

SMA Solar Technology AG Press Release

SMA Solar Technology AG surpasses billion euro mark in sales and doubles operating earnings in 2020 despite coronavirus crisis – Managing Board confirms growth forecast for 2021

Overview of fiscal year 2020:

- Inverter output sold rises to 14.4 GW (2019: 11.4 GW)
- Sales increase by around 12% year on year to €1,027 million (2019: €915 million)
- Earnings before interest, taxes, depreciation and amortization (EBITDA) of €72 million, twice as high as in the previous year (2019: €34 million)
- Equity ratio still high at 42% (December 31, 2019: 38%)
- Managing Board and Supervisory Board recommend dividend payment of €0.30 per share (2019: €0.00 per share)
- Managing Board anticipates sales of between €235 million and €245 million as well as EBITDA of between €14 million and €17 million in first quarter of 2021 and confirms sales and earnings guidance for the year as a whole

Niestetal, March 25, 2021 – In fiscal year 2020, SMA Solar Technology AG (SMA/FWB: S92) sold inverters with a cumulative output of around 14.4 GW. Inverter output sold was thus approximately 26% above the previous year's level (2019: 11.4 GW). The SMA group's sales increased by around 12% to €1,026.6 million (2019: €915.1 million). This growth is attributable in particular to the very good business performance in the Large Scale & Project Solutions and Home Solutions segments. EBITDA doubled to €71.5 million (EBITDA margin: 7.0%; 2019: €34.2 million, 3.7%).

Net income came to €28.1 million (2019: -€8.6 million). Earnings per share thus increased to €0.81 (2019: -€0.25). Net cash decreased to €226.0 million (2019: €303.0 million). The decline is in particular due to the fact that the comparative figure at the end of 2019 included increased customer prepayments on account of a major order that was processed in the first quarter of 2020. By the end of 2020, customer prepayments were back to normal levels. The equity ratio increased to 41.8% at the end of the reporting year (2019: 37.6%). In addition, SMA has a credit line of €100 million from domestic banks. Based on the positive business development last year and the growth forecast for 2021, the Managing Board and Supervisory Board will recommend that the Annual General Meeting on June 1, 2021, set a dividend of €0.30 per share for the 2020 fiscal year. This corresponds to a dividend payout ratio of 37% of net income.



"SMA successfully overcame the considerable challenges related to the coronavirus crisis in 2020 and achieved the growth objectives for sales and earnings that we set before the pandemic broke out," declared SMA Chief Executive Officer Jürgen Reinert. "In the segment for residential PV applications, sales significantly increased mainly in Europe, the Middle East and Africa, while in the utility-scale PV power plant business, we gained market share particularly in the U.S. and further consolidated our leading position in Australia. There, we have an overall market share of around 65% of the utility-scale PV power plant capacity that is already in operation or has been approved. I am also particularly pleased to see that we reached an important milestone as part of our sustainability strategy in 2020. The SMA headquarters is now supplied with electricity exclusively from PV and wind turbine systems in the immediate vicinity. Our heating supply here is now also completely CO₂ neutral. It is our goal to make SMA fully CO₂ neutral around the world starting 2025 at the latest."

For the first quarter of 2021, the SMA Managing Board is anticipating sales of €235 million to €245 million (Q1 2020: €287.9 million) and earnings before interest, taxes, depreciation and amortization (EBITDA) of €14 million to €17 million (Q1 2020: €12.3 million). The SMA Managing Board is confirming its sales and earnings guidance for the 2021 fiscal year as published on February 5, 2021, which forecasts an increase in sales to between €1,075 million and €1,175 million and EBITDA of between €75 million and €95 million. "Due to the ongoing coronavirus crisis worldwide and increasing prices for raw materials and PV modules, we have recorded a relatively subdued start to the year," said Reinert. "At the same time, incoming orders increased in March. Our current product order backlog plus sales already cover around 50% of the annual guidance. We are assuming that SMA can strengthen its position in key markets over the course of the year and benefit from the expected growth of the PV markets in Europe and America as well as that of the global storage market. The continuous improvement of our product portfolio and the implementation of cost reduction measures will have a positive effect on profitability in 2021. We will closely monitor the ongoing developments in relation to the coronavirus and respond quickly and flexibly at all times. We believe that SMA will remain well equipped to respond appropriately to all developments and to achieve the forecast sales and earnings growth during the current fiscal year."

The SMA Annual Report 2020 is available online at www.SMA.de/IR/FinancialReports.

About SMA

As a leading global specialist in photovoltaic 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 inverters, holistic system solutions for PV systems of all power classes, intelligent energy management systems and battery-storage solutions as well as complete solutions for PV diesel hybrid applications. Digital energy services as well as extensive services up to and including operation and maintenance services for PV power plants round off SMA's



range. SMA inverters with a total output of more than 100 gigawatts have been installed in more than 190 countries worldwide. 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 TecDAX index.

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position, the development or the performance of the corporation and the estimates given here. These factors include those which SMA has discussed in published reports. These reports are available on the SMA website at www.SMA.de. The company accepts no obligation whatsoever to update these future-oriented statements or to adjust them to future events or developments.