

# **SECOND QUARTER 2021**

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**17<sup>th</sup> AUGUST 2021**

## Caution Forward Looking Statements

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Some of the statements contained in this document, including information incorporated by reference, discuss future expectations, plans or prospects, or state other forward looking information. Words such as "intends", "believes", "expects," "anticipates," "plans," "estimates," "should," "likely" or similar expressions reflecting something other than historical fact are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all. Such statements include, but are not limited to, statements about the benefits to the value of the Company's stock. Such forward looking statements are based upon the current beliefs and expectations of the Company's management and are inherently subject to significant business, economic, and competitive uncertainties and contingencies, many of which are difficult to predict and generally beyond the control of the Company. Actual results may differ materially from the results anticipated in these forward-looking statements. Factors, among others, that could cause actual results to differ materially from the anticipated results or other expectations expressed in the forward-looking statements include and are not limited to: General business and economic conditions; the performance of financial markets and interest rates; the ability to obtain government approvals; and possible delays in government approvals. While we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so, even if our views change. Therefore, you should not rely on these forward-looking statements as representing our views as of any date subsequent to today. In addition, actual results or stockholder values may differ materially from those indicated by these forward-looking statements as a result of various important factors, including, but not limited to, our ability to raise the necessary financing required to acquire the targeted renewable energy power plants listed herein and in other documents, on suitable terms. At this time, we do not have any offer to finance these plants and there is no guarantee that such financing will be agreed on suitable terms, or at all. If the Company does not succeed in raising the required financing, then the plans outlined herein will be significantly curtailed.

## This is not an offer to buy or sell securities

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**Vincent Browne**



**CEO & Chairman**

- **Vincent will present:**
  - Key Metrics
  - Business Update
  - Market Outlook
- **Joe will present:**
  - Financial Performance

**Joseph Duey**



**CFO**





**REVENUES**  
**EUR 5.2m**



**EBITDA**  
**EUR 2.0m**

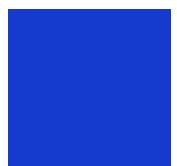


**NET INCOME**  
**EUR 10.6m<sup>1</sup>**

**2.5 times**  
vs. Q2 2020

**4.0 times**  
vs. Q2 2020

EUR 0.9m in Q2 2020



**ARR's**  
**EUR 16.5m**



**OWNED ASSETS**  
**423 MW**



**CONTRACTED ASSETS**  
**1.4 GW**

**3.0 times**  
vs. 2020

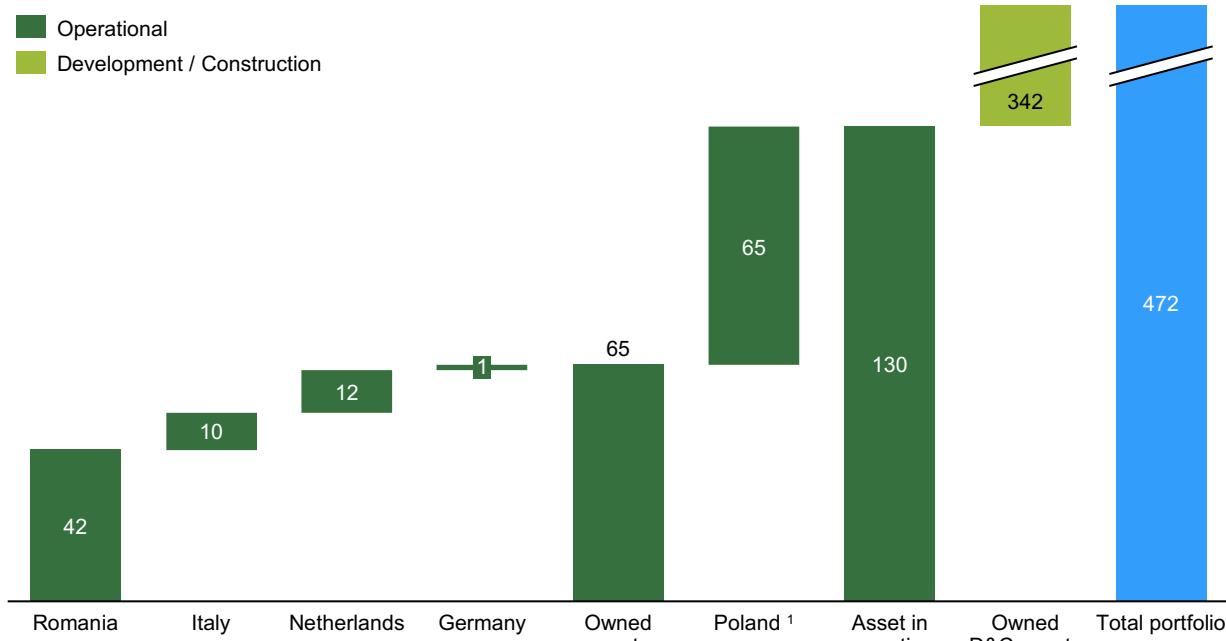
**14 times**  
vs. 2020

Pipeline 563 MW

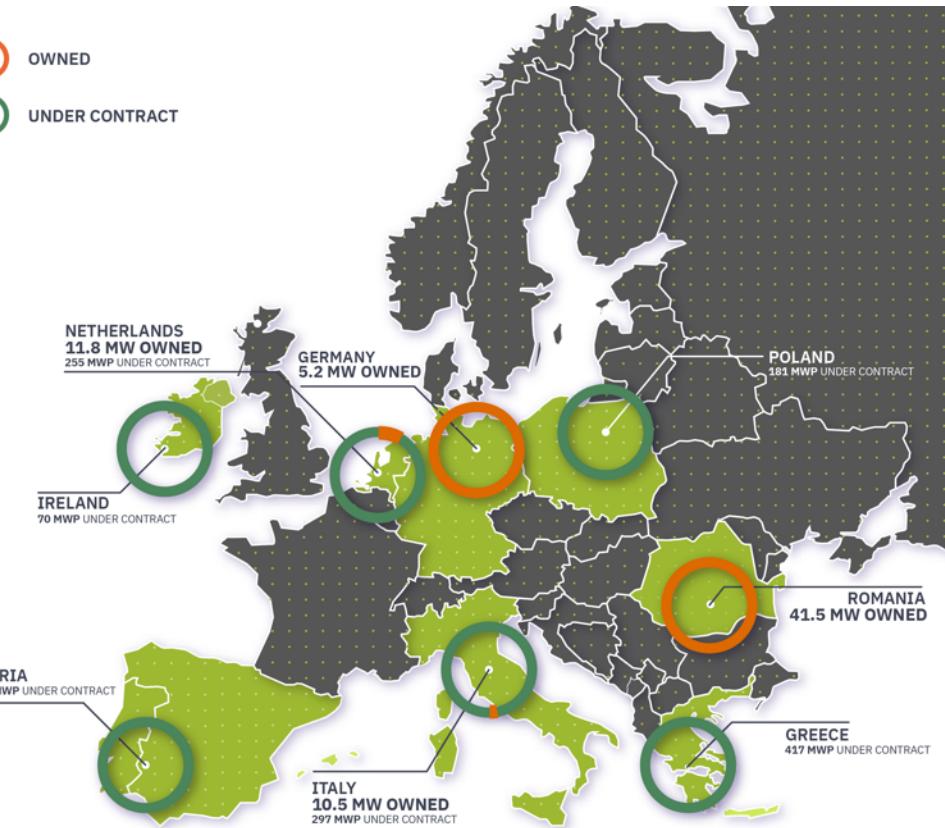
<sup>1</sup>) Net Income includes EUR 13.3 million of one time gain on acquisition of certain assets and gain from debt forgiveness in the period. Please refer to the CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME in the second quarter financial report.

