



# 2021 half-year results

28 July 2021



**ALBIOMA**

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1



# H1 2021 highlights



# H1 2021 highlights

## *Operations*

- ▶ Growth in revenues: +7%

## *Development*

- ▶ Beginning of works for the conversion and life extension of Albioma Bois-Rouge (Reunion Island) / exit from coal
- ▶ Acquisition of Gümüşköy, a 13 MW geothermal plant in Turkey
- ▶ 19 MWp of solar projects awarded through tenders
- ▶ Albioma Codora Energia won a contract to secure the sale of energy from its 100% bagasse power plant

## *Financing & stock market*

- ▶ Successful employee-reserved capital increase (5 M€)

## *Other*

- ▶ Ransomware attack targeting the Group's computer network in May (no impact on industrial activities)



TAC Saint-Pierre, Reunion Island

2 |

## Strategic positioning



# Albioma

An independent renewable energy producer



*Thermal biomass*

A unique **partnership** for 25 years with the sugar industry to **produce renewable energy from bagasse**, the fibrous residue from sugar cane



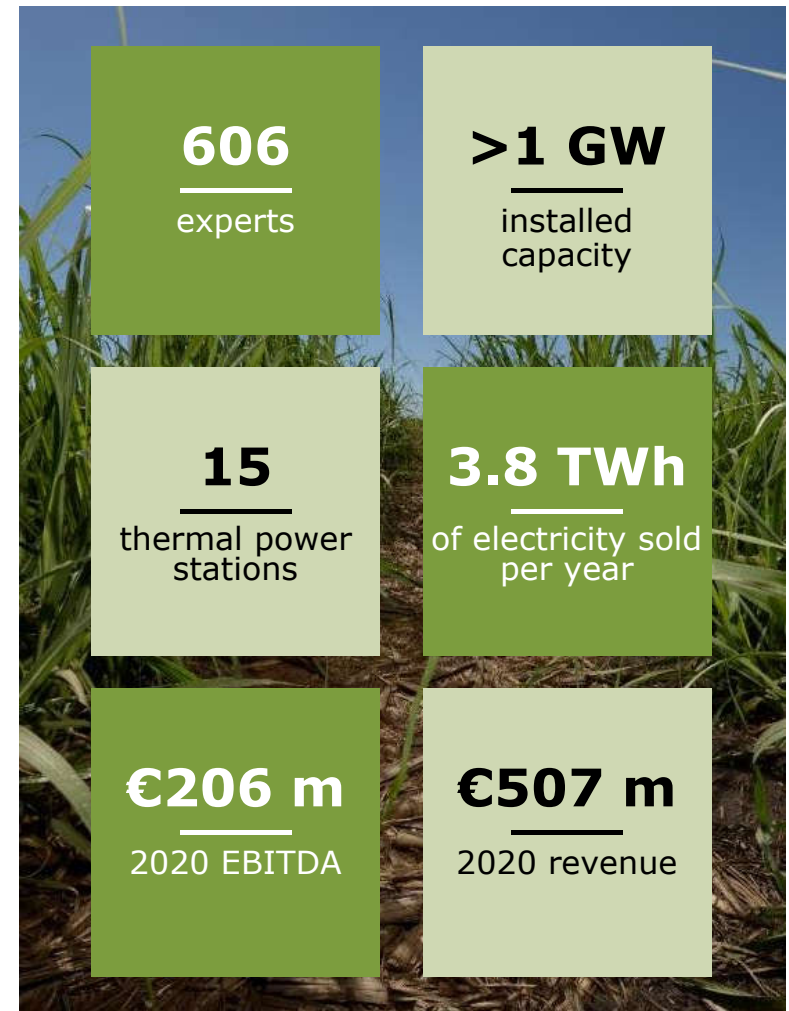
*Photovoltaic*

**The leading producer of photovoltaic energy** in the French overseas territories



*Geothermal*

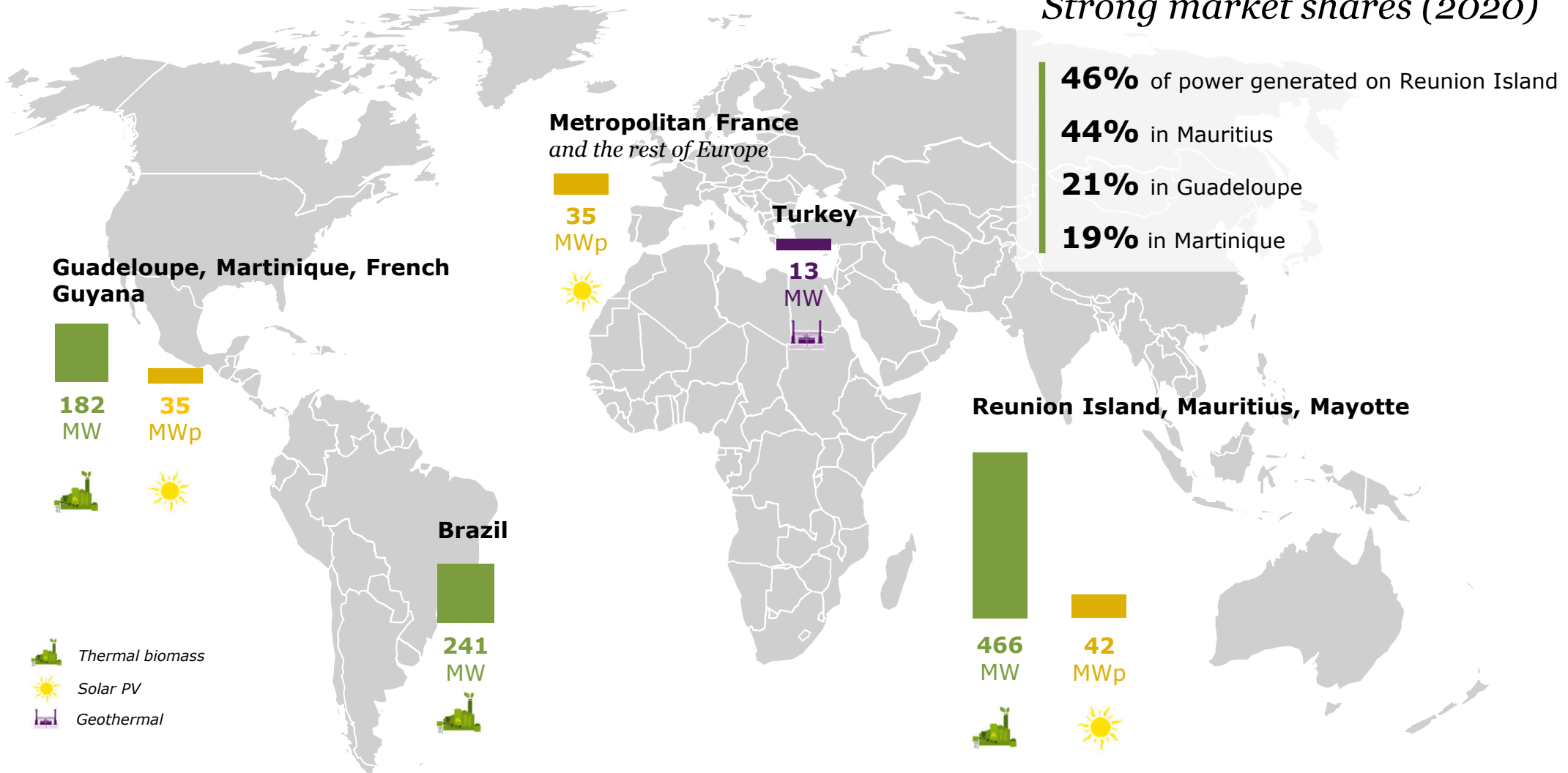
Our new **renewable baseload energy**



# > 1 GW installed capacity across the world

889 MW thermal biomass, 112 MWp solar and 13 MW geothermal

*Strong market shares (2020)*



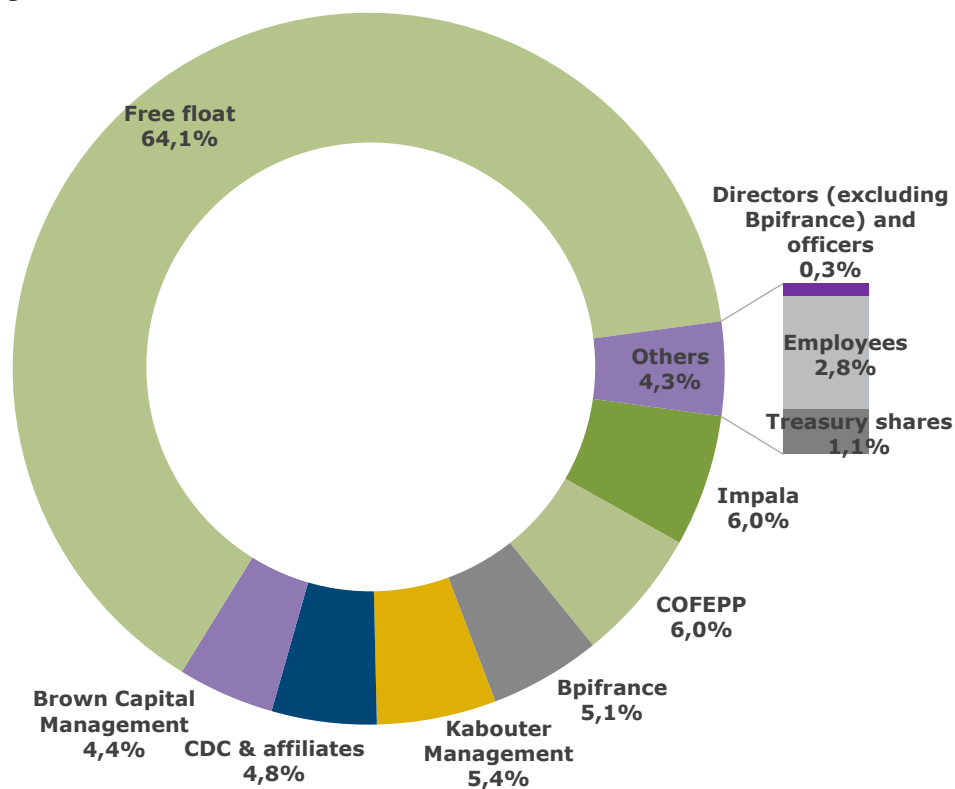
Note: June 2021

# Liquidity and shareholder structure

Albioma now part of SBF 120 index

## Shareholder structure

July 2021



## Liquidity

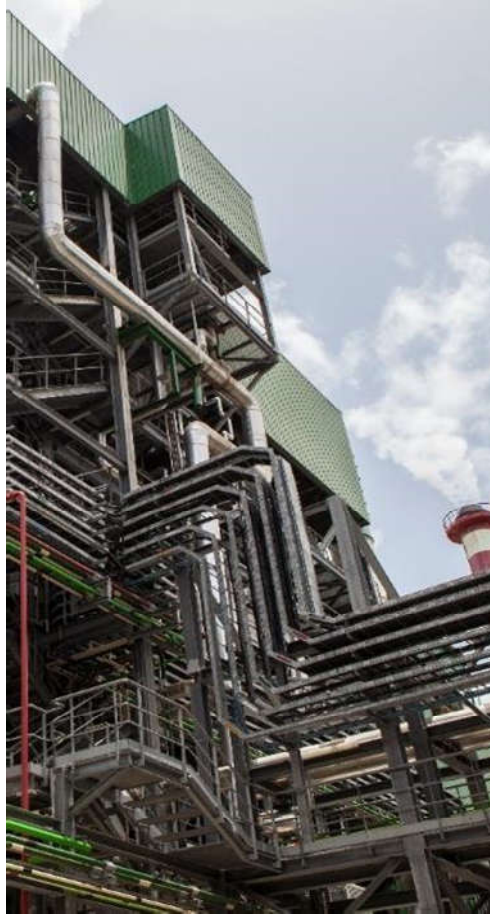
	Euronext	Other platforms	Dark Pool	OTC	Total
<b>Number of traded shares</b>					
Daily average - last 6 months	88,238	66,825	2,426	107,604	<b>265,093</b>
Daily average - last 12 months	73,937	54,730	3,324	82,141	<b>214,132</b>
<b>In thousands of euros</b>					
