

INVESTOR PRESENTATION Q1 2019



71 86 100 118 154₂₀₁₈ **220**₂₀₂₀ **500**₂₀₂₅

COMPANY OVERVIEW



BUSINESS MODEL & PORTFOLIO



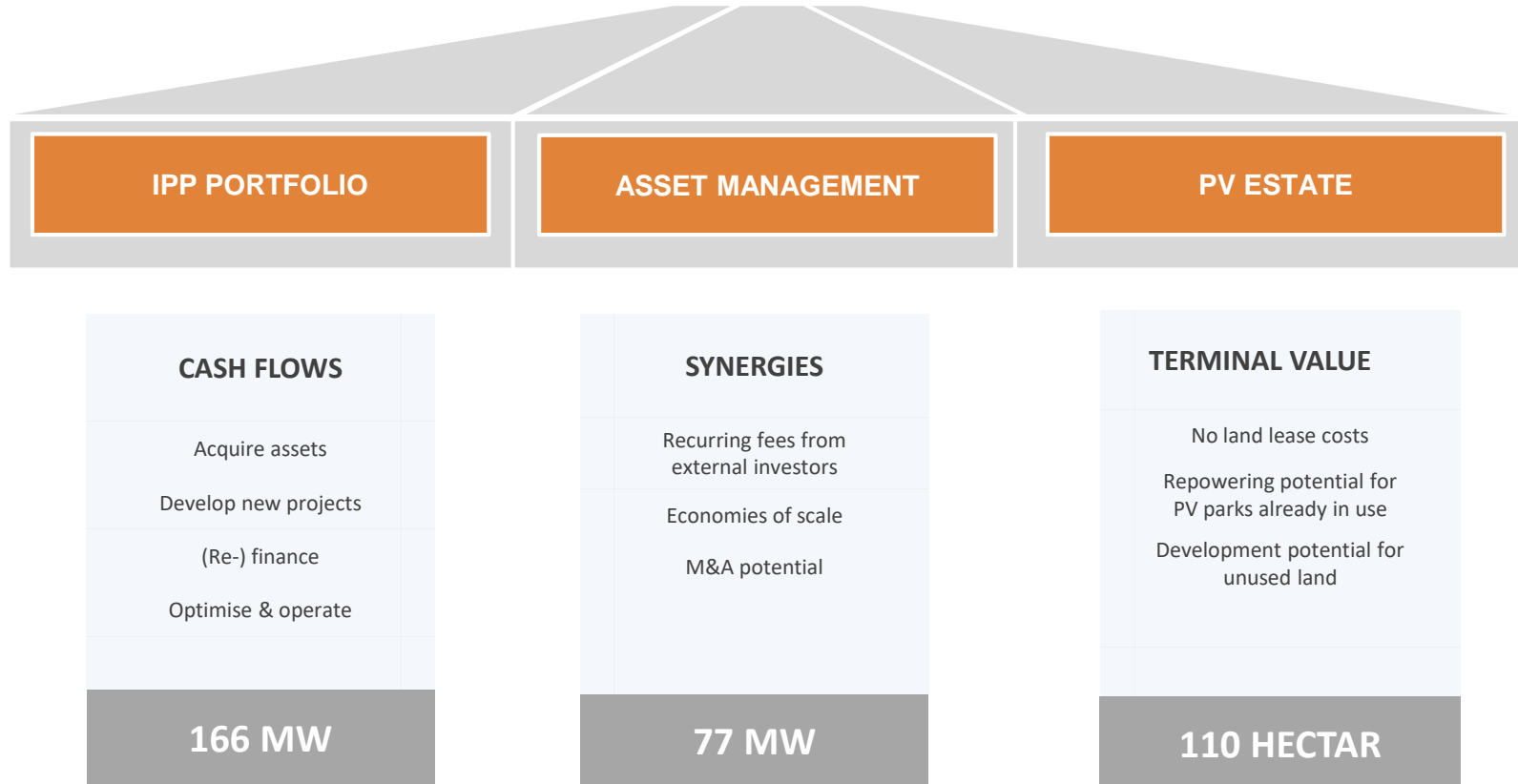
FINANCIAL POSITION



CAPACITY & MARKET CAP

Business Model & Portfolio

Pure-play PV operator with 166 MW own assets, and 77 MW external management contracts



*Acquired from Ernst Russ AG
on 19.02.2019*

Business Model & Portfolio

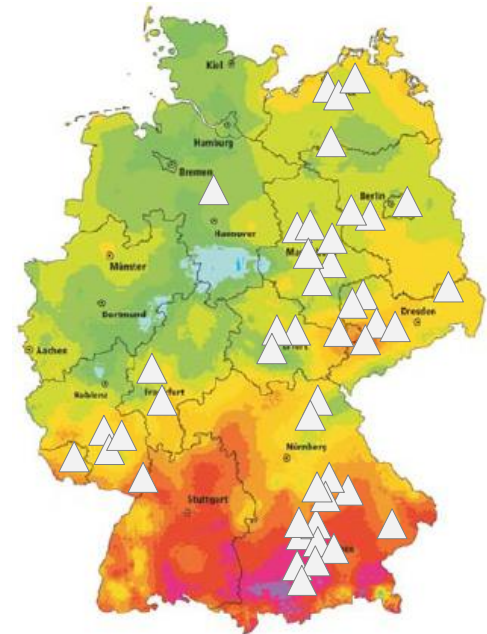
Current IPP portfolio generates annual EBITDA of at least EUR 34 Mio.

