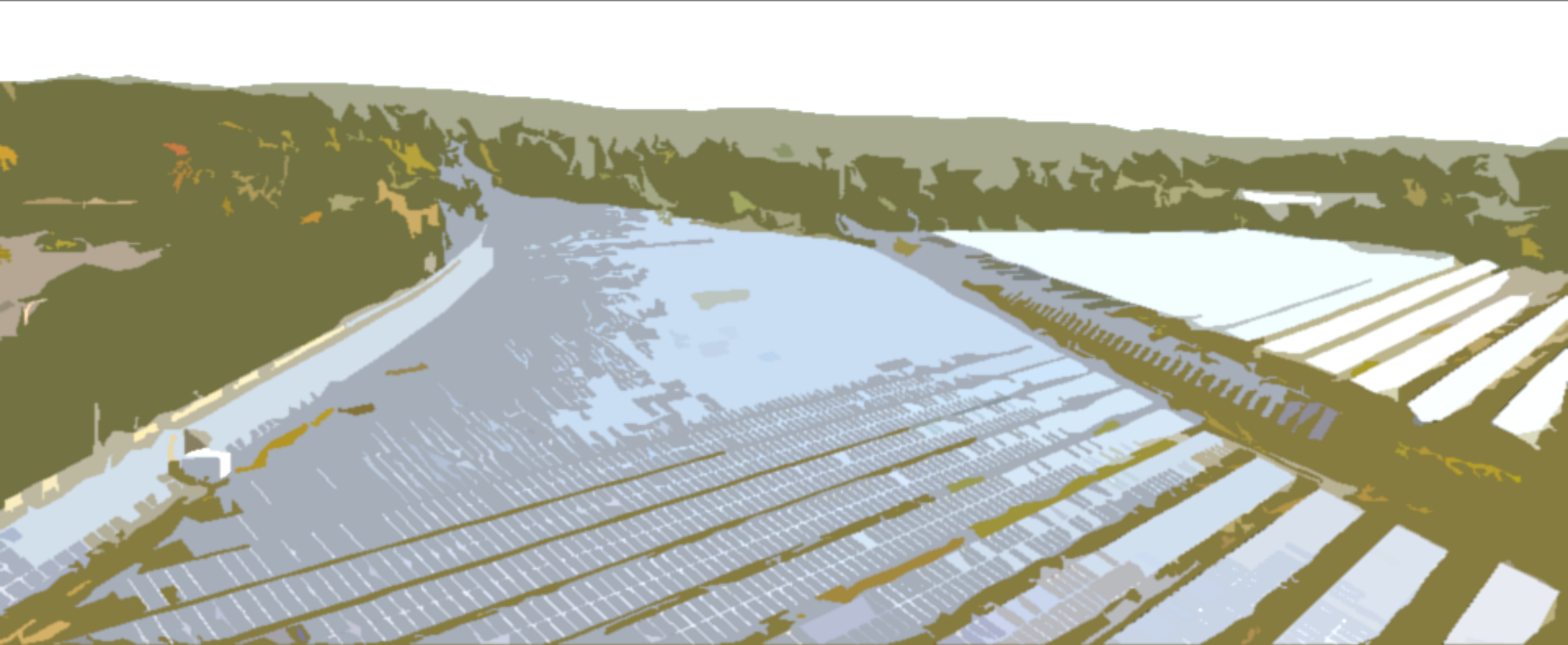


## INVESTOR PRESENTATION Q2 2018

---





EQUITY STORY

## LONG-TERM CASH FLOWS, GROWTH AND FIRST-TIME DIVIDEND

Pure-play owner-operator of PV parks of 134 MWp in Germany

Stable cash flows through guaranteed fixed feed-in tariffs for 20 years

Optimisation and PV Estate drive long-term value

Growth plan towards 200 MWp to enable improved valuation metrics

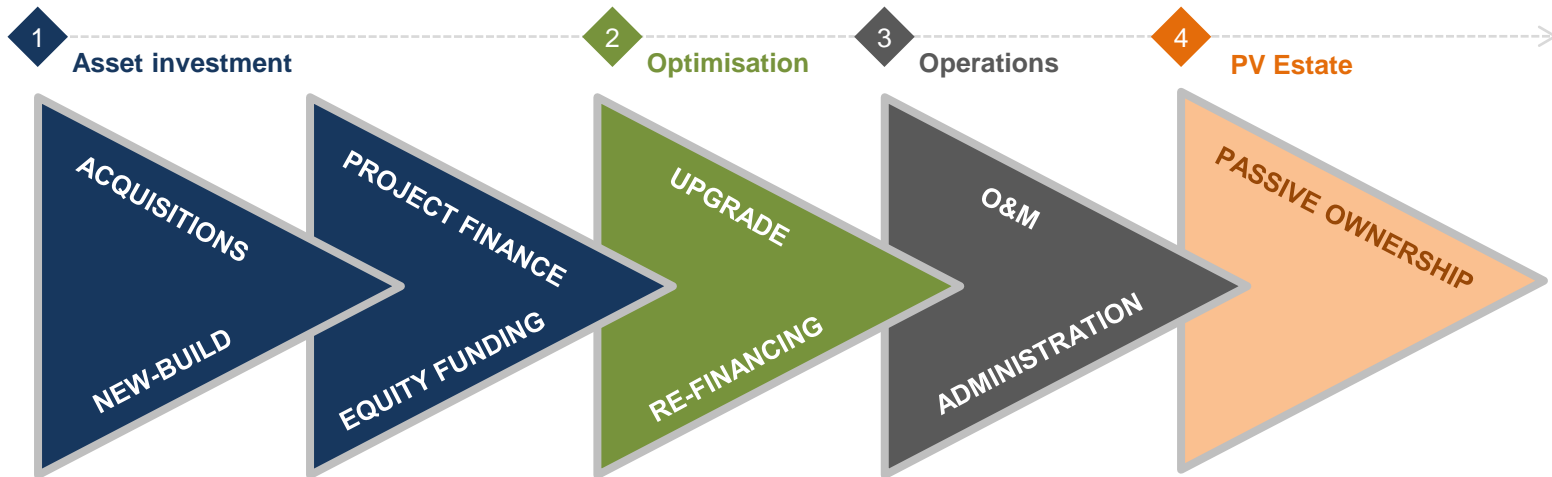
Strategic deal #1 delivered through acquiring developer and raising EUR 25 Mio alternative financing

Strong credit ratios and profitability enable first-time dividend of EUR 0,10/share over 2017



BUSINESS

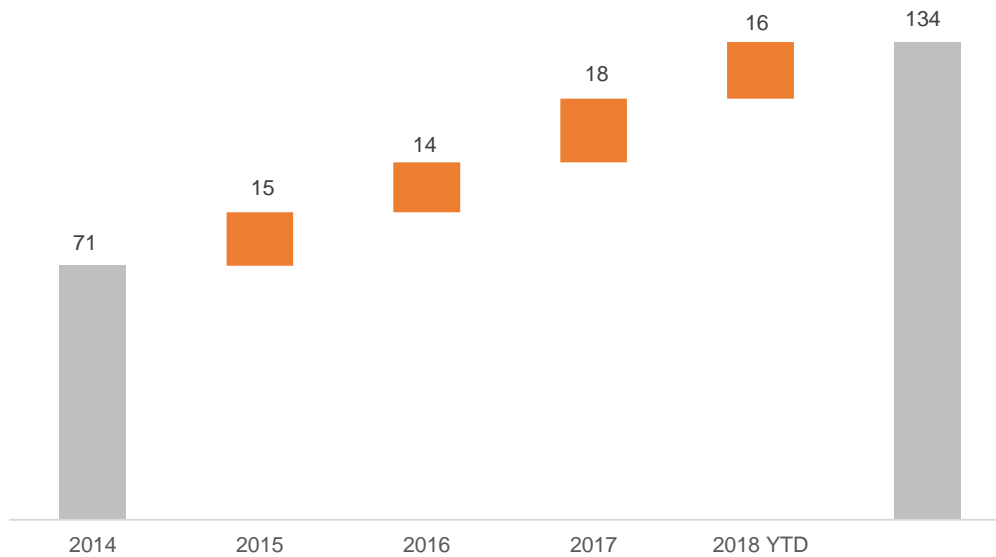
## PURE-PLAY PV OWNER-OPERATOR IN GERMANY



