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# Annual results 2021

2 March 2022



# Table of contents

<b>1</b>	2021 highlights	3
<b>2</b>	Strategic positioning	5
<b>3</b>	Operational performance	22
<b>4</b>	Financial results	29
<b>5</b>	Outlook	39
<b>6</b>	Appendix	44



1

# 2021 highlights



# 2021 highlights

## Operations

- ⊙ Strong growth in results: EBITDA +4% & Net income, Group share +7% yoy
- ⊙ Top of the guidance range
- ⊙ 1<sup>st</sup> full year of operation of ALM 3 on biomass after conversion with record availability
- ⊙ Outstanding performance in Brazil and solid contribution of geothermal plant in Turkey
- ⊙ Positive impact of claim management (Galion 2 & Albioma Saint Pierre)

## Development

- ⊙ Significant progress towards conversion of thermal plants:
  - Works underway for the conversion of Albioma Bois-Rouge
  - Favourable decree released on 24 February 2022, for the conversion and extension until 2044 of Albioma Le Gol
  - Diversification of our sustainable biomass supply: acquisition of a wood pellet plant
- ⊙ 29 MWp of solar projects awarded through tenders
- ⊙ Acquisition of a second geothermal power plant in Turkey



# 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



## Geothermal

Our new renewable baseload energy



## Photovoltaic

The leading producer of photovoltaic energy in the French overseas territories



# > 1 GW installed capacity across the world

889 MW thermal biomass, 109 MWp solar and 31 MW geothermal

Strong market shares  
(2021)

**40%**

of power generated  
on Reunion Island

**29%**

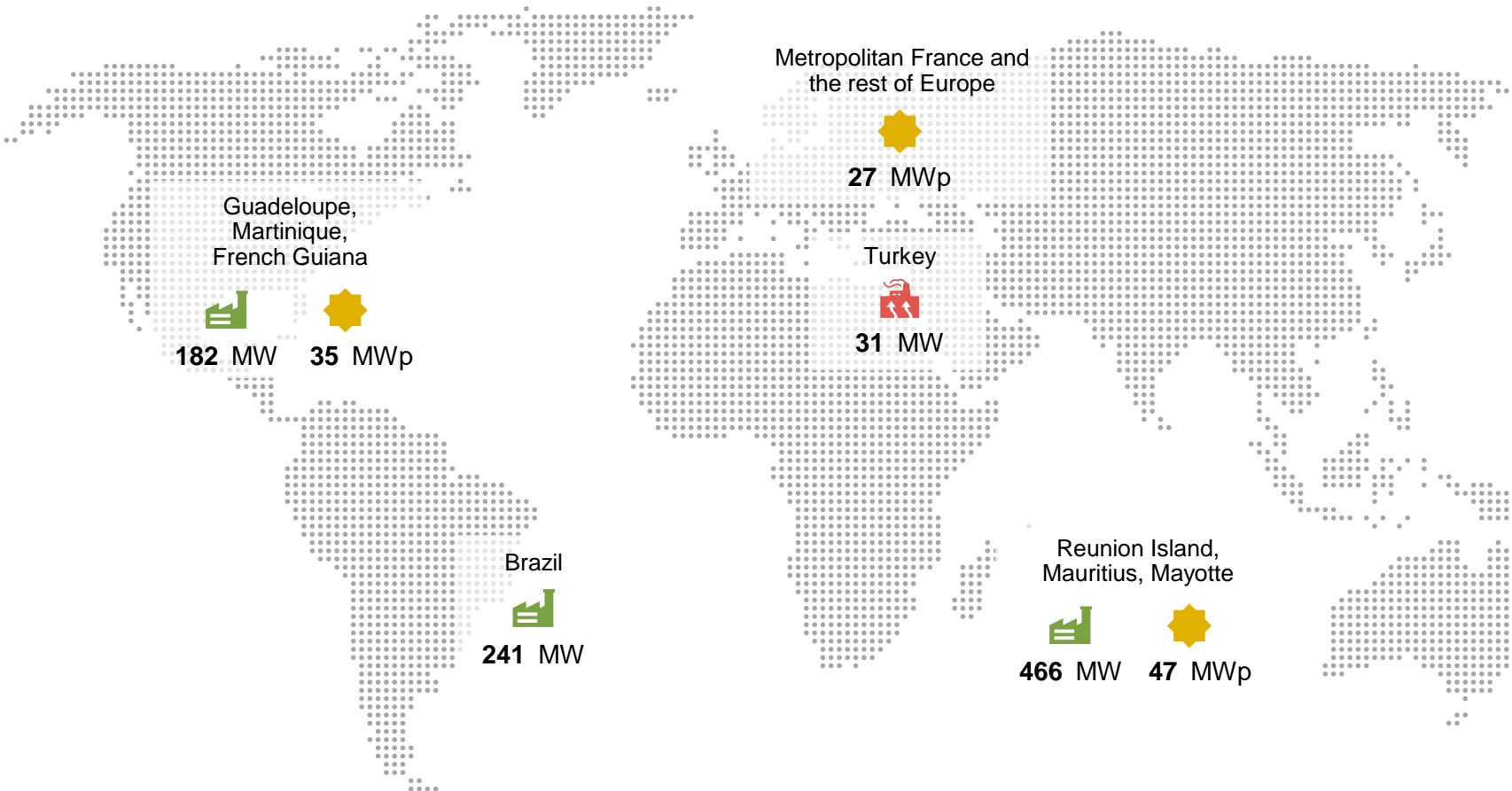
in Guadeloupe

**18%**

in Martinique

**45%**

in Mauritius



Thermal biomass



Solar PV



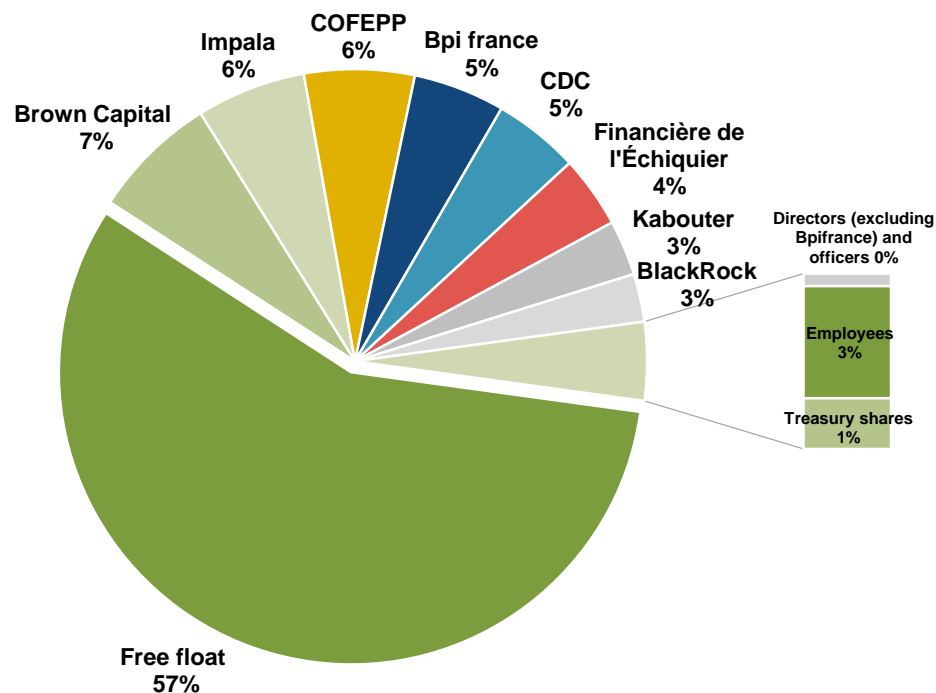
Geothermal

# Liquidity and shareholder structure

Albioma part of SBF 120 index

## Shareholder structure

December 2021



## Liquidity

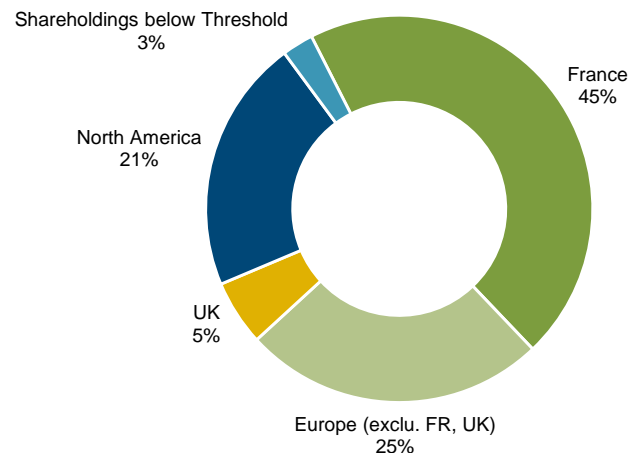
December 2021

	Euronext	Other platforms	Dark Pool	OTC	Total
<b>Number of traded shares</b>					
Daily average - last 6 months	64,534	53,013	2,283	82,805	<b>202,635</b>
Daily average - last 12 months	75,620	60,673	2,519	95,773	<b>234,585</b>
<b>In thousands of euros</b>					
Daily average - last 6 months	2,204	1,801	77	2,810	<b>6,892</b>
Daily average - last 12 months	2,847	2,273	96	3,560	<b>8,776</b>

