outsourced service providers to operate could be seriously impaired and the Group could experience material harm to its business, operating results and financial condition. In addition, the coverage or limits of its business interruption insurance may not be sufficient to compensate for any losses or damages that may occur.

Any such terrorist acts, environmental repercussions or disruptions, natural disasters, theft incidents or other catastrophic events could result in a significant decrease in revenues or significant reconstruction, remediation or replacement costs, beyond what could be recovered through insurance policies, which could have a material adverse effect on the Group's business, financial condition, results of operations and cash flows.

***The Group's business, results of operations, financial condition and cash flows has been and may continue to be materially and adversely affected by the outbreak of the novel respiratory illness coronavirus ("COVID-19")***

The outbreak of the coronavirus (COVID-19) may have material adverse effects on the Group. The coronavirus may affect the overall performance of the Group, including the Group's ability to develop its services and implement its business plan, and may result in delays, additional costs and liabilities, which in turn could have a material adverse effect on the Group's results, financial condition, cash flows and prospects.

The Group cannot predict how long the COVID-19 pandemic will last, whether it will worsen or whether there will be further outbreaks in the future in any of the markets where it operates. The full extent to which the COVID-19 pandemic will negatively affect results of operations, financial condition and cash flows will depend on future developments that are highly uncertain and cannot be predicted, including the scope and duration of the pandemic, the duration of the various shelter-in-place orders and reopening plans, the speed and effectiveness of vaccines and treatment developments and deployment in the countries where the Group operates, potential mutations of COVID-19, and actions taken, or that may be taken in the future, by governmental authorities and other third parties in response to the pandemic.

In general, the Group's business could be adversely affected by the effects of epidemics, including, but not limited to, COVID-19, avian influenza, severe acute respiratory syndrome (SARS), the influenza A virus, Ebola virus, severe weather conditions such as a snowstorm, flood or hazardous air pollution, or other outbreaks. In response to an epidemic or other outbreaks, government and other organizations may adopt regulations and policies that could lead to severe disruption to the Group's daily operations. These severe conditions may cause the Group and/or its partners to make internal adjustments, including but not limited to, temporarily closing down businesses, suspending project construction, limiting business hours, and setting restrictions on travel for a prolonged period of time. The effects of a severe condition may cause business disruption, resulting in material, adverse impact to our financial condition and results of operations.

**LEGAL AND REGULATORY RISK**

***Litigation risk***

The Group may, in the ordinary course of business, become involved in such proceedings which may be expensive, lengthy, disruptive to normal business operations and require significant attention from the Group's management bodies. Charges and write-downs associated with such legal proceedings could have a material adverse effect on the Group's financial condition, results of operations and cash flows. Moreover, legal proceedings, particularly those

resulting in judgments or findings against the Group, may harm its reputation and competitiveness in the market.

If the Company were found to be liable on any of the claims against it in the future, it would incur a charge against earnings to the extent a reserve had not been established for coverage. If amounts ultimately realized from the claims were materially lower than the balances included in the Group's financial statements, it would incur a charge against earnings to the extent profit had already been accrued. Charges and write-downs associated with such legal proceedings could have a material adverse effect on the Group's financial condition, results of operations and cash flow. Moreover, legal proceedings, particularly those resulting in judgments or findings against the Group, may harm its reputation and competitiveness in the market.

### ***Risk related to legal rights to real property***

The Group's energy facilities may be located on land which may be subject to governmental seizure or expropriation. For example, properties relating to the Group's operations in Scornicesti, Romania, are subject to an ongoing expropriation procedure due to the construction of a new express motorway. The authorities have offered a compensation of approximately euro 1.6 million should the authorities decide to proceed. It is, however, not possible to state with any certainty if or when the expropriation will proceed and have any effect on the Group's operations. Further, it is not possible to confirm whether the offered compensation at the time when any expropriation takes effect will represent a fair compensation in the views of the Group. In general, similar proceedings may affect other operations of the Group, in which case operations may have to terminate without sufficient compensation being paid to the Group.

In addition to expropriation risk, renewable energy facilities are generally located on land occupied by the facility pursuant to long-term easements and leases. The ownership interests in the land subject to these easements and leases may be subject to mortgages securing loans or other liens (such as tax liens) and other easement and lease rights of third parties (such as leases of oil or mineral rights) that were created prior to the facility's easements and leases. As a result, the facility's rights under these easements or leases may be subject, and subordinate, to the rights of those third parties, or even to the government. The Group performs title searches and obtains title insurance to protect itself against these risks. Such measures may, however, be inadequate to protect the Group against all risk of loss of the Group's rights to use the land on which the renewable energy facilities are located, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Furthermore, the Group is subject to the risk of potential disputes with property owners or third parties who otherwise have rights to or interests in the properties used for the Group's solar parks. Such disputes, whether resolved in the Group's favor or not, may divert management's attention, harm the Group's reputation or otherwise disrupt its business. An adverse decision from a court or the absence of an agreement with such third-parties may result in additional costs and delays in, or the permanent termination of, the construction and operating phases of any solar park so situated.

### ***The Group is subject to counterparty risks under our FiT price support schemes and Green Certificates ("GC") Schemes***

As an IPP, the Group generate electricity income primarily pursuant to FiT price support schemes or GCs, which subjects the Group to counterparty risks with respect to regulatory regimes. Its FiT price support schemes in one region or country are generally signed with a limited number of electric utilities. The Group relies on these electric utilities to fulfill their responsibilities for the full and timely payment of its tariffs. In addition, the relevant regulatory authorities may retroactively alter their FiT price support regimes or GC schemes in light of changing economic circumstances, changing industry conditions or for any number of other reasons. If the relevant government authorities or the local power grid companies do not perform their obligations under the FiT or GC price support schemes and the Group is unable to enforce its contractual rights, the Group's results of operations and financial condition may be materially and adversely affected.

***The Group may fail to comply with laws and regulations in the countries where it develops, constructs and operates solar power projects and government approval process may change from time to time, which could severely disrupt our business operations***

The development and operation of solar power projects are highly regulated activities. The Group conducts its business in many countries and jurisdictions and are governed by different laws and regulations, including national and local regulations relating to building codes, taxes, safety, environmental protection, utility interconnection and metering and other matters. The Group also set up subsidiaries in these countries and jurisdictions which are required to comply with various local laws and regulations. While the Group strives to work with its local counsel and other advisers to comply with the laws and regulations of each jurisdiction in which it has operations, there may be instances of non-compliance, which may result in fines, sanctions and other penalties against the non-complying subsidiaries and its directors and officers. For example, the Group's Romanian subsidiary, LIG Green Source Energy Beta S.r.l. has an ongoing ANRE investigation resulting from actions of the previous owner related to the breach of Article 5 of the EU Regulation No. 1227/2011 on wholesale energy market integrity and transparency ("REMIT") by engaging in market manipulation or attempted market manipulation on the wholesale energy markets following transactions concluded between 1 January 2019 to 31 March 2020. This investigation could result in penalties or fines. Based on applicable regulations, the likely penalties would be in the amount ranging from RON 20,000 (approx. EUR 4,060) to RON 400,000 (approx. EUR 81,260) for breaches of Article 5 of the REMIT. Apart from this specific penalty, the Company note that considering that multiple agreements were concluded in breach of such regulations there is a significant risk for ANRE to apply the fine for repeated breaches which amounts to 1% to 5% of the annual turnover of the company in the year before the sanction is applied. Also, considering that the investigation is ongoing and no partial report has been received from the regulatory authority, the Company cannot confirm that the results of the investigation shall remain within these limits. In accordance with the Romanian legislation, ANRE can suspend the license for the commercial exploitation of the park for breaches by the license holder of its obligation under the primary and secondary legislation or the license itself. The Group has held back EUR 950,000 from the consideration paid to the seller for this contingency. If the penalties are greater than this amount, the Group will attempt to collect this from the seller within the general terms agreed for limitation of liability, but there is no guarantee that it would be successful in doing so. While the Group does not believe it has any other instances of non-compliance with the energy sector regulations, singularly or in the aggregate, that will have a material adverse effect on its business, financial condition or results of operation, it cannot assure that instances of non-compliance will not occur in the future which may materially and adversely affect its business, financial condition or results of operation.

In order to develop solar power projects, the Group must obtain a variety of approvals, permits and licenses from various authorities. The procedures for obtaining such approvals, permits and licenses vary from country to country, making it onerous and costly to track the requirements of individual localities and comply with the varying standards. Moreover, sovereign states retain the power to adjust their energy policies and alter approval procedures applicable to the Group. If the regulatory requirements become more stringent or the approval process becomes less efficient, the key steps in the Group's business operations including project development, facility upgrading and product sales, could be severely disrupted or delayed. Failure to obtain the required approvals, permits or licenses or to comply with the conditions associated therewith could result in fines, sanctions, suspension, revocation or non-renewal of approvals, permits or licenses, or even criminal penalties, which could have a material adverse effect on the Group's business, financial condition and results of operations.

Any new government regulations pertaining to the Group's business or solar power projects may result in significant additional expenses. The Group cannot assure that it will be able to promptly and adequately respond to changes of laws and regulations in various jurisdictions, or that its employees and contractors will act in accordance with such laws. Failure to comply with laws and regulations where the Group develops, constructs and operates solar power projects may materially and adversely affect our business, results of operations and financial condition.

### ***The Group has limited business insurance coverage internationally***

Insurance companies in many countries offer only limited business insurance options. As a result, the Group has not maintained, and generally do not maintain, full liability, hazard or other insurance covering its services, business, operations, errors, acts or omissions, personnel or properties. To the extent that the Group is unable to recover from others for any uninsured losses, such losses could result in a loss of capital and significant harm to its business. If any action, suit, or proceeding is brought against the Group and the Group is unable to pay a judgment rendered against it or defend itself against such action, suit, or proceeding, the Group's business, financial condition and operations could be negatively affected.

### ***The Group conducts its business operations globally and is subject to global and local risks related to economic, regulatory, tax, social and political uncertainties***

The Group conducts its business operations in a number of regions. The Group's business is therefore subject to diverse and constantly changing economic, regulatory, tax, social and political conditions.

