

Today's agenda

Start	Finish	Time (min)	Subject	Presenter
09:00	09:25	25	1. CEO state of the union	Rolf Barmen
09:25	09:50	25	2. Regulations and M&A	Arnstein Flaskerud
09:50	10:00	10	<i>Break</i>	
10:00	10:25	25	3. Consumer segment	Christian Kalvenes
10:25	10:40	15	4. Business segment	Roger Finnanger
10:40	10:55	15	5. Nordic expansion	Per Heiberg-Andersen
10:55	11:05	10	7. New financial targets	Ole Johan Langenes
11:05	11:25	20	Q&A	



CEO STATE OF THE UNION

Rolf Barmen (CEO)

19th February

Today's presenters and Fjordkraft management team

Today's presenters



Rolf Barmen
Chief Executive Officer



Ole Johan Langenes
Acting Chief Financial Officer



Arnstein Flaskerud
EVP - Head of Strategy and M&A



Per Heiberg-Andersen
EVP - Nordic



Christian Kalvenes
EVP - Head of Consumer



Roger Finnanger
EVP - Head of Business

Broader management



Alf Kåre Hjartnes
EVP - Head of Technology and Digitalisation



Jeanne Tjomsland
EVP - Head of Group Marketing, Communications & HR



Solfrid Aase
EVP – Service Companies

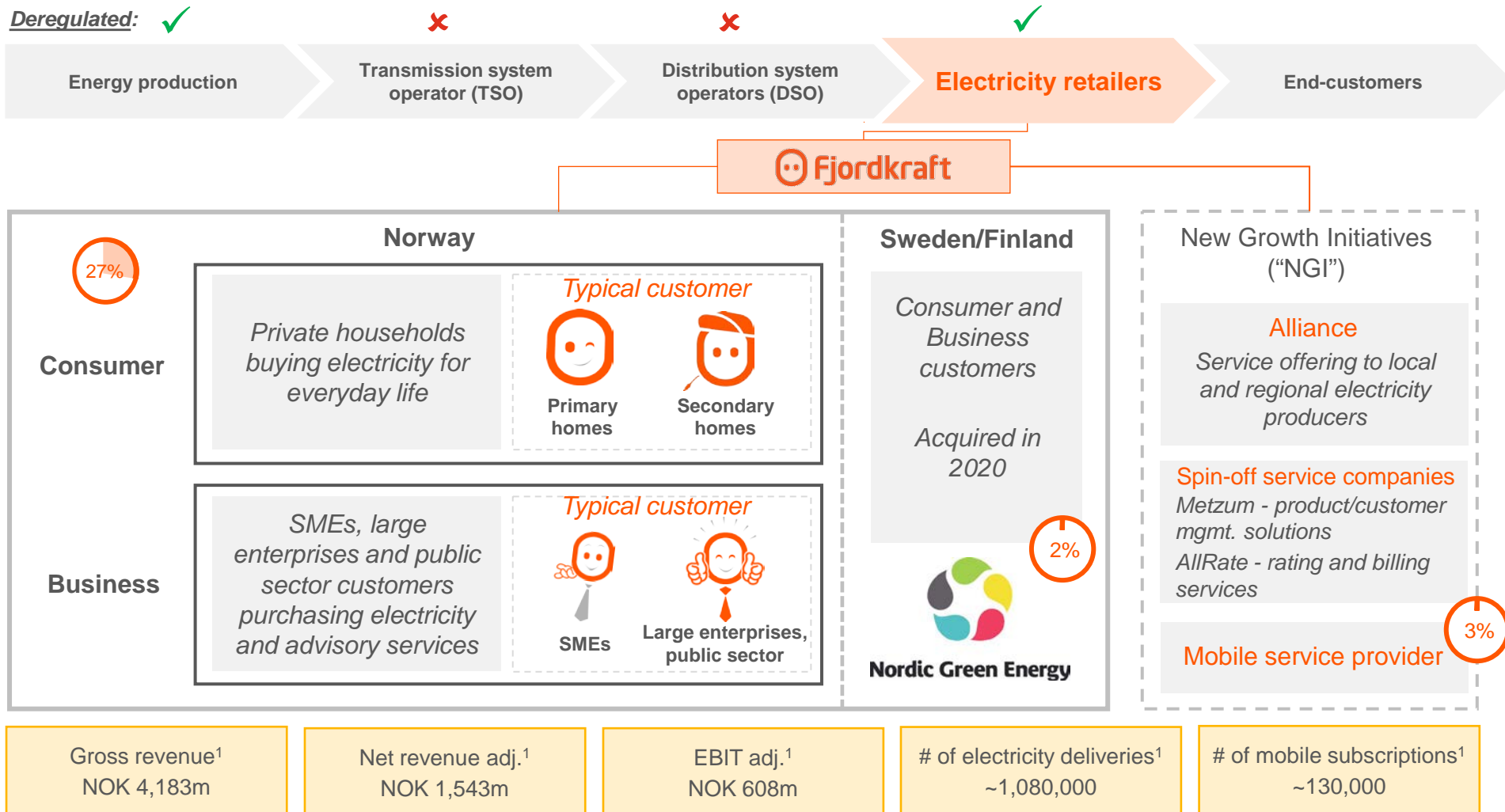


Solfrid Andersen
EVP - Head of Operations



Birte Strander
Chief Financial Officer (on maternity leave)

Fjordkraft at a glance – a Nordic electricity retailer with the leading position in the Norwegian market and significant growth potential in Sweden and Finland

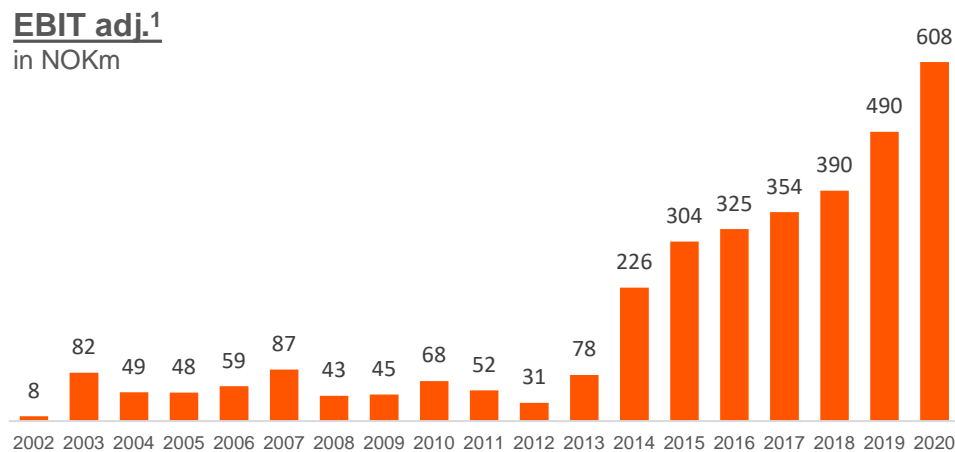
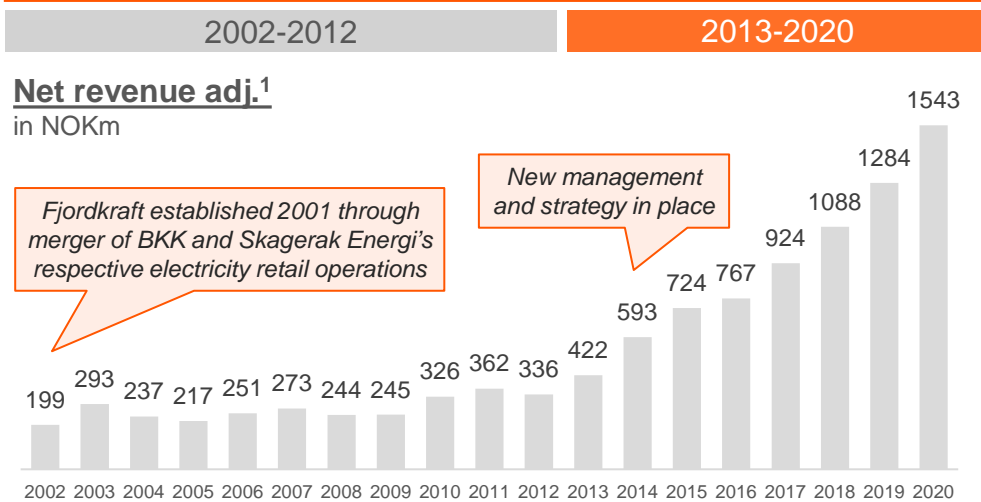


Source: Company information
 1) Financial figures from 2020
 Number of deliveries across all segments, including ~60k deliveries in Extended Alliance
 Number of deliveries and subscribers at the end of Q4 2020

= Market share¹ (adj.)

