

ALERION **CLEAN** POWER

Investor presentation

31.12.2023



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Alerion at a glance

Background

- **Alerion is an industry leader in wind and solar with a high quality asset base and an important pipeline in Italy, Romania and Spain**
- Alerion is listed on the Milan Stock Exchange with a **market cap of ~€1.4bn (as of December 31st 2023)**
- **Alerion's majority shareholder is Fri-El Group** (owning 88% of Alerion's share capital and 94% of voting rights) **which is one of the pioneers, a main developer and assetholder in the RES sector**
- As of December 31st 2023, Alerion operates wind and photovoltaic plants for a **total installed gross capacity of 876 MW: 739 MW in Italy** (27 plants), **36 MW in Spain** (1 plant), **12 MW in Bulgaria** (4 plants) and **89 MW in Romania** (12 plants)
- The company is currently expanding its business activity into the **United Kingdom**

Alerion at a glance

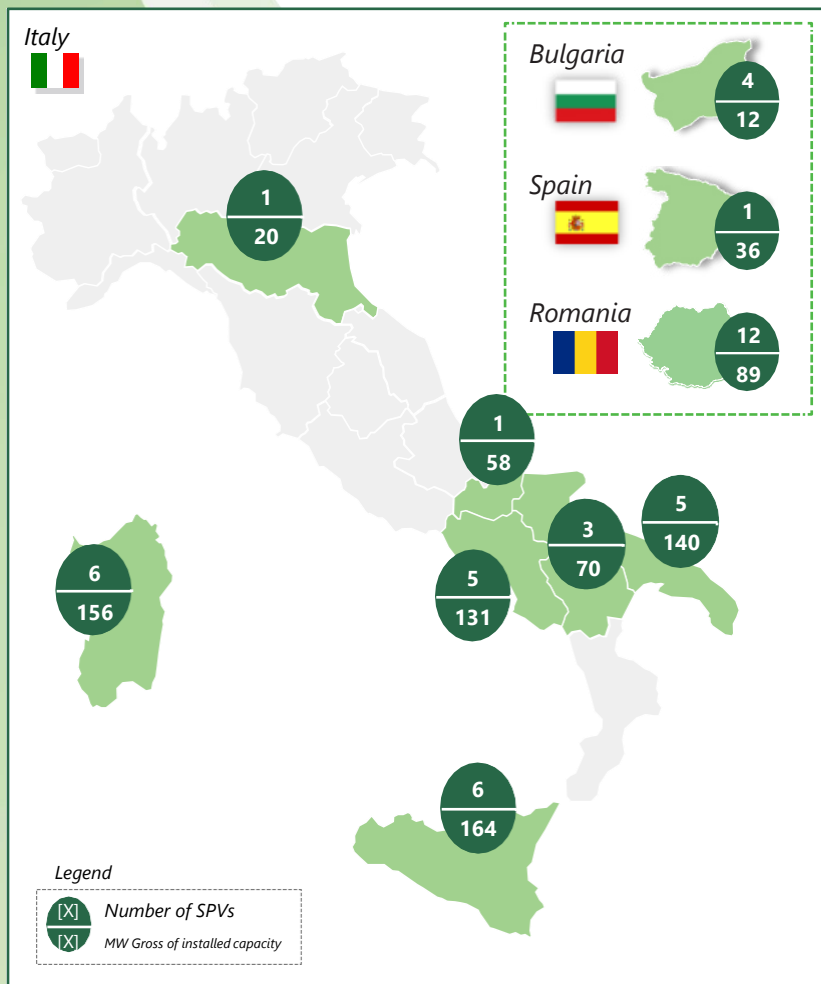
Leading Italian IPP and development renewable platform...

