Consolidated Results Report as of June 30, 2021

- Holaluz closed on June 30, 2020 with consolidated sales of 186.8 million euros. The last partial results of a six-month audited period (up to March 31, 2020) were 122.9 million euros. The present figures, led by a strong rise in the representation portfolio, represent a sales increase of 51.9 percent.

- The company's gross margin reached 18.1 million euros, doubling the figure for the last 6-month audited period (9.9 million euros as of March 31, 2020). Normalised EBITDA is situated at -0.7 million euros due to the strong investment in the Rooftop Revolution (without this investment, the EBITDA would follow the uptrend of the last recent years).

- The Rooftop Revolution has been consolidated, reaching 6,295 managed facilities as of September 30, 2021. Up to the same period, Holaluz has reached 378,202 clients and has a representation portfolio of more than 1,630 MW. In the third quarter of 2021 – despite it being a summer period, in which historical maximum prices were successively set in the wholesale spot electricity market – the company has grown by more than 27,000 net customers.

- Holaluz reiterates its objectives that by the end of 2023 it will have one million customers, 50,000 photovoltaic managed installations, and 1,000 MW in representation (in terms of representation, the objective is currently more than 60 percent complete).

** fiscal year 30 september 2019 to 30 september 2020.*

June 30, 2021 Update

In the first half of 2021, the green energy technology company has continued to grow. With a turnover of 186.8 million euros, the firm has reached 350,820 electricity and gas customers and 5,837 managed facilities.

As of March 31, 2020, Holaluz managed 1,270 photovoltaic installations. Since then, as of June 30, 2021, 5,837 installations have been reached. This consolidates the Rooftop Revolution strategy, a model of distributed generation with the aim of transforming the maximum number of underused rooftops into green energy. According to Holaluz's calculations, once all available rooftops have been transformed into sources of green energy generation, the production of renewable electricity in Spain would double, going from 39.3 percent to 81 percent (according to 2019 data from the REE - the Spanish Electricity Network).

Holaluz installs solar panels for roof owners without a charge and then manages the owner's energy production. In return, the green energy technology company offers roof owners a fixed monthly electricity bill discount, available from the first month.

Bi-annual consolidated results report as of June 30, 2021

- **Operating data (half of year KPIs):**

Year	Half of year 2021	Half of year 2019-20
Net sales figures (millions of euros)	186,8	122,9
Gross margin (millions of euros)	18,1	9,91
Operational costs (millions of euros)	-20,45	-12,81
Normalised EBITDA (millions of euros) (1)	-0,7	-2,2
EBITDA margin on sales (%)	-	-
Number of CUPS (Universal Supply Point Codes)	350.820	241.163
Prosumer installations		

(1) Normalized EBITDA does not include 1.6 million euros (30.6.21) and 0.6 million euros (31.3.20) of incremental costs previously recorded as amortization of intangible assets.

The normalisation of the EBITDA originates from the accounting change introduced by the Resolution of February 10, 2021 of the Accounting and Auditing Institute (Instituto de Contabilidad y Auditoría de Cuentas (ICAC)), which established rules for the registration, valuation, and preparation of the annual accounts for the recognition of income from the delivery of goods and the provision of services. This resolution established that the incremental costs of acquiring a contract must be accounted for as accruals in the short/long term of the asset on the consolidated balance sheet and charged to the consolidated income statement under the item other operating costs.

This is to say that the acquisition costs are no longer amortized. Instead, the element relevant to the year in question goes through the income statement (within the advertising and public relations section). The rest is accrued in the balance sheet. This manner of working, employed as of January 1, 2021, has modified the comparative figures of both the balance sheet and the income statement.

Year	S1 2021	S1 2019-20
CONSOLIDATED EBITDA	-2,3	-2,9
NORMALISED EBITDA	-0,7	-2,2

The consolidated EBITDA without the normalization of these costs is -2.3 million euros as of June 30, 2021 (during the last audited 6-month period, as of March 31, 2020, this figure stood at -2.9 million euros). The impact of the ICAC resolution on the EBITDA is 1.6 million euros on the June 30, 2021 calculation and 0.6 million euros on the March 31, 2020 calculation.

