

# H1 2021 Results



9 August 2021

Falck  
Renew  
ables

PURE POWER TO GROW

# Forward-Looking Statements

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**Toni Volpe**  
Chief Executive Officer

# Agenda

- H1 2021 Highlights
- H1 2021 Results
- Appendix

# Business Highlights H1 2021

## Asset development

- ❑ **Pipeline: reached ~4.2 GW** (+52% from Dec 2020)
- ❑ **Planning permission** submitted for a total of **1.3 GW** (+350 MW in H1 2020)
- ❑ **CAPEX: €97.7 M** (vs €63 M in H1 2020) invested in operating assets (+186 MW) and assets under construction (+101 MW in France, Norway and US)
- ❑ **+42 MW of PPAs in Italy** out of 60 MW of project capacity, reaching overall **≈220 MW** of long-term contracted capacity under development
- ❑ **Floating Offshore:** Ørsted joined FKR and BlueFloat in the ScotWind leasing round

**Strong pipeline growth, higher investments in own assets, leading PPA position in Italy**

## Owned assets

- ❑ **Overall production of 1,435 GWh** (-2% vs H1 2020) partially compensated by growth in installed capacity in Sweden (Brattmyrliden), Spain and USA
- ❑ **Exceptionally low winds in the UK and France** in H1 2021 vs exceptionally high winds recorded in Q1 2020 (production index: -8.5% in H1 2021 compared with +4% in H1 2020)
- ❑ **H1 Results:** EBITDA €100.7 M, Group Net Earnings Adjusted €19.0 M

**Guidance confirmed**

## Services

- ❑ **Acquisition of SAET SpA**, leading system integrator for the design and construction of **energy storage systems**
- ❑ **Vector Renewables reached 3.8 GW** of assets under management
- ❑ **Energy management: 922 GWh dispatched** in H1 in Italy and UK (+35% vs H1 '20); of which 512 GWh from FKR and 410 GWh from third-parties
- ❑ **Energy management:** new subsidiary in Spain; new balancing services in the UK improving our plants performance; hedge provider for all FKR plants.

**Growing Portfolio of services, Geographic expansion**



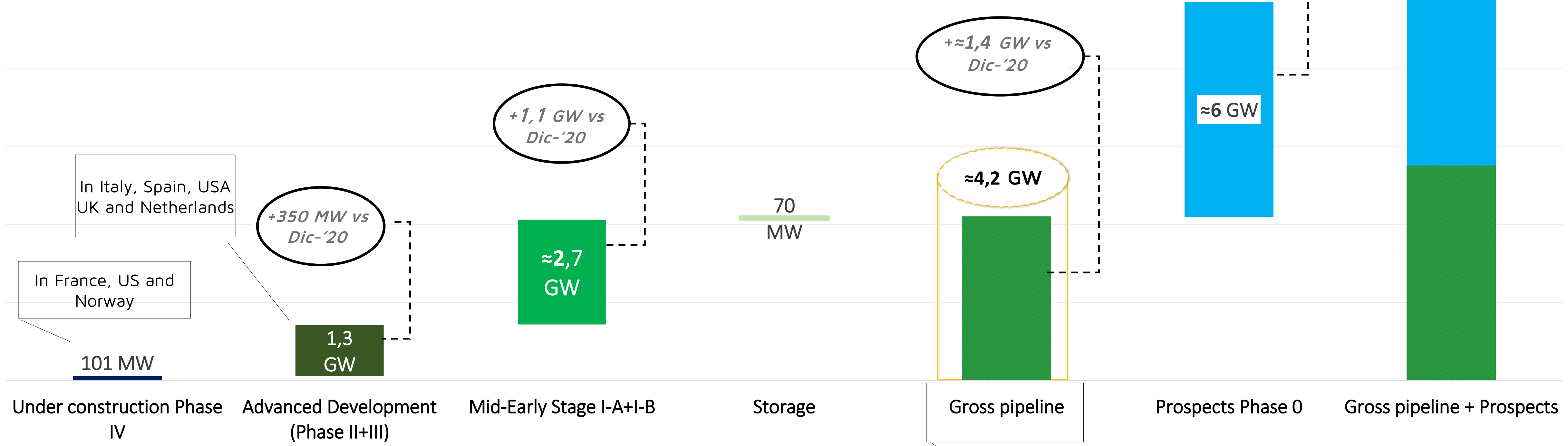
# 2021: Growing and Consolidating Organic Pipeline

MW under development at 31 July 2021 (EU+USA)

Asset development "cash" costs in M€	H1 '20	H1 '21
	7.0	13.2

+89%

Continued progress on ScotWind (not included in pipeline figures)

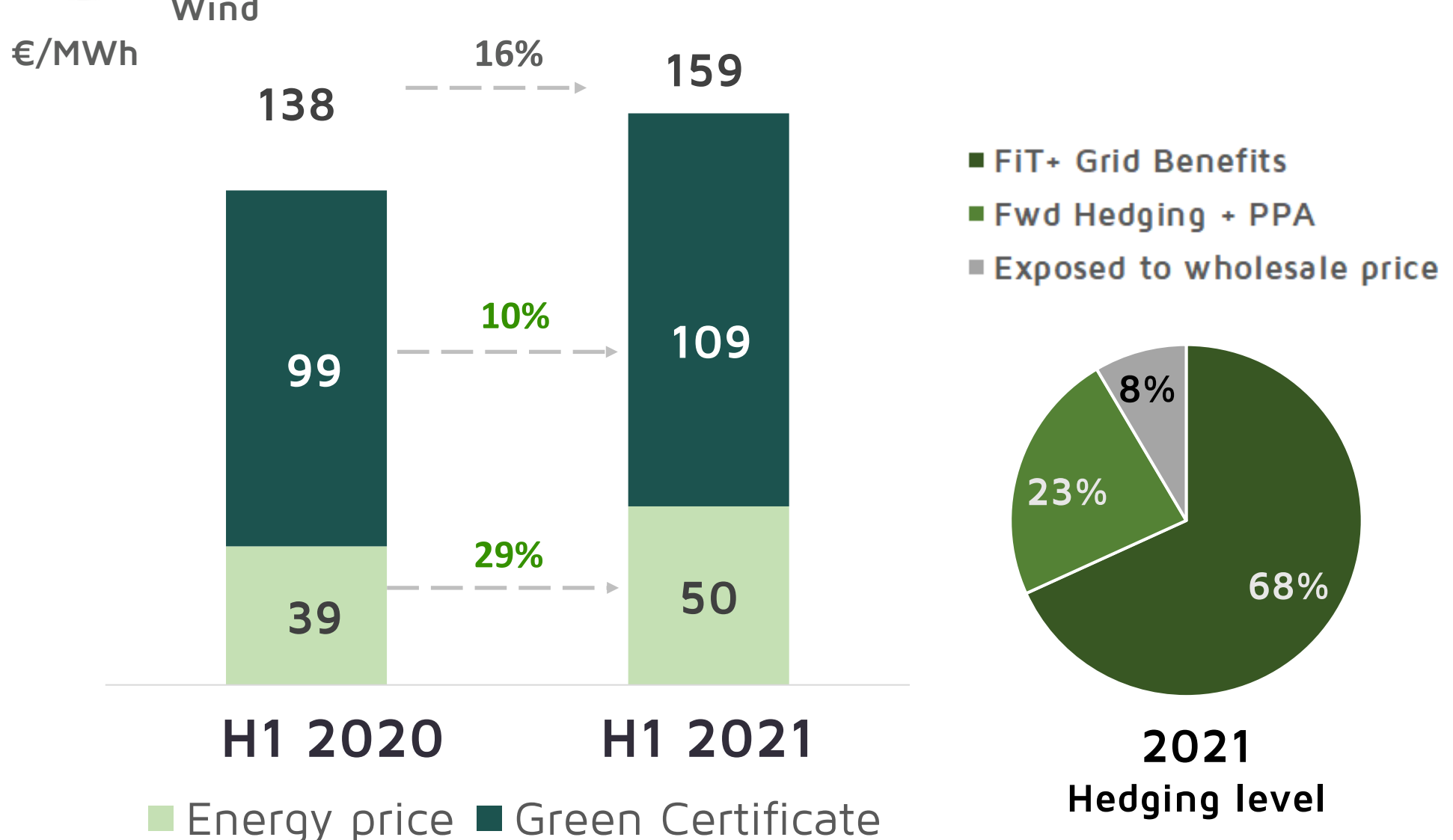


Projects (organic and M&A) identified for which a decision on whether to start development activities is yet to be taken or under evaluation

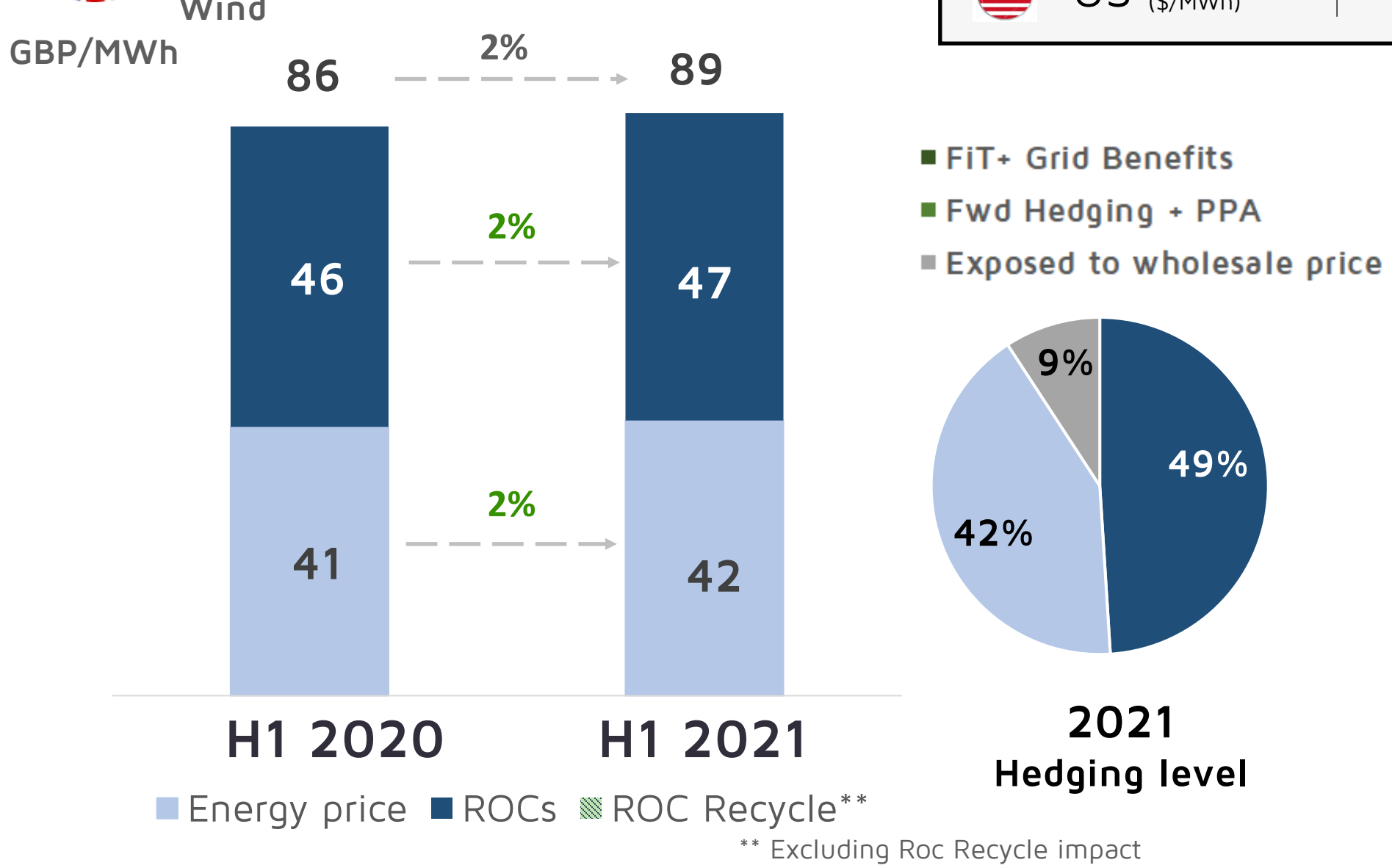
Strong Semester on development activity in USA, Italy and Spain

# Captured Price Overview H1 2021

## Captured price + Incentive

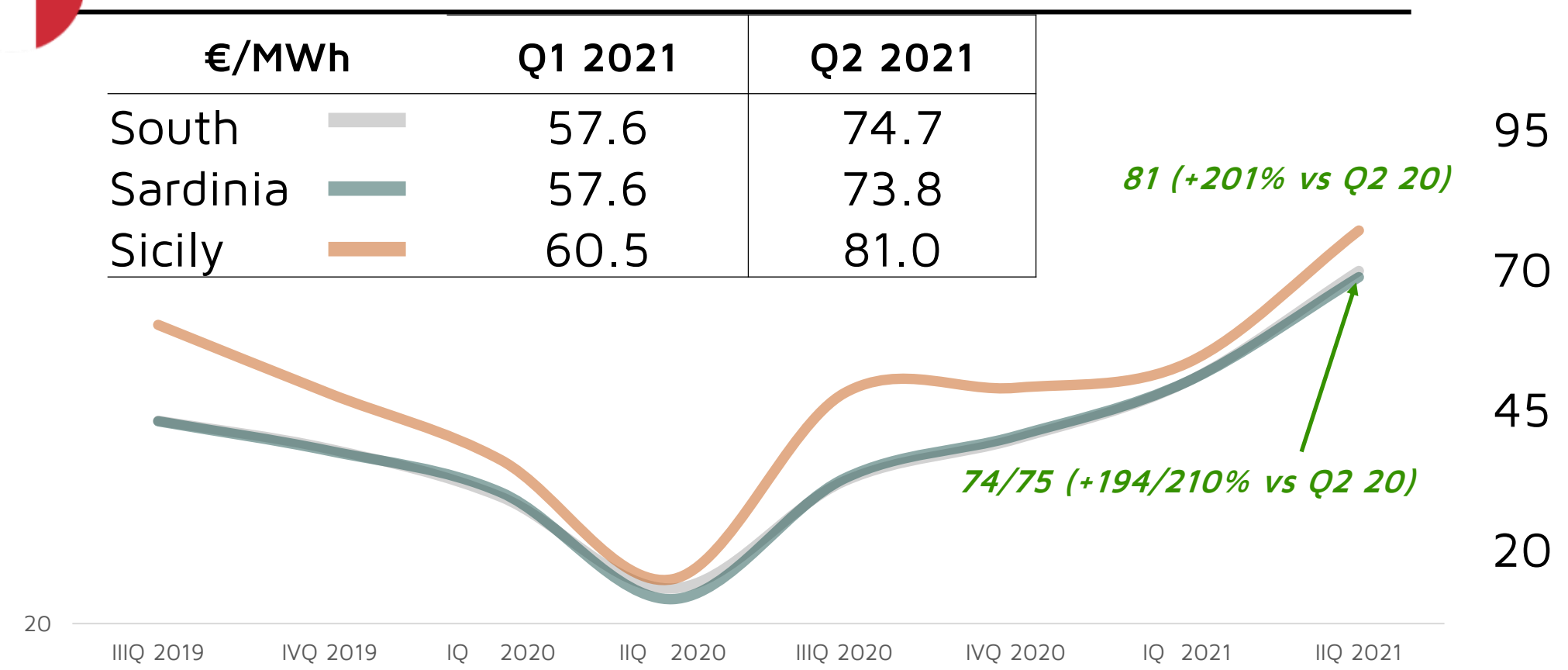


## Captured price + Incentive

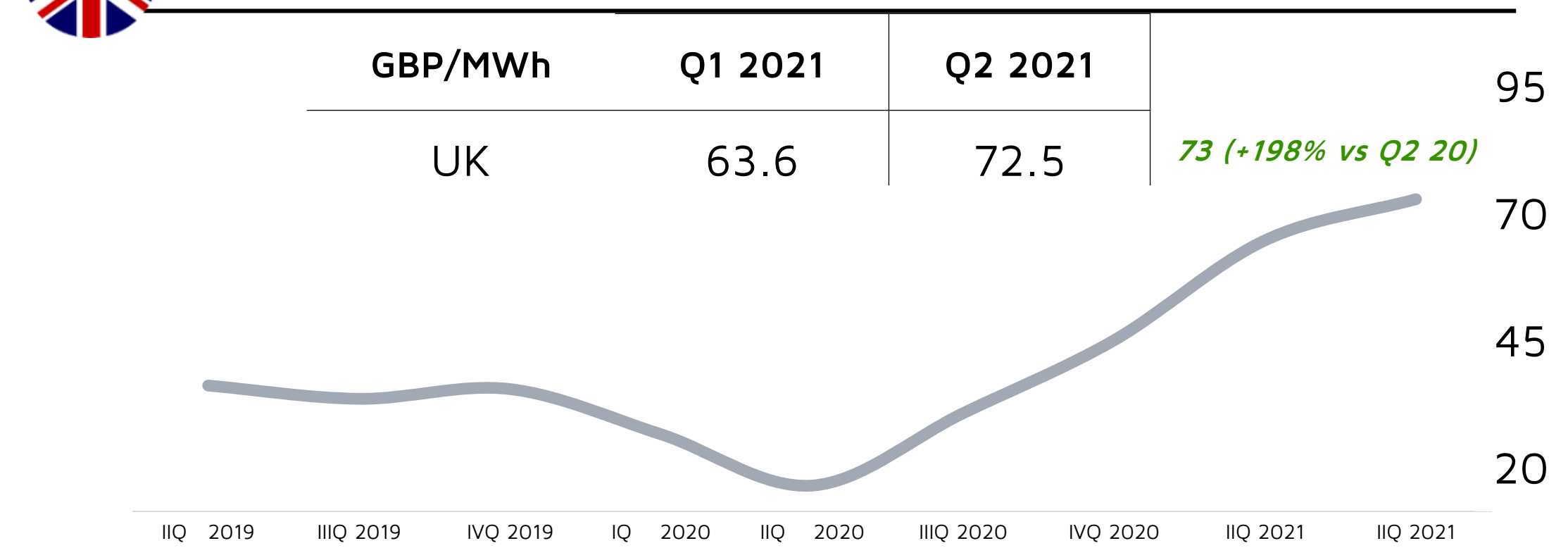


	H1 2020	H1 2021	Δ %
France (€/MWh)	95	95*	0%
Spain (€/MWh)	35	34**	-1%
Nordics (€/MWh)	29	28***	-4%
US (\$/MWh)	79	86	9%

## €/MWh; Historical wholesale electricity price



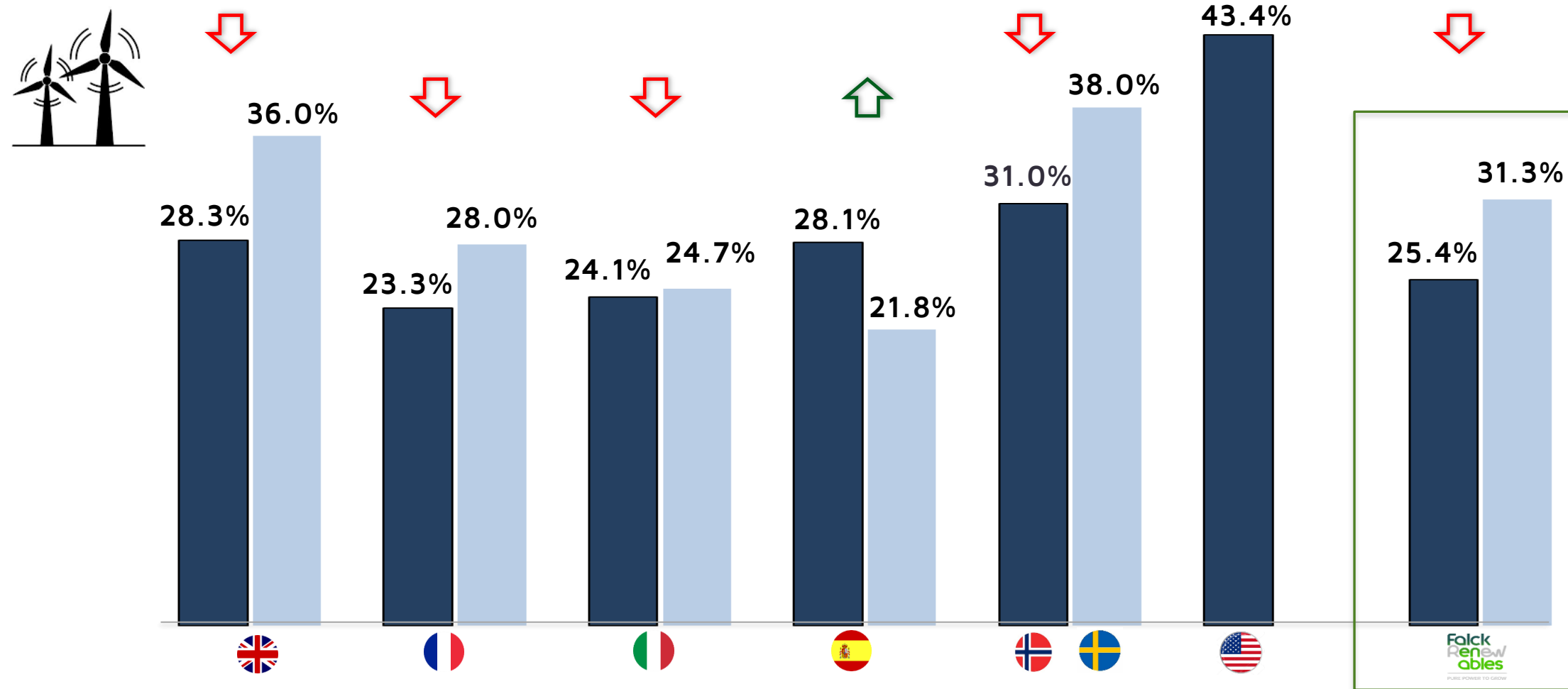
## GBP/MWh; Historical wholesale electricity price



