



LEMON[®]
S I S T E M I

INVESTOR PRESENTATION

July 2024



Sciaccia (AG) - 312 kWp
SunPower photovoltaic system

KEY SPEAKERS



Maria Laura Spagnolo
Chairman of BoD and
co-CEO



Danilo Palazzolo
co-CEO and CFO

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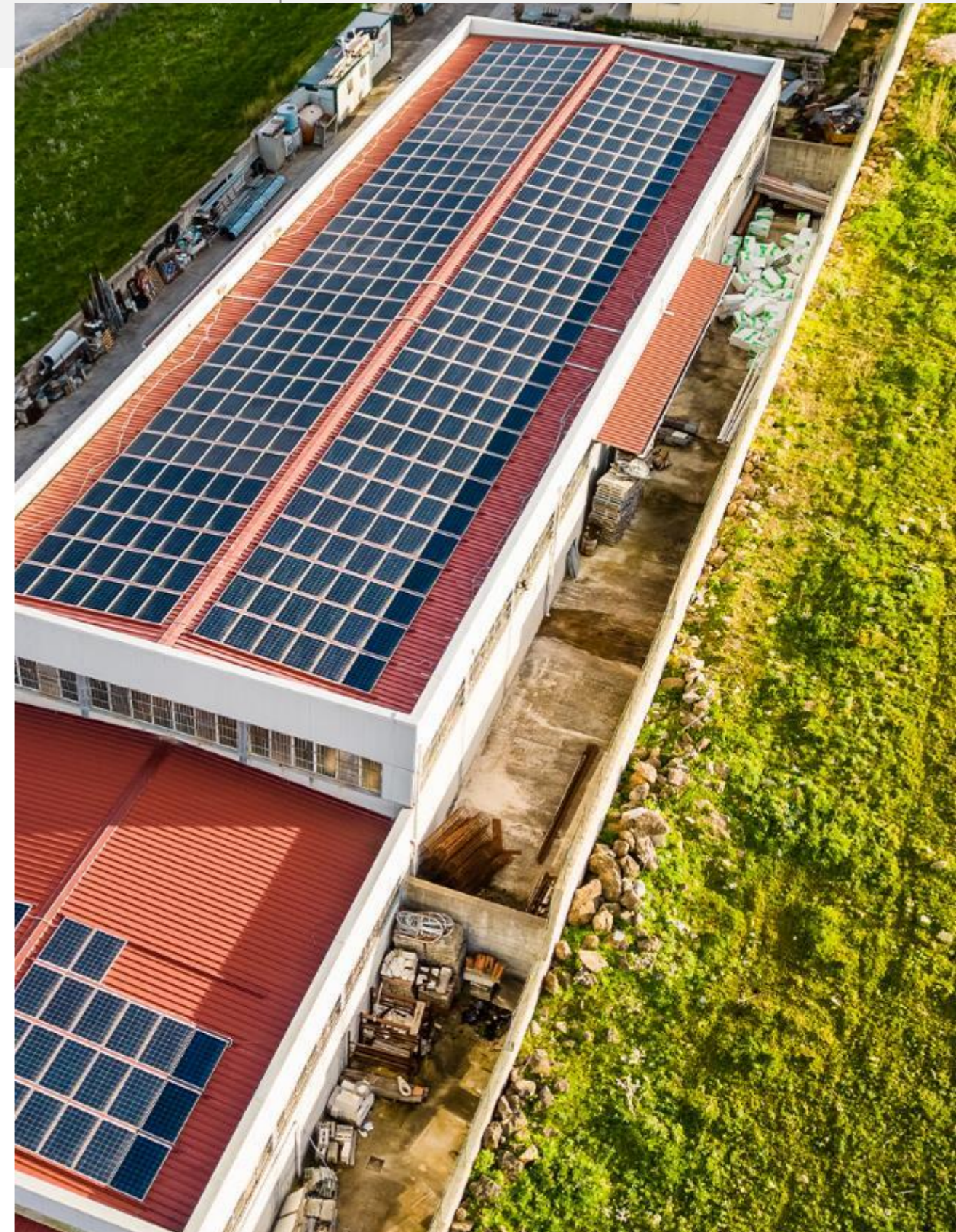
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1. AT A GLANCE



HIGHLIGHTS



TAILOR-MADE RENEWABLE PLANT

Design, supply and installation of photovoltaic, thermo-hydraulic and storage systems, as well as the design of solutions for energy efficiency, targeting retail customers (B2C) and medium/small industrial and commercial (B2B)



BUSINESS MODEL COMPLETELY INTEGRATED

Marketing phase, design, installation, testing and after-sales assistance totally internalized with 4 business lines: photovoltaic, photovoltaic and agrivoltaic systems, co-development and development of storage plants (BESS), energy efficiency



INCREASED AVERAGE SIZE OF SYSTEMS

During 2023 Lemon Sistemi built a 3.2 MWp photovoltaic system in Settimo Torinese, Piedmont



SIGNIFICANT GROWTH OVER THE YEARS

Total installed power increases from 0.8 MW in 2021 to 4.6 MW in October 2023



POSITIONING IN A STRATEGIC MARKET

High potential market with many operators and high growth possibilities



HIGHLY QUALIFIED MANAGEMENT

Young management with an excellent experience in the sector (over 14 years) and the key managers in the shareholder's structure



COMPETITIVE COMPANY

An innovative SME with SOA - Category OG9 IIIbis and ISO 9001:2015 certification





LISTED ON EGM MARKET


Listed since December 2023 on the Euronext Growth Milan Market of the Italian Stock Exchange


GOVERNANCE AND SHAREHOLDER STRUCTURE

BOARD OF DIRECTORS

 **Maria Laura Spagnolo**
Chairman and co-CEO


 **Danilo Palazzolo**
co-CEO & CFO


 **Salvatore Bommarito**
Board member


 **Andrea Maralla**
Independent board member


 **Guido Pianaroli**
Independent board member

BOARD OF STATUTORY AUDITORS

 **Barbara Ricciardi**
Chairman

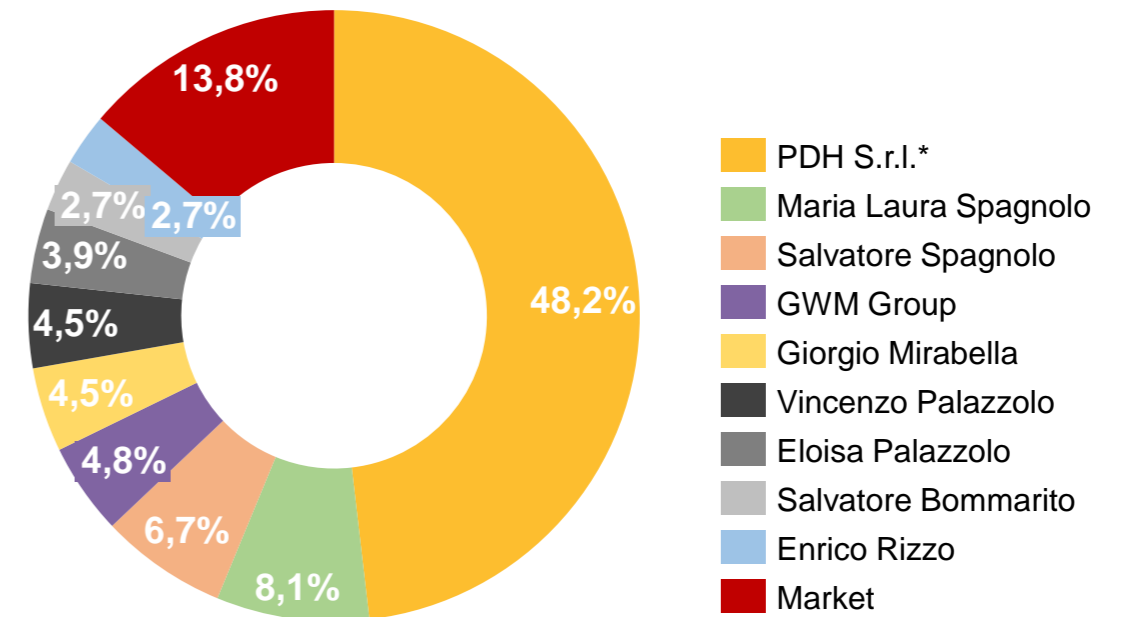
 **Enrica Nanni**
Standing member

 **Elis Shehaj**
Standing member

 **Luca Pecci**
Alternative member

 **Salvatore Nicotra**
Alternative member

SHAREHOLDER STRUCTURE



* Company Wholly Owned by Danilo Palazzolo

AUDITING FIRM



ESG



ENVIRONMENTAL

- The **installation of a photovoltaic system** is foreseen within the renovation project of the future headquarters
- **New logistics control system** aimed at minimizing the movement of goods towards construction sites
- Investments in **research and development**
- Safeguarding local biodiversity, through participation in **waste collection days on the beaches** and in awareness-raising initiatives towards environmental issues in primary and secondary schools



