



clearwise



Join us on
our way into a
green future.

Half-year Report
2022



Report of the Management Board

Dear Shareholders,
Ladies and Gentlemen,

The macroeconomic challenges currently confronting us are massive. While at the end of last year, people in Europe were still hopeful of finding a way to deal with the COVID pandemic and its economic consequences, China's strict no-COVID strategy in particular increased the supply-chain bottlenecks which had already commenced with the tanker blocking the Suez Canal. Everybody was stunned when Russia's invasion of Ukraine started a war of aggression. The German Bundestag (Lower House) has agreed to the delivery of heavy weapons to a non-NATO country, a Green Minister of Economic Affairs – Robert Habeck – has signed contracts for the supply of fossil fuels. Further dependencies in a globalised economy are becoming abundantly clear, especially in the energy sector. Inflation has risen significantly – driven in particular by the high energy costs – and interest rates are gathering pace across the world. Ongoing supply chain problems, the war in Ukraine and high energy prices are increasingly impacting businesses and households, and the risk of a recession has long ceased to be an abstract concept. The end and the ultimate consequences of this multiple crisis are not yet predictable and what seemed utterly unthinkable a little while ago is now a reality. Currently, the only constant seems to be uncertainty.

As an Independent Power Producer (IPP), clearvise has been successfully operating wind farms and solar parks for more than 11 years. This experience has taught us to deal with uncertainties, enabling us to steer a steady course and adopt a visionary approach even in stormy times. The conversion to electricity and heat production from renewable energies is one of the major issues for the future in our time. The strategy adopted by clearvise has been to grow through the acquisition of small and large wind farms and solar parks and portfolios, and this continues to be the case. This approach enables clearvise to actively contribute to making European energy supply independent of gas and oil imports. Our 3-C acquisition strategy has proved highly successful. It is founded on the three pillars of clearSWITCH (a non-cash model for acquisition of inventory portfolios), clearPARTNERS (a co-development model specially geared to small and medium-sized developers) and clearVALUE, which has enabled us to establish our position as an “investor with a developer heart”.

The implementation of the clearSCALE 2025 growth initiative continues to gather pace. This enabled us to expand the operating portfolio by 104 MW to the present level of 303 MW during the first half year of 2022. Diversification in the solar sector is also steadily progressing so that on the reporting date we were already operating solar parks with a capacity of 133 MW. The deliberate decision in 2021 to overweight Germany with the expansion of our IPP activities into the solar asset class was absolutely right.

In the first half year of 2022, we were able to significantly increase sales and earnings. Primarily due to the increase in operating performance, better weather conditions compared with the first half of 2021 and the present high level of electricity prices, the clearvise Group achieved sales amounting to TEUR 26,545 (2021H1: TEUR 15,998). This corresponds to an increase of around 66%.

In the first half year of 2022, operating EBITDA amounted to TEUR 20,608 (2021H1: TEUR 11,465) and therefore rose by approximately 80%. On 30 June 2022, Group earnings at TEUR 4,013 (2021H1: TEUR -1,564) were significantly above the equivalent year-earlier result.

Taking into account the sales and expenses for the first seven months of the business year, we took the decision to adjust the forecast for the Group's main drivers for the year 2022 overall. For the current business year 2022, we are now projecting sales in the corridor between MEUR 50 to MEUR 54 (Annual Report 2021: MEUR 40 to MEUR 45). At the present status, operating EBITDA is expected to increase to a point within the range MEUR 37 and MEUR 41 (Annual Report 2021: MEUR 28 to MEUR 32). This yields a likely operating EBITDA margin of around 75% (Annual Report 2021: 69% to 72%).

We are delighted with this outcome, since it demonstrates that our business model is well thought out and crisis-proof.

Wiesbaden, 12 September 2022

Petra Leue-Bahns
Chief Executive Officer (CEO)

Manuel Sieth
Chief Financial Officer (CFO)

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Group Interim Management Report for the first half year 2022

Principles of the Group

Profile of clearwise

clearwise AG is an independent producer of electricity from renewable energy with a diversified European plant portfolio. At the present time, the established portfolio of the so-called citizen wind share ("Bürgerwindaktie") comprises 17 wind farms and 19 solar parks in Germany, France, Ireland and Finland, along with one biogas plant. clearwise has an operating capacity of around 303 MW and produces green electricity from renewable energy sources. The portfolio benefits from fixed feed-in tariffs and therefore enjoys a secure revenue stream in a changing energy market. Based on a three-pillar strategy, the company is concentrating on expanding its portfolio of onshore wind and PV systems in Europe and making it profitable. The share of clearwise AG (WKN A1EWXA / ISIN DE000A1EWXA4) has been listed on the stock exchange since 2011.

Business model

The business model is clearly defined and directed towards the requirements of the marketplace. 80-85 % of the shareholders' equity is intended for direct investments in renewable electricity generation from wind and solar in Europe (buy-and-hold). Another 15-20 % is earmarked as an *Opportunity Pocket* for other renewable technologies and countries. The centre of attention is on smooth-running energy markets with growth potential. The primary focus here is on projects in the range of 5 to 50 MW and on projects in which PPAs play a role. Originally established by a project developer, clearwise has already been operating wind farms since 2011 and has in-depth understanding of all issues relating to the development and successful operation of generating systems for renewable energy. The acquisition of a project is always just the beginning of sustainable value creation. The subsequent asset management creates value added. This might involve technical or commercial optimisation of projects or reviewing whether potential project sales make sense from a strategic and financial perspective.

Portfolio of clearwise

clearwise distinguishes between operational and contractually secured projects within the portfolio projects. The installed capacity of the operating portfolio of clearwise amounted to around 303 MW on 30 June 2022. According to the current status,¹ the installed capacity of the contractually secured projects is around 75 MW.

¹ Since some of the contractually secured projects relate to projects that are still at the development stage, the installed capacity at the time of commissioning may deviate from the capacity currently expected.

