



Company Presentation

24 June 2020

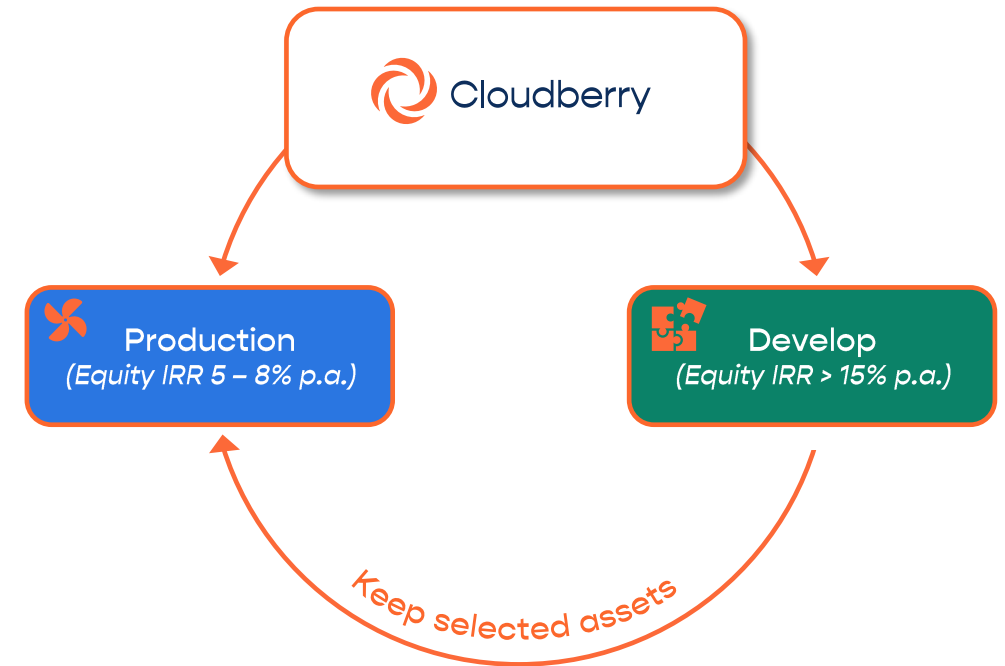


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Key investment highlights

- 1 Hydro and wind power company focused on the Nordics
- 2 Unique exposure to long term renewable assets
- 3 Scalable and efficient platform for growth, benefitting from 10 years' in-house development capability
- 4 Transformational acquisition of 85 GWh hydro portfolio
- 5 Net production of 138 GWh⁽¹⁾ in 2021, expected to generate NOK 29-39m in pre-tax cash flow⁽²⁾





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We are Cloudberry



Nordic renewable energy company listed on Euronext Oslo Merkur Market (Ticker: CLOUD-ME)



Owns, develops and operates primarily within Norwegian hydro and Swedish wind power assets



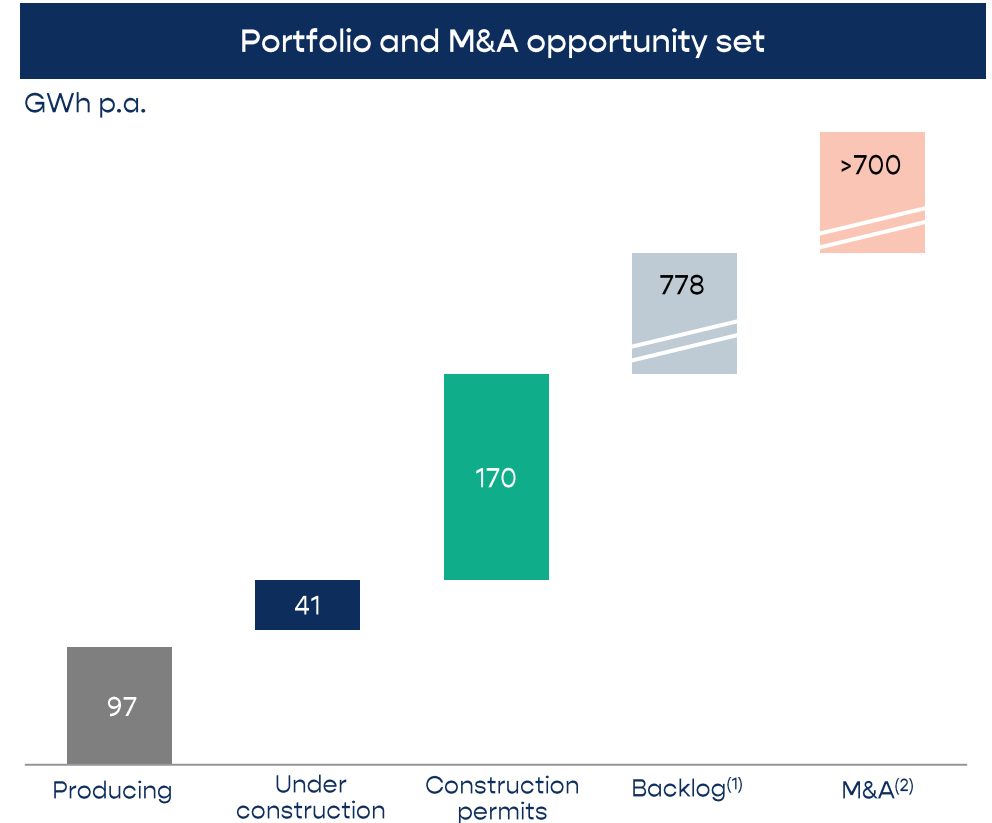
Solid development track record – 10 projects delivered over the last decade



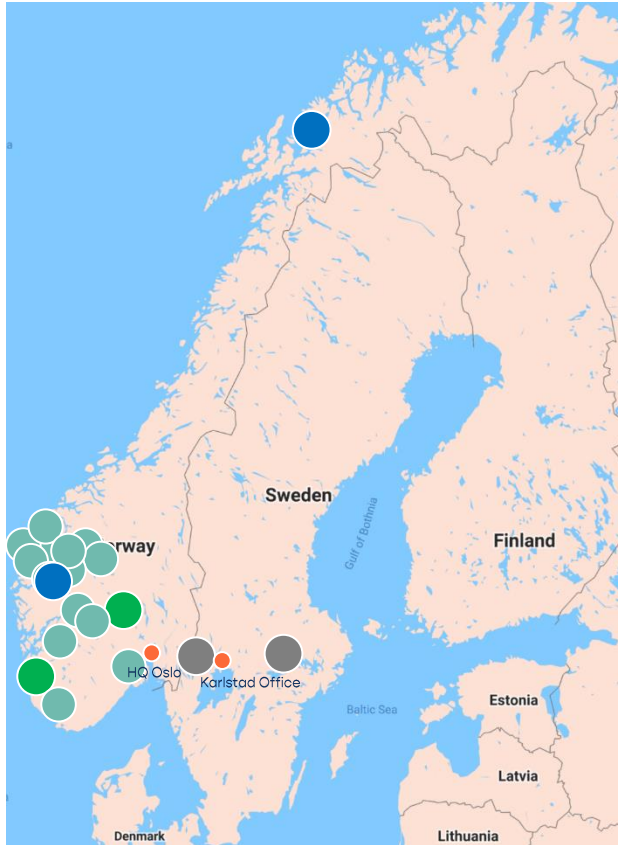
Provides growth and value creation through organic greenfield and M&A activities



Lean and efficient organization of 8 employees



Our portfolio



In production



Finnesetbekken Power Plant, Hydro, 3.2 GWh

Location: Nesbyen, Viken
Production start: 2011
Date acquired: June 2019



Røyrmýra Wind Park, 8.4 GWh

Location: Hå, Rogaland
Production start: 2016
Date acquired: August 2019



Acquisition portfolio, 85 GWh

Location: Norway
Production start: All in production
Date acquired: June 2020
Assets: 13 hydro power plants
1 PPA offtake (~11 years)
Financial closing: Expected Sep/Oct 2020

Under construction / Construction permits



Bjørgelva Power Plant⁽¹⁾, Hydro, 7.4 GWh

Location: Sørreisa, Troms
Production start: Q4 2020
Date acquired: June 2019



Nessakraft⁽¹⁾, Hydro 34 GWh

Location: Balestrand, Vestland
Production start: Q4 2020
Date acquired: June 2019



