



7c solarparken

INVESTOR PRESENTATION

June 2022

Presented by Steven De Proost, CEO

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AGENDA

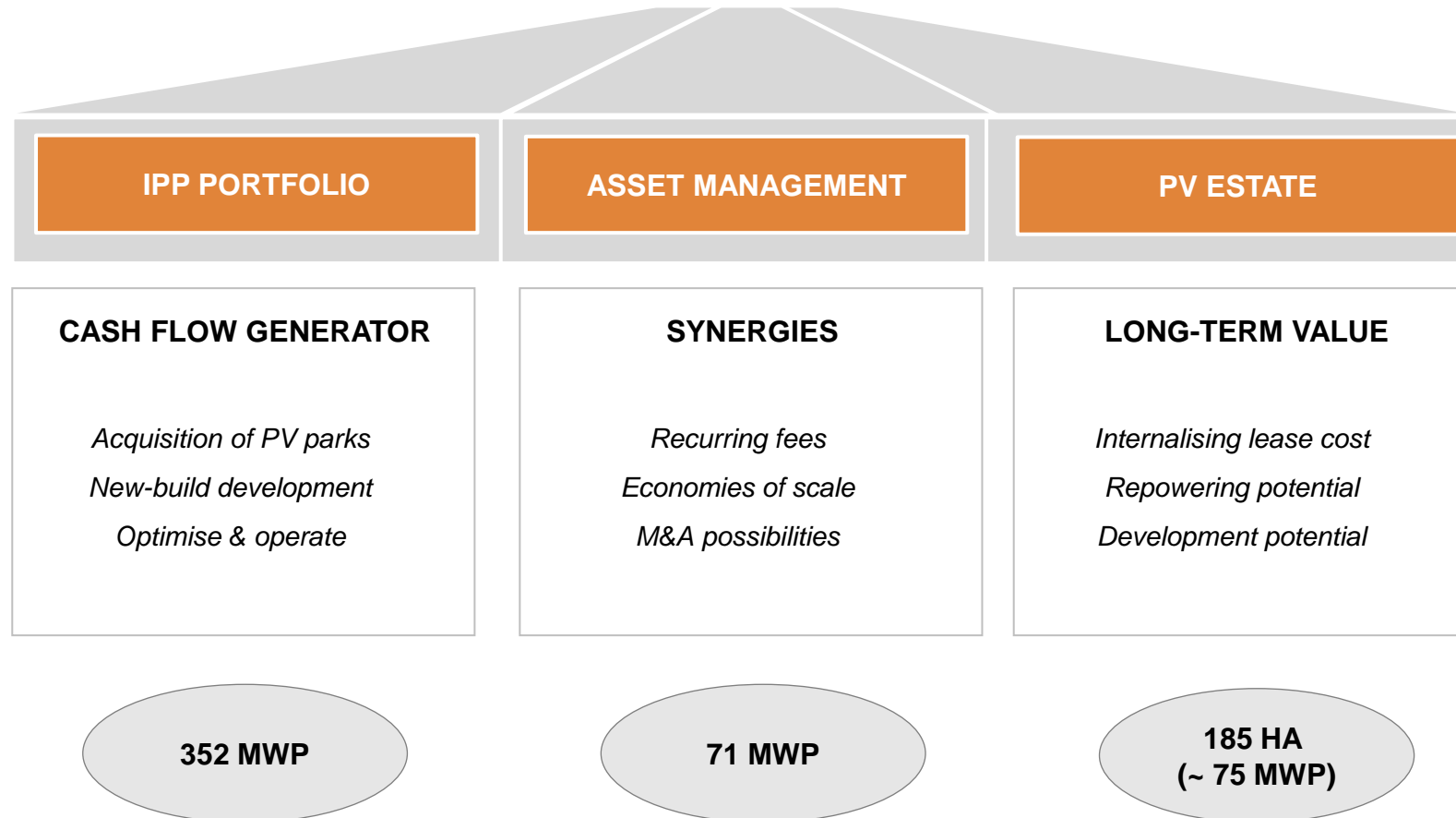


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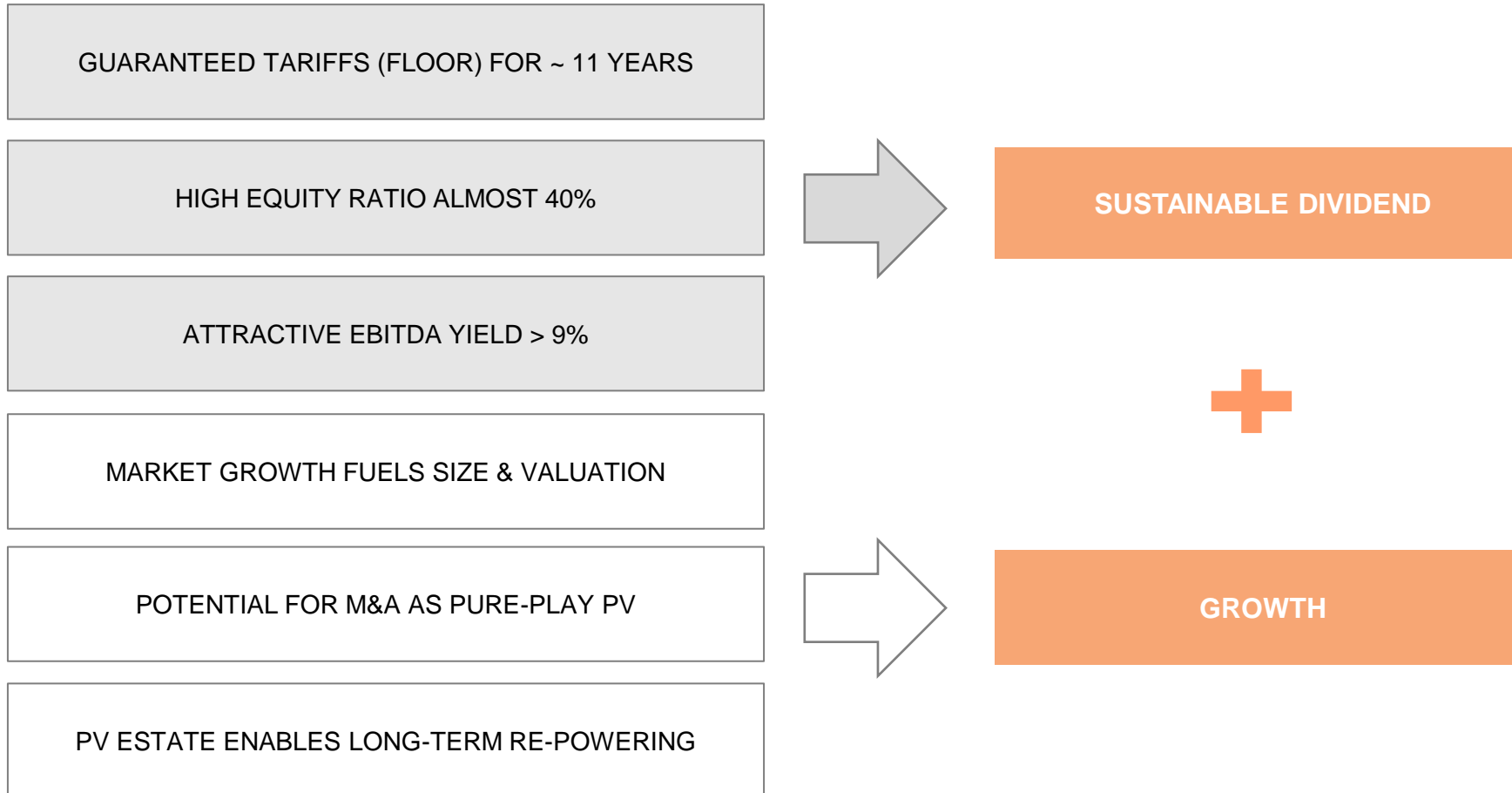
Q1 RESULTS

