

"Reiteraring our 18GW target by 2030, we are reaffirming our commitment to energy transition and sustainability, greening the world".

Enrique Díaz-Tejeiro, President of Solaria

Q1 2021 EARNINGS

May 31, 2021

Disclaimer



This document has been prepared by SOLARIA ENERGÍA Y MEDIO AMBIENTE, S.A. ("Solaria") for information purposes only and it is not a regulated information or information that has been subject to prior registration or review by the Spanish Securities Market Commission.
By attending a meeting where this document is presented, or by reading the slides contained herein, you will be deemed to have: (i) agreed to the following limitations and notifications and made the following undertakings; and (ii) acknowledged that you understand the legal and regulatory sanctions attached to the misuse, disclosure or improper circulation of this document.
This document includes summarised audited and unaudited information. The financial and operational information, as well as the data on the acquisitions that have been carried out, included in the presentation, come from the accounting records of Solaria. Such information may in the future be subject to audit, limited review or any other control by an auditor or an independent third party and therefore, this information may be modified or amended in the future.
The ordinary shares of Solaria are listed on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (the "Spanish Stock Exchanges"), and Solaria is therefore required to publish certain business and financial information in accordance with the rules and practices of the Spanish Stock Exchanges and the Spanish Securities Market Commission (the "Exchange Information"), which includes its audited annual financial statements. This information is available, in both the Spanish and English languages, on Solaria's website (www.solariaenergia.com).
Neither this document nor any information contained herein may be reproduced in any form, used or further distributed to any other person or published, in whole or in part, for any purpose. Failure to comply with this obligation may constitute a violation of applicable securities laws and/or may result in civil, administrative or criminal penalties.
This document is not an offer for the sale or the solicitation of an offer to subscribe for or buy any securities in the United States or to U.S. persons. The securities of Solaria may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act").
Neither this document nor any copy of it shall be taken, transmitted into, disclosed, diffused, published or distributed in the United States, Canada, Australia or Japan. The distribution of this document in other jurisdictions may also be restricted by law and persons into whose possession this document comes should inform themselves about and observe any such restrictions.

This document is not a prospectus and does not constitute or form part of, and should not be construed as, any offer, inducement, invitation, solicitation or commitment to purchase, subscribe to, provide, sell or underwrite any securities, services or products or to provide any recommendations for financial, securities, investment or other advice or to take any decision.
This document includes, in addition to historical information, forward-looking statements about revenue and earnings of Solaria and about matters such as its industry, business strategy, goals and expectations concerning its market position, future operations, margins, profitability, capital expenditures, capital resources and other financial and operating information. Forward-looking statements include statements concerning plans, objective, goals, strategies, future events or performance, and underlying assumptions and other statements, which are other than statements of historical facts. The words "believe", "expect", "anticipate", "intends", "estimate", "forecast", "project", "will", "may", "should" and similar expressions identify forward-looking statements. Other forward looking statements can be identified from the context in which they are made. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of Solaria and the environment in which Solaria expects to operate in the future. These forward-looking statements involve known and unknown risks, uncertainties, assumptions, estimates and other factors, which may be beyond Solaria's control and which may cause the actual results, performance or achievements of Solaria, or industry results, to be materially different from those expressed or implied by these forward-looking statements. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. Many factors could cause the actual results, performance or achievements of Solaria to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated, expected or targeted. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.
The information in this document has not been independently verified and will not be updated. The information in this document, including but not limited to forward-looking statements, applies only as of the date of this document and is not intended to give any assurances as to future results. Solaria expressly disclaims any obligation or undertaking to disseminate any updates or revisions to the information, including any financial data and any forward-looking statements, contained in this document, and will not publicly release any revisions that may affect the information contained in this document and that may result from any change in its expectations, or any change in events, conditions or circumstances on which any forward-looking statements are based or whichever other events or circumstances arising on or after the date of this document.
Market and competitive position data used in this document not attributed to a specific source, if any, are estimates of Solaria and have not been independently verified. While Solaria believes, acting in good faith, that such estimates are reasonable and reliable, they and their underlying methodology and assumptions have not been verified by independent sources for accuracy or completeness and are subject to change. Additionally, certain data in this document has been obtained from third parties. While such data is believed, in good faith, to be reliable for the purposes for which they are used in this document, Solaria expressly disclaims any liability as to the accuracy or completeness of such data. Accordingly, you should not place undue reliance on this information.

Certain financial and statistical information contained in this document is subject to rounding adjustments. Accordingly, any discrepancies between the totals and the sums of the amounts listed are due to rounding. Certain management financial and operating measures included in this document have not been subject to a financial audit nor have been independently verified by a third party.
This document discloses neither the risks nor other material issues regarding an investment in the securities of Solaria. The information included in this presentation is subject to, and should be read together with, all publicly available information, including the Exchange Information. However, you should be aware that (i) Solaria's business and results of operations are dependent on the regulatory environment and (ii) Solaria's pipeline involves numerous risks and uncertainties.
Regulation
The development, construction and operation of solar PV parks are highly regulated activities and Solaria conducts its operations in many countries and jurisdictions, which are governed by different laws and regulations. Such laws and regulations require licenses, permits and other approvals to be obtained and maintained in connection with the operation of its activities. The procedures for obtaining such licenses, permits and other approvals vary from country to country, making it onerous and costly to track the requirements of individual localities and comply with the varying standard.