Portfolio characteristics

	CAPACITY <i>MWp</i>	TARIFF <i>EUR/MWh</i>	YIELD <i>kWh/kWp</i>	REVENUES <i>EUR Mio</i>	EBITDA <i>EUR Mio</i>
Freefield PV	91	246	1,003	22.4	19.9
Rooftop PV	72	262	881	16.7	14.0
Onshore wind	3	86	2,400	0.6	0.4
IPP PORTFOLIO	166	246	973	39.7	34.3

- PV assets concentrated in Bavaria, Eastern Germany, and Rhineland-Palatinate
- Average plant size: 1.2 MWp
- Average year of commissioning: 2011
- Average feed-in-tariff: EUR 246/MWh.
- Tariffs are state-guaranteed and fixed for 20 years + year of commissioning
- Rooftop and land lease contracts usually running 20 years + at least 5 years extension option
- Small diversification into onshore wind (up to max. 10% of portfolio)

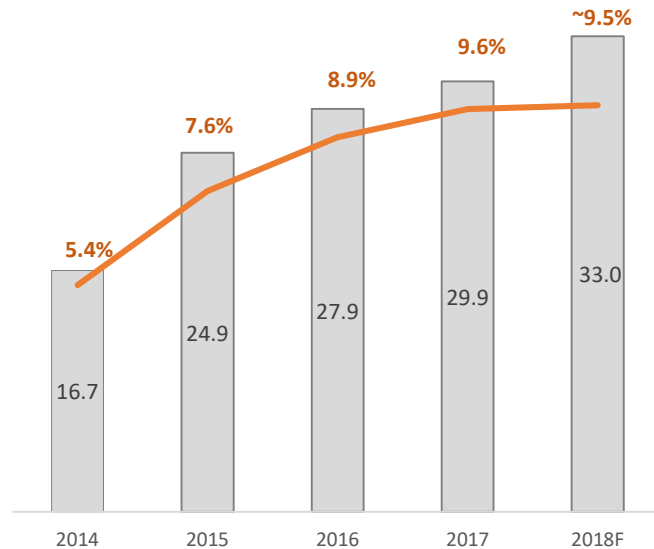
LOCATIONS > 1 MW



Financial Position

Robust financials with annual dividend of EUR 0.10/share

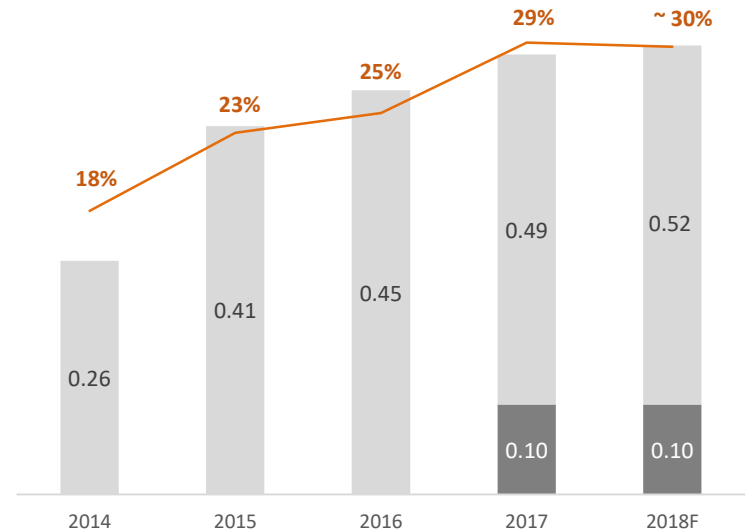
EBITDA EVOLUTION AND RETURN



EBITDA in EUR Mio.

Return (clean EBITDA/total assets until 2017, EBITDA/total assets for 2018F)