\*France Wholesale price H1 2021: 58,48 €/MWh; \*\*Spain Wholesale price H1 2021: 58,58 €/MWh; \*\*\* Scandinavia Wholesale price H1 2021: 42,03 €/MWh;

# Wind and Solar Portfolio Performance H1 2021

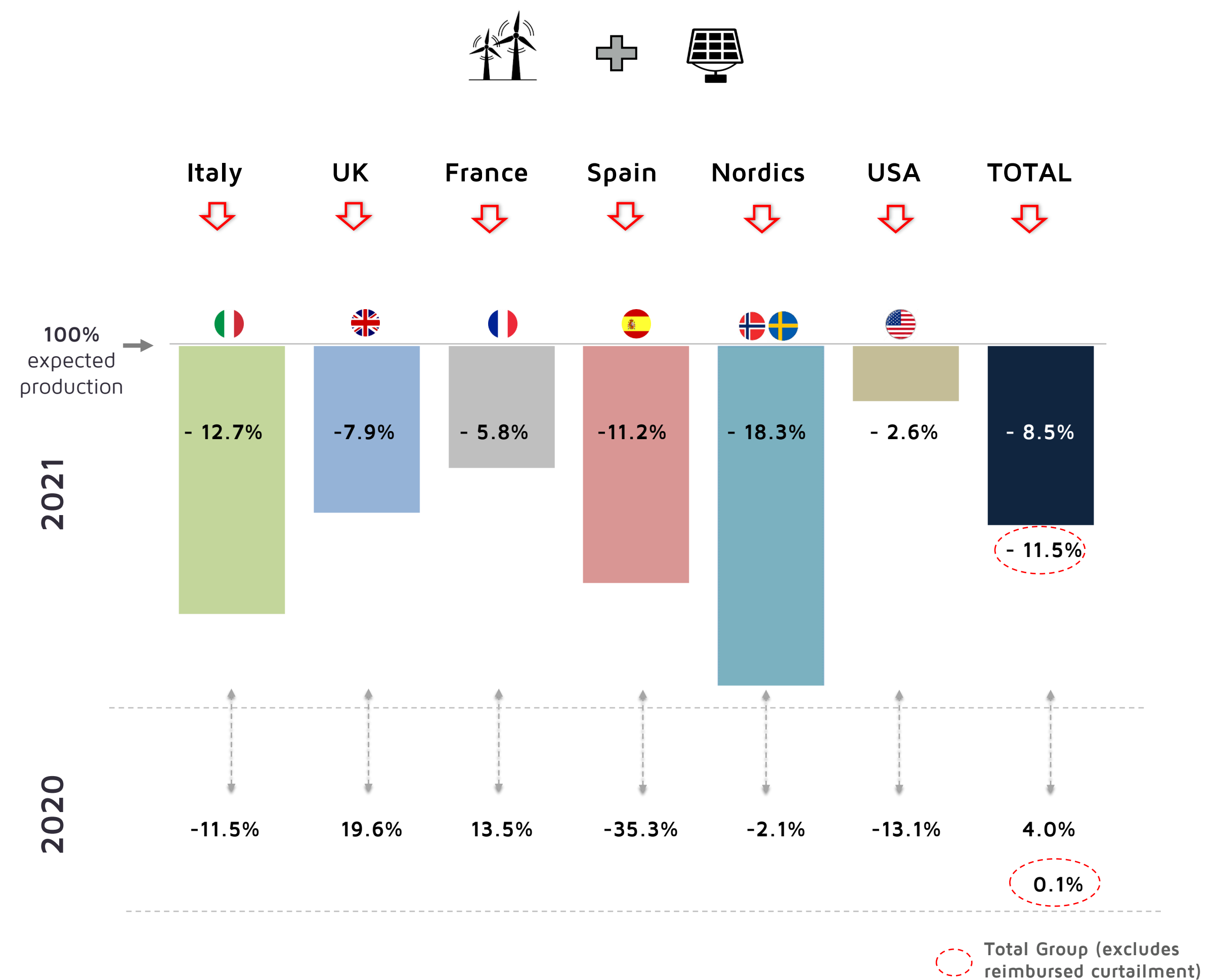
### H1 2021 vs H1 2020: Load factor\* by country



\* Based on effective operating hours, excluding reimbursed curtailments

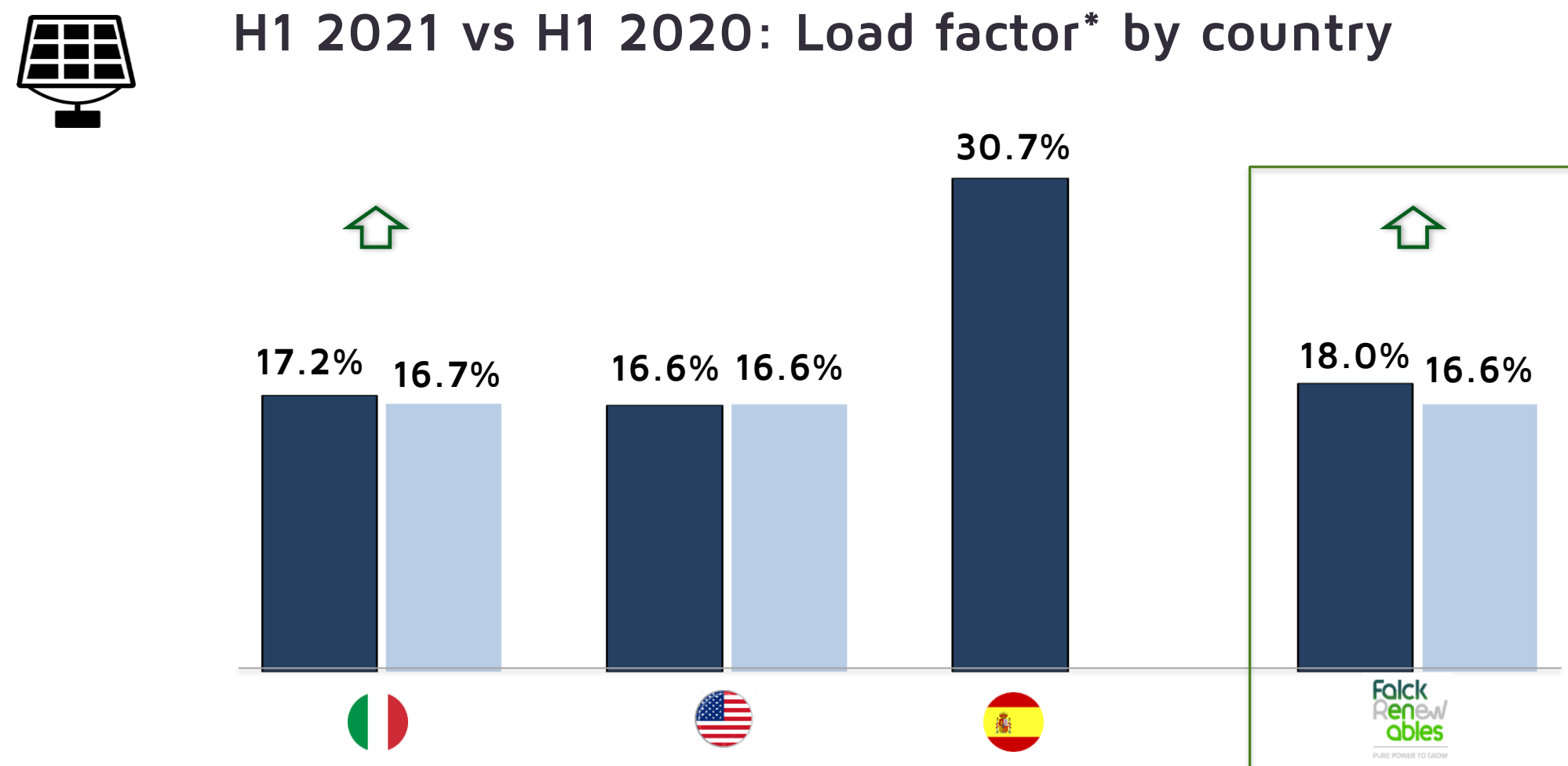
■ Q1 2021 ■ Q1 2020

### Evolution of production by country\*\*



\*\* variation % vs. internal Index of production

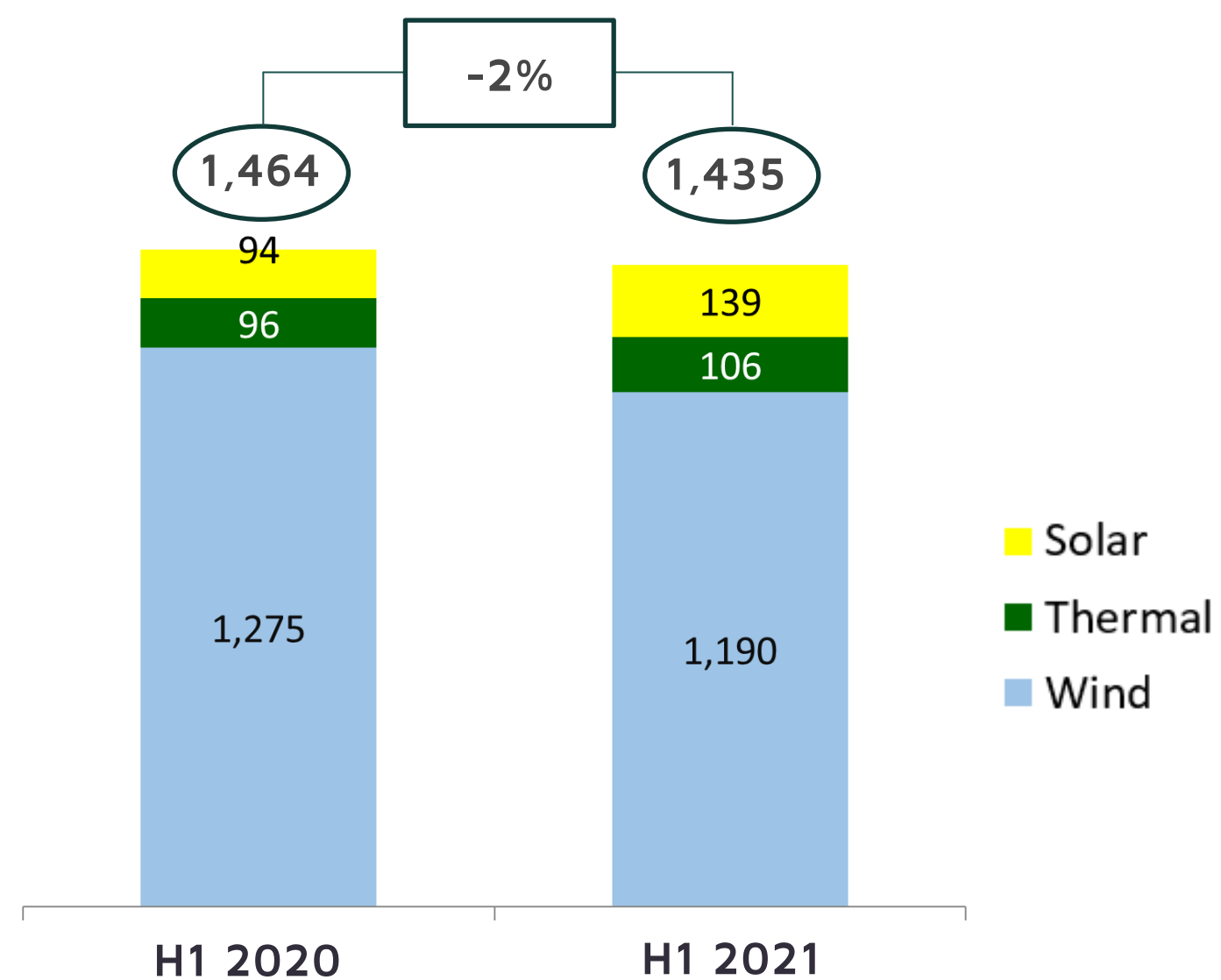
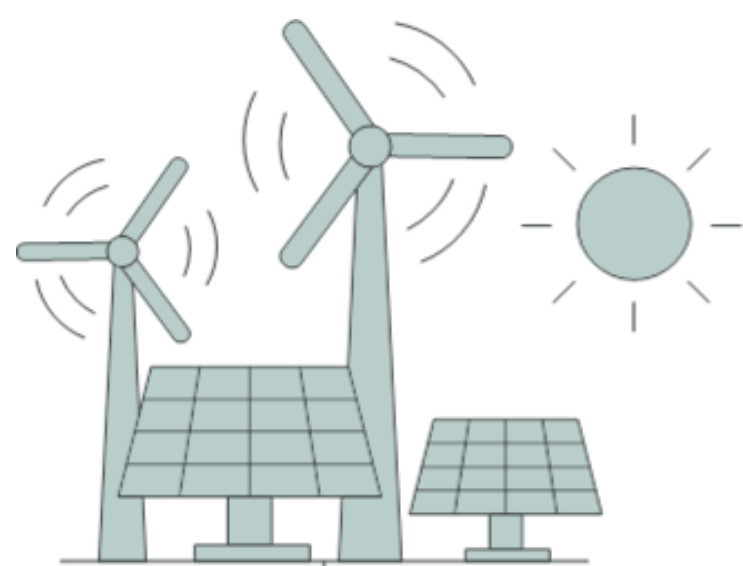
### H1 2021 vs H1 2020: Load factor\* by country



\* Based on effective operating hours,

# Electricity Production – H1 2021

By technology (GWh)



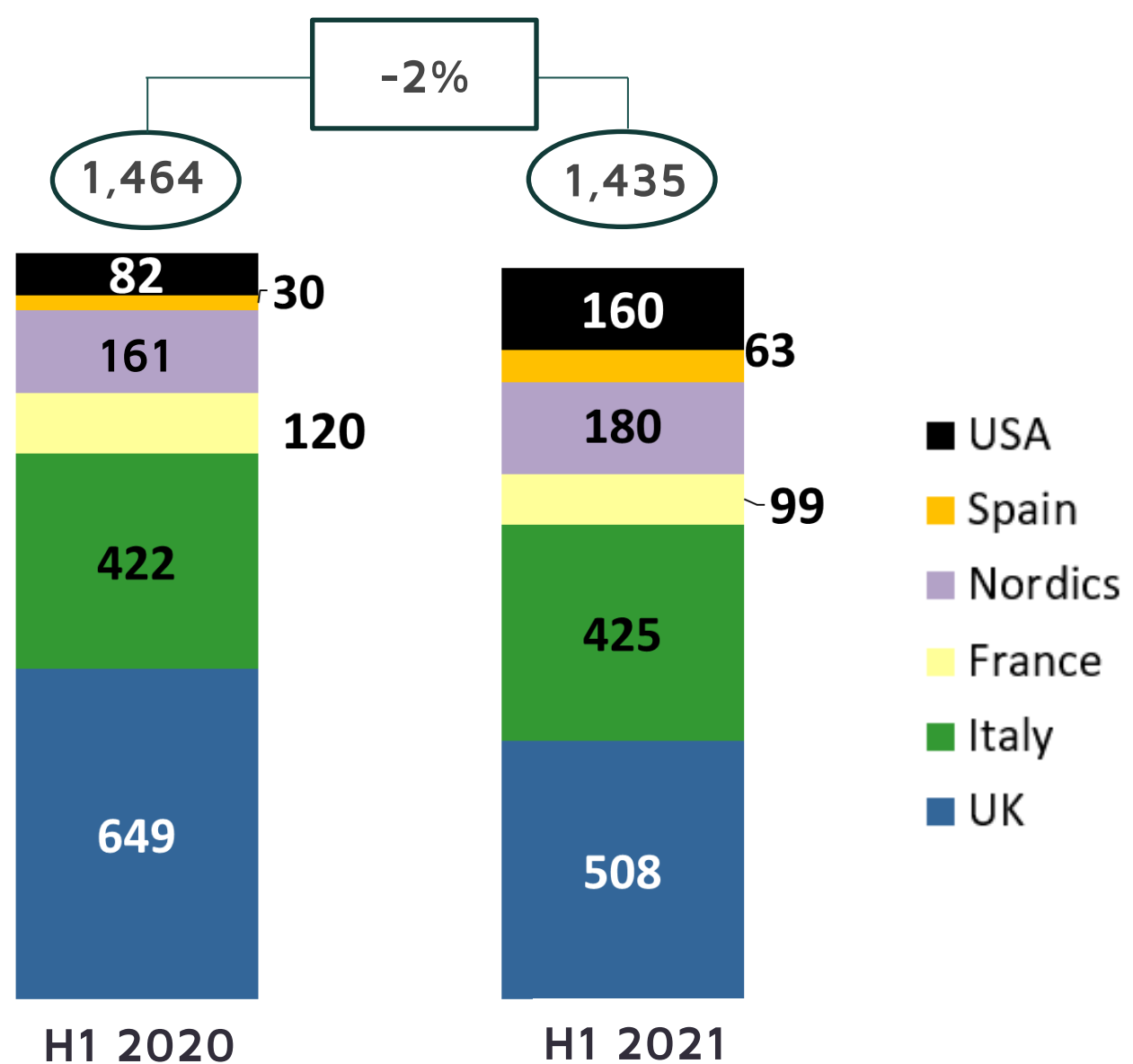
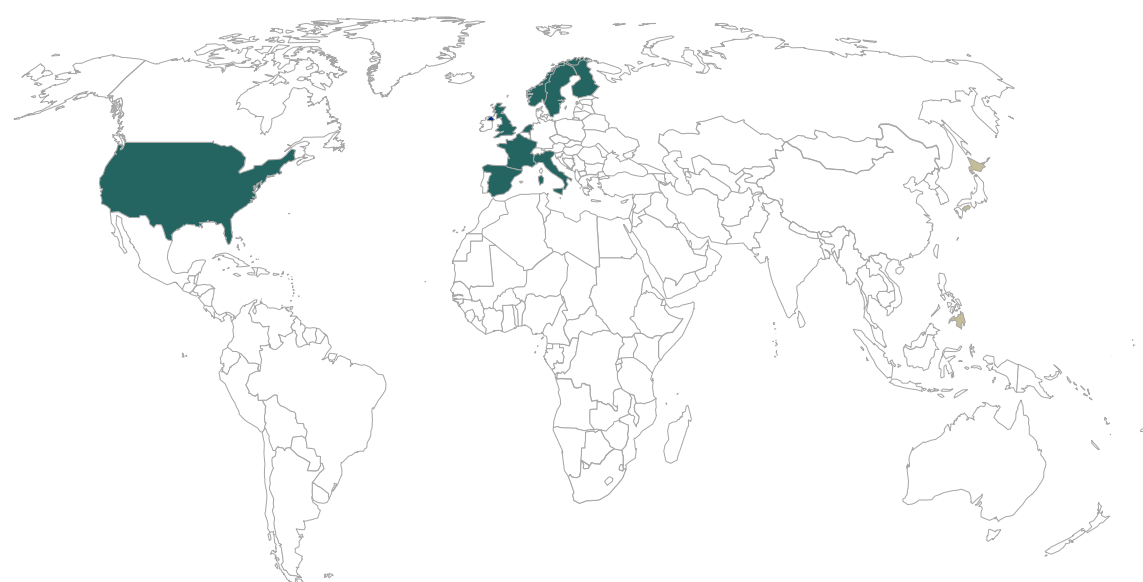
## H1 2021

Weak production vs. H1 2020 (-22%). Significant grid curtailments at our Millennium, Kilbraur, Assel Valley and Auchrobert wind farms included in National Grid balancing system (46 GWh compensated).



- Wind production slightly below H1 2020 (-3%) due to lower wind conditions.
- Higher solar production than H1 2020 (+9%): H1 2020 performance burdened by Spinasantà revamping in Q1.
- Energy from waste/biomass higher vs. H1 2020 (+11%) mainly due to biannual maintenance works occurred at Rende Biomass plant in Q1 2020.

By geography (GWh)



Bigger volumes vs H1 2020 due to perimeter increase (+32 MW solar and +30MW wind).



Lower productions vs. H1 2020 (-17%) due to poor wind conditions across the country compared to exceptional performance in Q1 2020.





