

COX ENERGY AMÉRICA S.A.B. DE C.V. REPORTS THIRD QUARTER 2021 RESULTS

HIGHLIGHTS

- 🌐 In the third quarter, Cox Energy America continued with the execution of its **Strategic Plan**, maintaining a **positive outlook for the energy industry** in the short and long term, as a result of a **diversified portfolio** in Latin America (66.0% Central and South America and 34.0% North America).
- 🌐 In **3Q21**, **total revenue** for the quarter increased to **\$7.34 million pesos**, a result of serving more clients in the wholesale energy market.
- 🌐 As part of maintaining a disciplined and well-managed development portfolio, the Company decided to make an adjustment to its project portfolio during the quarter to reflect **feasibility** more accurately at different stages of development. At the end of **3Q21**, Cox Energy America had a **portfolio** of **30 projects** in different stages of development, with a total attributable capacity of **1.98 GWp** in **Latin America**.
- 🌐 Cox Energy America estimates **additional growth** from already identified opportunities in the portfolio, stemming from several strategic agreements in **high-potential regions**. As a result, by **2022** the total investment is estimated to exceed **\$2.4 billion pesos**, of which at least **65.0%** must be completed through different **financing schemes**. If the projects established for the year are completed, **EBITDA** generation is expected to exceed **\$400 million pesos**.
- 🌐 During the quarter, Cox Energy America signed a **strategic agreement** under the concept of a power purchase agreement with an **energy distribution company** in Colombia. The agreement establishes the possibility of jointly executing a series of **projects focused on renewable energy** within the **Atlantic Coast area**, which are in the **initial development** stage and are conditioned in compliance with the processes and regulations in force.
- 🌐 The Company will release a detailed update to its **Strategic Plan** for the **2021-2025** cycle, seeking to integrate current market conditions, and thus improve expected results in the short and long term. The details of the Strategic Plan will be announced to the market before year end.

Mexico City, October 28, 2021 – COX ENERGY AMÉRICA, S.A.B. DE C.V. (“Cox”, “Cox Energy América” or “the Company”) (BIVA/BMV: COXA*), a company dedicated to the development and management of solar photovoltaic renewable energy projects, and its value chain, reports its results for the quarter ending September 30, 2021. All figures included in this report are in nominal Mexican pesos and are in line with the International Financial Reporting Standards (IFRS).

KEY FIGURES

Income Statement ('000 MXN)	3Q21	3Q20	9M21	9M20
Operating Income	7,336	1,350	11,821	17,070*
Operating profit (loss)	11,045	(12,125)	(45,143)	(77,252)
EBITDA	12,985	(11,265)	(42,951)	(76,272)
Net profit (loss)	(8,118)	(16,010)	(78,426)	(59,679)

* Adjustment made in 2020 as part of the consolidation process (intercompany operation).

Statement of Financial Position ('000 MXN)	As of September 30, 2021	As of December 31, 2020
Cash, equivalents and short-term investments	25,527	54,943
Total Assets	1,838,375	1,798,890
Total Liabilities	92,044	52,005
Stockholder's Equity	1,746,331	1,746,885

Key Operating Information	3T21	3T20
Number of projects	30	36
Initial development (MWp)	1,116	841
Advanced development and backlog (MWp)	816	967
Under construction and in operation (MWp)	51	-
Total MWp under management	1,983	1,808

