



7c solarparken

Annual Results 2020 & Outlook 2021

April 9, 2021

VIRTUAL PRESENTATION

Presented by Steven De Proost, CEO and Koen Boriau, CFO

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AGENDA



COMPANY OVERVIEW

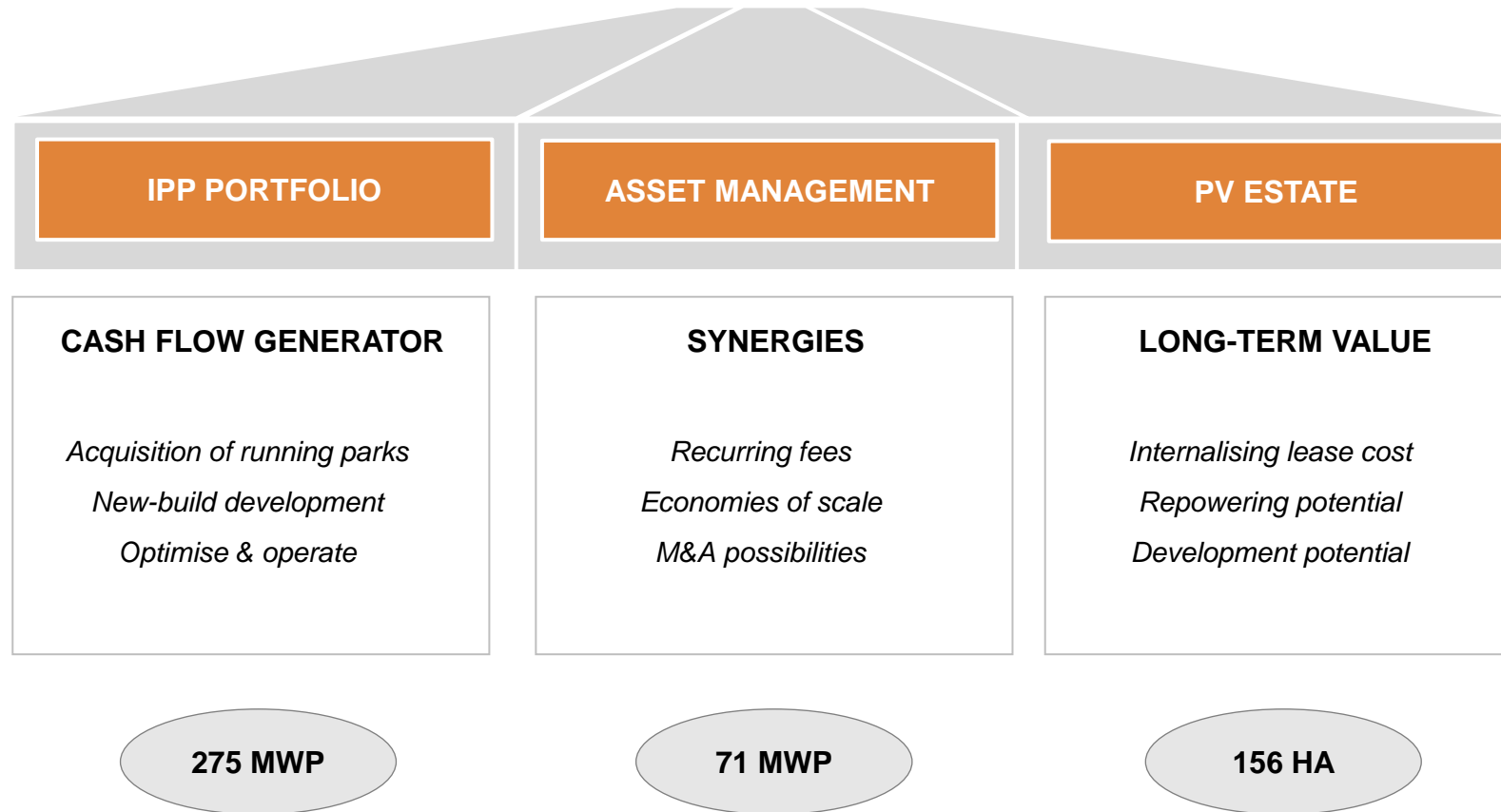
GERMAN MARKET

BUSINESS 2020

ANNUAL RESULTS

OUTLOOK 2021

BUSINESS MODEL Pure PV Owner & Operator with Focus on Germany and Belgium

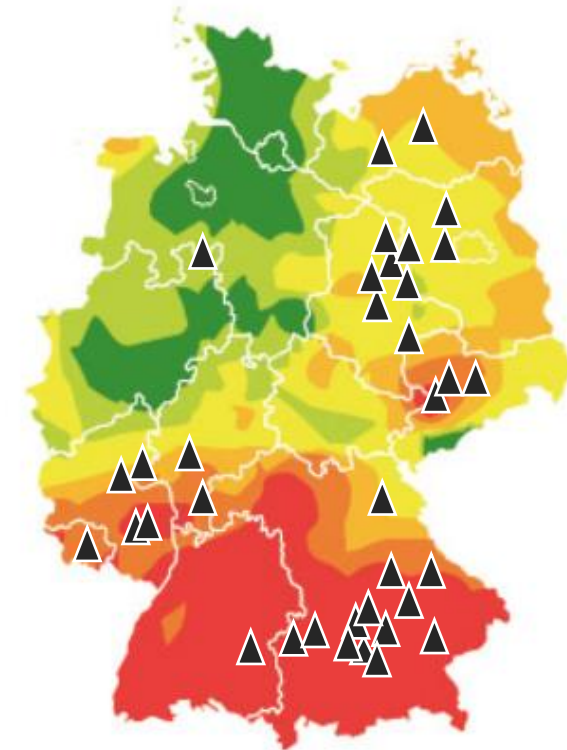


IPP PORTFOLIO Existing Assets 275 MWp, EBITDA ca. EUR 44 Mio



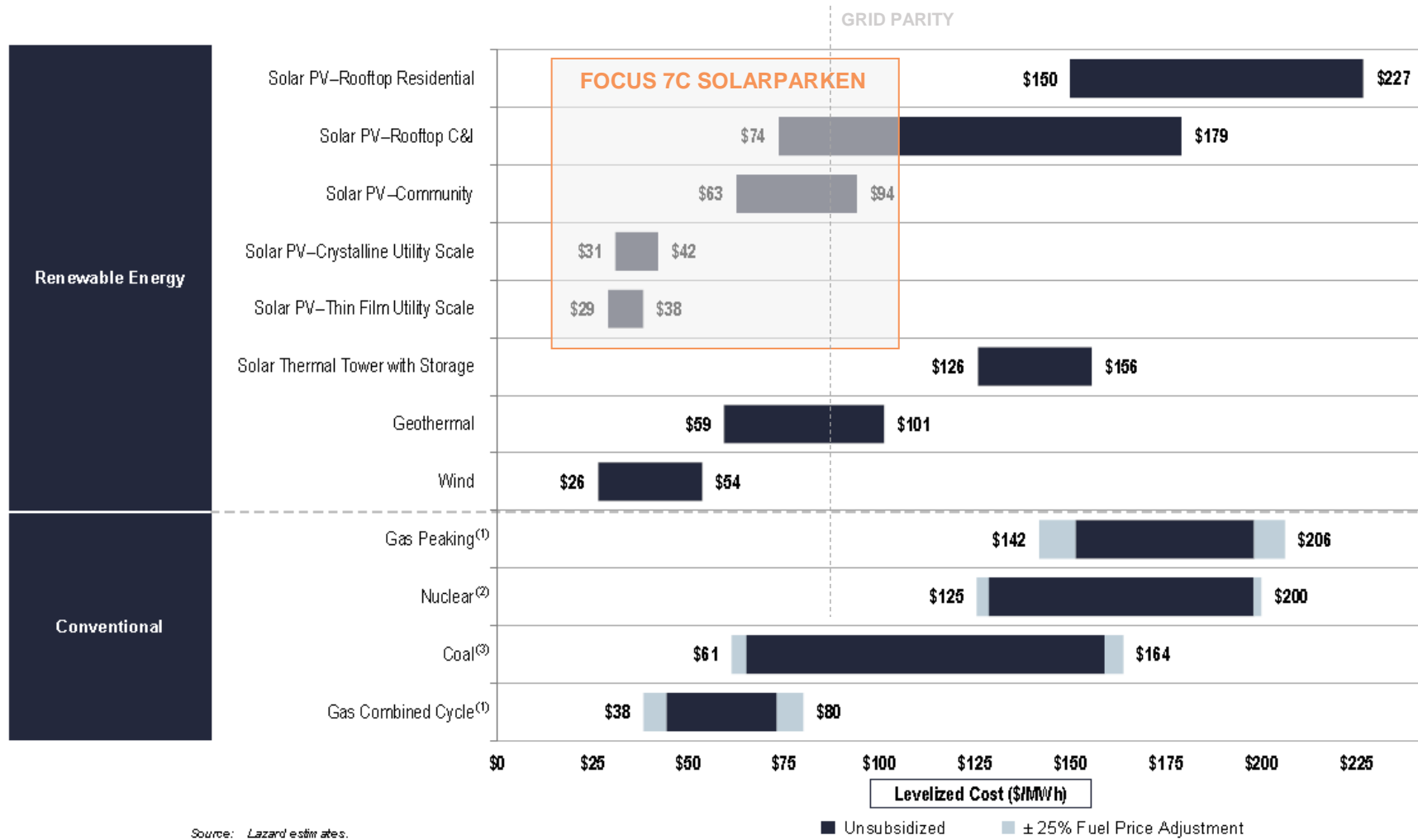
	Capacity MWp	Tariff EUR/MWh	Production GWh	Yield kWh/kWp	Revenues EUR Mio.	EBITDA EUR Mio.
I. Freefield (100% Germany)	170	186	170	1,000	31.5	26.7
II. Rooftop	100	222	86	865	19.3	16.4
Germany	85	225	72	850	16.5	14.0
Belgium	15	203	14	925	2.8	2.4
III. Wind (100% Germany)	6	87	14	2,250	1.2	0.9
Portfolio	275	192	270	985	52.0	44.0

LOCATION OF GERMAN PARKS > 2 MWP



- German PV assets concentrated in Bavaria, Eastern Germany, and Rhineland-Palatinate
- Average plant size: 1,9 MWp
- Average year of commissioning: 2014 (weighted capacity), 2011 (weighted revenues)
- Average feed-in-tariff: EUR 192/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)

