



ERG COMPANY OVERVIEW

Italian Infrastructure Day

12 September 2024

DISCLAIMER

This document contains certain forward-looking information that is subject to a number of factors that may influence the accuracy of the statements and the projections upon which the statements are based. There can be no assurance that the projections or forecasts will ultimately prove to be accurate; accordingly, the Company makes no representation or warranty as to the accuracy of such information or the likelihood that the Company will perform as projected.

AGENDA

- ❑ **ERG Today**
- ❑ **Recent Developments, 2Q 2024 Results and 2024 Guidance**
- ❑ **Financials & Capital Structure**
- ❑ **Abstract of ERG's 2024-2026 Business Plan**
- ❑ **Management Profiles**



ERG TODAY

A LONG HISTORY...

Production commences at the San Quirico Refinery in Genoa.



1947



The ERG share is listed on the Stock Exchange.

1997



ERG enters the renewables sector with the acquisition of EnerTAD.

2006

ERG Power's combined cycle power plant (480MW) fuelled by natural gas enters operation.



TotalERG is established, a joint venture for the sale of oil products.

2010

ERG transfers the ISAB Energy plant and the fuel network of ERG Oil Sicily.



2014

ERG enters the wind market in the United Kingdom with a 47.5MW project. At the end of 2016, installed wind capacity is 1,720MW.



2016

With the acquisition of Andromeda assets (51MW), ERG increases its PV total capacity up to 141MW.



Wind: ERG grows (+86MW) in France and Germany.

2019

Wind: ERG enters the Sweden market, and starts operation in U.K.. At year-end installed wind capacity in Europe is 2,198MW. On August 2, ERG signs an agreement with ENEL for the sale of ERG Hydro S.r.l.⁽¹⁾.



ERG enters the solar market in France (79MW) and Spain (92MW)⁽²⁾.

2021

On October 17 ERG sells the CCGT, becoming a pure renewable player.



ERG starts up the first two repowered wind farms in Sicily, and increases its solar assets in Spain (+149MW).

2023

1938

Edoardo Garrone founds ERG in Genoa.



1975



Production starts at the ISAB Refinery in Priolo.

2000

Through ISAB Energy, ERG starts producing and selling electricity from gasification of the heavy residues from refinement.



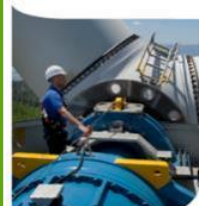
2008



ERG sells 49% of the ISAB Refinery to LUKOIL.

2013

ERG is the leading wind operator in Italy (1,087MW) and among the top ten in Europe (1,340MW), and acquires a company for wind farm O&M activities.



ERG completes its exit from refining.

2015

ERG enters the hydroelectric sector acquiring the Terni Complex in Central Italy (527MW).



Wind: ERG continues its growth (+146MW) in France and Poland.

2018

ERG enters the solar power sector: 30 photovoltaic plants acquired, 89MW in operation.



Definitive exit from Oil with the sale of TotalERG.

2020

ERG enters the solar market in Germany: co-development agreement with AREAM (600MW).



2022

Wind: ERG acquires 172MW in Italy, and starts up ~230MW in Europe.



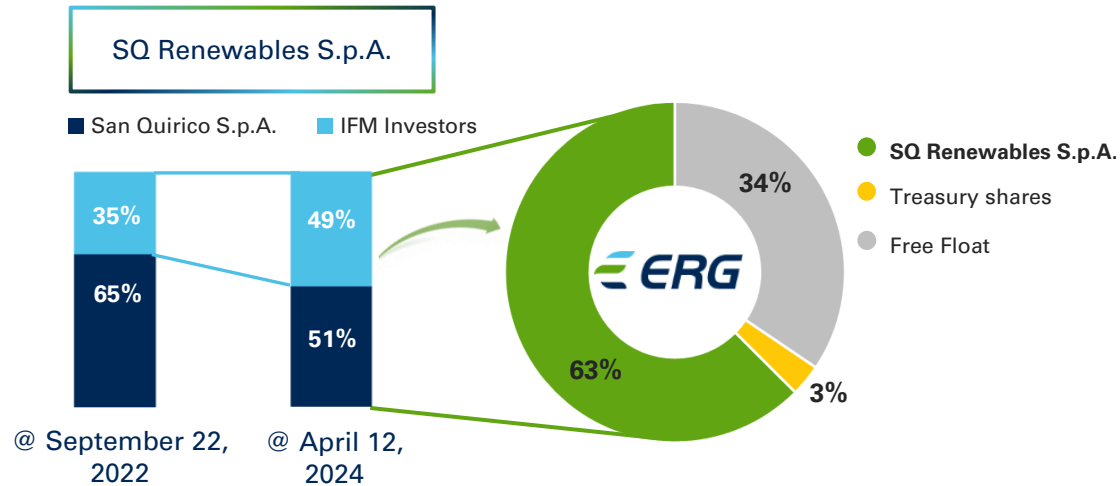
With a 35% share in SQ Renewables SpA, IFM NZFI becomes ERG's indirect shareholder, alongside Garrone-Mondini Family.

⁽¹⁾ The closing for the sale of the Hydro portfolio to Enel took place on January 3, 2022

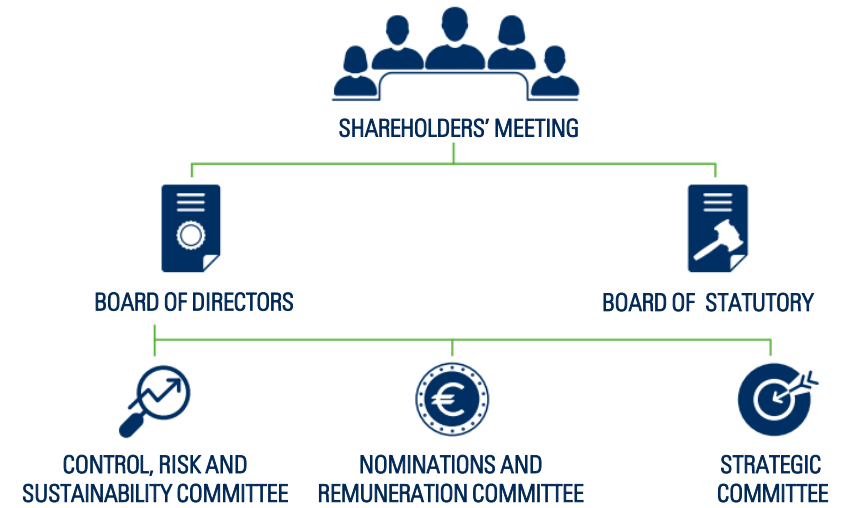
⁽²⁾ The closing of the solar acquisition in Spain (92MW) took place on January 31, 2022