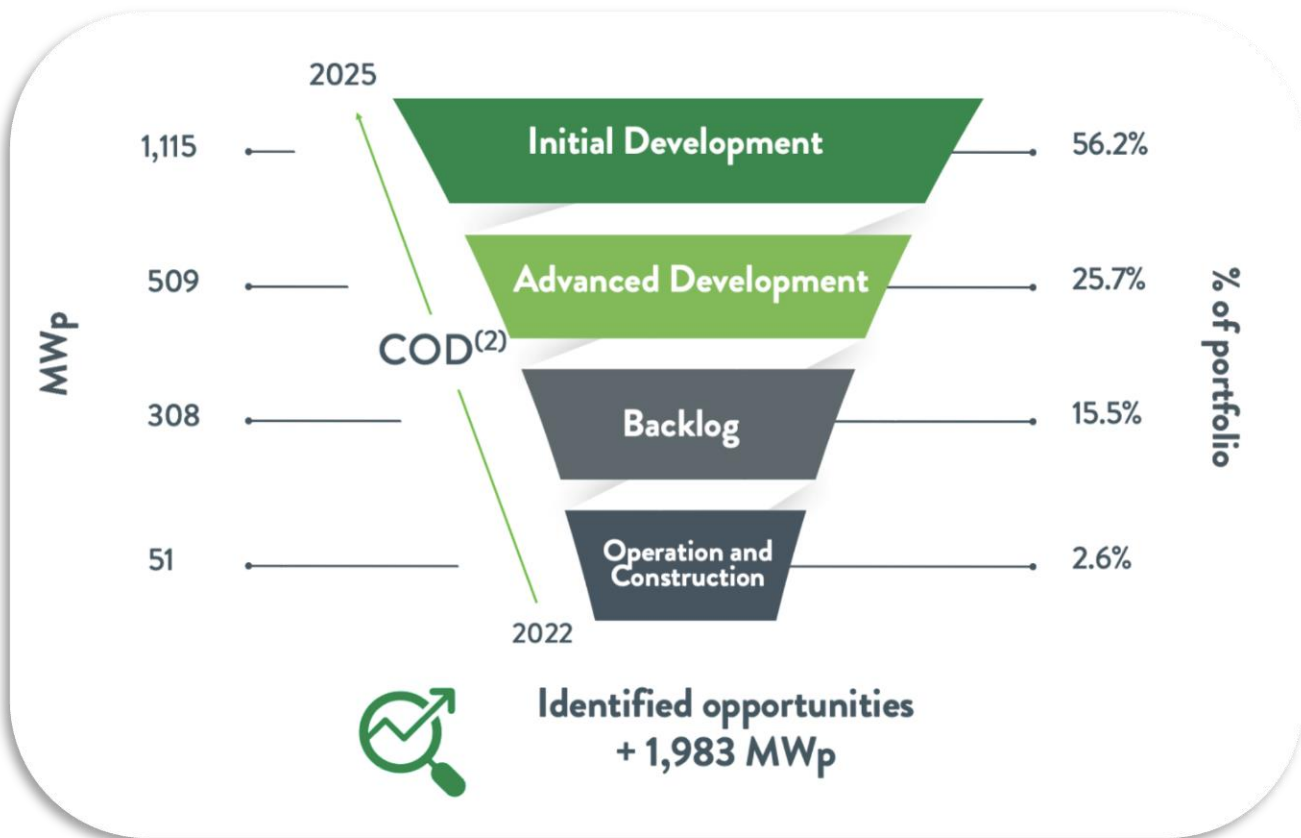
MESSAGE FROM THE CEO

José Antonio Hurtado de Mendoza, Chief Executive Officer of Cox Energy América, commented: "We ended the third quarter of 2021 with the discipline and management that characterizes us and we reaffirmed our short and long-term strategic vision, which will enhance our ability to achieve our goals. Despite the macroeconomic and regulatory challenges in the region, we continue to position ourselves as a resilient player with a responsible and experienced team, which has allowed us to manage resources and challenges responsibly and efficiently, always under the highest ESG standards. We have enough experience to adapt to changes with current regulations in the different countries and regions where we operate, and we will continue working to generate value for our stakeholders through profitable, efficient and sustainable projects."

He added: "We are focused on satisfying the needs of our customers and strategic partners by always seeking to obtain the highest returns for our shareholders and stakeholders, and we are doing that by building a market-leading portfolio in Latin America that will enable us to respond quickly to the evolution of the renewable energy sector in the region."

