



— PROFIT AND LOSS REPORT THIRD QUARTER 2018 JANUARY - SEPTEMBER

PROFIT AND LOSS REPORT January – September 2018



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Executive Summary

- Audax Renovables ended the third quarter of 2018 with a Net profit of EUR 5,538 thousand, in comparison of EUR 3,109 thousand for the same period of the previous year, which means an increase of 78%.
- The energy produced by Audax Renovables portfolio until third quarter of 2018 reached 290.1 GWh, 10% lower compared to the same period of the previous year, due to fewer wind resource in all portfolio. The 75% of the energy was generated in Spain, while France provided 7% and Poland 18% of the total energy produced.
- The average pool price in Spain for this period was 10.1% higher than the same period of 2017. Besides, in Poland the Green Certificates closing price has been 134.73 PLN/MWh (31.7 €/MWh), while in the last closing price period was 41.27 PLN/MWh (9.7 €/MWh), which means an increase of 226%.
- At the end of June, the approval of the regulatory changes that affect, among other things, the calculation conditions on the taxes of the land occupied by the renewable facilities is published in Poland. As a consequence of this regulatory change, these taxes that Postolin wind farm supports significantly decrease in comparison with the previous year in EUR 439 thousand.
- The higher average price (pool) in Spain together with the higher price of Green Certificates in Poland, makes up for lower production, which together with lower operating expenses of 5% means that EBITDA increases by 5% compared with the same period of 2017.

Consolidated Income Statement	3Q2018	3Q2017	Var. (%)
Operating income	26,820	26,370	2
Operating expenses	-8,375	-8,819	-5
EBITDA	18,445	17,551	5
EBIT	11,708	9,102	29
Financial profit / loss	-5,770	-5,706	1
Net profit/loss Attributable to the Parent Company	5,538	3,109	78

EUR thousands

Audax Renovables increases its profit by 78% compared to the same period of the previous year.

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Executive Summary

- At the beginning of the first quarter, the corporate syndicated loan signed on January 2012 was restructured through the signing of a new corporate financing agreement with Banco Santander, S.A. and Banco Popular Español, S.A. amounting EUR 3,400 thousand. Afterwards, on April 10, 2018, Audax Renovables has completely paid off the corporate syndicated loan aforementioned. This settlement is part of a new debt operation, project finance type, of Hinojal Wind Farm project.
- During first half of 2018, as an intra-group deal, 100% of the shares of the company Explotación Eólica La Pedrera, S.L. were sold to the company Audax Energía, S.A. assuming a pre-tax profit of EUR 1,983 thousand, given that the consolidated book value was fully write-off.
- In May of this year Audax Renovables communicated the start of the construction works of the first stage of the wind farm of 66 MW of installed capacity of the Toabré wind farm in Panama, with a total investment amounting to over USD 150 million. This first stage has a financing agreement for 12 years, amounting USD 104 millions, with Banco Prival, S.A. as agent bank.
- On June 29th 2018 the Board of Directors of Audax Renovables, S.A. sent to CNMV the drawn up the common project for the merger by take-over of Audax Renovables, S.A. as the acquiring company and Audax Energía S.A., as the target company. The swap ratio will be 300,287,276 new shares of the acquiring company for 1,800,000 shares of the target company.
- On July 11th 2018 the holding company Audax Renovables, S.A. signed a private contract for the issuance of promissory notes for a maximum amount of EUR 5 million with TORO FINANCE, S.L.U. (BRAVO CAPITAL).
- As significant event after the reporting period, last October 15th 2018 have been issued a significant event of the independent expert report in relation with the merger by take-over by Audax Renovables, S.A. as the acquiring company and Audax Energía, S.A. as the target company.
- On October 22nd 2018, the notice announcing the Extraordinary Shareholders' Meeting convened for next November 23rd 2018 was published.



