

Q2 2023 Earnings Presentation

August 31, 2023

This presentation contains statements that constitute "forward-looking" statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and as defined in the U.S. Private Securities Litigation Reform Act of 1995. Whenever you read a statement that is not simply a statement of historical fact (such as when the Company describes what it "believes," "plans," "expects" or "anticipates" will occur, what "will" or "could" happen, and other similar statements), you must remember that the Company's expectations may not be correct, even though it believes that they are reasonable. Furthermore, the forward-looking statements are mainly related to the Company's continuing operations and you may not be able to compare such information with the Company's past performance or results. The Company does not guarantee that the forward-looking statements will happen as described or that they will happen at all. Further information regarding risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements is included in the Company's filings with the U.S. Securities and Exchange Commission, including the Company's annual report on Form 20-F.

Any forward-looking statement speaks only as of the date on which such statement is made and the Company undertakes no obligation, beyond that required by law, to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made, even though the Company's situation may change in the future. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.



Financial Highlights

- \$33.8M revenue, up 312% YoY
- 37.4% gross margin, above high-end of guidance
- \$8.8M EBITDA, up 269% YoY
- \$9.3 million adjusted EBITDA, up 307% YoY
- \$8.3M net income*, up from -\$0.2M in Q2 last year

Operational Highlights

- Two projects sales of 62 MW in Poland and Hungary
- Strong revenue and margin contribution from Branston, U.K
- Began monetizing inaugural 260 MW Solar BESS projects in Italy
- Sold 29MWs of rooftop DG projects in China
- Repurchased \$1.4M of stock buybacks and continuing in Q3

