

## 7C SOLARPARKEN ANNOUNCES Q1 FIGURES 2020

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- 41% INCREASE IN ELECTRICITY PRODUCTION COMPARED TO Q1 2019
- EBITDA IN Q1 2020 OF EUR 6.9 MIO (+12.7%)
- EBITDA GUIDANCE 2020 INCREASED TO "> EUR 37.0 Mio."
- ASSET PORTFOLIO REACHED 209 MW<sub>p</sub> AT DATE OF PUBLICATION

## OPERATIONAL ACTIVITY

## POWER PRODUCTION

On the back of a 21% increase in the weighted average capacity base, electricity production increased by 41% to 35 GWh in the first quarter of 2020. Namely the electricity generation of the group's two wind installations (5.9 MW) was crucial for this substantial increase in production. The wind parks were for the first time fully included in production in the reporting period. Although the wind installations only account for 3.1% of the weighted portfolio performance, they generated 7.3% of the electricity production in the first quarter of 2020, since the winter months are particularly suitable for wind installations, but less so for PV plants.

		2020 Q1	2019 Q1	Change
Weighted average capacity base*	MWp	191	157	21%
Production*	GWh	35	25	41%
Specific yield**	kWh/kWp	154	155	-1%
Average FIT tariff*	EUR / MWh	222	256	-13%

\*incl. Wind installations \*\* excl. Wind installations

The specific yield of the solar portfolio (154 kWh/kWp) decreased slightly by 1% compared to Q1 2019. The average feed-in tariff (FIT) for the (whole) portfolio fell by 13% to EUR 222 / MWh compared to the same period in the previous year. This is caused by the ongoing rejuvenation of the portfolio, which consists of building or acquiring new built projects enjoying lower feed-in tariffs.

## ASSET PORTFOLIO

The asset portfolio expanded by 11 MW<sub>p</sub> in the first quarter of 2020. Existing installations with a total capacity of 6.3 MW<sub>p</sub> and newbuilt projects adding up to 4.8 MW<sub>p</sub> were acquired, of which 3.0 MW<sub>p</sub> were still under construction at the publication day.

Between the end of the first quarter of 2020 and the publication day, the group purchased or started construction on a further 10.8 MW<sub>p</sub> in solar installations. The acquisition of the "Oberwesterwaldbahn" installation (10 MW<sub>p</sub>) is particularly noteworthy. This year, the group also expanded its Ludwigsfelde PV portfolio with a final project. This solar installation "Ludwigsfelde IV" (0.8 MW<sub>p</sub>) was still under construction on the day of publication.

INVESTMENTS			2020*	INVESTMENTS			2019		
Project			Capacity (kWp)	Project			Capacity (kWp)		
Q1	Bremerhaven	Newbuilt	300	Q1	Oppin	Existing Installation	929		
	Wieglitz	Existing Installation	1,473		Medard2	Existing Installation	2,780		
	Parchen	Existing Installation	459		Geesthacht	Existing Installation	556		
	Nosswitz	Existing Installation	649		Wallstawe III	Newbuilt	747		
	Wittlich	Existing Installation	1,279		Umpferstedt II	Newbuilt	423		
	Remptendorf	Existing Installation	2,409		Surya	Newbuilt	2,538		
	Dessau	Newbuilt	691		Neustadt I & II	Newbuilt	853		
	Bernsdorf II (under construction)	Newbuilt	339		Bünde	Newbuilt	749		
	Bernterode (under construction)	Newbuilt	614		Aerzen	Newbuilt	749		
	Calbe II	Newbuilt	750						
	Calbe neu (under construction)	Newbuilt	1,317						
	Luckow Süd (under construction)	Newbuilt	750						
	Q2	Oberwesterwaldbahn	Newbuilt		10,000	Q2	Glasewitz	Existing Installation	1,507
		Ludwigsfelde IV (under construction)	Newbuilt		748		Blankenberg	Existing Installation	1,109
				Stephanposching	Existing Installation		580		
				Schmidöd	Newbuilt		2,000		
				Plötzky	Newbuilt		551		
				Ludwigsfelde III	Newbuilt		749		
<b>Total:</b>			<b>21,778</b>	<b>Total:</b>			<b>16,820</b>		

\* at the publication date (May, 29<sup>th</sup> 2020)

Upon closing a sale agreement in May 2020, the group also divested the "Surya 1" rooftop portfolio. This portfolio has a capacity of 2.5 MWp and its projects were commissioned between 2018Q4 to 2019Q1.

The capacity of the IPP portfolio on the publication day of this quarterly statement reached 209 MWp (at the end of 2019: 190 MWp). The management board is confident of expanding the IPP portfolio to 220 MWp by the end of 2020 in line with the 2019-2022 strategic plan. Further asset acquisitions are currently being negotiated.

