

Press release

Alerion Clean Power: Board of Directors approves 2021 - 2023 Business Plan

Plan targets:

- **Doubling of installed capacity compared with 2020:
Gross installed capacity of around 1.5 GW by 2023**
- **Increased geographical presence with a diversified portfolio of assets in Italy, Spain, Romania and Bulgaria**
- **Technological diversification, with the implementation of an investment programme in the photovoltaic sector**
- **Significant growth in operating profit by 2023:**
 - **EBITDA was approximately €160 million, compared with €54 million in 2019 (average annual growth of more than 30% over the plan period)**
 - **Net Profit was approximately €45 million, compared with €21.4 million in 2019 (average annual growth of more than 20% over the plan period)**
- **Approximately €700 million invested in the 2021-2023 period**
- **Net Financial Position of approximately €693 million by the end of 2023, with a NFP/EBITDA ratio of 4.3x**
- **Target pay-out ratio of up to 50% of the Group's net profit**
- **Capital increase up to a maximum of €300 million excluding option rights, reserved to institutional investors, to be carried out by 2021**

- **2021 Guidance: Consolidated EBITDA estimated at around €108 million**

Milan, 3 February 2021 - The Board of Directors of Alerion Clean Power S.p.A., which met on 2 February 2021, approved the 2021-2023 Business Plan.

The new 2021-2023 Business Plan

For Alerion the 2021-2023 three-year period will feature an investment programme aimed at making the Group one of the main operators in the renewable energy sector in Europe, with the aim of exceeding 3 TWh of electricity at the end of the plan.

In particular, over the next three years, Alerion will focus its strategy on accelerating the growth of the asset portfolio, with increasing geographical diversification in Italy, Spain, Romania and Bulgaria, and on technological diversification, with the implementation of an investment programme in the solar photovoltaic sector.

The investment programme will also focus on consolidating a development platform that already benefits from a pipeline of renewable projects that exceeds 3.8 GW and that will allow the company to achieve an estimated increase in operational capacity of around 400 MW per year beyond 2023.

It is understood that nothing contained in this press release may be construed or interpreted as an absolute statement and that, therefore, there could be significant deviations from the values indicated. It is further specified that if any of the general and hypothetical assumptions underlying the 2021-2023 Plan do not materialise or do not materialise in the manner and within the timescales estimated by the Company's management, the pre-established targets and expected results may not be achieved or only partially achieved and there may be deviations, including significant deviations, between the data projections and the values actually achieved.

Installed capacity and investment

Alerion intends to achieve a gross installed capacity of around 1,544 MW by the end of 2023, a gross increase of around 835 MW compared with 2020. The target markets will be Italy, Romania and Spain and the technology mix will be enriched with its entry into the solar photovoltaic sector in Italy and Romania.

In particular, by 2023 the asset portfolio is expected to have an installed capacity in the wind sector of 1,244 MW and an installed capacity in the photovoltaic sector of 300 MW.

Total investments in the 2021-2023 period will amount to approximately €700 million, and are expected to be financed through a mixture of debt and new capital.

Income and cash flow targets by 2023

The 2021-2023 Plan provides for a significant increase in the Alerion Group's main income indicators and cash flow position.

In particular, on the basis of a set of hypothetical assumptions, estimates and assessments of events that in many cases are beyond the Company's control, it expects to achieve the following targets by 2023:

- **EBITDA** of approximately €160 million, up sharply from the €54 million EBITDA recorded in 2019 (average annual growth of more than 30% over the plan period);
- **Operating Profit** of approximately €45 million, compared with the €21.4 million recorded in 2019 (average annual growth of more than 20% over the plan period).
- **Consolidated Net Financial Position** of approximately €693 million, reflecting the significant investment programme, the generation of cash from operating plants, and the financial strengthening achieved by the capital increase mentioned above.

By the end of 2023, the Company expects to achieve a consolidated NFP/EBITDA ratio of approximately 4.3x.

The plan provides for the distribution of dividends with a pay-out ratio of up to 50% of the Group's net profit. The actual distribution will be decided on year by year.

Capital Increase and income and cash flow targets by 2023

The investment programme provided for in the new 2021-2023 Business Plan will be partially financed by the proceeds from a capital strengthening operation which needs to be carried out in order to fully implement the plan. In particular, Alerion plans to carry out by 2021 - subject to approval by the competent corporate bodies - a capital increase in various tranches, excluding option rights, which will be offered for subscription exclusively to institutional investors, up a maximum of €300 million.

The capital increase will also allow Alerion to increase its free float and increase the stock's liquidity.

Guidance for 2021

With regard to 2021, Alerion predicts, again on the basis of its own estimates and hypothetical assumptions, that it will achieve the following targets:

- Increase in **gross installed capacity** to around 920 MW;
- Consolidated **EBITDA** of around €108 million, up from the €54 million recorded in 2019, and Net Income of around €30 million;
- **Consolidated Net Financial Position** of around €350 million (assuming a successful outcome to the capital increase mentioned above and taking into account amounts invested over the period).

NOTES

At 10:00 CET on 3 February 2021, a conference call will be held with financial analysts and institutional investors to explain the 2021-2023 Business Plan. Details of the link can be found on the website www.alerion.it, in the section entitled *Investor Relations/Financial Documents*. Support material will be made available on the website www.alerion.it, in the *Investor Relations/Financial Documents* section at the same time as the start of the *conference call* (<https://87399.choruscall.eu/links/alerioncp210203.html>).

The Company reserves the right to update its guidance and estimates and targets if the Covid-19 emergency has a material impact on the Group's income and cash flow indicators.

This press release contains some forward-looking statements that reflect the current opinion of the Alerion Group management on future events and financial and operational results of the Company and of its subsidiaries, as well as other aspects of the Group's activities and strategies. These forward-looking statements are based on current expectations and assessments of the Alerion Group regarding future events, as well as on the Group's intentions and beliefs. Considering that these forward-looking statements are subject to risk and uncertainty, the actual future results may considerably differ from what is indicated in the above forward-looking statements as these differences may arise from several factors, many of which lie beyond the Alerion Group's ability to accurately check and estimate them. Amongst these – including but not limited to – there are potential changes in the regulatory framework, future developments in the market, price fluctuations and other risks. Therefore, the reader is asked to not fully rely on the content of the forecasts provided as the final results could significantly differ from those contained in these forecasts for the reasons indicated above. They have been included only with reference up to the date of the above-mentioned press release. The prospective data are, in fact, forecasts or strategic targets established within the corporate planning. The Alerion Group does not assume any obligation to publicly disclose updates or amendments of the forecasts included regarding events or future circumstances that occur after the date of the above-mentioned press release. The information contained in this press release is not meant to provide a thorough analysis and has not been independently verified by any third party. This press release does not constitute a recommendation for investment on the Company's financial instruments. Furthermore, this press release does not constitute an offer of sale or an invitation to purchase financial instruments issued by the Company or by its subsidiaries.

Contacts

Alerion Clean Power S.p.A.:

Stefano Francavilla

stefano.francavilla@alerion.it

Tel. +39 02 7788901

True Public Relations

Federica Menichino

f.menichino@true-rp.it

Tel: +39 02 76341410