<p>Trophy RES IPP and growth platform</p>	<p> Leading Italian RES platform and one of the largest in Europe Strong in-house development and asset management capabilities</p>	<p> 876 MW gross installed capacity 1.6 TWh annual production</p>	<p> Listed in the Milan stock exchange with a market cap of ~€1.4bn (as of 31.12.23)</p>
<p>High quality and strategically located asset portfolio</p>	<p> 44 operating state-of-the-art plants located in strategic regions with favorable conditions</p>	<p> Recent EU geographic expansion:</p> <ul style="list-style-type: none"> • 739 MW in Italy • 36 MW in Spain • 12 MW in Bulgaria • 89 MW in Romania 	<p> Superior quality equipment sourced from leading international suppliers (e.g. Vestas, Siemens Gamesa, Nordex)</p>
<p>Clear commitment to deliver growth beyond current targets</p>	<p> Repowering opportunities already identified, to further accelerate growth</p>	<p> Diversification into solar PV technology, mainly located in Italy, Romania and Spain</p>	<p> Further geographical diversification in selected attractive market such as Spain and Romania amid new projects roll-out</p>
<p>Unique integrated business model</p>	<p> Strong track record and experience in RES asset development, being true precursor and innovator in the Italian RES space</p>	<p> Solid know-how along the entire RES energy value chain Scalable and centralised asset management system</p>	<p> Strong in-house O&M capabilities with avg. O&M costs lower than national benchmarks</p>
<p>Stable and highly predictable cash generation</p>	<p> €152m EBITDA in 2023</p>	<p> Leveraging on ~6 years avg. remaining incentives life on ~57% of the gross capacity</p>	<p> €459m net debt as of 31 Dec. 2023, with room for fire-power to grow Strong deleverage potential due to high cash conversion profile</p>
<p>Experienced management team</p>	<p> Management team with proven track record in delivering growth</p>	<p> Growing organic development team and internalization of key technical and operating activities</p>	<p> 169 employees</p>

Alerion at a glance

...benefitting from a highly resilient yield portfolio with strong fundamentals and attractive geographical presence...

Operating plant by region

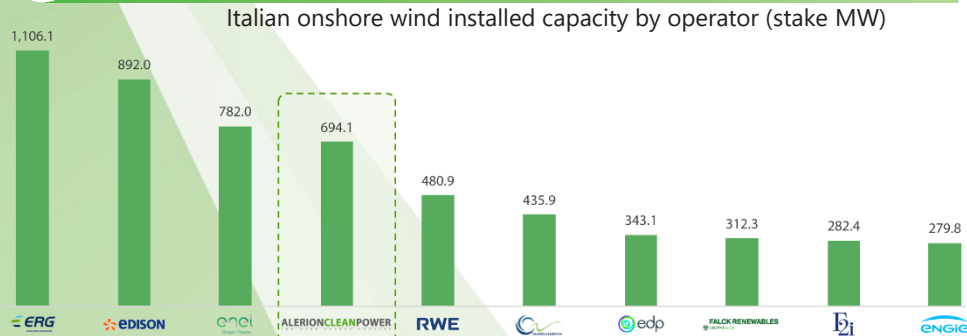


Plant Location	Number of SPVs	Gross capacity (MW)	Prod FY 2023 (GWh)
Apulia	5	140	242
Basilicata	3	70	135
Campania	5	131	266
Emilia Romagna	1	20	52
Molise	1	58	109
Sardinia	6	156	265
Sicily	6	164	225
Italy	27	739	1,294
Spain	1	36	94
Bulgaria	4	12	30
Romania	12	89	62
Total	44	876	1,480

Highly attractive and supportive italian market environment underpinned by clear renewables targets

Room for consolidation as well as constructive and forward-looking regulation providing stability

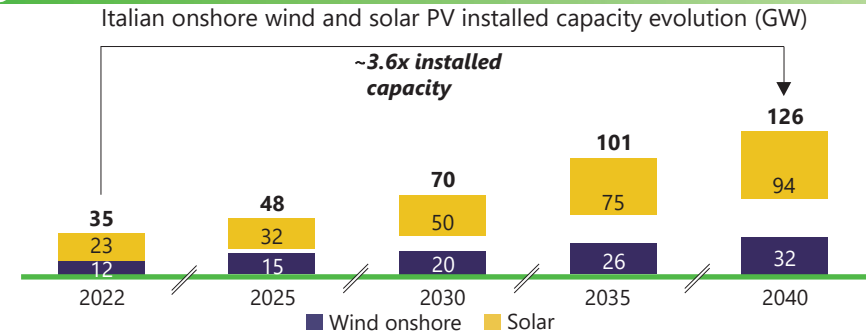
1 Fragmented wind onshore market with room for consolidation..