SOCIAL

- **The number of female figures** present in the company is **18**, with important roles
- **Training courses** on various topics involving all company levels
- Collaboration with some institutes aimed at supporting students through school-work alternation and apprenticeship projects
- Future collaboration for an **academy on renewable energy**
- Average age of employees **less than 35 years**



GOVERNANCE

- Composition of the Board of Directors: 5 directors of which **2** are **independent**
- **Chairman** of the Board of Directors and **CEO** represented by a **female figure**
- Adoption of all **procedures** required for companies listed on **Euronext Growth Milan** such as related party transactions procedure and procedure for the management of inside information
- Adoption of **list voting** for the Board of Directors and the Board of Statutory Auditors

2. ACTIVITY



BUSINESS AREAS

1. PHOTOVOLTAIC

- **Core business;**
- **Fully integrated business line**
- **Commercial development in the Italian territory** (hiring of commercial agents and opening of physical spaces in target cities).
- **Clients:** Retail (**B2C**) and medium/small industrial and commercial (**B2B**) customers

2. PHOTOVOLTAIC AND AGRIVOLTAIC SYSTEMS

- **Design and construction of the plant with the aim of selling it;**
- **Conclusion of multi-year management and maintenance contracts** (period ≥ 25 years);
- **Stable flows** over time through such contracts;
- **Commissioning** of the systems ≤ 15 months with **valorization of integrated internal skills;**
- Business lines recently launched in line with growth strategies

3. CO-DEVELOPMENT AND DEVELOPMENT OF BESS

- Participation activities started in projects relating to **large storage plants assisted by leading operators** in the sector;
- **Design contracts lasting 12/24 months** with **milestone invoicing;**
- Scouting of sites of interest, preliminary planning, obtaining authorization;
- Business lines recently launched in line with growth strategies

4. ENERGY EFFICIENCY

- Design of **energy efficiency solutions for building systems;**
- New installation or modernization of thermo-hydraulic and air conditioning systems.



2024 ACHIEVEMENTS

Signed two agreements with the company **Hotel Investment Partners (HIP)** for the implementation of **two photovoltaic plants** in Sardinia of 73 kWp and 219 kWp on structures managed by Mangia's of the Aeroviaggi S.p.A. group.

Due diligence by the buyer for the **purchase of a ground-mounted photovoltaic system** of approximately 1 MWP in an advanced stage of construction has been successfully completed on the basis of a binding expression of interest signed between the parties.

The "**Parco Lemon 1**" plant in Castellammare del Golfo (TP) has a value of **€1.15 million**.

April 16th,
2024

April 29th,
2024

April 30th,
2024

June 4th,
2024

June 26th,
2024

Signed a contract with the **Biscottificio Forti** company for the construction of a **new section of the photovoltaic system**, in expansion of the first bringing it from 30 kWp to 61.2 kWp, and an increase in the **photovoltaic storage system** from 72 kWh to 106 kWh.

Signed a contract with the company **Mondial Granit S.p.A.** - Sicilian company that produces and markets marble, stone and granite present on the international market - for the construction of a new section of **1.2 MW photovoltaic system**. The value of the contract is equal to € 1.3 million.

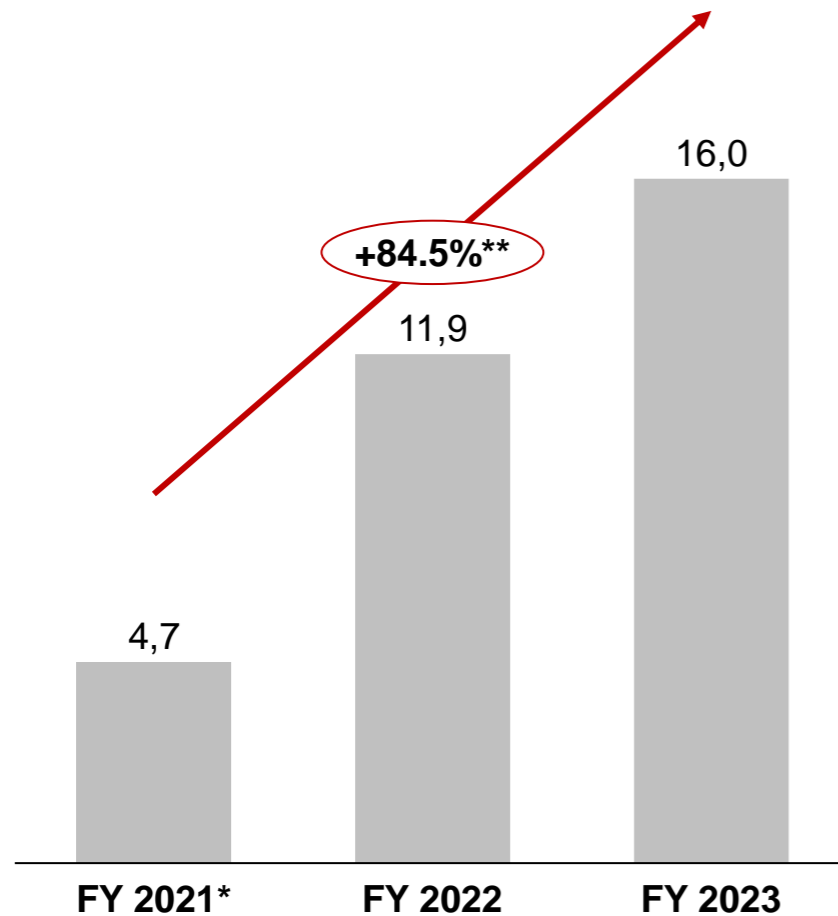
Subscribed by GWM Growth Fund S.A. SICAV RAIF part of the GWM Group, the remaining **415,805 ordinary shares, representing 4.84% of the share capital**, in execution of the **capital increase** approved by the Extraordinary Shareholders' Meeting of October 30, 2023. The subscription price is €1.47, for a total of €611,233.35.

