



A New Otovo

Pareto Power and Renewable Energy Conference
30 January 2025

New era – Same problems



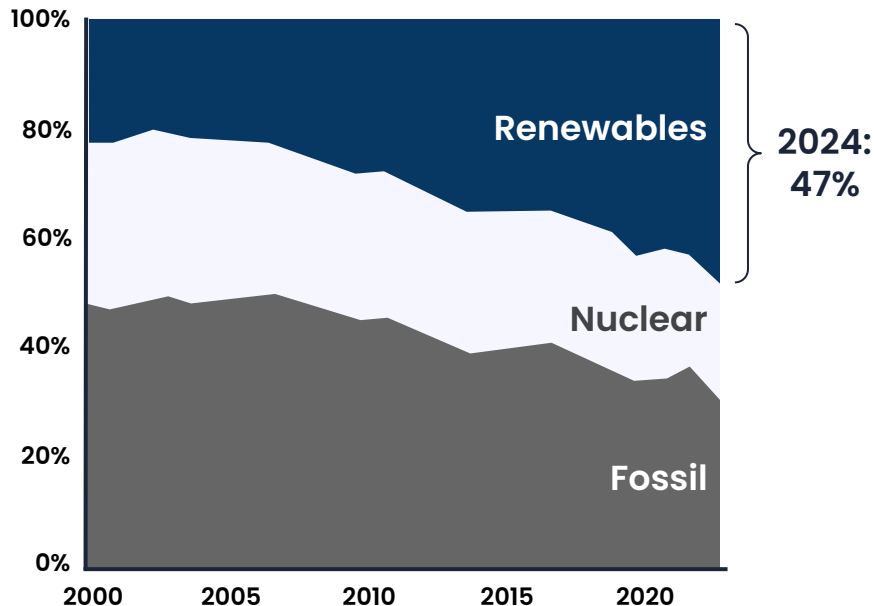
We know the solutions – Clean up electricity & electrify everything



Clean electricity growth is happening at an unprecedented pace and scale, electrification of transport and homes is next

The EU's electricity market is transitioning fast...

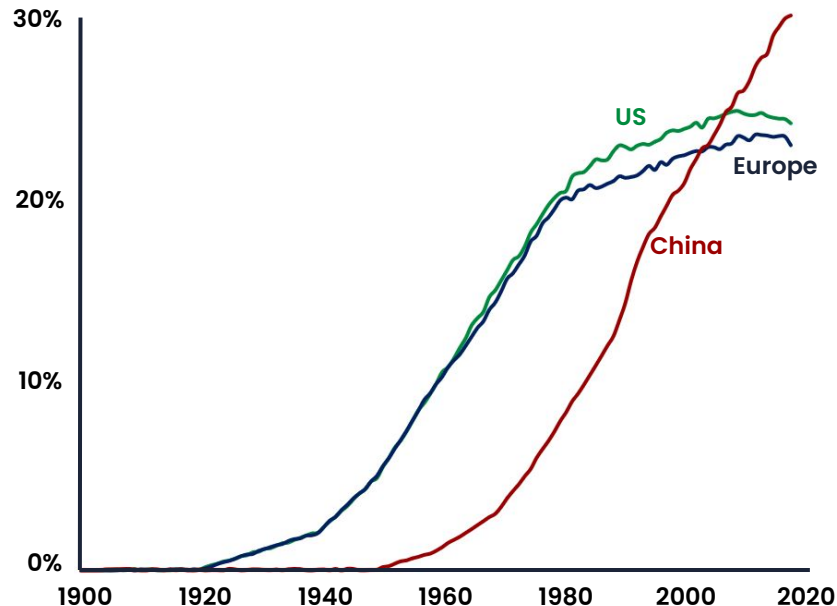
European electricity; Share of generation (%)



Source: European electricity review (Ember), IHS

... while there is a long way to go on electrification

Market electrification; Share of energy used



Source: Liebreich Associates, "Cleaning Up"



On a mission to put **batteries** in every home and **solar panels** on every roof in **Europe**