**Paolo Rundeddu**  
Group Chief Financial Officer

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- H1 2021 Highlights
- H1 2021 Results**
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# H1 2021 Financial Highlights

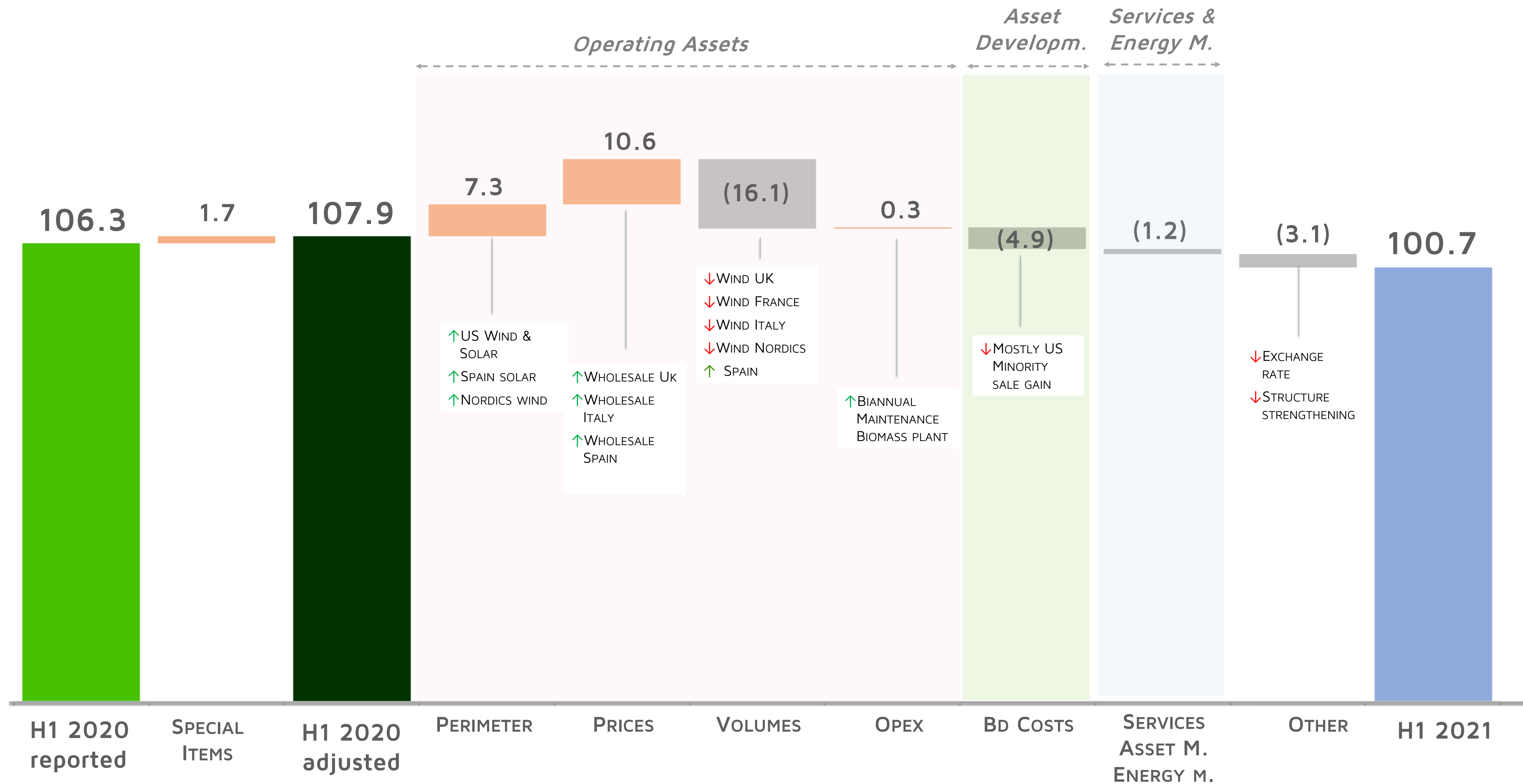
(€M)	H1 2021 <i>Reported</i>	Special items	H1 2021 <i>Adjusted</i>	H1 2020 <i>Reported</i>	Special items	H1 2020 <i>Adjusted</i>	Delta vs H1 2020 Adjusted
<b>Revenues and Other Income</b>	<b>240.1</b>		<b>240.1</b>	<b>204.8</b>		<b>204.8</b>	17.3%
<b>Ebitda</b>	<b>100.7</b>		<b>100.7</b>	<b>106.3</b>	<b>1.7</b>	<b>107.9</b>	(6.7%)
<i>% on Revenues and Other Income</i>	<i>41.9%</i>		<i>41.9%</i>	<i>51.9%</i>		<i>52.7%</i>	
Depreciation - Amortization - Write Off	(46.1)		(46.1)	(44.0)		(44.0)	
<b>Operating result</b>	<b>54.6</b>		<b>54.6</b>	<b>62.3</b>	<b>1.7</b>	<b>64.0</b>	(14.7%)
<i>% on Revenues and Other Income</i>	<i>22.7%</i>		<i>22.7%</i>	<i>30.4%</i>		<i>31.2%</i>	
Financial income and charges	(17.0)	1.6	(15.4)	(20.8)		(20.8)	
Equity investments	(0.8)		(0.8)	(0.8)		(0.8)	
<b>Earnings Before Taxes</b>	<b>36.7</b>	<b>1.6</b>	<b>38.4</b>	<b>40.7</b>	<b>1.7</b>	<b>42.4</b>	(9.4%)
Taxes	(17.6)	8.1	(9.5)	(12.3)	2.3	(9.9)	
<b>Net Earnings</b>	<b>19.1</b>	<b>9.8</b>	<b>28.9</b>	<b>28.4</b>	<b>4.0</b>	<b>32.4</b>	(11.0%)
Minorities	7.5	2.4	9.9	7.1	1.0	8.2	
<b>Group Net Earnings</b>	<b>11.6</b>	<b>7.4</b>	<b>19.0</b>	<b>21.3</b>	<b>3.0</b>	<b>24.3</b>	(21.8%)

Breakdown	1H 2021	1H 2020
<i>Depreciations</i>	<i>(44.2)</i>	<i>(40.6)</i>
<i>Provisions</i>	<i>(2.0)</i>	<i>(3.3)</i>
<i>Write - offs / Revaluations</i>	<i>0.1</i>	<i>(0.1)</i>

(€M)	END OF H1 2021 <i>Reported</i>	Special items	END OF H1 2021 <i>Adjusted</i>	END OF 2020 <i>Reported</i>	Special items/ Non Recurring	END OF 2020 <i>Adjusted</i>
<b>Net Invested Capital</b>	<b>1,502</b>	<b>3.2</b>	<b>1,505</b>	<b>1,414</b>	<b>(4.0)</b>	<b>1,410</b>
Equity	711	(18.4)	693	708	(27.1)	681
<b>Net Financial Position</b>	<b>(791)*</b>	<b>(21.6)</b>	<b>(812)</b>	<b>(706)</b>	<b>(23.2)</b>	<b>(729)</b>
<i>of which: Proj. Fin. and MLT no recourse</i>	<i>(603)</i>		<i>(603)</i>	<i>(607)</i>		<i>(607)</i>

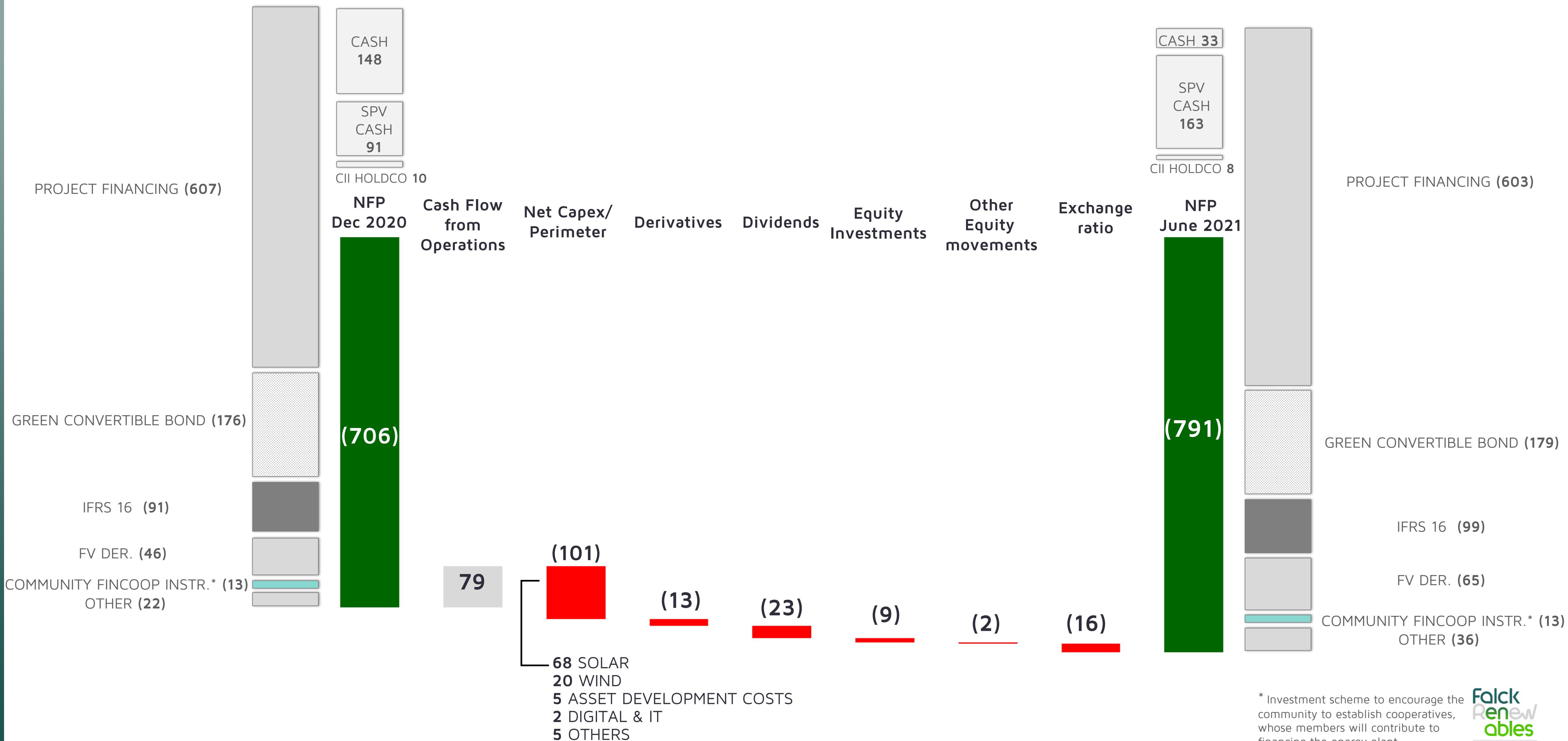
\* Net Financial Debt, as defined by ESMA (European Security and Markets Authority) in its guidelines published on 4 March 2021, equal to 808 million of euros, differs from the Net Financial Position due to the inclusion of some items such as " other non-current payables "and the exclusion of the fair value of non-current financial instruments (active derivatives) and" hedging "instruments as well as" non-current financial receivables ".

# H1 2021 EBITDA Bridge by Nature (in M€)





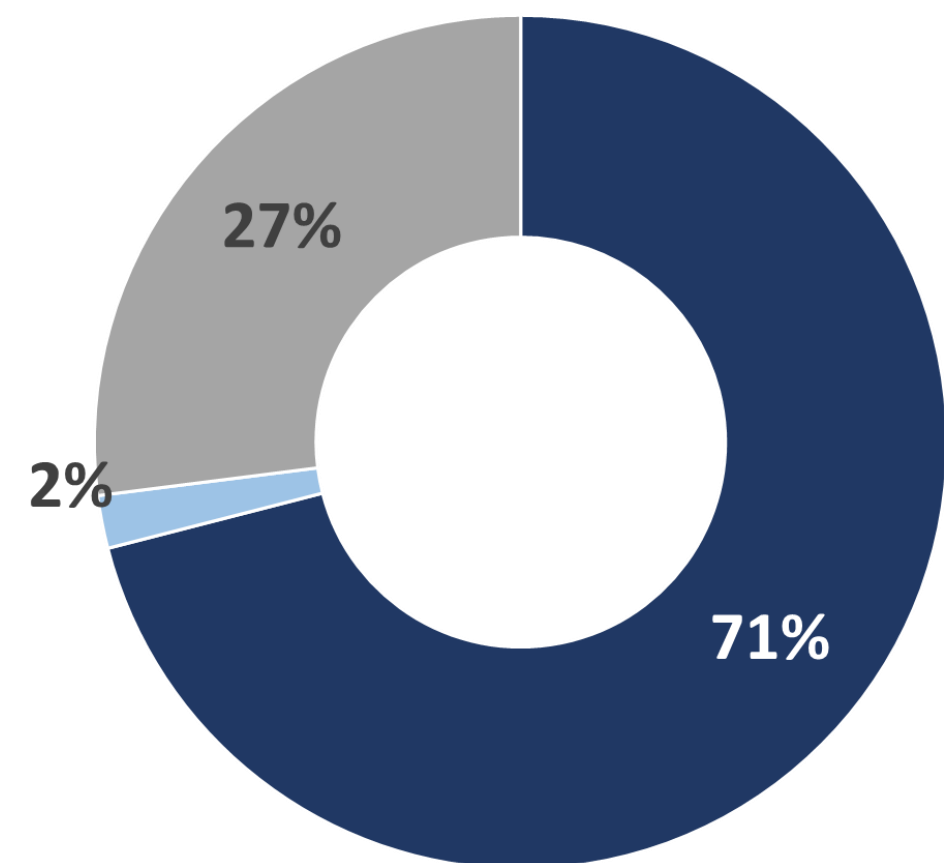
# H1 2021 Cash Flow (in M€)



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

# H1 2021 Gross Debt Breakdown

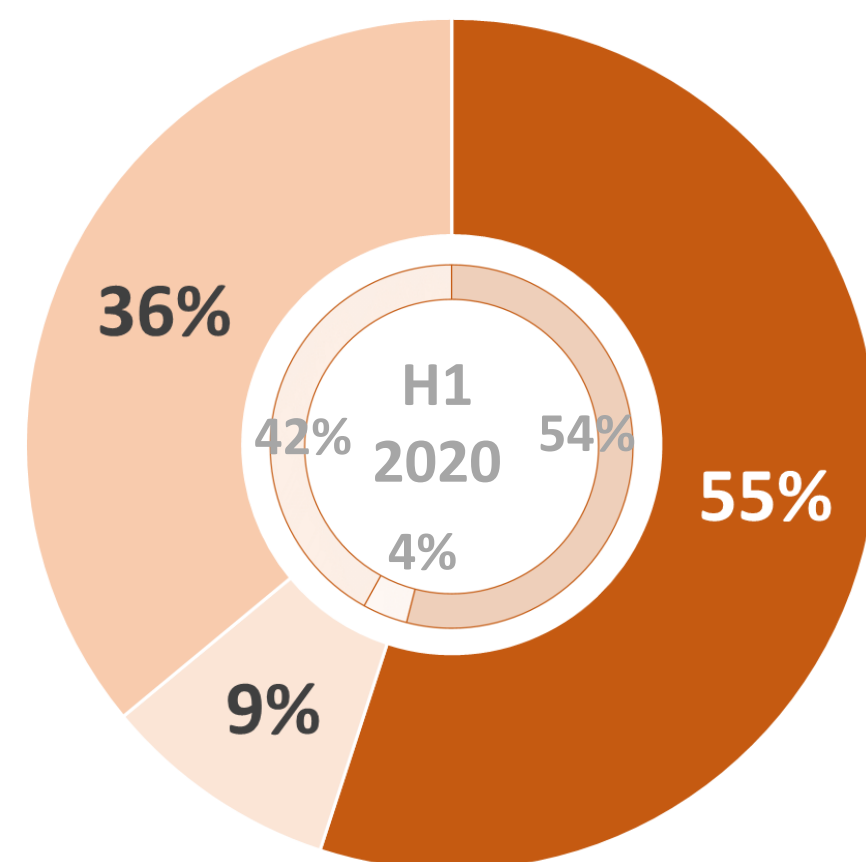
Gross debt nature without derivatives and leases



€834M

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

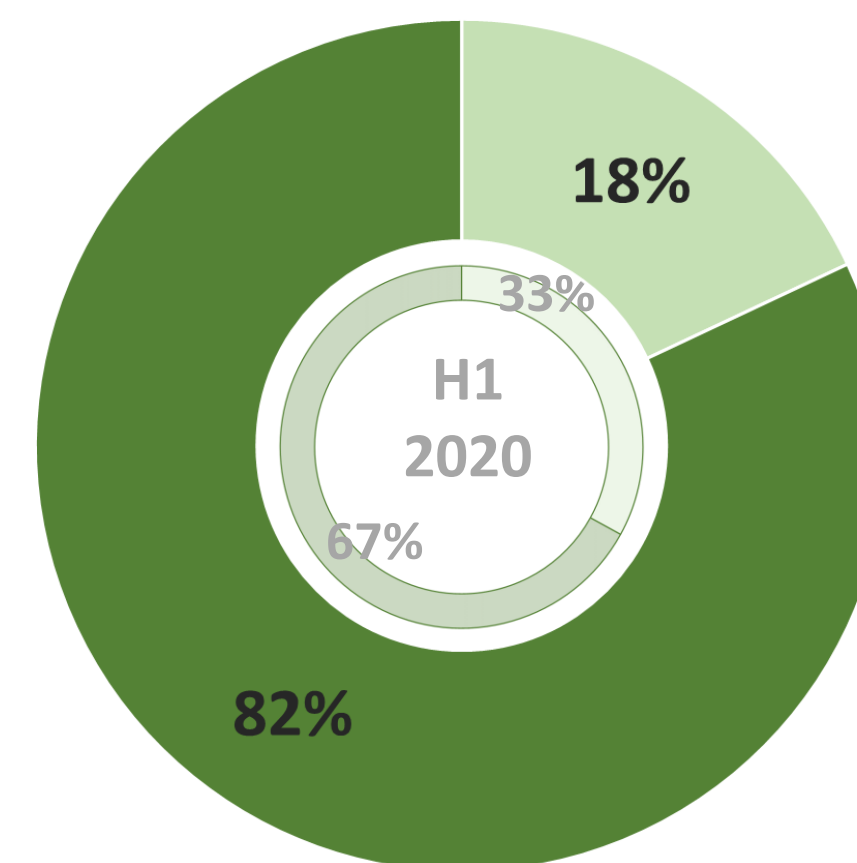
Gross debt by currency without derivatives and leases



€834M

- GBP
- EUR
- USD

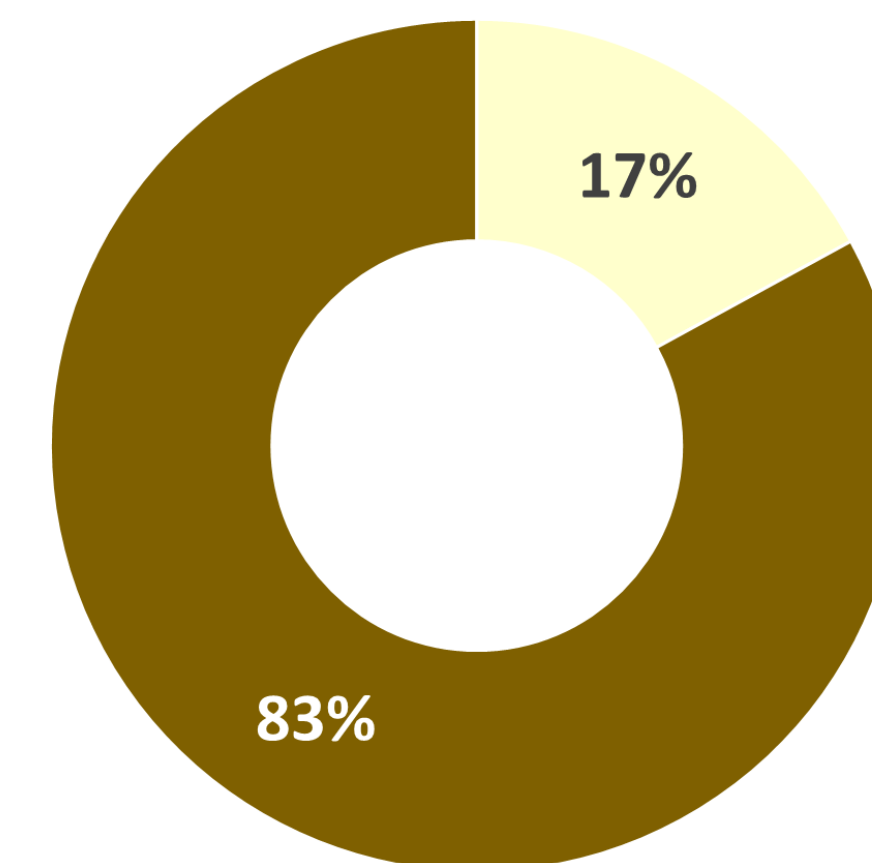
Gross debt without derivatives and leases hedged



€834M

- Hedged
- Un-hedged

Gross debt without derivatives and leases: construction and operations



€834M

- Operating plants
- Under construction

Gross debt = project financing + other debt + debt vs CII HoldCo + corporate debt + Green Convertible Bond

Average interest rate (including interest rate swap and excluding figurative cost of Green Convertible Bond) of **2.60%\***

-60 bps vs H1 2020

\*excluding IFRS 9 effect

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# Operating Assets: 1,320\* MW



