



Energeia AS

Investor Presentation

13 November 2023

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9m 2023 main figures & highlights



1 Gross revenues

- Electricity sales revenue down from high prices of 2022 – still above SDE+ contract of EUR 90 per MWh YTD.
- NL Installation & services sales up 28% Y-o-Y. August is holiday – no sale.

2 Profitability & investments

- Good profitability in Dutch going operations - financing investment in project development.
- ASN acquisition earn-out of EUR 500k due to good results in earn-out period.

3 Project development

- 20 Solar PV projects in contract in Norway representing 1 055 MWp/1 266 GWh.
- Dutch project portfolio slow in development due to grid-congestion.

4 Solidity & liquidity

- Only interest-bearing debt is on power production with 1,26% fixed interest rate.
- Cash flow in period strong due to payment for 2022 electricity sales.
- Dutch cash flow going forward financing project development

5 Strategic review

- Significant M&A opportunities in the Netherlands within both power & services.
- Assessment of synergies Netherlands Norway through equipment sale.
- Collaboration agreements to strengthen project execution power.

9m 2023	Group	Netherlands	Norway	Other & elim.
NOKm				
Power (MWh)	10 847	10 557	0	290
Revenues	55,5	50,8	4,4	0,3
Gross margin	40,0	35,4	4,4	0,3
EBITDA	-3,6	13,2	-13,1	-3,6
EBIT	-13,0	9,3	-15,3	-6,9
Net financial items	2,5	-0,7	4,2	-1,0
Profit/loss before tax	-10,5	8,6	-11,1	-7,9
Total assets	233	142	146	-55
Fixed assets	169	100	119	-49
Cash	37	24	9	4
Net Working capital	12	9	1	1
Interest bearing debt	73	73	0	0
Equity & sh.loans	118	49	142	-73
Net cash flow	13,2	17,4	-4,1	-0,1
CF operations	23,3	39,3	-18,9	2,9
CF investments	-6,3	-2,5	12,3	-16,1
CF finance	-3,8	-19,3	2,5	13,1
Net cash Dec'23	24,0	10,9	12,8	0,3
Net cash Sep'23	37,2	28,2	8,8	0,2
Employees	61	47	12	2

Shareholders & human resources



1 740 shareholders

Shareholders	Shares	Ownership
Eidsiva Vekst AS	20 202 020	16,95%
Jakobsen Energeia AS	18 716 349	15,70%
Sundt AS	17 303 580	14,51%
Obligo Nordic Climate Impact Fund	15 297 980	12,83%
AS BRDR Michaelsen Avd i Norge	7 500 000	6,29%
Canica AS	7 285 762	6,11%
Naben AS	5 765 250	4,84%
Vako Prosjekt AS	3 152 550	2,64%
Alden AS	3 000 000	2,52%
Trimtabber BV	2 527 000	2,12%
Jemma Invest AS	2 527 000	2,12%
T. Tvenge	2 500 000	2,10%
MP Pensjon PK	2 176 283	1,83%
Suletind Invest AS	1 200 000	1,01%
Bergen Kommunale Pensjonskasse	1 200 000	1,01%
Energeia AS	750 956	0,63%
Basen Kapital AS	635 334	0,53%
Peninsula AS	625 000	0,52%
Stanja AS	559 200	0,47%
G Gallorini	381 250	0,32%
DNB Livsforsikring AS	269 086	0,23%
Other shareholders (1 719 shareholders)	5 640 712	4,73%
Total number of shares	119 215 312	100,0%

Employees owning 29.9% of the outstanding shares.

Human resources

Employees	No.	FTE
Netherlands	47	37,6
Management & HR	6	5,0
Accounting	2	1,6
Sales & services support	10	7,3
Technical & installation	29	23,7
Norway & Italy	14	12,9
Management	2	2,0
Accounting & administration	6	5,4
Legal	1	1,0
Project development & technical	5	4,5
Energeia Group	61	50,5

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Energieia Netherlands revenue & costs



Energieia NL Services

- Revenue growth of 28% compared to 2022 - mainly from products & services related to the energy transition
- Cross selling between product offerings and services successful and a generator for growth.
- Implementing new acquisition tool for growing solar installations sales – brings down time for quotes from 5 to 1 day.
- EBIT margin slightly down due to collective labour agreement increases of salary, increasing number of staff and higher cost of hiring temporary staff
- Signs of a temporary slowdown in solar sales noticed due to Parliament discussions on net metering for “over” production of electricity related to National election 22nd of November.

