CAPITAL MARKETS DAY 2018

71 86 100 118 150 **220**$_{2020}$ **500**$_{2025}$

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TODAY'S AGENDA

KEY MESSAGES

- ✓ Increase in EBITDA guidance for 2018 to EUR 33 Mio.
- ✓ Investment Plan of over EUR 100 Mio. should lift IPP portfolio to 220 MWp by 2020
- ✓ EBITDA to grow to > EUR 40 Mio. upon full execution
- ✓ Ambition: 500 MWp by 2025
- ✓ A stable and cash flow related dividend or dividend equivalent, at least EUR 0.10/share

COMPANY OVERVIEW

IPP PORTFOLIO

FINANCIAL POSITION

CAPACITY & MARKET CAP

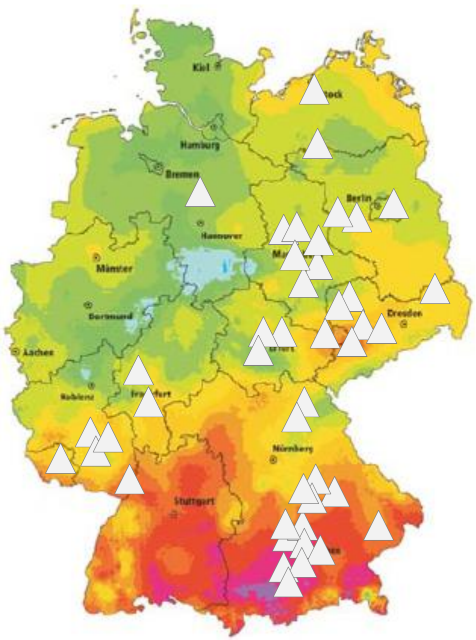
IPP Portfolio

Pure-play solar PV asset owner/operator with > 150 MW in Germany

Current IPP portfolio generates annual EBITDA of > EUR 32 Mio.

	CAPACITY *MWp*	TARIFF *EUR/MWh*	YIELD *kWh/kWp*	REVENUES *EUR Mio*	EBITDA *EUR Mio*
Freefield	87	246	1,008	21.4	19.0
Rooftop	67	271	887	16.1	13.5
IPP PORTFOLIO	**153**	**256**	**955**	**37.5**	**32.5**

LOCATIONS > 1 MW



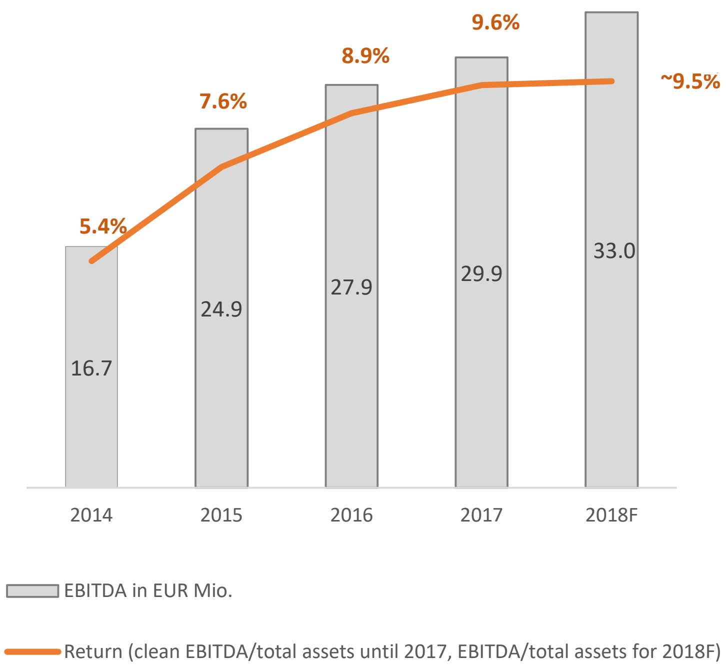
COMPANY CHARACTERISTICS

- Model to acquire existing PV assets and to develop new projects in Germany
- Assets concentrated in Bavaria, Eastern Germany, and Rhineland-Palatinate
- Specialism in the optimisation of underperforming assets, and the acquisition of PV Estate (> 100 ha)
- Average plant size: 1.2 MWp
- Average year of commissioning: 2011
- Average feed-in-tariff: EUR 256/MWh. EEG tariffs are fixed for 20 years + year of commissioning
- Rooftop and land lease contracts usually running 20 years + at least 5 years extension option
- High visibility on long-term cash flows through State-guaranteed tariffs and predictable output yield

