



soltec

FY 2023 RESULTS

28th February 2024

DISCLAIMER

This document has been prepared by Soltec Power Holdings, S.A. ("Soltec") exclusively for use during the financial results presentation for the twelve-month period closed as at December 31st, 2023. Therefore, thereof, this document may not be disclosed or published, nor used by any other person or entity, for any other reason without the express and prior written consent of Soltec . Soltec does not assume any liability for this document if it is used with a purpose other than the above.

In addition to the financial information prepared in accordance with International Financial Reporting Standards (IFRS) and derived from our financial statements, this presentation includes certain alternative performance measures ("APMs"), as defined in the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority (ESMA) on October 5th, 2015 (ESMA / 2015 / 1415en), as well as certain non-IFRS measures. The financial measures contained in this document that are considered APMs and non-IFRS measures have been prepared from the financial information of the Soltec Group, but they are not defined or detailed in the applicable financial reporting framework and, therefore, they have not been audited or reviewed by our auditors. Therefore, this information is considered complementary and is not intended to replace IFRS measures. Other companies, including some in our industry, may calculate such measures differently, reducing their usefulness for comparison purposes.

The businesses included in each of our geographic segments and the accounting principles under which their results are presented here may differ from the businesses included and the local accounting principles applicable in our subsidiaries in those geographies. Consequently, the results of operations and trends shown for our geographic segments may differ materially from those of such subsidiaries. The information and any of the opinions and statements contained in this document have not been verified by independent third parties and, therefore, no implicit or explicit guarantee is given regarding the impartiality, precision, completeness or correctness of the information or opinions. and statements that are expressed and contains statements that may be considered "statements about forecasts and estimates." These manifestations can be identified with terms such as "foresee", "predict", "anticipate", "should", "intend", "probability", "risk", "guidance", "objective", "goal", "estimate", "future ", And similar expressions.

Neither Soltec, nor its subsidiaries or other companies of the Soltec group or companies in which Soltec has a stake, assume liability of any kind, regardless of whether or not negligence or any other circumstance occurs, regarding the damages or losses that may arise from any use of this document or its contents. Neither this document nor any part of it constitute a document of a contractual nature, nor may they be used to integrate or interpret any contract or any other type of commitment and should not be taken as a basis for making investments or making decisions.

DISCLAIMER

This document contains certain financial measures of the Company that are not based on International Financial Reporting Standards (IFRS), but rather on its accounting records, which the Company considers as alternative performance measures (APMs) for the purposes of Commission Delegated Regulation (EU) 2019/979 of 14 March 2019 and as defined in the European Securities and Markets Authority (ESMA) Guidelines on Alternative Performance Measures of 5 October 2015.

The Company understands that alternative performance measures should be considered by users of financial information as complementary to the magnitudes presented in accordance with the presentation bases of the consolidated annual accounts, but in no case as substitutes for them. The Company is not responsible for the decisions that users make based on alternative performance measures. These measures should not be considered as alternatives to those established in accordance with IFRS, have a limited use as analysis tools, should not be considered in isolation, and may not be indicative of operating results.

The audited semi-annual and annual Results Report issued by the Company includes a list and definition of alternative performance measures (APMs).

The definition and classification of the pipeline (project portfolio) of the industrial division and photovoltaic project development may not necessarily be the same as that used by other companies engaged in similar businesses. Therefore, Soltec's estimated pipeline capacity may not be comparable to the estimated pipeline capacity disclosed by those other companies. Likewise, given the dynamic nature of the pipeline, Soltec's pipeline is subject to both changes without notice and based on certain projects classified in a certain pipeline category, as previously identified, they could be reclassified in another pipeline category or could be discontinued in case of unexpected events, which may be beyond Soltec's control and will be periodically reported in communications relating to business operational information.

- 
- The background features a photograph of a sheep farm with solar panels. A large blue circular graphic with a white circle inside is overlaid on the right side. The agenda items are listed on the left side of the image.
- 01 KEY HIGHLIGHTS
 - 02 BUSINESS UPDATE
 - 03 FINANCIAL UPDATE
 - 04 CLOSING REMARKS
 - 05 APPENDIX

AGENDA

FY 2023 RESULTS

A stylized bird logo in dark blue and light grey, positioned in the upper left corner of the slide. The bird is facing right, with a dark blue circle for an eye and a dark blue beak. The body is light grey, and the wings and tail are dark blue.

01

KEY HIGHLIGHTS

FY 2023 RESULTS

A NEW STRUCTURE AND MANAGEMENT APPROACH TO MEET OUR STRATEGY, WHILST ENSURING EXCELLENCE IN DELIVERY

NEW MANAGEMENT

A more efficient structure



CEO

Raúl
Morales



COO

Mariano
Berges

Management accumulates more than 50 years of experience in the sector

VARIABLE REMUNERATION

Linked to value creation and ESG

GUIDANCE 2024

Key milestones ahead

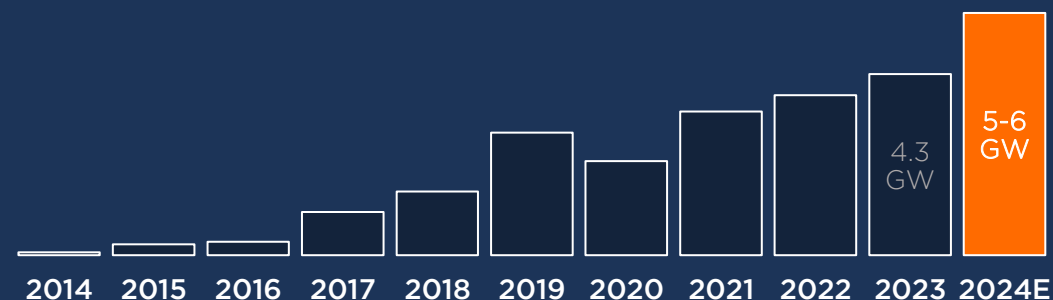
TRACKER DIVISION

SUPPLY

5 - 6 GW

EBITDA MARGIN

6% - 7%



BUSINESS UPDATE

Business plan will be updated during the year, for the two divisions of the company (Trackers and Energy).

A SPECIALIZED LEADING GLOBAL SOLAR PLAYER

TRACKERS

TRACKERS
SUPPLIED

4.3 GW

TRACK RECORD

20 GW

TRACKERS
GROSS MARGINS

26.3%

ADJ. EBITDA MARGINS

8.5%

ENERGY

UNDER OPERATION &
CONSTRUCTION

501 MW

PIPELINE UNDER DEVELOPMENT

13 GW

REACHING RTB IN 2024
IN SPAIN & ITALY

1.1 GW

2023 ASSET DISPOSAL

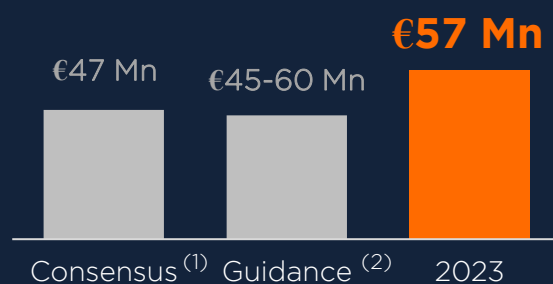
1.4 GW

TRANSITIONING TOWARDS A GREATER SPECIALIZATION
INCREASING VALUE CREATION



A SPECIALIZED LEADING GLOBAL SOLAR PLAYER

CONSOLIDATED ADJ. EBITDA



KEY FINANCIAL METRICS

<i>€ Mn</i>	FY 2023	Q4 2023
Revenues	587.2	283.1
Adj. EBITDA	56.5	55.9
Net Profit	11.7	
Net Financial Debt	220.4	

TRACKERS

	FY 2023
Backlog	€470 Mn
Pipeline	€16.8 Bn
Trackers supplied 2023	4.3 GW
EBITDA margin	8.5%

ENERGY

	FY 2023
Pipeline	13 GW
Assets rotated 2023	1.4 GW
Assets under operation	230 MW
Revenues	€18.6 Mn

(1) Bloomberg.

