



Sampol Ingeniería y Obras, S.A.

(Incorporated in Spain in accordance with the Spanish Companies Act)

“Commercial Paper Program SAMPOL 2022”

Maximum outstanding amount of €50,000,000

BASE INFORMATION MEMORANDUM (DOCUMENTO BASE INFORMATIVO DE INCORPORACIÓN) FOR ADMISSION TO TRADING OF COMMERCIAL PAPER NOTES (PAGARÉS) ON THE MERCADO ALTERNATIVO DE RENTA FIJA (MARF)

Sampol Ingeniería y Obras, S.A., (“SIO”, the “**Issuer**” or the “**Company**”), is a public limited liability company (*sociedad anónima*) organised under the laws of Spain, with corporate address at Palma de Mallorca, Gremio Boneteros 48, Registered in the Palma de Mallorca’s Commercial Register in Volume 683, Page 15, Book 597 and Sheet PM-7080. with tax identification number A-07088206 and LEI Code 959800354G1CWV1A1H71.

This base information memorandum (the “**Information Memorandum**”) describes the so-called “Commercial Paper Program SAMPOL 2022” (the “**Program**”) approved by SAMPOL. Under the Program, the Company will apply for the admission (*incorporación*) to trading of commercial paper notes (the “**Commercial Paper**”) on the Spanish multilateral trading facility for debt securities (*Mercado Alternativo de Renta Fija*) (the “**MARF**”). The MARF is a multilateral trading facility (MTF) (*sistema multilateral de negociación*) established in Spain in accordance with the Real Decreto-ley 21/2017, of 29th December, de medidas urgentes para la adaptación del derecho español a la normativa de la Unión Europea en materia del mercado de valores (the “**Real Decreto-ley 21/2017**”). Therefore, the MARF is not a regulated market in accordance with the provisions of Directive 2014/65/EU (“**MiFID II**”). This Information Memorandum has been prepared in compliance with the Circular 2/2018, of 4th December, sobre incorporación y exclusión de valores en el Mercado Alternativo de Renta Fija (the “**Circular 2/2018**”).

Application will be made for the Commercial Paper 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 Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (“**Iberclear**”), together with its member entities (*entidades participantes*).

To guarantee the full and timely compliance of all the obligations assumed by the Issuer under the Commercial Paper, Sampol Grupo Corporativo, S.L.U. (the “**Guarantor**” or “**SGC**”), as described in Section XXI of this Information Memorandum, has granted a personal, unconditional, irrevocable and autonomous first demand guarantee (*garantía independiente a primer requerimiento*) in favour of the holders of the Commercial Paper.

An investment in the Commercial Paper involves certain risks. Section 1 includes a description of the risks related to the Issuer and the Commercial Paper.

MARF has not carried out any kind of verification or testing with regard to this Information Memorandum or with regard to the content of the documentation and information provided by the Issuer in compliance with Circular 2/2018 of 4 December on admission and removal of securities in the alternative fixed income market (MARF) (“Circular 2/2018”).

The underwriting of the Commercial Paper is solely addressed to qualified investors or professional clients pursuant to article 205 of 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*) (“Securities Market Act**”) and article 39 of Royal Decree 1310/2005, of 4 November, which partially develops Act 24/1988, of 28 July, on the Securities Market, with regard to the admission of securities to trading on official secondary markets, public offerings or subscription and the prospectus required for this purpose (*Real Decreto 1310/2005, de 4 de noviembre, por el que se desarrolla parcialmente la Ley 24/1998, de 28 de julio, del Mercado de Valores, en materia de admisión a negociación de valores en mercados secundarios oficiales, de ofertas públicas de venta o suscripción y del folleto exigible a tales efectos*) (“**Royal Decree 1310/2005**”).**

No action has been taken in any jurisdiction to permit a public offering of the Commercial Paper or the possession or distribution of the Information Memorandum or any other offering material in any country or jurisdiction where such action is required for said purpose. This Information Memorandum (*Documento Base Informativo de Incorporación*) does not represent a prospectus (*folleto informativo*) approved and registered with the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (“CNMV”). The subscription of the Commercial Paper does not represent a public offering pursuant to the provisions set out in article 34 of the Securities Market Act, which removes the obligation to approve, register and publish a prospectus at the CNMV.

Placement Entities

Beka Finance, S.V., S.A. and BESTINVER, S.V, S.A.U.

Registered Advisor

Analistas Financieros Internacionales, S.A.

Paying Agent

Beka Finance, S.V., S.A.

Legal Advisor

Gómez-Acebo & Pombo Abogados, S.L.P.

The date of this Information Memorandum (*Documento Base Informativo de Incorporación*) is 16th February, 2022.

IMPORTANT NOTICES

The distribution of this Information Memorandum and the Commercial Paper may be restricted by law in some jurisdictions. Any person in possession of this Information Memorandum must be legally advised and comply with those restrictions.

No action has been taken in any country, jurisdiction or territory to permit a public offering of the Commercial Paper. Therefore, the Commercial Paper cannot be offered or sold, directly or indirectly, nor this Information Memorandum or any offering material may be released, published or distributed, in or from any country, jurisdiction or territory, except in compliance with the regulations of the corresponding country, jurisdiction or territory.

This Information Memorandum is not an offer for the sale of Commercial Paper nor a solicitation to purchase Commercial Paper and no offer of Commercial Paper in any country, jurisdiction or territory in which such offer or sale is considered contrary to applicable legislation shall be made.

Prospective investors should fully and carefully read this Information Memorandum, including its annexes, prior to any investment decision regarding the Commercial Paper. Prospective investors should not base their investment decision on information other than (i) the information contained in this Information Memorandum, including its annexes; and (ii) the public information of the company available on the website of the Company (www.sampol.com).

SIO has designated Beka Finance, S.V., S.A. and BESTINVER, S.V, S.A.U. as placement entities under the Program (the “**Placement Entities**”, and each of them, a “**Placement Entity**”). The Placement Entities do not take any responsibility for the content of this Information Memorandum. The Issuer will enter into collaboration agreements with the Placement Entities in relation to the Program on or around the date of the Program to place the Commercial Paper to be issued under the Program, but neither Beka Finance, S.V., S.A nor BESTINVER, S.V, S.A.U. nor any other entity has accepted any undertaking to underwrite the Commercial Paper.

PROHIBITION OF SALES TO EEA RETAIL INVESTORS/PRIIPS REGULATION

The Commercial Paper issued hereunder is not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (“**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “**PRIIPs Regulation**”) for offering or selling the Commercial Paper or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Commercial Paper or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

MiFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELEGIBLE COUNTERPARTIES ONLY TARGET MARKET

Solely for the purposes of the product approval process in respect of a particular issuance of Commercial Paper, the target market assessment in respect of any of the Commercial Paper to be issued under the Program has led to the conclusion that: (i) the target market for the Commercial Paper is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for 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 (the “**Distributor**”) shall take into account the assessment of the producer's target market. However, any Distributor subject to MiFID II shall be responsible for carrying out its own assessment of the target market with respect to the Commercial Paper, either by applying the evaluation of the target market of the producer or/and to identify appropriate distribution channel.

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BASE INFORMATION MEMORANDUM FOR ADMISSION TO TRADING OF COMMERCIAL PAPER (PAGARÉS)

I. RISK FACTORS

The following are the risks, as well as other risks and uncertainties, to which Sampol Group (or the “Group”, as defined in Section III.1 below) is exposed, including those arising from the business areas in which it operates as well as those specifically related to its business.

The materialization of any of these risks could have a negative effect on the value of the Commercial Paper directly or on the business, financial condition and results of Sampol Group, and thus indirectly cause the value of the Commercial Paper to decline. Additional risks and uncertainties not currently known by Sampol Group or that are currently deemed to be immaterial may also materially and adversely affect the business, financial condition or results of operations of Sampol Group. As a result of any of these risks, known or unknown, investors may lose all or part of their investment in the Commercial Paper.

In light of the above, an investment in the Commercial Paper involves certain risks.

Prospective investors should carefully consider the risks described below, together with the other information contained in this Information Memorandum (Documento Base Informativo de Incorporación) before making any decisions with respect to the Commercial Paper.

I.1. Risk relating to the Issuer, the Guarantor and the Sampol Group

I.1.1. Risk relating to the Issuer and Guarantor business and industry

Sampol Group's reputation could be damaged from numerous sources

Maintaining a positive reputation is critical to Sampol Group attracting and maintaining customers, investors and employees. Damage to the reputation of Sampol Group can therefore cause significant harm to its business and prospects.

Harm to Sampol Group's reputation can arise from numerous sources, including, among others, employee misconduct, litigation or regulatory, failure to deliver standards of service, compliance failures, unethical behaviour, and the activities of customers and counterparties. Further, negative publicity regarding Sampol Group, whether or not true, may result in harm to its prospects. Any perceived or real difficulties experienced by Sampol Group could harm its reputation, which could have a material adverse effect on its business, financial condition and results of operations.

Risks due to macroeconomic factors

The business performance of Sampol Group is closely connected with the economic development of the countries and regions in which Sampol Group carries out or may carry out in the future its activities. The business operations, as well as the financial condition and the results of operations of Sampol Group, may be adversely affected if the global economic environment, and in particular the economic environment in those zones where there is a greater concentration of Sampol Group's business (in particular America and Spain, but also Africa and the rest of Europe), deteriorates.

Although Sampol Group has a relevant geographical diversification, with a 43% of its sales recorded in the international markets as of the end of 2020 (57% at the end of 2019), a deterioration of the economy of the countries where Sampol Group records a greater concentration of business could have a material adverse effect on the financial condition and the results of operations of Sampol Group.

Impact of COVID-19 on financial and economic conditions

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 (also commonly referred to as the “coronavirus”) a pandemic due to its rapid spread throughout the world, having affected more than 150 countries. Since then, most governments have been taking restrictive measures to contain its spread, which include: isolation, confinement, quarantine and restrictions of free movement of persons, closure of non-essential business, temporary closure of external borders and controls and limitations on air travel and on maritime, rail and road transport. In Spain, the Government adopted (i) Royal Decree 463/2020, of March 14th, declaring the state of alarm in Spain to manage the health crisis situation caused by COVID-19, (ii) Royal Decree 926/2020, of 25 October, declaring a new state of alarm in order to manage a new health crisis situation caused by COVID-19 and (iii) Royal Decree 956/2020, of 3 November, extending such state of alarm given that the health crisis had not been controlled as at that time. Such measures were accompanied by the approval of a series of extraordinary measures to face the economic and social impact of COVID-19. The state of alarm ended on May 9, 2021. The declaration of these states of alarm has been accompanied by the approval of a series of extraordinary urgent measures in order to deal with the economic of social impact of COVID-19.

Two years after the outbreak of COVID-19 pandemic, this situation continues to significantly affect the global economy, due to the interruption or slowdown of supply chains and the significant increase in economic uncertainty, evidenced by an increase in asset price volatility, exchange rates and a decrease of long-term interest rates.

As of the date of this Information Memorandum, although the COVID-19 vaccine rollout has progressively become widespread, specially in advanced economies and in many middle-income countries, some countries have recently been forced to reintroduce strict lockdown measures to battle the rapid spread of the new variants of the virus (such as the so-called “Omicron”). Hence, there is still high uncertainty in relation to how the pandemic will evolve. This uncertainty includes the possible appearance of new outbreaks due to new virus’ variants, and also it is unknown the different measures that can be taken by the authorities in order to control them and their level of effectiveness. Therefore, there is a high degree of complexity to carry out a detailed assessment or quantification of the possible impacts that COVID-19 will have on the Group, because it involves:

- Uncertainty in the recovery period of the Spanish and world economy.
- Uncertainty in the effect it may have on future contracting of works and services and, consequently, on the Group's income and results.

In this context, the main risks that are identified with the information available and that could have a negative impact on Sampol Group’s performance are the following:

- Slowdown of the execution of the contracted works in progress due to the stoppages of activity imposed by the Government of Spain through several Decree-Laws (*Decretos-Ley*) and other restrictions.
- Decrease in the demand for engineering works and services generated by the economic crisis resulting from COVID-19.
- Less flexibility in labour relations that could make personnel costs more expensive, an important item in the Group's income statement. As a consequence of the evolution of productivity and wages, the unit labor cost shows an upward trend. However, the interest of Sampol Group's management is maintaining the maximum number of jobs, which will depend on the evolution of the activity.
- Greater volatility in the market value of the Commercial Paper notes issued.

In any case, the management of Sampol Group considers that the aforementioned risks and the impact of COVID-19 will not endanger the continuity of the Group due to its solid equity position and financial solvency.

Risks related to Sampol Group's presence in emerging markets

Sampol Group has a presence in emerging markets. These emerging markets are exposed to political and legal risks which are present to a greater degree than in established markets in Europe.

These risks include the risk of nationalisation and expropriation of private assets, political and social instability, frequent changes in the general legal conditions and government policy as well as changes in tax policy and price control. These markets also face a higher risk of macro-economic instability and volatility than the markets in the industrialised nations, which may lead to restrictions in foreign currency transactions, in repatriating profits and importing of investment goods.

These risks could have a material adverse effect on the business, the financial condition and the results of operations of Sampol Group.

Laws, governmental policies and taxation and labour regimes

Sampol Group's activities are directly and indirectly subject to various international, national and local laws, regulations and others. Failure to comply with such laws, regulations and others could lead to enforcement actions, fines, civil or criminal penalties or the assertion of litigation claims and damages. Besides, new legislation, regulations (whether governmental or non-governmental) or treaties or changes thereto, could increase the cost of compliance for Sampol Group. In the event that Sampol Group is found not to be in compliance with the applicable regulatory regime and, as a result, sanctions (including criminal sanctions, civil remedies or seizure of assets) are imposed, this could have a material adverse effect on its business, financial condition and results of operations.

Likewise, as a consequence of its international activity, Sampol Group is also subject to different labour and tax regimes which vary among the different jurisdictions in which Sampol Group operates. As a result of the referred complexity of the tax and labour regimes under which Sampol Group operates, misinterpretation and disagreements when complying with the relevant obligations could result in lengthy legal disputes and, ultimately, in the payment of substantial tax penalties or amounts for labour compensations which could have a material effect on the results of Sampol Group.

Dependency on various provisions under environmental law

Sampol Group operates in different businesses and jurisdictions with increasing environmental law and regulation requirements which have in turn become increasingly complex and strict. The applicable regulations may provide for liability regardless of fault for any damage caused to natural resources or for a mere threat to public safety and health without having caused any actual environmental damage. Such liability, regardless of fault, may lead to liability for environmental damage irrespective of whether it was caused negligently or whether several persons are jointly responsible for the damage. Irrespective of who is personally liable under civil law or, if applicable, criminal law, entities of Sampol Group may also be considered liable.

A stricter application of the environmental laws or regulations, the entry into force of new laws, the discovery of currently unknown environmental contamination or the introduction of new or stricter requirements for obtaining licences and approvals could have a material adverse effect on the business, the financial condition or the results of operations of Sampol Group.

Risks related to national and international political measures to promote renewable energies and cogeneration

The implementation and profitability of projects of Sampol Group in renewable energies and cogeneration depend materially on the political and legal conditions for the promotion of such projects. Although in recent years renewable energy and cogeneration initiatives have been generally supported by the public authorities in those jurisdictions in which Sampol Group is active, Sampol Group believes that the renewable energy and cogeneration industry will need to be able to compete on a non-subsidised basis with both conventional and other alternative energy sources going forward. As public sector subsidies and other incentives are progressively withdrawn in those jurisdictions in which Sampol Group implements or expect to implement renewable energy and cogeneration projects, this could result in the costs to Sampol Group of implementing those projects increasing and there can be no assurances that Sampol Group will be able to recover those costs from end-users of renewable energy and cogeneration. As result, the withdrawal of subsidies and incentives to renewable energy and cogeneration production, or any public statement by a relevant public authority to do so, could have a material adverse effect on the business, the financial condition and the results of operation of Sampol Group.