CASH FLOW PER SHARE AND EQUITY RATIO



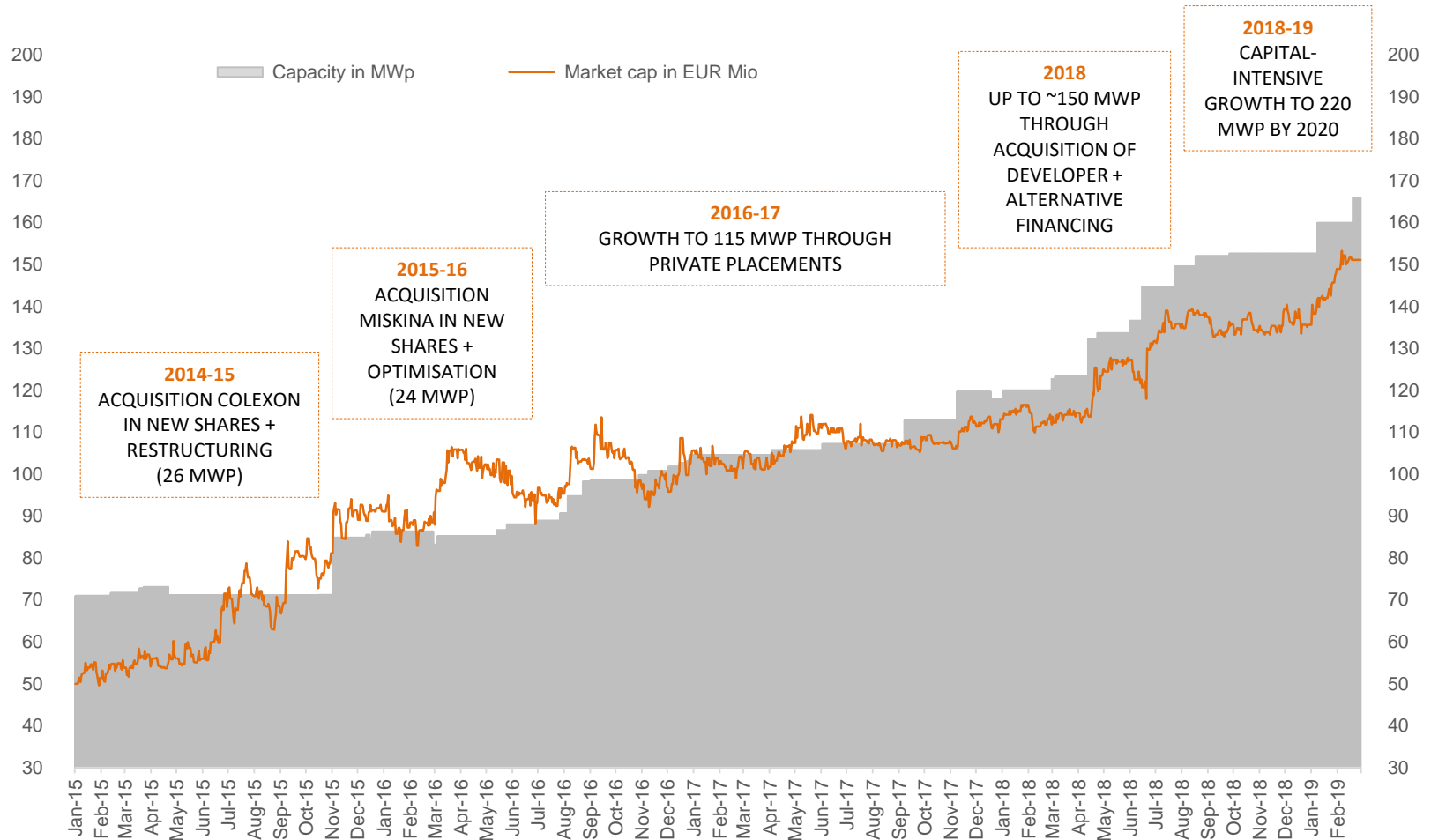
Dividend per share

Cash Flow per share

Equity ratio

Capacity and Market Cap

Track record of growth and capital appreciation



VIEW ON GERMAN PV MARKET



PV COMPETITIVENESS



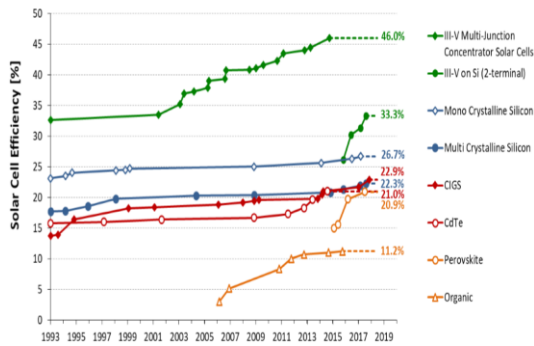
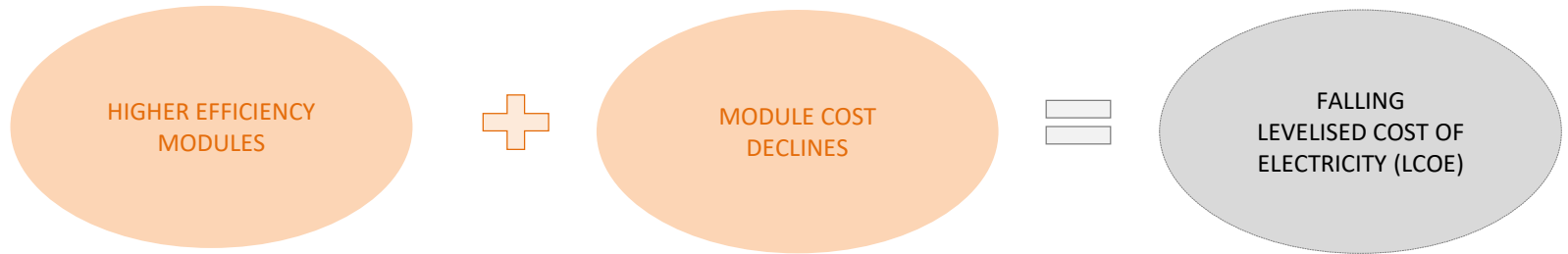
EEG FEED-IN TARIFFS



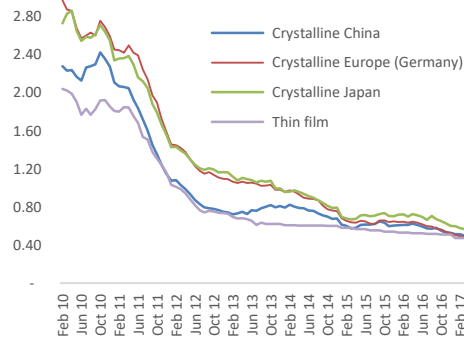
NEW MODELS TO MARKET PV

PV Competitiveness

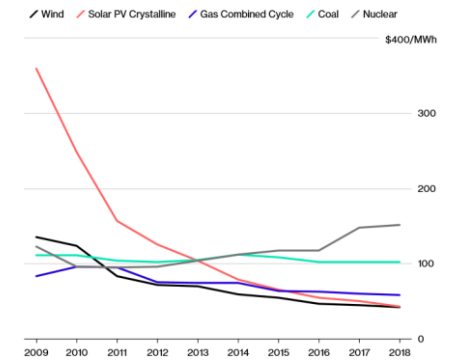
Solar PV now the lowest-cost power generator, even cheaper than conventional power



Source: IRENA



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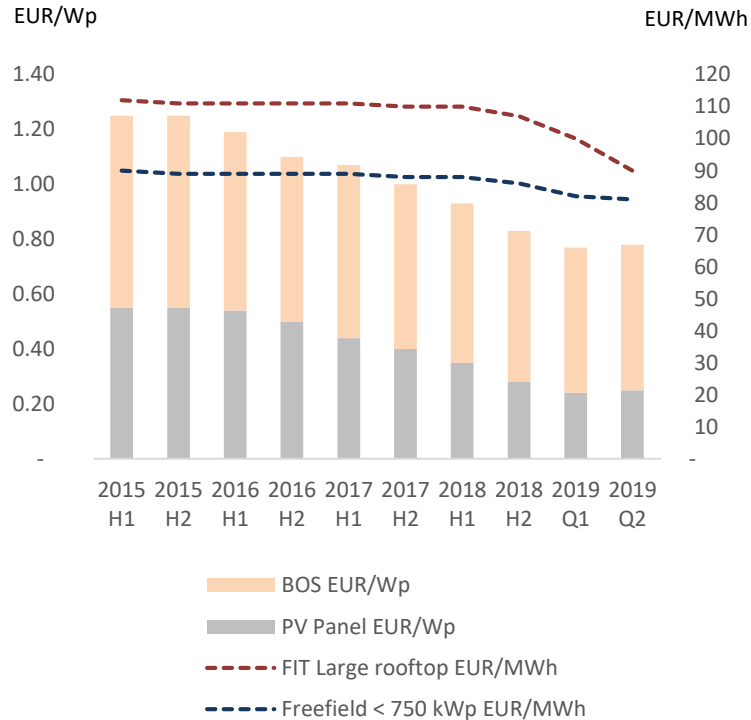