Operating portfolio

On the publication date of the report, the operating portfolio was divided between four countries and three technologies:

Installed capacity of the operating portfolio

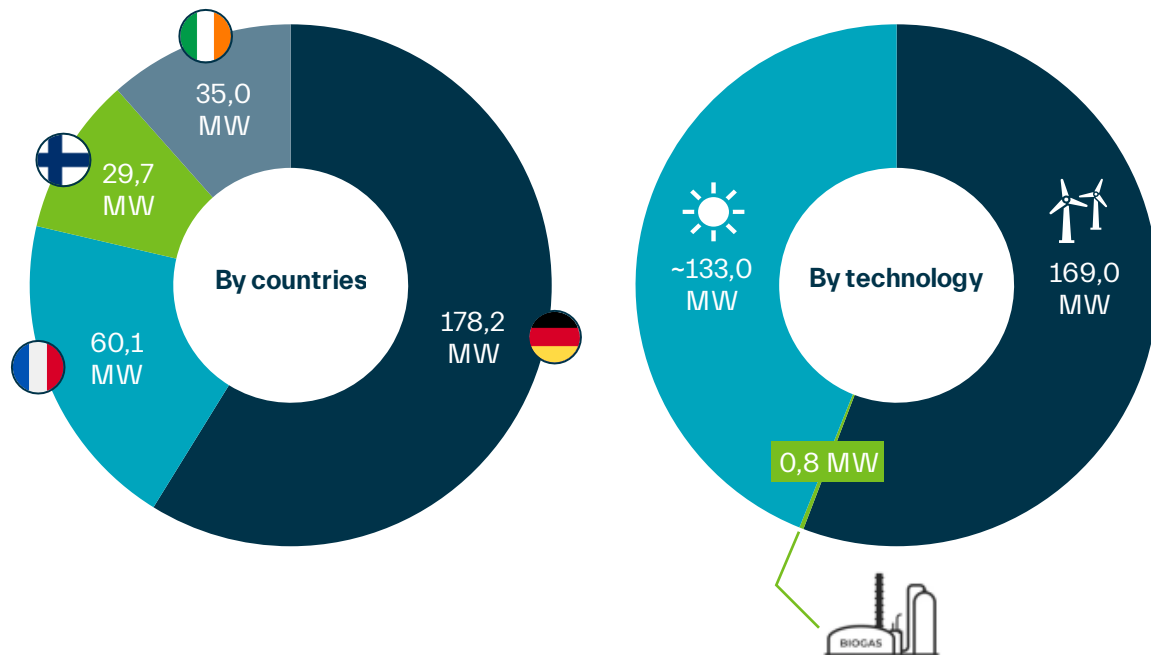





























Figure 1: Installed capacity by countries on 30 June 2022

Figure 2: Installed capacity by technology on 30 June 2022

Germany accounts for the lion's share of the installed capacity at around 59%, followed by France with around 20%, while Ireland and Finland are almost equal with some 11% and 10% respectively. Through its growth initiative clearSCALE2025, clearvise is pursuing the goal of growing the portfolio to be around 2/3 PV and 1/3 wind by the end of 2025, in order to achieve a balanced production profile. clearvise is well on the way to achieving this goal with a PV share of around 44% in the operating portfolio on the reporting date. Nevertheless, wind technology with around 56% continues to provide the biggest share of operating installed capacity. The biogas plant still has a share of approximately 0.3%.

At the moment, the electricity produced is essentially marketed in three ways. The major part of the portfolio receives a feed-in tariff based on the relevant country-specific regulations for renewable energy. Furthermore, the Alswailer II project markets its electricity exclusively through a private Power Purchase Agreement (PPA) with a term of 10 years from commissioning. As part of active asset management, clearvise has also succeeded in concluding financial PPAs for three projects which protect against the current high level of electricity prices.

The clearvise operating portfolio increased from around 199 MW at year-end 2021 to around 303 MW on the reporting date of 30 June 2022.

Project	Output (MWp)	Tariff (EUR/MWh)	Residual term of the tariff ² (years)
Germany			
 Weilrod	16.80	89.00 ³	12.5
 Korbersdorf	7.20	89.00	13.5
 Repperndorf	6.00	101.10	7.5
 Losheim	4.50	94.00	2.5
 Düngeheim	4.00	101.10	11.5
 Framersheim II	3.40	97.60	4.1
 Broich	2.40	85.90	5.5
 Lohne 1	0.75	66.20 ⁴	18.0
 Lohne 2	7.0	50,904	18.2
 Alswweiler 1	10.0	5.80 ⁴	19.2
 Alswweiler 2	12.5	PPA ⁴	9.2
 Weisen 1	0.75	53.60	19.3
 Weisen 2	3.25	53.60	19.3
 Beerwalde	0.75	66.20	18.0
 Klettwitz Nord 1	40	53.00	19.8
 Klettwitz Nord 2	50	48.90	19.8
 Dennheritz	0.5	111.20	16.5
 Hartha	0.75	106.40	16.5
 Glauchau	0.7	109.70	16.5
 Frankfurt Oder	0.6	95.30	18.5
 Fünfeichen	0.75	80.50	17.50
 Klipphausen	0.56	76.40	17.83
 Rothselberg	0.60	71.10	18.25
 Dennheritz II a	0.75	95.00	18.5
 Dennheritz II b1	0.75	57.20	18.3
 Dennheritz II b2	1.86	57.20	19.1
 Samswegen	0.80	234.40 ⁵	n.a. ⁶

² On 30 June 2022 and without taking into account any shortening of the running times due to additional production (e.g. possible in France)

³ As part of active asset management, a financial PPA was concluded. The price of this PPA is significantly higher than the project tariff. The financial PPA will initially run until 31 December 2022.

⁴ Owing to a non-disclosure agreement with the electricity buyer, the price of the PPA cannot be published.

⁵ An MW-weighted average value is shown, which may deviate due to production-dependent amounts of the EEG basic remuneration and the liquid manure bonus.

⁶ The average remaining term cannot be shown because of the heterogeneity of the tariffs.











