

Alternus Clean Energy, Inc. Reports FY 2023 Financial Results

- Revenue up by 17.5% YoY
- Gross profit up by 25% YoY

FORT MILL, SC - APRIL 15, 2024 - Utility-scale transatlantic clean energy independent power producer Alternus Clean Energy, Inc. (NASDAQ: ALCE) ("Alternus" or the "Company") today announced its audited financial results for the full year 2023 under US GAAP format. The 2023 financial report is included in a Form 10-K filed with the Securities and Exchange Commission. The 2023 financial report is available to view on the Alternus' website at <https://ir.alternusenergy.com/financials-filings/sec-filings>.

Company Highlights:

- Increase in revenue from by 17.5% YoY;
- Increase in revenue offtake by 3.8% YoY;
- Debt reduced by \$77 million subsequent to balance sheet;
- Total of 165 GWH of clean energy produced in 2023, further offsetting global CO₂ emissions;
- Completed business combination agreement with Clean Earth Acquisitions Corp., ("Clean Earth") priorly listed as "CLIN", "CLINW", and "CLINU" over NASDAQ;
- Listed on NASDAQ in December 2023 under the ticker symbol "ALCE";
- Divestment of non-strategic operating assets in Poland and the Netherlands, reducing debt by over \$75M;
- Net loss of \$69.5M, due primarily to one-time events including, \$15.8M related to divestment of projects in non-core countries, \$16.6M for fair value movement related to the forward purchase agreement, \$11.2M related to the Solis bond waiver fees, and \$5.5M related to loss on disposal of assets.

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

"In 2023, we focused on a strategic business realignment and consolidation, refining our core operations to pave the way for further growth in key high-potential markets across the US and Europe. One standout moment was our successful merger with Clean Earth Acquisitions Corp (CLIN), culminating in our Nasdaq listing (NASDAQ: "ALCE")—a significant achievement that fills us with pride. Now, equipped with renewed energy and resolve, we're poised to increase our impact, broaden our scope, and ignite further growth in our business. We remain focused on our goal of reaching 3GW of operational assets within five years."

Alternus Chief Financial Officer Joseph E. Duey added:

"2023 represented a year of strategic development for Alternus. We announced our listing on Nasdaq in December 2023 and are now well positioned organisationally to deliver on our goals. Our 2023 balance sheet is reflective of a conservative position. Subsequent to this balance sheet we have reduced debt by \$77 million. We are now in a process of refinancing assets over a longer-term period, to align our debt with the longevity of our continuing asset portfolio. Once restructured the debt will be spread out of our balance sheet. We also have a secure pipeline of potential acquisition projects to execute on within the coming 12-18 months and are confident that we have the ability to access equity capital as needed and fund the growth plan we have in place."

Results Underpinned by a Diversified Portfolio of Assets

The table below summarises the Company's portfolio of assets as of December 31, 2023.

COUNTRY	MEGAWATTS		Percentage
	INSTALLED		
Romania	40.1		91.3%
United States	3.8		8.7%
Total	43.9		100%

The Company announced the divestment of non-core assets in late 2023, in line with our renewed strategy to focus on strategic markets across Europe and the US. A focus will be on delivering on the advanced stage development pipeline portfolio of over 300MW in Italy and Spain and on executing on near-term acquisitions of both operating and ready-to-build projects from a growing pipeline of 'equity light' projects in the US.

It was announced in 2023 that Alternus acquired 32MWp solar PV project in Tennessee, USA, known as ‘Dancing Horse.’ Dancing Horse is expected to start operating in Q1 2025 and should produce annual revenue of approximately \$2.3 million when fully operational. 100% of the offtake from this facility is secured by 30-year power purchase agreements with two regional utilities.

The Company also announced a planned expansion in Spain with the acquisition of Solar PV projects totalling 32 MWp of Solar PV projects in Valencia, Spain, known as the NF Projects. The portfolio consists of six projects in total: five of which, totalling 24.4 MWp, are expected to reach operation in Q2 2024, with the remaining project expected to achieve operation in Q1 2025.