## 1 130 MW operational<sup>1</sup> – 342 MW in development / construction<sup>2</sup>

■ Operational  
■ Development / Construction



○ OWNED  
○ UNDER CONTRACT



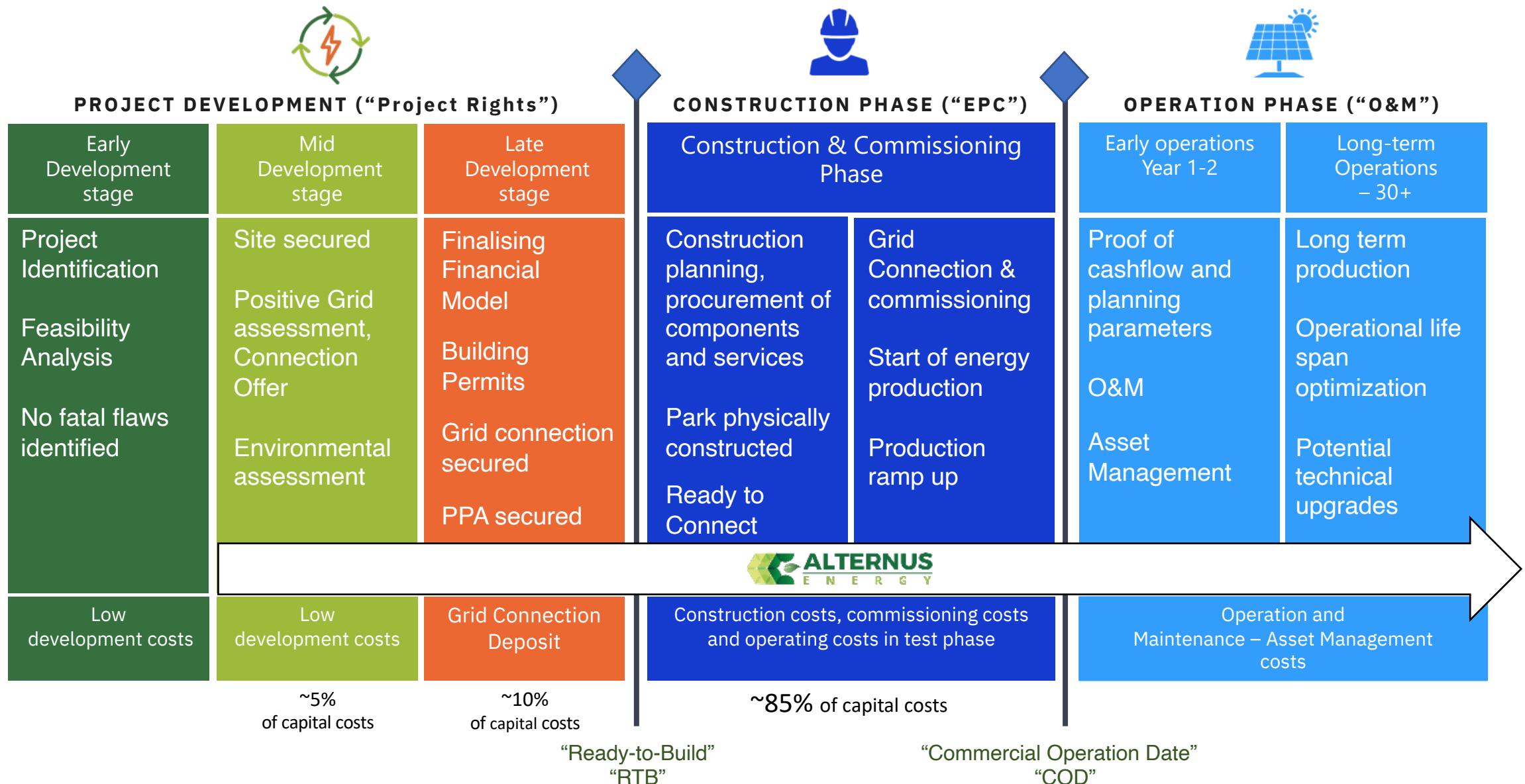
### Team

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

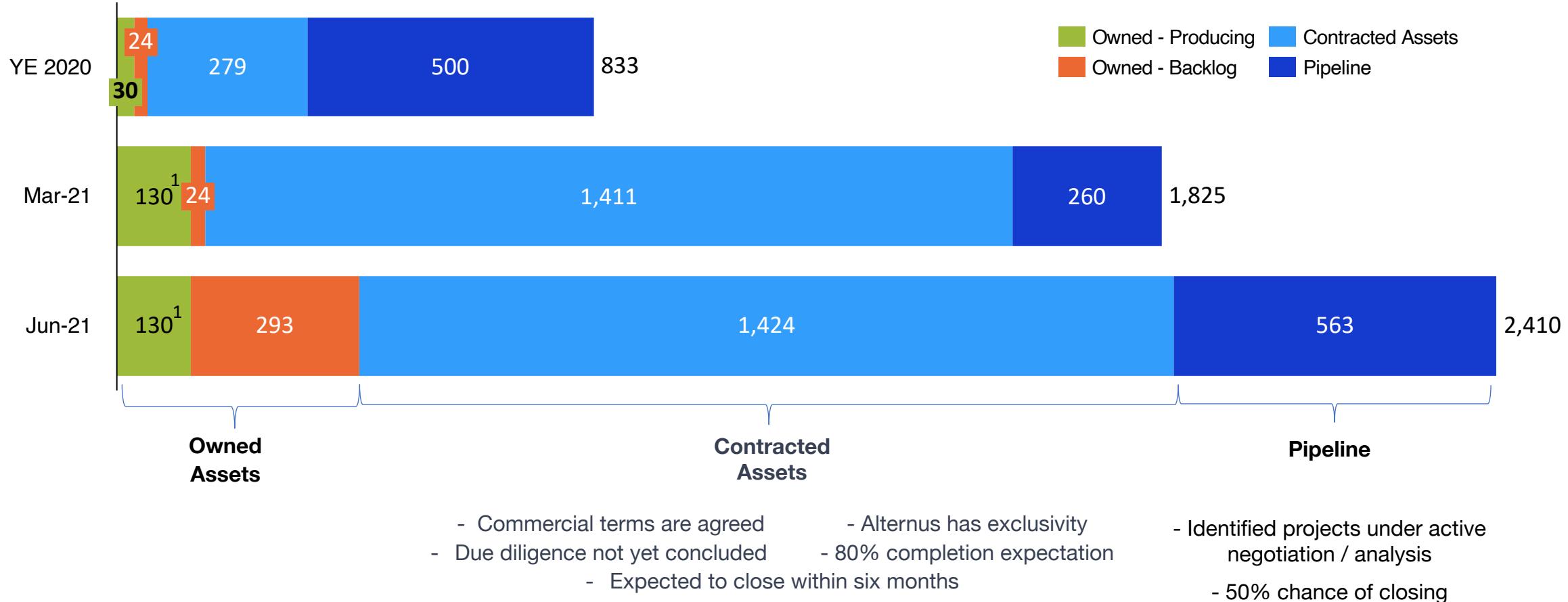
Current Headcount	Number of assets in operation	Operating capacity	Annual production Operational	Operational ARR	Run-rate Project EBITDA	Weighted avg. unexpired FiT/PPA term
<b>28</b>	<b>24<sup>1</sup></b>	<b>130 MW</b>	<b>143 GWh</b>	<b>EUR 19.9m</b>	<b>EUR 17.6m</b>	<b>8.8 years</b>

<sup>1)</sup> Poland acquisition not yet completed but Alternus is receiving cash benefit since January 1, 2021 – expected to close September 2021.

<sup>2)</sup> As at date of this report – August 17, 2021

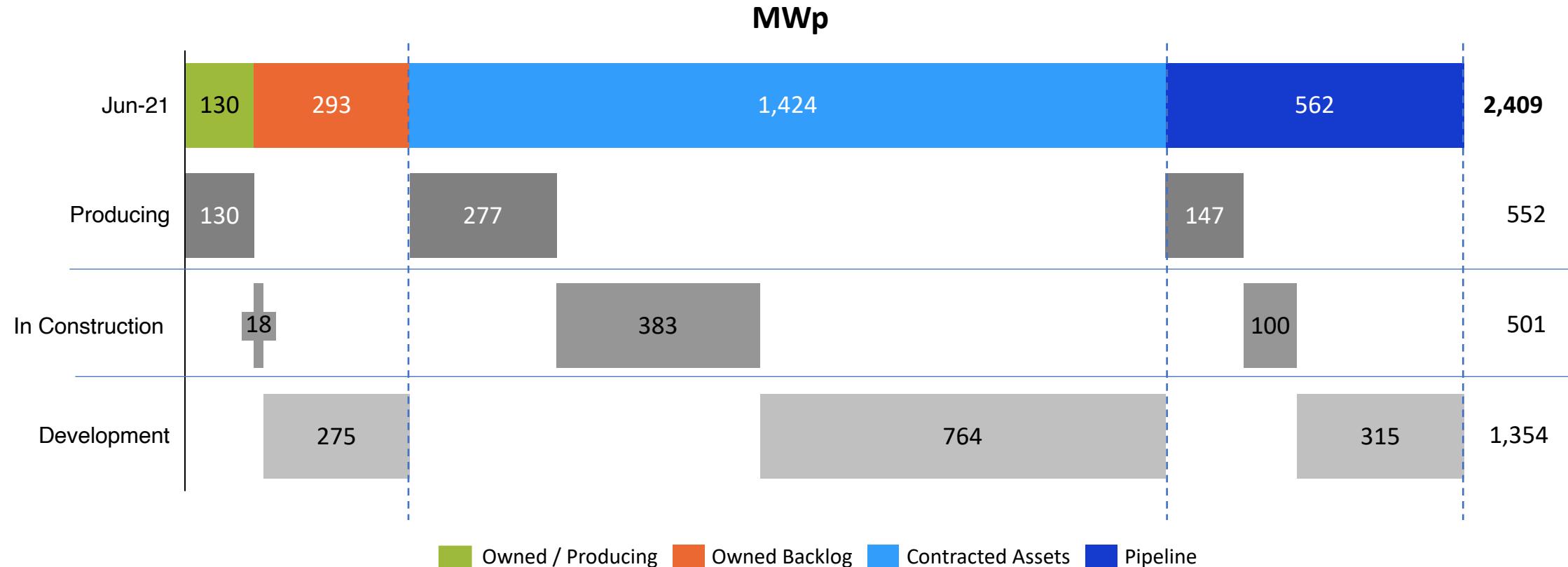


Extensive third-party expert analysis of technical, regulatory and profitability before acquiring new projects



