OPDENERGY HOLDING, S.A.

(incorporated in Spain in accordance with the Spanish Companies Act (“Ley de Sociedades de Capital”)

Green Commercial Paper Programme OPDENERGY 2023
Maximum outstanding balance of €100,000,000

INFORMATION MEMORANDUM (*DOCUMENTO BASE INFORMATIVO*) ON THE ADMISSION (*INCORPORACIÓN*) TO TRADING OF GREEN COMMERCIAL PAPER NOTES (*PAGARÉS VERDES*) ON THE ALTERNATIVE FIXED-INCOME MARKET (“MARF”)

OPDENERGY HOLDING, S.A., is a public limited company (*sociedad anónima*) incorporated under the laws of Spain, operating under the commercial name of “OPDENERGY”, registered with the Commercial Registry of Madrid, under section 8, volume 40,461, sheet 83, page M-718,435, with Spanish tax identification number (NIF) A-31840135 and LEI number 959800KT1FVNZ7HC1R25, and corporate address at Cardenal Marcelo Spínola, 42, 5th floor 28016, Madrid, will request the admission (incorporación) to trading of green commercial paper notes (the “**Commercial Paper**”, the “**Commercial Paper Notes**” or the “**Notes**”) that will be issued in accordance with the provisions set out in this information memorandum (the “**Information Memorandum**”) on the Alternative Fixed-Income Market (*Mercado Alternativo de Renta Fija*) (“**MARF**”). Except where the context otherwise requires or where otherwise indicated, all references to “**OPDENERGY**”, “**OPDENERGY Group**”, “**Group**”, the “**Company**” or the “**Issuer**” refer to OPDENERGY HOLDING, S.A. and its consolidated subsidiaries, except where the context otherwise requires.

The Commercial Paper Notes issued under the programme (the “**Programme**”) in accordance with the provisions set out in this Information Memorandum shall be considered green notes since they are issued under the “OPDEnergy Green Finance Framework” produced by OPDENERGY in December 2021 (the “**OPDENERGY Green Finance Framework**”) under which the Issuer issues notes and commercial paper under the Green Bond Principles (GBP).

The Alternative Fixed-Income Market (“**MARF**”) is a multilateral trading facility (“**MTF**”) in accordance with the terms of Royal Decree-Law 21/2017, of December 29, on urgent measures for adapting Spanish law to the regulations of the European Union in relation to securities markets. This Information Memorandum for the admission to trading of the Commercial Paper Notes is the one required in Circular 2/2018, of December 4, issued by MARF, on admission (*incorporación*) and removal (*exclusion*) of securities on the Alternative Fixed-Income Market (the “**Circular 2/2018**”).

Application will be made for the Commercial Paper Notes to be listed on the MARF under this Information Memorandum. The Commercial Paper will be represented by book entries and their accounting record will correspond to the *Sociedad de Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.* (“**IBERCLEAR**”) which, together with its participating entities, will be responsible for its accounting records (*registro contable*) of the Commercial Paper Notes.

An investment in the Commercial Paper involves certain risks.
Read section 1 of the Information Memorandum on Risk Factors.

Neither MARF nor the Dealers (as defined below) have carried out any kind of verification or check with regard to this Information Memorandum (Documento Base Informativo), nor on the content of the rest of the documentation and information provided by the Issuer in compliance with the requirements set forth under Circular 2/2018. The admission to MARF does not represent a statement or recognition of the fullness, comprehensibility and consistency of the documentation and information provided by the Issuer to the MARF in connection with this Information Memorandum.

The Commercial Paper Notes issued under this Programme will only be addressed to (i) qualified investors as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council, of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “Prospectus Regulation”); including (ii) eligible counterparties, as defined in Directive 2014/65/EU of the European Parliament and of the Council of May 15, 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (the “MiFID II”) and article 207 of the restated text of the Securities Market Act approved by Royal Legislative Decree 4/2015, of October 23 (Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el Texto refundido de la Ley del Mercado de Valores) (“Securities Market Act”); and (iii) professional clients, as defined in the Prospectus Regulation, MiFID II and article 205 of the Securities Market, or any provision which may replace or supplement it in the future.

No action has been taken in any jurisdiction to permit a public offering of the Commercial Paper Notes or permit the possession or distribution of the Information Memorandum (Documento Base Informativo) or any other offer material where a specific action is required for said purpose. This Information Memorandum (Documento Base Informativo) must not be distributed, directly or indirectly, in any jurisdiction in which such distribution represents a public offering of securities. This Information Memorandum (Documento Base Informativo) is not a public offering for the sale of securities nor a request for a public offering to purchase securities, and no offering of securities shall be made in any jurisdiction in which such offering or sale would be considered in breach of the applicable legislation. In particular, this Information Memorandum (Documento Base Informativo) does not represent a prospectus approved and registered with the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores) (the “CNMV”) and the subscription of the Commercial Paper issued under the Programme does not represent a public offering pursuant to the provisions set out in Article 34 of the Securities Market Act, which excludes the obligation to approve, register and publish a prospectus with the CNMV.

DEALERS (*ENTIDADES COLABORADORAS EN LA COLOCACIÓN*)
BANCO SANTANDER, S.A. BESTINVER SOCIEDAD DE VALORES, S.A. BANCA MARCH, S.A.

DEAL ARRANGER AND GREEN STRUCTURING AGENT
BANCO SANTANDER, S.A

PAYING AGENT
BANCO SANTANDER, S.A.

REGISTERED ADVISOR
PRICEWATERHOUSECOOPERS TAX & LEGAL, S.L.

The date of this Information Memorandum (*Documento Base Informativo*) is January 3, 2022

IMPORTANT NOTICE

Any potential investor should not base its investment decision on information other than (i) the information contained in this Information Memorandum and (ii) the public information of the company available on the websites of the Company (https://www.opdenergy.com) and the Commercial Registry of Madrid (www.rmercantilmadrid.com). None of the Dealers takes any responsibility for the contents of this Information Memorandum or of any public information. The Dealers have entered into several collaboration agreements with the Issuer to place the Commercial Paper but neither the Dealers nor any other entity has accepted any undertaking to underwrite the Commercial Paper Notes. This is without prejudice to the Dealers being able to acquire part of the Commercial Paper Notes in their own name.

There is no guarantee that the price of the Commercial Paper Notes in the MARF will be maintained. There is no assurance that the Commercial Paper Notes will be widely distributed and actively traded on the market because at this time there is no active trading market. Nor is it possible to ensure the development or liquidity of the trading markets for the Commercial Paper Notes.

FORWARD-LOOKING STATEMENTS

This Information Memorandum may include statements that are, or may be deemed to be, forward-looking statements. These forward-looking statements include, but are not limited to, statements other than statements of historical facts contained in this Information Memorandum, including, but without limitation, those regarding our future financial condition, results of operations and business, our products, acquisitions, dispositions and finance strategies, our capital expenditure priorities, regulatory or technological developments in the market, subscriber growth and retention rates, potential synergies and cost savings, competitive and economic factors, the maturity of our markets, anticipated cost increases, liquidity and credit risk. In some cases, you can identify these statements by terminology such as "aim," "anticipate," "believe," "continue," "could," "estimate," "expect," "forecast," "guidance," "intend," "may," "plan," "potential," "predict," "project," "should," and "will" and similar words used in this Information Memorandum.

By their nature, forward-looking statements are subject to numerous assumptions, risks and uncertainties. Many of these assumptions, risks and uncertainties are beyond our control. Accordingly, actual results may differ materially from those expressed or implied by the forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding our present and future business strategies and the environment in which we operate. We caution readers not to place undue reliance on the statements, which speak only as of the date of this Information Memorandum, and we expressly disclaim any obligation or undertaking to disseminate any updates or revisions to any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based.

Where, in any forward-looking statement, we express an expectation or belief as to future results or events, such expectation or belief is expressed in good faith and believed to have a reasonable basis, but there can be no assurance that the expectation or belief will result or be achieved or accomplished. Risks and uncertainties that could cause actual results to vary materially from those anticipated in the forward-looking statements included in this Information Memorandum include those described under section 1"*Risk Factors*" below.

We do not undertake any obligation to review or confirm analysts' expectations or estimates or to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date of this Information Memorandum.

We disclose important factors that could cause our actual results to differ materially from our expectations in this Information Memorandum. These cautionary statements qualify all forward-looking statements attributable to us or persons acting on our behalf. When we indicate that an event, condition or circumstance could or would have an adverse effect on us, we mean to include effects upon our business, financial and other conditions, results of operations and the Issuer's ability to make payments under the Commercial Paper Notes.

This list of factors that may affect future performance and the accuracy of forward-looking statements is illustrative, but by no means exhaustive, and should be read in conjunction with other factors that are included in this Information

Memorandum. See "*Risk Factors*" at section 1 below and "*Description of Our Business*" at section 2.5. below for a more complete discussion of the factors that could affect our future performance and the markets in which we operate. All forward-looking statements should be evaluated in light of their inherent uncertainty.

We operate in a competitive and rapidly changing environment. New risks, uncertainties and other factors may emerge that may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results. Except as required by law or the rules and regulations of any exchange on which our securities are listed, we expressly disclaim any obligation or undertakings to release publicly any updates or revisions to any forward-looking statements contained in this Information Memorandum to reflect any change in our expectations or any change in events, conditions or circumstances on which any forward-looking statement contained in this Information Memorandum is based.

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PRODUCT GOVERNANCE RULES UNDER MIFID II. THE TARGET MARKET WILL ONLY BE ELIGIBLE COUNTERPARTIES AND PROFESSIONAL CLIENTS

Exclusively for the purposes of the approval of the Commercial Paper Notes as financial instruments or “product” (process to be carried out by each manufacturer, following the assessment of the target market for the Commercial Paper), it has been concluded that: (i) the target market for the Commercial Paper is "**eligible counterparties**" and "**professional clients**" only, as each of these terms is defined in Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directives 2002/92/EC and 2011/61/EC (as amended from time to time, "**MiFID II**"), and (ii) all channels of distribution of the Commercial Paper to eligible counterparties and professional clients are appropriate.

Any person who, after the initial placement of the Commercial Paper, offers, sells, places, recommends or otherwise makes available the Commercial Paper (for these purposes, a "**distributor**") shall consider the manufacturer’s target market assessment. However, any distributor subject to MiFID II is responsible for carrying out its own target market assessment in respect of the Commercial Paper (by either adopting or refining the manufacturer’s target market assessment) and determining appropriate distribution channels.

PROHIBITION ON SELLING TO RETAIL INVESTORS

The Commercial Paper is not intended to be offered, sold or made available in any other way, nor should it be offered, sold or made available, to retail investors in the European Economic Area (the "**EEA**").

For these purposes, "**retail investor**" means a person who meets either or both of the following definitions:

(i) “retail client” within the meaning of section (11) of article 4(1) of MiFID II, and “**client**” having the meaning of Directive 2002/92/EC, provided that the relevant person cannot be classed as a professional client based on the definition contained in section (10) of article 4(1) of MiFID II; or

(ii) “retail client” according to the implementing legislation of MIFID II in any Member State of the EEA (in particular, in Spain, according to the definition of article 204 of the Securities Market Act and its implementing legislation).

Accordingly, no key information document required by Regulation (EU) No. 1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (as amended from time to time, the “**PRIIPs Regulation**”), has been prepared for the purposes of offering or selling the Commercial Paper or otherwise making the Commercial Paper available to retail clients in the EEA and therefore such activities may be unlawful pursuant to the provisions of the PRIIPs Regulation.

In the United Kingdom, this document and the Commercial Paper would only be distributed to, and are intended for, and any investment and investment activity in the Commercial Paper referred to in this document is available only to, and will be subscribed to only by, “**qualified investors**”, as defined in section 86(7) of the Financial Services and Markets Act 2000 (i) who are persons with professional experience in matters relating to investments falling within the definition of “investment professionals” in section 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) who are high net worth entities within section 49(2)(a) to (d) of the Order (together, all such persons shall be described as “**relevant persons**”). Persons who are not relevant persons should not take any action on the basis of this communication document and should not act on or rely on it.

The Commercial Paper have not been, nor will be, registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”) or under the securities laws of any state or other jurisdiction in the United States of America. The Commercial Paper may not be offered, sold, exercised or otherwise transferred in the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state or other jurisdiction of the United States of America. There is no intention to register any Commercial Paper in the United States or to make an offer of any securities in the United States.

ADMISSION TO TRADING OF GREEN COMMERCIAL PAPER NOTES (*PAGARÉS VERDES*) PURSUANT TO OPDENERGY GREEN FINANCE FRAMEWORK

The Issuer has structured the Commercial Paper Notes to be issued under the Programme to qualify as a "*green finance instrument*" in accordance with the "Opdenergy Green Finance Framework" developed by the Issuer in December 2021 (as amended or supplemented from time to time, the "**Opdenergy Green Finance Framework**") under which the Issuer issues bonds and commercial paper notes pursuant to the Green Bond Principles (GBP) and enters into financing agreements pursuant to the Green Loan Principles (GLP), the proceeds of which are intended to finance the working capital of the Issuer and other companies of our Group and contribute to our strategic plan of becoming a relevant independent power producer (IPP) in the market, for which the Issuer has obtained a second party opinion from Sustainalytics on December 19, 2022, a professional firm belonging to the Morningstar group and one of the world's leading providers of environmental, social and corporate governance (ESG) services ("**Sustainalytics**") confirming that Opdenergy Green Finance Framework is credible, has a positive impact, and is aligned with the four core principles of the GBP and GLP: use of proceeds, project evaluation/selection, management of proceeds and reporting.

None of the Lead Arranger, the Green Structuring Agent, the Dealers, the Registered Advisor and the Paying Agent will verify or monitor the proposed use of proceeds for any of the Commercial Paper Notes and no assurance is given by the Lead Arranger, the Green Structuring Agent, the Dealers, the Registered Advisor, the Paying Agent or any other person that the use of the proceeds of issue of any of the Commercial Paper Notes will satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which any investor or its investments are required to comply.

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1. RISK FACTORS

An investment in the Commercial Paper Notes involves risks. Before purchasing the Commercial Paper Notes, you should consider that investing in these Commercial Paper Notes involves substantial risks. Investors should carefully consider the risks and uncertainties described below, together with the other information contained in the Information Memorandum, before making any investment decision with respect of the Commercial Paper Notes. The risks described below may not be the only risks the Company and our Group face. Only those risks that the Company as Issuer currently considers to be material are described and there may be additional risks that the Issuer does not currently consider to be material or of which the Issuer is not currently aware. Any of the following risks and uncertainties could have a material adverse effect on the Group's business, prospects, results of operations and financial condition. Each of the risks highlighted below could adversely affect the trading or the trading price of the Commercial Paper Notes or the rights of investors under the Commercial Paper Notes and, as a result, investors could lose some or all of their investment. Prospective investors should read the entire Information Memorandum, including its Schedules.

The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materializing, of the potential significance of the risks or of the scope of any potential harm to the Issuer's business, prospects, results of operations and financial condition.

Potential investors should consider carefully and fully understand the risks set forth in this section, along with all other information contained in this Information Memorandum and reach their own view prior to making any investment decision.

1.1. Risks relating to our Business and Industry

1.1.1. Risks derived from the uncertainty and limitations to business activities originated by the crisis resulting from COVID-19 pandemic, the military conflict between Russia and Ukraine, the increase of inflation and other geopolitical and macroeconomic events have caused severe disruptions in the Spanish and the global economy and could potentially create widespread business continuity issues of unknown magnitude and duration, which may impact our liquidity and access to capital.

The economic performance among the Eurozone in 2021 has overall been positive because of the implementation of different measures throughout the year to contain the COVID-19 expansion, as well as a result of the economic slowdown experienced in 2020.

Other factors such as (i) international tensions arising from international politics, for example, US foreign policy and conflicts between the US and China; (ii) the financial situation and uncertainty on the international scene; (iii) geopolitical tensions that have led to Russia's military invasion of Ukraine; (iv) the migration crisis in Europe; and (v) terrorist and military actions carried out in Europe and other parts of the world, could negatively affect the global economic situation, the Eurozone and Spain.

According to the estimates published by Eurostat, the statistical office of the European Union, in the third quarter of 2022, seasonally adjusted GDP increased by 0.3% in the Eurozone and by 0.4% in the European Union compared with the previous quarter. Compared with the same quarter of the previous year, seasonally adjusted GDP increased by 2.3% in the Eurozone and by 2.2% in the European Union in the third quarter of 2022 (source: Eurostat – Euroindicators – 121/2022 and 128/2022 - December 15, 2022, https://ec.europa.eu/eurostat).

As regards Spain, according to the estimates published by the OECD, growth is projected to grow by 1.3% in 2023 and 1.7% in 2024, after the 4.7% already registered for 2022, due to heightened uncertainty, high inflation and slower external demand. Household savings accumulated during the pandemic, the fiscal package to mitigate the effects of the war, continued recovery in employment and the Next Generation EU funds will support domestic demand. The ongoing recovery in tourism will also support growth. Headline inflation will moderate in 2023, but remain high (source: OECD Economic outlook, volume 2022, https://www.oecd.org/economy/spain-economic-snapshot/).

In particular, as regards Russia's military invasion of Ukraine initiated at the end of February 2022 and the possibility of the war spreading to other countries, especially in Europe, it is already contributing to further increases in the prices of energy, oil and other commodities, to volatility in financial markets globally and a new landscape in relation to international sanctions, as well as having a significant negative impact on capital market activity. Fixed income issuance has been reduced and debtors are bearing higher financial costs.

The expansionary monetary policies of central banks, including the European Central Bank (the "**ECB**") in response to the financial crisis of 2008 and the more recent COVID-19 pandemic, coupled with low interest rates, and misalignments in supply chains as a result of strong global demand following the exit from the COVID-19 crisis, and all this heightened by Russia's military invasion of Ukraine, which began in February 2022, have pushed up the cost of oil, gas and electricity, causing a sharp increase in inflation in Spain. In particular, as regards the Eurozone, year-on-year inflation in November was 10.1%, compared with 10.6% in October, the highest rise in prices in the Eurozone in the entire historical series and more than four times the ECB's 2% price stability target, according to data published by Eurostat, (source: https://ec.europa.eu/eurostat).

This scenario of strong inflation rates is causing the various central banks to raise official interest rates as a measure to reduce high inflation rates.

As a result, the Governing Council decided to raise the three key ECB interest rates by 50 basis points. Accordingly, the interest rate on the main refinancing operations and the interest rates on the marginal lending facility and the deposit facility will be increased to 2.50%, 2.75% and 2.00% respectively, with effect from 21 December 2022 (source: https://www.ecb.europa.eu/press/pr/date/2022/html/ecb.mp221215~f3461d7b6e.en.html).

We cannot assure that conditions in the bank lending, capital and other financial markets will not continue to deteriorate as a result of any of these macroeconomic factors or that our access to capital and other sources of funding will not become constrained, which could adversely affect the availability and terms of future borrowings, renewals or refinancing. We may be required to raise additional capital in the future and our access and cost of financing will depend on, among others, global economic conditions, conditions in the global financing markets, the availability of sufficient amounts, our prospects and our credit ratings.

In addition, the terms of future debt agreements could include more restrictive covenants or require incremental collateral, which may restrict our business operations or make such debt unavailable due to our covenant restrictions then in effect. There is no guarantee that debt financings will be available in the future to fund our obligations, or that they will be available on terms consistent with our expectations.

We depend upon our operations to generate strong cash flows to support our operating activities, supply capital to finance our operations and growth, make capital expenditure and manage our debt levels. The continuing economic disruption caused by the aforesaid factors could adversely affect our ability to generate sufficient cash flows from operations and could adversely affect our ability to make payments of future interest and other payments with respect to our indebtedness and other obligations, including payments on the Commercial Paper Notes and to fund capital expenditure, which could negatively impact the quality of our service, our competitiveness and customer satisfaction, which could in turn have a negative impact on our revenue, operating profit and cash flows. In addition, since we have fixed costs which we cannot significantly or rapidly decrease when demand for our products or services decreases, such as personnel costs and costs related to our infrastructure any resulting decline in our revenue, particularly in the event of a future resurgence of the COVID-19 pandemic, may have a material adverse effect on our net cash flows, margins and profits.

1.1.2. Difficulties in connecting to distribution or transmission grids, a lack of transmission capacity or potential upgrade costs to the transmission grid could significantly impact our ability to build our plants and to sell the electricity that we generate.

In order to sell the electricity generated by our renewable energy plants, we must connect them to the public distribution grid and to the electrical transmission grid. As a result, our ability to build a renewable energy plant at a given location depends significantly on our ability to connect it to the distribution and/or transmission grids.

Because the available sites for building plants are in certain cases located far from the nearest distribution and/or transmission grids, we can give no assurance that we will obtain adequate grid connections within the expected time periods and at the expected cost, in particular in emerging markets (such as Mexico and Chile, where we operate, or Colombia where our projects are at an initial stage of development and our pipeline is currently classified as "Identified Opportunities") in which grid managers may not necessarily have sufficient experience in connecting renewable energy production facilities to the relevant grids. In addition, variation in expected costs may result from multiple factors including, among others, available land, land agreements conditions, geological survey conditions, distance, environmental mitigations and technical circumstances. In this regard, the grid operator (Red Eléctrica) has recently pointed out the potential grid congestion issues in Spain and introduced the possibility of auctioning the connection nodes in the future, which could potentially affect the available capacity in the grid for our pipeline projects. A lack of available capacity in the grid could substantially impact our projects and cause reductions in plant size, delays in project implementation, cancellation of projects, increases in costs from transmission upgrades and potential forfeitures of any guarantees we have provided.

In our solar PV plants in Spain, Chile and Mexico, we may be subject to curtailments due to deviations or instructions from the grid operator (REE / CEN / CENACE) or the distribution operator. These instructions are automatically applied by the plants and outside of our control, as they affect to all the power plants connected to the same grid and not specifically ours.

A lack of available capacity in the grid, due to congestion, overproduction by connected facilities or excessive fluctuations in electricity market prices could substantially impact our projects and cause reductions in plant size, delays in project implementation, cancellation of projects, increases in costs from transmission upgrades and potential forfeitures of any guarantees we have provided. In this respect, we consider that Spain, Italy, the United Kingdom and the United States are mature and constrained markets. In the United States we are present in the MISO (Midcontinent Independent System Operator), CAISO (California Independent System Operator), NYSERDA (New York State Energy Research and Development Authority) and PJM (Pennsylvania—Jersey—Maryland). All of them are mature and constrained markets in certain substations.

Lack of capacity could also cause the grid manager to request us to reduce our supply to the grid to below our regular production capacities (known as grid curtailment). Such grid curtailment requests automatically result in a loss of revenue generated by the affected plants and a reduction in their profitability (this reduction being greater for a producer of renewable energy, for whom production costs are fixed and the resources cannot be stored, than for a producer of non-renewable energy, whose production costs are variable and the resources can be easily stored).

Any of the above factors may have a material adverse effect on our business, financial condition, results of operations and prospects.

1.1.3. We may not be able to complete projects Under Construction or at a Pre-Construction stage in a timely and efficient manner, or at all.

As of the date of this Information Memorandum, we have a portfolio of Operating, Under Construction and Pre-Construction renewable energy plants with a gross installed capacity of c.2.4 GW, of which approx. 1,186 MW correspond to our Construction assets located in Spain and USA. Our operating and Under Construction plants with an aggregate gross installed capacity of c. 1,770 MW (including plants in respect of which we own non-controlling interests) and an attributable installed capacity of c. 1,655 MW.

In addition, we have a portfolio of pipeline projects (comprised of "Farm-Down ", "Advanced Stage", "Early Stage" and "Identified Opportunities" projects, with an aggregate potential gross targeted installed capacity of c. 11.2 GW, of which c.1.7 GW correspond to projects categorized as Advanced Stage, our pipeline's most mature phase and which we expect to undertake in the short to medium term (this is, from 2023 to 2025). However, not all our Advanced Stage projects are included under our 2025 Target and thus, we will have to look for additional fund sources (whether in the form of financing or equity) apart from our available funds in order to develop them. To this extent, if we are not able to successfully access the relevant funds needed, we might not be able to proceed with the development of such projects within the pipeline.

Even when a PPA and financing have been secured for a project, such project remains subject to risks in the construction phase relating in particular to equipment and engineering, procurement and construction ("**EPC**") performance and subject to risk of obtaining connection to the grid. The inability to complete construction or to connect the plant to the grid, or to complete it on a timely basis, may result in contractual defaults, termination of PPAs or impairment of assets, among other adverse consequences. In addition, time-consuming and costly litigation may result among us and the parties participating in or financing the project's construction.

When we commit to capital expenditures for project construction, we expect these investments to be recoverable. However, there can be no assurance that any individual project will be completed and reach commercial operation. If these efforts are not successful, we may abandon a project Under Construction or Pre-Construction and write-down the costs incurred in connection with such project and be claimed the guarantee granted and/or application penalties provided under the relevant PPA or even cancelation of the PPA. According to our records, as of the date of this Information Memorandum we have not abandoned in the past any project Under Construction or at a Pre-Construction stage but we may have to do so in the future. Further, ineffective project management and execution in the construction phase (in particular in relation to wind plants and to our Projects in the United States, in respect of which we have externalised and subcontracted its construction with a third party EPC contractor and we might do so in the future) could result in delays or unanticipated cost overruns in respect of completed projects, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.1.4. We are exposed to the risk of fluctuations in market interest rates affecting cash flows and the market value of debt in respect of items on the balance sheet (debt and derivatives).

Our debt obligations under our project financing facilities, the 2022 Notes (until its redemption) and working capital facilities carry variable interest rates. In respect of the project financing, we hedge between 70-75% of our outstanding debt. Therefore, we are significantly exposed to interest rate risk.

Variable interest rates are affected by macroeconomic conditions; as a result of the current global economic situation, it is expected that central banks will accelerate the speed of interest rates increases to manage inflation rates. In particular, the European Central Bank ("ECB") have issued several assessment in respect of the inflation and growth data from December 2021 onwards.

The economy has been experiencing adverse conditions, especially since the beginning of the start of the ongoing tensions and intermittent warfare between Ukraine and Russia. The conflict and the risk of the war spreading to other countries may involve a further increase in the prices, which could have a material negative impact on our activities, operating result and financial situation. Following a series of exceptional energy price shocks, the intermittent conflict has triggered inflation to remain at very high levels in 2022, before easing slowly towards target levels. Inflation is set to average 8.4% in 2022, 6.3% in 2023 and 3.4% in 2024 (Source: December 2022 ECB Macroeconomic Projections). The worsening of the financial situation could lead the ECB to agree to further rises in interest rates which could have a negative impact on the unhedged floating rate debt of the Company or the Group or on the possible future contracting of new financing for the Group or on the supplier default rate. This increase in interest rates would result in an increase of our finance costs relating to our variable rate indebtedness (both our existing indebtedness and new debt).

While we seek to mitigate our exposure to interest risk fluctuations, by entering into interest rate hedging agreements, we may not be able to adequately hedge our interest rate risk immediately as it arises or may only do so on unfavourable economic terms. Around 30-25% of our project finance facilities is not covered by hedging agreements.

Notwithstanding the above, interest rate fluctuations and particularly the expected upcoming increases in interest rates, could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.1.5. Legal and regulatory risks

Unfavourable changes in regulation and government policies supporting renewable energies

Our activities are to a certain extent dependent on incentive-based public policies in the countries in which we operate, which aim to promote the production and sale of energy from renewable resources. Depending on the country, these measures may take the form of state commitments and plans for renewable energy production, direct or indirect subsidies to operators, purchase obligations at regulated rates, pricing rules for electricity produced from renewable resources, renewable energy supply quotas imposed on non-state professional consumers, the issuance of tradable green certificates, priority access to the distribution and transmission grids and tax incentives. These policies and mechanisms typically enhance the commercial and financial viability of renewable energy plants and often make it easier for us to secure financing. The availability and supportiveness of such policies and mechanisms depend on political and policy developments relating to environmental concerns in a given country or region, which can be affected by a wide range of factors, including macroeconomic conditions, the financial condition of the electricity industry (particularly in view of potential revenue shortfalls to remunerate for regulated services and activities), changes in governments and lobbying efforts by various affected stakeholders (including the renewable power industry), other producers and consumers of electricity, environmental groups, agricultural businesses and others. In addition, the existence of public tender processes depends to a large extent on the commitment of countries and regions to the promotion of renewable energy production within their territories.

Any reversal of, or unfavourable changes to, such governmental incentive policies, or interpretive issues and uncertainties around their implementation, or any decrease in the number of public calls for tenders or in the volumes of energy allocated through them, could have a material adverse effect on our business, financial condition, results of operations and prospects.

For example, in Spain, there has been a temporary adjustment to the remuneration for certain types of generation plants, in proportion to the alleged greater revenue obtained by those plants by internalizing in the price of electricity on the wholesale market the increase in price of natural gas on international markets by marginal emissions technologies (such as combined cycle technology), as a consequence of the recent enactment of (i) Royal Decree-Law 17/2021, of September 14, on urgent measures to mitigate the impact of the rise in natural gas prices on the retail gas and electricity markets (the "**Royal Decree Law 17/2021**"), (ii) Royal Decree-Law 23/2021, of October 26, on urgent energy measures for the protection of consumers and the introduction of transparency in the wholesale and retail electricity and natural gas markets (the "**Royal Decree-Law 23/2021**"), (iii) Royal Decree-Law 6/2022, of March 29, adopting urgent measures under the National Plan in response to the economic and social consequences of the war in Ukraine (the "**Royal Decree-Law 6/2022**"), and (iv) Royal Decree-Law 10/2022, May 13, establishing a temporary production cost adjustment mechanism to reduce the price of electricity on the wholesale market (the "**Royal Decree-Law 10/2022**").

In 2014, the so-called "spalma incentive" (*spalma incentivi*) (Article 26, para 2 and 3 of Law Decree no. 91 of June 24, 2014) was approved in Italy. The spalma incentive introduced a reduction of the feed-in tariffs ("**FiT**") applicable to solar PV plants with retrospective effect and in derogation of previous regulations, incentive concessions and private contracts. In particular, the original applicable FiT rate for our Puglia plant was reduced by 8.0%. On January 24, 2017, the Italian Constitutional Court published decision no. 16/2017 confirming the constitutional legitimacy of the spalma incentive. In January, the Italian Government introduced clawback measures to the FIT projects (Law Decree 04/2022) which will be in place until December of 2022 (may be extended by 1 year). With this measure, all extraordinary revenues FiT projects were receiving due to the current high pool prices, will be deducted from their FiT tariffs. Thus, each zone of Italy distribution grid has a fixed price for their pool, and the difference between that fixed price (if positive) and actual price will be discounted from the FiT price. In our projects zone (South Italy) it was defined as 56€/MWh. Even with this measure, our projects have a favourable revenue scheme for their production composed by their FiT tariff (c. 325€/MWh) plus the capped pool price (56€/MWh).

Further, following a fast-track approval process, important amendments to Mexico's LIE were approved in early March 2021. Broadly, these amendments aim to strengthen the position of the Mexican CFE to the detriment of private sectors players. Certain senators promoted an action of unconstitutionality against the amendments of the LIE, although this action did not succeed as it was not approved by the qualified majority of the Mexican Supreme Court, as required (decision dated April 8, 2022). Furthermore, on April 18, 2022, the Federal Government proposed an electrical reform project affecting the Mexican Constitution, but this proposal was rejected by the Mexican Congress (it did not reach a qualified majority).

On March 12, 2021, the effects of the amendments to the LIE were suspended by a district court that decided to grant a temporary injunction (*amparos*) in favour of certain affected industry participants (including us).The suspension has general effects and the amendments to the LIE will have no effects until the injunction is overruled and/or the relevant claims are solved. The amparo proceedings are still ongoing and pending of a final decision by the Mexican Supreme Court and therefore the effects of the suspension are still applicable.

Also, as regards the Spanish regulation, it is important to note that Royal Decree-Law 23/2021, of October 26, on urgent measures for the protection of consumers and the introduction of transparency in the wholesale and retail electricity and natural gas markets (the "**RDL 23/2021**"), which came into force last October 28, 2021, which the Spanish government approved on the grounds of the increase in market prices of raw materials, such as natural gas, as well as prices in the wholesale electricity market and of CO2 emission rights, similarly to the Royal Decree-Law 17/2021, of September 14, approving urgent measures to mitigate the impact of the increase in prices of natural gas in the retail gas and electricity markets (the "**RDL 17/2021**"), and which is also linked to Royal Decree-Law 12/2021, of June 24, on the approval of urgent measures in the fields of energy taxation and energy generation, and on the management of the regulation tax and the water usage tariff (the "**RDL 12/2021**").

In particular, as regards the business of our Group, we note that RDL 23/2021 introduces a new eighth additional provision in RDL 17/2021 outlining the scope of application of the mechanism designed to reduce excess payment in the electricity market, specifying which power generating facilities shall be excluded from applying said mechanism.

(i) In this context, the following rules are established to exclude certain entities from the application of the reduction mechanism, which aims to reconcile the provisions contained in Articles 41 and 62 of RDL 17/2021, ensuring non-discriminatory treatment:

(ii) Power generating facilities that are covered by a long-term agreement (*i.e.* a PPA) are excluded from the application of this new regulation if it had become effective prior to the entry in force of RDL 17/2021 (*i.e.* September 16, 2021) and provided that its associated coverage price is fixed.

(iii) Power generating facilities that are covered by a long-term agreement for a period equal to or greater than one year and whose coverage price is fixed are also excluded.

(iv) In the event that the contract instrument incorporates a partial indexation, the equivalent amount of energy for the non-indexed section of the contract shall also be excluded.

These long-term agreements may be related to the delivery as well as to financial settlement instruments over the period of validity of the mechanism.

Also, RDL 23/2021 specifies that if the long-term agreement does not specify a particular power plant, the energy would be effectively covered by prorating the net selling position of the corresponding company or group between the available power facilities owned by the company.

As the aim of the Spanish government is to try to affect only pool-indexed contracts, RDL 23/2021 regulates the documentation that must be provided to the system operator in order to demonstrate the existence of a long-term agreement:

(i) Liability statement, following the form included as Annex II n RDL 23/2021, it must state the monthly amount of energy subject to the long-term agreement, as well as the price and delivery or settlement period for said negotiated energy and agreed on in fixed price contracts;

(ii) Proof of energy procurement from a third party, either through a specific market or agency; and

(iii) Proof of the communication of the operations to the competent entity.

The documentation provided will be sent by the System Operator (REE) to the National Commission on Markets and Competition (the CNMC) to verify that such documentation complies with article 8.44 of RDL 17/2021 for the estimation of any pending monthly instalments and in the definitive settlement made by REE, which means that the verification of these contracts has been entrusted to a different body, rather than the Secretary of State for Energy. Therefore, the settlements foreseen under the new system created by RDL 17/2021 correspond to REE, which could lead to uncertainty regarding the enforcement, claim method, opposition or challenge of settlements issued by the System Operator (along with the information to be sent by the Market Operator (OMIE)).

We do business in a highly regulated environment and need to obtain permits, licenses and authorizations to carry out our activities

Our business is carried out in a highly regulated environment and our international operations expose us to different and divergent legal regimes. Relevant regulations concern issues such as urban planning, environmental protection (including landscape protection, noise regulations and biodiversity), the protection of local populations, workplace health, hygiene and safety, maintenance and oversight of installations, the dismantling of installations at end-of-life and the recycling of installation components. In addition, we are subject to significant demands with respect to obtaining permits, licenses and authorizations, which may take the form of urban planning authorizations (such as construction permits), mandatory environmental impact assessments or studies, production and operation authorizations, authorizations to connect to the grid and other specific authorizations related to the presence of protected sites in proximity to our projects (such as archaeological sites, historic buildings, military or nuclear installations and forests).

National governments and local authorities may, depending on the country, have a high degree of discretion in issuing any required permits, licenses and authorizations and they may exercise their discretion arbitrarily or unpredictably. In addition, the multitude of government agencies involved may make the process of obtaining these permits, licenses and authorizations long, complex and expensive.

Moreover, once granted, permits, licenses and authorizations may be subject to challenge by local residents and associations, especially in the case of wind projects, which generally may argue that the installations will damage the landscape and biodiversity, cause noise pollution and generally harm the environment. Such opposition may extend the length of the development period or force us to abandon certain projects.

The development of a renewable energy plant involves a multi-phase process consisting of three broad phases: (i) early stage development, which typically takes from six to nine months; (ii) permitting, which typically takes from 18 to 24 months; and (iii) final stage development, which includes steps that take place throughout all of the development process. If the relevant plant is finally not constructed the costs and expenses associated to the permitting stage are registered as "Impairment and gains and losses on disposals of non-current assets" after the change in our business model. Our existing solar PV plants have a weighted remaining operating life of 33 years.

Our failure to comply or ensure compliance of our installations with any applicable provisions, or to obtain or maintain any required licenses, permits or other authorizations, may result in sanctions by regulatory authorities or grid managers, contract breaches and/or the halting or abandonment of projects, any of which could materially and adversely affect our business, financial condition, results of operations and prospects.

Tax risks

We, directly or indirectly through our project special purposes vehicle ("**SPV**"), currently benefit from favourable or incentive-based tax regimes in some of the countries where we do business, which are designed to facilitate the development and promote the use of renewable energy sources and related investments. Conversely, we are subject to specific taxes applicable to enterprises involved in the energy sector and to local taxes applicable to the construction of energy-generating installations or the use of the electrical grids. The availability and extent of these tax incentives and specific taxes, respectively, may evolve as a result of changes in political and social sensitivity to environmental concerns and increasing maturity and profitability of the renewable energy industry as a whole. Any decrease in the tax incentives, or increase in specific taxes and local taxes, could adversely affect us and result in a potential decrease in the relative competitiveness of renewable energies.

In particular, in Spain we are subject to the tax on the value of electricity generation (*impuesto sobre el valor de la producción de la energía eléctrica,* abbreviated in Spanish as "**IVPEE**"), which taxes the generation of electricity measured in power bars (*barras de central*) and its delivery (*incorporación*) to the Spanish grid of output electricity (*sistema eléctrico de energía eléct*rica) at an applicable rate of 7%, though the accrual of this IVPPE has been suspended until 31st December 2022.

More generally, we are subject to tax laws and regulations in the various jurisdictions in which our subsidiaries are located or operate, and such laws and regulations do not provide clear-cut or definitive guidelines in certain respects. We cannot guarantee that our interpretation of such laws and regulations will not be questioned by the relevant tax authorities. More generally, any failure to comply with such laws or regulations may result in reassessments, late payment interests, fines and penalties. Furthermore, tax laws and regulations may change and there may be changes in their interpretation and application by the relevant authorities, potentially with retroactive effect, especially in the context of international and European initiatives (such as by the Tier-1 countries, the G-20 or the EU).

In particular, in Spain we are currently taxed under the Tax Consolidation Regime, regulated in Chapter VI of Title VII of the Law 27/2014 of November 27 on Corporate Income Tax (the "**CIT Law**"), and we form part of a consolidated tax group on Value Added Tax ("**VAT**") (being the parent company of both CIT (as defined in "*Taxation*") and VAT groups). The companies of a CIT or a VAT group will be jointly and severally liable for the CIT or VAT contingencies arising from the application of the CIT or VAT consolidation regime respectively. We do not expect that the Offering will have any adverse consequences for the purposes of our current CIT Group.

The occurrence of any of the preceding factors may result in, among others, an increase in our tax burden or a total or partial decrease of our recognized deferred tax assets (that as of December 31, 2021 amounted to €26,321 thousand) and have a material adverse effect on our business, financial condition, results of operations and prospects.

1.1.6. Increasing competition in the renewable energy market

The solar and wind energy markets are highly competitive and continually evolving, and we face significant competition in each of the markets in which we operate. Although we are currently signing power purchase agreements and other types of remuneration arrangements for the sale of energy (together, the "**PPAs**") in the main markets where we operate (*e.g.* Spain, Chile and the United States), no assurance can be given as to our ability to obtain PPAs with favourable terms for any new projects in light of the increasingly intense competition for such agreements. As the markets have matured and technological advancements and volumes have reduced construction costs, government incentives have been scaled back and projects are increasingly awarded privately or on the basis of auction mechanisms designed to result in lower purchase prices for the electricity produced.

In most cases, such opportunities are primarily won on the basis of the relevant price, and if we submit a bid or make an offer with a unit electricity price above that of our competitors, our bid or offer will likely fail. Competitors who are willing to accept lower margins than us, or who conduct less rigorous analyses of project profitability, may create pressure on margins and make it more difficult for us to win projects at all or with pricing that enables sufficient project profitability.

In addition, in each of the markets in which we operate, we face competition from local as well as global participants, many of which benefit from extensive experience (both domestically and internationally) in the development, construction and operation of electrical generation facilities as well as from financial resources, technical capabilities or local awareness that may be comparable to or greater than those of our Group.

Moreover, the renewable energy sector has been marked in recent years by a trend towards consolidation that has given rise to larger market participants with significant financial resources.

Furthermore, the renewable-energy markets in general, and the solar and wind energy markets in particular, are characterized by rapid improvements and increases in the diversity of technologies, products and services, and, in order to remain competitive, we must respond effectively to such rapid changes. Technological improvements in the solar and wind energy markets generally contribute to reduced costs and improved technical features, thereby rendering older technologies less competitive. If our competitors succeed in developing technologies or ensuring the delivery of equipment with such technology that enable them to submit tenders at lower prices or on more attractive terms, we could be unable to match these bids without affecting our profitability and may be unable to submit a bid at all. Conversely, if we attempt to use new technologies that are unproven and not yet widespread in connection with a given project, we may encounter difficulties in negotiating financing for such project, which could place us at a competitive disadvantage relative to competitors with sufficient resources to self-finance projects using these new technologies, in particular where the new technologies require a substantial initial investment and/or provide a later, significant cost advantage.

The renewable-energy market may turn to new sources of renewable energy like green hydrogen, which may have a relevant role in the energy transition. We are currently analysing a potential pilot project in conjunction with important players in the Spanish market. However, we might fail in developing and/or implementing green hydrogen projects or any other new technologies. Moreover, the renewable energy market is relatively new compared with the fossil fuel and nuclear energy markets and may suffer from competition from other sources of electricity generation.

Factors that may affect the rate of growth in installed capacity and the attractiveness of renewable energy as compared to other energy sources, include, but are not limited to, the following:

- the competitiveness of electricity generated by renewable energy facilities as compared with conventional energy sources (such as natural gas, coal, oil and other fossil fuels or nuclear energy);
- the entry of new competitors in the renewable energy market, particularly large corporations that have historically operated in the oil and gas markets (*e.g.* Repsol, Cepsa, BP);
- the performance, reliability and availability of the energy generated by renewable energy facilities as compared with conventional energy sources;
- technological improvements and changes in the costs of components (such as solar panels, wind turbines and other system components), as well as engineering, procurement and construction ("**EPC**") and O&M costs;
- fluctuations in economic and market conditions that affect the price of, and demand for, conventional energy sources, such as increases or decreases in the price of conventional energy sources, and changes in the cost, efficiency and equipment investment needed for other electricity producing technologies;
- variations affecting global demand for renewable energies both by state actors (in the event of changes to incentive-based public policies) and by private actors (in particular if the reputational benefit gained by private companies for sourcing their energy primarily or exclusively from renewable sources diminishes); and
- for geographical markets in which grid parity has not yet been reached, changes in the availability, substance and magnitude of support programmes, including government targets, subsidies, incentives and favourable renewable energy standards, including potential adverse changes relative to programmes applicable to other forms of conventional or nonconventional power generation. Any of the above factors may evolve in ways not currently anticipated by us. Other new market conditions may develop, which could affect our strategic planning in unforeseen ways. If the renewable energy market grows less quickly or in a different manner than anticipated, equity and debt investor appetite for these investments may decline, and we may have difficulty meeting our development targets or business objectives.

1.1.7. The production of electricity from renewable resources depends heavily on weather conditions and on solar and wind resources.

The production of electricity from renewable resources depends heavily on weather conditions and on solar and wind resources. Further, risks relating to climate change and episodes of extreme weather events could have an adverse effect on our activity.

We invest and plan to continue to invest in electricity generation projects that depend primarily on solar and, to a lesser extent, wind resources. Electricity generation by our renewable energy plants depends largely on the amount of sunlight available to our solar PV plants and the kinetic energy of the wind to which our onshore wind plant is exposed. These resources are outside of our control and may vary significantly over time. Insufficient sunlight or wind could lead to a decrease in the generation of electricity. Conversely, excessive heat may lead to a reduction in electricity production by solar PV plants and winds exceeding certain speeds may damage wind turbines and solar PV plants and force us to suspend their operation.

We base our projected electricity production for each plant on statistical studies of historical weather conditions observed at our sites. The financial covenants negotiated in connection with the financing of our projects generally assume that these predictions will prove correct a minimum defined percentage of the time. These estimates of sunlight and wind resources at our sites, made based on our experience and studies conducted by independent engineers, could fail to reflect a site's real level of solar and wind resources in a given year. Lower than expected electrical generation could have a material adverse effect on our business, financial condition, results of operations and prospects.

Further, risks relating to climate change or to extreme weather conditions could significantly affect our portfolio and business or the business of our electricity purchasers. To the extent that climate change causes variations in temperatures, wind resources and weather, causes an increase in average cloud cover or increases the intensity or frequency of extreme weather events, it may have an adverse effect on our plants and business. In addition, extreme weather events can result in an increase in stoppages and increased O&M costs or interfere with the development and construction of large-scale projects, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.1.8. Risk of changes in electricity sale prices, including wholesale electricity prices

We are exposed to price risk on wholesale electricity markets, where we sell a portion of the electricity generated by our plants. We have a conservative approach to merchant risk management and, as of the date of this Information Memorandum, our energy production not covered by PPAs represents up to 40% approximately of our total annual energy production, except for Sol de los Andes and La Estrella in Chile, where merchant sales represent an estimated c.53% of their combined production. As a result of this exposure to merchant prices, a decline in the market price of electricity could materially and adversely affect our business, financial condition, results of operations and prospects. In addition, we expect that, following the expiration of our PPAs and assuming (as anticipated) that our plants continue to produce electricity (and before any potential entry into a new PPA), we will sell this electricity on the market. Further, we may need to purchase electricity on the wholesale market when we have entered into a PPA in connection with a renewable energy plant which is not yet in operation at the time such PPA enters into force. In such case, we may need to purchase electricity on the wholesale market at a price which may be higher than the specified price in the relevant PPA in order to make the amount of energy which we have agreed to deliver under the relevant PPA available to the relevant off-taker. In each of these cases, we are, or will be, exposed to increases and/or declines in the market price of electricity which could materially and adversely affect our business, financial condition, results of operations and prospects. In addition, the profitability of the energy generation business in general is affected by the evolution of the sale price of electricity and, therefore, such evolution may affect the attractiveness of future renewable energy projects as well as the carrying amount of our existing plants.

Moreover, the prices for electricity are often highly volatile. Since 2021, the electricity prices have significantly increased due to the escalation of gas prices first and, most recently, due to the political and military events in Ukraine, particularly the ongoing tensions and intermittent warfare between Ukraine and Russia. As a result, c. 30% of our total annual energy production not covered by PPAs is exposed to electricity price volatility (having benefitted from higher prices during past months), while the remaining c.70% is covered under the PPAs signed with the different off takers, remaining our cash flows mainly stable and guaranteed but not benefitting from the higher electricity prices.

Alternatively, a period of initially high prices and correspondingly higher spot sale margins may quickly give way to lower prices. Therefore, it is also possible that electricity prices decrease in the future due to the greater supply of electricity by solar PV plants which are becoming more efficient, with low or zero marginal cost of operation, and due to the greater presence of solar PV energy in the renewable-energies mix. In the future we may be exposed to lower prices per MWh than those currently prevailing in the market and, consequently, we may generate lower revenues.

Furthermore, the electricity price volatility has negatively impacted the valuations of our synthetic PPAs. The fair value of synthetic PPAs is estimated in accordance with valuations carried out by independent experts, based on long-term electricity price curves between the date of contracting and the reporting date. However, these valuations may generate the so called "ineffectiveness" which occurs when the nominals (denominated in MWh) between the actual derivative and the valuation carried out by the independent experts are not fully coincident. In the year ended 2021, the ineffectiveness impacted negatively in our consolidated profit and loss account and the change in the fair value negatively impacted our consolidated equity, as a result of the increase in the electricity prices mainly due to the increase in gas prices during the last months of 2021.

Our exposure to these risks will increase as we approach the termination of our existing PPAs. As of the date of this Information Memorandum we have entered into physical PPAs in connection with the following plants: Andalucía and Aguascalientes (in which we own a 20% interest) in Mexico, and Sol de los Andes and La Estrella in Chile, eight secured projects in Spain with a total capacity of c.392MWp, several PPAs for projects we have been recently awarded in Chile with 819GWh per year, three PPAs covering c.323 MWp in the United States and another seventeen secured projects in Spain with a total capacity of c.750 MWp

We have also entered into synthetic PPAs in connection with our six solar PV plants located in Spain with a total capacity of 261MW. Typically, our PPAs have a 10-year term in Spain, a 15 to 20-year term in Mexico and a 20-year term in Chile. The contract term started for (i) our operational Spanish plants in 2020, (ii) our operational Mexican plants in 2020, and (iii) our operational Chilean plants in 2021.

With respect to our projects in the United States, PPAs signed so far have a 12 to 20-year term.

The prices for electricity are often highly volatile. Although prices are recently soaring in the European market and, particularly, in Spain, prices have also experienced sharp declines in certain markets in recent years, and a period of initially high prices and correspondingly higher spot sale margins may quickly give way to lower prices. Factors which could affect prices include a decline in the costs of other sources of electricity, such as fossil fuels or nuclear power, electricity supply in the relevant country relative to electricity demand, factors such as market structure and interconnection costs and the rate and basis for price indexation.

As the markets have matured and technological advancements and volumes have reduced construction costs, government incentives have been scaled back and projects are increasingly awarded privately or on the basis of auction mechanisms designed to result in lower purchase prices for the electricity produced. As a result of this trend, average purchase prices per MWh for awarded projects have declined steadily in recent years.

It is also possible that electricity prices decrease in the future due to the greater supply of electricity by solar PV plants which are becoming more efficient, with low or zero marginal cost of operation, and due to the greater presence of solar PV energy in the renewable-energies mix. In the future we may be exposed to lower prices per MWh than those currently prevailing in the market and, consequently, we may generate lower revenues.

1.2. Risks relating specifically to the Issuer

1.2.1. Risks Relating to the Change in our Business Model, Growth Plan and Pipeline

We have incurred in negative results in the years 2020, 2021 and in the first quarter of 2022 and may continue to incur in negative results in the future

As part of our transformation from a fully-integrated developer and operator of renewable energy plants to a large-scale full integrated independent power producer ("**IPP**") in Europe, the United States and Latam we have incurred in negative results, including losses before tax of €2,575 thousand in the year ended December 31, 2020, €23,793 thousand in the year ended December 31, 2021 and €9,342 thousand in the three-month period ended March 31, 2022.

Financial year 2020

In 2020, the negative results were primarily caused due to the increase in the finance costs (€7,638 thousand) arising from the interest due under the 2019 Notes (issued in December 2019) and the 2020 Notes (issued in February 2020). The financial costs associated to the 2019 Notes and 2020 Notes could not be capitalized as these were not related to our construction and operation activities and therefore need to be integrally and directly recognized in the profit and loss account.

Financial year 2021

In 2021, the increase in the negative results was mainly caused due to the valuation impact of the derivatives and other hedging instruments in respect of the fluctuation of electricity prices in Spain. Electricity price volatility was exceptionally high, with considerable increases in electricity prices mainly due to the increase in gas prices during the last months of 2021. This increase generated certain ineffectiveness associated with these derivatives, which had a direct negative impact in the consolidated profit and loss account of the Group for an amount of €12,834 thousand. Likewise, the changes in the fair value of the derivatives (synthetic PPAs) had a negative impact in the consolidated equity of the Group, which amounted to €32,188 thousand (negative) as of December 31, 2021.

The increase in the negative results has been also attributable to the increase in finance costs associated with bank borrowings from €2,116 thousand in the year ended December 31, 2020 to €7,965 thousand in 2021, as a result of the increase in bank borrowings associated with renewable energy plants in the long and short term due to the increase in the number of our operating projects. The increase in finance costs during the year 2021 was due to the effect of the refinancing of the 2020 Notes, which were fully paid and cancelled upon the issuance of the 2021 Notes in March 2021. Due to the substantial change in the financing conditions, the Group had to register under such finance costs: (i) the formalization of the new financing for an amount of €1,234 thousand and (ii) the payment of the associated cancellation commission costs, which amounted to €1,375 thousand in March 31, 2021.

Finally, during the fiscal year 2021, we changed our asset turnover strategy. Until December 31, 2021, the renewable energy plants were classified as "Finished goods" during the first six months in operation and were not depreciated for accounting purposes until they were reclassified to 'Property, plant and equipment' after the first six months in operation from which they started depreciating. The impact in our profit and loss statement resulting from this reclassification relates to the prospective depreciation of the assets in operation and which has amounted to €2,409 thousand additional depreciation.

Three-month period ended on March 31, 2022

As of March 31, 2022, the ineffectiveness of the derivatives amounted to €3,934 thousand (positive) in our consolidated profit and loss account but the change in the fair value of the Written Options, resulted in a negative amount of €9,492 thousand, which led to a net amount in our consolidated profit and loss account of €5,558 thousand (negative) under "Other gains and losses".

On another note, the consolidated total equity of the Group was affected negatively mainly as a result of the changes in the fair value of the derivatives for a negative amount of €123,251 thousand, though it is merely an accounting entry with no impact neither on liquidity nor on the calculation of equity for dissolution purposes. The consolidated equity of the Group was also impacted by a net loss of €8,259 thousand as a result of not having reached a volume of production of electricity that enables the Group to generate profits from operations. The foregoing resulted in a negative consolidated total equity amount of €78,956 thousand at the end of the first quarter of 2022.

Although we expect that the returns generated by our operating plants and, further on, our Under Construction and Pre-construction plants may mitigate the material costs allowing us to obtain positive results, we may continue to incur in net losses in the future due to the abovementioned reasons, until we reach such volume of production of energy that enables us to obtain such profit from operations. In addition, other concept or changes in the macroeconomic environment, competitive dynamics or non-favourable regulatory enactments may also affect our results. In particular, it should be pointed out the increase in inflation rates in the past months as well as the expected increase in the interest rates in the next months, which will have a direct impact in the Group's finance costs as a result of the debt increase in 2021 and 2022.

The presentation of financial information in the audited consolidated annual accounts as of and for the years ended December 31, 2021 and December 31, 2020 appended to this Information Memorandum (the "**Consolidated Financial Statements**") reflects our historical strategy regarding asset rotation and monetization.

Since 2005 we followed a strategy of high asset turnover, pursuant to which we sold the renewable energy plants that we put into operation (or majority interests therein) to third parties. However, in November 2020, we officially announced the change of our strategy from a fully-integrated developer and operator of renewable energy plants to a large-scale independent power producer ("**IPP**") in Europe, USA and Latam. While we continue carrying out opportunistic M&A transactions when pricing and liquidity opportunities arise, our strategy moving forward is to maintain full ownership or controlling stakes of the majority of the renewable energy plants that we develop and put into operation, so that such plants will not be automatically held for sale. Notwithstanding the foregoing, in specific circumstances we may continue to rely to some extent on asset rotation to optimize our portfolio and support our development financing needs.

Energy sales have not played a significant role on our consolidated revenue in 2020 and 2019. In 2021 we have started to experience an increase in energy sale revenue and we expect energy sales to keep increasing in the future, as we develop our project pipeline and our portfolio of plants becomes larger and more mature. Such increase in energy sales in 2021 has been mainly due to the increased volume of electricity generated. In particular, El Muelle, Los Belos y Montesol (111 MW) came into operation at the end of 2020 whereas the Chilean assets have been connected throughout 2021. Merchant revenues for electricity sold at wholesale and spot-market rates in Spain has also contributed but to a lesser extent than volume of electricity generated. Energy sales are a function of the average sale price per MWh sold and the volume of electricity generated. In addition, the profitability of the energy generation business in general is affected by the evolution of the sale price of electricity and, therefore, such evolution may affect the attractiveness of future renewable energy projects as well as market value of our existing assets.

According to the results presentation for the third quarter that the Issuer published on November 15, 2022 (the "**3Q-2022 Results Presentation**"), our Group has made significant advances with the pipeline execution, completing the construction of projects totalling 96MW and starting construction of further 160 MW in USA and 24 MW in Italy, while 1.8GW of assets are in operation and under construction. Significant progress has also been made in respect of the Bruc Transaction (as defined and summarized in section 2.10.3. below, with 278MW already transferred to Bruc Energy and additional 429MW to be transferred. Our Group has achieved the obtention of new environmental permits totalling 707MW, with permits secured in assets that will be sold to Bruc Energy under the Bruc Transaction, and all current projects under construction and pre-construction in Spain that have obtained environmental permits amount to 1,146MW. All the foregoing implies a portfolio of 1.8GW in operation and under construction, with additional assets totalling 244MW to start works shortly.

As we also pointed out in the 3Q-2022 Results Presentation, our Group is currently completing the construction works for two assets in Spain totalling 96MW: (i) Manzanares PV plant (42 MW, 87.7GWh/year), and (ii) Los Arcos (55 MW, 105.8GWh/year); and we continue advance according to schedule with the remaining 900MW already under construction (806 MW in Spain and 100 MW in the United States), with commercial operations date (COD) expected to be achieved during the first half-year of 2023 for 15% of these projects (139 MWs) and for the second half-year of 2023 for the remaining 85% (767 MW).

TOTAL PIPELINE	Operation	Under Constr.	Pre-Constr.	Farm-Down	Advanced Stage	Early Stage	Identified Opportunity	TOTAL
TOTAL	**584**	**1.186**	**627**	**823**	**1.746**	**3.553**	**5.055**	**13.576**

Farm-Down: includes assets with agreed sale contract but still pending transfer of the SPV shares. As of the date of this Information Memorandum it only includes assets under the Bruc Transaction

We intend to use the net proceeds of the Commercial Paper Notes to finance the working capital of the Issuer and other companies of our Group and contribute to our strategic plan of becoming a relevant independent power producer (IPP) in the market. The Company generally seeks to fund the capital expenditures and investments requirements associated with the execution of its projects through a combination of (i) project financing at the level of the project SPV (c.70%) and (ii) equity being funded by the Company which may consist of Company's own funds or funds raised from third parties (c.30%).

As of the date of this Information Memorandum, we expect that our projects in the "Pre-Construction" and "Advanced Stage projects" categories will have favourable access to this type of financing, however we cannot assure that financing prospects will not change. Access to financing is in principle easier for projects in respect of which PPAs with bankable terms have been signed or are expected to be signed than for projects that are more exposed to merchant prices, although given the current electricity prices merchant exposure is increasing.

Moreover, in the long term, in the event that we were to develop all of our current pipeline projects (which are comprised of our Operating Assets, Under Construction, Pre-Construction and Advanced and Early Stage of Development having an aggregate potential gross installed capacity of c. 12,75 GW (excluding those Farm-Down Assets), implementing our business strategy and growth plan may be more expensive, time consuming and resource intensive than anticipated and it may put considerable strain on our internal processes and capabilities. If we are unable to manage these changes effectively, we may not be able to take advantage of market opportunities, execute our business strategy successfully or respond to the increasing competitive pressures.

Our ability to execute our pipeline is dependent, among other factors, on our ability to meet our operational and financing needs to complete each project, as well as on the success of the development and construction of each project. In addition, our pipeline is based on internal projections and may be subject to unexpected adjustments, cancellations and uncertainty during development stages and therefore may not be an accurate or reliable indicator of our future revenue or profit. Failure to execute our pipeline could materially and adversely affect our business, financial condition, results of operations and prospects.

The electricity price volatility may have a negative impact in our results, debt and equity as a consequence of the valuation of our synthetic PPAs. The valuation of the Written Options may also negatively affect our results

The Group uses derivative financial instruments to hedge the risk of fluctuations in electricity prices based on its projections, since such fluctuations may have a significant impact on the earnings of the companies that own the solar PV and wind farms under development. Specifically, in Spain all our PPAs are synthetic. Synthetic PPAs work as a swap of electricity prices hedging the sale of the electricity produced by our projects. By entering into this type of agreements, we undertake to pay the hourly pool market price in relation to a notional amount of MWh set out in the PPA agreements (i.e. the pool price) in exchange for a fixed price for the same notional amount of MWh (i.e. settlement by difference) for a period of between 10 and 15 years. The PPAs are recognised initially at fair value at the date a contract is entered into and are subsequently remeasured to their fair value at each reporting date. The estimation of the fair value of this type of derivatives is carried out in accordance with the independent experts' long-term electricity price curves between the date of contracting and the reporting date. The valuation and performance of our synthetic PPAs due to the electricity price volatility have a direct impact on:

- our consolidated assets and liabilities, where a derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability, depending on the valuation of the derivative at each settlement date; and

- our consolidated equity, as a result of the registration of the change in the fair value of the derivatives since the effective portion of changes in the fair value of PPAs derivatives is recognised in other "Valuation adjustments-Cash Flow Hedge Reserve", limited to the aggregate change in the fair value of the hedged item since the inception of the derivative.

However, these synthetic PPAs may also generate the so called "ineffectiveness". These ineffectiveness occur when the nominal (denominated in MWh) (actual swap) is not fully coincident at the hourly level and the degree of pointing in the electricity price curves projected by the independent curve provider (hypothetical swap) as of a certain reporting period (in our case, at the end of each year, and for the purposes of this Information Memorandum, also quarterly as of March 31, 2022). The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss account and is included in the "Other gains and losses" line item.

In addition, under the 17 synthetic PPAs entered into with Endesa in December 2021 (for a period of 10 years starting in 2023 and 2024), we have granted Endesa four options to acquire 25% of our energy production at a fixed price between the years 2034 and 2037 (the "Written Options"). According to the terms of the Written Options, Endesa shall exercise each Written Option four years before each of the years (e.g., to acquire the energy produced in 2034, Endesa shall exercise the Written Option in 2030; to acquire the energy produced in 2035, Endesa shall exercise the Written option in 2031 and so forth).

As opposed to the synthetic PPA, under the Written Options, the electricity is physically traded. From an accounting perspective, the changes in the fair value are registered under the "Other gains and losses" line item of our consolidated profit and loss accounts as they do not meet the criteria for hedge accounting.

The changes in the fair value of the Written Options depend on the electricity price curves (such as the synthetic PPAs) but also on the interest rate evolution and its implicit volatility due to the long-term of the Written Options until its completion. In this sense, we describe further below the impact in terms of sensitivity.

As such, as of December 31, 2021:

- The fair value of these derivatives (synthetic PPAs and Written Options) amounted to €42,312 thousand and was recognized under "Derivatives" of our non-current liabilities. The Group also registered under "Derivatives" of our current liabilities an amount of €22,891 thousand, which correspond to the settlement of these derivatives relating to the second quarter of 2021.

- As a consequence of the change in the fair value of the derivatives (synthetic PPAs), a negative amount of €32,188 thousand was recorded under "Adjustments for changes in value – Cash Flow Hedge Reserve" of our consolidated equity.
- The ineffectiveness associated with these derivatives (synthetic PPAs) that amounted to €12,834 thousand (negative), was recognized under the financial result.
- In addition, in relation to the change in value of the Written Options, €94 thousand (positive) was recognized under "Other gains and losses" of our profit and loss accounts.
- Likewise, as of March 31, 2022:
- The fair value of these derivatives (synthetic PPAs and Written Options) amounted to €182,821 thousand and was recognized under "Derivatives" of our non current liabilities. The Group registered under "Derivatives" of our current liabilities an amount of €17,080 thousand that correspond to the settlement of these derivatives relating to the first quarter of 2022.
- As a consequence of the change in the fair value of the derivatives (synthetic PPAs), a negative amount of €123,251 thousand was recorded under "Adjustments for changes in value – Hedging transactions", which had a direct negative impact on our consolidated equity that amounted to €78,956 thousand (negative).
- The ineffectiveness associated with these derivatives (synthetic PPAs) that amounted to €3,934 thousand (positive), was recognized under the financial result.
- In addition, in relation to the change in the value of the Written Options, an amount of €9,492 thousand (negative) was recognized under "Other gains and losses".

In terms of sensitivity, the sensitivity analysis to an increase or decrease of €2/MWh in the pool prices in the long term in relation with the fair value of the synthetic PPAs, would imply an increase or decrease of €21,174 thousand, respectively, in the Group's liabilities as of March 31, 2022. Both impacts would have the same effect on our consolidated equity due to their consideration as hedging instruments (see Note 10.1 to the March 2022 Unaudited Interim Condensed Consolidated Financial Statements). The increase or decrease in the pool prices does not generate ineffectiveness and, therefore, does not impact our consolidated profit and loss account. In the same terms, in respect of the Written Options, an increase or decrease of €1/MWh in the long-term electricity price curves would imply an increase or decrease of €1,000 thousand, respectively, in the Group's financial costs due to changes in the fair value of the Written Options.

Therefore, the volatility of electricity prices may have a negative impact in our future results as a consequence of the valuation and performance of our synthetic PPAs and Written Options. In this regard, we expect that the returns generated by our operating plants and, further on, our under construction and pre-construction plants may mitigate these costs, however we can not assure that the volatility of electricity prices and interest price, in the case of the Written Options, will not continue impacting the Group's results, debt and equity in the future as explained above.

The presentation of financial information in the 2020 Audited Consolidated Annual Accounts and the 2019 Audited Consolidated Financial Statements reflects our historical strategy regarding asset rotation, and as such is not representative of our financial information from the year-ended 2021 and going forward and investors should not base any investment decision on it.

Investors should note that the 2020 Audited Consolidated Annual Accounts and 2019 Audited Consolidated Financial Statements reflect our management's historical strategy regarding asset rotation and monetization. Since 2005 we have followed a strategy of high asset turnover, pursuant to which we sold the renewable energy plants that we put into operation (or majority interests therein) to third parties (asset rotation).

However, since 2021, we started to change our strategy towards becoming a fully integrated IPP and thus maintain full ownership or controlling stakes of the majority of the renewable energy plants that we develop and put into operation, in order to focus on the energy sale business. Notwithstanding the foregoing, we will continue an asset rotation business line as regards on assets under development (expected to be sold at ready to build (“**RtB**”) status) in order to optimize our portfolio and support our development financing needs, although we do not expect to sell any assets apart from those to be transferred in the context of the Bruc Transaction, until the Bruc Transaction is fully completed. The 2021 Audited Consolidated Annual Accounts and the March 2022 Unaudited Interim Condensed Consolidated Financial Statements already reflect our new business strategy.

Energy sales have not played a significant role on our consolidated revenue in 2020 and 2019, respectively, however, there has been a substantial increase alongside the year 2021. The business line of “sale of energy and other” represented 95%, 75%, 8% and 3% of our revenue for the three-month period ended March 31, 2022, and for the years ended December 31, 2021, 2020 and 2019, respectively. See Note 15.1 of our March 2022 Unaudited Interim Condensed Consolidated Financial Statements, Note 18.1 to our 2021 Audited Consolidated Annual Accounts and to our 2020 Audited Consolidated Annual Accounts and Note 17.1 to our 2019 Audited Consolidated Financial Statements. We expect energy sales to keep increasing in the future, as we develop our project pipeline and our portfolio of plants becomes larger and is brought into operation. Energy sales are a function of the average sale price per MWh sold and the volume of electricity generated. Consequently, the profitability of the energy generation business in general is affected by the evolution of the sale price of electricity and, therefore, such evolution may affect the attractiveness of future renewable energy projects as well as the book value and market value of our existing assets.

Additionally, as a consequence of our business model transformation into an IPP, there has been a reclassification of our renewable energy plants to “Property, plant and equipment” as of December 31, 2021 (which as of December 31, 2020 were classified as “Finished goods”). As a result of this, such plants amortize over their remaining useful lives and depreciate for accounting purposes. This reclassification has an impact in our profit and loss statement as regards to the prospective depreciation of these assets. This change in the turnover strategy also affects the Under Construction and Pre-Construction projects since the costs incurred in the development and construction phases of these plants are being capitalized and included under “Property, plant and equipment in the course of construction”. As of December 31, 2021, the plants and equipment registered under “Inventories – Work in progress” are the plants under development, to be sold under the Bruc Transaction. Additionally, starting from the financial year ended December 31, 2021, the financing agreements associated with the renewable energy plants have been reclassified in accordance with their contractual maturity, as either non-current or current liabilities. Pursuant to our previous business model, such financings were classified as short-term debt irrespective of their contractual maturity, since the plants were intended to be sold as part of our historical asset rotation strategy.

As a result of the abovementioned recent change in our business model, it is difficult to predict the likely future performance of our business. Given the limited operating history of our new business model, our prospective investors will not be able to rely on our historical financial information or any other financial data to evaluate the prospects of our business or the merits of an investment in the Offered Shares.

We may not be able to successfully implement our business strategy to become a large-scale IPP and achieve our ambitious growth plan. Our current gross installed capacity is c.584 MW and our capacity Under Construction is 1,002 MW, adding a total of c.1,586 MW in operation and Under Construction. Our target for 2025 is to reach a gross capacity over 3 GW of assets in operation and Under Construction, which means more than doubling our current gross installed capacity and under construction capacity and increasing our actual operating capacity by c.6x.

As described in greater detail in “*Business*”, we have been since 2021 in a transformational journey from a fully-integrated developer and operator of renewable energy plants to a large-scale full IPP in Europe, the United States and Latam. As of the date of this Information Memorandum, we have managed to become a fully integrated renewable IPP player focused on solar PV and onshore wind. However, we may not be able to successfully complete the transformation into a large-scale full independent IPP within the expected timeframe. Any operational efficiencies or increased profitability that we expect to realize from such transformation may differ materially from our expectations, and any synergies, cost savings or productivity enhancements that we realize may be offset, in whole or in part, by reductions in revenue or through increases in expenses.

As part of our journey to become a fully integrated large-scale IPP with a high-quality built-to-own portfolio, we have an ambitious growth plan supported by a pipeline of potential projects with an aggregate potential gross targeted installed capacity of c. 11.2 GW (pre-construction and under construction assets excluded). We have established certain criteria and procedures for classifying our potential projects, which are comprised of Farm-Down, Advanced Stage, Early Stage and Identified Opportunities projects. These criteria and procedures are used for internal planning purposes and have not been verified by any third parties. Our pipeline is not an audited measure and there are no generally accepted principles for its calculation. Further, our definition and classification of pipeline projects may not necessarily be the same as those used by our competitors. As a result, any figures or other data provided in this Information Memorandum with respect to our pipeline may not be comparable to the information reported by other companies with respect to their pipeline. In addition, given its dynamic nature, our pipeline is subject to change and certain projects classified under a certain pipeline category could be reclassified under another pipeline category or could cease to be pursued in the event that unexpected events occur.

The table below shows certain key information on our pipeline projects, based on our expectations and our pipeline categorization criteria, including the probability of their completion. As indicated below, approximately c.50% of our pipeline projects are categorized as Identified Opportunities, our pipeline's most incipient phase. It may be that other groups or companies are interested in the same projects and seek to undertake them.

	Pipeline (in MW)				
	Farm-Down[1]	**Advanced Stage**	**Early Stage**	**Identified Op.**	**Total**
	823	1,746	3,553	5,055	**10,354 MW**
	7%	**16%**	**32%**	**45%**	**100%**
Probability of completion	**> 80%**	**50% - < 80%**	**30% - < 50%**	**10% - < 30%**	

Pipeline projects classified as Advanced Stage projects (which have an aggregate potential gross targeted installed capacity of c.1.7 GW) include our most mature pipeline projects which we expect to implement in the short-to-medium term (this is, from 2023 to 2025). Not all the Advanced Stage projects or additional projects under our pipeline are foreseen under our 2025 Target and, in the case of those, in order to fully develop any of these projects when they reach RtB status, we will have to assess and look for additional fund sources (whether in the form of financing or equity) apart from our available funds at the time.

We generally seek to fund the capital expenditures and investments requirements associated with the execution of its projects through a combination of (i) project financing (non-recourse financing) at the level of the project special purpose vehicle ("**SPV**") (c.70%) and (ii) equity being funded by us through our own funds or funds raised from third parties (c.30%).

As of the date of this Information Memorandum, we expect our Pre-Construction projects will have favourable access to project financing, however we cannot assure that financing prospects will not change. Access to financing is greater for projects in respect of which PPAs with bankable terms have been signed or are expected to be signed than for projects that are more exposed to merchant prices.

As stated above, regarding the capacity of our Advanced Stage projects and the rest of the pipeline not foreseen under our 2025 Target, we have no funding in place as of the date of this Information Memorandum to develop them. In order to fully develop any of these projects when they reach RtB status, we will have to assess and look for additional fund sources (whether in the form of financing or equity) apart from our available funds at the time. To this extent, if we are not able to successfully access the relevant funds needed, we might not be able to proceed with

[1] This category falls into the pipeline because it includes assets that are expected to be transferred once their RtB status is reached, and thus do not contribute to our 2025 Target (*i.e.*, gross capacity over 3 GW of assets in operation and Under Construction). As of the date of this Information Memorandum, the only assets that fall under the Farm-Down category are those included under the Bruc Transaction.

the development of such projects and their capacity.

Implementing our business strategy and growth plan may be more expensive, time consuming and resource intensive than anticipated and it may put considerable strain on our internal processes and capabilities, and may be subject to delays beyond our control (*i.e.*, permitting, supply chain disruptions, etc.). If we are unable to manage these changes effectively, we may not be able to take advantage of market opportunities, execute our business strategy successfully or respond to the increasing competitive pressures. Our ability to execute our pipeline is dependent, among other factors, on our ability to meet our operational and financing needs to complete each project, as well as on the success of the development and construction of each project. In addition, our pipeline is based on internal projections and may be subject to unexpected adjustments, cancellations and uncertainty during development stages and therefore may not be an accurate or reliable indicator of our future revenue or profit. Failure to execute our pipeline could materially and adversely affect our business, financial condition, results of operations and prospects.