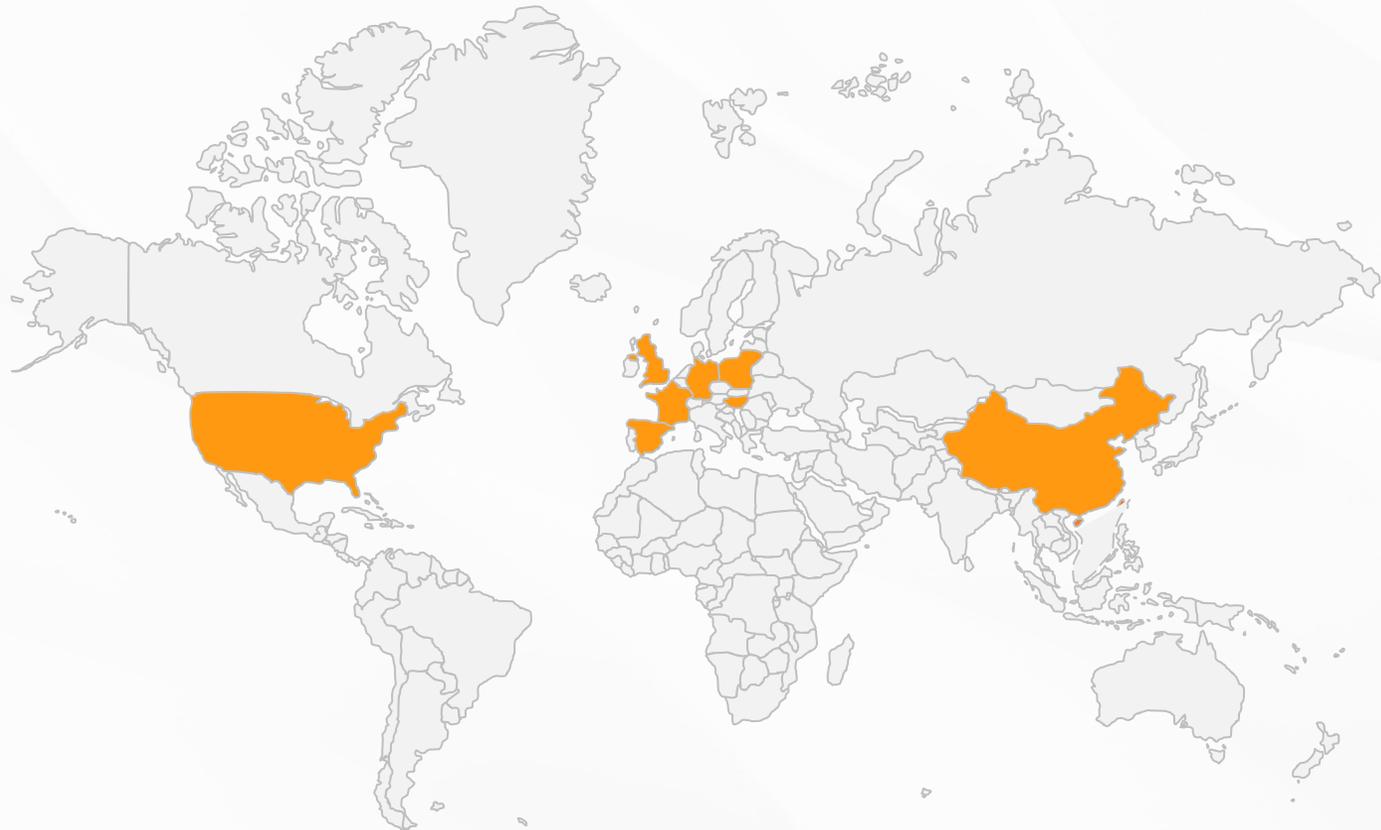
Solar Pipeline and IPP Assets

- Nearly **2.6 GW** quality projects with target COD/monetization in 2023-2026
- Over **4.6 GWh** quality storage pipeline
- **236 MW** of operating projects

Advanced-Stage Project Pipeline (MW)	
Europe	1,846
U.S.	640
China	97
Total	2,583

Advanced-Stage Storage Pipeline (MWh)	
Europe	4,160
U.S.	364
China	78
Total	4,602

IPP Assets (MW)	
China DG	152
Europe	60
U.S.	24
Total	236



Global Solar and Storage Project Pipeline

As of June 30, 2023



Solar Development

Country	Advanced Stage	Early Stage	Total (MWs)
Poland	435	-	435
Hungary	49	-	49
U.K.	100	-	100
Spain	331	2,298	2,629
Germany	136	1,462	1,598
France	118	14	132
Italy	677	-	677
U.S.	640	1,477	2,117
China	97	-	97
Total	2,583	5,251	7,834

Storage

Country	Advanced Stage	Early Stage	Total (MWh)
Poland	2,960	-	2,960
Hungary	-	-	-
U.K.	160	200	360
Spain	-	100	100
Germany	-	-	-
France	-	-	-
Italy	1,040	1,788	2,828
U.S.	364	2,144	2,508
China	78	-	78
Total	4,602	4,232	8,834