The activity of Sampol Group could be jeopardised in two ways if the regulators in the countries where it operates modify the economic incentives for promoting sustainable energy sources. On the one hand, its activity could be jeopardised as a result of potentially reduced activity in the services provided by the public sector for installing new plants which generate renewable energy and cogeneration, in addition to a reduction in the number of new projects in these sectors. On the other hand, it could be subject to possible negative effects to the term and/or in the sale price of shares for projects previously undertaken by Sampol Group. Any negative impact on the renewable energy and cogeneration markets in which Sampol Group is active could have a material adverse effect on the financial condition and the results of operations of Sampol Group.

Risks of the renewables and cogeneration businesses

Sampol Group is present, through its renewable energy and cogeneration businesses, mainly in Spain and the Caribbean. The regulations of each country in which Sampol Group operates establish regulatory frameworks aimed at promoting the development of renewable energies based on formulas which may include premiums, green certificates, tax or regulated tariff deductions, which allow investors to obtain sufficient and reasonable returns. Any change to the aforementioned regulation may represent a risk for said business.

In addition to the above-mentioned regulatory risk, Sampol Group's renewable energy and cogeneration businesses may be subject, to a greater or lesser extent, to resource risk and to market risk.

Risks related to the awarding of new projects

A significant part of the income of Sampol Group is generated directly or indirectly through turnkey projects (namely, projects developed from inception to delivery). These projects have increasingly become technologically complex. Typically, the contract for the entire project is awarded to a general contractor in a tendering competition, considering not only the price but also the quality of the service, technological capacity, efficiency, personnel as well as reputation and experience. Should the price competition intensify and fewer business opportunities considered by Sampol Group as profitable arise, there could be fewer orders available to Sampol Group. Should Sampol Group be unable to enter into new project agreements, or to do so profitably, this could have a material adverse effect on the financial condition and the results of operations of Sampol Group.

Risk arising from client concentration

Sampol Group has long-term relationships with large clients from industry and hotel sectors, which represent a significant part of its business.

At the end of 2020, Sampol Group's first 10 clients represent 68,4% of total revenues with an average amount per contract of around 8,8 million euros.

The loss of any of the major clients, a reduction in their ability to invest or a merger between them could result in a negative impact on Sampol Group's operating performance and financial position.

Risks related to the estimate of construction costs and deadlines for completion

In part, Sampol Group offers its services at fixed prices or as a lump-sum offer, among other things, in connection with engineering, procurement and construction agreements. In these kinds of agreements, additional costs, incurred as a consequence of an inaccurate cost estimates or as a consequence of the budgeted costs being exceeded during the implementation of the project (for example, due to fluctuations in the price of raw materials or to changes in the execution calendar or to design or procurement deficiencies), may lead to the project being less profitable than expected or to losses arising to Sampol Group.

Some of the circumstances described above are beyond Sampol Group's control and may lead to its inability to complete the project at the budgeted costs or according to schedule (which may, in turn, lead to the imposition of an agreed contractual penalty).

All the above could have a material adverse effect on the financial condition and the results of operations of Sampol Group.

Risk of competition

Sampol Group operates in highly competitive sectors which require considerable use of human, material, technical and financial resources. The companies competing with Sampol Group and its various subsidiaries may have greater technical and financial resources available than those available to Sampol Group or may be more experienced or have better knowledge of the markets in which Sampol Group operates or in which it intends to expand. Other companies may also be willing to accept lower margins and would therefore be able to submit a technologically better offer at the same price or a similar offer at a lower price than Sampol Group.

For these reasons, it could become more difficult for Sampol Group to be awarded new projects and agreements. Likewise, Sampol Group could find itself compelled to accept projects and agreements or providing services at lower margins than in the past.

All the above could have a material adverse effect on the Sampol Group's business, financial condition and results of operations.

Risks arising from supplier agreements and the sub-contracting of services

In carrying out construction works and projects and in regard to the services it offers, Sampol Group rely on external manufacturers of equipment and sub-contractors. To the extent it is impossible for Sampol Group to sub-contract specific services or to acquire equipment and materials complying with the relevant plans, quality standards, specifications and cost objectives, this may affect the scheduled commissioning of concessions or a satisfactory provision of services to clients. In connection therewith, there is a risk of contractual penalties, cancellations of agreements and liability claims, which could have a material adverse effect on the financial condition and the results of operations of Sampol Group. Sampol Group may be exposed to claims for any actions or omissions by sub-contractors that cause damage or claims brought against Sampol Group by the clients, other sub-contractors, employees or suppliers.

Additionally, the availability and volatility of prices of some of the raw materials used for Sampol Group to perform its activities may have an impact on the prices that the Group should be paying for equipment

necessary for Sampol Group to perform its activities or on the prices of outsourcing agreements entered into by Sampol Group, which may have a material adverse effect on the activity, the financial condition and the results of Sampol Group.

Risks related to technological changes

The technologies used in the sectors in which Sampol Group operates are subject to fast and continued development. Increasingly complex technological solutions, which are continuously evolving, are used in these sectors. Should Sampol Group be unable to react appropriately to the current and future technological developments in the sectors in which it carries out its activities, this could have material adverse effects on the business, the financial condition and the results of operations of Sampol Group.

Risk of dependency on key personnel and local partners

Sampol Group employs highly qualified technical and managerial staff. Besides, in its international activity, Sampol Group relies on local partners. The exit of key employees or the bad performance of Sampol Group's relationship with local partners may have a material adverse effect on the business of Sampol Group. Should Sampol Group not be able to hire or retain sufficiently qualified technical and managerial staff, and/or restore or substitute its relationship with local partners, this could limit or delay the business performance of Sampol Group.

Besides, although Sampol Group has skills for the identification, management and development of talent, its ability to attract and retain the proper employees at all times is a key aspect. The loss of human capital on a large scale, especially the most highly qualified, could have a significant impact on Sampol Group's activity.

Risk of shareholding concentration

The share ownership structure of Sampol Group is concentrated in Mr. Gabriel Sampol. This situation limits the ability, if necessary, to obtain funds from shareholders in a hypothetical distress situation. Sampol Group also faces the usual risks associated with a possible succession process. Although the necessary means have been put in place in order to ensure the normal business development in the event of succession, an event of succession could end up negatively affecting the financial situation of Sampol Group.

Risks due to tax disputes

There are at least two sources of tax risks. On the one hand, the risk arising from changes in tax legislations that could not be foreseen at the time when investment decisions were adopted. This could affect the achievement of the investment return objectives if the tax factor was relevant. Moreover, changes in tax laws could jeopardise the effective use of tax credits, generating a deviation in the cash flow for the payment of taxes. On the other hand, although Sampol Group is established in Spain, Sampol Group has presence in 21 countries and must operate in compliance with applicable tax regulations in their jurisdictions. In this regard, although the corporate tax policy of Sampol Group determines that a prudent tax practice must be followed, the interpretation of the tax laws in different tax jurisdictions could trigger material tax disputes or legal proceedings, such that claims could materially adversely affect the business, financial condition or results of operations of Sampol Group.

Political instability, terrorism, war, international hostilities and other national emergencies risk

Sampol Group's business, results of operations, cash flows and financial condition may be adversely affected by the effects of political instability, terrorism, war, international hostilities or other emergencies. Any of these occurrences could cause a significant disruption in Sampol Group business and could adversely affect its business operations, financial position, and operational results.

Sampol Group's anti-money laundering, anti-terrorism and anti-bribery policies may be circumvented or otherwise not be sufficient to prevent all money laundering, terrorism financing or bribery

In certain countries where Sampol Group operates, it is subject to rules and regulations regarding money laundering, the financing of terrorism and bribery, including the collection and processing of confidential information. Monitoring compliance with anti-money laundering, anti-terrorism financing rules and antibribery rules can create a financial burden for Sampol Group and pose significant technical problems. Although Sampol Group believes that its current policies and procedures are sufficient to comply with applicable rules and regulations, it cannot guarantee that its anti-money laundering, anti-terrorism financing and anti-bribery policies and procedures will not be circumvented or otherwise be sufficient to prevent all money laundering, terrorism financing or bribery. Any of such events may have severe consequences, including sanctions, fines and notably reputational consequences, which could have a material adverse effect on Sampol Group's business, financial condition and results of operations.

Meteorological and natural disaster risk

Adverse meteorological conditions as well as natural disasters, accidents and other unforeseeable events can cause negative effects on the business, the financial position and the results of Sampol Group, and thus affecting the cash flow it generates to fulfil the obligations derived from the issue of the Commercial Paper.

Regulatory risk

The renewables and cogeneration business are a highly regulated sectors. Companies in Sampol Group are subject to laws and regulations concerning prices and other aspects of their activities in each of the countries in which they operate. The introduction of new laws and regulations or amendments to the already existing ones, may have an adverse effect on Sampol Group's operations, annual results and the economic value of its businesses.

Moreover, it is possible that future regulatory developments, such as increasingly strict environmental protection laws, regulations and enforcement policies, and claims for damages to property and persons resulting from Sampol Group's operations, could result in additional substantial costs and liabilities, restrictions on or suspension of its activities and delays in the exploration of and development of its properties.

Failure to comply with applicable environmental, health and safety laws can result in injunctions, damages, suspension or revocation of permits and imposition of penalties. There can be no assurance that Sampol Group has been or will be at all times in complete compliance with such laws or permits, that its compliance will not be challenged or that the costs of complying with current and future environmental, health and safety laws and permits will not materially or adversely affect Sampol Group's future cash flow, results of operations and financial condition.

In addition, Sampol Group operates in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. These disputes are not always predictable and may cause disruption to its operations or development plans. Sampol Group's operations can also have an impact on local communities, including the need, from time to time, to relocate or resettle communities or infrastructure networks such as railways and utility services. Failure to manage relationships with local communities, governments and non-government organizations may harm Sampol Group's reputation as well as its ability to bring development projects into production.

The activities of Sampol Group are subject to several jurisdictions, with different risk profiles and legal pressure degrees, which require an additional effort from Sampol Group to comply with all regulations applicable in such jurisdictions

The fact that Sampol Group operates in several jurisdictions, each of them with different risk profiles and with different degree of regulatory pressure, complicates Sampol Group's management of this risk factor.

In this regard, each jurisdiction in which Sampol Group operates presents a different risk profile and may have different risks to be mitigated: amongst others, political and social strains, ubications with limited accesses, limited legal security, requirements in connection with local content, increased tax pressure or complexity in the margin assignment procedure. These factors are emphasised in the places where Sampol Group is developing projects for the first time. Besides, the rendering of services in a multi-jurisdictional environment requires additional efforts from Sampol Group to comply with the legal requirements applicable in each jurisdiction. Breach of any such legal requirements may result in the revocation of concessions and licences, the imposition of fines, or the adoption of any other measures. Thus, compliance with such legal requirements and, in particular, those deriving from the strict environmental regulation applicable in some of these jurisdictions, may entail increased costs for Sampol Group's operations, which may have a material adverse effect in the activity, the financial condition and the results of the Issuer and/or the companies belonging to Sampol Group.

Likewise, the regulation may grant a wide margin of discretion in favour of the competent administrative authorities. The regulation may also be subject to possible changes, which may even have retroactive effects and, therefore, negatively affect the maintenance and/or renovation of such licences and authorisations already granted, the obtainment of new licences, property costs and transfer costs, and the value of the assets. Such regulatory changes may also entail an increase in the investment costs and current expenses. Any of such circumstances may have a material adverse effect in the activity, the financial condition and the results of the Issuer and/or the companies belonging to Sampol Group.

Despite the fact that the Issuer and the rest of the companies of Sampol Group have taken certain measures to mitigate such risks, the Issuer cannot assure that such measures may be adequate or enough to cover such risks, nor that new risks may appear in the future that have not been envisaged or analysed by Sampol Group.

Risks of the construction businesses

- Cyclical nature of construction: the construction sector is cyclical by nature and depends on the investments that both the public and private sectors decide to undertake. This degree of investment by the public and private sectors is, in turn, linked to the general economic situation (increasing in periods of economic growth and decreasing in periods of recession). If the combination of adverse circumstances to investment in both public and private construction are prolonged over a long period of time, or if the situation does not improve or worsen, the activities, financial situation and operating results of Sampol Group could be adversely affected.

- Risks associated with delays and increases in construction costs: the construction projects undertaken by Sampol Group are exposed to certain risks, such as shortages and increases in the cost of materials, machinery and labour, factors generally influenced by economic activity and indebtedness. Although there are contracts that include review clauses, not in all cases these clauses manage to eliminate or mitigate these risks. In addition, non-compliance by Sampol Group's contractors and subcontractors with the deadline set for the completion of the projects and the agreed budget may cause delays and cost overruns in the construction, which could not only cause delays in the receipt of revenues, but also entail the imposition of penalties and even the resolution of contracts by the clients of Sampol that contracted said projects. In addition, the reputation of Sampol Group as a constructor could be affected by the failure of contractors and subcontractors in the event that said non-compliance becomes recurrent. The

increases in expenses and/or the reductions in income could negatively affect the business, financial situation and operating results of Sampol Group.

Risks associated to concessions of infrastructure and power plants

The business area of concessions, is mainly dedicated to the construction and exploitation of infrastructures of public transport infrastructure (airports, railways and metro stations), renewable energies and power plants and systems.

An important part of Sampol Group's business is carried out through concessions of limited duration, which implies the need to generate additional sources of cash flows in the medium term to ensure Sampol Group's continuity. The income obtained from the infrastructure and power plants activity of the concession type depends significantly on the regulated tariffs or, where appropriate, on the agreed prices during the term of the concession (normally between 25 and 30 years). Sampol Group's margin to modify tariffs or prices in adverse circumstances (fluctuations in the prices of raw materials, exchange rates, labour costs, etc.) is very limited. Operating costs above the expected, especially after many years in operation, in most cases could not be transferred to the client and therefore reduce the operating margin and the profitability of the project.

Likewise, public administrations (in some jurisdictions) or clients (when applicable) have the capacity to penalize a deficient provision of the services inherent to the operating activity with a rate reduction or postponing their updating. Especially in the area of renewable energies and cogeneration, there is a risk that the public administration reduces or eliminates the tariffs currently in force at any time during the life of the concession through a modification in current legislation or regulation.

Risk of early redemption or termination of the concessions and sovereign risk

Generally, under the current legislation in the countries where Sampol Group operates with concessions, the licensee may unilaterally terminate or redeem concessions for reasons of public interest, with the corresponding payment by the administration.

There is no guarantee that government authorities will not legislate, impose regulations, change applicable laws or act contrary to law adversely, thereby affecting Sampol Group's business.

If a governmental authority should exercise its powers of resolution or redemption of any of the concessions, the concessionaire company will always be entitled to compensation, although there is no way to ensure that such compensation would cover the damages incurred, including loss of profits (*lucro cesante*).

On the other hand, the licensor public administrations could resolve concessions for default of contractual debentures by the concessionaire company, in which case it would only be entitled to recover a limited amount of the investment and may be required to indemnify the public administration for the damage incurred.

Labor disputes and other labor matters could lead to loss of revenue or higher costs

Most of Sampol Group's employees in Spain are represented by labour unions. In particular, due to its labour-intensive nature, its business is subject to the risks associated with a unionized workforce and Sampol Group has experienced or will experience labour disputes that have led or could lead to strikes or other disruptions in its operations.

When one or more of Sampol Group's major collective bargaining agreements becomes subject to renegotiation, Sampol Group may disagree with the union on important issues that, in turn, could lead to a strike, work slowdown or other industrial action. There can be no assurance that Sampol Group will be able to renew existing labour union contracts on acceptable terms. Sampol Group can also experience

labour disputes in other situations, such as due to disagreements in work practices. A strike, work slowdown or other action could in some cases result in the effective closure of Sampol Group's facilities or disrupt the Issuer from providing services, which could result in reduced revenues. The result of renegotiating an existing collective bargaining agreement could result in a substantial increase in labour costs that Sampol Group may be unable to recover through the existing contractual arrangements.