Changes in the legislative, political, governmental and economic framework in the regions in which the Group carries on business could have a material impact on its business. In particular, changing laws and policies affecting trade, investment and changes in tax regulations could have a materially adverse effect on the Group's revenues, profitability, cash flows and financial condition.

Any new government regulations pertaining to the Group's business or solar parks may result in significant additional expenses. Moreover, as the Group enters new markets in different jurisdictions, it will face different regulatory regimes, business practices, governmental requirements and industry conditions.

To the extent that the Group's business operations are affected by unexpected and adverse economic, regulatory, social or political conditions in the jurisdictions in which the Group has operations, it may experience project disruptions, loss of assets and personnel, and other indirect losses that could adversely affect its business, financial condition and results of operations.

Geopolitical trends toward protectionism and nationalism and the dissolution or weakening of international trade pacts may increase the cost of, or otherwise interfere with, the Group's conduct of business. Uncertainty about current and future economic and political conditions that affect the Group, its customers and partners makes it difficult for the Group to forecast operating results and to make decisions about future investments.

### ***The Group's international operations requires significant management resources and presents legal, compliance and execution risks in multiple jurisdictions***

The Group has adopted a business model under which it maintains significant operations and facilities through its subsidiaries located in Europe while its corporate management team and directors are primarily based in Ireland and the US. The nature of the Group's business may stretch its management resources as well as make it difficult for the Group's corporate management to effectively monitor local execution teams. The nature of the Group's operations and limited resources of its management may create risks and uncertainties when executing its strategy and conducting operations in multiple jurisdictions, which could affect the costs and results of operations of the Group.

## **RISK RELATED TO THE ISSUER'S FINANCIAL SITUATION**

### ***Fluctuations in foreign currency exchange rates may negatively affect the Group's revenue, cost of sales and gross margins and could result in exchange losses***

The Group's business and operational activities are dispersed and subsidiaries within the Group trade in their functional currencies in the course of their business operations. The Group's investment holding companies transact

in functional currencies of their subsidiaries. The Group's investment holding companies may have foreign financing and investing activities, which exposes the Group to foreign currency risk. Any increased costs or reduced revenue as a result of foreign exchange rate fluctuations could adversely affect its profit margins.

Although the Group has access to a variety of financing solutions that are tailored to the geographic location of its projects and to local regulations, it has not entered into any hedging transactions to reduce the foreign exchange rate fluctuation risks, but may do so in the future when it is deemed appropriate to do so in light of the significance of such risks. However, if the Group decides to hedge its foreign exchange exposure in the future, it cannot be assured that the Group will be able to reduce its foreign currency risk exposure in an effective manner, at reasonable costs, or at all.

### ***The Group's substantial indebtedness could adversely affect its business, financial condition and results of operations***

The Group believes that its substantial indebtedness will increase as an IPP. As of December 31, 2020, the Group had USD 26.0 million in outstanding short-term borrowings and USD 17.7 million in outstanding long-term bank borrowings. The Group is, and following the issuance of the Shares, will continue to be, highly leveraged.

The degree to which the Group remains or becomes leveraged following the issuance of the Shares could have important consequences to holders of Shares offered hereby, including, but not limited to:

- making it more difficult for the Group to satisfy its obligations with respect to its other debt and liabilities;
- increasing the Group's vulnerability to, and reducing its flexibility to respond to, general adverse economic and industry conditions;
- requiring the dedication of a substantial portion of the cash flow of the Group from operations to the repayment of principal of, and interest on, indebtedness, thereby reducing the availability of such cash flow, and limiting the ability to obtain additional financing to fund working capital, capital expenditures, acquisitions, joint ventures or other general corporate purposes, such as payments to suppliers for PV modules and balance-of-system components and to contractors for design, engineering, procurement and construction services;
- limiting the Group's flexibility in planning for, or reacting to, changes in its business and the competitive environment and the industry in which it operates; and
- placing the Group at a competitive disadvantage as compared to its competitors, to the extent that they are not as highly leveraged.

If the Group incurs new debt or other obligations, the related risks the Group now faces, as described in this risk factor and elsewhere in these "Risk factors", could intensify.

### ***If the Group fails to comply with financial and other covenants under debt arrangements, its financial condition, results of operations and business prospects may be materially and adversely affected***

The Group has a number of covenants related to its loans and other financial commitments that e.g. requires the Group to maintain certain financial ratios or impose certain restrictions on disposition of its assets or the conduct of its business.

These restrictions could affect the Group's ability to operate its business and may limit the ability to react to market conditions or take advantage of potential business opportunities as they arise. For example, such restrictions could adversely affect the Group's ability to finance its operations, make strategic acquisitions, investments or alliances, restructure its organization or finance its capital needs. Additionally, the Group's ability to comply with these covenants and restrictions may be affected by events beyond its control. These include prevailing economic,

financial and industry conditions. Failure to comply with financial and other covenants may potentially result in increased financial costs, requirement for additional security or cancellation of loans, which in turn may have a material adverse effect on the Group's results of operations, cash flow and financial condition.

Any default under the debt arrangements could lead to an event of default and acceleration under other debt instruments that contain cross default or cross acceleration provisions. If the creditors of the Group accelerate the payment of those amounts, investors cannot be assured that the Group's assets would be sufficient to repay in full those amounts, to satisfy all other liabilities which would be due and payable and to ensure that net assets will be available to the shareholders.

In addition, the Group typically pledges its solar park assets or account or trade receivables to raise debt financing, and it is restricted from creating additional security over its assets. If a company of the Group is in breach of one or more financial or other covenants or negative pledges clause under any of its loan agreements and are not able to obtain waivers from the lenders or prepay such loan, repayment of the indebtedness under the relevant loan agreement may be accelerated, which may in turn require the Group to repay the entire principal amount including interest accrued, if any, of certain of its other existing indebtedness prior to their maturity under cross-default provisions of other loan agreements. If the Group lacks sufficient financial resources to make required payments, the pledgees may auction or sell the assets or interest of the Group's solar parks to enforce their rights under the pledge contracts and loan agreements. Any of those events could have a material adverse effect on the Group's financial condition, results of operations and business prospects.

### RISKS RELATING TO THE SHARES AND THE ADMISSION

#### ***An active trading market for the Company's shares may not develop and the price of the Shares may under any circumstance fluctuate significantly***

The Company intends to list the Shares on Euronext Growth Oslo, which is not a regulated market but a multilateral trading facility (a "MTF") owned and operated by the Oslo Stock Exchange. However, no assurances can be given as to the timing of such listing or whether the listing will ever take place, in which case there may be no formal trading market for the Shares. Even if the Shares were to be listed on Euronext Growth or any other MTF or a regulated market, a functional, active trading market may still not develop, in which case investors may find it challenging to exit the investment at acceptable prices or at all. Further, in such case, the pricing of the Shares may be arbitrary and subject to substantial movement in the short and medium term without no apparent underlying reason.

In case the Shares are traded on a MTF or a regulated market which does provide a functional and active trading platform, the trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control. Such factors include quarterly variations in operating results, adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Company, its products and services or its competitors, lawsuits against the Company, unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions.

In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Company, and these fluctuations may materially affect the price of its Shares.

#### ***The Shares may not be a suitable investment for all investors***

Each potential investor in the Shares must determine the suitability of that investment in light of its own

circumstances. In particular, each potential investor should: (i) have sufficient knowledge and experience to make a meaningful evaluation of the Shares, the Company and its business; (ii) have access to and knowledge of the appropriate analytical tools to evaluate an investment in the Shares; (iii) have sufficient financial resources and liquidity to bear the risks associated with investment in the Shares; (iv) understand the behaviour of the relevant financial markets; and (v) be able to evaluate possible scenarios for economic interest rate and other factors that may affect its investment.

#### ***Norwegian Depository Receipts***

Holders of Depository Receipts do not hold Shares directly. The Company will not treat a holder of a Depository Receipt as one of its shareholders, and a holder of Depository Receipts will, as a starting point, not be able to exercise shareholder rights, except through the VPS Registrar (as defined below) as permitted by the Registrar Agreement (as defined below).

The Company has entered into a registrar agreement (the "Registrar Agreement") with DNB Bank ASA, DNB Markets Registrars department (the "VPS Registrar") to facilitate registration of the Depository Receipts in the VPS. In accordance with the Registrar Agreement, the VPS Registrar is registered as the legal owner of the Shares for which Depository Receipts are issued. Under the Registrar Agreement, the VPS Registrar registers the beneficial interests in the Shares in book-entry form in the VPS. Accordingly, it is not the Shares issued in accordance with Irish law that are registered in the VPS and may be traded on Euronext Growth, but the beneficial interests in the underlying Shares (i.e. the Depository Receipts).

In accordance with market practice in Norway and system requirements of the VPS, the beneficial interests in the relevant Shares will be registered in the VPS under the name of a "share". Although each "share" registered with the VPS will represent evidence of beneficial ownership of the Shares, such beneficial ownership will not necessarily be recognized by an Irish court. As such, investors may have no direct rights against the Company and may be required to obtain the cooperation of the VPS Registrar in order to assert claims against the Company. Also, investors investing in Depository Receipts have to look solely to the VPS Registrar for the payment of any dividends, for exercise of voting rights attaching to the underlying Shares and for other rights arising in respect of the underlying Shares. Exercising such shareholder rights through the VPS Registrar is subject to certain terms and conditions. The Company cannot guarantee that the VPS Registrar will be able to execute its obligations under the Registrar Agreement, including that the beneficial owners of the Shares will receive the notice of a general meeting of the Company's shareholders (a "General Meeting") in time to instruct the VPS Registrar to either effect a re-registration of their Depository Receipts or otherwise vote for their Shares in the manner desired by such beneficial owners. Any such failure may inter alia, limit the access for, delay or prevent, the beneficial shareholders being able to exercise the rights attaching to the underlying Shares.