Global IPP Assets Details

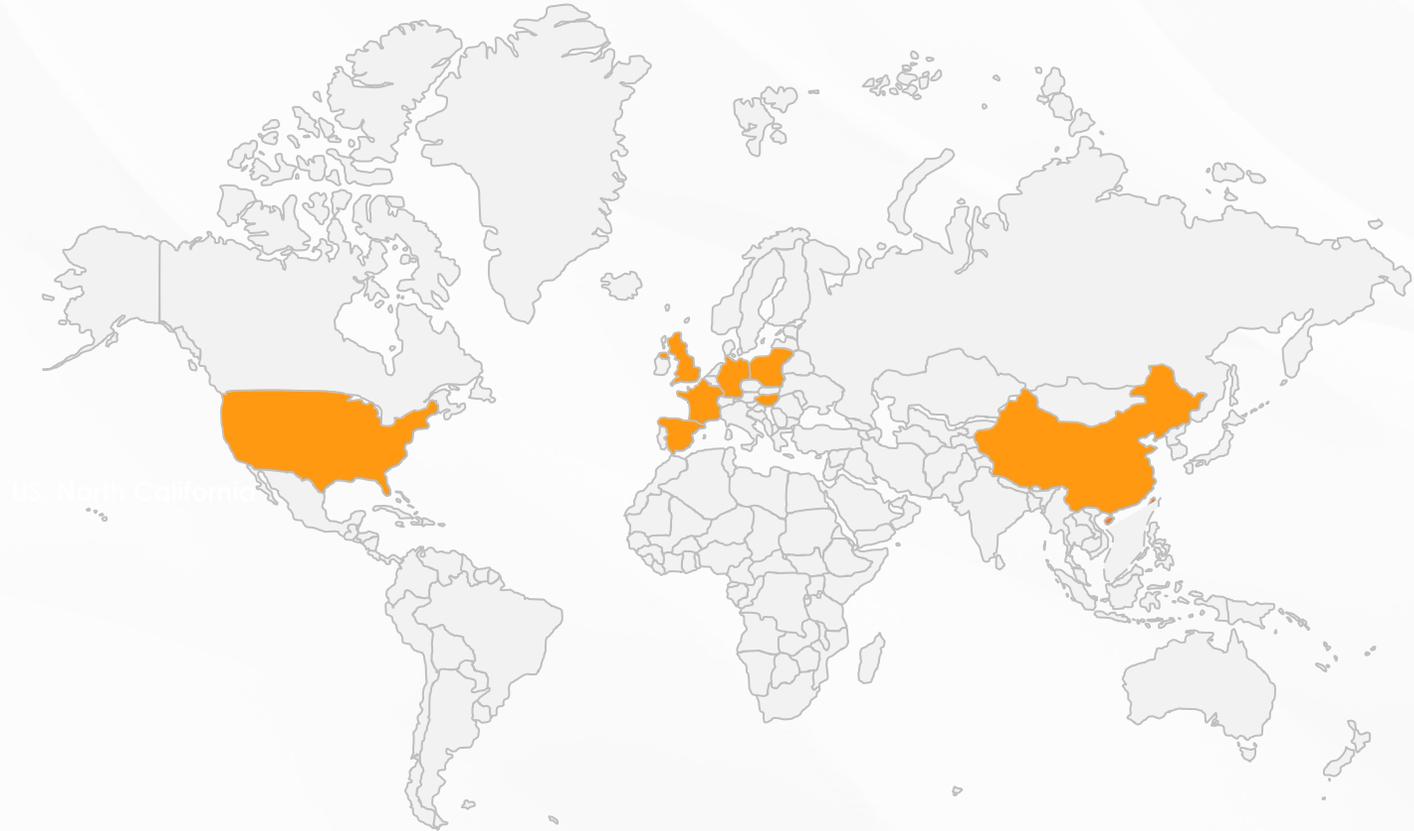


Operating Assets	Capacity (MW)
Europe	60
- UK Branston	50
- Hungary	10
U.S.	24
China	152
- Zhejiang	54
- Henan	17
- Anhui	32
- Hebei	17
- Jiangsu	15
- Shandong	5
- Fujian	7
- Other provinces	5
Total	236

As of June 30, 2023

236 MW
Projects in Operation

- Operate projects in well-developed regions
- Favorable FIT/PPAs

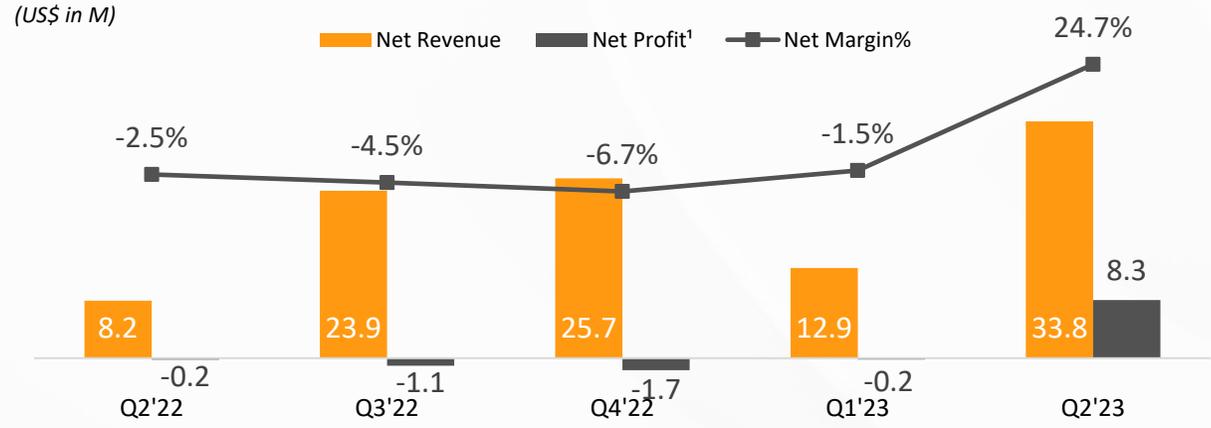




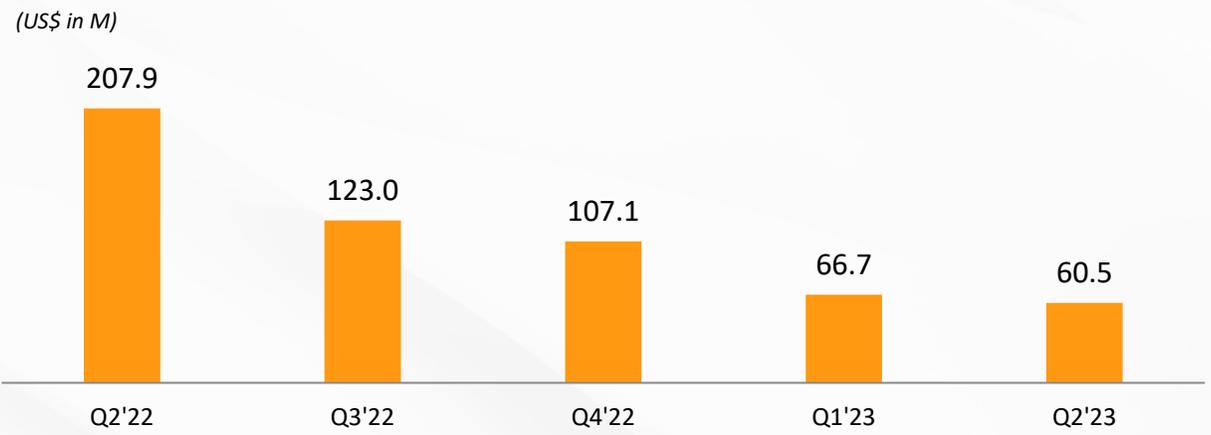
Financial Results (as of June 30, 2023)