Source: Lazard

EEG Feed-In Tariffs

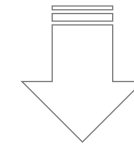
Fixed tariffs still at attractive levels, but difficult to scale up

SYSTEM COST GERMANY 750 KWP ROOFTOP



7C SOLARPARKEN VIEW:

- No relevant decrease in tariffs for new-build since 2014 due to annual capacity additions below the 2.5 GWp regulatory target
- 20% decline in panel prices in H2 2018 reflecting:
 1. Subsidy stop for new PV projects in China
 2. End of import duty on Chinese panels in Europe
- Government decided a to cut new-build tariffs for large rooftop by 10% during the period Feb-April 2019.
- The <750 kWp segment remains attractive, but limitations to scale up in size and time (no longer EEG tariffs once 52 GWp cap is reached)



FIT FOR NEW PROJECTS Q2'19

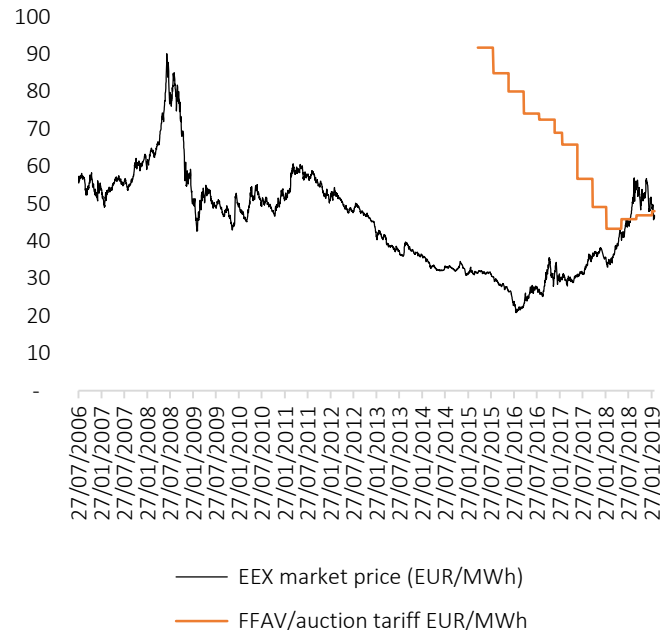
Large rooftop < 750 kWp: ~ EUR 90/MWh

Freefield < 750 kWp: ~ EUR 80/MWh

New Models to Market PV Power

A. Market Parity

WHOLESALE POWER PRICE AND PV AUCTIONS > 750 KWP



OPTION A: SELL POWER AT THE AUCTION (FFAV TARIFF)

- Fixed state-guaranteed tariff for 20 years
- Principally from 750 kWp to 10 MWp
- EEG limitations: rooftop, conversion land, alongside motorways
- Allocated FFAV or auction tariff is paid out on a monthly basis as market price + market premium (at least zero)
- Captures upside from rising market price (FFAV tariff as minimum)
- Special auctions: 500 MWp in Dec '19, 1 GWp in 2020 and 1 GWp in 2021

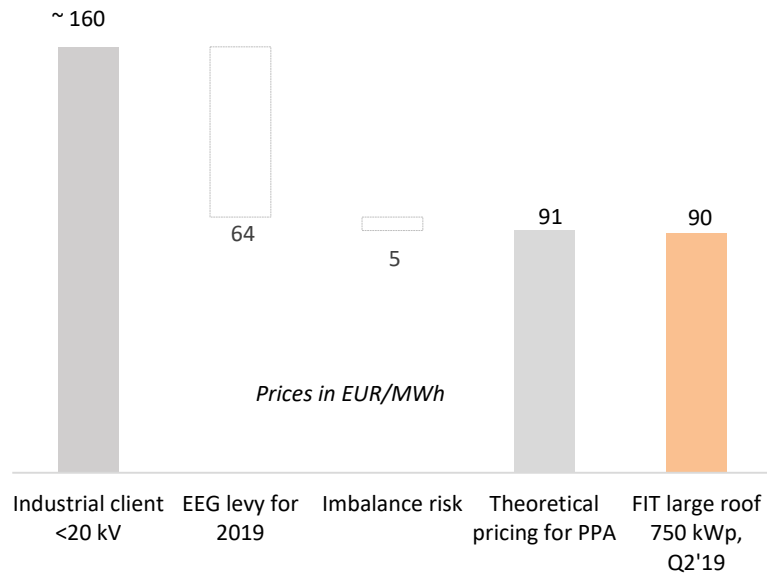
OPTION B: CORPORATE PPA

- Long-term contract with utility or corporate wholesale customer who purchases green power at a fixed price
- No limitation on size or on land as long as compliant to construction law
- Suitable for large freefield installations
- Driver: LCOE of large freefield PV (EUR 45-60/MWh in 2019)
- Corporate PPA market in Germany only a recent occurrence

