

26-11-2024

ANALYST CALL 9M'24 Results & Full-Year Outlook

7c solarparken



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Management has used the continental decimal system to present its figures (1.000 is "one thousand"; 1,00 is "one comma zero zero")



EQUITY STORY

EQUITY STORY Pure-Play & Low-Risk German PV IPP with 468 MWP



- **SIZE:** Capacity of 468 MWP and rising via opportunistic growth
- **PREDICTABLE CASH FLOWS:** Majority of revenues secured from Fixed feed-in tariffs
- **RELIABILITY:** Stable & transparent regulatory environment in Germany
- **IMPROVING ASSET PERFORMANCE** through Refurbishment & Repowering (PV Estate Parks)
- **OPTIMISING ROUTE-TO-MARKET:** FIT, on-site PPA, off-site PPA, Swaps, curtailment
- **BALANCE SHEET STRENGTH:** Among the lowest net debt/EBITDA ratios in industry
- **CAPITALISATION BELOW BOOK VALUE:** Valuation not reflecting underlying fundamentals



SHARE PRICE Negative Inflection Point Related to Announcement on Guidance Cut



7C Solarparken

ISIN: DE000A11QW68 | WKN: A11QW6

RENIXX -Renewable Energy Industrial Index -World (Index) dearvise (Aktie) Edisun Power Europe (Aktie) ENCAVIS (Aktie) Energiekontor (Aktie)

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UPDATE IPP PORTFOLIO

IPP PORTFOLIO 468 MWP Yielding Annual EBITDA of EUR > 55 Mio.

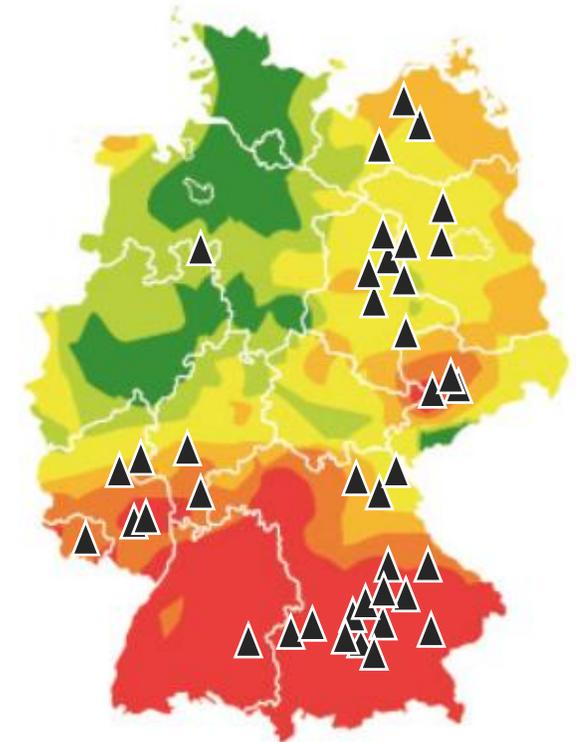


	Capacity	~IBN	Yield	Production	Capture (*)	Power Sales	EBITDA
	MWP	Year	KWH/KWP	GWH	EUR/MWH	EUR Mio	EUR Mio
Germany	409	2.014	983	402	148	59	52
Rooftop	91	2.010	851	78	209	16	14
Freefield	312	2.015	997	311	135	42	36
Wind	6	2.016	2.276	13	87	1	1
Belgium	59	2.021	780	46	98	5	4
Green Certificates Fixed Rate	5	2.011	864	4	408	2	2
Green Certificates Banding Factor	21	2.020	881	19	91	2	1
Free Market PPA	33	2.023	701	23	48	1	1
GROUP	468	2.015	957	448	143	64	55
Grid-connected	441	2.015	958	423	148	63	55
Not Grid-connected	27	2.024	949	25	48	1	1

(*) Capture Price includes "Minimum" assumed Solar PV & Wind Market Price 48 EUR/MWh

- Recently started projects in construction (23 MWP) have been added to the portfolio: Rötze V, Pirk, Premenreuth and Kohlberg
- Average year of commissioning: 2015 (weighted capacity)
- (*) Average capture price (based on PV price assumption EUR 48/MWh): **EUR 143/MWh**
 - Germany: Feed-in Tariffs are state-guaranteed and fixed for 20 years + year of commissioning
 - Belgium: mainly on-site PPA's (plus capital subsidy or green certificates for older parks)
- Rooftop and land lease contracts usually running 20 years + option for at least 5 years extension
- PV Estate 199 ha includes land ownership on 98 MWP PV assets

LOCATION OF GERMAN PARKS > 2 MWP



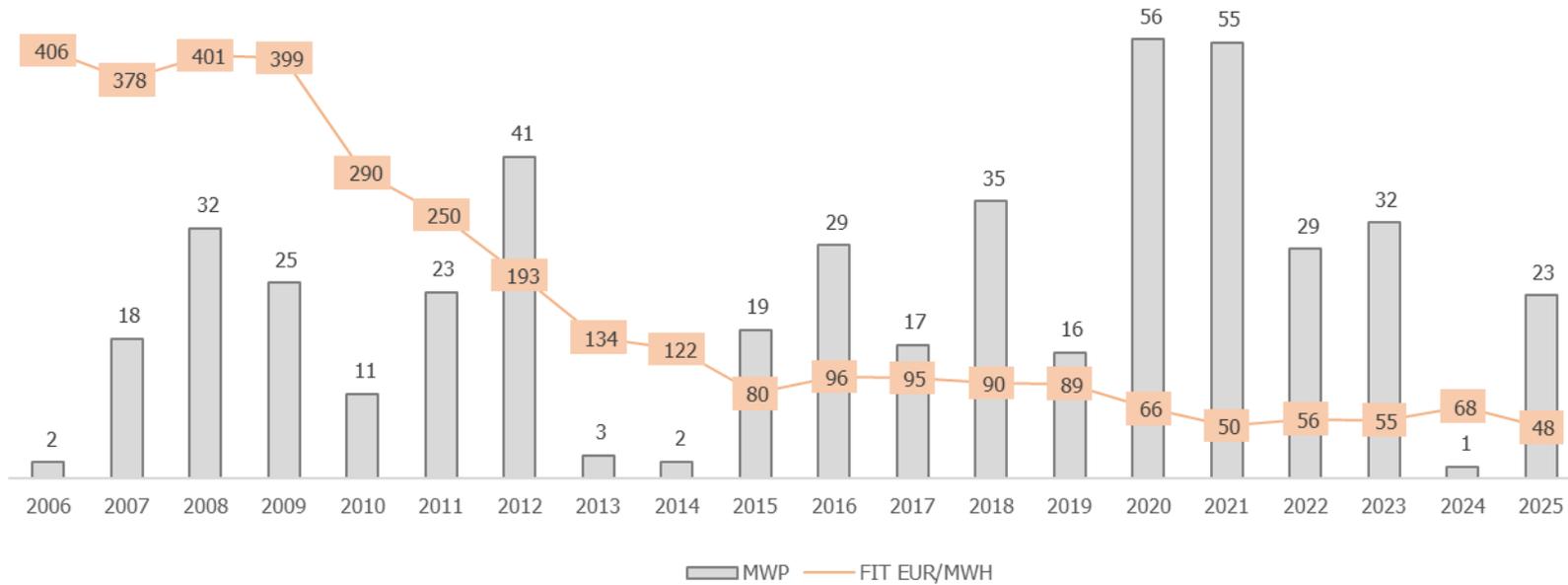
BREAKDOWN BY YEAR OF COMMISSIONING **Long-Term Cash Flow Potential**