Source: Bloomberg – 31 December 2021

## Shareholding – Geographic dispersion


December 2021



# Three-pronged strategy



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 the French overseas territories

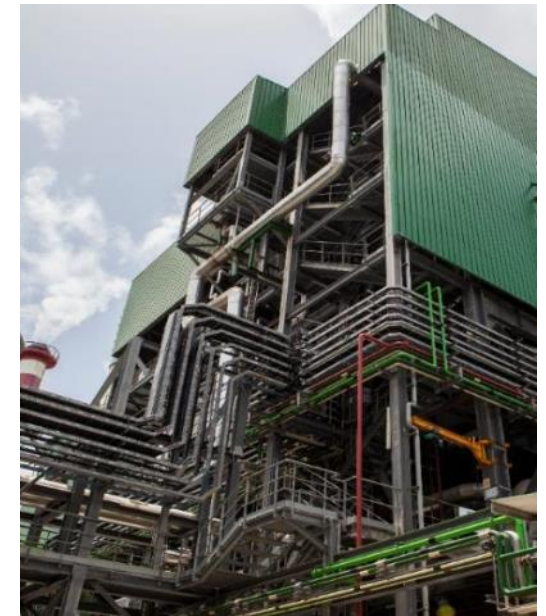
## 100% biomass target in our plants

- ⊙ Substitution of coal for biomass 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



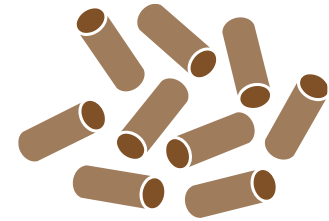
## Bagasse

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



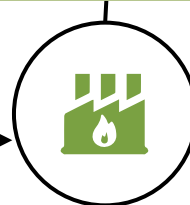
## Other local biomass sources

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

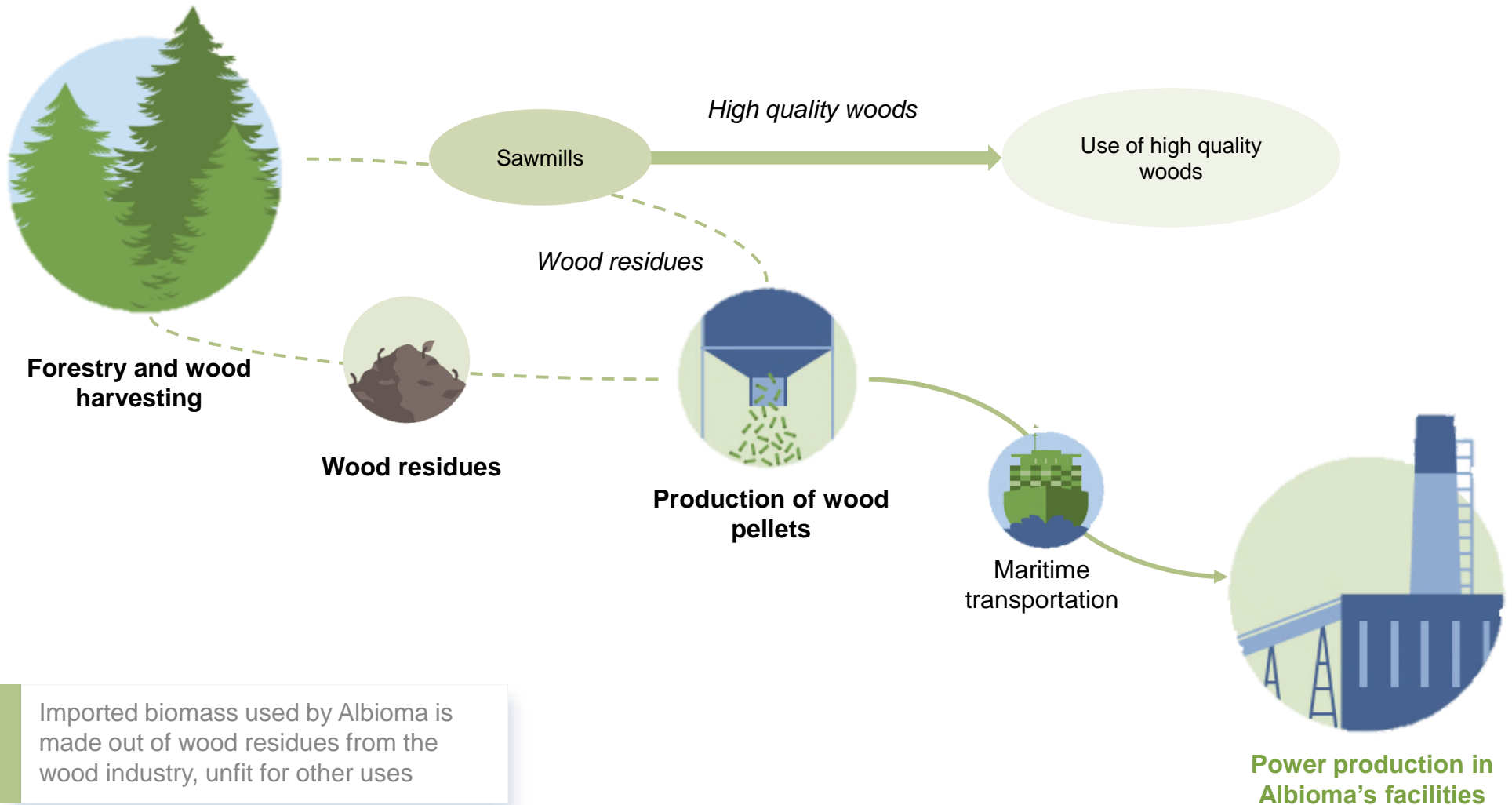


## Sustainable imported biomass

- ⦿ 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

# Acquisition of a wood pellet plant

## Located in Quebec, Canada

Construction finished in December 2020, and is due **to be recommissioned in early S2 2022**, with an annual capacity target of 200,000 tonnes being achieved following **some additional investments**.

Long-term agreement granting access to a 45,000-tonne pellet storage facility **in the Port of Quebec**

## Strategic rationale

Diversification of the Group's **sources of sustainable biomass**

**Security of supply** for the Group's Caribbean power plants

Production of **SBP certified pellets** from wood waste or low-grade wood from certified sustainably managed forests



La marque de la gestion  
forestière responsable  
FSC® C162111



## 2. Accelerate the development in Solar



## 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

**Solar + storage plants** in non-interconnected areas

Participation in calls 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 for energy purchase obligation rates from **100 kWp to 300 kWp**

Visibility on tender volumes: approx. **1 GWp/year** on our targeted segments

Consolidation of our portfolio through selective acquisitions

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



Vale do Paraná, Brazil

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

Geographical and technological diversification

## Today

### A solid positioning in Mauritius

- ⊙ 45% 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 2 plants

## In the medium term

### Continued expansion

#### ⊙ Geographical approach

Biomass - supporting existing sugar-refining partners or operating / 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

## 2 geothermal plants under operation

- ⊙ **Gümüşköy**: Gross capacity of 13 MW - four production wells – currently exports up to 45 GWh - operating licence valid until 2040
- ⊙ **Kuyucak**: Gross capacity of 18 MW - five production wells - currently exports up to 85 GWh - operating licence valid until 2042