Project	Output (MWp)	Tariff (EUR/MWh)	Residual term of the tariff ² (years)
France			
 Saint Nicolas des Biefs	14.00	90.73 ⁷	7.6
 Champvoisin	12.00	74.80	19.2
 Cuq	12.00	99.66	2.3
 Hautes Landes	10.00	90.87	7.4
 La Gargasse	8.0	93.06	5.2
 Escamps	4.10	91.05	6.6
Ireland			
 Glenough	32.5	81.61	4.1
 Glenough 14	2.50	81.61	4.1
Finland			
 Hapajärvi 1	6.60	83.50 ⁸	3.0
 Hapajärvi 2	23.10	83.50 ¹¹	7.2

Table 1: Portfolio overview on 30 June 2022

⁷ Partial indexation in November of each year

⁸ If the index forming the basis for quarterly billing is below EUR 32.50 MWh, the tariff will be reduced accordingly. If the index is above that, the excess percentage is also paid out.

clearSCALE2025

In 2020, clearwise defined its plans for sustained growth of the company in the clearSCALE2025 growth initiative. Growth targets were set across all business areas and the expansion target for the generation portfolio is 1 GW by the end of 2025, of which 750 MW relates to operating output and a pipeline of 250 MW. For 2022, this milestone is around 300 MW, which was achieved with the commissioning of the Klettwitz Nord solar park at the end of April of this year. The projects already contractually secured with an installed capacity of around 75 MW also support the milestones for 2023 to 2025:

clearSCALE 2025: Development of the operating output in MW

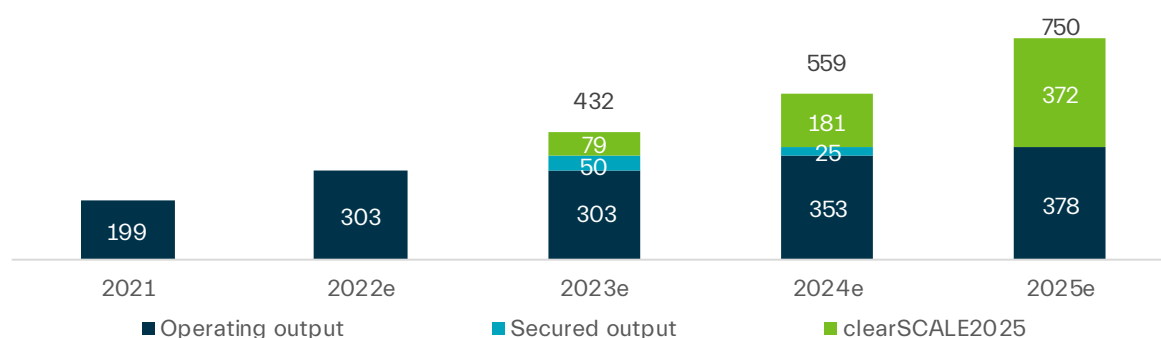


Figure 3: Intended expansion of the operating portfolio in the framework clearSCALE2025:

Project	Output ⁹ (MWp)	Commissioning ¹⁰ (Quarter/Year)
Germany		
☀️ Lohne II	0.90	Q4/2023
☀️ Heiligenfelde	10.75	Q4/2023
☀️ Wolfsgarten	38.20	Q4/2023
☀️ Weisen III	25.00	Q2/2024

Table 2: Contractually secured projects on 30 June 2022

Potential acquisition of the IPP Portfolio of Pacifico Renewables Energy Yield AG

On 13 July 2022, clearwise AG agreed a Memorandum of Understanding (“MoU”) with Pacifico Renewables Yield AG (WKN A2YN37 / ISIN DE000A2YN371, “Pacifico”) about the potential entire acquisition by clearwise of the European wind and solar portfolio of Pacifico with an output of around 166 MW¹¹ and a shareholding by Pacifico as an anchor shareholder of clearwise. The objective of the clearwise Management Board is to use the planned transaction to significantly strengthen the position of clearwise as a listed, fast-growing and independent electricity producer in the renewables market.

⁹ On the basis of the current status, the projected output at the time of the commissioning

¹⁰ On the basis of the current status, the projected time of commissioning

¹¹ Meanwhile, Pacifico has sold a 7.2 MW wind farm in the Czech Republic; on 31 August 2022, the portfolio is therefore around 158 MW

As part of the ongoing development of their business model, Pacifico carried out a non-cash capital increase as an initial step to implement these targets, with the purpose of contributing all the clearwise shares previously held by Pelion Green Future Alpha GmbH to Pacifico, amounting to a share of approximately 21.9% in the capital stock of clearwise.

In a second step, clearwise intends to acquire the European wind and solar portfolio owned by Pacifico. The acquisition price is to be partly paid in the form of shares in clearwise as a non-cash contribution (“equity component”) and partly by a cash component. The total remuneration will be based on a valuation of the respective portfolios of the two companies that still has to be carried out. The relationship between equity component and cash component will be structured such that Pacifico is to have a long-term financial shareholding of approximately 40% in the capital stock of the listed company clearwise after the transaction has been completed. At the same time, Pacifico intends to achieve a reorganisation of its IPP business by completing the second step so that shareholdings in operational European *utility-scale* wind farms and solar parks will be indirectly held through the financial shareholding in clearwise. clearwise will continue to pursue its existing strategy as an independent company unchanged. The aim of the two companies is to increase the appeal of clearwise and Pacifico with largely distinct and complementary business models for capital market investors.

As a result of the intended acquisition of the Pacifico inventory portfolio of wind farms and solar parks, the operational electricity generation capacity of clearwise will rise to around 462 MW compared with the current level of 303 MW, an increase of around 52%. On the basis of the current status, clearwise would therefore become the second largest listed IPP in Germany.

In order to determine fair valuation ratios, the acquisition price of the Pacifico portfolio on the one hand and the value of the clearwise shares for the payment of the equity component and on the other hand should reflect the value of the respective portfolios, i.e. the existing facilities and financing on the basis of comparable assumptions (equality of methods). The parties intend to agree on a joint expert who will carry out these company valuations.

A review of the portfolios has already been commenced and this is likely to extend over several months. The implementation of further steps up to a possible closing of the overall transaction is also subject, among other things, to the mutually satisfactory due diligence audits and contract negotiations, as well as the approval of the responsible governance bodies and shareholders of both companies. Approval is to be obtained in the context of extraordinary general meetings of the respective companies.

