

# Otovo

**a leading European cleantech scaleup**

**Investor presentation, February 2021**



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# Today's presenters



**Andreas Thorsheim**  
*Founder & CEO*

- Former SVP Products at Opera Software
- Former Executive at Schibsted



**Cecilie Weltz**  
*CFO*

- Former Investment Professional at Verdane Capital
- Previously Structured Finance and Corporate Finance at Swedbank



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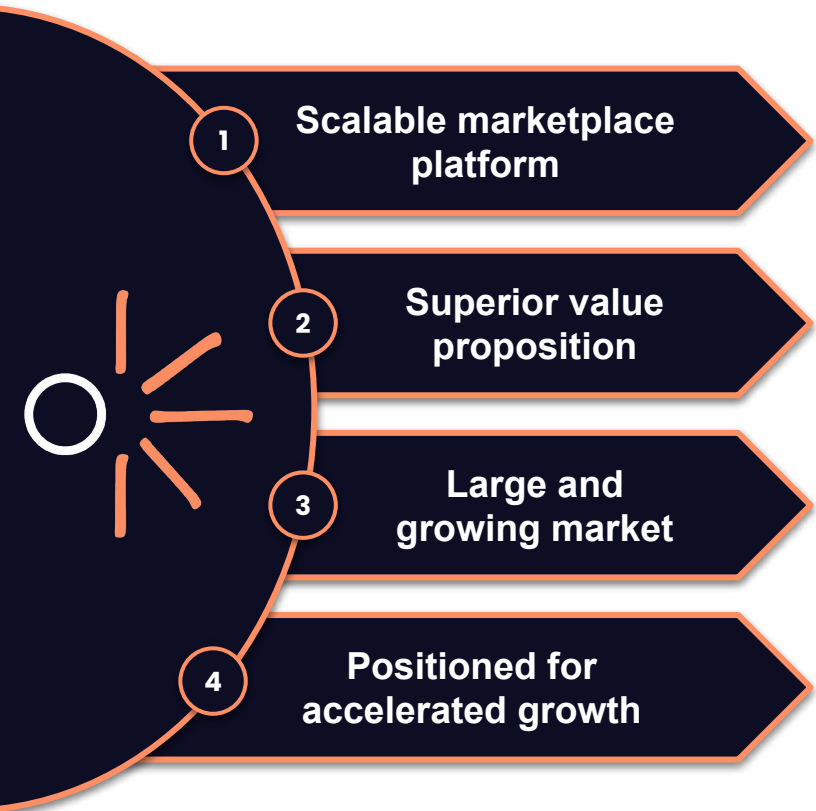


**Otoovo is an online marketplace for solar installations**

**On the path to become no. 1 in Europe**

*Otoovo projects completed in Q2 2019 near Oslo, Norway*

# Investment highlights



- Currently present in 6 European countries
- User-friendly interface matching homeowners and installers

- Largest network of installers in Europe
- Price leadership and strong brand driving market share capture

- Market growth fueled by the EU “Green Deal” energy transition
- Renewables getting cheaper, driving the consumer business case
- Addressing a growing, soon € ~9b p.a. European residential solar market

- Set for 100% revenue growth in 2021
- Clear path towards € ~450m in revenue by 2025

# Otovo is the easiest way for homeowners to go solar

## Seamless and convenient customer journey



# Otovo's platform matches homeowners and installers



**Homeowners**



**Solar PV installers**



Note: Otovo does not employ the installers, nor has any hardware or logistics responsibility, hence operating as a pure-play marketplace platform

# Otovo is already present in 6 EU markets

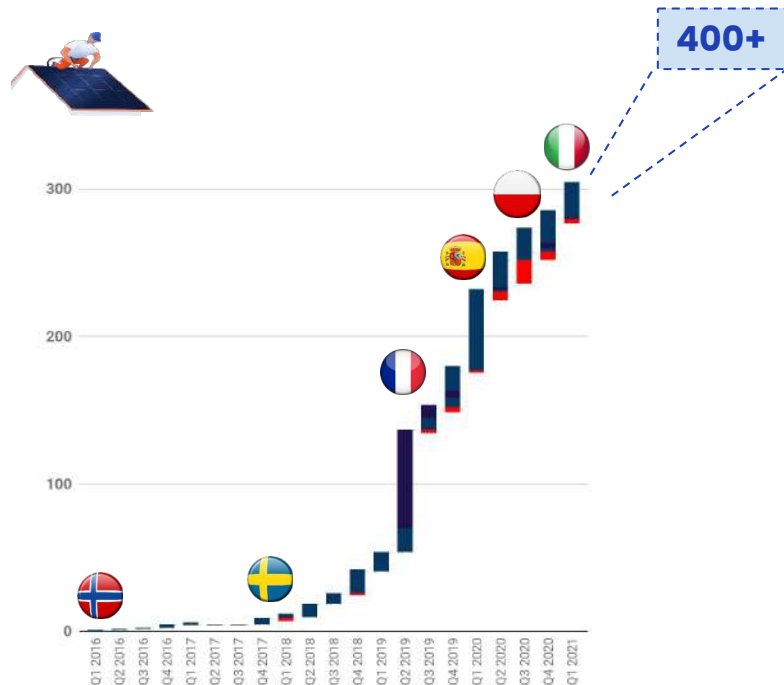


# Otovo has the largest network of installers in Europe

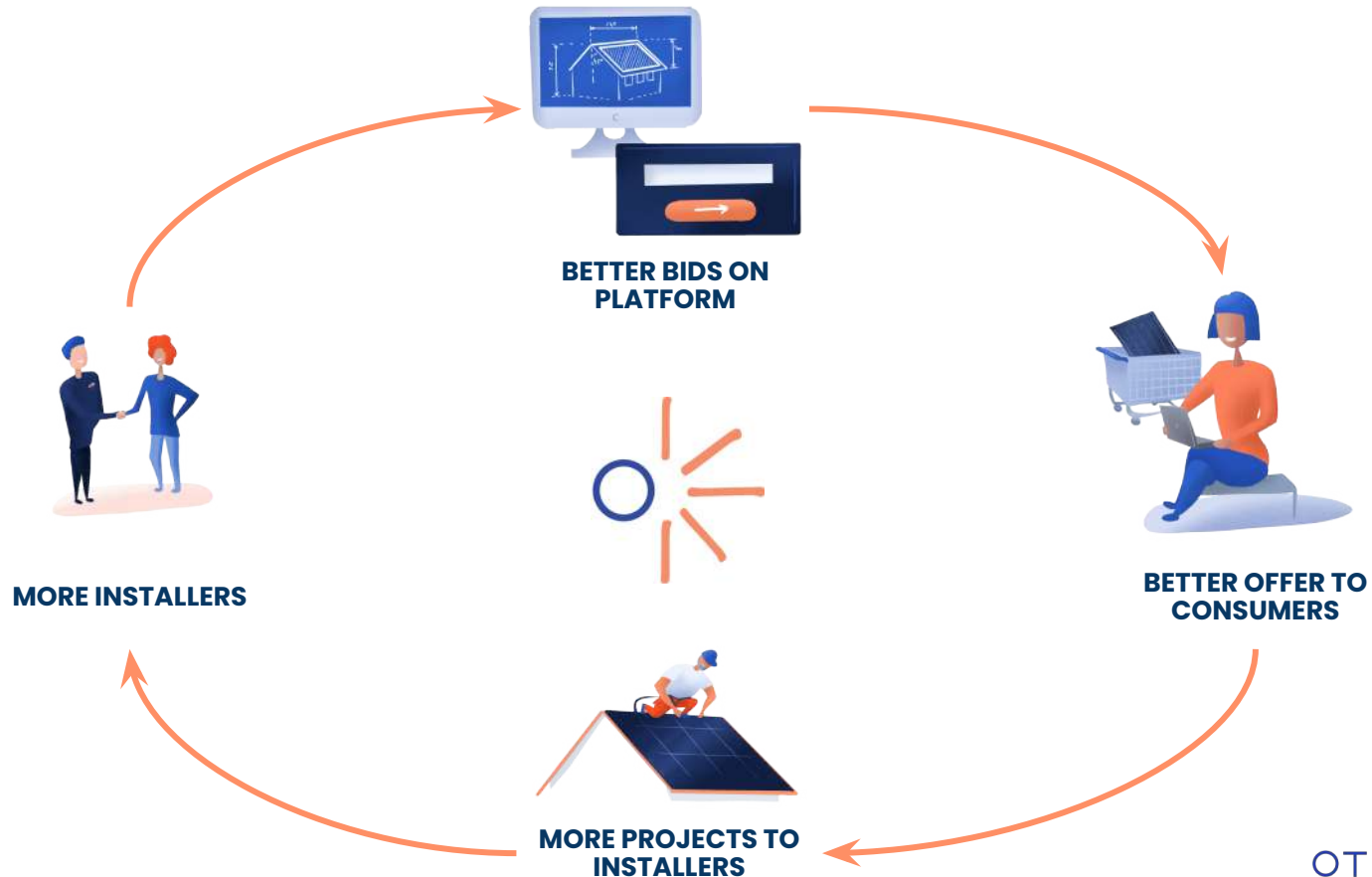
Otovo covers more than 150m people in EU...



...with # of installer companies growing fast

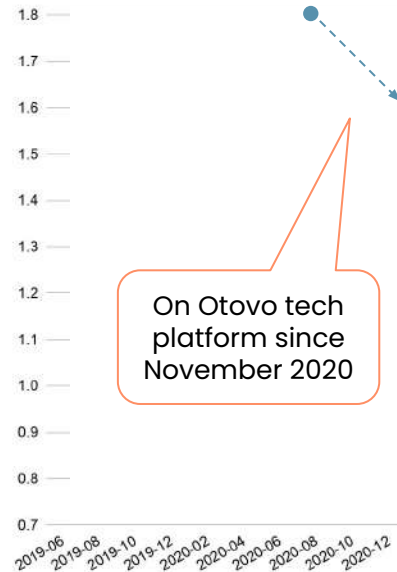
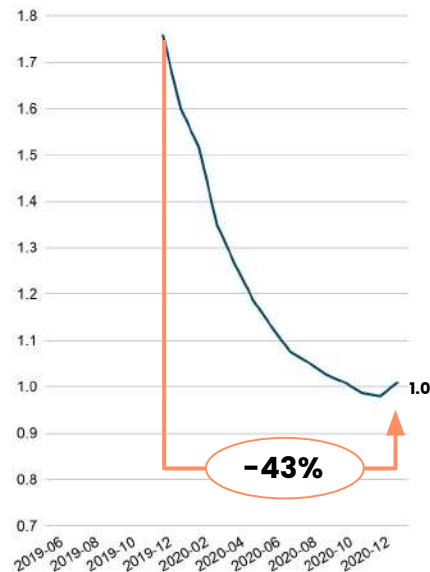
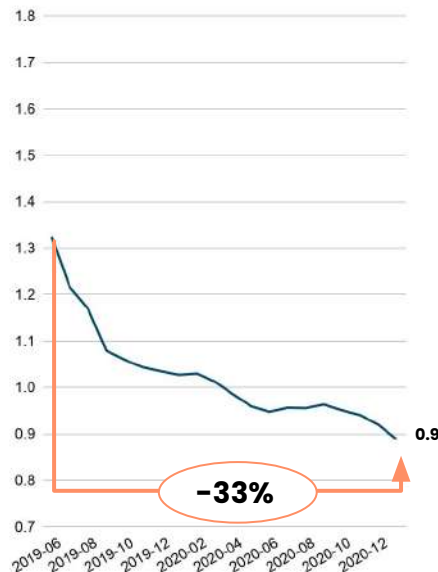
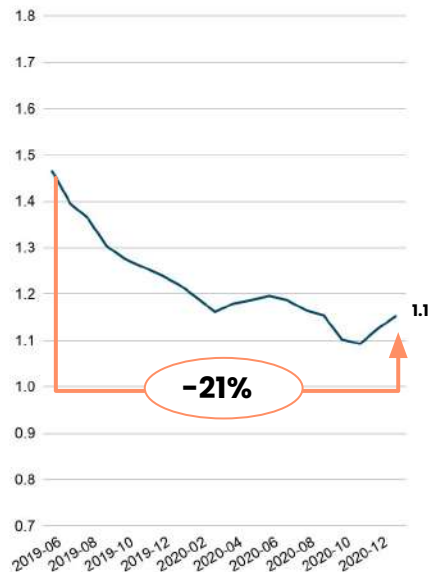


# The platform becomes a virtuous cycle for all



# Platform drives down costs for consumers

Winning installer bids on sold projects (July 2019–January 2021, L3M average, EUR / Wp)



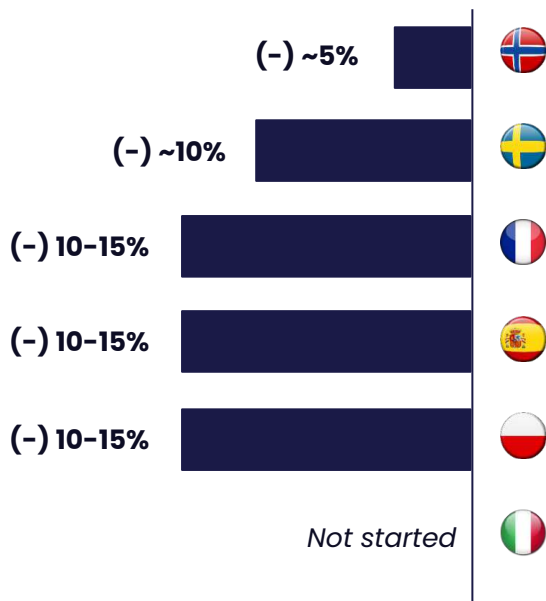
On Otovo tech platform since November 2020

Note: Otovo winning bids L3M average on sold projects

# Otovo is price-leading, driving market share capture

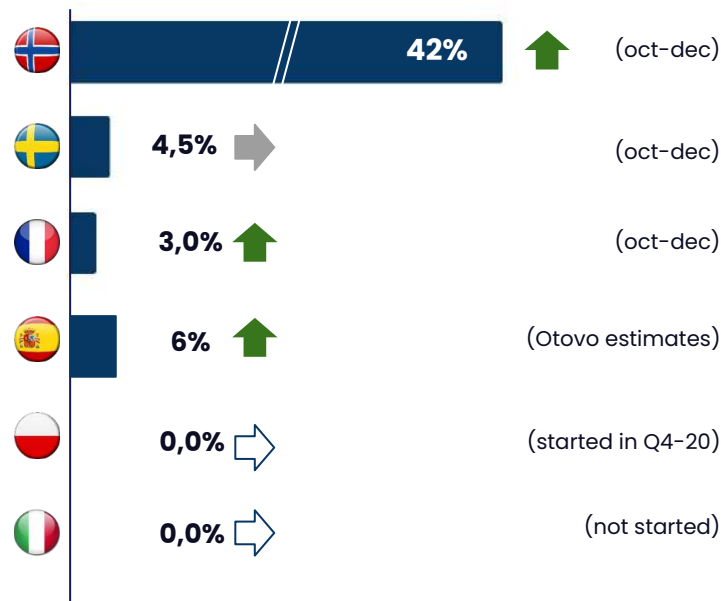
## Otovo is price-leading across markets...

Otovo price vs. avg. competition (Q4 '20)



## ...enabling rapid increase in market share

Market share (Last three months reported)



# Otovo is the leading solar brand in Europe

## Facing incumbent, less focused brands



**Fjordkraft**

Reviews 146 • Bad



vs.



**Vattenfall**

Omdömen 17 • Medel



vs.



**HolaLuz.com**

Feedback 69 • Bad



vs.



**EDF**

Avis 327 • Mauvais



vs.

