



---

## **Introducing you to Audax Renewables**

**28<sup>th</sup> May 2019**



## Today's agenda

1 Audax Renovables: our growth story

2 Market opportunity

3 What makes us special?

4 Our strategic roadmap for 2022

5 Q1 2019 results

6 Conclusions and Q&A

## Today's presenters



**José Elías – Founder, Chairman & Majority Shareholder**



**Eduard Romeu – Deputy Chairman & CFO**



**Anabel López – General Manager**



# Audax Renovables in a nutshell

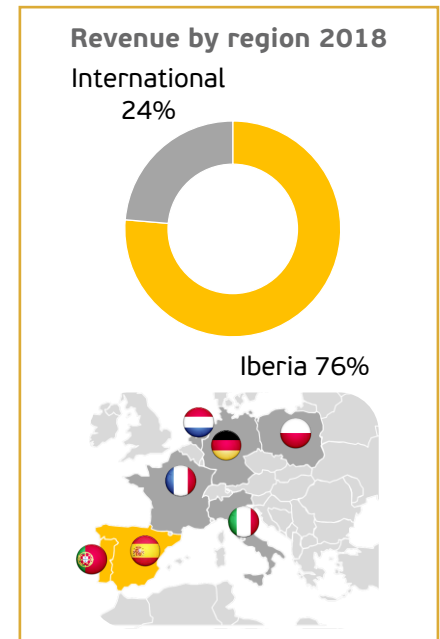
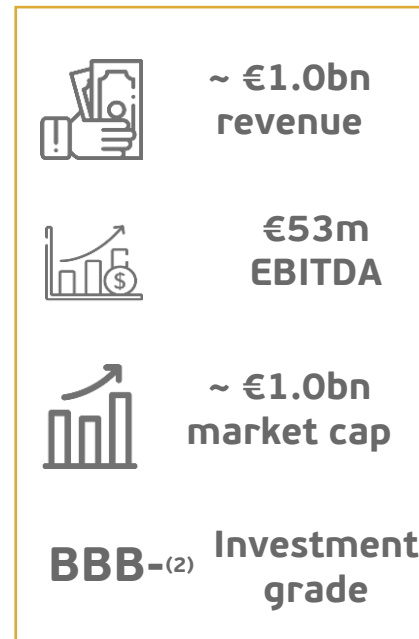
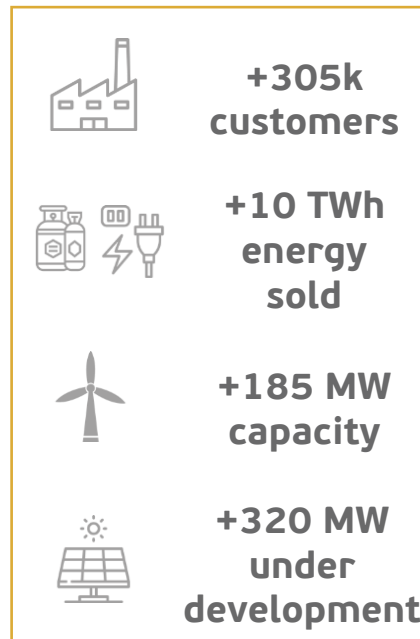
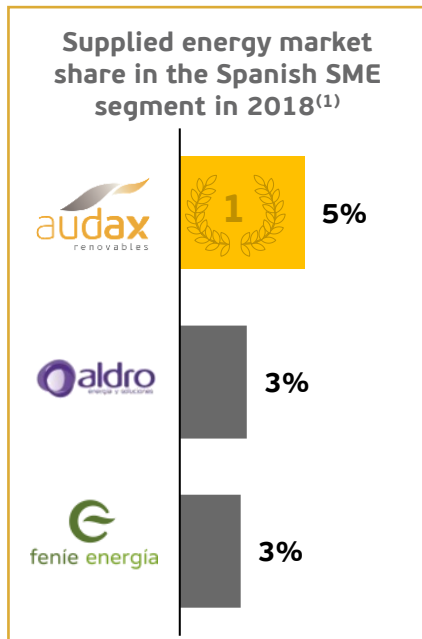
#1 energy supplier, uniquely positioned to lead the energy transition in Europe

✓ **Leading independent supplier in Iberia**

✓ **Privileged access to the most efficient source of energy**

✓ **Sound financial foundations**

✓ **Poised to deliver throughout international footprint**



Note: Operating and financial figures as of December 2018; (1) Based on volumes sold (MWh), considering only independent players (2) Rating assigned by Axesora to Audax Renovables S.A.individual  
Source: Company, Red Eléctrica

# To be a leader entails taking on certain responsibilities, complying with regulatory requirements and preserving key values

## Our vision...

→ **Independent** listed power **supplier** with a **disruptive** business model opting for **innovation** and **transparency**

## Our mission...

→ Focus on **growth, sustainability**, economic **development** and **environmental** respect, staying close to our customers

## We comply with:

- ✓ **United Nations Global Compact partner**<sup>(2)</sup>
- ✓ Corporate Code of **Ethics and Conduct**
- ✓ Internal Regulation for **Conduct in the Securities Markets**
- ✓ Manual and Principles for **Preventing Criminal Risks**
- ✓ Internal Financial Information **Control System**<sup>(1)</sup>





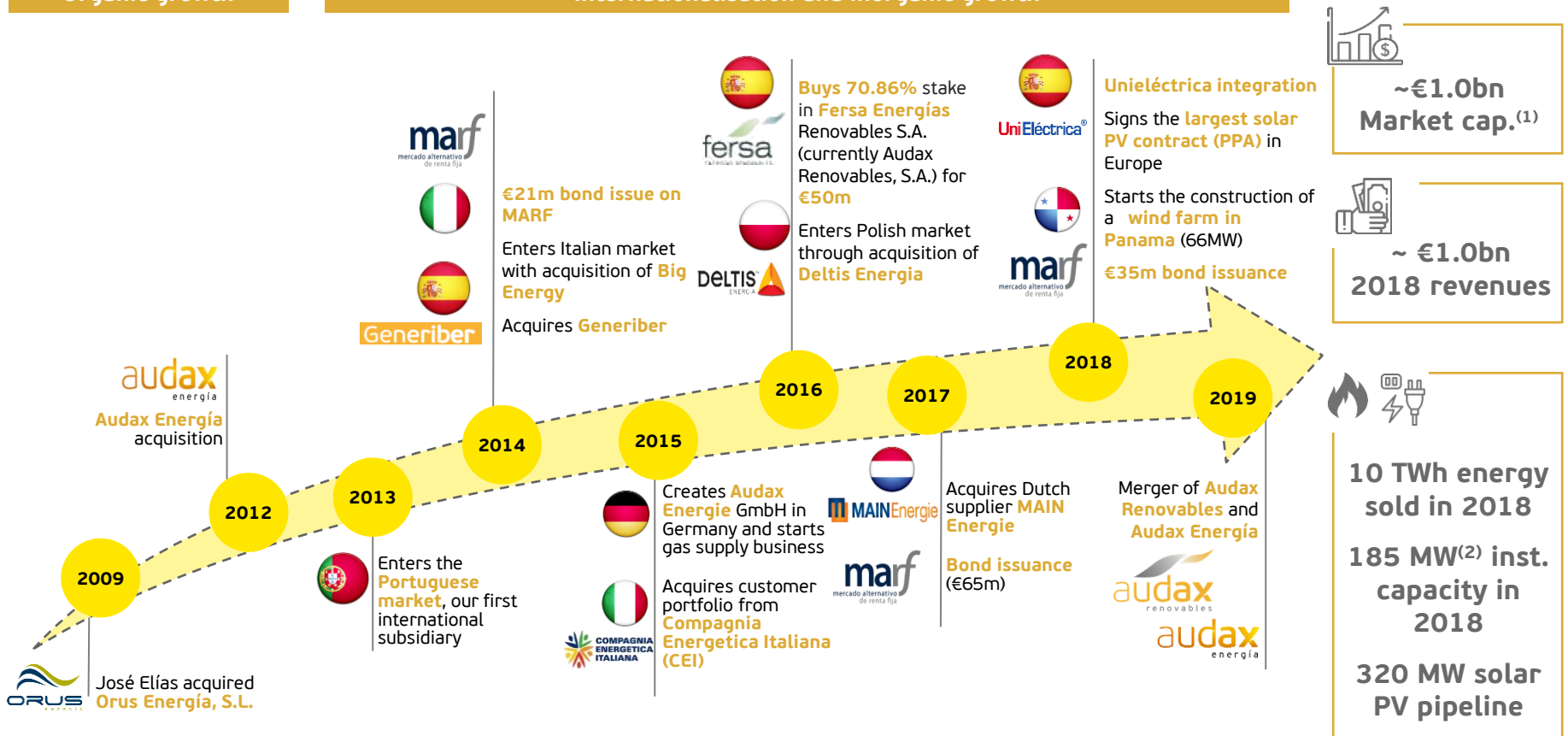
—  
( 1 ) **Audax Renovables: our growth story**

# Audax Renovables today

A successful and disruptive alternative energy supplier

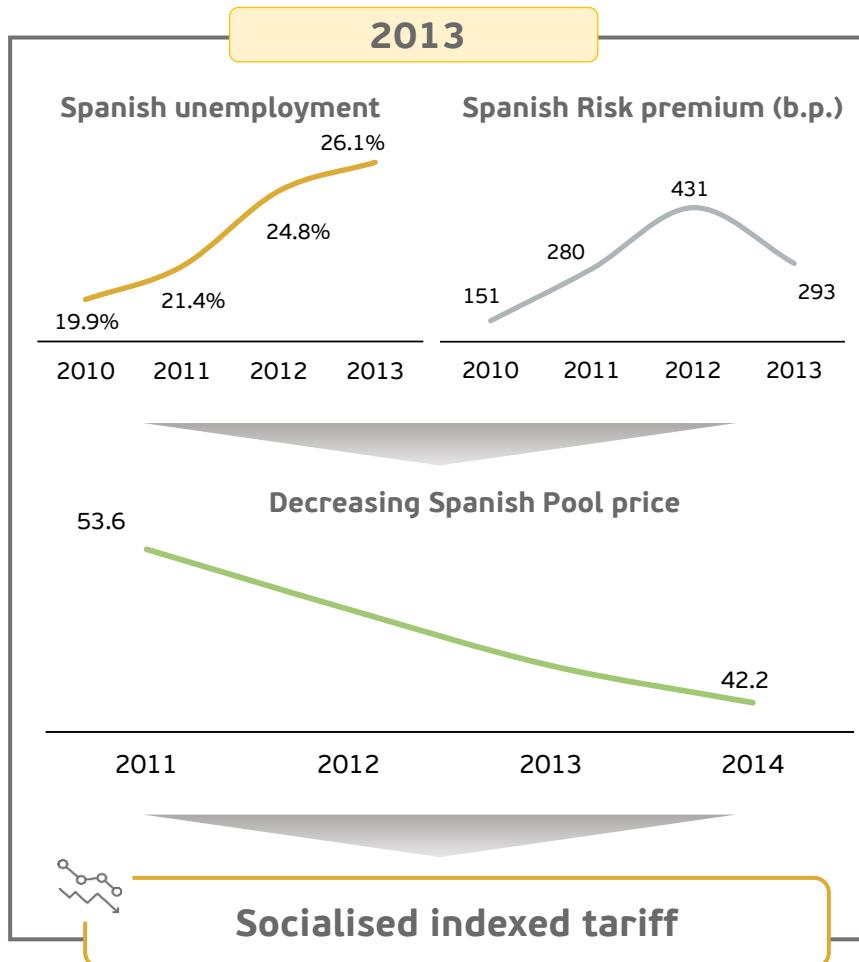
**Phase I**  
Organic growth

**Phase II**  
Internationalisation and inorganic growth

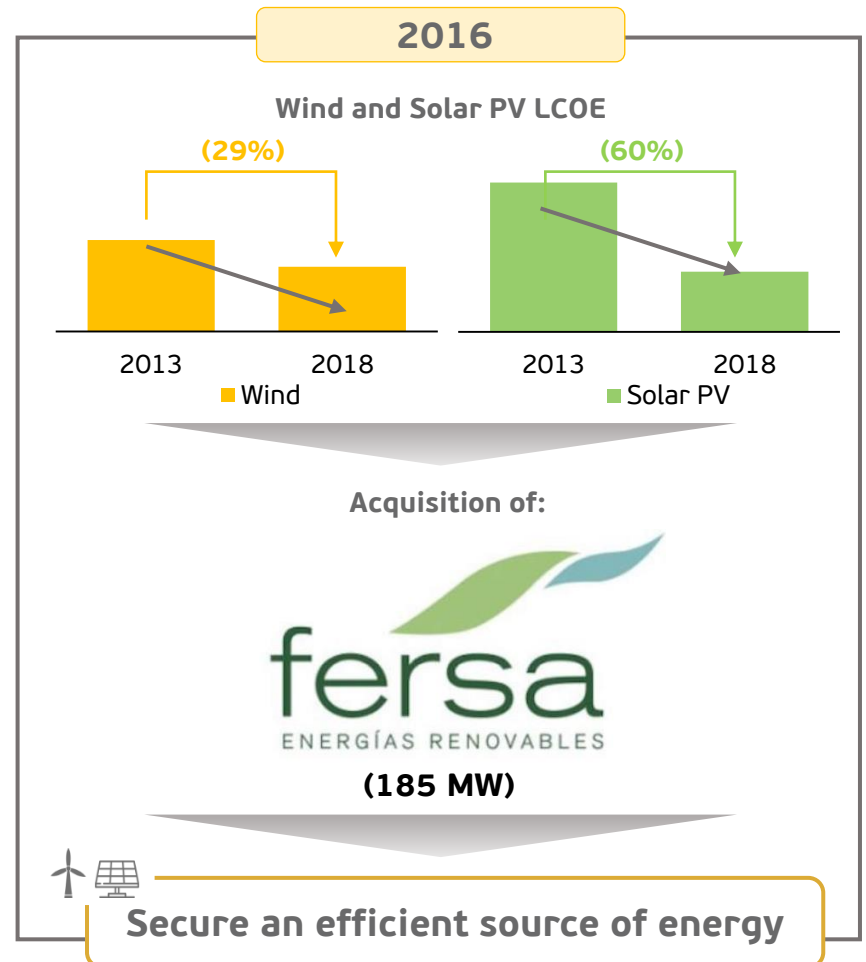


# Two key milestones which defined what Audax is today

## How we sell electricity



## The source of the electricity we sell





# Unique positioning within the supply business

Independent mid-sized players have been gaining market share from incumbents

Traditional players

endesa

Naturgy

IBERDROLA

GOLDILOCKS POSITIONING:  
FUTURE WINNER OF THE ENERGY  
TRANSITION

audax  
renovables

- ✓ Customised solutions
- ✓ **Strategy:** defined focus on the most profitable customer segment and sourcing optimisation
- ✓ **First mover** in the PPA market
- ✓ **Solid financials:** Improving margins and profitability
- ✓ **Rating:** Healthy financial position (BBB-)

