



Second quarter 2020

17 July 2020



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Agenda

- **Highlights and project update**

Raymond Carlsen, CEO

- **Financial review**

Mikkel Tørud, CFO

- **Summary and outlook**

Raymond Carlsen, CEO



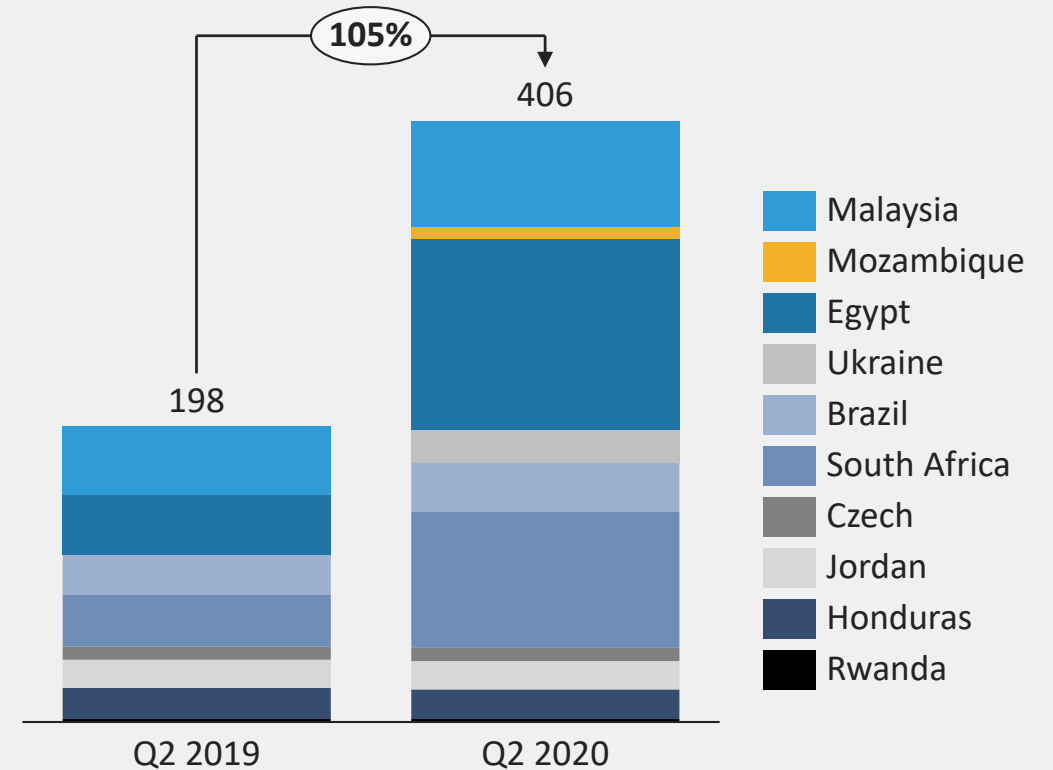
The 54 MW Boguslav solar plant in Ukraine.

Q2'20:

Power production doubled – progressing large project opportunities

- Power production reached 406 GWh, doubling production from same quarter last year
- EBITDA* of NOK 417 million, up from NOK 346 million in previous quarter
- Completed 140 MW in South Africa and Ukraine
- Raised gross NOK 1,968 million in new equity to fund further investments in renewables
- The Board approves dividends of NOK 131 million, equivalent to NOK 0.95 per share
- Limited impact of COVID-19

Power production (GWh)



A portfolio of 1.9 GW in operation and under construction

1,505 MW in operation (140 MW completed in Q2):