Economic report

Macroeconomic framework conditions

The prospects for the global economy have deteriorated and they are clouded by uncertainty. According to the World Economic Outlook Update by the International Monetary Fund (“IMF”) from July of this year, the global economy will only grow by 3.2% in 2022. The background to this outlook is a number of shocks that have impacted on an already shaky global economy. These include the negative effects resulting from the war in Ukraine, the downturn in Chinese economic growth that is greater than expected, inflation that is higher than anticipated and tighter finance policy. All of these factors have contributed to a significantly more negative outlook for global growth than was the case in April. At that point, the IMF was still projecting global growth of 3.6%. The Kiel Institute for the World Economy (“IfW”) confirms the deterioration in the prospects. The IfW is assuming that growth in the year 2022 will slow down to 3% (from the previous estimate of 3.5%).

Economists at the IMF are assuming economic growth in Europe of 2.6% for the current year. After some of the measures to combat the COVID-19 pandemic were relaxed again, leading to a reduced economic impact, the rise in energy and commodity prices, the high level of inflation – particularly impacting on private households – and the continued disruption in supply chains are now all exerting a severe impact on economic performance. The fall in real wages in this environment and the tighter interest-rate policy, along with the ongoing uncertainty are also leading to low consumption. The IfW is therefore only projecting growth in the region of 3.1%.

On 21 July 2022, the ECB decided to increase the three key interest rates by 50 basis points each in order to move the high rate of inflation back towards its 2% target. This adjustment was higher than had been generally anticipated. In addition, the Governing Council of the ECB announced that in future it would decide from one meeting to the next whether and to what extent further incremental increases in the interest rate would be appropriate. In July 2022, inflation was 8.9% and this represented a new record level. Overall, this may lead to future adjustments in key interest rates being more frequent and higher than previously expected.

Sector-specific framework conditions

According to the *Renewables 2022 Global Status Report* by REN21 published in June of this year, around 314.5 GW of renewables were built across the world in 2021. This is equivalent to an increase of 11% to 3,146 GW of installed capacity worldwide. Even though this addition represents a record value according to the experts from REN21, the increase is neither sufficient to cover the increasing demand for electricity nor to stop climate change. The proportion of renewable energy worldwide is stagnating. The proportion of renewable energy in global electricity demand was 28.3% in 2021 and this is almost at the year-earlier level (28.5%). The expansion necessary to get on the *net-zero* path¹² would have to increase threefold according to REN21.

“Fit for 55” – legislative package launched

In mid-July 2021, the EU Commission presented the climate plan “Fit for 55”. The aim is to reduce net greenhouse gas emissions by at least 55% by 2030, compared with the status in 1990. This is to be

¹² In the Paris Climate Protection Agreement, the international community committed to achieving carbon neutrality by 2050, i.e. global net emissions of greenhouse gases must fall to zero by then.

achieved by raising the target for renewable energy from the current 32% to 40% in the future, alongside other measures. Furthermore, emissions trading is to be extended to other sectors and the current upper limits are to be lowered further. One year later in June 2022, the EU Commission launched a climate protection package and the legislative process is due to be completed in the second half of 2022. Classification represents an important milestone for renewable energy as a question of outstanding public interest in Europe.

Germany

According to the Centre for Solar Energy and Hydrogen Research Baden-Württemberg (“ZSW”) and the Federal Association of Energy and Water Industries (“BDEW”), the proportion of renewables in gross electricity consumption was around 49% in the first half of the year and therefore some six percentage points higher than that year-earlier value. The two institutes reported that this was mainly due to increased production from PV and onshore wind, which each produced approximately 20% more electricity than in the previous year. On 1 August 2022, the installed capacity of PV and onshore wind amounted 52.51 GW and 57.13 GW respectively according to the Fraunhofer Institute for Solar Energy Systems ISE. This corresponds to an increase of 6% and 1.5% respectively compared with the installed capacity at the end of 2021.

On 8 July 2022, the Upper House (Bundesrat) approved the Easter Package. The Law on Immediate Measures for an Accelerated Expansion of renewable Energy and other measures in the electricity sector will come into force on 1 January 2023. Climate protection and independence are the key drivers for the amendment. This is one of the reasons why the principle is established in the Easter Package that the use of renewable energy is in the overriding public interest and is a matter of security for the general public. This highlights the importance of renewables for Germany as an industrial centre. The expansion target for 2030 is being increased to 80% of German gross electricity consumption. In order to achieve this target, PV is to be expanded by 22 GW each year. The objective is to reach an installed capacity of 215 GW. Offshore wind is projected to increase by 10 GW each year so as to achieve an installed capacity in Germany amounting to 115 GW by 2030. One of the limiting factors for the expansion of onshore wind in Germany is a lack of areas of land with planning approval. The Wind Energy Area Requirement Act is therefore intended to set binding area targets for the federal states based on a distribution key in order to achieve a designation of 2% of the total area for development of wind power across Germany. Other factors inhibiting expansion are to be addressed in a subsequent summer package.

France

In the first half of the year, the share of renewables in gross electricity consumption for France was around 20%. By far the highest proportion was provided by nuclear power at around 65%. This is also supposed to play a major role in the future. The future plan France 2030 published in October of last year, made decarbonisation of the economy a key goal. One of the ways of achieving this objective is to build more nuclear power plants and mini-nuclear reactors. Renewables are also destined to make a contribution to carbonisation. By 2028, the installed capacity of PV is projected to be around 35 GW. Onshore wind is to grow to an output of 35 GW. These projected targets are ambitious against the backdrop of historical expansion rates for wind and PV, and against the background of France’s experiences from Unit 3 of the Flamanville nuclear power plant, which is still under construction.

