



SMA Solar Technology AG – Corporate News

SMA Group publishes preliminary, non-audited figures for 2024 as a whole and issues guidance for the 2025 fiscal year

- **Sales drop by 19.7% to €1,530.0 million (2023: €1,904.1 million)**
- **EBITDA reduces from €311.0 million to –€16.0 million**
- **Earnings significantly impacted by one-time impairment on inventories and restructuring expenses**
- **Guidance for 2025: sales of €1,500 million to €1,650 million; EBITDA between €70 million and €110 million**

Niestetal, March 5, 2025 – SMA Solar Technology AG (SMA/ISIN: DE000A0DJ6J9/FWB: S92) has presented preliminary, non-audited figures for 2024 as a whole. On a year-over-year basis, the SMA Group's sales fell by 19.7% to €1,530.0 million (2023: €1,904.1 million). EBITDA amounted to –€16.0 million¹ and was thus significantly below the previous year's level (2023: €311.0 million). This corresponds to an EBITDA margin of –1.0% (2023: 16.3%). The reasons for this development were, among other things, lower fixed cost degression due to low sales in the segments Home Solutions and Commercial & Industrial Solutions, increased costs, and impairments on inventories as well as provisions associated with the restructuring and transformation program.

The Group's earnings before interest and taxes (EBIT) fell from €269.5 million in the 2023 fiscal year to –€93.1 million (EBIT margin in 2024: –6.1%; 2023: 14.2%). Inverter output sold in 2024 as a whole was 19.5 GW (2023: 20.5 GW).

Due to the lower demand situation combined with high inventories at distributors, the sales in the segments Home Solutions with €170.3 million (2023: €580.2 million) and Commercial & Industrial Solutions with €183.8 million (2023: €478.9 million) were considerably lower than the previous year.

The EBIT in the Home Solutions segment deteriorated to –€150.7 million (2023: €148.0 million) due to the sales decline, increased costs and impairments on inventories (€44.6 million), capitalized development projects (€14.5 million) and a production line (€4.2 million), as well as provisions for purchase commitments (€10.2 million).

¹Including €19 million positive one-time item from the sale of shares in elaxon GmbH, and a low two-digit million euro amount from the sale of a battery storage project by SMA Altensol GmbH.



The EBIT in the Commercial & Industrial Solutions segment deteriorated to –€1 64.3 million (2023: €22.7 million) due to the sales decline, higher costs, impairments on inventories (€49.5 million) and capitalized development projects (€7.9 million), as well as provisions for purchase commitments (€5.4 million).

Sales in the Large Scale & Project Solutions segment were up considerably at €1,175.8 billion (2023: €845.0 million) and achieved an EBIT of €227.0 million (2023: €103.8 million). The reasons for the positive earnings development were the high sales level combined with a reduction in fixed costs, a profitable product mix and the sale of a battery storage project by SMA Altenso GmbH. The impairments on inventories (€19.3 million) had a negative impact on the EBIT.

As expected, the order backlog with €1,355.6 million resulting from the challenging situation in the segments Home Solutions and Commercial & Industrial Solutions was below the previous year's figure of €1,705.0 million. Of this amount, €1,033.3 million was attributable to product business (December 31, 2023: €1,329.8 million).

The net income fell to –€117.7 million (2023: €225.7 million) and earnings per share decreased accordingly to –€3.39 (2023: €6.50). At €84.2 million, net cash was considerably lower than in the previous year (December 31, 2023: €283.3 million).

The preliminary figures are still subject to the auditor's review.

Consequent implementation of the restructuring and transformation program

The SMA Group has been working on significantly reducing its cost base and simplifying the corporate structure and corporate management since September 2024. This includes the intention to merge the two segments Home Solutions and Commercial & Industrial Solutions to form the new division "Home & Business Solutions" in the first half of 2025. This segment is intended to complement the existing "Large Scale & Project Solutions" unit. In the future, there will be two divisions with strong vertical integration and complete responsibility for profit and loss. Furthermore, corporate functions will be streamlined to make the strategy and performance of the company as efficient as possible, to ensure the required governance and to give the two divisions operational freedom. SMA will also withdraw from countries showing low growth potential. In Germany, negotiations with the Works Council on a voluntary program (conditions for voluntary termination) were concluded at the beginning of February, and implementation began shortly thereafter. The program is headed by Olaf Heyden who was appointed as Chief Transformation Officer (CTrO) effective from 14 February 2025, and who is also responsible for the areas of Operations, Human Resources and Digitalization as Chief Operating Officer (COO).

"Despite the excellent sales and earnings performance in the Large Scale & Project Solutions segment, the 2024 fiscal year was overall very challenging. "The operating performance of the segments Home Solutions and Commercial &



Industrial Solutions was significantly shaped by the overcapacity on the market and the declining demand in the home and commercial sector. Due to the deteriorating market situation, we implemented countermeasures in mid-2024 by cutting costs and increasing sales. Since September 2024, we have supplemented these measures with a comprehensive restructuring and transformation program. In addition to enhancing efficiency and maintaining our strategic focus as a leading global system and solution provider, we plan to save €150 to €200 million starting from 2026," said SMA CEO Jürgen Reinert.

"With the group-wide restructuring and transformation program, we are laying the foundation for profitable growth in the future. We expect to see the first positive effects from the defined measures in the 2025 fiscal year. Merging the segments Home and C&I into the division Home & Business Solutions (HBS) is to occur in the first half of this year. In operational terms, we expect the new HBS division to maintain a stable sales level in the current year. Earnings of this division will be significantly higher than last year but will not yet reach the break-even point. We expect a slight sales growth in the Large Scale & Project Solutions division. Earnings will be slightly below the previous year due to higher costs and a changed product and regional mix," said SMA CFO Barbara Gregor.

Against this backdrop, the Managing Board expects the SMA Group to generate sales of between €1,500 million and €1,650 million and EBITDA of between €70 million and €110 million in the current fiscal year 2025.

Additional Information

SMA will publish its audited Consolidated Financial Statements and the Annual Report for 2024 on March 27, 2025, and will explain the contents at a virtual press conference on financial statements at 10:30 a.m. and a conference call for analysts and investors at 1:30 p.m.

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 extensive services round off SMA's range. SMA inverters installed throughout the world within the last 20 years with a total output of approximately 132 GW help avoid the emission of more than 70 million tons of CO₂. 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 on the SDAX index.

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