Hån Wind Park⁽²⁾, 88 GWh

Location: Årjäng, Sweden
Production start: End 2021
Signed MOU, Awaiting export licence



Duvhällen Wind Park⁽²⁾, 82 GWh

Location: Eskilstuna, Sweden
Production start: End 2022
Signed MOU, Possibly extended to 165 GWh

Cloudberry's two most recent development projects

Developed, constructed and sold

Rönsliden

- 24 MW
- Sold to Prime Capital, Germany
- Final takeover in October 2018
- Cloudberry developed and sold the project pre-construction in 2017 for NOK ~2m per MW
 - Pre-construction equity IRR = ~30%
- Full life-cycle equity IRR (development and 30 year production period) estimated to be 11-12% p.a. (based on long-term power price of NOK 0.40 per KWh)

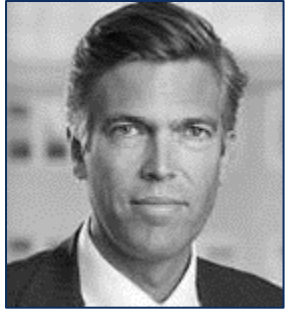


Marker Vindpark

- 54 MW
- Sold to BKW, Switzerland
- Operational from 2019, final takeover estimated to be in Q3 2020
- Cloudberry developed and constructed the project (project sold post-construction)
 - Final revenue and payments expected before year-end 2020
- Short production history, but initial indications are showing strong performance (~3,500 wind hours)
- Cloudberry's Hån (Sweden) development project located ~1 km away



Highly experienced management team



Anders J. Lenborg

Chief Executive Officer

- Founder of Cloudberry
- Former Partner and Head of Energy Sector Group, DLA Piper Norway
- Vast experience from infrastructure and renewable energy M&A



Christian A. Helland

Chief Value Officer (CFO)

- Former Partner and Portfolio Manager, Pareto Asset Management
- Lead investor for renewable projects in the Nordics and Germany since 2008



Jon Gunnar Solli

Chief Operating Officer

- Former CFO/CIO, OVF, Nordea AM, Sparebank1 Livsforsikring and Storebrand



Suna F. Alkan

Chief Sustainability Officer

- Former financial advisor and investor manager, Odin and Pareto Asset Management
- Positions in sales and human resources, Adecco Norge and Microsoft Norway



Tor Arne Pedersen


Chief Development Officer

- Former CEO and current Chairman, Varanger Kraft
- Vast experience from renewable sector, and responsible for building 12 hydro and 3 wind projects (446 GWh) in Sweden and Norway



Backed by active Board of Directors and supportive shareholders

Board of Directors				
				
Frank J. Berg	Benedicte Fossum	Morten Bergesen	Liv Lønnum	Petter W. Borg
Chairman	Board member	Board member	Board member	Board member
<ul style="list-style-type: none"> 30 years in Nordic renewables Former partner in Arthur Andersen and Selmer Board member in SKS, Nordic Windpower 	<ul style="list-style-type: none"> 10 years diversified board experience Pharmaq AS; founder, R&D, M&A and strategic development 	<ul style="list-style-type: none"> CEO of Havfonn and Snefonn since 2003 Chairman of Bergehus Holding, Klynge, Cogen Energia and Skogvind , Arendals Fossekompani 	<ul style="list-style-type: none"> Political adviser, the Norwegian Parliament Experience from the Ministry of Petroleum and Energy, Storebrand, Compass Group and Hammer & Hanborg 	<ul style="list-style-type: none"> 35 years in investment banking and asset management Former CEO of Pareto Asset Management

Selected key shareholders	
<p>JOHAN JOHANNSSON</p> <p>Significant investor in real estate and renewable energy.</p>	<p><i>Joh. Johannsson Eiendom AS</i></p>
<p>THE BERGESEN FAMILY</p> <p>Active investors with positions through the funds Snefonn and Havfonn. Previously one of the largest shipowners in the world, through Bergesen</p>	



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Cloudberry acquires a truly unique and attractive portfolio

Portfolio overview		Transaction background	
Portfolio production	85 GWh (net production to Cloudberry)	<ul style="list-style-type: none">Share purchase agreement entered into on 24 June 2020Cloudberry to acquire a 34% minority stake in a diversified portfolio of Norwegian producing hydro power assets (no construction risk), investing alongside a well-established European infrastructure investorThe portfolio will add 85 GWh of net annual power production to Cloudberry's producing portfolioCloudberry will be the Norwegian manager of the portfolio, and has secured appropriate and fair customary governance mechanisms and rightsComprehensive technical, financial and commercial due diligence completed individually by both Cloudberry and its partnerMutual ambition of Cloudberry and its partner to create a long-term strategic cooperationFinancial closing expected to be in September/October 2020Several financing alternatives available to fund the acquisition:<ol style="list-style-type: none">Existing cash – NOK 195m cash on hand per Q1-2020Consideration shares – Cloudberry and its partner have the intention to settle approximately 1/3 of the acquisition in Cloudberry shares, subject to agreed termsAsset(s)-in-kindShare issue	
# of assets	13 hydro power plants and 1 long-term PPA offtake, all located in Norway (geographically diversified)		
Attractive portfolio	Hydro assets with average license life of ~51 years, expected to generate equity IRR well within the company's target range		
Further potential	Further value creation potential through portfolio optimisation and creation of long-term strategic cooperation between Cloudberry and its partner		

The acquired portfolio⁽¹⁾



Kvitno kraftverk, 11.1 GWh
Location: Odda
Production start: 2015



Svardøla kraftverk, 10 GWh
Location: Luster
Production start: 2018



Tverrdalselvi kraftverk, 5.8 GWh
Location: Fjærland
Production start: 2020



Strupen kraftverk, 2 GWh
Location: Gloppen
Production start: 2017



Eldao kraftverk, 10 GWh
Location: Luster
Production start: 2018



Skeidsflåten, 6.1 GWh
Location: Fjærland
Production start: 2020



Bråberg kraftverk, 2.2 GWh
Location: Ullensvang
Production start: 2018



Setredalen kraftverk, 6.8 GWh
Location: Bremanger
Production start: 2019



Botna kraftverk, 2.2 GWh
Location: Fjærland
Production start: 2020



Espeelvi kraftverk, 4.1 GWh
Location: Ullensvang
Production start: 2018



Anga kraftverk, 7.4 GWh
Location: Førde
Production start: 2019



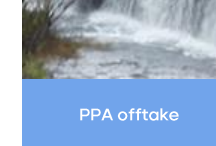
Løvenskiold PPA
Production: 6.8 GWh
Location: Skien
Contract expiry: 2031



Langedal kraftverk, 4.1 GWh
Location: Flora
Production start: 2018



Rusdalsåni kraftverk, 6.1 GWh
Location: Lund
Production start: 2019



Offtake paid up-front, no liabilities or running opex

Additional upsides and value drivers not yet reflected in Cloudberry's valuation assessment

Economies of scale	<ul style="list-style-type: none">• Increased purchasing power – reduced operating costs• Sale of power – larger portfolio• Reduced operational risk – both on local annual fluctuations in precipitation and disruptions in operation on a single plant• Better positioned for negotiating terms on debt financing
Improved production control	<ul style="list-style-type: none">• The Norwegian Water Resources and Energy Directorate have given signals that they will be positive to minor raises in dams for small scale hydro
Favourable changes in climate conditions	<ul style="list-style-type: none">• Analyses from Meteorologisk Institutt (Norway's MET) conclude warmer and wetter climate conditions• Increased precipitation will increase flow in the rivers• Warmer temperatures will extend annual production period for run of the river plants• Both support increased production going forward
Manager role	<ul style="list-style-type: none">• Manager and service fees to Cloudberry for role as manager of the portfolio

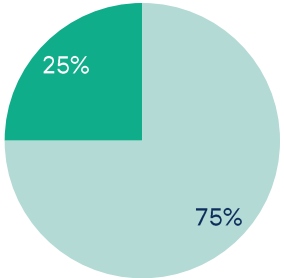
A transformative transaction

Current portfolio

GWh p.a.



