Report on Individual Annual Results as of 30 September 2019

- **The financial results as of 30 September 2019 place the green energy technology company in a privileged position to face its new stage as a listed company.**

- **Holaluz grew by 42% in new customers to 212,862 green energy customers as of 30 September 2019. In the area of self-consumption, it increased the number of customers by a factor of 10, from 47 to 498 facilities by 30 September 2019.**

- **The company closed on 30 September 2019 with individual sales of 205.9 million euros, representing an annual increase in sales of 37.2%. Consolidated EBITDA grew to 4.0 million euros, which is a 150% increase over the previous year.**

- **The green energy technology company, which has been listed on the MAB since last November, has contributed to saving 417,281 tons of CO_2 equivalent by not producing any plastic bags in 13 years.**

Main milestones in 2019 (September 2018 to September 2019)

During 2019, Holaluz gained a total of 63,669 new net customers, reaching 212,862 customers by September 2019. In addition, 451 new self-consumption facilities were installed, bringing the total to 498.

During the year, all the necessary work was performed to obtain the quotation in the MAB. These tasks included the change of the legal name and the change to a corporation, from Clidom Energy, S.L. to Holaluz-Clidom, S.A.

In July, the capital increase agreement for the amount of 10 million euros was closed with Geroa Pentsioak, E.P.S.V. de Empleo, and Ms. Virginia Oregui Navarrete became a member of the Board of Directors. Finally, on 29 November, the quotation of Holaluz's MAB began, after a capital increase of 30 million euros in the market.

At the end of the year, due to the strong demand for prosumers facilities, Holaluz granted a participation loan of 1.5 million euros to Clidom solar to boost growth. At the same time, another participation loan of EUR 0.3 million was granted to the Portuguese subsidiary, Clidomer Portugal, S.L. At the end of the year, Holaluz decided to present consolidated

accounts for the first time since the volume of activity of these subsidiaries falls under the item of materiality, with the aim of presenting the full scope of activity to the market.

Operational Data (KPIs):

Year	**2019**	**2018**
Net turnover (millions of euros)	205.9	150.2
Gross Margin (Millions of euros)	16.1	9.9
Operating Costs (Millions of euros)	-12.0	-8.0
EBITDA (Millions of euros)	4.0	1.61
EBITDA margin on sales (%)	1.9%	1.1%
Number of CUPS	212,862	149,193
Prosumers Facilities	498	47

Analysis of the Individual Financial Statements for September 2019

Analysis of changes in the main items of the Income Statement and the Balance Sheet:

Profit Statement

In 2019, sales reached 205.9 million euros, an increase of 37 percent over the previous year's sales of 150.2 million euros. Supplies reached 189.8 million, an increase of 35% over the 140.3 million of the previousyear. Staff costs reached 8.1 million, up 21% from 6.7 million the previous year. Other operating expenses amounted to 7.9 million, up 54% from 5.1 million the previous year. This was mainly due to the increase in the investment in brands.

Operating Profit reached 1.3 million euros, an increase of 260% over the 0.5 million euros of the previous year.

Pre-tax profit amounted to 0.6 million, up 340% from 0.2 million the previous year.

Profits after Taxes reached 0.8 million with a 201% increase over the previous year's 0.4 million

Balance

Total assets rose 56% in the year to 64.6 million euros, compared to 41.4 million euros in the previous year, mainly due to the increase in the company's commercial activity.

<u>Assets</u>

The additions of intangible assets recorded during the period from 30/09/2018 to 30/09/2019 include the capitalization of work carried out by the company for its assets amounting to 2,550,098 euros and forming part of the new “SmartOp's” technological innovation project, in which the Company has been involved since the beginning of the financial year. This is a two-year project aims at the automation and technological improvement of the processes involved in the end-to-end management of the invoicing of Holaluz’s customers. On 30 September 2018, the “SmartEnergy” technological transformation project was completed. Its objective was to optimize the management of all processes in the commercialization and operation cycle in the electricity and gas market. These projects are qualified overall as Technological Innovation. The additions to other intangible assets relate to customer acquisition costs. Investments in group and associated companies in the long term increased to 1.0 million euros, an increase of 0.2 million euros from the previous year. Long-term financial investments increase to 4.5 million euros, mainly due to the recognition of derivatives to cover long-term electricity purchases.

Current assets rise to 43.5 million euros, an increase of 46% over the previous year’s 29.7 million euros, mainly due to increased commercial activity. So, Trade debtors and other assets receivable amounted to 29.5 million euros, an increase of 57% over the 18.7 million euros of the previous year. The other item reflecting a change is Cash and cash equivalents, which amounts to 7.2 million euros, an increase of 89% over the previous year’s 3.8 million euros. This item mainly reflects the cash inflow due to the capital increase of Geroa Pentsioak, E.P.S.V. de Empleo in the month of July.

Liabilities

Net worth rose to 17.6 million euros, 109% more than the 8.4 million euros of the previous year. This increase mainly includes the capital increase made with Geroa Pentsioak, E.P.S.V. de Empleo in the month of July. Under the heading of Equity, the other item that changed, the Adjustments for changes in value of the derivatives decrease to 3.4 million euros. There are no significant changes in Non-Current Liabilities. On the Current Liabilities side, short-term debts increase to 13.9 million euros, up from 10.1 million euros the previous year. As part of Commercial Creditors and Other Payables, Suppliers increased 12.7 million euros, an increase of 32% over the previous year’s 9.6 million euros. And Miscellaneous Creditors increased to 12.0 million euros, an increase of 46% over the 8.2 million euros of the previous year. For their part, Advances from customers rose to 2.3 million euros with an increase of 53% over the 1.5 million euros of the previous year.

About Holaluz

Holaluz’s goal is to achieve a world that functions 100% thanks to green energy. This is a purpose that the company brings to life by connecting people to green energy, offering 100% renewable energy, fair prices that become average savings of 12% thanks to the intensive use of technology and putting the customer at the center, establishing a relationship of mutual trust.

Created with the conviction that a company can be a tool to change the world, Holaluz is leading the transformation of the Spanish energy sector with a clear commitment to distributed generation as a new model and a differential offer in the field of self-consumption, being leaders not only in numbers, but in product and service innovation. Holaluz has been the first electricity company in the Spanish market to move toward simplified compensation by launching Holaluz Cloud, a system that allows surplus energy, i.e. energy produced by customers' solar panels that cannot be consumed at the moment, to be deducted from the electricity bill.

The company expects to reach one million customers and 50,000 PV installations by the end of 2023. Holaluz obtained a revenue of 208.81 million euros, an EBITDA of 2.61 million euros and has a team of 188 people, all as of 30 September 2019.

Within its strategy, Holaluz proposes a business model in which people can develop in a holistic manner. This means providing all the tools so that people can have flexibility and autonomy to develop their responsibilities, as well as to be able to combine them with their personal life. Examples of this are goal-oriented work and flexible hours. All this has contributed to making Holaluz a practically equal company, at all levels of decision making and in all teams. A situation that the company is proud of and that has been generated in a totally organic way. There is only one team in which it has been, and still is, necessary to apply quotas, which is the Technology team, where the company has placed its focus to become a 100% parity.

All this has made Holaluz the first European electricity company to receive B Corp certification, a seal that encompasses more than 2,400 companies in 50 countries and whose objective is to give visibility to companies that, beyond generating economic profits, innovate to maximize their positive impact on employees, on the communities they serve and on the environment. Likewise, Holaluz is the founder of Conscious Capitalism in Spain, a philosophy that recognizes the innate potential of business to have a positive impact on the world.

*Calculations made by Holaluz from European Commission Climate Action data. **One person in Spain uses on average 180 plastic bags per year, the manufacture of which emits 4 grams of CO_2 per bag.

Barcelona, 28 January 2020

Audit Report on Financial Statements
issued by an Independent Auditor

HOLALUZ-CLIDOM, S.A.
Financial Statements and Management Report
for the year ended
September 30, 2019

AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

To the shareholders of Holaluz-Clidom, S.A.:

Opinion

We have audited the financial statements of Holaluz-Clidom, S.A. (the Company), which comprise the balance sheet as at September 30, 2019, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at September 30, 2019 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the financial statements of the current period. These risks were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Revenue recognition

Description

Income from electric power supply recorded under the 'Revenue' caption includes, as indicated in Note 4.L) to the financial statements, an estimate of unbilled energy since the billing period does not coincide with the balance sheet date. The Company estimates revenue from electricity supplied not yet billed based on estimated consumption according to historical data and assumptions on consumption patterns. Consequently, we have considered this area a relevant audit issue.

Our response

Our audit procedures consisted, among others, in:

- Analyzing the design, implementation and operational efficiency of the key controls related to the calculation of revenue estimates;
- Verifying the reasonableness of the volume of unbilled energy by analyzing historical information and other external information obtained;
- Verifying the tariffs applied in the contract databases;
- Performing substantive analytical procedures consisting in a review of power supply revenue, monthly margins and energy purchase.

Other information: management report

Other information refers exclusively to the 2019 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the management report is to assess and report on the consistency of the management report with the financial statements based on the knowledge of the entity we obtained while auditing the financial statements, and not including any information not obtained as evidence during the course of the audit. In addition, our responsibility is to assess and report on whether the content and presentation of the management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, the information contained in the management report is consistent with that provided in the 2019 financial statements and their content and presentation are in accordance with applicable regulations.

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated to the Company's directors, we determine those that were of most significance in the audit of the financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

January 22, 2020

HOLALUZ-CLIDOM, S.A.

