



Edison Power Europe Ltd.

Consolidated Interim Financial Statements 2020

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Consolidated Interim Financial Statements

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All values are rounded individually.

Consolidated Interim Balance Sheet

	Notes	30.06.2020 TCHF	31.12.2019 TCHF
Assets			
Cash and cash equivalents		23 950	32 751
Trade receivables		2 797	2 203
Other receivables and current assets		2 184	1 733
Financial assets		3	0
Total current assets		28 935	36 688
Land, plant and equipment	5.1	140 201	136 033
Intangible assets		250	274
Financial and other long term assets		2 585	2 658
Total non-current assets		143 036	138 965
Total assets		171 972	175 652
Liabilities and equity			
Borrowings	5.2	3 161	3 170
Trade payables		299	312
Other payables		454	443
Accrued cost		4 918	4 980
Income tax liabilities		422	326
Total current liabilities		9 255	9 230
Borrowings	5.2	83 824	85 741
Provisions		862	874
Total non-current liabilities		84 686	86 615
Total liabilities		93 940	95 845
Share capital		31 075	31 075
Share premium		46 777	47 916
Accumulated deficits and currency translation differences		180	817
Total equity		78 032	79 808
Total liabilities and equity		171 972	175 652

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

Consolidated Interim Income Statement

	Notes	01.01.2020 – 30.06.2020 TCHF	01.01.2019 – 30.06.2019 TCHF
Revenue from sale of electricity		5 964	7 158
Other operating income		443	48
Total revenues	6, 7	6 406	7 206
Personnel expenses		- 422	- 420
Rental and maintenance expenses		- 718	- 735
Administration expenses		- 291	- 309
Advertising expenses		- 6	- 4
Other operating expenses		- 433	- 406
Earnings before interest, tax, depreciation and amortization (EBITDA)	6, 7	4 536	5 333
Depreciation and amortization	5.1	- 2 211	- 2 313
Earnings before interest and taxes (EBIT)	7	2 325	3 019
Financial income		555	69
Financial expenses		- 1 344	- 1 269
Net profit before income tax		1 537	1 820
Income tax		- 175	- 174
Net profit	7	1 362	1 646
attributable to shareholders of Edisun Power Europe Ltd.		1 362	1 646
Earnings per share attributable to shareholders of Edisun Power Europe Ltd. (expressed in CHF per share):			
basic and diluted	8	1.31	3.18

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

Consolidated Interim Cash-flow Statement

	Notes	01.01.2020 – 30.06.2020 TCHF	01.01.2019 – 30.06.2019 TCHF
Net profit (CF)		1 362	1 646
Reversal of non-cash items:			
Depreciation and amortization	5.1	2 211	2 313
Change in accruals and provisions		-95	-1
Financial income		-555	-69
Financial expense		1 344	1 282
Income tax expense		175	174
Change in receivables and other current assets		-555	-1 427
Change in payables		10	73
Interest paid		-717	-1 094
Taxes paid		-73	-67
Other non-cash items		-175	0
Cash-flow from operating activities		2 930	2 831
Investments in plant and equipment		-8 980	0
Investments in intangible assets		-9	-118
Business acquisition, incl. capitalized cost		0	-2 560
Investments in/repayment from financial assets		-7	-3
Interest received		0	1
Cash-flow from investing activities		- 8 996	- 2 680
Issuance of bonds, net of transaction costs		0	1 360
Increase of other borrowings		0	1 525
Repayment of other borrowings	5.2	-1 331	-1 364
Dividends paid	9	-1 139	-512
Cash flow from financing activities		- 2 470	1 009
Net change in cash and cash equivalents		- 8 536	1 159
Cash and cash equivalents at the beginning of the year		32 751	5 613
Exchange effects on cash and cash equivalents		-265	-74
Cash and cash equivalents at the end of the period		23 950	6 698

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	Acc. Deficits/ret. Earnings	Currency translation differences	
December 31, 2018	15371	4943	2261	-2382	20192
Capital increase	2423	3402			5825
Distribution of capital contribution reserves		-512			-512
Net profit			1646		1646
Currency translation foreign subsidiaries				-615	-615
June 30, 2019	17794	7832	3907	-2996	26537
December 31, 2019	31075	47916	5857	-5040	79808
Distribution of capital contribution reserves		-1139			-1139
Net profit			1362		1362
Currency translation foreign subsidiaries				-1998	-1998
June 30, 2020	31075	46777	7218	-7038	78032

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

These unaudited consolidated interim financial statements of Edisun Power Europe Ltd. and its subsidiaries cover the interim results for the period from 1 January to 30 June 2020. They have been prepared in accordance with Swiss GAAP FER (Accounting and Reporting Recommendations). The consolidated interim financial statements for 2020 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 consolidated 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 2019. The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019.

The consolidated interim financial statements were approved for issue by the Board of Directors on 20 August 2020.

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 30.06.2020	Average HY 2020	Closing rate 31.12.2019	Average HY 2019
1 EUR	1.0664	1.0671	1.0854	1.1300

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 136.0 million at the end of 2019 to CHF 140.2 million due the ongoing investments in the Portuguese PV projects, partially compensated by the weakening of the Euro against the Swiss franc and the usual depreciation of the operational PV plants. All in all, land, plant and equipment still amounted to roughly 80% of total assets, see also note 5.1. On the other hand, current assets declined from CHF 36.7 million to CHF 28.9 million due mainly to the use of cash for the realization of the Portuguese PV pro-

jects mentioned above, partially offset by temporarily high trade and other receivables due to the seasonality pattern of the business. Overall, total assets declined slightly from CHF 175.7 million to CHF 172.0 million.