The VPS Registrar may terminate the Registrar Agreement by not giving less than three months' prior written notice. Further, the VPS Registrar may terminate the Registrar Agreement if the Company does not perform its payment obligations to the VPS Registrar (and such non-payment has not been remedied by the Company within ten business days following receipt of notice regarding this from the VPS Registrar) or commit any other material breach of the Registrar Agreement. In the event the Registrar Agreement is terminated, the Company will use its reasonable best efforts to enter into a replacement agreement for purposes of permitting the uninterrupted registration of the relevant Shares in the VPS and the Admission of the Shares on Euronext Growth. There can be no assurance, however, that it would be possible to enter into such new agreements on substantially the same terms or at all. A termination of the Registrar Agreement could therefore have a material and adverse effect on the Company and its shareholders.

The Registrar Agreement limits the VPS Registrar's liability for any loss suffered by the Company. The VPS Registrar disclaims any liability for any loss attributable to circumstances beyond the VPS Registrar's control, including, but not limited to, errors committed by others. The VPS Registrar is liable for direct losses incurred as a

result of events within the VPS. Thus, the Company may not be able to recover its entire loss if the VPS Registrar does not perform its obligations under the Registrar Agreement.

The Registrar Agreement limits the VPS Registrar's liability for any loss suffered by the Company. The VPS Registrar disclaims any liability for any loss attributable to circumstances beyond the VPS Registrar's control, including, but not limited to, errors committed by others. The VPS Registrar is liable for direct losses incurred as a result of events within the VPS. Thus, the Company may not be able to recover its entire loss if the VPS Registrar does not perform its obligations under the Registrar Agreement.

***Shareholders may face currency exchange risks or adverse tax consequences by investing in the Shares denominated in currencies other than their reference currency***

The Shares will be denominated and any dividend will be payable in euro, and the Shares may be listed in Norway on a regulated market or a multilateral trading facility where the trading price is quoted in NOK. If a Shareholder is a non-euro or non-NOK investor, an investment in the Shares will entail currency exchange related risks due to, among other factors, possible significant changes in the value of the euro and/or NOK to other relevant currencies because of economic, political or other factors over which the Company has no control. Depreciation of the euro against other relevant currencies could result in a loss to Shareholders when any payment from the Shares is translated into the currency by reference to which a Shareholder measures the return on its investments. Government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal at all.

There may be tax consequences for a Shareholder as a result of any foreign currency exchange gains or losses resulting from its investment in the Shares. A Shareholder should consult its tax advisor concerning the tax consequences to Shareholders of acquiring, holding and disposing of the Shares.

***Legal investment considerations may restrict certain investments***

The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (i) the Shares are legal investments for it, (ii) the Shares can be used as collateral for various types of borrowing and (iii) other restrictions apply to its purchase or pledge of the Shares. Financial institutions should consult their legal advisors or the appropriate regulators to determine the appropriate treatment of the Shares under any applicable risk-based capital or similar rules.

***Shareholders may risk being diluted***

The Company may in the future see the need of additional equity investment in relation to financing capital intensive projects, or related to unanticipated expenses or liabilities. This may lead to a future need of additional issuance of shares in the Company. The Company cannot guarantee that the current shareholders ownership will not be diluted. For reasons relating to U.S. securities laws, and the laws in certain other jurisdictions, or other factors, U.S. investors, and investors in such other jurisdictions, may not be able to participate in a new issuance of shares or other securities and may face dilution as a result.

***The transfer of Shares is subject to restrictions under the securities laws of the United States and other jurisdictions***

None of the Shares have been registered under the US Securities Act of 1933 (as amended) (the "US Securities Act") or any US state securities laws or any other jurisdiction outside of Norway and are not expected to be registered in the future. As such, the Shares may not be offered or sold except pursuant to an exemption from, or in

transactions not subject to, the registration requirements of the US Securities Act and other applicable securities laws. In addition, there can be no assurances that shareholders residing or domiciled in the United States will be able to participate in future capital increases or rights offerings.

***Future sales or the possibility of future sales of substantial numbers of Shares may affect the Shares' market price***

The Company cannot predict what effect, if any, future sales of the Shares, or the availability of Shares for future sales, will have on their market prices. Sales of substantial amounts of the Shares following the date hereof, or the perception that such sales could occur, may adversely affect the market price of the Shares, making it more difficult for holders to sell their Shares in the future at a time and price that they deem appropriate.

***The Company may be unwilling or unable to pay any dividends or make distributions***

The future payment of dividends on Shares will be dependent upon the financial requirements of the Company to finance future growth, the financial condition of the Company and other factors which the Board of Directors may consider appropriate in the circumstances. The Company may choose not, or may be unable, to pay dividends or make distributions in future years. The existing note payable contains restrictions which prevent the Company from declaring or paying dividends.

Furthermore, the amount of dividends paid by the Company, if any, for a given financial period, will depend on, among other things, the Company's future operating results, cash flows, financial condition and capital requirements, the ability of the Company's subsidiary to pay dividends to the Company, credit terms, general economic conditions, legal restrictions and other factors that the Company may deem to be significant from time to time.

***Irish law imposes certain restrictions on shares and shareholders***

The rights of shareholders of the Company are governed by Irish law and by the Company's Constitution (the "Constitution"). These rights may differ from the rights of shareholders in companies incorporated in other jurisdictions. In particular, Irish law limits the circumstances under which shareholders of Irish companies may bring derivative actions. The bringing of a derivative action is tightly controlled by the rules of the Irish courts and leave of the Irish court is required.

## PROJECT PROFILES & APPENDIX

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Diversified portfolio ensures de-risked operations across multiple jurisdictions

ITALY  
274 MWp Backlog  
311 MWp Pipeline

IRELAND  
70 MWp Backlog

GERMANY  
4 MWp Backlog  
170 MWp Pipeline

GREECE  
417 MWp Backlog

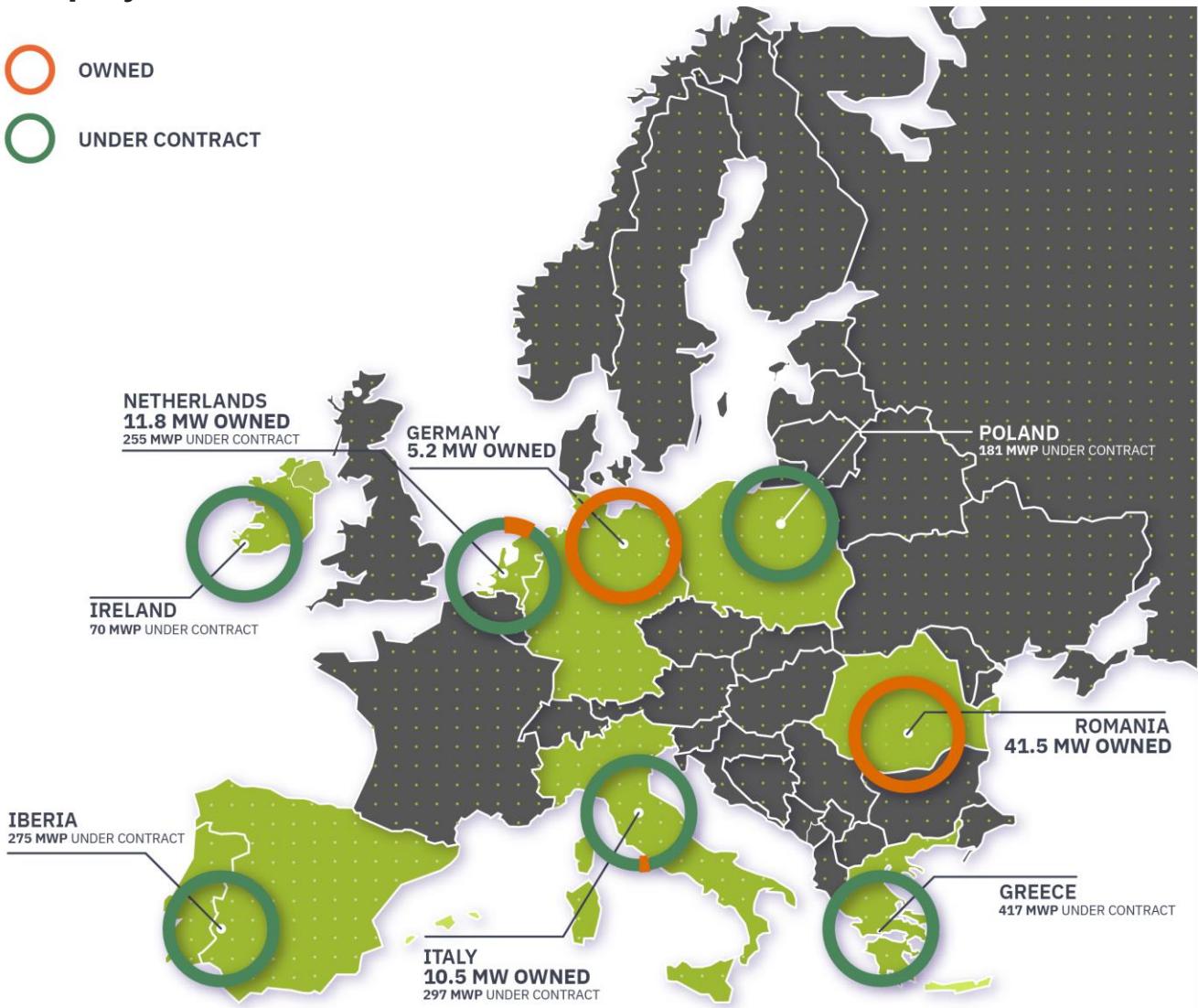
NETHERLANDS  
255 MWp Backlog  
250 MWp Pipeline

POLAND  
181 MWp Backlog  
160 MWp Pipeline

ROMANIA  
50 MWp Pipeline

SPAIN  
275 MWp Backlog  
143 MWp Pipeline

- OWNED
- UNDER CONTRACT



## PV MARKET OUTLOOK

- Total solar PV cumulative capacity was 21.3 GWp at the end of 2020<sup>1</sup>
- Currently the second largest solar PV market share in the EU at 16%
- Set to double solar PV capacity to 51 GWp by 2030 according to the National Energy Climate Plan (NECP) for Italy
- The NECP 2030 target to be supported with long term Power Purchase Agreements (PPAs) and government-backed Contract for Difference (CFD) type mechanisms