Net Revenue and Net Profit¹



Cash and Cash Equivalents



- Q2 revenue grew 312% year-over-year to \$33.8 million driven by strong contribution across all of our business lines
- Net income reached \$8.3 million, a record high in the last five years
- Ended Q2'23 with \$60.5 million cash
- Repurchased approx. \$1.4 million of stock during Q2 and continues to execute on the share buyback program, with \$15 million remaining in authorization.

Notes:
 1. Net income attributed to Emeren Group Ltd
 2. For more information of financial results, please refer to Appendix at end of this presentation

	Q3 2023	FY 2023
Revenue	\$27 - \$30 million	Lower end of \$154 - \$174 million
Gross Margin	35% - 38%	~30%
Net Income	n/a	\$22 - \$26 million

May 16: Emeren Group to File 2022 Annual Report 20F

May 30: Emeren Group Completed Sale of 58 MW of Solar Projects in Poland

Jun 12: Emeren Group Announces Sale of 29 MW of China Rooftop DG Projects

Jun 27: Emeren Group Signs Agreement to Develop Battery Energy Storage Systems in Italy

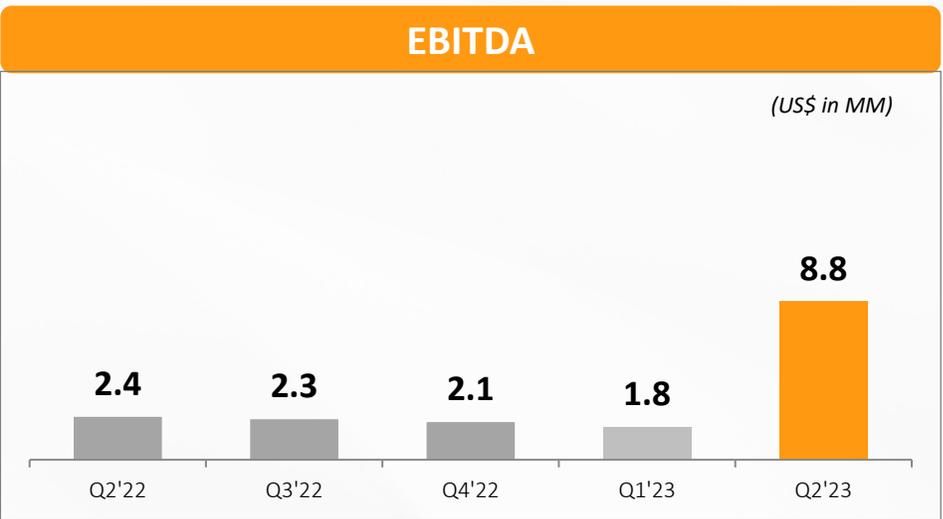
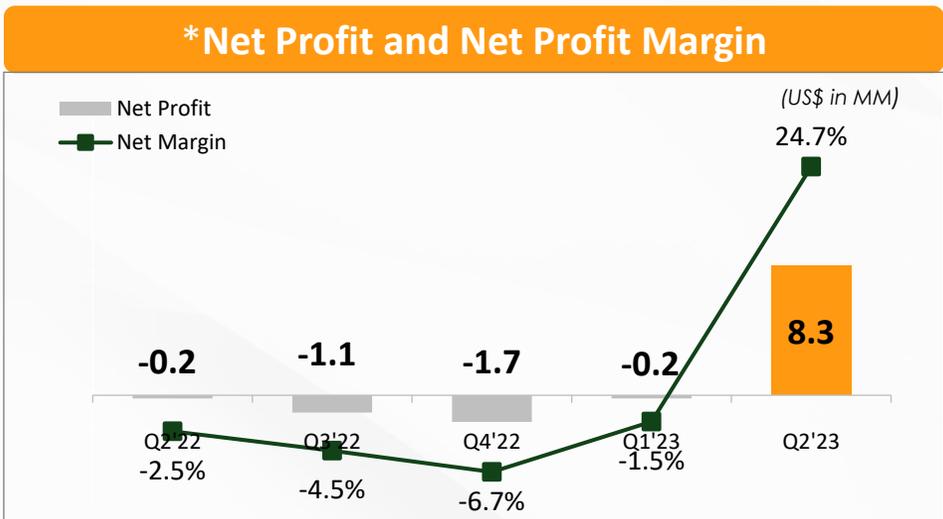
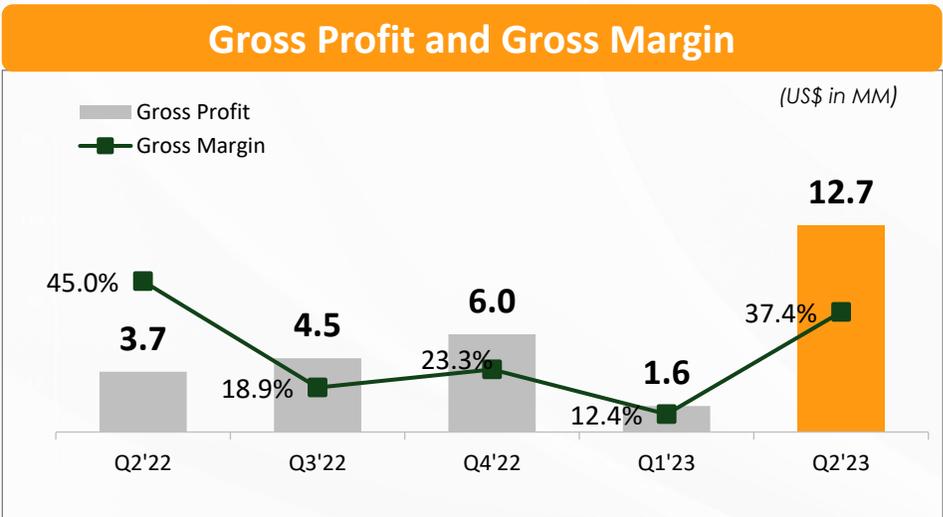
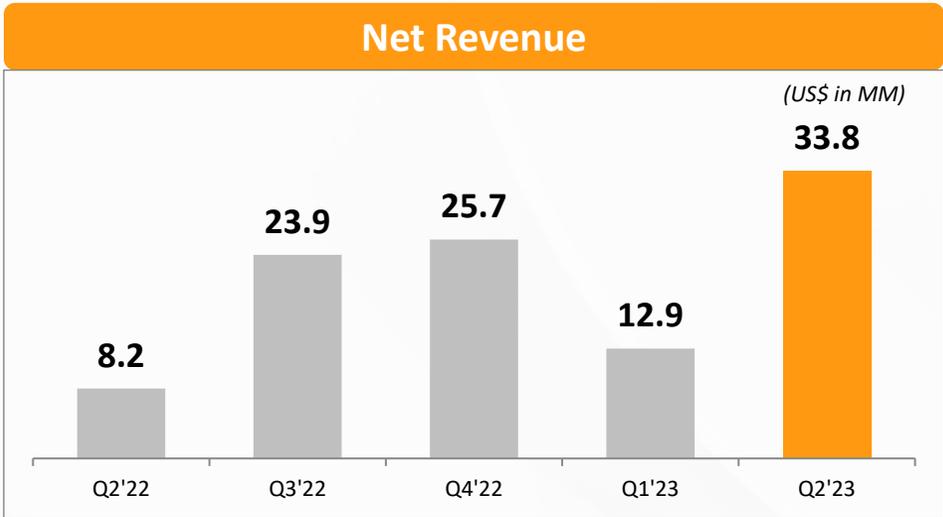
July 10: Emeren Group Joins the United Nations Global Compact