In addition, this regulatory framework imposes significant actual, day-to-day compliance burdens, costs and risks on us. In particular, in the countries where Solaria operates, solar PV parks are subject to strict EU (for those located in Spain, Italy and Greece), national, regional and local regulations relating to their operation and expansion (including, among other things, land use rights, regional and local authorizations and permits necessary for the construction and operation of facilities, permits on landscape conservation, noise, hazardous materials or other environmental matters and specific requirements regarding the connection and access to the electric transmission and/or distribution networks). Non-compliance with such regulations could result in the revocation of permits, sanctions, fines or even criminal penalties. Compliance with regulatory requirements may result in substantial costs to Solaria's operations that may not be recovered.
In addition, Solaria cannot predict whether the permits will attract significant opposition (public or otherwise including on account of litigation) or whether the permitting process will be lengthened due to administrative complexities and appeals.
Additionally, changes to these laws and requirements or of its interpretation by regulatory authorities and courts or the implementation of new such regulations affecting the solar PV parks in Solaria's portfolio may result in significant additional expenses and may have a material adverse effect on Solaria's business, financial condition, results of operations and cash flows to the extent that Solaria cannot comply with such laws. Thus, laws and regulations could be changed to provide for new rate programs that undermine the economic returns for both new and existing solar PV parks in operation by charging additional, non-negotiable fixed or demand charges or other fees or reductions in the number of solar PV projects allowed under net metering policies. These changes may make the development of a solar PV park infeasible or economically disadvantageous and any expenditure Solaria may have made on such solar PV park may be wholly or partially written off.
Solaria also faces regulatory risks imposed by various transmission providers and operators, including regional transmission operators and independent system operators, and their corresponding market rules. These regulations may contain provisions that limit access to the transmission grid or allocate scarce transmission capacity in a particular manner, which could materially and adversely affect Solaria's business, financial condition, results of operations and cash flows.
To the extent Solaria enters into new markets in different jurisdictions, Solaria will face different regulatory regimes, business practices, governmental requirements and industry conditions. As a result, Solaria's prior experiences and knowledge in other jurisdictions may not be relevant, and Solaria may spend substantial resources familiarizing itself with the new environment and conditions.
Pipeline
Solaria's current business strategy requires the successful completion of the development and operation of the projects in its portfolio and its plans to further organically grow such portfolio of solar PV parks. As part of Solaria's growth plan, Solaria may acquire solar PV parks in different development stages.
The development of the projects in Solaria's pipeline involves numerous risks and uncertainties and requires extensive funding, research, planning and due diligence. Solaria may be required to incur significant amounts of capital expenditure for land viability analysis, land and interconnection rights, preliminary engineering, permitting, legal and other expenses before it can determine whether a solar PV park is economically, technologically or otherwise feasible.
Difficulties that Solaria may face when executing this development and growth strategy include:
- obtaining and maintaining required construction, environmental and other permits, licenses and approvals; securing suitable project sites, necessary rights of way and satisfactory land rights (including land use) in the appropriate locations with capacity on the transmission grid;
- unanticipated changes in project plans;
- connecting to the power grid on schedule and within budget;
- connecting to the power grid if there is insufficient grid capacity;
- identifying, attracting and retaining qualified development specialists, technical engineering specialists and other key personnel;
- entering into PPAs or other arrangements that are commercially acceptable and adequate to obtain third-party financing therefor;
- securing cost-competitive financing on attractive terms;
- the availability of solar PV modules and other specialized equipment, increases in their prices and negotiating favorable payment terms with suppliers;
- negotiating satisfactory engineering, procurement and construction ("EPC") agreements;
- satisfactorily completing construction on schedule, avoiding defective or late execution by providers and contractors labor, including equipment and materials supply delays, shortages or disruptions, work stoppages or labor disputes;
- cost over-runs, due to any one or more of the foregoing factors;
- operating and maintaining solar PV parks efficiently to maintain the power output and system performance; and
- accurately prioritizing geographic markets for entry, including estimates on addressable market demand.

Accordingly, some of the pipeline solar PV projects may not be completed or even proceed to construction and Solaria may not be able to recover any of the amounts invested.
All the foregoing shall be taking into account by those persons or entities which have to take decisions or issue opinions relating to the securities issued by Solaria. All such persons or entities are invited to consult all public documents and information of the Company registered within the Spanish Securities Market Commission, including the Exchange Information.

Q1 2021 HIGHLIGHTS



Profitable growth is what matters

We reiterate our 18GW target by 2030

Profitability



Earnings surpass expectations

Energy production **+82%**
Total revenues **+90%**
EBITDA **+110%**
Adjusted Net profit **x5**

Highly efficient cash management

Financing through very attractive project finance, non-recourse debt

Cash +75% from €81mn to €142mn

Profitable in context of inflation

Best in class in Capex and Opex
Operating cost only up **26%**
Project IRR **> 12%**

Growth



Regaining rate of installation
807MW installed

Growth reflected in asset base
Assets +53% YoY to €920mn

Delivery of flagship projects

Our **Cifuentes-Trillo 626MW** flagship project is **under construction**

Our other two flagship projects **Garoña 595MW and Villaviciosa 782MW** are already in public exposure period

Sustainable growth
Reinforced commitment to human rights of Solaria and its suppliers

International expansion
63MW under construction in Portugal
440MW under development

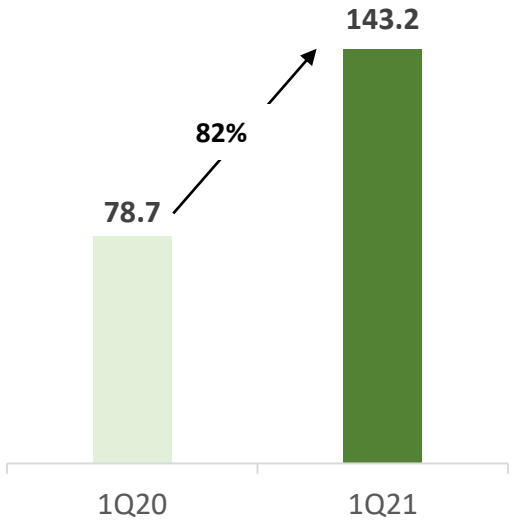
PROFITABILITY – 1Q21 Earnings surpass expectations

Strong operational quarter



Leap in revenues fuelled by huge in energy production and favorable price context

Electricity production
GWh

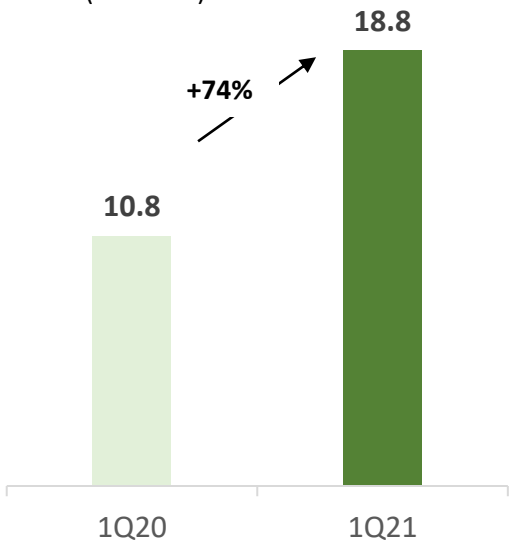


Highly favorable price context

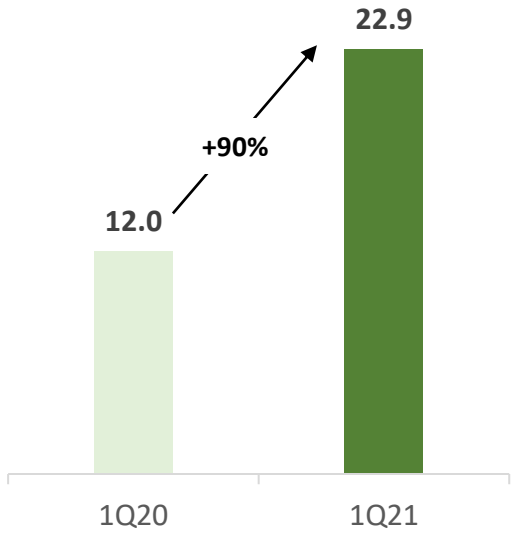
+28% YoY to €44.7

+50% YoY to €59.31

Energy Sales
(€ million)



Total revenues
(€ million)



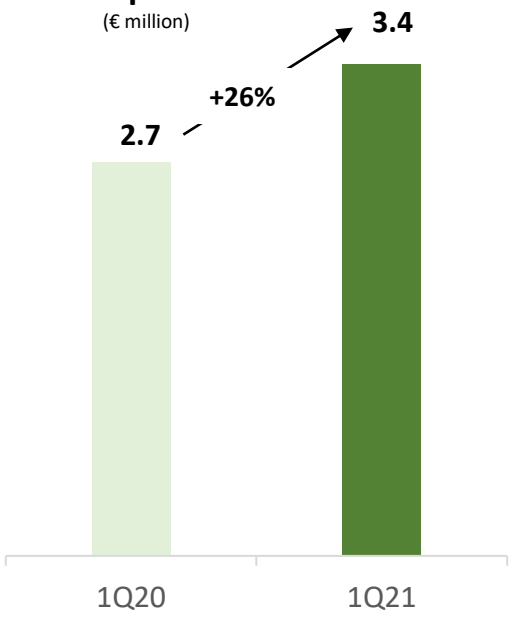
In the first quarter of the year, Solaria produced 143.2GWh of clean energy, avoiding 29,000 tonnes of CO_2 emissions