■ 2022 public data

- ~11 GW market leveraging strong fragmentation with ~3.0 GW on the market represented by portfolios with installed capacity below 100 MW
- Still significant presence of regional and local developers providing opportunities for consolidation, boosting returns for main platforms

2 ..fueled by a significant growth expected in the coming years..



- Onshore wind and solar PV installed capacity expected to grow by c.2.6x and c.4.1x, respectively, between 2022-2040 in Italy
- Italian government targets 30% share of renewables of electricity production by 2030, in line with EU targets, with both onshore wind and solar PV well-placed to benefit from competitive LCOE¹

3 ..with recent auctions dominated by wind plants..

Market zone	MW Awarded by technology (last 10 auctions held in 2020-2022)		
	Onshore Wind	Solar PV	Hydro
North	88.5	1,029.3	242.1
Center - North	3.1	105.9	40.1
Center - South	606	376.3	44.2
South	936	217	21.9
Calabria	53.2	71.3	5.9
Sicily	747	287.6	1.2
Sardinia	150.8	675.8	0
Total	2,584.8	2,763.3	355.3

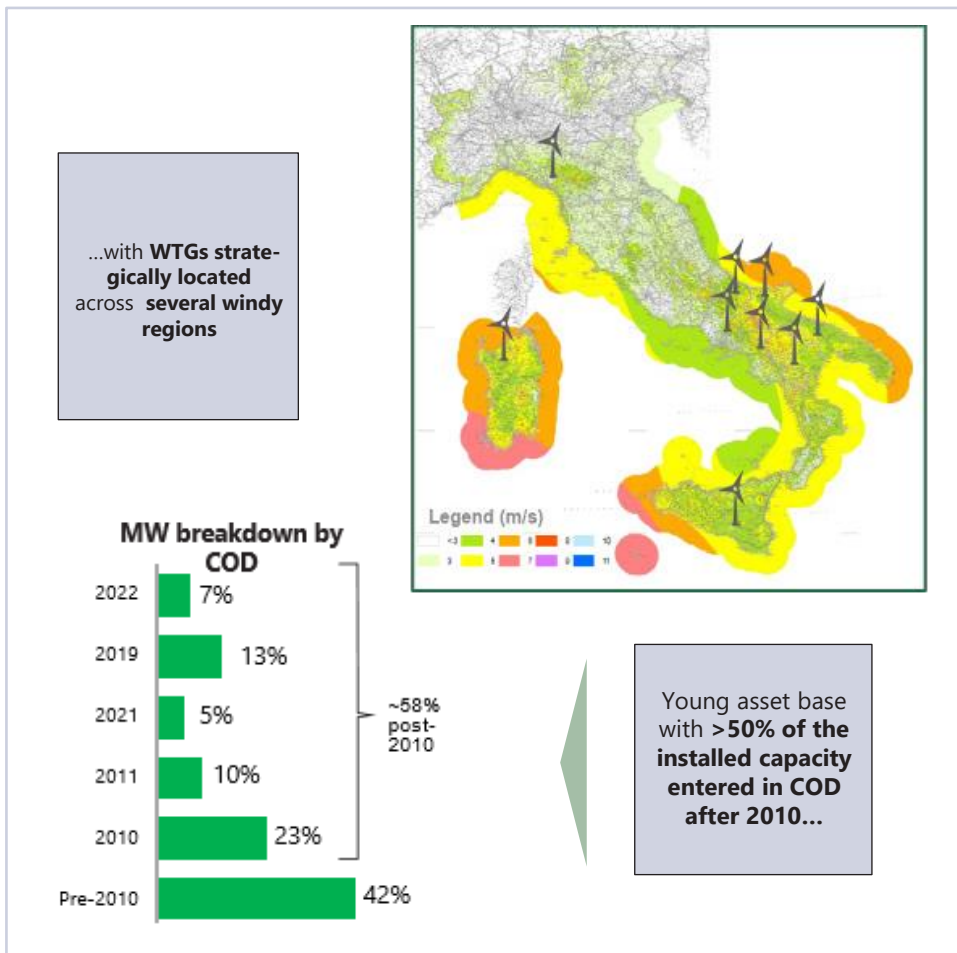
4 ..backed by a positive sentiment / "green" environment