GROUP'S STRUCTURE AND BEST-IN-CLASS GOVERNANCE MODEL

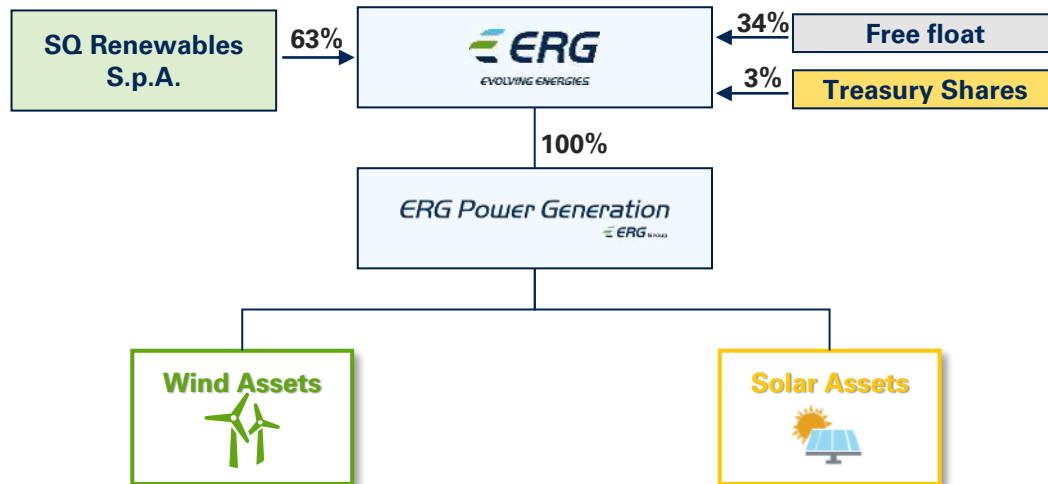
A new Shareholders' structure⁽¹⁾



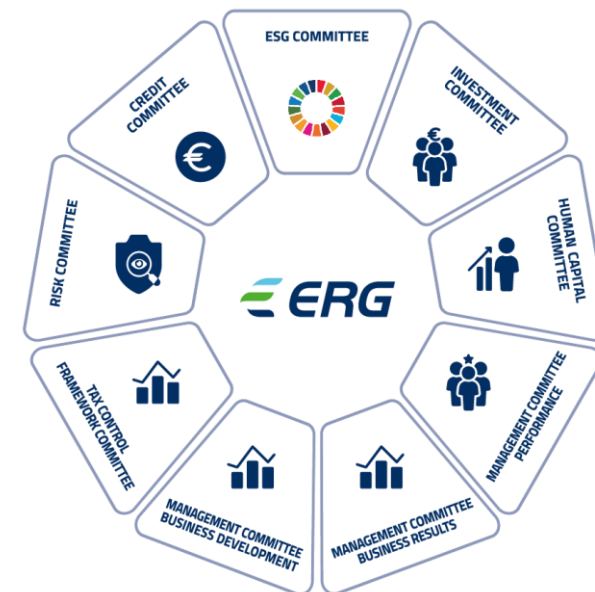
ERG's Governance Model



ERG Group's structure⁽¹⁾



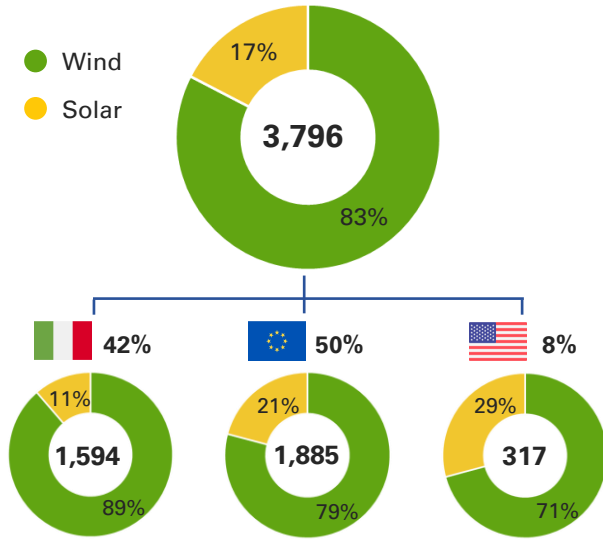
Managers Committees to oversee strategy



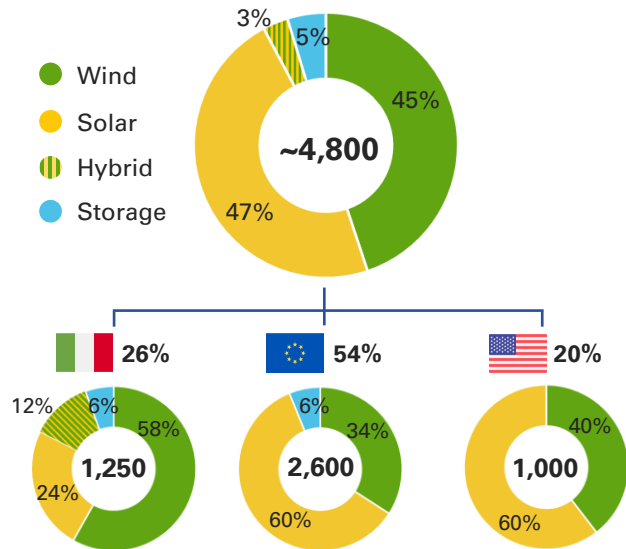
⁽¹⁾ Data as at May 23, 2024

ERG AS OF TODAY: A SOLID AND INTERNATIONAL PLATFORM

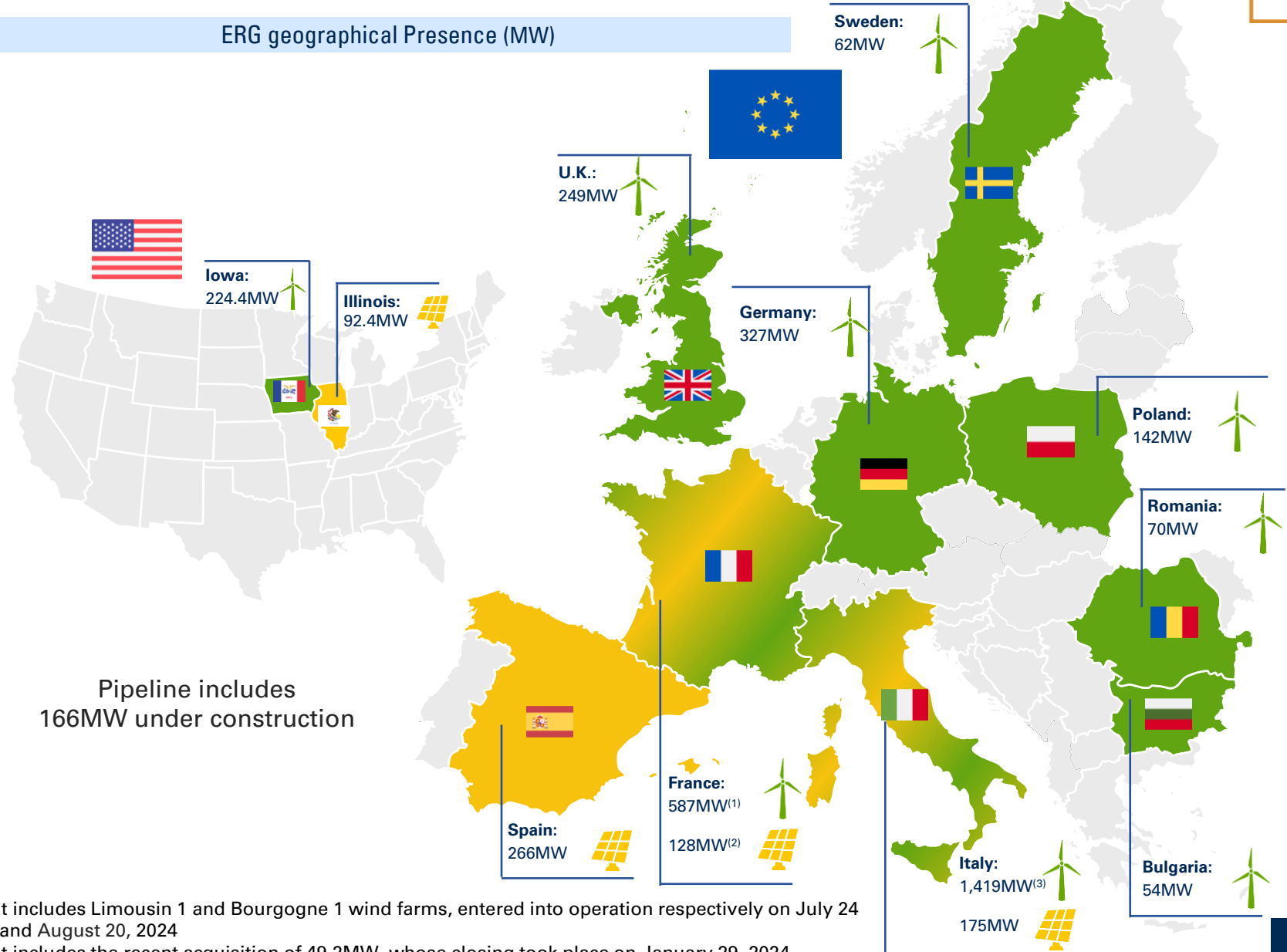
Installed Capacity (MW)



Pipeline (MW)



ERG geographical Presence (MW)



(1) It includes Limousin 1 and Bourgogne 1 wind farms, entered into operation respectively on July 24 and August 20, 2024
 (2) It includes the recent acquisition of 49.2MW, whose closing took place on January 29, 2024
 (3) It includes Mineo-Militello-Vizzini wind farm (101MW), entered into operation on April 24, 2024 after completion of repowering activities

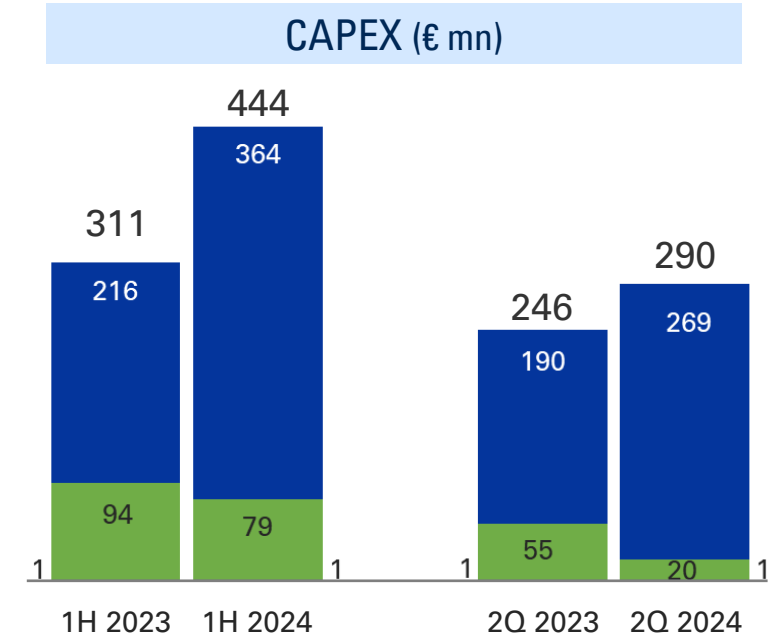
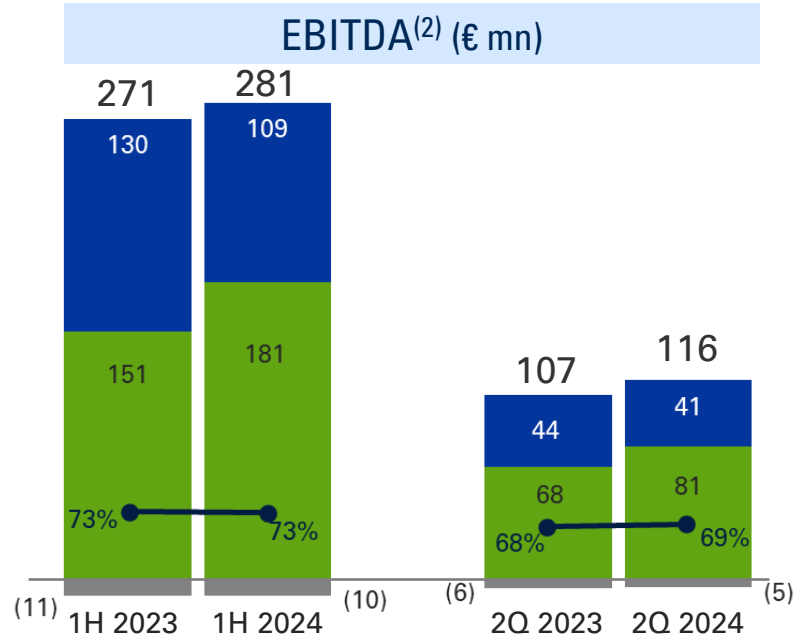
TOP TIER ESG RECOGNITION



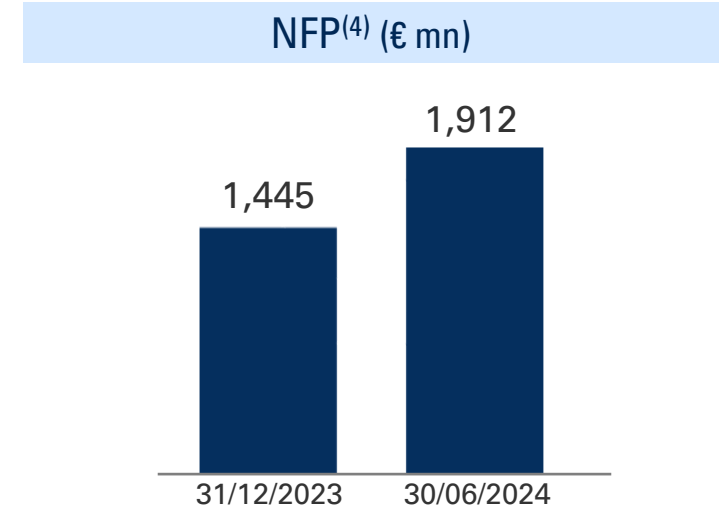
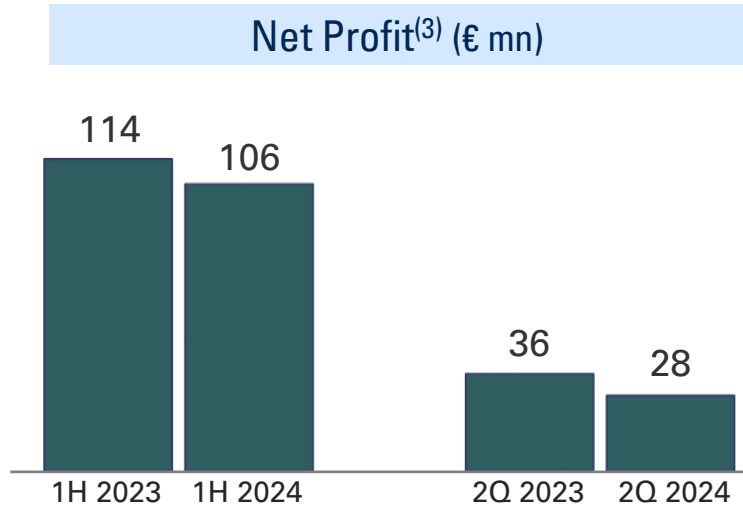
ERG best-in-class in ESG: 28th worldwide and 1st in Italy in the Corporate Knights Global 100

RECENT DEVELOPMENTS, 2Q 2024 RESULTS & 2024 GUIDANCE

HIGHLIGHTS: KEY FIGURES⁽¹⁾



- EBITDA Margin
- International
- Italy
- Corporate



⁽¹⁾ Adjusted figures on continuing operations (excluding CCGT for 1H 2023)

⁽²⁾ It refers to figures net of clawback measures (including IFRS 16 effect)

⁽³⁾ Net Profit post-Minorities, and net of clawback measures and windfall taxes

⁽⁴⁾ It does not include IFRS 16 liability, respectively for €172mn as at 31.12.23, and €213mn as at 30.6.24

RECENT ACHIEVEMENTS

Growth



Repowering: Mineo-Militello-Vizzini (101MW) started up in Italy



US: Closing of Wind and Solar Portfolio acquisition (317MW in operation)



Organic Growth in France: started up 29MW PV and 41MW Wind

Finance/ESG



Sustainable Finance: issued ERG's fourth €500mn Green Bond



Fitch affirmed ERG's BBB- rating and Stable outlook

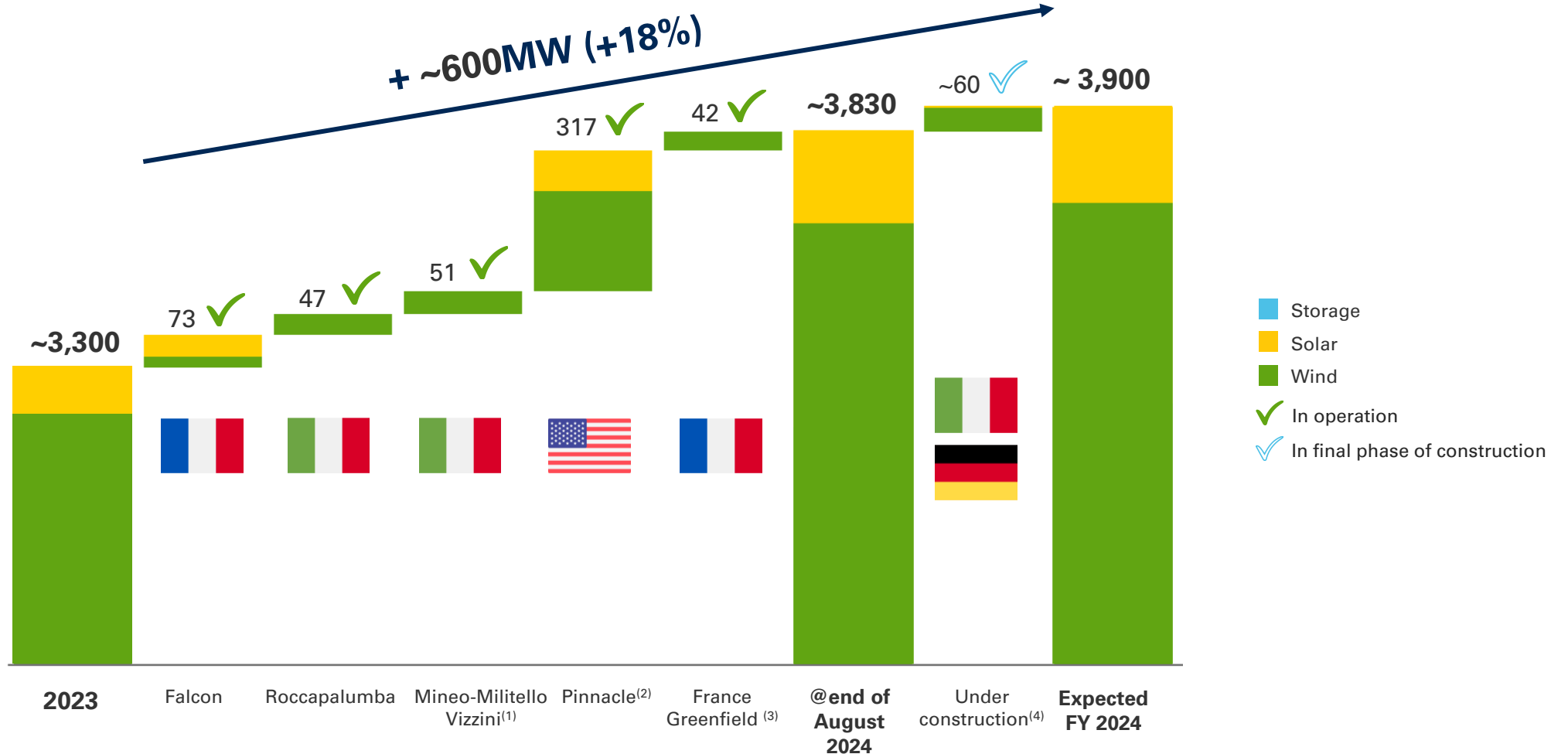


MSCI confirmed ERG's "AAA" Rating



Gender Equality Certification obtained in Italy

EXECUTION WELL ON TRACK



A secured and international mix of organic projects and M&A

⁽¹⁾ Mineo-Militello-Vizzini (50.9MW on a differential basis; gross capacity post-repowering = 101MW) entered into operation on April 24, 2024 after completion of repowering activities

