

La sociedad GRUPO ECOENER, S.A. (la “**Sociedad**”), domiciliada en el término municipal de La Coruña, Calle Cantón Grande 6 – 6º, 15003 La Coruña, e inscrita en el Registro Mercantil de La Coruña, actualmente al Tomo 3.716, Folio 40, Hoja C-59313, y con N.I.F. A-70611538,

## **INFORMA**

- I. Que, en cumplimiento de la normativa española y de conformidad con lo previsto en el artículo 7.3 del Real Decreto 1362/2007, de 19 de octubre, por el que se desarrolla la Ley 24/1988, de 24 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea (el “**Real Decreto 1362/2007**”), aplicable a la Sociedad, las cuentas anuales consolidadas y el informe de gestión consolidado de la Sociedad y sus sociedades dependientes correspondientes al ejercicio finalizado el 31 de diciembre de 2020, se han publicado en castellano y en inglés. El Consejo de Administración de la Sociedad ha formulado las cuentas anuales y el informe de gestión consolidados de la Sociedad y sus sociedades dependientes correspondientes al ejercicio finalizado el 31 de diciembre de 2020 simultáneamente en castellano y en inglés.
- II. Que, asimismo, las cuentas anuales y el informe de gestión individuales de la Sociedad correspondientes al ejercicio finalizado el 31 de diciembre de 2020 han sido formulados y publicados únicamente en castellano, no habiéndose publicado una traducción de los mismos al inglés.
- III. Que, en el contexto de la solicitud de admisión a negociación de las acciones de la Sociedad en las Bolsas de Valores españolas y, en consecuencia, por su inminente condición de sociedad cotizada sometida a las leyes españolas, la Sociedad ha remitido a la Comisión Nacional del Mercado de Valores las cuentas anuales individuales y consolidadas y los respectivos informes de gestión individual y consolidado correspondientes al ejercicio finalizado el 31 de diciembre de 2020 en su versión en castellano, que son las que se sometieron a la aprobación de la Junta General de Accionistas y se presentarán en el Registro Mercantil para su depósito.
- IV. Que las versiones en castellano y en inglés de las cuentas anuales y el informe de gestión consolidados correspondientes al ejercicio finalizado el 31 de diciembre de 2020 son equivalentes y tienen el mismo alcance.

The company GRUPO ECOENER, S.A. (the “**Company**”), with corporate address in La Coruña, Calle Cantón Grande 6 – 6º. 15003 La Coruña, and registered in the Commercial Registry of La Coruña, at present under Volume 3,716, Sheet 40,, Page C-59313 and with N.I.F. (Tax Identification Number) A- 70611538,

## INFORMS

- I. That, in accordance with Spanish legislation and, in particular, with the provisions of article 7.3 of the Royal Decree 1362/2007, of 19 October, implementing Securities Market Law 24/1988, of 24 July, in relation to transparency requirements relating to information on issuers whose securities are admitted to trading on an official secondary market or another regulated market in the European Union (the “**Royal Decree 1362/2007**”), applicable to the Company, the consolidated annual accounts and the consolidated management report of the Company and its subsidiaries for the fiscal year ended on 31 December 2020 have been published in Spanish and English. The Board of Directors of the Company has drafted and approved (“*formulado*”) the consolidated annual accounts and management report of the Company and its subsidiaries for the fiscal year ended on 31 December 2020 simultaneously in Spanish and English.
- II. That, additionally, the individual annual accounts and management report of the Company for the fiscal year ended on 31 December 2020 have been drafted and approved (“*formulados*”) and published only in Spanish, and an English loose translation thereof has not been published.
- III. That, in the context of the request for admission to trading of the Company’s shares in the Spanish Stock Exchanges and, consequently, due to its imminent status as listed company subject to Spanish legislation, the Company has submitted to the National Securities Market Commission the individual and consolidated annual accounts, as well as the respective individual and consolidated management reports for the fiscal year ended on 31 December 2020 in Spanish, are the ones submitted for approval of the General Annual Meeting and to be filed with the Commercial Registry.
- IV. The Spanish and English consolidated annual accounts and management report for the fiscal year ended on 31 December 2020 are equivalent and have the same scope.

## **STATEMENT OF RESPONSIBILITY OF THE ANNUAL FINANCIAL REPORT**

The members of the Board of Directors of GRUPO ECOENER, S.A. hereby state that, to the best of their knowledge and belief, the individual Annual Accounts of GRUPO ECOENER, S.A. (“*balance*”, “*cuenta de pérdidas y ganancias*”, “*estado de cambios en el patrimonio neto*” y “*memoria*”), as well as the consolidated Annual Accounts of the Company and its subsidiaries (consolidated balance sheet, consolidated profit and loss account, consolidated statement of changes in net equity, consolidated cash flows statements and consolidated notes) for the fiscal year from 1 January 2020 to 31 December 2020, approved (“*formuladas*”) by the Board of Directors at its meetings of 22 March 2021 for the individual and of 31 March 2021 for the Consolidated and prepared in accordance with applicable accounting standards, present a fair view of the equity, financial condition and results of operations of the Company and its subsidiaries included within the scope of consolidation, taken as a whole, and that the management reports (including the consolidated non-financial statement) supplementing the individual and consolidated annual accounts contain a fair assessment of the corporate performance and results and the position of GRUPO ECOENER, S.A. and of the subsidiaries included within its scope of consolidation, taken as a whole, as well as a description of the main risks and uncertainties facing them.

In La Coruña, on 8 April 2021

**Presidente y Consejero Delegado**

**Secretario Consejero**

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D. Luis Valdivia Castro

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D. Fernando Rodríguez Alfonso

**Consejera**

**Consejera**

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Dña. Elena Tilve Seoane

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Dña. Verónica Rodeiro Vázquez



# Auditor's Report on Grupo Ecoener, S.A.U. and Subsidiaries

(Together with the consolidated annual accounts  
and consolidated management report of Grupo  
Ecoener, S.A.U. and subsidiaries for the year  
ended December 31, 2020)



KPMG Auditores, S.L.  
Calle de la Fama, 1 1º  
15001 A Coruña

## **Independent Auditor's Report on the Consolidated Annual Accounts**

To the Sole Shareholder of Grupo Ecoener, S.A.U.

### **Opinion**

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We have audited the consolidated annual accounts of Grupo Ecoener, S.A.U. (the "Parent") and its subsidiaries (together the "Group"), which comprise the consolidated balance sheet at December 31, 2020, and the consolidated profit and loss account, consolidated statement of recognised income and expenses, consolidated statement of changes in net equity and consolidated cash flows statement for the year then ended, and consolidated notes.

In our opinion, the accompanying consolidated annual accounts give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of the Group at December 31, 2020, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and other provisions of the financial reporting framework applicable in Spain.

### **Basis for Opinion**

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We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the consolidated annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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



## Most Relevant Aspects of the Audit

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The most relevant aspects of the audit are those that, in our professional judgment, have been considered as the most significant risks of material misstatement in the audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

### Revenue recognition (see notes 2 (e), 4 (m) and 21 to the consolidated annual accounts)

Under net revenues, the Group mainly recognizes remuneration obtained from the production of electricity from renewable energy sources. Revenue recognition is an area subject to material misstatement, particularly in relation to the application of the regulatory framework in force and the appropriate timing of recognition of revenue from the sale of energy in the corresponding year.

Our audit procedures included, among others, understanding the regulatory framework for the areas of activity in which the Group operates and the process for recognizing revenue from energy sales, obtaining remuneration settlements to establish revenues recognized and outstanding balances, for which we requested evidence of subsequent collection where appropriate. We also assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.

### Recoverable amount of non-current assets (see notes 4 (g), 5 and 6 to the consolidated annual accounts)

The Group has property, plant and equipment amounting to Euros 175,764 thousand and intangible assets amounting to Euros 7,951 thousand. When there are indications of impairment of these assets, the Group assesses annually whether the carrying amount of the assets exceeds their recoverable amount. The recoverable amount is determined by estimating projections of discounted cash flows expected from the assets to determine the value in use. Value in use requires the application of valuation techniques that involve the exercising of judgment by management and the Directors as well as the use of estimates. Due to the high level of judgment, the uncertainty associated with these estimates and the significance of the carrying amount of these assets, this has been considered a relevant aspect of our audit.

Our audit procedures included, among others, understanding the Group's estimation process for determining the recoverable amount of the aforementioned assets. We assessed the criteria used by the Group to identify indications of impairment and the methodology used in estimating the recoverable amount using the discounted cash flow method. We also evaluated the reasonableness of the key assumptions used with the assistance of our valuation specialists. In addition, we assessed whether the disclosures in the consolidated annual accounts meet the requirements of the financial reporting framework applicable to the Group.



## **Emphasis of Matter**

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We draw your attention to note 2(a) to the accompanying consolidated annual accounts, which states that these consolidated annual accounts are the first to be prepared by the Group under IFRS-EU. As indicated in this note, the Group has opted to present comparative information as though the subsidiaries contributed to the Group or acquired by it in 2020 already formed part of the Group at 1 January 2018. This is because prior to that date they formed part of the same higher group (Ecoener, S.L.U. and subsidiaries). In this respect, the Group has measured its assets and liabilities at that date in accordance with the values determined by the sole shareholder (Ecoener, S.L.U.) at the transition date. Our opinion is not modified in respect of this matter.

## **Other Information: Consolidated Management Report**

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Other information solely comprises the 2020 consolidated management report, the preparation of which is the responsibility of the Parent's Directors and which does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not encompass the consolidated management report. Our responsibility for the consolidated management report, in accordance with the requirements of prevailing legislation regulating the audit of accounts, consists of assessing and reporting on the consistency of the consolidated management report with the consolidated annual accounts, based on knowledge of the Group obtained during the audit of the aforementioned consolidated annual accounts, and assessing and reporting on whether the content and presentation of the consolidated management report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described in the preceding paragraph, the information contained in the consolidated management report is consistent with that disclosed in the consolidated annual accounts for 2020 and the content and presentation of the report are in accordance with applicable legislation.

## **Directors' Responsibility for the Consolidated Annual Accounts**

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The Parent's Directors are responsible for the preparation of the accompanying consolidated annual accounts in such a way that they give a true and fair view of the consolidated equity, consolidated financial position and consolidated financial performance of the Group in accordance with IFRS-EU and other provisions of the financial reporting framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

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



## **Auditor's Responsibilities for the Audit of the Consolidated Annual Accounts**

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

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

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

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Parent's Directors.
- Conclude on the appropriateness of the Parent's Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

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





From the significant risks communicated to the Directors of Grupo Ecoener, S.A.U., we determine those that were of most significance in the audit of the consolidated annual accounts of the current period and which are therefore the most significant risks.

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

KPMG Auditores, S.L.

On the Spanish Official Register of Auditors ("ROAC") with No. S0702

Daniel Fraga Romero

On the Spanish Official Register of Auditors ("ROAC") with No. 18135

April 9, 2021



KPMG AUDITORES, S.L.

2021 Núm. 04/21/00570

Informe de auditoría de cuentas sujeto  
a la normativa de auditoría de cuentas  
española o internacional

# Grupo Ecoener, S.A.U. and subsidiaries

## **Consolidated Annual Accounts**

as of December 31, 2020 and for the year then ended.

## **Consolidated Management Report**

as of December 31, 2020 and for the year then ended

(Prepared in accordance with the International Financial Reporting Standards as adopted by the European Union)

GRUPO ECOENER, S.A.U AND SUBSIDIARIES

Consolidated Balance Sheet  
as of December 31, 2020  
(expressed in thousands of euros)

<b>Consolidated Assets</b>	<b>Note</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
<b>Non-current assets</b>				
<b>Intangible assets</b>	<b>5</b>	<b>7,951</b>	<b>7,462</b>	<b>7,849</b>
Goodwill		3,905	3,975	4,186
Concession arrangements		1,840	2,245	2,428
Other intangible assets		2,206	1,242	1,235
<b>Right of use assets</b>	<b>8</b>	<b>7,750</b>	<b>5,019</b>	<b>5,225</b>
<b>Property, plant and equipment</b>	<b>6</b>	<b>175,764</b>	<b>152,108</b>	<b>149,231</b>
Land and buildings		83,059	85,103	90,488
Machinery and equipment		72,609	52,123	54,645
Fixed assets in progress		20,096	14,882	4,098
<b>Long-term investments in group companies and associates</b>	<b>11</b>	<b>1</b>	<b>-</b>	<b>2,469</b>
<b>Long-term financial investments</b>	<b>10 and 11</b>	<b>454</b>	<b>755</b>	<b>1,362</b>
Credits to third parties		414	711	1,270
Derivatives		-	-	49
Other financial assets		40	44	43
<b>Deferred tax assets</b>	<b>19</b>	<b>5,033</b>	<b>4,183</b>	<b>2,071</b>
<b>Other non-current assets</b>	<b>18</b>	<b>681</b>	<b>716</b>	<b>712</b>
<b>Total non-current assets</b>		<b>197,634</b>	<b>170,243</b>	<b>168,919</b>
<b>Current assets</b>				
<b>Inventories</b>		<b>230</b>	<b>-</b>	<b>67</b>
Work in progress		57	-	67
Advances to suppliers		173	-	-
<b>Trade and other receivables</b>	<b>10 and 11</b>	<b>13,703</b>	<b>9,802</b>	<b>12,719</b>
Customers for short-term sales and services		5,904	6,065	5,766
Other trade debtors		-	105	3,142
Other credits with tax authorities	<b>19</b>	7,799	3,462	3,555
Other receivables		-	170	256
<b>Current tax assets</b>	<b>19</b>	<b>828</b>	<b>-</b>	<b>-</b>
<b>Short-term investments in group companies and associates</b>	<b>10 and 20.a</b>	<b>376</b>	<b>325</b>	<b>525</b>
<b>Short-term financial investments</b>	<b>10 and 11</b>	<b>1,661</b>	<b>1,848</b>	<b>2,046</b>
Credits to third parties		249	142	538
Other financial assets		1,412	1,706	1,508
<b>Other current assets</b>	<b>18</b>	<b>815</b>	<b>960</b>	<b>303</b>
<b>Cash and cash equivalents</b>		<b>13,681</b>	<b>12,684</b>	<b>9,013</b>
Cash		13,681	12,684	9,013
<b>Total current assets</b>		<b>31,294</b>	<b>25,619</b>	<b>24,673</b>
<b>Total assets</b>		<b>228,928</b>	<b>195,862</b>	<b>193,592</b>

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.

GRUPO ECOENER, S.A.U AND SUBSIDIARIES

Consolidated Balance Sheet  
as of December 31, 2020  
(expressed in thousands of euros)

<b>Consolidated Net Equity and Liabilities</b>	<b>Note</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2018</b>
Share capital		560	-	-
Issue premium		4,750	-	-
Other reserves		(5,840)	1,259	7,954
Other Shareholder's contributions		73	-	-
Income for the year attributable to the Parent Company		3,457	5,305	350
Exchange differences		(356)	817	656
<b>Equity attributed to Parent Company equity holders</b>	<b>13</b>	<b>2,644</b>	<b>7,381</b>	<b>8,960</b>
<b>Non-controlling interest</b>	<b>13</b>	<b>8,972</b>	<b>8,033</b>	<b>8,770</b>
<b>Total net equity</b>	<b>13</b>	<b>11,616</b>	<b>15,414</b>	<b>17,730</b>
<b>Non-current liabilities</b>				
<b>Long-term provisions</b>	<b>14</b>	<b>1,356</b>	<b>681</b>	<b>473</b>
Other provisions		1,356	681	473
<b>Long-term debts</b>	<b>15</b>	<b>185,518</b>	<b>153,444</b>	<b>152,116</b>
Debt with financial institutions		39,947	116,478	120,472
Lease liabilities		6,724	26,272	29,267
Obligations and other marketable securities		116,096	-	-
Long-term debt with related parties	<b>20</b>	8,479	3	-
Derivatives		-	1,317	-
Other financial liabilities		14,272	9,374	2,377
<b>Deferred tax liabilities</b>	<b>19</b>	<b>126</b>	<b>-</b>	<b>60</b>
<b>Grants</b>	<b>16</b>	<b>3,607</b>	<b>3,618</b>	<b>-</b>
<b>Non-current accounts payable</b>	<b>15</b>	<b>163</b>	<b>3,403</b>	<b>2,325</b>
<b>Other long-term payable accruals</b>	<b>18</b>	<b>2,464</b>	<b>2,580</b>	<b>2,696</b>
<b>Total non-current liabilities</b>		<b>193,234</b>	<b>163,726</b>	<b>157,670</b>
<b>Current liabilities</b>				
<b>Short-term debts</b>	<b>15</b>	<b>19,133</b>	<b>13,553</b>	<b>13,448</b>
Debt with financial institutions		3,184	10,010	9,239
Lease liabilities		392	3,104	3,014
Obligations and other marketable securities		6,382	-	-
Short-term debt with related parties		834	-	67
Derivatives		1,554	-	-
Other financial liabilities		6,787	439	1,128
<b>Trade and other accounts payable</b>	<b>15</b>	<b>4,685</b>	<b>3,052</b>	<b>4,627</b>
Short-term suppliers		4	2	-
Other trade payables		3,729	2,176	4,032
Wages payable		9	11	-
Other debts with tax authorities	<b>19</b>	943	863	595
<b>Current tax liabilities</b>	<b>19</b>	<b>142</b>	<b>-</b>	<b>-</b>
<b>Short-term accruals</b>	<b>18</b>	<b>118</b>	<b>117</b>	<b>117</b>
<b>Total current liabilities</b>		<b>24,078</b>	<b>16,722</b>	<b>18,192</b>
<b>Total net equity and liabilities</b>		<b>228,928</b>	<b>195,862</b>	<b>193,592</b>

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Consolidated Profit and Loss Account  
for the year ended December 31, 2020

(expressed in thousands of euros)

Consolidated Profit and Loss Account	Note	2020	2019	2018
<b>Net Revenues</b>	<b>21.a</b>	<b>36,897</b>	<b>33,736</b>	<b>31,167</b>
Sales		36,034	33,046	30,982
Rendering services		863	690	185
<b>Changes in inventories of finished and semi-finished products</b>		<b>(5)</b>	<b>(74)</b>	<b>(67)</b>
<b>Supplies</b>		<b>(3,652)</b>	<b>(3,512)</b>	<b>(2,316)</b>
Raw materials and other consumables		(3,625)	(3,484)	(2,313)
Work performed by other companies		(27)	(28)	(3)
<b>Other operating income</b>		<b>119</b>	<b>125</b>	<b>119</b>
Other income		118	123	119
Government's grants		1	2	-
<b>Personnel expenses</b>		<b>(1,852)</b>	<b>(1,890)</b>	<b>(1,895)</b>
Salaries, wages and similar items		(1,516)	(1,530)	(1,599)
Social charges	<b>21.b</b>	(336)	(360)	(296)
<b>Other operating expenses</b>		<b>(9,111)</b>	<b>(10,092)</b>	<b>(8,454)</b>
External services		(8,047)	(5,193)	(4,500)
Taxes		(2,044)	(1,849)	(2,477)
Losses, impairment, and variation of provisions for trade operations	<b>9 and 10</b>	980	(3,050)	(1,477)
<b>Depreciation and amortization</b>	<b>5 and 6</b>	<b>(8,140)</b>	<b>(7,953)</b>	<b>(7,861)</b>
<b>Government grants for non-financial assets and others</b>		<b>12</b>	<b>-</b>	<b>-</b>
<b>Impairment and income from disposal of fixed assets</b>	<b>5 and 6</b>	<b>2,739</b>	<b>642</b>	<b>(786)</b>
Gains or losses on disposals and other		2,739	642	(786)
<b>Other income</b>		<b>154</b>	<b>245</b>	<b>939</b>
<b>Operating income</b>		<b>17,161</b>	<b>11,227</b>	<b>10,846</b>
<b>Financial income</b>	<b>10</b>	<b>235</b>	<b>620</b>	<b>40</b>
<b>Financial expense</b>		<b>(10,299)</b>	<b>(6,122)</b>	<b>(7,422)</b>
With related parties		(168)	-	-
Debts with third parties	<b>10.b and 11.b</b>	(10,091)	(6,086)	(7,406)
Lease expense	<b>8</b>	(35)	(30)	(10)
Change in financial provisions	<b>14</b>	(5)	(6)	(6)
<b>Changes in fair value of financial instruments</b>	<b>10.b and 15</b>	<b>(2,281)</b>	<b>(1,367)</b>	<b>(434)</b>
<b>Net exchange gains/(losses)</b>		<b>377</b>	<b>10</b>	<b>(2,869)</b>
<b>Impairment from disposals of financial instruments</b>		<b>-</b>	<b>(438)</b>	<b>(48)</b>
Impairment and losses		-	(438)	(48)
<b>Net financial loss</b>		<b>(11,968)</b>	<b>(7,297)</b>	<b>(10,733)</b>
<b>Income/(loss) before tax</b>		<b>5,193</b>	<b>3,930</b>	<b>113</b>
Income tax benefit/(expense) for the year	<b>19</b>	575	1,902	23
<b>Net income/(loss) from continued operations</b>		<b>5,768</b>	<b>5,832</b>	<b>136</b>
<b>Net income/(loss) attributed to the Parent Company</b>	<b>13</b>	<b>3,457</b>	<b>5,305</b>	<b>350</b>
<b>Net income/(loss) attributed to non-controlling interest</b>	<b>13</b>	<b>2,311</b>	<b>527</b>	<b>(214)</b>
		<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Profit / (Loss) by share</b>				
Basic and diluted	<b>27</b>	<b>0.61732</b>	<b>-</b>	<b>-</b>

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Consolidated Statement of Changes in Net Equity  
for the year ended December 31, 2020

A) Consolidated Statement of Recognised Income and Expenses  
(expressed in thousand euros)

	<u>2020</u>	<u>2019</u>	<u>2018</u>
<b>Net income/(loss) from continued operations</b>	<u>5,768</u>	<u>5,832</u>	<u>136</u>
<b>Other comprehensive income/(loss)</b>			
<b>Total income/(loss) recognised directly in consolidated equity</b>			
Exchange differences	<u>(1,173)</u>	<u>161</u>	<u>723</u>
<b>Other comprehensive income/(loss), net of tax</b>	<u>(1,173)</u>	<u>161</u>	<u>723</u>
<b>Total recognised income</b>	<u><u>4,595</u></u>	<u><u>5,993</u></u>	<u><u>859</u></u>
Income/(loss) attributable to the Parent Company	2,284	5,466	1,073
Income/(loss) attributable to non-controlling interest	2,311	527	(214)

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Consolidated Statement of Changes in Net Equity  
as of December 31, 2020

B) Consolidated Statement of Changes in Net Equity

(expressed in thousand euros)

	Share Capital	Issue premium	Other reserves	Profit for the year attributable to Parent Company	Other Shareholder' contributions	Exchange differences	Non- controlling interest	Total
<b>Balance as of January 1, 2018</b>	-	-	<b>28,681</b>	-	-	<b>(67)</b>	<b>9,539</b>	<b>38,153</b>
Recognised income/(loss) for the year	-	-	-	350	-	723	(214)	859
Transactions with shareholders or owners								
Dividends and refunds of contributions (Note 13)	-	-	(7,623)	-	-	-	-	(7,623)
Sole-shareholder contribution (Note 13)	-	-	6,701	-	-	-	60	6,761
Changes in consolidation perimeter	-	-	101	-	-	-	(351)	(250)
Transactions with the Sole Shareholder (Notes 7 and 13)	-	-	(19,998)	-	-	-	-	(19,998)
Other movements	-	-	92	-	-	-	(264)	(172)
<b>Balance as of December 31, 2018</b>	-	-	<b>7,954</b>	<b>350</b>	-	<b>656</b>	<b>8,770</b>	<b>17,730</b>
Recognised income/(loss) for the year	-	-	-	5,305	-	161	527	5,993
Transactions with shareholders or owners								
Year 2018 income distribution	-	-	350	(350)	-	-	-	-
Dividends and refunds of contributions (Note 13)	-	-	(8,760)	-	-	-	(512)	(9,272)
Capital increase (Note 13)	-	-	3,379	-	-	-	-	3,379
Changes in consolidation perimeter	-	-	(38)	-	-	-	-	(38)
Other movements (Note 6)	-	-	(1,626)	-	-	-	(752)	(2,378)
<b>Balance as of December 31, 2019</b>	-	-	<b>1,259</b>	<b>5,305</b>	-	<b>817</b>	<b>8,033</b>	<b>15,414</b>
Recognised income/(loss) for the year	-	-	-	3,457	-	(1,173)	2,311	4,595
Transactions with shareholders or owners								
Group establishment	60	-	-	-	-	-	-	60
Non-cash contributions (Notes 7 and 13)	500	4,750	(5,323)	-	73	-	-	-
Year 2019 income distribution	-	-	5,305	(5,305)	-	-	-	-
Dividend and refunds of contributions (Note 13)	-	-	(8,061)	-	-	-	(1,514)	(9,575)
Sole-shareholder contribution	-	-	375	-	-	-	-	375
Other movements	-	-	605	-	-	-	142	747
<b>Balance as of December 31, 2020</b>	<b>560</b>	<b>4,750</b>	<b>(5,840)</b>	<b>3,457</b>	<b>73</b>	<b>(356)</b>	<b>8,972</b>	<b>11,616</b>

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.