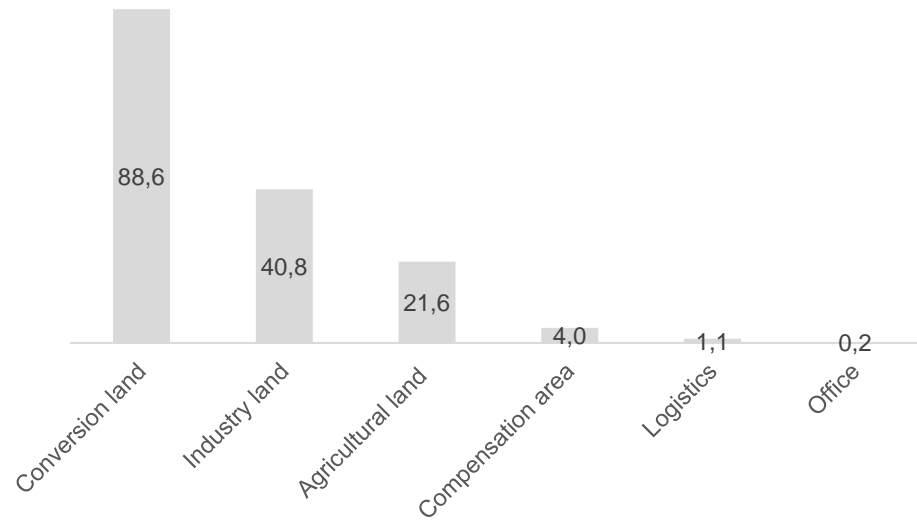
NEW-BUILD Focus on (grid-) competitive PV Projects



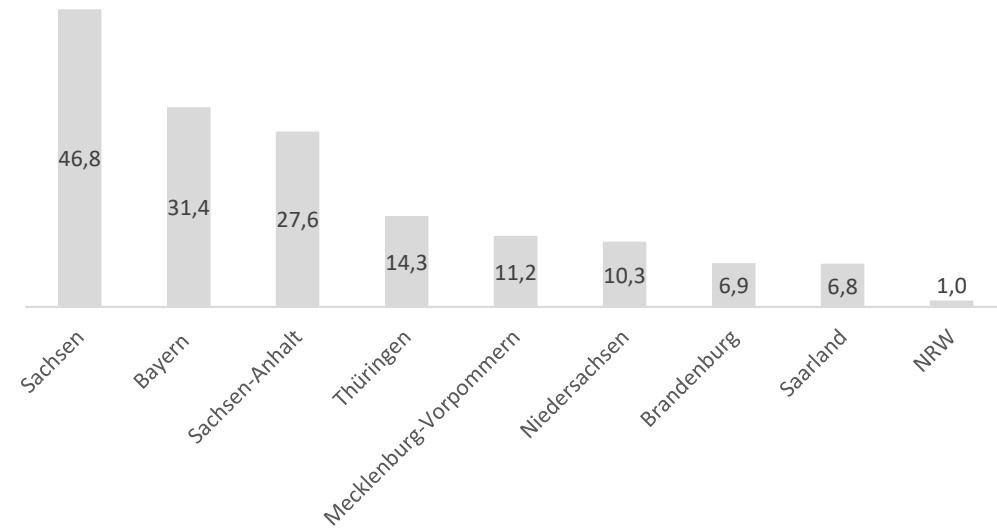
PV ESTATE 156 ha accommodating 64 MWp, Book Value EUR 11.9 Mio



BREAKDOWN TYPE OF LAND/BUILDING (IN HA)



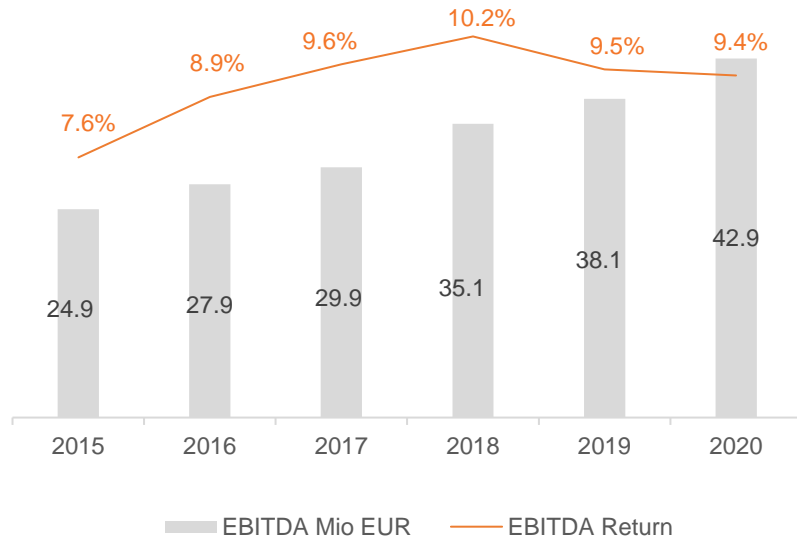
BREAKDOWN GEOGRAPHY (IN HA)



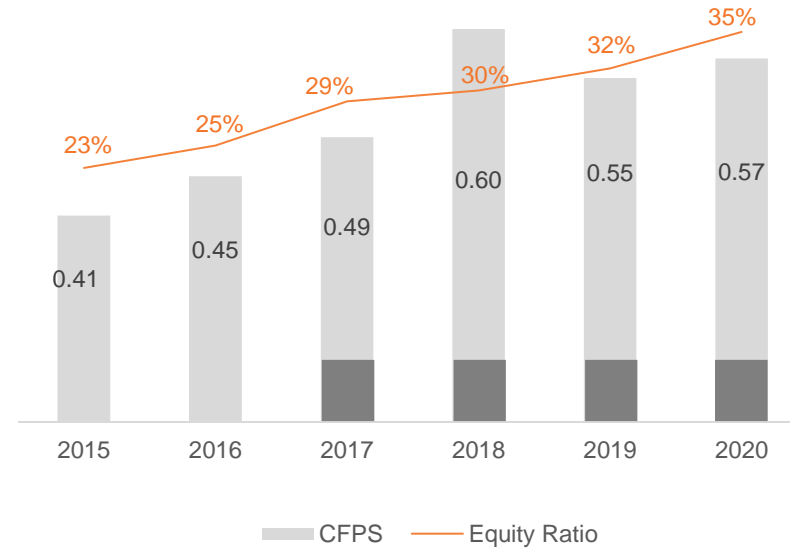
FINANCIAL PROFILE Steady EBITDA Growth and Equity Ratio > 35%



EBITDA AND EBITDA RETURN (EBITDA/TOTAL ASSETS)

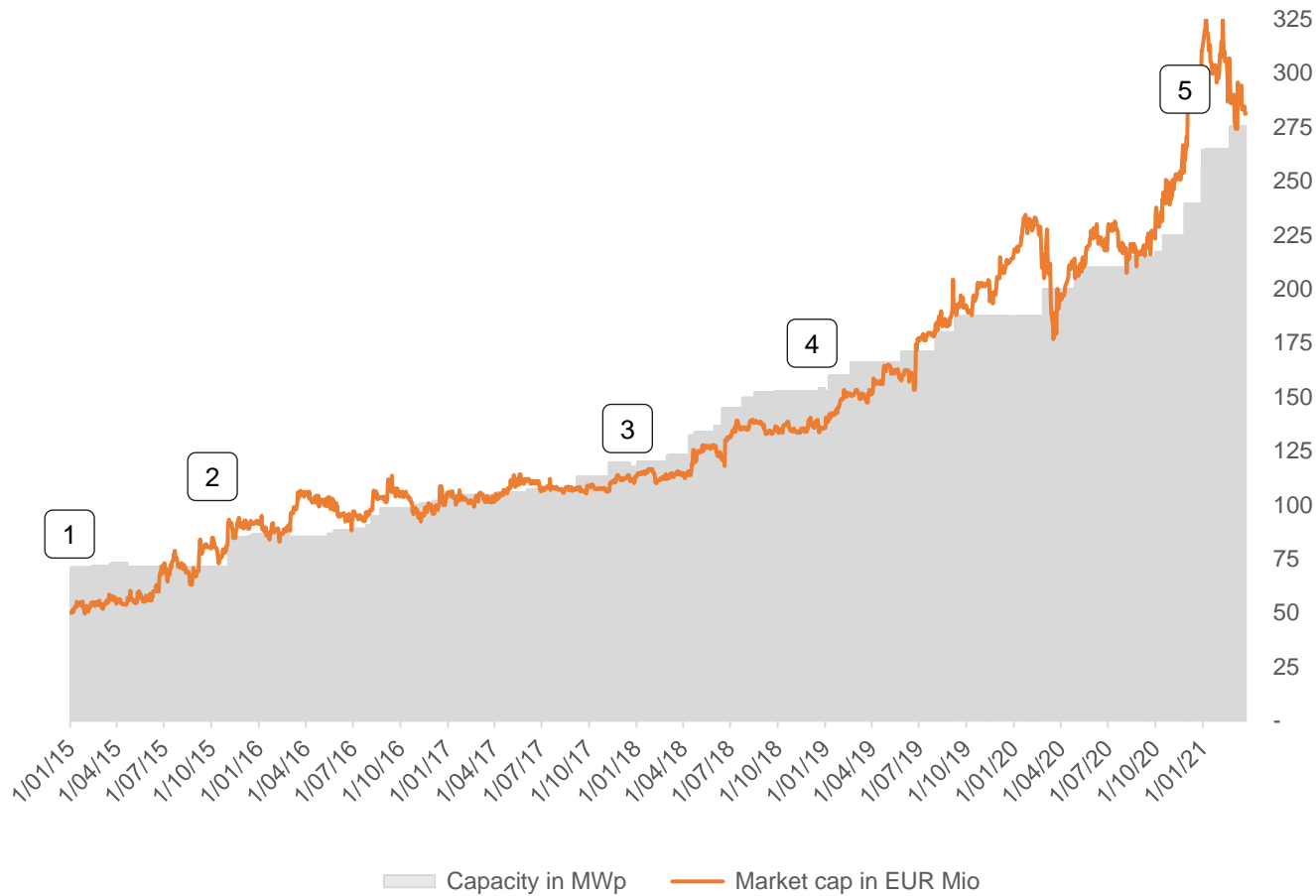


EQUITY RATIO AND CASH FLOW PER SHARE



Dividend flat at EUR 0.11

VALUATION Market Cap versus Installed Capacity



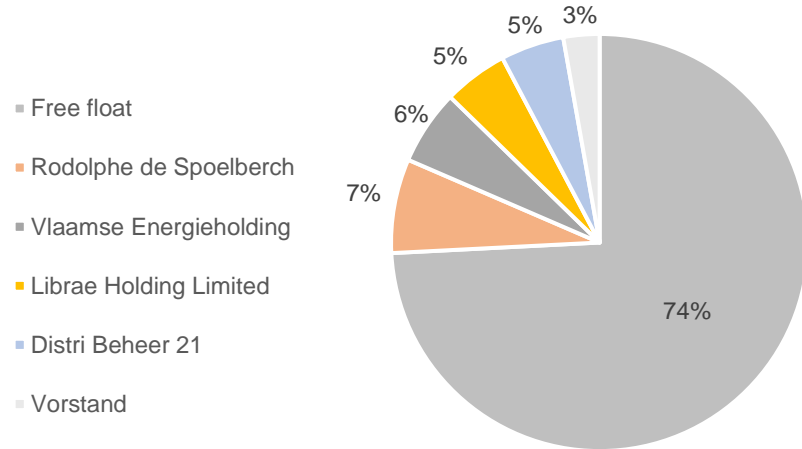
KEY EVENTS SINCE REVERSE IPO LATE 2014

- 1 Listing of the new group 7C Solarparken after business combination with Colexon Energy AG (26 MWp)
- 2 Business combination with Miskina (14 MWp)
- 3 Entry in Project Development financed by issue of Schuldschein EUR 25 Mio.
- 4 Acquisition of Asset Management business
- 5 Strategic entry in Belgium as second core market