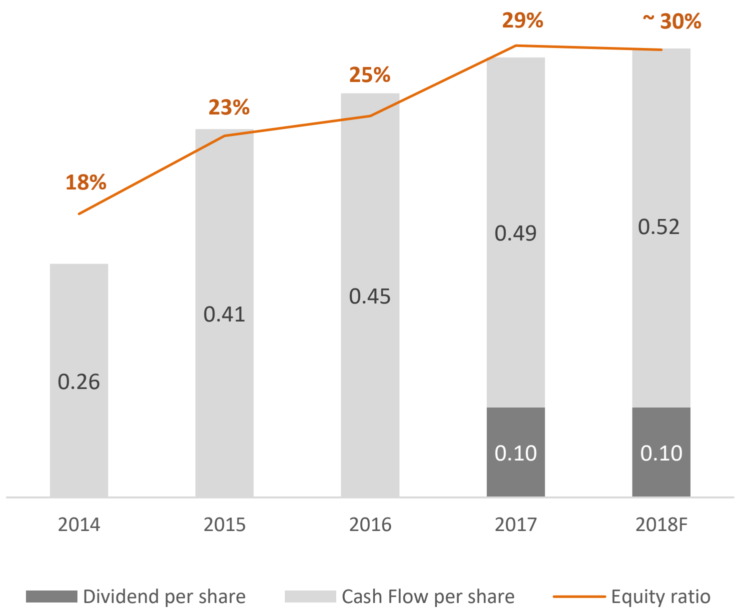
Financial Position

Robust financials with first dividend of EUR 0.10 per share on 2017 results

EBITDA EVOLUTION AND RETURN



CASH FLOW PER SHARE AND EQUITY RATIO



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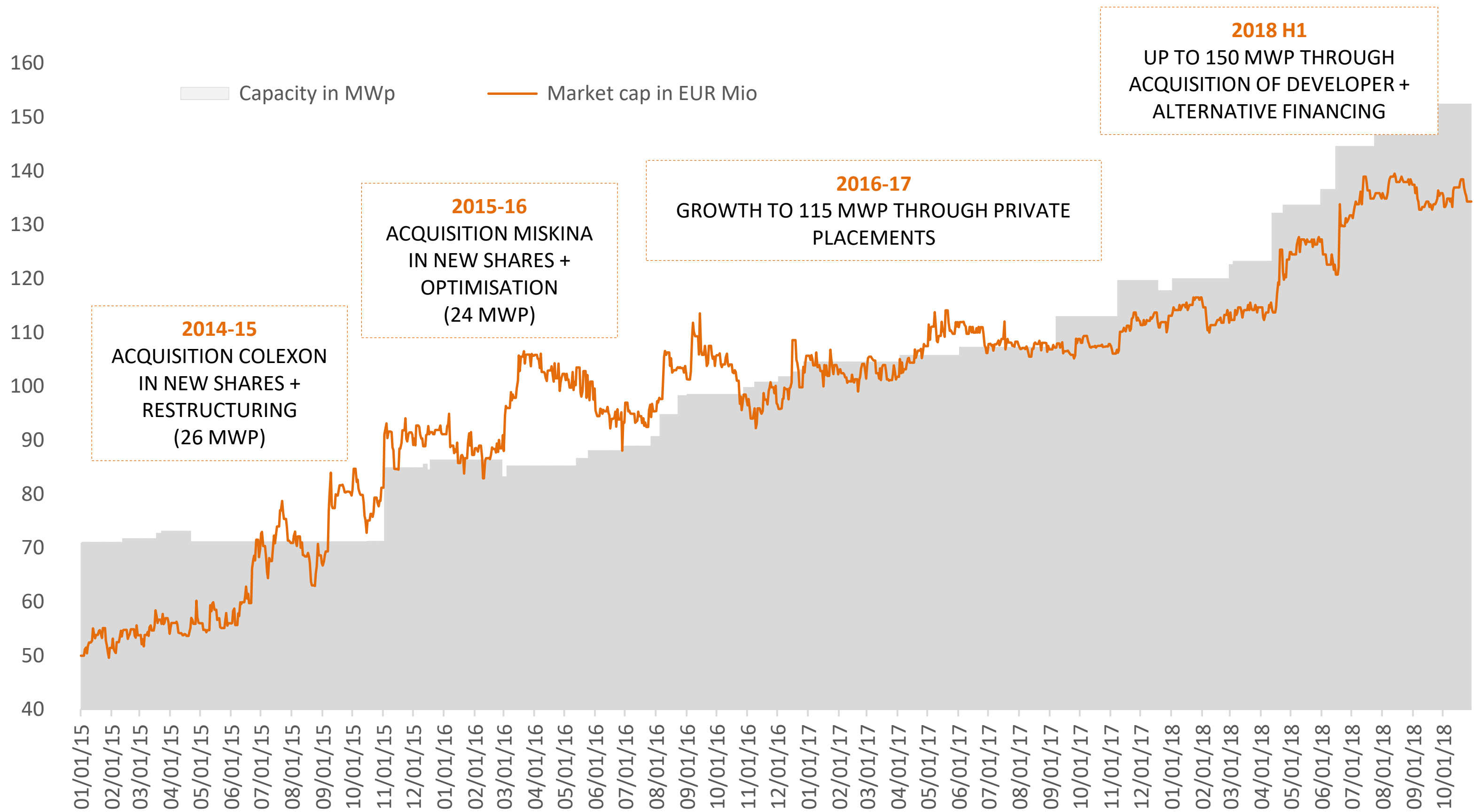
Capacity and Market Cap

Track record of growth and capital appreciation



2018 GUIDANCE

NINE-MONTHS 2018

SUMMER OF 2018

NEW 2018 GUIDANCE

Nine-Months 2018

… boosted by capacity growth and splendid summer weather

Record EBITDA of EUR 31.7 Mio. in first nine-months already above full-year guidance

	Unit	H1'18	Q3'18	9M '18	9M '17	%
OPERATIONAL DATA						
Power production	GWh	72	55	127	92	38%
Weighted operational capacity	MWp	127	142	132	103	28%
Production yield	kWh/kWp	552	397	949	884	7%
DWD irradiation (nationwide)	*kWh/m²*	*634*	*462*	*1096*	*989*	*11%*
FINANCIAL DATA						
Revenues	EUR Mio.	20.4	15.3	35.7	29.4	21%
EBITDA	EUR Mio.	18.0	13.7	31.7	26.9	18%
Net debt	EUR Mio.	163.6	163.6	163.6	141.6	16%

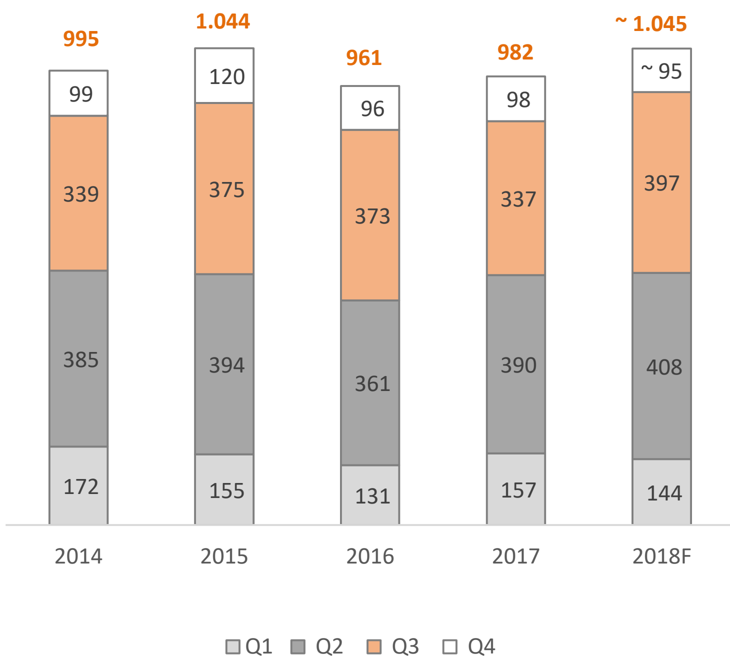
MANAGEMENT ANALYSIS OF FIRST NINE-MONTHS

- Irradiation in Germany rose by 11% to 1096 kWh/m², matching the first-nine months in the previous irradiation-record year (2003)
- Our portfolio generated 127 GWh (+38%) reflecting an increase in capacity (+28%) and better production yield (+7%)
- EBITDA rose to EUR 31.7 Mio. but includes EUR 1.9 Mio (9M ‘17: EUR 1.5 Mio.) one-time items (badwill, insurance compensation and the sale of the 750 kWp installation in Mühlheim). The EBITDA effect stemming from the above-normal weather conditions is ca. EUR 2.5 Mio.
- Net debt virtually unchanged versus June ‘18 at EUR 163.6 Mio.

