

Energy S.p.A.



Italian Investment Conference – IIC 2023

May 25, 2023 - Milan

Disclaimer

*"This presentation and the information contained herein (unless otherwise indicated), are provided by Energy S.p.A. ("**Energy**") solely for informational purposes. By attending this presentation or otherwise viewing this presentation, or having access to the corresponding information, you are agreeing to be bound by the following. This presentation and its contents are strictly confidential and may not be distributed or passed on to any other person or published or reproduced, in whole or in part, by any medium or in any form for any purpose.*

The content of this document has a merely informative and provisional nature and is not to be construed as providing investment advice. This document does not constitute a prospectus, offering circular or offering memorandum or an offer of securities for sale, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of Energy, in any jurisdiction, including but not limited to the United States, Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would require the approval of local authorities or otherwise be unlawful.

Neither this document nor any part of it nor the fact of its distribution may form the basis of, or be relied on in connection with, any contract or investment decision in relation thereto. The shares of Energy S.p.A. (the "shares"), as referred to in this document, have not been registered and will not be registered pursuant to the USA Securities Act of 1933, as amended (the Securities Act) or pursuant to the corresponding regulations in force in the other countries, and they may not be offered or sold in the United States or to US citizens unless these securities are registered in compliance with the Securities Act, or if an exemption from the requirements of Registration by the Securities Act is set forth.

The information herein does not intend to be comprehensive or to include all the information that a potential or existing investor may wish to have. In all cases, the interested parties must carry out their own investigations and analyses of Energy which may include an analysis of the data of this document, but they must also include an analysis of other documents, including the financial statements for the period. This presentation contains forward-looking statements. Forward looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Energy results of operations, strategy, plans, objectives, goals and targets.

The information contained in this presentation is provided as of the date of this presentation and is subject to change without notice. The information contained in this document may be updated, completed, revised and amended and such information may change materially in the future. Energy is under no obligation to update or keep current the information contained in this presentation. The information contained in this presentation has not been independently verified. No representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. Neither Energy, its shareholders, nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this presentation or its contents or otherwise arising in connection with the presentation. Any proposed terms in this presentation are indicative only. The distribution of this document and any related presentation in other jurisdictions than Italy may be restricted by law and persons into whose possession this document or any related presentation comes should inform themselves about, and observe, any such restriction. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction."

Today's Speakers



Davide Tinazzi Founder & CEO

- 🌱 PhD in Engineering, Master in Project and Innovation Management
- 🌱 Former Project Manager in the field of nanotechnology
- 🌱 Served as COO in former Mitsubishi Electric Klimat Transportation Systems



Daniele Manfroi CFO

- 🌱 MBA, Degree in Business Management, post-graduate Master in Environmental Management
- 🌱 Former Auditor in Quality, and EHS certification
- 🌱 Served as Quality and EHS manager in Mitsubishi Electric Klimat Transportation Systems

— Agenda

1. Energy at a glance
2. FY 2022 Financial Highlights
3. Strategic achievements and objectives
4. Q&A

ANNEX



1. Energy at a glance

A leading Italian energy storage advanced system integrator



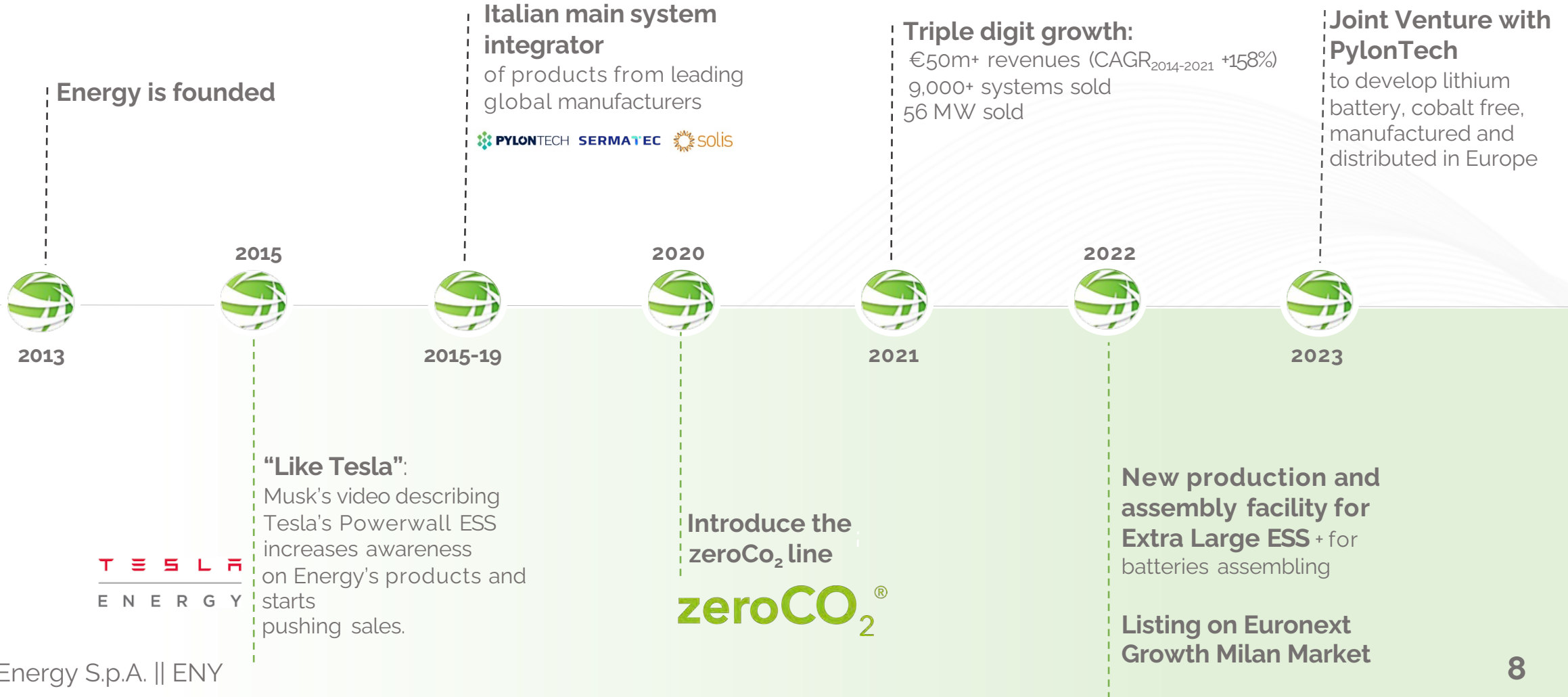
Our Mission



“We give every individual, family or business, the tangible opportunity to mitigate climate change and actively contribute to the green energy transition. Everyone can reduce the emissions of CO₂ by **maximizing the self production of electricity**, also contributing to the grid stability”.