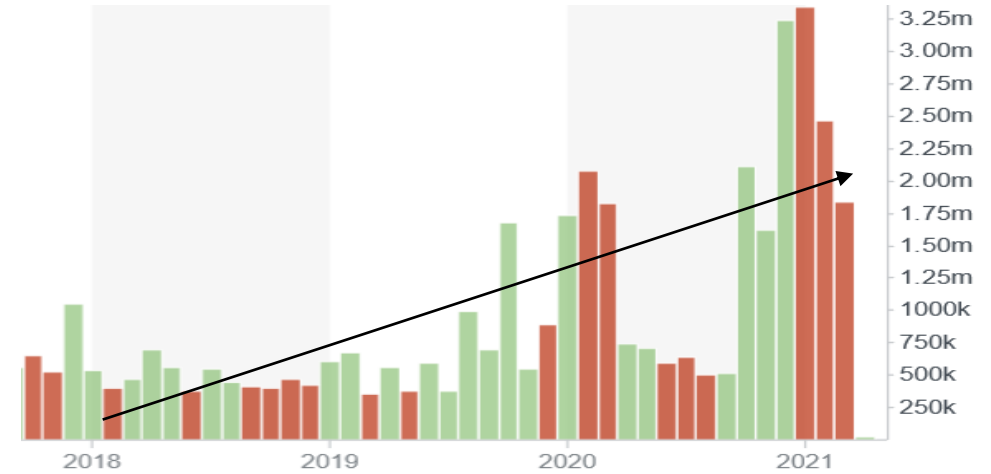
SHAREHOLDERS Free float 74%, and liquidity rising to 2 Mio shares per month



OWNERSHIP STRUCTURE 31 03 2021



MONTHLY VOLUME IN SHARES



EQUITY ANALYSTS OVERVIEW

	Latest Research / Rating
MM Warburg	26.02.2021 / BUY
Hauck & Aufhauser	01.02.2021 / BUY
Stifel Europe Bank	14.01.2021 / BUY

AGENDA



COMPANY OVERVIEW

GERMAN MARKET

BUSINESS 2020

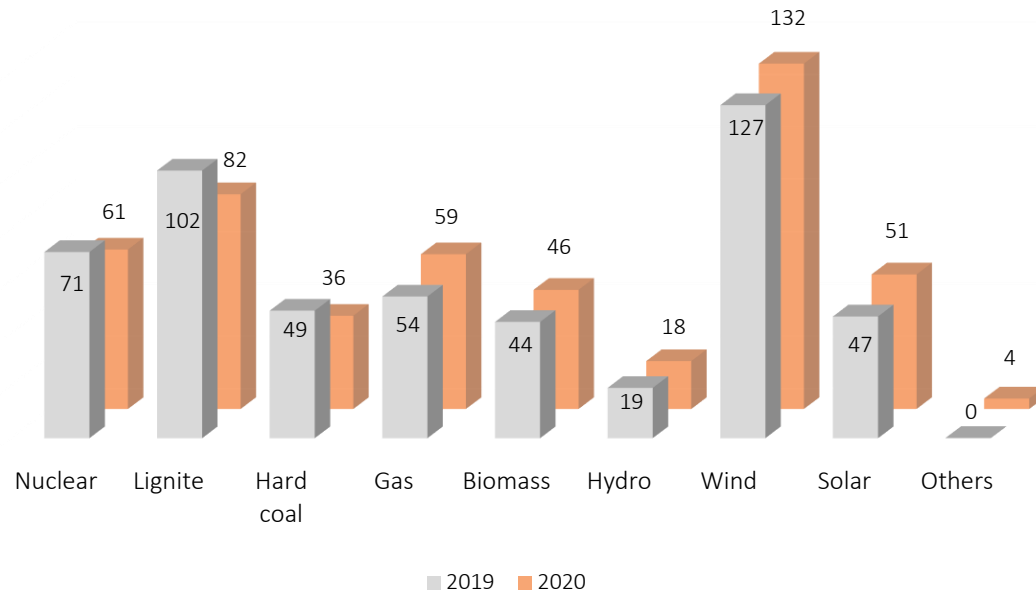
ANNUAL RESULTS

OUTLOOK 2021

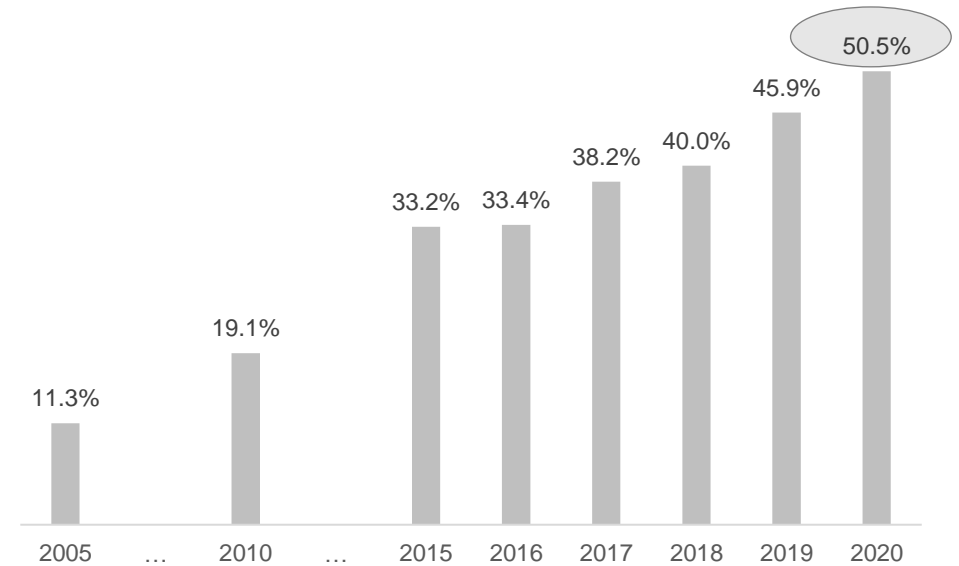
POWER GENERATION TREND Less coal, less nuclear, renewables > 50%



POWER PRODUCTION TWH IN 2019-20



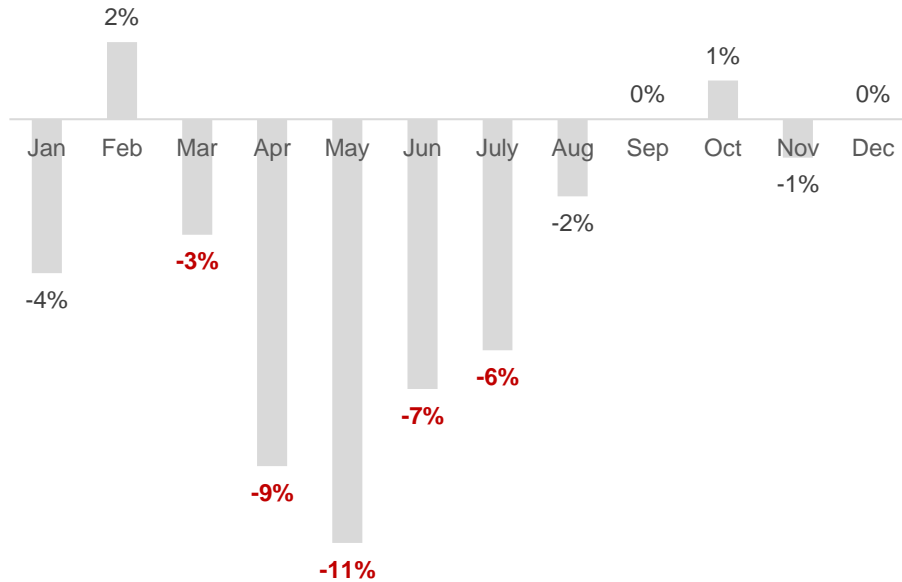
RENEWABLES SHARE IN POWER MIX



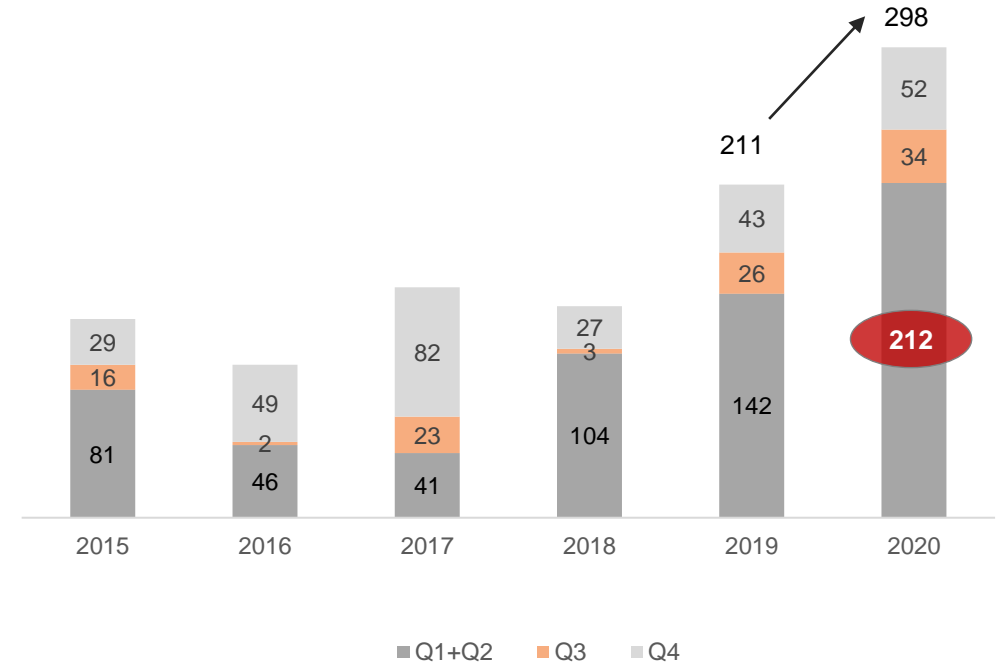
ELECTRICITY CONSUMPTION Covid-19 Effect mainly Q2`20, but Recovery in Q4`20