## Otovo is dedicated to customers value



**Otovo**

Omdömen 111 • Utmärkt



**Otovo**

Reviews 42 • Excellent



**Otovo España**

Opiniones 25 • Excelente



**In Sun We Trust**

Avis 114 • Excellent



# Residential solar market driven by consumer savings

## Consumers save money on going solar across EU...

|                                                                                  | Installation cost<br>EUR/Wp | Subsidies<br>% of investment | Payback time<br>years |
|----------------------------------------------------------------------------------|-----------------------------|------------------------------|-----------------------|
|  | 1.1                         | 20–25%                       | 13–14                 |
|  | 0.9                         | 15–20%                       | 9–10                  |
|  | 1.0                         | 0% <sup>1</sup>              | 7–8                   |
|  | 1.8                         | 5–10%                        | 10–12                 |
|  | 0.8                         | 20–25%                       | 5–6                   |
|  | 1.6                         | 50–100%                      | 0–2                   |

## ...reasons to go solar will continue to improve

### Driver for EU residential solar

Trend  
'21–'25E

**Subsidy schemes will increase** with EU green deal (~1 trillion EUR investment & 'Net zero 2050 target')



**Solar panel cost** continues to fall (fallen ~90% last decade)



**Electricity prices** expected to increase in Europe (increased ~25% last decade)



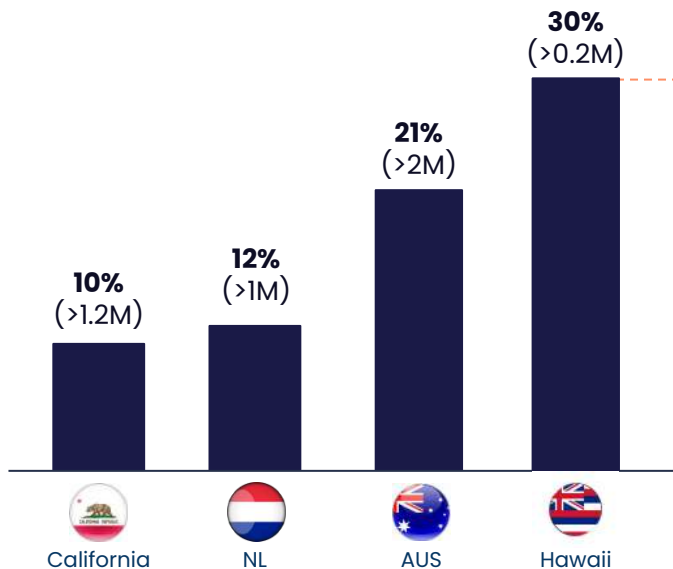
**Otovo bidding platform** drives down soft cost of installation (40–50% of total)



# Otovo's current markets with vast room to grow

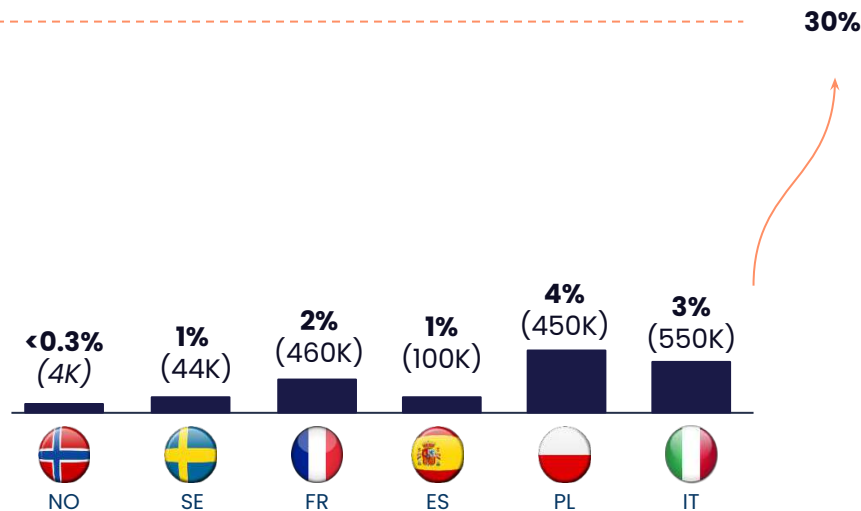
## High penetration in leading solar countries

Share of addressable households with PV installed 2020 (# Households)



## Ample room for our markets to grow

Share of addressable households with PV installed 2020 (# Households)

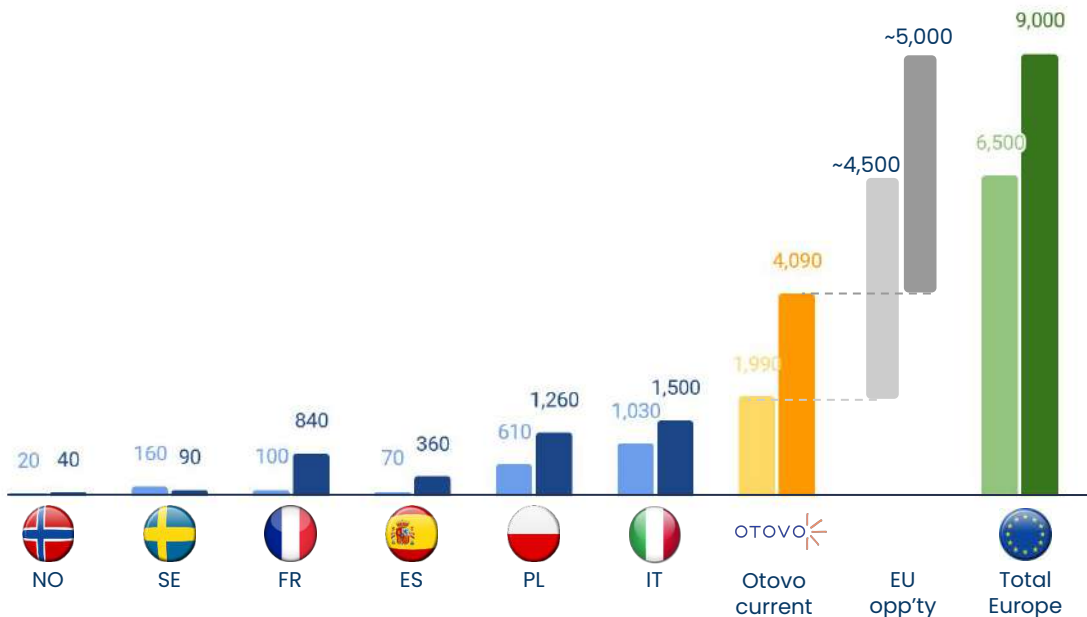


# Addressing a ~€9 Bn p.a. residential market in '25

**Current market to grow ~2x from 2020–2025 to € 4Bn p.a. – with total EU opportunity € 9 Bn p.a.**

Residential solar market, EURm

2020E 2025e



- Otovo's current markets expected to **double to ~4 €B in '25**
- **Spain & France** expected to 6–7x in market size over next few years
- **Poland & Italy** among the biggest in Europe already
- **Will enter 3 more markets** to address remaining European opportunity
- **Total European market** ~€9 Bn in '25

# Otovo has launched leasing in Spain and Scandinavia

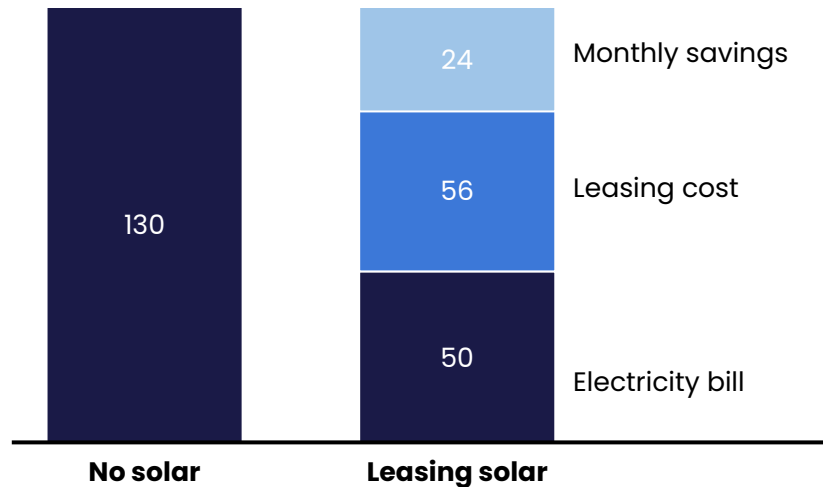
## Leasing launched in Spain & Scandinavia



## Tangible, monthly savings for 20 years

Monthly electricity bill (EUR / month)

Annual consumption 6750 kWh (electricity price 0.23 EUR / kWh)



# Otovo platform will carry more hardware

## Huge opportunity to add new hardware

### Consumer rationale

#### Home batteries



- Utilize nearly all power generated
- Save / earn money in a volatile market

#### EV chargers



- Highly convenient to charge at home
- Contribute to the environment

## Batteries available in Italy at launch



### Vantaggi di aggiungere un sistema di accumulo

Questi calcoli sono stati fatti su misura considerando le caratteristiche fornite sui vostri consumi, offrendo una prospettiva sui vantaggi dell'aggiunta di un sistema di accumulo al vostro impianto.

#### Aumenta l'autoconsumo

Quanta dell'energia prodotta verro' utilizzata presso la tua abitazione. Più' autoconsumo!

| Solo fotovoltaico | Con il sistema di accumulo |
|-------------------|----------------------------|
| 28%               | 76%                        |

#### Risparmi in bolletta

A quanto ammonta il risparmio aggiungendo il sistema di accumulo al tuo impianto?

|  |                                                    |
|--|----------------------------------------------------|
|  | <b>€720</b><br>Risparmio complessivo il primo anno |
|--|----------------------------------------------------|

#### Riduci la tua dipendenza dalla rete

Quanta dell'energia utilizzata verro' acquistata dal tuo gestore di rete?

|  |                                      |
|--|--------------------------------------|
|  | <b>10%</b><br>Dell'energia elettrica |
|--|--------------------------------------|



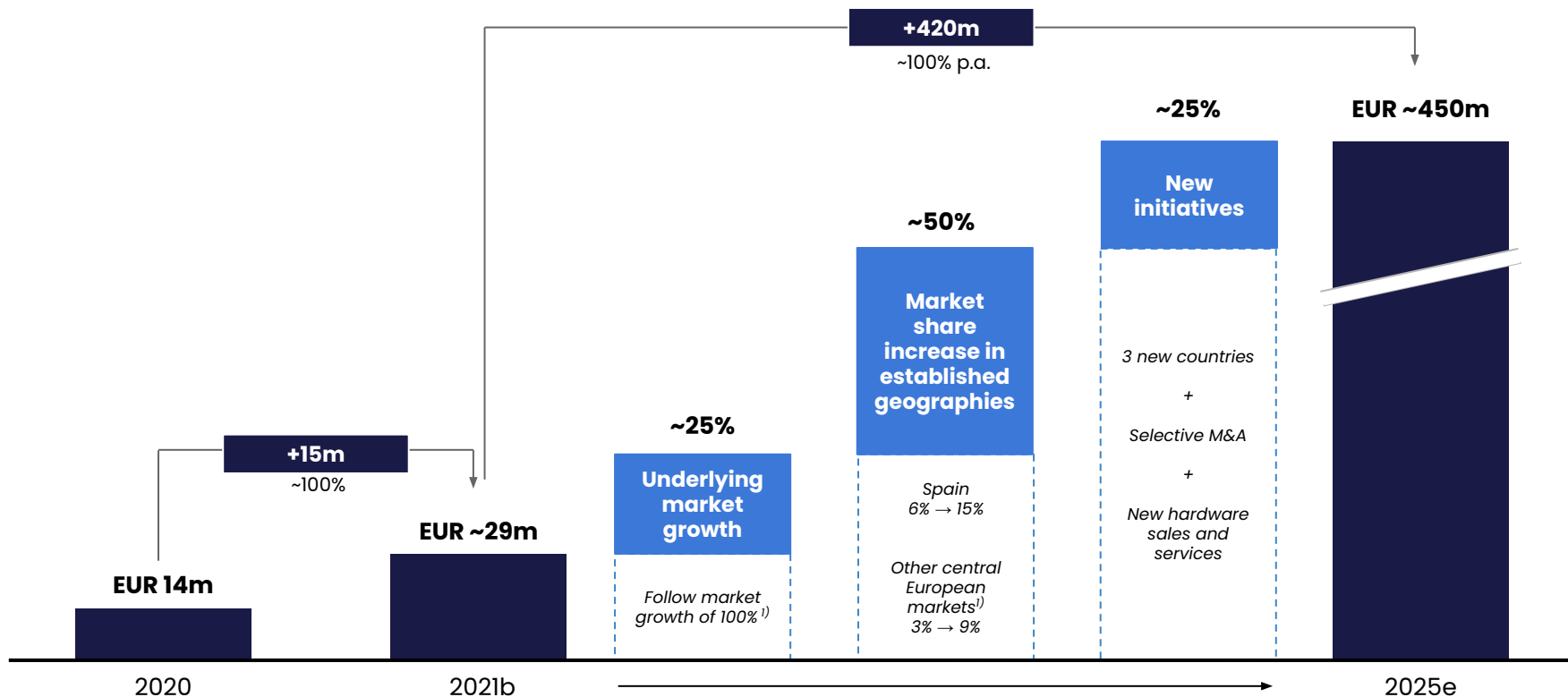
### Perché scegliere questa batteria

- ✓ 13.5 kWh di capacità utilizzabile
- ✓ Sistema all-in-one, nessuna unità esterna
- ✓ Alimentazione di backup e monitoraggio intelligente disponibile

#### 1 Come lavora la batteria

Aggiungendo una batteria puoi immagazzinare la tua energia solare ed utilizzarla per compensare il consumo serale.

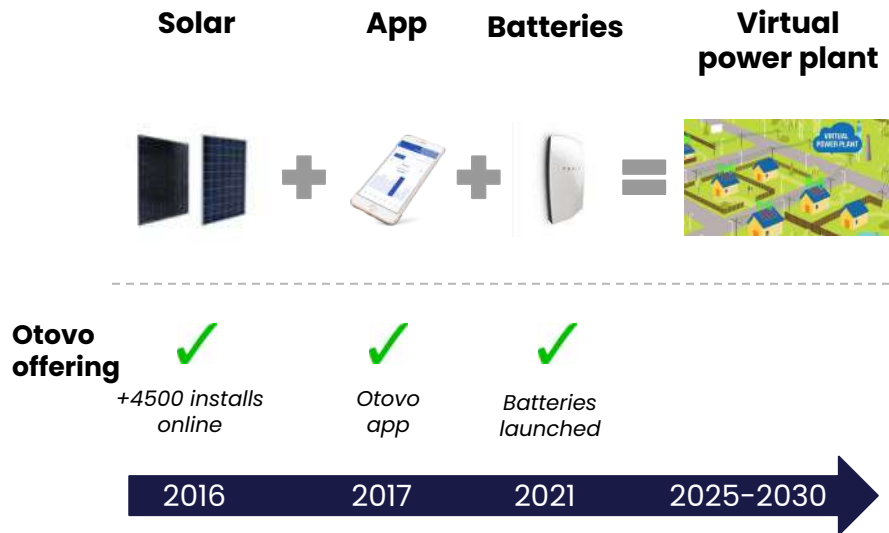
# Otovo's growth will continue, est. ~450 mEUR in 2025



Note: 1) Assuming Poland and Italy start at same market share as France of ~3%

# Towards 2030, data, assets and customers create the utility of the future

## Evolution of Oтоvo services...



## ... unlocking a multi-billion euro market opp'ty

**Home solar + batteries** are more flexible, reliable, cheaper and efficient than **traditional centralized infrastructure**

**Oтоvo could become the utility of the future**, together with EDEA also own the infrastructure

The market capitalization of the top 20 utilities is over **\$500 billion**

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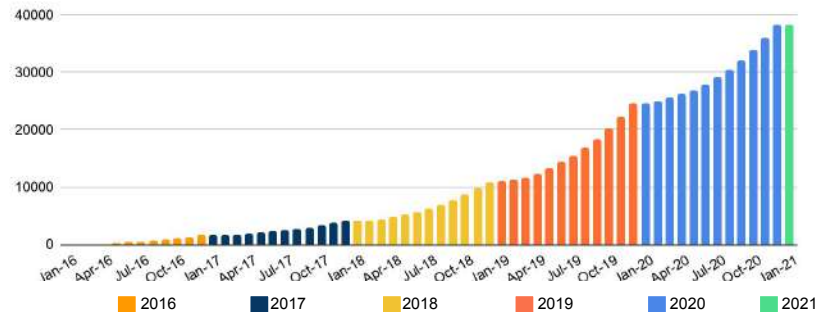


# Otovo aims for #1 within EU residential solar market

## Otovo in brief

- Otovo is an online marketplace platform for residential solar systems, designing & pricing installations in real-time and connecting households to reliable installers
- Solar installations are provided either through direct payment, solar loan or 20 years leasing agreements
- Founded in 2016, Otovo has rapidly scaled its platform beyond the Nordics and it is currently operating in six countries: Norway, Sweden, France, Spain, Poland and Italy
- HQ in Oslo, with local offices in all target markets
- Largest shareholders: Axel Johnson, Agder Energy Ventures, Akershus Energi, Nysnø, KLP and founders