South Africa, 448 MW



Egypt, 390 MW



Malaysia, 197 MW



Brazil, 162 MW



Ukraine, 101 MW



Honduras, 95 MW



Jordan, 43 MW



Mozambique, 40 MW



Czech, 20 MW



Rwanda, 9 MW



399 MW under construction:

Ukraine, 235 MW



Argentina, 117 MW



Malaysia, 47 MW



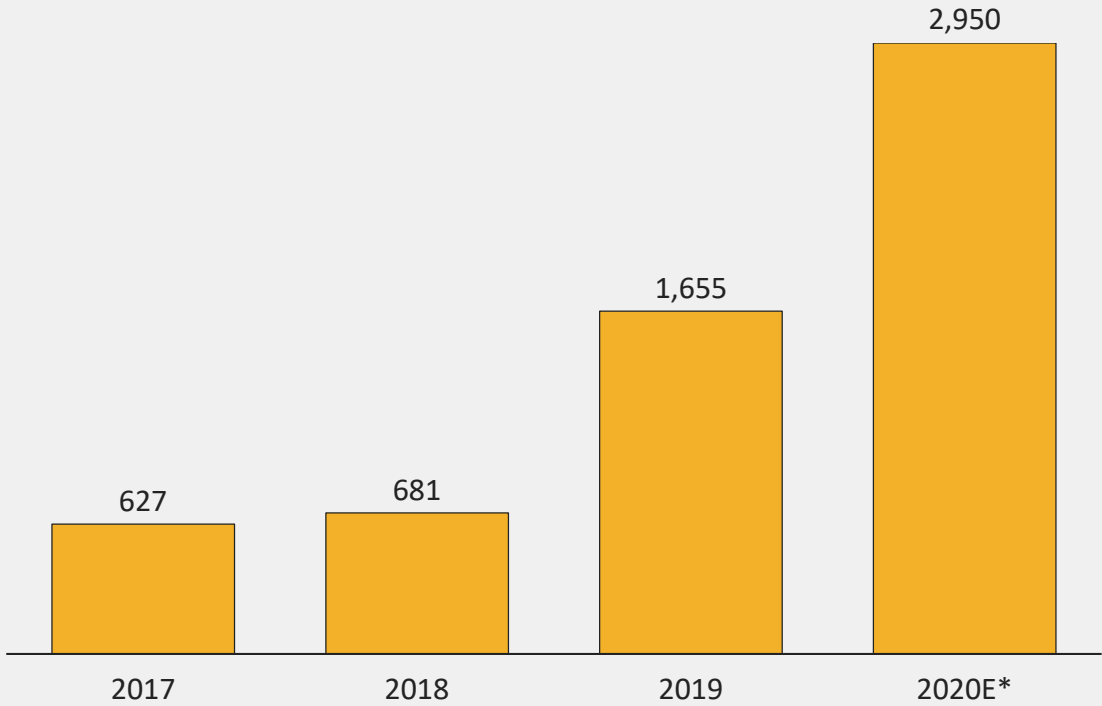
Second solar hybrid plant for the UN completed



- First combined solar and battery storage plant for IOM*
 - Second plant to be completed in third quarter
- Powers the Humanitarian Hub in Malakal, South Sudan
 - Reduces diesel consumption by at least 80%
 - Significant reductions in CO₂ emissions and costs
- First flexible energy supply agreement
 - leasing of solar hybrid plants
- Working on several similar projects for IOM and other organisations in Africa

Growing power production by 3.7x since 2017

Power production development (GWh, 100% basis)



Utilising new technology to reduce costs and improve power plant performance

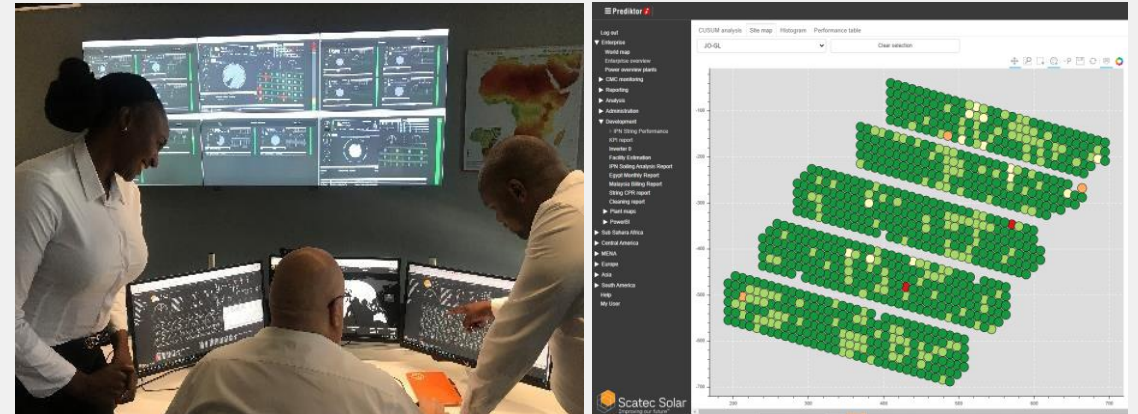
Operation & Maintenance (O&M)

