



PRESS RELEASE

AVAX Group Financial Results 2021

Increase in Construction Activity and Work-in-Hand, Debt reduction, Discontinuation of Energy Operations

AVAX Group (the “Company”) announces its financial results for 2021, a year of regrouping due to the strategic decision by management to focus on construction and concession/PPP activities.

In 2021, the Group produced a high free cash flow which was used to relax of a significant part of debt liabilities. It also achieved a significant increase in turnover from construction and a large increase in work-in-hand, setting the ground for improved financial performance in 2022.

More specifically, according to the financial statements for 2021, consolidated turnover from continuing operations increased 28% to €592.2 million compared to €462.7 million in 2020. On a consolidated basis, taking into account continuing operations, AVAX Group presented a net after tax profit of €2.0 million in 2021 compared to a €10.5 million profit in 2020. Profit before tax, interest and depreciation (EBITDA) of the Group from continuing operations amounted to €51.0 million in 2021 versus €62.3 million in the previous year.

The drop in Group profitability is due to the impact on construction cost from international price inflation of construction materials, electromechanical equipment, fuel and transport costs, from the last months of 2020 until today. Price increases range between 25% and 70%, with no indication that this phenomenon will be reversed in coming months. The Company ensures that new contracts for private sector projects and international markets include a price revision clause for materials and fuels. For domestic public works, price increases are met to a large extent by relevant legislation.



It should be noted that 2021 financial results were burdened with extraordinary and non-operating charges due to write-off of doubtful receivables and other provisions amounting to €15.7 million, versus €17.1 million in 2020.

Net debt & leasing liabilities from continuing operations of the Group fell to €381.4 million during 2021 from €511.6 million at the end of 2020. There was a corresponding reduction in financial expenses, which amounted to €22.3 million in 2021 against €24.3 million in 2020.

Under the guidance of a financial advisor, the Company has commenced talks with interested investors for Volterra SA. For the time being, there is no agreement or conclusion of negotiations regarding the full transfer or partial sale of Volterra. The Company will publish on 27.04.2022 its financial statements for 2021, featuring the probable discontinuation of relevant operations, as per IFRS 5.

At the end of 2021, Group Work-in-Hand reached approximately €1.4 billion, compared to €1.0 billion at the end of 2020. After 31.12.2021, the group has signed new contracts, while there are several contracts pending to be signed, with a total value of around €0.8 billion. Taking into account all the above projects, the work-in-hand stands at some €2.2 billion.

Marousi, April 27, 2022
THE BOARD OF DIRECTORS