Analysis of the Consolidated Financial Statements as of June 30, 2021

Analysis of the variations in the main items of the profit and loss account and the balance sheet:

- **Profit and Loss Account**

	30/6/2021	31/3/2020
Revenue	**186.759.256**	**122.927.402**
Tasks performed by the company for assets	**2.042.652**	**1.685.361**
Cost of sales	**-168.611.624**	**-113.017.841**
Other operating income	**-57.380**	**3.168**
Employee benefits/expense	**-5.849.763**	**-5.011.913**
Other operating costs	**-16.698.022**	**-9.485.581**
Depreciation and amortisation	**-1.775.535**	**-1.132.102**
Impairment losses and gains/losses on disposal of non-current assets	-	**-34.516**
Other gains and losses	**-141.588**	**-113.801**
Exceptional revenues and expenses	-141.588	-113.801
OPERATING PROFIT/(LOSS)	**-4.217.244**	**-4.179.824**
Finance income	**4.724**	**690**
Finance costs	**-297.981**	**-364.879**
FINANCE GAINS/(COSTS)	**-263.257**	**-364.189**
PROFIT/LOSS BEFORE TAX	**-4.480.501**	**-4.544.013**
INCOME TAX	735.980	843.433
PROFIT OR LOSS FOR THE PERIOD	**-3.744.521**	**-3.700.580**

In the first half of the 2021 fiscal year, sales reached 186.8 million euros, an increase of 52 percent compared to the first half of the last audited fiscal year (Oct'19-Sept'20; half of year to 31.3.20) when turnover stood at 122.9 million euros. At the same time, the gross margin has reached 18.15 million euros, which represents an increase of 83 percent compared to the accumulated margin of March 31, 2021 (9.9 million euros). The increase in gross margin compared to sales is explained by the consolidation of the new commercial policy and the shift in the customer mix, which is now more focused on the domestic market.

Personnel expenses amounted to 5.8 million euros, an increase of 16.7 percent when compared with the 5.1 million euros spent in the first half of the previous year. The other-operating-costs heading increased to 14.6 million euros, 87 percent more than the 7.8 million euros on March 31, 2020. This is explained, firstly, by the strong investment in the Rooftop Revolution business, a higher investment in brand, technology and logistics capabilities together with the ICAC regulatory change made to reclassify the amortization of the incremental costs due to customer acquisition operating expenses. Secondly, there is the increase in the cost of professional services due to the greater investment in solar equipment and a rise in the cost of call centres due to the increase in customers. As a consequence, the non-normalised EBITDA for the first half of the fiscal year is -2.3 million euros, which includes 1.6 million euros of accrued customer acquisition expenses previously recorded as amortization of intangible assets. Comparatively, as of March 31, 2020, the non-normalized EBITDA for the first half of the 2019-20 financial year was -2.9 million euros, which includes 0.6 million euros of accrued expenses.

Profit before tax is -4.48 million euros compared to -4.54 million euros in the same period of the previous fiscal year.

Income after taxes reached -3.74 million euros compared with -3.70 million euros in the same period of the previous fiscal year.

Balance

ASSETS	30/6/2021	31/12/2020
NON-CURRENT ASSETS	**37.572.260**	**39.148.472**
Intangible assets	12.333.458	10.313.493
Property, plant, and equipment	649.878	652.458
Long term financial investments	3.931.183	12.313.980
Deferred tax assets	3.921.393	3.185.414
Long term accruals	16.736.349	12.683.126
CURRENT ASSETS	**121.771.999**	**71.475.575**
Stocks	287.026	697.160
Trade and other receivables	41.593.719	29.778.242
Short-term financial investments	40.614.333	2.899.238
Short-term accruals	9.384.414	4.064.604
Cash and cash equivalents	29.892.507	34.036.333
TOTAL ASSETS	**159.344.259**	**110.624.047**

Assets

As of June 30, 2021, the total balance amounted to 159.34 million euros, an increase of 44 percent compared to the 110.63 million euros of the last audited balance sheet (calculated as of December 31, 2020). The rise is mainly a consequence of the increase in the firm's commercial activity and the accounting of derivatives due to the entry of new clients.