(2) Guidance based on the information provided by the company in February 2023.

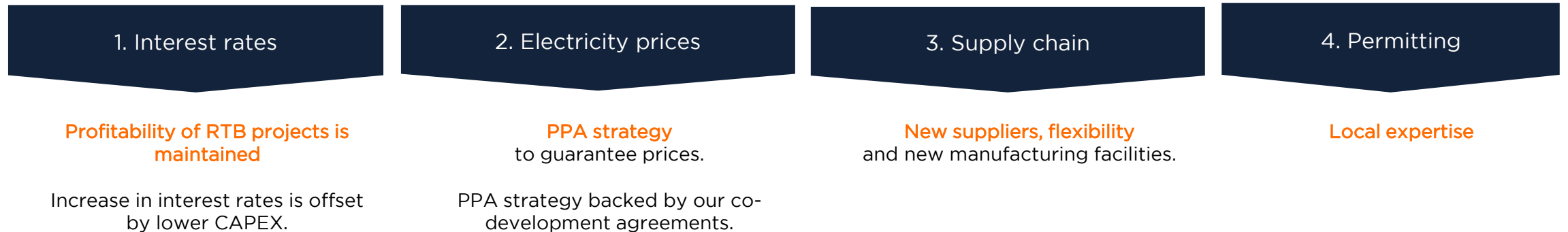
MARKET TRENDS

THE COMPANY IS WELL POSITIONED TO FACE SHORT-TERM AND LONG-TERM TRENDS

LONG-TERM TRENDS



SHORT-TERM TRENDS



SUPPORTIVE POLICIES



Inflation Reduction Act



European Green Deal & REPower EU



02

BUSINESS UPDATE

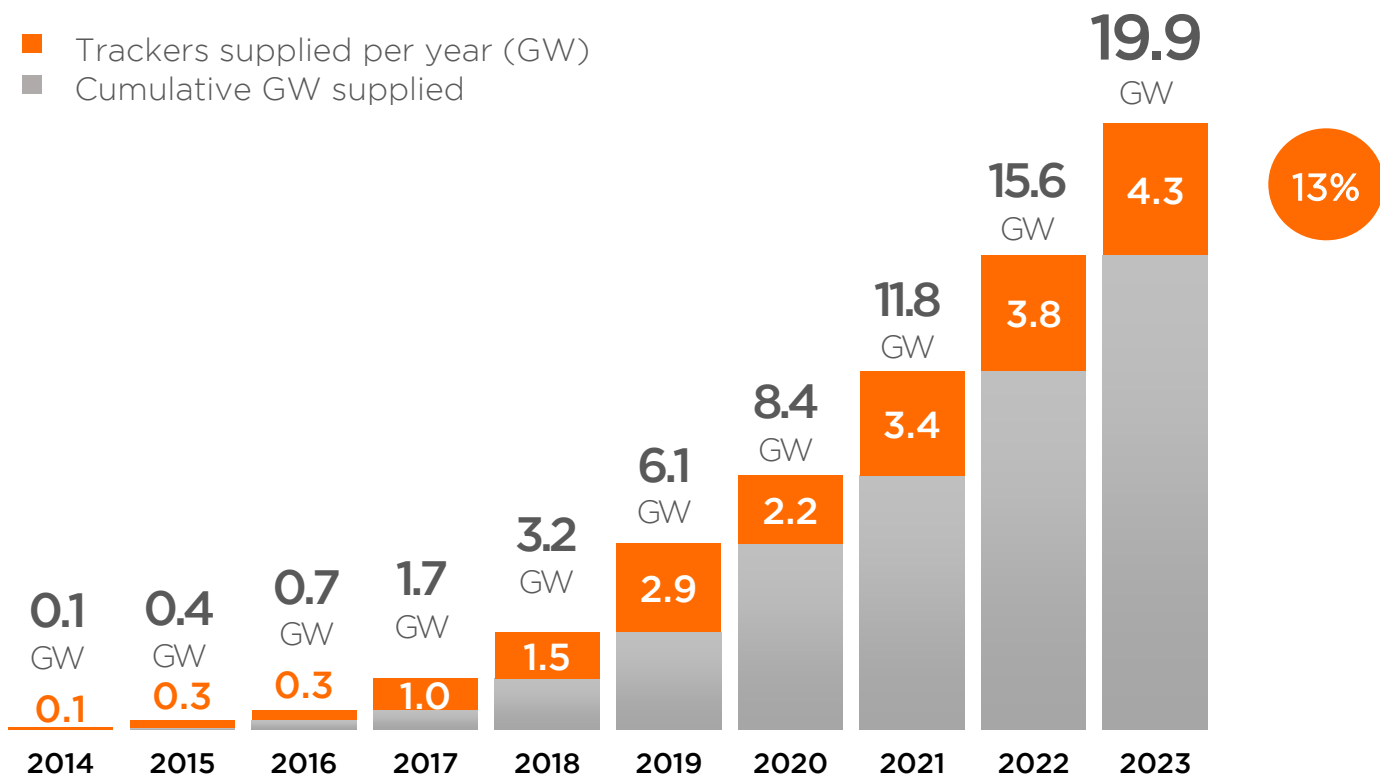
FY 2023 RESULTS

TRACKERS



SUCCESSFULLY RAMPING UP GROWTH WITH VISIBILITY ON EXECUTION

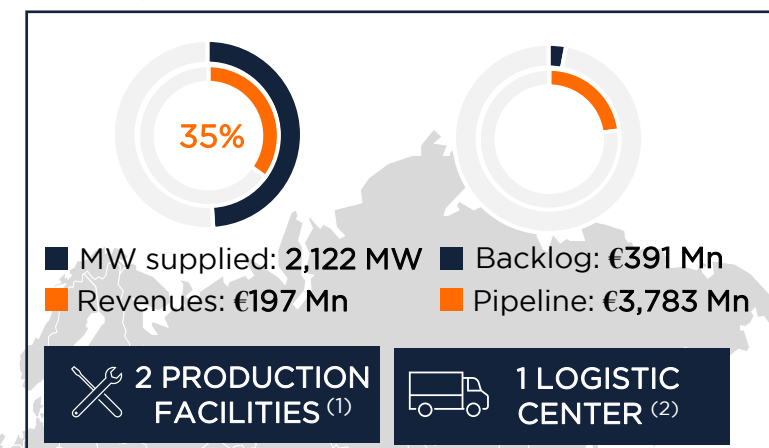
4.3 GW OF TRACKERS SUPPLIED IN 2023



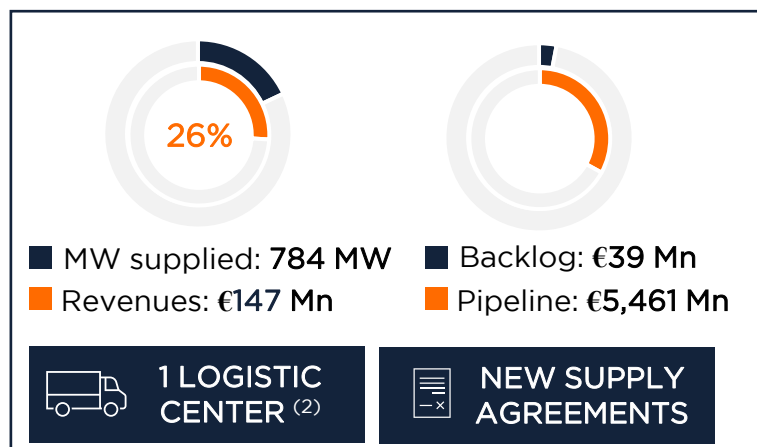
SCALING UP OUR GLOBAL POSITION

STRONG MARKET POSITIONING WITH A GOOD DIVERSIFICATION BY COUNTRY

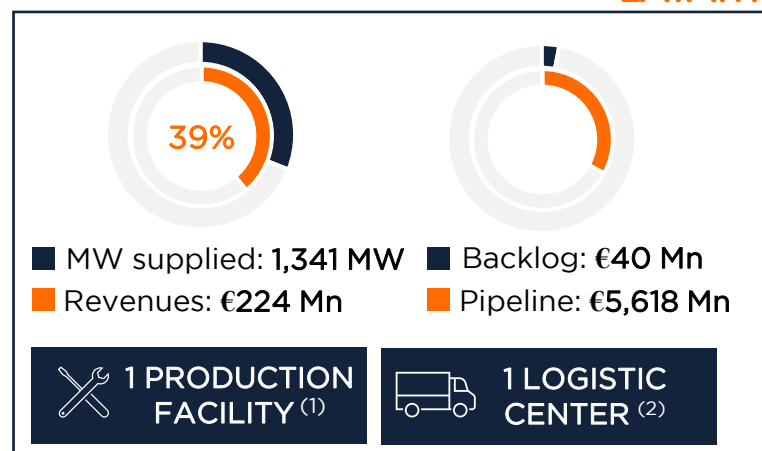
EUROPE



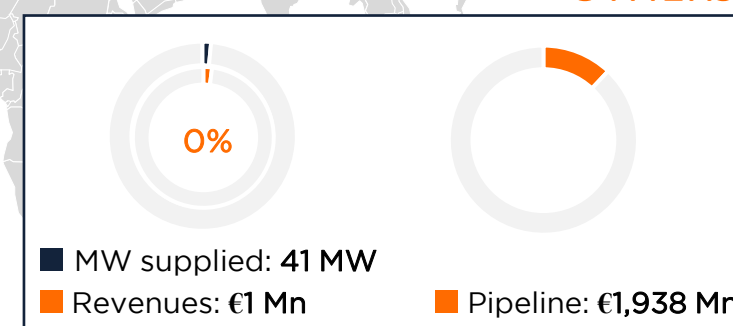
USA



LATAM



OTHERS



(1) Production facilities located in Spain and Brazil: i) Murcia; ii) Teruel, to be built with Enel, and iii) Salvador; (2) Logistic centers located in Spain, United States and Brazil