A highly successful strategy execution has resulted in an impressive profitability shift and net revenue growth

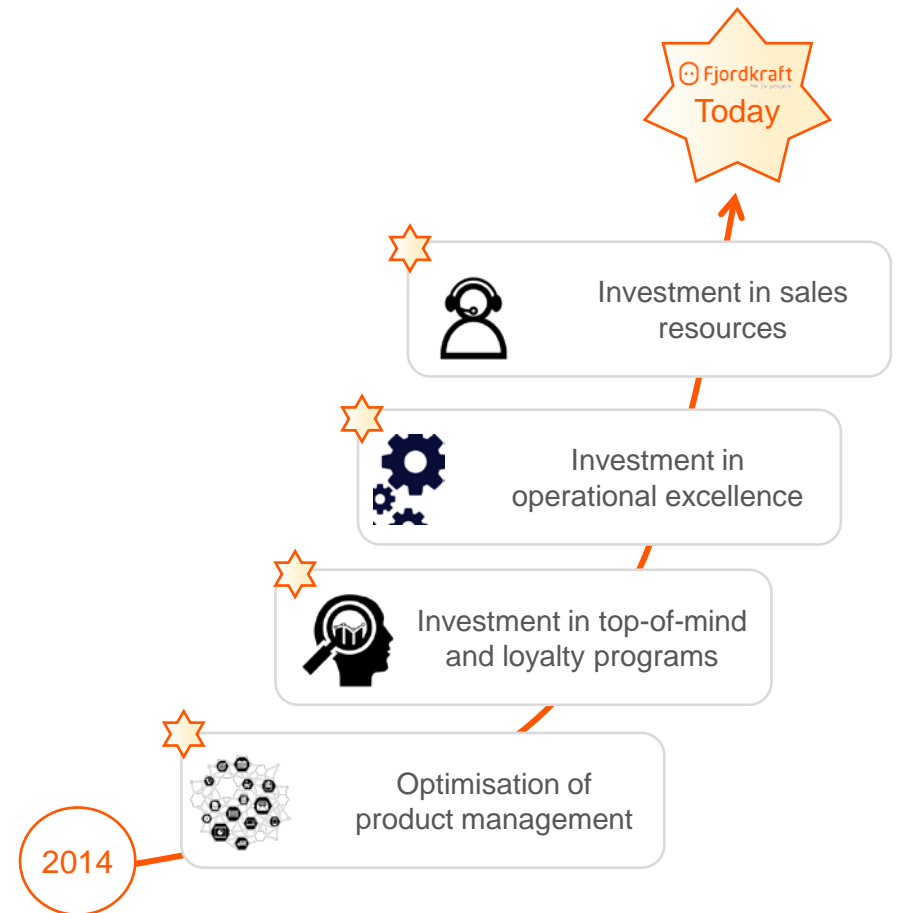
Impressive net revenue and EBIT development...



Source: Company information

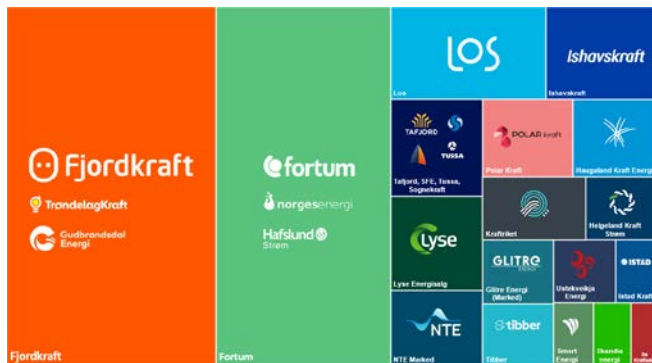
1) NGAAP until 2015, IFRS for 2016 and 2017. 2016, 2017, 2018, 2019 and 2020 excluding estimate deviations, other gains & losses, special items and depreciation of acquisitions

...enabled through optimisation & focused investment



A highly fragmented Nordic market – Fjordkraft with a proven ability and ambition to be the consolidator

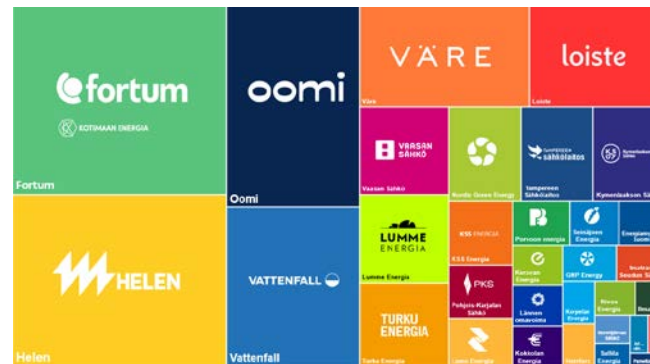
Norway



Sweden



Finland



Sources: Company information

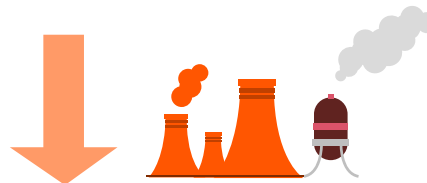
The European electricity market is transitioning towards a greener energy mix, with Norway as the clear renewable leader

EU



+200%

Wind and solar production expected to increase with +200%



~0%

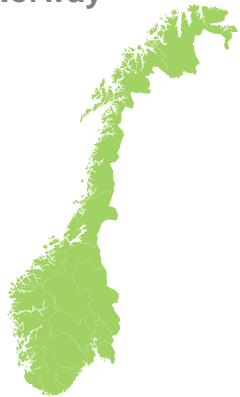
Coal power plants expected to be more or less non-existent in 2040



+ 10€/tonne

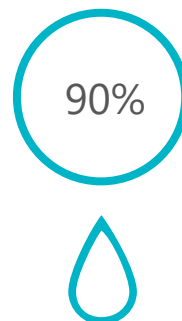
CO2 prices expected to increase by 10€ per tonne

Norway

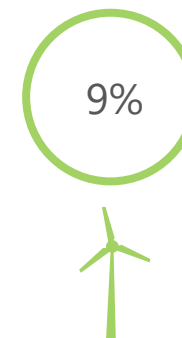


99% renewables

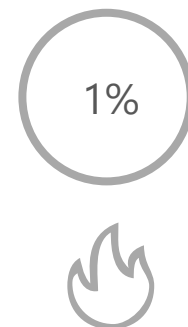
99% of the Norwegian electricity production is from renewables



Hydro



Wind

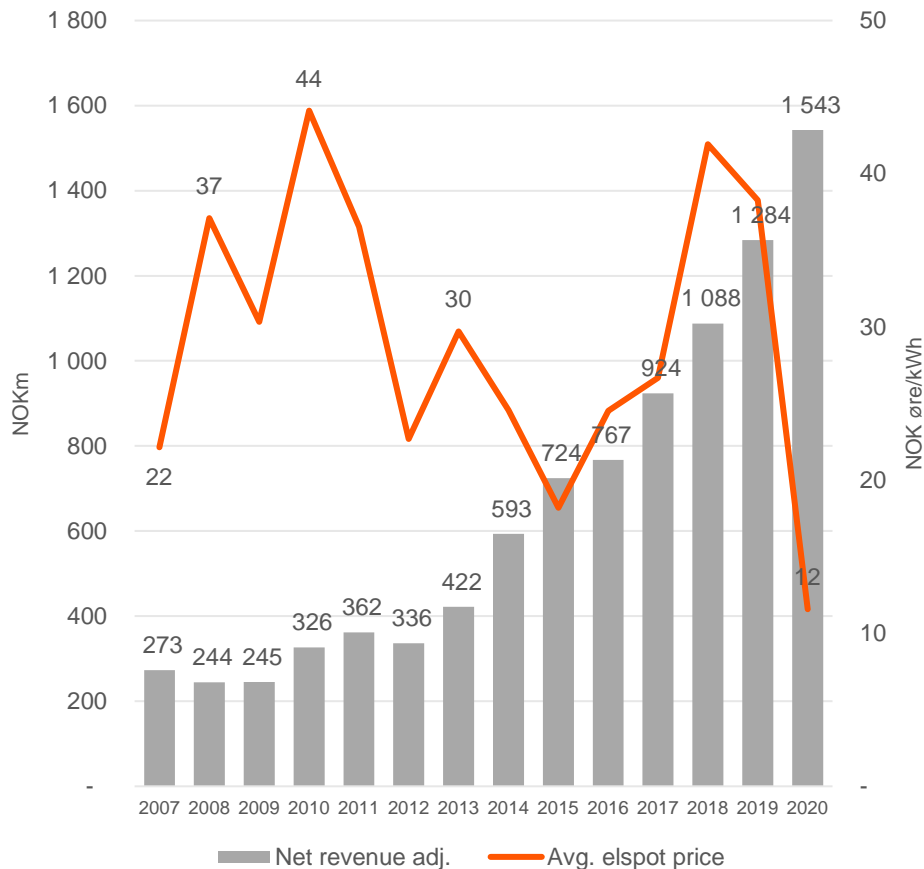


Thermal

Source:
1) NVE's long-term power market analysis, October 2020

A robust business model – long term profitability independent of electricity price level

Net revenue adj. and elspot prices^{1,2}



According to NVE's forecast, the long term Norwegian electricity price is expected at around NOK 40 øre/kWh over the next 20 years, but might vary significantly in the short term due to i.a. variations in weather



The transition towards more renewable energy is expected to reduce flexible production by 30% over the next 20 years



Increased demand for risk mitigating products across all segments, driven by higher elspot volatility

Source:
 1) NordPool's yearly system prices in NOK
 2) NGAAP until 2015, IFRS for 2016 and 2017. 2016, 2017, 2018, 2019 and 2020 excluding estimate deviations, other gains & losses, special items and depreciation of acquisitions

A pan-Nordic and complex power market handled through clear mandates and strict governance