Ireland

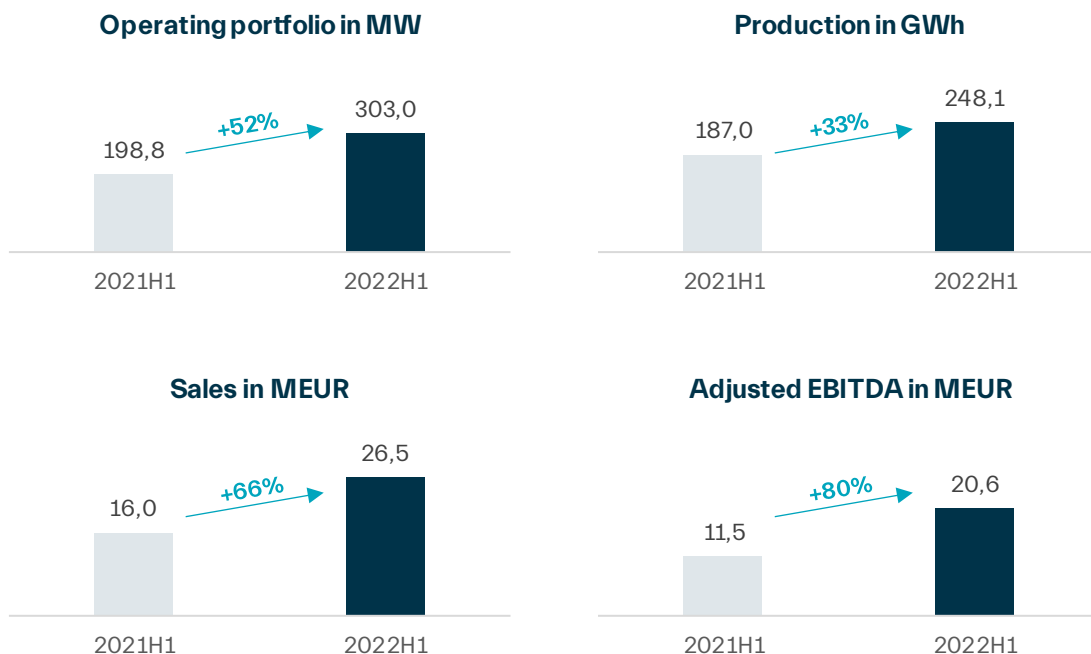
Ireland wants to be carbon neutral by 2050. Focused on this objective, the Irish Government presented the Climate Action Plan at the beginning of November. The share of renewables as part of gross electricity generation is projected to rise to 80% by 2030. According to the Irish Government, the annual expansion of onshore wind turbines needs to increase from an average of 180 MW a year to at least 250 MW each year. Offshore wind is projected to expand to 5 GW by 2030.

Finland

Finland already meets the EU target of covering 40% of the final energy consumption from renewables. Nevertheless, the Finnish Government aims to increase this share to 50% by 2030. The main renewable energy sources in Finland include biomass, hydropower, geothermal power and wind power. In the first half year of 2022 alone, 154 wind turbines with an installed capacity of 784 MW came onstream.

Business performance

In the first half of 2022, clearwise was able to expand its operating output to approximately 303 MW (2021: approx. 199 MW). Production increased by 33% compared to the equivalent year-earlier period. Owing to the high prices, sales went up disproportionately by 66%. Since the clearwise portfolio has a high proportion of fixed costs, the increase in sales once again led to a disproportionate increase in adjusted operating EBITDA by 81%.



Production of the clearwise portfolio

In the first half year of 2022, around 248.1 GWh of electricity were produced. This corresponds to an increase of approximately 33% compared with the year-earlier value (2021H1: 187.0 GWh), due firstly to more favourable weather conditions and secondly to growth in the operating portfolio.

Production (GWh)

Technology	2022H1	2021H1	Δ %
Wind	197.2	181.3	9%
PV	48.7	3.0	1513%
Biogas	2.2	2.8	-22%
Total	248.1	187.0	33%

Production (GWh)

Country	2022H1	2021H1	Δ %
Germany	97.8	43.7	124%
France	55.3	53.4	4%
Ireland	46.8	48.3	-3%
Finland	48.2	41.7	16%
Total	248.1	187.0	33%

Availability of the wind portfolio continued at the high level of 97.4%. Outliers in the first half of the year were the wind farms at Düngeheim (91.3%), Cuq (95.1%), Champvoisin (93.1%) and Glenough (93.6%). An essential change of a generator bearing at each of the facilities in Düngeheim and Cuq necessitated an extended shutdown. In addition to a rotor blade repair at the Champvoisin wind farm, the intense heat in the region was a particular factor leading to an excessively high temperature inside the nacelle, which resulted in the systems being shut down for safety reasons. In Glenough, the strong frequency fluctuations in the network caused several frequency inverter failures, and this in turn led to long downtimes due to necessary repairs. All four of the wind farms referred to have full maintenance contracts. This means that the previously low levels of availability can be compensated through fixed contractual payments, if the availabilities cannot be compensated in the second half of the year.

The availability of the PV portfolio was also at a good level of around 97.9%. If we analyse availability without the Klettwitz Nord solar park, which only went into operation in May and was therefore still in the startup phase, availability was indeed as much as 99.7%.

Results of operations

In the first half year, Group sales amounted to TEUR 26,545 (2021H1: TEUR 15,998) and are therefore around 66% above the year-earlier value. The reasons for this are firstly higher production and secondly the high electricity prices.

Particularly in Germany, the portfolio benefitted from the expansion of operating output and the high market values. Sales in Germany at TEUR 14,249 were around 232% above the previous year (2021H1: TEUR 4,296). In France, sales amounted to TEUR 4,961 and were therefore slightly below the previous year (2021H1: TEUR 5,036). This was mainly due to the lower specific production coupled with a lower average tariff due to the new Le Champvoisin wind farm, which at a tariff of EUR 74.80/MWh was below the other tariffs in the French portfolio. Sales in Ireland amounting to TEUR 3,672 were slightly above the year-earlier level (2021H1: TEUR 3,604). Here, the inflation of the tariff from EUR 79.70/MWh to EUR 81.61/MWh compensated for the slightly lower level of production. In Finland, a combination of higher production and higher electricity prices resulted in a year-on-year increase in sales from TEUR 600 to TEUR 3,663 (2021H1: TEUR 3,063).

Sales (TEUR)

Technology	2022H1	2021H1	Δ %
Wind	18,423	15,155	22%
PV	7,573	653	3,865%
Biogas	549	191	-16%
Total	26,545	15,998	66%

Sales (TEUR)

Country	2022H1	2021H1	Δ %
Germany	14,249	4,296	232%
France	4,961	5,036	-1%
Ireland	3,672	3,604	20%
Finland	3,663	3,063	2%

Total	26,545	15,998	66%
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Other operating income amounted to TEUR 214 (2021H1: TEUR 157) and was therefore around 36% above the year-earlier value. The cost of materials primarily relates to expenses for the purchase of raw materials for the biogas plant and this amounted to TEUR 148 (2021H1: TEUR 141), virtually at the year-earlier level.