Small players

Wattum  
Comercializadora de Energía Eléctrica

GRUPO Villar Mir

nexus  
energía

Aura  
Energía

holaluz

ODF  
ENERGÍA

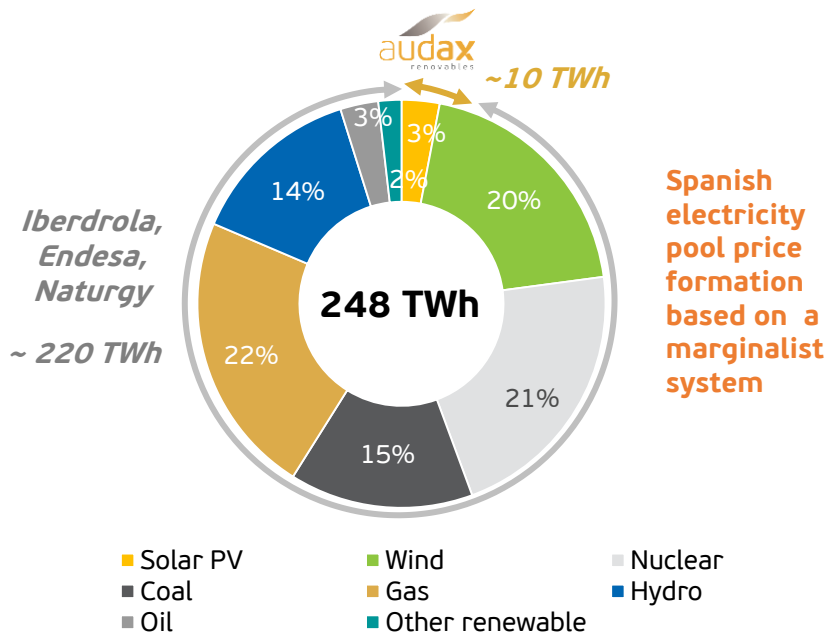
More flexible

Bigger

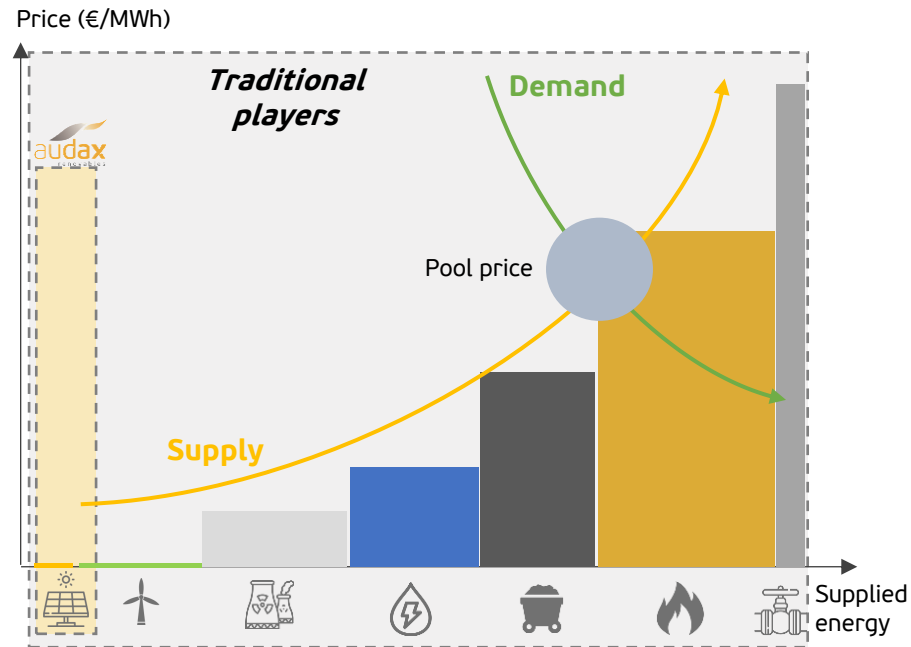
# One of the most competitive energy supplier in Spain

Audax will capitalise on the disruptive PV technology to source its electricity at a materially lower cost than its direct competitors

Spanish electricity generation mix (2018)<sup>(1)</sup>



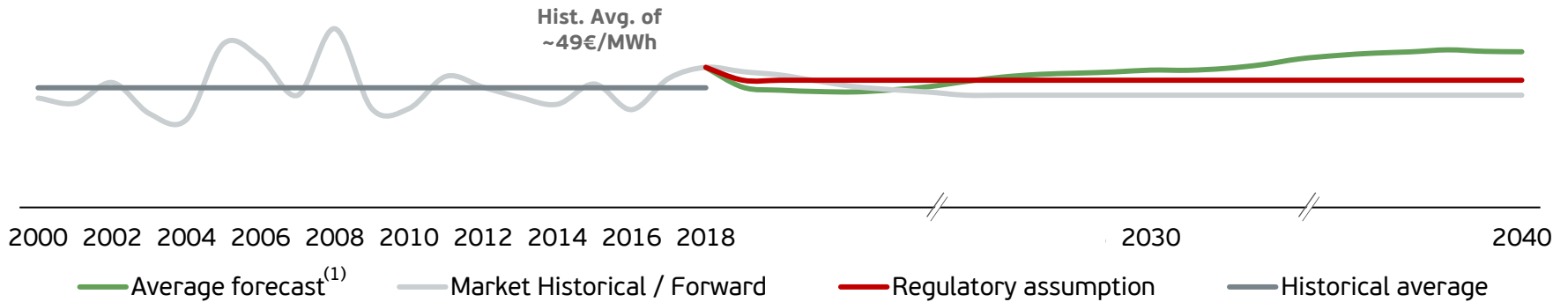
Merit order to set pool price



- **Audax needs to source ~10 TWh a year**, compared to **~220 TWh for the 3 large incumbents**
  - Audax can focus its sourcing strategy on disruptive PV technology (niche market player)
  - Large incumbents forced to rely on the full spectrum of the existing technology mix
- **Audax will therefore benefit from a significant competitive advantage to achieve faster its growth while improving its margin**

# Historical and forecast pool price indicate that on average pool price should remain above 45-50€/MWh, while Audax retains the most conservative approach in its estimates

Historical and forecast pool price in Spain (€/MWh, actual 2018)



## Price increase drivers

- ↑ **Electrification of the economy** (e.g. electric vehicles, smart cities)
- ↑ Several **nuclear plants** are expected to be closed between 2023 and 2028
- ↑ **Spanish climate trend**

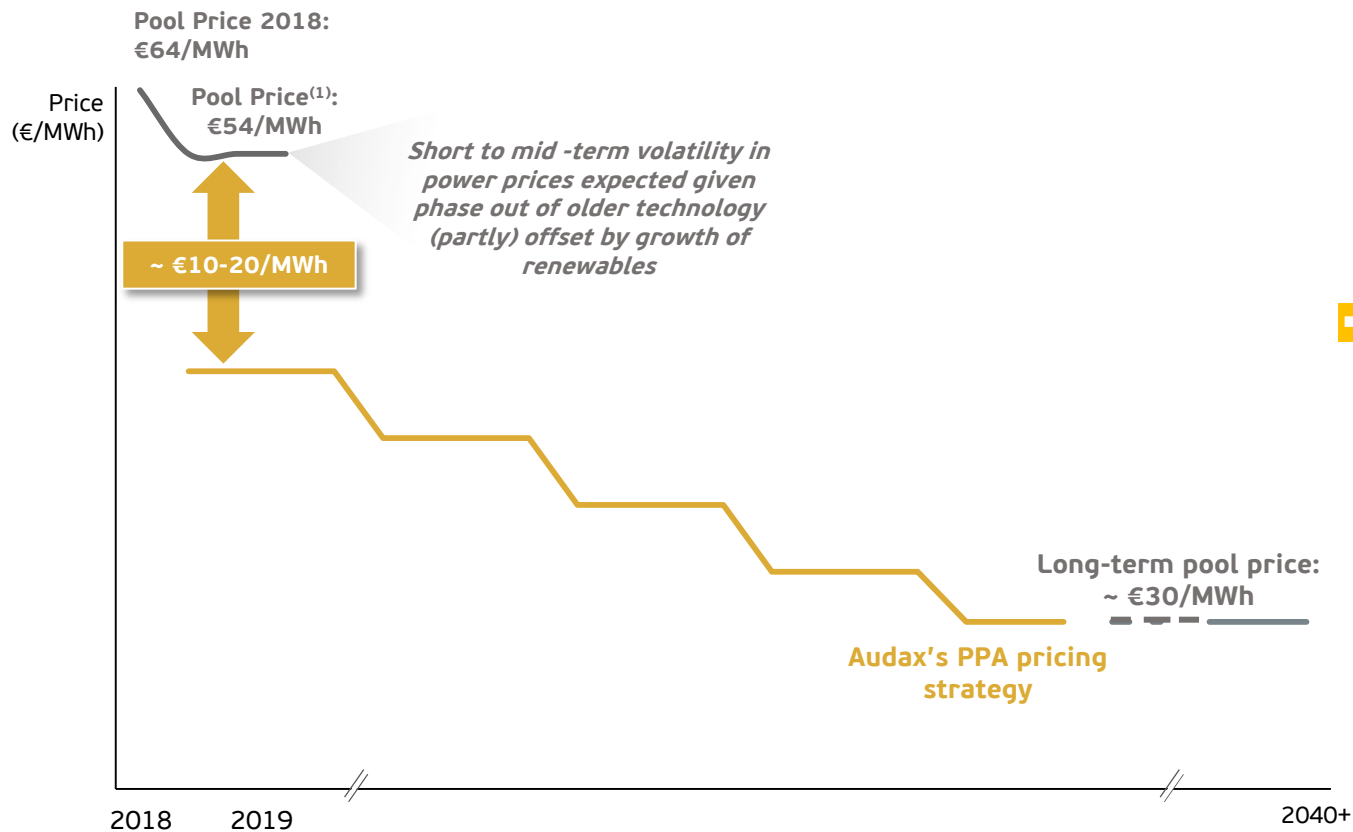
## Price decrease drivers

- ↓ **EU objectives** to increase renewable generation (cheaper technologies)
- ↓ **Strong competitive pressure among modules and turbine manufacturers**
- ↓ **Decreasing batteries' cost**

# A sustainable competitive advantage

A flexible sourcing strategy in line with the technology and generation mix changes to secure a long-term competitive advantage

Estimated pool price vs. Audax's sourcing strategy

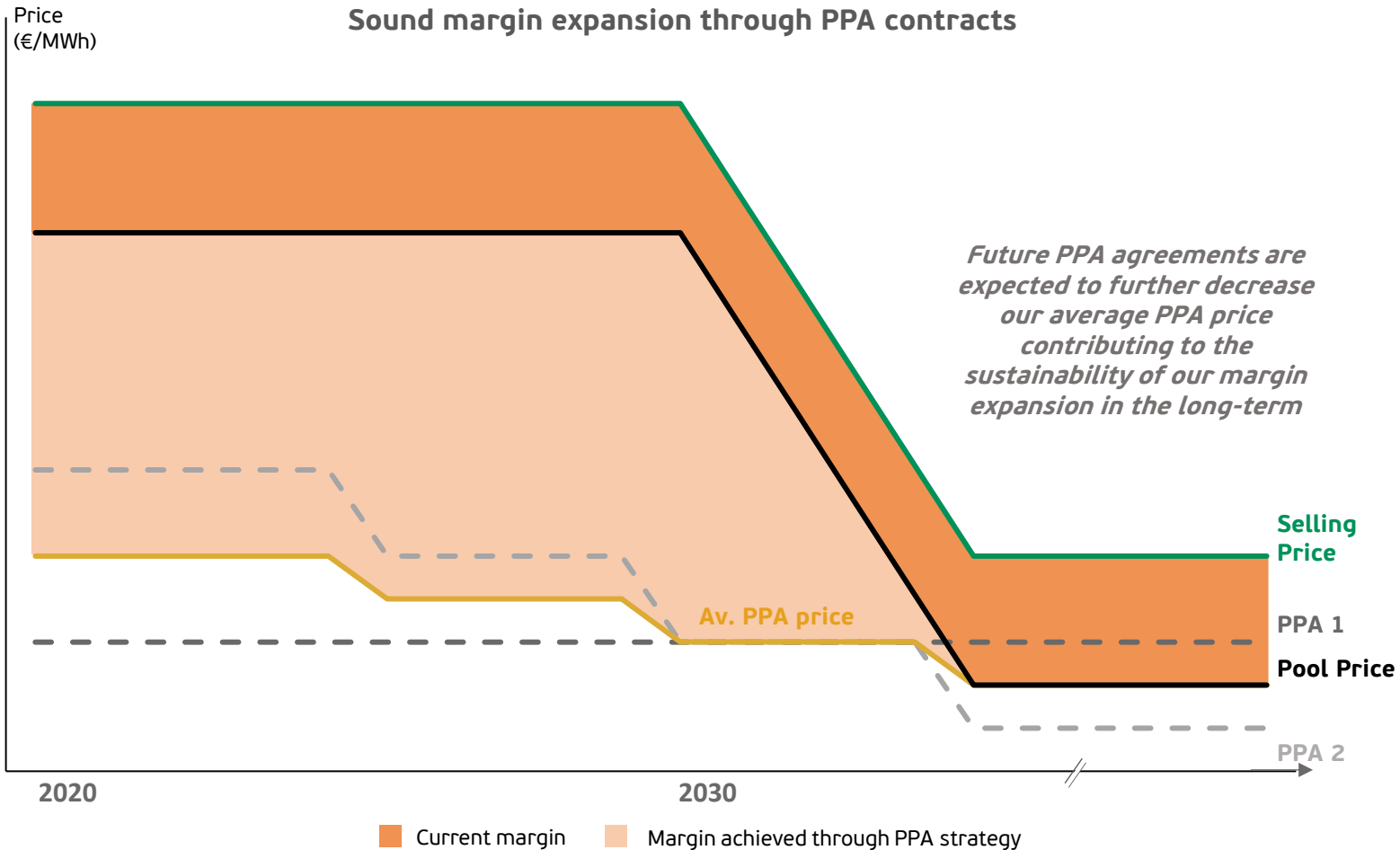


**Decreasing Pool price mitigants** within Audax's strategy:

1. **PPA structure** follows a **declining price curve**
2. **PPAs signed at different moments** over time
3. **Flexibility to transfer PPA to end customer**
4. **Always relies on cheapest technology** to ensure the **lowest cost of energy**
5. Volume effect will **dilute exposure to PPA in the long term**