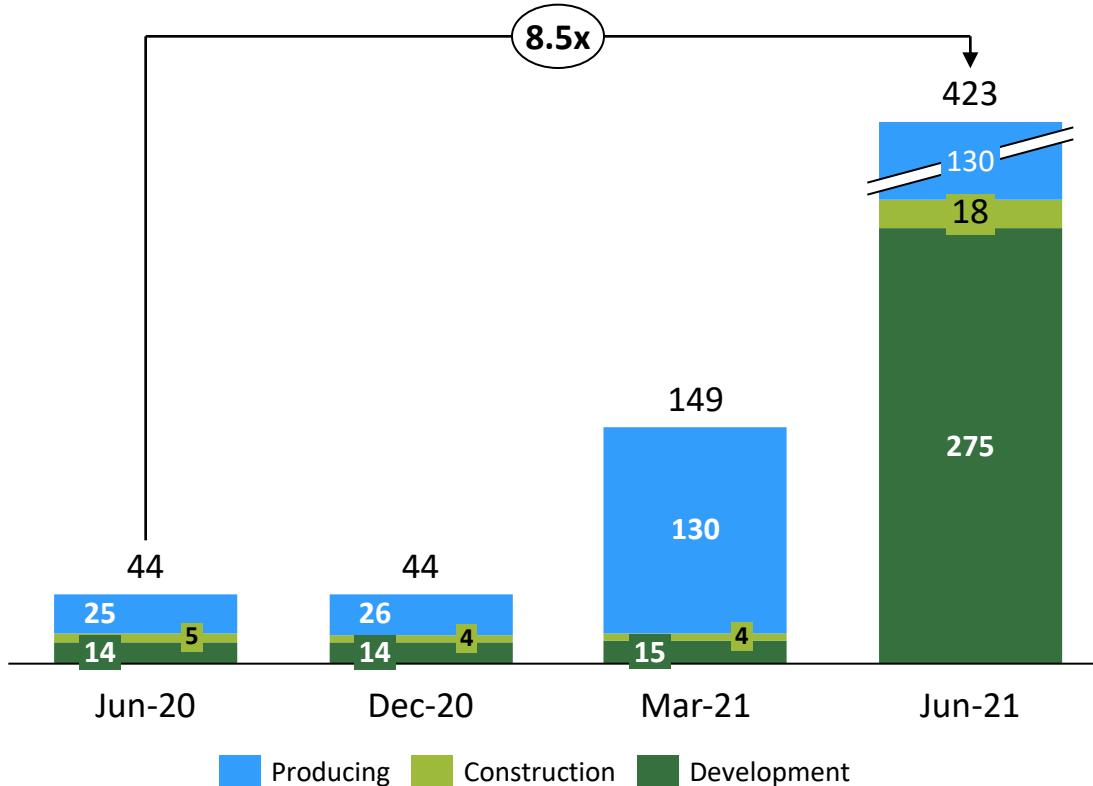
<sup>1</sup>) Producing assets include the pending Poland acquisition not yet completed. Alternus is receiving cash benefit since January 1, 2021 – expected to close September 2021

Contracted Assets and Owned Backlog projects all expected to be operational by end of 2023

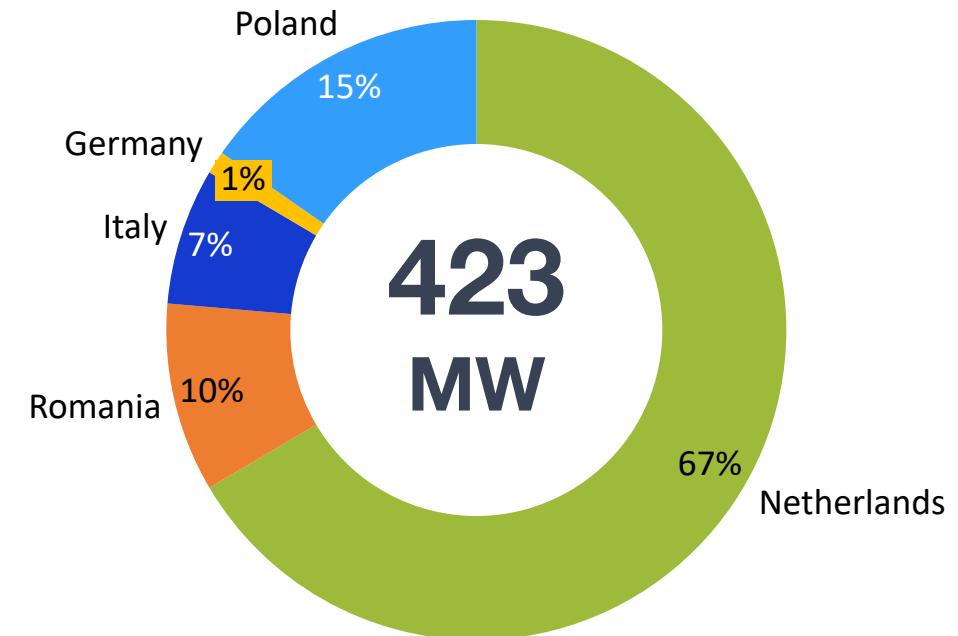


<sup>1)</sup> Producing assets include the pending Poland acquisition not yet completed. Alternus is receiving cash benefit since January 1, 2021 – expected to close September 2021

## Total Owned Assets (MWp)



## Diversified Portfolio (MWp)

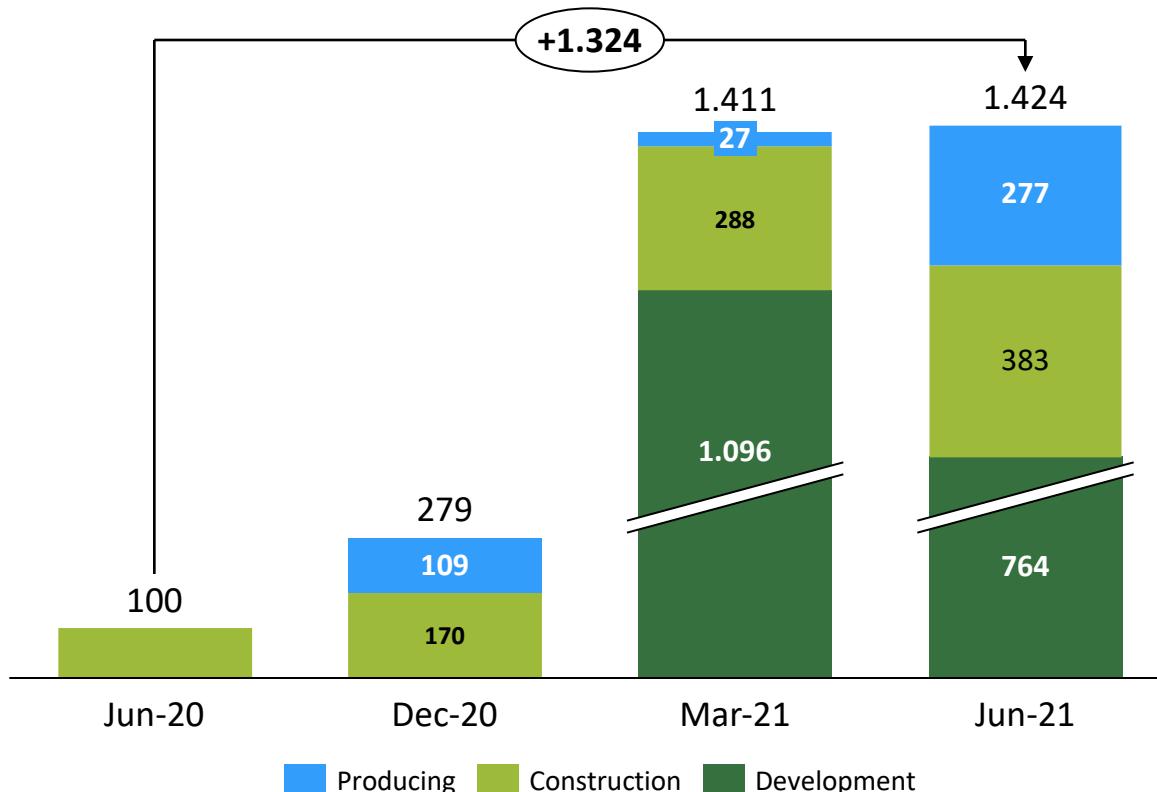


- Construction and development projects in Netherlands were acquired with the Unisun transaction
- Development projects expected to go into production at various times before the end of 2023