POWER DEMAND CHANGE 2019-20



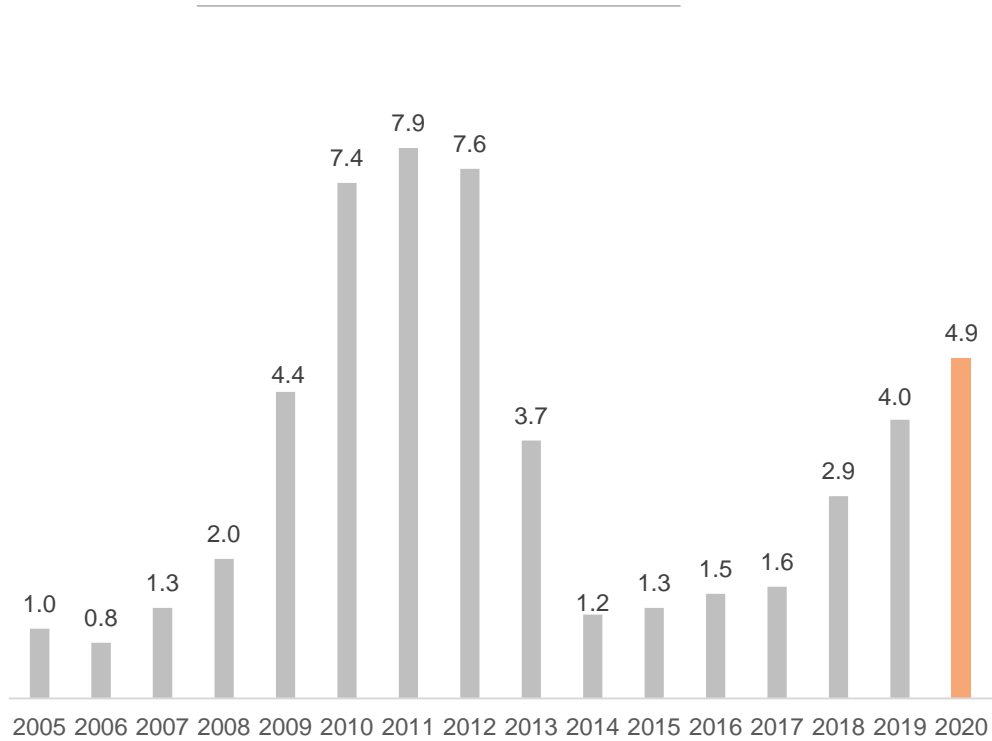
NEGATIVE HOURS IN GERMANY



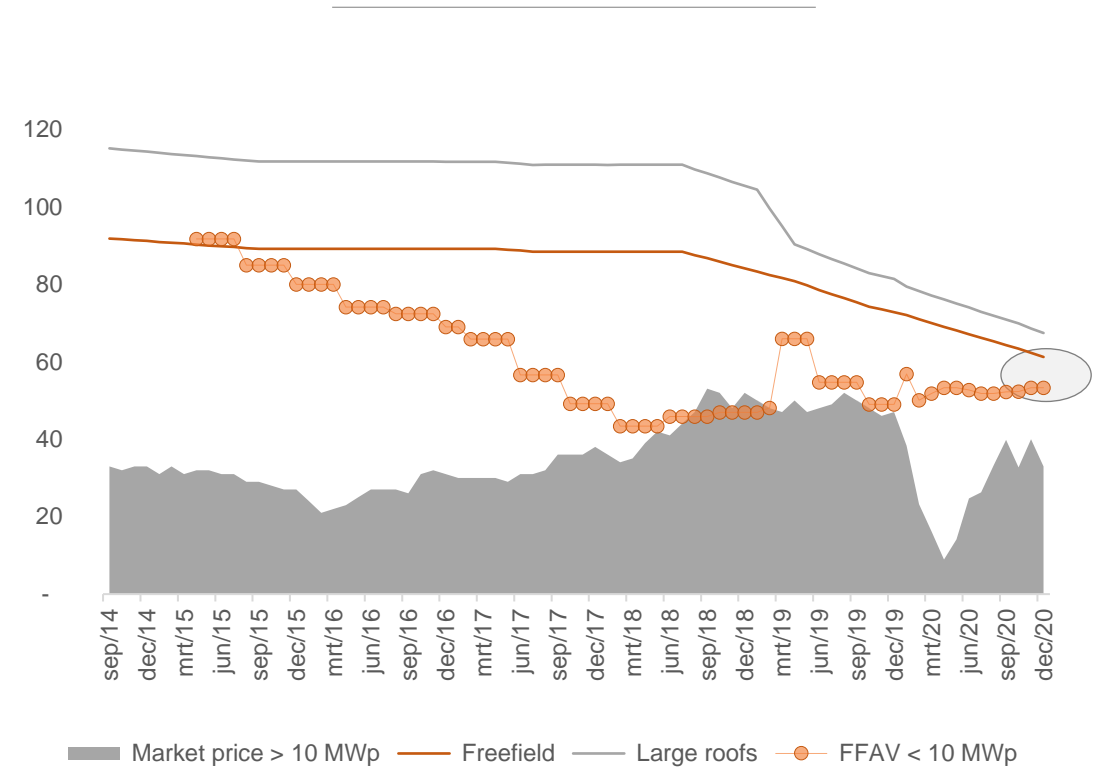
PV CAPACITY New additions almost 5 GWp, fixed FIT's sinking further to tender level



NEW PV CAPACITY GWp



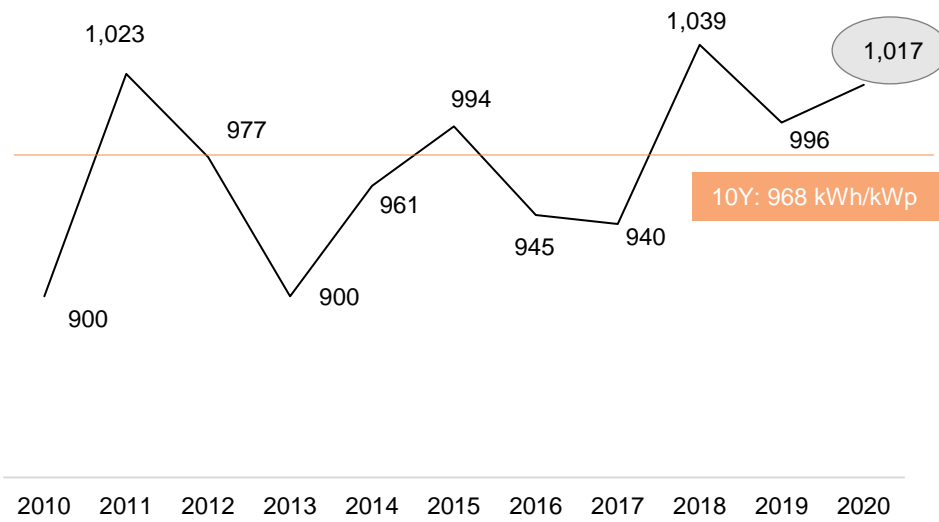
FEED-IN TARIFFS EURO/MWH



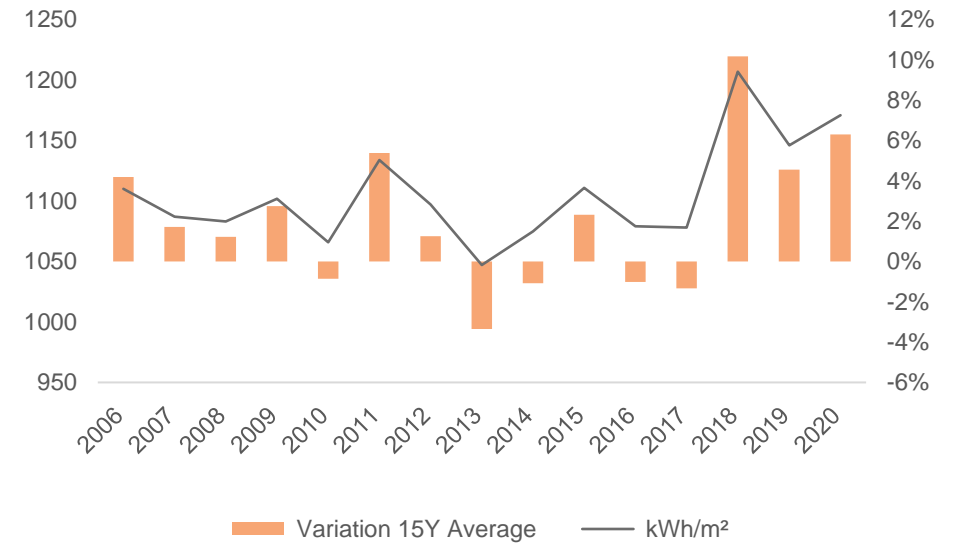
WEATHER CONDITIONS Favorable Irradiation, again



KWH/KWP GERMANY NATIONWIDE



HORIZONTAL IRRADIATION GERMANY KWH/M²



AGENDA



COMPANY OVERVIEW

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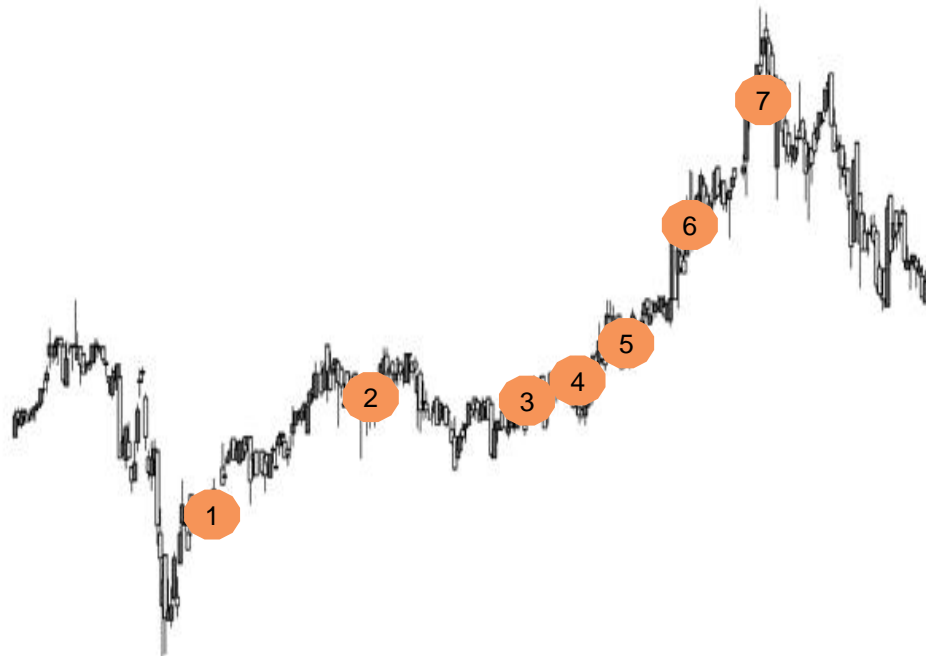
ANNUAL RESULTS