# Key strategic advantage having anticipated the energy market transition

Sound margin expansion through PPA contracts



First mover advantage in the Spanish PPA market that secures LT profitability & competitive advantage vs. peers

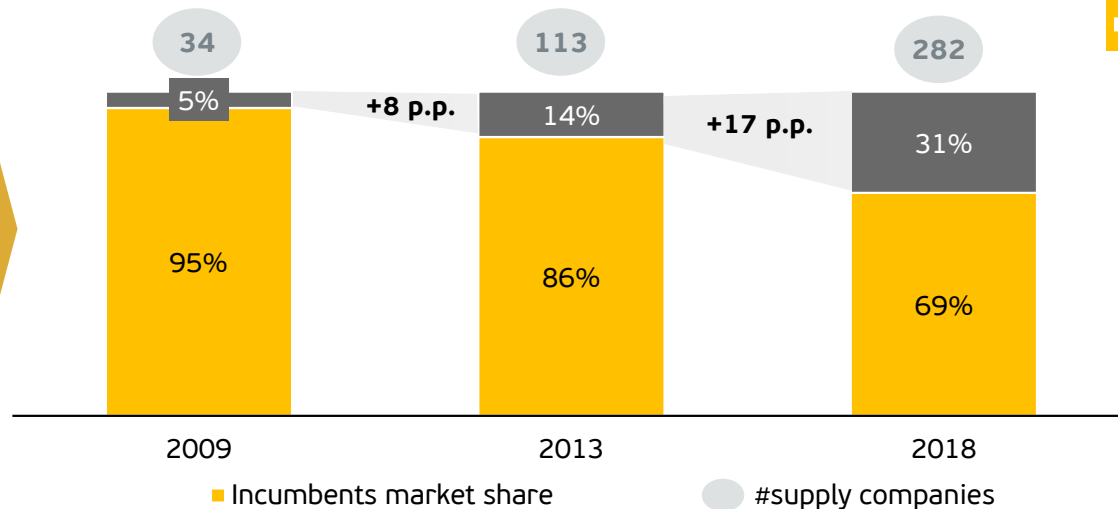


( 2 ) Market opportunity

# Independent supply companies are quickly taking market share from traditional players

<b>Traditional players position<sup>(1)</sup></b>	<b>Antitrust restrictions on market concentration</b> which cap traditional players' activity	✓
<b>Added value for customers</b>	<b>Customised offers</b> supported by leaner and more agile corporate structures	✓
<b>Customer loyalty</b>	Thanks to better <b>customer care service</b> and transparency	✓

Market share by supplied energy in the deregulated Spanish SMEs segment:  
Top 5 traditional players<sup>(2)</sup> vs. other

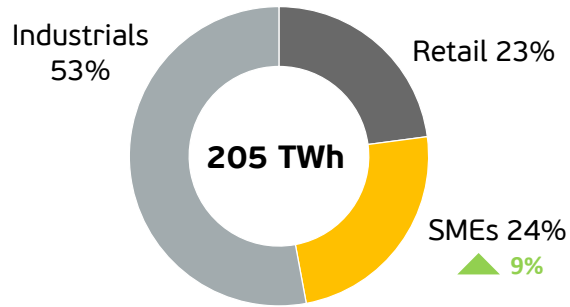


**Atomised market** where the **most agile players** are gaining market share

# A growing deregulated supply market soon to be fully liberalised, with SMEs representing the most attractive segment

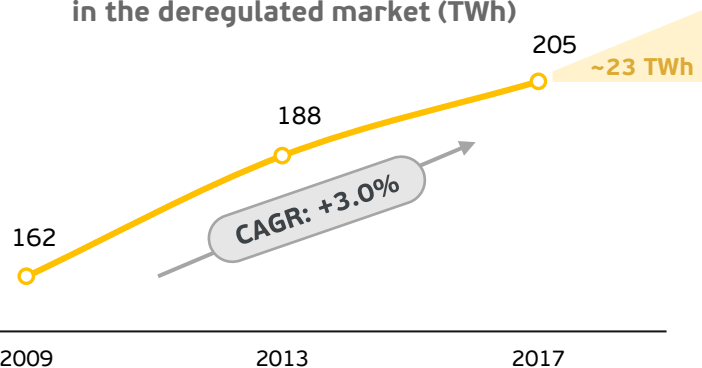
## Spanish deregulated supply market overview

2017 supplied energy breakdown by type of customer in the deregulated market



▲ variation since 2013

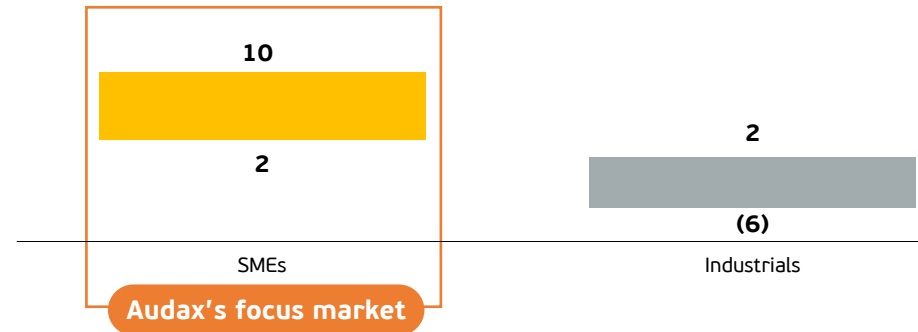
2009 – 2017 energy consumption in the deregulated market (TWh)



Source: CNMC

## Audax's strategy

Supply gross margin by segment 2017 (€/MWh)



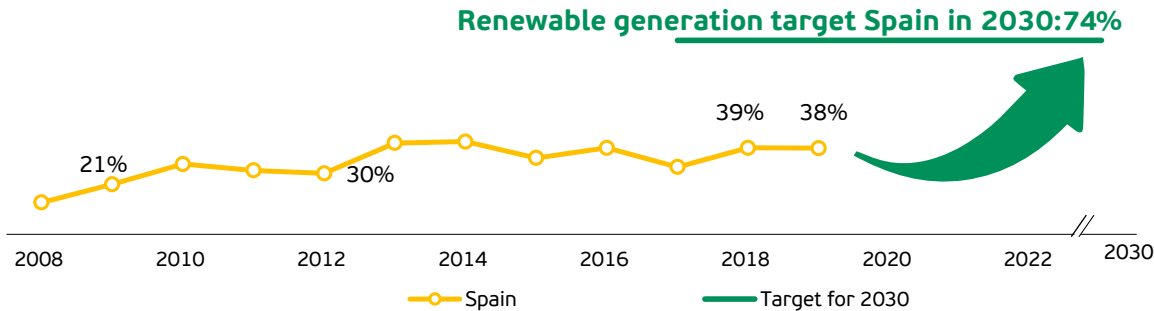
- Total electricity consumption in 2017 was 227 TWh, with **23 TWh still under regulated tariff**
- **Further growth in volumes** is coming from the regulated market (**~10% growth potential**)
- SME customers require **considerably lower structural costs** than other customer segments



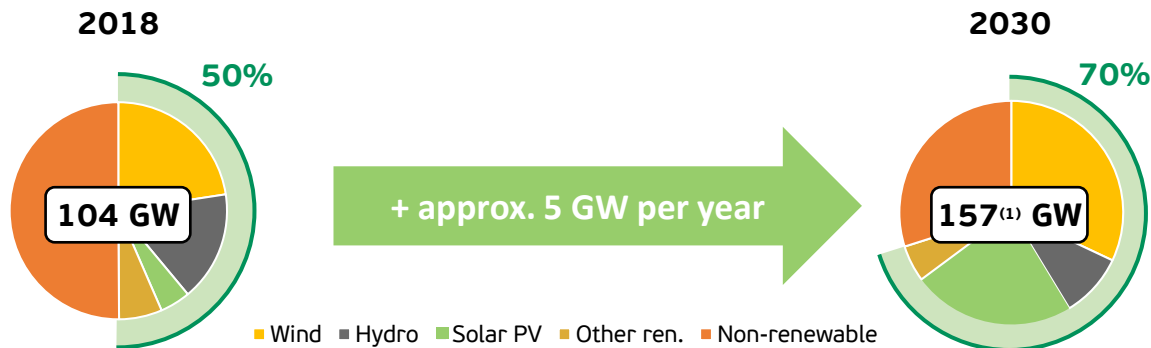
# Spain is on track to reach EU renewable energy generation targets...

Target to increase energy generation from renewable sources to 74% in 2030 from ~40% in 2018 in Spain

Renewable energy generation (% of total)



Renewables installed capacity will represent 70% of the Spanish energy mix in 2030<sup>(1)</sup>



- Carbon footprint reduction targets and increasing costs of **traditional technologies** explain the reduction in nuclear and thermal plants in **favour of renewables**

- Spain required to increase **renewable capacity from ~ 50 GW in 2018 to 110 GW in 2030**

- In order to reach EU 2030 renewable target, **~ 5 GW of additional capacity are required per year**

- ~ 9 GW capacity additions** awarded during **2016–2017 auctions, reach COD by Q1 2020**

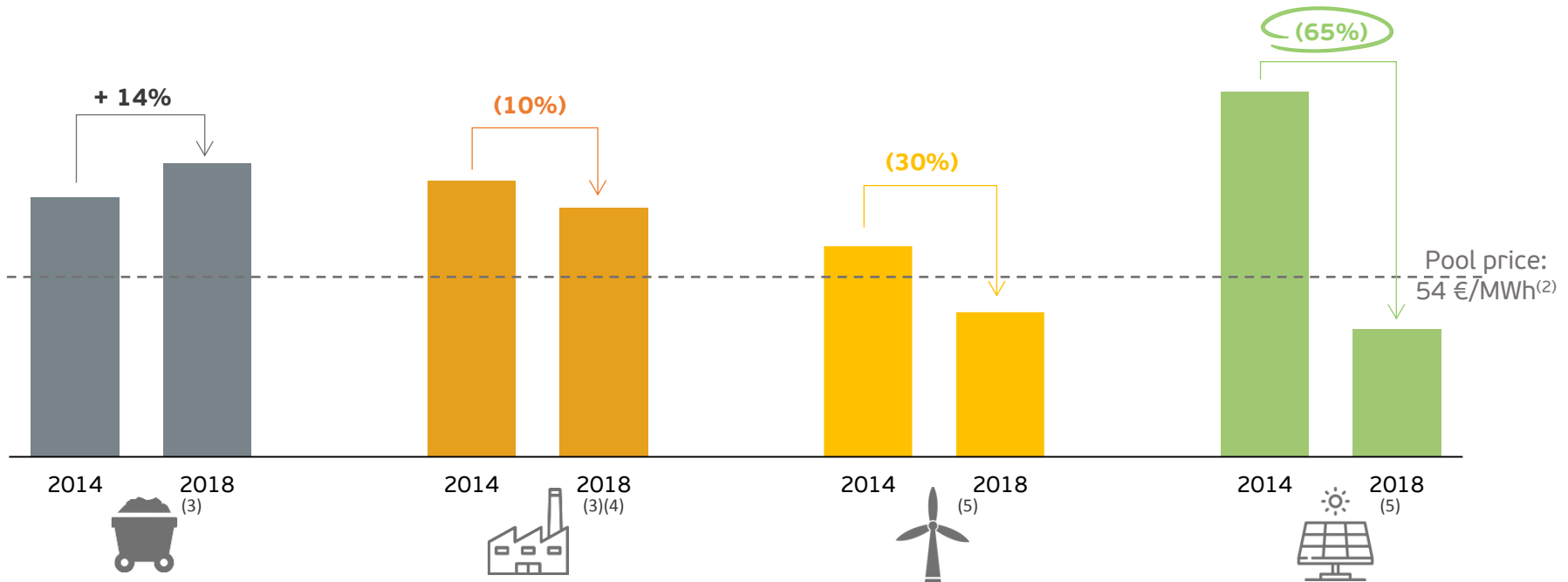
# ... supported by a sharp decrease in renewable technology costs vs. other technologies...