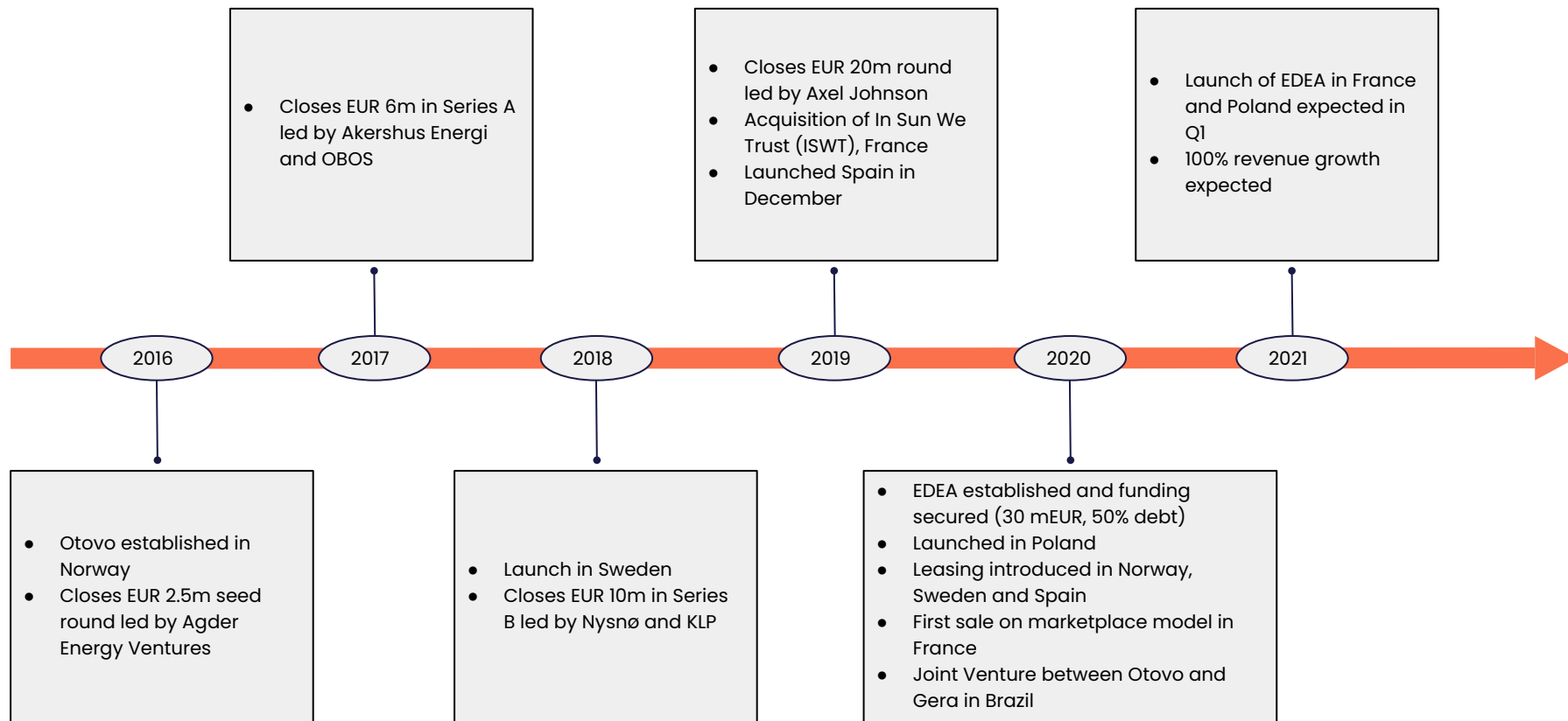
## Accumulated sales per year



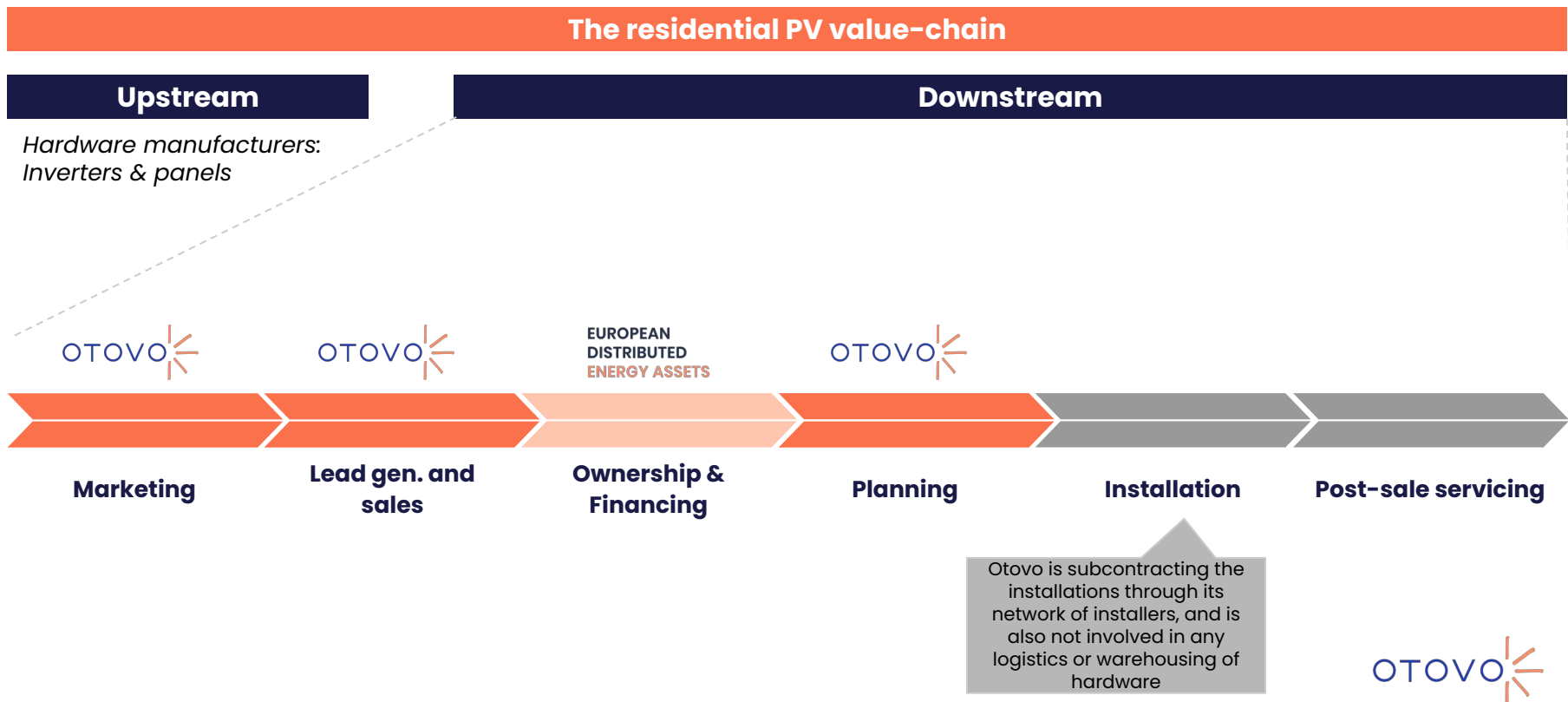
## Key metrics



# Otovo's history and key milestones



# Otovo is positioned in the residential segment of solar PV – with focus on the consumer



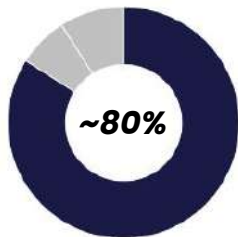
# Revenue generated from 3 revenue streams



1

## Revenue from PV Installations

*Mark-up on all PV system installations sold through Otovo's platform*



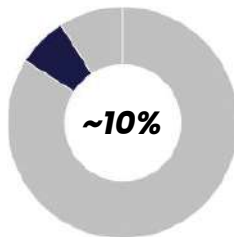
Medium term contribution to gross profit



2

## Revenue from other hardware and software sales

*Mark-up on all other hardware & software sales sold through Otovo's platform - e.g. EV-chargers, batteries or licencing Otovo platform (Holu JV in Brazil)*



Medium term contribution to gross profit

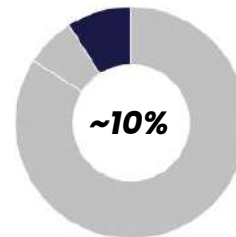
EUROPEAN  
DISTRIBUTED  
ENERGY ASSETS

**+** *Supply chain partners*

3

## Fee income

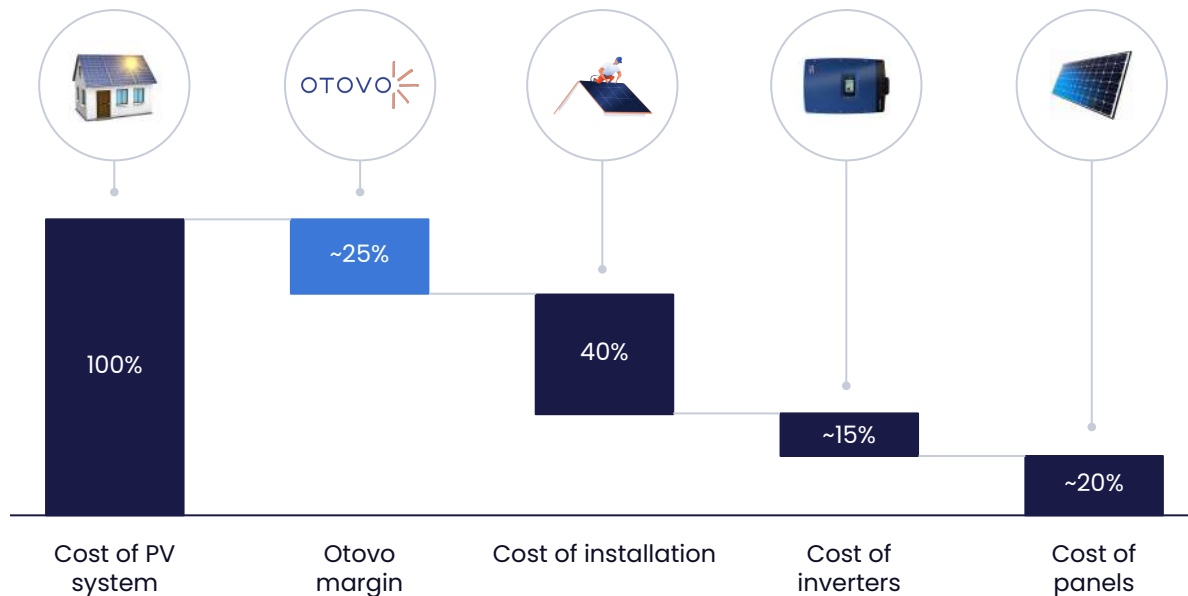
*Fee income from EDEA and supply chain partners*



Medium term contribution to gross profit

# Revenue from installations of PV systems

## Illustrative break down of consumers' cost when installing a PV system



## Commentary

- “Cost plus” revenue model
- Average ticket size and cost break down will vary between different geographic locations
- Otovo’s current margin typically 20–25% of the consumers’ cost
- Otovo’s platform ensures competitive tension between installers

# Revenue from other hardware sales

## Commentary

- “Cost plus” revenue model
- Otovo’s margin typically 15-20% of the consumers’ cost
- Variations in demand characteristics between different geographies (e.g. strong demand for batteries in Italy, EV-chargers in Norway)
- Otovo’s platform ensures competitive tension between installers

## Other hardware products

### EV chargers

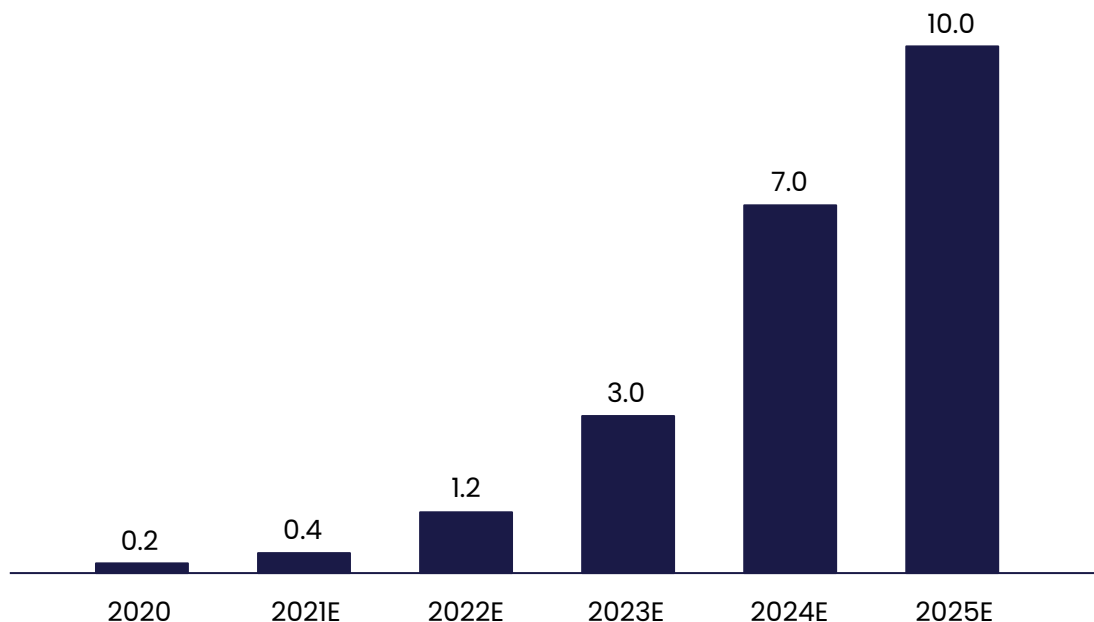


### Home batteries



# Fee income from EDEA and supply chain partners

## Estimated fee income from EDEA and supply chain partners (EURm)



## Commentary

### Otovo receives recurring revenue from EDEA

- Annual kick-back from EDEA of 1.25% of EDEA's total lease assets
- Kick-backs from EDEA represents a recurring revenue stream for Otovo

### In addition ~1.25% avg. total kickback from

- Panel manufacturers (e.g., FuturaSun)
- Inverter manufacturers (e.g., Grosswatt, Nphase)
- Partnerships (e.g., Tibber)
- Distributors

# Strategic ownership stake in EDEA, enabling accelerated growth through solar leasing

## EDEA in brief

### EDEA owns solar panels on homeowners' roofs

- High and consistently yielding residential solar systems leased out to a solid and diversified set of European households

### EDEA is backed and managed by Otovo

- Full customer interface handled by Otovo on behalf of EDEA
- Holds ~19% of EDEA shares

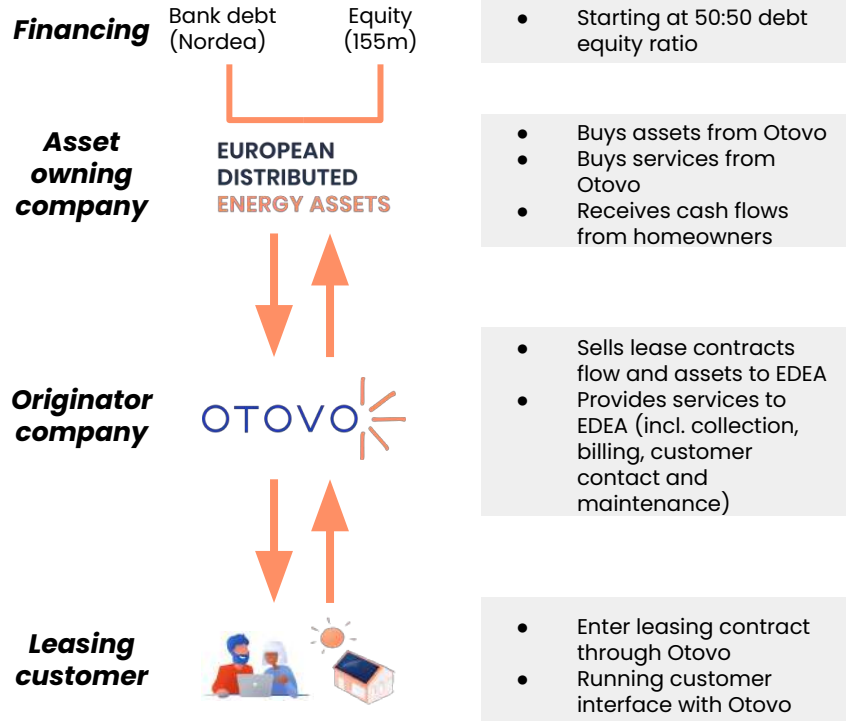
### Lean and shareholder friendly corporate governance

- Clearly defined mandate
- Strategy set by independent board
- No shareholder agreement, just Norwegian corporate law
- Initially operated by GM Cecilie Weltz (Otovo CFO) and CRO Lars Ekeland
- Remaining services carried out by Otovo

### Rapid growth plan for EDEA

- Currently holds assets in Spain and Norway
- Will expand lease offering to Sweden and France in Dec-Jan
- Plan to enter Italy and Poland in 1H 2021

## Structure and financing



# Holu is initiated as a JV to pilot the Otovo Platform-as-a-Service, to scale worldwide

**PaaS model could drive global roll-out**



## Unique platform

Otovo offers its proven platform for organizing solar installation marketplaces as a service



## Worldwide demand

Helps utilities, wholesalers and others outside Europe to create worldwide installer networks



## Successful pilot in Brazil with JV Holu

First sales achieved in Q4-2020, already with 100% installer coverage of Brasil

## Joint Venture between Otovo and Gera

- Otovo owns 30% in Holu
- Gera runs on Otovo tech platform, while operations are handled separately

## Rodrigo Freire was hired as GM in Holu

- Previously GM at UberEATS Brazil
- Background from PE firm BRZ

## Brazil chosen as pilot market

- 8 million high-income households
- Favorable net metering subsidies for consumers
- High energy prices and great solar yields



# Otovo's yearly installations remove ~100.000 tonnes of CO<sub>2</sub> per year at current pace

## Carbon replacement drivers 2020e

**10.8**

MWp Installed in 2020

X

**831**

kWh / kWp on average

X

**30**

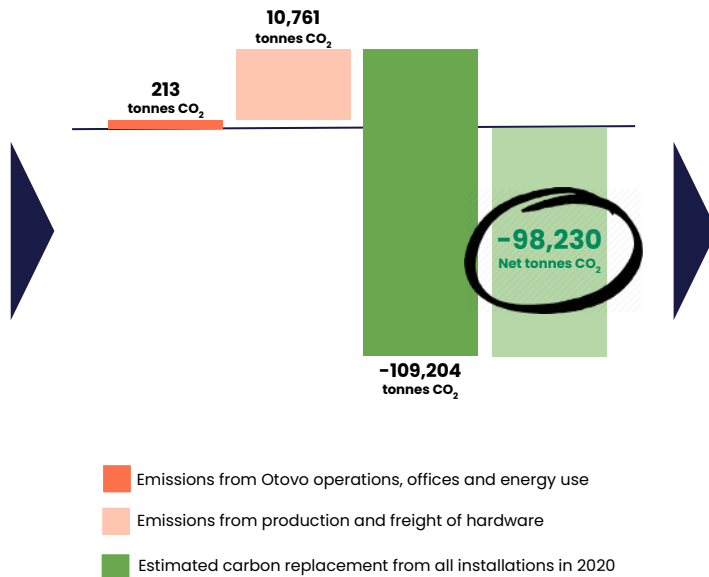
years average lifetime

X

**402**

gCO<sub>2</sub> / kWh<sup>1</sup>

## Net CO<sub>2</sub> reduction from Otovo activities...



## ...are equivalent to

**EUR 3.3m**

In CO<sub>2</sub> emission savings<sup>2</sup>

**2,216**

Life-cycles of a conventional diesel car<sup>3</sup>

Note: 1) Emission factor: European Residual mix (Source: AIB) 2) Based on EU ETS carbon market price per 25.01.2021 (Source: Ember)

3) Based on life-cycle CO<sub>2</sub> emissions assumption by EEA

# Experienced, proven management team

## Executive management

## Experience



**Andreas Thorsheim**  
CEO



- Previously SVP Product at Opera Software
- Various executive positions at Schibsted
- Strong consumer internet experience



**Cecilie Weltz**  
CFO and GM EDEA



- Previous Investment Professional at Verdane Capital
- Experience from Structured Finance and Corporate Finance at Swedbank



**Babak Tighnavard**  
CBO



- Former CEO at Soundation
- Worked as COO for Saltside, a Kinnevik classifieds marketplaces company
- Ex-Googler and former HP sales
- Former GM for Otovo Sweden



**Anne Lene Holstad**  
COO



- Former lean and strategy director at Circle K and Topaz Energy (Ireland)
- Former operations consultant at Karabin Consulting and EY