OUTLOOK 2021

MILESTONES Unchanged Keys to Success: Capacity and Capital



SHARE PRICE EVOLUTION 2020-21



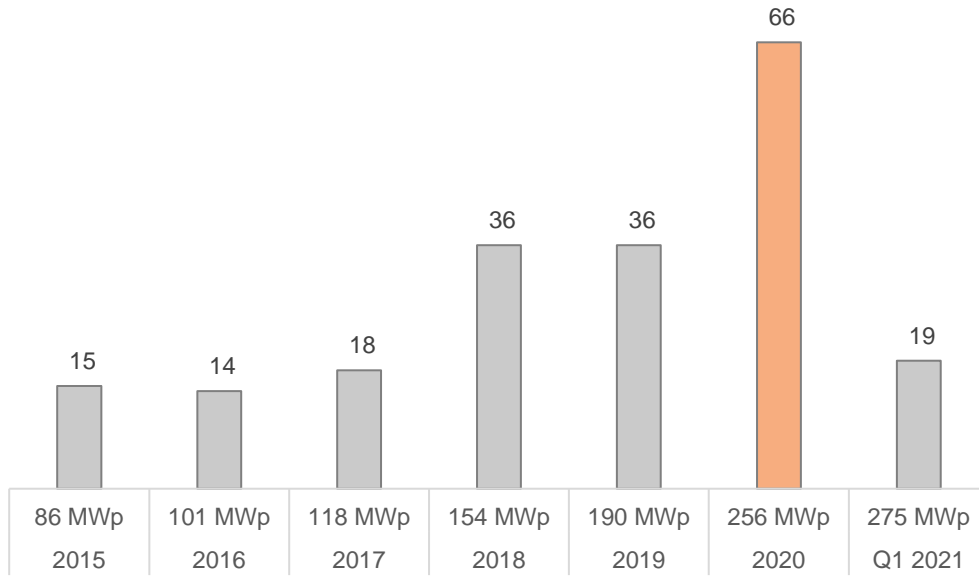
MILESTONES

- 1 Publication Annual Results 2019 amid CoVid-19 outbreak
- 2 Consolidation of HCI 1 and HCI 2 (totaling 15 MWp)
- 3 Increased Guidance CFPS from EUR 0.49 to EUR 0.51 after semi-annual Results
- 4 Private Placement #1 EUR 10.3 Mio at EUR 3.54/share
- 5 Reaching the year-end 2020 objective of 220 MWp
- 6 Increased Guidance CFPS to EUR 0.52 after 9-Months Results
Private Placement #2 EUR 12.9 Mio at EUR 4,00/share
- 7 Entry into Belgian market via acquisition of “EnerVest Belgium”

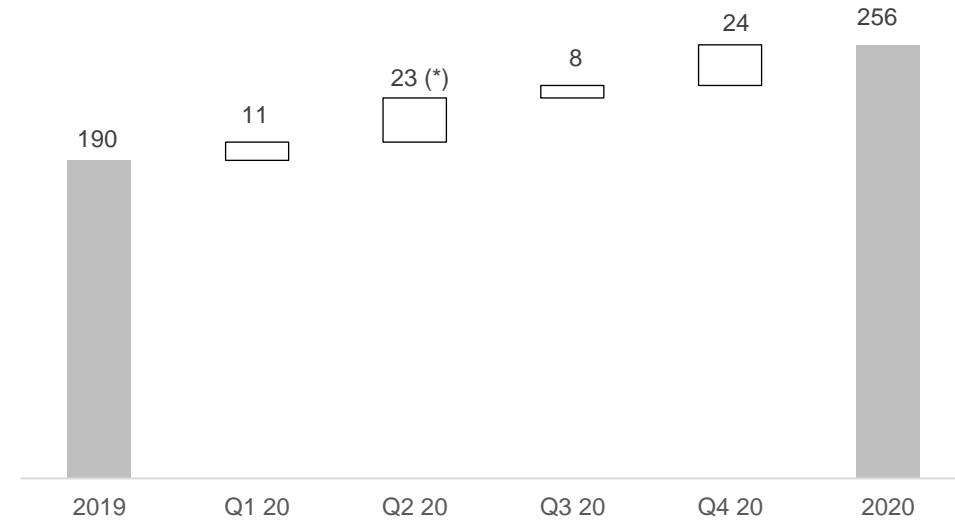
CAPACITY BUILD-UP From 190 MWp to 256 MWp, versus 220 MWp Plan



ANNUAL IPP GROWTH IN MWP



ACCELERATION PER QUARTER IN 2020

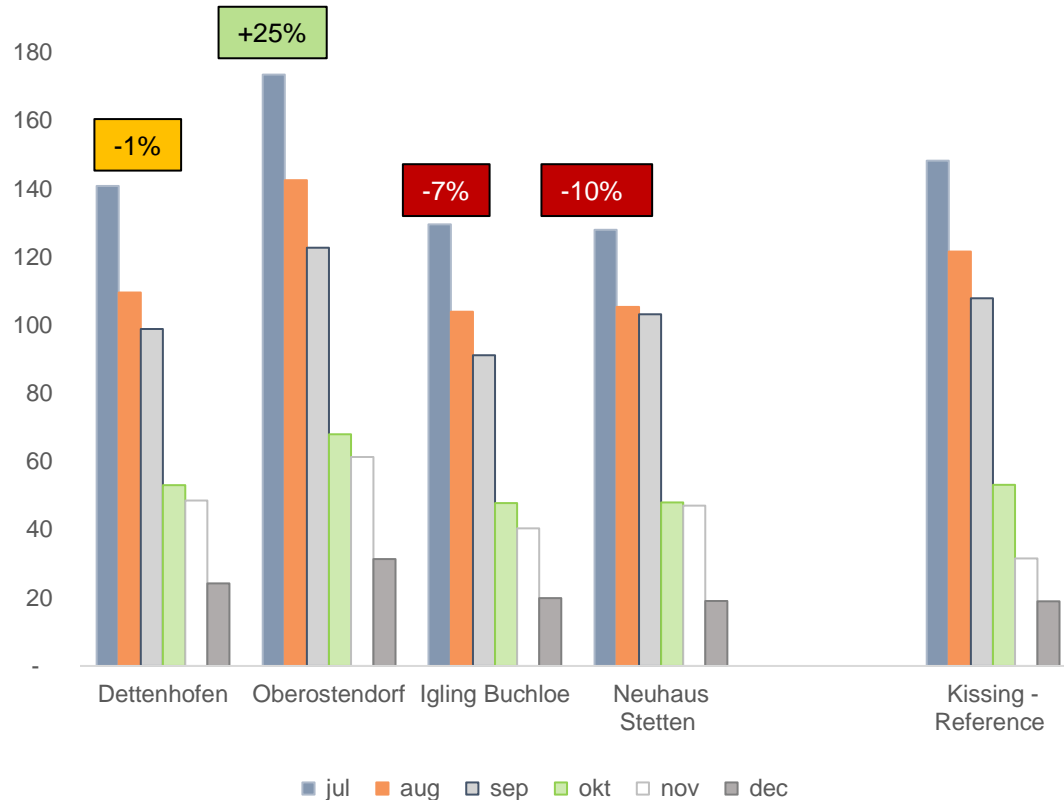


(*) includes sale of Surya project 2,5 MWp, and transfer of HCl I + II assets into IPP

TRANSFER OF ASSET MANAGEMENT PARKS Output HCI 1 + HCI 2 since consolidation



MONTHLY KWH/KWP SINCE CONSOLIDATION VERSUS REFERENCE



COMMENT

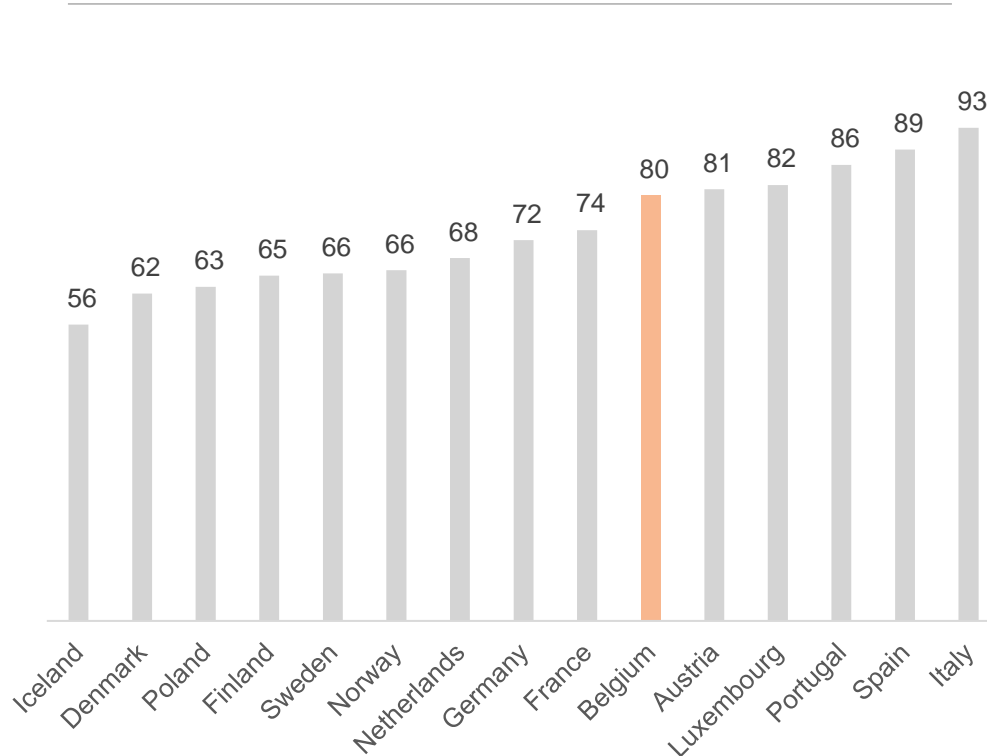
	MWp	EUR/MWh	Comment
HCI 1			
Igling Buchloe	5,8	355	Not optimised
Neuhaus Stetten	3,3	355	Not optimised
HCI 2			
Dettenhofen	3,3	319	Effect of partial improvement
Oberostendorf	2,5	319	Fully optimised Q1'20

- Optimisation in Oberostendorf included a complete overhaul since all panels were considered as “technical defect” and were exchanged in full.
- Given the inclusion of these installations in closed-end funds (in which 7C Solarparken acts as leading and controlling shareholder), injecting additional capital is not allowed so that necessary improvement works within HCI 1 are highly uncertain.