PARKS WITH HIGH EBITDA



**PARKS WITH POWER PRICE OPTION VALUE
BUT ALSO EXPOSURE TO NEGATIVE PRICES**



UPDATE IPP PORTFOLIO

CLASSIFICATION BY EEG Exposure to Negative Prices is Managed

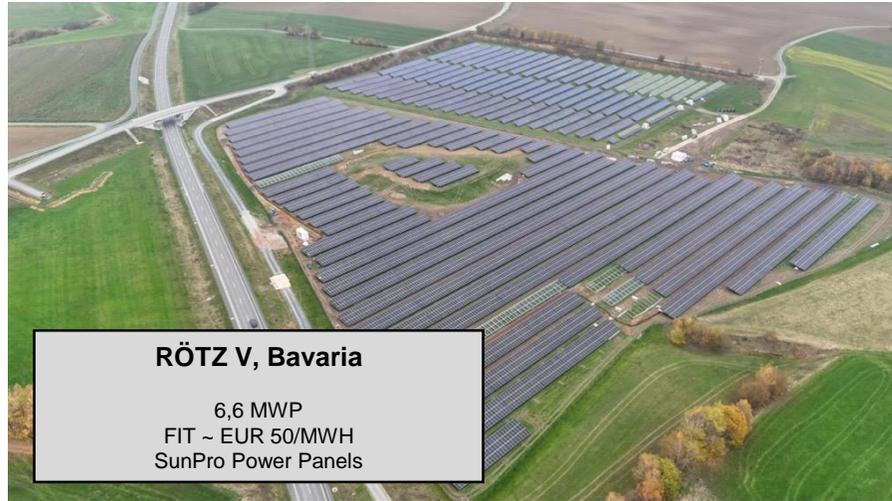


	§51 EEG	MWP	EUR MIO	EUR/MWH	Exposure to Negative Prices	Management Action
Fixed FIT (<2017)		198	46	234	No	
6-Hours Rule	EEG 2017	110	7	66		
_PV Market Value			5	48	Negative Prices depress the monthly PV Market Value	
_PV Market Premium			2	18	No premium during 6 consecutive negative hours	Conclude Swaps
4-Hours Rule	EEG 2021	57	3	52		
_PV Market Value			3	48	Negative Prices depress the monthly PV Market Value	
_PV Market Premium			0	4	No premium during 4 consecutive negative hours	Conclude Swaps
1-Hour Rule	EEG 2023	37	2	54		
_PV Market Value			2	48	Negative Prices depress the monthly PV Market Value	
_PV Market Premium			0	6	No premium during negative hours	Conclude Swaps
Rooftops < 500 KWP excluded		6	0	77	No, excluded from the rule	
Green Certificates Belgium		5	2	315	No	
Own-consumption PPA Belgium		26	2	65	No	
Spot Price Belgium		28	1	48	Full Exposure	Curtailement & Intra-Day Sale
GROUP		468	64			
<i>Underlying Direct Exposure "Negative"</i>		<i>232</i>	<i>4</i>			
<i>_ Germany</i>		<i>204</i>	<i>3</i>			
<i>_ Belgium</i>		<i>28</i>	<i>1</i>			

NEW PARKS (23 MWP) IN CONSTRUCTION Q1'25 Connection in Perspective



PIRK, Bavaria
3,3 MWP
FIT FFAV ~ EUR 50/MWH
DMEGC Panels



RÖTZ V, Bavaria
6,6 MWP
FIT ~ EUR 50/MWH
SunPro Power Panels



KOHLBERG, Bavaria
6,8 MWP
FIT ~ EUR 50/MWH
DMEGC Panels



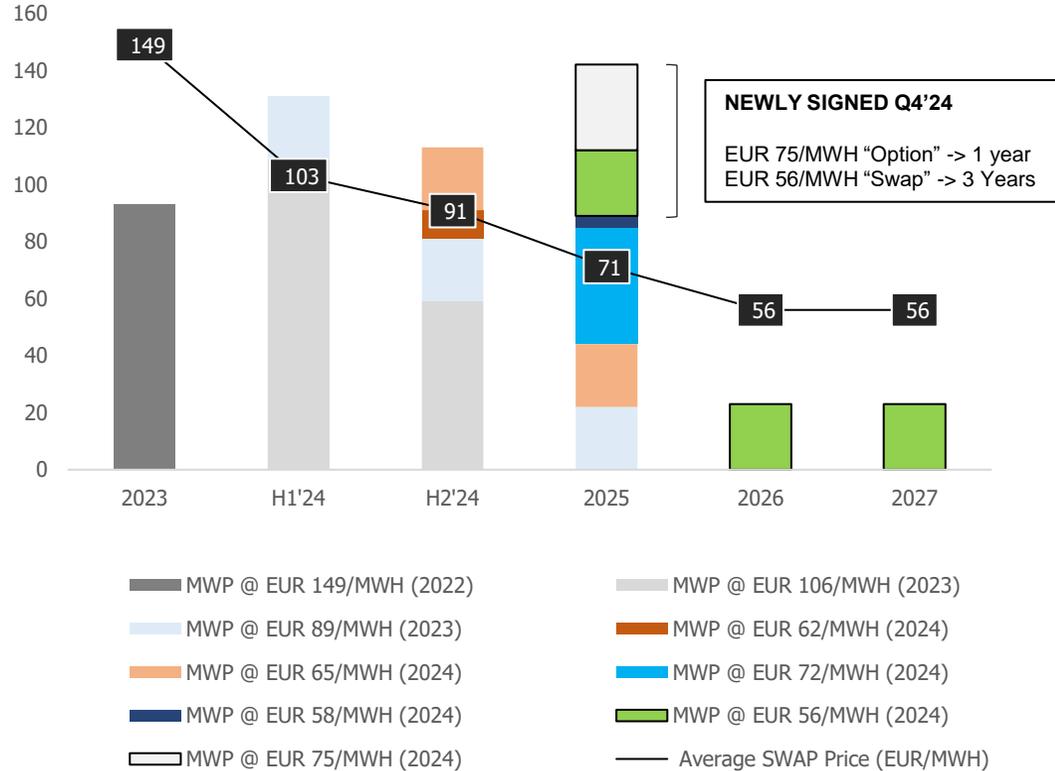
PREMENREUTH, Bavaria
6,4 MWP
FIT ~ EUR 50/MWH
SunPro Power Panels



UPDATE SWAPS & OPTIONS Protecting Cash Flow 2025 against Negative Prices



UPDATE SWAPS 2023-27 (IN MWP)