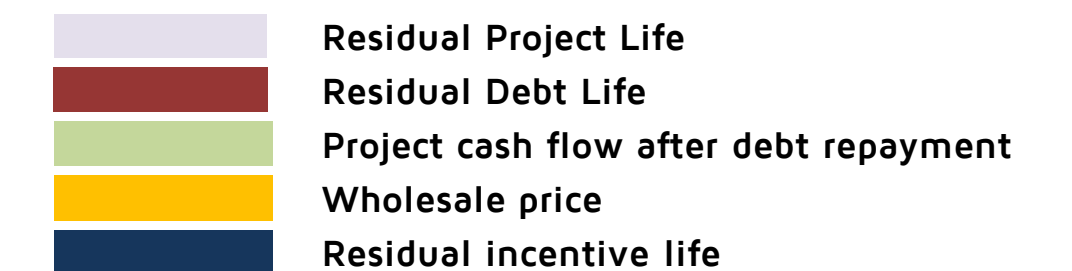
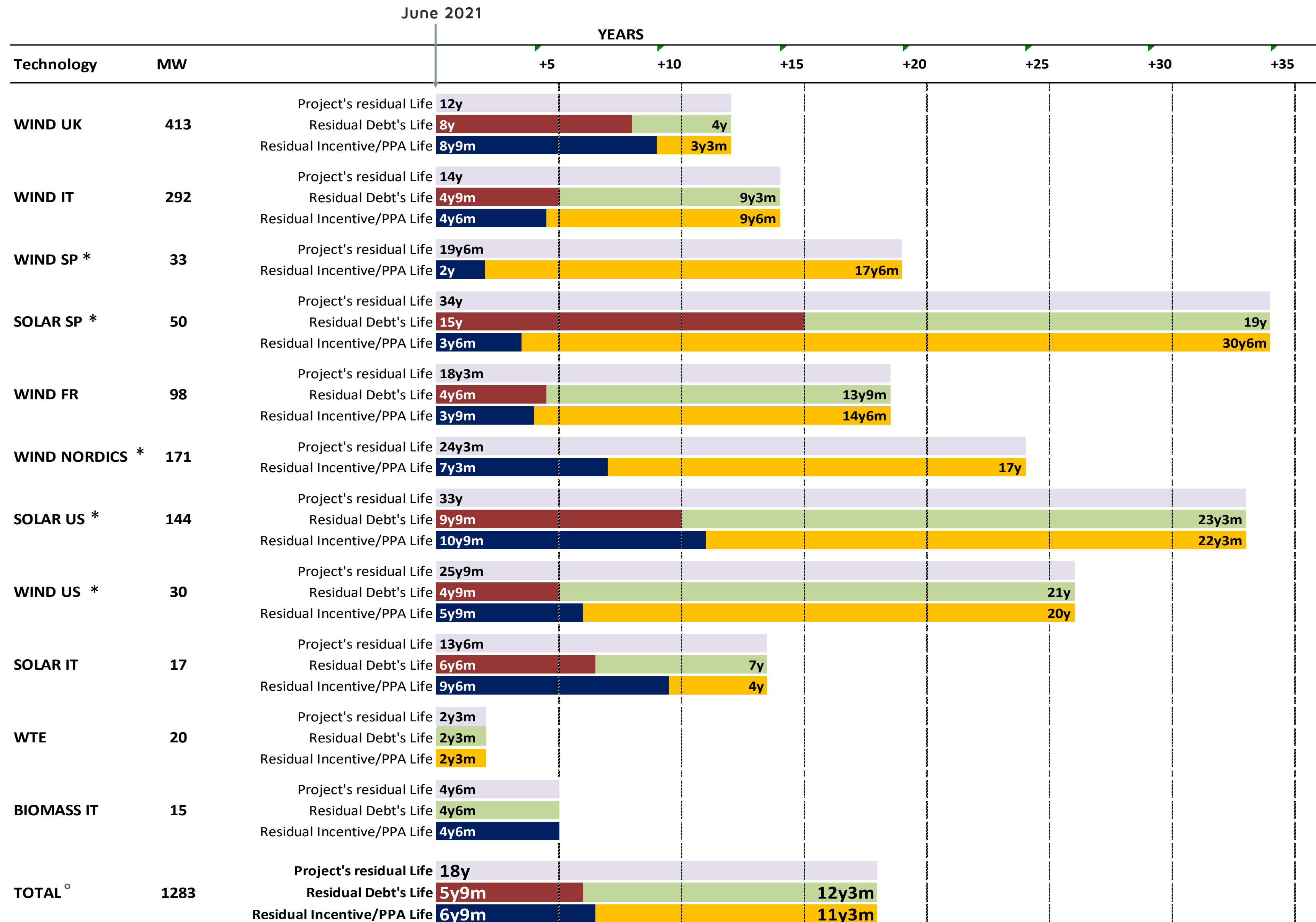
MW				TOTAL
	292	17	46	355
	413			413
	30	145		175
	59	50		109
	98			98
	50			50
	121			121
<b>TOTAL</b>	<b>1,063</b>	<b>212</b>	<b>46</b>	<b>1,320*</b>



+101 MW under construction

\* Includes minority stake in La Muela (26%) wind farm and Frullo Energia Ambiente (49%) for a total amount of 37 MW

# Asset Base in H1 2021



\* PPA secured, SREC (in the US only)

° Not included minority stake in La Muela (26%) wind farm, Frullo Energia Ambiente (49%) for a total amount of 37MW

# Installed Capacity and Production by Plant in H1 2021

## WIND



Plants	MW	Energy produced H1 2021 (GWh)
Cefn Croes (Wales )	58.5	74
Boyndie (Scotland )	16.7	20
Earlsburn (Scotland)	37.5	47
Ben Aketil (Scotland)	27.6	39
Millennium (Scotland)	65.0	75
Kilbraur (Scotland)	67.5	76
Nutberry (Scotland)	15.0	22
West Browncastle (Scotland)	30.0	33
Kingsburn (Scotland)	22.5	34
Assel Valley (Scotland)	25.0	33
Auchrobert (Scotland)	36.0	43
Spaldington (England)	11.8	11
San Sostene (Italy)	79.5	80
Minervino Murge (Italy)	52.0	41
Buddusò – Alà dei Sardi (Italy)*	138.0	166
Petralia Sottana (Italy)	22.1	19
Ty Ru (France)	10.0	10
Fouy (France)	10.0	10
Cretes (France)	10.0	10
Esquennois (France)	12.0	12
Eol Team (France)	12.0	12
Noyales (France)	10.0	12
Bois (France)	12.0	13
Mazeray (France)	12.0	12
Coudrays (France)	10.0	9
Cabezo San Roque (Spain)	23.3	24
Carreastro (Spain)	10.0	16
Hennøy (Norway)	50.0	63
Iowa Wind (USA)	30.0	57
Åliden (Sweden)	46.8	75

\* The installed capacity is 159 MW, production limit at 138 MW

## SOLAR



Plants	MW	Energy produced H1 2021 (GWh)
Rende (Italy)	1.0	0.7
Sicily (Italy)	13.1	10
Mesagne (Italy)	2.0	1.3
Bologna (Italy)	0.9	0.6
North Carolina (USA)	92.0	71
Syncarpha - Massachussets (USA)	14.5	10
Middleton – Massachussets (USA)	6.0	4
Annapolis - Maryland (USA)	18.1	12
Snyder Rd - New York (USA)	2.1	0.8
Geneva - New York (USA)	2.8	1
Hartftord & Musgrave - New York (USA)	8.6	5
Desafio Solar (Spain)	50.0	22

## WTE/BIO



WTE Trezzo (Italy)	20.0	53
BIO Rende (Italy)	15.0	53

## MINORITIES

La Muela (Wind - Spain)	25.7
Frullo Energia Ambiente (WtE - Italy)	11.0

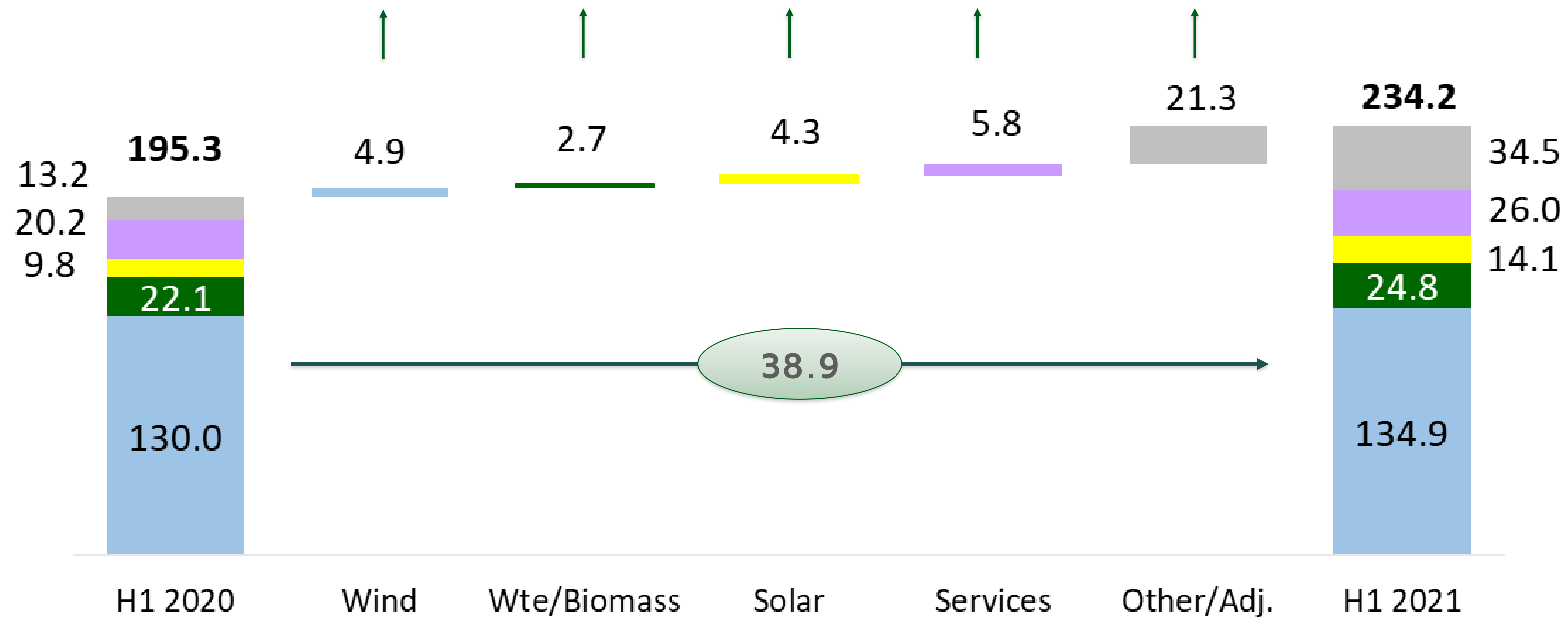
**TOTAL INSTALLED CAPACITY (MW) 1,320**  
**TOTAL ENERGY PRODUCED\*\*\* (GWh) 1,435**

\*\* Energy production related to energization phase  
 \*\*\*it doesn't include La Muela and Frullo Energia Ambiente production



# H1 2021 Revenues

Revenues by technology

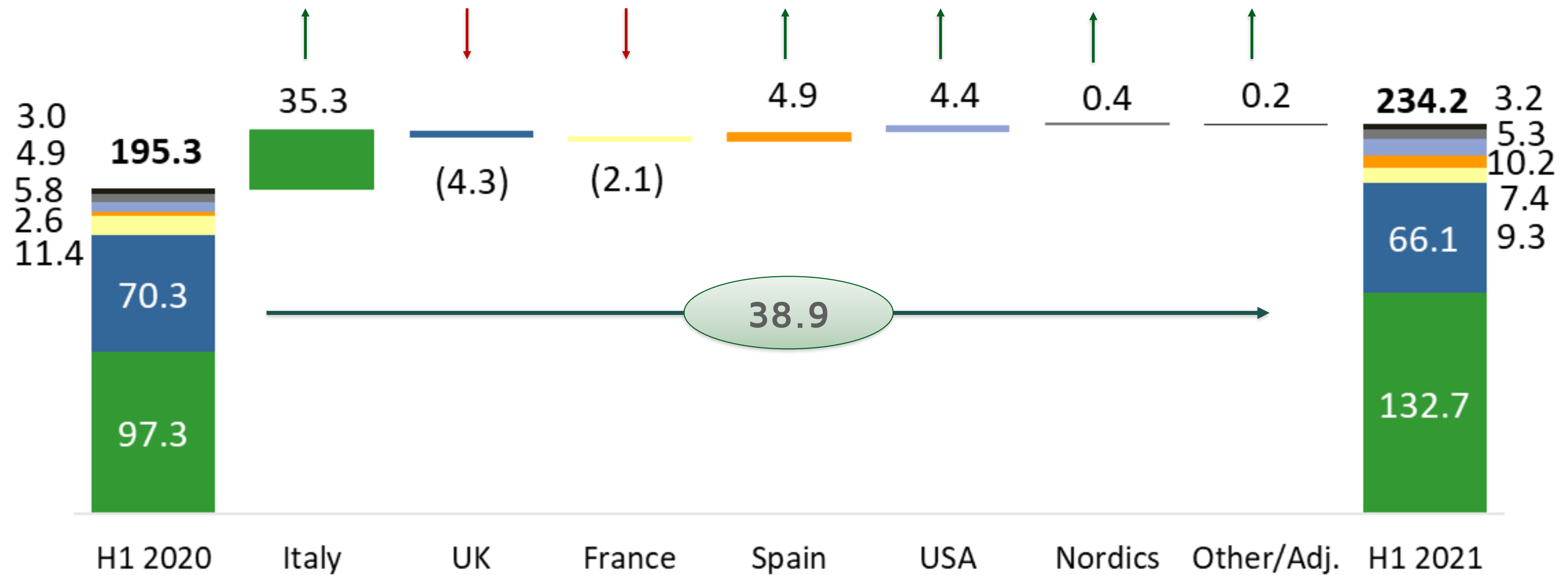


↑ ↓ Trend vs H1 2020

- Wind
- WtE/Bio
- Solar
- Service
- Other/Adjustments/ Non recurring

(M€)

Revenues by country\*

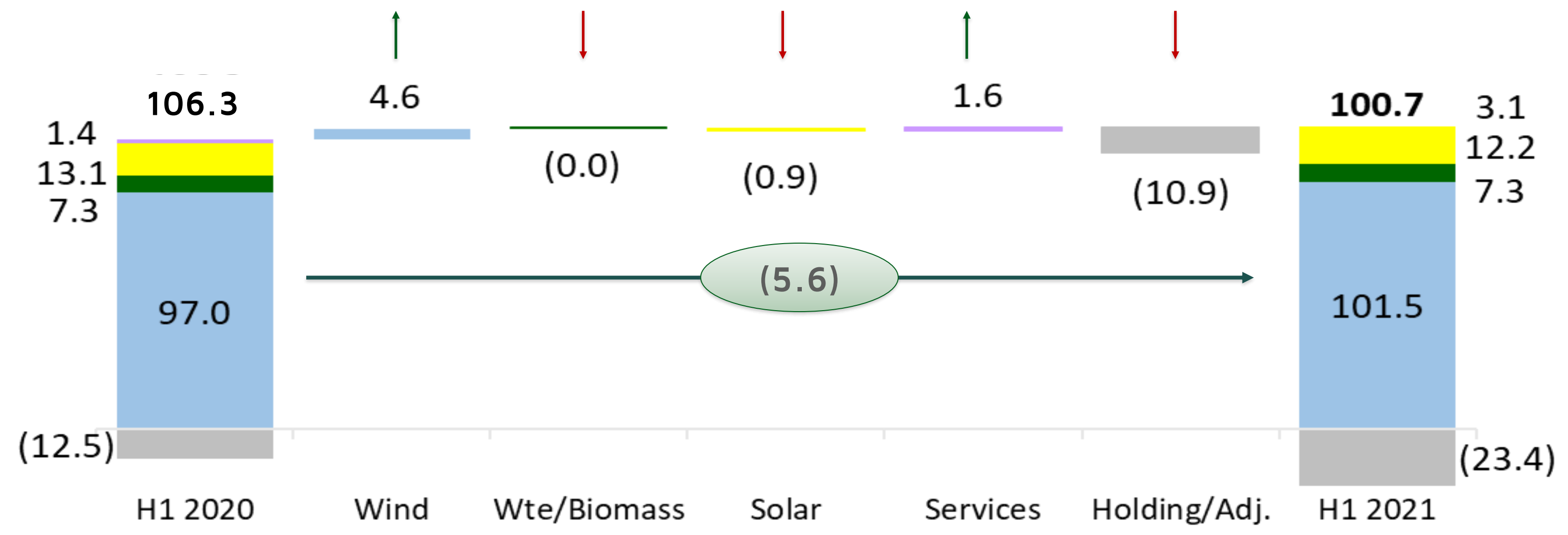


- Italy
- UK
- France
- Spain
- USA
- Nordics
- Other

\* By origination

# H1 2021 EBITDA

EBITDA by technology

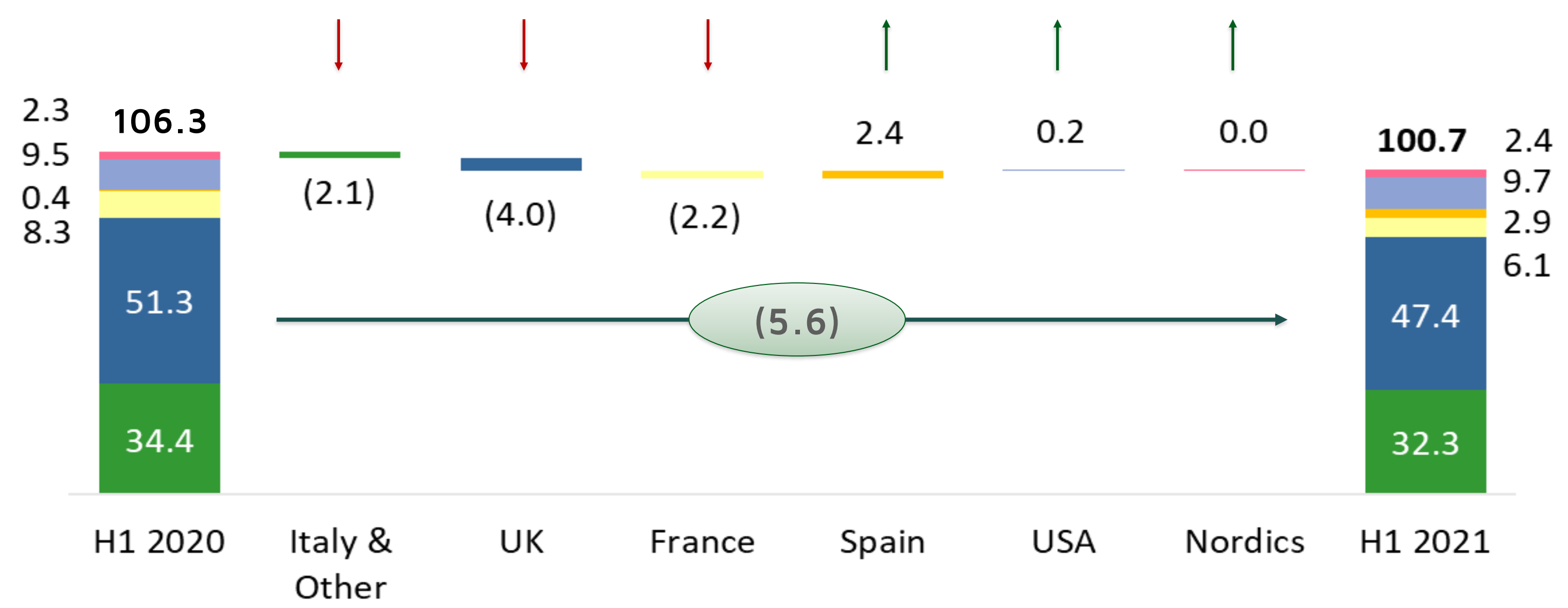


↑ ↓ Trend vs H1 2020

- Wind
- WtE/Bio
- Solar
- Service
- Holding/Adjustments

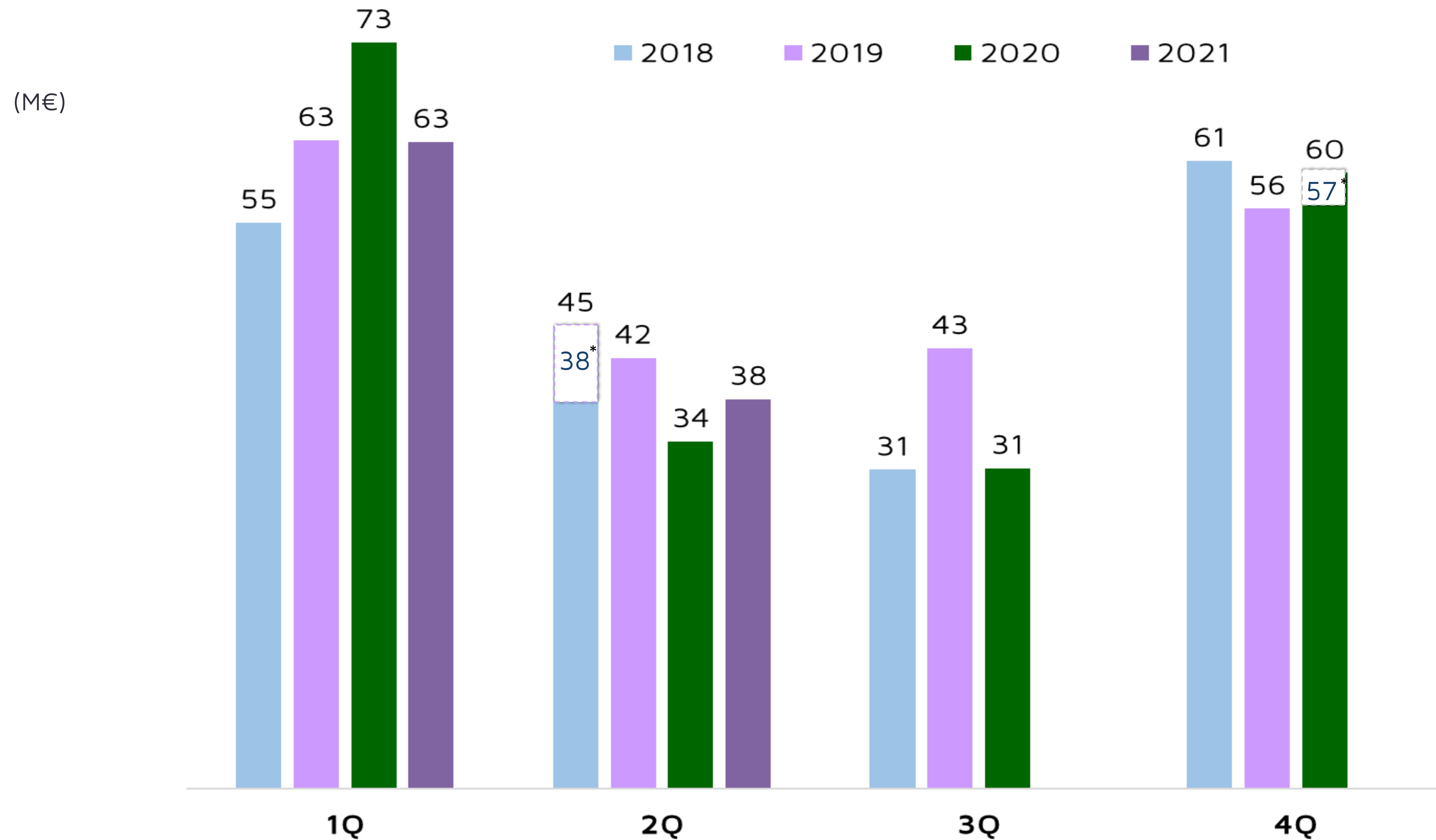
(M€)

