

2018 *Results Presentation*



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April 2019

Disclaimer

GREENALIA S.A.

APRIL 23rd, 2018

The information contained in this presentation has been prepared by Greenalia, S.A. (hereinafter, "Greenalia").

Under the provisions of article 17 of Regulation (EU) No. 596/2014 on market abuse and in article 228 of the revised text of the Securities Market Law, approved by Royal Legislative Decree 4/2015, of 23 October, and related provisions, as well as in Circular 06/2018 of the Alternative Stock Market (MAB) on information to be provided by *Empresas en Expansión*, hereby Greenalia, SA (the "Company" or "Greenalia") puts in its I know the following information.

The following report document aims to (i) make a brief introduction about the Company, (ii) present the company's strategic plan and (iii) make an estimated financial projection for the years 2018 to 2021.

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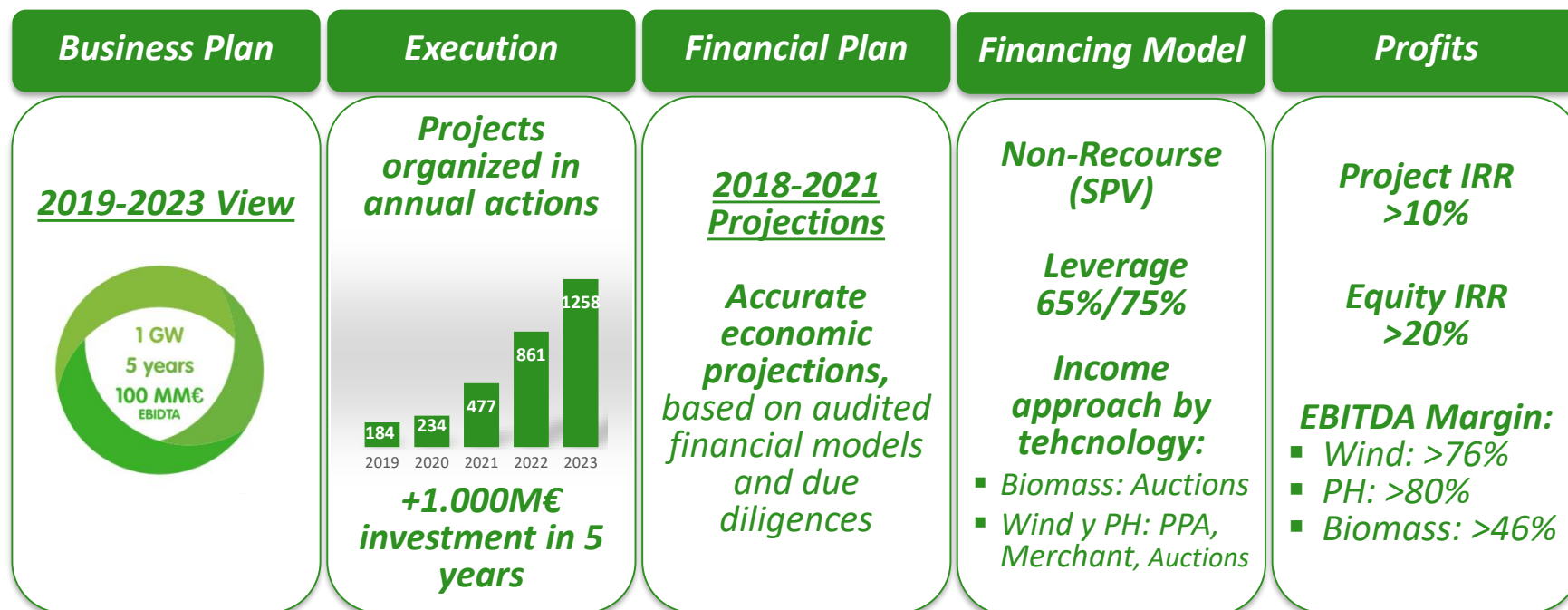