New Models to Market PV Power

B. Grid Parity

DISTRIBUTED GENERATION AT MEDIUM-VOLTAGE



ON-SITE PPA

- Long-term contract with on-site client who buys green power at a fixed price
- At mid-voltage level, end-user / industrial clients pay on average EUR 160/MWh for their power including the EEG levy of EUR 64/MWh.
- Ideally suited to large rooftop PV installations
- Driver: LCOE of rooftop PV (<EUR 90/MWh in 2018)
- On-site consumption market not developed yet in Germany as feed-in tariffs for large rooftops, prior to Q2'19, were at higher levels than the theoretical pricing of a PPA (EUR 91/MWh)
- Significant potential as from Q2'19 due to the further monthly drop in feed-in tariffs for rooftop projects

CAPACITY PLAN 2018-2020



TIER-TWO



TARGET 2020: 220 MWP

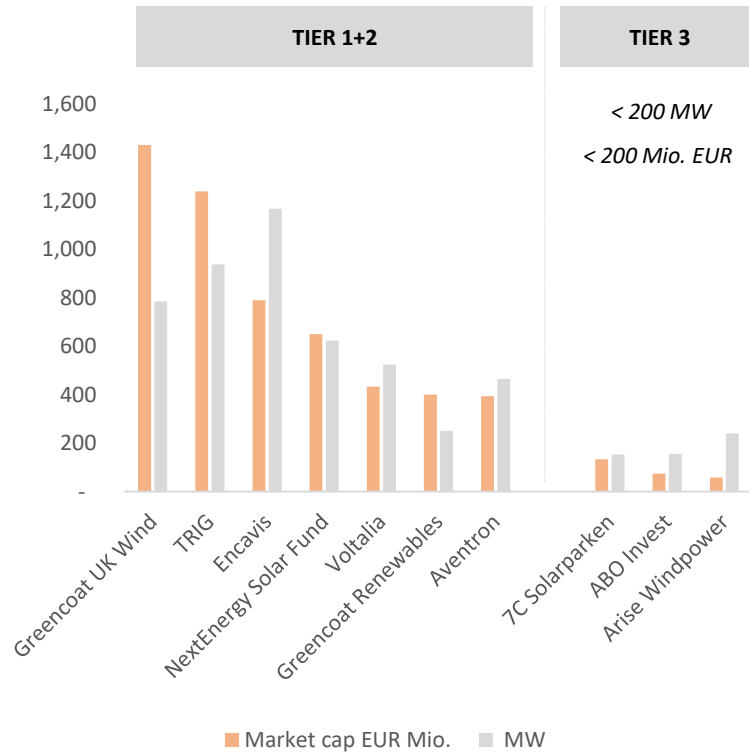


VISION 2025: 500 MWP

Tier-Two

Target: Tier-2 player to benefit from improved valuation and cost of capital

OVERVIEW LISTED YELDCOS & GREEN IPP'S IN EUROPE



MANAGEMENT VIEW

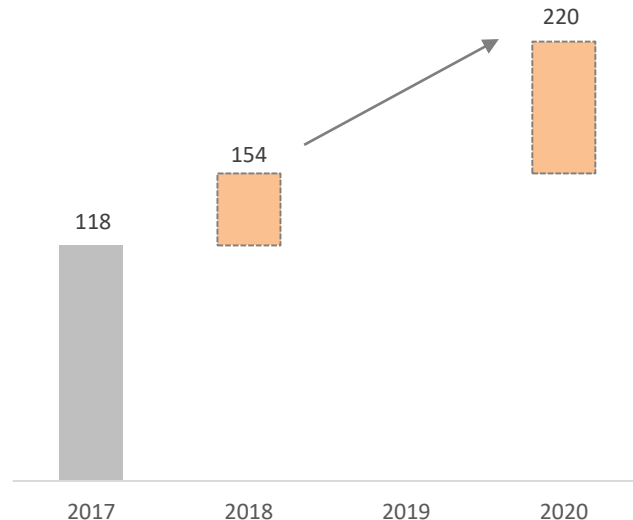
Clear benefits for 200 Mio. EUR market caps / 200 MW players

- Access to a broader class of institutional investors who are looking for long-term cash flows and defensive yield stocks.
- Increased leverage potential at corporate level (to finance “big” deal) and cheaper debt
 - Tier 1+2: average net debt/EBITDA ~6x
 - Tier 3: average net debt/EBITDA ~5x
- Improved equity valuation
 - Tier 1+2: average price/cash flow ~8x (min. 6x)
 - Tier 3: average price/cash flow ~5x

Target 2020: 220 MWp

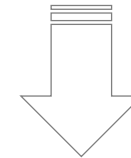
Continuation of growth acceleration with EUR 16 Mio fresh capital required to meet 220 MWp

BREAKDOWN OF BUILD UP PLAN TO 220 MW (STATUS NOV'18)



