

**ALTEA GREEN POWER BOARD OF DIRECTORS APPROVES
CONSOLIDATED HALF-YEAR FINANCIAL REPORT FOR FIRST HALF 2023**

**BUOYANT PERFORMANCE AND SUBSTANTIAL GROWTH
OF ALL OPERATING METRICS**

**DOUBLE-DIGIT MARGINS DRIVEN ALSO BY THE HIGHLY PROFITABLE BUSINESS (BESS
STORAGE)**

- **VALUE OF PRODUCTION: € 10.1 million** (€ 7.5 million)¹, **+34%**
- **EBITDA: € 5.2 million** (€ 1.8 million), **+191%**; **EBITDA Margin 51.4%** (23.7%)
- **EBIT: € 5.1 million** (€ 1.7 million), **+200%**
- **Net profit for the period: € 3.5 million** (€ 1.2 million), **+197%**
- **Equity: € 15.2 million** (€ 11.7 million), **+29.5%**
- **Net financial debt: liabilities (debt) € 1.4 million** (cash position of € 0.8 million)

Rivoli (Turin), 28 September 2023 - The Board of Directors of **Altea Green Power (EGM: AGP, hereinafter "AGP" or "the Company")**, a company engaged in the development and construction of environmentally-friendly power generation plants and as a "service integrator" for all-round assistance during all the stages of the construction and management of green plants, reviewed and approved the consolidated half-year financial report at 30 June 2023, subject to limited audit.

In the words of Giovanni Di Pascale, Founder & CEO of Altea Green Power: *"We are highly satisfied with the results achieved in first half 2023, highlighting substantial growth, double and triple-digit metrics, and margins above 50%. We are optimistic about maintaining this path in second half 2023, with steadfast support from our various Business Units. We anticipate further significant achievements in Co-Development within the Wind, Photovoltaic, and Storage sectors, alongside ongoing international expansion, especially in the United States. These efforts aim to sustain the development of a highly profitable business line, offering prospects akin to those in the Italian market".*

CONSOLIDATED OPERATING AND FINANCIAL FIGURES AT 30 JUNE 2023

The **Value of Production** amounted to € 10.1 million in first half 2023 versus € 7.5 million in first half 2022, up by 34%, driven by the Co-development activities on Storage sites, forecast after 2023 as outlined in the 2023-2025 business plan approved by the Board of Directors on 28 March 2023. These activities contributed approximately € 5.6 million in first half 2023.

EBITDA stood at € 5.2 million (€ 1.8 million), up by 191% versus first half 2022. The **EBITDA Margin** of 51.4% (23.7%) rose significantly thanks to the greater weight of high-profitability activities (BESS Storage) versus wind and photovoltaics.

¹ The figures in brackets refer to operating figures at 30 June 2022 and to balance sheet figures at 31 December 2022.

EBIT came to € 5.1 million, **up by 200%** versus 30 June 2022 (positive € 1.7 million) with an **EBIT Margin** of **50.6%** versus 22.6% at 30 June 2022.

Net Profit for the Period amounted to € 3.5 million, growing strongly by **196.7%** versus 30 June 2022 (profit of € 1.2 million).

Equity stood at **€ 15.2 million** versus € 11.7 million in the year ended 31 December 2022.

Total **Net Financial Debt** amounted to **€ 1.4 million** (versus € 0.8 million net cash at 31 December 2022). This change was due primarily to the higher working capital requirements related to the increase in projects under execution and the payment of a second tranche of capital in the investee Bess Storage in the US.

PERFORMANCE OF CO-DEVELOPMENT AND STORAGE OPERATIONS

In first half 2023, the operational structure was focused on executing **Co-Development** projects: to date, the Company is developing activities related to customer contracts for approximately 1.1 GW in the wind and photovoltaic segments and for 2.5 GW in Storage Bess.

