



# Otovo

## The solar and battery marketplace

Q4 22 presentation  
25 January 2023

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# Today's speakers

Present from Otovo



**Andreas Thorsheim**  
Founder and CEO



**Petter Ulset**  
CFO



**Sondre Bergløff**  
Investor relations



Otovo installation in Sweden, Q1 2023

# All set for massive 2023, on back of strong Q4, and a EUR 100m debt & NOK 20mm equity package for subscription assets

## Q4 figures

**+160%** Revenues Generated  
Q4 21: 109 **282 NOKm**

**+160%** Gross Profit Generated  
Q4 21: 22 **56 NOKm**

**+220%** Accumulated contracted  
subscription revenue  
Q4 21: 94 **305 NOKm**

## Debt facility

**€100m** debt facility,  
**67%** leverage ratio  
with DNB & SR-Bank

Enabling **12,500** customers  
in subscription portfolio



SpareBank  
SR-BANK **1**

## Private placement

**€20m** equity raise,  
to be led and guaranteed  
by Axel Johnson

New equity to fully  
utilize debt facility



nysnø  
Klimainvesteringer



agder energi

# Agenda



**Business update**

Financial results

New financing facility

Private placement

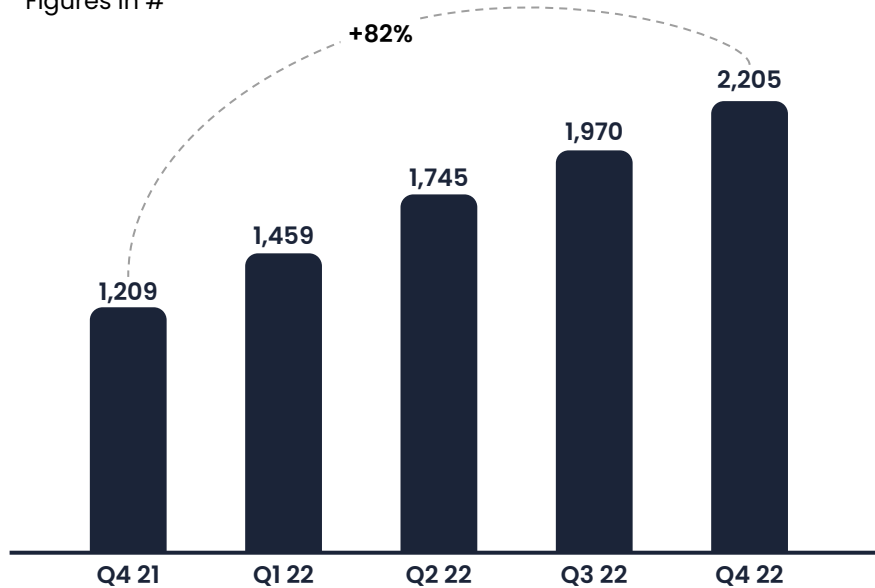
Summary

Q&A

# Record installations drive record revenues

## Installations

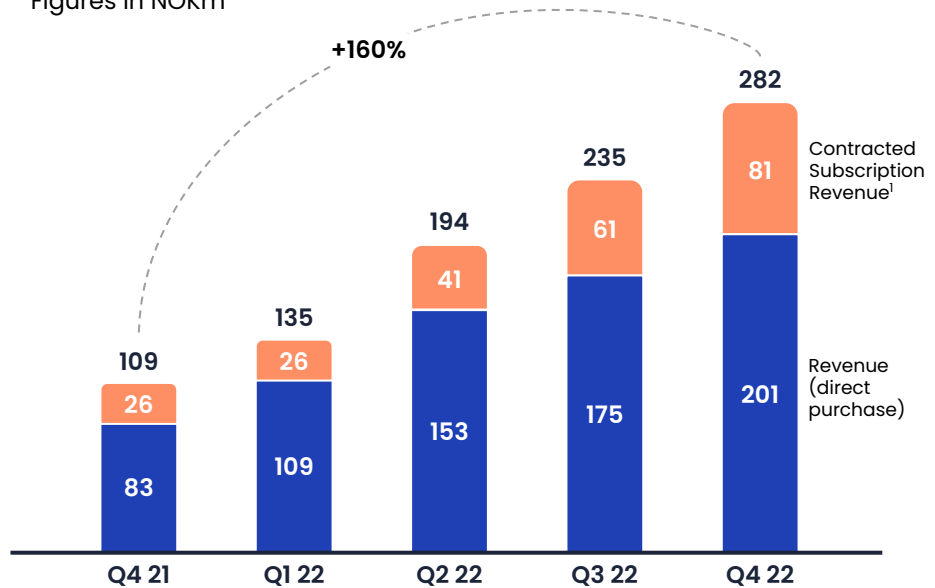
Figures in #



Installation **pace**  
nearly doubled since Q4 21

## Revenues & revenues generated

Figures in NOKm



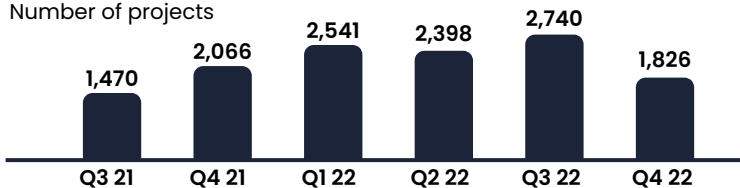
Strong growth in revenue and contracted  
subscription revenues, **exceeding** guiding for H2 22

# Increased throughput speed, stabilized pipeline, ambition to keep wait times below 6 months

## Sales & pipeline development

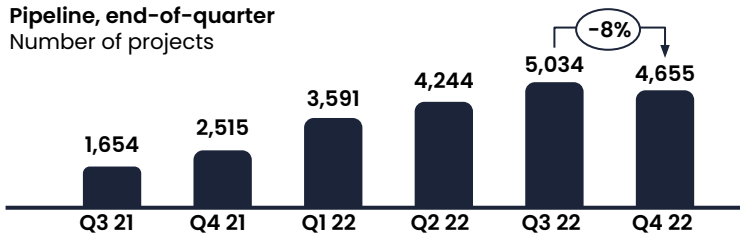
### Sales

Number of projects



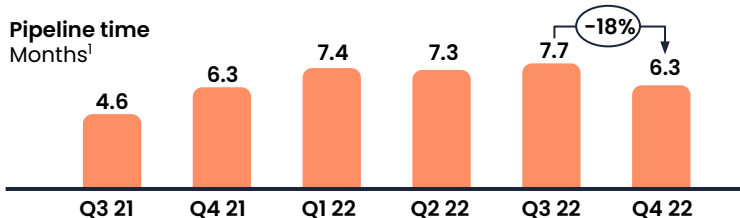
### Pipeline, end-of-quarter

Number of projects



### Pipeline time

Months<sup>1</sup>



## Comments

### Market backdrop

- First three quarters of 2022 saw sales exploding. Softer market for online solar search overall in Q4 as seen in Google search data i.a.
- Installation speed catching up overcoming inertia in supply chain

### Marketing and pipeline optimization

- Continuously optimizing cost per sale, choosing the lowest-cost option, consuming pipeline at times when making investments in marketing is less attractive than working down pipeline

### Pipeline

- Pipeline of >5,000 projects from Q3 was at all-time-high relative to installation pace
- Aim to stabilize waiting times at 6 months or lower on average for pipeline
- Faster pipeline throughput means faster conversion from customer acquisition cash out to gross margin cash in, particularly important in a fast growth company

# Partnerships are growing and represent a strategic edge

## Rolling out partnerships

### Broadening sales channels

- Strengthen our brand by associating with well recognized players
- Reduce dependency on paid marketing
- Different seasonality & conversion than other channels, diversifying inbound sales
- This strategy is in line with the leading US players, such as SunRun and SunPower, who work with large utilities, automotives, retailers and other relevant affiliates

### Increasingly important for Otovo

- Building tech product capabilities to boost this channel
- Sales from Partnerships comprised over 10% of Otovo's total net sales in 2022

## Examples of Otovo partnerships



**castorama**

Leading French DIY player with >90 stores, €3b revenue



**VIVI**  
energia

Italian Utility with >350k customers



**tibber**

Norwegian digital energy provider, with European reach



energy  
**go**

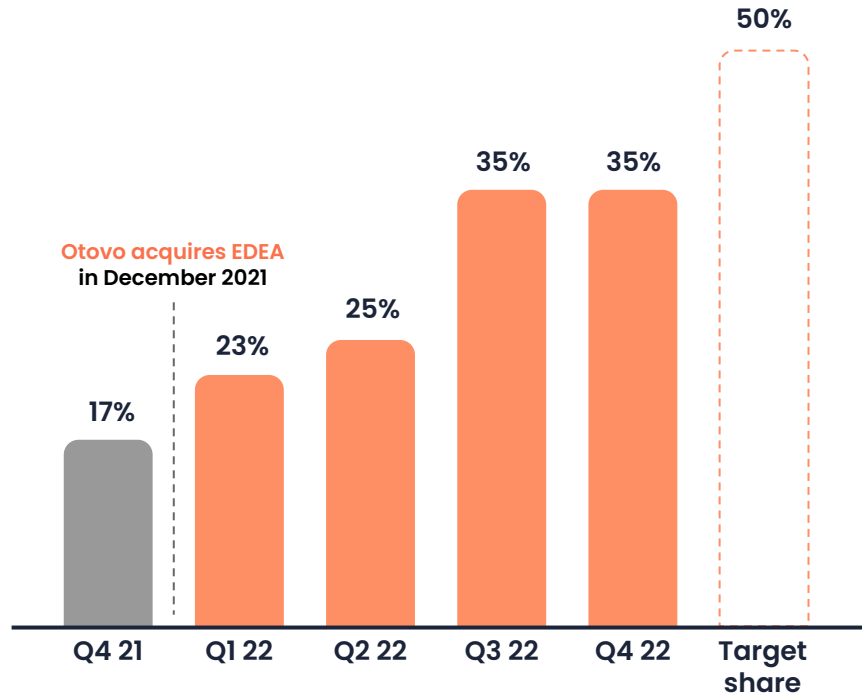
Energy branch of MasMovil, a top Spanish telecom