Hinojal

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Key Figures

- The production breakdown by country is as follows:

Production (GWh)	3Q2018	%	3Q2017	%	% Var.
Spain	218.4	75%	246.0	76%	-11%
France	20.6	7%	22.1	7%	-7%
Poland	51.1	18%	54.7	17%	-7%
Total	290.1	100%	322.8	100%	-10%

- The turnover breakdown by country is as follows:

Turnover (M€)	3Q2018	%	3Q2017	%	% Var.
Spain	21.3	80%	21.7	83%	-2%
France	1.9	7%	2.0	8%	-5%
Poland	3.2	13%	2.4	9%	33%
Total	26.4	100%	26.1	100%	1%

Operational key figures

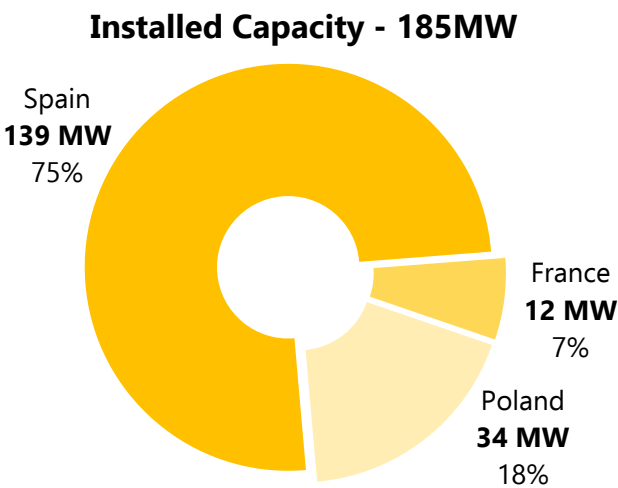
- The southern Spain projects have get lower wind resource till third quarter of the year compared with last year same period, being the production of mentioned projects lower in 28.1 GWh.
- On an international level, production has been lower than the same period of the previous year by 5.1 GWh due to mainly to the lower wind resource. However, the Poland wind farm has benefited from the revaluation of the green certificates by 226%, involving that has increased its turnover by 33% compared to third quarter of 2017.
- The energy produced by Audax Renovables, S.A. portfolio till third quarter 2018 has been of 290.1 GWh. The 75% of the same was generated in Spain (representing 80% of the turnover), while France provided 7% (7% of the turnover) and Poland 18% (13% of the turnover) of the total energy produced. The generation of the projects till third quarter of 2018 is lower by 10% compared to the same period of the previous year.

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Key figures

- The installed capacity breakdown by country is as follows:



- The portfolio breakdown by country is as follows:

MW	Operating	Under construction	Under development	Total portfolio	%
Spain	139	0	50	189	57%
France	12	0	0	12	4%
Poland	34	0	34	68	20%
Panama *	0	20	45	65	19%
TOTAL	185	20	129	334	100%

* Attributable capacity (30% of 215 MW)



Mudefer

PROFIT AND LOSS REPORT January – September 2018



Consolidated Income Statement

Consolidated Profit and Loss	3Q2018	3Q2017	Var.	Var. (%)
Net turnover	26,430	26,172	258	1
Other income	390	198	192	97
Operating income	26,820	26,370	450	2
Operating expenses	-8,375	-8,819	444	-5
EBITDA	18,445	17,551	894	5
Amortisation, depreciation and impairment	-8,690	-8,690	0	0
Impairment and profit/loss from disposal of fixed assets	1,953	241	1,712	n.a.
EBIT	11,708	9,102	2,606	29
Financial income	104	146	-42	-29
Financial expenses	-5,814	-6,064	250	-4
Exchange differences	-60	212	-272	n.a.
Financial profit/loss	-5,770	-5,706	-64	1
Share in the profit/loss of associated companies	-42	-85	43	-51
Profit/loss before tax	5,896	3,311	2,585	78
Corporate Income Tax	-222	-25	-197	n.a.
Consolidated profit/loss for the year	5,674	3,286	2,388	73
Profit/loss attributed to minority interests	-136	-177	41	-23
Net profit/loss Attributed to the Parent Company	5,538	3,109	2,429	78