Several wholesale markets

- the day-ahead market
- the intraday market
- the balancing market

Several bidding areas due to grid congestions

- Larger players get a natural diversification to local price risk

COGS mainly affected by these elements

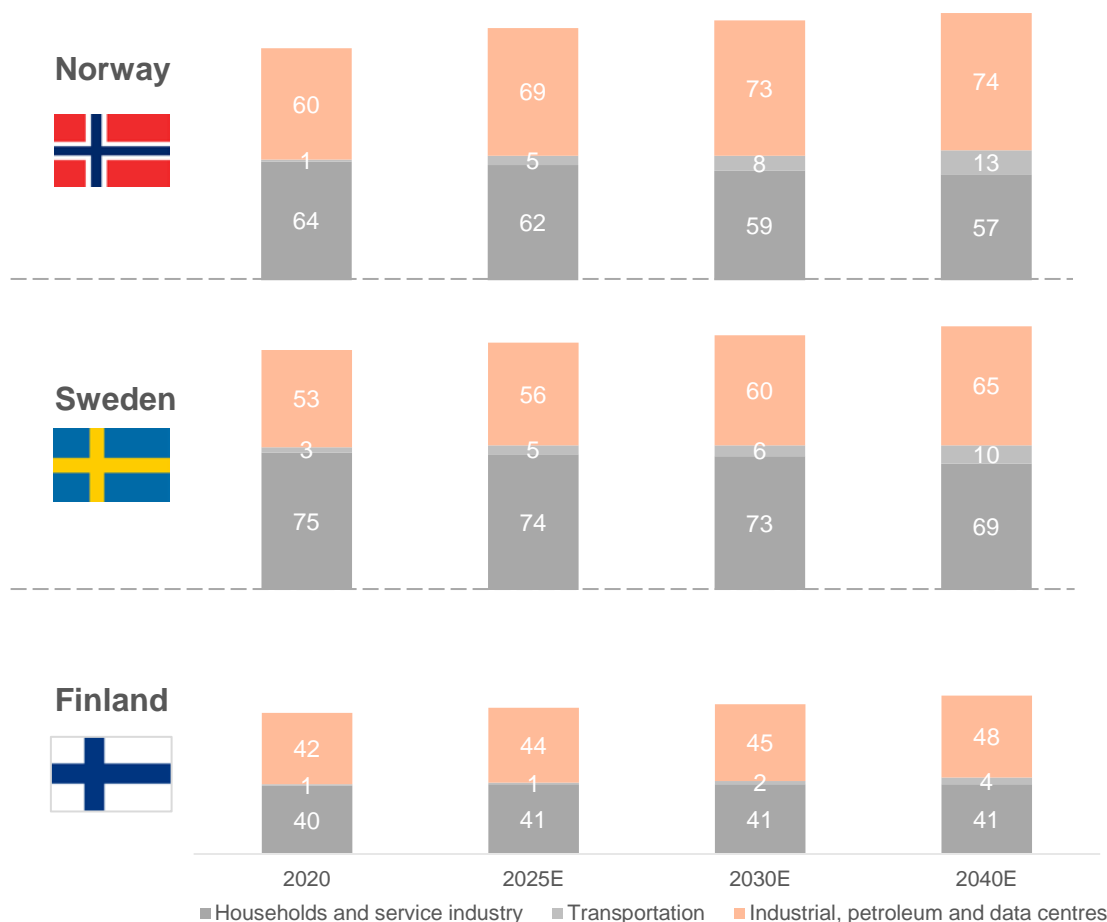
- The price of electricity within the different price areas
- The price of guarantees of origins
- The price of electricity certificates
- Various trading fees
- Accuracy of consumption estimates
- Purchasing strategy



Fjordkraft has a low risk tolerance with clear mandates and strict governance

Operating in the highly attractive Nordic market with a stable demand profile and growth potential from increased electrification

Electricity consumption in the Nordics (TWh)¹



Non-discretionary service with stable and slightly increasing long-term demand within households, service industry and transportation



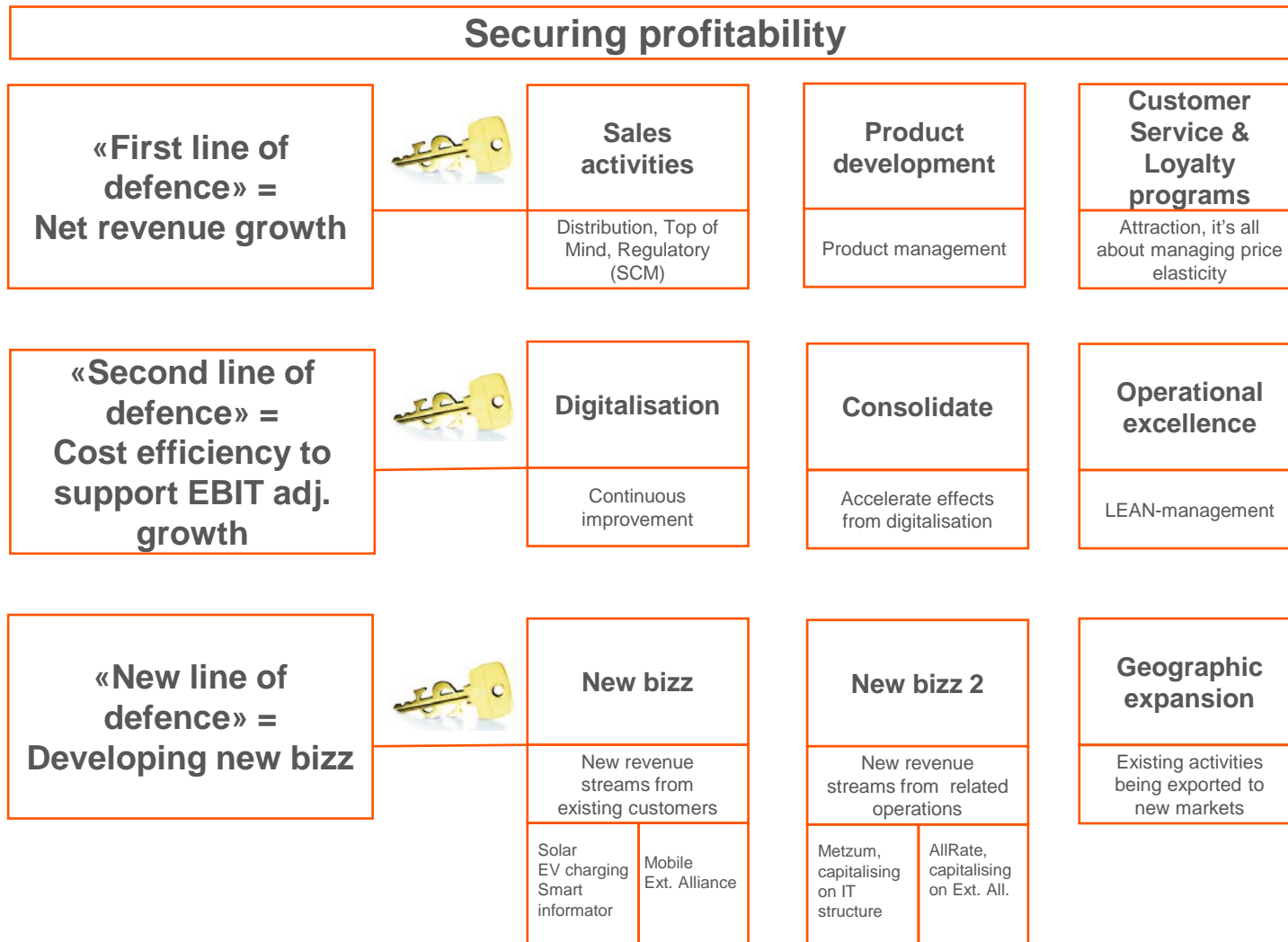
Electrification of the transportation sector more than offsets the effects of improved energy efficiency within households and service industry



The increasing electrification of the manufacturing industry, petroleum sector and data centres representing a possible growth potential

Source:
1) NVE's long-term power market analysis, October 2020

Geographic expansion – the natural step after becoming the largest retailer in Norway



Two acquisitions of high strategic importance completed in 2020, supporting a diversified multi-brand strategy

Geographical market

Norway



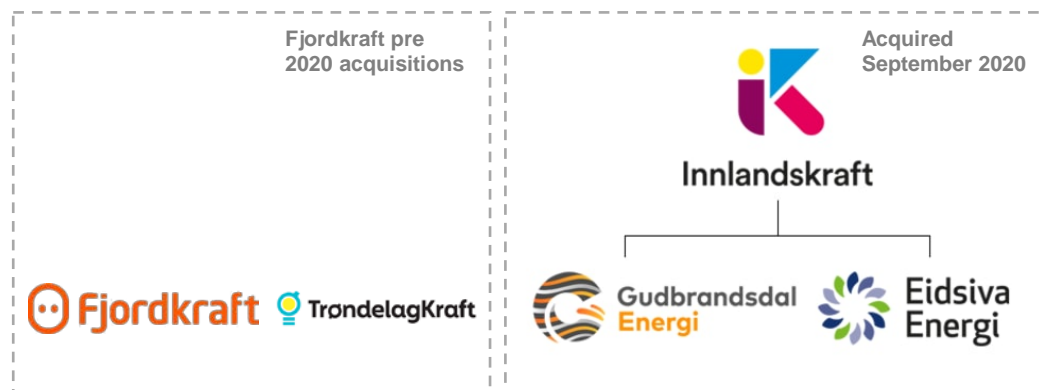
Sweden



Finland



Brands



of deliveries

~630k

~110k

~125k

~165k

Brand strategy

National brand

Regional brand

Fighting brand

To be rebranded to Fjordkraft

Brand to be considered during 2021

Targeting further growth over the next years

Roadmap for growth 2021-2023



Targeting a 35% market share in Norway (~1.2m deliveries, up from ~860k), mainly through M&A
Targeting a top 4 position both in the Swedish and Finnish market (~600k deliveries, up from ~165k)

M&A

- Fjordkraft one of very few with scale and capacity to consolidate
- Market and regulatory developments supportive – increased push for consolidation

Alliance

- Capacity to expand alliance partner base on current Fjordkraft set-up
- Cost efficient operations and increasing investment savings attractive to partners

Organic

- Continue leverage market leading brand and distribution capabilities
- Product development to expand market reach

Mobile

- Capitalising on a large customer base and existing organisation and know-how
- Adding loyalty to existing customers and supports core product by offering market-leading prices and reaching every member of the household

We continue our sustainability commitment through “Klimanjaro” and “Klimahub”

Klimanjaro

Klimahub

Sjekk klimaavtrykket til norske virksomheter
#SammenForandrerViVerdenLitt

Hvilken virksomhet vil du sjekke klimaavtrykket til?