Additionally, Sampol Group may incur expenses in resolving disputes and complying with local laws relating to overtime, social security and pension contributions, occupational risk matters and other labour related issues. Sampol Group may also incur increased labour costs due to competition, increased minimum wage, employee benefit costs, medical benefits costs or otherwise could adversely impact the Issuer's business, results of operations, financial condition or prospects.

Although the Issuer has not experienced any material collective labour disputes in the past, there can be no assurance that labour disputes will not arise in the future. In addition, Sampol Group's employees may claim that they are subject to a more favourable collective bargaining agreement.

All the above could have a material adverse effect on the Sampol Group's business, financial condition and results of operations.

If the Issuer fails to stay current with developments in technology necessary for its business, its operations could be harmed and its ability to compete effectively could be diminished.

Sophisticated technology and other systems are integral to the Issuer's business. Its technology and other systems must be refined, updated or replaced with more advanced systems on a regular basis. Developing and maintaining its systems may require significant capital. If the Issuer is unable to replace or introduce technology and other systems as quickly as its competitors or within budgeted costs or schedules when these systems become outdated or need replacing, or if the Issuer is unable to achieve the intended benefits of any new technology or other systems, its operations could be harmed and its ability to compete effectively could be diminished. Further, if the Issuer fails to keep up with technological advances in the industry that maintain or improve its cost-effectiveness or add value to the services it can offer to customers, it may not be eligible to participate in or win competitive public tenders or concessions.

Sampol Group's technology systems may fail or be interrupted, which could potentially harm its business.

Sampol Group relies on numerous technology systems that allow it to develop its business, maintain its financial records, manage its employees and gather information upon which its management makes decisions regarding the business. The operation of the business is increasingly dependent on the use of these systems. As a result, system failures or disruptions could have a material adverse effect on Sampol Group's business.

Adverse litigation judgments or settlements resulting from legal proceedings in which the Issuer may be involved in the normal course of its business could affect its operations and financial condition.

In the normal course of business, the Issuer is and may be involved in various legal proceedings. The Issuer may face litigation sought against it by authorities, clients, competitors, employees and other third parties. It is possible that an unfavourable outcome of some or all such matters could cause the Issuer to incur significant liabilities. Likewise, the Issuer may incur significant legal and other costs in connection with defending its interests in ongoing legal proceedings. Any significant adverse litigation judgments or settlements could have a negative effect on its business, financial condition and results of operations.

The Issuer's insurance coverage may not be adequate to cover all possible losses that it could suffer and its insurance costs may increase.

The Issuer maintains a portfolio of insurance policies to help protect the Issuer and its assets against loss or damage incurred from a wide variety of insurable risks. Each year, the Issuer reviews with its professional insurance advisers whether the insurance policies and associated coverage that it maintains are sufficient to adequately protect the Issuer from the various types of risk to which the Issuer is exposed. That analysis takes into account various pertinent factors, such as the likelihood that the Issuer could incur a material loss from any given risk, as well as the cost of obtaining insurance coverage against any such risk. Notwithstanding its insurance coverage for all or any of these risks, the Issuer may experience one or more material losses for which it does not maintain any or adequate insurance coverage. Additionally, costs related to the insurance policies subscribed by the Issuer could increase, which would affect the financial condition of the Issuer.

Risk in data protection policy

The European General Data Protection Regulation approved on May 25, 2016 which is compulsory applicable in Spain and the remaining EU member states since May 25, 2018 regulates the protection of personal data that implies, among others, the adoption of measures regarding data protection policy.

The breach of the legal and regulatory regulation by the Issuer or its subsidiaries, or the lack of adapting to the European General Data Protection Regulation could lead to high penalties, which could affect negatively to the activity, financial situation and the result of Sampol Group.

1.1.2. Financial Risk Factors relating to the Issuer, the Guarantor and Sampol Group

Risks arising from indebtedness of Sampol Group

An economical crisis like that resulting from COVID-19 or any other factor may implicate a reduction of results in Sampol Group, which would implicate an increase of the leverage of Sampol Group as a result of the tightening of Sampol Group's EBITDA.

As at the date of this Information Memorandum, the Issuer, the Guarantor and the companies belonging to Sampol Group are complying with their obligations arising from the financial instruments and agreements to which they are a party whose breach would be capable of triggering the acceleration thereof. However, there may be certain circumstances such as a reduction in the results, as well as increasing financing or cash needs, that may increase Sampol Group's leverage or restrict its ability to pay the amounts due under the current financing.

The ability of Sampol Group to pay principal and interests arising from the current indebtedness or the refinancing thereof (in case necessary) is dependent upon the results of the business and other economic factors of Sampol Group.

Likewise, breach of any of the obligations assumed by the Issuer, the Guarantor and the companies of Sampol Group under the financing agreements and debentures issued may cause the early termination or acceleration of some or all of the payment obligations under the relevant financing instruments and the enforcement of the security and guarantees granted thereunder. All of this could negatively and materially affect the activity, the financial condition and the results of the Issuer and the rest of the companies of Sampol Group.

Liquidity and funding risk

Sampol Group carries out prudent management of liquidity risk, based on maintaining sufficient cash or immediately-available cash deposits. Sampol Group is not significantly exposed to liquidity risk due to keeping sufficient cash and credit availability to meet the necessary outputs in its daily operations.

The objective of Sampol Group is to maintain a balance between the flexibility, term and conditions of the credit facilities in accordance with the needs of funds foreseen in the short, medium and long term. However, a long period of market turmoil, particularly in the event of tightening of bank credits, could impede the renovation of credit facilities and reduce Sampol Group's liquidity.

Interest Rate Fluctuations

Changes in interest rates may affect the fair value of assets and liabilities that accrue a fixed interest rate and the future flows from assets and liabilities indexed to a variable rate. Sampol Group may try to limit its exposure to the interest rate risk by procuring funds through fixed-rate loans and using interest rate swaps.

Funds procured at floating interest rates are affected by interest rate fluctuations. Furthermore, the fluctuation of interest rates in the future may affect the funding cost of Sampol Group and, as a consequence, its profitability, earnings and cash flow.

Foreign currency fluctuation risk

The international activity of Sampol Group involves the generation of income, investment and indebtedness in a currency other than the functional of Sampol Group (Euro).

To reduce the risk inherent to structural investments in foreign businesses with a functional currency other than the Euro, Sampol Group tries to borrow in the same functional currency as the assets it finances and also, in some cases, may contract currency swaps and/or exchange rate insurance.

The main foreign currencies in which Sampol Group operates are the US Dollar, the Mexican peso and the Dominican peso.

Foreign currency rate fluctuations exposes Sampol Group to the risk of exchange rate losses, and therefore could have a material adverse effect on the financial condition and the results of operations of Sampol Group.

Foreign currency exchange controls in certain countries in which Sampol Group operates

Certain Latin American economies have experienced shortages in foreign currency reserves and their respective governments have adopted restrictions on the ability to transfer funds out of the country and convert local currencies into euros. This may increase Sampol Group's costs and limit its ability to convert local currency into euros and transfer funds out of certain countries. Any shortages or restrictions may impede the ability of Sampol Group to convert these currencies into euros and to transfer funds, including for the payment of dividends and leasing or interest or principal on Sampol Group's outstanding debt.

I.2. Essential information regarding the specific risks of the Commercial Paper

I.2.1. Market Risk

The Commercial Paper are fixed income securities and their market price is subject to possible fluctuations, mainly due to the evolution of interest rates. Therefore, the Issuer cannot guarantee that the Commercial Paper will be negotiated at a market price equal or greater than their subscription price.

1.2.2. Credit Risk

The Commercial Paper is secured by the Issuer's total net worth and will be guaranteed by an unconditional, independent, abstract, irrevocable, autonomous, first demand guarantee provided by the Guarantor in accordance with Section XXI of this Information Memorandum. The credit risk arises from the potential inability of the Issuer or, alternatively, the Guarantor, to comply with the obligations set out in this Information Memorandum and the Commercial Paper notes, and involves the possible loss that a full or a partial breach of these obligations could cause.

1.2.3. Risk relating to changes in the credit rating of the Issuer

The agency AXESOR (AXESOR RISK MANAGEMENT, S.L.U.) gave to Sampol Grupo Corporativo S.L.U., the Guarantor, a credit rating of BBB-, with a stable outlook, on 12 February 2019. The rating has been recently confirmed, on 24 December 2021, with the same grade and outlook, BBB-stable outlook.

The rating of the rating agency is a way to measure risk. In the market, investors demand higher returns on higher risk and should assess the likelihood of a downward variation in the credit quality of the Issuer or the Commercial Paper (if any is assigned), which could lead to a loss of liquidity in the Commercial Paper purchased in the market and a loss in value. The rating reflects only the view of the rating agency at the time of the evaluation, and takes into consideration the credit rating of the Issuer, as well as the structural characteristics and other aspects of the issue. However, the rating may not reflect the potential impact of risks related to structure, market and other factors in the valuation of the Commercial Paper.

The credit rating can be revised upward or downward, suspended or even withdrawn by the rating agency. The downward revision, suspension or withdrawal of the credit rating by the rating agencies could alter the price of the Commercial Paper for the perception of the markets and hinder the Issuer's access to debt markets and impact on its ability to achieve financing.

Therefore, any change in creditworthiness, or the perception of it, could also adversely affect the market value of the Commercial Paper. Credit ratings of the Commercial Paper are not a recommendation to buy, subscribe, sell or hold securities and will depend, among other circumstances, on certain characteristics of the business and the financial position of Sampol Group.

1.2.4. The Commercial Paper notes are not subject to credit rating

The Commercial Paper notes are not subject to a separate credit rating. The credit rating mentioned in 1.2.3 above has the condition of corporate rating given to the Guarantor. Therefore, this credit rating may not reflect the risks arising from an investment in the Commercial Paper.

1.2.5. Commercial Paper may not be a suitable investment for all investors

Each potential investor in Commercial Paper notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to (i) make a meaningful evaluation of the relevant Commercial Paper, the merits and risks of investing in the relevant Commercial Paper and the information contained or incorporated by reference in this Information Memorandum or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the relevant Commercial Paper and the impact such investment will have on its overall investment portfolio;
- (iii) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Commercial Paper, including where principal or interest is payable in one or more currencies, or

where the currency for principal or interest payments is different from the potential investor's currency;

- (iv) understand thoroughly the terms of the relevant Commercial Paper and be familiar with the behavior of any relevant indices and financial markets; and
- (v) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

1.2.6. As the Commercial Paper notes are registered with Iberclear, investors will have to rely on their procedures for transfer, payment and communication with the Issuer

The Commercial Paper notes are in dematerialised form and are registered with Iberclear. Consequently, no physical Commercial Paper notes have been or will be issued. Clearing and settlement relating to the Commercial Paper, as well as payment of interest and redemption of principal amounts, will be performed within Iberclear's account-based system. The investors are therefore dependent on the functionality of Iberclear's account-based system.

Title to the Commercial Paper is evidenced by book entries, and each person shown in the Spanish Central Registry managed by Iberclear and in the registries maintained by the respective participating entities in Iberclear (the “**Iberclear Members**”) as holding the Commercial Paper notes shall be (except as otherwise required by Spanish law) considered the holder of the relevant Commercial Paper notes as recorded therein.

The Issuer will discharge its payment obligation under the Commercial Paper by making payments through Iberclear. Holders of Commercial Paper must rely on the procedures of Iberclear and its participants 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 according to book entries and registries as described in the previous paragraph. In addition, the Issuer has no responsibility for the proper performance by Iberclear or its participants of its obligations under their respective rules and operating procedures.

1.2.7. Liquidity risk

This is the risk by virtue of which investors may not be able to find a counterparty for the securities when they want to sell the Commercial Paper prior to their maturity date. Even though the admission (*incorporación*) of the Commercial Paper will be requested to MARF in order to mitigate this risk, an active trading on the market cannot be guaranteed.

Moreover, the Issuer has not entered into any liquidity agreement, and, consequently, no entity has undertaken to ensure put and call prices of the Commercial Paper. Therefore, investors may not find a counterparty for the Commercial Paper.

1.2.8. Enforcement Risk

Enforcement of the Commercial Paper against the Issuer, and particularly court enforcement, may not secure prompt and full redemption of the Commercial Paper, in view of the statutory procedural mechanics to be followed in accordance with Spanish regulation and the potential excessive work load of the Spanish relevant court. This risk may be substantially increased in case of insolvency of the Issuer.

1.2.9. Order of priority and subordination risk

The present issue of Commercial Paper by the Issuer will not be secured by any in rem guarantees (*garantías reales*). The capital and the interest of the Commercial Paper will be secured by the Issuer's total net worth and will be guaranteed by an unconditional, independent, abstract, irrevocable autonomous first demand guarantee provided by the Guarantor.

In accordance with the classification and order of priority set forth in the restated text of the insolvency law, approved by Royal Decree-Legislative 1/2020, of 5 May, approving the restated text of the insolvency law (the “**Insolvency Law**”), in case of insolvency of the Issuer (*concurso*), credits held by investors as a result of the Commercial Paper shall rank behind privileged credits (up to the value of their guarantee), but ahead of subordinated credits (except if they could be classified as subordinated in accordance with Article 281 et seq. of the Insolvency Law).

Nonetheless, in case that the credit rights held by the holders of the Commercial Paper were considered as subordinated (due to concurrence of any of the causes envisaged in the Insolvency Law), the relevant holders of the Commercial Paper would rank at the level of the subordinated credits, and therefore behind both privileged and ordinary rights.

For the purposes of Article 399.2 of the Insolvency Law, in the event of insolvency of the Issuer, the Guarantor will be jointly and severally liable to the holders of the Commercial Paper for the Guaranteed Obligations, regardless of the outcome of any approval of an arrangement in the context of the insolvency proceeding and regardless of the vote of each of the holders of the Commercial Paper in said arrangement or proposed arrangement, and no debt relief or grace period included in such an arrangement may be invoked by the Guarantor to the holders of the Commercial Paper.

1.2.10. There may not be an active trading market for the Commercial Paper, in which case the ability to sell the Commercial Paper may be limited.

Sampol Ingeniería y Obras S.A. (SIO) cannot assure the holders of Commercial Paper as to the liquidity of any market in the Commercial Paper, their ability to sell the Commercial Paper or the prices at which would be able to sell their Commercial Paper notes. Future trading prices for the Commercial Paper will depend on many factors, including, among other things, prevailing interest rates, the Issuer operating results and the market for similar securities.

Although an application will be made for the Commercial Paper to be listed on the MARF, the Issuer cannot assure that the Commercial Paper will be or will remain listed. Although no assurance is made as to the liquidity of the Commercial Paper as a result of the admission (*incorporación*) to MARF market, the failure to be approved for admission (*incorporación*) or the exclusion (whether or not for an alternative admission to listing on another stock exchange) of the Commercial Paper from the MARF market may have a material effect on a holder’s ability to resell the Commercial Paper, as applicable, in the secondary market.

1.2.11. Future sale of Commercial Paper on the secondary market after the offering could negatively affect the Commercial Paper’s market price

Sales of a substantial number of the Issuer’s Commercial Paper on the public market following this offering, or the perception that such issuance or sale might occur, could adversely affect the market price of the Commercial Paper.

1.2.12. The Commercial Paper’s price could be volatile and subject to sudden and significant declines

The market price of the Commercial Paper may be volatile. Factors beyond the Company’s control, such as changes in the results of operations and the financial position of the Company’s competitors, negative publicity, or changes in financial market conditions, may have a significant effect on the market price of the Company’s Commercial Paper. In addition, during the past years, the markets in Spain and worldwide have experienced significant volatility in prices and trading volumes. This volatility could have a negative impact on the market price of the Commercial Paper, regardless of the Company’s financial position and the results of its operations.

1.2.13. Holders of Commercial Paper in countries with currencies other than the euro will be exposed to exchange rate risks

Holders of Commercial Paper residing in countries that have not adopted the Euro as their official currency will be exposed to an additional investment risk related to variations in the rate of exchange between the currency of their country of residence and the euro. Commercial Paper will only be issued and listed in Euros.

1.2.14. The Guarantee granted by the Guarantor may not be enough to comply with the obligations arising from the Commercial Paper.