⁽²⁾ Closing on April 24, 2024

⁽³⁾ It refers to Limousin 1 (Saint Maurice La Clouère, 9.2MW) and Bourgogne 1 (Moulins du Bois, 32.4MW) wind farms, entered into operation respectively on July 24, and on August 20, 2024

⁽⁴⁾ Of which, Wind: Salemi-Castelvetrano + Reinsdorf (50.4MW + 3MW on a differential basis; gross capacity post-repowering = 76MW + 6MW), and Solar: Siena (gross capacity post-repowering = 29MW)

BUILDING UP A LARGER AND WELL DIVERSIFIED PORTFOLIO IN EUROPE



<p>Salemi-Castelvetrano (RPW)</p> <p> 76MW to be, 50MW Δ vs as-is </p> <p>COD: 4Q 2024 Producibility: 2,300 heq</p>	<p>Picardie 1</p> <p> 18MW </p> <p>COD: 1Q 2025 Producibility: 2,670 heq</p>	<p>Corlacky</p> <p> 47MW </p> <p>COD: 4Q 2025 Producibility: 3,760 heq</p>
<p>Reinsdorf (RPW)</p> <p> 6MW to be, 3MW Δ vs as-is </p> <p>RTB COD: 4Q 2024 Producibility: 1,823 heq</p>	<p>Siena (RPW)</p> <p> 6MW </p> <p>COD: 4Q 2024 Producibility: 1,800 heq</p>	<p>Vicari</p> <p> 12.5MW </p> <p>COD: 2025</p>

~170MW⁽¹⁾ currently under construction
~500MW⁽²⁾ of further projects fully authorized

Adding visibility to our growth prospects in IT, FR, UK and DE. First move in Storage

⁽¹⁾ Tot. MW under construction: on absolute terms = 166MW, on a differential basis = 137MW

⁽²⁾ Tot. MW fully authorized: on absolute terms = 485MW, on a differential basis = 300MW

A PLATFORM OF PPA WITH TIER 1 OFF-TAKERS TO STABILIZE REVENUES

Country & Asset Type	Plants & Capacity	Price Structure	Tenor / Start Date	Counterparty	Volume
Greenfield	Evishagaran / Craiggore tot. 70MW	Fixed Price	6 years Jan '22	ElectroRoute	~250GWh/Y Pay as Produced
Asset Based FiP expired	Bois Bigot, Bois de l'Arche/Theta PTF 72MW	Fixed Price	5 years Sept – Dec '21	ENGIE	~150GWh/Y Pay as Produced
Greenfield	Mulligan 70W	Fixed Price	12 years Jan '23	bp	~Avg. 133GWh/Y Fixed Shape
Greenfield	Great Pathfinder 224W	Fixed Price	12 years Apr '23	Meta	~831GWh/Y Pay as produced
Greenfield	Sandy Knowe / Creag Riabhach tot. 179W	Fixed Price	10 years Jan '23	ENGIE	~400GWh/Y Baseload
Greenfield	Garnacha 149MW	Discount to Mkt with Floor	12 years from COD (exp. Apr '24)	Google	~190GWh/Y Pay as Produced
Repowering	Partinico-Monreale 42MW	Fixed Price	12 years Jan '23	ESSILORLUXOTTICA	~70GWh/Y Baseload
Greenfield	Chaume Solar 29MW	Fixed Price	15 years Jan '25	les Mousquetaires	~35GWh/Y Pay as Produced
Asset Based FiP expired	Wind Portafolio 160MW equiv.	Collar Structure	9 years Jan '23	TIM	~420GWh/Y Baseload + ~120GWh/Y Pay as Produced
Repowering	Camporeale + Mineo-Militello- Vizzini tot. 150MW	Fixed Price	15 years Jan '24	ST	~260GWh/Y Baseload
Greenfield	Roccapalumba 47MW	Fixed Price	20 years from COD (exp. Apr '24)	Google	~100GWh/Y Pay as Produced

TOT: ~2.9TWh/Y⁽¹⁾

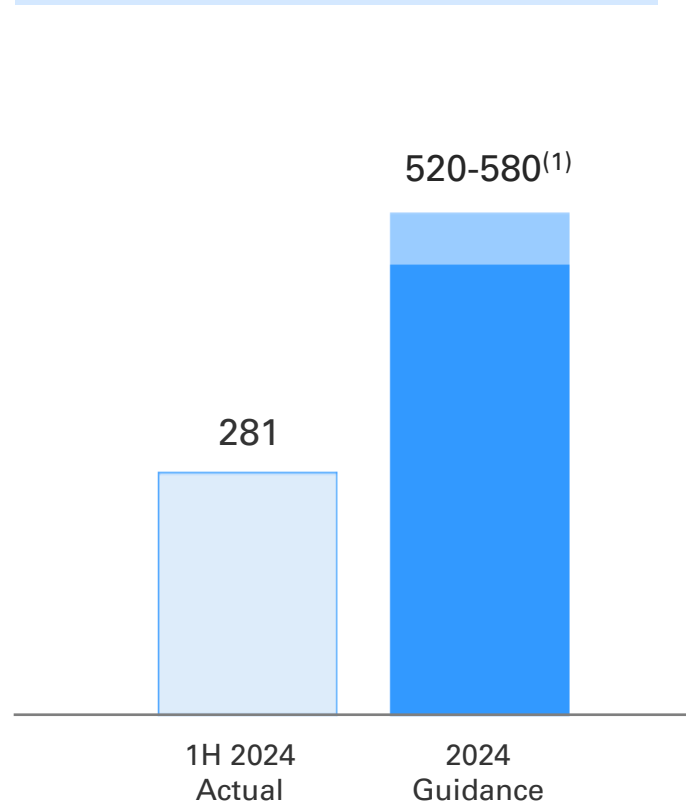
Pro-active route to market approach through volatile years



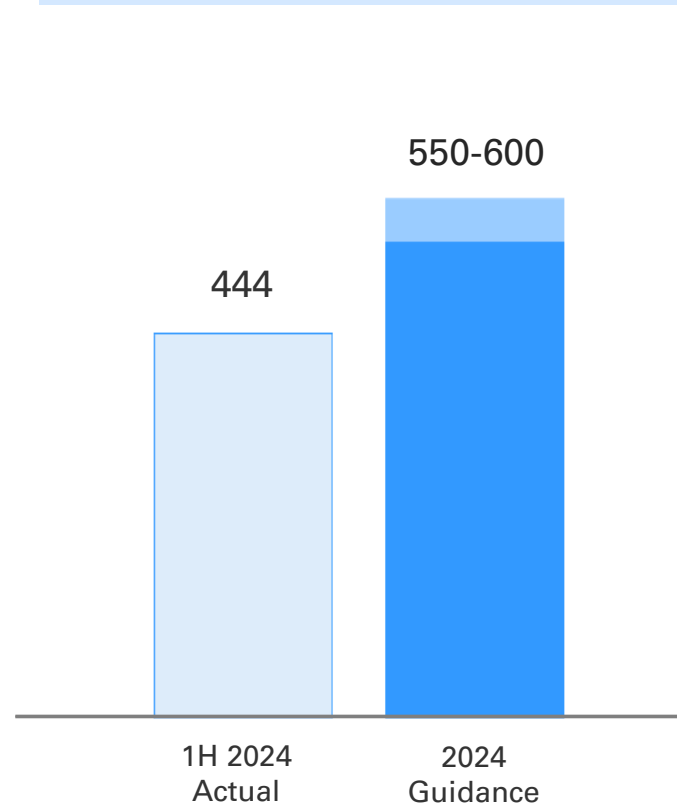
⁽¹⁾ Corresponding to ca. 30% of full-year production

CONFIRMING 2024 GUIDANCE

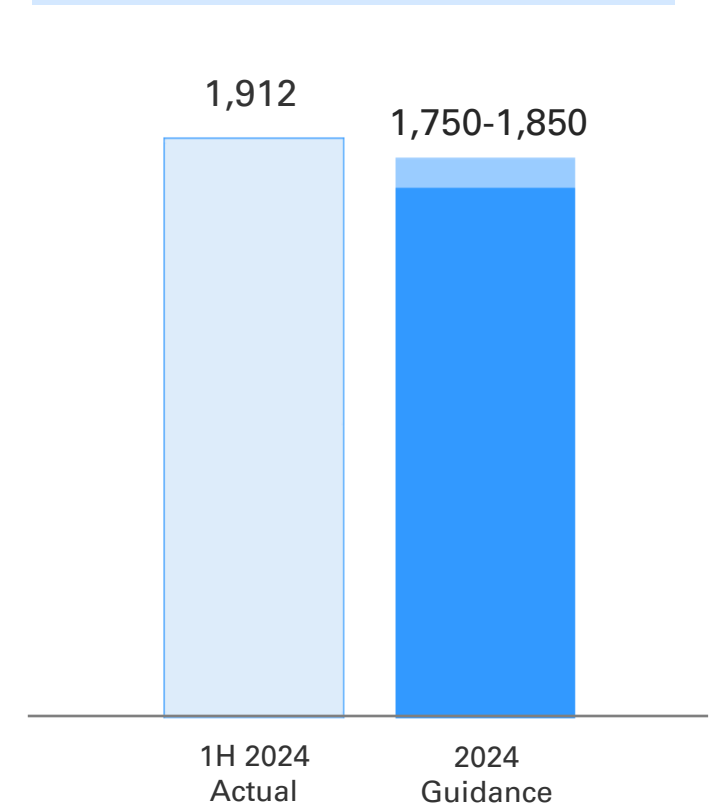
Adjusted EBITDA (€ mn)



CAPEX (€ mn)



Adjusted NFP⁽²⁾ (€ mn)



Actual

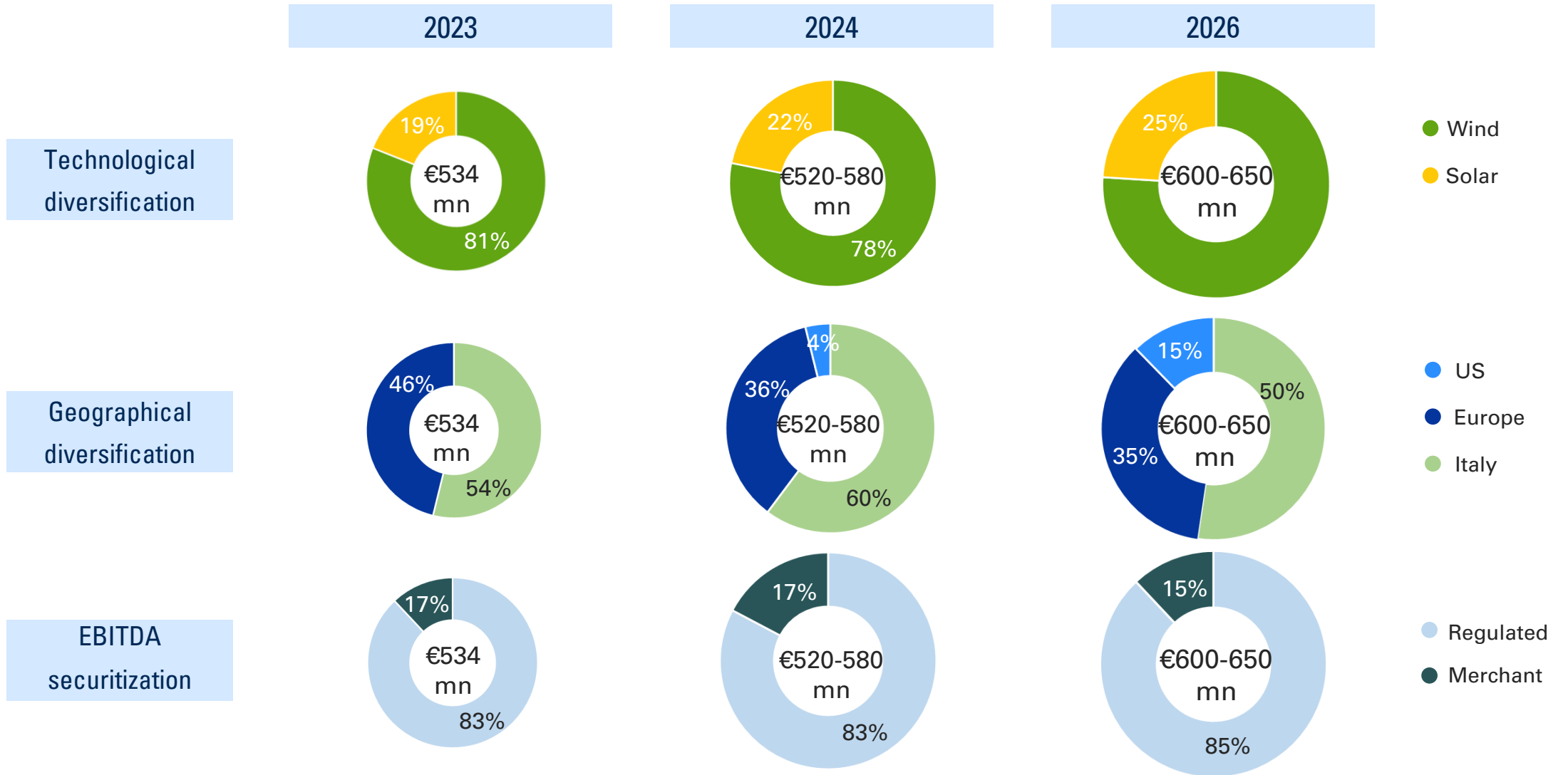
Guidance range

⁽¹⁾ EBITDA guidance net of clawbacks. It includes IFRS 16 effect for €15mn

⁽²⁾ It does not include IFRS16 liability, amounting respectively to €213mn (actual 1H 2024) and ~€210mn (2024 guidance)

