



Alternus Energy Reports 2022 Financial Results

--Revenue up 52%--

--Operating Profit of \$5 million--

-- Power sold of 188 GWh, up 118%--

Dublin, 21 April 2023 International Renewable Independent Power Producer (IPP) Alternus Energy Group Plc (OSE: ALT) (the “Company” or “Alternus”) today announced its audited financial results for the full year 2022 under US GAAP format. The 2022 financial report is included in an amended Proxy statement that Clean Earth Acquisitions Corp. has filed with the Securities and Exchange Commission in the US in relation to the contemplated business combination targeted to complete in Q2 2023. The 2022 financial report is also attached to the Company’s OSE filing as well as available to view on the Alternus Energy website at <https://alternusenergy.com/reports-presentations/>

Revenue surged as capacity and power production expanded rapidly with new projects connecting in Poland and the Netherlands, and as the Company benefited from the hike in energy rates across Europe during 2022. Operating profit swung to the positive on greater gross profit contribution and disciplined expense control. The development pipeline grew substantially, with over 721MW of capacity under development or contracted, with exclusive rights to acquire another 800+ MW.

Highlights for Q4 2022 were

- Secured €500 million project financing facility led by Deutsche Bank to fund construction of the development portfolio over the next three years.
- Announced plan to list on Nasdaq in the U.S. via a business combination with Clean Earth Acquisitions Corp.
- Formed Altnua an expert development business to drive organic growth
- Power production increased 33% to 22.6 GWh
- Booked revenues increased 7% to \$6.1 million
- Gross profit of \$4.5 million vs Q4 2021 gross profit of \$2.4 million
- Net loss of \$27.7 million due primarily to one-time write off of \$23.9 million in costs relating to acquisitions no longer pursued and reclassification of previously capitalized costs.
- EBITDA increased 100% to \$0.7 million

Highlights for FY 2022 were:

- Power production increased 118% to 187.6 GWh
- Booked revenues increased 52% to \$32.5 million
- Annual recurring revenue of c. \$28 million is c. 86% of total revenue
- Gross profit of \$23.3 million vs 2021 gross profit of \$14.2 million
- Net loss of \$35.8 million driven by one-time write-offs
- EBITDA increased 82% to \$12.2 million



- Operating assets grew 15% to 165.4MWp
- Total portfolio (operating + development) increased 436% to 886MW

Subsequent Events:

- Subsidiary Solis Bond Company secured temporary waivers for Green Bond covenants.
- Announced revised Business Combination Agreement featuring lower equity valuation and smaller “Earnout” share award reflecting reduced near term EBITDA targets from a revised focus on lower equity requirement higher return projects going forward.

Commenting on the results, Vincent Browne, Chairman and Group CEO, said:

“2022 was another strong year overall for Alternus. On the operating side, we more than doubled our power sold as we brought online projects in the Netherlands and purchased additional assets in Poland, which complement our strong presence in Romania and Italy. This resulted in outstanding financial performance, with revenue up 50% and operating profit of \$5 million. On the development side, our pipeline is expanding rapidly, creating great visibility for our long-term forecast. Beyond the 166 MW of capacity that is operating today, we have 587 MW that we own and are developing, another 139 MW under contract, and exclusive rights to another 800+ MW. All in, the pipeline is well over 2 GW of capacity, the majority of which we expect to come online in the next few years. This visibility, along with the expertise and dedication of our team, gives us high confidence in our 2025 forecast of over \$150 million of EBITDA, and for even greater growth in subsequent years.”

Alternus Chief Financial Officer Joseph Duey added:

“Our primary challenge is funding this explosive level of growth, a good-to-have problem for which we made real progress in 2022. In the fourth quarter we announced a transaction to list on Nasdaq in the U.S., that should provide greater access to more equity capital at an attractive cost. We recently adjusted the terms of the transaction to reflect market conditions and our desire to invest even more in growth over the next couple of years. Furthermore, we secured a €500 million commitment to project financing from Deutsche Bank. Between this new source of project financing, the proceeds from the transaction, and the ability to access equity capital as needed in the future, we are confident that we can fund the aggressive growth plan we are putting in place.”

Results Underpinned by a Diversified Portfolio of Assets

The table below summarizes the Company's diversified portfolio of assets as of December 31, 2022.