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1. Greenalia

2019-2023 View: *#1-5-100 Plan*



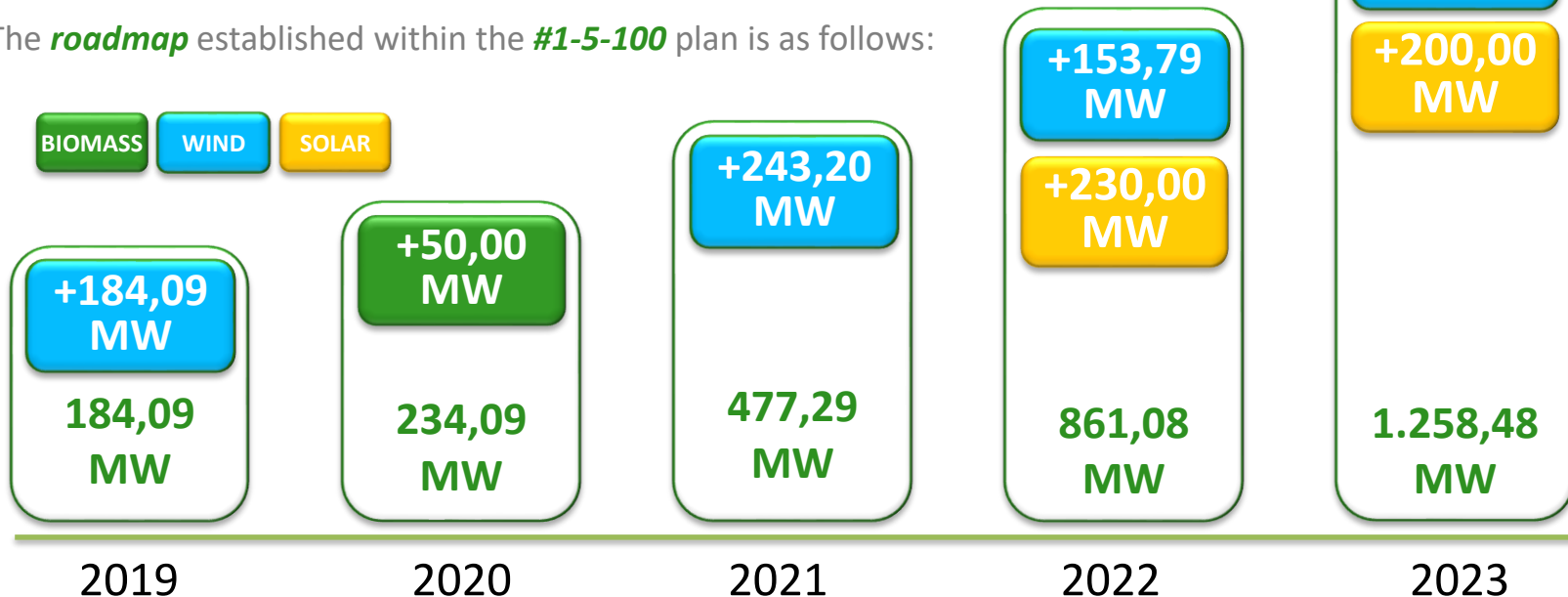
Projects with great resource, with an efficient financial structure, supported by public auction or long-term guaranteed sales contract

Business Plan 2019-2023

This plan has already started, and some of its milestones are already in place. In addition to the 3 projects already in progress (Biomass Curtis, Eolo and Eolo II), the group will develop the Eolo III, Eolo IV, as well as photovoltaic projects (Sunrise and Sunrise II).







To achieve the 1,000 MW target, an additional 25% of projects have been identified. This will allow any potential contingency during the construction and execution phase.

The **roadmap** established within the **#1-5-100** plan is as follows:



Business Plan: *Ongoing Projects*

2021 view

Bioenergy Vertical Integration		REVENUE 58M€	EBITDA 6M€	REVENUE +100M€
 INDUSTRIAL  LOGISTICS  FORESTRY				
Biomass Curtis-Teixeiro Plant		COD Q1 2020	IPP 50MW	EBITDA 41M€
 BIOMASS	CAPEX 135M€	REVENUE 33M€	EBITDA 15M€	 IPP 228MW
Wind Eolo Project		COD 2020	IPP 178MW	CAPEX 341M€
 WIND	CAPEX 206M€	REVENUE 25M€	EBITDA 20M€	

Biomass Power Plant in Curtis-Teixeiro

Financial close: Uses & Sources

Sources			Uses		
<u>Source</u>	<u>M Eur</u>	<u>%</u>	<u>Uses</u>	<u>M Eur</u>	<u>%</u>
Senior Debt	[100,00]	73,90%	EPC	[106,00]	78,34%
<i>Europeo Investment Bank (EIB)</i>	[50,00]		Lawyers, Consultants & Commissions	[5,54]	4,09%
<i>Santander – ECA</i>	[24,00]		Reserve Accounts	[11,88]	8,78%
<i>Commercial Tranche (B. Santander, ICO)</i>	[26,00]		Lands	[3,36]	2,48%
Mezzanine	[23,00]	17,00%	Grid Connection	[3,26]	2,41%
Shareholder Loan Greenalia S.A.	[7,31]	5,40%	Biomass Sock	[2,77]	2,05%
Greenalia S.A. Capital	[5,00]	3,70%	Contingency Account	[2,50]	1,85%
Total	[135,31]	100,00%	Total	[135,31]	100,00%