**GRUPO ECOENER, S.A.U. AND SUBSIDIARIES**

Consolidated Cash Flows Statement for the year ended December 31, 2020

(expressed in thousands of euros)

<b>Consolidated Cash Flows Statement</b>	<b>Notes</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>Cash flow from consolidated operating activities</b>				
Consolidated income/(loss) before tax	13	5,193	3,930	113
Adjustments to reconcile net income to operating cash flows:				
Depreciation and amortization	5 and 6	8,140	7,953	7,861
Losses, impairment, and variation of provisions for trade operations (+/-)	10.b	(980)	3,050	1,477
Variation of provisions		5	6	6
Impairment and income from disposals of fixed assets (+/-)	5 and 6	(2,739)	(642)	786
Financial income (-)	10.b	(235)	(620)	(40)
Financial expense (+)	10.b	10,294	6,116	7,416
Net exchange gains/(losses) (+/-)		(377)	(10)	2,869
Changes in fair value of financial instruments (+/-)	10.b	2,281	1,367	434
Impairment from disposals of financial instruments (+/-)		-	438	48
Attribution of Government grants received (-)		(13)	(2)	-
Other income and expenses (+/-)		(3,166)	424	2,159
Changes in consolidated working capital				
Inventories (+/-)		(57)	67	332
Trade and other receivables (+/-)		(2,919)	(133)	(2,509)
Other current assets (+/-)		5	-	-
Trade and other accounts payable (+/-)		1,626	(1,575)	(1,073)
Other consolidated cash flows from operating activities				
Interest payments (-)		(7,615)	(5,910)	(6,623)
Interest collections (+)		40	603	21
(Payments) collections from income tax (-/+)		(365)	(177)	(239)
<b>Cash flows from consolidated operating activities</b>		<b>9,118</b>	<b>14,885</b>	<b>13,038</b>
<b>Cash flows used in consolidated investing activities</b>				
Investment payments				
Group and associated companies	6	(3,300)	-	(250)
Intangible assets		(1,106)	(52)	(103)
Property, plant and equipment		(28,946)	(11,828)	(4,115)
Other financial assets		-	-	(135)
Divestment charges				
Group and associated companies		-	2,469	-
Intangible assets		42	1	-
Property, plant and equipment	6	-	-	462
Other financial assets		642	335	-
<b>Cash flows used in consolidated investing activities</b>		<b>(32,668)</b>	<b>(9,075)</b>	<b>(4,141)</b>
<b>Cash flows from/ (used in) consolidated financing activities</b>				
Collections and payments for equity instruments				
Equity instruments issue (+)	13	435	3,379	6,701
Equity refunds (-)	13	(5,050)	(4,729)	-
Grants received (+)		-	3,620	-
Collections and payments for financial liability instruments				
Issue and return and payment of debts				
Obligations and other marketable securities (+)	15.b	130,000	-	-
Debt with financial institutions (+)		130	6,016	7,100
Other debts (+)		20,223	7,436	-
Lease liabilities (+)		-	11	-
Debt repayment				
Obligations and other marketable securities (+)	15.b	(5,498)	-	-
Debt with financial institutions (+)		(82,466)	(9,239)	(7,721)
Other debts (+)		(4,365)	(1,427)	(43)
Lease liabilities (+)		(24,337)	(2,663)	(2,566)
Payments for dividends and remuneration of other equity instruments.				
Dividends (-)	13	(4,525)	(4,043)	(1,623)
Remuneration of other equity instruments (-)	13	-	(500)	(6,000)
<b>Cash flows from/ (used in) consolidated financing activities</b>		<b>24,547</b>	<b>(2,139)</b>	<b>(4,152)</b>
Net increase in cash and cash equivalents		997	3,671	4,745
<b>Cash and cash equivalents at the beginning of the year</b>		<b>12,684</b>	<b>9,013</b>	<b>4,268</b>
<b>Cash and cash equivalents at the end of the year</b>		<b>13,681</b>	<b>12,684</b>	<b>9,013</b>

The attached explanatory notes 1 to 28 and the Appendix I are an integral part of the Consolidated Annual Accounts for the financial year 2020.



## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

### (1) Nature, Activities and Composition of the Group

Grupo Ecoener, S.A.U. (hereinafter, the “Parent Company”, the “Company” or “Grupo Ecoener” together with its subsidiaries, the “Group”) was incorporated as a sole-shareholder public limited company in accordance with Spanish legislation on January 28, 2020, and registered in the Mercantile Registry of La Coruña in Volume 3,716 of the Archive, General Section, on page 40, number C-59,313. Its registered office is established at C/ Cantón Grande, nº 6 - 6º (La Coruña). Grupo Ecoener, S.A.U. is a subsidiary company of Ecoener, S.L.U. its sole shareholder (hereinafter, the “Sole Shareholder” or “Ecoener, S.L.U.”), currently owning 100% stake of its shares. Grupo Ecoener, S.A.U. plans for its shares to be admitted to listing on the Spanish Stock Exchange during 2021.

The corporate purpose of the Parent Company is as follows:

1. Administration and management services. The provision of all aspects of business administration and management services, whether through its professionals or by coordinating the services of collaborating professionals.
2. Intermediation in all manner of mercantile transactions and the performance thereof on behalf of third parties, while complying with the legislation in force in this connection.
3. The provision of technical assistance services in general, and the design, description, development and execution of all manner of technical projects, particularly those relating to the development and construction of public and private works.
4. The administration and management of all types of assets and the business development thereof.
5. The generation of electricity from renewable energy sources such as wind, hydropower, solar power, biomass and other sources, as well as the design, development, construction, management, maintenance, operation and closure and dismantling of the corresponding production facilities.
6. Ownership, through concession arrangements or administrative authorizations, of the activities and facilities described above, and by virtue of such ownership, perform the pertinent registration formalities at the corresponding administrative registries.
7. The performance of purchase and sale transactions and transfers, the arrangement of mortgages, leases and usufructs, and the completion of any other legal transactions in relation to the production or facilities described above.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
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8. The provision of services to third parties in addition to technical assistance in relation to the activities and facilities described above, including, but not limited to, administrative and environmental management services and services relating to the commissioning of new facilities, in addition to comprehensive management, including operation and maintenance, of the production facilities that are in operation.

At year 2020 closing, the Group operates the following hydropower and wind facilities that perform their activities under its correspondent concession agreements:

Facility	Company	Country	Region	Start date of the concession	Expiry date of the concession	Land regime
San Bartolomé hydropower plant (1.2 MW) *	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	25/04/1997	09/01/2025	Own
Cierves hydropower plant (5 MW) *	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	25/05/2000	09/08/2045	Own
Peneda hydropower plant (10 MW) *	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	30/09/1993	07/07/2041	Own
Arnoya hydropower plant (10 MW) *	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	07/07/1993	07/01/2042	Own
Landro hydropower plant (9.2 MW)	Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	Spain	Galicia	18/07/2008	18/07/2048	Own
Xestosa hydropower plant (2.9 MW)	Hidroeléctrica de Oourol, S.L.	Spain	Galicia	06/08/2008	06/08/2058	Own
Las Fuentes II hydropower plant (14.2 MW)	Energías del Ocosito, S.A.	Guatemala	Retalhuleu	03/10/2011	02/10/2061	Lease
Singular Lalín wind farm (3 MW)	Energías de Pontevedra, S.L.	Spain	Galicia	07/08/2008	07/08/2048	Own

\* The holder company of the concessions regarding San Bartolomé, Cierves, Peneda and Arnoya hydropower plants is a third party. The group company Hidroeléctrica del Giesta, S.L. is currently a lessee of such concessions.

Moreover, as of December 31, 2020, the Group owns the following renewable energy facilities (Hydropower, Wind and Solar Photovoltaic) operating under their corresponding administrative authorizations.

Facility	Company	Country	Region	Start date of the concession	Land regime
Oourol wind farm (18 MW)	Hidroeléctrica de Oourol, S.L.	Spain	Galicia	01/01/2008	Own
San Bartolomé wind farm (9.2 MW)	Mocan Renovables, S.L.	Spain	Canary Islands	18/07/2017	Lease
Llanos de la Aldea wind farm (20 MW)	Drago Renovables, S.L.	Spain	Canary Islands	18/07/2017	Lease
Llanos del Sur solar photovoltaic plant (16.2 MW)	Llanos del Sur Fotovoltaica, S.A.	Honduras	Choluteca	21/07/2015	Lease
La Caleta wind farm (5.6 MW)	Cardo de Planta, S.L.	Spain	Canary Islands	17/09/2020	Lease
El Rodeo wind farm (4.8MW)	Yesquera de Aluce, S.L.	Spain	Canary Islands	04/12/2020	Lease
Las Casillas 1 wind farm (4.0MW)	Alamillo de Doramas, S.L.	Spain	Canary Islands	23/12/2020	Lease

It is worth mentioning that administrative authorizations do not contemplate, unlike the concession arrangements, an expiry date.

The dates of the first production discharges from the facilities of La Caleta and El Rodeo have taken place on September 17, 2020 and December 4, 2020, respectively.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

Additionally, in April 2021 it is expected to obtain the operation commissioning approval for two new wind farms, located in Gran Canaria accounting for 4 MW each. These facilities are denominated Lomo del Moral and Arcos del Coronadero, and are owned by Grupo Eólicos del Matorral, S.L. and Violeta Palmera, S.L., respectively. Such facilities will operate under the corresponding applicable administrative authorizations. Additionally, none of these facilities will operate under a regulated remunerated scheme.

The main activities performed by the Group are the electricity generation and sale from renewable sources such as hydropower, wind and solar photovoltaic energies, as well as the designing, promotion, development, management and operation as well as maintenance of the correspondent renewable energy production facilities owned by the Group.

The detail of companies appertaining to the consolidation perimeter of the Group as of December 31, 2020, with an information regarding ownership percentages, as well as other relevant information, is shown in the attached Annex I, which is an integral part of these notes to this consolidated annual account.

### Restructuring operation

As part of its business strategy during the year 2020, Ecoener, S.L.U. as Sole-Shareholder of the Group decided to transfer to Grupo Ecoener, S.A.U., the following businesses:

- a) The totality of the ownership of its renewable energy facilities;
- b) Its promotion and development activities of renewable energy facilities, understood as, all the work carried out from the earliest stages of identification of business opportunities until the confirmation of project feasibility and;
- c) Its activity of operation and maintenance of renewable energy facilities.

For further explanation, the Sole Shareholder has not transferred to Grupo Ecoener, S.A.U. certain real estate properties and the construction and development business associated with the construction of the wind farms under construction at the end of the year.

In relation to the construction and development activity associated with the construction, the latter being understood as the management of the work necessary for the subsequent execution of construction activities, while the physical construction activity strictly comprises the performance and completion of the installation and commencing work of the facility. Both activities have historically been carried out by the Sole Shareholder on a discontinued basis, through the hiring of personnel for work and services only during the periods in which it has had facilities under construction.

In this regard, the construction activity does not have permanent human resources or relevant materials, and when it has been carried out it has been through the coordination of human and technical resources contracted specifically for the construction of a facility and were disengaged when said construction was finished. The last facilities built by the Sole Shareholder have been the five wind farms in San Bartolomé de Tirajana (Gran Canaria, Canary Islands) owned by the subsidiaries of Grupo Ecoener, S.A.U., Cardo de Plata, S.L., Yesquera de Aluce, S.L., Alamillo de Doramas, S.L., Violeta Palmera, S.L. and Eólicos del Matorral, S.L.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

On December 31, 2020, the Sole Shareholder terminated the contracts of all the workers who had been hired for the execution of the works, due to the completion of said works. Once these facilities have been completed, it is expected Ecoener, S.L.U. to have no other activity other than the holding company, and therefore has no personnel related to the aforementioned construction and development activity.

In this regard, Grupo Ecoener, S.A.U. has not received any employees, rights or obligations related to the construction and development activity associated with the restructuring transaction.

Since January 1, 2021, and without having been part of the restructuring operation detailed above, Grupo Ecoener, S.A.U., through its subsidiary, Aquis Querquennis, S.L. (incorporated under the name Ecoener, Servicios Constructivos, S.L.), build twelve solar photovoltaic plants in San Bartolomé de Tirajana (Gran Canaria, Canary Islands) owned by the group companies Canutillo de Sabinosa, S.L., Tabaiba Solar, S.L. and Bencomia de Risco, S.L., as well as a wind farm in the same geographical area for the investee Oilean Telde Eólica Energy, S.L.

Of the five wind farms built in 2020, three were commissioned in 2020 and the other two are expected to be commissioned in April 2021. This construction was carried out by the Sole Shareholder during the 2020 financial year. During the fiscal year 2021, testing work was carried out by the supplier contracted to supply the wind turbines, in accordance with the contract for the supply and installation of the wind turbines (see note 6).

Additionally, the Group has a portfolio of projects in different development stages, the construction of which has not commenced at the beginning of 2021. This construction will be carried out by Grupo Ecoener, S.A.U. For this purpose, Grupo Ecoener, S.A.U. has hired the necessary personnel to have a permanent structure to undertake the construction and associated development of energy generation facilities from renewable sources. In order to favour the stability of the activity, those personnel considered as essential will be linked with incentives for permanence to be received after a period of five years.

The transfer of the business units has been carried out mainly through the transfer of entities under common control of Ecoener, S.L.U. (Note 7). Therefore, Grupo Ecoener, S.A.U. has become the Parent Company of a Group made up of subsidiaries. In this regard, the legal agreements carried out to perform the aforementioned reorganization were the following:

- As of June 12, 2020, Ecoener, S.L.U. decided to increase Grupo Ecoener, S.A.U. capital in 500 thousand euros throughout the creation of 5,000 new registered shares with a par value of 100 euros per share and an associated Issue premium of 4,750 thousand euros associated to 950 euros per share (Note 13), which were fully subscribed and paid up through a 100% non-monetary contribution of the subscribed capital for certain subsidiaries (Notes 7 and 13). The operation does benefit from the merger tax regime.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

- As of November 1, 2020, Ecoener S.L.U. and Grupo Ecoener S.A.U. signed a business sale contract on which Ecoener, S.L.U. sells to Grupo Ecoener, S.A.U. the Operation & Maintenance (O&M) and Promotion and Development from the earliest stages of identification of businesses opportunities to the confirmation of project feasibility, thus subrogating Grupo Ecoener, S.A.U. in the obligations that regarding the employees and the contracts that the Sole Shareholder had. The ownership of the assets and liabilities of the business, as well as the correspondent contracts, are transferred from December 1, 2020, while employees will be transferred on successive dates starting from November 1, 2020 having concluded at the end of 2020 (Notes 7 and 13). Subsequently, but on the same date on which the sale and purchase agreement was executed, Ecoener, S.L.U. waived the outstanding receivable from Grupo Ecoener, S.A.U. for the completion of the aforementioned transaction. The operation does not benefit from the merger tax regime.
- As of November 9, 2020, Ecoener, S.L.U. sold the company Ecoener Ingeniería Panamá, S.A. to Grupo Ecoener, S.A.U.
- As of November 11, 2020, Ecoener, S.L.U. sold the company Bencomia del Risco, S.L. to Grupo Ecoener, S.A.U.

As a result of the incorporation of the Parent Company and the corporate restructuring operations described in this note and in Notes 7 and 13, the companies affected by the aforementioned operation have been presented as subsidiaries of the Parent Company, due to the fact that the restructuring operation is carried out under the framework of an operation under common control.

### Changes in the consolidation perimeter

The main variations in the consolidation perimeter of the Group, considering what was already disclosed in the previous paragraphs, in 2020 were the following:

- Incorporation of the following companies owned at 100% by Ecoener : Violeta Palmera, S.L, Eólicos del Matorral, S.L., Ecoener Mirazul Dos, S.A., Ecoener Emisiones S.A.U., Yerbamora, S.L., Fonte de Arcos, S.L., Ecoener Servicios Constructivos, S.L., Ecoener Operación y Mantenimiento, S.L., Eólicos Herculinos, S.L., Cardoncillo Gris S.L., Ecoener Solar Panamá, S. A., Ecoener Renovables Panamá, S. A., LCV Ecoener Solares Dominicana, S.R.L., EID Ecoener Inversiones Dominicana S.R.L., EFD Ecoener Fotovoltaica Dominicana, S.R.L.
- Dissolution of Corporación Hidroeléctrica Guatemalteca, S.A.

The main variations in the consolidation perimeter of the Group in 2019, considering what was already disclosed, were the following:

- Incorporation of the following companies owned at 100%: Eólicos de Ferrol, S.L.; Drago General Partner SARL y Ecoener Inversiones, SCA SICAV-RAIF.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
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- Dissolution of the following companies of the Group: Hidroeléctrica Cuatro Chorros del Chicaman, Hidroeléctrica San Bartolomé, Hidroeléctrica de Santa Cruz III, Hidro Soloma S.A., Hidroeléctrica San Pedro Soloma I S.A., Hidroeléctrica San Pedro Soloma II S.A. e Inversiones Renovables Guatemaltecas.

The main variations in the consolidation perimeter of the Group in 2018, considering what was already disclosed, were the following:

- Incorporation of the following companies owned at 100% counting with a share capital of 3,000 euros each, Malva de Risco, S.L.U., Siempreviva Gigante, S.L.U., Herdanera, S.L.U., Salvia Blanca, S.L.U., Siempreviva Azul, S.L.U., Magarza Plateada, S.L.U., Risoela, S.L.U., Helecho de Cristal, S.L.U., Rosalito Palmero, S.L.U. and Bejeque Rojo, S.L.U.
- Acquisition of the remaining 10% stake corresponding to external partners of Sociedad Lucense de Energía Hidráulica y Eólica, S.L.
- Dissolution of Promotora Enerxética Chandrexa de Queixa, S.L., Hidro Santiago, S.A., Hidroeléctrica del Río Grande, S.L., Ecoener Centrales Hidroeléctricas Guatemaltecas, S.A. and Hidroeléctrica La Esperanza.

Within the movements of shareholdings between group companies, the following are noteworthy:

- Incorporation of the group company, Ecoener Emisiones, S.A.U. with a share capital of 60,000 euros fully subscribed and paid up by the Parent Company on April 16, 2020.

On June 19, 2020, Ecoener Emisiones, S.A.U. carried out a share capital increase, fully subscribed by the Company, in the amount of 257 thousand euros through the creation of 2,570 new shares with a par value of 100 euros each. The capital increase was decided with a share premium of 950 euros per share, amounting to 2,442 thousand euros. The capital increase was subscribed by means of a non-monetary contribution of the following shares owned by the Parent Company:

- o Energías de Pontevedra, S.L.,
  - o Desarrollo Energético de la Mariña, S.L.,
  - o Dragmoc, S.L.,
  - o Yesquera de Aluce, S.L.
- As of December 2, 2020, the Parent Company approved the merger by absorption of the companies Dragmoc, S.L. and Desarrollo Energético de la Mariña, S.L. by Ecoener Emisiones, S.A.U.
- As of June 25, 2020, Grupo Ecoener, S.A.U. sold to Ecoener Emisiones, S.A.U. 66,510 shares of the group company Hidroeléctrica del Giesta, S.L.U., representing 100% of its share capital. The sale price was set at 19,754,000 euros, paid by Ecoener Emisiones, S.A.U. by means of a schedule with its last collection date in 2025.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

### (2) Basis of presentation of the consolidated annual accounts

#### (a) Fair view

As mentioned in Note 1, the Group was established in 2020 mainly through the contribution of entities under common control of the Sole Shareholder. For this reason, and given that the Company was created in 2020, no consolidated annual accounts were prepared in previous periods.

Grupo Ecoener, S.A.U., and its subsidiaries, form part of Grupo Ecoener, S.L.U., whose statutory consolidated annual accounts are prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (hereinafter, the “IFRS-EU”).

The recording of transactions between entities under common control is outside the scope of IFRS 3 “Business Combinations”. In this sense, and in the absence of specific standards for this type of transaction, the contributions of the shares of the companies described in Note 7 have been recorded in the consolidated annual accounts of Grupo Ecoener, S.A.U. using the consolidated carrying amounts according to IFRS-EU in the consolidated financial statements of the Sole Shareholder.

As Grupo Ecoener, S.A.U. was created in 2020 as a result of a transaction under common control, the Board of Directors of the Parent Company of Grupo Ecoener, S.A.U. has decided to present the consolidated annual accounts for the year ended December 31, 2020, including comparative figures for the years 2019 and 2018, and considering January 1, 2018 as the start date of the first period presented, in order to present comparable information for three years in order to facilitate the disclosures required by the applicable regulation in relation with the prospectus to be prepared for the Initial Public Offering of its shares. Notwithstanding the foregoing, the amounts related to the 2020 capital contribution have been presented under “Reserves” as of January 1, 2018 and, subsequently, have been reclassified to “Share capital” and “Share premium” for the year 2020.

These annual accounts are the first set of consolidated annual accounts prepared by Grupo Ecoener, S.A.U. under IFRS-EU and consequently, they have been prepared in accordance with the requirements of IFRS 1 - First-time adoption of IFRS, as explained in note 2.b.

These consolidated annual accounts have been prepared from the accounting records of the Group in accordance with IFRS-EU (hereinafter the “Consolidated Annual Accounts”), in accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council, of July 19, 2002, on the application of International Accounting Standards (“IAS”), and other provisions of the regulatory framework for financial information applicable to the Group in order to show the fair view of the consolidated equity and the consolidated balance sheet of Grupo Ecoener, S.A.U. and its subsidiaries as of December 31, 2020, of the consolidated profit and loss account, of the consolidated cash flows statement and of the consolidated statement of changes in net equity corresponding to the year ended on such date.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

After the analysis performed on the current situation of the economic environment derived from the pandemic caused by Covid-19, and considering that the Group's activities have been classified as an essential service, the Board of Directors of the Parent Company have drawn the conclusion that there are no material uncertainties that could generate significant doubts about the ability of the Group to continue as a going concern.

These Consolidated Annual Accounts have been prepared by the Board of Directors on March 31, 2021 and are pending approval by the General Shareholders' Meeting. However, the Group expects them to be approved without changes.

#### (b) Basis of accounting

These Consolidated Annual Accounts are the first ones prepared by the management of Grupo Ecoener, S.A.U. in accordance with IFRS-EU, in force in 2020 but applied from January 1, 2018. Grupo Ecoener, S.A.U. has prepared these Consolidated Annual Accounts in accordance with IFRS 1 - First-time Adoption of International Financial Reporting Standards, as detailed in Note 2.i.

The Consolidated Annual Accounts have been prepared on a historical cost basis, except for financial assets at fair value with changes in results or in equity, which are recorded at fair value and any changes in fair value are reflected in income or equity and fully corresponding to the derivatives identified in Note 15.

There is no mandatory accounting principle or assessment criterion, which, having a significant effect on the Consolidated Annual Accounts, has ceased to be applied in their preparation.

#### (c) IFRS-EU Standards and IFRIC Interpretations effective from January 1, 2020

During the year 2020, the following modifications published by the IASB and adopted by the European Union entered into force and, therefore, have been considered in the preparation of these Consolidated Annual Accounts:

- Amendments to references to the conceptual framework in IFRS standards
- Amendments to IAS 1 and IAS 8: Definition of material
- Amendments to IFRS 9, IAS 39 and IFRS 17: Reform of the benchmark interest rate
- Amendments to IFRS 3 Business Combinations
- Amendments to IFRS 16 Leases: Covid-19 Related rental concessions

These modifications do not have a significant impact on these financial statements and, therefore, it has not been reported in this regard.