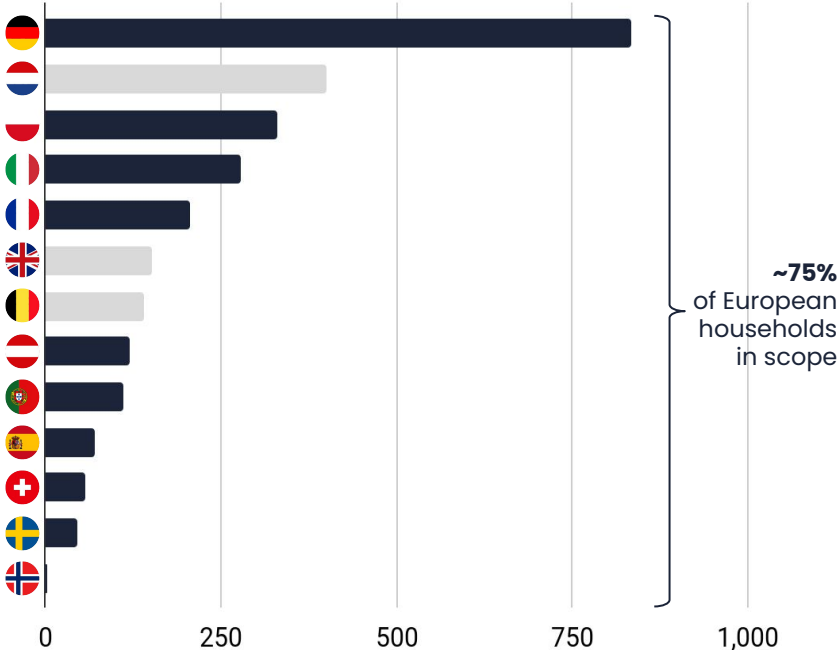
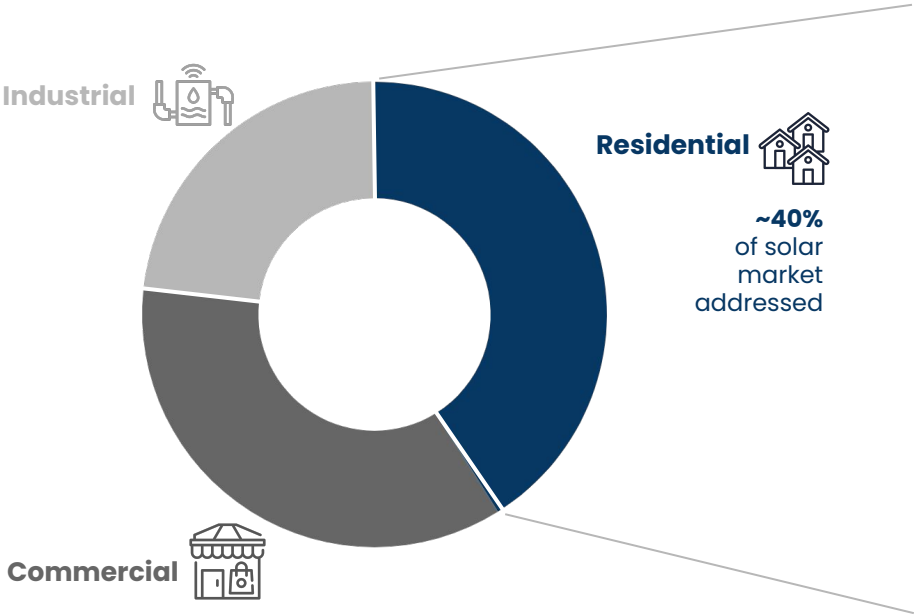
Otovo is a residential, multi-hardware platform serving Europe's key markets, accounting for 75% of the market opportunity

We serve homeowners (40% of market)...

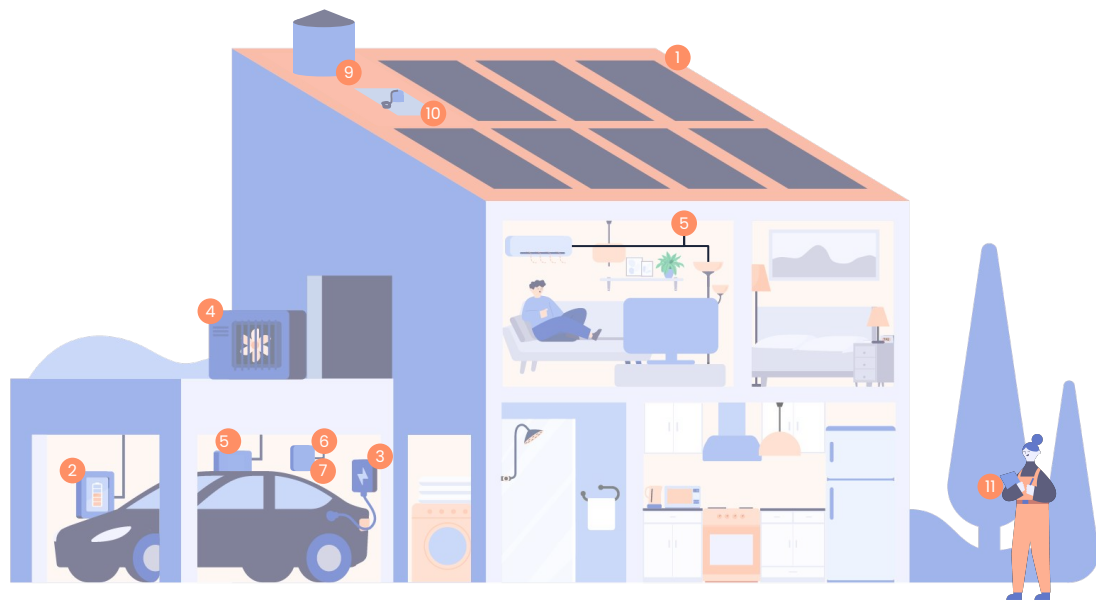
... in 10 European markets covering 75% of the EU opportunity

