

# Company presentation

---

7 October 2020

# Forward-Looking Statements

---



This presentation contains certain forward-looking statements that reflect the Company's management's current views with respect of future events and financial and operational performance of the Company and its subsidiaries. These forward-looking statements are based on Falck Renewables S.p.A.'s current expectations and projections about future events and have been prepared in accordance with IFRS currently in force and the related interpretations as set out in the documents issued to date by IFRIC and SIC, with the exclusion of any new standard which is effective for annual reporting periods beginning after January 1<sup>st</sup> 2020. Because these forward-looking statements are subject to risks and uncertainties, actual future results or performance may differ materially from those expressed in or implied by these statements due to any number of different factors, many of which are beyond the ability of Falck Renewables S.p.A. to control or estimate precisely, including changes in the regulatory environment, future market developments, fluctuations in the price and availability of fuel and other risks. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this presentation. Falck Renewables S.p.A. does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements to reflect events or circumstances after the date of this presentation. The information contained in this presentation does not purport to be comprehensive and has not been independently verified by any independent third party.

This presentation does not constitute a recommendation regarding the securities of the Company. This presentation is not intended to be/does not contain any offer, under any applicable law, to sell or a solicitation of any offer to buy or subscribe any securities issued by Falck Renewables S.p.A. or any of its subsidiaries.

Neither the Company nor any member of the Company's Group nor any of its or their respective representatives, directors or employees accept any liability whatsoever in connection with this presentation or any of its contents or in relation to any loss arising from its use or from any reliance placed upon it.

# Agenda

---



○ Market Elements 4

○ Group Overview and Roadmap 2025 10

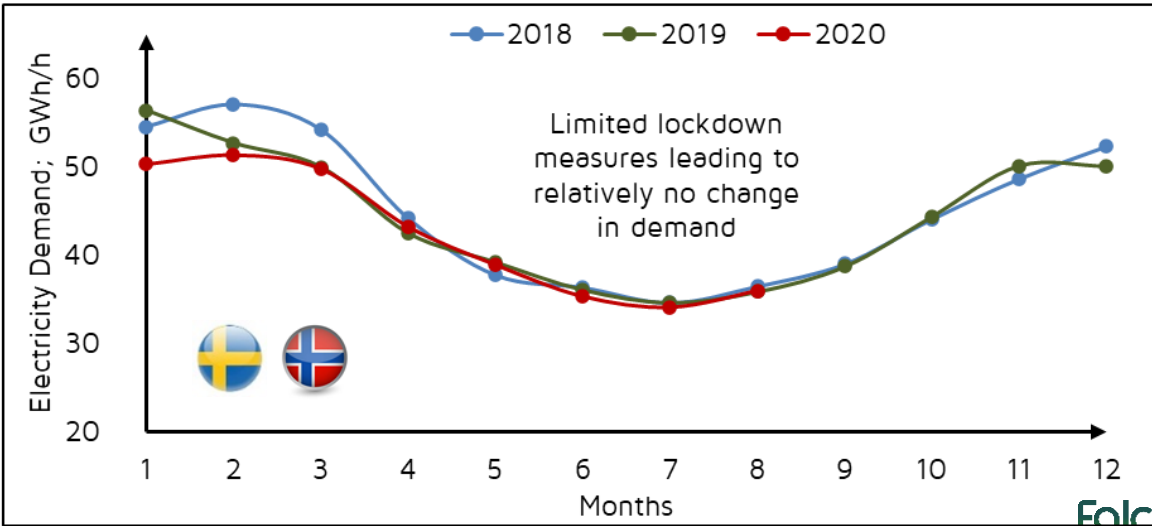
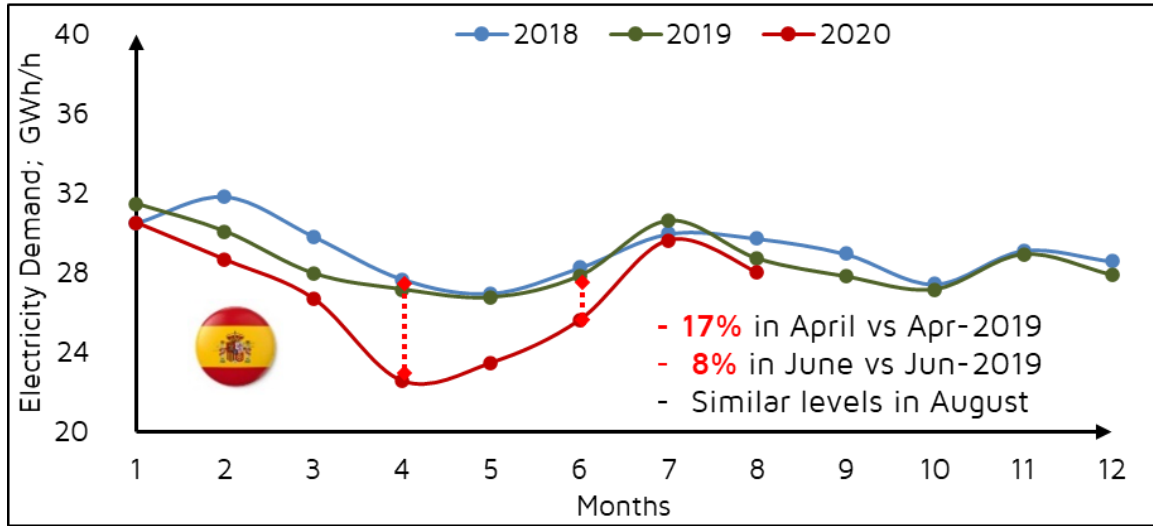
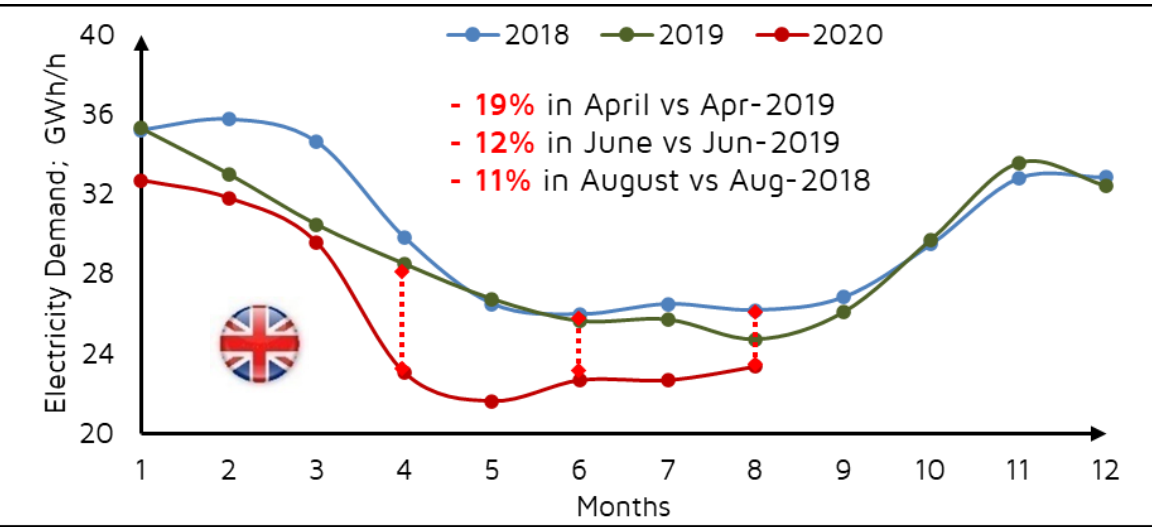
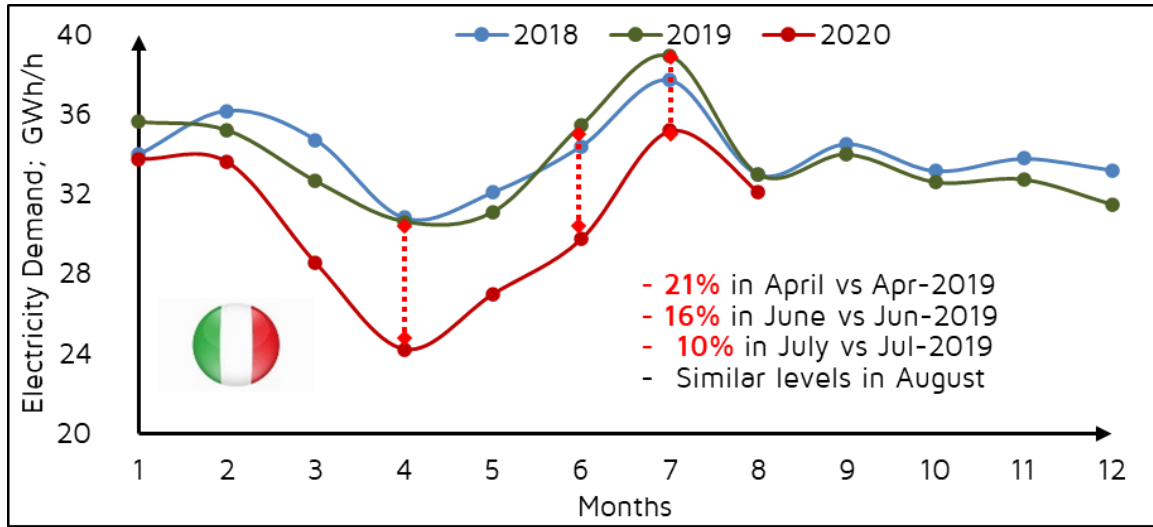
○ 1H 2020 Results 24

○ Appendix 31

# Market Elements

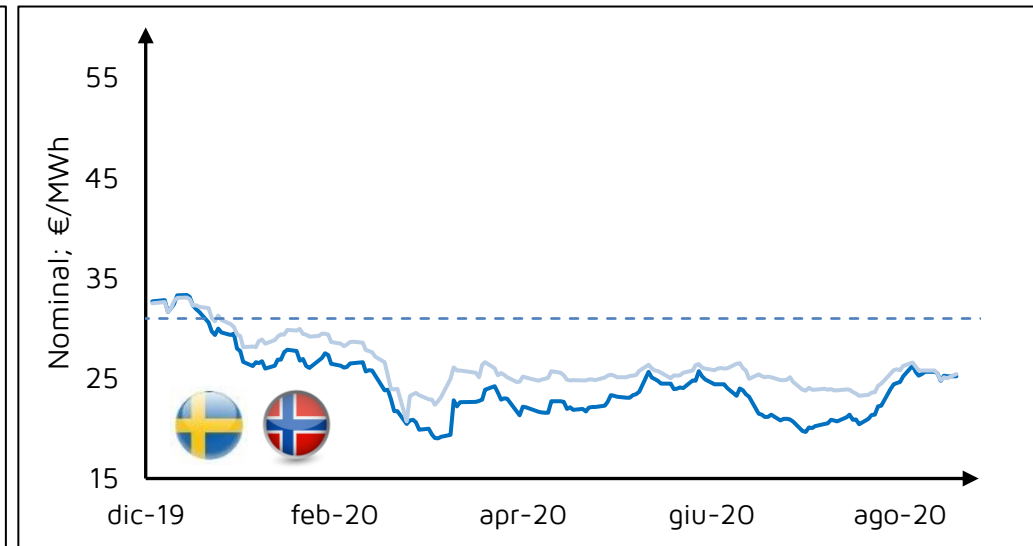
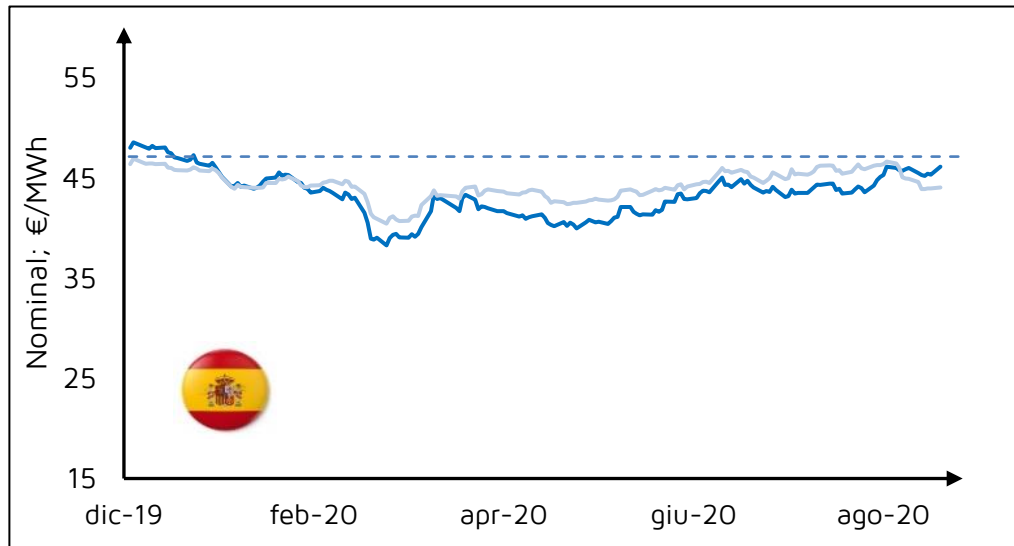
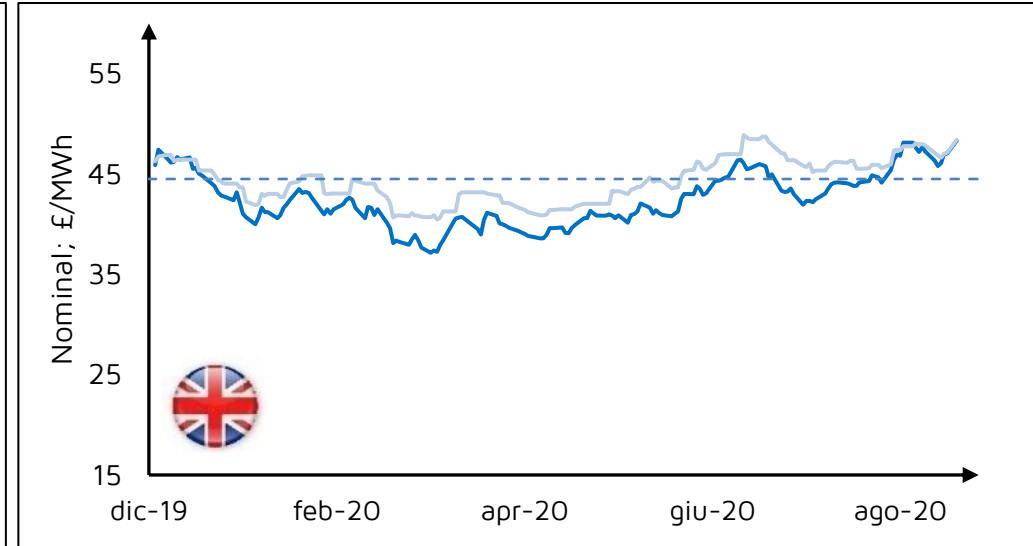
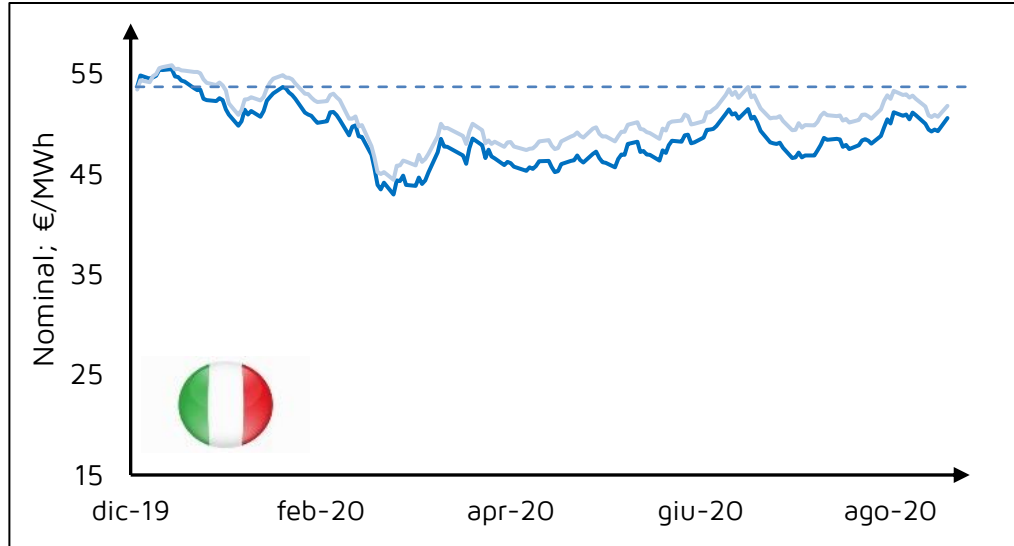
---