**Andreas Bentzen**  
CTO



- Previously VP Technology at solar panel manufacturer REC
- Management consultant at Nofas
- PhD in physics, post-doc at KTH, Stockholm and Institute for Energy Technology, Oslo



**Simen Jørgensen**  
CPO



- Founder and CEO at Iterate consulting, built to 50 consultants
- Worked for Tieto and Norwegian government



**Lars Ekeland**  
General Counsel



- Previously Senior VP at DNB, Senior Advisor in top-tier Norwegian law firm Wikborg Rein
- Former Energy trader in Norsk Hydro

# Platform veterans running local business units

## General managers

## Experience



**Inigo Amoribieta**  
GM Spain



- Ex-CEO for Groupon Spain and La Nevera Roja / Just Eat Spain
- McKinsey alumnus with experience from Madrid and Pittsburgh
- Harvard MBA, Carnegie Mellon graduate



**David Callegari**  
GM France



- Co-managed Fusion Long volatility fund
- In charge of the TMT, Consumer Non-Cyclical and Oil sectors as equity derivatives trader at Merrill Lynch
- MSc in Maths from Supélec



**NN - to be announced**  
GM Italy



- To be announced in February
- Experience from Uber's new mobility senior management
- Previous GM for an Amazon vertical
- MBA from Wharton and Bocconi



**Paulina Ackermann**  
GM Poland



- GM for Eastern Europe for Lime
- Head of Customer Strategy and Operations for Uber in Central and Eastern Europe



**Gina Nygard**  
GM Scandinavia



- Previously management consultant and acting CMO at Rystad Energy
- Internally promoted from Business Developer to head the Scandinavia business



**Rodrigo Freire**  
GM Brazil (JV)



- Former GM Uber Eats
- Background from Brazilian private equity group
- Lawyer from Uni. Sao Paulo and MBA from IMD
- Holu is a JV between Gera and Otovo (30%)

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# Otovo is capitalizing on two current megatrends



## *The energy transition in Europe*

**Net zero**  
emissions  
by 2050



At least **EUR 1 trillion**  
mobilized for sustainable  
investments next decades



## *Scalable e-commerce platforms*

**Big-ticket items**  
moving online



Next decade **residential**  
**distributed energy** will  
be purchased online

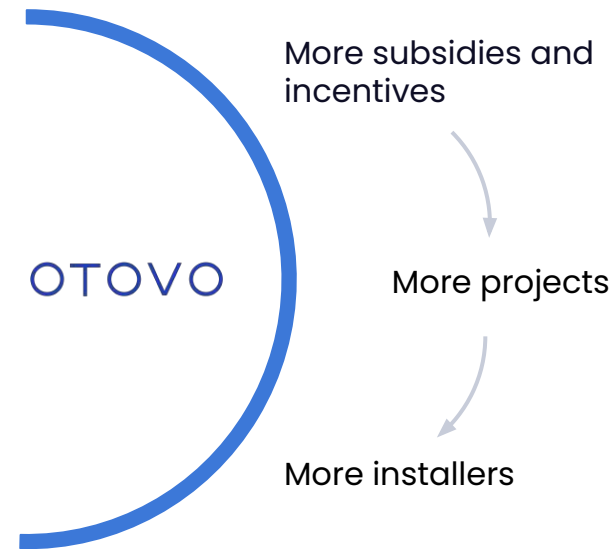
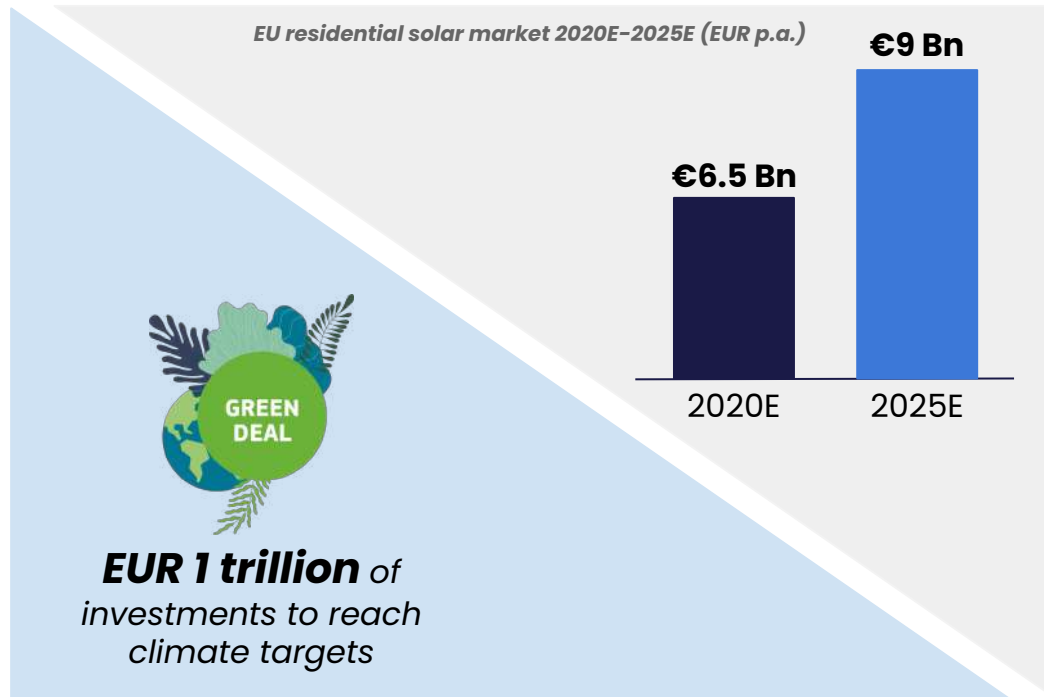


**Otovo's**  
marketplace  
platform



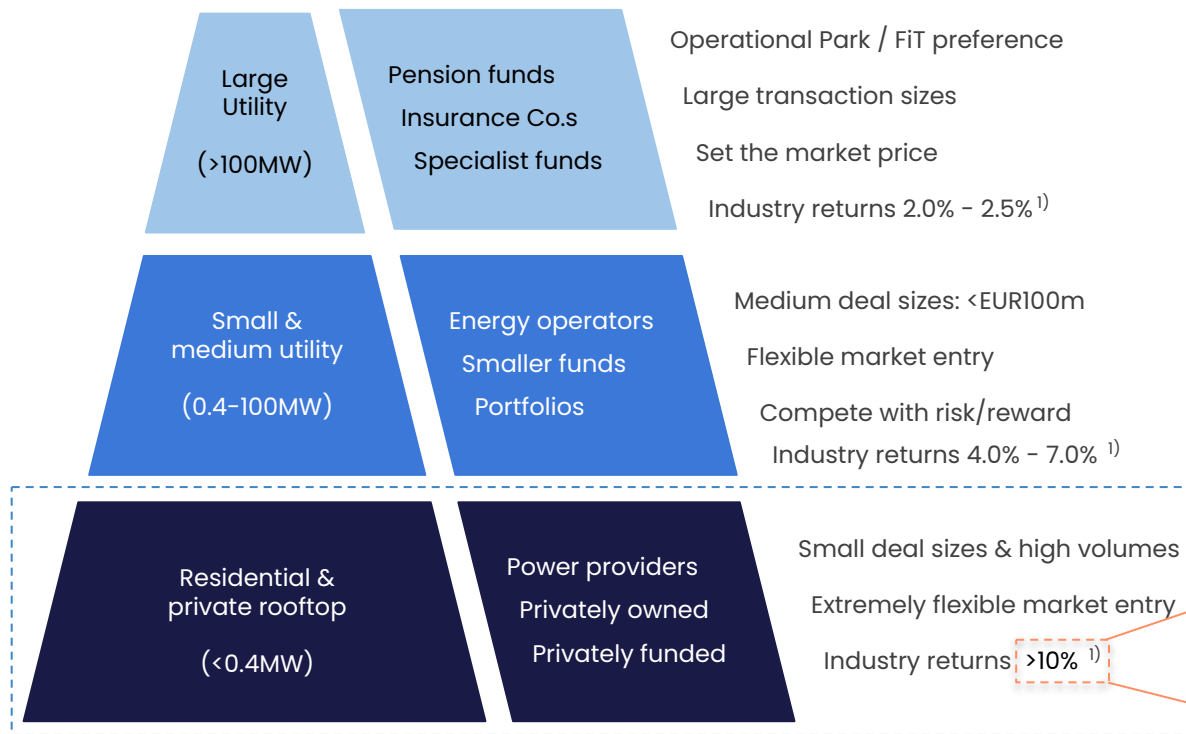
# Green deal to stimulate residential solar in Europe, reaching ~€9 Bn p.a. by '25

EU's ambitious green deal set to fuel massive solar growth, directly benefiting Otopovo's core markets



# Otovo addressing the most attractive solar segment

## Targeting a favorable part of the solar market



## Commentary

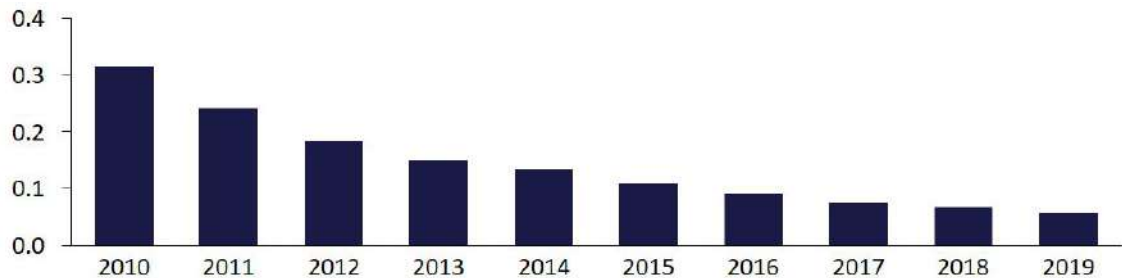
- Otovo offers a solution to both the “downsides” of residential solar:
  - Roll-up has traditionally been complex and hard to pull of. Otovo’s cutting-edge marketplace enables significant scalability at low risk & cost
  - By leveraging the marketplace and the leasing scheme with EDEA, Otovo rapidly builds an increasing pool of “Behind the meter” energy assets, removing the traditional privately owned solar panels

Highly dependent on local subsidy schemes

# Decreasing costs and increasing electricity prices drives the rationale to go solar for EU homeowners

## Solar LCOE has massively decreased past decade

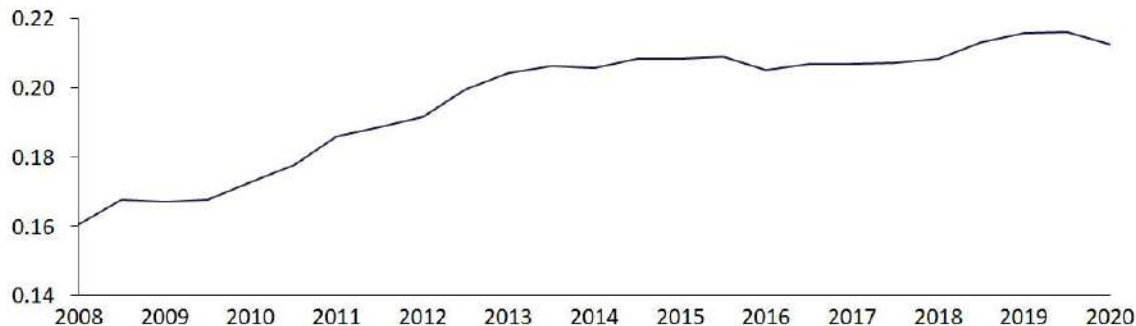
Global weighted average LCOE for PV 2010–2019, (2019 EUR<sup>1)</sup>/kWh)



~80% decline in LCOE over the decade mainly driven by improved technology and manufacturing efficiency, in addition to developer experience

## Rising electricity prices in Europe

Electricity prices incl. taxes for household consumers EU-27 2008–2020, (EUR/kWh)

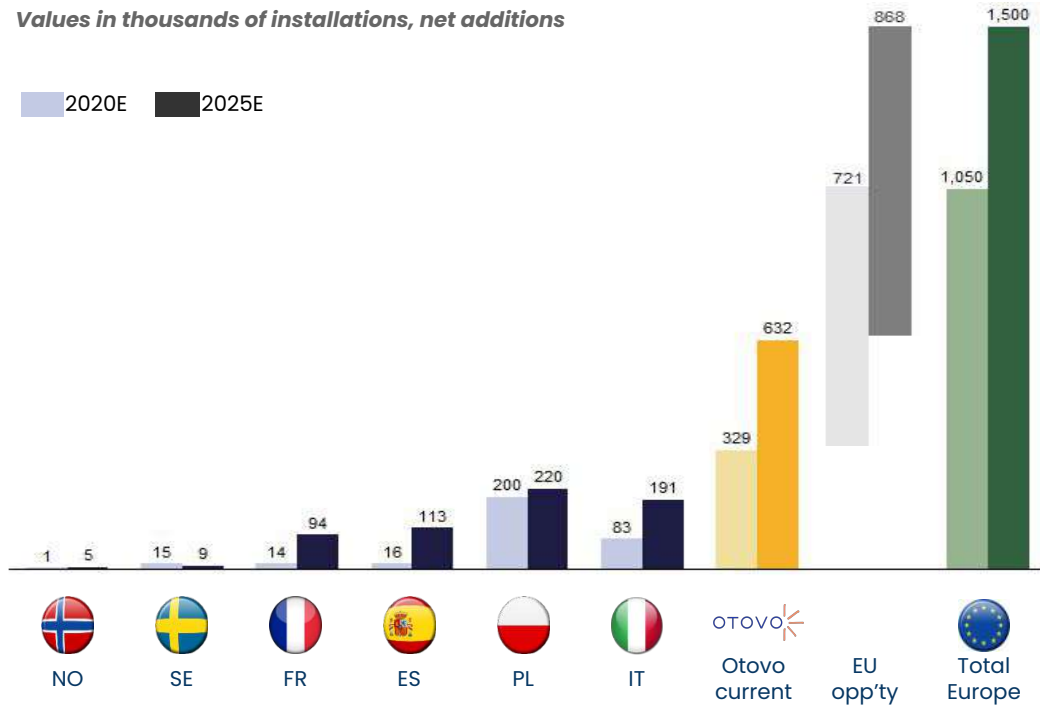


The rising electricity prices in Europe makes solar business case for consumer increasingly better

# ~1.5m homes in EU will go solar every year from 2025

Current residential PV installations to grow ~2x from 2020–2025, with 1.5m 2025E p.a opportunity in Europe

Values in thousands of installations, net additions



- Otovo's current markets expected to **double to ~600,000 annual net additions**
- **Spain & France** expected to 6–7x in market size over next few years
- **Poland & Italy** among the biggest in Europe already
- **Total European net additions expected at ~1.5m in '25**

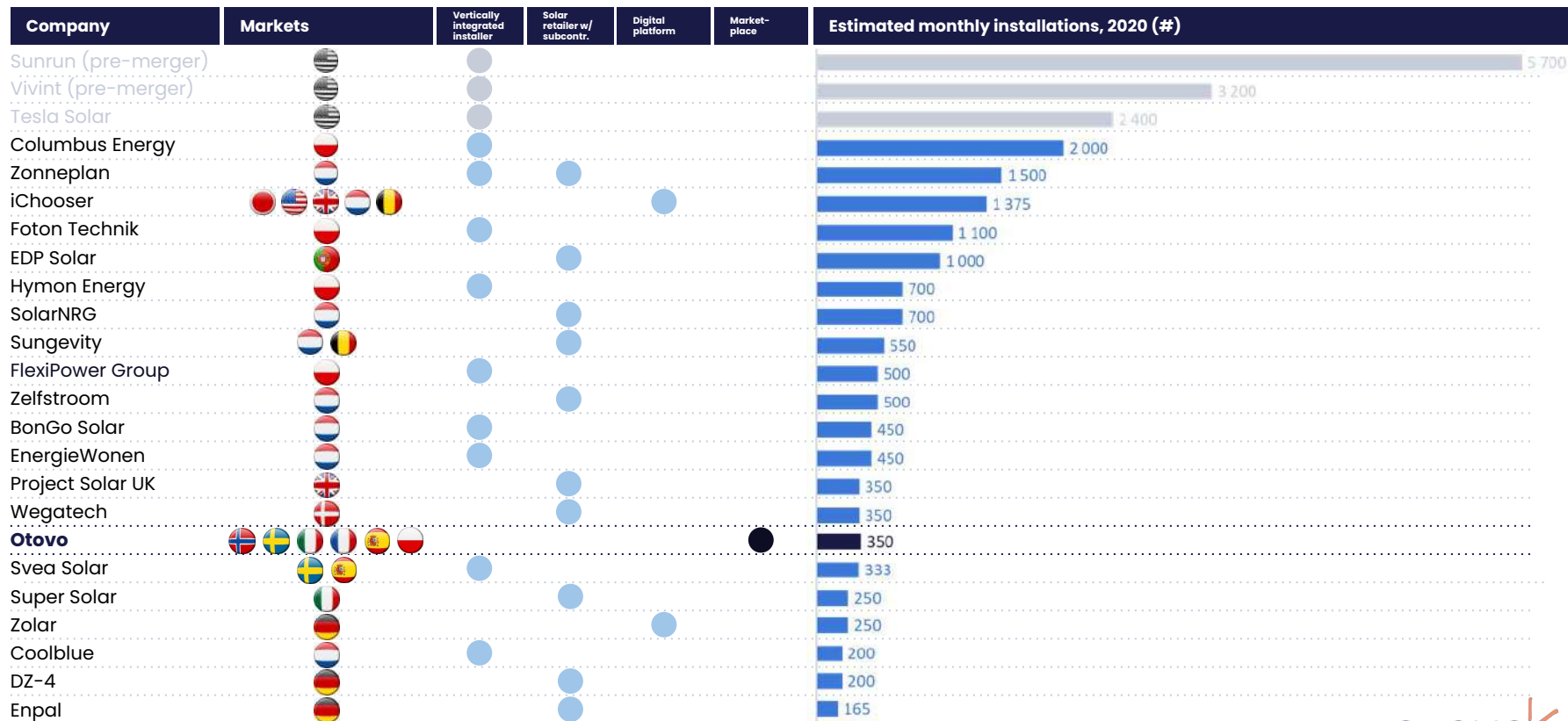
# Otovo's model is unique among four archetypes in the competitive landscape