Additionally, recent adverse conditions have triggered inflation to remain at very high levels in 2022 which can adversely affect us due to a potential increase in our costs of land, materials and labour, which would reduce our profit margins and could have a material adverse effect on our business, results of operations, financial condition and prospects.

Finally, failure to successfully implement our new business model may have a material adverse effect on our business, results of operations, financial condition and prospects.

We may fail to complete the development of our pipeline projects as planned or at all, and to secure bankable PPAs

The development of a renewable energy plant involves a multi-phase process consisting of three broad phases: (i) early stage development, which typically takes from 6 to 9 months; (ii) permitting, which typically takes from 18 to 24 months; and (iii) final stage development, which includes steps that take place throughout all of the development process. These phases may occur in varying sequences and often concurrently, with variations in each country or region depending on the opportunities, constraints, regulatory regime and other characteristics of each market.

We spend significant time on project development, including initial site identification, obtaining land and land permits, funding third-party environmental and urbanistic studies and technical assessments (including concerning electricity grid access). In the course of development, we may uncover problems or encounter difficulties with projects, including, but not limited to, the following (i) we may encounter difficulties in obtaining and maintaining governmental permits, licenses and approvals required by existing laws and regulations or additional unanticipated regulations, which may lead to delays in the development of a project, refusal of the permits or reduction in the targeted installed capacity of the project; (ii) we may encounter difficulties in securing adequate property with sufficient solar or wind resources at an acceptable price or at all, due, for example, to heightened competition with other renewable energy companies in obtaining high-potential property and/or opposition from local communities; and (iii) our initial evaluations of site suitability may be based on assumptions that turn out to be incorrect, or unforeseen issues may arise with respect to the land or terrain for a project.

In addition, these matters may make it harder for us to secure the PPAs that we target with such projects, obtain financing on terms enabling sufficient profitability or achieve the desired returns on investment. In certain cases, this could lead to project postponement or abandonment and result in depreciation or write-down of development expenses since, for instance, in order for a specific asset to fall under the Pre-Construction category (portfolio) we need to have visibility on the asset future proceeds by having an offtake solution in place or a remuneration scheme decided or agreed which we may not always have. We estimate the probability of completion of our projects to be more than 80% for our Farm-Down projects, from 50% to less than 80% for our Advanced Stage projects, from 30% to less than 50% for our Early Stage projects and from 10% to less than 30% for our Identified Opportunities projects. The write-downs recorded in "Changes in inventories of finished goods and work in progress" for the year ended December 31, 2021, amounted to €506 thousand as the gross value of previously impaired project was written off during the year. The write-downs recorded for the years December 31, 2020 and December 31, 2019 amounted to €2,711 thousand and €2,685 thousand, respectively, and corresponded to costs incurred on solar plant developments at a very initial stage that have been finally considered not viable and, thus, abandoned.

Moreover, the development of renewable energy plants often requires us to make significant up-front payments for, among other things, land rights and permitting in advance of commencing construction, and revenue from these projects may not be recognized for several additional months or years following contract signing. Any inability, or significant delays, in entering into PPAs after making such up-front payments could adversely affect our business, financial condition, results of operations and prospects. Furthermore, we may become constrained in our ability to simultaneously fund our other business operations and invest in other projects.

Furthermore, it is possible that the terms of PPAs become more stringent over time. Our aim is to define and agree on the remuneration scheme before entering into the project financing as, in our experience, terms and conditions of such project financing may be more favourable if the remuneration scheme is defined and the financing entities have visibility on the renewable energy plant proceeds.

Therefore the value and viability of our projects depends upon our ability to sell the electricity they will produce under PPAs with creditworthy counterparties at adequate price levels and financing (including its terms and conditions and, specially, the ratio of equity contribution). While, as of the date of this Information Memorandum, we believe that our plants benefit from PPAs with bankable terms, we may enter in the future into PPAs with less attractive terms which in turn could affect the terms and conditions under which we obtain new project financing. As a collateral matter, lower PPA prices may reduce the supply of project financing debt and hence potentially increase the required equity contribution, thereby weighing our project profitability.

If we are unable to secure a PPA or are unable to do so on sufficiently favourable terms, we could be unable to secure project financing at all, or we may only be offered financing on unfavourable terms. In such cases, we may keep the relevant project in our pipeline and attempt to secure a PPA subsequently, but there can be no assurance that we will be successful in doing so and we may incur additional interim costs for upkeep of projects that may never be built. Failure to build such projects will result in write-downs of the relevant development costs and could materially and adversely affect our business, financial condition, results of operations and prospects.

Furthermore, it is possible that the terms of PPAs become more stringent over time. In particular, PPAs may have several milestones and requirements, including relating to capacity deficiencies, the related plants' availability and their operation and maintenance, and provide for the payment of significant penalties upon certain events. Any adverse changes to the terms of PPAs could have an adverse impact on the financing of projects.

As of the date of this Information Memorandum the company has signed PPAs with creditworthy counterparties covering more than 2.750MW of capacity.

Our global operations and international expansion strategy expose us to legal, operational and other risks associated with operating internationally, such as various currency exchange rates.

As of the date of this Information Memorandum, the gross capacity of our operating, Under Construction and Pre-Construction assets, as well as the remaining potential gross targeted installed capacity of our pipeline is set out in the table below:

TOTAL PIPELINE	Operation	Under Constr.	Pre-Constr.	Farm-Down	Advanced Stage	Early Stage	IDENTIFIED OPPORTUNITY	TOTAL
TOTAL	**584**	**1.186**	**627**	**823**	**1.746**	**3.553**	**5.055**	**13.576**

Farm-Down: includes assets with agreed sale contract but still pending transfer of the SPV shares. As of the date of this document it only includes assets under the Bruc Transaction

Total pipeline split geographically as set out in the table below:

AREA	TOTAL PIPELINE	%
Europe	7.806	57%
Latam	2.374	17%
USA	3.397	25%

TOTAL	**13.576**	**100%**

As of the date of this Information Memorandum, the gross installed capacity (including plants in respect of which we own non-controlling interests and plants under construction is located in Spain, Chile, Mexico, and in Italy as follows:

Country	Operation	Under Constr.
Spain	262	902
Italy	7	24
Chile	171	-
Mexico	144	-
USA	-	260
UK	-	-
Poland	-	-
Colombia	-	-
France	-	-
TOTAL	**584**	**1.186**

Our existing international operations and expansion strategy expose us to a number of risks involved in operating in new markets and managing international operations, including, but not limited to, the following (i) our experience, knowledge and competitive advantages in our current key markets may not be fully transferable to other markets; (ii) technical specifications, laws or regulations restricting access to the electricity distribution grid; (iii) increased exposure to disputes, litigation or other proceedings (including legal, administrative, governmental, regulatory or arbitration proceedings), which could divert the attention of management, give rise to damages or otherwise result in unfavourable outcomes and settlements for us; and (iv) failure to comply with and monitor a wide variety of foreign laws, legal standards and foreign regulations including corporate formalities, export and import restrictions, employment laws, zoning, environmental protection and regulatory requirements.

Any failure to comply with applicable anti-corruption laws and regulations could result in substantial fines, civil or criminal penalties and reputational damage that could adversely affect the cost or availability of financing for projects or otherwise materially and adversely affect our business, financial condition, results of operations and prospects.

In addition, our international expansion and our increasing volume of business outside Spain expose us to changes in various currency exchange rates. In particular, we generate revenue and/or incur expenses in currencies other than the euro, mainly the U.S. dollar, the Chilean peso and the Mexican peso, so that fluctuations in foreign currencies relative to the euro impact our financial condition and results of operations. The sale price of energy under our synthetic PPAs corresponding to our plants in Spain is fixed in euros, the sale price of energy under our PPAs in Chile is fixed in U.S. dollars and paid in Chilean pesos (based on the exchange rate as of the date of payment), and the sale price of energy under our PPAs in Mexico is fixed in Mexican pesos but it is subject to adjustments based on the exchange rate evolution of the Mexican peso against the U.S. dollar. While we seek that the revenue we obtain from the plants located outside the Eurozone is hard currency-denominated, or hard currency-linked (to currencies such as the U.S. dollar and, as soon as we commence the development of our projects in the United Kingdom, the pound sterling, which are less likely to depreciate suddenly or to fluctuate greatly in value), we continue to be exposed to fluctuations in local currencies which exposure may further increase as we continue to grow internationally.

No assurance can be given that our international expansion strategy will be successful. Failure to successfully manage the risks associated with our international expansion may have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.2. Risks Relating to Our Financial Condition and Financing Needs

Substantial indebtedness which limits our operational flexibility and exposes us to interest rate risk.

We have substantial indebtedness, and we require a significant amount of cash to service our debt, which may constrain the scale of our future investments and therefore limit our long-term growth prospects and potential dividend distributions from 2025 onwards. As of March 31, 2022, our current liabilities, which include, among others, the project financing facilities associated with our plants, amounted to €118,098 thousand while our non-current liabilities, which include, among others, our debt instruments and other marketable securities, amounted to €604,732 thousand.

Our outstanding debt has increased progressively in the past three years (and part of 2022) as the size of our portfolio has grown. Our total non-current liabilities grew from €56,160 thousand at the end of 2019 to €84,698 thousand at the end of 2020, €458,562 at the end of 2021 and €604,732 thousand as of March 31, 2022, while our current liabilities decreased from €164,965 thousand at the end of 2019 to €155,628 thousand at the end of 2020, €124,445 at the end of 2021 and 118,098 thousand as of March 31, 2022.

As of the date of this Information Memorandum, our indebtedness has increased due to our first green commercial paper program registered in the Alternative Fixed-Income Market ("**MARF**") in December 2021 (as of the date of this Information Memorandum, we have raised commercial papers under the MARF Programme for an amount of € 14,600 thousand in December 2022).

In addition, going forward our indebtedness may increase if we dispose of additional indebtedness recourses such as: (i) our 2022 Notes, (ii); the BBVA Project Financing with BBVA and the European Investment Bank including a term loan with a principal amount of c. €300,000 thousand of senior debt, a €28,000 thousand PPA guarantee line (which was made available at the end of year 2021, upon signing of the PPAs) and a credit line facility of €17,000 thousand to cover 6 months debt service reserve account; and (iii) the Project Financing with ING for an amount of €93 million of senior debt, €4 million of PPA guarantee line, and a credit line facility of €7 million to cover a 6-month debt service reserve account. Nevertheless, we may not assure that we will disburse the relevant amount under the first issue of the 2022 Notes, within the timeframe expected or even close such financings at all, in which case these would impact the development and execution of the 2025 Target.

Our total indebtedness grew from €149,394 thousand at the end of 2019 to €182,647 thousand at the end of 2020, €490,182 thousand at the end of 2021 and €629,829 thousand as of March 31, 2022. Alongside, our total finance costs have increased significantly as our outstanding debt has grown from €3,636 thousand at the end of 2019 to €7,638 thousand at the end of 2020, to €16,909 thousand at the end of 2021. For the three-month period ended March 31, 2022 our finance costs amounted to €3,656 thousand.

Our significant amount of indebtedness may have an impact on the development of our business including, for example, our inability to pursue projects which we would consider beneficial to our portfolio growth strategy.

On July 8, 2022, our wholly-owned subsidiary Opdenergy, S.A.U. entered into certain financing arrangements for the issuance of long-term corporate bonds arranged in an aggregate amount of up to €250 million (the "**2022 Notes**") by EIG Management Company, LLC acting as "Monitoring Advisor" ("**EIG**") and purchased by several international institutional investors as noteholders, acting BNY Mellon Corporate Trustee Services Limited ("**BNY Mellon**") as Trustee pursuant to the terms and conditions set out in a trust deed dated on such date of July 8, 2022 (the "**Trust Deed**"), with a first issuance of €143.7 million in July 2022 and a second issuance of 54.6 million in December 2022 in principal amount of euro-denominated bonds, bearing interest at a floating rate (three-month EURIBOR appearing on the Bloomberg screen page EUDRC CURNCY, or such replacement page on that service which displays the information), subject to a floor of 0.00%, with a step-up interest margin feature, with a first demand guarantee granted by the Issuer of the Commercial Paper Notes, and due on July 19, 2025.

The proceeds of the first issuance of the 2022 Notes were used to fund the payment of the redemption price for the secured floating-rate notes in an aggregate principal amount of up to €140,000,000 in euro-denominated notes that

Opdenergy, S.A.U. issued in several issuances during 2021, also with EIG acting as Monitoring Advisor thereunder (jointly, the "**Old Notes**", and the refinancing of the Old Notes, the "**Refinancing of the Long-Term Notes**").

Covenants and securities under our existing financial debt

Each project financing agreement contains financial and non-financial covenants that are binding on the relevant project SPV and that we must observe in managing our financial resources and when planning for, or reacting to, changes in capital or operational expenditure in our business. In general, our financing agreements require the relevant project SPV to comply with a minimum debt service coverage ratio ("**DSCR**") (1.0x, 1.05x or 1,10x depending on the agreement). The typical financing agreement also imposes restrictions on distributions of funds to shareholders and repayments of current account advances, including compliance with a "lock-up" DSCR, which is generally set at a higher level than the minimum DSCR (1.10x, 1.20x or 1.25x depending on the agreement). Certain financing agreements also impose minimum ratios of equity to indebtedness and indebtedness to equity. In general, the financing agreements also contain obligations to fund a minimum deposit in a debt service reserve account ("**DSRA**") (generally an amount equal to six months of debt service) before making any distributions. They also contain events of default that permit the lenders to accelerate the loan in the event of a failure to make a payment of interest or principal on the relevant payment date, or in the case of other events, such as a failure to comply with the minimum DSCR. Lenders may also accelerate the loan upon a change of control (as defined in the relevant financing agreement, which typically includes, while the plant is Under Construction, any change in the direct shareholding of the SPV (which may be owned by a company of the Group with or without a partner), and, while the plant is in operation, a change of the controlling shareholder at the level of our subsidiary Otras Producciones de Energía Fotovoltáica, S.L.U. ("**OPDECo**").

In addition, these financing agreements generally contain cross-default provisions enabling the lenders to accelerate repayment if the project SPV defaults on its own debt (beyond certain thresholds) or in the event of bankruptcy. Financing agreements also generally contain provisions limiting the debt capacities of the project SPV, as well as negative pledge provisions. Financing agreements entered into by project SPVs also contain reporting, disclosure and document submission requirements. Lastly, some of these financing agreements may include a security package such as pledges over the share capital of the project SPV, credit rights arising from certain project agreements entered into by the project SPV and/or credit rights arising from certain bank accounts owned by the project SPV.

As of the date of this Information Memorandum, we believe that we comply with such terms. However, our failure to comply with such terms could result in a default under a project's debt with adverse consequences such as lock-up of distributions from the project, increased costs or even acceleration of the project's debt. Absent a waiver or restructuring agreement, which we have requested and carried out in the past, this could result in the lenders acquiring the secured assets or equity (including our ownership interest in the affected project SPV), or the Company or other entities in our Group having to make a payment either to prevent the creditors of the defaulting project SPV from foreclosing on, and then acquiring, the relevant secured assets or equity, or as a result of certain guarantees they may have provided in connection therewith.

Furthermore, any claim by us against the assets of the project SPV are subordinated to those of the lenders, until the financing is repaid in full and we may potentially only be able to receive any distributions or repayments once the debt has been serviced. Moreover, any default would also likely result in a loss of customer or counterparty confidence and adversely affect our access to further project financing. Addressing or curing defaults on project indebtedness could also require the expenditure of significant management time and financial resources that would have otherwise been devoted to our other priorities.

In addition, certain of our project financing agreements contain cross-default provisions relating to the Company's default on its own debt. As a result, if the Company were to encounter certain financial difficulties, simultaneous defaults could be triggered across multiple projects.

Furthermore, while we generally seek to obtain non-recourse project financing, such type of project financing is not always available for particular projects and SPV holding companies and/or we may be required to provide certain guarantees.

Moreover, the security package relating to the 2022 Notes includes pledges over (i) the share capital of Opdenergy, S.A. Unipersonal (as issuer of the 2021 Notes), (ii) the share capital of OPDE Foto, (iii) the share capital of OPDE Participaciones Industriales, S.L. ("**OPI**"), (iv) the share capital of OPDE Italy S.r.l., and (v) certain bank accounts owned by Opdenergy, S.A. Unipersonal.

Additionally, the issuer has to comply with a collateral cover ratio covenant of at least 1.05:1 and the issuer and guarantor of the 2022 Notes (that is, Opdenergy, S.A. Unipersonal and Opdenergy Holding, S.A., respectively) are subject to certain general negative covenants that restrict (i) the acquisition of a company, shares, securities, a business or an undertaking, (ii) the creation of securities over their assets, (iii) the financial indebtedness that may be incurred by the Group, and (iv) any payment of dividends or other distribution and any bonus issue or any return of capital (with certain exceptions), amongst others. The 2022 Notes may be also accelerated (a) if the current shareholders cease to beneficially own more than 50% of the share capital and upon a cash sweep event (as defined in the terms and conditions of the 2022 Notes); or (b) at the discretion of the issuer. With respect to prong (iv) the New Trust Deed (as defined in section 2.9.3) sets forth the terms under which members of the Group may incur debt and provides for certain limitations and/or requirements. Project financing is not limited in amount *per se* provided certain pricing terms and standards are met and that recourse is limited to the assets of, the shares held in, and loans made to, the relevant SPV incurring the project financing. The 2022 Notes also contain events of default that permit the noteholders to accelerate the 2022 Notes in the event of a failure to make a payment of interest or principal on the relevant payment date, infringement of material provisions or in the case of other events, such as a failure to comply with the minimum collateral cover ratio.

As of the date of this Information Memorandum, we believe that we comply with the terms of the 2022 Notes. However, our failure to comply with such terms could result in an event of default under the 2022 Notes with adverse consequences such as acceleration of the debt relating thereto. Absent a waiver this could result in the noteholders of the 2022 Notes acquiring the secured assets or equity (including our ownership interest in the issuer thereof, OPDE Foto and OPI).

Interest rate risk

Furthermore, our debt obligations under our project financing facilities and the 2022 Notes (and, previously, the Old Notes) and working capital facilities carry variable interest rates. In respect of the project financing, we hedge between 70-75% of our outstanding debt. Therefore, we are significantly exposed to interest rate risk, and this may affect the profitability of our Projects and, even, a decision of not moving forward with the development of a Project when interest rates under such project financing mat prove to be too high. While we seek to mitigate our exposure to interest risk fluctuations, by entering into interest rate hedging agreements, we may not be able to adequately hedge our interest rate risk immediately as it arises or may only do so on unfavourable economic terms.

As a result of the above, our failure to effectively manage our indebtedness could materially and adversely affect our business, financial condition, results of operations and prospects.

We depend on arranging financing from various sources, in particular external debt financing, for the development and construction of our renewable energy plants.

Our industry is capital intensive and the development and construction of our renewable energy plants requires us to make substantial investments. We generally seek to fund the capital expenditures and investments requirements associated with the execution of our projects through a combination of project financing at the level of the project SPV (c.70%) and equity being funded by the Company which may consist of Company's own funds or funds raised from third parties (c.30%). Our project financing has increased steadily over time. As of March 31, 2022, December 31, 2021 and 2020 our project debt facilities from credit institutions amounted to €243,596, €241,504 thousand and €100,958 thousand, respectively. As of the date of this Information Memorandum, we have financing arrangements with, among others, Sumitomo Mitsui Banking Corporation (SMBC) and Banco Sabadell, which represent as of March 31, 2022, c.35% and c.39%, respectively, of our outstanding debt with credit institutions.

In addition, we have financing arrangements with BBVA, ING Bank, CaixaBank, Caja Rural, Intesa San Paolo.

With BBVA we closed project financing to finance a Spanish solar PV portfolio with an aggregate gross targeted installed capacity of 605MW currently Under Construction. The facility includes a total amount of c. €300 million senior debt, a PPA guarantee line of €28 million and a credit line to cover a 6-month debt service reserve account of €17 million, The project finance debt has a tenor of c.17.5 years and 70% hedged to mitigate interest rate risk.

With ING we secured the project finance for an aggregate gross targeted installed capacity of 167 MW Spanish solar PV assets Under Construction. The loan has a principal amount of €93 million senior debt, €4 million PPA guarantee line, and a credit line facility of €7 million to cover a 6-month debt service reserve account.

As a result of the capital-intensiveness of our business, our business and growth strategy (including our ability to develop our project pipeline) are very sensitive to the availability, cost and other terms of project financing.

We may experience difficulties in securing debt financing for our projects in a timely fashion, on terms that enable satisfactory project profitability or at all, or such financing may be subject to restrictive terms that increase project operating costs and reduce project values. Furthermore, our ability to obtain debt financing for our projects may vary by market and, as we expand our portfolio, there can be no assurance that lenders that provided debt financing for our projects in the past will continue to do so for new projects.

Factors that could adversely impact the availability or cost of financing for our projects include, but are not limited to, the following:

- PPAs with less bankable clauses than those meeting our standards to date or the inability to secure PPAs;
- diminished credit quality of our PPA counterparties and/or increased counterparty and concentration risk arising from our reliance on a small pool of PPA counterparties;
- elevated merchant exposure for project revenues that causes lenders to require an increased equity investment.
- technical or legal issues of a project identified in the course of the bank due diligence.
- lack of availability of, or difficulty securing, sufficiently bankable technologies or equipment for planned projects; and
- global economic and financial markets.

Even if we are able to obtain initial financing commitments with respect to a project, we may not be able to satisfy the conditions precedent to closing or first drawdown, such as if we fail to obtain required permits or significant administrative authorizations. If we are unable to arrange project debt financing or if it is only available on unfavourable terms, we may not be able to build our pipeline projects or may be able to do so only on less profitable terms. This may include having to make higher equity contributions for our new projects than those made in the past, thereby weighing on project profitability. We may also be required to sell plants in our portfolio (or interest thereof) in order to free up capital for new investments or debt reduction. As a result, difficulties in obtaining favourable financing could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.3. Our off-take arrangements, our PPAs, and in particular, termination of a PPA or payment defaults by PPA counterparties, especially Centrica and or the latest PPAs signed with Uniper and Endesa, may expose us to certain risks which could adversely affect our business.

In line with our conservative approach to project development, we seek to enter into long-term, hard currency-denominated (or hard currency-linked) PPAs, either privately or via auctions. PPAs generally provide a long-term and relatively secure source of revenue, while transferring price risk in exchange for certain counterparty risk. Our projects often sell electricity under PPAs with counterparties, including government actors, state-owned and non-state owned utilities and corporate off-takers.

Under our PPAs we sell power generated from our projects to the off-taker at a pre-determined price even where there is no physical delivery of energy to the counterparty, such as under our synthetic (or financial) PPAs. The majority of our PPAs are synthetic, which means that they are financial and no physical energy delivery is provided for. A synthetic PPA works as a swap of electricity prices hedging the sale of the electricity production of our projects (this is the case, for instance, in Spain). By entering into this type of agreements, we undertake to pay the hourly *pool* market price in relation to a notional amount of MWh set out in the agreements in monthly or halfyearly periods (i.e. the *pool* price) in exchange for a fixed price for MWh as agreed in the PPAs agreements The fair value of this type of synthetic PPA is estimated in accordance with valuations carried out by independent experts, based on long-term electricity price curves between the date of contracting and the term of the PPA.

According to our internal assets classification criteria, only pipeline projects in which an offtake solution or remuneration scheme has already been decided or agreed shall fall under the category of Pre-Construction. In particular, we have entered into different future PPAs over non-operating assets:

- In Spain: (a) 392 MW synthetic PPA with Uniper for 10 years; and (b) a 750 MW synthetic PPA with Endesa for 10 years. These PPAs cover 100% of the Spanish Under Construction and Pre-Construction assets;
- In the United States: (a) a physical PPA for Blake-High Horizons with AEP Energy Partners (Subsidiary of AEP) for 12 years; (b) a physical PPA for Beckett also with AEP Energy Partners for 15 years; and (c) a physical PPA for Elizabeth with Entergy Louisiana (a subsidiary of Entergy Corporation (NYSE:ETR)) for 20 years. These PPAs cover 100% of the US Under Construction and Pre-Construction assets; and
- In Chile: we were awarded in the 2021 Chilean auction with two separate offers amounting to a total of 819 GWh/year for 15 years that results in the execution of 42 PPAs (21 PPAs for each offer awarded in the tender) with several electricity distribution companies, which we intend to cover with a combination of wind and solar projects with a total installed capacity of 610 MW, among which we include Changos and Ancud, both Pre-Construction assets. The tender allows the producer to change the assets associated with the tender before the commencement of the PPA.

Typically, our PPAs have a 10-year term in Spain, a 15 to 20-year term in Mexico and a 14 to 20-year term in Chile. The contract term started for (i) our Spanish operating plants in 2020, (ii) our Mexican operating plants in 2020, and (iii) our Chilean operating plants in 2021. With respect to our pipeline projects in the United States, PPAs signed so far have a 12 to 20-year term.

The majority of our PPAs are not subject to downward price revisions unless, in certain specific cases, energy supply falls below a certain level during a specific period of time. In addition, we may experience certain delays in the expected COD of our plants with respect to the PPA start date (*i.e.*, the PPA becomes effective before the plant starts producing the energy committed to be delivered to the relevant off-taker). In the event of such delay, in order to avoid incurring in default under the PPA, we shall purchase from the *pool* market (on a daily basis) the production (MWh) committed to be delivered to the off-taker. In other cases, the PPA provide for the enforcement of the PPA guarantee line or even the termination of the PPA. Any of these circumstances will negatively affect us since we will be temporarily exposed to the merchant prices or might fail to find another PPA counterpart or renegotiate the existing terms and conditions of our PPAs in a timely manner and on commercially reasonable terms. For instance, as regards to the Blake-High Horizons asset Under Construction located in the United States, we are negotiating with the off-taker a postponement of the PPA commencement date as a result of a delay in the project.

Furthermore, if there is an industry-wide increase in prices, we may not be able to renegotiate the terms of the PPA to take advantage of the increased prices. For example, since 2021 in Spain, the electricity prices have significantly increased due to the escalation of gas prices and, most recently, due to the political and military events in Ukraine, and particularly the ongoing tensions and intermittent warfare between Ukraine and Russia and thus, we can only benefit partially from these higher prices for the electricity we sell directly through the *pool* but not for the electricity covered by our PPAs.

Furthermore, the electricity price volatility has negatively impacted the valuations of our synthetic PPAs and the Written Options. The fair value of synthetic PPAs is estimated in accordance with valuations carried out by independent experts, based on long-term electricity price curves between the date of contracting and the reporting date. However, these valuations may generate the so called “ineffectiveness” which occurs when the nominals (denominated in MWh) between the actual derivative and the valuation carried out by the independent experts are not fully coincident. In the year ended 2021, the ineffectiveness impacted negatively in our consolidated profit and loss account and the change in the fair value negatively impacted our consolidated equity, as a result of the increase in the electricity prices mainly due to the increase in gas prices during the last months of 2021.

Our plants' financial performance is significantly dependent on the credit quality of, and continued performance of contractual obligations by, our PPA counterparties. Further, the failure of PPA counterparties to fulfil their contractual obligations to us, whether due to insolvency or otherwise, could have a material adverse effect on our business, financial condition, results of operations and prospects. Additionally, under our PPAs, our remedies in case of delays in payment by our customers may be limited.

We seek to reduce counterparty credit risk under our PPAs by entering into contracts with state-owned utilities or other customers of strong credit quality. However, to the extent that any of our current or future PPA counterparties do not have, or lose, an investment-grade credit rating, we will be exposed to heightened credit risk. Our counterparties may be adversely affected by regional economic downturns or other factors, including political action, especially if such counterparties are controlled by governments.

These risks can increase when global or regional economies are experiencing periods of volatility, such as the political and military events in Ukraine, particularly the ongoing tensions and intermittent warfare between Ukraine and Russia. The failure of PPA counterparties to fulfil their contractual obligations to us could have a material adverse effect on our business, financial condition, results of operations and prospects. In this sense, Uniper has recently asked for a bailout from the German Government as a result of the impact of existing disruptions of Russian gas flows due to the Ukraine-Russia conflict. This has resulted in Standard & Poor's downgrading the off-taker rating to BBB- with negative outlook with no guarantee that rating could worsen more if no agreement is reached with the German Government.

Furthermore, we cannot guarantee that an off-taker (Uniper or other) does not go through any insolvency problems while having still a PPA in place, which could potentially represent a breach of the contract and thus, have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, our PPAs may be terminated by the relevant counterparties under certain circumstances. The termination of PPAs, particularly with respect to our larger renewable energy plants, could have a material adverse effect on our business, financial condition, results of operations and prospects, including by increasing our exposure to merchant prices if we are not able to execute a new PPA.

Finally, as advanced, as our PPA arrangements do not cover 100% of the energy produced in some of the jurisdictions in which we operate, we are exposed to variable spot price (*i.e.*, the price set in the *pool* daily) risk in the general market for the remainder of the energy produced.

1.2.4. Our reliance on third-party contractors and suppliers exposes us to risks

While we have full in-house EPC management capabilities, we outsource the required civil engineering and construction work and the electromechanical assembly relating to our projects to outside contractors. Furthermore, we have never provided EPC management services in connection with wind plants in the past as we have outsourced and subcontracted with a third party EPC contractor but if economically viable we may do so in the future. Furthermore, we do not manufacture components or equipment for our plants and do not intend to do so in the future. As a result, we rely on third-party suppliers for such components and equipment. We experience certain supplier concentration regarding our Under Construction and Pre-Construction equipment. As a consequence, if our current suppliers are not able to provide us with the relevant equipment we may not always be able to select other suppliers with equivalent technical expertise to replace them or may not able to approve new projects for use in our projects in a timely manner an on commercially reasonable terms.

If our contractors or our suppliers do not satisfy their obligations, do not perform work or do not supply us with components or equipment that meets our quality standards, encounter financial difficulties, fail to comply with applicable laws and regulations or increase their costs or pass on costs to us associated with their production or distribution chains (for example, freight costs), we could experience significant delays and cost overruns, achieve lower technical availability ratios and/or performance levels, be faced with events of default under certain covenants or cross-default clauses and suffer reputational damage, in addition to being exposed to potential criminal sanctions and significant liabilities for which we may not have sufficient insurance coverage. Our ability to obtain indemnities from contractors and suppliers may be limited by their financial solvency or contractual restrictions and warranties given by such contractors or suppliers may not fully cover our losses.

In addition, political circumstances and regulations may affect the cost of the components. For instance, it is expected that the International Trade Administration (US) issues a resolution related to anti-dumping measures (increase in import tariffs) that would affect the imports of certain manufactured products from Malasia, Thailand, Cambodia and Vietnam. This anti-dumping measure could potentially affect the cost of the components used for the development of our Under Construction and Pre-Construction plants located in the United States (due to such increase in the tariffs).

The COVID-19 pandemic has affected all of the countries in which our suppliers operate including, among others, China, France, India, Italy, Mexico, Spain, the United States and Vietnam. As a result, we have suffered certain delays in the delivery of equipment and materials. In addition, political and military events in Ukraine, particularly the ongoing tensions and intermittent warfare between Ukraine and Russia since 2014 (and most recently since end of February 2022), the poor relations between the United States and Russia, and sanctions by the United States, the EU and the UK against Russia, Belarus, and/or regions of Ukraine may also have an adverse impact on the global economic of many countries which could in turn affect availability of supplies and our relationship with our suppliers and contractors. Furthermore, during 2022, inflation and commodity prices have spiralled upwards, affecting raw materials, production and logistic cost. Our internal sourcing costs might significantly impact our internal rate of returns due to higher costs of multiple raw materials (iron, steel, silicon, copper, aluminium, glass or silver) at present and in the future. Despite having signed forward contracts in order to fix the cost of our projects, we can not guarantee that the raw material price increase and/or logistic price increase could materialise in the provider requesting a price adjustment or not complying with delivery dates or with the delivery of the equipment at all.

As of the date of this Information Memorandum, the above has not prevented us from complying with our deadlines but we cannot assure that the above will not have a material adverse effect in our operations in the future. Our failure to successfully manage the risks involved in using third-party contractors and suppliers could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.5. Maintenance and refurbishment of renewable energy plants involve significant risks that could result in unplanned power outages, reduced output and unanticipated capital expenditures

As of the date of this Information Memorandum, we provide O&M services in respect of all the solar PV plants in operation (that is, we do not provide O&M services for the onshore wind plant La Estrella), including those plants in respect of which we have a minority interest. In addition, we provide O&M services in respect of certain plants which are entirely held by third parties. Therefore, all the plants in respect of which we provide O&M services have an aggregate gross installed capacity of c.558 MW (including c.25 MW corresponding to the plants which are entirely owned by third parties).

The operation of our renewable energy plants involves risks that include the breakdown or failure of equipment or processes or performance below expected levels of output or efficiency. Such failures and performance issues can stem from a number of factors, including human error, intentional damage, power outages, lack of maintenance and general wear over time.

Unplanned outages, including extensions of scheduled outages due to mechanical failures or other problems relating to our plants, may also occur from time to time and are an inherent risk of our business. Unplanned outages typically increase our operation and maintenance expenses, which may not be recoverable under the relevant PPA, and may reduce our revenue as a result of selling reduced amounts of electricity or require us to incur significant costs as a result of running a higher cost facility, or could even lead to a default under a PPA that would result in its termination.

In addition, critical equipment or components may not always be readily available when needed, which may introduce significant downtime and delay in resuming facility operation and result in lost revenue. Certain especially manufactured or designed equipment or components require significant time and expense to build and deliver, and if they do not function as planned or are damaged, replacing them can create substantial expense for us and generate significant downtime for the relevant facility.

Higher than expected capital expenditures may be required due to changing environmental, health and safety laws and regulations (including changes in the interpretation or enforcement thereof), necessary facility repairs or unexpected events (such as natural or man-made disasters or terrorist attacks).

Any unexpected failure, including failure associated with breakdowns, forced outages or any unanticipated capital expenditures at our plants, could result in reduced profitability and/or jeopardize the ability of our projects to pay their debt, meet PPAs or other obligations and make distributions, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.2.6. Risks related to lack of control over plants in which we hold a minority interest

Following the completion of the Riverstone Transaction in 2020, we own a 20% stake in the company that owns Andalucía and Aguascalientes in Mexico, which have an aggregate gross installed capacity of c.144.2 MW (which represents an attributable installed capacity of c.28.8 MW).

Our ownership position with respect to plants in which we hold a minority interest, means that we lack control over certain strategic and operational decisions that may impact the development, construction, operation and ownership of these plants. In addition, our ability to receive dividends and other payments from the companies that own such plants depends, or will depend, not only upon such companies' cash flows and profits, but also upon the terms of the agreements entered into with the shareholders of such companies and/or such other shareholders' decisions. The shareholders in such companies may (i) have economic or business interests or goals that are inconsistent with those of our Group, (ii) undergo a change of control that could result in unforeseen difficulties with their successor, (iii) experience financial and other difficulties, (iv) be in breach of international sanctions, or (v) be unable or unwilling to fulfil their obligations under any relevant shareholders' agreement. Conflict or disagreement with other shareholders may lead to deadlock and result in our inability to pursue our desired strategy and/or force us to exit from such companies.

Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and prospects.

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1.3. Risks related to the Commercial Paper Notes

1.3.1. There is no existing public trading market for the Commercial Paper Notes and the ability to transfer them is limited, which may adversely affect the value of the Commercial Paper Notes.

There is no active trading market for the Commercial Paper Notes and the Issuer cannot predict the extent to which investor interest in our Group will lead to the development of an active trading market or how much liquidity that trading market might provide for.

The market price of the Commercial Paper Notes may be influenced by many factors, some of which are beyond its control, including but not limited to:

(i) general economic conditions;

(ii) changes in demand, the supply or pricing of the Group's products and services;

(iii) the activities of competitors;

(iv) the Group's quarterly or annual earnings or those of its competitors;

(v) investors' perceptions of the Group and its industry;

(vi) the public's reaction to the Group's press releases or its other public announcements; and

(vii) future sales of notes.

As a result of these factors, investors may not be able to resell its Commercial Paper Notes at or above the initial offering price. In addition, securities trading markets experience extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Commercial Paper Notes, regardless of its operating performance. If an active trading market does not develop, investors may have difficulty selling any Commercial Paper Note that they buy.

In this regard, the Issuer has not entered into any liquidity agreement, and, consequently, no institution is obliged to quote sale and purchase prices. Therefore, investors may not find any counterparty for the Commercial Paper Notes. This may entail problems for investors who need to sell the Commercial Paper Notes urgently.

1.3.2. Credit risk

The Commercial Paper Notes are subject to the risk of the Issuer defaulting on their obligations. Although the Commercial Paper is guaranteed by the Issuer's total net worth, credit risk arises from the potential inability of the Issuer to meet the required payments under the Programme. The risk is that of the investor and includes loss of principal and interest. The loss may be complete or partial. If the Issuer defaults, investors may not be able to receive interest and principal. The Issuer's solvency could be impaired as a result of an increase in borrowings or due to deterioration in its financial ratios, which would represent a decrease in the Issuer's capacity to meet its debt commitments.

1.3.3. The market price of the Commercial Paper Notes may be volatile

The market price of the Commercial Paper Notes may be subject to significant fluctuations in response to actual or anticipated variations in the Group's operating results, adverse business developments, changes to the regulatory environment in which our companies operate, changes in financial estimates by securities analysts and the actual or expected sale of a large number of Notes as well as other factors.

In addition, in recent years the global financial markets have experienced significant price and volume fluctuations which, if repeated in the future, could adversely affect the market price of the Commercial Paper Notes without regard to the Group's financial condition, results of operations or cash flows.

Moreover, the Commercial Paper Notes are fixed-income securities and their market price are subject to potential fluctuations, mainly due to the evolution in interest rates. Consequently, the Issuer cannot guarantee that the Commercial Paper Notes will be traded at a market price that is equal to or higher than the subscription price.

1.3.4. The Commercial Paper Notes will not be rated. Risk that the Issuer's long-term credit rating may vary

The Commercial Paper Notes issued under this Programme will not be rated. To the extent that any credit rating agencies may assign in the future credit ratings to the Issuer, such ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Commercial Paper Notes issued under this Programme may not be covered in such credit ratings. Moreover, a rating or the absence of a rating is not a recommendation to buy, sell or hold securities.

If the Issuer obtains a rating during the term of the Programme, such rating will be notified to the MARF through the publication of a regulatory announcement (*Anuncio de Otra Información Relevante or OIR*).

Although the Commercial Paper Notes that will be issued under the Programme will not have any short-term rating, it should be noted that the Issuer currently has a creditworthiness report (*nota de solvencia*) issued by ETHIFINANCE RATINGS, S.L. (formerly Axesor Risk Management S.L.U. ("**Ethifinance**" or "**Axesor**") on December 21, 2022, according to which, the Issuer has adequate liquidity position that allows it for an improvement in credit quality and, therefore, sufficient capacity to meet its financial commitments in the short term.

The credit ratings or the creditworthiness reports issued by Ethifinance are one way to assess the risk. In the financial markets, the investors ask for a higher yield to the extent the risk is higher, so any investor in the Commercial Paper Notes may take into account the Issuer's rating and(or creditworthiness report because a downgrade or a downward revision of the Issuer's creditworthiness report may imply a loss in the liquidity of the Commercial Paper Notes being acquired and a loss of their value.

The Issuer's credit rating and/or conclusions in the creditworthiness report (*nota de solvencia*) may be downgraded due to an increase of its indebtedness or due to the deterioration of its financial ratios, which would imply a worsening of the Issuer's capacity to meet its payment obligations, which might also affect the Issuer's capacity to meet its payment obligations under the Commercial Paper Notes.

1.3.5. Clearing and settlement

The Commercial Paper Notes will be registered with Iberclear in book-entry form (*anotaciones en cuenta*). Consequently, no physical notes will be issued. Clearing and settlement relating to the Commercial Paper Notes upon their redemption will be performed within Iberclear's account-based system. Therefore, holders of the Commercial Paper Notes will depend on the functionality of Iberclear's account-based system.

Title to the Commercial Paper Notes will be evidenced by book entries (*anotaciones en cuenta*), and each person shown in the Spanish Central Registry (*Registro Central*) managed by Iberclear and in the registries maintained by the Iberclear members as being a holder of the Commercial Paper Notes shall be (except as otherwise required by Spanish law) considered the holder of the principal amount of the Commercial Paper Notes recorded therein.

The Issuer will discharge its payment obligation by making payments through Iberclear. Holders of the Commercial Paper Notes must rely on the procedures of Iberclear and the Iberclear members to receive payments. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of, holders of the Commercial Paper Notes according to book entries and registries as described above.

1.3.6. Exchange rate risks and exchange controls for investors

The Commercial Paper Notes will be denominated in Euros. This may imply certain risks relating to currency conversions if an investor's financial activities are denominated principally in a currency other than the euro. These include the risk that exchange rates may significantly change (including changes due to devaluation of the euro or revaluation of the investor's currency) and the risk that authorities with jurisdiction over the investor's currency may impose or modify exchange controls. An appreciation in the value of the investor's currency relative to the euro would decrease (i) the investor's currency equivalent yield on the Commercial Paper Notes; (ii) the investor's currency equivalent value of the amount payable on the Commercial Paper Notes; and (iii) the investor's currency equivalent market value of the Commercial Paper Notes.

Government and monetary authorities in some countries may impose, as some have done in the past, exchange controls that could adversely affect an applicable exchange rate. As a result, investors may receive less amounts than expected.

1.3.7. The issues under the Programme may not be suitable for all types of qualified investors

Each potential qualified investor in the Commercial Paper Notes issued under this Programme should determine the appropriateness of such investment in the light of their own circumstances, in particular such investors should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Commercial Paper, the benefits and risks of their investments, and the information contained in this Information Memorandum;
- have access to and knowledge of appropriate analytical tools to evaluate, in the context of their particular financial situation, an investment in the Commercial Paper Notes, and the impact that such investment will have on their portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the relevant Commercial Paper Notes;
- have a thorough understanding of the terms of the Commercial Paper Notes, as well as the performance of the financial markets in which they participate; and
- evaluate possible economic scenarios, interest rate variations and other factors that may affect to the investments and the ability to take risks.

1.3.8. Commercial Paper Notes issued as "Green Commercial Paper Notes" may not be a suitable investment for all investors seeking exposure to green assets

As part of the "Opdenergy Green Finance Framework" produced by OPDENERGY in December 2021 that has been verified by a second-party opinion of Sustainalytics, the Issuer has established the Programme for the main purpose of issuing Commercial Paper Notes to be qualified as "green commercial paper notes" *(pagarés verdes*).

Although the Issuer may state at the time of issue of any Green Commercial Paper Notes its intention to use the net proceeds in a certain manner pursuant to the guidelines and criteria set out in the Opdenergy Green Finance Framework, it would not constitute any event of default or early termination event of the Commercial Paper Notes if the Issuer fails to comply with such intention.

Moreover, no assurance us given by the Issuer or any of the Dealers that the use of such proceeds for any purposes envisaged under the Opdenergy Green Finance Framework will satisfy, either in whole or in part, any present or future expectations that an investor in the Commercial Paper Notes may have as regards any "green", "environmental", "sustainable" or any other similar investment criteria or guidelines with which a particular investor or its investments are required to comply.

In this regard, it must also be noted that there is currently neither a clear definition (legal, regulatory or otherwise) nor a market consensus as to the meaning of a "green" project or which are the particular features that are required for a particular project to be defined as a "green project" or similar terms that are currently used in the markets, and there is no assurance that a clear definition or consensus will develop over time. Therefore, we can give any assurance to any prospective investor that any of our purposes for which we intend to use the proceeds obtained under the Commercial Paper Notes will meet any or all of the expectations that a particular investor mat have regarding "green", "sustainable" or any similar term.

1.3.9. Risk relating to Spanish Insolvency Law.

According to the classification and order of priority of debt claims laid down in Royal Legislative Decree 1/2020, of 5 May (*Texto refundido de la Ley Concursal*), as recently amended by Law 16/2022, of 5 September (the "**Insolvency Law**"), in the event of insolvency (*concurso*) of the Issuer, credits held by investors as a result of the Commercial Paper shall rank behind privileged credits, but ahead of subordinated credits (except if the Commercial Paper could be classified as subordinated in accordance with article 281.1 of the Insolvency Law) and would not have any preference among them.

For additional information, see section 11 of this Information Memorandum (*Classification of the Commercial Paper: order of priority*) below.

According to Article 281.1 of the Insolvency Law, the following are deemed to be subordinated credits, among others:

(i) Claims which, having been communicated late, are included by the insolvency administrators (*administradores concursales*) in the creditors' list, as well as those which, not having communicated or having done so late, are included in such list as a result of subsequent communications, or by the judge when resolving on an action contesting the list.

(ii) Claims corresponding to surcharges and interest of any kind, including late-payment interest, except for those corresponding to claims that are secured by an *in rem* security interest, up to the amount covered by the respective guarantee.

(iii) Claims held by any of the persons especially related to the debtor, as referred to in article 283 of the Insolvency Law.

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2. INFORMATION OF THE ISSUER AND OUR GROUP

2.1. Full name of the issuer, including its address and identification data

The Issuer's full corporate name is OPDENERGY HOLDING, S.A.

The Company is a Spanish stock corporation (*sociedad anónima*) incorporated for an indefinite period and has its registered address (*domicilio social*) in Cardenal Marcelo Spínola, 42, 5th floor 28016, Madrid, and it has tax identification number (N.I.F.) A-31840135.

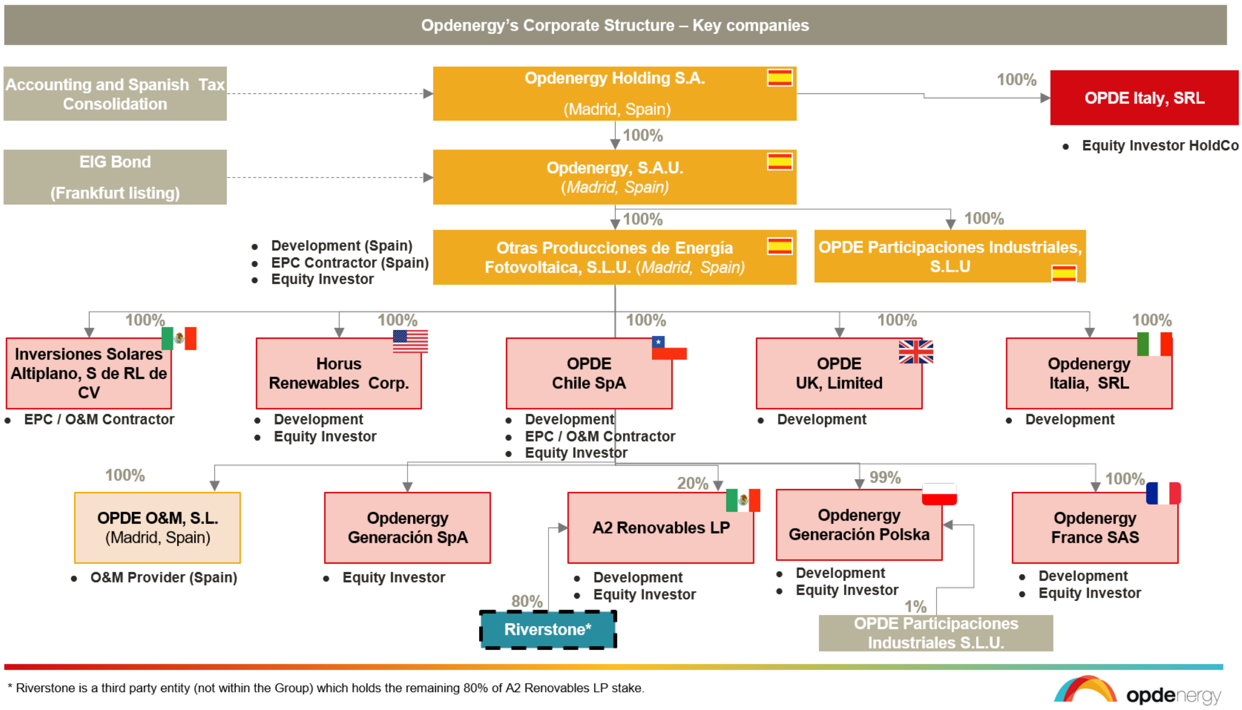
The Company is registered with the Commercial Registry of Madrid, under section 8, volume 40,461, sheet 83, page M-718,435, and its Legal Entity Identifier (LEI) Code is 959800KT1FVNZ7HC1R25.

2.2. Issuer's website

www.opdenergy.com

2.3. Group's structure chart

The following chart shows our corporate structure as at the date of this Information Memorandum:



As of the date of this Information Memorandum, the Group has 180 operating entities (that is, entities with a holding purpose and entities which provide services such as EPC and O&M management services). Accordingly, in addition to the entities indicated in the diagram above and the specific SPVs of the Group, there are other operating entities, which due to their more limited relevance have not been included therein.

2.4. Shareholder structure

2.4.1. Shareholders

As of the date of this Information Memorandum, the Company's issued share capital amounts to € 2,960,669.48, divided into 148.033.474 ordinary shares, each with a par value of €0.02 and belonging to a single class, being listed on the Spanish Stock Exchange (*Bolsa*) since 22 July 2022.

The current majority shareholders of the Company are (i) Aldrovi, S.L.; (ii) Jalasa Ingeniería, S.L. Unipersonal; (iii) Marearoja Internacional, S.L. and Indumenta Pueri, S.L. (collectively, the "**Majority Shareholders**"):

(i) Aldrovi, S.L. is incorporated as a private limited company (*sociedad de responsabilidad limitada*) in Spain under Spanish law and, in particular, under the Spanish Companies Law. Aldrovi, S.L. is registered with the Commercial Registry of Navarra, under volume 1,085, sheet 201, page NA-21,789. Aldrovi, S.L. holds Spanish tax identification number (NIF) B-31833189 and LEI number 959800Z491TV8HTSMX15. The corporate address of Aldrovi, S.L. is calle Soledad Chivite, 10, 31592, Cintruénigo Navarre, Spain.

(ii) Jalasa Ingeniería, S.L. Unipersonal is incorporated as a private limited company (*sociedad de responsabilidad limitada*) in Spain under Spanish law and, in particular, under the Spanish Companies Law. Jalasa Ingeniería, S.L. Unipersonal is registered with the Commercial Registry of Navarra, under volume 1,396, sheet 46, page NA-27,742. Jalasa Ingeniería, S.L. Unipersonal holds Spanish tax identification number (NIF) B-31946262 and LEI number 959800ML4VTC37BVPK45. The corporate address of Jalasa Ingeniería, S.L. Unipersonal is calle Albea, 8, 31500, Tudela, Navarre, Spain.

(iii) Marearoja Internacional, S.L. is incorporated as a private limited company (*sociedad de responsabilidad limitada*) in Spain under Spanish law and, in particular, under the Spanish Companies Law. Marearoja Internacional, S.L. is registered with the Commercial Registry of Gipuzkoa, under volume 2,056, sheet 179, page SS-23,034. Marearoja Internacional, S.L. holds Spanish tax identification number (NIF) B-20819298 and LEI number 95980048Y39MXBSB8P44. The corporate address of Marearoja Internacional, S.L. is calle Etxetxikiak, 3, Bajo, 20500, Mondragon Gipuzkoa, Spain.

(iv) Indumenta Pueri, S.L. is incorporated as a private limited company (*sociedad de responsabilidad limitada*) in Spain under Spanish law and, in particular, under the Spanish Companies Law. Indumenta Pueri, S.L. is registered with the Commercial Registry of Malaga, under volume 5,221, sheet 11, page 71,224. Indumenta Pueri, S.L holds Spanish tax identification number (NIF) B-92549781 and LEI number 95980020140005851508. The corporate address of Indumenta Pueri, S.L. is calle La Orotava, no 118, 29006 Malaga, Spain.

The following table shows the current significant shareholdings (*participaciones significativas*) in the Company, as per the information available on the CNMV's website as at July 22, 2022:

Significant shareholdings	%
Aldrovi, S.L.[2]	29.9%
Jalasa Ingeniería, S.L.U.[3]	11.087%
Marearoja Internacional, S.L.[4]	29.9%
Indumenta Pueri, S.L	6.0%
Total	**76.887%**

2.4.2. Shareholders' agreements

At the date of the Information Memorandum, there are no shareholders' agreements in force between the Company's shareholders.

2.4.3. Change of control of the Company

As of the date of this Information Memorandum the Company has no controlling shareholder. Additionally, the Company is not aware of any agreement which may result in the existence of control over the Company.

[2] Held by Mr. Alejandro Javier Chaves Martínez and his wife, Ms. María Paz Sesma Garbayo, on a 51%/49% basis, respectively.
[3] Wholly owned by Mr. Francisco Javier Remacha Zapatel.
[4] Held by Mr. Gustavo Carrero Díez and his wife, Ms. Miren Izpiñe Aramburu Aguirre, on a 73%/27% basis, respectively.

2.5. Description of Our Business

The Company's principal activities are (i) the promotion, development, construction, asset management and operation and maintenance or renewable energy plants; (ii) the generation and sale of renewable energy; (iii) the investigation, research, and innovation within the renewable energy sector and the technologies associated thereto; and (iv) sale of projects under development pursuant to M&A transactions when pricing and liquidity opportunities arise.

The Company was founded in 2005, and has been focused on the development, construction and subsequent sale of renewable energy plants (Build to Sell business model), however the Group is in the process of focusing on a Build to Own business model to become a large-scale IPP in Europe, USA and Latam.

In our first years of operations, we focused on the Spanish market and became an active player in Spain in the solar PV energy sector. In 2009, we began our international expansion across some of the most attractive renewable energy markets in the world, starting in Italy and following in the United Kingdom, Chile, the United States and Mexico. In 2019, we undertook our first onshore wind development in Chile. From 2016 to 2018, we were awarded with several public auctions in Chile, Spain and Mexico. During 2019 and 2020, we commissioned plants with an aggregate gross installed capacity of c.405.4 MW, with the majority of the plants in our portfolio being constructed and, many of them, starting operations during such period. We also obtained project financing with respect to such projects. In addition, we expanded our development operations into Poland and France and were awarded several PPAs in the United States with respect to pipeline projects.

As of the date of this Information Memorandum, we are in the midst of a transformational journey from a vertically-integrated developer to a large-scale IPP in Europe, USA and Latam. Accordingly, we seek to significantly increase our energy sales in the future as we develop our project pipeline and our portfolio of renewable energy plants becomes larger.

As of the date of this Information Memorandum, our portfolio of operating renewable energy plants includes solar PV plants and one onshore wind plant, with an aggregate gross installed capacity of c. 584MW (including plants in respect of which we own non-controlling interests) and an attributable installed capacity of projects Under Construction of c. 1.186 MW. As of the date of this Information Memorandum, c.45% of the gross installed capacity of our portfolio (including plants in respect of which we own non-controlling interests) is located in Spain, c.29% in Chile, c.25% in Mexico and c. 1% in Italy

2.5.1 Geographically diversified IPP with a differentiated business strategy

We have a fully-integrated value chain and we seek to add value through each of the phases of a project: (i) development; (ii) corporate development and structured finance; (iii) construction and grid connection; and (iv) O&M and asset management.

Development

We source our projects following a mixed approach that combines the undertaking of pure greenfield developments from scratch with selective acquisitions of promising projects (typically before development is completed) where we believe we can add significant value to their development and eventual construction and operation. As explained further below, with respect to all of our projects, we seek to de-risk our investment from an early stage by carrying out technical studies and environmental impact assessments, as well as an analysis of local regulatory, logistical, grid-connection, tax and other requirements. Our ability to obtain detailed early information on project sites from an early stage allows us to reduce ramp-up issues and help us overcome execution and project quality challenges that might otherwise occur. We progressively increase our investment in a project's development as we obtain further data and indications that the prospects of such project are positive, thus continuing to de-risk the project as we allocate further resources to it.

We perform development activities in-house and, in some cases, outsource certain specialized tasks.

The development of a renewable energy plant involves a multi-phase process typically consisting of three broad phases: (i) early stage development, which takes from six to nine months; (ii) permitting, which takes from 18 to 24 months; and (iii) final stage development, which includes steps that take place throughout all of the development process. These phases may occur in varying sequences and often concurrently, with variations in each country or region depending on the opportunities, constraints, regulatory regime and other characteristics of each market.

We spend significant time on project development, including initial site identification, obtaining land and land permits, funding third-party environmental and urbanistic studies and technical assessments (including concerning electricity grid access). In the course of development, we may uncover problems or encounter difficulties with projects, including but not limited to, the following: (i) obtaining and maintaining governmental permits, licenses and approvals required by existing laws and regulations; (ii) securing adequate property with sufficient solar or wind resources, given the heightened competition; (iii) initial site suitability evaluations, based on assumptions; (iv) engineering and project design problems; and (v) overall adverse changes in the political, legal or economic environment.

Early Stage Development

The first step in project development is to identify a site and assess its feasibility and potential to be developed into a successful operational renewable energy plant. The selection and allocation of investments in different projects and geographical areas is conducted with a view to maximizing value, according to the strict criteria and internal procedures that we have adopted. In particular, we typically identify new sites taking into account solar or wind resources, meteorological conditions, topography, access to existing and planned electricity transmission systems, size, availability and ownership of land and possible environmental and regulatory constraints.

Once we have identified a potential site, we conduct a site survey. This generally takes the form of a preliminary regulatory framework analysis, preliminary technical and economic feasibility studies, preliminary environmental and urbanistic assessments and the booking of the relevant land plots.

On average, the early stage development represents up to 1% of the total budget of a typical solar PV plant in Spain (our principal market).

Permitting

Once we have determined that a site meets the necessary criteria, we seek to obtain land rights for the development of the relevant project on economically viable terms. We generally lease the land on which the renewable energy plants are constructed, in some cases entering into lease agreements for a given number of years upfront, while in others entering into options to lease or letters of intent that are followed by lease agreements at a later stage. Our land agreements typically have terms of approximately 30 to 40 years depending on the country, market standards and legal limitations. In certain jurisdictions, a single site may have multiple landowners. In certain jurisdictions, such as Spain and Italy, land registries may not hold fully up-to-date information in respect of title ownership, and identifying and involving the type and number of landowners can lengthen or complicate the process. In some cases, development and operations may commence before these land rights issues have been resolved.

In addition to securing any necessary land rights, we seek to obtain the necessary permits, licenses and other approvals to construct and operate the renewable energy plants (except for a few permits that are obtained at a later stage). The precise permits, licenses and other approvals required, and the procedures relating thereto, vary significantly from country to country and in some cases from region to region. The permitting and licensing process generally involves an environmental authorization process, which is typically based on an environmental impact assessment that analyses the potential impact of the project on the environment, the landscape and the community. This phase is essential for project development. As part of the environmental impact assessment, input from consultants with environmental expertise, local residents (sometimes through public meetings) and other interested parties is often considered. While the precise nature, form and timetable of this assessment differs among jurisdictions, similar factors are taken into account by most relevant authorities in deciding whether or not to permit a project, including: (i) the visual impact of the renewable energy plant on the landscape; (ii) noise, particularly in populated areas; (iii) the environmental impact on flora and fauna; (iv) the effect on local historical, archaeological or other protected sites; and (v) topographical and other site characteristics, such as ground conditions and hydrology.

We also procure a connection to the local electricity grid. In many of the countries in which we operate, we initiate the process with an application to the transmission system operator or to an electricity distribution company for a connection point and the right to interconnect the relevant renewable energy plant to the network. The transmission system operator or electricity distribution company conducts certain connection studies to determine whether access and interconnection may be granted or denied and whether any infrastructure modifications are required to enable connection to the electricity grid. The requisite interconnection infrastructure must also be generally licensed and constructed, which is done in parallel with the construction of the plant.

On average, the permitting stage represents up to 5% of the total budget of a typical solar PV plant is Spain (our principal market). If the relevant plant is finally not constructed the costs and expenses associated to the permitting stage are registered as changes in inventories. For additional information regarding the changes in inventories, see Note 13 to our 2021 Audited Consolidated Annual Accounts.

Final Stage Development

Over the course of the development process, we define the main equipment and component for the project and enter into the relevant supply contracts. In the case of a solar PV plant, this includes the modules, inverters and trackers, and in the case of an onshore wind plant, the turbines, blades and gearboxes. We also define the required electricity substation equipment. In order to guarantee the long-term robustness and asset quality of our plants, we rely on reputable suppliers only and use top components and equipment with a verified track record of reliable performance.

We also enter into the relevant EPC contracts. Given our full in-house EPC management capabilities, these are typically intra-Group agreements with the relevant project SPV. However, while we manage and supervise the entire construction process, we outsource the required civil engineering and construction work and the electromechanical assembly relating to our projects to reputable outside contractors.

We obtain any remaining permits that are required prior to the construction of the project. While these vary from country to country and in some cases from region to region, they typically include the following: (i) building or construction permits and licenses, which in certain cases are granted by national regulatory entities, such as the Ministry of Industry in Spain, and in others by regional, municipal or other local authorities; (ii) if applicable, a change of permitted land use or zoning authorization (that may require a significant economic disbursement) in order to include solar or wind energy generation among the authorized uses for the site; and (iii) sector-specific authorizations.

On average the final stage of development, including the full cost of construction and grid connection, usually represents up to 89% of the total budget of a typical solar PV plan in Spain (our main market).

Corporate Development and Structured Finance

Project structuring represents a critical part of our value chain as it is fundamental to the economic viability and profitability of a project. We have been able to establish a strong track record in securing project financing with favourable terms on the back of long-term, hard currency-denominated (or hard currency-linked) PPAs (or other types of remuneration arrangements). In addition, we have experience in partnering with creditworthy and reliable partners in projects where we believe that such partnering is advantageous.

Lastly, on average the phase of financing and project remuneration structuring, usually represents up to 5% of the total budget of a typical solar PV plan in Spain (our main market).

Financing

Investments in the construction of renewable energy plants are generally incurred and financed at the level of the project SPV formed to hold and carry the project-related debt. Under this approach, the project SPV typically finances the majority of the project using bank loans. The use of project financing structures allows us to finance the construction of our projects with smaller equity contributions and intra-group loans, and this increases our capacity to develop more projects. It also allows each project's debt to be managed separately, which increases our flexibility to react and make corrections, if necessary. We generally seek to fund the capital expenditures and investments requirements associated with the execution of our projects through a combination of (i) project financing at the level of the project SPV c.70% and (ii) equity being funded by us through our own funds or funds raised from third parties c.30%.

While we seek to obtain non-recourse financing and to maximize the net present value of our projects, non-recourse financing is not always available for particular projects and SPV holding companies and/or we may be required to provide certain guarantees.

The typical timeline for the financing process is approximately four to six months. During this process, various financial options are explored, potential lenders are identified and legal, technical and tax due diligence is performed. The short-term and long-term financing strategy for a particular project is determined mainly on the basis of the prevailing financing conditions in the relevant country, the PPA (or relevant remuneration arrangement) tenor and the plant generation capacity.

Since the existence of EPC and O&M contracts are pivotal to the successful close of a project's financing, we believe that our fully-integrated value chain provides us with a competitive advantage when negotiating financing terms.

We have a conservative approach to merchant risk management and, as of the date of this Information Memorandum, our energy production not covered by PPAs (or other types of guaranteed remuneration arrangements) represents up to an estimated 30% of our total annual energy production.

The Group uses synthetic PPAs, this is, derivative financial instruments to hedge the risk of fluctuations in electricity prices based on its projections, since such fluctuations may have a significant impact on the earnings of the companies that own the solar PV and wind farms under development. Specifically, in Spain all our PPAs are synthetic.

Synthetic PPAs work as a swap of electricity prices hedging the sale of the electricity produced by our projects. By entering into this type of agreements, we undertake to pay the hourly *pool* market price in relation to a notional amount of MWh set out in the PPA agreements (i.e. the *pool* price) in exchange for a fixed price for the same notional amount of MWh (i.e. settlement by difference) for a period of between 10 and 15 years. The PPAs are recognised initially at fair value at the date a contract is entered into and are subsequently remeasured to their fair value at each reporting date. The estimation of the fair value of this type of derivatives is carried out in accordance with the independent experts' long-term electricity price curves between the date of contracting and the reporting date.

The valuation and performance of our synthetic PPAs due to the electricity price volatility have a direct impact on:

- our consolidated assets and liabilities, where a derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability, depending on the valuation of the derivative at each settlement date; and
- our consolidated equity, as a result of the registration of the change in the fair value of the derivatives since the effective portion of changes in the fair value of PPAs derivatives is recognised in other "Valuation adjustments-Cash Flow Hedge Reserve", limited to the aggregate change in the fair value of the hedged item since the inception of the derivative.

However, these synthetic PPAs may also generate the so-called "ineffectiveness". These ineffectiveness occur when the nominal (denominated in MWh) (actual swap) is not fully coincident at the hourly level and the degree of pointing in the electricity price curves projected by the independent curve provider (hypothetical swap) as of a certain reporting period (in our case, at the end of each year, and for the purposes of this Information Memorandum, also quarterly as of March 31, 2022). The gain or loss relating to the ineffective portion is recognised immediately in the profit or loss account and is included in the "Other gains and losses" line item.

From an accounting perspective, the changes in the fair value are registered under the "Other gains and losses" line item of our consolidated profit and loss accounts as they do not meet the criteria for hedge accounting.

The electricity price volatility and most particularly, the increase in the electricity prices mainly due to the increase in gas prices during the last months of 2021, has negatively impacted the valuations of our synthetic PPAs and Written Options.

Corporate Development and M&A

We have a long track record of partnering with creditworthy and reliable partners in different geographies. We choose our partners based on country risk, the potential partner's know-how and our development financing needs and have, therefore, carried out transactions with Tier I counterparties such as Bruc, Marguerite or Riverstone. Since our inception in 2005 we have successfully executed multiple M&A and financing agreements regarding assets sold at COD and RtB status.

In particular, the 2019 Marguerite Transactions (superseded by the 2021 Marguerite Transaction) and the Riverstone Transaction in 2020 were undertaken as part of our past asset rotation strategy to support our development financing needs, with the proceeds of the disposal of assets or controlling stakes therein being reinvested in new renewable capacity additions. We believe that this strategy has allowed us to frontload value creation and fund additional pipeline with attractive returns. The Riverstone transaction was aimed, in particular, at reducing country risk while maintaining certain exposure and footprint.

Although as of the date of this Information Memorandum, we have managed to become a fully integrated renewable IPP player, our goal is to become a large-scale full IPP in Europe, the United States and Latam and to significantly increase the size of our portfolio of renewable energy plants in the future. We aim to wholly own each of the projects in our pipeline or have controlling stakes in each of these projects. In addition, and in order to improve profitability, in the United States we expect to have a tax equity partner by the financial closing of our projects which would typically take 25% to 30% of the relevant project during a period of up to six years, who benefits from receiving the tax incentive resulting from the accumulated losses of the assets during the first years of operation. This enables us to optimize the capital structure of the project, since the tax equity investor does not receive any interest. Nevertheless, we may consider relying on asset rotation, on a selective basis, if we have consumed a large portion of our financial resources for expansion and provided that relying on asset rotation allows us to continue executing projects that achieve RtB status while creating value for our shareholders. Our current strategy will keep asset rotation as a recurring business line to enhance cash flows, help finance developments, aiming to sell between 150-250 MW/year of assets under development (expected to be sold at RtB status). In any case, asset rotation should only represent a nominal amount of our activities and is not foreseen until the Bruc Transaction described below is fully completed, which we expect complete by end-year 2023.

The most recent transaction was carried out in August 2021, when we entered into an agreement with Bruc for the sale of a Spanish solar PV portfolio comprised of 20 assets amounting to 1,101 MW, for the purposes of developing our 2025 Target, which we will continue to develop until the RtB phase is reached, which is expected to take place during the second half of 2022 and the first half of 2023. The classification of the Bruc assets as Farm-Down also reduces Opdenergy's equity needs for construction, as it reduces the pipeline to execute in the short term. Additionally, this deal, along with the Franklin Transaction, shows the strong appetite from investors for our pipeline and our ability to execute M&A transactions.

Construction and Grid Connection

EPC/Construction

The construction of a typical solar PV plant usually takes between 10 and 12 months and by the date in which the solar PV plants starts evacuating the electricity to the grid (grid connection of the asset) around 70-85% of the EPC costs have already been paid (of the total amount to be disbursed).

Once the relevant permits, licenses and other administrative authorizations have been obtained (and depending on the project, once it's financing structure is sufficiently advanced), the project may enter in the construction phase, which is the most demanding in terms of resources and costs. We have full in-house EPC management capabilities, managing all five stages of the construction process: (i) pre-construction; (ii) procurement; (iii) construction; (iv) commissioning and (v) grid connection. Throughout the construction process, we place special emphasis on three key areas: the design and implementation of adequate evacuation infrastructure, grid code compliance and connection dates. We believe that the monitoring of the grid connection is a critical phase for any project, and we consider it a separate work stream that is led by a specialized team. Although as of the date of this Information Memorandum we have not provided EPC management services in relation to wind plants (we outsourced and subcontracted a third-party EPC contractor for this purposes), we do not disregard doing so in the future. We believe that our EPC management capabilities have three core differentiating factors. First, our construction team is involved in a project since its inception, proactively assessing a project's technical risk profile from the start, analysing conditions, restrictions, constraints and other requirements. Our key goal is to maximize the net present value of a project and to identify any factors that could affect the project's viability and profitability. Second, while we manage and supervise the entire construction process, we outsource the required civil engineering and construction work and the electromechanical assembly relating to our projects to reputable outside contractors and our EPC team continuously monitors the sub-contracted work and verifies quality standards. In addition, as stated above, we rely on reputable suppliers and use top components and equipment with a verified track record of reliable performance. Third, our team selects all the key components of our plants (such as modules, inverters, trackers, turbines and, in certain cases, special components such as power transformers, among others), while our construction contractors are responsible for selecting and procuring all other supplies. For information on our suppliers.

In the past, we have provided EPC management services both for our own projects and for non-Group entities (such as utilities, other independent energy producers and commercial and industrial companies). We aim to focus on our portfolio and do not expect to provide EPC services to third-parties in the future.

We typically provide EPC management services under intra-group turnkey construction agreements with the relevant project SPV for the design, supply, construction, installation and commissioning of solar PV plants that are entered into with the relevant project SPV. Such agreements set forth various project milestones and performance ratios which need to be met by certain dates and provide for the payment of penalties if such milestones are not met. Generally, these agreements are lump-sum contracts whereby our remuneration does not depend on the amount of resources or time expended, as opposed to cost-reimbursable contracts whereby the amount of payment reflects the actual costs incurred in carrying out the work, plus an additional fee. We typically receive partial payments of the agreed contract price following the completion of agreed milestones.

Under our EPC agreements that we enter into with each project SPV, we undertake to meet an agreed performance ratio, defined as the ratio between the energy the plant generates during a given period and the maximum energy that it could have generated theoretically at a given percentile global radiation. In the event that such ratio is not met, we would be required to pay a penalty fee equal to an agreed percentage of the contract price for each 1 p.p. in which the ratio differs from the agreed performance ratio. As of the date of this Information Memorandum, we have not defaulted on any performance ratio. Further, we typically guarantee the quality of the materials used and the design and construction of the project and commit to repair and/or substitute materials and equipment under certain conditions. Additionally, we must provide bank guarantees or guarantees issued by insurance companies in favour of our EPC clients to secure the fulfilment of our obligations under the EPC agreements.

The EPC agreements also include certain events of default, such as the abandonment of the works. In addition, the EPC agreements include commitments related to the maintenance of the necessary insurance coverage and compliance with applicable laws.

Finally, projects may encounter a range of difficulties in the construction phase that result in delays or higher than expected costs, including, but not limited to, the following:

- contractor (or subcontractor) defaults and performance shortfalls;

- delays due to unforeseen events;
- unexpected increases in the prices of components or equipment (such as solar modules, wind turbines and other system components), including as a result of changes in the prices of the natural resources needed for their production (such as steel, lithium or cobalt), anti-dumping measures aimed at solar panel manufacturers or the adoption of any other trade measure between governments aimed at the key materials needed for installations;
- damage to components or equipment in the course of delivery and/or in the course of installation as a result of accidents or otherwise;
- adverse weather, environmental and geological conditions, *force majeure* and similar events;
- interruption in the supply or shortage of materials necessary for the construction or maintenance;
- theft and vandalism; and
- regulatory authorizations or difficulties in obtaining or maintaining construction permits.

Set forth below is summarized information on each of the five stages of the construction process.

Pre-Construction

The Pre-Construction stage commences in an early development stage and includes the preparation of the main project management documentation, requesting permits, carrying out the front-end engineering design in order to prevent technical problems during the construction works and, subsequently, the detailed design, the procurement plan and the expense budget, with the goal of ensuring that time, cost, quality and safety targets are met.

We also work in close cooperation with the relevant development team and the health and security team in order to minimize the risk of injuries and accidents, as well as reduce the social and environmental impact of the construction of our projects. For this reason, in every construction site where we operate, detailed rules and mechanisms to manage the environmental and social impact to the local community taking into account the surrounding conditions are laid out. In addition, during the whole construction process, there is health and safety personnel from our subcontractors dedicated exclusively to supervise the health and safety conditions and who have the capacity to halt construction or the entry of workers into the construction site if the necessary precautions are not met.