Financial closing 25/07/2018

- ✓ **Highest rating** (E1) as a **green loan** (evaluation made by *Standard&Poor's*).
- ✓ Investment up to date: **€97M**
- ✓ The work is **in construction phase according to schedule** (no incidents)

Expected Schedule

- ✓ Start of Engineering: September 2017
- ✓ End of construction: September 2019
- ✓ Connection to the system: October 2019
- ✓ **Activity Go-live: March 2020**

Biomass Power Plant in Curtis-Teixeiro

Project status



Eolo Project: Status

Current Project Status

- ✓ Early Works completed: 178MW.
- ✓ Started Eolo construction works for 46.50MW.
- ✓ Closing EPC and O&M contracting
- ✓ Due Diligences:
 - ✓ Legal WFW
 - ✓ Technical& Wind: DNV
 - ✓ Market y commercial: Poyry
- ✓ Technology: **ENERCON** ENERGIE FÜR DIE WELT **SIEMENS** Gamesa

Current status of Financing

- ✓ Underwriting of senior debt by Banco Santander (75% or 156M€)
- ✓ Term sheet from mezz funds received
- ✓ Agreed PPA, contract drafting
- ✓ Investment up to date: >€7.5M

Wind turbine production works for Greenalia at the Enercon plant in Magdeburg (Germany).





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2. 2018 Financial Results

FY2018 Results: **Key Milestones**

TACTICAL TARGETS

- ✓ **Financial closing** of the 50MW **Biomass plant** in Curtis-Teixeiro
- ✓ **€2.3M EBITDA** (+22% vs. 2017)
- ✓ **Underwriting of EOLO's project finance** senior tranche
- ✓ **Agreed PPA**, in contract drafting
- ✓ **178MW of wind power running in 2020**
- ✓ Positive performance of **GRN share** (+196.75% growth in 2018, +259.61% from IPO)
- ✓ Inclusion in the **Ibex 15** and change **from fixing to continuous** quote

FY2018 Results: Key Milestones

STRATEGIC TARGETS

- ✓ New Business Plan **#1-5-100**
- ✓ Acquisition of **minority stakes** in **Biomass projects**
- ✓ Corporate **reorganization** of the **energy division** Greenalia Power Spain
- ✓ Issuance of a **Note Program at the MTF Luxembourg**. 3 Bonds issued. All qualified as **Green Bonds** by Vigeo Eiris and S&P.
- ✓ **Wind project pipeline** consolidation (942MW) (acquisitions and own developments)
- ✓ Development of **PH Pipeline** greater than 1GW (acquisitions and own developments)
- ✓ New joining of **senior talent** staff
- ✓ Start-up of the **stock purchase program** for key management employees
- ✓ **Commitment** to the environment, development of **Sustainability** Report and **CSR**
- ✓ **Acknowledgments**: IJ Global Award, Star 2018 European Small & Mid Cap Awards

FY2018 Results: Actual Vs. Previous Year

	ACTUAL 2018	ACTUAL 2017	VAR (%)
REVENUE	35,4 M€	35,0 M€	+1,2%
EBITDA	2,31 M€	1,90 M€	+22%
NET PROFIT	0,48 M€	0,72 M€	-33%
MW CONSTRUCTION	50 MW	0 MW	NA
MW IPP	0 MW	0 MW	NA

✓ Improvement of the **EBITDA/Sales ratio up to 6.5%** (slightly higher than budget at 6.4%); and improving the 5.5% of the previous year.