ENTRY INTO BELGIUM A stable niche Market with corporate PPA Potential



INDUSTRIAL POWER PRICE EUROPE EUR/MWH



DESCRIPTION BELGIAN MARKET

- Belgium harbours substantial development on industrial and logistic roofs (< 750 kWp) due to its status as transit country, and presence of transport hubs in Antwerp and Zeebrugge
- Unused potential of marginal land and alongside motorways, since focus has remained on residential roofs (60% of market)
- EU Commission has criticized Belgium for its limited contribution to emission reductions
- PV market characterized by the issuance of green certificates (coming to an end around mid of July 2021 in Flanders) for each MWh generated by PV, next to the sale of physical electricity through on-site PPA's to industrial clients or to the grid
- A new subsidy regime (comparable to the German auctions) will come in place as of mid July 2021 and will create further professionalism among project developers
- Annual growth of > 300 MWp is envisaged in government plans, but will not suffice to meet EU obligations of having 25% renewable energy (now less than 15%)

ENTRY INTO BELGIUM Organic Growth and Acquisition of EnerVest Belgium



Capacity: 6.2 MWp
State: Belgium
Site: DC Rieme, Rooftop
Commissioning: 31 05 2021 est.
Tariff: EUR 25/MWh + market price

TWO MAJOR STEPS AT THE END OF 2020

- Organic Growth: Through its own network, 7C Solarparken started to build one of the largest rooftop projects in Flanders (DC Rieme near Ghent Sea Port). The project is ready since Q1 21 and will be grid connected during Q2 21.
- Takeover of EnerVest Belgium, a small but experienced PV developer active in setting up investable projects underpinned by feasibility studies, design and PPA structures. Furthermore, initiatives in charging stations and mobile solar have been launched as additional services to generate shifts from conventional energy & oil into green power.
- EnerVest Belgium (now 7C Solarparken Belgium) consists of approx. 10 FTE's, active in project development and Asset Management. The company will be developed as platform of growth for the Belgian activities of the group.

AGENDA



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BUSINESS 2020

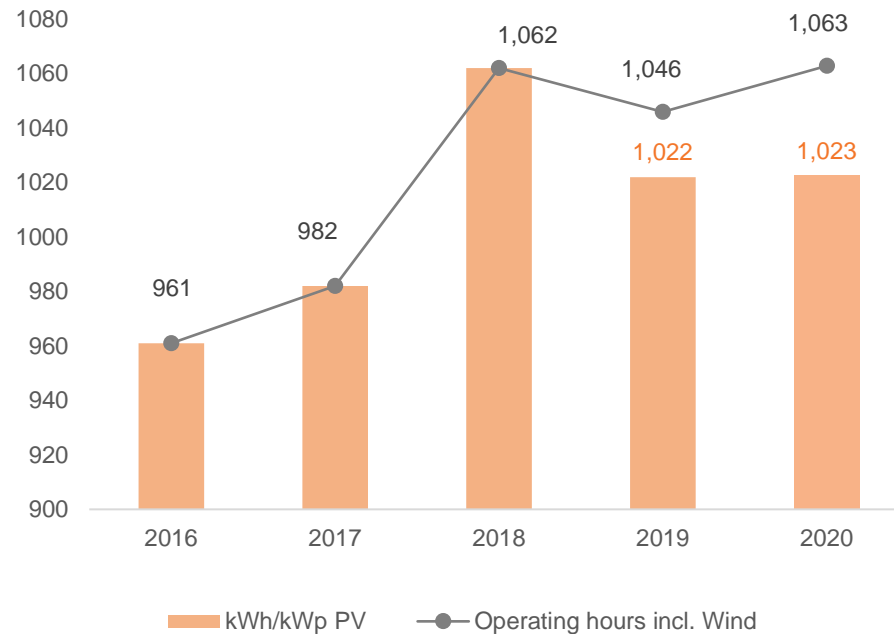
ANNUAL RESULTS

OUTLOOK 2021

OUTPUT Another Record in Output Yield, well above Prognosis 972 kWh/kWp



OPERATING HOURS 2020



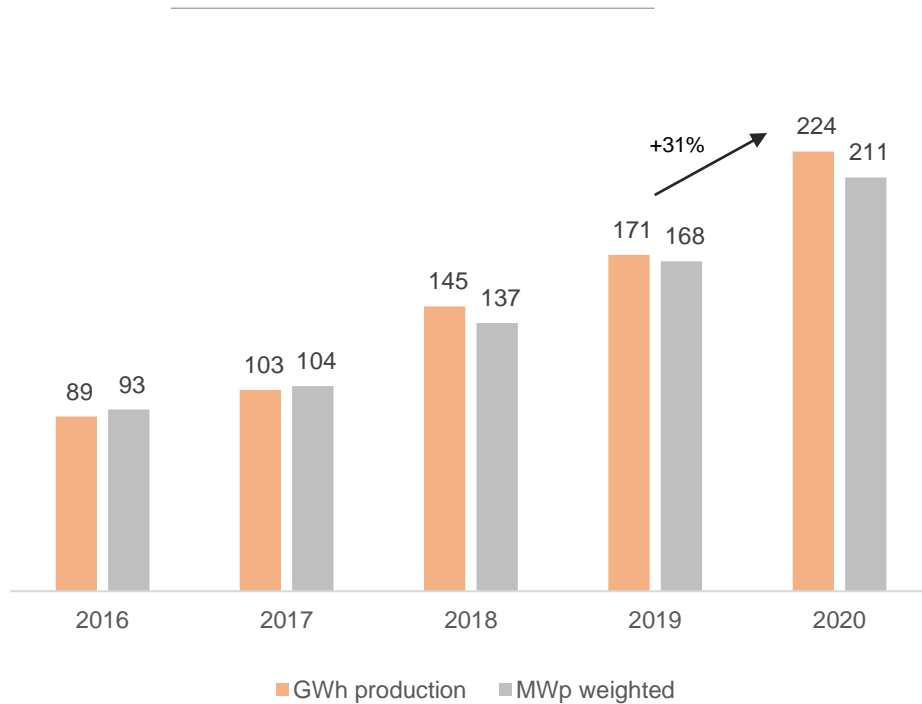
HIGHLIGHTS

- 1 063 hours including wind, 1 023 kWh/kWp for PV versus 972 kWh/kWp included in guidance
- A record in portfolio operating hours, mainly due to another year of superior irradiation and improved wind conditions (operating hours: 2 431h for 6 MW)
- Irradiation was up by 2% versus last year at national level, but the performance did not fully show in output levels at portfolio level for 4 reasons:
 - (I) Increase in level of rooftop projects within the portfolio mix of 2020
 - (II) The relative percentage of parks in “sunny” Bayern is decreasing at the benefit of installations in Sachsen Anhalt.
 - (III) Inclusion of partly underperforming HCl 1+HCl 2 portfolio installations as from July 1, 2020
 - (IV) The fast-rising number of negative hours resulted in temporary switch-outs of installations that were connected since 2016. Production (and operating hours) were impacted by 1,4%, revenues only by 0,5%

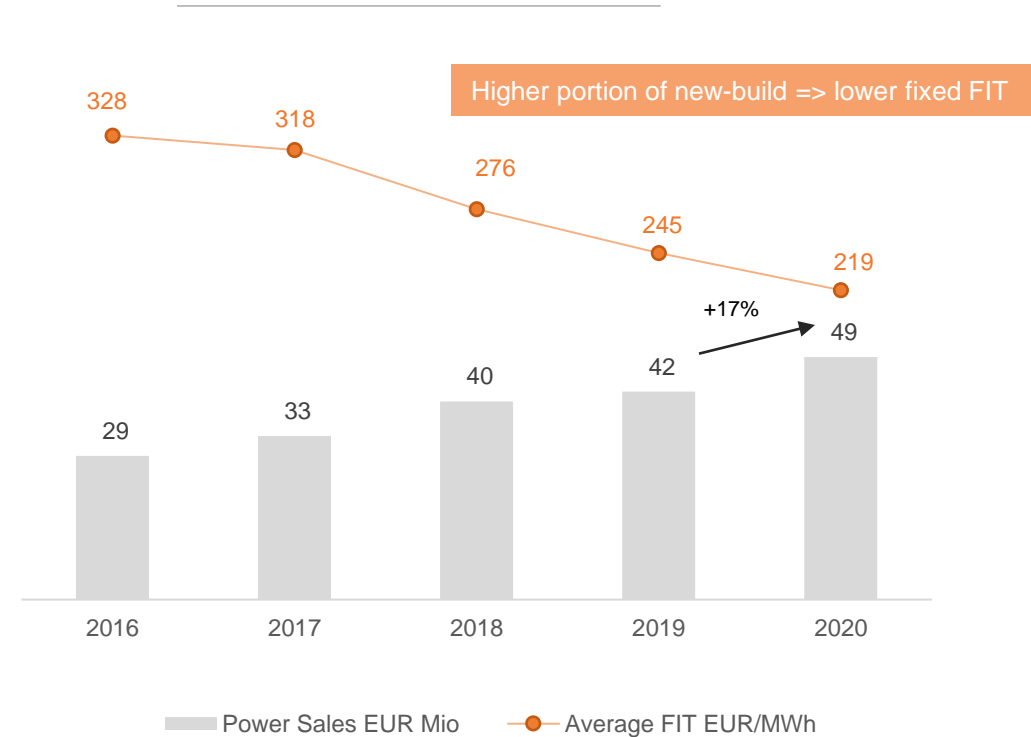
OUTPUT 31% Increase in Power Production to 224 GWh; Power Sales +17%



PRODUCTION & CAPACITY



POWER SALES & AVERAGE TARIFF



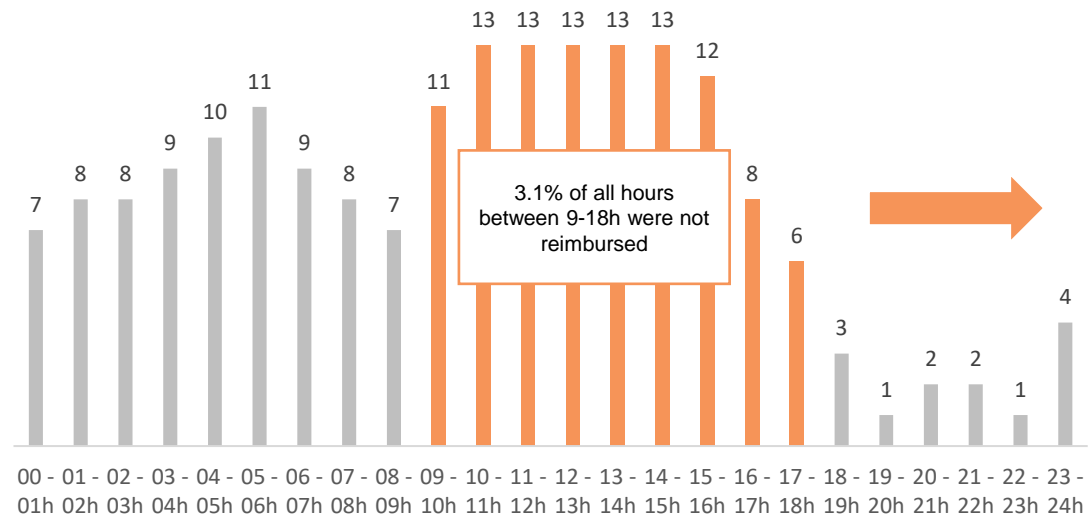
COVID-19 EFFECT EUR 0.3 Mio. less Revenues resulting from negative Power Price



6-hours rule for German renewable energy producers has been specified by §51 of the EEG 2017 (valid until 31.12.2020)

„When there are at least six consecutive hours of negative power prices, then the feed-in tariff for renewables plants > 500 kWp and commissioned (IBN) after 01.01.2016 is reduced to zero during the occurrence of these negative hours.“