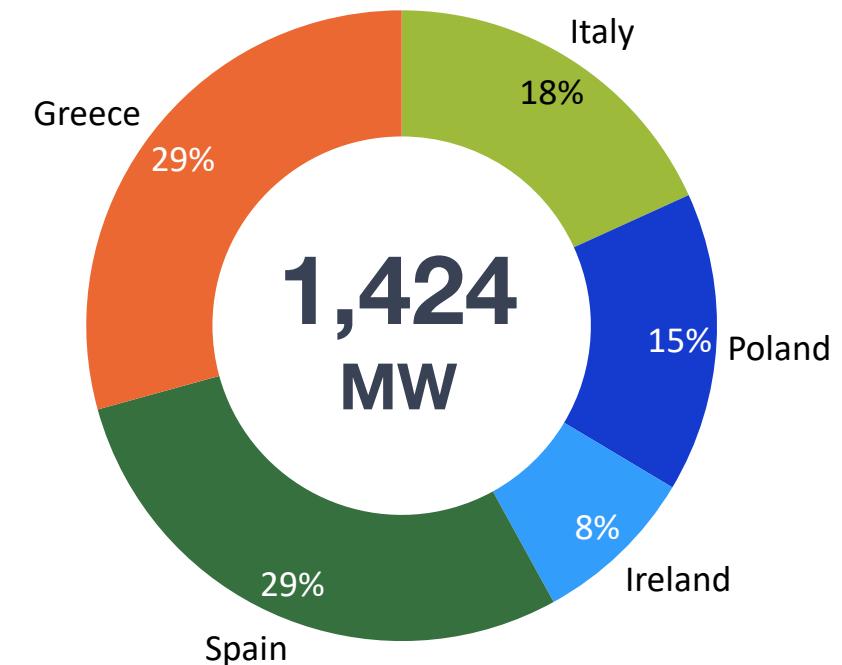
- Construction and development projects in Netherlands were acquired with the Unisun transaction
- 14MW of Netherlands total is Rotterdam Airport project currently in construction with Q1 2022 operation date

<sup>1)</sup> Producing assets include the pending Poland acquisition not yet completed. Alternus is receiving cash benefit since January 1, 2021 – expected to close September 2021

## Total Contracted Assets (MWp)



## Diversified Portfolio (MWp)



Contracted Assets represent were

- Commercial terms are agreed
- Due diligence not yet concluded
- Expected to close within six months
- Alternus has exclusivity
- 80% completion expectation

It is important to note that Alternus is not at this stage obligated to move forward with an acquisition should the full due diligence investigation uncover unsuitable outcomes to proceed.



Equivalent to the carbon sequestered by  
**457,695** trees grown for 10 years



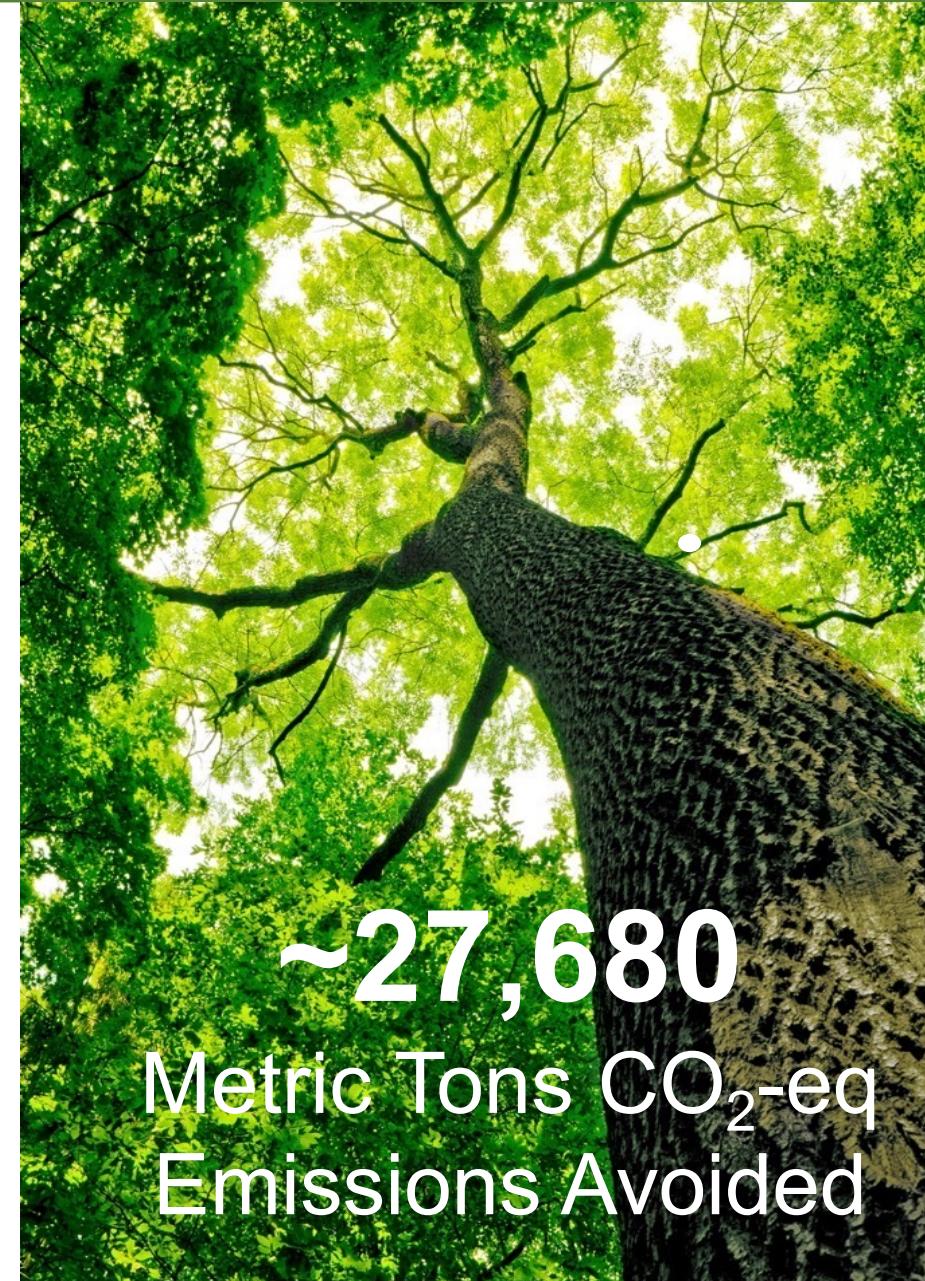
Equivalent to CO<sub>2</sub> emissions from  
**2.7** million gallons of diesel consumed

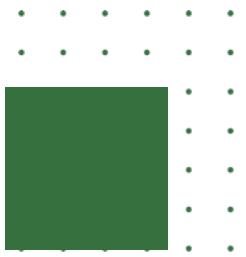


Equivalent to removing **6,020** fossil fuel-based  
passenger vehicles from the road for one year

### Alternus Commitments under our Green Bond Framework

- Alternus uses a leading Meteocontrol Performance Monitoring System to track CO<sub>2</sub> equivalent emissions avoided by the portfolio of operational Solar PV parks.
- A Green Bond Framework was published on [www.alternusenergy.com](http://www.alternusenergy.com) that was carried out as part of a recent Green Bond Placement. Under this framework Alternus is committed to implementing a formal strategic Sustainability Policy Framework to be established by the company over the next 12 months.
- As part of the Sustainability Policy Framework, the company will ensure that all aspects of project development are carried out in a sustainable manner mitigating any local social and environmental impacts that have been identified throughout the development of the project.
- In addition as part of the Sustainability Policy Framework, Alternus will further strengthen its strive for responsible procurement when making decisions on partners, contractors and subcontractors used during project development.