EUR thousands

Analysis of the Results

- The operating income has amounted to EUR 26,820 thousand, being EUR 450 thousand higher than previous year, due mainly to the revaluation of the Green Certificates price in Poland by 226% and the average pool price in Spanish market that has increased by 10.1% than same period of last year.
- Operating expenses are 5% lower due to the Company's cost reduction and optimization policy, and between others, due to the change in the regulatory framework in Poland that decrease land taxes by EUR 439 thousand, resulting a 5% increase in EBITDA compared with the last year.
- During first half of 2018, as an intra-group deal, 100% of the shares of the company Explotación Eólica La Pedrera, S.L. were sold to the company Audax Energía, S.A. assuming a pre-tax profit of EUR 1,983 thousand, given that the consolidated book value was completely write-off.
- Financial expenses have decreased by 4% compared to the same period of the previous year, owing, among others, the lower financial burden from the project finance projects.
- Audax Renovables ended the third quarter of 2018 with a Net profit Attributed to the Parent Company of EUR 5,538 thousand, in comparison of EUR 3,109 thousand for the same period of the previous year, which is an increase of 78%.

PROFIT AND LOSS REPORT January – September 2018



Consolidated Balance Sheet

ASSETS	Sep-18	Dec-17	Var.	var. (%)
Property, plant and equipment	156,897	164,779	-7,882	-4.8
Goodwill	1,494	1,494	0	n.a.
Other intangible assets	29,260	30,708	-1,448	-4.7
Non-current financial assets	14,292	5,813	8,479	n.a.
Investments as per equity accounting	6,972	6,931	41	0.6
Deferred tax assets	2,984	3,055	-71	-2.3
Non-current assets	211,899	212,780	-881	-0.4
Trade and other receivables	7,808	6,910	898	13.0
Other current financial assets	14,119	10,182	3,937	38.7
Other current assets	327	56	271	n.a.
Cash and cash equivalents	9,520	14,178	-4,658	-32.9
Current assets	31,774	31,326	448	1.4
Total Assets	243,673	244,106	-433	-0.2
LIABILITIES AND NET EQUITY	Sep-18	Dec-17	Var.	var. (%)
Capital	98,003	98,003	0	n.a.
Other reserves	-3,858	-11,133	7,275	-65.3
Profit/loss for the year	5,538	7,350	-1,812	-24.7
Translation differences	-6,277	-6,273	-4	0.1
Hedging	-8,023	-8,244	221	-2.7
Minority interests	1,121	1,157	-36	-3.1
Net Equity	86,504	80,860	5,644	7.0
Non-current bank loans	105,800	106,810	-1,010	-0.9
Other non-current liabilities	26,269	29,962	-3,693	-12.3
Non-current liabilities	132,069	136,772	-4,703	-3.4
Current bank loans	17,472	19,046	-1,574	-8.3
Trade and other payables	4,959	6,029	-1,070	-17.7
Other current financial liabilities	2,064	815	1,249	n.a.
Other current liabilities	605	584	21	3.6
Current liabilities	25,100	26,474	-1,374	-5.2
Total Liabilities	243,673	244,106	-433	-0.2

EUR thousands

The consolidated balance sheet shows, among others variations, the investment in the starting construction of the first stage of the Panama project in "Non-current financial assets".

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Consolidated Balance Sheet

Net Financial Debt

- As at 30 September, 2018 the net financial debt amounts to EUR 111 million and corresponds almost entirely to financing of investments in property, plant and equipment of the wind farms ("Project Finance" modality), with a maturity period between 12 and 15 years.
- The debt with financial institutions of Audax Renovables as at 30 September 2018 is due to the issuance of promissory notes for a maximum amount of EUR 5 million.
- This consolidated debt implies a financial leverage of 56.3% as shown in the table below:

Net Financial Debt	Sep-18	Dec-17	Var.	%
Debt with financial institutions and bonds and other marketable securities	123,272	125,856	-2,584	-2.1%
Other financial liabilities (derivatives)	11,775	11,949	-174	-1.5%
Cash and other current financial assets	-23,639	-24,360	721	-3.0%
Net Financial Debt	111,408	113,445	-2,037	-1.8%
Leverage *	56.3%	58.4%		

EUR thousands

* Leverage = Net Financial Debt / (Net Financial Debt + Net Equity)

At the beginning of the first quarter 2018, the Company restructured the corporate syndicated loan, signed on January 2012, by simultaneously signing a new contract for corporate financing with Banco Santander, S.A. and Banco Popular Español, S.A. for the amount of EUR 3,400,000. Afterwards, on April 10, 2018, it was proceed to completely paid off the corporate syndicated loan aforementioned through of a new debt operation, project finance type, of Hinojal wind farm project.

On July 11th 2018 the holding company Audax Renovables, S.A. signed a private contract for the issuance of promissory notes for a maximum amount of EUR 5 million with TORO FINANCE, S.L.U. (BRAVO CAPITAL).

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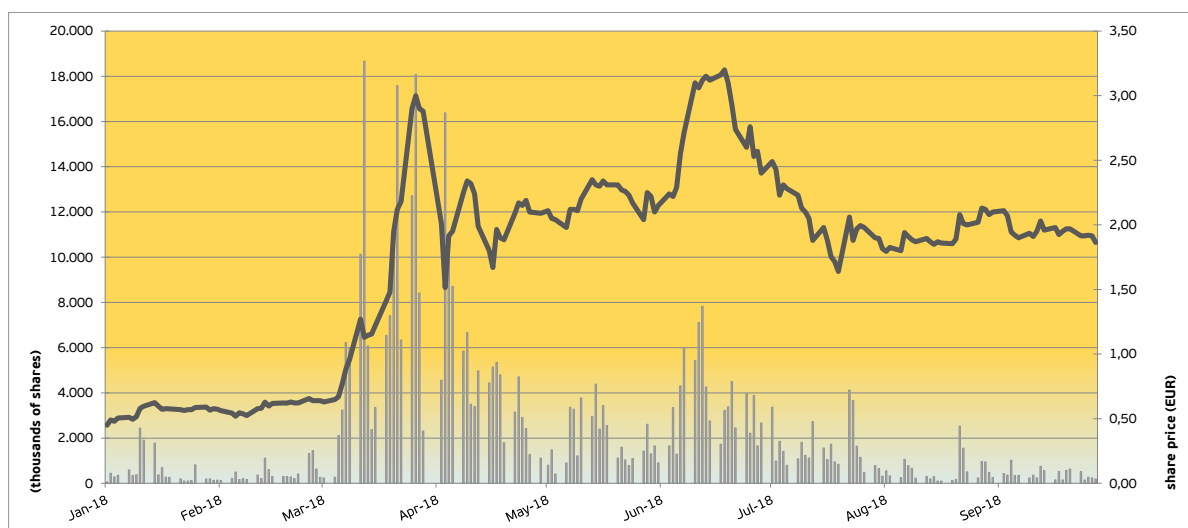
Stock Exchange Information

Audax Renovables - ADX.MC

3Q2018

Units

Number of shares admitted to trading	140,003,778	Num.
Share price at the beginning of the period	0.450	€ / share
Share price at the end of the period	1.865	€ / share
Maximum trading price	3.200	€ / share
Minimum trading price	0.450	€ / share
Trading price fluctuation during the period	314.44	%
Capitalisation at the end of the period	261,107,046	€
Number of traded shares	445,767,192	Num.
Effective volume	903,726,428	€
Daily volume of traded shares (average)	2,333,860	Num.
Effective daily volume (average)	4,731,552	€



The share price of Audax Renovables during this first half has reached maximum values since October 2008.

The value traded in the market has also been much higher than the average of the last exercises.