## PORTFOLIO OVERVIEW

	OWNED (operational)	OWNED (D&C)	CONTRACTED
<b>Total Projects Capacity</b>	10.5 MWp	20 MWp	254 MWp
<b>Estimated Annual Production</b>	13.2 GWp	31.2 GWp	387 GWp
<b>Estimated Annual Revenues</b>	€3.1M	€1.3M	€21.5M
<b>Estimated Annual EBITDA</b>	€2.8M	€1.1M	€16.9M
<b>Average Yield (kWh/kWp)</b>	1200	1560	1400
<b>Co2 – eq Avoidance p/a</b>	9.3 Kt	22 Kt	272 Kt

Source: 1. Solar Power Europe EU Market Outlook 2020 - 2024

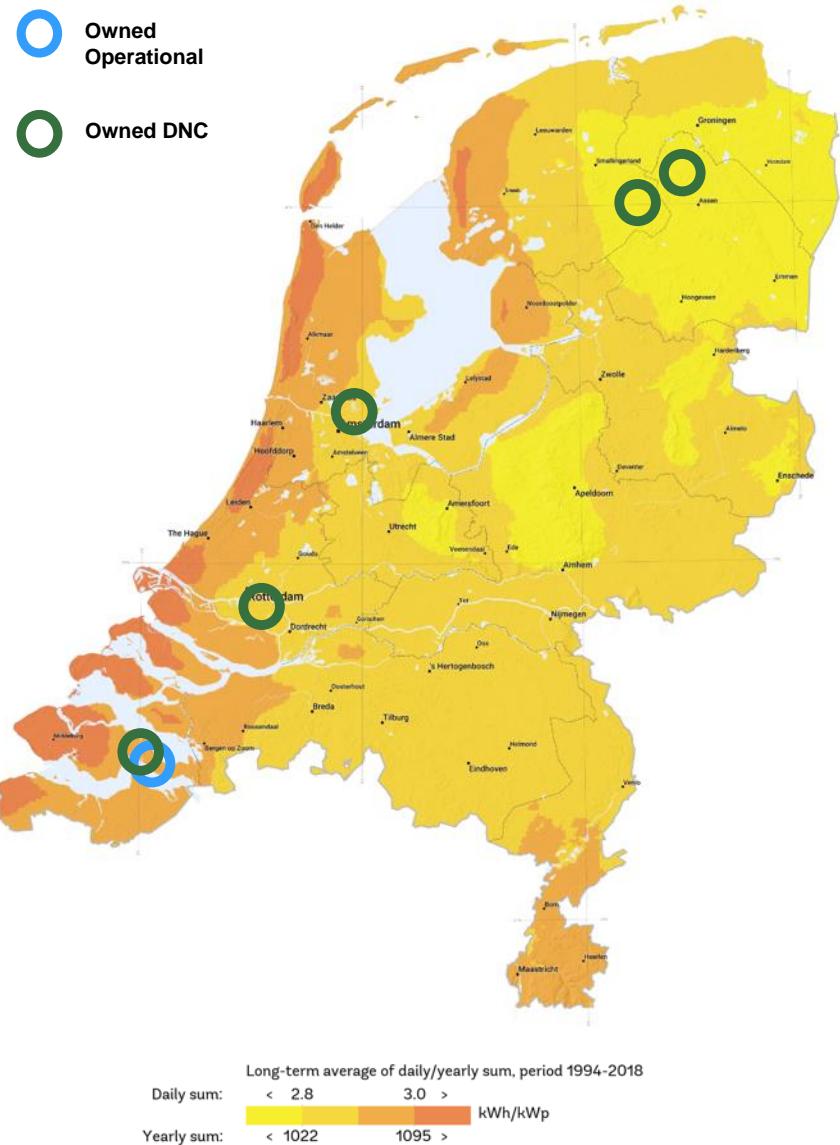


# PV MARKET OUTLOOK

- Total PV cumulative capacity was a 23% increase from 2019 at 9.2 GWp by the end of 2020<sup>1</sup>
  - Set to expand total solar PV capacity by two thirds to 27 GWp by 2030 according to the National Energy and Climate Plan (NECP) for the Netherlands
  - The NECP 2030 target to be supported with government backed SDE++ (Stimulation of sustainable energy production) Tendering Scheme

# PORTFOLIO OVERVIEW

	OWNED (operational)	OWNED (DNC)
<b>Total Projects Capacity</b>	11.75 MWp	255 MWp
<b>Estimated Annual Production</b>	12.5 GWp	252 GWp
<b>Estimated Annual Revenues</b>	€1.3M	€17.6M
<b>Estimated Annual EBITDA</b>	€1M	€12.4M
<b>Average Yield (kWh/kWp)</b>	1050	990
<b>Co2 – eq Avoidance p/a</b>	9 Kt	180 Kt

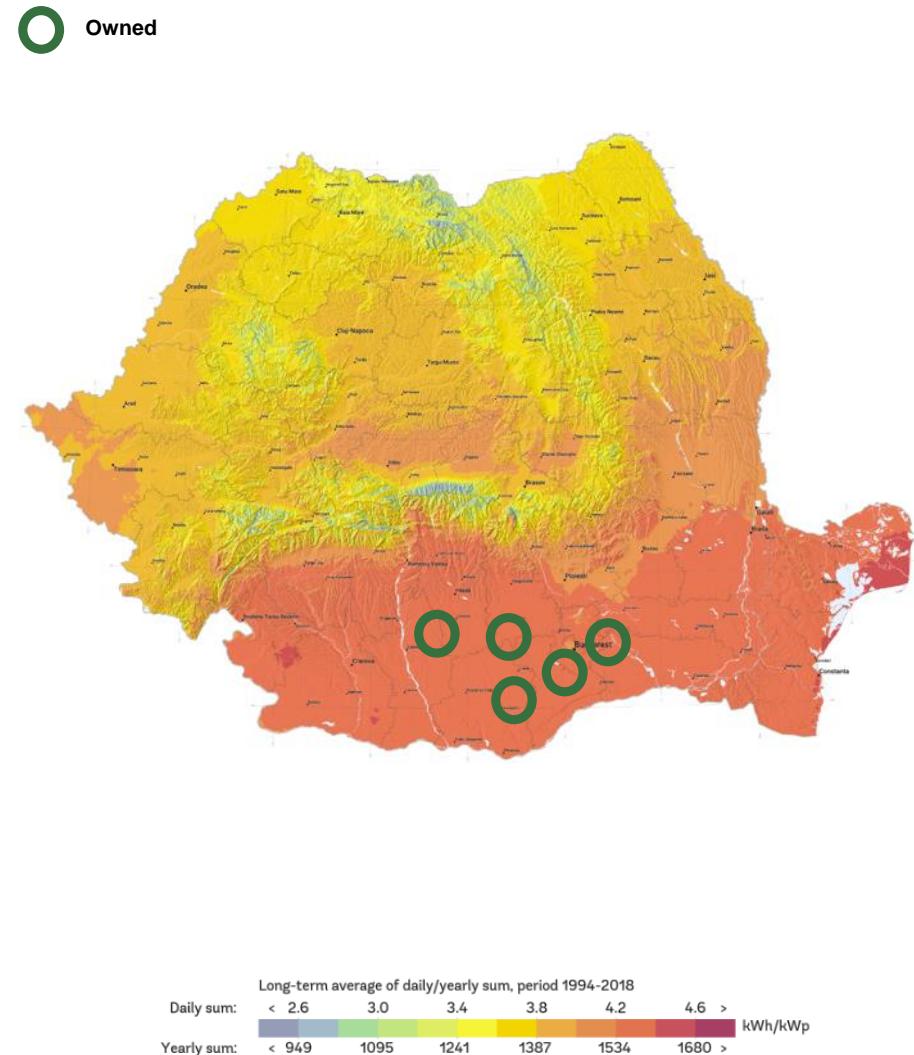


## PV MARKET OUTLOOK

- Total solar PV capacity was 1.4 GWp by the end of 2020<sup>1</sup>
- Set to expand solar PV capacity by more than double the current installed capacity to 5.1 GWp by 2030 according to the National Energy and Climate Plan for Romania
- The NECP 2030 target to be supported through government-backed CFD type scheme in addition to enabling long term PPAs to be concluded between project developers and electricity producers and consumers outside of centralized markets

## PORTFOLIO OVERVIEW

OWNED	
<b>Total Projects Capacity</b>	41.5 MWp
<b>Estimated Annual Production</b>	54 GWp
<b>Estimated Annual Revenues</b>	€11.9M
<b>Estimated Annual EBITDA</b>	€11M
<b>Average Yield</b>	1300 kWh/kWp
<b>Co2 – eq Avoidance p/a</b>	59 Kt



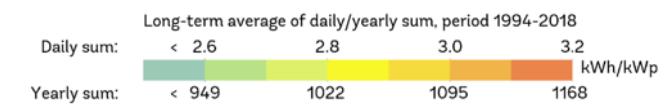
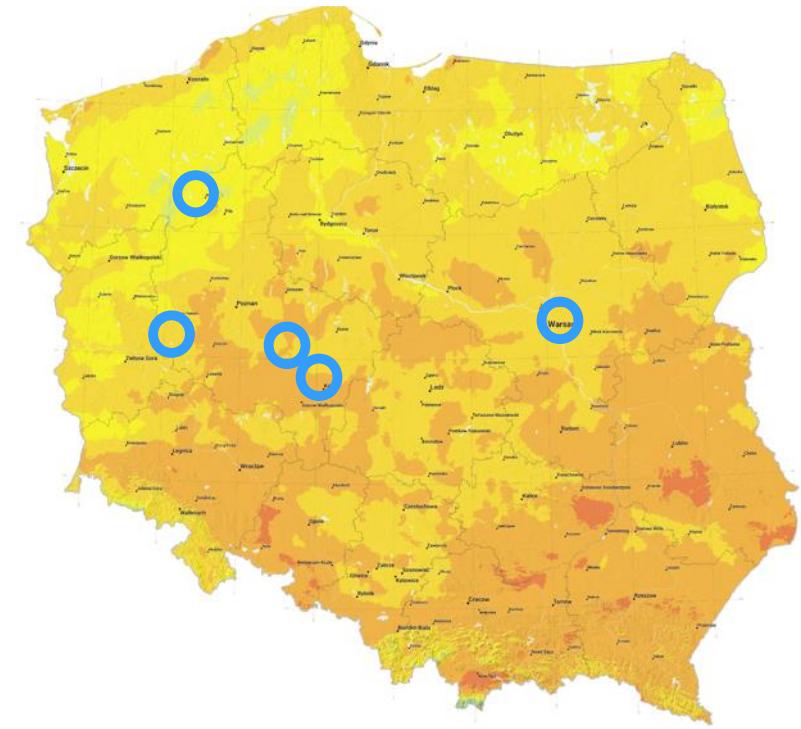