Asset heavy

Asset light

|                  | Vertically-integrated installer                                                                                                                                                                                                                        | Retailer with subcontractors                                                                                                                                                                                                                               | Digital platform                                                                                                                                                                                 | Marketplace                                                                                                                                                                                                                                                                                                                                                             |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Description      | <ul style="list-style-type: none"> <li>Owns whole part of the value chain</li> <li>Typically owns the distributors, orders directly from manufacturer</li> <li>Owns installers</li> <li>Typically non-digital business model</li> </ul>                | <ul style="list-style-type: none"> <li>Power companies or "big box" retailers with online sales front</li> <li>Uses subcontractors (typically 10-20)</li> <li>Domestic focus</li> <li>Both digital and non-digital sales &amp; planning</li> </ul>         | <ul style="list-style-type: none"> <li>Platform where installers can find local solar projects (take it or leave it - no impact on price)</li> <li>Fully-digital sales &amp; planning</li> </ul> | <ul style="list-style-type: none"> <li>Matches homeowners and installers</li> <li>Owns no installer capacity</li> <li>Installers bid for projects</li> <li>Fully-digital sales &amp; planning</li> </ul>                                                                                                                                                                |
| Characteristics  | <ul style="list-style-type: none"> <li>+ Control the full customer experience</li> <li>- High CAC with traditional sales model</li> <li>- Extremely low scalability</li> </ul>                                                                         | <ul style="list-style-type: none"> <li>+ Scalable</li> <li>- High CAC with traditional sales model</li> <li>- Very low flexibility in terms price (fixed agreements)</li> </ul>                                                                            | <ul style="list-style-type: none"> <li>+ Scalable</li> <li>+ Efficient sales process</li> <li>- Fixed prices, no competition</li> <li>- Not driving down prices</li> </ul>                       | <ul style="list-style-type: none"> <li>+ Highly scalable</li> <li>+ Super-efficient sales process &amp; project allocation</li> <li>+ Increased utilization of fixed assets</li> <li>+ Superior in driving down cost &amp; prices w/ competition</li> <li>+ Shedding of functions to most efficient agent (Otovo = sales &amp; marketing; labor = installer)</li> </ul> |
| Company examples |    |    |                           |                                                                                                                                                                                                                                                                                     |

# Otovo with unique model in a fragmented EU market



Source: Otovo analysis;

Note: Otovo 2021B run-rate installation rate. List is not exhaustive

# Healthy market conditions for all current markets

## European governments showing willingness to reach Green Deal targets



### Subsidies avg. 20–25% of invest.

- All homeowners are applicable to “Enova-support”:
  - NOK 7,500
  - NOK 1,250/kW (up to 15kW)



### Removed taxes on solar in '19

- The Royal Decree 244/2019 was passed to support self-consumption:
  - Compensation for generation surplus
  - Discharged surplus and self-consumption are exempt all charges and tolls



### 15%–20% tax deduction

- Swedish homeowners will receive a 15% tax deduction of up to SEK 50,000 per person, starting 1 January 2021
- In addition, there is a 0.6 SEK/kWh tax subsidy on the electricity fed back to the grid



### Strong incentives: 50–110%

- Italian homeowners can deduct 110% of associated costs from July 2020 until December 2021
  - Implying solar panels for free
  - Requires improvement of 2 energy classes



### 5–10% cash support

- One-off grants subject to installation size:
  - <3kW: EUR 390/kW
  - 3–9kW: EUR 290/kW
- Tariff on electricity to grid based on installation size:
  - <3kW: EUR0.1872/kWh
  - 3–9kW: EUR0.1591/kWh



### 20–25% of inv. in cash & tax subs.

- Maximum support to homeowners: PLN 5,000 (~EUR 1,750)
- Surplus electricity can be exchanged with free electricity when required
  - Exchange rate: 0.8 units per 1 excess unit
- 8% VAT (versus 23%)

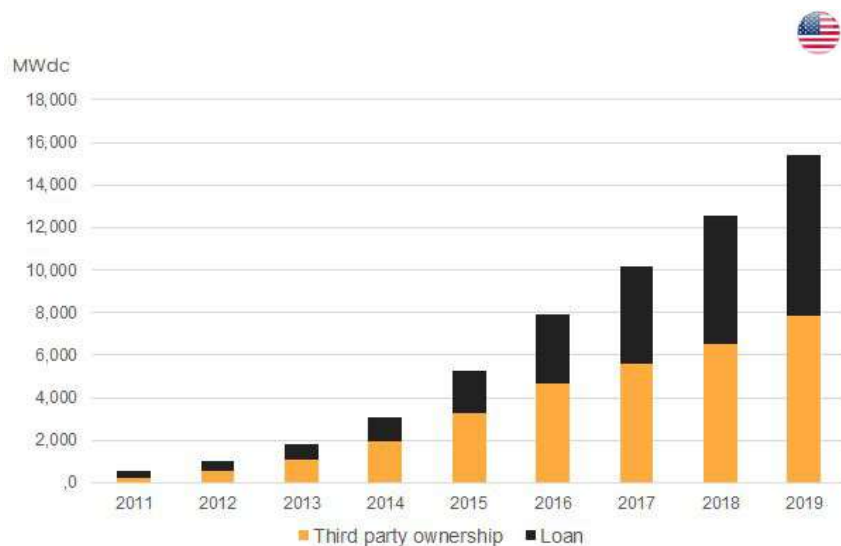


# US residential solar driven by leasing – EU likely to catch up

## Commentary

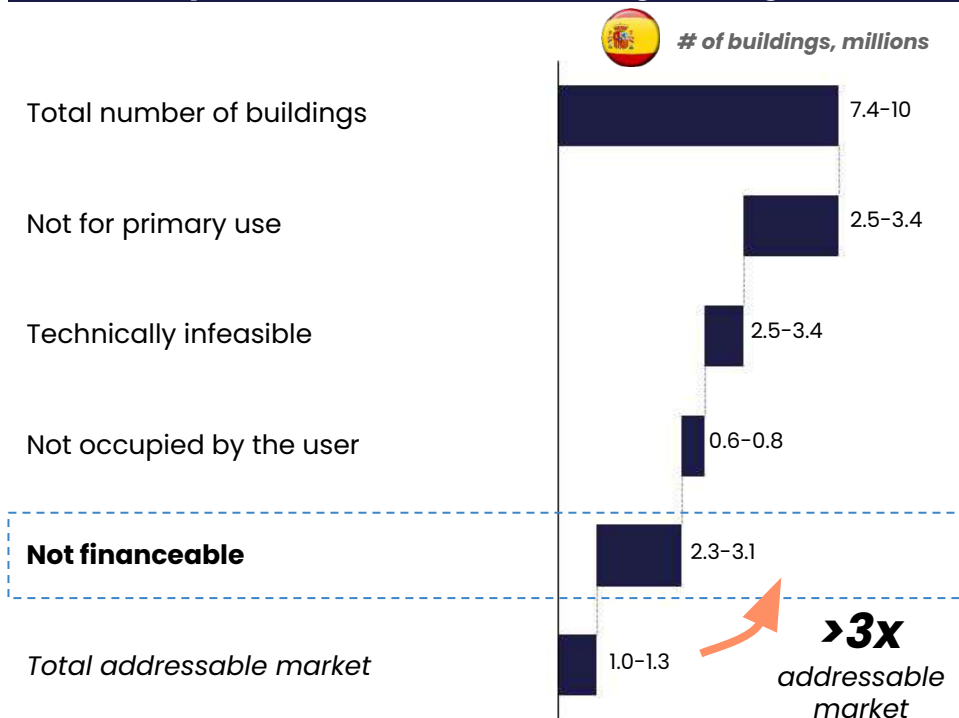
- US market larger and significantly more mature than European market
- When US residential solar took off in the first half of 2010s, large national players such as Sunrun and Vivint Solar propelled volumes through leasing models
- >50% of US residential solar installations financed with leasing and loan
- Europe expected to catch up during the next half decade
- European consumers already familiar with the leasing concept – ~50% of European passenger cars owned by a third party (leasing or similar)

## US residential PV sales per financing options<sup>1</sup>

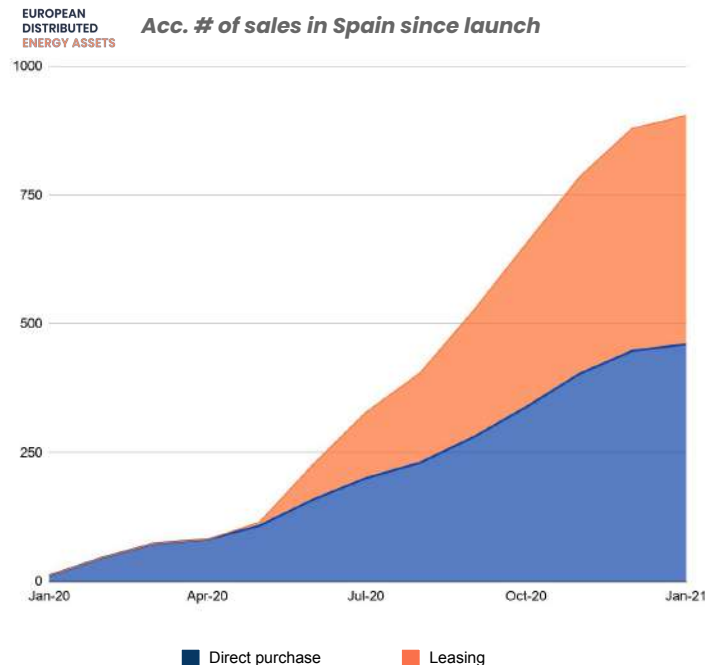


# Leasing of solar expands Otovo's market 3x

## Market expands >3x when introducing leasing



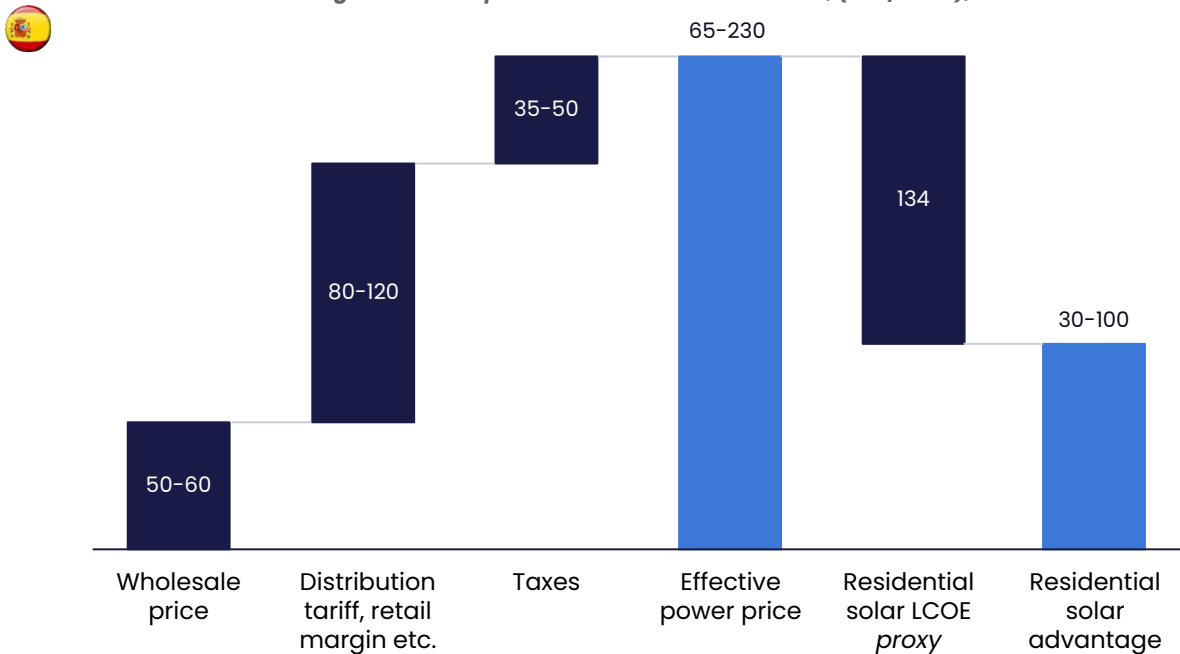
## Otovo volumes propelled after leasing launch



# Compelling business case for residential PV

## Significant savings from solar PV installation when compared to traditional consumption

Solar PV cost items and savings based on Spanish residential market data, (EUR/MWh), 2019



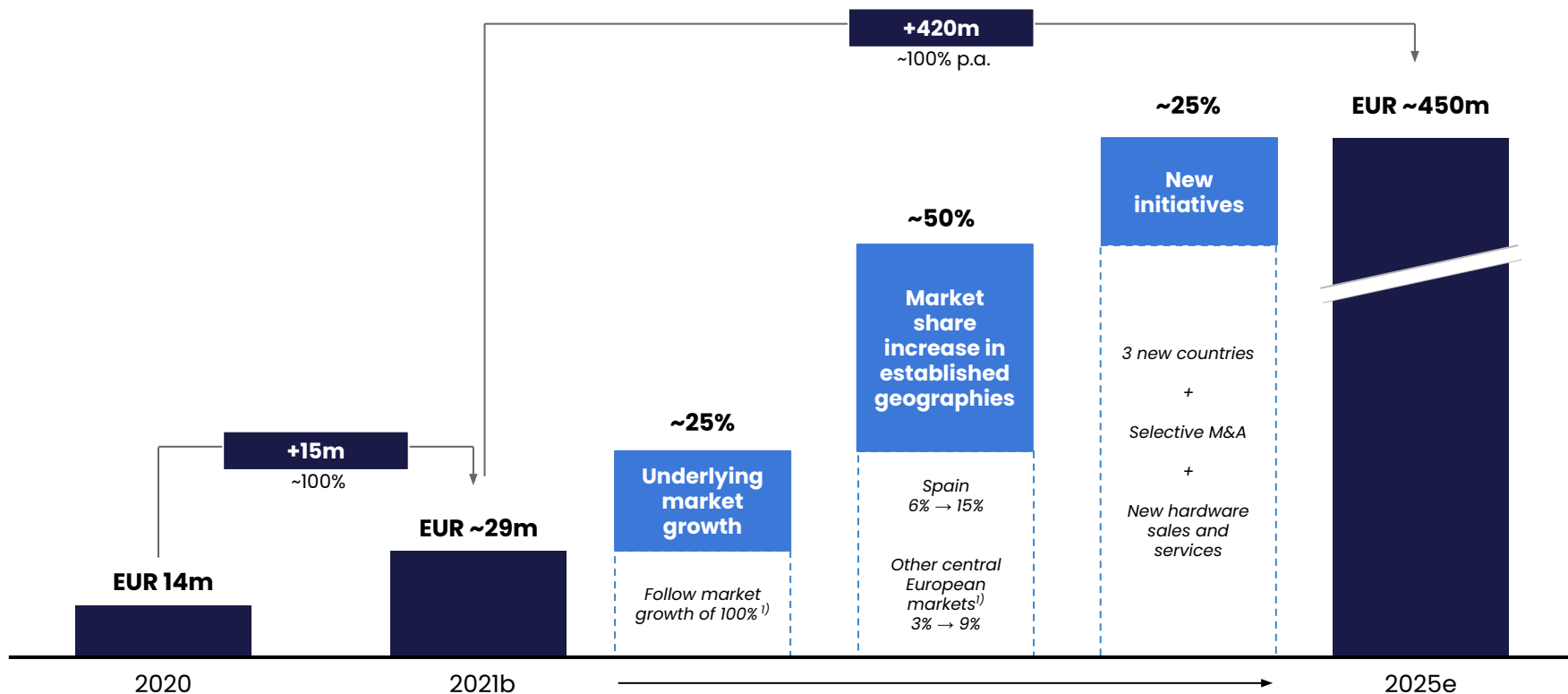
# +5-15%

Year-on-year expected improvement in business case due to lower LCOE and increasing electricity prices

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# Otovo's growth will continue, est. ~450 mEUR in 2025