- ✓ Renewables are increasingly relevant in the energy agenda of the Italian Government
- ✓ Renewables are increasingly cost-competitive vis-à-vis conventional generation sources
- ✓ Italian banks have significant balance sheet exposure to the renewables sector
- ✓ Large European utilities / Oil & Gas operators have started focusing strategy on renewables

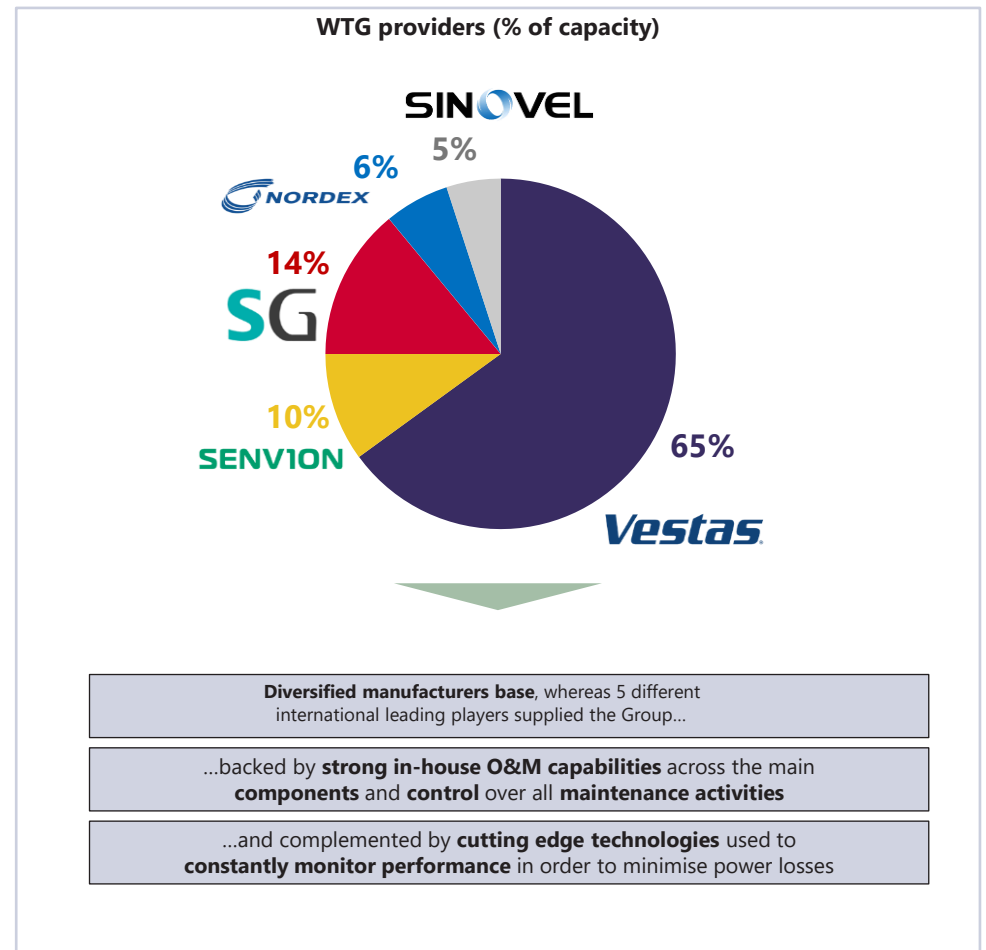
High quality portfolio ensuring industry-leading operational performance

A leading Italian IPP RES platform leveraging highly attractive operating performance

1 Strategically positioned with leading market position in the wind sector...



2 ...and superior quality equipment sourced from leading suppliers...



