



Sollega Inc Interview with MergerMarket (a Financial Times Publication)
Munich (Germany)
March 3, 2011

Headline: **Sollega is considering an IPO or private placement to raise funds; The Maestro Group advising, CEO says**

Sollega, the private New York, New York based producer of solar panel mounting systems, is looking for USD 3 to 5m funds, Chief Executive Officer and co-founder Elie Rothschild said. An IPO and listing in Germany and a private placement among strategic and financial investors are the options currently being considered, he explained, adding that a decision will be taken by the summer. Sollega's current valuation is in the range of USD 10 to 15m. A European advisor will be appointed to assist in the process if Sollega decides for an IPO, Rothschild said. The appointment will be made together with Sollega's US advisor, The Maestro Group, which has already held talks with some potential counterparts, said Pascal P. Niedermann, founding partner of The Maestro Group.

The raised funds will finance the strengthening of marketing and sales department, an increase in the working capital as well as the installation of in-house capacity for production that is currently outsourced, Rothschild said. The company is currently not planning additional financing rounds, he explained and mentioned that Sollega has also applied for public subsidies of around USD 1.5m.

"We have already refused two offers respectively from a European and an American investor," Rothschild said and explained that the Sollega's valuation/ price proposed by the suitors was too low. Furthermore he said Sollega's owners are currently focused on growing the company, exploiting its strong growth potential. Sollega is in the hands of its three managers: Elie Rothschild, the CEO, John Humphrey, the Chairman and George Schnakenberg III, the Manufacturing Manager.

Acquisitions are currently not part of the company's strategy, the CEO said, the market offers enough organic growth opportunities, he added. Sollega's reference market is valued at up to USD 1bn, according to a company presentation.

Sollega aims to reach a market share of 10% in the US in 2015, from the current figure of below 1%, Rothschild said. The entry into the European markets (e.g. Germany, UK, and Italy) will take place in 2011, he explained but

did not provide forecasts for the market penetration.

Sollega expects revenues of around USD 6m in 2011 and USD 14m in 2012, the CEO said, adding that the objective for 2015 is a turnover of approximately USD 40m. The company employs currently 10 people and plans to hire an additional 14 in 2011, he added.

Sollega manufactures modular solar PV mounting solutions for commercial flat roof installations. The company has right now two products: InstaRack 15 and InstaRack10 which reduce mounting and installation time and cost of solar panels, according to a company presentation. Among Sollega's competitors are **Unirac**, **Sunlink** and **Sunpower**.

Target: Sollega

Financial advisor: The Maestro Group

Vendor: Elie Rothschild , John Humphrey, George Schnakenberg III

Other: SunPower Corporation, Sunlink International Holdings Ltd [科浪國際控股有限公司] , Unirac Inc

Source : mergermarket

Size : 50m < (USD)

Stake Value : N/A

Grade : Confirmed

Alert : Germany

Intelligence ID : 1126546

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