In preparing the Consolidated Annual Accounts of Grupo Ecoener, S.A.U. the IFRS in force in 2020 have been applied from the date of first application of IFRS for Grupo Ecoener, S.A.U., for example, as of January 1, 2018.



GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

(d) Standards, improvements and interpretations that cannot be adopted in advance or that have not been approved by the European Union

At the date of preparation of these Consolidated Annual Accounts, the following IFRS standards and amendments to IFRS had been published by the IASB but are not mandatory:

Standards or amendments to Standards		IASB Effective date	Mandatory application in annual reporting periods beginning on or after
IFRS 4	Amendments to IFRS 4 Insurance contracts - deferral of IFRS 19	January 1, 2021	January 1, 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform - Phase 2	January 1, 2021	January 1, 2021
Annual improvements to IFRS standards Cycle 2018-2020	Annual improvements to IFRS standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)	January 1, 2022	Pending
Amendments to IAS 1	Amendments to IAS 1 Presentation of financial statements: Classification of liabilities as current or non-current and classification of liabilities as current or non-current - Postponement of the effective date	January 1, 2023	Pending
IFRS 17	IFRS 17 Insurance contracts and its amendments	January 1, 2023	Pending

It is not expected, for any additional standards, modifications and interpretations not yet adopted, to have a significant impact on the Group's financial statements.

(e) Regulation of the economic sector to which the Group belongs

The main regulations governing the activities carried out by the Group in its main geographies are briefly described below. References to laws, regulations and other administrative and regulatory documents refer to the full text thereof.

Spain

The sectorial regulation in Spain underwent changes throughout 2014, consolidating the reforms initiated in 2013. Consequently, the main rules that regulate the Spanish sector are:

- Royal Decree-Law 9/2013, of July 12, containing urgent measures to guarantee the financial stability of the electricity system. This regulation establishes the remuneration principles to be applied to existing Renewable Energy Facilities in operation on the date on which it came into force.
- Act 3/2013, of June 4, on the creation of the Comisión Nacional de los Mercados y la Competencia (“CNMC”).

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

- The Act 24/2013, of December 26, on the Electricity Sector. This law sets out the general rules applicable to the entire electricity sector, and incorporates the main principles set out by Royal Decree Law 9/2013 in respect of the renewable energy sector.
- Royal Decree-Law 17/2019, of November 22, setting the Renewable Energy Facilities' regulated rate of return, and which responds to the process of cessation of activity of thermal generation plants.
- Royal Decree-Law 23/2020, of June 23, approving new measures in the energy sector that aim to promote renewable energy generation and support the recovery of the economy in line with the European Green Deal. Royal Decree-Law 23/2020 requires the Spanish government to develop a new remuneration framework for renewable energy sources and electricity generation based on long-term energy prices (the remuneration of renewable energy, known as REER), different from the Specific Remuneration scheme set forth by Royal Decree-Law 9/2013. Besides, Royal Decree-Law 23/2020 established some provisions regarding the validity of the access and connection permits and provided for specific milestones that needs to be complied by renewable developers to secure the validity of such access and connection permits.
- Royal Decree 1955/2000, of December 1, which regulates the transportation, distribution, sale and supply of electricity and sets out the procedure for authorizing electricity facilities.
- Royal Decree 413/2014, of June 6, governing electricity production from renewable energy sources, combining heat, power and waste. This royal decree implements the rules contained in both Royal Decree Law 9/2013 and the 2013 Electricity Law regarding the specific remuneration regime applicable to Renewable Energy Facilities.
- Royal Decree 960/2020, of November 3, which develops the new remuneration regime applicable to renewable energy facilities.
- Royal Decree 1183/2020, of December 29, on access and connection to the transmission and distribution network.
- Ministerial Order IET/1045/2014, of June 16, establishing the remuneration parameters applicable to existing electricity generation facilities using renewable energy sources, combining heat, power and waste.
- Ministerial Order ETU/130/2017, of February 17, updating the retributive parameters of the standard installations applicable to certain electricity production facilities from renewable energy sources, cogeneration and waste for application to the regulatory semi-period starting January 1, 2017.
- Ministerial Order TED/1161/2020, of December 4, regulating the first auction mechanism for REER to be awarded and the indicative calendar for the period 2020-2025 is established.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

The reforms in the regulation of the electricity sector in 2013 and 2014 did not alter Law 15/2012, of December 27, in which the Spanish Government approved a generalized tax of 7% on electricity generation, as well as new taxes for nuclear power and large-scale hydropower generation, as well as a new taxes on coal. The tax has been applicable since January 2013. In 2018, Royal Decree 15/2018, of October 5, on urgent measures for the energy transition and the protection of consumers, provided an exemption from the electric power generation taxes to the electricity produced and shared with the electrical system during six months since its enforcement, coinciding with the months of greatest demand and highest prices in the wholesale electricity markets, in line with the ultimate goal pursued by such regulation. This entails modifying the accounting of the tax base and the instalment payments regulated by tax regulations.

During the years 2020, 2019 and 2018, Spanish companies have received, in addition to income from the sale of energy to the market, additional income not associated with the sale of energy derived from the corresponding investment incentive according to the specific fixed remuneration regime subject to by virtue of order the Ministerial Order IET /1045/2014 of the Royal Decree 413 / 2014, updated for the period 2017-2019 by the Ministerial Order ETU/130/2017, of February 17, which modifies the investment remuneration to be received by each facility in the corresponding semi-period. Additionally, companies with production facilities in the Canary Islands have received an income corresponding to an investment incentive for reducing the cost of generation of the facilities approved Order IET / 1459/2014, of August 1 and by Order IET / 2735/2015, of December 17, updated for the period 2017-2019 by the aforementioned Order ETU / 130/2017, of February 17.

#### Honduras

In Honduras, our energy production is sold under the relevant Power Purchase Agreement (“PPA”) with the sovereign government of Honduras, in particular with the National Electric Power Company (Empresa Nacional de Energía Eléctrica) (“ENEE”). ENEE is the generation company which provides the electric production to the system operator, which acts as the connection between ENEE and the distribution companies and is responsible for the operation of the national electricity system.

On the other side, the Electricity Regulatory Commission (Comisión Reguladora de Energía Eléctrica) (“CREE”) is an independent and specialized body responsible of the Energy Public Policy and the adequate functioning of the electricity sector.

The Honduran electricity sector was liberalized since the promulgation in 2013 of the “General Law of the Electricity Industry” (“LGIE”)” pursuant to Decree 404-2013. According to the LGIE, the electricity sector is divided into four main segments: generation, transmission, distribution and commercialization of electricity. Additionally, the LGIE contains provisions on the import and export of electricity.

Additionally, in 2007, under the Decree 70-2007, the “Law for the Promotion of Electricity Generation through Renewable Resources” was passed and approved. This regulation contains provisions to encourage public and/or private investment in electricity generation projects using national renewable resources.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

The LGIE establishes a new structure, organization and operation of the electrical sector where the CREE becomes a fundamental pillar as the regulator and supervisor of the electricity sector, being responsible for the supervision of the energy production plants and the transmission systems coordinating their operations and guaranteeing safe electric supply as well as the best use of energy.

Among others, the main functions of the CREE include i) Granting operating licenses for transmission and distribution; ii) Passing and preparing the necessary regulations; iii) Applying sanctions, and, iv) Defining the methodology for the calculation of transmission and distribution tariffs.

Finally, as established in the Official Gazette of the Republic of Honduras, dated March 5, 2013, regarding the publication of the Short-Term Marginal Cost and its incentives contained in the Decree 138-2013 of the Republic of Honduras, No 33,191 of August 1, 2013, of Reform to Article 2 and its numerals 1), 2), 3) and 5) of Decree 70-2007 containing the Law for the Promotion of Electric Energy Generation with Renewable Resources, those generation plants with a commencing date prior to August 1, 2015 are entitled to receive during the term of the supply contract the collection of an additional incentive of \$30 per MWh generated. The incentive is accrued monthly, as it consists of a higher selling price for each MWh generated.

#### Guatemala

In Guatemala, our energy production is mainly sold under the relevant PPAs and through contracts through which we sell as wholesale suppliers the excess not contracted under PPAs.

Guatemala counts with two regulatory authorities for the electricity sector: (i) the National Electric Energy Commission (CNEE), responsible for issuing and enforcing energy regulations and establishing transmission and distribution rates, and (ii) the Market Authority Wholesaler (AMM), in charge of supervising the operations of the National Electric System.

Electricity sector regulation is liberalized since 1996. The GEL (“Ley General de Electricidad”) established the regulatory framework of the electricity industry in Guatemala. Under the GEL, electricity generation is unrestricted, and, for such purposes, companies do not need to obtain authorization or special licenses from the government. Governmental authorization or concessions are only required to operate transmission and distribution assets, and, in the case of a power plant with expected or installed capacity above 5 MW when relating to hydropower natural resources. Also, pursuant to the GEL, energy prices are freely determined by the energy market, except for transmission and distribution services, which are subject to regulation. Regarding the Group, the entire price is freely determined since distribution and transmission services do not apply.

#### (f) Comparative information

The Consolidated Annual Accounts for the year ended December 31, 2020 present solely and exclusively for comparative purposes, the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated statement of changes in net equity and the consolidated cash flow statement as of December 31, 2019 and December 31, 2018.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

As a result of the incorporation of the Parent Company, and the corporate restructuring of the operations of Grupo Ecoener S.L.U. consisting of the contribution of the subsidiaries engaged in renewable energy production, O&M and Promotion and Development activities that it owned, to the Parent Company (see Note 7), it was considered appropriate including, for comparative purposes, the amounts at which the assets and liabilities of the contributed companies were accounted for in the consolidated financial information as of 31 December 2019 and 2018, prepared under IFRS-EU, of the precedent owner of these investments and current shareholder of the Group's Parent Company (Grupo Ecoener, S.L.U.). This policy is consistent with the accounting policy chosen by the Group for transactions under common control, which consists of recording holdings in group companies received in exchange for equity instruments at the carrying amount at which these holdings were shown in the consolidated annual accounts of the previous group under which they were accounted. This criteria requires the Company to record the transaction in consolidated equity in 2018 and 2019 between the contributed subsidiaries and their previous shareholder Ecoener, S.L.U. that involved a transfer of assets between both (mainly, contributions of partners and distribution of dividends, see note 13). Note 2.(i), includes the accounting policy applied by the Group for the recognition of transactions under common control.

To determine the comparative figures of these Consolidated Annual Accounts, the Group compares the figures of the audited financial statements for the year 2019, prepared under IFRS-EU, of the Sole Shareholder excluding the companies and business activities that have not become part of the Group as of December 31, 2020 (See Note 1).

(g) Functional currency and presentation currency

These Consolidated Annual Accounts are presented in thousand euros, rounded to the nearest thousand, with the euro being the functional and presentation currency of the Group.

(h) Critical aspects of the valuation and estimation of the relevant uncertainties and judgments in the application of accounting policies

The preparation of the Consolidated Annual Accounts in accordance with IFRS-EU requires the adoption of certain judgments and estimates that affect the application of accounting policies and the recorded amounts of certain assets, liabilities, income and expenses in the process of applying the Group accounting policies. Estimates are constantly reviewed and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under these circumstances.

In the Consolidated Annual Accounts, estimates made by the Sole Director of the Parent Company have occasionally been used to quantify some assets, liabilities, income, expenses, and commitments that are recorded herein. These estimates refer primarily to:

- The useful life of intangible and tangible fixed assets. Management reviews its estimates of the useful life of depreciable assets on each corresponding closing date, based on expected use of the assets (See Notes 4.e and 4.f.).

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

- The evaluation of potential impairment losses of intangible and fixed assets and property investments. When evaluating impairment, management estimates the recoverable amount of each facility based on expected future cash flows and uses an interest rate to discount them. The uncertainty in the estimate refers to the assumptions about future operating results and the determination of an appropriate discount rate. (Note 4.g).
- The determination of the fair value of certain financial instruments. Management uses valuation techniques to determine the fair value of financial instruments (when there are no active market prices). This involves developing estimates and assumptions consistent with how market participants would price and value the instrument. Management bases its assumptions on observable data to the extent possible, but these are not always available. In that case, management uses the best information available. Notwithstanding, the estimated fair values may vary with respect to the real prices that would be reached in a transaction carried out under conditions of mutual independence, at the date of presentation (Note 26).
- The recoverability of deferred tax assets. The extent to which deferred tax assets can be recognized is based on an assessment of the probability that future tax income will be available compared to against which deductible temporary differences and tax losses pending to be compensated (Note 19).
- The calculation of loss allowance recoverability: When evaluating the impairment of accounts receivable, management estimates individually the expected credit loss throughout a payment calendar plan. Uncertainty in these estimates is related to factors that affect the credit situation of third parties, such as dissolutions or decrease in activity.
- The lease term estimation. Lease term is the non-cancellable period of the lease, plus (i) the periods covered by a lease extension option, provided that it is reasonably certain that it will be exercised; and (ii) the periods covered by an option to cancel the lease, provided that it is reasonably certain that it will not be exercised.
- The Parent Company's directors consider the assessment of the lease term to be a relevant estimate and a key input in calculating the amount of the lease liability. In determining the lease term, they consider all relevant facts and circumstances that create an economic incentive to exercise or waive renewal and early termination options.

Likewise, even though the estimates made by the Sole Director of the Parent Company have been calculated based on the best information available as of December 31, 2020, it is possible that events that may take place in the future require their modification in the upcoming financial years. The effect on the Consolidated Annual Accounts of the modifications that, if any, arise from the adjustments to be made during the coming years would be recorded prospectively as a change of estimate.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts  
as of and for the year ended December 31, 2020

### (i) First application of International Financial Reporting Standards

Grupo Ecoener, S.A.U. has prepared these Consolidated Annual Accounts in accordance with IFRS 1. As explained in Note 1, Grupo Ecoener, S.A.U. is a subgroup of Ecoener, S.L.U, which prepared consolidated annual accounts for 2019 in accordance with IFRS-EU and the Interpretations of the International Financial Reporting Standards Interpretations Committee (IFRIC) applicable at the closing date and which have been adopted by the European Union. Such consolidated annual accounts of the Sole Shareholder have been audited and will be posted on the Group's web site.

In accordance with IFRS 1, if a subsidiary company adopts IFRS-EU for the first time once its Parent Company had already adopted it, such entity must value its assets and liabilities in the opening balance sheet of its financial statements, choosing between the following treatments:

- The carrying amounts already included in the consolidated annual accounts of the Parent Company, established on the date of transition of the parent to IFRS, without considering adjustments derived from the consolidation procedure and the effect of the business combination by which the parent acquired the dependent; or
- The carrying amounts applying the rest of IFRS Standards, based on the date of first adoption by the dependent company. In this case, the options chosen by the dependent company from the adoption of IFRS 1 could differ from those selected by its parent company.

Grupo Ecoener, S.A.U. has chosen to value its assets and liabilities in its first Consolidated Annual Accounts according to IFRS-EU considering the accounting values as of January 1, 2018 included in the consolidated financial statements of the Sole Shareholder as of December 31, 2019, eliminating consolidation adjustments made by the Parent Company. Consequently, Grupo Ecoener, S.A.U. has adopted the same options derived from IFRS 1 Standard as those chosen by Ecoener, S.L.U.

With respect to the consolidation adjustments, in order to determine the values at which the transfer has been made, the following considerations have been made:

- a) Due to the fact that the construction company that carried out the construction and associated development of some of the Company's operating facilities was Ecoener, S.L.U., and that this company does not form part of the consolidation scope of Grupo Ecoener, S.A.U., the margin originated by the construction of these plants has not been eliminated, including those that have been in progress during the year 2020. (see note 1). The aforementioned construction and development margins were as follows (in thousands of euros):

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>01.01.2018</b>
Construction margin	7,633	2,684	2,854	2,992
Development margin related to construction	1,454	230	-	-
<b>Total untransferred margins</b>	<b>9,087</b>	<b>2,914</b>	<b>2,854</b>	<b>2,992</b>

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

Specifically, the impact of not eliminating this margin has resulted in an increase in the value of the assets for the amounts indicated in the table above. As detailed in notes 5 and 6, the Directors of the Parent Company have performed impairment tests on the assets at the end of 2020, 2019 and 2018.

- b) The accounts payable related to the construction of renewable energy facilities and the accounts payable related to certain real estate properties held by the Sole Shareholder have not been part of the business transferred to Grupo Ecoener, S.A.U., amounting to 9,542 thousand euros as of December 31, 2019 and 257 thousand euros as of December 31, 2018.
- c) In addition, accounts payable of the Group to its Sole Shareholder have been generated (see note 20) at the end of 2020.
- d) Moreover, on January 1, 2018, as a consequence of the existence of an account receivable with the Sole Shareholder, that is partially cancelled stemming from the Hidroeléctrica del Giesta, S.L. transaction (see notes 13 and 20).

#### (3) Distribution of earnings of the Parent Company

The proposed distribution of the 2020 earnings of the Parent Company to be presented to the Sole Shareholder is as follows (in thousand euros):

	<u>2020</u>
Basis of distribution	
Net income	<u>11,303</u>
Distribution	
Legal reserve	2,560
Voluntary reserve	<u>8,743</u>
	<u>11,303</u>

Profit attributed directly to equity cannot be distributed, either directly or indirectly.

#### (4) Applied Accounting Principles and Valuation and Consolidation Standards

##### (a) Subsidiaries

Subsidiaries are those companies over which the Parent Company, directly or indirectly, through subsidiaries, exercises control. Control is achieved when the Parent Company: (i) has the power over the investee; (ii) is exposed, or has rights, to variable returns from its involvement with the investee; and (iii) has the ability to use its power to affect its returns.

The subsidiaries have been consolidated by including in the Consolidated Annual Accounts their income, expenses and cash flows. Transactions and balances with subsidiaries and unrealized profit or losses have been eliminated in the consolidation process after making the corresponding adjustments and eliminations of intra-group transactions, among others. Information on the subsidiaries included in the consolidation of the Group is included in Appendix I.



## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

In the consolidation process, transactions, balances and unrealized gains between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of an impairment loss on the asset transferred.

The acquisition method is used to account for the acquisition of subsidiaries. The cost of acquisition is the fair value of the assets delivered, the equity instruments issued, and the liabilities incurred or assumed at the date of acquisition, including any contingent consideration depending on future facts or in the accomplishment of certain conditions.

Any contingent consideration to be transferred by the Group is recognized at fair value at the acquisition date.

Subsequent changes not produced during the transitional accounting period in the fair value of contingent consideration that is considered an asset or liability are recognized in accordance with IFRS 9 in profit and loss account or as a change in other comprehensive income. Contingent consideration that is classified as equity is not remeasured and its subsequent settlement is accounted for within equity. Costs directly attributable to the acquisition are recognized directly in the consolidated income statement.

Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are initially measured at fair value at the acquisition date.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss account respectively from and up to the effective date of the transaction.

For each business combination, the Group may choose to recognize any minority interest in the acquiree at fair value or for the proportionate part of the minority interest of the recognized amounts of the acquiree's identifiable net assets. The excess of the acquisition cost over the fair value of the net assets identified in the transaction is recognized as consolidation goodwill.

The accounting policies of the subsidiaries have been adapted to the Group's accounting policies, for their adaptation to IFRS-EU.

The financial statements of the subsidiaries used in the consolidation process refer to the same presentation date and the same period as those of the Parent Company.

As customary practice, the consolidated annual accounts do not include the tax effect that, where appropriate, could derive from incorporating into the Parent Company's equity the reserves and undistributed profits of the consolidated subsidiaries, since it is estimated that they will be transfers of reserves not subject to tax at source, as it is considered that these reserves will be used as a source of self-financing in each company.

In the case of Llanos del Sur Fotovoltaica, S.A., the Group controls the company having a 50% shareholding, the remaining percentage being held by a local private partner, due to the following factors:

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

- The company limits its activity to the operation of a solar photovoltaic plant that has subscribed a single PPA for 100% of its production with the company Nacional de Energía Eléctrica de Honduras until the year 2035, remaining 14 years of contract to date.
- On the other hand, the company has signed an operation and maintenance contract for a period of 15 years (renewable upon completion) with the group company Ecoener Ingeniería Honduras, S.L. The general manager is empowered to cancel, extend or make any decision regarding the plant maintenance contract, as well as any decision regarding the energy sale contract.
- The company does not have staff and it can be considered that its only relevant activity is the operation and maintenance activity.
- Regarding the financing of the plant, the Board of Directors makes the decisions regarding this aspect.
- The Board of Directors is made up of 2 members with Grupo Ecoener, S.A.U. accounting for one member, who holds the position of Chairman of the Board of Directors. Resolutions within the Board of Directors are taken by simple majority and in the event of a tie, the Chairman of the Board of Directors has a casting vote.
- Modifications to the Board of Directors are made based on the agreements reached by majority in the Shareholders' Meeting. Considering that Grupo Ecoener, S.A.U. owns 50% of the company, changes to the Board of Directors require the authorization of the Group.
- No veto rights are contemplated in company resolutions or any other type of right that limits the management capacity of the company by the Group.
- The management of all the relevant activities of the group company is carried out by the general manager appointed by the Board of Directors.
- Finally, it is not expected that changes will be made to such management, however, Group's management will periodically reassess the control of such company.

#### (b) Non-controlling interest

The non-controlling interest in the subsidiaries is recorded on the first consolidation date by the ownership percentage in the fair value of the identifiable net assets. Non-controlling interests in subsidiaries acquired prior to the transition date were recognized at the percentage of equity interest at the first consolidation date.

The share of the Group and the non-controlling interest in the profit and loss account and in the statement of changes in net equity of the subsidiaries, once the adjustments and eliminations derived from the consolidation considered, is determined from the share percentages existing at the year-end.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

The results and each of the components recognised in other comprehensive income of the subsidiaries are assigned to the equity attributable to the Parent Company and the non-controlling interest in accordance with their percentage ownership, even if this implies a debit balance regarding non-controlling interest. The agreements signed between the Group and the subsidiaries under non-controlling interest are recognised as a separate transaction.

#### (c) Transactions, balances and cash flows in foreign currency and translation of foreign operations

The items included in the consolidated financial statements of each of the Group's entities are valued using the currency of the primary economic environment in which the entity operates (functional currency). The Consolidated Annual Accounts are presented in thousands of euros, which is the Group's presentation currency.

Foreign currency transactions have been translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign currency gains and losses resulting from the settlement of these transactions and from the translation at closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated profit and loss account.

The results and financial position of all Group entities (none of which have the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency applying the following criteria:

- Assets and liabilities are translated using the exchange rate as of the balance sheet closing date.
- Income and expenses for each profit and loss account are translated at monthly average exchange rates, unless this measure is not a reasonable approximation of the cumulative effect of rates existing at the transaction dates, in which case income and expenses are translated at the date of their transactions.
- Exchange differences resulting from the application of the above criteria are recognized as exchange differences in net equity.
- Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

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The subsidiaries with a different functional currency compared to the Parent Company are as follows:

Company	2020	2019	2018
	Functional currency		
Ecoener Inversiones de Centroamérica, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica de Santa Cruz, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica de Santa Cruz II, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica de Santa Cruz III, S.A.	Quetzal	Quetzal	Quetzal
Corporación Hidroeléctrica Guatemalteca, S.A.	Quetzal	Quetzal	Quetzal
Hidro Quetzal, S.A.	Quetzal	Quetzal	Quetzal
Inversiones Renovables Guatemaltecas, S.A.	Quetzal	Quetzal	Quetzal
Ecoener Ingeniería, S.A.	Quetzal	Quetzal	Quetzal
Energías del Ocosito, S.A.	Quetzal	Quetzal	Quetzal
HidroSoloma, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica Cuatro Chorros de Chicamán, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica San Bartolomé, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica San Pedro Soloma I, S.A.	Quetzal	Quetzal	Quetzal
Hidroeléctrica San Pedro Soloma II, S.A.	Quetzal	Quetzal	Quetzal
Gestión de Obras y Servicios Guatemaltecos, S.A.	Quetzal	Quetzal	Quetzal
Comercializadora Centroamericana de Energía La Ceiba, S.A.	Quetzal	Quetzal	Quetzal
Llanos del Sur Fotovoltaica, S.A.	Lempira	Lempira	Lempira
Ecoener Ingeniería Honduras, S.A.	Lempira	Lempira	Lempira
LCV Ecoener Solares Dominicana, S.R.L.	Dominican Peso	-	-
EID Ecoener Inversiones Dominicana, S.R.L.	Dominican Peso	-	-
EFD Ecoener Fotovoltaica Dominicana, S.R.L.	Dominican Peso	-	-
Ecoener Solar Panamá, S.A.	Balboas	-	-
Ecoener Ingeniería Panamá, S.A.	Balboas	-	-
Ecoener Mirazul Dos, S.A.	Cordoba	-	-
Ecoener Renovables Panamá, S.A.	Balboas	-	-

As a result of the application of IFRS 1, the functional currency of the companies in which the Group's subsidiaries report has been evaluated and it has been concluded that although part of their operations are carried out in dollars (see Note 12), the functional currency of each of them is the currency of the country in which their operations are located.

