

Results Presentation Year Ended 31 March 2021

4 June 2021

enÉrgia group

Financial highlights

Strong performance for the year

- Total Group EBITDA* for the Year Ended 31 March 2021 was €194.1m (2020 - €164.1m).
- Pro-forma EBITDA for the Senior Secured Notes Restricted Group** for the Year Ended 31 March 2021 was €158.3m (2020 - €134.3m).
- Pro-forma cash flow before interest and tax*** for the Year Ended 31 March 2021 was €19.7m (2020 - €126.9m).
- Senior net debt was €429.3m at 31 March 2021 (2020 - €406.1m).

Unaudited reconciliations for pro-forma EBITDA and net debt of the Senior Secured Notes Restricted Group are provided in the Appendix to the Group's consolidated financial statements

** EBITDA based on regulated entitlement, before exceptional items and certain remeasurements;*

*** EBITDA based on regulated entitlement, before exceptional items and certain remeasurements and excluding earnings from unrestricted investments, but includes distributions from unrestricted investments of €8.1m from wholly owned assets in the Year Ended 31 March 2021 (2020 - €11.0m) and €nil from minority owned assets (2020 - €0.3m);*

**** Pro-forma EBITDA for the Senior Secured Notes Restricted Group, less pension charges, plus movements in provisions and working capital (incl. purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of unrestricted investments) and exceptional items and including the effects of FX*

COVID-19

Update on impact of COVID-19 on Energia Group

- The Group's businesses and dedicated teams have proved to be resilient in meeting the challenges of operating during the COVID-19 pandemic.
- Financial performance remained strong throughout the year despite the COVID-19 related restrictions in Ireland and Northern Ireland.
- Notwithstanding the financial performance for the past year, uncertainty remains over the potential future impact of COVID-19 related factors on the Group's businesses and the delivery of its development projects.
- Management remains vigilant and continues to monitor and assess developments and the potential future impact of the pandemic.
- The Group has strong liquidity at 31 March 2021 (with €178.6m cash and cash equivalents excluding project finance cash) and has undrawn committed revolving credit facilities of €109.2m and is therefore well positioned to manage the potential future impact of COVID-19.

Renewables business developments

The Renewables business:

- Owns and operates 309MW of wind assets;
- Purchases electricity from 1,284MW of renewable generation capacity throughout Ireland;
- Is in the advanced stages of constructing a 4MW bioenergy plant in the RoI as well as developing a further pipeline of wind, bioenergy and solar projects across Ireland.

Onshore operational wind generation assets

- 309MW of onshore wind generation assets operational at 31 March 2021 (31 March 2020 – 277MW).
- Renewable assets availability for the Year Ended 31 March 2021 was 97.8% (2020 – 98.0%) with a wind factor of 26.3% (2020 – 27.7%).
- Distributions of €8.1m were paid to the Senior Secured Group in the year ended 31 March 2021 (2020 - €11.0m) from the wholly owned onshore wind generation assets.

Onshore wind development assets

- During the year the Group acquired Crossmore, a 15MW wind farm project in County Clare, RoI and then post year end acquired Drumlin, a 49MW project in County Monaghan, RoI.
 - In April 2021 planning consent was received in order to increase capacity of the Crossmore project to 25MW.
- The Group continues to progress the development of its onshore wind pipeline projects (242MW) and expects to enter into Corporate PPAs for such development projects.

Renewables business developments

Renewable PPA portfolio

- Average contracted renewable generation capacity for the Year Ended 31 March 2021 was 1,286MW (2020 – 1,272MW) with 1,284MW operational capacity at 31 March 2021 (2020 – 1,268MW).

Bioenergy assets

- Construction of the plant is substantially complete however the commissioning phase continues to experience a number of delays and commercial operation is targeted during Financial Year 2022.

Solar

- The Group has two consented solar projects, Glenamoy and Darthogue, totalling 32MW in the RoI for which it has submitted planning applications to increase the scale of these projects.
 - During the year, planning consent was received for a first phase extension to the Darthogue site for an additional 47MW of capacity.
- The Group is also exploring a number of further greenfield solar development opportunities.

Renewables business developments

Hydrogen

- During the year, delivery of hydrogen from third party suppliers commenced to enable commissioning of Translink's buses however delivery of the electrolyser and fuelling station has been delayed.
- Commissioning of a temporary electrolyser and the fuelling station is targeted for First Half 2022.