FINANCIALS & CAPITAL STRUCTURE

EBITDA EVOLUTION IN THE PLAN PERIOD



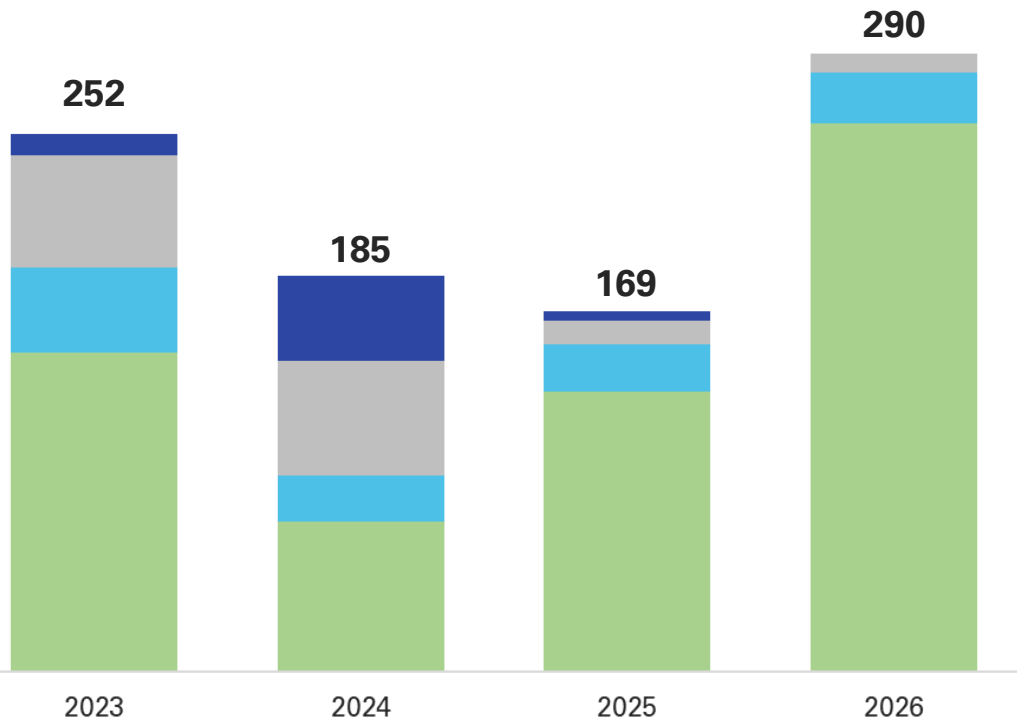
Still a solid, visible and secured EBITDA

640MW OUT OF INCENTIVES IN THE BP PERIOD

Phasing out of incentives in the period (MW)

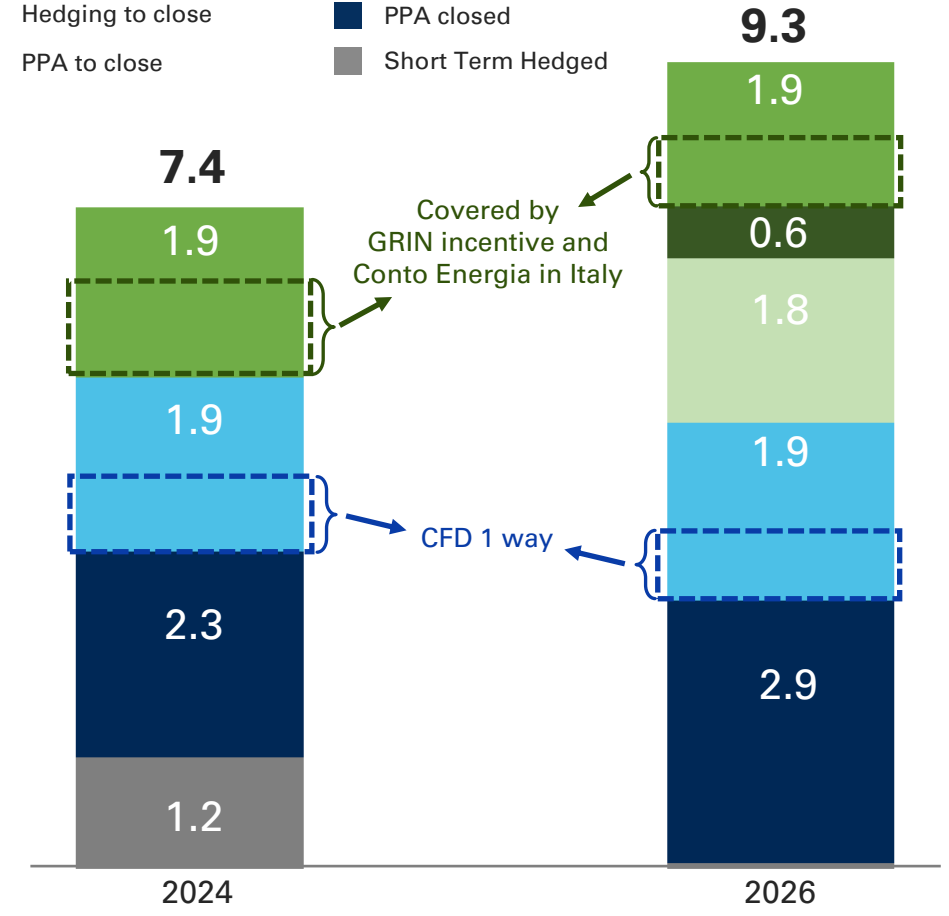
- Wind Bulgaria
- Wind France
- Wind Germany
- Wind Italy

In 2024-2026 BP = 640MW



Revenues Structure: production hedging (TWh)

- Spot @ Pzon BL⁽¹⁾
- CFD
- Hedging to close
- PPA closed
- PPA to close
- Short Term Hedged

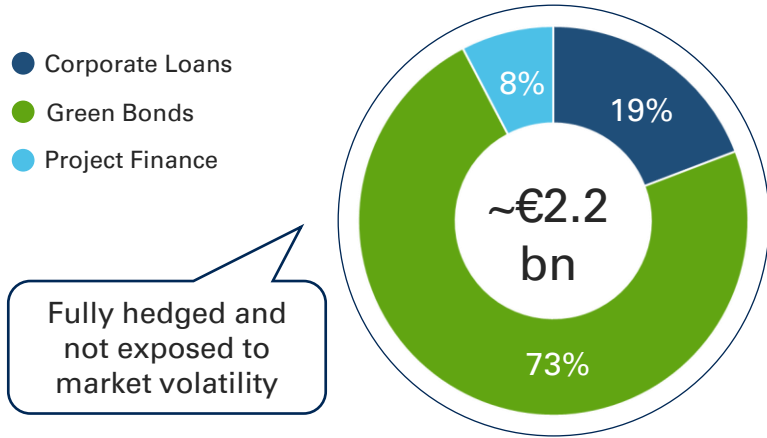


PPA as route to market to stabilize revenues after the end of incentives

⁽¹⁾ Of which ca. 1.1TWh (in 2024) and ca. 0.8TWh (in 2026) under GRIN scheme in Italy

A SOLID FINANCIAL STRUCTURE

Gross debt at 30/06/2024

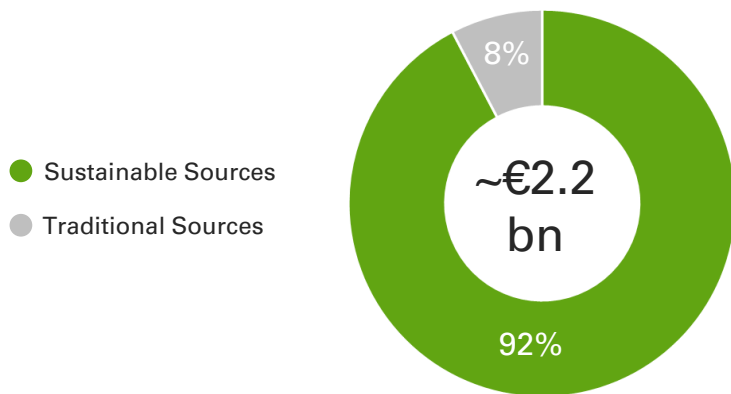


FitchRatings

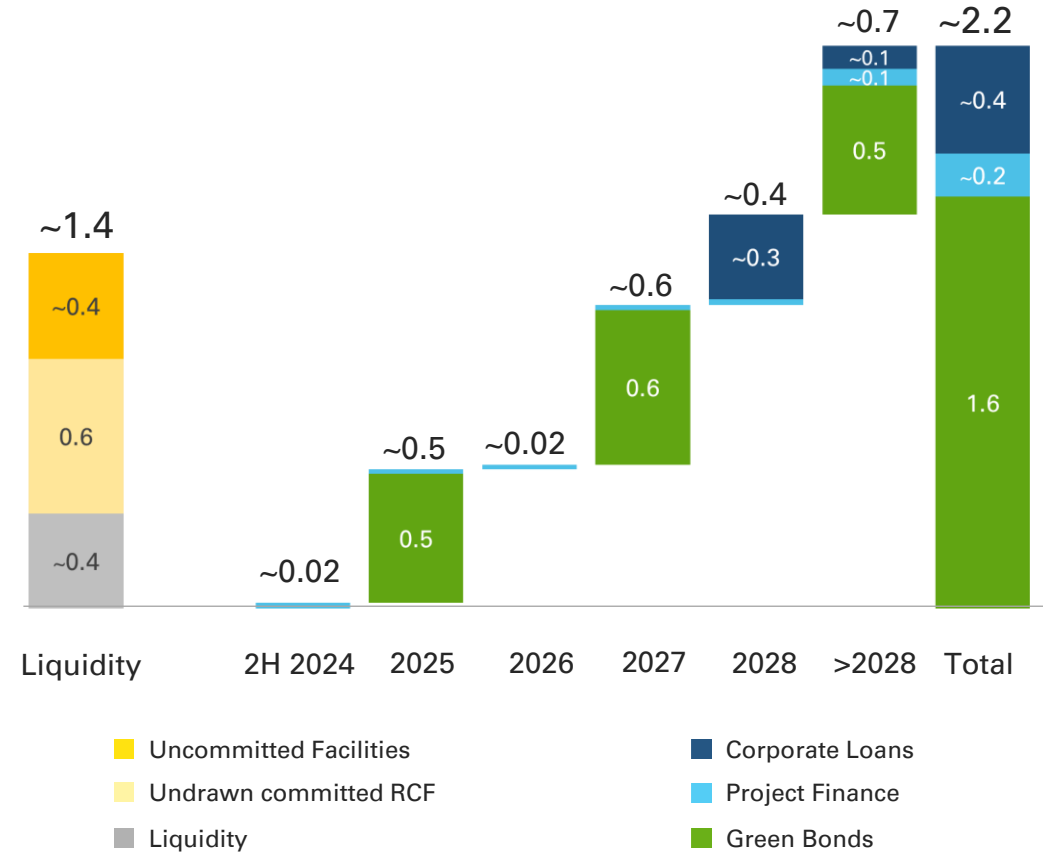
**June 2024
Issuer Default Rating:
BBB- Stable**

"ERG's 'BBB-' IDR affirmation reflects ERG's visible cash flow generation from its largely long-term incentivised and contracted clean onshore energy production, the disposal of its thermal assets, and increasing diversification by country (in mature European, UK and US markets) and technology (in solar and batteries)."

