

COX ENERGY AMÉRICA S.A.B. DE C.V. REPORTS FULL YEAR 2021 RESULTS

HIGHLIGHTS

- 🌍 The **Company's Strategic Plan** for 2022 is mainly **focused** on achieving a diversified portfolio in Latin America, as well as the rotation of some assets that are at different stages of maturity. At the end of 2021, the total attributable capacity, including identified opportunities, reached **2,317 MWp**, with more than **45 active projects**.
- 🌍 **Total revenue** for **12M-2021** was **\$23.79 million pesos**, an increase of **96.9%** compared with **12M-2020**, mostly driven by the solid performance of the energy sales team in Mexico, which mainly sells energy to the wholesale market, as well as managing energy exchange operations with clean energy certifications.
- 🌍 **Cox Energy** signed a long-term energy contract in Colombia with the company **AIR-E, S.A.S. E.S.P.**, a leading Grid Operator in the Caribbean region. This contract consolidates Cox Energy's position in Colombia as a relevant player in the energy exchange market, with energy supply obligations beginning in **2024**. The agreement is subject to the execution of the established timeline and current regulations.
- 🌍 The Company obtained a **favorable environmental rating** for the **San Francisco (PMGD)** project in **Chile**, which allows it to start the **construction phase**. This resolution will advance the consolidation of Cox Energy's operations with medium-sized **distributed generation** projects in the **Chilean market**.
- 🌍 In January 2022, **Cox Energy**, in a joint venture with **Sonnedix**, began the initial phases of operation, in compliance with the long-term contract for up to **264 GWh/year** of renewable energy for a **period of 20 years**. The Company advances to comply with international energy tender awarded in 2016, with an operating contract in **Chile**.

Mexico City, February 28th, 2022. – COX ENERGY AMÉRICA, S.A.B. DE C.V. (“Cox”, “Cox Energy”, “Cox Energy América” o “the Company”) (BIVA/BMV: COXA*), a company dedicated to the development and management of solar photovoltaic renewable energy projects reports its results for the full year ending December 31st, 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)	12M-2021	12M-2020
Total Revenues	23,791	12,083
Operating profit (loss)	(372,262)*	(88,191)
EBITDA	(98,663)	(87,331)

*Includes impairment of \$270.3 million pesos

Statement of Financial Position ('000 MXN)	As of December 31 st , 2021	As of December 31 st , 2020
Cash, equivalents, and short-term investments	28,195	54,943
Total Assets	1,542,908	1,798,890
Total Liabilities	130,968	52,004
Stockholder's Equity	1,411,940	1,746,886

Key Operating Information (MWp)	2021	2020
Number of Projects	20	36
Initial development	355	821
Advanced development and backlog	813	987
Under construction or in operation	51	0.9
Total MWp	1,219	1,809
Other identified opportunities	1,098	NA

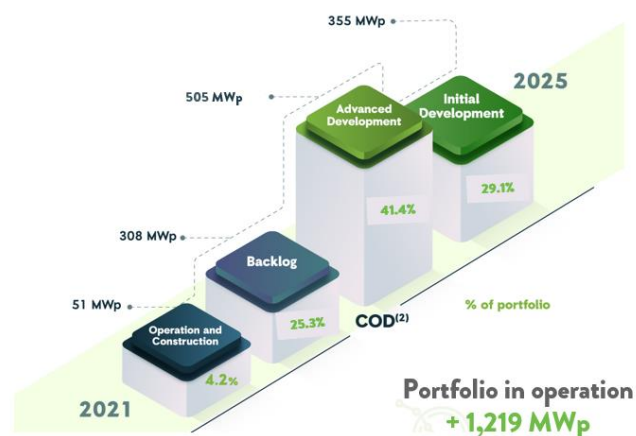
MESSAGE FROM THE CEO

José Antonio Hurtado de Mendoza, Chief Executive Officer of Cox Energy, said: “During 2021 we made significant progress in our expansion and growth plan despite a challenging global macroeconomic environment. At Cox Energy we continue to seek value creation in all our operations, through a solid and resilient business model, reinforced by our commitment to sustainability. To this end, we are constantly working on strengthening our growth strategy, driven by the business’ fundamentals and the Company’s outstanding professional talent.”