Offshore wind

- Applications for foreshore licences were submitted in August 2019 and October 2019 and public consultations have been completed.
- In October 2020 the Department of Housing, Planning and Local Government introduced a prioritisation process for the consideration of foreshore licence applications.
- The Group is legally challenging the decision by the Minister to establish this priority order for foreshore licences and in January 2021 leave was granted to judicially review this decision.
- The hearing has been listed to take place in July 2021.

Outlook

- The Group continues to develop its pipeline of wind and solar projects across Ireland together with the proposed bioenergy plant at Giant's Park in Belfast.

Flexible Generation business developments

The Flexible Generation business:

- Owns and operates 747MW of conventional generation assets at the Huntstown site in Dublin; and
- Procures power under contract with Ballylumford power station in Northern Ireland for the output from 600MW of conventional generation assets.

Huntstown plant availability and utilisation

- Availability was 81.9% for Huntstown 1 for the year ended 31 March 2021 (2020 – 84.7%) reflecting a 57 day planned major outage which commenced in October 2020 and was successfully completed in December 2020.
- Availability was 83.9% for Huntstown 2 for the year ended 31 March 2021 (2020 – 90.7%) reflecting the plant being on outage since 29 January 2021 as detailed below.
- Unconstrained utilisation for the Year Ended 31 March 2021 for Huntstown 1 was 68.4% (2020 – 73.4%) and Huntstown 2 was 54.7% (2020 – 2.2%).
- The incremental impact of constrained utilisation for Huntstown 1 was 2.6% constrained off (2020 – 9.9%) and for Huntstown 2 6.2% constrained off (2020 – 36.9% constrained on).
- On 29 January 2021, a fault was identified on the Huntstown 2 main generator transformer which has resulted in the plant not being available to the market. Following review of a number of options, it has been determined that a new transformer is the most economic option to return the plant to service. A replacement transformer has been ordered and, subject to delivery schedules being maintained, it is targeted to complete the installation of the new transformer and return the plant to service by the end of Third Quarter 2022. A claim for property damage and business interruption has been notified to the Group's insurers and is currently being progressed with loss adjusters.
- In March 2021, a 45 day planned outage at Huntstown 2 was also undertaken however due to the generator transformer fault, it was not possible to complete some final commissioning procedures associated with this planned outage, these will now be undertaken immediately following the installation of the replacement generator transformer.

Flexible Generation business developments

Capacity auctions

- The T-4 auction for the 2023/24 capacity year was held in April 2020. On 5 June 2020, SEMO published final results which confirmed that both Huntstown plants had been awarded reliability options in the T-4 capacity auction for the 2023/24 capacity year. The auction clearing price was €46,149/MW.
- The T-4 auction for the 2024/25 capacity year was held in January 2021. On 12 March 2021, SEMO published final results which confirmed that both Huntstown plants had been awarded reliability options in the T-4 capacity auction for the 2024/25 capacity year. The auction clearing price was €47,820/MW.
- On 22 December 2020 SEMO confirmed that it will run a T-1 auction in October 2021 for the 2022/23 capacity year. The Auction Information Pack was published in April 2021. Huntstown 1 does not yet have a reliability option for the 2022/23 capacity year and is expected to participate in this upcoming auction.

Storage

- During the year the Group progressed two of its battery storage projects, a 50MW project in Belfast and a 10MW project at its Huntstown site in Dublin.
- Both projects have planning permission and were granted reliability options in the T-4 capacity auction for the 2023/24 capacity year.
- In March 2021 a grid connection offer was accepted for the 50MW project in Belfast and it is expected that the Group will enter into an EPC contract and commence construction in First Quarter 2022.

Customer Solutions business developments

The Customer Solutions business:

- The Group's Customer Solutions business operates under the Energia and Power NI brands:
 - Energia supplies electricity and natural gas to business and residential customers in the RoI; and
 - Power NI is the regulated electricity supplier in Northern Ireland and supplies electricity to business and residential customers.

Energy sales

- RoI residential customer sites supplied at 31 March 2021 were 276,800 (2020 – 215,500).
- Non-residential electricity customer sites in the RoI were 49,400 (2020 – 45,300).
- Non-residential gas customer sites in the RoI were 3,800 (2020 – 4,100).
- Residential customer numbers in Northern Ireland at 31 March 2021 were 452,700 (2020 – 453,500).
- Non-residential customer numbers in Northern Ireland at 31 March 2021 were 41,200 (2020 – 44,400).
- Total electricity sales volumes in the RoI for the Year Ended 31 March 2021 were 4.3TWh (2020 – 4.3TWh) and in Northern Ireland were 3.0TWh (2020 - 3.4TWh).
- RoI gas sales volumes for the Year Ended 31 March 2021 were 93.4m therms (2020 – 95.7m therms).