Financial Statements and Management Report for the year ended September 30, 2019

(Translation of financial statements and management report originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails)

CONTENTS

FINANCIAL STATEMENTS

- Balance sheet at September 30, 2019
- Income statement for the year ended September 30, 2019
- Statement of changes in equity for the year ended September 30, 2019
- Cash flow statement for the year ended September 30, 2019
- Notes to the Financial Statements for the year ended September 30, 2019

MANAGEMENT REPORT

HOLALUZ - CLIDOM, S.A.
Balance Sheet at September 30, 2019

ASSETS	NOTE	Sep. 30, 2019	Sep. 30, 2018
NON-CURRENT ASSETS		**21,068,378**	**11,713,307**
Intangible assets	**5**	**13,239,407**	**9,201,595**
Patents, licenses, trademarks et al.		4,194	5,790
Software		6,945,130	5,771,255
Other intangible assets		6,290,083	3,424,550
Property, plant, and equipment	**6**	**644,839**	**767,418**
Land and buildings		426,140	583,084
Technical installations, machinery and other PP&E items		218,699	184,334
Investments in group companies and associates		**1,051,022**	**157,082**
Equity instruments	**8**	30,000	27,000
Loans to companies	**9, 21**	1,021,022	130,082
Financial investments	**9**	**4,449,820**	**69,390**
Derivatives	16	4,310,930	-
Other financial assets		138,890	69,390
Deferred tax assets	**18**	**1,683,290**	**1,517,822**
CURRENT ASSETS		**43,547,724**	**29,735,304**
Inventories		**37,865**	**4,732**
Commercial inventories		34,402	4,732
Prepayments to suppliers		3,463	-
Trade and other receivables	**10**	**29,456,191**	**18,682,244**
Trade receivables		27,660,223	18,229,643
Trade receivables from group companies and associates	**21**	1,641,066	343,667
Other receivables		2,423	14,731
Receivables from employees		1,658	4,351
Current income tax assets	**18**	1,810	281
Other receivables from Public Administrations	**18**	149,011	89,571
Investments in group companies and associates	**21**	-	-
Financial investments		**6,038,607**	**6,702,618**
Financial assets held for trading	**9**	-	210,143
Derivatives	**9, 16**	3,856,917	4,202,692
Other financial assets	**9**	2,181,690	2,289,783
Accruals	9	**832,861**	**556,861**
Cash and cash equivalents	**11**	**7,182,200**	**3,788,849**
Cash		7,182,200	3,788,849
TOTAL ASSETS		**64,616,102**	**41,448,611**

HOLALUZ - CLIDOM, S.A.
Balance Sheet at September 30, 2019

EQUITY AND LIABILITIES	NOTE	Sep. 30, 2019	Sep. 30, 2018
EQUITY		**17,574,135**	**8,374,803**
Capital and reserves	**12**	**14,090,524**	**3,318,772**
Share capital		**506,771**	**456,094**
Issued capital		506,771	456,094
Share premium		**13,846,548**	**3,897,225**
Reserves		**(1,031,096)**	**(1,415,718)**
Legal and statutory reserves		91,219	91,219
Other reserves		(1,122,315)	(1,506,937)
Retained earnings		**-**	**30**
Remainder		-	30
Profit/(loss) for the year		**768,301**	**381,141**
Valuation adjustments		**3,483,611**	**5,056,031**
Hedging transactions	**16**	3,483,611	5,056,031
NON-CURRENT LIABILITIES		**2,081,442**	**2,402,255**
Payables	**14**	**920,238**	**716,911**
Bank borrowings		236,118	716,911
Derivatives	16	684,120	-
Deferred tax liabilities	**18**	**1,161,204**	**1,685,344**
CURRENT LIABILITIES		**44,960,525**	**30,671,553**
Provisions	**13**	**145,846**	**127,842**
Payables	**14**	**15,833,138**	**10,245,055**
Bank borrowings		13,909,775	10,175,019
Other financial liabilities		55,702	70,036
Derivatives	16	1,867,661	-
Payables to group companies and associates	**21**	**-**	**(162)**
Trade and other payables		**28,981,541**	**20,298,818**
Suppliers	**15**	12,757,780	9,632,130
Other payables	**15**	12,007,381	8,217,804
Employee benefits payable	**15**	275,022	174,276
Other payables to Public Administrations	**15, 18**	1,674,285	775,587
Customer advances	**15**	2,267,073	1,499,021
TOTAL EQUITY AND LIABILITIES		**64,616,102**	**41,448,611**

HOLALUZ - CLIDOM, S.A.
Income statement for the year ended September 30, 2019

	NOTES	Sep. 30, 2019	Sep. 30, 2018
Revenue	**19**	**205,900,083**	**150,233,042**
Sales		205,900,083	150,233,042
Work performed by the entity and capitalized	**5.1**	**2,550,098**	**3,113,433**
Cost of sales	**19**	**(189,830,177)**	**(140,318,428)**
Consumption of goods		(189,830,177)	(140,318,428)
Other operating income	**19**	**1,501,350**	**390,009**
Ancillary income		1,480,251	360,692
Grants related to income		21,099	29,317
Employee benefits expense	**19**	**(8,129,231)**	**(6,705,014)**
Wages, salaries et al.		(6,227,606)	(5,207,755)
Social security costs et al.		(1,901,625)	(1,497,259)
Other operating expenses		**(7,954,736)**	**(5,102,888)**
External services	**19**	(7,434,278)	(4,647,421)
Taxes		(39,631)	(244,221)
Losses on, impairment of and change in trade provisions	**10**	(480,181)	(211,245)
Other current management expenses		(646)	(1)
Depreciation and amortization	**5.6**	**(2,596,824)**	**(1,449,661)**
Impairment losses and gains (losses) on disposal of non-current assets	**6**	**(95,243)**	**-**
Other gains and losses	**19**	**(47,936)**	**341,463**
Non-recurring expenses		(149,198)	(41,567)
Non-recurring income		101,262	383,030
OPERATING PROFIT/(LOSS)		**1,297,384**	**501,956**
Finance income		**1,807**	**3,632**
From marketable securities and other financial instruments		1,807	3,632
Of group companies and associates		-	3,437
Of third parties		-	195
Finance costs		**(696,816)**	**(327,069)**
Borrowings from group companies and associates		-	(73,165)
Third-party borrowings	**19**	(696,816)	(253,904)
Change in fair value of financial instruments		**750**	**(2,574)**
Trading portfolio and other securities		750	(2,574)
Exchange gains (losses)		**(292)**	**(43)**
FINANCE COST		**(694,551)**	**(326,054)**
PROFIT/(LOSS) BEFORE TAX	**18**	**602,833**	**175,902**
Income tax	**18**	**165,468**	**205,239**
PROFIT/(LOSS) FOR THE YEAR	**3**	**768,301**	**381,141**

HOLALUZ - CLIDOM, S.A.
Statement of changes in equity for the year ended September 30, 2019

A) STATEMENT OF RECOGNIZED INCOME AND EXPENSES FOR THE YEAR ENDED SEPTEMBER 30, 2019

	Notes	2018-19	2017-18
PROFIT/(LOSS) FOR THE YEAR	**3**	**768,301**	**381,141**
INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY			
From cash flow hedges			6,320,039
Tax effect			(1,264,008)
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY			**5,056,031**
AMOUNTS TRANSFERRED TO INCOME STATEMENT			
From cash flow hedges		(2,096,560)	(2,669,943)
Tax effect		524,140	667,486
TOTAL AMOUNTS TRANSFERRED TO INCOME STATEMENT		**(1,572,420)**	**(2,002,457)**
TOTAL RECOGNIZED INCOME AND EXPENSES		**(804,119)**	**3,434,715**

HOLALUZ - CLIDOM, S.A.
Statement of changes in equity for the year ended September 30, 2019

	Issued capital (Note 12)	Share premium (Note 12)	Reserves (Note 12)	Retained earnings	Profit/(loss) for the year (Note 3)	Valuation adjustments (Note 16)	TOTAL
BALANCE AT SEPTEMBER 30, 2017	**456,094**	**3,897,225**	**(55,629)**	**(107,283)**	**125,710**	**2,002,457**	**6,318,574**
Adjustment for errors in 2017			(63)	(350,250)	(1,024,767)		(1,375,080)
ADJUSTED BALANCE AT SEPTEMBER 30, 2017	**456,094**	**3,897,225**	**(55,692)**	**(457,533)**	**(899,057)**	**2,002,457**	**4,943,494**
Total recognized income and expenses					381,141	3,053,574	3,434,715
Distribution of prior-year profit/(loss)			(1,360,026)	457,563	899,057		(3,406)
BALANCE AT SEPTEMBER 30, 2018	**456,094**	**3,897,225**	**(1,415,718)**	**30**	**381,141**	**5,056,031**	**8,374,803**
BALANCE AT SEPTEMBER 30, 2018	**456,094**	**3,897,225**	**(1,415,718)**	**30**	**381,141**	**5,056,031**	**8,374,803**
Total recognized income and expenses					768,301	(1,572,420)	(804,119)
Transactions with shareholders and owners	50,677	9,949,323					10,000,000
Capital increase	50,677	9,949,323					10,000,000
Distribution of prior-year profit/(loss)			384,622	(30)	(381,141)		3,451
BALANCE AT SEPTEMBER 30, 2019	**506,771**	**13,846,548**	**(1,031,096)**	**-**	**768,301**	**3,483,611**	**17,574,135**

	NOTE	Sep. 30, 2019	Sep. 30, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		**915,998**	**177,608**
Profit/(loss) before tax		**602,833**	**175,902**
Adjustments to profit		**3,885,261**	**2,112,184**
Depreciation and amortization (+)		2,596,824	1,449,661
Impairment losses (+/-)		480,181	211,245
Changes in provisions (+/-)		18,004	127,842
(Gains)/losses on derecognition and disposal of non-current assets (+/-)		95,342	
Finance income (+)		-1,807	-3,632
Finance costs (-)		696,816	327,068
Change in working capital:		**-2,877,087**	**-1,787,041**
Inventories (+/-)		-33,133	61,114
Trade and other receivables (+/-)		-11,250,677	-7,289,729
Other current assets (+/-)		-276,000	-545,962
Trade and other payables (+/-)		8,682,723	4,969,708
Other non-current assets and liabilities			1,017,827
Other cash flows from operating activities		**-695,009**	**-323,436**
Interest paid (-)		-696,816	-327,068
Interest received (+)		1,807	3,632
CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		**-10,762,438**	**-7,249,092**
Payments on investments (-):		**-10,762,438**	**-7,868,234**
Group companies and associates		-893,940	-157,082
Intangible assets	**4**	-6,471,901	-7,155,983
Property, plant and equipment	**5**	-135,399	-555,168
Other financial assets		-3,261,198	-
Proceeds from disposals (+):			**-619,142**
CASH FLOWS FROM FINANCING ACTIVITIES		**4,504,036**	**2,745,995**
Proceeds from and payments on equity instruments		10,000,000	-
Issuance of equity instruments (+)		10,000,000	-
Proceeds from and payments on financial liabilities:		**3,239,791**	**3,142,488**
Issues:		**4,301,786**	**3,142,488**
Bank borrowings (+)		4,301,786	3,142,488
Payables to group companies and associates (+)			-
Repayment and redemption of:		**-1,061,995**	**-396,331**
Bank borrowings (-)		-1,061,995	-396,331
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**3,393,351**	**-4,325,489**
Cash and cash equivalents at the beginning of the period	**11**	3,788,240	8,113,728
Cash and cash equivalents at the end of the period	**11**	7,182,200	3,788,240

HOLALUZ - CLIDOM, S.A.
Notes to the Financial Statements for the year ended September 30, 2019

1. Activity

CLIDOM ENERGY, S.L. (hereinafter Holaluz or the Company) was incorporated on November 12, 2010. It is domiciled in Barcelona at Passeig de Joan de Borbó, 99, 08039, 4th floor. On September 6, 2019 the Company changed its corporate name to HOLALUZ-CLIDOM, S.A. (Note 12).