10 years of growth and success

Established in 2013, Energy S.p.A. («Energy») is an advanced system integrator of Energy Storage Systems (ESS). In ten years since inception, Energy has grown under the leadership of Mr. Tinazzi to become **the reference player in the Italian market** for ESS solutions, in partnership with primary global manufacturers of components, **supplying integrated systems** to both residential and larger clients.



TESLA
ENERGY



A compelling Equity Story



Unique product offering



Strategic market positioning



Solid and committed suppliers'
relationship



Attractive strategy



Outstanding financial results

Product offering

1. SMALL&LARGE ESS



Energy sources components from leading international suppliers, combining them with proprietary software and its products, sold under the company's brand "zeroCO₂"

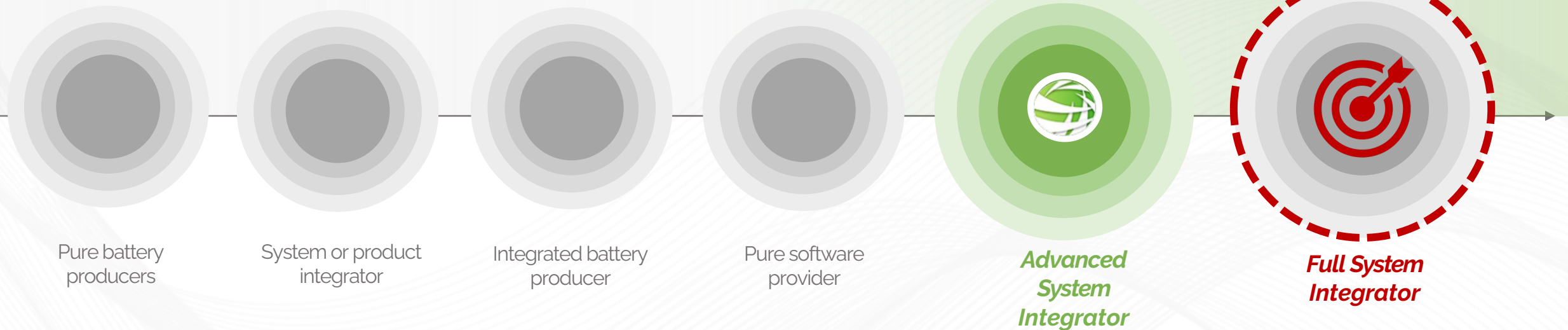
2. EXTRA LARGE ESS



*ESS: Energy Storage System

Strategic positioning

Energy has started the process of in-sourcing some strategic production activities of its components, in order to become a full system integrator, controlling a significant part of energy storage systems value chain, **by insourcing the manufacturing of ESS' hardware and software and investing in acquisitions for vertical integration** into the supply chain consistent with the strategy pursued.



Value Chain



Energy's key role for suppliers:

- The **ability to integrate effectively individual multi-sourced products into state-of-the-art ESS**
- The full control of the after-sales, avoiding end-users' recourse to suppliers
- The joint work to eliminate suppliers' products defects
- The **estimated procurement need** of batteries and inverters in the medium-short term (2022-2023) is already **secured** by long-term supply agreements

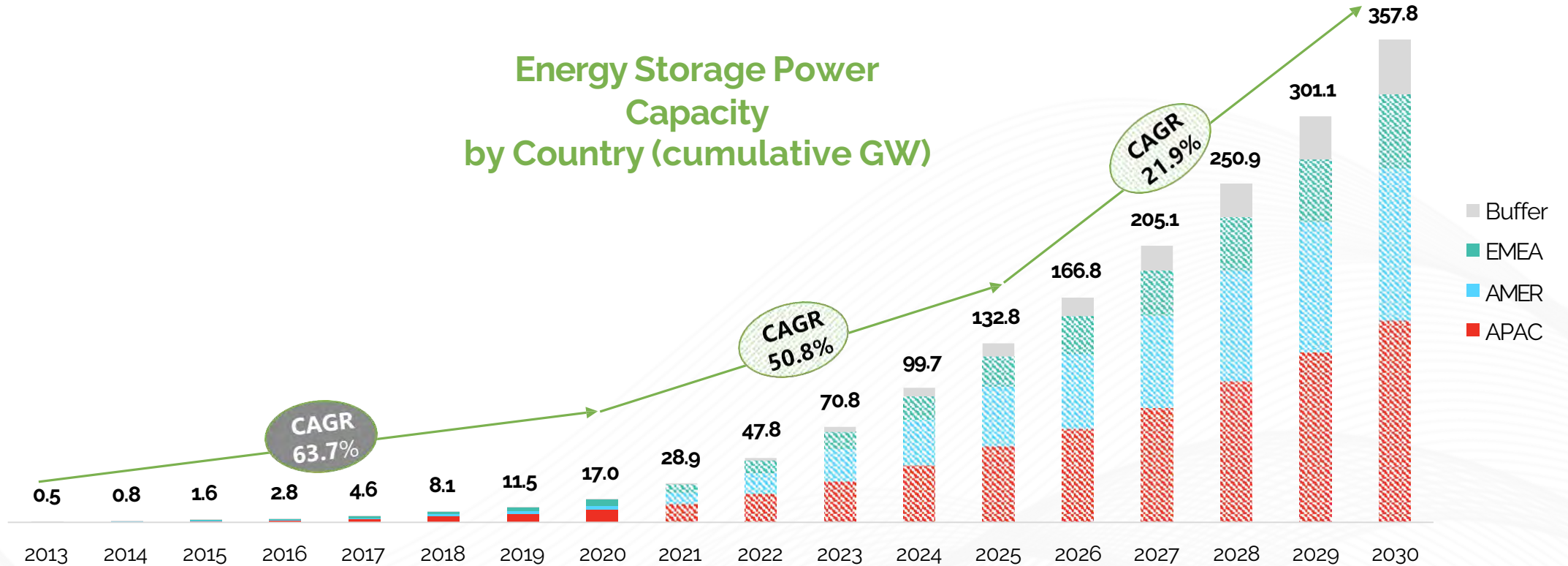
- **Energy's R&D department oversees the integration** between suppliers' batteries and inverters, **releasing updated firmwares to clients**
- The **EMS** consists in the combination of dedicated **hardware and proprietary software** guarantying a complete monitoring and an **efficient work of the ESS**
- **Energy's** after-sale services are supported by **in house laboratory** and data analysis activities better understand the consumer needs and products area of improvement.

- Since 2020, **Energy** developed its **own proprietary inverter, EMS and BMS**, branded zeroCO₂
- The new **Energy's** production and office facilities located near Padua is allowing to achieve the full-scale production of Extra Large ESS
- **Forthcoming partnership** with global manufacturer for batteries assembly facility in Italy

- Sale to Distributors (generalist & specialist), Manufacturers, EPC
- **Energy's headquarters proximity to main distributors** grants a competitive advantage
- **Energy's after-sales services:**
 - contact center to solve problems in distance
 - In-house laboratory to investigate products defects

Global ESS Market

Energy storage system market is growing at unprecedented pace and could fundamentally change electricity market dynamics. The United States and China are the two largest markets but also EMEA region plays a key role in this scenario of growth.