Summer of 2018

Production yield for 2018 will exceed the standard deviation

SPECIFIC YIELD OF IPP PORTFOLIO IN KWH/KWP



MANAGEMENT COMMENT

- Our IPP portfolio is expected to yield 1.045 kWh/kWp for 2018 (> +6% versus 2017) and to exceed the typical 3-5% standard deviation
- Consequences of the sunny 2018 summer on PV power:
  - A. High irradiation drove the contribution of PV to ~15% of the generation mix in July '18, even exceeding nuclear sources
  - B. Record temperatures caused lower performance ratios of PV systems and above-average outages
  - C. Very low rainfall: panels lose efficiency due to embedded dirt, and required more cleaning
  - D. Higher market value for PV: increase in power price reflects availability (mainly cooling) issues for conventional power

PV HAS SHOWN ITS ADVANTAGES FOR THE ELECTRICITY SYSTEM DURING THE SUMMER

New 2018 Guidance

EBITDA guidance for 2018 raised from > EUR 31 Mio. to EUR 33 Mio

Increased outlook for 2018 reflects strong production yield

	REPORTED FIGURES			FORECAST	GUIDANCE	
in Mio. EUR	**Q1'18**	**H1'18**	**9M '18**	**2018F**	**NEW**	PREVIOUS
Revenues	**5.1**	**20.4**	**35.7**	**39.5**	**EUR 39.5 Mio.**	> EUR 36.2 Mio
_ 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**	**EUR 33.0 Mio**	> EUR 31.0 Mio
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**	**0.52 EUR/share**	> 0.50 EUR/share
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

VIEW ON GERMAN PV MARKET

PV COMPETITIVENESS

EEG FEED-IN TARIFFS

NEW MODELS TO MARKET PV

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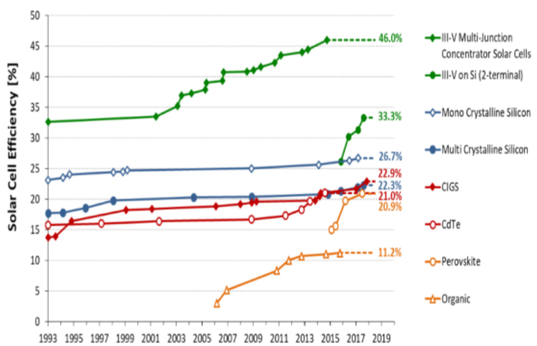
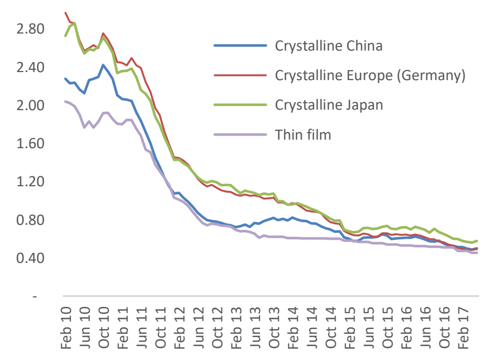
PV Competitiveness

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

HIGHER EFFICIENCY MODULES + MODULE COST DECLINES = FALLING LEVELISED COST OF ELECTRICITY (LCOE)



Source: IRENA



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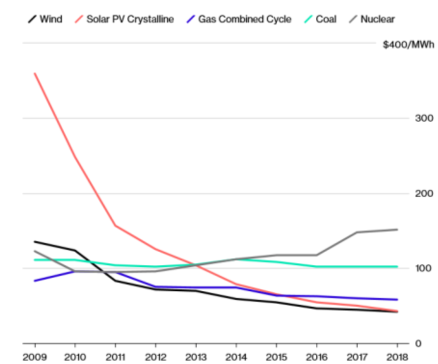

Source: Lazard

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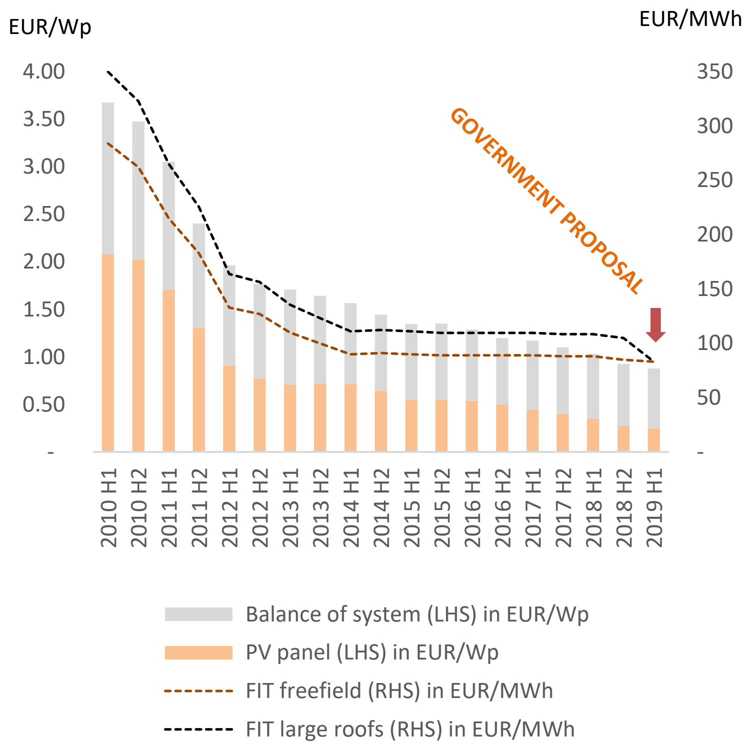
EEG Feed-In Tariffs

Proposed law: “20% decline in FIT for rooftop new-build in Q1’19”

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 proposed a 20% reduction in FIT for rooftop projects as from 01.01.2019 to avoid excessive returns
- A transition period might be implemented as to safeguard the viability of projects at the end of the planning phase.
- Cost reduction for a 750 kWp freefield project has been more limited in comparison to a rooftop installation, as ground projects face a lengthy permitting / cable route process.

