



In accordance with the provisions of article 228 of the Securities Market Act, Audax Renovables, S.A. ("**Audax Renovables**" or the "**Company**") informs of the following

SIGNIFICANT EVENT

Audax Renovables (ADX.MC), the renewable energy subsidiary of the Audax Group, ended the first half 2018 with a profit of EUR 4.1 million, compared to the profits of EUR 2.0 million in the same period of the previous year.

At the end of 1H 2018 the net turnover decreased by 1%, amounting to EUR 17.4 million. The generated EBITDA amounted to EUR 11.9 million, representing a 1% growth compared to the same half of the previous year.

The consolidation of the results obtained in 1Q 2018 is owed primarily to the following factors:

- The steadfast commitment to the optimisation and enhancement of the performance of the plants, despite a 7% lower production compared to the same period of the previous year due to the lower wind resource, has brought that revenues from operations have remained flat.

Moreover, it should be pointed out that this context has occurred with a sale price of energy in the Spanish market (pool) 2% lower compared to the same period of the previous year. However, the important revaluation of the green certificates in Poland (incentive received by the wind farm for the generation of renewable energy) has increased its turnover by 25% compared to the first half of 2017.

Additionally, the trend in terms of reducing operating expenses is maintained, as a result of the cost containment policy and cost optimization, also supported by the regulatory change approved in Poland, which reduces taxes on land. For this first half, the decrease of the aforementioned operating costs has been of 3%, while for financial expenses the decrease has been of 2% with respect to the same period of 2017, mainly due to the lower financial burden borne by project finance and the renegotiation of corporate debt.

- During first half of fiscal year 2018, as an intra-group deal, 100% of the shares of the company Exploración 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 provisioned.



75% of the energy produced by Audax Renovables in the first half of 2018 was generated in Spain; France provided 7%, and Poland 18% of the total amount. The production of the wind farms in that period reached 203.5 GWh, in comparison to the 217.6 GWh of the same period of 2017.

The net financial debt at the end of the period was of EUR 112million, which means a EUR 1.5 million decrease, compared to the end of 2017, and is almost entirely a result of financing the plants in the *project finance* mode.

The Board of Directors of Audax Renovables, S.A. and Audax Energía, S.A. held on June 29 have drawn up the common project for the merger by take-over of Audax Energía, as the Target Company, by Audax Renovables, as the Acquiring Company. The swap ratio will be 300,287,276 new shares of the Acquiring Company for 1,800,000 shares of the Target Company, as was reported to CNMV under registration number 267392.

Finally, as a result of the end of the reporting period, Audax Renovables, S.A. has signed a private contract for the issuance of promissory notes for a maximum amount of EUR 5 million with TORO FINANCE, S.L.U. due in October 2018.

In Badalona (Barcelona), on 26 July 2018.

Naiara Bueno Aybar
Non-executive Secretary
of Audax Renovables, S.A.