3. KEY FINANCIALS

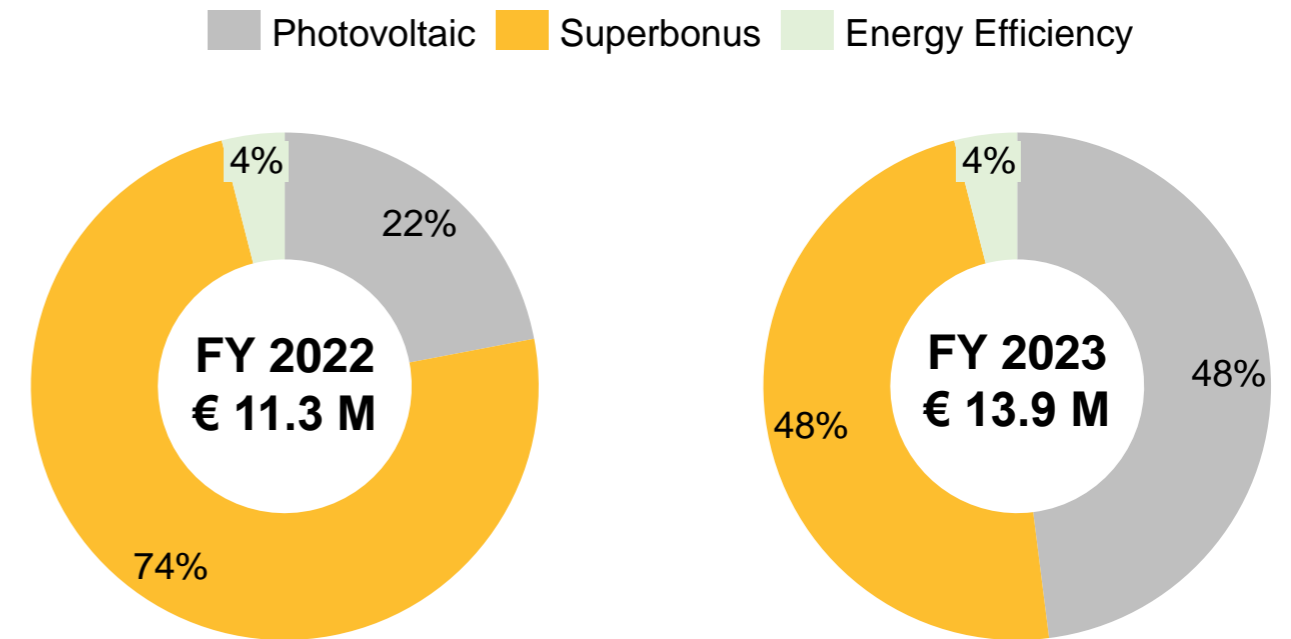


CONSOLIDATED INCOME STATEMENT – VoP and Revenues

VALUE OF PRODUCTION EVOLUTION



REVENUES BREAKDOWN



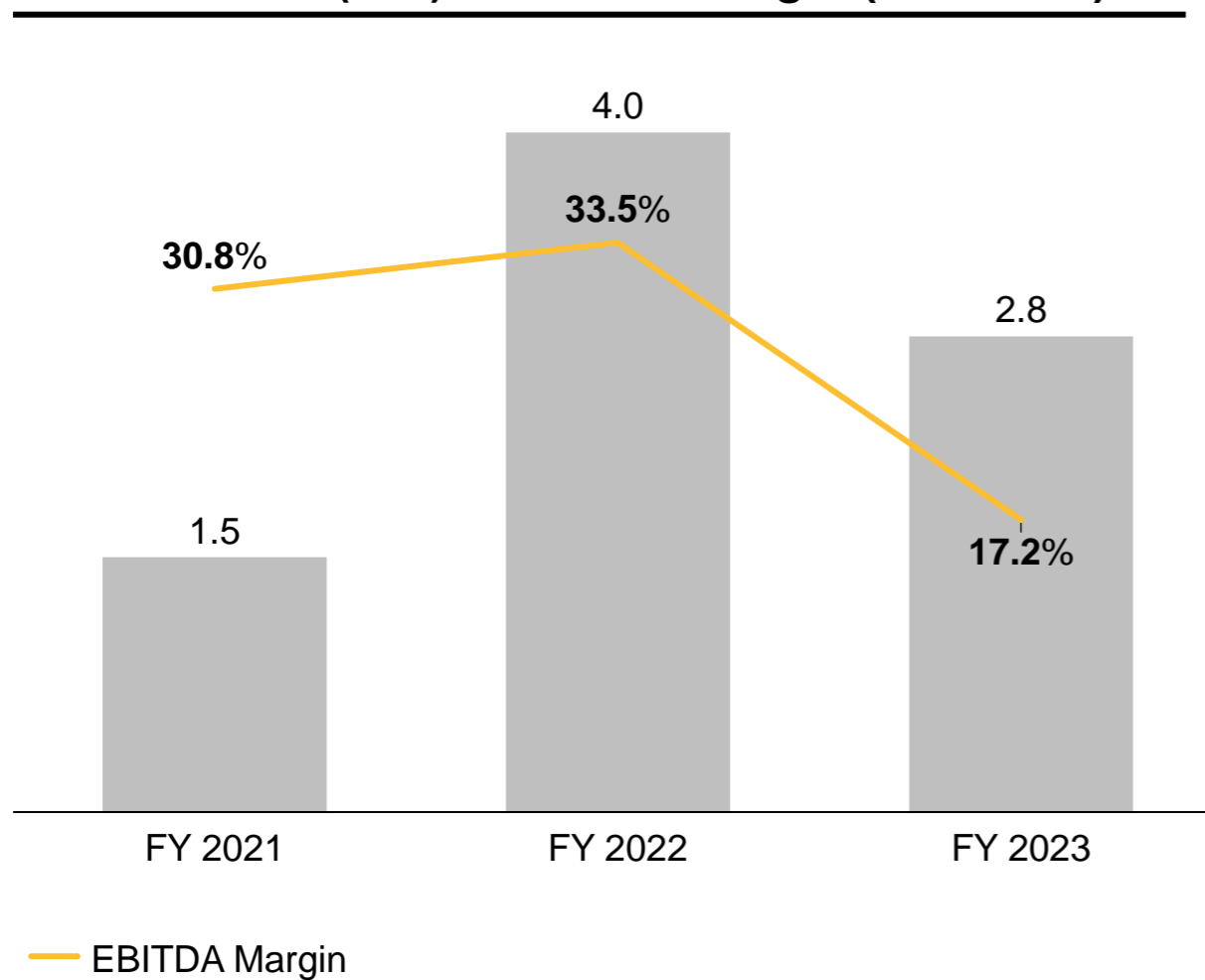
- The main increase in revenues can be attributed to **photovoltaics**, which recorded an **increase of +168%**.
- **Revenues from Superbonus declined by -20%** consistently with the end of the period to take advantage of the benefits provided.

* Data on a like-for-like basis

** CAGR 21-23

CONSOLIDATED INCOME STATEMENT - EBITDA AND EBITDA MARGIN %

EBITDA (€/M) e EBITDA margin (% on VoP)



- The Lemon Sistemi group presents a reduction in margins in 2023 compared to the historical one as:
 - the boost from the superbonus is reduced both in consideration of the regulatory framework and the strategic choice of the Issuer to focus on the core photovoltaic business;
 - the order for the construction of the plant in Settimo Torinese (3.2 MWp) was acquired thanks to an aggressive pricing policy, with the aim of expanding the offer for the development and installation of photovoltaic systems of sizes ranging from between 1 MWp and 10 MWp across the entire Italian territory.

NET FINANCIAL POSITION

Consolidated data in €/000

| Net Financial Position | 31/12/2023 | 31/10/2023 | Var. % Dec. 23- Oct. 23 | 30/06/2023 | Var. % Dec. 23- Jun. 23 |
|-----------------------------------|------------|------------|----------------------------|------------|----------------------------|
| Cash & equivalents | -3,0 | -1,3 | 139% | -0,2 | 1357% |
| Current financial debt | 3,1 | 2,6 | 21% | 2,1 | 49% |
| Net current financial debt | 0,1 | 1,3 | -94% | 1,9 | -96% |
| Non-current financial debt | 1,5 | 1,5 | -1% | 0,6 | 149% |
| Net Financial Position | 1,6 | 2,8 | -44% | 2,5 | -36% |

The **NFP** is equal to **€1.6 million (debt)** an **improvement** compared to €2.5 million (debt) at 30 June 2023 and €2.8 million (debt) at 31 October 2023. Below are some factors that influenced the NFP:

- **Increase in cash attributable to the raising during the IPO;**
- **New loan** with UniCredit S.p.A. for € 1.5 million;
- In 2H 2023, works were carried out under the "**Superbonus 110**" regime in addition to the queues of construction sites coming from 1H 23, with the consequent need on the one hand to **finance** these **construction sites** and on the other an **increase in the tax credits** generated by the same activity. **Some of these credits were purchased by Unicredit, Sonepar and a leading industrial company.**