Once operating, 10-year average annual revenues from the initial portfolio of five will be approximately \$2.3 million, going to \$2.8 million once all are connected.

Business Combination and Nasdaq Listing

The Company successfully started trading over Nasdaq on the 26th of December 2023 under the ticker (NASDAQ: ALCE) following a successful business combination with its predecessor, Clean Earth. Under the terms of the business combination agreement, the Company acquired the majority of Alternus Energy Group PLC, a company incorporated under the laws of Ireland (“AEG”)’s assets, with simultaneously issuing it common stock, in turn making it the largest shareholder in the Company. AEG continues to exist as a separate legal entity and continues to trade on the Euronext Growth stock market in Oslo under the ticker (OSE: ALT). The completion of the business combination with Clean Earth and resultant listing on Nasdaq, is a key strategic pillar in our commitment towards a sustainable future.

The below table summarises the Company’s financial performance for the full year 2023, compared to the full year 2022.

	2023	2022	\$ Change	% Change
Revenues	20.1	17.1	3.0	18%
Cost of Sales	(4.5)	(4.4)	(0.1)	2%
Gross Profit	15.6	12.7	2.9	23%
Gross Margin	78%	74%	3%	5%
Selling and General Expenses	(11.2)	(5.7)	(5.5)	96%
EBITDA	4.4	7.0	(2.6)	-37%
Interest Charges	(18.6)	(10.3)	(8.3)	81%
Depreciation and amortization	(3.7)	(3.7)	-	0%
Total Other Expense	(35.8)	(11.6)	(24.2)	209%
Net Loss	(53.7)	(18.6)	(35.1)	189%

Subsequent Events Strengthen Outlook and Deliver on Sustained Growth

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

Close of Sale in the Netherlands

The Company announced the closing of the sale of 100% of the share capital in Zonnepark Rilland B.V. to Theia on the 21st of February 2024. This activity was a planned activity in line with the divestment of non-core projects within the operating portfolio.

Green Bond Covenant Waiver

The bondholders voted to approve the resolutions for the extension of the waivers and the maturity date to the Bond Terms and the maturity date until 30 April 2024, with the right to further extend to May 31, 2024, at the Bond Trustee’s discretion, and thereafter on a month-to-month basis to 29 November 2024 at the Bond Trustee’s discretion and approval from a majority of Bondholders.

Project Development

On 4 April 2024 it was announced that Alternus had entered into a joint venture with Acadia Energy (Acadeia), a microgrid and renewable energy developer, to develop 200MW of Microgrid Projects in New York State. The venture will focus on developing and operating a portfolio of microgrid projects over the next 2-3 years. Under the terms of the joint venture, Alternus will hold a 51% majority ownership stake in the projects.

About Alternus Clean Energy, Inc.

Alternus is a transatlantic clean energy independent power producer. Headquartered in the United States, we currently develop, install, own, and operate utility-scale solar parks in the North America and Europe. Our highly motivated and dynamic team at Alternus have achieved rapid growth in recent years. Building on this, our goal is to reach 3GW of operating projects within five years through continued organic development activities and targeted strategic opportunities. Our vision is to become a leading provider of 24/7 clean energy delivering a sustainable future of renewable power with people and planet in harmony. For more information visit www.alternusenergy.com.

Forward-Looking Statements

Certain information contained in this release, including any information on the Company's plans or future financial or operating performance and other statements that express the Company's management's expectations or estimates of future performance, constitute forward-looking statements. When used in this notice, words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions, as they relate to us or our management team, identify forward-looking statements. Such forward-looking statements are based on the beliefs of management, as well as assumptions made by, and information currently available to, the Company's management. Such statements are based on a number of estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond the control of the Company. The Company cautions that such forward-looking statements involve known and unknown risks and other factors that may cause the actual financial results, performance, or achievements of the Company to differ materially from the Company's estimated future results, performance or achievements expressed or implied by the forward-looking statements. These statements should not be relied upon as representing Alternus' assessments of any date after the date of this release. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release, except as required by law.