EBITDA by country \*



- Italy & Other
- UK
- France
- Spain
- USA
- Nordics

# EBITDA Breakdown by Quarter

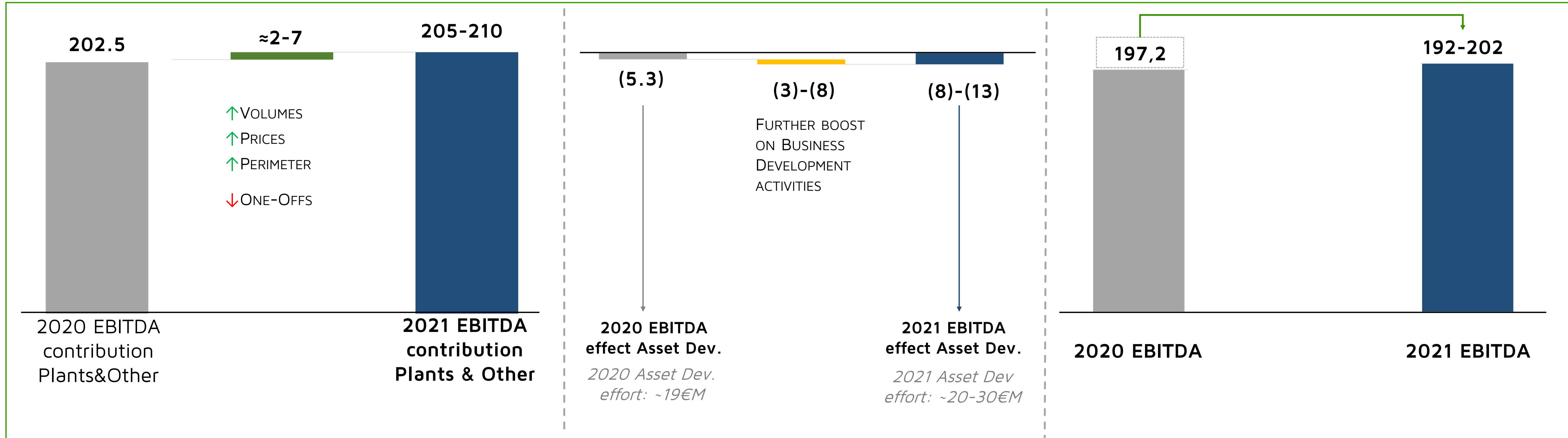


H1 2021 EBITDA: lower volumes partially compensated by increase of perimeter

\* including impact of non-recurring items



# Guidance 2021 Confirmed



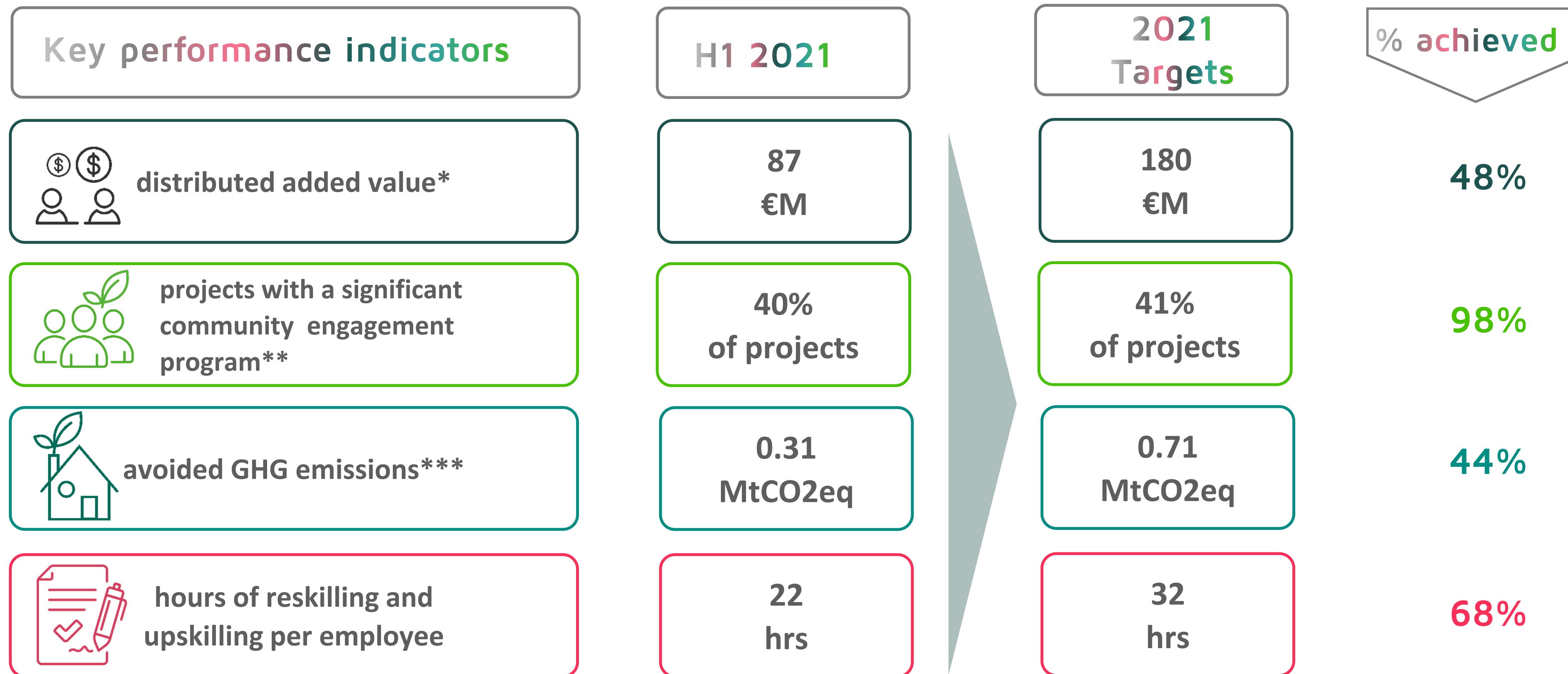
	Range
Group Net Income / EBITDA	16-17%
Net Financial Position* (€M)	800 ± 5%
Installed + in construction (MW)	1400 - 1450

\* Linked to FX assumptions

**Notes:**

- The guidance references provided do not include any non-ordinary or impairment effects. Upon the occurrence of non-recurring events and/or special items, the guidance will be compared to the annual data adjusted
- Notional financial charges on the Green Convertible Bond not included and equity reserve related to the Green Convertible Bond has been added to the net financial position

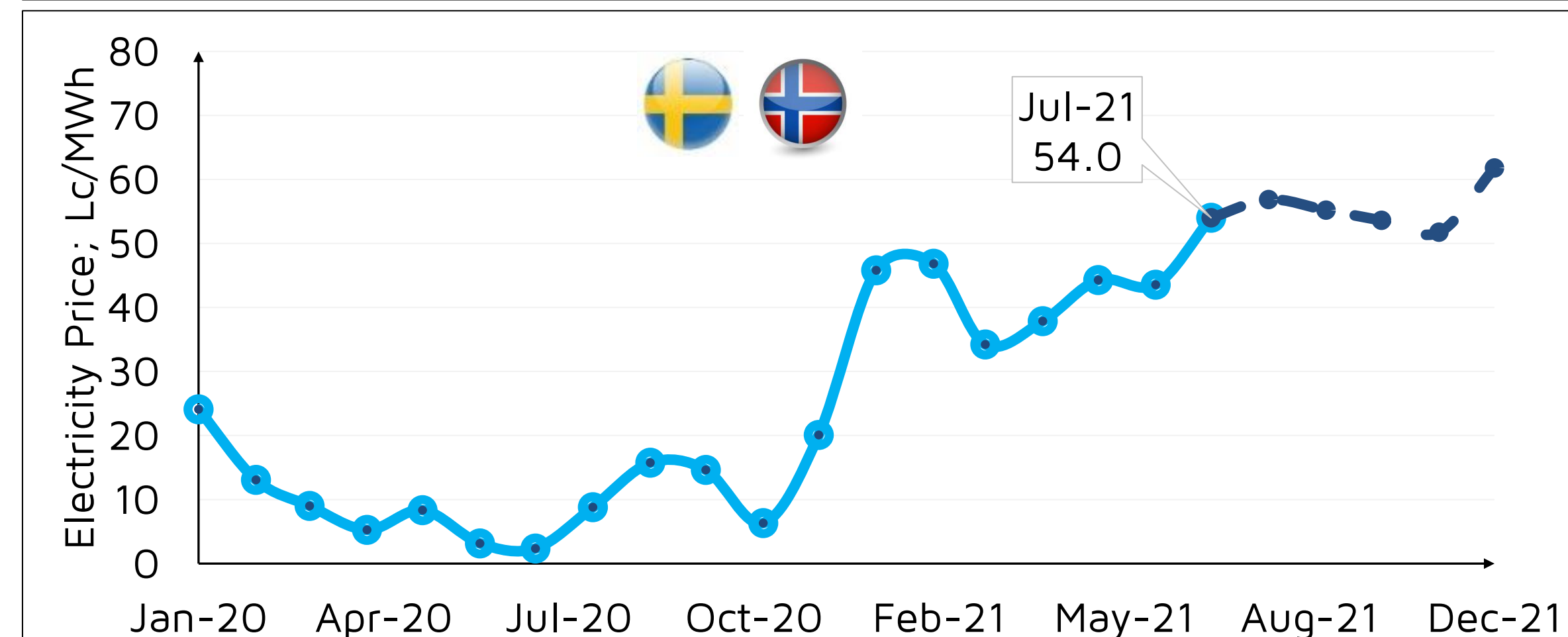
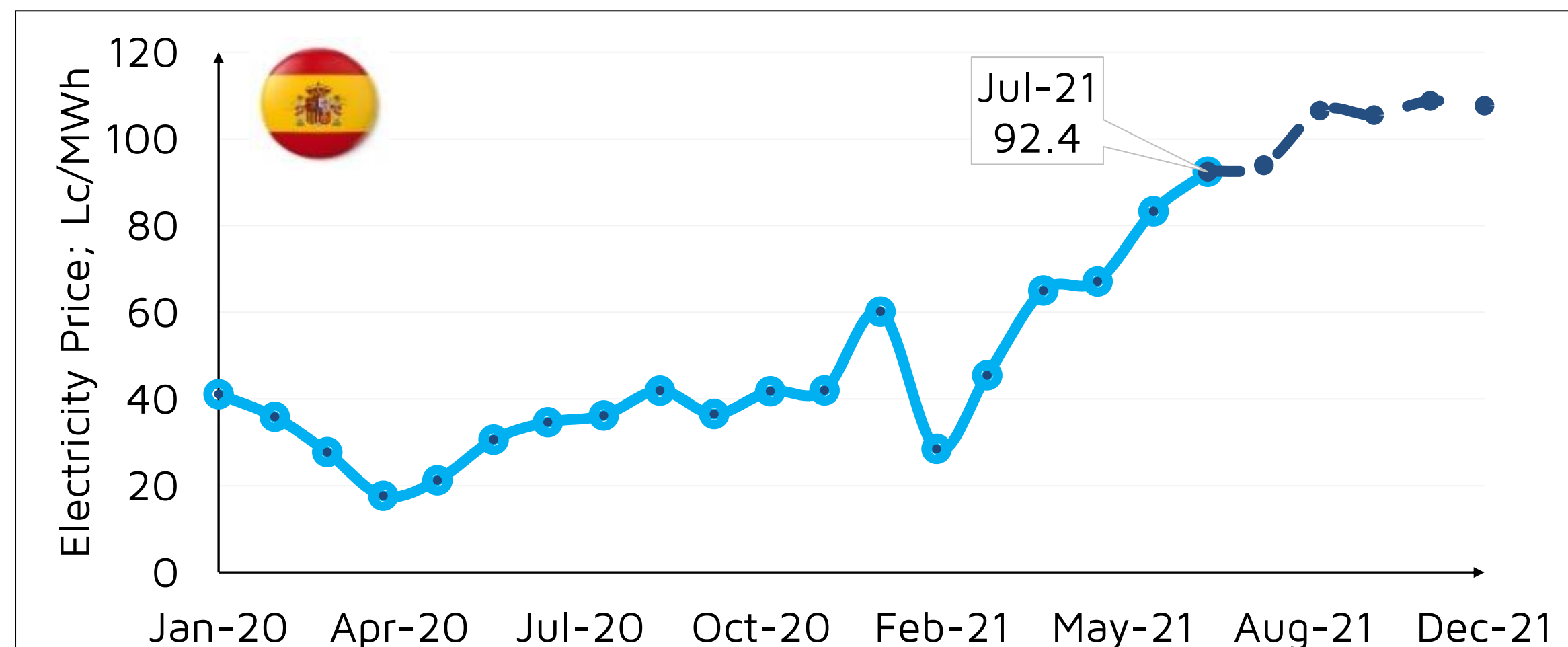
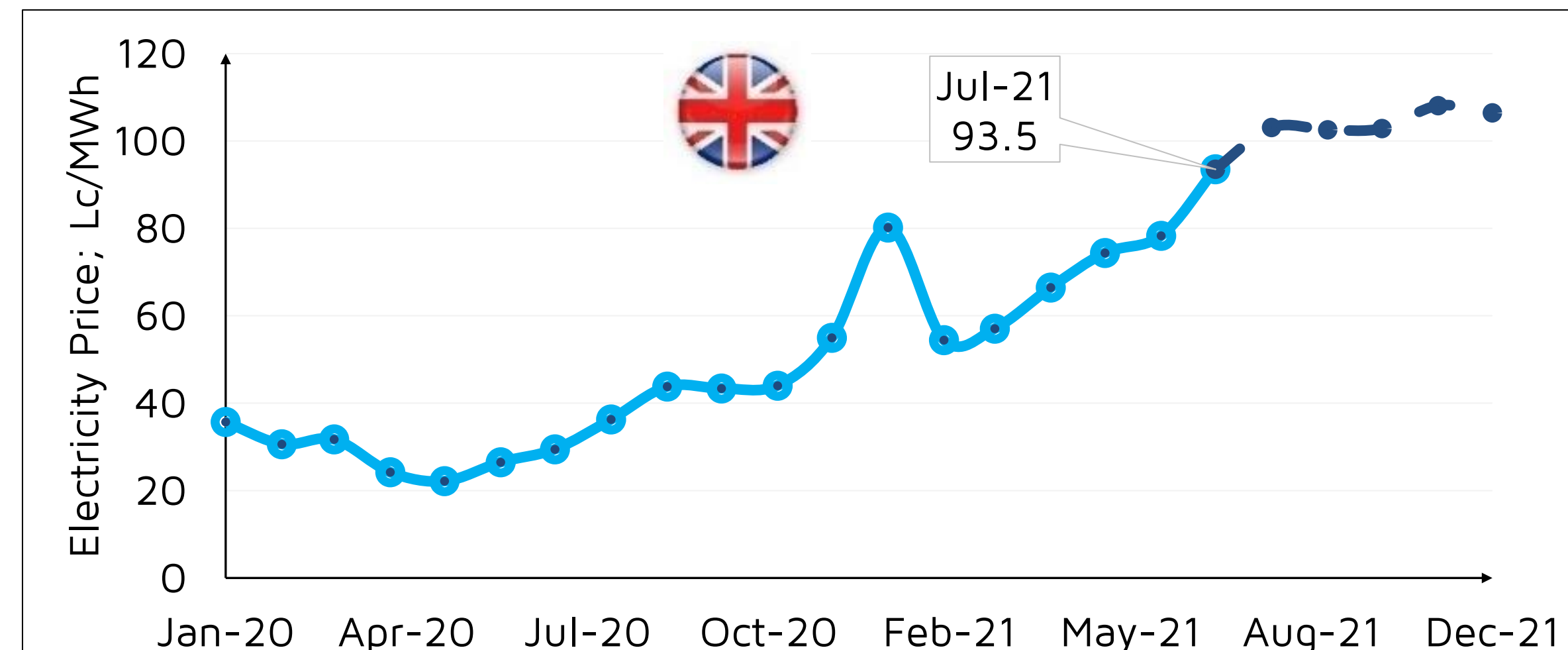
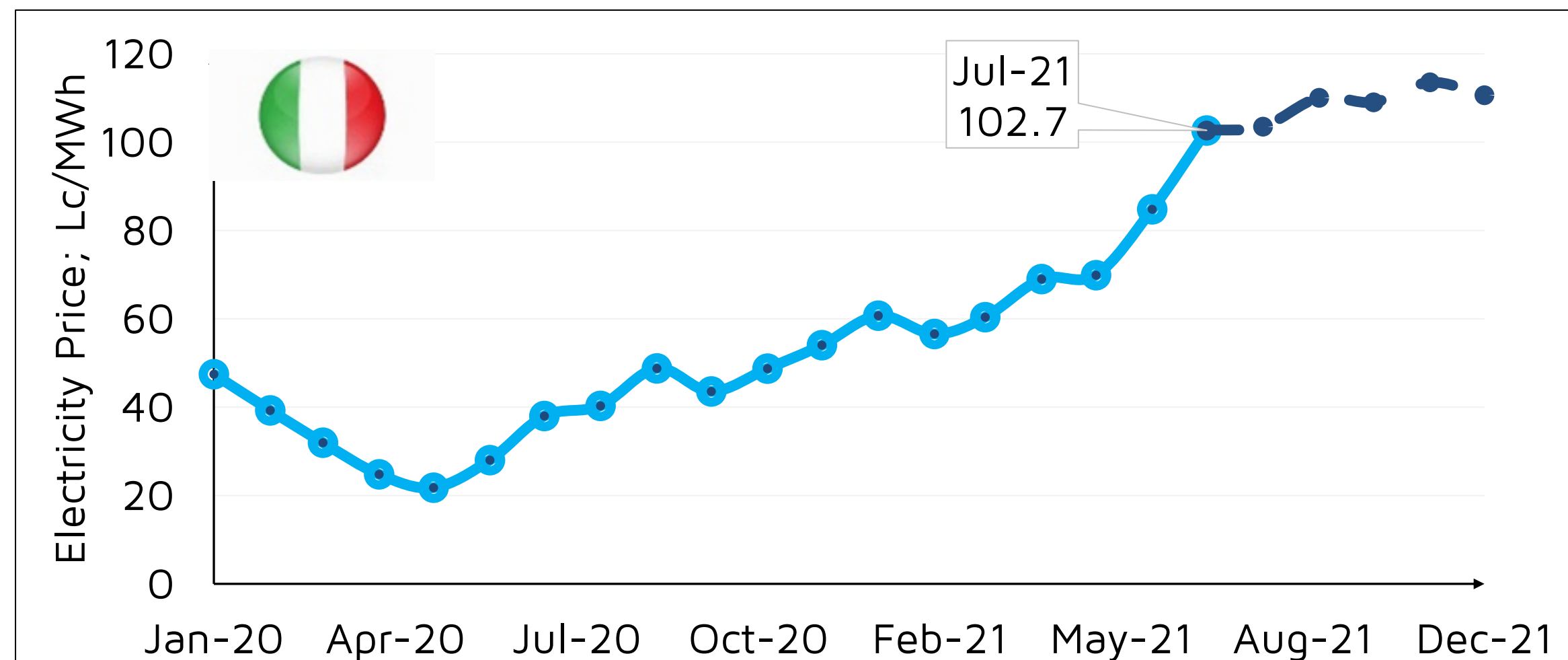
# H1 2021: Sustainability KPIs evolution



\*\*to stakeholders such as staff, shareholders, creditors, central & local administrations, local communities \*\* projects supporting local benefit/ownership schemes, or locally enabling sustainable consumption services (e.g. community energy PPA) \*\*\* References of the emission factors applied : USA: "Emission Factors for Greenhouse Gas Inventories" (US EPA, 2020); 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, 2020); Norway: "Electricity disclosure 2018" (NVE-RME, 2020 update). \*