Procurement

During the procurement phase we analyse and select the main components and equipment for the relevant plant. Such decisions are made on the basis of various variables, including technical considerations, expected performance, guarantee and warranty terms, the production and delivery schedule, as well as pricing terms, among other key factors. We source (or would source in the future) our main project components and equipment (such as modules, inverters, trackers, turbines and, in certain cases, special components such as power transformers, among others) from reputable suppliers

Construction

The construction stage relies heavily on traditional civil, mechanical and electrical engineering. As indicated above, in instances where we act as EPC contractor, we manage and supervise the entire construction process, but we outsource the required civil engineering and construction work and the electromechanical assembly of the plant to reputable outside contractors. During the entire process, we oversee the construction design, scheduling, ongoing performance rates, health and safety, risk management and technical aspects of construction and monitor the status of the work and its conformity to projects and expense budgets. Based on our assessments over time, we update the project management documentation.

Commissioning

Once our renewable energy plants are fully constructed, we plan and oversee their commissioning, which involves subjecting the modules for our solar PV plants and the turbines for our onshore wind plants to a series of inspections, measurements, examinations and specific tests to ensure that full performance is achieved and that solar- or wind-generated electricity, respectively, flows through to the electricity transmission system.

Grid Connection

In order to be able to sell and deliver the electricity generated at our renewable energy plants, we must procure a connection to the local electricity grid. We believe that the monitoring of the grid connection is a mission-critical phase and we have a specialized team that is entirely focused on all aspects of the electrical grid: grid connection, interconnections facility, grid code compliance, viability evaluations and curtailments studies, among others. The grid connection process is initiated from the development phase of our projects and continues through the construction process until a project's COD. In many of the countries in which we operate, we initiate the process with an application to the transmission system operator or to an electricity distribution company for a connection point and the right to interconnect the relevant plant to the network. The transmission system operator or electricity distribution company conducts certain connection studies to determine whether access and interconnection may be granted or denied and whether any infrastructure modifications are required to enable connection to the electricity grid. If access to the grid is denied at this point we could either cancel the relevant project or, if it is economically viable, implement the required infrastructure modifications. Depending on the country and applicable regulations, we may also need to secure easements and land rights for the transmission line from the renewable energy plant to the grid connection point. Proactive management of the grid connection process is essential to delivering projects on time and at an acceptable cost, particularly in countries where local authorities and grid managers have limited or no experience with the logistical and technical requirements for connecting renewable energy sources to the grid.

Some of the main risks that we may encounter in a project relate to interconnection. Accordingly, we engage in extensive monitoring to guarantee a successful grid connection and undertake all electrical studies and simulations necessary to ensure compliance with any relevant standards and requirements.

Operation & Maintenance (O&M) and Asset Management

O&M

As part of our fully-integrated value chain, we provide O&M services to projects even before construction begins. We believe that our O&M capabilities have three core differentiating factors. First, our O&M team is involved in a project since its inception, evaluating the design of the plant from an O&M perspective and giving support in the procurement process (undertaking manufacturer compliance analysis), verifying contractors' qualifications by means of technical questionnaires, overseeing logistics management, employee training and the use of the appropriate tools, supervising the project manager's performance and verifying compliance with any legal and internal requirements. In addition, our O&M capabilities allow us to realize a number of synergistic, value-adding benefits for the entire value chain by providing key feedback and insight for our development, construction and power generation activities. They also allow us to control costs and oversee the long-term robustness and asset quality of our plants. Moreover, they enhance our ability to be flexible with our choice of technology, which in turn allows us to choose high-quality equipment while optimizing the project cost and yield. Finally, our O&M team is firmly focused on monitoring the performance of all plants. In this regard, we are designing our Internal Monitor Control Centre (IMCC) to track 365x24x7 the performance, real production and compliance of our operating activities. The IMCC is under development and is expected to initiate the integration process of the operating plants during Q1-2023, finalizing for all the operating plants during Q4-2023. Our vision is for the IMCC to become the heart of our O&M activities and it is expected to provide us with invaluable knowledge that we believe will allow us to continuously perfection our processes, from design to construction.

Our O&M capabilities include a comprehensive range of services and solutions to maximize the utilization rate, rate of power generation and system life of a renewable energy plant. Specifically, our O&M services include technical consulting, operations reporting and analysis, monitoring and supervision, inspections, preventive plant maintenance, repair and replacement of plant equipment, site management and incident response. While we manage and supervise all of such services, we typically outsource certain services to reputable outside contractors (typically, those to whom we have outsourced the required civil engineering and construction work and the electromechanical assembly of the relevant plant, especially during the term of the warranty previously provided by such contractor).

As of the date of this Information Memorandum, we provide O&M services in respect of all the solar PV plants in our portfolio (that is, we do not provide O&M services for the onshore wind plant La Estrella with an aggregate gross installed capacity of c.50 MW), including those plants in respect of which we have a minority interest. In addition, we will provide O&M services to all our assets currently Under Construction which have a total capacity of 1,002 MW. Lastly, we provide O&M services in respect of certain plants which are entirely held by third parties. Therefore, all the plants in respect of which we provide O&M services have an aggregate gross installed capacity of c.558 MW (including c.25 MW corresponding to the plants which are entirely owned by third parties).

We typically provide O&M services under intra-group O&M agreements with the relevant project SPV. Our O&M agreements generally cover both preventive and corrective maintenance services. The project SPV typically pays us a fixed fee based on the generation capacity of the plant. Our O&M agreements typically include warranties for response time and availability (which is typically set at 99%). Failure to meet the required availability ratio, typically triggers penalty fees and, in certain cases, the termination of the relevant agreement.

Asset Management

Our asset management capabilities include a broad range of commercial, accounting, financial, tax and general consulting and advisory services. These services include, among others, reporting services, company administration services, financial and legal compliance and monitoring services. Our asset management team is usually involved since RtB; however, depending on the project, we may provide asset management services during both its construction and operation or during its operation only. In certain cases, we outsource certain services to external providers.

We typically provide asset management services under intra-group asset management agreements with the relevant project SPV. Asset management agreements are typically entered into for periods of between three and five years, although they are typically expected to be renewed throughout the operating life of the relevant plant. The project SPV typically pays us a fixed annual remuneration.

2.5. Our Competitive Strengths

2.5.1. Strategic presence in stable markets with forecasted renewables growth

We operate in the renewable energy sector, which currently benefits from strong regulatory and political support both globally and in the vast majority of countries in which we currently operate. We believe that the environmental, economic and technological trends that have underpinned the current favourable renewable energy market conditions, which include decarbonization, electrification, digitalization and energy decentralization, will continue to drive further support for and growth in this market and, accordingly, will support the growth of our business over the long term.

In this regard, building on the 20% target for 2020, the recast Renewable Energy Directive 2018/2001/EU (the "**Renewable Energy Directiv**e" established a new binding renewable energy target for the EU for 2030 of at least 32% (the "**2030 Targets**"), with a clause for a possible upwards revision by 2023. To meet the higher climate ambition, as presented in the European Green Deal in December 2019, further revisions of the directive are needed.

The European Commission presented Europe's new 2030 climate targets, including a proposal for amending the Renewable Energy Directive, on July 14, 2021. It seeks to increase the current target to at least 40% renewable energy sources in the EU's overall energy mix by 2030.

On 18 May 2022, the European Commission published the so-called "REPowerEU" plan, which sets out a series of measures to rapidly reduce EU's dependence on Russian fossil fuels well before 2030 by accelerating the clean energy transition. The REPowerEU plan is based on three pillars: saving energy, producing clean energy and diversifying the EU's energy supplies. As part of its scaling up of renewable energy in power generation, industry, buildings and transport, the Commission proposes to increase the target in the directive to 45% by 2030 (source:

https://energy.ec.europa.eu/topics/renewable-energy/renewable-energy-directive-targets-and-rules/renewable-energy-targets_en#the-2030-targets).

We aim to take advantage of our expertise in fast-growing energy markets to capture a significant portion of the expected double-digit growth.

2.5.3. Balanced Operating Portfolio and Mostly Fully-owned and Actionable Pipeline of High Quality Projects

As of the date of this Information Memorandum, we have a portfolio of Operating, Under Construction and Pre-Construction renewable energy plants with a gross installed capacity of c.2.4 GW, of which approx. 1,186 MW correspond to our Construction assets located in Spain and USA. Our operating and Under Construction plants with an aggregate gross installed capacity of c. 1,770 MW (including plants in respect of which we own non-controlling interests) and an attributable installed capacity of c. 1,655 MW. In addition, we have a portfolio of pipeline projects (comprised of "Farm-Down ", "Advanced Stage", "Early Stage" and "Identified Opportunities" projects, with an aggregate potential gross targeted installed capacity of c. 11.2 GW, of which c.1.7 GW correspond to projects categorized as Advanced Stage, our pipeline's most mature phase and which we expect to undertake in the short to medium term (this is, from 2023 to 2025).

We believe that our current geographical diversification, in which we expect to significantly consolidate our presence as we develop our project pipeline, significantly mitigates certain of the risks that we face. Furthermore, our plants benefit from long-term, hard currency-denominated (or hard currency-linked) PPAs (or other types of remuneration arrangements) and, in the vast majority of cases, favourable and stable regulatory regimes which, together with the geographically diversified nature of our portfolio, contribute to the stability, predictability and security of our cash flow. Most of our plants are relatively young and have very long remaining asset life.

We expect to further strengthen our portfolio through the execution of our robust project pipeline, which consists mostly of fully owned projects and has a potential aggregate gross targeted installed capacity of c.10.8 GW, of which c.1.7 GW relates to projects marked as Advanced Stage and c.1.1 GW relate to our Farm-Down assets. Our project pipeline is segmented based on the following objective, fact-based milestones:

- "**Farm-Down**" includes assets in respect of which the relevant sale and purchase agreement has been duly executed with a third-party but the transfer of the shares has not been effective yet, subject to specific condition precedents (i.e. closing is pending). As of the date of this Information Memorandum, the only projects that fall under this category are the Bruc Transaction assets[5] and we do not expect to sell any assets apart from those to be transferred in the context of the Bruc Transaction, until the Bruc Transaction is fully completed.

- "**Advanced Stage**" as a general rule, includes projects with high visibility in which there is more than 60% of land secured. Additionally each country projects have achieved certain milestones (which vary depending on the country).

- "**Early Stage**" includes projects in respect of which more than 40% of land has been secured; and/or an application for interconnection has been submitted; and/or the strategy for the structuring of energy sales has been defined; and/or the strategy for the financing of the project has been defined; and

- "**Identified Opportunities**" includes projects which we believe it is possible to have secured following a thorough market research; and/or in respect of which land is in the process of being secured or land with possibilities of being secured has been identified; and/or a feasibility study is in progress; and/or the initial business case analysis has been satisfactory.

[5] This category falls into the pipeline because it includes assets that are expected to be transferred once their RtB status is reached, and thus do not contribute to our 2025 Target (i.e., gross capacity over 3GW of assets in operation and Under Construction). As of the date of this Information Memorandum, the only assets that fall under the Farm-Down category are those included under the Bruc Transaction.

We assign various completion probabilities for projects in our pipeline based on our management's experience and outlook. We estimate the probability of completion to be of more than 80% for our Farm-Down projects, from 50% to less than 80% for our Advanced Stage projects, from 30% to less than 50% for our Early Stage projects and from 10% to less than 30% for our Identified Opportunities projects.

We intend to use the net proceeds of the Offering to partially finance the equity portion of the capital expenditures associated with the development of our 2025 Target which is to reach a gross capacity over 3GW of assets in operation and Under Construction.

2.5.4. Proven Track record of more than 16 years in developing projects

We have a proven track record in executing renewable energy projects and delivering targets. We believe that we take a differentiated approach towards development and construction that is guided by our objective to develop, construct and operate a portfolio of top-quality plants. This results in our singular commitment to high-quality standards in every stage of the development and construction process, for which we rely (or would rely in the future) exclusively on reputable providers. We focus on maintaining high quality standards that, together with the timely completion of our projects, has allowed us to build strong and long-lasting relationships with clients, off-takers and partners, which has in turn supported our international expansion.

As indicated above, in addition to our development and EPC track record, we have in-house O&M and asset management capabilities that allow us to ensure production maximization and oversee the long-term robustness and asset quality of our plants. This, in turn, has allowed us to meet our contractual performance guarantee in 2021 in the solar PV plants in respect of which we provide these services.

Moreover, we have developed a track record of originating and executing favourable and bankable PPAs (and other types of remuneration arrangements) with public and private counterparties across different countries, including in very competitive markets such as Spain and the United States to guarantee the stability of our revenues and secure its predictability. Most of these arrangements have been entered into with high-quality investment grade off-takers who have committed to hard currency (or hard currency-linked) payments.

The track record of our project completion and reliability, and the cash flow visibility afforded by our PPAs (or other types of remuneration arrangements), has enabled us to build credibility with multinational and national financial and development institutions and, as a result, obtain project financing from institutional lenders such as Banco Santander, BBVA, Sumitomo Mitsui Banking Corporation (SMBC), CaixaBank, Intesa Sanpaolo, Banco Sabadell, Bankinter, Liberbank, Abanca, Caja Rural de Navarra, Triodos Bank, ING and Unicredit.

Finally, we have a long track record of partnering and arranging agreements with creditworthy and reliable partners, such as Marguerite and Riverstone.

Furthermore we have entered into an agreement with Bruc for the sale of a Spanish solar PV portfolio comprised of 20 assets amounting to 1,101 MW which we will continue to develop until the RtB phase of all such assets is reached.

2.5.5. Well established growth platform to lever on beyond existing pipeline

Since our inception in 2005, we have developed and progressively defined certain key portfolio capabilities along the entire value chain, from the design, development, financing and construction of renewable energy plants to ongoing operation, management and monitoring services as well as the production and sale of rapidly deployable and sustainable clean energy. We intend to capitalize on these core capabilities to support our future growth.

Our hands-on approach has helped us to streamline our decision-making processes and to gain critical operational expertise and in-depth understanding of project execution and performance. We believe that our lean and efficient execution expertise will enable us to scale our operations smoothly.

As of the date of this Information Memorandum we have a portfolio of operating and Under Construction renewable energy plants with an aggregate gross capacity of c.1,586 MW that, together with our Pre-Construction plants amount to c.2.4 GW of secured portfolio with long-term PPAs with IG off-takers and in hard currencies (or linked to hard currencies). The diversified geographical distribution of our assets in nine (9) different countries makes our portfolio highly suitable to reach our 2025 Target of over 3GW of gross capacity of assets in operation and Under Construction.

Furthermore, we aim to maintain a certain level of asset rotation throughout its life (beyond the already committed sale under the Bruc Transaction), targeting to sell on average between 150-250 MW/year of assets under development (expected to be sold at RtB) after the Bruc Transaction has been completed (this is, once each of the projects reach the RtB status).

As we develop projects in our pipeline, we may experience certain growth in our existing teams. As of September 30, 2022 we had 170 employees in seven (9) countries and had offices in six of them. Although we do not anticipate a substantial increase of our personnel, the total number and distribution of our employees may be gradually adapted to our business profile, in particular with regards to development, EPC, asset management and O&M activities, in the long term.

We believe that our growth plan is further supported by our existing project pipeline, our execution capacity, the financial firepower provided by the net proceeds of the Offering, our access to the capital markets and our research and development efforts on additional revenue-generating operations (such as artificial intelligence and storage).

2.5.6. Highly Experienced Management Team with more than 70 Years of Combined Experience in the Industry

Senior management is comprised of the following members: chief executive officer, chief financial officer, chief operating officer, general counsel, head of investor relations and head of human resources (collectively, the "**Senior Management**" and each, a "**Senior Manager**"). The Senior Management reports to Opdenergy's chief executive officer.

The following table lists the members of Opdenergy's Senior Management as of the date of Admission.

Name	Position as of the date of Admission	Member of Management since
Mr Luis Cid Suárez	Chief executive officer(1)	2010
Mr Mario Alberto González Henríquez	Chief operating officer	2010
Mr Tomás Collantes Morales	Chief financial officer	2017
Mr Alfonso Álvarez Herráiz	General counsel	2011
Mr Abraham Morales Balandra	Head of Business Development Europe	2022
Mr Pierre Nadelar Pinto	Head of investor relations	2022
Ms Sandra Pinillos López	Head of human resources	2021

(1) Currently, Mr Luis Cid Suárez is the non-director chief executive officer of the Company. His appointment as executive director is conditional upon Admission.

Senior Management's Biographical Information

A brief description of the qualifications and professional experience of the Senior Managers is presented below, with the exception of the chief executive officer who also serves on the Board of Directors.

Mr Mario Alberto González Henríquez

Mr González Henríquez is Opdenergy's chief operating officer since 2018 and has over 16 years of experience in the renewable energy industry. Mr González Henríquez joined the Company as construction and O&M manager in 2010. Throughout his career at Opdenergy, he has been responsible for designing and implementing multifaceted operating strategies and has achieved important milestones such as the execution of O&M transactions and the construction of photovoltaic plants in the United Kingdom, Italy and Spain. Prior to joining Opdenergy, Mr González Henríquez was project manager at Iberdrola Engineering and Construction from 2007 to 2010. Mr González Henríquez has also held other positions in companies both in the renewable and electric sectors.

Mr González Henríquez holds a bachelor's degree in industrial engineering from the University of Las Palmas de Gran Canaria. He also holds a master's degree in renewable energies and the energy market from EOI Madrid and an executive master's degree in business administration (EMBA) from IE Business School.

Mr Tomás Collantes Morales

Mr Tomás Collantes Morales joined Opdenergy as chief corporate development and structured finance officer in 2017 and was named chief financial officer in April 2022. Mr Collantes Morales has more than 14 years of experience in M&A and structured and project finance transactions, the vast majority of which relate to the renewable energy industry. Prior to joining Opdenergy, he served as director and manager of structured finance and M&A for the solar energy provider IBC Solar in Asia, from September 2015 to November 2017. He also worked at Fonroche as manager of structured finance and M&A between September 2014 and September 2015, where he successfully completed a number of international projects. In addition, between January 2013 and August 2014, he was manager of structured finance at a subsidiary of Abengoa. Mr Collantes Morales has also worked as a senior consultant in the M&A department of PwC, as a private equity and M&A investment manager at Caja Madrid-Bankia, and as an analyst at Optima Corporate, from 2011 to 2012, 2008 to 2011 and from 2006 to 2008, respectively.

Mr Collantes Morales holds a bachelor's degree in business administration from CUNEF, specializing in auditing. In Addition, Mr Collantes Morales holds an executive international master's degree in business administration (IMBA) from IE Business School, where he also completed an advanced global management program and a structured finance and private equity program.

Mr Alfonso Álvarez Herráiz

Mr Alfonso Álvarez Herráiz has been Opdenergy's general counsel since 2011, where he has been involved in all types of legal matters related to solar projects and wind farms. He is also the secretary of the Company's board of directors as well as for other group companies.

Prior to joining the Company, Mr Álvarez Herráiz served as a senior associate at the Madrid office of Garrigues from 2004 to 2011, where he worked in the firm's environmental and renewable energy department. Previously, from 2001 to 2004, he worked as an attorney-at-law in the corporate and M&A department of EY.

Mr Álvarez Herráiz holds a master's degree in business and corporate law from IE University and a bachelor's degree in law from the University of Navarre. After receiving his law degree, he prepared for the state notary exams for five years.

Mr Abraham Morales Balandra

Mr. Abraham Morales Balandra joined OPDE as Head of Business Development Europe in 2022 and has over 15 years of experience in the renewables sector with a strong focus on commercial growth and strategy including project origination, development, and go-to-market execution. Prior to OPDE, Mr. Morales served as Director of International Development at Ignis Energía, where he was responsible for establishing the overseas footprint of the company. In this role, he originated a portfolio +3GW in North and South America, attracted talent to build local teams, performed due diligence of M&A opportunities and executed JVs and partnerships on key projects. Previously, he was Vice President within the Market Intelligence, Strategy, M&A group at Vestas HQ in Denmark and prior to that he held several commercial an marketing strategy roles with GE Renewables in the US, Germany, France, Sweden and Spain.

Abraham holds an MBA from Hult International Business School and a bachelor's degree in international business.

Mr Pierre Nadelar Pinto

Mr Pierre Nadelar Pinto is Opdenergy's Head of Investor Relations. Mr Nadelar was the former Head of Investor Relations of IBEX 35 member, Solaria where he oversaw Equity Story, Relevant Events and Results Drafting and its communication to Investors, Financial Analysts and Regulator. Mr Nadelar has more than 20 years of experience as Equity Sales Representative in Investment Banks such as HSBC CCF Securities, Credit Agricole Indosuez Cheuvreux, Ahorro Corporación, BNP Paribas Fortis and Banco Madrid.

Mr. Nadelar holds a Cum Laude degree in Business Administration from Northeastern University (Major: Finance and Insurance) and Universidad Antonio de Nebrija. He also holds a degree from Instituto BME's Investor Relations Advanced Course.

Ms Sandra Pinillos López

Ms Pinillos is the Global Human Resources Director for Opdenergy's headquarters and the subsequent Company's branches. She has over 7 years' experience working in international companies and designing strategies for the improvement of human resource management. Prior to joining Opdenergy, Ms. Pinillos served as P&C Operations Manager for X-ELIO during 3 years and was responsible of the employees' compensation and benefits structure, HR systems and launched initiatives focused on increasing employee satisfaction and aligning needs with business objectives. Prior to that, Ms. Pinillos Lopez worked as HR Generalist in General Mills, where she led the implementation of Workday and also was responsible of the compensation, training and communication areas.

Ms. Pinillos López holds a bachelor's degree in Sociology and Political Science from the University Carlos III of Madrid and a bachelor's degree in Communication from the Distance University of Madrid.

2.5.7. Best ESG Practices and committed model to be implemented

We are strongly committed to creating a sustainable future with a new energy model based on promoting a low carbon economy and the sustainable development of communities. In 2021, we designed our sustainability master plan which sets out our ESG goals for the years 2022 to 2025 (the "**Sustainability Plan**"). We focused on the 17 United Nations' Sustainable Development Goals ("SDG") and on our ESG materiality assessment to set up the 10 objectives included in the Sustainability Plan. These objectives are classified into three (3) main pillars: "Social Development", "Good Governance and Business" and "Environment" and are identified with at least one SDG. We have defined specific metrics to follow up the implementation of the Sustainability Plan and assess the impact generated on each of the objectives.

With respect to the Social Development pillar, we are committed to different initiatives to promote equality, participation of local communities and health and safety of employees, maintaining high standards of business ethics in the social field. We believe to have robust anti-corruption and ethics rules in place and have recently implemented new health and safety policies. At the same time, we encourage local hirings at our assets (with an average of 200 indirect local workers for each 50 MW project Under Construction) and participate in social contribution plans (for our 143 employees in seven (7) different countries, as of December 31, 2021). The programs for the learning and development for our worldwide employees have resulted in more than 2,000 hours of training in 2021.

Alongside our commitment to sustainability, we are committed to best-in-class corporate governance practices, with a strong, qualified and diverse Board of Directors, clearly defined roles and responsibilities, and procedures that seek to emphasize integrity and ethical dealing. We aim to be a global reference in energy projects, offering a high profitability to shareholders and promoting sustainable development. As of the date of this Information Memorandum, we have in place Governance Policies to establish the basic principles to govern the Group's behaviour, based on a culture of commitment, transparency, ethics and compliance: (i) risk management policy; (ii) code of ethics; (iii) anti-corruption policies; (iv) sustainability policy; and (v) quality, environmental and safety policy.

The Good Governance and Business pillar focuses on contributing to the decarbonisation of the economy while maximizing the renewable energy generation, availability and efficiency. For this purposes, we monitor and manage the environmental impact of our activities, which enable us to improve the environmental performance in procurement and life management. We believe to be playing an active role in the transition towards a decarbonized world by shifting from conventional to renewable energy.

Finally, in respect of the "Environment" pillar, we are following a strong, decisive and reliable environmental strategy to mitigate the effects of the climate change and actively participating in the decarbonisation and energy transition. According to our sustainability report, verified by an external agent (925k MWh[6] of renewable energy produced for the year 2021 and 6m tCO_2e of estimated emissions will be avoided by our projects in 2021, in accordance with the latest available emission factors, considering maximum design productions throughout the useful life (25 to 35 years) and without degradation of equipment). We are introducing the Best Available Technologies (BAT) and implementing measures to favour the maintenance of biodiversity in projects. As of the date of this Information Memorandum, our operating assets of Miramundo (Andalucía), Zafra (Andalucía) and La Fernandina (Extremadura) have biodiversity reserves.

All these financings have been conducted within the green finance framework of the company with a Second Party Opinion by Sustainalytics and comply with the Green Loan Principles (GLP) of the Loan Market Association (LMA) and the Green Bond Principles (GBP) of the International Capital Markets Association (ICMA).

As a result of our sustainability efforts, we have been awarded in 2021 with the ISO 9001 (Quality Management Systems), 14001 (Environmental Management Systems) and 45001 (Occupational Health and Safety Management Systems) certifications.

2.6. Our Strategy

2.6.1. Continue market share gains with focused commercial strategy and outstanding customer experience

As mentioned above, we are in the midst of a transformational journey from a fully-integrated developer and operator of renewable energy plants to a large-scale IPP in Europe, USA and Latam. As part of our journey to become a large-scale IPP with a high-quality built-to-operate portfolio, we have a growth plan based on a pipeline of potential projects with an aggregate potential gross installed capacity of c13,5 GW (including operating assets, and assets subject to sale pursuant to the Bruc Transaction). We apply a rigorous approach to our business development activities. In general, development opportunities are sought in the geographical areas where we are present, and potential projects are assessed on the basis of strict criteria, including solar or wind resources, meteorological conditions, topography, access to existing and planned electricity transmission systems, size, availability and ownership of land and possible environmental and regulatory constraints. As a result of our experience and track record in the industry, we are able to choose selectively among a broad range of business opportunities those projects we intend to pursue in light of their economic prospects and our strategic objectives.

We classify business opportunities into different categories (depending on the stage of advancement and the likelihood of success of each project (with "Secured projects", as defined below, being those most advanced), as evaluated based on our development experience. The classification of business opportunities into the various categories is updated periodically, assessing the progress of each project against objective milestones, including site control, interconnection rights, environmental and archaeological approvals, status of permits and licenses, local support, off-taker feasibility, PPA agreements and cost analysis. Given the approach we adopt to classify and pursue new business opportunities, we believe our different category projects are important indicators of our business potential, the potential expansion of our geographic footprint base and our potential to generate additional revenue and profit in the medium term. The criteria to classify these projects is the following:

[6] Excluding Sol de los Andes since formal COD was received from the relevant authority in January 2022 even though the asset was connected at the end of November 2021.

Our project pipeline is segmented based on the following objective, fact-based milestones:

- "**Operating**": plants are fully constructed and flows through to the electricity transmission system. As of the date of this Information Memorandum, we have projects marked as Construction with an aggregate gross installed capacity of 584 MW.

- "**Under Construction":** the construction stage relies heavily on traditional civil, mechanical and electrical engineering. As of the date of this Information Memorandum, we have projects marked as Construction with an aggregate gross installed capacity of 1.186 MW.

- "**Pre-Construction**" stage commences in an early development stage and includes the preparation of the main project management documentation, requesting permits, carrying out the front-end engineering design in order to prevent technical problems during the construction works and, subsequently, the detailed design, the procurement plan and the expense budget, with the goal of ensuring that time, cost, quality and safety targets are met. As of the date of this Information Memorandum, we have projects marked as Pre-Construction with an aggregate gross installed capacity of 627 MW.

- "**Farm-Down**" includes assets in respect of which the relevant sale and purchase agreement has been duly executed with a third-party but the transfer of the shares has not been effective yet, subject to specific condition precedents (*i.e.*, closing is pending). As of the date of this Information Memorandum, the only projects that fall under this category are the Bruc Transaction assets[7] and we do not expect to sell any assets apart from those to be transferred in the context of the Bruc Transaction, until the Bruc Transaction is fully completed. As of the date of this Information Memorandum, we have projects marked as Farm Down with an aggregate gross installed capacity of 823 MW

- "**Advanced Stage**" as a general rule, includes projects with high visibility in which there is more than 60% of land secured. Additionally each country projects have achieved certain milestones (which vary depending on the country). As of the date of this Information Memorandum, we have projects marked as Advanced Stage with an aggregate gross installed capacity of 1746 MW

- "**Early Stage**" includes projects in respect of which more than 40% of land has been secured; and/or an application for interconnection has been submitted; and/or the strategy for the structuring of energy sales has been defined; and/or the strategy for the financing of the project has been defined. As of the date of this Information Memorandum, we have projects marked as Early Stage with an aggregate gross installed capacity of 3.553 MW; and

- "**Identified Opportunities**" includes projects which we believe it is possible to have secured following a thorough market research; and/or in respect of which land is in the process of being secured or land with possibilities of being secured has been identified; and/or a feasibility study is in progress; and/or the initial business case analysis has been satisfactory. As of the date of this Information Memorandum, we have projects marked as Early Stage with an aggregate gross installed capacity of 5.055 MW

As of the date of this Information Memorandum, as mentioned above, we have a portfolio of pipeline projects (comprised of Operation, Under Construction, Pre-Construction, Farm-Down, Advanced Stage, Early Stage and Identified Opportunities. Of our c. 13,576 pipeline, c. 584 MW relates to Operation projects, c. 1.186 MW relates to Under Construction projects, c.627 MW relates to Pre-Construction Projects, c.823 MW are Farm-Down projects, c.1.746MW are Advanced Stage projects, 3.553MW are projects on Early Stage and 5.055 MW are identified opportunities.

[7] This category falls into the pipeline because it includes assets that are expected to be transferred once their RtB status is reached, and thus do not contribute to our 2025 Target (i.e., gross capacity of 3.3 GW of assets in operation and Under Construction). As of the date of this Information Memorandum, the only assets that fall under the Farm-Down category are those included under the Bruc Transaction.

We aim to wholly own each of these projects or have or aim to have controlling stakes in each of these projects. In addition, in the United States we expect to have a tax equity partner by the financial closing of our projects which would typically take 25% to 30% of the relevant project during a period of up to six years.

Our current pipeline is geographically distributed as follows: c. 57% relates to projects in Europe, c. 17% relates to projects in Latam and c. 25% relates to projects the United States.

The Company generally seeks to fund the capital expenditures and investments requirements associated with the execution of its projects through a combination of (i) project financing at the level of the project SPV (c.70%) and (ii) equity being funded by the Company which may consist of Company's own funds or funds raised from third parties (c.30%).

2.8. Issuer's board of directors

The Company's Board of Directors is composed of seven members: one executive director, three independent directors and three proprietary directors.

The following table sets forth the composition of the Board of Directors upon Admission.

Name	Title	Category	Appointment Date	Term Expires
Mr Alejandro Javier Chaves Martínez	Chairperson	Proprietary	June 29, 2022	June 29, 2026
Mr Luis Cid Suárez	Chief executive officer(1)	Executive	June 29, 2022	June 29, 2026
Ms Cristina Fernández González-Granda	Director	Independent	June 29, 2022	June 29, 2026
Ms Mar Gallardo Mateo	Director	Independent	June 29, 2022	June 29, 2026
Ms Chony Martín Vicente-Mazariegos	Director	Independent	June 29, 2022	June 29, 2026
Mr Gustavo Carrero Díez	Director	Proprietary	June 29, 2022	June 29, 2026
Mr Francisco Javier Remacha Zapatel	Director	Proprietary	June 29, 2022	June 29, 2026

(1) Currently, Mr Luis Cid Suárez is the non-director chief executive officer of the Company. His appointment as executive director is conditional upon Admission.

All the appointments were approved by the resolutions passed by the General Shareholders' Meeting on June 29, 2022.

The secretary non-director of the Board of Directors is Mr Alfonso Álvarez Herráiz, the Company's general counsel.

A brief description of the qualifications and professional experience of the directors is presented below.

Mr Alejandro Javier Chaves Martínez

Mr Chaves Martínez is a co-founder of the Company and since its inception has held several managerial roles as director, general manager and executive chairman, from its very beginnings in 2005 to its current position as an active player in the Spanish photovoltaic industry. With extensive experience in the photovoltaic industry, Mr Chaves Martínez also co-founded Proinso, a company that offers a full-service portfolio for solar projects, and Mecasolar, a solar tracker company. Furthermore, Mr Chaves Martínez founded one of the largest producers and marketers of fresh organic vegetables in Europe. Mr Chaves Martínez's entrepreneurial nature has led him to also invest in an array of sectors including mining, real estate, technology, biomedicine and health.

Mr Chaves Martínez holds a bachelor's degree in business from the University of the Basque Country and a business diploma from the University of Zaragoza.

Mr Luis Cid Suárez

Mr Luis Cid Suárez is the non-director chief executive officer of the Company since 2017. He has more than a decade of experience in the solar photovoltaic and wind power industry which allows him to possess and extensive knowledge of renewable energies. Mr Cid Suárez joined Opdenergy in 2010, where he held office as head of business development, M&A and structured finance for a period of seven years. Throughout his career at Opdenergy he has led the Company's expansion into six different markets, including the United Kingdom and the United States, and has achieved important milestones, such as the inception of the Company's wind division, the development of a number of solar photovoltaic and wind projects and the growth of Opdenergy's pipeline up to approximately 12 GW. Prior to joining Opdenergy he served as business development manager of Iberdrola's engineering and construction division. As such, he was in charge of developing projects relating to renewables, networks and electricity generation and acquired extensive experience on negotiation of energy-related contracts, the coordination of international programs and the development of renewable energy projects.

Mr Cid Suárez holds both a bachelor's and a master's of science in industrial engineering from ICAI School of Engineering.

Ms Cristina Fernández González-Granda

Ms Fernández González-Granda is one of the Company's independent directors. She is Head of Investor Relations of Amadeus IT Group since 2014. Prior to that, she worked as Investment Director at private equity firm CVC Partners from 2006 to 2014, at the investment banking division of Citigroup Global Markets in New York and London from 2000 to 2006 and at KPMG's New York tax practice from 1998 to 2000.

Ms Fernández González-Granda holds a bachelor's degree in business administration from CUNEF and a master's degree in finance from the London Business School.

Ms Mar Gallardo Mateo

Ms Gallardo Mateo is one of the Company's independent directors. She has extensive experience in auditing and has worked across a wide range of industries, including, pharmaceutical, industrial, automotive, retail, consumption and regulated sectors. Ms Gallardo Mateo currently holds office as independent director and chairperson of the audit committee of Nationale-Nederlanden Spain since December 2020 and Vice-chairperson of the Board of Directors of Nationale-Nederlanden Spain since March 2021. In addition, she holds office as independent director and chairperson of the audit committee of Prim, S.A. since July 2022. Prior to that, Ms Gallardo Mateo held office as independent director and chairperson of the audit committee of Laminar Pharma and was a partner at the audit department of Pricewaterhouse Coopers, where she worked for over 30 years, being member of the management committee of the firm. She has been a trustee of the PwC Foundation until February 2021.

Ms Gallardo Mateo holds a bachelor of science degree in economics from the Autónoma University of Madrid and completed a management development program at IESE Business School. Additionally, Ms Gallardo Mateo is a member of the Spanish Official Registry of Auditors (R.O.A.C.) and of the Institute of Directors and Administrators (IC-A) and has studied several Corporate Governance and ESG programs at IC-A and Esade.

Ms Chony Martín Vicente-Mazariegos

Ms Martín Vicente-Mazariegos is one of the Company's independent directors. She has over 20 years of professional experience in management, corporate development and ESG compliance. Ms Martín Vicente-Mazariegos is executive director and chief financial officer of Árima Real Estate SOCIMI, S.A. since 2018. Prior to that, she was the chief financial officer of Axiare Patrimonio SOCIMI, S.A. from 2014 to 2018, as well as its investor relations director from 2014 to 2016. She has also worked as financial director at Redevco from 2002 to 2014, where she covered the Italian, Portuguese and Spanish real estate markets. Between 1998 and 2002 she worked in the real estate industry at Testa and Prima Inmobiliaria.

Ms Martín Vicente-Mazariegos holds a bachelor's degree in business administration and economics from the Complutense University of Madrid. She has completed senior management programs at IESE Business School, ESADE Business School and IED Business School. She is currently a professor at IE Business School and a member of the Royal Institution of Chartered Surveyors (MRICS).

Mr Gustavo Carrero Díez

Mr Carrero Díez co-founded Opdenergy and was the joint chief executive officer since 2010 where he has heavily contributed to the Company's development and positioning. His passion for renewable energy, combined with his entrepreneurial mindset, led him to co-found Proinso and Mecasolar along with Mr Chaves Martínez. In addition, in 2005 Mr Carrero Díez co-founded the renewable energy company Gesternova. Mr Carrero Díez has a very active role in renewable business associations, he was a member of the board of directors of ASIF (*Asociación de la Industria Fotovoltaica*) and co-founder and former member of the board of directors of AEF (*Asociación Empresarial Fotovoltaica*) and UNEF (*Unión Española Fotovoltaica*), the association that nowadays represents the Spanish photovoltaic industry.

Apart from his involvement in the renewable energy sector, Mr Carrero Díez actively participates as founder, director and investor in companies pertaining to a number of industries such as biotechnology, hospitality, real estate, mining and venture capital. For example, Mr Carrero Díez is a member of the supervisory committees of biotechnology venture capital funds like Columbus Life Science Fund II, FCR and Columbus Life Science Fund III, FCR and a co-investor in Viralgen, a gene therapy company.

Mr Carrero Díez holds a bachelor's degree in computer engineering from the University of the Basque Country, a master's degree in multimedia technologies design from Mondragon University and another master's degree in business administration with a specialization in social and entrepreneurial integration (MBA) from Otalora (Mondragon Group).

Mr Francisco Javier Remacha Zapatel

Mr Remacha Zapatel has almost 30 years of experience in the engineering sector and joined the Company as director in 2008. However, Mr Ramacha Zapatel's experience in the renewable energy sector dates back to 2005 when he co-founded Proinso along with Mr Chaves Martínez and Mr Carrero Díez. Mr Remacha Zapatel has extensive knowledge of civil engineering and this, together with his strong entrepreneurial spirit, enabled him to found several real estate development and asset-holding companies in Spain. Mr Remacha Zapatel is also an active investor in a wide range of well-diversified industries including agriculture, technology, health, biomedicine and retail.

Mr Remacha Zapatel holds diplomas in industrial technical engineering and in business administration from the University of Zaragoza and is also a professional real estate agent.

2.9. Description of our Indebtedness

The following table sets forth our total financial liabilities as of December 31, 2021 and 2020:

	As of December 31	
	2021	2020
	(audited)	
Debt instruments and other marketable securities(1)	137,55	66,353
Borrowings from credit institutions(2)	-	4,638
Non-current borrowings from credit institutions associated with renewable energy plants(3)	228,571	13,617
Current borrowings from credit institutions associated with renewable energy plants(3)	12,933	87,341
Non-current lease liabilities	1,408	2,282
Current lease liabilities	371	2,062
Non-current lease liabilities associated with renewable energy plants(4)	31,996	-
Current lease liabilities associated with renewable energy plants	10,648	6,288
Non-current derivatives	43,78	-
Current derivatives	22,891	-
Other financial liabilities	34	66
Total financial liabilities	**490,182**	**182,647**

(1) Consists of current and non-current liabilities under the 2019 Notes and 2020 Notes and the 2021 Notes. Current liabilities under the 2020 Notes and 2019 Notes as of December 31, 2020 and December 31, 2019 amounted to €131 thousand and, €86 thousand, respectively. No current liabilities were recorded under the 2021 Notes as of December 31, 2021.

(2) Includes multi-currency credit accounts, loans and reverse factoring (confirming) facilities with an aggregate maximum amount of €10,000 thousand, €5,000 thousand and €20,000 thousand, respectively. As of December 31, 2021 and March 31, 2022 the amount drawn under these working capital lines is cero, except for letter of credits and bank guarantees (please, refer to Note 11.2 of our 2021 Audited Consolidated Annual Accounts and Note 9.2 of our Note March 2022 Unaudited Interim Condensed Consolidated Financial Statements).

(3) Refers to project finance agreements entered into in connection with certain plants.

(4) For the purpose of this table, the amounts corresponding to our current lease liabilities associated with renewable energy plants have considered the application of IFRS 16 (see Note 3.7 to our 2021 Audited Consolidated Annual Accounts).

As of December 31, 2021, our financial debt primarily consisted of our project debt, in the form of borrowings from credit institutions, and our corporate financing debt, composed primarily of our Old Notes (which have been refinanced with the new 2022 Notes). Set forth below is summarized information on their respective terms.

2.9.1. Project debt

Investments in the construction of renewable energy plants are generally incurred and financed at the level of the project SPV formed to hold and carry the project-related debt. Under this approach, the project SPV typically finances the majority of the project using bank loans, that, depending on the project, may be with limited or no recourse to the Company or other entities outside the scope of the specific financing. For consolidated projects, the related indebtedness is recorded as financial debt in our consolidated financial statements. However, for projects in respect of which we own non-controlling interests (including, as of December 31, 2021 Andalucía and Aguascalientes), the related indebtedness is not recorded as financial debt in our consolidated financial statements.

As a result of our completion of the 2021 Marguerite Transaction, project indebtedness for La Fernandina, Miramundo, Zafra is shown as financial debt in our balance sheet as of March 31, 2021. In particular, the 2021 Marguerite Transaction increased our borrowings from credit institutions associated with renewable energy plants from €87,341 thousand as of December 31, 2020 to €161,175 thousand (that is, a €73,834 thousand increase) due to consolidating the SPV project debt finance of the three assets acquired within the project debt incurred by our SPVs.

On December 16, 2021 the Company refinanced the existing project finance debt linked to the Spanish assets El Muelle, Los Belos and Montesol, with Banco Sabadell. The new project finance has a tenor of 18-years and includes a total amount of €61,498 thousand including guarantees. The loans have been structured as green loans and comply with the principles designated within the Green Loan Principles (GLP) of the Loan Market Association (LMA), which aim to promote sustainability and offer clear environmental benefits.

2022 New Project Debt

- The Group negotiated the BBVA Project Financing with BBVA to finance a Spanish solar PV portfolio with an aggregate gross targeted installed capacity of 605MW currently Under Construction. The facility includes a total amount of c. €300 million senior debt, a PPA guarantee line of €28 million which was made available last year subsequent to the closing of the Uniper and Endesa PPAs, and a credit line to cover a 6-month debt service reserve account of €17 million. The project finance debt has a tenor of c.17.5 years and 70% hedged to mitigate interest rate risk. The main terms and covenants are the following: (i) a minimum project capacity of 439 MW or 303 MW (if certain requirements are met) is required; (ii) market standard early termination causes such as non-payment, wrongful use of funds or if the DSCR is lower than 1.05x; (iii) a security package which includes pledges over shares of the project SPVs or credit rights derived from bank accounts and security rights over the assets of the project shall be granted if the RCSD is lower than 1.07x or an early termination event occurs.

- ING Mandate Project Financing for an aggregate gross targeted installed capacity of 167 MW Spanish solar PV assets also Under Construction. The financing under the ING Mandate, has a principal amount of €93 million senior debt, €4 million PPA guarantee line, and a credit line facility of €7 million to cover a 6-month debt service reserve account. The financing under the ING Mandate is structured as a 10 year maxi-perm, and will be hedged at 70%.

The project debt is recorded as non-current and current liabilities. In addition to bank debt, project SPVs meet a portion of the cash needs for a project using equity financing in the form of capital contributions and intra-group loans granted by the Group. Intra-group loans are typically entered into by the relevant holding SPVs, as lenders, and the project SPVs, as borrowers, to provide additional financing for the construction and operation of our projects. Their principal amount varies significantly from project to project, ranging from less than €0.1 million to up to around €29,000 thousand. This type of financing may be granted for terms of up to 18 years. Additionally, most of our inter-company debt is subordinated to the repayment of project debt granted by third parties.

The Group's project financing debt (which excludes intra-group loans, which are eliminated upon consolidation) totalled €243,596 thousand and €241,504 thousand as of March 31, 2022 and December 31, 2021, respectively.

Key terms

Project debt financing is typically structured as long-term debt designed to be repaid using cash flow from the financed project, without any need to refinance the debt. However, this is not always the case. The short-term and long-term financing strategy for a particular project is determined mainly on the basis of the prevailing financing conditions in the relevant country, the PPA (or relevant remuneration arrangement) tenor, the plant generation capacity and, in the past, our intentions with respect to the relevant plant. In particular, in the past, we have entered into short-term loans in connection with plants that were initially intended to be sold to third parties. Our project loans for Sol de los Andes and La Estrella in Chile are structured as mini-perm loans, as the terms of long-term financing would have been too onerous. Mini-perm loans are a short-term financing often used by a developer to pay off construction projects before they become profitable (payable typically in two to five years). As of December 31, 2021 and March 31, 2022, the principal amount of our mini-term loan facility in Chile was USD 90,800 thousand

(€83,599 thousand) and USD 98,083 due in June 2027, and we had two additional mini-perm loans for VAT financing in connection with Sol de los Andes and La Estrella in Chile amounting to €2,140 thousand due in August 2022 and €1,045 thousand due in September 2022 which have been fully repaid as of March 31, 2022. The Company expects to benefit from improved long-term financing conditions once the relevant plants become profitable. For the same reasons as indicated above in the case of our project loans for Sol de los Andes and La Estrella in Chile, the project financings for Andalucía and Aguascalientes in Mexico (in respect of which we own a 20% interest) are also structured as mini-perm loans.

Project loans are generally secured by the plant's physical assets, the relevant project SPV's cash accounts and credit rights derived from certain major contracts and project-related agreements, as well as our equity investment in such project SPV and our credit rights under the relevant intra-group loan. These types of financing are generally structured so that all of the plant's revenues are deposited into pledged bank accounts. These funds are then disbursed in a specified order of priority set forth in the financing documents to ensure that, to the extent available, they are used first to pay operating expenses, fees and debt service on the senior debt, and then to fund reserve accounts to reach the amounts specified in the related financing agreements. Thereafter, subject to compliance with the conditions specified in the relevant financing agreement (for example, compliance with a "lock-up" debt service coverage ratio ("**DSCR**") and the order of priority of payments), the remaining available funds may be used to service subordinated debt, pay dividends or to repay shareholders' current account advances.

Each financing agreement contains financial and non-financial covenants that are binding on the project SPV. As of the date of this Information Memorandum and for the historical financial information period, the Company has met the existing financial and non-financial covenants. The financial covenants vary depending mainly on the type of project (solar or wind), the country where the project is located and the type and terms of the relevant PPA (or applicable remuneration arrangement). In general, financing agreements require the borrower to comply with a minimum DSCR defined in the financing agreement (1.0x or 1.05x, depending on the agreement). The typical financing agreement also imposes restrictions on distributions of funds to shareholders and repayments of current account advances, including compliance with a "lock-up" DSCR, which is generally set at a higher level than the minimum DSCR (1.20x or 1.25x depending on the agreement). Certain financing agreements also impose minimum ratios of equity to indebtedness and maximum ratios of indebtedness to equity. In general, the financing agreements also contain obligations to fund a minimum deposit in a debt service reserve account ("**DSRA**") (generally an amount equal to six months of debt service) before making any distributions. They also contain events of default that permit the banks to accelerate the loan in the event of a failure to make a payment of interest or principal on the relevant payment date, or in the case of other events, such as a failure to comply with the minimum DSCR. Banks may also accelerate the loan upon a change of control (as defined in the relevant financing agreement which typically includes, while the plant is under construction, any change in the direct shareholding of the SPV (which may be owned by a company of the Group with or without a partner), and, while the plant is in operation, a change of the controlling shareholder at the level of our subsidiary OPDECo. In addition, these financing agreements generally contain cross-default provisions enabling the lenders to accelerate repayment by the project SPV if the project SPV defaults on its own debt (beyond certain thresholds) or in the event of a bankruptcy. Financing agreements also generally contain provisions limiting the debt capacities of the project SPV, as well as negative pledge provisions. Financing agreements entered into by project SPVs also contain reporting, disclosure and document submission requirements.

The definition and method of calculation of the minimum and "lock-up" DSCR vary depending on the project and financing arrangement. In general, minimum and "lock-up" DSCRs correspond to the ratio between: (i) cash available for debt service, calculated by deducting operating expenses and taxes associated with the project from the revenue generated by it (plus or minus the variation in working capital requirements); and (ii) debt service costs, generally defined as the principal and interest.

The conditions that must be met prior to making distributions vary from one project to another, but generally include, in addition to compliance with the "lock-up" DSCR, an absence of default, a minimum deposit to the DSRA specified in the financing agreement and compliance with the payment restrictions and ratios specified in the agreement. In addition, certain agreements establish additional requirements such as making the first amortization payment under the loan or the completion of the related project.

The frequency and dates at which the minimum and "lock-up" DSCR are calculated vary from one project to another. Compliance with the minimum and "lock-up" DSCRs (to make distributions) is generally required for the 12-month period preceding the calculation date.

The Company has granted first-demand guarantees to secure certain payment obligations under certain project loans, mainly ordinary repayment obligations assumed under the project debt financing. In a limited number of agreements, the Company also guarantees the repayment obligations arising from certain early repayment events and early termination events if such events were to occur before the commencement of operation of the relevant plant. Generally, the first-demand guarantees granted by the Issuer remain in force until the secured payment obligations are satisfied in full. For information on our contingent liabilities in respect of our guarantees.

In the case of Puglia, which consists of seven separate solar PV plants that are considered to be a single plant for management purposes, we have entered into seven financial lease agreements with a lessor (either UBI Leasing S.p.A. or Fineco Leasing S.p.A.), in an aggregate amount of €13,204 thousand as of March 31, 2022 and €13,625 thousand as of December 31, 2021. Under these financial lease agreements, the relevant lessor has granted us a lease right over the relevant asset for a period of 18 years and the option to buy such asset for a specified price once the term of the lease elapses for an amount of c. 48 thousand plus VAT each plant. These leases are recorded under "Lease liabilities".

2.9.2. Corporate financing debt and 2022 Notes

Our corporate financing debt as at December 31, 2021, consisted mainly of our Old Notes (which have been fully refinanced, the 2021 Notes) and, to a lesser extent, bank credit lines entered into by the Company to meet its working capital requirements. As of December 31, 2021, our debt instruments and other marketable securities (that is, our Old Notes) totalled €140 million

Our Old Notes were fully redeemed and cancelled in July 2022, with part of the proceeds from the 2022 Notes.

The issuance of the 2022 Notes was arranged on July 8, 2022 under a new €250 million arrangement facility signed on July 8, 2022 by our wholly-owned subsidiary Opdenergy, S.A.U. ("**Opdenergy**" or the "**Long-term Notes Issuer**"), of which a first issuance of 2022 Notes in an aggregate principal amount of €143.7 million was made on July 18, 2022, and the remaining principal amount of €106.3 million being available to the Long-term Notes Issuer under one or several further issuances of 2022 Notes (fungible with those issued under the first issuance) until March 15, 2023.

The terms and conditions of the 2022 Notes are governed by a trust deed entered into by Opdenergy as Issuer, the Company (as guarantor) and the BNY Mellon Corporate Trustee Services Limited (as trustee and security agent) (the "**New Trust Deed**").

Below is a summary of the main terms and conditions of the 2022 Notes:

Issuer............................	Opdenergy, S.A. Unipersonal (the "**Issuer**").
Guarantor	Opdenergy Holding, S.A. (the "**Guarantor**").
Maturity	The date falling thirty-six (36) months after the closing date (i.e. July 2025).
Amount	Up to a maximum aggregate nominal amount of €250,000 thousand.
Interest Rate	Three-month Euribor (subject to a floor of 0.00%), plus a margin.
	Interest is payable quarterly in arrears on March 15, June 15, September 15 and December 15.

Listing	Open market of the Frankfurt Stock Exchange (*Freiver kehr*) (multi-lateral trading facility).
Pledges	Payments under the 2022 Notes are secured by five different Spanish law first ranking pledges over 100% of (i) the Issuer's share capital, (ii) the share capital of OPDECo, (iii) the share capital of OPDE Participaciones Industriales, S.L., (iv) all amounts deposited from time to time in certain bank accounts owned by the Issuer; and (v) over receivables arising from any intercompany loan entered into between the Issuer and OPDECo. In addition, the Issuer and the Guarantor have undertaken to grant a security over (i) their rights under intercompany loans exceeding €100,000, (ii) the Issuer's credit rights under hedging agreements, (iii) the Guarantor's rights vis-à-vis the Issuer under any Net IPO Proceeds Loan (as defined below), and (iv) all new shares of the Issuer issued to the Guarantor in consideration for any Net IPO Proceeds Contribution (as defined below) by the Guarantor to the Issuer.
Covenants......................	Among other obligations, the Issuer has to comply with a collateral cover ratio of at least 1.05:1. It also has to ensure that its corporate costs and development costs do not exceed certain limits. The Issuer and the Guarantor are subject to certain general negative covenants (save as for certain exceptions set out in the Trust Deed) that restrict, among others, (i) the acquisition of a company, shares, securities, a business or an undertaking, (ii) the issuance of new shares, voting capital, options, warrants or redeemable shares, except in the event of an initial public offering of ordinary shares, (iii) the creation of securities over their assets (with certain exception such as guaranteeing the obligations of the project financing), (iv) the financial indebtedness that may be incurred by the Group, and (v) shareholder distributions (with certain exceptions such as the distribution of dividends for an amount of €2,800 thousand or extraordinary dividends provided that an amount equal to 50% of such extraordinary dividend is offered to bondholders for the repayment of the 2022 Notes). With respect to prong (iv) the Trust Deed sets forth the terms under which members of the Group may incur debt and provides for certain limitations and/or requirements. Project financing is not limited in amount per se provided certain pricing terms and standards are met and that recourse is limited to the assets of, the shares held in, and loans made to, the relevant SPV incurring the project financing. In particular, the pricing of our project financing should not exceed by more than 200 basis points the pricing that would be offered by commercial or development banks for comparable financings. In addition, the Issuer and the Guarantor are subject to certain negative covenants regarding the project companies that restrict, among others, the financial indebtedness incurred by the project companies. In particular, no project SPV may incur financial indebtedness which is not (i) project financing, (ii) loans made by members of the Group to a project SPV or (iii) or other financial indebtedness required by the project SPV in respect of VAT financing and the provision of bonds and bank guarantees, provided that such financial indebtedness ranks *pari passu* and is provided on a non-recourse basis other than to the relevant project SPV and OPDECo, unless

	previously approved by the noteholders.
Redemption..................	The Issuer is required to redeem the 2022 Notes, in whole or in part (as the case may be), upon certain events, namely, if it becomes unlawful for any noteholder to hold 2022 Notes, a change of control, and upon a cash sweep event. In addition, the Issuer may redeem the 2022 Notes, at its discretion.

2.10. Recent Developments

2.10.1. Issuance of 2022 Notes and Redemption of Old Notes

On July 8, 2022, the Company (as guarantor) and Opdenergy, S.A.U. as issuer (the Long-term Notes Issuer, as defined in section 2.9.2.) signed the Trust Deed in connection with a financing facility based on the issuance of corporate bonds denominated in euros, bearing interest at floating rates, due on July 19, 2025, and with a maximum drawable principal amount of €250 million. Please see for a more detailed description of these 2022 Notes in section 2.9.2. above.

2.10.2. Initial Public Offering (IPO) of the Issuer's shares on the Spanish stock exchange (Bolsa)

Since July 22, 2022, the shares of the Issuer have been admitted to trading on the stock exchanges of Barcelona, Bilbao, Madrid and Valencia through the Stock Exchange Interconnection System (Continuous Market or *Mercado Continuo* in Spanish), upon completion of an initial public offering process (the "**IPO**"), under the ticker "OPDE".

Following the completion of the period of prospecting demand for the offer for subscription of Opdenergy shares, the Issuer and the Global Coordination Entities of the IPO (namely, Banco Santander, S.A. Barclays Bank Ireland PLC and Société Générale), determined to set the final price of the offer at 4.75 euros per share. Taking this price as a reference, the value of the Issuer is set at 503 million euros before the capital increase made under the IPO and 703 million euros after the operation.

As detailed in the Information Memorandum approved by CNMV on July 13, 2022, the offer involved the issue of 42,111,474 new shares for a value of approximately EUR 200 million.

The IPO consisted of four distinct tranches: (i) a first tranche targeted at qualified investors and investors who purchase or subscribe for securities for a total consideration of at least EUR100,000 per investor; (ii) a second tranche aimed at certain employees of our Group; (iii) a third tranche aimed at certain members of senior management, the Chief Executive Officer and certain persons closely related or connected with our Group, senior management or beneficial owners of the Issuer's controlling shareholders; (iv) and a fourth tranche aimed at any type of investors resident in Spain on the terms set out in the Information Memorandum. The new shares were allocated mainly to high-quality, long-only investors with a long-term business vision and who see our Group as an investment opportunity committed to ESG best practices, such as Indumenta Pueri, S.L., a well-renowned Spanish family office, which acquired a 6% shareholding in July 2022.

After the listing of the Issuer's shares on the Spanish stock exchange, the Issuer and existing shareholders will be subject to a 180-day lock-up period, and each employee acquiring new shares, the CEO and senior management will be subject to a 365-day lock-up period.

Banco Santander, S.A., Barclays Bank Ireland PLC and Société Générale acted as joint global coordinators, joint bookrunners and underwriters of the IPO, and JB Capital Markets Sociedad de Valores, S.A. acted as joint bookrunner. Banco Cooperativo Español, S.A. and GVC Gaesco Valores, Sociedad de Valores, S.A. acted as co-lead managers and underwriters, while Banca March, S.A. and Renta 4 Banco, S.A. acted as placement agents.

As outlined in the 3Q-2022 Results Presentation, the successful execution of the IPO has provided our Group with a strong cash position of 192 million euro, with further available funds reaching a total of 297 million euros of available cash as at the end of the third quarter of 2022.

2.10.3. Sale of assets to BRUC – the BRUC Transaction

On August 6, 2021, Opdenergy, through OPDECo, as seller, entered into a sale and purchase agreement with Bruc Energy, S.L.U. ("**Bruc**"), a subsidiary of Bruc Management, as buyer, for the sale and purchase of the entire issued share capital of 20 limited liability companies owned by OPDECo (the "**Bruc SPVs**") (the "**Bruc SPA**"). Bruc, Tier I counterparty, is Bruc Management's investment platform for Spain and Portugal, owned by pension funds OPTrust and USS and by Mr. Juan Béjar.

The Bruc SPVs have an underlying solar PV portfolio under development in Spain, which includes 20 solar PV plants and the relevant interconnection facilities (the "**Bruc Projects**"). The initial total intended capacity of the Bruc Projects as of August 6, 2021 was 1,044 MW (the "**Initial Intended Capacity**"). However, the Initial Intended Capacity increased up to 1,101 MW after the signing of the Bruc SPA (the "**Total Intended Capacity**"). The Total Intended Capacity was duly notified by OPDECo and duly acknowledged and accepted by Bruc.

According to the Bruc SPA, the effectiveness of the transfer of 100% of the shares of each Bruc SPVs is subject to the following conditions: (i) the prior approval of the Bruc Transaction by the Council of Ministers, to the extent the transaction is deemed to constitute a restricted transaction within the scope of article 7.bis of Spanish Law 19/2003, of 4 July, on the regime of capital flows and economical transactions with foreign countries (the "**FDI CP**"); and (ii) the collection of the relevant environmental permits and other ancillary conditions (*DIA Declaración de Impacto Medioambiental*) (the "**DIA CP**").

Last December 2022, our Group, through OPDECo, transferred to Bruc six new solar photovoltaic power generation plants totalling 384MW out of the 1,101 MW Total Intended Capacity referred to above, in the provinces of Cádiz, Zaragoza, Teruel and Palencia. These 384 MW are in addition to the 278 MW already acquired in previous transactions and that corresponded to plants in the provinces of Seville, Soria and Zaragoza. With this delivery, our Group has transferred until the date of this Information Memorandum a total of 662MW to Bruc.

The rationale of the Bruc Transaction for Opdenergy is the need for additional funds to develop our 2025 Target. The Farm-Down classification of the Bruc assets also reduces Opdenergy's equity needs for construction, as it reduces the pipeline to execute.

2.10.9. New construction asset in Italy with 24MW with a full merchant strategy: In December 2022, 24.27MW project in Benedetto Italy, has reached RTB status. We have confirmed we are going to build the asset and operate it. For financing is construction, OPDENERGY has signed on December 29, 2022 a private placement bond in a principal amount of €16.5 million. The bond is structured according to the features of a project finance scheme with sponsor guarantees until the project reaches Commercial Operation Date. The bondholder in this financing is Kobus Financial Partners, a well-recognised direct-lending institutional investor with a long experience in the market. The project will operate 100% merchant. The SPV will issue the bond during January or February 2023, when the issuance of the bond is expected to take place.

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2.11. Selected Financial Information

The following tables present the audited selected consolidated audited financial information of the Issuer as of and for the years ended on December 31, 2021 and 2020.

The selected consolidated financial information set out below is a summary only. It may not contain all the information that is important to prospective investors in the Commercial Paper Notes and, accordingly, should be read in conjunction with the Consolidated Financial Statements.

Consolidated Balance Sheet for the years ended December 31, 2021 and 2020

	As of December 31	
	2021	**2020**
	audited	
	in thousand of euros	
Non-current assets		
Intangible assets	3,545	929
Property, plant and equipment	376,013	17,518
Investment property	1,218	1,218
Assets for right of use	34,626	2,706
Non-current investments in Group Companies and associates	8,013	13,388
Non-current financial investments	2,215	1,624
Derivatives	4,296	4,196
Trade and other receivables	4,415	4,075
Non-current accruals and deferred income	1,493	-
Deferred tax assets	26,321	11,975
Total non-current assets	**462,155**	**57,629**
Current assets		
Inventories	15,621	186,659
Trade and other receivables	29,875	20,612
Current investments in Group companies and associates	21	592
Current financial assets	615	3,59
Current prepayments and accrued income	488	746
Cash and cash equivalents	99,575	49,074
Total current assets	**146,195**	**261,273**
Total assets	**608,350**	**318,902**
Equity		
Shareholders' equity	60,609	79,738
Registered share capital	2,118	2,118
Reserves and profit/loss from previous years	76,283	77,141
Profit(loss) for the year attributable to the Parent Company	-17,792	479
Valuation adjustments	-35,266	-1,162
Exchange differences	-6,496	-4,012
Cash flow hedge reserve	-28,789	2,838

Cash flow hedge reserve from non-controlling investments	19	12
Total equity	**25,343**	**78,576**
Non-current liabilities		
Long term provisions	6,781	820
Long-term debts	399,526	82,121
Derivatives	43,78	-
Deferred tax liabilities	4,603	1,647
Non-current accruals and deferred income	3,872	110
Total non-current liabilities	**458,562**	**84,698**
Current Liabilities		
Short term provisions	5,203	9,912
Current payables	23,986	100,526
Trade and other payables	71,997	44,849
Derivatives	22,891	-
Short-term accruals and deferred income	368	341
Total current liabilities	**124,445**	**155,628**
Total equity and liabilities	**608,350**	**318,902**

Consolidated results of operations for the years ended December 31, 2021 and 2020

	For the year ended December 31	
	2021	**2020**
	(audited)	**(audited)**
	(in thousands of euros)	
Revenue	43,495	139,047
Changes in inventories of finished goods and work in progress	746	15,453
In-house work on non-current assets	4,73	-
Supplies	-15,468	-127,899
Other operating income	960	659
Employee benefits expenses	-7,197	-15,933
Other operating expenses	-13,515	-6,958
Depreciation and amortization charge	-9,81	-2,102
Impairment and gains and losses on disposals of non-current assets	9	-90
Other income and expenses	-557	1,651
PROFIT (LOSS) FROM OPERATIONS	**3,393**	**3,828**
Finance income	857	1,362
Finance costs	-16,909	-7,638
Other gains and losses	-12,708	351
Exchange differences	1,679	-522
Impairment and gains or losses on disposals of financial instruments	217	15

FINANCIAL PROFIT (LOSS)	**-26,864**	**-6,432**
Share of profits (loss) of companies accounted for using the equity method	-322	29
PROFIT (LOSS) BEFORE TAXES	**-23,793**	**-2,575**
Income tax	6,001	3,054
PROFIT / (LOSS) FOR THE YEAR	**-17,792**	**479**

Consolidated results of cash flow for the years ended December 31, 2021 and 2020

	For the year ended December 31	
	2021	**2020**
	audited	
CASH FLOWS FROM OPERATING ACTIVITIES (I)	**42,573**	**-29,451**
PROFIT (LOSS) BEFORE TAX	**-23,793**	**-2,575**
Adjustments for:	**36,194**	**17,737**
- Depreciation and amortization charge	9,81	2,102
- Impairment losses	-476	2,695
- Impairment and (Gains) Losses on derecognition and disposal of non-current assets	-	90
- Changes in provisions	-326	7,927
- Finance income	-857	-1,362
- Finance costs	16,909	7,638
- Other gains and losses	12,708	-351
- Exchange differences	-1,679	5,297
- Other income and expense	-	-
- Changes in the scope of consolidation	-	-6,255
- Impairment and gains or losses on disposals of financial instruments	-217	-15
- Share of profits (losses) of companies accounted for using the equity method	322	-29
Changes in working capital	**46,391**	**-33,97**
- Inventories	1,851	-21,624
- Trade and other receivables	54,399	9,748
- Other current assets	-1,054	95
- Trade and other payables	-12,8	-22,555
- Other current liabilities	3,995	366
Other cash flows from operating activities	**-16,219**	**-10,643**
- Interest paid	-15,662	-9,155
- Interest received	483	343
- Income tax recovered/(paid), net	-1,04	-1,831

CASH FLOWS FROM INVESTING ACTIVITIES (II)	**-111,118**	**6,007**
Payments due to investment	**-115,073**	**-931**
- Group companies, net of cash at consolidated companies	-36,461	-
- Intangible assets	-46	-94
- Property, plant and equipment	-77,286	-245
- Other financial assets, net	-130	-
- Group companies and associates	-1,15	-592
Proceeds from disposal	**3,955**	**6,938**
- Group companies and associates	949	-
- Intangible assets	12	-
- Property, plant and equipment	-	-
- Other financial assets, net	2,994	6,938
- Net assets held for sale	-	-
CASH FLOWS FROM FINANCING ACTIVITIES (III)	**119,205**	**33,097**
Proceeds and payments relating to financial liability instruments	**122,005**	**35,897**
- Proceeds from issue of:	**257,114**	**44,568**
Borrowings with credit institutions	119,564	15,43
Debt instruments and other marketable securities	137,55	29,138
- Repayment and redemption of:	**-135,109**	**-8,671**
Borrowings with credit institutions	-66,922	-7,101
Other borrowings - Leases	-1,965	-1,57
Debt instruments and other marketable securities	-66,222	-
Borrowings with Group companies	-	-
Dividends and returns on other equity instruments paid	**-2,8**	**-2,8**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES (IV)	**-159**	**-4,851**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV)	**50,501**	**4,802**
Cash and cash equivalents at beginning of year from continuing operations	49,074	44,272
Cash and cash equivalents at end of year from continuing operations	99,575	49,074

The following tables present the unaudited consolidated audited financial information of the Issuer as of September 30, 2022.

Balance Sheet	3Q22	3Q21	Dev.
Intangible Assets	3.742	3.545	197
Property, plant and equipment	486.323	376.013	110.310
Right of use assets	66.939	34.626	32.313
Derivatives	26.078	4.296	21.782
Deferred tax assets	130.132	26.321	103.811
Other non current assets	18.474	17.354	1.120
Non-current assets	**731.688**	**462.155**	**269.533**
Inventories	9.936	15.621	(5.685)
Trade receivables	34.040	29.875	4.165
Deferred expenses	5.135	488	4.647
Other current assets	583	636	(53)
Cash and cash equivalents	191.849	99.575	92.274
Current assets	**241.543**	**146.195**	**95.348**
Total Assets	**973.231**	**608.350**	**364.881**
Shareholders' equity	261.500	60.609	200.891
Valuation adjustments	(312.198)	(35.266)	(276.932)
Total Equity	**(50.698)**	**25.343**	**(76.041)**
Long-term provisions	7.500	6.781	719
Long-term borrowings	446.426	399.526	46.900
Long-term derivatives	446.395	43.780	402.615
Deferred tax liabilities	11.107	4.603	6.504
Deferred income	3.770	3.872	(102)
Total non-current liabilities	**915.198**	**458.562**	**456.636**
Short-term provisions	232	5.203	(4.971)
Short-term borrowings	30.783	23.986	6.797
Trade and other payables	67.651	71.997	(4.346)
Short-term derivatives	9.762	22.891	(13.129)
Deferred income	303	368	(65)
Total current liabilities	**108.731**	**124.445**	**(15.714)**
Total liabilities	**973.231**	**608.350**	**364.881**

Statement of profit or loss Thousand euro	3Q22	3Q21	Var.
Revenues	**52.265**	**30.196**	**73%**
Energy sales	*37.573*	*28.904*	*30%*
Rendering of services	*968*	*1.292*	*-25%*
Sale of projects	*13.724*	*-*	*-*
Changes in inventories of finished goods and work in progress	**463**	**6.555**	**-93%**
Work performed by the entity and capitalized	**5.558**	**3.684**	**51%**
Cost of sales	**(3.116)**	**(12.184)**	**-74%**
Gross profit	**55.170**	**28.251**	**95%**
Employee benefits expense	**(11.198)**	**(7.216)**	**55%**
Other operating expenses	**(9.507)**	**(10.859)**	**-12%**

Other operating income	224	897	-75%
EBITDA	**34.689**	**11.073**	**213%**
Depreciation and others	(12.476)	(7.351)	70%
EBIT	**22.213**	**3.722**	**497%**
Finance income	314	832	-62%
Finance expenses	(15.973)	(13.371)	19%
Change in fair value of financial instruments	5.455	-	-
Exchange gains (losses)	1.443	896	61%
Impairment and gains (losses) on disposal of fin.instruments	-	389	-100%
Financial Result	**(8.761)**	**(11.254)**	**-22%**
Share of net profit of associates and joint ventures accounted for using the equity method	(159)	(167)	-5%
Profit (loss) before tax	**13.293**	**(7.699)**	**-273%**
Corporate income tax	(2.192)	(1.136)	93%
Consolidated profit (loss) for the year	**11.101**	**(8.835)**	**-226%**

3. FULL NAME OF THE SECURITIES ISSUE

Commercial Green Paper Programme OPDENERGY 2023.

4. PERSONS RESPONSIBLE

Mr. Luis Cid Suárez, acting on behalf of and representing OPDENERGY HOLDING, S.A. (in this document, indistinctly, "**OPDENERGY**", the "**Company**" or the "**Issuer**" and together with the companies that belong to its group for the purposes of commercial law, the "**OPDENERGY Group**" or the "**Group**"), is responsible for the entire content of this Information Memorandum pursuant to the authorisation and powers of attorney granted by the Issuer's Board of Directors on December 16, 2022.

Mr. Luis Cid Suárez hereby declares that the information contained in this Information Memorandum is, to the best of his knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not suffer from any omission that could affect its contents.

5. DUTIES OF THE REGISTERED ADVISOR OF MARF

PRICEWATERHOUSECOOPERS TAX & LEGAL, S.L. is a Spanish limited liability company (*sociedad de responsabilidad limitada*) with tax identification code B-80909278, registered with the Commercial Registry of Madrid in volume 39910, folder 168, sheet M-31818, with registered office at Paseo de la Castellana, 259, B – 28046 of Madrid ("**PwC**"), which, has been admitted as a registered advisor (*asesor registrado*) of MARF pursuant to operative instruction (*instrucción operativa*) 1/2022.

The Company has appointed PwC as the Issuer's registered advisor (*asesor registrado*) in the MARF (the "**Registered Advisor**").

In accordance with this appointment, PwC has undertaken to cooperate with the Issuer so that it can comply with the obligations and duties that the Issuer will assume when incorporating each issuance of Commercial Paper under the Programme into MARF as multilateral trading facility, acting as specialist liaison between both MARF and the Issuer, and as a means to facilitate the insertion and development of the same under the new securities trading regime.

In accordance with its duties and responsibilities, PwC must provide MARF with any periodic information that MARF may require and, on the other hand, MARF may require as much information as it may deem necessary regarding the actions to be carried out by PwC and its obligations as Registered Advisor, MARF being authorized to perform as many actions as necessary, where appropriate, in order to verify the information that has been provided.

In this regard, it should be noted that the Issuer must have at all times, as long as there are outstanding Commercial Paper, a designated Registered Advisor registered with the "Market Registered Advisor Registry" (*Registro de Asesores Registrados del Mercado*).

PwC, as Registered Advisor of the Issuer, will provide the Issuer with the following advisory services:

(i) advice on the admission (*incorporación*) to trading on MARF of the Commercial Paper issued under the Programme;

(ii) advice on the compliance with any obligations and duties that the Issuer may have as a result of its participation in the MARF;

(iii) advice on compiling and submitting the financial and business information required by MARF regulations; and

(iv) advice on ensuring that the information produced by the Issuer complies with the requirements of MARF regulations.

As Registered Advisor, PwC with respect to the request for the admission (*incorporación*) to trading on MARF of the Commercial Paper:

(i) has verified that the Issuer meets all the requirements that MARF regulations provide for in order to obtain the admission (*incorporación*) to trading of the Commercial Paper as securities;

(ii) has assisted the Issuer in the preparation of this Information Memorandum, has reviewed all the information provided by the Issuer to MARF in connection with the request for the admission (*incorporación*) to trading on MARF of the Commercial Paper, and has verified that the information delivered meets all the requirements of applicable regulations and does not leave out any relevant information that could lead to confusion among potential investors.

Once the Commercial Paper is admitted to trading on MARF, the Registered Advisor:

(i) will review the information that the Issuer produces and submits to MARF either periodically or on a one-off basis, and will verify that this information meets the requirements concerning contents and deadlines set out in the applicable regulations;

(ii) will advise the Issuer on the events that might affect the fulfilment of the obligations assumed by the Issuer when including the Commercial Paper to trading on MARF, as well as the best way to deal with such events in order to avoid any breach of said obligations;

(iii) will report to MARF any events that might represent a breach by the Issuer of its obligations in the event the Registered Advisor identifies any potential breach of material obligations that has not been cured by the Issuer following the Registered Advisor's advice; and

(iv) will manage, answer and deal with any queries and requests for information that MARF may require regarding the situation of the Issuer, progress of its business, the level of compliance with its obligations and any other data that MARF may deem relevant.