➔ **Solar PV & wind LCOE** (Levelised Cost Of Energy) already well **below traditional technologies and current pool price**

➔ **Solar PV and wind installations no longer need government subsidies** in order to be competitive

➔ Solar PV technology is expected to benefit from **further LCOE reduction**

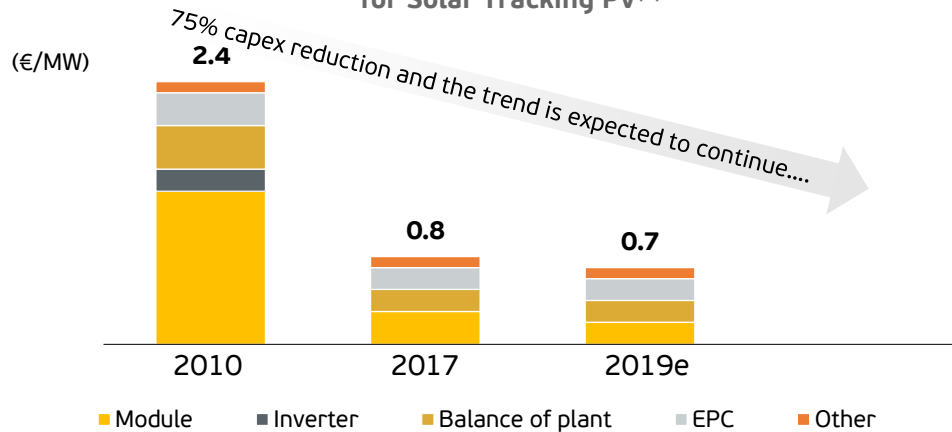
LCOE by technology (€/MWh)<sup>(1)</sup> and current pool price (€/MWh)



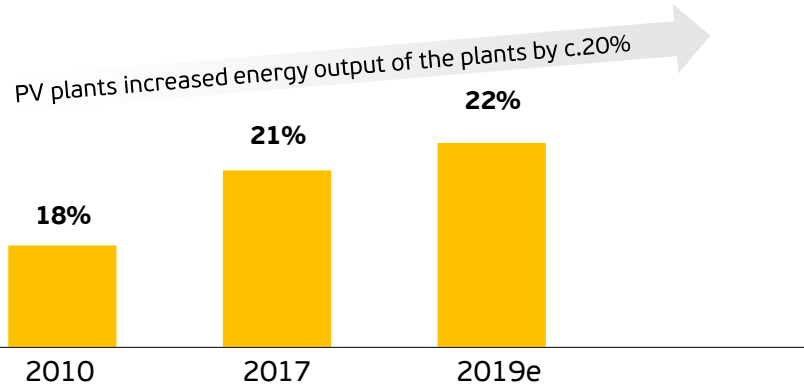
(1) Converted to EUR at respective year exchange rate (USD/EUR); (2) January to April 2019 average; (3) German European reference; (4) Cogeneration; (5) Global reference

# ... where solar PV is currently the cheapest source of energy available

Substantial reduction in global capex per MW for Solar Tracking PV<sup>(1)</sup>



Increasing efficiency of Tracking PV monocrystalline cells (load factor %)



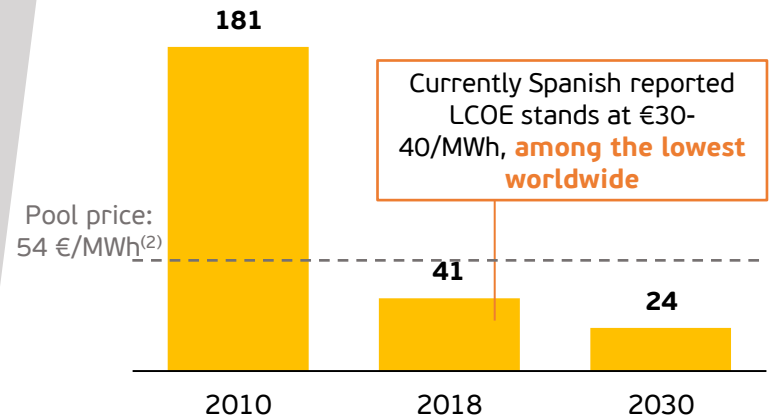
LCOE has significantly decreased in recent years thanks to:

Standardisation and lower installation costs, mainly driven by module components

More favourable financing environment

Steep learning curves leading to more efficient technology and higher load factors

Global solar Tracking PV LCOE (€/MWh)



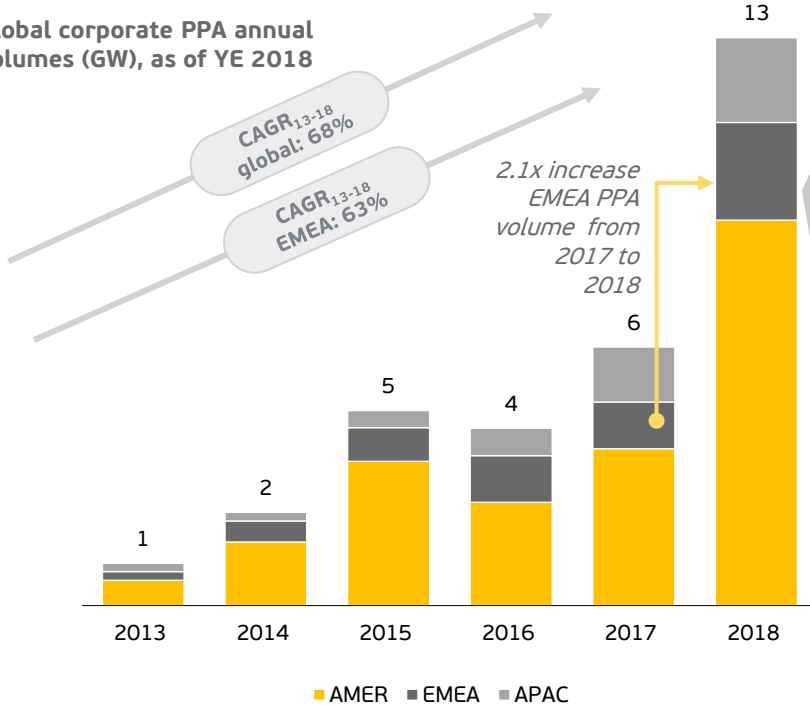
(1) Converted to EUR at respective year exchange rate (USD/EUR). Estimated figures converted at 1.2USD/EUR, (2) January to April 2019 average

# The global PPA market is experiencing unparalleled growth, and Spain is gaining momentum



Since 2014 global PPA have increased by more than 6x

Global corporate PPA annual volumes (GW), as of YE 2018



PPAs in Spain are flourishing and Audax is the pioneer

*"Audax signed a PPA contract to buy the energy produced by Trina Solar [...]. During 20 years, Audax will receive all the energy produced from 300MW solar PV plants"*  
 19<sup>th</sup> March 2019, La Vanguardia

*"Audax Renovables has formalized an agreement to buy for 20 years at a fixed price the energy produced that Welink will develop in Spain and Portugal, for Allianz. The plants add an installed capacity of 708 MW"*  
 8<sup>th</sup> February 2019, PV magazine

*"Sonnedix, owned by the fund manager of the American bank (JPM), will enter with Cox Energy in a 660MW project that has the largest solar PPA in the world (20 years) signed with Audax"*  
 20<sup>th</sup> March 2018, El Confidencial

*"Large corporations like Nike, Euskaltel or BBVA have recently signed PPA contracts with Iberdrola and Endesa, the main energy producers in Spain"*  
 12<sup>th</sup> March 2019, Diario el Correo

*"Telefonica has reached 100% of electricity consumption in Europe and Brasil through renewable sources. In order to reach this target, they have secured long-term PPAs"*  
 27<sup>th</sup> February 2019, El Economista



( 3 ) What makes us special?

## Our key achievements

1

Leading Spanish independent supplier for SMEs

2

First-mover advantage in the PPA market with a unique positioning to consolidate the market

5

Seasoned management team with deep industry knowledge and strong commitment to the company

4

Extensive experience in wind and solar PV development, construction, financing and operation

3

International expansion with operations in 8 countries



# SMEs customer approach through value-added offers increasing profitability and loyalty

Audax is focused on SME customers...

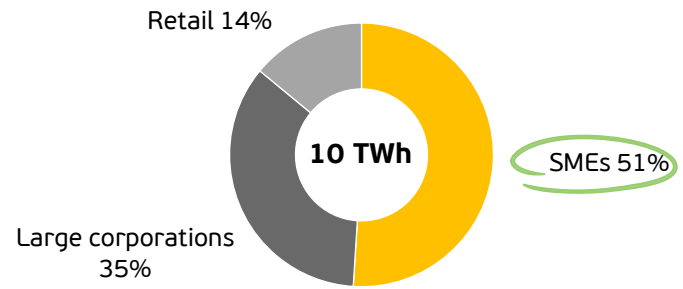
Higher profitability of SMEs vs. other customers

- Value added / Bespoke tariffs
- Higher gross margin vs. industrial customers...
- ... and higher EBITDA margin vs. retail customers since a leaner corporate structure is required

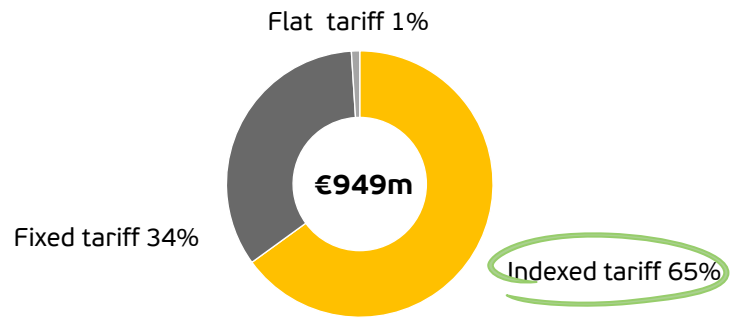
... and indexed tariff segment

Fixed tariff	<ul style="list-style-type: none"> <li>▪ Price remains <b>fixed</b> over the contract's <b>duration</b></li> <li>▪ <b>Pool price risk hedged</b> through PPAs and derivatives</li> </ul>
Indexed tariff	<ul style="list-style-type: none"> <li>▪ <b>Pool price + fixed margin</b></li> <li>▪ Higher market penetration in an environment of decreasing prices</li> <li>▪ <b>Exported</b> to international markets</li> </ul>
Flat tariff	<ul style="list-style-type: none"> <li>▪ Customer pays <b>flat monthly amounts until final of contract adjustment</b></li> </ul>

Audax's customer portfolio 2018 (% sold TWh)



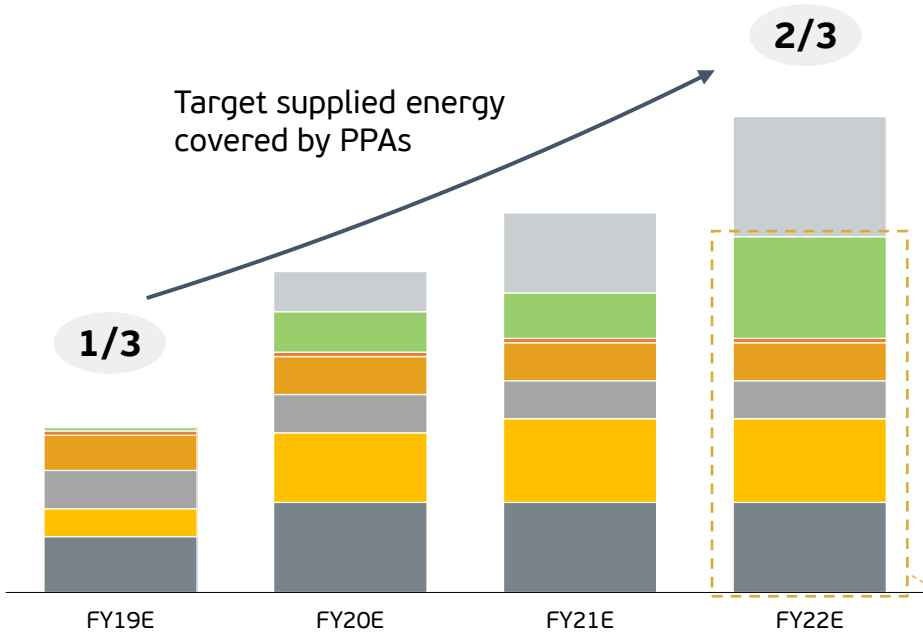
Audax's supply revenue by product type 2018



# First-mover advantage as an off-taker in the irreversible energy transition

By 2022 two thirds of supplied energy will be covered by owned-asset or external-asset PPAs

PPA contracted capacity (MWh)



1/3

2/3

Target supplied energy covered by PPAs

➡ Ideal partner for **independent generators**:

- **Investment-grade** rating with **(BBB-)**<sup>(1)</sup>
- **Flexible** off-taker able to negotiate ad-hoc conditions
- **Largest** independent supplier offering sizeable contracts

➡ 1.7GW of **PPA** contracts with **20-year maturity**: Trina (300MW), JP Morgan (660MW) and Allianz (708MW)







➡ **Sizeable PPA backlog** with third parties and own solar PV developments

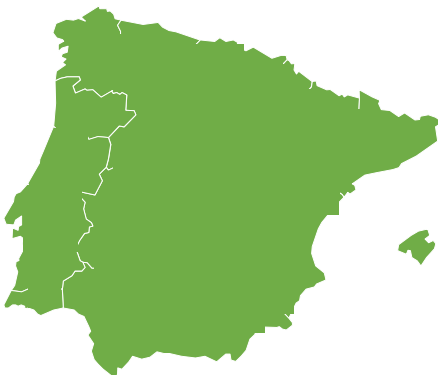
➡ Already secured or in the process of being secured

- Allianz
  - Close to signing
  - Target PPA signing
- J.P.Morgan Asset Management
  - Current wind farms
- Trinasolar
  - PV development



# Internationally scalable business model

	Domestic supply business		International supply business				
	 <sup>(1)</sup>						TOTAL
Start activity	2009	2013	2014	2015	2016	2017	
Revenue 2018	€723m		€225m				€949m
TWh sold 2018	5.4		4.6				10.1



Poised to replicate the strategy implemented in our core region when market conditions appear