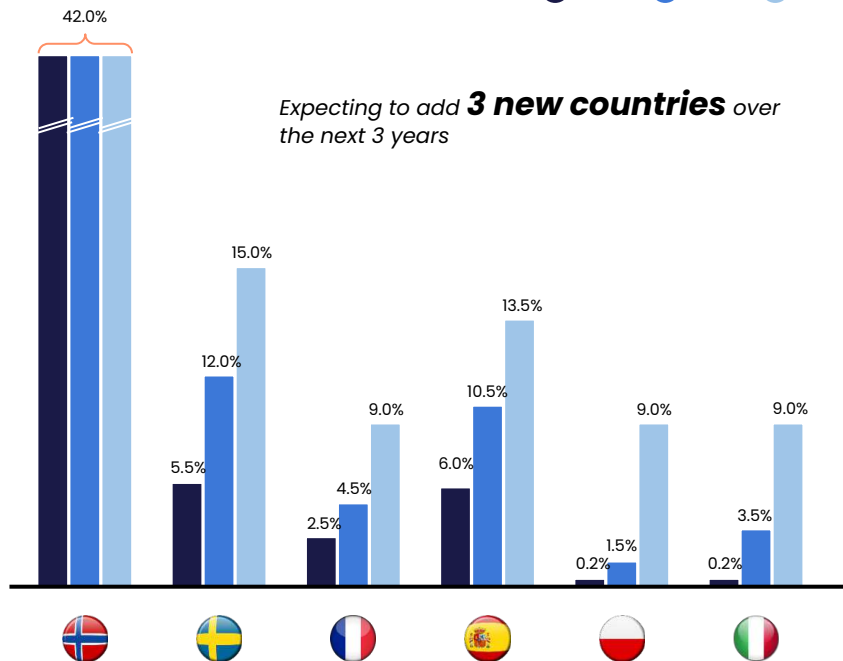


Note: 1) Assuming Poland and Italy start at same market share as France of ~3%

# High-growth strategy for capturing market shares

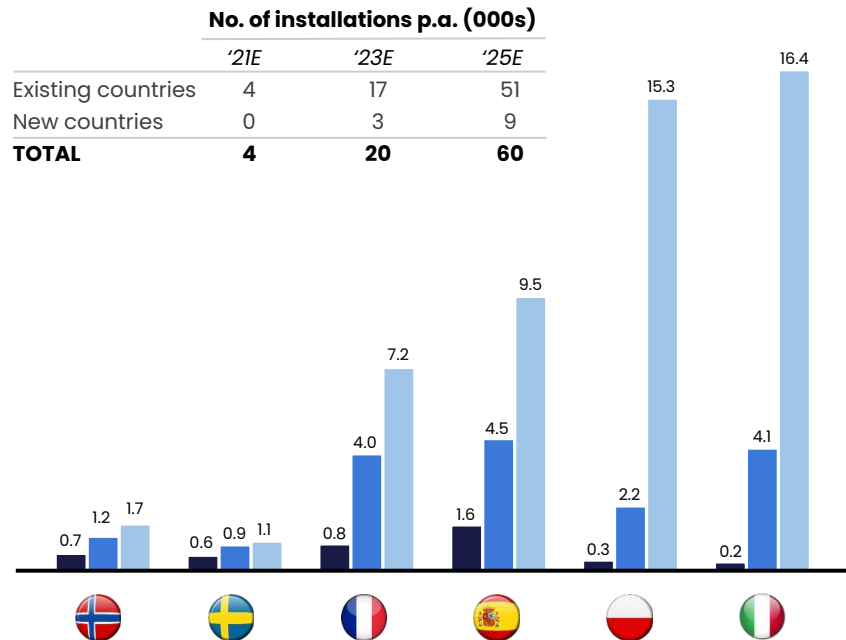
## Otovo Market share, short- to midterm target

2021E 2023E 2025E

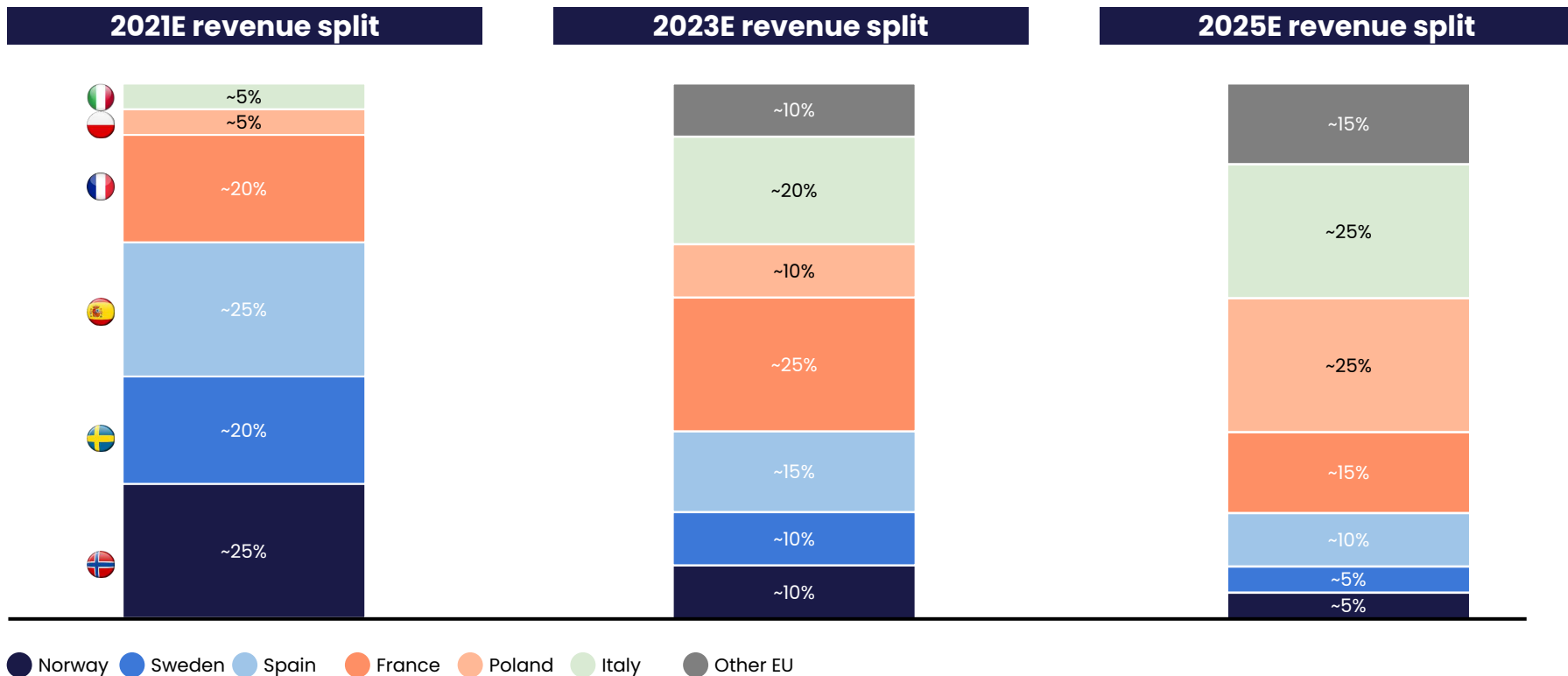


## Otovo installations p.a. – to midterm target ('000)

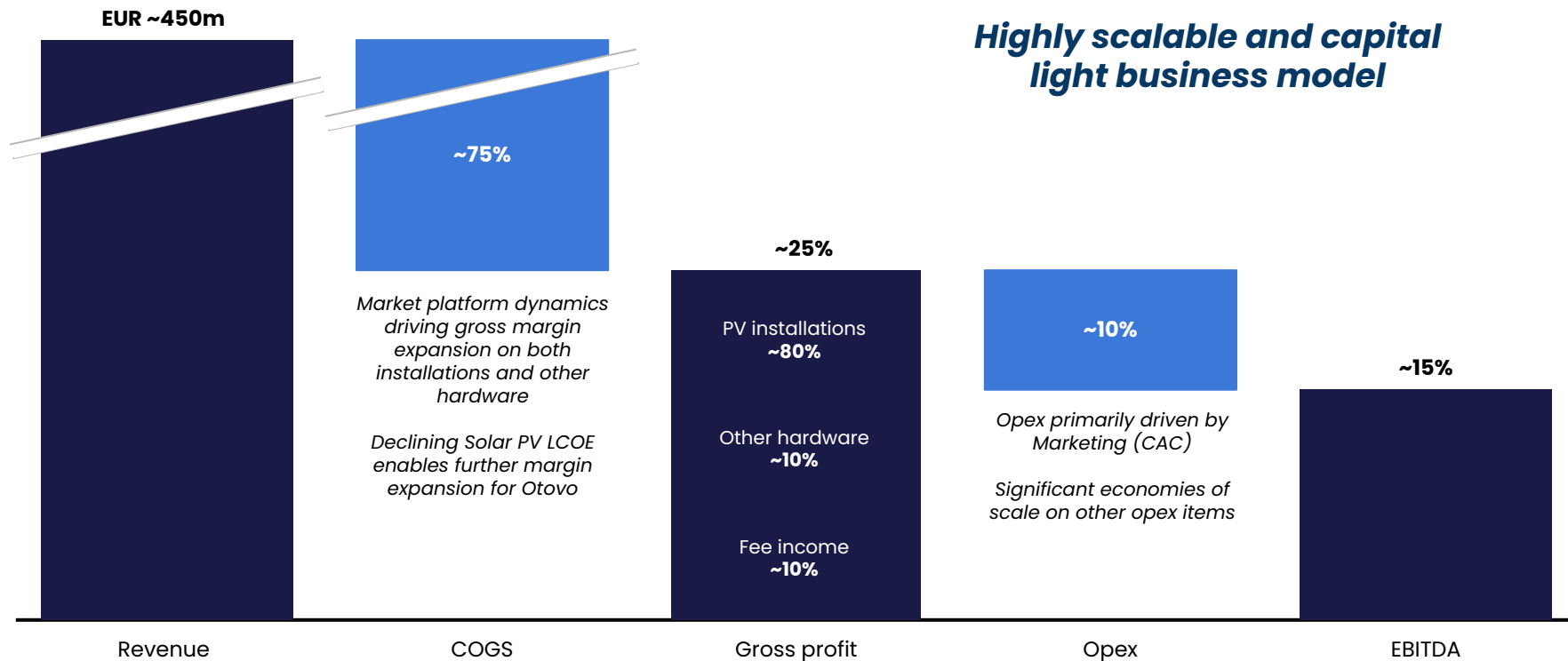
2021E 2023E 2025E



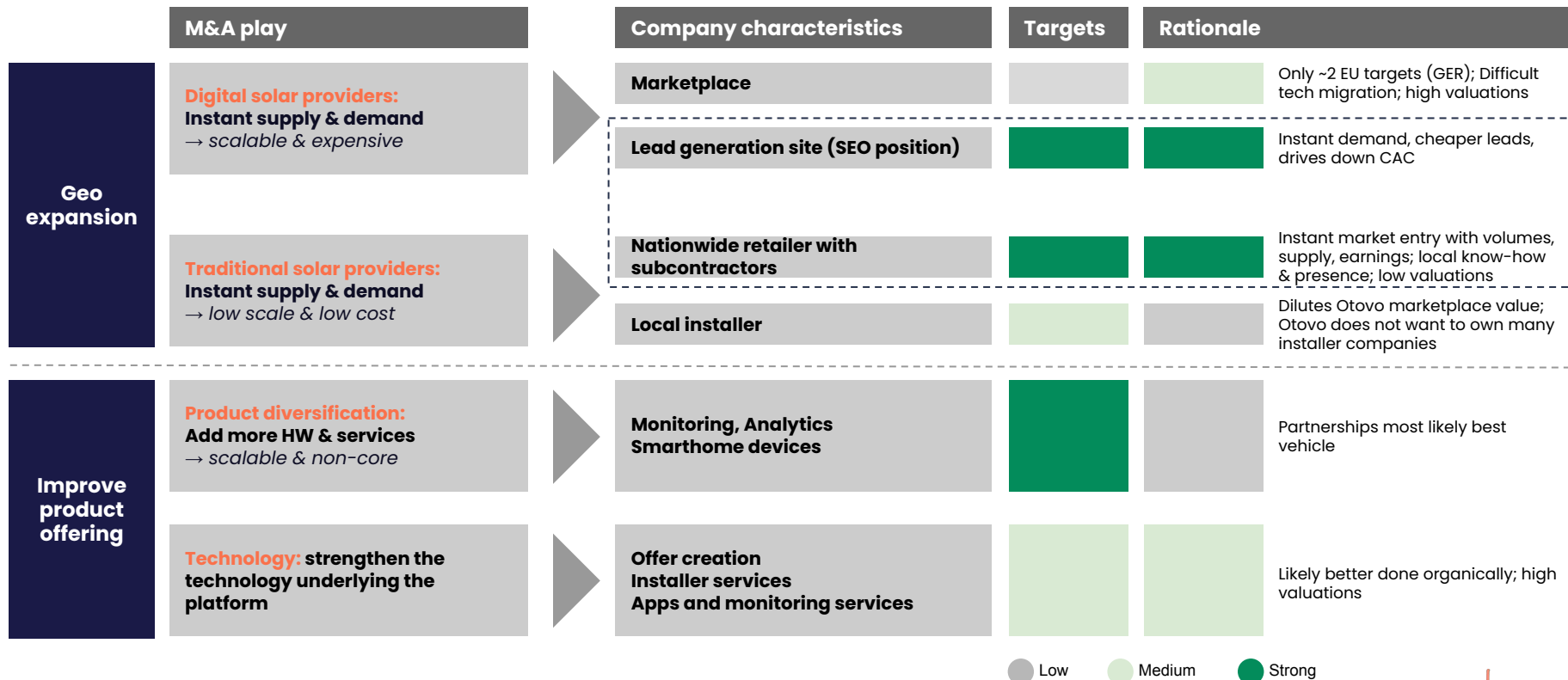
# Revenue mix will shift as Otovo gains market share in larger markets



# Medium term revenue target and margin potential



# Selective M&A to facilitate accelerated market entry



Low
  Medium
  Strong

|          |                           |
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# Risk factors (1/6)

*Investing in the Shares involves inherent risks. Before making an investment decision, investors should carefully consider the risk factors and all information contained in this Information Document, including the Financial Information and related notes. The risks and uncertainties described in this Section 1 ("Risk factors") are the principal known risks and uncertainties faced by the Group as of the date hereof that the Company believes are the material risks relevant to an investment in the Shares. An investment in the Shares is suitable only for investors who understand the risks associated with this type of investment and who can afford a loss of all or part of their investment. The absence of a negative past experience associated with a given risk factor does not mean that the risks and uncertainties described herein should not be considered prior to making an investment decision.*

*If any of the risks were to materialize, individually or together with other circumstances, it could have a material and adverse effect on the Group and/or its business, financial condition, results of operations, cash flow and/or prospects, which may cause a decline in the value of the Shares that could result in a loss of all or part of any investment in the Shares. The risks and uncertainties described below are not the only risks the Group may face. Additional risks and uncertainties that the Company currently believes are immaterial, or that are currently not known to the Company, may also have a material adverse effect on the Group's business, financial condition, results of operations and cash flow. The order in which the risks are presented below is not intended to provide an indication of the likelihood of their occurrence nor of their severity or significance.*

*The risk factors described in this Section 1 ("Risk factors") are sorted into a limited number categories, where the Company has sought to place each individual risk factor in the most appropriate category based on the nature of the risk it represents. The risks that are assumed to be of the greatest significance are described first. This does not mean that the remaining risk factors are ranked in order of their materiality or comprehensibility, and the fact that a risk factor is not mentioned first in its category does not in any way suggest that the risk factor is less important when taking an informed investment decision. The risks mentioned herein could materialize individually or cumulatively.*

## **Risk related to the business and industry in which the Group operates**

### Risk related to the Group's business

Otovo is a market platform for installation of roof-mounted solar systems in private homes in addition to other distributed energy assets sold to consumers. The Group relies on the one hand on a number of local installers of solar systems and on the other hand on the demand for energy assets among consumers. The risk related to the Group's business includes the risk of loss and reduced profitability due to changes in the customers' demand for Group's products, negative impacts on the Group's competitive position, the installer companies' willingness or ability to deliver services through the platform and hardware supply chains for delivery of solar panels, batteries and other assets.

The customer's demand for the products delivered by the Group is dependent on factors such as electricity prices, grid tariffs, grid taxation, subsidies and the general macroeconomic factors such as unemployment rates. While the demand for the Group's product is expected to rise in the years to come, no assurance can be given regarding future demand. A general drop in demand for the Groups products may have a material negative impact on the result and financial position of the Group.

Factors which can impact the Group's competitive position include new players in the industry, pressure on market prices and future demand and supply factors, including the relative price or attractiveness of power produced by solar panels compared with other sources of power. Depending on developments, these factors can have a negative impact on the results and financial position of the Group. New hardware types, integration of solar panels into building materials, integrations between hardware types and home services controlled by competitors may negatively affect the company's ability to grow its business.

For the Group to grow and survive, it must continue to enhance and improve the functionality and features of the Group's products, services and technology to address the clients' changing behaviour and needs. The Group's future growth therefore depends on the success of the development and commercialization of its technology. The markets that the Group intends to operate within undergo rapid technological change, and the Group's future success will depend on its ability to meet the changing needs of the industry. The Group's competitors, and their ability to meet the technological needs of the industry, is always a possible threat to the Group's success.

The Group purchases turnkey solar systems from local installers in the markets the Group is present. The Group's ability to deliver its products to customers in different regions depends on the ability to attract installers that compete for installations on the platform. In certain regions the number of installers present may be low, or installers may prefer to sell their products directly to consumers in certain regions. To the extent the Group is unable to attract a sufficient number of installers in each region, or one or more installers grow to dominate a part of the marketplace, this may have a significant impact on the business model and ultimately the result and financial position of the Group.

The solar panels and other assets delivered to the Group's customers, are produced by large producers mainly situated in China or fabricated by Chinese companies in East Asia. The inverters delivered to the Group's customers are delivered by a limited number of manufacturers. Both political and macroeconomic factors and lately the Covid 19 pandemic may cause disruption to import supply chains of the Group. If such supply chains are disrupted and the Group is unable to replace its major suppliers, the Group may be unable to deliver its products which may in turn impact the Groups financial condition and result of operation.

If new industry standards and practices emerge, the Group's existing products, services and technology

# Risk factors (2/6)

may become obsolete. The Group may further require additional capital in the future to pursue its business plan and may require further additional capital due to unforeseen liabilities, delayed or failed technical or commercial launch of its products or in order for it to take advantage of opportunities that may be presented to it. The Group may therefore not be able to implement its business strategy successfully, including entering into new markets, or manage its growth effectively. The Group's failure to execute its business strategy or to manage its growth effectively could adversely affect the Group's business, financial condition and results of operation.

## Risk related to the quality of the Group's products

The renewable energy industry is subject to continuing introduction of new technologies. The Group depends on its ability to offer a good-quality energy product and services, including its continued ability to stay updated on new technology. As competitors and others use or develop new technology, the Group may be placed at a competitive disadvantage, and it may be pressure to implement or acquire certain new technologies at a substantial cost. Any failure to do so could lead to loss of customers and consequently a basis of income. This could affect the Group's business and consequently its profitability.