Daily average - last 6 months	3,454	2,623	100	4,172	<b>10,349</b>
Daily average - last 12 months	3,023	2,238	141	3,321	<b>8,723</b>

Source: Bloomberg – 22 July 2021

# Three-pronged strategy



Gümüşköy, Turkey



Albioma Le Moule, Guadeloupe

1

Act for the energy transition in the French overseas territories

2

Accelerate the development in solar PV

3

Global roll-out of Albioma's expertise

# 1 - Act for the energy transition in the French overseas territories



# 1 - Act for the energy transition in French overseas territories



## 100% biomass target in our plants

- ▶ Substitution of biomass for coal in plants which recover bagasse
- ▶ Give priority to local biomass, while avoiding conflicting uses (cane straw, forest residues, etc.) and contributing to a circular economy (green waste, etc.)
- ▶ Use of traceable and renewable imported biomass to top up

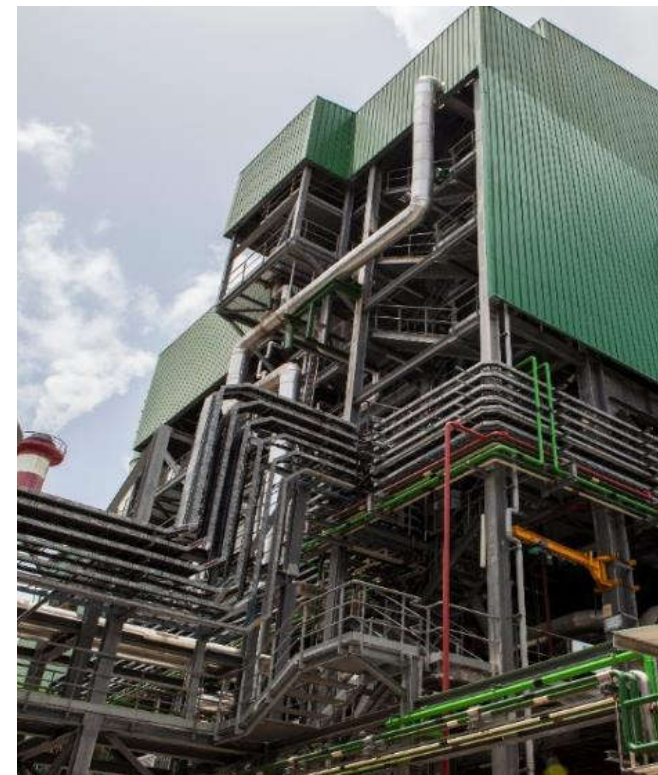


## Increase renewable energy production

- ▶ Production of reliable energy, guaranteeing security and stability of the grid from 100% renewable sources
- ▶ Commissioning of new biomass projects, solar energy storage projects and 100% storage projects in non interconnected areas aiming to counter the intermittent nature of production



## Make use of solid recovered fuels (SRF)



Albioma Le Moule, Guadeloupe

# Three main sources of sustainable biomass



## Bagasse

- ▶ Historical partnership with sugar mills
- ▶ Locally available, in large quantities
- ▶ 6 to 10 months per year



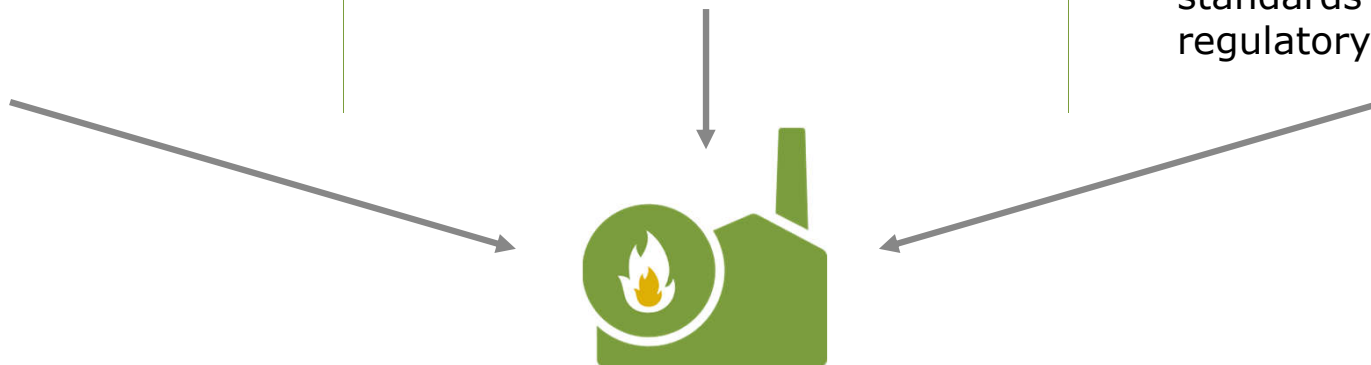
## Other local biomass sources

- ▶ Shredded wood packaging, green waste, wood chips...
- ▶ Sustainable and with social and economic added value

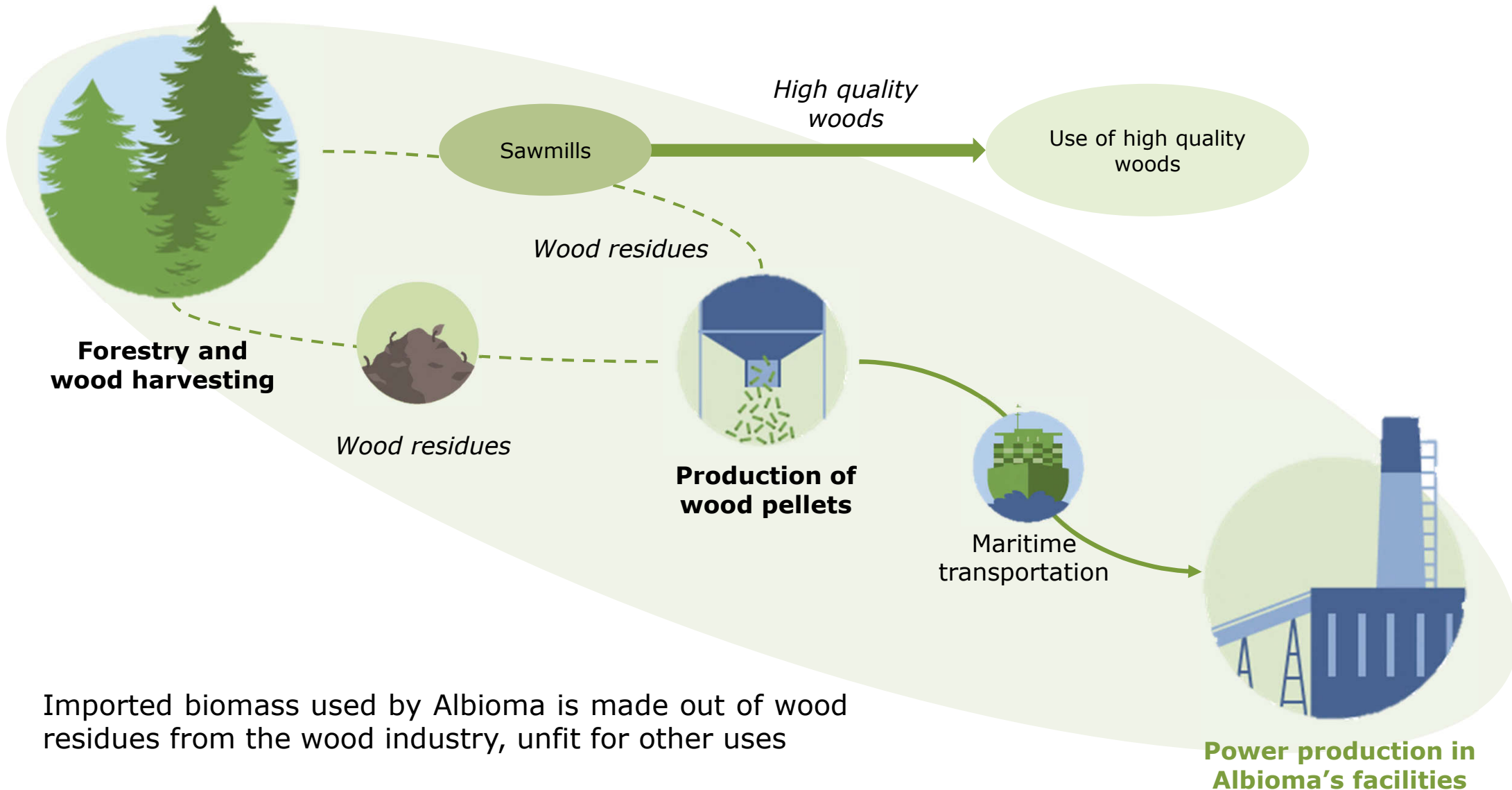


## Sustainable imported biomass

- ▶ Pellets from wood processing residues
- ▶ FSC/PEFC/SBP certification : guaranteed sustainability in accordance with international standards and existing regulatory framework