July 31: Emeren Group Announces Sale of First RTB Solar Power Project in Germany

Aug 2: Emeren Group Announces Appointment of Grant Thornton LLP (US) as Auditor

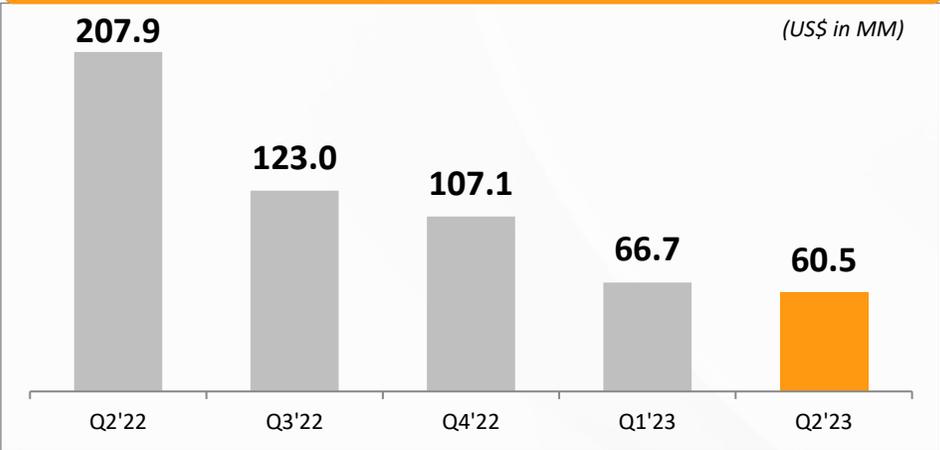
Appendix

The image shows a large array of solar panels installed on a rooftop. The panels are dark blue with a grid of silver lines. In the background, a city skyline is visible against a sunset sky with orange and blue clouds. The word "Appendix" is written in orange text on a white horizontal bar across the middle of the image.