Technology mix (production)

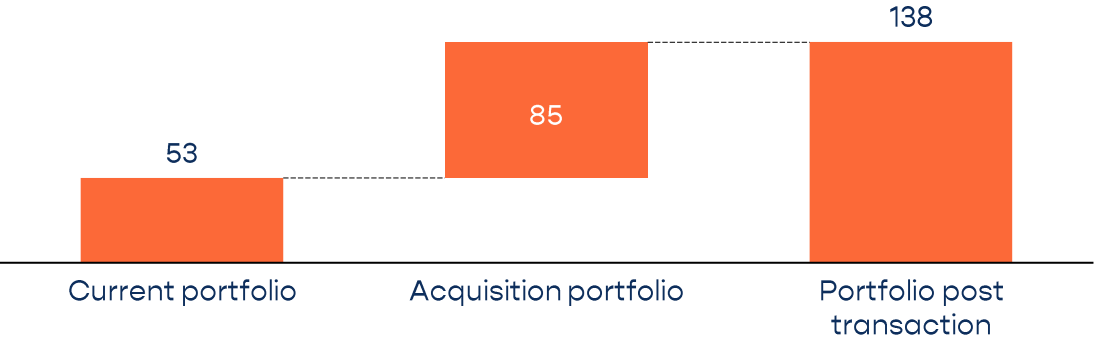


Wind Hydro

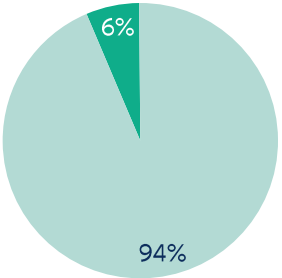
- Portfolio of 4 production assets (1 wind and 1 hydro asset in production, and 2 hydro assets under construction) at attractive geographic locations in Norway

Portfolio post transaction

GWh p.a.



Technology mix (production)



Wind Hydro

- 13 producing hydro power plants and 1 long-term PPA offtake at attractive locations in Norway added to the production portfolio through the transaction
- Production portfolio post transaction of 18 assets, predominantly hydro in Norway – significantly diversifying the portfolio on an asset and geographic level

Strong transaction rationale



Significantly growing Cloudberry's portfolio – expected 2021 production increased from 53 to 138 GWh



“Sweet-spot” portfolio, significantly and efficiently scaling the company



Diversifying the production portfolio geographically and on an asset level



Unique exposure to high quality Norwegian hydro power assets

2.6x

Increase in 2021 production

Diversified production from

18 assets

in 2021



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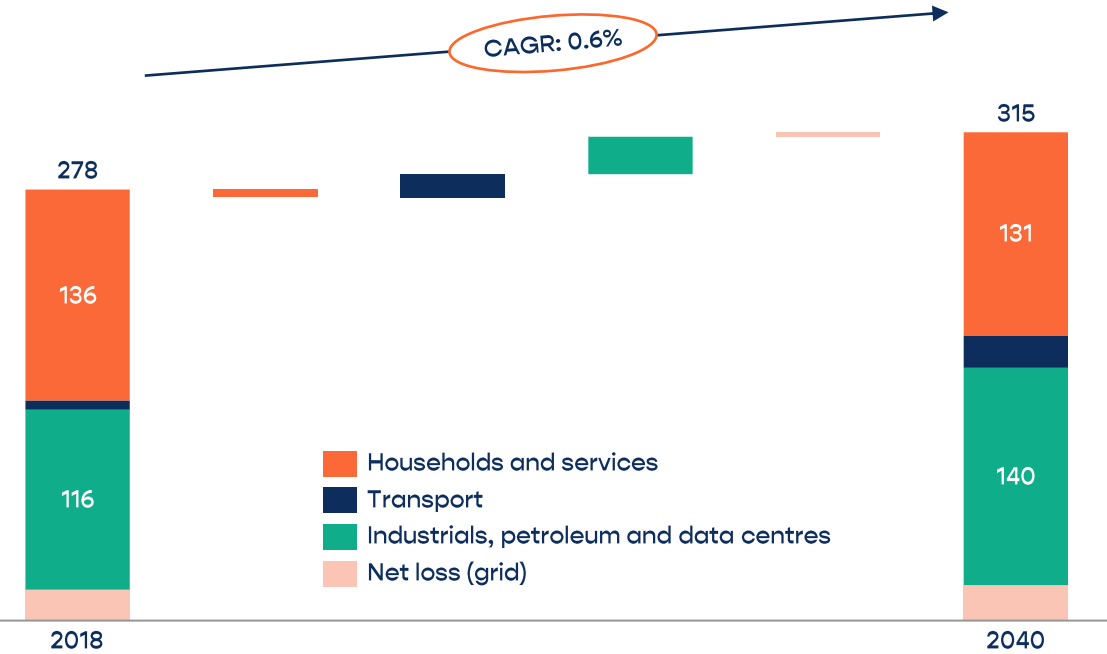
Appendix

Increased power demand in the Nordics...

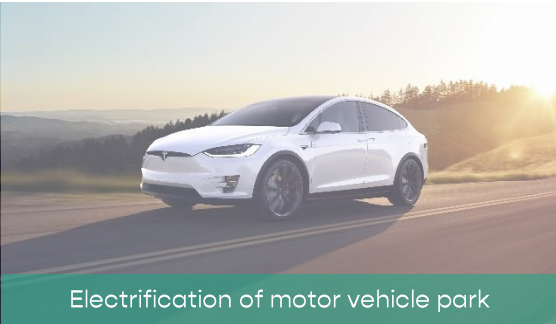
Power demand projected to significantly increase...

...driven by a highly power intensive technological revolution

Source of power demand increase, Norway and Sweden (TWh)



Selected illustrations of technological innovations to drive increased power demand



Electrification of motor vehicle park



Electrification of vessel fleet



Big data / AI / IoT



Innovations and new demand categories

...backed by favourable regulatory forces and a closer integration of the European power market

Demand to be met by renewables supply



Paris Agreement (COP21)