PROJECTS

The installed attributable capacity of Cox's project portfolio by development status is shown below⁽¹⁾:



PROJECT PORTFOLIO

The development of the project portfolio is detailed below, as of the date of this report:

Project	MWp	Classification ⁽¹⁾	Sales Strategy for Electricity	Estimated
CENTRAL AMERICA (Panamá, Guatemala) – 309 MWp				
Capira Solar	12	Initial Development	SPOT ⁽³⁾ and PPA	RTB ⁽⁴⁾ 2022
Parita Solar	12	Initial Development	SPOT and PPA	RTB 2022
Sona Solar	12	Initial Development	SPOT and PPA	RTB 2022
Rio Grande Solar	23	Initial Development	SPOT and PPA	RTB 2022
Santa Rosa Solar*	50	Initial Development	Target Price	RTB 2022
San Antonio*	80	Initial Development	Target Price	RTB 2022
Jutiapa*	120	Initial Development	Target Price	RTB 2022

¹ A definition of the different Development Stages of the Company's projects can be found in the Glossary of this report.

² COD: Commercial Operations Date.

³ SPOT: daily and intraday market. On this electricity market, prices are established for the energy that is sold on a daily basis.

⁴ RTB: Ready to Build

* In tender process (2022 Guatemala).

Project		MWp	Classification	Sales Strategy for Electricity	Estimated
CHILE – 610 MWp					
El Sol de Vallenar		308	Backlog	PPA DisCo ⁽⁵⁾ 2017	RTB 2021
Utility Portezuelo + Storage		154	Initial Development	Stabilized Price	RTB 2023
La Meseta		48	Under construction	PPA DisCo 2016 & 2017	COD 2022
Walmart Piloto (ESCO)		0.21	In Operation	Private PPA	In Operation
Goodyear (ESCO)		3	Advanced Development	Stabilized Price	RTB 2021
San Javier (PMGD)		3	Under construction	Stabilized Price	COD 2022
San Francisco (PMGD)		7	Advanced Development	Stabilized Price	RTB 2022
Machali (PMGD)		11	Advanced Development	Stabilized Price	RTB 2022
Rio Maule (PMGD)		11	Advanced Development	Stabilized Price	RTB 2022
Montenegro (PMGD)		11	Initial Development	Stabilized Price	RTB 2022
El Guindal (PMGD)		10	Initial Development	Stabilized Price	RTB 2022
Santa Elvira (PMGD)		11	Initial Development	Stabilized Price	RTB 2022
La Cumbre (PMGD)		3	Initial Development	Stabilized Price	RTB 2023
Mocha (PMGD)		8	Initial Development	Stabilized Price	RTB 2023
Callejón (PMGD)		11	Initial Development	Stabilized Price	RTB 2023
Siete Puntos (PMGD)		11	Initial Development	Stabilized Price	RTB 2023
COLOMBIA – 390 MWp					
Atlantic Coast Area Projects ⁽⁶⁾		390	Initial Development	Private PPA	RTB 2022
MÉXICO – 674 MWp					
La Granja Solar		63	Advanced Development	SPOT + Supplier Hedge	RTB 2023
Iscali		300	Advanced Development	SPOT + Supplier Hedge	RTB 2022
Atacomulco		113	Advanced Development	SPOT + Supplier Hedge	RTB 2022
Km 110		126	Initial Development	SPOT + Supplier Hedge	RTB 2022
Peralta		60	Initial Development	SPOT + Supplier Hedge	RTB 2023
Apatzingán		12	Initial Development	SPOT + Supplier Hedge	RTB 2023



For further detail on the terminology used in this table, please consult the **Glossary** at the end of this document.



⁵Distribution companies in Chile (DisCo): agents that distribute electrical energy through their medium and low voltage distribution networks to the end consumer.

⁶Series of projects under development in the Atlantic Coast area of Colombia, under a PPA umbrella, staggered according to the start-up of each project.