# Covid-19, consumption recovery continues

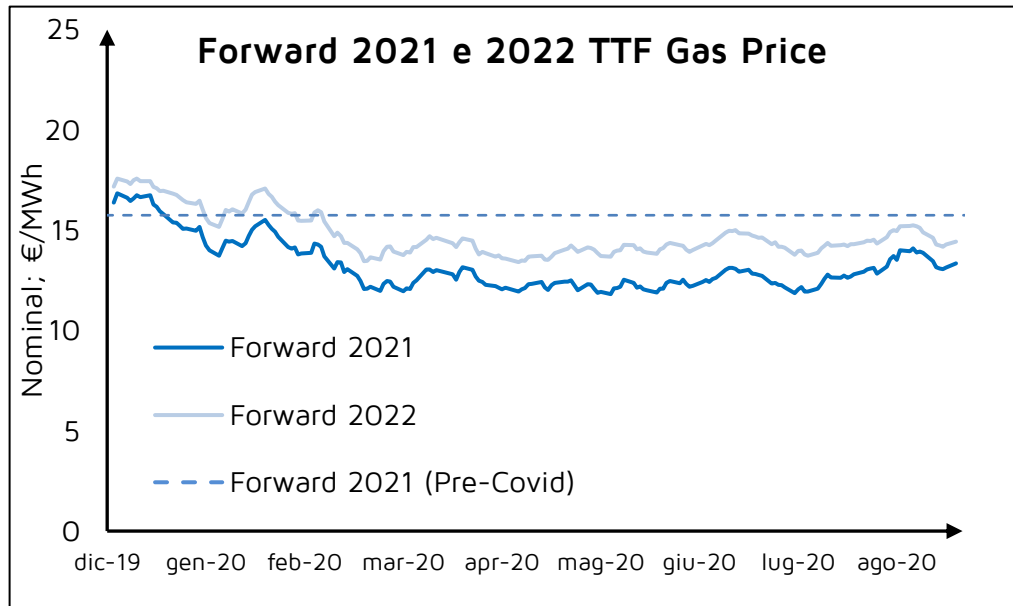
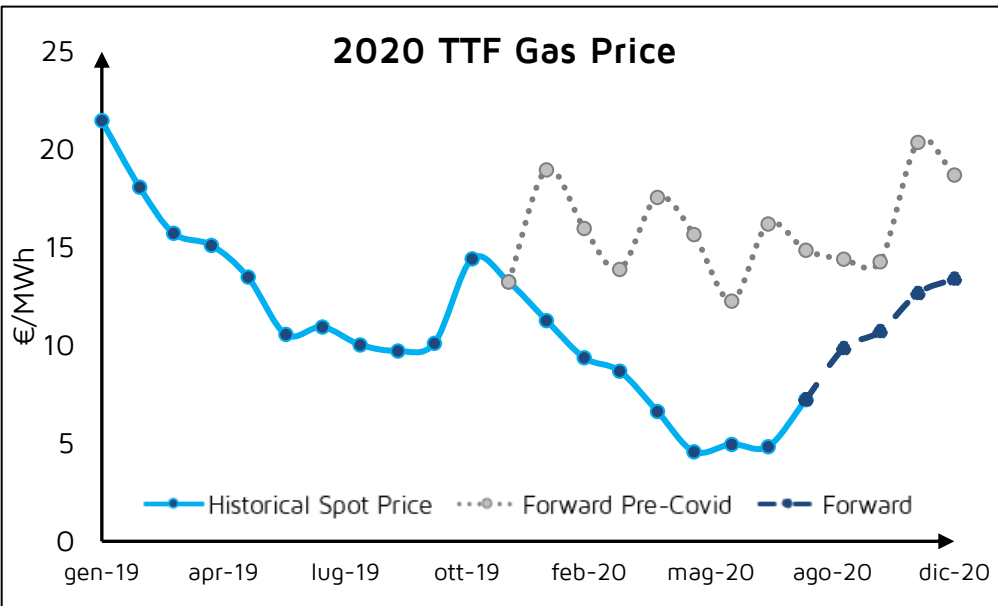


# ...2021 and 2020 curve prices aligned with pre-Cov

— Forward EE 2021    — Forward EE 2022    - - Forward EE 2021 (Pre-Covid)



# Stronger Gas Market Fundamentals



| €/MWh                   | TTF   |
|-------------------------|-------|
|                         |       |
| <b>2019</b>             | 13,55 |
| Q1-20                   | 9,79  |
| Q2-20                   | 5,38  |
| Q3-20                   | 7,28  |
| Q4-20                   | 12,50 |
| <b>2020</b>             | 8,68  |
| <b>2020 (Pre-Covid)</b> | 16,10 |
| <b>2021</b>             | 13,35 |

- **Since Q1 2020, gas prices have dropped rapidly driven by reduction in global gas demand as a result of the COVID-19 pandemic, mild winter temperature and drop of oil prices and consumption worldwide.** However, thanks to stronger gas fundamentals, forward prices have reached pre-Covid level.
- TTF daily spot price is again higher than 10€/MWh for the first time after January '20.
- Several plants' maintenance periods have affected the gas production in Norway, UKCS and Russia, putting pressure to the supply side (and upward pressure on prices). The filling of European gas storages is close / lower to 2019 level.
- In the end of August, Hurricane Laura created in the USA gas production outages, both from offshore Gulf of Mexico and around Louisiana.
- Some LNG buyers have suspended or renegotiated shipments in the summer months, resulting in LNG carriers acting as floating storage facilities. However, fewer LNG cargo cancellations should be expected in October, in consideration of higher forward gas prices in the EU. LNG capacity may be back to normal in November.

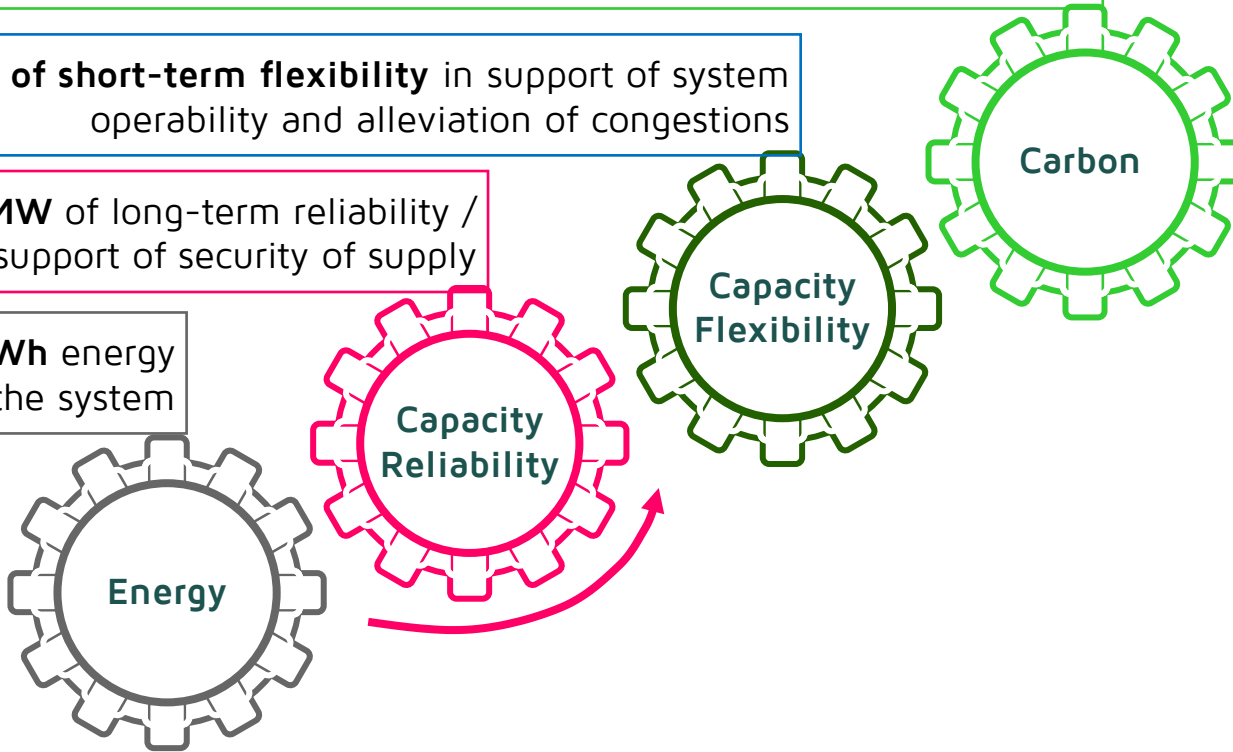
# Value for Renewable electricity and pricing model

**Value of avoided carbon emissions** typically manifested through carbon pricing or taxation and low carbon support mechanisms

**Value of short-term flexibility** in support of system operability and alleviation of congestions

**Value of MW of long-term reliability / adequacy** in support of security of supply

**Value of MWh energy** delivered to the system

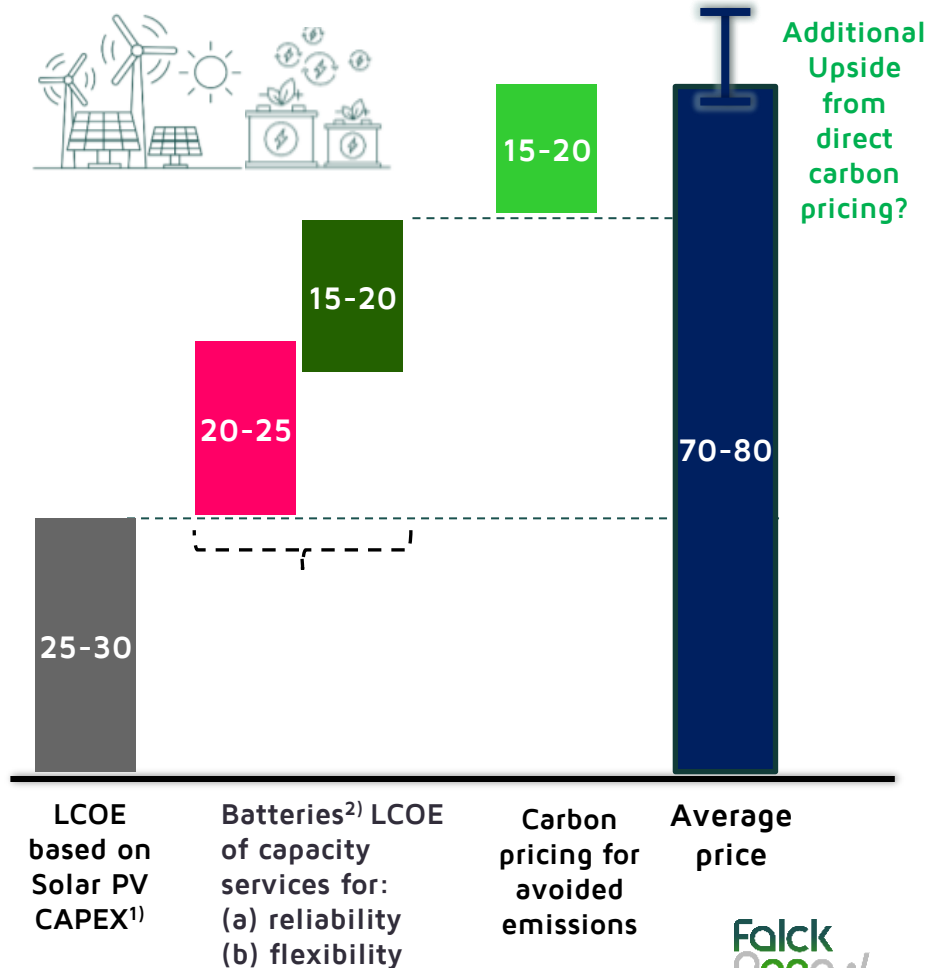


Where the "products" are traded



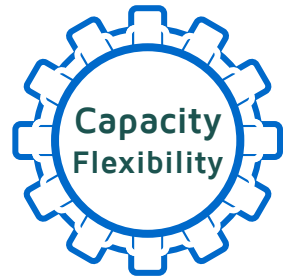
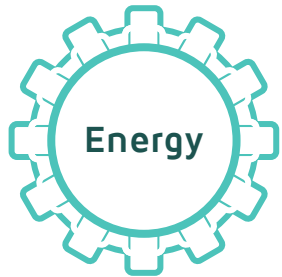
1) 200-300K €/MW; 2) Assuming, for each MW of Solar, 0.5MWx8h (4 MWh of storage), ~120k€/MW 3) Considering a CO2 price of ~70 €/tCO2

Pricing model 2040? €/MWh; real 2020 money





# Focusing on energy plus capacity: how to derive value



|                              |  |
|------------------------------|--|
| <b>System goal</b>           | Efficient energy dispatch  |
| <b>What does it provide?</b> | Delivers energy in the most cost-efficient way by having the market define the system's merit order                          |
| <b>Market instrument</b>     | <ul style="list-style-type: none"> <li>• Forward markets</li> <li>• Day-ahead markets</li> <li>• Intraday markets</li> </ul> |

|   |
|---|
| Long-term system adequacy in support of security of supply  |
| Ensures long-term system adequacy e.g., in the case of extreme load peaks or backup intermittent renewable generation |
| <ul style="list-style-type: none"> <li>• Market-based capacity remuneration mechanisms</li> </ul>                     |

|  |
|--|
| Short-term system adequacy and flexibility   |
| Enables the system to respond to short-term variations in the supply/demand balance, support operability and alleviate congestion  |
| <ul style="list-style-type: none"> <li>• Short-term reserve markets (e.g. UK)</li> <li>• Ancillary services (e.g. primary and secondary reserve) and balancing market</li> </ul> |

**Falck Renewables**  
PURE POWER TO GROW  
**Where are we today?**

- Own dispatch platform for **optimization of €/MWh of own plants and third-party energy on the Italian market (hedging, aggregation and balancing)**
- Ongoing platform development for the UK market

- Participation to capacity market auction for 2023 delivery, with Solar+Storage capacity to be developed in South zone
- **Awarded 9 MW/year at 75 k€/MW/Year for 15 years**

- **Pipeline of stand-alone storage and/or PV+Storage projects in definition for the Italian market.** Revenues from ancillary services (primary and secondary reserve with €/MW remuneration) as well as from the new Fast Reserve mechanism

**Energy-only markets are inefficient by definition, as they include technologies with an opposite cost structure in terms on Capex-Opex, leading to energy prices trending, in some hours of the day, towards zero**

# Group Overview

---

# Falck Renewables at a Glance

Renewable player  
with a continued  
expansion ....

**1,195° MW**

Asset  
base

**>2 GW**

Development  
pipeline

**95 MW**

Under  
construction

**~ 1 GW**

Energy dispatched  
in 2019

**8<sup>th</sup>**

Market operator  
in Italy in 2019

**C&I** 

Customers  
managed

... **diversified** in  
Services and  
Business Solutions....

... committed to push  
on **digitalization &  
Innovation** with



Enabling operational  
excellence

**> 90%**

Employees working  
from home

**1<sup>st</sup> battery**

Integrated with Solar PV  
 (Commissioned  
in 2019)

**€ 174M**

Added Value distributed  
to stakeholders  
in 2019

**621,098 tCO<sub>2</sub>\***

Avoided thanks to  
Wind and PV

**41%\*\***

Plants with significant  
Community  
Engagement programs

....**sustainability** at  
the Core



# Our business model

JDA's like

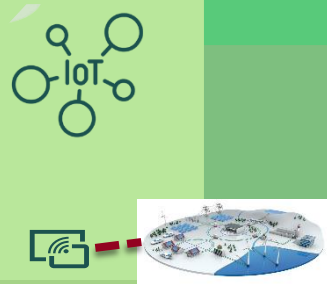
**Asset Development  
Engineering & Construction**

**Digital Factory**  
**NUO**

**Energy Solutions**

*Activities*

**Asset Management &  
Technical Advisory**



**Smart Energy Technologies  
Digital & Advisory Services**

**Market Access**

PPA    dispatching    hedging    balancing    aggregation

*Clients*

+ Falck Group  
+ ENI  
+ others

**Investors in new large renewables capacity**

**Energy Intensive Commercials & Industrials**



**Enablers of Decarbonization**



# Our 4 Sustainability Strategic Goals

In the **Roadmap 2025** strategic plan, we have explicitly taken 4 main sustainability commitments, a.k.a. **sustainability strategic goals**.

They will be measured over the plan period, verifying progress with Key Performance Indicators (**KPIs**).