EXPECTED TARIFF BY 7C SOLARPARKEN FOR NEW PROJECTS Q1’19

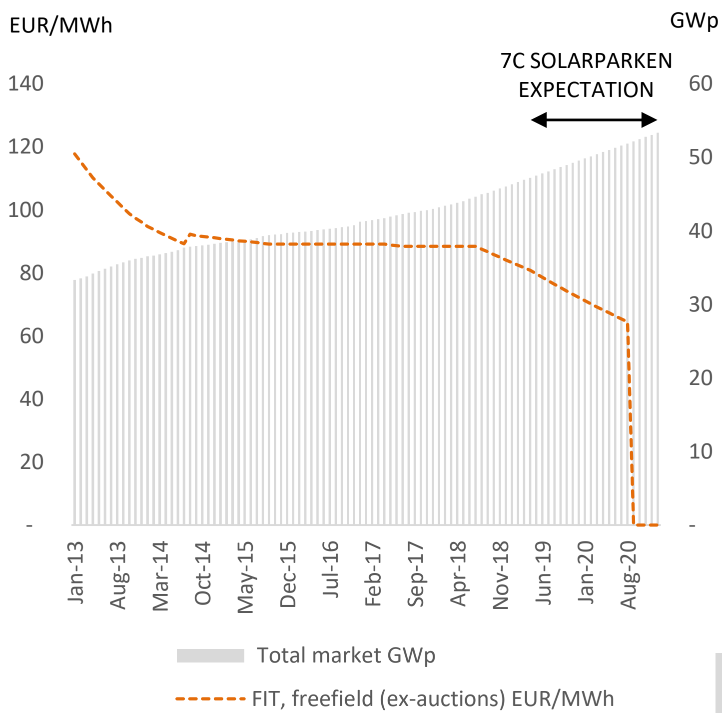
Large rooftop < 750 kWp: EUR 83/MWh (upon adoption of government proposal)

Freefield < 750 kWp: EUR 83/MWh (unchanged)

EEG Feed-In Tariffs

We foresee EEG tariff system for new-build to cease by mid 2020

(EXPECTED) FEED-IN TARIFFS VERSUS CAPACITY IN GERMANY



7C SOLARPARKEN VIEW:

- Feed-in tariff system for new projects will discontinue once the nationwide 52 GWp cumulative PV capacity is achieved
- No impact for parks that have secured their feed-in tariff before reaching the regulatory cap of 52 GWp
- Assuming annual PV growth of 3.5 GWp, the feed-in tariff scheme for new projects could end mid 2020
- Monthly decline of feed-in tariff of at least 1% will drive system into market parity

EXPECTED TARIFF BY 7C SOLARPARKEN FOR LAST (FIT) PROJECTS MID 2020

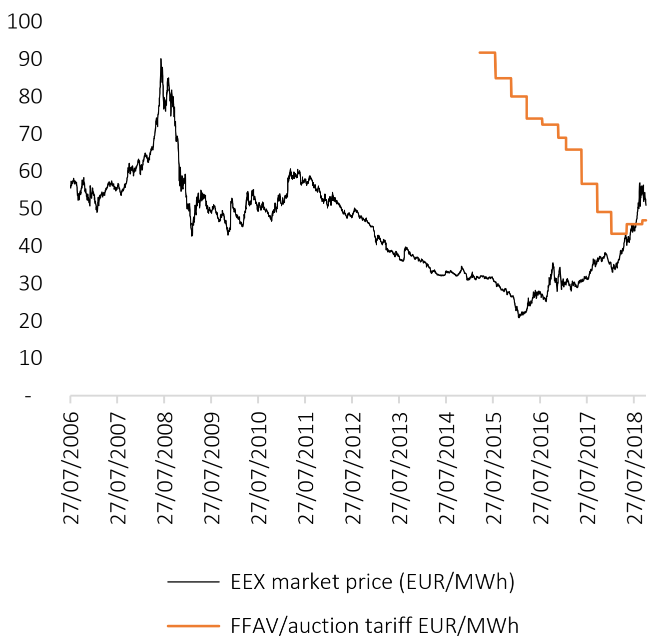
Large rooftop < 750 kWp: EUR 65/MWh

Freefield < 750 kWp: EUR 65/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)

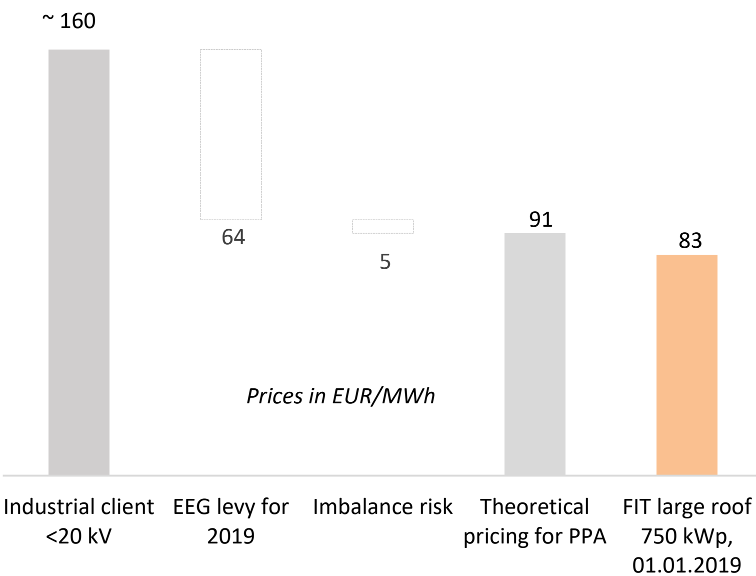
OPTION B: CORPORATE PPA

- 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 40-70/MWh in 2018)
- Corporate PPA market not developed yet in Germany as market parity is 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 01.01.2019, were at higher levels than the theoretical pricing of a PPA (EUR 91/MWh)
- Significant potential as from 01.01.2019 due to the proposed 20% drop in feed-in tariffs for new rooftop projects, which will position PPA's as an attractive alternative to feed-in tariffs