- Improved workflows through automation of processes
- Actionable analysis sent directly to decision makers
- Examples:
 - Using drones to detect module level issues
 - Cleaning robots to reduce soiling
 - Digital field workers



Global control & monitoring centre, Cape Town

- Leveraging economies of scale - MW/FTE doubled from 2018
- Real-time data from all plants globally 24/7 - remote monitoring and support
- Using state-of-the-art analytics to detect and mitigate underperformance of our PV plants



Improving cost, design and performance for future solar plants

Bi-facial solar panels

- 390 MW Benban project, Egypt - world's largest solar plant using bi-facial panels
- Test- and production data enables design optimisation of new plants



Larger PV modules

- 500Wp+ modules available
- Working with leading vendors to implement the latest technology
- Further reduction of capex and LCOE*



Self-powered trackers

- Includes wireless communication
- Enables cost reduction and simpler installation and commissioning



Joint initiatives

- Improve operations' efficiency and plant design
- Cooperation with universities and research institutes
- Examples: AI & machine learning, floating solar and bi-facial characteristics



Sustainability

Key ambitions 2020:

**22 sustainability
targets for 2020**

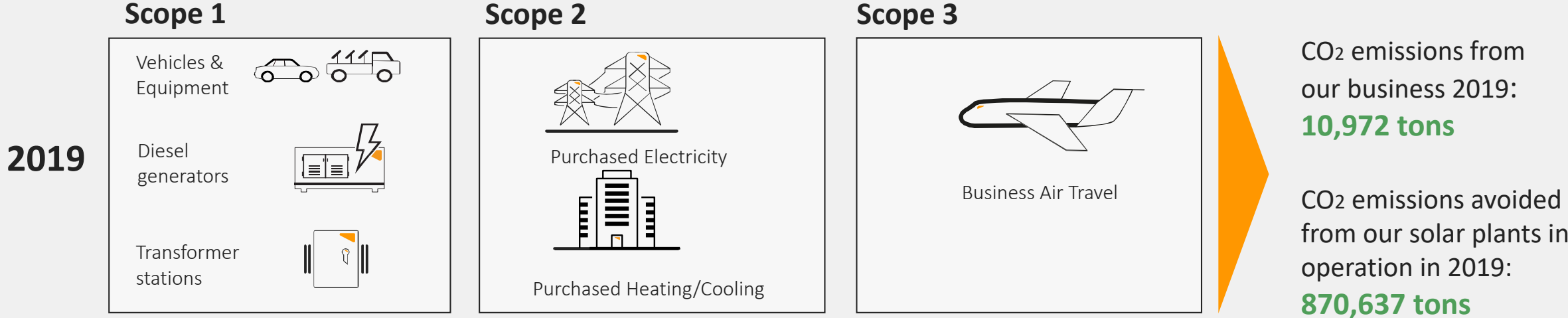
Responsible procurement

Engaging key suppliers to capture more of our value chain's total environmental impact

Climate action

Setting and pursuing an emission reduction target for our company

Climate reporting: Strategic priority and key stakeholder focus



2020 Ambitions:

- Reporting on more indirect emissions in scope 3
- Engaging with several of our key suppliers to capture more of our total environmental impact