Power NI price control

- On 16 April 2020 the UR confirmed its intention to extend Power NI's current price control by a further two years from 1 April 2021 to 31 March 2023 and subsequently published the licence modifications to give effect to the extension.

Customer Solutions business developments

Tariffs and wholesale prices

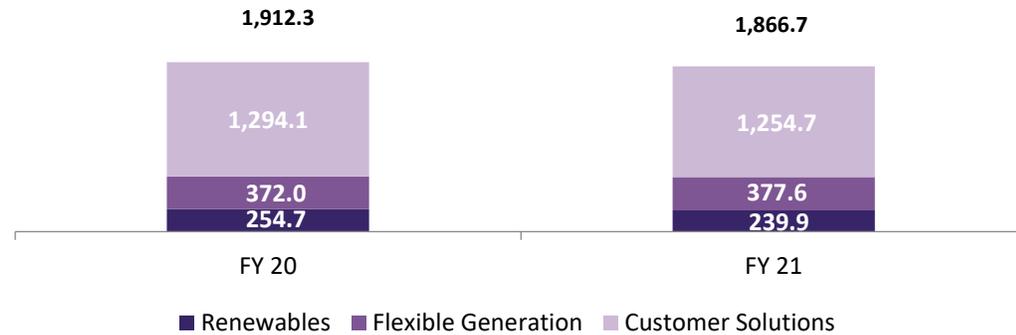
- For the majority of Nine Months 2021 wholesale electricity and commodity prices had been relatively stable however in Fourth Quarter 2021 wholesale prices increased significantly. As a result both Energia and Power NI announced tariff increases as a result of these higher wholesale costs.
- On 5 March 2021 Energia announced residential tariff increases of 8.6% for electricity, 5.7% for gas and 7.4% for dual fuel customers effective from 5 April 2021. On 14 May 2021 Power NI announced a 6.9% increase to its residential electricity tariff. The Power NI tariff increase, agreed with the UR, is effective from 1 July 2021.
- Both Energia and Power NI continue to monitor wholesale prices, including the impact on wholesale electricity prices as a result of the current long-term outages of the Huntstown 2 and Whitegate generation plants.

Outlook

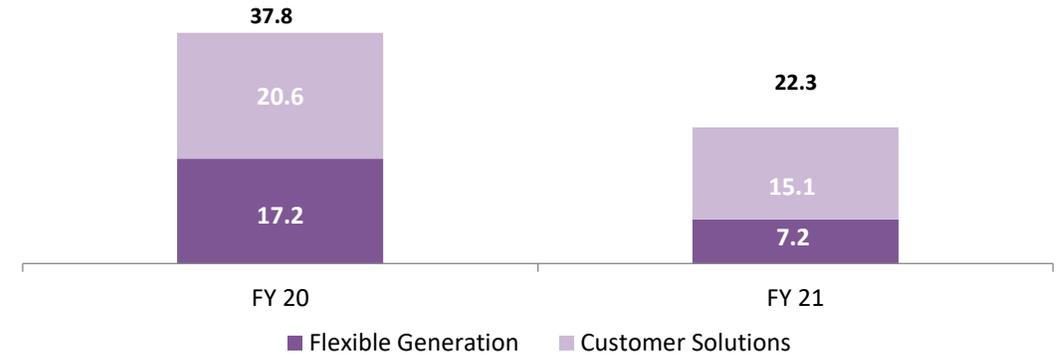
- The Group remains focused on providing customer centric digital solutions which will allow customers to use and produce renewable energy and participate in markets in the emerging new energy transition environment.

Senior Secured Notes Restricted Group financial summary – Year Ended 31 March 2021