## Risk related to installation and operation of solar panels

The Group has extended operations in several markets and may therefore encounter operational problems in its business. The Group's products need to be integrated with the customer's real properties, specifically by installing solar panels on the customers roofs and integrating the hardware with the customer's existing power grids. A defect or malfunction caused during the installation of the solar system or related to the solar panels and/or integrated hardware, can cause material damage to the customer's and third parties' properties and health. Operational problems that are caused by errors done by the subcontractors of the Group may also be discovered after the installation is completed.

The Group has in place contractual arrangements to ensure that it has recourse against installers and insurance that cover general liability and product liability. However, there is a risk that the insurance is insufficient and/or that the Group is unable to effectively enforce a recourse claim against the relevant supplier (for example following a bankruptcy of the supplier or due to the warranty period under the customer agreements being longer than the warranty periods provided by the Groups supplier's) and/or that the default related to the installation or operation may lead to a right for the customer to terminate the agreement. Further, there can be no assurance that the insurance and/or right of recourse are sufficient in case of major or systematic incidents related to certain installations or installers. Any such issues related to the installation and operation experienced by the Group, or the Group's contractors, manufacturers and suppliers may adversely affect the Group's business, operating results, access to products and financial condition.

## Risk related to technological change in a competitive market

The Group operates in markets that are new, fragmented, rapidly changing, and which are expected to be increasingly competitive. The Group's success depends on numerous factors, including its ability to successfully market and sell its products and services, its ability to introduce new products and services, and its ability to identify and develop market opportunities. Current and potential competitors might be better established and may have greater financial, technical, marketing and distribution resources. If the Group is unable to compete successfully, it may result in a reduction of the Group's customer levels and the Group could lose market share to competitors, which could adversely affect the Group's business, results of operations, financial condition, cash flows and/or prospects.

## The demand for the Group's products may vary based on the electricity prices and grid tariffs

The Group's marketing and advertising is to a large extent based on the economic benefits by using solar panels as a source of electricity, in preference to purchasing the electricity from other vendors. Consequently, if the electricity prices are low, or if there are changes in the design of grid tariffs that reduce the profitability of energy efficiency or self-consuming solar energy, the economic benefits of the Group's products could be reduced, which could negatively affect the demand for the Group's products.

## The Group may be unable to retain or replace key executives, key employees and qualified employees

The Group's business is of a technical nature and requires specialized and skilled personnel. There is a risk that the Group will be unable to keep a sufficient number of appropriate key executives, key employees and qualified new employees to effectively manage the business. The management team and the key employees have agreed to short mutual notice periods of 3 months which may entail challenges for the Company to hire replacements in connection with termination of employment before expiry of the termination period. There can be no assurance that the Group will be successful in retaining its key executives, key employees and qualified employees or replace such personnel with corresponding qualifications. If the Group fails to do so, it could have a material adverse effect on the Group's business, prospects, financial results and/or results of operations.

## The Group is exposed to risk relating to external suppliers of services and goods

The Group's operations rely to a varying degree on external subcontractors and suppliers of components, services and goods. This operating model inherently contains a risk to the Group's goodwill and branding. If suppliers fail to meet agreed or generally accepted standards in areas such as environmental compliance, human rights, labour relations and product quality, this could have a significant adverse effect on the Group's business, prospects, financial results and results of operations.

# Risk factors (3/6)

## Risks related to the Group's operating of business in multiple jurisdictions

The Group operates in several jurisdictions in addition to Norway, including Sweden, France, Spain, Italy, Poland and Brazil. Operations in international markets are subject to risks inherent in international business activities, including, in particular, general economic conditions in each such market, overlapping differing tax structures, management requiring knowledge to operate over various jurisdictions, increased operating costs, complications and delays associated with repairing and replacing equipment (including as a result of having to transport replacement equipment from distant locations), unexpected changes in regulatory requirements, complying with a variety of foreign laws and regulations, wage and price controls, sanctions and/or other imposition of trade barriers, imposition or changes in enforcement of local content laws, changes in economic or tax policies, changes in legislation which give rise to increased compliance costs, restrictions on currency or capital repatriations, currency fluctuations and devaluations and high levels of inflation, high interest rates, significant governmental influence over many aspects of local economies and/or other forms of government regulation and economic conditions that are beyond the Group's control, all of which could have a material adverse effect on the Group's business, financial position, result of operations and cash flows.

## Risks associated with the global economy

Uncertainty relating to global economic conditions and development may reduce the demand for the Group's services or result in contract delays or cancellations. In particular, the ongoing Covid-19 pandemic may have a significant impact on the economy in the countries where the Group is operating, which again may affect employment and demand for the products the Group offers. Further, the pandemic may also cause disruption in the Group's supply chain which is heavily dependent on solar panels produced in China. Such disruptions may lead to delays in deliveries and cancellations from customers which again could have an adverse impact on the Group's business, financial position, results of operations and cash flows.

## **Legal and regulatory risk**

### Risks related to the application of tax laws and regulations

The Group is exposed to risks regarding the correct application of tax regulations, for instance related to future changes in the tax regulation. The Group's future effective tax rates could be adversely affected by changes in applicable tax laws, treaties and regulations. The application of tax laws, treaties and regulations are highly complex and subject to interpretation. Consequently, the Group is subject to changing tax laws, treaties and regulations in and between countries in which it operates and such changes could have an adverse impact on the Group's business, financial position, results of operations

and cash flows. The Group will also have to make decisions and take certain positions with respect to tax treatment of its assets, income, costs etc., that are not free from doubt. It is therefore not possible to guarantee that local tax authorities will agree to the decisions and positions taken by the Group. Thus, it should be noted that there is a risk that local tax authorities in Norway and other countries will increase the tax burden of the Group, which could have an adverse impact on the Group's business, financial position, results of operations and cash flows.

### Risk related to product liability claims

The Group cannot predict whether or not product liability claims will be brought against it, the effect of any resulting negative publicity on its business, or if its insurance coverage is inadequate to cover potential product liability claims. The assertion of product liability claims against the Group could result in potentially significant monetary damages, which could have a material adverse effect on the Group's business, prospects, financial results and results of operations.

### Risk related to government regulations

The Group is subject to various government regulations. Government regulations may be amended, and new regulations may be introduced, both of which may be burdensome. The Group is subject to risk relating to the structure of tariffs and fees in the electricity system as mandated by government agencies impacting the attractiveness of distributed energy to consumers and thus possibly reducing sales.

In certain jurisdictions, the end customers and/or the Group may benefit from governmental subsidies intended to promote climate friendly technologies and products, such as the Enova grant scheme in the Norwegian market. Future changes or reductions to such subsidy arrangements may impact the attractiveness of the Group's products for its potential customers and consequently affect future sales.

Historically solar energy has been a target of taxation in certain jurisdictions, including in Spain, and the introduction of such taxation may impact the Group's ability to improve consumers' energy economics, and consequently reduce the Group's potential for future sales.

### Risk related to legal, governmental or arbitration proceedings

The Group, its customers of third parties may be involved in legal, governmental or arbitration proceedings related to the ordinary course of the Group's business, including personal injury litigation, intellectual property litigation, contractual litigation, environmental litigation, tax or securities litigation, as well as other proceedings. Such disputes may entail significantly higher operating expenses by additional legal and other related costs. The ultimate outcome of any legal, governmental or arbitration proceedings and the potential costs associated with prosecuting or defending such proceedings,

# Risk factors (4/6)

including the diversion of the management's attention to these matters, could have a material and adverse effect on the Group's business, financial condition, results of operations, cash flows, time to market and/or prospects.

## Risk related to consumer regulations

Customer contracts may be subject to review, assessment and demand for amendments from consumer authorities in various jurisdictions. Consumer protection laws are generally vague, and may be subject to differing interpretations from consumer authorities. The Group is exposed to risk regarding compliance with existing consumer protection regulations and correct application of future changes in the consumer protection regulation.

## Risk related to corruption

Certain jurisdictions where the Group has operations and/or customers are perceived as jurisdictions with a higher risk of corruption compared to average Western countries. The Group maintains a zero tolerance policy towards bribery by any of its employees, agents and suppliers and has implemented rules on anti-corruption in the Group's code of conduct as well as in agreements with suppliers. However, corrupt practices of third parties or anyone working for the Group, or allegations of such practices, may have a material adverse effect on the reputation, business, financial position, results of operations and cash flows of the Group.

## The Group is exposed to GDPR risk

The Group is in a position where it will collect and manage personal data with respect to, inter alia, its customers and suppliers. The EU General Data Protection Regulation ("GDPR") introduces new obligations on data controllers and rights for data subjects. GDPR also introduces new fines and penalties for a breach of requirements, including fines for serious breaches of up to the higher of 4% of annual worldwide turnover or EUR 20 million and fines up to the higher of 2% of annual worldwide turnover or EUR 10 million for other specified infringements. The implementation of GDPR has required amendments to the Group's procedures and policies, including measures to ensure compliance with the new rules. If there are breaches of these measures, the Group could face significant administrative and monetary sanctions which may have a material adverse effect on the Group's financial condition and results of operation.

## The outbreak of COVID-19 may have significantly negative effect on the Group

The Group's performance is affected by the global economic conditions in the market in which it operates. The global economy has been experiencing a period of uncertainty since the outbreak of the coronavirus SARS-CoV-2 ("Covid 19"), which was recognized as a pandemic by the World Health

Organization in March 2020. The global outbreak of Covid-19, and the extraordinary health measures and restrictions on local and global basis imposed by authorities across the world have, and are expected to continue to cause, disruptions in the Company's value chain. The Covid-19 situation may adversely affect the Group's risk profile presented in this section "Risk factors", including, but not limited to, risks relating to general operations, the global economy, interest rate, currency and political and legislative risks.

Moreover, as a result of the Covid-19 situation, national authorities have adopted several laws and regulations with immediate effect and which provide legal basis for the government to implement measures in order to limit contagion and the consequences of Covid-19. The Company complies with national guidelines in each market and has imposed work from home routines in all offices. The Company has limited direct interaction with homeowners and only conducts digital site visits pre-installation.

Prospective investors should note that the Covid-19 situation is continuously changing, and new laws and regulations that could directly, or indirectly, affect the Group's operations may enter into force. The effects of the Covid-19 situation could negatively affect the Group's revenue and operations going forward, where the severity of the Covid-19 situation and the exact impacts for the Group are highly uncertain.

## **Risk related to the Group's financial situation**

### The Group is exposed to liquidity risk

The Group requires additional capital funding in order to finance future growth. The Group's ability to make payments on and to refinance its debt, and to fund working capital and capital expenditures, will depend on future operating performance, its ability to generate sufficient cash or its ability to obtain new market financing. This depends to some extent on general economic, financial, competitive, market, legislative, regulatory and other factors, many of which are beyond the Group's control. If the Group's future cash flows from operations and other capital resources are insufficient to pay obligations as they mature or to fund liquidity needs, the Group may be obliged to take actions that could have a material adverse effect on the Group's financial condition and results of operations.

The Group's future cash flow may be insufficient to meet its debt obligations and commitments. Any insufficiency could negatively impact the Group's business. A range of economic, competitive, business and industry factors will affect the Group's future financial performance and, as a result, an inability to generate sufficient cash flow to satisfy its debt obligations, or to obtain alternative financing, could materially and adversely affect the Group's business, financial condition, results of operations, and prospects.

# Risk factors (5/6)

## The Group is exposed to credit risk

The Group has a significant amount of trade receivables, and will be dependent on being able to collect such receivables. Consequently, the Group may be exposed to financial loss if a customer or counterparty fails to meet its contractual obligations. To the extent payment is done by payment letter or credit or otherwise given, the Group is vulnerable to credit risk and any failure by its counterparties to meet their obligations may affect the Group's income. Failure by the Group to collect its trade receivables or customers' unwillingness or inability to pay could have a material adverse impact on the Group's business and financial condition.

## The Group's insurances may not be adequate to cover the Group's losses

Insurance of all risks associated with the Group's business may not always be available, and, where available, the cost can be high and the insurance may not be adequate. There is a risk that the Group will suffer substantial losses which will not be covered by any insurance policy, for example if the Group is deemed liable for delayed supply of solar panels or other services to customers or for damages resulting from breach of data privacy regulations.

## The Company receives support from governmental financial schemes

The Group receives support from governmental financial support schemes, such as for example a loan provided under the support scheme of Innovasjon Norge, which are conditional and made subject to requirements to be fulfilled by the Group. Although the Group is determined to complete all relevant conditions and comply with its obligations, no assurance can be given that the Group will complete all conditions and/or fulfil its obligations, which may result in a claim for repayment of the financial support, in part or in whole, which may in turn have a material adverse impact on the Group's business and financial condition.

## The Group is exposed to currency risk

As the Group has sales in different countries with different functional currencies, it is exposed to currency risk associated with movements of the Norwegian krone against other currencies while the Group's presentation currency is NOK. The most important foreign currencies to the Group are SEK and Euro, and changes in currency rates could have a negative impact on the Group's competitive position, and have significant effect on the Group's operational income.

## **Risks relating to the Shares and the Admission**

### An active trading market for the Company's shares on Euronext Growth may not develop

The Shares have not previously been tradable on any stock exchange, other regulated marketplace or multilateral trading facilities. No assurance can be given that an active trading market for the Shares will develop on Euronext Growth, not sustain if an active trading market is developed. The market value of the Shares could be substantially affected by the extent to which a secondary market develops for the Shares following completion of the Admission.

### Risk related to volatility of the share price

The market price of the Shares may be highly volatile and investors in the Shares could suffer losses. The trading price of the Shares could fluctuate significantly in response to a number of factors beyond the Company's control, including the sale of relatively large holdings of Shares by majority shareholders, quarterly variations in operating results, , adverse business developments, changes in financial estimates and investment recommendations or ratings by securities analysts, significant contracts, acquisitions or strategic relationships, publicity about the Group or other companies where the Group holds an ownership interest, their products and services or its competitors, lawsuits and unforeseen liabilities, changes to the regulatory environment in which it operates or general market conditions. In recent years, the stock market has experienced extreme price and volume fluctuations. This volatility has had a significant impact on the market price of securities issued by many companies. Those changes may occur without regard to the operating performance of these companies. The price of the Shares may therefore fluctuate based upon factors that have little or nothing to do with the Group or other companies where the Group holds an ownership interest, and these fluctuations may materially affect the price of the Shares.

### The Company will incur increased costs as a result of being listed on Euronext Growth

As a company with its shares listed on Euronext Growth, the Company will be required to comply with Oslo Børs' reporting and disclosure requirements for companies listed on Euronext Growth. The Company will incur additional legal, accounting and other expenses in order to ensure compliance with these and other applicable rules and regulations. The Company anticipates that its incremental general and administrative expenses as a company with its shares listed on Euronext Growth will include, among other things, costs associated with annual and interim reports to shareholders, shareholders' meetings, investor relations, incremental director and officer liability insurance costs and officer and director compensation. In addition, the Board of Directors and management may be required to devote significant time and effort to ensure compliance with applicable rules and regulations for companies with its shares listed on Euronext Growth, which may entail that less time and effort can be devoted to

# Risk factors (6/6)

other aspects of the business. Any such increased costs, individually or in the aggregate, could have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

## The Company does not expect to pay dividends in the near future

Norwegian law provides that any declaration of dividends must be adopted by the Company's shareholders at the Company's general meeting of shareholders. Dividends may only be declared to the extent that the Company has distributable funds and the Company's Board of Directors finds such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Company's operations and the need to strengthen its liquidity and financial position. As the Company's ability to pay dividends is dependent on the availability of distributable reserves, it is inter alia dependent upon receipt of dividends and other distributions of value from its subsidiaries and companies in which the Company has and in the future may invest. The Company does not expect to pay dividends in near future.