CAPACITY PLAN 2018-2020

REVIEW PLAN 2017-2019

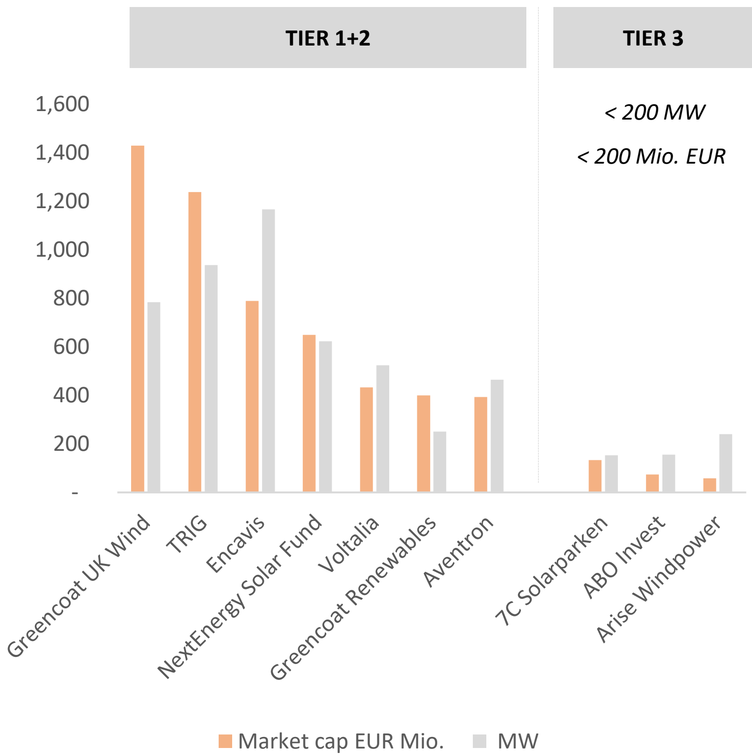
NEW TARGET: 220 MWP

VISION 2025: 500 MWP

Review Plan 2017-2019

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

OVERVIEW LISTED YIELDCOS & GREEN IPP'S IN EUROPE



MANAGEMENT VIEW

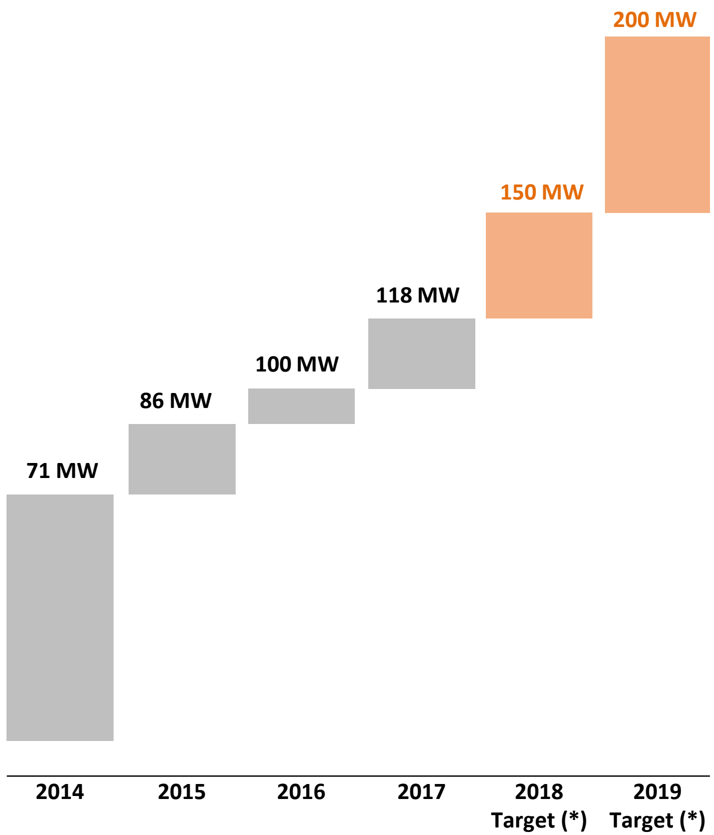
Clear benefits for 200 Mio. EUR market caps / 200 MW players

- 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

Review Plan 2017-2019

2018 capacity target of 150 MWp exceeded

CAPACITY BUILD-UP PLAN UNTIL 2019 IN MWP (*)



(*) presented under the Plan 2017-19

OUR DELIVERABLES TO REACH 150 MWP TARGET

1. **"Accelerate growth through partnership with developer"**

Acquisition of "Amatec" in Feb '18 resulted in the purchase of 2 operating plants and the construction of 7 new-build projects.

2. **"Alternative financing"**

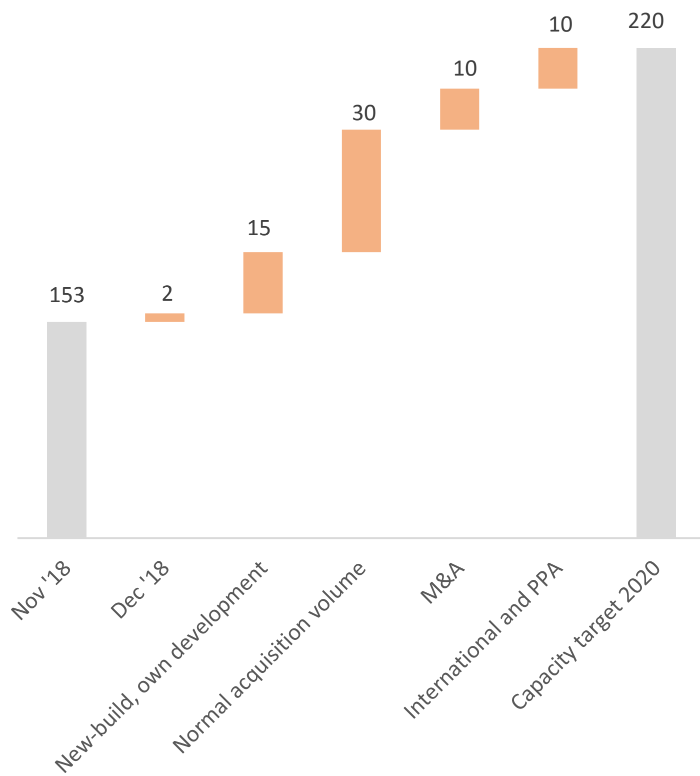
Issue of a EUR 25 Mio. "Schuldschein" at an interest rate of 2.78%. An amount of EUR 15 Mio. has been earmarked for growth, the remainder to redeem a project loan. An equity ratio of at least 25% needs to be maintained on consolidated level.