For these purposes, the Registered Advisor will carry out the following actions:

(i) will maintain regular and necessary contact with the Issuer and will analyse any exceptional situations that may arise or occur with regard to the evolution of the price, trading volumes and other relevant circumstances related to the trading of the Commercial Paper;

(ii) will sign any declarations which, in general, have been set out in the regulations as a consequence of the admission (*incorporación*) to trading of the Commercial Paper on MARF, as well as with regard to the information required from companies with securities being traded on MARF; and

(iii) will forward to MARF, without delay, the communications received in response to queries and requests for information the latter may send.

6. MAXIMUM OUTSTANDING BALANCE

The maximum amount of outstanding issuances of Commercial Paper under this Programme will be a nominal of one hundred million euros (€100,000,000).

This amount is understood as the maximum outstanding balance of all the Commercial Paper issued at any given time during the term of the Programme pursuant to this Information Memorandum.

7. DESCRIPTION OF THE TYPE AND CLASS OF THE SECURITIES. NOMINAL VALUE.

The Commercial Paper Notes (*pagarés* in Spanish) are securities with an implicit positive, zero or negative yield, so that their return (positive, zero or negative) results from the difference between the subscription or acquisition price and the redemption price, with no right to receive a periodic coupon.

The Commercial Paper Notes issued and outstanding at any given time represents a debt for the Issuer and will be reimbursed at maturity at their face value.

An ISIN (International Securities Identification Number) code will be assigned to each issuance of Commercial Paper that has the same maturity period.

Each Commercial Paper will have a nominal value of one hundred thousand euros (€100,000), meaning that the maximum number of issuances of Commercial Paper in circulation at any given time will not exceed one thousand (1,000).

8. GOVERNING LAW OF THE SECURITIES

The Commercial Paper Notes are securities issued in accordance with the Spanish legislation applicable to the Issuer and to the Commercial Paper as securities (*valores*).

In particular, the Commercial Paper Notes will be issued pursuant to Royal Legislative Decree 4/2015, of 23 October, by virtue of which the restated text of the Securities Market Act is approved (*Texto Refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) (the "**Securities Market Act**"), in accordance with its current wording and with any other related regulations.

This Information Memorandum is the one required in Circular 2/2018 of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market.

The courts and tribunals of the city of Madrid will have exclusive jurisdiction to settle any disputes arising from or in connection with the Commercial Paper (including disputes regarding any non-contractual obligation arising from or in connection with the Commercial Paper).

9. REPRESENTATION OF THE SECURITIES THROUGH BOOK ENTRIES

The Commercial Paper Notes to be issued under the Programme will be represented by book entries (*anotaciones en cuenta*), as set out in the mechanisms for trading on MARF for which admission of the Commercial Paper Notes is required.

The party in charge of the accounting records is *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.* ("**Iberclear**"), with registered office at Madrid, Plaza de la Lealtad, 1, together with its participating entities, pursuant to article 8.3 of the Securities Market Act and Royal Decree 878/2015, of October 2, on the clearing, settlement and recording of transferable securities represented in book-entry form, on the legal regime of the central securities depositaries and central counterparties, and on the transparency requirements for issuers of securities admitted to trading in a regulated market *(Real Decreto 878/2015, de 2 de octubre, sobre compensación, liquidación y registro de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de losdepositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficia*l), as amended by Royal Decree 827/2017, of September 1, and Royal Decree 1464/2018, of December 21.

10. CURRENCY OF THE ISSUE

The Commercial Paper Notes issued under this Programme will be denominated in Euros.

11. CLASSIFICATION OF THE COMMERCIAL PAPER: ORDER OF PRIORITY

Any issuance of Commercial Paper under this Programme will not be secured by any *in rem* guarantees (*garantías reales*) or guaranteed by any personal guarantees (*garantías personales*).

Principal and interest amounts owed by the Issuer under the Commercial Paper will be unsecured, but the Issuer will be liable for any amount with its total net worth (*responsabilidad personal universal*). Therefore, the payment obligations of the Issuer under the Commercial Paper shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all other present and future unsecured and unsubordinated obligations of the Issuer.

For the purposes of priority, should the Issuer file for insolvency, the investors are behind any privileged creditors that the Issuer has on that date pursuant to the classification and order of priority of credits set out in the Insolvency

Law.

12. QUALIFICATION OF THE COMMERCIAL PAPER NOTES ISSUED UNDER THE PROGRAMMEME AS "GREEN COMMERCIAL PAPER NOTES"

The Issuer has structured the Commercial Paper Notes to be issued under the Programme to qualify as a "green instrument" in accordance with the "Opdenergy Green Finance Framework" developed by the Company in November 2021 under which the Issuer issues bonds and notes pursuant to the Green Bond Principles (GBP) and enters into financing agreements pursuant to the Green Loan Principles (GLP) the proceeds of which are intended to finance or refinance, in whole or in part, existing or future projects that are expected to increase the share of renewable energies in the electricity pool, for which the Issuer has obtained a second party opinion from Sustainalytics on December 9, 2021, a professional firm belonging to the Morningstar group and one of the world's leading providers of ESG (environmental, social and corporate governance) services ("**Sustainalytics**") confirming that Opdenergy Green Finance Framework is credible, has a positive impact, and is aligned with the four core principles of the GBP and GLP: use of proceeds, project evaluation/selection, management of proceeds and reporting.

In particular, the second party opinion issued by Sustainalytics dated December 9, 2021 referred to above confirms the compliance of the Opdenergy Green Finance Framework with the "Green Bond Principles" published by the International Capital Markets Association (ICMA) as of the date of this Information Memorandum, and in particular, certifies that any bonds and/or notes issued by the Company under the Opdenergy Green Finance Framework are considered as "green financing instruments" as they comply with the four main principles of the GBP:

(i) **Use of proceeds**: the Issuer intends to use the proceeds from the issuance of the Commercial Paper Notes to finance projects that fall under a single category, Renewable Energy, with Sustainalytics expressly noting the positive impact of expanding power generation capacity through renewable energy sources and considering that eligible investments will contribute to further progress on the UN Sustainable Development Goals ("SDGs" for short), and in particular, but without limitation, Goal 7 (SDG 7) to "Ensure access to affordable, secure, sustainable and modern energy".

(ii) **Project evaluation/selection process**: the internal procedures implemented by the Issuer to evaluate and select projects are managed by a Management Committee composed of the Chief Executive Officer, the Chief Financial Officer, the Chief Corporate Development and Structured Finance Officer, the Chief Operating Officer, the Director of Business Development in Europe, Director of Investor Relations and Communication and the Director of Human Resources. The Issuer's risk assessment and mitigation procedures apply to all fund allocation decisions under the Opdenergy Green Finance Framework, and Sustainalytics considers these environmental and social risk management procedures to be adequate and aligned with market expectations and best practices.

(iii) **Management of proceeds**: The funds obtained by the Issuer from the issuance of green financing instruments, including the Commercial Paper Notes, will be disbursed in a separate bank account and managed by the treasury team, with the supervision of our Group CFO, and until such time as we proceed to allocate those funds in full to renewable projects, such funds may be temporarily invested in our Group's portfolio of liquidity instruments, in the form of cash or cash equivalent instruments, and that this is also aligned with best market practices.

(iv) **Reporting**: the Issuer intends to report on the allocation of funds and their impact, which will be published on its website on an annual basis in an Opdenergy Sustainability Report, which will provide details on the allocation of funds to renewable energy projects including the total amounts of investments and expenditures in renewable energy projects, the amounts or percentages used to finance general corporate needs and M&A transactions, and the balance of unused funds, and Opdenergy has committed to report on certain impact metrics, with Sustainalytics confirming that these fund allocation and impact reporting procedures for projects financed under the Opdenergy Green Finance Framework are in line with best market practice.

For further details on what the "Green Bond Principles" consist of, it is recommended to read the Guidance Handbook and Q&A document available on the ICMA website:

https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/guidance-handbook-and-q-and-a

By issuing green bonds and/or notes such as the Commercial Paper Notes, issuers send a signal regarding their commitment to act on environmental issues, both internally and externally, by financing projects with clear environmental benefits. They can also achieve a greater diversification of their investor base, which can mean a potential increase in demand with the additional benefits that this brings.

13. DESCRIPTION OF THE RIGHTS INHERENT TO THE SECURITIES AND THE PROCEDURE TO EXERCISE SUCH RIGHTS. METHOD AND TERM FOR PAYMENT AND DELIVERY OF THE SECURITIES

In accordance with the applicable legislation, the Commercial Paper Notes issued under this Programme will not grant the investors any present or future political rights over the Issuer.

The economic and financial rights of the investor associated to the subscription (or acquisition) and holding of the Commercial Paper Notes will be those arising from the conditions of the nominal interest rate, yields and redemption prices with which the Commercial Paper Notes are issued, as specified in sections 15 and 17 below.

The date of disbursement of the Commercial Paper Notes will be the same as the date of issuance, and the effective value of the Commercial Paper Notes will be paid to the Issuer by the relevant Dealers (as this term is defined in section 16 below) or by the investors, as the case may be, through the Paying Agent (as defined in section 16 below), in its capacity as paying agent, in the account specified by the Issuer on the relevant date of issuance of Commercial Paper Notes.

In all cases each Dealer or, as the case may be, the Issuer, will issue a nominative and non-negotiable certificate of acquisition regarding the Commercial Paper Notes in which said Dealer has collaborated in its placement or in which the investors have acquired the Commercial Paper Notes directly from the Issuer, as applicable. This document will provisionally give evidence of the subscription of the Commercial Paper Notes until the appropriate book entry (*anotación en cuenta*) is registered, which will grant its holder the right to request the relevant legitimacy certificate (*certificado de legitimación*).

Furthermore, the Issuer will report the disbursement to MARF and Iberclear through the relevant certificate.

14. ISSUE DATE. TERM OF THE PROGRAMME

The term of validity of the Programme is one (1) year from the date of incorporation of this Information Memorandum with MARF.

As the Programme is a continuous type, the Commercial Paper Notes may be issued and subscribed on any day during its term of validity. However, the Issuer reserves the right not to issue new Commercial Paper Notes when it deems such action appropriate pursuant to the cash needs of the Issuer or because it finds more favourable financing conditions.

The issue date and disbursement date of the Commercial Paper Notes will be indicated in the complementary certificates (*certificaciones complementarias*) produced at the time of each issuance. The issue date, disbursement and admission (*incorporación*) of the Commercial Paper may not fall after the expiration date of this Information Memorandum.

15. NOMINAL INTEREST RATE. INDICATION OF THE YIELD AND CALCULATION METHOD

The annual nominal interest for the Commercial Paper Notes will be set in each issuance.

The Commercial Paper will be issued at the interest rate agreed by and between Banco Santander, S.A, Bestinver Sociedad de Valores, S.A. and Banca March, S.A. (for these purposes, the "**Dealers**" and each individually a "**Dealer**") and the Issuer, or, as the case may be, agreed between the Issuer and the investors. The yield shall be implicit in the subscription or acquisition price of the Commercial Paper Notes issued at a particular issuance, considering that the Commercial Paper Notes will be reimbursed on the maturity date at their face value.

The price at which the relevant Dealer transfers the Commercial Paper Notes to third parties will be the rate freely agreed between the relevant dealer and the interested investors.

As the Commercial Paper Notes are securities issued at a discounted subscription price (*al descuento*) and with an implicit yield, the cash amount to be paid out by each investor (effective value) varies in accordance with the nominal interest rate and term agreed.

Therefore, the cash amount (effective value) of the Commercial Paper Notes can be calculated by applying the following formulas:

- When the Commercial Paper Notes are issued for a maximum term of 365 days:

$$E = \frac{N}{1 + i \times \frac{d}{365}}$$

- When the Commercial Paper Notes are issued for more than 365 days:

$$E = \frac{N}{(1 + i)^{\frac{d}{365}}}$$

where:

N = nominal amount of the Commercial Paper Notes.

E = cash amount (effective value) of the Commercial Paper Notes.

d = number of days from the issue date until maturity date.

i = nominal interest rate, expressed as a decimal.

A table is included hereafter to help the investor, including the effective value scenarios for different rates of interest and redemption periods, and there is also a column showing the variation of the effective value of the Commercial Paper Notes by increasing such period in 10 days.

[see table in the following page]

EFFECTIVE VALUE OF A COMMERCIAL PAPER WITH A NOMINAL VALUE OF €100,000
(Less than one year term)

	7 DAYS			14 DAYS			30 DAYS			60 DAYS		
Nominal rate (%)	Subscripti on price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)
0,25	99.995,21	0,25	-6,85	99.990,41	0,25	-6,85	99.979,46	0,25	-6,85	99.958,92	0,25	-6,84
0,50	99.990,41	0,50	-13,69	99.980,83	0,50	-13,69	99.958,92	0,50	-13,69	99.917,88	0,50	-13,67
0,75	99.985,62	0,75	-20,54	99.971,24	0,75	-20,53	99.938,39	0,75	-20,52	99.876,86	0,75	-20,49
1,00	99.980,83	1,00	-27,38	99.961,66	1,00	-27,37	99.917,88	1,00	-27,34	99.835,89	1,00	-27,30
1,25	99.976,03	1,26	-34,22	99.952,08	1,26	-34,20	99.897,37	1,26	-34,16	99.794,94	1,26	-34,09
1,50	99.971,24	1,51	-41,06	99.942,50	1,51	-41,03	99.876,86	1,51	-40,98	99.754,03	1,51	-40,88
1,75	99.966,45	1,77	-47,89	99.932,92	1,76	-47,86	99.856,37	1,76	-47,78	99.713,15	1,76	-47,65
2,00	99.961,66	2,02	-54,72	99.923,35	2,02	-54,68	99.835,89	2,02	-54,58	99.672,31	2,02	-54,41
2,25	99.956,87	2,28	-61,55	99.913,77	2,27	-61,50	99.815,41	2,27	-61,38	99.631,50	2,27	-61,15
2,50	99.952,08	2,53	-68,38	99.904,20	2,53	-68,32	99.794,94	2,53	-68,17	99.590,72	2,53	-67,89
2,75	99.947,29	2,79	-75,21	99.894,63	2,79	-75,13	99.774,48	2,78	-74,95	99.549,98	2,78	-74,61
3,00	99.942,50	3,04	-82,03	99.885,06	3,04	-81,94	99.754,03	3,04	-81,72	99.509,27	3,04	-81,32
3,25	99.937,71	3,30	-88,85	99.875,50	3,30	-88,74	99.733,59	3,30	-88,49	99.468,59	3,29	-88,02
3,50	99.932,92	3,56	-95,67	99.865,93	3,56	-95,54	99.713,15	3,56	-95,25	99.427,95	3,55	-94,71
3,75	99.928,13	3,82	-102,49	99.856,37	3,82	-102,34	99.692,73	3,82	-102,00	99.387,34	3,81	-101,38
4,00	99.923,35	4,08	-109,30	99.846,81	4,08	-109,13	99.672,31	4,07	-108,75	99.346,76	4,07	-108,04
4,25	99.918,56	4,34	-116,11	99.837,25	4,34	-115,92	99.651,90	4,33	-115,50	99.306,22	4,33	-114,70
4,50	99.913,77	4,60	-122,92	99.827,69	4,60	-122,71	99.631,50	4,59	-122,23	99.265,71	4,59	-121,34

EFFECTIVE VALUE OF A COMMERCIAL PAPER WITH A NOMINAL VALUE OF €100,000

	(Less than one year term)						(Equal to one year term)			(More than one year term)		
	90 DAYS			180 DAYS			365 DAYS			731 DAYS		
Nominal rate (%)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)	Subscription price (euros)	IRR/AER (%)	+10 days (euros)
0,25	99.938,39	0,25	-6,84	99.876,86	0,25	-6,83	99.750,62	0,25	-6,81	99.501,19	0,25	-6,81
0,50	99.876,86	0,50	-13,66	99.754,03	0,50	-13,63	99.502,49	0,50	-13,56	99.006,10	0,50	-13,53
0,75	99.815,41	0,75	-20,47	99.631,50	0,75	-20,39	99.255,58	0,75	-20,24	98.514,69	0,75	-20,17
1,00	99.754,03	1,00	-27,26	99.509,27	1,00	-27,12	99.009,90	1,00	-26,85	98.026,93	1,00	-26,72
1,25	99.692,73	1,26	-34,02	99.387,34	1,25	-33,82	98.765,43	1,25	-33,39	97.542,79	1,25	-33,19
1,50	99.631,50	1,51	-40,78	99.265,71	1,51	-40,48	98.522,17	1,50	-39,87	97.062,22	1,50	-39,58
1,75	99.570,35	1,76	-47,51	99.144,37	1,76	-47,11	98.280,10	1,75	-46,29	96.585,19	1,75	-45,90
2,00	99.509,27	2,02	-54,23	99.023,33	2,01	-53,70	98.039,22	2,00	-52,64	96.111,66	2,00	-52,13
2,25	99.448,27	2,27	-60,93	98.902,59	2,26	-60,26	97.799,51	2,25	-58,93	95.641,61	2,25	-58,29
2,50	99.387,34	2,52	-67,61	98.782,14	2,52	-66,79	97.560,98	2,50	-65,15	95.175,00	2,50	-64,37
2,75	99.326,48	2,78	-74,28	98.661,98	2,77	-73,29	97.323,60	2,75	-71,31	94.711,79	2,75	-70,37
3,00	99.265,71	3,03	-80,92	98.542,12	3,02	-79,75	97.087,38	3,00	-77,41	94.251,96	3,00	-76,30
3,25	99.205,00	3,29	-87,55	98.422,54	3,28	-86,18	96.852,30	3,25	-83,45	93.795,46	3,25	-82,15
3,50	99.144,37	3,55	-94,17	98.303,26	3,53	-92,58	96.618,36	3,50	-89,43	93.342,27	3,50	-87,93
3,75	99.083,81	3,80	-100,76	98.184,26	3,79	-98,94	96.385,54	3,75	-95,35	92.892,36	3,75	-93,64
4,00	99.023,33	4,06	-107,34	98.065,56	4,04	-105,28	96.153,85	4,00	-101,21	92.445,69	4,00	-99,28
4,25	98.962,92	4,32	-113,90	97.947,14	4,30	-111,58	95.923,26	4,25	-107,02	92.002,23	4,25	-104,85
4,50	98.902,59	4,58	-120,45	97.829,00	4,55	-117,85	95.693,78	4,50	-112,77	91.561,95	4,50	-110,35

Given the different types of issues that will be applied throughout the Commercial Paper Programme, we cannot predetermine the internal rate of return (IRR) for each investor.

In any case, for the Commercial Paper Notes with a term of 365 days or less, it will be determined in accordance with the following formula:

$$i = \left[\left(\frac{N}{E}\right)^{365/d} - 1\right]$$

where:

i = effective annual interest rate, expressed as a decimal.

N = nominal amount of the Commercial Paper Notes.

E = cash amount (effective value) at the time of subscription or acquisition.

d = number of calendar days between the issue date (inclusive) and the maturity date (exclusive).

Regarding the Commercial Paper Notes with a term exceeding 365 days, the IRR is equal to the nominal rate of the Commercial Paper Notes set out in this section.

If the Commercial Paper Notes are originally subscribed by the Dealers in order to have the relevant Commercial Paper Notes transferred to the investors, the price at which each Dealers may transfer the Commercial Paper Notes will be freely agreed among the relevant Dealer and investors, which may not be the same as the issue price.

16. DEALERS, PAYING AGENT AND DEPOSITARY ENTITIES

The entities that initially collaborate in this Programme and in the placement of the Commercial Paper under each issuance (the "**Dealers**" and each of them a "**Dealer**") are the following:

1. Banco de Santander, S.A. ("**Santander**"), also acting as Lead Arranger and Green Structuring Agent
   - Tax Identification Number: A-39000013;
   - Registered office: Paseo de Pereda, 9-12, 39004 Santander (Spain).
2. Bestinver, Sociedad de Valores, S.A. ("**Bestinver**")
   - Tax Identification Number: A-83563767;
   - Registered office: Calle Velázquez 140, 2º, 28006 Madrid (Spain).
2. Banca March, S.A. ("**Banca March**")
   - Tax Identification Number: A-07004021;
   - Registered office: Av. Alejandro Rosselló, 8, 07002 Palma de Mallorca.

A collaboration agreement for the placement (*contrato de colaboración*) has been entered into by the Issuer and each of the Dealers for this Programme, including the possibility to sell the Commercial Paper Notes to third parties.

The Issuer reserves the right to appoint new Dealers under the Programme. In the case that a new Dealer is appointed by the Issuer, a relevant information notice will be promptly communicated to MARF.

Banco Santander, S.A. will act as paying agent (the "**Paying Agent**"). By acting under the paying agency agreement executed with the Issuer and in connection with the Commercial Paper Notes, the Paying Agent will act solely as agent of the Issuer and will not assume any obligations towards or relationship of agency or trust for or with any of the holders of the Commercial Paper Notes. Notice of any change of the entity acting as Paying Agent will be promptly communicated to MARF by means of the relevant notice.

Although Iberclear will be the entity in charge of the book-keeping (*registro contable*) of the accounting records corresponding to the Commercial Paper Notes, the investors must note that the Issuer has not designated any depository entity for the Commercial Paper Notes. Each subscriber or acquirer of the Commercial Paper Notes must appoint, among Iberclear's participating entities, the entity that will act as depositary of the Commercial Paper Notes held by such investor.

Any holder of the Commercial Paper Notes who does not have, directly or indirectly through its custodians, a participating account with Iberclear may participate in the Commercial Paper Notes through bridge accounts maintained by each of Euroclear Bank, SA/NV or Clearstream Banking, Société Anonyme, Luxembourg, as appropriate.

17. REDEMPTION PRICE AND PROVISIONS REGARDING MATURITY OF THE SECURITIES. DATE AND METHODS OF REDEMPTION

The Commercial Paper Notes issued under a particular issuance made under this Programme will be redeemed at their face value on the maturity date indicated in the terms and conditions of each issuance, withholding the relevant amount according to tax regulations if such withholding is applicable.

The Commercial Paper issued under this Programme may have a redemption period of between three (3) Business Days and seven hundred and thirty (730) calendar days (twenty-four (24) months). "**Business Day**" means: a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System or any successor thereto is operating, except from those days that, in spite of being business days according to TARGET2, are holidays in the city of Madrid.

Considering that the Commercial Paper Notes will be traded on MARF, their redemption will take place pursuant to the operating rules of the clearance system of MARF, so that, on maturity date, the nominal amount of the relevant Notes is paid to their legitimate holder. The Paying Agent does not take any liability whatsoever regarding any investor's expected reimbursement from the Issuer on the maturity date of the relevant Commercial Paper Notes held by each investor.

18. VALID TERM TO CLAIM THE REIMBURSEMENT OF THE PRINCIPAL

In accordance with article 1,964.2 of the Spanish Civil Code, actions to request the reimbursement of the face value of the Commercial Paper Notes may be exercised by each relevant investor during five (5) years from the date on which the Commercial Paper Notes held by such investor become due.

19. MINIMUM AND MAXIMUM ISSUE PERIOD

As previously stated, during the validity term of this Information Memorandum the Commercial Paper Notes issued may have a redemption period of between three (3) Business Days and seven hundred and thirty (730) calendar days (that is, twenty-four (24) months).

20. EARLY REDEMPTION

Any Commercial Paper Notes issued under this Programme will not include an early redemption option for the Issuer (*call*) or for the holder of the Commercial Paper Notes (*put*). Notwithstanding the foregoing, the Issuer may redeem the Commercial Paper Notes it can hold or possess for any legitimate title prior to the relevant maturity date.

21. RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE SECURITIES

In accordance with current legislation, there are no specific or generic restriction on the free transferability of the

Commercial Paper Notes that will be issued under this Programme.

22. TAXATION OF THE SECURITIES

In accordance with the provisions set out in current Spanish legislation, the Commercial Paper Notes are classified as **financial assets with implicit yield**.

Therefore, the general tax regime in force in Spain at any given time for issues of financial assets with implicit yield will apply to the Commercial Paper Notes issued under the Programme.

Income from the Commercial Paper Notes is considered to be income from movable capital and subject to Personal Income Tax (*Impuesto sobre la Renta de las Personas Físicas*) (the "**PIT**"), Corporate Income Tax (*Impuesto sobre Sociedades*) (the "**CIT**") and Non-residents Income Tax (*Impuesto sobre la Renta de no Residentes*) (the "**NRIT**") and to its withholding system, under the terms and conditions set out in the respective regulatory laws and other rules that implement said taxes.

For illustrative purposes only, the main pieces of Spanish tax legislation at the time this Information Memorandum is published are the following:

(i) Law 35/2006, of November 28, on Personal Income Tax and partial amendment of the laws on Corporate Tax, Non-residents Income Tax and Wealth (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*) (the "**PIT Law**"), as well as those contained in articles 74 *et seq.* of Royal Decree 439/2007, of March 30, which approves the regulation on Personal Income Tax and modifies the regulations on Pension Funds and Plans approved through Royal Decree 304/2004, of February 20 (*Real Decreto 439/2007, de 30 de marzo, por el que se aprueba el Reglamento del Impuesto sobre la Renta de las Personas Físicas y se modifica el Reglamento de Planes y Fondos de Pensiones, aprobado por Real Decreto 304/2004, de 20 de febrero*) (the "**PIT Regulation**");

(ii) Law 27/2014, of November 27, on Corporate Tax Law (*Ley 27/2014, de 27de noviembre, del Impuesto sobre Sociedades*) (the "**CIT Law**") as well as articles 60 *et seq.* of the Corporate Income Tax regulations approved through Royal Decree 634/2015, of July 10 (*Reglamento del Impuesto sobre Sociedades aprobado por el Real Decreto 634/2015, de 10 de julio*) (the "**CIT Regulation**");

(iii) Royal Legislative Decree 5/2004, of March 5, which approves the recast text of the Non-residents Income Tax law (*Real Decreto Legislativo 5/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre la Renta de no Residentes*) (the "**NRIT Law**") and those contained in Royal Decree 1776/2004, of July 30, which approves the regulations in respect of Non-residents Income Tax (*Real Decreto 1776/2004, de 30 de julio por el que se aprueba el Reglamento del Impuesto sobre la Renta de no residentes*) (the "**NRIT Regulation**");

(iv) Law 19/1991, of June 6, on the Wealth Tax (*Ley 19/1991, de 6 de junio, del Impuesto sobre el Patrimonio*); and

(v) Law 29/1987, of December 18, on the Inheritance and Gift Tax (*Ley 29/1987, de 18 de diciembre, del Impuesto sobre Sucesiones y Donaciones*) (the "**I&GT Law**") and its regulations contained in Royal Decree 1629/1991, of 8 November.

This section of the Information Memorandum summarizes the tax regime applicable to the acquisition, ownership and, if only, subsequent transfer of the offered Commercial Paper Notes. All this without prejudice to any regional tax regimes that may be applicable, particularly those corresponding to the historic territories of the Basque Country and of the Regional Community of Navarre, or any other regimes that could be applicable due to the specific features of the relevant investor.

As a general rule, in order to dispose of or obtain reimbursement of financial assets with implicit yield that are subject to a withholding at source at the time of transfer, redemption or reimbursement, prior acquisition of the same must be substantiated through a notary public or by financial institutions obliged to perform withholdings. The price of the transaction must also be certified. The financial institutions through which the payment of interest is made or which intervene in the transfer, redemption or reimbursement of securities are obliged to calculate the returns attributable to the securities holder and notify this to both the holder of the security as well as to the relevant tax authorities. The tax authorities must also be notified of those persons taking part in the aforementioned transactions.

Ownership of the Commercial Paper Notes will likewise be subject to Wealth Tax (*Impuesto sobre el Patrimonio*) (the "**WT**") and the Inheritance and Gift Tax (*Impuesto sobre Sucesiones y Donaciones*) (the "**I&GT**") on the date of accrual of said taxes, by virtue of the provisions set out in current regulations in each case. Also note that Spanish tax residents whose wealth exceeds €3 million are subject to a new wealth tax during the next two years, 2023 and 2024, according to Law 31/2022, of 23 December, on the General State Budget for the year 2023.

This section of the Information Memorandum does not intend to be a comprehensive description of all tax considerations that may be relevant for a decision to acquire the Commercial Paper Notes, nor does it seek to cover the tax consequences applicable to all categories of investors, some of which (e.g. financial institutions, corporate income tax exempt entities, collective investment institutions, superannuation funds, cooperatives, etc.) may be subject to special rules.

Consequently, any prospective investor interested in acquiring the Commercial Paper Notes must consult and get advice from its own tax advisors or lawyers who could give such prospective investor personalized advice in view of such investor's specific circumstances.

Likewise, any investors and prospective investors should take into consideration potential changes in legislation or its criteria of interpretation.

22.1. INVESTORS THAT ARE INDIVIDUALS WITH TAX RESIDENCE ON SPANISH TERRITORY

22.1.1. Personal Income Tax (PIT)

In general, income from movable capital (*rentas de capital*) obtained from the Commercial Paper Notes by individuals that are tax resident in Spain subject to withholding tax at the current rate of 19%. The withholding carried out may be deducted against the PIT's payable amount, giving rise, where appropriate, to the tax returns provided for in the current legislation.

Furthermore, the difference between the subscription or acquisition value of the Commercial Paper Notes and their transfer, redemption, swap or reimbursement value will be considered as an implicit income from movable capital and will be included in the taxable savings base for the financial year in which the sale, redemption or reimbursement takes place. Tax will be paid at the rate in force at any given time, which is currently 19% up to €6,000, 21% from €6,000.01 to €50,000 euros, 23% from €50,000.01 to €200,000, and 26% from €200,001 upwards.

Please note that, subject to approval of the General State's Budget (*Presupuestos Generales del Estado*) by the Spanish Congress, the Spanish government also announced last September 2022 its intention to increase the tax rate applicable to income from movable capital (*rentas de capital*) to 27% for income from movable capital exceeding €200,000 and to 28% for income from movable capital obtained by a taxpayer exceeding €300,000.

Negative income derived from the transfer of the Commercial Paper Notes, in the event that the relevant holder had acquired other homogeneous securities within the two months prior or subsequent to such transfer or exchange, will be included in his or her PIT base as and when the remaining homogeneous securities are transferred.

When calculating the net income, expenses related to the management and deposit of the Commercial Paper Notes will be deductible, excluding those pertaining to discretionary or individual portfolio management.

Generally, income derived from the Commercial Paper Notes will be subject to withholding tax on account of PIT (r*etención a cuenta*) at the current rate of 19%. Any withheld amounts may be credited against individuals' final PIT liability.

In accordance with article 93 of PIT Regulations, such income will be calculated by the difference between the redemption, exchange, reimbursement or transfer value and the acquisition or subscription value of the Commercial Paper Notes (without deducting expenses).

As regards any income derived from the transfer of the Commercial Paper Notes, the financial institution acting on behalf of the transferring party will be obliged to apply any relevant withholding. When the income is obtained from the reimbursement, the issuer or the financial institution responsible for the transaction will be the entity required to apply the relevant withholding.

The transfer or reimbursement of the Commercial Paper Notes will require that the relevant prior acquisition as well as the transaction price is evidenced by a public notary or the financial institutions obliged to apply the relevant withholding.

22.1.2. Wealth Tax

Any individual with tax residence in Spain and hold securities representing the transfer to third parties of own capital traded on organized markets are liable for Wealth Tax on his or her total net assets as at December 31 of each calendar year, irrespective of where their properties are located or where their rights can be exercised.

This Wealth Tax is levied in accordance with the provisions of the IP Law which, for these purposes, provides for a minimum exempt amount per taxpayer of EUR 700,000 and a scale of marginal tax rates which range from 0.2 percent to 3.5 percent, without prejudice to the specific legislation approved, where appropriate, by each Spanish Autonomous Community, so any prospective investor in Commercial Paper Notes must consult and get advice from his or her own tax advisers.

Pursuant to sub-article 2 of the single Article of Royal Decree-Law 13/2011, of September 16, reinstating wealth tax, amended by Article 3 of Royal Decree-Law 18/2019, of 28 December, a 100% reduction would apply to the wealth tax payable, starting on January 1, 2021, unless the application of this reduction is postponed or repealed as in previous years.

As noted above, Spanish tax residents whose wealth exceeds €3 million are subject to a new wealth tax during the next two years, 2023 and 2024, according to Law 31/2022, of 23 December, on the General State Budget for the year 2023.

22.1.2. Inheritance and Gift Tax (IGT)

Any individual with tax residence in Spain who acquires ownership or other rights over any Commercial Paper Notes by inheritance, gift or legacy will be subject to the IGT in accordance with the applicable Spanish regional or State rules (subject to any regional tax exemptions being available to each individual). The applicable effective tax rates can range currently between 0% and 81.6% subject to any specific regional rules, depending on relevant factors (such as previous net wealth, family relationship among transferor and transferee or applicable tax laws approved by the relevant Autonomous Region where the relevant individual is resident for tax purposes).

22.2. INVESTORS THAT ARE ENTITIES WITH TAX RESIDENCE IN SPAIN

22.2.1. Corporate Income Tax (CIT)

Income derived from the transfer, redemption, exchange or reimbursement of the Commercial Paper Notes will be subject to CIT at the general flat tax rate of 25% in accordance with the rules established for this tax.

Such income will be exempt from withholding tax on account of CIT provided that the Commercial Paper Notes (i) are registered by way of book-entries (*anotaciones en cuenta*); and (ii) are traded on a Spanish official secondary market of securities (such as AIAF) or on multilateral trading facility such as MARF.

If this exemption was not applicable, this income would be subject to Spanish withholding tax at the rate currently in force of 19%. Withheld amounts may be credited against entities' final CIT liability. However, no withholding on account of CIT will be imposed on income derived from the redemption or repayment of the Commercial Paper Notes provided that the requirements set forth in Law 10/2014 and article 44 of Royal Decree 1065/2007 are met, including that the entities that are members to Iberclear that have the Commercial Paper Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, provides the Issuer, in a timely manner, with a duly executed and completed Payment Statement, as defined below. See section 22.4. ("*Information about the Commercial Paper in connection with Payments*") below.

The transfer or reimbursement of the Commercial Paper Notes will require that its prior acquisition as well as the transaction price is evidenced by a public notary or the financial institutions obliged to apply the relevant withholding

22.2.2. Wealth Tax

Legal entities are not subject to Wealth Tax.

22.2.3. Inheritance and Gift Tax

Legal entities do not pay I&GT and will be subject to the CIT Law.

22.3. INVESTORS THAT ARE NOT RESIDENT IN SPAIN

22.3.1. Non-residents Income Tax for investors not resident in Spain acting through a permanent establishment

If the Commercial Paper Notes form part of the assets affected to a permanent establishment in Spain of a person or legal entity that is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Commercial Paper Notes are, generally, the same as those summarized above for Spanish CIT taxpayers. Ownership of the Commercial Paper Notes by investors who are not resident in Spain for tax purposes will not in itself create the existence of a permanent establishment in Spain.

22.3.2. Non-residents Income Tax for investors not resident in Spain not acting through a permanent establishment

To the extent that the requirements set forth in Additional Provision One of Law 10/2014 are met and that the non-resident investor without permanent establishment accredits its condition, income derived from the Commercial Paper Notes will be exempt from NRIT, on the same terms as those established for income derived from public debt securities according to Article 14.1.d) of the NRIT Law, regardless of the place of residence. In the case of Commercial Paper Notes issued at a discount for a period of 12 months or less, in order for that exemption to apply, the procedure set forth in Article 44 of Royal Decree 1065/2007, of July 27, according to the wording given to it by Royal Decree 1145/2011, of July 29, will be applicable. If the relevant entity that is member to Iberclear fails or for any reason is unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of income under the Commercial Paper Notes, the Issuer will withhold Spanish withholding tax at the then-applicable rate (the current rate is 19%) on such payment of income on the Commercial Paper Notes.

In any case, the interest and other income derived from the transfer to third parties of own capital, obtained other than through a permanent establishment, by residents of another Member State of the European Union or by permanent establishments of those residents located in another Member State of the European Union, will be exempt.

If no exemption applies, the income resulting from the difference between the value of redemption, transfer, and reimbursement or exchange of the Commercial Paper Note issued under this Programme and their subscription or acquisition value, obtained by investors without tax residence in Spain, will generally be subject at the tax rate of 19%, without prejudice to what is established in the tax treaties signed by Spain.

22.3.3. Wealth Tax

Individuals resident in a country with which Spain has entered into a double tax treaty in relation to the

Wealth Tax would generally not be subject to such tax. Otherwise, non-Spanish resident individuals whose properties and rights located in Spain, or that can be exercised within the Spanish territory exceed €700,000 in respect of each tax year would be subject to Wealth Tax at the applicable rates ranging between 0.2 per cent. and 3.5 per cent., without prejudice to any other exemption that may be applicable.

Notwithstanding, after the Court of Justice of the European Union judgment on September 3, 2015 (Case C-127/12), individuals that are not resident in Spain for tax purposes but who are resident in an European Union or European Economic Area Member State may apply the rules approved by the autonomous region where the assets and rights with more value (i) are located, (ii) can be exercised or (iii) must be fulfilled.

In accordance with sub-article 2 of the single Article of Royal Decree-Law 13/2011, of September 16, reinstating wealth tax, amended by Article 3 of Royal Decree-Law 18/2019, of 28 December, a 100% reduction would apply to the wealth tax payable, starting on January 1, 2021, unless the application of this reduction is postponed or repealed as in previous years.

22.3.4. Inheritance and Gift Tax

An individual who is not resident in Spain for tax purposes who acquires ownership or other rights over the Commercial Paper Notes by inheritance, gift or legacy, and who reside in a country with which Spain has entered into a double tax treaty in relation to inheritance and gift tax will be subject to the relevant double tax treaty.

If the provisions of the foregoing paragraph do not apply, such individuals will be subject to inheritance and gift tax in accordance with Spanish legislation. The tax rate will range between 0 and 81.6%.

However, if the deceased, heir or the done are resident in an European Union or European Economic Area member State, depending on the specific situation, the applicable rules will be those corresponding to the relevant autonomous regions according to the law. Also, as a consequence of its decisions dated February 19, 2018, March 21, 2018 and March 22, 2018, the Spanish Supreme Court has declared that the application of state regulations when the deceased, heir or donee is resident outside of a Member State of the European Union or the European Economic Area violates Community law to the free movement of capital, so even in that case it would be appropriate to defend the application of regional regulations in the same cases as if the deceased, heir or donee was resident in a Member State of the European Union. The General Directorate for Taxation has recently ruled in accordance with those judgements (V3151-18 and V3193-18).

In this regard, to date, the Spanish national legislation on the Inheritance and Gift Tax has not been amended to include the criterion of the Spanish Supreme Court expressed in those rulings, which constitute case law. However, the Directorate-General of Taxes, in binding rulings V3151-18 and V3193-18, have admitted *de facto* the possibility for this group of taxpayers to elect to also apply the legislation of the Autonomous Communities.

22.4. INFORMATION ABOUT THE COMMERCIAL PAPER IN CONNECTION WITH PAYMENTS

As described above, to the extent that the conditions set out in Law 10/2014 and article 44 of Royal Decree 1065/2007 are met, income in respect of the Commercial Paper Notes for the benefit of either a holder of the Commercial Paper Notes with tax residence outside Spain or of a Spanish CIT taxpayer will not be subject to Spanish withholding tax, provided that the entities that are members to Iberclear that have the Commercial Paper Notes registered in their securities account on behalf of third parties, as well as the entities that manage the clearing systems located outside Spain that have an agreement with Iberclear, if applicable, provide the Issuer, in a timely manner, with a duly executed and completed statement (a "**Payment Statement**"), including the following information:

1. Identification of the Commercial Paper Notes.

2. Total amount of the income paid by the Issuer.

3. Amount of the income corresponding to individuals residents in Spain that are PIT taxpayers.

4. Amount of the income that must be paid on a gross basis.

If the relevant entity member to Iberclear fails or for any reason is unable to deliver a duly executed and completed Payment Statement to the Issuer in a timely manner in respect of a payment of income made by the Issuer under the Commercial Paper Notes, such payment will be made net of Spanish withholding tax, at the current rate of 19%. If this were to occur, affected holders of the Commercial Paper Notes will receive a refund of the amount withheld, with no need for action on their part, if the relevant member to Iberclear submits a duly executed and completed Payment Statement to the Issuer no later than the 10th calendar day of the month immediately following the relevant payment date. In addition, holders of the Commercial Paper Notes may apply directly to the Spanish tax authorities for any refund to which they may be entitled, according to the procedures that the NRIT Law provides for.

22.5. INDIRECT TAXATION IN THE ACQUISITION AND TRANSFER OF THE SECURITIES ISSUED

Irrespective of the nature and residence of the investors holding the Commercial Paper Notes, the acquisition and transfer of the Commercial Paper Notes will be exempt from indirect taxes in Spain, in particular exempt from Transfer Tax and Stamp Duty (*Impuesto de Transmisiones y Actos Jurídicos Documentados*), in accordance with the Consolidated Text of such tax promulgated by Royal Legislative Decree 1/1993, of September 24, and exempt from Value Added Tax (*Impuesto sobre el Valor Añadido*), in accordance with Law 37/1992, of December 28, regulating such tax, and article 314 of Royal Legislative Decree 4/2015, of October 23, which approves the recast text of the Securities Market Law (*Real Decreto Legislativo 4/2015, de 23 de octubre, por el que se aprueba el texto refundido de la Ley del Mercado de Valores*).

23. PUBLICATION OF THE INFORMATION MEMORANDUM

This Information Memorandum will be published on the MARF's website: https://www.bolsasymercados.es/bme-exchange.

24. DESCRIPTION OF THE PLACEMENT SYSTEM AND, IF APPLICABLE, SUBSCRIPTION OF EACH ISSUE

24.1. Placement by the Dealers

The Dealers may act as intermediaries in the placement of the Commercial Paper, without prejudice to each Dealer being able to subscribe the Commercial Paper in its own name.

For these purposes, the Dealers may request the Issuer in any Business Day, between 10:00 a.m. CET and 2:00 p.m. CET, volume quotations and nominal interest rates for potential issues of the Commercial Paper Notes in order to carry out the relevant book building process among qualified investors (including eligible counterparties and professional clients). In addition, the Issuer may request to the Dealer in any Business Day, between 10:00 a.m. and 2:00 p.m. CET, proposals of volume quotations and interest rates for any potential issuances of the Commercial Paper Notes.

The amount, nominal interest rate, issue date, disbursement date, maturity date, as well as the rest of the terms of each issuance of Commercial Paper Notes will be agreed between the Issuer and the Dealer or Dealers involved in each specific issuance of Commercial Paper Notes. Such terms will be confirmed by means of the delivery of a document which includes the conditions of the issue, to be sent by the Issuer to the relevant Dealers and Paying Agent.

If the Commercial Paper Notes are originally subscribed by the Dealer or Dealers for its subsequent transfer to the final investors, the price will be the one freely agreed by the interested parties, which may not be the same as the issue price (that is, the effective amount).

The interest to which each Dealer transfers the relevant Commercial Paper Notes to final investors may not be the same as those agreed by the Dealer and the Issuer.

24.2. Issue and subscription of the Commercial Paper directly by investors

Additionally, it is also possible that final investors having the status of qualified investors subscribe the Commercial Paper Notes directly from the Issuer, provided that any such investor complies with all current legal requirements.

In such cases, the amount, interest rate, issue date, disbursement date, maturity date, as well as the rest of the terms of each will shall be agreed between the Issuer and the relevant final investors in relation to each particular issuance of Commercial Paper Notes.

25. COSTS FOR LEGAL, FINANCIAL AND AUDITING SERVICES, AND OTHER SERVICES PROVIDED TO THE ISSUER REGARDING THE ADMISSION (*INCORPORACIÓN*) TO TRADING

The costs for all legal and financial services, and other services provided to the Issuer for the admission (*incorporación*) to trading of the Commercial Paper amount to approximately fifty thousand euros (€50,000), excluding taxes but including the fees of MARF and Iberclear.

26. ADMISSION TO TRADING (*INCORPORACIÓN*) OF THE SECURITIES

26.1. Deadline for the admission (*incorporación*) to trading

The admission (*incorporación*) to trading of the Commercial Paper Notes described in this Information Memorandum will be requested for the Spanish multilateral trading facility known as the Alternative Fixed-Income Market (*Mercado Alternativo de Renta Fija*, abbreviated in Spanish as MARF)

The Issuer hereby undertakes to carry out all the necessary actions so that the Commercial Paper is listed on MARF within seven (7) days from the date of issuance of the securities.

For these purposes, as stated above, **the date of issuance will coincide with the date of disbursement** for each particular issuance of Commercial Paper under this Programme.

Under no circumstances will the deadline exceed the maturity of the Commercial Paper. In the event of breach of the aforementioned deadline, the reasons for the delay will be notified to MARF as "*otra información relevante*". This is without prejudice to any possible contractual liability that may be incurred by the Issuer. The date of incorporation of the Commercial Paper must be, in any event, a date falling within the validity period of the Programme and under no circumstances will the listing period exceed the maturity date of the Commercial Paper.

MARF has the legal structure of a multilateral trading facility (MTF) (*sistema multilateral de negociación*, abbreviated as *SMN*), under the terms set out in the Royal Decree-Law 21/2017, of 29 December, on urgent measures for the adaptation of Spanish law in accordance with European Union regulation in relation to the securities market, constituting an unofficial alternative market for the trading of fixed-income securities.

This Information Memorandum is the one required in Circular 2/2018 of MARF, on admission (*incorporación*) and removal of securities on the Alternative Fixed-Income Market.

Neither MARF, the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (CNMV), the Dealers or the Legal Advisor have approved or carried out any verification or testing regarding the content of the Information Memorandum, the audited financial statements and the credit rating reports submitted by the Issuer. The intervention of MARF does not represent a statement or recognition of the full, comprehensible and consistent nature of the information set out in the documentation provided by the Issuer.

It is recommended that any prospective investor fully and carefully reads this Information Memorandum and obtains financial, legal and tax advice from experts in the procurement of these financial assets prior to making any investment decision regarding the Commercial Paper Notes as securities.

The Issuer hereby expressly declares that it is aware of the requirements and conditions necessary for the acceptance, permanence and removal of the securities on MARF, according to current legislation and the requirements of its governing body, and expressly agrees to comply with them.

The Issuer hereby expressly declares that it is aware of the requirements for registration and settlement on Iberclear. The settlement of transactions will be performed through Iberclear.

26.2. Publication of the admission (*incorporación*) to trading

The admission (*incorporación*) to trading will be published on the website of MARF (https://www.bolsasymercados.es/bme-exchange).

27. LIQUIDITY AGREEMENT

The Issuer has not entered into any liquidity undertaking or agreement with any entity regarding the Commercial Paper Notes to be issued under this Programme.

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In Madrid, January 3, 2023.

As the person responsible for this Information Memorandum:

Mr. Luis Cid Suárez

p.p.

OPDENERGY HOLDING, S.A.

ISSUER

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28010 Madrid

REGISTERED ADVISOR

PricewaterhouseCoopers Tax & Legal, S.L.

Paseo de la Castellana, 259, B, 28046 Madrid

SCHEDULE 1

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

PART 1

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

https://opdenergy.com/wp-content/uploads/2022/07/ING_Opde_Cuentas-Anuales-Consolidadas-2021-1.pdf

PART 2

AUDITED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2020

Opdenergy Holding, S.A. (formerly Opde Investment España, S.L.) and Subsidiaries

Consolidated Financial Statements
for the year ended
31 December 2020, prepared in accordance with International Financial Reporting Standards adopted by the European Union (EU-IFRSs) and consolidated Management Report
together with Independent Auditor's Report

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

Deloitte.

Deloitte, S.L.
Plaza del Castillo, 21
31001 Pamplona
España

Tel: +34 948 17 00 86
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Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Opdenergy Holding, S.A. (formerly OPDE Investment España, S.L.),

Opinion

We have audited the consolidated financial statements of Opdenergy Holding, S.A. (the Parent) (formerly OPDE Investment España, S.L.) and its subsidiaries (the Group), which comprise the consolidated balance sheet as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2020, and its consolidated results and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the consolidated financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

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

Deloitte, S.L. Inscrita en el Registro Mercantil de Madrid, tomo 13.650, sección 8ª, folio 188, hoja M-54414, inscripción 96ª. C.I.F.: B-79104469.
Domicilio social: Plaza Pablo Ruiz Picasso, 1, Torre Picasso, 28020, Madrid.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Measurement of inventories of work in progress and finished goods	
Description	**Procedures applied in the audit**
"Inventories" in the Group's consolidated balance sheet as at 31 December 2020 includes work in progress and finished goods amounting to EUR 183,508 thousand. This balance relates to investments for the development and construction of solar PV facilities at the solar farms, located in Spain and Chile, principally, included in the Group's scope of consolidation and earmarked for sale. That figure represents approximately 58% of the Group's total assets at 31 December 2020. Due to the industry in which the Group operates, the measurement of inventories is a complex process that requires an appropriate allocation of production costs. For both of these reasons, we considered the measurement of these assets to be a key matter in our audit.	Our audit procedures to address this matter included, among others, obtaining an appropriate understanding of the valuation method established by the Group and, specifically, of the factors considered in the allocation of direct and indirect costs, such as labour and other expenses related with the production process, verifying that this method met the requirements of the applicable accounting legislation. In addition, for each of the most significant projects and in relation to the direct and indirect costs allocable in the measurement of the work in progress and finished goods, we checked, on the basis of samples, the correct allocation thereof, based on the obtainment of documentary supporting evidence. External confirmation was also obtained from certain suppliers in relation to the amount allocated to each project. Lastly, we verified that the notes to the accompanying consolidated financial statements included the related disclosures required by the applicable financial reporting framework. Notes 3.9 and 13 to the accompanying consolidated financial statements include these disclosures.

Recognition of revenue from solar PV farm sales

Description	Procedures applied in the audit
As detailed in Notes 1, 3.1.c, 3.15 and 18.1 to the accompanying consolidated financial statements, the Group engages mainly in the development, construction and subsequent sale of solar PV farms through the execution of purchase and sale agreements. In 2020 the Group recognised revenue amounting to EUR 117,697 thousand relating to the sale of two solar PV farms located in Mexico. In this context, given the significance of the revenue recognised with respect to the Group's total revenue for 2020, the analysis of the purchase and sale agreements of those farms was considered to be a key matter in our audit, as was the evaluation of compliance with the conditions precedent to which the transfer of ownership was subject. There is an inherent risk associated with the recognition of this revenue, which depends on the contractual terms and conditions under which the farms were sold and on the impacts that regulatory changes might have on sales (VAT, excise duties, etc.).	Our audit procedures included, among others, obtaining, reviewing and analysing the purchase and sale agreement signed between the parties, with the aim of obtaining an adequate understanding of the clauses and terms and conditions agreed upon, including the consideration of any complex element or aspect that might require a significant judgement included in the aforementioned contractual agreements. In this connection, for the two farms, we conducted substantive procedures aimed at verifying that the revenue recognised was consistent with the terms and conditions reflected in the agreement and verified the price agreed upon for the transfer of the shares and debt associated the solar PV farms. Also, we analysed the collections of the amounts agreed upon in the purchase and sale agreement and reviewed the correct accounting recognition and classification of the accounts receivable arising from the deferred selling price. Lastly, we verified that the notes to the accompanying consolidated financial statements included the related disclosures required by the applicable financial reporting framework. Notes 3.1.c, 3.15 and 18.1 to the accompanying consolidated financial statements include these disclosures.

Other Information: Consolidated Directors' Report

The other information comprises only the consolidated directors' report for 2020, the preparation of which is the responsibility of the Parent's directors and which does not form part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility relating to the consolidated directors' report, in accordance with the applicable audit regulations, consists of evaluating and reporting on whether the consolidated directors' report is consistent with the consolidated financial statements, based on our knowledge of the Group obtained in the audit of those consolidated financial statements, as well as evaluating and reporting on whether the content and presentation of the consolidated directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described in the preceding paragraph, the information in the consolidated directors' report is consistent with that contained in the consolidated financial statements for 2020 and its content and presentation are in conformity with the applicable regulations.

Responsibilities of the Parent's Directors for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the Group's consolidated equity, consolidated financial position and consolidated results in accordance with EU-IFRSs and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent's directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 the audit regulations in force 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in the Appendix to this auditor's report. This description, which is on the pages 6 and 7, forms part of our auditor's report.

DELOITTE, S.L.
Registered in ROAC under no. S0692

Iñigo Úrculo
Registered in ROAC under no. 21794

14 April 2021

Appendix to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's directors.

- Conclude on the appropriateness of the use by the Parent's directors 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 Group'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 consolidated 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 Group to cease to continue as a going concern.

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the Parent'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 with the Parent's directors, we determine those risks that were of most significance in the audit of the consolidated 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.

Opdenergy Holding S.A. and Subsidiaries

Consolidated Financial Statements 2020



opdenergy

OPDENERGY HOLDING, S.A. (previously named OPDE Investment España, S.L.) AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2020 AND 2019 (Notes 1, 2, 3 and 5)

ASSETS	Notes	Thousands of euros 31.12.20	Thousands of euros 31.12.19 (*)
NON-CURRENT ASSETS			
Intangible assets	**Note 6**	**929**	**910**
Concessions, patents and licenses		738	788
Other intangible assets		191	122
Property, plant and equipment	**Note 7**	**3.184**	**3.314**
Land and buildings		1.455	1.582
Plant, machinery, tools, furniture and other items of property, plant and equipment		1.729	1.732
Investment property	**Note 8**	**1.218**	**1.218**
Right of use	**Note 9**	**17.040**	**18.362**
Non-current investments in Group Companies and associates	**Note 10**	**13.388**	**5.573**
Investments accounted for using the equity method		6.993	25
Non-current investments in Group Companies and associates		-	1
Long-term loans to companies	Note 19.2	6.395	5.547
Non-current financial assets	**Note 11.1**	**5.820**	**2.838**
Non-current investments in third parties		70	**-**
Long term loans to companies		634	783
Derivatives		4.196	218
Other financial assets		920	1.837
Trade and other receivables	**Note 11.1**	**4.075**	**-**
Trade receivables for sales and services		4.075	-
Deferred tax assets	**Note 17.5**	**11.975**	**9.236**
Total non-current assets		**57.629**	**41.451**
CURRENT ASSETS			
Inventories	**Note 13**	**186.659**	**169.088**
Trade and other receivables		**20.612**	**35.626**
Trade receivables for sales and services	Note 11.1	8.418	1.737
Trade receivables from associates and related companies	Note 19.2	581	11.190
Other receivables		155	965
Debts with Public Entities - Current tax assets	Note 17.1	2.146	407
Debts with Public Entities - Other credits with Public Entities	Note 17.1	9.312	21.327
Current investments in associates and related companies	**Note 19.2**	**592**	**-**
Short-term loans to companies		592	-
Current financial assets	**Note 11.1**	**3.590**	**9.492**
Short term loans to companies		111	95
Other financial assets		3.479	9.397
Current prepayments and accrued income		**746**	**12**
Cash and cash equivalents		**49.074**	**44.272**
Cash		49.074	44.272
Total current assets		**261.273**	**258.490**
TOTAL ASSETS		**318.902**	**299.941**

EQUITY AND LIABILITIES	Notes	Thousands of euros 31.12.20	Thousands of euros 31.12.19 (*)
EQUITY			
SHAREHOLDERS' EQUITY-	**Note 14**	**79.738**	**82.509**
Share capital		2.118	2.118
Reserves and retained earnings		77.141	65.934
Profit (Loss) for the year attributable to the Parent Company		479	14.457
VALUATION ADJUSTMENTS-		**(1.162)**	**(3.693)**
Exchange differences		(4.012)	(3.343)
Cash flow hedge reserve		2.838	152
Cash flow hedge reserve from non controlling investments		12	(502)
Total equity		**78.576**	**78.816**
NON-CURRENT LIABILITIES			
Long-term provisions	**Note 15**	**820**	**505**
Non-current payables	**Note 11.2**	**82.121**	**55.003**
Debt instruments and other marketable securities		66.222	37.287
Lease liabilities	Note 9	15.899	17.716
Deferred tax liabilities	**Note 17.6**	**1.647**	**406**
Non-current accruals and deferred income	**Note 10**	**110**	**246**
Total non-current liabilities		**84.698**	**56.160**
CURRENT LIABILITIES			
Short-term provisions	**Notes 15 and 19.3**	**9.912**	**1.219**
Current payables	**Note 11.2**	**100.526**	**94.391**
Debt instruments and other marketable securities		131	86
Borrowings from credit institutions		4.638	11.011
Borrowings associate from credit institutions with renewable energy plants		85.747	71.072
Lease liabilities	Note 9	2.062	1.570
Lease liabilities associate with renewable energy plants	Note 9	7.882	10.499
Other financial liabilities		66	153
Trade and other payables		**44.849**	**69.095**
Suppliers		41.361	63.694
Other payables		946	637
Debts with Public Entities - Current tax liabilities	Note 17.1	1.108	3.185
Debts with Public Entities - Other debts with Public Entities	Note 17.1	1.434	1.579
Current accruals and deferred income		**341**	**260**
Total current liabilities		**155.628**	**164.965**
TOTAL EQUITY AND LIABILITIES		**318.902**	**299.941**

(*) Presented for comparison purposes only (see Note 2.6)

The accompanying explanatory Notes 1 to 24 and Appendices are an integral part of the consolidated balance sheet as at 31 December 2020.

OPDENERGY HOLDING, S.A. (previously named OPDE Investment España, S.L.) AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019 (Notes 1, 2, 3 and 5)

		Thousands of euros	
	Notes	2020	2019 (*)
Revenue	**Note 18.1**	**139.047**	**132.919**
Changes in inventories of finished goods and work in progress	**Note 18.2**	**15.453**	**66.551**
Raw materials and consumables used	**Note 18.2**	**(127.899)**	**(172.778)**
Other operating income		**659**	**445**
Employee benefits expense	**Note 18.3**	**(15.933)**	**(5.738)**
Other operating expenses	**Note 18.4**	**(6.958)**	**(5.873)**
Depreciation and amortisation expenses	**Notes 6, 7 and 9**	**(2.102)**	**(2.044)**
Impairment losses		**(90)**	**(26)**
Gains or losses on the loss of control of consolidated equity interests	**Note 3.1**	**-**	**1.354**
Other income and expenses	**Note 17.8**	**1.651**	**421**
PROFIT (LOSS) FROM OPERATIONS		**3.828**	**15.231**
Finance income	**Note 18.5**	**1.362**	**249**
Finance costs	**Note 18.6**	**(7.638)**	**(3.636)**
Other gains and losses	**Note 11.1**	**351**	**-**
Exchange differences	**Note 12.1**	**(522)**	**1.382**
Impairment and gains or losses on disposals of financial instruments		**15**	**-**
FINANCIAL PROFIT (LOSS)		**(6.432)**	**(2.005)**
Share of profit (loss) of companies accounted for using the equity method	**Note 10**	29	1.487
PROFIT (LOSS) BEFORE TAX		**(2.575)**	**14.713**
Income tax	**Note 17.3**	3.054	(256)
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR		**479**	**14.457**

(*) Presented for comparison purposes only (see Note 2.6)

The accompanying explanatory Notes 1 to 24 and Appendices are an integral part of the consolidated statement of profit or loss as at 31 December 2020.

OPDENERGY HOLDING, S.A. (previously named OPDE Investment España, S.L.) AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR 2020 AND 2019 (Notes 1, 2, 3 and 5)

(Thousand of euros)

A) CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME AND EXPENSE FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019

	Notes	2020	2019 (*)
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR		**479**	**14.457**
Items that may be reclassified subsequently to profit or loss		**2.531**	**(2.856)**
Exchange differences		(669)	(2.506)
Cash flow hedges	**Note 12.1**	3.426	(350)
Items that will not be reclassified subsequently to profit or loss	**Note 12.1**	(226)	-
Total comprehensive income for the period		**3.010**	**11.601**
Total comprehensive income for the period attributable to the Parent Company		**3.010**	**11.601**

(*) Presented for comparison purposes only (see Note 2.6)
The accompanying explanatory Notes 1 to 24 and Appendices are an integral part of the consolidated statements of other comprenhensive income and expense for 2020.

B) CONSOLIDATED STATEMENTS OF CHANGES IN TOTAL EQUITY FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019

	Share capital	Reserves and retained earnings	Profit (Loss) for the year attributable to the Parent Comapny	Exchange differences	Cash flow hedge reserve	TOTAL
BALANCE AT 1 JANUARY 2019	**2.118**	**68.999**	**(416)**	**(837)**	**-**	**69.864**
Total comprehensive income for the period	**-**	**-**	14.457	(2.506)	(350)	11.601
Other changes in equity						
- Distribution of profit for the period	-	(3.216)	416	-	-	(2.800)
- Other changes	-	151	-	-	-	151
BALANCE AT 31 DECEMBER 2019	**2.118**	**65.934**	**14.457**	**(3.343)**	**(350)**	**78.816**
Total comprehensive income for the period	**-**	**-**	479	(669)	3.200	3.010
Transactions with shareholders or owners						
- Dividends	-	(1.400)	-	-	-	(1.400)
Other changes in equity						
- Distribution of profit for the period	-	13.057	(14.457)	-	-	(1.400)
- Other changes	-	(450)	-	-	-	(450)
BALANCE AT 31 DECEMBER 2020	**2.118**	**77.141**	**479**	**(4.012)**	**2.850**	**78.576**

(*) Presented for comparison purposes only (see Note 2.6)
The accompanying explanatory Notes 1 to 24 and Appendices are an integral part of the consolidated statements of changes in total equity for 2020.

OPDENERGY HOLDING, S.A. (previously named OPDE Investment España, S.L.) AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019 (Notes 1, 2, 3 and 5)

(Thousand of euros)

	Notes	2020	2019 (*)
CASH FLOWS FROM OPERATING ACTIVITIES (I)		**(29.451)**	**(43.944)**
PROFIT (LOSS) BEFORE TAX		**(2.575)**	**14.713**
Adjustments for:		**17.737**	**4.538**
- Depreciation and amortisation charge	**Notes 6, 7 and 9**	2.102	2.044
- Impairment losses	**Notes 11.1 and 13**	2.695	2.696
- (Gains) Losses on derecognition and disposal of non-current assets		90	26
- Changes in provisions	**Notes 15 and 19.3**	7.927	48
- Finance income		(1.362)	(249)
- Finance costs		7.638	3.636
- Other gains and losses		(351)	-
- Exchange differences		5.297	(1.002)
- Other income and expense		-	180
- Changes in the scope of consolidation	**Note 3.1.c**	(6.255)	(1.354)
- Impairment and gains or losses on disposals of financial instruments		(15)	-
- Share of (profits) losses of companies accounted for using the equity method	**Note 10**	(29)	(1.487)
Changes in working capital		**(33.970)**	**(61.228)**
- Inventories	**Note 13**	(21.624)	(85.834)
- Trade and other receivables		9.748	(27.295)
- Other current assets		95	39
- Trade and other payables		(22.555)	52.054
- Other current liabilities		366	(192)
Other cash flows from operating activities		**(10.643)**	**(1.967)**
- Interest paid		(9.155)	(4.130)
- Interest received		343	249
- Income tax recovered / (paid), net		(1.831)	1.914
CASH FLOWS FROM INVESTING ACTIVITIES (II)		**6.007**	**(13.545)**
Payments due to investment		**(931)**	**(13.557)**
- Group companies, net of cash at consolidated companies	**Note 10**	-	(604)
- Intangible assets	**Note 6**	(94)	(53)
- Property, plant and equipment	**Note 7**	(245)	(708)
- Other financial assets, net	**Note 11**	-	(7.255)
- Group companies and associates	**Note 19.2**	(592)	(4.937)
Proceeds from disposal		**6.938**	**12**
- Group companies and associates	**Note 10**	-	12
- Other financial assets, net	**Note 11**	6.938	-
CASH FLOWS FROM FINANCING ACTIVITIES (III)		**33.097**	**90.807**
Proceeds and payments relating to financial liability instruments		**35.897**	**93.607**
- Proceeds from issue of:			
Borrowings with credit institutions	**Note 11.2**	15.430	71.754
Debt instruments and other marketable securities	**Note 11.2**	29.138	23.706
- Repayment and redemption of:			
Borrowings with credit institutions	**Note 11.2**	(7.101)	-
Other borrowings	**Note 11.2**	(1.570)	(1.848)
Borrowings with Group companies		-	(5)
Dividends and returns on other equity instruments paid		**(2.800)**	**(2.800)**
- Dividends	**Note 14.2**	(2.800)	(2.800)
EFFECT OF FOREIGN EXCHANGE RATE CHANGES (IV)	**Note 12.1**	**(4.851)**	**1.035**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III+IV)		**4.802**	**34.353**
Cash and cash equivalents at beginning of year from continuing operations		44.272	9.919
Cash and cash equivalents at end of year from continuing operations		49.074	44.272

(*) Presented for comparison purposes only (see Note 2.6)

The accompanying explanatory Notes 1 to 24 and Appendices are an integral part of the consolidated statement of cash flows for the year ended 31 December 2020.

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable

Opdenergy Holding, S.A (previously named OPDE Investment España, S.L.) and Subsidiaries

Notes to the consolidated financial statements as of and for the year ended 31 December 2020

1. Group object and business activity

Opdenergy Holding, S.A. ("the Parent") was incorporated on 20 January 2005 under the name Otras Producciones de Energía, S.L. (OPDE, S.L.). On 3 July 2009, the Company changed its name to OPDE Investment España, S.L.

On that date the Parent made a contribution of a business line (consistent in the development, marketing, installation, sale and maintenance of solar renewable energy plants activity) through the capital increase of the investee Otras Producciones de Energía Fotovoltaica, S.L. Accordingly, OPDE Investment España, S.L. became a holding company with interests in various Group companies and associates. This contribution qualifies for taxation under the special regime for mergers, spin-offs, asset contributions and share exchanges established in Navarre Income Tax Law 24/1996. This process is described in detail in the consolidated financial statements for the year ended 31 December 2009.

As a result of the aforementioned contribution of the business line to Otras Producciones de Energía Fotovoltaica, S.L., the Parent's object, which coincides with its activity, consists mainly of:

- The subscription, acquisition, transfer, management, administration, holding and use of transferable securities representing an ownership interest in the equity of entities resident or not resident in Spain, and of fixed- or variable-income financial assets in general, any securities representing either the transfer to third parties of own capital or ownership interests in the equity of other entities, as well as shares representing the capital or equity of collective investment undertakings; in all cases admitted or not admitted to trading on organised markets and without performing the activities inherent to collective investment undertakings.
- The sale of energy to electricity companies

Until 2 January 2020, the Parent of the Group had its registered office and address for tax purposes at Polígono Industrial Santos Justo y Pastor, s/n, 31510 Fustiñana (Navarre). On that date, the shareholders at the Annual General Meeting of the Parent resolved to relocate its registered office and address for tax purposes to calle Cardenal Marcelo Spínola 42, 5ª, 28016, Madrid (Madrid).

Additionally, on March 17, 2021, the General Shareholders' Meeting of the Parent approved the change of the company's corporate name, from that moment onwards being Opdenergy Holding, S.A

At the end of 2020 Opdenergy Holding, S.A. is the head of a group ("the OPDE Group" or "the Group") made up of the subsidiaries and associates detailed in Appendices I.A, I.B, II.A and II.B, respectively.

Also, the Group engages mainly in electricity production and in the development, construction, operation, maintenance and sale of solar renewable energy plants.

The most significant changes in the scope of consolidation and segment information are disclosed in Notes 3.1 and 5, respectively

On 4 February 2021 Opde Investment España's (previous name of the Parent) board has resolved through Extraordinary General Meeting to change the legal form of the Parent from limited liability company into join stock company, which has been recording in public deed the 11 February 2021 and recorded in the Madrid mercantile registry on 9 March 2021.

The consolidated financial statements of OPDEnergy Group for the year ended 31 December 2019 prepared in accordance with generally accepted accounting principles applicable in Spain (PCG/NOFCAC) were formally issued by the Parent's directors at the Board of Directors Meeting held on 20 July 2020 and, following approval by the shareholders at the Annual General Meeting of Opdenergy Holding, S.A., held on 5 October 2020, were filed at the Navarre Mercantile Registry. However, the references to the year 2019 made in these notes are on the financial consolidated statements issued and prepared under IFRS-EU for comparative purposes (Note 2.1).

Industry regulation in Spain

The electricity generation business of the Spanish companies making up the OPDE Group is currently regulated by Spanish Electricity Industry Law 24/2013, of 26 December, which came into force on 28 December 2013, and by the regulatory provisions implementing this Law, including most notably Royal Decree 413/2014, regulating electricity production using renewable energy sources, cogeneration (CHP) and waste.

The implementing regulations of Royal Decree-Law 9/2013 were enacted in 2014 through the approval of Royal Decree 413/2014, which regulates and defines the new legal and economic model, and Ministry of Industry, Economy and Tourism Order IET/1045/2014, of 16 June, establishing the applicable standard facility remuneration parameters for determining specific remuneration. Five solar farms developed and exploited by the Group are subject to this regulation with an approximate accumulate gross revenue of EUR 400 thousand per year for the five plants. According to Group Management estimation no regulatory asset or liability should arise for the application of Royal Decree 413/2014 to the solar farms.

Ministry of Energy, Tourism and the Digital Agenda Order ETU/130/2017, of 17 February, was published on 22 February 2017, updating the standard facility remuneration parameters applicable to certain electricity generation facilities that use renewable energy sources, CHP and waste for the regulatory period between 1 January 2017 and 31 December 2019, pursuant to Article 20 of Royal Decree 413/2014, of 6 June. The definitive parameters for 2017 to 2019 were approved on 2 March 2017.

Royal Decree-Law 17/2019, of 22 November, adopting urgent measures for the necessary adaptation of remuneration parameters affecting the electricity system, was published on 23 November 2019. This Royal Decree-Law establishes (on an exceptional basis for facilities generating energy from renewable energy sources), inter alia and in certain cases, that the value of 7.398% upon which the fair return will be based for the first regulatory period must not be revised in the two consecutive regulatory periods beginning on 1 January 2020.

Circular 4/2019, of 27 November, establishing the new remuneration methodology of the electricity system operator, was published on 3 December 2019, and the Spanish National Markets and Competition Commission (CNMC) Resolution indicating the amount of that remuneration was published on 30 January 2020. Under this Resolution, in 2020 the remuneration electricity producers will be required to pay to Red Eléctrica de España (REE) comprised a fixed payment of EUR 200/month/farm and a variable payment of EUR 0.13741/MWh.

On 28 February 2020, Ministry of Energy, Tourism and the Digital Agenda Order TED/171/2020, of 24 February, was approved, updating the standard facility remuneration parameters applicable to certain electricity generation facilities that use renewable energy sources, CHP and waste, for the purposes of the application thereof to the regulatory period that began on 1 January 2020 and from that date started to apply for the new three-year period from 2020 to 2022.

CNMC Circular 3/2020, of 15 January, establishing the methodology for calculating the electricity transmission and distribution tolls was published on 24 January 2020. This Circular eliminated from 25 January 2020 onwards the payment of the generation toll that electricity producers had been required to pay since 1 January 2011 for the electricity fed to the transmission and distribution networks (EUR 0.5/MWh).

Industry regulation in Italy

The regulatory framework envisaging both the required procedures and the exploitation and management of solar PV plants in Italy arises mainly from the 2003 "Decree 387" for the application in Italy of European Directive 2001/77/EC, which introduced the complete legal framework and general rules, as well as the framework establishing the regimes for the production of electricity from renewable energy sources in the Italian electricity grid. This Decree established a system of fixed premiums on tariffs for 20 years and prioritised the support and promotion of the production of electricity from renewable energy sources, in particular:

- Simplifying and unifying the authorisation procedures by introducing specific fixed time limits and rules.
- Introducing economic incentives.
- Granting priority access to the national grid.

Subsequently, the Italian Government approved a specific decree known as the "Novo Conto Energia", which regulated solar PV plants and was approved by Ministerial Decree of 19 February 2007. This Decree stipulated the prices for the portion of income obtained through the feed-in premium scheme. The Decree established three categories of solar PV plants: Non-integrated (basically, ground-mounted); partially integrated; and integrated (basically, mounted on roofs, greenhouses and car parks).

Due to the rapid expansion of the Italian market, on 6 August 2010 the Ministries of the Environment and Economy established new applicable tariffs for 2011 to 2014 by means of a Ministerial Decree. This measure was called the "3º Conto Energia", and it entered into force on 1 January 2011.

In March 2011 the Italian Government enacted Legislative Decree 28/2011 (also known as the "Renewables Decree"), which granted the Ministry of Economy the power to modify the incentives system, and completed the process with the approval of the Ministerial Decree of 5 May 2011, the "4º Conto Energia".

The "4º Conto Energia" established a system of differentiated incentives based on the type and size of the solar PV plant concerned.

The following regulatory changes were introduced in 2013:

- Ministerial Decree no. 69, of 21 June 2013, was published, extending the application of the "Robin Hood Tax" to energy producers that exceeded EUR 3 million in sales and EUR 300 thousand in profit before tax. This tax increased the "Imposta sul Reddito delle Societa (IRES)" -Italian corporate income tax- by 6.5%.
- On 20 December 2013, the "Agenzia delle Entrate" -the Italian Revenue Agency- published a resolution whereby depreciation costs exceeding an annual rate of 4% would not be deductible. The Group depreciates its solar PV plants over 25 years.
- In 2013 the "2014 Stability Law" was approved, whereby the "Imposta Municipale Propria" -Italian Council Tax- became deductible from the "IRES" at a rate of 30% and 20% for 2013 and subsequent years, respectively.

