



TO BME GROWTH

Barcelona, 31 July 2023

In accordance with the provisions of article 227 of the consolidated text of the Law on Market Securities and Investment Services, approved by Royal Legislative Decree 6/2023, of 17 March, and its concordant provisions, as well as Circular 3/2020 of the BME Growth segment of BME MTF Equity, Holaluz-Clidom, S.A ("Holaluz" or the "Company") hereby informs you of the following information:

OTHER RELEVANT INFORMATION

Holaluz-Clidom, S.A. publishes today key performance indicators and a general update on its business in Q2 2023.

In compliance with the provisions of BME MTF Equity Circular 3/2020, it is hereby expressly stated that the information provided has been prepared under the sole responsibility of the Company and its directors.

Carlota Pi Amorós

Chief Executive Officer and cofounder

HOLALUZ-CLIDOM, S.A

Quarterly Update

Q2 2023

Executive summary

- **Holaluz grows 14% year-on-year in solar sales**, multiplies the **number of solar contracts under management x 1.6 year-on-year** and continues its **growth in the number of electricity contracts**.
- The **fundamentals** behind the **Solar market are intact**: the Spanish market for residential installations remains vastly underpenetrated at only 3% of the potential rooftops, **electricity prices are twice as high** than 2019 despite currently subsidised tax items (VAT, IEEE), **subsidies** for solar installations are still **widely available** and the **Spanish government** has targeted 19 GW of self-consumption installations by 2030.
- **Holaluz Energy Management and Solar** profitability has **significantly improved in Q2** due to change to Tarifa Justa and to the increase of the average installation ticket. Further detail on the numbers will be given in the H1 results publication.
- Holaluz's **Solar Value Proposition remains best in class**, with installations done in **45 days** and **75% of customers saving 70% or more on their electricity bills** (figure that increases substantially with battery installations).
- The company continues to sign **partnerships** with leading institutions leveraging our **strong brand and value proposition**.

Vertical integration of the installation teams enabling delivery in less than 45 days - best in class in the sector.

The number of installations finalised and billed for in the second quarter of 2023 amounted to 749 installations, which is a 25% decrease compared to the previous quarter. This decrease is directly explained by the lower number of solar sales in Q1-23; as the installation figure for a certain quarter is directly linked to the sales figures in the previous quarter. As it can be seen later, solar sales in Q2 are experiencing an increase relative to Q1 despite a more complex market situation relative to 2022.

Holaluz's operational excellence - resulting from the vertical integration of the installation internal teams - has made it possible to maintain installation time as an industry-leading players at less than 45 days for 90% of the installations.

Solar installations	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Installed	763	996	749	-2%	-25%

Sales of solar contracts +14% year-on-year despite a more complex 2023

The total number of sales of own installations (which always have a solar management contract attached) amounted to 949 in Q2 2023. This is an increase of 14% over the second quarter of 2022 and 7% over the previous quarter.

There is evidence of a market slowdown relative to 2022 that the company attribute to a variety of factors: installing Solar in 2022 was a very urgent decision in the mindset of customers given the exceptionally high electricity price environment, current interest rate increases have temporarily impacted the value proposition of financing products and Spain is a market that is still at an early stage (with only 3% solar penetration) where many potential Solar customers are not fully aware of the savings opportunity in their homes. However, Holaluz has overcome the general trend of declining solar sales and reported both year-on-year and quarter-on-quarter growth.

The structural growth opportunity remains firmly intact: the Spanish market for residential auto-consumption remains vastly underpenetrated (only 3% of the potential rooftops have installed PV systems), while sun hours in Spain are superior to other European countries, making the investment more attractive when compared to returns in other countries. In addition, subsidies continue to be widely available, from both European and local sources. Moreover, the Spanish Government has published a new PNIEC with a goal of 19 GW of self-consumption for 2030 (compared to the current ~2 GW installed base of residential installations), which will continue expanding the market. Last, but not least, while electricity prices have come down from extraordinarily high 2022 levels, they are still at or even above the levels from two years ago despite currently subsidised tax items (VAT, IEEE).