When discussing derivatives on acquired energy, it is relevant to compare the difference between hedges accounted for in assets and liabilities. Accounting for derivatives is complex and different accounting rules apply depending on the type of hedging performed. Due to trading in different derivatives clearing houses, there are times when it is not possible to net positions on the balance sheet. Consequently, both assets and liabilities increase, with the net position the best reflection of activity.

The increase in intangible assets registered up to June 30, 2021 includes the capitalisation work carried out for assets valued at 2 million euros. This corresponds to the new technological innovation plan related to the vertical integration of all processes of distributed generation and Smart Supply (invoicing by instalments), a project in which Holaluz has been immersed since the beginning of fiscal year 2021.

For the preparation of the consolidated balance sheet, the ICAC resolution of February 10, 2021 has been taken into account. This means the incremental costs of acquiring a contract must be accounted for as short/long-term accruals on the balance sheet. Meanwhile, the income statement allocation must be recorded in the other operating costs section. This manner of working has been applied by Holaluz since January 1, 2021, modifying the comparative figures of both the balance sheet and the income statement. Consequently, 15.14 million euros of intangible assets on the balance sheet of December 31, 2020 have been reclassified: with long-term accruals amounting to 12.68 million euros and short-term accruals, 2.5 million euros. As of June 30, 2021, for incremental customer acquisition costs, there are 17.73 million euros capitalised in the long-term accruals heading and 9.4 million euros in the short-term accruals section.

3.93 million euros of long-term financial investments include the accounting of derivatives used to hedge long-term electricity purchases.

Current assets reached 121.77 million euros. (36.7 million are derivatives, the rest relate to higher commercial activity translated into more debit balances from clients.) This asset figure represents an increase of 70 percent compared to the amount of 71.45 million euros registered as of December 31, 2020.

EQUITY AND LIABILITIES	30/6/2021	31/12/2020
EQUITY	**35.432.949**	**43.265.564**
NON-CURRENT LIABILITY		
Long-term debts	28.321.526	13.996.981
Deferred tax liabilities	298.741	1.667.838
CURRENT LIABILITIES	**95.291.043**	**51.693.664**
Short-term provisions	96.662	211.573
Short term debts	41.912.006	20.080.115
Trade and other payables	52.327.101	30.614.739
Short-term accruals	955.274	787.237
TOTAL EQUITY AND LIABILITIES	**159.344.259**	**110.624.047**

Liabilities

Shareholders' equity as of June 30, 2021 amounted to 34.54 million euros. This can be compared to 38.26 million euros as of December 31, 2020. As of the closing date of the interim consolidated financial statements, equity includes the adjustments for changes in value heading with derivative accounting for an amount of 0.9 million euros. (The same figure was 5.0 million as of December 31, 2020.)

Non-Current Liabilities amounted to 28.62 million euros as of June 30, 2021. This is 82 percent more than the balance of December 31, 2020 (15.66 million euros). The increase is due to costs from financial derivatives and the increase in credit institutions debt. These debt figures include almost all ICO loans obtained by the parent company during 2020 and 2021 as a result of the pandemic.

Current Liabilities have also experienced a strong increase in the first half of 2021, from 51.6 million euros as of December 31, 2020 to 95.29 million euros as of June 30, 2021 (an 84 percent increase). Once again, the financial derivatives heading is the one that explains most of this change, showing an increase of 20 million euros from December 2020 to June 2021. The rest of the items have grown as a result of the rise in the company's business activity.

