



NHOA

Q1 2023 Trading and Operational Update

TRANSCRIPT

Investor Call held on 2 May 2023, h9:00am CEST

Chiara Cerri: Good Morning, ladies and gentlemen, and welcome to NHOA Group Investor Call on the Group's Q1 2023 Trading and Operational Update and the Upcoming €250 million Fundraising. The Investor call will be opened by Carlalberto Guglielminotti, CEO of NHOA Group, and with him to explain all details about Q1 2023 trading and operational update and the upcoming fundraising will be Giuseppe Artizzu, CEO of NHOA Energy, Stefano Terranova, CEO of Atlante, Gabriele Tuccillo, Chief Integration and Strategy Officer of NHOA Group, and Alessio Caruso, CFO of NHOA Group. Guglielminotti will open the call with the main Q1 2023 results, and then we'll go deeper in the results by Global Business Line with Artizzu and Terranova, followed by a more in-depth analysis of the upcoming fundraising.

At the end of the presentation, the management team will be available to answer any questions you may have. Please note, that this investor call will be recorded. If you could not attend the whole call, the webcast and the presentation are available on the corporate website on the dedicated page.

Please note that all participants will be in listen-mode. If you wish to ask a question, you may raise your hand or write in the Q&A chat, if you are connected via Zoom or if you're connected via call, enter the queue by pressing "*", "1" on your telephone keypad.

Before we begin, I just want to point out that any forward-looking statements made during today's call are subject to the risks and uncertainties mentioned in the 'safe harbor' statement, which is included on Page 3 of today's presentation. This also includes the risk that the transactions discussed during today's call remain subject to standard conditions for this type of transactions, as well as, any other risks and uncertainties associated with the execution of transactions of this type. And as customary, the call will be governed by that language.

So with that, I will now leave the floor to Carlalberto.

Carlalberto Guglielminotti: Thank you, Chiara, and good morning, everyone. It's a real pleasure to be here today with you to talk about the results of the first quarter, and how we will address our unparalleled growth in the future, as to say, with the launch of the €250 million green convertible bond. But let me get back on that in a second.

So first of all, NHOA Group started 2023 with an accelerated growth and the results achieved in the first quarter were excellent. We grew in all our business lines from double to triple-digits with revenues at the Group level up 110% and confirming the value of our integrated technology model in both energy storage and EV fastcharging infrastructure.

NHOA Energy has today 1.4GWh under construction, a pipeline of €1.2 billion in 4 continents, still going strong, and the revenues year-on-year stand at plus 115%, with a backlog at 30%, and pipeline at 60% compared to the same time last year.

Same goes for Atlante, our EV fastcharging network in Southern Europe, which now has 1,000 points of charge online in Italy, France, Spain, and Portugal, with another 1,600 currently under construction, totally, over 2,600 points of charge online and under construction and this is from the industrial perspective.

While from the financial communication perspective, in this quarter and date, we decided to do a tougher review of the performance indicators. And this is because we want to give you always the most precise picture of what's going on, and what we are doing and our commitment to our people, and, I mean, the results speak for themselves.

To give an idea, the network of fastchargers online in Italy today is around 3,300. Atlante has 2,600 points of charge online and under construction, 43% of them are in Italy. So we have approximately 30% of the Italian market share, which is 2 times the Masterplan targets, as you know.

So you will see the description of the new performance indicator in the notes to the Trading Update. The other major news we announced today is obviously the fundraising. And let me say that despite the unprecedented pressure in the capital markets that the whole sector has been feeling, we can now reaffirm very straightforward, beyond the performance from the investor perspective and beyond the fact that we outperformed any target in the last 8 years, with exception of the COVID year, obviously.

But then let me reaffirm that NHOA Group financial capacity to fully fund our own growth at this accelerated pace. Thanks, obviously, to the support of TCC, and thanks to our operational performance, we can say today that in the first quarter, we have a consolidated cash and credit line position that exceeds €100 million, which is a plus 44%, compared to year end.

And at the same time, we are launching a fundraising centered on a 5-year, €250 million green convertible bond, at a commercial price that is the double of the current spot price, meaning that or if you want an increase compared to the last closing price of 115%. And the book of which is today 90% fully covered well before the start of the book building process.

So given that our financial backing, I would like to reiterate today more than ever that NHOA Group is strong and financially backed and will continue on this path, accelerating towards the outperformance of all Masterplan10x 2025 targets. And this is possible once again, thanks to the support of TCC, our majority shareholder, which, along with us continue to believe that NHOA is its mission. So we want to shape a better world for the next generation period, and we really believe in it.