## Rationale behind international investments



### Largest European market with solid growth

- Potential to achieve material energy sales in the short term



### Strategy based on inorganic growth

- c.24m additional connection points following full liberalisation



### Key contributor to international consolidation

- Good fit with the group culture
- High brand awareness in its market



### Entry with Deltis acquisition

- Huge potential of indexed tariff
- Replicate vertical integration

# Extensive experience in the renewable generation business with a reliable track record

- Location & Technology
- Country
- Installed capacity
- COD
- Gross output FY18
- EBITDA FY18
- Remuneration scheme

Audax Renovables				
Domestic business	International business			TOTAL
  Spain	  Panama	  France	  Poland	
139 MW	66 MW	12 MW	34 MW	<b>251 MW</b>
2006 - 2010	2020e	2007	2015	
285 GWh	n.a.	28 GWh	73 GWh	<b>386 GWh</b>
€20m	n.a.	€2m	€4m	<b>€25m<sup>(1)</sup></b>
RAB	15 year – PPA @ \$95/MWh	Tariff until 2022 Incentive until 2027 Merchant from 2028	Green certificates	

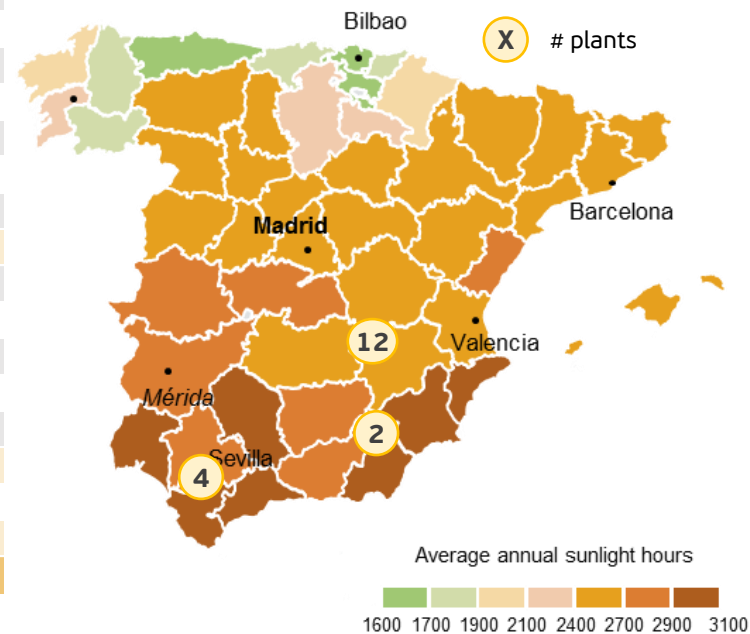
Source: Company; (1) Not including revision for the impairment loss of Postolin wind field (c.€8m)

# Our solar PV pipeline secures a cost-efficient source of energy

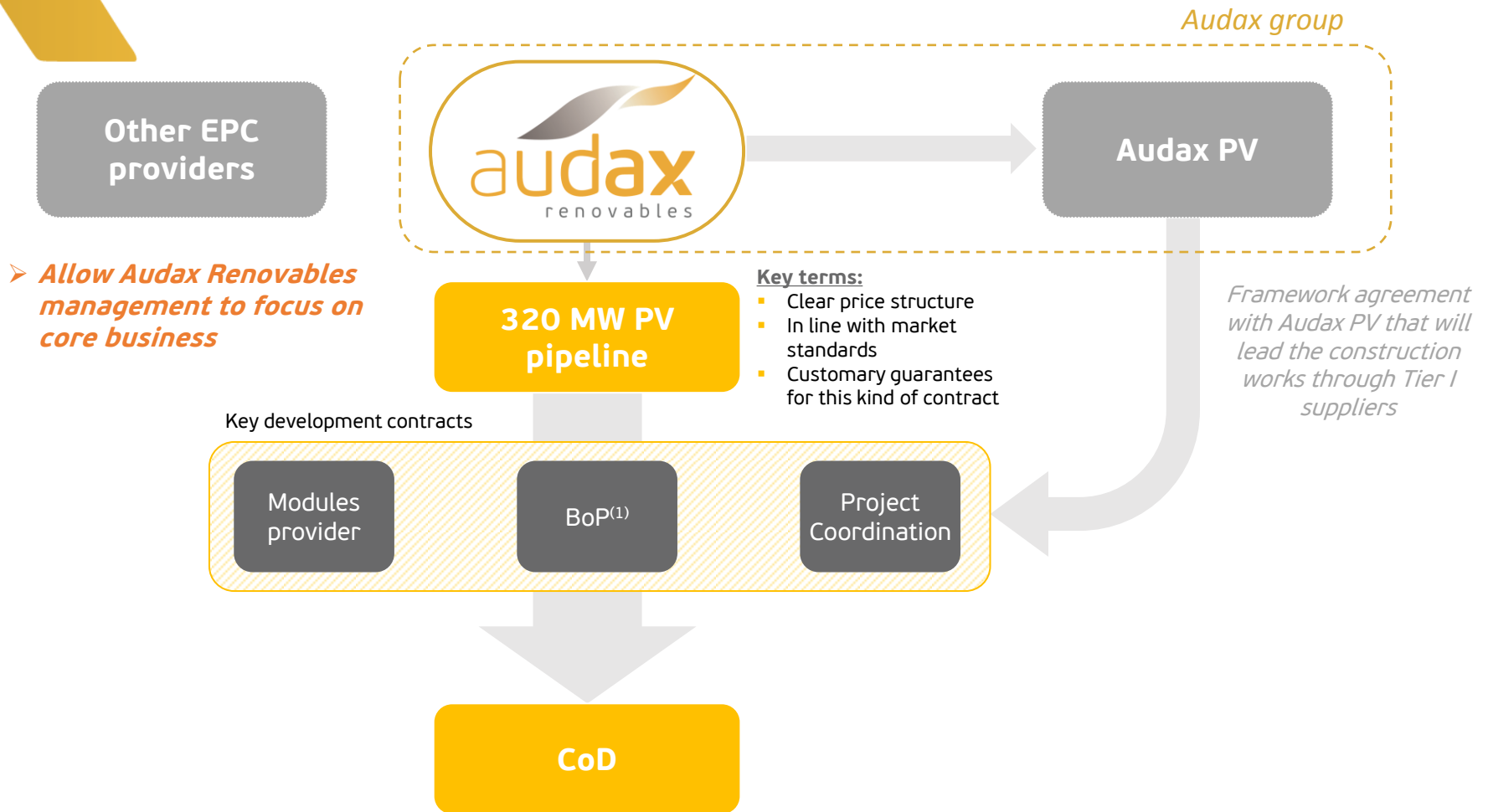
Further vertical integration to ensure an efficient PPA sourcing strategy

	Plant	Location	Status	Km to conn. point	Installed cap. (MW)
1	AND-CAL-I	Calañas	RTB	1.6	4
2	CLM-ZAR-I	Escalonilla	RTB	7.1	5
3	CLM-ZAR-II	Escalonilla	RTB	7.1	5
4	CLM-ZAR-III	Escalonilla	RTB	7.1	5
5	CLM-ZAR-IV	Escalonilla	RTB	7.1	5
6	CLM-ALB-I	Torija	RTB	5.7	5
7	CLM-ALB-II	Torija	RTB	5.7	5
8	CLM-ALB-III	Torija	RTB	5.7	5
9	CLM-ALB-VI	Torija	RTB	5.7	5
10	CLM-CAR-I	Casar y Galápagos	RTB	0.6	5
11	CLM-CAR-II	Casar y Galápagos	RTB	0.6	5
12	CLM-CAN-I	Fontanar	RTB	0.8	5
<b>Total Ready to Build:</b>					<b>59</b>
13	MUR-MUR-I	Murcia	Connection point	0.1	50
14	MUR-MUR-II	Murcia	Connection point <sup>(1)</sup>	1.5	50
15	AND-AZN-I	Sevilla	Connection point	5.4	21
16	CLM-REC-I	Recas	Connection point <sup>(1)</sup>	6.0	50
17	CLM-VDC-I	Villar de Cantos	Connection point <sup>(1)</sup>	6.5	50
<b>Total with connection point:</b>					<b>221</b>
18	AND-LER-I	Guadix	Pending connection point	4.0	40
<b>Pending connection point:</b>					<b>40</b>
<b>Total</b>					<b>320</b>

- ⇒ 59MW RTB + 221MW with grid connection
- ⇒ 320MW PV will be operating by the end 2020 – beginning 2021
- ⇒ Asset rotation strategy to finance new projects



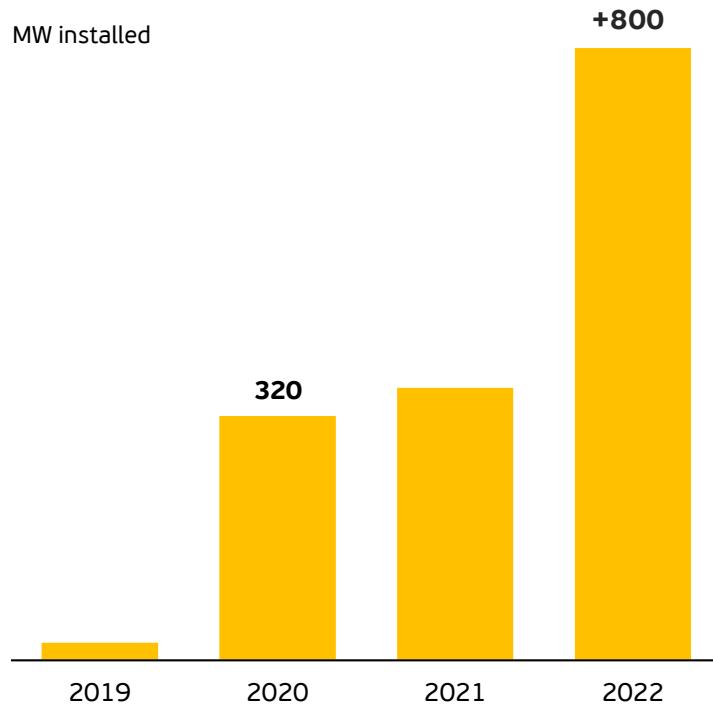
# Highly competitive integrated capabilities through EPC agreement with Audax PV



# Solar PV: a fully complementary business at the core of Audax's growth strategy to reduce sourcing costs

## PV installations

MW installed



→ Implied unitary installation cost in line with global capex per MW estimation

**Framework agreement to develop up to 1.2 additional GW of solar PV**

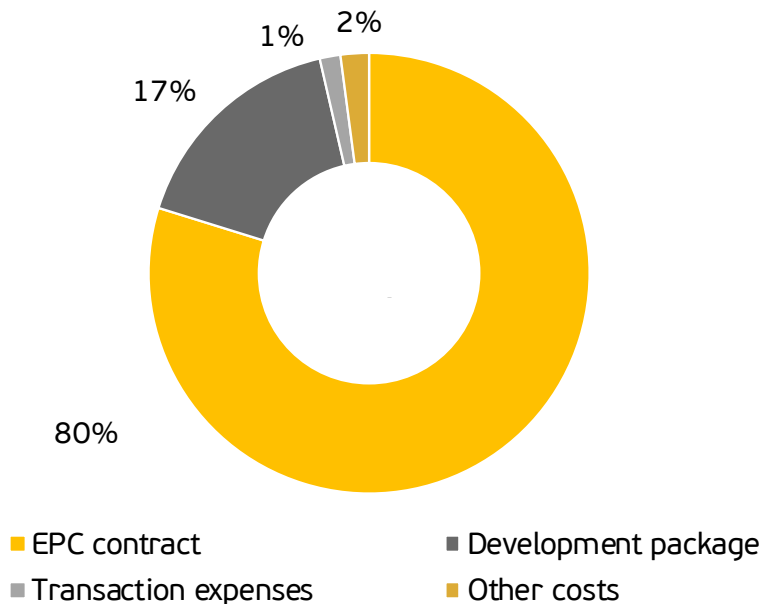
**Tier I suppliers already identified** with a milestone payment structure

**Standard guarantees** for full technical coordination of **all construction works** with a special focus on meeting **milestones**

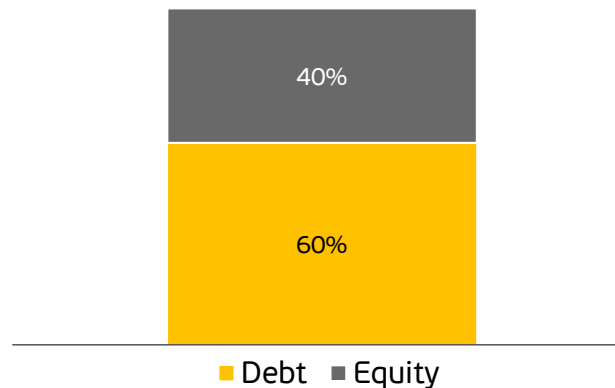
- ✓ 24-month **"Defect Liability Period"**
- ✓ **Daily liquidated damages** accepted by the contractor **if deadlines are not met**
- ✓ **Performance & availability guarantees**