(d) Intangible assets

Intangible assets are recognized initially at their acquisition or production cost. As of December 31, 2020, 2019 and 2018, no production costs had been capitalized.

Intangible assets are presented in the consolidated balance sheet at their acquisition cost value minus the amount of accumulated amortization and impairment adjustments.

Advances on account of fixed assets are initially recognized at cost. In subsequent years, provided that the period between payment and receipt of the asset exceeds one year, advances bear interest at the suppliers' incremental rate.

Costs incurred in carrying out activities that contribute to developing the value of the Group's business, such as goodwill, trademarks and similar items generated internally, as well as establishment expenses, are recorded as expenses in the consolidated profit and loss account as incurred.

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(i) Goodwill

Goodwill represents the excess of acquisition cost over the fair value of the stake in the identifiable net assets of the subsidiary on the acquisition date, as detailed in note 4 (a).

Goodwill is not amortized and is reviewed annually or when a triggering event exists, to analyse possible losses due to impairment of its value, being recorded in the consolidated balance sheet at its cost value less accumulated impairment losses. Any impairment loss is recognized immediately as an expense and is not subsequently reversed.

Goodwill arising from the acquisition of companies with a functional currency other than the euro is valued in the functional currency of the acquired company, converting assets acquired and liabilities assumed to euros using the exchange rate as of the opening balance sheet date.

(ii) Concession arrangements

As described in Note 1, the Group operates several assets through service concession arrangements granted by different public entities. As described in Note 5, Concession arrangements in the consolidated balance sheet includes a PPA (Power Purchase Agreement) contract of the group company Energías del Ocosito, S.A. amounting to 2,734 thousand euros.

In the case of contracts expiring in 2031, during the first five years of the licence agreement, the direct owner has the possibility of recovering the PPA under certain conditions established in the contracts. The Group Administrators consider that these conditions will not be met.

(iii) Easement rights

The Company has easement rights contracts for the land on which the plants and generation facilities are located, which are amortized according to the duration of each contract.

(iv) Software

Other intangible assets' heading also considers software acquired at its acquisition cost. Software maintenance costs are accounted for as expenses as they are incurred.

(v) Subsequent costs

Subsequent costs incurred in intangible assets are recorded as an expense unless the expected future economic benefits of the assets increase.

(vi) Useful life and amortization

The amortization of intangible assets is carried out by distributing the depreciable amount in a systematic way over their useful life by applying the following criteria:

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	Amortization method	Estimated useful life years (hydropower technology)
Concession arrangements	Straight-Line	(*)
Patents, licenses, trademarks and similar items	Straight-Line	10
Software	Straight-Line	4
Other intangible assets	Straight-Line	10-25-50

(\*) In the PPA effective period

For these purposes, the amortizable amount is the acquisition cost less, if applicable, its residual value. The Group has no registered assets with relevant residual value.

In particular, the easement rights acquired, included in other intangible assets, for the operation of renewable energy plants are amortized in the concession period. Intangible assets incorporated after the beginning of the calculation of the concession period are amortized on a straight-line basis over the time that remains until its completion.

The Group reviews the residual value, the useful life, and the amortization method of intangible assets at the end of each year. Changes in the initially established criteria are recognised as a change in estimate.

(vii) Impairment of intangible assets

The Group assesses and determines the valuation corrections due to impairment and the reversal of impairment losses of intangible assets in accordance with the criteria mentioned in section (g) *Impairment of non-financial assets subject to depreciation*.

(e) Property, plant and equipment

Property, plant and equipment is presented at its acquisition cost, less accumulated amortization and, where applicable, accumulated impairment losses.

The cost of fixed assets includes the best estimation of the costs of dismantling or removal, as well as the rehabilitation of the place on which it is located, if they constitute obligations incurred because of its use and for purposes other than the production of inventories. The cost of property, plant and equipment also includes the development costs associated with the construction of facilities.

(i) Depreciation

The depreciation of property, plant and equipment is carried out by allocating their depreciable amount of the asset in a systematic way over the asset's useful life. For these purposes, the depreciable amount is the acquisition cost less its residual value. The Group determines the depreciation expense independently for each item that has a significant cost in relation to the total cost of the item and a different useful life from the rest of the same.

The depreciation of fixed assets is carried out by distributing the depreciable amount systematically throughout its useful life by applying the straight-line depreciation method over the following years of estimated useful life:

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	Estimated useful life years for hydropower technology	Estimated useful life years for wind technology	Estimated useful life years for solar photovoltaic technology
Constructions	29-42	25-36	25
Technical facilities and machinery	8-50	8-50	8-50
Other facilities, tools and furniture	3-10	3-10	3-10
Other fixed assets	3-10	3-10	3-10

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

In accordance with current regulations, hydropower production plants are subject to a temporary concession arrangement. In accordance with the terms of the concession arrangement, at the end of the established terms, the facilities revert to be property of the Governments in conditions of good use. The Group does not consider necessary to make any provision for this item, since said facilities are permanently kept in good use and given the assets subject to the concession arrangement are depreciated using the shorter of the useful life and the life of the concession arrangement.

*(ii) Subsequent costs*

After the initial recognition of the asset, only costs incurred that result in an increase of an asset's capacity or productivity or that lengthen an asset's useful life are capitalised and the carrying amount of any replaced assets must be written off. In this sense, costs derived from the maintenance of fixed assets are recorded in results as they are incurred.

*(iii) Impairment of fixed assets*

The Group assesses and determines the valuation corrections for impairment and the reversal of losses due to impairment of fixed assets in accordance with the criteria mentioned in section (g) Impairment of non-financial assets.

*(f) Capitalization of borrowing cost*

The Group includes in the cost of fixed assets that requires a period of more than one year to be ready for use, exploitation or sale (qualified assets), the borrowing costs related to specific or generic financing are directly attributable to its acquisition, construction or production costs.

To the extent that funds has been specifically obtained, the amount of borrowing cost to be capitalised is determined based on the financial expenses accrued by it, less the returns obtained from temporary investments made with these funds. In those cases, in which the financing interrupts the development of activities performed in the qualified assets in progress, the financial expenses related to it are not capitalised. The amount of interest to be capitalised corresponding to generic financing is determined by applying a weighted average interest rate to the investment in progress, discounting the part specifically financed, with the limit of financial expenses accrued in the consolidated profit and loss account.

No interest expense has been capitalized during 2020, 2019 and 2018.

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### (g) Impairment of non-financial assets subject to depreciation

The Group follows the criterion of evaluating the existence of trigger events that could reveal the potential impairment of non-financial assets subject to depreciation, to check whether the carrying amount of said assets exceeds their recoverable value. The Group considers that there is an indication of impairment if an impairment has already been recognized and/or losses have been recorded.

The Group performs an analysis to detect when any group company presents signs of impairment. In addition, regardless of the existence of any trigger event, the Group tests, at least annually, the potential impairment that could affect goodwill and intangible assets with indefinite useful lives, as well as intangible assets not yet available for use. It also considers changes in the regulatory regime of assets that could have an impact on their profitability as an indication of impairment or due to changes in the projections of significant cash flows.

Hence, regardless of the existence of any indication of impairment, the Group tests, at least annually, the potential impairment that could affect goodwill and intangible assets with indefinite useful lives, as well as intangible assets not yet available for use.

The recoverable amount of assets is the higher between its fair value less selling cost or its value in use. The determination of the asset's value in use is based on the expected future cash flows that will result from the use of the asset, expectations about possible variations in the amount or timing of the cash flows, the time value of money, the price to be paid for bearing the uncertainty related to the asset and other factors that market participants would consider in the valuation of future cash flows related to the asset.

The recoverable value must be calculated for an individual asset, unless the asset does not generate cash inflows that are, to a large extent, independent of those corresponding to other assets or groups of assets. If this is the case, the recoverable amount is determined for the cash generating unit (CGU) to which it belongs.

The Group identifies as CGU each of the renewable energy production facilities it owns.

The Group assesses on each closing date whether there is any indication that the impairment loss recognised in previous years no longer exists or may have decreased.

Losses related to the impairment of each CGU initially reduce, if applicable, the value of the goodwill assigned to it and then the other non-current assets of the CGU, allocating them based on their carrying amount with the limit for each of them being the higher between its fair value less selling cost, its value in use and zero.

Impairment losses corresponding to goodwill are not reversible. Impairment losses on other assets are only reversed if there is a change in the estimates used to determine the recoverable value of the asset. The reversal of the impairment loss is recorded with a credit to the consolidated profit and loss account. However, the reversal of the loss cannot increase the carrying amount of the asset above the carrying amount it would have had, net of depreciation, if the impairment had not been recorded.



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### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

In 2020, the Group has recorded the reversal of the impairment provided for in previous years on the assets of the Xestosa hydroelectric power plant for 2,929 thousand euros and has not recorded any impairment loss. In 2019, the Group has recorded the reversal of an impairment of 1,175 thousand euros on the assets of Energías de Pontevedra and has recorded an impairment of 2,305 thousand euros on the assets of the Las Fuentes II hydropower plant. In 2018, no impairments or reversal of impairments were recorded (Notes 5 and 6).

#### (h) Leases

The Group as lessee:

The Group assesses whether a contract is or contains a lease at the inception of the contract. The Group recognizes a right of use asset and a lease liability for all lease contracts in which it is the lessee, except short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognizes the lease payments as operating expense on a straight-line basis over the term of the lease, unless there is another systematic basis more representative of the time frame in which the economic benefits of the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid on the commencement date, discounted using the implicit rate in the lease. If this rate cannot be easily determined, the Group uses its incremental borrowing rate.

Lease payments included in the value of the liability are comprised of:

- fixed lease payments, less lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate on the commencement date;
- the amount that lessee is expected to pay with residual value guarantees;
- the exercise price of the call options, if the lessee is reasonably certain of exercising the options; and
- Penalties payment for termination of the lease, if the term of the lease reflects the exercise of an option to terminate the lease.

The lease liability is presented on a separate line in the consolidated balance sheet.

The carrying amount of the lease liability increases when the interest on said liability is reflected (using the effective interest method) and decreases when the lease payments made are reflected.

The Group remeasures the lease liability (and makes the corresponding adjustments to the asset related to the right of use assets) when:

- The lease term has changed or there is a change in the assessment of the exercise of a call option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

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### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

- Lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which case the lease liability is measured by discounting the revised lease payments using the initial discount rate (at unless changes in lease payments are due to a change in a variable interest rate, in which case a revised discount rate is used).
- A lease is modified, and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

Right of use assets include the initial valuation of the corresponding lease liability, lease payments made on or before the commencement day, and any initial direct costs. Subsequently, they are measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for the costs of dismantling and disposing of a leased asset, restoring the site where it is located, or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and value as indicated in IAS 37. Costs are included in the asset related to the right of use, unless those costs are incurred to produce inventories.

Right of use assets are depreciated over the shortest period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the asset for the right of use reflects that the Group expects to exercise a purchase option, the asset related to the right of use is depreciated over the useful life of the underlying asset. Depreciation begins on the lease commencement date.

Right of use assets are presented on a separate line item in the consolidated balance sheet.

The Group applies IAS 36 “Impairment of Assets” to determine whether an asset with a right of use is impaired and records any impairment loss, as described in note 4.g.

Variable rents that do not depend on an index or rate are not included in the valuation of the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers their accrual occurs under the heading “Other operating expenses” in the consolidated profit and loss account.

Additionally, IFRS 16 allows the lessee not to separate non-leased components and instead account for any leases and non-leased components as a single arrangement.

#### (i) Financial instruments

##### (i) Classification and presentation of financial instruments

Financial instruments are classified at the time of their initial recognition as a financial asset, a financial liability or an equity instrument, in accordance with the economic substance of the contractual agreement and with the definitions of financial assets, financial liabilities or equity instruments set forth in IAS 32 “Financial Instruments: Presentation”.

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For valuation purposes, the Group classifies its financial instruments in the categories of financial assets and liabilities at fair value with changes in financial assets and liabilities at amortized cost and financial assets at fair value through other comprehensive income, separating equity instruments designated in that manner from other financial assets.

The Group classifies a financial asset at amortized cost, if it is maintained within the framework of a business model whose objective is to maintain financial assets to obtain cash flows and the contractual conditions of the financial asset give rise, on specified dates, to cash flows that are solely payments of principal and interest on the principal amount outstanding (“SPPI”).

The Group as of December 31, 2020, 2019 and 2018 accounts the totality of its financial assets and liabilities at an amortized costs expect for derivatives, which are classified at fair value with changes in consolidated profit and loss account.

(ii) Compensation principles

A financial asset and a financial liability are offset only when the Group has the enforceable right to offset the recognized amounts and has the intention to settle for differences or to realize the asset and settle the liability simultaneously. For the Group to have the currently enforceable right, it must not be contingent on a future event and must be legally enforceable in the ordinary course of operations, in the event of judicially declared insolvency or liquidation and in the event of non-payment.

(iii) Financial assets at fair value with changes in the consolidated profit and loss account

Financial assets at fair value with changes in the consolidated profit and loss account are initially recognised at fair value. Transaction costs directly attributable to the purchase or issue are recognised as an expense in the consolidated profit and loss account as they are incurred.

The fair value of a financial instrument at the initial recognition is usually the price of the transaction, unless said price contains different elements of the instrument, in which case, the Group determines its fair value. If the Group determines that the fair value of an instrument differs from the transaction price, it records the difference in results, to the extent that the value has been obtained by reference to a price quoted in an active market for an identical asset or liability or has been obtained from a valuation technique that has only used observable data. In all other cases, the Group recognizes the difference in results, insofar as it arises from a change in a factor that market participants would consider when determining the price of the asset or liability (IFRS 7.28 a).

After their initial recognition, they are recognised at fair value, recording the variations in results. Interest and dividends accrued are included in the items by their nature. The fair value is not reduced by the transaction costs that may be incurred due to its eventual sale or disposal by other means.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

The Group determines the change in the fair value attributable to credit risk, initially calculating the internal rate of return at the beginning of the period using the fair value and the contractual flows and deducting the reference interest rate from said rate to determine the rate specific to the credit risk component, provided that the change in the reference interest rate is not significant and that there are no other factors that imply relevant changes in fair value. On each closing date, the Group discounts the contractual flows at the rate determined as the sum of the reference rate on that date, plus the specific rate of the credit risk component. The difference between the fair value at the end of the year and the previous amount represents the variation related to credit risk.

(iv) Financial assets and liabilities at amortized cost

Financial assets and financial liabilities at amortized cost are initially recognized at fair value, plus or minus transaction costs incurred and are subsequently valued at amortized cost, using the effective interest rate method, which is the discount rate that equals the value of all expected future flows of a financial asset, excluding impairment losses, to the value of said financial asset at the time of its initial recognition.

(v) Reclassification of financial instruments

The Group reclassifies financial assets when their business model is modified. The Group does not reclassify financial liabilities.

If the Group reclassifies a financial asset from amortized cost to fair value through consolidated profit and loss account, it recognizes the difference between the fair value and the carrying amount in profit and loss account. Thereafter, the Group does not record interest separately from the financial asset. If the Group reclassifies a financial asset from fair value through profit and loss account to amortized cost, the fair value at the date of reclassification is considered the new gross carrying amount for the purposes of applying the effective interest rate method and recording credit losses.

If the Group reclassifies a financial asset from the amortized cost category to fair value through consolidated profit and loss account, it recognizes the difference between the fair value and the carrying amount in other comprehensive income. The effective interest rate and the recording of expected credit losses are not adjusted for the reclassification. However, the cumulative amount of expected credit losses is recorded against other comprehensive income and disclosed in the notes.

If the Group reclassifies a financial asset from fair value through other comprehensive income to amortized cost, it is reclassified at fair value. The amount deferred in equity is adjusted from the carrying amount of the asset. The effective interest rate and the recording of expected credit losses are not adjusted for reclassification.

If the Group reclassifies a financial asset from fair value through profit and loss account to fair value through other comprehensive income, the effective interest rate and expected credit losses are determined at the date of reclassification at the fair value at that time.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

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If the Group reclassifies a financial asset from fair value through other comprehensive income to fair value through profit and loss account, the amount deferred in equity is reclassified to profit or loss. From that moment on, the Group does not record the interest on the financial asset separately.

#### (vi) Impairment

Group recognises a loss allowance for expected credit losses on financial assets measured at amortised cost, lease receivables and trade receivables. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

Group always recognises lifetime expected credit losses for trade receivables and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors (including, but not limited to, external ratings, audited financial statements, management accounts and cash flow projections and available press information on customers), general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition.

Lifetime expected credit losses represent the expected credit losses that will result from all possible events of default during the life of the financial instrument.

#### (vii) Derecognition of financial assets

The Group applies the criteria for the derecognition of financial assets to a part of a financial asset, to a part of a group of similar financial assets, to a financial asset or to a group of similar financial assets.

Financial assets are derecognized when the rights to receive cash flows related to them have expired or have been transferred and the Group has substantially transferred the risks and benefits derived from their ownership.

The cancellation of a financial asset in its entirety implies the recognition of results for the difference between its carrying amount and the sum of the consideration received, net of transaction expenses, including the assets obtained or liabilities assumed and any deferred gain or loss in other comprehensive income, except for equity instruments designated at fair value with changes in other comprehensive income.

The Group directly reduces the carrying amount of a financial asset when it has reasonable expectations of partial or total recovery.

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(viii) Interests and dividends

The Group recognizes interest by the effective interest rate method, which is the discount rate that equates the carrying amount of a financial instrument with the estimated cash flows over the expected life of the financial instrument, based on its contractual conditions and without considering expected credit losses, except for financial assets acquired or originated with incurred losses.

Interest is recognized on the gross book value of financial assets, except for financial assets acquired or originated with incurred credit losses and financial assets with credit impairment. For the former, the Group recognizes interest based on the effective interest rate adjusted for the initial credit risk and for the latter, the Group recognizes interest based on the amortized cost.

Estimated changes in cash flows are discounted at the effective interest rate or interest rate adjusted for the original credit risk and are recognized in income.

Dividend income from investments in equity instruments is recognized in the consolidated profit and loss account when the rights for the Group to their perception have arisen, it is probable that the economic benefits will be received and the amount can be reliably estimated.

The Group recognizes, as financial income and expenses, interest on late payment in commercial operations in accordance with the legal and contractual conditions agreed. If this interest is eventually offset, the Group recognizes the transaction according to its substance. The Group recognizes the legal right of compensation for collection management costs incurred when it is probable that they will be collected. The Group recognizes the expense for claiming collection management costs in accordance with its accounting policy for provisions.

(ix) Disposals and modifications of financial assets

The Group derecognizes a financial liability or part of it when it has complied with the obligation contained in the liability or is legally exempted from the main responsibility contained in the liability, either by virtue of a judicial process or by the creditor.

The exchange of debt instruments between the Group and the counterparty or the substantial modifications of the liabilities initially recognized are accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided that the instruments have substantially different conditions.

The Group considers that the conditions are substantially different if the present value of the discounted cash flows under the new conditions, including any commission paid, net of any commission received, and using the original effective interest rate to calculate the discount, differs at least by 10 percent of the discounted present value of the cash flows still remaining from the original financial liability.

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If the exchange is recorded as a cancellation of the original financial liability, the costs or commissions are recognized in profit and loss account, forming part of the result thereof. Otherwise, the modified cash flows are discounted at the original effective interest rate, recognizing any difference with the previous carrying amount, in results. Likewise, costs or commissions adjust the carrying amount of the financial liability and are amortized using the amortized cost method over the remaining life of the modified liability.

The Group recognizes the difference between the carrying amount of the financial liability, or a part of it, cancelled or transferred to a third party and the consideration paid, including any asset transferred other than the cash or liability assumed in the consolidated profit and loss account.

#### (x) Derivatives

The Group uses derivative financial instruments to manage its financial risk as a consequence, mainly, of variations in interest rates and energy prices (see Note 9). These derivative financial instruments, whether they have been classified as hedges or not, are accounted for at fair value (both on initial recognition and on subsequent valuations).

All derivative financial instruments must be recognized as assets or liabilities in the consolidated balance sheet, at their fair value, and changes must be recognized in the consolidated profit and loss account for the year, except in cases where, by opting for “hedge accounting”, the effective part of the hedge relationship should be recorded in equity (fair value, cash flow and net investment hedges in a currency other than the euro).

In 2018, 2019 and 2020, the Group does not have any derivative financial instrument that has been classified for accounting purposes as hedging, only counting on derivatives that do not meet the criteria established to be classified as hedging, therefore the positive or negative variation arising from updating them at fair value is recorded directly in the consolidated profit and loss account for the year.

#### (j) Inventories

The goods and services included in this heading are valued at their cost (acquisition Price or production cost).

The acquisition cost includes the amount invoiced by the seller after deducting any discount, reduction or other similar items, as well as the interest incorporated into the nominal amount of the debt, plus the additional expenses that occur until the goods are located for sale and others directly attributable to the acquisition, as well as financial expenses as provided in section (d) and indirect taxes not recoverable from the Public Treasury.

When the net realizable value of inventories is lower than the acquisition price or production cost, the Group will make the appropriate valuation adjustments, recognising them as an expense in the consolidated profit and loss account.

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### (k) Cash and cash equivalents

As of December 31, 2020, 2019, and 2018, cash and cash equivalents included cash on hand and demand bank deposits with financial institutions.

For the purposes of the consolidated cash flows statement, bank overdrafts payable on demand, which are part of the Group's cash management, are included as cash and cash equivalents. Bank overdrafts are recognized in the consolidated balance sheet as financial liabilities for debts with financial institutions.

The Group classifies cash flows corresponding to interest received and paid as operating cash flows and dividends received and paid as financing cash flows.

### (l) Provisions and contingencies

The Group in preparing these Consolidated Annual Accounts, has distinguished between:

1. Provisions: credit balances that cover current obligations derived from past events, the cancellation of which is likely to cause an outflow of resources, but which are indeterminate in terms of their amount and/or cancellation time.
2. Contingent liabilities: possible obligations arising from past events, the future materialization of which is conditioned on the occurrence, or not, of one or more future events independent of the Group future conditions.

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. No provisions are recognized for future operating losses.

The financial effect of the provisions is recognised as financial expenses in the consolidated profit and loss account.

The provisions do not include the tax effect, nor the expected earnings from the disposal or abandonment of assets

The amounts recognized in the consolidated balance sheet correspond to the best estimate at the closing date of the disbursements required to settle the present obligation, after taking into account the risks and uncertainties related to the provision and, when significant, the financial effect produced by discounting, provided that the disbursements to be made in each period can be reliably determined. The discount rate is determined on a pre-tax basis, considering the time value of money, as well as the specific risks that have not been considered in the future flows related to the provision at each closing date.

The consolidated balance sheet includes all provisions with respect to which it is considered probable that the obligation will have to be accomplished. Contingent liabilities are not recognised in the consolidated balance sheet but are reported on the notes to the Consolidated Annual Accounts as they are not considered remote. The breakdown of the provisions that the Group maintained in the consolidated balance sheet is detailed below:



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- *Tax provisions*

The amount of tax provisions corresponds to the estimated amount of tax payables determined following the general criteria set out above. Provisions are charged to income tax for the year, financial expenses for interest charges as a result of late payment and other income for any penalties. The effects of changes in the estimate of provisions from previous years are recognised in the items by their nature, except in the case of correcting an error.

- *Provisions for dismantling, restoration and similar items*

The provisions referred to in this heading are recognised following the general criteria for recognition of provisions and are recorded at the higher cost value of the items of fixed assets with which they are related when they arise from the acquisition or construction of them. It is calculated by estimating the current value of the estimated disbursements associated with the dismantling of said assets, taking into account all the available information at the end of the year.

Variations in the provision derived from changes in the amount, in the time structure of the disbursements or in the discount rate at the end of the year, increase or decrease the cost value of fixed assets with the limit of the carrying amount of this item, recognising the excess in the consolidated profit and loss account.