Our goals are on the long run, and this is not a sprint, even if in the sprint phase we are outperforming and we are accelerating, and this is the factual matter of fact despite the market skepticism. And this is first and foremost, thanks to our extraordinary people, our unique team of more than 450 extraordinary people at year end, over 500 today that believe in our mission and hard work to make it happen. By the way, people of 36 nationalities, 50% engineers, 50% women in management team, I mean, that's an amazing team. And the people that after the launch of this transaction, namely the €250 million convertible bond, I want personally to be more focused on.

And this is the reason why we are structuring, literally now, an innovative and iconic program that we will call NHOA Elite program, that will provide to our people a world-class training and coaching and inspiration and experience that has no parallel, nor comparison in the market, and that just NHOA's employees and also obviously sports association we sponsor will benefit from. And again, this is the reason why we cultivate a culture of excellence, innovation and hard work. This is the growth engine behind our outperforming results.

So, in a nutshell, thank you again to our people, all our teams, on the Group level for the outperforming results. And let me thank, particularly, Ludovica Solera in her new role as Global Chief People Officer. But particularly, thanks to you, Giuseppe, first and foremost, for the

outstanding results at NHOA Energy, the energy storage business line, and the growth engine of the Group. So, floor is yours, Giuseppe.

Giuseppe Artizzu: Thank you, Carlalberto. Apologies, everybody, for not switching on my camera. I'm in a complex logistics situation due to a major road accident. In two words, the update on NHOA Energy is on-track. We have converted over €30 million of backlog into revenues, which is quite as much as last year. We have 6 or 7 projects in commissioning, and the rest of the portfolio is progressing healthily.

The backlog is up on a year-on-year basis, this is due to the major commercial successes that we had at the end of last year, but we also have a very healthy pipeline, an actual advanced origination situation 5 projects that we defined in short list, but in reality we are in bilateral negotiation on several opportunities. So we are very happy about where we stand from an origination perspective as well. The market is healthy and is benefited from a substantial reduction in battery cost due to a very steep fall in lithium and other commodity prices over the last quarter.

Just on a technical note, that is related indeed on the impact of commodity evolution on our numbers. You will see that the backlog reduction on a quarter-on-quarter basis is higher than the revenue conversion. This is exactly the effect of battery indexation cost. So a reduction in battery cost reduces revenue, reduces cost in the same amount. So no impact on margin, but we have some backlog volatility that is driven by the fact that since last year we have been including indexation process for risk management purposes in our portfolio.

So far so good on-track with what we have promised the market over the last several months and the industry could not be in a healthier situation. Thank you.

Carlalberto Guglielminotti: Thank you. Giuseppe. Let me move very quickly on Free2move eSolutions, I mean, as expected, we had a restart of the figures with a double-digit growth compared to the last quarter, year-on-year, sorry. So compared to the first quarter 2022, obviously that has an acceleration double-digits, but we do expect the first signals of substantial restart starting from the second quarter as we announced in October last year when we appointed Mathilde Lheureux as Chief Executive Officer of Free2move eSolutions. So, so far so good, very focused on re-launching the business, focused on the strategic plan, which is centered on the Stellantis customers and leveraging on a backlog of orders of approximately €60 million that will constitute the backbone of the 2023 results.

So that's the situation Free2move eSolutions side. I will now leave the floor to Stefano to talk about the amazing results Atlante is achieving. So Stefano, the floor is yours.

Stefano Terranova: Thank you, Carlalberto. Good morning, everyone. As you can see from this slide, indeed the results are very good, very strong. We are focusing on delivering the network rollout and the very important message is that the acceleration continues. So we had closed 2022 with an important news on accelerating or basically achieving faster rollout than originally planned, and that the trend is continuing in Q1 of 2023.

We are presenting slightly more detail than before on our pipeline. As you can see for the first time, for example, we decided to provide a split by country and that highlights obviously the difference in the 4 countries in the different speed at which we are moving in the 4 countries.

Now, very importantly, we crossed a very important, let's say a very important deadline. We have crossed 1,000 points of charge online. As you can see, 1,037 to be precise as of end of March. Of course, the figure continues to grow month-by-month. And on top of that, we had an additional 1,600 points of charge under construction, bringing the grand total, as you can see, to 2,600. That's an important number because that is more than half of what we were supposed to deliver by the end of 2025. So you can draw some conclusion. We might get to the 5,000 target faster than foreseen. Importantly, we also have 3,000 sites under assessment, that's on top of the above. So on top of the 2,600 points of charge online and under construction, we have an additional 3,000 sites which are under assessment.