1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE, JUSTICE AND STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

SUSTAINABLE DEVELOPMENT GOALS

Fjordkraft – Summary investment highlights

1

Operating in the attractive Nordic electricity retailing market with a stable demand profile and a regulatory environment levelling the playing field, beneficial to pure play retailers

2

A proven business model providing 'need to have' electricity combined with sought after value-added services - supporting differentiation and margin robustness

3

A diversified multi-brand strategy with Fjordkraft as the spearhead and the no. 1 retail brand in Norway

4

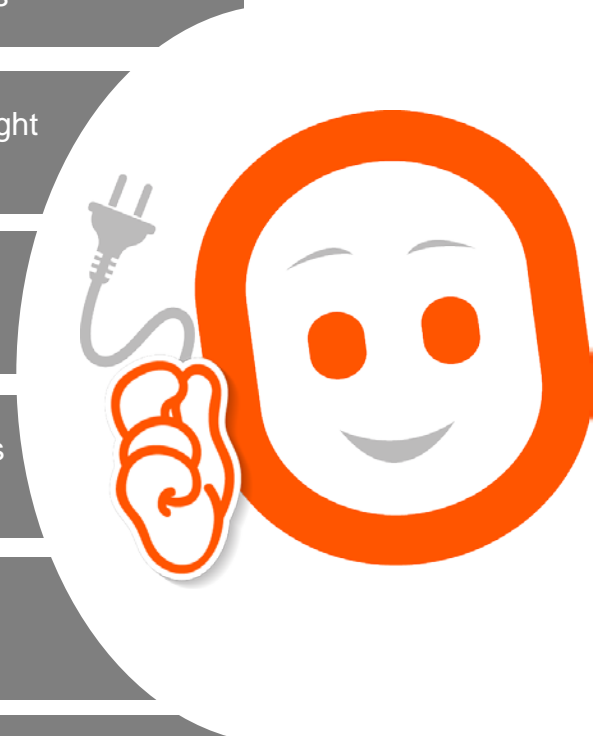
Unmatched platform for distribution and digital ecosystem provides best in class service offering to consumer and business customers

5

Strong competitive advantages and a robust platform for further organic and bolt-on acquisition driven growth across the Nordics

6

Attractive financial profile with a high cash conversion and limited capital expenditure requirements



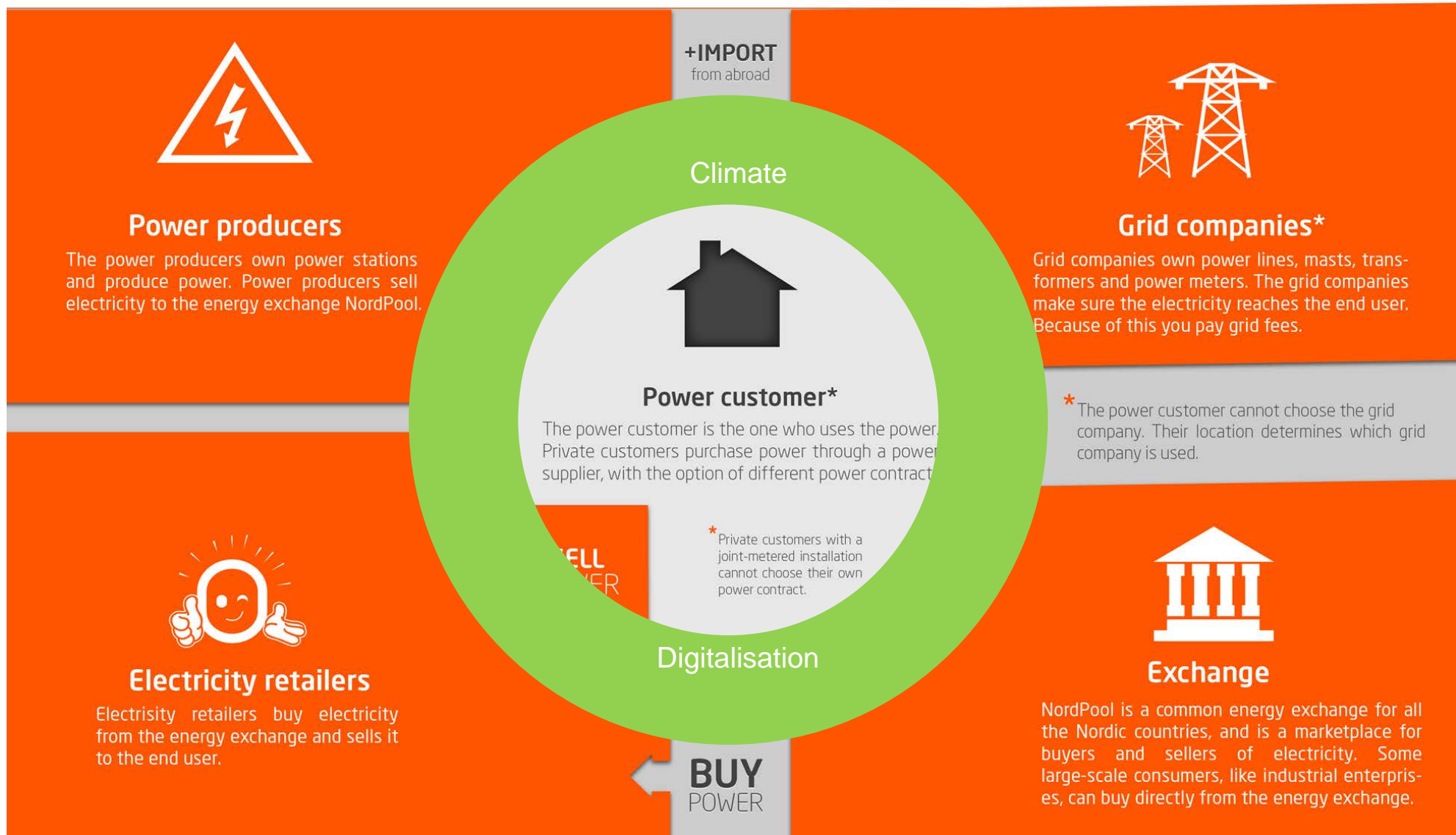


REGULATORY DRIVERS AND CONSOLIDATION

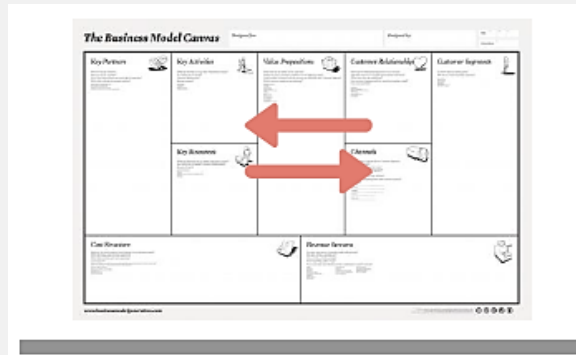
Arnstein Flaskerud (EVP Head of Strategy and M&A)

19th February 2021

The green shift facilitating new business opportunities

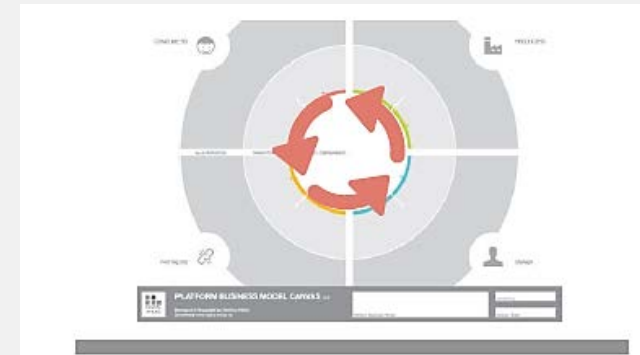


Building both linear business models and platform business models



- Sells products and services to end users
- Owns one side of the transaction
- The value creation lies in the product

Collects value from products and services



- Facilitates transactions between the participants
- Owns the infrastructure that facilitates the transactions
- Collects value from network effects

Collects value from the platform users



REGULATIONS

Substantial changes in the regulatory environment in Norway materialising in 2021

Unbundling of vertically integrated companies and separation of the end user business and monopoly activities