Source: BloombergNEF – Global Energy Storage Outlook 2021 - *Solar Power Europe European Market Outlook 2022-2026 (Dec 2022)
 Note: Buffer represents rest of the world lacking in visibility and countries that are likely to exceed their current targets.

2. FY 2022 Financial Highlights

FY 2022 Highlights

In 2022 **Energy** recorded a robust acceleration of **revenues (+145%)** combine with a strong increase in **profitability (+208%)** with higher-than-expected margins.

Revenues

126.5 M
+145% vs 51.5 M
FY 2021

EBITDA

32.2 M
+208 % vs 10.4 M
FY 2021

Net Income

22.6 M
+207 % vs 7.4 M
FY 2021

Net Financial Position

8.2 M
NFP - Debt
vs 2.9 M FY 2021

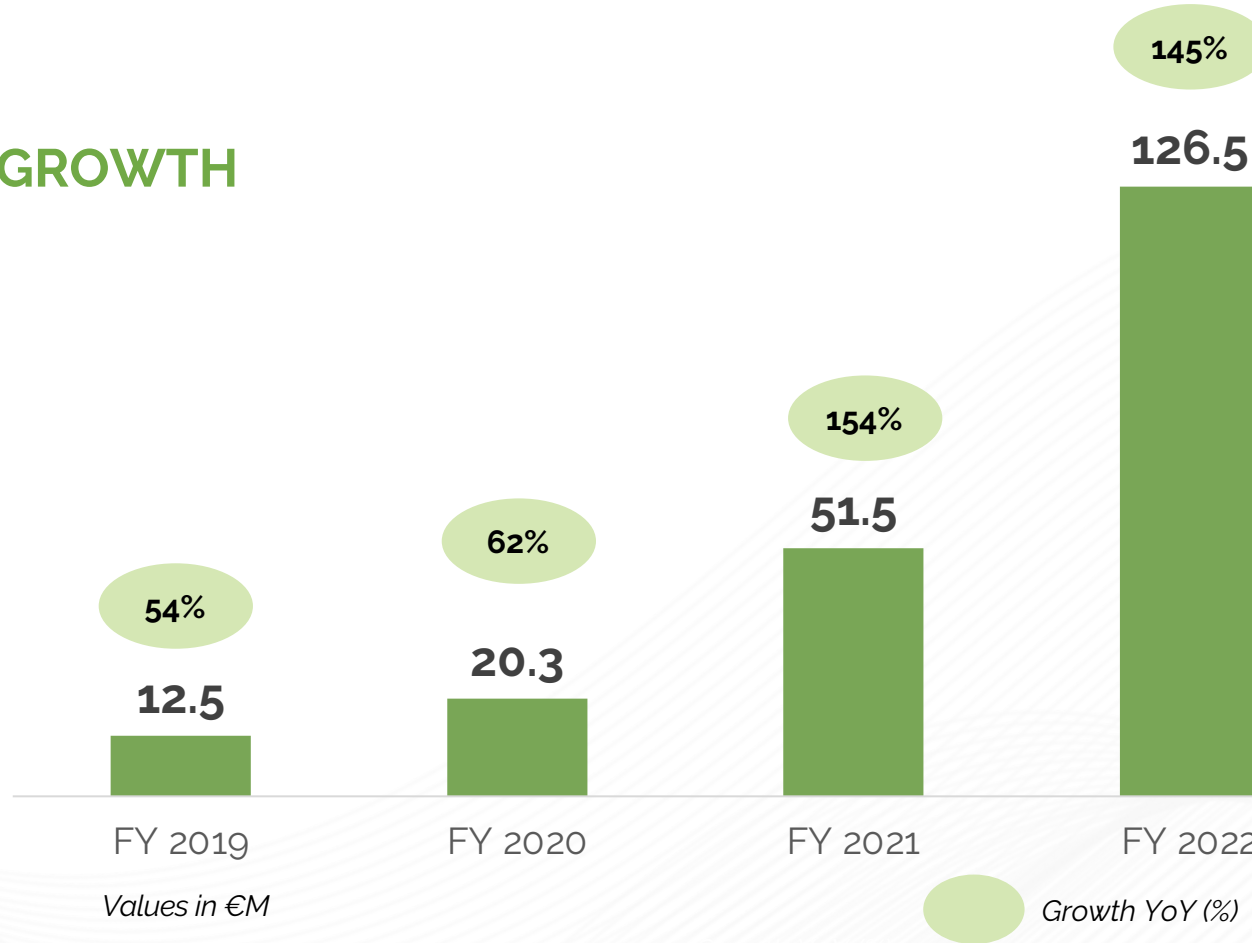
Backlog

26 M
as 31 December 22

Strong top line growth

Energy has shown an impressive historical growth since its inception in terms of revenues. Revenue Guidance 2022 (120M-140M) has been fully achieved registering a YoY growth of **+145%**.