# Audax's solar PV development programme is backed by controlled capex costs and secured access to financing

Unit installation costs

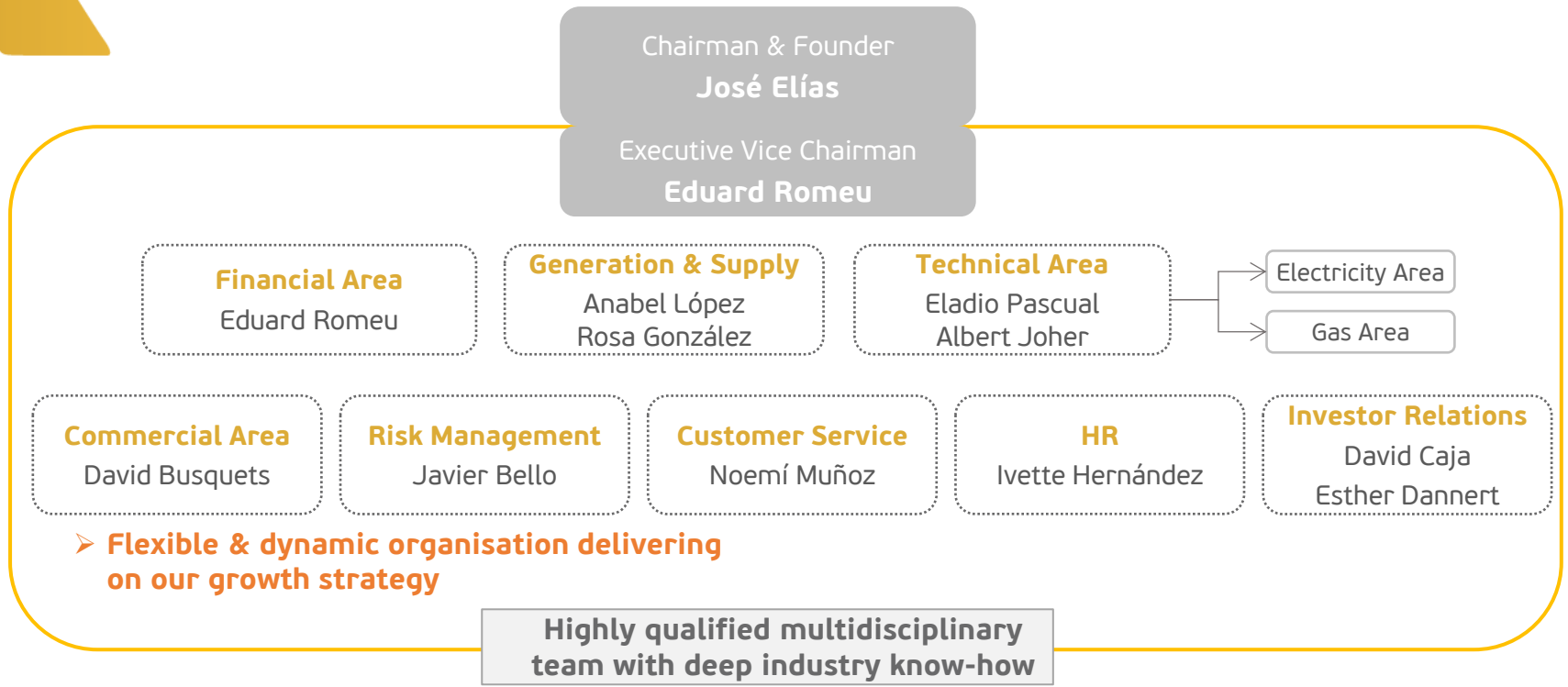


Financing policy



- ➔ **Solid rating** at group level
- ➔ **Framework agreement already in place** with Banco Sabadell

# Multidisciplinary team with deep industry know-how



**# employees YE 2018: 533**

- Average age as of December 2018: 37 years
- 54% ♀ 46% ♂

**Top management average age:**








- Experience in the sector: +/- 10 years
- Years in the company: +/- 10 years



( 4 ) Our strategic roadmap for 2022



# Audax's M&A track record proves our implementation of prudential principles coupled with rigorous risk management

	Target	Acquisition Date	Connection points ('000)	GWh
 <b>Sourcing strategy &amp; Market consolidation</b>		2016 (Take-over of a listed generation company)	n.m. <sup>(1)</sup>	312 <sup>(2)</sup>
		2018	65	1,837
 <b>International expansion</b>	<b>Big Energía</b>	2014	17	36
		2015	23	38
		2016 (51%) / 2018 (49%)	n.m. <sup>(3)</sup> / 6	3 / 92
		2017	53	3,302

Cumulative investment (M&A) > €350m<sup>(4)</sup>



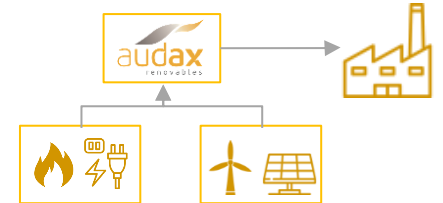
Acquired Fersa, MAIN and Unielectrica in less than 2 years (between May 2016 and March 2018)

## Key growth targets for 2022

	2014	Growth	2018	Growth	2022
Customers	49k	6.8x	306k	1.7x	500k
Supplied TWh	3 TWh	3.6x	10 TWh	1.5x	15 TWh
Energy sold covered by PPA	-	+1 p.p.	1%	+2/3	2/3
EBITDA	€18m	+2.9x	€53m	~3x	>€100m
EBITDA margin (%)	5.3%	+0.1 p.p.	5.4%	c.2x	Double-digit margin

# Audax's growth strategy is based on three key pillars


**A PPA sourcing strategy**



- Two-prong sourcing strategy:
  1. Construction of Solar PV assets (LCOE c.32€/MWh) securing long-term PPAs
  2. Private PPA with external third parties...

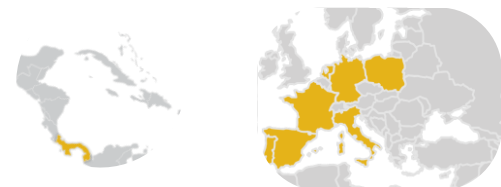
...to increase margins/competitiveness

**B Spanish market consolidation**



- Both **organic** and **inorganic growth**
- Highly **fragmented market**
- **Strong synergy** (fixed cost business), further accentuated by Audax's relatively more **profitable business model**

**C Scalable strategy**

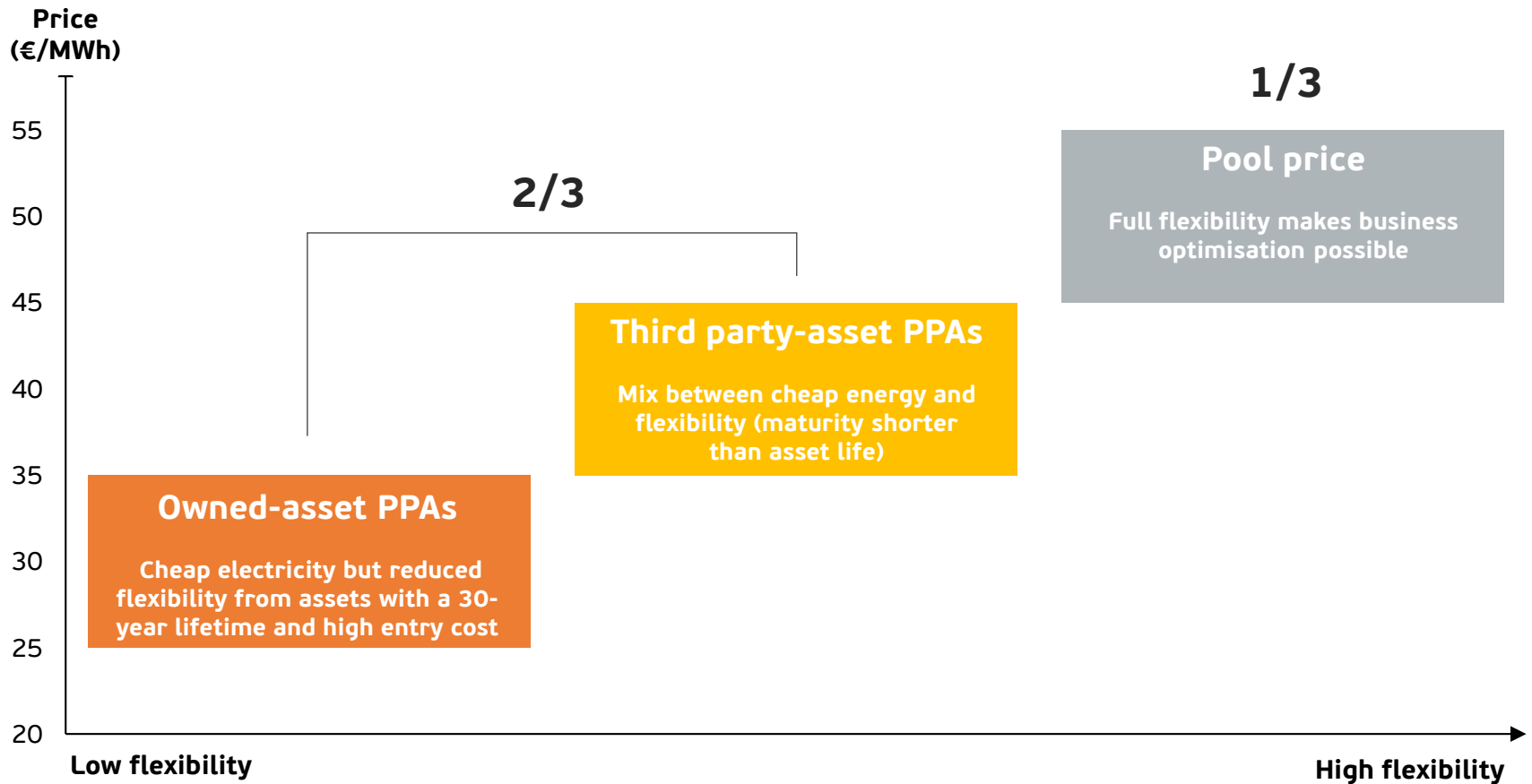


- **Replicate Audax's strategy** in new markets, thanks to a scalable and asset-light business model
- **Limited entry costs** in new markets. We are ready once we see the markets are mature

## Group target EBITDA

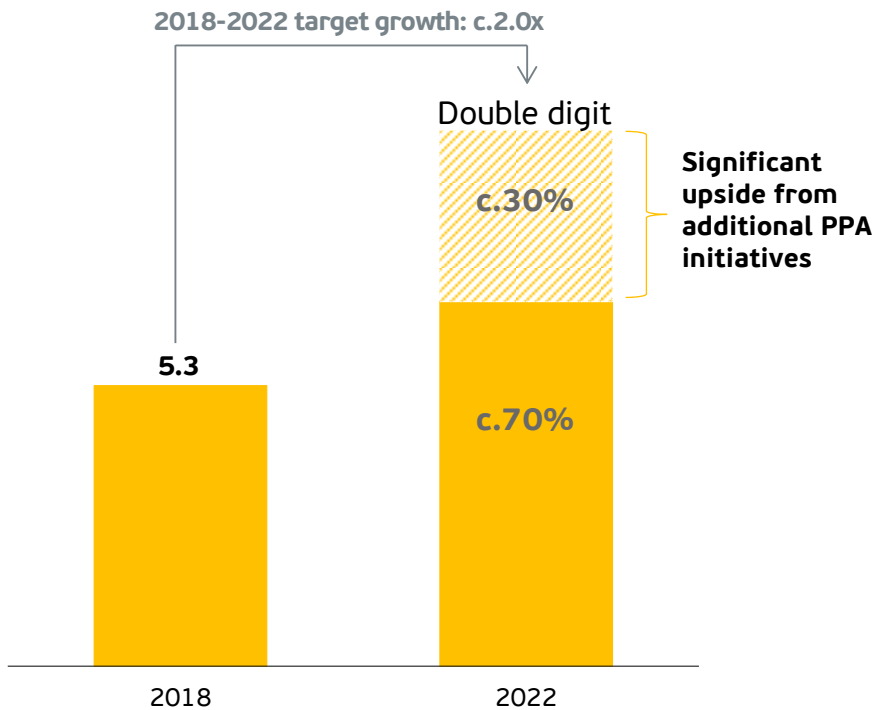


# Audax's targeted procurement mix ensures an optimised balance between flexibility and cheap energy

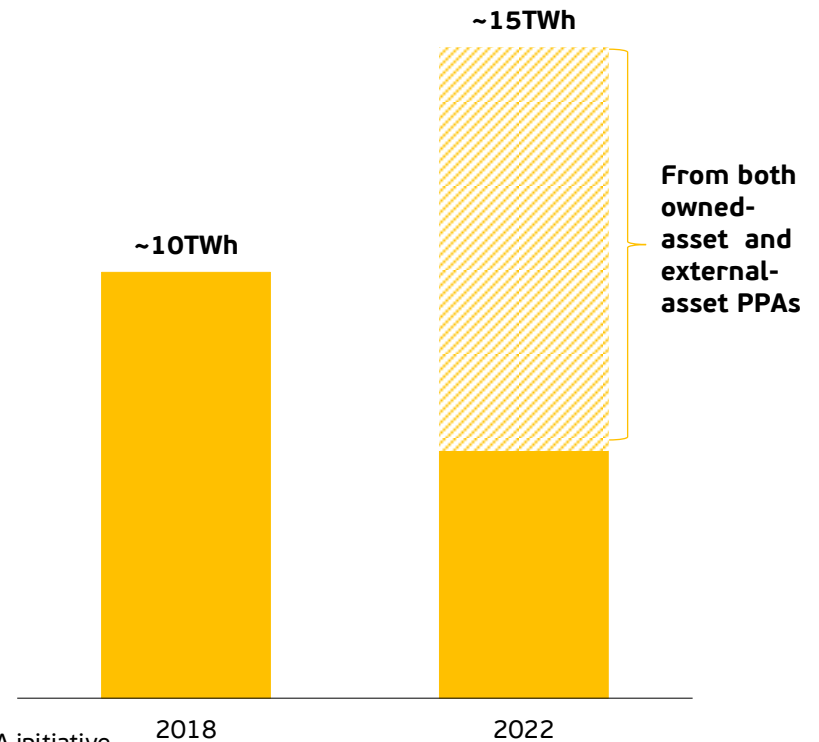


# 70% of 2022 targeted EBITDA is already secured with the PPAs already signed

2018-2022 target EBITDA margin (€/MWh)