BACKLOG AND PIPELINE

STRONG AND WELL DIVERSIFIED OPERATIONAL INDICATORS

€470 Mn
BACKLOG ⁽¹⁾

€16,800 Mn
PIPELINE ⁽²⁾

UNITED STATES

UNITED STATES

Backlog: €39 Mn
Pipeline: €5,461 Mn

LATAM

BRAZIL

Backlog: €13 Mn
Pipeline: €4,805 Mn

CHILE

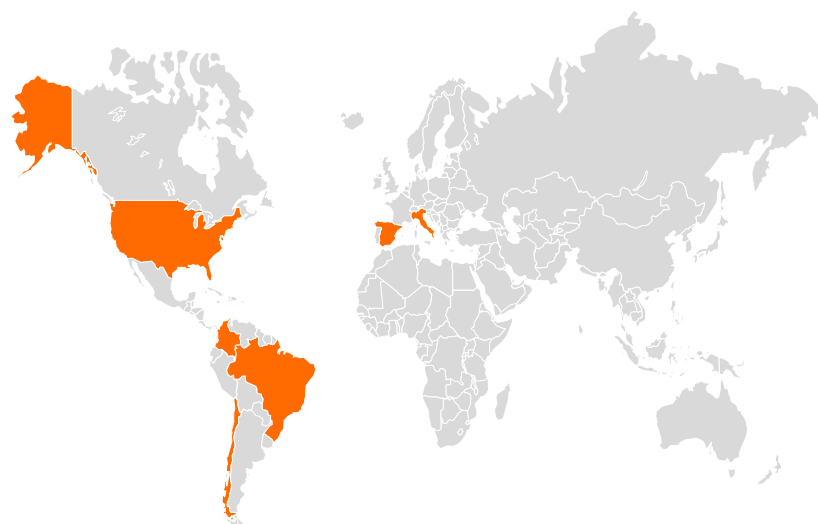
Backlog: €6 Mn
Pipeline: €227 Mn

COLOMBIA

Backlog: €21 Mn
Pipeline: €243 Mn

OTHER

Pipeline: €343 Mn



EUROPE

SPAIN

Backlog: €232 Mn
Pipeline: €2,189 Mn

ITALY

Backlog: €147 Mn
Pipeline: €1,121 Mn

OTHER

Backlog: €13 Mn
Pipeline: €473 Mn

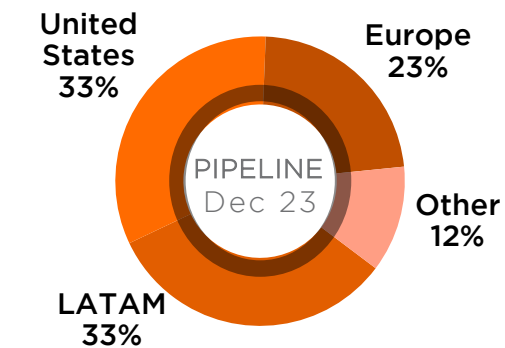
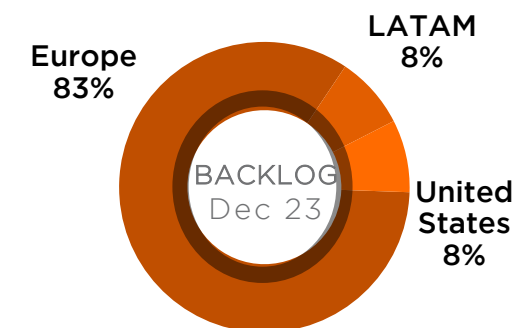
REST OF THE WORLD

MIDDLE EAST & AFRICA

Pipeline: €1,147 Mn

ASIA PACIFIC

Pipeline: €791 Mn



(1) Backlog: : Contracts signed pending execution. Backlog includes executed contracts or purchase orders and specific bills of materials for EPCs, and Volume Commitment Agreements.