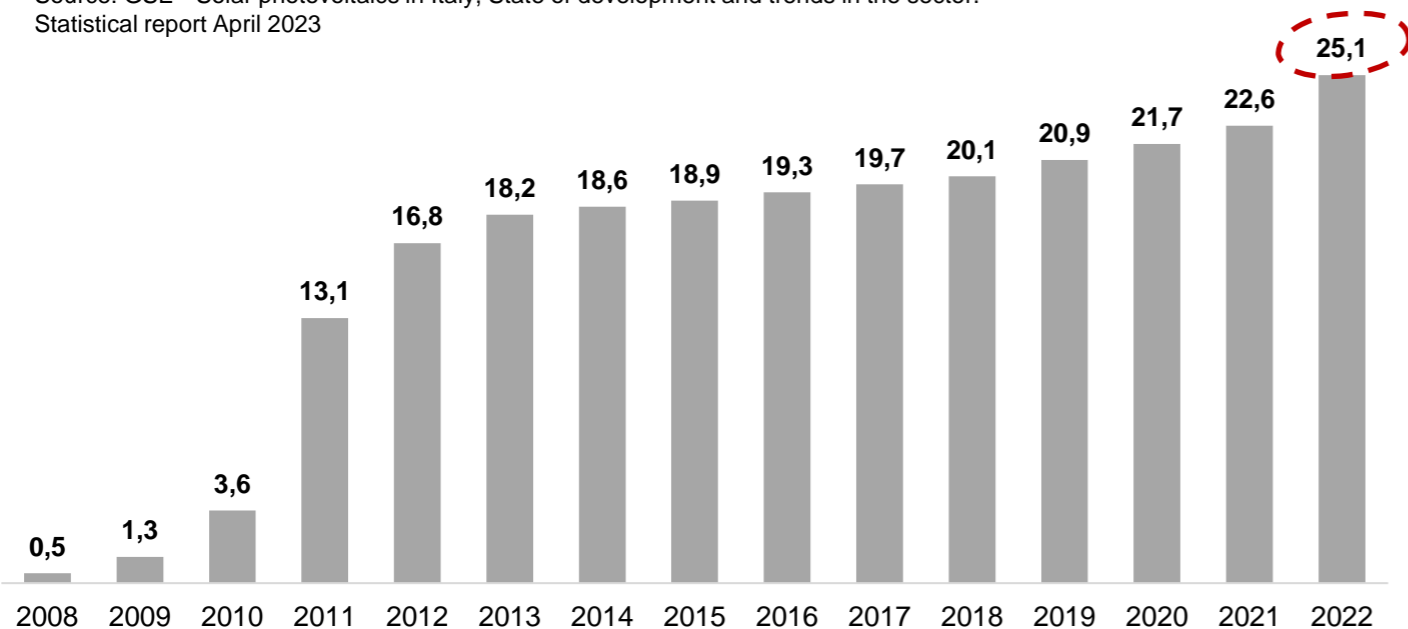
4. MARKETS & COMPETITIVE POSITIONING



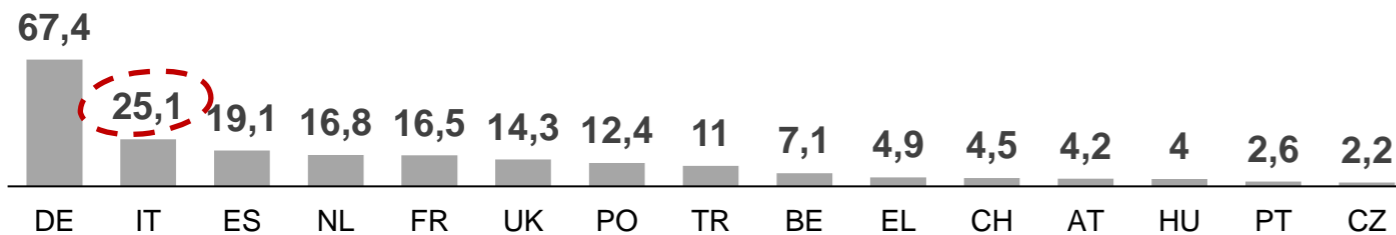
PHOTOVOLTAIC MARKET OVERVIEW IN ITALY

EVOLUTION OF INSTALLED POWER IN ITALY 2008 - 2022 (GW)

Source: GSE - Solar photovoltaics in Italy, State of development and trends in the sector. Statistical report April 2023



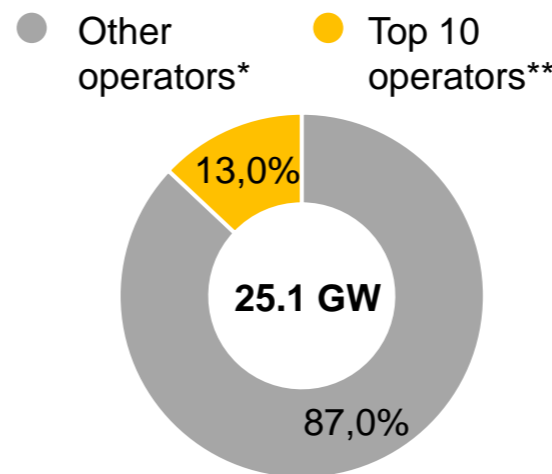
During 2022, photovoltaic systems in operation in Italy produced a total of approx. **28.12 TWh** of electricity (+12.3% vs 2021)



INSTALLED PV CAPACITY IN EUROPE BY COUNTRY - 2022 (GW)***

Source: Irena PV Magazine

PHOTOVOLTAIC MARKET SHARE - 2022 (GW)



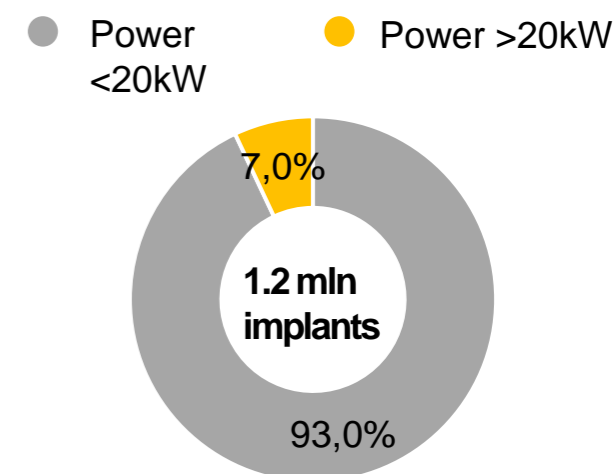
The solar photovoltaic market is found to be highly fragmented

Source: PwC internal processing

* Small operators and residential subjects

** The top 10 industry players are: Ef Solare, Tages, A2A, Sonnedix, OBTON, Equitix, Quercus, ERG, Plenitude, Marseglia

NUMBER OF PLANTS AND POWER - 2022 (#)

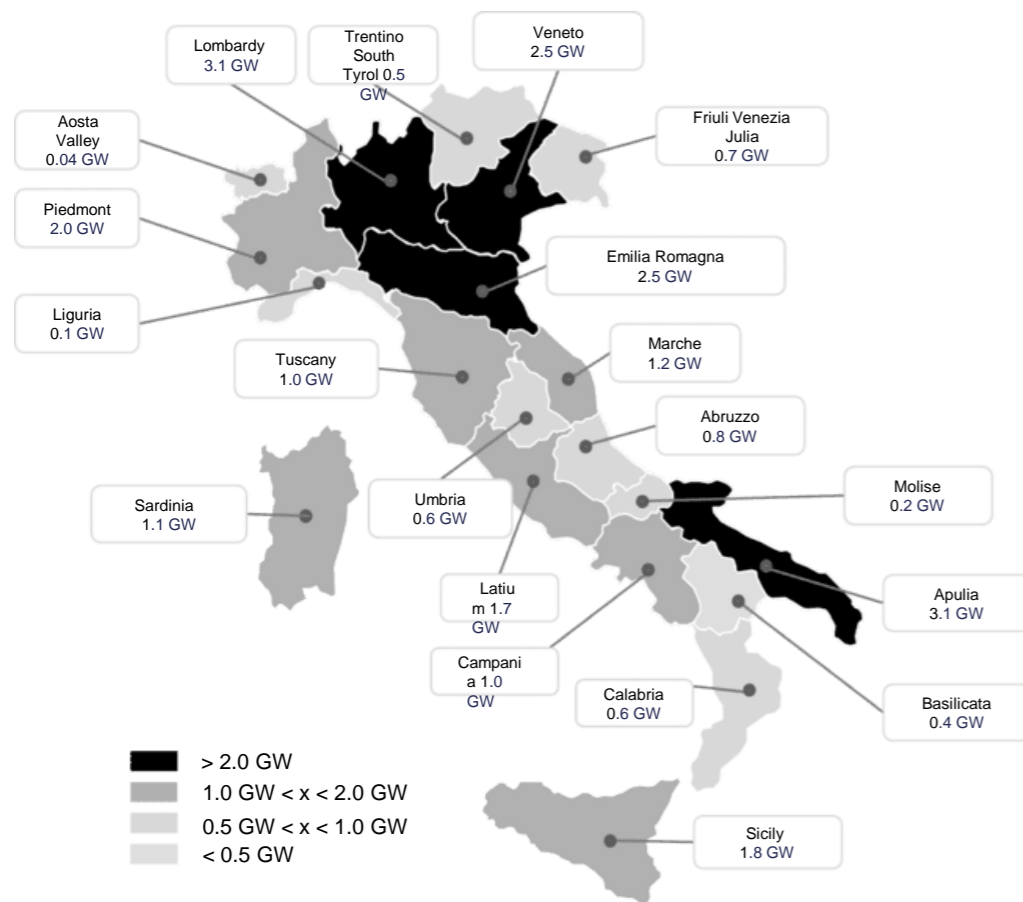


The prevailing size is small

Italy is second in Europe in terms of installed capacity

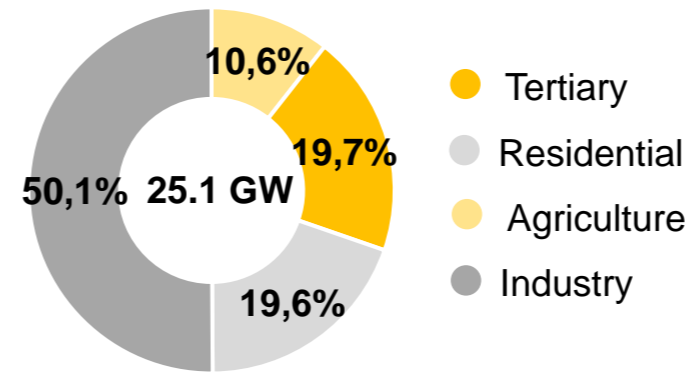
OVERVIEW OF PHOTOVOLTAIC CAPACITY

INSTALLED POWER BY REGION - 2022 (GW)