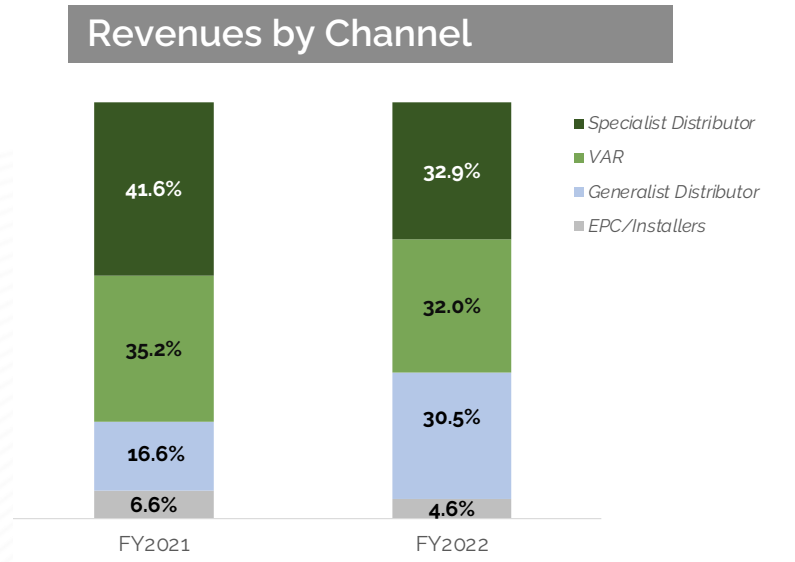
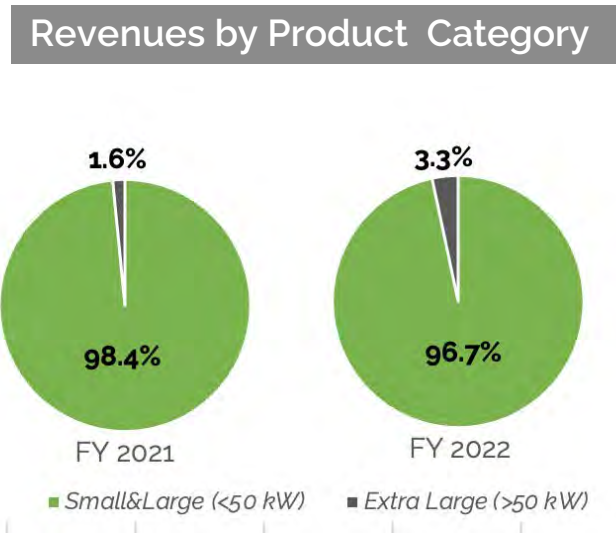
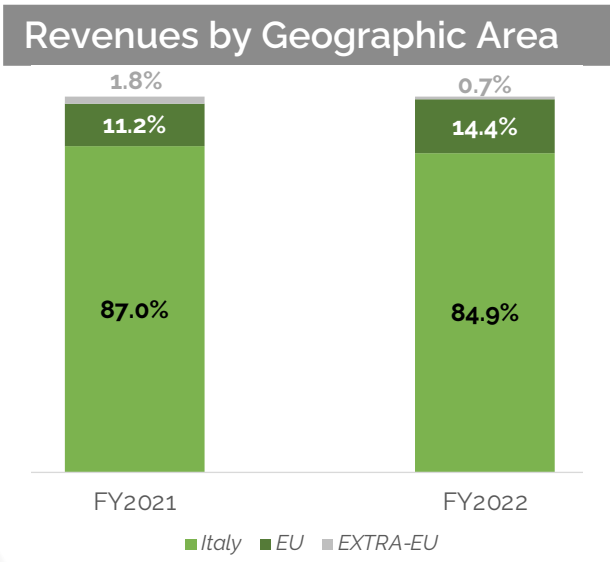
REVENUES GROWTH 2019-2022



Energy revenues are expecting to grow at CAGR 30% in 2023-2024

Strong acceleration of revenues

Italy is confirmed to be the primary market covering 84.9% of revenues in 2022. Foreign sales grew substantially in the second half of 2022 as a results of the company's international expansion strategy. Sales of Small & Large ESS confirmed to represent the majority of sales (96.7%).



Systems sold

FY 2021	FY 2022
9.150 ESS sold	18.851 ESS sold
56 MW	104 MW

Outstanding increase in profitability

Since 2021 *the marginality* has improved as the Company started to sell its **own brand (zeroCO₂) products** from the end of 2020. The **2022 EBITDA margin's high-performance** reflects the different price increases transfer on sales not totally balanced by increase of raw materials cost. **Energy** successfully achieved the EBITDA targets indicated in 2022 guidance (which reported an estimated EBITDA margin between 16% and 18%).

EBITDA FY 2022

32.2 M
(vs 10.4 M FY 2021)

EBITDA Margin FY 2022

 **25.4%**
(vs 20.2% FY 2021)

zeroCO₂[®]

EBIT FY 2022

31.6 M
(vs 10.1 M FY 2021)

EBIT Margin FY 2022

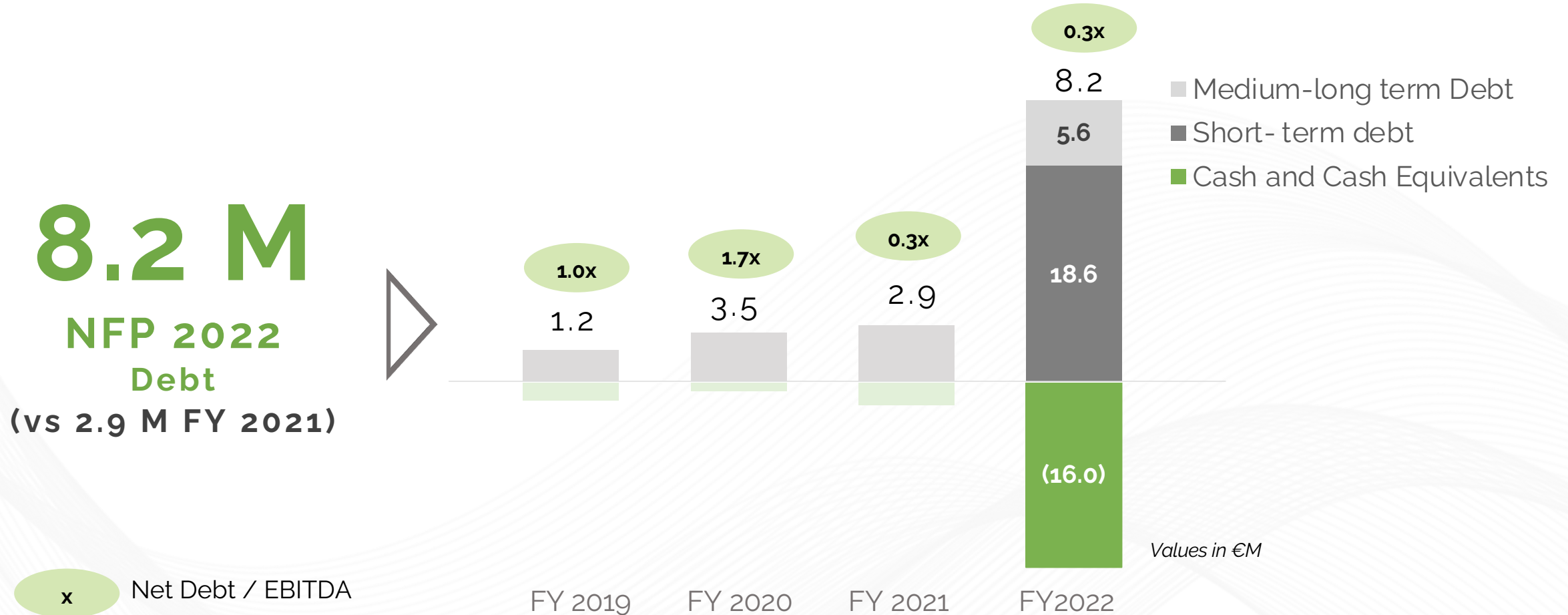
 **25.0%**
(vs 19.7% FY 2021)