In 2014 the Italian Parliament approved Decree Law no. 91, of 24 June, in Law 116, of 11 August 2014, which affects the incentives guaranteed to solar PV companies, offering them other incentive options.

Management of the Parent considered that the regulatory changes described above did not have a significant impact on the recoverable amount of the assets.

No significant changes occurred in 2020 and 2019 with respect to industry regulation in Italy.

Industry regulation in Mexico

Until December 2013, the generation, transmission, distribution and sale of electrical energy was reserved exclusively to the Federal Government through the Federal Energy Commission (FEC). The only options for the sale of renewable energy were Independent Energy Production (electricity generation plants that sell their production directly to the FEC) or Self Sufficiency Contracts (electricity generation plants that sell their production to a load centre plant which has a certain ownership percentage of the generation plant).

On 20 December 2013, a constitutional reform introducing significant changes to the Mexican energy model was published, leading the market to open up and accepting greater private participation. The new Law on the Electricity Industry (LEI) published on 11 August 2014 defines these substantial changes to the electricity sector: it reduces the role of the State in the sector, which is limited to operating the system and to providing transmission and distribution services; the legal separation of activities is imposed; a wholesale electrical market is created which is operated by the National Centre for Energy Control, the bids for which will be based on costs, and establishes an obligations system for generators to cover with Clean Energy Certificates (CECs). In addition, auctions for Electricity Coverage Contracts will take place to cover the supply to Basic Services Users. Clean energy, power and CEC electricity coverage contracts are assigned in the Long-term Auctions. With regards to the existing contracts from the previous law, the LEI contemplates their continuity. The first market bases were published in 2015 and must be re-evaluated every 3 years (the manual to carry out this re-evaluation is currently being discussed).

In January 2016, the Energy Secretary published a resolution authorising operations to start in the shortterm market in the different interconnected systems, and the National Centre for Energy Control started the Day-Ahead Market (DAM) operations. The DAM is in operation to date, and the Real Time Market (RTM) will not open to the public until the Market Information System (MIS) is ready.

Also, in February 2017 the Power Balancing Market was opened, which determines the price that supports the capacity of the previous year, the volume and the total amount. It is an annual and ex-post market. 2018 was the first year with CEC obligations, and the certificates must be delivered until 5% of the electricity sold is reached. The CEC Requirements were published in February 2017, corresponding to the Obligation Periods 2020, 2021 and 2022, (7.4%, 10.9% and 13.9%, respectively) that complement the one published in 2016 for 2019 (5.8%).

To date, three long-term auctions have taken place: the first in March 2016, the second in September 2016 and the last in October 2017. The latter already included a clearing house, potentially allowing the participation of suppliers other than the FEC. The National Centre for Energy Control announced the fourth long-term auction in 2018, SLP-1/2018, for the purchase and sale of energy, capacity and CECs. The first draft auction guidelines were published in March, and in August the prequalification was held, potential buyers were registered and prequalification sales proposals were presented. In December 2018, it was announced that they would be suspended, and they were cancelled in January 2019.

The last PRODESEN (Development Programme of the National Electrical System) published by the Energy Secretary for the period 2018-2032 estimates that in 2032 electricity generation will be of 485 TWh, greater than what was estimated in the 2017- 2030 estimates for 2030 (443 TWh). The Agreement was published on 28 October 2019 amending the Guidelines that establish the criteria to grant Clean Energy Certificates, which extends the possibility of CECs to be generated for the Federal Electricity Commission's plants prior to the LEI (Legacy Power Plants). Faced with the risk of an oversupply of CECs on the market, several generators are demanding this measure and are requesting protection. As a result, the regulation has been suspended until the final ruling is published.

Industry regulation in Chile

Chile amended Law 20.257 (Non-Conventional Renewable Energy Law) of 2008 through Law 20.698 (Law 20/25) in 2013 and established a renewable target on the total power generation of 20% in 2025. The electricity companies must prove that a percentage of the energy that is removed from the system comes from this type of technology. The law also imposes a penalty for breaching the obligation amounting to 0.4 UTM per MWh that is not accredited (approximately 32 USD) and, for companies that continue to breach the obligation in the three years following the first breach, the penalty will be 0.6UTM/MWh (approximately 48 USD). The law indicates that those companies that have administrated renewable energy in excess of their obligation may transfer that excess to other companies. However, a green certificate market has not been established, but bilateral contracts are signed between the parties concerned and the transfer certification is made through an authorised copy of the contract.

To achieve the target set, Law 20/25 also introduced annual auctions according to the demand forecasts from the Government for the next three years. The introduction of the auctions provides the possibility to offer differentiated blocks (Block A for the night, Block B during solar hours, and Block C for the remaining hours of the day), facilitating renewable energy. In April 2016, an Exempted Resolution was published, approving the preliminary tender report which established the values of regulated consumptions (in GWh-year) that should be put out to tender in the next few years. The volumes included a decrease in the energy demand forecast of approximately 10% between 2021 and 2041, which implies a significant decline of what was going to be auctioned that year (from the 13,750 GWh expected to approximately 12,500 GWh). Up to date 3 auctions have been held: The Chilean Government's objective is for electrical distribution companies to have long-term supply contracts, of 20 years from 2024, in order to meet the consumptions of their customers subject to price regulation.

In July 2016, the Transmission Law was published, which establishes a new electric power transmission system and creates a single independent coordinating entity for the national electricity system. After the approval of the Transmission Law, work began on the associated regulations. In 2017, the regulation was approved to implement a tax on CO2 emissions (exempt resolution 659), which in its current version implies that all generation companies, including non-polluting ones, make compensatory payments. However, in the final version this compensation was significantly reduced by changing the way of quantifying it. The subsidiary company Opdenergy Generación, S.p.A. it is subject to said tax. However, there have been no payments or accruals for this concept in 2020 and 2019.

In January 2018, the Chilean government declared that the country would not build new coal-fired power plants without carbon capture and has started talks to replace existing capacity with cleaner sources. Following the riots that began in October 2019 and the various economic and political impacts derived from them, the Government approved a freeze on rates through a temporary mechanism to stabilize electricity prices for customers subject to rate regulation (Law No. 21,185 of 11/2/2019), which affects the public distribution service concessionaires that will only be able to transfer predefined prices to their regulated customers, and the generators that supply these suppliers, which will be subject to an adjustment factor for a period transient.

The Group does not have revenues from the sale of energy in Chile as of December 31, 2020, as the renewable energy plants are under construction at that date.

2. Significant accounting policies

2.1 Basis of preparation

These consolidated financial statements have been prepared by the Parent's directors in accordance with International Financial Reporting Standards as endorsed by the European Union ("IFRS-EU") accordance with Regulation (EC) No 1606/2002 of the European Parliament and Council and effective at 31 December 2020, being these the first annual accounts formulated in accordance with said regulations. On April 13, 2021, the Parent Company's Administrators have issued consolidated financial statements for the 2019 and 2018 years, making the transition to IFRS-EU in accordance with the provisions of IFRS 1 "First-time adoption of International Financial Reporting Standards ", the transition date being January 1, 2017. Said consolidated financial statements are published on the OPDEnergy Group website.

In the preparation of consolidated financial statements for the years 2019 and 2018 in accordance with International Financial Reporting Standards approved by the European Union ("IFRS-EU"), as indicated in their Note 2.2, the Group Directors identified certain errors on the consolidated financial statements for the 2019 financial year prepared under PGC / NOFCAC principles that have been corrected for their subsequent transition to IFRS-EU. The main impacts are detailed below (in thousands of euros):

Chapter	Consolidated annual accounts PGC / NOFCAC for the year 2019 approved	Consolidated annual accounts for the year 2019 adapted for transition purposes	Difference
Consolidated balance sheet:			
Non-current assets	38,796	44,031	5,235
Current assets	252,412	248,402	(4,010)
Non-current liabilities	(60,601)	(59,030)	1,571
Current liabilities	(153,250)	154,469	(1,219)
Consolidated equity:			
Profit for the year	12,493	14,572	2,079
Valuation adjustments	152	350	(502)

The Group's consolidated annual accounts and related explanatory notes were prepared on a historical cost basis, except in the case of certain assets and financial instruments that are valued at fair value at the end of each year, as explained in the "Basis of accounting" section below (Note 3). In general, historical cost is based on the fair value of the consideration given in exchange for goods and services, whereas fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

2.2 Adoption of new and revised IFRS Standards

During year 2020 the following mandatory standards and interpretations already adopted by the European Union came into force, which, where applicable, were used by the Group in preparing these consolidated financial statements:

New standards, amendments and interpretations mandatorily applicable in the period

Approved for use in the European Union		**Mandatory application in annual reporting periods beginning on or after**
Amendments to References to the Conceptual Framework in IFRS Standards (issued on 29 March 2018)	The revised Conceptual Framework includes: a new chapter on measurement; guidance on reporting financial performance; improved definitions and guidance—in particular the definition of a liability; and clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting.	01 January 2020
Amendments to IAS 1 and IAS 8 Definition of Material (published in October 2018)	Amendments to IAS 1 and IAS 8 to align the definition with that contained in the conceptual framework.	01 January 2020
Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform (published in September 2019)	Amendments to IFRS 9, IAS 39 and IFRS 7 related to the ongoing reform of benchmarks.	01 January 2020
Amendments to IFRS 3 Definition of a Business (published in October 2018)	Clarifications to the business definition.	01 January 2020
Amendment to IFRS 16 Covid-19-related Rent Concessions (published in May 2020)	It provides lessees with an exemption from assessing whether a Covid-19-related rent concession is a lease modification.	01 January 2020

Apart from the considerations of Amendments to IFRS 3 Definition of a Business that are described in Note 3.1.c and that have been applied in advance (Note 2.1), the application of these amendments and interpretations has not had a significant impact on the consolidated financial statements.

New standards, amendments and interpretations that will be mandatorily applicable in annual reporting periods subsequent to the calendar year that began on 1 January 2021

On the date of preparation of these consolidated financial statements, the following standards and interpretations had been published by the IASB but had not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements, or because they had not yet been adopted by the European Union:

Approved for use in the European Union		IASB Effective date
Amendment to IFRS 4 Extension of the Temporary Exemption from Applying IFRS 9	The amendments change the fixed expiry date for the temporary exemption in IFRS 4 *Insurance Contracts* from applying IFRS 9 *Financial Instruments*, so that entities will be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023 (instead of 1 January 2021).	01 June 2021
Not approved for use in the European Union		**IASB Effective date**
IFRS 17 Insurance contracts (published in May 2017)	It includes the principles of recognition, measurement, presentation and breakdown of the insurance contracts. It will replace IFRS 4.	01 January 2023
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020)	These amendments address issues that might affect financial reporting after the reform of an interest rate benchmark, including its replacement with alternative benchmark rates.	01 January 2021
Amendments to • IFRS 3 Business Combinations; • IAS 16 Property, Plant and Equipment; • IAS 37 Provisions, Contingent Liabilities and Contingent Assets • Annual Improvements 2018-2020 (All issued 14 May 2020)	The package of amendments includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards.	01 January 2022
Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current - Deferral of Effective Date (issued on 23 January 2020 and 15 July 2020 respectively)	This amendment tries to clarify the requirements for the presentation of liabilities in the statement of financial position.	01 January 2023

For the standards that come into effect from 2021 and subsequent years, the Group has carried out an evaluation of the impacts that the future application of these standards could have on the consolidated financial statements once they enter into force, considering at the current date that the impacts of the application of these standards will not be significant.

2.3 Fair presentation

The consolidated financial statements were obtained from the accounting records of the Parent and of the companies making up the OPDEnergy Group ("the Group" - see Appendices I.A, I.B, II.A and II.B), are presented in accordance with the regulatory financial reporting framework applicable to the Group and, in particular, with the principles and rules contained therein and, accordingly, present fairly the Group's equity, financial position, results and cash flows for 2020 and 2019. These consolidated financial statements, which were formally prepared by the Parent's directors, will be submitted for approval by the shareholders at the Annual General Meeting, and it is considered that they will be approved without any changes.

In preparing these consolidated financial statements, the Group omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material.

2.4 Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. Also, the Parent's directors formally prepared these consolidated financial statements taking into account all the obligatory accounting principles and standards with a significant effect hereon. All obligatory accounting principles were applied.

2.5 Significant accounting judgements, estimates and assumptions

In preparing the consolidated financial statements judgements and estimates were made by the Parent's directors in order to measure certain assets, liabilities, income, expenses and obligations reported herein.

The estimates as of 31 December 2020 and 2019 relate basically to the following:

- The useful life of property, plant and equipment and intangible assets (see Notes 6 and 7).
- The assessment of possible impairment losses on certain assets (see Notes 6, 7, 9 and 10).
- The net realisable value of inventories (see Note 13).
- The fair value of certain financial instruments (see Note 11).
- The recoverability of deferred tax assets (see Notes 3.11 and 17).
- The calculation of provisions (see Notes 15 and 19.3).
- The estimated revenue from turnkey contracts associated with the supply, assembly, development, construction and start-up of renewable energy plants, and with the sale of electricity and related expenses, actually earned in 2020 and 2019 (see Notes 5, 18.1 and 19.1).

Although these estimates were made on the basis of the best information available at the end of 2020 and 2019, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively.

The appearance of the Coronavirus (COVID-19) in China in January 2020 and its recent global expansion to a large number of countries caused the viral outbreak to be classified as a pandemic by the World Health Organization on 11 March. At the date of preparation of these consolidated financial statements, the Directors and Management of the Parent company have made an assessment of the possible negative impacts that this crisis could have on the book value of certain assets (fixed assets, inventories, accounts receivable, equity-accounted investments and deferred tax assets, mainly) as well as the need to record certain provisions or other types of liabilities. As of December 31, 2020, the Administrators and Management of the Parent Company have not considered additional impairment of assets necessary or the need to record provisions, considering that the situation has not significantly affected the Group.

Therefore, at the date of authorisation for issue of these consolidated financial statements, the Group's Board of Directors had analysed the impact that the global crisis caused by COVID-19 might have on the Group based on the best available information and reached the following conclusions:

- The greatest impact for the Group comes from the reduction in the sale price of spot energy, affecting the revenues in those plants in which revenues are linked to the spot price. However, OPDEnergy Group uses PPA long-term contracts with fix prices that reduces significantly the risk of fluctuations in electricity prices (Note 12.1).
- All connected and in use solar plants owned by the Group have remained in operation generating energy. In this sense, electricity quantity production will not be affected by these circumstances.
- Delays in collections relating to energy sales are not expected.
- The Group companies that provide Operation and Maintenance (O&M) services are operating normally, adapting their activities according to the COVID-19 infection prevention measures.
- Renewable energy plants development and construction tasks have not been significantly affected by the restrictions on the movement of individuals adopted in the various countries in which the Group operates.

- The renewable energy plant purchase and sale transactions carried out by the Group are progressing as normal and the current situation is not affecting the Group's ability to reach agreements with potential investors, as indicated in Note 3.1.
- The Group is exposed to the risk of the exchange rate of different currencies. However, Group's exposure to the different currencies has not changed significantly compared to December 31, 2019, as debtor and credit balance positions maintained by the Group partially compensated the variations suffered by the exchange rates of the currencies of the main countries where the Group operates.
- In relation to the liquidity risk, Group´s Management continuously monitors its cash flow forecasts and liquidity situation based on operating cash generation and financial liability resources (Note 11.2). In 2020 the OPDEnergy Group has entered into various project finance agreements with credit institutions associated with solar PV plants in Chile and Spain that allowed continuing with its development and construction activity as expected in the business plans.

However, the existing high levels of economic uncertainty at global level as a result of the crisis could have an adverse impact on investment decisions in the short, medium and long term and may lead to a decrease in the amounts of relevant headings for the Group in the next financial statements, such as "Revenue", "Profit (loss) from Operations", "Profit (loss) before tax", or "Consolidated profit (loss) for the year" although it is not yet possible to reliably quantify their impact, taking into account the aforementioned difficulties and restrictions. At the date of preparation of these consolidated annual accounts, and after a year of crisis, the Group's results have not been significantly affected. The estimation of the Board of Directors indicates that this scenario will continue, given that the sector in which the Group operates is in a phase of full expansion and without signs of exhaustion and expectations point towards a growth of renewable energies until covering the most of the electric power generation in the future.

For all the above, the Board of Directors and the Management of the Parent Company consider that the liquidity and availability of financing of the Group will allow it to meet short-term payment commitments, for which they have prepared these consolidated annual accounts under the going concern hypothesis.

Lastly, it should be noted that the Parent's directors and management are constantly monitoring the evolution of the situation in order to successfully address any possible impacts, both financial and non-financial, that may arise.

2.6 Comparative information

As required by IAS 1, the information contained in these consolidated financial statements referring to the year ended 31 December 2020 are presented, for comparative purposes, with the information related to the year ended 31 December 2019.

The consolidated financial statements for the year ended 31 December 2019 are included for comparative purposes only and have also been prepared in accordance with the provisions of IFRS-EU in a manner consistent with the consolidated financial statements for the year ended 31 December 2020.

The accounting policies were applied on a uniform basis in 2020 and 2019, therefore, there are no transactions recognised under different accounting policies that could give rise to discrepancies in the interpretation of the comparative figures.

2.7 Grouping of items

Certain items in the consolidated balance sheet, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the consolidated financial statements.

2.8 Correction of errors and other

In preparing the consolidated annual accounts no errors were detected that would have made it necessary to restate the amounts included in the financial statements for 2019.

2.9 Functional and presentation currency

The elements of each of the Group companies included in the Group's consolidated financial statements are valued and reported using the currency of the main economic environment in which the Parent operates.

Although the Group carries out operations in Mexico and Chile, the Group's consolidated financial statements and its explanatory notes are presented in euros, which is also the Parent's functional and presentation currency. Given the significance of the figures, the amounts are expressed in thousands of euros, unless indicated otherwise.

Also, each of the Group companies present the currency of the country in which it operates as its functional currency.

Operations in a currency other than the functional currency are considered foreign currency operations.

3. Basis of accounting

3.1 Basis of consolidation

3.1.a Subsidiaries

The consolidated financial statements incorporate the financial statements of the Parent and entities controlled by the Parent (its subsidiaries) made up to 31 December each year. Control is achieved when the Parent:

- has the power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Parent reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Parent has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Parent considers all relevant facts and circumstances in assessing whether or not the Parent's voting rights in an investee are sufficient to give it power, including:

- the size of the Parent's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;

- potential voting rights held by the Parent, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Parent has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Parent obtains control over the subsidiary and ceases when the Parent loses control of the subsidiary. Subsidiaries are fully consolidated. The full consolidation method requires all the assets, rights and obligations composing the equity of the subsidiaries to be included in the Parent's balance sheet, non-controlling interests, if any, to be recognised under "Non-controlling interests" in the consolidated balance sheet, and all the income and expenses taken into account when determining the profit or loss of the subsidiaries to be recognised in the consolidated statement of profit or loss, once the related unifying entries and eliminations have been made.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation may initially be measured at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement is made on an acquisition-by-acquisition basis. Other non-controlling interests are initially measured at fair value. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. As of December 31, 2020 and 2019, the Group does not have minority interests in subsidiaries.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the noncontrolling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognised in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

Appendices I.A, I.B, II.A and II.B to the notes to the accompanying consolidated financial statements detail the subsidiaries included in the scope of consolidation, indicating the respective percentages of total ownership (direct plus indirect). All of them have the same reporting period as the Group, and the principal auditor performed a review, with consolidated scope, of the significant unaudited consolidated investees.

The Board of Directors of the Parent has stated that it intends to avail itself of the audit exemption for subsidiaries in the UK under section 479A of the Companies Act 2006. The following companies availed themselves of this exemption: Opde UK Limited, Epsilon Solar Limited, Iota Solar Limited, Lambda Solar Limited, Alpha Solar Limited, Gamma Solar Limited, Beta Solar Limited, Delta Solar Limited, Omega Solar Limited, Omicron Solar Limited, Theta Solar Limited and PSI Solar Limited

3.1.b Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting..

Under the equity method, an investment in an associate or a joint venture is recognised initially in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture, the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognise any impairment loss with respect to the Group's investment in an associate or a joint venture.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. When the Group reduces its ownership interest in an associate or a joint venture but the Group continues to use the equity method, the Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The associates and joint ventures included in the scope of consolidation are listed in Appendices I.A, I.B, II.A and II.B and Note 10. They all have the same reporting period as the Group.

3.1.c Changes in the scope of consolidation

2020

The following companies were included in the scope of consolidation of the OPDE Group in 2020: Opdenergy Tavoliere 1, S.r.l., Opdenergy Tavoliere 2, S.r.l., Opdenergy Tavoliere 3, S.r.l., Opdenergy Italia 1, S.r.l., Opdenergy Italia 2, S.r.l., Opdenergy Salento 1, S.r.l., Opdenergy Salento 2, S.r.l. and Opdenergy Salento 3, S.r.l.

Most of these companies were incorporated in 2020 although the inclusion of which did not, in any event, have a significant impact on the consolidated financial statements as at 31 December 2020.

Sale of mexican companies in 2020

On 31 December 2019, Otras Producciones de Energía Fotovoltaica, S.L.U., Lambda Solar, S. de R.L. de C.V., Grupo Solar Básico Kappa 2, S.L. and Grupo Solar Básico Iota 2, S.L., the holders of all the shares of the Mexican companies Infraestructura Energética del Norte, S. de R.L. de C.V. and Energía Solar de Poniente, S. de R.L. de C.V., entered into a sale agreement to sell all the ownership interests of those companies. The two companies own solar PV plants with an energy capacity of 34.2MW and 82.5MW, respectively, which, at 31 December 2019, were under development and construction and were recognised under "Inventories" in the consolidated balance sheet for an amount of EUR 104,599 thousand (see Note 13). They also hold financing agreements associated with the development of those farms amounting to EUR 48,898 thousand and recognised under "Borrowings associated with renewable energy plants" in the consolidated balance sheet as of 31 December 2019 (see Note 11.2).

This purchase agreement was subject to compliance with a series of financial and production-related terms and conditions, among others, and to the obtainment of various permits from Mexican governmental entities, at which point the agreement will be deemed performed and the loss of control will be considered effective for accounting purposes. Once the conditions established in the sale and purchase agreement have been met, the parties acknowledge and agree that the closing of the agreement was 29 June 2020, the date from which it was considered the loss of control actually came into effect for accounting purposes.

The aggregate selling price established in the aforementioned agreement for the ownership interests held and the loan granted by various OPDEnergy Group companies to the Mexican companies consist of a fixed price and a potential earn-out of 50% of the fixed price. The price was fully paid on June 29 2020 except for a deferred payment amounting to 8,149 thousand euros (10 million dollars) that will be paid after 18 and 36 months after the closing of the agreement (Note 11.1). As of 31 December 2020, EUR 4,075 thousand of euros are recognised under "Trade receivables for sales and services – long term" and EUR 4,074 thousand of euros under "Trade receivables for sales and services – short term" in the consolidated balance sheet.

Additionally, as part of the purchase price, the OPDEnergy Group obtained a 20% investment in the holding company A2 Renovables, LLC Holding, (the buyer) which (once the loss of control takes place) hold all the shares of Infraestructura Energética del Norte, S. de R.L. de C.V. and Energía Solar de Poniente, S. de R.L. de C.V. This investment is classified as investment as associates, as established in Note 3.1.b above.

As a result of this transaction, and as described in Note 3.15, the Group recognised income of EUR 117,697 thousand with a credit to "Revenue" in the consolidated statement of profit or loss in relation to the sum of the price of the shares of the solar PV farms plus the amount of the net debt associated with each of the farms (which at the transaction date amounted to 81,431 thousand euros), and derecognised inventories with a charge of EUR 109,329 thousand to "Changes in inventories of finished goods and work in progress" in the consolidated statement of profit or loss. As a result of this transaction, the Group has obtained a net aggregate gain of 8,368 thousand of euros in 2020.

For the purposes of this transaction, the Group has selected as accounting policy choice those established by IFRS 10 "Consolidated financial statements" for the recognition of the losses of control of the companies in which it holds control, and therefore, has fully recognized the revenue and the derecognition of assets and liabilities transferred to the associated Company.

Purchase of companies in Spain in 2020

Renovables de la Clamor, S.L., Energías Renovables de Ormonde 34, S.L., Energías Renovables de Ormonde 37, S.L., Energías Renovables de Ormonde 46, S.L., Energías Renovables de Ormonde 47, S.L., Desarrollo Proyecto Fotovoltaico IV, S.L. and Crucero Solar, S.L. were acquired by the OPDEnergy Group in 2020 through share purchase agreements with non-Group third parties. As a result of the transactions, the OPDEnergy Group became the owner of all the shares in those companies for 1,250 thousand of euros, 55 thousand of euros, 55 thousand of euros, 51 thousand of euros, 51 thousand of euros, 214 thousand of euros and 182 thousand of euros, respectively, with the ultimate aim of obtaining mainly the rights of permits, licenses and administrative authorizations.

The OPDEnergy Group, as the acquirer:

- identifies and recognizes the individual identifiable assets acquired and liabilities assumed; and
- allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Since the transaction comprises inventories registered regarding the acquisition of the right of access to the connection point, that would not exist if the operating permits for the photovoltaic project were not kept in force, they have been recorded at the transaction price.

There is no difference between the net assets and the transaction price, given that the transaction comprises inventories registered regarding the acquisition of the right of access to the connection point, that would not exist if the operating permits for the photovoltaic project were not kept in force.

Under IFRS 3 "Business Combinations" addendum of 2018, a simplified concentration test has been performed in order to evaluate if whether the set of activities or assets acquired constitute a business.

Given that the fair value of the gross assets acquired is mainly concentrated in a single identifiable asset that cannot be used separately from the asset acquired, it is an assets acquisition. Consequently, an asset is recognized for the right of access to the connection point, the expenses incurred in the acquisition are capitalized, and no deferred tax or contingent liability is recognized as a consequence of this operation.

The fair values recognized for the assets acquired and the liabilities assumed on the acquisition date are summarized below:

Identifiable net assets acquired	Thousands of euros
	Fair value
Cash and cash equivalent	-
Trade receivables	138
Inventories	1,399
Property, plant and equipment	423
Financial assets	-
Financial liabilities	(73)
Trade payables	(29)
Provisions	-
Total	**1,858**

The right of access to connection points have been recorded under the heading "Inventories" at the date of the transaction.

Sale of companies in Spain in 2020

During 2020, the Group achieved various agreements with third parties to sold the following companies: Planta Solar OPDE Andalucía 3, S.L.U., Planta Solar OPDE 9, S.L.U., Planta Solar OPDE 16, S.L.U., Planta Solar OPDE 23, S.L.U. and Planta Solar OPDE 24, S.L.U. All these entities own rights of permits, licenses or administrative authorizations internally developed by each company.

As a result of this transaction, and as described in Note 3.15, the Group recognised income of EUR 532 thousand with a credit to "Revenue" in the consolidated statement of profit or loss in relation to the sum of the price of the shares, and derecognised inventories with a charge of EUR 211 thousand to "Changes in inventories of finished goods and work in progress" in the consolidated statement of profit or loss. As a result of this transaction, the Group has obtained a net aggregate gain of EUR 321 thousand in 2020.

2019

The following companies were included in the scope of consolidation of the OPDEnergy Group in 2019: Opdenergy Italia, S.r.l., Eucalipto, S.p.A., Lingue, S.p.A., Litre, S.p.A., Opde Generación, S.p.A., Planta Solar Opde 46, S.L.U. to Planta Solar Opde 60 S.L.U., Horus Lousiana 0, LLC., Horus Lousiana 1, LLC., Horus Lousiana 2, LLC., Horus Lousiana 3, LLC., Horus Lousiana 4, LLC., Horus Lousiana 5, LLC., Horus Lousiana 6, LLC., Horus Lousiana 7, LLC. and Horus Lousiana 8, LLC.

Most of these companies were incorporated in 2019 although the inclusion of which did not, in any event, have a significant impact on the consolidated financial statements as at 31 December 2019.

Purchase of companies in Spain and Chile

Orinoco Solar, S.L.U., La Estrella, S.p.A. and Austrian Solar DYO UNO, S.p.A. were acquired by the OPDE Group in 2019 through share purchase agreements with non-Group third parties. As a result of the transactions, the OPDE Group became the owner of all the shares in those companies for EUR 8,844 thousand, EUR 3,170 thousand and EUR 2,985 thousand respectively with the ultimate aim of obtaining mainly the rights of permits, licenses and administrative authorizations.

The OPDEnergy Group, as the acquirer:

- identifies and recognizes the individual identifiable assets acquired and liabilities assumed; and
- allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Since the transaction comprises inventories registered regarding the acquisition of the right of access to the connection point, that would not exist if the operating permits for the photovoltaic project were not kept in force, they have been recorded at the transaction price.

Under IFRS 3 "Business Combinations" addendum of 2018, which allows retrospective application, a simplified concentration test has been performed in order to evaluate if whether the set of activities or assets acquired constitute a business.

Given that the fair value of the gross assets acquired is mainly concentrated in a single identifiable asset that cannot be used separately from the asset acquired, it is an assets acquisition. Consequently, an asset is recognized for the right of access to the connection point, the expenses incurred in the acquisition are capitalized, and no deferred tax or contingent liability is recognized as a consequence of this operation.

The fair values recognized for the assets acquired and the liabilities assumed on the acquisition date are summarized below:

Identifiable net assets acquired	Thousands of euros
	Fair value
Cash and cash equivalent	11
Trade receivables	106
Inventories	15,013
Property, plant and equipment	820
Financial assets	-
Financial liabilities	-
Trade payables	(951)
Provisions	-
Total	**14,999**

Sales of Spanish companies

The OPDEnergy Group performed the following sale transactions in 2019:

- On 29 January 2019, Otras Producciones de Energía Fotovoltaica, S.L.U. reached an agreement to sell 80% of its ownership interest in Planta Solar Opde La Fernandina, S.L.U. to an investment fund for a selling price of EUR 2,351 thousand, which was paid in cash.
- On 14 February 2019, that same company reached an agreement to sell 80% of its ownership interest in Planta Solar Opde Extremadura 2, S.L. to an investment fund for a selling price of EUR 2,164 thousand, which was paid in cash.
- On 19 March 2019, that same company reached an agreement to sell 80% of its ownership interest in Planta Solar Opde Andalucía 1, S.L. to an investment fund for a selling price of EUR 599 thousand, which was paid in cash.

Each of the companies sold are solar PV farms whose fixed assets were classified as inventories in the consolidated balance sheet at 31 December 2018 and at the date of the aforementioned sale transactions (see Note 3.9). Therefore, as described in Note 3.15, the Group recognised income of EUR 22,355 thousand with a credit to "Revenue" in the consolidated statement of profit or loss in relation to the sum of the price of the shares of the solar PV farms plus the amount of the net debt associated with each of the farms, and derecognised inventories with a charge of EUR 17,259 thousand to "Changes in inventories of finished goods and work in progress" in the consolidated statement of profit or loss.

Following these corporate transactions, at 31 December 2019 Otras Producciones de Energía Fotovoltaica, S.L.U. held a 20% ownership interest in the aforementioned companies, losing control thereof and classifying the investments as associates, as established in Note 3 above.

At the date of the aforementioned sales contracts, there were no clauses or agreements that implied contractual obligations on the future ownership of the energy renewable plants.

Additionally, as a result of the loss of control the OPDE Group measured the investment retained at fair value on the date on which control was lost. The OPDE Group thus recognised a gain of EUR 1,354 thousand under "Gains or losses on the loss of control of consolidated equity interests" in the consolidated statement of profit or loss for 2019.

3.2 Goodwill and business combinations

The obtainment by the Parent of control over a subsidiary that constitutes a business, constitutes a business combination to which the acquisition method is applied. When the ownership interest is consolidated subsequently, the equity investment in the subsidiary is generally eliminated on the basis of the values resulting from applying the acquisition method (described below) at the date on which control is obtained.

Business combinations are accounted for by applying the acquisition method, for which the acquisition date is determined, and the cost of the combination is calculated, recording the identifiable assets acquired and the liabilities assumed at their fair value referred to that date.

Goodwill or gains from a bargain purchase arising from a combination are calculated as the difference between the acquisition-date fair value of the assets acquired and liabilities assumed and the cost of the business combination at the acquisition date.

The cost of a business combination is the aggregate of:

- The acquisition-date fair value of the assets acquired, the liabilities assumed, and the equity instruments issued.
- The fair value of any contingent consideration that depends on future events or on the fulfilment of certain pre-determined conditions.

Expenses related to the issuance of equity instruments or financial liabilities delivered in exchange for the items acquired are not part of the cost of the combination.

Likewise, and since January 1, 2010, the fees paid to legal advisors or other professionals who have intervened in the combination are not part of the cost of the combination, nor of course the expenses generated internally by these concepts. These amounts are charged directly to the income statement.

If the business combination is achieved in stages and, therefore, the acquirer already held an equity interest in the acquiree immediately before the acquisition date (the date on which control is obtained), the goodwill or gain on a bargain purchase is the difference between:

- The cost of the business combination, plus the acquisition-date fair value of any equity interest previously held by the acquirer in the acquiree; and
- The fair value of the identifiable assets acquired less the fair value of the liabilities assumed, determined as indicated above.

Any gain or loss resulting from the remeasurement of the previously held equity interest in the acquiree at its acquisition-date fair value is recognised in profit or loss or other comprehensive income, as appropriate. In prior reporting periods, the acquirer may have recognised changes in the value of its equity interest in the acquiree in other comprehensive income. If so, the amount that was recognised in other comprehensive income shall be recognised on the same basis as would be required if the acquirer had disposed directly of the previously held equity interest. Also, the cost of a business combination is presumed to be the best reference for estimating the acquisition-date fair value of any previously held equity interest.

If, exceptionally, a gain on a bargain purchase arises from the business combination, it is recognised as income in the consolidated statement of profit or loss.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the acquirer shall report in its financial statements provisional amounts for the items for which the accounting is incomplete, and the provisional amounts may be adjusted in the period required to obtain the necessary information. However, the measurement period shall not exceed one year from the acquisition date. The effects of the adjustments made in that period are recognised retrospectively and comparative information for prior periods must be revised as needed.

Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss, unless the consideration has been classified as equity, in which case subsequent changes in its fair value are not recognised.

Goodwill arising on consolidation represents the excess of the cost of acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or jointly controlled entity at the date of acquisition.

Any excess of the cost of the investments in the consolidated companies over the corresponding underlying carrying amounts acquired, adjusted at the date of first-time consolidation, is allocated as follows:

1. If it is attributable to specific assets and liabilities of the companies acquired, increasing the value of the assets (or reducing the value of the liabilities) whose market values were higher (lower) than the carrying amounts at which they had been recognised in their balance sheets and whose accounting treatment was similar to that of the same assets (liabilities) of the Group: amortisation, accrual, etc.
2. If it is attributable to specific intangible assets, recognising it explicitly in the consolidated balance sheet provided that the fair value at the date of acquisition can be measured reliably.
3. The remaining amount is recognised as goodwill, which is allocated to one or more specific cash-generating units.

Goodwill is only recognised when it has been acquired for consideration and represents, therefore, a payment made by the acquirer in anticipation of future economic benefits from assets of the acquired company that are not capable of being individually identified and separately recognised.

Goodwill is measured at cost. Goodwill is not amortised but is reviewed for impairment at least annually, at the end of each reporting period (i.e., a reduction in its recoverable amount to below its carrying amount) and, if there is any impairment, the goodwill is written down with a charge to "Impairment and Gains and Losses on Disposals of Fully Consolidated Companies - Companies Accounted for Using the Equity Method" in the consolidated statement of profit or loss.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or groups of cash-generating units) expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. Any impairment losses recognised for goodwill must not be reversed in a subsequent period.

On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the gain or loss on disposal.

If after control is obtained there are transactions to sell or purchase the shares of a subsidiary without control being lost, the impact of these transactions not leading to a change in control are recognised

3.3 Intangible assets

As a general rule, intangible assets are recognised initially at acquisition or production cost. They are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses. These assets are amortised over their years of useful life.

Under this line item of the consolidated balance sheet, the Group registers the following:

Patents, concessions, licences, trademarks and similar items

Patents and concessions are recognised on the asset side of the consolidated balance sheet at cost less accumulated amortisation and any accumulated impairment losses recognised. "Concessions, patents and licences" includes mainly the amounts paid for rights and licences to construct renewable energy plants. These items are amortised on a straight-line basis over the estimated term of use, which in the case of the renewable energy plants concessions coincides with their useful life, approximately, over 25 to 30 years.

Computer software

Licenses for computer programs acquired from third parties are capitalised based on the costs incurred to acquire them and prepare them for use of the specific program. These costs are amortised over their estimated useful lives.

Computer software maintenance costs are recognised on an accrual basis. Costs directly related to the production of unique and identifiable computer software controlled by the Group which are likely to generate economic benefits exceeding those costs over more than one year are recognised as intangible assets. Direct costs include the costs of the staff that develop the computer software and an appropriate percentage of general expenses.

The computer program development expenditure recognised as assets is amortised over its estimated useful life (which is no more than five years).

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

3.4 Property, plant and equipment

Property, plant and equipment are initially recognised at acquisition or production cost and are subsequently reduced by the related accumulated depreciation and by any impairment losses recognised, as indicated in Note 3.6.

Property, plant and equipment upkeep and maintenance expenses are transferred to the consolidated statement of profit or loss for the year in which they are incurred. However, the costs of improvements leading to increased capacity or efficiency or to a lengthening of the useful lives of the assets are capitalised.

On initial recognition of property, plant and equipment items, the Group estimates the present value of the future obligations for the dismantling and removal thereof, and other obligations, such as the cost of restoring the site on which they are located. This present value is added to the cost of the related assets and a provision is recognised, which is increased by the related interest cost in the periods following that in which it is recognised.

The Group depreciates its property, plant and equipment by the straight-line method at annual rates based on the years of estimated useful life of the related assets. The Group depreciates the solar PV facilities, and amortises the related intangible assets, over 25 to 30 years.

The years of estimated useful life of the respective items of property, plant and equipment for depreciation purposes are as follows:

	Useful life
Buildings	20
Plant	25-30
Machinery	6-7
Furniture	6-7
Tools	3
Transport equipment	5
Computer hardware	4

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The borrowing costs directly attributable to the acquisition or construction of property, plant and equipment that necessarily take a period of more than 12 months to get ready for their intended use are added to the cost of the related items until they come into operation.

3.5 Investment property

"Investment property" in the consolidated balance sheet reflects the values of the land, buildings and other structures held either to earn rentals or for capital appreciation.

At 31 December 2020 and 2019 the Group recognised mainly under "Investment property" land held to earn rentals (see Note 8).

Investment property is measured as described in Note 3.4 on property, plant and equipment.

3.6 Impairment of intangible assets and property, plant and equipment

At the end of each reporting period (for goodwill and intangible assets with indefinite useful lives) or whenever there are indications of impairment (for other assets), the Group tests its property, plant and equipment and intangible assets for impairment to determine whether the recoverable amount of the assets has been reduced to below their carrying amount.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The recoverable amounts are calculated for each cash-generating unit (CGU), although in the case of property, plant and equipment, wherever possible, the impairment tests are performed individually for each asset. Cash-generating units are usually defined by Directors as the renewable power plants exploited by the Group (seven photovoltaic plants in Italy and five photovoltaic plants in Spain as of 31 December 2020 and 2019).

At the end of each period, the Directors consider if there are any indications of impairment in their solar PV plants in operation, unless an event is detected indicating an impairment in which case the frequency of the inspection will be greater. For the impairment indication inspection, the Group uses, among others, the financial forecasts of each asset. These financial forecasts are characterised by having a structure to determine the costs of the project (both in the construction phase and in the operational phase) and forecast revenues during the life of the plant.

The impairment tests on property, plant and equipment carried out for the CGUs in which these deviations have been observed have not implied any impairment adjustments at the end of each period. The main hypotheses used in the impairment tests are the following:

- Earnings projections. The price of electricity used in the base cases has been estimated on the valuations made by an independent expert.
- Investment and working capital projections.

Other variables affecting the calculation of the recoverable amount are:

- The discount rate to be used, that collect the value of money over time and the risks associated with the asset. Directors used same pre-tax discount rates for PV plants located in similar regions or countries.

	Discount rate	
	2020	2019
PV plants in Italy	4.14%	4.77%

- Period of projections: consistent with the remaining useful life of the fixed asset. The structure of the solar plants makes it possible to determine the costs that the project will have in its operation phase and allow projecting the income throughout the life of the plant. Likewise, the financial structure of the plants is designed to generate sufficient cash flows allowing the repayment of associated debt associated in the first years and the recovery of the value of the plants during their useful life.

The projections are prepared on the basis of past experience and of the best estimates available, which are consistent with the information obtained from external sources.

The business plans thus prepared are reviewed and ultmately approved by the directors.

The key assumptions identified are the discount rate used in the model and the estimated price of electricity. The Directors have considered the sensitivity of the recoverable value of said assets to changes in the key assumptions, considering the following scenarios:

- Scenario 1: Price electricity reduction of 5%.
- Scenario 2: Discount rate used increase by 50 basis points.

	Thousand of Euros	
	2020	2019
Scenario 1	(1,868)	(1,807)
Scenario 2	(300)	(185)

The recoverable value of assets in each of the scenarios is higher than the book value of each of the projects, therefore, directors considered that at 31 December 2020 and 2019 no need had arisen to recognise any impairment in this connection in the consolidated financial statements as at that dates. Additionally, in the case of Spanish solar plants, the regulations in force contemplate a reasonable minimum profitability for such plants (Note 1) and Group Directors estimate that there are no impairment indicators and no impairment tests were performed.

If an impairment loss has to be recognised for a cash-generating unit to which all or part of an item of goodwill has been allocated, the carrying amount of the goodwill relating to that unit is written down first. If the loss exceeds the carrying amount of this goodwill, the carrying amount of the other assets of the cash-generating unit is then reduced, on the basis of their carrying amount, down to the limit of the highest of the following values: fair value less costs of disposal; value in use; and zero.

Where an impairment loss subsequently reverses (not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised as income.

In 2020 and 2019, the Group has not registered impairment losses of intangible assets or property, plant and equipment.

3.7 Leases

The Group as lessee

IFRS 16 “Leases” establishes the principles for the recognition, valuation, presentation and breakdown of lease contracts, with the aim of guaranteeing that both, the lessee and the lessor, provide relevant information that represents fair presentation of lease operations. IFRS 16 provides a single accounting model for the lessee, according whereby the lessee must recognize the right-of-use assets and the corresponding lease liabilities of all lease contracts.

The Group assesses whether a contract is or contains a lease, at inception of the contract. If the contract is or contains a lease, the Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets (5,000$ or less). For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The criteria established by IFRS 16 for the accounting of lease contracts have been applied in a modified retrospective manner, equating the amount of the asset to the current value of the discounted rents, adjusting the opening balance on the date of first application (1 of January 2017 in this case).

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

As it is defined under IFRS 16, the incremental borrowing rate should be calculated as the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The Group's incremental borrowing rate is composed by a variable risk-free reference rate and a financial spread adjustment.

The selection of the reference rate is aligned with the currency in which lease cash flows are denominated, at a term aligned to the term of the lease. The Group's reference rates are Euribor and Libor.

The financing spread adjustment refers to the premium above the reference rate at which an entity can borrow funds. The methodology followed to estimate the financing spread adjustment is based on the cost of the Group's external debt on issue.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and.
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the consolidated balance sheet.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).

- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the periods presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under IAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Additionally, the Group classifies as inventories the depreciation of right-of-use assets and lease liabilities financial cost accrual relating to certain land assets incurred in the initial stages of design, development and construction of renewable plants and which will be subsequently sold by the Group (see Note 3.4). Until these plants are commissioned, the Group capitalizes the amortization expense of the right-of-use asset as an increase in the book value of the plant, in accordance with IAS 2.12.

For the rest of the assets, depreciation is calculated by applying the straight-line method to the cost of the right-of-use asset.

If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

The right-of-use assets are presented as a separate line in the balance sheet.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset:

	Useful life	Lease term (average)
Buildings	20	20
Land	25-30	28-30

The non-cancellable period of the contract has been considered to determine the lease period of the land for the construction of photovoltaic plants. The same criteria has been applied for building leases corresponding to the Group's offices in the different geographies, except for those located in Spain, for which the Group has assumed a longer lease term as they constitute the headquarters of the Group. Therefore, it has been considered reasonably certain to exercise the extension option included within these contracts.

To determine whether an extension option is reasonably certain to be exercised, the Group considers the historic behavioural evidence of leases with similar characteristics, as well as any changes in general economic conditions, or factors specific to the type of asset, that might be expected to alter such behaviour. Also, OPDEnergy considers all relevant facts and circumstances that create an economic incentive. As indicated in IFRS 16, this includes significant leasehold improvements undertaken (or expected to be undertaken) over the term of the contract that are expected to have significant economic benefit for the lessee when an option to extend or terminate the lease becomes exercisable.

The right-of-use assets not associated to inventories are presented as a separate line in the balance sheet. The allocation of the right-of-use is made to each of the CGUs in the event that the solar farms are located on land that is not owned by the Group.

At the closing date, the Group analyses the value of its non-current assets to determine whether there is any indication that such assets have suffered an impairment loss. In the event that it is necessary to perform the corresponding impairment test, due to the existence of impairment indicators in the CGU, the Group applies the approach of comparing the carrying amount of CGUs, that include assets subject to a lease, and its recoverable amount which is determined using a discounted cash flows model. The present value of future estimated cash flows excludes lease payments subject to the determination of the lease liability.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other operating expenses" in profit or loss (see Note 18.4).

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Group has not used this practical expedient. For contracts that contain a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to some of its investment properties.

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

When a contract includes both lease and non-lease components, the Group applies IFRS 15 to allocate the consideration under the contract to each component.

3.8 Financial instruments

Financial assets and liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets -

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss.

Despite the foregoing, the Group may make the following irrevocable election/designation at initial recognition of a financial asset:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment in other comprehensive income if certain criteria are met; and
- the Group may irrevocably designate a debt investment that meets the amortised cost or fair value through other comprehensive income criteria as measured at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch.

Impairment of financial assets -

The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at fair value through other comprehensive income, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime expected credit losses for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

The Group derecognizes the gross carrying amount of a trade receivable already impaired when there is information that indicates that the debtor is in serious financial difficulties and there is no realistic prospect of recovery, for instance, when the debtor has been placed in liquidation or has entered into a procedure of bankruptcy.

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. Lifetime expected credit losses represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month expected credit losses represents the portion of lifetime expected credit losses that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor, or the length of time or the extent to which the fair value of a financial asset has been less than its amortised cost;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor;
- significant increases in credit risk on other financial instruments of the same debtor; and
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Despite the foregoing, the Group assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

1. The financial instrument has a low risk of default;
2. The debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and
3. Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

The Group considers a financial asset to have low credit risk when the asset has external credit rating of 'investment grade' in accordance with the globally understood definition or if an external rating is not available, the asset has an internal rating of 'performing'. Performing means that the counterparty has a strong financial position and there is no past due amounts.

Derecognition of financial assets -

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, such as in the case of note and bill discounting, recourse factoring, sales of financial assets subject to an agreement to buy them back at a fixed price or at the selling price plus a lender's return and the securitisation of financial assets in which the transferor retains a subordinated interest or any other kind of guarantee that absorbs substantially all the expected losses, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. At 31 December 2020 and 2019, the Group had not entered into any agreement of this nature.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in an equity instrument which the Group has elected on initial recognition to measure at fair value through other comprehensive income, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

Classification as debt or equity-

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments-

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities-

Financial liabilities include accounts payable by the Group that have arisen from the purchase of goods or services in the normal course of the Group's business and those which, not having commercial substance, cannot be classified as derivative financial instruments or equity instruments.

Accounts payable are initially recognised at the fair value of the items received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost using the effective interest method or at fair value through profit or loss.

Currently, the Group has all financial liabilities classified at amortised cost.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

The payables are classified as current liabilities unless the Group has the unconditional right to defer settlement of the debt for at least 12 months from the reporting date. Financial debt associated with the development, construction and operation of the renewable energy plants that the Group intends to sell are also classified as "Current liabilities" despite its long term maturity features (see Note 11.2).

Derecognition of financial liabilities -

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Group exchanges with the existing lender one debt instrument into another one with the substantially different terms, such exchange is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Group accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within other gains and losses.

Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage the risks to which its business activities, operations and future cash flows are exposed. Basically, these risks relate to changes in interest rates and in the price of the power produced by the solar plants. The Group arranges derivative financial instruments in this connection.

Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability. Derivatives are not offset in the financial statements unless the Group has both a legally enforceable right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of interest rate and power price risk in, cash flow hedges relationships.

At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationship meets all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

The Group designates the full change in the fair value of a forward contract (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving forward contracts.

The Group designates only the intrinsic value of option contracts as a hedged item, i.e. excluding the time value of the option. The changes in the fair value of the aligned time value of the option are recognised in other comprehensive income and accumulated in the cost of hedging reserve. If the hedged item is transaction-related, the time value is reclassified to profit or loss when the hedged item affects profit or loss. If the hedged item is time-period related, then the amount accumulated in the cost of hedging reserve is reclassified to profit or loss on a rational basis – the Group applies straight-line amortisation. Those reclassified amounts are recognised in profit or loss in the same line as the hedged item. If the hedged item is a non-financial item, then the amount accumulated in the cost of hedging reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item. Furthermore, if the Group expects that some or all of the loss accumulated in cost of hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The movements affecting hedge reserves in equity are detailed in Notes 11.1 and 12.1.

The Group designates certain derivatives as follows:

Cash flow hedges

The effective portion of changes in the fair value of derivatives and other qualifying hedging instruments that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve, limited to the cumulative change in fair value of the hedged item from inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss and is included in the "Other income and expenses" line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are removed from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability. This transfer does not affect other comprehensive income. Furthermore, if the Group expects that some or all of the loss accumulated in the cash flow hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. Any gain or loss recognised in other comprehensive income and accumulated in cash flow hedge reserve at that time remains in equity and is reclassified to profit or loss when the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in the cash flow hedge reserve is reclassified immediately to profit or loss.

Hedging instruments are measured and accounted for on the basis of their nature to the extent that they are not, or cease to be, effective hedges.

In the case of derivatives that do not qualify for hedge accounting, the gains or losses in the fair value thereof are recognised immediately in the consolidated statement of profit or loss.

Fair value measurement

IFRS 13, "Fair Value Measurement" explains how to measure fair value when required by another International Accounting Standard (IAS). The standard establishes the disclosures of fair value measurements applicable to financial and non-financial assets and liabilities.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction on the measurement date, whether it is observable or estimated using a valuation technique. For this purpose, data are selected that are consistent with the data that market participants would take into account in the transaction.

IFRS 13 maintains the principles of other standards although it establishes the complete framework for measuring fair value when it is a requirement under other IFRSs and establishes the additional information necessary to be disclosed on the fair value measurements.

The requirements of IFRS 13 are met by the Group in the fair value measurement of its assets and liabilities when this value is required by the other IFRSs.

Based on IFRS 13 and under IFRS 7, "Financial Instruments: Disclosures", the Group discloses the fair value estimate according to a fair value hierarchy, as follows:

- Unadjusted quoted prices in active markets for assets and liabilities, such as financial instruments quoted in organised markets whose market value is as quoted at year-end (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable, either directly (i.e. as benchmark prices) or indirectly (i.e. derived from prices, such as futures commodity price available by OMIP) through valuation models (Level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level 3).

The financial instruments held by the Group in 2020 and 2019 and measured at fair value consist of derivatives (Level 2) and of equity instruments held in certain companies (Level 3) (Note 3.8). Likewise, the fair value of the Group's investment property is based on estimates of expected future income (Level 3) (Note 8).

For financial reporting purposes, the fair value of the financial liabilities is estimated by discounting the contractual future cash flows at the current market interest rate available to the Group for similar financial instruments.

3.9 Inventories

The net assets (basically, solar PV facilities and civil engineering work) of the renewable energy plants included in the scope of consolidation and earmarked for sale are classified as inventories and are measured in the same way as other inventories.

Inventories are measured at the lower of acquisition or production cost and net realisable value. Trade discounts, rebates, other similar items and interest included in the face value of the related payables are deducted in determining the costs of purchase (see Note 13).

Production cost includes the costs of direct materials and, where applicable, the necessary direct labour costs and general construction and development costs incurred up to the reporting date.

Additionally, the Group includes in the cost of inventories those right-of-use assets corresponding to the land lease contracts for the development and construction of certain plants that are still under construction, in their initial stages of design, development and construction and which, based on IAS 16, will be exploited by the Group once they are commissioned.

Net realisable value is the estimated selling price in the normal course of business less the estimated costs of completion and costs to be incurred in marketing, selling and distribution.

The cost of the Group's inventories is assigned by using the FIFO cost formula

The Group recognises the appropriate write-downs as an expense in the consolidated statement of profit or loss when the net realisable value of the inventories is lower than acquisition or production cost.

Work in progress and finished goods relate mainly to renewable energy plants under development and construction. The cost of finished goods and work in progress includes the costs of design, development, raw materials, directly attributable time worked by Group staff, subcontracting costs, other direct costs and production overheads (based on the normal capacity of production facilities).

The net realizable value is the estimated selling price in the normal course of business, less the estimated costs necessary to carry it out.

The cost of inventories that necessarily take a period of more than 12 months to get ready to be sold will include borrowing costs in accordance with the same terms envisaged for non-current assets.

If a renewable energy plant earmarked for sale has been in operation for 6 months and no purchase and sale agreement therefore has been entered into with third parties, and no purchase option or similar agreement has been granted, its fixed assets are transferred from “Inventories” to “Property, plant and equipment” in the consolidated balance sheet. Said period has been estimated based on the Group's historical experience with respect to the achievement of PV plant sale contracts.

3.10 Cash and cash equivalents

"Cash and cash equivalents" in the consolidated balance sheet includes cash on hand, demand deposits at banks and any short-term deposits and reverse repurchase agreements that meet all of the following requirements:

- They are convertible into cash.
- At the date of acquisition, they had a maturity of three months or less.
- They are subject to an insignificant risk of changes in value.
- They form part of the Group's normal cash management policy.

3.11 Impuesto sobre beneficios

Until 31 December 2019, Opdenergy Holding, S.A. and the subsidiaries which had registered office in Navarre (Appendices I.A, I.B., II.A and II.B) filed consolidated income tax returns pursuant to Navarre Income Tax Law 26/2016, of 28 December. Since January 2020, due to the change of its registered office and address for tax purposes of OPDE Investment España, S.A. and its Spanish subsidiaries, the companies filed consolidated income tax returns pursuant Tax Consolidation Regime, regulated in Chapter VII of Title VII of Royal Legislative Decree 4/2004, of March 5 (Note 1). Specifically, the companies which form the consolidated tax group, in addition to the Parent, are as follows: Opdenergy, S.A., Otras Producciones de Energía Fotovoltaica, S.L., OPDE Participaciones Industriales, S.L., PV Integral Management, S.L., OPDE O&M, S.L., OPDE Extremadura, S.L., OPDE Levante, S.L., Valsíngula, S.L., OPDE DEVELOPMENT, S.L., OPDE Sur S.A., Almaraz Fotovoltaica XXXIX, S.L., Almaraz Fotovoltaica XL, S.L., Almaraz Fotovoltaica XLI, S.L., Aragonesa de Iniciativas Sostenibles III, S.L., Turolense de Iniciativas Sostenibles IV, S.L., Grupo Solar Básico Iota (nos. 2 - 20), Grupo Solar Básico Gamma (nos. 2 - 20), Grupo Solar Básico Lambda (nos. 2 - 20), Grupo Solar Básico Kappa (nos. 2 - 20), Grupo Solar Básico Omega (nos. 2 - 20), Grupo Solar Básico Omicron (nos. 2 - 20), Sociedad Ibérica de generación de energía Fotovoltaica XVI, Sociedad Ibérica de generación de energía Fotovoltaica XVII, Almaraz Fotovoltaica XXXIV, S.L., Tordesillas Solar FV 11, Tordesillas Solar FV 12, Tordesillas Solar FV 13, Tordesillas Solar FV 14, Tordesillas Solar FV 15, Tordesillas Solar FV 16, Tordesillas Solar FV 17, Tordesillas Solar FV 18 y Tordesillas Solar FV 19, Grupo Solar Básico Alfa (nos. 3 - 20), Grupo Solar Básico Beta (nos. 3 - 20), Grupo Solar Básico Delta (nos. 3 - 14), Grupo Solar Básico Epsilon (nos. 3 - 20), Grupo Solar Básico Tau (nos. 3 - 20), Grupo Solar Básico Sigma (nos. 3 - 20), AlgiebA Solar, S.L., Aroa Solar, S.L., Siva Solar, S.L., Runa Solar, S.L., Resela Solar, S.L., Ranta Solar, S.L., Quira Solar, S.L., Osmana Solar, S.L., Efrana Solar, S.L., Adala Solar, S.L., Noema Solar, S.L., Moroni Solar, S.L., Morei Solar, S.L., Magala Solar, S.L., Lirae Solar, S.L., Lincis Solar, S.L., Galana Solar, S.L., Erita Solar, S.L., Corenna Solar, S.L., Basal Solar, S.L., Planta Solar OPDE Palomarejo, S.L., Planta Solar OPDE la Calahorra S.L., Planta Solar OPDE Andalucia 2, S.L., Planta Solar OPDE Andalucia 3, S.L., Planta Solar OPDE Extremadura 1, S.L. and Planta Solar OPDE (nos. 1 - 3; nos. 5 -8, nos 10-15, nos 17-22, nos 25 - 60) and Orinoco Solar, S.L.

Tax expense (tax income) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current income tax expense is the amount payable by the Group as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised 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 profit (loss) nor taxable profit (tax loss).

Deferred tax assets arising from deductible temporary differences are recognised to the extent that it is considered probable that the Group will have taxable profits in the future against which the deferred tax assets can be utilised (see Note 17).

Also, at consolidated level, any differences between the consolidated carrying amount of an investment in an investee and the related tax base are also taken into account. In general, such differences arise from the undistributed profits generated since the date of acquisition of the investee, from tax credits associated with the investment and, in the case of investees with a functional currency other than the euro, from translation differences. The deferred tax assets and deferred tax liabilities arising from these differences are recognised, unless, in the case of taxable temporary differences, the investor is able to control the timing of the reversal of the temporary difference, and provided that, in the case of deductible temporary differences, it is probable that the temporary difference will reverse in the foreseeable future and it is probable that the Group will have sufficient future taxable profits.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits within the shorter of a maximum period of ten years or the limit allowed for offset by tax legislation.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. As of December 31, 2020 and 2019, there are no deferred tax assets and liabilities recorded that have been offset as indicated.

3.12 Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

Remuneration of senior executives

The remuneration of senior executives of the Parent and persons who discharged similar duties (see Note 19.3) is recognised on an accrual basis, and at year-end the related provision is recognised for any amounts not settled.

In this regard, for the recording of employee benefits derived from accrued bonus payments, the Group has chosen to use the approach of the amount of the most likely amount vested by the employees who provide the service under the terms of the plan, understanding that this approach is more appropriate for plans with binary results.

3.13 Termination benefits

Termination benefits are paid to employees as a result of the Group's decision to terminate their employment contract prior to normal retirement age or when the employee agrees to voluntarily resign in exchange for these benefits.

The Group recognises the termination benefits on the earlier of the following dates: when the Group can no longer withdraw the offer of these benefits; or when the entity recognises the costs of a restructuring according to IAS 37 and this involves the payment of termination benefits.

When an offer is made to encourage employees to resign voluntarily, termination benefits are calculated based on the number of employees that are expected to accept the offer.

The amount recognised at 31 December 2020 and 2019 under "Employee benefits expense" in the consolidated statement of profit or loss in this connection was EUR 422 thousand and EUR 37 thousand, respectively (see Note 18.3). At 31 December 2020 and 2019, there were no situations of this nature and, accordingly, no provisions had been recognised in this connection at the reporting date.

3.14 Provisions and contingencies

When preparing the consolidated financial statements, the Group’s directors made a distinction between:

a) Provisions: credit balances covering present obligations arising from past events with respect to which it is probable that an outflow of resources embodying economic benefits that is uncertain as to its amount and/or timing will be required to settle the obligations; and.

b) Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the Group’s control.

The consolidated financial statements include all the provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the consolidated financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences. Where discounting is used, adjustments made to provisions are recognised as interest cost on an accrual basis.

Standard industry practice is to offer guarantees to customers for the execution of turnkey solar PV plant projects. At 31 December 2020 and 2019, there were no provisions for guarantees for turnkey projects, as there had been no significant experience of claims of this nature, and because it was considered that the guarantees of the manufacturers of the components used by the Group, and of the subcontractors, would sufficiently cover any case of this kind.

3.15 Revenue recognition

Group's main activity corresponds to the development and construction of renewable energy plants (solar and wind) for their subsequent sale to third parties. The sale of the project to third parties can be carried out at different stages, either at the end of the development phase or at the end of the development, construction and ready for operation phase. The income recognition of the different contractual performance obligations in each one of the phases are considered separately identifiable performance obligations fulfilled in accordance with the conditions of transfer of the property, being recorded at their fair value.

On the other hand, the performance obligations derived from the contracts for operation and maintenance services to solar and wind farms previously sold to third parties are likewise satisfied throughout the period established by the contract, recognizing the income separately and at its fair value, not existing other types of obligations acquired in addition to the provision of those services.

The Group recognises revenue from the following major sources:

Sale of renewable energy plants

Revenue from sale of renewable energy plants is recognized when the control of the assets or services attached to the performance obligation is transferred to the buyer.

Revenue from sale of renewable energy plants, whose fixed assets are classified as inventories (see Notes 3.9 and 13) is recognised under "Revenue" in the consolidated statement of profit or loss as the aggregate of the price of the shares in the renewable energy plants and the net debt of the farm in question (total debt less current assets) when the control of the assets or services attached to the performance obligation is transferred to the client.

At the same time, the inventories are derecognised with a charge to "Changes in inventories of finished goods and work in progress" in the consolidated statement of profit or loss. The difference between the two amounts is the operating profit or loss obtained on the sale.

The Group generally recognize the revenue from this type of contracts when the transfer of control of the shares of the sold companies occurs and once all the precedent conditions have been met by the parties.

Additionally, the Group analyses the cases in which more than one contract is formalized for the same project and client if there is a combination of contracts in accordance with the provisions of IFRS 15. In certain cases, after sale of a renewable energy plant, development and construction contracts and operation and maintenance services contracts could be formalized. The Group considered that the performance obligations included in the different contracts are different, not constituting a single performance obligation. Furthermore, negotiated prices set in each of the contracts are equivalent to those that would exist with clients with whom a set of contracts was not signed, and are not subject to the execution of the other contracts.

Finally, the sale of renewable energy plants cannot be revoked based on circumstances related to the execution of development and construction contracts nor the execution of operation and maintenance services contracts.

Development and construction

Under these contracts, the Group is responsible for the design and overall management of solar PV plants, including its engineering, procurement and construction. Given the high level of integration that is involved in these arrangements, all promises under development and construction contracts are accounted for as a single combined performance obligation because the promised goods and services in the contract are not distinct. The Group is providing a significant service of integrating the goods and services into the combined item.

Revenue from turnkey projects for the construction of renewable energy plants for non-Group entities is recognised on the basis of the construction milestones reached and agreed upon under the contractual terms and conditions accorded with the customer, or by applying the stage of completion method to the entire margin expected in the construction of the renewable energy plants, provided that at 31 December each year the following conditions are met:

- there is a firm obligation on the part of the buyer prior to commencement of the turnkey construction work,
- the total revenue to be received can be estimated with an acceptable level of confidence; and
- the costs until completion of the contract, as well as the stage of completion to date, can be reliably estimated.

Based on the construction contracts, the client acquires ownership of the renewable energy plant as progress is certified on the basis of the agreed construction milestones that are similar to the percentage of completion. The percentage of completion is calculated on the basis of the total estimated revenue of each contract and is determined considering the costs incurred to date in relation to the total costs envisaged for the performance of the project.

There are no rejection clauses for the plant, so if there were any problems during the acceptance tests, the property would remain with the customer and penalties will be limited. Additionally, the construction period of the Group's projects normally does not cover more than one year.

In certain cases, once development and construction are finalised, the Group sells the solar PV plant to a third party. The goods and services offered under these contracts are capable of being distinct because the customer can benefit from each good or service on its own. Therefore, development and construction services and the sale of the solar PV plant are considered separately identifiable performance obligations.

The guarantees related to the construction contracts cannot be purchased separately and serve as a guarantee that the products and services sold comply with the agreed specifications, being in accordance with the usual market practice. Consequently, the Group accounts for guarantees in accordance with IAS 37 "Provisions, contingent liabilities and contingent assets".

Electricity sales

In relation to this standard, the application of the criteria included in IFRS 15 in the OPDEnergy Group's electricity sales business, will not foreseeably entail significant differences in the recognition of income that differ from the accounting model previously applied. The performance obligation is defined as the electricity production and subsequent delivery to the customers. In this regard, the Group applies the practical expedient of IFRS 15.B16 to recognize revenue at the invoice amount for electricity sales as the right to consideration corresponds directly to the value provided to the customer.

Spanish renewable energy plants

Nexus Energía, S.A. acts as the Group's selling agent in the market, deals with the payments with various agents in the energy market and passes on the invoices.

In 2020 and 2019 electricity sales revenue was governed by Royal Decree-Law 413/2014 (see Note 1).

At 31 December 2020 and 2019, the Group had the following electricity generation facilities: Sociedad Ibérica de generación de energía Fotovoltaica XVI, S.L., Sociedad Ibérica de generación de energía XVII, S.L., Almaraz Fotovoltaica XXXIV, S.L., Almaraz Fotovoltaica XXXIX, S.L. and Almaraz Fotovoltaica XL, S.L.

Italian renewable energy plants

Gestore dei Servizi Energetici, S.p.A. acts as the Group's selling agent in the market, deals with the payments with the various agents in the energy market, and passes on the invoices.

In 2020 and 2019 electricity sales revenue was governed by Royal Decree-Law 91/2014, approved by Law 116/2014 (see Note 1).

At 31 December 2020 and 2019 the Group had the following Italian electricity generation farms: Opde Puglia, S.r.l., Solare Puglia, S.r.l. and Ribaforada 10, S.r.l.

Mexican renewable energy plants

Centro Nacional de Control de Energía, S. de R.L. de C.V. and Comisión Federal de Electricidad Suministrador de Servicios Básicos, E.P.S., acts as the Group's selling agent in the market, deals with the payments with various agents in the energy market and passes on the invoices.

In 2020 electricity sales revenue are governed by the Law on the Electricity Industry (LEI) published on 11 August 2014 (see Note 1).

During 2020, the Group has had the following electricity generation facilities: Infraestructura Energética del Norte, S. de R.L. de C.V. and Energía Solar de Poniente, S. de R.L. de C.V. until the sale described in Note 3.1.

<u>Operation and maintenance services</u>

Sometimes, development and construction contracts include, in addition to construction, additional maintenance services for a period of up to two years.

Maintenance services are separately identifiable because they are not integrated with or highly interdependent on the design/build services and do not significantly modify or customize the development and construction of the solar PV plants. As mentioned before, previously signed contracts regarding sale or development and construction are not subject to revoke if operation and maintenance contract services are not fully executed.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the end of the reporting period, provided the outcome of the transaction can be estimated reliably.

3.16 Foreign currencies

<u>Translation of financial statements in foreign currencies (foreign operations)</u>

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in "Exchange differences" (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation all of the exchange differences accumulated in "Exchange differences" in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals, the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3.17 Related party transactions

In general, transactions between Group companies are initially recognised at fair value. If the agreed price differs from fair value, the difference is recognised on the basis of the economic substance of the transaction. These transactions are subsequently measured pursuant to the corresponding standards.

3.18 Current/Non-current classification

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realised within 12 months from the end of the reporting period; financial assets held for trading, except for financial derivatives that will be settled in a period exceeding one year; and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, financial liabilities held for trading, except for financial derivatives that will be settled in a period exceeding one year; and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

The loans and credit facilities assigned to the solar PV plants earmarked for sale, which are recognised under "Inventories" (Note 3.9), are classified as current since this disposal, which is performed through the sale of the shares of the public/private limited liability company in which these plants are legally structured, involves the exclusion from the scope of consolidation of all its assets and liabilities.

As a consequence, regardless of the maturity schedule that contractually relates to this financing, the accompanying consolidated balance sheet classifies as current all the financing assigned to solar PV plants whose sale is scheduled for the twelve months subsequent to the reporting date.

3.19 Environmental assets and liabilities

Environmental assets are deemed to be assets used on a lasting basis in the Group's operations whose main purpose is to minimise environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

Actions affecting the environment are considered to be an expense for the year or an addition to the carrying amount of the related asset, based on the property, plant and equipment measurement bases described in the corresponding note above.

3.20 Statement of cash flows

The items used in the presentation of the consolidated statements of cash flows are as follows:

- Cash flows: inflows and outflows of cash and cash equivalents, which are short-term, highly liquid investments that are subject to an insignificant risk of changes in value.

- Operating activities: the principal revenue-producing activities of the Group and other activities that are not investing or financing activities.
- Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.
- Financing activities: activities that result in changes in the equity and borrowings of the Group companies that are not operating activities.

3.21 Non-current assets and disposal groups classified as held for sale

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

These assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets classified as held for sale are not depreciated, but rather at the end of each reporting period the related impairment losses are recognised to ensure that the carrying amount is not higher than fair value less costs to sell.

Income and expenses arising from non-current assets and disposal groups classified as held for sale which do not qualify for classification as discontinued operations are recognised under the related heading in the statement of profit or loss on the basis of their nature.

As of December 31,2020, and 2019, the Group does not have non-current assets and disposal groups of items classified as held for sale.

3.22 Share-based payments

The Group recognises, on the one hand, the goods and services received as an asset or as an expense, depending on their nature, when they are received and, on the other, the related increase in equity, if the transaction is equity-settled, or the related liability if the transaction is settled with an amount based on the value of the equity instruments.

In the case of equity-settled transactions, both the services rendered and the increase in equity are measured at the fair value of the equity instruments granted, by reference to the grant date. However, in the case of cash-settled share-based payments, the goods and services received, and the related liability are recognised at the fair value of the latter, with reference to the date on which the requirements for their recognition are met.

In the case of equity-settled share-based payments, this fair value is charged on a straight-line basis over the vesting period to "Employee benefits expense" in the consolidated statement of profit or loss and with a credit to "Other Equity Instruments" in the consolidated statement of financial position, based on the Group's estimate of the shares that will eventually vest and that will depend on the different variables defined in the plans granted to achieve the vesting condition.

Fair value is measured using the market prices available on the measurement date, taking into account the characteristics of the related plan. If market prices are not available, generally accepted valuation techniques for measuring financial instruments of this nature are used.

4. Distribution and application of profits / (losses)

The proposal for the distribution of the profit or application of the losses obtained by the Parent Company in the years 2020 and 2019 issued by the Parent's Directors and submitted to the approval of the General Shareholders' Meeting is the following:

	Thousands of Euros	
	2020	2019
Distributable profit.		
Profit for the year / (Losses for the year)	(2,672)	1,745
	(2,672)	**1,745**
Distribución -		
Dividends	-	1,400
Voluntary reserves	-	345
Negative results from previous exercises	(2,672)	-
	(2,672)	**1,745**

5. Segment reporting

The following operating segments are based on the internal reports, which are reviewed, discussed and assessed regularly by the management team and the Board of Directors, which is the ultimate body responsible for taking decisions and for allocating resources to the segments and evaluating their performance. In this respect, the segment figures stated in the aforementioned internal reports include the revenue and margins eliminated on consolidation, since the Directors consider that they reflect the Group's actual activity more accurately than the consolidated figures, which only reflect transactions performed with third parties.

The Group's activity consists on the development, commissioning and management of renewable energy assets in different geographies following a vertically integrated and diversified business model. In particular, the Group is engaged in (i) the development and construction of solar PV and onshore wind projects, (ii) the sale of electricity generated by those assets owned once they are in operation and (iii) the management and technical services over the useful life of the assets owned both by the Group and by related parties.

As a result of this vertically integrated business model, the development, construction and service provision activities remain Intra-Group transactions as long as the assets remain under the full consolidation perimeter of the Company. Notwithstanding the above, in the last two years the Group has entered into certain transactions whereby majority shareholdings in several projects have been sold to third parties, with relevant impact in the consolidated financial statements. All these activities must be reflected in the segment reporting so they are disclosed as a whole, both services provided to independent third-parties and Intra-Group transactions.

Accordingly, the Group considers appropriate to provide segment reporting in order to:

- Reflect the Group's actual level of activity regardless of whether Intra-Group (related-party customer) transactions are performed or transactions are performed with independent third parties (non-Group customers).
- Distinguish the volume of business performed with third-party customers from related-party customers in each of the Group's activities.
- Reflect the timing of the generation of revenue and profits or losses in line with when each activity is performed.
- Reflect the activity proportionally in relation to the Group's ownership interest.

The segments defined are as follows:

- Development & EPC (Engineering, Procurement and Construction): including, among others, activities related to the identification of feasible projects, in both financial and technical terms, the management of environmental impact analyses, the obtaining of licenses and permits to build and operate, and engineering and construction work on the projects. Likewise, the sale operations of companies holding renewable energy plants are included.
- Energy Sales and Services: including electricity sold either in the wholesale market, through PPAs or in any other form, as well as any other operations and maintenance ("O&M") and asset management ("Asset Management") services provided to projects once the commercial operation date ("COD") has been reached.
- Central Services / Structure: any income or expenses from assets under general use that are not distributed among segments.

The transfer prices in inter-segment sales are the prices applied which, as indicated in Note 3.17, are market prices.