Share of rooftop PV installed capacity in EU (2024, GW)

Residential solar PV systems annual installations (full market, 2024)



We are the trusted provider to lead the transition into clean electrification in Europe



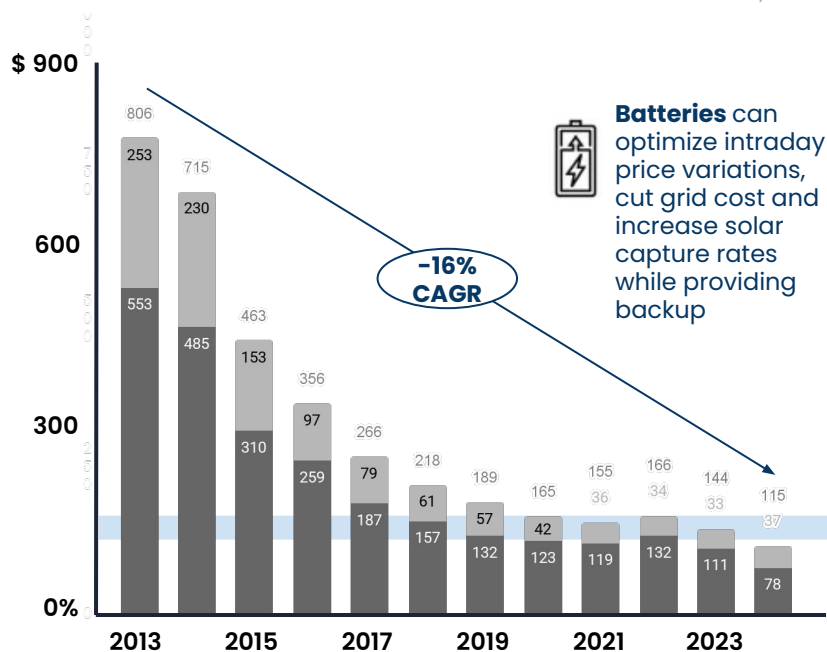
Otovo strives to be the leading provider empowering European customers to electrify. We integrate solar and battery storage with the required products and services to enable the energy transition:

- 1 Rooftop solar panels
- 2 Batteries
- 3 Electric vehicle chargers
- 4 Heat pumps
- 5 Home energy management systems
- 6 Fuse box
- 7 Dynamic energy tariffs
- 8 Back-up interfaces
- 9 Roof tanks (for integrated panels)
- 10 Lifeline
- 11 Landscape permitting