- Total solar PV cumulative capacity was 3.6 GWp by the end of 2020<sup>1</sup>
- Set to double solar PV capacity to 7.3 GWp by 2030 according to the National Energy and Climate Plan for Poland
- The NECP 2030 target to be supported by government-backed auction type schemes and long term PPAs

CONTRACTED	
Total Projects Capacity	181 MWp
Estimated Annual Production	181 GWp
Estimated Annual Revenues	€12M
Estimated Annual EBITDA	€9.1M
Average Yield	1000 kWh/kWp
Co2 – eq Avoidance p/a	214 Kt



○ Contracted





## PV MARKET OUTLOOK

- Total solar PV cumulative capacity was 3.3 GWp by the end of 2020<sup>1</sup>
- Set to expand solar PV capacity to 7.6 GWp by 2030 according to the National Energy and Climate Plan for Greece
- Development of subsea EuroAsia Interconnector set to boost solar PV
- Energy Policy to phase out coal by 2025
- The NECP 2030 targets to be supported by government-backed auction schemes and long term PPAs

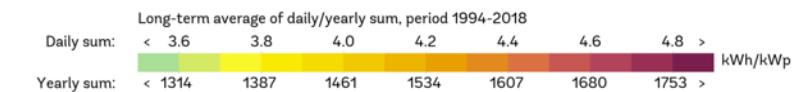


## PORTFOLIO OVERVIEW

	CONTRACTED
Total Projects Capacity	417 MWp
Estimated Annual Production	625 GWp
Estimated Annual Revenues	€26.6M
Estimated Annual EBITDA	€21.3M
Average Yield	1500 kWh/kWp
Co2 – eq Avoidance p/a	730 Kt



Contracted

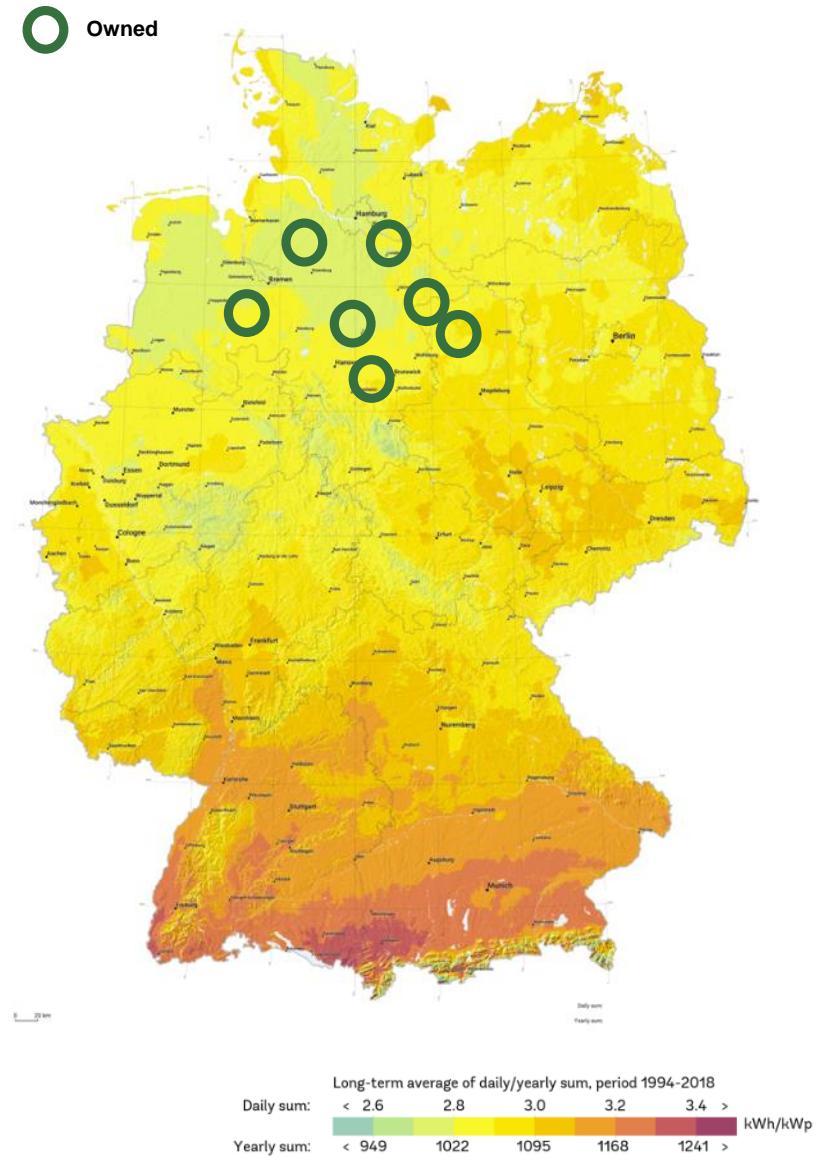


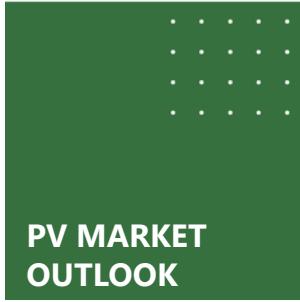
## PV MARKET OUTLOOK

- Total solar PV cumulative capacity was 54.6 GWp by the end of 2020<sup>1</sup>
- Currently the largest solar PV market share in the EU at a 40% share
- Set to expand solar PV capacity to 98 GWp by 2030 according to the National Energy and Climate Plan for Germany
- The NECP 2030 target to be supported by government-backed auction schemes and long term PPAs

## PORTFOLIO OVERVIEW

OWNED	
Total Projects Capacity	5.2 MWp
Estimated Annual Production	5 GWp
Estimated Annual Revenues	€0.5M
Estimated Annual EBITDA	€0.4M
Average Yield	950 KWp
Co2 – eq Avoidance p/a	3.5 Kt



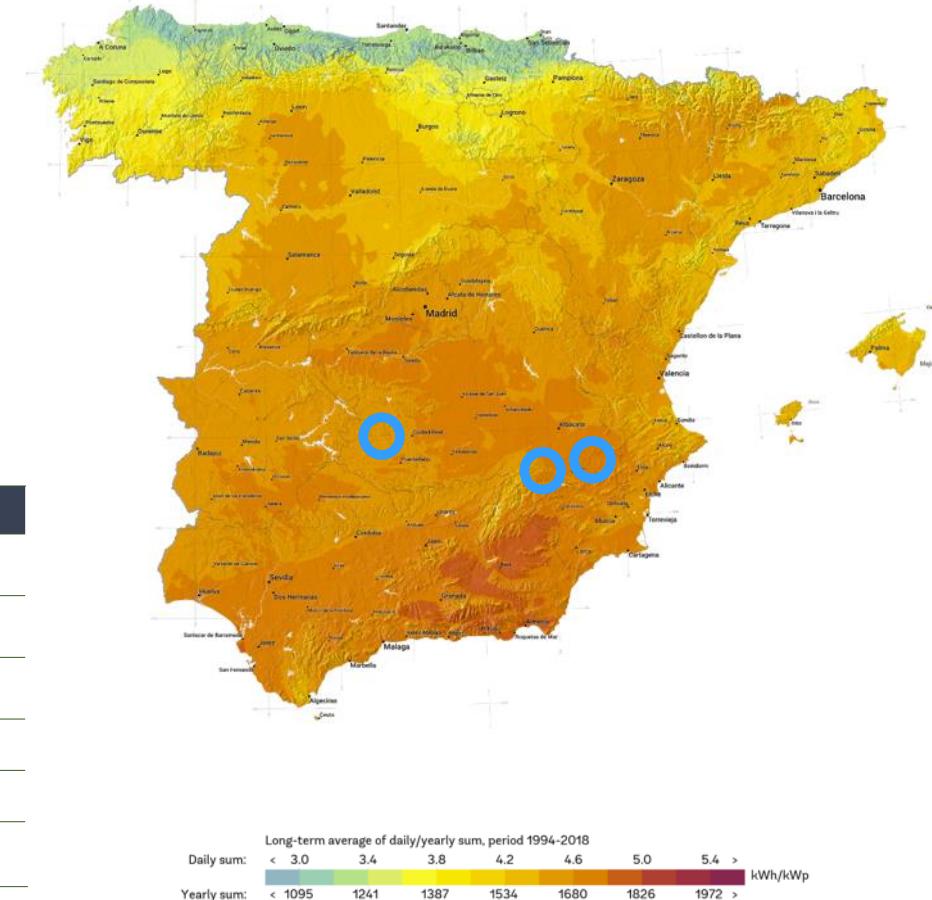


- Total solar PV cumulative capacity was 13.2 GWp by the end of 2020<sup>1</sup>
- Currently the third largest solar PV market share in the EU at almost 10%
- Set to expand solar PV capacity by two thirds to 39.2 GWp by 2030 according to the National Energy and Climate Plan for Spain
- The NECP 2030 target to be supported by government-backed auction schemes and long term PPAs in addition to pure merchant projects

CONTRACTED	
Total Projects Capacity	275 MWp
Estimated Annual Production	624 GWp
Estimated Annual Revenues	€25M
Estimated Annual EBITDA	€19.3M
Average Yield	2270 kWh/kWp
Co2 – eq Avoidance p/a	400 Kt



