

Press release

Alerion Clean Power:

Preliminary results for 2021, above expectations:

- **Revenues** at around €154 million, an increase of around €44 million (up 40% compared to 2020)
- **EBITDA** of around €132 million, an increase of around €51 million (up 63% compared to 2020)
- **Consolidated net profit** of around €50 million, an increase of around €18 million (up 56% compared with 2020)
- **Net financial indebtedness** at the end of 2021 stood at around €503 million (€491 million on 31 December 2020)

2022 guidance updated

- Forecast for 2022 guidance revised upwards:
EBITDA expected to be around €236 million and **consolidated net profit** of around €130 million

The new 2022-2025 Business Plan approved

- An increase in the Group's growth over the next four years, with **an increase in installed capacity** to 3.8 GW in 2025, **investments** of around €3.1 billion in 2022-2025, and **EBITDA** of around €440 million in 2025

Milan, 23 February 2022 - The Board of Directors of Alerion Clean Power S.p.A., meeting yesterday, examined the preliminary consolidated results for 2021, which were higher than the guidance communicated on 26 November 2021, mainly due to the excellent wind conditions recorded in December 2021.

In particular, **Revenues** in 2021 stood at around €154 million, an increase of around €44 million (40%) compared to the €110 million achieved in 2020.

EBITDA amounted to around €132 million (€115 million forecast in the guidance of November 2021), up by around €51 million (63%) compared to €81 million in 2020.

Consolidated Net Profit came in at around €50 million (€39 million forecast in the guidance of November 2021), up by around €18 million (56%) compared to €32 million in 2020.

Net financial indebtedness at the end of 2021 stood at around €503 million (€491 million on 31 December 2021)

With regard to installed capacity, it should be noted that at the end of 2021 there was no increase over the 2020 figure, due to delays in the completion of plants under construction, mainly due to delays in the delivery of supplies, the result of the supply and logistics difficulties that characterise the international situation. Most of the delays are expected to be recouped in 2022.

Business Plan 2022-2025

The Board of Directors also reviewed and approved the 2022-2025 Business Plan.

In particular it should be recalled that, as announced on 26 November 2021, Alerion has launched a strategic reorganisation process aimed at identifying an industrial or financial partner that will provide the company with the necessary financial resources to support its investment programme in the coming years.

Against this background, the new 2022-2025 Business Plan features a major investment programme designed to accelerate the Group's growth in the wind and photovoltaic sector in Europe.

In particular, Alerion intends to achieve a **gross installed capacity** of around 3.8 GW by the end of 2025, a gross increase of around 3.1 GW 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.

Cumulative investments in the four-year period 2022 - 2025 will be approximately €3.1 billion. It is expected that these investments will be financed through a mix of debt as well as the proceeds of a capital strengthening operation, amounting to approximately €600

million, which the company intends to undertake by the end of 2022. The capital strengthening operation will be undertaken, subject to the identification of an industrial or financial partner as a result of the said strategic reorganisation process, with the support of the partner and the shareholder Fri-EI.

This investment programme, in a context of sharply rising energy prices since the second half of 2021, and in a particularly favourable renewable energy market, will enable a significant increase in the Group's main economic and financial results, which will be significantly higher than in the 2021-2023 Plan.

Based on a set of assumptions, estimates and assessments of events that in many cases are beyond the Company's control, such as the trend in electricity prices, **EBITDA** is expected to reach approximately €440 million in 2025, a sharp rise from the figure of around €132 million recorded in 2021.

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 2022--2025 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.

New Guidance 2022

With regard to 2022, Alerion expects to achieve the following targets, which are up from the targets announced on 26 November 2021 mainly due to the improvement of the electricity price trend scenario:

- An increase in **gross installed capacity** to around 934 MW by the end of 2022.
- **Consolidated EBITDA** of around €236 million (€165 million forecast in the November 2021 guidance),

- **Consolidated net profit** of around €130 million (75 million forecast in the November 2021 guidance).

It should be noted that the 2022 guidance does not reflect the effects of the possible application of the sales price adjustment mechanism provided for in the so-called Sostegni-ter Decree. However, any application of this mechanism would have a limited negative impact of around 5% of consolidated EBITDA.

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