Phasing out of nuclear power in Europe by 2030

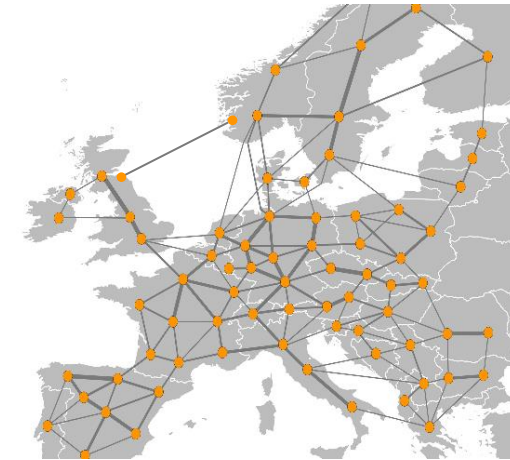


Carbon pricing



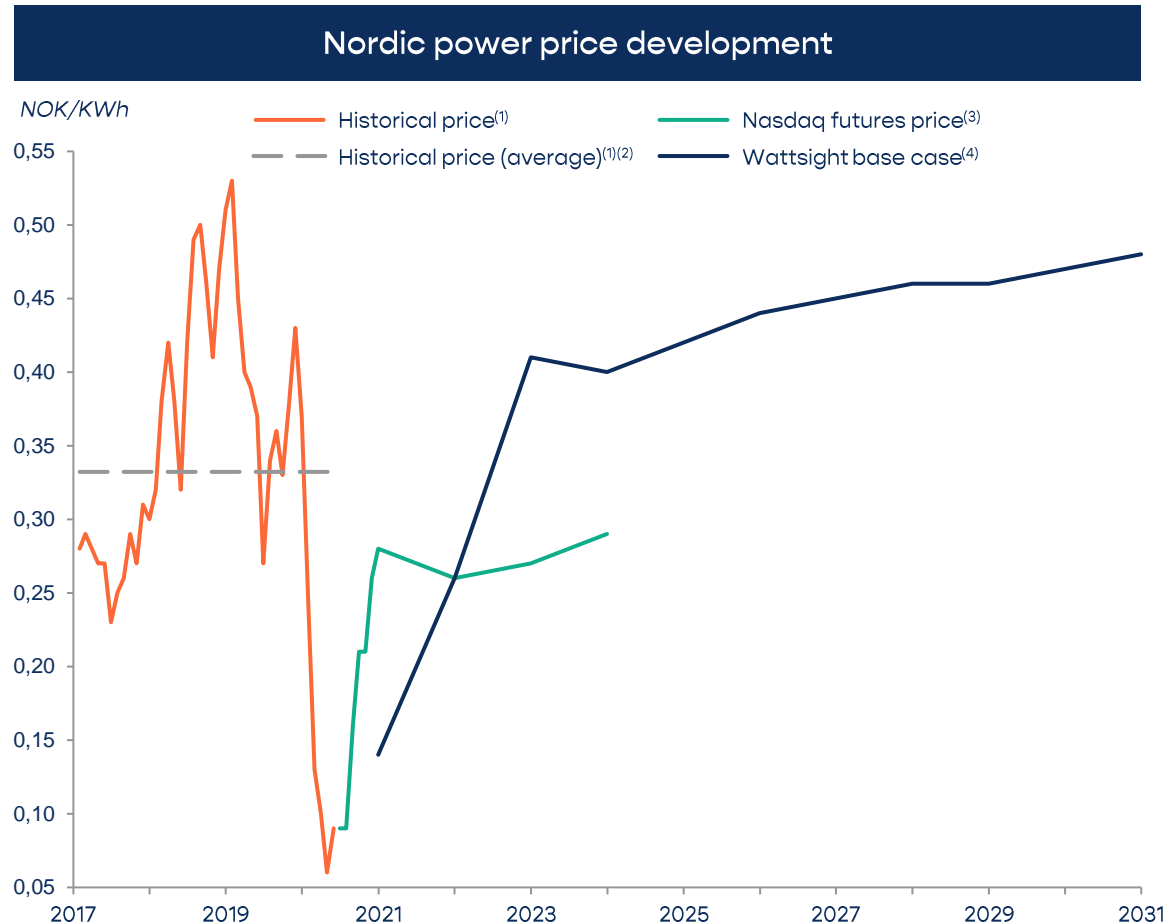
Electrification of transport and heat

Grid connections to balance European prices



- To ensure steady supply and to even out power price imbalances, the EU's Projects of Common Interest (PCIs) intends to create an internal market for electricity for the EU countries
- Nordic countries are producing low-cost power and have a high share of renewables (compared to Southern Europe)
 - Increased interconnection may drive sustained long-term increase in Nordic power prices

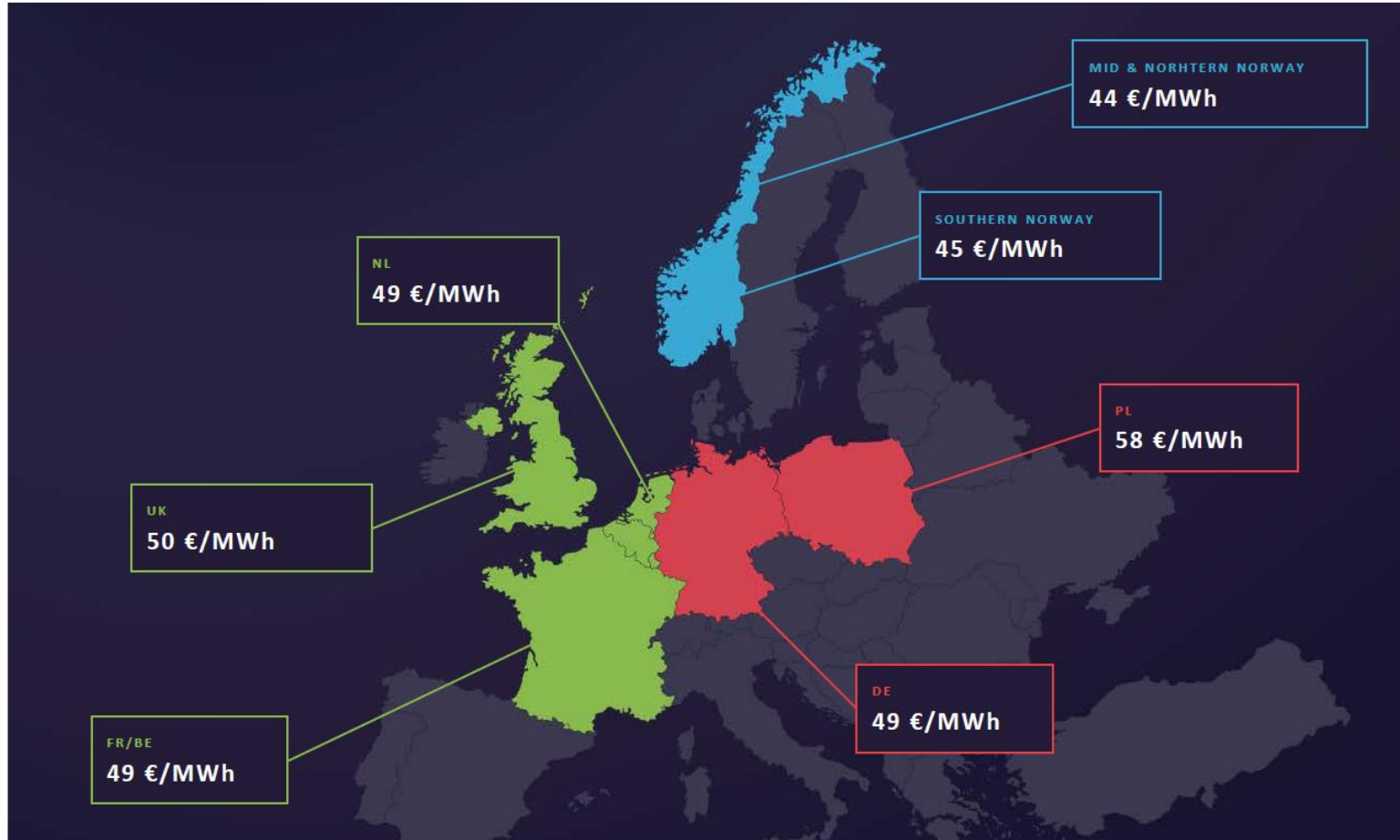
Nordic power price development



Commentary

- Covid-19 has had a one-time significant negative demand effect
- Weather/climate conditions with high precipitation, high temperatures and high snowmelt, combined with grid/cable link issues, have led to increased production surplus that also has weighed on power prices in 2020
- Wattsight base case at normalised levels from 2022 onwards forecasts prices to trade in the range of NOK 0.40-0.50/KWh in the 2022-2045 time period
- The Wattsight base case is based on a comprehensive analysis by a market leading research house (Wattsight), and some of the main drivers behind the price curve is hydrology, commodity prices (e.g. coal, gas and EUA), other supply sources (e.g. wind, coal and nuclear power), power consumption and cable link infrastructure
- Cloudberry has secured a PPA at attractive levels for its Røyrmýra wind park, and will seek to have an active hedging strategy to optimise risk adjusted return levels for its portfolio going forward

Wattsight simulated power prices 2024-2030⁽¹⁾



Commentary

- European power prices are estimated to remain in the range of EUR 44-58/MWh by Wattsight
- Norwegian Krone power prices of 0.45 NOK/KWh based on EURNOK 10x



