

7C SOLARPARKEN ANNOUNCES 9M FIGURES 2021

- INCREASE OF POWER PRODUCTION BY 19% COMPARED TO 9M 2020
- RECORD 9M REVENUES OF EUR 47.4M AND EBITDA OF EUR 42.0M
- EBITDA GUIDANCE INCREASE TO EUR 45.5M

OPERATIONAL ACTIVITY

POWER PRODUCTION

In the first nine months of 2021 electricity production rose by 19% to 235 GWh compared to the same period last year. This was only achieved by expanding the weighted average capacity by 37% to 281 MWp, as the production per installed capacity (i.e. the specific yield) has decreased by 13% to 829 kWh / kWp (previous year's period: 957 kWh / kWp).

		2021 9M*	2020 9M*	Δ
Weighted average capacity	MWp	281	205	37%
Production	GWh	235	198	19%
Specific yield	kWh/kWp	829	957	-13%

*incl. Wind farms

Due to the bad weather, the specific yield from the solar and wind farms decreased by 13.0% in the first half of 2021 compared to the previous year. In the third quarter, no improvement in weather conditions could be noted, because the specific yield fell from July to September by as much as 14% compared to the same period in the previous year.

		2021 Q3*	2020 Q3*	Δ	2021 H1*	2020 H1*	Δ
Weighted average capacity	MWp	292	224	30%	275	195	41%
Production	GWh	91	81	12%	145	118	23%
Specific yield	kWh/kWp	310	360	-14%	522	596	-13%

*incl. Wind farms

ASSET PORTFOLIO

As of September 30th, 2021, the capacity of the total IPP portfolio reached 336 MWp (year-end 2020: 256 MWp).

Investments during the reporting period are presented in the table below:

INVESTMENTS			2021	INVESTMENTS			2020
Q1	Project	Capacity (kWp)		Q1	Project	Capacity (kWp)	
	Höttingen	8,340			Bremerhaven	300	
	7C Groeni	10,907			Wiegwitz	1,473	
					Parthen	459	
					Nosswitz	649	
					Wittlich	1,279	
					Remptendorf	2,409	
					Dessau	691	
					Bernsdorf II	339	
					Bernterode	614	
					Calbe II	750	
					Calbe neu	1,317	
					Luckow Süd	750	
Q2	Theilenhofen	9,228		Q2	Oberwesterwaldbahn	10,000	
	Dessau Süd	2,506			Ludwigsfelde IV	748	
	DC Rieme	6,221			Salzwedel	729	
	Zottegem (under construction)	125			Dettenhofen	3,254	
	Roeselare	128			Igling-Buchloe	5,787	
	Kortrijk	139			Neuhaus-Stetten	3,257	
	Gent	642			Oberostendorf	2,457	
	Lokeren	1,289					
	Kruikeke	366					
	Schoten	186					
	Belsele	174					
	Heilgersdorf	5,322					
	Hamont-Achel	1,194					
	Ninove	134					
	Mortsel (under construction)	106					
Q3	Cossen	3,177		Q3	Gumtow II & III	5,244	
	Milmesberg	5,440			Rötz	2,249	
	Osterburg	3,144					
	Lokeren II	602					
	Draisdorf-Eggenbach	19,986					
Total		79,354		Total		44,755	

In the first nine months of the 2021 financial year, the group purchased new solar assets with an output of 79 MWp (previous year period: 45 MWp). After the balance sheet date, another 2 MWp PV plant was commissioned.

OPERATIONAL RESULTS

In the first nine months of 2021, 7C Solarparken generated revenues of EUR 47.4m, which means an increase of 5.6% compared to the same period in the previous year (EUR 44.9m). 98% of revenues in the first 9 months consisted of electricity sales (previous year's period: 97%). Sale of services decreased to EUR 0.6m (previous year: EUR 1.1m) and contributed 1.3% to revenues. The decrease essentially stems from a one-off module sale that was recorded in the comparative period (EUR 0.7m). Adjusted for this effect, sale of services increased by EUR 0.1m.

in EURm	2021 9M	2020 9M	Δ
Revenues	47.4	44.9	5.6%
EBITDA	42.0	39.7	5.9%

Sale of electricity amounted to EUR 46.6m after the first three quarters of 2021 (2020 9M: EUR 43.6m). The significant increase in power production results primarily from the full inclusion of the solar plants acquired in the previous year (+ EUR 4.8m), as well as from the earnings contributions from the solar plants acquired and newly built in the reporting period (+ EUR 1.9m) and finally, revenues were positively influenced by EUR 0.8m from the rise in electricity prices. On the other side, the poor weather conditions had a negative effect of EUR 4.5m.