Pursuant to its bylaws, the Company's corporate purpose consists in the purchase and sale, even at an international level, production and marketing of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. Additionally, the Company provides energy, environment and telecommunications advisory and engineering services.

It also acts as a representative before third parties, and specifically in the electricity market, of power stations that produce electricity under a special regime applicable to electricity produced from renewable energy sources.

Its main activity is the marketing of energy in general.

The Company's functional currency is the euro.

2. Basis of presentation of the interim financial statements

The financial statements at September 30, 2019 were prepared from the Company's accounting records in accordance with the new accounting principles approved by Royal Decree 1514/2007, of November 16, modified in 2016 through Royal Decree 602/2016, of December 2, and prevailing mercantile law.

The financial statements have been authorized for issue by the Company's Directors and will be submitted for approval by the shareholders in general meeting. It is expected that they will be approved without modification.

The Company is the parent of the Holaluz Group, which issued its consolidated financial statements for the year ended September 30, 2019 on December 30, 2019.

As indicated in Note 23 to the financial statements, since November 2019, the Company's shares have been quoted on the MAB (the Spanish Alternative Stock Market) on the Growth Company Segment.

Unless otherwise indicated, all figures in the notes to the financial statements are presented in euros.

The business year ends on September 30.

a) True and fair view

The financial statements, which consist of the balance sheet, the income statement, the statement of changes in equity, the cash flow statement and the notes thereto, have been prepared from the Company's accounting records in accordance with prevailing general provisions in order to give a true and fair view of the equity, financial position and results of the Company in the current year.

b) Comparison of information

In accordance with prevailing mercantile legislation, for comparative purposes the Company has included the figures for the year ended September 30, 2018 in addition to those of the current year (2018-19) for each item of the balance sheet, the income statement, the statement of changes in equity and the cash flow statement. The notes to the interim financial statements also include quantitative information at said dates, presented in the balance sheet or the income statement, as appropriate, except where disallowed by an accounting standard.

c) Accounting principles

The financial statements have been prepared in accordance with the generally accepted accounting principles and measurement standards described in chapter 4 of the explanatory notes to the financial statements. All mandatory accounting principles have been applied.

d) Critical issues concerning the assessment of uncertainty

The accompanying financial statements were prepared using estimates made by the Company's Directors to measure the assets, liabilities and commitments recognized therein. These estimates basically refer to:

- The capitalization and useful lives of property, plant and equipment and intangible assets (Note 4a and 4b).

- The assessment of possible impairment losses on certain assets (Note 4c).

- The fair value of certain financial instruments (Note 4e).

- Provisions for unbilled income from energy supplied to customers and provisions for expenses for the purchase of energy and cost of tariffs pending invoice.

- The estimated projections for assessing the recovery of tax credits related to deductions (Notes 4g and 18).

Although these estimates were made on the basis of the best information available at September 30, 2019, events may occur in the future that require prospective adjustments (upwards or downwards) to these estimates in subsequent years.

e) Current/non-current classification of items

For items to be classified as current, a maximum period of 1 year from the reporting date has been considered.

f) Changes in accounting criteria

No significant changes have been made in the accounting criteria used in the preparation of the financial statements for the year ended September 30, 2019 from the criteria used in the preparation of the financial statements for the year ended September 30, 2018.

g) Regulatory framework General overview

Electricity sector regulations in Spain are basically detailed in Law 24/2013, of December 26, 2013 on the Electricity Sector (hereinafter 'Electricity Sector Law'), repealing Law 54/1997, of November 27. The most significant matters set out by said Law and subsequent regulations for its implementation are as follows:

- Electrical energy production is carried out in a free market.
- The energy dispatch of power plants is established through a daily market that consists in 24 hourly auctions that match supply with demand. The matching price corresponds to the marginal price of the auctions. Production under the specific remuneration system receives the price resulting from the market and is supplemented by regulated remuneration.
- The transport, distribution and economic and technical management of the system are considered regulated activities.
- The supply of electricity is fully deregulated and all consumers must contract the supply of electricity with a power supplier. As of July 1, 2009 consumers that meet certain characteristics may choose to contract the supply of electricity with a Supplier of Reference and they will be applied the 'voluntary price for the small consumer' tariff. This tariff is linked to the hourly price set in the daily market.

Access tariffs are the same throughout Spain and are collected by the suppliers and paid to the distributors and transporters.

Royal Decree 413/2014 of June 6, regulating the production of electrical energy by means of renewable energy sources, cogeneration and waste.

Royal Decree 15/2018, of October 5, regulating urgent measures for energy transition and consumer protection and modifying and repealing certain terms of the Electricity Sector Law, of Royal Decree 1995/2000, of December 1, regulating the transport, distribution and marketing activities, among others, of RD 900/2015, of October 9, regulating the administrative, technical and economic conditions of the supply of electrical energy with self-consumption models, of Law 15/2012, of December 27, on tax measures for energy system sustainability, and of Law 38/1992 of December 28, on Special Taxes. The main developments are as follows:

- The right to consume electrical energy without charges is recognized, as well as shared supply by one or several consumers to take advantage of the economies of scale and administrative and technical procedures for small-power facilities are simplified.
- Self-consumed energy of a renewable, cogeneration and waste origin is exempt from charges and tariffs. Consequently, the charge imposed to self-consumers for the energy generated and consumed in their own facilities, the so-called 'sun tax' has been repealed.
- The administrative procedures for facilities of up to 100kW included in the self-consumption without surplus model are simplified, and must exclusively meet the requirements of the corresponding technical regulations and, specifically, the Low-Voltage Electro-technical Regulations. Also, the need to process certain access and connection permits for facilities of less than 15kW included in the self-consumption without surplus model is eliminated. Lastly, self-consumption facilities with less than 100kW power, are exempt from registration in the Administrative Register of Electrical Energy Production Facilities.

- Any consumer is allowed (even if it is not the direct consumer of the market) to purchase power by means of a bilateral agreement with a producer (PPA), driving economy towards decentralization.

- The coverage of the electricity social tariff is extended, so it is now prohibited to cut off the power supply to households adhered to the social tariff with at least a 16 year old minor or with at least one person with a disability equal to or greater than 33%, among others.

- Additionally, the thermal social tariff is created. This is a direct economic aid so that vulnerable households can pay the heating, and hot water bills, among others.

- Self-consumption regulations have been developed by Royal Decree 244/2019 of April 5, regulating the administrative, technical and economic terms and conditions of electricity self-consumption.

- Several rules related to access tariffs and electricity and gas charges are currently in the process of being approved. They are pending approval by the CNMC and Spain's Ministry for Ecological Transition, respectively.

3. Appropriation of profit/(loss)

The appropriation of profit/(loss) proposed by the directors and submitted for approval by the shareholders in general meeting is as follows:

Proposed appropriation	
Profit and loss (profit)	**768,301**
Appropriation to:	
Legal reserve	10,135
Voluntary reserves	758,166
	768,301

4. Recognition and measurement accounting policies

The main recognition and measurement accounting policies applied in the preparation of these financial statements are the following:

a) Intangible assets

As a general rule, intangible assets are recorded provided that the identifiability criteria is met and are initially measured at acquisition or production cost. Subsequently, they are stated at cost less accumulated amortization and any recognized impairment loss.

Intangible assets are amortized on a straight-line basis over their estimated useful lives and residual values. Amortization methods and periods are reviewed at year end, and adjusted prospectively where applicable. Intangible assets are tested for impairment at least at year end and are written down where applicable.

a.1) Industrial property

It is initially measured at acquisition or production cost, including registration and processing costs. It is amortized on a straight-line basis over its useful life (10 years).

a.2) Development costs

Technical innovation expenses incurred during the year are recorded in the income statement. However, the Company capitalizes these expenses as an intangible asset provided that the following conditions are met:

The related assets are specifically itemized by project and costs are clearly established so that they can be distributed over time.

It is possible to demonstrate the technical feasibility and financial profitability of the project.

They are amortized on a straight-line basis over their useful lives (5 years).

a.3) Software

This caption includes the amounts paid for the ownership or use of software programs.

Software programs that meet the recognition criteria are capitalized at their acquisition or production cost. They are amortized on a straight-line basis over a period of five and six years from the date each application is put to use.

Work performed by the Company and capitalized as intangible assets is recorded following the same criteria as for determining the production cost of inventories. Production cost is capitalized with a credit to the costs attributable to the asset in the 'Work performed by the Company and capitalized' caption in the income statement.

Software maintenance costs are recognized in the income statement for the year in which they are incurred.

a.4) Customer acquisition costs

The Company recognizes as an asset all costs incurred for obtaining a new contract with a customer only if the Company estimates that these costs will be recovered in the future.

These acquisition costs are those that the Company would not have incurred had the contract not been concluded.

These costs are amortized over a period of 8 years in accordance with the average life of the contracts that the Company signs with its customers.

b) Property, plant and equipment

Property, plant and equipment items are measured at acquisition or production cost. Subsequently, they are stated at cost less accumulated depreciation and any recognized impairment loss.

Indirect taxes levied on the acquisition of property, plant and equipment are included only in the acquisition cost when that amount is directly recoverable from the tax authorities.

Expenses incurred for expansion, remodeling or improvements which increase the productivity, capacity, or prolong the useful life of the asset are recorded as an increase in the cost of the assets. Repairs and maintenance expenses are charged to the profit and loss account of the year incurred.

Property, plant and equipment items are depreciated on a straight-line basis over the estimated useful life of the asset in accordance with the following annual percentages:

Item	Percentage applied
Technical installations	10%
Furniture	10%
Data processing equipment	25%
Other items	10%

c) Impairment loss on intangible assets and property, plant, and equipment items

Property, plant and equipment items and intangible assets are deemed to be impaired when carrying amount exceeds recoverable value, which is understood to be the higher of fair value less costs to sell and value in use.