And added: “I would like to honor the hard work of our employees in seeking to strengthen the Company’s operations. By having the best team possible, we anticipate a strong 2022, supported mainly by the search for new growth opportunities and the promotion of strategies for greater profitability. We will continue working to meet the goals set out in our Strategic Plan, with 2022 being a key year for consolidation and achieving our goals.”

CURRENT 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	Sale Strategy for Electricity	Estimated
CHILE- 610 MWp				
El Sol de Vallenar	308	Backlog	PPA DisCo ⁽³⁾ 2017	RTB ⁽⁴⁾
Utility Portezuelo + Storage	200	Initial Development	Stabilized Price	RTB 2023
La Meseta	48	Under Construction	PPA DisCo 2016 & 2017	COD 2022
Machali (PMGD)	11	Advanced Development	Stabilized Price	RTB 2022
Río Maule (PMGD)	11	Advanced Development	Stabilized Price	RTB 2022
Montenegro (PMGD)	11	Initial Development	Stabilized Price	RTB 2022
El Guindal (PMGD)	11	Initial Development	Stabilized Price	RTB 2022
San Francisco (PMGD)	7	Advanced Development	Stabilized Price	RTB 2022
San Javier (PMGD)	3	Under Construction	Stabilized Price	COD 2022
Walmart Piloto (ESCO)	0.21	In Operation	Private PPA	In Operation
MEXICO - 488 MWp				
Iscali	300	Advanced Development	SPOT ⁽⁵⁾ + Supplier Hedge	RTB 2022
Atlacomulco	113	Advanced Development	SPOT + Supplier Hedge	RTB 2022
La Granja Solar	63	Advanced Development	SPOT + Supplier Hedge	RTB 2023
Apatzingán	12	Initial Development	SPOT + Supplier Hedge	RTB 2023
CENTRAL AMERICA (Guatemala, Panama) - 73 MWp				
Santa Rosa Solar	50	Initial Development	SPOT and PPA	RTB 2022
Parita Solar (El Llano Solar)	23	Initial Development	SPOT and PPA	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 Distributors in Chile (DisCo): agents that distribute electricity through medium and low voltage distribution networks to final consumers.

⁴ RTB: Ready to Build

⁵ SPOT: daily and intraday market. On this electricity market, prices are established for the energy that is sold on a daily basis.

Project		MWp	Classification	Sale Strategy for Electricity	Estimated
COLOMBIA – 48 MWp					
Lanzarote		15	Initial Development	Private PPA	RTB 2023
Tenerife		11	Initial Development	Private PPA	RTB 2023
Vanuatu		11	Initial Development	Private PPA	RTB 2023
Rodas		11	Initial Development	Private PPA	RTB 2023

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
La Granja Solar		314	Advanced Development	20%*	GPG	63 MWp
La Meseta		160	Under Construction	30%**	Sonnedix	48 MWp

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

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

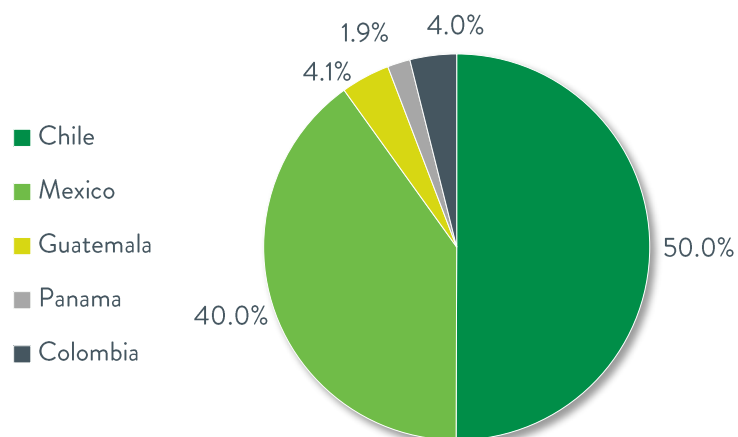
As part of a continuous process to increase management transparency, during the last quarter of 2021, the Company carried out an in-depth analysis of viability of the projects. This resulted in a reorganization of projects with low to mid viability and, in turn, the decision to separate the portfolio into current projects (high viability) and identified opportunities (medium viability).