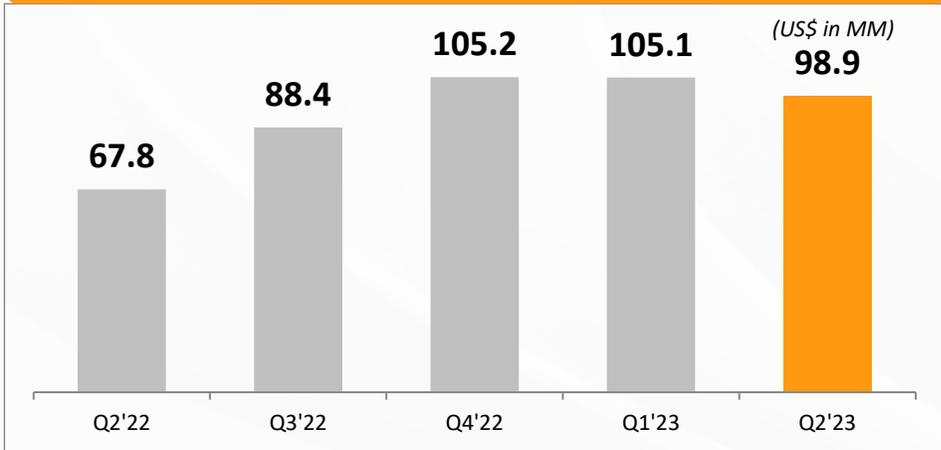


* Net income attributed to Emeren Group Ltd

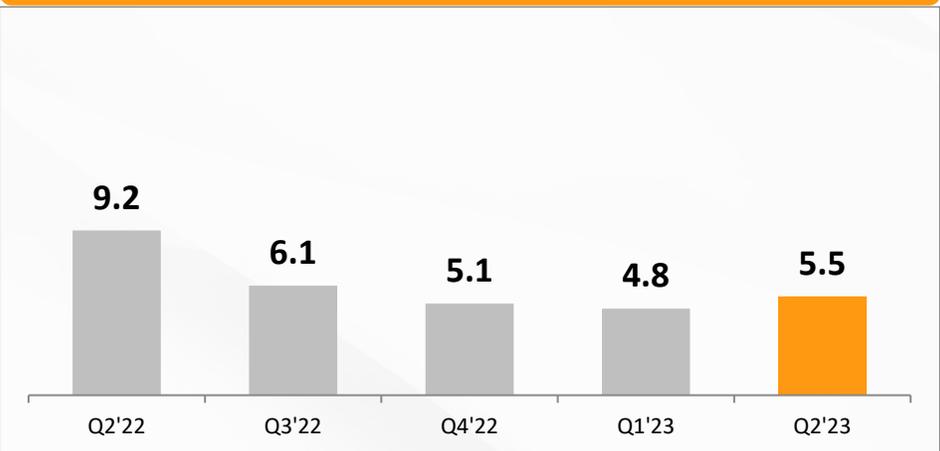
Cash and Cash Equivalents



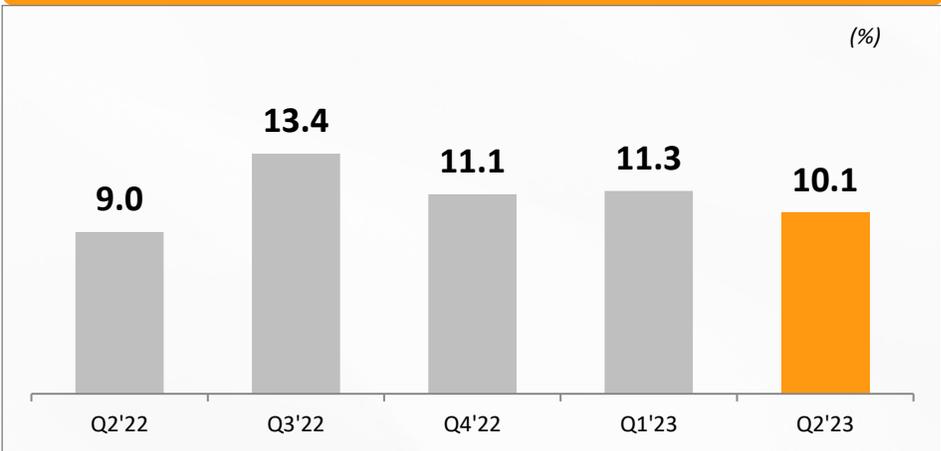
Total Liabilities



Current Ratio



Debt/Asset Ratio



Income Statement

Unaudited Consolidated Statements of Operations (\$ in thousands, except ADS and share data)	Three Months Ended			Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	Jun 30, 2023	Jun 30, 2022
Net revenues	\$ 33,846	\$ 12,876	\$ 8,206	\$ 46,722	\$ 11,720
Cost of revenues	(21,184)	(11,283)	(4,517)	(32,467)	(6,890)
Gross profit	12,662	1,593	3,689	14,255	4,830
Operating (expenses)/income:					
Sales and marketing	(127)	(92)	-	(219)	(3)
General and administrative	(5,329)	(4,396)	(3,875)	(9,725)	(6,982)
Other operating (expenses)/income	(2,160)	(108)	(36)	(2,268)	(286)
Total operating expenses	(7,616)	(4,596)	(3,911)	(12,212)	(7,271)
Income (loss) from operations	5,046	(3,003)	(222)	2,043	(2,441)
Other (expenses)/income:					
Interest (expenses)/income, net	375	(133)	(341)	242	(692)
Investment income	105	77	76	182	790
Foreign exchange gains	2,119	2,708	872	4,827	787
Total other income, net	2,599	2,652	607	5,251	885
Income (loss) before income tax	7,645	(351)	385	7,294	(1,556)
Income tax benefit (expense)	37	(264)	(349)	(227)	(456)
Income (loss), net of tax	7,682	(615)	36	7,067	(2,012)
Less: Net income (loss) attributed to non-controlling interests	(666)	(421)	240	(1,087)	(123)
Net income (loss) attributed to Emeren Group Ltd	\$ 8,348	\$ (194)	\$ (204)	\$ 8,154	\$ (1,889)
Income (loss) attributed to Emeren Group Ltd per ADS					