Changes in the amount of the provision that become apparent once the useful life of the fixed asset has ended are recognised in the consolidated profit and loss account as they occur.

(m) Revenue recognition

Revenue is derived from the sale of energy and the provision of services. To determine revenue recognition, the Group follows the five-step process in accordance with IFRS 15:

1. Identify the contract with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognize revenue when the entity satisfies a performance obligation.

The Group carries out transactions consisting of the sale of energy and the provision of services. In all cases, the total transaction price of a contract is distributed among the various performance obligations based on their relative standalone selling prices. The transaction price of a contract excludes any amount charged on behalf of third parties.

Revenue is recognized at a point in time or over time, when the Group satisfies the performance obligations by transferring the control over the committed goods or services to its customers.

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(i) Income from energy sales

Net Revenues from the sale of energy derives from contracts entered with external customers, or by signing agreements to ensure the price of the energy sold. From these contracts, a single obligation is derived, which is the delivery of energy. These contracts establish a consideration for the delivery of energy, established short-term supply agreements in Spain and long-term supply agreements in Guatemala and Honduras. In the future, it is estimated that there will be contracts that are referenced to the pool price. Electricity sales are recognized as income when they are delivered to the customer based on the quantities supplied during the period, even when they have not been invoiced at the closing date of the correspondent exercise.

In relation to contracts with clients, the following are the most representative:

- The totality of the energy production of the 2020 financial year of the Group's generation facilities in Spain was sold to the market within the framework of an income guarantee contract, signed with the company Axpo Iberia, S.L., effective from January 1 to December 31, 2020, for which a fixed amount was received for each MWh produced. Such contract was a physical delivery contract and the Parent Company has applied the own use exception established in IFRS 9.
- The Group has formalized an agreement, signed with the company Axpo Iberia, S.L., effective from January 1 to December 31, 2021, for which it is ensured that all the energy produced by its facilities in Spain will be sold at the price per MWh within a band agreed in the contract (the contract does not establish a fixed amount but covers the total production of the renewable facility). This contract is settled on an annual basis and although monthly settlements are made for differences in the position, it is not possible to determine the final net position until the end of the year. The Parent Company's management has concluded that by virtue of the foregoing it meets the definition of a derivative instrument established by IFRS 9 (see Note 15).
- The entire production of the Planta Solar Fotovoltaica Llanos del Sur plant is sold under a PPA contract valid until 2035. The direct holder of said contract is the company, Grupo Llanos del Sur Fotovoltaica, S.A. The counterpart of said contract is the Honduran state company, "Empresa Nacional Energía Eléctrica", the contract being backed by the sovereign guarantee of the Republic of Honduras. Through this contract, Llanos del Sur Fotovoltaica sells all of the energy produced at a fixed price that can be updated annually based on the consumer price index published by the US Department of Labor and the power generated by the Photovoltaic Plant at a fixed price (fixed monthly payment per installed power).
- The production of the Central Hidráulica Las Fuentes II is sold within the framework of PPA contracts that always regulate volumes of energy and power to be delivered and the associated remuneration. The differences between the plant's production and the volumes of the PPA are compensated with sales or acquisitions in the Guatemalan electricity market. The PPA contracts have been assigned by their direct holders in exchange for an economic consideration consisting of a part of the revenue obtained from the exploitation of the contracts. This consideration is recorded under the external services caption. The current PPA contracts are as follows:

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- Supply Contract Power for Difference with Load Curve for users of the Final Distribution service of the Social Rate with Deocsa (Energuate), for a capacity of 1,248 KW at a fixed price and supplies hourly blocks of energy partially upgradeable based on the variation of an annual price index. The contract is valid until the year 2030.
- Supply Contract Power for Difference with Load Curve for users of the Final Distribution service of the Social Rate with Deorsa (Energuate), for a capacity of 1,248 KW and valid until 2030. The counterpart of the PPA contract is Deorsa (Energuate). It is agreed to supply a power of 1,248 KW per month at a fixed price and by hourly blocks of energy partially upgradeable based on the variation of an annual price index.
- Supply Contract Power for Difference with Load Curve for users of the Final Distribution service of the Social Rate with Empresa Eléctrica de Guatemala, S.A. (Energuate), for a capacity of 1,687.50 KW and valid until 2031. The counterpart of the PPA contract is Empresa Eléctrica de Guatemala, S.A. It is agreed to supply a power of 1,248 kW / month at a fixed price and by partially upgradeable hourly energy blocks based on the variation of an Annual Price Index.
- Supply Contract Power for Difference with Load Curve for users of the Final Distribution service of the Non-Social Rate with Empresa Eléctrica de Guatemala, S.A. (Energuate), for a capacity of 1,687.50 KW and valid until 2031. The counterpart of the PPA contract is Empresa Eléctrica de Guatemala, S.A. Through this contract, a price is fixed upgradeable based on the variation of an annual price index and supply blocks of energy by service hours.
- Supply Contract Power by Difference with Load Curve for users of the Final Distribution service of the Social Rate with Deocsa (Energuate), for a capacity of 3,375 KW and valid until 2031. The counterpart of the PPA contract is Deocsa (Energuate). A partially upgradeable price is set based on a maximum interannual variation of 2.248% and a minimum of 0%.

Additionally, some facilities in Spain count with regulated scheme, destined, in order to favour the development of energy generation from renewable sources, to guarantee a minimum profitability threshold in the long-term of said facilities. These are considerations that are recognized as revenue for the Group, over time, to the extent that the facilities remain in operation, generating energy that is delivered to the market. Among these variable remunerations are:

1. Investment remuneration revenue: The Spanish companies of the Group record as investment remuneration the amount for this concept established in RD 9/2013 and subsequent developments (see Note 2.b). The detail of the production facilities that receive income from investment remuneration is as follows:

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Renewable facility	Subsidiary	Code	Regulatory life since COD (in years)	Regulatory regime (year)
Ourol wind farm (18 MW)	Hidroeléctrica de Ourol, S.L.	IT-00657	20	2027
San Bartolomé wind farm (9.2 MW)	Mocan Renovables, S.L.	IT-03124	20	2037
Llanos de la Aldea wind farm (20 MW)	Drago Renovables, S.L.	IT-03124	20	2037
San Bartolomé hydropower plant (1.2 MW)	Hidroeléctrica del Giesta, S.L.	IT-00698	25	2022
Cierves hydropower plant (5 MW)	Hidroeléctrica del Giesta, S.L.	IT-00701	25	2025
Peneda hydropower plant (10 MW)	Hidroeléctrica del Giesta, S.L.	IT-00704	25	2028
Arnoya hydropower plant (10 MW)	Hidroeléctrica del Giesta, S.L.	IT-00704	25	2028
Landro hydropower plant (9.2 MW)	Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	IT-00709	25	2033
Xestosa hydropower plant (2.9 MW)	Hidroeléctrica de Ourol, S.L.	IT-00709	25	2033
Singular Lalín wind farm (3 MW)	Energías de Pontevedra, S.L.	IT-00635	20	2028.

2. Revenue from investment incentives: Companies with production facilities in Canary Islands of the Group, Drago Renovables, S.L. and Mocan Renovables, S.L., register as an investment incentive the amount for said concept established in Order IET / 1459/2014 and subsequent developments. The detail of the production facilities that receive investment incentive income is as follows:

Renewable facility	Subsidiary	Code	Regulatory life since COD (in years)	Regulatory regime (year)
San Bartolomé wind farm (9.2 MW)	Mocan Renovables, S.L.	IT-03124	20	2037
Llanos de la Aldea wind farm (20 MW)	Drago Renovables, S.L.	IT-03124	20	2037

3. Revenue from adjustments due to deviations from the market price: The Spanish companies of the Group which are owners of production facilities that receive income from investment remuneration, record the corresponding “adjustment value” as income for the year in accordance with article 22 of RD 413/2014 for the difference, if applicable, if it occurs between the average daily and intraday price for the year and the upper and lower limits established in the aforementioned standard and in the corresponding parameter orders.

In this case, given that the obligation to be fulfilled by the Group is the delivery of energy, the full price of each transaction is associated with the fulfilment of said obligation.

In this way, to the extent that the Group complies with the energy delivery obligation, it recognizes the revenue for the agreed remuneration.

As of December 31, 2020, 2019 and 2018, it is recorded under Non-current accounts payable in the amount of 163 thousand euros, 3,403 thousand euros and 2.325 thousand, respectively, the adjustment for deviations to market price for 2020, 2019 and 2018, the compensation of which will take place as from the regulatory half-period after the one in which they were recorded and during the remaining regulatory useful life of the wind farms and hydroelectric plants operated by the Group, as well as the debit amount to be compensated in the long term corresponding to the regulatory half-period 2014-2016 (Note 15).

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The Company's policy is to present the creditor or debtor position held in the long and short-term and by virtue of the regulatory sub-period. Specifically, the detail of the aforementioned long-term and short-term price adjustments is as follows:

	<u>Minimum payments</u>		
	<u>2020</u>	<u>2019</u>	<u>2018</u>
Non-current accounts payable	(163)	(3,403)	(2,325)
Short-term suppliers	-	(399)	-
Short-term trade receivables for sales and services	<u>462</u>	<u>-</u>	<u>90</u>
<b>Total</b>	<b><u>299</u></b>	<b><u>(3,802)</u></b>	<b><u>(2,235)</u></b>

(ii) Provisions of services

The Group provides services in the following areas:

- Intermediation of the purchase and sale of electricity other than that produced in the facilities owned by the Group. The net amount of the revenue figure includes the amount of electricity sales in Central America, since the free marketer is considered a principal agent and not a commission agent for the supply made. Consequently, sales and purchases of energy (such as toll costs) are recorded at the total amount.
- Operation and maintenance services of electricity generation facilities from renewable sources. At the end of 2020, the Group has provided services to third parties in this concept for insignificant amounts and in any case, it is not part of its main line of business.

(n) Income tax

Income tax benefit or expense includes both current and deferred tax.

As indicated in Note 19, some Group companies are taxed, in relation to corporation tax, in accordance with the Special Tax Consolidation Regime provided for in the tax legislation in force in Spain. The parent company of the tax group is Ecoener, S.L.U.

The Parent Company has a formalized agreement with the subsidiaries referred to in the preceding paragraph that regulates the distribution of the tax burden derived from the consolidated corporation tax. In accordance with this agreement, when such subsidiaries obtain positive tax bases, a tax credit is generated in favour of the Parent Company. If said subsidiaries obtain negative tax bases or contribute deductions and tax credits to the share, a debit will be generated in favour of the Parent Company when the consolidated Group compensates or deducts them.

Assets or liabilities for current income tax are valued at the amounts expected to be paid or recovered from the tax authorities, using the regulations and tax rates enacted or substantively enacted, or approved and pending publication on the year-end date.

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Current or deferred income tax is recognised in income unless it arises from a transaction or economic event that was recognised in the same year or in a different one against net equity or from a business combination.

#### *i. Recognition of deferred tax liabilities*

The Group recognises all deferred tax liabilities except those arising from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, on the date of the transaction, it does not affect the accounting result or the tax base or correspond to taxable temporary differences related to investments in subsidiaries, associated and multi-group companies over which the Group has the ability to control the timing of their reversal and it is unlikely that their reversal will occur in the foreseeable future.

#### *ii. Recognition of deferred tax assets*

The Group recognises deferred tax assets whenever it is probable that there will be enough future tax earnings to offset them or when tax legislation contemplates the possibility of future conversion of deferred tax assets into a credit due from the Tax Authority. However, the assets that arise from the initial recognition of assets or liabilities in a transaction that is not a business combination, and, on the date of the transaction, does not affect the accounting result or the taxable base, they are not recognised. Likewise, it recognizes the deferred tax assets corresponding to deductible temporary differences related to investments in subsidiaries to the extent that the temporary differences will revert in the foreseeable future and it is expected to generate future taxable profit to offset the differences.

It is considered probable that the Group has sufficient taxable profit to recover deferred tax assets, provided that there are taxable temporary differences in a sufficient amount, related to the same tax authority and referred to the same taxpayer, whose reversal is expected in the same financial year in which the deductible temporary differences are expected to revert or in years in which a tax loss, arising from a deductible temporary difference, can be offset with earlier or later earnings.

In determining future taxable profit, the Group takes tax planning opportunities into account, if it intends to adopt them or is likely to adopt them.

#### *iii. Valuation of deferred tax assets and liabilities*

Deferred tax assets and liabilities are valued at the tax rates that will be applicable in the years in which it is expected to realize the assets or pay the liabilities, based on the regulations and rates that are in force or approved and pending publication and once the tax consequences that will derive from the way in which the Group expects to recover assets or settle liabilities have been considered. For these purposes, the Group has considered the deduction for the reversal of temporary measures developed in the thirty-seventh transitory provision of Act 27/2014, of November 27, on corporation tax, as an adjustment to the tax rate applicable to the temporary difference deductible associated with the non-deductibility of the depreciations made in 2013 and 2014.

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### iv. Compensation and classification

Deferred tax assets and liabilities are recognised in the consolidated balance sheet as non-current assets or liabilities, regardless of the expected date of realization or settlement.

At each accounting closing, the recorded deferred tax assets are reconsidered, making the appropriate corrections to them, to the extent that there are doubts about their future recovery. Likewise, at each closing, deferred tax assets not recorded in the consolidated balance sheet are evaluated and are recognised to the extent that their recoverability with future tax benefits becomes probable.

For those companies that do not belong to the tax Group, the corresponding regulations of the legislation of the country of origin are applied, contemplating double taxation agreements and conventions, where appropriate.

### (o) Classification of assets and liabilities between current and non-current

The Group presents the consolidated balance sheet classifying assets and liabilities between current and non-current. For these purposes, current assets or liabilities are those that meet the following criteria:

- i) Assets are classified as current when they are expected to be carried out or they are intended to be sold or consumed in the course of the normal cycle of the Group's operation, they are held primarily for trading purposes, they are expected to be carried out within the twelve-month period after the closing date or it is cash or cash equivalents, except in those cases in which they cannot be exchanged or used to settle a liability, at least within the twelve months following the closing date.
- ii) Liabilities are classified as current when they are expected to be settled in the Group's normal operating cycle, they are held primarily for trading, they must be settled within a twelve-month period from the closing date or the Group does not have the unconditional right to postpone the cancellation of the liabilities for the twelve months following the closing date.
- iii) Financial liabilities are classified as current when they must be settled within the twelve months following the closing date, even though the original term is for a period of more than twelve months and there is a refinancing or restructuring agreement for long-term payments that has concluded after the closing date and before the Consolidated Annual Accounts were prepared.

### (p) Transactions between Group companies

Transactions between Group companies, except those related to mergers, spin-offs and non-monetary contributions of businesses, are recognised at the fair value of the consideration given or received. The difference between said value and the agreed amount is recorded according to the underlying economic nature.

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### (q) Environmental information

The Sole Director of the Parent Company estimates that there are no significant contingencies related to the protection and improvement of the environment, not considering it necessary to constitute a provision for environmental risks and expenses as of December 31, 2020, 2019 and 2018. During the financial years 2020, 2019 and 2018, the Group has not received grants of an environmental nature.

### (r) Grants

Grants are recognized when there is reasonable assurance that the grant will be received, and all conditions imposed will be met. When the allowance is related to an item of expenses, it is recognized as income in a systematic way during the period in which the related expenses are recorded, for which the allowance has been awarded as compensation. When the grant is related to an asset, it is recorded as income on a straight-line basis over the expected useful life of the corresponding asset.

When the Group receives grants through non-monetary assets, the asset and the grant are recorded at their nominal value and are recorded on a straight-line basis in the consolidated profit and loss account during the asset's useful life, based on its consumption pattern.

IAS 20.24 allows two alternative ways of presenting asset-related government grants. The Group has chosen to present the grants in the consolidated balance sheet as Government grants and systematically recognizing them as income over the useful life of the asset.

### (s) Financial information by segment

The Group comprises five operating segments: i) operation of hydropower plants, ii) operation of wind farms, iii) operation of solar photovoltaic plants, iv) electricity commercialization and v) provision of other services (note 25).

The operating segments, except for the specificities of the generation technology used in each of them, are jointly managed.

The only inter-segment transactions are those related to the transfer from the "Other Services" segment to the "Operation of hydropower plants", "Operation of wind farms" and "Operation of solar photovoltaic plants" segments once the plants have been completed, both of the assets and the related debt.

Inter-segment sales prices are established following the standard commercial terms and conditions available to unrelated third parties, except for the transfer of assets and liabilities from the "Other Services" segment to the "Operation of hydroelectric plants", "Operation of wind farms" and "Operation of solar photovoltaic plants" segments upon completion of the plants, which is carried out at consolidated values.

For management purposes, the Group uses the same accounting valuation policies as those used in its consolidated annual accounts.



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(t) Business combinations

The Group applies the accounting acquisition method for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are charged to the consolidated income statement as incurred.

Assets acquired and liabilities assumed are generally measured at fair value at the date of acquisition. See Notes 4.a and 4.e.i.

(5) Intangible Assets and Goodwill

a) Intangible assets

The composition and movements in the accounts considered intangible assets, except goodwill, as of December 31, 2020, 2019 and 2018 were as follows:

	2020			Total
	Concession arrangements	Other intangible assets	Intangible assets in progress	
Cost as of January 1, 2020	3,017	1,982	-	4,999
Additions / Transfers	-	1,110	-	1,110
Disposals	-	(42)	-	(42)
Exchange Differences	(282)	-	-	(282)
Cost as of December 31, 2020	2,735	3,050	-	5,785
Accumulated amortization as of January 1, 2020	(772)	(653)	-	(1,425)
Amortization	(262)	(104)	-	(366)
Disposals	-	-	-	-
Exchange differences	139	-	-	139
Accumulated amortization as of December 31, 2020	(895)	(757)	-	(1,652)
Accumulated impairment as of January 1, 2020	-	(87)	-	(87)
Accumulated impairment as of December 31, 2020	-	(87)	-	(87)
<b>Net carrying amount as of December 31, 2020</b>	<b>1,840</b>	<b>2,206</b>	<b>-</b>	<b>4,046</b>

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	2019			
	Concession arrangements	Other intangible assets	Intangible assets in progress	Total
Cost as of January 1, 2019	2,977	1,931	-	4,908
Additions / Transfers	-	52	-	52
Disposals	-	(1)	-	(1)
Exchange differences	40	-	-	40
Cost as of December 31, 2019	3,017	1,982	-	4,999
Accumulated amortization as of January 1, 2019	(549)	(566)	-	(1,115)
Amortization	(217)	(89)	-	(306)
Disposals	-	-	-	-
Exchange differences	(6)	2	-	(4)
Accumulated amortizations as of December 31, 2019	(772)	(653)	-	(1,425)
Accumulated impairment as of January 1, 2019	-	(130)	-	(130)
Disposals	-	43	-	43
Accumulated impairment as of December 31, 2019	-	(87)	-	(87)
<b>Net carrying amount as of December 31, 2019</b>	<b>2,245</b>	<b>1,242</b>	<b>-</b>	<b>3,487</b>
	2018			
	Concession arrangements	Other intangible assets	Intangible assets in progress	Total
Cost as of January 1, 2018	2,998	1,835	1,222	6,055
Additions / Transfers	-	103	-	103
Disposals	-	(7)	(1,222)	(1,229)
Exchange differences	(21)	-	-	(21)
Cost as of December 31, 2018	2,977	1,931	-	4,908
Accumulated amortization as of January 1, 2018	(339)	(490)	-	(829)
Amortization	(213)	(83)	-	(296)
Disposals	-	7	-	7
Exchange differences	3	-	-	3
Accumulated amortizations as of December 31, 2018	(549)	(566)	-	(1,115)
Accumulated impairment as of January 1, 2018	-	(130)	-	(130)
Accumulated impairment as of December 31, 2018	-	(130)	-	(130)
<b>Net carrying amount as of December 31, 2018</b>	<b>2,428</b>	<b>1,235</b>	<b>-</b>	<b>3,663</b>

Additions and transfers for the year 2020 mainly correspond to the Punta Maeda substation associated to the wind facility whose work was pending completion at the end of the year ended December 31, 2020 and other assets that in 2019 and 2018 it was classified as property, plant and equipment in progress (see note 6).

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The heading “Other intangible assets” mainly includes, in addition to the substation associated with the Punta Maeda wind farm, the easement rights acquired as rights of way for power lines and accesses for the operation of hydropower plants and wind farms, as well as computer applications.

Concession arrangements include the assignment contract signed between the Company Energías del Ocosito, S.A. and Hidroeléctrica Tres Ríos, S.A. on May 23, 2016, whereby Hidroeléctrica Tres Ríos, S.A. grants energy generation and supply rights to Distribuidora de Electricidad de Occidente, S.A. until April 30, 2030. The detail of the payments committed by the Company Energías del Ocosito, S.A. for the assignment of the PPA, are the following (in thousand euros):

	Minimum payments		
	2020	2019	2018
One year	193	210	208
Between one and five years	963	1,050	1,041
More than five years	659	927	1,128
Less current part	(193)	(210)	(208)
Total non-current	1,622	1,977	2,169

b) Fully amortized assets

The cost of intangible assets that are fully amortized and still in use as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	2020	2019	2018
Other intangible assets	63	61	56
	<u>63</u>	<u>61</u>	<u>56</u>

c) Goodwill

Goodwill recognised in intangible assets corresponds to the positive difference from the first consolidation adjustments arising from the integration in these Consolidated Annual Accounts of the net assets of the following companies (in thousand euros):

Company	2020	2019	2018
Hidroeléctrica del Giesta, S.L.	3,669	3,669	3,669
Corporación Hidroeléctrica Guatemalteca	-	70	281
Other	236	236	236
	<u>3,905</u>	<u>3,975</u>	<u>4,186</u>

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The composition and movements in goodwill as of December 31, 2020, 2019 and 2018 are as follows:

	Thousand euros		
	2020	2019	2018
Cost as of January 1,	3,975	4,186	4,186
Disposals	(70)	-	-
Impairment	-	(211)	-
Net carrying amount as of December 31,	3,905	3,975	4,186

Goodwill disposals correspond to the dissolution of the company Corporación Hidroeléctrica Guatemalteca, S.A., whose dissolution generated a loss of 215 thousand euros in 2020.

The goodwill of Hidroeléctrica de Giesta, S.L. is allocated to its correspondent cash generating unit (CGU), and compared to its recoverable amount.

As described in the registration and valuation regulations, for analysing the valuation of the assets, management classifies the Cash Generating Units (CGUs) according to its different renewable energy facilities.

The recoverable amount of the assets that appertain to each CGU is determined by estimating the value in use, which for calculation purposes is considered similar to the market value. Management uses the income approach as a method for assets valuation, specifically applying discounted cash flows using a rate reflecting the time value of money and the risks associated with the expected cash flows.

The cash flows for the performance of impairment test considered are those arising from the business plan approved by the Board of Directors. Said business plan is reviewed periodically, and at least once a year, by the management and submitted to the Board of Directors for review.

The Group establishes the cash flows for each asset considering the useful life of the facility that composes each CGU and, for those facilities subject to a concession period, such period is considered as a variable for analysing the recovery of the assets.

The business plan considers an average inflation rate of 1.8% in the long term and the evolution of exchange rates is projected based on the curves published by International Organizations.

For the validation of year ended December 31, 2020 results, an independent expert was hired to review the impairment tests of the Group's main assets. The expert was PricewaterhouseCoopers, which issued its report dated as of February 11, 2021.

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**Discount rates**

Discount rates reflect the current assessment of the specific market risks of each of the CGUs, considering the time value of money and the individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The calculation of the discount rate is based on the specific circumstances of the Group and its industry and takes the average rate of cost of capital (WACC) as a starting point. The WACC considers both debt and equity. The cost of equity is derived from the return expected by the Group's investors.

The cost of debt is obtained from the interest the Group is required to pay for borrowings. Segment-specific risks have been incorporated by applying correcting factors. In the impairment tests' analysis as of December 31, 2020, the cash flows have been discounted using a weighted average cost of capital rate (WACC) of 5.1% (6.3% for 2019 and 2018) for assets in Spain and 7% (7.8% for 2019 and 8.6% for 2018) for assets of companies from Guatemala.

In 2020, the WACC used by the Group was lower mainly as a result of the change in interest rates and the downward change in the country risk associated with the assets where the Group's facilities are located.