Digitalisation of the industry. Smart meters and Elhub streamlining processes between all the players

The EU Clean Energy Package supporting the EU targets for 2030. Important elements:

- Energy performance in buildings directive
- Energy Efficiency directive
- Electricity directive with consumer empowerment and protection
- Electricity Regulation ensuring a well-functioning wholesale electricity market

Norway - regulatory developments providing significant opportunities for large independent retailers

Regulatory milestones in Norway

Unbundling



2020 - 2021

- Vertically integrated companies need to split grid operations and retail operations within the following areas:
 - ICT infrastructure
 - Corporate - grid and retail must be split into separate companies
 - Functional split – all companies with more than 10K deliveries must split processes

- ✓ Significant loss of competitive advantage for (regional/local) players
- ✓ Significant positive effects for independent retail companies with existing strong national brands such as Fjordkraft
- ✓ Fueling the uptake of concepts like the Extended Alliance concept we offer

Unbundling of brand name and New Grid Fee models



2022 - 2023

- Unbundling of brand name
- New Grid fee models where the grid companies have flexibility to design their own tariffs – Time of use and other models

- ✓ Level playing field and economies of scale in all processes
- ✓ The Regulator has changed their view on mandatory power tariff, and allows different approaches, including Time of use models, also to the Consumer market

Certification of electricity retailers leading to increased standardisation and a more level playing field

“Trygg Strømhandel”



- Certification of electricity retailers initiated by associations of energy companies in Norway
- The ambition of Trygg Strømhandel is to:
 - Help customers navigate safely among the many electricity retailers in Norway
 - Increase quality in the sales processes
 - Increase customer satisfaction
- The certification is voluntary and open for all retailers

Mobile market - new regulations betters the opportunities for the independent service providers

Regulatory milestones in Norway

Gross Margin squeeze test only



2017 - 2019

- Telenor is obliged to provide access and call origination to other mobile operators
- No discrimination regarding price or technology
- Margin squeeze tests bi-annually to evaluate Telenor's pricing scheme

- ✓ This has led to several price reductions to our wholesale procurement
- ✓ Still unbalanced rules highly favoring the network operators

More balanced regulations



2020 - 2022

- New market regulation is now published from the regulator
- Modelling player in the margin squeeze test is reduced from 5% to 3% market share
- Telenor are mandated to provide bulk price model, but they have made a formal complaint about this

- ✓ More balanced regulations in theory
- ✓ Gives the service provider a better range of tools to innovate and gives the customers better solutions
- ✓ Leads to more robust service provider business models
- ✓ Telenor and the other two network operators fight the new regulation, and the final verdict might not come until Q2-21



MERGERS & ACQUISITIONS

M&A results in 2020 - overperforming substantially

Completed transactions in 2020



Innlandskraft AS ~240k customers

- The acquisition made Fjordkraft the largest player in the Norwegian market
- Gudbrandsdal Energi will continue as a separate fighting company and brand while the Eidsiva Marked brand will be rebranded to Fjordkraft
- After this transaction, the timing for proactively seeking new markets was good



Nordic Green Energy ~165k customers

- Located in Sweden and Finland, with a combined market share of ~2%
- Nordic Green Energy is used as brand
- The transaction is strategically important and is the first step towards establishing Fjordkraft as a Nordic player



The Electricity market in Norway, Sweden and Finland

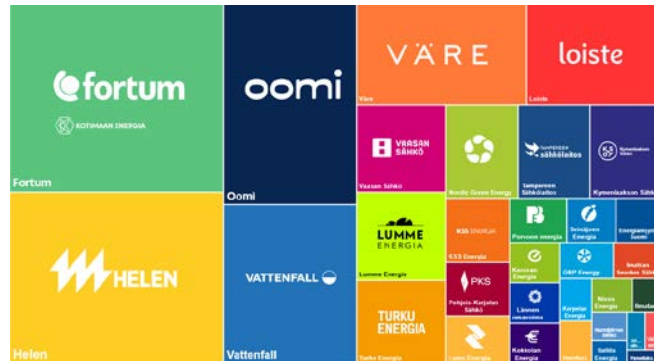
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S



F



Market assessments

- All markets have the same structure with few large players, some medium players, and many small players
- In Norway, two players have around 50 percent of the market, while in Sweden and Finland, four to five players share around 50 percent of the market
- The consolidation in Norway leads the way, and Fjordkraft is now the biggest player in Norway closely followed by Fortum
- We see that the markets are becoming more similar and the competition becomes increasingly pan-Nordic
- All three markets are fragmented and are facing further consolidation

Sources: Company information

Main drivers for consolidation

Driver	Description
Regulatory changes	Significant loss of competitive advantage for regional/local players
Merging of grid companies	Consolidation in other parts of the value chain is supporting a more horizontal structure
Competition and scale	Incumbents are rigged for local competition – lack of scale will lower market share and profitability
Technological development	Increasing technological debt due to digitalisation of all processes in addition to higher customer expectations and VAS competition

Fjordkraft is well positioned as the consolidator

Scale and financial power

The Fjordkraft Factory and platform, our system and process architecture, enables significant scale and synergies

Offers scale through industrial partnership, as an attractive alternative strategy to regional players

Financial power and listed shares as an attractive acquisition currency - offers the prospects the opportunity to stay exposed to the downstream part of the value chain

Cost synergies

Administration

Invoicing, customer service and back-office

Customer offerings, Sales and marketing

System and process architecture

Key highlights from regulations and M&A

1

We expect that M&A activities will fulfill a major part of our Roadmap to Growth

2

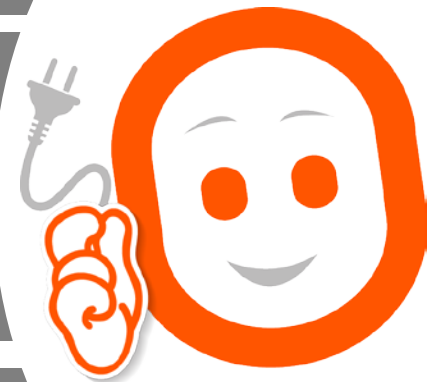
EU regulations in the electricity market are supporting Fjordkraft's growth strategy, although it takes more time in Sweden and Finland

3

The electricity market is highly fragmented and provides a substantial number of attractive M&A prospects

4

Fjordkraft has the ambitions and experience to consolidate, and offers a wide range of attractive M&A alternatives



Break

Continuing at 10:00 a.m. UTC+1



CONSUMER

Christian Kalvenes (EVP Head of Consumer)

19th February

Fjordkraft is the largest player in the Norwegian consumer market, supplemented by both a strong fighting brand and a regional brand

Consumer segment in brief

The Consumer segment comprises energy sales and an attractive menu of value-added and adjacent services for private households across Norway



A leading market position

- #1 Fjordkraft - the largest and most well-known electricity retail brand in the consumer segment¹
- #1 Award winning customer service²
- #1 Winner of Bearing point's Digital leader³
- #1 A broad product range with value added services and an industry leading loyalty program
- #1 Gudbrandsdal Energi – a strong fighting brand with industry leading customer satisfaction

Net revenue adj.⁴

~1.1 NOKb

of electricity deliveries⁵

~755k

Volume (GWh)⁶

~8 TWh

Market Share⁷

~28%

Source: Company information, TNS Kantar, Norsk Kundebarometer

- 1) Based on market share and customer awareness data from Kantar TNS Energibarometer Q4 2020
- 2) Kantar's KS-Index January 2021
- 3) Digital Leaders 2019 by Bearingpoint
- 4) Net revenue 2020 based on IFRS unaudited figures
- 5) Number of deliveries Q4 2020
- 6) Volume delivered in 2020
- 7) Based on number of deliveries end of Q4 2020 and total market size from NVE's supplier change statistics

A broad core product offering and differentiating value added services enable a market leading value proposition

Spot related products

Product characteristics:

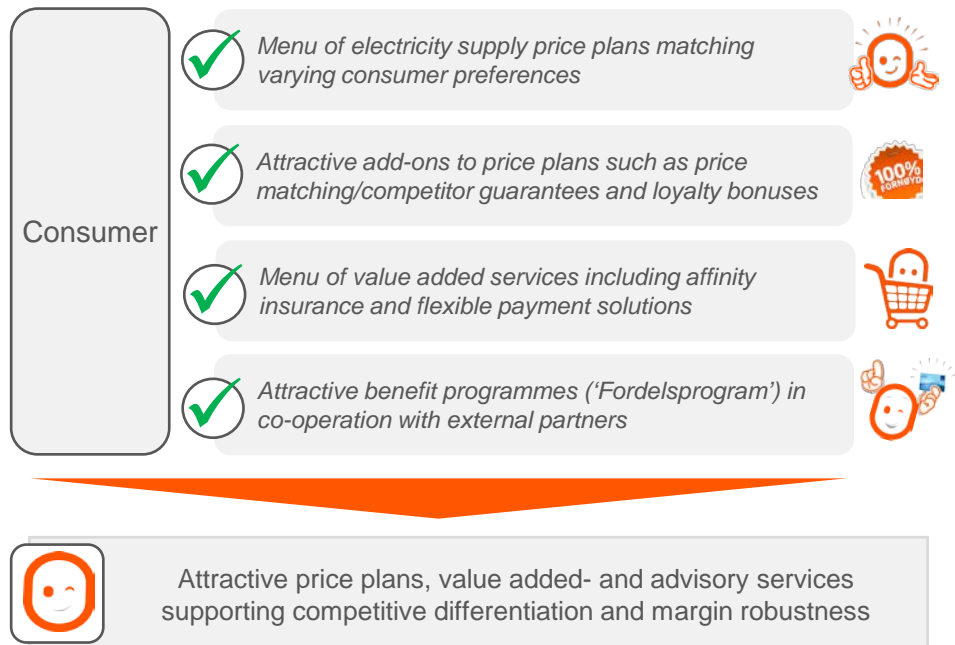
- The customer's price follows the spot price
- The customer is fully exposed to the spot price volatility
- Fixed nominal markup (some products also include trading and balancing costs) with no price risk for Fjordkraft