# Supply chain for sustainable imported biomass



Imported biomass used by Albioma is made out of wood residues from the wood industry, unfit for other uses

## 2 – Accelerate the development in solar PV



# 2 - Accelerate and strengthen solar power development



## Positioning on targeted and profitable segments

- ▶ Consolidate our leading position in French overseas markets and strengthen it in mainland France
- ▶ Reference target segments: small and medium rooftops, storage, land with no conflict of use



## Innovative solutions

- ▶ Integrate innovative solutions into our PV projects
  - PV + storage plants in non-interconnected areas
  - Participation in call for tenders dedicated to innovative projects organized by the French regulator (CRE)
- ▶ Positioning on 100% storage project/network services



## A very promising market

- ▶ Increase in the size of projects eligible to energy purchase obligation rates from 100 kWp to 300 kWp
- ▶ Visibility on tender volumes: approx. c. 1 GWp/year on our targeted segments
- ▶ Consolidation of our portfolio through selective acquisitions

# 3 – Global roll-out of Albioma's expertise



# 3 - Global roll-out of Albioma's expertise

## Geographical and technological diversification

Today

In the medium term

### *A solid positioning in Mauritius*

- ▶ 44% of the electricity produced on the island today
- ▶ 3 plants currently in operation

### *Continuation of the development in Brazil*

- ▶ Capitalise on our experiences
- ▶ 4 plants currently in operation

### *Development of the geothermal business*

- ▶ First step in Turkey with 1 plant, Gümüşköy

### *Continued expansion*

- ▶ **Geographical approach:** biomass - supporting existing sugar-refining partners or operating or developing new projects in Latin America, South-East Asia...
- ▶ **Technological diversification:** continue to develop other sources of renewable energies and particularly geothermal energy

# Development of the geothermal business



## A locally-produced, renewable and competitive energy

- ▶ Geothermal power plants extract heat from below the earth's surface and convert it into electricity
- ▶ High barriers to entry
- ▶ Like biomass, geothermal is a baseload energy (available on a 24/7 basis), which enhances the stability of electrical networks



## Gümüşköy power plant, commissioned in 2013

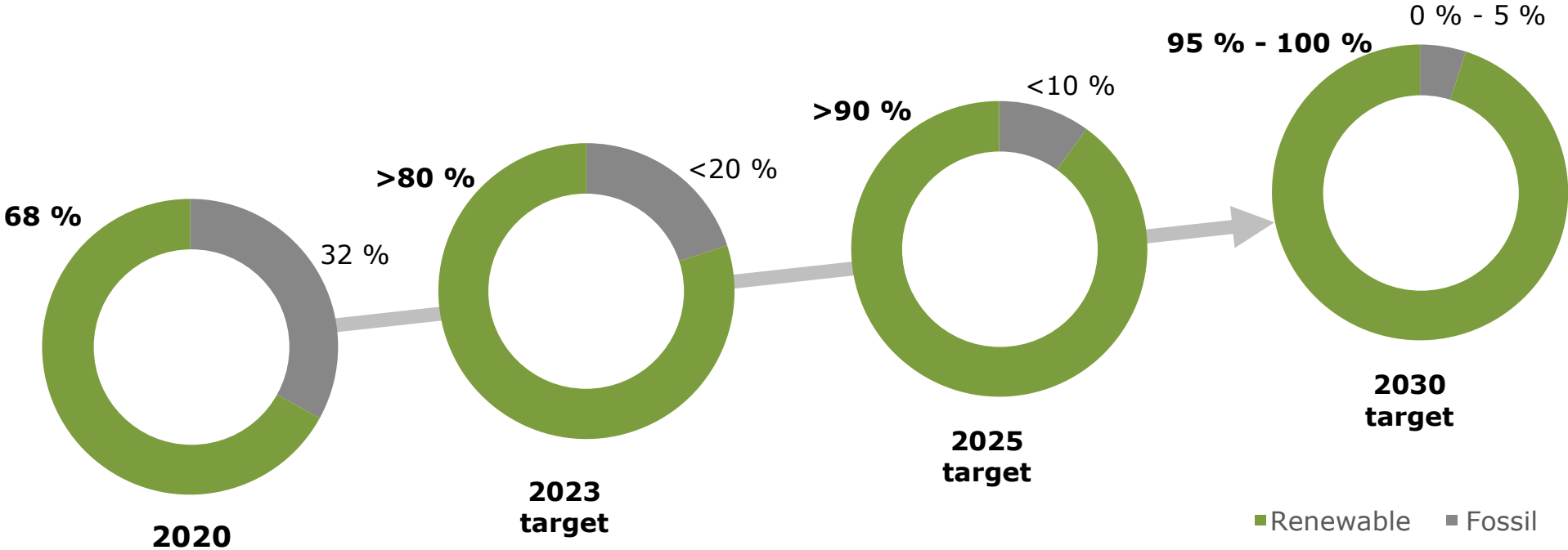
- ▶ Gross capacity of 13 MW - four production wells  
Currently exports up to 45 GWh of renewable electricity to the grid annual
- ▶ Operating licence valid until 2040 with scope to extend for an additional 10-year period
- ▶ Improvement works carried out to increase outputs
- ▶ Turkey, ranks 4 in the world in terms of installed geothermal capacity (> 1,600 MW) - potential for future developments



Gümüşköy, Turkey

# >90 % renewable energy target by 2025

Full exit from coal in French overseas targeted end 2025



Note: Aggregate of fully consolidated companies. Renewable energy (electrical and steam) as a share of total production.

# Strong extra-financial performance

63/100

ESG score



**Ranked among the top 2% companies rated by V.E** (ex Vigeo Eiris)

Achievement of a robust ESG performance (+4 points vs 2019)



**S&P Global**

Gaia Index: Rewards the best performers from a panel of 230 SME's and MidCaps

Part of the S&P Global Clean Energy Index (since April)

**Sustainability linked framework**

Publication in December 2020 of a [Sustainability-Linked Financing Framework](#) aligned with the LMA's and the ICMA's Principles as confirmed by [a Second Party Opinion from V.E](#)

*Actively contributing to the sustainable development goals (sdg) of the united nations for 2030*



# 3 | Operational performance



3.1

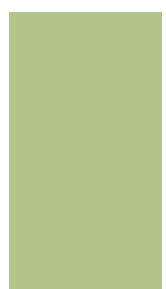


France

# France – Thermal Biomass – operations

*Plant availability*

86.7%\*



H1 2020

87.5%



H1 2021

*Power generation*

984



H1 2020

952



H1 2021

\* All plants (excluding ALM3 shutdown for conversion works, the rate was 91.7%)

- ▶ Several **scheduled maintenance shutdowns** for the thermal power plants (191 days in H1 2021 vs 105 days in H1 2020 for all plants) and some unplanned technical shutdowns
- ▶ **Excellent availability (96.4%) of Albioma Le Moule 3**, recently converted to biomass (recommissioned in November 2020)

# France – Thermal Biomass

## *Conversion to biomass of Albioma Bois-Rouge*

- ▶ EDF contract rider signed on 16 February 2021 and beginning of works in H1 2021
- ▶ 84% reduction in GES emissions ie -640 kt CO<sub>2</sub> equivalent<sup>1</sup>
- ▶ Successive plant shutdowns expected between mid 2022 (ABR2) and 2023 (ABR1)



*Projected integration of the new biomass storage domes on Bois-Rouge plant site*

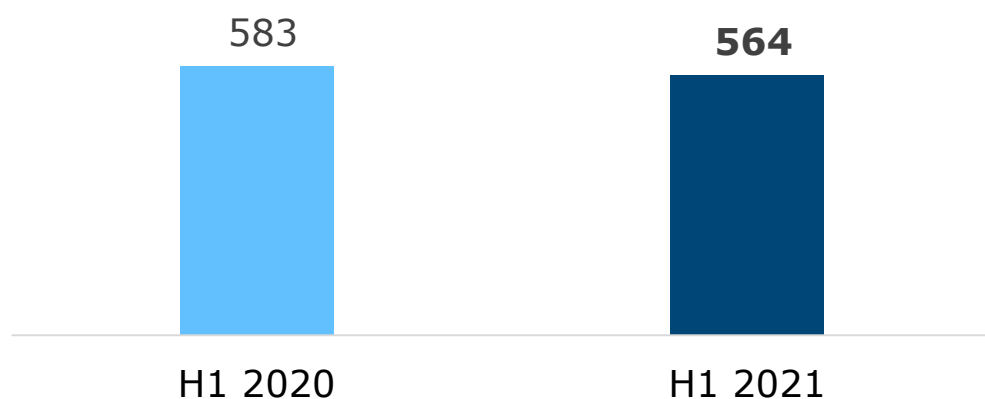


*Overview picture of the biomass storage domes foundations*

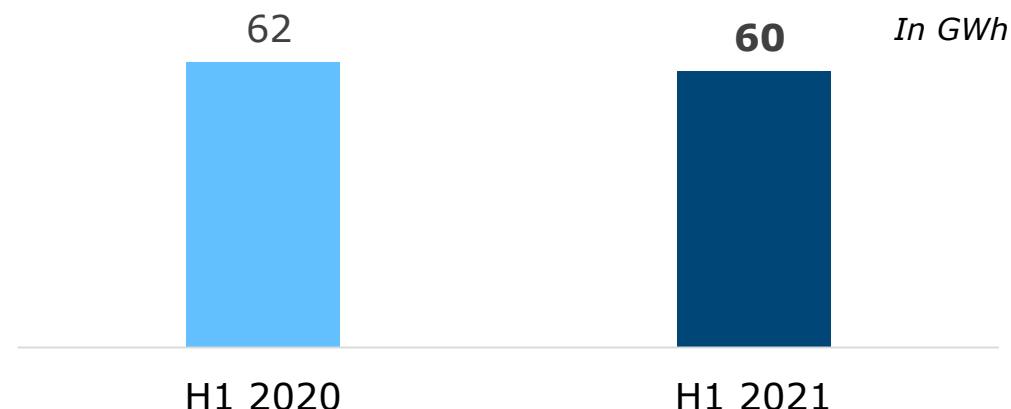
<sup>1</sup> Deloitte - 2018

# France – Solar Power

*Number of equivalent full power hours*



*Power generation*



- ▶ **Stable production** compared to H1 2020
  - New plants commissioned on Reunion Island and in Mayotte
  - Lower solar irradiation in French Guyana
- ▶ **19 MWp** of PV projects awarded through governmental call for tenders in France (12 MWp in non-interconnected areas and 7 MWp in mainland France) in H1 2021
  - Albioma ranked #1 in the last call for tenders session in non-interconnected areas