 Contracted



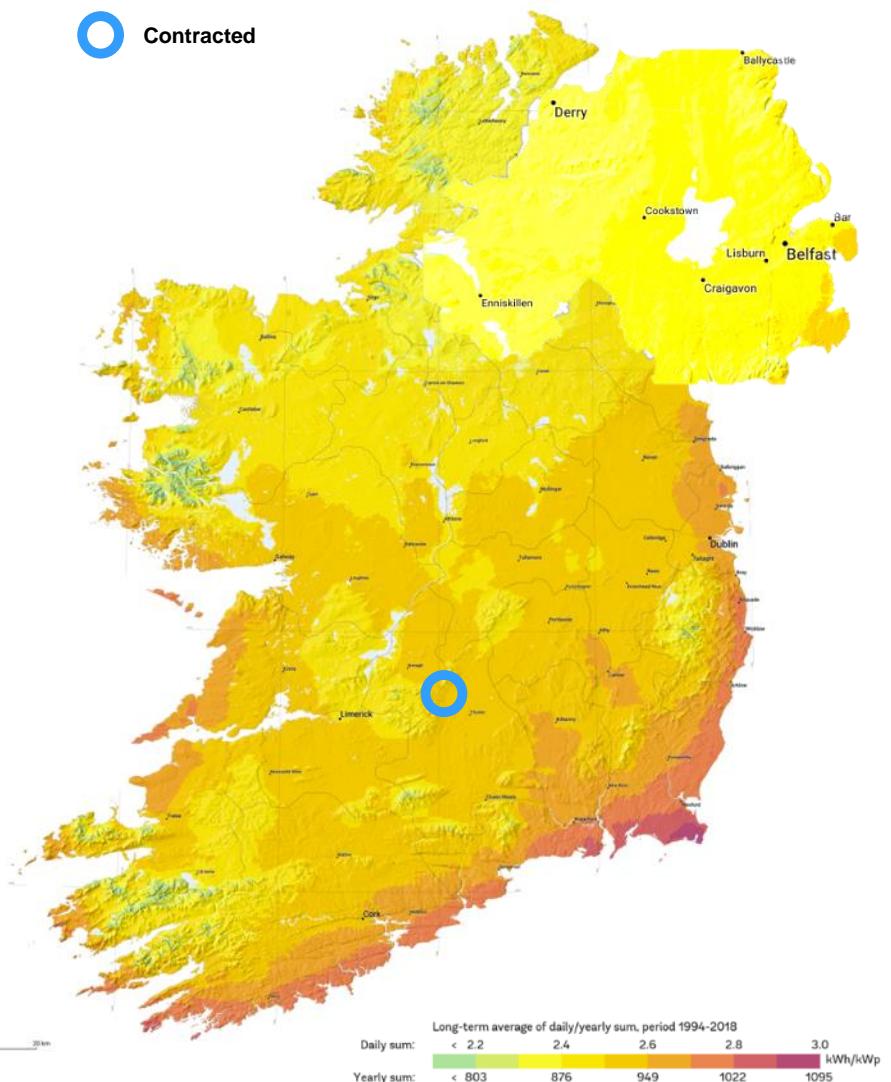
## PV MARKET OUTLOOK

- Total PV cumulative capacity was 50 MWp at the end of 2020<sup>1</sup>
- Set to expand PV capacity to 431 MWp by 2030 according to the National Energy and Climate Plan for Ireland
- The NECP 2030 target to be supported by the government-backed Renewable Electricity Support Scheme (RESS) through tender process

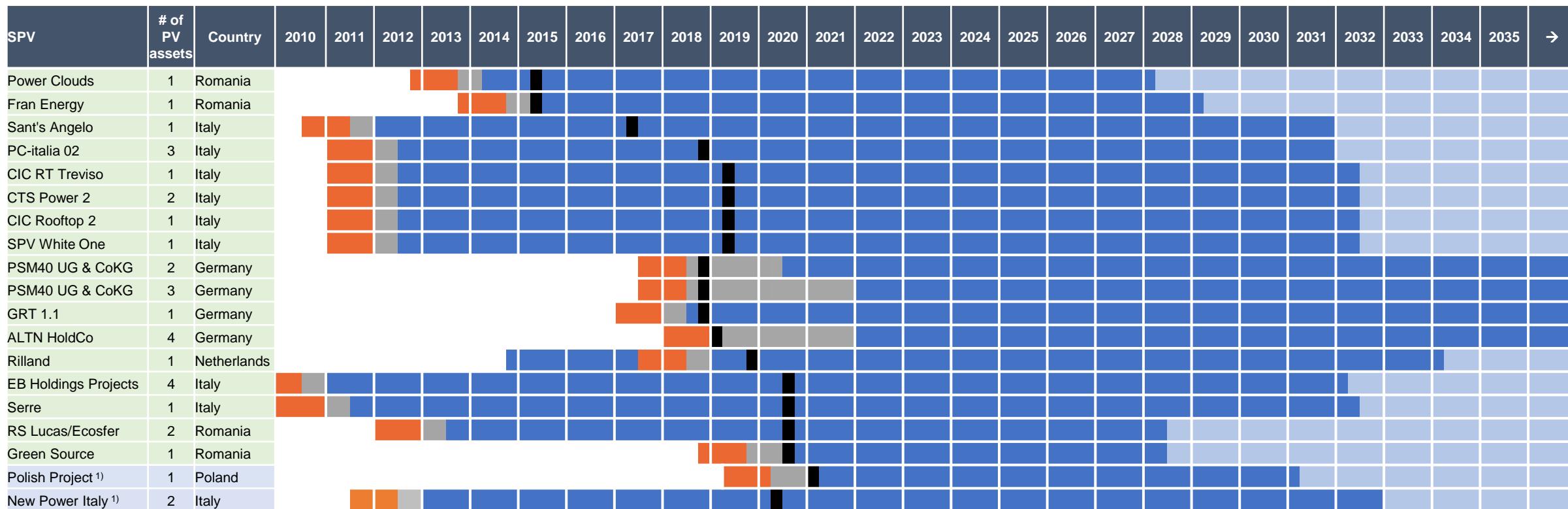
## PORTFOLIO OVERVIEW

CONTRACTED	
Total Projects Capacity	70 MWp
Estimated Annual Production	65.1 GWh
Estimated Annual Revenues	€4.6M
Estimated Annual EBITDA	€3.3M
Average Yield	930 kWh/Kwp
Co2 – eq Avoidance p/a	57 Kt