MANAGEMENT COMMENT

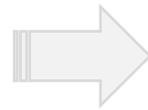
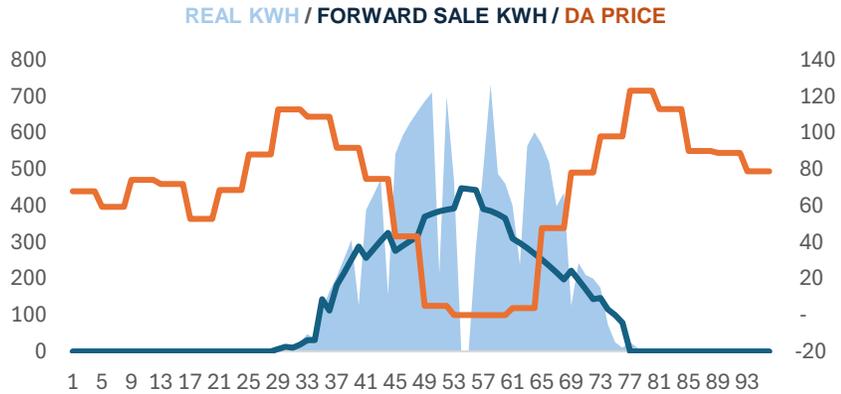
- Out of 204 MWP of German PV Parks with some degree of exposure to negative prices, ca. 140 MWP has been hedged securing a fixed tariff without upside/downside.
- The average swap tariff for 2025 amounts to EUR 71/MWH, versus EUR 91/MWH for 2024. The swap tariff needs to be compared to the feed-in tariffs on the underlying parks, which are almost all parks exposed to negative prices (slide 9)



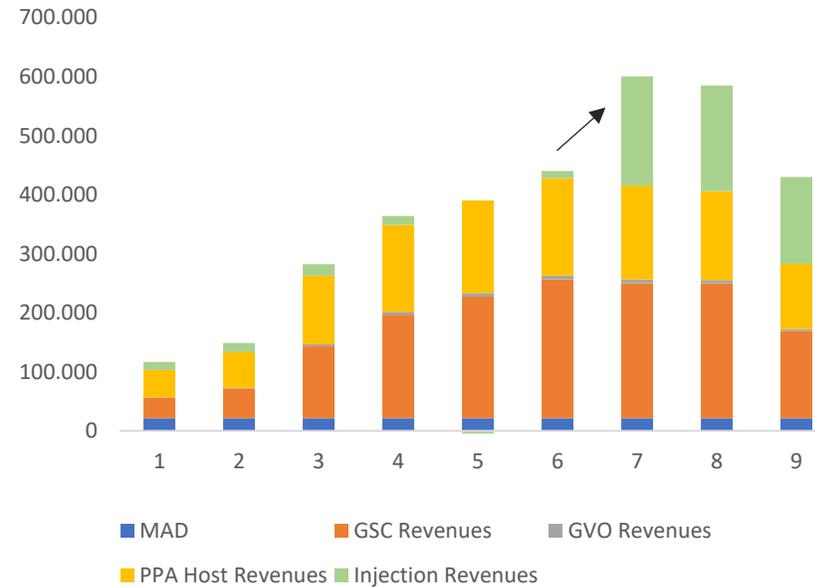
CURTAILMENT & INTRADAY SALE Merits as from Q3'24



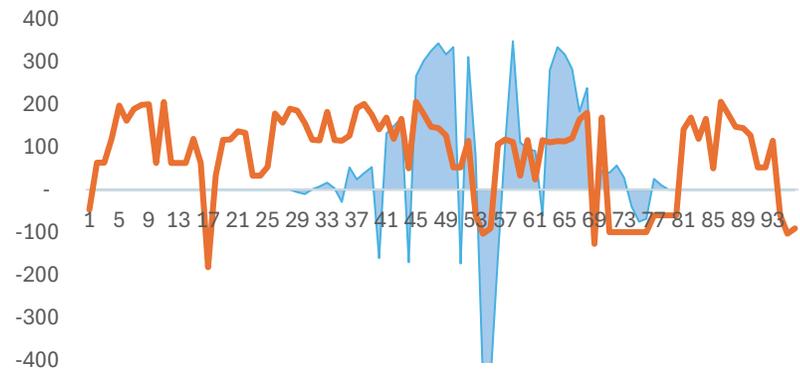
KWH AND PRICES PER QUARTERLY HOUR – 19/09/2024



MONTHLY POWER SALES BELGIUM IN '000 EUR



INTRADAY POSITION KWH / BALANCING PRICE





2024 MARKET CONTEXT

EXCEPTIONALLY LOW SOLAR YIELD Towards <900 KWH/KWP



GERMANY KWH/KWP NATIONWIDE SMALL INSTALLATIONS (WITHOUT CURTAILMENTS)

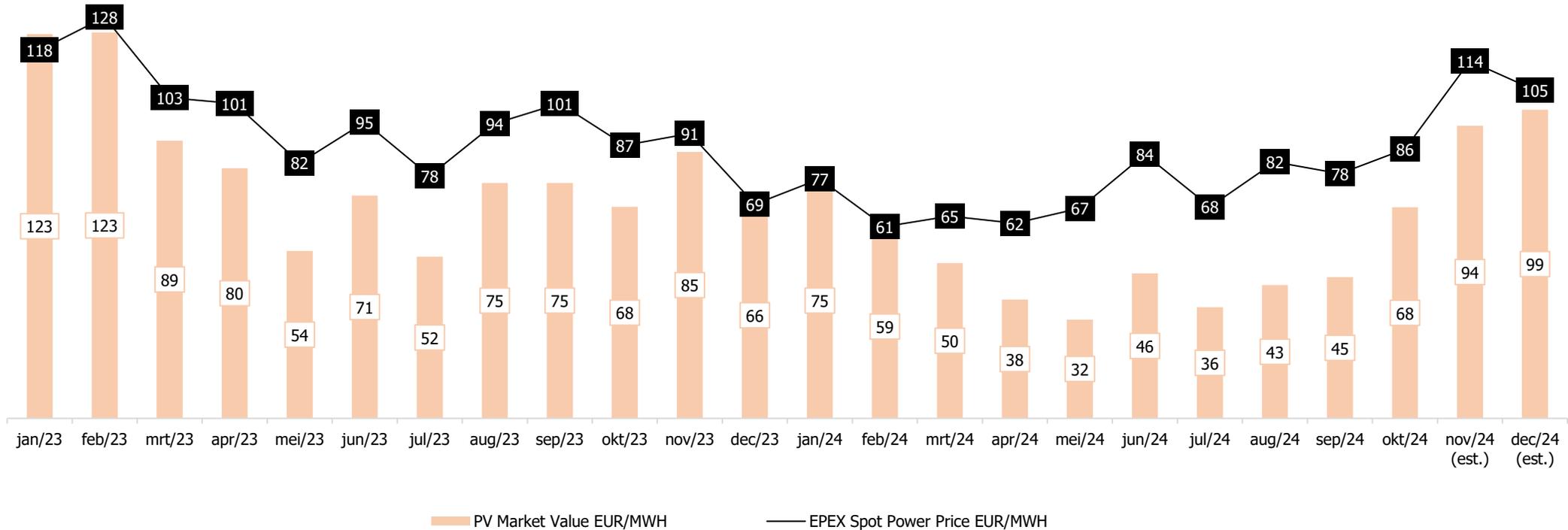
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YEAR
2011	21	41	101	132	147	122	112	116	100	75	41	15	1.023
2012	26	47	93	100	138	118	125	130	96	62	27	15	977
2013	12	25	74	98	103	125	148	124	82	59	26	24	900
2014	25	49	102	107	119	137	126	111	85	58	30	12	961
2015	18	44	86	127	124	129	136	126	87	55	34	28	994
2016	22	38	72	105	127	119	127	125	106	49	30	25	945
2017	28	43	90	104	130	134	122	114	81	58	23	13	940
2018	20	53	74	121	143	128	147	126	104	74	34	15	1.039
2019	21	61	77	119	117	146	132	122	93	58	26	24	996
2020	28	42	97	144	138	120	132	116	101	46	37	16	1.017
2021	15	48	87	111	114	134	117	101	97	64	25	17	930
2022	22	48	113	110	137	138	139	132	86	67	35	15	1.042
2023	17	47	68	96	129	145	123	105	109	56	23	14	932
2024	27	35	70	94	117	118	124	124	84	51	30	18	892
Average	22	44	86	112	127	130	129	119	94	59	30	18	971
StDev	23%	19%	16%	13%	10%	7%	8%	8%	10%	14%	18%	28%	5%
2024 versus 2023	59%	-26%	3%	-2%	-9%	-19%	1%	18%	-23%	-9%	30%	29%	-4%
2024 versus Average	25%	-21%	-19%	-16%	-8%	-9%	-4%	4%	-10%	-14%	0%	0%	-8%