Other important figures to mention here in this table, you would see that the Q1 sales are double the grand total of 2022. 2022 | we said it was not a year where we were expecting any figures

at all in terms of sales. It was the setup year, but of course we had delivered a little bit of sales. And now you will see that quarter-by-quarter, those figures will become very important. Now, what is underlying these figures and these results, what you cannot see is what we built in 2022. In 2022, we built a company from scratch. We built a very strong platform based on a strong headquarter located mainly in Italy and 4 countries structures between Italy, France, Spain, and Portugal, which is why we can deliver these results at the speed we have been doing. And we will continue to deliver stations at the same speed or even faster if needed. But behind that, there has been the building up of a corporate structure and a platform, especially in terms of, of course, managing the supply chain, managing the pipeline of sites, which is in my opinion, extremely professional and adequate to deliver the important challenge that we have set for ourselves.

And then the last thing I wanted to show you very quickly is just on the next slide. This is just an image of things to come. We have launched a couple of weeks ago, the new design of the Atlante iconic station, which was developed together with Bertone Design, one of the most famous design firms in Italy, but also worldwide. This is the result of almost one year of hard work focused importantly on the aspect of something which is useful, recognizable, but obviously also 100% sustainable from start to finish. And this type of architecture will start showing up as of the second half of 2023, together with the rollout of the stations with the storage. We have already 2 stations with storage in a pilot scheme right now, up and running, not open to the public yet, but we are working on stations which will be open to the public and enabled by storage by the second half of 2023 as planned. So that's it.

We, as I said, the pace of acceleration has continued and therefore we are delivering faster than initial plans, but that's good news for ourselves. It's good news for our majority shareholder who strongly support that acceleration.

Thank you very much. Back to Carlalberto.

Carlalberto Guglielminotti: Thanks a lot, Stefano. And I will now talk about the upcoming fundraising mainly in the form of €250 million green convertible bond. First of all, why are green bond? Okay, because we'll be 100% centered on NHOA Group's ESG and sustainable strategy, obviously, but the question is why that? I mean, NHOA is a Sustainable Development Goals-driven company, so we are 100% focused on the green energy transition, and we strive to ensure access to affordable, reliable, sustainable, and modern energy for all, which is literally Sustainable Development Goal #7.

And as you may know, NHOA contributes the most to SDG 7, and this is a source of pride for all of us. Our strategic pillars, namely, as you can see in this slide, Innovation and People leverage ESG fundamentals to enable us to meet our sustainability goals. So in the context of our strategy, the E in environment represents the value chain and circularity in a business model that is per se sustainable, as we are playing in storage of renewable energy and electric mobility, right? While the S in social represents health and safety, product safety, and stakeholders engagement, while the G in governance stands for ethics and risk management.

I mean, these pillars together with ESG fundamentals ensure that our business follows a long-term sustainable growth trajectory that contributes to these SDGs. I mean, we understand that our industry plays a critical role in driving sustainable development, and this is why we have set challenging ESG targets monitored by specific KPIs that we will tell you more about it in the 2022 Sustainability Report and Annual General Meeting, obviously, together with major ESG ratings, and most importantly, the B Impact Assessment, along with the commitment to reach the B Corporation status by achieving all necessary eligibility criteria by 2025. I mean, by becoming a certified B Corporation, NHOA intends to be a leader in the global movement for an inclusive, equitable, and regenerative economy. And this is an obvious target for NHOA. Again, you see here in the figures, our teams, I mean, 34 years old on average, 36 nationalities, 50% engineers, 10% PhD, 50% women in management.

In conclusion, let me reiterate that our sustainability and ESG strategy is deeply embedded in everything we do at NHOA, and in other terms, we are not launching a green bond because we found some green assets to be financed in that way. We are rather financing the acceleration of our 100% sustainable business model we set over a decade ago when green financing did not even exist.

Then going back to our bond, NHOA estimates the total financing need necessary to continue to fund this unparalleled growth in the energy storage global business line and the acceleration of the EV fastcharging infrastructure business line, for the following 2 years to be around €250 million.

And at NHOA Energy, we used, as you can see, very carefully the money raised in 2021 by delivering essentially €450 million of order intake and €150 million of which have been converted in 2022 revenues at EBITDA positive with over €300 million of backlog of orders. So now, €50 million to €100 million is the financing need we are looking for to be used by NHOA Energy to support the continued expansion of the business, which is beyond the 2021 expectations and the Masterplan targets across 4 continents.

To fund, first, working capital needs, arising obviously from the over €250 million backlog of orders. So it doesn't come as a surprise. And then strengthening the balance sheets, enabling further growth while leveraging on the global competitive positioning we already achieved with over €1.2 billion of projects in pipeline.