# Spot Electricity Prices: 31/07/2021 Update

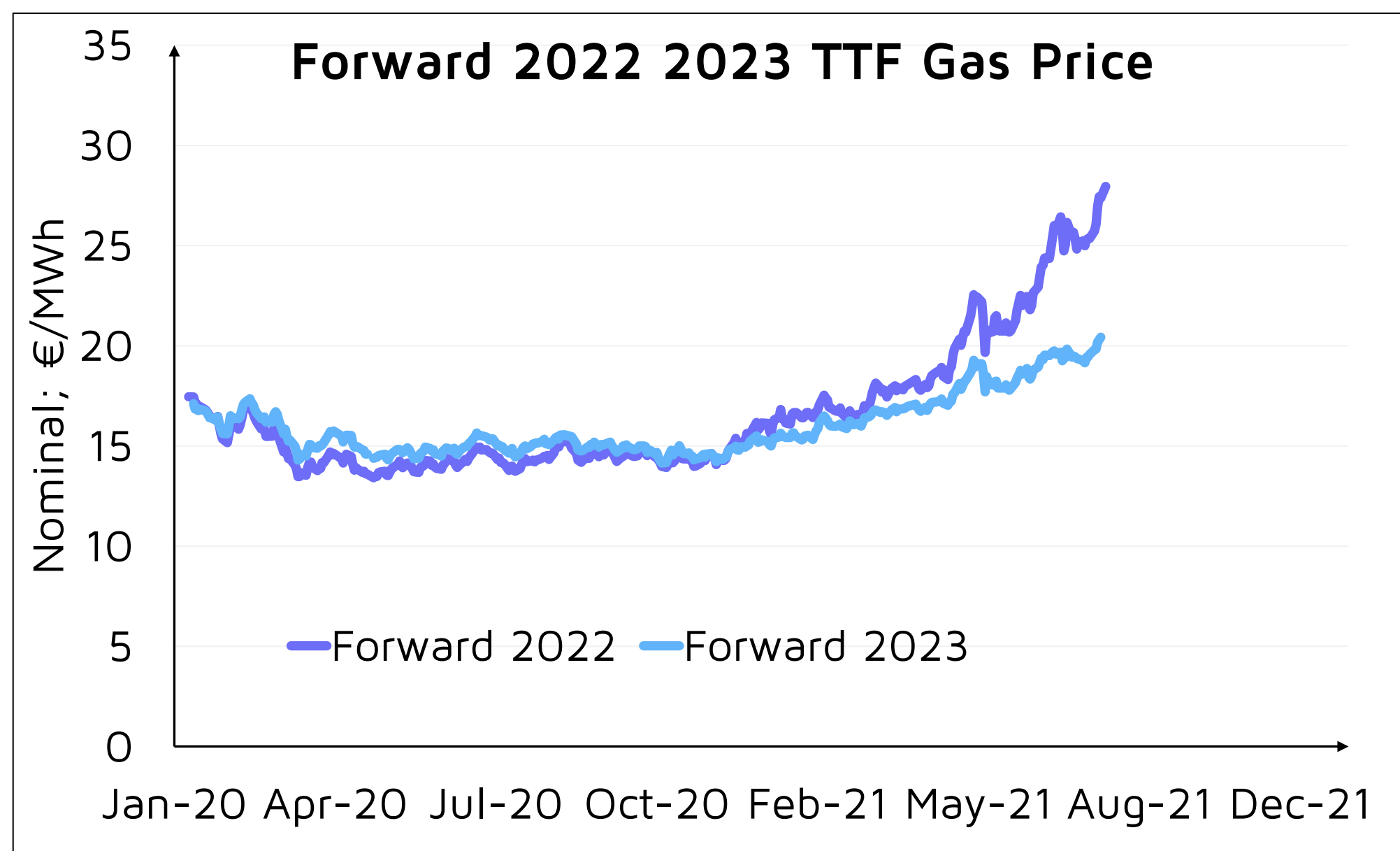
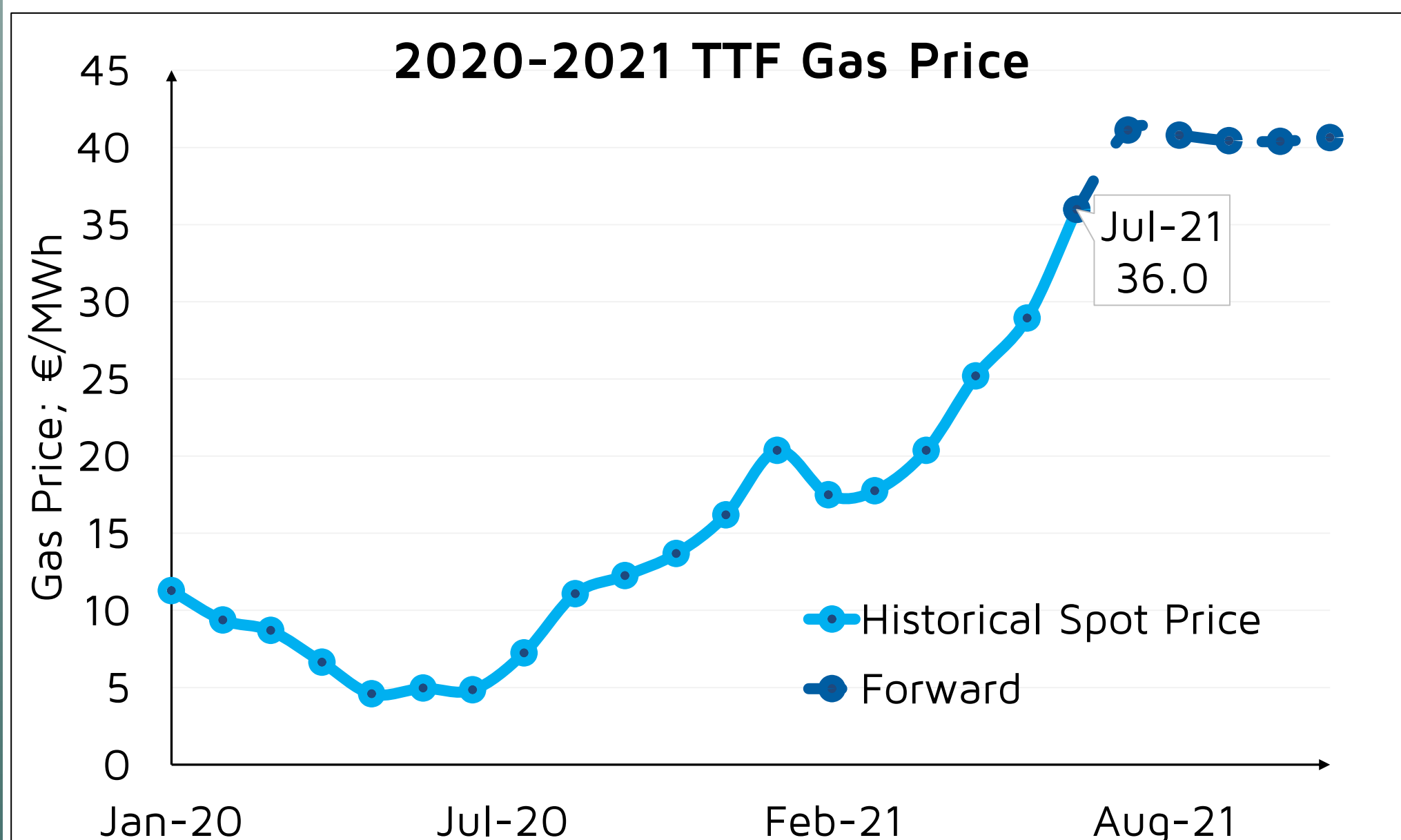
—●— Historical Spot Price    —●— Forward



Graphs show monthly electricity prices 2020-2021 (Historical Spot and Forward) in countries where Falck has market price exposure.

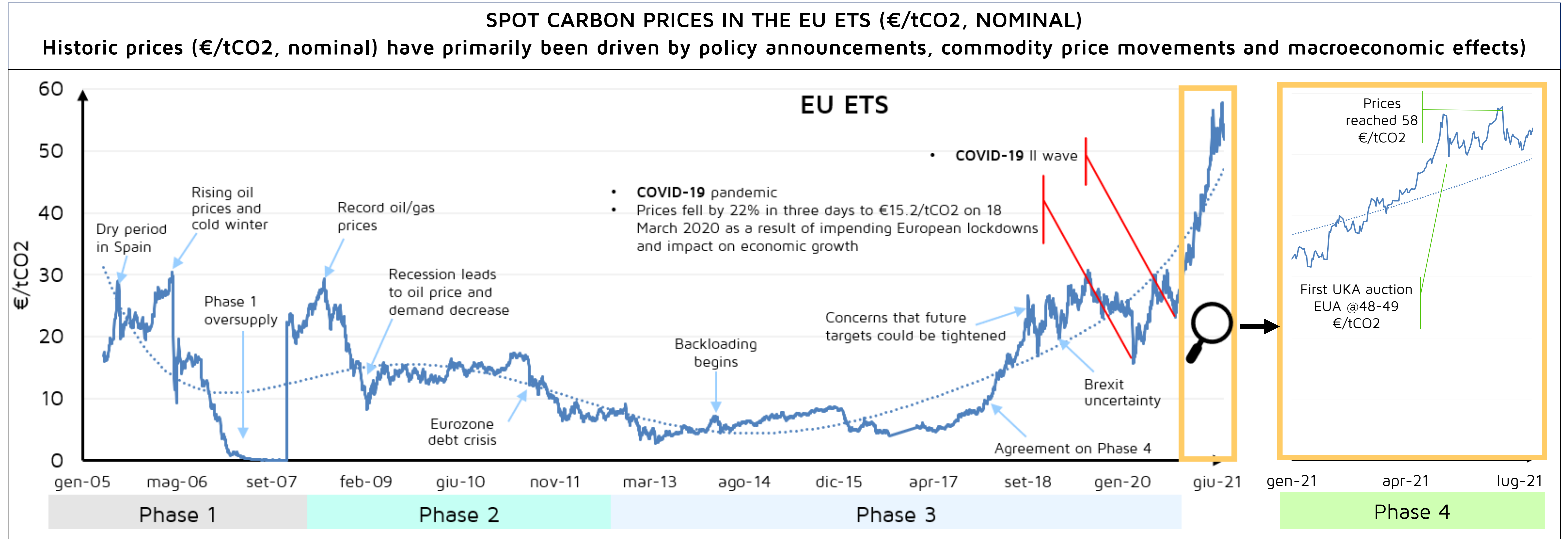


# Gas Prices: 31/07/2021 Update



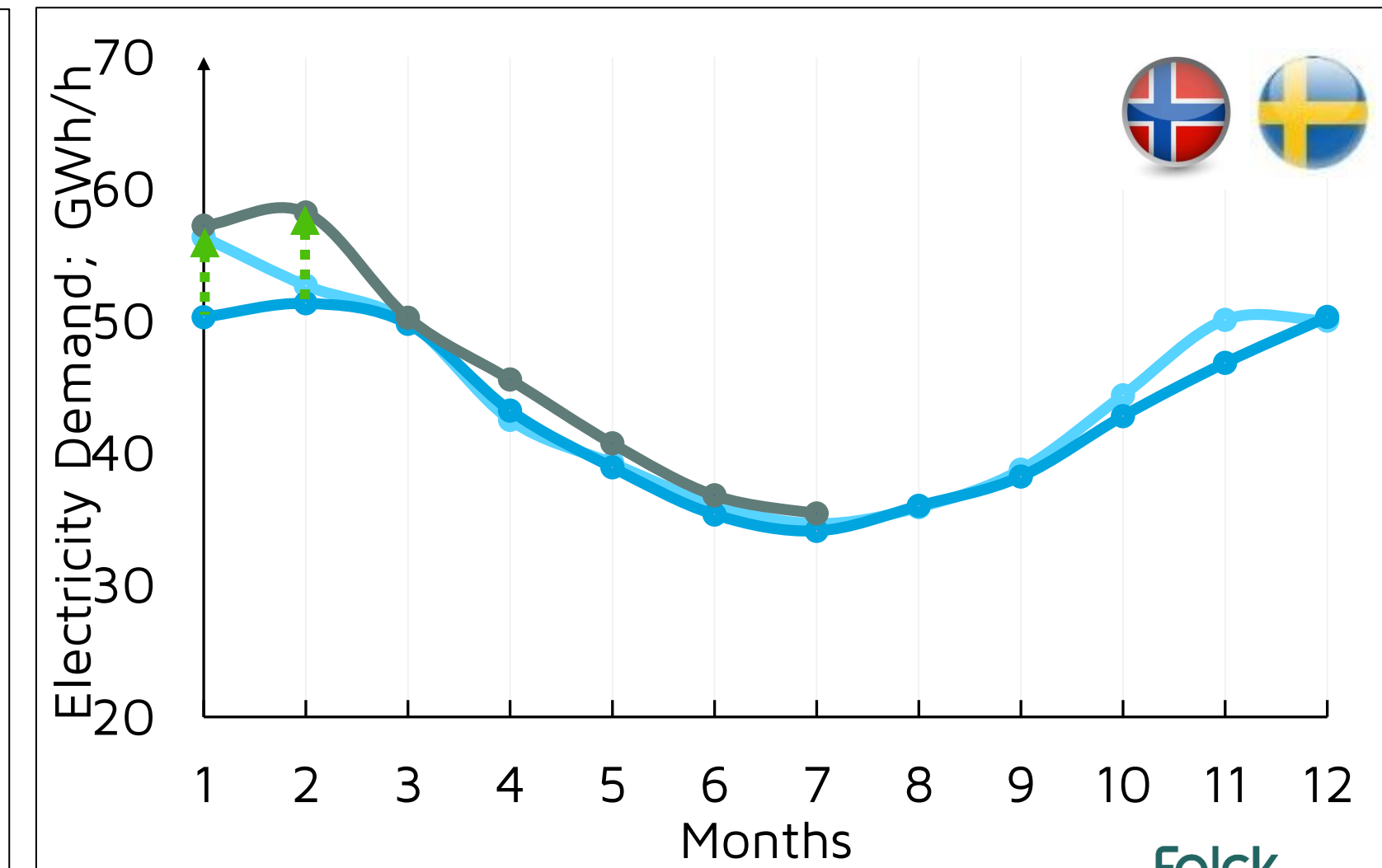
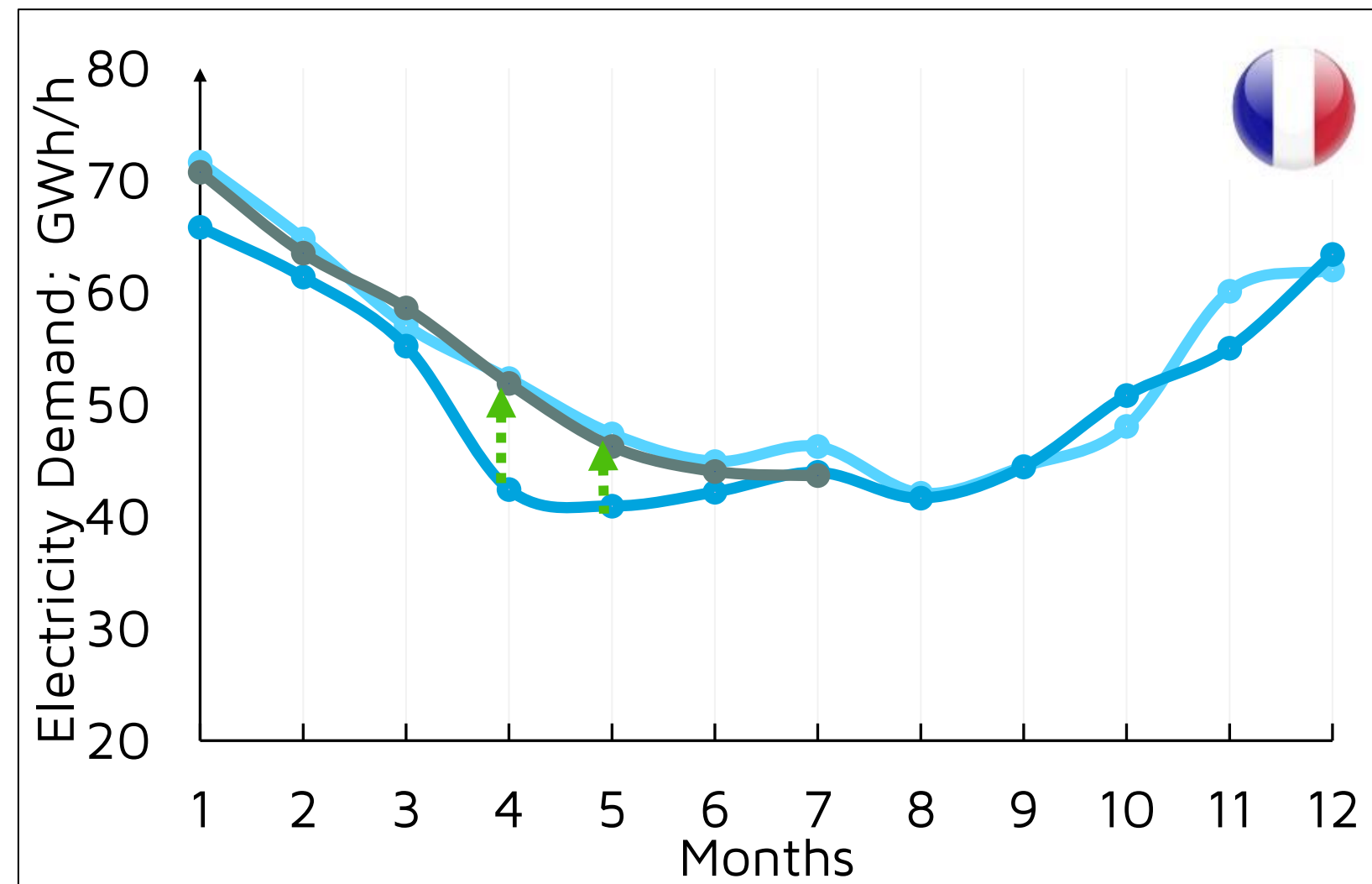
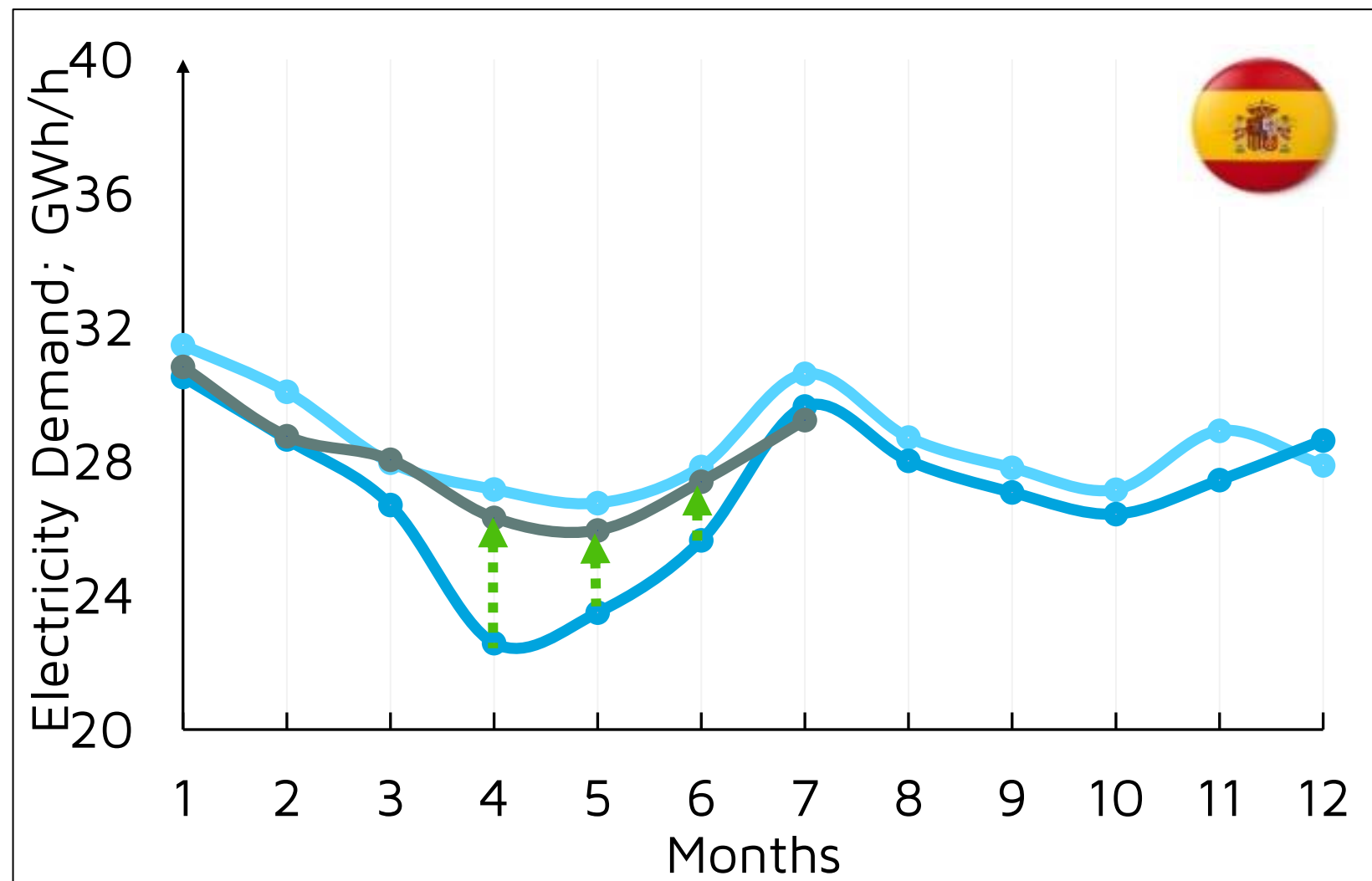
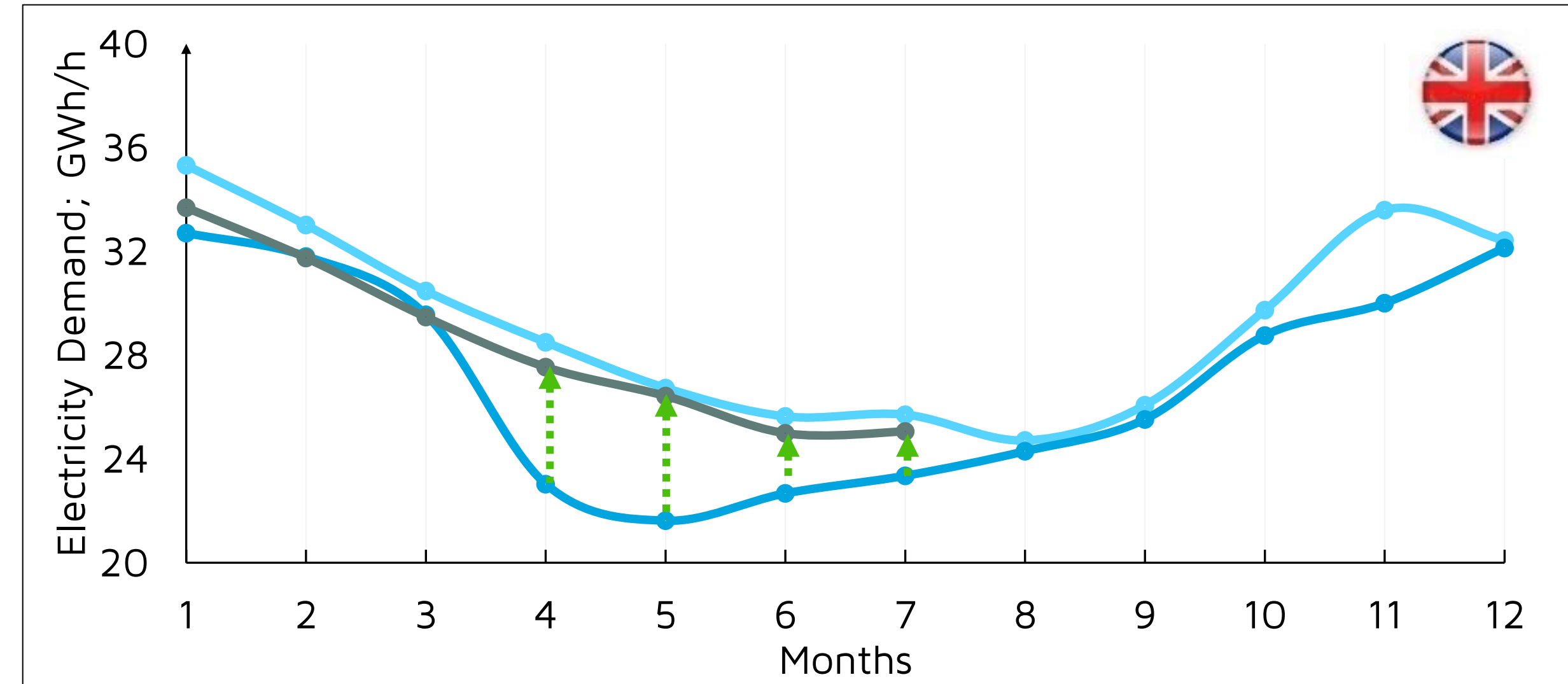
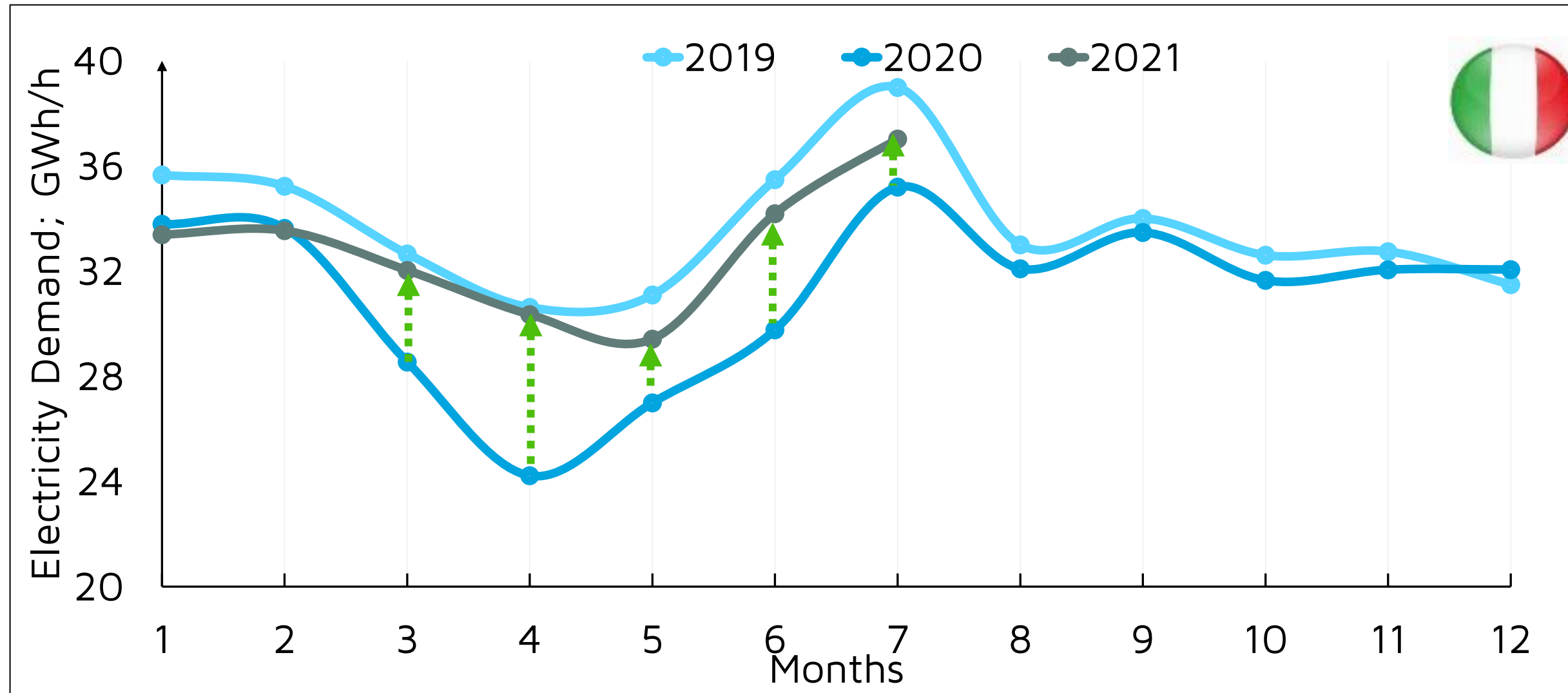
€/MWh	TTF
2020	9.23
Q1-21	18.56
Q2-21	24.83
Q3-21	39.28
Q4-21	40.48
2021	30.88
2022	27.38
2023	20.43

