



Edisun Power Europe Ltd.

# Consolidated Interim Financial Statements 2021

# 21



# Content

## **Consolidated Interim Financial Statements**

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All values are rounded individually.

## Consolidated Interim Balance Sheet

	Notes	30.06.2021 TCHF	31.12.2020 TCHF
<b>Assets</b>			
Cash and cash equivalents		28 719	28 409
Trade receivables		4 042	2 293
Other receivables and current assets		3 309	1 141
Financial assets		540	533
<b>Total current assets</b>		<b>36 611</b>	<b>32 376</b>
Land, plant and equipment	5.1	172 619	166 146
Intangible assets		179	184
Financial and other long term assets		4 438	3 604
<b>Total non-current assets</b>		<b>177 235</b>	<b>169 934</b>
<b>Total assets</b>		<b>213 846</b>	<b>202 310</b>
<b>Liabilities and equity</b>			
Borrowings	5.2	15 546	15 073
Trade payables		413	386
Other payables		855	509
Accrued cost		7 397	7 622
Income tax liabilities		681	476
<b>Total current liabilities</b>		<b>24 892</b>	<b>24 066</b>
Borrowings	5.2	103 125	95 611
Provisions		1 032	891
<b>Total non-current liabilities</b>		<b>104 156</b>	<b>96 503</b>
<b>Total liabilities</b>		<b>129 048</b>	<b>120 569</b>
Share capital		31 075	31 075
Share premium		45 856	46 777
Retained earnings and currency translation differences		7 867	3 889
<b>Total equity</b>		<b>84 798</b>	<b>81 741</b>
<b>Total liabilities and equity</b>		<b>213 846</b>	<b>202 310</b>

The notes are an integral part of these condensed consolidated interim financial statements.

## Consolidated Interim Income Statement

	Notes	01.01.2021 – 30.06.2021 TCHF	01.01.2020 – 30.06.2020 TCHF
Revenue from sale of electricity		8 474	5 964
Other operating income		74	443
<b>Total revenues</b>	6, 7	<b>8 548</b>	<b>6 406</b>
Personnel expenses		- 433	- 422
Rental and maintenance expenses		- 754	- 718
Administration expenses		- 342	- 291
Advertising expenses		- 2	- 6
Other operating expenses		- 487	- 433
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	6, 7	<b>6 530</b>	<b>4 536</b>
Depreciation and amortization	5.1	- 3 015	- 2 211
<b>Earnings before interest and taxes (EBIT)</b>	7	<b>3 515</b>	<b>2 325</b>
Financial income		824	555
Financial expenses		- 1 378	- 1 344
<b>Net profit before income tax</b>		<b>2 961</b>	<b>1 537</b>
Income tax		- 428	- 175
<b>Net profit</b>	7	<b>2 533</b>	<b>1 362</b>
attributable to shareholders of Edisun Power Europe Ltd.		2 533	1 362
Earnings per share attributable to shareholders of Edisun Power Europe Ltd. (expressed in CHF per share):			
basic and diluted	8	2.45	1.31

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## Consolidated Interim Cash-flow Statement

	Notes	01.01.2021 – 30.06.2021 TCHF	01.01.2020 – 30.06.2020 TCHF
<b>Net profit (CF)</b>		<b>2 533</b>	<b>1 362</b>
Reversal of non-cash items:			
Depreciation and amortization	5.1	3 015	2 211
Change in accruals and provisions		178	-95
Financial income		-824	-555
Financial expense		1 378	1 344
Income tax expense		428	175
Change in receivables and other current assets		-1 940	-555
Change in payables		362	10
Interest paid		-835	-717
Taxes paid		-107	-73
Other non-cash items		54	-175
<b>Cash-flow from operating activities</b>		<b>4 242</b>	<b>2 930</b>
Investments in plant and equipment		-9 988	-8 980
Investments in intangible assets		-15	-9
Investments in financial assets		-281	-7
Interest received		1	0
<b>Cash-flow from investing activities</b>		<b>-10 283</b>	<b>-8 996</b>
Increase of other borrowings		8 732	0
Repayment of other borrowings	5.2	-1 589	-1 331
Dividends paid	9	-1 139	-1 139
<b>Cash flow from financing activities</b>		<b>6 004</b>	<b>-2 470</b>
<b>Net change in cash and cash equivalents</b>		<b>-38</b>	<b>-8 536</b>
<b>Cash and cash equivalents at the beginning of the year</b>		<b>28 409</b>	<b>32 751</b>
Exchange effects on cash and cash equivalents		347	-265
<b>Cash and cash equivalents at the end of the period</b>		<b>28 719</b>	<b>23 950</b>

The notes are an integral part of these condensed consolidated interim financial statements.