And then last but not least, the selectively retained equity interest in strategic projects characterized by highly innovative and deeply vertically integrated technology solutions alongside our customers. Then at the Atlante level, again, it doesn't come as a surprise that we accelerated well beyond the 2025 Masterplan target by 2.5 times in terms of points of charge and by 2 times in terms of market share. I mean now the financing need is between €150 million and €200 million and this will be used to fund the accelerated rollout of Atlante. And the rollout of charging stations across Italy, France, Spain and Portugal in order to maintain the current accelerated development speed that has seen already over 50% of the 2025 targets already secured and over 1,000 further sites currently under development, I mean literally now.

Again, it doesn't come as a surprise the fact that to support these accelerated ramp-up, NHOA is carefully exploring further financing options for Atlante on top of this convertible bond, but these further options would represent in an event an additional catalyst to the current development path which is, as I said, fully funded with our own resources.

Then moving to the next slide, we have here a summary of our dual track strategy to provide a minority-friendly financing solution. Let me just highlight the most important keywords in these slides. So, first of all, most minority-friendly and dual track, so in principal, the financing strategy is centered on the €250 million 5-year convertible bond while we are extremely careful in respecting our minority shareholders and that's the reason why we will leave to them, the decision at the extra upcoming annual and Extraordinary General Meeting via whitewash vote.

And therefore we have a dual track Option A, Option B, Option A is €250 million convertible bond which is structured as a bridge to equity, meaning that the instrument can be refinanced at any time via rights issue to be completed by 2028. And then obviously we have also Option B which is the way we leave to minority shareholders in case Option A is not approved obviously to ensure that the €250 million will be raised in any event by June 2023.

Then Chiara we can move to the next slide. We see here that the main terms with the maturity which is 5 years, the coupon that obviously will be defined after the investor roadshow. In any event we do have the TCC backstop at 5% in terms of coupon.

The commercial price is 40% above the reference share price, reference share price that on its turn is in last 40 days VWAP meaning that the commercial price is equivalent to 8.26. 8.26 stands for essentially the double of our stock, of our last closing share price on Friday and you can see that also as a 115% increase compared to the last closing price. Obviously, the reference irrespective of the financial communication, the reference is 8.26 and 8.26 has been structured as 40 days VWAP plus conversion premium of 40%.

If we move to the next slide, here we can see some additional comments and terms that you find in detail in the press release, so this instrument is reserved to institutional investors, TCC is committed to take up at least its pro rata share even less in case of demand from institutional investors but obviously ready to go up to 90% in case of need. Conversion period will start from the first year, so after the first anniversary will be fully convertible. We do have a put option at year 3 and obviously the AGM approval for the rights issue which is underway in which we will refinance this instrument by 2028 will be taken at the Annual General Meeting. And obviously this will be triggered as long as the conversion price in the next 5 years will be reached, meaning that we will not launch any rights issue at prices that might be extremely dilutive for our minority

shareholders and that's the reason why we structured this instrument as a bridge to equity to gain time in order to give time to our stock to recover and to launch a rights issue open to all our minority shareholders but at prices that are not dilutive as it would be if we were launching a rights issue today which is Option B.

Then moving to the next slide, we see the alternative that our minority shareholders have of the upcoming AGM which is a rights issue today, €250 million rights issues today that will be the most obvious instrument maybe the instruments of what the market was scared of. If we look to the commentaries of brokers and the reaction of our stock price, but this is the instrument that we tried through the structuring of the green convertible bond to avoid, because as you can see from the dilution tables, attached to the press release this will be an instrument even if complying with the market standardized practices will be in any event extremely dilutive.

So, we'll leave the decision obviously to our minority shareholders, but we are strongly convinced that the €250 million green convertible bond, by the way essentially fully covered as of today, but open for a subscription to everybody will be the perfect way to give to the company the money needed to continue the growth at this accelerated pace. So, at the same time showing the commitment of our majority shareholder. A commitment that was already announced, anticipated by our Chairman Nelson Chang during the last investor call and materialized in this announcement today with the evidence in front of your very eyes that we have made, and we will make whatever it takes to continue first our growth at that pace. Second with the ability to fully fund our own growth, and third last but certainly not least, with an absolute minority friendly approach, extremely respectful of the current situation in which we have a rights issue today. Our minorities will be extremely diluted.

And this is what we believe in. We can move to the last couple of slides and this one simply represents what 8.26 which is the conversion price stands for. If we look at the stock price evolution over the last essentially 15-16 months, so from the last capital raise we made at the end of 2021, we see that our stock performance has been worse than the market, but not dramatically worse than the market. I mean all our peers in Europe and U.S. in storage, in e-mobility, in EV infrastructure lost approximately 63% of their market capitalization in our case it was 78%. So, worse than the market, we do not believe it to be worse than the market, not at all. Certainly not from the fundamentals and performance perspective at the energy storage level where we are growing like our peers if not at a higher pace, in a very profitable way, because we are the only company that is EBITDA positive. So, we do not deserve a treatment by the market which is worse than our peers and we do consider we should trade at a premium compared to them.

