AVAX Group

Financial Results for H1 2023:

Signed Work-in-Hand : €3.2 billion

Turnover : €192.2 million, EBITDA €27.4 million

AVAX Group announces its financial results for the first half of 2023, a period characterised by significant growth on work-in-hand, improvement of project performance and overall profitability, but above all the continued delay in the start of new projects following the completion of a series of large contracts mainly abroad.

Work-in-Hand

Group work-in-hand based on signed projects at the end of the first half of 2023, amounted to €2.7 billion, up from €1.86 billion at end-2022. The Group has also signed new projects worth a total of €478 million, past 30.06.2023, raising the total work-in-hand to €3.2 billion.

Discontinuation of Energy Sector Operations

Operations in the energy sector are classified as discontinued in Group financial accounts, due to the sale of a 112MW portfolio of Renewable Energy Source (RES) projects held by 100% subsidiary Volterra in 2022, and the subsequent sale of Volterra, which operates in the retail and wholesale market of electricity and natural gas, in 2023. Completion of the transfer of the energy trading business is subject to approval by the Competition Commission.

Financial Results for the First Half of 2023

Group consolidated turnover from continuing operations amounted to €192.2 million in the first half of 2023 versus €194.3 million in the comparable period of 2022.

Respectively, the gross result amounted to a €9.8 million profit as opposed to a €3.3 million loss in the year-earlier period, led by improved performance of new projects.

The Group recorded a €3.4 million net profit in the first half of 2023 from continuing operations, versus a €20.2 million loss in the comparable period of 2022.

EBITDA amounted to €27.4 million in the first half of 2023, versus €0.8 million in the respective period of 2022.

Consolidated Income Statement								
	Continuing Operations			Discontinued Operations			Total	
amounts in € million	6M 2023	6M 2022		6M 2023	6M 2022		6M 2023	6M 2022
Turnover	192.2	194.3		94.1	163.6		286.4	358.9
Gross Profit / (Loss)	9.8	(3.3)		7.0	(0.6)		16.8	(3.8)
Operating Profit / (Loss) [EBIT]	16.1	(9.4)		2.5	34.6		18.6	25.3
Pre Tax Profit / (Loss)	5.2	(18.5)		2.6	35.6		7.8	17.2
Net Profit / (Loss)	3.4	(20.2)		2.8	32.9		6.2	12.7
EBITDA	27.4	0.8		4.8	34.7		32.2	35.5

Gross profitability is expected to improve further as new projects enter a phase of full activity, with price hikes in raw materials, transportation and fuel having been largely incorporated into the pricing of new projects.

Debt

Total debt for the Group, including bank leasing for technical equipment, decreased by €19.8 million during the first half of 2023, reaching €312.3 million on 30.06.2023 as compared to €332.1 million at end-2022, while net bank debt respectively was €12.8 million lower, amounting to €232.7 million on 30.06.2023 versus €245.5 million at the end of 2022.

Breakdown of Consolidated Debt & Leasing		
amounts in € million	30.06.2023	31.12.2022
Short-term Debt	(73.5)	(78.1)
Long-term Debt	(214.3)	(228.9)
Bank Leasing	(24.5)	(25.1)
Total Bank Debt [A]	**(312.3)**	**(332.1)**
Cash & Restricted Deposits [B]	**79.6**	**86.6**
Net Financial liabilities [A+B]	**(232.7)**	**(245.5)**

Prospects

The Group's sluggish construction activity in the first half of 2023 is characterized as circumstantial and management expects this to change, as it stems from the delay in the start of projects signed from the end of 2022 onwards. In coming periods, however, high growth rates are expected to be observed in the Group's financial data, as the projects will enter an intensive implementation phase, while many projects of significant value have also been added.

Marousi, September 29, 2023

THE BOARD OF DIRECTORS