The Company assesses at each year end whether there is an indication that a non-current asset or, where applicable, a cash-generating unit may be impaired. If any indication exists, the Company estimates the asset's recoverable amount.

The recoverable amount is the higher of fair value of the asset less cost to sell and value in use. When the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired. To assess value in use, expected future cash flows are discounted to their present value using risk free market rates, adjusted by the risks specific to the asset. For those assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs. A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Impairment loss and its reversion are recognized in the income statement. Impairment loss is reversed only if the circumstances giving rise to it have ceased to exist. Any such reversal is limited to the carrying amount that would have been determined had no impairment loss been recognized for the asset.

d) Operating leases

Operating lease expenses are recognized in the income statement in the year in which they accrue.

Any collection or payment that is made when arranging an operating lease is treated as advance collection or payment, which is allocated to profit or loss over the lease term as the benefits of the leased asset are provided or received.

e) Financial instruments

e.1) Financial assets

For measurement purposes, the Company's financial assets are classified as follows:

e.1.1) Loans and receivables

This caption corresponds to trade and non-trade receivables from the sale of goods, cash inflows and rendering of services with fixed or determinable payments not quoted on active markets.

They are initially measured at the fair value of the consideration given plus directly attributable transaction costs. Loans and receivables are subsequently measured at amortized cost, with accrued interest recorded in the income statement using the effective interest rate method.

However, receivables maturing within less than one year initially stated at nominal value will continue to be measured at nominal value unless they have become impaired.

For receivables whose estimated maturity date exceeds one year interest is recorded provided that the corresponding claim has been made and it is estimated that they will be recovered.

Impairment losses are recorded based on the difference between the carrying amount and the present value at year end of the estimated future cash flows discounted at the effective interest rates calculated at initial recognition. Impairment losses are recognized in the income statement.

e.1.2) Held-to-maturity investments

This category includes debt securities with fixed or determinable payments traded in an active market which the Company intends and is able to hold to maturity.

They are initially measured at the fair value of the consideration given plus directly attributable transaction costs. These investments are subsequent measured at amortized cost and interest accrued in the period are calculated using the effective interest rate method.

Impairment losses are recorded in the income statements and calculated based on the difference between the carrying amount and the present value at year end of the estimated future cash flows discounted at the effective interest rates determined at initial recognition.

e.1.3) Financial assets held for trading

This category includes the financial assets acquired for the purpose of being sold in the short term or which are part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent pattern of short-term profit-taking, and derivative financial instruments that have been favorably measured for the Company provided that they are not financial guarantee contracts or have been designated as hedges.

They are initially recorded at the fair value of the consideration given. Directly attributable transaction costs are recognized in the income statement for the year. They are subsequently measured at fair value and any changes therein are directly recorded in the income statement.

e.1.4) Investments in group companies, joint ventures and associates

This category includes equity investments in companies over which the Company has control (group companies), joint control through a statutory or contractual arrangement with one or more partners (jointly controlled entities) or has significant influence (associates).

Upon initial recognition in the balance sheet, they are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs.

Following initial measurement, these financial assets are stated at cost, less any accumulated impairment loss.

Where preferential subscription or similar rights are sold or separated for the purpose of exercising them, the cost of these rights decreases the carrying amount of the respective assets.

e.2) Financial liabilities

Recognition and measurement

Debts and payables

The Company recognizes a financial liability in its balance sheet when it becomes party to the agreement or legal business in accordance with the related terms.

Debts and payables arising on the purchase of goods or services in the Company's trade operations are initially measured at the fair value of the consideration received, adjusted by directly attributable transaction costs.

Nevertheless, trade payables which mature within less than one year with no contractual interest rate are initially carried at the nominal value provided that the effect of not discounting cash flows is not significant.

Debts and payables are subsequently measured at amortized cost using the effective interest rate method. Those that are initially measured at nominal value as indicated above continue to be measured at nominal value.

Financial liabilities held for trading

This category includes financial liabilities issued with the intention of repurchasing them in the short term and derivative instruments that have not been designated as hedging instruments.

These financial liabilities are recognized and measured using the same criteria that apply to financial assets held for trading.

Hedging derivatives

Derivative financial instruments presenting a liability balance, that is, those that have been unfavorably measured for the company, are measured at fair value in the same manner as the financial liabilities held for trading outlined in the preceding section.

e.3) Deposits given and received

Deposits given in the short and long terms are measured at nominal value and cash flows are not discounted as the effect is not material.

Cancelation

The Company derecognizes a financial liability when the obligation under the liability is extinguished.

When debt instruments are exchanged with a lender, provided that their contractual terms are substantially different, the original financial liability is derecognized and the new financial liability is recognized. Similarly, any substantial modification of the terms of an existing financial liability is also recognized.

The difference between the carrying amount of the derecognized financial asset (or part of it) and the compensation paid, including any attributable transaction costs, which also includes any new asset transferred other than cash or liability assumed, is recognized in the income statement in the year to which it relates.

When debt instruments are exchanged whose contractual terms are not substantially different, the original financial liability is not derecognized, and the commissions paid are recognized as an adjustment to the carrying amount. The new amortized cost of a financial liability is determined by applying the effective interest rate, which equates the carrying amount of the financial liability on the modification date to the cash flows to be paid as per the new terms.

Accordingly, the contractual terms are considered to be substantially different when the same lender granted the original loan and the present value of the cash flows from the new financial liability, including net commissions, differs by at least 10% of the present value of the cash flows yet to be paid on the original financial liability, when the effective interest rate of the original liability has been applied to both.

f) Hedge accounting

The Company carries out cash flow hedging transactions related to future energy purchases.

Transactions are only designated as hedges when they effectively eliminate any risk inherent to the hedged item or position throughout the duration of the hedge, which means that the hedging item must be deemed highly effective at the inception of the contract (prospective effectiveness) and there must be sufficient evidence that the hedge will be effective throughout the life of the hedge (retrospective effectiveness).

The Company adequately documents its hedges, including how they are intended to achieve and measure effectiveness under current risk management policies.

The hedge effectiveness is measured by testing to verify that the differences arising from changes in the value of the hedged item and the corresponding hedging instrument remain within a range of 80% to 125% over the remaining term to maturity, and comply with forecasts established at the related contract dates.

If at any time financial derivatives do not qualify to be treated as hedges, they are reclassified as held-for-trading derivatives.

For measurement purposes, cash flow hedges hedge exposure to variability in cash flows that is attributable to changes in energy purchase prices. Interest rate swaps are used to exchange floating rates for fixed rates. The portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognized temporarily in equity; the cumulative gain or loss is reclassified to profit or loss in the year or years in which the hedged transaction affects profit or loss.

At September 30, 2019, the Company's hedging strategy includes PPAs with producers of renewable plants at a fixed price for a period of 7 years.

g) Income tax

Income tax paid or received is calculated as the sum of the current income tax paid or received plus the portion corresponding to the deferred tax paid or received.

Current income tax is the amount resulting from applying the tax rate to the tax base for the year, after applying the appropriate tax deductions.

Deferred tax expense or income relates to the recognition and settlement of deferred tax assets and liabilities. These include the temporary differences, measured at the amount expected to be payable or recoverable, between the carrying amounts of assets and liabilities and their tax bases, as well as unused tax loss carryforwards and unused tax credits. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting nor taxable profit/(loss).

Deferred tax assets are only recognized when the Company considers it probable that future taxable profit will be available against which these assets may be utilized.

Deferred tax assets and liabilities relating to transactions charged or credited directly to equity are also recognized in equity.

Deferred taxes that have been recognized are reviewed at each balance sheet date to verify that they are still applicable, making any necessary adjustments if required. Unrecognized deferred tax assets are reassessed, recognizing them to the extent that it has become probable that taxable profit will be available against which they can be utilized.

h) Cash and cash equivalents

This heading includes cash, current accounts, short-term deposits and purchases of assets under resale agreements which meet the following criteria:

- They are readily convertible to cash.
- They mature within less than three months from the acquisition date.
- The risk of change in value is insignificant.
- They are part of the Company's standard cash management strategy.

i) Grants

Grants are recognized as non-repayable when the requirements established for receiving them are met and are recognized directly in equity, net of the corresponding tax effect.

Repayable grants are recognized as liabilities until they meet the criterion for being considered non-repayable. No income is recorded until this criterion is met.

Grants received to finance specific expenses are released to the income statement in the year in which the expenses which they are intended to compensate are incurred. Grants received to acquire property, plant, and equipment are released to income in proportion to the depreciation charged for the related assets.

j) Provisions and contingencies

In preparing the interim balance sheet, the Company's Directors make a distinction between:

j.1) Provisions

Credit balances covering present obligations arising from past events, the settlement of which is likely to cause an outflow of resources, but which are uncertain as to their amount and/or time of settlement.

j.2) Contingent liabilities

Possible obligations arising from past events, and whose existence will be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company.

The financial statements for the year ended September 30, 2019 include all provisions when the Company considers that it will more likely than not have to settle related obligations, and are measured at the present value of the best possible estimate of the amount needed to cancel or transfer the obligation to a third party. Contingent liabilities are not recognized in the interim balance sheet but disclosed in the explanatory notes.

k) Related-party transactions

Related-party transactions, independently of the degree of relationship, are recognized in accordance with general regulations, that is, initially at fair value. If the agreed-upon price of a transaction differs from its fair value, the difference is recorded taking into account the economic substance of the transaction. Subsequent measurement follows prevailing accounting regulations.

l) Income and expenses

Income and expenses are recorded according to the accruals principle, that is, at the moment the goods or services represented by them take place, regardless of when actual payment or collection occurs. Income is measured at the fair value of the consideration received, less discounts and taxes.

Income from the sale of goods is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the good sold, and retains neither continuing managerial involvement nor effective control over the goods sold.

Income from electric power supply recorded under the 'Revenue' caption includes an estimate of unbilled energy since the billing period does not coincide with the balance sheet date. This income is quantified based on estimated consumption according to historical data and assumptions on consumption patterns.

Income from the rendering of services is recognized by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be estimated reliably.

m) Termination benefits

Under prevailing labor legislation, the Company is bound to pay indemnities for the termination of labor contracts in certain conditions. Reasonably quantifiable termination benefits are recognized as an expense in the year in which the Company has created a valid expectation with respect to third parties that it will assume an obligation.