Variable products

Product characteristics:

- Discretionary pricing with a notification period of 14 days
- More steady and predictable prices for the customer
- Short term price risk within the notification period for Fjordkraft
- Protects the customers from intraday price volatility, volatility between price zones and rapid increase in the spot price

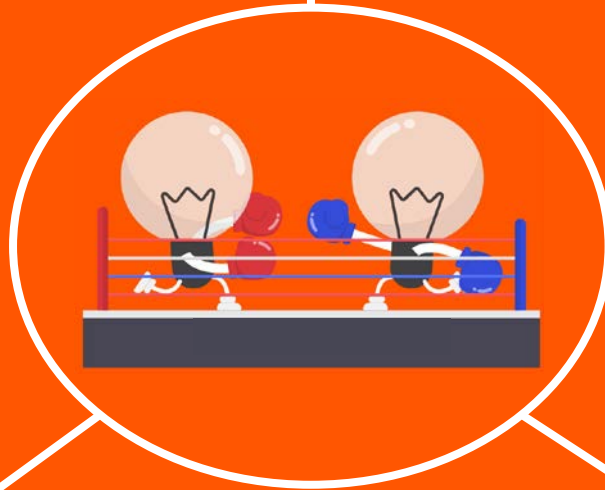
Attractive offering to customers



The battle for customers



Smart home and digital customer experience



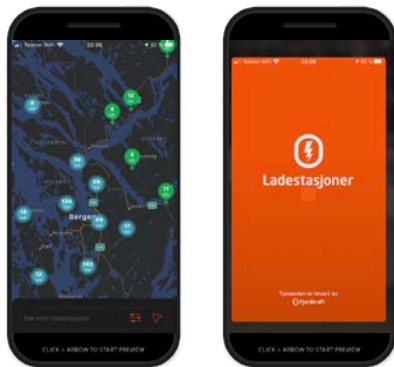
Local affiliation



Price



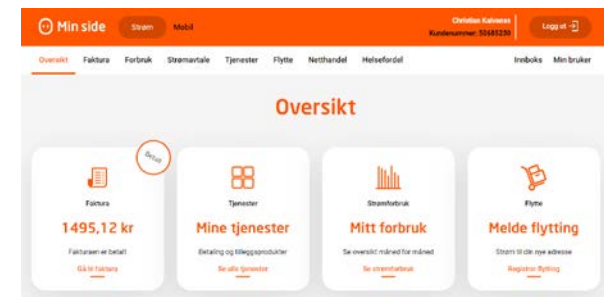
Our digital ecosystem offers unique customer experience