Energieia NL Power

- Electricity price in the first 3 quarters 2023 down from EUR 205 per MWh in 2022 to EUR 99 per MWh.
- The pre-payment for the 2023 electricity sales in our PPA, which reflects SDE+ grant scheme with the Dutch Government, is EUR 150 per MWh. In May 2024 we need to repay the difference between the pre-payment and the final PPA price.
- Estimated repayment obligation YTD is NOK 4,7m. NOK 9,6m is placed on an interest-bearing deposit account with 3.8 percent interest to meet obligations and as pure cash deposit.
- We achieved reduced property tax on our power plant going back to 2020 by taking advantage of dual use of the land through combined agricultural activities (sheep infield grazing) and power production (Agrivoltaics).

9m 2023	Group NL	Power production	Installation & services	Other & elim.
NOKm				
Power (MWh)	10 557	10 557		
Revenues	50,7	11,9	38,9	-0,1
Electricity sales	11,9	11,9	0,0	0,0
Sales solar systems	15,8	0,0	15,8	0,0
Sales energy systems	9,3	0,0	9,3	0,0
Energy service revenues	9,5	0,0	9,5	0,0
Equipment rental revenues	3,3	0,0	3,3	0,0
Other revenues	0,8	0,0	0,9	-0,1
Cost of goods sold	-15,5	0,0	-15,5	0,0
Gross margin	35,3	11,9	23,4	-0,1
Operating costs	-26,2	-2,4	-19,8	-4,0
O&M costs	-2,0	-2,0	0,0	0,0
Wages & social costs	-19,3	0,0	-16,3	-3,0
SG&A	-4,7	-0,2	-3,5	-0,9
Other operating costs	-0,2	-0,1	0,0	-0,1
EBITDA	9,1	9,6	3,6	-4,1
% EBITDA margin	18%	80%	9%	
Depreciation and amortization	-7,0	-3,3	-0,6	-3,2
EBIT	2,1	6,2	3,1	-7,2
Net financial items	-0,7	-0,7	0,0	0,0
Profit/loss before tax	1,3	5,5	3,1	-7,2



Opportunities and market development in installation and services

- Our integrated product offering with a cross selling model is successful and gives momentum to increase business since we 'bundle' product offerings and solutions for the Dutch Energy Transition.
- Natural growth is challenging given the shortage of skilled mechanics. However, we succeeded the first 9 months to hire 4 new mechanics. We have invested in creating an inspiring working environment.
- Given the challenges in updating mechanics competencies for new (energy transition) related products and stricter laws and regulations for our workforce many smaller installer firms have difficulties in 'staying alive'. Therefore, we see more and more installers that want to sell their business.
- The Energeia Group receives proposals for M&A opportunities within installation and services on a regular basis

Opportunities and market development in power production

- We expect an increasing M&A activity in built and ready to build power plants.
- With the upcoming repayments of the difference between the energy price pre-payments and the final electricity price together with a possible repayment of too high pre-payments of grants in the past few years by the Dutch Government we expect many power plant owners not being able to repay. Warnings already sent out by electricity off-takers and the Dutch Government on this topic.
- The Netherlands has initiated a massive grid investment programme to connect energy consumers and energy producers. This process will take years. This situation creates opportunities for off-grid production and intermediate storage. Consequently, we are also pursuing smaller and medium sized projects like rooftops of small and medium sized businesses and parking lots. This synergises with our Energeia Services business.
- The Energeia Group receives proposals for M&A opportunities for power plant projects on a regular basis.