153 MW AT END OF NOV '18

New Target: 220 MWp by 2020

Continuation of growth acceleration seen in 2018

BREAKDOWN OF BUILD UP PLAN TO 220 MW



MANAGEMENT INDICATION ON 2019-20

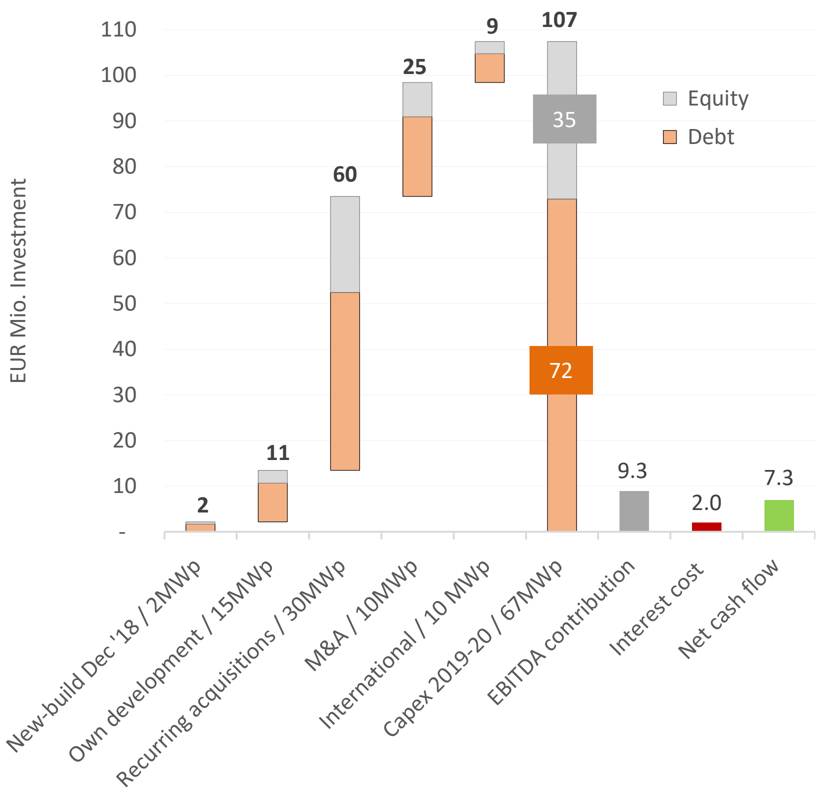
- **Dec '18: (at least) 2 MWp:** currently under construction
- **New-build own development 15 MWp:** Existing pipeline, of which two sites (3.5 MWp) have received an FFAV tariff during 2018, and will be constructed in H1'19.
- **Normal acquisition volume 30 MWp:** In line with annual track-record of >15 MWp, and typical commissioning 2008-12
- **M&A 10 MWp:** Acquisition of a small IPP fund is considered
- **International and PPA 10 MWp:** Capturing selective new-build and acquisition opportunities in the Benelux

THE SPECIFIC TARGET OF HAVING 200 MW BY THE END OF 2019 IS REPLACED BY 220 MW AT THE END OF 2020

New Target: 220 MWp by 2020

Investment plan of over EUR 100 Mio.

BREAKDOWN OF CAPEX PLAN 2019-2020 IN EUR MIO.



MANAGEMENT INDICATION ON 2019-2020

- **EUR 107 Mio capex plan** of which EUR 72 Mio. will be project financed (~ 70% debt ratio) and require equity of EUR 35 Mio.
- **Planned EBITDA contribution of EUR 9.3 Mio:** the new plan assumes an average specific yield of 965 kWh/kWp and an average FIT of EUR 170/MWh (mix of old parks and new-build).
- **Planned net cash flow contribution of EUR 7.3 Mio.**

OBJECTIVE TO ALLOCATE EQUITY OF EUR 35 MIO.
YIELDING NET CASH FLOW OF EUR 7.3 MIO.

Vision 2025: 500 MW

Capturing future opportunities once the Tier-2 status is reached

POTENTIAL POOL OF LARGER SCALE ACQUISITIONS & DEVELOPMENT

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

AUCTIONS: Additional 2 GWp per year planned by German government

PPA: Large scale opportunities > 10 MWp upon further LCOE improvement

REPOWERING: 4 GWp runs out of the tariff by 2025

EXPLORE OPPORTUNITIES: in other stable and mature EU countries

500 MW

IPP PORTFOLIO

200 MWP IPP AND 200 MIO EUR CAP IS AN ENABLER

- An improved / cheaper access to debt
- Attract large institutional investors as new shareholders, mainly those who reallocate funds out of conventional utilities into green energy

ASSET & FUND MANAGEMENT

LEADING & DRIVING THIRD-PARTY INVESTORS

- Identify the right investment that fits in their sustainability agenda
- Monetize expertise
- Financial flexibility between IPP and asset management

FINANCIAL TARGETS

FINANCING PLAN 2018-2020

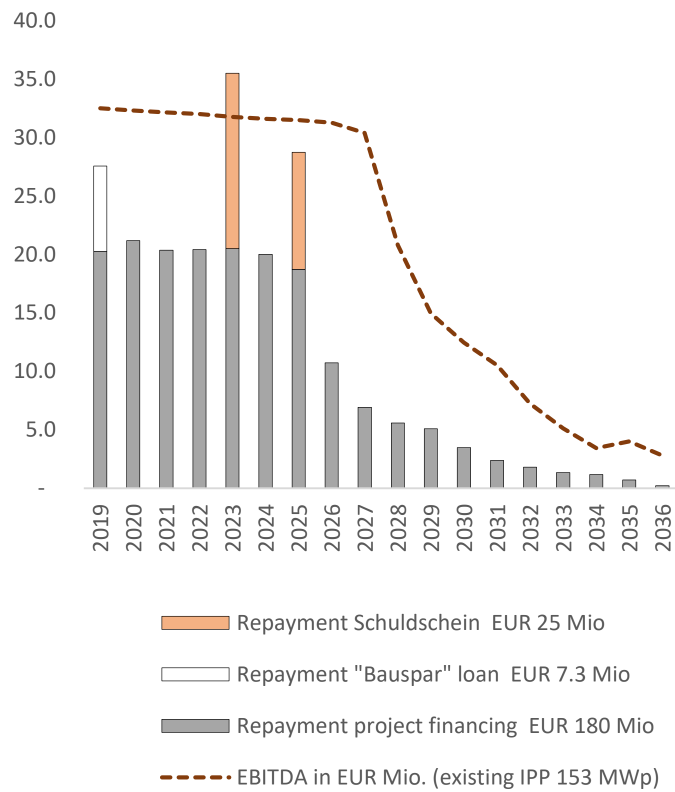
EBITDA & CFPS TARGET

DIVIDEND POLICY

Financing Plan 2018-2020

Debt reimbursement scheme presents a EUR 7.3 Mio. re-financing opportunity in 2019

MATURITY PROFILE OF EXISTING DEBT ON 31.12.2018 (EUR MIO.)