5. Intangible assets

The balances and variations in gross values and accumulated amortization are as follows:

Gross values	Development costs and software	Patents, licenses, trademarks et al.	Other intangible assets	TOTAL
Balance at Sep. 30, 2017	***4,380,166***	***14,000***	***0***	***4,394,166***
Additions	3,453,667	1,950	3,697,518	7,153,135
Balance at Sep. 30, 2018	***7,833,832***	***15,950***	***3,697,518***	***11,547,301***
Additions	2,852,967	0	3,639,084	6,492,052
Disposals				
Balance at Sep. 30, 2019	***10,686,799***	***15,950***	***7,336,603***	***18,039,352***

Accumulated amortization	Development costs and software	Patents, licenses, trademarks et al.	Other intangible assets	TOTAL
Balance at Sep. 30, 2017	***-994,738***	***-8,617***	***0***	***-1,003,356***
Amortization charge	-1,067,838	-1,543	-272,968	-1,342,349
Balance at Sep. 30, 2018	***-2,062,576***	***-10,161***	***-272,968***	***-2,345,705***
Amortization charge	-1,679,093	-1,596	-773,552	-2,454,241
Derecognition				
Balance at Sep. 30, 2019	***-3,741,670***	***-11,756***	***-1,046,520***	***-4,799,946***

Net carrying amount	Development costs and software	Patents, licenses, trademarks et al.	Other intangible assets	TOTAL
Net carrying amount at Sep. 30, 2017	***3,385,427***	***5,383***	***0***	***3,390,810***
Net carrying amount at Sep. 30, 2018	***5,771,255***	***5,790***	***3,424,550***	***9,201,595***
Net carrying amount at Sep. 30, 2019	***6,945,130***	***4,194***	***6,290,083***	***13,239,407***

5.1 Significant movements

Additions in intangible assets recorded during the period comprised between 09/30/2018 and 9/30/2019 include the capitalization of work performed by the company for an amount of 2,550,098 euros (3,113,433 euros at September 30, 2018), and are part of the new technological innovation project 'SmartOp' that the Company is has been carrying out since the start of the financial year. This is a two-year project that aims at the automation of and technological improvement in the processes involved in end-to-end billing management of Holaluz customers (algorithms that define customer consumption needs, switching and communication process with distributors, reading data acquisition process, billing algorithms, etc.). At September 30, 2018 the 'SmartEnergy' technological transformation project was completed. Its purpose was to optimize management of all commercialization and operation processes in the electricity and gas market. These projects are comprehensively classified as Technological Innovation projects.

Additions in other assets correspond to customer acquisition costs (Note 4.a.4).

5.2 Other information

The gross value of fully amortized intangible assets still in use is as follows:

Account	Balance at Sep. 30, 2019	Balance at Sep. 30, 2018
Software	421,796	171,622
Business development	22,730	
Brand	3,609	
Total	448,135	171,622

At September 30, 2019 and 2018 no intangible assets have been acquired from group companies. No intangible assets are located outside of Spain.

6. Property, plant and equipment

The balances and variations in gross values and accumulated depreciation are as follows:

Gross values	Data processing equipment	Installations	Furniture and office equipment	TOTAL
Balance at Sep. 30, 2017	***163,315***	***248,415***	***55,714***	***467,444***
Additions	**101,525**	**447,977**	**2,958**	**552,461**
Balance at Sep. 30, 2018	***264,840***	***696,392***	***58,672***	***1,019,904***
Additions	95,590	22,235	17,572	135,398
Disposals		-210,637		-210,637
Balance at Sep. 30, 2019	***360,430***	***507,991***	***76,244***	***944,665***

Accumulated depreciation	Data processing equipment	Installations	Furniture and office equipment	TOTAL
Balance at Sep. 30, 2017	***-74,053***	***-56,906***	***-14,216***	***-145,175***
Depreciation charge	-46,546	-56,403	-4,363	-107,311
Balance at Sep. 30, 2018	***-120,598***	***-113,308***	***-18,579***	***-252,486***
Depreciation charge	-73,734	-63,785	-5,064	-142,583
Derecognition		95,243		95,243
Balance at Sep. 30, 2019	***-194,332***	***-81,850***	***-23,644***	***-299,826***

Net carrying amount	Data processing equipment	Furniture and office equipment	Installations	TOTAL
Net carrying amount Sep. 30, 2017	***89,262***	***191,510***	***41,498***	***322,269***
Net carrying amount Sep. 30, 2018	***144,242***	***583,084***	***40,093***	***767,418***
Net carrying amount at Sep. 30, 2019	***166,098***	***426,140***	***52,601***	***644,839***

In the year 2018-19 the Company has derecognized installations in the old offices that have generated losses for an amount of 95,243 euros.

6.1 Significant movements

Additions in data processing equipment correspond to the renewal of laptops, and new acquisitions as a result of the increase in the company's headcount. In 2017-18, additions in furniture and equipment were basically related to the refurbishment of the new offices leased by the Company in said year.

6.2 Other information

The gross value of fully depreciated property, plant and equipment items still in use is as follows:

Account	Balance at Sep. 30, 2019	Balance at Sep. 30, 2018
Data Processing Equipment	53,568	39,428
Furniture	147	
Total	53,715	39,428

It is Company policy to take out the insurance policies necessary to cover the potential risks to which its property, plant, and equipment items are exposed. From September 30, 2018 to September 30, 2019 these potential risks were fully covered by the insurance.

At September 30, 2019 and 2018 no intangible assets have been acquired from group companies. No property, plant and equipment items are located outside of Spain.

7. Leases and similar arrangements

7.1. Operating leases

The operating lease payments recognized as expenses are as follows:

	Balance at Sep. 30, 2019	Balance at Sep. 30, 2019
Lease expenses	448,656	470,747
	448,656	470,747

According to the current contracts in force, the Company's future non-cancelable minimum operating lease payments that may be updated in the future based on the evolution of CPI are as follows:

	2018-19	2017-18
Within one year	446,925	384,945
Between one and five years	1,918,770	1,851,950
More than five years	63,565	611,320
	2,429,260	2,848,215

The Company entered into a lease arrangement on its head offices on September 1, 2017 that expires in December 2024.

8. Investments in group companies and associates

The breakdown and movements in the items composing this heading are as follows:

	Balance at Sep. 30, 2017	Additions	Balance at Sep. 30, 2018	Additions	Balance at Sep. 30, 2019
Equity instruments	0	27,000	27,000	3,000	30,000
	0	27,000	27,000	3,000	30,000

During the year 2017-18 the Company set up several subsidiaries to expand its activity to other countries and in other business lines such as solar panel installation. On September 26, 2019 a new subsidiary was incorporated (Clidom Generación). The breakdown of these subsidiaries is provided below.

8.1 Significant investments

The information relating to group companies, joint ventures and associates at September 30, 2019 is as follows:

	Net carrying amount	Direct Ownership %	Share capital	Retained earnings	Net profit/(loss) at Sep. 30, 2019	Total Equity
Clidomer Unipessoal, LDA	1,000	100%	1,000	-60,918	-229,303	-289,221
Clidom Solar, SL	3,000	100%	3,000	-236,602	-1,152,179	-1,385,782
Clidom France, SARL	10,000	100%	10,000	-8,371	-13,226	-11,597
Clidom Italia, SRL	10,000	100%	10,000	-6,550	-8,979	-5,529
Orwell Power, SL	3,000	100%	3,000	-25	-94	2,881
Clidom Generación, SL	3,000	100%	3,000			3,000
	30,000		30,000	-312,466	-1,403,782	-1,686,248

The operating profit/(loss) of the group companies, joint ventures and associates shown in the above table correspond entirely to continuing operations. None of the above companies is listed on the stock exchange.

Clidomer is a sole shareholder company domiciled in Lisbon, at plaza Nuno Rodriguez dos Santos, 14-B. Its main activity is the manufacture, purchase, sale and marketing of energy and goods inherent to the electricity market.

Clidom Italia is a limited liability company domiciled in Milan at via Gabba Fratelli, 4. Its corporate purpose consists in the sale of electricity, gas and other energy products. At the date the notes to the financial statements at September 30, 2019 were prepared, the company is dormant.

Clidom France is a limited liability company domiciled in Paris at Avenue de l'Opera 75001. Its corporate purpose consists in the sale of gas, electricity and other energy products in France. At the date the notes to the financial statements at September 30, 2019 were prepared, the company is dormant.

Orwell Power is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the purchase and sale, even at an international level, production and marketing of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. It also provides energy, environmental and telecommunications advisory and engineering services. At the date the notes to the financial statements at September 30, 2019 were prepared, the company is dormant.

Clidom Solar is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the purchase and sale, even at an international level, production and marketing of energy in general, natural gas and telecommunications, even their transfer, regardless of their source of generation and production. It also provides energy, environmental and telecommunications advisory and engineering services.

Clidom Generación is a sole shareholder limited liability company domiciled in Barcelona at Passeig Joan de Borbó, 99-101. Its corporate purpose consists in the production or generation of electricity, including the generation of renewable electricity, and the construction, operation and maintenance of production facilities. This activity can be carried out directly or through the acquisition of an ownership interest in special purpose vehicles that own the generation projects. At the date the notes to the financial statements at September 30, 2019 were prepared, the company is dormant.

Except for Clidom Generación, which was incorporated on September 26, 2019, the other subsidiaries were incorporated during the last quarter of the year 2017-18. Consequently, the Company considers that no impairment on these ownership interests applies. Accumulated losses by Clidomer and Clidom Solar are mainly due to the fact that the companies are still start-ups and, consequently, require investments in structure costs, which generate these losses. This situation is expected to reverse in future tax periods. The Directors have prepared projections in accordance with the approved business plan and they expect that the situation will be reversed and cash flows will be obtained in the coming years. Additionally, on December 19, 2019 the Board of Directors of the Company resolved to grant two participation loans amounting to 300 thousand euros and 1.5 million euros to Clidomer and Clidom Solar, respectively, so that they could face their negative shareholders' equity situation.

9. Current and non-current financial investments and current accruals

a) Non-current financial investment categories

Financial investments, except for cash and cash equivalents, are classified into the following categories:

	Loans, derivatives and other financial investments	
	Sep. 30, 2019	Sep. 30, 2018
Other financial assets	138,890	69,390
Loans to group companies and associates	1,021,022	130,082
Derivatives	4,310,930	
	5,470,842	199,472

Other non-current financial assets substantially correspond to the deposit given as a lease guarantee on the offices rental maturing within 4.1 years, deposit of guarantees at MIBGAS (10,000 euros) and long-term social contributions in Avalis (28,600 euros) and Cajamar (10,000 euros), among others.