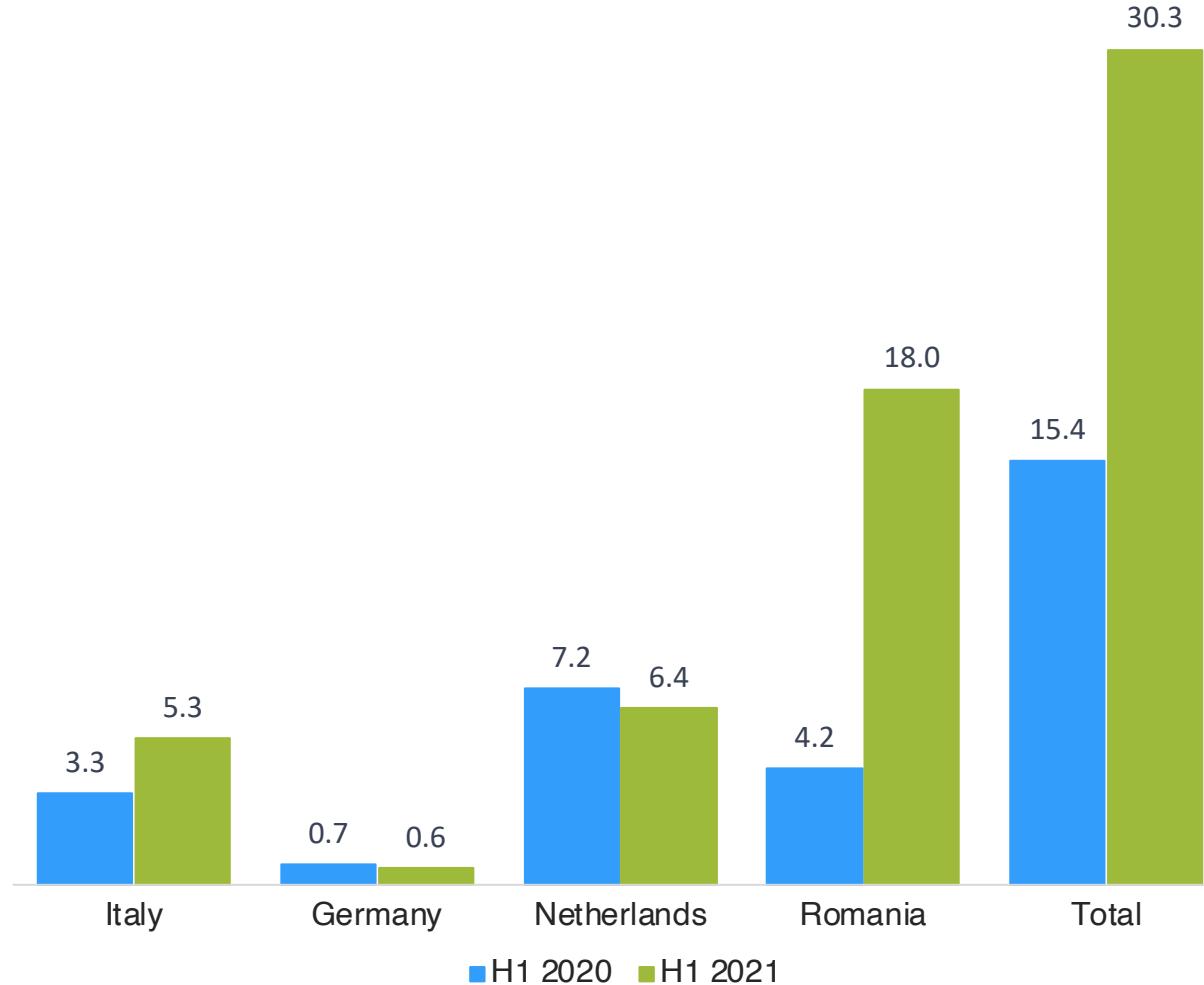


# FINANCIAL REVIEW

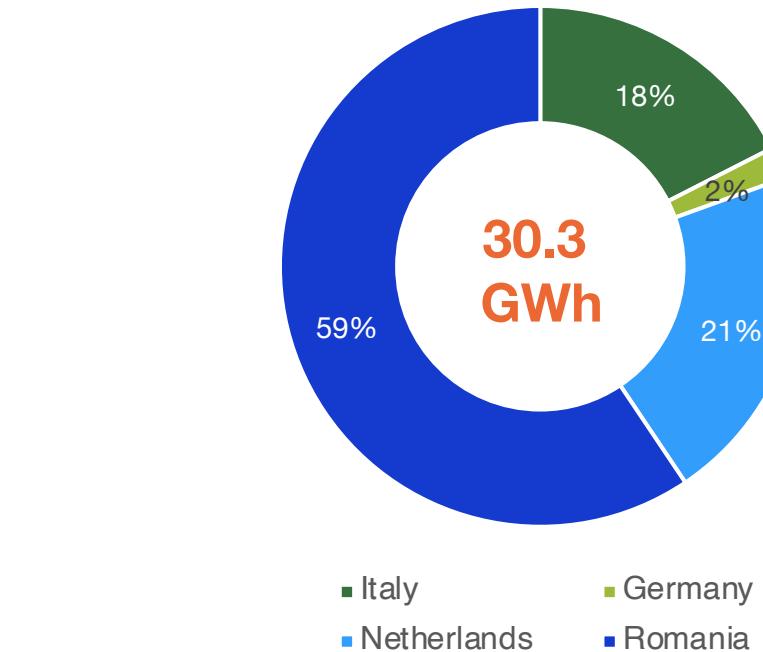
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Power Production (GWh)

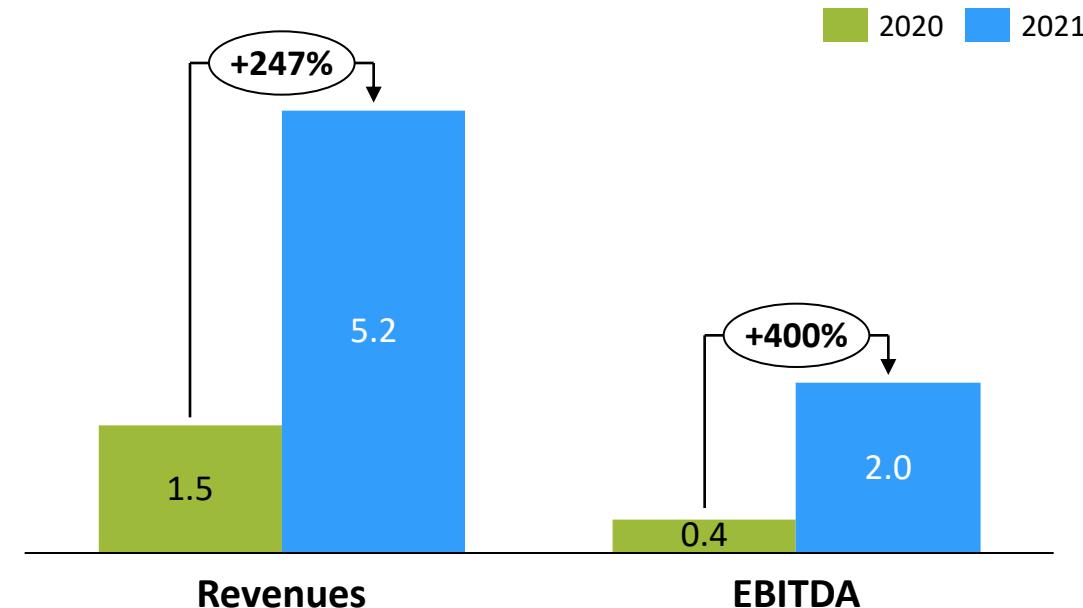


Power Production Mix H1 2021

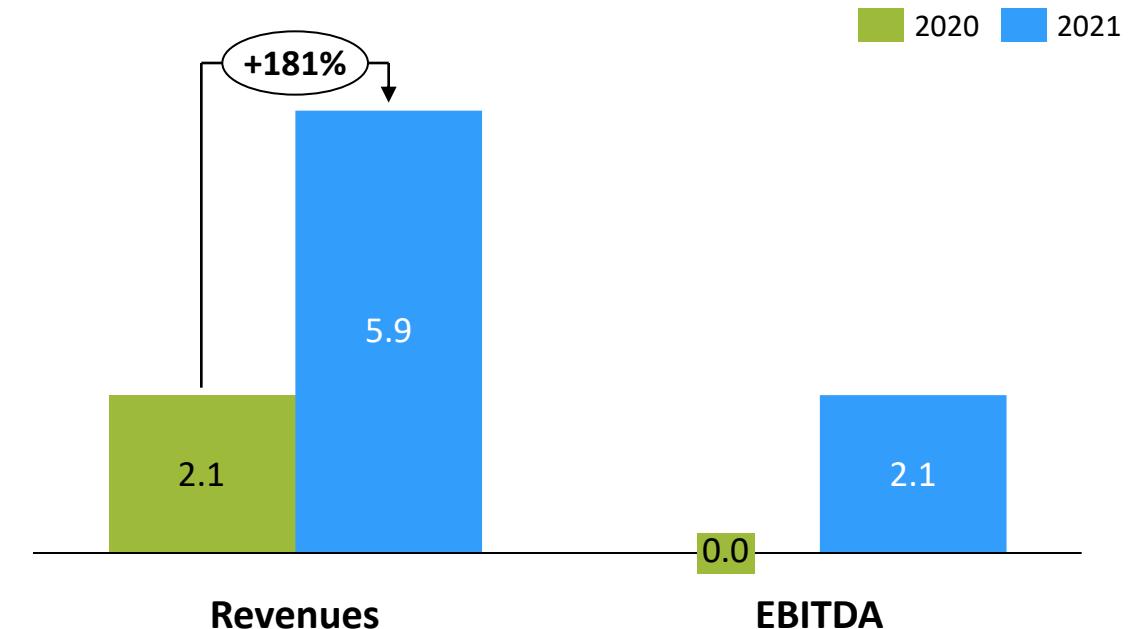


- 97% YoY increase in power production
- Increase in Romania and Italy due to acquisition of additional 39 MWp of operational assets during H1 2021
- The Netherlands reduction due to weather