COMMITMENT FOR VALUE CREATION THROUGHOUT THE PROJECT'S LIFECYCLE

**USP 1: WE CONTINUE TO EXPAND OUR IPP PORTFOLIO OF GERMAN PV PARKS**

## PORTFOLIO GROWTH IN MWP



*RECURRING GROWTH OF ~15 MW PER YEAR IN THE PERIOD 2014-17, ACCELERATION IN 2018*

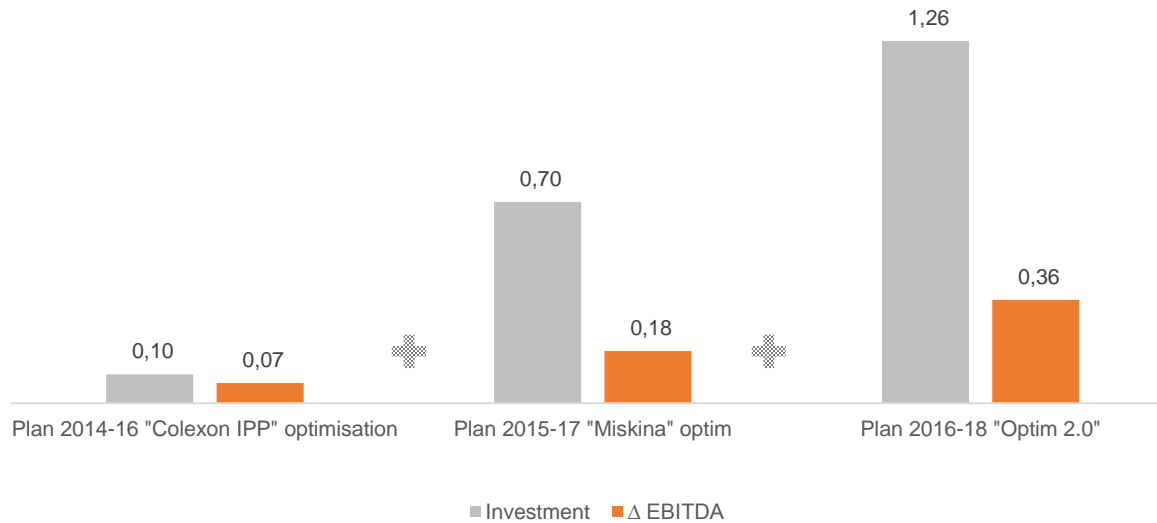
## USP 2: THE ACQUISITION OF AMATEC'S DEVELOPMENT BUSINESS ENABLES A NEW GROWTH CHANNEL

Sourcing of investments:	New-build development	New-build turnkey	Operating asset acquisition
12-18 Months ↓	<ul style="list-style-type: none"> <li>- Land identification</li> <li>- Lease contract</li> <li>- Construction plan</li> <li>- Permits</li> <li>- Grid rights</li> <li>- Ready for construction</li> </ul>	<ul style="list-style-type: none"> <li>- Due diligence</li> <li>- EPC contract</li> <li>- Acquisition after construction</li> </ul>	<ul style="list-style-type: none"> <li>- Due diligence</li> <li>- Identification of optimisation potential</li> <li>- SPA contract</li> <li>- Acquisition during operational phase</li> </ul>
<b>7C solarparken</b> + AMATEC	✓✓✓	✓✓✓	✓✓✓
<b>RATIONALE IN-HOUSE DEVELOPMENT</b>	<ul style="list-style-type: none"> <li>- Relatively fierce competition among investors for the same projects offered by turnkey EPC suppliers</li> <li>- Synergies through in-house selection of EPC's and component suppliers</li> <li>- Recurring projects volume</li> <li>- Government opted for exceptional PV auctions in 2019-20 (2 GWp per year)</li> <li>- LCOE of PV power competitive to market rates</li> </ul>		

AMATEC RANKS AS ONE OF GERMANY'S MOST EXPERIENCED PV PLAYERS (> 1 GW) ACTIVE IN NEW-BUILD

### USP 3: WE OPTIMISE PARKS

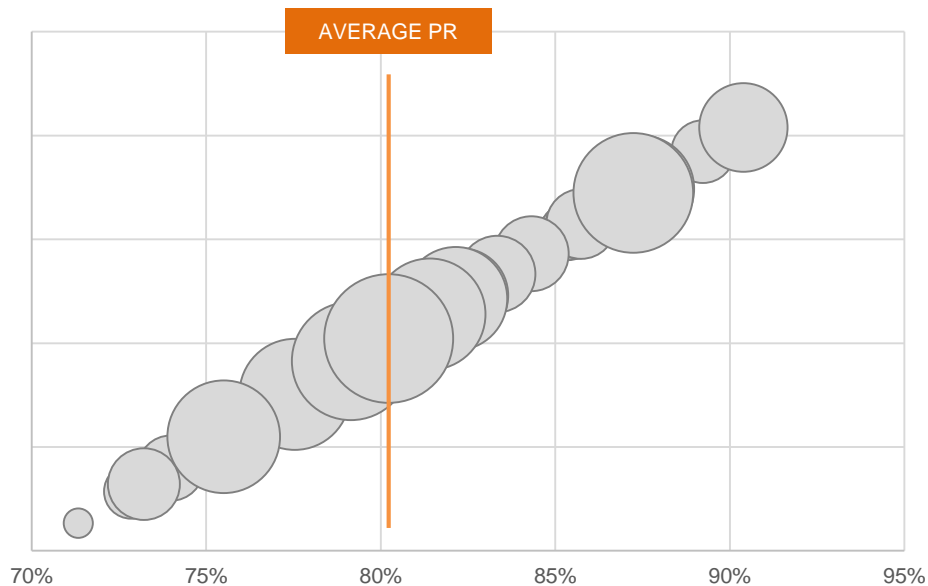
OVERVIEW OPTIMISATION PLANS WITH RECURRING ANNUAL EBITDA GAIN 2014-18 IN EUR MIO



*PAYBACK IS LESS THAN 4 YEARS ON CAPEX AND OPEX ALLOCATED TO OPTIMISATION*

## USP 4: WE OPERATE THE PARKS AT HIGH PERFORMANCE RATIO

### OVERVIEW PERFORMANCE RATIO 2017 OF ALL INSTALLATIONS

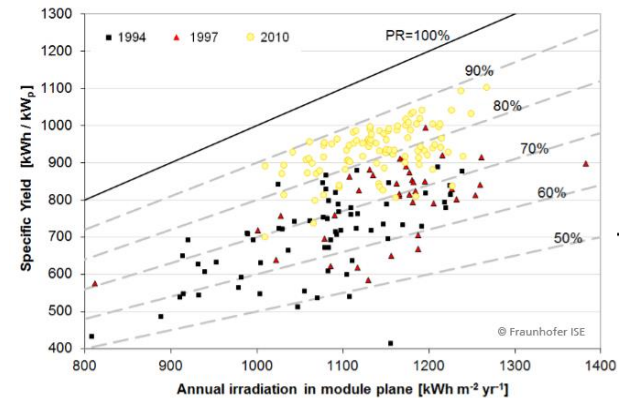


Note: The size of the bubble represents the capacity of an installation

$$PR = \frac{kWh/kWp \text{ (relative output yield)}}{kWh/m^2 \text{ (irradiation on the panel)}}$$

