

Q2-2022 Quarterly presentation

skandia
green:power



Today's presenters



Lene Johansen

CEO



Arne Thorsland

CFO

Agenda

1. Introduction and highlights
2. Key figures
3. Finance Q2 - 2022
4. Summary & short-term perspectives
5. Q&A

Agenda

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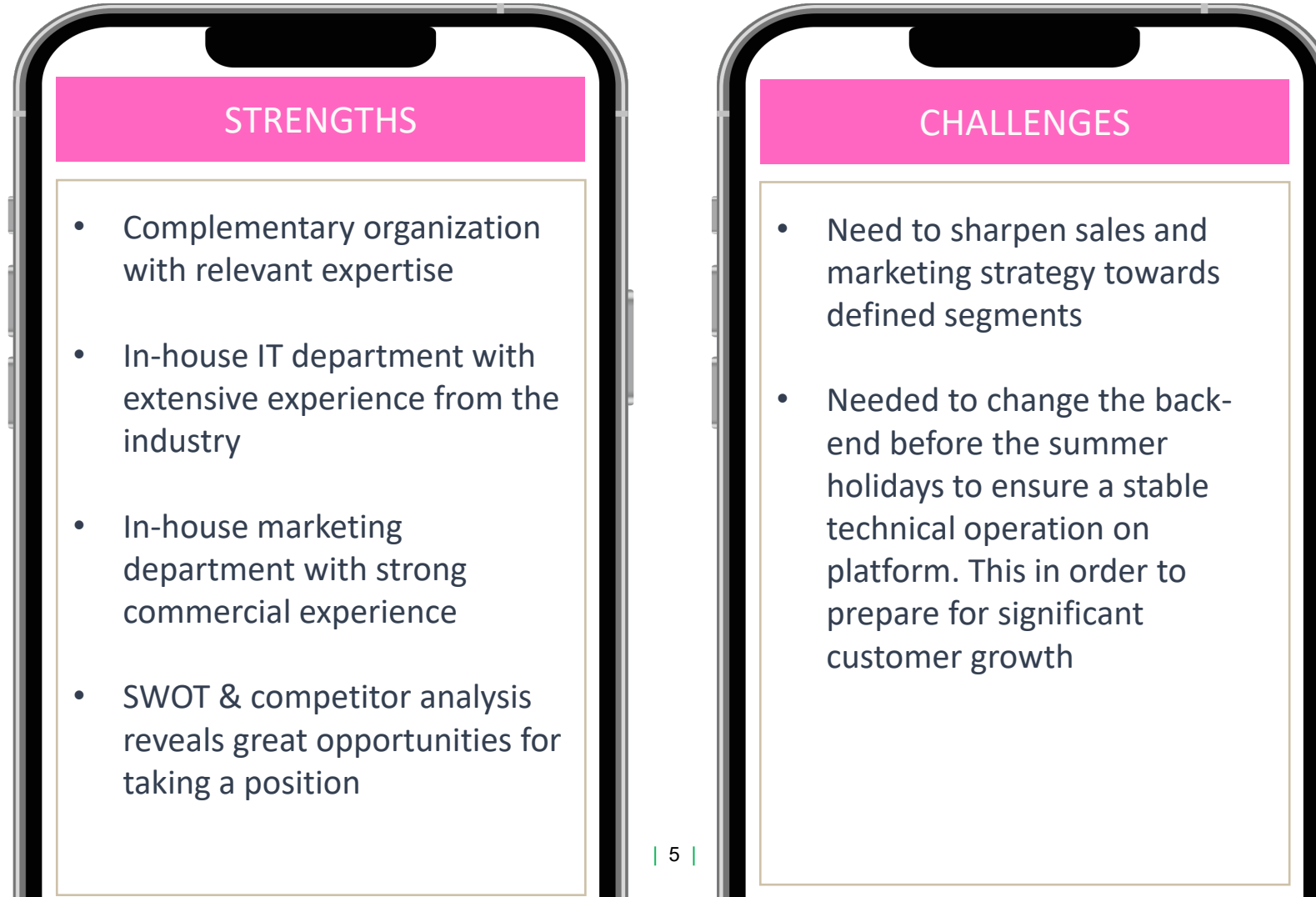
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Major events first half year of 2022