In the event of non-payment of the Commercial Paper, the holders of the Commercial Paper may enforce the Guarantee. However, the funds obtained from the enforcement of the Guarantee may not be sufficient to satisfy, or may even be substantially lower than, the amounts due under the Commercial Paper. In the event that the funds obtained from the enforcement of the Guarantee are not sufficient to repay all amounts due under the Commercial Paper, the Issuer will still be liable to the holders of the Commercial Paper for the amounts due and not recovered from the proceeds of such enforcement.

1.2.15. Risk arising from subordination against additional indebtedness of the Issuer

In case the Issuer enters into additional indebtedness and such indebtedness was secured by means of in rem security such as pledges or mortgages over certain assets, the credit rights of the holders of the Commercial Paper notes would be ranked, in an insolvency scenario of the Issuer, below the creditors in favour of whom such security was granted.

II. FULL NAME OF THE ISSUER, INCLUDING ITS ADDRESS AND IDENTIFICATION DATA

The full name of the Issuer is Sampol Ingeniería y Obras S.A. Its headquarters are located at Palma de Mallorca, Gremio Boneteros 48. The Issuer is registered with Palma de Mallorca's Commercial Register at Volume 311, page 114 et seq., sheet M-7707, with tax identification number A-07088206 and LEI Code 959800354G1CWV1A1H71.

III. INFORMATION ABOUT THE ISSUER AND THE GUARANTOR

III.1. Overview of the business of the Issuer, the Guarantor and Sampol Group

Sampol Ingeniería y Obras S.A. was incorporated as a public limited liability company (*sociedad anónima*) organised under the laws of Spain on October 7, 1981 under the corporate name Montajes Eléctricos Sampol S.A. Its registered offices are located in Palma de Mallorca, at Calle Gremio Boneteros 48.

The Issuer's first corporate name was "Montajes Eléctricos Sampol, S.A.", and changed such name to Sampol Ingeniería y Obras, S.A. in October 5th, 1994, by resolutions of the Extraordinary and Universal General Meeting of Shareholders.

The Issuer is the main operative subsidiary of Sampol Grupo Corporativo, S.L.U., a company incorporated in October 28, 1997 with registered offices in Palma de Mallorca, at Gremio Boneteros 48. SGC is the parent company of Sampol Group ("**Sampol Group**" or the "**Group**"). The activity of SGC consist in the holding of shares of Sampol Group, a family-owned multinational group of Spanish capital founded in 1934 and dedicated to:

- The execution of energy projects, electromechanical installations, communication networks and control systems.

- The promotion, construction and operation of power generation plants, with a clear commitment to efficiency and sustainability.

The main sectors of activity of Sampol Group are transport infrastructure, generation and distribution of energy, industrial installations, hotels and telecom infrastructure.

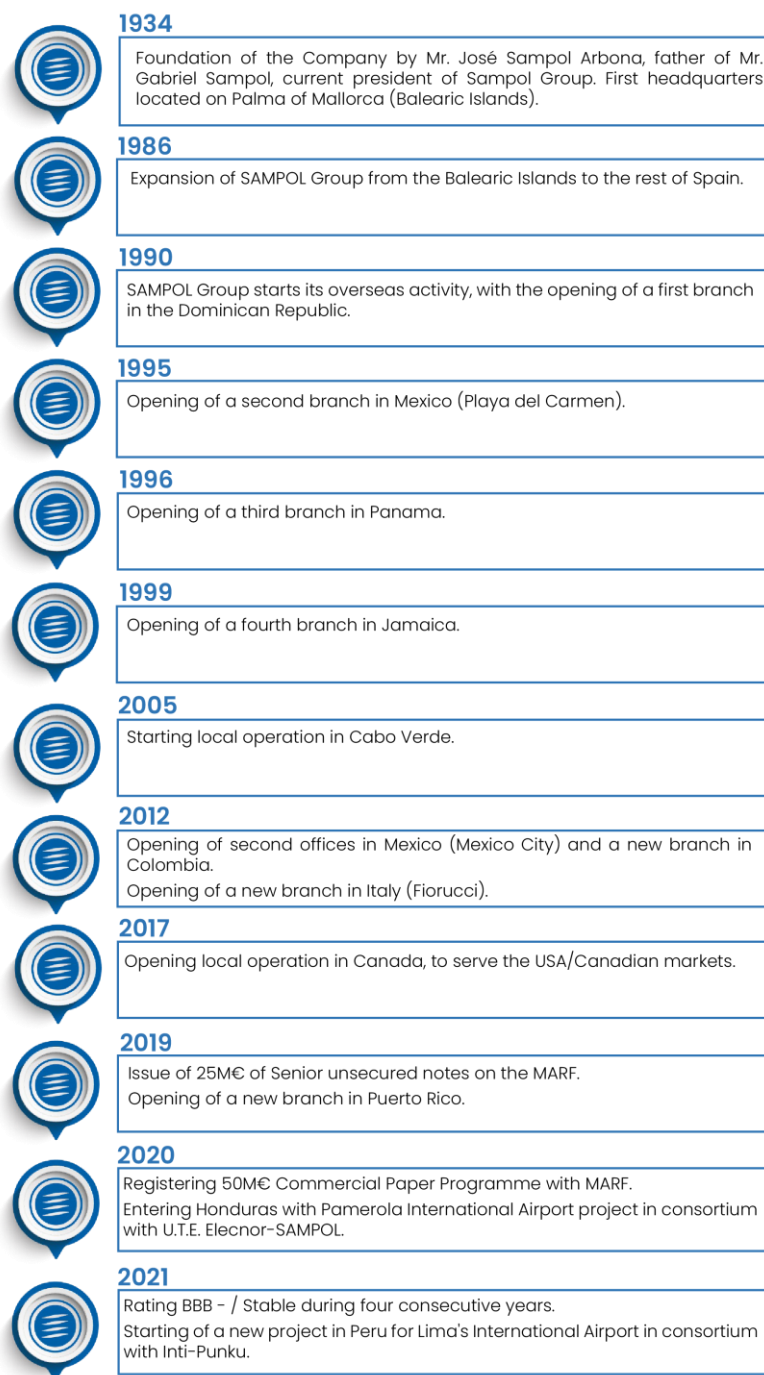
Sampol Group has a permanent presence in Spain, Italy, Mexico, the Dominican Republic, Jamaica, Panama, Colombia, Puerto Rico, Honduras, Perú, Canada and Cabo Verde and has developed projects in 21 countries and four different continents. The international experience of the Sampol started in the 90's together with the clients from the hotel sector and their overseas expansion to the Caribbean.

In the last decades, Sampol Group has grown and diversified its activity. It has expanded its business geographically to countries in Europe, America and Africa.

- Airports: Sampol Group has developed more than 600 projects in the 47 airports of the Spanish network, as well as in Mexico, Colombia, the Dominican Republic, Palestine, Panama and Jamaica. And now the company is working on new airport projects in Honduras and in Perú, as well as ongoing works in the Spanish airports network.
- Railway: Sampol Group has developed metropolitan, tram and high speed projects, both at a national level (Barcelona, Valencia, Palma de Mallorca, Tenerife or Murcia) and overseas (Santo Domingo and Saudi Arabia).
- Hotels and resorts: Sampol Group has developed more than 350 tourist complexes and over 4.000 projects for the hotel industry in Europe, America and Africa.

III.2. History and performance of Sampol Group

III.2.1. Milestones of Sampol Group



Sampol Group began its activity in 1934. In the decade of the 70s, with the introduction of mass tourism in Spain and especially in the Balearic Islands, Sampol specialized in these sectors becoming a reference in the Majorcan hotel and industrial world. During the decade of the 80s, Sampol Group expanded into the rest of Spain, opening branches in the main capitals hand in hand with its clients from the hotel sector. As a result of this, Sampol expanded to the airport sector at the end of the 80s.

In the 90s Sampol started its international activity, also thanks to its link and recognition in the hotel sector, and expanded its business to the Caribbean region. Meanwhile, in Spain it continued to gain specialisation in the segment of airport beaconing.

In the last decades, Sampol Group has grown and diversified its activity. It has expanded its capabilities in energy systems, electromechanical installations, and telecommunications and control systems. In terms of geographical presence, Sampol has expanded its business to countries in Europe, America and Africa.

Today, Sampol employs more than 1,000 employees across the world, having developed projects in 21 countries. The company has executed works in 61 airports in nine different countries, has international experience in projects with high technological content with 10 railway entities, and has developed more than 4,000 projects with more than 350 hotels across four continents.

In spite of the difficulties caused by the COVID-19, in the financial year 2020 Sampol Group was able to maintain a positive income for the year and to contain the negative impact of the decrease in business contracting mainly due to the impact of COVID-19 in the sectors where the company operates.

As a result, consolidated revenues decreased by 29.9% down to 129.6 million € (184.8 million € in 2019). In terms of margin, EBITDA (calculated as operating result plus depreciation of fixed assets and impairments) stood at 13.0 million euros which represents a margin of 10% in terms of revenues (11% in 2019), demonstrating the management efforts made by the group in order to control the negative impact of the pandemic in the results.

By business areas, a 43% of the revenues of the Group came from the energy segment, a recurring business with stable margins on the basis of long-term commercial agreements with clients (mostly for sale of energy). The remaining 57% of the revenues corresponds to the construction, and a 22% of the revenues of this segment was with customers from the hotel and infrastructure industry with which the Group holds a long-term and recurring relationship.

Sampol maintains a high capacity for the origination of new business agreements based on the certainty of part of its revenues and its growing capacity of growth overseas. In 2020, however, business contracting reduced due to the impact of COVID-19 although remained in line with the strategic objectives of the Group. In these regards, the Group closed 2020 with a backlog of 141.6 million euros. In 2021 Sampol was able to recover their origination levels, with a backlog as at October 2021 of 185.5 million euros (a 31% higher than its levels of 2020 and a 10% higher than the backlog of 2019 -Pre-COVID-). In terms of geographical distribution, a 60% of the backlog as at December 2020 came from Spain and a 40% from overseas.

In 2021 Sampol Group continued carrying out its investment plant with a remarkable progress in the following projects:

- The construction of the Palladium Jamaica plant, signed in 2019, has been brought to a final stage of progress.
- Construction has started on the Bacardí plant in Puerto Rico, contracted in 2021, consisting of a high-efficiency cogeneration plant running with biogas and LNG (liquefied petroleum gas), which is expected to be completed by mid-2022. This energy plant is an excellent example of circular economy and renewable energies within a CHP plant, since biogas comes from the Bacardí's rum distillation process. This plant will achieve a yearly reduction of emissions of 14,400 tons per year for Bacardi. The total power generation of the plant is 3,113 ekW, with a chilled water production of 300 RT and a steam production of 34 tn/h. A cogeneration plant with photovoltaic and batteries for Janssen (a Johnson & Johnson pharmaceutical company), for which only engineering work was carried out in 2021 and construction is expected to start in 2022. This plant will provide energy to three Janssen factories. This hybrid CHP with renewable energy integrates batteries to store the electric power in order to ensure continuity of supply. The plant will reduce 45% of contaminating emissions, saving the environment 2.500 tons CO₂ per year, thus reducing Janssen's carbon footprint. The total power generation of this plant is 3.3375 kW, with a steam production of 3.07 tn/h, and a thermal power of 2.560 kW.

The ESCO contracts signed in 2021 in Puerto Rico ensure Sampol's long term presence in the island until 2038. The evolution of revenues and margins is framed in a context of a prudent management and stable growth. In this regard, Sampol Group has focused its effort in a prudential management of liquidity maintaining a surplus of cash over debt and a net financial debt (expressed as gross financial debt minus cash and cash equivalents) of -11.3 million € in 2020 given the sound position of cash of the Group at the end of the year (74.5 million € compared with 67.9 million € at the end of 2019). In terms of EBITDA, net financial debt moved from -0.05x in 2018 down to -0.60x in 2019 and -0.86x in 2020.

<i>thousand euros</i>	2020	2019	2018
Gross debt	63.211	55.231	29.468
Long term financial debt	55.509	37.284	15.772
Short term financial debt	7.703	17.947	13.696
Cash & Cash equivalents	74.553	67.904	30.654
Net Financial Debt (NFD)	-11.342	-12.673	-1.186
EBITDA	13.130	20.986	23.843
NFD/EBITDA	-0,86x	-0,60x	-0,05x

The organization of Sampol Group is structured to serve its clients in a close and rapid way. For this reason, apart from the headquarters in Palma de Mallorca, Sampol has branch offices that cover both its national and international activities. These branch offices allow the necessary logistical support to be offered to the construction executive units in order that most decisions can be made on site and in direct contact with the client.

The different centralized departments provide all the technical, commercial and management support, generating scale economies that offer valuable benefits to the client and makes Sampol more competitive.

The value of Sampol is its multisector and international experience and the ability to execute from beginning to end the phases of engineering, execution, commissioning and the maintenance and operation of the projects.

In the area of electromechanical installations, Sampol's offer is based on:

- High specialization and experience in the sectors where it works.
- Offering a comprehensive response to the set of facilities (electrical, mechanical, telecommunications, security, control, etc.), providing the customer with a single interlocutor.
- Guarantee the correct execution of projects that affect systems and services that are critical for the customer, with high demands for reliability and response times.
- Offering services with a global conception of the life cycle of the project and the facilities.

III.2.2. Sustainability: Environment, circular economy and quality.

The business philosophy and values of Sampol are based on a commitment to sustainability and to circular economy models, which entails the development of increasingly efficient energy systems that integrate renewable energies, provide value to its customers and are economically, environmentally and socially sustainable. Sampol applies this philosophy to all the sectors of activity where the company is involved.

Circular economy model to reduce carbon footprint

In 2021 Sampol has introduced a new circular economy methodology into its project cycle. This new model focuses on applying circular economy criteria through design since the beginning of the project. Sampol applies this circular economy perspective to energy generation and distribution systems, to water and waste treatment systems, and to the electromechanical and control systems needed for the well functioning of the industry. With this focus on circular economy combined with a high level of digitization, Sampol proposes a highly efficient consumption of all resources.

The company incorporates environmental criteria throughout all phases of the projects, integrating renewable energies, and reducing, recycling, reusing, recovering and optimising the use of resources; Sampol introduces avant-garde technologies and digitization to provide innovative sustainable solutions in the value chain of its clients, thus making the highest impact to reduce clients' carbon footprint.

Generation and distribution of energy:

- More efficient generation systems;
- Reduction of losses through systems of distributed generation;
- Employment of renewable and less contaminant energy sources:
 - Photovoltaic
 - Batteries
 - Biogas
 - Hydrogen
 - Geothermal energy
- Reduction of carbon footprint.

Water and waste treatment systems:

- Reducing, recycling, reusing, recovering and optimising resources;
- Highly efficient water consumption;
- Biogas generation through waste treatment;
- Circular economy models;

Energy consumption / Increase in efficiency in the consumption points:

- Installation of light systems with lower consumption LED;
- Development of remote controls and intelligent systems that regulate the consumption of energy;
- Optimizing refrigeration, conditioning and ventilation systems;
- Development of systems and infrastructures to give support to electric vehicles.

Digitization of processes to gain and optimise system's efficiency:

- Development of Digital Twin for power plants;

- Development of hotel management digital platform Icosaedro;
- Development of integral technological platform SmartRetia to analyse, manage, interact and visualize multiple sources of information;

In order to meet its commitment with quality and environment Sampol Group started in 1995 a System of Management of Quality that has been evolving until constitute an integrated system of quality, R+D+i, environment, safety and health certificated with the norms:

- ISO 9001: Quality management system. This standard is based on a number of quality management principles including a strong customer focus, the motivation and implication of top management, the process approach and continual improvement.
- ISO 45001: Occupational health and safety management systems. This International standard certifies that a rigorous health and safety policy is in place which protects employees against possible occupational risks and reduces the likelihood of accidents in the workplace.
- ISO 14001: Environmental management. This standard sets out the criteria for an environmental management system. It maps out a framework that a company or organization can follow to set up an effective environmental management system.
- UNE 166002: Management of R&D. The fulfilment of the requirements of this standard is of help in improving the capacity of organizations to effectively carry out research, development and innovation activities. Also the certification allows an external demonstration of the level of quality achieved in the realization of the activities.