Financial review

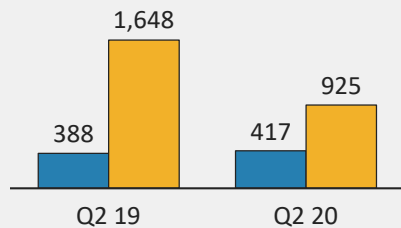
Mikkel Tørud, CFO

Continued growth in power production – steady operations

Proportionate financials

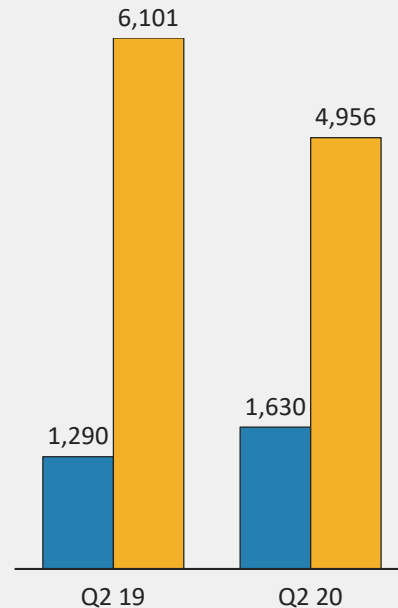
Quarterly (NOK million)

■ EBITDA ■ Revenues



EBITDA margin: Q2 19: 24%, Q2 20: 45%

Last 12 months (NOK million)



EBITDA margin: Q2 19: 21%, Q2 20: 33%

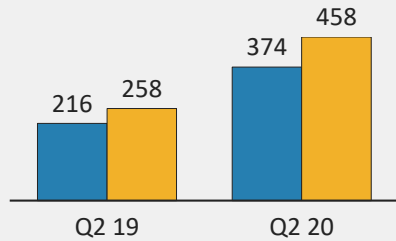
Second quarter 2020

- Increased Power Production revenues and EBITDA as asset portfolio grows
- Change in segment mix resulting in EBITDA margin of 45% compared to 24% last year
- Unrealised currency loss of NOK 169 million in Q2 after a currency gain of NOK 320 million in Q1

Power production doubled – plant availability above 99%

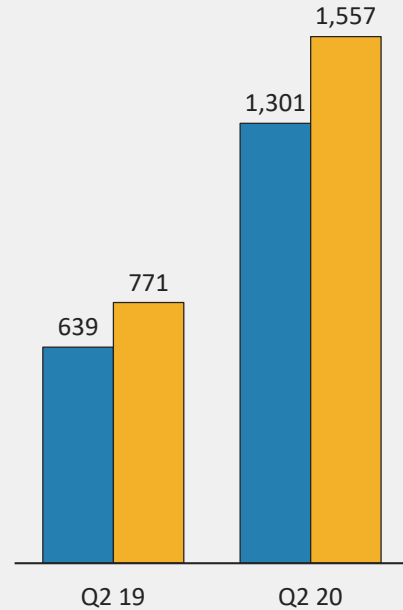
Quarterly (NOK million)

EBITDA Revenues



EBITDA 84% 82%

Last 12 months (NOK million)



EBITDA 83% 84%



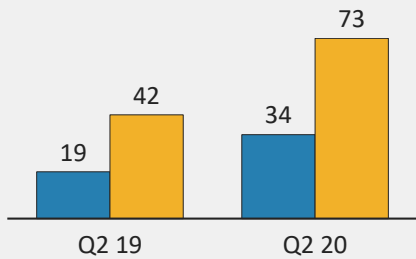
The 258 MW Uppington project in South Africa.

- 140 MW in South Africa and Ukraine reached commercial operation in Q2'20

EBITDA increased with a larger asset portfolio and revenues catch up

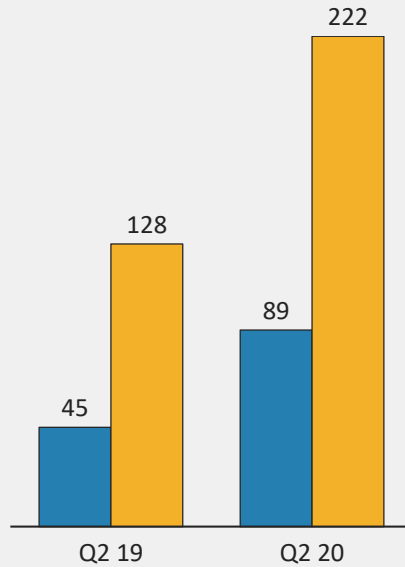
Quarterly (NOK million)