1. Strategy change / Accelerating the digital transformation
2. Cash burn on internal and external sales force removed
3. Introducing the elkompis brand
4. Upgrade of the Backend / securing a stable platform
5. New CEO / Enhanced Board of Directors

Improvements
Reduced cash burn
Prepared for growth

Observations after 2 months as the CEO



- Complementary organization with relevant expertise
- In-house IT department with extensive experience from the industry
- In-house marketing department with strong commercial experience
- SWOT & competitor analysis reveals great opportunities for taking a position

- Need to sharpen sales and marketing strategy towards defined segments
- Needed to change the back-end before the summer holidays to ensure a stable technical operation on platform. This in order to prepare for significant customer growth

This is happening right now

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1. Starting marketing and promotion
2. Proving elkompis' position in the market
3. We have growth capital and will spend our money wisely

Campaigns

Partners
Holdback strategy
Influencers
New segments
Portals
webshops
Performance sales

This is happening right now



Our plan

- 'Go-to market strategy' to realise 10,000 new customers by the end of 2022 – Campaign starts now
- Further develop elkompis with value-adding services – aggressive roadmap
- Ensuring efficient and profitable operations

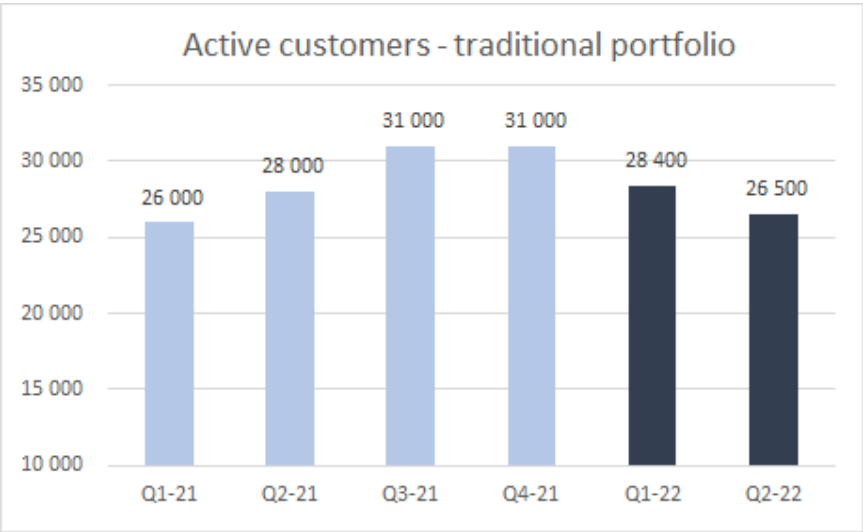
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Customer portfolio Q2

By the end of Q2, we have an active customer portfolio in Skandiaenergi of 26.500 customers



Our ambition is to manage this portfolio and offer interesting value adding content that may in the future also be offered to our elkompis customers

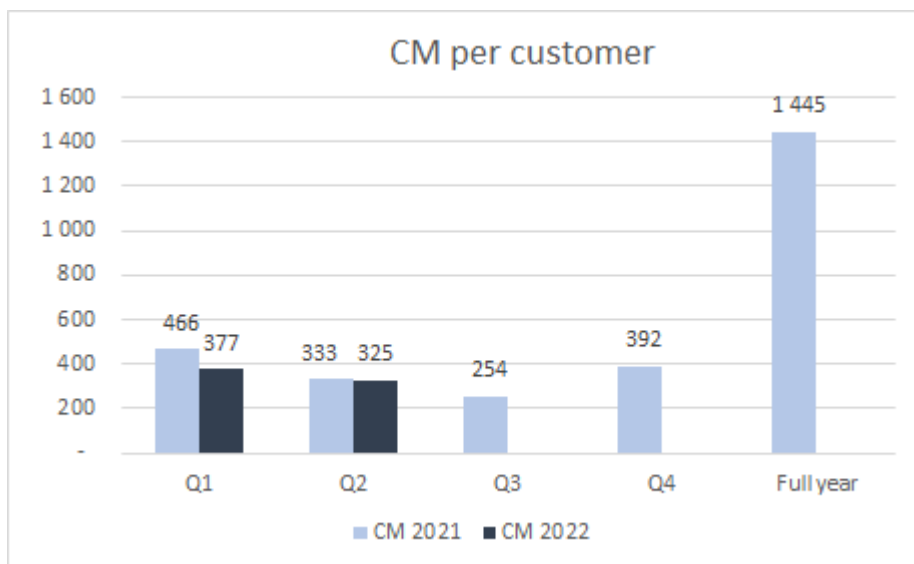
By the end of Q2 we have an active test portfolio in elkompis of 363 customers

Our main ambition is to use our experience from the first half of 2022 to escalate the portfolio to 10.000 customers by the end of 2022.