## Shareholders not participating in future offerings may be diluted

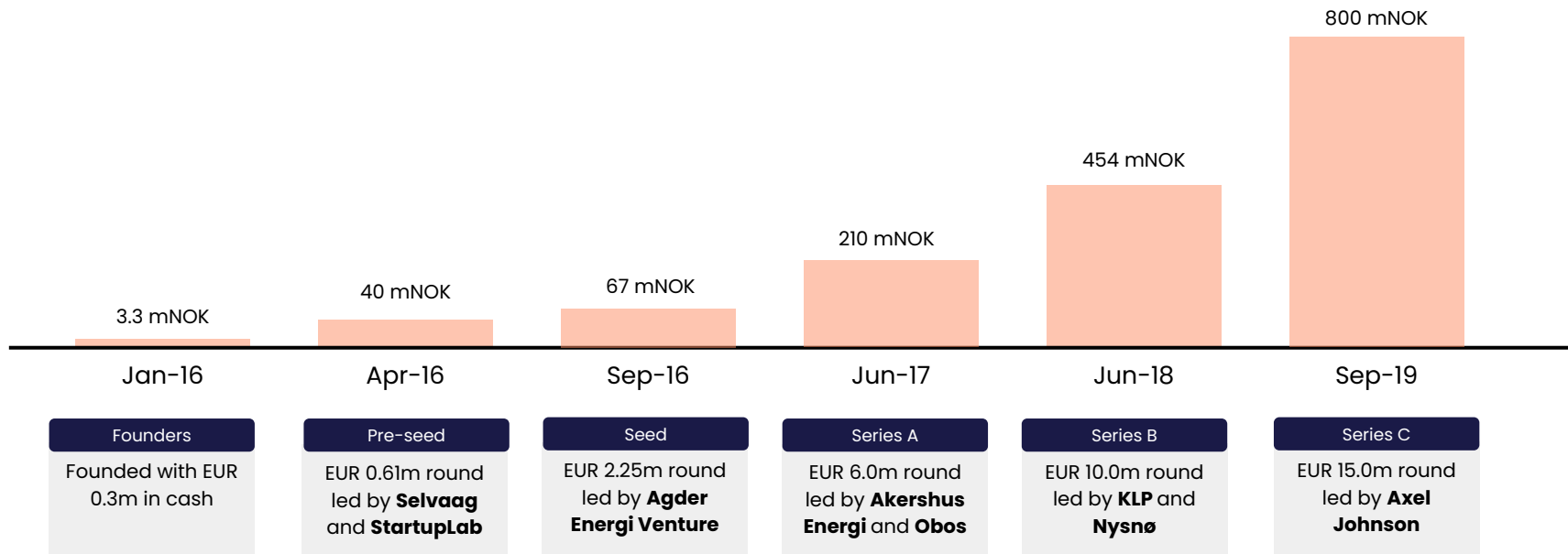
The Company may in the future decide to offer additional Shares or other securities in order to finance new capital-intensive projects, or in connection with unanticipated liabilities or expenses of for any other purposes. Any such additional offering could reduce the proportionate ownership and voting interests of holders of Shares, as well as the earnings per shares and the net asset value per share of the Company, and any offering by the Company could have a material adverse effect on the market price of the Shares.

|   |                    |
|---|--------------------|
| 1 | Investment case    |
| 2 | Otovo in brief     |
| 3 | Market opportunity |
| 4 | Growth plan        |
| 5 | Risk factors       |
| 6 | Appendix           |



# Otovo has raised EUR 34m since 2016

## Funding rounds and corresponding post-money valuation, mNOK



# Solid and long term owners

## Largest non-mgmt. shareholders



**Axel Johnson** is one of the largest consumer retail, trade and service companies in the Nordic region, and remains family-owned in the fifth generation



**Nysnø** is a governmental climate investment fund, administered by the Norwegian Ministry of Trade, Industry and Fisheries



**KLP** is Norway's largest life insurance and pension company with ~NOK 690bn under management and about 980 employees. KLP is managing funds for about 950,000 Norwegians



**Agder Energi** is a Norwegian regional utility located in the southern part of Norway. Its primary areas of business are hydropower and grid. In 2017 the company had revenues of NOK 10.2bn



**Akershus Energi** is a Norwegian regional utility located in the eastern part of Norway. Its primary areas of business are hydropower and district heating. In 2017 the company had revenues of NOK 830m



**OBOS** is the largest Nordic cooperative building association. OBOS has built more than 100,000 homes primarily in the Oslo area. OBOS is owned by its 435,000 members

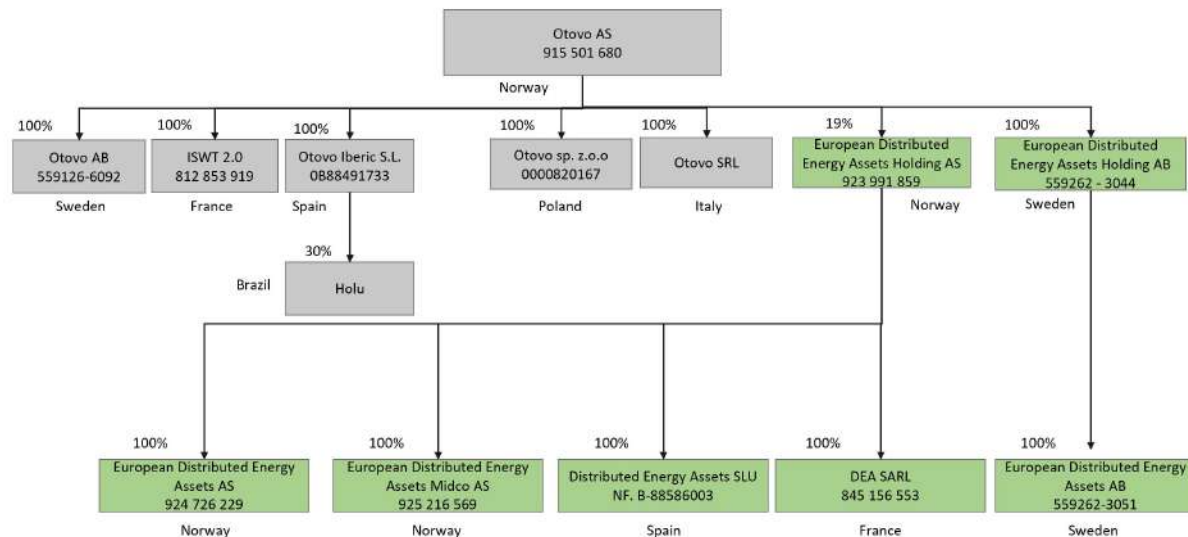
## Top shareholders (as of 28 January '21)

| #                                                    | Name                              | # of shares      | %             |
|------------------------------------------------------|-----------------------------------|------------------|---------------|
| 1                                                    | Axel Johnson                      | 1,863,158        | 21,0%         |
| 2                                                    | Agder Energi Venture              | 881,826          | 9,9%          |
| 3                                                    | Akershus Energi                   | 852,811          | 9,6%          |
| 4                                                    | Andreas Thorsheim (founder & CEO) | 840,168          | 9,4%          |
| 5                                                    | Nysnø (Fornbybar AS)              | 816,187          | 9,2%          |
| 6                                                    | KLP (AksjeNorge and KLP Liv)      | 702,015          | 7,9%          |
| 7                                                    | OBOS                              | 361,115          | 4,1%          |
| 8                                                    | Simen Jørgensen (CPO and Founder) | 273,268          | 3,1%          |
| 9                                                    | Andreas Bentzen (CTO and Founder) | 235,617          | 2,6%          |
| 10                                                   | David Callegari (Founder ISWT)    | 215,503          | 2,4%          |
| <b>Sum top 10 shareholders</b>                       |                                   | <b>7,041,668</b> | <b>79.2%</b>  |
| Others                                               |                                   | 1,849,864        | 20,8%         |
| <b>Total number of shares registered in VPS</b>      |                                   | <b>8,891,532</b> | <b>100.0%</b> |
| Employee share purchase program (not yet registered) |                                   | 111,620          |               |
| Exercised options (not yet registered)               |                                   | 129,292          |               |
| <b>Total number of shares issued feb '21</b>         |                                   | <b>9,132,444</b> |               |

- The Company has 217,758 options outstanding with a weighted average strike price of NOK 45.62, of these outstanding options 242,559 are currently vested
- The Company has a share investment program in which participants are granted rights for a certain amount of additional shares where 111,620 will vest on listing, and the rest after 3 and 4 years
- The Company has an outstanding earn-out payment in the maximum amount of EUR 3.25m, of which 90% of the consideration is to be paid out in shares and the remaining in cash.

# Otovo organizational structure

## Organizational structure



## Commentary

- Otovo fully owns all of its European subsidiaries (SE, ES, FR, PL, IT)
- Otovo owns 30% of its JV in Brazil, Holu, together with Gera. Gera runs on Otovo tech platform, but operations is run separately
- Otovo owns 19% of EDEA Holding (leasing company)
- Otovo owns 100% of EDEA Holding AB, a shell company, that will be closed, and EDEA AB will be transferred to EDEA Holding AB within Q1-21

# Booked revenue is down 24%, pipeline is worth 39m



## Scan. – 2020FY

|                | NOKm   |
|----------------|--------|
| FY20           | 128.7  |
| FY19           | 189.2  |
| %              | -32.0% |
| Pipeline value | 14.8   |



## Spain – 2020FY

|                | NOKm |
|----------------|------|
| FY20           | 12.9 |
| FY19           | N/A  |
| %              | N/A  |
| Pipeline value | 18.9 |



## Poland – 2020FY

|                | NOKm |
|----------------|------|
| FY20           | 0.3  |
| FY19           | N/A  |
| %              | N/A  |
| Pipeline value | 0.2  |



## France – 2020FY

|                   | NOKm |
|-------------------|------|
| FY20              | 5.9  |
| FY19 <sup>1</sup> | 4.5  |
| %                 | +31% |
| Pipeline value    | 5.6  |



## Italy – 2020FY

|                | NOKm |
|----------------|------|
| FY20           | 0    |
| FY19           | N/A  |
| %              | N/A  |
| Pipeline value | 0    |



## Group sum 2020FY

|                | NOKm   |
|----------------|--------|
| FY20           | 147.8  |
| FY19           | 193.7  |
| %              | -23.7% |
| Pipeline value | 39.5   |

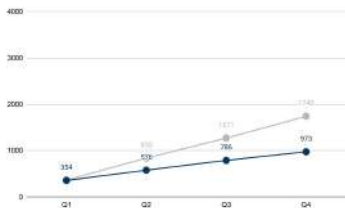
Note: 1) France FY19 includes nine months of revenue (April to December)

# ~2300 net sold units in '20, +5% vs. '19

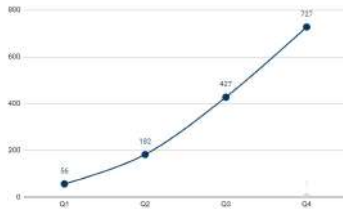
## Net sold units 2019 & 2020, accumulated, by country



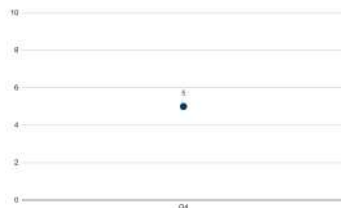
Scan: down ~750 units in '20 vs. '19



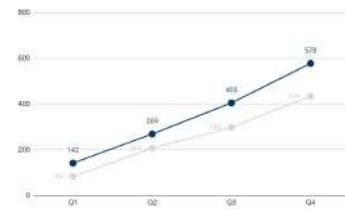
ES: +727 units in '20 vs. 1 in '19



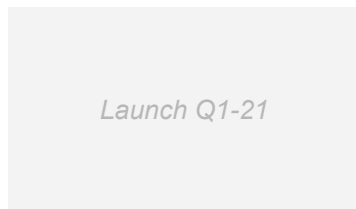
PL: down 5 units sold in Dec '20



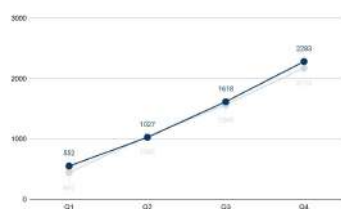
FR: +144 in units in '20 vs. '19



IT: Launch in Q1-21



Group: ~5% growth in #units in 2020



## Commentary

- Net sold units for Otovo up ~5% in 2020 vs. 2019
- Increase driven by +726 units from Spain and +144 units from France
- Scandinavia experiencing a decline in sales volumes of ~750 in 2020 vs. 2019 – driven by record-low power prices & impact from COVID

# Revenue down 24%, 3.6pp increased gross margin

## Otovo key figures (NOKm)

|                     | 2020 FY       | 2019 FY       | Change         |
|---------------------|---------------|---------------|----------------|
| Revenue             | 147.8         | 193.7         | (45.9)         |
| Cost of goods sold  | (121.2)       | (165.8)       | 44.6           |
| <b>Gross profit</b> | <b>26.6</b>   | <b>27.8</b>   | <b>(1.2)</b>   |
| <b>Gross margin</b> | 18.0%         | 14.4%         | 3.6pp          |
| Personnel cost      | (57.3)        | (43.2)        | (12.5)         |
| Other opex          | (51.8)        | (38.7)        | (14.7)         |
| <b>EBITDA</b>       | <b>(82.5)</b> | <b>(54.1)</b> | <b>(28.4)</b>  |
|                     |               |               |                |
| <b>Cash</b>         | <b>73.8</b>   | <b>193.0</b>  | <b>(119.2)</b> |

Unconsolidated figures, excl. profit from associated companies (EDEA, Holu)

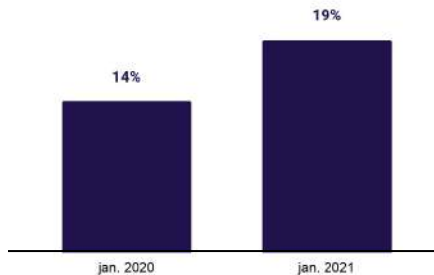
## Commentary

- Revenue down 24% compared to FY 2019, largely driven by both demand and supply chain impact (HI) from the ongoing Covid-19 pandemic
- Revenue of NOK ~201m including sales value of France projects (compared to NOK ~220m in FY 2019)
- Number of projects sold in the period increased by 5%. The negative revenue impact is due to a lower average basket size now as the share of projects outside Scandinavia is increasing
- Gross margin expansion of 3.6pp driven by improved unit margins
- Total opex is driven by entry into new markets and the introduction of leasing
- Cash position at year end as expected at NOK 74m

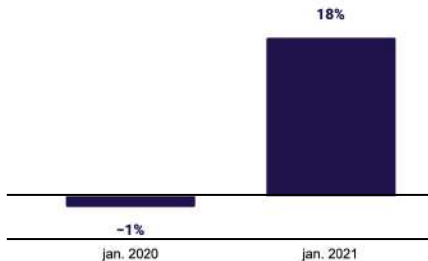
# Entering 2021 with higher sales margins than 12 months ago



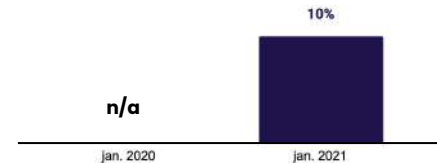
**Scandinavia + 6pp**



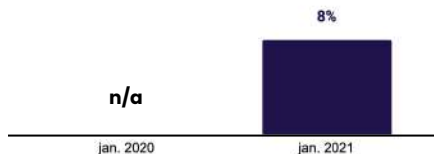
**Spain: 18% current pace**



**Poland: 10% from start**



**France: 8% after tech trans.**



**Italy: 8% from start**



Note: Net sold project margins on projects sold 1.1.20–31.1.20 and 1.1.21–20.1.21

# Condensed Consolidated P&L

| Otovo AS – Group P&L                | Audited<br>(consolidated)<br>2018 | Audited<br>(consolidated)<br>2019 | Unaudited<br>(excl. EDEA & Holu)<br>2020 |
|-------------------------------------|-----------------------------------|-----------------------------------|------------------------------------------|
| <i>All figures in NOK '000</i>      |                                   |                                   |                                          |
| Sales revenue                       | 94,040                            | 193,662                           | 147,841                                  |
| Other income                        | 1,265                             | -                                 | -                                        |
| <b>Total revenue</b>                | <b>95,305</b>                     | <b>193,662</b>                    | <b>147,841</b>                           |
| Cost of goods sold                  | (90,578)                          | (165,827)                         | (121,196)                                |
| <b>Gross margin</b>                 | <b>4,727</b>                      | <b>27,835</b>                     | <b>25,852</b>                            |
| Payroll expenses                    | (21,626)                          | (43,180)                          | (57,337)                                 |
| Other operating expenses            | (20,960)                          | (38,711)                          | (51,824)                                 |
| <b>EBITDA</b>                       | <b>(37,860)</b>                   | <b>(54,056)</b>                   | <b>(82,516)</b>                          |
| Depreciation & Amortisation         | (2,023)                           | (12,624)                          | (20,921)                                 |
| <b>EBIT</b>                         | <b>(39,882)</b>                   | <b>(66,680)</b>                   | <b>(102,776)</b>                         |
| Interest income                     | 480                               | 496                               | 4,594                                    |
| Interest expenses                   | (714)                             | (2,237)                           | (3,933)                                  |
| <b>Profit / (loss) before taxes</b> | <b>(40,116)</b>                   | <b>(68,421)</b>                   | <b>(102,776)</b>                         |
| Income tax expense                  | -                                 | 17,015                            | -                                        |
| <b>Net profit / (loss)</b>          | <b>(40,116)</b>                   | <b>(51,406)</b>                   | <b>(102,776)</b>                         |

Note: 2020 financials represent Group Financials, excluding non-recurring expenses related to the establishment of EDEA and Holu

# Condensed Consolidated Balance Sheet

| Otovo AS – Condensed Balance sheet                 | Audited<br>(consolidated)<br>2018 | Audited<br>(consolidated)<br>2019 | Unaudited<br>(excl. EDEA & Holu)<br>2020 |
|----------------------------------------------------|-----------------------------------|-----------------------------------|------------------------------------------|
| <i>All figures in NOK '000</i>                     |                                   |                                   |                                          |
| <b>ASSETS</b>                                      |                                   |                                   |                                          |
| Intangible assets                                  | 10,529                            | 126,943                           | 130,789                                  |
| Property plant and equipment                       | 4,728                             | 4,555                             | 4,205                                    |
| Investments in affiliated companies                | -                                 | -                                 | 26,620                                   |
| Other long term assets                             | -                                 | 811                               | -                                        |
| Total non-current assets                           | 15,256                            | 132,308                           | 161,613                                  |
| Accounts receivable                                | 13,734                            | 13,701                            | 8,339                                    |
| Other current receivables                          | 2,014                             | 17,154                            | 11,481                                   |
| Cash                                               | 117,629                           | 193,036                           | 73,828                                   |
| Total current assets                               | 133,377                           | 223,890                           | 93,648                                   |
| <b>Total assets</b>                                | <b>148,634</b>                    | <b>356,199</b>                    | <b>255,260</b>                           |
| <b>LIABILITIES</b>                                 |                                   |                                   |                                          |
| Interest bearing debt                              | 10,000                            | 10,000                            | 16,901                                   |
| Other long term debt                               | -                                 | 64,035                            | 3,926                                    |
| Total long term liabilities                        | 10,000                            | 74,035                            | 20,827                                   |
| Accounts payable                                   | 12,678                            | 9,856                             | 12,492                                   |
| Other short term liabilities                       | 11,378                            | 32,454                            | 50,004                                   |
| Total short term liabilities                       | 24,056                            | 42,310                            | 62,496                                   |
| <b>Total Liabilities</b>                           | <b>34,056</b>                     | <b>116,345</b>                    | <b>83,323</b>                            |
| <b>SHAREHOLDERS' EQUITY</b>                        | <b>114,578</b>                    | <b>239,854</b>                    | <b>171,937</b>                           |
| <b>Total Liabilities &amp; Shareholders Equity</b> | <b>148,634</b>                    | <b>356,199</b>                    | <b>255,260</b>                           |

Note: 2020 financials represent Group Financials, excluding financial impact resulting from the establishment of EDEA and Holu

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