A second co-development agreement was signed on 7 February 2023 with Aer Soléir, a leading Irish group in the European energy sector, in which Quantum Energy, a global energy leader, holds a stake. The partnership plans to jointly develop agro-voltaic projects totaling approximately 300 MW over the next 36 months.

A J.D.A. (Joint Development Agreement) was signed on 30 June 2023 with a foreign customer and related order for a 9.9 MW Photovoltaic Project in Orbetello worth € 45,000.00 per MW.

On 25 August 2023, a second J.D.A. was signed, again with a foreign customer, regarding the Montenero Green Energy order of 9.624 MW worth € 150,000.00 per MW.

For these projects, the anticipated development period is 48 months for the former and 12 months for the latter, with average expected profitability in excess of 30%.

Storage in Italy

With regard to **Storage**, besides the previously mentioned availability of projects amounting to 2.5 GW, in Italy the Company has an additional line of projects for approximately 1 GW under Black Bess S.r.l., with commercial activities set to begin in 2024.

Storage in the U.S.

In the first half of the year, the Company continued functional activities to **develop the U.S. market**.

Altea Green Power, through its subsidiary Altea Green Power US Corp., established a development company named RAL Green Energy Corp., owned equally (50%) with an Italian partner. RAL Green Energy Corp. in turn holds 65% of Bess Energy Corp., a development company formed with a local developer. The goal is to develop 2.4 GW of Storage Bess, for an initial 480 MW project in Texas, and a preliminary agreement has already been secured to connect to the grid operated by ERCOT. The final signing of this connection agreement will enable the project to be placed on the market presumably during first half 2024.

PERFORMANCE OF E.P.C. OPERATIONS

E.P.C. activities slowed down during the first half given the company's increased commitment to Co-Development, with a focus on Storage. Under current market conditions, no significant developments are anticipated during the year.

PERFORMANCE OF ENERGY EFFICIENCY OPERATIONS

Unclear regulations on the conversion of tax credits linked to **Energy Efficiency** activities into cash has prompted Altea Green Power to approach both civil and industrial private markets.

In first half 2023, contracts were secured for approximately 600 KW of work, with expectations to reach 1.2 MW of installed systems by year end.

Lastly, the company is exploring potential acquisition opportunities of businesses in this sector to strengthen its territorial presence in this business area with substantial growth potential.

SIGNIFICANT EVENTS IN FIRST HALF 2023

11 January 2023 - U.S. investee BESS Power Corporation completed the purchase of a stand-alone battery energy storage system project through the acquisition of 100% of the share capital of the related U.S. special purpose vehicle Lund Storage Center 1 LLC.

7 February 2023 - Second co-development agreement signed with Aer Soléir, a leading Irish group in the European energy sector, in which Quantum Energy, a global energy leader, holds a stake. The partnership aims to jointly develop agro-voltaic projects totaling approximately 300 MW over the next 36 months, enabling Altea Green Power to increase its market share in renewable project development in Italy.

22 February 2023 - Announcement of the new composition of the fully subscribed and paid-up share capital following the First Exercise Period of the "Altea Green Power 2022-2024 Warrants". Following the assignment of the newly-issued shares of the aforementioned registration, pursuant to Article 26 of the Euronext Growth Milan Issuer Regulation, the Company announced that, based on the most recent data available, its shareholder base is composed as follows:

Shareholder	No. shares	% Ordinary Shares
Dxor Investments S.r.l. (*)	10,920,000	65.73%
Cecilia Martucci	1,080,000	6.50%
Market	4,613,251	27.77%
Total	16,613,251	100.00%

*Company wholly owned by Giovanni Di Pascale

5 June 2023 - Announcement that the order backlog exceeded € 80 million at 31 May 2023, up by 20% versus the same period of 2022. The projects currently underway encompass photovoltaics, wind power, and storage, and also involve two EPC projects specifically related to photovoltaic plants.