	Operating (MWs DC)	Owned Developing (MWs DC)	Contracted (MWs DC)	2022 Power Sold (GWh)	2022 Revenue (USD mil)	2022 Gross Profit (USD mil)
Poland	88.4			98.3	10.7	2.5
Romania	40.1			52.2	13.7	10.1
Netherlands	25.4			24.9	4.5	3.9
Italy	10.5	439		11.2	3.4	6.6
Spain	--	128	139			
Germany	0.7			0.6	0.2	0.16
U.S.A.	0.4	15		0.4	0.02	0
Total	165.4	582	139	187.6	32.5	23.26

During the year, Poland grew to be the Company's primary market, with capacity up 14% and power production up 388% due to full years of production from the Witnica and SIG 24 parks. In the Netherlands, capacity and production more than doubled, as Alternus EPC arm, Unisun Energy BV, completed the construction of a new 14MW solar park at the Rotterdam Airport. In the company's other major markets of Romania and Italy, capacity was stable. Production grew 26% in Romania due to a full year of operation, while production in Italy was stable.

The Development portfolio continued to grow steadily year-on-year in conjunction with co-development partners in Italy and Spain. Alternus also acquired its first parks in the US with a combined total of 15MW that is expected to come on-stream during 2024. At the end of 2022, had 582MW under management. Of this approximately 150MW are set to reach construction within 12 months from today with a further 300MW in the following 12 months.

Solid Q4 2022 Results Cap Year of Stellar Performance

The Company made striking operational and financing progress to finish the year. The Company announced the formation of Altnua, a wholly owned subsidiary, a dedicated team of industry experts led by seasoned management with decades of experience. The Altnua team will take the current development portfolio forward and will focus on developing further utility scale projects from the ground up in Europe and the U.S. Altnua seeks to bridge the gaps between landowners, local developers, and corporate off-takers to drive organic growth for Alternus. Altnua will also acquire development businesses to scale their portfolios.

In October, Alternus announced that it will list in the U.S. via a merger with Clean Earth Acquisitions Corp., a "blank check" Special Purpose Acquisition Company listed on the Nasdaq market (NASDAQ: CLIN). Alternus expects to consummate the merger in the second quarter of 2023.

In December, the Company secured a senior debt facility with Deutsche Bank to provide up to €500 million of project financing to fund the construction of owned development assets as they reach that stage of the cycle and support the acquisition of additional solar PV assets throughout Europe. The facility has an approved initial amount of €80 million yet to be drawn.



The table below summarizes the Company's financial performance for the fourth quarter of 2022.

	Q4 2022	% Growth	Q4 2021
Total Revenue	6.1	7%	5.7
Gross Profit	4.5	88%	2.4
Gross Margin	74%	32%	42%
Operating Profit	(0.1)		(0.8)
Other Expense One-Time	(23.9)		-
Total Other Expense	(0.5)		(1.5)
Net Loss	(27.7)		(6.1)
EBITDA	0.7		0.4

Strong 2022 Growth Reflects Execution of Growth Plan

The table below summarizes the Company's financial performance for the full year 2022.

	2022	% Growth	2021
ARR	c. 28.0	8%	c. 26.0
Total Revenue	32.5	52%	21.4
Gross Profit	23.3	64%	14.2
Gross Margin	72%		67%
Operating Profit	5.0		(2.9)
Other Expense One-Time	(23.9)		--
Total Other Expense	(41.3)		(15.6)
Net Loss	(35.8)		(18.8)
EBITDA	12.2		6.7
Cash	3.0		18.0
Total Assets	208.5		209.5
Debt	188.1		169.7
Total Liabilities	229.4		192.9

Revenue surged as production came online in Poland, the Netherlands, coupled with higher energy rates received from power sold. Gross profit contribution grew faster than revenue due to expected economies of scale from increased operations and bringing more parks under in-house operations and maintenance company Uper Energy Europe. Combined with disciplined expense control, the Group swung to an operating profit. The net loss was driven by ongoing interest expense combined with one-time charges related primarily to terminated acquisitions and reclassification of previously capitalized costs.

Alternus ended the year with total debt of \$188 million, of which \$150 million is non-recourse project debt.

Subsequent Events Strengthen Outlook

After the close of the year, the Company announced two material developments that it believes strengthens its growth outlook.