Basic	\$ 0.15	\$ (0.00)	\$ (0.00)	\$ 0.14	\$ (0.03)
Diluted	\$ 0.14	\$ (0.00)	\$ (0.00)	\$ 0.14	\$ (0.03)
Weighted average number of ADS used in computing income/(loss) per ADS*					
Basic	57,234,013	57,409,673	66,956,781	57,304,704	66,956,781
Diluted	57,600,700	57,409,673	66,956,781	57,671,391	66,956,781

*Each American depositary shares (ADS) represents 10 common shares

Balance Sheet



Unaudited Consolidated Balance Sheet Jun 30, 2023 Mar 31, 2023 Jun 30, 2022
 (\$ in thousands)

	<u>Jun 30, 2023</u>	<u>Mar 31, 2023</u>	<u>Jun 30, 2022</u>
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 60,450	\$ 66,729	\$ 207,877
Restricted cash	6	8	157
Short-invetements in U.S. Treasury Bills	10,057	9,992	-
Accounts receivable trade, net	25,511	20,048	27,332
Accounts receivable unbilled	53,290	51,903	8,744
Advances to suppliers	754	625	2,398
Value added tax receivable	7,610	7,142	3,329
Prepaid expenses and other current assets, net	37,247	17,535	19,366
Project assets current	33,159	36,711	16,457
Deferred tax assets, net	1,039	-	-
Total current assets	229,123	210,693	285,660
Property, plant and equipment, net	155,094	172,682	121,199
Deferred tax assets, net	-	-	739
Project assets non-current	37,078	31,723	15,940
Goodwill	1,023	1,023	1,023
Long-term invetements in U.S. Treasury Bills	-	-	10,043
Operating lease right-of-use assets	19,722	22,350	16,484
Finance lease right-of-use assets	17,983	21,504	22,920
Other non-current assets	17,665	21,751	26,246
Total assets	\$ 477,688	\$ 481,726	\$ 500,254

Unaudited Consolidated Balance Sheet Jun 30, 2023 Mar 31, 2023 Jun 30, 2022
 (\$ in thousands)