# Subscription share at 35% in Q4, portfolio growing by another NOK ~80m

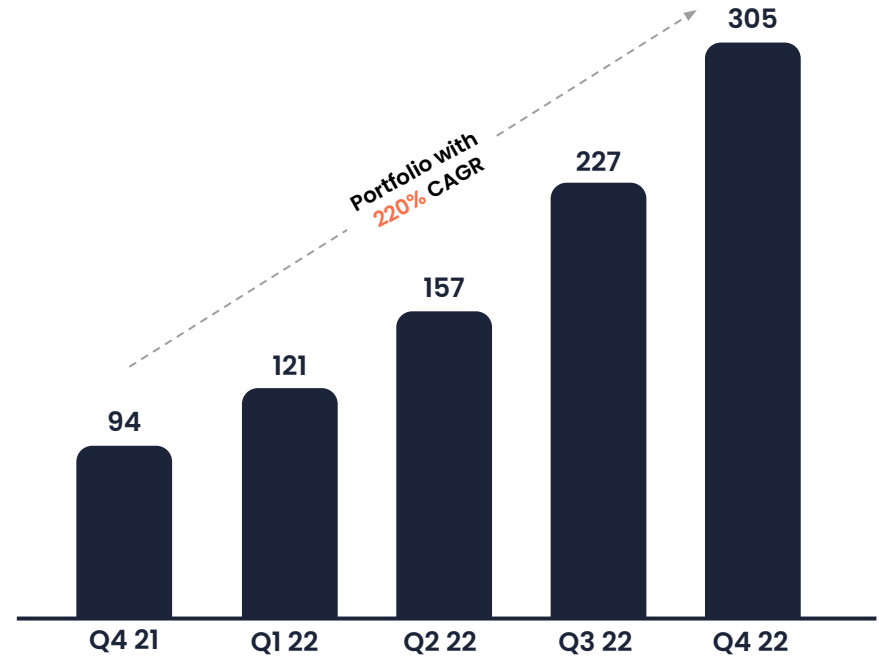
## Share of sales on Subscription model

Percent of total sales



## Accumulated Contracted Subscription Revenue

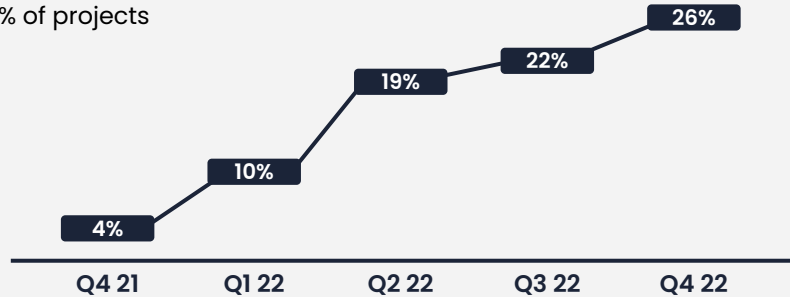
Portfolio of installed projects, figures in NOKm



# Business health indicators moving in the right direction

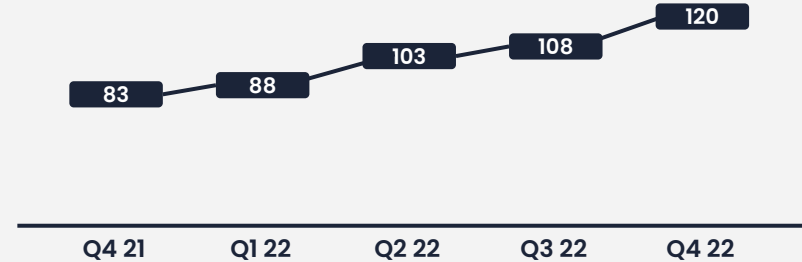
## Battery attachment rate, installed

% of projects



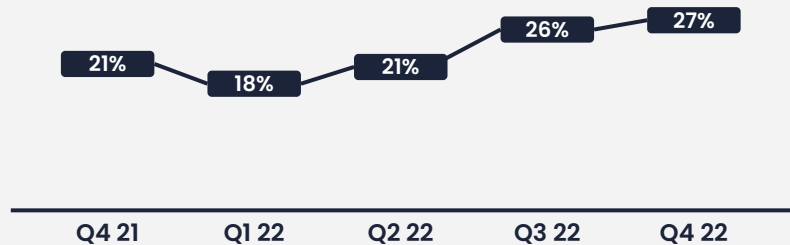
## Ticket size, installed

Figures in NOKk



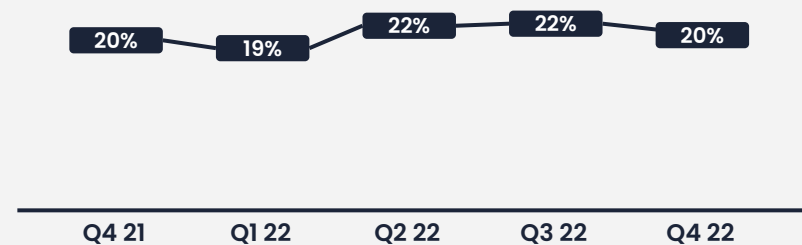
## Subscription share, installed

% of projects



## Gross Margin Generated, installed

% of Revenues Generated



# Led by a world-class founding and management team

## C-Level



**CFO**  
Petter Ulset  
McKinsey & Company  
COGNITE AKER



**CTO & Co-founder**  
Simen Jørgensen  
ITERATE  
tieto



**CBO & Interim GM DE**  
Pål Hvattum  
Adevinta  
leboncoin

## General Managers



**MD + GM Poland**  
Paulina Ackermann  
Uber Lime



**GM Norway**  
Silje Gjeraker  
Wolt Telia  
optimum



**GM Sweden**  
Vida Wachtmeister  
PlusDental  
mytaxi



**MD + GM Spain**  
Iñigo Amoribieta  
McKinsey & Company  
GROUPON



**GM UK**  
Jina Kwon  
GROUPON  
STORIS



**GM Portugal**  
Manuel Piña  
Uber ie



**MD + GM Italy**  
Fabio Stefanini  
amazon Uber  
BAIN & COMPANY Wharton



**GM Switzerland**  
Maximilian Dreyer  
CHECK24  
BAIN & COMPANY



**GM Austria**  
Nikolas Jonas  
njam foodora JUST EAT



**MD + GM France**  
Jean Rosado  
FLUORIS BAIN & COMPANY



**GM Netherlands**  
Jort Statema  
airbnb Back Market Cinetree
























**GM Belgium**  
Cedric Sever  
Takeaway.com cool blue

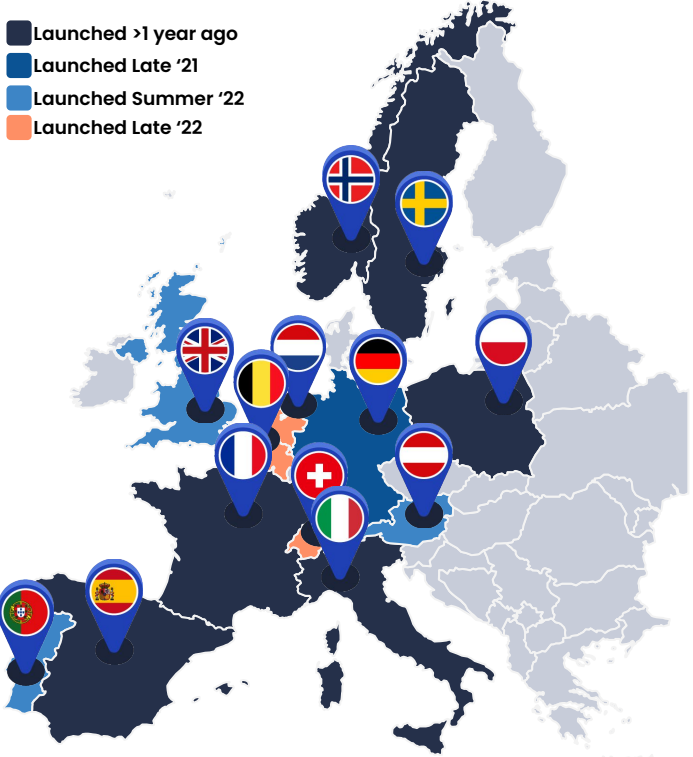
## Comments

- Headquarters in Oslo, Norway with good access to **excellent talent in tech** and a founding and central **management team experienced in building** international organizations
- **World-class General Managers run countries** (solid track-record from tech & marketplaces like Uber, Lime, Groupon, Amazon, often repeat GMs with solid tech and business credentials)
- **Launcher and partner team** sets up new business units – automatic roll-out with local adaption

# Led by a world-class founding and management team

C-Level	General Managers					New country launches		
						Purchase model	Ticket size (NOKk)	Launch status
 <p><b>CFO</b> Petter Ulset McKinsey &amp; Company COGNITE AKER</p>	 <p><b>MD + GM Poland</b> Paulina Ackermann Uber Lime</p>	 <p><b>MD + GM Spain</b> Iñigo Amoribietta McKinsey &amp; Company GROUPON</p>	 <p><b>MD + GM Italy</b> Fabio Stefanini amazon Uber BAIN &amp; COMPANY</p>	 <p><b>MD + GM France</b> Jean Rosado BAIN &amp; COMPANY</p>		<b>Direct &amp; Subscription</b>	<b>40-60</b>	<b>✓ Launched Q2</b>
 <p><b>CTO &amp; Co-founder</b> Simen Jørgensen ITERATE tieto</p>	 <p><b>GM Norway</b> Silje Gjeraker Wolt Telia optimum</p>	 <p><b>GM UK</b> Jina Kwon GROUPON STORE</p>	 <p><b>GM Switzerland</b> Maximilian Dreyer CHECK24 BAIN &amp; COMPANY</p>	 <p><b>GM Netherlands</b> Jort Statema airbnb Back Market Cinetree</p>		<b>Direct &amp; Subscription</b>	<b>100-120</b>	<b>✓ Launched Q3</b>
 <p><b>CBO &amp; Interim GM DE</b> Pål Hvattum Adevinta leboncoin</p>	 <p><b>GM Sweden</b> Vida Wachtmeister PlusDental mytaxi</p>	 <p><b>GM Portugal</b> Manuel Piña Uber ie</p>	 <p><b>GM Austria</b> Nikolas Jonas njam foodora JUST EAT</p>	 <p><b>GM Belgium</b> Cedric Sever Takeaway.com cool blue</p>		<b>Subscription only</b>	<b>200-250</b>	<b>✓ Launched Q3</b>
						<b>Direct &amp; Subscription</b>	<b>300-350</b>	<b>✓ Launched Q4</b>
						<b>Subscription only</b>	<b>100-120</b>	<b>✓ Launched Q4</b>
						<b>Subscription only</b>	<b>50-70</b>	<b>✓ Launched Q4</b>

# Otovo's model is now being rolled out – every country progressing according to plan

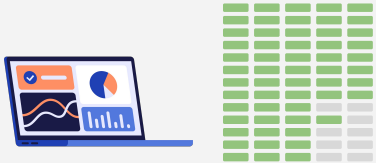
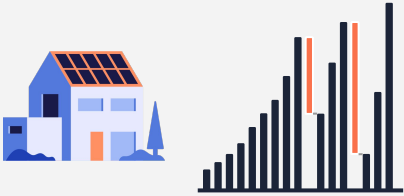
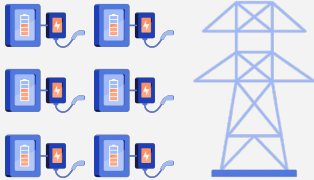