Sales of solar management contracts	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Holaluz own installations*	814	886	949	14%	7%

Note: * Sales differ from the number of installations installed in the table above. Here, we refer to the number of Holaluz installations sold, of which some are installed in the quarter and others are installed in the next quarter.

Note: ** In the FY22 results presentation the company announced that it would not further foster Cloud sales beyond portfolio maintenance in 2023 given the current market landscape experiencing high customer churn dynamics. Hence, it will focus on sales reporting on sales of its own solar installations.

Tesla chooses Holaluz to install Powerwall home batteries in Spain

Last May 9th Holaluz announced a strategic partnership with Tesla to enter the home batteries business in Spain by offering customers the possibility to increase their monthly savings to 100% or more and help homes to further electrify their energy consumption so they can together achieve a full decarbonized economy.

This agreement is part of the company business plan announced last April 26th, 2023 to further expand the solar business by creating holistic home energy systems that combine solar installations with flexible assets such as batteries and EV chargers. This strategy is key to maximise the potential of the green surplus thus allowing homeowners to produce, consume and manage green energy in a more flexible way while boosting a higher penetration of renewable electricity production to the system outside sun-hours.

Since its first launch last May, Holaluz has registered a battery penetration above 10%, which means that 1 out of 10 of Holaluz’s new solar systems have attached a home battery contract while leveraging operational excellence to increase the financials and deliver the solar systems in 45 days. The company will continue to foster battery sales in the coming weeks and months to increase the attachment rate and therefore maximise savings for the customers.

Holaluz obtains the EcoVadis Gold Medal for its performance in sustainability

Holaluz obtained last June the EcoVadis Gold Medal, the global standard for corporate sustainability qualifications, with a score of 73/100. These good results place the company among the 5% of companies with the best score - within a global universe made up of

85,000 companies - and recognize its leadership in terms of sustainability before its stakeholders.

The EcoVadis medal is a recognition that evaluates companies for their policies, actions, and results in different aspects of sustainability such as the Environment, Ethics, Employment and Human Rights, and Sustainable Procurement and are based on sustainability standards as the Ten Principles of the UN Global Compact, the International Labor Organization (ILO) conventions, the Global Reporting Initiative (GRI) standards and the ISO 26000 standard.

Tarifa Justa migration completed and very positive for Energy Management performance in Q2

In Q1 2023, Holaluz successfully completed the migration of its electricity portfolio to Tarifa Justa.

As a reminder, based on more than four years of data, the Tarifa Justa portfolio exhibited consistently much higher NPS values. Therefore, churn rates and costs to serve have been significantly lower than for the overall portfolio. In addition, non-payments have tended to be significantly lower due to the predictability of the payments. As a result, profitability is higher and the customer lifetime value is impacted positively by this decision. Holaluz was the first company to introduce a fixed-rate tariff in the Spanish market. It was featured in a [Harvard Business Case](#) in November 2020.

The outcome of this strategic decision has been very positive and has led to strong gross margin numbers in Q2 2023. Further detail on the numbers will be given in the H1 results publication.

Holaluz continues its partnership strategy to generate additional solar sales

At the end of January, Holaluz and Banco Santander announced a collaboration in which customers of the bank's almost 2,000 branches, as well as those of the 1,000 agents and digital channels will have the ability to contract financing for the installation of Holaluz' solar installations. Customers will be able to reduce their electricity bills to zero while benefiting from preferential conditions of Banco Santander's green financing line. Thanks to ongoing knowledge transfer, continuous improvement in processes, and gradual activation across the Santander network, Holaluz expects sales from this partnership to increase steadily over the coming quarters.

Santander partnership is evolving in a positive direction, with amongst others the creation of a dual commercial structure between Holaluz and Santander teams to share best practices and better understand the specific requirements of the customers in certain regions.