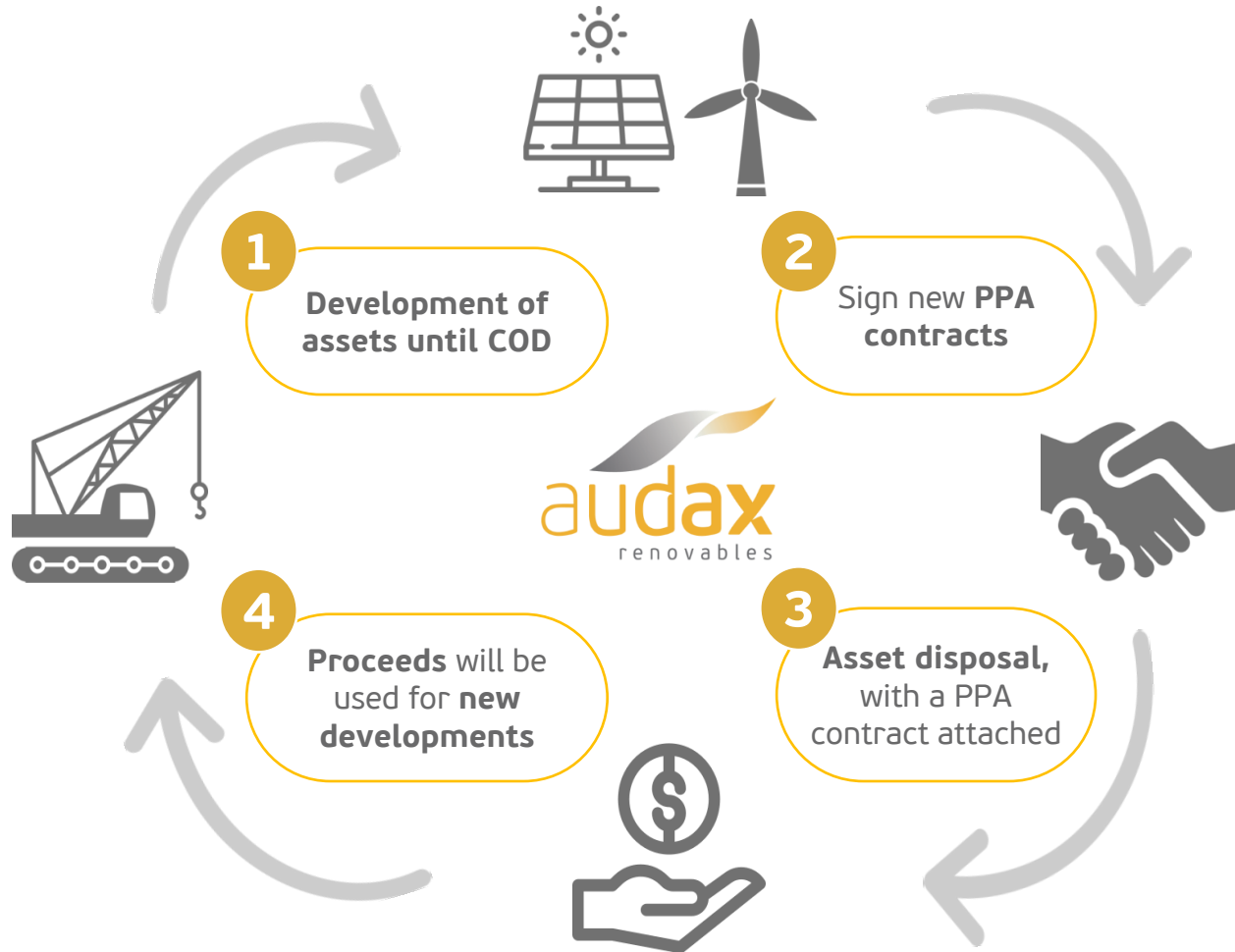


Energy procurement mix



▨ Additional margin from PPA initiative  
■ Consolidated traditional business

# Asset rotation strategy maintaining long-term PPA contracts securing a cost-efficient energy source



# # 1 established independent supplier in the profitable Spanish SME segment

Market share<sup>(1)</sup> by supplied energy in the SME<sup>(2)</sup> segment in Spain (2018)



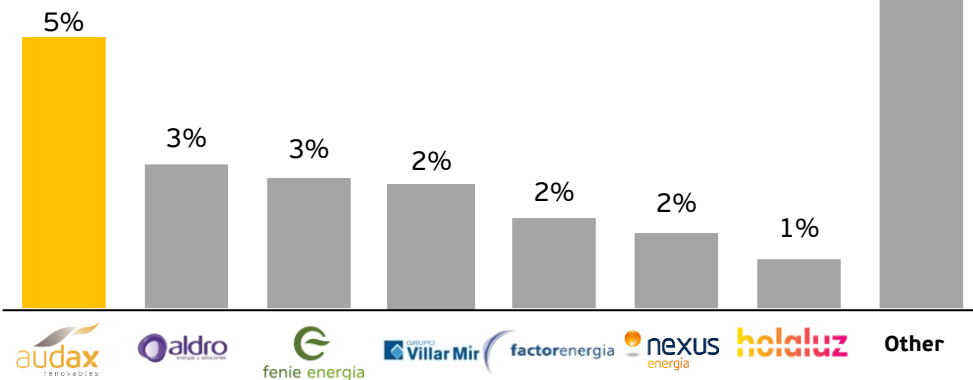
**Independent supplier in the SMEs segment**



**Global Supplier in Spain**



**Supplier in the SME market in Spain**

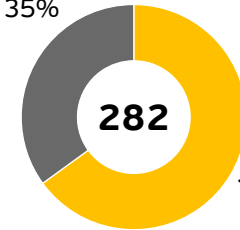


Huge potential for further inorganic growth

# supply companies in the SMEs segment

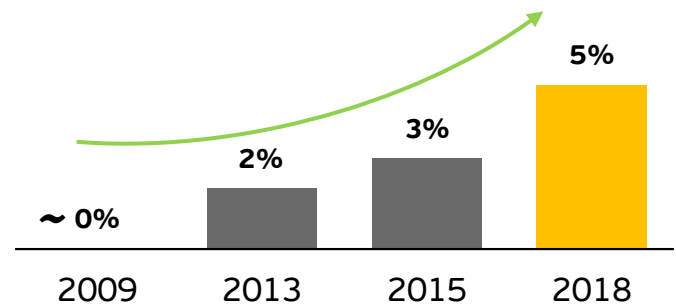
65% of the SME suppliers in Spain have less than 300 connection points

>300 connection points  
35%





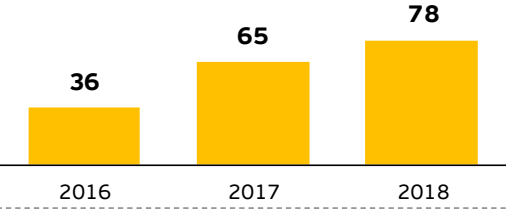


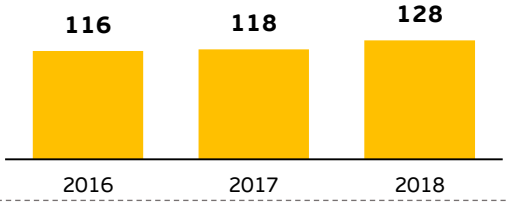


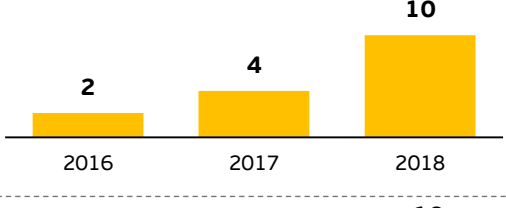


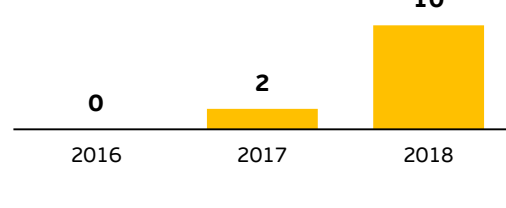
<=300 connection points  
65%

Since inception Audax has recorded a robust market share growth trend in the SME segment



# Well-positioned to replicate the Iberian business model worldwide





Foundations already laid to achieve critical mass quickly

Country	Audax's positioning	Opportunity	Further profitability potential	Audax's revenue (€m)								
	<ul style="list-style-type: none"> <li>Inorganic growth via <b>Big Energia</b> (2014) and 23k customer portfolio from <b>Compagnia Energetica Italiana</b> (2015)</li> </ul>	<ul style="list-style-type: none"> <li>Expected to become the <b>most attractive market</b> considering:               <ul style="list-style-type: none"> <li>Appealing margins</li> <li>Market growth potential from liberalization (c.24m conn. points)</li> </ul> </li> </ul>		 <table border="1"> <tr><th>Year</th><td>2016</td><td>2017</td><td>2018</td></tr> <tr><th>Revenue (€m)</th><td>36</td><td>65</td><td>78</td></tr> </table>	Year	2016	2017	2018	Revenue (€m)	36	65	78
Year	2016	2017	2018									
Revenue (€m)	36	65	78									
	<ul style="list-style-type: none"> <li>MAIN Energie acquisition (2017)               <ul style="list-style-type: none"> <li>Similar <b>corporate culture</b></li> <li><b>High brand awareness</b> in its market</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li><b>Consolidation</b> of Northern region into MAIN corporate structure</li> <li><b>Counterpart for the coming Northern PPA agreements</b></li> </ul>		 <table border="1"> <tr><th>Year</th><td>2016</td><td>2017</td><td>2018</td></tr> <tr><th>Revenue (€m)</th><td>116</td><td>118</td><td>128</td></tr> </table>	Year	2016	2017	2018	Revenue (€m)	116	118	128
Year	2016	2017	2018									
Revenue (€m)	116	118	128									
	<ul style="list-style-type: none"> <li><b>Entry through Deltis Energia's acquisition</b></li> <li>Strong market growth thanks to the <b>indexed tariff</b></li> </ul>	<ul style="list-style-type: none"> <li>Corporate costs reduction through the <b>integration into MAIN</b></li> <li><b>70% indexed tariff targeted revenues</b> in 2019</li> </ul>		 <table border="1"> <tr><th>Year</th><td>2016</td><td>2017</td><td>2018</td></tr> <tr><th>Revenue (€m)</th><td>2</td><td>4</td><td>10</td></tr> </table>	Year	2016	2017	2018	Revenue (€m)	2	4	10
Year	2016	2017	2018									
Revenue (€m)	2	4	10									
	<ul style="list-style-type: none"> <li>Entered in 2015</li> <li><b>Largest market in the EU</b></li> <li><b>Highly fragmented: consolidation potential</b></li> </ul>	<ul style="list-style-type: none"> <li><b>Integration with MAIN</b> (eg. relocate HQ)</li> <li>Develop <b>PPA agreements</b> through <b>MAIN</b> business unit</li> </ul>		 <table border="1"> <tr><th>Year</th><td>2016</td><td>2017</td><td>2018</td></tr> <tr><th>Revenue (€m)</th><td>0</td><td>2</td><td>10</td></tr> </table>	Year	2016	2017	2018	Revenue (€m)	0	2	10
Year	2016	2017	2018									
Revenue (€m)	0	2	10									



# Italy: strong market potential once full liberalisation takes place

## Key highlights

 <p><b>20 MW signed PPA</b></p>	 <p><b>300 MW PPA under negotiation</b></p>
 <p><b>Strong growth in indexed tariff (75%)</b></p>	 <p><b>Generation opportunities being considered</b></p>

## Rationale behind our presence in Italy

- Potential to become the **most attractive market** considering:
  - ▪ **Appealing margins**
  - Market **growth potential** from upcoming **liberalization** (+~24m connection points)

	2018	Growth	2022
Customers	46k	+2.0x	~105k
Supplied TWh	0.7	+2.0x	~1.5
Revenues (€m)	78	+2.0x	>150

# A technology-focused company which ensures customer satisfaction and increases processes' optimisation

## Customer first

**Audax has a key focus on its customers** to ensure long-term success: it is therefore committed to provide a high quality service to ensure customers' satisfaction

**Strengthen customer satisfaction** through process digitalisation and an optimal sourcing strategy

## Process optimisation

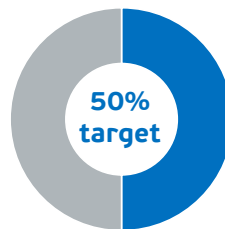
**Reduce cost structures** while making more efficient use of the available information

**Real-time analytics** to optimize customers' behaviour understanding and demand forecast

Efficiency improvement through **processes' automatisaton**



- ✓ Electronic billing
- ✓ Capacity change
- ✓ Subscriber modification



- ✓ Demand forecast algorithm
- ✓ Pre-scoring customer acceptance system
- ✓ Payment methods adaptation



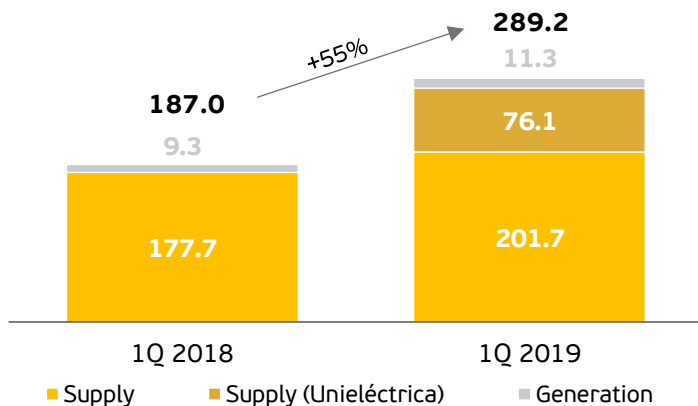
➤ **Enhanced customer experience**



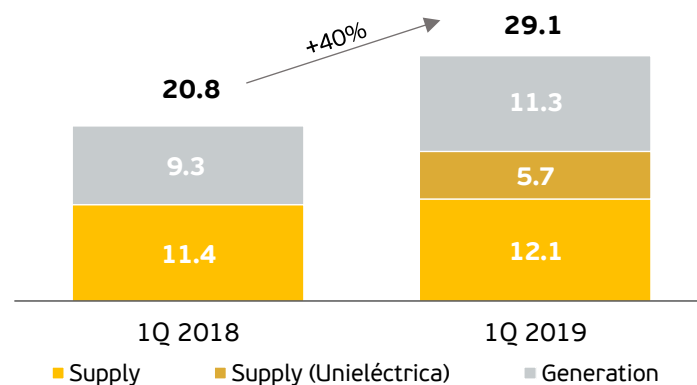
( 5 ) Q1 2019 results

# Q1 2019 financial results

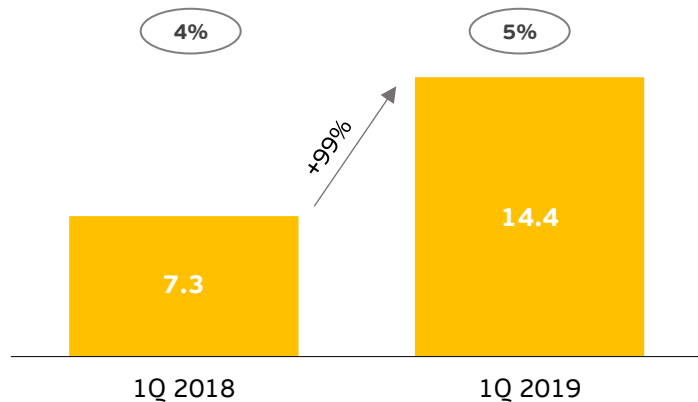
Revenues (€m): strong organic and inorganic growth