## Q2 2021 – Revenues and EBITDA (EUR 000's)



## First Half 2021 - Revenues and EBITDA (EUR 000's)



- Increase in revenues driven by addition of 20MW new operating assets in the period
- EBITDA gains primarily due to increased revenues
- 75% average project gross margins

- Increase in revenues primarily due to addition of 39MW operating assets in 2021
- EBITDA turned positive from negative in prior year primarily due to increased revenues
- Corporate cost increased due to cost associated with Euronext listing, and prior year stock compensation

Note: 1. Additional Producing plants acquired in Q2'21 (Romania 20MWs, Italy 1.5MWs) had minimal impact on Q2'21 Revenues and EBITDA as all were acquired in middle of Q2. However, the Company did receive equivalent net cashflows as if the plants had been owned from January 2021.

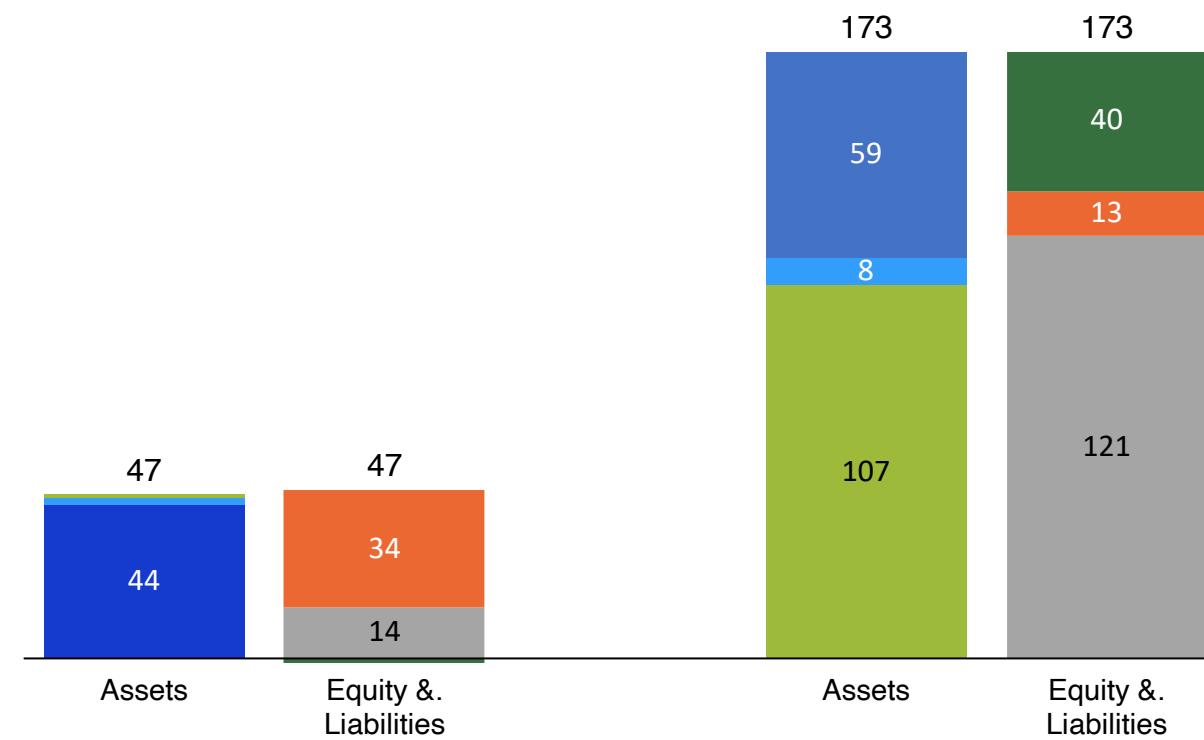
As of June 30, 2021

Consolidated Balance Sheet	Project Level	Corporate Level	Group
Investment in Energy properties	106.8	-	106.8
Cash & Cash equivalents <sup>1</sup>	50.0	8.7	58.7
Other Current Assets	6.2	1.7	7.9
<b>Total Assets</b>	<b>163.0</b>	<b>10.4</b>	<b>173.4</b>
Short Term Debt	1.6	.6	2.2
Trade & Other	9.6	1.2	10.8
Current Liabilities	11.2	1.8	13.0
Long Term Debt	109.5	9.0	118.6
Other LT payables	2.3	-	2.3
Equity	40.0	(.4)	39.5
<b>Total Equity &amp; Liabilities</b>	<b>163.0</b>	<b>10.4</b>	<b>173.4</b>

Consolidated financial position (EUR million)

December 31, 2020

June 30, 2021



Cash & Cash Equivalents Long Term Assets Current Liabilities  
Other Current Assets Equity Long Term Liabilities

<sup>1</sup>. Includes €36 million of restricted cash for contracted acquisitions not completed by June 30, 2021

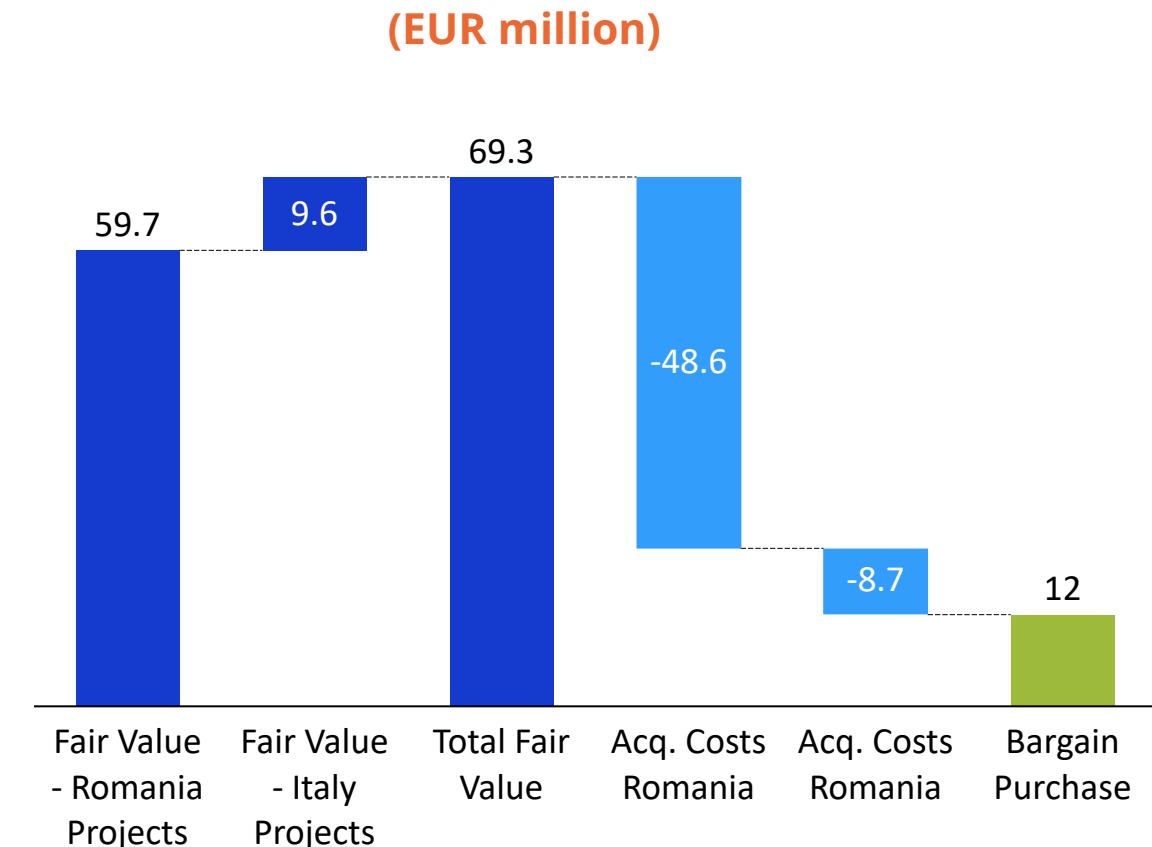
## As of June 30, 2021

Consolidated Cash Flow	EUR (m)
Net Income / (loss) after tax	10.3
Non-cash items and working capital changes	(11.7)
Net Cash Flow from Operating Activities	(1.4)
Net Cash Flow from Investing Activities	(58.1)
Net Cash Flow from Financing Activities	<b>116.5</b>
Effect of Exchange Rate on Cash	0.2
Net Increase in Cash and Cash Equivalents	57.3
Cash and Cash Equivalents at the beginning of the period	1.4
Cash and Cash Equivalents at the end of the period	<b>58.7</b>