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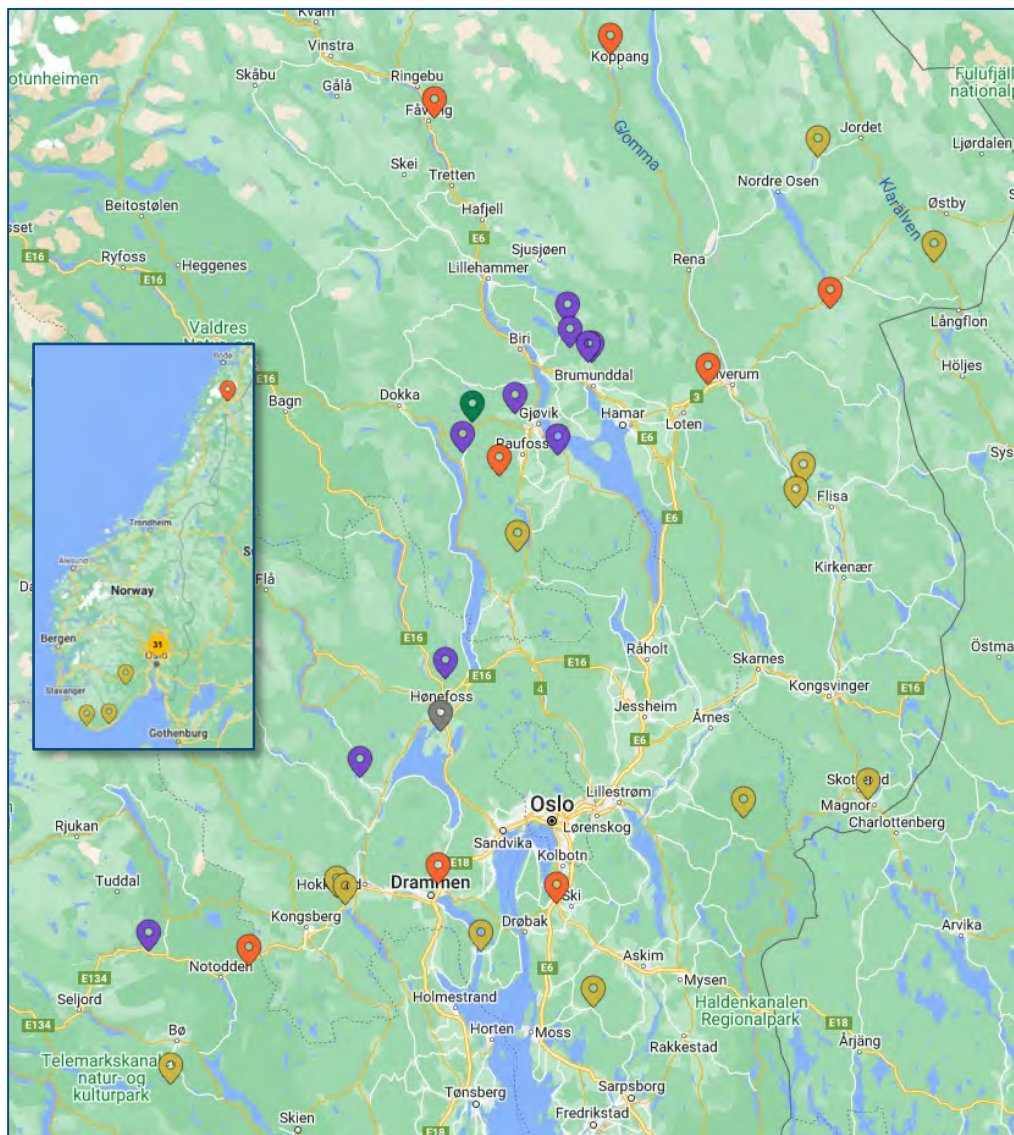
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Business going forward



Project under development in Norway



Project portfolio	Projects	Area	Initial Power		Potential (MWp)	
	No.	Hectare	capacity MWp	GW	Low	High
In concession process	4	384	264	316	130	320
Land lease agreement	7	792	578	679	550	610
Letter of intent	9	378	213	271	190	322
Portfolio in contract	20	1 554	1 055	1 266	871	1 252

- Approx. 38 projects in development, of which 20 currently under contract.
- Most projects in collaboration with the Eidsiva Group
- Energeia/Eidsiva/Hydro Rein collaboration agreement in final stages of negotiations.
- Focus going forward is dialogue with Grid companies and Statnett to secure grid connection prior to concession application procedure.
- Project development team strengthen with people with grid competence and the former head of Solar concession applications in NVE.