At 31 December 2020, no discontinued operations, defined as the separation from the Group (either through a sale, spin-off, liquidation or similar operation) of an operating line of business or geographical area, had taken place. Similarly, management does not have any intention to perform any such operation in the near future. The detail of the disclosures, by segment, of the Group's business at 31 December 2020 and 2019, based on the above-defined criteria, is presented below:

2020

	Thousands of Euros				
	EPC & Development	Energy sales and services	Corporate	Consolidation adjustments	**TOTAL**
Revenue:	221,476	16,138	-	(98,567)	**139,047**
- From third parties	126,522	12,525	-	-	139,047
- From company group	94,954	3,613	-	(98,567)	-
(-) Direct Cost	(196,060)	(7,565)	-	91,179	(112,446)
Gross profit	**25,416**	**8,573**	**-**	**(7,388)**	**26,601**
(-) G&As	(5,964)	(3,279)	(14,581)	1,592	(22,232)
Provision for liquidity event (*)	-	-	7,612	-	7,612
EBITDA	**19,452**	**5,294**	**(6,979)**	**(5,796)**	**11,981**
(-/+) Depreciations & others	993	(1,881)	522	(175)	(541)
EBIT	**20,445**	**3,413**	**(6,457)**	**(5,971)**	**11,440**

(*) For the purposes of calculating the Ebitda and Ebit, the expense of 7,612 thousand euros has not been considered for the provision derived from the liquidity event recorded at December 31, 2020 (Notes 15 and 19.3)

	Thousands of Euros				
	EPC & Development	Energy sales and services	Corporate	Consolidation adjustments	**TOTAL**
Revenue:	221,476	16,138	-	(98,567)	**139,047**
- From third parties	126,522	12,525	-	-	139,047
- From group companies	94,954	3,613	-	(98,567)	**-**
Changes in inventories of finished goods	(72,371)	(1,577)	-	89,401	**15,453**
Raw materials and consumables used	(123,688)	(5,988)	-	1,777	**(127,899)**
Other operating income	1,077	659	490	(1,567)	**659**
Employee benefits expense	(2,337)	(1,449)	(12,147)	-	**(15,933)**
Other operating expenses	(4,704)	(2,489)	(2,925)	3,160	**(6,958)**
Depreciation and amortisation expenses	(344)	(1,482)	(427)	151	**(2,102)**
Impairment losses	(411)	(399)	(788)	1,508	**(90)**
Excess provisions	96	-	1,738	(1,834)	-
Other income and expenses	1,651	-	-	-	**1,651**
EBIT	**20,445**	**3,413**	**(14,059)**	**(5,971)**	**3,828**

2019

	Thousands of Euros				
	EPC & Development	Energy sales and services	Corporate	Consolidation adjustments	TOTAL
Revenue:	241,722	8,091	-	(116,894)	**132,919**
- From third parties	127,639	5,280	-	-	132,919
- From company group	114,083	2,811	-	(116,894)	-
(-) Direct Cost	(198,628)	(1,593)	-	93,994	**(106,227)**
Gross profit	**43,094**	**6,498**	-	**(22,900)**	**26,692**
(-) G&As	(12,139)	(1,141)	(2,065)	4,179	(11,166)
EBITDA	**30,955**	**5,357**	**(2,065)**	**(18,721)**	**15,526**
(-/+) Depreciations & others	1,694	(1,460)	(679)	150	(295)
EBIT	**32,649**	**3,897**	**(2,744)**	**(18,571)**	**15,231**

	Miles de euros				
	EPC & Development	Energy sales and services	Corporate	Consolidation adjustments	TOTAL
Revenue:	241,722	8,091	-	(116,894)	**132,919**
- From third parties	127,639	5,280	-	-	132,919
- From group companies	114,083	2,811	-	(116,894)	-
Changes in inventories of finished goods	(17,148)	8	-	83,691	**66,551**
Raw materials and consumables used	(181,481)	(1,600)	-	10,303	**(172,778)**
Other operating income	90	184	171	-	**445**
Employee benefits expense	(4,272)	(548)	(918)	-	**(5,738)**
Other operating expenses	(7,957)	(778)	(1,317)	4,179	**(5,873)**
Depreciation and amortisation expenses	(53)	(1,460)	(682)	151	**(2,044)**
Impairment losses	1,328	-	-	-	**1,328**
Other income and expenses	420	-	2	(1)	**421**
EBIT	**32,649**	**3,897**	**(2,744)**	**(18,571)**	**15,231**

G&As caption includes "Other operating income", "Employee benefits expense" and "Other operating expenses" from the consolidated statements of profit or loss of each year.

In accordance with paragraph 23 of IFRS 8, the Group does not disclose the interest expense, the interest in the profit or loss of associates or the income tax expense since this information is not regularly provided to the chief operating decision maker (Board of Directors).

Geographic breakdown

The Company's geographic distribution relating to the years ended 31 December 2020 and 2019 is as follows:

Net Revenues	Thousands of Euros	
	31.12.2020	31.12.2019
Spain	8,327	128,660
Mexico	125,153	586
Italy	3,411	3,522
USA	2,132	-
UK	24	151
	139,047	**132,919**

Fixed assets	Thousands of Euros	
	31.12.2020	31.12.2019
Spain	2,832	3,067
Mexico	3	3
Chile	116	11
Italy	231	233
UK	2	-
	3,184	**3,314**

Information on customers concentration

The breakdown of sales to third-party customers that were billed during the years ended 31 December 2020 and 2019 for amounts equal to or which exceeded 10% of revenue is as follows:

2020

	Thousands of Euros
Riverstone LLC (Note 3.1.c)	117,697
Total	**117,697**

2019

	Thousands of Euros
Planta Solar OPDE la Fernandina, S.L.	33,170
Planta Solar OPDE Extremadura 2, S.L.	33,594
Planta Solar OPDE Andalucía 1, S.L.	33,526
Marguerite Solar Spain, S.L.U.	22,355
	122,645

6. Intangible assets

The changes in "Intangible assets" in the consolidated balance sheet in 2020 and 2019 were as follows:

2020

	Thousands of euros		
	Balance at 01/01/20	Additions / (Depreciation)	Balance at 31/12/20
Cost:			
Concessions, patents and licences	935	-	935
Other intangible assets	160	92	252
Total cost	**1,095**	**92**	**1,187**
Accumulated amortisation:			
Concessions, patents and licences	(147)	(50)	(197)
Other intangible assets	(38)	(23)	(61)
Total accumulated amortisation	**(185)**	**(73)**	**(258)**
Total, net	**910**	**19**	**929**

2019

	Thousands of euros		
	Balance at 01/01/19	Additions / (Depreciation)	Balance at 31/12/19
Cost:			
Concessions, patents and licences	934	1	935
Other intangible assets	108	52	160
Total cost	**1,042**	**53**	**1,095**
Accumulated amortisation:			
Concessions, patents and licences	(95)	(52)	(147)
Other intangible assets	(26)	(12)	(38)
Total accumulated amortisation	**(121)**	**(64)**	**(185)**
Total, net	**921**	**(11)**	**910**

At 31 December 2020 and 2019 there were no firm intangible asset purchase commitments.

7. Property, plant and equipment

The changes in 2020 and 2019 in “Property, plant and equipment” in the consolidated balance sheet and the most significant information affecting this heading were as follows:

2020

	Thousands of euros			
	Balance at 01/01/20	Additions / (Depreciation)	Disposals	Balance at 31/12/20
Cost:				
Land and buildings	1,982	-	-	1,982
Plant, machinery, tools, furniture and other items of property, plant and equipment-	1,863	245	(8)	2,100
Total cost	**3,845**	**245**	**(8)**	**4,082**
Accumulated depreciation:				
Buildings	(400)	(127)	-	(527)
Plant, machinery, tools, furniture and other items of property, plant and equipment-	(131)	(240)	-	(371)
Total accumulated depreciation	**(531)**	**(367)**	**-**	**(898)**
Total, net	**3,314**	**(122)**	**(8)**	**3,184**

2019

	Thousands of euros			
	Balance at 01/01/19	Additions / (Depreciation)	Disposals	Balance at 31/12/19
Cost:				
Land and buildings	1,982	-	-	1,982
Plant, machinery, tools, furniture and other items of property, plant and equipment-	1,159	708	(4)	1,863
Total cost	**3,141**	**708**	**(4)**	**3,845**
Accumulated depreciation:				
Buildings	(267)	(133)	-	(400)
Plant, machinery, tools, furniture and other items of property, plant and equipment-	(13)	(118)	-	(131)
Total accumulated depreciation	**(280)**	**(251)**	**-**	**(531)**
Total, net	**2,861**	**457**	**(4)**	**3,314**

The detail of the value of the buildings and land relating to the properties owned by the Group at the end of 2020 and 2019 is as follows (in thousands of euros):

	31/12/2020			31/12/2019		
	Gross amount	Accumulated depreciation	Net amount	Gross amount	Accumulated depreciation	Net amount
Land	527	-	527	527	-	527
Buildings	1,455	(527)	928	1,455	(400)	1,055
	1,982	**(527)**	**1,455**	**1,982**	**(400)**	**1,582**

In 2020 and 2019 no significant property, plant and equipment purchases were made for the OPDEnergy Group.

The carrying amount of the property, plant and equipment located outside Spain at 31 December 2020 and 2019 was EUR 352 thousand and EUR 247 thousand.

The detail of the fully depreciated items of property, plant and equipment still in use is as follows (in thousands of euros):

	2020	2019
Buildings	5	5
Plant, machinery and other items of property, plant and equipment	384	253

The Group has taken out several insurance policies to cover the risks to which its property, plant and equipment are subject. It is considered that these policies sufficiently cover such risks.

At 31 December 2020 and 2019 the Group had no property, plant and equipment purchase commitments.

8. Investment property

At 31 December 2020 and 2019 the Group recognised EUR 1,218 thousand under "Investment property" in the consolidated balance sheet in relation to the land acquired for the construction of renewable energy plants previously developed, constructed and sold by the Group in past years. Group Management´s estimation of the fair value of the lands amount to EUR 1,621 thousand, approximately, as of 31 December 2020. These plots of land are leased to the owners of the solar PV facilities.

Income from these investments amounting to EUR 103 thousand was recognised under "Other operating income" in the consolidated statements of profit or loss for 2020 (2019: EUR 81 thousand).

At 31 December 2020 and 2019 there were no restrictions on making new investment property investments, on the collection of rental income therefrom or in connection with the proceeds to be obtained from a potential disposal thereof.

At 31 December 2020 and 2019 there were no contractual commitments in relation to the repair, maintenance or improvement of the aforementioned buildings.

9. Leases

IFRS 16 establishes the principles for the recognition, valuation, presentation and breakdown of lease contracts, with the aim of guaranteeing that both, the lessee and the lessor, provide relevant information that represents fair presentation of lease operations. IFRS 16 provides a single accounting model for the lessee, according whereby the lessee must recognize the right-of-use assets and the corresponding lease liabilities of all lease contracts, unless it is a short term contract or if the underlying asset is considered to have a low-value.

The detail and movement of leases on the consolidated balance sheet as of December 2020 and 2019 is as follows:

2020

	Thousands of euros				
	Balance at 01/01/20	Additions	Disposals	Translation differences	Balance at 31/12/20
Cost:					
Land	11,293	1,135	(3,018)	(342)	9,068
Facilities	19,421	-	-	-	19,421
Buildings and others	1,973	116	-	(8)	2,081
Total cost	**32,687**	**1,251**	**(3,018)**	**(350)**	**30,570**
Accumulated depreciation:					
Land	(793)	(268)	-	-	(1,061)
Facilities	(3,648)	(1,139)	-	-	(4,787)
Buildings and others	(561)	(255)	-	(1)	(817)
Total accumulated depreciation	**(5,002)**	**(1,662)**	-	**(1)**	**(6,665)**
Total right-of-use asset	**27,685**	**(411)**	**(3,018)**	**(351)**	**23,905**

2019

	Thousands of euros				
	Balance at 01/01/19	Additions	Disposals	Translation differences	Balance at 31/12/19
Cost:					
Land	17,475	1,279	(7,388)	(73)	11,293
Facilities	19,421	-	-	-	19,421
Buildings and others	608	1,358	-	7	1,973
Total cost	**37,504**	**2,637**	**(7,388)**	**(66)**	**32,687**
Accumulated depreciation:					
Land	(492)	(301)	-	-	(793)
Facilities	(2,451)	(1,197)	-	-	(3,648)
Buildings and others	(329)	(231)	-	(1)	(561)
Total accumulated depreciation	**(3,272)**	**(1,729)**	**-**	**(1)**	**(5,002)**
Total right-of-use asset	**34,232**	**908**	**(7,388)**	**(67)**	**27,685**

The Group as the lessee has arranged leases of various plots of land upon which renewable energy plants, buildings and vehicles are located. Additionally, the Group as the had arranged various leases to solar PV, mainly in Italy, that the Group has in operation.

The average lease period is not an indicative figure, since there is a great dispersion between the period considered for the leases of land and the rest of the assets subject to leases.

The main additions correspond to the rental of land in line with the increase in the Group's needs.

No impairments were recognize regarding the right of use assets during the years 2020 and 2019.

As stated in Note 3.9, the Group includes as "Inventories" those lease expenses incurred in the development and construction of certain plants that are still under construction, in their initial stages of design, development and construction and which, based on IFRS 16, will be exploited by the Group once they are commissioned amounting to EUR 7,882 thousands as of 31 December 2020 (EUR 10,107 thousands as of 31 December 2019).

The detail and movement of right-of-use assets classified as inventories on the consolidated balance sheet as of 31 December 2020 and 2019 is as follows:

2020

	Thousands of euros				
	Balance at 01/01/20	Additions	Disposals	Translation differences	Balance at 31/12/20
Cost:					
Land	10,107	1,135	(3,018)	(342)	7,882
Total cost	**10,107**	**1,135**	**(3,018)**	**(342)**	**7,882**
Accumulated depreciation:					
Land	(784)	(233)	-	-	(1,017)
Total accumulated depreciation	**(784)**	**(233)**	**-**	**-**	**(1,017)**
Inventories	**9,323**	**902**	**(3,018)**	**(342)**	**6,865**

2019:

	Thousands of euros				
	Balance at 01/01/19	Additions	Disposals	Translation differences	Balance at 31/12/19
Cost:					
Land	17,475	93	(7,388)	(73)	10,107
Total cost	**17,475**	**93**	**(7,388)**	**(73)**	**10,107**
Accumulated depreciation:					
Land	(492)	(292)	-	-	(784)
Total accumulated depreciation	**(492)**	**(292)**	**-**	**-**	**(784)**
Inventories	**16,983**	**(199)**	**(7,388)**	**(73)**	**9,323**

The detail of the lease payments recognised as an expense in 2020 and 2019 "Other operating expenses" in the consolidated statement of profit or loss (see Note 18.4) is as follows (in thousands of euros):

	2020	2019
Lease payments(*)	590	60
Total	**590**	**60**

(*) Non-cancellable leases. All of them correspond to contracts with a maturity of less than one year.

The detail by maturity of the undiscounted lease liability is as follows:

	Thousands of euros					
	2021	2022	2023	2024	2025 and subsequent years	Total
Lease liability	1,964	1,944	1,885	1,882	38,056	45,731

There were no significant lease commitments at 31 December 2020 and 2019.

10. Investments accounted for using the equity method

As detailed in Note 3.1 above, in 2020 and 2019 and as a result of the loss of control of the OPDEnergy Group over some previously fully consolidated companies and the obtention of new investments, at the date of loss of control these investments were classified under "Investments accounted for using the equity method" in the consolidated balance sheet.

The detail of "Investments accounted for using the equity method" at 31 December 2020 and of the changes therein in 2020 is as follows (in thousands of euros):

	Balance at 01/01/2020	Additions (Note 3.1)	Share of profit (loss) of companies accounted for using the equity method	Valuation adjustments (*)	Other movements (**)	Other consolidation adjustments	Balance at 31/12/2020
Planta Solar OPDE Fernandina, S.L.	6	-	(148)	171	-	49	78
Planta Solar OPDE Extremadura 2, S.L.	(37)	-	(154)	174	-	51	34
Planta Solar OPDE Andalucía 1, S.L.	(209)	-	(107)	169	-	37	(110)
Renter Gestiones, S.L.	19	-	-	-	-	(2)	17
A2 Renovables LLC Holding	-	7,304	438	-	(911)	-	6.831
Opdenergy Riverstone L.P.	-	33	-	-	-	-	33
Total	**(221)**	**7,337**	**29**	**514**	**(911)**	**135**	**6,883**

(*) Valuation adjustments refer to derivative financial instruments to hedge the risk of fluctuations in interest rates and electricity prices contracted by the companies. As of December 31, 2020, the corresponding proportion of the valuation of these derivatives, carried out by an independent expert, amounts to EUR 514 thousand and were recognised with a credit to "Cash flow hedge reserve from non controlling investments" in the consolidated balance sheet.
(**) The amount included in the column "Other movements" includes the translation differences associated with these investments.

The detail of "Investments accounted for using the equity method" at 31 December 2019 and of the changes therein in 2019 is as follows (in thousands of euros):

	Balance at 01/01/2019	Changes in the scope of consolidation (Note 3.1)	Additions	Share of profit (loss) of companies accounted for using the equity method	Valuation adjustments (*)	Other consolidation adjustments	Balance at 31/12/2019
Planta Solar OPDE Fernandina, S.L.	-	588	604	480	(184)	(1,482)	6
Planta Solar OPDE Extremadura 2, S.L.	-	541	612	494	(169)	(1,515)	(37)
Planta Solar OPDE Andalucía 1, S.L.	-	150	629	513	(149)	(1,352)	(209)
Renter Gestiones, S.L.	18	-	-	-	-	1	19
Total	**18**	**1,279**	**1,845**	**1,487**	**(502)**	**(4,348)**	**(221)**

(*) Valuation adjustments refer to derivative financial instruments to hedge the risk of fluctuations in the interest rates contracted by the companies. As of December 31, 2019, the corresponding proportion of the valuation of these derivatives, carried out by an independent expert, amounts to EUR 502 thousand and were recognised with a credit to "Cash flow hedge reserve from non controlling investments" in the consolidated balance sheet.

Due to the transaction described in the Note 3.1., for the sale of 100% of the shares of the companies Infraestructura Energética del Norte, S. de R.L. de C.V. and Energía Solar de Poniente, S. de R.L. de C.V., OPDEnergy Group has received as part of the price a 20% of shares of the A2 Renewables LLC Holding company.

In 2019, Planta Solar OPDE Fernandina, S.L., Planta Solar OPDE Extremadura 2, S.L. and Planta Solar OPDE Andalucía 1, S.L. performed various capital increases, to which the OPDEnergy Group subscribed 20%.

The detail of the capital increases performed is as follows:

- At a General Meeting of Planta Solar OPDE Fernandina, S.L. on 29 January 2019, the shareholders resolved to increase capital with a monetary contribution of EUR 3,022,025 through the issue of 3,022,025 new shares of EUR 1 par value each. The Group company Otras Producciones de Energía Fotovoltaica, S.L. subscribed and paid 604,405 new shares.
- At a General Meeting of Planta Solar OPDE Extremadura 2, S.L. on 14 February 2019, the shareholders resolved to increase capital by EUR 764,875 through the issue of 764,875 new shares of EUR 1 par value each. These shares were issued with a share premium of EUR 2,295 thousand, which is EUR 3 per share. The Group company Otras Producciones de Energía Fotovoltaica, S.L. subscribed 152,975 shares by offsetting collection rights amounting to EUR 612 thousand on the subordinated loan arranged on 22 June 2017 with the associate as the borrower.
- At a General Meeting of Planta Solar OPDE Andalucía 1, S.L. on 19 March 2019, the shareholders resolved to increase capital by EUR 786,750 through the issue of 786,750 new shares of EUR 1 par value each. These shares were issued with a share premium of EUR 2,360 thousand, which is EUR 3 per share. The Group company Otras Producciones de Energía Fotovoltaica, S.L. subscribed 157,350 shares by offsetting collection rights amounting to EUR 629 thousand on the subordinated loan arranged on 22 June 2017 with the associate as the borrower.

Also, at 31 December 2020 and 2019, as a consequence of the consolidation process, the appropriate proportion of the unrealised gains or losses generated in transactions between investees accounted for using the equity method and the OPDEnergy Group were eliminated with a charge to "Investments accounted for using the equity method". Specifically, the turnkey contracts entered into by Otras Producciones de Energía Fotovoltaica, S.L., as the contractor, with each of the aforementioned companies for the provision of supply, assembly, development, construction and start-up services for the three solar PV farms in question (see Notes 18.1 and 19.1), gave rise to partially unrealised profits or losses amounting to EUR 4,349 thousand. The excess of the unrealised and eliminated profit or loss was recognised with a credit to "Non-current prepayments and accrued income" in the consolidated balance sheet. These gains or losses will be transferred to the consolidated statement of profit or loss when the associated asset items (the solar PV plants built) become impaired, are derecognised or are disposed of to third parties outside the Group. At 31 December 2020 EUR 137 thousand of the unrealised profit eliminated previous year has been transferred to the consolidate profit and loss statement.

The Group also granted certain loans to Planta Solar OPDE Fernandina, S.L., Planta Solar OPDE Extremadura 2, S.L. and Planta Solar OPDE Andalucía 1, S.L. for a total amount of EUR 6,018 thousand as of 31 December 2020 (EUR 5,418 thousand as of 31 December 2019) (Note 18.2). Based on the expected cash flows of each company, directors consider that net investment on these companies will be fully recovered and no impairments were recognized.

None of the companies accounted for using the equity method are listed.

The main aggregates of these associates of the Group as of 31 December 2019 are as follows:

	Thousands of euros		
	Assets	Liabilities	Profit / (loss) for the year
Planta Solar OPDE Fernandina, S.L. (*)	43,651	39,161	(626)
Planta Solar OPDE Extremadura 2, S.L. (*)	43,747	39,052	(635)
Planta Solar OPDE Andalucía 1, S.L. (*)	45,211	40,003	(439)
Renter Gestiones, S.L.	258	145	42
A2 Renovables L.P. (*) (**)	112,918	74,081	2,190
Opdenergy Riverstone L.P. (*)	178	-	-
	245,963	**192,442**	**532**

(*) Data including the adjustment to the fair value measurements of derivatives in 2019 described in the Note 2.1.
(**) Consolidated financial statements as of 31 December 2020, considering Infraestructura Energética del Norte, S. de R.L. de C.V. and Energía Solar de Poniente, S. de R.L. de C.V

The main aggregates of these associates of the Group as of 31 December 2019 were as follows:

	Thousands of euros		
	Assets	Liabilities	Profit / (loss) for the year
Planta Solar OPDE Fernandina, S.L. (*)	46,538	42,057	2,402
Planta Solar OPDE Extremadura 2, S.L. (*)	43,266	38,623	2,469
Planta Solar OPDE Andalucía 1, S.L. (*)	42,103	37,143	2,565
Renter Gestiones, S.L.	595	525	(9)
	132,502	**118,348**	**7,427**

(*) Data including the adjustment to the fair value measurements of derivatives in 2019 described in the Note 2.1

11. Financial instruments

The following tables show information about:

- the different classes of financial instruments registered by the Group based on their nature and characteristics;
- the carrying amount of such financial instruments; and
- the fair value of the financial instruments (except for the ones for which the carrying amount is close to its fair value).

2020

	Thousands of euros			
	Amortized cost	FVOCI	FVPL	Balance at 31/12/2020
Financial assets:				
Equity instruments	70	-	-	70
Loans to companies	745	-	-	745
Loans to Group companies and associates (Note 19.2)	6,987	-	-	6,987
Derivatives (Notes 11.1 and 12.1)	-	4,235	-	4,235
Trade and other receivables	13,229	-	-	13,229
Cash and cash equivalents	49,074	-	-	49,074
Deposits. guarantees and others	4,399	-	-	4,399
Total financial assets	**74,504**	**4,235**	**-**	**78,739**
Financial liabilities:				
Debt instruments and other marketable securities	66,353	-	-	66,353
Borrowings from credit institutions	4,638	-	-	4,638
Borrowings associate with renewable energy plants	85,747	-	-	85,747
Lease liabilities	17,961	-	-	17,961
Lease liabilities associate with renewable energy plants	7,882	-	-	7,882
Trade and other payables	42,307	-	-	42,307
Other financial liabilities	66	-	-	66
Total financial liabilities	**224,954**	**-**	**-**	**224,954**

2019

	Thousands of euros			
	Amortized cost	FVOCI	FVPL	Balance at 31/12/2019
Financial assets:				
Equity instruments	-	1	-	1
Loans to companies	878	-	-	878
Loans to Group companies and associates (Note 19.2)	5,547	-	-	5,547
Derivatives	-	-	218	218
Trade and other receivables	13,892	-	-	13,892
Cash and cash equivalents	44,272	-	-	44,272
Deposits. guarantees and others	11,234	-	-	11,234
Total financial assets	**75,823**	**1**	**218**	**76,042**
Financial liabilities:				
Debt instruments and other marketable securities	37,373	-	-	37,373
Borrowings from credit institutions	11,011	-	-	11,011
Borrowings associate with renewable energy plants	71,072	-	-	71,072
Lease liabilities	19,286	-	-	19,286
Lease liabilities associate with renewable energy plants	10,499	-	-	10,499
Trade and other payables	64,331	-	-	64,331
Other financial liabilities	153	-	-	153
Total financial liabilities	**213,725**	**-**	**-**	**213,725**

11.1 Financial assets

Loans to companies

At 31 December 2020 and 2019 the Group has recognised various loans granted to third parties in prior years at long term. The detail of the loans granted is as follows (in thousands of euros):

	Average interest rate	Balance at 31/12/20		Balance at 31/12/19	
		Long term	Short term	Long term	Short term
Sociedad Ibérica de Generación de Energía Fotovoltaica XIX, S.L. (*)	None	487	45	561	40
Sociedad Ibérica de Generación de Energía Fotovoltaica VI, S.L. (*)	None	459	44	534	39
Other loans to third parties	4.00%	-	22	-	16
Accumulated impairment		(312)	-	(312)	-
Carrying amount		**634**	**111**	**783**	**95**

(*) The Parent's management considered that the loans to Sociedad Ibérica de Generación de Energía Fotovoltaica XIX, S.L. and Sociedad Ibérica de Generación de Energía Fotovoltaica VI, S.L. (for gross amounts of EUR 531 thousand and EUR 502 thousand at 31 December 2020, respectively) were not 100% recoverable and, therefore, were partially impaired in prior years.

The initial recognition of those loans corresponds to the transaction price or the consideration or the consideration paid. The fair value of the loans with no interest rate does not differ significantly from the transaction price and no adjustment to the carrying amount was recognized.

On 16 December 2015, a debt recognition and pledge transaction was performed, as a result of which Ibérica de Generación de Energía Fotovoltaica VI, S.L. and Ibérica de Generación de Energía Fotovoltaica XIX, S.L. (the Iberian Companies) recognised loans from the OPDEnergy Group of EUR 768 thousand and EUR 795 thousand, respectively, the payment of which (the interest was forgiven) would be made monthly from the first payment in January 2016 to final settlement, for an amount equal to 70% of the net remuneration received by these companies each month from the generation of solar PV energy, with the remaining 30% retained to meet operating expenses.

In addition, as security for the total amount of the debt recognised by the so-called Iberian Companies, Grupo Render Industrial, Ingeniería y Montajes, S.L., the sole shareholder of those companies, arranged a security interest in favour of the Group on all the shares of the two companies, which will remain in force until the recognised debt is paid in full.

The Parent's directors considered that the implicit financial costs associated with the present value of the expected future cash flows from the transaction amounted to EUR 6 thousand, and proportionally derecognised the Iberian Companies' receivables for this amount.

At 31 December 2020, the carrying amounts of the two loans, EUR 634 thousand at long term and EUR 89 thousand at short term, are recognised under "Non-current financial assets – long term to third parties" and "Current financial assets - Short-term loans to third parties", respectively, in the accompanying consolidated balance sheets.

The credit risk on the financial instrument described above has not increased significantly since initial recognition, except for those impaired loans described at the footnote to the table. The loss allowance for these financial instruments at an amount equal to 12-month expected credit losses are not material.

Derivatives

Interest rate hedge

On 7 August 2019, Energía Solar de Poniente, S. de R.L. de C.V. arranged a financing agreement with Mitsui Banking Corporation for the construction of a solar PV farm (see Note 11.2). Together with this financing agreement, an interest-rate risk hedging agreement was entered into for a notional amount of EUR 35,262,855 with six-monthly maturities until 30 December 2037. As of 31 December 2019 the valuation of this derivative was 218 thousand euros recognised under “Non-current financial assets - Derivatives”, with a credit to “Valuation adjustments – Cash flow hedge reserve”, net of the related tax effect, in the consolidated balance sheet. In accordance with Note 3.1. this company has left the scope of consolidation as of 31 December 2020.

On 22 September 2020, OPDEnergy Generación S.p.A. has arranged a financing agreement with Sumitomo Mitsui Banking Corporation for the construction of two solar PV farms (see note 11.2). Together with this financing agreement, an interest-rate risk hedging agreement was entered into for a notional amount of USD 23,396,901 with monthly maturities until 15 June 2021 and with six-monthly maturities from 15 June 2021 to 15 December 2039.

The Group has complied with the requirements detailed in Note 3.8 on measurement bases in order to be able to classify this financial instrument as a hedge. The hedging instrument settlements are made at the same time the cash flows are expected to occur. Specifically, this instrument was formally designated as a hedge and the hedge was assessed as being effective.

At 31 December 2020, the valuation of this derivative, carried out by an independent expert, amounted to EUR 1,170 thousand and was recognised under “Non-current financial assets - Derivatives”, with a credit to “Valuation adjustments – Cash flow hedge reserve”, net of the related tax effect, for an amount of EUR 679 thousand and to “Other gains and losses” of the consolidated income statement due to the ineffectiveness recognized during the year.

Trade and other receivables

The breakdown of this heading of the consolidated balance sheets at 31 December 2020 and 2019 is as follows:

	Thousands of euros	
	31/12/2020	31/12/2019
Trade receivables for sales and services long-term	4,075	-
Trade receivables for sales and services short-term	8,418	1,737
Trade receivables from associates and related companies (Note 19.2)	581	11,190
Other receivables	149	962
Employee receivables	6	3
	13,229	**13,892**

As of 31 December 2020, the Group recognizes a trade receivable in relation to the sale transaction of Energía Solar de Poniente, S. de R.L. de C.V. and Infraestructura Energética del Norte, S. de R.L. de C.V. described in Note 3.1, registering EUR 4,075 thousand on the long term and EUR 4,074 thousand on the short term according to agreed payment calendar. Additionally, the Group maintains an account receivable for an amount of EUR 2 million with third parties derived from connection rights developed and which have been sold during the year.

The Group always measures expected credit losses as an amount equal to the expected credit losses for the entire life of the asset.There have been no changes in estimation techniques or significant assumptions made during the current reporting period.

The Group's expected loss is not significant at 31 December 2020 and 2019.

The changes in the write-downs of trade receivables recognised as a reduction of the balance of "Trade receivables for sales and services" in the consolidated balance sheet were as follows (in thousands of euros):

2020:

	Beginning balance	Write-downs/ (reversals) recognised in the year	Amounts used	Ending balance
Write-downs of trade receivables	186	(16)	-	170

2019:

	Beginning balance	Write-downs/ (reversals) recognised in the year	Amounts used	Ending balance
Write-downs of trade receivables	175	11	-	186

In 2020 the Group has recognised a reversal for write-downs of EUR 16 thousand under "Other operating expenses" in the consolidated statement of profit or loss for 2020 (2019: charge of EUR 11 thousand).

At 31 December 2020, the Group has significant balances in currencies other than the euro. The main trade receivables in foreign currency totalling EUR 8,149 thousand (2019: EUR 216 thousand). The increase is related to the pending collection amount regarding the agreement sale of the Mexican companies, as indicated in Note 3.1.c.

The maximum exposure to credit risk at the reporting date is the fair value of each category of accounts receivable indicated above. The Group does not have any guarantees securing the receivables.

Deposits, guarantees and others

At 31 December 2020 and 2019, the Group held non-current financial assets amounting to EUR 920 thousand and EUR 1,837 thousand respectively in relation to pledged deposits for guarantee facilities granted as security for compliance with certain obligations assumed by the Group; principally, the guarantees granted to the customers on the sale of farms and guarantees provided to foreign public authorities (see Note 21.2). The term of the secured obligation is more than one year and, therefore, these deposits are recognised under non-current assets.

These assets bear interest at market rates. In 2020 and 2019 the interest borne on non-current and current financial assets, amounting to approximately EUR 506 thousand and EUR 249 thousand respectively, was recognised with a credit to "Finance income" in the consolidated statements of profit or loss for 2020 and 2019 (Note 18.5).

At 31 December 2020 and 2019, the Parent had current financial assets (deposits and term deposits) amounting to EUR 3,479 thousand and EUR 9,397 thousand respectively.

In addition, the Group recognised EUR 111 thousand in relation to the loans to third parties, which will be payable in 2021 (31 December 2019: EUR 95 thousand).

11.2 Financial liabilities

Debt instruments and other marketable securities

The detail of "Debt instruments and other marketable securities" in the consolidated balance sheets at 31 December 2020 and 2019 is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Debt instruments and other marketable securities-		
1st bond issue - EUR face value	7,274	7,274
1st bond issue - USD face value	6,785	7,411
2nd bond issue - EUR face value	11,743	11,743
2nd bond issue - USD face value	10,953	11,964
3rd bond issue - EUR face value	15,912	-
3rd bond issue - USD face value	14,843	-
Debt arrangement expenses and fees (*)	(1,288)	(1,105)
Total	**66,222**	**37,287**

(*) *At 31 December 2020 the Parent's directors considered that the fees and debt arrangement expenses should be classified in full as non-current payables. However, it is estimated that EUR 322 thousand will be taken to short term (EUR 221 thousand in 2019).*

The detail, by maturity, of "Debt instruments and other marketable securities" is as follows (in thousands of euros):

2020:

	2021	2022	2023	2024	Total
Debt instruments and other marketable securities-					
1st bond issue – EUR	-	-	-	7,274	7,274
1st bond issue - USD (*)	-	-	-	6,785	6,785
2nd bond issue - EUR face value	-	-	-	11,743	11,743
2nd bond issue - USD face value (*)	-	-	-	10,953	10,953
3rd bond issue - EUR face value	-	-	-	15,912	15,912
3rd bond issue - USD face value (*)	-	-	-	14,843	14,843
Total	**-**	**-**	**-**	**67,510**	**67,510**

(*) *Expressed in thousands of euros at the USD/EUR exchange rate applicable a 31 December 2020.*

2019:

	2020 (**)	2021	2022	2023	2024	Total
Debt instruments and other marketable securities-						
1st bond issue - EUR	-	-	-	-	7,274	7,274
1st bond issue - USD (*)	-	-	-	-	7,411	7,411
2nd bond issue - EUR face value	-	-	-	-	11,743	11,743
2nd bond issue - USD face value (*)	-	-	-	-	11,964	11,964
Total	**-**	**-**	**-**	**-**	**38,392**	**38,392**

(*) Expressed in thousands of euros at the USD/EUR exchange rate applicable a 31 December 2019.

The full amount of debt was tied to floating interest rates in 2020 and 2019.

On 10 December 2018, Opdenergy, S.A.U. entered into an agreement for the issue of two financing facilities based on bonds in both euros and US dollars, remunerated at floating interest rates, guaranteed by Opde Investment España, S.A. and with a drawable limit of EUR 34,930,000 and USD 39,979,800, respectively.

Both financing facilities have a single maturity -19 December 2024- for all the issues launched and the bonds issued in euros will bear interest at three-month Euribor, and those issued in US dollars will bear interest at three-month Libor plus a spread that will be payable on a quarterly basis. However, the issues may be redeemed early from the second year following their issue.

Within the framework of this transaction, the Group provided the following guarantees to the holders of the bonds issued:

- Security interest created by Opdenergy Holding, S.A. in 60,000 shares (numbered 1 to 60,000) of EUR 1 par value each, consisting of all the shares representing the share capital of Opdenergy S.A.U.
- Security interest created by Opdenergy, S.A. in 7,138,349 shares (numbered 1 to 7,138,349) of EUR 1 par value each, representing all the share capital of Otras Producciones de Energía Fotovoltaica, S.L.U.
- Security interest created by Opdenergy, S.A. in 15,061,224 shares (numbered 1 to 15,061,224) of EUR 1 par value each, representing all the share capital of Opde Participaciones Industriales, S.L.U.
- Security interest created by Opdenergy, S.A. in the collection rights arising from various demand deposits held by it at Caja Rural de Navarra, Sociedad Cooperativa de Crédito, Caixabank, S.A. and Banco Bilbao Vizcaya Argentaria, S.A.

In accordance with the issue agreement, all the bonds issued by Opdenergy, S.A. will be fully subscribed and paid by institutional investors identified in that agreement and accordingly, pursuant to Article 35.2 of Legislative Royal Decree 4/2015, of 23 October, approving the Consolidated Spanish Securities Market Law, it is not necessary for an issue prospectus in relation to this bond issue to be registered with the Spanish National Securities Market Commission (CNMV), as the issue is addressed solely to the aforementioned subscribers and therefore is not a public offering of securities.

In accordance with t3his agreement, a third issue was launched in 2020 which was fully subscribed by five collective investment undertakings of renowned prestige, and the balances outstanding at 31 December 2020 amounted to EUR 15,912,470 and USD 18,213,414, as detailed below:

ISIN	Issuer	Issue date	Currency	Number of bonds purchased	Face value expressed in euros	Maturity date	Market (*)
XS1918788255	Opdenergy, S.A.U.	28/02/2020	USD	5,364,247	5,283,783	19/12/2024	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	28/02/2020	USD	684,415	674,149	19/12/2024	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	28/02/2020	USD	2,802,776	2,760,734	19/12/2024	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	28/02/2020	USD	4,680,988	4,610,773	19/12/2024	Freiverkehr
XS2091490446	Opdenergy, S.A.U.	28/02/2020	USD	4,680,988	4,610,773	19/12/2024	Freiverkehr
	Bond issue in USD			**18,213,414**	**17,940,212**		
XS2091491923	Opdenergy, S.A.U.	28/02/2020	EUR	10,409,938	10,253,789	19/12/2024	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	28/02/2020	EUR	860,865	847,952	19/12/2024	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	28/02/2020	EUR	1,459,173	1,437,285	19/12/2024	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	28/02/2020	EUR	1,086,822	1,070,520	19/12/2024	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	28/02/2020	EUR	2,095,672	2,064,237	19/12/2024	Freiverkehr
	Bond issue in EUR			**15,912,470**	**15,673,783**		

(*) The senior bond issue by Opdenergy, S.A.U. was listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange in accordance with the German securities market law.

(**) The difference between the bonds purchased and the nominal value is due to the cost of the issuance transaction.

Each bond issued had a face value of EUR 1 and US 1, respectively.

Also, in 2020 EUR 131 thousand of the accrued finance interest had not yet been paid at 31 December 2020 and is recognised under "Current payables - Debt instruments and other marketable securities" in the consolidated balance sheet.

Lastly, as a result of the revaluation at the 2020 year-end exchange rate of the bonds issued in US dollars, the Parent recognised exchange gains amounting to EUR 3,364 thousand recognised under "Exchange differences" in the consolidated statement of profit or loss for 2020.

In accordance with this agreement, a second issue was launched in 2019 which was fully subscribed by five collective investment undertakings of renowned prestige, and the balances outstanding at 31 December 2019 amounted to EUR 11,742,488 and USD 13,440,452, as detailed below:

ISIN	Issuer	Issue date	Currency	Number of bonds purchased	Face value expressed in euros	Maturity date	Market (*)
XS1918788255	Opdenergy, S.A.U.	04/12/19	USD	3,958,506	3,899,128	19/12/24	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	04/12/19	USD	505,059	497,483	19/12/24	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	04/12/19	USD	787,054	775,248	19/12/24	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	04/12/19	USD	1,281,233	1,262,015	19/12/24	Freiverkehr
XS1918788255	Opdenergy, S.A.U.	04/12/19	USD	3,454,300	3,402,486	19/12/24	Freiverkehr
XS2091490446	Opdenergy, S.A.U.	04/12/19	USD	3,454,300	3,402,486	19/12/24	Freiverkehr
	Bond issue in USD			**13,440,452**	**13,238,846**		
XS2091491923	Opdenergy, S.A.U.	04/12/19	EUR	7,681,936	7,566,707	19/12/24	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	04/12/19	EUR	635,268	625,739	19/12/24	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	04/12/19	EUR	1,076,786	1,060,634	19/12/24	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	04/12/19	EUR	802,012	789,982	19/12/24	Freiverkehr
XS2091491923	Opdenergy, S.A.U.	04/12/19	EUR	1,546,486	1,523,289	19/12/24	Freiverkehr
	Bond issue in EUR			**11,742,488**	**11,566,351**		

(*) The senior bond issue by Opdenergy, S.A.U. was listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange in accordance with the German securities market law.

(**) The difference between the bonds purchased and the nominal value is due to the cost of the issuance transaction.

Each bond issued had a face value of EUR 1 and US 1, respectively.

Also, in 2019 EUR 86 thousand of the accrued finance interest had not yet been paid at 31 December 2019 and was recognised under "Current payables - Debt instruments and other marketable securities" in the consolidated balance sheet.

Lastly, as a result of the revaluation at the 2019 year-end exchange rate of the bonds issued in US dollars, the Parent recognised exchange gains amounting to EUR 105 thousand recognised under "Exchange differences" in the consolidated statement of profit or loss for 2019.

Also, in 2020 the senior-bond-issue financing accrued interest of EUR 4,706 thousand (2019: EUR 1,159 thousand), EUR 131 thousand of which had not yet been paid at 31 December 2020 and was recognised under "Current payables - Other financial liabilities" in the consolidated balance sheet (31 December 2019: EUR 86 thousand).

Achievement of financial ratios

The bond issue agreement includes a series of terms and conditions and obligations assumed by Opde Investment España, S.A. and its Subsidiaries which include most notably the achievement of a series of financial ratios, in particular, a Collateral Cover Ratio of at least 1.05:1, defined as the ratio between (i) cash held within the Group plus other financial investments held plus incurred Project Costs (construction and development cost less closed project finances) and (ii) amount outstanding of the bonds plus the principal amount of financial indebtedness of the Group plus the amount of corporate and/or bank guarantees which are then due and payable plus actual liabilities of members of the Group. This ratio was mandatory from 2018 to 2024. Additionally, cross-default conditions are assumed in case certain companies of the Group (Opde Investment España, S.A., Opdenergy, S.A., Otras Producciones de Energía Fotovoltaica, S.L., Opde Participaciones Industriales, S.L. and any other project companies with any project finance closed and with a capacity of more than 10MW) entered into several default situations.

At 2020 and 2019 year-end the Group's Directors consider that they were achieving all the obligations arising from the bond issues, including the obligation in relation to the achievement of the financial ratio described above, and do not envisage any non-compliance in this connection in the coming years.

Borrowings from credit institutions

The detail of "Borrowings from credit institutions" in the consolidated balance sheets at 31 December 2020 and at 2019 is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Borrowings from credit institutions-		
Credit facilities	4,638	11,011
Borrowings from credit insitutions associated with solar PV plants	85,747	71,072
	90,385	**82,083**

Credit facilities

In relation to the various credit facilities in force held by the Group, at 2020 year-end a limit of EUR 26,000 thousand was established. The detail of the amount drawn down at 31 December 2020 and 2019 is as follows (in thousands of euros):

	Drawn down at 31/12/20	Limit
Multi-currency credit accounts	-	2,000
Loans	-	2,000
Reverse factoring facilities	4,638	22,000
Total	**4,638**	**26,000**

In relation to the various credit facilities in force held by the Group, at 2019 year-end a limit of EUR 35,226 thousand was established. The detail of the amount drawn down at 31 December 2019 is as follows (in thousands of euros):

	Drawn down at 31/12/19	Limit
Multi-currency credit accounts	8,776	12,699
Loans	-	11,354
Reverse factoring facilities	2,213	11,173
Unmatured accrued interest	22	-
Total	**11,011**	**35,226**

All the credit facilities bear interest at market rates referenced to Euribor or Libor plus a market spread plus a market spread the financial expenses accrued for the lines of loans and credit policies that the Group has maintained during the 2020 financial year amount to EUR 129 thousand (EUR 390 thousand at the end of the 2019 financial year), of which EUR 184 thousand are pending payment at the close of fiscal year 2020 (EUR 22 thousand at the end of fiscal year 2019).

Borrowings from credit institutions associated with solar PV plants

In 2020 the OPDEnergy Group has entered into various project finance agreements with credit institutions associated with solar PV plants in Chile.

In the case of the Chilean companies (Xue Solar, S.P.A., Litre, S.P.A., Lingue, S.P.A., Eólica la Estrella, S.P.A., Austrian Solar Chile Uno, S.P.A., and Opdenergy Generación, S.P.A.) the main features of these loans are as follows:

- Loans related to Xue Solar, S.P.A., Litre, S.P.A., Lingue, S.P.A., entered into on 14 August 2020, which came into effect on that date and have their final maturity date on 31 July 2038. The purpose of these loans is to finance the construction and development of renewable energy plants.

  EUR 132 thousand of interest costs were capitalised as an increase in the carrying amount of inventories (Note 13), as this interest was incurred while the solar PV plant was under construction, and accordingly, in accordance with applicable legislation, can be capitalised as an increase in the carrying amount of inventories. Concretely from Xue Solar, S.P.A., was EUR 75 thousand; from Litre, S.P.A., was EUR 25 thousand and from Lingue, S.P.A., EUR 32 thousand.

  These loans beared interest at Libor plus a spread of 4.5 and an 1% applicable at any given time on the undrawn amounts of credit available at any given time during the drawdown period.
- Loan related to Opdenergy Generación, S.P.A (holding company), entered into on 11 June 2020, which came into effect on that date and have their final maturity date on 30 June 2027. The purpose of this loan is to finance the construction and development of renewable energy plants developed by Eólica la Estrella, S.P.A., and Sol de los Andes, S.P.A.

  EUR 361 thousand of interest costs were capitalised as an increase in the carrying amount of inventories (Note 13), as this interest was incurred while the solar PV plant was under construction, and accordingly, in accordance with applicable legislation, can be capitalised as an increase in the carrying amount of inventories.

  This loan beared interest at Libor plus a spread of 2.25% and an 0,79% applicable at any given time on the undrawn amounts of credit available at any given time during the drawdown period.
- Loan related to Eólica la Estrella, S.P.A. and AustrianSolar Chile Uno, S.P.A., entered into on 11 June 2020, which came into effect on that date and have their final maturity date on 7 August 2022 and 18 September 2022 respectively. The purpose of this loan is to finance exclusively the VAT associated with the development and construction of Eólica la Estrella, S.P.A., and Austrian Solar Chile Uno, S.P.A.

These loans beared interest at TAB Nominal plus a spread of 1.9%.

The amount payable for these loans at 31 December 2020 amounted to EUR 36,138 thousand and was recognised in full under current liabilities as it is tied to inventories.

The detail, by company, is as follows (in thousands of euros):

	Drawn down at 31/12/20	Loan drawn down
Xue Solar, S.P.A.	4,180	7,490
Lingue, S.P.A.	1,324	1,826
Litre, S.P.A.	1,035	1,764
Opdenergy Generación, S.P.A	26,414	81,493
Eólica la Estrella, S.P.A.	1,045	3,346
AustrianSolar Chile Uno, S.P.A.	2,140	4,845
Total	**36,138**	**100,764**

In the case of the Spanish companies (Planta Solar OPDE 3, S.L., Planta Solar OPDE 5, S.L. and Planta Solar OPDE 6, S.L.), the project finance agreements entered on 20 December 2019. The main features of these loans are as follows:

- Loans entered into on 20 December 2019, which came into effect on that date and have their final maturity date on 31 December 2021. The purpose of these loans is to finance the construction and development of renewable energy plants.

  The amount payable for these loans at 31 December 2020 amounted to EUR 49,609 thousand and was recognised in full under current liabilities as it is tied to inventories. The detail, by company, is as follows (in thousands of euros):

	Drawn down at 31/12/20	Drawn down at 31/12/19	Loan drawn down
Planta Solar OPDE 3, S.L.	23,548	10,624	25,578
Planta Solar OPDE 5, S.L.	5,234	2,515	5,658
Planta Solar OPDE 6, S.L.	20,827	9,035	25,481
Total	**49,609**	**22,174**	**56,717**

- These loans beared interest at Euribor plus a spread of 1.25% until 31 December 2020. From 1 January 2021, the interest accrued on these loans will be EURIBOR plus a spread of 1.5% on the portion drawn down and an amount equal 35% of the margin applicable at any given time on the undrawn amounts of credit available at any given time during the drawdown period. EUR 477 thousand of interest costs were capitalised as an increase in the carrying amount of inventories (Note 13), as this interest was incurred while the solar PV plant was under construction, and accordingly, in accordance with applicable legislation, can be capitalised as an increase in the carrying amount of inventories.

- However, on 18 May 2020, Liberbank and Banco Santander entered into an assignment agreement for the Credit Agreement and Guarantee Agreements, acquiring Liberbank the condition of Creditor and therefore, the condition of Guaranteed Creditor. Banco Santander remains as the loan agent entity. Similarly, a change in the accrual of interest was established and finally these loans bear interest at Euribor plus a spread of 1.25% until 29 June 2020. From 30 June 2020, the interest accrued on these loans will be Euribor plus a spread of 1.4% until 31 December 2020. From 1 January 2021, the interest accrued on these loans will be Euribor plus a spread of 1.65%. Given the date on which the loans were available, the interest accrued at 31 December 2020 amounted to EUR 476 thousand. Despite these changes, the operation has been considered by the Company's Directors as a non-substantial modification without material impact. Given the loan availability date, the accrued interest at December 31, 2020 amounts to EUR 476 thousand.

In the case of the Mexican company (Energía Solar de Poniente, S. de R.L. de C.V.), the project finance agreement was entered into with the Sumitomo credit institution with a drawable limit of USD 64 million (EUR 57 million as of 31 December 2019). The main features of this loan associated with the solar PV plant were as follows:

- Loan entered into on 8 August 2019, which came into effect on that date and has its final maturity date on 31 July 2026. The purpose of this loan was to finance the construction of the renewable energy plant by the aforementioned Group company.
- EUR 48,898 thousand drew down against this loan at 31 December 2019 and the full amount was recognised under current liabilities in the consolidated balance sheet as it was tied to inventories.
- The loan beared interest at LIBOR plus a spread of 4.5% on the portion drawn down and LIBOR plus a spread of 0.5% on the undrawn portion. The interest accrued on this loan at 31 December 2019 amounted to EUR 613 thousand, EUR 490 thousand of which were capitalised as an increase in the carrying amount of inventories (Note 13), as this interest was incurred while the solar PV plant was under construction, and accordingly, in accordance with applicable legislation, can be capitalised as an increase in the carrying amount of inventories.
- At 31 December 2019, the loan from Sumitomo established a series of requirements and obligations that must be observed, mainly in relation the achievement of certain financial ratios and obligations that must be exceeded or not exceeded, based on the Mexican company's aggregates. The Group's directors consider that these ratios and obligations were being achieved. The loan also sets out the need to achieve various financial ratios from the date the first loan repayment instalment is paid, which will take place in 2020. Due to the sale transaction described in Note 3.1 above, the Group no longer has this amount owed on its balance sheet at 31 December 2020.

Although some the financing agreements mature at long term, as described in Note 3.8 above, they were classified in full under current liabilities as they are tied to the renewable energy plants recognised under "Inventories" in the consolidated balance sheet.

The detail, by maturity, of bank borrowings is as follows (in thousands of euros):

	2021	2022	2023	2024	2025	2026 and subsequent years	Total
Borrowings from credit institutions associated with solar PV plants	51,325	6,363	3,355	2,823	3,866	18,015	85,747

Guarantees

In order to guarantee fulfilment of the obligations arising from the financing granted to the companies located in Spain, those companies have provided the following guarantees:

- Security interest in the pledged agreements (solar PV plant construction contract, plant operation and maintenance agreement, hedging contracts, among others).
- Security interest in the pledged agreements (principal account, debt service reserve account and offset account).

In this regard, at 31 December 2020, the Group has recognised pledged demand deposits in relation to this financing amounting to EUR 1,317 thousand under "Cash and cash equivalents" in the consolidated balance sheet. (31 December 2019: EUR 1,946 thousand).

In relation to the companies located in Chile, those companies have provided the following guarantees:

- Pledge without first degree displacement on present and future subordinated credits.
- Commercial pledge on rights and promise of commercial pledge on rights.
- Pledge without displacement of first degree on future assets.
- Pledge without displacement and prohibitions regarding all the current and future shares of the companies that the shareholder grants in favor of the creditor by means of a public deed granted.
- Pledge without displacement on money and investments allowed.

The Group's directors consider that the companies subject to the guarantees will be able to meet all the contractual obligations arising from the aforementioned financing loans on a timely basis.

Achievement of financial ratios

The project finance agreement of the Spanish companies and Chilenian companies includes a series of terms and conditions and obligations assumed by them, for 2020 and subsequent years, which include most notably the achievement of a series of financial ratios; in particular, achieving the gearing ratio, the debt service ratio and calculating the cash flow generated and the surplus cash flow based on the audited annual accounts of those stand-alone companies.

At 2020 these companies are obligated to achieving the gearing ratio and the Group's administrators consider that they were achieved these obligations. The other ratios will be mandatory for 2021 and subsequent year.

Other financial liabilities

The detail of "Other financial liabilities" in the consolidated balance sheets at 31 December 2020, and 2019 is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Other financial liabilities-		
Others	66	153
	66	**153**

12. Financial risk management

The Group’s activities are exposed to various financial risks: market risk (including foreign currency risk, interest rate risk and price risk), credit risk, liquidity risk and fair value measurement. The Group's global risk management programme focuses on the uncertainty of the financial markets and aims to minimise the potential adverse effects on its financial returns.

Responsibility for financial risk management is controlled by the Group's Financial Department in accordance with the policies approved by the Parent’s directors. This department identifies, assesses and hedges the financial risks in close cooperation with the Group's operating units. The Group provides policies for global risk management, as well as for specific areas such as foreign currency risk, interest rate risk, liquidity risk, the use of derivative and non-derivative instruments and investment of surplus liquidity.

12.1 Market risk

Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk on the transactions it performs in foreign currencies. Foreign currency risk arises mainly from commercial transactions performed abroad that are in a currency other than the euro, which is the Group's functional currency.

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing at the date of the transactions. The exchange gains and losses arising on settlement of these transactions and from the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, unless they are deferred in equity, as in the case of qualifying cash flow hedges and qualifying hedges of net investments. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Nonmonetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

The detail of the most significant balances in foreign currencies, translated to euros at the year-end exchange rates, is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Derivatives	1,216	218
Trade and other receivables (Note 3.1.c)	8,447	216
Other current financial assets	3,078	1,638
Cash and cash equivalents	36,804	3,263
Non-current payables - Debt instruments and other marketable securities (Note 11.2)	(32,581)	(19,076)
Current payables – Borrowings from credit institutions (see Note 11.2)	(37,347)	(48,898)

The Group is mainly exposed to the currency of United States (USD), Chile (CLP), Mexico (MXN) and United Kingdom (GBP).

The following table details the Group's sensitivity to a 10 per cent increase and decrease in currency units against the relevant foreign currencies. 10 per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. A positive number below indicates an increase in profit and other equity where currency units strengthens 10 per cent against the relevant currency. For a 10 per cent weakening of currency units against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

2020

Currency	Variation	Thousand of euros				
		Impact on inventories	Impact on cash and cash equivalents	Impact on debt instruments and borrowings from credit institutions	Impact on Equity	Impact on Profits and Losses
USD / EUR	10%	(342)	(3,320)	6.288	(3,822)	911
MXN / EUR	10%	(23)	(4)	-	(486)	(40)
CLP / EUR	10%	(3,217)	-	-	(3,043)	(442)
GBP / EUR	10%	(24)	(60)	-	(59)	74
USD / EUR	-10%	417	2,717	(5.144)	4,672	(1,113)
MXN / EUR	-10%	28	3	-	594	49
CLP / EUR	-10%	3,931	-	-	3,720	540
GBP / EUR	-10%	30	49	-	72	(90)

2019

Currency	Variation	Thousands of euros				
		Impact on inventories	Impact on cash and cash equivalents	Impact on debt instruments and borrowings from credit institutions	Impact on Equity	Impact on Profits and Losses
USD / EUR	10%	(314)	(227)	6,681	195	195
MXN / EUR	10%	(10,243)	-	-	280	810
CLP / EUR	10%	(1,666)	-	-	123	123
GBP / EUR	10%	-	(111)	-	(8)	(8)
USD / EUR	-10%	384	186	(5,467)	(239)	(239)
MXN / EUR	-10%	12,519	-	-	(342)	(989)
CLP / EUR	-10%	2,036	-	-	(150)	(150)
GBP / EUR	-10%	-	91	-	(93)	(93)

The detail, by class of financial instrument, of the exchange differences recognised in profit or loss is as follows (in thousands of euros):

2020

	Total
Other consolidated balance sheet positions	4,232
Current financial assets	(751)
Cash	(4,003)
Total financial assets	**(522)**

2019

	Total
Other consolidated balance sheet positions	987
Current financial assets	15
Cash	380
Total financial assets	**1,382**

Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that bear a fixed interest rate and the future flows from assets and liabilities bearing interest at a floating rate.

The Group's revenue and cash flows from operating activities are scantly dependent on fluctuations in market interest rates, since it does not have significant interest-earning assets, except for deposits (see Note 11.2).

The Group's interest rate risk arises mainly on bank borrowings and marketable securities issued. Bank borrowings and marketable securities issued on unregulated markets at floating interest rates expose the Group to cash flow interest rate risk (see Note 3.8). The Group had arranged an interest rate hedge at 31 December 2020 and 2019 in order to mitigate fluctuations in interest rates (see Note 11.2).

The sensitivity analysis to an increase or decrease in the long-term interest rate curve in relation to the fair value of the interest rate derivatives that are part of cash flow hedging relationships, implies a decrease of EUR 3,113 thousand in the debt for financial derivatives when there is an increase of 50 basis points in the interest rate curve. Likewise, a decrease of 50 basis points of the interest rate curve would result in an increase of EUR 3,117 thousand in the debt for financial derivatives. The variation in the fair value of derivatives due to the increase or decrease in the term curve would have a similar impact on other comprehensive income, since the hedging relationship is expected to be highly effective. In the case of "Obligations and other negotiable securities" (Note 11.2), the sensitivity analysis to an increase or decrease in the long-term interest rate curve of 50 basis points would mean a higher financial expense of EUR 322 thousand in the event of an increase in rates and a decrease in the same amounting to EUR 322 thousand in the event of a decrease in the applicable rates.

Electricity price risk

The OPDEnergy Group uses derivative financial instruments to hedge the risk of fluctuations in electricity prices based on its projections, since such fluctuations may have a very significant impact on the earnings of the companies that own the solar PV and wind farms under development. Specifically, on 20 December 2019 three Group companies arranged various swaps for a given number of megawatts in order to fix the electricity price for a period between 10 and 15 years.

As a result of these swaps, the companies that are parties thereto undertake to pay the market hourly pool price in relation to a notional amount of MWh produced in six-month periods in exchange for receiving a fixed price (EUR 41/MWh) over ten years from the last quarter of 2020 onwards. The detail of the notional amount and the fixed price of these financial instruments for each company is as follows:

Contracting company	Total notional amount	Fixed price
Planta Solar OPDE 3, S.L.	648,776 MWh	EUR 41/MWh
Planta Solar OPDE 5, S.L.	162,194 MWh	EUR 41/MWh
Planta Solar OPDE 6, S.L.	648,776 MWh	EUR 41/MWh

The Company's directors, in accordance with the valuations made by an independent expert, consider that the changes in the fair value of these derivative financial instruments between the arrangement date and closing date. As of 31 December 2020, the valuation of these derivatives, carried out by an independent expert, amounted to EUR 3,019 thousand and were recognised under "Non-current financial assets - Derivatives", with a credit to "Valuation adjustments – Cash flow hedge reserve", net of the related tax effect, in the consolidated balance sheet. As of 31 December 2019, the changes in the fair value of these derivative financial instruments between the arrangement date and closing date were not material and, therefore, they did not recognise any assets or liabilities in relation thereto in the consolidated balance sheets.

The derivatives indicated were designated as hedges because they meet all the requirements established under IFRS-EU to qualify for hedge accounting (see Note 3.8). Specifically, these instruments were formally designated as a hedge and the hedge was assessed as being effective.

The sensitivity analysis to an increase or decrease in the long-term OMIE prices in relation to the fair value of the commodity derivatives that are part of hedging relationships contracted by the Group, implies a decrease of EUR 2,678 thousand in the debt for financial derivatives when there is an increase of 2 Euros MW in the electricity prices curve. Likewise, a decrease of 2 Euros MW in the electricity prices curve would result in an increase of EUR 2,678 thousand in the debt for financial derivatives.

12.2 Credit risk

Credit risk arises from cash and cash equivalents and deposits at banks and financial institutions, as well as balances with customers, including outstanding accounts receivable and committed transactions. In relation to banks and financial institutions, transactions are only performed with renowned high-quality entities, taking into account past experience and other factors. If an independent appraisal of the customers' creditworthiness has not been made, the Financial Department assesses their credit quality on the basis of the financial position of the customer in question, past experience and other factors. The Group does not have a policy of granting long-term loans to its customers, except in exceptional circumstances.

The maximum credit risk exposure of the financial assets at the reporting dates is the carrying amount thereof.

The directors consider that the Group's credit risk is significantly reduced, as trade receivables consist of short term debt with high quality credit performance and no historical default. Additionally, the Group does not have a significant credit risk exposure to any single counterparty, except for those to Companies already impaired (See Note 11.1).

12.3 Liquidity risk

Prudent management of liquidity risk entails the maintenance of sufficient cash and marketable securities, availability of financing through a sufficient level of committed credit facilities and the capacity to settle market positions. In view of the dynamic nature of the underlying businesses, the Group's Financial Department aims to maintain the flexibility of financing through the availability of the credit lines arranged, which complement the financing specific to the turnkey projects.

An exhaustive control of working capital (current assets less current liabilities), the absence of an excessive concentration of risk at any bank and the ongoing monitoring of levels of borrowings and the generation of funds enable the business's liquidity risk to be adequately controlled.

In this connection, at 31 December 2020 and 2019 the Group had arranged credit lines the limits of which had not been fully drawn down and had the capacity to increase issues of debt instruments on unregulated markets to enable it to continue operating normally and to obtain the necessary liquidity to guarantee the development of its projects.

12.4 Capital risk management

The Group's capital management objectives are to safeguard its ability to continue as a going concern, generate returns for shareholders and maintain an optimal capital structure while reducing the cost thereof.

In order to be able to maintain or adjust the capital structure, the Group may vary the amount of the dividends payable to shareholders, reimburse capital, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of its debt ratio, which is in line with the industry. This ratio is calculated by dividing net financial debt by total capital employed in the business. Net financial debt is calculated as follows (in thousands of euros):

	31/12/2020	31/12/2019
Long-term debts	66,222	37,287
Bank borrowings and other short-term liabilities	90,582	82,322
Cash and cash equivalents	(49,074)	(44,272)
Net financial debt (*)	**107,730**	**75,337**

(*) Lease liabilities has not been considered to the net financial debt calculation.

Total capital employed in the business is calculated as equity plus net financial debt.

The Group's strategy in the year ended 31 December 2020 led to the maintenance a debt ratio close to 0.5 and below 0.75. Debt ratios at 31 December 2020 and 2019 are as follows:

	31/12/2020	31/12/2019
Net financial debt (a)	107,730	75,337
Equity (b)	78,576	78,816
Total capital employed in the business (c) = (a+b)	186,306	154,153
Debt ratio (a/c)	**0.58**	**0.49**

13. Inventories

The detail of "Inventories" in the consolidated balance sheets as at 31 December 2020 and 2019 is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Goods held for resale	244	470
Raw materials and other supplies	16	13
Work in progress	104,576	168,598
Finished goods	78,932	-
Advances to suppliers	2,891	7
Total	**186,659**	**169,088**

Under "Goods Held for Resale" relate mainly to PV materials for installation or sale.

Under "Work in progress" the Group recognises renewable energy plants under construction or development. The detail of this line item for the years ended 31 December 2020 and 2019 is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Patents and licenses	16,412	15,013
Technical facilities	84,869	144,262
Right-of-use assets (Note 9)	3,295	9,323
Total	**104,576**	**168,598**

At 31 December, 2020 and 2019, the Group mainly recognizes as "Patents and licenses" the assets based on access rights to connection points acquired in 2020 and 2019 and described in Note 3.1.c.

As of December 31, 2020, the Group registers five renewable energy plants located in Chile for an amount of 71,035 thousand euros that will be completed and connected to the grid in 2021. These projects have indebtedness associated with credit institutions as of that date (Note 11.2).

Additionally, geographical distribution of inventories classified as "Work in progress" is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Spain	22,532	36,582
Mexico	403	107,453
Chile	77,843	21,104
USA	3,439	3,459
Italia	106	-
UK	253	-
Total	**104,576**	**168,598**

The variation in inventories in Mexico is mainly explained by the sale operation of the Mexican companies holding two photovoltaic farms carried out in fiscal year 2020 (Note 3.1.c).

Under the heading "Finished products" the Group records renewable energy plants already connected for an amount of EUR 78,932 thousand (including EUR 3,570 thousand of rights of use - Note 9), the details of which are as follows:

	31/12/2020	31/12/2019
Technical facilities	75,362	-
Right-of-use assets (Note 9)	3,570	-
Total	**78,932**	-

At 31 December 2020, the Group has three solar farms located in Spain in this situation: Planta Solar Opde 3, S.L., Planta Solar Opde 5, S.L. and Planta Solar Opde 6, S.L. The first two were connected on November 17, 2020 and the last on December 30, 2020.

In "Work in Progress" and in "Finished products", the Group recognizes the provisions for the decommissioning of the wind farms in those cases in which there is an obligation to do so. The estimated present value of these costs is recorded as a higher value of the asset with a credit to the caption "Provisions" (Note 15). At 31 December 2020, 2,300 thousand euros have been allocated under the caption "Product in progress" and "Finished product" of the renewable energy plants under construction located in Spain and Chile (1,219 thousand euros at December 31, 2019).

At 31 December 2020 and 2019 "Work in Progress" included a provision of EUR 506 and 5,138 thousand, respectively, recognised by the Group for possible impairment losses in relation to the capitalised development costs recognised with a charge to "Changes in inventories of finished goods and work in progress" in the consolidated statement of profit or loss.

The changes arising from write-downs recognised in "Changes in inventories of finished goods and work in progress" in 2020 is and 2019 as follows (in thousands of euros):

2020:

	Beginning balance	Write-downs	Amounts used	Ending balance
Write-downs of work in progress	5,138	2,711	(7,343)	506
Total	**5,138**	**2,711**	**(7,343)**	**506**

2019:

	Beginning balance	Write-downs	Reversals	Ending balance
Write-downs of work in progress	2,453	2,685	-	5,138
Total	**2,453**	**2,685**	-	**5,138**

The write-downs of work in progress carried out during the years 2020 and 2019 correspond to solar plant development work whose projects have not been successful or for which the necessary permits and licenses have not been obtained. On the other hand, in 2020 the gross value of previously impaired projects has been derecognized.

In the year ended 31 December 2020 and 2019, the Group capitalised, as an increase in the carrying amount of inventories, borrowing costs amounting to EUR 970 thousand and EUR 490 thousand respectively, attributable to the financing associated with renewable energy plants that have required a period of more than twelve months to get ready for use (see Note 11.2).

Likewise, the Group has proceeded to capitalize as a higher value of inventories during the years 2020 and 2019, personnel expenses and work carried out by third parties, mainly for the amount of EUR 6,020 and 6,019 thousand, respectively, and whose objective is the development of renewables energy projects.

At 31 December 2020, the Group had inventory purchase commitments amounting to EUR 40,465 thousand relating to renewable energy projects to be constructed in Chile (see Note 3.1). At 31 December 2019, the Group had inventory purchase commitments amounting to EUR 87,964 thousand for the construction of the renewable energy plants under construction in Spain and Chile.

The Group has taken out insurance policies to provide cover for the risks to which inventories are subject. It is considered that these policies sufficiently cover such risks.

14. Equity and shareholders' equity

14.1 Share capital

At 31 December 2020 and 2019, the Parent's share capital consisted of 211,844 fully subscribed and paid shares of EUR 10 par value each. Also, at 31 December 2020 and 2019, the distribution of the shares among the Parent's shareholders was as follows:

	Number of shares	% of ownership
Aldrovi, S.L.	89,356	42.18%
Marearoja Internacional, S.L.	89,356	42.18%
Jalasa Ingeniería, S.L.	33,132	15.64%
	211,844	**100.00%**

At 31 December 2020 the shares of the Company were not listed on any market and the Parent does not hold options or obligations over its own shares. However, during 2020 the Company's Board of Directors resolved to take certain steps to raise sufficient funds in order to undertake projects in the pipeline, which could include the admission to trading of the Company's shares through an initial public offering.

14.2 Reserves and retained earnings

The breakdown of reserves is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Legal reserve	602	602
Voluntary reserves	76,811	77,866
Total reserves of the Parent	**77,413**	**78,468**
Reserves of consolidated companies	(272)	(12,534)
Total consolidated reserves	**(272)**	**(12,534)**
Total reserves	**77,141**	**65,934**

Legal reserve

Under the Consolidated Spanish Limited Liability Companies Law, the Parent must transfer 10% of net profit for each year to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2020 and 2019, this reserve had reached the legally required minimum.

"Reserves of consolidated companies" included legal reserves corresponding to subsidiaries totalling EUR 4,570 thousand at the end of 2020 (31 December 2019: EUR 2,432 thousand).

Voluntary reserves - Dividends distributed

At the Parent's Annual General Meeting in 2020, the shareholders resolved to approve the distribution of dividends totalling EUR 1,400 thousand out of profit for 2019. At 31 December 2020, these dividends had been paid in full.

Additionally, at 14 December 2020 the Parent’s Annual General Meeting resolved to approve the distribution of dividends totalling EUR 1,400 thousand out of profit for 2019 and charged to unrestricted reserves. At 31 December 2020, the dividend had been paid in full.

At the Parent's Annual General Meeting in 2019, the shareholders resolved to approve the distribution of dividends totalling EUR 2,800 thousand out of profit for 2018. At 31 December 2019, these dividends had been paid in full.

The voluntary reserves are unrestricted as to their use.

15. Provisions and contingencies

The detail of “Provisions” in the consolidated balance sheets as at 31 December 2020 and 2019:

	31/12/2020	31/12/2019
Provision for decommissioning of farms (Notes 3.4 and 7)	384	368
Provision for bonus (Note 19.3)	284	55
Other provisions	152	82
Long-term provisions	**820**	**505**
Other provisions (Notes 13 and 19.3)	9,912	1,219
Short-term provisions	**9,912**	**1,219**

Long-term provisions:

In accordance with Directors' best estimate, the Group recognised EUR 384 thousand in 2020 for the dismantling of Italian and Spanish farms in accordance with the legislation in both countries (see Note 1) (31 December 2019: EUR 368 thousand). This provision is discounted annually and the effect on the consolidated statement of profit or loss for 2020 and 2019 is not significant.

In 2020 the Parent recognised a long-term provision of EUR 284 thousand for the strategic bonus accrued with a charge of EUR 229 thousand to "Other operating expenses" associated with the Group's senior executives (31 December 2019: EUR 55 thousand long-term provision). The remaining amount recognised under "Long-term provisions" relates to other obligations accrued to the employees of the Group's Italian companies in accordance with the legislation in that country.

Short term provisions:

Certain subsidiaries whose plants are recognised under "Inventories" (Note 13), are obliged to incur future dismantling costs when removing their facilities from their original site at the end of the concession agreement. As a general rule, when the construction period of these plants ends, the Group records a provision for the present value of the discounted future dismantled costs. Specific changes in measured dismantling liabilities will entail a modification to the cost of the corresponding asset; the asset's adjustable depreciable amount will subsequently be depreciated on a prospective basis throughout the remainder of its useful life. As of 31 December 2020, the cost of inventories includes the costs of dismantling the energy plants located in Chile and Spain for which the Group has collected amounting to 2,300 thousand euros (2019: EURS 1,219 thousand of dismantling the energy plants located in Mexico).

On the other hand, the Group has proceeded to recorded 7,612 thousand euros with a charge to the caption "Personnel expenses" of the consolidated income statement and a credit to the caption "Short-term provisions" of the consolidated current liabilities, corresponding to the bonus granted to one of the members of Senior Management (Notes 18.3 and 19.3).

16. Information on average payment period to suppliers. Second final provision of Law 31/2014 of 3 December

Detailed below is the information required by the second final provision of Law 31/2014, of 3 December which has been prepared in accordance with the resolution of the Spanish Accounting and Account Auditing Institute of 29 January 2016, on the information to be incorporated in the financial statements report in relation to the average payment period to suppliers in commercial transactions.

	2020	2019
	Days	
Average payment period to suppliers	22	27
Ratio of paid transactions	20	20
Ratio of outstanding payment transactions	39	55
	Amount (thousands of euros)	
Total payments made	78,404	126,271
Total outstanding payments	10,145	30,934

In accordance with the ICAC Resolution, for the calculation of the average period of payment to suppliers in these consolidated annual accounts, the commercial operations corresponding to the delivery of goods or services accrued from the date of entry into force have been taken into account. Law 31/2014, of December 3, although exclusively with respect to companies based in Spain consolidated by global or proportional integration.