Loans to group companies correspond basically to a loan amounting to 981 thousand euros granted to the subsidiary Clidomer (Portugal) so that it can meet its working capital needs and to a loan amounting to 15 thousand euros granted to the subsidiary Clidom Italia (Note 21).

The balance of Derivatives amounting to 4.3 million euros is commented on in Note 16.

b) Current financial investment categories

Current financial investments are classified based on the following categories:

	Loans, derivatives and other financial investments	
	Sep. 30, 2019	Sep. 30, 2018
Financial assets held for trading		210,143
Other financial assets	2,181,690	2,289,783
Hedging derivatives (*)	3,856,917	4,202,692
	6,038,607	6,702,618

(*) See Note 16

Financial assets held for trading at September 30, 2018 corresponded to an investment fund with financial institutions for an amount of 210,737 euros that was cancelled in July 2019.

At September 30, 2019 “Other financial assets” includes deposits given as guarantees to the electricity and gas market operators for an amount of 2,181,690 euros (2,289,783 euros at September 30, 2018). Deposits given to financial institutions for the hedging derivative transactions are entirely pledged as a guarantee thereof.

c) Accruals

This heading includes the accrual of annual expenses that at September 30, 2019 have not yet been incurred and amounts to 832 thousand euros. They basically correspond to sales commissions (656 thousand euros), insurance premiums and annual costs for Guarantees of Origin and Energy Efficiency Fund (for the period October, November and December 2019).

10. Trade and other receivables

a) The breakdown of 'Trade and other receivables' is as follows:

	Sep. 30, 2019	Sep. 30, 2018
Trade receivables	27,660,223	18,229,643
Trade receivables from group companies (Note 21)	1,641,066	343,667
Other receivables	2,423	14,731
Receivables from employees	1,658	4,351
Current income tax assets (Note 18)	1,810	281
Other receivables from public administrations (Note 18)	149,011	89,571
	29,456,192	18,682,244

b) Impairment losses arising from credit risk

The balance of 'Trade receivables' is presented net of impairment losses. The movements in impairment losses are as follows:

	Impairment losses due to credit risk	
	Sep. 30, 2019	Sep. 30, 2018
Opening impairment losses	-663,862	-462,921
Impairment loss	-480,000	-211,245
Derecognition and reductions	-181	10,304
	-1,144,043	-663,862

11. Cash and cash equivalents

The breakdown of this caption at September 30, 2019 is as follows:

	Sep. 30, 2019	Sep. 30, 2018
Cash	136	701
Demand current accounts	6,422,975	3,436,626
Bank deposits	759,089	351,522
	7,182,200	3,788,849

Current accounts earn market interest rates.

Of the total bank deposits recorded at September 30, 2018 for an amount of 351 thousand euros, 342,433 euros corresponded to a pledge of the line of guarantees arranged with Banco Popular, which was cancelled in August 2019, posting the corresponding cash inflow in the books. Additionally, in August 2019 the Company signed a reverse factoring agreement with a financial institution for an amount of 1.9 million euros with a pledge of 750 thousand euros. At the date these financial statements were prepared, this agreement has been cancelled and the entity has refunded the total amount of the pledge to the Company.

On July 26, 2019 a capital increase was carried out with a share premium of 10 million euros which were fully paid up.

Cash and cash equivalents are unrestricted.

12. Equity

The movements in Equity during the period comprised between September 30, 2018 and the closing of the financial year at September 30, 2019 are as follows:

	Issued capital (Note 12)	Share premium (Note 12)	Reserves (Note 12)	Retained earnings (Note 12)	Profit/(loss) for the year (Nota 12)	Valuation adjustments (Note 16)	**TOTAL**
Balance at Sep. 30, 2017	456,094	3,897,225	-55,629	-107,283	125,710	2,002,457	**6,318,574**
Adjustments for errors 2017			-63	-350,250	-1,024,767		**-1,375,080**
ADJUSTED Balance at Sep. 30, 2017	456,094	3,897,225	-55,692	-457,533	-899,057	2,002,457	**4,943,494**
Total recognized income and expenses					381,141	3,053,574	**3,434,715**
Appropriation of retained earnings			-1,360,026	457,563	899,057		**-3,406**
Balance at Sep. 30, 2018	456,094	3,897,225	-1,415,718	30	381,141	5,056,031	**8,374,803**
Total recognized income and expenses					768,301	-1,572,420	**-804,120**
Capital increase	50,677	9,949,323					**10,000,000**
Appropriation of retained earnings			384,622	-30	-381,141		**3,451**
Balance at Sep. 30, 2019	**506,771**	**13,846,548**	**-1,031,096**	**0**	**768,301**	**3,483,611**	**17,574,134**

a) Share capital

At September 30, 2019 the Company's share capital amounts to 506,771 euros (456,094 euros at September 30, 2018), represented by 506,771 Company shares (456,094 Company shares at September 30, 2018) with a par value of 1 euro each, fully subscribed and paid up; two classes of shares have been created, Class A shares and Class B shares; Class B shares give a liquidation preference right in a set of circumstances indicated in the Company bylaws.

On July 26, 2019 the extraordinary general meeting of shareholders resolved to increase capital by means of a monetary contribution of 50,677 euros and a share premium of 9,949,323 euros, equal to 50,677 Class B shares with a par value of 1 euro each.

On September 13, 2019 the Official Gazette of the Mercantile Register published the notice announcing the transformation of the company from a limited liability company into a public limited company, following the resolution passed by the shareholders in the general meeting of Clidom Energy, S.L. held on September 6, 2019, whereby it was unanimously agreed that the company should become a public limited company under the name Holaluz-Clidom, S.A. The transformation balance sheet at April 30, 2019 and the modification to the bylaws for their adaptation to the new business structure were also unanimously approved.

The breakdown of legal entities which hold an ownership interest greater than 10% in the Company is as follows:

	Sep. 30, 2019	Sep. 30, 2018
Axon Capital e Inversiones	27%	30%
Geroa Pentsioak	10%	-

b) Legal reserve

Under the revised text of the Spanish Capital Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses.

At September 30, 2019 the legal reserve is not fully funded. At September 30, 2018 the legal reserve was fully funded.

c) Reserves and share premium

The balance of the share premium account can be freely distributed except for the amount under "Losses from prior years".

13. Provisions

The Company has recorded a provision for all payment settlements received from the city councils corresponding to local tax payments, most of them related to the tax on economic activities pending payment at year end. The Company has lodged an appeal as it considers that there are no grounds for demanding this payment and considers that it is not liable to it.

The movements in provisions were as follows:

	Balance at Sep. 30, 2017	Additions	Balance at Sep. 30, 2018	Additions	Balance at Sep. 30, 2019
Provisiones	0	127,843	127,843	18,003	145,846
	0	**127,843**	**127,843**	**18,003**	**145,846**

14. Non-current and current payables

Non-current and current payables are classified based on the following categories:

	Non-current payables					
	Bank borrowings		Other		Total	
	Sep. 30, 2019	Sep. 30, 2018	Sep. 30, 2019	Sep. 30, 2018	Sep. 30, 2019	Sep. 30, 2018
Debits and payables	236,118	716,911			236,118	716,911
Hedging derivatives			684,120	0	684,120	0
	236,118	**716,911**	**684,120**	**0**	**236,118**	**716,911**

Non-current financial liabilities mainly correspond to the outstanding amount of 236 thousand euros of the loan granted by Institut Català de Finances (ICF).

The balance of Derivatives amounting to 684 thousand euros is commented on in Note 16.

	Current payables					
	Bank borrowings		Other financial liabilities		Total	
Category	Sep. 30, 2019	Sep. 30, 2018	Sep. 30, 2019	Sep. 30, 2018	Sep. 30, 2019	Sep. 30, 2018
Debits and payables	13,909,775	10,175,019	55,702	70,036	13,965,477	10,245,055
Hedging derivatives			1,867,661	0	1,867,661	0
	13,909,775	**10,175,019**	**1,923,363**	**70,036**	**15,833,138**	**10,245,055**

Bank borrowings include the portion of current loans, the amounts utilized from credit lines and the amounts utilized from reverse factoring facilities, factoring facilities and funded payments. Most of these borrowings at September 30, 2019 correspond to Banc Sabadell, Ibercaja, Bankinter, Bankia, Deutsche Bank and BBVA, among others.

The balance of Derivatives amounting to 1,867 thousand euros is commented on in Note 16.

a) Classification by maturity

The breakdown of bank loans by fixed or determinable maturity at September 30, 2019 and at 2017-2018 year end is as follows:

September 30, 2018

	2018-19	2019-20	2020-21	2021-22	TOTAL
Payables					
Bank borrowings	1,013,885	481,239	127,146	108,526	1,730,796
	1,013,885	**481,239**	**127,146**	**108,526**	**1,730,796**

September 30, 2018

	2019-20	2020-21	2021-22	2022-23	TOTAL
Payables					
Bank borrowings	835,068	114,432	121,688	0	1,071,188
	835,068	**114,432**	**121,688**	**0**	**1,071,188**

b) Other information

The breakdown of bank borrowings is as follows:

		2018-2019 (September 30, 2019)		
		Limit	Current at Sep. 30, 2019	Non-current at Sep. 30, 2019
LOANS	Bank loans	1,071,186	835,068	236,118
CF	Credit facilities	9,150,000	7,932,086	
FAC & REV FAC	Factoring, reverse factoring and funded payments	2,995,373	2,591,345	
B.DIS	Bills discounted	2,808,592	2,528,036	
OTHER	Credit cards	282,177	23,239	
		16,307,328	**13,909,775**	**236,118**

	2017-18 (Sep. 30, 2018)		
	Limit	Current at Sep. 30, 2018	Non-current at Sep. 30, 2018
Bank loans	1,730,796	1,013,885	716,911
Credit facilities	8,400,000	7,614,948	
Bills discounted	1,504,501	1,504,501	
Interest and other		41,685	
	11,635,297	**10,175,019**	**716,911**

In the period comprised between September 30, 2018 and September 30, 2019 the Company has increased the limit available on its bank borrowings by 4.7 million euros. New loans have been taken out for a total amount of 700 thousand euros. Additionally, short-term funding has been extended through new credit lines amounting to 750 thousand euros, replacing some facilities with reverse factoring and factoring facilities and funded payments to suppliers for a total amount of 3 million euros (2.6 million euros drawndown at September 30, 2019), and bill discounting facilities of 1.3 million euros, with a total available amount of 2.8 million euros, of which 2.5 million euros have been used at September 30, 2019. These amounts have been mainly used to fund the cash needs derived from the increase in the Company's activity.