The expected 2023-2024 EBITDA margin is 20%

Net financial position

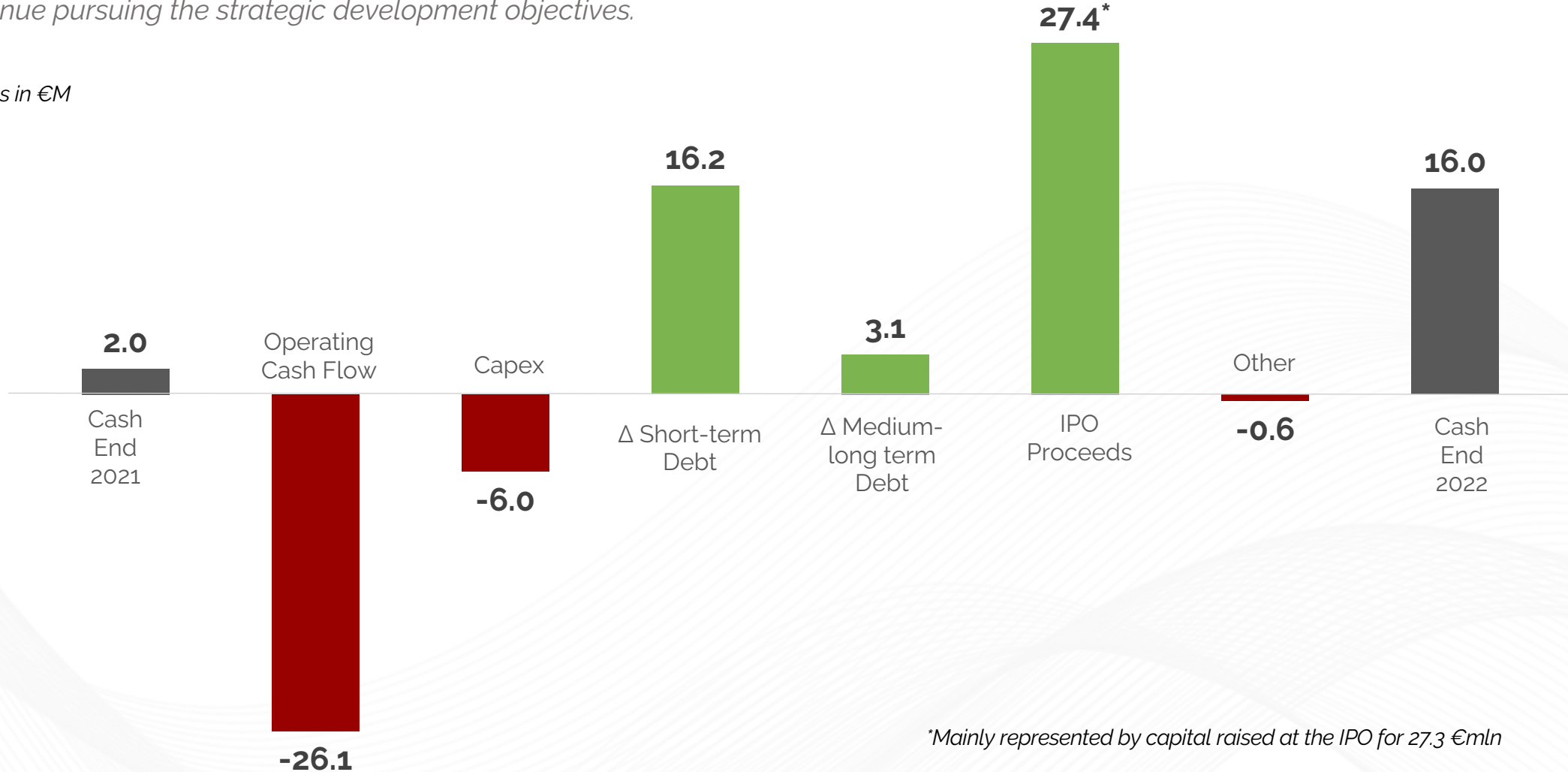
Financial debt refers totally to bank debt for 18.6€m (short term) and medium-long-term debt for 5.6€m. The increased borrowing was mainly used to finance working capital. Cash available accounted for 16.0€m. The company partially used the IPO proceeds for finance growth opportunities consistent with the strategies pursued.



Cash Bridge Analysis

The cash and cash equivalents available at the end of 2022 accounted for 16.0€mln, including part of IPO proceeds which will be used to continue pursuing the strategic development objectives.