In the first half year, personnel expenses amounted to TEUR 288 (2021H1: TEUR 197). The increase in personnel expenses is due above all to the expansion of asset management associated with portfolio growth. On 30 June 2022, the clearwise Group employed nine employees alongside the Management Board (three of these were student placements).

Amortisation and depreciation on intangible assets and property, plant and equipment amounted to TEUR 10,608 (2021H1: TEUR 9,205).

Other operating expenses amounted to TEUR 6,170 (2021H1: TEUR 5,037) in the first half of 2022. These comprised in particular expenses for maintenance, repairs and servicing (TEUR 2,334, 2021H1: 2,150), leasing (TEUR 891, 2021H1: 535), operational management (TEUR 601, 2021H1: 498), audit and consulting services (TEUR 368, 2021H1: 242), grid access and own electricity consumption (TEUR 305, 2021H1: 244) and insurance (TEUR 216, 2021H1: 118).

In the first half year of 2022, the financial result amounted to TEUR -3,635 (2021H1: TEUR -2,400). The increase is due to project financing for the new projects. The interest rate for liabilities to banks, weighted according to the outstanding debt as at the reporting date and the interest rate applicable at that time, is around 2.36%.

Income taxes at TEUR 1,149 are significantly above the year-earlier value of TEUR 56. The primary background factor involved here is the formation of provisions in the amount of around TEUR 856 at the level of clearwise AG for corporation tax and the associated solidarity surcharge due to the tax allocation of earnings from the operating domestic subsidiaries. Other taxes amounted to TEUR 747 (2021H1: 684) and increased in particular due to local non-sales taxes for the new French project Le Champvoisin.

Group earnings for the first half year of 2022 amounted to TEUR 4,013 (2021H1: TEUR -1,565).

Adjusted operating EBITDA

In the first half year of 2022, adjusted operating EBITDA amounted to TEUR 20,608 (2021H1: TEUR 11,422). In this context, income and expenses not relating to the reporting period, and expenses that cannot be allocated to the operational business (e.g. expenses in connection with capital increases) were deducted in order to obtain a transparent view of the results of operations of the clearwise Group.

TEUR	2022H1	2021H1
Revenues	26,545	15,998
Other operating income	214	157
Cost of materials	-148	-141

Personnel expenses	-288	-197
Other operating expenses	-6,170	-5,037
EBITDA	20,153	10,780
Adjusted by:		
Income and expenses not related to the period	26	-54
Other non-operating expenses	429	+739
Adjusted operating EBTIDA	20,608	11,465
Operating EBITDA margin in %	78.0%	71.7%

In particular, the high increase in sales (+66%) in relation to the increase in expenses (+22.5%) contributed to a significant rise in adjusted operating EBITDA. On 30 June 2022, the latter amounted to TEUR 20,608 and was therefore around 80% above the year-earlier value of TEUR 11,465.

Asset situation and financial position

Around 84% of the assets of clearwise (2021: 85%) are comprised of non-current assets.

On 30 June 2022, intangible assets amounted to TEUR 5,256 (2021: TEUR 5,571). The reduction is due to scheduled amortisation of goodwill in the amount of TEUR 315.

Property, plant and equipment increased net by TEUR 78,271 to TEUR 269,597 (2021: TEUR 191,327). Gross property, plant and equipment, i.e. before amortisation and depreciation of intangible assets and property, plant and equipment, went up by TEUR 88,564. This change is primarily due to first-time consolidation of the Klettwitz Nord solar park (TEUR 72,450), the Korbersdorf wind farm (TEUR 10,569) and other projects from the ALTUS portfolio (TEUR 5,142).

On the balance sheet date, financial assets amounted to TEUR 180 (2021: TEUR 190). The reduction by TEUR 10 is due to scheduled amortisation of financial assets and to marketable securities.

Current assets on 30 June 2022 amounted to TEUR 44,479 (2021: TEUR 32,313). Bank balances accounted for the largest share of this at TEUR 36,830 (2021: TEUR 23,198). Trade receivables amounted to TEUR 6,451 (2021: TEUR 5,849) on the balance sheet date.

Shareholders' equity on 30 June 2022 amounted to TEUR 72,341 (2021: TEUR 56,199). The increase is firstly due to capital increases in the first quarter (TEUR 12,130) and secondly to Group earnings (TEUR 4,013). The equity ratio is therefore 22% (2021: 24%).

Liabilities increased by TEUR 81,746 compared with 31 December 2021 and amounted to TEUR 248,495 (2021: TEUR 166,749) on the balance sheet date. Of this, TEUR 208,070 (2021: TEUR 162,522) are due to liabilities to banks, most of which are attributable to project financing of the projects in the clearwise portfolio. On the reporting date, trade liabilities amounted to TEUR 8,371 (2021: TEUR 1,416). Liabilities to affiliated enterprises remained unchanged at TEUR 26. Other liabilities increased by TEUR 29,241 compared with the previous year to TEUR 32,026 (2021: TEUR 2,785). The rise is primarily due to a loan from EB Sustainable Funds Luxembourg S.A., SICAV-SIV, which is advised by EB-Sustainable Investment Management GmbH. As at the reporting date, the loan is valued at TEUR 29,340 and is used for equity interim financing for the acquisition of the Klettwitz Nord solar park.

Cash flow

In the first half year of 2022, the cash-effective change in cash and cash equivalents amounts to TEUR 13,632 (2021H1: TEUR 17,319) and is made up as follows:

Cash flow from operating activities amounted to TEUR 17,153 (2021H1: TEUR 15,807) in the first half year of 2022. This essentially comprises the current business activities from the operating business of the solar parks and wind farms, as well as the biogas plant and the payments resulting from this. It also includes changes in assets and liabilities that are not attributable to investment or financing activities.

Cash flow from investment activities amounted to TEUR -49,735 (2021H1: TEUR -13,760) in the first half year of 2022. This essentially results from payments arising from the acquisition of property, plant and equipment amounting to TEUR -21,643 (2021H1: TEUR -2,742) and the acquisition of subsidiary companies less acquired cash and cash equivalents amounting to TEUR -28,093 (2021H1: TEUR -11,018).