For the sole purpose of giving the information provided for in this Resolution, suppliers are considered to be trade payables on debts with suppliers of goods or services, included in the "Trade and other payables - Suppliers" and "Trade and other payables - Other trade payables" items of the current liabilities of the balance sheet of the companies located in Spain.

"Average payment period to suppliers" is understood as the period that starts from the delivery of the goods or the provision of the services by the supplier and the actual payment of the transaction.

The maximum legal payment period applicable to the Group in 2020 according to Law 11/2013, of July 26, which establishes measures to combat late payment in commercial operations and in accordance with the transitory provisions established in the Law 15/2010, of July 5, is 30 days (unless the conditions established therein are met, which would allow the maximum payment period to be raised to 60 days).

17. Tax matters

Until December 31, 2019, the Group was taxed under the tax consolidation regime in accordance with the provisions of the Foral Law 24/1996, of December 30, of the Foral Community of Navarra, on Corporation Tax, since that was where the found the registered office of the companies in Spain (Note 1). Since the beginning of fiscal year 2020, and as a result of the change of registered office, the Parent Company and various dependent companies are taxed under the Tax Consolidation Regime, regulated in Chapter VII of Title VII of Royal Legislative Decree 4/2004, of 5 of March, and are taxed in accordance with the provisions of article 55 and following of Law 27/2014, of November 27, on Corporation Tax (LIS). The change in tax regime has not had a significant impact for the Group, the only one being the one contemplated on updating deferred tax assets and liabilities at the tax rate for which they will finally be carried out for a total amount of 55 thousand euros recorded in the financial year 2019 (Note 17.3).

Since December 30, 2010, the Parent is taxed as the Parent in consolidated tax group No. 3100047 of Value Added Tax. The Parent maintains a debtor position in relation to this tax amounting to 1,044 thousand euros with the Public Treasury (2019: EUR 2,333 thousand).

The other subsidiaries located abroad file their tax returns in accordance with the tax laws of the countries in which they are located.

17.1 Current tax receivables and payables

The detail of the current tax receivables and payables in the accompanying consolidated balance sheets as at 31 December 2020 and 2019 is as follows (in thousands of euros):

Tax receivables

	31/12/2020	31/12/2019
VAT refundable (*)	8,216	21,327
Income tax refundable (Note 17.8)	3,242	407
Total	**11,458**	**21,734**

(*) Relating mainly to VAT borne by the Chile Group companies in relation to solar PV modules and expenses assumed for the construction of the new solar power farms.

Tax payables

	31/12/2020	31/12/2019
VAT payable	848	1,347
Income tax payable	1,108	3,185
Accrued social security taxes payable	193	115
Other accounts payable to public authorities	393	117
Total	**2,542**	**4,764**

17.2 Reconciliation of the accounting profit (loss) to the taxable profit (tax loss)

The reconciliation of the consolidated accounting profit (loss) for the year to the taxable profit (tax loss) for income tax purposes is as follows (in thousands of euros):

	2020	2019
Consolidated profit (loss) for the year from continuing operations (before tax)	**(2,575)**	**14,713**
Permanent differences		
Dividends from shares of foreign companies	(19,409)	(5,690)
Exemption for the disposal of investees (*)	(359)	(5,390)
Special investment reserve	-	(8,325)
Penalties from tax audit, favourable resolutions	(1,573)	-
Temporary differences:		
Consolidation adjustments	(6,005)	(4,254)
Limitation to the deductibility of financial expenses	2,050	-
Impairment losses in Group companies (**)	10,200	1,155
Provisions (Notes 15 and 19.3)	7,612	-
Taxable profit (tax loss)	**10,059**	**(7,791)**

(*) Impairment of investments in Group companies recognized on individual basis that are not tax deductible.

(**) Result generated by the disposals of investments in Group companies held by holding companies and which are not deductible for tax purposes.

Permanent and temporary differences mainly include adjustments arising from differences between IFRS-EU and local accounting principles, the elimination of profits or losses on transactions between Group companies and adjustments related to the backlog. In 2019 various Group companies with a tax domicile similar to the Parent's filed consolidated tax returns pursuant to Navarre Income Tax Law 24/1996, of 30 December, with Opdenergy Holding, S.A. as the head of the tax group.

In the year ended 31 December 2019 the OPDE Group will avail itself of one of the tax benefits, the Special Investment Reserve, available under Navarre Income Tax Law 26/2016, of 28 December.

This Special Investment Reserve establishes the possibility of reducing taxable profit for income tax purposes by 45% of the amounts appropriated out of accounting profit for the year to a special reserve called the "Special Investment Reserve Navarre Income Tax Law of 1996”. This maximum limit of this reduction is 40% of taxable profit, subsequent to offset of any prior years' tax losses. The amounts appropriated to this reserve must total the minimum amount of EUR 50,000 in the reporting period, and the entity must increase equity compared to the prior year by the appropriated amount and maintain it at that level for the five years subsequent to the investment, unless a capital reduction is required as a result of accounting losses. The amount appropriated to the reserve must be invested in a period of two years from the end of the year in which the profit was appropriated to the reserve to acquire assets fulfilling the following characteristics:

- New items of property, plant and equipment, except for land. New shall mean entering into operation for the first time.
- The items must remain in operation at the company's facilities for at least five years, except in the event of justified losses, or for their years of useful life if less, and must not be transferred or assigned.
- The items in which investments are made must not be subject to the Special Tax on Certain Means of Transport.
- Also, the investment may be made in fixed assets built by the company, provided that the cost of the investment is sufficiently justified.

The reserve may be used by the company which appropriated the amount to the reserve or by any other company that forms part of the tax group.

In the year ended 31 December 2019 the OPDE Group will appropriate EUR 8,325 thousand to the reserve. The Group's directors expect to fulfil all the requirements under the aforementioned Navarre law as regards the maintenance of the investments.

Once the five-year period from the end of the investment period has elapsed, the corresponding amount of this special reserve may be used to offset accounting losses or to increase capital or be appropriated to unrestricted reserves.

The amount allocated to the reserve by Otros Producciones de Energía Fotovoltaica, S.L (18,489 thousand euros) has been invested by other entities of the OPDEnergy Group during 2020.

17.3 Reconciliation of the accounting profit (loss) to the income tax (expense) benefit

The reconciliation of the accounting profit (loss) to the income tax (expense) benefit is as follows (in thousands of euros):

	2020	2019
Accounting profit (loss) before tax	**(2,575)**	**14,713**
Permanent differences	(21,341)	(11,080)
Special Investment Reserve	-	(8,325)
Net taxable income	**(24,830)**	**(4,692)**
Tax charge at tax rates in force in each country	**(4,124)**	**1,652**
Deferred tax assets and liabilities recognised (*)	(590)	(187)
Recognition of tax loss carryforwards (**)	3,066	431
Derecognition of tax loss carryforwards	(557)	-
Double taxation tax credits	521	(513)
Adjustments to prior years' settlements	-	501
Adjustment of tax rate (***)	-	56
Tax losses not recognized in the year	4,738	-
Offset of tax losses	-	(2,151)
Tax credits recognised in the year	-	(55)
Other (****)	-	10
Total tax benefit (expense)	**3,054**	**(256)**

(*) Relating to deferred tax assets recorded in Spain and deferred tax assets and liabilities arising from differences between IFRS-EU and local accounting principles in Mexico, the US, Chile and Italy.

(**) The Group's administrators have decided to recognize the negative tax bases generated by Opdenergy Holding, S.A., Opde Chile SPA and Opde Italia in 2020 and 2019 considering that, in accordance with the applicable tax and accounting legislation, these assets will be recovered. Additionally, the Group has recognized EUR 1,237 thousand of negative tax bases in relation to the two favorable judicial decisions obtained (Note 17.8). It has also been decided to deactivate the negative tax bases generated by Horus Renewables Corp (USA).

(***) The tax rate applicable to the Group in Spain from 2020 onwards, following the change in registered office and tax domicile (see Note 1), will change from 28% to 25%.

(****) Relating mainly to exchange differences arising from adjustments to tax assets recognised in the consolidated balance sheet at the exchange rate prevailing at 2020 and 2019 year-end as well as other small adjustments.

17.4 Breakdown of current and deferred income tax

The breakdown of the income tax (expense) benefit is as follows (in thousands of euros):

	2020	2019
Current tax	(571)	(3,784)
Deferred tax	3,625	3,528
Total tax benefit (expense)	**3,054**	**(256)**

17.5 Deferred tax assets recognised

The detail of the deferred taxes is as follows (in thousands of euros):

	31/12/2020	31/12/2019
Temporary differences (deferred tax assets)-		
Temporary differences arising from consolidation adjustments	4,563	6,441
Provisions (Notes 15 and 19.3)	1,903	-
Non-deductible finance costs	117	423
Provisions for equity investments	71	80
Provisions for contingencies and charges	14	15
Tax loss carryforwards-	4,554	2,045
Tax credits-	753	232
Total deferred tax assets recognised	**11,975**	**9,236**

The deferred tax assets indicated above were recognised because the Group's directors considered that, based on their best estimate of the Group's future earnings, including certain tax planning measures, it is probable that these assets will be recovered.

Several group companies are involved in the construction of solar power plants that the Group has recognised under "Inventories" at 31 December 2020 and 2019 (Note 13). The unrealised gains on these transactions are eliminated, thereby giving rise to a tax effect on these unrealised gains that are mainly recovered in the year in which the sale occurs of the ownership interests of the subsidiaries who own those plants or from their depreciation.

The deferred tax assets for negative tax bases and deductions that the company has recorded at the close of fiscal year 2020, basically correspond to deductions and tax bases from Spanish and Chilean construction companies that, due to the nature of their activity and ownership of renewable energy plants, they have a long-term business plans that offers high visibility regarding the income that will be obtained in the future.

Said tax assets have been recorded considering the recoverable amounts of tax bases and deductions arising from said business plans, which mainly consider the following key variables:

- Energy sale price: prices based on PPA contracts in the case of fixed-price contracts, or estimates based on independent experts' valuations in the case of variable prices, all considering the maintenance of the frameworks regulatory.
- Forecast revenues during the life of the plants, estimated between 25 and 30 years.
- Energy production (MW) estimations, based in historical data recorded in the areas where the plants are located, corrected for the expected degradation of the solar panels.

According to Group´s Management estimations, tax loss carryforward losses and deductions will be recovered in a period of 7-10 years depending on the country of origin.

Tax loss carryforwards recognised

The detail of the last years for offset of the tax losses recognised in the accompanying consolidated balance sheet as at 31 December 2020 and 2019 is as follows (in thousands of euros):

Year incurred	Total tax payable	Tax loss carryforwards by country (tax payable)				
		Spain	México	Chile	Spain	Italia
2009	95	95	-	-	-	-
2013	1,237	1,237	-	-	-	-
2014	13	-	-	-	-	13
2015	10	-	-	-	-	10
2016	111	-	-	111	-	-
2017	413	-	-	381	-	32
2018	438	-	-	438	-	-
2019	504	-	-	440	-	64
2020	1,733	988	82	604	-	59
TOTAL	**4,554**	**2,320**	**82**	**1,974**	**-**	**178**

The foregoing tax losses relate mainly to Opdenergy Holding, S.A., Otras Producciones de Energía Fotovoltaica, S.L., Inversiones Solares del Altiplano, S.r.l. de C.V., Opde Chile SPA, Horus Renewables Corp., Opde Puglia, S.r.l., OPDE Italy S.r.l. and Opdenergy Italia, S.r.l. The last years for deduction of these tax losses, in accordance with the legislation in force in each country, were as follows:

	Last year for deduction
Spain	No time limit applied
Mexico	10
Chile	No time limit applied
Italy	No time limit applied

Tax credits recognised

At 2020 year-end, the tax credit carryforwards recognised in the consolidated balance sheet related to tax credits generated by Almaraz Fotovoltaica XXXIV, S.L., Sociedad Ibérica de Generación de Energía XVI, S.L. and Sociedad Ibérica de Generación de Energía XVII, S.L., for which the last year for deduction is as follows (in thousands of euros):

	Thousands of euros		
	Year incurred	Tax payable	Last year for deduction
Tax credits-			
Tax credits under standard regime	2008	82	2023
Tax credits under standard regime	2009	150	2024
Tax credits under double tax	2020	521	No time limit applied
Total		**753**	

17.6 Deferred tax liabilities recognised

The detail of the deferred tax liabilities is as follows:

	Thousands of euros	
	31/12/2020	31/12/2019
Temporary differences (unearned revenues)-		
Temporary differences arising from consolidation adjustments	517	385
Derivates	942	-
Other	188	21
Total deferred tax liabilities recognised	**1,647**	**406**

17.7 Deferred tax assets not recognised

The Group did not recognise certain deferred tax assets in the consolidated balance sheet because it considered that the requirements in the applicable accounting legislation regarding the probability of their future recoverability were not met. The detail of these unrecognised assets is as follows:

Tax loss carryforwards

Year incurred	Thousands of euros			
	Total tax payable	Spain (*)	Italy	Mexico
2009	137	137	-	-
2011	1	-	1	-
2012	3	-	3	-
2013	56	-	16	40
2014	62	-	20	42
2015	45	-	8	37
2016	89	-	15	74
2017	126	-	2	124
2018	908	-	-	908
2019	1,616	-	-	1,616
2020	14		14	-
TOTAL	**3,057**	**137**	**79**	**2,841**

(*) *Tax loss carryforwards incurred by companies filing consolidated tax returns in accordance with Navarre tax legislation prior to the creation of the consolidated tax group. These amounts may only be offset at stand-alone company level.*

Temporary differences

Year incurred	Total projected investment (thousands of euros)
2014	33
2015	22
2016	18
2017	27
2018	21
2019	7
2020	2
TOTAL	**150**

All the temporary differences included in the foregoing table relate to temporary differences arising from the limitation on the deductibility of finance costs at Opde Puglia, S.R.L. and Opde Solare S.R.L.

17.8 Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. Also, in accordance with current legislation, the entitlement of the tax authorities to perform a tax audit of the tax bases or tax charges offset or yet to be offset or tax credits deducted or not yet deducted will become statute-barred ten years after the day following that on which the legally stipulated period for filing the tax return relating to the year or tax period in which the right to offset such tax bases or to deduct such tax credits arose ends.

In the case of the Spanish companies, at 2020 year-end the Group had all years since 2016 open for review for income tax and for the other taxes applicable to it. However, on 3 July 2015 a tax audit commenced of the years 2010 and 2013 relating to income tax, and, in particular, with respect to the venture promotion companies (SPEs), the tax regime applicable to the Group companies Opdenergy Holding, S.A. and Otras Participaciones Industriales, S.L.

Also, in July 2014 SPE tax regime audits commenced at the Group companies Opdenergy Holding, S.A., Opde Participaciones Industriales, S.L., Otras Producciones de Energía Fotovoltaica, S.L. and the company that was excluded from the Group in 2014, Proyectos Integrales Solares, S.L. The purpose of the tax audit was to review compliance with legal requirements, the activities carried on and the tax benefits taken by the Parent and Opde Participaciones Industriales, S.L. as SPEs in the years from 2010 to 2013. The audit also reviewed the tax benefits taken by Otras Producciones de Energía Fotovoltaica, S.L. and Proyectos Integrales Solares, S.L. as shareholders of the SPE. In accordance with the last tax assessment of the Tax Department of the Navarre Autonomous Community Government of 3 February 2017, the Parent, as the representative of the OPDE tax group, was required to pay EUR 4,039 thousand, for the following items, the full amount of which would be assumed by the Opde Group:

	Total tax audit	Opdenergy Holding, S.A.	Other Group companies
Refund of tax credits (taxable amount)	1,900	1,200	700
Interest payable	488	309	179
Penalties	1,651	950	701
Total	**4,039**	**2,459**	**1,580**

The Group recognised the penalties amounting to EUR 1,651 thousand with a charge to "Other income and expenses" in the consolidated statement of profit or loss for 2016. The interest amounting to EUR 488 thousand was recognised with a charge to "Finance costs" in the consolidated statement of profit or loss for 2016. Lastly, the refund of the tax credits in the tax charge was recognised with a charge to "Income tax" in the consolidated statement of profit or loss for 2016.

On 9 March 2017, the Parent paid EUR 2,388 thousand relating to the refund of the tax credits and interest, and the remaining amount of EUR 1,651 thousand was settled on 16 January 2019. Accordingly, at 31 December 2019, no amount was outstanding for payment in relation to the tax audit that commenced in July 2014.

The Parent's directors were in total disagreement with this assessment and, accordingly, filed an appeal to the Navarre Economic-Administrative Tribunal. On 16 January 2019, the Parent paid EUR 1,651 thousand to the Tax Department of the Navarre Autonomous Community Government in relation to the penalty payable for the tax audit that commenced in July 2014. This amount was recognised under "Debts with Public Entities – Other debts with Public Entities" in the consolidated balance sheet as at 31 December 2018 (Note 17.1). However, on 5 February 2019 the Parent filed an appeal to the Navarre Judicial Review Court as the Parent's directors consider that there are expectations as regards the possibility of recovering the tax credits, interest and penalties paid by the SPE in relation to the tax audit carried out.

In this connection, on 11 March 2020 the Navarre Judicial Review Court ruled partially in favour of the Parent's claims, which would give rise to the recognition of tax losses for the tax Group amounting to EUR 7 million and the partial refund of the penalties previously imposed amounting to EUR 701 thousand. Both the Tax Department of the Navarre Autonomous Community Government and the Parent, for the parts of sentence that were not in their favour, subsequently lodged appeals against this ruling.

Finally, on November 20, 2020, the appeal is resolved, again partially ruling in favor of the Parent Company's claims, which would mean a recognition of negative tax bases for the Tax Group in the amount of 5 million euros and the reimbursement of the penalty previously imposed in the amount of 1,651 thousand of euros plus interest in the amount of 160 thousand of euros. This resolution is susceptible to a cassation appeal by any of the parties.

As of 31 December 2020, based in the two favourable resolutions previously obtained in the different courts during 2020 and according to their legal advisors, the Group Management has considered that the resolutions will not be appealed by Tax Authorities and estimate that the resolution was virtually certain. In this sense, the Group recognized a current tax asset amounting to 1,651 thousand of euros, recognized in "Other income and expense" of the consolidated statements of profit and losses for the year ended 31 December 2020, and deferred tax assets amounting to 1,237 thousand euros, approximately.

At 19 January 2021, the cassation period concluded without appealing of Tax Authorities, becoming firm the sentence made by the High Court of Justice of Navarre as of 20 November 2020.

In addition, in view of the varying interpretations that can be made of the tax legislation applicable to the transactions carried out by the Parent, additional contingent tax liabilities might arise which cannot be objectively quantified. However, the Parent's directors consider that the possibility of such contingent liabilities arising is remote and, in any case, the tax charge that might arise therefrom would not materially affect these consolidated financial statements.

Also, in the opinion of the Group's directors and their tax advisers, the system for determining transfer prices is adequately designed and supported for the purposes of complying with the applicable tax legislation and, accordingly, the directors consider that there are no material risks in this connection that might give rise to significant liabilities for the Group in the future.

18. Income and expenses

18.1 Revenue

The breakdown, by geographical area, of the Group's revenue from continuing operations is as follows:

	2020	2019
Spain	6%	96%
Rest of Europe	2%	3%
Rest of the world	92%	1%
	100%	**100%**

The breakdown, by business line, of the Group's revenue for 2020 and 2019 is as follows:

	2020	2019
Sales of development of solar PV plants	4%	8%
Sales of construction of solar PV plants	-	71%
Services received	1%	1%
Sales of companies owning solar PV plants (Note 3.1)	87%	17%
Sale of energy and other	8%	3%
	100%	**100%**

The main transactions carried out by the Group in the years 2020 and 2019 are mainly the sales of companies holding solar plants in Mexico and Spain (Note 3.1.c) that cease to be part of the Group, the sale to third parties of mainly consistent developments in licenses and connection rights to nodes, contracts for the construction of photovoltaic plants made to third parties in Spain (Note 19.1) and the sale of energy from the connected plants that the Group maintains in Spain and Italy.

18.2 Raw materials and consumables used

The detail of "Raw materials and consumables used" in the consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Purchases	58,360	220
Changes in inventories (Note 13) (*)	(223)	(119)
Work performed by other companies	69,762	172,671
Impairment of raw materials and other supplies	-	6
Total	**127,899**	**172,778**

(*) Exclusive variation of inventories not related to solar PV plants

The breakdown of "Changes in inventories of finished goods and work in progress" distributed by geographical areas in the consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Spain	63,603	12,103
Italy	106	-
Mexico	(106,018)	50,593
UK	253	-
Chile	57,529	3,277
USA	(20)	478
	15,453	**66,551**

18.3 Employee benefits expense

The detail of "Employee benefits expense" in the accompanying consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Wages, salaries and similar expenses (*)	14,198	4,958
Termination benefits (Note 3.13)	422	37
Employee benefit costs	1,216	743
Other	97	-
	15,933	**5,738**

(*) Including the staff costs of employees of the Group company Inversiones Solares del Altiplano S.R.L. de C.V. (Mexico), which, strictly speaking, due to the type of contract used for employees in that country, should not be considered as employees of the Group.

As indicated in Note 19.3, the Group assumed a long-term variable remuneration obligation with certain employees based on the achievement of certain objectives. Also, the caption "Employee benefits expense" includes a bonus for liquidity events granted to one of its members of Senior Management, which has been recorded in fiscal year 2020 (Notes 15 and 19.3).

The average number of employees, by category, in 2020 and 2019 was as follows:

	No. of employees	
	2020	2019
Managers (*)	6	7
Graduates, line personnel and clerical staff	81	62
Skilled and manual workers	1	1
	88	**70**

(*) The Group include as Managers the members of Group´s Manager Committee.

At 31 December 2020 and 2019 the Group's workforce includes one employee with a disability.

Also, the Group's headcount at 31 December 2020 and 2019, by gender and category, was as follows:

	2020			2019		
	Men	Women	Total	Men	Women	Total
Managers (*)	6	1	7	6	1	7
Graduates, line personnel and clerical staff	78	29	107	55	21	76
Skilled and manual workers	-	1	1	3	-	3
	84	**31**	**115**	**64**	**22**	**86**

18.4 Other operating expenses

The detail of “Other operating expenses” in the accompanying consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	Thousands of euros	
	2020	2019
Leases and charges (Note 9)	590	60
Repair and maintenance	191	101
Independent professional services	4,467	3,388
Transport	8	12
Insurance premiums	511	346
Bank charges and costs of guarantees	203	60
Advertising, publicity and public relations	64	66
Supplies	41	11
Other operating expenses	883	1,829
	6,958	**5,873**

Since the OPDEnergy Group has been increasing its volume of operations through the development and construction of renewable energy plants, it has required numerous services by legal and accounting consultants, notaries, property recorders, etc. that increase the costs in the caption "Independent professional services". Additionally, in order to support its ongoing projects, higher expenses were also incurred for accommodation, diets and transport, among others and recognized in the "Other operating expenses" caption.

18.5 Finance income

The detail of "Finance income" in the accompanying consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Financial instruments measured at amortised cost-		
Deposits, guarantees and others:		
- Group Companies and associates	856	-
- Third parties (Note 11.1)	506	249
	1,362	**249**

18.6 Finance cost

The detail of "Finance cost" in the accompanying consolidated statement of profit or loss for 2020 and 2019 is as follows (in thousands of euros):

	2020	2019
Financial instruments measured at amortised cost-		
Borrowings from credit institutions	(2,116)	(1,405)
Debt instruments and other marketable securities	(4,706)	(1,412)
Lease liabilities	(816)	(819)
	(7,638)	**(3,636)**

19. Related party transactions and balances

19.1 Related party transactions

The detail of the transactions performed with related parties in 2020 and 2019 is as follows (in thousands of euros):

2020

	Revenue from sales and services
Associates:	
Renter Gestiones, S.L.	577
Planta Solar OPDE la Fernandina, S.L.	198
Planta Solar OPDE Extremadura 2, S.L.	192
Planta Solar OPDE Andalucía 1, S.L.	219
Infraestructura Energética del Norte, S. de R.L. de C.V.	212
Energía Solar de Poniente, S. de R.L. de C.V.	353
	1,751

2019:

	Revenue from sales and services
Associates:	
Renter Gestiones, S.L.	634
Planta Solar OPDE la Fernandina, S.L.	33,170
Planta Solar OPDE Extremadura 2, S.L.	33,594
Planta Solar OPDE Andalucía 1, S.L.	33,526
	100,924

At 31 December, 2020, the revenue associated with the solar PV plants related to photovoltaic solar plants corresponds to the operation and maintenance works carried out by OPDE O&M, S.L. for the Spanish solar parks and Inversiones Solares del Altiplano S. L. de R. L. de C. V. for the Mexican solar parks. These revenues have been recognized in accordance with the operation and maintenance contracts signed between the operators and the customers

At 31 December, 2019 the revenue associated with the solar PV plants relates to the "turnkey" agreements signed by Otras Producciones de Energía Fotovoltaica, S.L., as the contractor, with each of the foregoing companies for the provision of supply, assembly, development, construction and start-up services for three solar PV farms. Revenue was recognised in accordance with the terms and conditions indicated in the aforementioned agreements and based on the delivery milestones set for each of the projects.

The services provided related mainly to the maintenance work carried out at the Almaraz farm in Extremadura, whereas services received related mainly to maintenance work performed at renewable energy plants.

Transactions were also carried out with companies related to directors of the Parent corresponding to management services provided by those companies in 2020 and 2019, amounting to EUR 241 thousand and EUR 233 thousand respectively, which was recognised with a charge to "Other operating expenses" in the accompanying consolidated statement of profit or loss for 2020. The detail is as follows (in thousands of euros):

	2020	2019
Aldrovi, S.L.	78	71
Jalasa Ingeniería, S.L.	82	77
Marearoja Internacional, S.L.	81	85
Total	**241**	**233**

The amounts previously broken down include the charges for the procedures inherent to their work as Group Directors. Note 19.3 includes details of the additional obligations acquired with certain directors and executives of the Parent.

19.2 Related party balances

The detail of "Related party balances" at 31 December 2020 and 2019, is as follows (in thousands of euros):

31/12/2020:

	Loans granted long term	Trade receivables from associates and related companies	Loans granted short term
Associates:			
Renter Gestiones, S.L.	-	24	-
Planta Solar OPDE la Fernandina, S.L.	2,001	114	116
Planta Solar OPDE Extremadura 2, S.L.	1,999	109	-
Planta Solar OPDE Andalucía 1, S.L.	2,018	122	41
Infraestructura Energética del Norte, S. de R.L. de C.V.	11	82	104
Energía Solar de Poniente, S. de R.L. de C.V.	366	130	331
	6,395	**581**	**592**

31/12/2019:

	Loans granted	Trade receivables from associates and related companies
Associates:		
Renter Gestiones, S.L.	129	363
Planta Solar OPDE la Fernandina, S.L.	1,889	3,116
Planta Solar OPDE Extremadura 2, S.L.	1,905	3,161
Planta Solar OPDE Andalucía 1, S.L.	1,624	4,550
	5,547	**11,190**

"Loans granted" relates mainly to the subordinated loan agreements entered into with each of the associates (see Note 11.1). The purpose of these loan agreements is to finance in part the design, construction and operation of the renewable energy plants. The balances have been drawn down against several loan agreements maturing on 1 January 2036. The loans bear interest at an annual rate of 8% which, under the terms of the agreements, are capitalised on the related due dates as an addition to the principal, which will give rise to further interest in the following period. The loan agreements establish that the subordinated loans will be repaid in a single payment on the maturity date. However, pursuant to the loan repayment terms and conditions, they may be repaid early by the solar PV plant holding companies every year in full or in part if certain conditions are met.

On the other hand, the accounts receivable recorded under the heading "Trade receivables from associates and related companies" in the consolidated balance sheet relate mainly correspond to the amount receivable at the end of the fiscal year corresponding to the operation and maintenance service contracts subscribed by Opde O&M, SL (for the plants in Spain) and Inversiones Solares del Altiplano S. de R.L. de C.V. (head offices in Mexico), as service provider, with each of the companies indicated (see Note 19.1).

19.3 Remuneration of Group directors and senior executives

Remuneration paid to members of the Board of Directors

The members of the Parent's Board of Directors did not earn or receive any remuneration in 2020 or 2019, except as indicated below. Also, the Group had not granted any advances or loans to the directors and it did not have any pension, retirement bonus or special termination benefit obligations to them.

For information purposes, it is hereby disclosed that the shareholders, Aldrovi, S.L., Jalasa Ingeniería, S.L. and Marearoja Internacional, S.L. are companies related to three members of the Board of Directors and provide and invoice services to the Parent. All the foregoing companies provide services to the Parent in accordance with the signed contracts (see Note 19.1).

In addition, the Group has taken out a third-party liability insurance policy for its directors the cost of which amounted to EUR 24 thousand in 2020 (2019: EUR 23 thousand).

Remuneration of senior executives

In 2020 and 2019 the remuneration earned by senior executives amounted to EUR 1.117 thousand and EUR 711 thousand, respectively.

Also, the Group acquired obligations to certain executives of the OPDE Group consisting of the recognition of additional variable remuneration amounting to EUR 284 thousand under "Long-term provisions" in the accompanying consolidated balance sheet, which will be payable in 2021 (2019: EUR 55 thousand) (Note 15).
Additionally, in 2017 the Group entered into an agreement with a member of senior management in the event of a liquidity event (defined as a transaction in which an external valuation of the parent company's shares or of its subsidiaries is necessary, including, among others, a capital increase operation). In case of such event takes place, the senior manager will receive a variable remuneration, consisting of 2% of the difference between the Group's Valuation (defined as the Group's equity after the liquidity event occurs, plus the sum of all profit distributions made by the Group since December 31, 2016) and the Threshold Value (defined as the amount of the Group's equity at December 31, 2016 plus certain adjustments amounting to 8.4 million euros). As stated in the agreement, the variable remuneration will be settled in cash.

From 2017 to 2019, there was no liquidity event that could lead to the achievement of said remuneration. In the same way, during those years, Directors of the Parent considered remote the possibility of an event of this type, so no provision was recorded in the consolidated financial statements. However, at the end of fiscal year 2020, the Parent has begun the necessary actions for a future issue of shares in the Spanish Stock Market in fiscal year 2021, also hiring specialized advisers for said operation. Consequently, in view of the probable attainment of said liquidity event, the Group's Administrators and Management have proceeded to carry out, in accordance with the best information available at the date of preparation of these consolidated financial statements, an estimate of the amount to be paid as a result said agreement, proceeding to record a provision for the amount of 7,612 thousand euros under the caption "Employee benefits expense" of the in the accompanying consolidated statement of profit or loss and with a credit to the caption "Short-term provisions" in the accompanying consolidated balance sheet to December 31, 2020.

Said estimate of the amount to be disbursed has as its main hypothesis the increase in equity capital increase that would occur as a result of the issuance of shares in the Spanish Stock Market. The sensitivity analysis to an increase or decrease in the funds obtained in said issue in the Spanish Stock Market would imply a decrease in the provision of 948 miles of euros if the planned capital increase were less than 50 million euros and an increase of 948 thousand euros in the event that the capital increase is greater than 50 million euros.

19.4 Information on situations of conflict of interest of Directors (article 229 of the Capital Companies Act)

At the close of fiscal year 2020, neither the Company Directors nor the persons related to them, as defined in article 231 of the Consolidated Text of the Capital Companies Act, have communicated to the Shareholders' Meeting any situation of conflict, direct or indirect, that they may have in the interest of the Parent.

20. Information on the environment

In the overall conduct of its operations the Group takes into account the laws relating to protection of the environment (“environmental laws”). The Group considers that it is substantially complying with these laws and that it has procedures in place to foster and guarantee compliance therewith.

The Group adopted the appropriate measures in relation to environmental protection and enhancement and the minimisation, as appropriate, of its environmental impact, and is complying with current environmental legislation. In 2020 and prior years, the Group did not make any investments of an environmental nature or incur expenses for the protection and improvement of the environment, also, the Group did not consider it necessary to recognise any provision for environmental contingencies or charges since there are no contingencies relating to environmental protection and improvement or any liability of an environmental nature.

21. Other disclosures

21.1 Contingencies

Contingent liabilities

The Group does not have any contingent liabilities due to litigation arising from the ordinary course of business which are expected to give rise to significant liabilities.

Bank guarantees

At 31 December 2020, the Group had provided guarantees to third parties in relation to the development and construction of solar PV facilities amounting to EUR 25.5 million, CLP 2,086 million (2.4 million euros), USD 35.7 million (EUR 29.1 million) (EUR 23 million, GBP 0.2 million (EUR 0.2 million), MXN 153 million (EUR 7.2 million), CLP 1,993 million (EUR 2.5 million), USD 14 million (EUR 12.5 million) as of December 31, 2019, respectively), relating mainly to guarantees for provisional receipt of the solar PV facilities built, guarantees provided to municipal councils for work to be or already performed and guarantees submitted for the tenders awarded.

Also, the Group has recognised deposits and term deposits under "Current financial assets - Other financial assets" and "Non-current financial assets - Other financial assets" which are pledged to secure bank guarantees amounting to EUR 354 thousand, respectively (2019 year-end: EUR 1,382 thousand).

In 2020 and 2019 the Parent took out surety insurance for a maximum of EUR 142,139 thousand and EUR 155,589 thousand respectively.

21.2 Guarantees

Guarantees in agreements for sale and execution of solar PV facilities (turnkey)

The Group guarantees to remedy the flaws or defects in the execution and completion of the projects for the construction of the solar PV plants, provided that they are directly allocable thereto, for a period of two years from the final delivery date of the solar PV plant.

The guarantee assumed by the Group with respect to the products and materials supplied by it for the construction of the plants shall be covered by and limited to the warranty provided by the manufacturers of those materials. In addition, the Group offers the assembly guarantee, although at the date of this report, no warranty expenses had been incurred (Note 3.15).

At 31 December 2019, 2018 and 2017, the Group had not recognised any provisions for this warranty given that there is no historical experience in this connection and it is considered that the manufacturers' warranties for the components used by the Group would provide adequate cover for any incident.

21.3 Audit fees

During financial year 2020 , the fees related to the account audit services and other services provided by the auditor of the Group's consolidated annual accounts, Deloitte, S.L., and by companies belonging to the Deloitte network, as well as the fees for services billed by the auditors of the individual annual accounts of the companies included in the consolidation and by the entities linked to them by control, common ownership or management have been the following (in thousands of euros):

2020

	Thousands of euros
Audit services	165
Other verification services	189
Total audit and related services	**354**
Tax advisory services	86
Other services	127
Total professional services	**213**

2019

	Thousands of euros
Audit services	90
Other verification services	-
Total audit and related services	**90**
Tax advisory services	34
Other services	44
Total professional services	**78**

22. Earnings (or losses) per share

22.1 Basic

The basic earnings (or losses) per share from continuing operations for the years ended 31 December 2020, 2019 is as follows:

	Thousands of euros	
	2020	2019
Profit/(loss) attributable to shareholders of the Parent	479	14,457
Weighted average number of ordinary shares outstanding	211,844	211,844
Basic earnings per share	**0.002**	**0.07**

Basic earnings per share are calculated by dividing the profit attributable to the Parent's shareholders by the weighted average number of ordinary shares outstanding during the year (Note 14).

21.2 Diluted

There are no agreements that give rise to a dilution of earnings per basic share calculated as described in the above paragraph.

23. Events after the reporting period

As mentioned in Note 2.5, the health crisis caused by the international expansion of Coronavirus COVID-19 and various restrictions decreed by the Government of Spain to face this situation are still in force, with uncertainty about its consequences, in the short, medium and long term, as detailed in that note.

On February 12, 2021, OPDEnergy Group´s Management presented a non-binding offer to acquire 80% of the associated companies Planta Solar Opde la Fernandina, S.L., Planta Solar Opde Extremadura 2, S.L. and Planta Solar Opde Andalucía 1, S.L. The total sale price offered amounts to 42 million euros for 80% of the shares owned by Marguerite Solar Spain, S.L.U. and the shareholder loans granted to the companies. The closing date of the agreement, subject to the acceptance of the parties, as well as the authorization of credit institutions that granted the project finance associate to the solar farms, was March 23, 2021.

Additionally, OPDEnergy Group´s Management completed the process of refinancing the contract of the two financing facilities based on bonds in order to obtain the necessary funds to undertake the acquisition operation of 80% of the shares of Planta Solar Opde la Fernandina, S.L., Planta Solar Opde Extremadura 2, S.L. and Planta Solar Opde Andalucía 1, S.L. The new financing agreement, establishes the cancellation of the existing financing for a nominal amount of EUR 67,510 thousand (Note 11.2) including commissions that amount to 2% of said nominal amount, in exchange for obtaining a new line of financing for bonds up to 140 million euros with a maturity of 30 months, an initial disposal of 114.5 million euros with an original issue discount of 2% over the nominal amount and a 0% Euribor interest rate with floor. Said refinancing agreement was subject to the successful completion of the purchase transactions of the companies and was closed on March 24, 2021.

On February 2021, the Company has awarded an IPO bonus to certain members of the senior management whose accrual is conditioned to the completion thereof in 2021. The aggregate gross amount will be EUR 505 thousand and it will be settled as soon as reasonably practicable thereafter in cash.

On March 17, 2021, the extraordinary and universal general meeting of shareholders of the Parent Company has agreed to modify the Board of Directors, ceasing previous Directors and appointing a new Board of directors composed by seven members. The appointment of four members are conditional upon admission in the Spanish Stock Exchange. Likewise, at the same meeting, it was agreed to double the number of shares of the Parent Company by reducing their nominal value from 10 to 0.02 euros per share, at a rate of 500 new shares for each old share, without variation of amount of the share capital, being represented by 211,844 shares to 105,922,000 shares.

Additionally, the OPDEnergy Group approved on March 17, 2021, a long-term incentive plan for a limited number of members of the Group's senior management. The purpose of this plan is to motivate and reward the executives appointed by the administrators of the Parent Company, allowing them to be part of the Group's long-term value creation. In this sense, the plan will only be considered approved if the IPO is carried out and would consist on the award with a number of shares to be determined by the Board of Directors in accordance with a series of conditions currently to be determined.

The main characteristics of the plan, which will come into effect on January 1, 2021, are the following:

- Vesting period will begin on January 1, 2021 and will end on December 31, 2023.
- Shares will be granted 365 days after the end of the vesting period and will be vested after compliance, at the expiration of the vesting period, of the following conditions:
    - Necessary condition of permanence in the employment by the participant;
    - Performance conditions. The number of shares to be delivered to each of the participants will be determined based on the performance of each of them, as well as, the gradual achievement of certain performance ratios of the Group, associated with the Total rate of return for the shareholder, EBITDA and Backlog achievement rate.

      These performance ratios will be calculated as of December 31, 2023.

The incentive plan will be considered an equity-settled plan and therefore its registration will affect the “Employee benefits expense” caption with a counterpart in the Group's equity. The total gross amounts to be delivered in MIP Shares to all MIP Participants upon completion of the MIP Total Term pursuant to the Management Incentive Plan amounts to 15,124 thousand euros (on a maximum over-performance scenario) and EUR 8,643 thousand (on a target scenario).

No subsequent events took place that might have an effect on the consolidated annual accounts for 2020 other than the events described above.

24. Explanation added for translation to English

The 2020 Audited Consolidated Annual Accounts have been translated to English from Spanish, and in case of any discrepancy between the Spanish language version and the English language version, the former shall prevail.

Appendix I.A – Subsidiaries and associated companies – December 31, 2020

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Opdenergy, S A.U. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Holding company activities	100%	Global integration	Opdenergy Holding, S.A.
OPDE Participaciones Industriales, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Development and bussiness promotion	100%	Global integration	Opdenergy, S.A.U.
Otras Producciones de Energía Fotovoltaica, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Manufacture and sales of solar trackers	100%	Global integration	Opdenergy, S.A.U.
P.V. Integral Management, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Provide services	100%	Global integration	OPDE Participaciones Industriales, S.L.
Planta Solar OPDE Andalucía 2 S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE Andalucía 3 S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE Extremadura 1 S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE La Calahorra S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE Palomarejo, S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 1. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 2. S. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 3. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 5. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 6. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 7. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 8. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 10. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 11. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 12. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 13. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 14. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 15. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 16. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 17. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 18. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 19. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 20. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 21. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 22. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 25. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 26. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 27. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 28. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 29. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 30. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 31. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 32. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 33. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 34. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 35. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 36. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 37. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 38. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 39. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 40. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 41. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 42. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 43. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 44. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 45. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 46. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 47. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 48. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 49. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 50. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 51. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 52. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 53. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 54. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 55. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 56. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 57. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 58. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 59. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Planta Solar OPDE 60. S.L. (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
OPDE Extremadura, S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Participaciones Industriales, S.L.

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
Ribaforada 10 S.r.l. - (VIA GOETHE 24. Merano (BZ) – Italia)	Energy sales	100%	Global integration	Opdenergy Holding, S.A.
Sociedad Ibérica de Generación de Energía Fotovoltaica XVI (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Grupo Valsingula, S.L. - ((C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	Opdenergy Holding, S.A.
Sociedad Ibérica de Generación de Energía Fotovoltaica XVII (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Opde Sur, S.A. (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Opdenergy Holding, S.A.
Opde Levante, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Participaciones Industriales, S.L.
OPDE Solare, S.r.l. - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Italy, S.r.l.
OPDE Puglia, S.r.l. - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Energy sales	100%	Global integration	OPDE Solare, S.r.l.
Solare Puglia, S.r.l. - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Energy sales	100%	Global integration	OPDE Solare, S.r.l.
Almaraz Fotovoltaica XXXIV, S.L. (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
OPDE Italy, S.r.l. - (CORSO VITTORIO EMANUELE II, 111 - Torino - Italia	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Opdenergy Holding, S.A.

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Almaraz Fotovoltaica XXXIX, S.L. (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.11. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.12. S.L - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.13. S.L - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Tordesillas Solar F.V.14.S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.15. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.16. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Tordesillas Solar F.V.17. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.18. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.19. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Almaraz Fotovoltaica XL, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Almaraz Fotovoltaica XLI, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Aragonesa de Iniciativas Sostenibles III, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Turolense de Iniciativas Sostenibles IV, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Exploitation of PV plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
GSB Gamma 2 a 20. S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
GSB Iota 2 a 20. S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	100% Otras Producciones de Energía Fotovoltaica
GSB Kappa 2 a 20. S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
GSB Lambda 2 a 20. S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
GSB Omicron 2 a 20. S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Gamma Solar S De Rl De Cv - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
Garambullo Solar S De Rl De Cv - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
GSB Omega 2 a 20. S.L. - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Lambda Solar S De Rl De Cv - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (84%) Aragonesa de Iniciativas Sostenibles III, S.L. (16%)
OPDEnergy Riverstone LP - (3400 One First Canadia Plance, 100 King Street West, Toronto, Ontario, M5X 1A4, Canada)	Promotion of renewable energy plants	20%	Equity method	Otras Producciones de Energía Fotovoltaica, S.L. (8520%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
Theta Solar S De Rl De Cv - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Integración global	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
Opde O&M , S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Opdenergy, S.A.U.
Opde Development, S.L. - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Production of other types of electrical energy	100%	Global integration	Opdenergy Holding, S.A.
INVERSIONES SOLARES DEL ALTIPLANO, S.R.L. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Aragonesa de Iniciativas sostenibles S.L. (62%) Turolense de Inversiones Sostenibles S.L. (39%)
ELECTRICIDAD FOTOVOLTAICA ARGENTUM, S.R.L. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
INVERSIONES Y PROMOCIONES SOLARES DEL CENTRO, S.R.L. DE C.V - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
SOLEIL FOTOVOLTAICA, S.A.P.I. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
INFRAESTRUCTURA ENERGÉTICA DEL OESTE, S.A.P.I. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
PROMOCION FOTOVOLTAICA VALLADOLID, S.A.P.I. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
SOLAR DE LA SIERRA, S.A.P.I DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
ENERGÍA FOTOVOLTAICA MIRAFLORES, S.A.P.I. DE C.V. - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (84%) Tordesillas Solar F.V. 16 S.L. (15%) Lambda Solar S.R.L. (1%)
INFRAESTRUCTURA SOLAR OMICRON SAPI DE CV - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
INFRAESTRUCTURA SOLAR KAPPA SAPI DE CV - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (84.95%) Turolense de Iniciativas Sostenibles IV, S.L. (15.05%)
INFRAESTRUCTURA SOLAR SIGMA SAPI DE CV - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
INFRAESTRUCTURA SOLAR EPSILON SAPI DE CV - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
ENERGIA SOLAR OMEGA SAPI DE CV - (Calle Darwin, 74, interior 301. Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Aragonesa de Iniciativas Sostenibles IV, S.L. (15%)
Opde UK, limited - (Pol. Ind. Santos Justo y Pastor s/n. 31510 Fustiñana - Navarra – España)	Construction of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
HORUS RENEWABLES CORP - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Horus Central Valley Solar 1 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus Central Valley Solar 2 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus Thousand Palms Solar 1 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus North Carolina 0 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus North Carolina 1 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 3 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 4 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 5 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 6 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 7 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Horus North Carolina 8 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus South Carolina 0 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWAABLES CORP
Horus South Carolina 1 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 2 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 3 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 4 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 5 LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
HORUS FLORIDA 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS FLORIDA 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS FLORIDA 0. LLC
HORUS GEORGIA 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS GEORGIA 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS GEORGIA 0. LLC
HORUS NEW YORK 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS NEW YORK 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0. LLC
HORUS NEW YORK 2. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0. LLC
HORUS NEW YORK 3. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0. LLC
HORUS NEW YORK 4. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0. LLC

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
HORUS LOUISIANA 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP.
HORUS LOUISIANA 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 2. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 3. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 4. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 5. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 6. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 7. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
HORUS LOUISIANA 8. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0. LLC
OPDE CHILE SPA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Construction of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
ADITYA SOLAR SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
EUCALIPTO SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA
LINGUE SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA
LITRE SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
OPDEnergy GENERACIÓN SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
AUSTRIAN SOLAR CHILE UNO SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDEnergy Generación SpA
RA SOLAR SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
EOLICA LA ESTRELLA SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA
SOL INVICTUS SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
XUE SOLAR SpA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA
COCHENTO EOLICO SPA – (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
ORINOCO SOLAR S.L. – (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
PLANTA SOLAR OPDE LA FERNANDINA , S.L. (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	20%	Equity method	Otras Producciones de Energía Fotovoltaica, S.L.
PLANTA SOLAR OPDE ANDALUCIA 1. S.L. (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	20%	Equity method	Otras Producciones de Energía Fotovoltaica, S.L.
PLANTA SOLAR OPDE EXTREMADURA 2. S.L(C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	20%	Equity method	Otras Producciones de Energía Fotovoltaica, S.L.

Participation

Company name and adress	Bussiness Activity	% of nominal	Consolidation method	Parent Group Company
LA CLAMOR - (C/ Cardenal Marcelo Spinola, 42. 5º Planta, 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
ENERGIAS RENOVABLES DE ORMONDE 34. 37. 46 y 47 47Ortega y Gasset, 20 2. 28006 Madrid -– España	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
OPDENERGY ITALIA SRL - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
OPDENERGY TAVOLIERE 1. 2. 3 - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion of renewable energy plants	100%	Global integration	OPDENERGY Italia SRL
OPDENERGY ITALIA 1. 2 - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion of renewable energy plants	100%	Global integration	OPDENERGY Italia SRL
OPDENERGY SALENTO 1. 2. 3 - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion of renewable energy plants	100%	Global integration	OPDENERGY Italia SRL
HORUS WEST VIRGINIA 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus Renewables Corp
HORUS WEST VIRGINIA 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus West Virginia 0. LLC
HORUS WEST KENTUCKY 0. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus Renewables Corp
HORUS WEST KENTUCKY 1. LLC - (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus West Kentycky 0. LLC
KAIROS AIE - (C/ Cardenal Marcelo Spinola, 4. 1º Planta, Puerta Dcha 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
DESARROLLO PROYECTO FOTOVOLTAICO IV, S.L. - (C/ Cardenal Marcelo Spinola, 4. 1º Planta, Puerta Dcha 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
CRUCERO SOLAR, S.L. - (C/ Cardenal Marcelo Spinola, 4. 1º Planta, Puerta Dcha 28016. Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
A2 Renovables LP - (3400 One First Canadia Plance, 100 King Street West, Toronto, Ontario, M5X 1A4, Canada	Holding activities	20%	Equity method Actividades de Sociedad de cartera	Otras Producciones de Energía Fotovoltaica, S.L. (20%) 20% Otras Producciones de Energía Fotovoltaica, S.L. (20%)
Mulchen Eolica SPA (LOS MILITARES, 5953. DEPTO. 1803. COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
HORUS TEXAS 0, LLC (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS TEXAS 1, LLC (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS TEXAS 0, LLC
HORUS TEXAS 2, LLC (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS TEXAS 0, LLC
HORUS VIRGINIA 0, LLC (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS VIRGINIA 1, LLC (110 Front Street Suit 30. Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS VIRGINIA 0, LLC
Opdenergy UK 1, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited
Opdenergy UK 2, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited
Opdenergy UK 3, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited
Opdenergy UK 4, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited

Company name and adress	Bussiness Activity	Participation % of nominal	Consolidation method	Parent Group Company
Opdenergy UK 5, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited
Opdenergy UK 6, limited (Grenville Court, Britwell Road, Burnham, Buckinghamshire. SL1 8DF9)	Promotion of renewable energy plants	100%	Global integration	Opde UK, limited
Renter Gestiones, S.L. (Poligono Industrial de Fustiñana s/n, 31510 Fustiñana, Navarra, España)	Promotion, manufacture and marketing of photovoltaic installations	24%	Equity method	OPDE Extremadura S.L.

Appendix I.b- Subsidiaries and associated companies – December 31, 2020 (information about subsidiaries)

Directly owned

Company	% of share capital	Net value	Basic Financial Data			
			Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Opdenergy, S.A.U. (Madrid)	100%	83,183	60	81,551	(183)	11,231
Grupo Valsingula, S.L. - (Madrid)	100%	7,045	3	272	-	-
Opde Sur, S.A.	100%	236	61	204	103	(8)
Ribaforada 10 S.r.l. - (Turín, Italia)	100%	3,027	10	2,404	216	230
Opde Development, S.L. (Madrid)	100%	-	3	51	-	1
OPDE Italy, S.r.l. - (Italia)	100%	100	10	2,303	(21)	(21)

Indirectly owned

Company	% of share capital	Net value	Basic Financial Data			
			Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
OPDE Participaciones Industriales, S.L. (Madrid)	100%	18,682	15,061	997	699	3,205
Otras Producciones de Energía Fotovoltaica, S.L. - (Madrid)	100%	60,822	7,138	63,677	8,239	(3,871)
P.V. Integral Management, S.L. (Madrid)	100%	53	3	17	(335)	(332)
Planta Solar OPDE Andalucía 2 S.L.	100%	44	3	11	(45)	(47)
Planta Solar OPDE Andalucía 3 S.L.	100%	8	-	128	(5)	(5)
Planta Solar OPDE Extremadura 1 S.L.	100%	20	3	1	-	-
Planta Solar OPDE La Calahorra S.L.	100%	22	3	(1)	(14)	(15)
Planta Solar OPDE Palomarejo, S.L.	100%	14	3	2	(26)	(26)
Planta Solar OPDE 1, S.L.	100%	7	3	1	-	-
Planta Solar OPDE 2, S.L.	100%	7	3	1	-	-
Planta Solar OPDE 3, S.L.	100%	3,314	3	3,269	(40)	(1,044)
Planta Solar OPDE 5, S.L.	100%	784	3	778	(23)	(259)
Planta Solar OPDE 6, S.L.	100%	3,758	3	3,732	(44)	(1,110)
Planta Solar OPDE 7, S.L.	100%	12	3	1	-	-
Planta Solar OPDE 8, S.L.	100%	-	3	-	(1)	(1)
Planta Solar OPDE 10, S.L.	100%	6	3	-	(48)	(48)

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Planta Solar OPDE 11, S.L.	100%	6	3	-	-	-
Planta Solar OPDE 12, S.L.	100%	5	3	-	-	-
Planta Solar OPDE 13, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 14, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 15, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 16, S.L.	100%	-	3	51	(54)	(41)
Planta Solar OPDE 17, S.L.	100%	11	3	2	(1)	(1)
Planta Solar OPDE 18, S.L.	100%	37	3	10	-	(2)
Planta Solar OPDE 19, S.L.	100%	7	3	1	-	-
Planta Solar OPDE 20, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 21, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 22, S.L.	100%	3	3	-	(18)	(18)
Planta Solar OPDE 25, S.L.	100%	3	3	-	(53)	(53)
Planta Solar OPDE 26, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 27, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 28, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 29, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 30, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 31, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 32, S.L.	100%	6	3	-	-	-
Planta Solar OPDE 33, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 34, S.L.	100%	3	3	-	(14)	(14)
Planta Solar OPDE 35, S.L.	100%	3	3	-	(14)	(14)
Planta Solar OPDE 36, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 37, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 38, S.L.	100%	3	3	-	(86)	(86)
Planta Solar OPDE 39, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 40, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 41, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 42, S.L.	100%	3	3	-	(58)	(58)
Planta Solar OPDE 43, S.L.	100%	3	3	-	(22)	(22)
Planta Solar OPDE 44, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 45, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 46, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 47, S.L.	100%	3	3	-	-	-

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Planta Solar OPDE 48, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 49, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 50, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 51, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 52, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 53, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 54, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 55, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 56, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 57, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 58, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 59, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 60, S.L.	100%	3	3	-	-	-
OPDE Extremadura, S.L. - (Madrid)	100%	845	100	21	(9)	(2)
Sociedad Ibérica de Generación de Energía Fotovoltaica XVI (Madrid)	100%	280	3	191	39	12
Sociedad Ibérica de Generación de Energía Fotovoltaica XVII (Madrid)	100%	269	3	194	35	9
Opde Levante, S.L. - (Madrid)	100%	148	60	15	(1)	(4)
OPDE Solare, S.r.l. - (Italia)	100%	68	100	747	3	(96)
OPDE Puglia, S.r.l. - (Italia)	100%	310	10	181	(151)	(152)
Solare Puglia, S.r.l. - (Italia)	100%	10	10	900	(140)	(59)
Almaraz Fotovoltaica XXXIV, S.L. (Madrid)	100%	48	3	244	17	8
Almaraz Fotovoltaica XXXIX, S.L. (Madrid)	100%	17	3	65	34	11
Tordesillas Solar F.V.11, S.L. - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	3	3	-	-	(1)
Tordesillas Solar F.V.12, S,L - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	3	3	-	-	-
Tordesillas Solar F.V.13, S,L - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	2	3	-	10	-

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Tordesillas Solar F.V.14,S.L. - (Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	3	3	-	-	-
Tordesillas Solar F.V.15, S.L. - (Beniparrel, Valencia)	100%	3	3	-	-	-
Tordesillas Solar F.V.16, S.L. - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	2	3	3	-	-
Tordesillas Solar F.V.17, S.L. - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	2	3	(1)	-	-
Tordesillas Solar F.V.18 ,S.L. - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	3	3	-	-	-
Tordesillas Solar F.V.19, S.L. - ((Pol, Ind, Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	100%	-	3	5	-	(1)
Almaraz Fotovoltaica XL, S.L. (Madrid)	100%	17	3	85	22	1
Almaraz Fotovoltaica XLI, S.L. (Madrid)	100%	2	3	(1)	-	-
Aragonesa de Iniciativas Sostenibles III, S.L. (Madrid)	100%	1,349	3	727	516	1,066
Turolense de Iniciativas Sostenibles IV, S.L. (Madrid)	100%	818	3	170	531	1,084
GSB Gamma 2 a 20, S.L. (Madrid)	100%	24	3	51	-	(31)
GSB Iota 2 a 20, S.L. (Madrid)	100%	-	3	44	-	4
GSB Kappa 2 a 20, S.L. (Madrid)	100%	-	3	46,475	-	3
GSB Lambda 2 a 20, S.L. (Madrid)	100%	340	3	9	(2)	(2)
GSB Omicron 2 a 20, S.L. (Madrid)	100%	7	3	4	-	(2)
Gamma Solar S De Rl De Cv (México)	100%	-	56	(31)	(2)	(2)
Garambullo Solar S De Rl De Cv (México)	100%	-	221	(188)	(2)	(1)
GSB Omega 2 a 20, S.L. (Navarra)	100%	54	3	18	-	(20)
Lambda Solar S De Rl De Cv (México)	100%	342	456	(132)	(277)	(276)

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
OPDEnergy Riverstone LP (México)	20%	184	184	(7)	-	-
Theta Solar S De Rl De Cv (México)	100%	-	53	(44)	(2)	(2)
Opde O&M , S.L. - (Madrid)	100%	830	66	663	14	8
INVERSIONES SOLARES DEL ALTIPLANO, S.R.L. DE C.V. (México)	100%	3,999	2,510	(1,854)	1,586	(191)
ELECTRICIDAD FOTOVOLTAICA ARGENTUM, S.R.L. DE C.V. (México)	100%	-	104	(84)	(4)	(3)
INVERSIONES Y PROMOCIONES SOLARES DEL CENTRO, S.R.L. DE C,V (México)	100%	-	70	(37)	(2)	1
SOLEIL FOTOVOLTAICA, S.A.P.I, DE C.V. (México)	100%	19	21	(14)	(2)	(2)
INFRAESTRUCTURA ENERGÉTICA DEL OESTE, S.A.P.I, DE C.V. (México)	100%	-	-	5	(2)	(2)
PROMOCION FOTOVOLTAICA VALLADOLID, S.A.P.I, DE C.V. (México)	100%	93	95	(22)	(85)	(91)
SOLAR DE LA SIERRA, S.A.P.I DE C.V. (México)	100%	582	587	(152)	(393)	(392)
ENERGÍA FOTOVOLTAICA MIRAFLORES, S.A.P.I, DE C.V. (México)	100%	65	-	6	(2)	(2)
INFRAESTRUCTURA SOLAR OMICRON SAPI DE CV (México)	100%	6	185	(24)	(2)	(2)
INFRAESTRUCTURA SOLAR KAPPA SAPI DE CV (México)	100%	-	-	6	(2)	(2)
INFRAESTRUCTURA SOLAR SIGMA SAPI DE CV (México)	100%	147	168	(127)	(2)	2
INFRAESTRUCTURA SOLAR EPSILON SAPI DE CV (México)	100%	2	-	5	(2)	(2)
ENERGIA SOLAR OMEGA SAPI DE CV (México)	100%	110	113	(13)	(2)	(1)
Opde UK, limited (Reino Unido)	100%	-	-	690	(166)	(80)
HORUS RENEWABLES CORP	100%	5,902	958	(4,315)	(1,055)	(1,157)
Horus Central Valley Solar 1 LLC	100%	61	22	22	(1)	(4)

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Horus Central Valley Solar 2 LLC	100%	36	22	(2)	21	22
Horus Thousand Palms Solar 1 LLC	100%	327	30	(2)	31	30
Horus North Carolina 0 LLC	100%	15	-	123	-	(1)
Horus North Carolina 1 LLC	100%	5	(1)	-	-	(1)
Horus North Carolina 3 LLC	100%	5	(1)	-	-	(1)
Horus North Carolina 4 LLC	100%	2	-	-	-	-
Horus North Carolina 5 LLC	100%	2	-	-	-	-
Horus North Carolina 6 LLC	100%	2	-	-	-	-
Horus North Carolina 7 LLC	100%	2	-	-	-	-
Horus North Carolina 8 LLC	100%	2	-	-	-	-
Horus South Carolina 0 LLC	100%	3	5	-	-	-
Horus South Carolina 1 LLC	100%	1	-	-	-	-
Horus South Carolina 2 LLC	100%	1	-	-	-	-
Horus South Carolina 3 LLC	100%	1	-	-	-	(1)
Horus South Carolina 4 LLC	100%	1	-	-	-	(1)
Horus South Carolina 5 LLC	100%	1	-	-	-	-
HORUS GEORGIA 0, LLC	100%	2	-	1	-	-
HORUS GEORGIA 1, LLC	100%	1	-	-	-	-
HORUS NEW YORK 0, LLC	100%	4	-	3	-	-
HORUS NEW YORK 1, LLC	100%	1	-	-	-	-
HORUS NEW YORK 2, LLC	100%	-	-	-	-	-
HORUS NEW YORK 3, LLC	100%	-	-	-	-	(1)
HORUS NEW YORK 4, LLC	100%	-	-	-	-	-
HORUS LOUISIANA 0, LLC	100%	5	-	5	-	-
HORUS LOUISIANA 1, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 2, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 3, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 4, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 5, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 6, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 7, LLC	100%	1	-	-	-	-
HORUS LOUISIANA 8, LLC	100%	1	-	-	-	-
OPDE CHILE SPA	100%	6,130	6,079	(4,420)	(4,100)	401
ADITYA SOLAR SpA	100%	1	(144)	(122)	(2)	(10)
EUCALIPTO SpA	100%	110	37	(37)	-	-

Company	% of share capital	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
LINGUE SpA	100%	951	745	6	(18)	(70)
LITRE SpA	100%	1,113	780	17	(18)	(66)
OPDEnergy GENERACIÓN SpA	100%	23,816	23,800	299	(152)	1,665
AUSTRIAN SOLAR CHILE UNO SpA	100%	1,471	522	(89)	(179)	483
AUSTRIAN SOLAR DYO UNO SpA	100%	-	-	-	-	-
RA SOLAR SpA	100%	1	-	1	(2)	(2)
EOLICA LA ESTRELLA SpA	100%	3,585	1,364	(171)	(247)	1,337
SOL INVICTUS SpA	100%	1	1	(23)	(2)	(4)
XUE SOLAR SpA	100%	1,299	1,195	97	(61)	(110)
COCHENTO EOLICO SPA	100%	1	(2)	1	(2)	(2)
MULCHEN EOLICO SPA	100%	1	(2)	1	(2)	(2)
ORINOCO SOLAR S.L.	100%	8,848	3	4	21	21
PLANTA SOLAR OPDE LA FERNANDINA, S.L.	20%	605	3,025	2,090	1,447	16
PLANTA SOLAR OPDE ANDALUCIA 1, S.L.	20%	-	3,150	2,499	1,436	62
PLANTA SOLAR OPDE EXTREMADURA 2, S.L.	20%	-	3,063	2,268	1,591	(152)
LA CLAMOR	100%	1,276	6	9	34	34
ENERGIAS RENOVABLES DE ORMONDE 34, 37, 46 y 47	100%	212	72	142	(8)	(8)
OPDENERGY ITALIA SRL	100%	610	10	505	(292)	(354)
OPDENERGY TAVOLIERE 1, 2, 3	100%	57	30	18	(17)	(17)
OPDENERGY ITALIA 1, 2	100%	103	20	12	(11)	(11)
OPDENERGY SALENTO 1, 2, 3	100%	338	30	18	(17)	(17)
HORUS WEST VIRGINIA 0, LLC	100%	1	-	-	-	-
HORUS WEST VIRGINIA 1, LLC	100%	-	-	-	-	-
HORUS WEST KENTUCKY 0, LLC	100%	-	-	-	-	-
HORUS WEST KENTUCKY 1, LLC	100%	-	-	-	-	-
A2 RENOVABLES LP	20%	7,320	36,242	(4,279)	-	4,087
KAIROS AIE	100%	2	-	-	-	-
DESARROLLO PROYECTO FOTOVOLTAICO IV, S.L.	100%	214	3	3	-	-
CRUCERO SOLAR, S.L.	100%	182	3	180	(1)	(1)

Appendix II.A - Subsidiaries and associated companies – December 31, 2019

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Opdenergy, S.A.U. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Holding company activities	100%	Global integration	Opdenergy Holding, S.A.
OPDE Participaciones Industriales, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Development and bussiness promotion	100%	Global integration	Opdenergy, S.A.U,
Otras Producciones de Energía Fotovoltaica, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Manufacture and sales of solar trackers	100%	Global integration	Opdenergy, S.A.U,
P,V, Integral Management, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Provide services	100%	Global integration	OPDE Participaciones Industriales, S.L.
Planta Solar OPDE Andalucía 2 S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE Andalucía 3 S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE Extremadura 1 S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE La Calahorra S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE Palomarejo, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 1, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

Participation

Company name and adress	Bussiness activity	% of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 3, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 5, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 6, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 7, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 8, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España) (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 9, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 10, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 11, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 12, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 13, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 14, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 15, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 16, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 17, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 18, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 19, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 20, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 21, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 22, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 23, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 24, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 25, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 26, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 27, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 28, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 29, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 30, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 31, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 32, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 33, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 34, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 35, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

		Participation		
Company name and adress	**Bussiness activity**	**% of nominal**	**Consolidation method**	**Parent Group Company**
Planta Solar OPDE 36, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 37, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 38, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 39, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 40, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 41, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 42, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 43, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 44, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 45, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 46, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 47, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 48, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 49, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 50, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 51, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 52, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 53, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 54, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 55, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 56, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 57, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Planta Solar OPDE 58, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 59, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
Planta Solar OPDE 60, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica , S.L.
OPDE Extremadura, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Participaciones Industriales, S.L.
Ribaforada 10 S.r.l., - (VIA GOETHE 24, Merano (BZ) – Italia)	Energy sales	100%	Global integration	Opdenergy Holding, S.A.
Sociedad Ibérica de Generación de Energía Fotovoltaica XVI (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Grupo Valsingula, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España) - Incluye 230 sociedades sin actividad	Exploitation of PV plants	100%	Global integration	Opdenergy Holding, S.A.
Sociedad Ibérica de Generación de Energía Fotovoltaica XVII (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Opde Sur, S,A, (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Opdenergy Holding, S.A.
Opde Levante, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Participaciones Industriales, S.L.
OPDE Solare, S.r.l., - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Italy, S.r.l.,

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
OPDE Puglia, S.r.l., - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Energy sales	100%	Global integration	OPDE Solare, S.r.l.,
Solare Puglia, S.r.l., - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Energy sales	100%	Global integration	OPDE Solare, S.r.l.,
OPDE Puglia, S.r.l., - (CORSO VITTORIO EMANUELE II, 111 - Torino – Italia)	Energy sales	100%	Global integration	Opdenergy Holding, S.A.
Almaraz Fotovoltaica XXXIV, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
OPDE Italy, S.r.l., - (CORSO VITTORIO EMANUELE II, 111 - Torino - Italia)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Opdenergy Holding, S.A.
Almaraz Fotovoltaica XXXIX, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.11, S.L. - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.12, S,L - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.13, S,L - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Tordesillas Solar F.V.14,S.L. - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.15, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.16, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Tordesillas Solar F.V.17, S.L. - (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.18 ,S.L. - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	OPDE Participaciones Industriales, S.L.
Tordesillas Solar F.V.19, S.L. - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Energy sales	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Almaraz Fotovoltaica XL, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Almaraz Fotovoltaica XLI, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Exploitation of PV plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Aragonesa de Iniciativas Sostenibles III, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Exploitation of PV plants	100%	Global integration	OPDE Fotovoltaica, S,L
Turolense de Iniciativas Sostenibles IV, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Exploitation of PV plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
GSB Gamma 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
GSB Iota 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	100% Otras Producciones de Energía Fotovoltaica
GSB Kappa 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
GSB Lambda 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.

		Participation		
Company name and adress	Bussiness activity	% of nominal	Consolidation method	Parent Group Company
GSB Omicron 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Gamma Solar S De Rl De Cv (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
Garambullo Solar S De Rl De Cv (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
GSB Omega 2, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales, S.L.
Lambda Solar S De Rl De Cv (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (84%) Aragonesa de Iniciativas Sostenibles III, S.L. (16%)
Rho Solar S De Rl De Cv (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
Theta Solar S De Rl De Cv (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
Renter Gestiones, S.L. (Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	24%	Equity method	Opde Extremadura, S.L.
Opde O&M , S.L. - ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	OPDE Participaciones Industriales, S.L.