EBITDA Revenues



EBITDA 45% 47%

Last 12 months (NOK million)



EBITDA 35% 40%

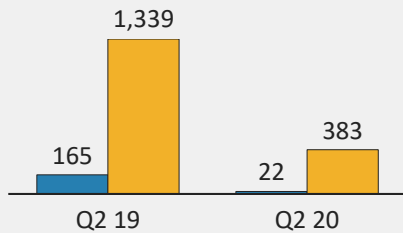


- Includes revenues catch up of NOK 14 million

Lower construction activity before starting a new wave of projects

Quarterly (NOK million)

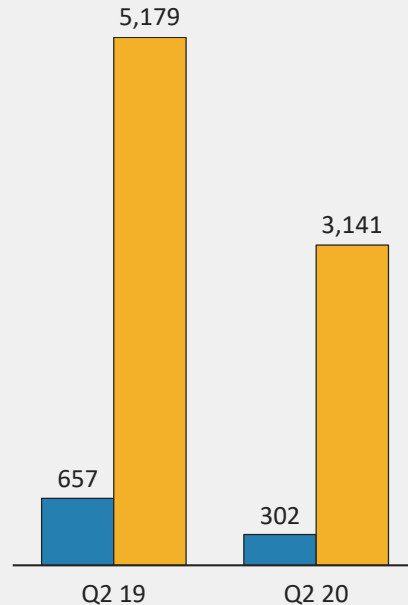
EBITDA Revenues



Gross margin 14% 14%

EBITDA 12% 6%

Last 12 months (NOK million)



Gross margin 15% 14%

EBITDA 13% 10%



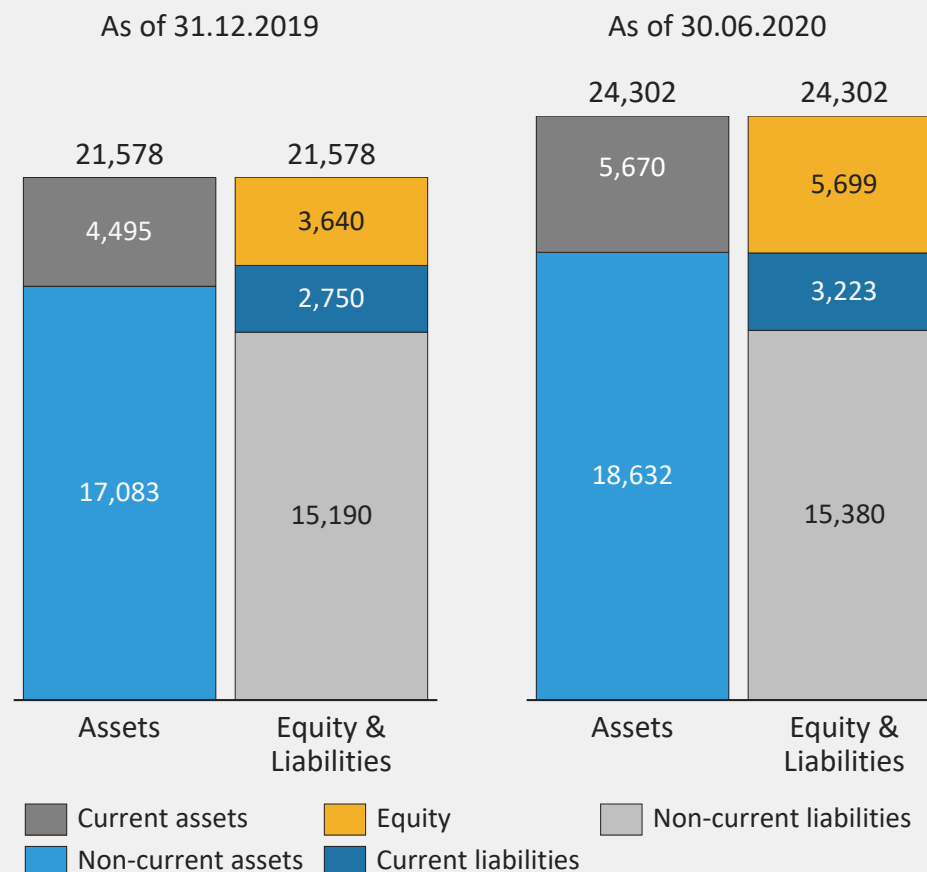
The 47 MW Redsol project in Malaysia.