- ✓ Weighted average Performance Ratio > 80%
- ✓ 95% of capacity has a PR of at least 75%
- ✓ There are no negative outliers (PR < 70 %) that signal abnormal underperformance

### PERFORMANCE RATIOS IN THE MARKET



AVERAGE PR OF >80% AND ABSENCE OF OUTLIERS DEMONSTRATE GOOD QUALITY OF THE PARKS

### USP 5: WE BUY PV ESTATE TO SECURE LONG-TERM VALUE

#### PV ESTATE PORTFOLIO

PROJECT	ESTATE	REGION	SIZE IN HA	CAPACITY
Sandersdorf	Land	Sachsen Anhalt	9,3	5.1 MWp
Zerre	Land	Sachsen	28,5	8.0 MWp
Hausen	Building	Bayern	n.r.	0.1 MWp
Bayreuth	Building	Bayern	n.r.	0.1 MWp
Pflugdorf	Land	Bayern	16,5	4.4 MWp
Kettershausen	Land	Bayern	5,1	2.4 MWp
Camp Astrid 2	Land	NRW	1,0	0.6 MWp
Grafentraubach	Land	Bayern	5,8	1.2 MWp
Grafentraubach	Building	Bayern	3,6	1,5 MWp
Grube Warndt	Land	Saarland	6,8	3.8 MWp
Großfurra	Land	Thüringen	6,9	4.1 MWp
Mühlgrün	Land	Sachsen	1,5	1.0 MWp
Bitterfeld	Land	Sachsen Anhalt	12,1	4.6 MWp
Umpferstedt	Land	Thüringen	2,1	1.0 MWp
Calbe	Land	Sachsen Anhalt	1,8	0.7 MWp
<b>PORTFOLIO</b>			<b>101,0</b>	

GRAFENTRAUBACH: Building



BITTERFELD: Land



OWNERSHIP OF > 100 HA LAND & BUILDINGS WITH BOOK VALUE OF OVER EUR 8 MIO.

# INVESTOR PRESENTATION Q2 2018



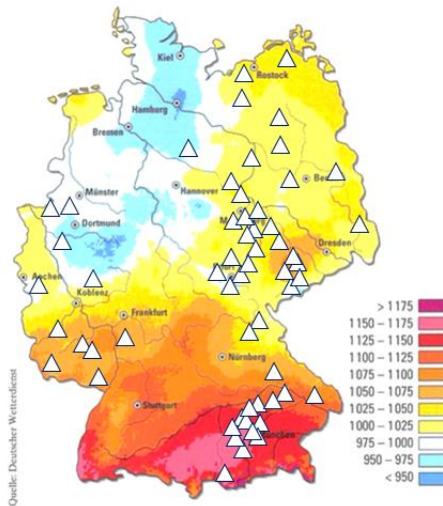
## COMPANY

## IPP PORTFOLIO OF 134 MWP GENERATES ANNUAL EBITDA OF APPROX EUR 31 MIO

Unit	CAPACITY MWp	TARIFF EUR/MWh	YIELD (*) kWh/kWp	REVENUES (*) EUR Mio	EBITDA (*) EUR Mio
Freefield	77	264	1.019	20,6	18,4
Rooftop	57	294	890	14,9	12,6
<b>IPP PORTFOLIO</b>	<b>134</b>	<b>276</b>	<b>964</b>	<b>35,5</b>	<b>31,0</b>

(\*) Assuming normal weather conditions, and excluding corporate costs

### PROJECT LOCATIONS



### CHARACTERISTICS OF PORTFOLIO

- ✓ 97% located in Germany (3% in Belgium)
- ✓ Median size of installation: ~ 1,5 MWp
- ✓ Average year of commissioning: 2011
- ✓ Average specific yield: ~ 964 kWh/kWp under normal weather
- ✓ Average FIT: EUR 276/MWh (20 years + year of commissioning)
- ✓ Lease extension possibilities up to 2 x 5 years in most cases
- ✓ Largest panels suppliers: First Solar, Canadian Solar, Neo Solar Power
- ✓ Largest inverters suppliers: SMA, Siemens, Sungrow

## WHY WE LIKE GERMANY

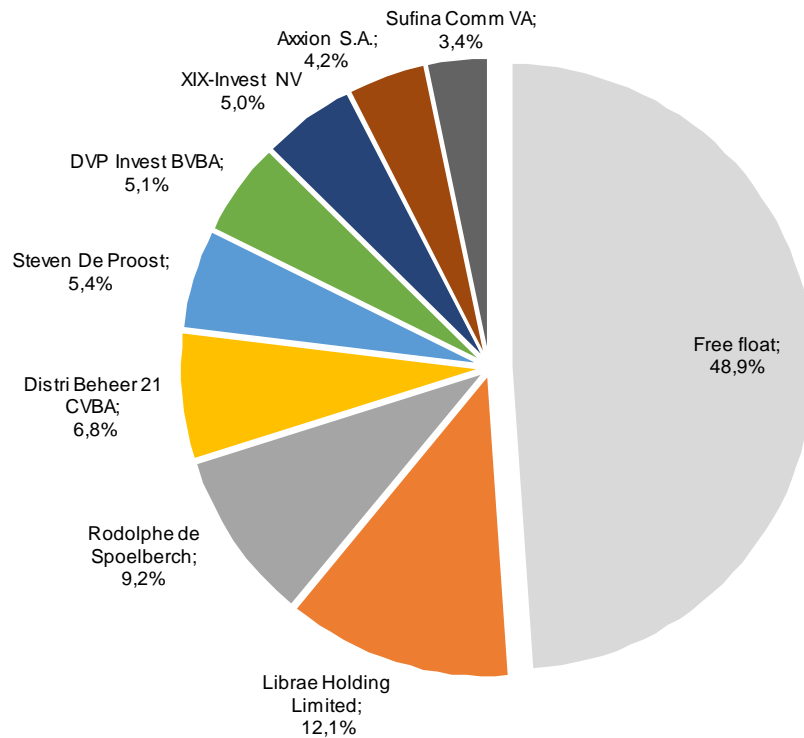


## MANAGEMENT TRACK-RECORD



MARKET CAP OF ~ EUR 120 MIO BACKED BY 134 MWP PORTFOLIO

## SHAREHOLDERS STRUCTURE



Share	7C Solarparken AG
ISIN	DE000A11QW68
WKN	A11QW6
Ticker	HRPK
# shares	46,8 Mio
Standard	General Standard
Trading platform	XETRA, Frankfurt
Designated Sponsors	Lang Schwarz
Analyst coverage	MM Warburg Quirin Privatbank
Investor contact	Steven De Proost, CEO
E-mail address	info@solarparken.com
Website	www.solarparken.com

OWNERSHIP DIVIDED BETWEEN RENOWNED EUROPEAN FAMILIES AND FREE FLOAT (49%)