NVE revised concession process; Example Seval Skog Solkraftverk



NVE revised the requirements for starting formal concession application approval process in 2023. Official announcement of requirements was published 26 October 2023.

The current requirement for NVE to start application process is :

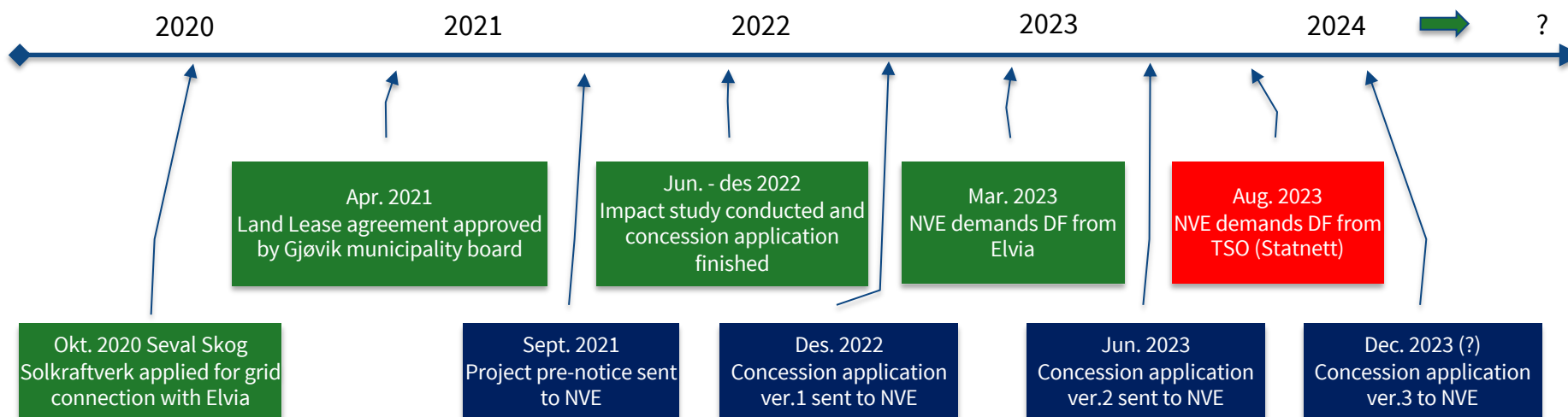
- Projects must have a grid connection agreement in place.
- Grid connection must be approved by the TSO (Statnett).
- Two concessions applications to be approved by NVE simultaneously; 1) Power plant, and 2) Grid connection. These applications are handled by different departments in NVE.

Consequence:

- NVE has transferred national energy planning from NVE to the grid companies.
- Grid companies are forced to “speculate” in which project that may be granted concession.
- Cost of project development has increased.
- Concession application process for projects above 10MW is effectively extended by at least two years.



- The Norwegian Water Resources and Energy Directorate (NVE) is a directorate under the Ministry of Petroleum and Energy.
- NVE grants the concession to build and operate power plants in Norway



Main power plant design

1) Single axis trackers to maximize power production.

- Single axis trackers increase power production by 20% – 35% per W capacity compared to fixed tilt.
- Enhances possibilities for utilization of **bifacial effect** – additional 7% increase in power production from backside reflection.
- Distance between tracker rows enables use of machinery to harvest grass and other agricultural products.
- Lifts structures sufficiently above ground to avoid snow cover in winter.

2) Intermediate electricity storage with batteries

- Batteries secure disconnect between power production and power dispatch to grid.
- **Benefits;**
- Reduce grid connection costs.
- Enables delivery of electricity at when prices are higher.
- Additional revenues from grid stability services.
- May reduce lead-time for grid connection of power plant.