The project “La Granja Solar” in Mexico, is developed under a joint venture model with the company GPG (Naturgy). Likewise, the project “La Meseta” in Chile, is developed under a joint venture model with the company Sonnedix (JP Morgan). The partnership for the “La Meseta” project does not consolidate in Cox Energy América and is reported using the equity method. The MWp attributable to Cox are presented below:

Project		MWp	Classification	% Cox	Partner	Attributable to Cox (MWp)
La Granja Solar		314	Advanced Development	30%*	GPG	63
La Meseta		160	Under Construction	30%**	Sonnedix	48

* Currently 20% owned with an option to purchase an additional 10%.

** Project controlled by the company Sonnedix Cox Energy Chile SpA.

As of September 30th, 2021, the portfolio’s total capacity, in its different stages, which is 100% attributable to the Company was 1,983 MWp, compared to 1,808 MWp in the third quarter of 2020, a 9.7% YoY increase.

PORTFOLIO DISTRIBUTION BY REGION

The following table shows the distribution of the portfolio by region, based on the attributable capacity to Cox Energy América:

Region	# Projects	MWp	% of MWp
South America	17	1,000	50.4%
North America	6	674	34.0%
Central America	7	309	15.6%
Total	30	1,983	100%

POWER PURCHASE AGREEMENT PORTFOLIO (PPA)

The following table shows the Company’s power purchase agreement portfolio (PPA) as of September 30th, 2021:

Type	Chile Tender 2016	Chile Tender 2017	Chile Tender 2017	Self-consumption	Utility Company “Nexus México”	PMGD Chile
Off-taker ⁷	Chilean DisCo	Chilean DisCo	Chilean DisCo	Walmart	Industrial Clients	Electric System
Details	264 GWh annual 24h	140 GWh annual 24h	220 GWh annual 24h		Project coverage Mexico	Stabilized Price
Cox Participation	30%	100%	30% ⁸	100%	60%	100%
Status	Start 01/2022	Start 01/2024	Start 01/2024	In operation	2020 – 2024 Plan	2021 – 2025 Plan
Years	20	20	20	20	Project life	8+8

⁷ Counterparty in energy purchase and sale process.

⁸ Through the company Sonnedix Cox Energy Chile SpA.

INCOME STATEMENT SUMMARY

Income Statement ('000 MXN)	3Q21	3Q20	9M21	9M20
Operating Income	7,336	1,350	11,821	17,070*
Operating Expenses	(33,396)	(12,766)	(94,053)	(90,487)
Operating Profit (Loss)	11,045	(12,125)	(45,143)	(77,252)
EBITDA	12,985	(11,265)	(42,951)	(76,272)
Comprehensive Financing Result	6,852	(3,540)	(30,105)	18,414
Non-controlling interest from subsidiary profit	(25,033)	(345)	(224)	(841)
Net Profit (Loss) for the period	(8,118)	(16,010)	(78,426)	(59,679)

* Adjustment made in 2020 as part of the consolidation process (intercompany operation).

INCOME

Operating income for 3Q21 rose to \$7.34 million pesos, a 443.3% increase compared to the same period of last year. The majority of the income was attributable to energy management and commercialization in the Wholesale Electricity Market (MEM in Spanish), and the remainder was income from energy supply services in Chile, based on the ESCO – Self-Consumption Model. The \$5.99 million peso increase in revenue is the result of a higher number of customers served by the energy commercialization business in the last 12 months through Nexus México. Revenues from energy commercialization have displayed very dynamic behavior, which allowed for the closing of a significant number of agreements that will increase revenues exponentially over the next quarters, once the supply for these contracts begins.

As of the date of this report, the projects were in different phases prior to commercial exploitation or “COD”. Additionally, the Company continuously analyzes proposals for the divestment of certain projects in its portfolio. To date, Cox has not recorded income for these concepts.