27 June 2023 - Start of the process of examining the connection of the Lund Storage Center project under BESS Power Corp., a 65% subsidiary of RAL Green Energy Corp., named Full Interconnection Study, in collaboration with Texas independent system operator ERCOT (Electric Reliability Council of Texas Inc.) and

U.S. utility operator LCRA (Lower Colorado River Authority). Lund Storage, a project acquired by BESS Power in January 2023, was confirmed to develop a maximum capacity of 407.55 MW, a slight increase from its initial size, thus establishing it as one of the largest Battery Energy Storage Systems projects presently under development in Texas. The grid operator thus validated the feasibility of BESS Power's first pipeline project, which now has a final target exceeding 2 GW.

SIGNIFICANT EVENTS AFTER THE FIRST HALF

21 August 2023 - BESS Power Corporation signed a loan agreement with Leyline Renewable Capital L.L.C. for up to \$ 15 million to be used for the implementation of the stand-alone Battery Energy Storage System pipeline in the U.S.. The loan agreement signed with Leyline will therefore enable BESS Power to broaden its initially planned pipeline, aiming now for a target of 2.4 GW.

BUSINESS OUTLOOK

The Company continues to strengthen its growth trajectory, paying close attention to profitability ratios and the strategic evaluations foundational to the plan. Specifically, by prioritizing the development of high-power Storage, the Company has managed to secure a significant competitive position in the market with substantial financial returns, well ahead of other competitors.

To elaborate further on the Company's business areas, it is believed that substantial progress can still be made by end 2023 **in the field of Co-Development, encompassing Wind and Photovoltaic Energy segments and Storage**. Regarding **Storage**, a new pipeline (Black BESS) of projects for approximately 1 GW is taking shape. This, combined with the 2 GW currently in negotiation with potential customers and the 0.5 GW contracted with Aer Soléir, contributes to fortifying both qualitative and quantitative growth that significantly exceeds original plans. The expedited authorization process for projects dedicated to Aer Soléir is advantageous not only because it allows for early collection of the final balance, greatly enhancing available financial resources, but, most importantly, it will underscore the Company's ability to assure its clients on meeting deadlines even in a new business area.

As for **Energy Efficiency activities**, by year end, we anticipate further accelerating ongoing operations without the constraints and uncertainties tied to the assignment and collection of credits. The aim is to achieve over 1 MW of installed capacity in both the civil and industrial sectors. However, this market is still considered to be a strong growth driver given the sustained demand coming from the market.

Lastly, no growth trends are anticipated in **E.P.C. activities** by year end, due to the narrow profitability of a highly competitive market. In this segment, the Company's business model sees a commitment towards the construction of own solar power plants starting next year.

This will facilitate the maximization of value and integration between Co-Development and E.P.C. activities.

Lastly, **international development**, the U.S. in particular, will continue throughout the year, with the goal of expanding a highly profitable business line with prospects akin to those in the Italian market.

We are confident that the second half of the year will confirm the good results of the first half of the year, possibly achieving higher results than our forecasts. We believe, in fact, that by the end of the financial year the Company will redraft a Business Plan in line with the updated development prospects.

The consolidated half-year financial report at 30 June 2023 will be made publicly available within the time limits of law at the Company's registered office and on the website <https://www.alteagreenpower.it/>, as well as on the website www.borsaitaliana.it, *Azioni/Documenti* section.

This press release is available on the Company website <https://www.alteagreenpower.it/> and at www.1info.it

About Altea Green Power:

Altea Green Power is a company engaged in the development and construction of environmentally-friendly power generation plants and as a "service integrator", addressing its expertise to individuals, businesses, entities and investors who seek all-round assistance during all the stages of construction and management for a broad range of plant types, especially in the areas of photovoltaics, wind, and BESS Storage, contributing to the reduction of pollution.

Established in 2008 by Giovanni Di Pascale as Altea Energia, in October 2021 it changed its name to Altea Green Power. Today, the Company boasts turnkey solutions for numerous photovoltaic and wind plants across Italy. Its current core business is co-development in wind, photovoltaics and Storage. To date it has contracted over 1.5 GW of photovoltaic and wind projects and approximately 0.5 GW of BESS Storage projects. Its clients are some of the world's top players.