Design and functionality



Economics of a Norwegian solar PV power plant of 45MWp



Investment assessment

Total investments	277,506	NOKm
Equity	138,753	NOKm
Debt	138,753	NOKm
Equipment & construction	243,392	NOKm
Development & financing	34,115	NOKm
Investment per W	6,141	NOK/Wp

Debt funding rate	5,24%	
IRR (after tax)	8,9%	30yrs
IRR - Debt yield spread	368	bp
Equity cash IRR (after tax)	11,1%	30yrs
Average dividend yield	15,5%	30yrs
Equity cash payback	11,0	Years
Revenue per kWh	0,500	NOK/kWh

45MWp	NOKm	NOK/kWh	%
Power production (kWh)	53 505 460		
Revenues	26,753	0,500	
Operating costs	4,612	0,086	100%
Grid connection costs	2,345	0,044	51%
Operation & Maintenance	1,000	0,019	22%
Insurance	0,216	0,004	5%
EBITDA	22,141	0,414	
% EBITDA margin	83%		
EBIT	13,024	0,243	
% EBIT margin	49%		

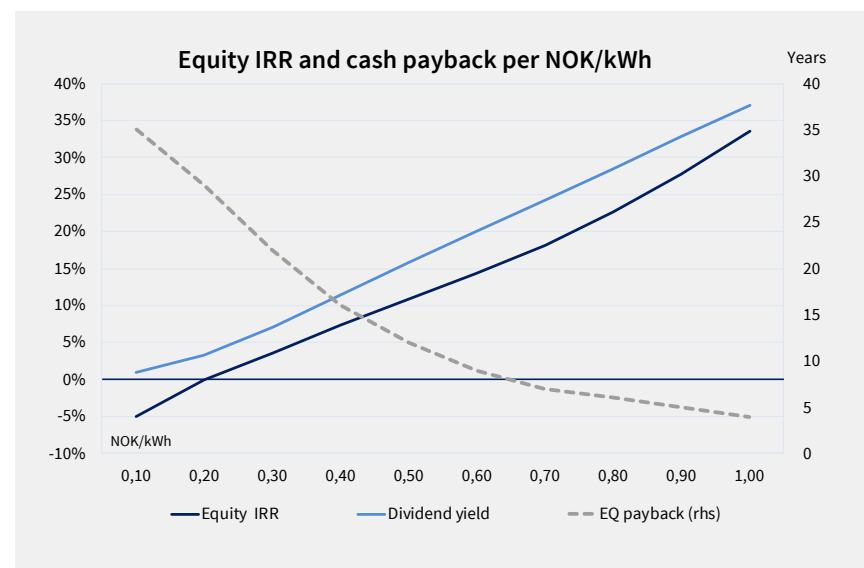
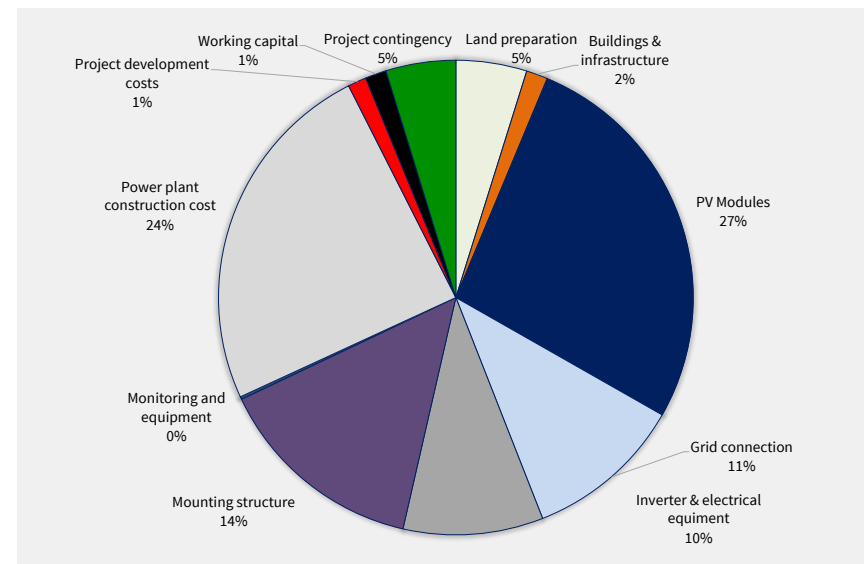


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Rule no.1: You must have a positive cash flow from operations when in the Solar PV energy business.

Rule no. 2: In a market with structurally falling prices – you need to watch your debt level. Over-levered = financial failure.

