

Company profile: CLEEN Energy AG



The Austrian-based CLEEN Energy AG is a leading full-service provider of sustainable energy solutions in Austria. With the broad performance portfolio in the areas of photovoltaics, LED, heat pumps, electricity storage and electromobility, customers have the advantage of having individual energy concepts created and implemented from a single source. CLEEN Energy's expertise covers the entire process: from concept development, planning, financing to installation and maintenance. With its innovative financing models, which enable investment-free solutions on the customer side, CLEEN Energy is an essential facilitator for the energy transition in Austria.

Personal profile: **Lukas Scherzenlehner**

Job position: CEO CLEEN Energy AG



Can you describe your business model to our audience?

CLEEN Energy is a full-service provider for energy solutions. We provide our customers with a one-stop shop: From concept, financing, implementation and running an energy facility – this is all taken care by us. The customer has one single point of contact and enjoys various synergies from receiving such services from one single provider.

With regard to financing energy facilities, we have set-up the CLEEN contracting model, which attracted the attention of numerous customers and was the main reason for our significant growth of approx. 75% in revenues in 2020. How does this work?

Let me give you the example of photovoltaics: CLEEN Energy leases its customers' roof on a long-term basis and installs the facility at its own expense, thus, saving the customers the costly start-up financing. For business customers, the construction of such a large-scale facility through energy contracting pays off in several ways. The customer pays nothing for the construction of the facility, can purchase the electricity from its facility over the entire term for a fixed price (below the market price) and therefore

significantly reduces its energy costs. At the end of the contract duration (usually 20, sometimes up to 40 years), the entire facility becomes the property of the customer. If you are interested in more details how energy contracting works, we wrote a blog post dedicated to this specific topic (<https://cleen-energy.com/blog/was-ist-energie-contracting>)

In which countries you have already developed projects?

So far, we have been predominantly active in our domestic market in Austria. Moreover, we have several projects in Germany.



In which area do you see the most potential for energy efficiency projects in CEE countries?

I think, it is comparable to Austria. The climate change is a reality, and an ever-increasing number of companies want to adapt to these new realities and implement climate-friendly solutions. We are active in the areas of photovoltaics, LED, heat pumps, electricity storage and electro mobility – and I think all of them have tremendous growth potential in the entire CEE region. Within the last year, many CEE countries started extremely interesting public funding programs to reduce their dependency on fossil energy sources. Especially within the CEE countries, the use of fossil fuels is still very high compared to the Western European countries.

What are the main challenges that you encounter in your projects in CEE countries?

Again, I think the situation will be similar as in Austria. Financing large-scale facilities is a challenge for many companies, a trend that has been further increased by the COVID-19 pandemic. Thus, innovative solutions like the financing model of CLEEN contracting are needed more than ever.

Is there a current project you want to tell us more about it?

We recently signed a project with a special steel profile producer, which is fully committed to sustainability. A photovoltaic plant of around 24,000 sqm is planned, which will be built on the production and warehouse roofs this year.

This will be largest on-roof photovoltaic facility in the province of Lower Austria ever. To put this size into context: The facility will lead to an annual CO2 reduction of around 1,221 tons. This is equivalent to the CO2 sequestration of an approx. 16.5-hectare beech forest.

A selection of further examples of our projects and the achieved results can be found here <https://cleen-energy.com/referenzen>.

Can you share with us some lessons learned from doing such projects?

I think one can say that this will be the decade for providers of energy solutions in order to achieve the decarbonization of our economy. We see an enormous demand for our service portfolio and the key to all this was to also offer an attractive model for financing.

Energy efficiency or production solutions need quite a large initial investment, which often scares off interested customers. By offering a solution that immediately reduces their daily operating costs without any upfront investment, customers are very eager to do their part for the energy transition.

A more detailed explanation how this works can be found on our website (<https://cleen-energy.com/finanzierung>).

You also work with different sectors of society. From commerce to industry to communities. Can you explain a little bit your approach to implement energy efficiency solutions in these different sectors?

Of course, there are some differences across the sectors of society but in reality, every customer needs a different solution and approach. The customer requirements and local jurisdiction as well differ extremely from project to project. Therefore, the members of our project management team are assigned to projects according to their knowledge in these fields. This way we can ensure the best solution for the customer and the best profitability for each project.



In your opinion in what areas, would need further support and assistance to foster energy efficiency activities even more?

An issue that we encounter on a daily basis, although already a broad public awareness exists for this topic, is that people still think of solutions like photovoltaic as not cost efficient or efficient at all. However, we are optimistic that the energy transition remains high on the agenda of public media and,

thus, the acceptance for sustainable energy will keep increasing in the upcoming years.

Another example would be that quite often people tend to compare just the initial investments and direct cost savings. Especially in the area of heat pumps or LED lights there are several indirect benefits such as reduced maintenance, longer lifetime expectation and avoidance of possible future punitive tariffs on fossil energy, which have to be considered.

If we do the interview again in five years, where do you see your company?

In five years, we expect CLEEN Energy to be one of the key players in the energy transition in Central Europe. We are eager to keep our rapid growth at the same level as in 2020 with an increase in turnover of approx. 75% in comparison to 2019. For 2021, we anticipate a further increase of 100% in turnover of the CLEEN Energy AG.

In addition, we expect our AuM (Assets under Management) to increase significantly within the next years. With the current development, especially in the energy-contracting sector, this figure can multiply annually, which in turn will lead to equally strong growing sales and earnings figures, which are secured by the contracting projects.

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