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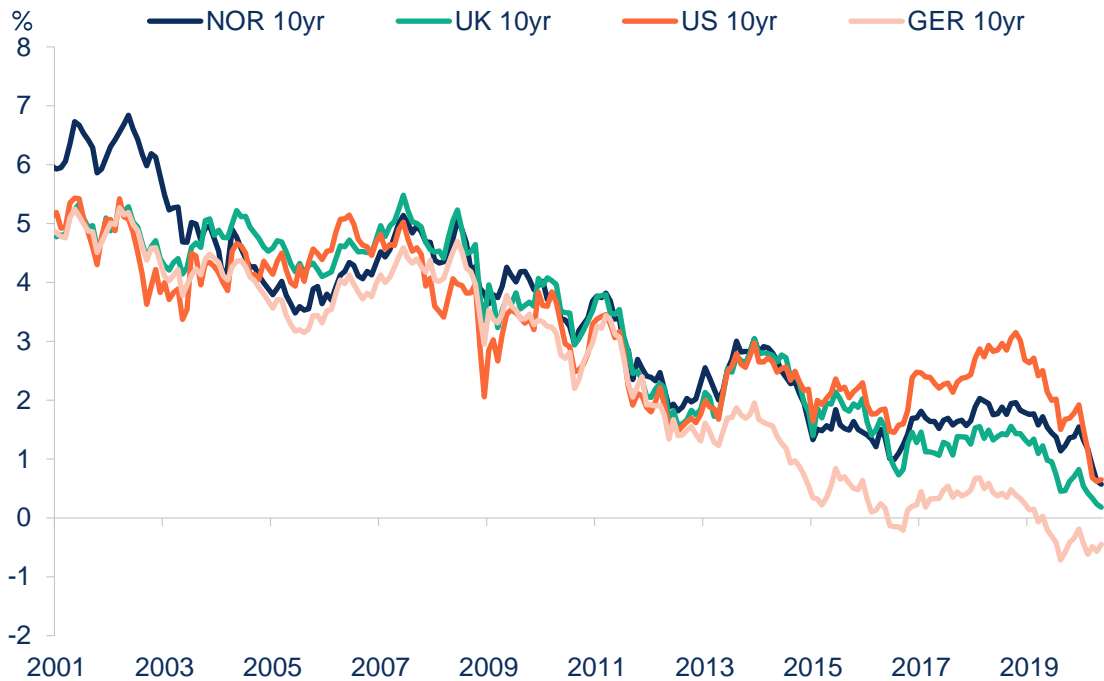
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Asset values boosted by low yield environment

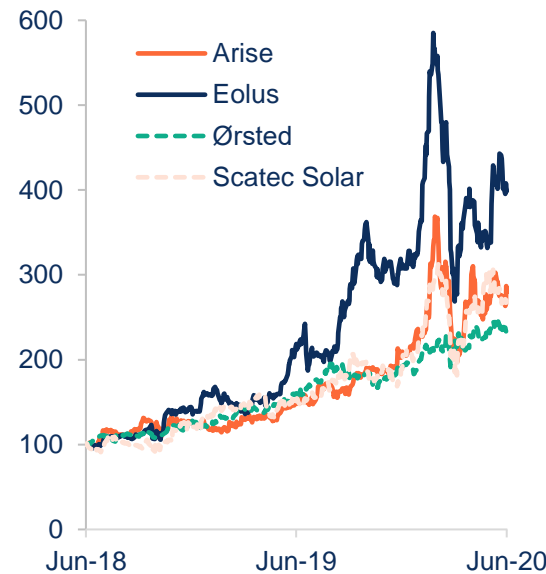
Cloudberry targets 5-8% equity IRR coupled with higher IRR from development assets comparing favourably to the low yield environment

Development in 10-year government bond yields

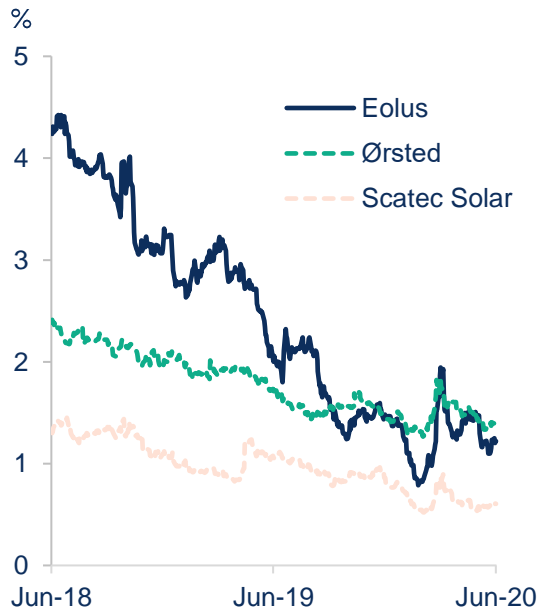


Share price performance and dividend yield - selected Nordic peers

Total return (indexed)

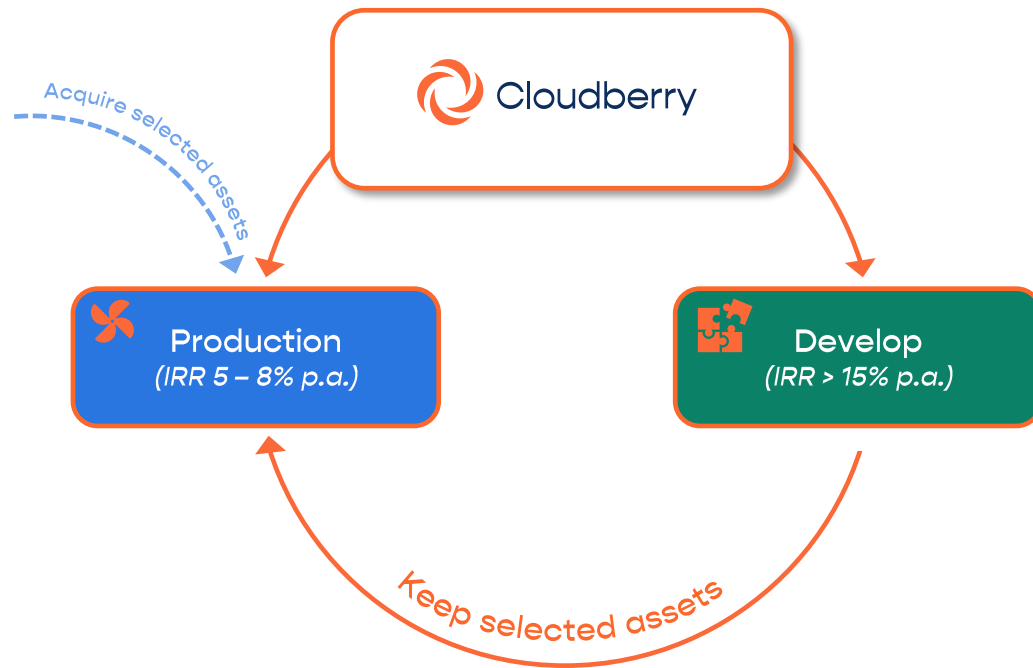


Historical dividend yield



Our business model for growth and value creation

The Nordic clean renewable platform



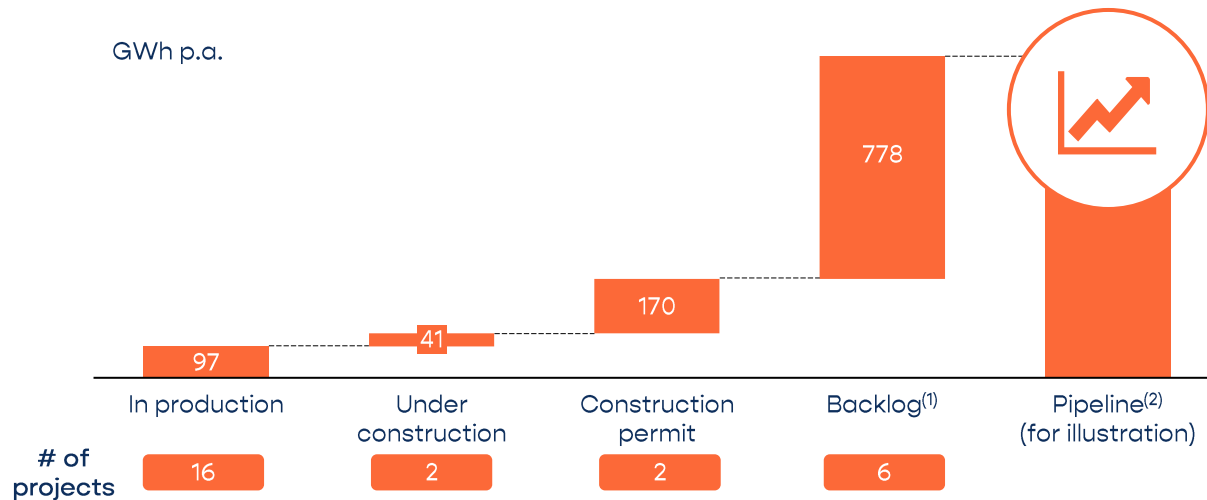
Value creation

- **Production**
 - Holds producing wind and hydro assets
 - Operations and maintenance sourced externally
 - Source assets externally or internally (from Develop)
- **Develop**
 - In-house development of wind and hydro power assets to ready-to-build phase
 - Construction sourced externally, limiting fixed cost base
 - Selectively choose to divest or keep assets on asset-by-asset basis
- Typical 5-8% equity IRR for production asset acquisitions and >15% for development projects
- Lean and efficient organisation
 - Operations and construction activities outsourced to keep overhead low and tap into local presence and expertise