Same reasoning for the e-mobility certainly for the potential we have with the Stellantis partnership and lastly Atlante, I mean, we do have today as we said in Italy we have approximately 3,000 Fastchargers and points of charge, fast points of charge, and today Atlante mentioned by Stefano has approximately over 1,000 points of charge online and under construction just in Italy. I mean, we have 30% of the Italian market share, which is the double of our original targets of 15%. So, we do not consider to deserve a treatment by the market which is worse than our peers. We are well above and that's the reason why the conversion price has been set with the support of TCC and the full commitment of NHOA at a price which is 8.26, which is above the market performance of all our peers and that's the outcome. This was not the intention, I mean we analyzed the performance after having defined it obviously, the conversion premium, but we are absolutely in line with these results.

And then last slide, Chiara we can move to the guidance. Obviously, we reiterate all our guidances and all our outlook, essentially from €220 million and €280 million revenues this year with EBITDA at NHOA Energy levels from €5 million to €10 million at the level of Free2move eSolutions we will see, but we are on track and looking forward to restart from second quarter towards growth margins and eventually cashflow generation Free2move eSolutions is not even mentioned in the fundraising process. As you know for the simple reason that we do expect to have them cashflow positive at the end of this year and therefore, we do not expect major financial needs going forward.

And then Atlante, I mean, we reconfirm all our targets looking forward to generate the first €100 million revenues in 2025, while the combination of Free2move eSolutions and NHOA Energy will target the €600 million revenues by 2025 with approximately 10% EBITDA margin, while

reconfirming the long-term outlook of over €1 billion revenues with 15% EBITDA margin plus Atlante which will be equivalent amount of revenues with 50% EBITDA margin, which is obviously in line with infrastructure play of the comp.

So having said that, I think we can now move to our Q&A session and together with Giuseppe, CEO of NHOA Energy, Stefano CEO of Atlante, Gabriele in this new role of Chief Integration and Strategy Officer along with Alessio, the newly appointed CFO of NHOA Group for all financial aspects. We are ready to take any question you may have.

Chiara, the floor is yours to open the Q&A session.

Q&A Session

Chiara Cerri: Thanks a lot. We are now ready to open our Q&A session. Remember that if you wish to ask a question, you may raise your hand or write in the Q&A chat, if you are connected via Zoom or if you are connected via call, enter the queue by pressing "*", "1" on your telephone keypad. We already have some questions coming.

The first one will be by Mr. Alessandro Pozzi from Mediobanca. I will now ask him to open his microphone. Can you hear us and talk?

Alessandro Pozzi, Mediobanca: Inaudible

Carlalberto Guglielminotti: Sorry Alessandro, I cannot hear you. The quality of the audio is very poor.

Alessandro Pozzi, Mediobanca: Can you hear me now?

Carlalberto Guglielminotti: Slightly better. Okay. I will try.

Alessandro Pozzi, Mediobanca: My first question on the fundraising... inaudible

Carlalberto Guglielminotti: Sorry Alessandro, I cannot even catch any single word of what you are saying. I will suggest maybe Chiara to the next question while Alessandro tries to reconnect from a better...

Chiara Cerri: Yes, exactly, we have another question coming from Mr. Guillaume Muros from Société Générale. I will ask him to open his microphone.

Guillaume Muros, Société Générale: Can you hear me?

Chiara Cerri: Yes. Thanks.

Guillaume Muros, Société Générale: Thank you. Hello. Good morning everyone. Thanks for taking our questions. I have 4 for the moment. And the first one, Carlalberto you've answered it partially, but I would like to have a bit more detail on why haven't you gave any range for valuing Atlante? Haven't you received any interesting offer as this is something that you were mentioning to be seeking the last few months. That's the first question.

The second one is a bit more on communication. When you mentioned NHOA Energy, I understand that you mentioned the energy storage division as well as the e-mobility one. But looking at your presentation, you mentioned that you expect to be breakeven in 2023 at the NHOA Energy level, I guess, this only at the energy storage. So please feel free just to correct me here, because I think it doesn't then encompass both divisions depending on the slide that you we are referring to?

And the third question on the fund raising. You mentioned that €50 million to €100 million could be used to NHOA Energy, and you mentioned selectively we are paying it with interest in strategy projects. Could you elaborate a bit on that, please? And the fourth one for now will be on utilization rate. NHOA just started generating quite a lot of revenues in Atlante. Could you

let us know if, I mean, how are the customer adoption rates or utilization rates that you are seeing in some of your most iconic site of Atlante. Many thanks.