Ready for further investments – NOK 3.6 billion of available liquidity

- Group free cash of NOK 1,933 million
- Undrawn credit facilities of NOK 1,646 million
- Group* book equity of NOK 7,361 million – equity ratio 91%

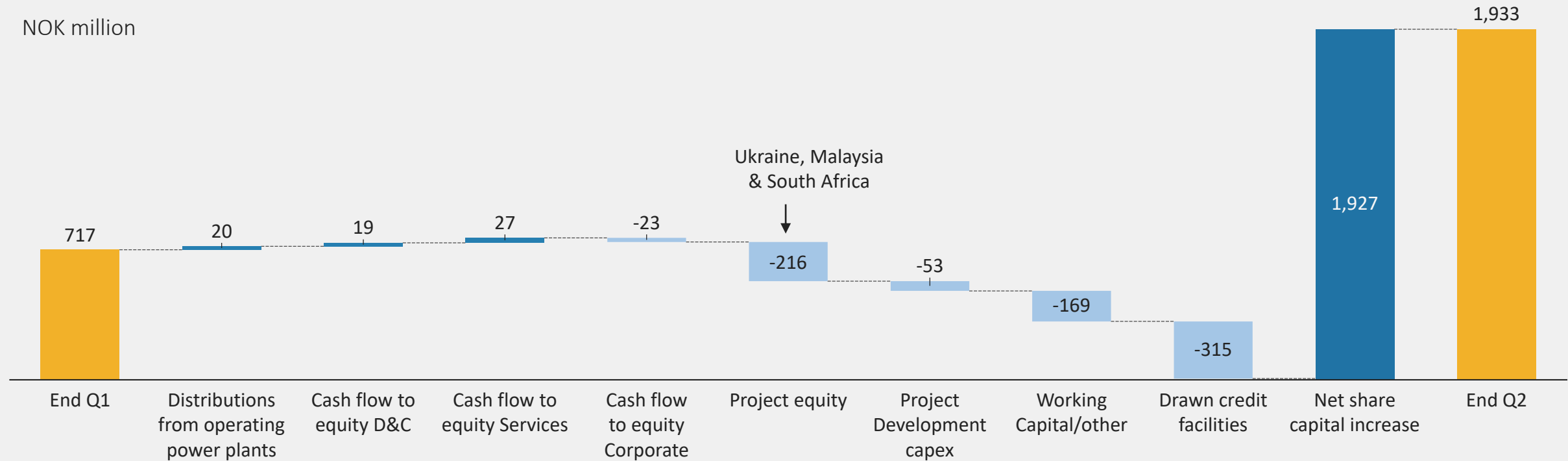
NOK million	Consolidated	SSO prop. share	Group level*
Cash	4,069	3,351	1,933
Interest bearing liabilities*	-13,937	-9,606	-747
Net debt	-9,868	-6,254	1,186

Consolidated financial position (NOK million)



Q2'20 movement of free cash

NOK million



In addition: Undrawn credit facilities of NOK 1,646 million

Short term guidance

- D&C value of portfolio under construction: NOK 1.1 billion
 - Remaining NOK 45 million value to be recognised
 - Lower D&C revenues in second half of 2020
- Power production from plants in operation end of Q2 2020:

GWh	Q2'20	Q3'20e	2020e
Proportionate	406	420-435	1,580-1,630
100% basis	738	770-800	2,900-3,000

- Services revenues is expected to reach NOK 240 million in 2020 with an EBITDA margin of around 35%.



The 35 MW Los Prados solar plant in Honduras.