III.2.3. Research, Development and innovation (R+D+i)

Since its foundation, Sampol Group has developed an intense activity in research, development and innovation investing in new technologies that are able to create added value for its clients, improve safety and reduce environmental impact. Indeed, over the last few years, Sampol has focused its investments in new energy saving techniques to be applied to power management and smart grids.

The activity of R+D+i of Sampol is concentrated in the areas of Energy and Digitalization with a special focus on projects of innovation in energy efficiency in generation and consumption and renewable energies and energy storage systems. Sampol R+D+i policy is certified according to the UNE 166002:2006 standard, which defines the processes of monitoring and technological forecasting, analysis and selection of ideas and project management.

The R+D+i of Sampol includes collaborations with universities, as for example, the University of the Balearic Islands (UiB) or the participation in European projects such as the Horizon Europe Framework Program. At international level, Sampol has participated in European R+D+i projects, leading to an increase in the number of people involved year after year. During the last few years, Sampol has carried out the following European projects:

- Seventh European FP7 project Wattalyst for the use of demand management in public buildings and houses.
- Optimization of the use of solar thermal energy in the Parc Bit cogeneration plant has been studied. The project, developed in collaboration with Shine-Solnet within the European-funded Marie Curie doctoral program, aimed at predicting the price of the electricity market and modelling the power plant.
- OPTi is a H2020 project in which Sampol seeks to develop solutions to improve the performance of the cogeneration plant at Son Llàtzer hospital and to integrate the centre's demand for further optimization of production.
- Flexi-Sync (Flexible energy system integration using concept development, demonstration and replication) aims to optimize the flexibility in the district energy sector, a sector with untapped potential to balance the energy system.

- The overall objective of REWARDHeat is to demonstrate a new generation of low-temperature district heating and cooling networks, which will be able to recover renewable and waste heat, available at low temperature.
- The EU-funded H2020 project PLATOON aims to digitalise the energy sector, enabling thus higher levels of operational excellence with the adoption of disrupting technologies.

The following table details by divisions the main research and development projects of Sampol Group which as at the date of this Information Memorandum are in progress:

R+D+I Projects in progress	
Development of an energetic storage system for hybrid energy plants.	D
Improvement of the efficiency of a CHP (trigeneration) power plant for the supply of the buildings of industrial park Parcbit	innovation
Research, development of a system that allows o recover thermal energy in a sustainable way in a power plant.	R+D
Development of a 2.0 tool for the control of operations of power plants.	innovation
Digital Twin: virtual simulation of operation and production of power plants.	R+D
Remote control centres for power plants.	innovation
New power generation solutions for emerging countries	R+D
Development of new solutions for the improvement of the process of control and supervision in photovoltaic plants	D
Development of new solutions for the improvement of the process of control and supervision in hydroelectric plants	R+D
New developments of control and protection in substation	innovation
Definition and control of networks in island areas	R+D
Development of new solutions for the improvement of control and supervision processes in different areas in the airport sector	R+D

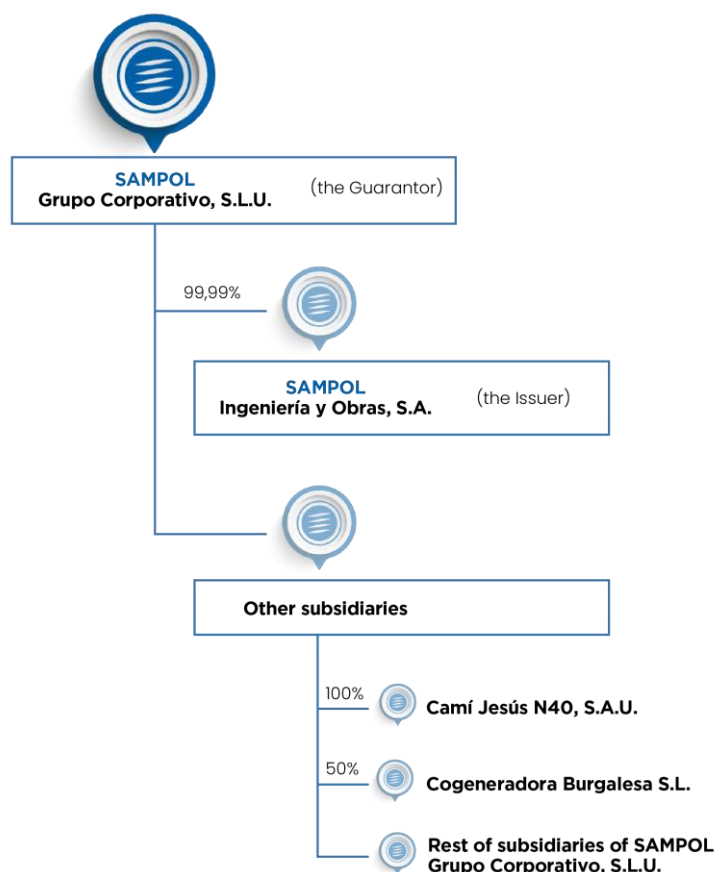
III.3. Main shareholders of the Issuer

As of the date of this Information Memorandum (*Documento Base Informativo de Incorporación*) the capital stock of SIO's is represented by 33,760 ordinary bearer shares of 60.10 euro par value each.

The main shareholder of SIO is Sampol Grupo Corporativo, S.L.U., holder of 33,759 shares of SIO which represents a percentage of participation of 99.99%.

III.4. Organizational structure

The following is the simplified corporate structure of Sampol Group as of the date of this Information Memorandum:



SGC is the parent company of Sampol Group and will act as a personal guarantor for the Commercial Paper in accordance with Section XXI hereof. The sole shareholder of SGC is Mr. Gabriel Sampol Mayor, owner of the 100% of the share capital.

During 2021, there were several shareholding changes in the Group as reported in the 2020 consolidated annual accounts:

- On February 2, 2021, SIO, holder of 2,500 shares of Cogeneradora Burgalesa S.L, transferred all its shares to the parent company, SGC.
- Also on February 2, 2021, SIO, holder of 16,915 shares of Camí Jesus N40, S.A.U., transferred all its shares to the parent company, SGC.

III.5. Corporate purpose

Sampol's vision is to be leaders in the generation and distribution of energy and in the telecom installations and infrastructures, contributing actively to the social wellbeing, to the sustainable development and to the generation of value for its stakeholders.

The mission of the company is to be able to respond to the energetic and technological needs of its clients, creating and designing ad hoc solutions through its business units, so that energy and technology offer a better life and an efficient energy consumption.

The company is built around eight core values which determine all of its activity:

1. *Trust*: Clients and providers count on Sampol to undertake quality projects.
2. *Commitment*: Responsibility and effort to offer the best applied engineering solution.
3. *Innovation*: Key of Sampol's history. Has allowed the company to overcome challenges and become stronger.
4. *Experience*: More than 85 years behind Sampol
5. *Internationalization*: The identity of Sampol is built upon its international expansion
6. *Illusion*: Sampol works every day with the same enthusiasm like the first day.
7. *Satisfaction*: Sampol strives to find efficient solutions to satisfy its clients.
8. *Family*: Three generations leading the company throughout the years.

The Issuer's activity is framed in applied engineering projects with a special focus on:

- Energy systems
- Renewable energies
- Energy saving solutions
- Sustainability
- Digitization.

Sampol has a strong presence in the industrial, hotels and transports infrastructure sectors.

Mainly in the field of:

- Energy plants which combine cogeneration with renewable energies and energy-saving solutions with highly efficient energy systems which integrate:
 - Photovoltaic
 - Batteries
 - Biogas
 - Hydrogen
 - Geothermal energy
- Water treatment plants
- Integral installations:
 - MEP installations: electrical, mechanical, plumbing, specialised installations, qualified services, services of maintenance and repair.
 - Automation systems and SCADAS

- Hardware and software integration
- Digitalization:
 - IT solutions, products, and services.
 - Networks, cybersecurity, IoT
 - Optical Networks
 - Digital twins
 - Specialized cloud applications.

III.6. Administrative and management bodies

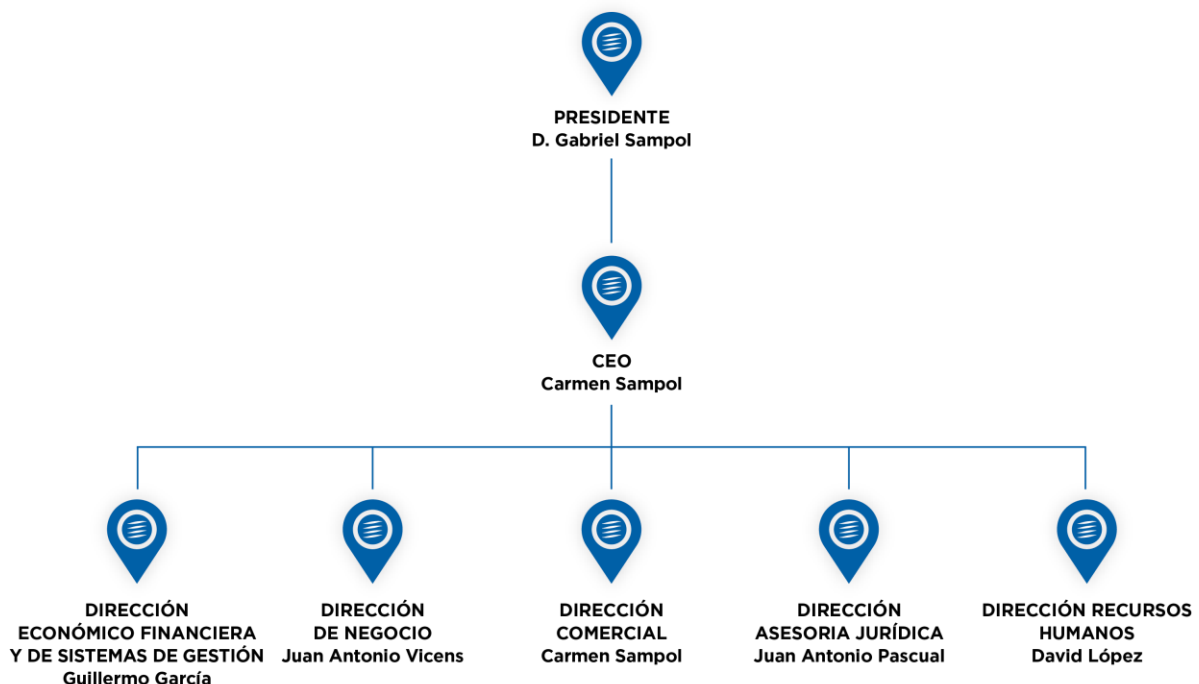
III.6.1. Management Body

The management body of Sampol Ingeniería y Obras, S.A. is entrusted to a sole director, which is Sampol Grupo Corporativo, S.L.U., represented by Mr. Gabriel Sampol Mayol.

Mr. Gabriel Sampol Mayol, born in Montuïri (Mallorca) in 1936 is a Technical Engineer from the University School of Vilanova i la Geltrú and has dedicated all his professional life to the family business, where he began working in 1953 and took control of the company 14 years later following the death of this father.

Over the years, Mr. Gabriel Sampol turned the family business into a multinational group. In recognition of his career, Mr. Gabriel Sampol received in 2011 the Medal of Merit to Work, adopted in the Council of Ministers of December 3, 2010 on the proposal of the Minister of Labour and Immigration Mr. Valeriano Gómez. This award aims to highlight the merit of a socially useful and exemplary conduct in the performance of the duties imposed by the exercise of any job, profession or service. Among the merits of the Mr. Gabriel Sampol, it was highlighted his entrepreneurial spirit, recognizing the contribution of Sampol Group in the fields of Research, Development and Innovation (RDI) and renewable energies.

III.6.2. Senior Management of Sampol Ingeniería y Obras S.A.



Recognitions and Awards:

- 2021 Ms. Carmen Sampol, Sampol Group CEO elected among the Top 100 Leading Women of Spain.
- 2021 Recognition of Sampol Group by climate action association #PorElClima for Sampol's Digital Twin for power plants innovative development.
- 2020 Sustainable Company Award by InnoBankia Mallorca
- 2020 Recognition of Sampol Group by climate action association #PorElClima for Sampol's biogas plant for Bacardi in Puerto Rico.
- 2020 CAEB distinguishes Sampol as member of the "Network of Committed Companies with Values".
- 2019 Recognition for Mr. Gabriel Sampol's professional trajectory (*Diario de Mallorca*).
- 2018 Recognition for his professional trajectory by the CEDE (*Confederación Española de Directivos y Ejecutivos*).
- 2018 Mr. Gabriel Sampol, Executive of the Year award of CAEB (*Confederación Asociaciones Empresariales de Baleares*)
- 2018 Sampol is recognised by Huawei as "Solution Partner of the Year.
- 2017 Ibermutuamur recognises Sampol for its low labour accident rate.
- 2017 Sampol Group national winner of European Business Awards.
- 2016 Gold medal for Mr. Gabriel Sampol's professional trajectory by the College of Economists of the Illes Balears.
- 2013 First Prize Winner of Madrid – Barajas Airport Best Environmental Behaviour Award for Sampol's commitment with the environment.
- 2013 Onda Cero Company Price for Mr. Gabriel Sampol's effort and perseverance in a highly competitive sector.
- 2011 Mr. Gabriel Sampol receives the Gold Medal of Merit to Work by the Government of Spain.
- 2010 Mr. Gabriel Sampol is named Executive of the year award of Islas Baleares, Ejecutivos Magazine.
- 2010 ASINEM (*Asociación de Empresarios Instaladores de Baleares*) recognizes Mr. Gabriel Sampol for promoting the economy through the organization and adaptation to the new times.
- 2009 AENA (Spanish Airports and Air Traffic) recognises Sampol in the Environmental Companies Awards.
- 2009 Sampol's high efficiency cogeneration power plant in Madrid-Barajas airport, and Sampol's solar and cogeneration power plant and district heating & cooling in Parc Bit Mallorca are recognized as Official Partner in the European Commission's European Sustainable Energy Campaign.

III.7. Industry and Activity

III.7.1. Business

The business areas of Sampol Group can be classified into two main verticals:

- (i) Projects: Integral Projects and Digitalization
- (ii) Energy: generation, commercialization and distribution of highly efficient and clean energy.

The proportion of revenues of each business area in the financial years from December 2020 to 2018 was as follows:

<i>Thousand euros</i>	2020	2019	2018	2020%	2019%	2018%
Projects	74.452	113.086	98.373	57,46%	61,20%	55,90%
Energy	55.126	71.760	77.560	42,54%	38,80%	44,10%
Total	129.578	184.846	175.933	100,0%	100,0%	100,0%

Projects: Integral Projects and Digitalization

In the area of *integral projects*, Sampol offer is based on:

- High specialization and experience in the sectors where he works.
- Offer a comprehensive response to the set of facilities (electrical, mechanical, telecommunications, security, control, etc.), provide the customer with a single interlocutor.
- Guarantee the correct execution of the projects.
- Offer services with a global conception of the life cycle of the project and the facilities.
- High technical capabilities. Complete cycle from the design, planification and execution of the systems.

Commitment to technological innovation and integration. Key activities in turnkey mode:

- Electricity
- Air conditioning and ventilation
- Fire protection
- Plumbing and sanitation
- Electrical installations of high tension
- Transforming substations
- Distribution lines and transformation centres
- Networks safety
- Automation systems and SCADAS
- Hardware
- Software integration
- Water and waste treatment plants. Desalination, purification, etc. Operation and maintenance.
- Specifically for the transport infrastructure industry:
 - Visual aid systems, installations and control systems
- Telecommunications & Smart Information Systems:

The activity of Sampol Growth in the telecommunications and smart information sectors has acquired growing importance in the last few years, especially in the field of professional telecommunications linked to the segments of emergency and security, as well as in the design, planning and deployment of private and public radio communications networks, air navigation, and radio aid systems.