The Company has identified opportunities with 25 additional projects in early stages of development, which together add up to 1,098 MWp. These projects will be included in the current portfolio once they reach the viability established in the Growth Plan.

Country		MWp	Sale Strategy for Electricity
CHILE			
9 identified projects		319	Stabilized Price and PPA
COLOMBIA			
8 identified projects		198	Private PPA
PANAMA			
5 identified projects		191	SPOT and PPA
MEXICO			
3 identified projects		390	SPOT + supplier hedge

PORTFOLIO DISTRIBUTION BY COUNTRY

The following graph shows the distribution of the current portfolio, based on attributable capacity:



POWER PURCHASE AGREEMENT PORTFOLIO (PPA)

The following table shows the Company's power purchase agreement portfolio (PPA) as of December 31st, 2021:

Type	Chile Tender 2016	Chile Tender 2017	Chile Tender 2017	Self-Consumption	Utility Company "Nexus México"	PMGD Chile
Off-taker*	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%	100%	60%	100%
Status	Start 01/2022	Start 01/2024	Start 01/2024	In operation	2020 – 2024 Plan	2021 – 2025 Plan
Duration (Years)	20	20	20	20	Project Life	8+8

* Counterparty in energy purchase and sale process.

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



INCOME STATEMENT SUMMARY

Income Statement ('000 MXN)	12M-2021	12M-2020
Total Revenues	23,791	12,083
Operating Expenses	(396,053) *	(100,274)
Operating Profit (Loss)	(372,262)	(88,191)
EBITDA	(98,663)	(87,331)
Comprehensive Financing Result	(44,539)	(9,450)
Non-controlling interest from subsidiary profit	(19,843)	(997)

* Includes impairment of \$270.3 million pesos.

INCOME

Total Income for the twelve months ending December 31st, 2021, was \$23.79 million pesos, an increase of 96.9% compared to full year income in 2020. The annual increase of \$11.7 million pesos is mainly due to additional costumers served by the energy trading business through the subsidiary *Nexus Suministradora*. Revenues from energy commercialization have displayed a very dynamic behavior, and a significant number of new agreements have been closed, which will increase revenues exponentially over the next quarters, once the supply of these contracts begins. Likewise, the revenues correspond mainly to energy management and commercialization in the Wholesale Electricity Market in Mexico (MEM in Spanish); the rest correspond to income from energy supply services in Chile based on the ESCO-Self-Consumption Model, among others.

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

Total Revenues ('000 MXN)	12M-2021	12M-2020
Energy trading and representation services for energy generating plants	23,421	11,865
Energy generation	370	218
Revenues	23,791	12,083

OPERATING EXPENSES

Operating expenses include administrative and personnel expenses, development expenses, depreciation, and amortization, as well as the impairment impacts that were recorded. Operating expenses for the twelve months of 2021 closed at \$396.05 million pesos. The increase shown in total operating expenses was mainly due to the impact of accounting impairments recorded at the end of 2021. The accounting impairment impact recorded in operating expenses corresponds mainly to the reclassification of the projects' phase: Valleland I, II, Aparse and El Pinto Solar, which resulted in an accounting adjustment of \$270.32 million pesos in the book value of said projects.

