



Edison Power Europe Ltd.

Consolidated Interim Financial Statements 2023

23

Content

Consolidated Interim Financial Statements

- 4 Balance Sheet
- 5 Income Statement
- 6 Cash-flow Statement
- 7 Statement of Changes in Equity
- 8 Notes

All values are rounded individually.

	Notes	30.06.2023 TCHF	31.12.2022 TCHF
Assets			
Cash and cash equivalents		20 056	27 597
Trade receivables		3 521	964
Other receivables and current assets		3 907	5 600
Inventories		32 081	31 688
Financial assets		5	489
Total current assets		59 570	66 338
Land, plant and equipment	5.1	317 092	319 018
Intangible assets		87	106
Financial and other long term assets		8 399	8 794
Total non-current assets		325 579	327 918
Total assets		385 148	394 256
Liabilities and equity			
Borrowings	5.2	3 481	7 446
Trade payables		3 100	1 651
Other payables		14 179	17 300
Accrued cost		3 465	2 647
Income tax liabilities		28	-
Total current liabilities		24 253	29 045
Borrowings	5.2	280 584	280 504
Provisions		1 798	1 612
Other long-term liabilities		5 290	6 638
Total non-current liabilities		287 672	288 754
Total liabilities		311 924	317 799
Share capital		31 075	31 075
Share premium		42 841	44 498
Retained earnings and currency translation differences		- 692	885
Total equity		73 224	76 458
Total liabilities and equity		385 148	394 256

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

Consolidated Interim Income Statement

	Notes	01.01.2023 – 30.06.2023 TCHF	01.01.2022 – 30.06.2022 TCHF
Revenue from sale of electricity		8 880	9 182
Other operating income		345	48
Total revenues	7.1	9 226	9 230
Personnel expenses		- 65	- 347
Rental and maintenance expenses		- 964	- 839
Administration expenses		- 640	- 644
Advertising expenses		- 4	- 2
Other operating expenses		- 843	- 475
Earnings before interest, tax, depreciation and amortization (EBITDA)		6 709	6 922
Depreciation and amortization	7.2	- 3 235	- 3 478
Impairments		- 16	-
Earnings before interest and taxes (EBIT)		3 458	3 478
Financial income	7.3	2 620	5 543
Financial expenses	7.4	- 3 094	- 1 904
Net profit before income tax		2 984	7 117
Income tax		- 771	- 928
Net profit		2 213	6 189
attributable to shareholders of Edisun Power Europe Ltd.		2 213	6 189
Earnings per share attributable to shareholders of Edisun Power Europe Ltd. (expressed in CHF per share):			
basic and diluted		2.14	5.98

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

Consolidated Interim Cash-flow Statement

	Notes	01.01.2023 – 30.06.2023 TCHF	01.01.2022 – 30.06.2022 TCHF
Net profit (CF)		2 213	6 189
Reversal of non-cash items:			
Depreciation and amortization	7.2	3 235	3 445
Impairment reversal		16	0
Change in accruals and provisions		- 263	855
Financial income		- 2 620	- 5 543
Financial expense		3 094	1 904
Income tax expense		771	928
Change in receivables and other current assets		- 946	- 1 767
Inventory		- 810	- 162
Change in payables		1 780	2 546
Interest paid		- 1 126	- 882
Taxes paid		- 350	- 555
Other non-cash items		- 549	132
Cash-flow from operating activities		4 445	7 091
Investments in plant and equipment		- 8 880	- 18 406
Investments in intangible assets		- 1	- 657
Business acquisition, incl. capitalized cost		0	- 2 219
Investments in / repayment from financial assets		277	- 1 366
Interest received		3	6
Cash-flow from investing activities		- 8 601	- 22 642
Issuance of bonds, net of transaction costs	5.2	3 645	0
Repayment of bonds	5.2	- 3 980	0
Increase of other borrowings	5.2	2 829	3 997
Repayment of other borrowings	5.2	- 4 093	- 1 907
Increase of short-term borrowings		60	21
Dividends paid		- 1 657	- 1 139
Cash flow from financing activities		- 3 196	972
Net change in cash and cash equivalents		- 7 352	- 14 579
Cash and cash equivalents at the beginning of the year		27 597	29 216
Exchange effects on cash and cash equivalents		- 188	- 532
Cash and cash equivalents at the end of the period		20 056	14 133

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	
December 31, 2021	31075	45638	13659	- 10276	80095
Distribution of capital contribution reserves		- 1139			- 1139
Net profit			6189		6189
Currency translation foreign subsidiaries				- 9809	- 9809
June 30, 2022	31075	44498	19848	- 20086	75335
December 31, 2022	31075	44498	23884	- 22999	76458
Distribution of capital contribution reserves		- 1657			- 1657
Net profit			2213		2213
Currency translation foreign subsidiaries			0	- 3789	- 3789
June 30, 2023	31075	42841	26097	- 26789	73224

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 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 36 solar energy installations in Switzerland, Germany, Spain, France, Italy and Portugal. With a pipeline of 917 MW of solar development projects and the need to accelerate its completion and to finance its construction, Edisun Power has extended its existing "buy-and-hold" with a "buy-develop-and-sell" business model. Until 2025, Edisun Power targets a revenue CAGR of 20% and an average EBITDA margin of more than 70%, with an equity ratio of more than 40%, while continuously increasing its dividends. Edisun's independent Board members have delegated the operational management of its operations to Smartenergy Group AG, a company headquartered in Wollerau.