Scalable and centralized industry-leading business model

Successful balancing of cost optimisation with the insourcing of high value-added activities

- 1**

O&M and supervision activities

 - **Highly effective internal O&M team** overseeing the whole maintenance process to ensure optimisation of plant performance, minimisation of downtime and spending rationalisation
 - **Clearly defined planning** of supervision activities coupled with **tailored interventions** upon necessity
- 2**

Performance monitoring

 - **State-of-the art monitoring systems** boasting SCADA platform **allowing for a unified and customised reporting** of plant performance across the assets
 - Data analysis as a means to **redefine supervision strategy** and **evaluate** the implementation of potential **performance improvements**
- 3**

Operational excellence

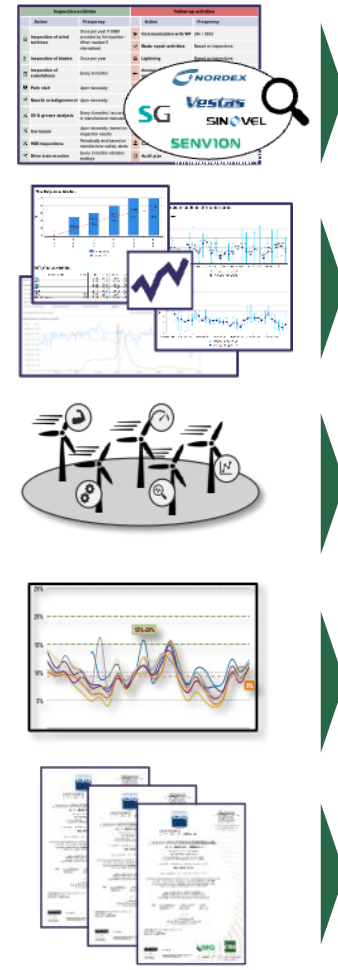
 - Implementation of a **comprehensive performance improvement strategy** over the years to maximise wind farms production and efficiency
 - **Continuous innovation** in areas such as performance analysis and reporting, as well as **continuous screening** of new technologies aimed at **enhancing asset operational performance**
- 4**

Energy management

 - **Production forecasting** and **price monitoring** to optimise the merchant revenue streams and fully exploit incentives
 - **Continuous active management of price risk** through hedging contracts / offtake agreements
- 5**

HSE / ESG

 - **Capillary system based** on structures, procedures and resources **tailored for the RES business** resulting in an outstanding workplace safety track record
 - **Strong commitment on social and governance**, supporting local communities, diversity and work-life balance initiatives among employees and promoting gender equality as essential component of corporate identity and key drivers to improve performance



Well established supervision practices

Customized monitoring activities for informed decision making

Strong track record in performance improvement

Continuous market monitoring for value accretive energy management

Integrated HSE/ ESG management system

Experienced and long-standing Management team

Highly esteemed management team in the renewables space with proven track record in delivering long-term and sustainable growth to shareholders