In the area of *digitalization*, Sampol's offer is based on the integration and development of IT solutions, products and services which boost the digitalization processes of Sampol's clients.

- Networks,
- Cybersecurity
- IoT
- Software platforms
- Optical Networks
- Digital Twin
- Specialized Cloud Applications
- Datacentres:

Sampol recently introduced a new dimension in the datacentres market as a provider of integral infrastructure solutions, ranging from the supply of electrical and thermal energy (refrigeration) to the guarantee of continuity through the use of advanced technologies based on DRUPS (diesel rotary uninterruptible power supply). Sampol operates on turnkey basis.

The foundations of our strategy in the digitalization services we offer to our clients are:

- Innovation supported by the strong technical and multisector know-how of our team.
- Strong commitment to non-proprietary solutions and the use of standards that guarantee customer investment, the integration of new systems, technological adaptation and independence in future decision-making.
- Vocation for engineering as a guarantee of the care of each one of the phases of a project and / or service: definition, development, implementation, maintenance / operation and evolution.
- Values inherited from Sampol Group such as the dedication and involvement in each project, the modesty that leads us to rely on experts and continuous improvement, the international vocation and finally the commitment to the client in meeting deadlines and costs.

Sampol approaches the projects in this area with a team of a high multisector background and international experience that acts giving an integral and coordinated response to the set of facilities and systems of the project and responding with absolute reliability to critical services, systems and activities.

Energy

Throughout the last 20 years, Sampol Group has acquired an extensive experience on the design, installation and operation of energy efficient infrastructures and plants for industries, hotel complexes, hospitals, airports and other infrastructures. Depending on the needs of the client, Sampol Group performs from the design, execution, operation and maintenance of the plants, to the promotion and financing of the projects.

When considering only energy projects, Sampol focuses its activity on three lines of action:

- Outsourcing of the customer's energy supply (electricity, heat, cold, steam)
- Execution of turnkey installations for efficient and / or renewable energy generation
- Energy savings and efficiency

Depending on the needs of the client, Sampol performs from the design, execution, operation and maintenance of the plants, to the promotion and financing of the projects:

- Feasibility studies.
- Engineering.
- EPC contracts ("turnkey" projects).
- Operation and Maintenance of energy facilities.
- Energy Supply: engineering, construction, financing and exploitation of energy production plants.
- Marketer for the electricity market.
- Energy outsourcing.

Energy Distribution (electrical distribution and district networks).

These highly efficient energy plants combine cogeneration with renewable energies and energy-saving solutions. The activity of Sampol Group in this sector focuses on:

- Highly efficient energy generation systems which integrate:
 - Photovoltaic
 - Batteries
 - Biogas
 - Hydrogen
 - Geothermal energy
- Base and emergency energy generation plants.
- Electrical substations and high voltage distribution lines
- Energy efficiency
- Cogeneration plants
- Thermal energy production plants. Distribution networks
- Energy audits
- Energy outsourcing
- Marketer: sale of electricity
- Operation and maintenance
- Renewable energies: Photovoltaic parks, solar thermal energy and Biomass plants
- Remote controls and control systems

III.7.2. Sectors

The activity of Sampol Group is focused in the sectors of transportation infrastructure: generation, commercialization and distribution of energy; industrial installation, hotels and singular buildings and telecommunications.

Industry: Energy, Water and Environment

In the industrial and environmental sector Sampol offers solutions for improving efficiency and energy costs of industrial processes and execution of projects of facilities and systems.

Industry focus:

Energy

- Improving carbon footprint through highly efficient energy systems which apply circular economy models.
- Efficient energy supply (electricity, steam, heat, cold and compressed air)
- Energy efficiency studies (energy costs and water consumption)
- Energy Outsourcing (Operation + Maintenance + Energy Management)
- Process automation
- Electromechanical installations (MV, LV, industrial refrigeration, steam, compressed air)
- Operation and maintenance

Water:

- Electromechanical installations and automation of water treatment plants
- Seawater desalination plants
- Wastewater treatment plants
- Industrial water treatment plants
- Pumping systems and water distribution networks.
- Waste treatment plants
- Energetic use of waste and biomass

Transport Infrastructures

Airports

Sampol has an extensive experience for more than 30 year in the airport sector, with a high degree of specialization in:

- Beacon installations and visual aids on runways;
- Electrical system, power supply and emergency supply;
- Electromechanical and communications facilities in terminal buildings;
- Telecommunications networks and security systems;
- Control systems for installations and systems integration.

Sampol has developed more than 600 projects in the 47 airports of the Spanish network, as well as in Mexico, Colombia, the Dominican Republic, Palestine, Jamaica and Panama. The main references of Sampol Group in this sector are:

- Beacon projects and visual aids in more than 55 airports;
- More than 20 emergency generation power plants;
- Maintenance management of the command and presentation systems of 26 airports in Spain;

- More than 50 projects for electromechanical installations and telecommunications in terminal buildings, as well as the construction of the cogeneration plant;
- The supply of thermal and electric energy under the concession regime to Madrid-Barajas Airport for 20 years.

Railways

The activity of Sampol in the railway sector began in 2004, based on the direct application of the know-how acquired in other sectors of critical infrastructures.

Thus, projects and solutions are developed on innovative technologies in this sector, but of a guaranteed maturity, addressing metropolitan, tram and even High Speed projects, both national (Barcelona, Valencia, Palma de Mallorca, Tenerife or Murcia) and international in Santo Domingo (Dominican Republic and Saudi Arabia).

The activity of Sampol Group in this sector focuses on:

- Energy Remote Controls and Fixed Installations, as well as Integrated Control Centres
- Electrification facilities (catenary and traction substations and MV networks)
- Train-ground radio communication systems
- Integral station installations: Electrical installations; Mechanical installations; Telecommunications, Security Systems and Passenger Information Systems
- 24-hour maintenance and operation services

Road infrastructure

In road transport sector Sampol develops projects mainly in road tunnels and car parks. The main strength of Sampol in this sector is to offer global solutions to the characteristic facilities of road and parking tunnels: mechanical, electrical, telecommunications systems and system integration and control.

Tunnels main activities:

- Energy: Medium voltage, low voltage, emergency and UPS
- Normal and emergency lighting. Luminaire control
- Transversal, longitudinal ventilation and filters. Environmental sensitization
- Systems of detection and extinction of fire
- Communications and radio communication networks
- SOS posts and public address system
- Traffic management: ETDs, variable message panels, barriers, CCTV, radars, license plate reading, beacons, traffic lights
- Systems for automatic detection of incidents by image (DAI)
- Integration of facilities and systems

Parking main activities:

- Ticketing and collection systems
- License plate reading systems
- Guidance systems and detection of free space
- Security and communications systems: Public Address, CCTV.

- Integration with other systems

Hotels

Sampol has more than 50 years of experience in the development of facilities for singular buildings, specially hotels, but also hospitals, museum spaces, convention and commercial centres. In this area Sampol operates under a strong commitment to efficiency and building sustainability which is reflected in the promotion of R+D+ i programs and in its membership in the Spanish Green Building Council.

The activity of Sampol Group in this sector focuses on:

- Independent power supply and generation
- Electrical and mechanical installations
- HVAC and ACS
- Telecommunications networks
- Security systems
- Audio-visual installations
- Control systems and solutions for home automation, energy management, and technical management of facilities
- IoT and digital solutions for efficient management of the premises and for the hotels to improve their client service and entertainment.

III.7.3. International presence

Sampol Group's International Presence:



Revenues by countries

Revenues detailed by categories of activities and geographical segmentation for 2020. A 43% of the revenues came from foreign markets:

Thousand EUR	Spain	Rest EU	America	Rest	Total
Construction & Engineering Contracts	33.653	0	40.456	344	74.452
Electricity Revenues	40.358	7.218	7.551	0	55.126
TOTAL	74.010	7.218	48.006	344	129.578
% over total revenues	57,12%	5,57%	37,05%	0,27%	100,00%

III.8. Financial information

III.8.1. Financial statements of the Issuer for the financial years ended on 31 December 2020 and 31 December 2019

The Issuer's individual financial statements for the financial years ended on 31 December 2020 and 31 December 2019, audited and without reservations are attached as **Annex I** to this Information Memorandum.

Audited Balance Sheet for the years 2020 and 2019 of SIO

<i>Thousand Eur and percentages</i>	2020	2019	20-19	2020	2019
Non-current assets	22.710	22.652	0,3%	14,6%	14,5%
Intangible fixed assets	650	701	-7,3%	0,4%	0,4%
Property, Plant and Equipment	17.973	18.531	-3,0%	11,5%	11,9%
Real estate investments	1.340	1.340	0,0%	0,9%	0,9%
Long-term investments in group companies and associates	1.279	1.269	0,8%	0,8%	0,8%
Long-term financial investments	115	141	-18,5%	0,1%	0,1%
Deferred tax assets	1.353	669	102,3%	0,9%	0,4%
Trade debtors and other receivables	0	0	0,0%	0,0%	0,0%
Current assets	133.081	133.669	-0,4%	85,4%	85,5%
Non-current assets held for sale	0	0	0,0%	0,0%	0,0%
Inventories	1.498	1.687	-11,2%	1,0%	1,1%
Trade debtors and other accounts receivables	28.087	38.302	-26,7%	18,0%	24,5%
Short-term investments in group companies and associates	34.086	30.128	13,1%	21,9%	19,3%
Short-term financial investments	86	190	-54,9%	0,1%	0,1%
Short-term accruals	761	466	63,2%	0,5%	0,3%
Cash and cash equivalents	68.563	62.897	9,0%	44,0%	40,2%
Total assets	155.792	156.322	-0,3%	100,0%	100,0%
Net equity	27.633	32.396	-14,7%	17,7%	20,7%
Non-current liabilities	56.198	38.164	47,3%	36,1%	24,4%
Long-term provisions	2.352	2.687	-12,5%	1,5%	1,7%
Long-term debts	47.749	27.593	73,0%	30,6%	17,7%
Trade debtors and other accounts receivables	0	0	0,0%	0,0%	0,0%
Deferred tax liabilities	854,507	856	-0,2%	0,5%	0,5%
Long-term accruals	5.243	7.028	-25,4%	3,4%	4,5%
Current liabilities	71.961	85.762	-16,1%	46,2%	54,9%
Short-term debts	5.637	11.389	-50,5%	3,6%	7,3%
Short-term debts to group companies and associates	0	12.164	-100,0%	0,0%	7,8%
Trade creditors and other accounts payables	66.324	62.208	6,6%	42,6%	39,8%
Total Net Equity and Liabilities	155.792	156.322	-0,3%	100,0%	100,0%

Audited Income Statement for the years 2020 and 2019 of SIO

<i>Thousand EUR and percentages</i>	2020	2019	Weight on total income	
			Year Var.	2020

Net turnover	94.258	141.161	-33,2%	100,0%	100,0%
Other incomes	334	309	8,0%	0,4%	0,2%
Supplies	-62.212	-97.142	-36,0%	-66,0%	-68,8%
Gross Margin	32.380	44.329	-27,0%	34,4%	31,4%
Personnel expenses	-11.626	-12.020	-3,3%	-12,3%	-8,5%
Other operating expenses	-13.441	-18.001	-25,3%	-14,3%	-12,8%
EBITDA	7.313	14.307	-48,9%	7,8%	10,1%
Depreciation of fixed assets	-2.939	-2.586	13,6%	-3,1%	-1,8%
Impairment and result from disposals of non-current assets	-169	-85	98,9%	-0,2%	-0,1%
EBIT	4.205	11.636	-63,9%	4,5%	8,2%
Financial Income	902	840	7,3%	1,0%	0,6%
Financial Expenses	-2.525	-2.200	14,8%	-2,7%	-1,6%
Foreign exchange differences	-2.800	-245	1042,9%	-3,0%	-0,2%
Other	1	-44	-101,7%	0,0%	0,0%
Financial Result	-4.423	-1.650	168,1%	-4,7%	-1,2%
Profit before taxes	-218	9.986	-102,2%	-0,2%	7,1%
Corporate Tax	1.253	-2.691	-146,6%	1,3%	-1,9%
Net profit	1.035	7.295	-85,8%	1,1%	5,2%
Discontinued operations	0	-1.149	-100,0%	0,0%	-0,8%
Income for the year	1.035	6.145	-83,2%	1,1%	4,4%

Audited Cash Flow Statement for the years 2020 and 2019 of SIO

<i>Thousand EUR and percentages</i>	2020	2019	Year Var.
CASH FLOWS FROM OPERATING ACTIVITIES			
1.Result of the year before taxes	85	9.986	-99,2%
2.Adjustments of the result:	7.193	3.383	112,6%
a) Result amortization and depreciation	2.938	2.586	13,6%
b) Value adjustments for impairments	-2	20	-110,0%
d) Retirements or disposals of fixed assets	169	85	98,8%
e) Retirements or disposals of financial instruments	1	0	0,0%
f) Financial revenues	-902	-840	7,4%
g) Financial expenses	2.525	2.200	14,8%
h) Foreign exchange differences	2.800	245	1042,9%
i) Variations in fair value of financial instruments	0	44	-100,0%
j) Other income and expenses	-336	-958	-64,9%
3.Changes in current capital:	9.640	10.326	-6,6%
a) Inventories	189	-1.025	-118,4%
b) Debtors and other receivables	7.417	5.720	29,7%
c) Other current assets	-295	-20	1375,0%
d) Creditors and other payables	2.329	5.651	-58,8%
e) Other current liabilities	0	0	0,0%
f) Other Non-current assets and liabilities	0	0	0,0%

4. Other cash flows from operating activities	-2.458	-1.156	112,6%
a) Interest payments	-2.486	-1.156	115,1%
b) Interest expenses	28	0	0,0%
5. Cash flows from operating activities (1 + 2 + 3 + 4)	14.460	22.539	-35,8%
CASH FLOWS FROM INVESTING ACTIVITIES			
6. Payments for investments	-5.822	-4.285	35,9%
a) Group companies and associates	-3.085	-400	671,3%
b) Intangible assets	-229	-85	169,4%
c) Property, plant, and equipment	-2.461	-3.691	-33,3%
d) Other financial assets	-47	-109	-56,9%
7. Collections for disinvestments	260	4.326	-94,0%
a) Group companies and associates	0	2.538	-100,0%
b) Property, plant, and equipment	192	333	-42,3%
c) Other financial assets	68	1.455	-95,3%
8. Cash flows from investing activities (6 + 7)	-5.562	41	-13665,9%
CASH FLOWS FROM FINANCING ACTIVITIES			
9. Collections and Payments for equity instruments	0	0	0,0%
Issuance of equity instruments	0	-	0,0%
10. Collections and Payments for financial liability instruments	2.769	21.919	-87,4%
Bond issuance and similar securities	0	25.000	-100,0%
Debts with credit institutions	25.700	8.398	206,0%
Repayment and amortizations of debts with credit institutions	-11.296	-11.478	-1,6%
Debts with Group companies and associates	-11.635	0	0,0%
11. Payment of dividends and remuneration of other equity instruments	-6.000	-5.000	20,0%
Dividends	-6.000	-5.000	20,0%
12. Cash flows from financing activities (9 + 10 + 11)	-3.231	16.919	-119,1%
INCREASE/DECREASE OF CASH OR CASH EQUIVALENTS			
Cash or equivalents at the beginning of the year	62.897	23.398	168,8%
Cash or equivalents at the end of the year	68.564	62.897	9,0%

IV. FULL NAME OF THE COMMERCIAL PAPER

The Commercial Paper to be issued under the so called “Commercial Paper Program SAMPOL 2022” are commercial paper notes (*pagarés*) as construed under Spanish law.

V. PERSONS RESPONSIBLE

Ms. María del Carmen Sampol, on behalf of the Issuer, is responsible for the entire content of this Information Memorandum.

Ms. María del Carmen Sampol, hereby declares that the information contained in this Information Memorandum is, to the best of her knowledge and after executing the reasonable diligence to ensure that it is as stated, compliant with the facts and does not omit any relevant fact likely to affect the content of this Information Memorandum.