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Significant Events within the Reporting Period

SE: Company

Date	# Registration	Description
2018/01/31	261164	Audax Renovables has restructured the corporate syndicated loan signed in January 31, 2012 and subsequently novated by simultaneously settling the loan and signing a new contract for corporate financing with aforementioned company and Banco Popular Español, S.A. for the amount of EUR 3,400,000, due on 31 July 2020, and with a guarantee consisting of a promise of pledge on credit rights.
2018/04/10	263947	The Company reports that today it has completely paid off its corporate debt.
2018/05/09	265429	The Company announces the start of construction of Toabré Wind Farm project in Panama.
2018/06/27	267259	The Company reports the minutes General Shareholders' Meeting celebrated today.
2018/06/27	267260	The Company reports the presentation of the General Shareholders' Meeting celebrated today.
2018/06/29	267392	The Company reports the formulation of the common merger project between Audax Renovables, S.A., as the Acquiring Company, and Audax Energía, S.A., as the

SE: Economic Reports

Date	# Registration	Description
2018/02/25	261989	The Company reports information of second half 2017 results.
2018/02/25	261990	The Company reports Press Release on the results for the year 2017.
2018/02/25	261991	The Company reports consolidated earnings in the second half of 2017.
2018/02/25	261992	The Company reports 2017 Corporate Governance Report.
2018/02/25	261993	The Company reports 2017 Annual Remuneration Report.
2018/05/24	266097	Publication of the notice of the Shareholders' General Meeting and setting the corresponding documentation available to shareholders.
2018/07/26	268450	The Company reports information of first half 2018 results.
2018/07/26	268451	The Company reports consolidated earnings in the first half of 2018.
2018/07/26	268452	The Company reports SE about information of first half 2018 results.

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Significant Events after the Reporting Period

Date	# Registration	Description
2018/10/15	270497	Issuance of the independent expert report in relation to the common merger project by take-over.
2018/10/22	270685	Publication of the announcement of the the Extraordinary Shareholders' Meeting convened for next November 23rd 2018.



Obras de construcción en Panamá

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About Audax Renovables

- Incorporated in the year 2000, Audax Renovables, S.A. is mainly involved in generating electricity from 100% renewable energy sources.
- In 2003 the shares of Audax Renovables were admitted to trading on the secondary market of the Barcelona Stock Exchange and in 2007 they were included in the SIBE (integrated stock exchange system) of the Madrid Stock Exchange. Now the shares are traded on the Spanish continuous market with the ticker symbol ADX.MC.
- In August 2016 Audax Energía, S.A., subsequent to its takeover bid being accepted by the shareholders representing 70,86% of the Audax Renovables' share capital, became the majority shareholder.
- Today Audax Renovables handles a portfolio of operating plants of 185 MW in Spain, France and Poland, of which 1 MW corresponds to solar energy and the rest to wind farms. Audax Renovables owns a portfolio of operating assets of high technological quality and an average age of 9 years.
- For more information, please visit www.audaxrenovables.com



Pedregoso

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Companies of the Group

Company	Holding direct + indirect
Eólica El Pedregoso, S.L	80%
Eólica Del Pino, S.L	80%
Parc Eòlic Mudefer, S.L.	100%
Parque Eólico Hinojal , S.L	100%
Gestora Fotovoltaica de Castellón, S.L. (y sociedades dependientes)	76%
Fercom Eólica, S.L.	100%
Fersa Asesoramiento y Gestión, S.L.	100%
Parc Eòlic Coll De Som, S.L.	100%
Castellwind 03 S.L	60%
Entreyeltes 1, S.L.	51%
Berta Energies Renovables, S.L.	26%
Eoliennes de Beausemblant, SAS	80%
Eólica Postolin Sp	100%
Eólica Warblewo Sp	65%
Parque Eólico Toabré, S.A. (anteriormente Fersa Panamá, S.A.)	30%
A.I.E. Subestación y Línea 2004	30%
Aprofitament d'Energies Renovables de la Terra Alta, S.A.	16%
Aprofitament d'Energies Renovables de L'Ebre S.L.	15%



Postolin

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