



SMA Solar Technology AG – Corporate News

SMA Group reports a solid first half of 2024 in a challenging market

- **Sales at €759.3 million compared to €778.9 million in the first half of 2023**
- **EBITDA of €80.6 million (H1 2023: €125.3 million)**
- **Order backlog of €1.35 billion (June 30, 2023: €2.45 billion)**
- **Equity ratio rose slightly to 42.6% (December 31, 2023: 42.3%)**
- **Managing Board confirms revised 2024 guidance from June 18: sales of between €1,550 million and €1,700 million; EBITDA of between €80 million and €130 million**

Niestetal, August 8, 2024 – As expected, sales and earnings for SMA Solar Technology AG (SMA/ISIN: DE000A0DJ6J9/FWB: S92) have been lower in the first half of 2024 compared to the previous year. Group sales reached €759.3 million and was therefore slightly below the previous year (H1 2023: €778.9 million).

Sales in the Home Solutions and Commercial & Industrial Solutions segments were significantly influenced by the ongoing high inventory levels at distributors and installers, as well as a generally very challenging market environment. Against this backdrop, sales in the Home Solutions segment amounted to €109.9 million (H1 2023: €327.3 million) and in the Commercial & Industrial Solutions segment to €113.6 million, after €194.2 million in the first half of 2023. As planned, the Large Scale & Project Solutions segment posted significant sales growth, achieving €535.8 million compared to €257.4 million in the first half of 2023.

Earnings before interest, taxes, depreciation and amortization (EBITDA), amounted to €80.6 million (including €19.1 million from the sale of shares in elaxon GmbH in Q1 2024), compared to €125.3 million in the first half of 2023. This corresponds to an EBITDA margin of 10.6% (H1 2023: 16.1%). The main reasons for the change compared with the previous year were the reduced sales volumes, the change in the product mix, and an increase in the Group's cost base. Earnings before interest and taxes (EBIT) amounted to €56.2 million compared with €106.1 million in the same period of the previous year. This corresponds to an EBIT margin of 7.4% (H1 2023: 13.6%).

The EBIT in the Home Solutions and Commercial & Industrial Solutions segments was below the value for the previous year due to the low level of sales, a reduced utilization, and the corresponding lack of coverage of fixed costs. Home: –€21.6 million (H1 2023: €93.4 million); Commercial & Industrial Solutions: –€45.2 million (H1 2023: €6.7 million). The Large Scale & Project Solutions segment significantly improved its profitability compared with the same period of the previous year thanks to the high level of sales and associated fixed cost degression, as well as a profitable product mix, achieving EBIT of €100.5 million (H1 2023: €8.8 million).

“The global PV market has developed very inconsistently this year. Incoming orders in the Home and Commercial & Industrial segments continue to be influenced by the high inventory levels at distributors and installers. In addition, electricity prices have gone down, which in many countries is resulting in postponed investments and restrained final



demand, as well as excess capacity by Chinese manufacturers, which is putting additional pressure on the market. Despite the fact that the prices for PV systems have already gone down, customers continue to anticipate further price decreases. Our Large Scale & Project Solutions segment, which continues to record an above-average operational performance, is not affected by this. Within this challenging environment, it is once again clear that our diversified business model with three segments is a huge advantage for SMA, which means that we are able to be more flexible than our competitors," said Jürgen Reinert, CEO of SMA. "One example is production, where we are currently directing capacity into the Large Scale segment so that we can process the high order backlog as planned."

"Despite the volatile market, the first half of 2024 showed a solid development. In the Large Scale & Project Solutions segment, we have once again made significant gains in both sales and earnings during the second quarter. Given the delayed market recovery in the Home and C&I segments, we have expanded our sales activities to other product groups and countries during the last few weeks. We have also implemented a number of measures to adapt the cost structure and working capital to the reduced sales level in the Group, as well as to stabilize the cash flow," added Barbara Gregor, CFO at SMA.

The net income amounted to €44.1 million (H1 2023: €103.5 million). Earnings per share thus increased to €1.27 (H1 2023: €2.98).

The SMA Group's free cash flow fell to -€202.6 million after €80.6 million in the previous year as a result of higher net working capital. At €65.7 million, net cash on June 30, 2024, was below the level at the end of the previous year (December 31, 2023: €283.3 million). With an equity ratio of 42.6% (December 31, 2023: 42.3%), SMA continues to have a good equity capital base.

The order backlog was €1,348.6 million as of June 30, 2024 (June 30, 2023: €2,453.7 million). At €988.0 million, three-quarters of this is attributable to product business (June 30, 2023: €2,075.7 million).

The SMA Managing Board confirms its sales and earnings guidance for fiscal year 2024 as revised on June 18, 2024, which predicts sales of between €1,550 million and €1,700 million (2023: €1,904.1 million) and EBITDA of between €80 million and €130 million (2023: €311 million).

Additional Information

The quarterly statement for January to June 2024 can be found at www.sma.de/en/investor-relations/publications. SMA will discuss its business development during a conference call for analysts and investors at 1:30 p.m. on August 8, 2024. An overview of analyst estimates (consensus) is available at [Analyst Coverage & Consensus | SMA Solar](#).

About SMA

As a leading global specialist in photovoltaic and storage system technology, the SMA Group is setting the standards today for the decentralized and renewable energy supply of tomorrow. SMA's portfolio contains a wide range of efficient PV and battery inverters, holistic system solutions for PV and battery-storage systems of all power classes,



intelligent energy management systems and charging solutions for electric vehicles and power-to-gas applications. Digital energy services as well as further comprehensive services round off SMA's range. SMA solar inverters installed worldwide in the last 20 years, with a total output of around 132 GW, help avoid over 70 million tonnes of CO2 emissions annually. SMA's multi-award-winning technology is protected by more than 1,600 patents and utility models. Since 2008, the Group's parent company, SMA Solar Technology AG, has been listed on the Prime Standard of the Frankfurt Stock Exchange (S92) and is listed in the SDAX index and TecDAX index.

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