Source: PV-Erträge.de

PV SPOT MARKET PRICE 2024 Estimated to Drop to EUR 47/MWH For the Full Year



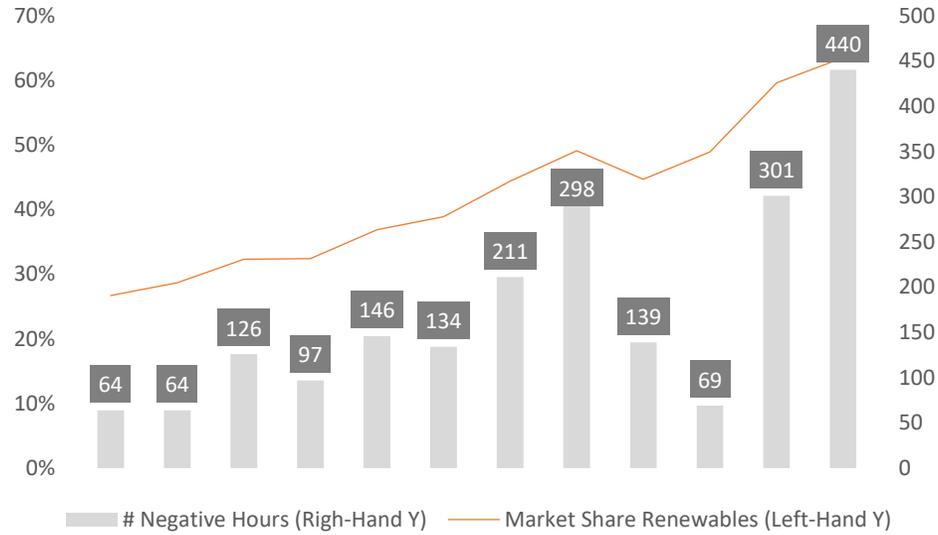
BASE-LOAD PRICE VERSUS PV MARKET VALUE IN EUR/MWH 2023-24



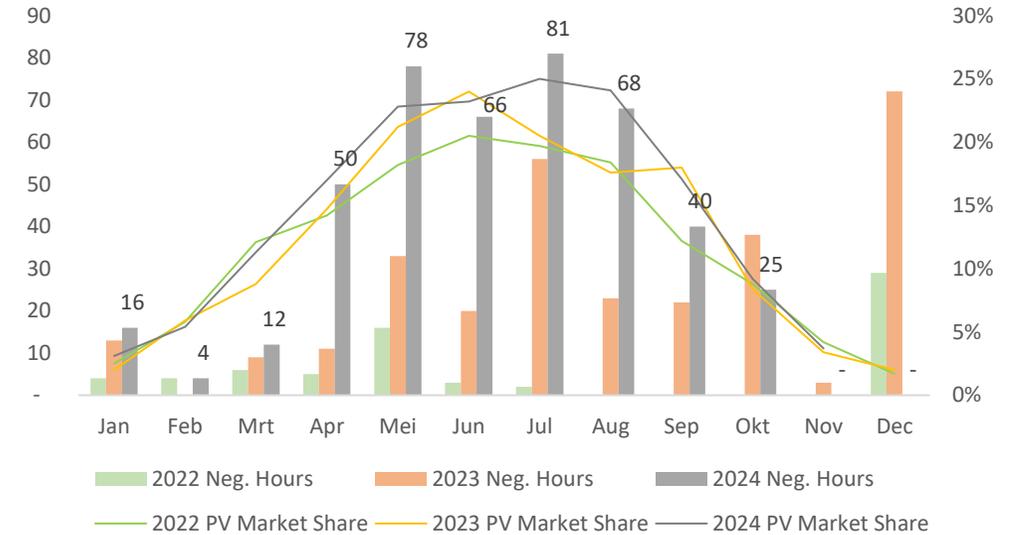
NEGATIVE PRICES YTD Already 440 Negative Hours during 2024 (6% of Annual Total)



NUMBER OF NEGATIVE HOURS BY YEAR (2013-24)



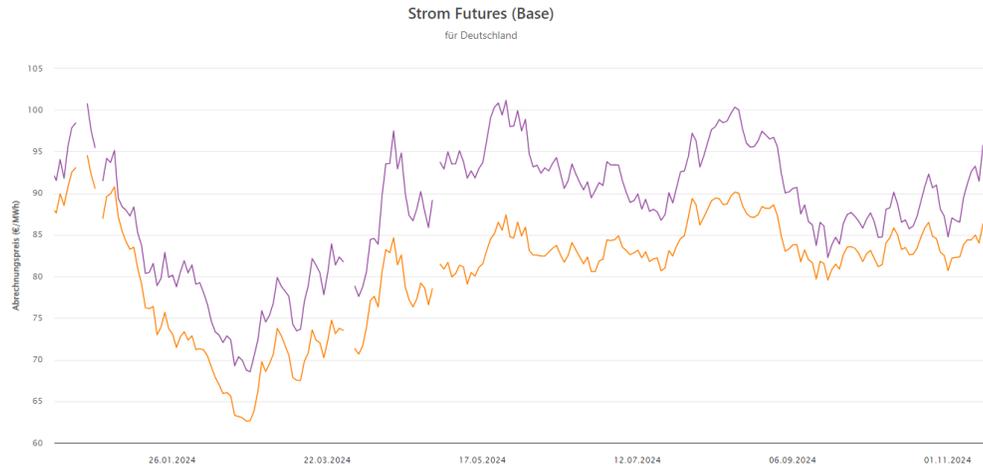
NUMBER OF NEGATIVE HOURS 2024 BY MONTH



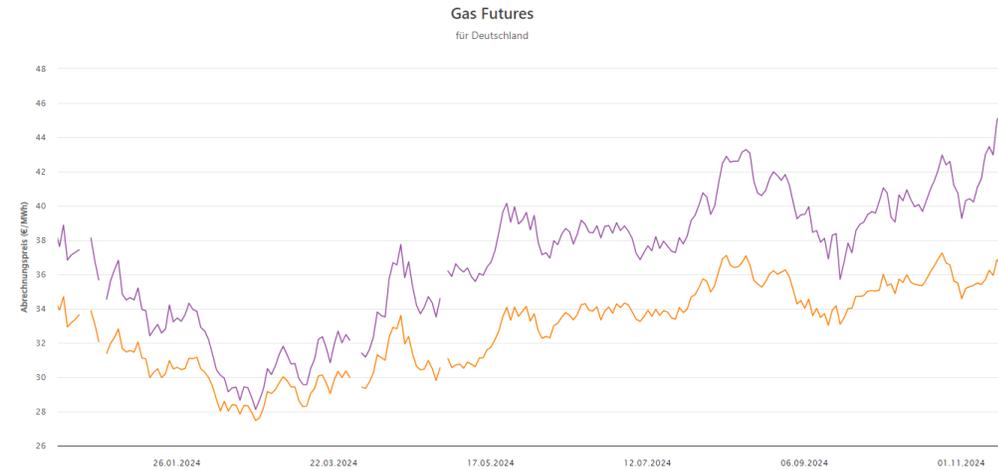
COMMODITY CONTEXT Markets Seem To Overlook a More Bullish Curve in Q4'24