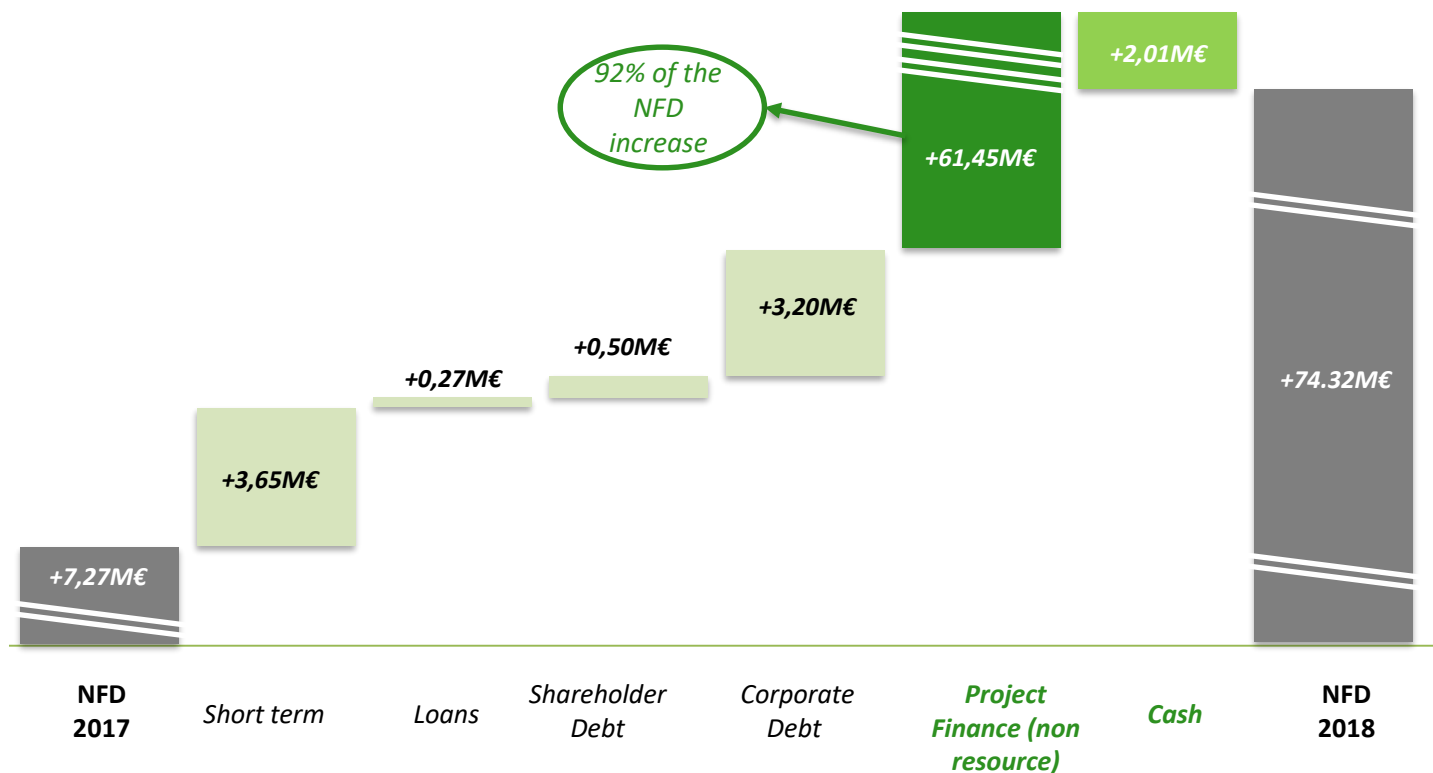
FY2018 Results: BP Achievement degree

BUSINESS PLAN #1-5-100

	BP 2018	ACTUAL 2018	ACHIVEMENT	BP 2019	BP 2020
REVENUE	39,5 M€	35,4 M€	90%	46,0 M€	104,6 M€
EBITDA	2,5 M€	2,31 M€	91%	3,34 M€	34,69 M€
NET PROFIT	0,49 M€	0,48 M€	98%	0,56 M€	1,14 M€
MW CONSTRUCTION	50 MW	50 MW	100%	234 MW	243 MW
MW IPP	0 MW	0 MW	na	0 MW	234 MW

✓ The execution of the FY2018 has been performed **in line with the estimation of the #1-5-100 business plan** for that period

FY2018 Results: NFD Evolution



✓ Achievement degree: **FINANCIAL RESULT** Vs. 2018 BUDGET: **80%** (lower expenses)

Q1 FY2019 Advance

	ACTUAL Q1 2018	ACTUAL Q1 2019	% VAR.	BP Q1 2019	% VAR.
REVENUE	8,86 M€	11,27 M€	+27%	11,50 M€	-2%
EBITDA	0,58 M€	0,79 M€	+34%	0,83 M€	-5%

✓ **Very significant improvement compared to FY 2018** (+27% revenue, +34% EBITDA) and aligned with 2019 estimated budget (-2% and -5% respectively).



