

Alternus Energy Inc.

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Alternus Energy expands growing footprint in Italy by buying additional 5.1 megawatts of solar power

Alternus Energy Inc (OTC:ALTN) said Wednesday that the renewable energy company will acquire seven photovoltaic plants in Italy, harnessing the sun's energy to generate clean electrical power.

The company said the plants have an installed capacity of 5.1 megawatts and bring Alternus Energy's solar projects in Europe to 29.1 megawatts of installed capacity.

The sticker price for the acquisition is around \$8.1 million in cash, "less \$1.5 million held back for the closing of the final plant," said the company, and "less \$0.4 million held in escrow" against certain tax open items."

DEEP DIVE: Alternus Energy powers up its portfolio, scouting out solar parks across Europe

The company will utilize its existing credit facility to fund the transaction. The closing of the final plant is expected by June 30.

The solar energy parks currently generate annual revenues in excess of \$1.5 million at over 85% gross margins, said the company.

Alternus said it plans to boost annual production at the parks by about 20% after some "remedial work," which would then increase both annual revenues and gross margins by the same percentage.

Perfect fit

"This acquisition is a perfect fit with our business operations and long-term goals of securing long term government counter-party contracts that provide predicible positive cash flows," said Alternus Energy CEO Vincent Browne in a statement. "These particular projects have over 12 years left to run on these contracts meaning that Alternus will have over \$20 million of backlog revenues contracted for the next 12 years."

Browne said once the long-term contracts are fulfilled, the plants will continue to operate and sell energy to the grid at the then prevailing market prices.

"This transaction once again shows our ability to acquire assets below the prevailing market value," said Browne. "So we will book an immediate gain to shareholder equity reflecting this difference and increase total assets by the same amount."

The clean energy company's portfolio includes solar parks in Italy, Germany, and the Netherlands

Meeting annual energy target

"We are well on our way to our target to exit 2019 with over 100 megawatts of installed power that combined, should deliver over \$15 million in recurring annual revenues and approximately \$300 million contracted revenue backlog over the following 15 to 20 years," said Browne.

Price: 0.195

Market Cap: \$13.58 m

1 Year Share Price Graph



January 2019 July 2019 January 2020

Share Information

Code: ALTN

Listing: PINK

52 week High Low
0.58 0.063

Sector: Renewable Energy

Website: alternusenergy.com

Company Synopsis:

Alternus Energy Inc. ("ALTN") is an international green energy producer that owns and operates a diverse portfolio of PV Solar Parks that connect directly to national power grids on long-term government supply contracts. This provides very predictable and measurable income streams over the long term. The company currently has 6.

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Alternus Energy, which owns and operates a diverse portfolio of international solar parks spanning Europe, has been strategic in its acquisitions, scouting locations based on their origination and connection to government contracts.

Each park generates clean energy that is sold to national power grids under long term, government counterparty, fixed price contracts.

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