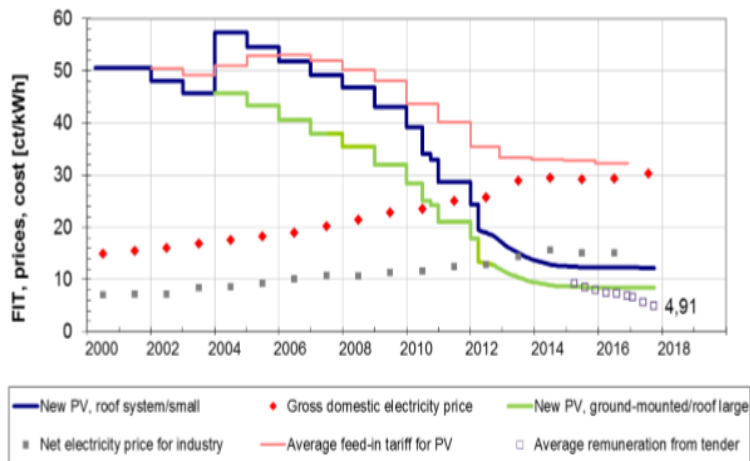


STRATEGY

## MARKET OBSERVATION

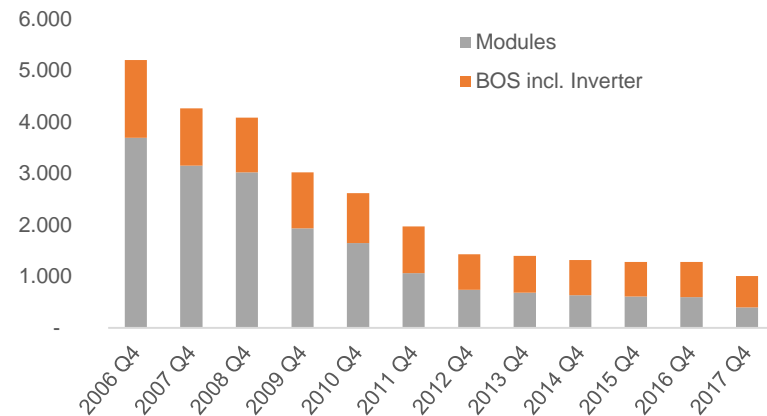
### COMPETITIVENESS OF SOLAR POWER

TREND OF FEED-IN TARIFFS FOR NEW-BUILD 2000-17



- Tariffs have reduced from over EUR 450/MWh for large parks in 2004 to under EUR 90/MWh in 2017
- The new-build tariff for 2017 is below the net electricity price that industrial customers pay in the market
- Tender pricing now already close to wholesale peak price

COST TO BUILD A NEW 100 KWP PV PLANT (IN EUR/KWP)



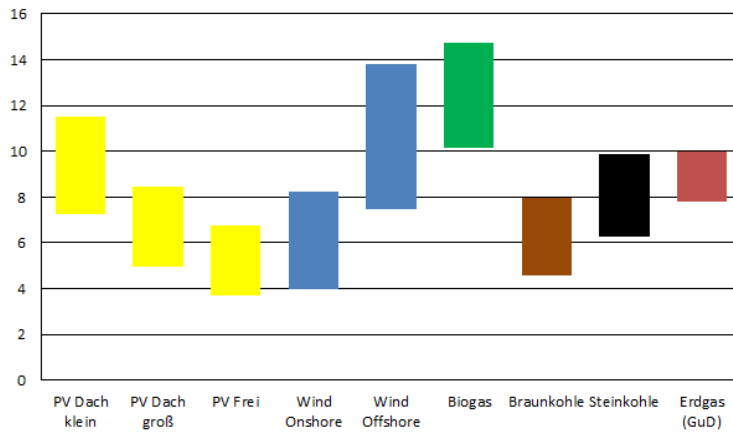
- Cost price has fallen by 75% over the last ten years.
- The price for modules represents ca. 50% of the investment cost

*COST OF DISTRIBUTED PV GENERATION BELOW ELECTRICITY CUSTOMER PRICES*

## MARKET OBSERVATION

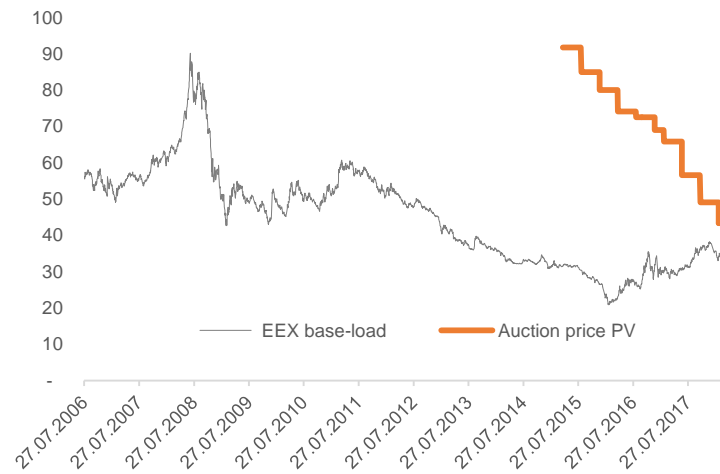
### COMPETITIVENESS OF SOLAR POWER

LEVELISED COST OF NEW-BUILD ELECTRICITY (EUR/MWH)



Source: Fraunhofer Institute, March 2018

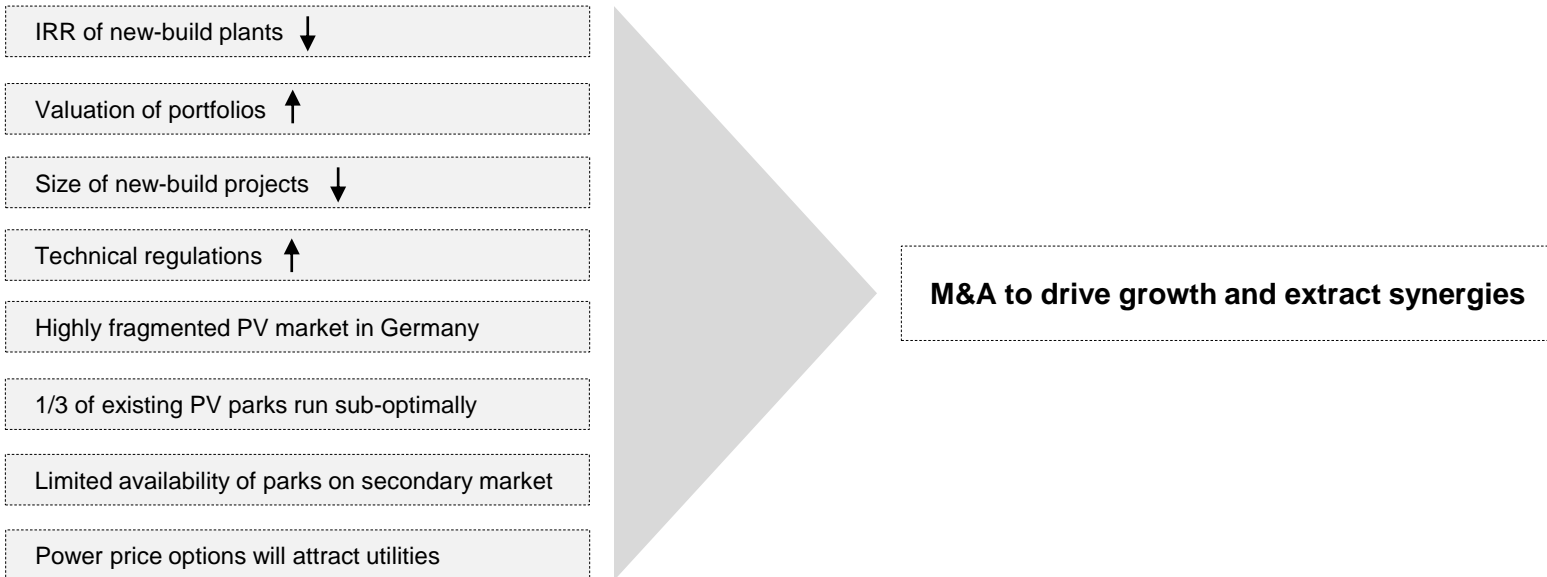
WHOLESALE POWER PRICE DEVELOPMENT (EUR/MWH)