OUTLOOK & RISKS

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



CAPITAL APPRECIATION PROPOSITION Sustainable Dividend + Growth



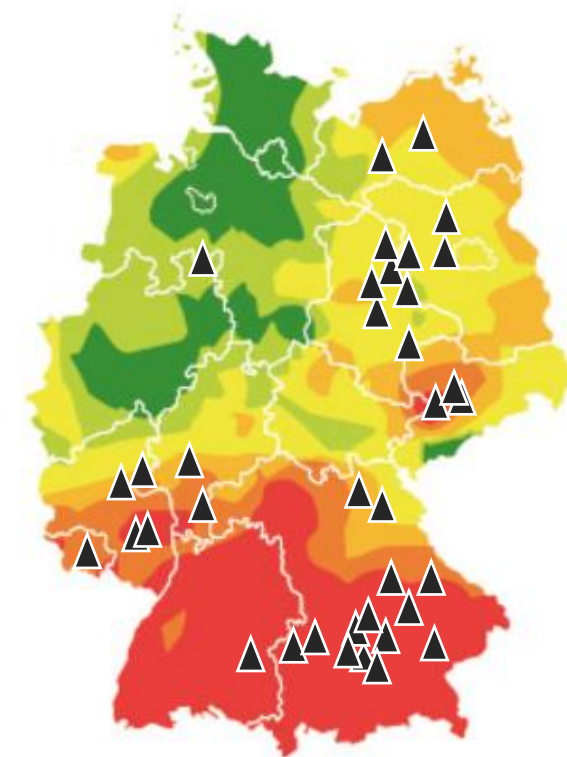
IPP PORTFOLIO Existing Assets 352 MWp. FIT-based EBITDA > EUR 48 Mio



KEY PARAMETERS IPP PORTFOLIO

	Power MWp	Yield kWh/kWp	Production GWh	Tariff EUR/MWh	Sales EUR Mio	EBITDA EUR Mio
I Freefield PV	229	1.005	230	152	34,9	30,2
II Rooftop PV	117	879	103	202	20,8	17,6
<i>Germany</i>	84	876	74	225	16,7	14,0
<i>Belgium</i>	33	886	29	142	4,1	3,6
III Wind	6	2.350	14	87	1,2	0,9
GROUP	352	985	346	164	56,8	48,7

LOCATION OF GERMAN PARKS > 2 MWp



- German PV assets concentrated in Bavaria. Eastern Germany. and Rhineland-Palatinate
- Belgium accounts for 10% of portfolio
- Average plant size: 2.3 MWp
- Average year of commissioning: 2015 (weighted capacity), 2012 (weighted revenues)
- Average feed-in-tariff: EUR 164/MWh which excludes the upside from power prices above FFAV prices.
- German 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