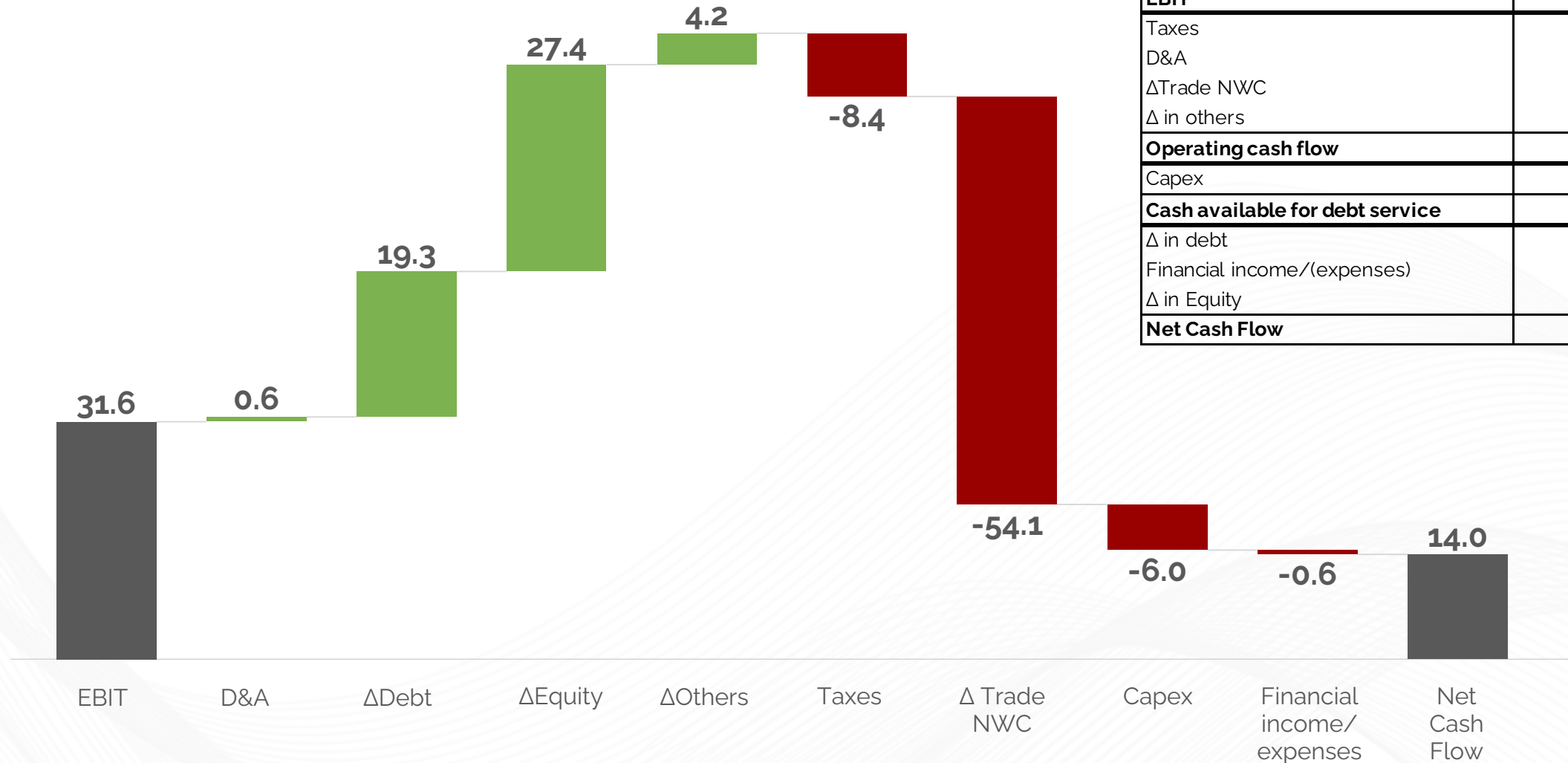
Values in €M



*Mainly represented by capital raised at the IPO for 27.3 €mln

Cash Flow Bridge

Values in €M



EBIT	31.6
Taxes	-8.4
D&A	0.6
ΔTrade NWC	-54.1
Δ in others	4.2
Operating cash flow	-26.1
Capex	-6.0
Cash available for debt service	-32.2
Δ in debt	19.3
Financial income/(expenses)	-0.6
Δ in Equity	27.4
Net Cash Flow	14.0

3. Strategic achievements and objectives

1 Supply & Manufacturing

2 Go -to-market

3 zero CO₂ brand



Strategies and objectives

1

Supply & Manufacturing

Insourcing and industrialise production phases and pursue strategic M&A

Transfer in the new
plant
9.000 sqm

New space
acquisition
+11.000 sqm capacity

+23 people
(Total 47)

Small&Large ESS

- Pilot Plant Shell for batteries assembly from cells completed (to produce 600-800 batteries/day – up to 4 MWh)



Extra Large ESS

- In-house XL systems assembly line completed (targeting 60 MWh/year capacity by end 2023)
- Start of series production of indoor XL ESS branded ZeroCo2

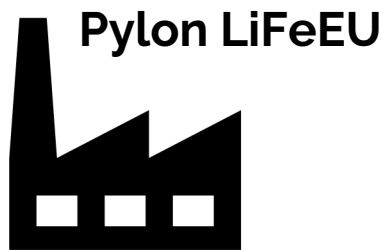


JV for ESS batteries production

Energy has established a joint venture with **Pylon Technologies Europe Holding B.V.*** to strengthen joint business in the European area through a newly established company "**Pylon LiFeEU**", jointly held by both companies, which will produce and sell lithium batteries in Europe.



30%



70%



*Pylon Technologies Europe Holding B.V.
Dutch registered company fully owned
by Pylon Technologies Co. Ltd

- The NewCo is headquartered at **Energy's** facilities in Sant'Angelo di Piove di Sacco (PD).
- The facility is dedicated to the production of **Made-in-Italy cobalt-free LFP** (lithium-iron-phosphate) batteries needed to store energy produced from renewable sources, particularly photovoltaic panels.
- With an initial investment of **Euro 10 million**, the first step of the JV's business plan, provides for the construction of a plant, which can reach production capacity of **600-800 pieces per day**, (3-4 MWh of storage capacity).
- The JV is aimed to build a **Gigafactory** to expand multi-functionality with deeper integration and seize the opportunities in the European and US markets, where Energy is already active.

Energy
to become the
**only Italian
company to
manufacture the
energy storage
system and
storage batteries
in-house.**

2

Go-to-market

Further expansion of the distribution model to larger clients and internationalisation.

Consolidation of relationships
Italian Market

Extension of the XL systems'
EU and North America

New Industrial & Commercial clients



Small&Large ESS

- Retain the Italian market share while expanding export sales

Extra Large ESS

- Burning Man in Nevada (US) – Sept 2022: Energy with an ESS of 114 KWh and a power of 18 KW has supplied self sufficient energy with high safety standards to the Burning Man Event
- XL Energy Storage project for a food industrial producer, first in-factory application, with 240 kW and 1.109 kWh in Italy



3

zero CO₂ brand

Increasing brand visibility

Pushing the
brand
awareness

zeroCO₂®



- **Small& Large;**
Stackable systems: product ready, commercial activity started Rackable batteries 5KWh , suncharger zeroCO₂ for electrical vehicles (mono and three-phases)
- **ZeroCo2 XL ESS:** start of series production in the new plant
- Launched the **zeroCO₂ Mobile**, a portable storage system 470 Wh for outdoor activities







4. Q&A



ANNEX

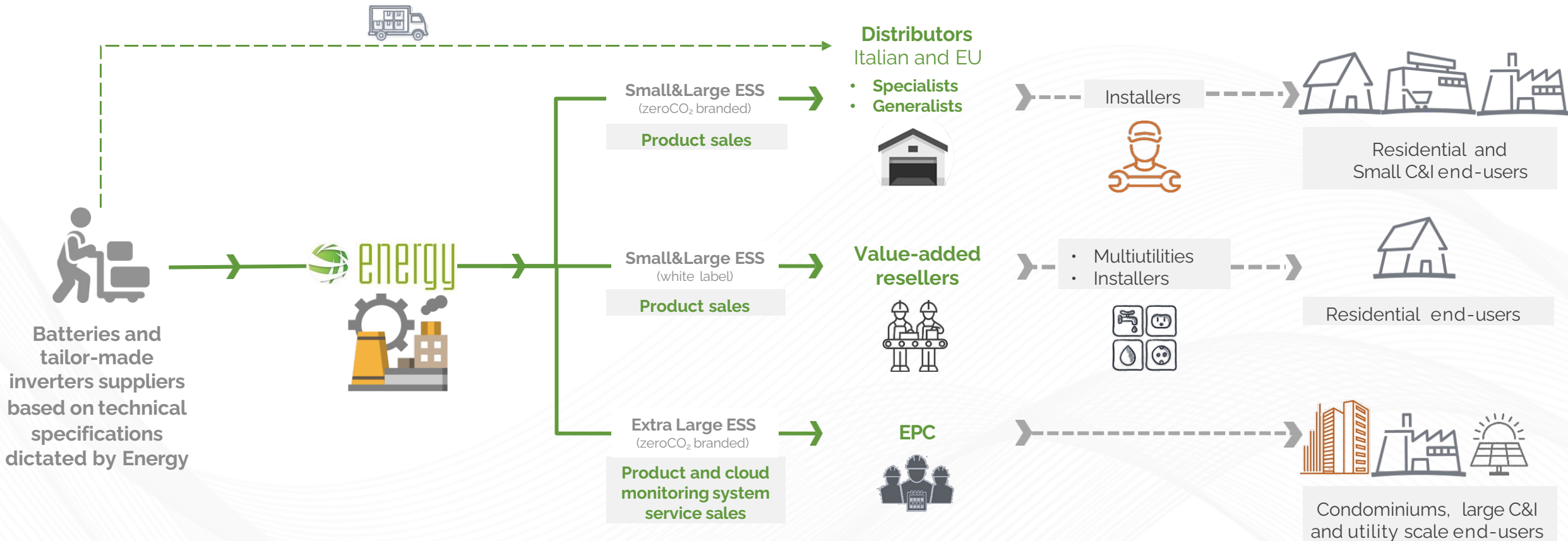
Product offering detailed

Energy sources components from leading international suppliers, **combining them with proprietary software** and its products, sold under the **company's brand "zeroCO₂"**.