	Today					
	Web site and legal	Active installers	Active sales	Completed installation	Unit positive	EBITDA <sup>1</sup> positive
Launched >1 year ago		✓	✓	✓	✓	✓
		✓	✓	✓	✓	←
		✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
Launched Late '21		✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
Launched Summer '22		✓	✓	✓	→	✓
		✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓
Launched Late '22		✓	→	→	✓	✓
		✓	→	→	✓	✓
		→	→	→	✓	✓

All markets expected unit positive in Q1 23

6 markets EBITDA positive by end of 1H 23

# Otovo's marketplace has pan-European reach, rapidly originating assets; Services on 'Next horizon'

	1 Marketplace	2 Asset Portfolio	3 Services
<b>Business model</b>	<p>Solar &amp; battery marketplace, charging markup on installer cost</p> 	<p>Portfolio of cash flow-generating customer contracts</p> 	<p>Selling high-margin services to grid owners</p> 
<b>Key to win in market</b>	<ul style="list-style-type: none"> <li>• Geographic coverage</li> <li>• Asset light, software driven ops</li> </ul>	<ul style="list-style-type: none"> <li>• Relationship with Originator/ Marketplace delivering volumes</li> </ul>	<ul style="list-style-type: none"> <li>• Large battery capacity deployed</li> <li>• Capabilities in fleet monetization</li> </ul>
<b>Current focus</b>	<ul style="list-style-type: none"> <li>• Bring markets to profitability</li> <li>• Keep growing installation volumes</li> </ul>	<ul style="list-style-type: none"> <li>• Keep developing balance sheet</li> <li>• Prove monetization of portfolio</li> </ul>	<ul style="list-style-type: none"> <li>• Establish contract and software capabilities in asset portfolio</li> </ul>
<b>Progress</b>			

# Agenda

Business update



**Financial results**

New financing facility

Private placement

Summary

Q&A

# Strong performance on reported financials

## IFRS accounts

### Consolidated Financial Summary

(NOK 000')	Q4 2022	Q4 2021
Total operating revenue	204,951	99,311
COGS	167,233	82,125
Opex	112,910	70,290
Depreciation	17,836	9,301
Operating profit	-93,028	-62,405
EBITDA	-75,192	-53,104
EBITDA%	-37%	-53%

### Consolidated Balance Sheet

(NOK 000')	Q4 2022	Q4 2021
Non-current assets	477,232	365,265
Inventory	10,761	0 <sup>1</sup>
Cash	193,868	224,187
Other current assets	251,205	72,813
Assets	933,067	662,267
Equity	528,505	521,049
Liabilities	404,562	141,218
Equity and liabilities	933,067	662,267

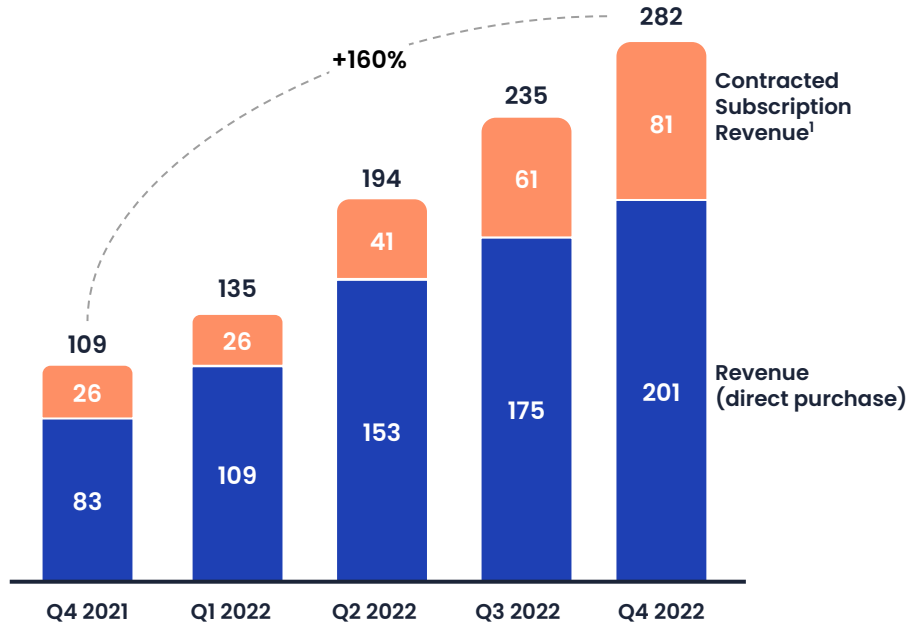


# Contracted subscription revenue 3x YoY, driving solid growth in revenues generated

## Alternative Performance Measures

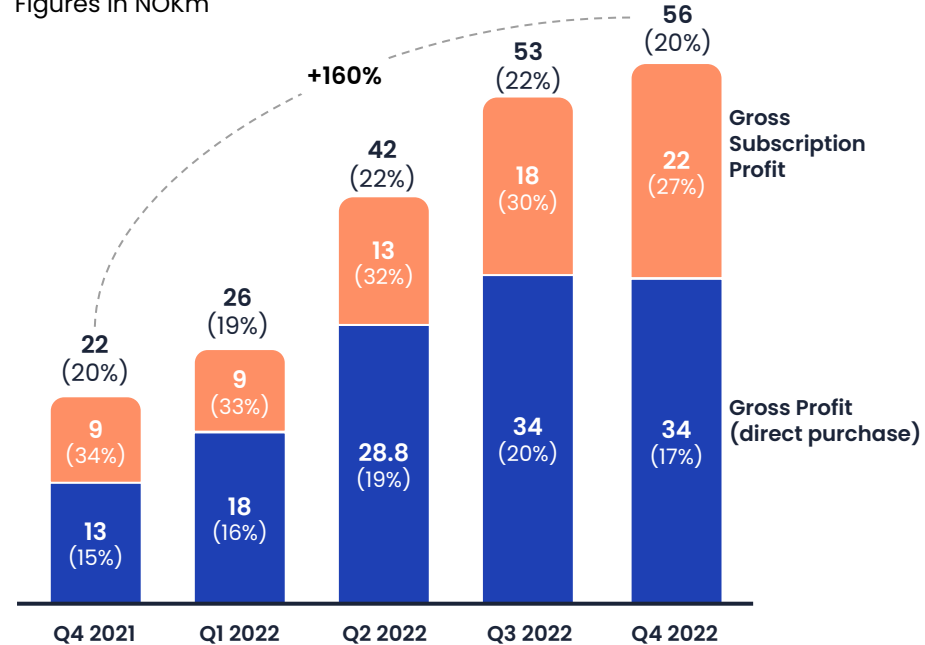
### Revenue Generated

Figures in NOKm



### Gross Profit Generated

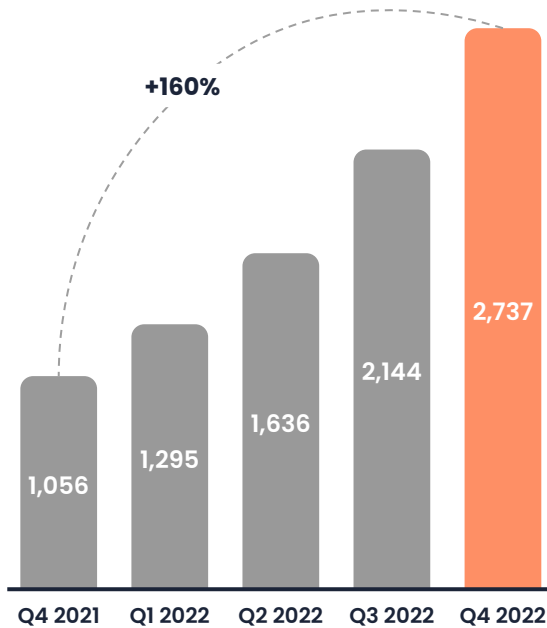
Figures in NOKm



# Continued growth in Subscription segment

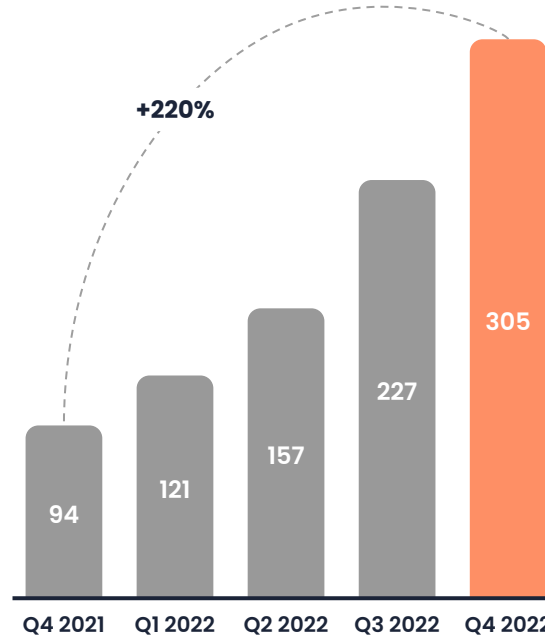
## Total Subscribers

# of customers with active subscriptions<sup>2</sup>



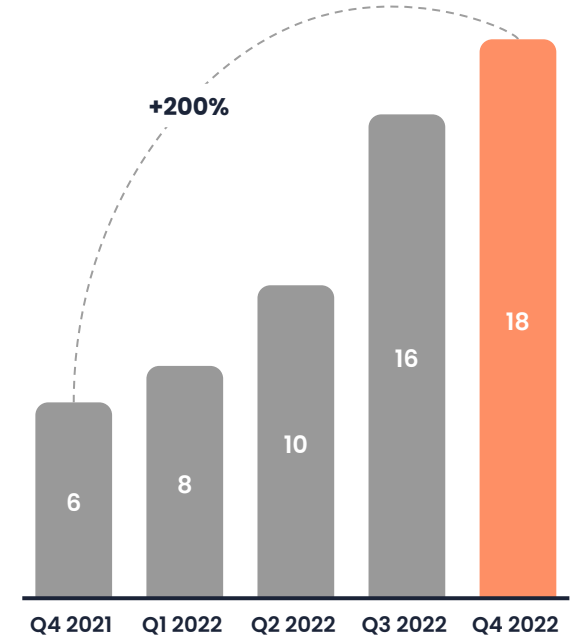
## Accumulated Contracted Subscription Revenue