They are consistent with the 4 capitals we have chosen to describe our sustainable business and represent a sort of *proxy* of our more granular sustainability impact.

| <b>ECONOMIC AND PRODUCTIVE CAPITAL</b><br>SHARED VALUE CREATION<br>ASSET OPERATIONAL EFFICIENCY<br>SUSTAINABLE ASSET DEVELOPMENT<br>RESPONSIBLE CLIENTS<br>FINANCIALLY SUSTAINABLE GROWTH | <b>SOCIAL AND RELATIONAL CAPITAL</b><br>LOCAL COMMUNITIES SUPPORT<br>LOCAL PROCUREMENT & EMPLOYMENT | <b>ENVIRONMENTAL AND CLIMATE CAPITAL</b><br>ENVIRONMENTALLY SUSTAINABLE MANAGEMENT PRACTICES<br>GREENHOUSE EMISSIONS REDUCTION | <b>HUMAN CAPITAL</b><br>HR DEVELOPMENT<br>DIVERSITY & WORK-LIFE BALANCE | <b>KPI</b>           |
|---|---|--|---|----------------------|
| DISTRIBUTED ADDED VALUE (M€)*   | PROJECTS WITH A SIGNIFICANT COMMUNITY ENGAGEMENT PROGRAM (%)**                                      | AVOIDED-CO <sub>2</sub> EMISSIONS (MTCO <sub>2</sub> )***  | HOURS OF UPSKILLING AND RESKILLING PER EMPLOYEE (HRS/Y)                 | 2019                 |
| €174 M  | 41% OF PROJECTS   | 0.62 MtCO <sub>2</sub>   | 21 hrs  | 2025                 |
| €255 M  | 55% OF PROJECTS   | 1.36 MtCO <sub>2</sub>   | 40 hrs  | CUMULATIVE 2020-2025 |
| €1,300 M  |   | 5.99 MtCO <sub>2</sub>   |   |                      |

\* To stakeholders such as staff, shareholders, creditors, central & local administrations, and local communities.  
 \*\* To be understood as the engagement of the local community through cooperative schemes, ownership schemes, benefit schemes or with the local enabling of sustainable energy consumption services (i.e. community energy PPA, access to net metering credit schemes, etc.).  
 \*\*\* References for the emission factors applied: US: "Avoided Emission Factors Generated from AVERT" (US EPA, 2019); EU: "Fattori di emissione atmosferica di gas a effetto serra nel settore elettrico nazionale e nei principali Paesi Europei" [Atmospheric emission factors of greenhouse gases and other pollutants from the power sector] (ISPRA, 2018); Norway: "Electricity disclosure 2017" (NVE-RME, 2019).

# How do we optimize our portfolio



### Asset Remote Monitoring:

- Operations real time overview
- In depth performance analysis
- Automatic KPIs calculation
- Predictive maintenance\*
- Repairs/retrofits effectiveness follow up

### Asset Management & Operational Control:

- Contract management
- Site management
- On site quality inspections
- Assessment and follow up on technical improvements

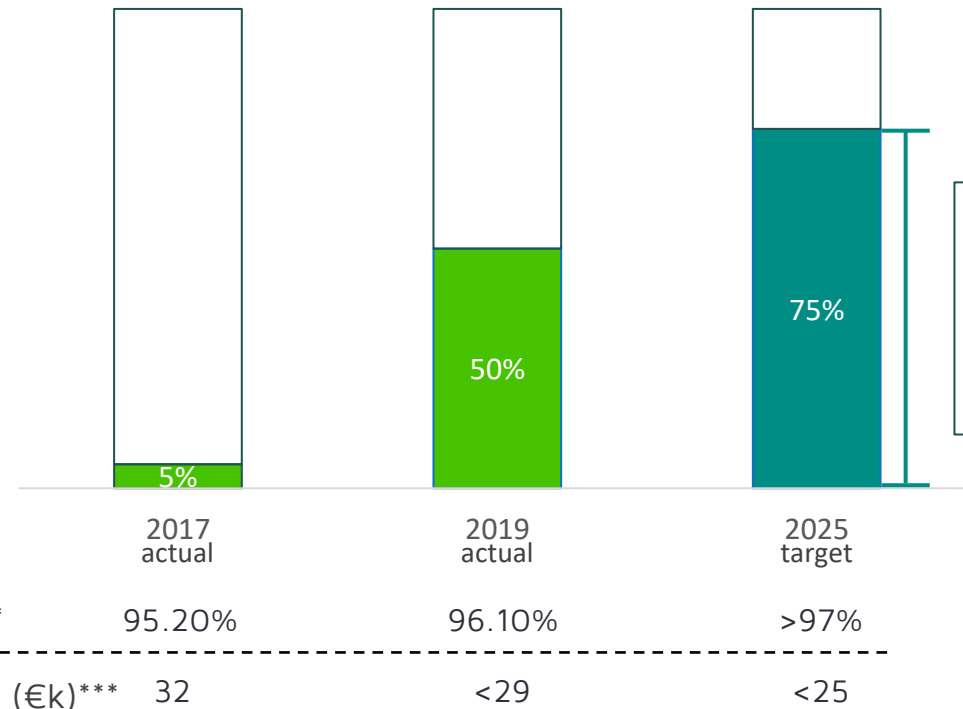


### Asset Energy Management:

- Production forecasting
- Energy trading
- Power limitations management
- Grid balancing & regulatory support

- Maximize in-house expertise and experience
- Maximize payback of digital investment
- Exploit high competitive market for O&M services
- Create synergies across assets
- Control life time extension, revamping and repowering projects
- Extendible approach to solar assets

## O&M Service Scope Review (calculated on wind farms)







In house responsibility for part or all (favourite option) main components

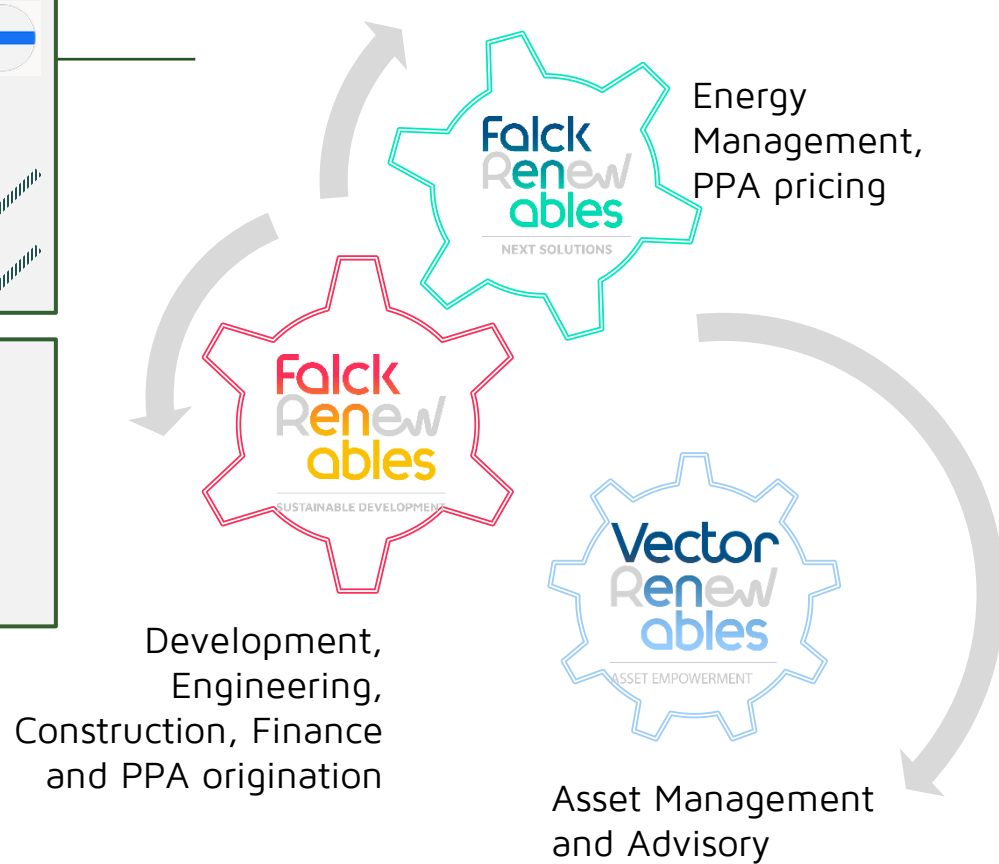
# How do we develop new assets

## Greenfield, Partnerships and M&A

Current approach

|   |  |  |  |  |  |  |  |  |  |
|---|---|---|---|---|--|---|---|---|---|
|  Greenfield |   |   |   | ✓   | ✓  |   |   |   |   |
| Partnerships / JDAs   |   | ✓   |   | ✓   |  | ✓   | ✓   |   | ✓   |
| M&A   | ✓   | ✓   | ✓   |   |  |   | ✓   | ✓   | ✓   |
|  Greenfield | ✓   | ✓   | ✓   |   | ✓  |   |   |   |   |
| Partnerships / JDAs   |   |   | ✓   | ✓   |  | ✓   |   |   |   |
| M&A   |   | ✓   | ✓   |   |  |   |   |   |   |

✓ Implemented  
 ✓ In process / potential



presence on the entire value chain  
... and in strong wind and solar markets

# Boosting Growth in the US: the Partnership with Eni



Falck  
Renewables

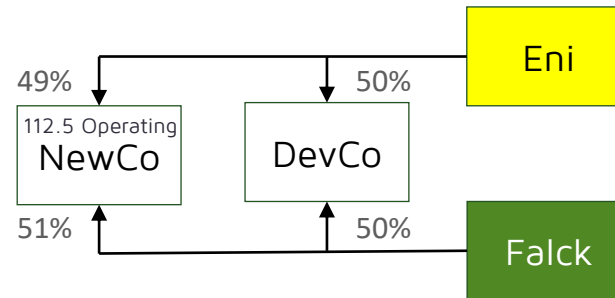


## Transaction Summary

**DevCo** (50/50) between Falck and Eni to develop ~ **1 GW by 2023**

**Sale of 49%** of the operating portfolio (112.5 MW in a **NewCo**) and **50% of DevCo** @ \$70M with a gain of €14,5M (including fx gain) with impact on Net Equity Reserve and €2M (including fx gain) with impact on P&L

## Shareholdings and Governance



**NewCo Governance:** Falck to **fully control** and consolidate line by line (100%)

**DevCo Governance:** **shared control** of the company; Falck has the right to appoint the **President** and Eni a **Vice President**

## Key Targets

**Technology:** PV, Wind and Storage > 5 MW

**DevCo:** Greenfield, RtB, COD and JDAs

**Transfer from DevCo:** rights for **400 MW** to NewCo (51/ 49) and **600 MW** to EniCo (100% Eni)

Technical and commercial **Asset Management** by Falck Renewables Group

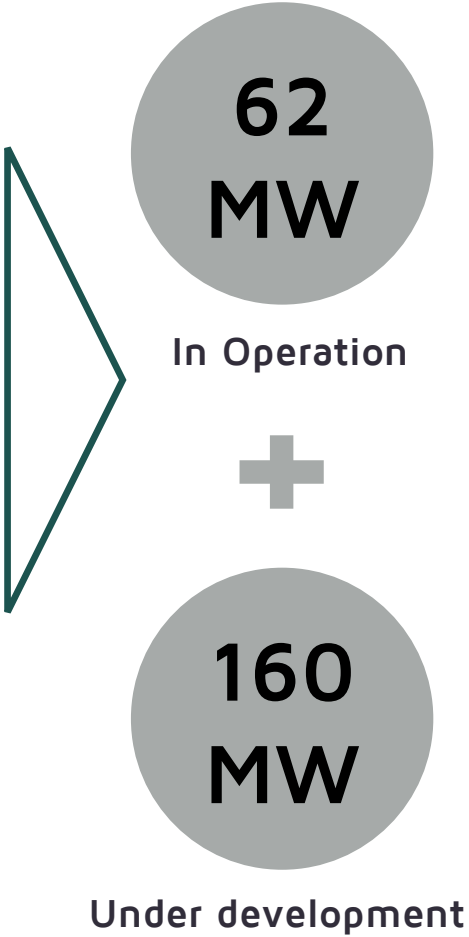


# Inaugural Deal of the Strategic Partnership in the U



## The transaction\*

- Equity value: **\$ 32.5M**
- Avg. COD: **June 2017**



| State    | MW | Source | COD        |
|----------|----|--------|------------|
| IOWA     | 30 |        | March 2017 |
| NEW YORK | 14 |        | June 2016  |
| MARYLAND | 18 |        | July 2018  |

| Main Topics    |             |
|----------------|-------------|
| STATE          | MONTANA     |
| SOURCE         |             |
| COD EXPECTED   | End of 2022 |
| INCENTIVE      | PTC         |
| REVENUE STREAM | PPA         |

**Closing foreseen by end of 2020**

\* Signed by the NewCo Novis Renewables Holdings, LLC, owned 51% by FKR and 49% by ENI

# Installed Capacity Growth

**Consolidation** of presence in the Nordics

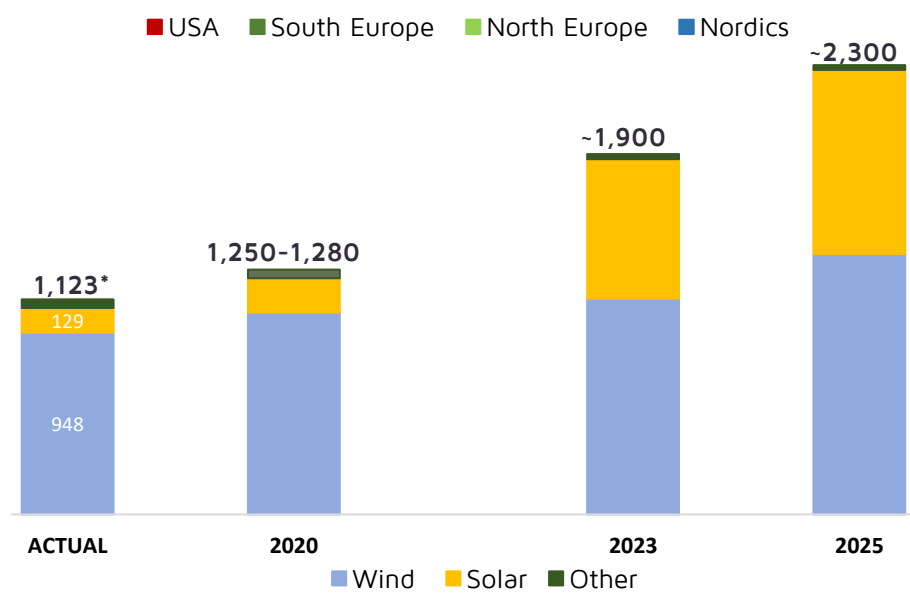
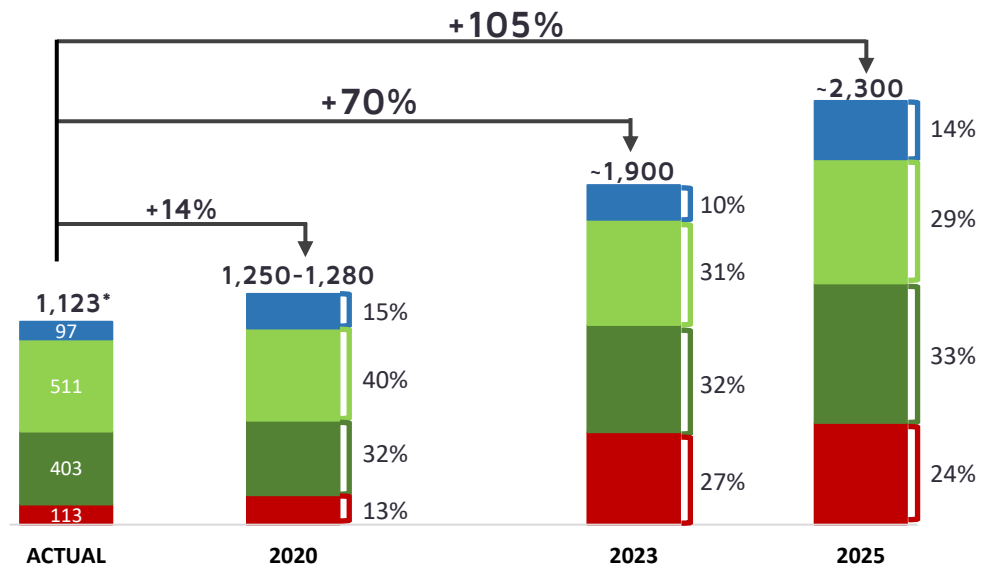
Europe remains central with high emphasis on South Europe

**Strong** growth in the US with ENI partnership

2021 installed capacity in line or exceeding previous industrial plan

Big effort on solar + 7.4x

Wind continues to blow



## Growth 2019-2025

- + ~ 230 MW: Maintaining a balanced Nordics exposure
- + ~ 175 MW: Onshore wind growth depending on UK and decarbonisation policies
- + ~ 370 MW: Investing in significant pipeline optionality
- + ~ 450 MW: Assuming full «ENI framework» delivery

## By 2025

~1.2 GW installed

**70% solar**

~0.8-1.0 GW of pipeline in excess available

# How do we create value for energy intensive clients



| Services Offered                       | Description  | Focus Clients |
|--|--|---------------|
| <b>Market Access</b>                   | Balancing Service Provider<br>Corporate Power Purchase Agreement<br>Dispatching & Trading                            |               |
| <b>Energy Solutions</b>                | New distributed PV assets, repowering PV, storage, CHP   |               |
| <b>Digital &amp; Advisory Services</b> | Advisory (audits, flexibility, storage), data analysis and energy management systems                                 |               |
| <b>Smart Energy Technologies</b>       | Starting from Energy Team metering and Demand Response, plus evolution driven by IoT trends and "open-tech" approach |               |