PROFITABILITY – 1Q21 Earnings surpass expectations

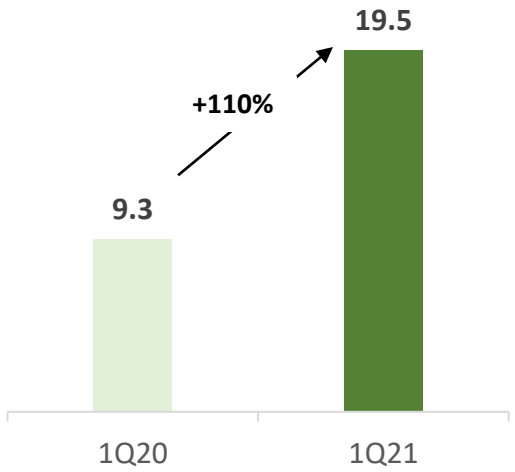
Outstanding profit

Fivefold increase in adjusted net profit owing to stringent control of operating expenses

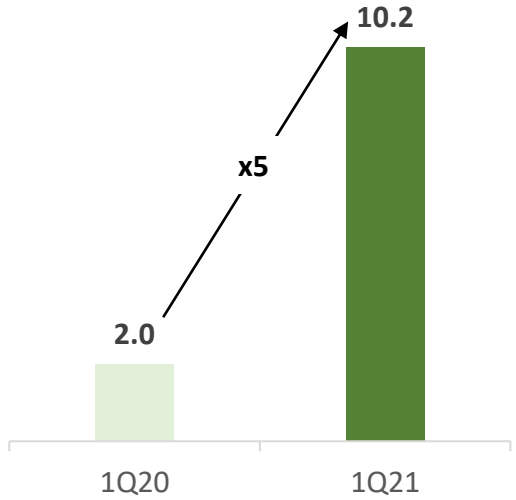
Opex
(€ million)



EBITDA
(€ million)



Adjusted net profit[1]
(€ million)



Delivering sustainable and recurrent profitability

1. Without effect of DTAs

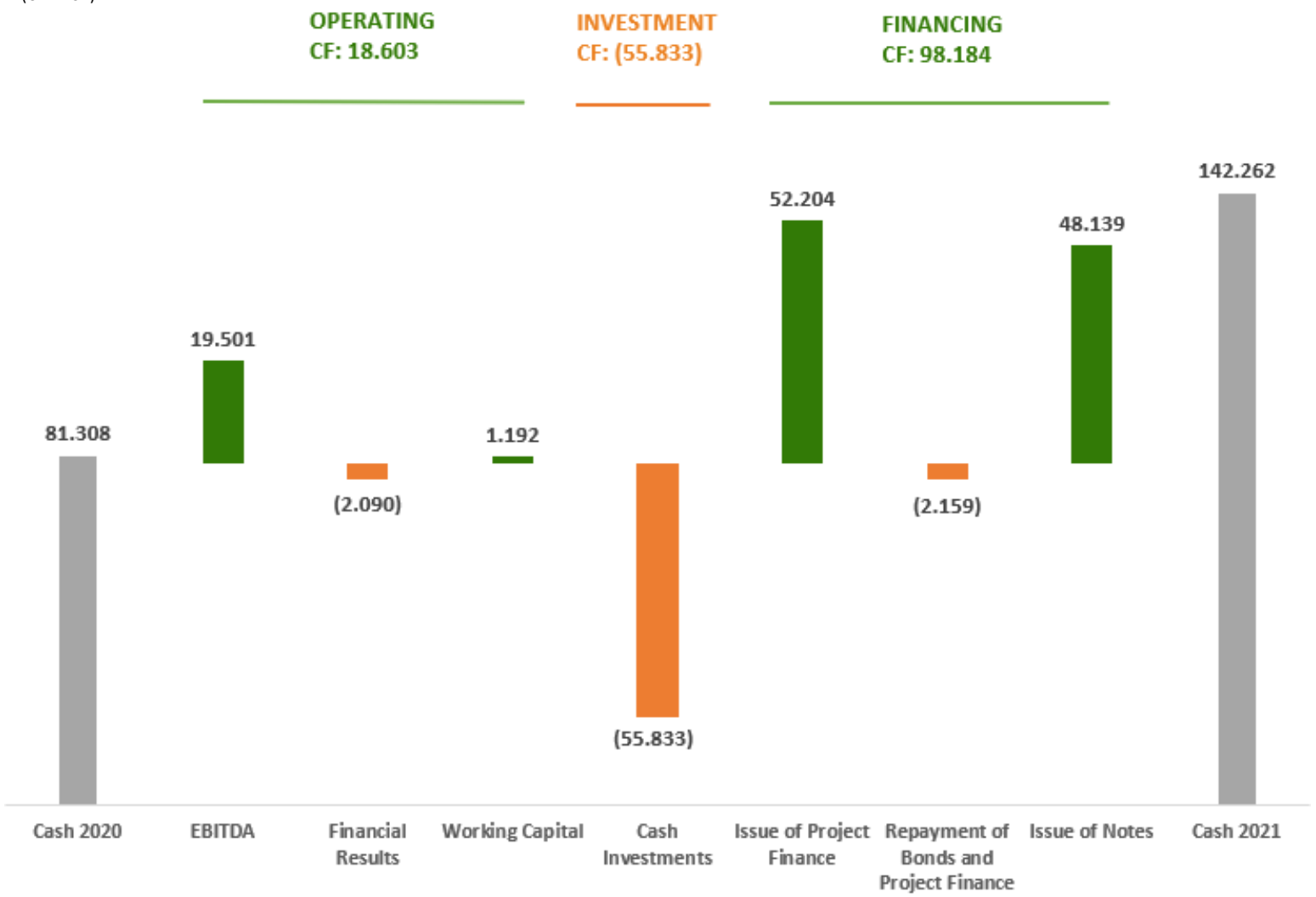
PROFITABILITY – Highly efficient cash management

Strong cash increase +€61mn +75%



Cash Flow evolution

(€ million)



Hefty investment in Q1

Project finance disbursement

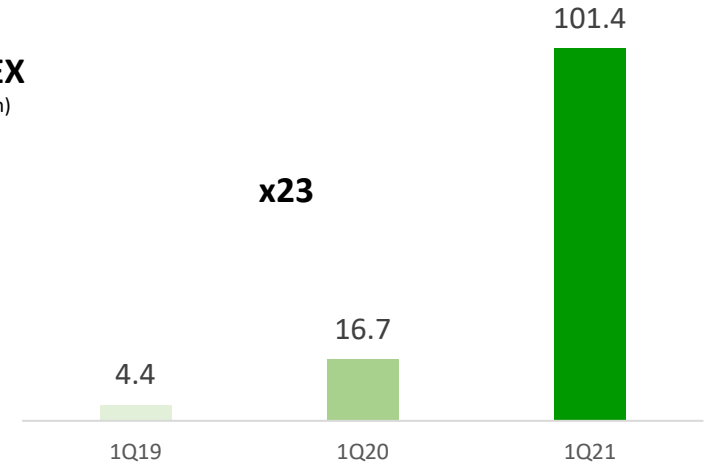
Short-term papers issued in March with 12 to 18 months tenor below 1%
Net proceeds=**€48.14mn**