IPP PORTFOLIO Breakdown of 352 MWp by Tariff and Year of Commissioning

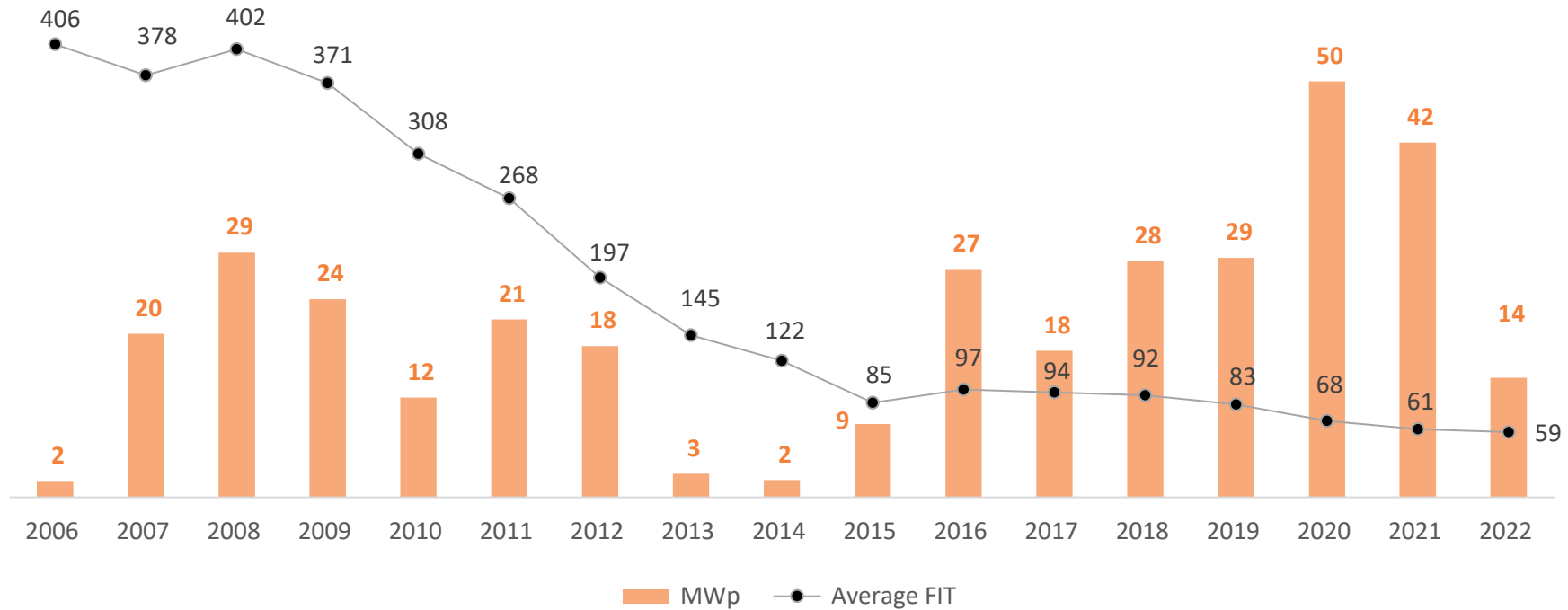


COMMISSIONING YEAR AND AVERAGE FEED-IN TARIFF (EUR/MWH) PER YEAR

PARKS WITH HIGH EBITDA



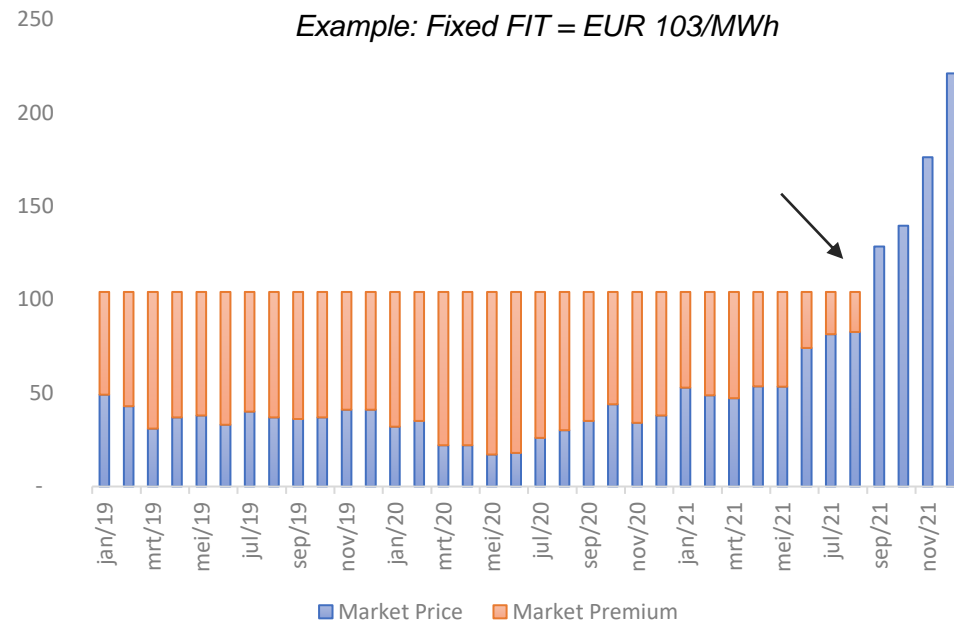
PARKS WITH POWER PRICE OPTION VALUE



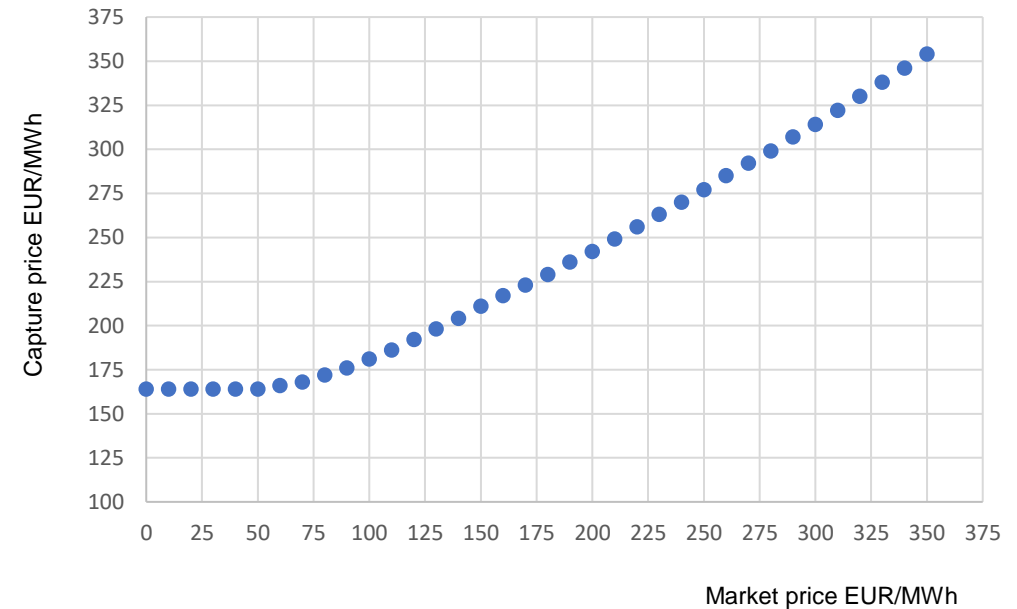
IPP PORTFOLIO 1) Upside through EEG: Fixed Tariff = Market Price + Market Premium



EEG PRICING MECHANISM



CAPTURE PRICES OF IPP PORTFOLIO



Direct impact of a higher power price on 2021 P&L as from Q3'21 since FIT serves as Floor, Market Price as Cap