## Consolidated Statement of Changes in Equity

TCHF	Attributable to shareholders of the Company				Total equity
	Share capital	Share premium	Retained Earnings	Currency translation differences	
<b>December 31, 2019</b>	<b>31075</b>	<b>47916</b>	<b>5857</b>	<b>- 5040</b>	<b>79808</b>
Distribution of capital contribution reserves		- 1 139			- 1 139
Net profit			1 362		1 362
Currency translation foreign subsidiaries				- 1 998	- 1 998
<b>June 30, 2020</b>	<b>31075</b>	<b>46 777</b>	<b>7 218</b>	<b>- 7 038</b>	<b>78 032</b>
<b>December 31, 2020</b>	<b>31075</b>	<b>46 777</b>	<b>9 151</b>	<b>- 5 262</b>	<b>81 741</b>
Distribution of capital contribution reserves		- 1 139			- 1 139
Net profit			2 533		2 533
Currency translation foreign subsidiaries				1 663	1 663
<b>June 30, 2021</b>	<b>31075</b>	<b>45 638</b>	<b>11 684</b>	<b>- 3 599</b>	<b>84 798</b>

The notes are an integral part of these condensed consolidated interim financial statements.

# Notes to the Consolidated Interim Financial Statements

All amounts are in CHF 000 unless otherwise noted

## 1 General Information

Edisun Power Europe Ltd. ('the company') and its subsidiaries (together 'the Group') finance and operate photovoltaic systems (PV) in Europe and sell solar energy to the local electricity companies. The Group is present in Switzerland, Germany, Spain, France, Italy and Portugal.

Edisun Power Europe Ltd. is a limited company domiciled and incorporated in Switzerland. The address of the registered office is: Universitätstrasse 51, 8006 Zürich, Switzerland. The Company is listed on the "Swiss Reporting Standard" segment of the SIX Swiss Exchange.

## 2 Basis of Preparation and Significant Accounting Policies

The consolidated financial statements cover the unaudited interim results for the six months ending 30 June 2021. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations). The consolidated interim financial statements for 2021 have been prepared in accordance with FER 31 "Complementary Recommendation for Listed Companies". Furthermore, the accounting complies with the provisions of the listing rules of the SIX Swiss Exchange and with Swiss company law.

The interim financial statements do not contain all the information and disclosures required in the annual consolidated financial statements. They should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2020. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2020.

The consolidated interim financial statements were approved for issue by the Board of Directors on 26 August 2021.

All amounts in these financial statements are denominated in TCHF unless otherwise noted. The values are rounded individually.

## 3 Changes to Group Structure

There were no changes to Group structure during the period under review.

## 4 Currency Translation Rates

The CHF/EUR exchange rates relevant for the consolidated interim financial statements were:

	Closing rate 30.06.2021	Average HY 2021	Closing rate 31.12.2020	Average HY 2020
<b>1 EUR</b>	<b>1.0969</b>	<b>1.0940</b>	<b>1.0823</b>	<b>1.0671</b>



All amounts are in CHF 000 unless otherwise noted

## 5 Balance Sheet

In the period under review, the structure of the balance sheet remained largely unchanged. The value of fixed assets increased slightly from CHF 166.1 million at the end of 2020 to CHF 172.6 million due the ongoing investments in the Portuguese PV projects and additionally supported by the restrengthening of the Euro against the Swiss franc. All in all, land, plant and equipment still amounted to more than 80% of total assets, see also note 5.1. At the same time, current assets increased from CHF 32.4 million to CHF 36.6 million due mainly to the temporarily high trade and other receivables due to the seasonality pattern of the business. Overall, total assets grew by 6% from CHF 202.3 million to CHF 213.8 million.

On the liabilities and equity side, total liabilities increased by about CHF 8.5 million mainly due to the addition of debt for the construction of the new Portuguese PV plants as well as for the financing of an existing Spanish plant (see also note 5.2). In addition, equity grew by about CHF 3.1 million due to the half-year profit of CHF 2.5 million and a positive currency impact of CHF 1.7 million, partially compensated by the distribution of capital contribution reserves of CHF 1.1 million. All in all, the equity ratio remained largely unchanged at 39.7% (vs. 40.4% by the end of 2020).