NUMBER OF HOURS WITH ZERO TARIFF FOR EEG 2017 INSTALLATIONS



		% of total
Weighted capacity EEG 2017	97.1 MWp	46.0%
Average tariff EEG 2017	81.8 EUR/MWh	%
Revenues EEG 2017	8.4 EUR Mio	17.2%
MISSED AND/OR LOST REVENUES	0.3 EUR Mio	0.5%

P&L EBITDA rose to EUR 43 Mio., above raised Guidance of EUR 41 Mio



In Mio EUR	2020	2019	COMMENT
Revenues	50.6	43.1	Includes EUR 49 Mio Power Sales
Other income	1.9	2.9	
o/w compensation for damage	0.8	1.0	Module producer settlement EUR 0.5 Mio (EUR 0.6 Mio in 2019)
o/w gain on bargain purchase	-	1.1	No longer applicable
o/w gain on sale of asset	0.4	0.0	Sale of Surya 1: EUR 0.3 Mio. Gain
o/w others	0.6	0.8	
EBITDA	42.9	38.1	Latest Guidance: EUR 41 Mio
D&A	-29.7	-23.7	
o/w one-time impairment	-3.3		Impairment on project rights and EnerVest Belgium (decision to amortise all goodwill paid)
EBIT	13.2	14.5	
Financial Result	-5.8	-5.8	
o/w financial income	1.0	0.7	Sale of shares in listed companies, and re-funding of EUR 0.3 Mio from tax authorities
o/w financial expenses	-7.0	-6.5	
_ interest on debt	-5.8	-5.6	Real cost of debt fell to 2.5%
_ other	-1.2	-0.9	Mainly IFRS 16 Leasing
Pre-tax profit	7.4	8.6	
Tax	-1.8	-0.7	
o/w current taxes	-1.5	0.0	
Consolidated profit	5.6	8.0	
Net profit, group	5.2	7.9	
Minorities	-0.4	-0.1	

BALANCE SHEET Equity Ratio up to 35.3%



In Mio EUR	2020	2019	COMMENT
ASSETS	458.5	401.3	
Land & Property	11.9	10.4	PV Estate
Right of use assets	22.0	20.0	IFRS 16
Solar and windparks	337.3	285.8	Reflects expansion of IPP portfolio
Financial Investments	1.6	3.1	HCI 1 + HCI 2 from financial investment to consolidation
Inventory	2.7	3.2	
Cash & cash equivalents	62.2	59.0	EUR 17.9 Mio restricted
LIABILITIES	458.5	401.3	
Shareholders Equity	150.4	129.2	Capital increases EUR 23.2 Mio minus dividend EUR 11ct
Minority interest	11.4	0.6	HCI 1 + HCI 2 in consolidation scope
Financial debt	236.8	221.3	
LT Provisions	17.2	13.2	
Lease liabilities	17.2	15.7	related to IFRS 16
FINANCIAL RATIOS			
Net debt	174.7	162.3	
Net debt/EBITDA	4.1	4.3	
Equity Ratio	35.3%	32.3%	

CASH FLOW CFPS rises to EUR 0.57 versus EUR 0.52 latest Guidance



In Mio EUR	2020	2019
EBITDA	42.9	38.1
Lease paid	-0.9	-0.8
Cash interest paid	-5.5	-5.7
Cash taxes paid	-1.2	-0.7
Net Cash Flow	35.3	30.9
Number of shares, weighted Mio	62.3	56.5
CFPS	0.57	0.55
Dividend (proposal for 2020)	0.11	0.11

COMMENTS

- What we wrote last year in Presentation Annual Results 2019 & Outlook 2020 (page 41):
 - CFPS Guidance EUR 0.48 with all exceptional Covid-19 items included, based on EBITDA EUR 36 Mio*
 - The showcase 220 MWp would lead to EBITDA of EUR 42 Mio and CFPS of EUR 0.57*
- We have raised CFPS Guidance twice during the year to finally EUR 0.52/share (November 2020)
- 2020 has presented itself as coincidence of good irradiation, but above all quicker-than-expected realization of the 220 MWp objective

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BUSINESS 2020

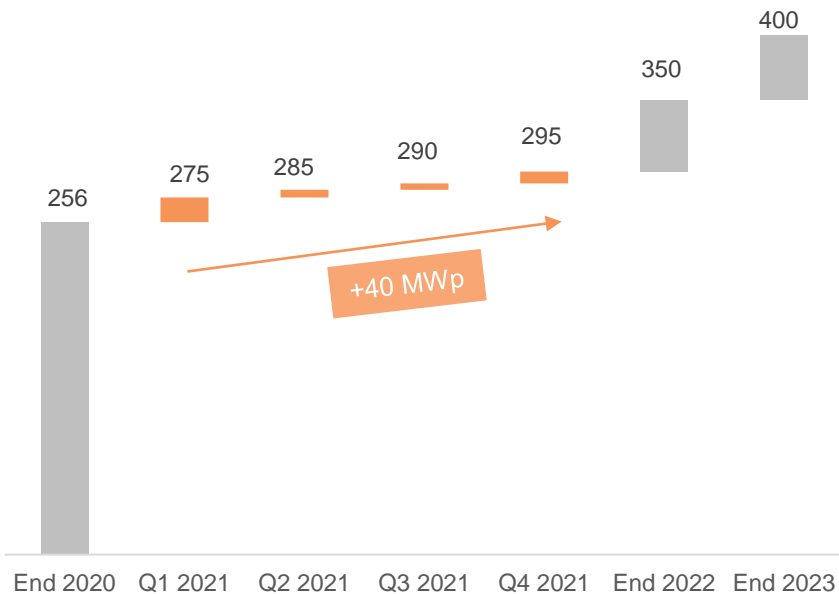
ANNUAL RESULTS

OUTLOOK 2021

KEY TARGET 2021 IPP Portfolio to grow to at least 295 MWp



CAPACITY PLAN 2021-23 IN MWp



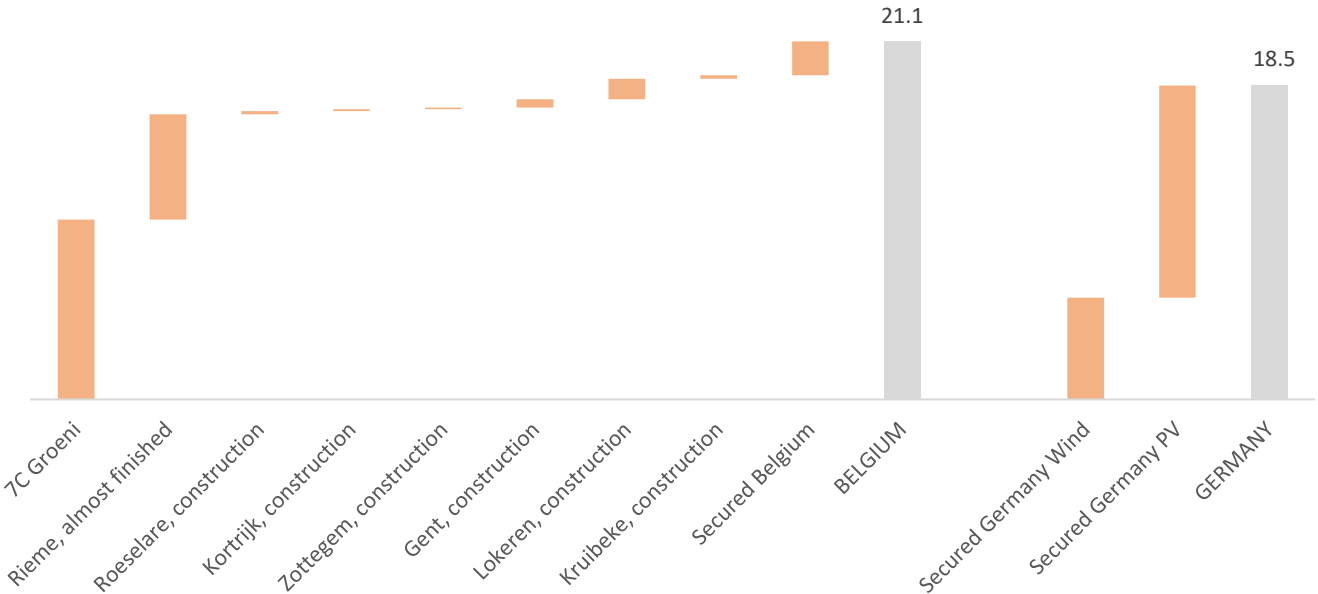
COMMENTS

- 7C Solarparken plans to grow its IPP Portfolio to 400 MWp by 2023, of which 50 MWp will be located in Belgium.
- For 2021, growth of 40 MWp is targeted to reach 295 MWp at year-end. Almost half of the additions have been achieved in Q1 '21 through the realization of the project Höttingen (turnkey construction by Energiekontor) and the acquisition of a portfolio (Groeni BV) of almost 11 MWp in Belgium.
- At present, different projects across Belgium are under construction of which the largest installation "DC Rieme nearby Ghent Sea Port 6,2 MWp" will be grid-connected at the end of May.
- The company has already secured numerous acquisition and construction rights that will lift the portfolio undoubtedly towards or even above the 295 MWp objective.