POWER FORWARD BASE LOAD EUR/MWH 2025-26



GAS FORWARD EUR/MWH 2025-26





2024 9M RESULTS & PROGNOSIS

REMINDER Initial Guidance Disclosed on 28.03.2024



"AT LEAST CASE 2024"	2023	Q1'24	Q2'24	Q3'24	Q4'24	2024F
Weighted MWP	421	428	434	439	476	440
KWH/KWP	908	126	377	339	110	952
GWH	374	54	164	149	52	419
Capture Price EUR/MWH	184	172	164	165	164	166
Revenues EUR Mio	69,8	9,3	26,9	24,5	8,6	69,4
EBITDA EUR Mio	61,6	6,4	23,7	21,4	5,6	57,0
Lease paid EUR Mio	-2,8	-0,7	-0,7	-0,7	-0,7	-2,9
Interest paid EUR Mio	-5,2	-1,6	-1,1	-1,0	-1,0	-4,6
Tax paid EUR Mio	-3,3	-0,8	-0,8	-0,8	-0,8	-3,3
Net Cash Flow EUR Mio	50,3	3,2	21,1	18,8	3,1	46,3
Shares Mio.	81	81	81	81	81	81
CFPS	0,62	0,04	0,26	0,23	0,04	0,57
Net debt EUR Mio.	133,3	142,6	153,7	151,3	143,1	143,1
Dividend or Dividend Equivalent	0,13					0,13

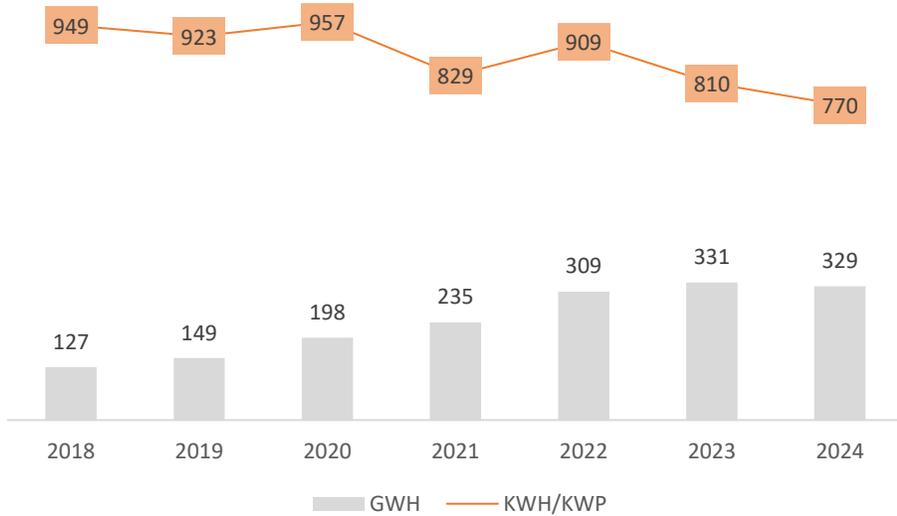
UNDERLYING ASSUMPTIONS 28.03.2024

- PV Market Price EUR 52/MWH (Reality EUR 47/MWH)
- Normal Weather (Reality: -7% for the period April-Dec)
- No impairment (Reality: Reuden Sud EUR 5,4 Mio)

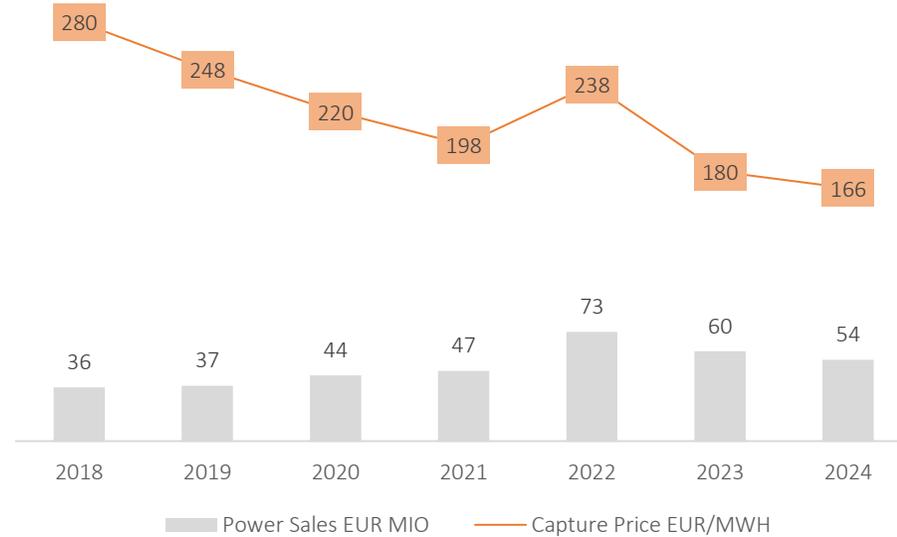
KPI'S Bad Weather, Curtailments and Lower Power & Swap Price versus 2023



GWH AND KWH/KWP 2018-24



CAPTURE PRICE EUR/MWH & POWER SALES EUR MIO (*)



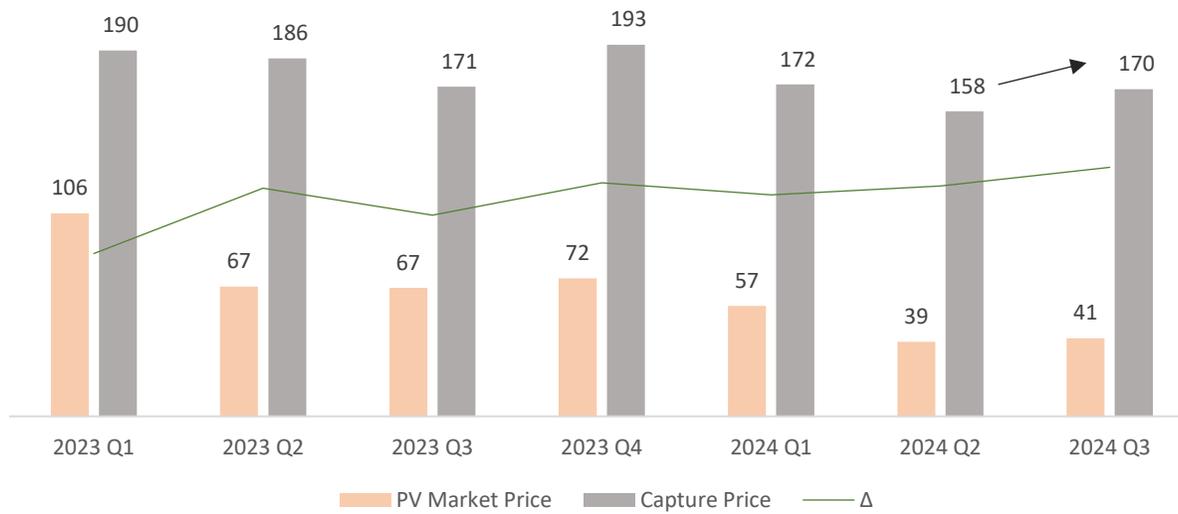
(*) Compensation from Curtailments not accounted under Power Sales but treated as "Other Operating Income"