Cash flow from financing activities amounted to TEUR 46,215 (2021H1: TEUR 12,542) in the reporting period. Cash was increased by loans taken out as part of project acquisitions in the amount of TEUR 52,817 (2021H1: TEUR 3,009) and payments from capital increases in the amount of TEUR 11,480 (2021H1: TEUR 20,720). The amount of cash was reduced by the repayment of loans in the amount of TEUR -14,952 (2021H1: TEUR -8,855) and the interest paid amounting to TEUR -3,130 (2021H1: TEUR 2,331).

Follow-up report

On 1 August 2022, a lawsuit was filed with the Cottbus administrative court against the building licence for the Klettwitz-Nord solar park. The district of Oberspreewald-Lausitz is the defendant as the authority responsible for the approval. A previous third-party objection by the same plaintiff against the building licence was rejected on the grounds that there was no legal entitlement to this. On the basis of the current status, we are assuming that the pending lawsuit will not exert adverse impacts on the value of the investment.

Outlook for the year overall

On the basis of the production and sales figures from January to July 2022, clearwise raised the sales and earnings forecast for the current business year 2022 on 31 August 2022.

clearwise is basing its sales and income forecast in each case only on the revenues received in the prior month (i.e. in this case on the month to 31 July 2022) and with reference to the future exclusively on the secured prices from feed-in tariffs and electricity supply contracts concluded (PPA).

In view of the many hours of sunshine in recent months, and driven by persistently favourable market conditions and significantly higher electricity prices in the target markets, clearwise now expects Group sales in the corridor between EUR 50 and 54 million for the business year 2022 instead of the corridor from EUR 40 to 45 million originally forecast in the Annual Report 2021. In addition, clearwise also raised its forecast for adjusted Group EBITDA and now anticipates adjusted Group EBITDA for 2022 in the corridor from EUR 37 to 41 million (Annual Report 2021: EUR 28 to 32 million). The adjusted Group EBITDA margin would therefore be in the area of around 75% (Annual Report 2021: 69% to around 72%).

Furthermore, clearvise remains committed to an unchanged forecast of electricity production within a bandwidth of 480 to 540 GWh.

		Updated forecast	Forecast acc. to the Annual Report 2021
Electricity production	GWh	480 to 540	480 to 540
Group sales	MEUR	50 to 54	40 to 45
Adjusted Group EBITDA	MEUR	37 to 41	28 to 32
Adjusted Group EBITDA margin	% of Group sales	75%	69% to 72%

Opportunities and Risk Report

The key opportunities and risks that the clearvise Group is subject to were presented in detail in the Group Management Report for the 2021 business year.

Furthermore, against the background of the sharp rise in energy prices, taxation of excess profits is increasingly becoming part of the political discussion in Germany and other European countries. This could lead to the prospect of lower earnings in the future. clearvise has based its forecast on an approach informed by commercial prudence and continues to only take into account the prices secured by PPAs or tariffs in the forecast.

The lawsuit referred to in the follow-up report above could give rise to risks similar to those listed in the lawsuits section of the Opportunities and Risk Report of the 2021 Annual Report.

Group Balance Sheet*

at 30 June 2022

Assets

In TEUR	30.06.2022	31.12.2021
A. Fixed assets		
<i>I. Intangible assets</i>		
1. Goodwill	5,256	5,571
<i>II. Property, plant and equipment</i>		
1. Land, land rights and buildings, including buildings on third-party land	3,261	3,323
2. Technical equipment and machinery	266,287	187,960
3. Other equipment, factory and office equipment	27	23
4. Payments on account and assets under construction	23	21
Total tangible assets	269,597	191,327
<i>III. Financial assets</i>		
1. Shares in affiliated enterprises	25	25
2. Investments	145	156
3. Cooperative shares	10	10
Total financial assets	180	190
Total fixed assets	275,033	197,087
B. Current assets		
<i>I. Inventories</i>		
Raw materials, consumables and supplies	196	292
<i>II. Receivables and other assets</i>		
1. Trade accounts receivable	6,451	5,849
2. Receivables from companies in which an investment is held	0	6
3. Other assets	998	2,968
Total receivables and other assets	7,449	8,823
<i>III. Bank balances</i>	36,830	23,198
Total current assets	44,476	32,313
C. Prepaid expenses	6,015	1,513
Balance sheet total	325,523	230,913

* The figures presented here were subjected to a review by the auditor

Shareholders' equity and liabilities

In TEUR	30.06.2022	31.12.2021
A. Shareholders' equity		
<i>I. Subscribed capital</i>	63,457	57,400
<i>II. Capital reserve</i>	31,664	25,591
<i>III. Retained earnings</i>	987	987
<i>IV. Group balance sheet loss</i>	-23,767	-27,779
Total shareholders' equity	72,341	56,198
B. Mezzanine capital		
Profit-sharing capital	0	4,877
C. Provisions		
1. Tax provisions	1,199	94
2. Other provisions	3,428	2,930
Total provisions	4,627	3,024
D. Liabilities		
1. Liabilities to banks	208,070	162,522
2. Trade accounts payable	8,371	1,416
3. Liabilities to affiliated enterprises	26	26
4. Liabilities to companies in which an investment is held	2	0
5. Other liabilities	32,026	2,787
Total liabilities	248,495	166,751
E. Deferred income	61	63
Balance sheet total	325,523	230,913

Income Statement*

from 1 January to 30 June 2022

In TEUR		2022H1	2021H1
1	Revenues	26,545	15,998
2	Other operating income	214	157
3	Cost of materials	-148	-141
4	Personnel expenses	-288	-197
5	Amortisation and depreciation on intangible assets and property, plant and equipment	-10,608	-9,205
6	Other operating expenses	-6,170	-5,037
7	Income from other securities and loans classified as financial assets	0	0
8	Other interest and similar income	1	0
9	Write-downs on financial assets and securities included in current assets	-10	-10
10	Interest and similar expenses	-3,626	-2,390
11	Income taxes	-1,149	-56
12	Earnings after tax	4,760	-880
13	Other taxes	-747	-684
14	Group result for the period	4,013	-1,564
15	Loss carried forward from the previous year	-27,779	-24,502
16	Group balance sheet loss	-23,767	-26,066