	SMALL&LARGE ESS			EXTRA LARGE ESS
				
	zeroCO₂ SMALL	zeroCO₂ LARGE	zeroCO₂ SUN CHARGER	zeroCO₂ EXTRA LARGE
GENERAL FEATURES	<ul style="list-style-type: none"> Hybrid single-phase inverter Power capacity: 3 kW - 6 kW Retrofit installation: Yes 	<ul style="list-style-type: none"> Hybrid three-phase inverter Power capacity: 6 kW - 10 kW Retrofit installation: Yes Parallelizable <u>up to 10 units</u> (100 kW max) 	<ul style="list-style-type: none"> Single-phase <u>Three - phase</u> New Power capacity: 7.3 kW Suitable with all zeroCO₂ products Also works stand-alone with meter (without inverter) 	<ul style="list-style-type: none"> From 30kWh up to multiple MWh PCS power capacity: 30 kW or 60 kW parallelizable (housed in cabinet together with EMS) Retrofit installation: Yes Assemblable also in containers
END-USER	<ul style="list-style-type: none"> Homes 	<ul style="list-style-type: none"> Homes and small condominiums Small C&I 	<ul style="list-style-type: none"> Homes and small condominiums Small C&I 	<ul style="list-style-type: none"> Smart-grid and Utilities Energy-consuming firms Large-scale C&I Large condominiums
THIRD PARTIES' COMPONENTS	<ul style="list-style-type: none"> Low voltage batteries, <u>including 5 kWh capacity batteries</u> New 	<ul style="list-style-type: none"> High voltage batteries 		<ul style="list-style-type: none"> Powercube (battery modules + BMS) PCS and EMS hardware Cabinets

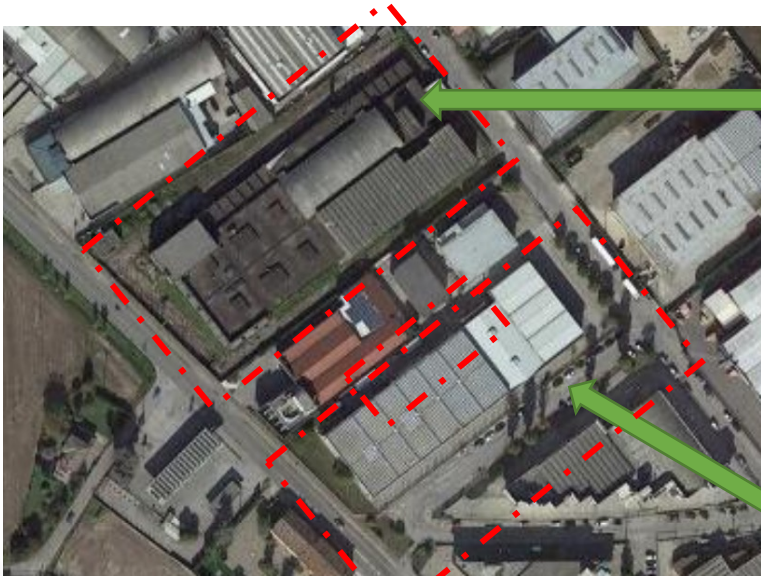
Go-to-market

Energy's sales network consists of both electrical goods distributors and photovoltaic specialists. Energy also works with large European EPCs. The proximity of Energy's logistics to the headquarters of the main distributors has led the company to have solid partnerships with major market players in Italy and Europe. Energy does not sell directly to the final consumer.



Production facilities

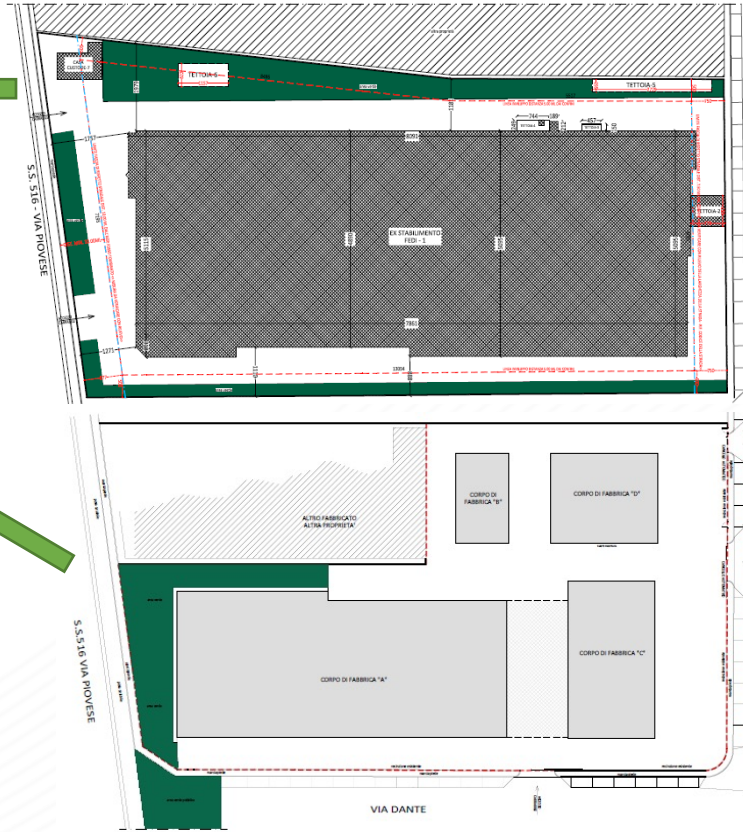
*Energy's new production and office facilities located near Padua (c. 9,000 sqm) allow to achieve the full-scale production of Extra Large ESS. In H2 2022, Energy acquired an additional production area of 11,000 m sqm close to the existing plant for a **total of c. 20,000 sqm***



TARGET PRODUCTION CAPACITY

Small & Large: up to 4MWh/year (600-800 batteries/day)

Extra Large: up to 60 MWh/year by end of 2023



Neighbouring area acquired Sept 2022:
11,000 sqm total area, 6,000 sqm covered

- **Address:** Via dell'Industria 8/10, Sant'Angelo di Piove di Sacco (PD)
- **Current main area (accessed May 2022):**
 - **Plant:** 9,185 sqm total area, 4,613 sqm covered
 - 3,023 sqm production and warehouse
 - 1,070 sqm offices
 - 520 sqm R&D labs
 - Covered truck load/download area
 - Batteries independent warehouse
 - Office room for all company functions
 - Separate building for R&D and testing
 - Two overhead cranes available
 - High power supply available

Shareholding and governance

Energy was founded in 2013 by **Davide Tinazzi** and **Andrea Taffurelli**, with the financial support of the Ghirlanda family (through their company Euroguarco) and Mrs. Hongwu Sun.