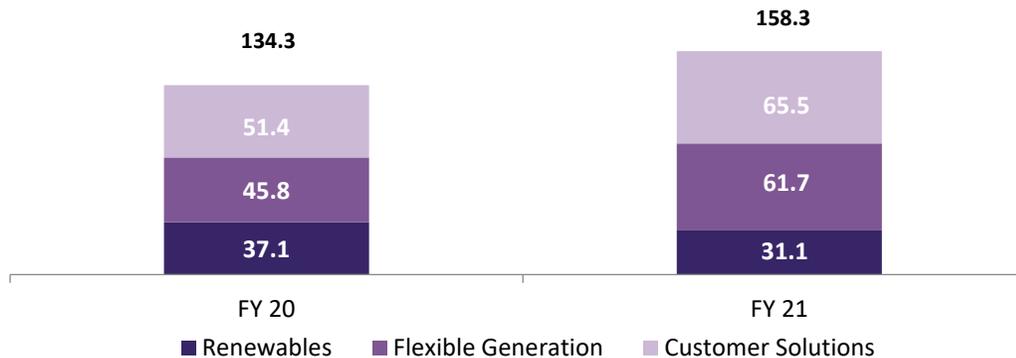
Revenue (€m)^(a)



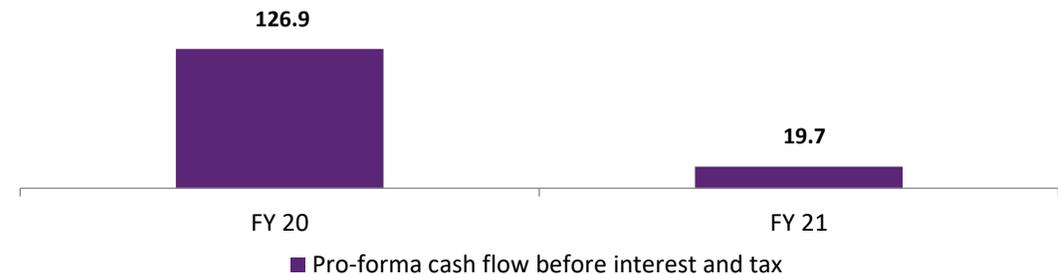
Capital expenditure for continuing operations (€m)^(c)



Pro-forma EBITDA (€m)^(b)



Pro-forma cash flow before interest & tax (€m)^(d)



(a) Revenue is based on regulated entitlement and excludes revenue of unrestricted investments;

(b) Pro-forma EBITDA is EBITDA based on regulated entitlement, before exceptional items and certain remeasurements and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €8.1m from wholly owned assets in the Year Ended 31 March 2021 (2020 - €11.0m) and €nil from minority owned assets (2020 - €0.3m);

(c) Excludes capital expenditure on unrestricted investments of €17.2m in the Year Ended 31 March 2021 (2020 - €28.6m);

(d) Pro-forma cash flow before interest and tax defined as Pro-forma EBITDA, less pension charges, plus movements in provisions and working capital (incl. purchase of and proceeds from sale of other intangibles), less gross capex (excluding capex of unrestricted investments) and exceptional items and including the effects of FX.

Senior Secured Notes Restricted Group pro-forma EBITDA

Renewables

- **Pro-forma EBITDA decreased from €37.1m to €31.1m primarily reflecting:**
 - Lower distributions from renewable assets; and
 - Increased costs of development projects.

Flexible Generation

- **Pro-forma EBITDA increased from €45.8m to €61.7m reflecting:**
 - Higher utilisation for the Huntstown 2 plant (prior to the plant becoming unavailable from 29 January 2021 as a result of the unplanned transformer outage);
 - Favourable reassessment of I-SEM provisions (reflecting a number of market fixes implemented during the year and additional resettlement experience);
 - Increased contribution from PPB (reflecting higher gain share and lower operating costs – associated with the recovery of ISEM costs); and
 - Favourable revaluation of distillate stock (reflecting higher oil prices); partly offset by
 - Lower availability of both Huntstown plants; and
 - Higher maintenance costs (associated with the major outages in both Huntstown plants during the year).

Customer Solutions

- **Pro-forma EBITDA increased from €51.4m to €65.5m reflecting:**
 - Lower operating costs (due to lower bad debt costs with 2020 impacted with incremental expected credit loss provisions in respect of COVID-19);
 - Higher Energia electricity margins; and
 - Higher Power NI regulated margins; partly offset by
 - Lower gas margins; and
 - Lower Power NI deregulated margins associated with lower volumes.

| Pro-forma EBITDA ^(a) (€m) | FY20 | FY21 |
|--------------------------------------|-------|-------|
| Renewables | 37.1 | 31.1 |
| Flexible Generation | 45.8 | 61.7 |
| Customer Solutions | 51.4 | 65.5 |
| | 134.3 | 158.3 |

Note:

(a) Pro-forma EBITDA is defined as EBITDA before exceptional items and certain remeasurements and adjusted for (under)/over -recovery of Energia Group's regulated business against their regulated entitlement and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €8.1m from wholly owned assets in the Year Ended 31 March 2021 (2020 - €11.0m) and €nil from minority owned assets (2020 - €0.3m).