1 Key management team



JOSEF GOSTNER
CHAIRMAN
& CEO



STEFANO FRANCAVILLA
DEPUTY CHAIRMAN AND
CHIEF FINANCIAL OFFICER



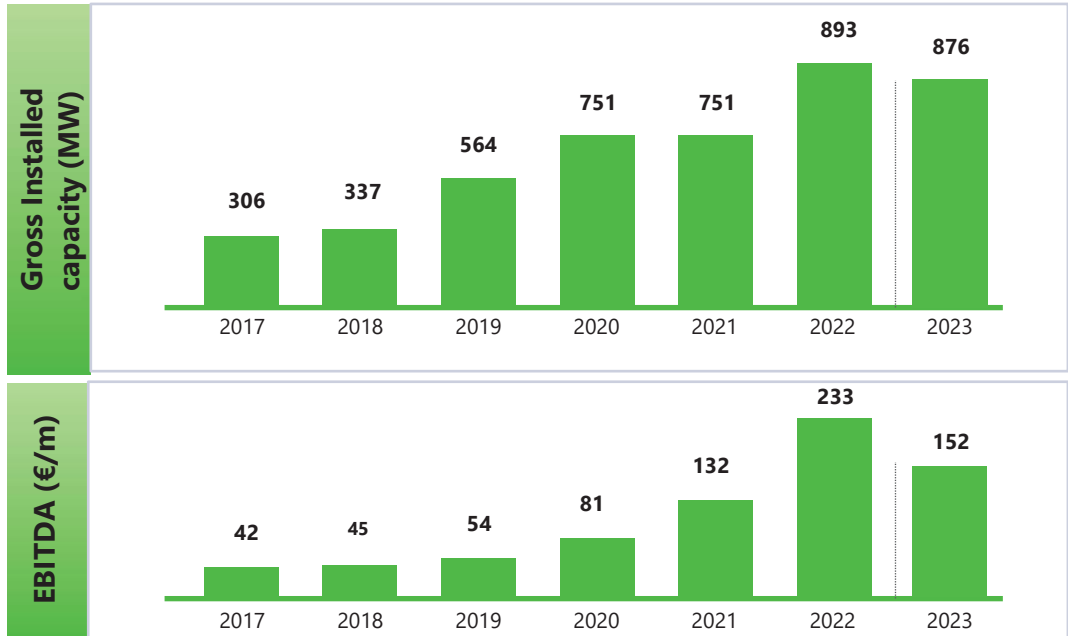
PIETRO MAURIELLO
COO



PATRICK PIRCHER
MANAGING DIRECTOR

2 Key achievements since Fri-El acquisition in 2017

9

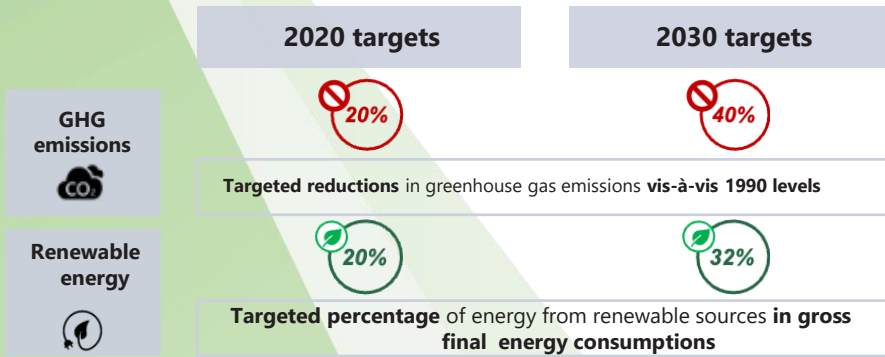


- **Highly reputed Management team** with proven capabilities in leading energy organizations and exploiting economies of scale
- **Close-knit team** leveraging an aggregated experience of almost 100 years in clean energy asset management activities
- **Full range of asset management services**, leveraging strong **development capabilities** (over 3x in installed capacity since Fri-El acquisition in 2017)
- **Efficient and focused platform** with process ownership and oversight of key O&M as well as monitoring functions
- **Establishment of strong relationship with the Energy Regulator and regional authorities / municipalities**, representing one of the most important renewable interlocutors in Italy
- **Clear and visible growth strategy** to pave the way for future growth, either through development or as consolidator of the RES fragmented market
- **Outstanding execution track record in M&A** (acquisitions, JVs and partnerships) and in **securing financing agreements**

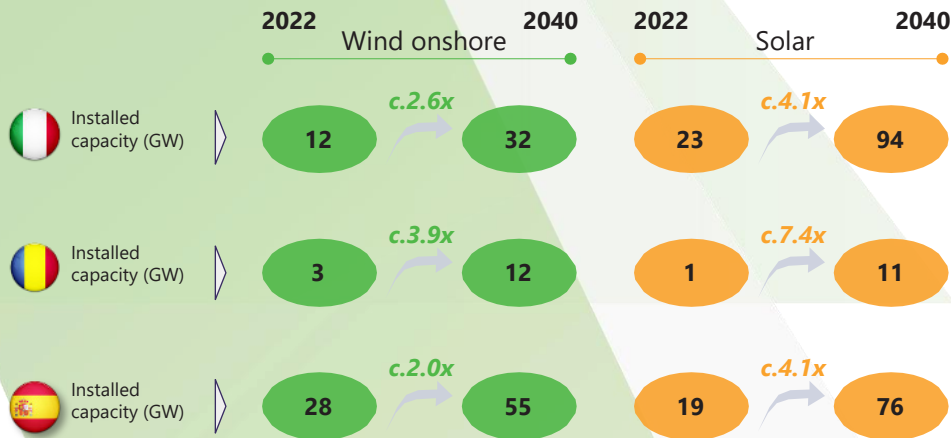
Highly attractive and supportive market environment underpinned by clear renewables targets

Clean energy targets and continued technological improvement paving the way for growth