PROFITABILITY – Highly efficient cash management

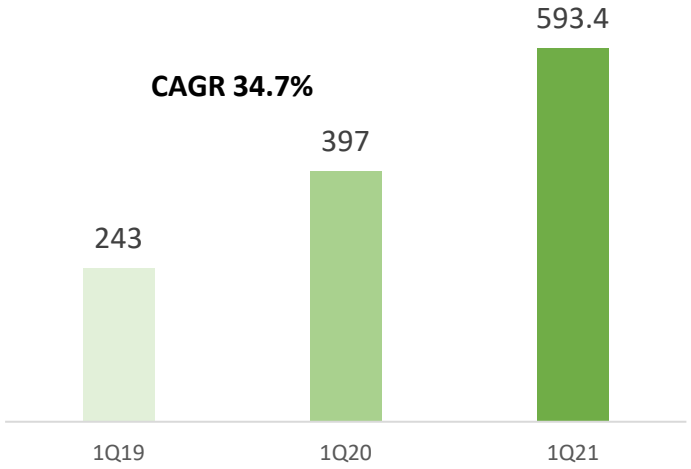
Cash stable for last three years despite hefty investment

HEFTY INVESTMENT

CAPEX
(€ million)



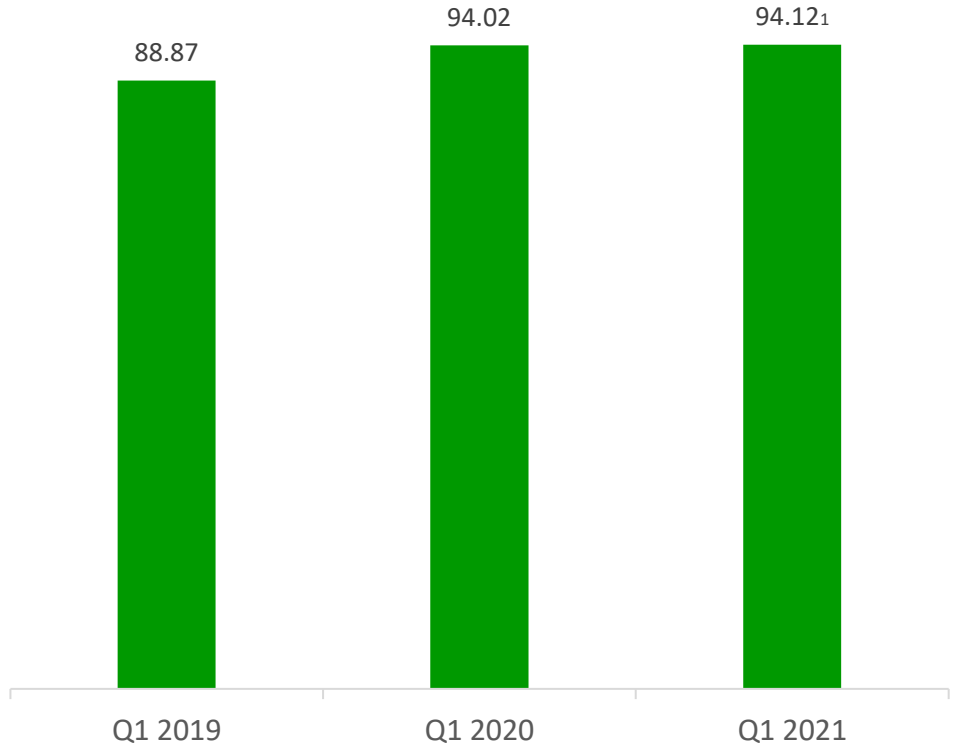
FIXED ASSETS
(€ million)



CASH PERFORMANCE

Cash is king

CASH
(€ million)



1 Without net proceeds (€48.14mn) of March 2021 issuance of comercial papers

PROFITABILITY – Still profitable in potential scenario of inflation

Our business model is prepared for inflation

Solaria

2150 3150 4150 5175 6200 18000

FINANCING

85% of our financing is fixed rate
Banks' project-finance offering is not evolving

Agreement signed in April with Banque Postale New

LA BANQUE POSTALE

Project finance pre-agreement signed in April
Up to €23 million
Very attractive interest rate below 1.75%
63MW Portuguese assets

ELECTRICITY PRICE

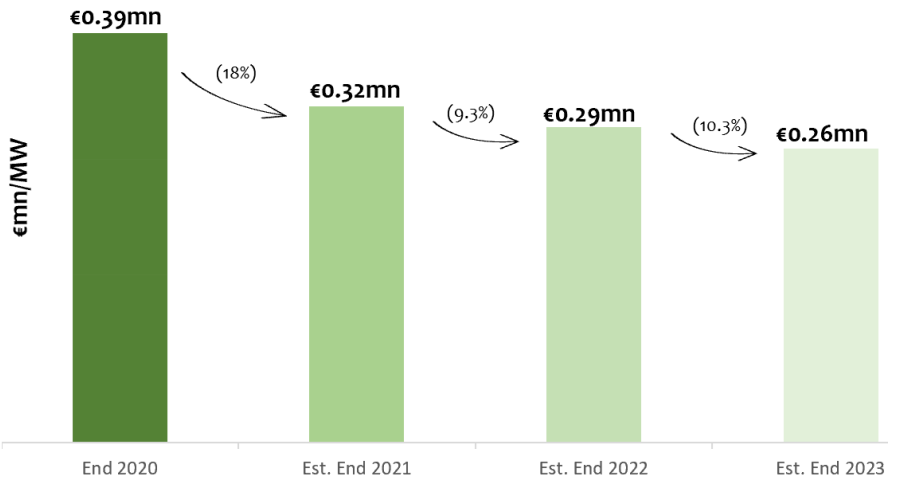
Taking advantage of pool price increase = Around 30% of our capacity has merchant exposure