# 2021 French finance law and solar assets

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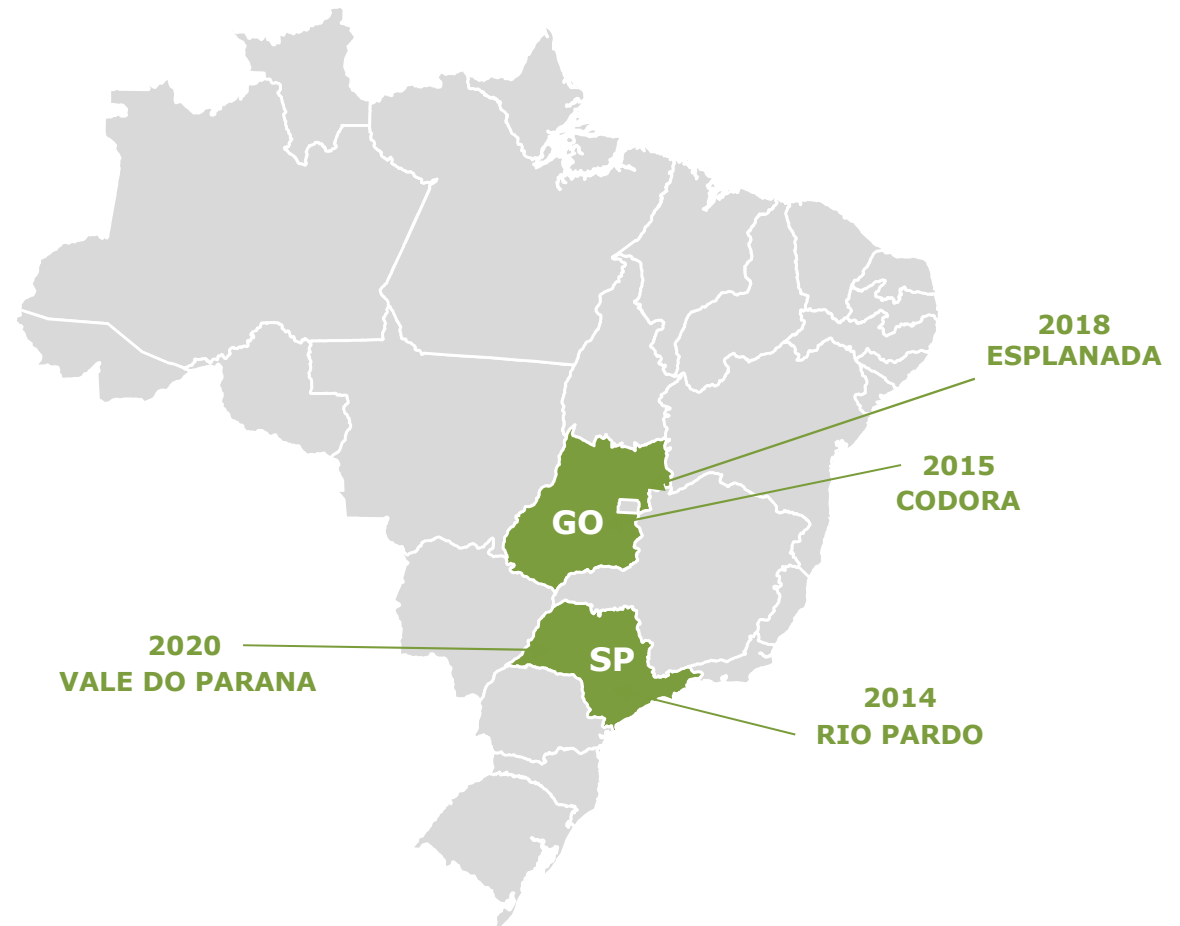
- ▶ The 2021 French finance law (“Loi de finances pour 2021”) voted on 16 December 2020 provides for the possibility of a revision of the 2006-2010 solar feed-in tariffs (*article 54 sexies*)
- ▶ The decrees specifying the reduction level and implementation modalities are not known yet and could be published soon according to the government
- ▶ Up to 57 MWp out of the group’s 112 MWp of installed solar capacity could be concerned by the potential feed-in tariff revision, accounting for 6% of the group revenues and 11% of the group EBITDA
  - As an indication, a 10% decrease in feed-in tariffs would result in a € 2 to 3 million reduction in EBITDA on a full year basis
  - An asset impairment might need to be considered
- ▶ From the last project of decree, among our facilities, only some ground mounted projects would be significantly impacted

3.2



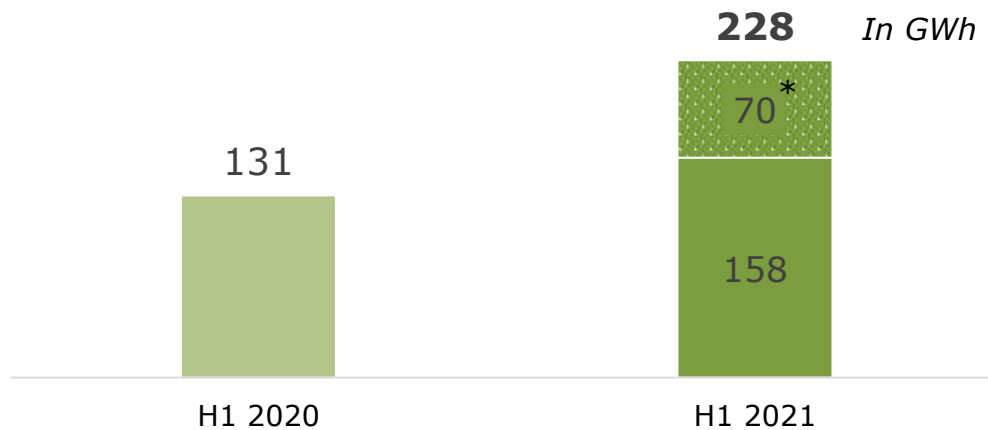
International

# Brazil

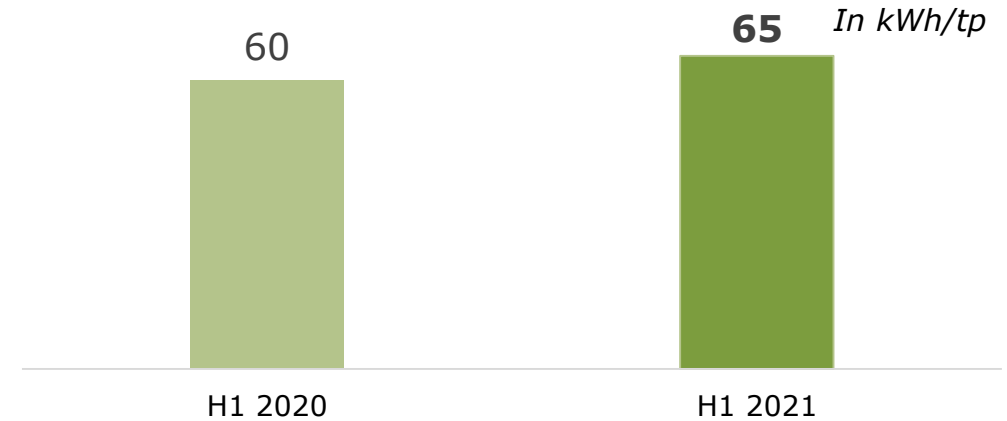


# Brazil

## Power generation



## Energy efficiency



\* Production of Vale Do Paraná

### ▶ Excellent operational performance of the plants

- Excellent operational performance of Vale Do Paraná, commissioned in December 2020, with a production of 70 GWh (48 MW - 40% owned – consolidated using the equity method in the financial statement)
- Excluding Vale Do Paraná, **production is up 20%** compared to H1 2020

▶ Average sale price is up (R\$ 296/MWh in H1 2021 vs R\$ 265/MWh in H1 2020)

▶ **More than 90% of sales are secured** with medium and long term contracts over the next 5 years

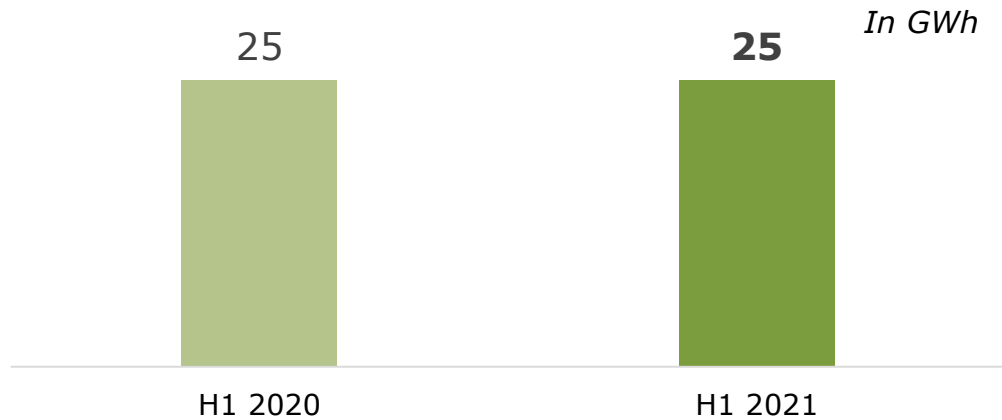
▶ Albioma Codora Energia won a 20-year contract (starting from 2025) to sell 64 GWh at 202 R\$/MWh, indexed on inflation