*# clients* →

## We enable value creation with advanced solutions

Asset Development  
Owned Assets

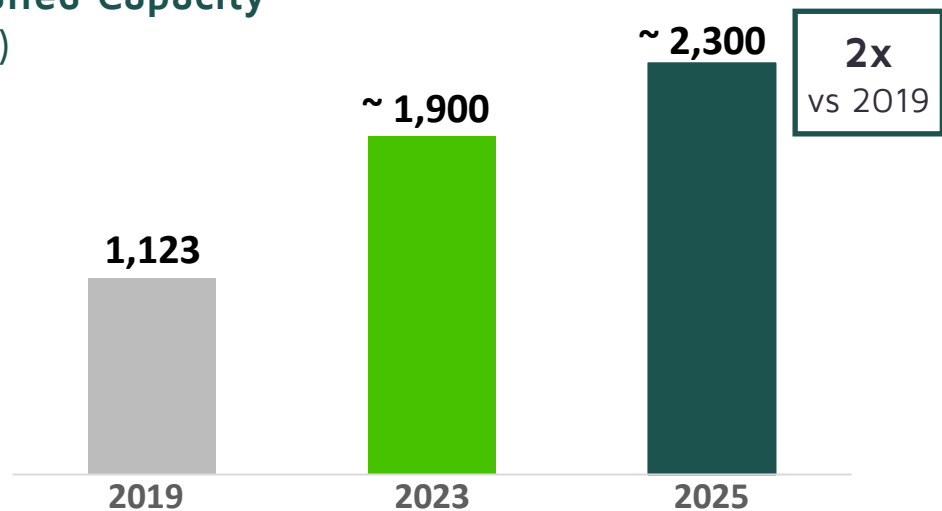
Large Wind/Solar producers  
Small PV assets < 5MWp

Energy Intensive Industries  
Large Industries

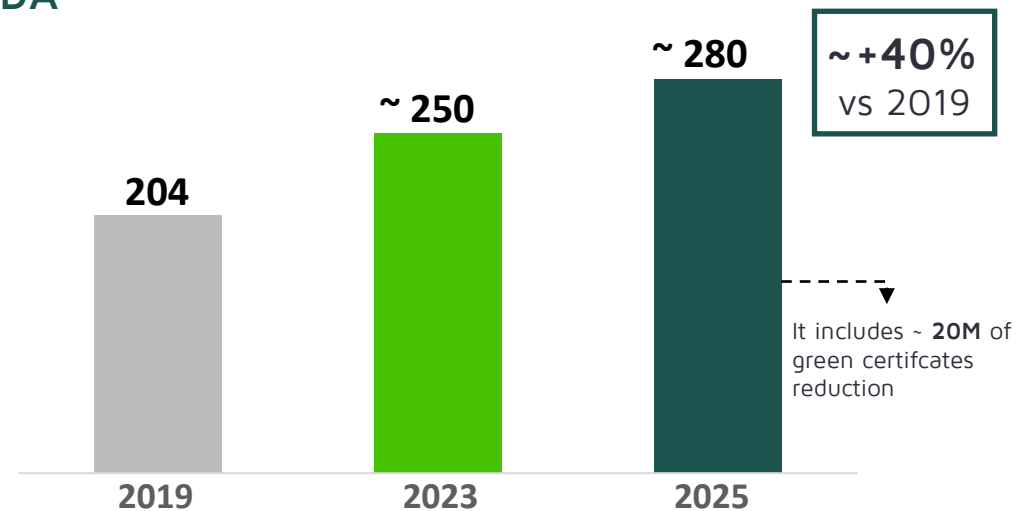
Large commercial users  
Large commercial corporates

# Main Targets

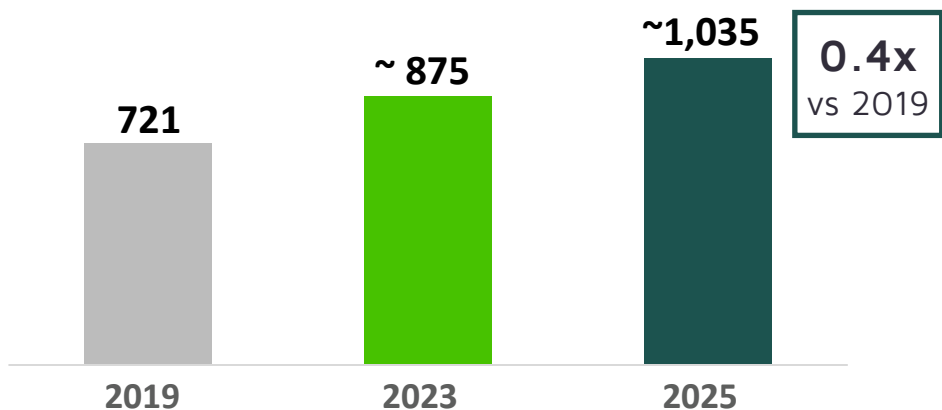
Installed Capacity  
(MW)



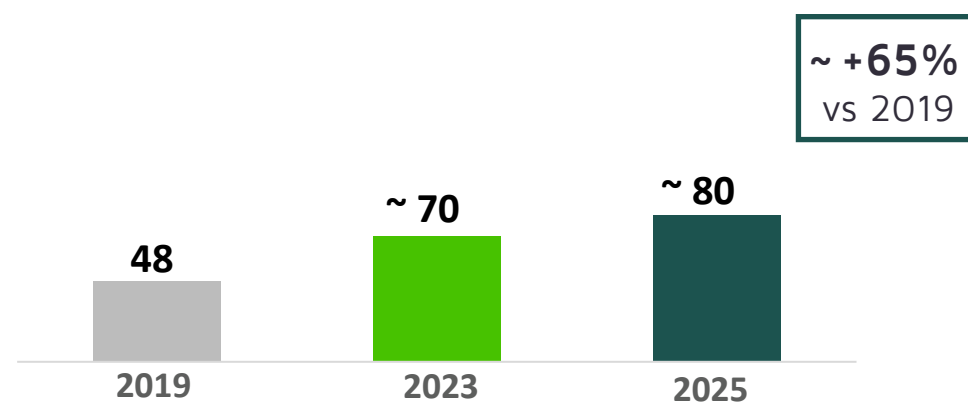
EBITDA  
(€M)



Net Financial Position  
(€M)



Group Net Earnings  
(€M)



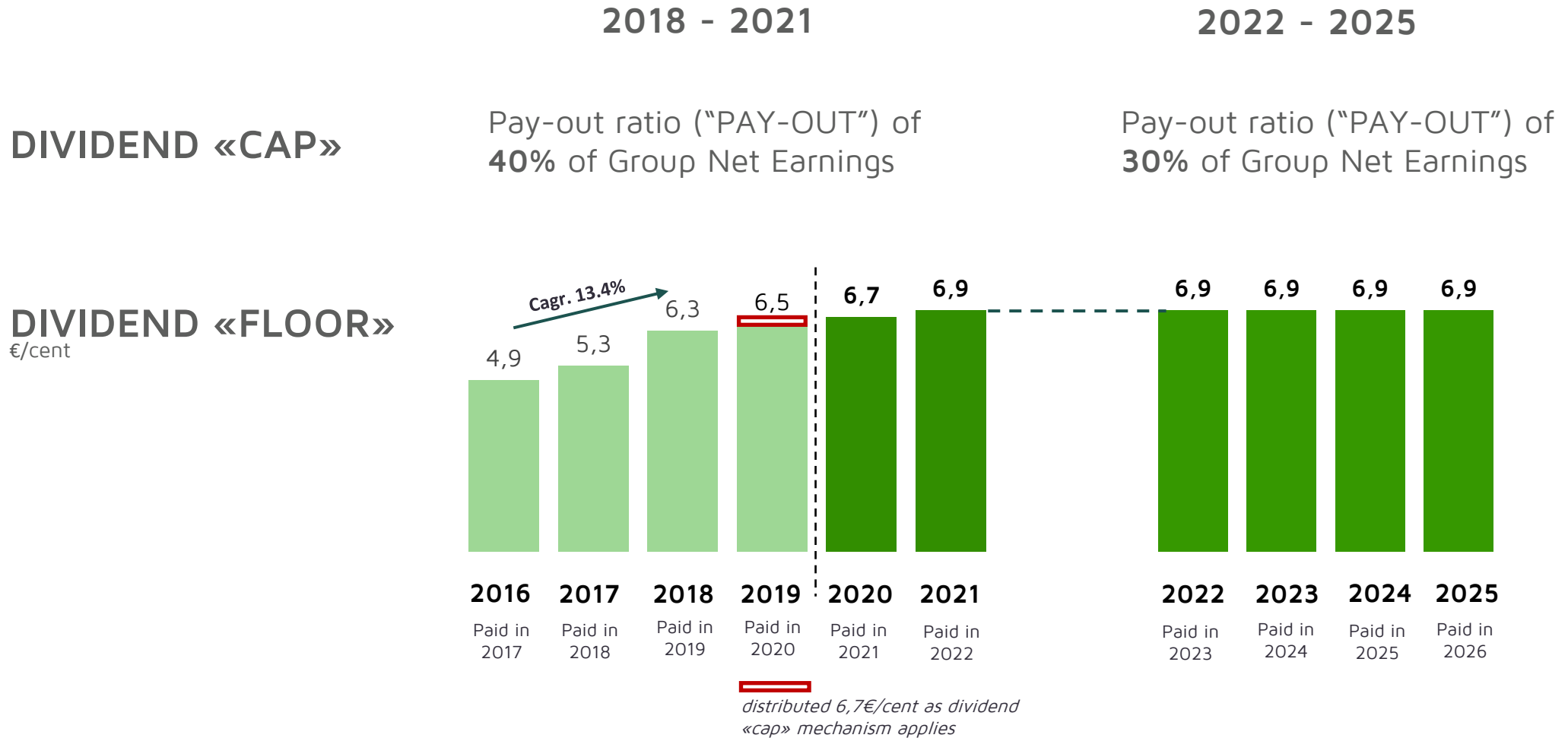
NFP/  
EBITDA

3.5x

3.5x

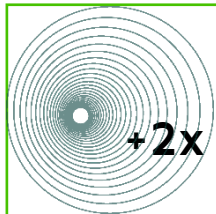
3.7x

# Dividends 2016-2025



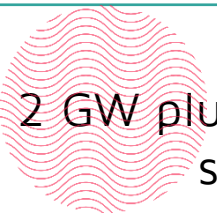
# Roadmap 2025 summary

## Significant Assets Growth



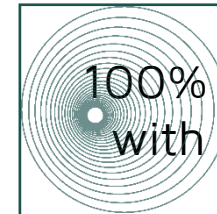
**+2x** consolidated assets

## Continued expansion and diversification of pipeline



2 GW plus developed and put in service by 2025

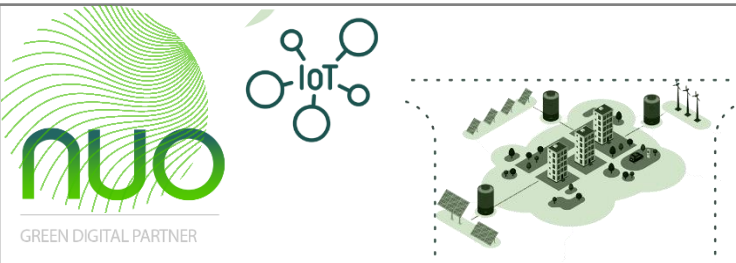
## Strong focus on ENERGY+ model




100% of solar developments with COD from 2023 with storage option

# ENABLERS OF GREEN GROWTH

Services and solutions business



- 
1. Distributed added value
  2. Projects with a significant community engagement program
  3. Avoided GHG emissions
  4. Hours of training per employee

Customer centered, technology and competence driven

Strong digital and application development driven expertise

Clear sustainability commitments to 2025

# Green Convertible Bond - € 200M



## MAIN TERMS

Maturity: **5 years**

Interest: **0%**

Issue Price: **101.25%**

Conversion price: **€ 7.22** per share

Premium vs reference share price (€ 5.35): **+35%\***

## USE OF PROCEEDS

Net proceeds of will be used to finance and/or re-finance, in whole or in part, new or existing renewable energy assets with expected substantial environmental impact (Eligible Green Assets):

- **Wind energy** generation farms
- **Solar energy** photovoltaics projects
- **Storage**: connected to renewables plant
- **Support Services** (dedicated digital services, wind/solar advisory and asset management)

## MAIN CONSIDERATIONS

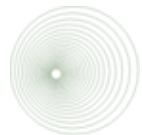
- ☞ **First** Italian green equity-linked bond
- ☞ **Oversubscription: over 2.5x**
- ☞ **Subscription: 65% “long-only Investors”**
- ☞ **Annual gross yield-to-maturity: -0.25%**
- ☞ **Fully funding** of 2025 Roadmap cash needs

# 1H 2020 Results

---



# 1H 2020 Business Highlights



## Owned Assets

- ❑ **Better production** vs. 1H 2019 (+24%) due to strong winds in the UK and France and **perimeter growth** in the Nordics, France and Spain. Lower performance in Italy (-10%) YoY.
- ❑ **Lower comprehensive captured prices** in the UK (-11%) and in Italy (-6%) vs. 1H 2019

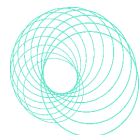
## Financials

- ❑ **Higher Ebitda at €106.3M** (€107.9M after adjustments) vs €104.9M 1H 2019 and above expectations
- ❑ Lower **Group Net Earnings** at €21.3M (€24.3M after adjustments) vs €26.3M in 1H 2019
- ❑ **NFP at €692M lower** than €721M end of 2019 impacted by **cash-in** from sale of minorities in US assets



## Asset Development

- ❑ Signed **PPA in Sweden** for Brattmyrliden (under construction) for **10 years**, with a coverage of around **70% of the electricity produced**
- ❑ **Pipeline improved** and increased permitting applications
- ❑ First **community benefit scheme** signed in Norway
- ❑ Reached **2.9 GW** under management



## Energy Management & Downstream Services

- ❑ **682 GWh dispatched** in-house in Italy (100% of energy produced + 3<sup>rd</sup> parties) vs 468 GWh in 1H 2019.
- ❑ Commercial launch of **CloE platform**
- ❑ Lower demand allows participation of wind assets in **new flexibility remuneration**

## Covid – 19 Business Updates

- 👍 Confirmed **Regular** supply of electricity in the period.
- 👍 **Workforce** mostly still in **smart working mode**
- 👍 Construction: **all turbines erected** at Brattmyrlyden (74 MW)
- 👎 **Softer price scenario** for the rest of 2020 and higher commodity volatility
- 👎 Slowdown of **technical activities and advisory** in the Service Sector (- €1.1M Ebitda vs 1H 2019)
- 👍 **Increased Capital allocation** to development and digitalization with some delays in organic pipeline growth