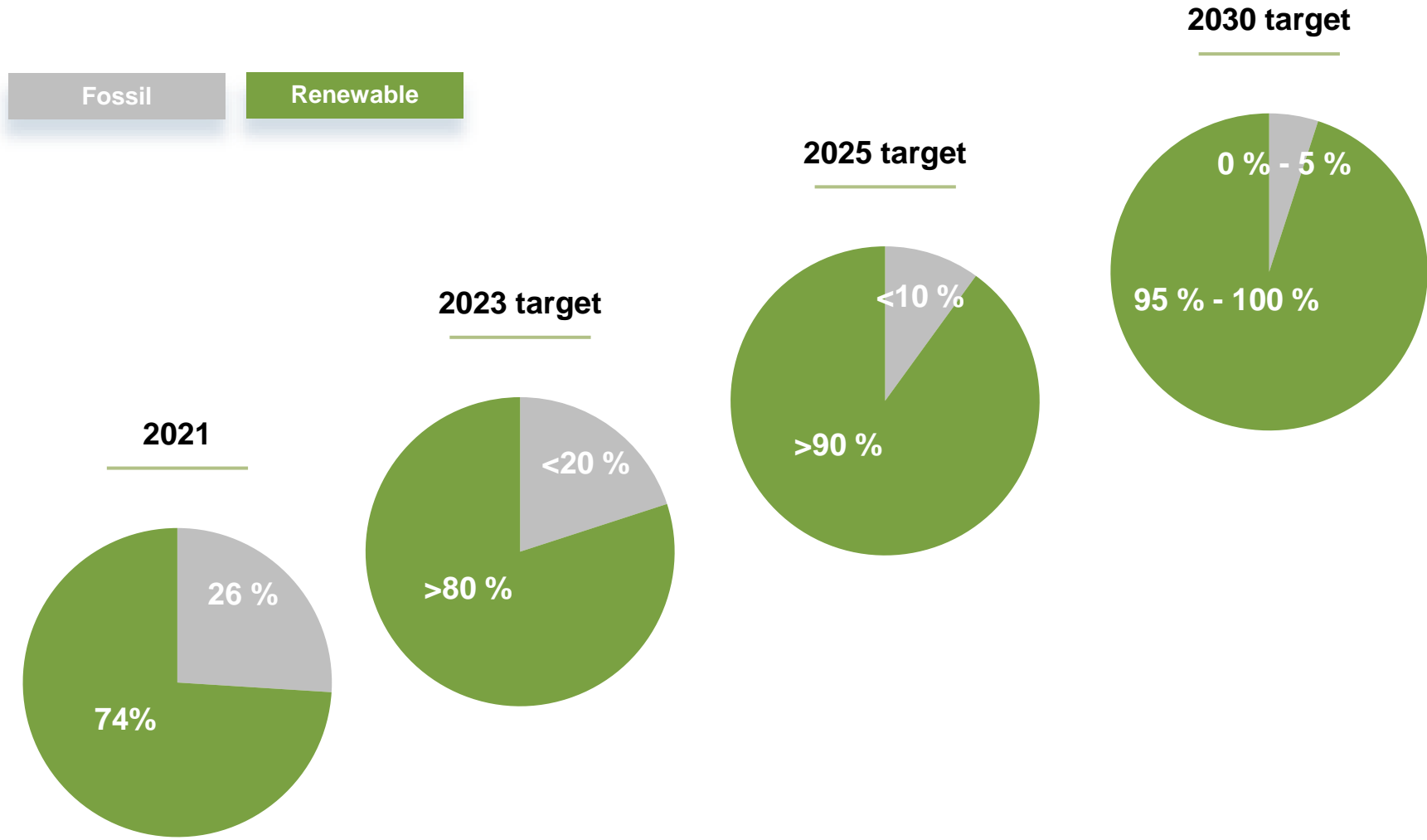
## Expansion

- ⊙ **Turkey**: ranks 4<sup>th</sup> in the world in terms of installed geothermal capacity (> 1,600 MW) - potential for future developments
- ⊙ **Other countries**: strong potential in the Caribbean, Europe and Indian ocean

Vidéo

# >90 % renewable energy target by 2025

Full exit from coal in French overseas territories targeted for end-2025



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



# Strong extra-financial performance



ESG score : **63/100**

Ranked among the top 3% of companies rated by V.E. Achievement of an advanced ESG performance.



Rewards the best performers from a panel of 390 SME's and MidCaps (+7 pts in two years, btw 2018 and 2020).



**Score C** (same as the average performance for the renewable power generation sector).



Allows investors to identify investment undertakings supporting the financing of companies, such as Albioma. Complies with a set of ESG criteria.

## Sustainability linked framework

Publication in Dec. 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



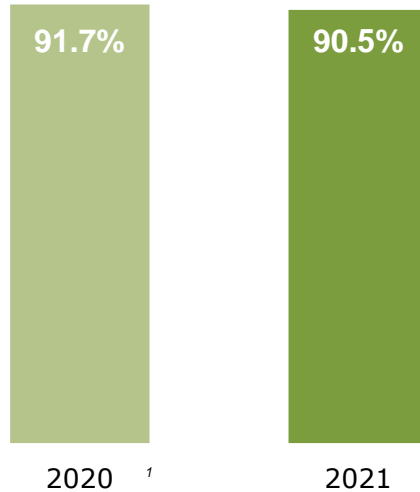
# 3

## Operational performance

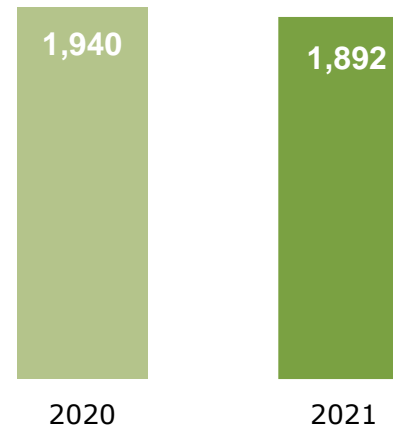


# France – Thermal Biomass

Plant availability

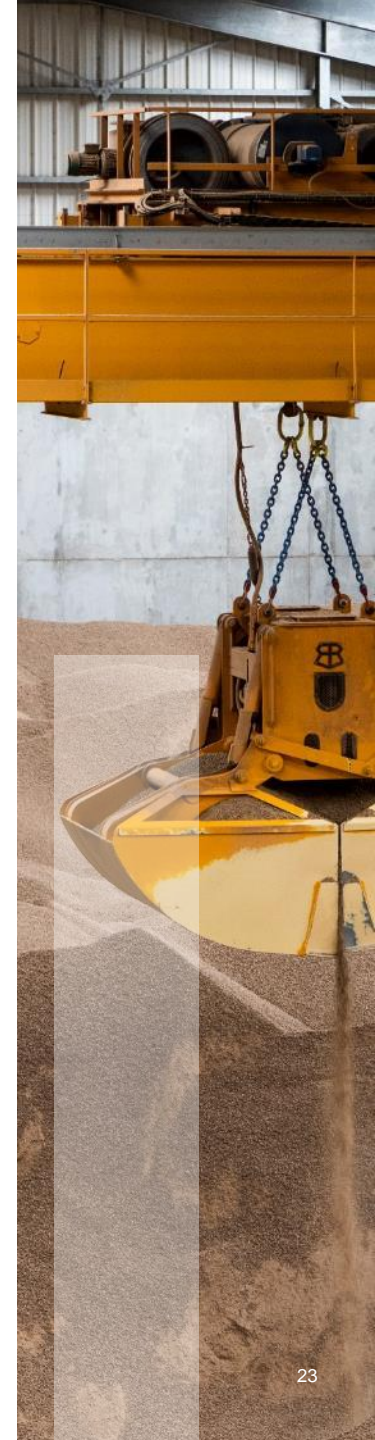


Power generation (GWh)



<sup>1</sup> Excluding ALM 3 in 2020

- ⊙ **Good availability of installations** despite technical incidents at the beginning of the year
- ⊙ Decrease in production and lower performances of installations due to lower EDF call-in rates in Reunion Island within the context of unprecedented coal and CO2 prices
- ⊙ **Riders signed with EDF** in order to take into account part of Galion 2 and TAC Saint Pierre construction cost overruns



# France – Thermal Biomass

## Conversion to biomass of Albioma Bois-Rouge

- ⦿ EDF contract rider signed on 16 February 2021
- ⦿ 84% reduction in GES emissions ie -640 kt CO2 equivalent (Deloitte 2018)
- ⦿ Work already well underway, successive plant shutdowns expected between mid 2022 (ABR2) and 2023 (ABR1)



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

## Conversion to biomass of Albioma Le Gol

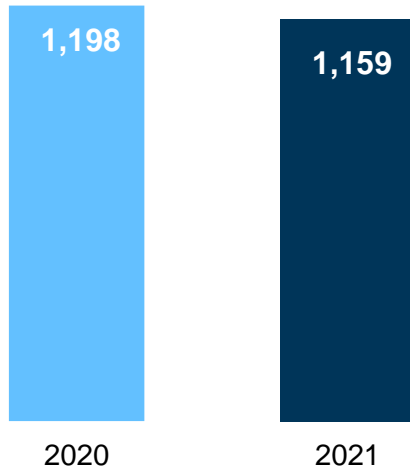
- ⦿ Decision of the Energy Regulation Commission, approving the rider to the power purchase agreement
- ⦿ Conversion work should begin in 2022 in order to operate exclusively on biomass end 2024



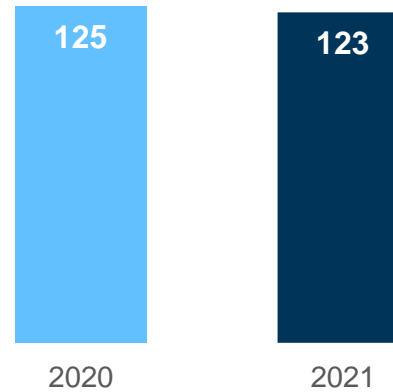
*Picture of the biomass storage domes*

# France – Solar power

Number of equivalent full power hours



Power generation (GWh)