Carlalberto Guglielminotti: Thank you, Guillaume, and let me take your questions in the right order, and then I will leave to essentially Stefano to comment on the last one. So why Atlante? We have received any interesting offer? Yes, we have, but as we said very clearly, we are not going to shop the company, we are not going to shop Atlante, okay, so, for the simple reason that we have main dialogues ongoing. Meanwhile, we already received offers, they certainly were interesting, but not interesting enough to close the deal. And that's the reason why the dialogue is still going on. But the message we are delivering to the markets now, today essentially is that we are not looking for a partner in Atlante, because we are running out of cash, because we are not. And the second message is that we do have the resources, thanks to the support of our majority shareholder to fund our own growth.

And the only reason why we are looking for a partner that might top up, obviously, our financial resources but certainly also giving to Atlante additional strength is because we genuinely believe that partnering with the right investor and with the right capacity to fund our plan will be beneficial for Atlante, but this is our genuine interest and as long as we are not going to find the right investor with the right conditions, we are certainly not going to rush in trying to seal a deal in order to show something to the market which we are already convinced of.

And on the NHOA Energy breakdown, yes, let me apologize for the confusion, but as you will see and you will see in the next coming weeks even louder, we are rebranding the Group identity in a very clear way. So when we communicate as a listed company, we do communicate with the NHOA Group identity. So you will see also our new website will be NHOA Group. Our own in-house will be nhoagroup.com and this is the listed company. Then when we set targets for not at the Group level but when we talk about NHOA Energy, Free2move eSolutions, Atlante, we do set targets for those 3 companies.

So if your point was EBITDA is set for NHOA Energy, the target is for NHOA Energy. Okay, if the target is at the Group level, this is a target for NHOA Group. So let me apologize again for the confusion, but there is an historical, let me say, scene or an original scene which is the fact that we were all coming from NHOA Energy, right, so and then the Free2move eSolutions was added essentially 2 years ago. Then we launched Atlante and so there is a sort of implicit fogginess, but we are trying to be as precise as we can and therefore then you will see the NHOA Energy logo that by the way will have a green and the original green in the logo. This is a target for NHOA Energy.

So let me just confirm your question. We do set the objective in terms of EBITDA at the NHOA Energy level, which is the energy storage division and the business line of the Group. So the one that was already EBITDA positive last year and for which we set an EBITDA target between €5 million and €10 million this year. And we will represent the figures as we represent during the trading updates with a segment reporting. So very precisely in order to avoid any confusion at the market level. But let me say that also from the financial communication perspective, under the leadership of Chiara we'll try to be even more precise and clear with rebranding of the Group identity.

Then, on the fundraising at the NHOA energy level, you noted selected the retained equity interest in strategic projects as use of proceed. Yes, correct I mean it's already clearly written, but let me give you some color when we say characterized strategic projects, characterized by highly innovative and deeply vertically integrated technology solution alongside our customers means that we do have, we are aware of the fact that sometimes we do deliver to our customers a lot of value.

Turn-key that eventually they use in their projects they own, they own typically 100% of the equity of those products, and sometimes the risk appetite of our customers we do have technology solutions that are really innovative, deeply vertically integrated from the technology perspective and retaining an equity interests in projects that are extremely innovative, extremely technological advanced would help NHOA Energy to retain a part of this big value, we have historically delivered to our customers.

Okay, so the R&D of NHOA Energy is going on, we are really technology advanced solutions, so we are working a lot with our customers and may we have the opportunity to again retain

our strategic interests, in a strategic equity interest, in our strategic projects in which we do deliver a lot of value. We will certainly take the opportunity to. And, in case you need, Giuseppe can further elaborate on that.

And then on utilization rate, as we announced, we will start communicating the utilization rate, at the Atlante level starting from the first half this year, i.e. therefore there is no guidance okay, again this is not a KPI, this is the typical KPI that we used in countries where electric mobility is more advanced like the Netherlands, right? And this is not really a KPI in which we focused on, and that's the reason why we are not even communicating this KPI at this stage given the current EV market penetration in Southern Europe okay, because it is not telling, even if I tell you that, we do have some station at 35% everybody will get excited, but they this is not telling anything because maybe it's the only fastcharging station we have in Rome and Milan online today, okay, so we would pass a very bullish signal and communication to the market that might be extremely misleading, okay.

So, I mean, let's imagine really the only fastcharging, the only fastcharger in Milan or in Rome that is out of the major highway connection or out of the major traffic flows, but given the fact that this is the only one yes, utilization rate is very high and then in the next 24 months, you will discover that is one of the worst investments ever made by. So, that's the reason why we are not particularly focused on that. Then, should you want Stefano maybe you can further give me color on that, but this is essentially what we think, but in any event from H1 as said, we will start communicating on that KPI.