Dual growth strategy

Organic greenfield development

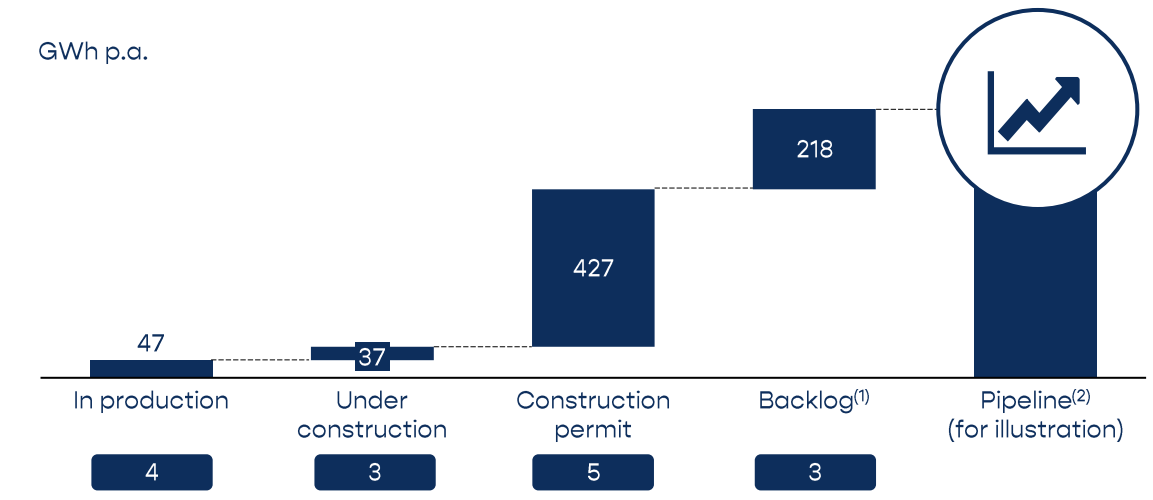
GWh p.a.



- Experienced team focusing on organic developments
- Successfully developed and exited 10 development projects to high quality names over the last 10 years – 2 more projects under construction
- Going forward, Cloudberry will selectively choose to either keep or divest internally developed projects – targeting a balanced and diversified portfolio

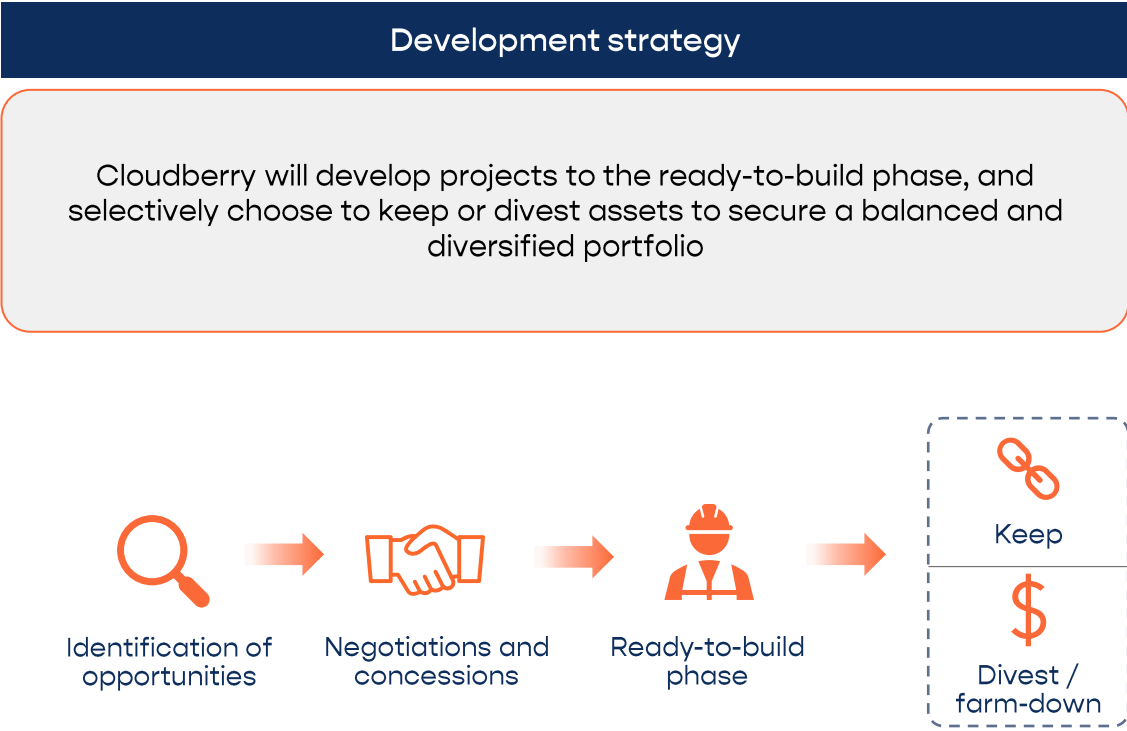
Inorganic opportunities

GWh p.a.



- Team with deep industry connections from operating in and around the renewable power sector for numerous years – local knowledge and connections are key to gaining access to opportunities
- Several attractive opportunities in the market, with the acquisition of the portfolio of 85 GWh being an excellent testimony to Cloudberry's origination and execution abilities

Active asset management secures a balanced and diversified portfolio



Track-record of developing and divesting to high quality names

Project (Wind)	Location	Production (GWh)	Capacity (MW)	Year realised
Tysvær Vindpark AS	Rogaland, Norway	101	39	2011
Sandbackmossen	Värmland, Sweden	2	1	2011
Velinga-Nybruun	Västra Götaland, Sweden	24	10	2012
Sättravallen	Värmland, Sweden	136	48	2013
Sögårdsfjället	Västra Götaland, Sweden	25	10	2014
Tormoseröd Vindpark AB	Västra Götaland, Sweden	117	39	2014
Jämnemon, Årjäng	Värmland, Sweden	50	21	2015
Project Rewind	Värmland, Sweden	348	100	2016
Ränsliden	Västra Götaland, Sweden	84	24	2017
Marker Vindpark AS	Viken (Østfold), Norway	196	54	2018
Total sold assets		1 066	343	
Project Hån	Årjäng, Sweden	88	21	
Project Duvhällen	Eskilstuna, Sweden	82 ⁽¹⁾	28	
Total active sales processes		170	77	

Select acquirors of Cloudberry developed power production assets



Financial summary

Production segment	
Target equity IRR	5-8%
Røyrmyna and Finnesetbekken (12 GWh p.a.)	<ul style="list-style-type: none"> Røyrmyna revenues: PPA agreement Finnesetbekken revenues: Spot market Positive contribution on combined asset level in current market
Portfolio acquisition (85 GWh p.a.)	Revenue contribution from closing
Nessakraft and Bjørgelva (41 GWh p.a.)	Revenue contribution and capex commitment from Q1/Q2 2021

Develop segment		
Target equity IRR	>15%	
Revenue dynamics	Divestment price	Historical divestment
	~NOK 1 million per MW	~38 MW per year

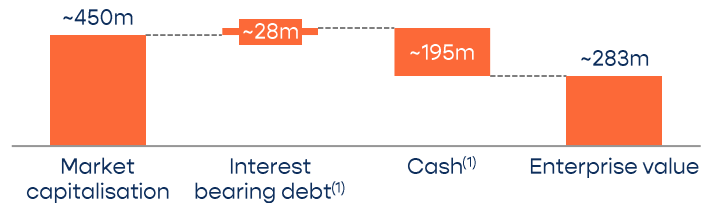
Corporate segment	
Main cost drivers	<ul style="list-style-type: none"> 8 employees⁽¹⁾ 5 professional board members and listing costs General administrative costs

Expected to generate NOK 29-39m in pre-tax cash flow⁽²⁾ in 2021

Capital structure and financing strategy

Capital structure

Enterprise value bridge (NOKm)