1 Clearly defined and ambitious EU targets...

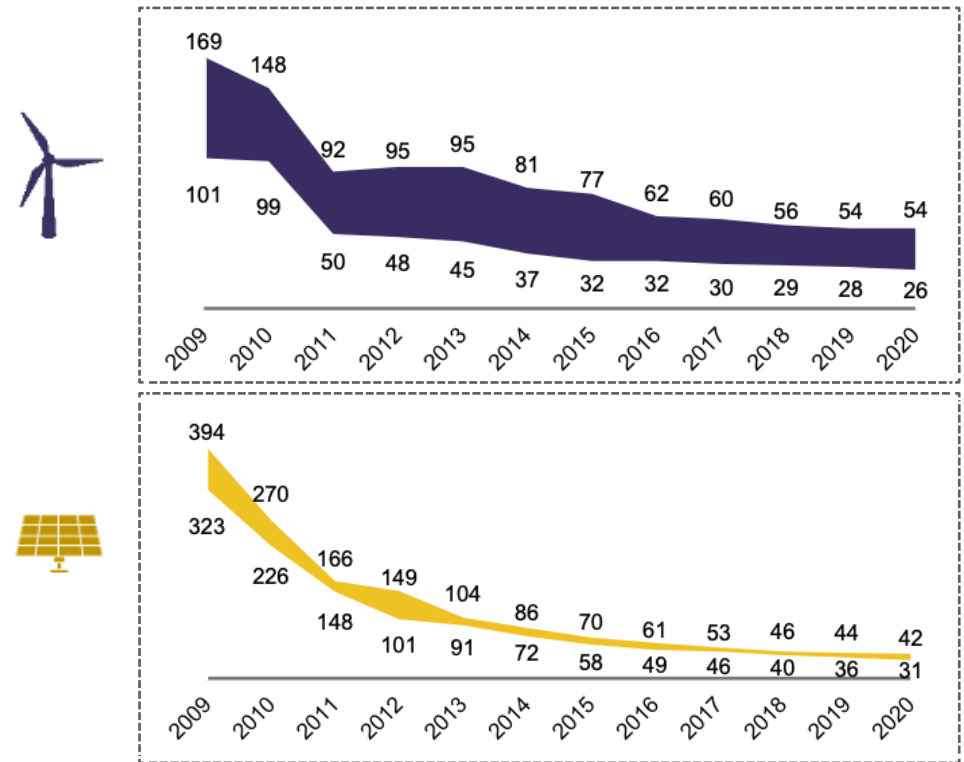


2 ...underpinning renewables growth...



3 ...coupled with increasing technological competitiveness

Levelized Cost of Energy (\$/MWh)



Renewable generation costs have consistently dropped in the last 5 years and still have additional decrease potentials in the medium term

Consolidated and stable regulatory framework

Constructive and forward-looking wind regulation in Italy providing stability and security for investors

1 Highly visible flow from incentive schemes...

- ~6 years average remaining incentive life for the Portfolio
- Incentive mechanism compensates volatility in power prices during that period, significantly reducing market risk

- ~362 MW benefits from the GRIN incentive scheme, calculated as follows:

$$\text{GC Purchase price}_{\text{year } t} = 78\% \times (180\text{€}/\text{MWh} - \text{Re}) \times \text{K}$$

- Where:
 - **GC Purchase price** year = GC price published by GSE
 - **Re** = arithmetic average of hourly zonal electricity price for year t-1
 - **K** = factor set equal to the technology coefficient granted under the previous GC scheme. Equal to 1 for onshore wind
- ~102 MW benefits from the FiP incentive, which is a variable top-up premium payment by GSE on the market wholesale electricity price and **guarantees a fixed amount of 66 €/MWh**

- The **FER 1 Decree**, enforced in August 2019 by the Italian Government, granted **new incentives to procure 8 GW of renewable energy** capacity during the years **2019-2021**
- The MiTe has expressed the intention to **extend the duration of FER1 incentive scheme beyond the conclusion scheduled for 2021**
- Together with the extension of FER 1, the **Government is planning to approve the FER 2 Decree**, an additional incentive mechanism aiming at supporting the **development of innovative RES like offshore wind**

2 ...underpinned by a supportive regulatory environment overtime...