IPP PORTFOLIO 2) Two-years Visibility through 93 MWp “Hedge” with European Utility



FROM 1 JUNE 2022 UNTIL 31 DEC 2023

FIXED PRICE SECURED EUR 149.5/MWH

EUROPEAN UTILITY

MIGHT BE ENLARGED

MIGHT BE PROLONGED IN TIME

PV ESTATE 185 ha accommodating 75 MWp, Book Value EUR 12.9 Mio



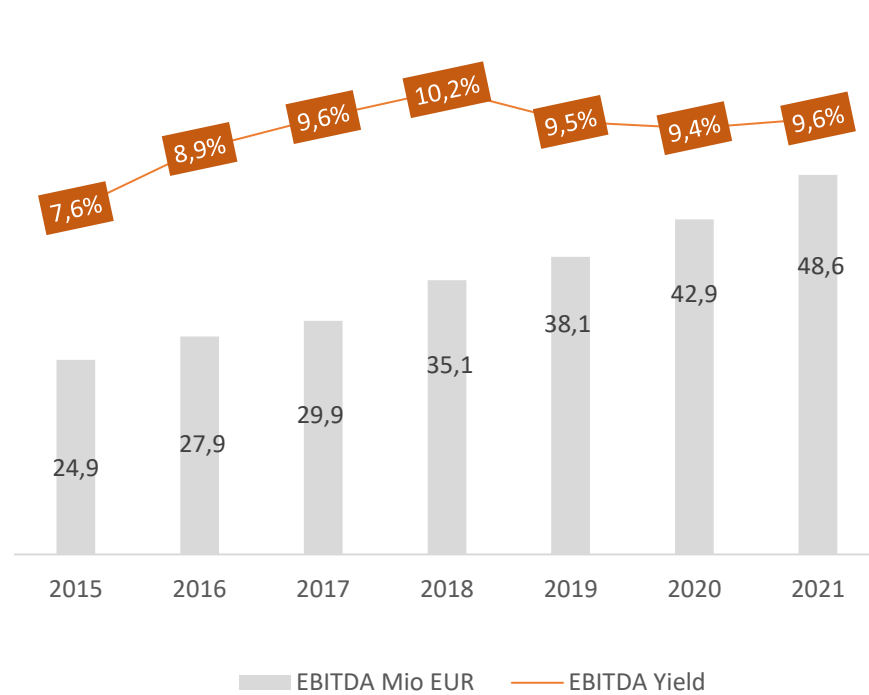
GEOGRAPHICAL BREAKDOWN OF LAND



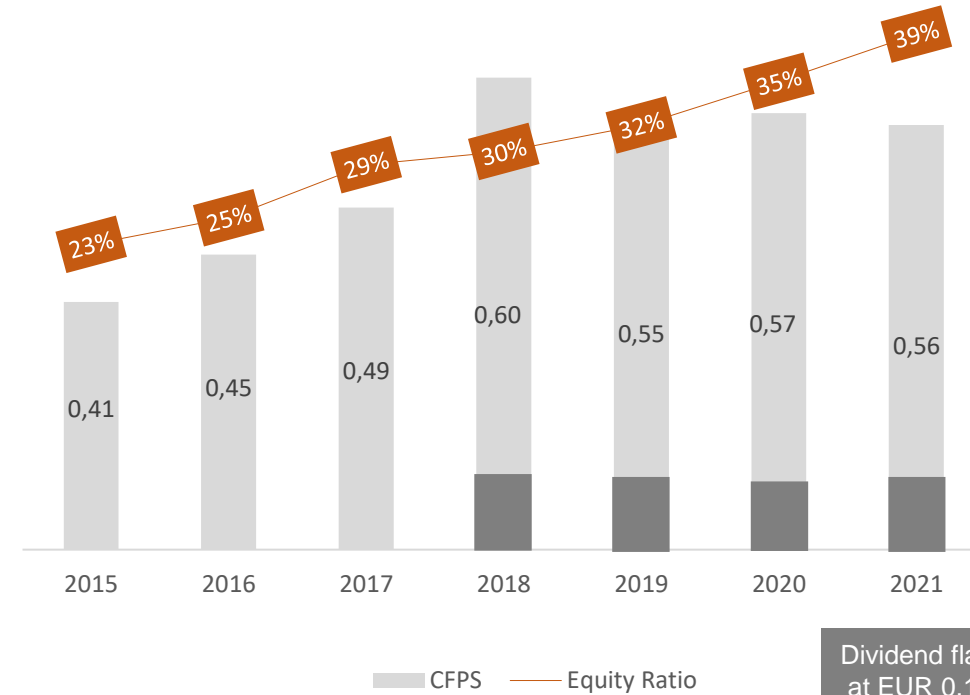
FINANCIAL PROFILE Steady EBITDA Growth and Equity Ratio 39%



EBITDA AND EBITDA RETURN (EBITDA/TOTAL ASSETS)



EQUITY RATIO AND CASH FLOW PER SHARE



Dividend flat at EUR 0.11

Within the industry, 7C Solarparken combines superior returns and balance sheet strength

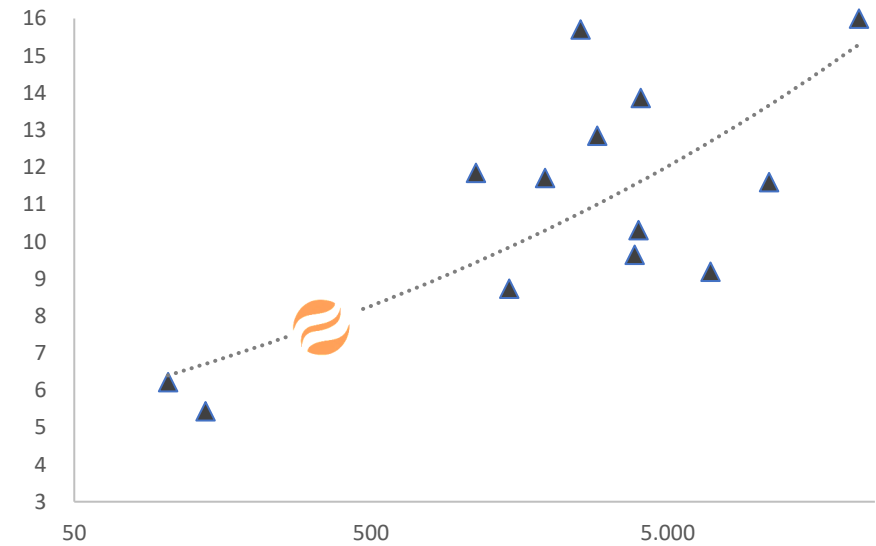
VALUATION Market Cap versus Installed Capacity