Shareholding	N. Shares	N. PAS	Tot. Shares	% on share capital
Davide Tinazzi	10.364.570	1.899.792	12.264.362	19,98%
Andrea Taffurelli	10.364.570	1.899.792	12.264.362	19,98%
Sun Hongwu*	10.270.638	1.896.000	12.166.638	19,82%
Euroguarco S.p.A.**	10.278.222	1.888.416	12.166.638	19,82%
RPS***	4.166.500	-	4.166.500	6,79%
Mercato****	8.346.500	-	8.346.500	13,60%
Total	53.791.000	7.584.000	61.375.00	100,0%

- Board of Directors
 - A. Granuzzo: Chairman – Independent Director
 - D. Tinazzi: CEO
 - A. Taffurelli: CTO

- Statutory Auditors: Marco Bernardis, Renato Bogoni, Dante Carolo, Aldo Travain, Inge Bisinella

- Audit Company:



* Chinese businesswoman who introduced Mr. Tinazzi and Taffurelli to the Chinese market in 2013. Her family owns a company involved in the production of expanded graphite

** Company involved in the manufacturing of gaskets and insulating materials for the oil & gas industry belonging to the Ghirlanda family

*** Cornerstone Investor

****the free float considering the 53.791.000 shares admitted to trading is 15,52%, post conversion of the first tranche of n. 3.792.000 PAS into ordinary shares occurred on May 15, 2023, since the EBITDA target 2022 has been achieved, in accordance with the provisions of the Bylaws.

P&L Statement

P&L (EUR M)*	2019A	%	2020A	%	2021A	%	2022A	%
REVENUES	12.5	100,0%	20.3	100.0%	51.5	100.0%	126.5	100.0%
CAPITALIZED EXPENSES	0.3	2.2%	0.4	1.9%	0.0	0.1%	0.4	0.3%
OTHER REVENUES AND INCOME	0.3	1.2%	0.2	0.9%	0.2	0.4%	0.4	0.3%
RAW MATERIALS	(9.9)	(79.3%)	(16.2)	(79.7%)	(38.2)	(74.2%)	(87.1)	(68.9%)
SERVICES COSTS	(1.3)	(10.0%)	(1.8)	(9.1%)	(1.9)	(3.6%)	(5.8)	(4.6%)
PERSONNEL	(0.5)	(4.1%)	(0.7)	(3.4%)	(1.1)	(2.1%)	(1.9)	(1.5%)
OTHER COSTS	(0.2)	1.2%	(0.1)	(0.3%)	(0.2)	(0.3%)	(0.3)	(0.2%)
EBITDA	1.2	10.0%	2.1	10.3%	10.4	20.2%	32.2	25.4%
DEPRECIATION AND AMORTIZATION	(0.2)	(1.6%)	(0.3)	(1.2%)	(0.3)	(0.6%)	(0.6)	(0.5%)
EBIT	1.1	8.4%	1.8	9.0%	10.1	19.7%	31.6	25.0%
FINANCIAL INCOME / (EXPENSES)	(0.1)	(1.0%)	(0.1)	(0.6%)	(0.2)	(0.3%)	(0.6)	(0.5%)
EBT	0.9	7.4%	1.7	8.5%	10.0	19.3%	31.0	24.5%
INCOME TAXES	(0.2)	(1.9%)	(0.4)	(1.9%)	(2.6)	(5.0%)	(8.4)	(6.6%)
NET INCOME	0.7	5.5%	1.3	6.6%	7.4	14.3%	22.6	17.9%

* FY 2021A and FY2022A full audit. Other financial figures unaudited

Balance Sheet

Balance sheet (EUR M)*	2019A	2020A	2021A	2022A
Intangible fixed asset	0.5	0.7	0.5	4.3
Tangible fixed asset	0.0	0.0	0.0	1.6
Financial asset	0.0	0.0	0.1	0.2
Net Fixed asset	0.5	0.7	0.6	6.1
Inventory	1.8	4.8	6.7	61.3
Trade receivables	0.7	2.8	9.7	23.1
Trade payables	(0.5)	(1.4)	(1.7)	(15.6)
Trade NWC	2.1	6.2	14.7	68.8
Other assets	1.0	0.6	1.6	0.3
Other liabilities	(1.0)	(1.3)	(3.9)	(6.8)
Net working capital (NWC)	2.0	5.5	12.4	62.3
Severance indemnity funds and others	(0.1)	(0.2)	(0.3)	(0.3)
Net Invested Capital	2.4	6.0	12.7	68.1
Equity	1.2	2.6	9.9	59.9
Short term debt	2.6	2.5	2.5	18.6
Medium/long term debt	0.1	1.7	2.4	5.5
Cash available	(1.6)	(0.8)	(2.0)	(16.0)
Net Debt	1.2	3.5	2.9	8.2
Total Funds	2.4	6.0	12.7	68.1

* FY 2021A and FY2022A full audit. Other financial figures unaudited

Cash Flow

Cash flow (EUR m)*	2019A	2020A	2021A	2022A
EBIT	1.1	1.8	10.1	31.6
Income taxes	(0.2)	(0.4)	(2.6)	(8.4)
Depreciation and amortization	0.2	0.3	0.3	0.6
Change in trade NWC	(0.2)	(4.1)	(7.1)	(54.1)
Change in other assets (liabilities). Severance indemnity funds and others	0.1	0.7	0.3	4.2
Operating cash flow	1.0	(1.7)	1.1	(26.1)
Capex**	(0.3)	(0.5)	(0.2)	(6.0)
Cash available for debt service	0.7	(2.2)	0.8	(32.2)
Change in debt	0.8	1.5	0.6	19.3
Financial income / (expenses)	(0.1)	(0.1)	(0.2)	(0.6)
Change in Equity	-	0.0	0.0	27.4
Net Cash Flow	1.3	(0.8)	1.2	14.0

Cash BoP	0.3	1.6	0.8	2.0
Net Cash Flow	1.3	(0.8)	1.2	14.0
Cash EoP	1.6	0.8	2.0	16.0

* FY 2021A and FY2022A full audit. Other financial figures unaudited

THANK YOU!



Energy S.p.A.

✉ investor@energysynt.com

☎ +39 049 2701296