(2) Pipeline: Future potential contracts (not signed) with a certain probability of success

UNPARALLELLED TAILOREDA AND INNOVATIVE SOLUTIONS

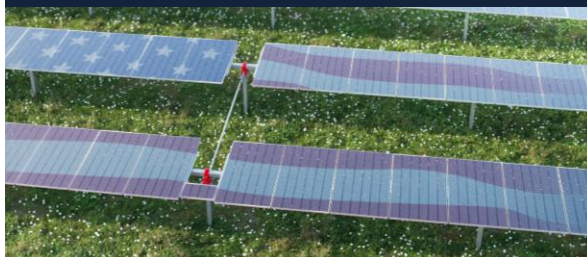
Trackers 1-in-Portrait

SFONE



- **SIMPLIFIED ENGINEERING**
5% fewer piles than other trackers.
- **ROBUSTNESS**
Design for longer 72 and 78 cell modules.
- **TERRAIN ADAPTABILITY**
Adapted to extreme orographic and meteorological conditions.
- **EXCEPTIONAL INTELLIGENCE**
Tracking technology to monitor operations.
- **FAST AND EASY INSTALLATION**
40% reduction in assembly time.

SFONE-USA



TAILORED FOR U.S. PROJECTS

- Reduced number of components: pre-assembled sets and simpler installation.
- Dual-row tracker with 50% less of electronics and motors.
- Adaptation to different terrains, slopes and soil types.

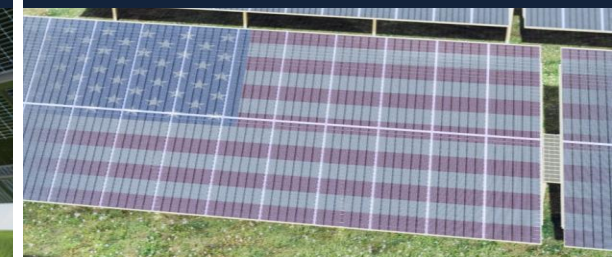
Trackers 2-in-Portrait

SF7



- **PRODUCTION DENSITY**
+5-6% production thanks to more backtracking gain.
- **SIMPLIFIED ENGINEERING**
46% fewer piles per MW, 17% fewer parts and 15% fewer screws.
- **TERRAIN ADAPTABILITY**
Adapted to extreme orographic and meteorological conditions.
- **EXCEPTIONAL INTELLIGENCE**
Tracking technology to monitor operations.
- **FAST AND EASY INSTALLATION**
40% reduction in assembly time

SF7-USA



TAILORED FOR U.S. PROJECTS

- Adapts to steep slopes and narrow soils, with mounting tolerances ranging from 20 to 40 inches.
- Project installation simplified with pre-assembled components, reducing costs and saving time.
- Wireless communication designed to withstand low temperatures.

ALGORITHMS

DIFUSE BOOSTER

Maximize the performance of the solar plant when it is cloudy and capture up to 5.2% more energy.

BIFACIAL TRACKING

Searches for the optimal position of solar trackers in a PV plant increasing production by 0.30%.

TEAM TRACK

Tracking algorithm to maximize the production of the panels avoiding any shading, increasing production by 6.2%.

Dy-WIND

Most advanced design methodology for solar trackers to avoid wind issues. Certified by RWDI and CPP WIND.

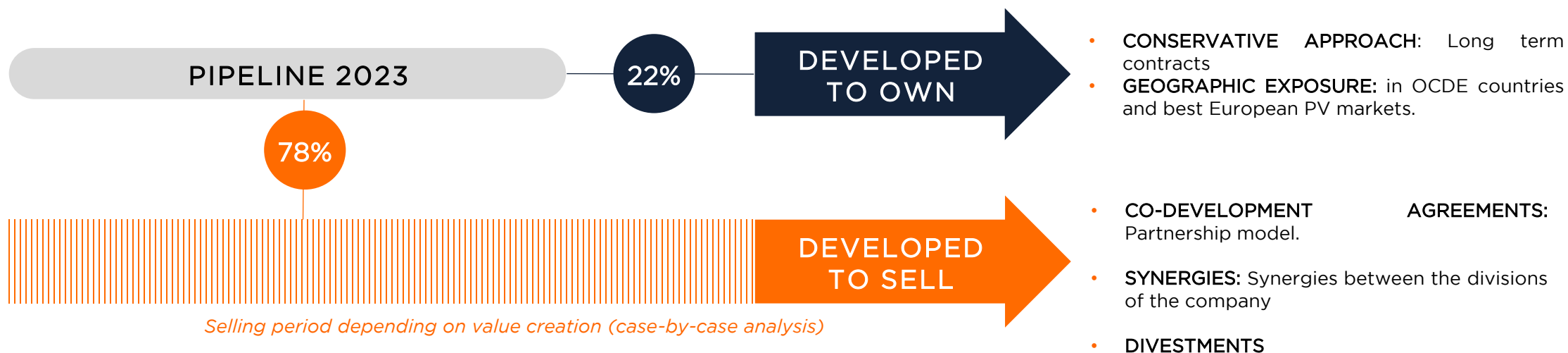
ENERGY



FINE TUNING OUR STRATEGY

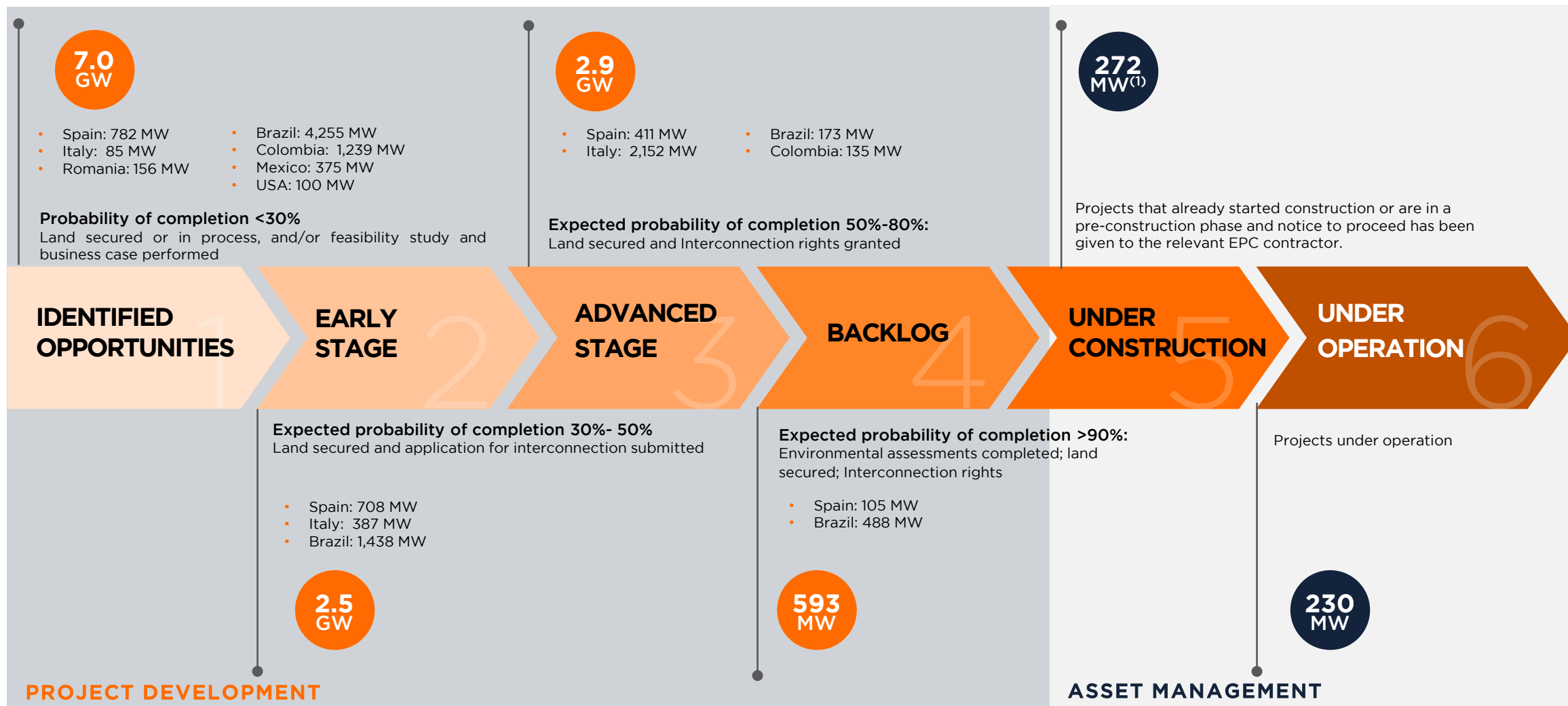
INCREASING VALUE CREATION THROUGH THE ENERGY DIVISION
PRIORITIZING VALUE OVER VOLUME

GOAL: VALUE CREATION



A QUALITY PIPELINE


PROJECTS UNDER DEVELOPMENT REACHING KEY MILESTONES IN A WELL DIVERSIFIED PORTFOLIO




(1) Includes capacity under construction and pre-construction.