Contracted Sub. Revenue from installed projects, NOKm



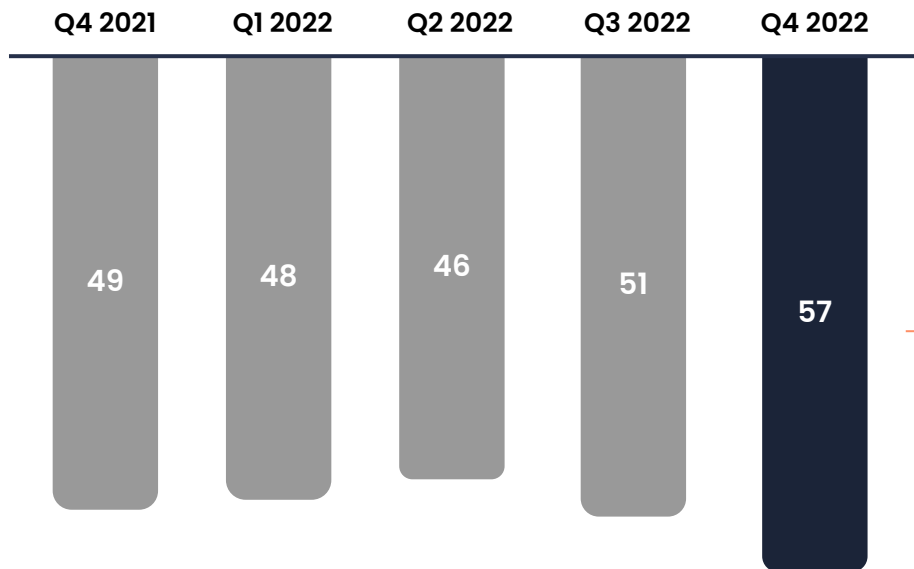
## Annual Recurring Revenue

Annualized Subscription Revenue, December<sup>1</sup>, NOKm



# EBITDA Generated margin continues to improve

## EBITDA Generated (NOKm)<sup>1</sup>



EBITDA generated margin

-45%

-35%

-24%

-22%

-20%

## Comments

EBITDA<sup>2</sup> Generated at NOK -57m down from NOK -51m in Q3 of which:

**Non-recurring items totalling - NOK 8m, including country launch, growth-related costs and restructuring costs**

**Non cash cost related to share-based compensation - NOK 5m**

# Cash position still solid, down NOKm 97 in quarter to NOKm 194

## Cash development during Q4 2022 (NOKm)

Otovo Actuals  
Reported Cash  
Q3 22

291

Operating  
activities

-78

Investing  
activities

-67

Financing  
activities

+50

F/x on cash and  
cash equivalents

-3

Otovo Actuals  
Reported Cash  
Q4 22

194

## Comments

NOK -78m of cash flow from operating activities

- Cash EBITDA of NOK -68m
- Improved operating working capital by NOK 19m over period
- Non-operating working capital increased by NOK 26m driven mainly by Italian tax credits
  - Credits originated, sold and converted now in balance intra quarter
  - Volumes originated in December were sold and are expected to convert to cash in January

NOK -67m from investing activities

- Equity paid in for Holu, Brazilian JV, of NOK 4m - signed agreement to sell Holu for NOK 24m, cash effect in Q1 23
- Capitalized R&D (software development) of NOK 8m
- NOK 54m invested in Subscription assets

NOK 50m of cash flow from Financing activities which in large is due to draw on debt with Nordea in the quarter

# Agenda

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Financial results



**New financing facility**

Private placement

Summary

Q&A







# EUR 100m financing in place from DNB and SR-Bank

EUR 100m debt financing from DNB and SR-Bank, to fund accelerated growth of **subscription portfolio**



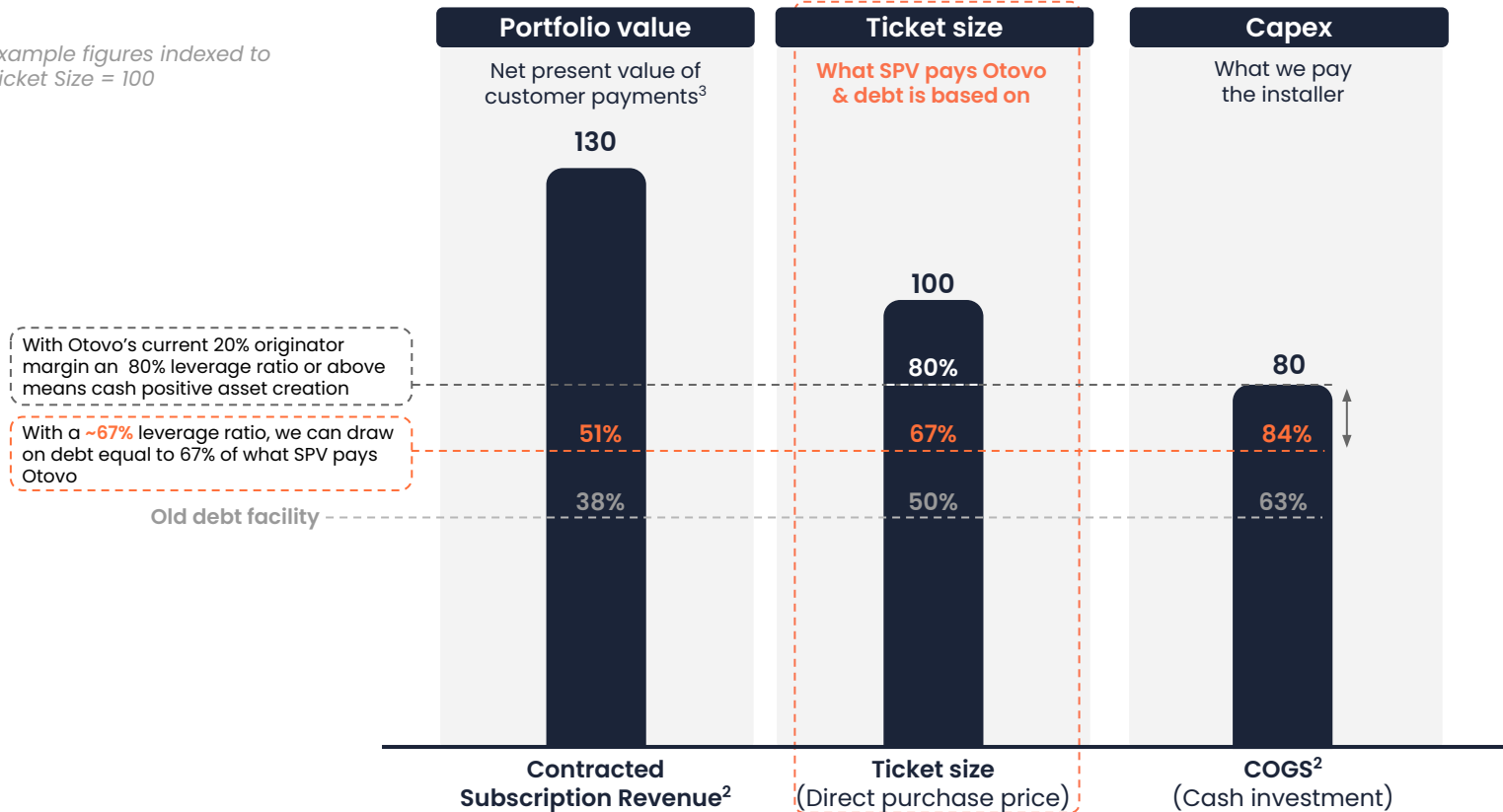
Increased **leverage** reducing Otovo's required **cash** investment per project and improving **returns on equity**

## Details

Metric	Old facility	New facility
 Amount <sup>1</sup>	EUR 15m	EUR 50+50m
 Leverage <sup>2</sup>	50%	75%/60% Expected avg: 67%
 Leverage basis <sup>2</sup>	Ticket size (Direct purchase equiv.)	Ticket size (Direct purchase equiv.)
 Margin	EURIBOR + 250bps	EURIBOR + 350bps
 Tenor	3 years 2020-2023	2+1 years 2023-2025(6)
 Structure	Term loan with 15 year amortization	RCF with bullet repayment

# Illustration of debt financing

Example figures indexed to  
Ticket Size = 100

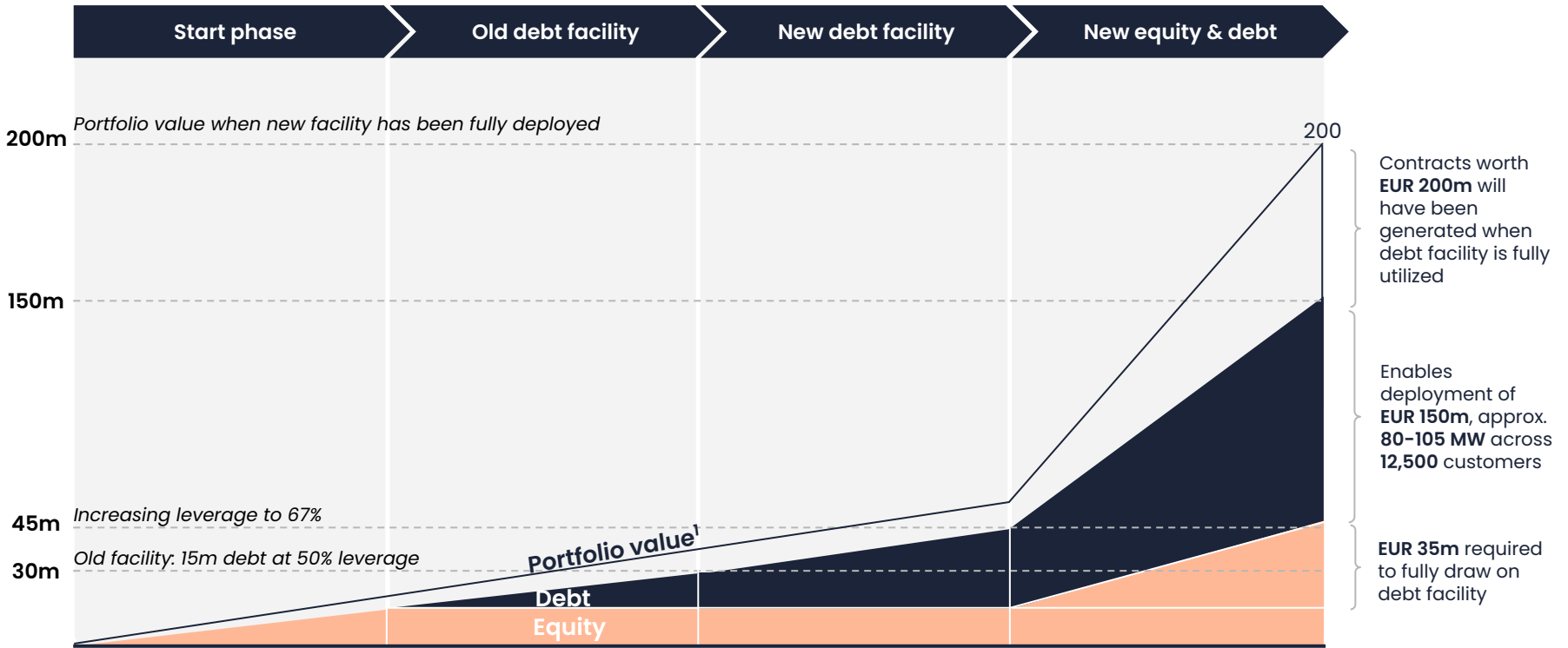


With Otovo's current 20% originator margin an 80% leverage ratio or above means cash positive asset creation

With a ~67% leverage ratio, we can draw on debt equal to 67% of what SPV pays Otovo