Sustainable vs Traditional Finance



Repayment Schedule based on stock as of June 2024 (€ bn)

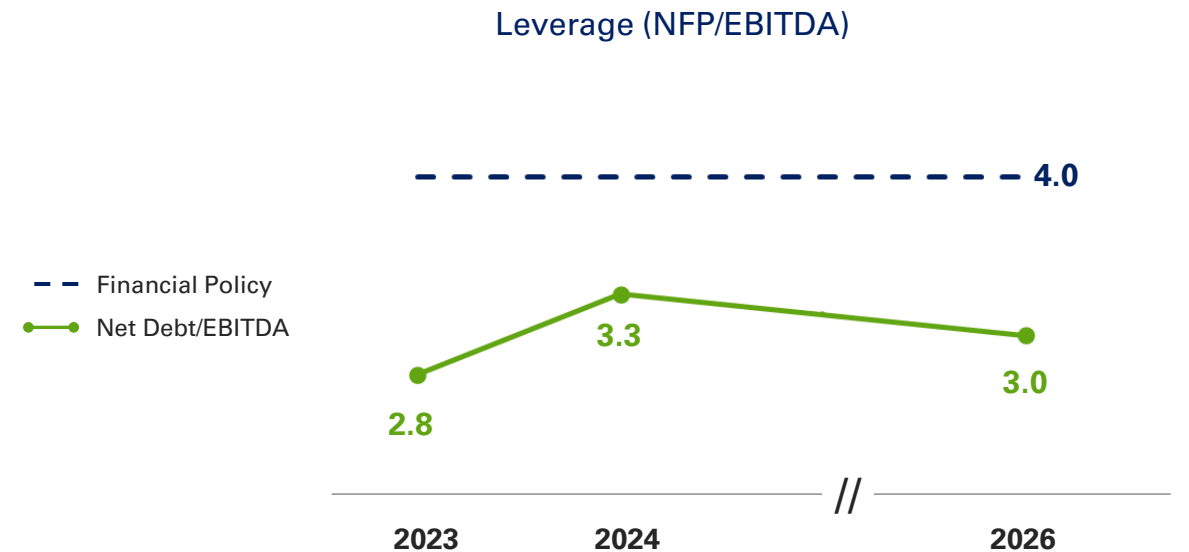
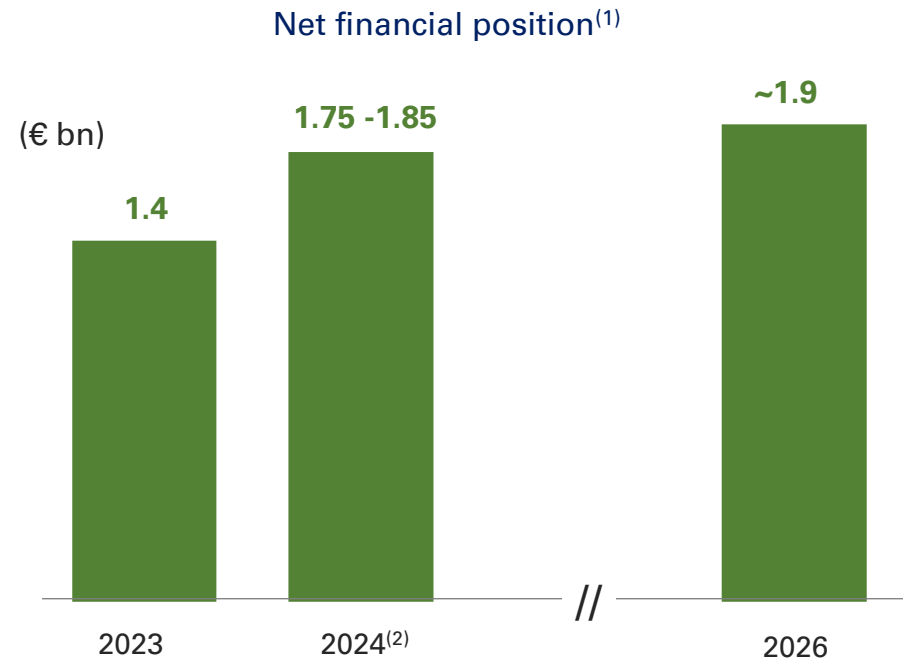


A strong and efficient balance sheet to support growth and a sustainable dividend policy

Note: figures do not include the €500mn 6yrs fixed-rate Green Bond settled on July 2024

STILL HEADROOM TO CREATE VALUE...

Net debt & leverage over BP horizon



Cost of Gross Debt ⁽³⁾ :	1.3%	1.5%	//	~1.7%
Euribor 6m ⁽⁴⁾ :	3.7%	~3.5%	//	~2.6%

Still head-room to re-leverage with commitment to remaining Investment Grade rated

⁽¹⁾ It does not include IFRS 16 liability, amounting respectively to €172mn (FY 2023), ~€210mn (2024 guidance) and ~€200mn (2026 BP)

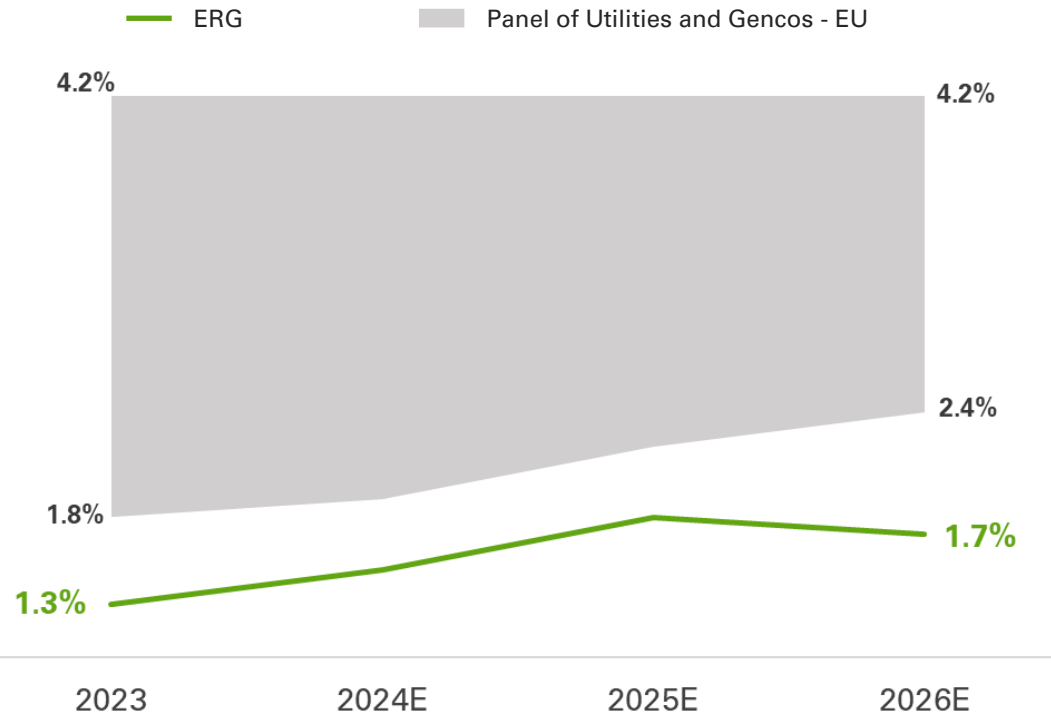
⁽²⁾ As per 2024 guidance

⁽³⁾ Annual All-in-cost: Rate + Credit Spread

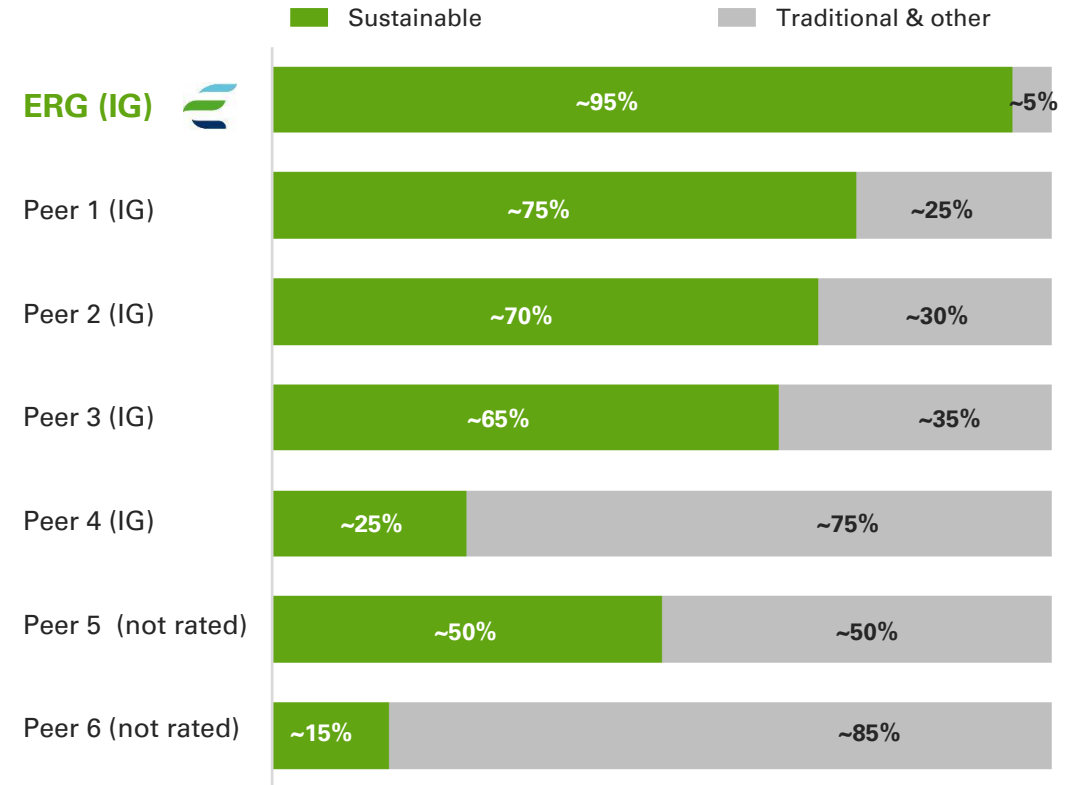
⁽⁴⁾ Annual Average

... THANKS TO HIGHLY COMPETITIVE FINANCING COSTS

ERG having a near-term low cost of debt ...



... that leverages on sustainability also compared to the industry



ERG with the lowest cost of debt and the highest share of sustainable sources

Source: internal elaboration of publicly disclosed data as of December 31, 2023

(1) Sustainable Debt of Enel as of 30 September 30, 2023

(2) Internal estimation based on latest publicly available data

A NEW SUCCESSFUL GREEN BOND ISSUANCE

- On June 26 ERG issued its 4th **Green Bond** (settled on July 3, 2024)
- Very well received by the market: demand peaking >5x
- Significant participation of international investors and national institutions

€500mn size

6Y tenor

4.125% coupon

~3% pre-hedged

UoP:



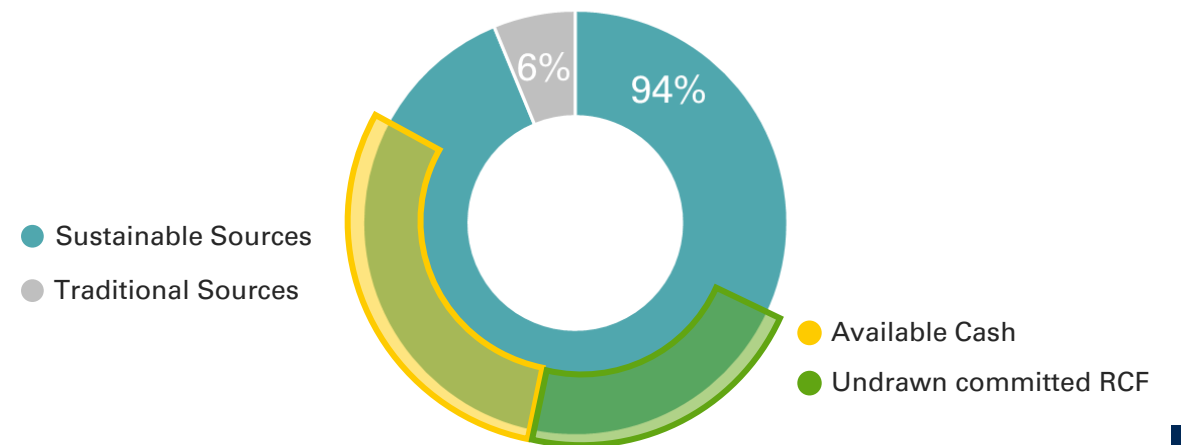
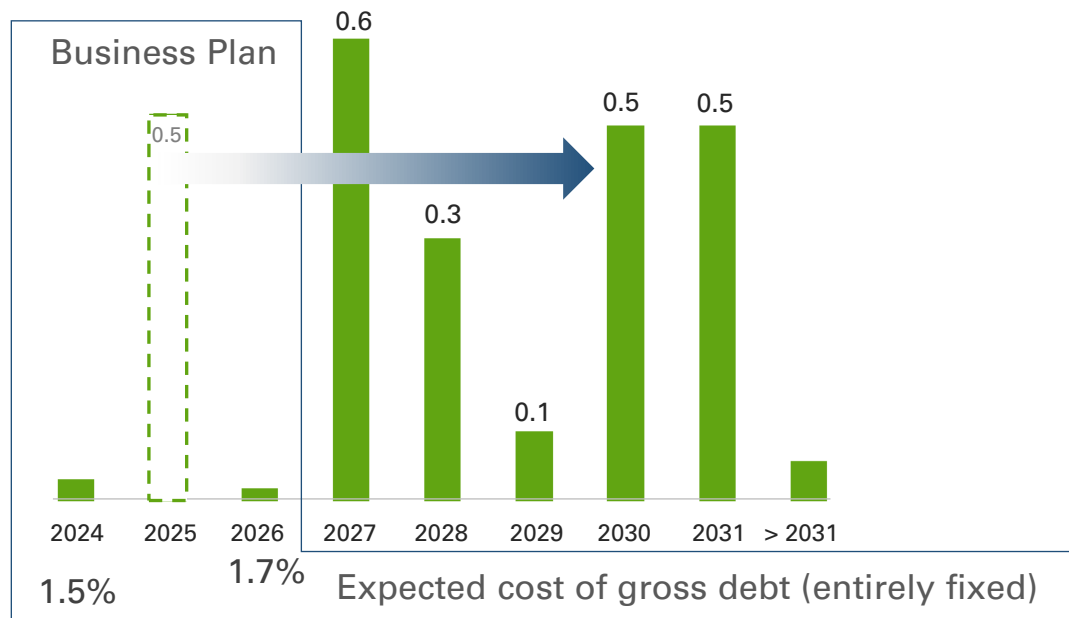
Ahead of its 2025 maturity, the new **GB**:

- extends debt avg. duration
- fits the new maturity schedule

The issuance, due to:

- ERG high credit standing and supporting demand
- pre-hedging at very competitive conditions
- secured generous remuneration on proceeds temporarily placed
- green format