- Net cash flow from operations was EUR (1.4)M, this included EUR 7.6M of cash paid for interest.
- Net cash from investing activities, included EUR 57.3M for the purchase of the 35MW of assets in Romania, and 6MWs of assets in Italy.
- Net cash from financing activities, included EUR 110M bonds issued plus EUR 27M and EUR 7M equity raises. This was netted against the EUR 24M for refinancing of existing debt less various fees and expenses.
- Ending cash balance includes EUR 36M of restricted cash reserved for project acquisitions under the bond terms

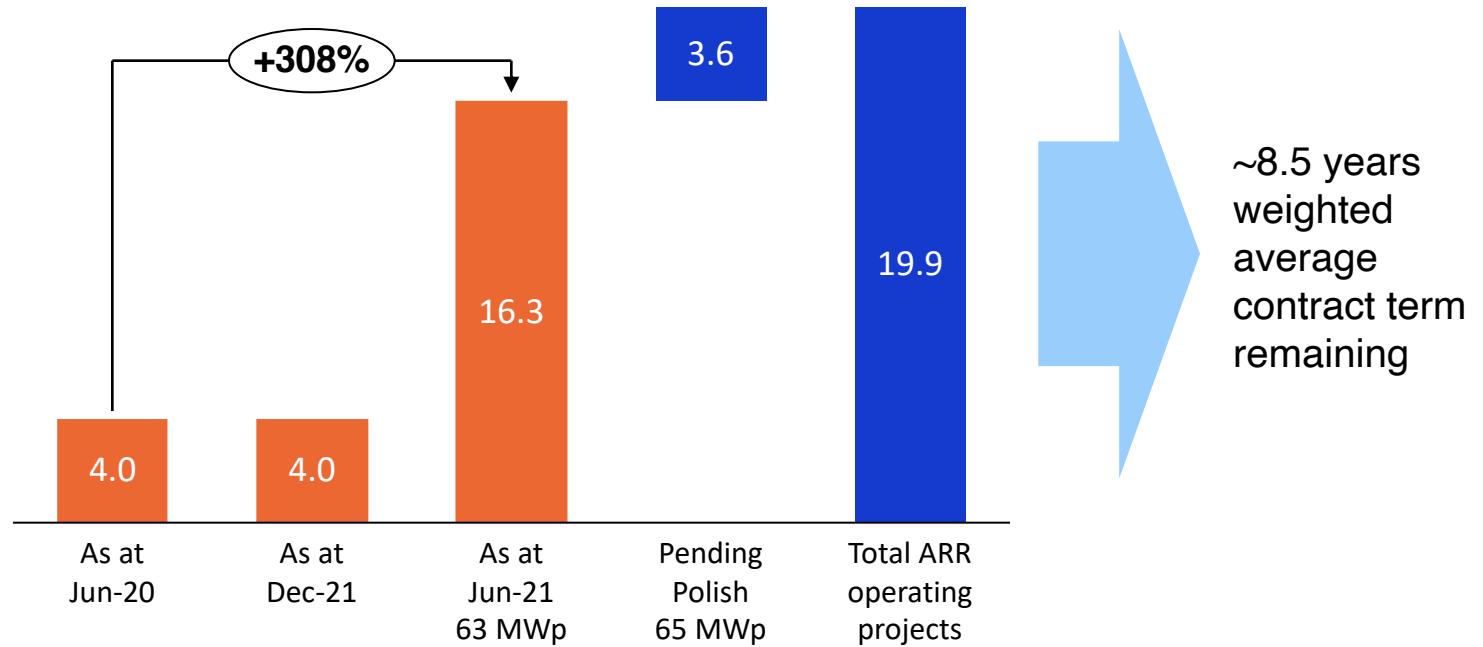
1. Includes €36 million of restricted cash for contracted acquisitions not completed by June 30, 2021

Cost of Acquisition	Total Romania Acquisitions	Total Italy Acquisitions
Contracted Purchase Price	45,926	8,214
Net Working Capital after adjustments	2,668	498
<b>Total Acquisition Cost</b>	<b>48,594</b>	<b>8,712</b>
<b>Fair Value of Assets Acquired</b>		
NPV of DCF - Energy Asset	58,690	8,403
Net Working Capital	1,082	1,192
	<b>59,772</b>	<b>9,595</b>
<b>Bargain Purchase</b>	<b>11,178</b>	<b>883</b>
<b>Weighted Average Cost of Capital</b>	<b>7.10%</b>	<b>7.10%</b>



- FRS 3 'Business Combinations', outlines the accounting when an acquirer obtains control of a business (e.g. an acquisition or merger). Such business combinations are accounted for using the 'acquisition method', which generally requires assets acquired and liabilities assumed to be measured at their fair values at the acquisition date. A bargain purchase occurs when businesses are acquired for less than fair market value. In a bargain purchase business combination, a corporate entity is acquired by another for an amount that is less than the fair market value of its net assets. Current accounting rules for business combinations require the acquirer to record the difference between the fair value of the acquired net assets and the purchase price as a gain on its income statement due to negative goodwill.

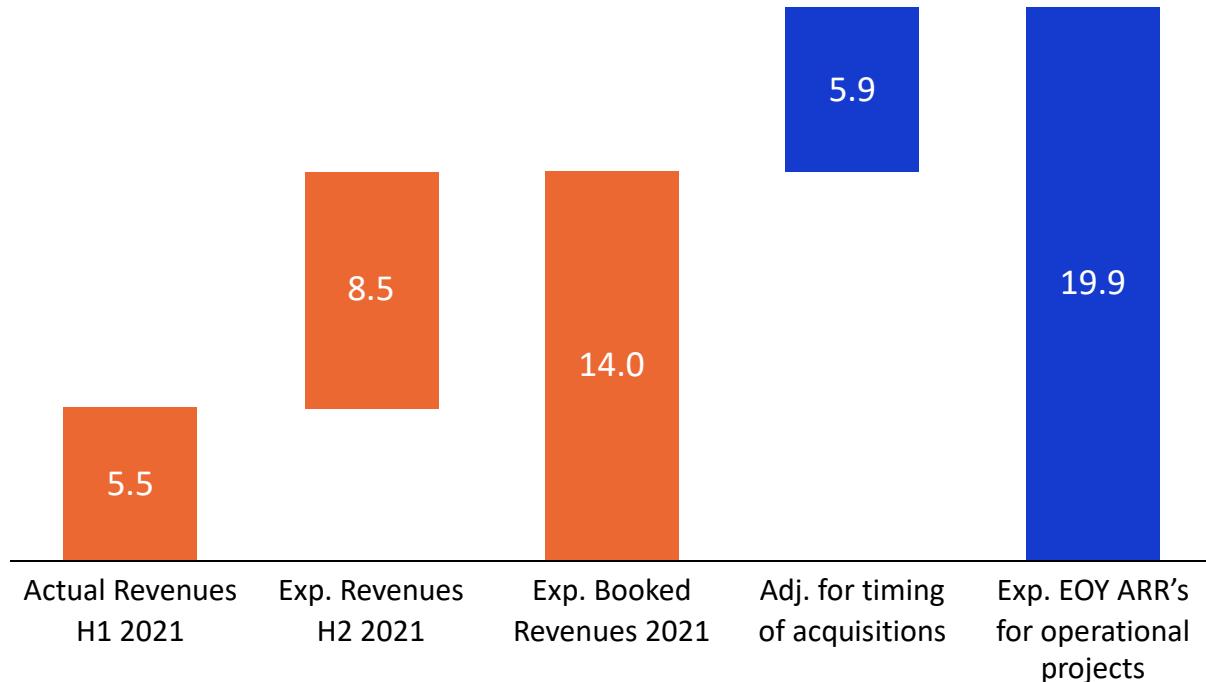
### Annual Recurring Revenues ('ARR') (EUR million)



- 90% of ARR's covered by long term FiT/PPA contracts
- Power plants have total operating lives of 25-35 years
- Additional PPA's will be negotiated as required at end of current contracts

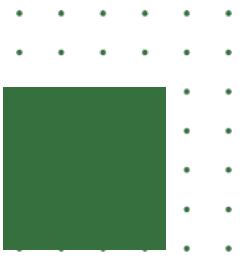


(EUR million)