Old debt facility

# Debt facility will allow Otovo to build portfolio to ~7x current size





# Size of portfolio provides flexibility on monetization of portfolio – process to be launched in 2023



Otovo's high quality assets with strong yield, certified Dark Green by CICERO – highly attractive for investors



Higher volume increases attractiveness of portfolio, and relevance for larger counterparties

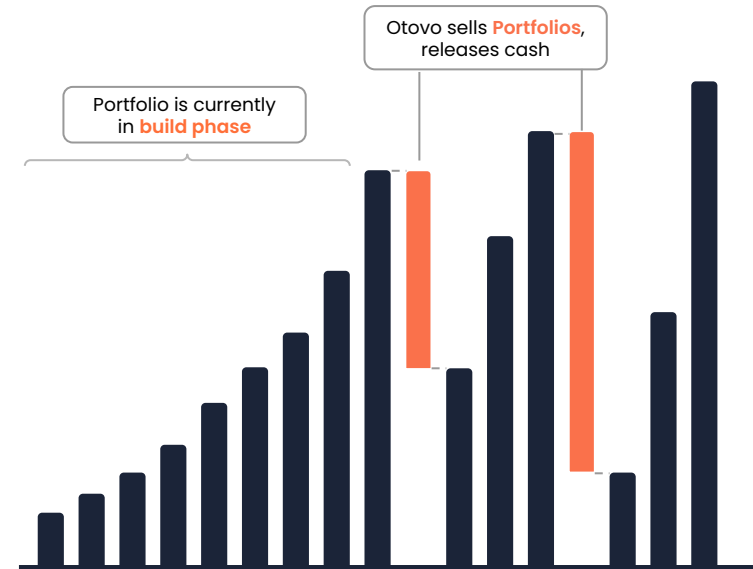


Provides flexibility on monetization through bilateral sale, securitization or other leveraged finance structure



Process to be launched in 2023, exploring options for monetization

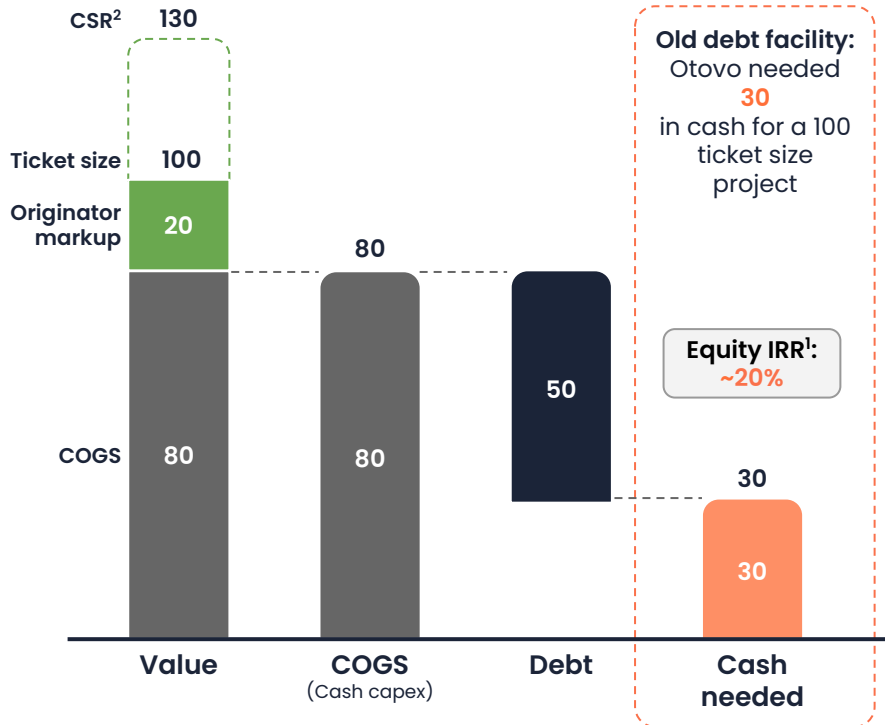
Accumulated contracted subscription revenue  
Illustration of future growth and portfolio sales



# New debt facility decreases cash needed by more than half, and lifts project IRR from ~20% to ~40%

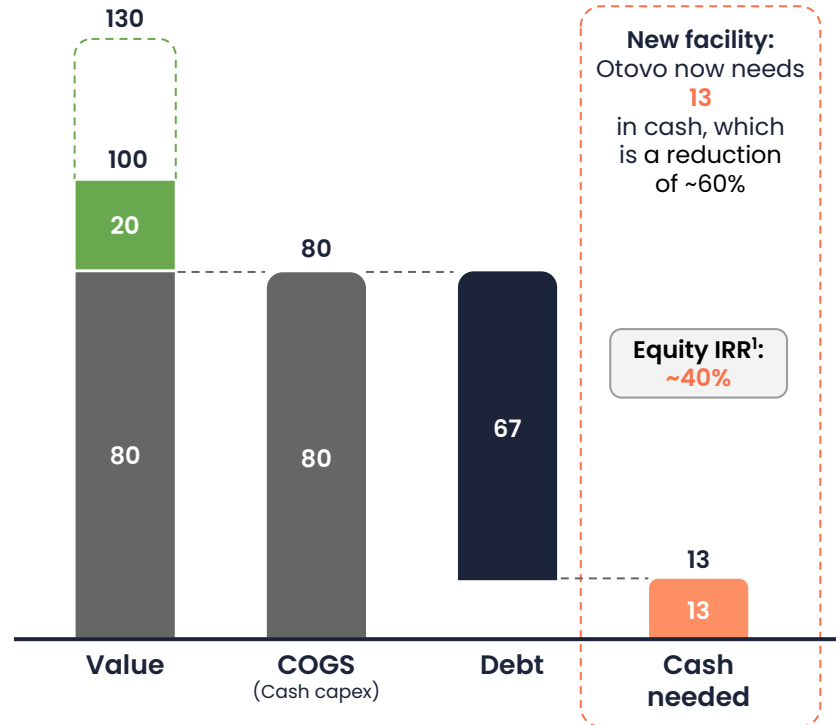
## Old debt facility

Example figures indexed to Ticket Size = 100



## New debt facility

Example figures indexed to Ticket Size = 100



Note: 1) Pre-tax IRR to equity, after O&M costs, on a PV project with 20% originator margin, and 7% interest rate to customer. Assumed net Interest rate for old facility: 300bps, assumed net interest rate for new facility: 500bps 2) Contracted subscription revenue: NPV of cash flows at 5% discount rate

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**Private placement**

Summary

Q&A

# NOK 200m fully guaranteed private placement with backing from Axel Johnson



**Axel Johnson** is the largest shareholder in Otovo, having invested several times since initial investment in 2019

**2019**

NOK 177m  
in connection  
with private  
placement

**2021**

NOK 51m  
in connection with  
pre-IPO private  
placement

**2022**

NOK 60m  
in connection  
with private  
placement

Investors participating pro-rata

**nysnø**  
Klimainvesteringer



**OBOS**

agder energi

## Size

- Offering of NOK 200m in new shares

## Valuation / pricing

- Price will be set through an accelerated bookbuilding process

## Pre-commitments and guarantee

- Axel Johnson intends to participate in the Private Placement by applying at least their pro-rata share
- In addition, Axel Johnson has guaranteed for the full subscription in the private placement

## Bookbuilding period

- Start of bookbuilding period: [25] January 2023 at 16:30 (CET)
- End of bookbuilding period: [26] January 2023 at 08:00 (CET)

## Repair

- The Company will, subject to completion of the Private Placement, consider to conduct a subsequent share offering, which will be directed at eligible shareholders as of close of trading on [25] January 2023
- If carried out, the subscription price in the subsequent offering will be equal to the offer price in the private placement

# Size of portfolio provides flexibility on monetization of portfolio – process to be launched in 2023



Otovo's high quality assets with strong yield, certified Dark Green by CICERO – highly attractive for investors



Higher volume increases attractiveness of portfolio, and relevance for larger counterparties

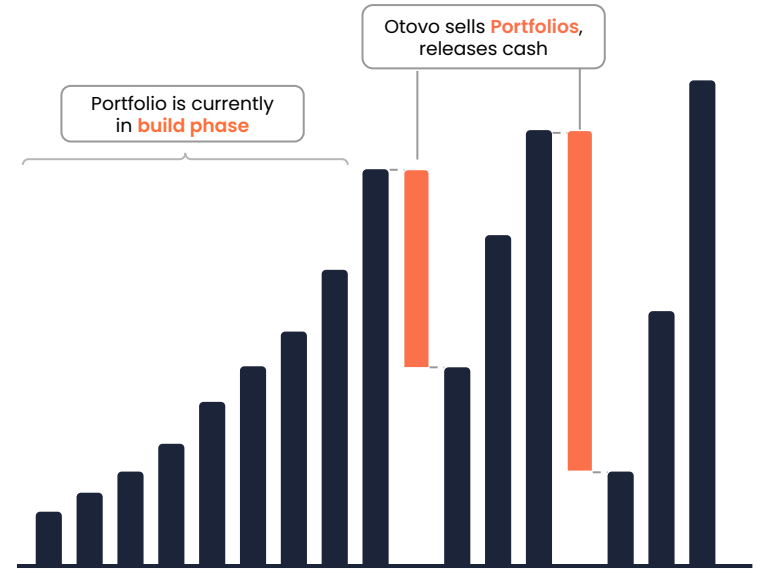


Provides flexibility on monetization through bilateral sale, securitization or other leveraged finance structure



Process to be launched in 2023, exploring options for monetization

Accumulated contracted subscription revenue  
Illustration of future growth and portfolio sales



# Agenda

Business update

Financial results

New financing facility

Private placement



**Summary**

Q&A

# Outlook: Reiterating the confidence

## Backdrop

### Continued confidence

- Otovo continues on its stated ambition to double our business year over year to 2025, creating Europe's equivalent of the top US players

### New markets launched

- In 2022, we raised €30m to launch 6 new markets - these are all launched and on budget
- Markets launched in 2022 increasingly contributing to sales & installations with impact on P&L towards end of period

### Market conditions

- Coming out of 2022, equipment supply and installer availability is looking more favourable
- Demand creation will be increasingly important, where Otovo's DNA as well as founder & GM experience from e-commerce will be an important success factor

## Implications

### Volumes

- Good visibility on installation volumes for first half of 2023, expecting to double installations YoY in 2023
- Outlook for *at least doubling* Revenues Generated in first half of 2023 is reiterated

### Profitability

- We expect all new markets to be unit positive in Q1
- Six countries will likely be profitable on an EBITDA generated basis by the first half of this year

### Portfolio

- Accumulated Contracted Subscription Revenue will pass NOK 500m in first half of 2023