Operating Income ('000 MXN)	3Q21	3Q20
Representation services for energy generating plants, and other	7,289	1,309
Energy generation	47	41
Total Operating Income	7,336	1,350

OPERATING EXPENSES

Operating expenses for 3Q21 include administrative and personnel expenses, development expenses, as well as depreciation and amortization. Operating expenses accounted for \$33.40 million pesos for 3Q21, an increase of \$20.63 million pesos compared to the same period of the previous year. The increase in operating expenses is mainly due to the increase in administrative and personnel expenses; this is part of the strategy to have an adequate corporate structure to be able to achieve the goals that were set.

EBITDA

EBITDA is not considered a relevant metric for development phases since currently none of the projects in the portfolio generate relevant income. Thus, management considers that for the moment, EBITDA is not a significant reference to monitor profitability and tracks other indicators such as the portfolio's attributable capacity in MWp. The positive EBITDA in 3Q21 was due to the reclassification of accounts to comply with applicable accounting standards in the changes in the fair value of financial assets.

COMPREHENSIVE FINANCING RESULT

The Comprehensive Financing Result was a \$6.85 million pesos profit in 3Q21, compared to a \$3.54 million peso expense in 3Q20. The net positive variation of \$10.39 million pesos was mainly due to: i) the net positive change of \$9.90 million pesos year over year from exchange profit as part of the asset valuation exercise in accordance with current accounting standards; ii) a \$1.34 thousand pesos decrease in interest income. The above was partially offset by: i) a \$494 thousand pesos decrease in interest expense during 3Q21 compared to the same period of 2020.

The Company has **no debt with financial entities** as of September 30th, 2021 and consequently no significant financing expenses are reported.

NET PROFIT (LOSS)

The net result for the third quarter was a \$8.12 million pesos loss, due to the fact that the Company is in an investment and expenditure stage where it has not yet started to generate the corresponding revenues from projects under development.

FINANCIAL POSITION SUMMARY

Statement of Financial Position ('000 MXN)	As of September 30, 2021	As of December 31, 2020
Cash, equivalents and short-term investments	25,527	54,943
Current assets	303,243	289,569
Non-current assets	1,535,132	1,509,321
Total Assets	1,838,375	1,798,890
Short-term liabilities	59,868	26,750
Long-term liabilities	32,176	25,255
Total Liabilities	92,044	52,005
Total Stockholders' Equity	1,746,331	1,746,885

For further detail on the financial information and its notes, please consult the results reports in XBRL format: <https://www.coxenergyamerica.com/en/reportes>

RELEVANT EVENTS

- August 16, 2021 – Cox Energy América established the Investor Relations Vice President position.

For more information on relevant events, please see the following link:

<https://www.coxenergyamerica.com/en/noticias-relevantes>

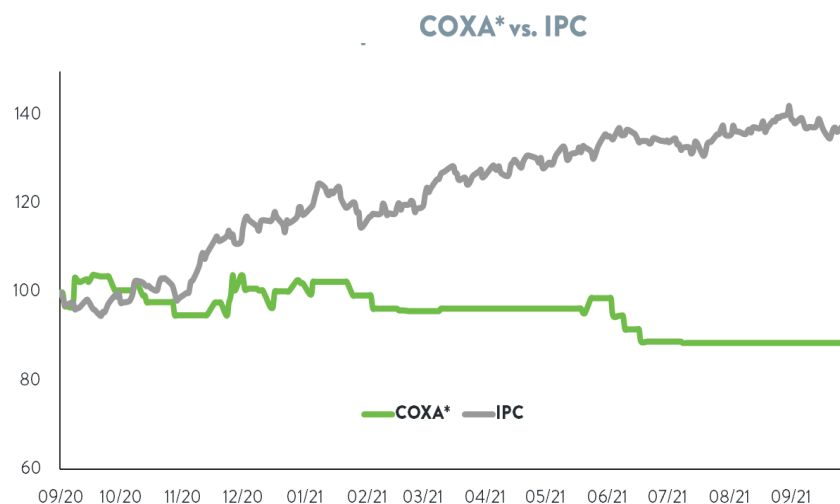
ANALYST COVERAGE

As of the date of this report, the following analysts covered the Company:

Institution	Analyst	Update	Recommendation	Target Price
Apalache Analysis (view report)	Jorge Placido	28/07/21	BUY	\$63.30
Miranda Global Research (view report)	Martín Lara	01/08/21	BUY	\$72.00

MARKET RATIOS

Market Ratios (as of September 30 th)	2021	2020
Net earnings per share (12 months)	(0.60)	(0.35)
Closing price	29.00	32.88
Total outstanding shares	164,913,654	161,578,406



Earnings Call

Thursday October 28, 2021
09:00 AM CST | 10:00 AM EST

Please register in advance:

https://us02web.zoom.us/webinar/register/WN_t_XMZS3pRnOwzc_v4eDsNA

After registration, you will receive a confirmation e-mail with the information to join the conference.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)



Cox Energy América has a strong commitment to the environment, as the business model is centered on the generation of clean and renewable energy through innovative and sustainable processes, achieving lasting improvements in the quality of life of the community where it operates.

When preparing any project, environmental risks are factored in so that any necessary safeguards can be put in place. In addition, work is underway to install a global environmental and social management system, which will systematize this process, as per Convention 169 of the International Labor Organization, which seeks to protect land.



Starting point

Mission, Vision and Values.
Corporate governance and compliance policies.
General Corporate Sustainability Policy.



Diagnostics process

External and internal analysis.
Determination of strategic areas and actions to drive Governance and Sustainability.
Establishment of the EGS Roadmap.



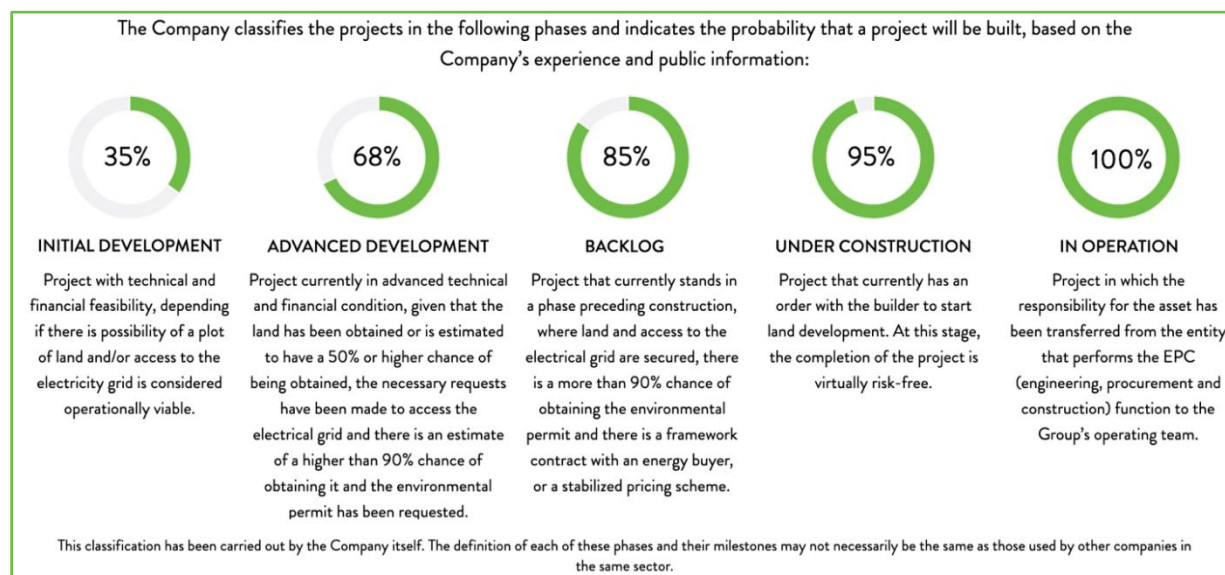
ESG Action Plan

Governance Structure:
- Sustainability Committee.
- Promotion of ESG Policies.
ESG Objectives:
- ESG risks and mitigators.
- Metrics.
Integrated Annual Report.