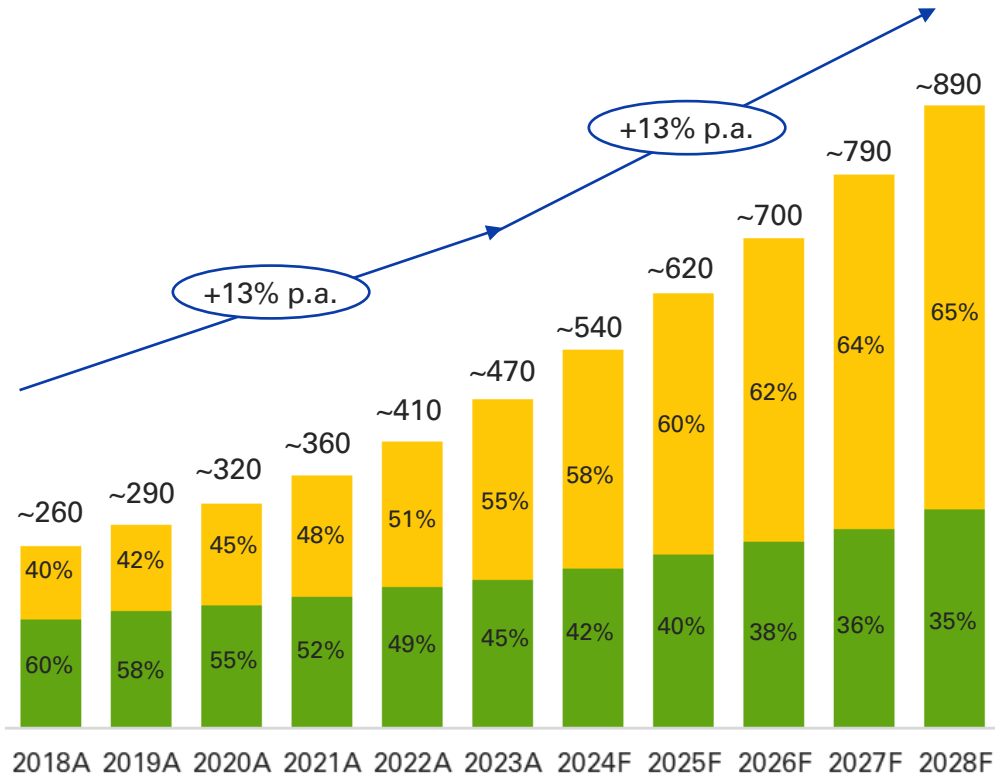
is consistent with targets of competitive cost of debt and Sustainable Sources >90%



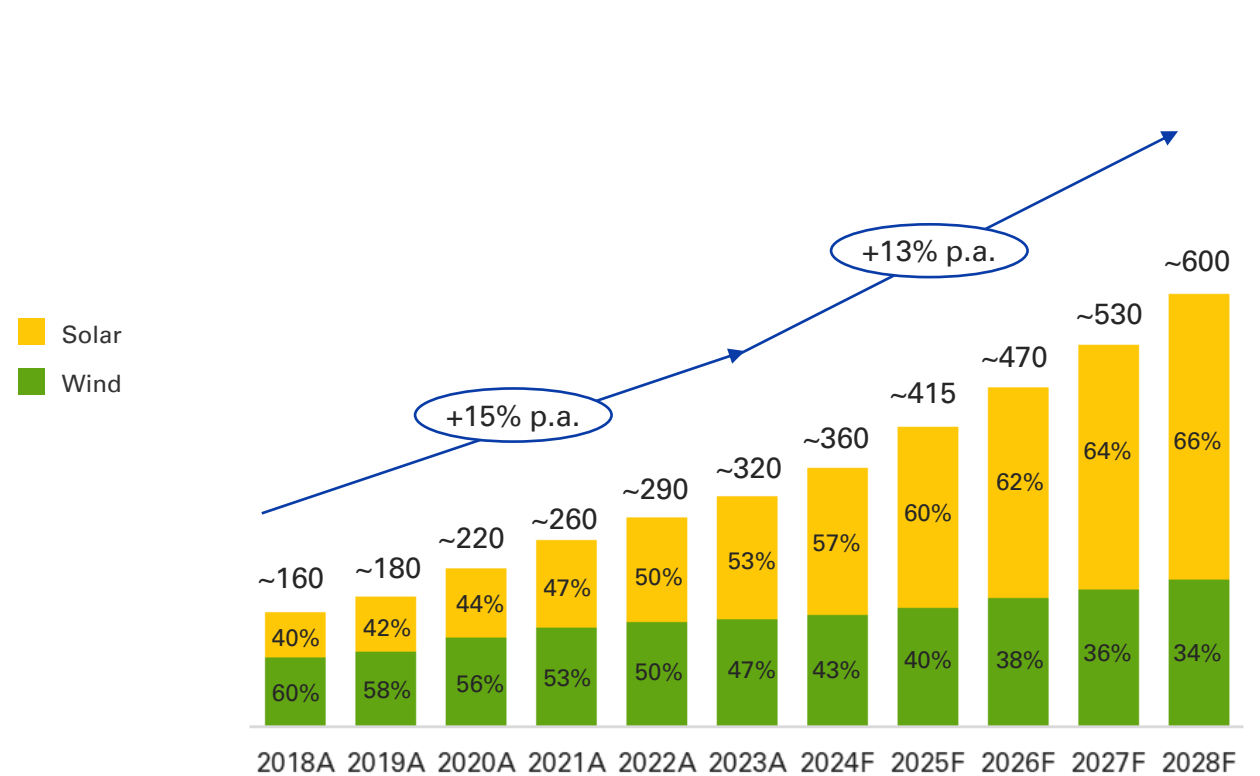
ABSTRACT OF ERG'S 2024-2026 BP

EU & US ARE STILL GROWING MARKET FOR RENEWABLES

Cumulative RES Capacity in Europe (GW, 2018-2028F)



Cumulative RES Capacity in US (GW, 2018-2028F)

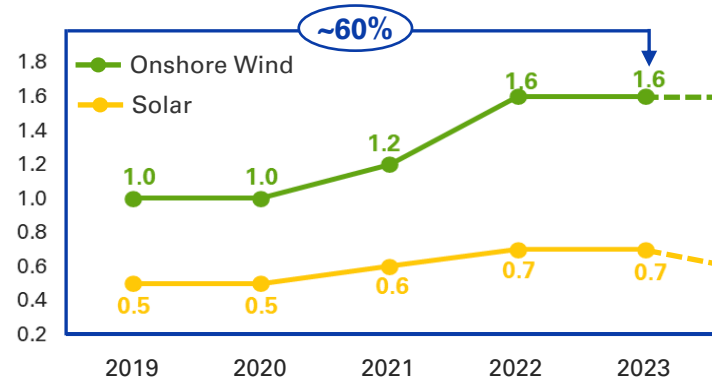


RES still at the basis of the global energy transition

IN A CONTEXT OF HIGHER CAPITAL INTENSITY AND COST OF CAPITAL...

Context

Avg. Solar & Wind Capex in Italy (€mn/MW, 2019-2023)

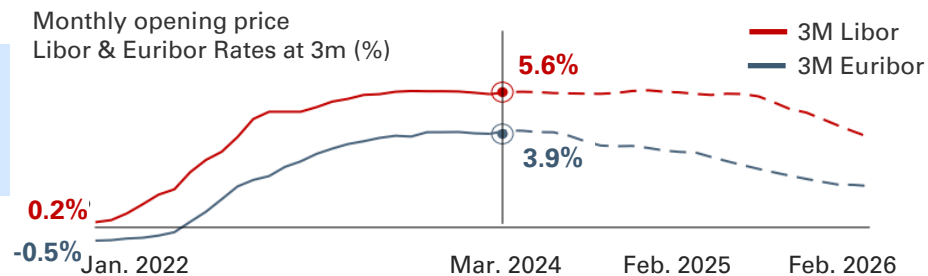


Higher capital intensity

ERG's ability to react

- A selective and flexible investment approach
- Targeting a 200-400bps return over WACC
- Framework agreements on ongoing construction
- A proper technological mix

Higher cost of capital for RES

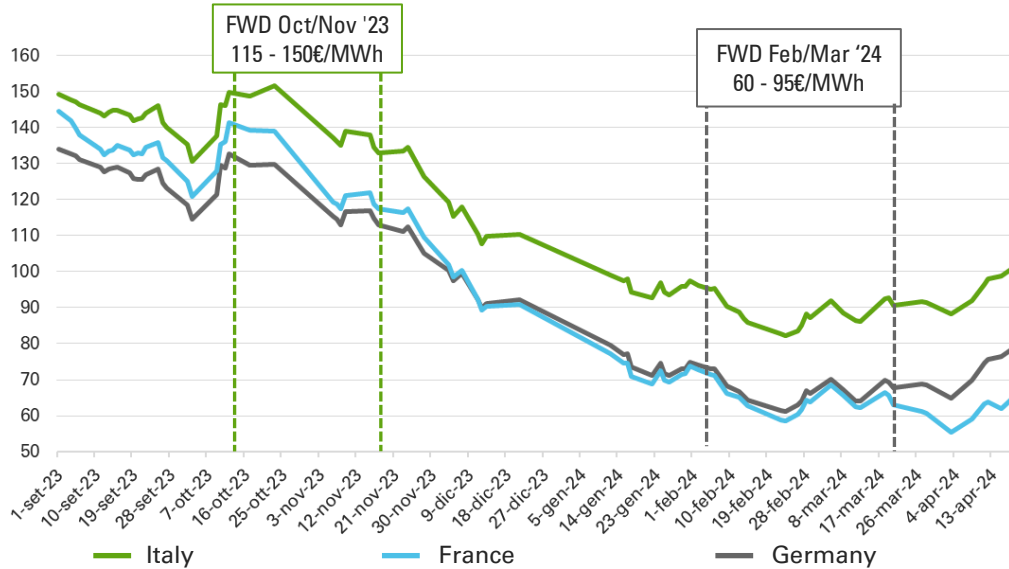


- Fully self-financed business plan
- A strong and fully hedged balance sheet
- An IG rating leads to competitive cost of debt
- Pre-hedge at almost zero rate to partially cover next bond issuance

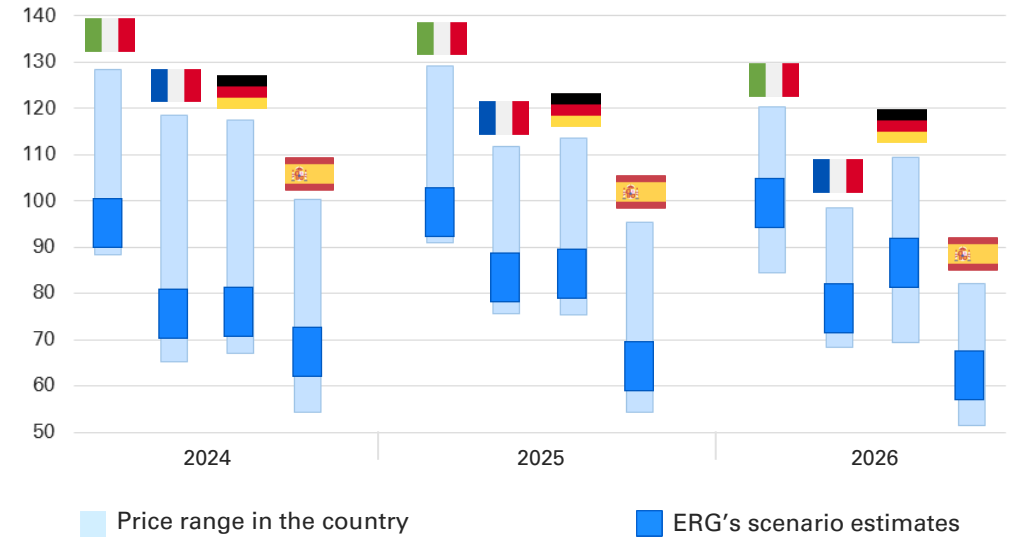
... ERG can rely on a sound financial structure and on a well diversified portfolio

VOLATILITY IN NATURAL GAS AND ELECTRICITY PRICES

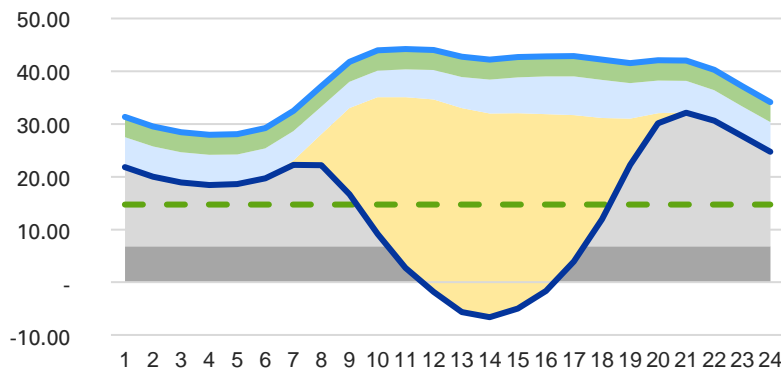
Electricity prices – 2024 daily fwd prices evolution (€/MWh)



Volatility remains high even in FWD expectations and main providers scenario (€/MWh)



PV duck curve



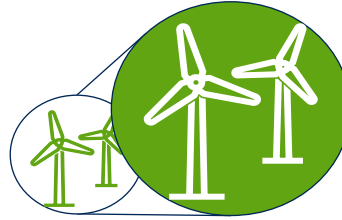
ERG's ability to react

- 85%-90% quasi-regulated EBITDA through CFDs and PPAs
- Active energy management to hedge short term revenues
- Developing a pipeline of storage facilities
- A technological mix skewed towards wind