CAPEX

CAPEX ASSOCIATED WITH PIPELINE AND COUNTRY

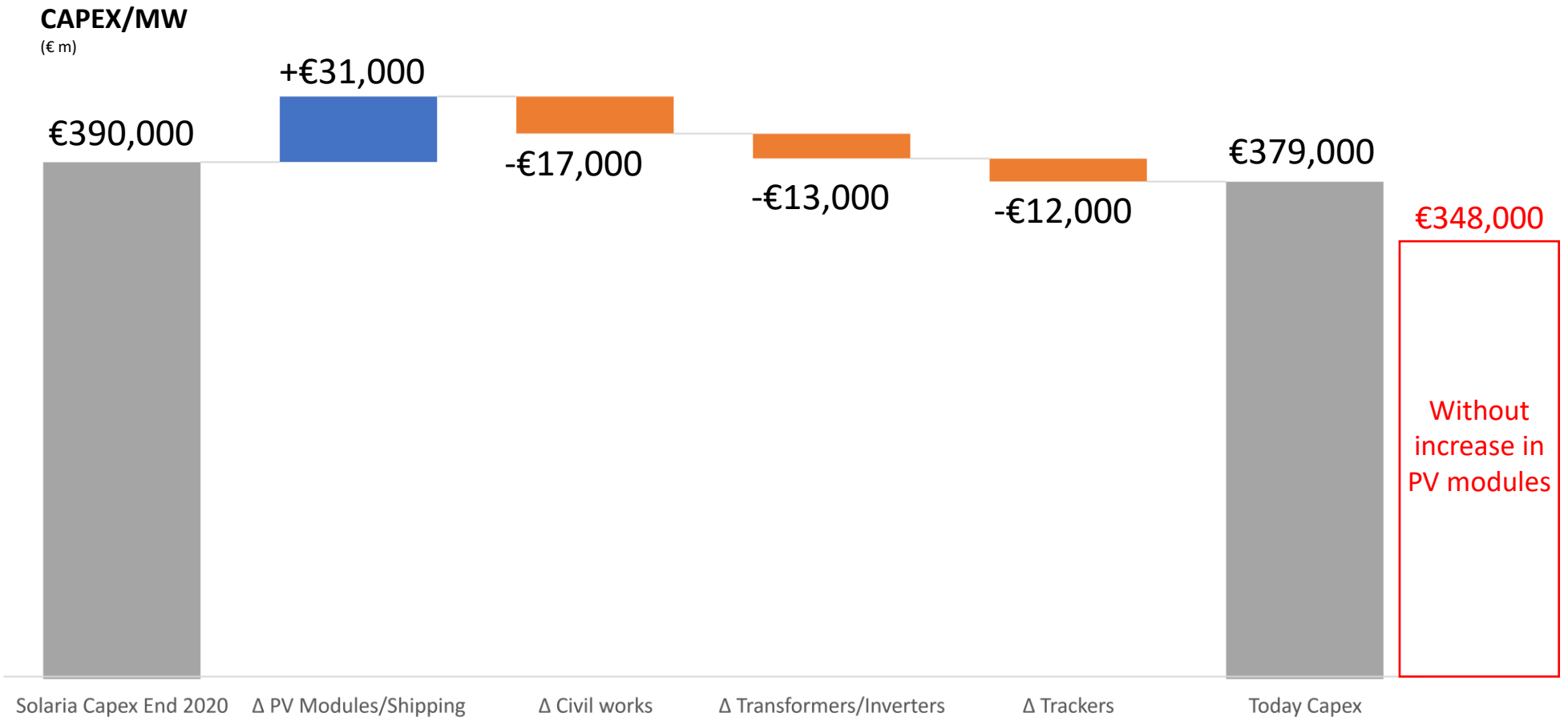
Country	Iberia has one of the best combination size/Opex/Capex in the world
High-quality pipeline	We do not buy the pipeline Low cost of construction
We don't pay EPC margin	We buy all components directly We do our own EPC for our projects
Economy of scale	626MW = Biggest project in Europe

WE REITERATE OUR CAPEX TARGETS



PROFITABILITY – Still profitable in potential scenario of inflation

Increase in PV modules (40% of Capex) offset by decrease in others costs (60% of Capex)