Interest bearing debt bridge (NOKm)



Cash balance bridge (NOKm)



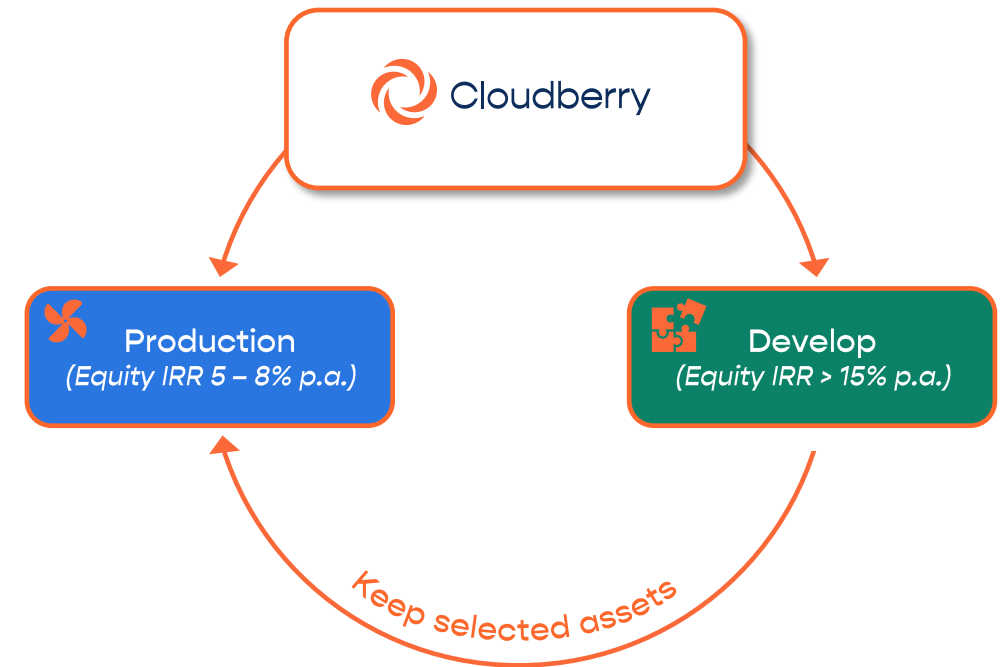
Financing strategy

- Cloudberry seeks to at all times have a optimised capital structure, taking both return and risk levels into consideration
- Debt financing target of ~40-60% for production assets, with debt financing at SPV level
- Several alternatives available for financing of equity component for potential transactions, depending on transaction size, transaction type and counterparty, including:

- 1 Existing cash and cash flow generated through Production and Development segments
- 2 Share consideration
- 3 Equity issue

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Shareholder overview and selected corporate matters

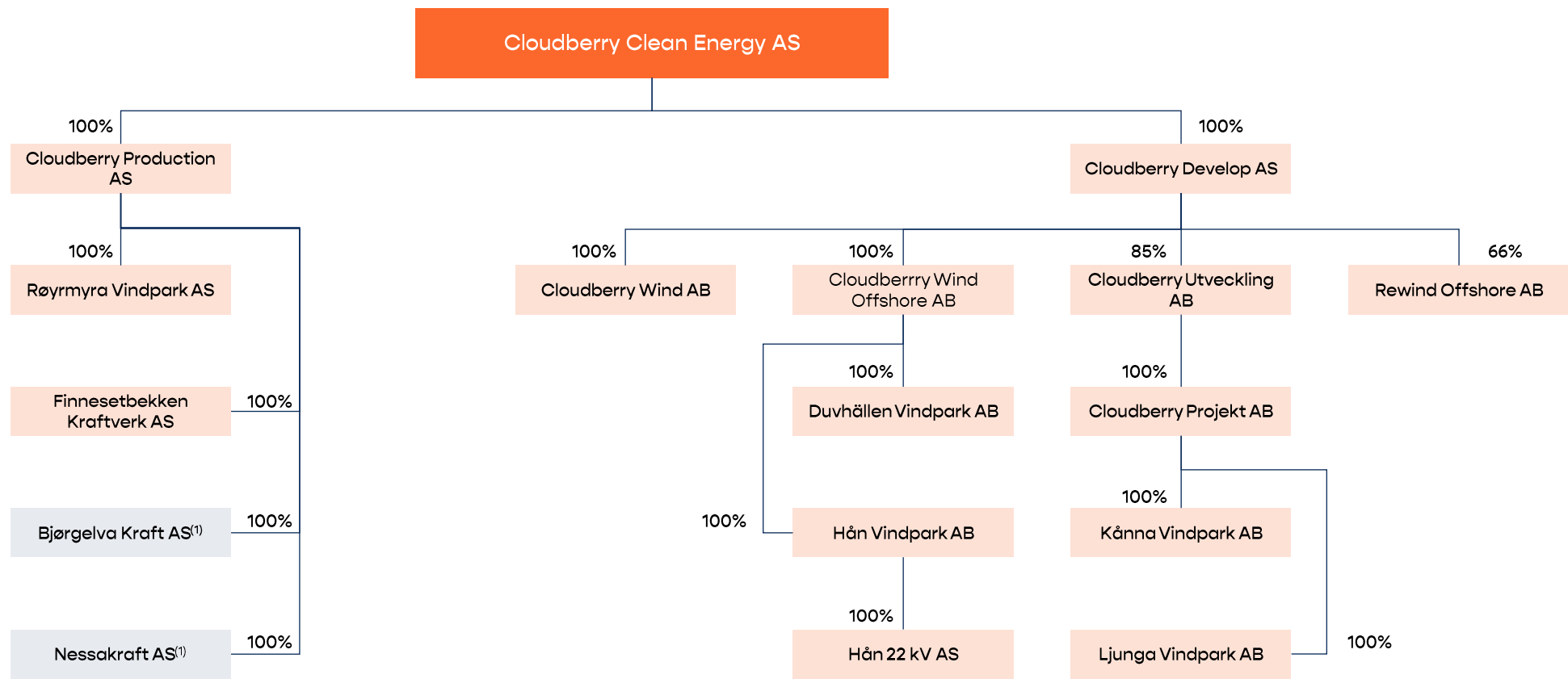
Shareholder overview

Shareholders	# Shares	% Shares
Joh Johannson Eiendom AS	10,431,495	27.11 %
Snefonn AS (Bergesen family)	4,738,036	12.31 %
Havfonn AS (Bergesen family)	3,216,216	8.36 %
CCPartner AS (Chairperson, Frank J. Berg)	2,696,957	7.01 %
Cloudberry Partners AS ⁽¹⁾	1,810,800	4.71 %
Asheim Investments AS	1,097,561	2.85 %
Artel AS	1,019,387	2.65 %
Lenco AS (CEO, Anders J. Lenborg)	933,070	2.58 %
NGH Invest AS	955,902	2.48 %
Gluteus Medius AS	900,900	2.34 %
Gullhauggrenda Invest AS	900,000	2.34 %
HCA Melbye AS	835,223	2.17 %
Kewa Invest AS (Borg family)	539,436	1.40 %
Lotmar Invest AS (COO, Jon Gunnar Solli)	531,602	1.38 %
Skogvind AS	528,378	1.37 %
Lave AS	479,951	1.25 %
Johan Vinje AS	479,951	1.25 %
H A Skajems Planteskole AS	479,951	1.25 %
Amandus Invest AS (CVO, Christian Helland)	444,758	1.16 %
Jaco Invest AS	433,186	1.13 %
Top 20	33,512,760	87.09 %
<i>Other shareholders</i>	<i>4,967,738</i>	<i>12.91 %</i>
Total	38,480,498	100.00 %

Selected corporate matters

- Private placement of NOK 158m completed in March 2020, at a subscription price of NOK 11.1 per share
- Listed on the Merkur Market from 2 April 2020 under the ticker CLOUD-ME
- Two new board members, Benedicte Fossum and Liv Lønnum, elected on extraordinary general meeting held on 17 June 2020
- IFRS implemented from Q2-2020
 - Q2 2020 financial report to be published on 16 September 2020
- Cloudberry to follow Euronext's guidance on ESG reporting and comply with NUES' Code of Conduct
- Listing on Oslo Axess targeted within next 12 months

Group legal structure



Sustainability in focus

-  Delivering renewable energy solutions, contributing to an overall reduction in emissions
-  Highly focused on the environmental impact and a sound industrial rationale of renewable projects
-  Contributing to local value creation and employment
-  Focus on sustainable and circular solutions throughout the lifecycle of renewable projects
-  Aligned with the United Nations' Sustainable Development Goals



Outsourcing operations to tap into local presence, expertise, technology and sharing in economies of scale

Operational strategy

Why outsource operations?