Since 1 February 2022, it has been listed on the Euronext Growth Milan market of Borsa Italiana.

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Annexes

Below are the main statements for the Consolidated results at 30 June 2023, specifically:

- Income statement at 30/06/2023 (vs. income statement at 30/06/2022);
- Statement of financial position at 30/06/2023 (vs. Statement of financial position at 31/12/2022);
- Statement of cash flows at 30/06/2023 (vs. statement of cash flows at 30/06/2022).

RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Income Statement <i>(Figures in Euro/000)</i>	30/06/2023	Inc. %	30/06/2022 <i>(*)</i>	Inc. %	Chg.	Chg. %
Revenue from sales and services	2,138	21.3%	586	7.8%	1,552	264.8%
Change in inventory of work in progress	7,525	74.9%	6,749	90.0%	775	11.5%
Other revenue and income	389	3.9%	165	2.2%	224	135.2%
Value of production	10,051	100.0%	7,501	100.0%	2,550	34.0%
Costs for raw and ancillary materials and consumables	(270)	2.7%	(295)	3.9%	25	(8.4%)
Service costs	(3,148)	31.3%	(3,915)	52.2%	767	(19.6%)
Costs for rentals and leases	(91)	0.9%	(83)	1.1%	(8)	9.8%
Personnel expense	(718)	7.1%	(617)	8.2%	(100)	16.3%
Other operating expense	(639)	6.4%	(814)	10.9%	175	(21.5%)
Adjusted EBITDA	5,185	51.6%	1,776	23.7%	3,409	192.0%
Extraordinary contingent assets	-	-	-	-	-	-
Extraordinary contingent liabilities	(19)	0.2%	-	-	(19)	-
EBITDA	5,166	51.4%	1,776	23.7%	3,390	190.9%
Amortization and depreciation	(84)	0.8%	(81)	1.1%	(3)	3.5%
Allowance for impairment	-	-	-	-	-	-
EBIT	5,082	50.6%	1,695	22.6%	3,387	199.8%
Write-downs	-	-	-	-	-	-
Financial result	(120)	(1.2%)	1	0.0%	(121)	n.s.
EBT	4,962	49.4%	1,696	22.6%	3,266	192.6%
Income tax	(1,500)	14.9%	(529)	7.1%	(971)	183.6%
Profit (loss) for the year	3,462	34.4%	1,167	15.6%	2,295	196.7%

() Certain amounts from the comparison periods have been reclassified to provide a clearer presentation. Overall, these reclassifications do not have a significant impact.*

RECLASSIFIED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Statement of Financial Position <i>(Figures in Euro/000)</i>	30/06/2023	31/12/2022 <i>(*)</i>	Chg.	Chg. %
Intangible fixed assets	547	624	(77)	(12.4%)
Tangible fixed assets	89	82	8	9.7%
Financial fixed assets	964	88	875	989.1%
Net fixed assets	1,600	794	806	101.5%
Inventory	22,590	15,068	7,522	49.9%
Trade receivables	1,468	4,001	(2,533)	(63.3%)
Trade payables	(2,067)	(1,595)	(472)	29.6%
Trade Working Capital	21,991	17,475	4,517	25.8%
Other current assets	1,896	1,198	699	58.3%
Other current liabilities	(7,251)	(7,202)	(50)	0.7%
Tax receivables and payables	(1,500)	(1,076)	(424)	39.4%
Net accruals and deferrals	(157)	(224)	67	(29.8%)
Net Working Capital	14,979	10,171	4,809	47.3%
Post-employment benefits	(55)	(53)	(2)	3.2%
Provisions for risks and charges	(11)	-	(11)	-
Net capital employed (Use of funds)	16,514	10,912	5,602	51.3%
ST payables to banks	854	262	592	226.2%
MLT payables to banks	2,766	604	2,162	357.9%
Total financial debt	3,620	866	2,754	318.0%
Cash funds	(2,227)	(1,661)	(566)	34.1%
Financial receivables	(37)	-	(37)	-
Net fin. position	1,356	(795)	2,150	(270.6%)
Share capital	831	831	-	
Reserves	10,865	6,758	4,107	60.8%
Profit (loss) for the year	3,462	4,118	(655)	(15.9%)
Equity	15,158	11,707	3,452	29.5%
Total sources	16,514	10,912	5,602	51.3%