Green Bond Covenant Waiver

On March 21, 2023, Alternus announced that its wholly owned subsidiary Solis Bond Company reached an agreement with the holders of €200 million of “green bonds” to temporarily waive certain covenants to allow time for the Company to cure certain threshold breaches resulting primarily from a terminated acquisition in Poland and lower gross margins in Romania due to higher than anticipated power acquisition costs in the fourth quarter. The Company has taken the necessary activities to meet the terms of the waivers and is confident of a successful outcome that will also ultimately lower long term debt costs.

Amended Business Combination Agreement

On April 18, 2023, Alternus announced that it had agreed to an amendment to the Business Combination Agreement (“BCA”) with Clean Earth Acquisitions Corp. The revisions include a reduced equity value of Alternus, reduced potential “Earnout” shares, and a reduction in the associated adjusted EBITDA targets for 2023 and 2024 and 2025. Both Alternus and Clean Earth, in conjunction with their advisors, believe the revised valuation will be attractive to investors upon completion of the transaction and to support the continued growth of the business going forward.

About Alternus Energy Group Plc

Alternus Energy Group Plc is an international vertically integrated independent power producer (IPP). Headquartered in Ireland, and listed on the Euronext Growth Oslo, the Company develops, installs, owns, and operates midsized utility scale solar parks. The Company also has offices in Rotterdam and the United States. For more information visit www.alternusenergy.com.

About Clean Earth Acquisitions Corp.

Clean Earth Acquisitions Corp. is a blank check company formed for the purpose of effecting a merger, share exchange, asset acquisition, stock purchase, recapitalization, reorganization or other similar business combination with one or more businesses or entities. For more information visit www.cleanearthacquisitions.com.

Forward-Looking Statements

This notice contains forward-looking statements within the meaning of section 27A of the Securities Act and section 21E of the Exchange Act that are based on beliefs and assumptions and on information currently available to the Alternus and Clean Earth. Certain statements included in this notice that are not historical facts are forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are sometimes accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “predict,” “potential,” “seem,” “seek,” “future,” “outlook” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements regarding Alternus’ growth, prospects and the market for solar parks and other renewable power sources. These statements are based on various assumptions, whether or



not identified in this notice, and on the current expectations of the respective management teams of Alternus and Clean Earth and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as and must not be relied on by an investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Alternus and Clean Earth.

These forward-looking statements are subject to a number of risks and uncertainties, including: the impact of reduction, modification or elimination of government subsidies and economic incentives (including, but not limited to, with respect to solar parks); the impact of decreases in spot market prices for electricity; dependence on acquisitions for growth in Alternus' business; inherent risks relating to acquisitions and Alternus' ability to manage its growth and changing business; risks relating to developing and managing renewable solar projects; risks relating to PV plant quality and performance; risks relating to planning permissions for solar parks and government regulation; Alternus' need for significant financial resources (including, but not limited to, for growth in its business); the need for financing in order to maintain future profitability; the lack of any assurance or guarantee that Alternus can raise capital or meet its funding needs; Alternus' limited operating history; risks relating to operating internationally, include currency risks and legal, compliance and execution risks of operating internationally; the potential inability of the parties to successfully or timely consummate the proposed business combination; the risk that any regulatory approvals are not obtained, are delayed or are subject to unanticipated conditions that could adversely affect the combined company or the expected benefits of the proposed business combination; the approval of the stockholders of Clean Earth is not obtained; the risk of failure to realize the anticipated benefits of the proposed business combination; the amount of redemption requests made by Clean Earth's stockholders exceeds expectations or current market norms; the ability of Alternus or the combined company to obtain equity or other financing in connection with the proposed business combination or in the future; the outcome of any potential litigation, government and regulatory proceedings, investigations and inquiries; the risk that the proposed business combination disrupts current plans and operations as a result of the announcement and consummation of the Transaction; costs related to the proposed business combination; the impact of the global COVID-19 pandemic; the effects of inflation and changes in interest rates; an economic slowdown, recession or contraction of the global economy; a financial or liquidity crisis; geopolitical factors, including, but not limited to, the Russian invasion of Ukraine; global supply chain concerns; the status of debt and equity markets (including, market volatility and uncertainty); and other risks and uncertainties, including those risks to be included under the heading "Risk Factors" in the proxy statement to be filed by Clean Earth with the SEC and also those included under the heading "Risk Factors" in Clean Earth's final prospectus relating to its initial public offering dated February 23, 2022 and Clean Earth's other filings with the SEC.