ROBUSTNESS OF GROUP'S SWAP & TARIFF STRUCTURE DEMONSTRATED BY A MODERATE DROP IN CAPTURE PRICE OVER THE FIRST NINE-MONTHS

CAPTURE PRICE Rising in Q3'24 versus Q2'24 despite ~ unchanged Market Price



QUARTERLY CAPTURE PRICE EUR/MWH



P&L 9M'24 EBITDA Dropped To EUR 44 Mio. with CFPS coming in at EUR 0,44

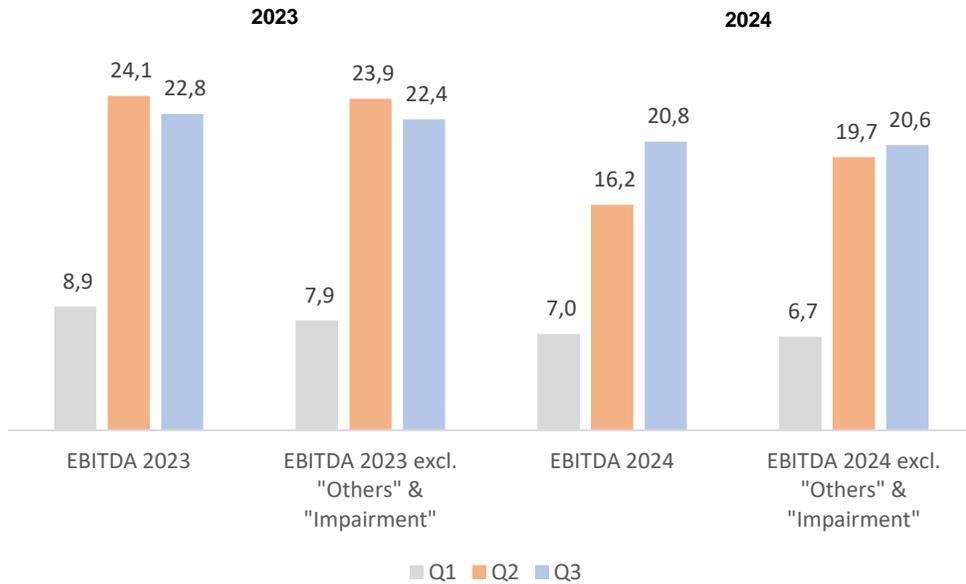


In Mio EUR	Q1'24	Q2'24	Q3'24	9M'24	9M'23	COMMENT
Revenues	9,8	21,8	23,4	55,0	60,8	
_ Power Sales	9,7	21,5	23,2	54,4	59,7	Power Sales = GWh x Capture Price
Other income	0,4	3,2	1,3	4,9	5,7	Re-Dispatch, insurance compensation, reversal of provisions
					-	
_ Re-Dispatch 2.0	0,2	1,2	1,1	2,5	4,1	Re-Dispatch as "recurring" income as offsetting unexpected outages
_ Others	0,2	2,0	0,2	2,4	1,6	Mainly the gain on an early Swap settlement
OPEX	-3,3	-3,3	-4,0	-10,6	-10,7	Expenses of PV Parks + corporate center
Impairment		-5,4		-5,4	0,0	Reuden-Süd investment (receivable) fully impaired
EBITDA	7,0	16,2	20,8	44,0	55,8	
<i>EBITDA 2023</i>	<i>8,9</i>	<i>24,1</i>	<i>22,8</i>	<i>55,8</i>		
CASH FLOW PER SHARE						
EBITDA				44,0	55,8	
Leases paid				-2,6	-1,6	
Interest paid				-3,8	-4,0	
Taxes paid				-1,8	-2,4	
Net Cash Flow				35,8	47,8	
# Shares outstanding (mio)				81,8	80,5	
CFPS				0,44	0,59	Excl. Impairment at EUR 0,50

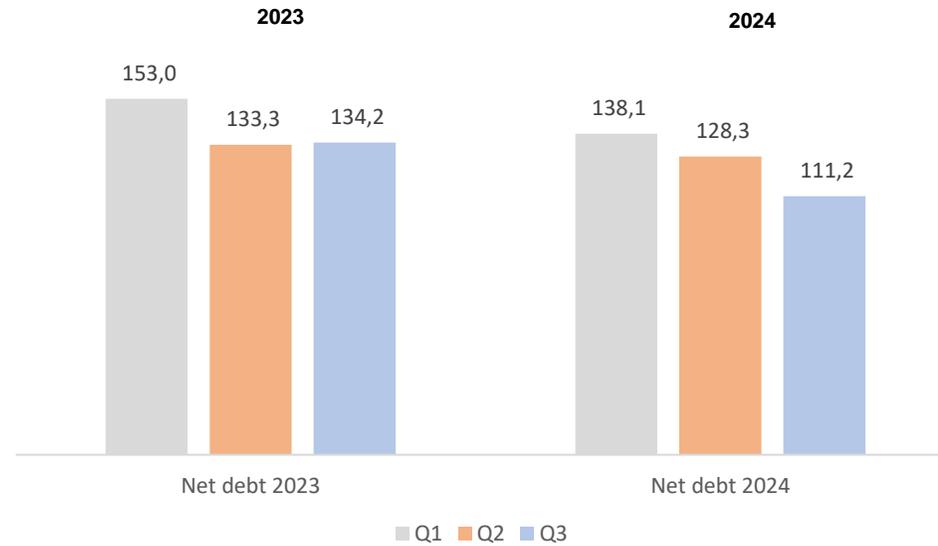
NET DEBT FELL TO EUR 111 MIO Demonstrating Underlying Free Cash Flow Quality



EBITDA / „RECURRING“ EBITDA 2023-24 IN EUR MIO.



NET DEBT 2023-24 IN EUR MIO.