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3. Pipeline

Pipeline: MaB Companies Methodology

The following methodology for categorize renewable energy project pipeline is the one followed by the companies of the MaB (Greenalia & Grenergy):



Undestandign for each pase the following_

- **Early Stage** includes projects with **a) possibilities to secure land and grid**
- **Advanced Development** includes projects with **a) 50% probabilitiies to secure land, and b) 90% of probabilities to get grid access**
- **Backlog** includes projects with **a) secured land and grid access, b) 90% probabilities to obtain enviromentsl permits, and c) scheme of prices defined (PPA, auctions, ...) or bank term sheets**
- **Under Construction** includes projects with **a) NTP (Notice to Proceed) o LNTP asigned**
- **IPP / Operacion** includes projects with **a) in operation/Brownfield**

✓ Greenalia has a **>2 GW portfolio** of projects, **diversified in three technologies**, and at **different maturity stages**

Pipeline: Summary

MW	Under Construction	Backlog	Advanced Development	Early Stage	TOTAL
Wind	46,50	135,06	760,10		941,66
PH			380,00	635,00	1.015,00
Biomass	50,00		80,80	50,00	180,80
TOTAL	96,50	135,06	1.220,90	685,00	2.137,46
Number of projects	2+0+1	6+0+0	25+8+3	0+14+1	61

- Among the projects considered **Advanced Development**, 625.80MW of wind and 380MW of FH, have **grid access**
- Also, within the projects considered **Advanced Development**, there are 54.80 MW with all **permits (administrative and enviromental) obtained**
- Finally, in the case of the 182MW of the **Eolo project** (46.50MW Under Construction and 135.06MW Backlog), **the senior tranche of financing (UW) has been underwritten.**

✓ A portfolio of projects with **great resource, diversified in three technologies** and at **different maturity stages**, allowing a progressive implementation and investment throughout the business plan.



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Appendix

Financial Statement: FY2018 Consolidated Result

Consolidated P&L

(€)	2018	2017	Var. (%)
Revenue	35.434.440	35.003.836	1,23
Asset works	876.089	335.822	160,88
Procurement	(27.071.827)	(26.805.288)	-0,99
Gross Margin	9.238.702	8.534.370	8,25
Other income	31.962	144.270	-77,85
Personnel Expenses	(1.232.347)	(1.080.069)	-14,10
Other operating Expenses	(5.725.617)	(5.702.565)	-0,40
EBITDA	2.312.700	1.896.006	21,98
Depreciation and amortization	(992.053)	(580.362)	-70,94
Other results	(6.408)	(15.719)	59,23
EBIT	1.314.239	1.299.925	1,10
Financial result	(1.008.022)	(529.507)	-90,37
Income tax	177.001	(49.553)	457,20
Net Profit	483.218	720.865	-32,97

Financial Statement: FY2018 Consolidated Result

Consolidated Balance Sheet

(€)	2018	2017	Var. (%)
Non-current assets	94.511.645	11.484.614	722,94
Intangible assets	4.529.748	2.987.920	51,60
Fix assets	87.902.401	7.425.617	1.083,77
Financial investments	946.122	798.577	18,48
Deferred tax assets	1.133.374	272.500	315,92
Current assets	22.415.968	19.636.595	14,15
Stock	3.924.445	2.441.202	60,76
Accounts receivable	7.648.820	5.261.069	45,39
Other current financial assets	207.643	3.325.163	-93,76
Accruals	38.145	27.174	40,37
Cash and equivalent	10.596.915	8.581.987	23,48
TOTAL ASSETS	116.927.613	31.121.209	275,72

Financial Statement: FY2018 Consolidated Result

Consolidated Balance Sheet

(€)	2018	2017	Var. (%)
Equity	3.069.127	4.614.036	-33,48
Non-current liabilities	82.008.470	10.338.799	693,21
Financial debt	40.111.655	2.089.265	1.819,89
Other debt	41.810.863	8.187.511	410,67
Deferred tax liabilities	85.952	62.023	38,58
Current liabilities	31.850.016	16.168.374	96,99
Financial debt	12.458.758	8.793.063	41,69
Intercompany loans	592.076	129.658	356,64
Other debt	12.913.828	3.708.753	248,20
Accounts payable	5.885.354	3.536.900	66,40
TOTAL LIABILITIES AND EQUITY	116.927.613	31.121.209	275,72

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