EV charging app



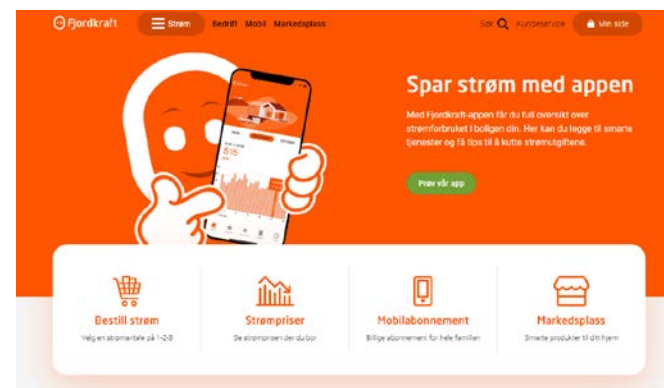
The Marketplace



My page



The Fjordkraft app



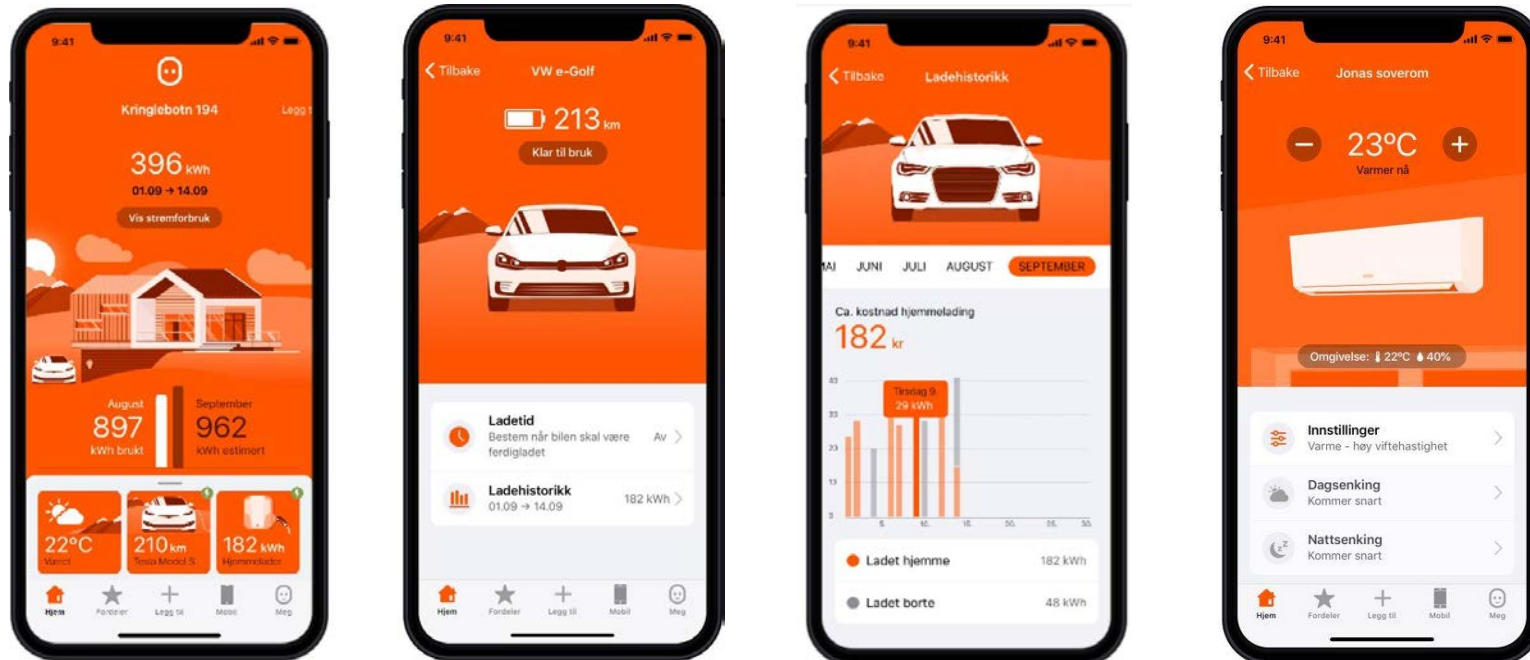
fjordkraft.no

New digital services embraced by customers



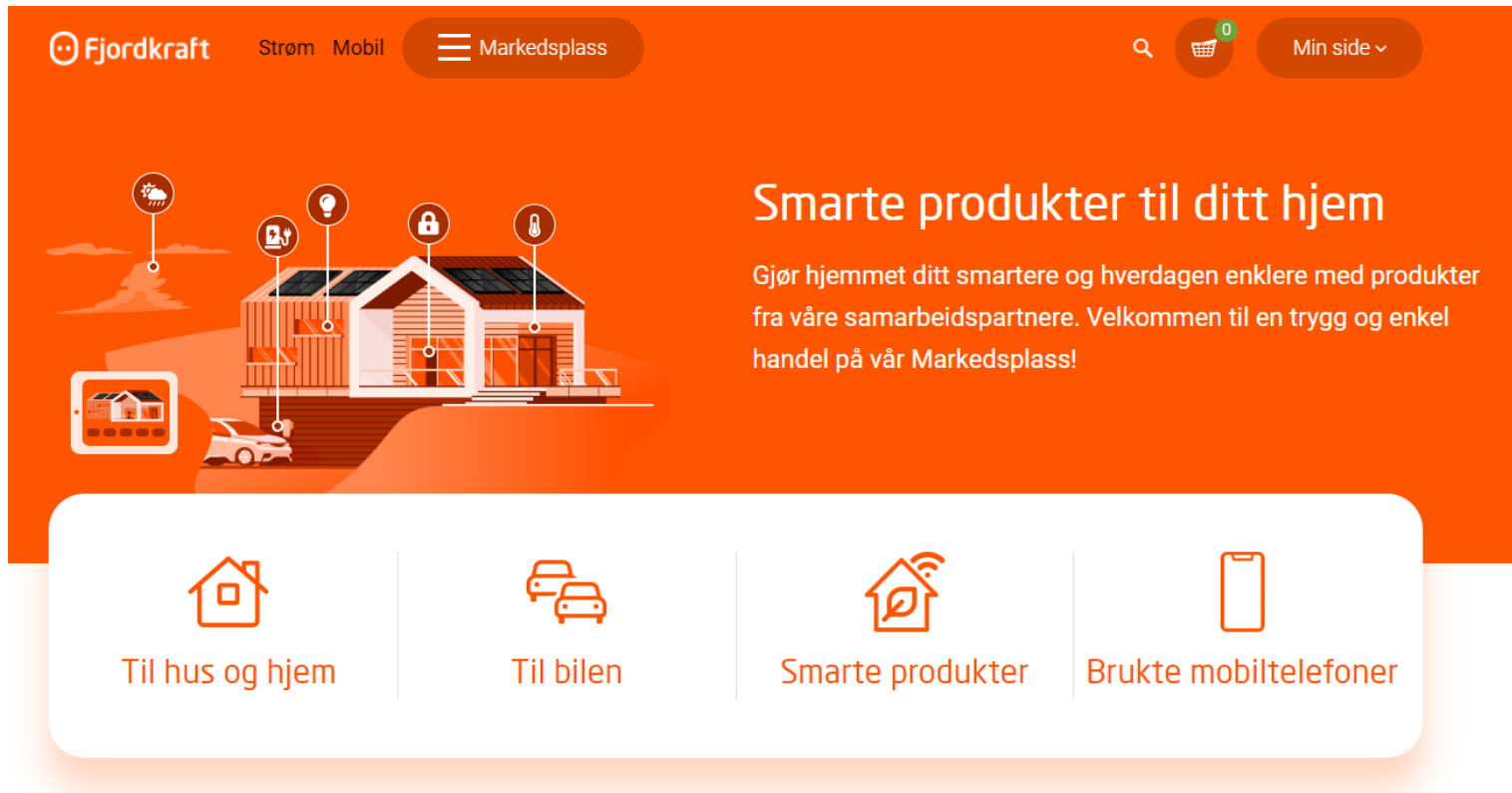
- The Fjordkraft app has been embraced by our customers
 - About 180k unique users in 2020
 - More than 30 app updates in 2020, launching new services to Fjordkraft customers every few weeks
 - Users have a significantly lower churn rate and higher customer satisfaction

Digital services empowering customers



- More attractive services will be launched in the app during 2021
 - Real time overview of the electricity consumption with Fjordkraft Pulse
 - More EV brands ready for smart charging
 - Improved smart home functionality and support

Digital marketplace launched on the 18th of January 2021



- **The Fjordkraft Marketplace**

- **Attractive products from quality vendors**
- **Generates new revenue streams and increases customer loyalty**
- **A wide range of products compatible with the Fjordkraft app**

Perfectly positioned for creating great customer experiences and extensive customer value



Mobile



Digital ecosystem



Award-winning customer service



Loyalty program



Attractive product offering

Attractive product offering with differentiating value added services and loyalty program, award-winning customer service and a digital ecosystem empowering the customer

The No.1 service provider for mobile phone connectivity in the consumer market

Mobile in brief

Fjordkraft is a service provider in the mobile consumer market with highly attractive subscription plans through Telenor's network



A leading market position



The No. 1 service provider for mobile phone connectivity in the consumer segment¹



~130 thousand mobile subscriptions and reached the targeted 125k subscriptions in the Fjordkraft brand by year-end 2020.



Highly attractive pricing across all data plans



Award-winning customer service²



Newly launched marketplace selling 2nd hand mobile phones

Source: Company information, NKOM, EPSI

1) NKOM ekomstatistikken

2) Kantar's KS-Index January 2021

A Consumer segment with clear competitive advantages, ready to capitalise on digitalisation

1

The largest player in the Norwegian consumer market, supplemented by both a strong fighting brand and a regional brand

2

A broad product range with value-added services and an industry leading loyalty program

3

A digital ecosystem that offers a unique customer experience

4

The No.1 service provider for mobile phone connectivity in the consumer market, adding loyalty to the customer base






BUSINESS

Roger Finnanger (EVP Head of Business)

19th February


A brief look at the Business segment

Business segment in brief




The Business segment comprises energy sales and services to small and large businesses and public entities, with access to all financial instruments allowing tailor made solutions catering all different needs

Selected customers



+ 32,000
businesses

A leading market position

- 
A leading market position with > 105k deliveries and >45k business customers
- 
A leading brand position with 97 % brand awareness and highest top-of-mind¹
- 
The most attractive electricity retailer for business customers¹
- 
The highest market share in the Business segment¹

Net revenue adj.²

~375 NOKm

Volume (GWh)⁴

~6 TWh

of electricity deliveries³

105k

Market Share⁵

~20%

Diversified portfolio



2500
Co-ownerships



7700
Customers through
organizational chains



3000
Construction industry



6500
Commercial property
customers



400
Biggest supplier to
public entities



4500
Agriculture &
aquaculture

Source: Company information, Kantar TNS, Energibarometeret

1) Kantar TNS 2020

2) Net revenue 2020 based on IFRS unaudited figures

3) Equivalent to the number of deliveries to all electricity meters. One customer may have multiple electricity meters

4) Volume sold in 2020

5) Based on number of deliveries end of Q4 2020 and total market size from NVE's supplier change statistics

Competitive advantage with distribution power covering all segments with national presence

A tailored approach to each of the segments



Attract new customers



Distribution mix



Customer development

SOHO

Size: From 0 – 0.2 GWh

Sales capacity:
Balanced distribution with three internal and two external teams within telemarketing

Customer development:
Portfolio-team focusing on follow-up meetings and VAS.

SMEs

Size: From 0.2 - 5 GWh

Sales capacity:
National presence with Business Consultants working towards medium large customers

Customer development:
Portfolio-team focusing on follow-up meetings and VAS.

5 Key account managers follow-up large customers

Large Customers & Public entities

Size: > 5 GWh

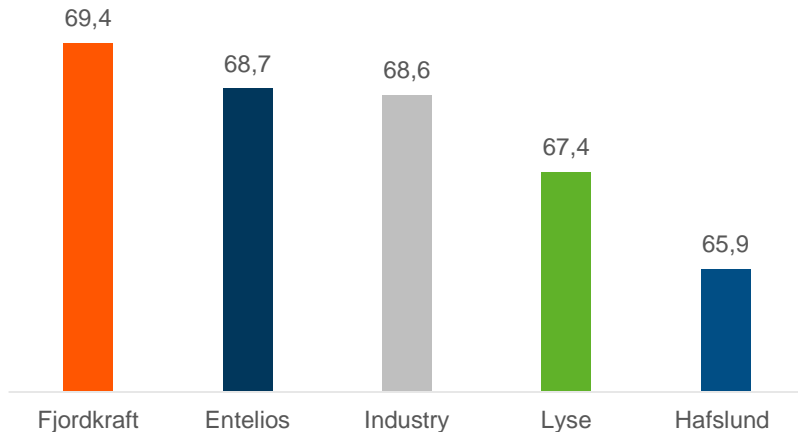
Sales capacity:
One team covering large customers and public entities all across the country

Customer development:
5 Key Account Managers follow-up large customers focusing on risk management and VAS

Dedicated customer service

Offering the industry's most attractive product range

No.1 in customer satisfaction vs peers



Business

- ✓ Wide product range addressing varying risk profiles
- ✓ Energy as a service, Energy management and advisory services
- ✓ Web-based reporting ('Min Bedrift') supporting energy usage monitoring and management

Attractive price plans, value added- and advisory services supporting competitive differentiation and margin robustness

Spot related products

Product characteristics:

- The customer's price follows the spot price
- The customer is fully exposed to the spot price volatility
- Fixed nominal markup with no price or volume risk for Fjordkraft

Variable products

Product characteristics:

- Discretionary pricing with a notification period of 14 days
- More steady and predictable prices for the customer
- Short term price risk within the notification period for Fjordkraft

Spot w/ risk management

Product characteristics:

- Spot with risk management such as index hedging, fixed price, options etc.
- Hedging is mainly done back-to-back, reducing Fjordkraft's risk exposure
- Attractive for businesses seeking to manage budgets through predictable electricity costs

Value added services

Product characteristics:

- Differentiating and supplementary products to our core products, enabling increased insight and control
- Includes i.a. a web-based reporting tool with energy monitoring and management functionality
- Solutions reducing emissions costs

Taking action on Climate change

The Domino Effect

 **Klimanjaro**  **Klimahub**

- Sustainability initiative to demand climate neutrality towards suppliers and partners
- Momentum for Change “Lighthouse activity”

- Web based solution supporting implementation of climate accounting, climate initiatives and climate neutrality
- Making Climate Footprint transparent and searchable
- Further development in progress



Soleklart

Energismart

- Reducing emissions by offering solar panel and heat pump solutions
- Power purchase agreement - "Energy as a service"
- Long term agreements, 7-25 years
- Gives the customer low risk and predictable power costs
- Business model with low risk for Fjordkraft and our partners
- No need for investments





