

Greencells GmbH doubles consolidated EBIT to EUR 5.6 million in the first half of 2023; full-year forecast expected to be exceeded

Saarbrücken, 31 October 2023 – Greencells GmbH, a globally active EPC and O&M service provider for utility-scale solar power plants, successfully performed in the first half of 2023 in a still challenging but overall considerably improved environment, and significantly increased all key earnings figures compared with the previous year. Although consolidated sales decreased from EUR 102.0 million to EUR 78.9 million due to project-related factors, gross profit improved in parallel – also due to project-related factors – from EUR 7.6 million to EUR 10.3 million. Operating profit (EBIT) developed even more impressively in the first half of 2023. At EUR 5.6 million, Greencells doubled the previous year’s figure of EUR 2.8 million. The EBIT margin also increased significantly from 2.7% to 7.1%. Consolidated earnings after tax more than tripled compared to the same period of the previous year, from EUR 0.9 million to EUR 3.4 million. As a result of this strong performance, Group equity increased from EUR 14.1 million as of 31 December 2022 to EUR 17.6 million. However, due to the disproportionate increase in the balance sheet total, Group equity ratio decreased slightly from 12.5% to 11.9%. Cash and cash equivalents rose from EUR 11.2 million as of 31 December 2022 to EUR 12.0 million as of the reporting date.

As of 30 June 2023, Greencells managed five ongoing construction projects with a total volume of 272 MWp (31 December 2022: five projects with 262 MWp). The two largest projects, accounting for more than half of the built capacity, are located in Hungary and the others in the United Kingdom and the Netherlands. As of 30 June 2023, firm orders existed for a further ten projects with a volume of 131 MWp (31 December 2022: seven projects with 95 MWp) in the target countries of Ireland, the Netherlands, Romania and the United Kingdom. In addition, further contracts, in particular for projects in Germany, were in the final negotiation stage. These have now been concluded.

Andreas Hoffmann, CEO of Greencells GmbH: “We are experiencing high demand for EPC services this year. This is reflected in our strong performance in the first half of 2023, and we expect this trend to be sustained also in the second half of the year. In addition, we have an attractive project pipeline and numerous new project opportunities arising from the significant growth potential in the European EPC market. Accordingly, we are confident of further strengthening our market position – not least thanks to our unique selling propositions, the renewed stabilization of procurement conditions, and the political tailwind for the rapid addition of renewables capacity to accelerate the energy transition.”

Based on the positive business development, management expects to exceed the annual targets of more than EUR 200 million in sales, an EBIT of EUR 10-12 million and a return on sales of 2-3 %.

To strengthen its business prospects in the long term and further improve its risk profile, Greencells has already started to diversify its EPC business more strongly, among other things by shifting from the capital-intensive “Full EPC” business towards “EPC light”, “General Contracting” and “Construction only”. The intention is to achieve a reduction in project volumes, procurement risks, as well as financing and guarantee requirements. In addition, Greencells is consistently continuing the concentration on the attractive European target markets and the core segment of large-scale solar power plants that has already been initiated.

Additional positive effects are expected from the sale of the development portfolio and the development platform of the sister entity Greencells Group Holdings Ltd. planned for 2024. As a result, a significant improvement in the net liquidity of Greencells GmbH Group and the balance sheet ratios is presumed to materialize in 2024. At the same time, the risk profile shall improve significantly on this basis and the financial prerequisites in terms of liquidity and project-related financing solutions shall be created for a continuation of profitable growth.

The consolidated half-year financial statements 2023 of Greencells GmbH are available at www.greencells.com/ir.

About Greencells GmbH:

Greencells GmbH is a global provider of EPC and O&M services specialized in utility-scale solar power plants. Together with its sister company Greencells Group Holdings Ltd. (together “Greencells Group”), which is active worldwide as a solar project developer, the company has the know-how in all project phases to optimally plan, finance, implement and operate solar projects. Greencells GmbH, founded in 2009 and headquartered in Saarbrücken, has around 90 employees as well as several hundred skilled workers at the active construction sites. As one of the largest European providers of solar power plants, Greencells Group has already been successfully involved in the construction or planning of more than 150 photovoltaic plants with a total output of over 2.7 GWp in more than 25 countries.



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