Additionally, the Company has drawndown lines of guarantees and security interests that have been granted by several financial institutions for an overall amount of 6 million euros (5.3 million euros at September 30, 2018), which have been provided to energy suppliers to carry out the energy purchase and marketing activity.

15. Trade and other payables

The breakdown of 'Trade and other payables' is as follows:

	Sep. 30, 2019	Sep. 30, 2018
Suppliers	14,435,780	9,632,130
Other payables	9,329,381	8,217,804
Employee benefits payable	275,022	174,276
Otther payables to public administrations (*)	1,674,285	775,587
Customers advances (**)	2,267,073	1,499,021
	27,981,541	20,298,818

(*) See Note 18

(**) At each month end and, therefore, also at year end, the balance of 'Customer advances' corresponds to advance collections received from the customers that have contracted a flat rate (SinSorpresas) and to the advance collection received in prior months that will be regularized in each annuity of the customer contract.

15.1. Information on the average payment period to suppliers. Additional Provision Three. 'Disclosure requirements', of Spanish Law 15/2010

The information on the average payment period to suppliers is as follows:

	Sep. 30, 2019	Sep. 30, 2018
Average payment period to suppliers and creditors	47.6	46.4
Ratio of transactions paid	42.0	40
Ratio of transactions pending payment	34.9	31
	Amount	Amount
Total payments made	256,118,213	133,193,980
Total payments outstanding	36,250,162	10,073,941

16. Hedging transactions using derivative financial instruments

The Company uses derivatives to hedge the risks to which its activities, operations and projected cash flows are exposed. At September 30, 2019 base loads of energy are covered at a fixed price. All of them end at December 31, 2026 at the latest, and meet the requirements detailed in (Note 4f) on measurement policies to be classified as hedging instruments.

The summary of cash flow hedges in force at year end, whose amount has not been settled at the balance sheet date (September 30, 2019) since they are held to maturity, is as follows:

Description of the hedge	Type	Entity	Underlying	Fair value
MEFF Power hedge	SWBCCAL20	Investment entity	MWh	4,528
MEFF Power hedge	SWBCCAL20	Investment entity	MWh	3,514
MEFF Power hedge	SWBCQ419	Investment entity	MWh	1,304
MEFF Power hedge	SWBCCAL19	Investment entity	MWh	-
MEFF Power hedge	SWBCCAL21	Investment entity	MWh	1,105
MEFF Power hedge	SWBCMOCT19	Investment entity	MWh	76,860
MEFF Power hedge	SWBCQ319	Investment entity	MWh	230,580
MEFF Power hedge	SWBCQ419	Investment entity	MWh	203,920
Total				368,090
Power Purchase Agreements	CAL20_26	Investment entity	MWh	5,247,976

The net amounts of these transactions at year end total 5.6 million euros and have been recorded as follows:

	Sep. 30, 2019
Non-current derivatives (asset)	4,310,930
Current derivatives (asset)	3,856,917
Non-current derivatives (liability)	-684,120
Current derivatives (liability)	-1,867,661
	5,616,066

Additionally, the cash account includes 982 thousand euros corresponding to daily settlements of outstanding derivatives (3.4 million euros at September 30, 2018).

At 2017-18 year end the Company had arranged derivatives that met the requirements detailed in (Note 3f) on measurement policies to be classified as hedging instruments. The breakdown is as follows:

2017-18					
				Fair value	
Description of the hedge	Type (*)	Entity	Underlying	Assets	Liabilities
European Energy Hedge	FEBMOCT18	Investment entity	MWh	101,008	-
European Energy Hedge	FEBQAPR19	Investment entity	MWh	(11,925)	-
European Energy Hedge	FEBQJAN19	Investment entity	MWh	(33,896)	-
European Energy Hedge	FEBQJUL18	Investment entity	MWh	0	-
European Energy Hedge	FEBQJUL19	Investment entity	MWh	(19,210)	-
European Energy Hedge	FEBQOCT18	Investment entity	MWh	342,532	-
European Energy Hedge	FEBQOCT19	Investment entity	MWh	(16,678)	-
European Energy Hedge	FEBYJAN18	Investment entity	MWh	(238,841)	-
European Energy Hedge	FEBYJAN19	Investment entity	MWh	2,376,096	-
European Energy Hedge	FEBYJAN20	Investment entity	MWh	666,091	-
European Energy Hedge	FEBYJAN21	Investment entity	MWh	49,056	-
European Energy Hedge	FEBYJAN22	Investment entity	MWh	(5,606)	-
European Energy Hedge	FEBYJAN23	Investment entity	MWh	(18,746)	-
European Energy Hedge	FEBYJAN24	Investment entity	MWh	(21,609)	-
European Energy Hedge	FEBMNOV18	Investment entity	MWh	121,200	-
MEFF Power Hedge	SWBCCAL18	Investment entity	MWh	696,276	-
MEFF Power Hedge	SWBCQ318	Investment entity	MWh	207,821	-
MEFF Power Hedge	SWBCQ418	Investment entity	MWh	9,122	-
				4,202,692	-

(*) The maturity of this hedging instrument coincides with the year in which the hedged cash flows are expected to take place and affect the income statement.

The amounts recognized in equity and income statement during the year related to the hedging transactions above are as follows:

	Sep. 30, 2019	Sep. 30, 2018
Amount recognized in equity - Profit / (loss)	3,483,611	5,056,031
Amount recorded directly in income statement - Profit / (loss)	-1,126,891	5,045,754
	2,356,719	10,101,785

(*) According to their nature, they are included in the consumption of goods caption.

17. Nature and extent of risks arising from financial instruments

Qualitative information

The Company centralizes financial risk management in the Finance Department, which has the necessary mechanisms in place to control exposure to fluctuations in interest rates, as well as to credit and liquidity risk. The main financial risks to which the Company is exposed are as follows:

a) Credit risk

In general, the Company keeps their cash and cash equivalents in financial entities with high credit ratings, and there is no significant concentration of credit risk with third parties. The guarantees deposited at the market operators (OMIE, MIBGAS and REE) mature within less than 12 months.

	Sep. 30, 2019	Sep. 30, 2018
No due	23,560,325	15,970,687
Past due, not impaired		
Less than 30 days	480,247	440,410
Between 30 and 60 days	376,878	238,787
More than 60 days	3,242,773	1,579,759
	27,660,223	18,229,643
Doubtful receivables	1,144,043	663,862
Impairment allowances	-1,144,043	-663,862
TOTAL	27,660,223	18,229,643

b) Liquidity risk

Market risk exists when a potential loss may arise from fluctuations in the fair value or future cash flows of a financial instrument due to changes in market prices. Market risk comprises interest rate risk, currency risk, and other price risks.

In order to ensure ongoing liquidity and the ability to service all payment commitments arising from its activity, the Company holds the cash balances reflected in the balance sheet and the credit lines detailed in the note about financial institutions (Note 14b).

As a result of the Company's growth strategy, at the reporting date of the interim financial statements (June 30, 2019), and also at the reporting date of the year ended September 30, 2018, the Company shows negative working capital.

However, the Directors consider that this situation is only due to the growth strategy, and that the available facilities (Note 14.b) and the cash inflow derived from the capital increase carried out on July 26, 2019 and November 21, 2019 amounting to 10 and 30 million euros, respectively (Notes 12 and 23), mitigate any related risk.

c) Market risk

Both cash and interest-bearing debt are exposed to interest rate risk, since almost the entire interest-bearing debt is linked to variable interest rates. However, it is estimated that in no case will they have a negative impact on the financial results or cash flows.

As for the market price risk of energy, the Company's policy is to arrange hedging financial instruments to minimize fluctuations in the Megawatt-hour (MWh) market price of energy (Note 16) and thus ensure trade margin.

18. Taxes

The breakdown of this heading in the interim financial statements at September 30, 2019 and September 30, 2018 is as follows:

	Sep. 30, 2019			
	Debit balances		Credit balances	
Item	Non-current	Current	Non-current	Current
Value Added Tax				627,194
Canary Islands general indirect tax		139,638		
Current income tax assets		1,810		
Deferred tax assets	1,683,290			
Deferred tax liabilities			1,161,204	
Electricity tax				812,110
Gas tax				5,131
Personal income tax				90,107
Social Security agencies		9,373		139,743
	1,683,290	150,821	1,161,204	1,674,285

	Sep. 30, 2018			
	Debit balances		Credit balances	
Item	Non-current	Current	Non-current	Current
Value Added Tax		56,763		
Canary Islands general indirect tax		32,808		
Current income tax assets		281		
Deferred tax assets	1,517,822			
Deferred tax liabilities			1,685,344	
Electricity tax				549,046
Gas tax				3,142
Personal income tax				86,455
Social Security agencies				136,944
	1,517,822	89,852	1,685,344	775,587

The reconciliation of profit before tax for the 2018-2019 year with tax results is as follows:

	2019		2018	
	Tax accrued	Tax payable	Tax accrued	Tax payable
Profit before income tax	602,833	602,833	175,902	175,902
Adjustments to profit	55,951			
Permanent differences			41,567	41,567
Temporary differences arising in prior years				
Tax result	**658,784**	**602,833**	**217,469**	**217,469**
Utilization of tax loss carryforwards arisen in prior years	-658,784	-602,833	-217,469	-217,469
Taxable income (tax result)	658,784	602,833	217,469	217,469
Total tax liability (25% of tax result)	-164,696	-164,696	-54,367	-54,367
Deductions	330,164		259,606	259,606
Net tax payable	**165,468**	**-164,696**	**205,239**	**205,239**
Withholdings and payments on account		1,535		281
Income tax expense / Income tax refund	**165,468**	**1,535**	**205,239**	**281**

Deferred tax assets recorded

The breakdown of the balance of this account in euros is as follows:

Item	Sep. 30, 2019		Sep. 30, 2018	
	Amount	Maturity	Amount	Maturity
Tax credits related to unused tax loss carryforwards	759,750	no maturity	594,282	no maturity
Unused deductions:				
2014 deduction for investment of profit	29,604	2029	29,604	2029
2011 deduction for IT	1,482	2026	1,482	2026
2012 deduction for IT	1,978	2027	1,978	2027
2013 deduction for IT	4,678	2028	4,678	2028
2014-15 deduction for IT	24,278	2029	24,278	2029
2015-16 deduction for IT	282,753	2030	282,753	2030
2016-17 deduction for IT	297,887	2031	297,887	2031
2017-18 deduction for IT	259,637	2032	259,637	2032
2018-19 deduction for IT	330,164	2033		
2014-15 deduction for donation	729	2030	729	2030
2016-17 deduction for donation	4,200	2030	4,200	2030
Temporary differences				
2013-15 Amortization (30%)	16,314	2,025	16,314	2025
	2,013,454		1,517,822	

Technological innovation deductions derive from the technological transformation project that the Company is developing (Note 5) and independent experts have certified that they meet the R&D&i requirements set forth in article 35 of Law 27/2014, of November 27, on the Income Tax.