### 5.1 Land, PV-Plants and Equipment

HY 2021	Land	PV Plants	Assets under construction	FF&E	Total
<b>Gross values</b>					
Opening gross book amount as at January 1, 2021	1 033	146 622	51 318	256	199 229
Exchange differences	14	1 892	608	2	2 516
Additions	-	1 331	6 025	-	7 356
Disposals	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-
Reclassifications	-	-	-	-	-
<b>Closing gross book amount - June 30, 2021</b>	<b>1 047</b>	<b>149 845</b>	<b>57 951</b>	<b>258</b>	<b>209 101</b>
<b>Accumulated depreciation</b>					
Opening amount as at January 1, 2021	617	32 213	-	254	33 084
Exchange differences	8	395	-	2	405
Disposals	-	-	-	-	-
Depreciation charge	-	2 994	-	-	2 994
Reclassifications	-	-	-	-	-
<b>Closing amount - June 30, 2021</b>	<b>625</b>	<b>35 601</b>	<b>-</b>	<b>256</b>	<b>36 482</b>
<b>Net book value January 1, 2021</b>	<b>416</b>	<b>114 410</b>	<b>51 318</b>	<b>2</b>	<b>166 146</b>
<b>Net book value June 30, 2021</b>	<b>422</b>	<b>114 244</b>	<b>57 951</b>	<b>2</b>	<b>172 619</b>

All amounts are in CHF 000 unless otherwise noted

HY 2020	Land	PV Plants	Assets under construction	FF&E	Total
<b>Gross values</b>					
Opening gross book amount as at January 1, 2020	1 036	106 251	57 784	256	165 328
Exchange differences	- 18	- 1 745	- 1 015	-2	- 2 780
Additions	-	-	8 663	-	8 663
Disposals	-	-	-	-	-
Change in consolidation scope	-	-	-	-	-
Reclassifications	-	-	-	-	-
<b>Closing gross book amount - June 30, 2020</b>	<b>1 018</b>	<b>104 506</b>	<b>65 432</b>	<b>254</b>	<b>171 211</b>
<b>Accumulated depreciation</b>					
Opening amount as at January 1, 2020	619	28 423	-	254	29 296
Exchange differences	- 11	- 446	-	-2	- 459
Disposals	-	-	-	-	-
Depreciation charge	-	2 173	-	-	2 173
Reclassifications	-	-	-	-	-
<b>Closing amount - June 30, 2020</b>	<b>608</b>	<b>30 150</b>	<b>-</b>	<b>252</b>	<b>31 010</b>
<b>Net book value January 1, 2020</b>	<b>418</b>	<b>77 828</b>	<b>57 784</b>	<b>3</b>	<b>136 033</b>
<b>Net book value June 30, 2020</b>	<b>410</b>	<b>74 356</b>	<b>65 432</b>	<b>2</b>	<b>140 201</b>

Total depreciation and amortization in the interim income statement 2021 includes a depreciation charge of TCHF 22 for intangible assets (2020: TCHF 38).

At the end of 2020, the French government decided that existing feed-in tariffs for certain older photovoltaic plants should be reduced in the future. The first draft legislation was presented in mid-2021. Based on a detailed analysis of the documents, Edisun Power currently assumes that the plants in France will only be marginally affected or will even not be impacted at all by the tariff reductions. Consequently, there was no need for an impairment as of mid-year.

All amounts are in CHF 000 unless otherwise noted

## 5.2 Borrowings

	30.06.2021	31.12.2020
<b>Current</b>		
Loans from third-party	3 296	2 823
Straight bonds from third-party	12 250	12 250
<b>Total current borrowings</b>	<b>15 546</b>	<b>15 073</b>
<b>Non-current</b>		
Loans from third-party	63 294	55 802
Straight bonds from third-party	39 831	39 810
<b>Total non-current borrowings</b>	<b>103 125</b>	<b>95 611</b>

The increase of non-current borrowings in the first half of the year is due to an increase in financing for the execution of the Portuguese projects as well as for the financing of an existing Spanish plant.