## OPERATIONAL RESULTS

The revenues over the first three months of 2020 reached EUR 8.4 Mio. which corresponds to an increase of 29.0% compared to the same period in the previous year (EUR 6.5 Mio.). The sale of electricity rose by EUR 1.1 Mio., which is exclusively due to the expansion of the portfolio. Particularly the contribution of the group's two wind installations to sales should be noted (EUR 0.6 Mio.). They were fully reflected in the figures for the first time during Q1 2020. Revenues from technical and commercial services increased by EUR 0.8 Mio. This results firstly from the asset management business acquired in the second quarter of 2019 (EUR 0.1 Mio.) and secondly from a module exchange program carried out by the group for a closed-end fund during the reporting period (EUR 0.7 Mio.).

in TEUR	2020 Q1	2019 Q1	Change
Revenues	8,418	6,526	29.0%
<i>Of which sale of electricity</i>	7,522	6,455	16.5%
EBITDA	6,933	6,150	12.7%

Revenues were adversely affected by negative electricity prices in the reporting period. Negative electricity prices have become increasingly common since the CoVid-19 paralyzed economic activity. Under the Renewable Energy Law (EEG) regulations regarding negative electricity prices, solar installations having a capacity larger than 500 kWp and built as from 2016 do not receive remuneration for electricity which they produce when electricity prices are negative for a time period exceeding 6 hours. In the first three months of 2020, these EEG provisions have had a negative effect of ca. EUR 0.1 Mio. on electricity sales. As the lockdown in Germany has been maintained over the second quarter of 2020 leading up to publication date, negative prices remained at a higher level compared to previous years.

Earnings before interest, taxes, depreciation and amortization (EBITDA) reached EUR 6.9 Mio. in the reporting period, which corresponds to an increase of 12.7% compared to the first three months of 2019. Although realized gains from bargain purchases ("badwill") increased by EUR 0.1 Mio. to EUR 0.2 Mio. compared to the same period last year, other operating income decreased significantly from EUR 1.1 Mio. in Q1 2019 to EUR 0.4 Mio. in Q1 2020. This drop mainly results from the fact that in Q1 2019 a one-off gain from a settlement with a module manufacturer in the amount of EUR 0.6 Mio. was realized.

Other operating expenses rose from EUR 1.1 Mio. in Q1 2019 to EUR 1.5 Mio. (+ 39.0%). In addition to increased operating expenses related to portfolio expansion, it was mainly caused by the purchase of services (EUR 0.4 Mio.) linked to the module exchange program carried out by the group for a close-end fund.

## FINANCIAL POSITION

Financial liabilities increased by 4.8% to EUR 231.9 Mio. compared to December 31, 2019. This increase is primarily due to the issue of a new promissory note with a nominal amount of EUR 11.5 Mio. The promissory note was issued in March 2020 at a fixed interest rate of 1.8% with a fixed term of 5 years. In addition, project finance loans amounting to EUR 5.6 Mio. were added due to acquisitions in the first quarter. In contrast, scheduled loan redemptions reduced financial debt by EUR 6.0 Mio.

Lease liabilities decreased by 10.6% to EUR 14.0 Mio in the first 3 months of 2020. This is mainly due to the early repayment of a lease liability related to the financing of a Belgian installation (EUR 1.2 Mio.).

NET DEBT (in TEUR)	31.03.2020	31.12.2019	Change
Short term and long term financial debt	231,865	221,238	4.8%
Short term and long term lease liabilities	14,019	15,681	-10.6%
Minus cash and cash equivalents*	-60,560	-59,028	2.6%
Minus short and long term lease liabilities according to IFRS 16 related to right of use assets from rental agreements for wind and solar parks	-14,012	-14,518	-3.5%
<b>Net debt</b>	<b>171,312</b>	<b>163,374</b>	<b>4.9%</b>

\*thereof TEUR 15,839 restricted (2019: TEUR 15,349)

Cash and cash equivalents increased slightly from EUR 59.0 Mio. at the end of 2019 to EUR 60.6 Mio. at the end of Q1 2020, of which EUR 15.8 Mio. (at the end of 2019 EUR 15.3 Mio.) was restricted.

Overall, the group's net debt increased by 4.9% to EUR 171.3 Mio.

## GENERAL ANNUAL MEETING 2020 – DIVIDEND PROPOSAL 2020

The management board has set a new date for the 2020 Annual General Meeting. The Annual General Meeting will take place online on July 17, 2020. The invitation will be published on the website in the coming weeks.

At the Annual General Meeting, the Management Board will - as already communicated - propose to the shareholders a constant dividend of EUR 0.11 per share.

## OUTLOOK

The guidance for the full-year 2020 (EBITDA of EUR 36 Mio.) did not take into account the excellent weather in the second half of March. Secondly, the group has increased its operating portfolio beyond 200 MWp, i.e. the capacity on which the EBITDA guidance was based. The Management Board continues to expect a positive development of the group and increases its group EBITDA forecast for the financial year 2020 from EUR 36.0 Mio. to > EUR 37.0 Mio.

Guidance	2020
Revenues	EUR 43.0 Mio.
EBITDA	> EUR 37.0 Mio.
Cashflow per share	EUR 0.48

This quarterly update presents group financial statements (IFRS) but has not been reviewed by an auditor.

Bayreuth, May 29<sup>th</sup> 2020

Steven De Proost

Koen Boriau

CEO

CFO

Contact

7C Solarparken AG

An der Feuerwache 15

95445 Bayreuth

Germany

TEL: +49 (0) (921) 230557 77

FAX: +49 (0) (921) 230557 79

EMAIL: [info@solarparken.com](mailto:info@solarparken.com)

[www.solarparken.com](http://www.solarparken.com)