⊙ **Stable production compared to 2020**

- Significantly lower solar irradiation conditions in French Guiana
- Disposal of minority stakes in companies OTS and Corbières on 21 April 2021 (9 MWp)
- Commissioning of new installations in Reunion Island and Mayotte

⊙ **29 MWp of new projects awarded through tenders in 2021**

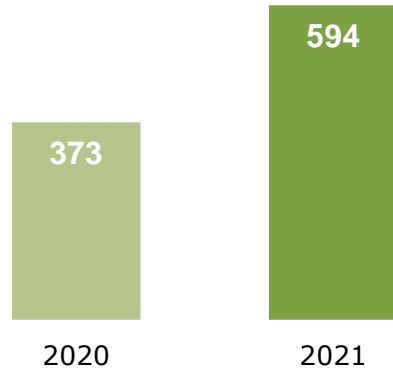


# 2021 French finance law and solar assets

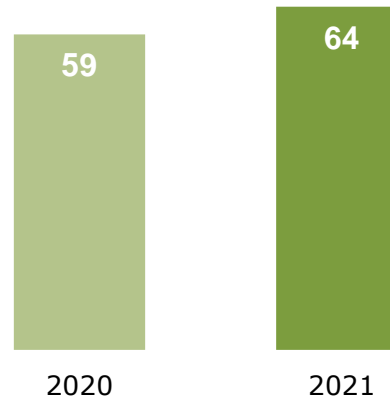
- ⊙ The 2021 French finance law (“Loi de finances pour 2021”) voted on 16 December 2020, provides for the possibility of a revision of the 2006-2010 solar feed-in tariffs (article 54 sexies)
- ⊙ The decrees specifying the reduction level and implementation modalities were published in November and are **effective from 1 December 2021, onwards**
- ⊙ **2 ground mounted projects accounting for 9 MWp** are significantly impacted, other projects are either not concerned or with very modest tariff reductions
  - **Dedicated safeguard process** engaged with Energy Regulation Commission in order to negotiate a more reasonable decrease in tariff
- ⊙ **Loss of €3 million Ebitda from 2022 onwards**

# Brazil – Thermal biomass

Power generation (GWh)



Energy efficiency (kWh/tc)

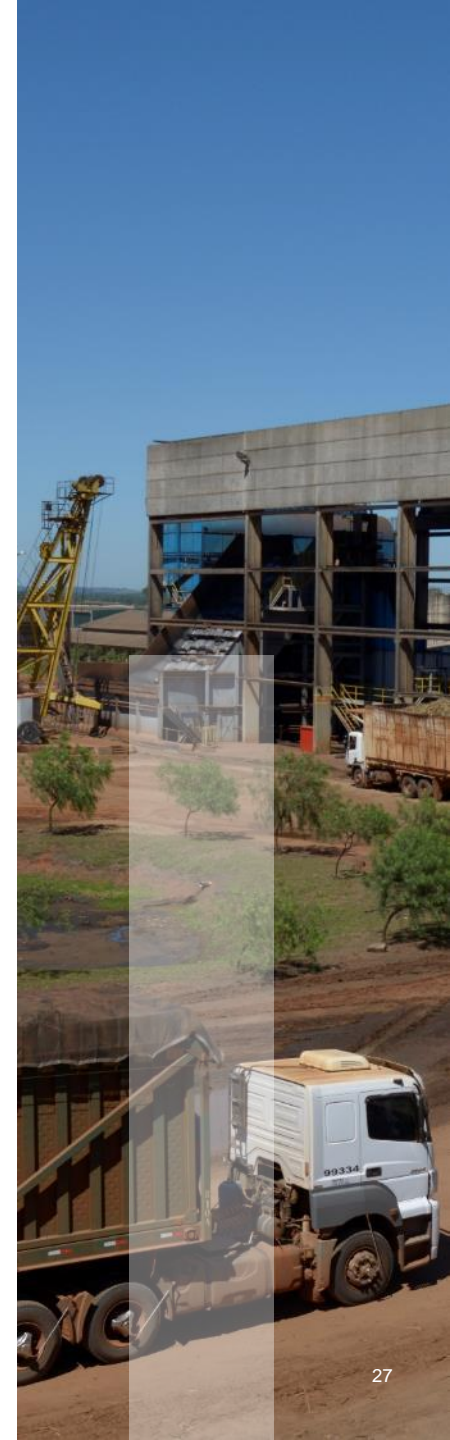


## ⊙ Excellent operational performance

- Production is up 13% compared to 2020 (excluding Vale do Paraná)
- Strong start of Vale do Paraná, commissioned end 2020 : 172 GWh exported in 2021

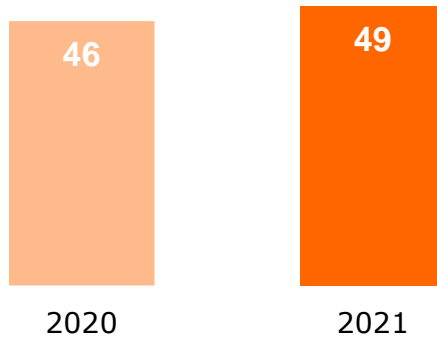
⊙ **Record for the electricity price** during the second half of the year due to an episode of drought. Part of production was sold at prices around R\$ 1,500 /MWh through Emergency Regulated Auctions

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



# Turkey - Geothermal

## Power generation (GWh)



- ⊙ Acquisition on 26 January 2021, of the Gümüşköy plant in Turkey – installed capacity 13 MW
- ⊙ **Production increased to 49 GWh in line with business plan**
- ⊙ Investments made in the second half of the year to increase net production to 65-70 GWh per year : ESP « Electrical Submersible Pump » installation and drilling of a new reinjection well



# 4

## Financial results



# Income statement by region/business

(In € million)	2021	2020 Reported	Change 21/20
France - Thermal Biomass	495.0	435.4	+14%
France - Solar Power <sup>(1)</sup>	49.1	48.9	+0%
Brazil	24.1	21.4	+13%
Holding & Other <sup>(2)</sup>	5.2	1.1	NA
<b>Revenue</b>	<b>573.3</b>	<b>506.7</b>	<b>+13%</b>
France - Thermal Biomass	166.7	162.3	+3%
France - Solar Power <sup>(1)</sup>	34.5	34.8	-1%
Brazil	14.5	12.0	+21%
Holding & Other <sup>(2)</sup>	(0.9)	(2.6)	NA
<b>EBITDA</b>	<b>214.8</b>	<b>206.4</b>	<b>+4%</b>
<b>Net Income, Group share</b>	<b>59.0</b>	<b>55.3</b>	<b>+7%</b>

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

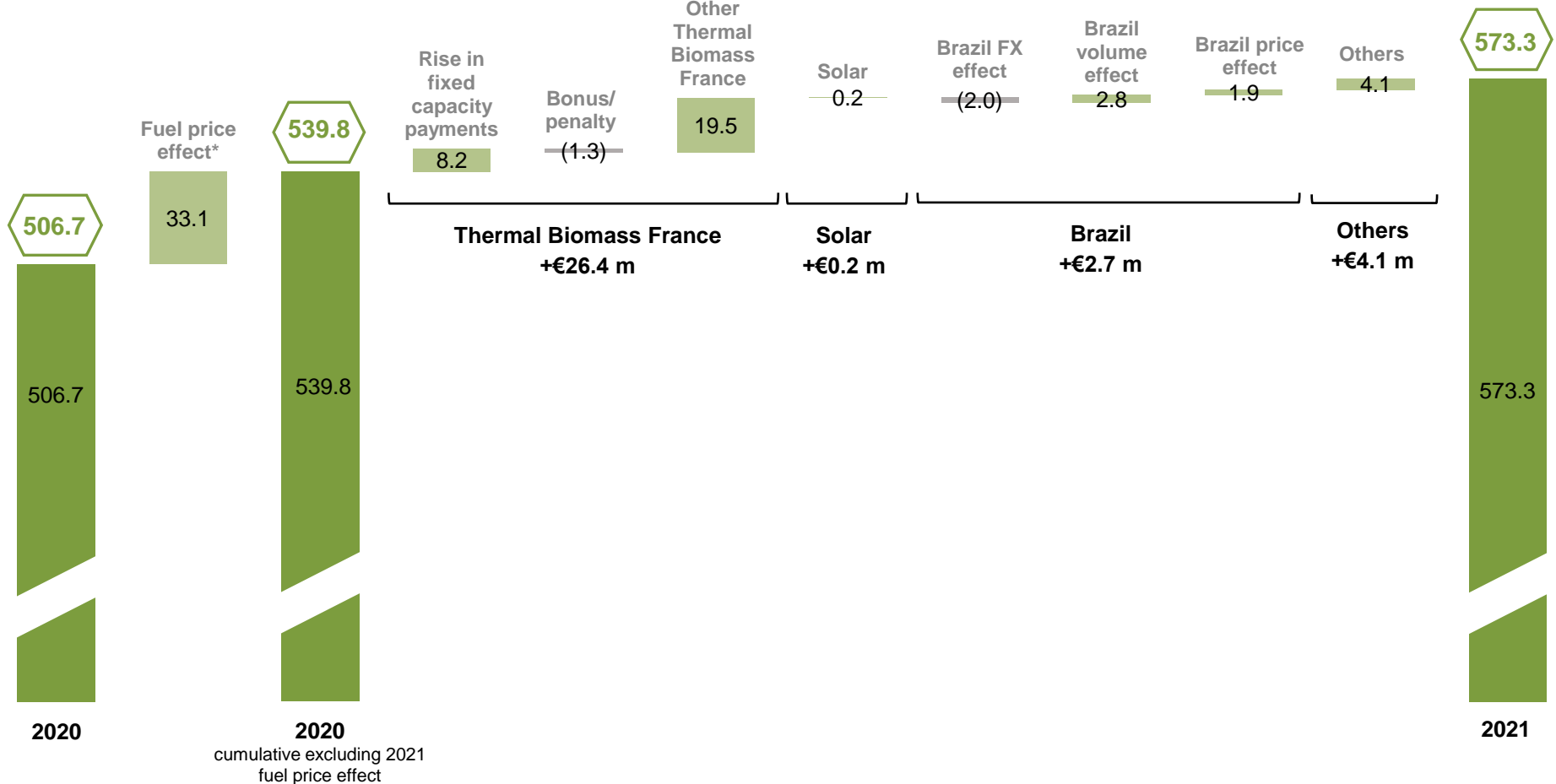
<sup>(2)</sup> Including Geothermal activities