MWP VERSUS MARKET CAP



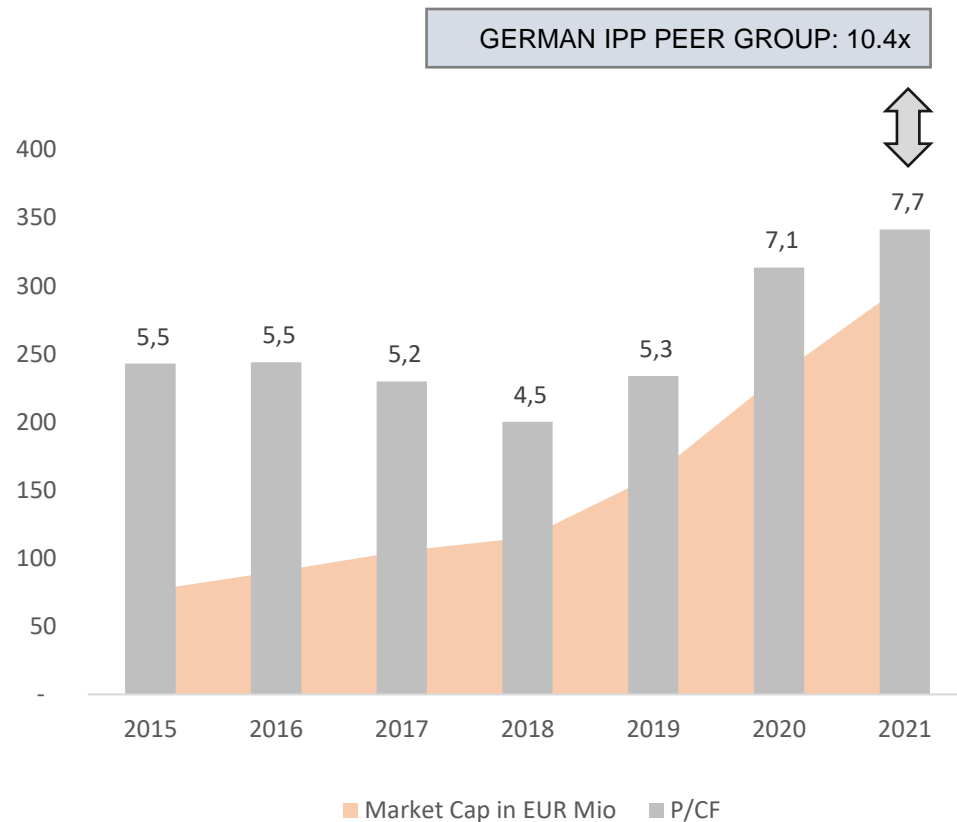
P/CF VERSUS MARKET CAP EUR MIO. (LOGARITHMIC SCALE)