2 Basis of Preparation and Significant Accounting Policies

The consolidated financial statements cover the unaudited interim results for the six months ending 30 June 2023. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations) and 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 as in the annual consolidated financial statements. They should therefore be read in conjunction with the annual financial statements for the year ended 31 December 2022. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2022.

The consolidated interim financial statements were approved for issue by the Board of Directors on 30 August 2023.

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

All amounts are in CHF 000 unless otherwise noted

3 Changes to Group Structure

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

Key data for the shares of Edisun Power Europe Ltd. as of December 31:

	2022	2021	2020
Market capitalization (CHF million)	121.2	132.6	120.2
As a % of equity	160.2	165.5	147.0
Share price (CHF)	117.00	128.00	116.00

4 Currency Translation Rates

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

	Closing rate 30.06.2023	Average HY 2023	Closing rate 31.12.2022	Average HY 2022
1 EUR	0.9772	0.9890	0.9899	1.0161

The Euro depreciated by 1.3 % between 31.12.2022 and 30.6.2023 and by 2.2 % between average first half year 2022 and average first half year 2023.

5 Balance Sheet

In the first half year of 2023, the balance sheet positions were only slightly impacted by the Euro depreciation.

The cash position decreased by MEUR 2.9 in the Spanish entities due to Loans being paid back.

The Trade Receivables increased by TCHF 2556, due to open cash collections in France TCHF 860, Spain TCHF 856 and Portugal TCHF 502.

The Italian projects remain being classified on the balance sheet as inventory (total value TCHF 30579 of Assets under Construction and Goodwill), since the negotiations are ongoing with the objective to sell these projects.

The Other long term financial assets are the bank guarantees for the Mogadouro and Betty PV plants. Due to the good progress of the Mogadouro PV plant, its guarantee decreased by TCHF 1825. The guarantee for Betty increased by TCHF 1495.

Overall, total assets decreased by 2.3 % from CHF 394 million to CHF 385 million, mainly due to the weaker Euro.

All amounts are in CHF 000 unless otherwise noted

5.1 Land, PV-Plants and Equipment

HY 2023	Land	PV Plants	Assets under construction	FF&E	Total
Gross values					
Opening gross book amount as at January 1, 2023	945	144 233	215 849	245	361 273
Exchange differences	- 12	-2 105	- 2 438	- 1	- 4 557
Additions	-	2 261	3 100	-	5 361
Disposals	-	- 19	-	-	- 19
Reclassifications	-	19 279	19 279	-	-
Closing gross book amount - June 30, 2023	933	163 649	197 231	244	362 057
Accumulated depreciation					
Opening amount as at January 1, 2023	564	41 476	-30	244	42 255
Exchange differences	-7	-513	0	- 1	- 521
Disposals	-	-	-	-	-
Depreciation charge	-	3 216	-	0	3 216
Impairment	-	16	-	-	16
Reclassifications	-	-	-	-	-
Closing amount - June 30, 2023	557	44 194	- 29	243	44 965
Net book value January 1, 2023	381	102 757	215 879	1	319 018
Net book value June 30, 2023	376	119 455	197 261	0	317 092

The investments for the Betty plant (TCHF 2 261) and for the projects under development (TCHF 3 100) amounted to TCHF 5 361.

As the Betty plant went into operation its capitalized costs were reclassified from 'Assets under construction' to 'PV Plants' TCHF 19 279.

The weaker Euro versus the Swiss franc had a negative impact on the asset values of PV plants of TCHF 2 105 and on Assets under Construction of TCHF 2 438.

All amounts are in CHF 000 unless otherwise noted

HY 2022	Land	PV Plants	Assets under construction	FF&E	Total
Gross values					
Opening gross book amount as at January 1, 2022	989	150 452	244 591	251	396 282
Exchange differences	-35	-5 380	-7 284	-4	-12 704
Additions	-	198	8 699	-	8 897
Disposals	-	-	-237	-	-237
Change in consolidation scope	-	-	-	-	-
Reclassifications	-	-	-42 206	-	-42 206
Closing gross book amount - June 30, 2022	953	145 269	203 563	246	350 032
Accumulated depreciation					
Opening amount as at January 1, 2022	590	36 989	-	249	37 828
Exchange differences	-21	-1 272	-	-4	-1 298
Disposals	-	-	-	-	-
Depreciation charge	-	3 424	-	-	3 424
Impairment	-	-	-	-	-
Reclassifications	-	-	-	-	-
Closing amount - June 30, 2022	569	39 141	-	245	39 955
Net book value January 1, 2022	398	113 463	244 591	2	358 454
Net book value June 30, 2022	384	106 128	203 563	1	310 077