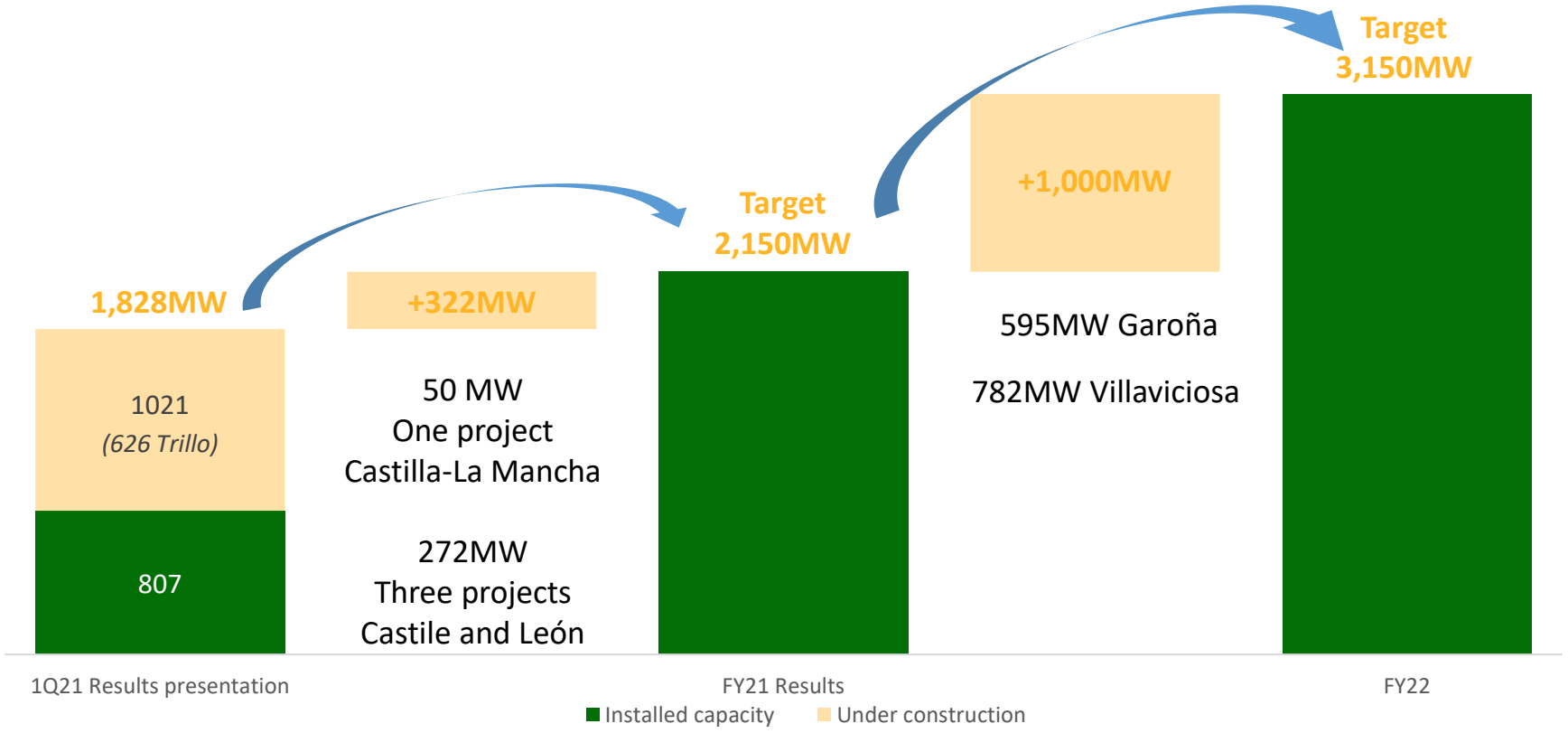


WE MAINTAIN €350,000/MW TRILLO CAPEX TARGET BEING A UNIQUE PROJECT FOR ITS SIZE AND LOCATION

GROWTH – Strong recovery in installation

We reiterate installation targets

2,150MW by end of 2021 and 3,150MW by end of 2023



GROWTH - Strong recovery in installation

1828MW installed and under construction

807MW installed



FY20 Earnings

Installed capacity 545 MW

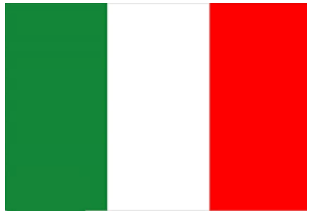
505.4 MW



22.7 MW



16.7 MW



0.4 MW

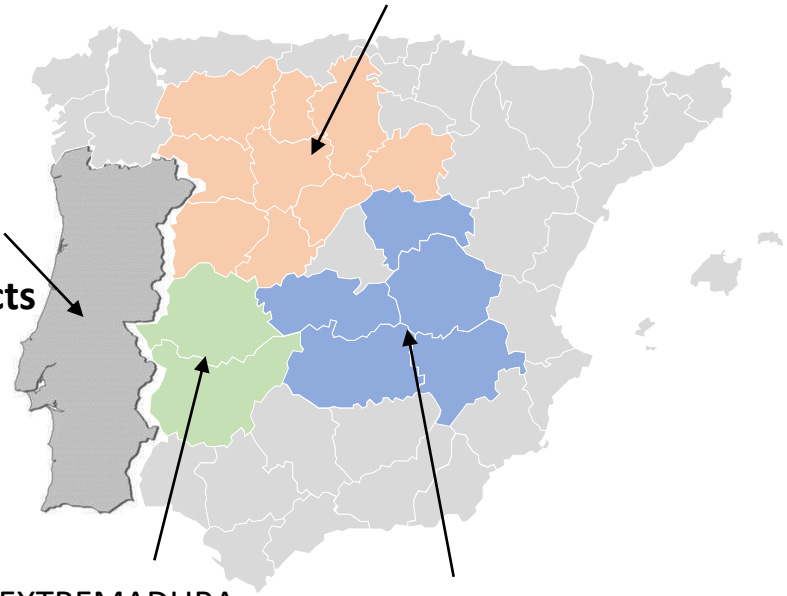


New

+262MW addition

CASTILE AND LEÓN
125 MW
Three projects

PORTUGAL
51 MW
Three projects



EXTREMADURA
20 MW
One project

CASTILLA-LA MANCHA
66MW
Two projects









GROWTH - Strong recovery in installation

1828MW installed and under construction
1021MW under construction

Solaria

2150 3150 4150 5175 6200 18000

626MW Cifuentes-Trillo

COMMENCING CONSTRUCTION OF
LARGEST PV POWER PLANT IN EUROPE

INAUGURATION
June 25

CONSTRUCTION TO START
June 25



One of the 626MW Cifuentes-Trillo project transformer

GROWTH - Strong recovery in installation

1828MW installed and under construction
1021MW under construction

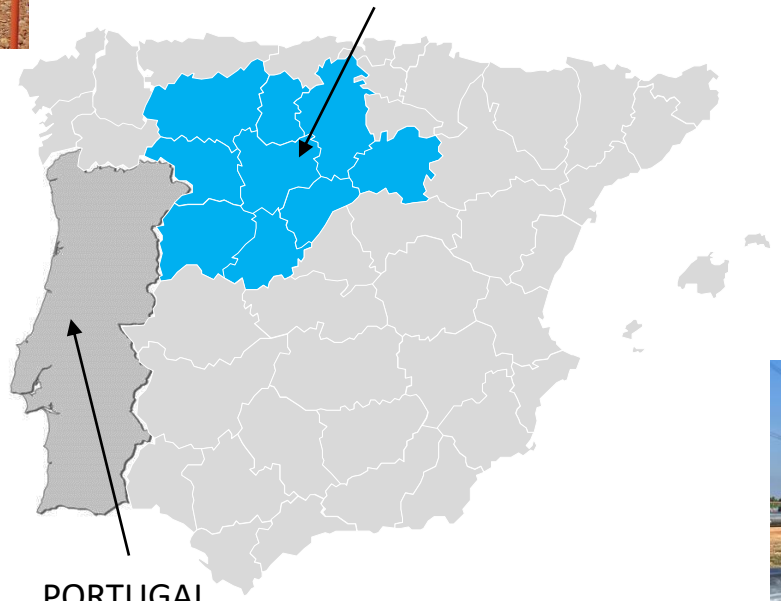






395MW

CASTILE AND LEÓN
380 MW
Seven projects



PORTUGAL
15 MW
One project









GROWTH - Strong recovery in installation

With Trillo, 2GW in flagship projects on track



595MW Garoña Update

Permitting: In public exposure **New**

Ready-to-build status expected in 4Q21

Est. Construction to start in December 2021

782MW Villaviciosa Update

Permitting: In public exposure **New**

Ready to build status expected in 1H2022

Est. Construction to start in mid-2022



2GW in flagship projects on track

64% of our 3.15GW target by end 2022

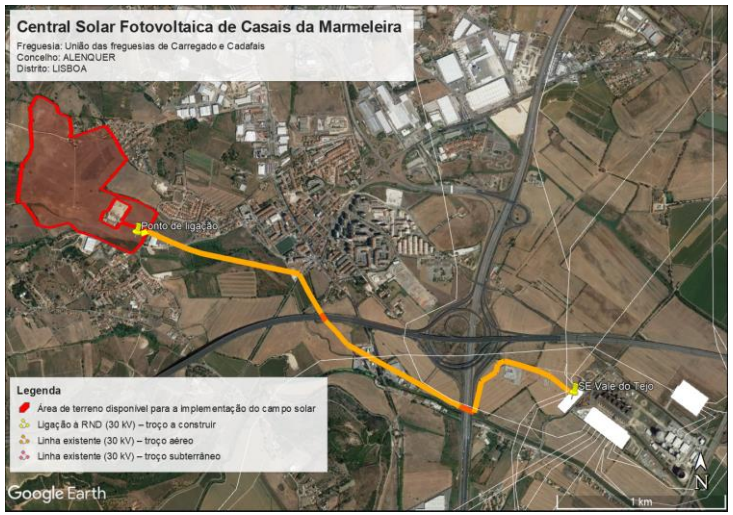
GROWTH – International expansion - PORTUGAL