10.000 elkompis customers by the end of 2022

Annual Contribution Margin (CM) per customer is expected at NOK 1350 for 2022

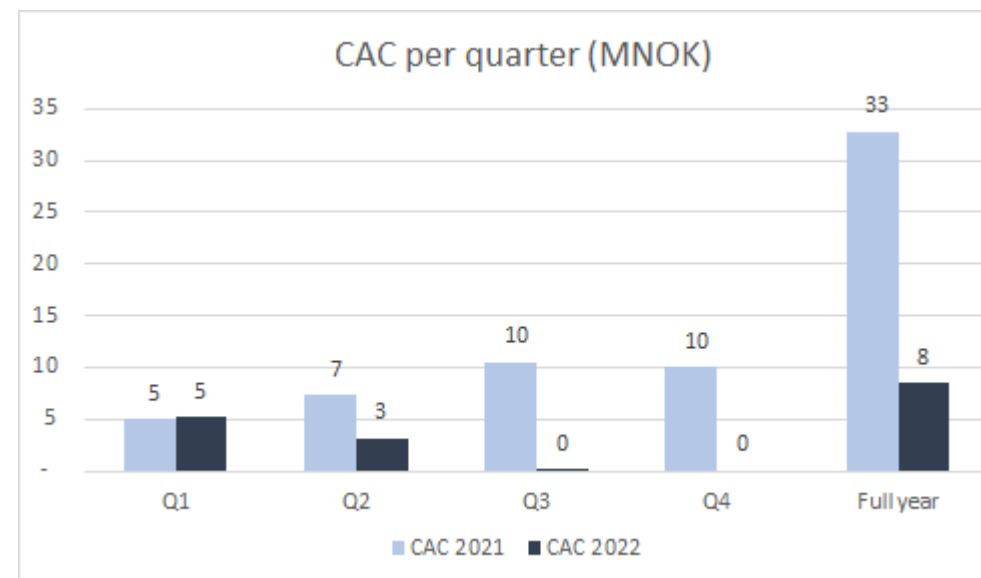
- During the first half year, we have terminated our internal sales department and terminated the contracts for the external sellers.



- The customer base reports a lower CM so far this year compared to last year. Annual expected CM for 2022 is NOK 1350

Our hold strategy means that new investments in customer acquisitions going forward is zero

- YTD CAC equals MNOK 8,8



- Going forward, we will have costs that relate to customer management in order to ensure customer satisfaction

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Profit and loss Q2-2022



Group P&L

NGAAP / NOK 1.000 / UNAUDITED	Note	Q2 - 2022	Q2 - 2021	YTD Q2-2022	YTD Q2-2021
Bruttoinntekt / Gross revenue	1	108 705	45 014	271 914	121 951
Varekostnader / Cost of goods sold		(100 069)	(36 683)	(252 973)	(102 896)
Netto inntekt / Net revenue		8 636	8 330	18 941	19 055
Lønn og sosiale kostnader / Personnel expenses	2	(4 934)	(3 159)	(10 221)	(6 778)
Andre driftskostnader / Other operating expenses	2	(7 041)	(4 256)	(15 539)	(8 572)
EBITDA		(3 338)	915	(6 819)	3 705
Avskrivninger / Depreciation and amortization	3	(6 055)	(5 242)	(12 212)	(10 322)
Driftsresultat / EBIT		(9 393)	(4 327)	(19 031)	(6 617)
Finansposter / Net financial items		(328)	246	(450)	408
Resultat før skatt / EBT		(9 721)	(4 081)	(19 481)	(6 209)
Skatt / Taxes		2 139	898	4 286	1 366
Resultat / Net result		(7 583)	(3 183)	(15 196)	(4 843)

Comments

1. Gross revenue for Q2 is significantly higher compared to the corresponding period in 2021. This is primarily due to the price differences on power during the periods.
2. The organisation is now in place, and we see a clear growth in operating costs compared to the same period last year. A proportion of this growth relates to one-off restructuring costs in connection with a new CEO and the closure of our sales department on the traditional portfolio. We have improved our cash flow per quarter by MNOK 4.5. This is a cash improvement because this previously was a capitalized cost. Full effect from Q4 2022.
3. Customer acquisition costs are capitalized over a 36-month period. The development of the elkompis platform is capitalized directly and depreciation starts when the project is completed. This is planned as of Q4 2022.