Turkey

# Turkey – geothermal energy

## *Power generation*



- ▶ **Acquisition on 26 January 2021 of the Gümüşkoy geothermal plant (13 MW), fully consolidated since then**
- ▶ Works aiming at increasing production are being performed (Q2/Q3 2021)

4



## Financial results



# Income statement by region/ business

<i>(In millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020 Published</b>	<b>Change 21/20</b>
France - Thermal biomass	233,1	217,3	+7%
France - Solar <sup>(1)</sup>	23,9	24,1	-1%
Brazil	8,4	8,5	-2%
Holding & Others <sup>(2)</sup>	2,3	0,8	+190%
<b>Turnover</b>	<b>267,7</b>	<b>250,7</b>	<b>+7%</b>
France - Thermal biomass	80,3	82,6	-3%
France - Solar <sup>(1)</sup>	16,4	17,8	-8%
Brazil	3,3	2,2	+46%
Holding, Mauritius & Others <sup>(2)</sup>	(0,5)	(2,2)	NA
<b>EBITDA</b>	<b>99,4</b>	<b>100,4</b>	<b>-1%</b>
<b>Consolidated net income (Group share)</b>	<b>23,5</b>	<b>24,4</b>	<b>-4%</b>

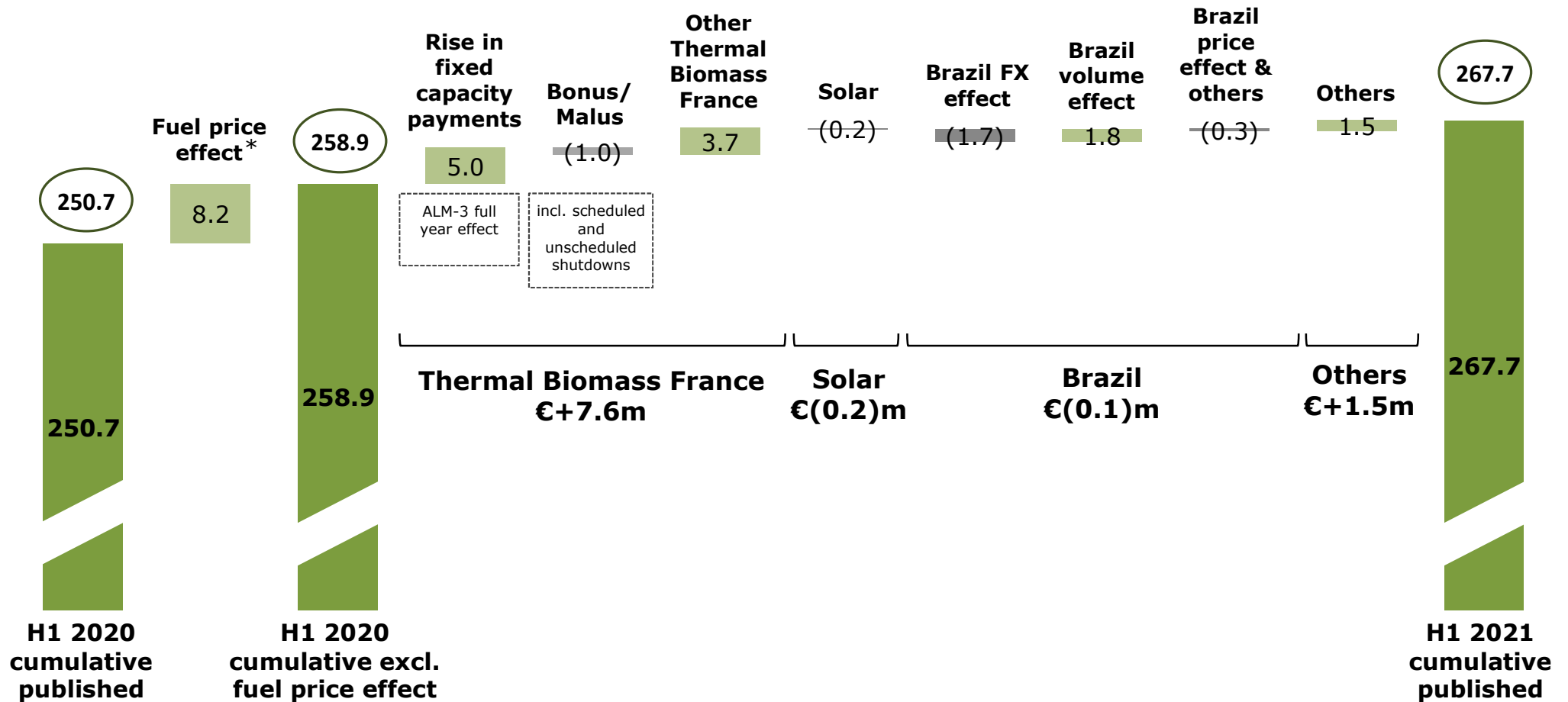
<sup>(1)</sup> Including Spain and Italy

<sup>(2)</sup> Including Geothermal

- ▶ Additional contribution of Albioma Le Moule 3 conversion-related fixed capacity payments
- ▶ More maintenance shutdowns scheduled in H1 2021 than in H1 2020
- ▶ Adverse weather conditions in French Guyana
- ▶ Excellent performance of the Brazilian plants, strong depreciation of BRL
- ▶ Additional contribution of Gümüşköy (Turkey), fully consolidated since its acquisition in January 2021