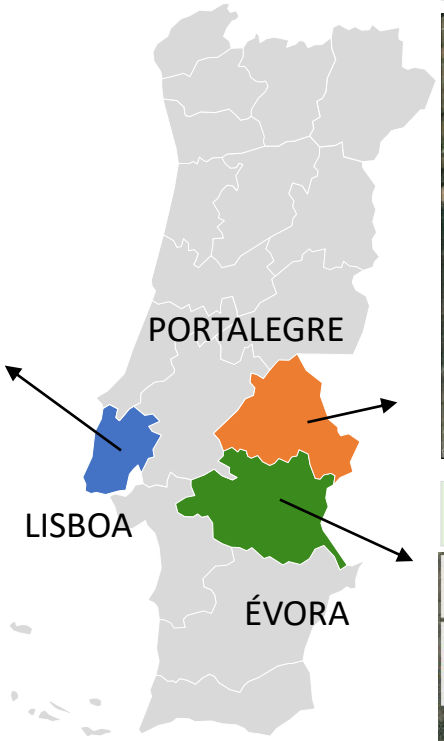
51.1MW installed

12.1MW construction to commence before end of year

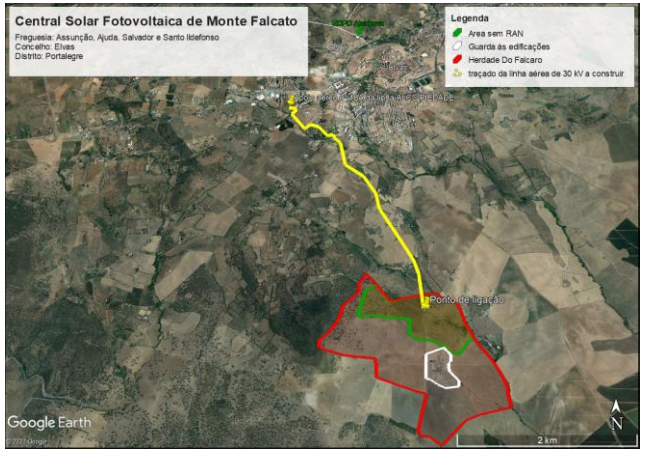


Casais da Marmeleira = 12,1 MW



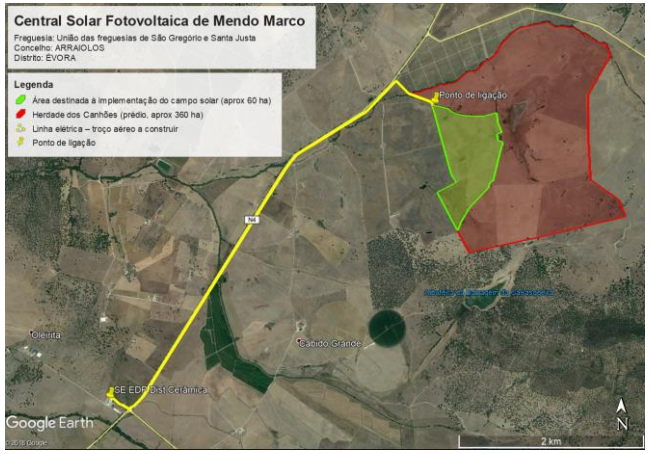


Monte Falcato = 14,1 MW

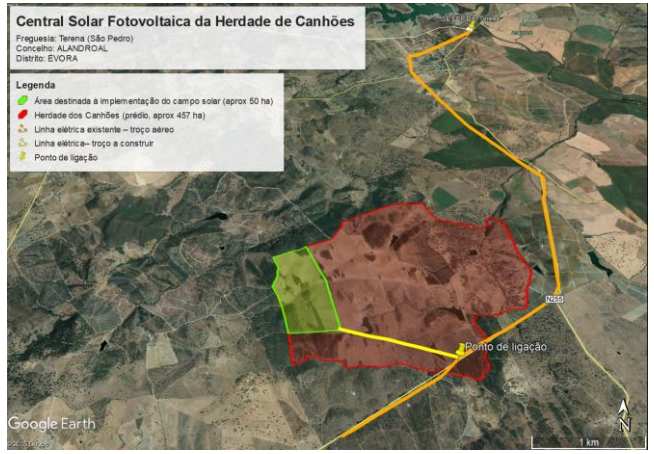




Mendo Marco = 23,3 MW



Herdade dos Canhões = 13,7 MW



GROWTH – International expansion - PORTUGAL

440MW in development. Estimated COD 2023



Three projects under development		
Casal da Valeira: **200 MW** ***Chamusca, Santarém***	Vale Pequeno: **200 MW** ***Chamusca, Santarém***	CSF Vale da Pedra: **40 MW** ***Cartaxo, Santarém***

- ✓ **All projects take into account best solutions in technology, including batteries**
- ✓ **Secured land, via lease agreements and/or surface rights**
- ✓ Preliminary studies and projects carried out
- ✓ Favourable previous information requests (PIP)
- ✓ **Awaiting official information on final results of qualification process to start talks with grid operators. However, detailed engineering studies and environmental impact studies have already been started in order to follow subsequent licensing procedures**.
- ✓ Estimated COD = 2023

GROWTH – Sustainability

560MW PPAs secured in the first quarter

Solaria

2150 | 3150 | 4150 | 5175 | 6200 | 18000

PPAs market in Spain is growing

More counterparties

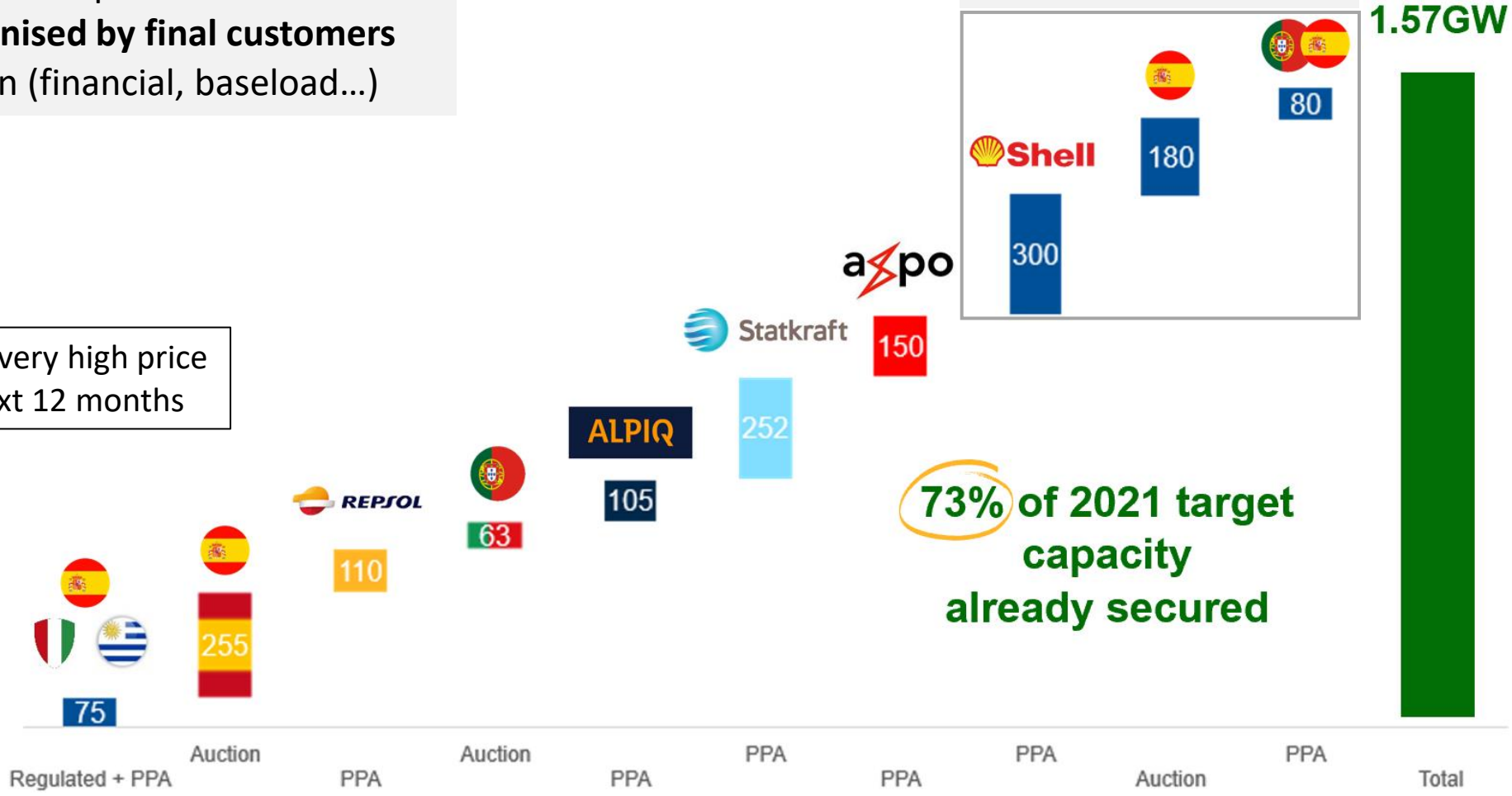
More auctions organised by final customers