## EBITDA up +4% Net Income, Group share up +7%

- ⊙ Full year effect of Albioma Le Moule 3 plant and very strong performance since commissioned as 100% biomass
- ⊙ Positive impact of claim management (Galion 2 & Albioma Saint Pierre)
- ⊙ Strong operational performance in Brazil
- ⊙ Contributions from the Gümüşköy plant, which was commissioned on 26 January 2021
- ⊙ ... despite a lower performance of plants due to lower call-in rates, notably in Reunion Island, within a context of unprecedented coal and CO2 prices

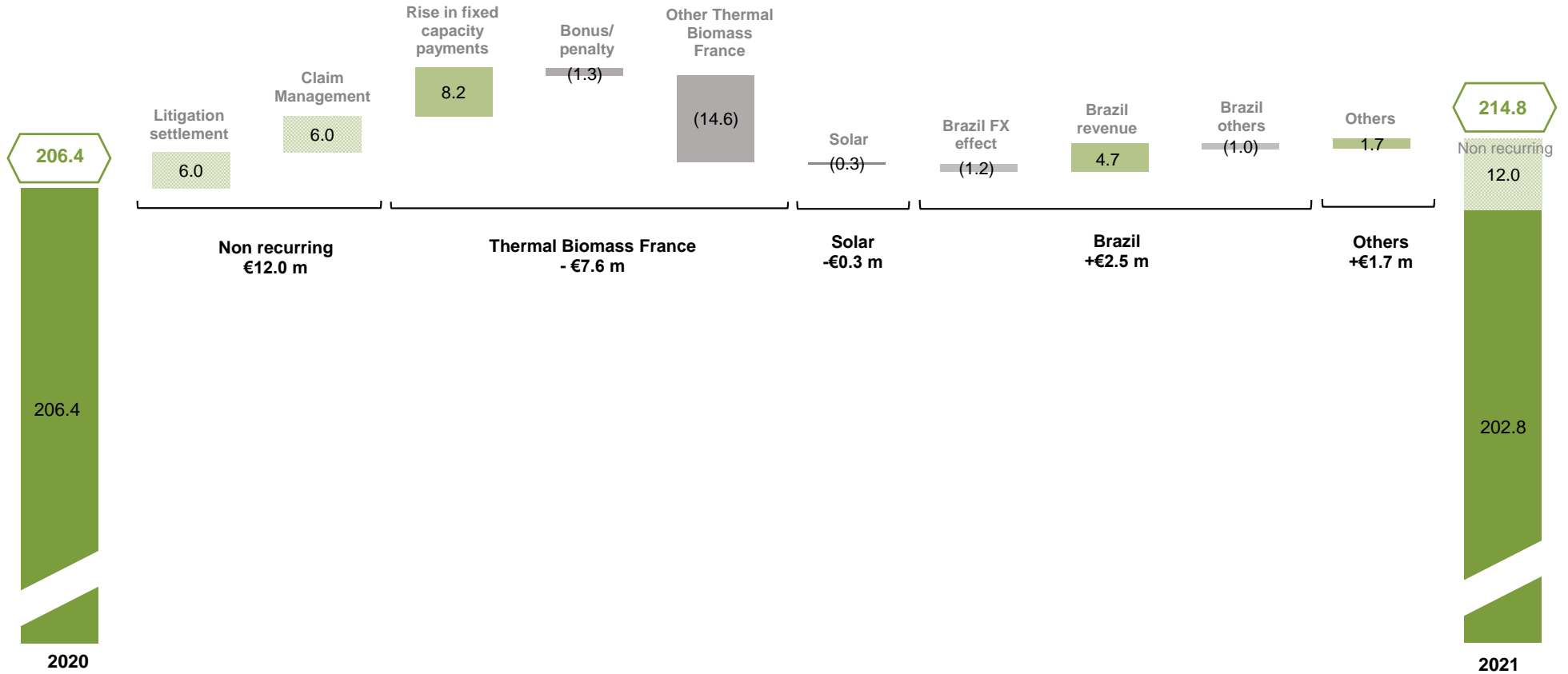
# Revenue € 573 million, up 13%

Excluding fuel price and FX effects, revenue up +7%



\* w/o ALM3

# EBITDA € 215 million, up 4%



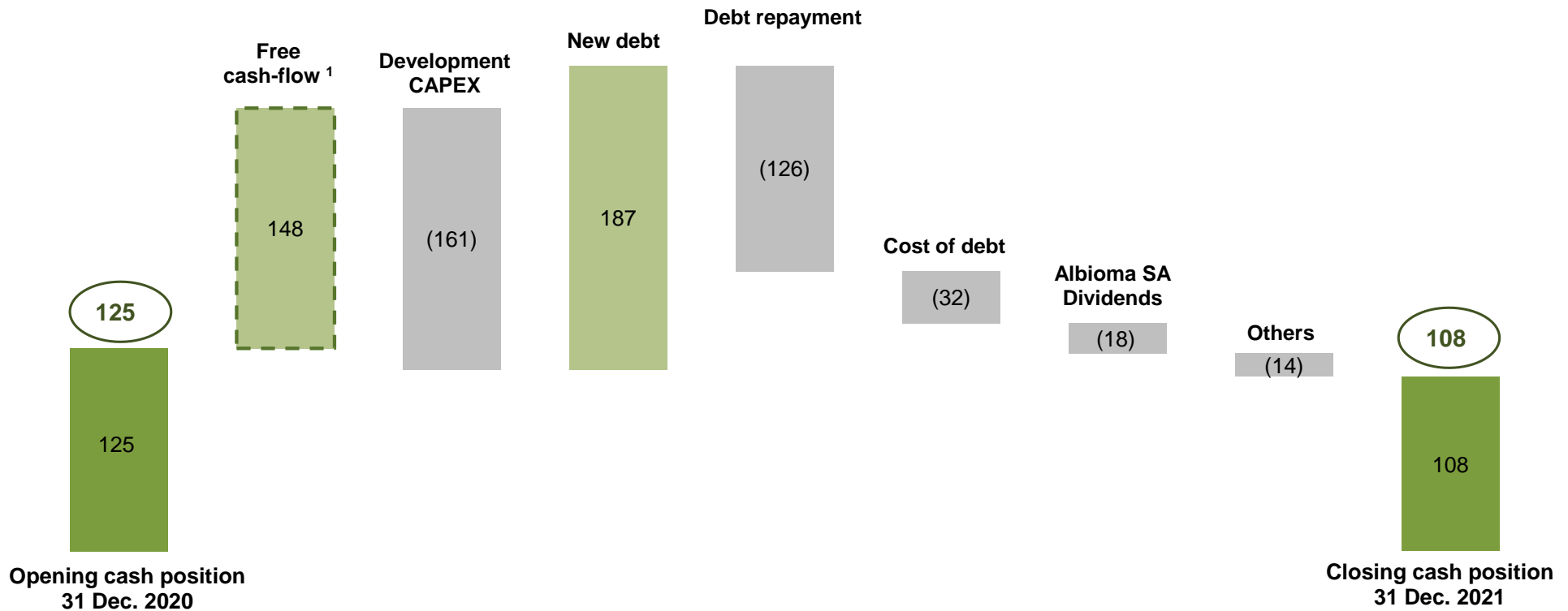
# Income statement 2021

(In € million)	2021	2020 Reported	Change 21/20
Revenue	573.3	506.7	+13%
<b>EBITDA</b>	<b>214.8</b>	<b>206.4</b>	<b>+4%</b>
Depreciation, amortisation, provisions & others	(86.5)	(84.0)	-3%
Operating income	128.3	122.5	+5%
Net financial income	(32.8)	(32.1)	-2%
Tax	(24.2)	(26.1)	+7%
<i>Effective tax rate <sup>1</sup></i>	26.2%	29.3%	
<b>Consolidated net income</b>	<b>71.3</b>	<b>64.4</b>	<b>+11%</b>
<b>Net income (Group share)</b>	<b>59.0</b>	<b>55.3</b>	<b>+7%</b>