In light of the significant uncertainties in these forward-looking statements, you should not regard these statements as a representation or warranty by Alternus, Clean Earth their respective directors, officers, affiliates, advisers or employees (or any other person) that the Alternus and Clean Earth will achieve their objectives and plans in any specified time frame, or at all. The forward-looking statements in this notice represent the views of the Alternus and Clean Earth as of the date of this notice. Risks in addition to those set forth herein may also materialize or Clean Earth's and Alternus' assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. There



may be additional risks that neither Clean Earth nor Alternus presently know, or that neither Clean Earth nor Alternus currently believe are immaterial, that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Clean Earth's and Alternus Energy's expectations, plans or forecasts of future events and views as of the date of this notice. Clean Earth and Alternus Energy anticipate that subsequent events and developments will cause Clean Earth's and Alternus Energy's assessments to change. However, while Clean Earth and Alternus Energy may elect to update these forward-looking statements at some point in the future, Clean Earth and Alternus Energy specifically disclaim any obligation to do so. Neither Clean Earth nor Alternus anticipate that subsequent events and developments will cause Clean Earth's and Alternus' assessments to change. However, while Clean Earth and Alternus may elect to update these forward-looking statements at some point in the future, Clean Earth and Alternus specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing Clean Earth's or Alternus' assessments of any date subsequent to the date of this notice. Accordingly, undue reliance should not be placed upon the forward-looking statements.

Additional Information About the Proposed Business Combination and Where to Find It

In connection with the Proposed Business Combination, Clean Earth intends to file relevant materials with the SEC, including a proxy statement. Clean Earth urges its investors, shareholders and other interested persons to read, when available, the proxy statement filed with the SEC and documents incorporated by reference therein because these documents will contain important information about Clean Earth, Alternus Energy and the Proposed Business Combination. The final proxy statement, a proxy card and other relevant documents will be mailed to the shareholders of Clean Earth as of the record date established for voting on the Proposed Business Combination and will contain important information about the Proposed Business Combination and related matters. Shareholders of Clean Earth and other interested persons are advised to read, when available, these materials (including any amendments or supplements thereto) and any other relevant documents in connection with Clean Earth's solicitation of proxies for the meeting of shareholders to be held to approve, among other things, the Proposed Business Combination because they will contain important information about Clean Earth, Alternus Energy and the Proposed Business Combination. Shareholders will also be able to obtain copies of the preliminary proxy statement, the final proxy statement and other relevant materials in connection with the transaction without charge, once available, at the SEC's website at www.sec.gov or by directing a request to: Clean Earth Acquisition Corp., Attention: Martha Ross, CFO & COO, telephone: (800) 508-1531. The information contained on, or that may be accessed through, the websites referenced in this Notice is not incorporated by reference into, and is not a part of, this notice.

Participants in the Solicitation

Clean Earth, Alternus Energy and their respective directors and executive officers may be deemed participants in the solicitation of proxies from Clean Earth's shareholders in connection with the Proposed Business Combination. Information regarding the directors and executive officers of Clean Earth and their ownership of Clean Earth common stock is set forth in Clean Earth's definitive prospectus filed with the SEC on February 23, 2022, in connection with Clean Earth's initial public offering. Information regarding the persons who may, under SEC rules, be deemed participants in the solicitation of proxies to Clean Earth's shareholders in connection with the Proposed Business Combination will be included in the



proxy statement that Clean Earth intends to file with the SEC. Additional information regarding the interests of participants in the solicitation of proxies in connection with the Proposed Business Combination will be included in the proxy statement that Clean Earth intends to file with the SEC. You may obtain free copies of these documents at the SEC's website at www.sec.gov or by directing a request to: Clean Earth Acquisitions Corp., Attention: Martha Ross, CFO & COO, telephone: (800) 508-1531.

No Offer or Solicitation

This notice is not a proxy statement or solicitation of a proxy, consent or authorization with respect to any securities or in respect of the proposed business combination and shall not constitute an offer to sell or a solicitation of an offer to buy any securities nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of the Securities Act.

For More Information:

Alternus Energy Investor Relations

ir@alternusenergy.com

+1 (913) 815-1557

Clean Earth Acquisitions Corp.

