



Q1 2024 TRADING UPDATE

Soltec reports record revenues of €121M, an increase of 58% compared to the previous year

- The company achieves its best first quarter results in its history, with record revenues and solid gross margins of 24%
- Soltec strengthens its position in the United States, a market which represents 34% of its revenues and is expected to reach 50% of sales in the following years
- The operating indicators of both divisions (trackers and energy) show their positive performance in the period, reaching a backlog of €619M and a pipeline of 12.6 GW respectively
- Soltec is working on the development of a new Business Plan, which will seek to strengthen the company's position in the market, take advantage of opportunities in the renewable energy sector and evaluate the company's new financial needs
- The company's leadership structure will be reinforced with the appointment of Mariano Berges as CEO and the continuation of Raúl Morales as Executive Chairman, pending approval at the next General Shareholders' Meeting on June 25

Madrid, 18 June 2024

Soltec, a vertically integrated company dedicated to photovoltaic projects, has released a trading update for the first quarter of 2024. The company reached record revenues of €121M, a 58% year-on-year growth. EBITDA reached €11M, with a positive contribution from both divisions (trackers and energy), and a net profit of €1.3M.



Solid gross margins and strong EBITDA, key factors for the trackers division

In the first quarter of 2024, Soltec has delivered 813 MW of solar trackers, which is three times the volume delivered in the same period of last year. This takes the company's historical track record to 18 GW since it began operations in 2004.

The trackers division's revenues increased by 65% to €117M with an EBITDA of €6.6M, representing an EBITDA margin of 5.7%, which is expected to grow progressively throughout the year as activity volumes increase. The solar tracker supply business stands out for its solid gross margins, reaching 24% in the first quarter.

By region, there was a well-balanced contribution to revenues from the company's three key regions: United States accounted for 34% of revenues, Europe (mainly Spain) another 34% and Latin America 33%.

The United States is currently the largest market for solar trackers and is a key market for Soltec. The company has a highly experienced team in the region, a logistics centre in Texas and has recently appointed Alma Miller as the new CEO of Soltec Trackers Inc. The company expects the region's revenues to grow to 50% in the coming years.

In terms of operational indicators, the backlog (signed contracts pending execution) amounts to €619M, providing clear visibility of upcoming revenues. Meanwhile, the pipeline (unsigned contracts with a certain probability of execution) amounted to €16.8 BN.

Energy division: high-quality pipeline and diversified portfolio

Soltec's energy division has closed the quarter with a pipeline of 12.6 GW of projects at different stages of development, spread across seven countries: Spain, Italy, Brazil, Colombia, Romania, Mexico and the United States.

Year to date, the company has 234 MW of operating assets, adding 4.9 MW of new capacity from the La Isla project (Spain) year to date. Projects under construction total 40 MW, with the addition of 20 MW that have recently started construction. In addition, there are 326 MW of projects in the pre-construction phase which are expected to start construction in September.

In terms of asset rotation, Soltec has completed the sale of 100% of a 400 MWac project in Brazil to Casa dos Ventos, one of the leading renewable energy entities in the country. The transaction has had an impact of €3.9M on the division's EBITDA, which could be increased if certain technical milestones are achieved. The company expects to close more asset rotation transactions (M&A) during the year.



Strong roadmap and new management structure

Soltec is currently working on the development of a new Business Plan, which will establish the roadmap for the coming years.

The main goal is to strengthen the company's position in the market, take advantage of the opportunities offered by the positive outlook for the renewable energy sector and evaluate the company's new financial needs. In addition, this plan is focused on strengthening the company's presence in fast-growing international markets, especially the United States and Europe.

The company's leadership structure will be reinforced with the appointment of Mariano Berges as CEO and the continuation of Raúl Morales as Executive Chairman, pending approval at the next General Shareholders' Meeting on June 25. Focused on improving operational efficiency, as well as value creation and financial strength, the new structure underlines the company's commitment to international best practices in corporate governance and transparency.

Extension of syndicated finance

On May 31, Soltec Power Holdings closed the agreement with the 12 financial institutions linked to the syndicated credit facility and bank guarantee line of its industrial division, Soltec Energías Renovables (Soltec Trackers).

This agreement allows the maturity of the policy to be extended from 31 May of the current year to 30 September 2024, with tacit extension to 30 November 2024. During this period, the company will reevaluate its financing needs to attend to its backlog and expected growth.

Soltec Energías Renovables (Soltec Trackers) has had such syndicated financing since 2018, the amount of which was extended in 2021, comprising a revolving credit facility of 90 million euros and a bank guarantee line of 110 million euros.



About Soltec

Soltec is a company specializing in vertically integrated solutions in the photovoltaic solar energy sector, with a strong commitment to innovation and sustainability. Based in Murcia, the company was founded in 2004 and currently operates in 16 countries, with a strong presence in Spain, North America and Latin America. The company has been listed on the Spanish Continuous Market since 2020.

Soltec structures its activity through two main business areas: i) the tracker division, mainly focused on the manufacture and supply of solar trackers; ii) the energy division, which includes the development, construction and operation of the company's renewable assets.

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