KEY TARGET 2021 Half of the planned Expansion in 2021 to come from Belgium



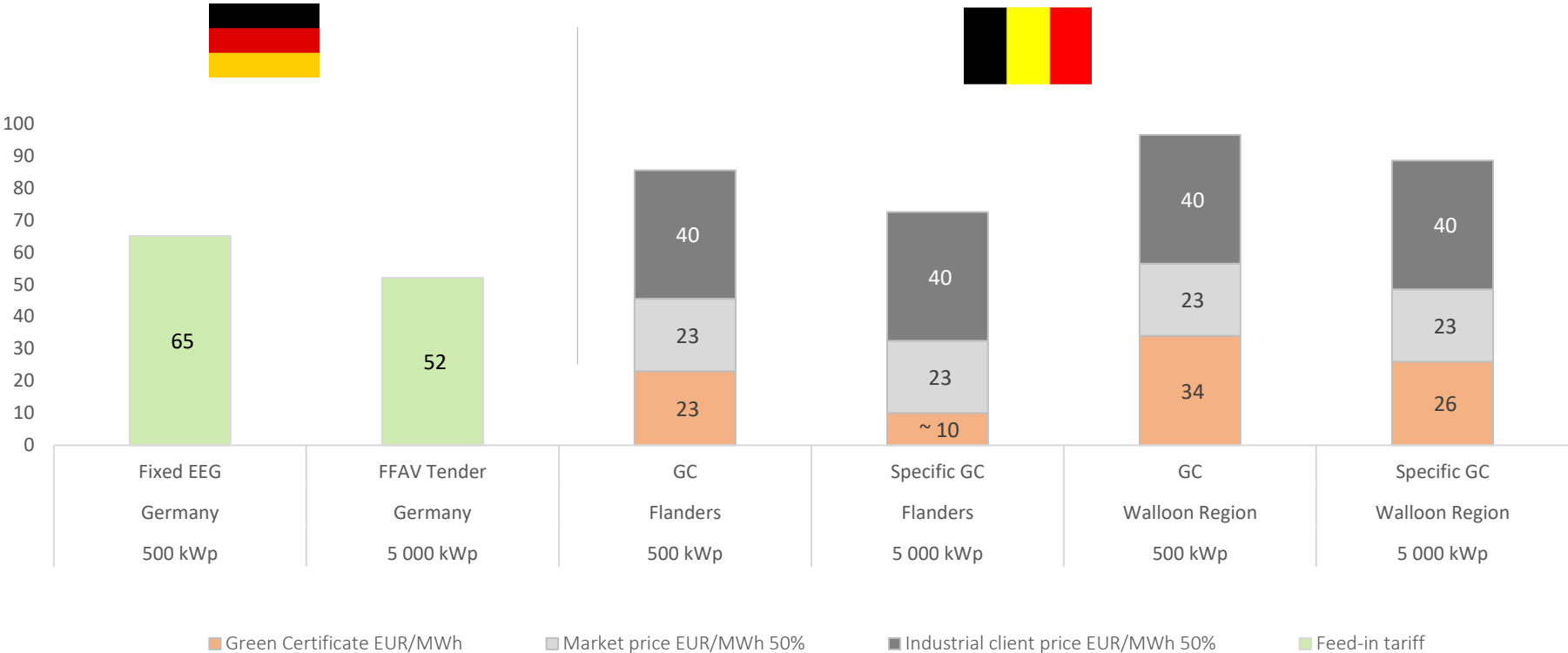
CAPACITY PLAN +40 MW IN 2021



NEW-BUILD ECONOMICS Q2 21 Germany and Belgium



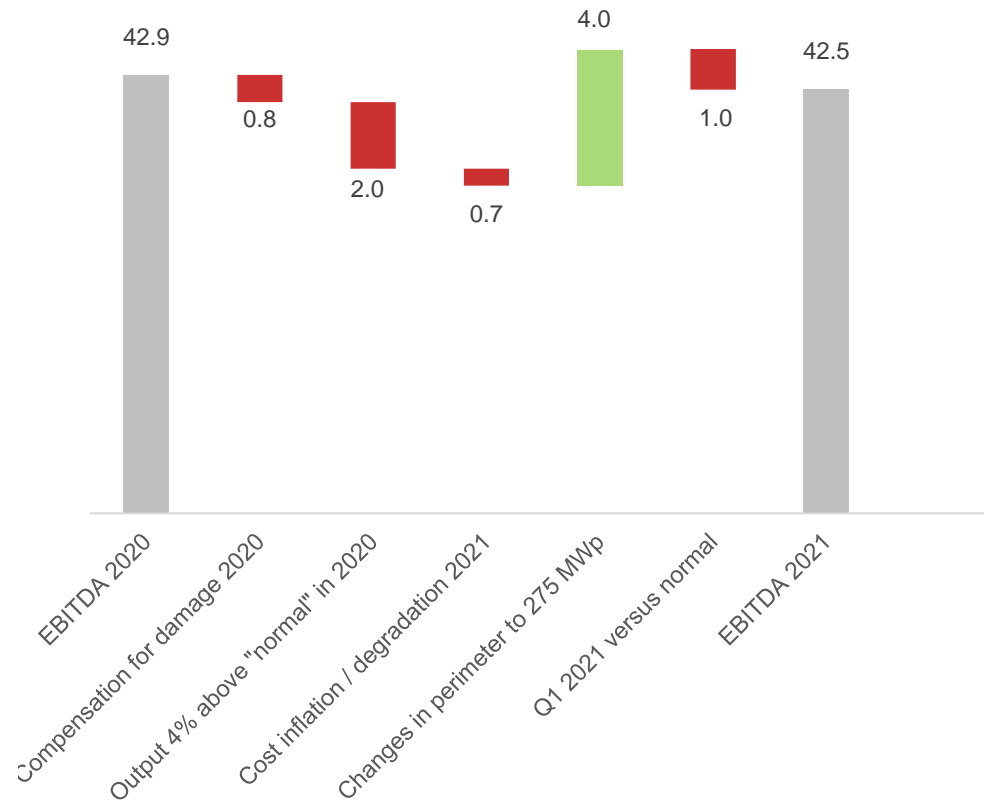
TARIFFS / REVENUES IN EUR/MWH FOR Q2'21



EBITDA GUIDANCE 2021 At least EUR 42.5 Mio.



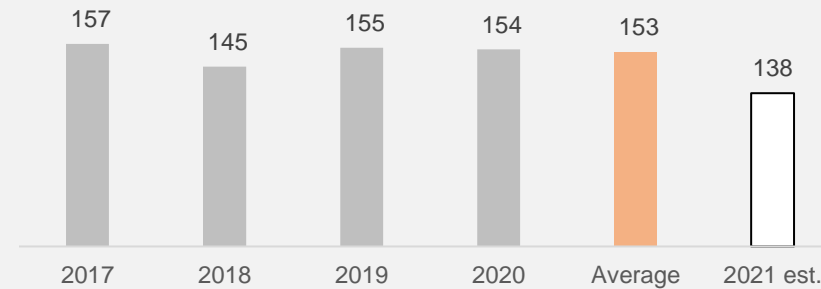
EBITDA BRIDGE 2020-21 IN EUR MIO



ASSUMPTIONS

- EBITDA 2020 has been positively impacted by 4% higher yield and one-time items of EUR 0.8 Mio. (sale of assets for EUR 0.5 Mio is considered as ongoing business).
- 985 kWh/kWp for 2021 based on the current 275 MWp Portfolio (EBITDA + EUR 4 Mio)
- Increase of cost base, mainly due to expansion at corporate level (development team in Belgium) with no external EBITDA contribution at consolidated level as the group acts as investor in the self-developed projects (i.e. saving in capex)
- Expansion from 275 MWp to 295 MWp at year-end, without EBITDA contribution
- Impact of EUR -1.0 Mio in Q1 '21 due to bad weather (less wind and less sunshine)

kWh/kWp for IPP Portfolio in Q1



CASH FLOW GUIDANCE 2021 CFPS seen at > EUR 0,50/share



CFPS OUTLOOK 2021

In Mio EUR	CFPS OUTLOOK 2021		Showcase 295 MWp
	2020	Guidance 2021	
EBITDA	42.9	42.5	43.9
Lease paid	-0.9	-1.1	-1.2
Cash interest paid	-5.5	-5.3	-5.4
Cash taxes paid	-1.2	-1.4	-1.4
Net Cash Flow	35.3	34.7	35.9
Number of shares, weighted Mio	62.3	69.4	69.4
CFPS	0.57	0.50	0.52

COMMENTS

- 7C Solarparken targets CFPS of at least EUR 0.50/share based on the current portfolio of 275 MWp. An early realization of capacity target of 295 MWp would on a pro-forma basis raise CFPS to EUR 0.52/share
- A higher number of shares (capital increases) can not be excluded in case investment opportunities arise beyond the current plan

LONG TERM OBJECTIVE 400 MWp IPP and > EUR 60ct CFPS by 2023



POTENTIAL POOL OF LARGER SCALE ACQUISITIONS & DEVELOPMENT

CONSOLIDATION: 15 GWp existing PV installations > 1 MWp in Germany

NEW-BUILD: New government target indicated at 98 GW by 2030 (~4.5 GW p.a.)

PPA: Large scale opportunities > 20 MWp upon further LCOE improvement

REPOWERING: 4 GWp runs out of the tariff by 2025

EXPLORE OPPORTUNITIES:

DECISION TO ENTER BELGIUM AS SECOND MARKET



500+ MWP
EUROPEAN TIER-1

IPP PORTFOLIO

TARGET 2023

400 MW

- PV > 90%, wind max. 10%
- M&A at the forefront aside from new-build and park acquisitions
- Capital-intensive growth into a European Tier-1 will further enlarge capital markets awareness

ASSET & FUND MANAGEMENT

TARGET 2023

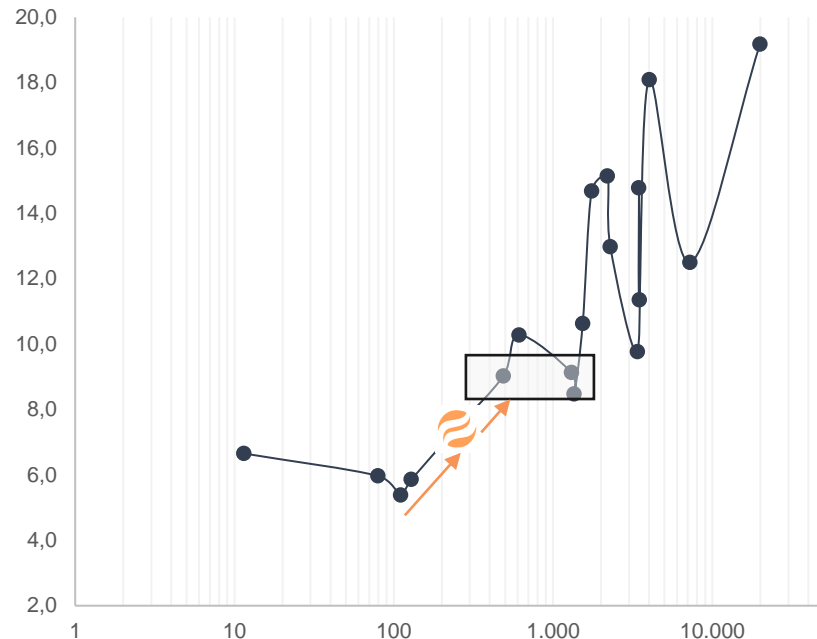
100 MW

- The acquired platform enables horizontal expansion

LONG TERM OBJECTIVE Up to EUR 35 Mio fresh Equity to grow to 400 MWp IPP



P/CF VERSUS MARKET CAP EUR MIO. (LOGARITHMIC SCALE)



- **Cash at year-end 2020 amounted to EUR 62.2 Mio.** of which EUR 17.9 Mio is restricted (DSRA). Under the most prudent liquidity assumptions for the next years (i.e. old Colexon legacy, progressive build-up of cash to redeem the first tranche of the Schuldschein and unplanned repairs) growth to 295 MWp can be auto-financed, even on an unlevered basis.
- Further growth until 400 MWp IPP by 2023 will require **investments of approx. EUR 100 Mio** (mix of existing parks and new-build) including EUR 35 Mio fresh equity. This amount could be raised partly in 2021 through a private placement and / or a rights issue, should the planned capacity target of 295 MWp be reached in advance.
- The driving factor behind long-term success of capital-intensive renewable energy investments is related to equity. Valuation of renewable players follows an exponential curve driven by market cap, free float and liquidity/volume. 7C Solarparken already moved from EUR 100 Mio to EUR 250 Mio. (CF multiple expansion 1.5x), and sees possibility to climb another +1,5x but therefore needs capitalisation growth to the zone EUR 500 Mio – EUR 1bn.

CONTACT



CONTACT

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