() Certain amounts from the comparison periods have been reclassified to provide a clearer presentation. Overall, these reclassifications do not have a significant impact.*

CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD)

<i>Amounts in Euro</i>	30 June 2023	30 June 2022
A. Cash flow from operations (indirect method)		
Profit (loss) for the year	3,462,373	1,167,061
Income tax	1,500,001	528,913
Interest expense/(interest income)	119,997	(957)
1. Profit (loss) for the year before income tax, interest, dividends and gains/losses from disposals	5,082,371	1,695,017
<i>Adjustments for non-monetary items that did not have a balancing item in the net working capital</i>		
Amortization and depreciation of fixed assets	83,525	80,732
Allocations/(releases) provisions	35,914	28,490
<i>Total adjustments non-monetary items</i>	<i>119,439</i>	<i>109,222</i>
2. Cash flow before changes in NWC	5,201,810	1,804,239
<i>Changes in net working capital</i>		
Decrease/(increase) in net inventory and related advances	(7,522,254)	(6,711,937)
Decrease/(increase) in trade receivables from net third-party and intercompany customers	2,533,286	(50,088)
Increase/(decrease) in payables to third-party and intercompany suppliers	389,528	1,000,508
Decrease/(increase) in accrued income and deferred expense	(28,385)	25,064
Increase/(decrease) in accrued expense and deferred income	(38,298)	(404)
Other changes in net working capital	(190,961)	(39,100)
<i>Total adjustments changes in net working capital</i>	<i>(4,857,083)</i>	<i>(5,775,957)</i>
3. Cash flow after changes in NWC	344,727	(3,971,718)
<i>Other adjustments</i>		
Interest received/(paid)	(119,997)	(32,669)
Income tax paid/(payable/offset)	(1,500,001)	(9,516)
(Utilization of provisions)	(28,723)	(24,252)
<i>Total cash flow adjustments</i>	<i>(1,648,721)</i>	<i>(66,437)</i>
Cash flow from operations (A)	(1,303,994)	(4,038,155)
B. Cash flow from investing activities		
<i>Tangible fixed assets</i>		
(Purchases)	(14,228)	(14,213)
<i>Intangible fixed assets</i>		
(Purchases)	-	(717,832)
<i>Financial fixed assets</i>		
(Purchases)	(937,737)	(40,200)
Disposals or repayments	68,490	82,498
Cash flow from investing activities (B)	(883,474)	(689,747)
C. Cash flow from financing activities		
<i>Loan capital</i>		
Increase (decrease) short-term payables to banks and other financial	592,076	(1,050,915)
New/(Repayment) loans	2,161,783	839,031

<i>Equity</i>		
Capital increase against payment	-	4,993,200
Cash flow from financing activities (C)	2,753,858	4,781,316
D. Cash flow from extraordinary transactions (merger/demerger)		
Cash flow from extraordinary transactions (D)	-	-
Increase (decrease) in cash funds (A ± B ± C ± D)	566,389	53,414
Cash funds at 1 January	1,660,615	3,927
<i>of which:</i>		
- bank and postal deposits	1,660,567	1,168
- cash and valuables on hand	48	2,759
Cash funds at 30 June	2,227,004	57,341
<i>of which:</i>		
- bank and postal deposits	2,226,931	55,401
- cash and valuables on hand	73	1,940