

Audax increased income by 78% in the third quarter to 2.033 billion euros

- *The company increased its gross margin by 20% (103 million euros) and its EBITDA by 16% (36 million euros).*
- *Net financial debt has been reduced by 63 million euros since the end of the first quarter of this year, representing a reduction of 12%, demonstrating the Group's firm commitment to gradually reduce debt.*

15 NOVEMBER 2022. Audax Renovables (ADX.MC), a vertically integrated Spanish energy group that generates and supplies 100% renewable electricity and gas to customers in seven European countries, has announced a 78% increase in revenues for the third quarter of the year, reaching 2.033 billion euros.

The strategy of vertical integration between the generation and marketing activities, which mitigates the risk of volatility, together with the 40% hike in the volume of energy generated with respect to the same period year on year and the increase in raw material prices, has enabled the company to ensure recurring and stable revenues, as well as a supply of energy to be marketed with less impact on market behaviour.

The various portfolio optimization measures introduced by the company, the positive effect of investments in renewable generation and the 55% increase in installed capacity (226 MW), have led to a 20% increase in its gross margin (103 million euros) and a 16% increase in its EBITDA (36 million euros). Also, excluding the effects, which will not be repeated in the future, of the decision announced at the start of the year to cease operating in the Polish gas market due to the change in regulations requiring maximum sales prices to customers below the previously set target price, the group's total EBITDA amounted to 40.3 million euros. Net income for the year returned to positive territory, reaching 2.3 million euros, compared to a loss of 4.2 million euros in the same period of the previous year.

The Group's financial debt stands at 708 million euros, a reduction of 64 million euros since December 2021, bringing the Group's leverage to 75.4%. It should be noted that the Company's financial debt is mainly at a fixed interest rate, so the Company is not significantly affected by changes in market interest rates.

The business sector already represents 93% of customers

Thanks to the policy of organic and inorganic growth maintained from the outset, Audax has increased its supply points by 21% in the last four years, to 396,000 at the end of the third quarter of 2022 among the main countries in which it operates. (Spain, Italy, Netherlands, Hungary, Portugal, Poland and Germany). In 3Q 2022, the company continued to develop the measures aimed at maximizing profitability and minimizing risk in all countries initiated at the beginning of last year, resulting in a 27% reduction in the number of supply points compared to the same quarter of 2021. This decision has had a direct impact on the positive evolution of gross margin and EBITDA.

Overall, the energy supplied by Audax to its customers in the third quarter of the year amounted to 9.8 TWh. The production of renewable energy generation in this same period amounted to 197 GWh (excluding Panama), representing a 40% increase versus the same period year on year. Production in Spain increased by 84% thanks to the contribution of 73 GWh from the new PV plants commissioned in recent months.

By customer type, Audax continues to focus on the business sector, which at the end of this quarter represented 93% of the total energy distribution of its portfolio. The industrial sector accounts for 60% and SMEs for 33%. Domestic customers, the group's non-target segment, reduced their weight from 11% to 7% at the end of the quarter, in line with the defined strategy.

As regards its project portfolio, which totals 2,536 MW, the Group has continued its operations in the development and construction phases. Since 2020, the Group has invested a total of 176 million euros in generation assets, thus continuing its commitment to generation with its own plants. The construction of the Zaratán (1&2) plant in Cigüñuela (Valladolid) and La Miranda (Guadalajara) plant continue according to schedule and are expected to be commissioned during the first quarter of 2023.

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About Audax Renovables

Founded in 2000, Audax Renovables is a vertically integrated Spanish energy group that generates 100% renewable energy and supplies electricity and gas to customers in seven European countries. It currently has a portfolio of wind farms and photovoltaic plants in Spain, Portugal, Italy, France, Poland and Panama in operation, under construction and at different stages of development, amounting to 2,536 MW. In its marketing activity, the group chaired by José Elías Navarro supplies renewable energy and gas to more than 396,000 customers in Spain, Portugal, Italy, Germany, Poland, Holland and Hungary, and spearheads the SME segment in Iberia. Audax was first listed on the Spanish secondary market in 2003, and in 2007 it made the leap to the continuous market, where it became part of the IBEX SMALL CAP® index in March 2020. In the first 9 months of 2022, its turnover reached 2,033 million euros, and it has a team of more than 800 professionals.

For further information, visit www.audaxrenovables.com