PROJECTS REACHING RTB STATUS

RELEVANT MILESTONES TO COME, CRISTALYZING FURTHER VALUE

 SPAIN	2024E	
EXPECTED RTB ⁽¹⁾	612	<i>MW</i>
100% Soltec	328	
65% Total	284	

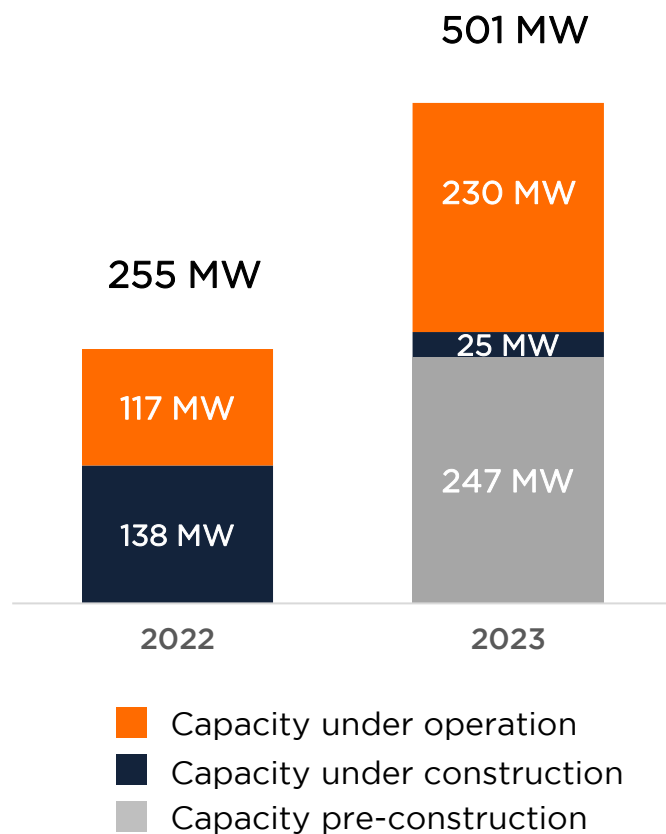
 ITALY	2024E	
EXPECTED RTB ⁽¹⁾	531	<i>MW</i>
100% Soltec	20	
51% Aquila	451	
51% ACEA	60	



(1) Subject to regulatory changes and based on regulatory deadlines established at the time of releasing FY2023 Results presentation.

BUILDING AN IPP WITH SELECTED ASSETS

501 MW UNDER OPERATION OR UNDER CONSTRUCTION



CAPACITY UNDER OPERATION



Pedranópolis
112.5 MW



Araxá
112.5 MW



La Asomada ⁽¹⁾
4.5 MW

CAPACITY UNDER CONSTRUCTION



La Isla ⁽¹⁾
4.5 MW



Los Valientes I & II ⁽¹⁾
14.9 MW



Totana IV
5.5 MW

CAPACITY PRE- CONSTRUCTION



Alumbres ⁽¹⁾
8.2 MW



Fuente Alamo I & II ⁽¹⁾
19.9 MW



El Romeral I & II ⁽¹⁾
20.0 MW



San Pedro ⁽¹⁾
198.9 MW

(1) Ownership: 35%

ASSET MANAGEMENT EVOLVING AS EXPECTED

ASSETS UNDER CONSTRUCTION WILL REACH COD IN 2024

	UNDER OPERATION			UNDER CONSTRUCTION			PRE-CONSTRUCTION			
	Pedranópolis	Araxá	La Asomada ⁽¹⁾	La Isla ⁽¹⁾	Los Valientes I&II ⁽¹⁾	Totana IV	Alumbres ⁽¹⁾	F. Álamo I&II ⁽¹⁾	El Romeral I&II ⁽¹⁾	San Pedro ⁽¹⁾
Capacity	112.5 MW	112.5 MW	4.5 MW	4.5 MW	14.9 MW	5.5 MW	8.2 MW	19.9 MW	20.0 MW	198.9 MW
Ownership	100%	100%	35%	35%	35%	100%	35%	35%	35%	35%
COD	Nov 2022	Feb 2023	Feb 2022	Mar 2024	Jun 2024	Sep 2024	2025	Q4 2024	Q4 2024	Q2 2025
Status			ENGINEERING				RTB Status reached	RTB Status reached	RTB Status reached	RTB Status reached
			PROCUREMENT & DELIVERIES							
			CONSTRUCTION							
			TESTING							
				● % of progress						
PPA	178 R\$/MWh	178 R\$/MWh	Expected	Secured	Secured	54 €/MWh	Expected	Secured	Secured	Expected
Financing	Closed BNDES	Closed BNDES	Self-funded	Work in progress Expected 2024	Work in progress Expected 2024	Closed ⁽²⁾ Triodos B.	Work in progress Expected 2024	Work in progress Expected 2024	Work in progress Expected 2024	Work in progress Expected 2024

(1) Partnership with TotalEnergies. Ownership: 35%.
 (2) Project finance + financing from local communities

A stylized graphic of a fish, rendered in dark blue and light grey, occupies the left side of the slide. The fish's body is light grey, and its eye is a dark blue circle. The background is a gradient from light grey to dark blue.

03

FINANCIAL UPDATE

FY 2023 RESULTS

SOLTEC ⁽¹⁾

INCOME STATEMENT HIGHLIGHTS

FY 2023 VS. FY 2022

€ Mn	FY 2023	FY 2022	% Chg.
Revenues	587.2	568.2	3%
Adj. EBITDA ⁽²⁾	56.5	32.6	73%
Net Profit	11.7	13.1	(14%)

QUARTERLY EVOLUTION

€ Mn	Q1 23	Q2 23	Q3 23	Q4 23
Revenues	76.8	107.8	119.6	283.1
Adj. EBITDA ⁽²⁾	(4.6)	(5.6)	10.8	55.9

HIGHLIGHTS

- Increasing EBITDA margins: +10% (+73% YoY).
- Strong Q4 2023 in terms of volumes and activity margins.



ADJ. EBITDA
+73%

(1) Sum of the trackers and energy divisions may not match with Soltec consolidated figures due to consolidation adjustments and the impact of the corporate expenses of Soltec.

(2) Under the guidelines given by the CNMV - communicated on April 17th, 2023 - regarding alternative performance measures (APMs), Soltec promotes their usefulness and transparency, and contributes to an improvement in the comparability, reliability, and/or comprehensibility of APMs through their definition (provided on page 38 of this document).