MANAGEMENT VIEW

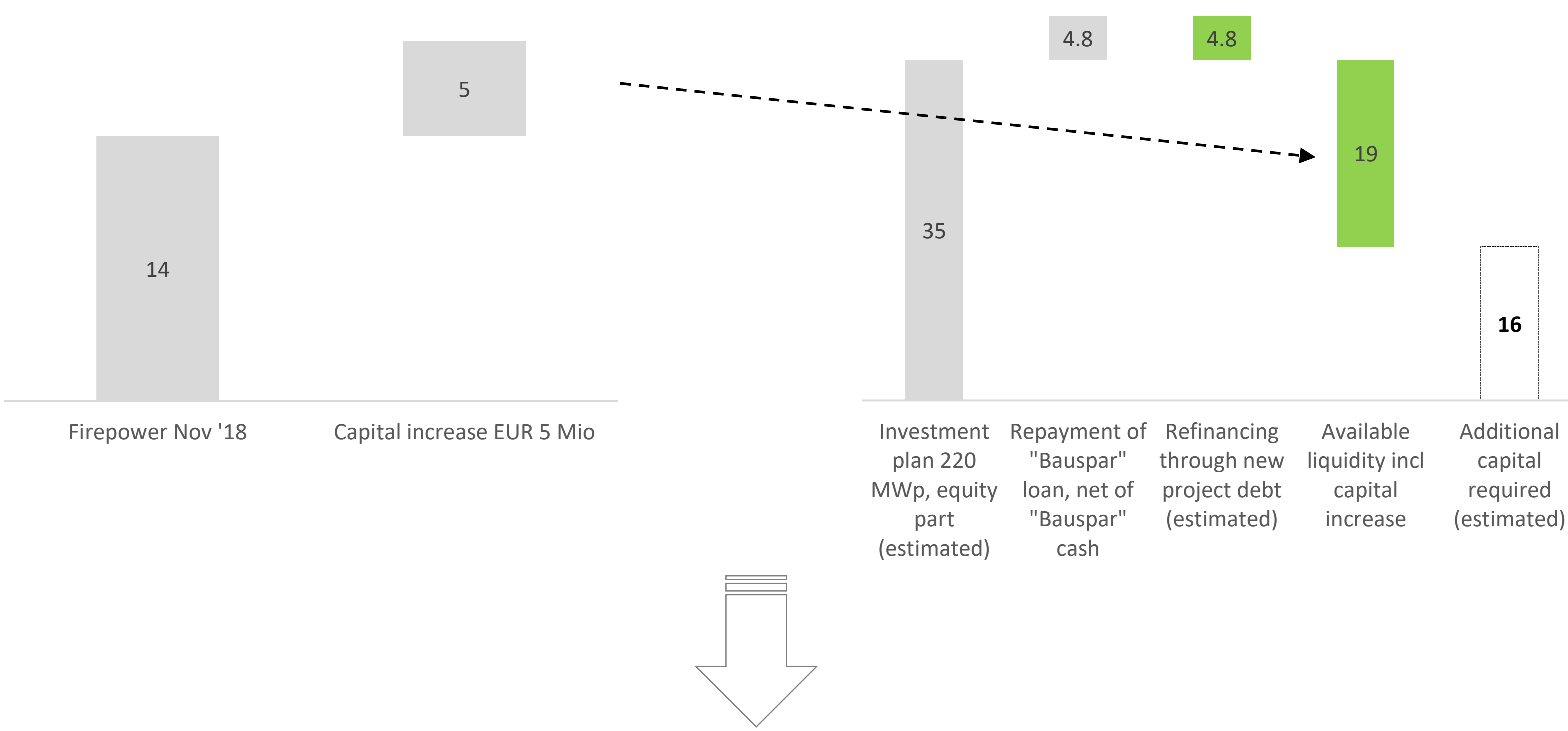
- Debt reimbursement scheme follows the EBITDA profile of the existing IPP portfolio
- Aside from the regular EUR 20 Mio. debt repayment (2019-25), a project-related “Bauspar” loan of EUR 7.3 Mio. (4.8% fixed interest cost) can be reimbursed without early pre-payment penalty during 2019. The accumulated cash available at the specific “Bauspar” account is already EUR 2.5 Mio. so that the re-financing requirement is limited to EUR 4.8 Mio
- Upon cancellation of the “Bauspar” loan, the average fixed cost of debt for 2019 will drop to 2.7% on group level.

Financing Plan 2018-2020

Additional equity financing of EUR 16 Mio. required to roll out the 220 MWp plan

AVAILABLE LIQUIDITY FOR GROWTH (EUR MIO.)

EQUITY FINANCING PLAN FROM 153 TO 220 MWP (EUR MIO.)



GROWTH WILL BE FINANCED THROUGH AVAILABLE CASH, DEBT REFINANCING AND ADDITIONAL CAPITAL (EUR 16 MIO)

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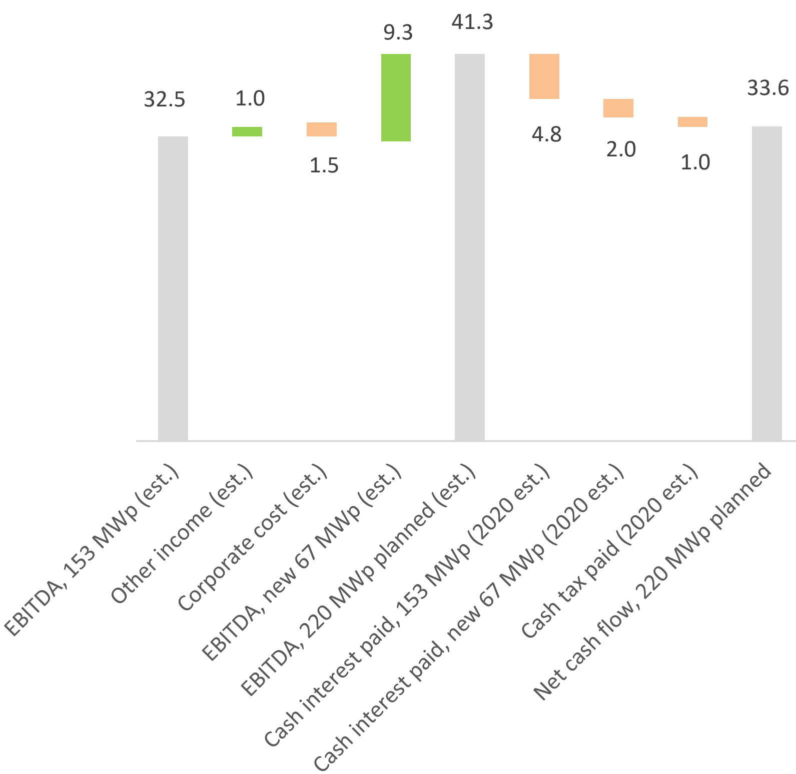
EBITDA & CFPS target

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 (year-end '18) to 59.1 Mio. upon execution of the financing plan. The planned capital increase of EUR 16 Mio could create ~5.7 Mio.
- **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