MANAGEMENT INDICATION

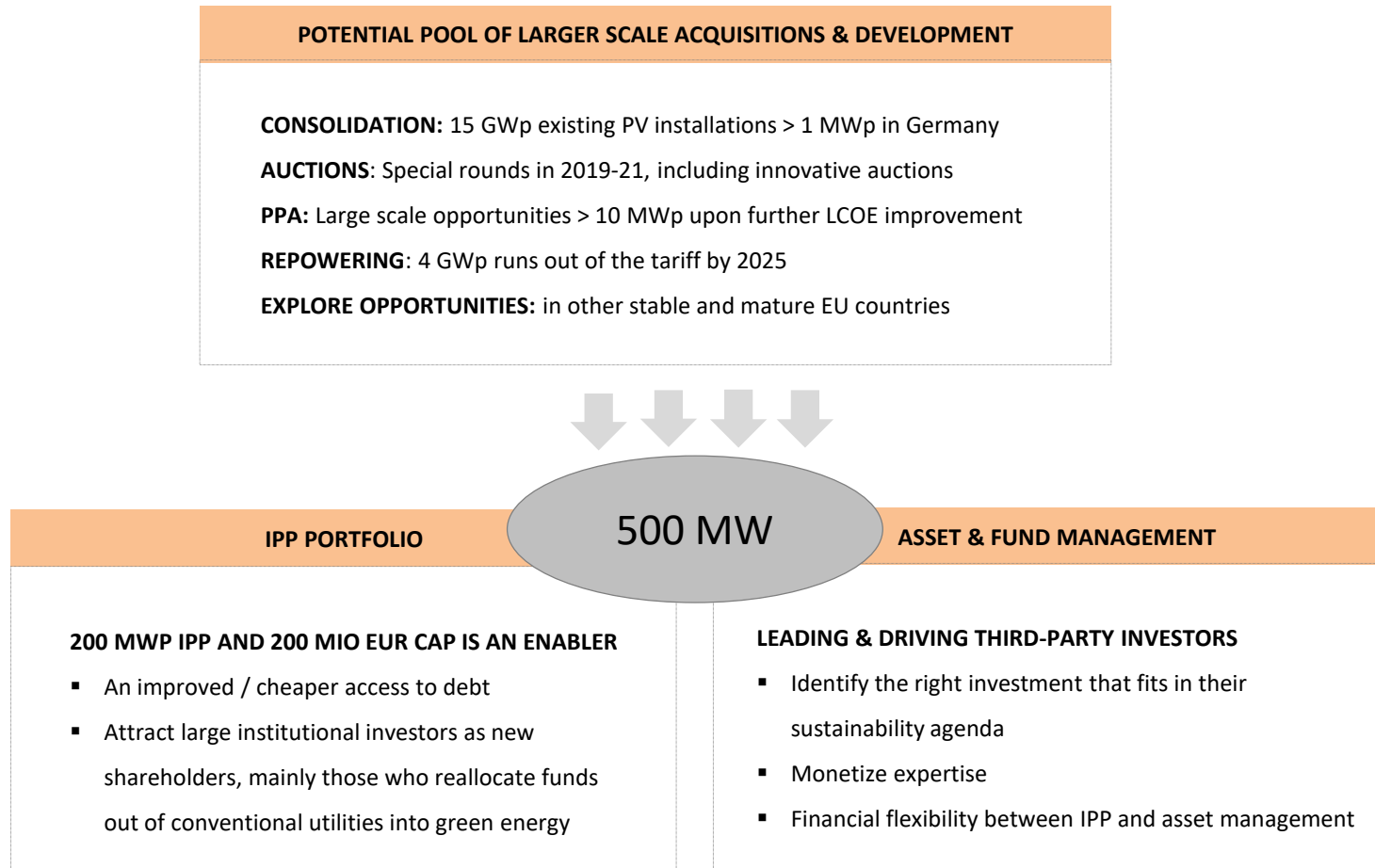
- **66 MWp planned additions:** through own development and acquisition of operating parks
- **Capex budget: EUR 107 Mio.**
 - Project financing: EUR 72 Mio.
 - Equity financing: EUR 35 Mio.
- **EBITDA contribution: at least EUR 9 Mio.** The 66 MWp new investments assume an average specific yield of 965 kWh/kWp and an average FIT of EUR 170/MWh (mix of old parks and new-build).
- **Net cash flow contribution: at least EUR 7 Mio.**
- **Requires capital increase of EUR 16 Mio.**



**OBJECTIVE TO ALLOCATE EQUITY OF EUR 35 MIO.
YIELDING NET CASH FLOW OF > EUR 7 MIO.**

Vision 2025: 500 MW

Capturing future opportunities once the Tier-2 status is reached



FINANCIAL TARGETS



2018 GUIDANCE



EBITDA & CFPS TARGET



DIVIDEND POLICY

2018 Guidance

EBITDA will rise to EUR 33 Mio, CFPS to EUR 0.52

Outlook for 2018 reflects strong production yield

7C SOLARPARKEN WILL REPORT THEIR
FY'18 RESULTS ON 23 APRIL 2019

in Mio. EUR	REPORTED FIGURES			FORECAST
	Q1'18	H1'18	9M '18	2018F
Revenues	5.1	20.4	35.7	39.5
_ Power sales	5.0	20.2	35.5	39.2
_ Other revenues	0.1	0.2	0.2	0.3
Other operating income	0.9	1.0	1.9	1.0
Cost of sales and opex	1.7	3.4	5.9	7.5
EBITDA	4.3	18.0	31.7	33.0
Cash interest paid		-2.7		-5.7
Full-year interest expense SSD (*)				-0.6
Taxes paid		-0.1		-1.3
Net cash flow (**)		15.2		25.4
Average number of shares		46.9		49.3
CFPS (per share data) (**)		0.32		0.52
Net debt	160.4	163.6	163.6	166.0
Equity ratio		29.2%		~ 30%