Guillaume Muros, Société Générale: Thank you very clear.

Carlalberto Guglielminotti: Thank you.

Chiara Cerri: Thank you very much. I think we can now try again with Alessandro Pozzi, do you want to try to reactivate your microphone and see if we can hear you?

Alessandro Pozzi, Mediobanca: Yes.

Chiara Cerri: A little bit better.

Carlalberto Guglielminotti: Looks better, but, let's try...

Alessandro Pozzi, Mediobanca: Inaudible

Chiara Cerri: I think that we cannot really hear you well again, may I suggest you to write the question in the chat and I will read it out loud for you.

Carlalberto Guglielminotti: Okay. Meanwhile, we can move to the next one, Chiara I think?

Chiara Cerri: Yes, we received another question like a written question from Mr. Claudio Cirino. There are 2 parts, the first part is: "Dear friends, how soon do you plan to finish the residual liquidity of the capital increase, and how do you plan to finance yourself afterwards?" The second part is: "What do you think to do reduce the loss and work against the going down of the stock market?".

Carlalberto Guglielminotti: Okay. So, let me take this question. First, how soon do you plan to finish the residual liquidity. The residual liquidity I think is a wrong way to represent the current situation in which we are, I mean, current situation as I said, loudly in even in my quote is we do have over €100 million of liquidity between cash in the bank account and credit lines available for withdrawal and therefore utilization, I will not describe a situation of €100 million in cash as of today as residual liquidity, and certainly if in case this is the concern we are not going to burn €100 million or even invest €100 million in the next couple of months, looking forward to close the €250 million convertible bond. Then, after having raised starting from June, so let's put away this skepticism on how much we are investing, because we are certainly not going to invest or

absorb cash €100 million in next couple of months, so don't worry we are not running out of cash before at the Annual General Meeting then we will have €250 million in cash in the bank account. So, this is not a horizon in which we are planning to finish the residual cash. Okay? So, we have a massive amount of cash to be invested, we are not burning cash at the NHOA Energy level, we plan to be cash flow positive from Free2move eSolutions in the coming, in the coming couple of quarters. So, essentially we are going to use the cash to invest in Atlante as described in the use of proceeds.

Therefore I will rephrase the question is what is the speed of the investments we do expect at the Atlante level, and therefore how long does it take to invest for Atlante €150 million to €200 million and while for NHOA energy as we mentioned, we are looking for cash just essentially, to backup the working capital exposure given the high level of backlog and strengthening the balance sheet, okay?

So, vast majority investments and from that perspective certainly we are not planning to invest over €150 million to €200 million in the next few months and certainly this is consistent with at least couple of years of investment plan horizon, okay? So this means that from the Atlante perspective given the current speed of rollout of the network certainly should we keep the same speed and let me reiterate, should we keep the same speed, certainly the amount we are raising will be sufficient for the next couple of years.

And but again it's just a matter of phasing the investments while we started the cash flow generation, okay, by 2025. And in the 2025 horizon let me say that if you look to the original plan this doesn't come as a surprise because the next couple of years is essentially land to 2025, 2025 was the regional horizon in which we are going to start generating EBITDA and cash with the first significant revenues that will on its turn enable banking structures and indebtedness in more structured way. So, this is not shocking anybody let me say.

And then on the second part of your question, how you plan to finance yourself afterwards I think I already replied, and then there was a mention on losses and contrasting the drop of the stock price. Let me take the first, on losses, I mean we do not look at the losses at the Group level, as a driver for our growth for the simple reason that we do have an infrastructure business line plugged in, so sorry, I look with the segment reporting perspective we do report and we do communicate very clearly with the segment reporting and therefore we do plan at anything from our segment perspective and per business line.

So, again, at the NHOA Energy level we are EBITDA positive, we are not looking forward to have a net income positive in next couple of quarters, this is not the strategy, however any losses will be extremely limited because we start turning the page towards the profitable path, from the Free2move eSolutions level same thing and Atlante, sorry again, we do not look at losses for the simple reason that we are heavily investing and therefore depreciation on a yearly basis is important and certainly this concept is very important for any shareholder we have, so we do have an infrastructure division, so by definition, in the very first year this was from the accounting perspective generate losses even if let me say this is not a KPI that we are looking for, because this is a pure accounting effect of strategy which is very clear, which is investing into the most strategic infrastructure of the world, in the next decades okay. So, this is what we are looking for and what we do expect our investors are able to understand very well, I think Chiara we do have...

Chiara Cerri: We do have the question from Mr. Pozzi right now, I will read them out loud for you all, Question #1: "Can you provide more color on how the €150 million to €200 million capital will be spent on Atlante, and an update and CAPEX unit cost versus initial guidance of 100 or 140K per charging point given in 2021?"