The earnings before Interest, taxes, depreciation and amortization (EBITDA) for the reporting period came in at EUR 42.0m which is a 5.9% increase compared to the first nine months of 2020.

7C Solarparken generated other operating income of EUR 1.5m (2020 9M: EUR 1.3m). Particularly noteworthy are the income from the receipt of damages in the amount of EUR 0.3m (comparative period: EUR 0.8m) as well as from the one-time release of provisions for warranty risks in the amount of EUR 0.2m and finally from a gain from asset disposals in the amount of EUR 0.1m. In the comparative period, a one-off income from the sale of Surya 1 GmbH & Co KG in the amount of EUR 0.3m was realized.

FINANCIAL POSITION

The net debt is shown in the table below and amounted to EUR 167.7m as of September 30, 2021. The group's long-term and short-term financial liabilities totaled EUR 232.9m as of September 30, 2021 (2020: EUR 236.8m). This decrease of EUR 4.0m is due to the regular repayment of financial liabilities in the amount of EUR 21.9m. In contrast, in the course of expanding the consolidation scope in the first 9 months of 2021, financing in the amount of EUR 17.9m was added to the balance sheet. The lease liabilities in the amount of EUR 26.7m (2020: EUR 17.2m) increased, mainly on the back of the expansion of the consolidation scope, containing lease liabilities for right of use assets in solar parks (EUR 5.3m) and in connection with lease arrangements for solar assets (EUR 5.3 million) taking into account lease redemptions (EUR 1.1m).

Cash and cash equivalents amounted to EUR 70.5m (of which restricted cash: EUR 18.5m), at the closing date which represents an increase of 13.3% compared to the end of the financial year 2020.

in TEUR	30.09.2021	31.12.2020
Long and short-term financial debt	232,874	236,835
Long and short-term lease liabilities	26,733	17,155
Minus Cash and cash equivalents*	-70,486	-62,193
Minus long and short-term lease liabilities (IFRS 16) related to right of use assets from lease agreements of solar and wind parks	-21,416	-17,141
Net Debt	167,746	174,656
Total equity w/o hedging reserve	198,809	161,782
Total assets	505,090	458,525
Equity ratio (%)	39.4	35.3

*of which restricted cash TEUR 18.505 (2020: TEUR 17.882)

The group monitors its financial position in particular on the basis of net debt and the equity ratio. The equity ratio reached 39.4% on September 30th, 2021. This increase is mainly due to the two capital increases in an amount of EUR 33.7m and the net result of the first nine months of the year. Equity was reversely affected by the dividend to the group's shareholders in the amount of EUR 7.6m. The strong equity ratio will enable the inclusion of new debt instruments, also to finance project's equity, e.g. in the form of a green bond or a new promissory note.

OTHER MAJOR EVENTS AFTER THE THIRD QUARTER 2021

ACQUISITION OF SOLAR ASSETS

By the day of publication, the group had put the self-developed 1.8 MWp free field PV park in Bernsdorf (Saxony) into operation, thus increasing the IPP-portfolio to a total of 338 MWp. This project was built on a 2.6 hectare industrial area, which has been part of the PV Estate portfolio since 2019. The entire development, including the approval process, was carried out internally. The feed-in tariff for the project was secured almost 24 months ago as part of the FFAV tendering process and is around EUR 50 / MWh. The PV plant uses Renesola 330W modules and Sungrow inverters and will generate at least 975 kWh/kWp.

STRATEGIC PLAN 2021-2024 WILL BE PRESENTED TODAY

The management board announces its strategic plan for 2021-2024 at an analyst conference today. Three key topics are particularly emphasized. In addition to the guidance increase for 2021, the group has set the objective to reach an IPP portfolio with a total capacity of 525 MWp by the end of 2024 in this strategic plan. Lastly, the high equity ratio of 39.4% should to be used to strengthen the group's financing leverage by issuing new financing instruments to enable the structural increase in cash flow per share (CFPS) to EUR 0.60 per share.

OUTLOOK 2021

The Management Board continues to expect a positive development of the group and increases its forecast for the financial year 2021 based on the positive 9M figures for sales to EUR 54.3m and for EBITDA to EUR 45.5m and changes its forecast for the cash flow per share to EUR 0.51 per share.

Full year guidance 2021 (in EUR)	New guidance	Guidance as per 6m report 2021	Guidance as per annual report 2020
Revenues	54.3m	n/a.	53.0m
EBITDA	45.5m	44.4m	42.5m
CFPS (in EUR)	0.51	0.50	0.50

This quarterly trading update presents group financial figures (IFRS), which have not been reviewed by an auditor.

Bayreuth, November 25, 2021

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