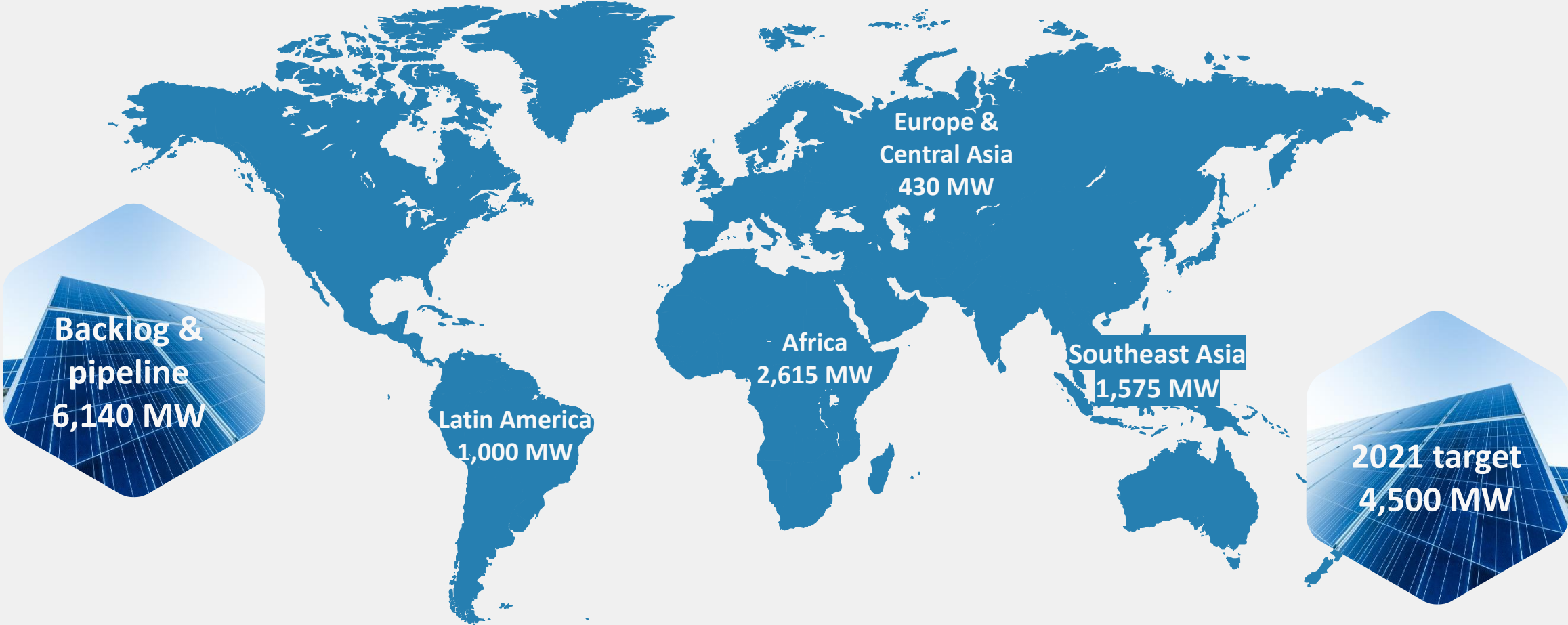
Outlook and summary

Raymond Carlsen, CEO



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Improving our future™

Growing pipeline with several additional opportunities under development



Key project backlog & pipeline updates

Tunisia – 360 MW

- Three solar projects awarded in international tender, Dec 2019
- Project agreements in process of finalisation with the authorities
- Lenders have been mandated to finance project debt



Industrial partnership projects (1,000 MW in pipeline)

- Several large projects of 500 MW+ developed in Brazil and South Africa
- Partnering with large industrial players for realisation of these projects
- Various renewable energy sources being assessed



Power production doubled – progressing large project opportunities

- COVID-19: Short-term impact on project development
- Pipeline of 5.6 GW – several large additional opportunities
- Completing 399 MW in second half of 2020
- Assessing M&A opportunities
- Robust financial position
 - available liquidity of NOK 3.6 billion
- Targeting installed capacity* of 4.5 GW by end 2021



The 162 MW Apodi solar plant in Brazil.



Thank you!





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