Main drivers for our business growth going forward:

- Large scale Solar PV + intermediate storage now cheaper than any other source of electricity production in Norway and the Netherlands.
- EU energy transition to reduce carbon emissions requires massive investment in electrification of energy use.
- Increasing number of small scale “prosumers” requires equipment installation and services. From 8 power plants to 100 000 “power plants”.

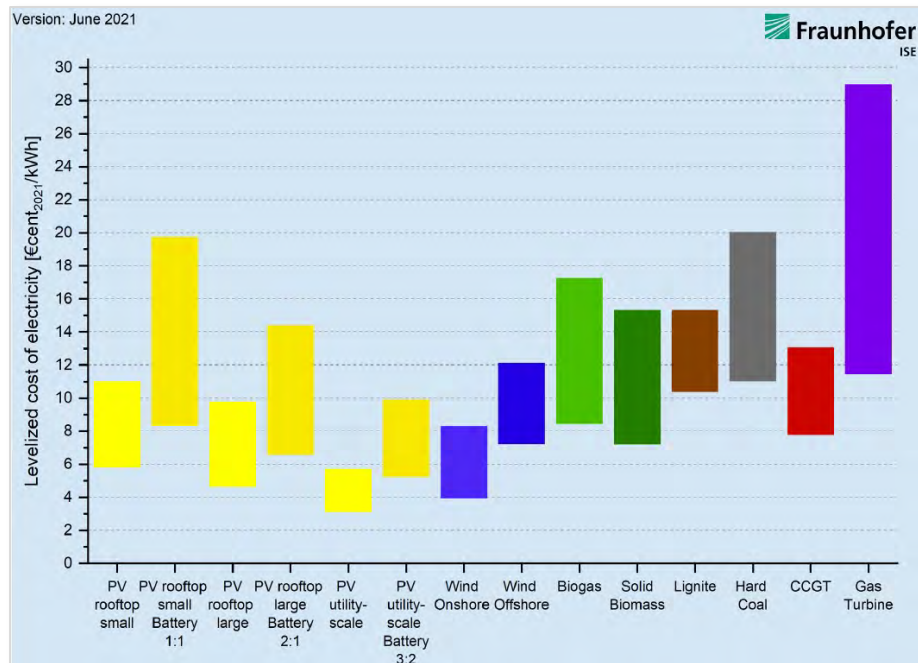
Energeia has made a fact-memo (in Norwegian) for understanding Solar PVs possible role in the Norwegian energy mix. This document may be downloaded from our website.



Solar PV lowest cost for power production in Northern Europe



LCOE 2021 of electricity generation by technology | EURc/kWh



Source: Fraunhofer ISE; Levelized cost of energy analysis (2021)

Cash cost 2023 per kWh & solar resource in Sandefjord

	kWh/m ²	NOK/kWh
Hustak (22°)	221	0,69
Industritak (30°)	229	0,44
Fast bakkeinstallasjon (45°)	235	0,24
Én-akse bifacial	349	0,16

Lokasjon	kWh/m ²	kWh/kW
Tyskland 53,4°N (Kiel)	1 573	1 293
Nederland 53,1°N (Burgum)	1 591	1 315
Storbritannia 52,2°N (Cambridge)	1 637	1 335
Danmark 57,0°N (Ålborg)	1 599	1 318
Sverige 58,4°N (Linköping)	1 588	1 294
Finland 61,5°N (Åbo)	1 595	1 293
Norge 59,2°N (Sandefjord lufthavn)	1 684	1 380