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ALTERNUS CLEAN ENERGY, INC., AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	As of December 31, 2023	As of December 31, 2022
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 4,618	\$ 705
Accounts receivable, net	651	3,335
Unbilled energy incentives earned	5,607	4,954
Prepaid expenses and other current assets	3,344	1,482
Taxes recoverable	631	1,388
Restricted Cash	19,161	-
Current discontinued assets held for sale	80,943	-
Total Current Assets	114,955	11,864
Property and equipment, net	61,302	68,953
Right of use asset	1,330	1,004
Restricted cash	-	6,598
Other receivable	1,483	-
Capitalized development cost and other long-term assets, net	6,216	2,146
Non-current discontinued assets held for sale	-	87,750
Total Assets	\$ 185,286	\$ 178,315
LIABILITIES AND SHAREHOLDER" EQUITY (DEFICIT)		
Current Liabilities		
Accounts payable	\$ 5,084	\$ 1,138
Accrued liabilities	24,410	3,471
Taxes payable	14	616
Deferred income	5,607	4,954
Operating lease liability	175	75
Green bonds	166,122	-
Convertible and non-convertible promissory notes, net of debt issuance costs	31,420	-
Current discontinued liabilities held for sale	14,259	-
Total Current Liabilities	247,091	10,254
Green bonds	-	149,481
Convertible and non-convertible promissory notes, net of debt issuance costs	-	9,214
Operating lease liability, net of current portion	1,252	960
Asset retirement obligations	197	397
Non-current discontinued liabilities held for sale	-	10,591
Total Liabilities	248,540	180,897
Shareholders' Deficit		
Preferred stock, \$0.0001 par value, 1,000,000 authorized as of December 31, 2023. 0 issued and outstanding as of December 31, 2023.	-	-
Common Stock, \$0.0001 par value, 150,000,000 authorized as of December 31, 2023; 71,905,363 issued and outstanding as of December 31, 2023, and 57,500,000 issued and outstanding as of December 31, 2022.	7	6
Additional paid in capital	27,874	19,797
Foreign Currency Translation Reserve	(2,925)	(3,639)
Accumulated deficit	(88,210)	(18,746)
Total Shareholders' Deficit	(63,254)	(2,582)
Total Liabilities and Shareholder' Deficit	\$ 185,286	\$ 178,315

ALTERNUS CLEAN ENERGY, INC., AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(in thousands, except share and per share data)

	Year Ended December 31	
	2023	2022
Revenues	\$ 20,084	\$ 17,089
Operating Expenses		
Cost of revenues	(4,468)	(4,439)
Selling, general and administrative	(11,228)	(5,720)
Depreciation, amortization, and accretion	(3,657)	(3,677)
Development Costs	(798)	(11,372)
Loss on disposal of assets	(5,501)	(79)
Total operating expenses	(25,652)	(25,287)
Loss from operations	(5,568)	(8,198)
Other income/(expense):		
Interest expense	(18,562)	(10,256)
Fair value movement of FPA Asset	(16,642)	-
Solis bond waiver fee	(11,232)	-
Other expense	(1,642)	(684)
Other income	9	569
Total other expenses	(48,069)	(10,371)
Loss before provision for income taxes	(53,637)	(18,569)
Income taxes	(15)	-
Net loss from continuing operations	(53,652)	(18,569)
Discontinued operations:		
Income/(loss) from operations of discontinued business component	(3,885)	141
Impairment loss recognized on the remeasurement to fair value less costs to sell	(11,766)	-
Income tax	(161)	(21)
Net income/(loss) from discontinued operations	(15,812)	120
Net loss	\$ (69,464)	\$ (18,449)
Net loss attributable to common stockholders, basic	(53,652)	(18,569)
Net loss per share attributable to common stockholders, basic	(0.93)	(0.32)
Net loss per share attributable to common stockholders, diluted	(0.93)	(0.32)
Weighted-average common stock outstanding, basic	57,862,598	57,500,000
Weighted-average common stock outstanding, diluted	57,862,598	57,500,000
Comprehensive loss:		
Net loss	\$ (69,464)	\$ (18,449)
Foreign currency translation adjustment	714	(992)
Comprehensive loss	\$ (68,750)	\$ (19,441)