Ad-hoc announcement pursuant to Art. 53 LR
Zurich, August 27, 2021

Half-year profit almost doubled, outstanding annual result expected

- **Revenue growth of 33% to CHF 8.55 million**
- **Net profit increase of 86% to CHF 2.53 million**
- **Rise in 2021 profit forecast from CHF 3.7 million to CHF 4.6 million**
- **Issue of a new bond as of December 1, 2021**

The results of the Edisun Power Group were significantly increased at all levels in the first half of the year. The expected strong performance is largely attributable to the contribution of the first Portuguese large-scale plant in Mogadouro that was connected to the grid at the end of 2020. Furthermore, electricity prices were high, especially in comparison with the low prices in the spring of the previous year. Last but not least, costs remained at a low level thanks to the lean corporate structure.

Increase in revenue due to acquisitions and electricity prices
Revenue rose 33% year on year to CHF 8.55 million (H1 2020: CHF 6.41 million). The new Portuguese plant Mogadouro contributed 29% to the increase and the recovery of electricity prices likewise had a significantly positive impact on revenue performance with an upturn of 9%. The euro exchange rate also had a positive effect of 2%, while the reduction of other operating income negatively impacted revenue (-6%). Other operating income includes income from insurance benefits, the project development business and services for third parties.

Following record low electricity market prices in Europe in the previous year impaired by the lockdown, market prices rose sharply from April with relatively high volatility. Edisun Power has hedged the income from the Portuguese plant over the first five production years at a fixed price so that the market price for this plant does not play any role. On the other hand, as the state guaranteed income in Spain and Italy is partly dependent on the market price, the recovery of electricity prices had a correspondingly positive impact for these plants.

However, the volume effect was negligible. The somewhat worse production in kWh in Spain, Germany and Switzerland owing to the weather was offset by the improved production in France and Italy. In particular a repowering of the 1 MW Ravenna plant in Italy had a positive effect on production as expected.

Significant increase in profitability

Edisun Power retains an extremely lean structure. Costs therefore only rose by CHF 0.15 million or 8% compared with the previous year despite a higher euro exchange rate and the new plant. However, according to the contract there are no maintenance costs incurred for the new Mogadouro plant in the first two years. Earnings before interest, taxes, depreciation and amortization (EBITDA) therefore improved by 44% to CHF 6.53 million (H1 2020: CHF 4.54 million). The EBITDA margin reached 76% (H1 2020: 71%).

The French government decided at the end of 2020 that existing feed-in tariffs for some older photovoltaic systems were in future to be reduced. Initial draft bills were presented mid-2021. Based on a detailed analysis of the documents, Edisun Power currently expects the systems in France only to be marginally affected by the reductions if at all so that from the current perspective no impairment was necessary in the middle of the year. Depreciation and amortization therefore rose by 36% due to acquisition and currency effects to CHF 3.02 million (H1 2020: CHF 2.21 million), resulting in a 51% higher operating profit (EBIT) of CHF 3.52 million (H1 2020: CHF 2.33 million).

Financial expenses fell further thanks to income from interest-bearing project prepayments despite the growth-related higher level of debt to CHF 0.55 million in net terms (H1 2020: CHF 0.79 million).

Finally, tax expenditure rose due to the sharp profit growth from CHF 0.18 million to CHF 0.43 million. Net profit altogether almost doubled to CHF 2.53 million (H1 2020: CHF 1.36 million).

Strong equity base remains unchanged

The structure of the balance sheet only changed slightly. Non-current assets rose from CHF 166.1 million to CHF 172.6 million due to the ongoing investments in the Portuguese projects and the slight increase of the euro, offset by depreciation and amortization.

Debt increased by CHF 8.0 million to CHF 118.7 million due to currency effects and the further acquisition of loans, both for the new Portuguese projects and for an older Spanish plant.

Total equity increased by CHF 3.1 million compared with December 31, 2020 to CHF 84.8 million. Alongside net profit, a positive currency effect of CHF 1.7 million contributed to this. The equity ratio remained at a high level of around 40%.

Implementation of the Portuguese projects

Construction of the second Portuguese plant, the 23 MW Betty plant near the Mogadouro plant, commenced at the end of April. The remaining three projects, which are being constructed in the Lisbon region and altogether comprise output of around 130 MW, have all reached the ready-to-build stage. Construction will commence on a staggered basis from the fall and all plants are expected to be connected to the grid by the end of 2022.

Issue of a new bond
At its meeting of August 26, the Board of Directors decided to issue a new five-year 2% bond for CHF 20 million (option to increase) with a term from December 1, 2021 until November 30, 2026 to replace the 2% 2016-2021 bond for CHF 12.25 million due to expire on November 30, 2021 and finance the ongoing projects. The closing of the subscription is November 15, 2021.

Successor for outgoing CFO Reto Simmen
The Board of Directors has decided to transfer temporarily the function of CFO on a mandate basis to Smartenergy Group AG. The mandate will commence on September 1 and is based on an agreement concluded at normal market conditions. Reto Simmen will remain available to the Group if needed until his official departure at the end of October and ensure a smooth transition.

Outlook for further growth
Thanks to the strong first half of the year and the positive electricity price trend in July and August, it is possible to raise the profit forecast from CHF 3.7 million to CHF 4.6 million based on the current euro exchange rate and assuming there are no relevant tariff cuts in France. The Group also views the future in the years to follow optimistically thanks to its promising project pipeline, the continuously growing demand for renewable electricity and the generally large interest in sustainability projects.

The semi-annual report 2021 of the Edisun Power Group is available on the website at:
https://edisunpower.com/en/home-en/investors-en/reporting

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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 38 solar energy installations in Switzerland, Germany, Spain, France, Italy and Portugal.

Key figures of the Edisun Power Group

Income statement (in TCHF)	**30.06.2021**	**30.06.2020**
Total revenues	8 548	6 406
Revenue from sale of electricity	8 474	5 964
Other operating income	74	443
EBITDA	6 530	4 536
in % of total revenues	76.4 %	70.8 %
Depreciation and amortization	- 3 015	- 2 211
Impairment	-	-
EBIT	3 515	2 325
in % of total revenues	41.1 %	36.3 %
Net profit	2 533	1 362
in % of total revenues	29.6 %	21.3 %
per share in CHF	2.45	1.31

Balance sheet (in TCHF)	**30.06.2021**	**31.12.2020**
Land, plant and equipment	172 619	166 146
Total assets	213 846	202 310
Total equity	84 798	81 741
in % of total assets	39.7 %	40.4 %
Net debt	89 952	82 275

Cash flow (in TCHF)	**30.06.2021**	**30.06.2020**
From operating activities	4 242	2 930
From investing activities	- 10 283	- 8 996
From financing activities	6 004	- 2 470

Photovoltaic plants	**30.06.2021**	**30.06.2020**
Number of photovoltaic plants	38	37
Installed capacity	83.7 MW	34.7 MW
Solar power production	57 305 MWh	24 362 MWh