TRACKERS INCOME STATEMENT HIGHLIGHTS

FY 2023 VS. FY 2022

€ Mn	FY 2023	FY 2022	% Chg.
Revenues	569.2	586.7	(3%)
Adj. EBITDA ⁽¹⁾	48.4	27.3	77%
EBITDA Margin	8.5%	4.7%	+3.8 b.p.

QUARTERLY EVOLUTION

€ Mn	Q1 23	Q2 23	Q3 23	Q4 23
Revenues	71.3	103.5	116.1	278.2
Adj. EBITDA ⁽¹⁾	(3.2)	(4.4)	10.0	46.0
EBITDA Margin	(4.4%)	(4.3%)	8.6%	16.4%

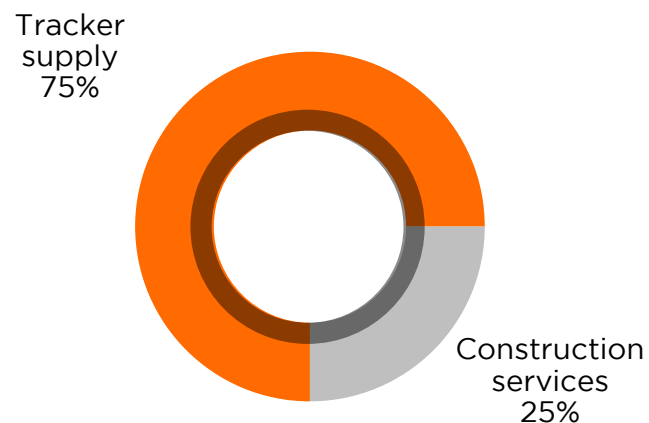
HIGHLIGHTS

- **Revenues:** Strong fourth quarter with historical record revenues (+71% YoY).
- **Increasing margin expansion** due to supply chain and logistics, together with pricing strategy and cost discipline.
- **Gross margin: +26.3%**
- **EBITDA Margin: +8.5%**

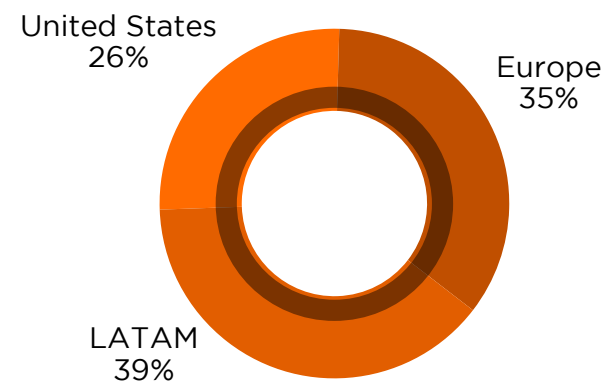
(1) Under the guidelines given by the CNMV - communicated on April 17th, 2023 - regarding alternative performance measures (APMs), Soltec promotes their usefulness and transparency, and contributes to an improvement in the comparability, reliability, and/or comprehensibility of APMs through their definition (provided on page 38 of this document).

TRACKERS REVENUE BREAKDOWN

REVENUE BREAKDOWN BY ACTIVITY



REVENUE BREAKDOWN BY GEOGRAPHY



HIGHLIGHTS

- **TRACKER SUPPLY**

Manufacture and supply of solar PV trackers account for 75% of revenues (4,288 MW vs 3,788 MW in 2022, +13% YoY growth).

- **CONSTRUCTION SERVICES**

Includes installation of solar trackers, balance-of-plant (BoP), EPC and O&M services. Construction services represented 25% of revenues and is expected to reduce its contribution to the division, offering the services just to premium clients or strategic accounts.

- **UNITED STATES**

26% of total revenues (0.8 GW of trackers supplied). The company expects to increase the contribution from the US up to 50% of total revenues of solar trackers in the coming years.

- **EUROPE**

35% of total revenues, mainly driven from Spain (28% of total revenues and 1.8 GW of trackers supplied).

- **LATAM**

39% of total revenues (1.3 GW of trackers supplied), mainly from Brazil (19% of total revenues).

TRACKERS ADJ. EBITDA AND GROSS MARGINS

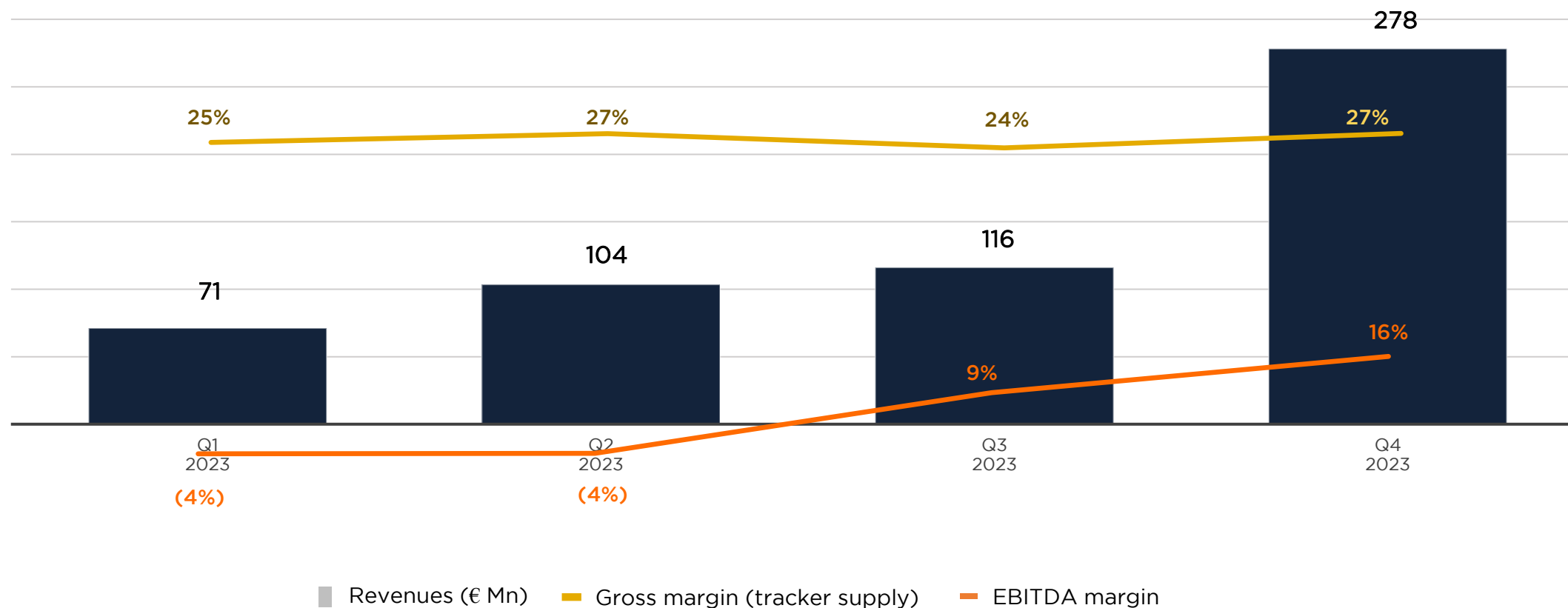
STRONG GROSS MARGINS OF TRACKER SUPPLY

FY 2023

REVENUES: €569.2 MN

GROSS MARGIN (TRACKERS): 26.3%

EBITDA MARGIN: 8.4%



ENERGY INCOME STATEMENT HIGHLIGHTS

FY 2023 VS. FY 2022

€ Mn	FY 23	FY 22	23 vs. 22
Revenues	18.6	11.1	+67%
Adj. EBITDA ⁽¹⁾	8.7	6.2	+41%
<i>EBITDA Margin</i>	46.7%	55.2%	