**FREEFIELD SOLAR POWER NOW SEEN AS THE CHEAPEST SOURCE OF NEW-BUILD POWER GENERATION**

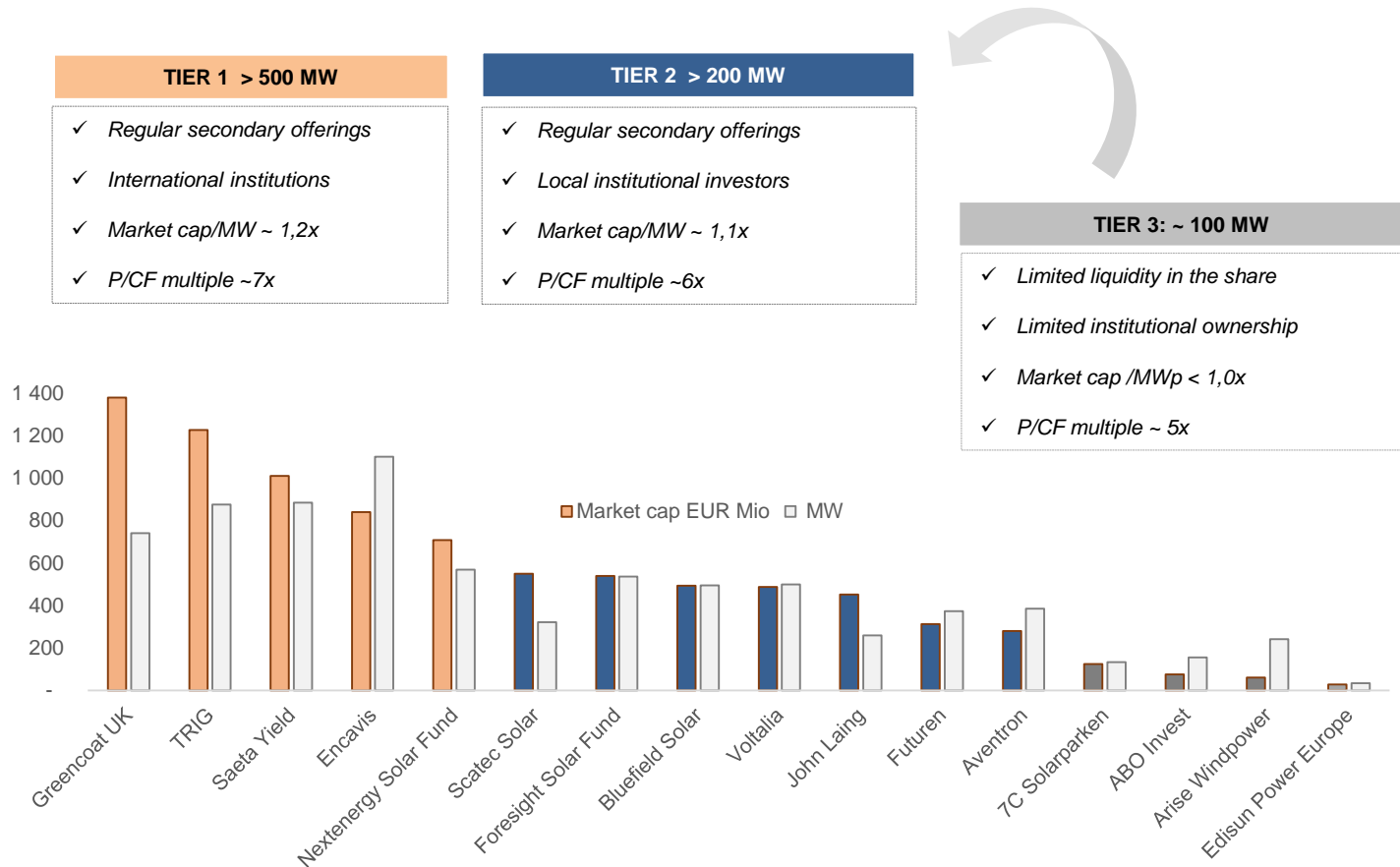
## MARKET OBSERVATION

### *M&A WILL DOMINATE THE RENEWABLES MARKET*



## MARKET OBSERVATION

### VALUATION DISCOUNT FOR OPERATORS BELOW 200 MW



200 MWP SEEN AS THE CRITICAL POINT TO TRIGGER AN IMPROVED COMPANY'S VALUATION

## PLAN 2017-19

### 7C SOLARPARKEN AIMS TO GROW TO 200 MW IN TWO STAGES

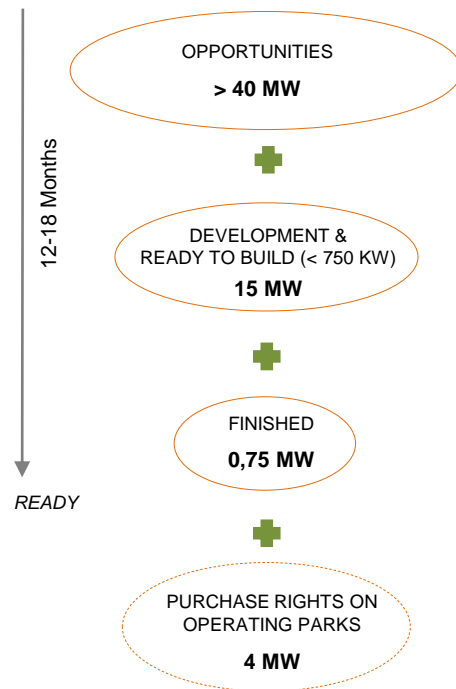


FOUNDATIONS FOR STRATEGIC DEAL #1 SECURED THROUGH AMATEC AND THE SCHULDSCHHEIN

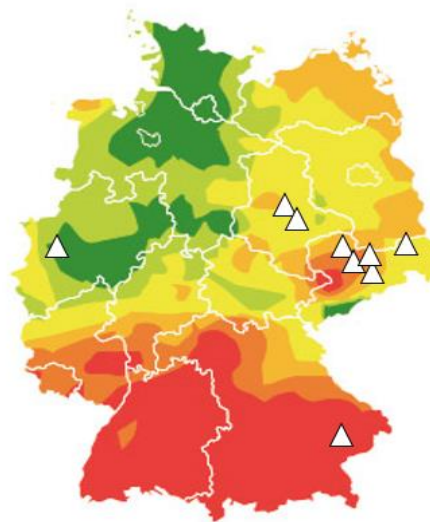
## STRATEGIC DEAL #1

### ACQUISITION OF AMATEC'S DEVELOPMENT BUSINESS

#### EARLY STAGE



#### LOCATION OF DEVELOPMENT PROJECTS



#### FINISHED PROJECT



- Mühlheim (Nordrhein Westfalen)
- 0,75 MWp
- Grid connection: Jan '18
- Equipment: Talesun / Huawei
- Tarif: EUR 111/MWh
- Annual EBITDA: EUR 60 T

PLANNED INVESTMENT VOLUME OF EUR 25 MIO. IN 12 MONTHS UPON EXERCISE OF ALL RIGHTS

**STRATEGIC DEAL #1****ALTERNATIVE FINANCING OF EUR 25 MIO.****SUMMARY**

- Issue of EUR 25 Mio Promissory Notes (“Schuldschein”) at 7C Solarparken AG level at the end of Feb ‘18
- Unsecured bullet loan with maturity of five and seven years
- Fixed and floating rate tranche for the noteholders