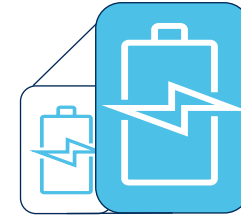
REGULATORY FRAMEWORK IN EVOLUTION



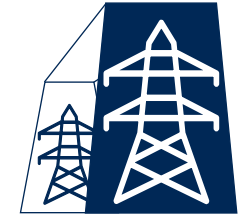
CFDs & PPAs



Repowering



Storage



Grids

ERG's Policy Asks / What still needs to be defined

- Solid CFDs support schemes in place or expected soon in ERG core countries (FERX in Italy)
- PPAs standardization & derisking

- Dedicated schemes/auctions
- Relaxation of tip height limits
- Accelerated permitted

- Support mechanisms
- Bespoke regulatory framework
- Deployment plan

- Increase investments
- Better RES integration
- Grid optimisation

ERG's proactive levers

- Leveraging on a large and diversified pipeline in our core countries
- Track record in PPA execution

- Solid RPW permitted pipeline ready to build

- Battery storage pipeline ready to leverage on new rules









- Building early stage hybridization pipeline in Italy and in France

Geographies



ERG'S 2024-2026 PLAN: VALUE OVER VOLUME

ERG'S new targets to 2026

- 
Selective growth
 - > **Ca. 4.5GW (+1.2GW)** installed Capacity in 2026 (> **5.0GW in 2028**) pursued via a cherry-picking approach from our Pipeline and/or M&A
- 
Investments/EBITDA
 - > **CAPEX: €1.2bn 2024-2026; EBITDA: €600-€650mn @2026**
- 
Route to market
 - > **Confirmed target 85%-90%** regulated on total EBITDA through CFD & PPA
- 
Value creation
 - > **Unlevered IRR targeted 200-400bps over WACC**
- 
Geographical diversification
 - > **~10 countries in 2024:** Selective Prioritization of geographies
 - > Assessing **asset rotation** opportunities
 - > Targeting **0.5-0.7GW in the US**
- 
Storage, hybridization & digitilisation
 - > Storage and hybridization under development to increase Asset PTF Flexibility
 - > Digitalization to optimize the performance of assets
- 
ESG
 - > Leveraging on ESG 2021-2023 track record to pursue new targets in all the pillars
- 
Enhanced Shareholder Remuneration
 - > **Annual shareholder remuneration with a floor at €1ps as dividend and a cap at €1.3ps based on yearly performance and perspectives (upside payable also through buyback)**

ERG IS AIMING AT CREATING VALUE IN A COMPLEX SCENARIO

SELECTIVE GROWTH



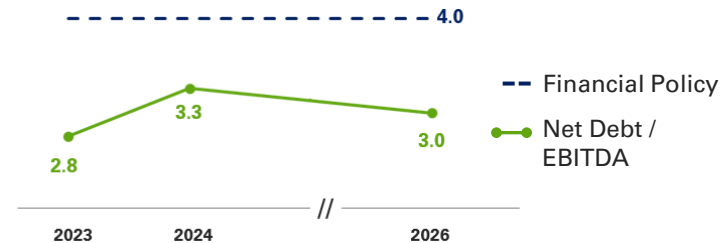
- Targeting 200-400bps over WACC
- Visible growth
- Solid pipeline underpinning the target
- Assessing asset rotation to maximise value

QUASI-REGULATED BUSINESS MODEL



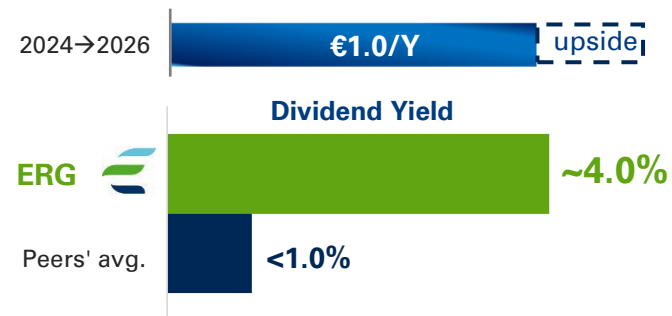
- EBITDA range at €600-650mn
 - Still 85%-90% quasi regulated, to face volatility
 - Evolving towards a more international business model

STRONG BALANCE-SHEET



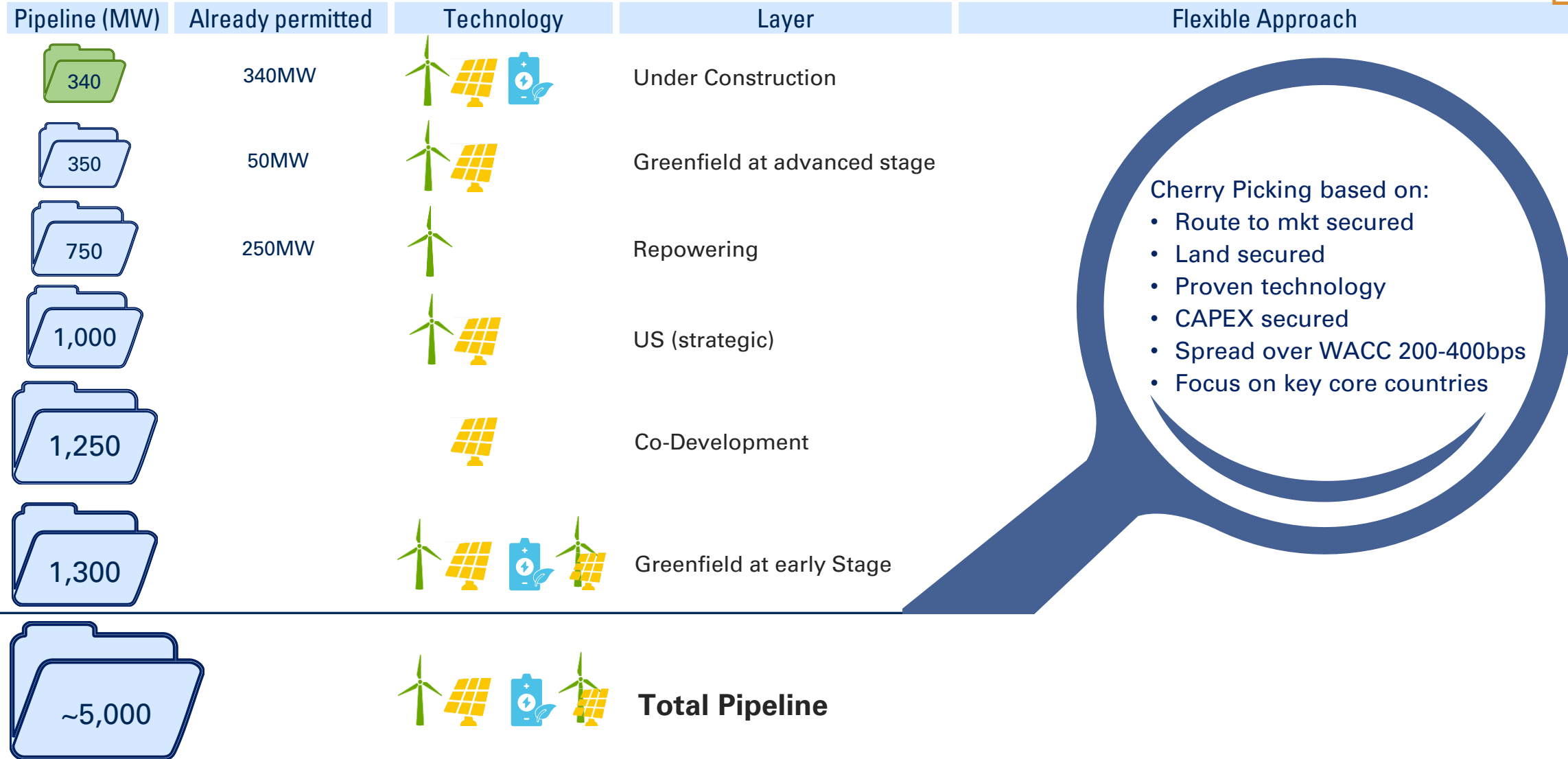
- Further room for re-leverage and accelerate growth
- Maintaining an IG rating
- Competitive cost of financing

ENHANCED SHAREHOLDER REMUNERATION (€/sh)



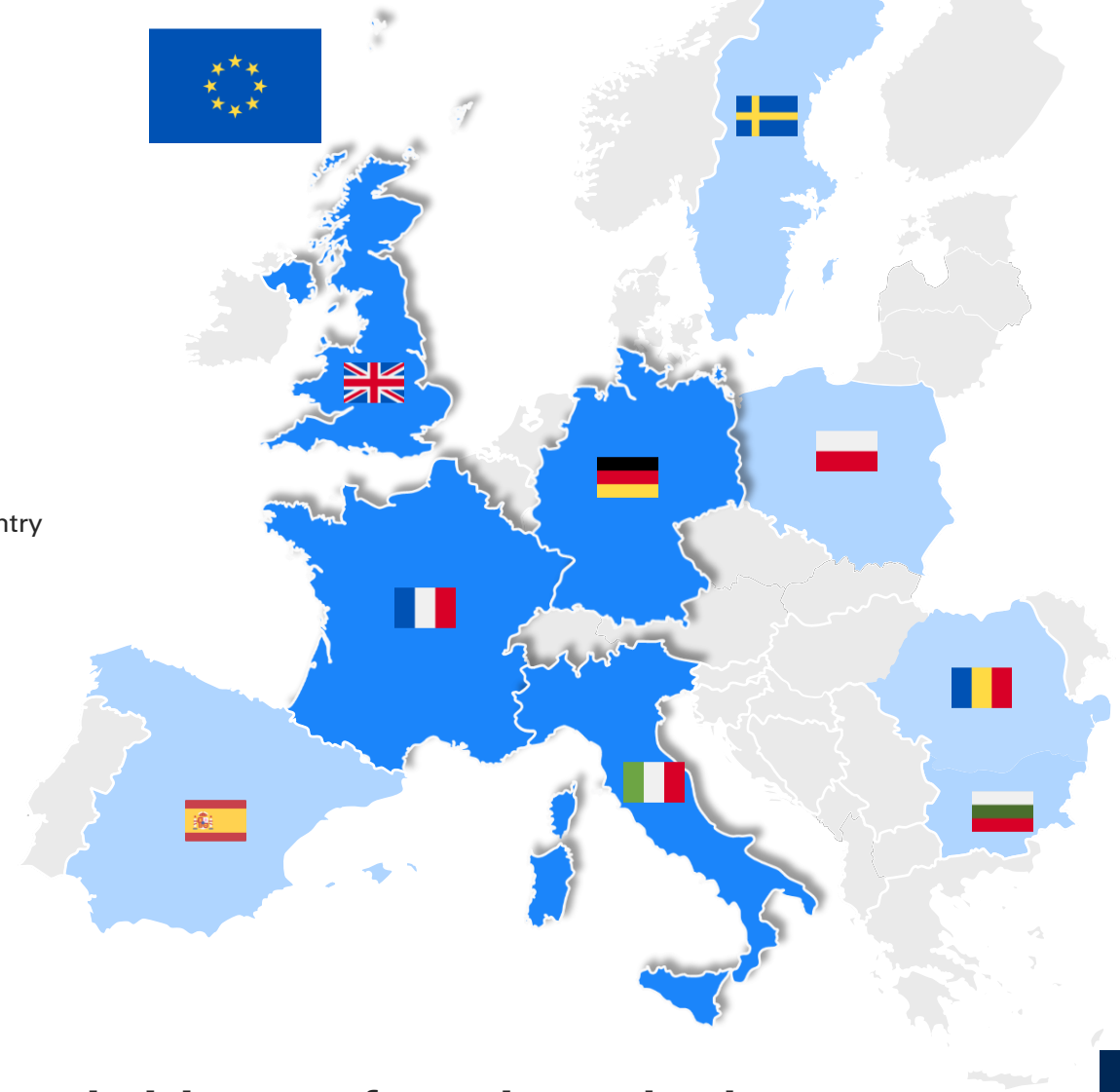
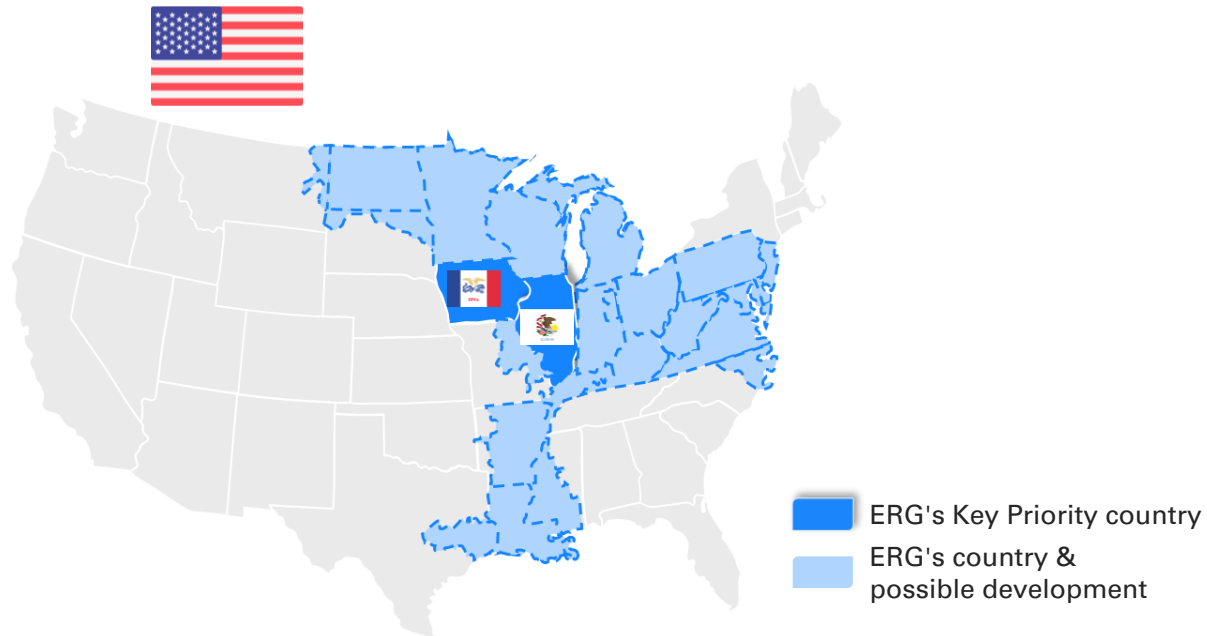
- Annual shareholder remuneration with a floor at €1ps as dividend and a cap at €1.3ps based on yearly performance and perspectives, with upside payable also through buyback