Senior Secured Notes Restricted group cash flow summary

| (€m) | FY 20 | FY 21 |
|--|--------------|-------------|
| Pro-forma EBITDA ^(a) | 134.3 | 158.3 |
| Defined benefit charge less contributions paid | (1.4) | (1.6) |
| Changes in working capital ^(b) | 27.1 | (110.5) |
| Effects of FX | 4.7 | (4.2) |
| Pro-forma cash flow from operating activities | 164.7 | 42.0 |
| Net capital expenditure ^(c) | (37.8) | (22.3) |
| Pro-forma cash flow before interest and tax | 126.9 | 19.7 |
| Net movement in security deposits | 0.5 | (0.2) |
| (Under)/over-recovery of regulated entitlement | (6.9) | 34.4 |
| Exceptional items ^(d) | (1.2) | (0.2) |
| Equity (investment in)/refunds from in-development unrestricted investments | (67.2) | 7.0 |
| Pro-forma cash flow before interest, tax and acquisitions and disposals | 52.1 | 60.7 |

Note:

(a) Pro-forma EBITDA is defined as EBITDA before exceptional items and certain remeasurements and adjusted for (under)/over -recovery of Energia Group's regulated business against their regulated entitlement and excludes earnings from unrestricted investments but includes distributions from unrestricted investments of €8.1m from wholly owned assets in the Year Ended 31 March 2021 (2020 - €11.0m) and €nil from minority owned assets (2020 - €0.3m).

(b) Includes proceeds from sale and purchase of other intangibles which related to trading activities with respect to emissions allowances and ROCs and excludes changes in working capital from Energia Group's unrestricted investments of €0.6m decrease in the Year Ended 31 March 2021 (2020 - €0.4m).

(c) Net capex excludes capex on unrestricted investments of €17.2m in the Year Ended 31 March 2021 (2020- €28.6m).

(d) Includes exceptional costs associated with acquisitions whether successful or unsuccessful and share based payments.

Net debt

| Net debt (€m) As at | 31 Mar 20 | 31 Mar 21 |
|---------------------------------|--------------|--------------|
| Cash and investments | (192.2) | (180.0) |
| Senior secured notes due 2025 | 345.3 | 346.0 |
| Senior secured notes due 2024 | 251.0 | 261.5 |
| Interest accruals | 2.0 | 1.8 |
| Senior net debt | 406.1 | 429.3 |
| Project finance cash | (30.0) | (37.9) |
| Project finance bank facilities | 338.0 | 353.3 |
| Interest accruals | 0.2 | 0.1 |
| Total net debt | 714.3 | 744.8 |

- FX rate at 31 March 2021: €/£1.1745 (2020: €/£1.1301)
- Senior net leverage at 31 March 2021 was 2.7x (2020 – 3.0x)

Conclusion

Strong performance for the year

Outlook

- Uncertainty remains over the potential future impact of COVID-19 related factors on the Group's businesses and the delivery of its development projects.
- We are experiencing notable pressure on retail margins with increasing wholesale electricity prices associated with increasing commodity prices together with outages of plant on the system including Huntstown 2 and Whitegate, and will continue to monitor tariff changes to mitigate the impact to the Customer Solutions business.
- We have made good progress in the development of renewable projects increasing our pipeline from 532MW to 638MW.
- We continue to develop our pipeline of onshore wind, bioenergy, solar and battery storage projects in line with our strategy.

Forward looking statements

This presentation may include forward looking statements. These forward looking statements can be identified by the use of forward looking terminology, including the terms "believes," "estimates," "anticipates," "expects," "intends," "may," "will" or "should" or, in each case, their negative, or other variations or comparable terminology. These forward looking statements include all matters that are not historical facts and include statements regarding the Group's intentions, beliefs or current expectations concerning, among other things, the Group's results of operations, financial condition, liquidity, prospects, growth, strategies and the industry in which it operates. By their nature, forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Readers are cautioned that forward looking statements are not guarantees of future performance and that the Group's actual results of operations, financial condition and liquidity, and the development of the industry in which it operates may differ materially from those made in or suggested by the forward looking statements contained in this presentation. In addition, even if the Group's results of operations, financial condition and liquidity, and the development of the industry in which the Group operates are consistent with the forward looking statements contained in this presentation, those results or developments may not be indicative of results or developments in subsequent periods.