Balance sheet Q2-2022

Group balance sheet

NGAAP / NOK 1.000 / UNAUDITED	Note	Q2-2022	Q2-2021
Immatrielle og varige eiendeler / intangible and fixed as	1	88 609	62 398
Utsatt skattefordel / Deferred tax benefit		19 093	8 514
Fordringer / Receivables		52 278	28 608
Kontanter / Cash and equivalents		104 423	118 784
Sum eiendeler / total assets		264 403	218 303
Egenkapital / Equity		137 055	162 970
Kortsiktig gjeld / Current liabilities	2	127 348	55 333
Sum gjeld og EK / Total Equity and liabilities		264 403	218 303

Comments

Our overall goal is to realise the planned growth in our customer portfolio. The balance sheet reflects investments in our elkompis platform as well as the capitalized customer acquisition cost. This in addition to our working capital.

1. Intangible and fixed assets consist mainly of capitalized customer acquisition costs (CAC) and capitalized investments in the development of the elkompis platform. At the end of Q2, CAC for both portfolios, Omsetning and elkompis, amounted to MNOK 37, while capitalised investments of the elkompis platform amounted to MNOK 51.
2. Short-term debt is mainly debt to our power vendor and is not interest-bearing. This is significantly higher in 2022 compared to 2021 due to large differences in power prices in the same periods.

Cashflow Q2-2022

Group cash flow

NGAAP / NOK 1.000 / UNAUDITED	Note	Q2-2022	Q2-2021	YTD Q2-2022	YTD Q2-2021
Resultat før skatt / EBT		(9 721)	(4 081)	(19 481)	(6 209)
Avskrivninger / Ordinary depr. and amortization incl impair.		6 055	5 242	12 212	10 322
Endring i arbeidskapital / Change in working capital	1	(25 865)	(23 720)	1 546	(6 711)
Netto kontantstrøm fra drift Net cash flow from operating activities		(29 531)	(22 559)	(5 723)	(2 598)
Kjøp av varige driftsmidler og immatrielle eiendeler / Investment in fixed assets and intangibles	2	(8 148)	(12 864)	(19 751)	(24 046)
Netto kontantstrøm fra investeringer Net cash flow from investments		(8 148)	(12 864)	(19 751)	(24 046)
Endring i egenkapital / Changes in net equity		0	0	0	139 268
Endring i kassekreditt / Net change in credit facility		0	0	0	0
Netto kontantstrøm fra finansieringer Net cash flow from financing activities		0	0	0	139 268
Netto endring i kontantstrøm Net change in Cash / Cash equivalents		(37 679)	(35 423)	(25 474)	112 624

Comments

Net cash flow from operating activities is MNOK -29.5 for Q2 and MNOK -5.7 YTD 2022. This includes extraordinary restructuring costs of MNOK 1.8.

The negative cash flow from investments reflects the completion of the elkompis platform as well as the final customer acquisition cost of Skandiaenergi.

The shutdown of our sales department according to our communicated HOLD strategy, is reducing the cash spend of MNOK 4,5 on a quarterly basis.

1. Changes in net working capital are mainly due to the time difference between payments received and overdue payments (Power Liquidity). We see here a negative cash flow in Q2 alone that relates to seasonal fluctuations with lower consumption in Q2 than in Q1.
2. Purchases of tangible and intangible assets consist mainly of activated customer acquisition costs (NOK 10,5 million) and capitalised investments of the elkompis platform (MNOK 8,8).

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Summary

- We have made a strategy shift and stopped spending on non-priority areas
- We have upgraded the backend and secured a stable platform
- We have a new CEO

Way forward

- This is when we start growing
- Ambition: 10.000 new elkompis customers by the end of 2022
- The existing customer portfolio of Skandiaenergi will be serviced to our customers needs
- Long term goals are still valid

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