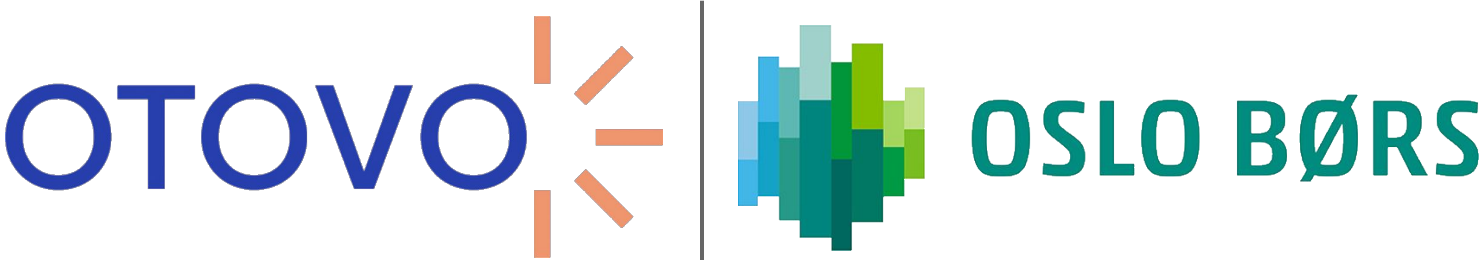
Otovo installation in Sweden, Q1 2023

## Financing secured for EUR 150m portfolio

- **Marketplace growing rapidly**, passing NOK 1 billion runrate on revenues generated:
  - 2,205 installations versus 1,209 same quarter last year, **up 1.8x**
  - 1,826 sales versus 2,066 same quarter last year, **down 12%**.  
**Pipeline wait times down 1 month**
  - NOKm 205 Total Revenues (IFRS) versus NOKm 99 same quarter last year, **up 2.1x**
  - NOKm 282 Revenue Generated versus NOKm 109 same quarter last year, **up 2.6x**
  - NOKm 56 Gross Profit Generated versus NOKm 22 same quarter last year, **up 2.6x**
- **New markets launched**
  - Sales closed in Netherlands, Belgium and Switzerland, marking the end of Otovo's 6-country launch in 2022
- **Financing secured**
  - EUR 100m debt facility secured, on a higher leverage ratio, cutting cash needed per subscription project by more than half
  - NOK 200m fully guaranteed private placement with backing from Axel Johnson
- **Strong outlook**
  - Reiterating guiding on *at least doubling* Revenues Generated for 1H 23
  - Expecting six countries profitable in first half of this year



# See you on the Oslo Stock Exchange Main List in February 2023



**February 2023**

# Agenda

Business update

Financial results

New financing facility

Private placement

Summary

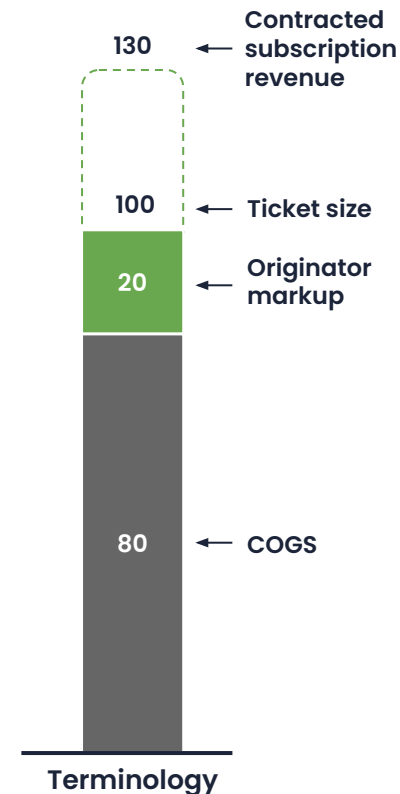


**Q&A**

# Appendix

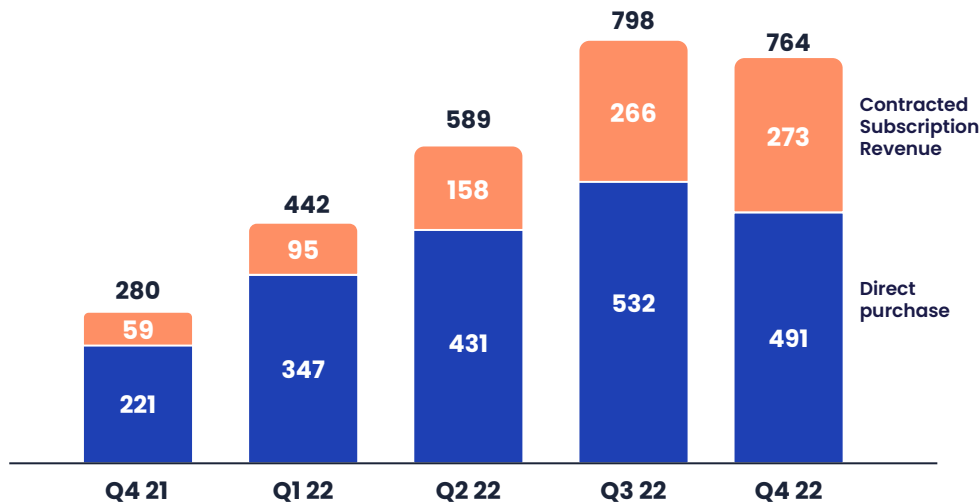
# Appendix: Key terminology for financing

Term	Definition	Comment
<b>COGS</b>	What Otovo pays the installer for the project	This is the <b>capex</b> for Otovo, i.e. the <b>cash</b> invested in the project
<b>Originator markup</b>	Markup that originator adds on top of COGS before selling it to subscription SPV	This is <b>non-cash equity</b> that together with COGS forms the basis for what the <b>leverage ratio</b> is calculated towards
<b>Ticket size</b>	The price the customer would have paid if buying as a direct purchase	This is approximately what the Subscription SPV pays the Originator for the project, which forms the <b>basis for calculating drawable debt</b>
<b>Leverage</b>	The proportion of debt in a subscription project	Determines <b>how much debt can be drawn</b> , as a percentage of the ticket size
<b>Contracted Subscription Revenue</b>	Net present value of cash flows from subscription customers, over contract lifetime, adjusted with expected CPI increases	This is the <b>value</b> metric, used to calculate how much each project in the portfolio is worth to an investor with 5% discount rate



# Pipeline | Increased throughput speed

## Pipeline value at end of quarter (NOKm)



Projects in pipeline (#)



Pipeline / installations (months)



## Comments

- Pipeline was trimmed in Q4, increasing throughput speed
- Pipeline consists of increasingly **high-value** projects
  - Average project in pipeline has **ticket size of NOK 153k**
  - 1,510 projects in pipeline are on a **subscription** model, 32% of total
  - Pipeline consists of 1,120 projects that include a **battery**, 24% of all projects

# Historic figures | Pipeline vs. sales vs. installations

Q4 2022	Unit	Sales	Pipeline	Installations
<b>Units</b>	<b>#</b>	<b>1,826</b>	<b>4,655</b>	<b>2,205</b>
<i>Direct purchase</i>	<i>#</i>	<i>1,196</i>	<i>3,145</i>	<i>1,602</i>
<i>Subscription</i>	<i>#</i>	<i>630</i>	<i>1,510</i>	<i>603</i>
<b>Subscription share</b>	<b>%</b>	<b>35%</b>	<b>32%</b>	<b>27%</b>
<b>Battery attachment rate</b>	<b>%</b>	<b>23%</b>	<b>24%</b>	<b>26%</b>
<b>Avg. ticket size</b>	<b>NOKk</b>	<b>116</b>	<b>153</b>	<b>120</b>
<i>Direct purchase</i>	<i>NOKk</i>	<i>123</i>	<i>156</i>	<i>126</i>
<i>Subscription</i>	<i>NOKk</i>	<i>103</i>	<i>144</i>	<i>104</i>

Q3 2022	Unit	Sales	Pipeline	Installations
<b>Units</b>	<b>#</b>	<b>2,740</b>	<b>5,034</b>	<b>1,970</b>
<i>Direct purchase</i>	<i>#</i>	<i>1,768</i>	<i>3,551</i>	<i>1,449</i>
<i>Subscription</i>	<i>#</i>	<i>972</i>	<i>1,483</i>	<i>521</i>
<b>Subscription share</b>	<b>%</b>	<b>35%</b>	<b>29%</b>	<b>26%</b>
<b>Battery attachment rate</b>	<b>%</b>	<b>25%</b>	<b>25%</b>	<b>22%</b>
<b>Avg. ticket size</b>	<b>NOKk</b>	<b>132</b>	<b>148</b>	<b>109</b>
<i>Direct purchase</i>	<i>NOKk</i>	<i>133</i>	<i>150</i>	<i>116</i>
<i>Subscription</i>	<i>NOKk</i>	<i>131</i>	<i>142</i>	<i>89</i>

## Evolution of metrics

- Installation metrics (e.g. ticket size) naturally lag sales & pipeline metrics
- Due to differences in time from sale to installation between markets, pipeline can accumulate a skewed sample of sold projects
- E.g., longer lead time in markets with high ticket size will skew pipeline ticket size up, and installation ticket size down
- Projects sold and installed within the same quarter never enter pipeline, and are therefore only reflected in Sales & Installations

# Financials | Segment reporting

	P&L if all assets were direct purchase	Actual revenues & cost for the subscription SPV	Eliminating the revenue & cogs on subscription assets (w/o value uplift)	
<b>Segment reporting – Q4 2022</b>				
(NOK 000')	<b>Direct purchase</b>	<b>Subscription</b>	<b>Elimination</b>	<b>Otovo Group</b>
Revenue	256,919	-	-56,161	200,758
Other operating revenue	804	4,310	-921	4,193
<b>Total operating revenue</b>	<b>257,723</b>	<b>4,310</b>	<b>-57,082</b>	<b>204,951</b>
Cost of goods sold	220,410	-	-53,178	167,232
Payroll and related costs	70,701	-	-	70,701
Depreciation, amortisation and impairment	7,019	2,561	8,256	17,836
Other operating expenses	41,145	1,868	-976	42,037
<b>Operating profit/(loss)</b>	<b>-81,552</b>	<b>-119</b>	<b>-11,184</b>	<b>-92,855</b>

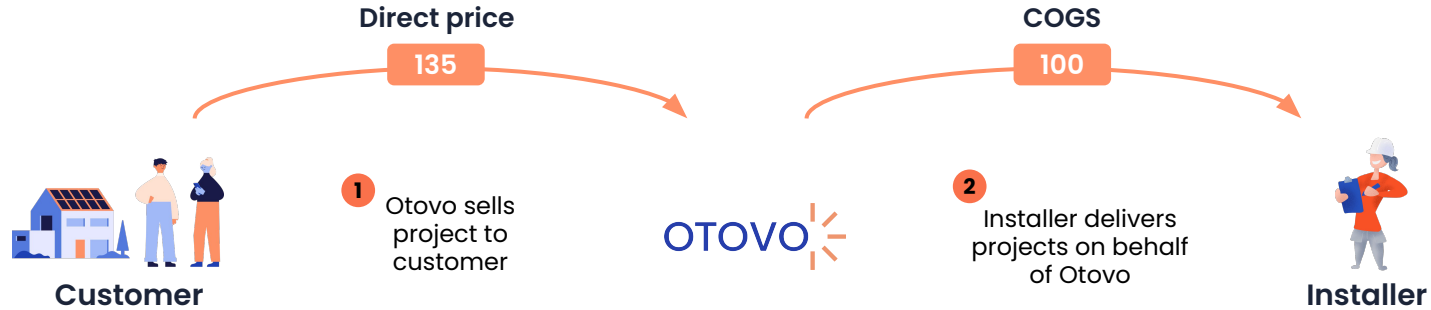
Direct purchase segment - Blue bars on p.17