All amounts are in CHF 000 unless otherwise noted

5.2 Borrowings

	30.06.2023	31.12.2022
Current		
Loans from third-party	3 481	3 466
Straight bonds from third-party	-	3 980
Total current borrowings	3 481	7 446
Non-current		
Loans from third-party	61 933	62 027
Straight bonds from third-party	100 873	97 193
Other long-term loans	117 778	121 284
Total non-current borrowings	280 584	280 504

The Bond 2015 – 2023 of TCHF 3 980 with the maturity date June 2023 was partially reimbursed and largely converted into the latest bond issuance 2022 – 2027 in the amount of TCHF 3 645 with the coupon of 3 % (starting as of 1. July 2023).

The value of the non-interest bearing loan granted by SEGAG to Edisun Power (TCHF 117 778) decreased by TCHF 3 505 due to the Euro depreciation (impact TCHF 1 542) and due to repayments (TCHF 1 963) during the first half year.

The Loans from the banks yielded the amount of TCHF 61 933 mainly driven by:

- 1) reimbursements of TCHF 2 130,
- 2) positive FX effects TCHF 799, and
- 3) an increase of the non-recourse project financing loan for the Betty PV plant for TCHF 2 861.

All amounts are in CHF 000 unless otherwise noted

6 Segment Information

The P&L by country include in 2023 the project entities SPV's accounts.

The countries that provide the highest revenue are Spain (TCHF 3 066) and Portugal (TCHF 3 511, due to the production of Mogadouro and started operations of Betty in 2021 since mid November 2022).

The revenues in Spain decreased substantially due to a reduction of the Spanish energy market rate by 63.5% from an average 0.181€/kWh to an average 0.07€/kWh as well as due to an adjustment made by a Spanish Royal Decree related to a subsidized rate (less TEUR 488.9 (-13.7%).

The revenues in Germany declined as well due to the discontinuance of the Hörselgau plant since mid May, worse weather conditions, an extraordinary tax on the revenues and a reduction of the German energy market rate by 40% on average. Revenues from Plants who benefit from a feed-in-tariff were not affected.

In Italy an extraordinary tax on the revenues impacted the returns additionally.

The acquired project entities in Portugal, Spain and Italy have a dilutive effect on the EBITDA margin per countries.

Segment

HY 2023	Switzerland	Germany	Spain	France	Italy	Portugal	EPE	Group
Total segment revenue	572	527	3 066	1 267	320	3 511	786	10 049
Other operating income	-37	-	-	-	-	-	-786	-823
External revenue	535	527	3 066	1 267	320	3 511	-	9 226
EBITDA	504	368	2 243	1 075	32	3 074	-586	6 709
EBITDA in % of revenue	94.2%	69.8%	73.2%	84.8%	10.0%	87.6%	0.0%	72.7%

HY 2022	Switzerland	Germany	Spain	France	Italy	Portugal	EPE	Group
Total segment revenue	589	882	4 080	1 339	317	2 052	346	9 605
Other operating income	-	-	-29	-	-	-	-346	-375
External revenue	589	882	4 051	1 339	317	2 052	0	9 230
EBITDA	529	702	3 237	1 148	162	1 790	-645	6 922
EBITDA in % of revenue	89.8%	79.6%	79.9%	85.7%	51.1%	87.2%	n.a.	75.0%

All amounts are in CHF 000 unless otherwise noted

7 Income Statement

The total revenue (note 7.1) remains very similar. Nevertheless, there is a revenue movement between some PV plants: increase in Betty since it became operational (TCH 1 315) but also a decrease in the Spanish PV plants (TCH 881) and Germany PV plants (TCH 326). As commented under the segment reporting, latter was mainly due to the worse weather conditions, lower market prices and the discontinuance of the Hörselgau PV plant (1 MWp) mid of May after an almost 12 years long dispute.

The depreciation (note 7.2) remains very similar, TCHF 3.2 millions against TCHF 3.4 millions in the half year 2022.

The FX gains on external loans (bank loans and related parties loan from SEGAG) and on Trade payables to third parties and related party (SEGAG) yield the amount of TCHF 2 617 (note 7.3).

The Interest on the straight bonds yields the amount of TCHF 1 149, increased mainly due to the bond issue in November 2022 (note 7.4).

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 2023	HY 2022
Profit attributable to equity holders of the Group	2 212 945	6 189 284
Weighted average number of ordinary shares outstanding	1 035 821	1 035 821
Basic and diluted earnings per share (CHF per share)	2.14	5.98

9 Dividends

Dividends of TCHF 1 657 in form of a distribution of capital contribution reserves were paid out in the first six months of 2023, in 2022 was paid out TCHF 1 139 during the first six months.

10 Events after the Balance-Sheet Date

There are no subsequent events which would have a material impact on the consolidated interim financial statements 2023.

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