Ad hoc announcement pursuant to Art. 53 LR
Zurich, August 31, 2023

Solid performance despite headwinds

- **Record in solar power production of 86'270 MWh (+34.0%) thanks to the latest solar plant Betty**
- **Revenues constant at CHF 9.23 million (+2.0% in local currency)**
- **EBITDA CHF 6.71 million (-1.0% in local currency) with 72.7% over target of 70%**
- **New five-year bond with 3.25% interest as of 1st of November 2023**

In the first half of the year the sales remained constant compared to sales in the same period of the previous year. The EBITDA margin of 72.7% was above the medium-term target of 70%. Net profit decreased to CHF 2.21 million as a result of lower electricity prices and lower currency gains as well as new regulations in Spain and Germany.

Record in solar power production, lower electricity prices and new regulations
Revenues remained constant compared to the first half of the previous year with CHF 9.23 million (H1 2022: CHF 9.23 million) and rose slightly by 2.0% in local currency. In total, with a solar production of 86'270 MWh there was a growth of more than 34% compared to the prior-year period. This is equivalent to the average electricity consumption of more than 42'624 four-person households in Switzerland. Thanks to the new large solar PV plant Betty (23.4 MWp), which was connected mid November 2022 to the grid, the solar production in Portugal rose by 59.5% and accounted together with the large-scale PV plant Mogadouro (49 MWp) with 63'524 MWh for 73.6% of the total solar production of Edisun Power.

Regulations to reduce profits of electricity producers, adjustments to the subsidies for electricity yield, poorer weather conditions in spring and above all significantly lower electricity market prices (in Spain on average EUR 70 per MWh compared to EUR 181 MWh in the prior-year period) led to a drop in revenues at the plants in Spain, Italy and Germany. As a consequence, sales in Spain dropped by 24.9% to CHF 3.07 million in light of lower electricity market prices and subsidy adjustments.

Revenues in Germany fell by CHF 0.35 million. This was due to the discontinuance of the Hörselgau plant mid-May, poorer weather conditions in spring, an extraordinary tax on excess profits and a reduction in the German electricity market price by an average of 40%. The revenues from small solar plants that benefit from a feed-in tariff were not affected.

EBITDA margin stays above target

Edisun Power retains an extremely lean structure and has appointed Smartenergy for project development, supervision, structuring of project financing, asset management of plants commissioned and other services. The solar plants are continuously monitored at the two locations Wollerau and Porto in order to maximize the production of solar power. Earnings before interest, taxes, depreciation and amortization (EBITDA) of CHF 6.71 million (H1 2022: CHF 6.92 million) and an EBITDA margin of 72.7% (H1 2022: CHF 75.0%) remained well above the medium-term target of 70%.

The plants in Switzerland, France and Portugal all show a profitability of over 84% EBITDA margin. With 94.2% plants in Switzerland clearly achieved the highest margin. The two large plants Mogadouro (49 MWp) and Betty (23.4 MWp), which do not benefit from time-limited feed-in tariffs like other plants, generated a new record EBITDA margin of 93.3% and contributed around 38.1% of the total revenues; thanks to their size, optimized production as well as to the sale of guarantees of origin.

Net profit decreased to CHF 2.21 million from the record profit level of the prior-year period, with a margin of 24.0% (H1 2022: 67.1%). The main factors were higher interest costs of CHF 3.1 million (H1 2022: CHF 1.9 million) and lower unrealized foreign currency gains of CHF 2.6 million on loans payable in euros owing to the strong Swiss franc (H1 2022: CHF 5.5 million)

Positive operating cash flow and stable balance sheet

Cash flow from operating activities of CHF 4.4 million remained positive (H1 2022: CHF 7.1 million) and the investments fell to CHF 8.6 million compared to prior-year period as the construction of the large Betty plant caused high expenditure in the previous period (H1 2022: CHF 22.6 million). The equity ratio fell slightly to 19.0% (End 2022:19.4%). Long-term fixed assets continue to be covered by long-term debt and equity at 110.8% (H1 2022: CHF 111.4%).

A favorable impact is the fact that no interest burden is being incurred for the outstanding payments of CHF 117.8 million for the purchased project rights from Smartenergy. Together with equity, this equates to solid 49.6% of the balance sheet (H1 2022: 50.2%).

The objective remains to increase the equity ratio above 40% again in the medium term. This is primarily to be achieved through the proactive management of the plant and project portfolio as announced.

Outlook for the current year

Operationally the second half of the year has started on a very promising note thanks to excellent weather conditions. Electricity prices rebounded again as a result of the heat wave in Europe. Sales negotiations are being conducted with several interested parties for various solar and project rights. The aim is to successfully conclude these negotiations within the second half of the year.

Issue of a new bond

The Board of Directors has decided to issue a new five-year 3.25% bond for CHF 20 million (option to increase) with a term from November 1, 2023 until October 31, 2028 to finance the ongoing projects. The closing of the subscription is October 24, 2023.

The semi-annual report 2023 of the Edisun Power Group is available on the website at: http://www.edisunpower.com/en/home-en/investors-en/reporting

For more information

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Edisun Power Group

As a listed European solar power producer, the Edisun Power Group finances and operates solar power plants in various European countries. Edisun Power started its operations in this field as early as 1997 and has been listed on the Swiss Stock Exchange since September 2008. Edisun Power has broad experience in the realization and purchase of both national and international projects, thanks in part to its strategic partnership with the Smartenergy Group. Currently, the company owns 36 solar power plants in Switzerland, Germany, Spain, France, Italy and Portugal. The company is geared for significant growth with a secured portfolio of projects under development of c. 917 MW.

Key figures of the Edisun Power Group

Income statement (in TCHF)	**30.06.2023**	**30.06.2022**
Total revenues	9’226	9’230
Revenue from sale of electricity	8’880	9’182
Other operating income	345	48
EBITDA	6’709	6’922
in % of total revenues	72.7%	75.0%
Depreciation and amortization	-3’235	-3’444
Impairment	-16	-
EBIT	3‘458	3’478
in % of total revenues	37.5%	37.7%
Net profit	2’213	6’189
in % of total revenues	24.0%	67.1%
per share in CHF	2.14	5.98

Balance sheet (in TCHF)	**30.06.2023**	**31.12.2022**
Land, plant and equipment	317’092	319’018
Inventories (solar projects for sale)	32’081	31’688
Total assets	385’148	394’256
Total equity	73’224	76’458
in % of total assets	19.0%	19.4%
Equity and non-interest bearing long-term debt	191’002	197’742
in % of total assets	49.6%	50.2%
Net debt	264’009	260’353

Cash flow (in TCHF)	**30.06.2023**	**30.06.2022**
From operating activities	4’445	7’091
From investing activities	-8’601	-22’642
From financing activities	-3’196	972

Photovoltaic plants	**30.06.2023**	**30.06.2022**
Number of photovoltaic plants	36	38
Installed capacity	105.8 MW	83.7 MW
Solar power production	86’270 MWh	64’177 MWh