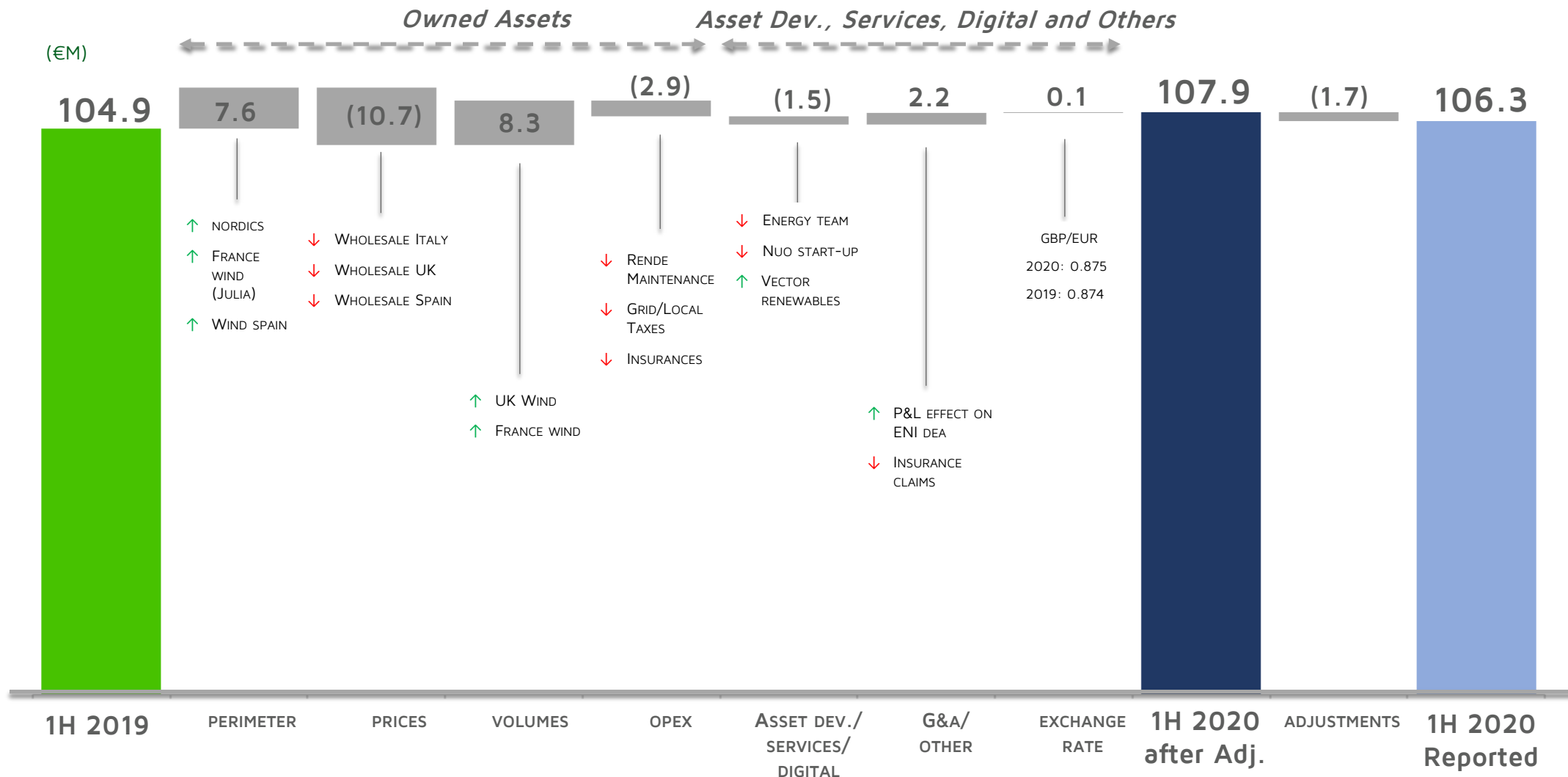
# 1H 2020 Financial Highlights

| (€M)                                    | Adjustments         |                 |                 |                 | 1H 2020<br>after Adj. | 1H 2019      | 1H 2020 Adj.<br>vs 1H 2019 |
|---|---------------------|-----------------|-----------------|-----------------|-----------------------|--------------|----------------------------|
|   | 1H 2020<br>Reported | Covid Donations | LTI 2017 - 2020 | Deferred Tax UK |                       |              |                            |
| <b>Revenues and Other Income</b>        | <b>204.8</b>        |                 |                 |                 | <b>204.8</b>          | <b>190.6</b> | <b>7.5%</b>                |
| <b>Ebitda</b>                           | <b>106.3</b>        | <b>0.7</b>      | <b>1.0</b>      |                 | <b>107.9</b>          | <b>104.9</b> | <b>2.9%</b>                |
| <i>% on Revenues and Other Income</i>   | <i>51.9%</i>        |                 |                 |                 | <i>52.7%</i>          | <i>55.1%</i> |                            |
| Depreciation - Amortization - Write Off | (44.0)              |                 |                 |                 | (44.0)                | (41.4)       |                            |
| <b>Operating result</b>                 | <b>62.3</b>         | <b>0.7</b>      | <b>1.0</b>      |                 | <b>64.0</b>           | <b>63.6</b>  | <b>0.6%</b>                |
| <i>% on Revenues and Other Income</i>   | <i>30.4%</i>        |                 |                 |                 | <i>31.2%</i>          | <i>33.4%</i> |                            |
| Financial income and charges            | (20.8)              |                 |                 |                 | (20.8)                | (19.5)       |                            |
| Equity investments                      | (0.8)               |                 |                 |                 | (0.8)                 | 0.9          |                            |
| <b>Earnings Before Taxes</b>            | <b>40.7</b>         | <b>0.7</b>      | <b>1.0</b>      |                 | <b>42.4</b>           | <b>45.0</b>  | <b>(5.8%)</b>              |
| Taxes                                   | (12.3)              | (0.2)           | (0.2)           | 2.7             | (9.9)                 | (11.2)       |                            |
| <b>Net Earnings</b>                     | <b>28.4</b>         | <b>0.5</b>      | <b>0.7</b>      | <b>2.7</b>      | <b>32.4</b>           | <b>33.8</b>  | <b>(4.2%)</b>              |
| Minorities                              | 7.1                 | 0.04            |                 | 1.0             | 8.2                   | 7.5          |                            |
| <b>Group Net Earnings</b>               | <b>21.3</b>         | <b>0.5</b>      | <b>0.7</b>      | <b>1.7</b>      | <b>24.3</b>           | <b>26.3</b>  | <b>(7.9%)</b>              |

| Breakdown                   | 1H 2020 | 1H 2019 |
|-----------------------------|---------|---------|
| Depreciations               | (40.6)  | (38.0)  |
| Provisions                  | (3.3)   | (2.2)   |
| Write - offs / Revaluations | (0.1)   | (1.1)   |

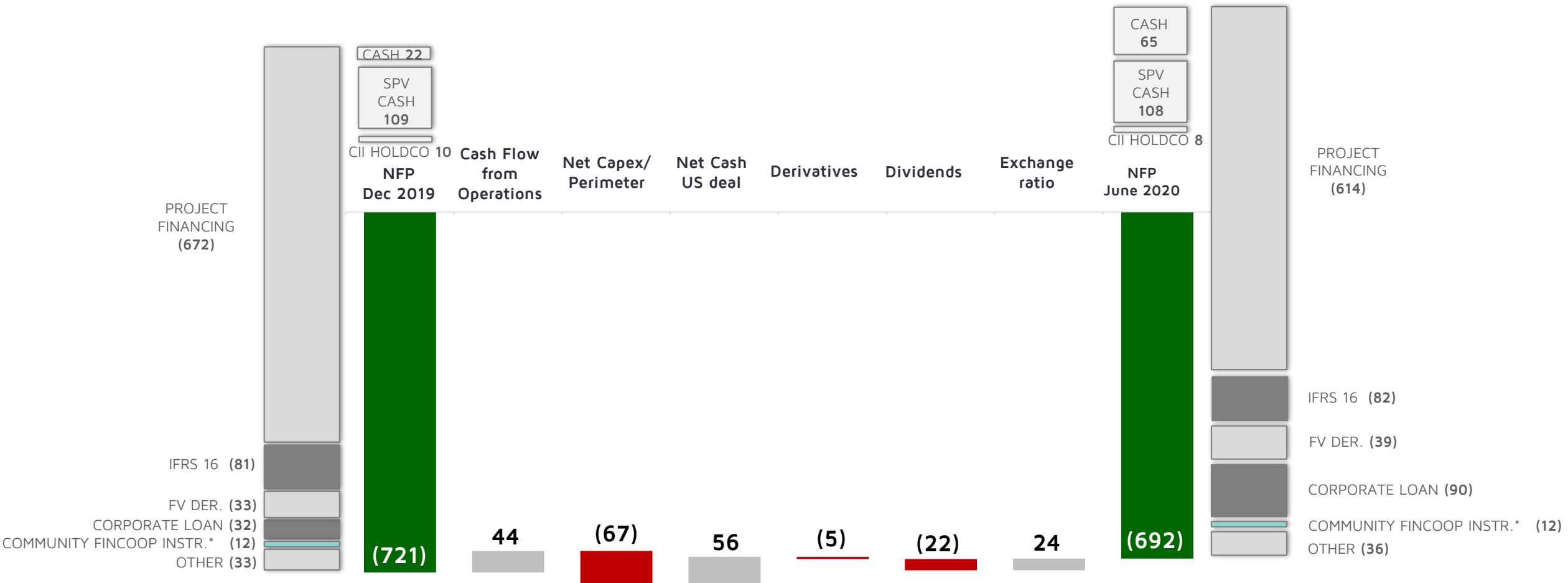
| (€M)  | Adjustments                   |                 |                 |                 | END OF<br>1H 2020<br>after Adj. | END OF<br>2019 |
|---|-------------------------------|-----------------|-----------------|-----------------|---------------------------------|----------------|
|   | END OF<br>1H 2020<br>Reported | Covid Donations | LTI 2017 - 2020 | Deferred Tax UK |                                 |                |
| <b>Net Invested Capital</b>                     | <b>1,339</b>                  |                 |                 | <b>2.5</b>      | <b>1,342</b>                    | <b>1,328</b>   |
| Equity  | 647                           | 0.5             | 0.7             | 2.5             | 651                             | 608            |
| <b>Net Financial Position</b>                   | <b>(692)</b>                  | <b>0.5</b>      | <b>0.7</b>      |                 | <b>(691)</b>                    | <b>(721)</b>   |
| <i>of which: Proj. Fin. and MLT no recourse</i> | <i>(614)</i>                  |                 |                 |                 | <i>(614)</i>                    | <i>(672)</i>   |

# 1H 2020 EBITDA Bridge



# 1H 2020 Cash Flow

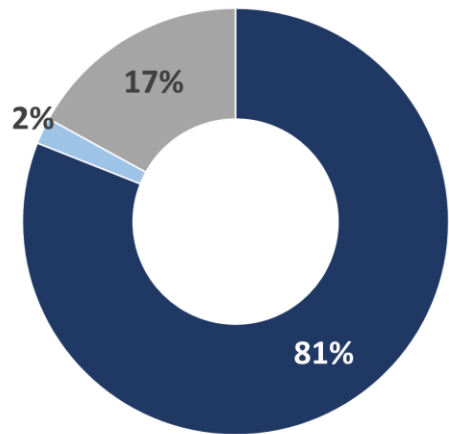
(€M)



\* Investment scheme to encourage the community to establish cooperatives, whose members will contribute to financing the energy plant

# 1H 2020 Gross Debt Breakdown

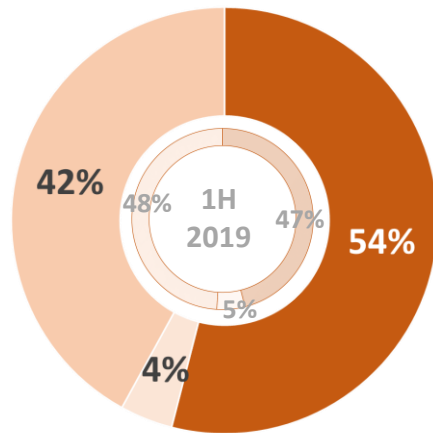
Gross Debt Nature Without Derivatives and Leases



€754M

- Financing with recourse
- Project financing without recourse
- Other financings without recourse

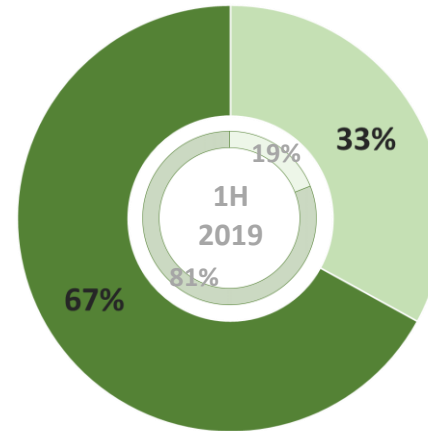
Gross Debt by Currency Without Derivatives and Leases



€754M

- GBP
- EUR
- USD

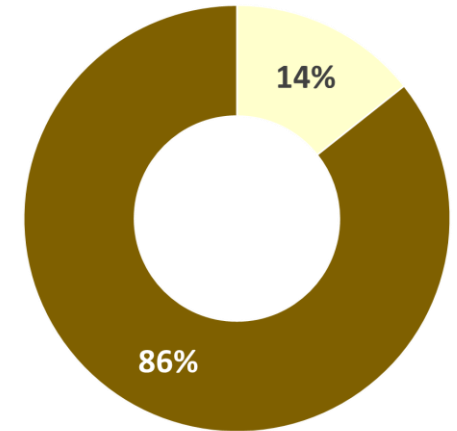
Gross Debt Without Derivatives and Leases Hedged



€754M

- Hedged
- Un-hedged

Gross Debt Without Derivatives and Leases: Construction and Operations



€754M

- Operating plants
- Under construction

Average interest rate (including interest rate swap) of **3.2%\***

# Guidance 2020

(€M)

|  | <i>Old</i> | <b>Scenario 1</b> |                               | <i>Old</i> | <b>Scenario 2</b> |
|--|------------|-------------------|-------------------------------|------------|-------------------|
|  |            |                   | <b>EBITDA</b>                 |            |                   |
|  | <i>196</i> | <b>194</b>        |                               | <i>202</i> | <b>198</b>        |
|  |            |                   | <b>Group Net Earnings*</b>    |            |                   |
|  | <i>38*</i> | <b>34</b>         |                               | <i>40*</i> | <b>36</b>         |
|  |            |                   | <b>Net Financial Position</b> |            |                   |
|  | <i>785</i> | <b>740</b>        |                               | <i>775</i> | <b>740</b>        |

*Before provisions and impairment*

### Main Considerations

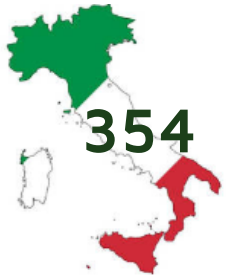
- In common, from 1H Results: *Deferred Tax in the UK, Covid donations, LTI, higher BD expenses under equity method, higher minorities and Covid impact on downstream services*
- Price assumptions 2H:
  - **Scenario 1:** *current forward price scenario*
  - **Scenario 2:** *July forward price scenario*
- Fx 2H: *GBP ~ 0.90 and USD ~ 1.14*

\* It includes the impact of deferred tax liabilities on Group Net Earnings due to the change of the corporate tax rate in the UK

# Appendix

---

# Today's Portfolio: 1,195 MW in Operation



| MW           |            |            |           |               |
|--------------|------------|------------|-----------|---------------|
|              | 292        | 16         | 46        | 354           |
|              | 413        |            |           | 413           |
|              | 30         | 145        |           | 175           |
|              | 98         |            |           | 98            |
|              | 59         |            |           | 59            |
|              | 50         |            |           | 50            |
|              | 47         |            |           | 47            |
| <b>TOTAL</b> | <b>989</b> | <b>161</b> | <b>46</b> | <b>1,195*</b> |

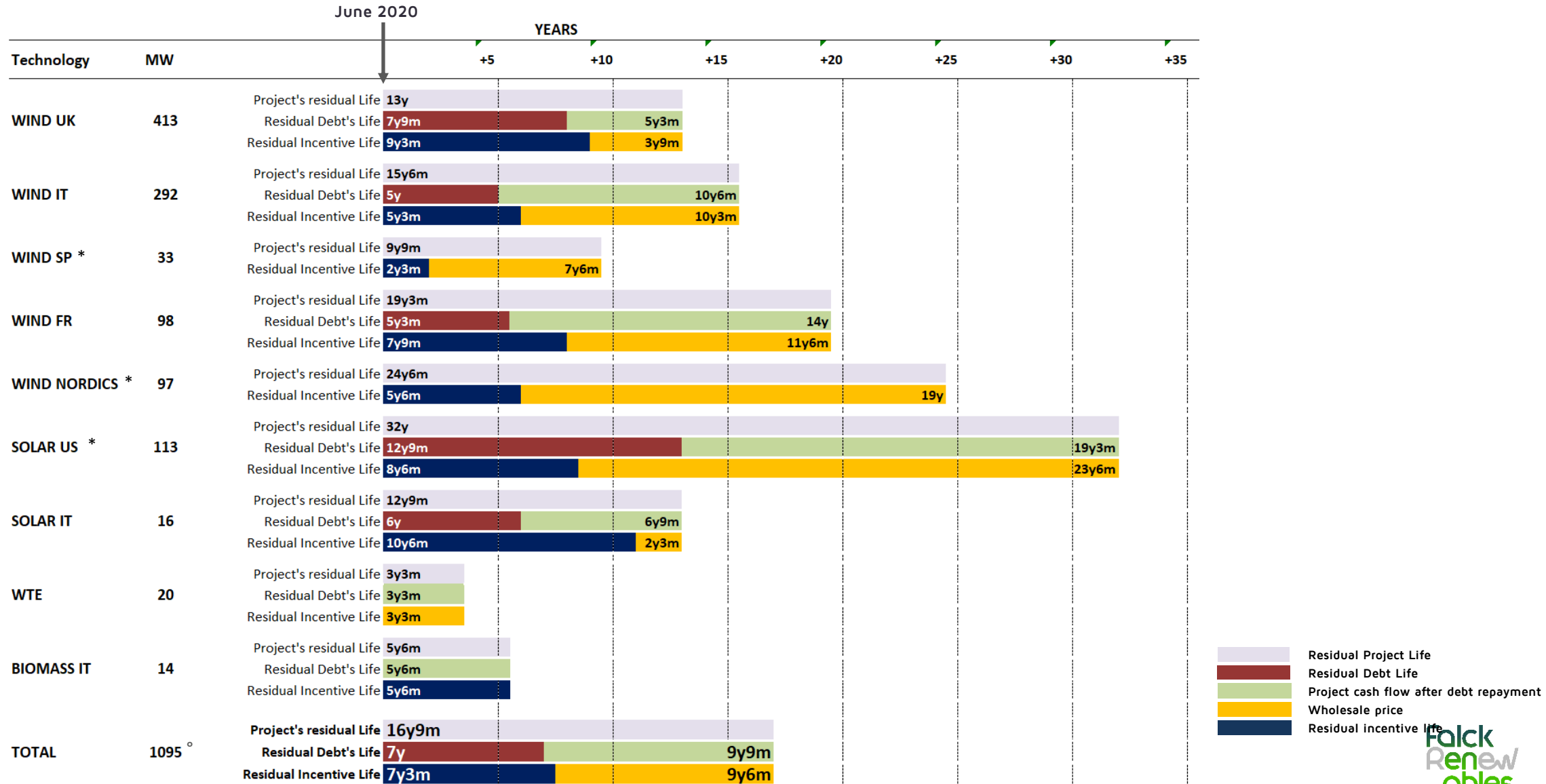


+95 MW Under Construction

\* It Includes minority stake in La Muela (26%) wind farm, Frullo Energia Ambiente (49%) for a total amount of 37MW and 62MW signed in the US and subject to closing