Additionally, as required by IAS 36, a sensitivity analysis has been performed on the main variables included in the impairment tests, the main ones being the energy sales price curve and the WACC. Specifically, the following sensitivities have been performed:

- In the case of the price curve, the impairment tests have been sensitized assuming upward and downward variations of 5% of the energy sales price, keeping all the other variables constant.
- In the case of the WACC, sensitivities have been performed using rates in the range of 4% and 8%, depending on the type of asset and the country in which it is located.

No impairment of the facilities has been detected as a result of the impairment tests or sensitivity analyses.

**Cash flows assumptions**

Management's key assumptions include stable profit margins, based on the business plan approved by the Board of Directors and established based on past experience in the different CGU's. Group management considers this to be the best available input for forecasting this markets' trends at the end of 2020, 2019 and 2018.

For the year-end 2020, and considering the Parent Company's intention to go public, it has been determined that these assumptions were reviewed by an independent expert (PricewaterhouseCoopers) as of February 2021, in order to verify their appropriateness in relation with the market to which they belong and their specific situations.

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**Goodwill impairment**

Annually, the Group performs a review of the recoverable amount of its Goodwill. As of December 31, 2019, the analysis concluded the need to impair the goodwill of Corporación Hidroeléctrica Guatemalteca, S.A. by 211 thousand euros, recorded under Other reserves, considering the difficulties presented by the project in the development of its expected activity. As of December 31, 2020, and 2018, no impairment of goodwill has been revealed.

d) Intangible assets subject to guarantees

Intangible assets subject to guarantees are detailed in Note 6.

(6) Property, plant and equipment

The composition and movements in Property, plant and equipment as of December 31, 2020, 2019 and 2018 have been the following:

	2020 (in thousand euros)						Total
	Land	Buildings	Technical facilities and machinery	Other facilities, tools and furniture	Other fixed assets	Assets under construction and advances	
Cost as of January 1, 2020	1,738	119,521	83,182	218	506	14,882	220,047
Additions	-	44	3,707	34	146	28,780	32,711
Disposals	-	-	(55)	-	-	(135)	(199)
Transfers	-	4,184	19,166	(11)	92	(23,431)	-
Exchange differences	(7)	(4,939)	-	-	(7)	-	(4,953)
Cost as of December 31, 2020	1,731	118,810	106,000	241	737	20,096	247,615
Accumulated depreciation as of January 1, 2020	(464)	(30,451)	(29,478)	(217)	(352)	-	(60,962)
Depreciation	(32)	(3,714)	(3,668)	(13)	(79)	-	(7,506)
Exchange differences	37	598	-	30	-	-	665
Accumulated depreciation as of December 31, 2020	(459)	(33,567)	(33,146)	(200)	(431)	-	(67,803)
Accumulated impairment as of January 1, 2020	(174)	(5,067)	(1,735)	-	(1)	-	(6,977)
Reversals	109	1,731	1,088	-	1	-	2,929
Accumulated impairment as of December 31, 2020	(65)	(3,336)	(647)	-	-	-	(4,048)
Net carrying amount as of December 31, 2020	1,207	81,852	72,262	41	306	20,096	175,764

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	2019 (in thousand euros)						Total
	Land	Buildings	Technical facilities and machinery	Other facilities, tools and furniture	Other fixed assets	Assets under construction and advances	
Cost as of January 1, 2019	1,746	118,968	83,025	217	530	4,306	208,792
Additions	-	523	157	1	29	11,118	11,828
Disposals	-	-	-	-	(54)	(542)	(596)
Exchange differences	(8)	30	-	-	1	-	23
Cost as of December 31, 2019	1,738	119,521	83,182	218	506	14,882	220,047
Accumulated depreciation as of January 1, 2019	(434)	(26,630)	(25,937)	(217)	(331)	-	(53,549)
Depreciation	(30)	(3,798)	(3,541)	-	(72)	-	(7,441)
Disposals	-	-	-	-	54	-	54
Exchange differences	-	(23)	-	-	(3)	-	(26)
Accumulated depreciation as of December 31, 2019	(464)	(30,451)	(29,478)	(217)	(352)	-	(60,962)
Accumulated impairment as of January 1, 2019	(193)	(2,969)	(2,640)	-	(2)	(208)	(6,012)
Impairments	-	(2,305)	-	-	-	-	(2,305)
Reversals	19	207	905	-	1	208	1,340
Accumulated impairment as of December 31, 2019	(174)	(5,067)	(1,735)	-	(1)	-	(6,977)
Net carrying amount as of December 31, 2019	1,100	84,003	51,969	1	153	14,882	152,108
	2018 (in thousand euros)						
	Land	Buildings	Technical facilities and machinery	Other facilities, tools and furniture	Other fixed assets	Assets under construction and advances	Total
Cost as of January 1, 2018	2,478	119,207	82,638	217	428	4,647	209,615
Additions	-	4	387	-	72	1,165	1,628
Disposals	(730)	(225)	-	-	(18)	(1,471)	(2,444)
Transfers	-	-	-	-	48	(48)	-
Exchange differences	(2)	(18)	-	-	-	13	(7)
Cost as of December 31, 2018	1,746	118,968	83,025	217	530	4,306	208,792
Accumulated depreciation as of January 1, 2018	(403)	(22,836)	(22,377)	(212)	(301)	-	(46,129)
Depreciation	(31)	(3,760)	(3,532)	(5)	(39)	-	(7,367)
Exchange differences	-	(34)	(28)	-	9	-	(53)
Accumulated impairment as of January 1, 2018	(193)	(2,969)	(2,640)	-	(2)	(208)	(6,012)
Accumulated impairment as of December 31, 2018	(193)	(2,969)	(2,640)	-	(2)	(208)	(6,012)
Net carrying amount as of December 31, 2018	1,119	89,369	54,448	-	197	4,098	149,231

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a) General information

In addition to the restructuring operations, as of June 30, 2020, 100% of the company Oilean Telde Eólica Energy, S.L. was acquired from the Parent Company's Shareholder for an amount of 3,300 thousand of euros. The Sole Shareholder had acquired the aforementioned company from a third party during the first quarter of 2020.

Prior to the purchase by the Company from the Sole Shareholder, a call option on a number of shares representing 40% of the share capital of Oilean Telde Eólica, S.L. was acquired from a third party in order to eliminate the possibility of future dilution in the aforementioned company at the will of a third party. In this regard, as of June 22, 2020, the Group decided to acquire the aforementioned option for an amount of 300 thousand euros.

In the case of such acquisition, it is an acquisition in which there are no outputs yet (there are no goods and services provided to customers yet) and, in the absence of these, there is no substantive process either (since the transaction does not include workers with the necessary skills or experience). Thus, the transaction produced is classified as a purchase of assets to the extent that it is the acquisition of a set of assets and activities that, upon performing the aforementioned concentration test, leads to the conclusion that it is not a business combination under IFRS 3. This transaction has resulted in an addition to property, plant and equipment under construction for a total amount of 3,300 thousand euros, since the acquisition consisted of development work associated with a renewable energy facility to be built by the Group.

As of December 31, 2020, 3,707 thousand euros are recorded among the additions for the year, relating to the incorporation of a substation at the companies of Grupo Amagante Herreño, S.L., Tabaiba Solar, S.L., Violeta Palmera S,L, and Eólicos del Matorral S,L, Canutillo de Sabinosa, S.L. y Yesquera de Aluce, S.L.

The transfers received during 2020 relate to capitalized fixed assets of the three wind farms completed in such year by the Group companies Cardo de Plata, S.L., Yesquera de Aluce, S.L. and Alamillo de Doramas, S.L., as well as to the fixed assets of fourteen facilities that began to be built in 2020 and are owned by Violeta Palmera, S.L., Eólicos del Matorral, S.L., Tabaiba Solar, S.L., Bencomia de Risco, S.L. and Canutillo de Sabinosa, S.L.

Facility	Group Company Owner	Construction Company
Lomo del Moral wind farm (*)	Eólicos del Matorral, S.L.	Sole Shareholder
Arcos del Coronadero wind farm (*)	Violeta Palmera, S.L.	Sole Shareholder
SET Ampliación Llanos de la Aldea	Bejeque Rojo, S.L.	Aquis Querquennis, S.L.
La Florida 3 wind farm	Oilean Telde Eólica Energy, S.L.	Aquis Querquennis, S.L.
Juncalillo del Sur solar photovoltaic plant	Canutillo de Sabinosa, S.L.	Aquis Querquennis, S.L.
Barranco de la Grea solar photovoltaic plant	Canutillo de Sabinosa, S.L.	Aquis Querquennis, S.L.
Bocabarranco solar photovoltaic plant	Canutillo de Sabinosa, S.L.	Aquis Querquennis, S.L.
Tartaguera solar photovoltaic plant	Canutillo de Sabinosa, S.L.	Aquis Querquennis, S.L.
Corral de Espino solar photovoltaic plant	Canutillo de Sabinosa, S.L.	Aquis Querquennis, S.L.
Llanos de la Aldea I solar photovoltaic plant	Bencomia de Risco, S.L.	Aquis Querquennis, S.L.
Llanos de la Aldea II solar photovoltaic plant	Bencomia de Risco, S.L.	Aquis Querquennis, S.L.
Llanos de la Aldea III solar photovoltaic plant	Bencomia de Risco, S.L.	Aquis Querquennis, S.L.
Aldea Blanca I solar photovoltaic plant	Tabaiba Solar, S.L.	Aquis Querquennis, S.L.
Aldea Blanca II solar photovoltaic plant	Tabaiba Solar, S.L.	Aquis Querquennis, S.L.
Aldea Blanca III solar photovoltaic plant	Tabaiba Solar, S.L.	Aquis Querquennis, S.L.
Aldea Blanca IV solar photovoltaic plant	Tabaiba Solar, S.L.	Aquis Querquennis, S.L.

(\*) Assets that are scheduled to come into operation in April 2021.



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The main additions in 2020 related to Assets under construction correspond to the fixed assets used for construction of three wind farms of the companies of Grupo Cardo de Plata S.L., Yesquera de Aluce S.L. and Alamillo de Doramas S.L. as well as the additions associated with the fourteen wind farms under construction and the acquisition of the Oilean Telde Eólica Energy, S.L. described above.

The transfers recorded as of December 31, 2020 correspond mainly to the completed projects of La Caleta, Las Casillas I and El Rodeo wind farms, which entered in operation this year.

The main derecognitions in 2020 correspond to capitalized expenses from projects whose processing has been abandoned.

The main additions in 2019 under the heading Fixed Assets in progress relate to the construction of three wind farms in the Canary Islands promoted by the Group companies Cardo de Plata S.L., Yesquera de Aluce S.L., Eólicos del Matorral, S.L., Violeta Palmera, S.L. and Alamillo de Doramas S.L.

The main disposals in 2019 related to Assets under construction and advances of the group company Sociedad Eólica Punta Maeda, S.L. which generated a 534 thousand euros loss in the consolidated profit and loss account.

The main disposals in 2018 corresponded to the sale of land from the group company Hidro Soloma, S,A, whose net carrying amount amounted to 433 thousand euros, generating a profit of 29 thousand euros recorded in the consolidated profit and loss Account, as well as the sale of several land, buildings and fixed assets under construction, whose net carrying amount was 2,002 thousand euros, generating a loss of 1,461 thousand euros, recorded in the consolidated profit and loss account.

The breakdown of the accumulated impairment by subsidiary as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros)

<b>Subsidiary</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Energías del Ocosito, S.A.	2,305	2,305	-
Hidroeléctrica de Oourol, S.L.	1,743	4,672	4,672
Hidroeléctrica San Bartolomé, S.A.	-	-	208
Energías de Pontevedra, S.L.	-	-	1,132
	<b>4,048</b>	<b>6,977</b>	<b>6,012</b>

b) Fully depreciated assets

The detail of property, plant and equipment that are fully depreciated and still in use as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Technical facilities and machinery	144	122	122
Other facilities, tools and furniture	180	176	165
Other fixed assets	188	115	158
	<b>512</b>	<b>413</b>	<b>445</b>

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c) Fixed assets subject to guarantees

As of December 31, 2020, as a consequence of the bond issue (see note 15), the Group has the following property, plant and equipment subject to guarantees (in thousands of euros):

<u>Company</u>	<u>Project</u>	<u>Intangible Assets</u>	<u>Property, plant and equipment</u>	<u>Total</u>
Hidroeléctrica de Oourol, S.L.	Oourol wind farm and Xestosa hydropower plant	297	18,865	19,162
Hidroeléctrica del Giesta, S.L.	Peneda, Arnoy, Cierves and San Bartolomé hydropower plants	3,748	13,481	17,229
Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	Landro hydropower plant	554	11,550	12,104
Energías de Pontevedra, S.L.	Lalín single wind farm	367	2,651	3,018
Drago Renovables, S.L.	Llanos de la Aldea wind farm	5	28,304	28,309
Mocan Renovables, S.L.	San Bartolomé wind farm	17	9,751	9,768
Yesquera de Aluce, S.L.	El Rodeo wind farm	7	8,628	8,635
		<b>4,995</b>	<b>93,230</b>	<b>98,225</b>

As of December 31, 2019, and 2018, there are items of fixed assets subject to mortgages as a guarantee for the return of several lease and loan contracts, which are detailed below:

<u>Item</u>	<u>Leasing/loan initial amount</u>	<u>2019</u>		<u>2018</u>	
		<u>Amount pending payment</u>	<u>Net carrying amount</u>	<u>Amount pending payment</u>	<u>Net carrying amount</u>
Xestosa hydropower plant	6,610	3,960	2,454	4,331	2,552
Oourol wind farm	25,593	18,372	10,342	19,871	11,617
Landro hydropower plant	8,570	2,093	5,196	2,885	5,496
Landro hydropower plant (loan)	2,400	564	5,196	786	5,496
Lalín wind farm (loan)	4,238	-	-	1,886	1,982
	<b>47,411</b>	<b>24,989</b>	<b>23,188</b>	<b>29,759</b>	<b>27,143</b>

In 2019, the financing of the Lalín wind farm owned by the Group company Energías de Pontevedra, S.L. was cancelled. As of December 31, 2020, such guarantee was cancelled as a result of the refinancing of the debt with financial institutions (Note 15).

d) Insurance

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The Group's policy is to formalise insurance policies to cover possible risks to which its fixed assets may be subject. The Group reviews annually, or when any circumstance makes it necessary, the coverage and risks covered and establishes the amounts that should reasonably be covered for the subsequent year.

#### e) Impairment of Property, plant and equipment

The Group, in accordance with the provisions of IAS 36, follows the criterion of assessing the existence of indications of potential impairment of non-financial assets subject to amortization or depreciation, in order to verify whether the book value of such assets exceeds their recoverable value.

The Group performs an analysis to detect when any Group company shows signs of impairment. The Group considers that there is an indication of impairment if an impairment has already been recognized and/or losses are recorded in its stand-alone accounts, and also considers as an indication of impairment changes in the regulatory regime of the assets that could have an impact on their profitability or due to changes in the projections of significant cash flows.

This analysis is performed at the facility level because the Group has defined the CGU as each of the hydropower, wind and solar photovoltaic facilities.

Based on the above policy, the Group annually prepares, reviews and approves cash flow projections for each of the CGUs, which are used to prepare the Group's budget and business plan. This business plan is reviewed periodically, and at least once a year, by the Company's management and submitted to the Board of Directors for review.

The projections of each of the CGU's are used as an additional factor for review as part of the impairment indicators. However, if the CGUs do not show any indication of impairment, the Group does not calculate impairment tests for them.

At year-end 2020, 2019 and 2018, the only assets for which impairment tests have been performed were hydropower assets; however, for all renewable energy facilities, as established in the Group's policy, the existence of impairment indicators has been analysed, including the analysis of a potential regulatory change as well as the review of the cash flow projections of each CGU, projections that are constructed for the realization of the annual business plan that is approved by the Board of Directors.

In relation to hydropower facilities, the technical hypotheses of installed capacity, generation and production of the assets for 2020, 2019 and 2018 are based on advisors' technical reports. The equivalent net production hours are in line with the historical production reports recorded for the correspondent assets and the asset targeting estimates used are contained in the technical report prepared by a technical advisor. Regarding these assets in Spain, calculation of regulatory income has been made based on the commissioning date of each asset and their applicable regulation and the income estimates derived from market sales are based on the unitary prices curve established by technical advisors. At the end of 2020, such estimates were updated with the scenario following the Covid-19 pandemic outbreak.

For the hydropower asset in Guatemala, the business plan includes the assumption of generation according to recorded historical productions, the PPA contracts conditions for the sale of energy to third parties and the sale of the remaining production at market price, projected from the 2020 price which is indexed to inflation for each year.

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The operating expenses from hydropower facilities have been projected according to contracts with suppliers updated with long-term CPI estimates of 1.8% for Spain and 4.3% for Guatemala. Depreciation is projected according to the useful life of the assets of each facility and for each of the geographies, local applicable tax is considered for each facility, which implies a 25% corporation tax rate for Spain and Guatemala, considering the 10 years tax applicable to the hydropower plant in Guatemala.

For each of the hydropower assets, we consider the flows generated until the expiry of their correspondent concession arrangement.

Facility	Owner group company	Country	Region	Concession expiry
San Bartolomé hydropower plant (1.2 MW)	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	09/01/2025
Cierves hydropower plant (5 MW)	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	09/08/2045
Peneda hydropower plant (10 MW)	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	07/07/2041
Arnoya hydropower plant (10 MW)	Hidroeléctrica del Giesta, S.L.	Spain	Galicia	07/01/2042
Landro hydropower plant (9.2 MW)	Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	Spain	Galicia	18/07/2048
Xestosa hydropower plant (2.9 MW)	Hidroeléctrica de Oourol, S.L.	Spain	Galicia	06/08/2058
Las Fuentes II hydropower plant (14,2 MW)	Energías del Ocosito, S.A.	Guatemala	Retalhuleu	02/10/2061

The Weighted Average Cost of Capital (WACC) or WACC used for discounting flows is 5.1% (6.3% for 2019 and 2018) for hydropower assets in Spain and 7.0% (7.8% for 2019 and 8.6% for 2018) for hydropower assets of Guatemala.

During the year 2020, the WACC rate used by the Group was lower, mainly as a consequence of the variation in interest rates and the downward variation of the country risk associated with the assets where the Group's facilities are located.

For the validation of the 2020 results, an independent expert was hired to review the impairment tests performed on the Group's main assets. The expert was PricewaterhouseCoopers, which issued its report dated February 11, 2021.

Additionally, as required by IAS 36, a sensitivity analysis has been performed on the main variables included in the impairment tests, the main ones being the energy sales price curve and the WACC. Specifically, the following sensitivities have been performed:

- In the case of the price curve, the impairment tests have been sensitized assuming upward and downward variations of 5% of the energy sales price, keeping all the other variables constant.

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- In the case of the WACC, sensitivities have been performed using rates in the range of 4% and 8%, depending on the type of asset and the country in which it is located.

The following has come to light as a result of the aforementioned impairment tests:

As of December 31, 2020, the Group recorded the reversal of the impairment provided in previous years on the assets of the CGU of the Xestosa Hydropower Power Plant, owned by Grupo Hidroeléctrica de Oroul, S.L. for a value of 2,929 thousand euros, recorded under the heading Impairment and income from disposal of fixed assets in the consolidated profit and loss account. The reversal of the impairment has revealed improvements in the outlook for production and in the future price curve of energy. Specifically, the estimated production has increased with respect to the estimate made in the previous year by 0.3% and the energy price curve by 9.2%. If the upper and lower ranges of the sensitivity analysis related to the WACC had been applied, the value of the asset would have been:

- Applying the upper range (6%), the recoverable amount of the asset would be lower by 640 thousand euros.
- Applying the lower range (4%), the recoverable amount of the asset would be higher by 941 thousand euros.

No reversal of the impairment registered for the year 2019 on the assets of the CGU corresponding to Las Fuentes II Hydropower plant, amounting to 2,305 thousand euros has been applied and registered as other reserves as it was an impairment not recorded in the previous year. If the upper and lower ranges of the sensitivity analysis related to the WACC described above had been applied, the value of the asset would have been:

- Applying the upper range (8%), the recoverable amount of the asset would be lower by 4,363 thousand euros.
- Applying the lower range (6%), the recoverable amount of the asset would be higher by 5,437 thousand euros.

As of December 31, 2019, the Group reversed the impairment derived from the Energías de Pontevedra assets for an amount of 1,132 thousand euros, recording them under the "Impairment and income from disposal of fixed assets" in the consolidated profit and loss account.

Due to improvements in cash flow projection estimates as a result of:

- improvements in the forward energy price curve,
- improved investment returns and
- improved production prospects

During the year 2018, there was no impairment or reversal of impairment of assets corresponding to property, plant and equipment.

In the rest of the companies for which impairment and sensitivity analyses have been performed, there is enough clearance for the recoverable value of the asset to be higher than the carrying amount.

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### (7) Business combinations with the Sole Shareholder

As described in Note 1, during the year 2020 and after the incorporation of the Company, the following transactions between group companies were carried out as part of the restructuring operation.

#### a) Capital increase of Grupo Ecoener, S.A.U. through a non-monetary contribution.

On June 12, 2020, the Sole Shareholder of the Parent Company carried out a capital increase for Grupo Ecoener, S.A.U. amounting to 500 thousand euros through the creation of 5,000 new shares with a nominal value of 100 euros each. The share capital increase also included a share premium of 950 euros per share, which fully amounted to 4,750 thousand euros.

The capital increase was fully subscribed by the Sole Shareholder by means of a non-monetary contribution of the following shares owned by itself: Energías de Pontevedra, S.L., Energías de Forcarei, S.L., Ecoener Inversiones de Centroamérica, S.A., Hidroeléctrica del Giesta, S.L., Ecoener Ingeniería, S.L., Sociedad Eólica Punta Maeda, S.L., Chajorra de Aluce, S.L., Amagante Herreño, S.L., Dama de Bandama, S.L., Conservilla Majorrera, S.L., Picocernícalo, S.L., Mosquera de Tamadaba, S.L., Colino Majorero, S.L., Yesquera de Aluce, S.L., Cresta de Gallo, S.L., Canutillo de Sabinosa, S.L., Alamillo de Doramas, S.L., Tiraventos, S.L., Hierba Muda, S.L., Magarza del Andén, S.L., Tabaiba Solar, S.L., Dragmoc, S.L., Malva del Risco, S.L., Siempreviva Gigante, S.L., Hernadera, S.L., Salvia Blanca, S.L., Siempreviva Azul, S.L., Magarza Plateada, S.L., Risoela, S.L., Helecho de Cristal, S.L., Desarrollo Energético de la Mariña, S.L., Rosalito Palmero, S.L., Bejeque Rojo, S.L., Violeta de Anaga, S.L., Drago General Partner, S.A.R.L., Ecoener Inversiones S.C.A. SICAV-RAIF, Eólicos de Ferrol, S.L., Ecoener Fotovoltaica Dominicana, S.R.L., Ecoener Inversiones Dominicana, S.R.L., Ecoener Solares Dominicana, S.R.L., Ecoener Renovables Panamá, S.A. and Ecoener Solar Panamá, S.A.

#### b) Business unit transfer from the Sole Shareholder to Grupo Ecoener, S.A.U.

On November 1, 2020, the Sole Shareholder transferred its O&M and Promotion & Development high level businesses prior to the construction phase to Grupo Ecoener, S.A.U., thereby acquiring the Group the assets and liabilities comprising these businesses together with the exclusive right to continue operating them. Therefore, employees are also transferred from Ecoener, S.L.U. to the Group by means of such contract. On the same date, the balances resulting from the transaction were written off by the Sole Shareholder of the Group.

The Parent Company's Sole Director has analysed its recording in the accounts and, specifically, its consideration as an operation under common control, since, as stated in paragraph 2 of IFRS 3 "Business Combinations", operations under common control, acquisitions and transfers of assets are not considered within the scope of the aforementioned standard.

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For this purpose, they rely on the IFRS 3 Application Guide regarding “Business Combinations of Entities under Common Control”, and more specifically, in paragraph B1 of the IFRS 3 standard, stating that “A business combination involving entities or businesses under common control is a business combination in which all of the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory”. This is the case as the Group is controlled by Ecoener, S.L.U. both before and after the reorganization. On the other hand, what is being transferred is Ecoener, S.L.U. business to the Group.