## 6 Segment Information

HY 2021	Switzerland	Germany	Spain	France	Italy	Portugal	EPE	Group
Total segment revenue	542	729	3 673	1 493	267	1 845	354	8 902
Inter-segment revenue	-	-	-	-	-	-	-354	-354
<b>External revenue</b>	<b>542</b>	<b>729</b>	<b>3 673</b>	<b>1 493</b>	<b>267</b>	<b>1 845</b>	<b>0</b>	<b>8 548</b>
<b>EBITDA</b>	<b>475</b>	<b>581</b>	<b>2 672</b>	<b>1 229</b>	<b>202</b>	<b>1 719</b>	<b>-348</b>	<b>6 530</b>
EBITDA in % of revenue	87.7%	79.7%	72.8%	82.4%	75.8%	93.2%	n.a.	76.4%

HY 2020	Switzerland	Germany	Spain	France	Italy	Portugal	EPE	Group
Total segment revenue	591	803	3 085	1 470	197	-	608	6 754
Inter-segment revenue	-	-	-	-	-	-	-347	-347
<b>External revenue</b>	<b>591</b>	<b>803</b>	<b>3 085</b>	<b>1 470</b>	<b>197</b>	<b>-</b>	<b>261</b>	<b>6 406</b>
<b>EBITDA</b>	<b>502</b>	<b>626</b>	<b>2 190</b>	<b>1 172</b>	<b>124</b>	<b>-12</b>	<b>-67</b>	<b>4 536</b>
EBITDA in % of revenue	84.9%	78.0%	71.0%	79.7%	63.2%	n.a.	n.a.	70.8%

All amounts are in CHF 000 unless otherwise noted

## 7 Income Statement

Total revenues increased by 33.4% to CHF 8.55 million compared to the previous year. The growth is mainly attributable to both the recovery of electricity prices as well as the contribution of the new PV plant “Mogadouro”, which was connected to the electricity grid by the end of last year. On the other hand, other operating income fell from CHF 0.44 million a year ago to CHF 0.07 million due to the absence of both compensation for a financing guarantee provided for the development of a third-party PV project and the reimbursement of a loss of income related to a fire at a plant in France which both had been booked a year ago.

Thanks to good cost control, operating costs rose by only CHF 0.15 million to CHF 2.02 million despite the acquisition effect related to the connection of the Mogadouro plant at year-end 2020 and the currency-driven cost increase. Overall, earnings before interest, taxes, depreciation and amortization (EBITDA) climbed by a high 44.0% to CHF 6.53 million. Depreciation and amortisation increased by a third to CHF 3.02 million due mainly to the start of depreciation for the new plant in Portugal. Nevertheless, the operating result (EBIT) jumped by CHF 1.19 million (or 51.2%) to CHF 3.52 million. Financial income increased further to CHF 0.82 million thanks to interest income on part of the payments done for the Portuguese PV projects. At the same time, financial expenses remained almost stable at CHF 1.38 million (first-half 2020: CHF 1.34 million) despite the higher debt level compared to H1 2020 thanks to better financing conditions and a significant reduction in foreign exchange losses. Finally, tax expenses grew in line with the strong profit growth from CHF 0.18 million to CHF 0.43 million. Overall, net profit almost doubled from CHF 1.36 million to CHF 2.53 million.

## 8 Earnings per Share

Basic earnings per share is calculated by dividing the earnings attributable to equity holders of the Group by

the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased by the Group and held as treasury shares.

	HY 2021	HY 2020
Profit attributable to equity holders of the Group	2 533	1 362
Weighted average number of ordinary outstanding shares	1 035 821	1 035 821
<b>Basic and diluted earnings per share (CHF per share)</b>	<b>2.45</b>	<b>1.31</b>

## 9 Dividends

Dividends of CHF 1.1 million in form of a distribution of capital contribution reserves were paid out in the first six months of 2021, unchanged from the corresponding period of the prior year.

## 10 Seasonality

The solar electricity business is depending on the sun radiation. Typically, the first semester of the year has a slightly higher production (approx. 50–55%) than the second half of the year (approx. 45–50%). Due to the fixed-cost nature of the group's business, the pattern of this seasonality is usually also visible on the earnings side. At the same time, however, other operating income may vary from year to year, depending on the occurrence of the corresponding underlying business transactions. All in all, therefore, no typical pattern can be identified at net profit level.

## 11 Events after the Balance-Sheet Date

There are no subsequent events which would have a material impact on the consolidated interim financial statements 2021.



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