PURSUING GROWTH WITH A "VALUE OVER VOLUME" APPROACH



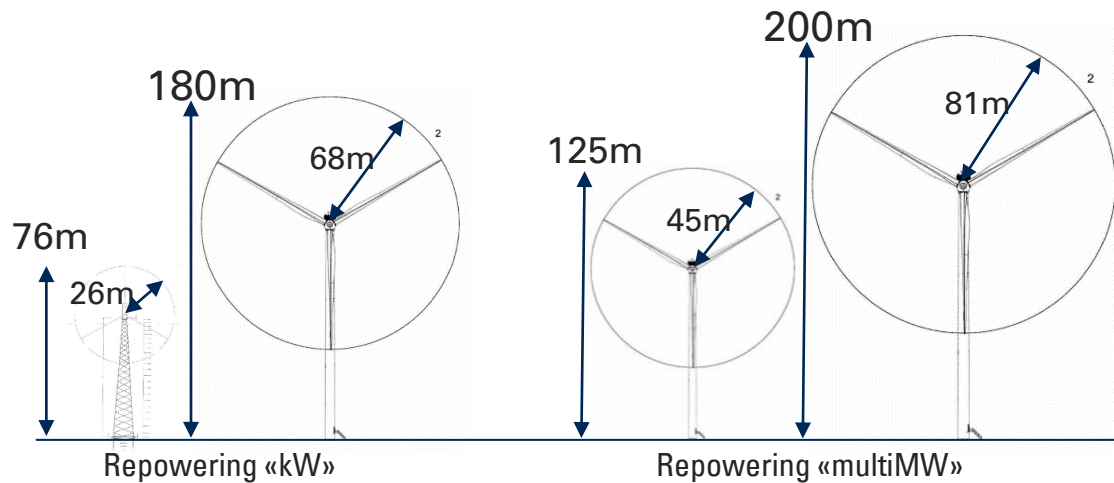
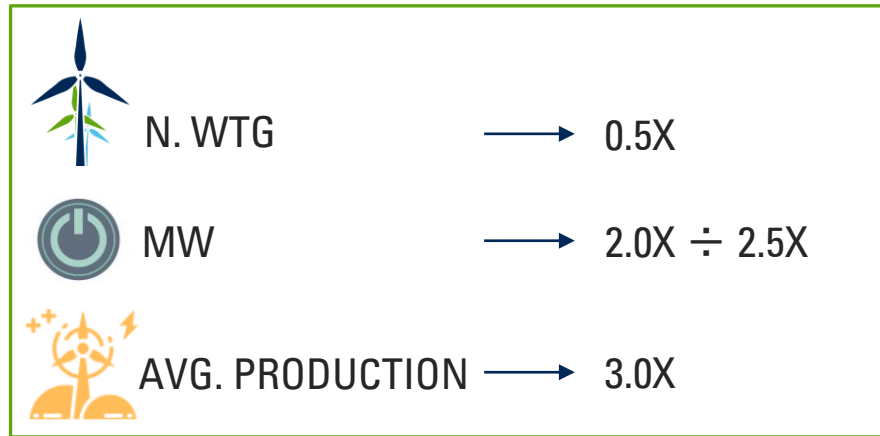
**Value over Volume strategy based on a stricter financial discipline
M&A still a selective and flexible option to accelerate growth**

A FLEXIBLE AND SELECTIVE APPROACH TO GROWTH



- Focus on key core countries to consolidate ERG's presence
- Supportive regulatory framework as a key driver
- US as a priority with a "learn & grow" approach
- Assessing asset rotation opportunities

OUR REPOWERING PROJECTS IN EUROPE ARE GAINING VISIBILITY



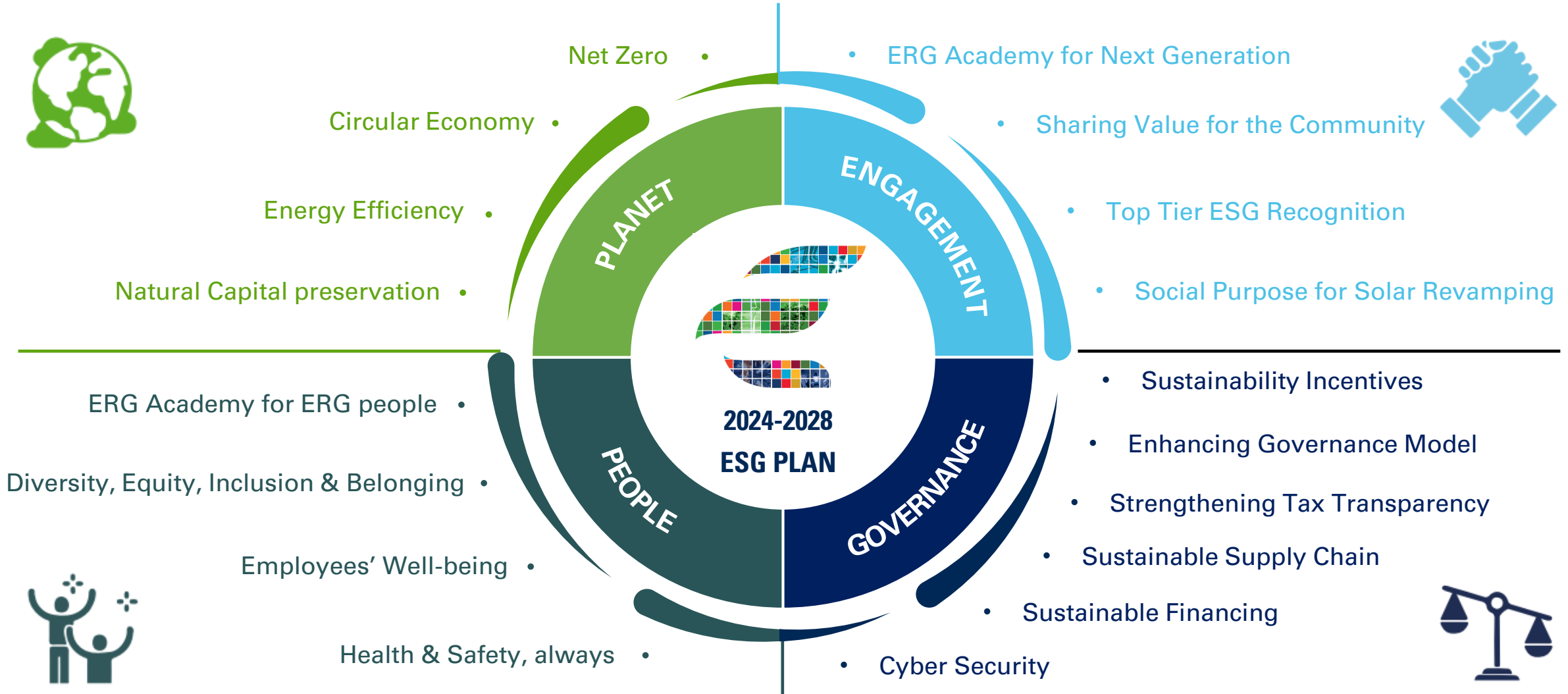
Project	MW as is	MW to be	Delta MW	Delta Prod.	VIA Decree	AU Decree	
 REPOWERING KW	1	10	20	2x	2x	✓	✓
	2	10	20	2x	3x	✓	✓
	3	50	100	2x	3x	✓	✓
	4	30	60	2x	3x	✓	✓
	5	10	20	2x	3x	✓	ongoing
	6	30	35	1x	2x	✓	ongoing
	7	40	120	3x	4x	✓	ongoing
	8	15	45	3x	3x	✓	ongoing
	9	35	70	2x	2x	✓	ongoing
Subtotal	230	490	2x	3x			
 MULTI MW	10	30	60	2x	3x	ongoing	ongoing
	11	40	60	1x	2x	ongoing	ongoing
	12	30	50	2x	2x	ongoing	ongoing
Subtotal	100	170	2x	2x			
 FRANCE & GERMANY	Permitting						
	no. 3	40	50	1x	2x	✓	
	no. 3	40	50	1x	2x		ongoing
Subtotal	80	100	1x	2x			
TOTAL	410	750					

Pioneer in the RPW with:

- 193MW already in operation
- 82MW under construction

A solid pipeline in Repowering to be activated opportunistically based on market dynamics

ESG STRATEGY 2024-2028



MANAGEMENT PROFILES

PAOLO MERLI – CHIEF EXECUTIVE OFFICER

Born in Milan on 24th June 1971, he graduated in Electrical Engineering from the University of Pavia in March 1996. After doing his national service at the Italian Red Cross, in June 1998 he was awarded an MBA in Finance from the Eni "Scuola Superiore Enrico Mattei".

Currently he is **Chief Executive Officer** of the ERG Group, which he joined in 2006 and where he has held various positions such as Corporate General Manager and Chief Financial Officer, with responsibility for Investor Relations & CSR, Group Administration, Finance, Planning, Control & Reporting, Group Risk Management & Corporate Finance, Procurement, Human Capital & ICT and Communication.



He is member of the Strategic Committee, a Board Director of ERG S.p.A. and ERG Power Generation S.p.A., beside being member of other internal committees such as Management Committee, ESG Committee, Investment Committee, Risk Committee and Human Capital Committee. From 2014 to April 2021 he was CFO and Manager Responsible for preparing the Company's financial reports.

Other positions held in the past:

From October 2015 to January 2018 he was a member of the Board of Directors of TotalErg S.p.A.

He previously worked for around 7 years as a financial analyst covering the European Energy and Motorways sectors at Intermonte, a leading brokerage firm owned by the Monte dei Paschi Banking Group. At Intermonte he was also a "specialist" in ERG stock when ERG joined the STAR segment.

From 1998 to 2000 he worked in the sales department at Snam S.p.A. (current Gas & Power division of Eni Group).

Outside of work, his biggest passion is sport, particularly cycling (racing and mountain biking), running and skiing (alpine and cross-country). Over ten participations in the Maratona dles Dolomites, the NY and Valencia marathons, and the climb up Monte Rosa are among his best experiences.

He is married, with two children.

MICHELE PEDEMONTE – CHIEF FINANCIAL OFFICER



Born in Genoa on 2nd March 1975, he graduated in Economics from the University of Genoa.

He joined the ERG Group in 2006 where he is currently **Chief Financial Officer** with the responsibility of Group Administration, Finance & Group Risk Management, Planning, Control & Reporting, and Procurement.

He is also Manager Responsible for preparing the Company's financial reports. Member of Management Committee, Investment Committee, Risk Committee, ESG Committee and Human Capital Committee, he is also Board Director of ERG Power Generation Spa. He is secretary of the Strategic Committee of the ERG Group.

Other positions held in the past:

He previously worked for 6 years in the investment banking for Andersen Corporate Finance, Meliorbanca and Centrobanca, as advisor in M&A, corporate and project finance deals.

Between 2000 and 2001 he worked for Marconi Communications as business development analyst.

Out of the office, his main passions are sport (running, ski and rugby), mountain and reading.

He is married with three children.

EMANUELA DELUCCHI – CHIEF ESG, IR & COMMUNICATION OFFICER



Born in Genoa on 18th December 1975, she graduated in Economics from the University of Genoa in March 1999.

She joined the ERG Group in February 2008 where she is currently **Chief ESG, IR & Communication Officer**, with the mission to develop and monitor the implementation of the ESG (Environment, Social and Governance) Plan and to ensure the development of integrated communication strategies and solutions to guarantee the extensive promotion of the Group with the financial community and all stakeholders, maximizing the value of its reputation and protect ERG's company image.

Other positions held in the past:

From June 2020 to April 2021 she was Head of IR and CSR, reporting directly to the Corporate General Manager & CFO, and from February 2011 to June 2020 she was Investor Relations Manager.

From February 2008 to January 2011 she was Head of IR and Planning & Control at ERG Renew.

She previously worked for 3 years as a financial analyst covering the Italian Utilities & Motorways sectors at Intermonte, a leading brokerage firm owned by the Monte dei Paschi Banking Group.

Prior to that she was a financial analyst covering European Utilities & Motorways sector at Lehman Brothers.

She is married, with three children.



INSPIRING CHANGE TO POWER THE FUTURE