Promissory notes	Tranche A	Tranche B	Tranche C
Tenor	5 years	5 years	7 years
Rate	Fixed	Floating	Fixed
Pricing	2,48%	Euribor 6M+ 200bps	3,29%
<b>Volume</b>	<b>EUR 13,5 Mio</b>	<b>EUR 1,5 Mio</b>	<b>EUR 10,0 Mio</b>

- Deal arrangers: KBC Bank nv (Belgium) and Hypo Vorarlberg Bank AG (Austria)
- Investors: Banks and pension funds located in Belgium, Germany, Austria and the Netherlands
- Main covenant: equity ratio of at least 25% on consolidated level (H1’17: 28% equity ratio)

**FINANCIALS & USE**

- Average cost of debt: 2,78%
- Use of proceeds: EUR 15 Mio will be used as project equity for growth (further leverage potential up to EUR 50 Mio); EUR 10 Mio to re-finance specific project loans

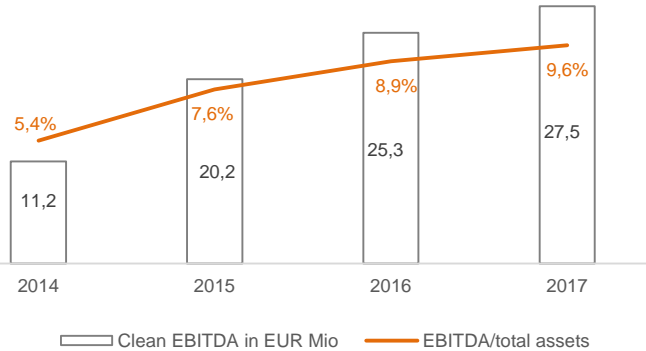
*FINANCIAL FIREPOWER TO FINANCE THE PROJECT EQUITY GROWTH UP TO 150 MWP*



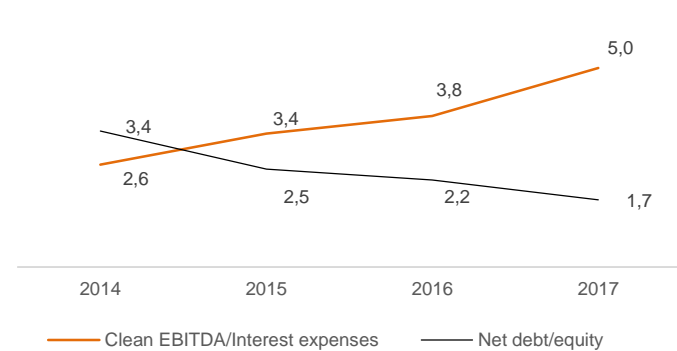
FINANCIALS

## IMPROVED FINANCIAL PROFILE SINCE CHANGE OF MANAGEMENT IN 2014

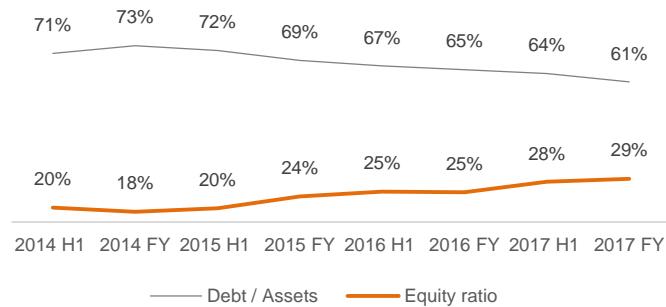
RETURN ON ASSETS



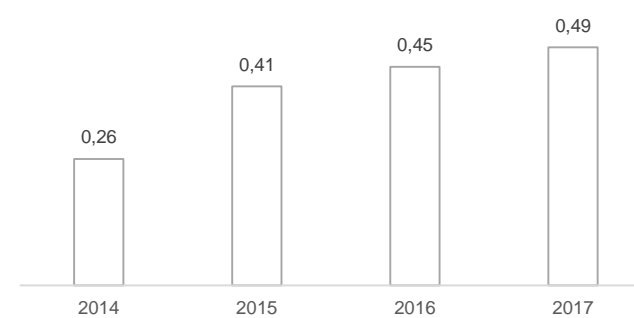
COVERAGE RATIO



EQUITY RATIO

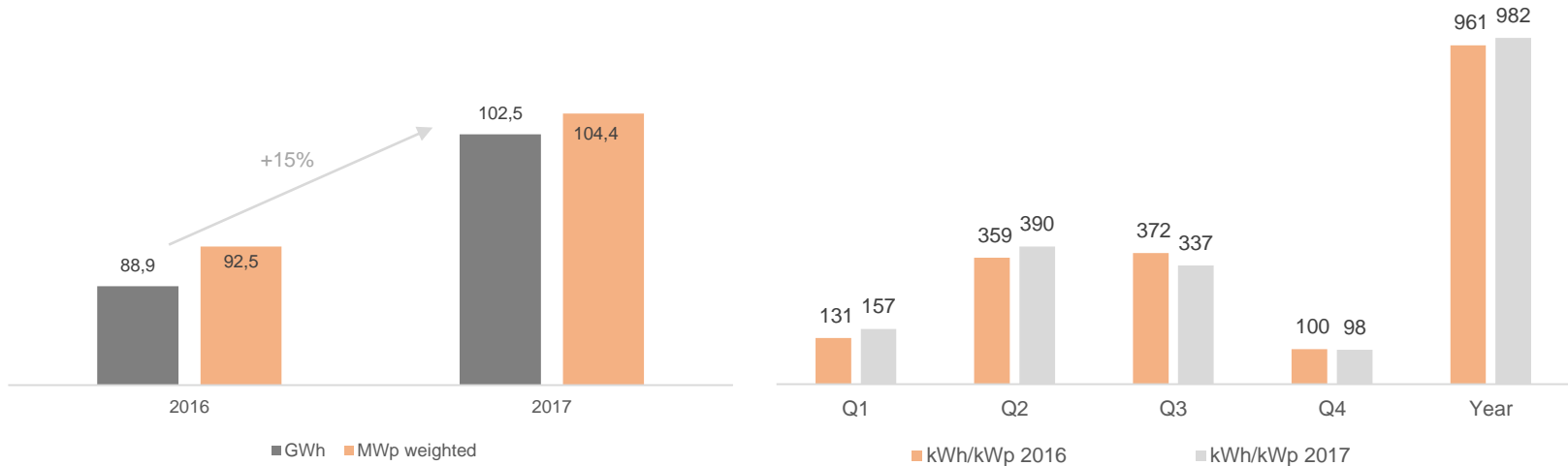


CASH FLOW PER SHARE



STRONGER CASH FLOWS AND BALANCE SHEET ENABLE A FIRST-TIME DIVIDEND OF EUR 0,10/SHARE

## IPP PORTFOLIO: OPERATIONAL PERFORMANCE 2017



- 7C Solarparken produced 102,5 GWh in 2017 (prognosis: 101,9 GWh) based on a weighted average running capacity of 104 MWp during the year.
- The specific yield of our portfolio rose by 2% from 961 kWh/kWp in 2016 to 982 kWh/kWp in 2017 (prognosis: 970 kWh/kWp) reflecting:
  1. Positive effects from Optim 2.0 which consisted of a series of improvement measures in existing PV parks
  2. The absence of planned and unplanned outages in 2017