VI. DUTIES OF THE COMPANY’S REGISTERED ADVISOR ON THE MARF

Analistas Financieros Internacionales S.A. is a company incorporated before the Notary of Madrid, Mr. Francisco Javier López Contreras, on 1987, December 3th, under number 2.646 of his records, registered in the Madrid Companies Register in volume 8.329, folder 173, sheet 79.387, inscription 1 and in the Registered Advisors Market Register pursuant to the market Operative Instruction 5/2013 (Instrucción Operativa de 19 de Noviembre de 2013 (“**Afi**” or the “**Registered Advisor**”). The Issuer has appointed Afi as the Company’s registered advisor (*asesor registrado*) on the MARF.

The Issuer shall have, at all times as long as (i) there are any outstanding Commercial Paper and (ii) the Program is in force, a designated registered advisor registered with the MARF. The Registered Advisor undertakes to collaborate with the Issuer in complying with the obligations related to the listing of the Commercial Paper on the MARF, acting as specialist liaison between both the MARF and the Issuer for the purposes of obtaining the listing of the Commercial Paper and enabling the performance by the Issuer in the trading of the Commercial Paper. Therefore, Afi shall provide the MARF with any periodically information as may be required and the MARF, in turn, may request from Afi any information it may deem necessary regarding the actions to be carried out and its corresponding obligations, being authorized to perform as many actions as necessary, where appropriate, in order to verify the information provided.

Afi shall assist the Issuer in relation to (i) the admission to trading of the Commercial Paper; (ii) its compliance with the obligations and duties of the Issuer before the MARF; (iii) the preparation and presentation of financial and business information required by the MARF’s regulations; and (iv) the review of any such information to ensure it complies with the applicable regulatory requirements.

With respect to the request for the admission to trading of the Commercial Paper on the MARF, Afi has:

- (i) verified that the Issuer complies with the requirements of the MARF’s regulations for the admission (*incorporación*) to trading of the Commercial Paper; and
- (ii) assisted the Issuer in the preparation of the Information Memorandum, reviewed all the information provided by the Issuer to the MARF in connection with the request for the admission (*incorporación*) to trading of the Commercial Paper on the MARF and checked that the information provided complies with the requirements of applicable regulations

and there is no omission of any relevant information that could lead to confusion among prospective investors.

Once the Commercial Paper are admitted to trading, the Registered Advisor shall:

- (i) review the information that the Issuer prepares for the MARF periodically or on a one-off basis and verify that this information meets the content and deadlines requirements set out in the regulations;
- (ii) advise the Issuer on any events that might affect compliance with the obligations undertaken when listing the Commercial Paper to trading on the MARF, and on the best manner of treating such events to avoid any breach of said obligations;
- (iii) inform the MARF of any facts that may constitute a breach by the Issuer of its obligations in the event that it appreciates a potential material breach by the Issuer that had not been rectified following its advice; and
- (iv) manage, deal with and answer any query and request for information from the MARF regarding the situation of the Issuer, progress of its activity, level of compliance with its obligations and any other data the MARF may deem relevant.

For the above purposes, the Registered Advisor shall perform the following actions:

- (i) maintain regular and necessary contact with the Issuer and analyse any exceptional situations that may arise concerning the evolution of the price, trading volumes and other relevant circumstances regarding trading of the Commercial Paper;
- (ii) sign any declarations which, in general, have been set out in the regulations as a consequence of the admission to trading of the Commercial Paper on the MARF, as well as with regard to the information required from companies with Commercial Paper listed on the MARF; and
- (iii) forward to the MARF, without delay, any communication received from the Issuer in response to any queries and requests for information by the MARF.

VII. MAXIMUM OUTSTANDING AMOUNT

The total maximum outstanding nominal amount of the Program is €50,000,000 at any time.

Such amount refers to the total maximum limit that the aggregate nominal amount of the outstanding Commercial Paper issued under the Program can reach at any time.

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

The Commercial Paper are securities issued at a discount from their nominal value, represent a debt of the Issuer and will be paid at par on maturity. Each issuance of Commercial Paper with the same maturity date will be assigned with the same ISIN code. The issue date of the Commercial Paper will be set out in the complementary certificates (*certificaciones complementarias*) corresponding to each issue of Commercial Paper.

Each Commercial Paper note will have a nominal value of €100,000 and therefore the maximum number of outstanding Commercial Paper under the Program will not exceed 500 at any time.

IX. GOVERNING LAW AND JURISDICTION

The Commercial Paper shall be issued in accordance with the Spanish Companies Law approved by the Royal Legislative Decree 1/2010, of 2 July, the Securities Market Law and their development regulations.

The Commercial Paper shall be governed by Spanish law and any dispute that may arise regarding thereto shall be submitted to the exclusive jurisdiction of the courts of the city of Palma de Mallorca (Spain).

X. REPRESENTATION OF THE COMMERCIAL PAPER THROUGH BOOK ENTRIES

The Commercial Paper to be issued under the Program will be represented in book-entry form (*anotaciones en cuenta*) and will be registered with Iberclear as managing entity of the Spanish Central Registry (*Registro Central*), together with its member entities.

XI. CURRENCY OF THE COMMERCIAL PAPER

The Commercial Paper will be denominated in euros (€)

XII. ORDER OF PRIORITY

The issue of Commercial Paper notes by the Issuer will not be secured by any in rem guarantees (*garantías reales*). The capital and the interest of the Commercial Paper will be secured by the Issuer's total net worth and will be guaranteed by an unconditional, independent, abstract, irrevocable autonomous first demand guarantee provided by the Guarantor.

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 (up to the value of their guarantee), pursuant to the classification and order of priority of credits set out in the Insolvency Law and its related regulations. The Guarantor will be jointly and severally liable to the holders of the Commercial Paper for the Guaranteed Obligations, regardless of the outcome of any approval of an arrangement in the context of the insolvency proceeding and regardless of the vote of each of the holders of the Commercial Paper in said arrangement or proposed arrangement, and no debt relief or grace period included in such an arrangement may be invoked by the Guarantor to the holders of the Commercial Paper.

XIII. DESCRIPTION OF THE RIGHTS RELATED TO THE COMMERCIAL PAPER AND THE PROCEDURE TO EXERCISE SUCH RIGHTS. METHOD AND TERM FOR PAYMENT AND DELIVERY OF THE COMMERCIAL PAPER

The Commercial Paper will not grant their holders any present and/or future political rights over the Issuer. The economic and financial rights associated to the acquisition and holding of the Commercial Paper shall be those resulting from the particular terms and conditions of each issue, such as interest rate (which will be an implicit rate) and redemption price, among others.

The Commercial Paper will be subscribed and the issue price will be paid on the relevant issue date. The issue price of the Commercial Paper will be paid to the Issuer by BEKA FINANCE S.V., S.A. (as paying agent) into the account specified by the Issuer on the corresponding issue date.

In all cases, the Placement Entities may issue a nominative and non-negotiable certificate of acquisition of the Commercial Paper. This certificate will provisionally evidence the subscription of the Commercial Paper until the appropriate book entry is practiced, which will grant holders the right to request the relevant certificate of ownership (*certificado de legitimación*). The Issuer will notify the payment of the issue price of the Commercial Paper to the MARF and Iberclear through the relevant certificate.

XIV. ISSUE DATE. TERM OF THE PROGRAM

The term of validity of the Program is one (1) year from the date of admission (*fecha de incorporación*) of the Information Memorandum on the MARF. The Commercial Paper may be issued, subscribed for and admitted to trading on MARF under the Program on any day during the one-year term of the Program. However, the Issuer reserves the right to not issue Commercial Paper as it deems appropriate, in accordance with the treasury needs of the Issuer or if it finds more favourable financing conditions.

Each of the complementary certificates (*certificaciones complementarias*) of each issue of Commercial Paper notes will envisage the issue date and the disbursement date of the relevant Commercial Paper notes. The issue, disbursement and admission to trading of the Commercial Paper notes shall not extend beyond the date of expiration of the Program.

XV. NOMINAL INTEREST RATE. INDICATION OF YIELD AND CALCULATION METHOD

The Commercial Paper will be issued at the interest rate (discount rate) agreed between the Issuer and the Placement Entities or the investors, as applicable. The yield of the Commercial Paper is implicit as the Commercial Paper will be issued at a discount from their nominal value to be paid on the maturity date. As the Commercial Paper are securities issued at a discount with an implicit yield, the issue price to be paid by the subscriber of the Commercial Paper on the issue date will vary depending on the agreed interest rate (discount rate) and maturity of the Commercial Paper.

Therefore, the issue price for each Commercial Paper note may be calculated through the following formulas:

- Where the Commercial Paper note is issued for a term of 365 days or less:

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

- Where the term exceeds 365 days:

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

Where:

- N = nominal value of the Note.
- E = issue price of the Note.
- d = number of days until maturity.
- i = nominal interest rate expressed as a decimal.

The tables included below purport to help investors by specifying the issue prices for different interest rates and maturities, including also a column showing the variation of the issue price of the Commercial Paper when increasing by ten days its maturity.

EFFECTIVE VALUE OF €100,000 NOTIONAL NOTE

(Less than one year term)

Nominal rate (%)	7 DAYS			14 DAYS			30 DAYS			60 DAYS		
	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription Price (euros)	IRR/AER (%)	+10 days (euros)	Suscription 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	1.62%	-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	2.17%	-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	2.71%	-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	3.26%	-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	3.82%	-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	4.38%	-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	4.93%	-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	5.50%	-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	6.06%	-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	6.63%	-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	7.20%	-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	7.78%	-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	8.35%	-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	8.93%	-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	9.52%	-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	10.10%	-122.23	99,265.71	4.59%	-121.34

EFFECTIVE VALUE OF €100,000 NOTIONAL NOTE

Nominal rate (%)	(Less than one year term)						(Equal to one year term)			(More than one year term)		
	90 DAYS			180 DAYS			365 DAYS			730 DAYS		
	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	99,501.87	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	99,007.45	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	98,516.71	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	98,029.60	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	97,546.11	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	97,066.17	1.50%	-39.59
1.75%	99,570.35	1.76%	-47.51	99,144.37	1.76%	-47.11	98,280.10	1.75%	-46.29	96,589.78	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	96,116.88	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	95,647.44	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	95,181.44	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	94,718.83	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	94,259.59	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	93,803.68	3.25%	-82.16
3.50%	99,144.37	3.55%	-94.17	98,303.26	3.53%	-92.58	96,618.36	3.50%	-89.43	93,351.07	3.50%	-87.94
3.75%	99,083.81	3.80%	-100.76	98,184.26	3.79%	-98.94	96,385.54	3.75%	-95.35	92,901.73	3.75%	-93.65
4.00%	99,023.33	4.06%	-107.34	98,065.56	4.04%	-105.28	96,153.85	4.00%	-101.21	92,455.62	4.00%	-99.29
4.25%	98,962.92	4.32%	-113.90	97,947.14	4.30%	-111.58	95,923.26	4.25%	-107.02	92,012.72	4.25%	-104.86
4.50%	98,902.59	4.58%	-120.45	97,829.00	4.55%	-117.85	95,693.78	4.50%	-112.77	91,573.00	4.50%	-110.37

The internal rate of return (IRR) for each Note can be determined by the following formula:

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

Whereby:

IRR = effective annual interest rate expressed as a decimal.

N = nominal value of the Note.

E = issue price paid on the issue date.

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

XVI. PLACEMENT ENTITIES, PAYING AGENT AND DEPOSITORY ENTITIES

The Placement Entities which will be collaborating in this Program are:

- BEKA FINANCE S.V., S.A.
- BESTINVER, S.V, S.A.

A collaboration agreement will be entered into on or around the date of this Program by the Issuer and the Placement Entities in relation to the Program, including the possibility to sell to third parties, but neither BEKA FINANCE S.V., S.A., nor BESTINVER, S.V, S.A., nor any other entity has accepted any undertaking to underwrite the Commercial Paper. The Issuer has the possibility to appoint new placement entities under the Program. In the case that a new placement entity is appointed by the Issuer, a relevant information notice (*otra información relevante*) will be promptly communicated to the market through MARF.

The paying entity in connection with the Commercial Paper will be BEKA FINANCE S.V., S.A. (the “**Paying Agent**”). The tax identification number of the Paying Agent is A-79203717 and its registered office is located at Marqués de Villamagna 3, 28001 Madrid, Spain.

The Issuer has not designated any depository entity in connection with the Commercial Paper. Each subscriber of the Commercial Paper will designate a depository entity among any of the member entities of Iberclear.

XVII. REDEMPTION PRICE AND PROVISIONS REGARDING MATURITY OF THE COMMERCIAL PAPER

The Commercial Paper issued under the Program will be redeemed at their nominal value on the maturity date set out in the terms and conditions of each issue, withholding the corresponding amount, if applicable.

Given that the Commercial Paper will be traded on the MARF, their redemption will take place pursuant to the clearance and settlement rules of Iberclear. On the maturity date, the nominal value will be paid to holders by the Paying Agent on behalf of the Issuer. The Paying Agent does not take any liability whatsoever vis à vis the holders of the Commercial Paper regarding the payment by the Issuer of the nominal value.

Should the reimbursement coincide with a non-business day according to the TARGET 2 (*Transeuropean Automated Real-Time Gross Settlement Express Transfer System*) or Palma de Mallorca calendar, reimbursement will be deferred to the first subsequent business day. Neither of the aforementioned case will have any effect on the amount to be paid.

For the purpose of the Program, “**Business Day**” means any business day in accordance with the TARGET2 calendar and any day that is not a banking holiday in the city of Palma de Mallorca, Saturday expressly being deemed not to be a Business Day

XVIII. VALID TERM TO CLAIM THE PRINCIPAL OF THE COMMERCIAL PAPER

In accordance with article 1,964 of the Spanish Civil Code, claims against the Issuer for the payment of the redemption price of the Commercial Paper will prescribe after 5 years from the date on which such payment becomes due.

XIX. MINIMUM AND MAXIMUM MATURITY OF THE COMMERCIAL PAPER

During the term of the Program, the Commercial Paper may be issued with a maturity of between 3 Business Days and 730 calendar days (that is, twenty-four (24) months) from the relevant issue date.

XX. EARLY REDEMPTION OF THE COMMERCIAL PAPER

The Commercial Paper will not include an early redemption option for the Issuer (call) nor for the holders of Commercial Paper (put). However, the Issuer may purchase the Commercial Paper in the secondary market for their redemption. Commercial Paper purchased by the Issuer will be cancelled.

XXI. GUARANTEE

- (i) Notwithstanding the Issuer's personal and unlimited liability arising from the Commercial Paper, the Guarantor, through the execution of the Guarantee Agreement (as defined below), guarantees unconditionally and irrevocably to the holder of the Commercial Paper, with express waiver of the benefits of exclusion, order and division (*excusión, orden y división*), the payment obligations of the Issuer arising from the Commercial Paper (the "**Guaranteed Obligations**" and the guarantee granted by the Guarantor under the Guarantee Agreement, the "**Guarantee**").
- (ii) The guarantee agreement regulating the terms and conditions of the Guarantee will be executed by the Issuer and the Guarantor prior to the date of the incorporation of the Program, by means of a deed (*escritura pública*) executed before the Notary of Palma de Mallorca, Mr. Miguel Amengual Villalonga (the "**Guarantee Agreement**").
- (iii) The Guarantee is structured as a first demand guarantee (*garantía a primer requerimiento*) and not as a surety (*fianza*) of the kind described in Articles 1822 et. subsequent of the Spanish Civil Code (*Código Civil*) nor a guarantee (*aval*) of the kind described in Articles 439 and related provisions of the Spanish Commercial Code, and hence such guarantee is granted as a first demand guarantee, irrevocable, separate, free-standing and independent and, therefore, the characteristics (i.e. the benefits of order, exclusion and division (*orden, excusión y división*)) set forth under articles 1830 et. subsequent of the Spanish Civil Code do not apply to the Guarantee.
- (iv) The Guarantee is granted irrevocably and in favour of all those who have the condition of holders of the Commercial Paper from time to time. For the purposes of Article 1,257 of the Spanish Civil Code, it shall be deemed that the holders of the Commercial Paper, with the purchase, subscription or holding thereof by virtue of any other title, accept the Guarantee on the terms envisaged herein and in the Guarantee Agreement.
- (v) The Guarantee shall remain fully effective until the full and complete satisfaction of the Guaranteed Obligations.
- (vi) With respect to the enforcement of the Guarantee, the Guarantor undertakes to pay the Guaranteed Obligations at the first request of the relevant holder of the Commercial Paper (any such request, a "**Request**"). The relevant Request shall be accompanied by a certification from the holder of the Commercial Paper stating the amounts due and payable by the Issuer and shall also state the Commercial Paper's ISIN. The relevant Request shall be addressed to the Guarantor to the following address: Calle Gremio Boneteros, nº 48 (07009), Palma de Mallorca (España).