Additionally, last May 4th, Holaluz announced another agreement with ManoMano, the leading European marketplace for products and services in the DIY, gardening, and home improvement sector, to promote the transition towards home energy systems in Spain.

This collaboration allows the marketplace's users to join the energy transition by installing Holaluz home energy systems in their homes. Thus they will be able to generate their own green energy, thereby lowering their electricity bill and CO2 emissions into the atmosphere.

Number of solar contracts under management +62% year-on-year while experiencing sustained growth in electricity contracts.

At the end of the second quarter of 2023, Holaluz counted 12,563 solar contracts under management, an increase of 62% year-on-year (+4,786 solar contracts), as the company continues to build its generated distribution green ecosystem by converting residential rooftops into green electricity generators and connecting them to nearby residential customers via its advanced tech platform and using the proximity network.

The number of electricity and maintenance contracts also increased compared to both one year ago (Q2 2022) and the previous quarter (after successfully decommissioning the gas commercialization business in Q1 2023). The total number of contracts amounted to more than 325,000 at the end of Q2, which can be explained amongst others by the change to Tarifa Justa and the increased sales of maintenance contracts.

Number of contracts (end of period)	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Solar contracts under management	7,777	12,007	12,563	+62%	+5%
Electricity & maintenance contracts	300,000+	~300,000	325,000+	+8%	+8%

Number of contracts (end of period)	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Total	370,000¹⁺	300,000+	325,000+	NM	NM

Year-on-year revenue decrease driven by lower electricity prices

Revenues from the sale of solar installations reached €6.6m in the second quarter of the year, registering a 12% increase compared to the same period in 2022. Moreover, while installations decreased by 25% relative to Q1, revenue only decreased by 7%, highlighting Holaluz's capability to increase ticket size through amongst others sales of larger installations and flexible assets.

In Energy Management, revenues decreased by 33% year-over-year. This is due to the decrease in energy prices (which resulted in lower revenues in the representation business and in the part of the portfolio which is on an indexed tariff) and the exit of the gas commercialization business in 2022.

Revenues (€m)	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Energy management	233.0	194.2	156.5	-33%	-19%
Solar installation	5.9	7.1 ²	6.6	+12%	-7%
Total	238.9	201.3	163.1	-32%	-19%

Note: Figures estimated. Energy Management is the sum of the previously separately reported business lines of Supply and Representation (Route-to-Market). Representation revenues amounted to €123.7m in Q2 2022, €93.5m in Q1 2023, and €72.8m in Q2 2023.

In Energy Management, the energy purchased through distributed generation experienced a strong growth during Q2 2023 (+161% y-o-y and +138% q-o-q) which consolidates the

¹ Including gas contracts

² In Q1 OIR we presented 9.2 M€ as Q1 revenue figures. Unfortunately we are in the midst of an ERP change in our Solar business and our Q1 closing was not accurate. The correct number is the €7.1m presented here

Holaluz green energy ecosystem model towards the build-up of a decentralized network of decarbonized, democratized and affordable clean and Km 0 energy.

Energy Managed (GWh)	Q2 2022	Q1 2023	Q2 2023	% change y-o-y	% change q-o-q
Energy Sold to Customers	241	242	171	-29%	-29%
Energy purchased through centralized PPAs	290	154	187	-36%	21%
Energy purchased through distributed generation	4,83	5,3	12,6	+161%	+138%
Energy represented	1,011	1,171	1,559	+54%	+33%

Financing

As a result of the usual working capital seasonality of the business the net debt position at Jun'23 closed at €74.9m (€78.4m in Mar'23). Adjusting for c€6,7m in rooftop loans³ and for the market value at June 30 of the gas inventory held for resale (€1.3m), the level of net debt would be at around €66.9m.

³ Rooftop Loans are the loans for photovoltaic installations granted to customers which were undertaken as a proof of concept for raising an SPV. Holaluz does not at present intend to provide such additional loans without raising an SPV and we have deducted these from net debt as we do not consider that these should form part of our balance sheet on an ongoing basis and would expect these loans to be transferred to an SPV when one is raised.