With batteries, a new energy technology wave is swelling

Battery prices have come down to grid-competitive levels

VOLUME-WEIGHTED AVERAGE LI-ION BATTERY PACK AND CELL PRICE SPLIT, USD



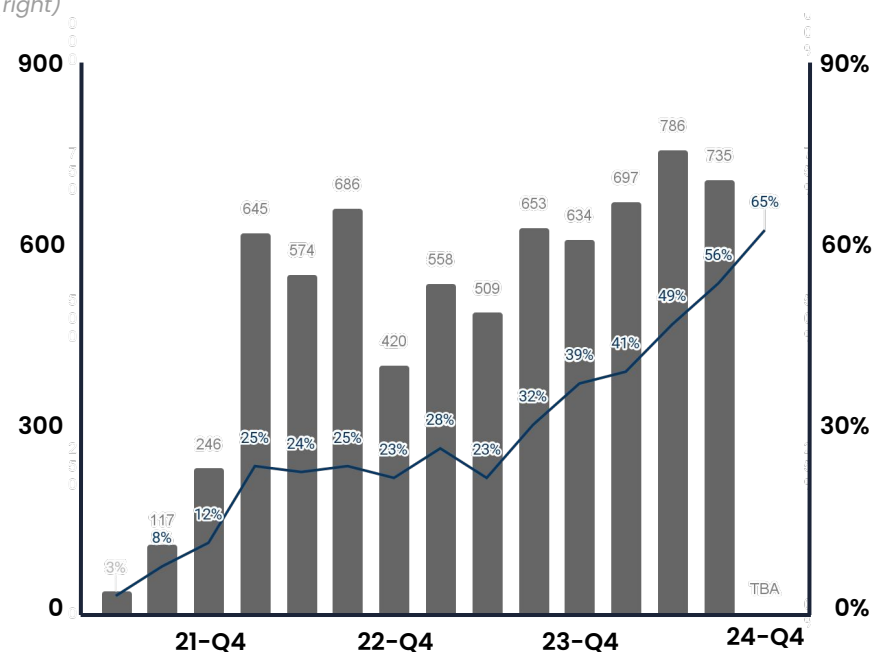
Source: Bloomberg NEF



■ Pack ■ Cell ■ Grid fee competitive level

... boosting battery sales across Europe on the OTOVO platform

Otovo battery sales in no. customers (left) and as percentage of total sales (right)



Source: Otovo internal

Consumers get better technology to survive in new energy market

Energy market trends:	Rising energy costs	Periods of extreme prices	More expensive grid charges	Need for energy resilience	New markets for home assets
	Instant savings	Price shock insurance	Reduce grid charges	Backup energy	Energy trading
Solar PV	✓✓✓	✓	✓	✓	✓
Batteries	✓	✓✓✓	✓✓✓	✓✓✓	✓✓✓
EV charger			✓✓	✓✓	✓✓
Heat pump	✓✓✓	✓✓	✓		✓
Home Energy Mgmt. Systems	✓✓✓	✓✓✓	✓	✓	✓✓

A new Otovo is emerging in 2025 – lean and on the attack

2016 – 2018

Creating the software product



- Establishment of the first marketplace for solar energy installations in Europe
- Finding product-market fit in Scandinavia and gaining strong market share

2019 – 2022

European scaling and expansion



- Build #1 distributed energy platform in Europe
- 5 countries in three years, then 6 in one
- Creation of leasing entity

2023-2024

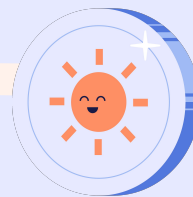
Adapt to energy “hangover market”



- Launch of low cost new service hub in Madrid
- Reprioritization of geographies and market presence
- Downsizing to 200 FTEs and leaning out of cost base

2025 →

Leanest pan-European resi asset originator



- Monetize leasing portfolios, move from investment to harvest
- Operate at 200-250m lower cost base at same sales level
- Become profitable on a running basis

Otovo's business model has during 2024 been redesigned to be profitable at current activity levels



New sales method

- Scaling up new sales methodology
- Improved performance marketing accuracy
- Expanded partnerships



200-225m NOK Cost cuts implemented

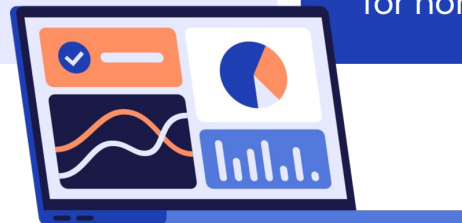
- Adapted number of FTEs to current activity
- Moved positions to Madrid
- Streamlined overall SG&A footprint



Madrid as ops heart

- Improved scalability
- Reduced organizational complexity
- Remove language barrier

- Improved conversion
- More and more stable lead flow
- Reduced € per FTE with 22%
- Personnel cost down NOK 150m
- Reduce SG&A with NOK 50-75m
- Created only infrastructure that can empower energy transition for homeowners across Europe



Announced signed term sheet with reputable buyer for existing and future vintages of subscriptions systems across Europe

*Signed term sheet with
reputably buyer*

*Transaction covers sale of
existing portfolio and
future **vintages***

*Full sales value of future
volumes sold will be
recognized immediately*

*Transaction is in advanced
stages and **expected to
close in Q1***

Q1 2025 event (2020–2024 vintages)

Expected impact:

- Transaction value: €56m
- Debt repayment: €33m
- Retained equity: €6m
- Cash effect: €17m

**Cash release and profit
taking from leasing portfolio**





Continuous sale agreement (2025–>)

Expected impact:

- Volume: ~€50m
- Gross margin of 32%
- Revenue recognition: Instant
after system installation