# Revenues € 268 million, up 7%

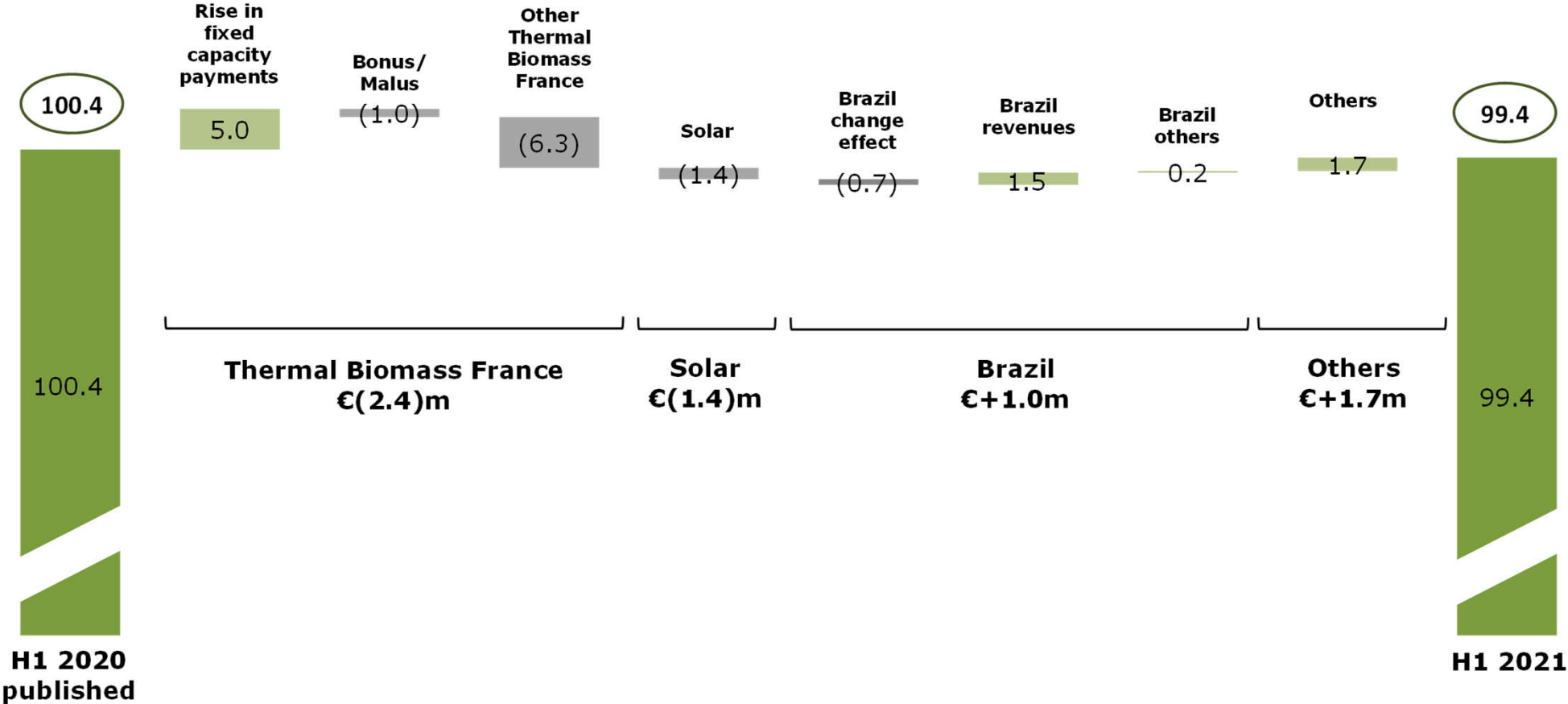
In millions of euros



\* Excluding Albioma Le Moule 3

# EBITDA € 99 million, stable

In millions of euros



# Income statement H1 2021

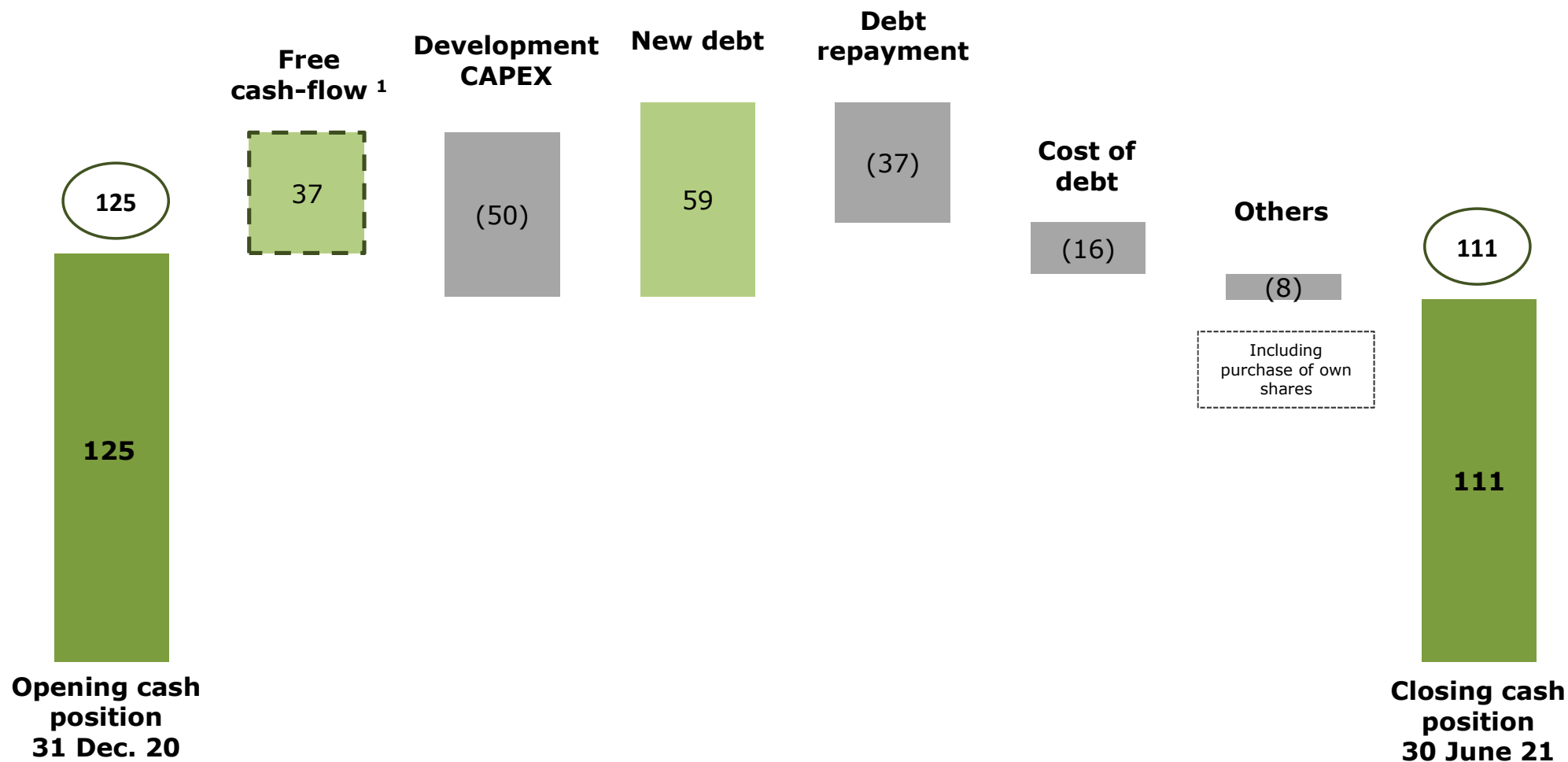
<i>(In millions of euros)</i>	H1 2021	H1 2020 Published	Change 21/20
Revenue	267.7	250.7	+7%
<b>EBITDA</b>	<b>99.4</b>	<b>100.4</b>	<b>-1%</b>
Depreciation, amortization, provisions & others	(43.9)	(40.3)	-9%
Operating income	55.5	60.1	-8%
Net financial result	(15.9)	(16.7)	+5%
Tax	(10.7)	(14.3)	+25%
<i>Effective tax rate <sup>(1)</sup></i>	<i>28.1%</i>	<i>33.3%</i>	
Consolidated net income	28.9	29.1	-1%
<b>Net income, Group share</b>	<b>23.5</b>	<b>24.4</b>	<b>-4%</b>

<sup>(1)</sup> At 30 June 2021, the standard tax rate is 28.1% (effective tax rate restated for the effects of non-deductible impairment losses, excluding Brazil). At 30 June 2020, the rate was 31.7%

# A cash position of €m 111 at 30 June 2021

## Substantial free cash-flow favouring self-financed development

*In millions of euros*



<sup>1</sup> Free cash flow = Cash flow from operating activities - Investments related to operations and maintenance

# A sound balance sheet

- ▶ Slight increase of gross debt linked to Albioma Bois-Rouge conversion CAPEX
- ▶ Residual life of 11 years
- ▶ Group average interest rate of 3.0% (of which France 2.9%)
- ▶ Non-recourse project debts other than the Brazilian debt (€ 15m) and projects under construction

<i>(In millions of euros)</i>	<b>30 June 2021</b>	<b>31 Dec. 2020</b>	<i>Change</i>
Project debt	771	789	-2%
Corporate debt	162	113	+44%
Total gross debt excl. IFRS 16	933	901	+3%
Cash	111	125	-11%
Guarantee deposits and equivalents	4	4	+12%
Total net debt	818	772	+6%
Net debt / LTM EBITDA <sup>(1)</sup>	4.1x	3.8x	
Gearing <sup>(1)(2)</sup>	150%	145%	

<sup>(1)</sup> Excluding IFRS 16 restatements

<sup>(2)</sup> Net debt / Equity

# Inflation and interest rate risk management

## *Inflation*

- ▶ Revenues contractually indexed on inflation

In France: indexation based on two main indexes published by Insee:

- ICHTrev-TS (hourly cost of labor)
- FMOA (industrial production price)



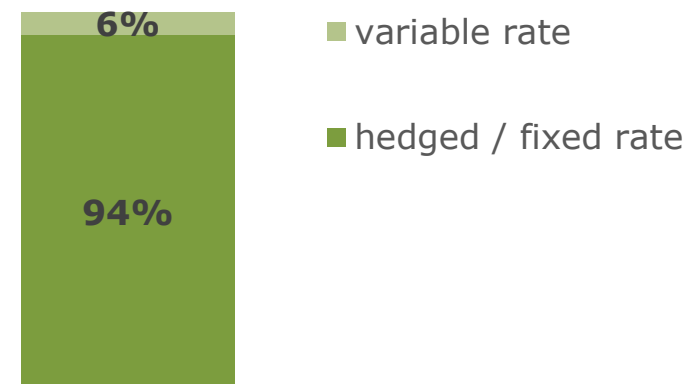
INSEE

In Brazil: All PPA prices indexed on IPCA (national consumer price index) or IGP-M (market price index)

## *Interest rate variation*

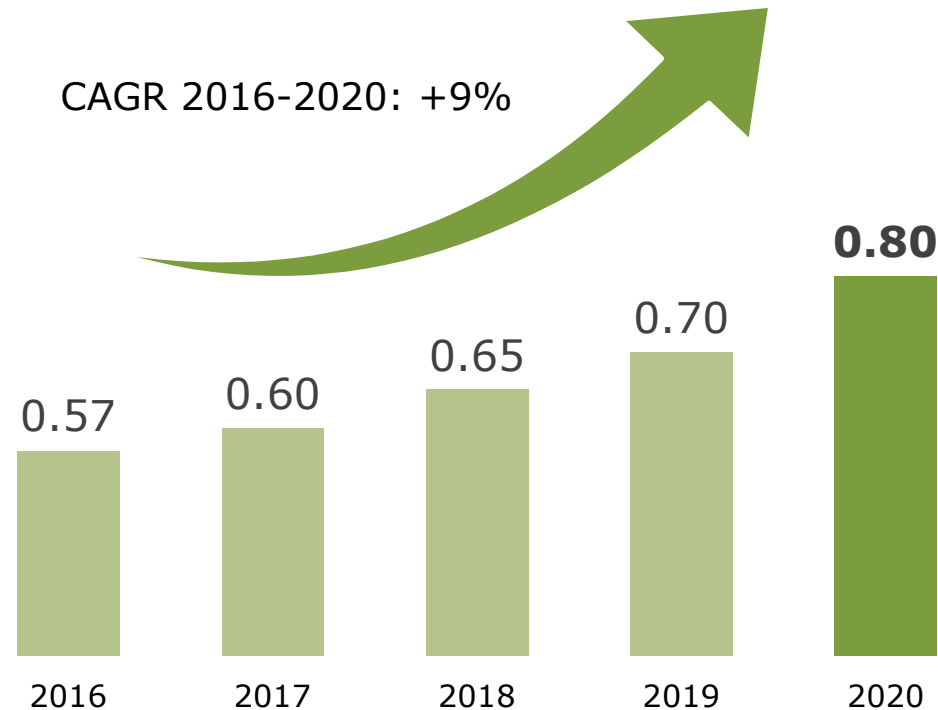
- ▶ Albioma's policy for interest rate risk management is to hedge between 70% and 100% of its debt in euro thanks to:
  - interest rate SWAPs aligned with the underlying debt schedule
  - fixed rates when applicable (Euro PP)

*Exposure of the Group's debt to interest rate variation*



At 30 June 2021

# Sustainable dividend increase



Dividend distribution for the 2020 financial year: **€0.80 per share, up by 14%**

- ▶ Reinvestment rate of the 2020 dividend (option for the payment 50% in cash and 50% in Albioma shares) amounting to **54.80%**

**Loyalty bonus** for shareholders who have held registered shares for a continuous period of at least 2 years

- ▶ Premium of 10% of the dividend

# 2021 objectives confirmed

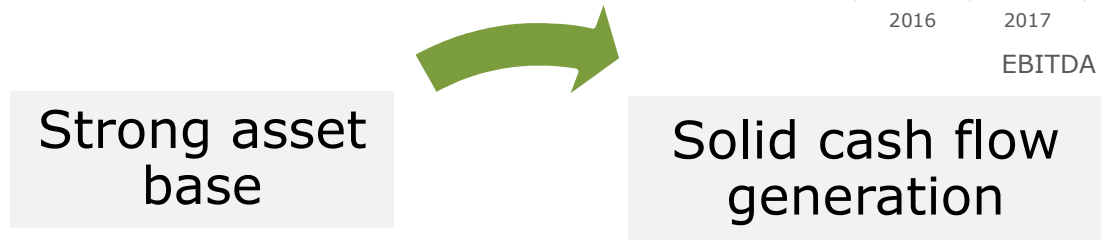
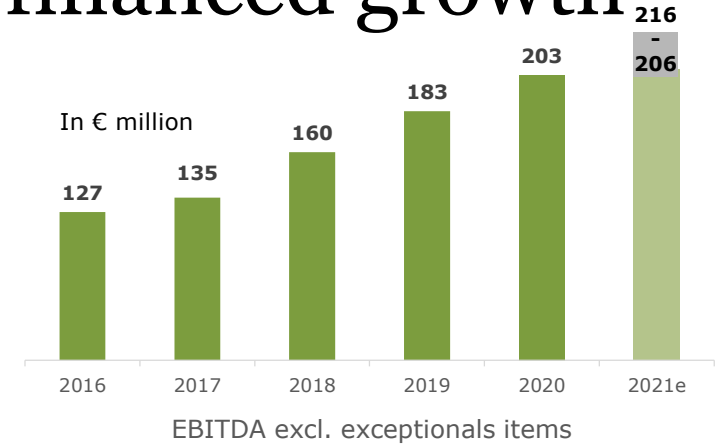
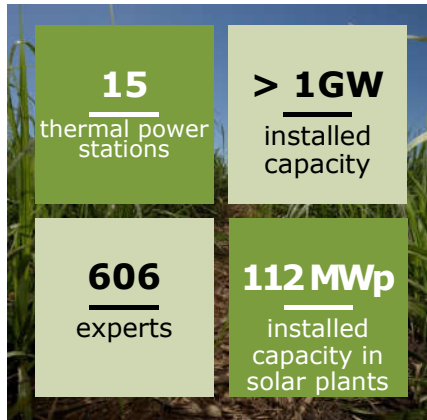
	<b>2020</b>	<b>2021</b>
	Reported	
<b>EBITDA</b> (in millions of euros)	206	<b>206-216</b>
<b>RNPG</b> (in millions of euros)	55	<b>53-59</b>