CASH FLOW

	30/6/2021	31/3/2020
CASH FLOWS FROM OPERATING ACTIVITIES	**1.433.478**	**-3.693.672**
Income before taxes	-4.480.501	-4.544.013
Adjustments of the result	3.638.786	2.293.395
Changes in working capital	2.538.450	-1.078.865
Other cash flows from operation	-267.257	-364.189
CASH FLOWS FROM INVESTMENT ACTIVITIES	**15.134.459**	**-4.863.378**
Payment for investment (-)	-3.793.050	-4.863.378
Divestment receipts (+)	-	-
CASH FLOWS ARISING OF FINANCING ACTIVITIES	**9.557.155**	**30.149.760**
Receivables and payments for equity instruments	4.385	27.678.847
Receivables and payments for financial liability instruments	9.552.770	2.470.912
AUMENTO/DISMINUCIÓN NETA DEL EFECTIVO O EQUIVALENTES	**-4.143.826**	**21.592.710**
Cash and cash equivalents at beginning of the year	34.036.333	7.419.822
Cash and cash equivalents at end of year	29.892.507	29.012.532

During the first 6 months of 2021, the operating cash flow was 1.4 million euros compared to -3.7 million in the first half of the last audited fiscal year (Oct'19-Sept'20; half of year up to 31.3.20). This increase is mainly explained by the difference in the management of working capital. Different representation agreements were signed which, together with business operations, will help to operationally finance the working capital in the future. Investment cash flow increased to 15.13 million euros. This is due to, firstly, loans from the Rooftop Revolution that were stopped prudentially during Q2 in order to wait until an instrument was obtained for more efficient financialisaton. Secondly the increase is due to financial derivatives for electricity. Additionally, Holaluz increased its financial capacity by 9.5 million euros as a consequence of a rise in financial debt.

About Holaluz

Holaluz has the goal of a world powered by 100 percent green energy. This objective is advanced by persuading people to switch to a green energy plan made with 100 percent renewable energy. Holaluz clients make savings thanks to the intensive use of technology and a people-focused business strategy which promotes a trusting relationship with clients.

Created with the conviction that companies can be tools to change the world, Holaluz leads the transformation of the Spanish energy sector with a commitment to the new model of distributed generation and differential supply in self-consumption. Holaluz is a benchmark company not only statistically but also in terms of quality and service innovation. Holaluz was the first electricity company to implement a simplified compensation package in the Spanish market with Holaluz Cloud, a programme that allows the deduction of surpluses from energy bills (in other words, the excess energy produced by solar panels that can't be consumed in the moment).

Holaluz expects to reach one million customers and 50,000 photovoltaic installations by the end of 2023. At the end of the last 12-month fiscal year (September 30, 2019), working with a team of 188 people, Holaluz obtained revenues of 208.81 million euros and an EBITDA of 2.61 million euros.

At the heart of Holaluz's strategy is the commitment to a new business model which gives employees flexibility and autonomy to carry out their responsibilities in a way that allows for a better work/life balance. Examples of this approach include goal-based tasks and easy scheduling. This holistic business approach has helped Holaluz close in on its target of achieving parity of representation in all areas of the company. This development has come about almost completely organically. (It has only been necessary to apply quotas to the technology team.)

Holaluz has a positive impact on its employees, the community, and the wider environment. It was the first European power company to be B Corp certified. This authorisation of social and environmental performance beyond profit is shared with 2,400 other companies in 50 countries. Holaluz is also one of the founding companies of "Capitalism with a Conscience in Spain", a philosophy that recognises the innate potential for business to improve the world.

Holaluz's leadership position in the energy transition has been recognised by Sustainalytics, the world's leading agency for ESG and corporate governance research and ratings. Sustainalytics places Holaluz at number one in the world in the category of electricity companies. In the overall reckoning, the Sustainalytics universe, which collates the performance of 13,028 companies, Holaluz was placed among the top two percent of companies. In the utilities category, which compares 446 companies, Holaluz finished second worldwide. In terms of measured risk, Holaluz was apportioned a score of 12 which is "low risk" (scores of between 10 and 20 are considered "low risk").

Barcelona, October 29 2021