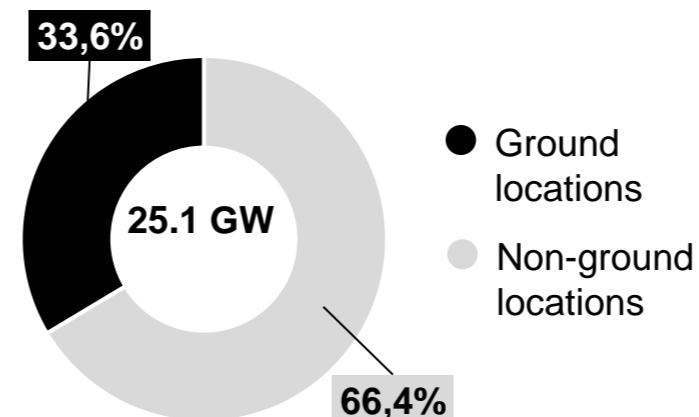


Source: GSE - Solar photovoltaics in Italy, State of development and trends in the sector. Statistical report April 2023
 Notes: the graph does not take into account the Autonomous Province of Bolzano (0.3 GW) and the Autonomous Province of Trento (0.2 GW)

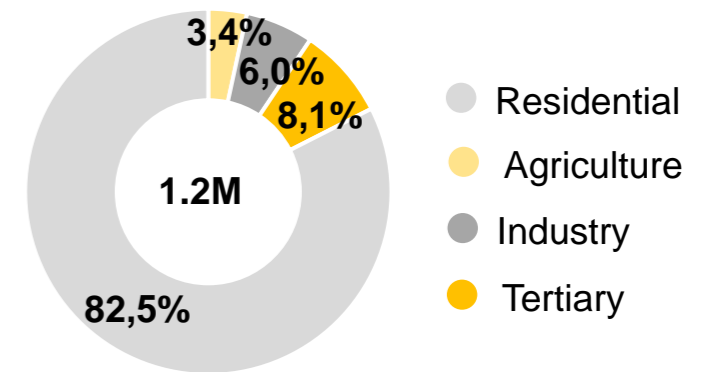
INSTALLED POWER BY SECTOR - 2022 (GW)



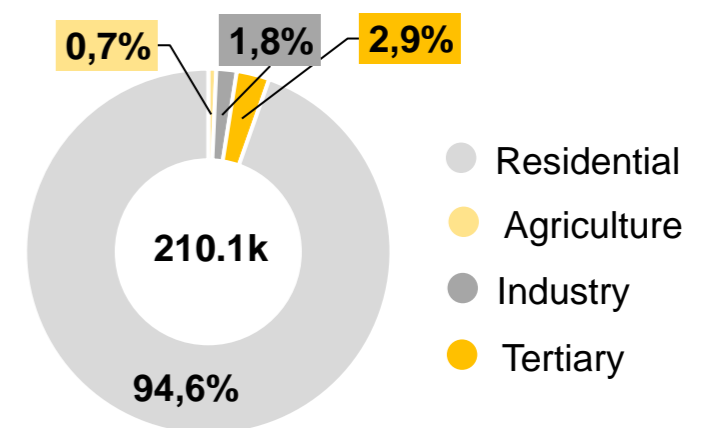
INSTALLED POWER BY PLANT LOCATION - 2022 (GW)



INSTALLATIONS BY BUSINESS SECTOR TO 2022 (#)



INSTALLATIONS BY BUSINESS SECTOR IN THE 12M OF 2022 (#)

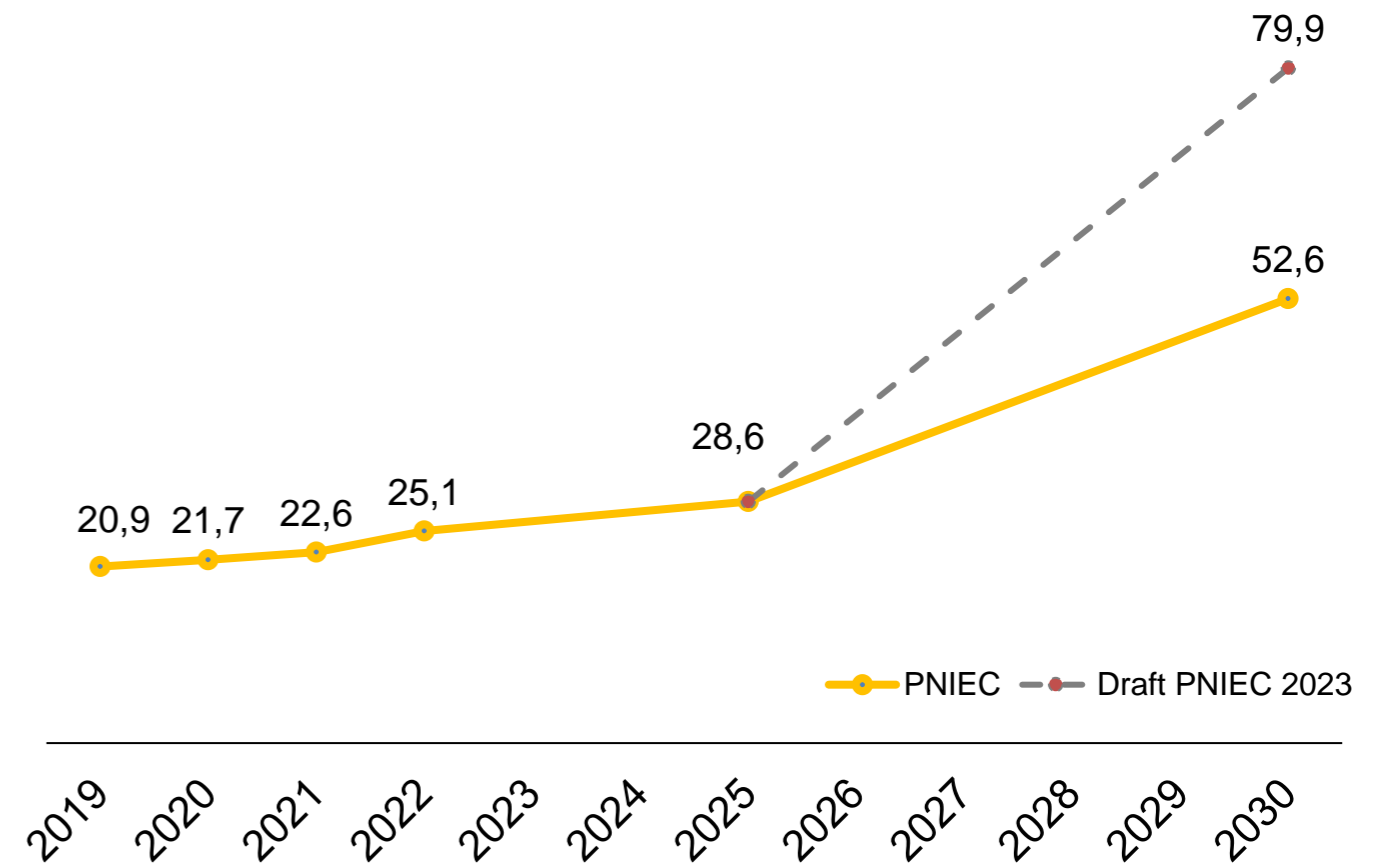


SOLAR GROWTH TARGETS OUTLINED BY PNIEC

PNIEC GOALS UPDATE - DRAFT JUNE 2023

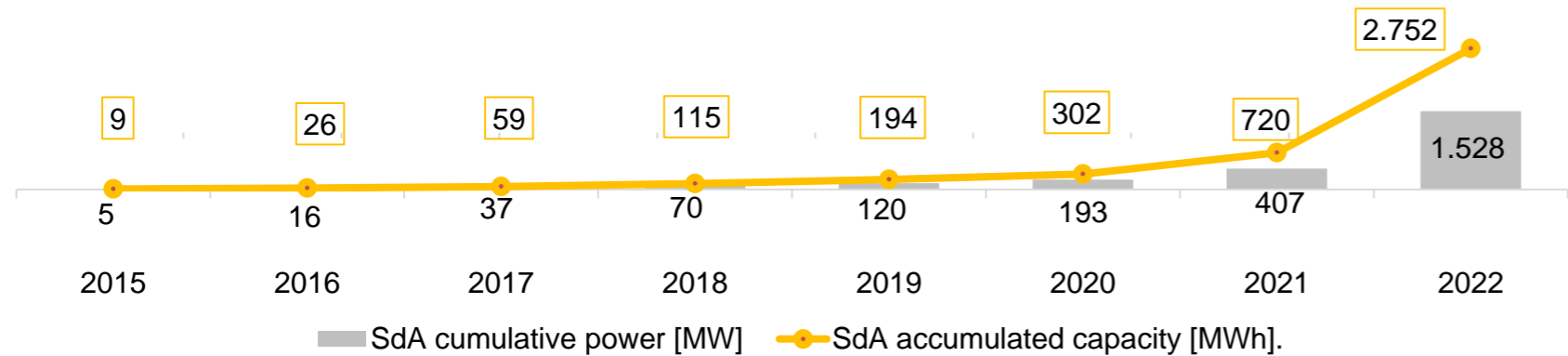
- In order to meet the new, significantly more ambitious Fit for 55 targets, installed capacity growth will necessarily need to see a higher rate than assumed with the 2019 PNIEC. The draft update presented on 06/30/2023, envisions a target of 79.9 GW to 2030, which is approx. 55 GW more than the 2022 installed capacity.