ANALYSIS OF EBITDA 9M'24 Pay-Off of Swaps & Curtailment/Intraday Strategy



FROM PRE-"GUIDANCE CUT" EBITDA TO REAL EBITDA IN EUR MIO



GUIDANCE 2024 Unchanged, Expect a Return to Normal in 2025



In EUR Mio. (except per share data)	2.024	2.025
MWP IPP	468	477
MWP Operating	427	461
kWh/kWp	857	972
Capture Price EUR/MWH	166	143
Revenues	61	64
Other Operating income	4	1
Opex & Personnel	-14	-13
Impairment	-5	
EBITDA	46	54
Lease	-3	-3
Interest	-5	-5
Tax	-3	-2
Net CF	35	44
Shares mio	81,5	81,4
CFPS	0,43	0,54
Financial Debt	202	159
Cash including blocked	70	65
Net debt	132	94

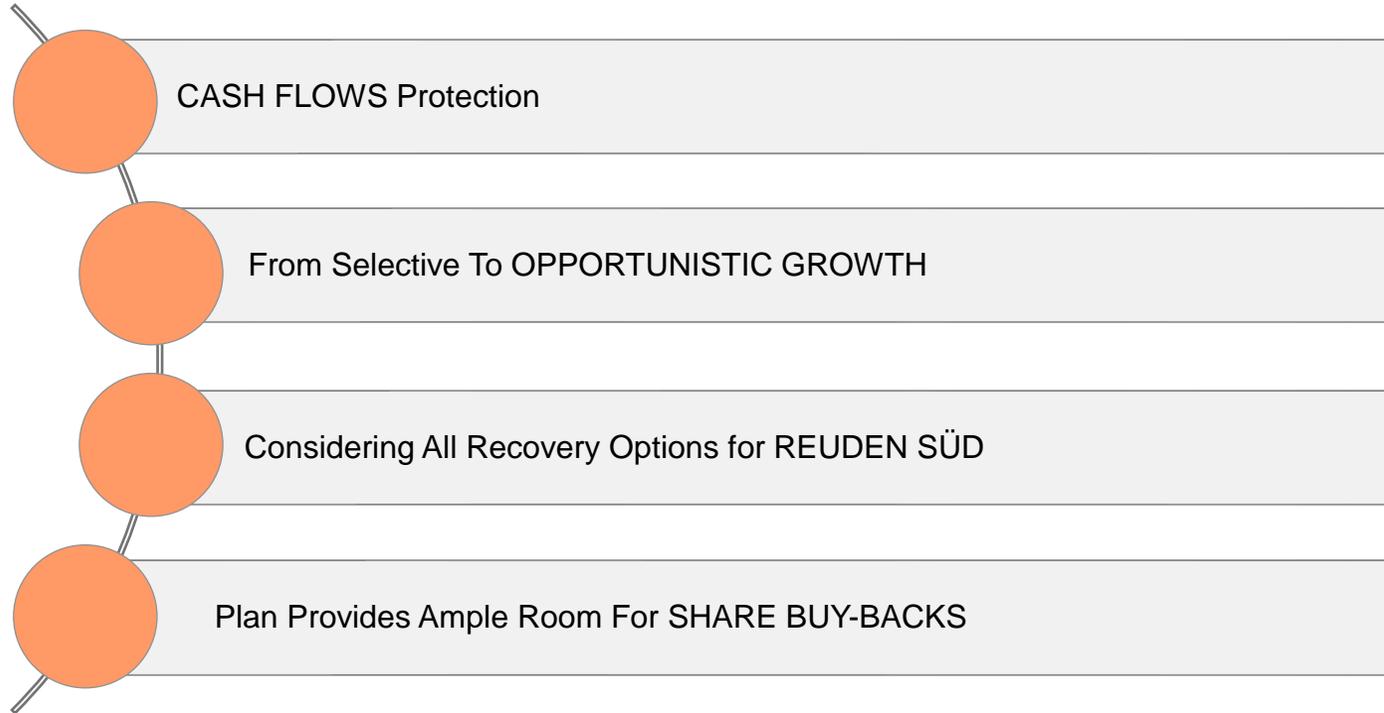


FOCUS 2024-25

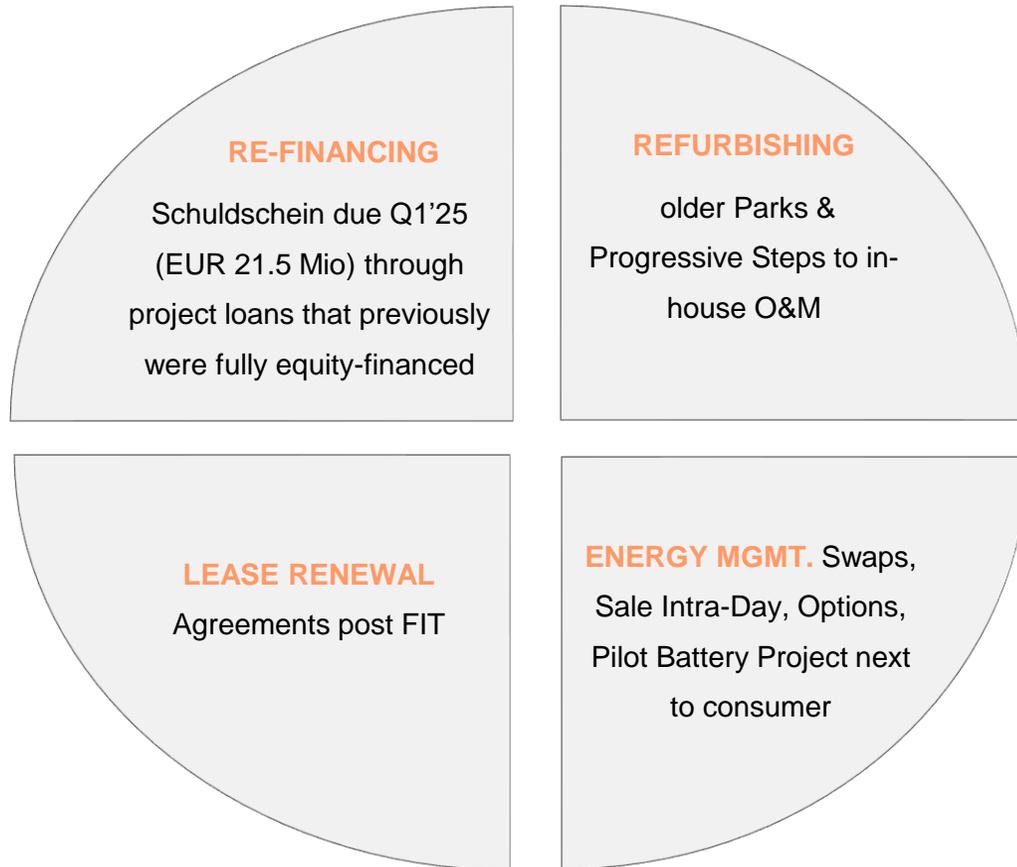
KEY PRIORITIES to Further Build Value



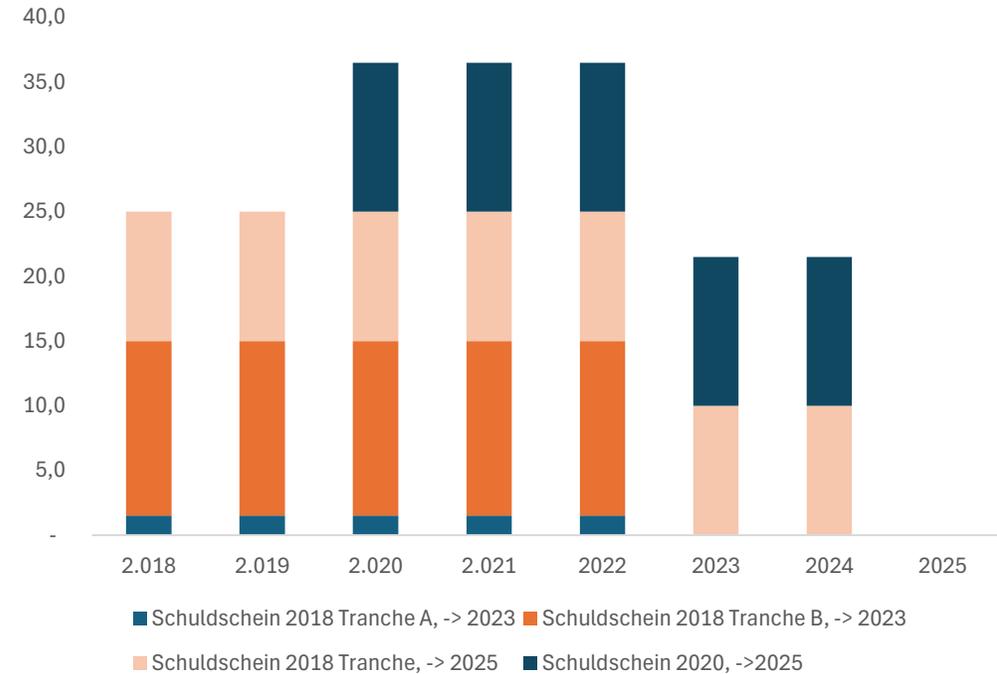
FOCUS



CASH FLOWS PROTECTION Focus Primarily on Existing Parks Rather than Growth



BALANCE SHEET "SCHULDSCHIN" EUR MIO END OF YEAR



OPPORTUNISTIC GROWTH Own Development, Extension & Re-Powering



- **COMPLETION OF 23 MWP PARKS IN BAVARIA** First power expected in Q2'25
- **EXTENSION OF INSTALLATIONS** Approx. 5 MWP Rooftop in Belgium with on-site PPA under consideration
- **RE-POWERING OF OLDER IPP PARKS** Neuhaus-Stetten (from 3.3 MWP to 7.5 MWP): site is in preparation for Q4'25
- **OPPORTUNISTIC APPROACH FOR NEW-BUILD** No growth target for IPP Portfolio. Pipeline remains filled and parts can be executed once a valuable Swap can be secured.

REUDEN SÜD Uncertain Future with Different Scenarios



PARK PROFILE

- One of Germany's largest rooftop PV parks, ca. 20 MWP
- Location Reuden Süd, Zerbst (Bitterfeld)
- On the roofs of a large poultry producer
- Start of construction: 2021
- Tariff EUR 85/MWH via different rounds of FFAV
- Phono Solar panels installed (90% of roofs covered)
- Project financing provided by a large German institution

THE CURRENT SITUATION