The relevant holder of the Commercial Paper shall ask the Guarantor to pay the amount of the Guaranteed Obligations at maturity (either ordinary or early maturity), without need of declaring the early termination of the Guaranteed Obligations.

Without prejudice to the above, the relevant holder of the Commercial Paper shall inform the Issuer of the enforcement of the Guarantee.

Once the Guarantor receives the Request, it shall pay the amount requested within the term of fifteen (15) Business Days as of the day it receives the relevant Request.

- (vii) The identification information of the Guarantor is included in Section 3 of this Information Memorandum.

XXII. RESTRICTIONS ON THE FREE TRANSFERABILITY OF THE COMMERCIAL PAPER

In accordance with legislation in force, there are no particular or general restrictions on the free transferability of the Commercial Paper to be issued.

XXIII. TAXATION OF THE COMMERCIAL PAPER

The following is a general description of the Spanish tax considerations relating to the Commercial Paper. It does not purport to be a complete and exhaustive analysis of all tax considerations relating to the Commercial Paper and, therefore, prospective purchasers of Commercial Paper should consult their own tax advisors as to which countries' tax laws could be relevant to acquiring, holding and disposing of Commercial Paper and receiving payments under the Commercial Paper and the consequences of such actions under the tax laws of those countries. This summary is based upon the law as in effect on the date of this Information Memorandum and is subject to any change in law that may take effect after such date.

XXIII.1. Introduction

This information has been prepared in accordance with the following Spanish tax legislation in force at the date of this Information Memorandum:

- (i) Law 35/2006, of 28 November 2006, on the Personal Income Tax and on the partial amendment of the Corporate Income Tax Law, Non Residents Income Tax Law and Wealth Tax Law (the "**PIT Law**"), as well as its Regulations, as approved by Royal Decree 439/2007, of 30 March 2007 (the "**PIT Regulations**");
- (ii) Royal Legislative Decree 5/2004, of 5 March 2004, approving the Consolidated Text of the Non-Residents' Income Tax Law ("**NRIT Law**"), and its Regulations, as approved by Royal Decree 1776/2004, of 30 July 2004 (the "**NRIT Regulations**");
- (iii) Law 27/2014, of 27 November 2014, on the Corporate Income Tax (the "**CIT Law**"), and its Regulations, approved by Royal Decree 634/2015, of 10 July 2015, (the "**CIT Regulations**");
- (iv) Additional Provision One of Law 10/2014, of 26 June 2014 on the management, supervision and solvency of credit institutions ("**Law 10/2014**"), as well as Royal Decree 1065/2007 ("**Royal Decree 1065/ 2007**"), of 27 July 2007 establishing information obligations in relation to preferential holdings and other debt instruments and certain income obtained by individuals who are resident in the European Union and other tax rules (the "**RD 1065/2007**"); and

- (v) Law 29/1987, of 18 December 1987, on the Inheritance and Gift Tax (the “**IGT Law**”), and Law 19/1991, of 6 June 1991, on the Wealth Tax (the “**Wealth Tax Law**”).

XXIII.2. Indirect taxation applicable to the acquisition and transfer of the Commercial Paper

Whatever the nature and residence of the holder of a beneficial interest in the Commercial Paper (each, a "Beneficial Owner"), the acquisition and transfer of the Commercial Paper will be exempt from indirect taxes in Spain, such as Transfer Tax and Stamp Duty, in accordance with the consolidated text of such tax promulgated by Royal Legislative Decree 1/1993, of 24 September 1993, and the Value Added Tax (VAT), in accordance with Law 37/1992, of 28 December 1992 regulating such tax.

XXIII.3. Direct taxation applicable to income derived from the holding, transfer, redemption or repayment of the Commercial Paper

XXIII.3.1. Spanish tax resident Individuals

Personal Income Tax (“PIT”)

Income deriving from the Commercial Paper, upon the transfer, redemption or repayment of the Commercial Paper, constitute income from capital in accordance with the provisions of Section 25.2 of the PIT Law, and must be included in the savings taxable base of the holder and taxed at the tax rate applicable from time to time, currently 19 per cent for taxable income up to €6,000, 21 per cent for income between €6,000 and €50,000, 23 per cent for taxable income between €50,000 and €200,000 and 26% for taxable income exceeding €200,000.

In general terms, any income derived from the Commercial Paper shall be subject to withholding taxes, on account of the PIT of the investor, at a 19% rate, being the withholding tax carried out deductible from the final PIT payable by the investor.

Wealth Tax

According to Wealth Tax Law and regulations currently in force (and subject to any exceptions and specific tax benefits provided under relevant legislation in an autonomous region (*Comunidad Autónoma*), Spanish resident individuals are subject to the Wealth Tax in respect of their worldwide assets and rights, provided the total net value exceeds €700,000 (minimum amount exempt). The applicable rates range between 0.2 per cent. and 3.5 per cent.

Inheritance and Gift Tax (IGT)

The acquisition of the Commercial Paper by inheritance, gift or legacy will be subject to the Spanish IGT in accordance with the applicable Spanish legislation and relevant provisions of the corresponding autonomous region.

XXIII.3.2. Legal Entities with Tax Residency in Spain

Corporate Income Tax (“CIT”)

Income deriving from the ownership, transfer, redemption or repayment of the Commercial Paper constitute taxable income of legal entities with tax residency in Spain for CIT purposes in accordance with the rules for Corporate Income Tax, being taxed at the general 25 per cent rate, save if a different rate was applicable under the CIT Law.

In general terms, capital income is subject to withholding taxes, at a 19 per cent rate, on account of the CIT of the recipient.

However, income obtained by CIT taxpayers from the Commercial Paper are exempt from the obligation to withhold provided that the Commercial Paper (i) is represented by book entry forms (*anotaciones en cuenta*) and (ii) is traded on a Spanish official secondary market of securities, or on the MARF, as this is the case. The procedure to be followed in order to apply this exemption will be the one set out in the Order of 22 December 1999.

The financial institutions that take part in the transfer or reimbursement transactions will be obliged to calculate the capital gains attributable to the Commercial Paper holder and to notify this to both the holder as well as the Tax Authorities.

Notwithstanding the above, according to the special tax regime regulated in Additional Provision One of Law 10/2014, provided that the required conditions are complied with, as well as the procedure and information regulated in RD 1065/2007 (referred to below), interest payments under the Commercial Paper shall not be subject to withholding taxes in any case, for investors who are CIT taxpayers.

Wealth Tax

Spanish resident legal entities are not subject to Wealth Tax.

Inheritance and Gift Tax (IGT)

Legal entities are not subject to the IGT. In case a legal entity acquired the Commercial Paper for no consideration, the market value of the Commercial Paper shall be included in the taxable income base for Spanish CIT purposes.

XXIII.3.3. Non-Spanish tax resident investors

Non-Residents' Income Tax (NRIT)

(a) Non-Spanish resident investors acting through a permanent establishment in Spain

Ownership of the Commercial Paper by investors who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain. If the Commercial Paper form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable to income deriving from such Commercial Paper are generally the same as those for Spanish CIT taxpayers, subject to any specific provisions that may apply under a tax treaty for the avoidance of double taxation that could be applicable.

(b) Non-Spanish investors not acting through a permanent establishment in Spain

In general terms, income deriving from the transfer, redemption or repayment of the Commercial Paper, obtained by non-Spanish resident individuals or entities with no permanent establishment in Spain, is subject to taxation in the Spanish NRIT at a 19% rate.

However, under the special tax regime regulated in the Additional Provision One of Law 10/2014, provided the required conditions are complied with, income obtained under the Commercial Paper (interest payments and income obtained upon transfer or redemption of the Commercial Paper) shall be exempt from the NRIT (and shall not be subject to withholding tax obligations), provided also that the procedure and information regulated in RD 1065/2007 (referred to below) are complied with and submitted.

Notwithstanding the above, payments under the Commercial Paper may be also exempt or taxed at a reduced rate if the investor is resident in a jurisdiction that has entered into a tax treaty for the avoidance of double taxation with Spain and which provides for such exemption or reduced rate. Application of

the provisions of the Tax Treaty will require that the holder benefits from the relevant Tax Treaty provisions and provides a tax residence certificate within the purposes of the applicable Tax Treaty.

Finally, income under the Commercial Paper are part of the information to be exchanged by the Spanish tax authorities with the relevant jurisdiction, within the context of Directive 2014/48/EU.

Wealth Tax

Non-Spanish resident individuals are subject to the Spanish Wealth Tax in respect of assets and rights owned which are located or can be exercised in Spain. In the case of individuals who are resident in a country with which Spain has entered into a double tax treaty in relation to the Wealth Tax, they would generally not be subject to such tax in respect of the Commercial Paper, subject to the provisions of such treaty. Otherwise, would be subject to Wealth Tax, the applicable rates ranging between 0.2 per cent. and 3.5 per cent, and subject also to the provisions and exemptions, if any, applicable in the corresponding Autonomous Community.

Non-Spanish resident legal entities are not subject to Wealth Tax.

Inheritance and Gift Tax (IGT)

Individuals who are not tax residents in Spain and who acquire ownership or other rights over the Commercial Paper by inheritance, gift or legacy, will be subject to inheritance and gift tax in accordance with Spanish legislation and, if applicable, the provisions approved by the corresponding Autonomous Community.

Non-Spanish resident legal entities which acquire ownership or other rights over the Commercial Paper by inheritance, gift or legacy are not subject to inheritance and gift tax. They will be subject to Non-Resident Income Tax. If the legal entity is resident in a country with which Spain has entered into a double tax treaty, the provisions of such treaty will apply. In general, double-tax treaties provide for the taxation of this type of income in the country of residence of the beneficiary.

XXIII.4. Information obligations about the Commercial Paper

Law 10/2014 contains certain information obligations related to the Commercial Paper to be submitted upon any payment of interest, principal or of any amounts in respect of the early redemption of the Commercial Paper. Such information obligations are regulated in section 44 of Royal Decree 1065/2007, and compliance with such obligations entail the payment of interest without withholding taxes. For these purposes, the settlement and clearance entity and/or the Placement Entities shall submit the information required by the above legal provision to the Issuer in respect of the Commercial Paper, upon each payment date:

- (a) identification of the Commercial Paper;
- (b) total amounts to be reimbursed upon redemption of the Commercial Paper;
- (c) total amount to be reimbursed upon redemption corresponding to PIT taxpayers; and
- (d) total amount to be reimbursed upon redemption to all investors who are not PIT taxpayers.

According to section 6 of Article 44 of RD 1065/2007, the relevant declaration will have to be provided to the Issuer on the business day immediately preceding any payment of any amounts in respect of the redemption of the Commercial Paper.

XXIV. PUBLICATION OF THE INFORMATION MEMORANDUM

This Information Memorandum will be published on the website of the MARF (www.bmerf.es).

XXV. DESCRIPTION OF THE PLACEMENT SYSTEM AND, IF APPLICABLE, SUBSCRIPTION OF THE COMMERCIAL PAPER

XXV.1. Placement by the Placement Entities

The Placement Entities may intermediate in the placement of the Commercial Paper, without prejudice to the Placement Entities being able to subscribe the Commercial Paper in their own name.

For these purposes, the Placement Entities may request the Issuer in any Business Day, between 10.00 a.m. and 2.00 p.m. (CET), volume quotations and interest rates for any potential issuances of Commercial Paper in order to carry out the corresponding book building process among investors.

The amount, interest rate, issue date, maturity date, as well as the rest of the terms and conditions of each issuance of Commercial Paper will be agreed between the Issuer and the Placement Entities or other placement entities, if any involved. Such terms shall 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 Placement Entities.

If the Commercial Paper are originally subscribed by the Placement Entities for its subsequent transmission to the final investors, the acquisition 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).

XXV.2. Issue and subscription of the Commercial Paper directly by investors

Final investors who are eligible as qualified investors (as such term is defined in article 2(e) of the Prospectus Regulation and article 39 of Royal Decree 1310/2005 or the regulation that may replace it and in the equivalent legislation in other jurisdictions) may subscribe for the Commercial Paper directly from the Issuer, as long as they fulfil any requirements that could arise from the legislation in force. In such cases, the amount, interest rate, issue and disbursement dates, maturity date, as well as the rest of the terms of each issue shall be agreed between the Issuer and the relevant final investors in relation to each particular issue.

XXVI. COSTS FOR LEGAL, FINANCIAL AND AUDITING SERVICES, AND OTHER SERVICES PROVIDED TO THE ISSUER REGARDING THE PROGRAM AND THE COMMERCIAL PAPER.

The estimated costs for all legal, financial and other services provided to the Issuer in relation to the Program and the admission to trading of the Commercial Paper will amount to a total of €75,000 approximately excluding taxes and including the fees of the MARF and Iberclear. This estimate assumes the issuance of Commercial Paper with a maturity of up to 365 days for an aggregate nominal amount of €50,000,000.

XXVII. ADMISSION (INCORPORACIÓN) TO TRADING OF THE COMMERCIAL PAPER

Application will be made for the Commercial Paper to be listed on the MARF. The Issuer hereby undertakes to carry out all the necessary actions for the Commercial Paper to be listed on the MARF within 7 Business Days from the issue date of the Commercial Paper. For these purposes, the issue date of the Commercial Paper is the same as the date of payment of the subscription price. The admission to trading of the Commercial Paper on the MARF must take place, in any event, within the term of this Information Memorandum and before the maturity date of the Commercial Paper. In the event of not meeting such deadline, the reasons for the delay will be notified to the MARF through the publication

of a regulatory announcement (*hecho relevante*), regardless of any possible contractual liability that the Issuer may incur.

The MARF is a multilateral trading facility (MTF) (*sistema multilateral de negociación*) established in Spain in accordance with the Real Decreto-ley 21/2017. Therefore, the MARF is not a regulated market in accordance with the provisions of MiFID II.

The MARF will inform of the admission (*incorporación*) to trading of the Commercial Paper through its website (www.bmerf.es).

This Information Memorandum has been prepared in compliance with the Circular 2/2018 of the MARF.

Neither the MARF, nor the CNMV, nor the Placement Entities have approved or carried out any verification or testing regarding the content of this Information Memorandum or with regard to the content of the documentation and information provided by the Issuer to the MARF in compliance with the 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.

It is recommended that the investor fully and carefully read this Information Memorandum prior to making any investment decision regarding the Commercial Paper.

The Issuer hereby expressly declares that it is aware of the necessary requirements and conditions for the admission, permanence and delisting of the Commercial Paper on the MARF, according to the applicable regulations and the requirements of the MARF, and expressly agrees to comply with them.

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

XXVIII. LIQUIDITY AGREEMENT

The Issuer has not entered into any liquidity agreement with any entity regarding the Commercial Paper to be issued under the Program.

As the person responsible for this Information Memorandum

In Palma, on 16 February 2022

Signed: Mrs. María del Carmen Sampol M.
Sampol Ingeniería y Obras, S.A..

ISSUER

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XXIX. ANNEX 1 FINANCIAL STATEMENTS OF THE ISSUER FOR THE FINANCIAL YEARS ENDED ON 31 DECEMBER 2020 AND 31 DECEMBER 2019

Please access to the referred financial statements following the links below:

<https://www.sampol.com/inversores/informes-anuales/>