Ladesmart

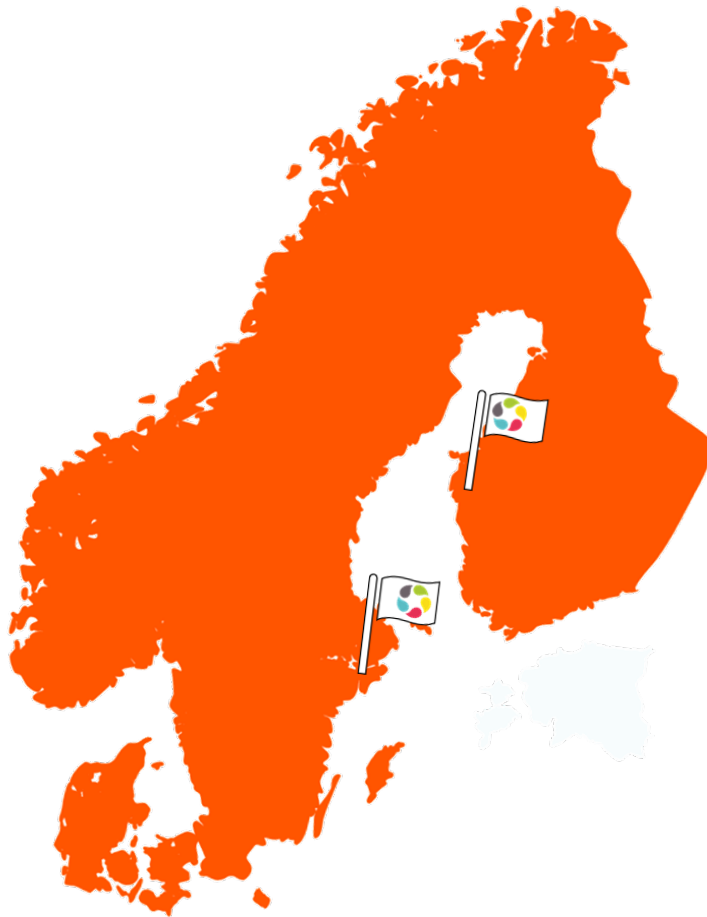
- Offering EV charging to Co-owners and business
- No administration needed
- Easy cost allocation between users
- Billing service

Målbart

- Reports on all energy sources
- Complete overview
- Control over tenants' consumption
- Distributing all energy costs
- Billing services will be launched in 2021



Becoming a pan-Nordic retailer increases attractiveness among Nordic Business customers



- We signed our first cross-border customers in 2020
- We will be offering cross-border deliveries in Finland in 2021
- We will seek to establish deliveries in Denmark during 2021

A Business segment well positioned for further growth

1

Strong distribution power and a market leading product offering, providing rapid market penetration on new products and services

2

A high brand awareness and large customer portfolio makes Fjordkraft an attractive partner for new sustainable solutions

3

New value added services, including “energy-as-a-service”, strengthens Fjordkraft’s position and climate commitment

4

Becoming a pan-Nordic retailer enables new opportunities for further growth





Nordic expansion

Per Heiberg-Andersen (EVP Nordic)

February 19th, 2021

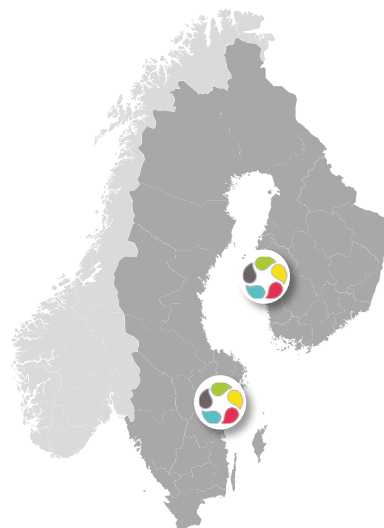
Fjordkraft starting pan-Nordic expansion with the acquisition of Swedish-Finnish retailer Nordic Green Energy

The company

Nordic Green Energy (Switch Nordic Green AB) was acquired by Fjordkraft in 2020 and is a Swedish-Finnish retailer with offices in Stockholm and Vaasa



Nordic Green Energy



- ~165k customers in Sweden and Finland combined – primarily consumer and SME focused
- Positioned as a retailer of renewable energy – a good fit with Fjordkraft
- A challenger and a fighting brand – a good engine for growth in the Nordics
- Strong management team with total 30 yrs. industry experience. Operations based in Vaasa, Finland

Net revenue

~100 NOKm

Volume

~3.3 TWh

of electricity deliveries

~165k

Growth in deliveries 2020

~8%



Nordic Green Energy

Many similarities in the Nordics, but also differences

Similarities

- EU regulations
- Common power exchanges - Nord Pool and Nasdaq
- Pan-Nordic power trading wholesale services
- Consumer behaviour and technology adaption
- Pan-Nordic one-stop-shopping in B2B segment
- Drivers for consolidation (scale)

Differences

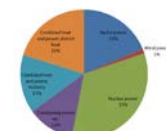
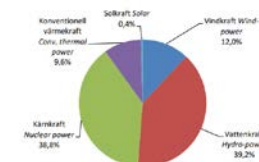
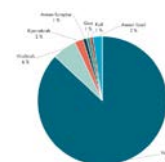
- A more diversified energy mix in SE and FI
- Historical power market price levels
- Product mix (fixed price is most common)
- EI Hub not yet established
- National regulations
- Language and culture

Possible synergies in areas such as:

- Energy procurement and risk mitigation
- Technology platform
- Operations
- Nordic B2B cooperation
- Various best practices

Local approach and adjustments:

- Build strong national competence and management
- Different product mix
- Business processes adjustments
- M&A-strategy
- Careful developing brand strategy



The regulatory landscape

Potential through changes in regulation enabling more equal conditions



Regulatory development Sweden

- Hub postponed – no set date or expectation
- Revision of current market processes. In the big picture, integrated companies prefer status quo, whereas the pure sales companies prefer a supplier centric model

- ✓ Integrated companies with strong local/regional positions
- ✓ Market dynamics and some business processes will most likely continue to differ some vs. Norway



Regulatory development Finland

- Hub expected February 2022. Customer centric model
- Hub related changes in market processes. In big picture integrated companies prefer status quo, but likely to support direction towards more horizontal structure

- ✓ Integrated companies with strong local/regional positions
- ✓ Possible added synergies Norway-Finland in business process best practice

Our goal is to be among the top four players in both the Swedish and the Finnish markets



-
- The markets are not consolidated – our goal is to build a top four position in both markets respectively by the end of 2023
 - Established a focused M&A team that also includes industry expert and local competence
 - Positive feedback on the Fjordkraft platform and development of new services and digital eco system
 - Also positive traction on ‘multi-hub’ approach – proven ability to realise efficiency from national platform although working from multiple locations including top management
 - Positive feedback on possibility to own shares in Fjordkraft
-



Our strategic approach

01

Further M&A growth, primarily targeting regional publicly owned energy companies where electricity retailing is not considered core business



02

Replicate platform and efficient operations based on Fjordkraft's model, adjusted to fit SE and FI market and regulations



03

Leverage from product offering, digital UX and support further development of brand, product range and distribution



Key highlights from Nordic expansion

1

A good start through acquisition of Nordic Green Energy

2

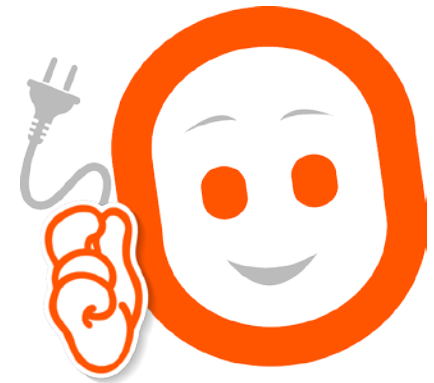
SE and FI are attractive markets with significant M&A potential

3

Replicate Fjordkraft's platform and support product development

4

Become a top four player in both SE and FI by the end of 2023





Financial outlook

Ole Johan Langenes (Acting CFO)

February 19th, 2021

Outlook for 2021-2023¹

Group	<ul style="list-style-type: none"> ▪ Targeting high-single digit net revenue growth. 2021 expected above double digit due to acquisitions in 2020 ▪ Targeting a sustainable EBIT margin of 36-38% ▪ Ambition to act as a consolidator in a fragmented market
Consumer	Growth <ul style="list-style-type: none"> ▪ Targeting mid-single digit annual net revenue growth
	EBIT margin <ul style="list-style-type: none"> ▪ Targeting a sustainable level of 32-34%
Business	Growth <ul style="list-style-type: none"> ▪ Targeting a sustainable level of mid-single digit growth. 2021 expected above double digit due to acquisitions in 2020
	EBIT margin <ul style="list-style-type: none"> ▪ Targeting a sustainable level of 52-54%
Nordic	<ul style="list-style-type: none"> ▪ Targeting an annual EBIT contribution of ~50 NOKm
NGI	<ul style="list-style-type: none"> ▪ Targeting a 50% improvement in nominal EBIT from 2020 to 2021 and a positive run-rate EBIT from late 2021
Cap.ex.	<ul style="list-style-type: none"> ▪ Targeted to be in the area of NOK 65-70m annually
Leverage	<ul style="list-style-type: none"> ▪ Targeting a leverage of 2-2.5x NIBD/EBITDA with variations intra-year due to seasonality in net working capital ▪ Current balance sheet enabling substantial capacity to finance acquisitions
Dividend	<ul style="list-style-type: none"> ▪ Target pay-out ratio of at least 80% of net income, adjusted for certain cash and non-cash items² ▪ Attractive and increasing dividend

1) Outlook on an organic basis, not including additional M&A transactions in the period. All targets are based on adjusted figures, further described under alternative performance measures in the quarterly report

2) Adjusted EBIT + net finance – estimated tax – amortisation of acquisition debt

Q&A