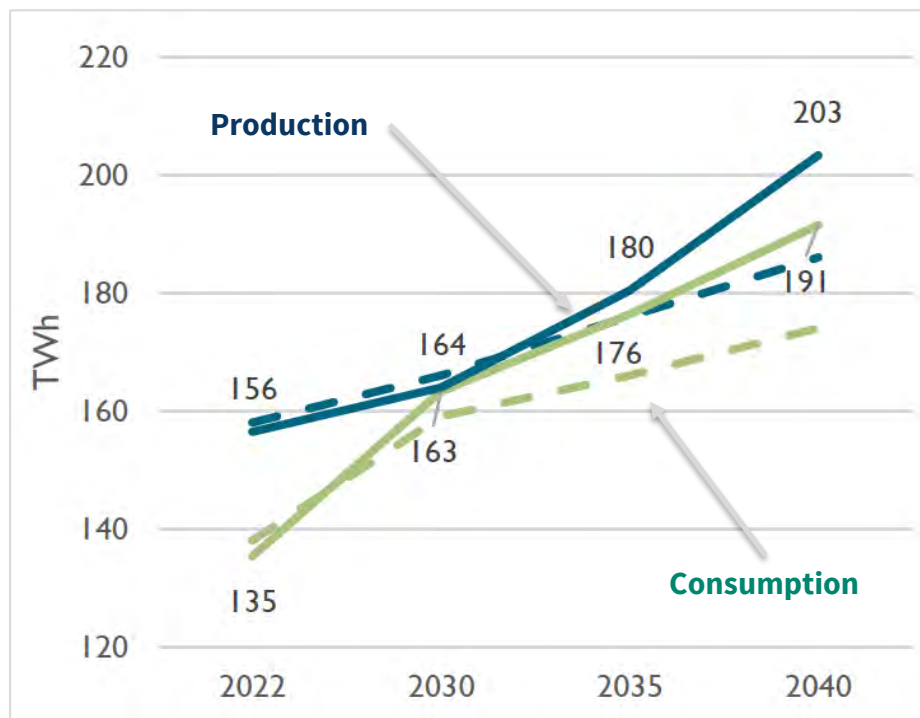
Source: PVGIS Sarah2

NVE expectations power prices & balance to 2040



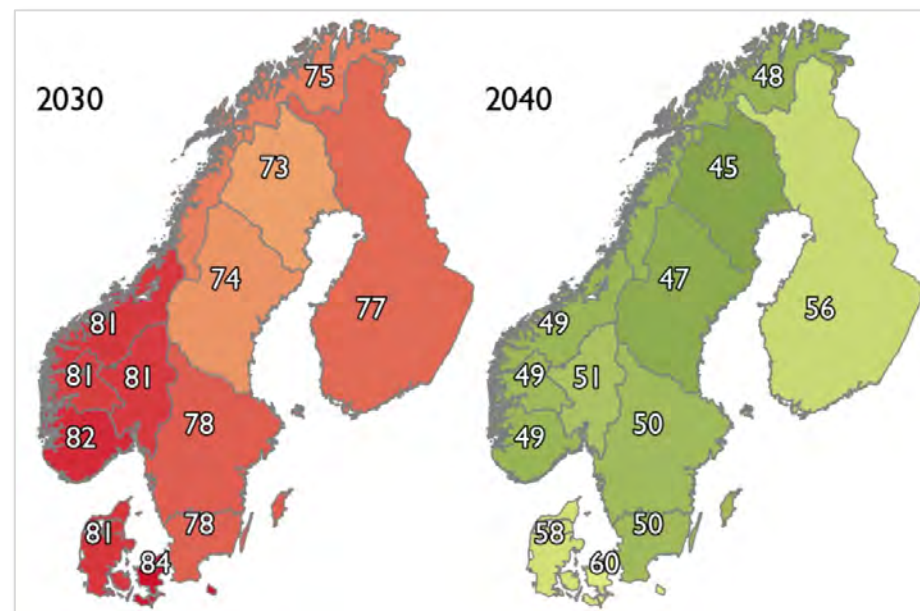
- NVE is responsible managing and planning Norway's water and energy resources, and to predict long-term power market balance and corresponding power prices.
- last assessment (October 2023) NVE expects power prices to be at a level of NOK 80 per MWh to 2030 and come down to NOK 50 per MWh by 2040.

Norway power market balance 2022 - 2040



(Source: NVE, Oct. 2023)

NVE: Annual Nordic power prices in NOK/MWh



Focus going forward:

- Continue profitable organic growth of the Dutch business.
- Get Norwegian projects through concession approval process with NVE and grid companies
- Establishment and further development of industrial partnerships within Solar PV power plants and intermediate energy storage.
- Explore M&A opportunities within Solar PV power plants in the Netherlands
- Explore M&A opportunities within Energy system installation and services businesses in the Netherlands
- Possibly utilise synergies between the Netherlands and Norway within equipment wholesale activity.