PV ITALIA PLANT CAPACITY GROWTH TARGETS - PNIEC (GW)

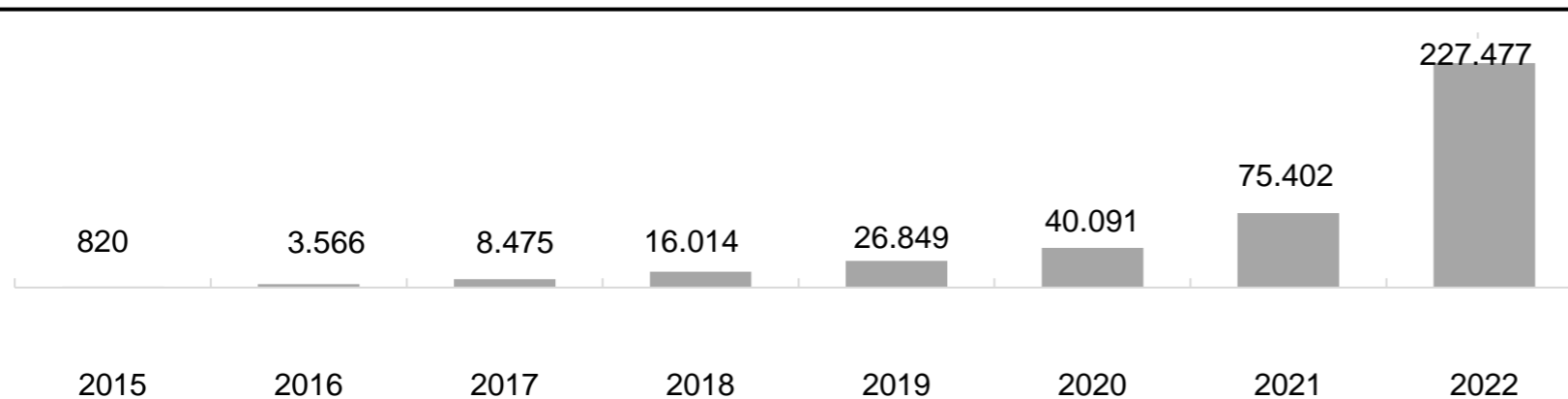


OVERVIEW OF THE DEVELOPMENT OF THE STORAGE SYSTEM MARKET AS OF 2015

EVOLUTION OF INSTALLED POWER AND STORAGE CAPACITY IN ITALY 2015 - Q3 2022 (MW)



EVOLUTION OF THE NUMBER OF SDA IN ITALY 2015 - Q3 2022



MAIN TAKEAWAYS

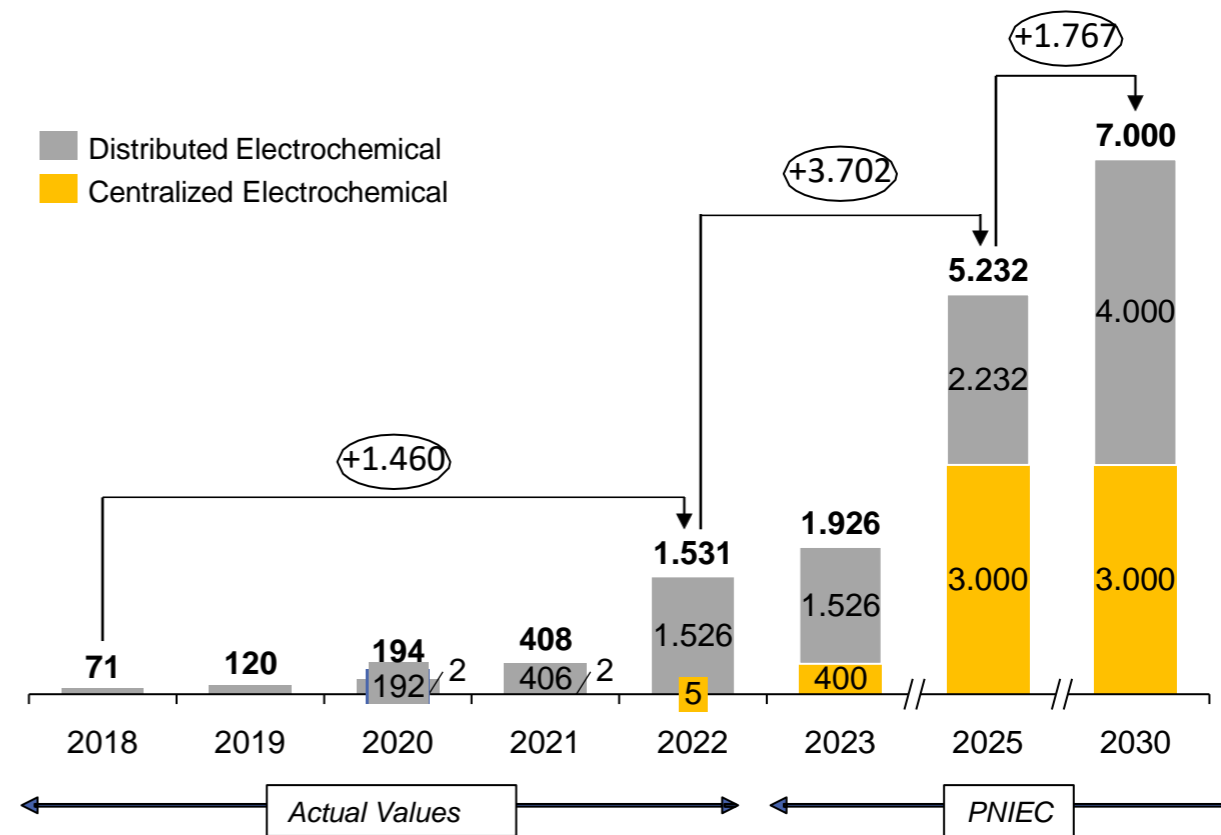
- The most popular **technology** is **Lithium-based** (99.1%) followed by **Lead-based** (0.6%).
- About 92 percent of the total capacity is made up of **small-scale systems** (< 20 kWh), with a clear predominance of systems with capacities between 5 and 10 kWh (35 percent) and between 10 kWh and 15 kWh (33 percent).
- Almost all (99.9 percent) of the storage systems in Italy are found to be **combined with a PV system**, of which 99.6 percent are residential in size.
- Storage systems are distributed quite diversely among regions.

STORAGE SYSTEM DEVELOPMENT GOALS ENVISIONED BY PNIEC

- The **National Integrated Energy and Climate Plan**, *which currently does not incorporate the FitFor55 scenario*, envisions in operation **by 2030**:

 - approx. **3 GW** of **centralized systems** (stand-alone utility scale storage);
 - approx. **4 GW** of **distributed systems** (small and medium scale storage combined with intermittent renewable source plants).
- The **scenario in the PNIEC** thus implies an **increase of about 5.5 GW** of **electrochemical storage system power to 2030** from **2022** values.
- To achieve these goals, an increase of **3,702 MW** with an **annual increase** of about **1,234 MW** is planned for the period **2022-2025**, and an **increase** in the period **2025-2030** of **+1,767 MW** with an **annual increase** of about **+354 MW**.
- The **PNIEC targets** for the development of **centralized storage systems** appear **challenging** in that only **3 MW** were installed in **2021- 2022**, while the **target to 2025** is about **3,000 MW** (with average annual installations of **922 MW**).