*OPERATIONAL PERFORMANCE FULLY IN LINE WITH PROGNOSIS*

## GROUP P&L (IFRS)

In T EUR	2017	2016	Comment
Revenues	32.988	30.294	EUR 32,6 Mio from IPP in 2017 (average tariff: EUR 318/MWh)
<b>EBITDA</b>	<b>29.864</b>	<b>27.949</b>	<b>including positive one-time effects</b>
D&A	- 17.287	- 15.956	Reflects increase in underlying assets
<b>EBIT</b>	<b>12.577</b>	<b>11.993</b>	
Financial income	976	855	Incl. non-cash income from re-financing the „Moorenweis“ project loan
Financial expenses	-6.093	- 6.620	EUR 5,6 Mio interest expenses in 2017
<b>Pre-tax profit</b>	<b>7.460</b>	<b>6.228</b>	
Tax	-1.425	- 1.522	of which EUR 0,4 Mio current taxes, remainder is deferred
Consolidated profit	6.036	4.706	
Net profit, group	6.019	4.708	
Minorities	16	-2	

*EBITDA OF EUR 29,9 MIO VERSUS REVISED GUIDANCE OF EUR 28,5 MIO*

## CLEAN EBITDA AND CASH FLOW PER SHARE

In Mio EUR	2017	2016	Comment
<b>EBITDA</b>	<b>29,9</b>	<b>27,9</b>	Including one-time effects
Transaction & restructuring expenses	1,0	0,2	
Compensation for damage	-1,6	0,0	Incl. settlement with equipment supplier resulting from OPTIM 2.0
Gain from sale of assets	-0,4	-0,4	Incl. sale of Leo plant in Italy at the end of 2017
Gain on bargain purchase (PPA)	-0,5	-1,9	
Net effect of provisions	-0,1	-0,6	
<b>Clean EBITDA</b>	<b>28,2</b>	<b>25,4</b>	
Cash interest paid	-5,9	-6,2	
Cash tax paid	-0,4	-0,2	
<b>Net cash flow</b>	<b>21,9</b>	<b>19,0</b>	
Weighted average # shares (in mio)	44,4	42,3	
<b>Cash Flow Per Share (CFPS)</b>	<b>0,49</b>	<b>0,45</b>	

- Cash flow per share improved to EUR 0,49/share, in line with the guidance of EUR 0,48-0,50/share.
- Value creation per share in spite of capital increases (from 42,3 Mio to 44,4 Mio weighted shares)

*CLEAN EBITDA CLIMBED FROM EUR 25,4 MIO TO EUR 28,2 MIO*

## GROUP BALANCE SHEET (IFRS)

In T EUR	2017	2016	Comment
<b>ASSETS</b>	<b>294.438</b>	<b>285.063</b>	
Land & Property	8.183	7.889	PV Estate
Solarparks	240.517	233.937	Solar installations incl under construction
Financial investment	31	183	
Inventory	1.637	408	mainly modules
Cash & cash equivalents	34.068	29.896	includes restricted cash of EUR 15,9 Mio
<b>LIABILITIES</b>	<b>294.438</b>	<b>285.063</b>	
Equity	86.413	70.628	
Minority interest	482	386	
Financial debt	180.711	186.548	
Long-term provisions	8.507	7.744	Dismantling, EPC risk, O&M losses, contingent liabilities
Net financial debt	<b>146.643</b>	<b>156.652</b>	
Net debt/EBITDA	<b>4,9</b>	<b>5,6</b>	
Equity ratio	<b>29,5%</b>	<b>24,8%</b>	

*FURTHER STRENGTHENING OF BALANCE SHEET WITH EQUITY RATIO AT 29,5%*

## PROVISIONS AND OLD LEGACY COLEXON

In T EUR	2017	2016	Comment
<b>LONG TERM PROVISIONS</b>	<b>8.507</b>	<b>7.744</b>	
Rückbau	6.330	5.443	Normal dismantling provisions
Technical warranties	1.429	1.463	EPC risks
O&M contracts	14	98	Unprofitable O&M contracts
Contingent liabilities	688	697	Mainly litigation and claims outside EPC contracts
Others	47	44	

- Most unprofitable O&M contracts and EPC guarantees had already expired at year-end 2016, so that no additional projects risks and related provisions have arisen during 2017
- The last unprofitable O&M contract will expire during H1'18

*EXISTING RISKS RELATED TO COLEXON'S EPC HISTORY HAVE SLIGHTLY REDUCED TO EUR 2,1 MIO*

## FIRST-TIME DIVIDEND EUR 0,10/PER SHARE

Date	Presentation	Title	Management statement
08.Sep.2015	Plan 2015-17	Capital appreciation through consolidation	"towards a highly attractive dividend or dividend equivalent of EUR 0,10/share over 2017"
20.Sep.2016	Plan 2016-18	Foundations for a Strategic Deal	"confirms dividend or dividend equivalent of EUR 0,10/share over 2017 (payable in 2018). Analysis ongoing to offer the most fiscally-friendly option for shareholders"
24.Nov.2017	Plan 2017-19	Developing into a 200 MWp player	"as from financial year 2017, a dividend or dividend equivalent of EUR 0,10/share is assumed"