* The figures presented here were subjected to a review by the auditor

Group Cash Flow Statement*

from 1 January to 30 June 2022

In TEUR	2022H1	2021H1
Net income	4,013	-1,564
-/(+) (Income tax payments)/ Income tax refunds	-45	-46
-/(+) (Income tax revenue)/ Income tax expense	1,149	56
+ Depreciation on fixed assets	10,618	9,215
+/(-) (Profit)/ Loss from the sale of property, plant and equipment	0	0
+ Interest expenses	3,626	2,390
- Interest income	-1	0
+/(-) Other cash-effective expenses/income	-35	-5
+/(-) (Increase)/Decrease in inventories, trade accounts receivable and other assets not attributable to investment or financing activities	3,801	1,262
+/(-) Increase/(Decrease) in trade accounts payable and other liabilities not attributable to investment or financing activities	-6,391	4,575
+/(-) Increase/(Decrease) in other provisions	417	-76
= Cash flow from operating activities	17,153	15,807
- Payments from the acquisition of intangible assets	0	0
- Development costs	0	0
- Payments from the acquisition of property, plant and equipment	-21,643	-2,742
+ Proceeds from the sale of property, plant and equipment	0	0
- Acquisition of a subsidiary less cash acquired	-28,093	-11,018
+ Interest received	1	0
= Cash flow from investment activities	-49,735	-13,760
+ Proceeds from issue of shares	11,480	20,720
+ Taking out loans and other borrowed funds	52,817	3,009
- Payments from the repayment of lease liabilities	0	0
- Payments from the repayment of loans and other borrowed funds	-14,952	-8,855
- Interest payments	-3,130	-2,331
- Payments from the repayment of shareholder loans	0	0
- Payouts to shareholders	0	0
= Cash flow from financing activities	46,215	12,542
Cash-effective change in cash and cash equivalents	13,632	14,588
+ Cash funds at the beginning of the period	23,198	17,319
= Cash funds at the end of the period	36,830	31,907

* The figures presented here were subjected to a review by the auditor

Group Statement of Assets*

from 1 January to 30 June 2022

	Acquisition and production costs					Depreciation and amortisation				Book values	
	Carry forward 01.01.2022	Additions	Disposals	Transfers	Status 30.06.2022	Carry forward 01.01.2022	Additions	Disposals	Status 30.06.2022	30.06.2022	31.12.2021
	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR	TEUR
I. Intangible assets											
1. Goodwill	13,361	-	-	-	31,361	7,791	315	-	8,106	5,256	5,571
II. Property, plant and equipment											
1. Land, land rights and buildings, including buildings on third-party land	3,545	-	-	-	3,45	222	71	-9	284	3,261	3,323
2. Technical equipment and machinery	333,148	17,478	-	71,075	421,701	145,188	10,226	-	155,414	266,287	187,960
3. Other equipment, factory and office equipment	38	10	-	-	48	15	6	-	21	27	23
4. Payments on account and assets under construction	21	71,076	-	-71,075	23	0	-	-	0	23	21
III. Financial assets											
1. Shares in affiliated enterprises	25	-	-	-	25	0	-	-	0	25	25
2. Investments	328	-	-	-	328	173	10	-	183	145	156
3. Cooperative shares	10	-	-	-	10	0	-	-	0	10	10
Total fixed assets	350,476	88,564	-	-	439,040	153,389	10,618	-	164,007	275,033	197,087

* The figures presented here were subjected to a review by the auditor

Group Statement of Shareholders' Equity*

from 1 January to 30 June 2022

In TEUR

	Equity of the parent company				Group equity	
	Subscribed capital	Provisions		Group balance sheet loss	Total	
		Capital reserve	Retained earnings			Total
01.01.2022	57,400	25,591	987	26,578	-27,779	56,198
Group earnings					4,013	4,013
Capital increase	6,057	6,073		6,073		12,130
30.06.2022	63,457	31,664	987	32,651	-23,766	72,341

* The figures presented here were subjected to a review by the auditor

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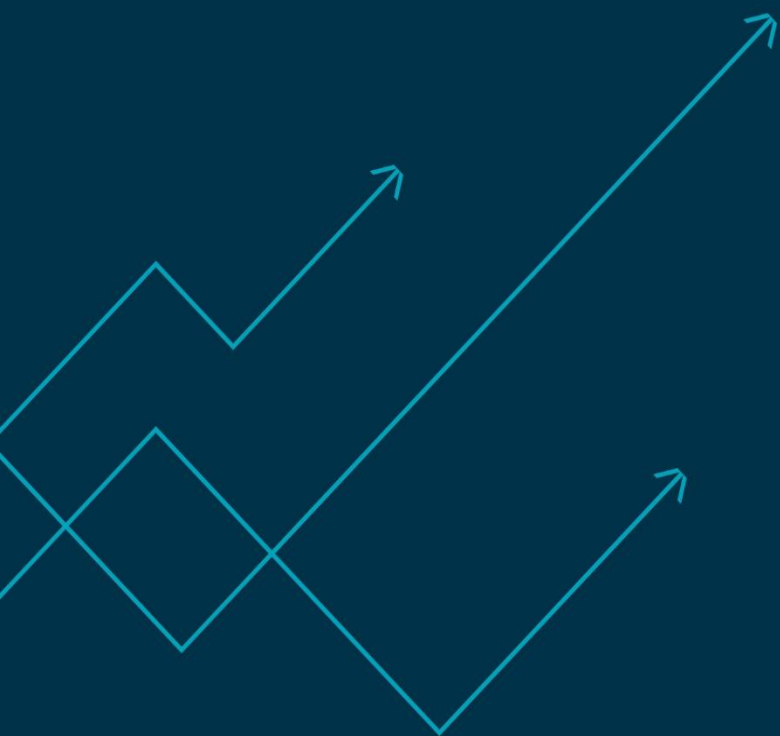
clearvise AG,
Unter den Eichen 7,
65195 Wiesbaden
Germany

www.clearvise.com

Contact:

Manuel Sieth
Tel.: +49 (0)69 24743 922-0

info@clearvise.com



clearvise AG
Unter den Eichen 7
65195 Wiesbaden
<https://www.buergerwindaktie.de/>