<sup>1</sup> The normative tax rate amounts to 27.6% in 2021 vs 28.3% in 2020 (effective tax rate less the effects of non-deductible depreciation if any, excluding Brazil)

# A cash position of €108m at 31 December 2021

Substantial free cash-flow favouring self-financed development



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

# Inflation and interest rate risk management

## Inflation

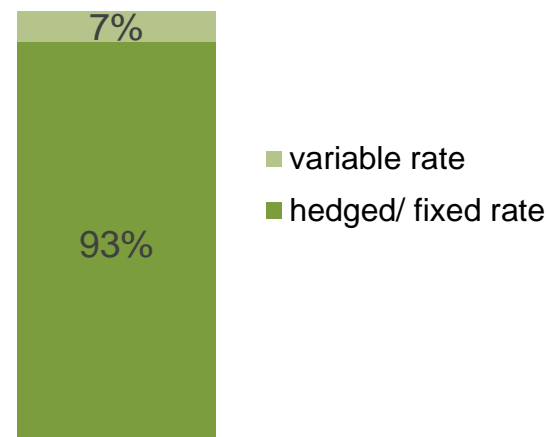
- ⊙ Revenues contractually indexed on inflation
  - In France: indexation based on two main indices published by Insee:
    - ICHTrev-TS (hourly cost of labour)
    - FMOA (industrial production price)
  - In Brazil: all PPA prices indexed on IPCA (national consumer price index) or IGP-M (market price index)
  - In Turkey: debt issued in dollar and PPA prices indexed to this currency



## 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 – Feb. 2022*



# A solid balance sheet

Gross debt increased as the result of the drawdown of new project debts (*Albioma Bois Rouge, Solar and geothermal development*)

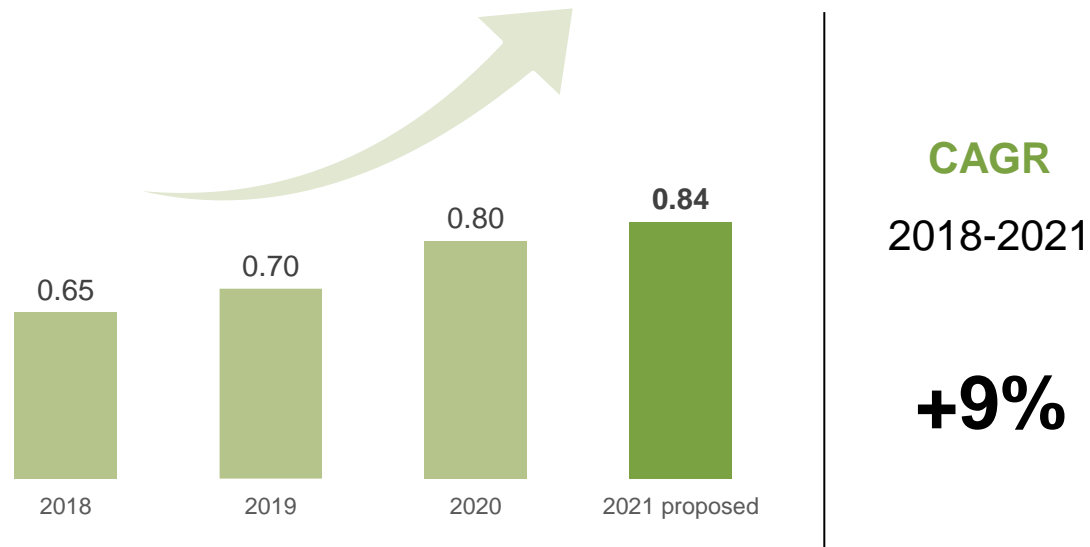
- ⊙ Residual life of 11 years
- ⊙ Group average interest rate of 2.9% (of which France 2.8%)
- ⊙ 93% of debt covered or at fixed rates in Feb. 2022 (excl. short term lines of credit)
- ⊙ Non-recourse project debts except for projects under construction

(In € million)	31 Dec. 2021	31 Dec. 2020	Change
Project debt	828	789	5%
Corporate debt	143	113	27%
<b>Total gross debt (excl. IFRS 16)</b>	<b>971</b>	<b>901</b>	<b>8%</b>
Cash	(108)	(125)	-14%
Guarantee deposits and equivalents	(5)	(4)	21%
<b>Total net debt</b>	<b>859</b>	<b>772</b>	<b>11%</b>
<b>Net debt / EBITDA <sup>(1)</sup></b>	<b>4.1x</b>	<b>3.8x</b>	
<b>Gearing <sup>(1) (2)</sup></b>	<b>143%</b>	<b>145%</b>	

(1) Excluding IFRS 16 restatements

(2) Net debt / Shareholders'equity

# Sustainable dividend increase



**Proposed dividend distribution for the 2021 financial year: €0.84 per share**

⊙ Payable 100% in cash or 50% in cash and 50% in Albioma shares

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

⊙ Premium of 10% of the dividend

# 2022 objectives

	2021		2022
	Reported	Excl. non- recurring	
<b>EBITDA</b> (in € million)	215	203	<b>210-220</b>
<b>Net income, Group share</b> (in € million)	59	51	<b>52-60</b>

⦿ Reminder: loss of €3 million of Ebitda from 2022 onwards as a result of the 2021 French finance law - revision of the 2006-2010 solar feed-in tariffs

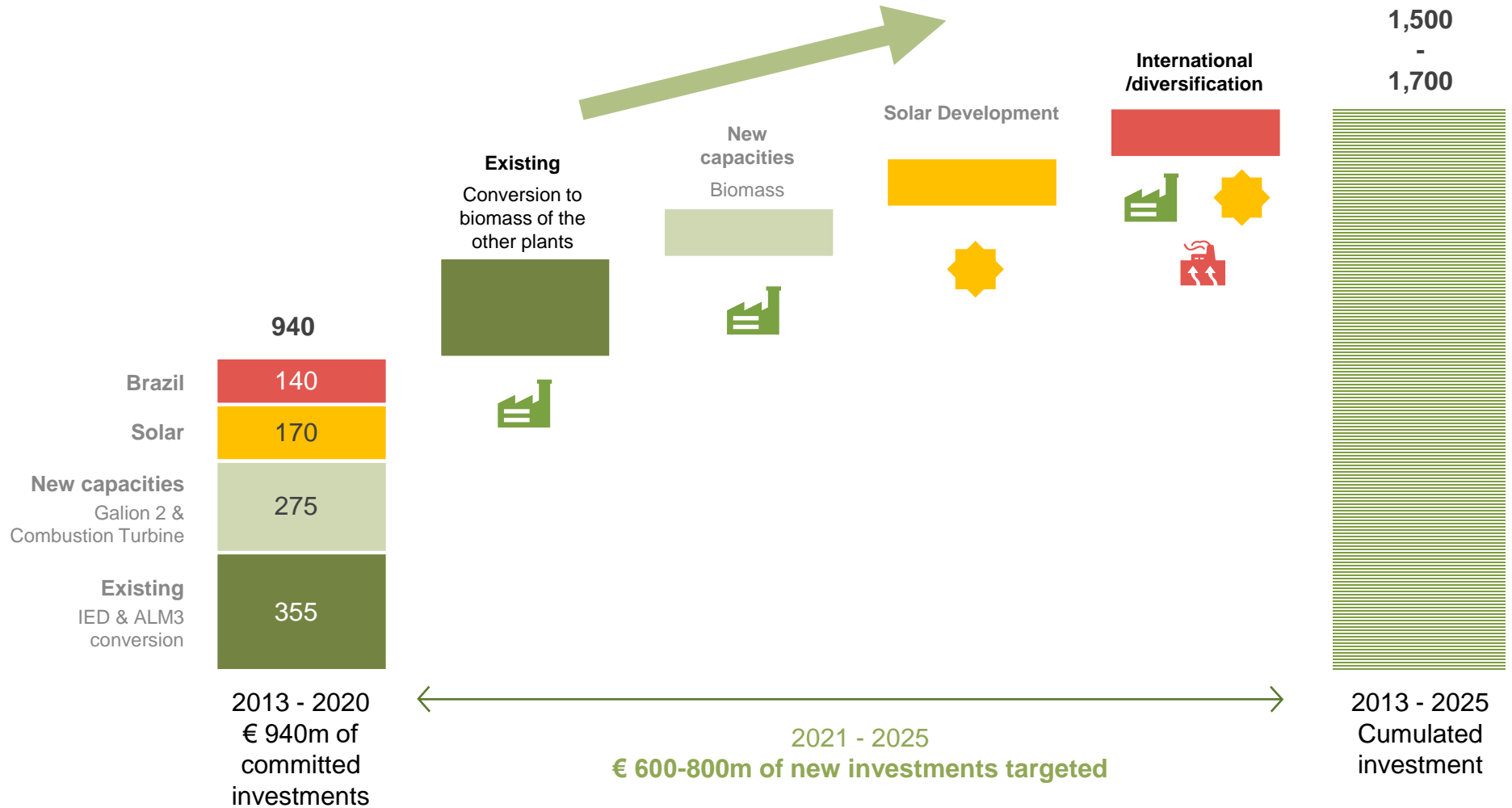
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## Outlook