- ▶ Excluding potential effects of the 2021 French finance law (“loi de finances pour 2021”) related to the revision of the feed-in tariff for solar projects

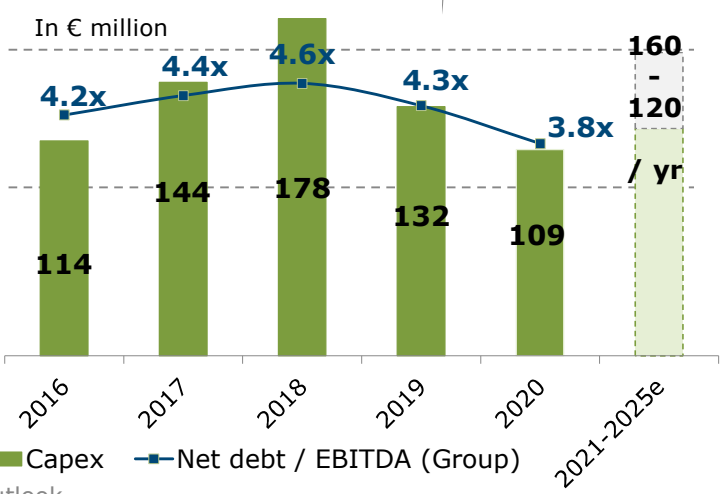
# 5 | Outlook



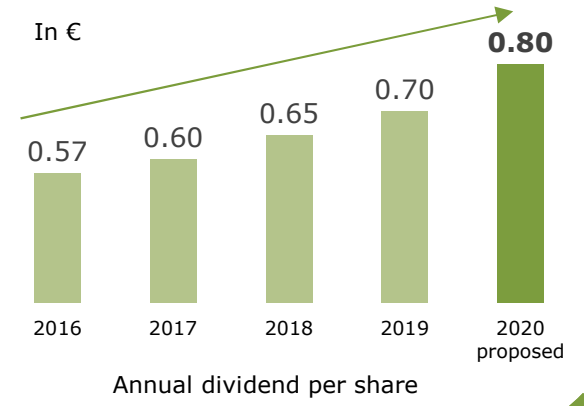
# Dynamic investment policy and self-financed growth