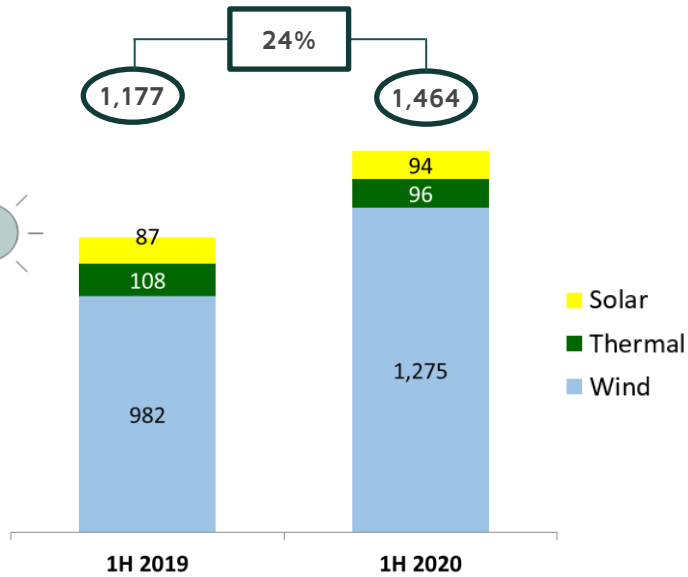
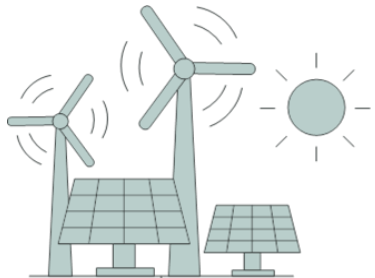


# Asset Base in 1H 2020

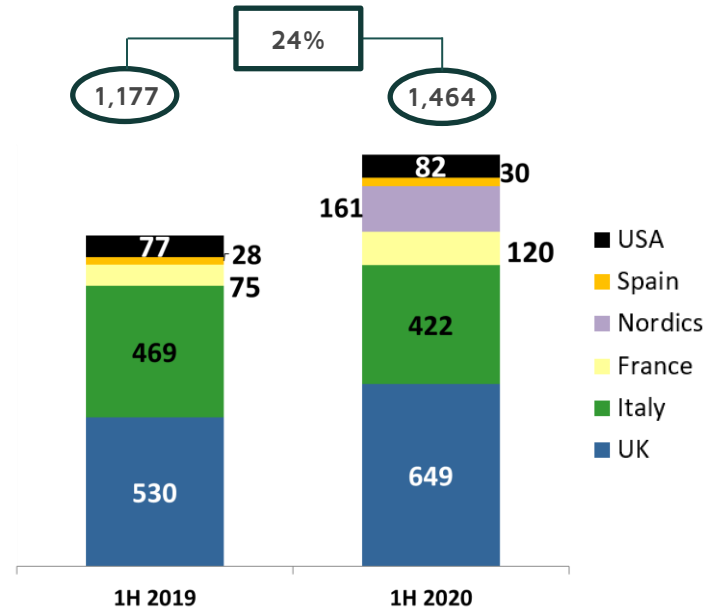


# Electricity Production in 1H 2020 (GWh)

## By Technology



## By Country



## 1H 2020



Confirmed better productions vs. 1H 2019 (+22%). Significant grid curtailments at our Millennium, Kilbraur, Assel Valley and Auchrobert wind farms included in National Grid balancing system (53 GWh compensated).



- Lower wind production vs. 1H 2019 (-10%) due to poor winds in 1Q and in April, partially mitigated by strong outputs in June. Solar production slightly below 1H 2019 (-2%).
- Energy from waste/biomass lower vs. 1H 2019 (-10%) impacted by biannual maintenance at Rende Biomass plant.



Better productions vs 1H 2019 thanks to a good plants' performance in 2Q 2020



Higher productions vs. 1H 2019 (+60%). Full contribution from increased perimeter (56MW since March 2019) with output better than expected. Confirmed good performance from existing wind farms (42 MW).

## Δ vs. Internal Index

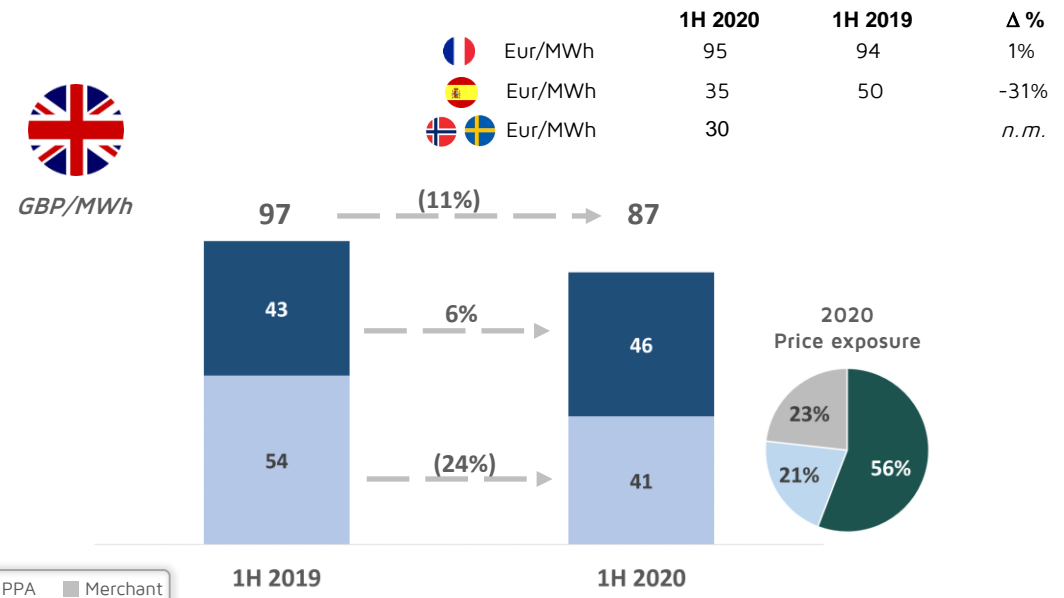
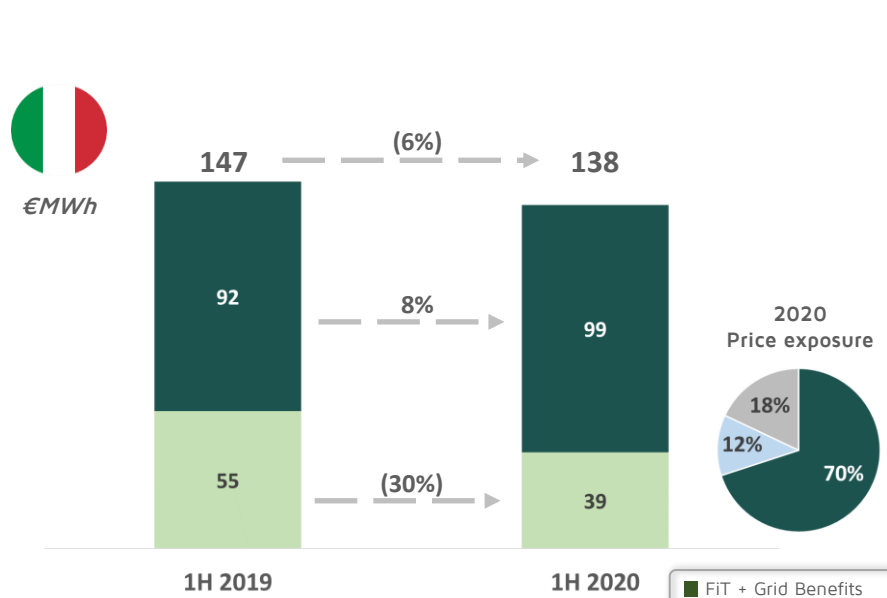
+19.6% in 1H 2020 while in 1H 2019 production was 3.7% worse than the Index

- Wind: -11.7% vs Index in 1H 2020 while in 1H 2019 production was -1.8% vs the Index
- Solar: -5.0% in 1H 2020 aligned with 1H 2019 performance vs Index (-5.1%)

-13.1% in 1H 2020 while in 1H 2019 production was -18.3% vs the Index.

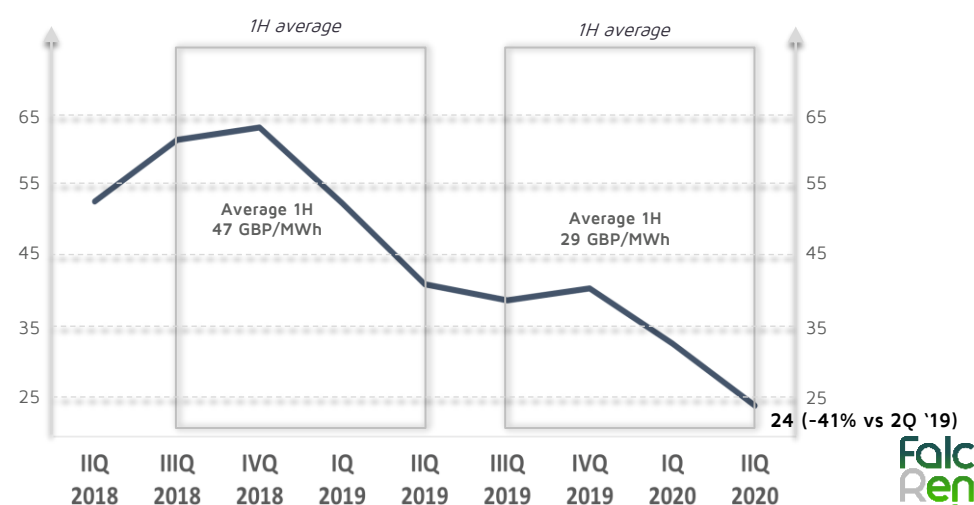
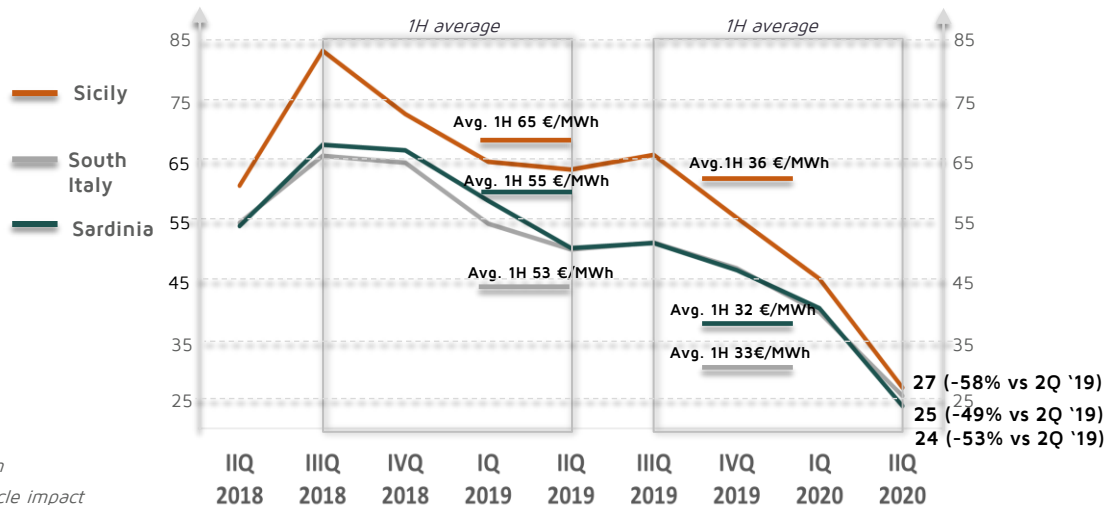
# 1H 2020 Captured Price Overview

CAPTURED ENERGY  
+ INCENTIVE PRICE



|              | 1H 2020 | 1H 2019 | Δ %  |
|--------------|---------|---------|------|
| 🇫🇷 Eur/MWh   | 95      | 94      | 1%   |
| 🇪🇸 Eur/MWh   | 35      | 50      | -31% |
| 🇳🇴🇩🇰 Eur/MWh | 30      | -       | n.m. |

WHOLESALE  
PRICE\*



\* Source: GME, Heren  
\*\* Excluding Roc Recycle impact

Downtrend in energy prices mitigated by hedging strategy

# Scenario Assumptions



| Prices EUR/MWh                     | 2020      | 2021       | 2023      | 2025      |
|------------------------------------|-----------|------------|-----------|-----------|
| <i>PUN Old Plan</i>                | 59        | 58         | 59        | 65        |
| <b>PUN New Plan</b>                | <b>50</b> | <b>54</b>  | <b>60</b> | <b>65</b> |
| <i>Green Certificates Old Plan</i> | 92        | 94         | 96        | 92        |
| <b>Green Certificates New Plan</b> | <b>99</b> | <b>101</b> | <b>97</b> | <b>92</b> |



| Prices GBP/MWh            | 2020      | 2021      | 2023      | 2025      |
|---------------------------|-----------|-----------|-----------|-----------|
| <i>Wholesale Old Plan</i> | 51        | 51        | 56        | 62        |
| <b>Wholesale New Plan</b> | <b>42</b> | <b>46</b> | <b>55</b> | <b>63</b> |
| <i>ROCs Old Plan</i>      | 49        | 50        | 52        | 54        |
| <b>ROCs New Plan</b>      | <b>50</b> | <b>50</b> | <b>52</b> | <b>54</b> |

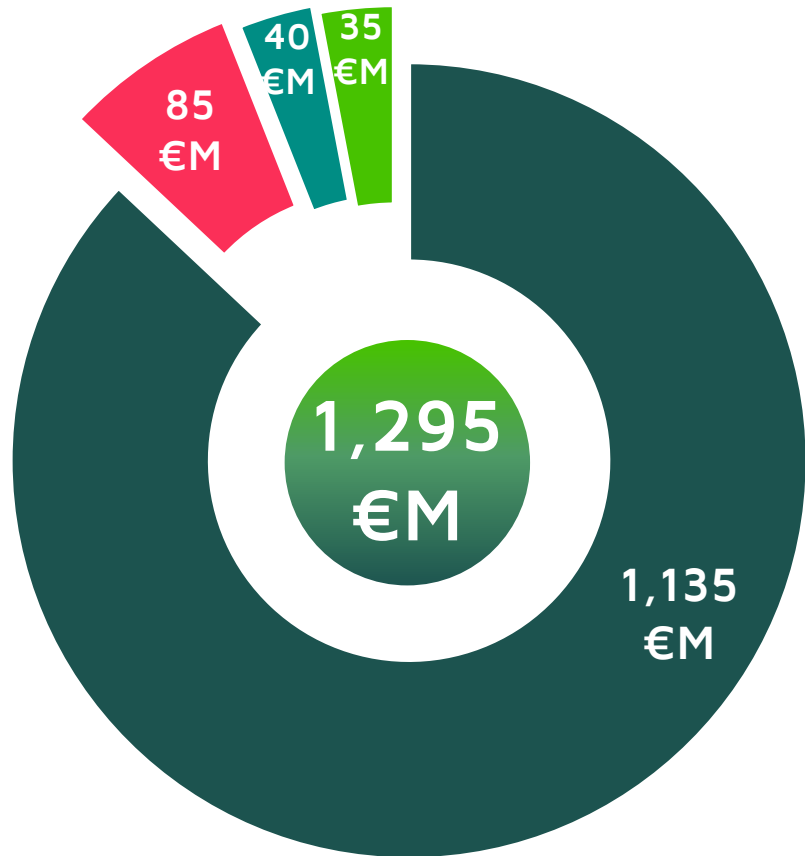
PPA assumptions for new projects diverge from these price scenarios

| Euribor & Libor          | 2020         | 2023         | 2025         |
|--------------------------|--------------|--------------|--------------|
| <i>Euribor Old Plan</i>  | 0.25%        | 1.00%        | <i>n.a.</i>  |
| <b>Euribor New Plan</b>  | <b>0.00%</b> | <b>0.30%</b> | <b>1.00%</b> |
| <i>UK Libor Old Plan</i> | 1.30%        | 1.60%        | <i>n.a.</i>  |
| <b>UK Libor New Plan</b> | <b>0.90%</b> | <b>1.30%</b> | <b>1.40%</b> |

| FX                                  |              |
|-------------------------------------|--------------|
| <i>EUR/GBP Old Plan (2019-2021)</i> | 0.91         |
| <b>EUR/GBP New Plan (2020-2025)</b> | <b>0.878</b> |
| <i>EUR/USD Old Plan (2019-2021)</i> | 1.18         |
| <b>EUR/USD New Plan (2020-2025)</b> | <b>1.14</b>  |

| CapEx / MW (€k)       | avg. 20-25  |
|-----------------------|-------------|
| <b>Capex/MW Solar</b> | <b>0.81</b> |
| <b>Capex/MW Wind</b>  | <b>0.99</b> |