Cloudberry's strategy is to own and develop hydro and wind power assets in the Nordics – operations is outsourced to top local partners, securing access to superior technological solutions, local presence and sharing in their economies of scale

Expertise is available, pricing is competitive and benchmarking is simple

- Operational tasks that are outsourced include inter alia continuous monitoring, 24h emergency central and local monitoring/servicing, planned servicing and optimisation of daily production (including daily weather monitoring)
- Cloudberry envisions to continue outsourcing operational tasks
- Cloudberry will seek to enter into risk-sharing contracts to ensure that the interests of the operating partner is aligned with that of Cloudberry

Operating partnerships



- Technologically advanced operational platform, optimising day to day operations
- Excellent service offering
- Risk-sharing agreement



- Currently operates one and constructs two hydro power plants for Cloudberry
- Excellent service offering, and will be considered for future assets given its strong performance and competitive pricing

Other partners

- Cloudberry is open to establishing relationships with other partners offering expertise, local presence and competitive commercial terms

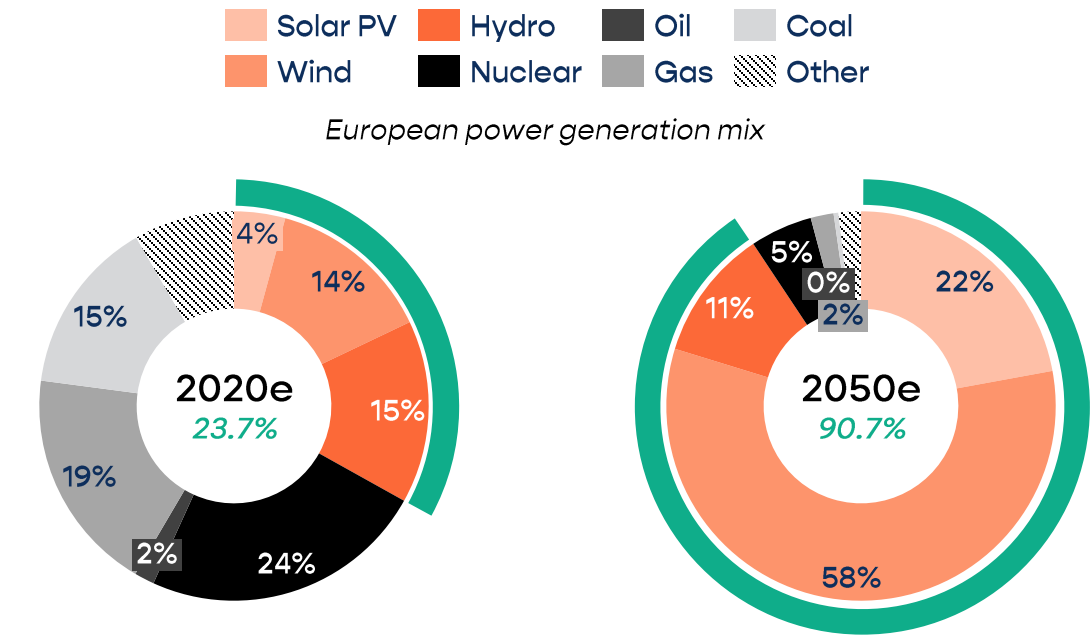
Strong forces pushing for the Energy Transition

Strong forces pushing for conversion to renewables



Energy Transition anchored at Government level across the world

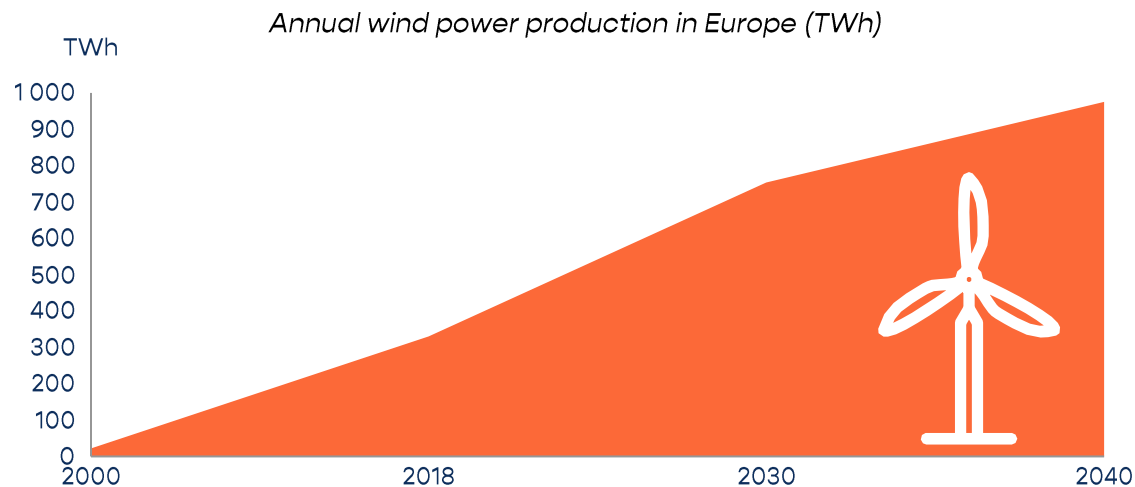
Renewables projected to make up the lion's share of power supply



Renewables to almost entirely replace non-renewables

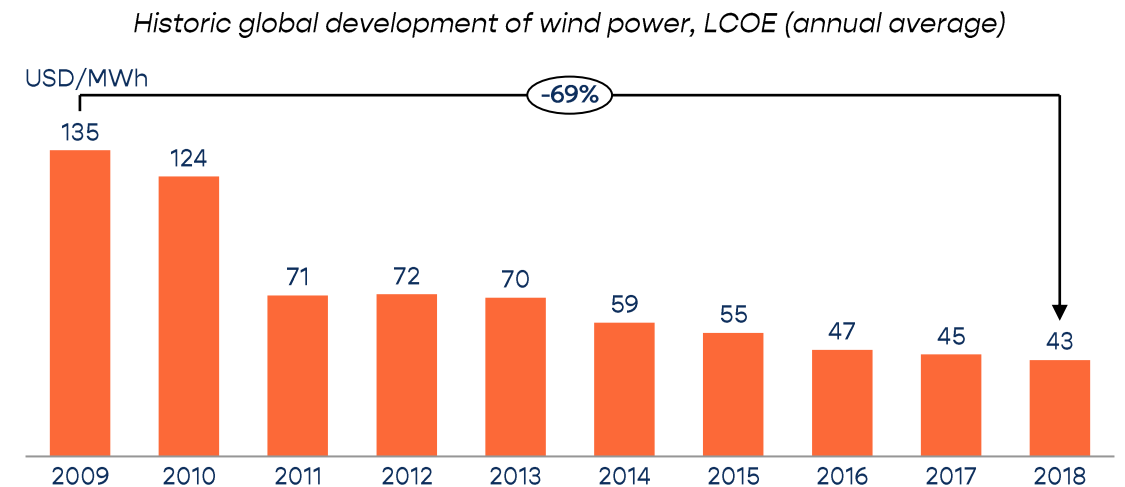
Wind power to play a dominant role in the Energy Transition

The European wind power market is growing at rapid pace...



- European wind power production is projected to grow rapidly, from 330 TWh in 2018 to 976 TWh in 2040
- Sweden has attractive fundamentals for wind power generation and grid network connectivity, creating an opportunity to become a large exporter of low-cost, low-carbon electricity to Continental Europe

...and the cost of the technology keeps decreasing



- The cost of generating wind power has seen a dramatic decline the last years, dropping 69% from 2009 to 2018. Prices are projected to drop another 48% by 2050
- Machine efficiency is up and the use of sensors and smart data helps optimise operational efficiency and reduce costs



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