Due to the current macroeconomic uncertainties and a changing regulatory environment in some of the countries in which the Company operates, Management decided to carry out an in-depth analysis of the Company's assets, taking into consideration the development phases of each one to reflect their fair value on the balance sheet. The result of said analysis led to the previously mentioned accounting adjustment. The foregoing does not limit the execution of the growth strategy and the creation of long-term value.

Excluding the accounting impairment, D&A and changes in the fair value of financial assets, operating expenses for the 12 months ending December 31st, 2021 closed at \$172.44 million pesos, an increase of \$63.98 million pesos compared to the same period of the previous year. The increase in operating expenses is mainly due to the increase in administration and personnel expenses. This is part of the Company's operating strategy to have an optimal corporate structure and meet its goals.

EBITDA

EBITDA is not considered a relevant metric since the Company is in the development and investment phases, and none of the projects in the portfolio are generating significant income yet. Therefore, Management considers that, at the moment, EBITDA is not a significant reference point to monitor profitability and focuses on other indicators such as the attributable MWp capacity of the portfolio. However, as the projects reach the operation phase, it will be possible to record an operating profit from the income generated, and thus be able to measure the Company's EBITDA.

COMPREHENSIVE FINANCING RESULT

During the 12 months ending December 31st, 2021, the Comprehensive Financing Result was an expense of \$44.54 million pesos, compared to an expense of \$9.45 million pesos in the same period of 2020. The increase in negative financial result was mainly due to: i) a net impact of \$37.10 million pesos year over year in the foreign exchange losses. This was offset by: i) an increase of \$1.56 million pesos in financial income and; ii) a decrease of \$443 thousand pesos in interest expenses compared to the same period of 2020.

NET PROFIT (LOSS)

The net result for the full year 2021 was a loss of \$439.28 million pesos, mainly as a result of the aforementioned accounting impairment impacts and, to a lesser extent, because the Company is in an investment and expense stage where it has not yet started to generate the corresponding income and profit from said operations. The Company estimates that by the end of 2022 Net Profit will be positive.

FINANCIAL POSITION SUMMARY

Financial Position Summary ('000 MXN)	As of December 31 st , 2021	As of December 31 st , 2020
Cash, equivalents and short-term investments	28,195	54,943
Current assets	267,899	289,569
Non-current assets	1,275,009	1,509,321
Total Assets	1,542,908	1,798,890
Short-term liabilities	96,476	26,749
Long-term liabilities	34,492	25,255
Total Liabilities	130,968	52,004
Total Stockholders' Equity	1,411,940	1,746,886

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

November 22nd, 2021– [Cox Energy officially begins dual listing process on Spain's BME Growth](#)

November 11th, 2021– [Cox Energy among the top 10 listed companies in Mexico with the greatest gender diversity.](#)

October 29th, 2021 – [Cox Energy announces Extraordinary General Shareholders Meetings](#)

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

<https://www.coxenergy.com/en/centro-reportes>

ANALYST COVERAGE

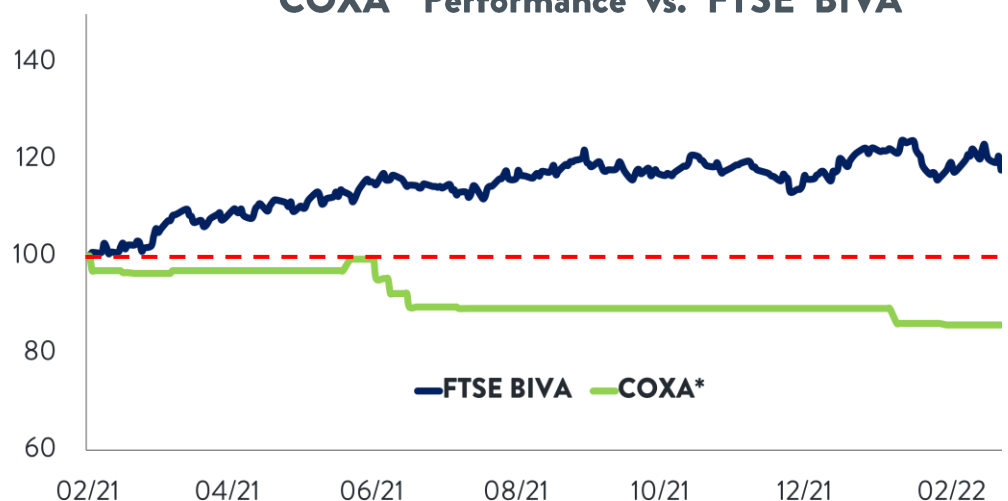
As of the date of this report, the following analysts covered the Company:

Institution	Analyst	Update	Recommendation	Target Price
Apalache Analysis (view report)	Jorge Placido	02/11/21	BUY	\$63.00
Miranda Global Research (view report)	Martín Lara	15/11/21	BUY	\$60.00

MARKET RATIOS

Market Ratios	2021	2020
Net earnings per share	(2.68)	(0.63)
Closing price (February 25 th , 2022)	27.90	33.40
Total outstanding shares	164,913,654	161,578,406

COXA* Performance vs. FTSE BIVA



*Graph base 100 from February 26th, 2021 to February 25th, 2022

Earnings Call

Tuesday, March 1st, 2022
10:00 AM CST | 11:00 AM EST

Please register in advance:

https://us02web.zoom.us/webinar/register/WN_ctt0LwSEQLaJp_GGXN7fUg

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.



The 100% green commitment that the Company has maintained since its foundation is in line with the development that meets present needs without compromising the capacity for future generations, guaranteeing a balance between economic growth, care for the environment and social well-being.



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.

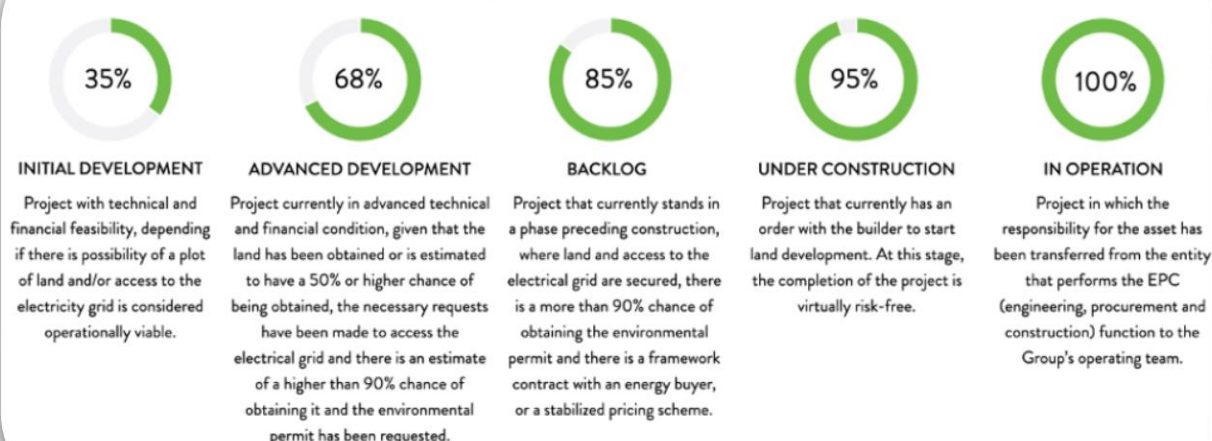
Integrated Annual Report.

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

The Company classifies the projects in the following phases and indicates the probability that a project will be built, based on the Company's experience and public information:



This classification has been carried out by the Company itself. The definition of each of these phases and their milestones may not necessarily be the same as those used by other companies in the same sector.