Subscription SPV now fully owned by Otovo, and will have a smaller cost base going forward

Not including value of subscription assets - artificially low. Replaced by the Key Metrics

# Consumer either buys on a Direct purchase model

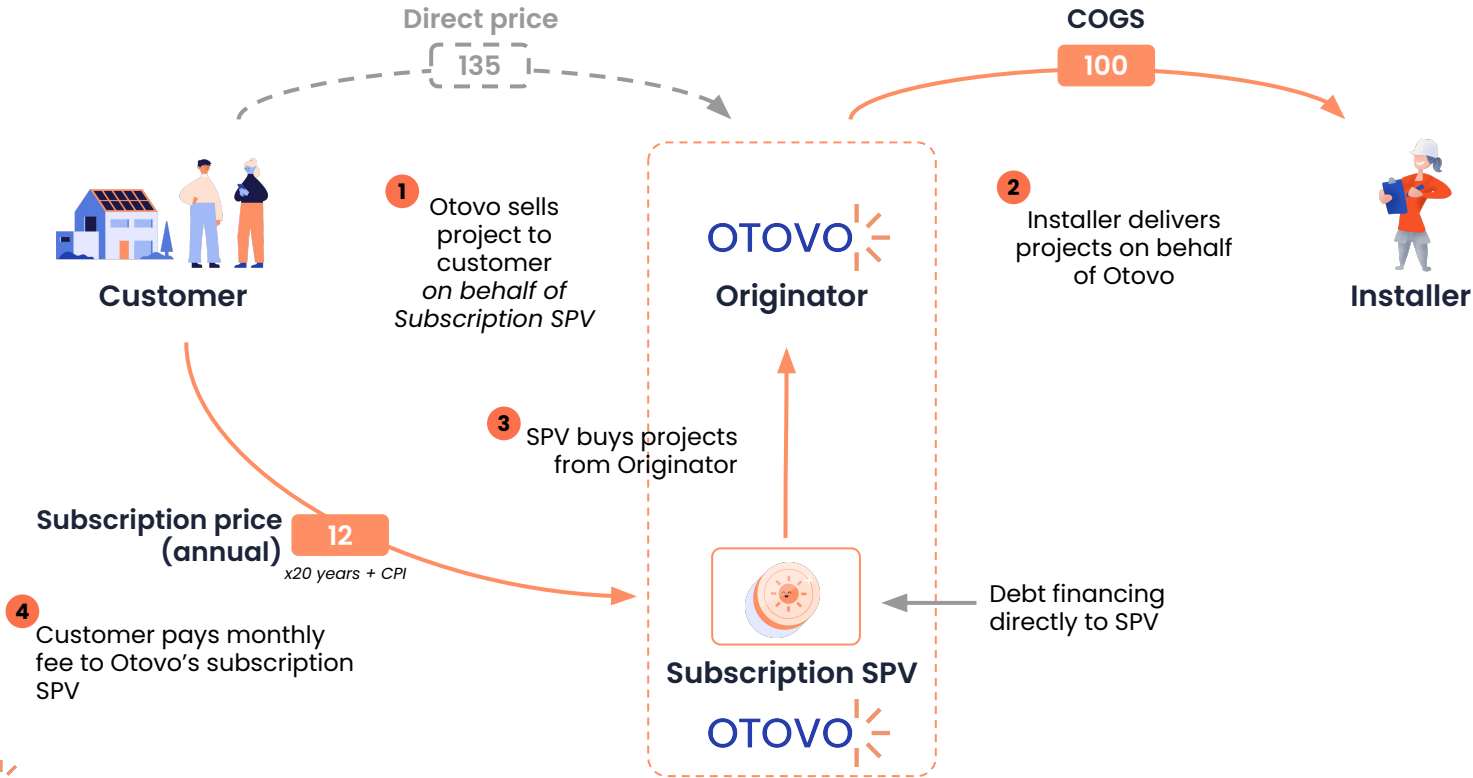
xxx Example figures, indexed to COGS=100





# ... or through entering into a long term Subscription with Otovo

xxx Example figures, indexed to COGS=100



# Historical figures

# Historic figures | Reported financials

Accounting measures	Unit	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
Revenue (ex. other revenue)	NOKm	35	42	30	40	38	64	86	98	109	153	175	201
Other revenue	NOKm	0	0	0	5	0	0	2	2	3	3	5	4
<b>Total revenue</b>	<b>NOKm</b>	<b>35</b>	<b>43</b>	<b>30</b>	<b>45</b>	<b>38</b>	<b>64</b>	<b>88</b>	<b>99</b>	<b>112</b>	<b>156</b>	<b>179</b>	<b>205</b>
COGS	NOKm	-29	-36	-24	-33	-32	-54	-72	-82	-91	-124	-140	-167
<b>Gross profit</b>	<b>NOKm</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>7</b>	<b>6</b>	<b>10</b>	<b>13</b>	<b>15</b>	<b>18</b>	<b>29</b>	<b>34</b>	<b>34</b>
Opex	NOKm	-28	-21	-29	-29	-42	-44	-44	-70	-76	-89	-105	-113
<b>EBITDA</b>	<b>NOKm</b>	<b>-22</b>	<b>-14</b>	<b>-22</b>	<b>-22</b>	<b>-36</b>	<b>-33</b>	<b>-31</b>	<b>-53</b>	<b>-55</b>	<b>-57</b>	<b>-66</b>	<b>-75</b>
Depreciation	NOKm	-5	-5	-5	-4	-4	-4	-5	-9	-15	-16	-16	-18
<b>EBIT (Operating profit)</b>	<b>NOKm</b>	<b>-27</b>	<b>-19</b>	<b>-28</b>	<b>-26</b>	<b>-40</b>	<b>-38</b>	<b>-35</b>	<b>-62</b>	<b>-69</b>	<b>-72</b>	<b>-83</b>	<b>-93</b>
<i>Gross margin</i>	%	16%	16%	21%	18%	15%	16%	16%	16%	16%	19%	20%	17%
<i>EBITDA margin</i>	%	-63%	-32%	-74%	-55%	-96%	-52%	-36%	-54%	-50%	-37%	-38%	-37%

# Historic figures | Operating metrics

Operating metrics	Unit	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
Sales	#	546	477	584	640	815	1,183	1,470	2,066	2,541	2,398	2,740	1,826
Pipeline	#	659	673	771	805	924	1,286	1,654	2,515	3,591	4,244	5,034	4,655
Installations	#	452	464	486	617	663	864	1,086	1,209	1,459	1,745	1,970	2,205
Average ticket size (sold)*	NOKk	76	60	58	55	81	85	90	106	117	125	132	116
Average ticket size (installed)*	NOKk	79	90	61	62	54	75	79	83	88	103	109	120
Battery attachment rate (sold)	% of #	0%	0%	0%	0%	0%	3%	8%	12%	25%	24%	25%	23%
Battery attachment rate (installed)	% of #	0%	0%	0%	0%	0%	0%	2%	4%	10%	19%	22%	26%
Subscription share (sold)	% of #	0%	19%	31%	23%	20%	23%	24%	17%	23%	25%	35%	35%
Subscription share (installed)	% of #	0%	0%	13%	18%	23%	22%	27%	21%	18%	21%	26%	27%
Net interest-bearing debt	NOKm	-170	-145	-138	-58	-270	-242	-195	-219	-415	-300	-212	-69
Fully diluted number of shares	#m					105	111	111	119	141	142	143	143

\*Adjusted to reflect losses on tax credits in Italy

# Historic figures | Alternative Performance Measures

Note: Pro-forma APMs prior to Q4 21 are indicative

Group metrics (pro-forma)	Unit	Q1 20	Q2 20	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22	Q4 22
<b>Revenue generated</b>	<b>NOKm</b>	<b>36</b>	<b>42</b>	<b>31</b>	<b>41</b>	<b>39</b>	<b>69</b>	<b>93</b>	<b>109</b>	<b>135</b>	<b>194</b>	<b>235</b>	<b>282</b>
Revenue	NOKm	36	42	25	32	27	52	65	83	109	153	175	201
Contracted Subscription Revenue	NOKm	0	0	6	9	12	17	28	26	26	41	61	81
<b>Total COGS</b>	<b>NOKm</b>	<b>-30</b>	<b>-35</b>	<b>-28</b>	<b>-37</b>	<b>-30</b>	<b>-56</b>	<b>-74</b>	<b>-87</b>	<b>-109</b>	<b>-152</b>	<b>-183</b>	<b>-226</b>
Cost of goods sold - Direct purchase	NOKm	-30	-35	-24	-31	-22	-45	-55	-70	-91	-124	-140	-167
Cost of goods sold - Subscription	NOKm	0	0	-4	-5	-7	-10	-17	-15	-16	-25	-38	-53
Subscription O&M costs	NOKm	0	0	0	-1	-1	-1	-2	-2	-2	-3	-4	-6
<b>Gross Profit generated</b>	<b>NOKm</b>	<b>6</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>9</b>	<b>13</b>	<b>19</b>	<b>22</b>	<b>26</b>	<b>42</b>	<b>53</b>	<b>56</b>
Gross Profit	NOKm	6	7	2	0	5	7	10	13	18	29	34	34
Gross Subscription Profit	NOKm	0	0	2	3	4	6	9	9	9	13	18	22
<b>Opex &amp; adjustments</b>	<b>NOKm</b>	<b>-28</b>	<b>-21</b>	<b>-26</b>	<b>-26</b>	<b>-47</b>	<b>-48</b>	<b>-50</b>	<b>-71</b>	<b>-75</b>	<b>-88</b>	<b>-104</b>	<b>-113</b>
Opex	NOKm	-28	-21	-29	-29	-43	-44	-48	-69	-76	-89	-105	-113
Other revenues, originator	NOKm	0	0	0	5	0	0	0	1	1	1	1	0
<b>EBITDA generated</b>	<b>NOKm</b>	<b>-22</b>	<b>-14</b>	<b>-22</b>	<b>-22</b>	<b>-37</b>	<b>-35</b>	<b>-31</b>	<b>-49</b>	<b>-48</b>	<b>-46</b>	<b>-51</b>	<b>-57</b>
Gross Margin generated	%	16%	17%	11%	9%	24%	19%	21%	20%	19%	22%	22%	20%
EBITDA Margin generated	%	-62%	-32%	-71%	-54%	-95%	-51%	-33%	-45%	-36%	-24%	-22%	-20%
Sold - Revenue Generated	NOKm	41	30	38	39	70	108	142	229	312	315	393	231
Sold - Gross Profit Generated	NOKm	7	7	9	8	13	22	28	45	71	86	111	55
Gross Profit Generated per sale	NOKk	13	15	16	13	16	19	19	22	28	36	41	30
Opex per sale	NOKk	-52	-44	-49	-46	-53	-37	-33	-33	-30	-37	-38	-62
Opex per installation	NOKk	-62	-44	-59	-48	-65	-51	-44	-57	-52	-51	-53	-51