- 15MW of operational projects in Romania closed March 2021
- 20MW of operational project in Romania closing in April 2021
- 65MW Polish project set to close in September
- Full year ARR's have ~8.5 years contracted period remaining

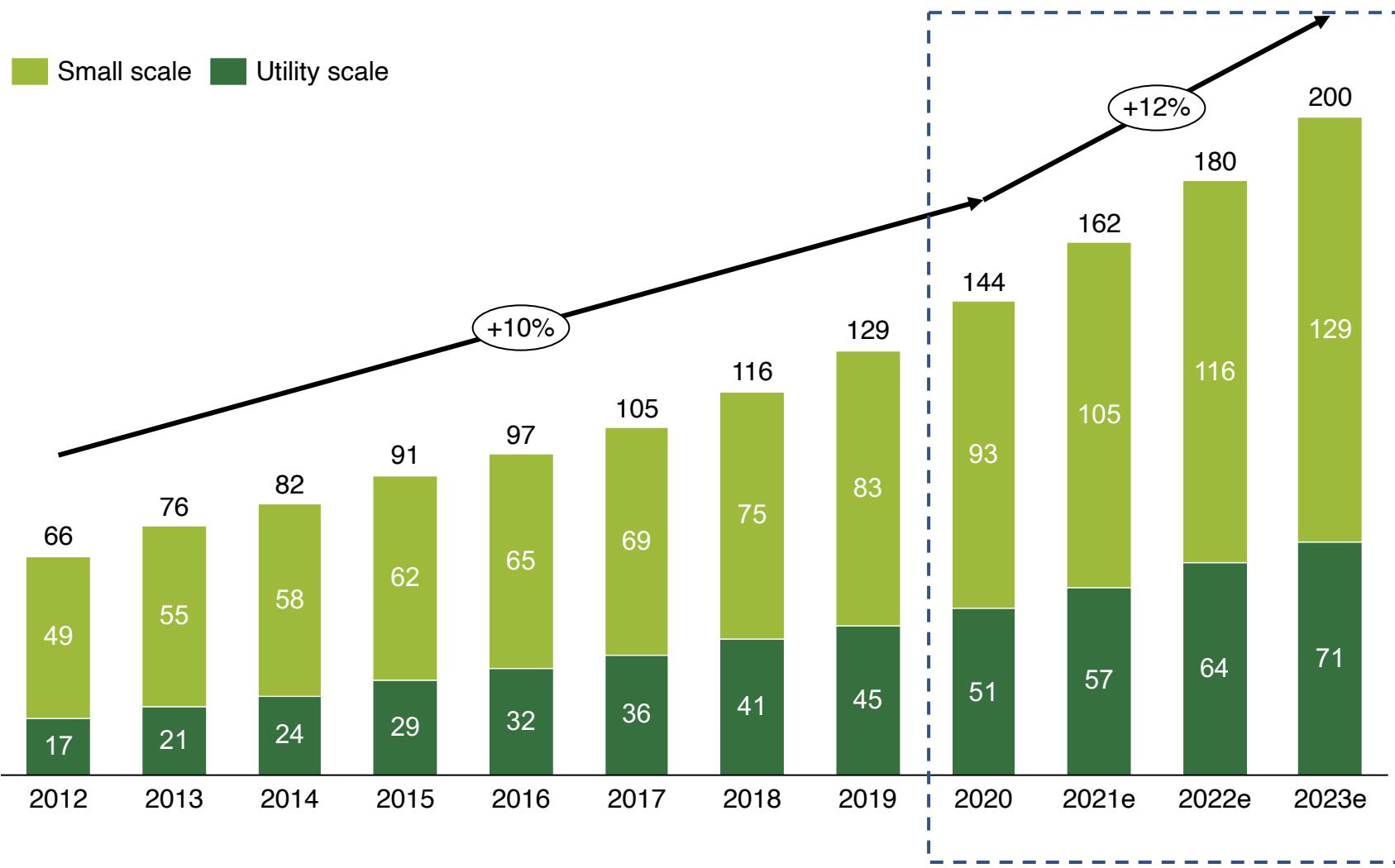




# MARKET & OUTLOOK



## Installed solar capacity in Europe (GW)



## Commentary

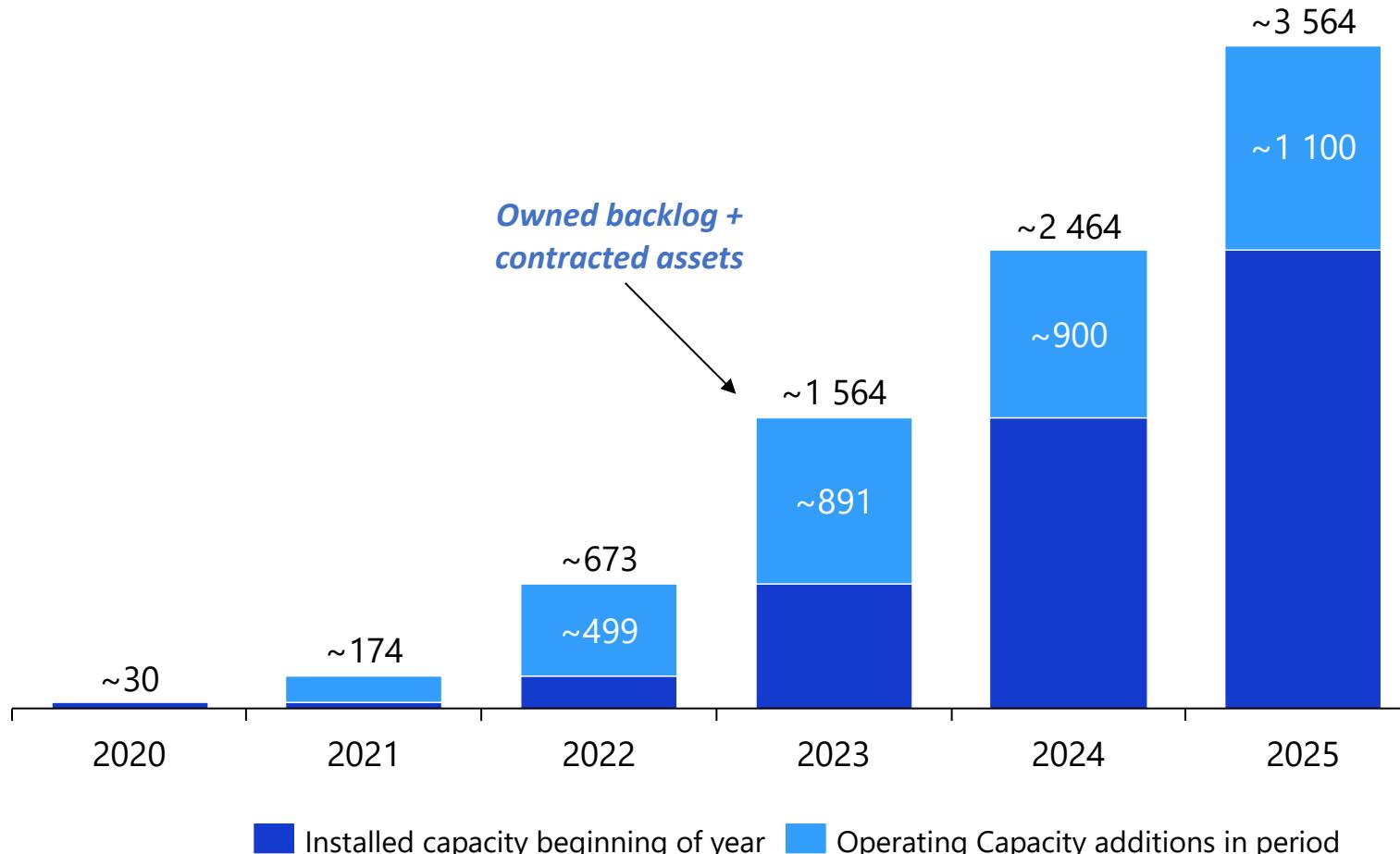
- European solar power capacity has increased rapidly in the last decade, growing 10% p.a. since 2012
- Going forward, Europe capacity expected to continue growing fast, with annual growth of 12% towards 2023
- Annual capacity additions expected at ~29 GW in 2021-23, approx. similar y/o/y growth rate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

**Mass Solar PV adoption phase as grid-parity achieved**

**Growth is now market demand driven – not subsidy driven**

**Swinging towards operator model**

## Growth driven by current owned backlog and contracted assets



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



**THE SUN DELIVERS MORE ENERGY TO  
EARTH IN AN HOUR THAN IS USED  
WORLDWIDE IN A YEAR**

**MOST OF THIS ENERGY IS LOST**

**ALTERNUS HAS MADE ITS MISSION TO  
MAKE THIS ENERGY WIDELY AVAILABLE**