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

For the twelve months ending on December 31st 2021 and 2020

<i>Figures in thousands of Mexican pesos</i>	2021	2020
Total income	23,791	12,083
Administrative and personnel expenses	(160,412)	(61,385)
Operation and development expenses	(12,032)	(47,080)
Depreciation & amortization, impairment of financial assets & other expenses	(273,325)	(1,470)
Changes in the fair value of financial assets	49,716	9,661
Total operating expenses	(396,053)	(100,274)
Operating income (loss)	(372,262)	(88,191)
EBITDA	(98,663)	(87,331)
Interest income	4,219	2,656
Interest expenses	(834)	(1,277)
Exchange rate profit (loss)	(47,924)	(10,829)
Comprehensive financing result	(44,539)	(9,450)
Non-controlling interest share of subsidiary profit	(19,843)	(997)
Income (loss) before taxes	(436,644)	(98,638)
Income tax	(2,636)	(2,083)
Net income (loss) for the period	(439,280)	(100,722)

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

As of December 31st, 2021 and As of December 31st, 2020

Figures in thousands of Mexican pesos

As of December 31st, 2021

As of December 31st, 2020

ASSETS		
Current assets		
Cash, cash equivalents, and short-term investments	28,195	54,943
Trade accounts receivable	1,524	279
Related parties	143,665	148,524
Sundry creditors and other accounts receivable	25,877	84,863
Advanced payments	68,638	960
Total current assets	267,899	289,569
Non-current assets		
Property, plant and equipment - net	5,318	6,356
Rights of use over leased assets	9,480	-
Intangible assets, including goodwill	902,463	1,187,687
Investment in associates	57,849	73,039
Other long-term financial assets	299,121	242,239
Otros activos	778	-
Total non-current assets	1,275,009	1,509,321
Total assets	1,542,908	1,798,890
LIABILITIES		
Short-term liabilities		
Suppliers and other creditors	91,309	25,559
Financial debt associated with usage rights for leased assets	3,724	-
Short-term related parties	512	259
Tax on rent payable	931	931
Total short-term liabilities	96,476	26,749
Long-term liabilities		
Deferred tax liabilities	28,590	25,255
Financial debt associated with usage rights for leased assets	5,902	-
Total long-term liabilities	34,492	25,255
Total liabilities	130,968	52,004
STOCKHOLDERS' EQUITY		
Equity capital	891,263	807,140
Issuance premium	400,563	328,744
Contributions for future capital increases	-	69,976
Adjustments to fair value of capital increase	695,311	695,311
Cumulative profit (loss)	(551,880)	(114,985)
Other comprehensive income	(31,646)	(47,398)
Non-controlling interest	8,329	8,098
Total stockholders' equity	1,411,940	1,746,886
Total liabilities and stockholder's equity	1,542,908	1,798,890

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

CONSOLIDATED CASH FLOW STATEMENT

For the twelve months ending on December 31st 2021 and 2020

<i>Figures in thousands of Mexican pesos</i>	2021
Profit (loss) before income tax	(439,280)
Interest income (-)	(4,219)
Interest expenses (+)	834
Depreciation and amortization	273,599
Exchange rate profit (loss) (+/-)	47,924
Changes in the fair value of financial assets	(49,716)
Non-controlling interest share of subsidiary profit – net of taxes	19,843
Commercial accounts receivable and other accounts receivable, net (+/-)	(9,978)
Other current assets (+/-)	-
Creditors and income taxes (+/-)	65,750
Net cash flow from operating activities	(95,243)
Intangible assets acquisition	(18,760)
Property, plant and equipment	(484)
Security deposits and loans	(88,968)
Net cash flow from investing activities	(108,212)
Transaction cost for public share offering	-
Share subscription for capital increase	-
Loans obtained with related parties	85,966
Financial debt	93,844
Net cash flow from financing activities	179,810
Exchange effects	(3,202)
Net increase /decrease in cash and cash equivalents	(26,846)
Cash and cash equivalents at the beginning of the period	54,135
Cash and cash equivalents at the end of the period	27,289

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

ABOUT THE COMPANY

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.coxenergy.com or contact the investor relations team via e-mail at inversores@coxenergy.com