QUARTERLY EVOLUTION

€ Mn	Q1 23	Q2 23	Q3 23	Q4 23
Revenues	5.5	4.2	3.5	5.3
Adj. EBITDA ⁽¹⁾	0.3	(1.6)	1.2	8.8
<i>EBITDA Margin</i>	4.7%	(37.5%)	35.2%	164.5%

HIGHLIGHTS

• ASSET MANAGEMENT

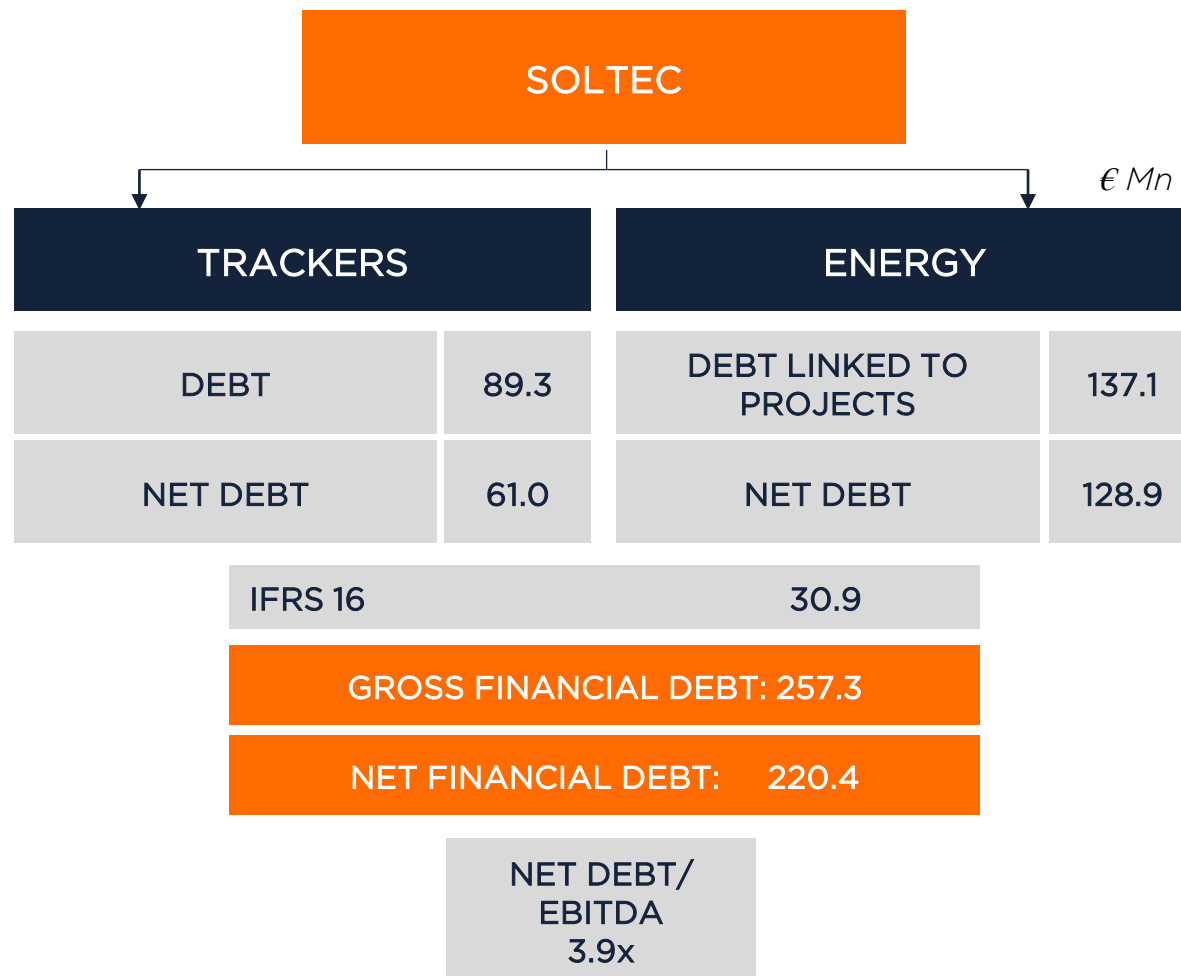
- **Energy generation:**
- 230 MW under operation in Brazil and Spain
- **Financing:**
- Successful equity raise of €100 Mn in 2023.
- Financing agreement in Spain for 5.59 MW: Project finance €3.6 Mn + €0.6 Mn from local communities.

• ASSET ROTATION IN 2023

2023 Rotations	MW	Stake	Status
Colombia	130 MW	100%	Early-stage
Denmark	850 MW	100%	Early-stage
Italy	52 MW	49%	RTB
Spain	59 MW	65%	Advanced-stage

(1) Under the guidelines given by the CNMV - communicated on April 17th, 2023 - regarding alternative performance measures (APMs), Soltec promotes their usefulness and transparency, and contributes to an improvement in the comparability, reliability, and/or comprehensibility of APMs through their definition (provided on page 38 of this document).

NET DEBT





04

CLOSING REMARKS

GREAT GROWTH POTENTIAL WITH MULTIPLE LEVERS OF GROWTH

1

A GLOBAL MARKET LEADER WITH A COMPELLING INVESTMENT OPPORTUNITY

Strong growth outlook driven by solar demand.

Specialization in tracker supply and energy generation

2

TRACKER SUPPLIER WITH LEADING CAPABILITIES

Global tracker supplier focused on premium markets with Tier 1 clients and key technology

3

STRONG MARGINS

Solid gross margins and increasing Adj. EBITDA margins.

4

MARKET ORIENTED STRATEGY

Tailor made strategies to capture the growth of each one of our key markets: USA, Europe and Latam.

5

FOCUS ON VALUE CREATION

Reconsider projects/activities not meeting targets.

Measures to guarantee financial discipline and capital allocation targets.

6

FINE TUNING OF THE ENERGY DIVISION

Restructuring to increase value creation.



Q&A

FY 2023 RESULTS



05

APPENDIX

FY 2023 RESULTS

TRACKERS

PIPELINE BREAKDOWN BY PROBABILITY

PROBABILITY OF EXECUTION OF POTENTIAL PROJECTS.