More sophistication (financial, baseload…)

Price optimization

We hedged very high price
€63 for next 12 months

560MW signed in 1Q



GROWTH – Sustainability

Over 2.1GW under negotiation



Offtaker	Power MW	Sector	Offtaker rating	Term	Type	Supply	Status
Confidential	*200*	*Utility*	*Investment grade*	*9*	*Financial*	*Solar profile*	*PPA agreed*
Confidential	*50*	*Oil & gas*	*Investment grade*	*10*	*Financial*	*Solar profile*	*PPA agreed*
Confidential	*200*	*Oil & gas*	*Investment grade*	*10*	*Physical*	*Solar profile*	*TS signed*
Confidential	*200*	*Oil & gas*	*Investment grade*	*10*	*Physical*	*Solar profile*	*TS agreed*
Confidential	*75*	*Utility*	*Investment grade*	*10*	*Physical*	*Solar profile*	*Price under negociation*
Confidential	*75*	*Utility*	*Investment grade*	*10*	*Financial*	*Baseload*	*Price under negociation*
Confidential	*600*	*Oil & gas*	*Investment grade*	*10*	*Financial*	*Baseload*	*Price under negociation*
Confidential	*80*	*Industrial*	*Investment grade*	*10*	*Physical*	*Solar profile*	*Tender. Shortlisted.*
Confidential	*100*	*Utility*	*Investment grade*	*10*	*Financial*	*Solar profile*	*TS under negociation*
Confidential	*250*	*Utility*	*Investment grade*	*10*	*Financial*	*Baseload*	*Price under negociation*
Confidential	*90*	*Utility*	*Investment grade*	*10*	*Physical*	*Solar profile*	*Price under negociation*
Confidential	*100*	*Utility*	*Investment grade*	*10*	*Physical*	*Solar profile*	*Price under negociation*
Confidential	*150*	*Oil & gas*	*Investment grade*	*10*	*Physical*	*Solar profile*	*Price under negociation*
TOTAL VOLUME ≥ 2170 MW							

GROWTH - Sustainability

86% of the Capex of Cifuentes-Trillo close to be financed



Financing of just 350MW
(56% of 626MW)

Shell

250MW PPAs
+
100 Merchant
=
350MW

axpo

May receive €190mn in debt

Project finance
in advanced negociation

€190mn est. debt

European banks
Interest rate below 1.75%
Tenor 15y

86% of estimated Cifuentes-Trillo Capex

vs. est.
Cifuentes-Trillo
Capex

€220mn

€.35mn/MW

GROWTH - Sustainability

Fully aligned with best ESG practices



New ESG targets approved in May

-14% CO_2 emissions by 2021
TARGET

Hybrid Fleet plan
12.5% of our fleet

Renewable energy for all our plants and Corporate offices

Spain	✓
Italy	2021
Portugal	2021

Stricter internal health and safety audit
New Health and Safety Committee

Women account for over 25%

Reinforced commitment to human rights of Solaria and its providers

NEW HUMAN RIGHTS POLICY APPROVED IN MAY

NEW CODE OF ETHICS FOR SUPPLIERS

ALL OUR SUPPLIERS SIGN STRICT ESG CLAUSES + ON SITE INSPECTION BEFORE AND DURING THE MANUFACTURING

United Nations Global Compact
Signatory member from March 2021

SUSTAINABLE DEVELOPMENT GOALS

OUTLOOK



Flashship projects on track	***Cifuentes-Trillo 626MW*** ***Garoña 595MW*** ***Villaviciosa 783MW***	✓ Three flagship projects (2GW) on track for on-time delivery ✓ 64% of our 2022 target of 3,150MW
International expansion	***Portugal***	✓ We are the first player construying assets in relation to 2019 auction ✓ 500MW to come onstream before 2025, meeting target ✓ New auctions coming
	Italy	✓ Accelerating pipeline development and looking for new opportunities
	Greece	✓ Large portfolio analysis
News drivers of growth	***Batteries***	✓ This is second revolution of PV energy after Capex decrease ✓ News on EU funds by end of year ✓ Avoiding power price cannibalization
	Hydrogen	✓ Active collaboration in hydrogen projects ✓ Signing of agreement with key players
	Infrastructure management	


Solaria
Q&A



Solaria

2150 3150 4150 5175 6200 18000

Appendix

Income Statement

Q1-2021 (unaudited)

€mm

	Q1-2021	Q1-2020	Relative change (%)
Net sales	18.751	10.788	74
Other income and earnings	4.164	1.241	236
Total revenues	**22.915**	**12.029**	**90**
Personnel expenses	(1.755)	(1.346)	30
Operating expenses	(1.659)	(1.385)	20
EBITDA	**19.501**	**9.298**	**110**
Amortisation	(4.546)	(4.111)	11
EBIT	**14.955**	**5.187**	**188**
Financial Income/Loss	(3.066)	(2.481)	24
Profit before tax	**11.889**	**2.706**	**339**
Tax	(1.522)	4.480	(134)
NET PROFIT	**10.367**	**7.186**	**44**

Balance Sheet

Q1-2021 (unaudited)

Assets

€mm

	Q1-2021	FY20	Relative change (%)
Non-current assets	744.266	609.897	22
Intangible assets	84.943	45.584	86
Tangible fixed assets	593.361	496.431	20
Deferred tax assets	65.294	67.224	(3)
Other non-currents financial assets	668	658	1
Current assets	175.638	105.611	66
Trade and other receivables	32.397	23.270	39
Other current assets	978	1.033	(5)
Cash and other equivalent assets	142.263	81.308	75
Total Assets	919.904	715.508	29

Balance Sheet

Q1-2021 (unaudited)

Liabilities

€mm

	Q1-2021	FY20	Relative change (%)
Equity	234.865	222.514	6
Capital and share premium	310.926	310.926	0
Other reserves	5.311	5.311	0
Retained earnings	(73.510)	(83.876)	(12)
Value adjustments	(7.862)	(9.847)	(20)
Non-current liabilities	526.575	406.546	30%
Obligations and long-term bonds	150.065	115.753	30
Financial liabilities with credit institutions	289.608	241.540	20
Financial lease creditors	83.701	44.398	89
Derivative financial instruments	3.200	4.855	(34)
Current liabilities	158.465	86.488	83
Obligations and short-term bonds	18.588	5.781	222
Financial liabilities with credit institutions	13.612	9.403	45
Financial lease creditors	1.434	1.338	7
Derivatives instruments	877	1.044	(16)
Commercial creditors and other accounts payable	123.954	68.882	80
Total Liabilities	919.904	715.508	29%