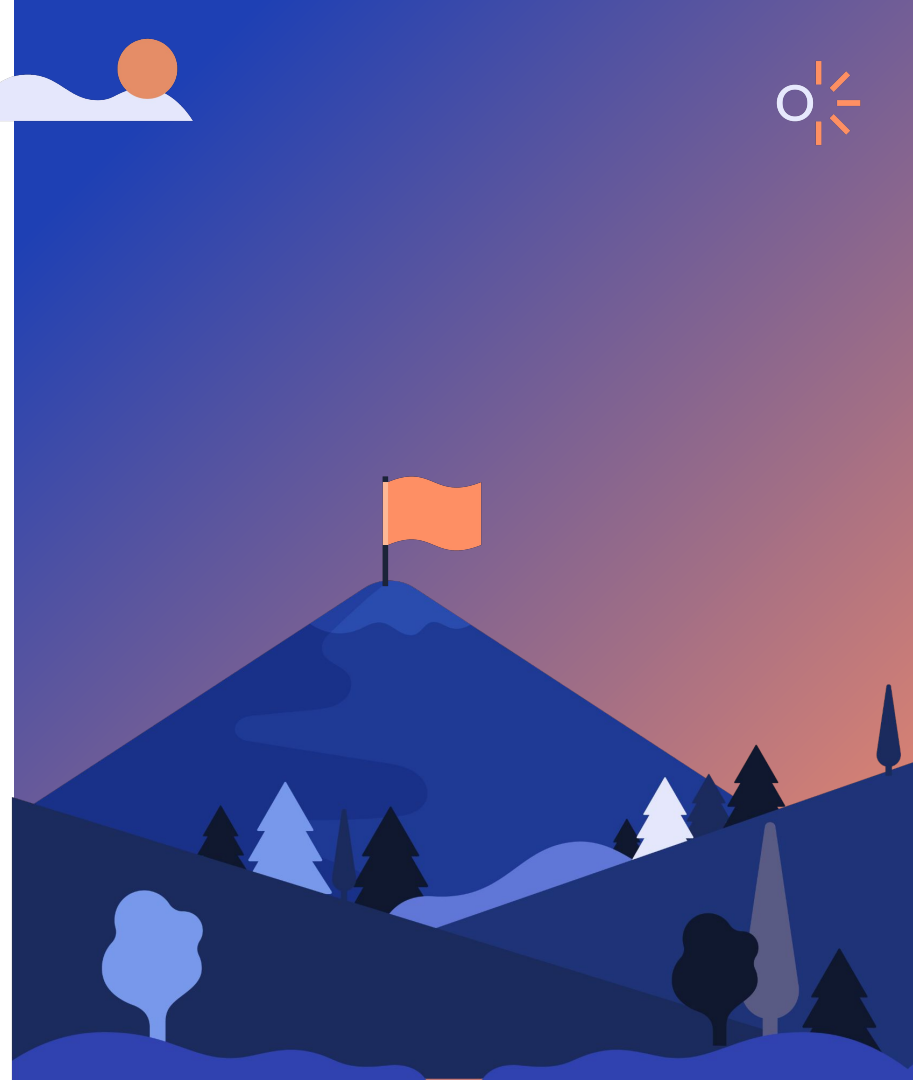
**Continuous positive cash
flow sales of leasing assets**

Otovo will then sell to two types of customers

	Customer type	Description	Share of sales	Gross margin		
1	<div><div>D2C</div><div>Household customer</div><div></div></div> <div>Direct to consumer</div>	Customers pay Otovo in full at time of delivery	68%	21%		
2	<div><div>B2B2C</div><div>Institutional customer</div><div></div></div> <div>Leasing portfolio owner</div>	<div><div><div></div><div>Norway & Sweden</div></div><div><div></div><div>Rest of Europe</div></div></div> <div>Swedish & Norwegian customers entering subscription contracts</div> <div>European customers entering subscription contracts</div>	2%	25%	29%	32%

New Otovo

- ◉ Exposure to **megatrends in huge market**
 - Solving a defining problems of our generation
- ◉ The best **online infrastructure** combined with the a lean cost structure
- ◉ The only pan-European **leasing platform** for home energy assets
- ◉ Entirely **reset the company** over the last 6 months, with lower breakeven point and high operational leverage
- ◉ **Positive asymmetric risk** into transformative years of European energy



Contact

An aerial photograph of a modern, multi-story residential building with a dark roof. The roof is covered with numerous blue solar panels. The building is surrounded by a well-maintained green lawn, a gravel path, and some landscaping. In the background, there are more green spaces and a small body of water.

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