- Aside from the project financing, 7C Solarparken acquired the shareholders' loan from the developer and EPC company for approx. EUR 6 Mio. The loan has been sold; guaranteed free of encumbrances.
- Construction delays have been caused due to lack of liquidity at EPC side
- Management discovered that (i) the shareholders' loan was already pledged by the seller an infrastructure investor who financed the development of its pipeline, (ii) available proceeds have systematically been used for other purposes than completing the PV installation.
- 7C Solarparken had to impair the entire investment, value in the books is set at zero already
- The seller and the EPC company filed for insolvency.

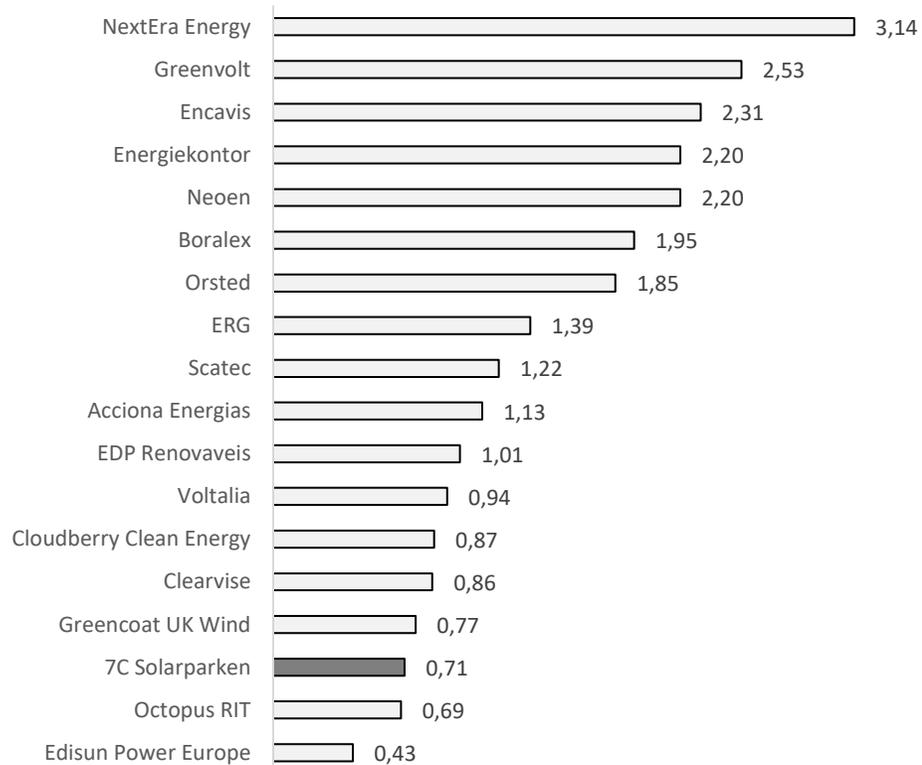
THE UNCERTAINTIES

- There is still EUR 6-8 Mio. of required capex to complete the installation and reach grid connection.
- The project is at risk of losing lease contract and grid connection reservation
- 7C Solarparken has proposed technical & financing solutions to all stakeholders as to save and complete the project before 31/12/2025.
- Without stakeholders' approval / negotiation, the project will not reach grid connection, confirming the total loss (which is already in the accounts)
- 7C Solarparken will claim against the seller and the EPC company

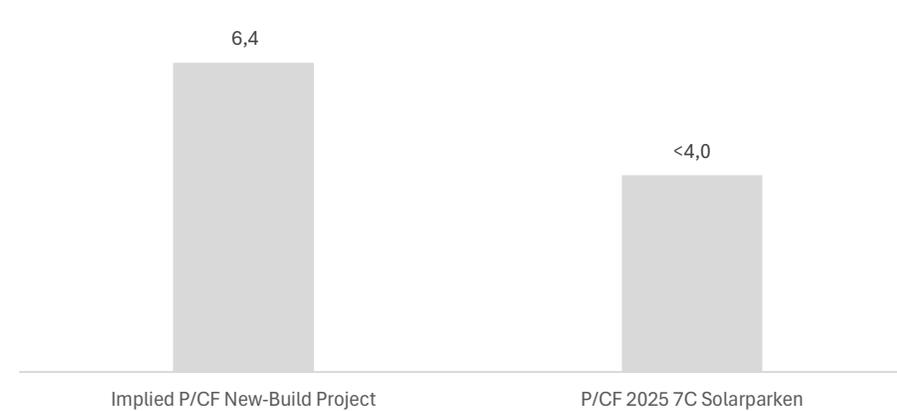
SHARE BUY-BACKS Best Option for Value Creation at Current Stock Price



PRICE/BOOK VALUATION



PRICE/CF VALUATION BASED ON 2025 CFPS 0,54



SHARE BUY-BACK PROGRAM

The Management Board is currently working on the refinancing of the promissory note due in the first quarter of 2025. Upon full refinancing and/or repayment of the promissory note, the management board will reconsider the risk/reward profile of share buybacks vs. growth of the IPP Portfolio. The management board does not intend to propose a dividend for 2024, but currently intends to propose a second share buyback program in the next three months