*New long-term project debt*

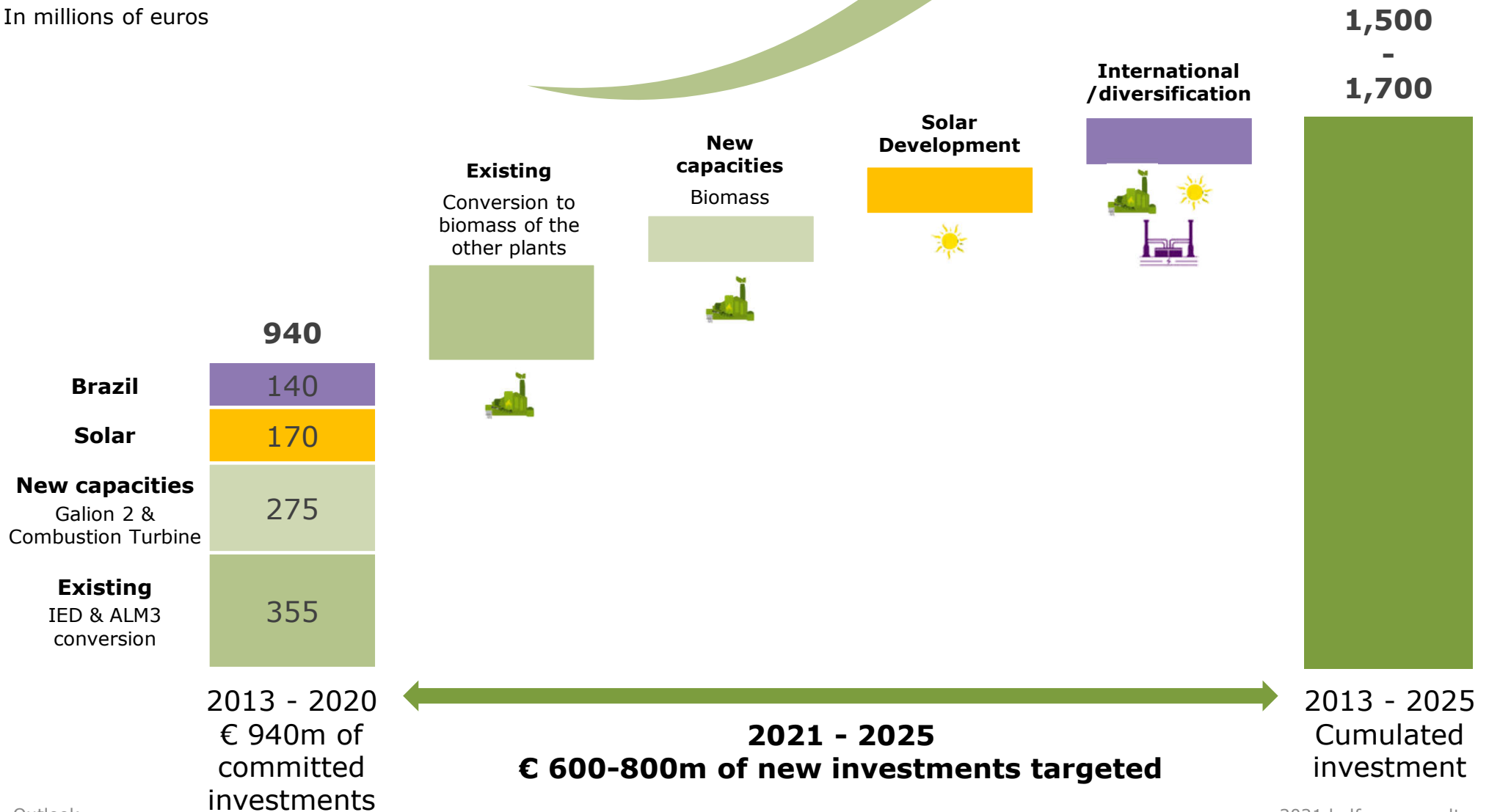


*Dividend increase*



# Investment program until 2025

In millions of euros



# Why invest in Albioma?

A major player at the heart of the energy transition

A future pure player in renewables

A continued growth sustained by an investment program of €600m to €800m by 2025

A best-in-class company in terms of ESG performance

Resilient & solid free cash flow generation



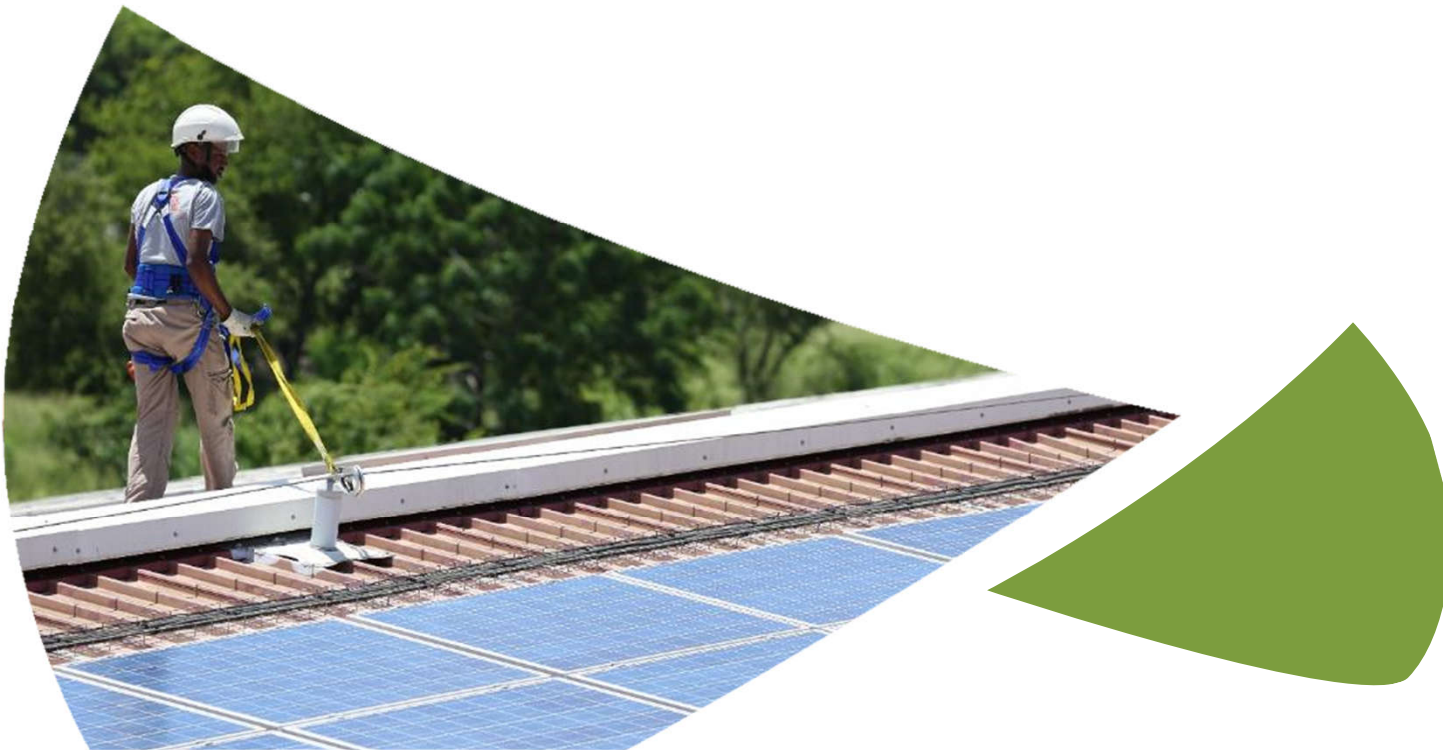
*Albioma Le Moule, Guadeloupe*

*Thank you  
for your attention*



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# 6 | Appendix



# Balance Sheet at 30 June 2021

<b>ASSETS</b> <i>(in millions of euros)</i>	<b>30 June 2021</b>	<b>30 June 2020</b>
Goodwill	16	17
Intangible assets & Property, plants & equip. <sup>(1)</sup>	1,444	1,405
Other non-current assets <sup>(2)</sup>	34	30
<b>Total non-current assets</b>	<b>1,494</b>	<b>1,453</b>
Current assets	195	172
Cash and cash equivalents	111	126
<b>Total ASSETS</b>	<b>1,800</b>	<b>1,751</b>
<b>EQUITY &amp; LIABILITIES</b> <i>(in millions of euros)</i>	<b>30 June 2021</b>	<b>30 June 2020</b>
Shareholders' equity, Group share	454	443
Non-controlling interests	90	90
<b>Total equity</b>	<b>544</b>	<b>532</b>
Current and non-current financial liabilities	933	902
Debts related to the right of use assets (IFRS 16)	42	38
Other non-current liabilities	120	133
Current liabilities	160	145
<b>Total LIABILITIES</b>	<b>1,800</b>	<b>1,751</b>

<sup>(1)</sup> Including €30.6m of right-of-use assets (IFRS 16)

<sup>(2)</sup> Including deferred taxes related to right-of-use assets (IFRS 16)

# Cash flow statement H1 2021

<i>(In millions of euros)</i>	<b>H1 2021</b>	<b>H1 2020 Published</b>
Cash flow from operations	101.3	102.0
Change in net working capital	(28.6)	(39.3)
Tax paid	(22.8)	(11.5)
<b>Net cash from operating activities</b>	<b>49.8</b>	<b>51.3</b>
Operating CAPEX	(12.9)	(7.4)
<b>Free cash flow from operations</b>	<b>36.9</b>	<b>43.8</b>
Development CAPEX	(47.4)	(51.0)
Others / Acquisitions / Disposals	(2.8)	(3.2)
<b>Cash flow from investing activities</b>	<b>(50.2)</b>	<b>(54.2)</b>
Dividends paid to Albioma SA shareholders	-	-
Borrowings (increase)	59.3	33.9
Borrowings (repayment)	(36.7)	(49.8)
Cost of financial debt	(15.7)	(16.6)
Others	(7.6)	2.9
<b>Net cash flow from financing activities</b>	<b>(0.6)</b>	<b>(29.6)</b>
Currency effect on cash	(0.1)	(3.0)
<b>Net change in cash and cash equivalents</b>	<b>(14.1)</b>	<b>(43.0)</b>
Opening cash and cash equivalent position	125.2	161.1
<b>Closing cash and cash equivalent position</b>	<b>111.1</b>	<b>118.1</b>

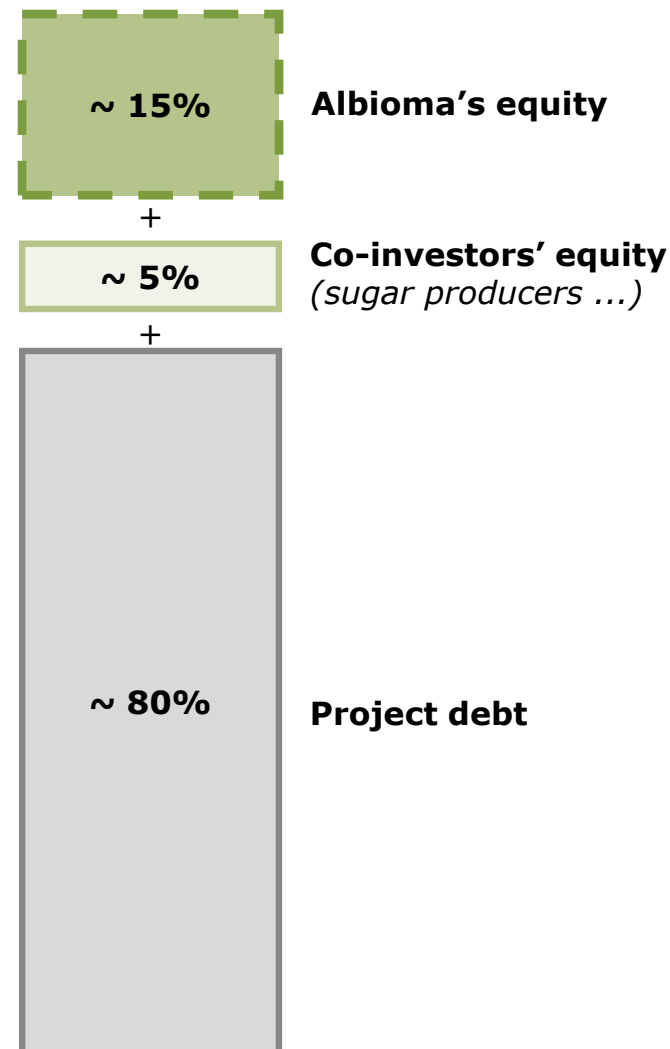
# Illustrative uses & sources of the growth plan

## Targeted capex 2021-2025



- Conversion of biomass existing plants
- Construction of new renewable power plants
- Solar PV development
- International expansion

## Debt and shareholders' equity

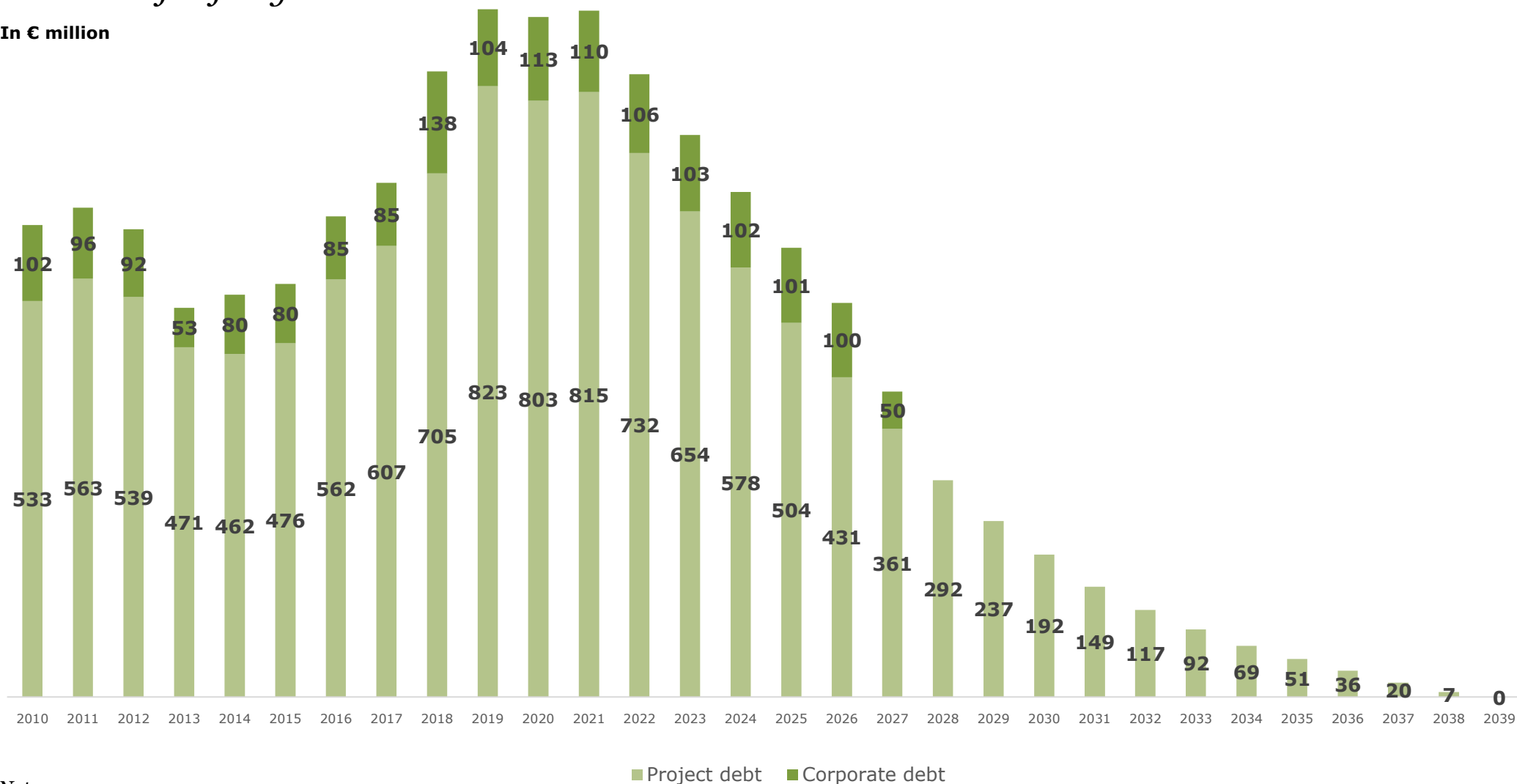


# Long-term debt matched to business profile

## Existing debt repayment profile<sup>1</sup>

*Residual life of 11 years*

In € million



Note

1. Financial liabilities, excluding bank overdrafts, accrued interest and borrowing costs and excluding new projects

6. Appendix

# Albioma's historical business model

Leading player in the bagasse high-efficiency cogeneration industry