# CO2 Prices: 31/07/2021 Update



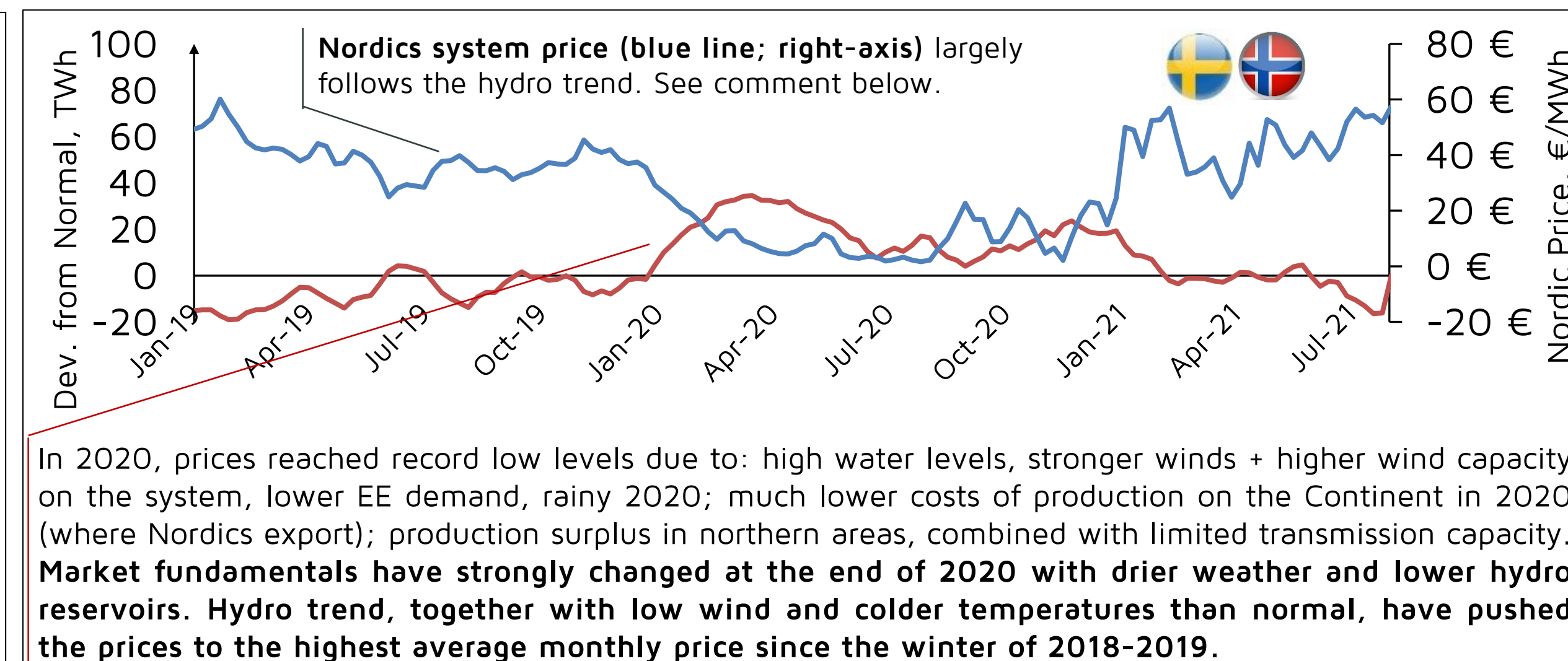
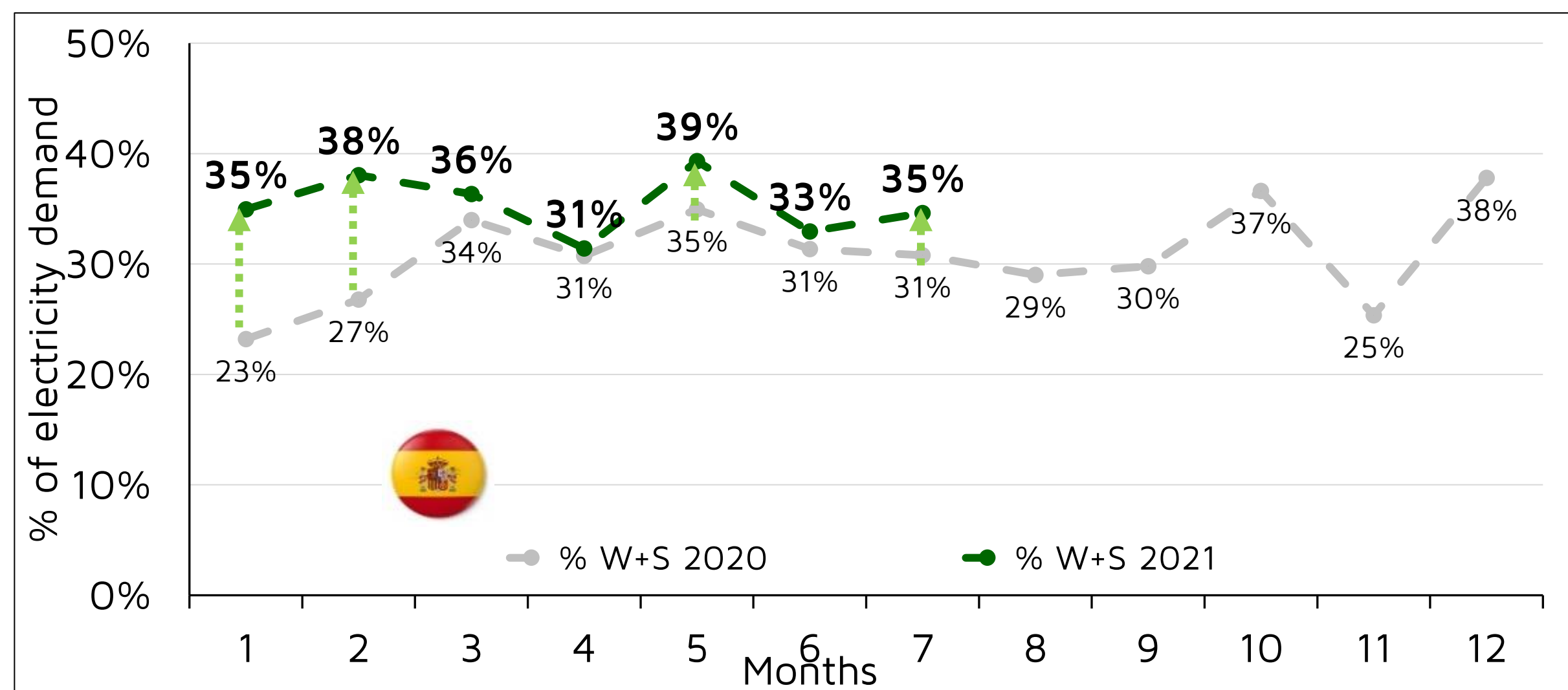
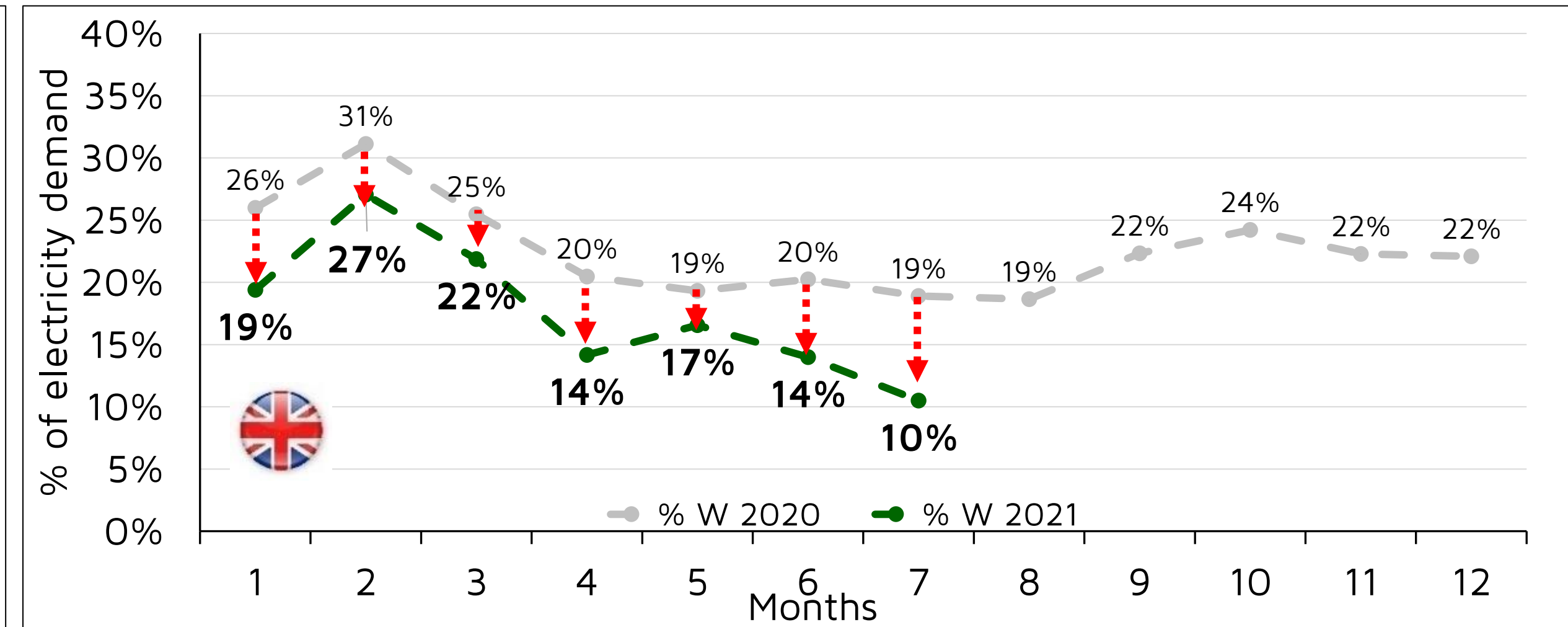
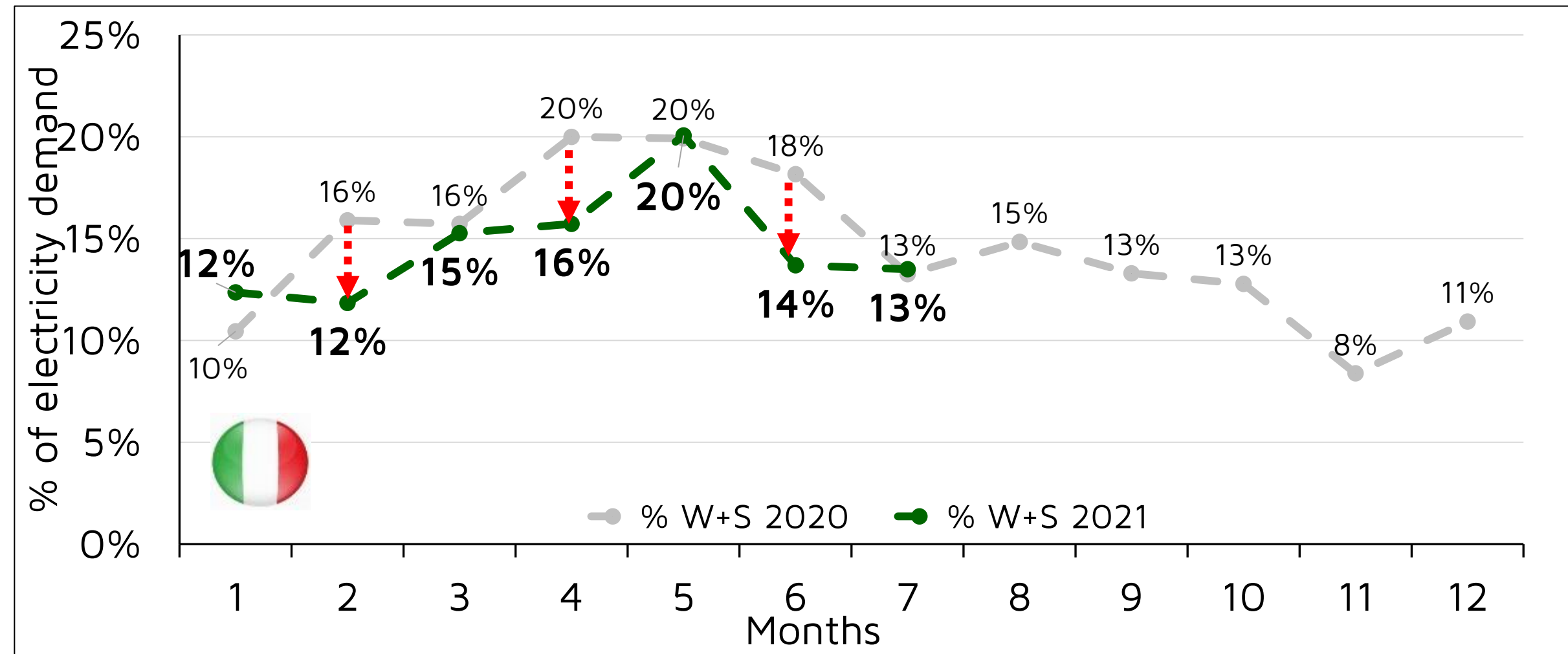
Data sources: Reuters. Forward price last settlement date 31<sup>st</sup> July 2021