On the liabilities and equity side, total liabilities decreased by about CHF 1.9 million mainly due to both the ordinary repayment of debt as well as the currency impact (see also note 5.2). In addition, equity decreased by about CHF 1.8 million due to a negative currency impact of CHF 2 million and the distribution of capital contribution reserves of about CHF 1.1 million, partially compensated by the half-year profit of CHF 1.3 million. All in all, the equity ratio remained unchanged at 45.4%.

5.1 Land, PV-Plants and Equipment

HY 2020	Land	PV Plants	Assets under construction	FF&E	Total
Gross values					
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	-	-	-	-	-
Closing gross book amount - June 30, 2020	1 018	104 506	65 432	254	171 211
Accumulated depreciation					
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	-	-	-	-	-
Closing amount - June 30, 2020	608	30 150	-	252	31 010
Net book value January 1, 2020	418	77 828	57 784	3	136 033
Net book value June 30, 2020	410	74 356	65 432	2	140 201

All amounts are in CHF 000 unless otherwise noted

HY 2019	Land	PV Plants	Assets under construction	FF&E	Total
Gross values					
Opening gross book amount as at January 1, 2019	1 075	109 988	-	254	111 318
Exchange differences	- 15	- 1 470	-	- 2	- 1 487
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
Change in consolidation scope	-	-	8 389	-	8 389
Reclassifications	-	- 9	-	7	- 2
Closing gross book amount - June 30, 2019	1 060	108 509	8 389	259	118 217
Accumulated depreciation					
Opening amount as at January 1, 2019	642	25 017	-	254	25 913
Exchange differences	- 9	- 377	-	- 2	- 388
Disposals	-	-	-	-	-
Depreciation charge	-	2 284	-	1	2 285
Reclassifications	-	- 5	-	3	- 2
Closing amount - June 30, 2019	633	26 918	-	256	27 808
Net book value January 1, 2019	433	84 971	-	-	85 405
Net book value June 30, 2019	427	81 590	8 389	3	90 410

Total depreciation and amortization in the interim income statement 2020 includes a depreciation charge of TCHF 38 for intangible assets (2019: TCHF 28).

As per June 30, 2020 there were no impairment indicators and therefore no impairment test has been performed.

All amounts are in CHF 000 unless otherwise noted

5.2 Borrowings

	30.06.2020	31.12.2019
Current		
Loans from third-party	3 161	3 170
Straight bonds from third-party	-	-
Total current borrowings	3 161	3 170
Non-current		
Loans from third-party	31 785	33 724
Straight bonds from third-party	52 038	52 017
Total non-current borrowings	83 824	85 741

The decrease of non-current borrowings in the first half of the year is due to both the regular repayment of debt and the weakening of the Euro.

6 Segment Information

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
External revenue	591	803	3 085	1 470	197	-	261	6 406
EBITDA	502	626	2 190	1 172	124	-12	-67	4 536
EBITDA in % of revenue	84.9%	78.0%	71.0%	79.7%	63.2%	n.a.	n.a.	70.8%

HY 2019	Switzerland	Germany	Spain	France	Italy	Portugal	EPE	Group
Total segment revenue	579	822	3 998	1 487	314	-	340	7 540
Inter-segment revenue	-	-	-	-	-	-	-333	-333
External revenue	579	822	3 998	1 487	314	-	7	7 206
EBITDA	493	645	3 107	1 193	233	-	-339	5 333
EBITDA in % of revenue	85.1%	78.5%	77.7%	80.3%	74.3%	n.a.	n.a.	74.0%

All amounts are in CHF 000 unless otherwise noted

7 Income Statement

Total revenues decreased by 11.1 % year-on-year to CHF 6.41 million. The decline is mainly attributable to the drop in revenue from sale of electricity by 17.0 % which was driven by declining electricity prices, a lower power generation and the weakening of the Euro. On the other hand, other operating income multiplied to TCHF 443 from TCHF 48 a year ago thanks to the reception of a compensation for a financing guarantee provided for the development of a third-party PV project as well as the recognition of an insurance compensation for the loss of earnings in connection with a fire at a plant in France.

Operating costs remained stable year-over-year. Ramp-up cost in Portugal as well as higher electricity taxes in Spain compensated for the currency-driven cost decline. Overall, earnings before interest, taxes, depreciation and amortization (EBITDA) fell by 14.9 % to CHF 4.54 million. Depreciation and amortisation decreased by 4.4 % to CHF 2.21 million due to the exchange rate effect, resulting in a 23.0 % lower operating profit (EBIT) of CHF 2.33 million. Financial income increased sharply to CHF 0.56 million thanks to interest income on part of the payments done for the Portuguese PV projects. Financial expenses surged as well to CHF 1.34 million due mainly to the higher debt level compared to first-half 2019. Finally, income tax cost remained largely unchanged at CHF 0.18 million. Overall, net profit fell by 17.3 % to CHF 1.36 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 2020	HY 2019
Profit attributable to equity holders of the Group	1 362	1 646
Weighted average number of ordinary shares outstanding	1 035 821	516 852
Basic and diluted earnings per share (CHF per share)	1.31	3.18

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 2020 while CHF 0.5 million were paid during 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 2020.

Notes

The Half-Year Report can be downloaded at: www.edisunpower.com

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