Current liabilities:			
Short-term borrowings	\$ 750	\$ 1,487	-
Accounts payable	5,367	5,911	2,720
Advances from customers	4,598	2,885	202
Amounts due to related parties	2,226	2,171	9,666
Other current liabilities	19,469	20,120	6,562
Income tax payable	1,654	914	489
Salaries payable	680	550	601
Operating lease liabilities current	1,149	1,227	205
Failed sale-lease back and finance lease liabilities current	5,938	8,401	10,692
Total current liabilities	41,831	43,666	31,137
Long-term borrowings	22,742	22,024	49
Deferred tax liabilities, non-current	3,602	3,559	-
Operating lease liabilities non-current	18,047	20,500	15,428
Failed sale-lease back and finance lease liabilities non-current	12,706	15,341	21,147
Total liabilities	\$ 98,928	\$ 105,090	\$ 67,761
Shareholders' equity			
Common shares	806,576	806,283	847,745
Additional paid-in capital	14,116	13,941	13,593
Treasury stock	(34,623)	(33,200)	(20,000)
Accumulated deficit	(429,223)	(437,571)	(434,595)
Accumulated other comprehensive loss	(16,330)	(13,764)	(16,558)
Total equity attributed to Emeren Group Ltd	340,516	335,689	390,185
Noncontrolling interest	38,244	40,947	42,308
Total shareholders' equity	378,760	376,636	432,493
Total liabilities and shareholders' equity	\$ 477,688	\$ 481,726	\$ 500,254

Unaudited Consolidated Statement of Cash Flow (\$ in thousands)	Three Months Ended		
	Jun 30 2023	Mar 31, 2023	Jun 30, 2022
Net cash used in operating activities	\$ (2,353)	\$ (23,728)	\$ (7,863)
Net cash provided by (used in) investing activities	116	(1,866)	(1,973)
Net cash provided by (used in) financing activities	1,160	(16,150)	(4,936)
Effect of exchange rate changes	<u>(5,204)</u>	<u>1,193</u>	<u>(104)</u>
Net decrease in cash and cash equivalents and restricted cash	(6,281)	(40,551)	(14,876)
Cash and cash equivalents and restricted cash, beginning of the quarter	66,737	107,288	222,908
Cash and cash equivalents and restricted cash, end of the quarter	<u>\$ 60,456</u>	<u>\$ 66,737</u>	<u>\$ 208,032</u>

To supplement Emeren Group Ltd's financial statements presented on a GAAP basis, Emeren Group Ltd provides non-GAAP financial data as supplemental measures of its performance.

To provide investors with additional insight and allow for a more comprehensive understanding of the information used by management in its financial and decision-making surrounding pro-forma operations, we supplement our consolidated financial statements presented on a basis consistent with U.S. generally accepted accounting principles, or GAAP, with EBITDA, Adjusted EBITDA as non-GAAP financial measures of earnings.

- EBITDA represents net income before income tax expense (benefit), interest expense, depreciation and amortization.
- Adjusted EBITDA represents EBITDA plus discount of electricity subsidy in China, plus share-based compensation, plus impairment of long-lived assets, plus loss/(gain) on disposal of assets, plus foreign exchange loss/(gain).

Our management uses EBITDA, Adjusted EBITDA as financial measures to evaluate the profitability and efficiency of our business model. We use these non-GAAP financial measures to assess the strength of the underlying operations of our business. These adjustments, and the non-GAAP financial measures that are derived from them, provide supplemental information to analyze our operations between periods and over time.

We find these measures especially useful when reviewing pro-forma results of operations, which include large non-cash impairment of long-lived assets and loss on disposal of assets. Investors should consider our non-GAAP financial measures in addition to, and not as a substitute for, financial measures prepared in accordance with GAAP.

Adjusted EBITDA (\$ in thousands)	Three Months Ended			Six Months Ended	
	Jun 30, 2023	Mar 31, 2023	Jun 30, 2022	Jun 30, 2023	Jun 30, 2022
Net Income/(loss)	\$ 7,682	\$ (615)	\$ 36	\$ 7,067	\$ (2,012)
Income tax expenses (benefit)	(37)	264	349	227	456
Interest expense (income), net	(375)	133	341	(242)	692
Depreciation & Amortization	1,544	2,050	1,663	3,594	3,204
EBITDA	\$ 8,814	\$ 1,832	\$ 2,389	\$ 10,646	\$ 2,340
Discount of electricity subsidy in china	163	(75)	406	88	615
Share based compensation	407	441	646	848	1,296
Loss on disposal of property, plant and equipment	2,128	-	-	2,128	-
Interest income of discounted electricity subsidy in china	(87)	-	(281)	(87)	(583)
Foreign exchange gain	(2,119)	(2,708)	(872)	(4,827)	(787)
Adjusted EBITDA	\$ 9,306	\$ (510)	\$ 2,288	\$ 8,796	\$ 2,881



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Empowering Renewables

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