# Electricity Demand: End of July 2021 Update

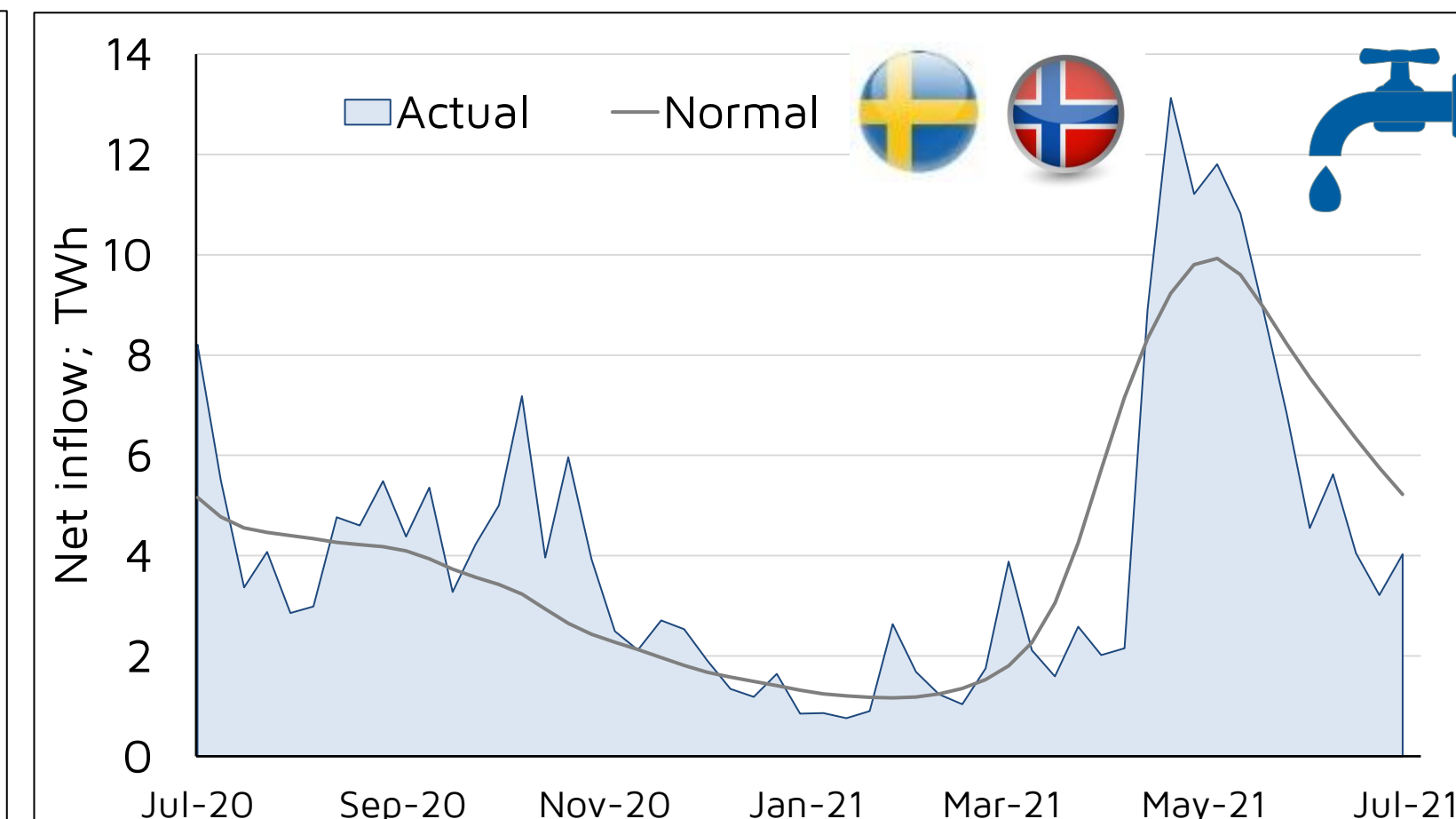
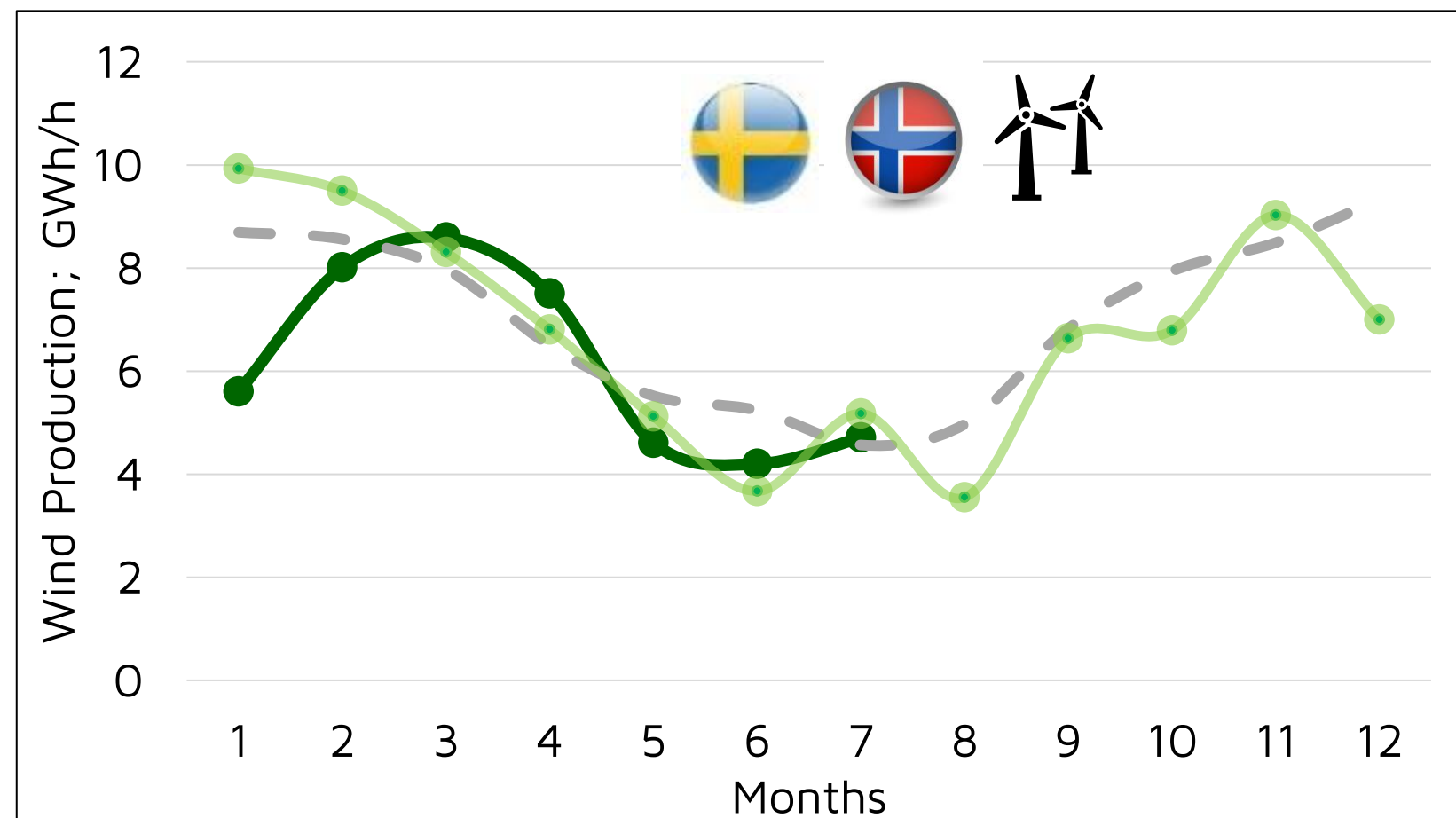
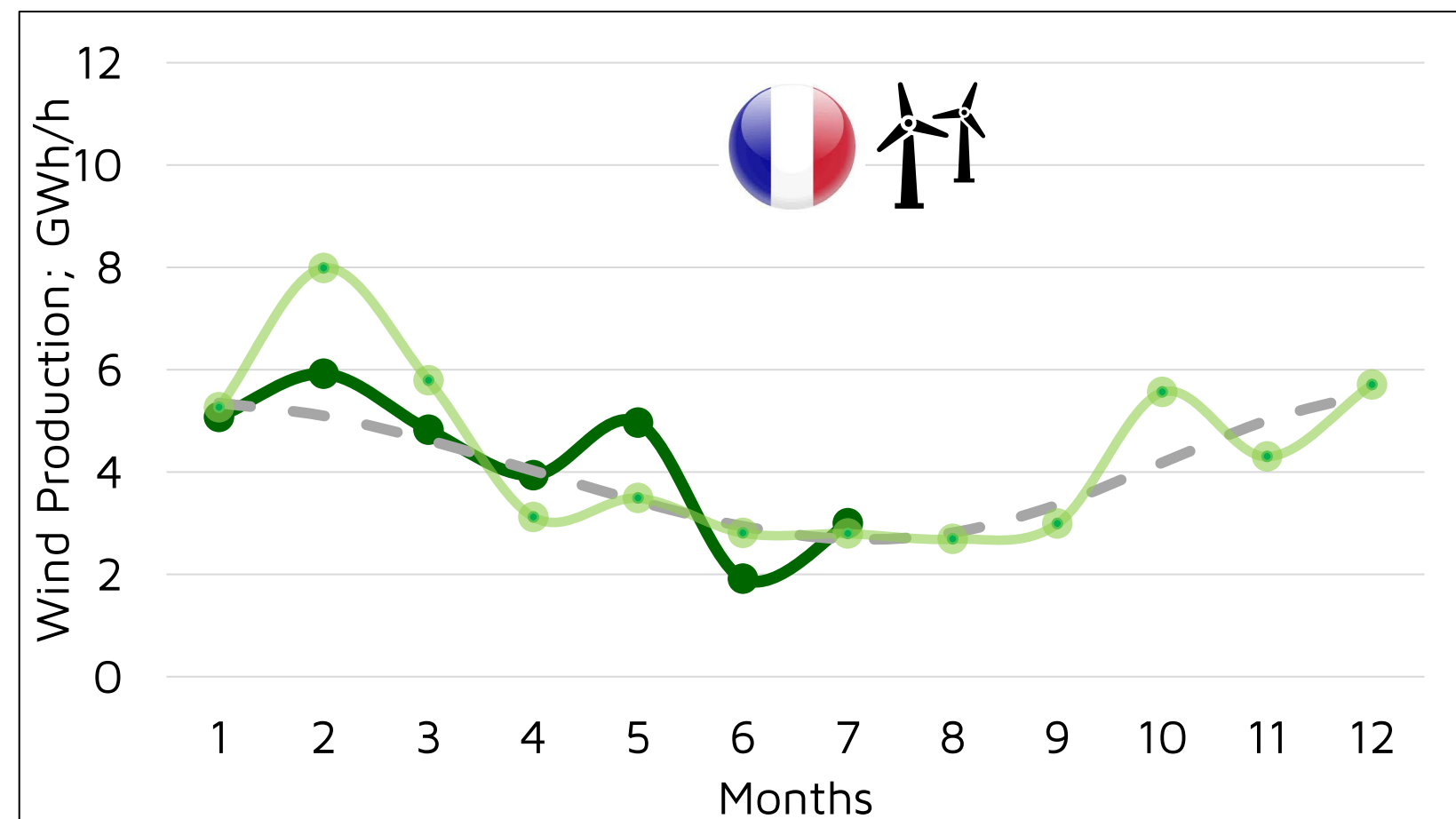
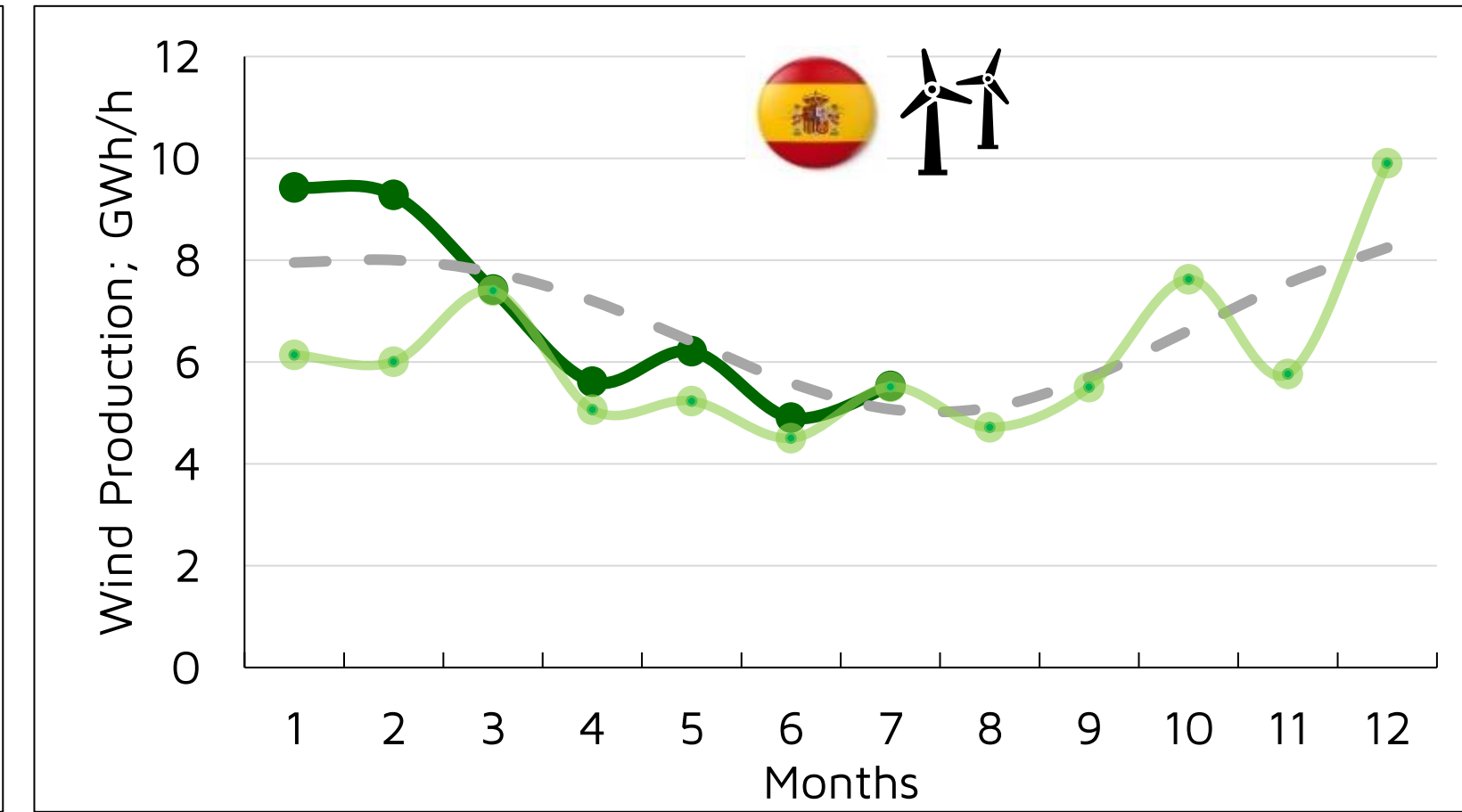
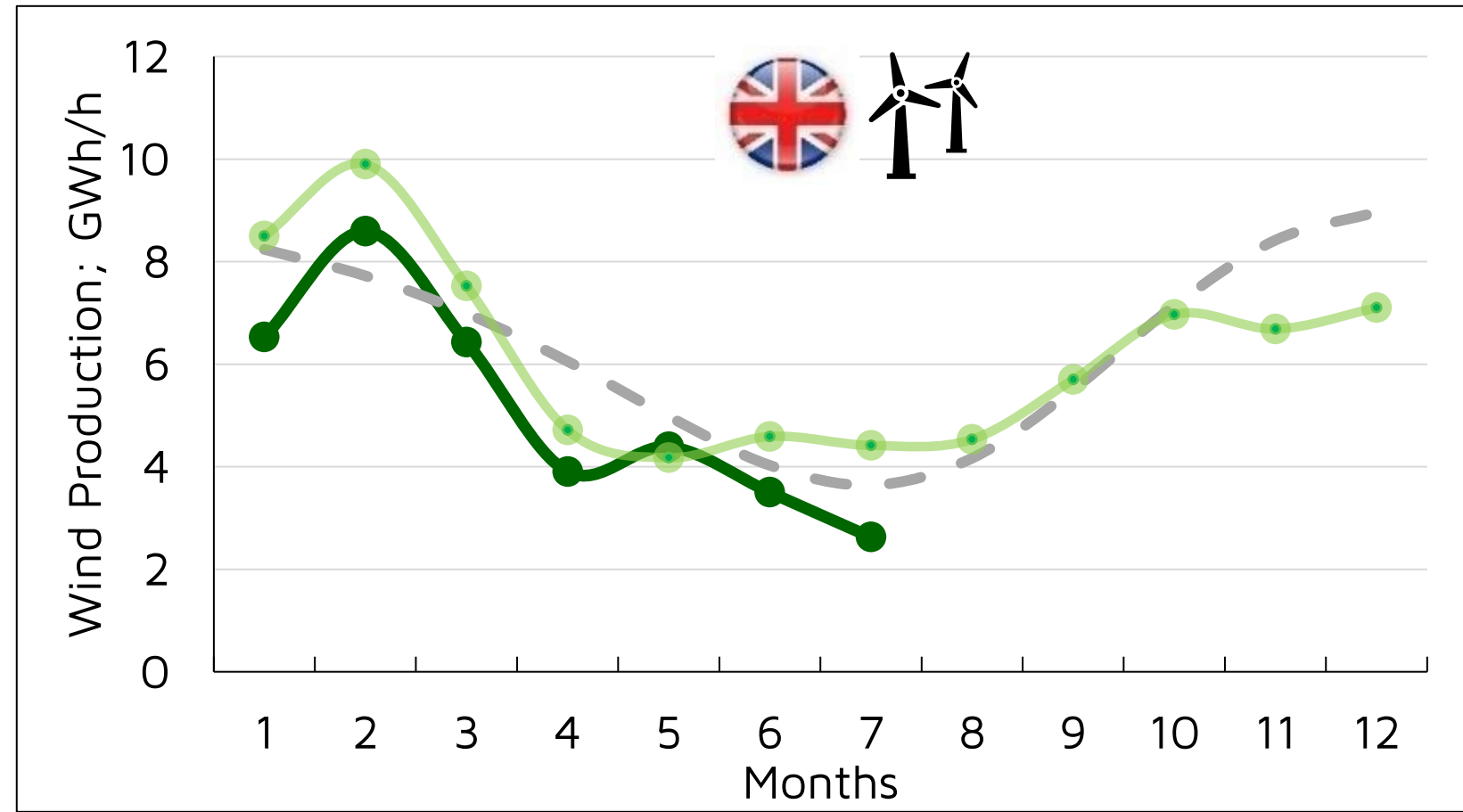
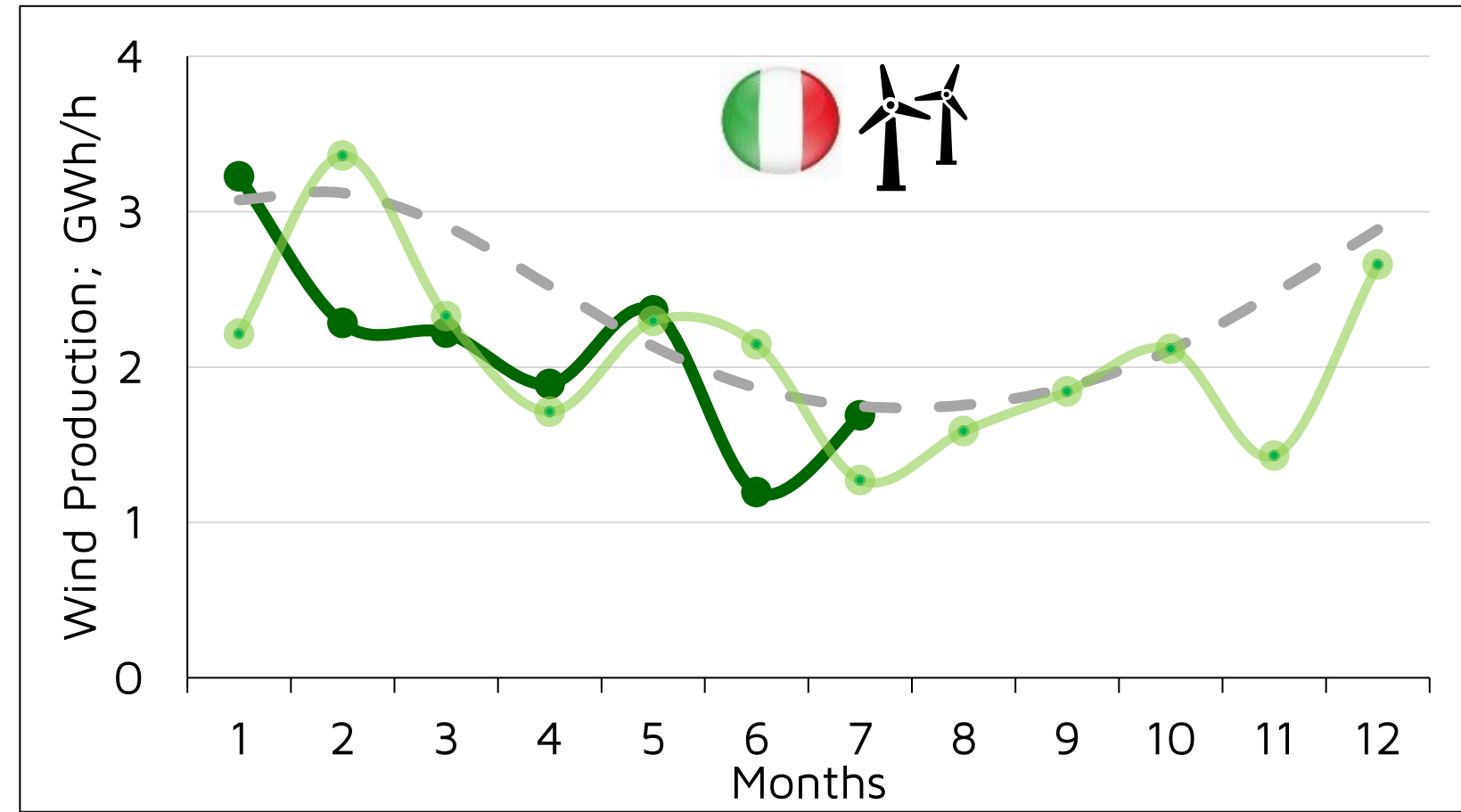




# Wind+Solar share on Electricity Demand: End of July 2021 Update



# Wind and Hydro Production: End of July 2021 Update



—●— Actual 2021\* — — Normal\*\* —●— Actual 2020\*

# Falck Renew ables

PURE POWER TO GROW