Gross margin (€m) / (% sales)



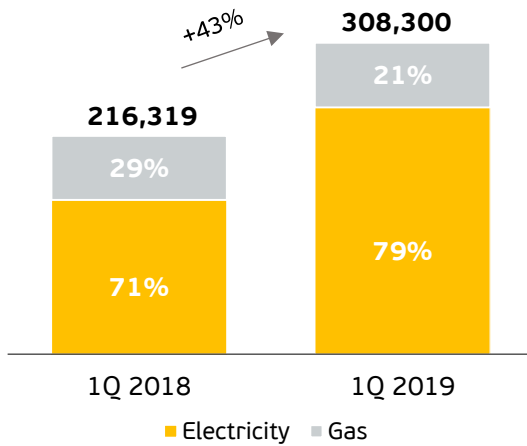
EBITDA (€m) and EBITDA margin (%)



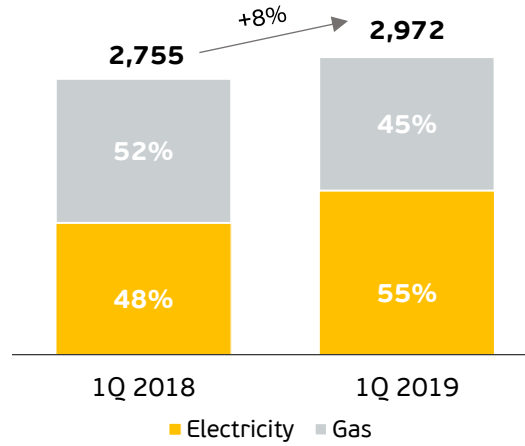
- Visible **EBITDA growth** from **cost reduction** and **optimisation policies**
- Strong **organic growth in Poland** and **Germany**
- Positive performance in the **generation division**, supported by **higher wind resources** (+10% output)

# Q1 2019 operating results

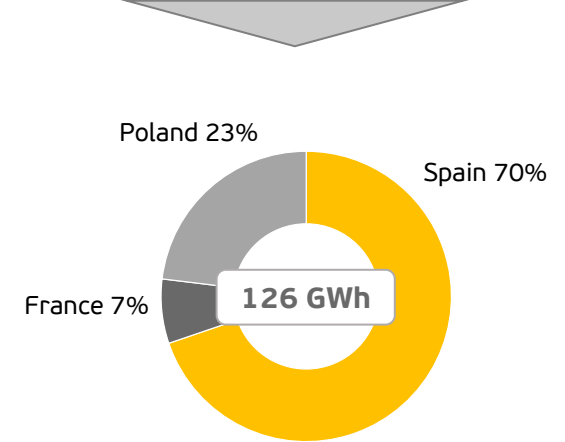
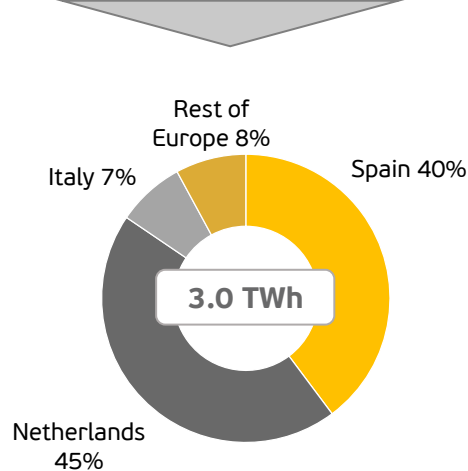
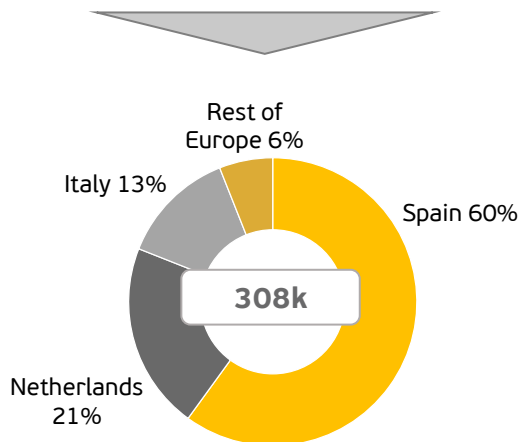
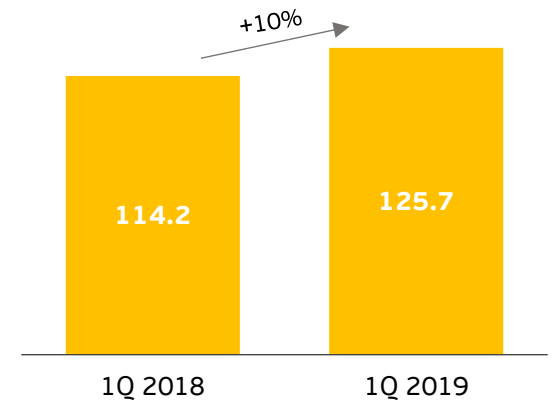
### Customers



### Supplied energy (GWh)



### Generation (GWh)





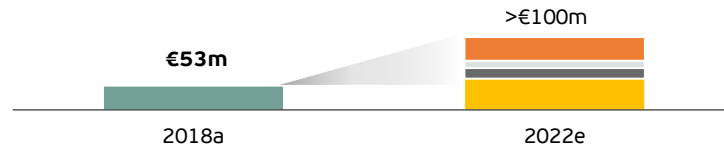
( 6 ) Conclusions and Q&A

# Audax's combined business model enables the group to sustain long-term growth

## Revenue growth<sup>(1)</sup>



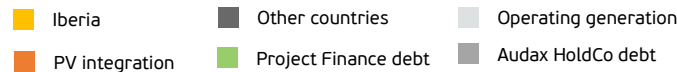
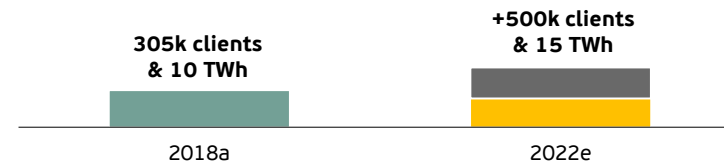
## EBITDA growth<sup>(1)(2)</sup>



## Net debt & leverage



## Connection points & supplied energy



Dividend policy targeted from 2020 onwards

High visibility on 70% of the targeted 2022 EBITDA. Further upside backed by owned-asset and external-asset PPAs

Beyond the business plan itself, Audax will have a **key role as a consolidator in the highly fragmented supply market leading to further enlarge its market share**



## Takeaways

Audax 2022



**Leading independent supplier** in the Spanish SME segment

**Sustainable leadership**



Achieving the **most cost-efficient energy sources** through **LT – PPA contracts and asset rotation of PV portfolio**

**2/3 supplied energy covered by PPAs**



Replicating growth success in the **international business**

**Strong revenue growth in international markets**





# Q&A



---

## Appendix



---

## Glossary

<b>AMER:</b>	America
<b>APAC:</b>	Asia Pacific
<b>BoP:</b>	Balance of Plant
<b>CAGR:</b>	Compound Annual Growth Rate
<b>CCGT:</b>	Combined Cycle Gas Turbines
<b>CNMC:</b>	Comisión Nacional de Mercados y Competencia
<b>COD:</b>	Commercial Operations Date
<b>EMEA:</b>	Europe, Middle East, Africa
<b>EPC:</b>	Engineering, Procurement and Construction
<b>LCOE:</b>	Levelised Cost of Energy
<b>OMIE:</b>	OMI-Polo Español S.A.
<b>PPA:</b>	Power Purchase Agreement
<b>PV:</b>	Photovoltaic
<b>RAB:</b>	Regulatory Asset Base
<b>REE:</b>	Red Eléctrica de España
<b>SME:</b>	Small and Medium Enterprise

# Disclaimer

Any data, estimate, valuation and projection, as well as the rest of the content of this presentation does not purport to be comprehensive and serves informational purposes only. Neither Audax Renovables, S.A. nor any of its directors, managers or employees are implicitly or explicitly obligated to guarantee that this content be exact, precise, whole or complete, nor to keep it up to date or adjust it in case of detecting any shortfall, mistake or omission.

No reliance may be placed for any purposes whatsoever on the information contained in this presentation or any other material discussed at the presentation, or on its completeness, accuracy or fairness. The information and opinions contained in this presentation and any other material discussed at the presentation are provided as at the date of this presentation and are subject to change without notice.

Neither this presentation nor any copy of it may be taken, transmitted into, disclosed or distributed in the United States, Canada, Australia or Japan. The distribution of this presentation in other jurisdictions may also be restricted by law and persons into whose possession this presentation comes should inform themselves about and observe any such restrictions. The securities of Audax Renovables, S.A. have not been and, should there be an offering, will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the U.S. Investment Company Act of 1940, as amended (the "Investment Company Act"). Such securities may not be offered or sold in the United States except on a limited basis, if at all, to Qualified Institutional Buyers (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A or another exemption from, or transaction not subject to, the registration requirements of the Securities Act. The securities of Audax Renovables, S.A. have not been and, should there be an offering, will not be registered under the applicable securities laws of any state or jurisdiction of Canada or Japan and, subject to certain exceptions, may not be offered or sold within Canada or Japan or to or for the benefit of any national, resident or citizen of Canada or Japan.

This presentation is not aimed at rendering financial assessment nor is it an offer of any kind of product or financial service. Audax Renovables, S.A. disclaims all responsibility should any piece of this presentation serve as means to justify any investment decision. This document is merely an advertisement and recipients should not make any investment decision whatsoever on the basis of the information contained in this presentation. In this regard, this presentation will not be considered like active marketing activities.

The information contained in this presentation has not been independently verified and neither Audax Renovables, S.A. nor any other party is under any duty to update or inform you of any changes to such information. No representation or warranty, express or implied, is made as to the truth, fullness, accuracy, reasonableness or completeness of the information or opinions contained herein (or whether any information has been omitted from the presentation) or any other information relating to Audax Renovables, S.A., its subsidiaries or associated companies, whether written, oral or in visual or electronic form, and howsoever transmitted or made available by or on behalf of Audax Renovables, S.A. and any reliance you place on such information or opinions will be at your sole risk. In addition, no responsibility, obligation or liability (whether direct or indirect, in contract, tort or otherwise) is or will be accepted by Audax Renovables, S.A. or any other person in relation to such information or opinions or any other matter in connection with this presentation or its contents or otherwise arising in connection therewith.

Audax Renovables, S.A. cautions that this presentation may feature information containing projections of future results; it should be kept in mind that such projections do not in any way guarantee future results and merely express a subjective opinion of Audax Renovables, S.A. in relation to business development, therefore various criteria and risks, uncertainties as well as many other relevant factors may apply, which may cause the actual development to differ substantially. In any case, such data which refers to past development or profitability does not guarantee that any future development or profitability will correspond with those of any previous periods. Moreover, any target included in this presentation and any relevant underlying projections are based on future events and management actions that are characterized by unpredictability, especially in terms of the risk that the forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated, as well as the fact that certain events and actions may not have been foreseeable at the time these projections were drafted. Consequently, the difference between actual results and Audax Renovables, S.A.'s target may be substantial.

Furthermore, please note that this document has not been submitted for approval or registration of the National Securities Market Commission (CNMV). In any case, this document is subject to the Spanish law applicable at the moment of its creation, and is not meant for any natural or legal persons located in other jurisdictions; for this reason it may or may not be compatible with peremptory norms or legal requirements of other foreign jurisdictions.

The content of this presentation speaks only as of the date of this presentation and Audax Renovables, S.A. expressly disclaims any obligation or undertaking to release any update of or revisions to anything contained or referred to in this presentation. Market data used in this document not attributed to a specific source are estimates of Audax Renovables, S.A. and have not been independently verified. The information and data contained herein, including in particular any non-IFRS EU measures, has been extracted from public sources and has not been independently verified by Audax Renovables, S.A. The information and opinions contained in this document are provided as at the date of the presentation and are subject to change.

Without prejudice to the legal system or other restrictions instituted by Audax Renovables, S.A. which may apply, any use of this presentation is expressly forbidden, as is any use of the creations and distinctive signs featured in it, as well as any means of reproduction, distribution, transfer to third parties, public broadcasting and transformation by use of any medium, without prior explicit permission issued by their respective owners. Any violation of this prohibition may constitute an infringement punishable under the applicable law.

Certain financial and statistical information included in this document has been subject to adjustments by rounding. Therefore, any discrepancy between the total amounts and the sum to which such amounts or total values refer is due to said rounding. In addition, this document may contain pro forma figures that have not been audited.

By attending this presentation or receiving this document you agree to be bound by the foregoing limitations and restrictions and, in particular, will be deemed to have represented, warranted and undertaken that you have read and agree to comply with the contents of this disclaimer.



[www.audaxrenovables.com](http://www.audaxrenovables.com)