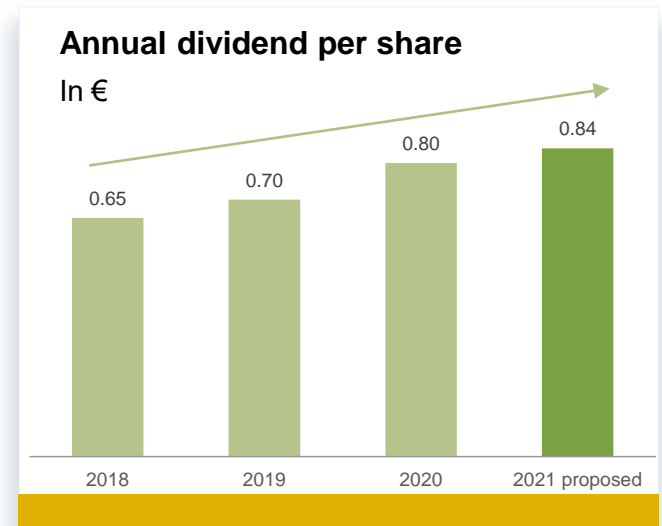
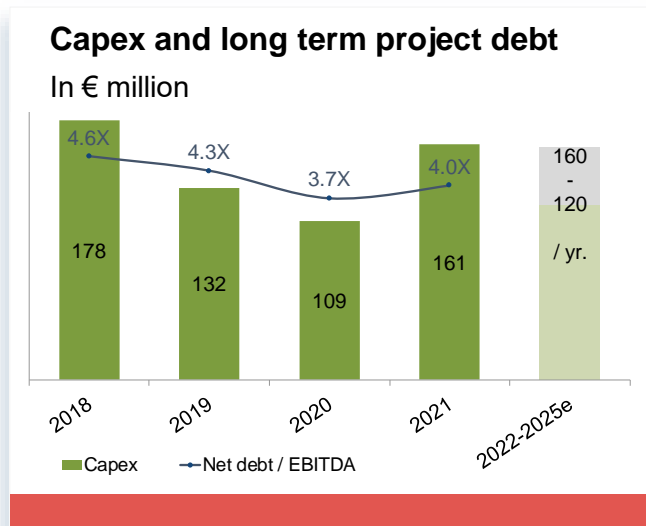
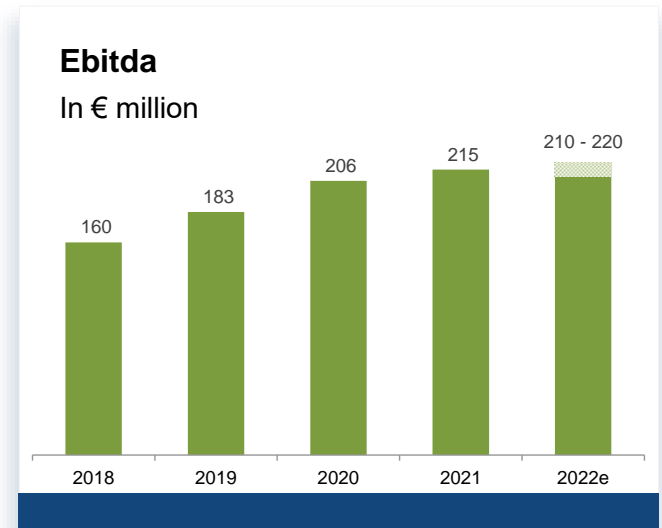
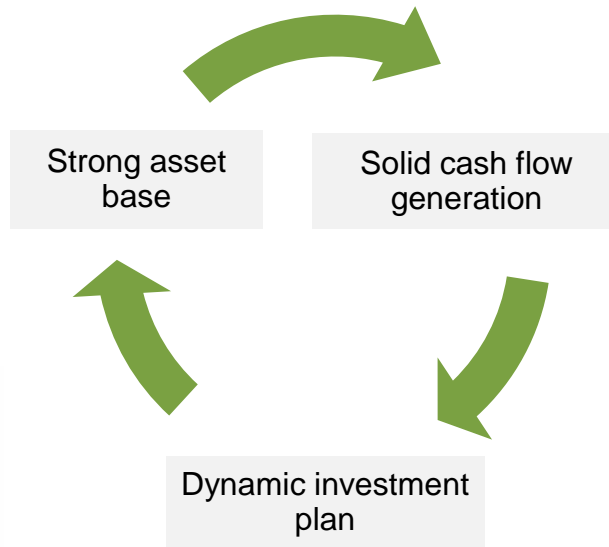
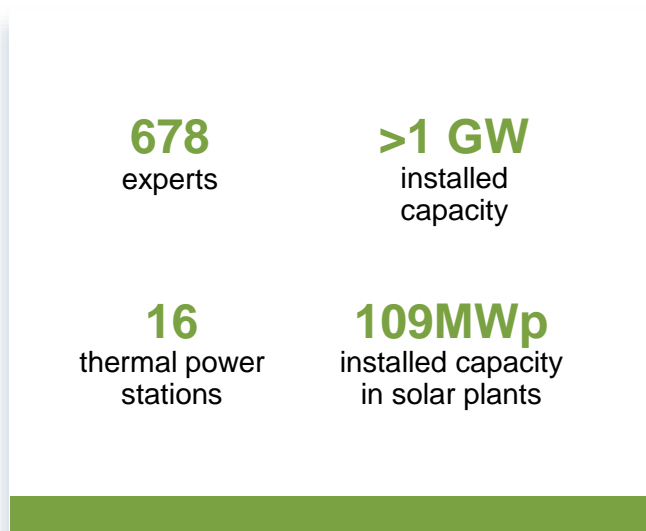


# Investment program until 2025

In € million



# Dynamic investment policy and self-financed growth



# Why invest in Albioma?

**A major player  
at the heart  
of the energy transition**

A future pure player in  
renewables

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

**Continued growth**  
sustained by an  
investment program  
of €600m to €800m  
by 2025

**Resilient  
& solid**  
free cash flow  
generation

Thank you  
for your attention!

Follow us on [albioma.com](http://albioma.com)



# 6

## Appendix



# Balance sheet at 31 December 2021

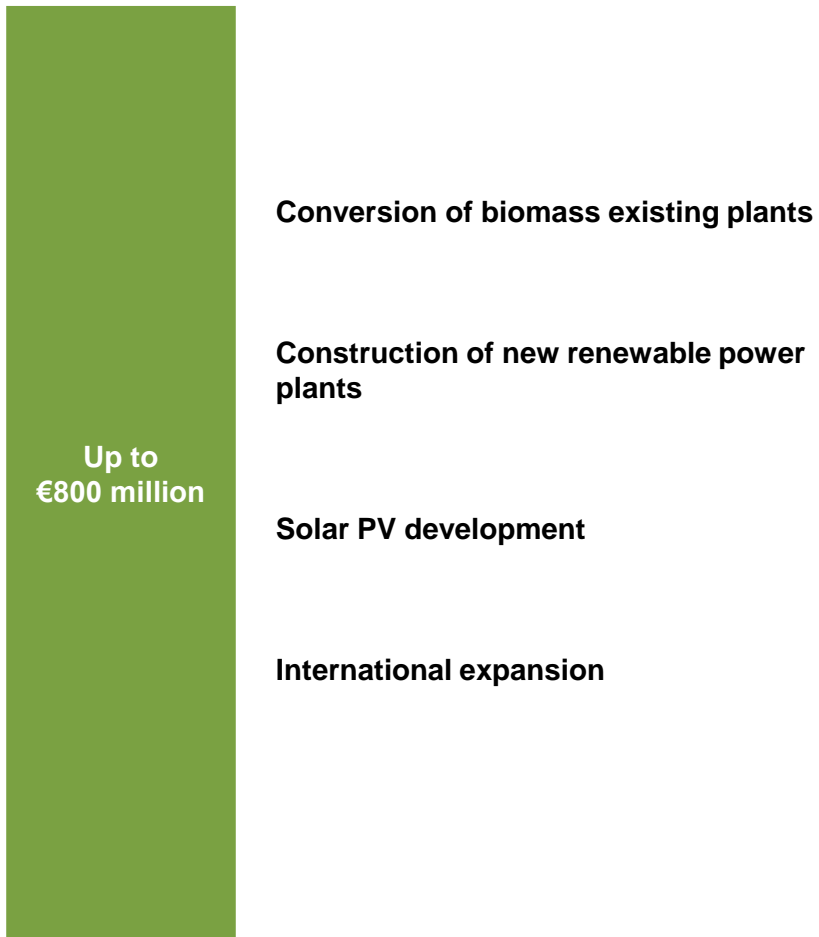
<b>ASSETS (In € million)</b>	<b>31 Dec. 2021</b>	<b>31 Dec. 2020</b>
Goodwill	16	17
Intangible assets & Property, plant and equipment	1,504	1,405
Other non-current assets	41	30
<b>Total non-current assets</b>	<b>1,561</b>	<b>1,453</b>
Current assets	208	172
Cash and cash equivalents	108	126
<b>Total ASSETS</b>	<b>1,877</b>	<b>1,751</b>
<b>EQUITY &amp; LIABILITIES (In € million)</b>	<b>31 Dec. 2021</b>	<b>31 Dec. 2020</b>
Shareholders' equity, Group share	503	443
Non-controlling interests	97	90
<b>Total equity</b>	<b>599</b>	<b>532</b>
Current and non-current financial liabilities	971	902
Debts related to the right of use assets (IFRS16)	42	38
Other non-current liabilities	108	133
Current liabilities	157	145
<b>Total LIABILITIES</b>	<b>1,877</b>	<b>1,751</b>