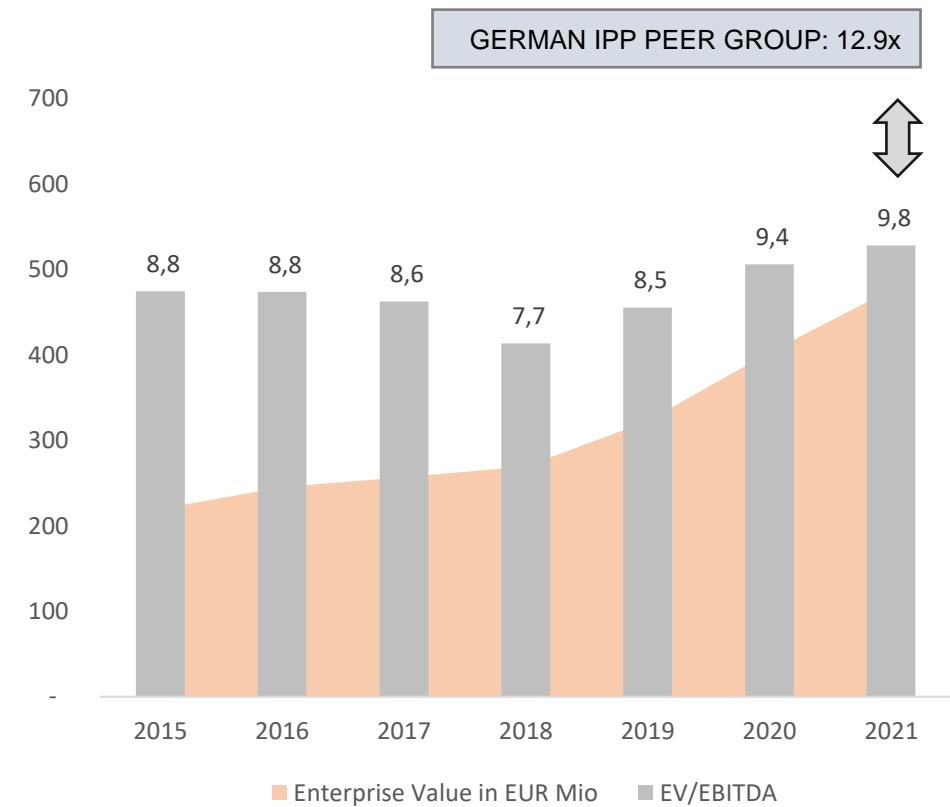
VALUATION Multiples in Comparison



HISTORICAL P/CF MULTIPLE BASED ON ACTUALS



HISTORICAL EV/EBITDA MULTIPLE BASED ON ACTUALS



German IPP's: Clearvise, Pacifico Renewables Yield, Eenergiekontor, Encavis

AGENDA



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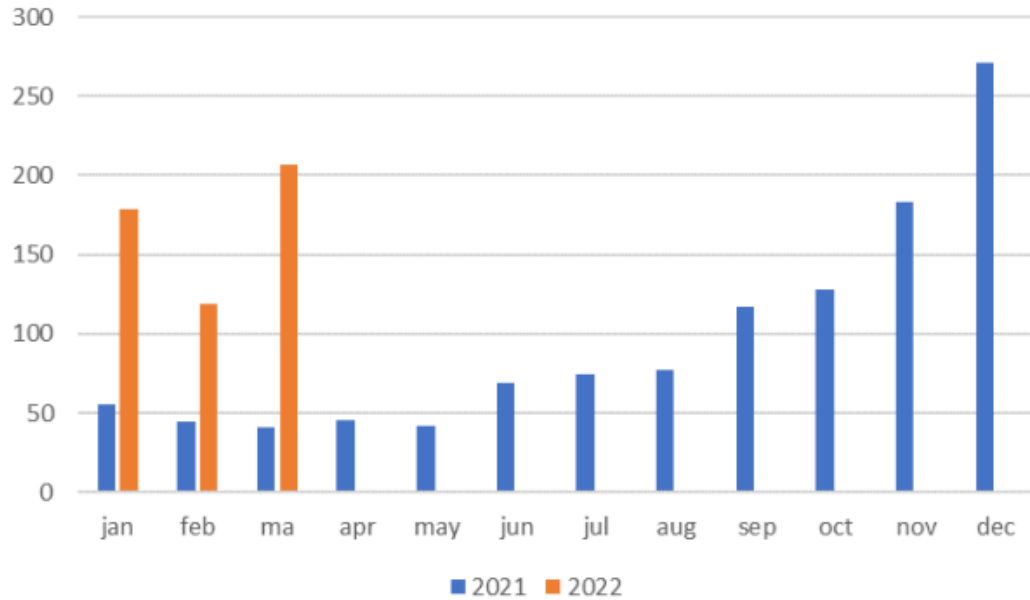
Q1 RESULTS

OUTLOOK & RISKS

Q1 EBITDA Record level thanks to Power Price and improved Weather



SOLAR MARKET PRICE 2021-22 Q1



OPERATIONAL & FINANCIAL HIGHLIGHTS

	2022 Q1	2021 Q1
MWp weighted capacity	336	268
GWh produced	59	40
kWh/kWp	175	148
Capture Price EUR/MWh	238	201
Revenues EUR Mio	14.1	8.3
EBITDA EUR Mio	11.9	6.9
Net debt EUR Mio	175.2	182.7

AGENDA



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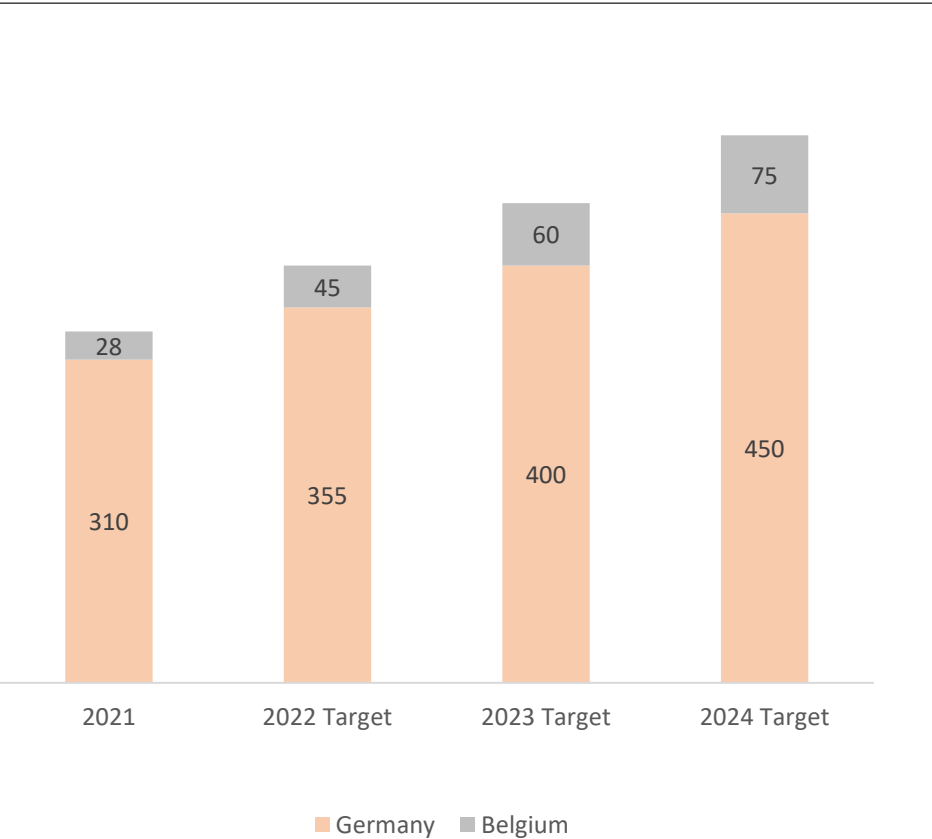
Q1 RESULTS

OUTLOOK & RISKS

CAPACITY TARGET 2022 IPP Portfolio to grow to 400 MW during 2022, back-end loaded



IPP TARGET IN MWP



GROWTH FROM 339 MWP (2021) TO 525 MWP (2024)

- 1. OWN DEVELOPMENT > 25 MWP** Numerous projects are in various phases of permitting (50 rooftop & freefield sites in Belgium of which 8 have obtained a subsidized tariff already through the tenders). 7C Solarparken announced recently the construction status on three new Belgian projects: 1.1 MWp in Deinze, 2.6 MWp in Meer and 2.3 MWp in Oudenaarde.
- 2. ACQUISITION OF PROJECT RIGHTS:** 7C Solarparken is involved in the purchase of project rights for up to 100 MWp
- 3. EXTENSION OF EXISTING PARKS** Three projects are in negotiation for extension. Potential up to 10 MWp in total
- 4. TURNKEY ACQUISITION** through the normal EPC channels
- 5. EXISTING PLANTS** Acquisition of parks > 25 MWp