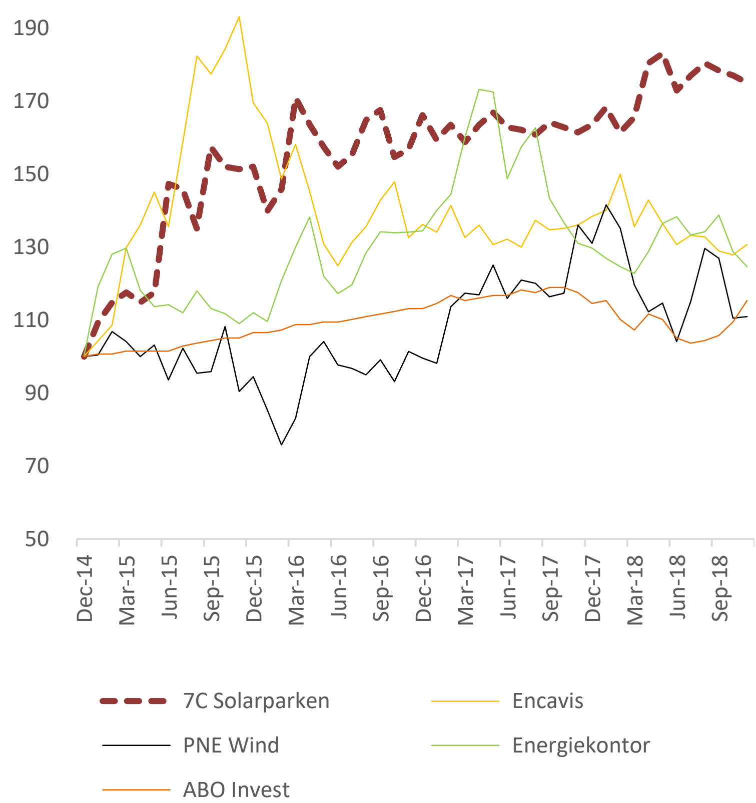
OWNERSHIP

MANAGEMENT

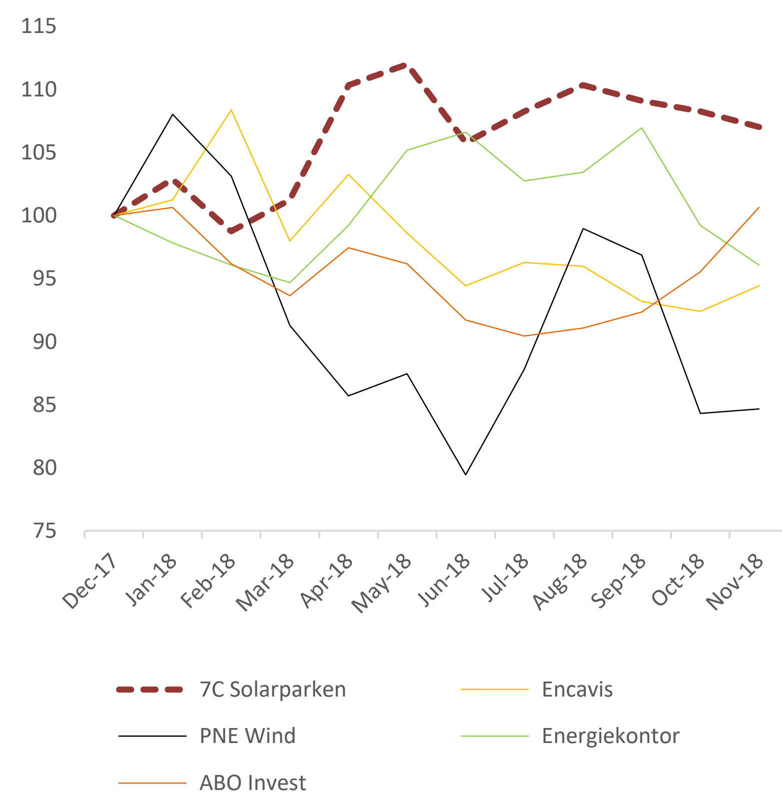
Outperformance Among German Developers & IPPs

Led by defensive character and growth

4-YEARS SHARE PRICE PERFORMANCE (REBASED)



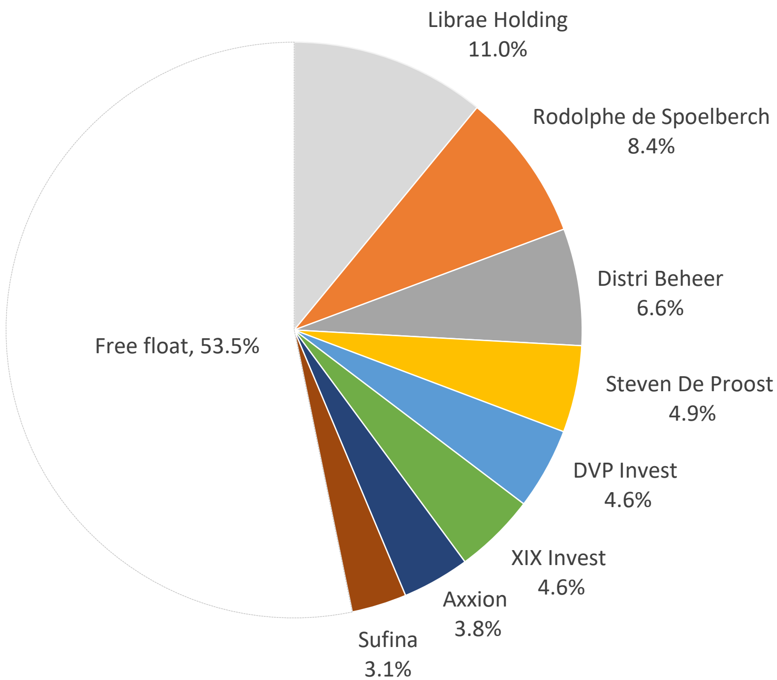
SHARE PRICE PERFORMANCE 2018 (REBASED)



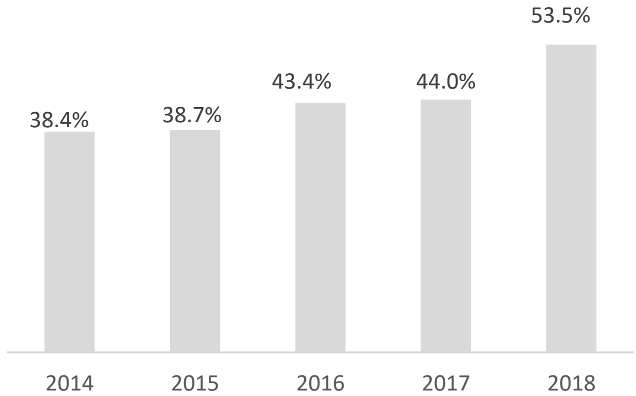
Ownership

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

SHAREHOLDERS STRUCTURE Q3'18



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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