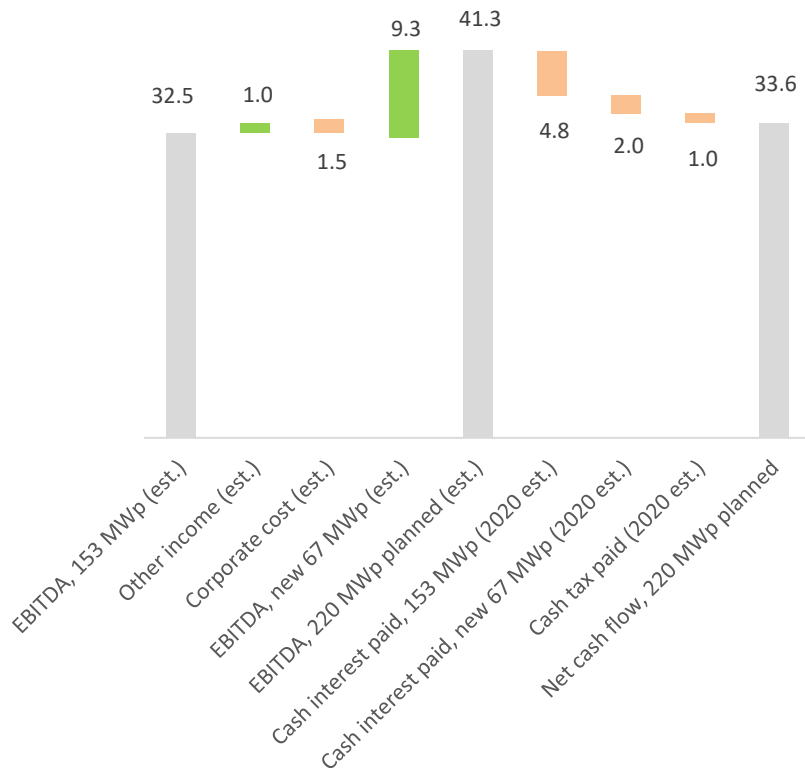
(*) in Feb '18, 7C Solarparken issued a Schuldschein of EUR 25 Mio. at an average interest cost of 2.78%. Nonetheless, the first annual interest payment is scheduled for Feb '19 and therefore there is no cash interest to be paid during 2018.

(**) To provide a more realistic view, management indicatively presents the net cash flow and CFPS under the assumption as there would be a pro-rata cash interest paid on the SSD

EBITDA & CFPS target

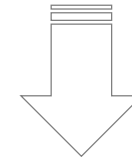
Towards EBITDA > EUR 41 Mio. upon executing the Plan 2018-2020

ESTIMATED EBITDA AND NET CASH FLOW
SHOWCASE 220 MWp (EUR MIO)



MANAGEMENT COMMENT

- **EBITDA** to increase by EUR 9.3 Mio to EUR 41.3 Mio following acquisition / commissioning of the planned 67 MWp.
- **Net cash flow** contribution from the added capacity is EUR 7.3 Mio. reflecting EUR 2 Mio interest costs on the EUR 72 Mio underlying project loans (2.8% interest cost).
- **The number of shares** is planned to increase from 53.4 Mio. to 59.1 Mio. upon execution of the financing plan. The planned capital increase of EUR 16 Mio could create ~5.7 Mio. new shares
- **Cash Flow per Share:** targeted to rise to EUR 0.57/share
- **Net debt** will reflect the capex plan and rise from EUR 166 Mio. (year-end '18) to EUR 220 Mio. in 2020.



EBITDA > EUR 41 Mio.

CFPS to rise to EUR 0.57/share

Dividend Policy

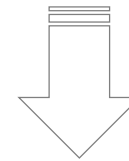
Stable annual dividend or equivalent, cash-flow related but at least EUR 10ct/share

DIVIDEND POLICY

- *A stable and preferably increasing dividend or dividend equivalent*
- *Shareholders can be rewarded in cash, in stock or through a buyback of shares*
- *Dividend growth will generally be in line with the performance of the company results (CFPS as current performance indicator), as long as it does not affect the 25% equity ratio.*

DIVIDEND OUTLOOK 2018

- **Partly exempt of German withholding tax:** First-time dividend over 2017 of EUR 10ct/share has been paid out exempt of withholding tax in Germany. The same regime will apply in part for the 2018 dividend.
- **Strong comfort on 2018 numbers**
 - Equity ratio well above 25%
 - CFPS guidance “at least EUR 0.52/share in 2018” versus EUR 0.49/share in 2017