# Cash flow statement 2021

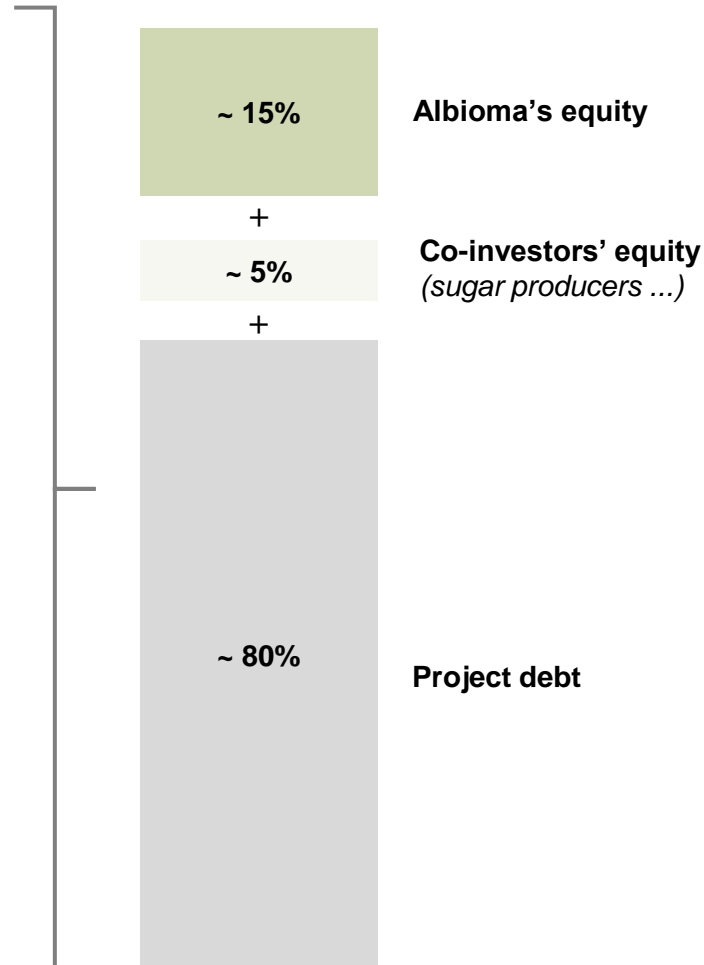
(In € million)	2021	2020 Reported
Cash flow from operations	217.1	209.1
Change in net working capital	(14.4)	(11.9)
Tax paid	(28.7)	(23.5)
<b>Net cash from operating activities</b>	<b>174.0</b>	<b>173.6</b>
Operating CAPEX	(25.7)	(20.8)
<b>Free cash flow from operations</b>	<b>148.4</b>	<b>152.8</b>
Development CAPEX	(137.3)	(107.7)
Others / Acquisitions / Disposals	(24.0)	(1.1)
<b>Cash flow from investing activities</b>	<b>(161.3)</b>	<b>(108.8)</b>
Dividends paid to Albioma SA shareholders	(18.4)	(14.0)
Borrowings (increase)	186.8	149.3
Borrowings (repayment)	(126.5)	(171.3)
Cost of financial debt	(32.0)	(31.8)
Others	(13.4)	(8.5)
<b>Net cash flow from financing activities</b>	<b>(3.4)</b>	<b>(76.3)</b>
Currency effect on cash	(1.0)	(3.7)
<b>Net change in cash and cash equivalents</b>	<b>(17.3)</b>	<b>(35.9)</b>
Opening cash and cash equivalent position	125.2	161.1
<b>Closing cash and cash equivalent position</b>	<b>107.9</b>	<b>125.2</b>

# Illustrative uses & sources of the growth plan

## Targeted capex 2021-2025



## Debt and shareholders' equity

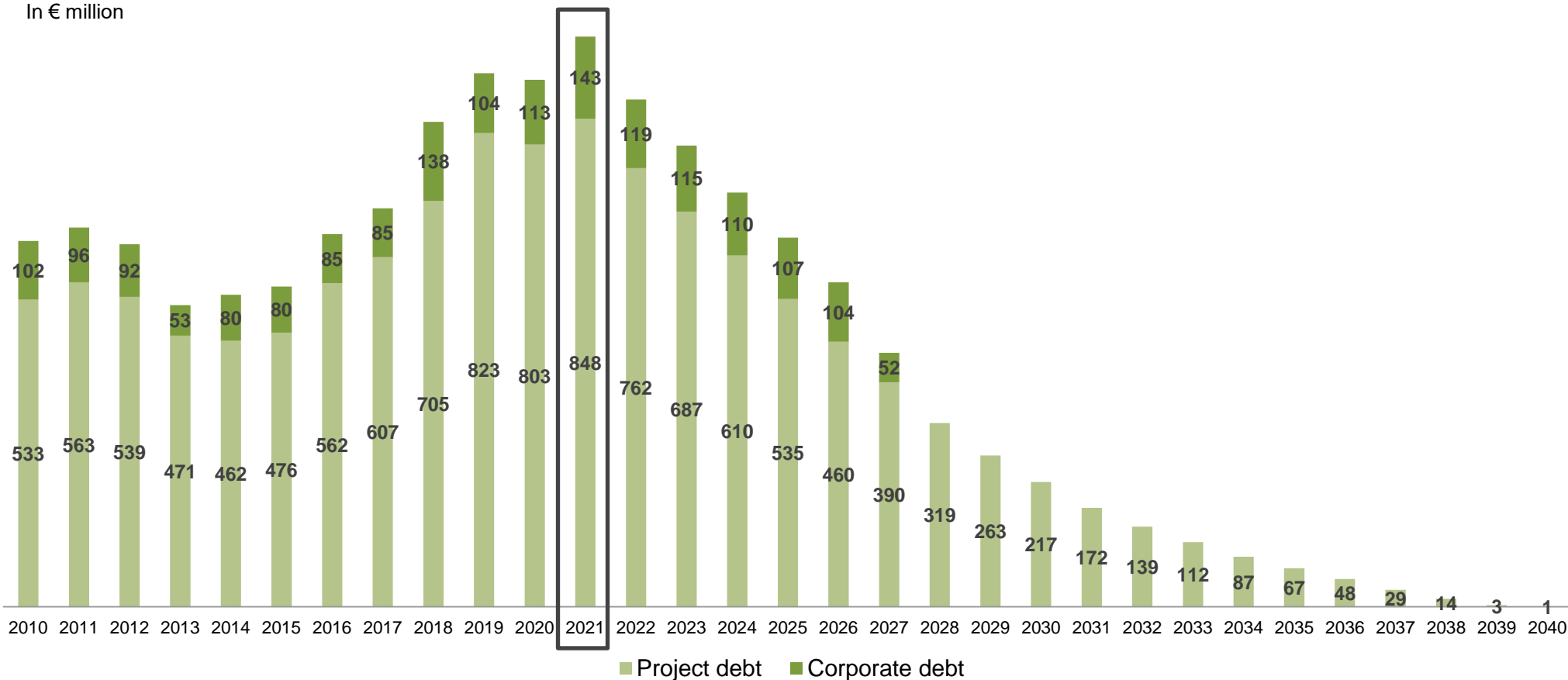


# Long-term debt matched to business profile

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

# Albioma's historical business model

Leading player in the bagasse high-efficiency cogeneration industry