○ Contracted



## Weighted average unexpired FiT/GC/PPA term of 8.8 years



Development

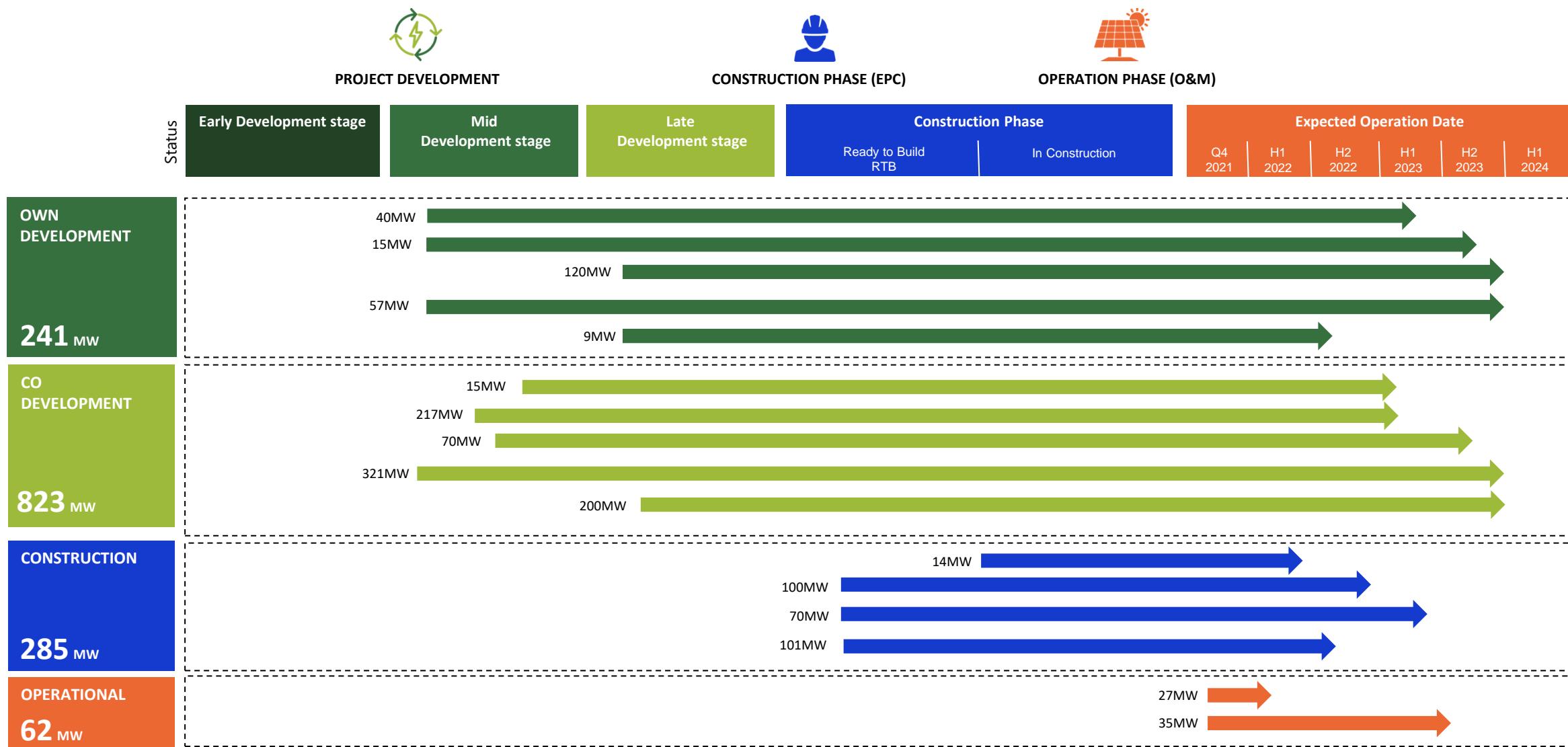
Construction

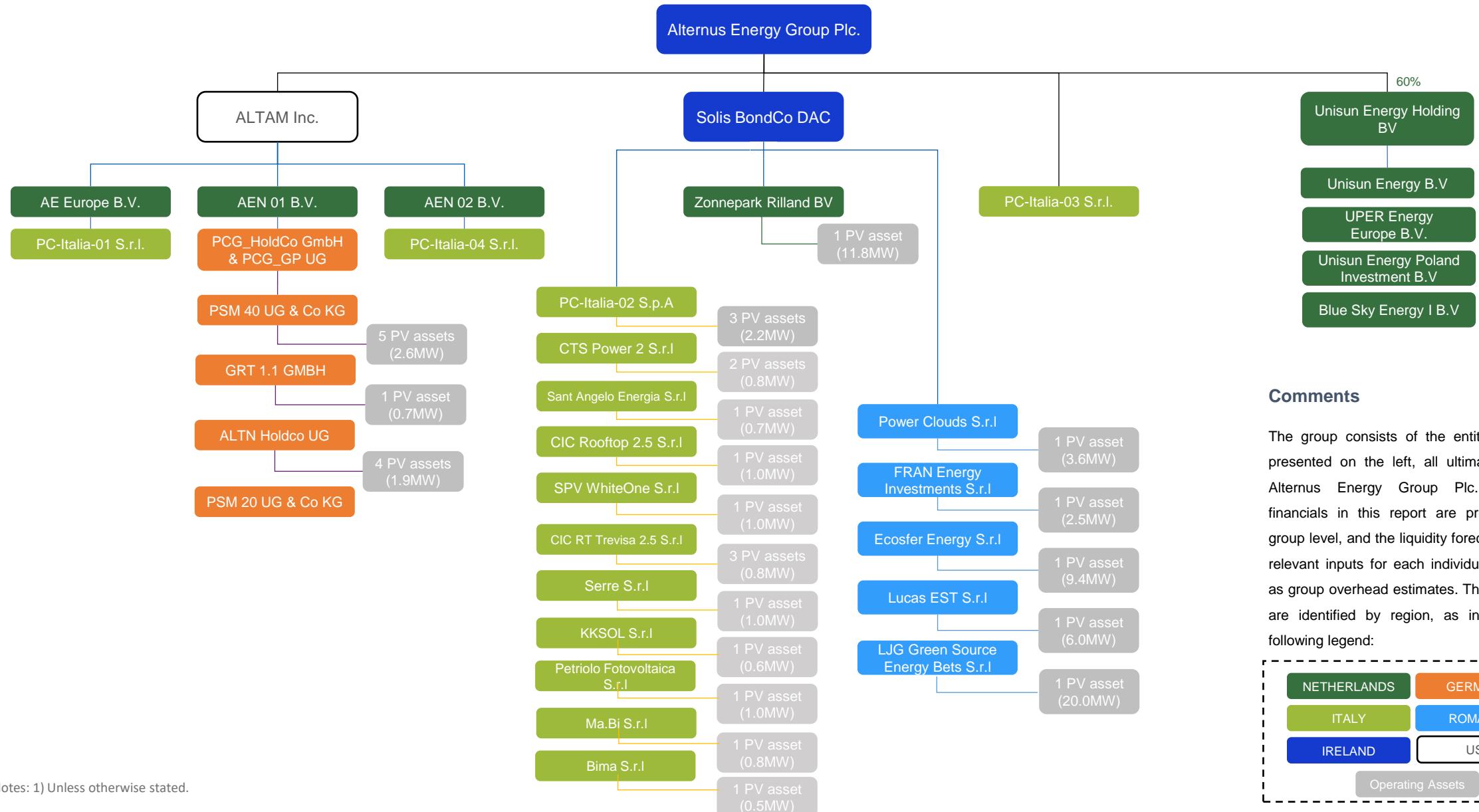
Operational under PPA/FiT

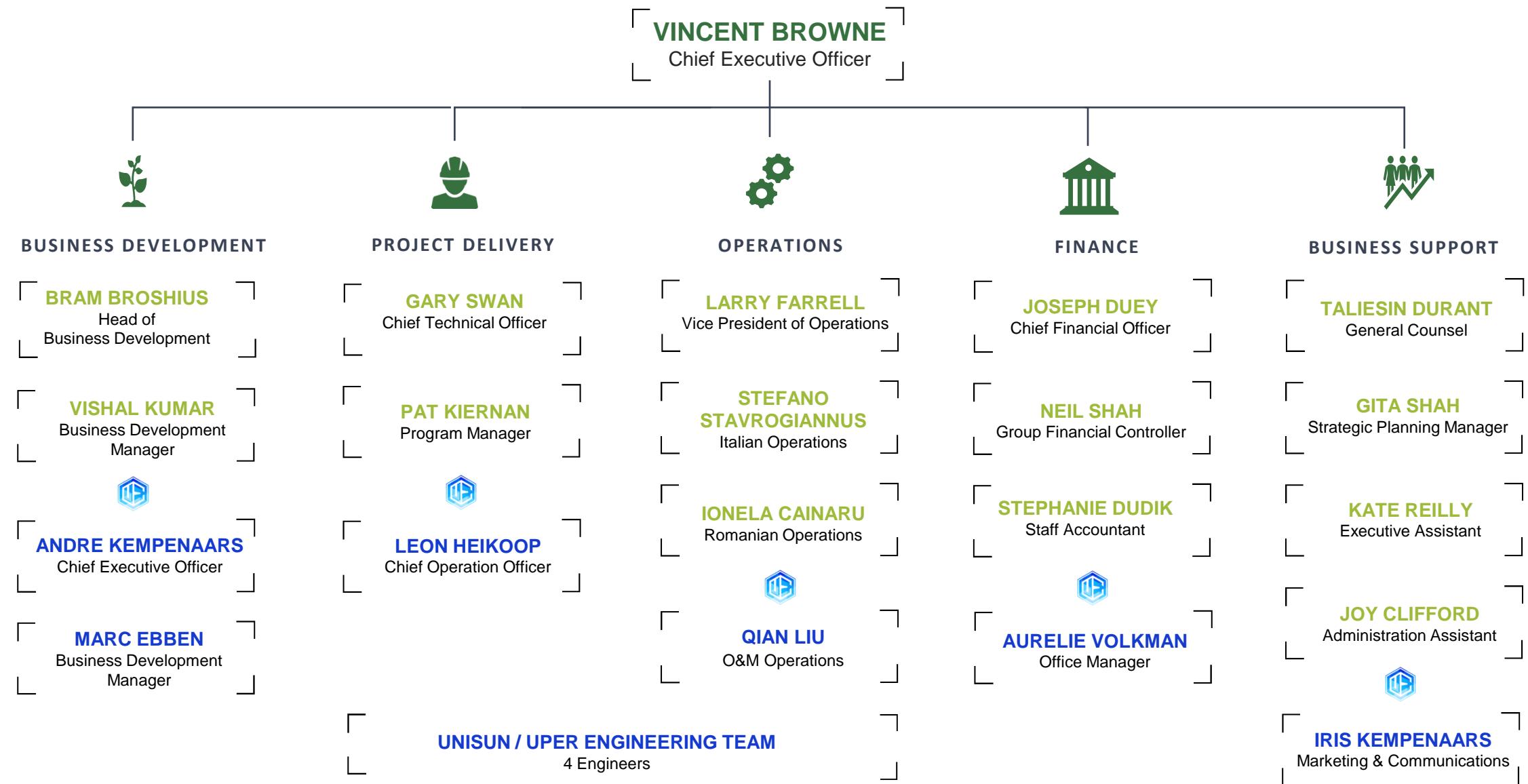
Merchant

Time of Alternus acquisition

1) Projects fully financed with closing subject to completion of satisfactory DD review







## Shareholder overview (as of 04.06.2021)

Rank	Beneficial Ownership	Country	Holding	Stake
1	Browne, Vincent <sup>1</sup>	Ireland	4,318,954 <sup>4</sup>	18.2%
2	Goldman Sachs & Co. LLC <sup>2</sup>	United States	2,932,238	12.4%
3	Skandinaviska Enskilda Banken AB <sup>2</sup>	Luxembourg	1,172,230	5.0%
4	TELENERGIA EUROPE S.R.L.	Italy	1,152,108	4.9%
5	Skandinaviska Enskilda Banken AB <sup>2</sup>	Sweden	1,150,000	4.9%
6	SPESIALFONDDET KLP ALFA GLOBAL ENER	Norway	1,000,000	4.2%
7	State Street Bank and Trust Comp <sup>2</sup>	United States	964,867	4.1%
8	ROSENFONN INVEST AS	Norway	798,762	3.4%
9	GAIA ENERGY S.R.L.	Italy	600,000	2.5%
10	Duey, Joe (Management)	United States	582,900	2.5%
11	State Street Bank and Trust Comp <sup>2</sup>	United States	549,012	2.3%
12	Morgan Stanley & Co. LLC	United States	544,925	2.3%
13	MATSER	The Netherlands	478,962	2.0%
14	Durant, Tali ( Management)	United States	459,000	1.9%
15	T.D. VEEN AS	Norway	400,000	1.7%
Total Ownership of Top 15 Shareholders			17,103,958	72.2%
Other Shareholders			6,578,318	27.8%
Total			23,682,276	100.0%

Notes: 1) Through various holdings; 2). Nominee accounts; 3) EUR/NOK exchange rate of 10.11; 4) Includes 70,920 shares to be converted on listing.