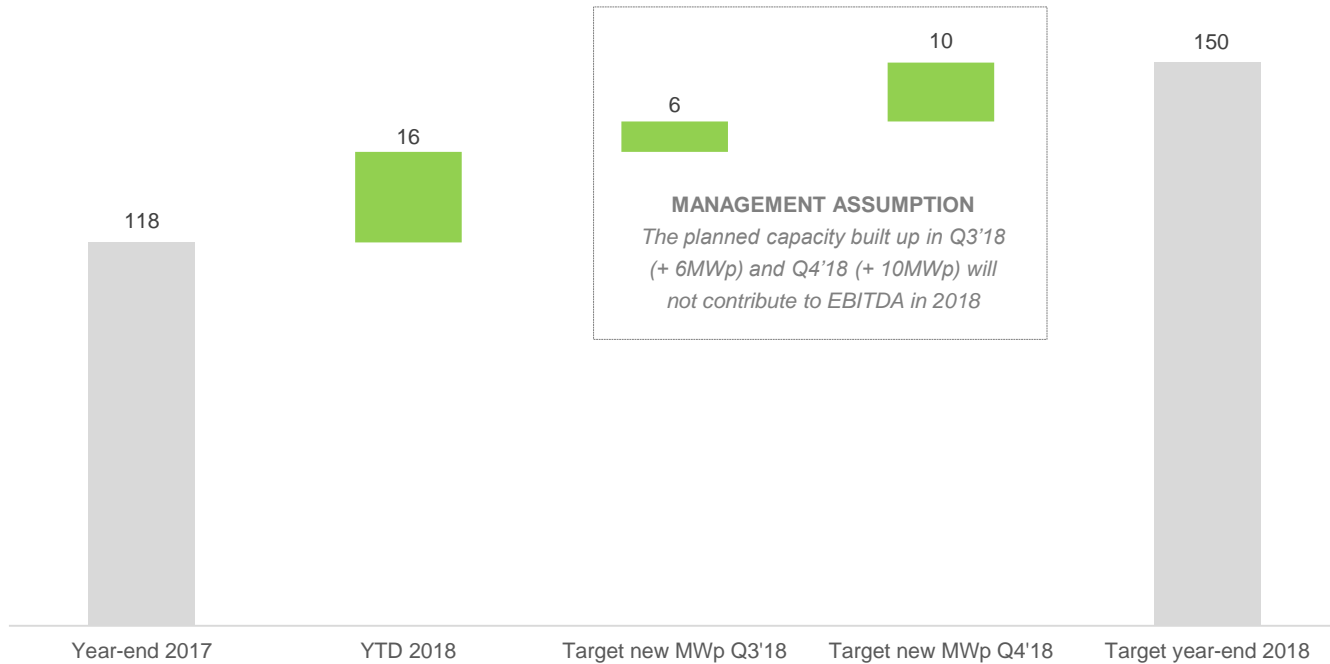


*MANAGEMENT PROPOSES A EUR 0,10 PER SHARE DIVIDEND, FREE OF WITHHOLDING TAX IN GERMANY*



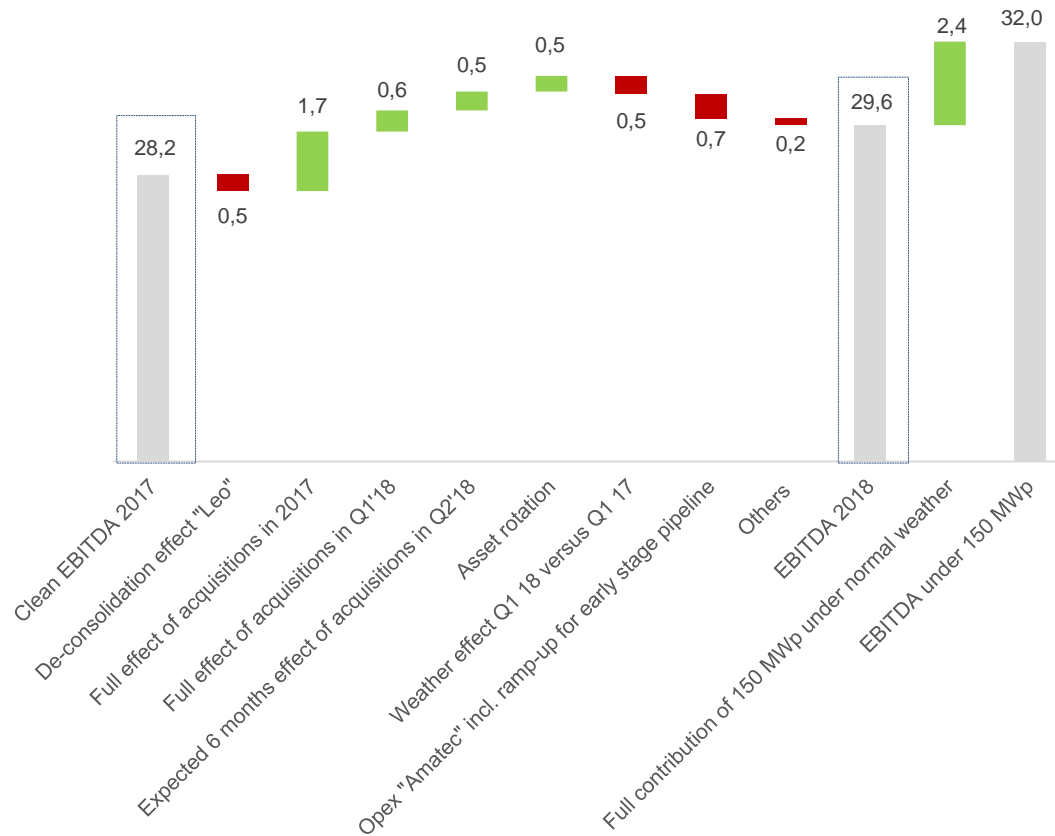
## OUTLOOK

## PLANNED CAPACITY GROWTH DURING 2018 TOWARDS 150 MWP



*FOCUS IN 2018 ON CAPACITY GROWTH TO 150 MWP, FULL EBITDA CONTRIBUTION IN 2019*

## EBITDA (EUR MIO) BRIDGE 2017-18 AND SHOWCASE 150 MWp

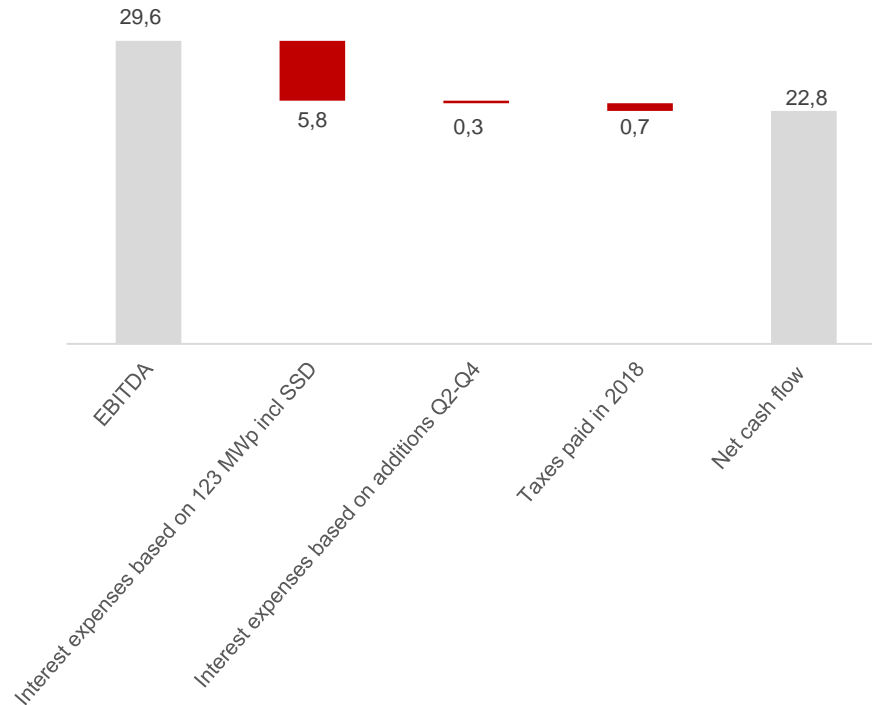


### ASSUMPTIONS

- We fully reflect the weak Q1'18 performance. The production yield in March '18 suffered from below-average irradiation in the southern part of the country, in addition to snow and extreme cold.
- Operating capacity of 134 MWp with their respective contributions during the year. The further capacity build-out to 150 MWp at year-end 2018 is not considered to generate additional EBITDA
- EUR 0,5 Mio EBITDA gain from asset sales
- The development profit margin generated by Amatec Projects GmbH will be eliminated in the group accounts when the respective project is realised for the IPP portfolio of 7C Solarparken. Only the recurring opex and development cost of EUR 0,5 Mio will be accounted for under EBITDA.
- The early-stage pipeline (> 40 MWp) of Amatec Projects GmbH will be activated already in 2018 and lead to EUR 0,2 Mio development costs

FOR 2018, MANAGEMENT GUIDES FOR EBITDA OF EUR 29,6 MIO RISING TO EUR 32 MIO UPON REACHING 150 MWp

## CASH FLOW (EUR MIO) PROGNOSIS FOR 2018



### MANAGEMENT COMMENT:

2018 is a cornerstone year from strategic point, but both strategic transactions will limit the net cash flow generation in its first year due to:

- **Interest expenses on Schuldschein loan** account for the full year whereas the acquired projects will only be partly or even not contribute to EBITDA
- **Development:** as management anticipates to reach the 150 MWp mark faster-than-expected, additional ramp-up expenses on the development project opportunities > 40 MWp will already be initiated in 2018

### GUIDANCE:

- Net cash flow of EUR 22,8 Mio for 2018
- Cash flow per share at EUR 0,49/share for 2018 and rising to EUR 0,55/share for 2019 upon full execution of the 150 MWp target and effects from improved financing conditions (*back-up slide p.25*)

NET CASH FLOW TO RISE FROM EUR 21,9 MIO IN 2017 TO EUR 22,8 MIO IN 2018 WITH THE FULL POTENTIAL IN 2019

## INVESTOR PRESENTATION Q2 2018



## CONTACT