As a result, and in accordance with paragraph 10 of IAS 8 on the definition of an accounting policy for transactions, the Directors have decided to record the aforementioned contribution as the consolidated carrying amounts at which the assets and liabilities of Ecoener, S.L.U. were recorded and as if the transfer had taken place at January 1, 2018.

#### (8) Leases

IFRS 16 establishes the principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that both the lessee and the lessor provide relevant information that represents a true and fair view of such transactions. IFRS 16 provides a single accounting model for the lessee, whereby the lessee must recognize right-of-use assets and related lease liabilities for all leases, unless the lease term is 12 months or less or the underlying asset is of low value. The criteria established by IFRS 16 for the recognition of leases have been applied retrospectively on a modified retrospective basis since January 1, 2018, matching the amount of the asset to the present value of the discounted rentals, adjusting the opening balance sheet at the date of adoption.

Right of use assets are presented separately in the consolidated balance sheet. The Group is the lessee of several assets, mainly buildings, land and vehicles. Likewise, it acts as the lessee of land for the construction of wind farms and power plants and also relating to fees to be paid to the public administrations granting administrative concession arrangements for the construction and operation of hydropower plants and wind farms, mainly in Spain.

The only leases of land recorded as “right-of-use assets” are those for which the consideration is fixed. Land leases for which the consideration is a variable amount are not recognized as “right-of-use assets” in accordance with IFRS 16. Likewise, in relation to the royalties payable to the owners of the administrative concessions leased by the Group, although they meet the definition of a lease, the right of use has not been recorded because it is a variable payment (See Note 8.ii).

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The movement of the rights of use during the years 2020, 2019 and 2018 is as follows:

	<b>2020</b>	<b>2019</b>	<b>2018</b>
Cost as of January 1,	5,423	5,423	5,399
Additions	2,999	-	24
Cost as of December 31,	<u>8,422</u>	<u>5,423</u>	<u>5,423</u>
Accumulated depreciation as of January 1,	(404)	(198)	(198)
Depreciation	(268)	(206)	-
Accumulated depreciation as of December, 31	<u>(672)</u>	<u>(404)</u>	<u>(198)</u>
<b>Net carrying amount as of December 31,</b>	<b><u>7,750</u></b>	<b><u>5,019</u></b>	<b><u>5,225</u></b>

The amounts recognized in the consolidated balance sheet as right of use assets related to lease agreements in this category are as follows:

	Thousand euros		
	2020	2019	2018
Lands	7,461	4,626	4,729
Buildings	253	318	384
Vehicles	36	75	112
<b>Total</b>	<b><u>7,750</u></b>	<b><u>5,019</u></b>	<b><u>5,225</u></b>

As of December 31, 2020, the additions to right of use assets corresponded to a contract signed on July 8, 2020 by the Group company EFD Ecoener Fotovoltaica Dominicana, S.R.L. with an expiry date as of July 8, 2070, whose contractual consideration was based on a fixed amount.

As of December 31, 2020, 2019 and 2018 there are no existing commitments derived from lease contracts.

During 2020 fiscal year, the finance lease agreements were cancelled with the financing obtained from the bond issue described in Note 15.

The consideration in leasing contracts and land easements consists, for wind farms, in a variable amount calculated as a percentage of their income. The consideration in the lease contracts and land easements consists, in the cases of Llanos del Sur solar photovoltaic plant and the Las Fuentes II hydropower plant, in the amount agreed in the lease contract for each of the years that the contract remains enforceable.

The incremental weighted average interest borrowing rate applied to financial lease liabilities recognized under IFRS 16 was 2.5%, 6%, 6% and 6% for land and buildings in Spain and land in Honduras, Dominican Republic and Guatemala, respectively. In the case of movable property, 5.5% has been used for vehicles leased in Spain. Given the similar characteristics of the contracts, the same incremental interest rate has been estimated for all the applicable periods.

To calculate the average incremental borrowing interest rate for leased assets other than land and buildings, Group's management has used the implicit rate established in the contract.



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To calculate the incremental interest rate for leased assets considered land and buildings, the Group's management has used the average financing rate relating to this kind of assets as well as the area in which these assets are located on the correspondent date of signing of the contracts.

The depreciation for rights of use assets and accrued financial expenses derived from lease liabilities amounted to 268 and 35 thousand euros for the fiscal year 2020 (155 and 30 thousand euros for the fiscal year 2019 and 149 and 10 thousand euros for the fiscal year 2018, respectively). The cash flows paid for interests derived from all the contracts subject to IFRS 16 amounted to 35 thousand euros for the year 2020 and 409 thousand euros for lease payments quotas (30 and 354 thousand euros for the year 2019 and 10 and 357 thousand euros for the year 2018, respectively).

Short-term and low-value leases that have been excluded from the IFRS 16 calculation amount to 883 thousand euros at the end of 2020 (711 thousand euros in 2019 and 721 thousand euros in 2018) and are recorded in other operating expenses on the consolidated profit and loss account).

Additionally, the amount recorded in the consolidated profit and loss account as variable lease expenses amounts to 278 thousand euros as of December 31, 2020 (268 thousand euros in 2019 and 272 thousand euros in 2018).

A detail of the minimum payments from future lease liabilities of these contracts, by maturity terms, is as follows:

<b>Minimum lease payments by maturity</b>				
	Up to 1 year	Between 1-5 years	More than 5 years	Total
December 31, 2020	466	1,812	15,211	17,489
December 31, 2019	394	1,566	17,682	19,642
December 31, 2018	383	1,606	17,938	19,927

Additional information on right of use assets by asset class is provided below:

<b>As of December 31, 2020</b>	<b>Net carrying amount</b>	<b>Amortization</b>	<b>Impairment</b>
Buildings and land	7,714	231	-
Vehicles	36	37	-
<b>Total right of use assets</b>	<b>7,750</b>	<b>268</b>	<b>-</b>

<b>As of December 31, 2019</b>	<b>Net carrying amount</b>	<b>Amortization</b>	<b>Impairment</b>
Buildings and land	4,945	169	-
Vehicles	74	37	-
<b>Total right of use assets</b>	<b>5,019</b>	<b>206</b>	<b>-</b>

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As of December 31, 2018	Net carrying amount	Amortization	Impairment
Buildings and land	5,113	166	-
Vehicles	112	32	-
<b>Total right of use assets</b>	<b>5,225</b>	<b>198</b>	<b>-</b>

The characteristics of the principal right of use assets contracts are detailed below:

Name of the Lessee Company	Effective start date	End date of enforcement right	Contract nature	Object of the contract
Energías del Ocosito, S.L.	05/02/2015	05/02/2065	Land lease contract	Las Fuentes II, Hidropower plant – Fincas A/B
Energías del Ocosito, S.L.	27/02/2014	27/02/2074	Land lease contract	Las Fuentes II, Hidropower plant – Fincas la Faja
Llanos del Sur Fotovoltaica, S.A.	27/02/2014	27/02/2074	Land lease contract	HE Los Llanos del Sur 150manzanas
Llanos del Sur Fotovoltaica, S.A.	23/12/2013	23/12/2073	Land lease contract	HE Los Llanos del Sur 5 manzanas
EFD Ecoener Fotovoltaica Dominicana, S.R.L.	08/07/2020	28/02/2022	Land lease contract	Solar photovoltaic plant

*i) Leases for facilities construction*

As previously mentioned, until 2019, the Group counted with lease contracts which were cancelled during the year 2020.

As of December 31, 2019, and 2018, the detail of leases for construction of wind farms and hydropower plants was as follows:

	2019					
	Landro hydropower plant	Ourol I wind farm	Ourol II wind farm	Xestosa I hydropower plant	Xestosa II hydropower plant	Total
Original cost of the facility	8,570	22,445	3,148	3,110	3,500	40,773
Accumulated amortization	(3,374)	(12,940)	(2,311)	(837)	(889)	(20,351)
Accumulated impairment	-	-	-	(1,157)	(1,273)	(2,430)
Net carrying amount	5,196	9,505	837	1,116	1,338	17,992
Formalization date of the lease contract	27/02/2009	12/10/2011	17/08/2007	26/02/2007	02/03/2009	-
Expiry of the lease contract	27/06/2022	01/03/2028	17/10/2024	26/02/2025	02/03/2028	-
Pending payable amounts as of 31.12.2019	2,093	16,652	1,720	1,593	2,367	24,425
- Maturity in 2020	815	1,338	223	195	191	2,762
- Maturity in subsequent years	1,278	15,314	1,497	1,398	2,176	21,663
Purchase option value	82	211	30	25	28	376

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	2018					
	Central	Parque	Parque	Central	Central	Total
	Hidráulica Landro	Eólico Ourol I	Eólico Ourol II	Hidráulica Xestosa I	Hidráulica Xestosa II	
Original cost of the facility	8,570	22,445	3,148	3,110	3,500	40,773
Accumulated amortization	(3,074)	(11,858)	(2,118)	(788)	(840)	(18,678)
Accumulated impairment	-	-	-	(1,157)	(1,273)	(2,430)
Net carrying amount	5,496	10,587	1,030	1,165	1,387	19,665
Formalization date of the lease contract	27/02/2009	12/10/2011	17/08/2007	26/02/2007	02/03/2009	-
Expiry of the lease contract	27/06/2022	01/03/2028	17/10/2024	26/02/2025	02/03/2028	-
Pending payable amounts as of 31.12.2018	2,886	17,937	1,934	1,781	2,550	27,088
- Maturity in 2019	793	1,285	214	188	183	2,663
- Maturity in subsequent years	2,093	16,652	1,720	1,593	2,367	24,425
Purchase option value	82	211	30	25	28	376

The breakdown of the minimum payments as well as the present value of the lease liabilities by maturity is as follows:

	Thousand euros			
	2019		2018	
	Minimum payments	Current value	Minimum payments	Current value
Up to 1 year	3,609	2,762	3,653	2,663
Between 1 to 5 years	12,491	9,891	13,331	10,333
More than 5 years	14,017	11,684	15,699	13,993
Less current amount	(3,609)	(2,762)	(3,653)	(2,663)
Total non-current	26,508	21,575	29,030	24,326

The rights obtained by the Group derived from the sale of electricity in Ourol wind farm and in Xestosa hydropower plant were pledged as a guarantee of the obligations contained in the associated lease contracts, which, in 2020, were early amortized (See Note 24).

ii) *Royalties*

The Group recorded the cost of royalties on a straight-line basis, paid at the commencement date of land leases on which the wind farms of Drago Renovables, S.L. and Mocan Renovables, S.L. were built so that as of December 31, 2020 the amount of prepaid expenses for this concept amounts to 681 thousand euros in the long term and to 16 thousand euros in the short term (716 and 15 thousand euros as of December 31, 2019 and 712 and 11 thousand euros as of December 31, 2018, respectively) (see Note 18).

Likewise, in relation to the royalties payable to the owners of the administrative concessions leased by the Group, although they meet the definition of a lease, the right of use has not been recorded as it is a variable payment as described in IFRS 16.

(9) Risk Policy Management

The Management of the Parent Company is responsible for the establishment and supervision of the Group's risk management framework. The Board of Directors has delegated to the Management of the Parent Company the development and supervision of the Group's risk management policies. The Group's Management is committed to manage financial and operational risks and works to analyse those to which the Group is more exposed, in a way that allows the mitigation of potential uncertainties to be faced.

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The Group's risk management policies are established to identify and analyse the financial risks faced by the Group, to establish adequate risk limits and controls, and to supervise risks and compliance with such limits. Risk policies management and systems are periodically reviewed to reflect market changes and activities of the Group. The Group, through its training, management and procedures standards, aims to maintain a disciplined and constructive financial control environment in which all employees understand their roles and obligations.

The activities carried out by the Group are exposed to various financial risks: market risk (including exchange rate risk, interest rate risk and market price risk), credit risk and liquidity risk. The risk assessment is carried out on the analysis of its impact probability and its severity, which allows to control the risks and, through periodic updates, makes possible to have the capacity to act and adapt, mitigating threats that could arise from the changing and globalized environment in which the Group operates.

The Group's global risk management program focuses on the uncertainty of the financial markets and tries to minimize the potential adverse effects on the Group's financial profitability. The Group uses derivatives to hedge certain risks.

Risks are classified into operational risks and risks related to the financial situation.

### (a) Financial risks

Risk management is controlled by the Group's Central Treasury Department in accordance with policies approved. This Department identifies, assesses and hedges financial risks in close collaboration with the Group's operating units.

#### *i. Market risk*

Market risk is the risk that changes in market prices (for example, exchange rates or interest rates) will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control exposure to such risks within acceptable parameters, while optimizing profitability. To manage market risks, the Group uses derivatives and closes long-term energy sales contracts at an established price. All these transactions are carried out within the guidelines established by the Company's Management.

#### *Interest rate risk*

The Group adopts the policy of ensuring that most of its cash flows are exposed to a fixed interest rate. This is achieved in part by underwriting fixed-rate instruments and by formalizing borrowings at a variable rate and using interest rate swaps as hedges for the variability of cash flows attributable to variations in interest rates.

As the Group does not have significant remunerated assets, the income and cash flows from the Group's operating activities are mostly independent from fluctuations in market interest rates. The Group's interest rate risk arises from long-term borrowings.

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Until the cancellation in 2020 of the financing associated with certain renewable energy facilities in Spain (See Note 15), the Group managed the interest rate risk in cash flows through variable to fixed interest rate swaps for the loan granted to Drago Renovables, S.L. and Mocan Renovables, S.L. by Banco Sabadell, S.A. Following the issue of the senior mixed green bond in 2020, the interest rate risk has been mitigated as it is a financing issued at a fixed interest rate.

Therefore, income and cash flows from the Group's operating activities are mostly independent from fluctuations in market interest rates and consequently, given that the Group's indebtedness is at fixed interest rate, it was estimated that the interest rate risk was not significant as of December 31, 2020.

As of December 31, 2020, the nominal amount pending bank financing amounted to 42 million euros (119 million euros and 130 million as December 31, 2019 and 2018, respectively.) The average interest rate of these debts at the end of 2020 amounted to 3.36% (3.5% at the end of 2019 and 2018).

#### *Market price risk*

The Group is exposed to the risk that volatility of the energy market implies on its gross operating margin. The energy market is an active market, in which prices are subject to certain volatility as a result of the interaction of supply and demand. This exposes the Group to the risk of compromising its gross operating margins.

The Group signs agreements with clients to ensure the sale price of the energy sold and its gross operating margins (Power Purchase Agreements or "PPAs" and regulated remuneration schemes). These contracts allow the Group to secure the price of energy for a period. The Group's policy is that these agreements cover at least 70% of the income, being at the end of the year in a range higher than 80%.

Therefore, only those assets that are exposed to merchant remuneration schemes, mainly in the Canary Islands, are exposed to market price risk.

Below, we show the sales data and gross operating margin data for each of the years:

In thousand of euros	2020	2019	2018
Energy sale (MWh)	298,120	302,960	307,040
Average sales price (Euros/MWh)	106.16	95.57	94.46
Energy sale (€ thousand)	31,649	28,953	29,004

A change of 100 basis points in prices would have increased or decreased energy sales by 316 thousand euros (2019: 290 thousand euros; 2018: 290 thousand euros). This analysis assumes that all other variables, at foreign currency exchange rates, remain constant.

Due to the generation mix and fixed sales price established by the Group to mitigate market price risk, the pandemic caused by COVID-19 and the health and economic crisis has not had a material impact on the Group's Consolidated Annual Accounts.

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*Exchange rate risk*

The exchange rate risk arises from future commercial transactions, recognized assets and liabilities and net investments in businesses carried out in foreign countries. The Group is exposed to the risk of transactional exchange rate to the extent that the Group carries out transactions in currencies other than the functional currencies of the different subsidiaries that comprise the Group. The main functional currency of the group companies is the euro. Nonetheless, there are certain subsidiaries that operate with currencies other than the euro, especially the dollar, lempira and quetzal.

To reduce the risk inherent to investments in foreign businesses with a functional currency other than the euro, the Group tries to borrow in the same currency in which cash flows generated by the assets it finances. In addition, at the end of the years ended December 31, 2020, 2019 and 2018, the Group has a “secured portfolio” which means that it has a balanced portfolio with diversified technology and geography, as well as 100% linked to hard currencies in relation to the contracts of the different remuneration schemes, mainly the dollar. The sensitivity analysis detailed below reflects the potential impact on the Group, both in equity and in the consolidated profit and loss account, of fluctuations of five percent in the most relevant currencies compared to the functional currency of each company within the Group, based on the situation at the end of the year.

			Impact on equity					
			2020		2019		2018	
Functional currency	Country	Currency	5%	-5%	5%	-5%	5%	-5%
EUR	Guatemala	GTQ	1,114	(1,114)	1,222	(1,222)	1,094	(1,094)
EUR	Honduras	HNL	373	(373)	155	(155)	149	(149)
EUR	Dominican Republic	DOP	-	-	-	-	-	-
EUR	Panama	PAB	-	-	-	-	-	-
			Impact on profit and loss					
			2020		2019		2018	
Functional currency	Country	Currency	5%	-5%	5%	-5%	5%	-5%
EUR	Guatemala	GTQ	(18)	18	(18)	18	(222)	222
EUR	Honduras	HNL	83	(83)	85	(85)	2.335	(2.335)
EUR	Dominican Republic	DOP	(1)	1	-	-	-	-
EUR	Panama	PAB	(2)	2	-	-	-	-

The breakdown, in the main foreign currencies and in euros, of the Group's financial assets and liabilities is presented below:

Monetary units (in thousands)	Functional currency		
	Quetzal (Guatemala)	Lempira (Honduras)	Euros
Credits to third parties	10,412	276,071	9,258
Long-term debts	295,564	398,693	116,204
Short-term debts	31,331	34,218	14,556

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Monetary units (in thousands)	Euros (in thousands)		
	Quetzal (Guatemala)	Lempira (Honduras)	Total
Credits to third parties	1,068	9,190	9,258
Long-term debts	30,310	13,272	116,204
Short-term debts	3,213	1,139	14,556

The foreign exchange rates are the ones applied in the preparation of the Consolidated Annual Accounts:

	2020	2019	2018
GTQ	9.7515	8.8389	8.9581
HNL	30.0409	28.073	28.1104
DOP	71.8030	-	-
NIO	43.1667	-	-
PAB	1.2266	-	-

ii. Credit risk

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each client. However, Management of the Group also consider factors that may influence the credit risk of the Group's customer base, including the risk of default associated with the industry and the country in which clients operate.

Credit risk is the risk of financial loss for the Group if a client or counterpart of a financial instrument does not comply with its contractual obligations and arises mainly from accounts receivable from clients and investments in debt instruments.

The objective of managing this risk is to reduce, as far as possible, its impact through a preventive examination of the solvency of the Group's clients. Once the contracts are in execution, the credit quality of the pending collection amounts are periodically evaluated and the estimated recoverable amounts that are considered doubtful are reviewed.

Management has established a credit policy according to which each new client is individually analysed to determine their solvency before the standard period of credit granted by the Group to its clients.

Likewise, the Group maintains its treasury in financial institutions with a high credit rating.

For all these reasons, credit risk has historically been, including the year ended December 31, 2020, very limited. Although it is true that we have occasionally had some impairment of accounts receivable, the Group's track-record shows that credit risk is limited.

In response to the COVID-19 pandemic, management has also been conducting more frequent reviews of sales limits for customers in the most affected regions and industries. The Group limits its exposure to the credit risk of commercial accounts receivable by establishing a payment term of 30 to 90 days for individual and corporate clients respectively.

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### Expected credit loss analysis for accounts receivable from contracts with customers

The Group assigns exposure to credit risk based on the available data to predict expected loss risk (including, but not limited to, external ratings, audited financial statements, management accounts and cash flow projections and available press information on customers) and applying Management's judgment after years of experience in the industry and track-record within the Group.

Exposure within each credit risk grade are segmented by geographic region and industry. The ECL (Expected Credit Loss) rate is calculated for each segment based on the default status and experience of credit losses during the last seven years.

In its policy of balances with clients' impairment, Management establishes:

- Provision for overdue balances older than six months at the end of each fiscal year, except in justified cases through an individualized analysis of the credit's collectability; provision for overdue balances older than six months at the end of each fiscal year, except in cases justified by an individualized analysis of the credits collectability;
- Provision balances older than six months according to the average default rate calculated by country and business.

The impairment scales in 2020 have been reviewed, reflecting the real and expected impact of COVID-19 pandemic in each geographic region, although since the Group's services are classified as "essential" the impact has been limited.

Impairment losses on financial and contractual assets recognized as of December 31, 2020, 2019 and 2018 are described in Note 10.

### *iii. Liquidity risk*

Liquidity risk is the risk that the Group finds difficulties to meet obligations associated with its financial liabilities settled through the delivery of cash or another asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it has enough liquidity to meet its liabilities when they mature, without incurring unacceptable losses or risk of damage to the reputation of the Group.

The Group uses the cost of its activities to calculate the cost of its products and services, which helps monitoring cash flow requirements and optimize cash return on investments.

The Group carries out a cautious liquidity risk management, based on the maintenance of enough cash, the availability of financing through the issue of negotiable securities or available credit facilities, if necessary.



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(b) Operational risks

i. Pipeline

Year-on-year changes in the size of our pipeline or projects portfolio may have a significant impact on our results of operations. In general terms, the increase in the number of projects translates into a general increase in expenses in the Group's profit and loss account.

ii. Significant upfront investments in our projects

Accomplishing the Group's Pipeline requires to make significant upfront investments, particularly in connection with costs associated with project analysis and feasibility studies, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering and procurement of our renewable energy facilities, in addition to the personnel-hours dedicated by the Group's employees, which affect results of operations.

iii. Licenses, authorizations, concessions and permits for our projects

The Group is required to obtain various interconnection, environmental, construction and other administrative approvals in connection with its operations in the countries in which the Group's operate. Failure to comply with applicable laws, regulations or recognized international standards or to obtain or renew the necessary permits and approvals may result in the loss of the right to operate facilities or continue operations, the imposition of significant administrative liabilities or costly compliance procedures or other enforcement measures that could have the effect of closing or limiting production from the Group's operations, any of which could impair the ability to successfully compete in the industry, which could have a material adverse effect on profit and loss account.

iv. Risks related to regulatory changes

Electricity generation activity is regulated in all jurisdictions in which the Group operates. Therefore, regulation can have a direct impact on the Group's results.

The Group is subject to a variety of laws and regulations in the markets in which it operates, some of which may conflict with each other and all of which are subject to change. The Group operates in a variety of international locations, including emerging markets and markets with political uncertainties. Note 2 of the Consolidated Annual Accounts describes the most relevant regulatory framework affecting the Group.

v. Risks related to normal operations in the course of business

The operational risk in the Group's activities is concentrated in the impossibility of generating electricity, or of completing the work of a solar photovoltaic, hydropower plants or wind farms. In order to minimize these risks, the Group conducts the following measures:

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- Insurance: the vast majority of the aforementioned operational risks are capable of being insured. In this way, the Group has an insurance program, contracted with insurers of recognized solvency, to adequately cover the risks related to the development of projects, both in the construction and assembly phase and in the operation of the plants. Ecoener has worked for more than 15 years with an insurance broker that has staff with extensive experience in the renewable energy sector and has provided professional support to the Group, both in the facilities built in Spain, and internationally. The Group's insurance program covers transportation, construction or assembly risks, anticipated loss of profits, civil liability, risks of material damage, machinery breakdowns and loss of operational profits and civil liability for contamination.
- Quality process: The Group develops adequate operation and maintenance processes so that those uninsurable events of interruption in electricity generation are minimal. Likewise, the Group has a criteria for the availability of spare parts aimed at a rapid resolution of production stoppages.

vi. Risks due to customer concentration

The Group operates mainly with PPA contracts for the sale of energy or with regulated remuneration schemes which, in many cases, has a main customer as the buyer of energy and with an established energy sale price. This high concentration of customers is mitigated by the fact that the contracts are long-term and oblige the buyer to purchase energy during that period, so the loss of future business will only be in cases of the buyer's insolvency, and not by commercial decisions.

Additionally, the Group generates the remaining income by selling electricity through merchant remuneration systems, therefore by selling the energy generated to the market.