1999-2012	Decree 16/3/1999 Decree 24/10/2005 Decree 18/12/2008	Green certificates mechanism resulting in superior profitability of onshore wind investments (IAFR Qualification)
2012-2019	Decree 6/7/2012 Decree 23/6/2016	Differentiated incentives according to power, category of intervention and the level of maturity of plants entering in operation after 31/12/2012
2019	Decree 9/8/2019 (FER1)	Extend the access to incentives through auctions and registers to 2021
2020	Decree 16/7/2020	Simplified administrative procedure for revamping Energy production after a revamping can be incentivized

3 ...coupled with a uniquely attractive incentive scheme



Assets regulated under a mixture of two schemes:

- 15-year GRIN convention scheme (former Green Certificate) where prices move with power prices providing strong hedging characteristic
- 20-year Feed-in-Premium scheme with a CfD¹ mechanism



Priority access to power grid for renewable energy projects and guaranteed off-take

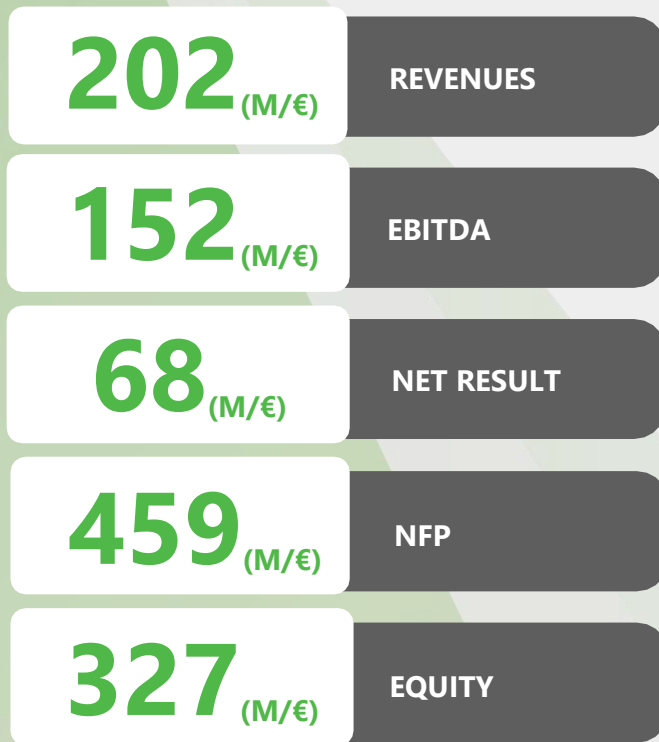
Dedicated off-take / electricity withdrawal price by GSE



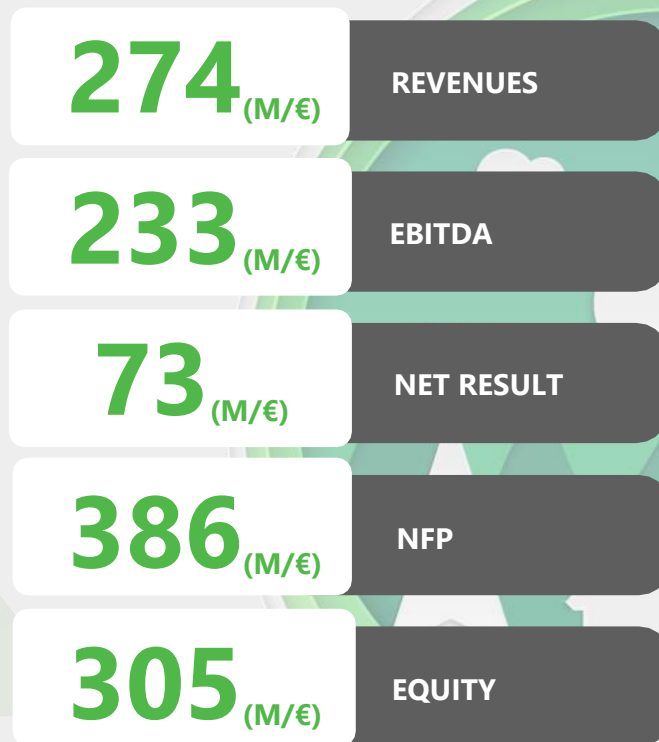
Incentive scheme funded by the end consumers through a surcharge on the electricity bill

Financials

FY 2023



FY 2022



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