GLOSSARY

- **Installed Capacity:** maximum production level (nominal power in MW) that a solar photovoltaic generation plant can have by design, based on the physical resources and systems in place.
- **Certificado de Energía Limpia (CEL):** Clean Energy Certificate issued by Mexico's Energy Regulatory Commission (CRE), which certifies a certain amount of electricity production from clean energy.
- **Project Coverage Mexico (NEXUS):** contracts that the supplier enters into with the end consumer, which in turn are passed on to the generation plant at a market price to cover the volatility of the hub's prices.
- **Engineering, Procurement and Construction (EPC):** engineering, procurement and construction.
- **Energy Service Companies (ESCO):** an ESCO is a company that has the necessary resources to execute projects that implement energy efficiency measures using renewable energies.
- **LIE:** Ley de la Industria Eléctrica – the Mexican Electric Industry Law.
- **Megawatt Peak (MWp):** peak power refers to the number of installed MW.
- **Power Purchase Agreement (PPA o PPAs):** is an energy agreement or contract, usually for a long period of time.
- **"Pequeños Medios de Generación Distribuida" (PMGD):** (Small Means of Generation Distributed) operates under Chile's special scheme for distributed generation projects (the "PMGD" scheme). It is a means of generation where power surpluses are ≤ 9 MW which is connected to a business licensed for distribution. PMGD projects are entitled to remuneration from their generation at a regulated stabilized price.
- **Stabilized Price:** possibility of adhering to a remuneration scheme that ensures stability in cash flow. Through this pricing scheme, all the energy produced is remunerated at that price, regardless of the time at which it was produced. It is calculated by the Chilean CNE every 6 months. This possibility was granted in 2006.
- **Special Purpose Vehicle (SPV):** an SPV is a company incorporated for the sole purpose of being the investment framework during the photovoltaic project. Generally, a different SPV is used for each photovoltaic project.

PROJECT CLASSIFICATION



COX ENERGY AMÉRICA S.A.B DE C.V. AND SUBSIDIARIES CONSOLIDATED INCOME STATEMENT

For the three and nine month periods ending on September 30th 2021 and 2020

<i>Figures in thousands of Mexican pesos</i>	3Q21	3Q20	9M21	9M20
Total income	7,336	1,350	11,821	17,070
Administrative and personnel expenses	(31,400)	(10,708)	(90,447)	(44,854)
Development expenses	(56)	(1,198)	(1,414)	(44,653)
Depreciation and amortization	(1,940)	(860)	(2,192)	(980)
Total operating expenses	(33,396)	(12,766)	(94,053)	(90,487)
Changes in the fair value of financial assets and other expenses - net	37,105	(709)	37,089	(3,836)
Operating income (loss)	11,045	(12,125)	(45,143)	(77,252)
EBITDA	12,985	(11,265)	(42,951)	(76,272)
Interest Income	1,089	1,934	3,168	1,332
Interest expenses	(307)	(1,646)	(469)	(2,763)
Exchange rate profit (loss)	6,070	(3,828)	(32,804)	19,845
Comprehensive financing gain (loss)	6,852	(3,539)	(30,105)	18,414
Non-controlling interest share of subsidiary profit	(25,033)	(345)	(224)	(841)
Income (loss) before taxes	(7,152)	(16,010)	(75,472)	(59,679)
Income tax	(966)	-	(2,954)	-
Net income (loss) for the period	(8,118)	(16,010)	(78,426)	(59,679)

COX ENERGY AMÉRICA S.A.B DE C.V. AND SUBSIDIARIES CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of September 30th, 2021 and December 31st, 2020

