Ad hoc press release
Zurich, August 29, 2019

Further increase in revenue and profit in first half 2019, project pipeline expanded

- **Revenue growth of 9% to CHF 7.21 million**
- **Net profit rises 15% to CHF 1.65 million**
- **Equity ratio reaches 26%**
- **Capital increase by contribution in kind announced in July decided**
- **Bond issue heavily oversubscribed by CHF 22.7 million**
- **Project pipeline in Portugal expanded**
- **Profit forecast for 2019 raised to CHF 3.4 million**

The growth strategy of the Edisun Power Group remains on track. As anticipated, the first half of the current year saw further increases in revenue and earnings. The Group also significantly expanded its project pipeline by acquiring the rights to three more photovoltaic projects in southern Portugal with a total capacity of 134 MW, securing promising growth potential.

Weather and acquisition-related growth

Revenue rose 9% year on year to CHF 7.21 million (H1 2018: CHF 6.63 million). In local currency the increase was 12%. The growth largely came from the 12 MW Requena plant, which started production in March 2018, contributing 10% in total to revenue growth in the first half. Pleasingly, electricity production was up year on year in all countries.

Profit increase remains disproportionate

Operating and overhead costs rose year on year due to the Requena plant and generally higher costs for project evaluations. In total, earnings before interest, taxes, depreciation and amortization (EBITDA) increased 9% to CHF 5.33 million (H1 2018: CHF 4.90 million).

Depreciation and amortization also rose as a result of the Requena plant, up 4% to CHF 2.31 million (H1 2018: CHF 2.22 million), leaving operating profit (EBIT) up 12% to CHF 3.02 million (H1 2018: CHF 2.69 million).

Financing costs were unchanged at a net CHF 1.20 million. Higher financing costs for the Requena plant were offset by lower interest expense as a result of the scheduled repayment of borrowings and renegotiation of project financing in Spain. As expected, taxes were up sharply to CHF 0.17 million (H1 2018: CHF 0.06 million). The overall result was net profit up 15% to CHF 1.65 million (H1 2018: CHF 1.43 million).

Balance sheet strengthened by capital increase

On June 20, 2019 a capital increase from authorized capital by contribution in kind was completed in connection with the first project in Portugal, acquired in February: this boosted consolidated equity by CHF 5.8 million. Allowing for the lower euro exchange rate compared to December 31, 2018 and the dividend paid in May, as at June 30, 2019 equity was up by CHF 6.3 million to a total of CHF 26.5 million. The equity ratio rose to 26.0% (December 31, 2018: 21.3%).

Capital increase by contribution in kind announced in July decided

On July 5 Edisun Power Europe Ltd. announced the purchase of a 23 MW photovoltaic project in Portugal. Once an external expert had reviewed the asset in question the Board of Directors decided to increase the share capital by CHF 830'250.00 by issuing 27'675 shares, excluding subscription rights for existing shareholders. Listing of the newly issued shares on SIX Swiss Exchange has been deferred until no later than December 31, 2019 and the shares will then remain blocked until the project has been completed.

Edisun Power bond hugely oversubscribed

The CHF 5 million bond with a five-year term (September 1, 2019 – 31 August, 2024) and a 2% interest rate issued on May 13, 2019 encountered very great interest, from both existing and new investors. Considerable oversubscriptions were received, amounting to CHF 22.7 million in total. Given the full project pipeline the Board of Directors decided to exercise the option in the prospectus and increased the size of the bond to CHF 22.7 million.

Project pipeline in Portugal expanded

This year Edisun Power has already bought two photovoltaic projects in Portugal with a total output of 72 MW from Smartenergy Invest AG and is currently implementing them. The market for photovoltaic projects is booming on the Iberian Peninsula, especially in Portugal. In view of the great market potential, Edisun Power has acquired the project rights and licenses for three further PV development projects in southern Portugal totaling 134 MW from Smartenergy. Work is currently under way to evaluate the options for financing these projects. Specifically, Edisun Power is considering raising additional funds by means of a capital increase with subscription rights for existing shareholders and a free placement of the shares not subscribed.

This step will ensure Edisun Power has access to a promising project pipeline as the basis for accelerated growth over the next two-three years.

Profit forecast for the current year raised

Despite the pleasing first half of the year, Edisun Power anticipates a slowdown in the second half. From today's perspective, electricity market prices will not be at the previous year's level. In addition, the plants planned in Portugal will not start production until next year at the earliest. However, Edisun Power expects additional income in connection with the development of the Portuguese portfolio, so that the profit forecast for the current year is raised from CHF 3.0 million to CHF 3.4 million.

The semi-annual report 2019 of the Edisun Power Group is available on the website at:
http://www.edisunpower.com/en/home-en/investors-en/reporting

For further information

Rainer Isenrich, CEO, +41 44 266 61 21, info@edisunpower.com
Reto Simmen, CFO, +41 44 266 61 29, info@edisunpower.com

Edisun Power Group

A listed European solar energy producer, the Edisun Power Group finances and operates solar power installations in a number of European countries. Edisun Power began its involvement in this sector as far back as 1997. The company has been listed on the Swiss Stock Exchange since September 2008. Edisun Power has amassed extensive experience in the realization and acquisition of both national and international projects. Currently, the company owns a total of 37 solar energy installations in Switzerland, Germany, Spain, France and Italy.