POWER DEVELOPMENT ELECTROCHEMICAL STORAGE SYSTEMS - ACTUAL VS. PNIEC (MW)



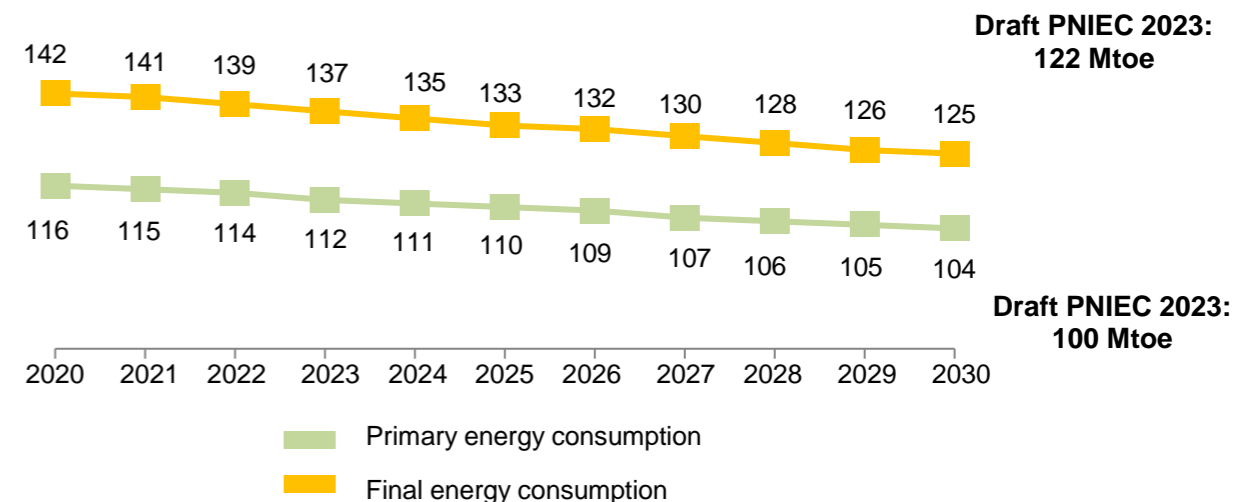
ENERGY EFFICIENCY GROWTH TARGETS OUTLINED BY PNIEC

PNIEC GOALS UPDATE - DRAFT JUNE 2023

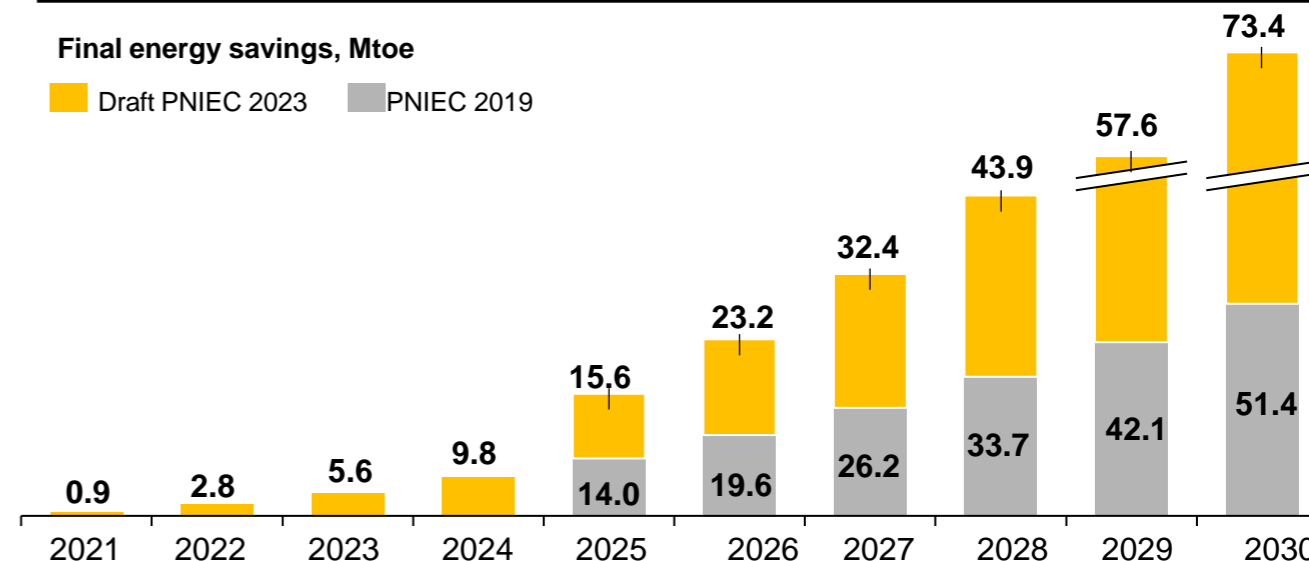
| | | |
|------------------------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Efficiency Energetics | Reduction in primary energy consumption compared with the PRIMES 2007 scenario | approx. 43% |
| | Final consumption savings through energy efficiency mandatory schemes | -0,8% 2021-2023 -1,3% 2024-2025 -1,5% 2026-2027 -1,9% 2028-2030 |

- In terms of consumption sectors, the need to prioritize energy efficiency interventions in the civil and transportation sectors is confirmed. In the civil sector, it will be necessary to intervene in particular on reducing the energy needs of buildings through deep upgrading interventions*, and through an increase in the diffusion of high-performance technical systems such as heat pumps and BACS systems**.

CONSUMPTION TRAJECTORY OF PRIMARY AND FINAL ENERGY 2020-30



FINAL CONSUMPTION REDUCTION TARGET



* The virtual deep renovation rate represents the redevelopment rate that would occur if all the savings achieved were from building-plant renovations

** Building & Automation Control System

Sources: 2019 National Integrated Energy and Climate Plan and 2023 update.

COMPETITIVE POSITIONING

| | Top 10 players | Comparable companies |
|------------------------------------------------------|----------------|----------------------|
| Owned system + Photovoltaic + Efficiency | | |
| Photovoltaic + Efficiency | | |
| Photovoltaic | | |

LEMON SISTEMI VALUE PROPOSITION

- 1 **Deep skills and know-how** in the entire value chain, from **design**, supply and installation to after-sales in the residential and small commercial sector and in energy efficiency interventions on properties (insulation, fixtures and control systems)
- 2 **In-depth knowledge of regulations** and bureaucratic and administrative processes for obtaining authorizations
- 3 **Reliability and speed** in the verification, technical study and feasibility analysis phases

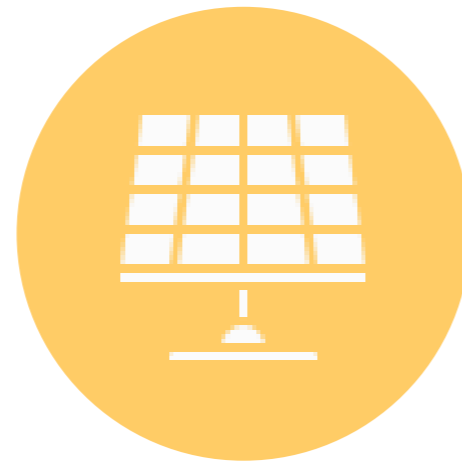
5. FUTURE STRATEGY



FUTURE STRATEGY



**COMMERCIAL
DEVELOPMENT
PLAN**



**DIRECT DEVELOPMENT OF
MEDIUM-SIZED
PHOTOVOLTAIC AND
AGRIVOLTAIC SYSTEMS**



**DEVELOPMENT
OF STORAGE
PLANTS (BESS)**



**INCREASE IN THE
AVERAGE SIZE OF
SYSTEMS (1MWp - 10MWp)**

COMMERCIAL DEVELOPMENT PLAN

- The objective of the group is to implement a penetration strategy throughout the Italian territory, on the one hand through the hiring of **commercial agents** and on the other through the opening of **physical spaces** (offices/shops) in cities with certain characteristics identified.

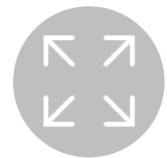
OBJECTIVES



Penetration of the Italian market



Increased visibility and brand awareness



Scalability of the project



Increase in revenues



Low investment compared to the potential of the project

TARGET CITY

- Small geographically strategic places;
- Per capita income higher than the regional average;
- Population between 15 thousand and 60 thousand inhabitants;
- Strong presence of single-family homes (subdivisions);





DIRECT DEVELOPMENT OF MEDIUM-SIZED PHOTOVOLTAIC AND AGRIVOLTAIC SYSTEMS

- Direct development of medium-sized photovoltaic and agrivoltaic systems with the aim of **selling the system after construction**, acquiring **multi-year management and maintenance** contracts with a minimum period of no less than 25 years.

OBJECTIVES

Generation of stable cash flows over time:

- One-off revenue**

 for the transfer of the plant (built or under construction);
- Annual revenue**

 (for at least 25 years) deriving from the administrative management and maintenance service of the system.

CRITICAL FACTORS



Commissioning **time not exceeding 15 months**;



Enhancement of integrated internal skills for design, construction and commissioning which would be managed entirely in house.