Figures in thousands of Mexican pesos

	As of September 30, 2021	As of December 31, 2020
ASSETS		
Current assets		
Cash, cash equivalents, and short-term investments	25,527	54,943
Trade accounts receivable	812	279
Related parties	184,218	148,524
Sundry creditors and other accounts receivable	91,844	84,863
Advanced payments	842	960
Total current assets	303,243	289,569
Non-current assets		
Property, plant and equipment - net	5,724	6,356
Intangible assets, including goodwill	1,168,657	1,187,687
Investment in associates	73,266	73,039
Other long-term financial assets	287,485	242,239
Total non-current assets	1,535,132	1,509,321
Total assets	1,838,375	1,798,890
LIABILITIES		
Short-term liabilities		
Suppliers and other creditors	55,858	25,560
Short-term related parties	373	259
Tax on rent payable	931	931
Other liabilities	2706	-
Total short-term liabilities	59,868	26,750
Long-term liabilities		
Deferred tax liabilities	28,370	25,255
Long-term related parties	-	-
Other long-term financial liabilities	3806	-
Total long-term liabilities	32,176	25,255
Total liabilities	92,044	52,005
STOCKHOLDERS' EQUITY		
Equity capital	891,265	807,140
Issuance premium	400,563	328,744
Contributions for future capital increases	-	69,976
Adjustments to fair value of capital increase	695,311	695,310
Cumulative profit (loss)	(191,791)	(114,985)
Other comprehensive income	(57,256)	(47,398)
Non-controlling interest	8,239	8,098
Total stockholders' equity	1,746,331	1,746,885
Total liabilities and stockholder's equity	1,838,375	1,798,890

COX ENERGY AMÉRICA S.A.B DE C.V. AND SUBSIDIARIES CONSOLIDATED CASH FLOW STATEMENT

For the nine month period ending on September 30th 2021

<i>Figures in thousands of Mexican pesos</i>	9M21
Profit (loss) before income tax	(78,426)
Interest income (-)	3,168
Interest expenses (+)	(469)
Depreciation and amortization	2,192
Exchange rate profit (loss) (+/-)	(38)
Cambios en el valor razonable de activos financieros	(37,105)
Non-controlling interest share of subsidiary profit – net of taxes	53
Commercial accounts receivable and other accounts receivable, net (+/-)	(7,812)
Other current assets (+/-)	2
Commercial accounts payable and other accounts payable, net (+/-)	5,559
Creditors and income taxes (+/-)	15,508
Net cash flow from operating activities	(97,368)
Intangible assets acquisition	21,161
Property, plant and equipment	413
Security deposits and loans	(35,756)
Net cash flow from investing activities	(14,182)
Transaction cost for public share offering	(37)
Share subscription for capital increase	85,968
Loans obtained with related parties	2
Financial debt	258
Lease payments	(1,938)
Net cash flow from financing activities	84,253
Exchange effects	(1,312)
Net increase /decrease in cash and cash equivalents	(28,609)
Cash and cash equivalents at the beginning of the period	54,136
Cash and cash equivalents at the end of the period	25,527

For more information about the Company's results, please consult the reports section on the [Cox Energy América](#) website or the [BIVA](#) webpage.

ABOUT

Cox Energy América is a photovoltaic renewable solar energy generation company, listed on the Mexican Institutional Stock Exchange ("BIVA"). COX develops, promotes and operates photovoltaic plants in several Latin American countries, with a presence in Mexico, Chile, Colombia, Guatemala, Central America and the Caribbean. It has a unique portfolio of projects at different stages of development and has identified opportunities to carry out its activity within a sustainable development framework.

DISCLAIMER

This document contains certain statements related to the comprehensive overview of Cox Energy América (COX) regarding its activities to the present day, as well as assumptions and information currently available for the Company. The statements contained herein reflect the current views of COX with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause future results, performance or achievements of COX to differ from those expressed or implied by such forward looking statements, including, among others, economic or political changes and global business conditions, risks related to the COVID-19 global pandemic impact, changes in exchange rates, the overall state of the industry, changes in demand for photovoltaic energy, raw material costs, the Company's ability to execute commercial continuity plans as a result of the COVID-19 pandemic, among others. COX does not intend nor assume any obligation to update the statements presented in this document.

CONTACT

For more information, visit www.coxenergyamerica.com or contact the investor relations team via e-mail at inversores@coxenergy.com