# Capital Allocation 2020 – 2025

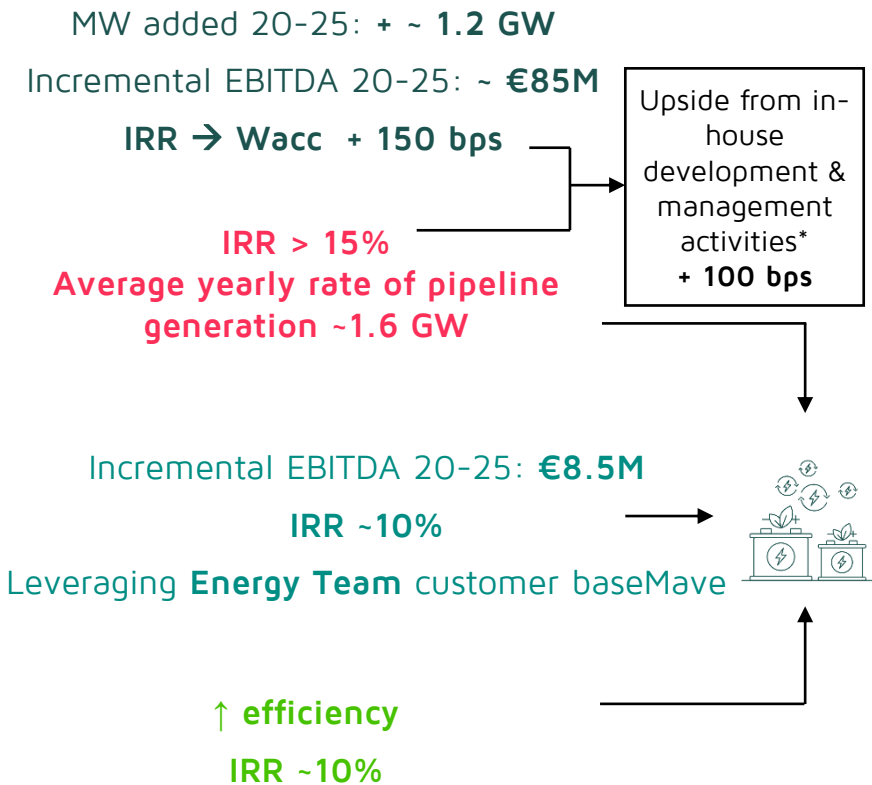


Cash-out: Capex + Development Expenses

## Business Lines



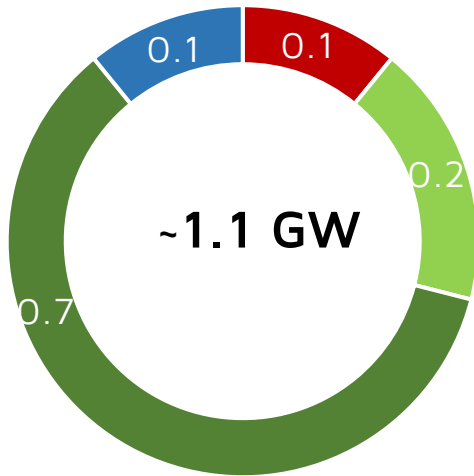
## Returns and Targets



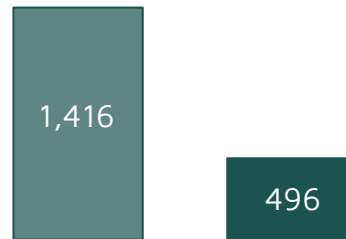
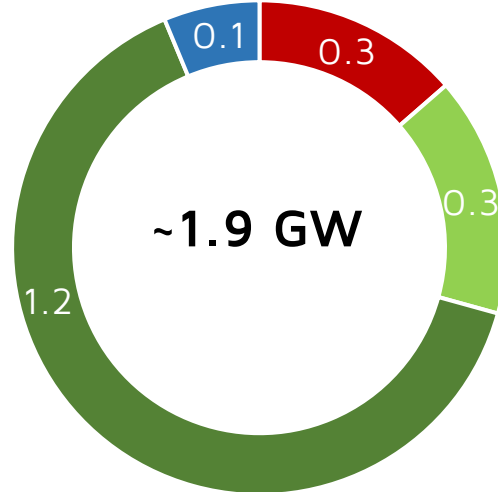
# Gross Pipeline Evolution as of End of June

■ USA ■ South Europe ■ North Europe ■ Nordics

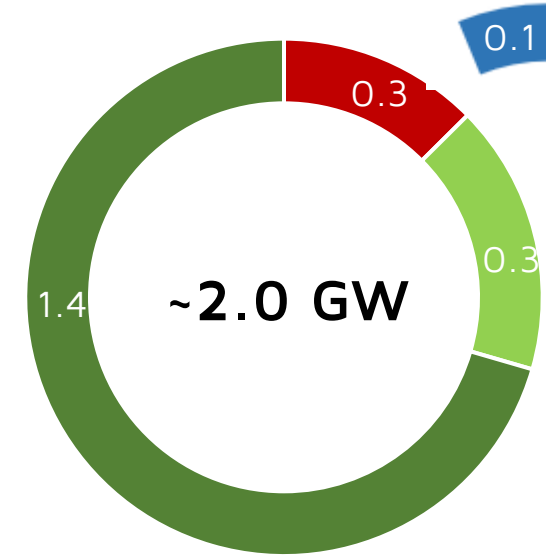
June 2019



January 2020\*



June 2020



■ Phase 1: at least land or grid secured  
■ Phase 2: planning application submitted

# Updated targets 2020-2025

## Offering

## Key business targets 2025

## Financial Targets (€M)

### Market Access

- Dispatch and fixing IT, UK, evaluating SP and Nordics: **4,3 TWh** (54% captive)
- **120 MW** as Balancing Service Provider for Demand/Response
- **1 GW** of **CPPAs** support/involvement


### Energy Solutions

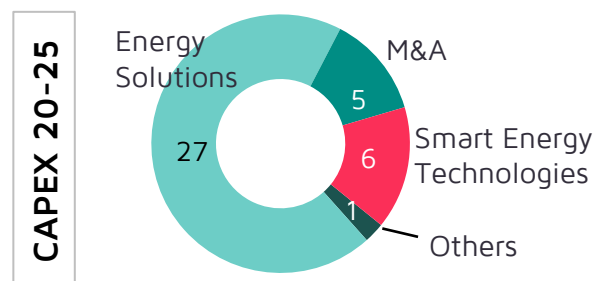
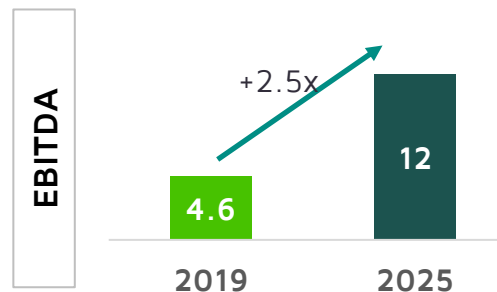
- ~**200 new PV projects** owned, ~**9 MWp** installed
- **4,5 MWeI CHP** installed and owned
- M&A and revamping **3-5 PV assets** ~**5 MWp**
- **1 M&A of ESCo** or **technology solutions** company

### Digital & Advisory Services

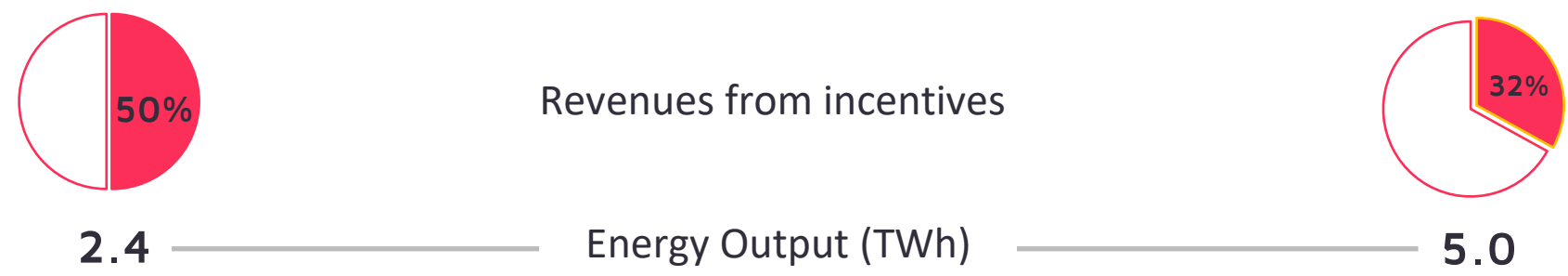
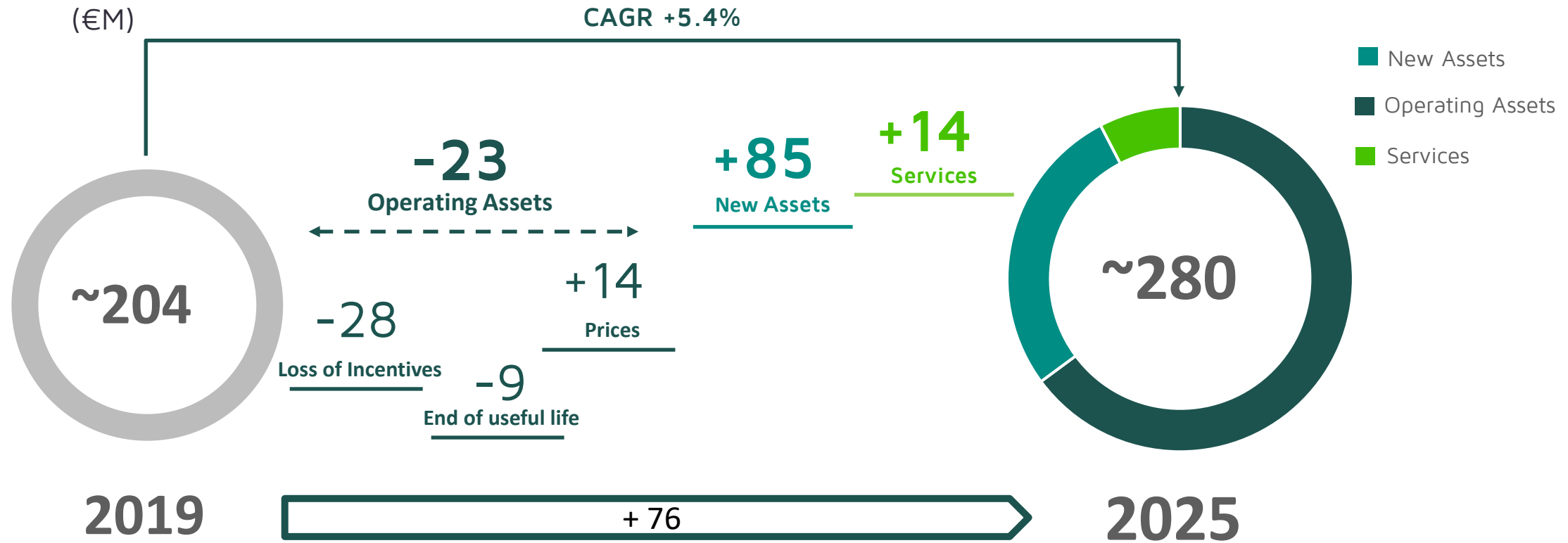
- **Data science**, Virtual EM, flex / storage audits **ca 1 M€ rev.**
- CloE main platform for client, **ca 3 M€ revenues**
- Increase of solutions for DSO/small producers (**observability**)

### Smart Energy Technologies

- **> 4 M€ increase** of product sales
- New hardware / software solutions for **PV in synergy with** 
- **Upgrade of product line** (focus on IoT and cybersecurity)



# EBITDA Growth 2019 – 2025

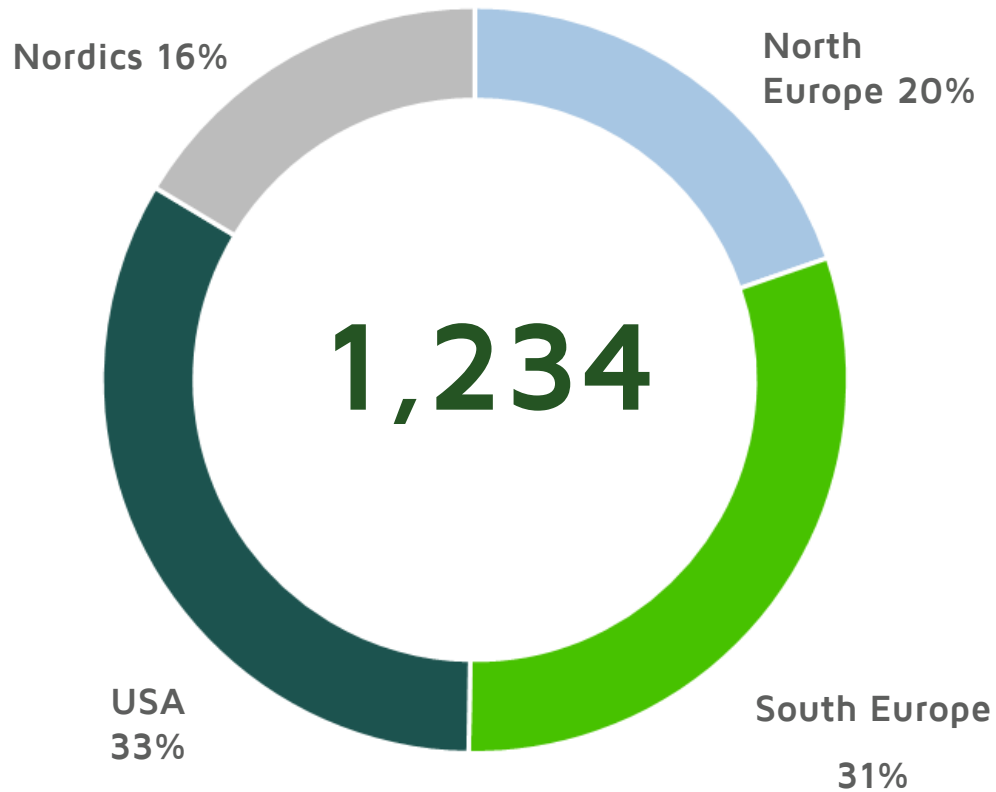




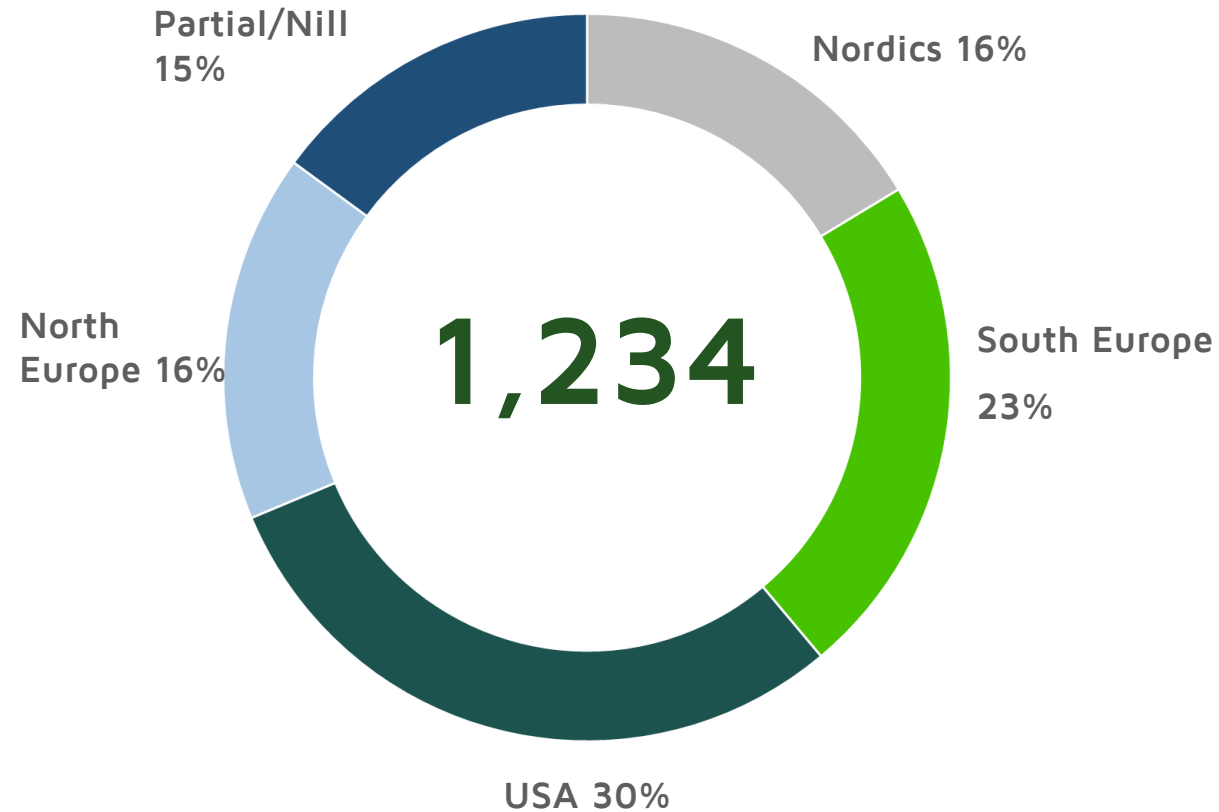
# Cumulative Capex 2020 - 2025

(€M)