- 100% Probability: €1,239 Mn
- 80% Probability: €8 Mn
- 60-70% Probability: €24 Mn
- 50% Probability: €101 Mn
- <50% Probability: €15,428 Mn

>50%
Probability
€1,372 Mn

Status	Probability
Contract Signed	100%
MoU (Existing Customer)	100%
MoU (New Customer)	90%
LOI (Existing Customer)	80%
Contract under Negotiation (Existing Customer)	70%
LOI (New customer)	70%
Contract under Negotiation (New Customer)	60%
Shortlisted (2 contenders)	50%
Shortlisted (3 contenders)	33%
Shortlisted (4 contenders)	25%
Shortlisted (5 contenders)	20%
Offer (Existing Customer)	10%
Offer Updated to same client (Existing Customer)	10%
Offer (New Customer)	5%
Offer Updated to same client (New Customer)	5%



INCOME STATEMENT

(€, 000)	FY 2023	FY 2022
Revenue	587,191	568,196
Changes in inventories of finished goods and work in progress	1,099	(4,552)
Other operating income	1,537	3,166
Works carried out by the Group for its assets	11,799	50,825
Supplies	(367,262)	(375,075)
Personnel expenses	(69,192)	(68,756)
Other operating expenses	(120,919)	(151,278)
Amortization and depreciation	(9,583)	(4,382)
Other results	(1,791)	4,562
EBIT	32,879	22,706
Adjusted EBITDA	56,530	32,635
Financial income	1,643	995
Finance expenses	(22,202)	(10,190)
Changes in the fair value of financial instruments	(156)	(3,591)
Net exchange rate differences	(850)	8,061
Loss of net monetary position	2,552	-
Net financial profit	(19,013)	(4,725)
Share of profit/(loss) investments valued using equity method	(125)	98
Profit/(Loss) Before Tax	13,741	18,079
Income tax	(2,017)	(5,016)
CONSOLIDATED NET PROFIT/(LOSS)	11,724	13,063

BALANCE SHEET

ASSETS (€, 000)	31.12.23	31.12.22
Intangible assets	36,777	28,349
Property, plant and equipment	166,807	160,041
Right-of-use	21,092	16,249
Investments accounted for using the equity method	55,458	41,371
Non-current financial assets	8,328	14,134
Deferred tax assets	26,339	22,303
Total non-current assets	314,801	282,447
Inventories	87,598	38,757
Debtors and other current assets	326,298	181,036
Credits with public administrations	23,358	19,649
Short-term investments in group companies & associates	1,668	2,805
Current financial assets	4,659	7,346
Other current assets	4,292	4,769
Cash and cash equivalents	32,237	19,001
Total current assets	480,110	273,363
TOTAL ASSETS	794,911	555,810

SHAREHOLDERS' EQUITY AND LIABILITIES	31.12.23	31.12.22
Capital and reserves		
Share capital	22,847	22,847
Share premium	143,472	143,472
Reserves	4,898	(9,782)
Treasury stock	(4,749)	(4,895)
Exchange rate differences	607	(2,020)
Profit/loss attributed to the Parent Company	11,790	13,088
Shareholders' equity attributed to the Parent Comp.	178,865	162,710
Non-controlling interest	(87)	(44)
Total shareholders' equity	178,778	162,666
Non-current financial liabilities	142,236	75,540
Non-current provisions	3,968	2,571
Deferred tax liabilities	3,490	1,513
Total non-current liabilities	149,694	79,624
Current financial liabilities	115,065	101,697
Trade and other accounts payable	333,734	200,602
Debts with public administrations	9,216	8,018
Current provisions	8,425	3,203
Total current liabilities	466,440	313,520
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES	794,912	555,810

ALTERNATIVE PERFORMANCE MEASURES

GROSS MARGIN

Net turnover + Changes in inventories of finished goods and work in progress - Supplies

The Parent Company as a measure of the activity's performance, since it provides information on the result or gross margin from the execution of the projects, which is obtained by taking external sales and subtracting the cost incurred to achieve those sales. This margin is the best measure of the cost of manufacturing and supplying PV trackers.

€ Mn	2023	2022
Net turnover	587.2	568.2
Changes in inventories of finished goods and work in progress	1.1	(4.6)
Supplies	(367.3)	(375.1)
Gross margin	221.0	188.6

GROSS MARGIN ON SALES

Gross margin / Net turnover

The gross margin on sales is considered by the group's management as a measure of the performance of its business, as it provides information on the percentage contribution of the gross margin to the total sales. This contribution enables comparative analysis of the project margin performance for the group's managers.

€ Mn	2023	2022
Gross margin	221.0	188.6
Net turnover	587.2	568.2
Gross margin on sales	37.6%	33.2%

NET MARGIN

Gross margin - Other personnel expenses - Other operating expenses + Losses, impairment and changes in provisions for trading operations + Work carried out by the Group for its assets + Results from the loss of control of SPVs.

The net margin is considered by the group's management as a measure of the performance of its business, as it provides information on the net margin of the projects that have been manufactured and installed during the period.

This net margin is calculated on the basis of the gross margin, net of personnel expenses and operating expenses, excluding losses, impairments and changes in trade provisions made during the year, adjusted by the allocation of guaranteed provisions.

€ Mn	2023	2022
Gross margin	221.0	188.6
Personnel expenses	(69.2)	(68.8)
Other operating expenses	(120.9)	(151.3)
Losses, impairment and changes in trade provisions	4.7	2.0
Works carried out by the Group for its assets	11.8	50.8
Results from loss of control of SPVs	7.6	8.1
Net profit margin	55.0	29.5

ALTERNATIVE PERFORMANCE MEASURES

NET MARGIN ON SALES

Net margin / net turnover

The net margin on sales is considered by the group's management as a measure of the performance of its activity, as it provides information on the percentage contribution of the net sales margin to the net turnover.

€ Mn	2023	2022
Net profit margin	55.0	29.5
Net turnover	587.2	568.2
Net margin on sales	9.4%	5.2%

EBITDA

Net Margin + Other operating income - Losses, impairment losses and changes in provisions for trading operations

EBITDA is considered by the group's management as a measure of the performance of its business, as it provides an analysis of the result for the year (excluding interests and taxes, as well as D&A) as a proxy for operating cash flows reflecting cash generation. Additionally, it is a metric widely used by investors when valuing companies, as well as by rating agencies and creditors to assess the level of indebtedness by comparing EBITDA to net debt and by comparing EBITDA to debt service.

€ Mn	2023	2022
Net margin	55.0	29.5
Other operating income	1.5	3.2
Losses, impairment and changes in trade provisions	(4,7)	(2.0)
EBITDA	51.8	30.7

ADJUSTED EBITDA

EBITDA + Losses, impairment losses and changes in provisions for trading operations

Adjusted EBITDA is considered by the group's management as a measure of the performance of its business, as it provides an analysis of operating results excluding commercial provisions which do not represent cash outflows.

€ Mn	2023	2022
EBITDA	51.8	30.7
Losses, impairment and changes in trade provisions	4.7	2.0
Adjusted EBITDA	56.5	32.6

ALTERNATIVE PERFORMANCE MEASURES

BORROWINGS

Current bank borrowings + Non-current financial liabilities + Other current financial liabilities + Derivatives

Borrowings are considered by the Group's management as a measure of the Group's performance as they measure the Group's financial position and are necessary for the calculation of leverage ratios typically used in the market.

€ Mn	2023	2022
Current debts with credit institutions	96.8	97.0
Total non-current financial liabilities	142.2	75.5
Other current financial liabilities	12.7	4.4
Derivatives	5.6	0.4
Borrowings	257.3	177.2

LEVERAGE

Borrowings / Total assets

Leverage is an indicator that measures the company's debt position. It is widely used by investors to assess the financial leverage of companies in the sector, as well as by rating agencies and creditors to assess the level of indebtedness.

€ Mn	2023	2022
Borrowings	257.3	177.2
Total assets	796.2	555.8
Leverage	32.2%	31.9%

NET FINANCIAL DEBT

Borrowings - Current financial assets - Cash and cash equivalents (excluding those other components of cash that are pledged as collateral for the syndicated loan)

The Net Financial Debt is a financial measure of a company's net debt position. In addition, it is widely used by investors to assess the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness.

€ Mn	2023	2022
Borrowings	257.3	177.2
Current financial assets	(4.7)	(7.3)
Cash and cash equivalents	(32.2)	(19.0)
Net Financial Debt	220.4	150.9



soltec.com/en/shareholders-and-investors