## Comments

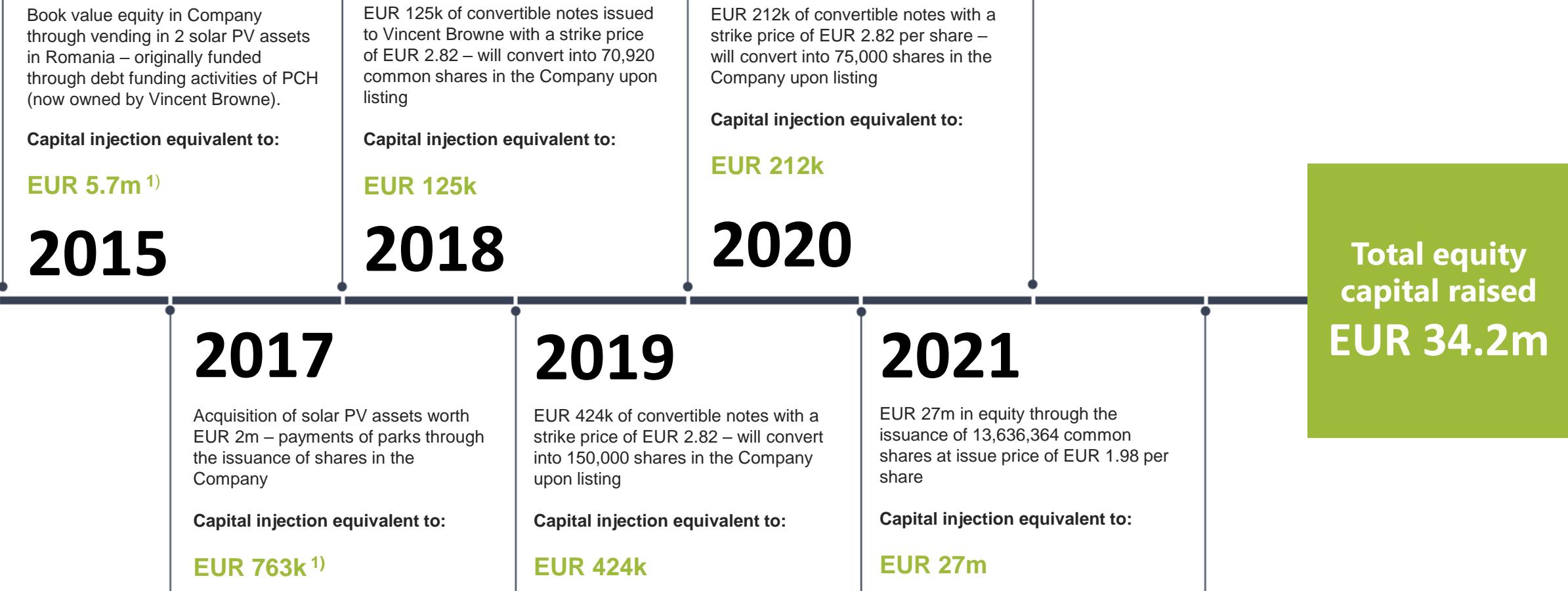
### Options, warrants and convertibles

- Alternus currently has 783,197 warrants outstanding with a weighted average strike price of EUR 2.12 (NOK 21.43)<sup>3)</sup>
- In March 2021, Alternus issued two convertible loan notes totaling EUR 9 million (the 'Notes'). Alternus used the proceeds to settle in full an existing €13 million loan note issued in conjunction with the 109 MW portfolio of new acquisitions. The Notes have a 3-year term and accrue annual interest at a 10% fixed rate, payable in cash every six months during the term. The Notes are secured by a floating charge security over all of the property and assets of the Company, with the exception of the AEG ownership of Solis BondCo DAC, as was the case with the existing note being settled. All outstanding principal plus a premium of 120% is due 3 years from the date of issuance. The Company is entitled, at its sole option, to prepay the notes at a reduced premium of 110% on the second anniversary of the issuance. Between 31st August 2021 and 9th March 2023, the holders have the option to convert up to a total of 50% of the principal amount of the notes into shares of the Company's ordinary shares at a fixed price of €4.00 per share which would see the Company issue a total of 1,125,000 shares if exercised. If at any time, the market price of the Company's ordinary shares is greater than €8.00 per share for 30 consecutive trading days, the Company is entitled to prepay the notes at 110% premium for any unconverted capital.

### Management Incentive program

- The Board of Directors have implemented a management long-term incentive program that has reserved and will allow for the issuance of up 2,500,000 shares under a formalized share incentive plan. The incentive plan will be structured in the most tax efficient manner for participants and may require the creation of a different share class specifically and only for such incentive shares. The total shares issuable under the Incentive Plan represent approximately 8% of the current fully diluted shares.

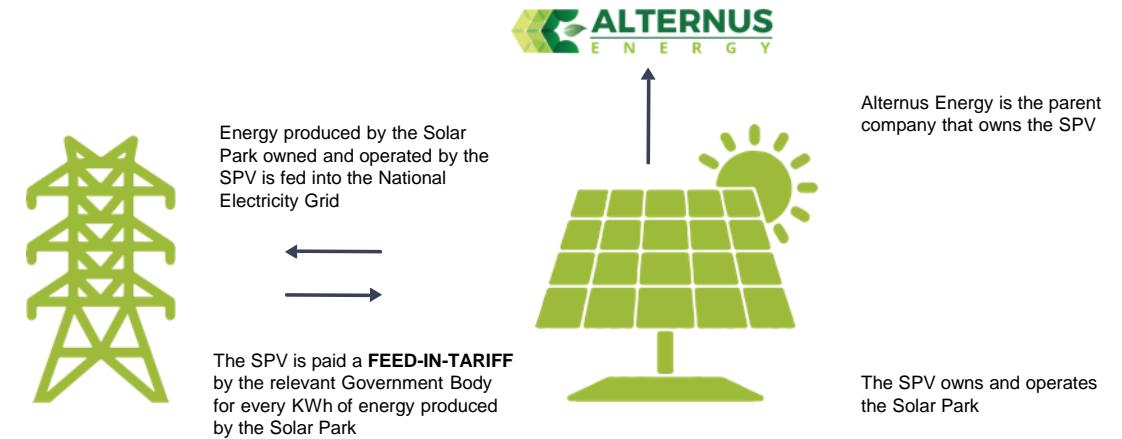
## Convertible instruments have all been converted to equity since issued



1) Vend-in of parks in 2015 and 2017 where fully audited back to the original cash payments for the parks as part of Alternus' US audit process  
Note: Funds initially raised in USD, converted to EUR based on USD/EUR exchange rate of 1.18

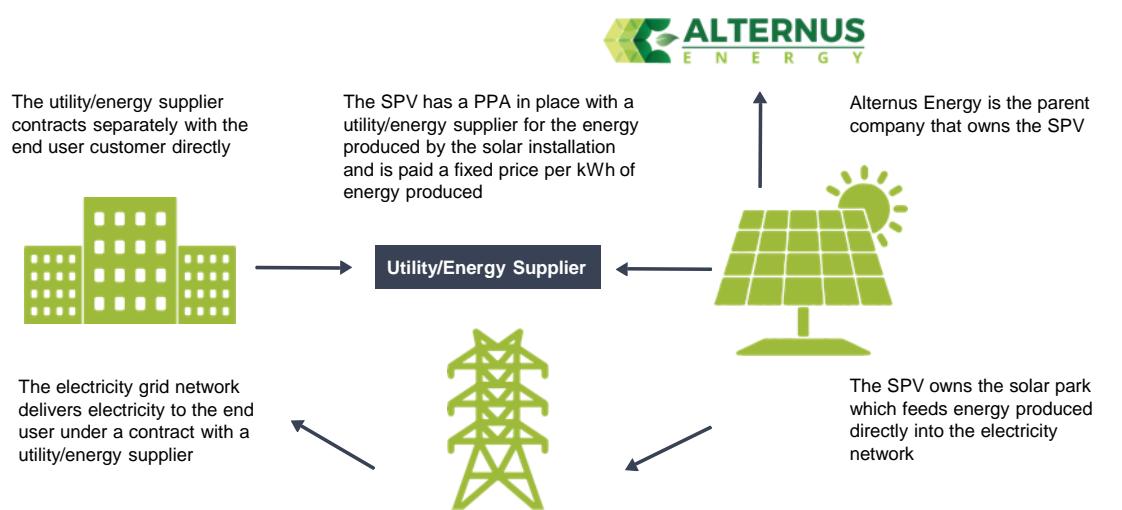
### Feed-in-Tariff (FiT)

- A Feed-in Tariff (FiT) is a renewable energy payment that is a policy mechanism designed to accelerate investment in renewable energy technologies
- It provides the investor with a purchasing guarantee that stipulates a fixed price over the economic life of the power plant
- This is achieved by offering long-term government-backed contracts to renewable energy producers, typically based on the cost of generation of each technology
- The duration of the FiT varies between 8-25 years depending on the country, region and technology
- The FiT rate is not uniform across all renewable energy generating technologies and varies based on numerous criteria and costs
- In Italy and Germany Alternus current operational parks benefit from a 20-year government-backed FiT under the Conto Energia and EEG respectively. In the Netherlands Alternus operational park benefits from a 15-year government-backed FiT under the SDE+ mechanism



### Power Purchase Agreement (PPA)

- All current PPAs for Alternus operational parks are contracted with a utility or energy supplier as the counterparty. Currently ALTN benefits from both a FiT and PPA payment for its Italian operational assets. The company also benefits from a PPA payment as well as Green Certificates for its operational assets in Romania
- A utility PPA is the most common form of PPA, whereby an energy generator enters into an agreement with an energy supplier/utility to purchase the energy produced by the generator
- The contract will stipulate that the generator delivers the power to the energy supplier/utility where the project is physically connected to the grid network
- The terms of the contract can vary depending on the requirements on the energy generator, but it can be arranged that the energy generator is paid a fixed price per kWh of energy produced
- The length of the contract can vary and depends on the requirements of the energy generator but generally can be anywhere between 3 up to 10 years



**CORPORATE  
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Unit 11, Plaza 212,  
Blanchardstown Corporate Park 2,  
Dublin, D15 PK64, Ireland

**WEBSITE**

[www.AlternumEnergy.com](http://www.AlternumEnergy.com)

**EXECUTIVE  
MANAGEMENT**

Vincent Browne (Irish) – CEO  
Joseph Duey (US) – CFO  
Tali Durant (US) – General Counsel  
Gary Swan (Irish) – CTO

**BOARD OF  
DIRECTORS**

Vincent Browne (Irish) – Chairman and CEO  
John Thomas (US) – Non-Executive Director  
John McQuillan (Irish) - Non-Executive Director  
Rolf Wikborg (Nor) – Non-Executive Director

**PUBLIC LISTING**

NOTC: ALT