Second question: "Can you provide an outlook for new orders in e-mobility?"

And finally, third question: "The way the transaction has been structured it makes a sense for minority to vote in favor of convertible bond. Do you already have commitment for convertible bond from minority investors?"

Carlalberto Guglielminotti: Okay. So, I will handover to Stefano to comment on the second part of the first question, which is on the CAPEX per unit cost. On the more color how the €150 million and €200 million capital will be spent, I mean, we don't need Stefano, you don't even

need myself to comment on, I mean, rollout of the network very simple. Okay, this is what we are looking for. And in order to maintain the current rollout speed that Stefano has been able to deliver obviously, there are also structural cost, but the structural costs and the platform costs are let me say in relative terms, given the magnitude of the plan and the size of the plan are a fraction of the investments that we are making, right?

So I hand it over to you Stefano to comment on that. And on the unit per CAPEX or CAPEX per unit evolution.

Stefano Terranova: Sure. Thank you, Carlalberto. And you rightly mentioned the platform cost which albeit a small percentage of that amount, it's something that we are planning to invest in as well because just to be clear, you know, our mission is to create the largest network of fastcharging stations in Southern Europe. And this is a long term business, this is a business with which we intend to serve millions of customers across the 4 countries and providing to them several millions of charging stations so this requires a structure behind, it requires a platform mainly digital because as you can imagine our stations are run and operated remotely by a so-called CPO platform that we have mostly put together in-house. And therefore we have to expect some costs to go towards running the show. This is not a fly by night operation where we just plant a few chargers randomly across the 4 countries and then we sell them off to somebody else. We are running an operation, we are running a company, which will, as I mentioned, manage millions of customers a full day charging needs on the mostly on the go.

Then the vast majority of the money will be spent on rollout, so, CAPEX for stations. With respect to the bracket, we are definitely at the bottom of the bracket that we initially mentioned. And in many cases below the bottom of the bracket so below 100K per PoC. And on average, of course, when we made 2 acquisitions, one in Portugal and one in Italy, we also acquired many AC chargers which mostly we plan to substitute as soon as we have the opportunity and therefore the acquisition costs, if we take that acquisition cost, it comes well below that 100K per PoC for obvious reasons. So, on average, the current portfolio is well below that 100K figure, but also what we have in pipeline, what we are developing is certainly at the bottom of the fork that we provided and with only few exceptions somewhere let's say in between the fork that we had initially provided 100K to 140K.

So how did we achieve those better than foreseen CAPEX per unit is by rationalizing the type of stations with a technological team creating standard for stations, creating templates and the infrastructure team trying to deliver sites where we can install most efficiently a progressively larger number of charges and including with, let's say, expansion places, so securing the optionality to expand the stations as the traffic increase.

Carlalberto Guglielminotti: Okay, then let me take the second question of Mediobanca that was: "Can you provide an outlook for orders in e-mobility?". No, I mean, we do communicate on the current backlog of orders, the current backlog of orders that has been announced is really sizable. And we do not plan to let me say give regular updates on that. We focus on converting orders into revenues and margins. The current backlog orders we have is more than enough to do that, so, we focus on execution. Then, we will prefer to starting from the second, third and fourth quarter to give guidance on the revenue generation rather than on orders, right, because the conversion from the lead from an e-mobility lead, from a Stellantis customer to revenue generation you have many variables which are mainly related to the delivery of the car.

And therefore, again and again we focus in execution, we focus on revenue generation then when revenue generation will be there, we will certainly give to the market more color on the path going forward okay, but we will prefer to be extremely prudent in financial communication at the Free2move eSolutions level, we do deliver, and then we will start to communicating in a sophisticated way. So back to square one, let me say and focus on fundamentals.

Then on the third question, which is the way the transaction has been structured, it makes sense for minorities to vote in favor of the convertible bond. Thank you, I think you've got the right message behind the transaction.

And the question is, do you already have commitment for convertible bond for minority investors? Not really, for the simple reason that we carefully waited to go public with this instrument before contacting any minority investor and therefore we will start right now talking

with our minority investors and liaising with potential new demand for this instrument, we'll see what the market reaction will be around this instrument. We do have in any event, the full support of TCC as you can see, so we will market the instrument. We will share with our minorities the opportunity that TCC has, and should we have the opportunity, obviously, we will be excited to have the largest number of minority investors in our stock, also subscribing the convertible bond.

So I think this is the last question, do we have any further question Chiara?

Chiara Cerri: No more questions.

Carlalberto Guglielminotti: Okay, thank you. Thank you, everyone for joining our investor call and looking forward to give you more details on our growth and our acceleration in the coming quarters. Thanks a lot and have a nice day.