AT LEAST EUR 10CT/SHARE PLANNED FOR 2018

THE SHARE & GOVERNANCE



OUTPERFORMANCE



OWNERSHIP

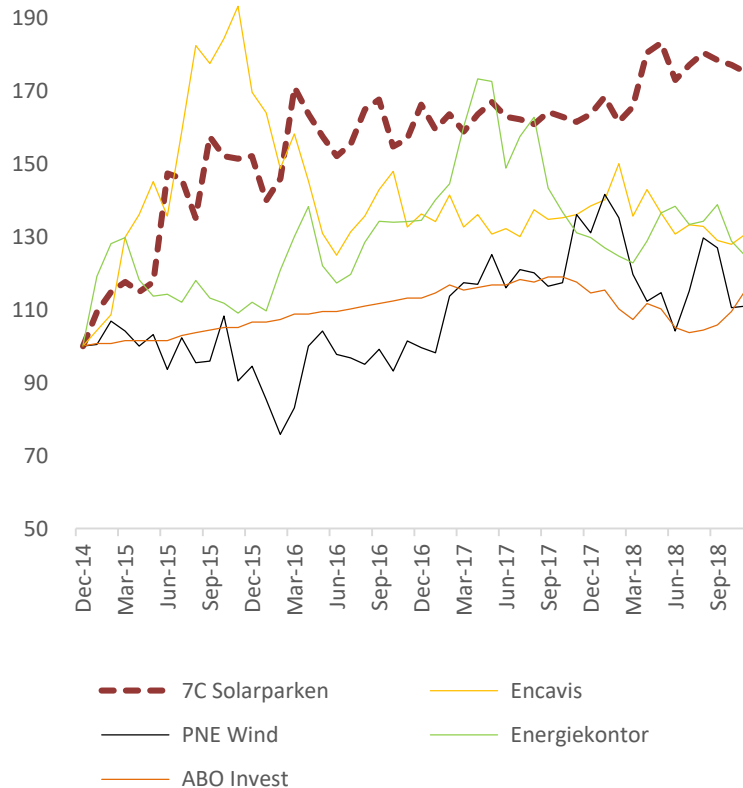


MANAGEMENT

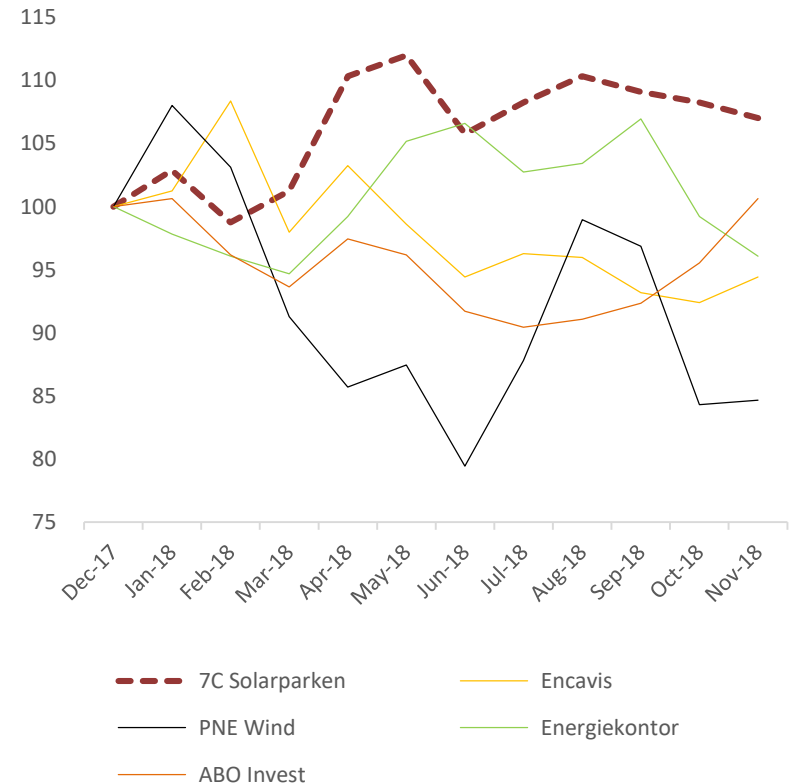
Outperformance Among German Developers & IPPs

Led by defensive character and growth

4-YEARS SHARE PRICE PERFORMANCE (REBASED)



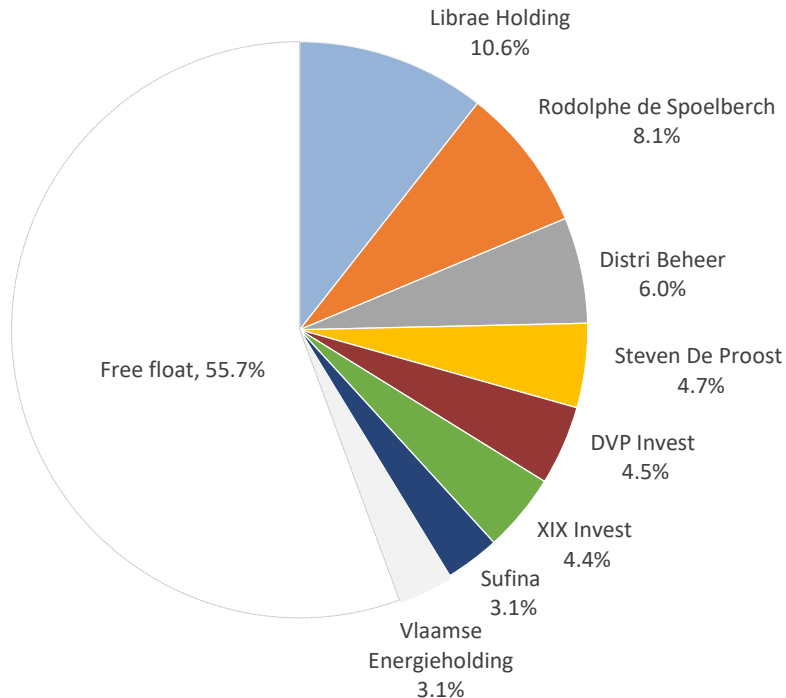
SHARE PRICE PERFORMANCE 2018 (REBASED)



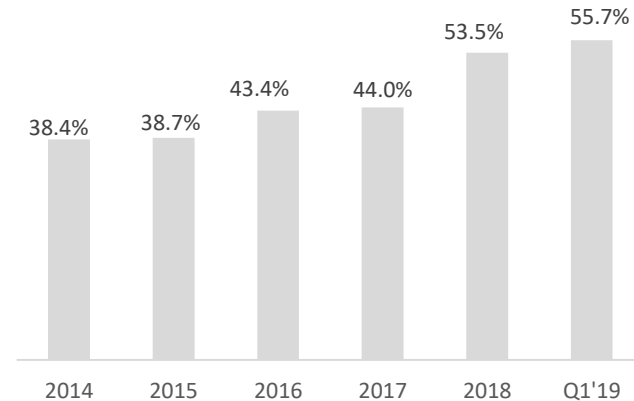
Ownership

Objective to further institutionalize the shareholders' structure and to increase free float

SHAREHOLDERS STRUCTURE Q1'2019



TREND IN FREE FLOAT



- Rising free float reflects the regular issue of new shares to new institutional investors via private placements , and brings about increased liquidity in the stock.
- Target is to attract larger institutional investors to support the growth trajectory to 220 MWp and the long-term vision of 500 MWp

Management

Entrepreneurship and industry-expertise



Steven De Proost, CEO

- ✓ Utilities & energy analyst and head of equity research at Delta Lloyd and Dexia
- ✓ Ranked by Handelsblatt as best analyst in the German power industry in 2008
- ✓ Founder of 7C Solarparken NV
- ✓ CEO of 7C Solarparken AG as June 2014 with responsibilities for Strategy & Budgeting, Investor Relations and Technical operations
- ✓ Voted best CEO in European Solar Industry 2017 by CEO Magazine



Koen Boriau, CFO

- ✓ Buy-side analyst and fund manager at Selectum
- ✓ Sector analyst for shipping & renewable energies at Dexia
- ✓ Co-founder of 7C Solarparken NV
- ✓ CFO of 7C as from May 2014 with responsibilities for Finance, Operations and Legal affairs



CONTACT

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