Matthew Devereaux

inbound@cleanearthacquisitions.com

+1 (800) 508-1531

The Blueshirt Group

alternus@blueshirtgroup.com

+1 (323) 240-5796



ALTERNUS ENERGY GROUP PUBLIC LIMITED COMPANY AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

AS OF DECEMBER 31, 2022 and 2021

(in thousands, except share and per share data)

	<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 2,987	\$ 18,027
Accounts receivable, net	5,916	4,677
Unbilled energy incentives earned	4,954	3,139
Prepaid expenses and other current assets	4,409	2,039
Taxes recoverable	1,876	5,461
Total Current Assets	<u>20,142</u>	<u>33,343</u>
NON-CURRENT ASSETS		
Property and equipment, net	161,793	160,358
Right of use asset	9,700	—
Goodwill	1,758	1,903
Restricted cash	6,598	8,554
Other receivable	1,272	2,045
Capitalized development cost and other long-term assets	7,266	3,286
Total Assets	<u>\$ 208,529</u>	<u>\$ 209,489</u>
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable	\$ 14,438	\$ 12,441
Accrued liabilities	9,884	5,292
Taxes payable	1,135	1,734
Deferred income	4,954	3,139
Right of asset liability - short term	556	—
Convertible and non-convertible promissory notes, net	17,296	1,659
Total Current Liabilities	<u>48,263</u>	<u>24,265</u>
Green bonds	149,481	147,238
Convertible and non-convertible promissory notes, net	21,281	20,769
Right of asset liability - long term	8,872	—
Asset retirement obligations	1,461	625
Total Liabilities	<u>\$ 229,358</u>	<u>\$ 192,897</u>
Shareholders' Equity/(Deficit)		
Common stock, \$0.012 par value, 100,000,000 authorized as of December 31, 2022 and 2021; 26,365,738 issued and outstanding as of December 31, 2022 and 26,335,738 issued and outstanding as of December 31, 2021	\$ 305	\$ 305
Additional paid in capital	52,006	51,943
Foreign Currency Translation Reserve	(612)	588
Accumulated deficit	(72,028)	(36,228)
Non-controlling interest	(500)	(16)
Total Shareholders' Equity (Deficit)	<u>\$ (20,829)</u>	<u>\$ 16,592</u>
Total Liabilities and Shareholders' Deficit	<u>\$ 208,529</u>	<u>\$ 209,489</u>



ALTERNUS ENERGY GROUP PUBLIC LIMITED COMPANY AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME/ (LOSS)
FOR THE YEARS ENDED DECEMBER 31, 2022 and 2021
(in thousands, except share and per share data)

	<u>Year Ended December 31,</u>	
	<u>2022</u>	<u>2021</u>
Revenues	\$ 32,526	\$ 21,393
Operating Expenses:		
Cost of revenues	(9,224)	(7,165)
Selling, general and administrative	(11,139)	(7,525)
Depreciation, amortization, and accretion	(7,157)	(5,382)
Fixed asset impairment loss	—	(4,171)
Total operating expenses	<u>\$ (27,520)</u>	<u>\$ (24,243)</u>
Income/(Loss) from operations	5,006	(2,850)
Other income/ (expense):		
Interest expense	(17,437)	(16,930)
Development Cost	(23,925)	—
Other income	1,275	2,995
Other expenses	(1,059)	(1,630)
Loss on disposal of asset	(139)	
Total other expense	<u>\$ (41,285)</u>	<u>\$ (15,565)</u>
Loss before provision for income taxes	(36,279)	(18,415)
Income taxes	(5)	(518)
Net loss	<u>\$ (36,284)</u>	<u>\$ (18,933)</u>
Net loss attributable to non-controlling interest	<u>(484)</u>	<u>(178)</u>
Net loss attributable to Alternus Energy Group	<u>\$ (35,800)</u>	<u>\$ (18,755)</u>
 Basic and diluted loss per share	 (\$1.36)	 (\$0.87)
 Weighted average shares outstanding:		
Basic and Diluted shares	<u>26,360,231</u>	<u>21,612,271</u>
 Comprehensive loss:		
Net loss	(36,284)	(18,933)
Foreign currency translation adjustment	(1,200)	682
Comprehensive loss	<u>\$ (37,484)</u>	<u>\$ (18,251)</u>

The accompanying notes are an integral part of these consolidated financial statements