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Opde Development, S.L. ((Pol. Ind. Santos Justo y Pastor s/n, 31510 Fustiñana - Navarra – España)	Production of other types of electrical energy	100%	Global integration	Opdenergy Holding, S.A.
INVERSIONES SOLARES DEL ALTIPLANO, S.R.L., DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Aragonesa de Iniciativas sostenibles S.L. (62%) Turolense de Inversiones Sostenibles S.L. (39%)
ELECTRICIDAD FOTOVOLTAICA ARGENTUM, S.R.L., DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
ENERGÍA SOLAR DE PONIENTE, S.R.L., DE C,V (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (98%) GSB Kappa 2 S.L. (1%) Lambda Solar S.R.L., (1%)
INFRAESTRUCTURA ENERGÉTICA DEL NORTE S.R.L., DE C,V (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (98%) GSB Kappa 2 S.L. (1%) Lambda Solar S.R.L., (1%)
INVERSIONES Y PROMOCIONES SOLARES DEL CENTRO, S.R.L., DE C,V (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
SOLEIL FOTOVOLTAICA, S.A.P.I. DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
INFRAESTRUCTURA ENERGÉTICA DEL OESTE, S.A.P.I. DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
PROMOCIONES SOLARES MW, S.A.P.I. DE C.V. (Calle Darwin, 74, interior 301, Colonia	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (84%)

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)				Tordesillas Solar F.V. 13 S.L. (15%) Lambda Solar S.R.L., (1%)
PROMOCION FOTOVOLTAICA VALLADOLID, S.A.P.I. DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
SOLAR DE LA SIERRA, S,A,P,I DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
ENERGÍA FOTOVOLTAICA MIRAFLORES, S.A.P.I. DE C.V. (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L. (84%) Tordesillas Solar F.V. 16 S.L. (15%)
INFRAESTRUCTURA SOLAR OMICRON SAPI DE CV (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Aragonesa de Iniciativas Sostenibles III, S.L. (15%)
INFRAESTRUCTURA SOLAR KAPPA SAPI DE CV (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (84,95%) Turolense de Iniciativas Sostenibles IV, S.L. (15,05%)
INFRAESTRUCTURA SOLAR IPSILON SAPI DE CV (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
INFRAESTRUCTURA SOLAR SIGMA SAPI DE CV (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Turolense de Iniciativas Sostenibles IV, S.L. (15%)
ENERGIA SOLAR OMEGA SAPI DE CV (Calle Darwin, 74, interior 301, Colonia Anzures, Delegación Miguel Hidalgo, CP 11590 CIUDAD DE MEXICO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica S.L. (85%) Aragonesa de Iniciativas Sostenibles IV, S.L. (15%)

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
BETA SOLAR LIMITED (Reino Unido)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales S.L.
DELTA SOLAR LIMITED (Reino Unido)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales S.L.
OMEGA SOLAR LIMITED (Reino Unido)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales S.L.
Opde UK, limited (Reino Unido)	Construction of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
HORUS RENEWABLES CORP (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energia Fotovoltaica, S.L.
Horus Central Valley Solar 1 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus Central Valley Solar 2 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus Thousand Palms Solar 1 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus North Carolina 0 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
Horus North Carolina 1 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 3 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 4 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 5 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 6 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 7 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus North Carolina 8 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus North Carolina 0 LLC
Horus South Carolina 0 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWAABLES CORP

Participation

Company name and adress	Bussiness activity	% of nominal	Consolidation method	Parent Group Company
Horus South Carolina 1 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 2 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 3 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 4 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
Horus South Carolina 5 LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	Horus South Carolina 0 LLC
HORUS FLORIDA 0, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS FLORIDA 1, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS FLORIDA 0, LLC
HORUS GEORGIA 0, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS GEORGIA 1, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS GEORGIA 0, LLC
HORUS NEW YORK 0, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP
HORUS NEW YORK 1, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0, LLC
HORUS NEW YORK 2, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0, LLC
HORUS NEW YORK 3, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0, LLC
HORUS NEW YORK 4, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS NEW YORK 0, LLC
HORUS LOUISIANA 0, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS RENEWABLES CORP,
HORUS LOUISIANA 1, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 2, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
HORUS LOUISIANA 3, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 4, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 5, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 6, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 7, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
HORUS LOUISIANA 8, LLC (110 Front Street Suit 30, Jupiter, FLORIDA 33477)	Promotion of renewable energy plants	100%	Global integration	HORUS LOUISIANA 0, LLC
OPDE CHILE SPA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Construction of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
ADITYA SOLAR SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
EUCALIPTO SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile Spa
LINGUE SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile Spa
LITRE SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile Spa
OPDEnergy GENERACIÓN SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion, manufacture and marketing of photovoltaic installations	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
AUSTRIAN SOLAR CHILE UNO SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDEnergy GENERACIÓN SpA

Company name and adress	Bussiness activity	Participation % of nominal	Consolidation method	Parent Group Company
RA SOLAR SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
EOLICA LA ESTRELLA SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile SpA
SOL INVICTUS SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
XUE SOLAR SpA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDE Chile Spa
COCHENTO EOLICO SPA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
MUCHEN EOLICO SPA – (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
PSI SOLAR LIMITED (Reino Unido)	Promotion of renewable energy plants	100%	Global integration	OPDE Participaciones Industriales S.L.
ORINOCO SOLAR S.L.– (C/ Cardenal Marcelo Spinola, 42, 5º Planta, 28016, Madrid – España)	Promotion of renewable energy plants	100%	Global integration	Otras Producciones de Energía Fotovoltaica, S.L.
Austrian Solar DYO UNO SPA– (LOS MILITARES, 5953, DEPTO, 1803, COMUNA LAS CONDES CIUDAD SANTIAGO)	Promotion of renewable energy plants	100%	Global integration	OPDEnergy Generación SpA

Appendix II.b - Subsidiaries and associated companies – December 31, 2019 (information about subsidiaries)

Participación directa

Company	% of nominal	Net value	Basic Financial Statemens (in thousands of euros)			
			Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Opdenergy, S.A.U.	100%	83,183	60	83,092	(73)	4,838
Grupo Valsingula, S.L. - Incluye 230 sociedades sin actividad	100%	277	3	273	(1)	(1)
Opde Sur, S.A.	100%	638	61	531	-	-
Ribaforada 10 S.r.l.	100%	2,347	10	1,569	582	428
Opde Development, S.L.	100%	-	3	50	-	11
OPDE Italy, S.r.l.	100%	100	10	2,482	(294)	(294)

Participación indirecta

Company	% of nominal	Net value	Basic Financial Statemens (in thousands of euros)			
			Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
OPDE Participaciones Industriales, S.L.	100%	22,301	15,061	3,016	(14)	499
Otras Producciones de Energía Fotovoltaica, S.L.	100%	60,822	7,138	45,187	23,798	33,772
P,V, Integral Management, S.L.	100%	53,010	3	7	21	10
Planta Solar OPDE Andalucía 2 S.L.	100%	44	3	36	(38)	(37)
Planta Solar OPDE Andalucía 3 S.L.	100%	8	3	(5)	-	-
Planta Solar OPDE Extremadura 1 S.L.	100%	20	3	(16)	-	-
Planta Solar OPDE La Calahorra S.L.	100%	10	3	-	(18)	(18)
Planta Solar OPDE Palomarejo, S.L.	100%	14	3	6	(5)	(5)
Planta Solar OPDE 1, S.L.	100%	7	3	1	-	-
Planta Solar OPDE 2, S.L.	100%	7	3	1	-	-

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Planta Solar OPDE 3, S.L.	100%	3,314	3	3,301	(31)	(45)
Planta Solar OPDE 5, S.L.	100%	784	3	779	-	-
Planta Solar OPDE 6, S.L.	100%	3,758	3	3,754	(30)	(30)
Planta Solar OPDE 7, S.L.	100%	12	3	1	-	-
Planta Solar OPDE 8, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 9, S.L.	100%	10	3	6	(6)	(6)
Planta Solar OPDE 10, S.L.	100%	6	3	-	1	1
Planta Solar OPDE 11, S.L.	100%	6	3	-	-	-
Planta Solar OPDE 12, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 13, S.L.	100%	2	3	(1)	-	-
Planta Solar OPDE 14, S.L.	100%	3	3	(1)	-	-
Planta Solar OPDE 15, S.L.	100%	3	3	(1)	(1)	(1)
Planta Solar OPDE 16, S.L.	100%	6	3	(1)	-	-
Planta Solar OPDE 17, S.L.	100%	11	3	2	(3)	(3)
Planta Solar OPDE 18, S.L.	100%	37	3	33	(33)	(33)
Planta Solar OPDE 19, S.L.	100%	7	3	2	(2)	(2)
Planta Solar OPDE 20, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 21, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 22, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 23, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 24, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 25, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 26, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 27, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 28, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 29, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 30, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 31, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 32, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 33, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 34, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 35, S.L.	100%	3	3	-	-	-

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Planta Solar OPDE 36, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 37, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 38, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 39, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 40, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 41, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 42, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 43, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 44, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 45, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 46, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 47, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 48, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 49, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 50, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 51, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 52, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 53, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 54, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 55, S.L.	100%	3	3	-	(1)	(1)
Planta Solar OPDE 56, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 57, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 58, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 59, S.L.	100%	3	3	-	-	-
Planta Solar OPDE 60, S.L.	100%	3	3	-	-	-
Sociedad Ibérica de Generación de Energía Fotovoltaica XVI	100%	280	3	131	40	14
Sociedad Ibérica de Generación de Energía Fotovoltaica XVII	100%	269	3	132	38	13
Opde Levante, S.L.	100%	148	60	181	(1)	5
OPDE Solare, S.r.l,	100%	68	100	844	1	1
OPDE Puglia, S.r.l,	100%	10	10	(903)	449	64
Solare Puglia, S.r.l,	100%	10	10	(217)	583	260

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Almaraz Fotovoltaica XXXIV, S,L	100%	48	3	226	30	21
Almaraz Fotovoltaica XXXIX, S.L.	100%	17	3	58	40	14
Tordesillas Solar F.V.11, S.L. - (Beniparrel, Valencia)	100%	2	3	(1)	-	-
Tordesillas Solar F.V.12, S,L - (Beniparrel, Valencia)	100%	2	3	(1)	-	-
Tordesillas Solar F.V.13, S,L - (Beniparrel, Valencia)	100%	-	3	1	-	-
Tordesillas Solar F.V.14,S.L. - (Beniparrel, Valencia)	100%	2	3	(1)	-	-
Tordesillas Solar F.V.15, S.L. - (Beniparrel, Valencia)	100%	3	3	-	-	-
Tordesillas Solar F.V.16, S.L. - (Beniparrel, Valencia)	100%	-	3	3	-	-
Tordesillas Solar F.V.17, S.L. - (Beniparrel, Valencia)	100%	-	3	(3)	-	-
Tordesillas Solar F.V.18 ,S.L. - (Beniparrel, Valencia)	100%	2	3	(1)	-	-
Tordesillas Solar F.V.19, S.L. - (Beniparrel, Valencia)	100%	-	3	4	-	-
Almaraz Fotovoltaica XL, S.L.	100%	17	3	73	41	17
Almaraz Fotovoltaica XLI, S.L.	100%	4	3	-	-	-
Aragonesa de Iniciativas Sostenibles III, S.L.	100%	1,349	3	853	(8)	(17)
Turolense de Iniciativas Sostenibles IV, S.L.	100%	818	3	306	(9)	(16)
GSB Gamma 2, S.L.	100%	24	3	26	-	140
GSB Iota 2, S.L.	100%	-	3	45	-	(2)
GSB Kappa 2, S.L.	100%	-	3	48	-	(2)
GSB Lambda 2, S.L.	100%	12	3	9	-	-
GSB Omicron 2, S.L.	100%	7	3	4	-	-
Gamma Solar S De Rl De Cv (México)	100%	-	56	(67)	(1)	(3)
Garambullo Solar S De Rl De Cv (México)	100%	37	221	(167)	-	(1)
GSB Omega 2, S.L. (Navarra)	100%	54	3	51	145	145
Lambda Solar S De Rl De Cv (México)	100%	340	456	(54)	(4)	(64)
Rho Solar S De Rl De Cv (México)	100%	32	167	(238)	(33)	(33)
Theta Solar S De Rl De Cv (México)	100%	8	52	(36)	-	(2)
Renter Gestiones, S.L.	24%	1	-	-	-	-
Opde O&M , S.L.	100%	719	66	1,606	(71)	(55)
INVERSIONES SOLARES DEL ALTIPLANO, S.R.L, DE C.V. (México)	100%	3,999	70	(82)	(1)	(3)
ELECTRICIDAD FOTOVOLTAICA ARGENTUM, S.R.L, DE C.V. (México)	100%	11	104	(92)	(44)	(45)
ENERGÍA SOLAR DE PONIENTE, S.R.L, DE C,V (México)	100%	-	6,825	(1,809)	37	(2,692)

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
INFRAESTRUCTURA ENERGÉTICA DEL NORTE S.R.L, DE C,V (México)	100%	-	3,681	(980)	19	(1,708)
INVERSIONES Y PROMOCIONES SOLARES DEL CENTRO, S.R.L, DE C,V (México)	100%	15	70	(82)	(1)	(3)
SOLEIL FOTOVOLTAICA, S.A.P.I. DE C.V. (México)	100%	19	21	(13)	(1)	(3)
INFRAESTRUCTURA ENERGÉTICA DEL OESTE, S.A.P.I. DE C.V. (México)	100%	-	18	(14)	(3)	(3)
PROMOCIONES SOLARES MW, S.A.P.I. DE C.V. (México)	100%	32	167	(238)	(33)	(33)
PROMOCION FOTOVOLTAICA VALLADOLID, S.A.P.I. DE C.V. (México)	100%	85	94	(14)	(3)	(5)
SOLAR DE LA SIERRA, S,A,P,I DE C.V. (México	100%	527	534	(149)	(85)	(86)
ENERGÍA FOTOVOLTAICA MIRAFLORES, S.A.P.I. DE C.V. (México)	100%	50	73	(15)	(1)	(1)
INFRAESTRUCTURA SOLAR OMICRON SAPI DE CV (México)	100%	145	158	(25)	(3)	(3)
INFRAESTRUCTURA SOLAR KAPPA SAPI DE CV (México)	100%	4	21	(15)	(2)	(2)
INFRAESTRUCTURA SOLAR IPSILON SAPI DE CV (México)	100%	2	19	14	(3)	(3)
INFRAESTRUCTURA SOLAR SIGMA SAPI DE CV (México)	100%	135	168	(118)	(144)	(148)
ENERGIA SOLAR OMEGA SAPI DE CV (México)	100%	110	113	(15)	(1)	-
BETA SOLAR LIMITED (Reino Unido)	100%	-	-	-	-	-
DELTA SOLAR LIMITED (Reino Unido)	100%	-	-	-	-	-
OMEGA SOLAR LIMITED (Reino Unido)	100%	-	-	-	-	-
Opde UK, limited (Reino Unido)	100%	-	-	1,557	(101)	(83)
HORUS RENEWABLES CORP	100%	8,888	-	6,898	(1,656)	(1,728)
Horus Central Valley Solar 1 LLC	100%	21	-	49	(20)	(23)
Horus Central Valley Solar 2 LLC	100%	2	-	24	-	(24)
Horus Thousand Palms Solar 1 LLC	100%	5	-	342	(347)	(347)
Horus North Carolina 0 LLC	100%	3	-	139	(1)	(1)
Horus North Carolina 1 LLC	100%	15	-	1	(1)	(1)
Horus North Carolina 3 LLC	100%	5	-	1	(1)	(1)
Horus North Carolina 4 LLC	100%	2	-	1	(1)	(1)

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
Horus North Carolina 5 LLC	100%	2	-	1	(1)	(1)
Horus North Carolina 6 LLC	100%	2	-	1	(1)	(1)
Horus North Carolina 7 LLC	100%	2	-	1	(1)	(1)
Horus North Carolina 8 LLC	100%	2	-	1	(1)	(1)
Horus South Carolina 0 LLC	100%	-	5	5	(1)	(1)
Horus South Carolina 1 LLC	100%	1	-	-	(1)	(1)
Horus South Carolina 2 LLC	100%	1	-	-	(1)	(1)
Horus South Carolina 3 LLC	100%	1	-	-	(1)	(1)
Horus South Carolina 4 LLC	100%	1	-	-	(1)	(1)
Horus South Carolina 5 LLC	100%	1	-	-	(1)	(1)
HORUS FLORIDA 0, LLC	100%	-	-	303	(1)	(1)
HORUS FLORIDA 1, LLC	100%	294	-	301	(1)	(1)
HORUS GEORGIA 0, LLC	100%	-	-	2	(1)	(1)
HORUS GEORGIA 1, LLC	100%	1	-	-	(1)	(1)
HORUS NEW YORK 0, LLC	100%	-	-	3	(1)	(1)
HORUS NEW YORK 1, LLC	100%	1	-	-	(1)	(1)
HORUS NEW YORK + Louisiana, LLC	100%	1	-	13	(10)	(10)
OPDE Chile, SPA	100%	-	6,078	(1,175)	(1,452)	(1,505)
OPDENERGY Italia, SRL	100%	10	10	-	(7)	(10)
ADITYA SOLAR SpA	100%	1	1	-	(130)	(135)
EUCALIPTO SpA	100%	123	39	(14)	(1)	(1)
LINGUE SpA	100%	752	54	(44)	(2)	(5)
LITRE SpA	100%	926	36	(31)	-	(4)
OPDEnergy GENERACIÓN SpA	100%	10	10	-	-	(1)
AUSTRIAN SOLAR CHILE UNO SpA	100%	4,035	5	(18)	-	(14)
RA SOLAR SpA	100%	1	1	-	-	-
EOLICA LA ESTRELLA SpA	100%	3,406	-	-	-	15
SOL INVICTUS SpA	100%	1	1	-	(24)	(25)
XUE SOLAR SpA	100%	569	1	-	-	-
COCHENTO EOLICO SPA	100%	1	1	-	-	-
MUCHEN EOLICO SPA	100%	1	1	-	-	-
PSI SOLAR LIMITED	100%	-	-	-	-	-

Company	% of nominal	Net value	Share capital and share premium	Reserves and retained earnings	Profit/Loss from operations	Net Profit/Loss
ORINOCO SOLAR S.L.	100%	1,779	3	(1)	(1)	(1)
Austrian Solar DYO UNO SPA	100%	82	91	(2)	(1)	(16)



Consolidated Management Report

2020

CONTENTS

1. SITUATION OF THE ENTITY

Opdenergy Holding, S.A. ("OPDEnergy", "the Company" or "the Parent Company") and subsidiaries ("the OPDEnergy Group" or "the Group") configures a consolidated group of companies that carry out their operations in the renewable energy sector as an independent power producer (hereinafter referred as "IPP") of sustainable energy, focusing on the development, construction, operation, maintenance and sale of solar and wind energy facilities in selected, promising renewable energy markets worldwide.

As of December 31, 2020, we have a portfolio of assets in operation and assets under construction, as well as a portfolio of projects in development (composed of projects in (Backlog), projects in an advanced stage (Advanced Stage), projects in an initial phase (Early Stage) and identified project opportunities (Identified Opportunities), according to the classification defined by the Company) with a total potential gross installed capacity of about 9.4 GW, of which we plan to develop about 3.8 GW in the short term including assets in operation and under construction at the end of the year.

1.1 MISSION AND VISION

As an organization we contribute to the sustainability of the communities in which we operate, by managing the environmental, social, and economic impact of our activities. Our investments are mainly oriented to the use of renewable sources for the promotion of a low carbon economy. We encourage local employment and integration, maintain strong ethical values, and are committed to safety and quality.

The Group is an organization with an international presence, constantly expanding and focusing its activity on the production of energy assets. Our historical track record as a vertically-integrated developer, with in-house expertise and capabilities along the entire value chain, affords us invaluable understanding and control over project development, structuring. construction and operation, which is key to capturing and maximizing profitability:

- Development of renewable energy facilities focus mainly on PV and Wind technologies.
- Structuring and Financing.
- Construction, full in house engineering, procurement and construction ("ECP") capabilities.
- Operation and Maintenance ("O&M") across different markets.
- Asset management in different markets

Within the framework of this activity, the Board of Directors of the Group has established a mission and vision that represent the basic principles which define the objectives of the business management and are the core of the existence of the Company.

- **Mission:** "To satisfy techno-energy needs of the market with competitive and reliable solutions".
- **Vision:** "To be a global reference in energy projects, offering a high profitability to its shareholders and promoting sustainable development".

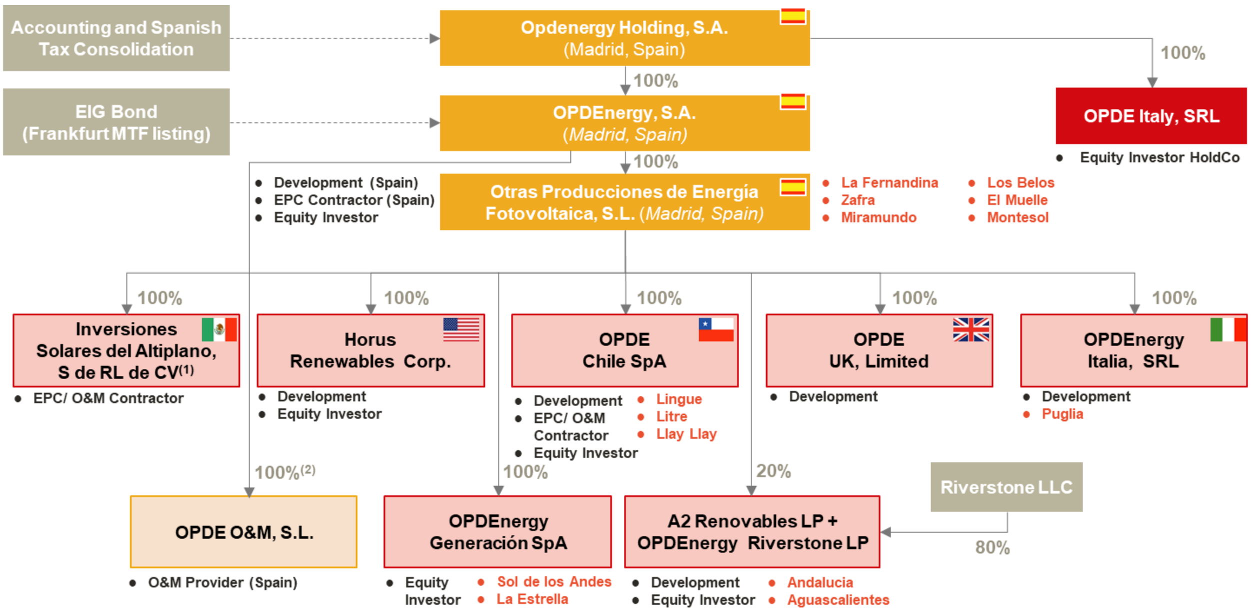
1.2 STRUCTURE

The Company was incorporated on January 20, 2005 under the name "Otras Producciones de Energía, S.L.". On July 3, 2009, the Company changed its name to OPDE Investment España, S.L. becoming a holding company with interests in various Group companies and associates. On that date OPDE Investment España, S.L. made a contribution of a business line (consistent in the development, marketing, installation, sale and maintenance of solar PV plants activity) through the capital increase of the investee Otras Producciones de Energía Fotovoltaica, S.L. On 19 March 2021, the Company again changed its corporate name to Opdenergy Holding, S.A. (hereinafter "Opdenergy Holding")

Hence, since its incorporation, OPDEnergy has expanded continuously in different renewable markets developing projects from greenfield stage, establishing joint ventures with local shareholders and acquiring projects.

Since 2009, Opdenergy Holding, S.A. has been the Parent Company of the Group.

The current structure of the Group is as follows:



Notes: (1) Shareholding is held indirectly through Aragonesa De Iniciativas Sotenibles III, S.L. (61.55%) and Turolense De Iniciativas Sostenibles IV, S.L. (38.45%); (2) Shareholding is held indirectly through OPDE Participaciones Industriales, S.L.;

The distribution of the shares among the Parent's shareholders as of December 31, 2020 is the following:

Shareholders	Number of shares	% of ownership
Aldrovi, S.L.	89,356	42.18%
Marearoja Internacional, S.L.	89,356	42.18%
Jalasa Ingeniería, S.L.	33,132	15.64%
Total	**211,844**	**100.00%**

The Parent Company's object, which coincides with its activity, consists mainly of:

a. The subscription, acquisition, transfer, management, administration, holding and use of transferable securities representing an ownership interest in the equity of entities resident or not resident in Spain, and of fixed- or variable-income financial assets in general, any securities representing either the transfer to third parties of own capital or ownership interests in the equity of other entities, as well as shares representing the capital or equity of collective investment undertakings; in all cases admitted or not admitted to trading on organised markets and without performing the activities inherent to collective investment undertakings.

b. The sale of energy to electricity companies.

1.3 HISTORICAL EVOLUTION OF THE GROUP

The Company was founded in 2005. In our first years of operations, we focused on the Spanish market and became one of the key players in Spain in the solar PV energy sector. Starting in 2009, we began our international expansion across some of the fastest growing and most attractive renewable energy markets in the world, including Italy, United Kingdom, Chile, Mexico and the United States, by undertaking both greenfield and brownfield projects.

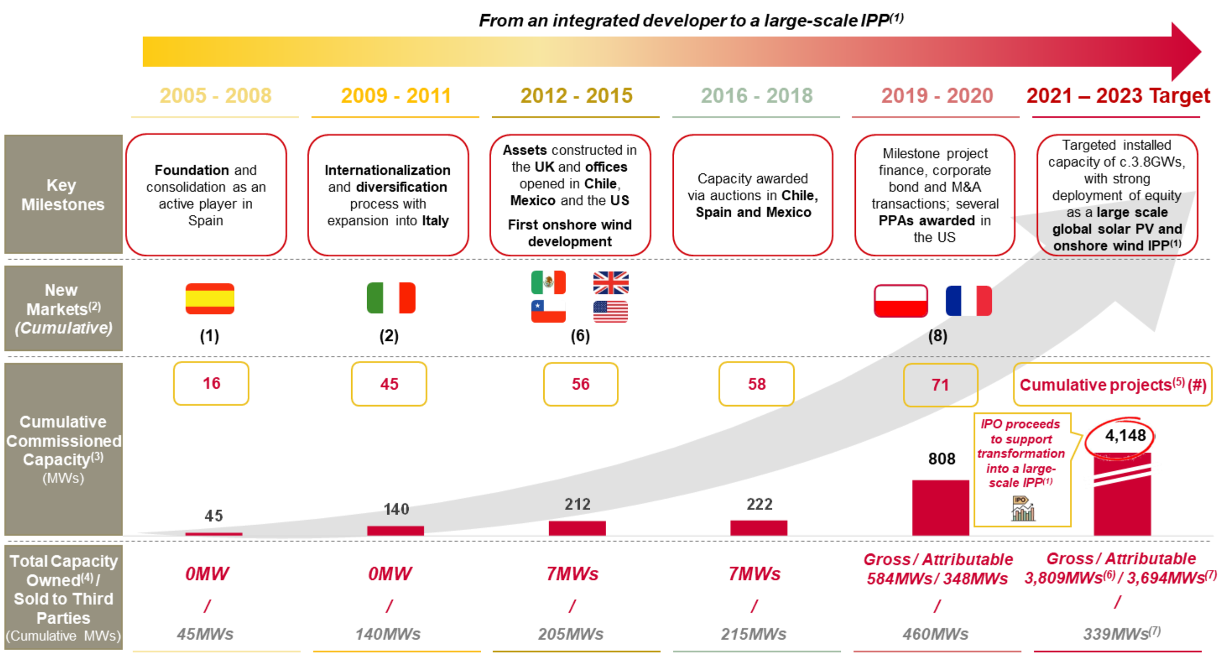
Since its origins, OPDEnergy has proven to be a firm in constant evolution, thanks to its ability to adapt to the market. Its proven business model has made possible to progressively increase its international presence and continuously improve its management and reputation.

Our transformational journey from an integrated developer to a large-scale Independent Power Producer is as follow:

- During the years 2012 to 2015, we constructed assets in the UK and opened offices in Chile, Mexico and developed our US First onshore wind facility.
- From 2016 to 2018, we were awarded with additional capacity via auctions in Spain, Chile and Mexico.
- During 2019 and 2020, we were awarded several PPAs in the US and reached milestones regarding project financing, corporate bonds and M&A transactions.
- For the period between 2021 and 2023, we have targeted the commissioning of more than 3.86GW in renewable energies, with strong deployment of equity as a large scale global solar PV and onshore wind Independent Power Producer (IPP).

In 2020 and 2019 the Group has not generated income in Chile, France or Poland.

Historical evolution of the installed capacity (accumulated MWp)



Notes: (1) IPP: Independent Power Producer. (2) OPDEnergy considers they have entered a new market when they have actively started working on the development of project, including land identification, financing agreements, etc. (3) MWs at COD (Commercial Operation Date). (4) Attributable installed capacity, except as indicated otherwise. (5) Cumulative projects are projects that OPDEnergy has commissioned historically. (6) This number includes the following: 3,090MWs of Backlog and Advanced Stage, 136MWs of Early Stage 2021-2023. (7) Does not exclude equity interests to be held by tax equity partners in US pipeline projects, if any.

We have a proven track record in executing multi-technology renewable energy projects and delivering targets. Over the past 15 years, we have successfully commissioned renewable energy plants with an aggregate gross installed capacity of over 800 MW, of which plants with an aggregate gross installed capacity of c.450 MW were sold to highly reputable buyers as part of our asset rotation strategy to optimize our portfolio and support our development financing needs.

As of the date of this Consolidated Management Report, we are in the midst of a transformational journey from a leading integrated developer to a leading large-scale IPP. Accordingly, we seek to significantly increase our energy sales in the future as we develop our project pipeline and our portfolio of renewable energy plants becomes larger.

1.4 SEGMENTS, BUSINESS DIVISIONS AND INTERNATIONAL PRESENCE

Currently, the Group activity is focused on the production of energy assets, managing all its phases: Development & Engineering, Procurement and Construction, operation and maintenance services and energy sales. Hence, the Group counts with three operating segments:

i) Development & EPC (Engineering, Procurement and Construction)

ii) Energy Sales and Services.

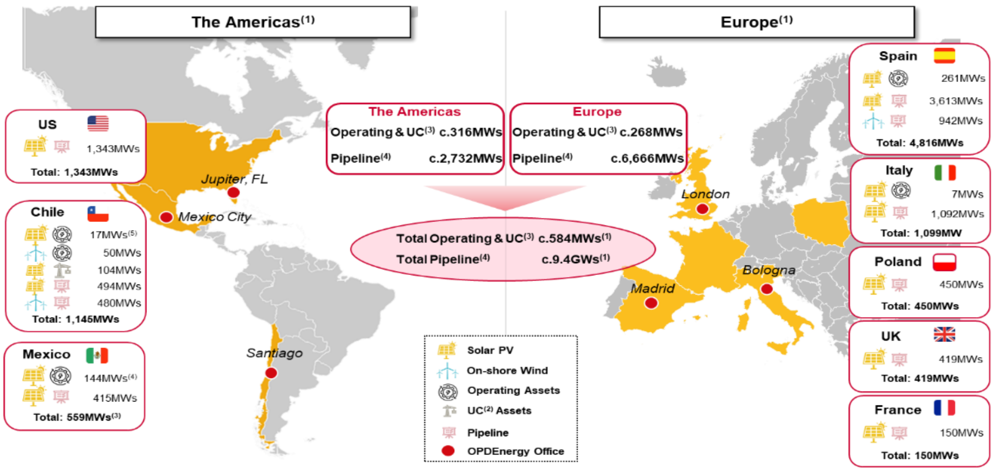
iii) Central Services / Structure

Operating segments are based on the internal reports, which are reviewed, discussed and assessed regularly by the management team and the Board of Directors, which is the ultimate body responsible for taking decisions and for allocating resources to the segments and evaluating their performance. In this respect, the segments figures stated in the aforementioned internal reports include the revenue and margins eliminated on consolidation, since the Directors consider that they reflect the Group's actual activity more accurately than the consolidated figures, which only reflect transactions performed with third parties.

Historically, our Development & EPC line of business has been our most significant operating segment. However, we expect our Electricity and Services line of business to increase its proportional contribution to our operating results as we develop our project pipeline and our portfolio of plants becomes larger and more mature, which we expect to lead to increased energy sales.

Geographical footprint

OPDEnergy is a diversify group with strategical presence across Europe and America, with office locations in six markets and presence in eight countries. In relation to the geographic business divisions in which the Group distributes the net amount of its turnover, management has identified the following: Spain, Italy, United Kingdom, Poland, France, United States, Chile and Mexico. The following table shows the international business and geographic division of our activities:



Notes: Figures might not add due to rounding effect. (1) Gross installed capacity, which includes all projects in which OPDEnergy owns, or would own, minority interests (Mexico) and pipeline. (2) Under construction. (3) OPDEnergy aims to own a 100% or controlling stake in every pipeline project except in Mexico where it has 20% of a partnership agreement with Riverstone. (Total Mexico assets: 112MWs attributable). (4) OPDEnergy owns 20% stake in 2 projects, Andalucia and Aguascalientes (Mexico operating assets: 29MWs attributable). (5) Llay Llay and Litre construction has already been completed (please see slide 9 for further detail on COD dates).

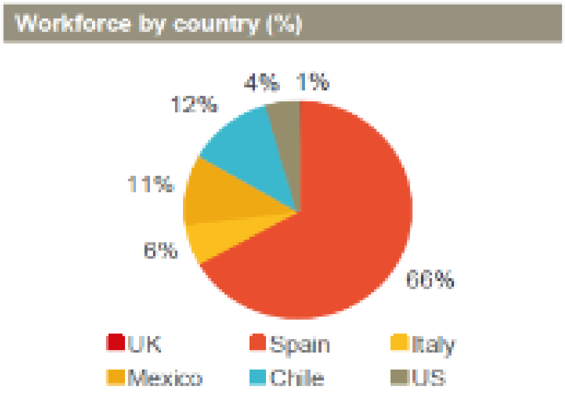
The international presence of the Group keeps growing as we will be undertaking pipeline new projects in Spain, Italy, France, Poland, United Kingdom, United States, Mexico and Chile. The Group's international presence is a challenge that moves and motivates us to develop global practices and procedures, which are transversal and applicable in all the countries in which we are present.

1.5 THE PEOPLE IN ODPEnergy

In OPDEnergy Group we count with a team of highly experienced professionals, specialized in the development, financing, construction, operation, and maintenance of energy assets.

The Group has a positive working environment and it can be said that the vast majority of its employees work with high motivation rates. As of December 31, 2020, the Group had a total of 115 employees dedicated to the common goal of growing our portfolio of projects located in eight countries and counting with offices in six of them (Spain, Italy, United Kingdom, Mexico, Chile and the United States).

The following chart provides further information regarding the Group's employees among the different regions in which we operate:

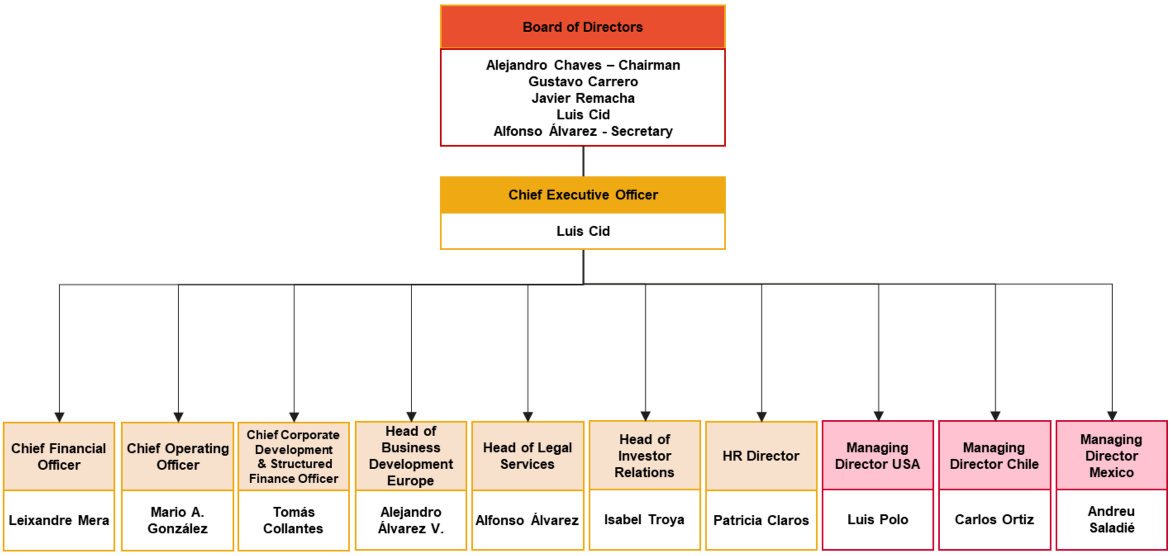


The following tables provide further information regarding the number of employees by region and category as of December 31, 2020 and 2019:

	As of December 31,	
Region	**2020**	**2019**
Spain	76	66
Italy	7	4
France	-	-
Poland	-	-
United Kingdom	1	-
United States	5	4
Mexico	12	9
Chile	14	3
Total	**115**	**86**

	As of December 31,	
Category	**2020**	**2019**
Managers	10	9
Graduates, line personnel and clerical staff	104	74
Skilled and manual workers	1	3
Total	**115**	**86**

The Group's operational organization chart is currently the following:



Culture

In OPDEnergy we consider the human factor as our main value. Therefore, we dedicate resources and efforts to engage our team, by developing their own skills and competences.

Our objective is to grow as an organization, having innovation and good work as our identity; and to promote the growth and excellence of our employees.

Collaboration
teamwork

Innovation
inspiration and progress

Integrity
ethics and loyalty

Quality
management excellence

Sustainability
environmental and social awareness

Safety and reliability
prevention and control of risks

1.6 CORPORATE GOVERNANCE

On March 17, the General Shareholders' Meeting approved new bylaws that allow us to align ourselves with the objectives of transparency and the governance requirements demanded by the Code of Good Governance of Listed Companies in preparation of a possible admission to trading of the shares. of the Company on the Stock Exchanges. Although some of the related measures are not yet in force at the date of this Consolidated Management Report, since their effectiveness is subject to said admission to trading, we now briefly describe the main updates we are working on and the impacts they would have on the different Governing Bodies.

General Shareholders' Meeting

The General Shareholders' Meeting is the primary space for participation by the Group shareholders and the highest decision-making authority at the Group, where all duly convened shareholders shall meet to discuss and decide, by the specific majority required in each case, on any matter falling within their scope of authority, or to be informed on any matter deemed convenient by the Board of Directors or the shareholders pursuant to the legislation in force.

Board of Directors

It is the highest governing body of the Group and in which the shareholders delegate their responsibility. It is the responsible body for the management of the Group and establishes the strategic, accounting, organizational and financing policies of the Group. Moreover, the Board of Directors is responsible for, among others, the following:

- Supervising the effective operation of any committees established or the performance of any delegated bodies or managers nominated by it.
- Determining the Group's general policies and strategies.
- Authorizing or releasing directors from the obligations arising from the duty of loyalty in accordance with the provisions of article 230 of the Spanish Companies Law.
- Determining its own organization and performance.
- Preparing the annual individual and consolidated financial statements and presenting such statements to the General Shareholders' Meeting.
- Preparing any type of report required from the Board of Directors by law, assuming that the transaction to which the report refers cannot be delegated.
- Nominating or removing executive directors from the Company or establishing the conditions of their contract.
- Nominating or removing managers on whom the Board of Directors or some of its members may directly depend, such as establishing the basic conditions of their contracts, including remuneration.
- Decisions relating to directors' remuneration, within the statutory framework and, when relevant, the remuneration policy approved by the general meeting.
- Calling the general meeting of shareholders and preparing the agenda and proposal for agreements.
- The policy relating to treasury shares.
- Any powers that the General Shareholders' Meeting has vested to the Board of Directors, unless the Board of Directors has been explicitly authorized to sub-delegate them.

According to the Bylaws and the Board of Directors Regulations, the directors are elected by the General Shareholders' Meeting for a maximum term of four years and may be re-elected for an unlimited number of terms of the same duration. The Group´s Board of Directors is currently composed of seven members: one executive director, three independent directors and three proprietary directors. The effectiveness of the appointment of the three independent directors and the executive director is subject to the admission to trading of the shares on the Spanish Stock Exchanges.

Audit committee

The Audit Committee is responsible for monitoring the effectiveness and efficiency of the Group´s internal control, internal audit and the risk management systems, as well as supervising the process of preparation of regulated financial information

The composition, responsibilities and rules of the Audit Committee are governed by the Bylaws and the Board of Directors Regulations, for instance, the Audit Committee shall have at least three members, with a maximum of five members, all of whom must be non-executive directors appointed by the Board of Directors, of whom the majority must be independent directors.

The OPDEnergy's Audit Committee is made up of three members. The chairmanship of this committee corresponds to an independent member. Each member shall be appointed on the basis of his or her knowledge and expertise in accounting, audit or risk management or a combination thereof. As a group, the members of the Audit Committee shall have relevant technical knowledge relating to the industry to which OPDEnergy operates.

Appointments and Remuneration Committee

The composition, responsibilities and rules of the Appointments and Remunerations Committee are governed by the Bylaws and the Board of Directors Regulations. Is the responsible body for evaluating the skills, knowledge and experience of the members of the Board of Directors and formulate proposals for appointment of new members of the Board of Directors. Additionally, the Appointments and Remuneration Committee will be responsible for monitoring the compliance with Group´s remuneration policy.

The Appointments and Remuneration Committee is made up of three members. The chairmanship of this committee must be selected by the Board of Directors from among its independent members. The effectiveness of the constitution of this Committee and the appointment of its members is subject to the admission to trading of the shares on the Spanish Stock Exchanges.

Sustainable Development Committee

The Sustainable Development Committee is responsible for conducting a periodic review of the corporate governance system, monitor the Group´s corporate governance sustainable development strategies and the compliance with legal requirements and with the rules and regulations of the corporate governance system. Furthermore, oversees the Group´s actions relating to sustainable development and corporate social responsibility. The Sustainable Development Committee currently consists of three members. The chairmanship of this committee is selected by the Board of Directors from among its independent members. The effectiveness of the constitution of this Committee and the appointment of its members is subject to the admission to trading of the shares on the Spanish Stock Exchanges.

2. BUSINESS MODEL

OPDEnergy is an organization with an international presence, constantly expanding and that focuses its activity on the production of energy assets. OPDEnergy has a comprehensive, aggregated and long-term business model, oriented to the management of all phases of a project:

- Development & EPC.
- Energy Sales and Services.
- Central Services / Structure.

OPDEnergy has an internationally proven capacity and experience. Since its constitution, OPDEnergy has achieved:

- Advance its transformation into a large-scale independent power producer with 413MW gross in operation and 171MW under construction at year-end and a future project portfolio of 9.4GW.

  To be one of the pioneering companies in the field of photovoltaic solar energy with a presence in Europe and America, with more than 15 years of experience and a proven track record of more than 800 MW put into service.

- Have a diversified portfolio of solar and onshore wind with 584MW gross in operation and under construction and a pipeline of 9.4GW projects under development, of which 3.2GW is expected to begin commercial operations before 2023, which which will mean a portfolio in operation of 3.8GW of gross total installed capacity, including assets in operation and construction at the end of the year.
- Maintain a strategically selected long-term presence in Europe, the United States and Latin America, with offices in 6 countries and 116 employees to serve eight key markets.
- Have a prosperous development model with (i) power purchase auctions (PPA) awarded in Europe, the United States and Latin America and (ii) development of assets under private PPAs and energy sales to the market.

AREAS OF ACTIVITY

As mentioned above, in OPDEnergy we obtain synergies in the management of all phases of a renewable energy asset:

Development & EPC

From the development and EPC area, we search for and generate investment opportunities in energy assets and supervise the engineering and construction of the projects until the start-up of the energy assets.

By working along the renewable energy asset value chain, we can acquire projects in an advanced state of maturity or initiate projects from "greenfield", collaborating with local resources to:

- Select the optimal location.
- Address technical and economic studies.
- Processing and obtaining licenses and permits.
- Formalize agreements that guarantee the investment.

For the EPC we use a working scheme of "Project Management Office (PMO)" applied on the stages of:

- Resource study and basic engineering.
- Acquisition of equipment and main services.
- Detailed engineering.
- Construction management, commissioning, and activation.

Energy Sales and Services

From the Energy Sales and Services area, we manage the exploitation and availability of energy assets, looking for opportunities to take advantage of and optimize their useful life.

We manage our assets, applying the following premises:

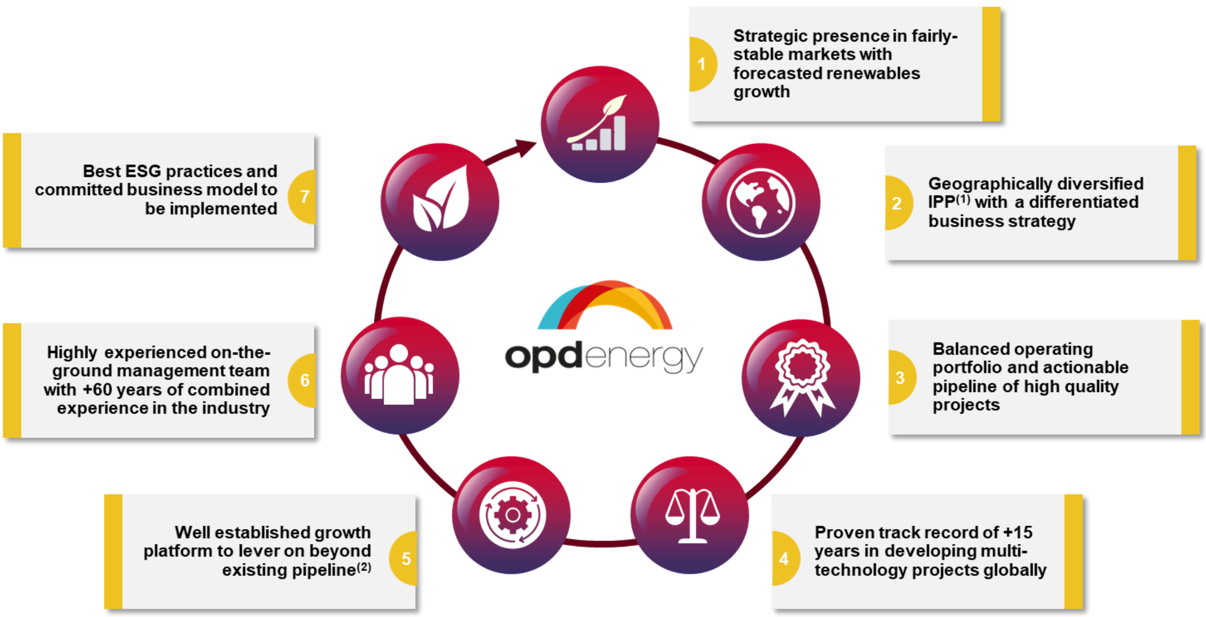
- Maximize energy generated.
- Reduce operational expenses.
- Increase process safety.
- Guarantee the reliability of the equipment.

Also we generate income by selling the electricity produced by our PV solar plants under a specific PPA contract or other type of sales model. The amount of income generated depends mainly on the production level of the plant and the sale price of the electricity. We generate income from solvent buyers, including a combination of government entities or central and national services, as well as private companies. In general, we establish long-term electricity sales agreements with these energy buyers who pay a fixed price, in certain cases subject to adjustments for inflation, for the electricity generated by our PV solar power plants.

STRATEGY

OPDEnergy defines its strategy based on the following principles, resulting from an exhaustive analysis of the internal and external issues present in the context in which the organization is framed:

- Internationalization.
- Dynamism and adaptability.
- Diversification of energy sources.
- Continuous improvement in the management of projects.
- Maximize the profitability of assets.



Notes: (1) IPP: Independent Power Producer

The Group's strategy, objectives and value proposition for the upcoming years are summed up in the following bullet points:

- Became the leading renewable energy producer with presence in Organisation for Economic Co-operation and Development (hereinafter "OECD") countries and long-standing experience in the sector.
- Diversify geographically and technologically with exposure to strategic and growing markets, with mostly contracted revenues denominated in hard currencies only.
- Compelling transformational plan to become a leading large-scale global IPP in Europe and America leveraging its best-in-class capabilities and track-record as an integrated renewables developer of integrated renewable energies.

- Long-term growth potential supported by a secured pipeline of +3.8GW with capacity to be deployed in the very short term and supporting market trends.
- Well-established platform led by a highly experienced management team with a proven track-record for identifying, securing and developing renewables projects.
- Play a relevant role in the Environmental, Social and Corporate Governance (hereinafter "ESG") transition, investing and contributing positively and in an active manner to the environment and society while targeting sustainable long-term returns.

3. BUSINESS PERFORMANCE AND RESULTS

FINANCIAL INDICATORS

The selected financial information included in this section has been taken from the Group's audited consolidated financial statements as of and for year ended December 31, 2020, which include audited consolidated financial information as of and for the financial year ended December 31, 2019 for comparative purposes, that have been prepared in accordance with the International Financial Reporting Standards as endorsed by the European Union ("IFRS-EU") accordance with Regulation (EC) No 1606/2002 of the European Parliament and Council and effective at 31 December 2020.

Profit or loss

Highlights of the results for the financial years 2020 and 2019 are:

	As of December 31,	
	2020	**2019**
Revenue	139,047	132,919
(-) Direct cost	(112,446)	(106,227)
General and Administrative Expenses (G&A)	(22,232)	(11,166)
Bonus for liquidity event	7.612	-
EBITDA	**11,981**	**15,526**
% EBITDA margin	*8.6%*	*11.68%*
(-/+) Depreciation & Others	(541)	(295)
EBIT	**11,440**	**15,231**

In relation to the net amount of the turnover, there has been an increase of EUR 6,128 thousand (an increase of 4.61% compared to the previous year). Sales for 2020 correspond mainly to the "DEVELOPMENT & EPC" segment, specifically the sale of 80% photovoltaic solar parks in Mexico to Riverstone for an amount of EUR 118 million, as well as sales from energy production of in Spain and Italy. In relation to the net amount of the turnover for the 2019 financial year, it is mainly due to the construction of the La Fernandina, Miramundo and Zafra farms, in which during the 2019 financial year the Group sold a representative percentage of the majority of the share capital to a Investment fund.

Ebitda during the 2020 financial year experienced a decrease of 22.8%, amounting to 3,545 thousand euros, mainly due to the increase in general and administrative expenses. In line with the evolution of EBITDA, the Ebit during the financial year 2020 experienced a decrease of EUR 3,791 thousand, approximately a fall of 25%. For the purposes of calculating the Ebitda and Ebit, the expense of EUR 7,612 thousand has not been considered for the provision of the liquidity event recorded as of December 31, 2020.

ALTERNATIVE PERFORMANCE MEASURES (APMs)

We present certain Alternative Performance Measures ("APMs") to provide additional information that favours the comparability and understanding of the financial information and to facilitate the process of decision making and evaluation of the Group's performance. APMs should be considered by the user of financial information as supplementary figures presented in accordance with the presentation bases of the consolidated financial statements. The APMs are:

EBITDA

Definition: Revenue + Changes in inventories of finished goods and work in progress + Raw materials and consumables used + General and Administrative Expenses (G&A) + [costs and incentives associated with initial public offering].

Explanation of use: EBITDA is considered by us as a measure of the performance of our activity, as it provides an analysis on the profit/loss of the year excluding interest, taxes, depreciation and amortization. It is used to evaluate the capacity to generate operating cash flow from the projects. Additionally, it is a magnitude widely used by investors when assessing companies, as well as by rating agencies and creditors to assess the level of indebtedness by comparing EBITDA with net debt or with debt service.

Thousand euros	2020	2019
Revenue	139,047	132,919
Changes in inventories of finished goods and work in progress	15,453	66,551
Raw materials and consumables used	(127,899)	(172,778)
Other operating income	659	445
Employee benefits expense	(15,933)	(5,738)
Bonus for liquidity event	7,612	-
Other operating expenses	(6,958)	(5,873)
EBITDA	**11,981**	**15,526**

EBIT

Definition: EBITDA + Amortizations and others

Amortizations and others include "Depreciation and amortisation expenses", "Impairment losses", "Gains or losses on the loss of control of consolidated equity interests" and "Other income and expenses" from the consolidated income statement for each year.

Explanation of use: EBIT provides an analysis of profit / loss for the year excluding interest and taxes. It is used to evaluate the operating results generated by the business in each of the years.

Thousand euros	2020	2019
EBITDA	11,981	15,526
Amortizations and others	(541)	(295)
EBIT	**11,440**	**15,231**

EBITDA MARGIN

Definition: EBITDA / Revenue

Explanation of use: EBITDA Margin is considered by us as a measure of the performance of our activity, as it provides information on the percentage contribution that EBITDA represents on the amount of revenues. This contribution allows for comparative analyses to be made on the performance of the margin of our projects.

Thousand euros	2020	2019
EBITDA	11,981	15,525
Revenue	139,047	132,919
EBITDA Margin	**8.6%**	**11.7%**

NET FINANCIAL DEBT

Definition: Long-term debts + Bank borrowings and other short-term liabilities - Cash and cash equivalents

Explanation of use: Net Financial Debt is a financial magnitude that measures the net debt position of a company. Additionally, it is a magnitude widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness.

Thousand euros	2020	2019
Debt instruments and other marketable securities	66,222	37,287
Debt instruments and other marketable securities	131	86
Borrowings from credit institutions	4,638	11,011
Borrowings associate with renewable energy plants	85,747	71,072
Other financial liabilities	66	153
Cash and cash equivalents	(49,074)	(44,272)
DEUDA FINANCIERA NETA	**107,730**	**75,337**

DEBT RATIO

Definition: Net financial debt + Equity / Total capital employed in the business

Explanation of use: Debt ratio shows how a Company can cover or pay back its debt if net financial debt and EBITDA are held constant. However, if a company has more cash than debt, the ratio can be negative.

Thousand euros	2020	2019
Net financial debt (a)	107,730	75,337
Equity (b)	78,576	78,816
Total capital employed in the business (c) = (a+b)	186,306	154,153
Debt ratio (a/c)	**0.58**	**0.49**

WORKING CAPITAL

Definition: Current assets – Current liabilities

Explanation of use: Working Capital is considered by us as a measure of our financial condition, as it provides an analysis of our liquidity, operational efficiency (optimization of short-term resources and processes to generate positive investment returns) and short-term financial health.

Thousand euros	2020	2019
Current assets	261,273	258,490
Current liabilities	155,628	164,965
WORKING CAPITAL	**105,645**	**93,525**

ADJUSTED WORKING CAPITAL

Definition: Current assets – Adjusted current liabilities

Explanation of use: The Group maintains in its current assets and current liabilities the development and construction costs of photovoltaic energy parks and their corresponding financing in current liabilities. Adjusted Working Capital provides an analysis of our liquidity, operational efficiency (optimization of resources and short-term processes to generate positive investment returns) and short-term financial health without taking this effect into account.

Thousand euros	2020	2019
Current assets	261,273	258,490
Current liabilities	155,628	164,965
WORKING CAPITAL	**105,645**	**93,525**
Borrowings associate with renewable energy plants	85,747	71,072
Lease liabilities associate with renewable energy plants	7,882	10,499
Inventories (Finished product and work in progress)	(183,508)	(168,598)
ADJUSTED WORKING CAPITAL	**15,766**	**6,498**

CAPITAL EXPENDITURES ("CAPEX") & INVESTMENT

Definition: Inventories current year - Inventories previous year

Explanation of use: CAPEX & Investment is considered by us as an APM as it provides an analysis of the funds used by the Company to acquire, upgrade, and maintain its renewable energy plants used to undertake new projects or investments. It is widely used to investors to analyze the level of a Company to increase the scope of the operations or add some economic benefit to them.

Thousand euros	2020	2019
Beginning balance	186,659	169,088
Right-of-use assets in inventories	(3,295)	(9,323)
Perimeter exits	104,810	17,259
Stock impairments	2,711	2,685
Beginning balance	(169,088)	(79,457)
Right-of-use assets beginning in inventories	9,323	16,983
CAPEX and INVESTMENT	**131,120**	**117,235**

ALTERNATIVE PERFORMANCE MEASURES (APMs) BY OPERATING SEGMENT

Below we present APMs for our three operating segments:

DEVELOPMENT&EPC

APMs	Definition	31/12/2020	31/12/2019	Explanation of use
Direct cost	Changes in inventories of finished goods and work in progress + Raw materials and consumables used	(196,060)	(198,628)	Measure of the costs directly attributable to the activity of the operating segment.
Gross Margin	Revenues – Direct cost	25,416	43,094	Measure of operating profitability used to evaluate the generation of results without considering those expenses that are not directly attributable to the projects.
% Gross Margin	Gross Margin / Revenues	11.4%	17.8%	Provides information on the contribution that the Gross Profit represents on the amount of revenues.
General and Administrative Expenses (G&A)	Direct and indirect cost+ G&A	(5,964)	(12,139)	Measure of general, administrative and commercial expenses that are not directly attributable to the projects.
EBITDA	Gross margin + G&A	19,452	30,955	Provides of the operating profitability excluding interest, taxes, depreciation and amortization. It is used to evaluate the capacity to generate operating cash flow from the projects.
EBITDA Margin	EBITDA / Revenues	8.8%	12.8%	Provides information on the percentage contribution that the EBITDA represents on the amount of Revenues. Used for comparative analyses of the margin of our projects.
EBIT	EBITDA + Depreciation + Impairment + Others	20,445	32,649	Measure of operating profitability excluding interest and taxes
EBIT Margin	EBIT / Revenues	9.2%	13.5%	Provides Information on the percentage contribution that the EBIT represents on the amount of Net Sales.

ENERGY SALES AND SERVICES

APMs	Definition	31/12/2020	31/12/2019	Explanation of use
Direct cost	Changes in inventories of finished goods and work in progress + Raw materials and consumables used	(7,565)	(1,592)	Measure of the costs directly attributable to the activity of the operating segment.
Gross Margin	Revenues – Direct cost	8,573	6,499	Measure of operating profitability used to evaluate the generation of results without considering those expenses that are not directly attributable to the projects.
% Gross Margin	Gross Margin / Revenues	53.1%	80.3%	Provides information on the contribution that the Gross Profit represents on the amount of revenues.
General and Administrative Expenses (G&A)	Direct and indirect cost+ G&A	(3,278)	(1,142)	Measure of general, administrative and commercial expenses that are not directly attributable to the projects.
EBITDA	Gross margin + G&A	5,295	5,357	Provides of the operating profitability excluding interest, taxes, depreciation and amortization. It is used to evaluate the capacity to generate operating cash flow from the projects.
EBITDA Margin	EBITDA / Revenues	33.2%	66.2%	Provides information on the percentage contribution that the EBITDA represents on the amount of Revenues. Used for comparative analyses of the margin of our projects.
EBIT	EBITDA + Depreciation + Impairment + Others	3,419	3,897	Measure of operating profitability excluding interest and taxes
EBIT Margin	EBIT / Revenues	21.2%	48.2%	Provides Information on the percentage contribution that the EBIT represents on the amount of Net Sales.

CORPORATE SERVICES / STRUCTURE

APMs	Definition	31/12/2020	31/12/2019	Explanation of use
EBITDA	Gross margin + G&A	(6,969)	(2,065)	Provides of the operating profitability excluding interest, taxes, depreciation and amortization. It is used to evaluate the capacity to generate operating cash flow from the projects.
EBITDA Margin	EBITDA / Revenues	0.0%	0.0%	Provides information on the percentage contribution that the EBITDA represents on the amount of Revenues. Used for comparative analyses of the margin of our projects.
EBIT	EBITDA + Depreciation + Impairment + Others	(6,447)	(2,744)	Measure of operating profitability excluding interest and taxes
EBIT Margin	EBIT / Revenues	0.0%	0.0%	Provides Information on the percentage contribution that the EBIT represents on the amount of Net Sales.

4. LIQUIDITY AND CAPITAL RESOURCES

Our primary financing needs are for the funding of investments in the development and construction of renewable power energy plants, the repayment of debt incurred by the project SPVs (and, where applicable, the SPV holding companies) that own such plants, funding working capital requirements and, to a lesser extent, distribution of dividends. Historically, to fund these requirements, we have largely relied on project finance debt at the level of the project SPV, cash from operations (mainly cash flows from our turnkey development and construction contracts with non-Group entities) to our 2018 corporate bond issuance for an approximate amount of EUR 68 million and to our asset rotation strategy.

Funding needs for project development and construction vary depending on the stage of the project.

- Funding needs at the development stage. Our funding needs during a project's development stage, which runs from the time a site is identified until construction begins, include costs associated with project analysis and feasibility studies, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering and procurement of solar panels or turbines, in addition to the personnel-hours dedicated by our team of project developers and supporting engineers. We have historically relied on our own equity contributions and bank loans and, more recently, the 2020, 2019 and 2018 Notes (short-term bank credit lines entered into by the Group), to pay for costs and expenses incurred during project development.
- Funding needs at the construction stage. The project SPVs (or, less often, the SPV holding companies) generally finance their projects through: (i) outside financing, generally in the form of long-term bank loans. Third-party debt financing generally covers 65% to 75% of the project costs; and (ii) to a lesser extent, equity financing in the form of capital contributions, current account advances or similar arrangements provided by the Group and (where the project SPV is not wholly owned by the Group) by the project SPV's other shareholders. Historically, we have financed our share of equity contributions to project SPVs using the proceeds of capital increases at the Company level. We have also financed a part of these contributions using the cash flow generated by the issuance of the 2020, 2019 and 2018 Bonds and other debt financing. To a lesser extent, we finance a portion of our contributions using our internal resources from operating cash flow.
- During the construction phase for a project held through a project SPV which we intend to own and operate, we generally receive no cash flow from the project (other than cash received through debt financing) prior to its commercial operation date ("COD"), when it begins selling the electricity that it produces. Generally, the Group is repaid for current account advances and related interest payments or receives dividends only to the extent that cash remains after meeting payment requirements for senior debt and subject to compliance with financial ratios. When we develop and construct plants under turnkey development and construction contracts with non-Group entities, we typically receive partial payments from our customers upon the completion of certain construction milestones.

We monitor our capital structure on the basis of our debt ratio, calculated by dividing net financial debt by total capital employed in the business.

5. MANAGEMENT OF MAIN RISKS AND UNCERTAINTIES

The Group is committed to risk management. Risks are assessed and addressed through the Risk Management Department, which promotes the implementation of a Risk Management Model in order to:

- Promote and develop a management that allows to identify, evaluate, treat and control the risks derived from the activities that the Organization carries out, in its different geographical areas and integrated in all its levels.
- Maintain a minimum risk tolerance level, which allows the achievement of the expected results and strategic objectives.
- Take advantage of opportunities that may have desired effects to improve the performance of the Organization and boost its growth, continuous improvement and competitiveness
- Anticipate threats that may have undesirable effects on the Organization or affect the achievement of objectives, in order to eliminate or reduce these effects.

The risks are classified into operational risks and financial risks.

OPERATIONAL RISKS

Regulatory risk

The electricity generation activity is regulated in all the jurisdictions in which the Group operates. Therefore, regulation can have a direct impact on the Group's income. Note 1 to the Consolidated Financial Statements contains an overview of the most relevant regulatory frameworks affecting the Group.

Also, we are subject to extensive environmental, health and safety regulations, as well as political, social, environmental and community actions. Failure to do so could result in adverse publicity for the Group and potentially significant monetary damages, which could even lead to the suspension or cessation of business operations. Consequently, we invest a lot of effort in ensuring compliance with all regulations.

Currently, there is a stable regulatory outlook in the key geographies in which the Group operates.

Customer concentration

We have a very strong dependence on a limited number of clients. Consequently, the loss of any of these customers or any of them declaring bankruptcy or going through a difficult financial situation could cause material fluctuations or severe drops in the Group's income. Although in the future it is expected that working with the same clients, as we continue expanding our business, and there is a rotation change among our main customers every year.

Interruption of the activity

We face a risk of interruption as our normal operations can be affected by outages, system failures, or natural disasters. For this reason, we have insurance policies to cover ourselves in the event of such disasters; however, they could cause significant damages to our results and future operations.

FINANCIAL RISKS

The Group's activities are exposed to various financial risks: market risk (including foreign currency risk and interest rate risk), credit risk, liquidity risk and fair value measurement. The Group's global risk management programme focuses on the uncertainty of the financial markets and aims to minimise the potential adverse effects on its financial returns.

Market risk

Foreign currency risk

The Group operates internationally and is exposed to foreign currency risk on the transactions it performs in foreign currencies. Foreign currency risk arises mainly from commercial transactions performed abroad that are in a currency other than the euro, which is the Group's functional currency.

Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities that bear a fixed interest rate and the future flows from assets and liabilities bearing interest at a floating rate.

The Group's interest rate risk arises mainly from bank borrowings and marketable securities issued. Bank borrowings and marketable securities issued on unregulated markets at floating interest rates expose the Group to cash flow interest rate risk. The Group had arranged an interest rate hedge in order to mitigate fluctuations in interest rates.

Electricity price risk

The Group uses derivative financial instruments to hedge the risk of fluctuations in electricity prices based on its projections, since such fluctuations may have a very significant impact on the earnings of the companies that own the solar PV and wind farms under development.

Credit risk

Credit risk arises from cash and cash equivalents and deposits at banks and financial institutions, as well as balances with customers, including outstanding accounts receivable and committed transactions. In relation to banks and financial institutions, transactions are only performed with renowned high-quality entities, taking into account past experience and other factors. If an independent appraisal of the customers' creditworthiness has not been made, the Financial Department assesses their credit quality on the basis of the financial position of the customer in question, past experience and other factors. The Group does not have a policy of granting long-term loans to its customers, except in exceptional circumstances.

The maximum credit risk exposure of the financial assets is the carrying amount thereof.

Liquidity risk

Prudent management of liquidity risk entails the maintenance of sufficient cash and marketable securities, availability of financing through a sufficient level of committed credit facilities and the capacity to settle market positions. In view of the dynamic nature of the underlying businesses, the Group's Financial Department aims to maintain the flexibility of financing through the availability of the credit lines arranged, which complement the financing specific to the turnkey projects.

An exhaustive control of working capital (current assets minus current liabilities), the absence of an excessive concentration of risk at any bank and the ongoing monitoring of levels of borrowings and the generation of funds enable the business's liquidity risk to be adequately controlled.

6. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On February 12, 2021, OPDEnergy Group´s Management presented a non-binding offer to acquire 80% of the associated companies Planta Solar Opde la Fernandina, S.L., Planta Solar Opde Extremadura 2, S.L. and Planta Solar Opde Andalucía 1, S.L. The total sale price offered amounts to 42 million euros for 80% of the shares owned by Marguerite Solar Spain, S.L.U. and the shareholder loans granted to the companies. The closing date of the agreement, subject to the acceptance of the parties, as well as the authorization of credit institutions that granted the project finance associate to the solar farms, was March 23, 2021.

Additionally, OPDEnergy Group´s Management completed the process of refinancing the contract of the two financing facilities based on bonds in order to obtain the necessary funds to undertake the acquisition operation of 80% of the shares of Planta Solar Opde la Fernandina, S.L., Planta Solar Opde Extremadura 2, S.L. and Planta Solar Opde Andalucía 1, S.L. The new financing agreement, establishes the cancellation of the existing financing for a nominal amount of EUR 67,510 thousand (Note 11.2) including commissions that amount to 2% of said nominal amount, in exchange for obtaining a new line of financing for bonds up to 140 million euros with a maturity of 30 months, an initial disposal of 114.5 million euros with an original issue discount of 2% over the nominal amount and a 0% Euribor interest rate with floor. Said refinancing agreement was subject to the successful completion of the purchase transactions of the companies and was closed on March 24, 2021.

On February 2021, the Company has awarded an IPO bonus to certain members of the senior management whose accrual is conditioned to the completion thereof in 2021. The aggregate gross amount will be EUR 505 thousand and it will be settled as soon as reasonably practicable thereafter in cash.

On March 17, 2021, the extraordinary and universal general meeting of shareholders of the Parent Company has agreed to modify the Board of Directors, ceasing previous Directors and appointing a new Board of directors composed by seven members. The appointment of four members are conditional upon admission in the Spanish Stock Exchange. Likewise, at the same meeting, it was agreed to double the number of shares of the Parent Company by reducing their nominal value from 10 to 0.02 euros per share, at a rate of 500 new shares for each old share, without variation of amount of the share capital, being represented by 211,844 shares to 105,922,000 shares.

Additionally, the OPDEnergy Group approved on March 17, 2021, a long-term incentive plan for a limited number of members of the Group's senior management. The purpose of this plan is to motivate and reward the executives appointed by the administrators of the Parent Company, allowing them to be part of the Group's long-term value creation. In this sense, the plan will only be considered approved if the IPO is carried out and would consist on the award with a number of shares to be determined by the Board of Directors in accordance with a series of conditions currently to be determined.

The main characteristics of the plan, which will come into effect on January 1, 2021, are the following:

- Vesting period will begin on January 1, 2021 and will end on December 31, 2023.
- Shares will be granted 365 days after the end of the vesting period and will be vested after compliance, at the expiration of the vesting period, of the following conditions:
  - Necessary condition of permanence in the employment by the participant;
  - Performance conditions. The number of shares to be delivered to each of the participants will be determined based on the performance of each of them, as well as, the gradual achievement of certain performance ratios of the Group, associated with the Total rate of return for the shareholder, EBITDA and Backlog achievement rate.

These performance ratios will be calculated as of December 31, 2023.

The incentive plan will be considered an equity-settled plan and therefore its registration will affect the "Employee benefits expense" caption with a counterpart in the Group's equity. The total gross amounts to be delivered in MIP Shares to all MIP Participants upon completion of the MIP Total Term pursuant to the Management Incentive Plan amounts to 15,124 thousand euros (on a maximum over-performance scenario) and €8,643 thousand euros (on a target scenario).

No subsequent events took place that might have an effect on the consolidated annual accounts for 2020 other than the events described above.

7. RD&I ACTIVITIES

In OPDEnergy we have a strong commitment to innovation as is a relevant part of our corporate culture. This constant innovation is what allows us to offer a differentiated product and help us becoming leaders in the sector. We believe that investing in Research, Development and Innovation is a core aspect to surviving and growing in the market, for those reasons the investments we make in this division grows annually.

The Group expectation is to continue to focus its efforts on innovation and while be investing in the following areas:

- Artificial intelligence.
- Hydrogen.
- Storage.

Technologies

The main sources of energy linked to our activities are:

Photovoltaic | **"Onshore" wind** | **Hybrid systems** | **Storage systems**

Based on the solar business, where we acquired our experience, our growth and maturity have allowed us to define a strategy aimed at diversifying the business, extending the spectrum of technologies to operate with equal efficiency in wind energy and also attending to other solutions such as the demand for storage or hybrid systems.

8. ACQUISITION AND DISPOSAL OF TREASURY SHARES

There have been no operations with treasury shares during 2020.

9. DIVIDEND POLICY

OPDEnergy intends to devote its generated cash flows to continue growing its business and executing its business plan, including capital expenditures at various projects. OPDEnergy does not plan to distribute dividends during the following years. After that period, the Company will reassess its dividend policy and the payment of future dividends based on, among other things, OPDEnergy's financial performance and business prospects.

The Company's ability to distribute dividends in the near future will depend on a number of circumstances and factors, including (but not limited to) the amount of distributable profits and reserves and its investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under applicable law (both on the Company and on any Group entity), including any regulation that may be enacted as a result of the Coronavirus pandemic or otherwise, compliance with covenants in the debt instruments, the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as the Board of Directors or the General Shareholders' Meeting may deem relevant from time to time. In that regard, payment of dividends is generally proposed by the Board of Directors and must be approved by the General Shareholders' Meeting.

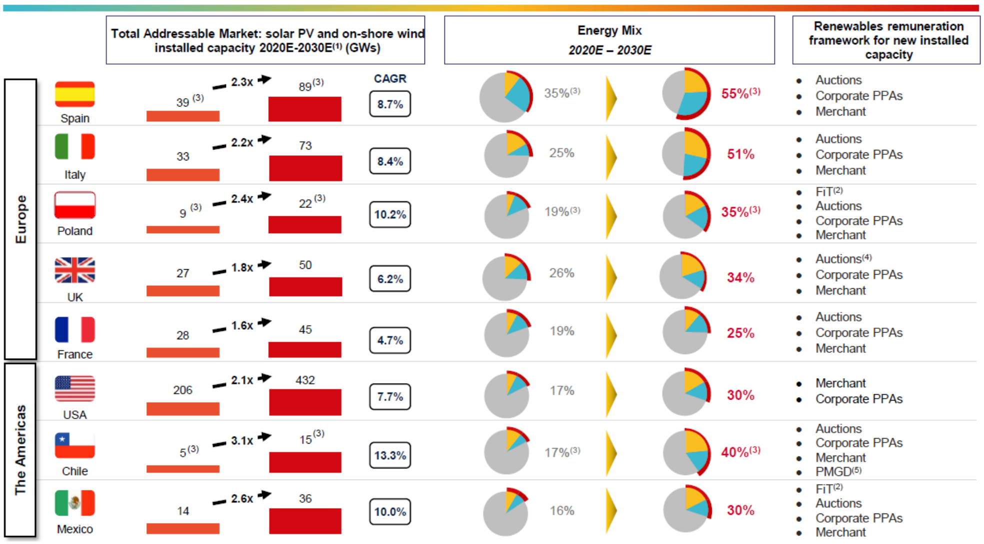
10. PROBABLE EVOLUTION OF ENTITY

Our strategic vision foresees that the Group will go from being a leading vertically integrated developer to a large-scale IPP with a presence in Europe and America, with 3.8 GW of installed capacity in 2023 and an additional project portfolio of another 6GW.Regarding the evolution forecast, we have a growth perspective based on:

- Diversified large scale global independent power producer.
- The reinforce of fey areas such as: Research, Development and Innovation in artificial intelligence, hydrogen and storage, Asset management / Sale of energy under merchant exposure, Operation and maintenance and Local presence.

- OPDEnergy is well positioned to benefit from global renewables expansion as the installed capacity is expected to grow to C.2.7TW in the next 10 years mainly by the generation of our PV solar and onshore wind plants. The global energy trends are focused in increasing digitalisation and electrification and reducing energy decentralization and decarbonization.

  The Group´s strategic presence in key OECD markets is well established and we forecast a significant growth in the medium and long term. The geographical segments of the Group are expected to grow as indicated below:



The objectives of the Group are:

- Long-term presence in key markets showing transformative and tangible renewable growth dynamics.
- Consolidate our technological diversification, with a special focus on solar photovoltaic and onshore wind, but analyzing different technologies such as green hydrogen or different energy storage systems
- More than 350 employees in the group during financial year 2023 with offices in its main markets in.

11. STRONG COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

In OPDEnergy we invest our time, effort and resources in generating a strong commitment with society.

Because of the climate change we face in the world, our commitment and investments are mainly oriented to the use of renewable sources for the promotion of a low carbon economy. We also contribute to society encouraging local employment and integration, maintaining strong ethical values, and committed to safety and quality of all our employees.

QUALITY, ENVIROMENT AND HEALTH AND SAFETY POLICY

Within the Group´s framework activity and business model, and focusing on the core strategic pillars of the company, the Board of Directors is committed to show leadership regarding quality, environment and health and safety, by implementing a Management System that enables us to:

- Promote the adoption of a process approach, understand the Organization and its context and incorporate risk-based thinking to address risk and opportunities, achieve goals and adapt to changes.
- Integrate the most demanding standards in accordance with a highly competitive market and provide products and services (projects) that enhance customer satisfaction and meet the requirements of its stakeholders.
- Contribute to protect the environment through prevention of pollution, sustainable use of natural resources and promotion of energy efficiency and a low carbon economy.
- Provide safe and healthy working conditions for the prevention of work-related injuries and health impairments, with a commitment to eliminate hazards and reduce risks to occupational health and safety.
- Encouraging consultation and participation of workers and their representatives.
- Ensure compliance with legal, regulatory and any applicable requirements subscribed by the Organization.
- Achieve continual improvement in terms of quality, environment, health and safety.

The abovementioned policies support the strategic direction of the organization and serve as a reference to establish the long-term objectives and vision of the Group. Such policies are applicable to any activity, area or subsidiary company of the Group. Management grants the availability of the necessary resources for its fulfilment and requests all the people working on behalf of the organization to actively participate and contribute to the effectiveness of the Management System.

The Board of Directors of OPDEnergy decided to approve and implement this Code of Ethics, which aims to establish the basic principles that shall govern the Group’s behaviour. This Code of Ethics is not intended to cover all possible situations that may arise in the development of the Group's activity, but to establish a series of guidelines and minimum standards of conduct. Such ethical standards are set below and are applicable for all members of our Organization.

ETHICAL PRINCIPLES AND RULES OF CONDUCT

Compliance with applicable regulations

Complying with all applicable regulations, including both legal and regulatory requirements and other requirements that the Group may be legally bound. The legal framework of the geographical area (international, national and local) has to be taken into consideration.

Conflicts of interests

Members of the Organization must proceed impartially in situations of conflict of interest in which they may be involved. Especially, no personal or professional activities shall be carried out, nor direct or indirect interests pursued, that might interfere with the applicable responsibilities in the Organization.

Illicit payments and anti-corruption principles

Members of the Organization are prohibited from offering or accepting illicit payments in any situation, such as (but not limited to), bribes, kickbacks and other similar compensations.

Human rights and employee rights

Respecting the principles embodied in the Universal Declaration of Human Rights of the United Nations (UN), as well as fundamental principles and rights included in the Declaration of the International Labour Organization (ILO). Especially, they commit not to participate in the trafficking of human beings, not to employ child labour, or to use forced, involuntary or enslaved labour. The members of the Organization shall maintain strict and objective recruitment programs, focusing exclusively on the candidate's academic, personal and professional merits and their human resource needs.

Quality

Ensuring the compliance of the products and services with the applicable requirements, promoting an approach to increase customer satisfaction and respond to the needs and expectations of stakeholders. For such purpose the Group shall assign the workers with the necessary means to do so.

Environment

Pursuing the engagement to protect the environment, through the prevention of pollution, the sustainable use of natural resources and the promotion of energy efficiency and a low carbon economy. Workers will receive the necessary means to do so and awareness will be promoted.

Health and Safety at work

Guarantying adequate conditions of safety, hygiene and wellbeing to address the engagement to prevent harm and deterioration of health. The workers will receive the relevant protective equipment and all the necessary training in the subject. Unsafe behaviours will not be tolerated. The members of our Organization must respect meticulously the applicable regulations regarding health and safety in all locations where they develop their business activities, as well as safeguard their compliance by other internal or external workers.

Social commitment and support to the local community

Commit to promoting the improvement of the quality of life and well-being of all people and communities that are related to our activities and, in particular, they must respect scrupulously the legal framework, cultural diversity and customs and current principles in force in the geographical area.

Confidentiality, information management and protection

Commit to respect confidentiality and the right to privacy in all its appearances and, in particular, with regard to the applicable provisions and requirements regarding the protection of personal data, as well as the information provided by third parties. It is forbidden to disclose personal data or information provided by third parties (unless express consent of the interested parties, legal obligation or compliance with judicial or administrative resolutions), to reveal confidential information of the Organization, to provide incorrect or inaccurate information deliberately and to use the information for their own benefit or that of third parties in an unlawful manner. Special attention will be paid to the signing of confidentiality agreements (Non-disclosure agreement) in situations that require the sharing of sensitive information.

Communication and transparency

Commit to transmitting true and complete information about their business activities. The communication will always be made in accordance with the rules and in the terms established by the applicable legislation.