} Estimated future revenue and Gross Profit Generated from the projects sold in the quarter, irrespective of installation timing

} Estimated Gross Profit Generated of sales in quarter, divided by number of units sold  
 } Current quarter opex divided by number of sales in & installations quarter

# **Alternative Performance Measures**

# Reported financials do not reflect underlying value creation in Subscription portfolio – introduction of APMs

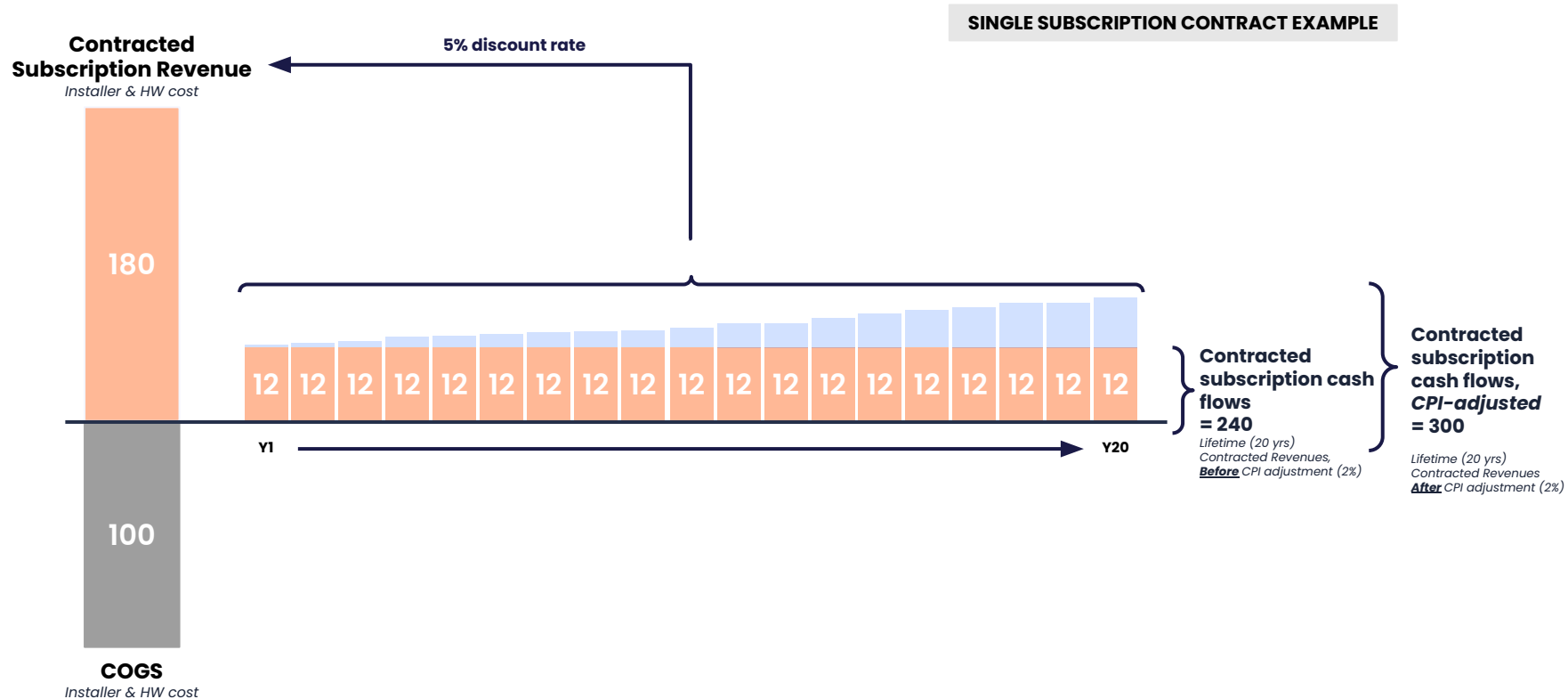
## Alternative Performance Measures (APMs)

	Direct purchase (~65% of customers today)	Subscription (~35% of customers today)	Otovo Group
Revenue	<b>Revenue</b> Booked revenue, value of upfront payment from customer	<b>Contracted Subscription Revenue</b> Present value of all subscription payments over 20 years, discounted at 5%	<b>Revenue Generated</b> Revenue + Contracted Subscription Revenue
Profit	<b>Gross profit</b> Revenue - Upfront COGS, value of payment to installers (inc. HW)	<b>Gross Subscription Profit</b> Contracted Subscription Revenue - Upfront COGS, value of payment to installers (inc. HW) - Present value of O&M cost (Inverter replacement in Y 10 & customer service)	<b>Gross Profit Generated</b> Gross Profit + (Gross subscription profit)
Assets		<b>Accumulated Contracted Subscription Revenue</b> Present value of the remaining cash flows from subscription contracts, discounted at 5%	<b>Accumulated Contracted Subscription Revenue</b> Present value of the all remaining cash flows from subscription and service contracts, discounted at 5%

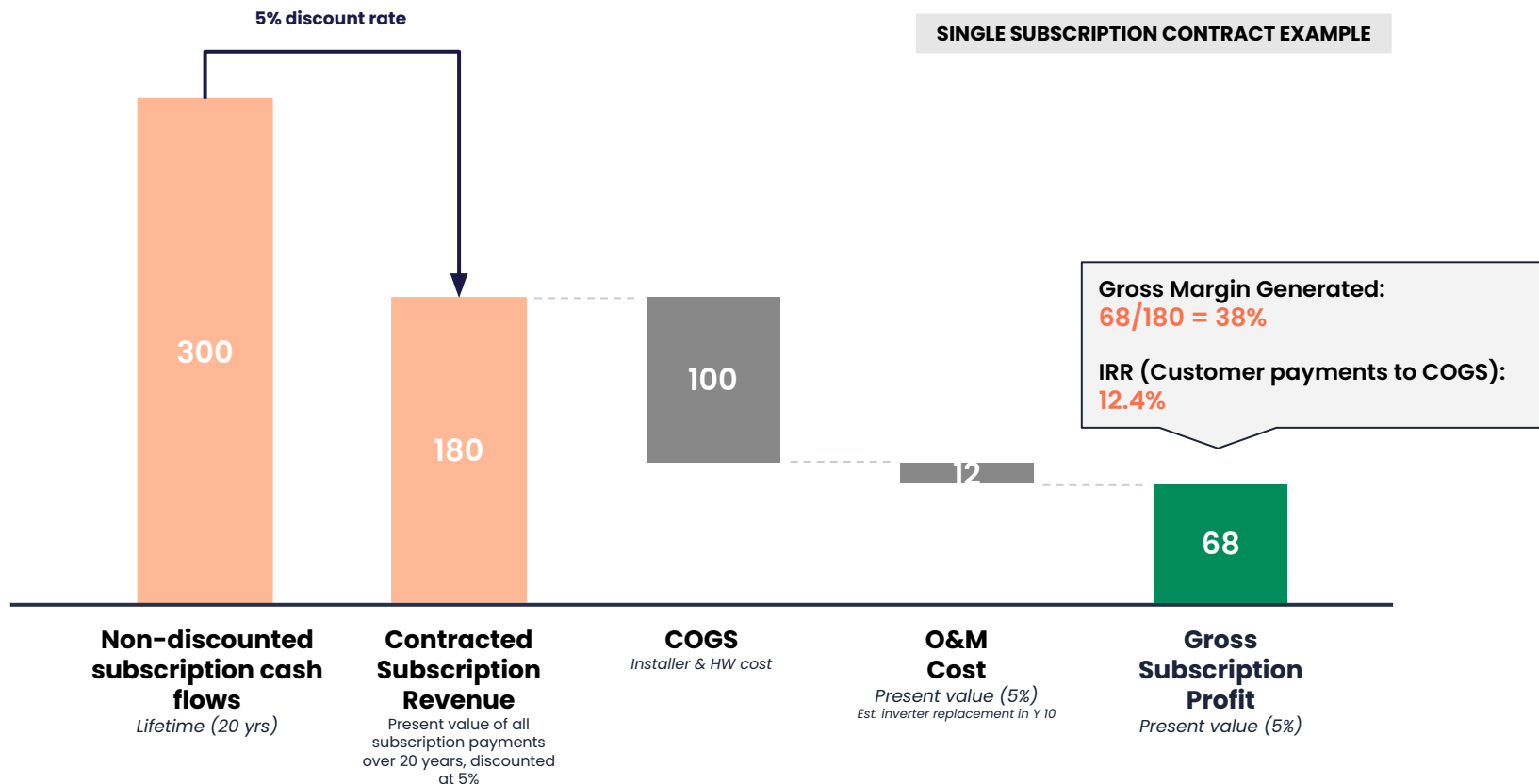
# Single contract example



# Contracted Subscription Revenue | Revenue metric



# Gross Subscription Profit | Metric to reflect gross profit



# Glossary

# Definitions

## **Contracted Subscription Revenue (CSR)**

Net present value of contracted cash flows created in the period from subscription customers over contract lifetime adjusted with expected CPI increases

## **Subscription O&M (S O&M)**

Net present value of operation and maintenance cost relating to the fulfillment of subscription contracts over their lifetime (currently estimated at approx. 1% of COGS annually), including replacement of equipment.

## **Gross Subscription Profit (GSP)**

Contracted subscription revenue less COGS and S O&M

## **Revenue Generated**

Revenue + Contracted Subscription Revenue

## **Gross Profit Generated**

Gross profit + Gross Subscription Profit

## **EBITDA Generated**

Gross Profit Generated – total SG&A (Payroll & Related costs, Other Operating Expenses)

## **Accumulated Contracted Subscription Revenue (ACSR)**

The accumulated CSR in the portfolio

## **Subscription**

Customer relationships with recurring revenue, such as leases, service agreements etc relating to distributed energy systems

# Definitions

## **Direct purchase**

Distributed energy systems paid for directly by the customer, including sales financed by the homeowner's loans

## **Annual Recurring Revenue (ARR)**

Annual recurring revenue from subscription portfolio

## **Customers**

Number of customers per segment

## **Project / Unit**

A PV system and/or a battery

## **Churn**

# of subscription customers who exercised their purchase option in the period

## **Discount Rate**

Rate used to discount future cash flows in order to calculate net present value. Currently 5%.

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