Construction of the **first 1 MW plant** has already begun. **The sale of the plant is expected in the fourth quarter of 2024.**

DEVELOPMENT OF BESS

- The strategy involves **participation in commissioned projects** relating to **large storage plants** with **leading operators in the sector**.

OBJECTIVES



Have design contracts lasting 12/24 months with milestone invoicing



Co-Develop and then sell projects for one-off revenue

CONTRACT SIGNED IN 2023

Contract signed for consultancy, assistance, design and development of storage systems:

- **November 2023** → a contract with Volt ESG S.r.l., 49% shareholder of Green Fucino, for storage systems for a maximum total nominal power of 2 GW (up to € 20 million)

INCREASE IN THE AVERAGE SIZE OF SYSTEMS (1MWp - 10MWp)

- A further objective of the group is to increase the incidence of revenues linked to **larger photovoltaic system projects**: in particular, the group intends to continue to increase the incidence of revenues linked to the design, supply and installation of **photovoltaic systems services ranging between 1 MWp and 10 MWp**, increasing the average size of individual projects.

OBJECTIVES



Accelerate growth in revenue volumes



Increase your presence on the B2B market



6. CLOSING REMARKS

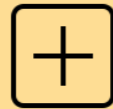
INVESTMENT HIGHLIGHTS



Short time to market



Tailor-made renewable plant (3kWp-10MW)



Integrated Service



Management expertise



Market growth and reference legislation



Partnerships with major market names (Sunpower, Solaredge, etc.)

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CDR Communication

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<https://lemonsistemi.it/>



APPENDIX



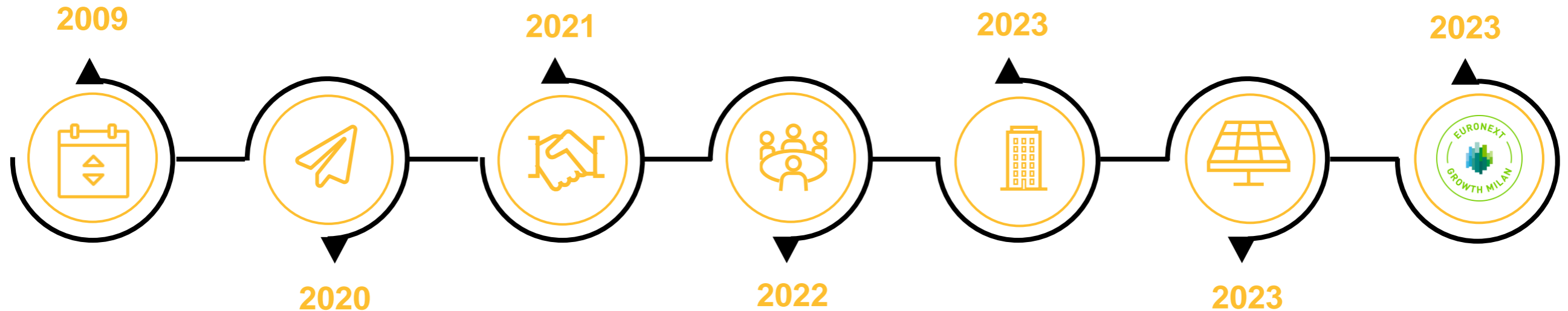
HISTORY

Engineers Maria Laura Spagnolo and Vincenzo Palazzolo **found Lemon Sistemi**

Enrico Rizzo (Head of Administration and Accounting), Antonino Palazzolo and Danilo Palazzolo (CFO) join the company

- **3.2 MWp plant in Piedmont**
- Construction of a **1 MWp ground-mounted plant** has started and a further connection application has been submitted for adjacent land

In December listed on **Euronext Growth Milan** Market Market of the Italian Stock Exchange



Alfa Lemon S.r.l. is born, 25% owned by Lemon Sistemi S.r.l. and 75% by shareholders of Lemon Sistemi S.r.l., whose main activity is linked to the **Superbonus**

Lemon Sistemi becomes S.p.A., acquires the company Alfa Lemon S.r.l. following a **merger** by incorporation. **and becomes 100% owner of Lemon Go S.r.l.**

Contracts signed to carry out **consultancy, assistance, design and development** of storage systems (BESS):

- in **November 2023** for storage systems for a maximum overall **nominal power of 2 GW**



MAIN SUPPLIERS & CUSTOMERS

SUPPLIERS

- **Commercial collaborations** with the **main suppliers** on the national market;
- **Premier Partner of Sunpower**, a company universally recognized for the quality of its photovoltaic modules.



* Strategic Partnership

CUSTOMERS

- Lemon Sistemi proposes its design and technology offerings to both the **residential** and **commercial markets**.
- Over the years, **important collaborations** have been established with national business groups.



RECLASSIFIED CONSOLIDATED INCOME STATEMENT

Consolidated data in €/000

















| Income Statement | 31/12/2023 | 31/12/2022 | % |
|-----------------------------------------------------------------------------------|-------------------|-------------------|---------------|
| Revenues from sales | 13,882 | 11,294 | 22.9% |
| Works in progress on ordination | 1,828 | 340 | 437.5% |
| Increases in fixed assets for internal works | 0 | 87 | -100.0% |
| Other income | 304 | 220 | 38.2% |
| Value of Production | 16,014 | 11,941 | 34.1% |
| Costs of raw materials, ancillary materials and goods net of the var. inventories | (6,794) | (2,682) | -354.8% |
| Costs for services | (3,922) | (3,653) | -107.4% |
| Costs for the use of third party assets | (258) | (123) | -11.0% |
| Cost for personnel | (2,133) | (1,375) | -88.6% |
| Various management costs | (146) | (108) | -5.2% |
| EBITDA | 2,761 | 4,000 | 76.6% |
| <i>EBITDA margin (%)</i> | <i>17.2%</i> | <i>33.5%</i> | |
| Amortisation and depreciation | (353) | (78) | 352.9% |
| Provisions | (144) | 0 | n.a. |
| EBIT | 2,264 | 3,922 | -42.3% |
| Financial income and expenses | 33 | (241) | -113.7% |
| EBT | 2,296 | 3,681 | -37.6% |
| Income taxes | (714) | (1,063) | -32.8% |
| Net Income | 1,582 | 2,618 | 46.6% |

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Consolidated data in €/000

| Balance Sheet | 31/12/2023 | 31/12/2022 |
|-----------------------------------------------|-------------------|-------------------|
| Intangible fixed assets | 1,029 | 118 |
| tangible fixed assets | 247 | 209 |
| Financial fixed assets | 0 | 0 |
| Net fixed assets | 1,276 | 327 |
| Inventories | 3,519 | 2,661 |
| Commercial credits | 890 | 1,020 |
| Commercial debts | (4,259) | (2,120) |
| Commercial working capital | 150 | 1,561 |
| Other current activities | 5,401 | 308 |
| Other current liabilities | (521) | (654) |
| Tax credits and debts | 3,531 | 3,595 |
| Net accruals and deferrals | (131) | (526) |
| Net working capital | 8,429 | 4,284 |
| Provisions for risks and charges | (144) | (1) |
| TFR | (183) | (128) |
| Net invested capital (Loans) | 9,377 | 4,483 |
| Current financial debt | 2,161 | 860 |
| Current portion of non-current financial debt | 949 | 317 |
| Non-current financial debt | 1,506 | 215 |
| Total bank and financial debts | 4,616 | 1,392 |
| Other financial assets | (304) | 0 |
| Cash and equivalents | (2,726) | (1,001) |
| Net financial debt | 1,587 | 391 |
| Share capital | 339 | 339 |
| Reserves | 5,870 | 1,135 |
| Profit for the period | 1,582 | 2,618 |
| Shareholders' Equity | 7,791 | 4,092 |
| Total sources | 9,377 | 4,483 |

OVERVIEW OF THE MAIN COMPARABLE COMPANIES

| Company | Logo | HQ | Business Lines | | | |
|------------------|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------|-------------------------|--------------------|--------------|
| | | | Residential Photovoltaic | Commercial photovoltaic | Energy efficiency* | Owned system |
| Lemon Sistemi |  |  | ✓ | ✓ | ✓ | ✓ |
| Dea Engineering |  |  | ✓ | | | |
| New Energy |  |  | ✓ | ✓ | | ✓ |
| IEIS Impianti |  |  | ✓ | ✓ | | |
| FP Engineering |  |  | | | | ✓ |
| Eco Fotovoltaico |  |  | ✓ | ✓ | | |
| S. Energie |  |  | ✓ | ✓ | | |
| Eureka |  |  | | ✓ | | ✓ |

Energy efficiency refers to activities related to the redevelopment of residential buildings such as renovating the casing, systems, fixtures and EV charging systems.
Source: AIDA and company websites