The above-listed deferred tax assets have been recognized in the balance sheet due to the Directors' belief, based on the best estimate of the Company's future profits, that it is expected that these assets will be recovered.

Deferred tax liabilities recognized

The breakdown of this account is as follows:

Temporary differences (deferred tax liabilities)	Sep. 30, 2019	Sep. 30, 2018
Hedging transactions	1,161,204	1,685,344
	1,161,204	1,685,344

Years open to inspection and tax inspections

Under prevailing tax regulations, tax returns may not be considered final until they have either been inspected by tax authorities or until the four-year inspection period has expired. At September 30, 2019, the Company is open to inspection for the income tax for 2014 and subsequent years and for all other applicable taxes for 2015 and subsequent years. The Company's Directors consider that all applicable taxes have been duly paid so that even in the event of discrepancies in the interpretation of prevailing tax legislation with respect to the treatment applied, the resulting potential tax liabilities, in the event that they materialize as a result of a tax inspection, would not have a material impact on the financial statements at September 30, 2019.

19. Income and expenses

a) Revenue

The distribution of revenue by activity and geographical segments is as follows:

Activities	Sep. 30, 2019	Sep. 30, 2018
Marketing of electricity	163,249,177	111,610,862
Marketing of gas	6,746,010	3,000,190
Representation of electricity	35,904,897	35,621,990
	205,900,083	150,233,042

Revenue has been generated solely in Spain.

b) Energy consumption

Net purchases	Sep. 30, 2019	Sep. 30, 2018
Purchase of electricity from the market	146,742,716	105,971,463
Purchase of gas from the market	5,677,339	2,580,346
Purchase of electricity for representation	36,283,231	36,812,373
Cost of financial derivatives	1,126,891	-5,045,754
	189,830,177	140,318,428

All purchases are made in the Spanish market.

c) Other operating income

At September 30, 2019 operating income mostly correspond to management fees rebilled to the parent company (Holaluz-Clidom) and subsidiaries (Clidomer and Clidom Solar).

d) Employee benefits expense

Employee benefits expense	30.6.19	30.6.18
Wages and salaries	4,693,986	3,865,474
Social security paid by the company	1,264,092	942,579
Other employee welfare expenses	148,234	131,134
	6,106,313	4,939,187

e) External services

External services	Sep. 30, 2019	Sep. 30, 2018
Lease payments (*)	448,656	470,747
Repairs and maintenance	384,474	13,571
Independent professional services	2,360,959	953,593
Insurance premiums	86,700	103,142
Bank services	275,976	278,055
Publicity, advertising and public relations	2,671,563	1,844,881
Utilities	501,433	360,820
Other services	704,518	622,612
	7,434,278	4,647,421

(*) note 7.1 (leases)

f) Depreciation and amortization

	Sep. 30, 2019	Sep. 30, 2018
Property, plant and equipment	142,583	107,312
Intangible assets	2,454,241	1,342,349
	2,596,824	1,449,661

g) Other gains/(losses)

	Sep. 30, 2019	Sep. 30, 2018
Non-recurring expenses	149,198	41,567
(Non-recurring income)	-101,262	-383,030
	47,936	-341,463

h) Finance costs

	Sep. 30, 2019	Sep. 30, 2018
Interest on bank borrowings	677,217	252,409
Interest on discounted bills at other financial institutions	19,599	1,495
	696,816	253,904

20. Information on environmental issues

The Company's activity and fixed assets do not fall within the scope of application of the European regulations on CO2 emissions. Thus, the Company has no provisions for environmental risks and expenses since it considers that no risks exist for this matter.

Consequently, there have been no environmental investments during the period comprised between September 30, 2018 and September 30, 2019.

21. Related-party transactions

Company transactions in 2018-19 and 2017-18 with related parties, as well as the nature of the relationship, were as follows:

Related party	Nature of the relationship
Carlota Pi Amorós	Shareholder and Director
Ferran Nogué Collgròs	Shareholder and Director
Oriol Vila Grifoll	Shareholder and Director
Carles Leg Clos	Shareholder
Fondo Axon ICT III, FCR de Rég. Simplificado	Shareholder
Axon Capital e Inversiones	Shareholder and Director
Geroa Pentsioak	Shareholder and Director
Clidomer Unipessoal	Group company
Clidom Solar, S.L.	Group company
Clidom France	Group company
Clidom Italia	Group company
Orwell Power, S.L.	Group company
Clidom Generación, S.L.	Group company

a) Related entities

The breakdown of balances with related entities and group companies is as follows:

	CLIDOMER	CL. SOLAR	CL. ITALIA	CL. FRANCE	ORWELL POWER	CL. GENERACIÓN	TOTAL
NON-CURRENT LOANS TO GROUP COMPANIES	980,922		15,100		25,000		1,021,022
TRADE RECEIVABLES FROM GROUP COMPANIES AND ASSOCIATES	267,152	1,358,837	6,582	8,495			1,641,066
CURRENT PAYABLES TO GROUP COMPANIES							0
CURRENT INVESTMENTS IN GROUP COMPANIES							0
	1,248,074	1,358,837	21,682	8,495	25,000	0	2,662,088

	CLIDOMER	CL. SOLAR	CL. ITALIA	CL. FRANCE	ORWELL POWER	TOTAL
NON-CURRENT LOANS TO GROUP COMPANIES	130,082					130,082
TRADE RECEIVABLES FROM GROUP COMPANIES AND ASSOCIATES	28,304	300,285	6,583	8,495		343,667
CURRENT PAYABLES TO GROUP COMPANIES				162		162
CURRENT INVESTMENTS IN GROUP COMPANIES						0
	158,386	300,285	6,583	8,657	0	473,911

The breakdown of transactions with group companies is as follows:

	2018-19
CLIDOMER	238,848
CL. SOLAR	1,241,404
TOTAL	1,480,251

Transactions correspond to income from management fees. All transactions have been carried out on an arm's length basis. At September 30, 2018 the breakdown of intragroup transactions was much lower since the subsidiaries started their activity in the last quarter of the year.

	2018-19
CLIDOMER	29,709
CL. SOLAR	302,791
CL. ITALIA	6,582
CL. FRANCE	8,495
TOTAL	347,577

b) Directors and senior executives

The remuneration earned by the members of the Board of Directors at September 30, 2019 amount to 510 thousand euros (362 thousand euros in 2017-18). Senior executive duties are carried out by the members of the Board of Directors.

At September 30, 2019 and September 30, 2018 the Company had no pension plans or life insurance policies for former or current members of the Board of Directors.

At September 30, 2019 and September 30, 2018 no advances or loans had been given to senior executives or members of the Board of Directors, nor had the Company given any guarantees on their behalf.

At September 30, 2019 Directors' liability insurance premiums for damages arising in the performance of the Directors' duties have been paid for an amount of 2.2 thousand euros (9 thousand euros at 2017-18 year end).

For the purposes of article 229 of the Corporate Enterprises Act, the Directors have expressly stated that there are no situations representing a conflict of interest for the Company.

22. Other information

The average headcount during 2018-19 and 2017-18 by categories, and the breakdown of headcount by gender at year end, is as follows:

2018-2019				
		Headcount at Sep. 30, 2019		
Professional category	Average headcount	Men	Women	Disabled employees >33%
Directors	3	2	1	
Production personnel	135	72	66	3
Sales personnel	26	20	11	1
Administrative personnel	13	5	12	
	176	**99**	**90**	**4**

2017-2018				
		Headcount at Sep. 30, 2018		
Professional category	Average headcount	Men	Women	Disabled employees >33%
Directors	3	2	1	
Production personnel	116	67	64	4
Sales personnel	19	14	6	1
Administrative personnel	8	2	6	
	147	**85**	**77**	**5**

Since May 2018 the Company has complied with the Disability Act (formerly Social Integration for Disabled People Act) whereby at least 2% of the Company's staff has to include people with a disability equal to or greater than 33%, as its average headcount is higher than 50 employees.

The fees earned by the auditors of the Company for the audit of the separate and consolidated financial statements at September 30, 2019 have amounted to 65,000 euros (45,000 euros in the prior year), whereas other review services provided during the year have amounted to 25,000 euros.

23. Subsequent events

At the general meeting held on October 25, 2019 the Company's shareholders resolved to increase capital through a public offering of shares paid with monetary contributions in order to increase the Company's shareholders' equity by a maximum effective amount of 30 million euros (nominal amount + share premium). It was also resolved to make a request for all Company outstanding shares to be traded on the Alternative Stock Market (MAB; Growth Company Segment: MAB-EE by its acronym in Spanish), specifically shares issued within the public offering framework.

On November 21, 2019 the Board of Directors of the Company carried out the capital increase for an effective amount of 29,999,998.98 euros through the issuance and putting into circulation of 3,856,041 new ordinary shares with a nominal value of 0.03 euros each plus a share premium of 7.75 euros per share. Consequently, the new share issue rate is 7.78 euros per share. Therefore, the capital increase amounts to 115,681.23 euros and the corresponding share premium amounts to 29,884,317.75 euros. These amounts have been fully paid up upon subscription of the new shares.

On December 19, 2019 the Board of Directors of the Company resolved to grant two participation loans amounting to 300 thousand euros and 1.5 million euros to Clidomer and Clidom Solar, respectively, so that they could face their negative shareholders' equity situation.

No significant additional subsequent events have occurred.

AUTHORIZATION FOR ISSUE BY THE MANAGEMENT BODY OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED SEPTEMBER 30, 2019

Pursuant to prevailing legislation, the Company's financial statements for the year ended September 30, 2019 have been authorized for issue by the Directors of HOLALUZ-CLIDOM, S.A.

Additionally, the Directors hereby confirm that they have put their handwritten signature to the aforementioned documents by signing this single-sided page that accompanies the financial statements, which have been drawn up from page 1 to page 38.

Barcelona, December 30, 2019