GUIDANCE SCENARIOS depend on Power Price and attached Risks



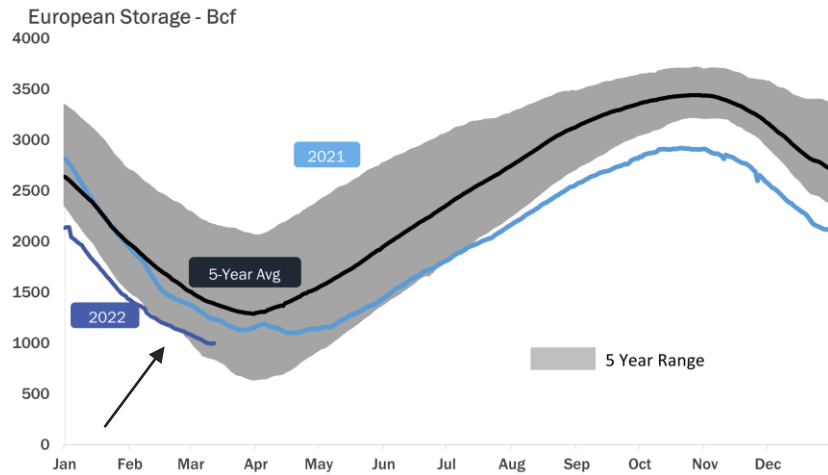
MARKET OBSERVATIONS: CAUTION IS AT ITS PLACE RATHER THAN GROWTH AT ALL PRICE

- High power prices on the SPOT market have led to the perception that land and permits should be valued 2 or 3 times the historical / normal value. As a result, competition to develop successfully is increasing fast and can come at the expense of future profitability of a projects. The forward market price in 2025 is less than half the price for 2022.
- Cost of components has been further exacerbated following the Ukraine crisis. Delivery times of electronic components up to 6 months.
- Real risk for regulatory intervention by governments:
 - A. European Commission has authorized national governments to tax windfall profits** from renewable operators to mitigate the pain for households. As a result, as from May '22, each individual Member State can intervene and cap the wholesale price through levies until the end of 2022. In the meantime, Italy has already introduced a cap (< EUR 60/MWh). Discussions in France and Spain have also started. In Germany, the situation looks more complicated due to the legal context. Nonetheless, we have assumed a back-up scenario with a cap on power prices of EUR 70/MWh for PV installations.
 - B. In Belgium, the Flemish Energy Minister has indicated to stop paying green certificates** on installations commissioned between 2008-2012 as from 01-01-2023. This retro-active intervention may cost EUR 1.9 Mio in annual revenues for 7C Solarparken as from 2023 onwards. However, this legislation is formerly not yet proposed neither voted. An impairment or provision of ca EUR 8 Mio might be taken in case of adoption of the law. 7C Solarparken is watching closely and is already examining option of legal recourse should this action be taken

GUIDANCE SCENARIOS Power Price Assumption

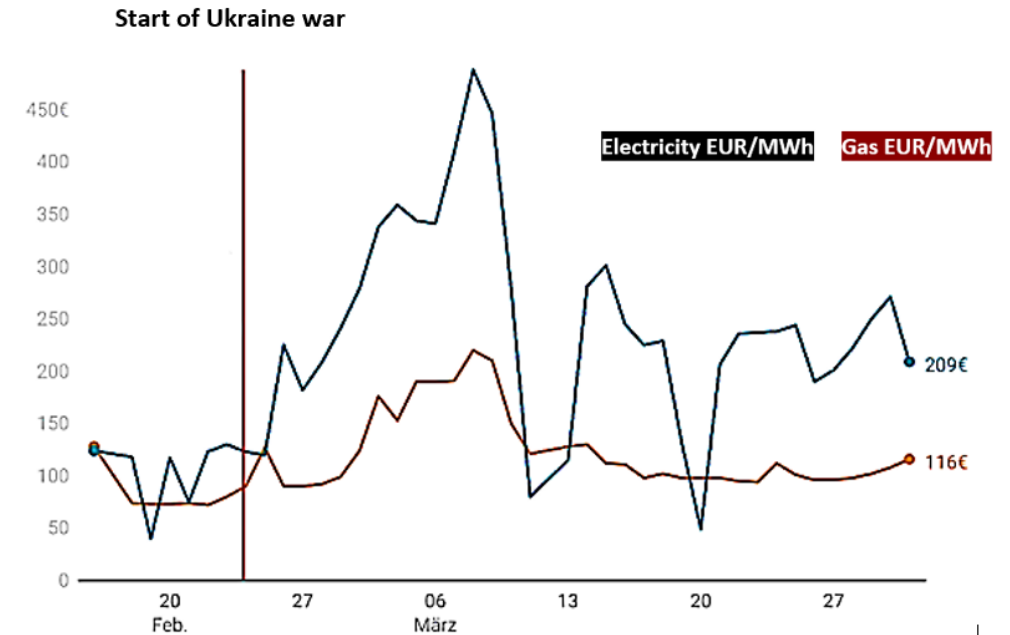


THE GAS RESERVE SITUATION



Fundamentally, the gas reserves are no longer endangered as we also notice substantial LNG arrivals from the US into Europe. Furthermore, governments have taken numerous new initiatives to increase capacity & reserves (e.g. Groningen gasfield, Rotterdam LNG capacity) which should lead to a relaxation of the market.