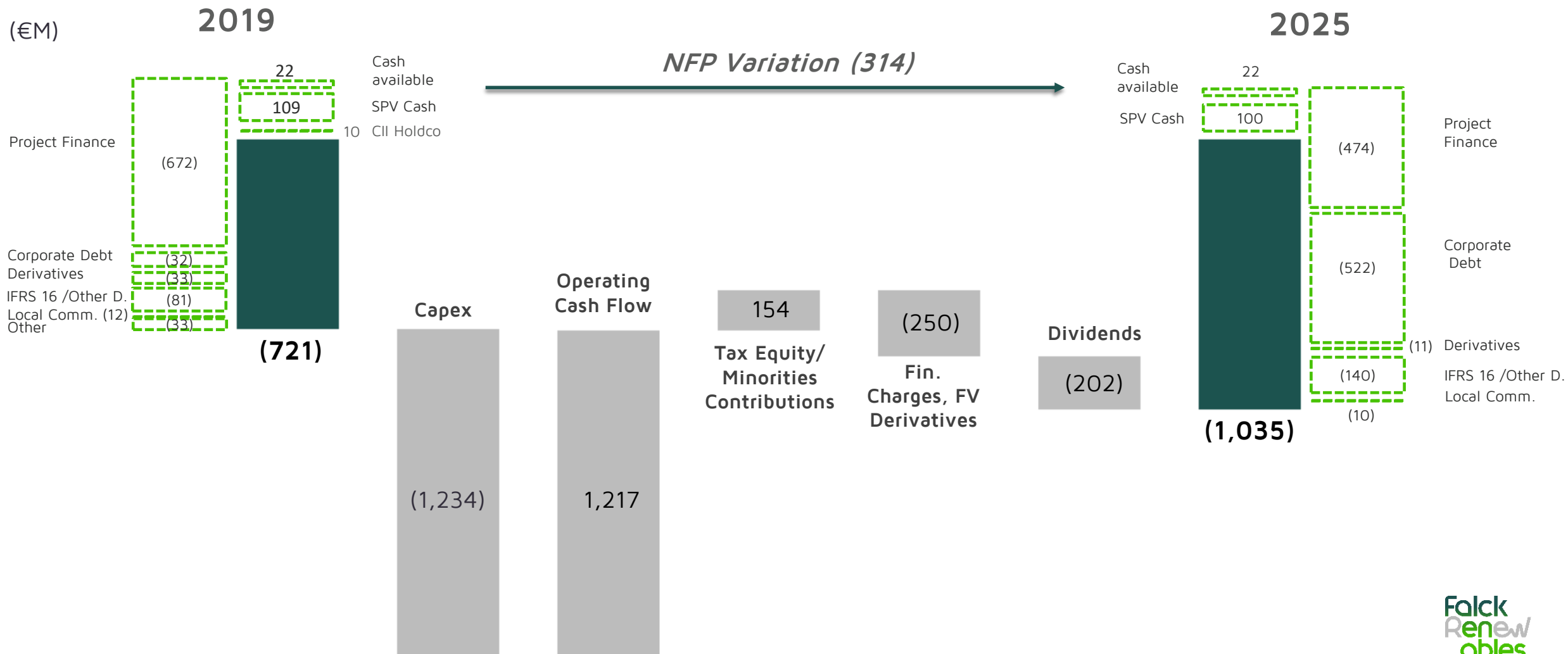
## By Area



## By Contribution to EBITDA

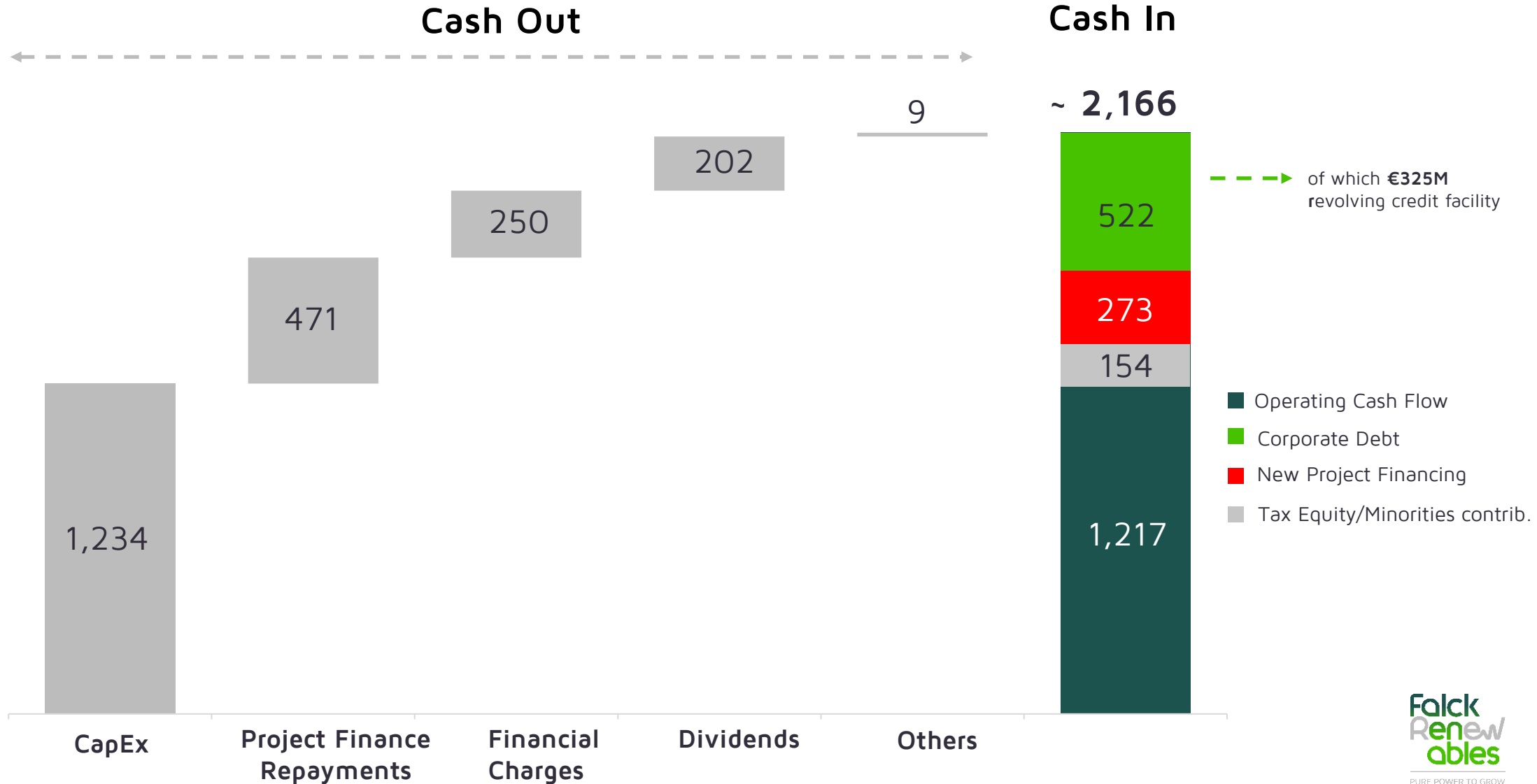


# NFP Evolution



# Uses and Sources 2019 – 2025

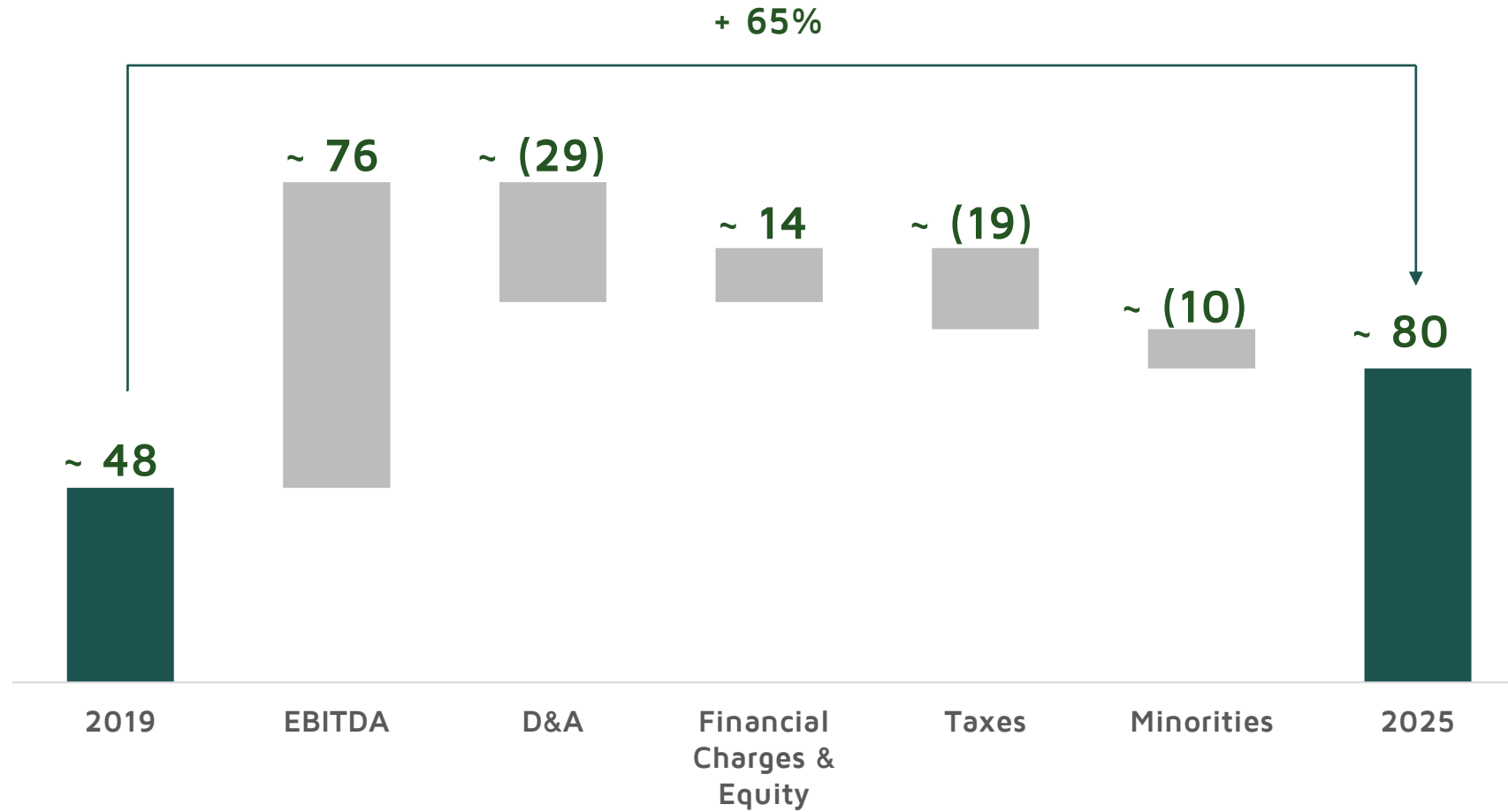
(€M)



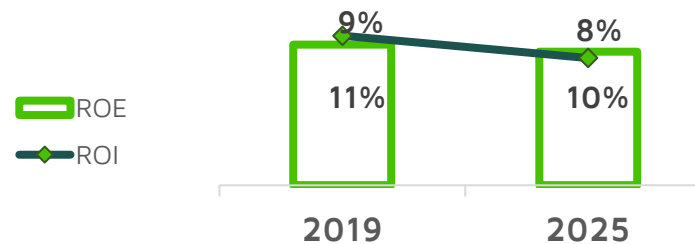
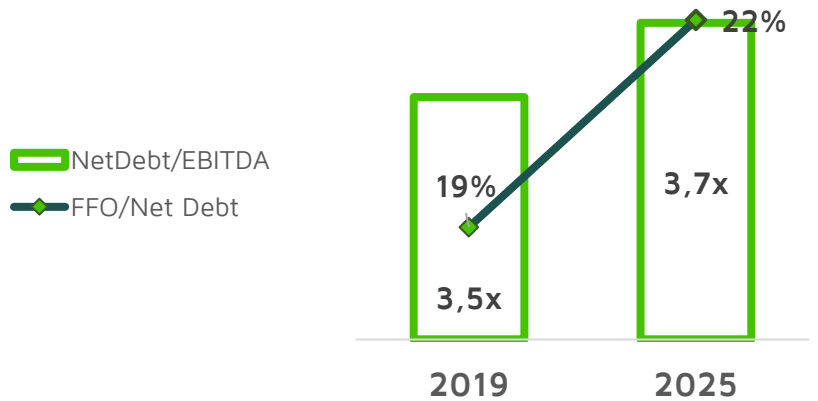
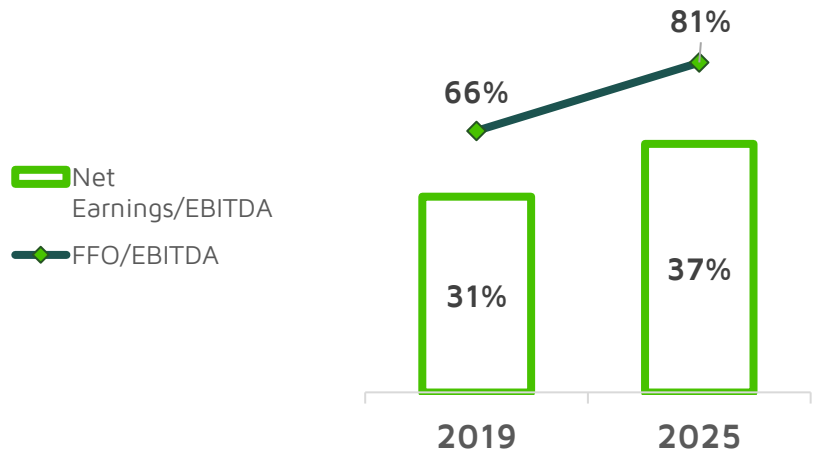
# Group Net Earnings 2019 – 2025



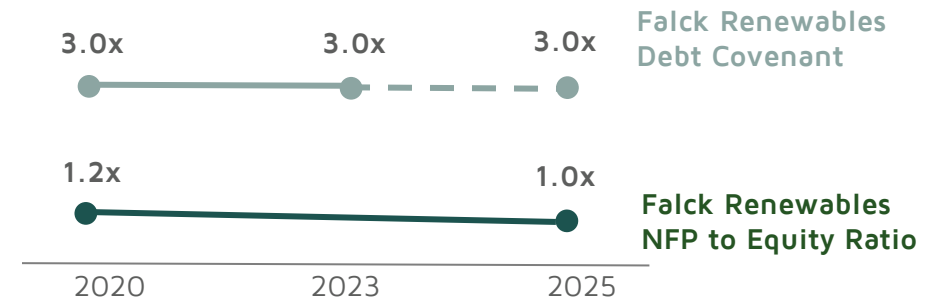
(€M)



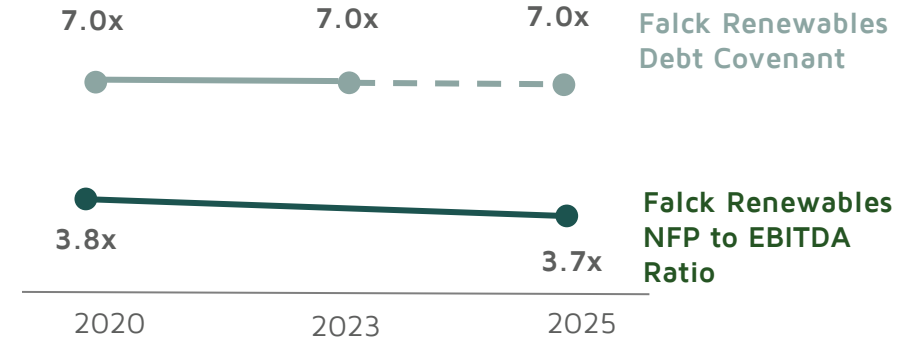
# Main Financial Indicators 2019 - 2025



## Debt to Equity Ratio



## NFP to EBITDA Ratio



NFP significantly within current covenants

# Management Incentive Plan

New Plan

2020 - 2022



## Performance shares

- Condition of financial sustainability
  - (NFP / EBITDA)
- Conditions of minimum cumulative Group EBITDA
- Overperformance mechanism based on stock price can trigger shares attribution of shares ranging from 0.41% to 0.61% of current market cap



## Cash Plan

- Condition of financial sustainability
  - (NFP / EBITDA)
- Conditions of business performance
  - Group EBITDA
  - Specific drivers for business lines

Strong long-term alignment between management and shareholders