OVERPROPORTIONAL ELECTRICITY PRICE INCREASE



Prior to Ukraine war, the electricity price was around EUR 150/MWh. A risk premium (compared to gas) of ca EUR 60/MWh is now included in the price

GUIDANCE SCENARIOS Power Price Assumption



SCENARIO RISK-ADJUSTED MARKET PRICE EUR 126/MWH

EUR/MWh	Q1	Q2	Q3	Q4	2022
Base-load forward	183	215	215	206	205
Risk premium Ukraine		-60	-60	-60	
Imbalance cost		-12	-12	-12	
PV conversion		88%	88%	94%	
PV market price	185	126	126	126	134
Breakdown in year	13%	40%	36%	11%	100%

SCENARIO PRICE CAP EUR 70/MWH

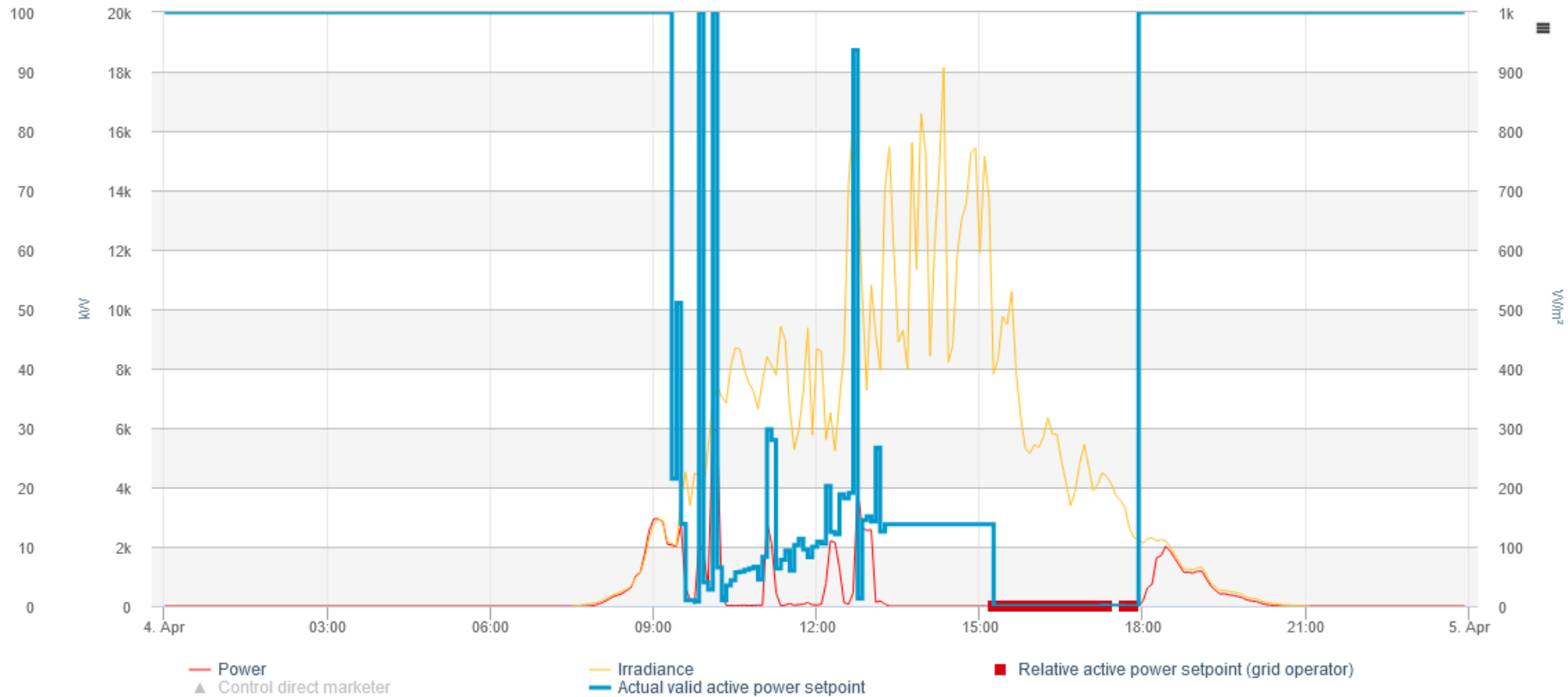
EUR/MWh	Q1	Q2	Q3	Q4	2022
Base-load forward	183	92	92	86	113
Risk premium Ukraine					
Imbalance cost		-12	-12	-12	
PV conversion		88%	88%	94%	
PV market price	185	70	70	70	85
Breakdown in year	13%	40%	36%	11%	100%

EFFECT OF RE-DISPATCH 2.0 Unforeseen Switch-Offs in Power Production



EXAMPLE APRIL 4, 2022 LARGEST PV PARK

In March 2022, ca. 4.0% of all power of the group has undergone a forced power control by the grid operator leading to unforeseen outage of 1.3 GWh.



GUIDANCE 2022 EBITDA IN CONSERVATIVE RANGE EUR 49.1 – 55.4 MIO



GUIDANCE TABLE

	Guidance		Illustrative
	RISK ADJUSTED		
	MARKET PRICE	CAP EUR 70/MWH	+++
Weighted average capacity	339	339	339
GWh production	330	330	330
kWh/kWp	973	973	973
Power Price EUR/MWh as from Q2	126	70	235
Power price EUR/MWh full-year	134	85	229
Capture price EUR/MWh	206	187	240
Revenues EUR Mio	68.0	61.8	79.3
EBITDA EUR Mio	55.4	49.1	64.6
CFPS	0.61	0.53	0.73

MANAGEMENT INPUT

- EBITDA 2022 is assumed - under the risk-adjusted market price scenario - on an investible and manageable planning stance with realistic base-load pricing from which the Ukraine war risk premium is deducted (in line with oil price premium during Gulf War). EBITDA of EUR 55.4 Mio and CFPS of 0.61/share are set forward.
- The second scenario is a conservative variant with a price-cap of EUR 70/MWh.
- Management principally does not assume an overly optimistic (+++) scenario. However, under continuation of the geopolitical conflict and the delay/lack of implementation of a price cap, the capture price (final selling price under the combination of feed-in and market price) could go as high as EUR 240/MWh and create substantial EBITDA upside towards EUR 64.6 Mio and CFPS of EUR 0.73. Such scenario is only shown for illustrative purposes.
- Guidance assumes an unchanged number of shares (76.4 Mio)**

LONG TERM OUTLOOK Will be boosted by the new Government Initiatives



INITIATIVES PRESENTED ON 06 APRIL 2022 BY MINISTER HABECK

	OBJECTIVE	INSTRUMENTS
Renewable Energy	From <50% in 2021 to 80% by 2030	Grid expansion
Wind offshore	From 7.8 GW to 30 GW by 2030	Less administrative hurdles
Wind onshore	From 56 GW to 115 GW by 2030	Less administrative hurdles
PV	From 59 GW to 215 GW by 2030	Increase of FIT to EUR 73/MWh for <750 kWp

CONTACT



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