(10) Financial assets by category

a) Classification of financial assets by categories

The classification of financial assets as of December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	Financial assets at amortised cost			Financial assets at fair value with changes in the profit and loss account		
	2020	2019	2018	2020	2019	2018
Long-term investments in group companies and associates	1	-	2,469	-	-	-
Long-term financial investments	454	755	1,362	-	-	-
Trade and other receivables	5,904	6,340	9,164	-	-	-
Short-term financial investments	1,661	1,848	2,046	-	-	-
Short-term investments in group companies and associates	376	325	525	-	-	-
Cash and cash equivalents	13,681	12,684	9,013	-	-	-
Derivatives	-	-	-	-	-	49
	<b>22,077</b>	<b>21,952</b>	<b>24,579</b>	<b>-</b>	<b>-</b>	<b>49</b>

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All the Group's financial assets correspond to loans and receivables, except for an amount of 49 thousand euros in 2018 classified as a financial asset at fair value with changes in the consolidated profit and loss account, corresponding to derivatives. Financial assets classified as "Trade and other receivables" are valued at nominal value as they constitute an acceptable approximation of their fair value and do not vary significantly.

b) Net gains and losses by categories of financial assets

The amount of net gains and losses by categories of financial assets for the years ended December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	Loans and receivables			Financial assets at fair value with changes in the profit and loss account		
	2020	2019	2018	2020	2019	2018
Impairment losses	980	(3,050)	(1,477)	-	-	-
Financial expense	-	-	-	-	(333)	(340)
Loss on disposals of financial instruments	-	(438)	(48)	-	-	-
Changes in fair value of financial instruments	-	-	-	-	-	(434)
Financial income	235	620	40	-	-	-
Net income/(loss) in profit and loss	<b>1,215</b>	<b>(2,868)</b>	<b>(1,485)</b>	-	<b>(333)</b>	<b>(774)</b>
<b>Total</b>	<b>1,215</b>	<b>(2,868)</b>	<b>(1,485)</b>	-	<b>(333)</b>	<b>(774)</b>

(11) Financial investments and trade and other receivables

(a) Financial investments

The detail of financial investments as of December 31, 2020, 2019 and 2018 is as follows:

	2020		2019		2018	
	Non-current	Current	Non-current	Current	Non-current	Current
Related parties						
Equity instruments	1	-	-	-	-	-
Credits	-	376	-	325	2,469	525
Non-related parties						
Credits (Note 15)	414	249	711	142	1,270	538
Derivatives	-	-	-	-	49	-
Deposits and guarantees	40	17	44	276	43	124
Other financial assets	-	1,395	-	1,430	-	1,384
<b>Total</b>	<b>455</b>	<b>2,037</b>	<b>755</b>	<b>2,173</b>	<b>3,831</b>	<b>2,571</b>

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As of December 31, 2020, under equity instruments, 1 thousand euros is recorded, corresponding to the stake that the Parent Company has in Yerbamora, S.L., an inactive company as of December 31, 2020.

As of December 31, 2018, the heading “non-current credits” with related parties” included an amount of 2,469 thousand euros for receivables that the Group maintained with the Sole Shareholder. Likewise, as of December 31, 2020 and 2019, there were payables between the Group and the Sole Shareholder in the amount of 8,479 thousand euros and 3 thousand euros, respectively.

As of December 31, 2020, 2019 and 2018, “non-current credit” with non-related parties mainly contains the amount receivable related to a contract with Agrícola La Entrada, S.A., amounting to 400 thousand euros, 697 thousand euros and 816 thousand euros respectively.

As of December 31, 2020, 2019 and 2018, ”current credits” mainly contain the short-term part of the receivable from Agrícola La Entrada, S.A. indicated in the previous paragraph, for an amount of 240 thousand euros, 131 thousand euros and 258 thousand euros respectively.

As of December 31, 2020, in “current credits” with related parties, 376 thousand euros are recorded, corresponding to receivables related to the corporation tax of group companies with the Sole Shareholder, as it is the head of the tax group (195 thousand euros and 320 thousand euros in 2019 and 2018).

Deposits and guarantees include the bonds given to public organizations for the operation and construction of hydropower plants, solar photovoltaic plants and wind farms.

As of December 31, 2020, 2019 and 2018, the heading “current other financial assets” with non-related parties mainly includes deposits formalized by the group company Llanos del Sur Fotovoltaica, S.A. amounting to 1,353 thousand euros, 1,090 thousand euros and 1,001 thousand euros, respectively. Additionally, as of December 31, 2019 and 2018, it also includes a tax formalized by the group company Hidroeléctrica de Oural, S.L. for an amount of 340 thousand euros, which was paid during 2020.

(b) Trade and other receivables

The detail of “trade and other receivables” as of December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	2020	2019	2018
Customers for short-term sales and services	11,335	12,872	9,523
Other trade debtors	-	170	256
Other receivables	-	105	3,142
Write-downs of trade receivables	(5,390)	(6,798)	(3,672)
Expected credit loss	(41)	(9)	(85)
Other credits with tax authorities	7,799	3,462	3,555
	<b>13,703</b>	<b>9,802</b>	<b>12,719</b>

“Trade and other receivables” heading mainly includes balances receivable for the sale

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of energy in Spain, Honduras and Guatemala, as well as the incentive recognized under the solar photovoltaic facility Llanos del Sur in Honduras, amounting to 5,390 thousand euros (4,873 thousand euros in 2019 and 3,672 thousand euros in 2018).

The write-down amounts as of December 31, 2020, 2019 and 2018 corresponds to pending collection balances from a single client of the Sociedad del Grupo Llanos del Sur Fotovoltaica, S.A.

As of December 31, 2020, reversal of the impairment associated with accounts receivable from Llanos del Sur Fotovoltaica, S.A. was registered due to the collection of the pending invoices.

See the Group's policy for the recognition of trade receivable write-down (note 9).

The detail of the impairment provision for trade accounts receivable and client contract assets during the year was as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
January 1	(6,798)	(3,672)	(2,247)
Allowances	(913)	(3,126)	(1,425)
Eliminations against accounting balance	-	-	-
Reversals	1,925	-	-
Exchange differences	396	-	-
<b>December 31</b>	<b><u>(5,390)</u></b>	<b><u>(6,798)</u></b>	<b><u>(3,672)</u></b>

	<u>2020</u>	<u>2019</u>	<u>2018</u>
January 1	(9)	(85)	(33)
Allowances	(32)	-	(66)
Reversal	-	76	14
<b>December 31</b>	<b><u>(41)</u></b>	<b><u>(9)</u></b>	<b><u>(85)</u></b>

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(c) Classification by maturity

The classification of financial assets by maturity as of December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	2020							Total non-current
	Less than 1 year	2 years	3 years	4 years	5 years	Subsequent years	Less current part	
Investments in group companies and associates								
Equity instruments	-	-	-	-	-	1	-	1
Credits	376	-	-	-	-	-	(376)	-
Financial investments								
Equity instruments	-	-	-	-	-	-	-	-
Credits	249	245	169	-	-	-	(249)	414
Deposits and guarantees	17	-	-	-	-	40	(17)	40
Other financial assets	1,395	-	-	-	-	-	(1,395)	-
Trade and other receivables								
Customers for short-term sales and services	5,904	-	-	-	-	-	(5,904)	-
Other receivables	-	-	-	-	-	-	-	-
Other trade debtors	-	-	-	-	-	-	-	-
<b>Total financial assets</b>	<b>7,941</b>	<b>245</b>	<b>169</b>	<b>-</b>	<b>-</b>	<b>41</b>	<b>(7,941)</b>	<b>455</b>
	2019							
	Less than 1 year	2 years	3 years	4 years	5 years	Subsequent years	Less current part	Total non-current
Investments in group companies and associates								
Credits	325	-	-	-	-	-	(325)	-
Financial investments								
Credits	142	178	178	178	177	-	(142)	711
Deposits and guarantees	276	-	-	-	-	44	(276)	44
Other financial assets	1,430	-	-	-	-	-	(1,430)	-
Trade and other receivables								
Customers for short-term sales and services	6,065	-	-	-	-	-	(6,065)	-
Other receivables	170	-	-	-	-	-	(170)	-
Other trade debtors	105	-	-	-	-	-	(105)	-
<b>Total financial assets</b>	<b>8,513</b>	<b>178</b>	<b>178</b>	<b>178</b>	<b>177</b>	<b>44</b>	<b>(8,513)</b>	<b>755</b>

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	2018						Less current part	Total non- current
	Less than 1 year	2 years	3 years	4 years	5 years	Subsequent years		
Investments in group companies and associates								
Credits	525		-	-	-	2,469	(525)	2,469
Financial investments								
Credits	538	563	255	255	197	-	(538)	1,270
Derivatives	-	-	-	-	-	49	-	49
Deposits and guarantees	124	-	-	-	-	43	(124)	43
Other financial assets	1,384	-	-	-	-	-	(1,384)	-
Trade and other receivables								
Customers for short-term sales and services	5,766	-	-	-	-	-	(5,766)	-
Other receivables	256	-	-	-	-	-	(256)	-
Other trade debtors	3,142	-	-	-	-	-	(3,142)	-
<b>Total financial assets</b>	<b>11,735</b>	<b>563</b>	<b>255</b>	<b>255</b>	<b>197</b>	<b>2,561</b>	<b>(11,735)</b>	<b>3,831</b>

(12) Foreign currency

The Group's presentation currency is the euro. Consequently, operations in currencies other than the euro are denominated in "foreign currency" and are recorded at the exchange rates in effect on the dates of the operations.

As of December 31, 2020, 2019 and 2018, the detail of the main figures in the different foreign currencies and in euros, is as follows:

Foreign Currency - 2020 (in thousands)				
	Guatemala (Quetzals)	Honduras (Lempiras)	Dominican Republic (Dominican Peso)	Panama (Dollars)
Total assets	449,847	362,685	102,208	112
Total non-current assets	410,327	220,621	101,755	10
Net revenues	73,055	61,183	-	-
Result	(8,065)	28,680	(1,762)	(43)

	Foreign currency - 2019 (in thousands)		Foreign Currency - 2018 (in thousands)	
	Guatemala (Quetzals)	Honduras (Lempiras)	Guatemala (Quetzals)	Honduras (Lempiras)
Total assets	414,598	369,533	455,815	336,936
Total non-current assets	325,075	236,887	332,940	228,715
Net revenues	65,608	64,202	332,940	60,285
Result	1,304	25,536	(37,528)	18,303

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2020 - Euros (in thousands)				
	Guatemala (Quetzales)	Honduras (Lempiras)	República Dominicana (Peso Dominicano)	Panamá (Dólares)
Total assets	46,131	12,073	1,423	91
Non-current assets	42,078	7,344	1,417	8
Net Revenues	8,101	2,142	-	-
Result	(894)	1.004	(27)	(38)

	2019 - Euros (in thousands)		2018 - Euros (in thousands)	
	Guatemala (Quetzales)	Honduras (Lempiras)	Guatemala (Quetzales)	Honduras (Lempiras)
Total assets	46,906	13,164	51,569	11,986
Non-current assets	36,778	8,438	37,667	8,136
Net Revenues	7,465	2,308	37,884	2,122
Result	148	918	(4,270)	644

Additionally, some of the Group's foreign companies carry out part of their operations in US dollars. The portion of the magnitudes carried out in US dollars as of December 31, 2020, 2019 and 2018 is detailed below:

2020 (in thousands)				
	Guatemala	Honduras	Dominican Republic	Panama
Total assets	11,102	6,213	1,671	112
Total non-current assets	9,019	503	1,664	10
Net revenues	8,817	2,538	-	-

	2019 (in thousands)		2018 (in thousands)	
	Guatemala	Honduras	Guatemala	Honduras
Total assets	6,796	5,800	6,068	3,661
Total non-current assets	5,078	567	5,091	634
Net revenues	7,944	2,606	6,705	2,472

(13) Net Equity

The composition and movement of consolidated net equity are presented in the consolidated statement of changes in net equity.

a) Share capital

Grupo Ecoener, S.A.U. was incorporated as a public limited company in accordance with Spanish legislation on January 28, 2020, with a share capital of 60 thousand euros, represented by 600 registered shares with a nominal value of 100 euros each, fully subscribed and paid up by means of monetary contribution.



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On June 12, 2020, the Sole Shareholder carried out a capital increase for a value of 500 thousand euros by creating 5,000 new registered shares with a nominal value of 100 euros, fully subscribed and paid up as well as an issue premium of 950 euros per share, worth 4,750 thousand euros. Such capital increase was carried out throughout a non-monetary contribution (See Note 7).

As of December 31, 2020, the Share capital of the Parent Company amounts to 560 thousand euros, represented by 5,600 registered shares with a par value of 100 euros each, single series, numbered from one (1) to five one thousand six hundred (5,600), both inclusive.

All shares are of the same class and have the same rights. Likewise, there are no restrictions on the free transferability of the shares.

The Sole Shareholder of the Parent Company is the ultimate parent company of the Group.

#### b) Issue premium

This reserve is freely available.

#### c) Other reserves

The Parent Company will be required to allocate 10 percent of its net income until a reserve fund reaching, at least, 20 percent of the Share capital is constituted. This reserve, as long as it does not exceed the aforementioned limit, may only be used to offset losses if no other reserves for this purpose are available.

As of December 31, 2020, 2019 and 2018, the Group does not register any legal reserve as 2020 has been its first incorporation year.

The capitalization reserve has been allocated in accordance with articles 25 and 62 of the Corporate Tax Law, which establishes that the reserve should be allocated for the amount of the right to reduce the tax base of the tax group for the year. The right to reduce the tax base of the tax group amounts to 10% of the increase in the equity of the tax group, as defined in said articles, without in any case exceeding the amount of 10% of the positive tax base of the tax group of the tax period prior to the reduction and integration referred to in section 12 of article 11 of the Corporate Tax Law and the offsetting of negative tax bases. However, in case of insufficient tax base of the tax group to apply the reduction, the pending amounts may be applied in the tax periods that end in the two years immediately and following the closing of the tax period in which the right was generated to the reduction, together with the reduction that may correspond in said year and with the limit indicated. The reserve is unavailable and is conditional on maintaining the increase in equity of the tax group for a period of 5 years from the close of the tax period to which the reduction corresponds, except for the existence of accounting losses.

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On the other hand, in accordance with what is indicated in notes 1 and 2, Grupo Ecoener, S.A.U. has been incorporated in 2020 mainly through the non-monetary contribution of entities under common control of Ecoener, S.L.U. and subsidiaries. Nonetheless, the Company's Board of Directors has chosen to present the consolidated annual accounts for the year ended December 31, 2020 together with the comparative financial statements for the years 2019 and 2018 and, therefore, record the contribution of subsidiaries as of January 1, 2018, this coinciding with the beginning of the first reporting period.

Notwithstanding the foregoing, the amounts linked to the 2020 capital contribution were presented under the heading «Reserves» as of December 31, 2018 and 2019, subsequently being reclassified to «Share capital» and «Issue premium» in 2020 once the capital contributions were legally and effectively made.

Such increase took place during the year 2020 and led to an increase in Issue premium of 4,750 thousand euros (see Notes 1 and 7).

On the other hand, during 2020, operations for the return of contributions and dividends amounting to 9,575 thousand euros were carried out from group companies to the Sole Shareholder of Grupo Ecoener, S.A.U. (Ecoener, S.L.U.), the main ones being the following:

- On March 17, 2020, Dragmoc, S.L. agreed to distribute a dividend in the amount of 985 thousand euros.
- On 22 April and 17 June 2020, Hidroeléctrica del Giesta, S.L. agreed to distribute a dividend of EUR 787 thousand and EUR 134 thousand, respectively.
- On 22 April 2020, Energía de Pontevedra, S.L. agreed to distribute a dividend in the amount of EUR 1,105 thousand.
- Additionally, Hidroeléctrica del Giesta, S.L. and Energías de Pontevedra, S.L. returned contributions amounting to 4,407 thousand euros and 1,093 thousand euros in 2020, respectively.

Likewise, during 2020, the shareholders contributions were carried out for an amount of 375 thousand euros.

During the year 2019 the following operations, which had an impact on the reserves of Grupo Ecoener, S.A.U., were mainly carried out:

- As of June 30, 2019, Dragmoc, S.L. agreed to distribute an interim dividend for an amount of 1,138 thousand euros, as well as to distribute the entire share premium in a single payment of 500 thousand euros to Ecoener, S.L.U.
- As of June 28, 2019, Hidroeléctrica del Giesta, S.L. agreed to distribute a dividend charged to the results of the 2018 financial year amounting to 399 thousand euros to the Sole Shareholder. Likewise, as of December 20, 2019, the Company agreed to distribute an interim dividend charged to the result for the year 2019 in the amount of 1,750 thousand euros to Ecoener, S.L.U.

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- As of June 30, 2019, Ecoener Ingeniería, S.L. agreed to distribute a dividend in the amount of 244 thousand euros charged to the results of the year ended in 2018 to Ecoener, S.L.U.
- In 2019, the Group mainly recorded refunds for shareholders contributions from the Group Company Ecoener Inversiones de Centroamérica S.A. to the Sole Shareholder for an amount of 3,863 thousand euros.
- In 2019, Alamillo de Doramas, S.L., Yesquera de Aluce, S.L. and Cardo de Plata, S.L. carried out capital increases subscribed by Ecoener, S.L.U. amounting to 1,406 thousand euros, 530 thousand euros, and 606 thousand euros, respectively. Likewise, it made shareholders contributions amounting to 837 thousand euros
- In 2019, under “other movements”, the asset adjustment of Energías del Ocosito, S.A. for the amount of 2,305 charged to reserves was recorded (See Note 6).

During 2018, the following transactions were mainly carried out generating an impact on Grupo Ecoener, S.A.U.'s reserves.

- As of February 23, 2018, the Group Company Dragmoc, S.L. distributed a dividend in favor of Ecoener, S.L.U. against its unrestricted reserves (assumption premium) in the amount of 6,000 thousand euros.
- As of September 27, 2018, Sociedad Hidroeléctrica del Giesta, S.L. agrees to distribute a dividend in favor of Ecoener, S.L.U against voluntary reserves in the amount of 1,056 thousand euros and an interim dividend of the 2018 result in the amount of 442 thousand euros.
- As of October 24, 2018, the Group Company Ecoener Ingeniería, S.L. agreed to distribute a dividend against voluntary reserves of 125 thousand euros to Ecoener, S.L.U.
- During 2018, Ecoener, S.L.U. sells to Hidroeléctrica del Giesta, S.L. the Group Company Lucense de Energía Hidráulica y Eólica, S.L for an amount of 23,504 thousand euros. Said sale generated a gain on a consolidated basis of 19,998 thousand of euros. The company's directors have considered that such gain is considered as a dividend distributed to the Sole Shareholder and therefore reduce the Group's equity (see note 20).
- During the 2018 financial year, the following contributions, carried out by Ecoener, S.L.U., were made:
  - (a) Monetary contribution of 4,111 thousand euros to Ecoener Inversiones de Centroamérica S.A.
  - (b) Monetary contribution of 1,984 thousand euros to Energías de Forcarei S.L.
  - (c) Monetary contribution of 523 thousand euros to the Group Company Eólica Punta Maeda, S.L.

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d) First consolidation differences

The differences arising in the first consolidation not assigned to Goodwill have been considered, in accordance with current consolidation regulations, as reserves of the Parent Company.

e) Results attributed to the Parent Company

The distribution of the Parent Company's net income for the year 2020 that the Board of Directors will propose to the Sole Shareholder for its approval is detailed in Note 3.

f) Other shareholders' contributions

As of December 31, 2020, the Group records an amount of 73 thousand euros corresponding to the net value of assets and liabilities contributed by its Sole Shareholder through the business transfer transaction carried out on November 1, 2020 (See Note 7).

g) Exchange differences

The detail regarding exchange differences, entirely generated by the translation to euros of the financial statements of the companies located in Guatemala, Honduras, Panama, and the Dominican Republic as of December 31, 2020, 2019 and 2018, is as follows (in thousands of euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Countries			
Guatemala	136	1,170	1,038
Panama	3	-	-
Dominican Republic	2	-	-
Honduras	(497)	(353)	(382)
<b>Total exchange differences</b>	<b><u>(356)</u></b>	<b><u>817</u></b>	<b><u>656</u></b>

h) Non-controlling interests

The detail and movements from non-controlling interests as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Opening balance as of January 1,	8,033	8,770	9,539
Net income allocation	2,311	527	(214)
Dividends	(1,514)	(512)	(94)
Shareholders' contribution			60
Changes in ownership	-	-	(351)
Other movements	142	(752)	(170)
<b>Balance as of December 31,</b>	<b><u>8,972</u></b>	<b><u>8,033</u></b>	<b><u>8,770</u></b>

As of December 31, 2020, the payment of dividends to the non-controlling interests of Drago Renovables, S.L., Mocan Renovables, S.L., and Llanos del Sur Fotovoltaica, S.A. is recorded amounting to of 698 thousand euros, 434 thousand euros and 382 thousand euros.

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During 2019, Mocan Renovables, S.L. and Drago Renovables, S.L. distributed dividends charged to results. Consequently, 268 thousand euros and 244 thousand euros were distributed to minority shareholders.

During the year 2018 a negative entry was originated for an amount of 351 thousand euros due to the variation in the ownership percentage in the Group Companies Sociedad Lucense de Energía Hidráulica y Eólica, S.L., due to the acquisition of the 10% ownership appertaining to non-controlling interests until that moment.

The heading “Other movements” mainly includes, as of December 31, 2019, the impact on reserves of the recognition of the impairment of fixed assets of the Group Company Energías del Ocosito for an amount of 555 thousand euros (see Note 6).

The detail by company of the balance of non-controlling interests as of December 31, 2020, 2019 and 2018 is shown below (in thousand euros):

	2020	2019	2018
Hidroeléctrica de Oourol, S.L.	729	649	540
Hidro Quetzal, S.A.	2,054	2,054	2,054
Inversiones Renovables Guatemaltecas, S.A.	-	-	36
Ecoener Ingeniería, S.A.	49	43	30
Hidroeléctrica San Bartolomé, S.A.	-	-	2
Energías del Ocosito, S.A.	445	445	1,095
Energías de Forcarei, S.L.	44	45	46
Llanos del Sur Fotovoltaica, S.A.	2,193	1,439	1,335
Conservilla Majorera, S.L.	(5)	(4)	(4)
Cresta de Gallo, S.L.	(3)	-	1
Mosquera de Tamadaba, S.L.	(5)	(4)	(4)
Ecoener Ingeniería Honduras, S.A.	3	2	2
Drago Renovables, S.L.	1,902	1,982	2,282
Mocan Renovables, S.L.	1,566	1,382	1,355
<b>Total non-controlling interest</b>	<b>8,972</b>	<b>8,033</b>	<b>8,770</b>

Non-controlling companies have the usual protection rights, mainly in terms of investment, divestment and financing restrictions. There are no significant restrictions or relevant substantive rights that limit the Group's ability to access dividends.

The subsidiaries with the most significant non-controlling interests are Llanos del Sur Fotovoltaica, S.A., Hidro Quetzal, S.A.; Drago Renovables, S.L. and Mocan Renovables, S.L. The detail of the assets and liabilities at the end of the financial years 2020, 2019 and 2018 is as follows (in thousands of euros):

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<b>Concept</b>	<b>Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2020</b>	<b>Hidro Quetzal, S.A Amount as of December 31, 2020</b>	<b>Drago Renovables, S.L. Amount as of December 31, 2020</b>	<b>Mocan Renovables, S.L.. Amount as of December 31, 2020</b>
Non-current assets	14,646	15	30,547	12,168
Current assets	9,190	8,407	3,446	1,460
Non-current liabilities	13,272	-	25,363	9,232
Current liabilities	1,147	-	2,399	1,111
Net equity	9,417	8,422	6,231	3,285

<b>Concept</b>	<b>Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2019</b>	<b>Hidro Quetzal, S.A Amount as of December 31, 2019</b>	<b>Drago Renovables, S.L. Amount as of December 31, 2019</b>	<b>Mocan Renovables, S.L.. Amount as of December 31, 2019</b>
Non-current assets	15,873	16	29,715	11,229
Current assets	9,333	9,277	4,815	2,765
Non-current liabilities	14,582	-	24,715	9,024
Current liabilities	1,451	-	2,080	878
Net equity	9,173	9,293	7,736	4,091

<b>Concept</b>	<b>Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2018</b>	<b>Hidro Quetzal, S.A Amount as of December 31, 2018</b>	<b>Drago Renovables, S.L. Amount as of December 31, 2018</b>	<b>Mocan Renovables, S.L.. Amount as of December 31, 2018</b>
Non-current assets	16,922	16	30,976	11,712
Current assets	6,962	9,153	3,951	2,422
Non-current liabilities	15,328	-	25,010	9,085
Current liabilities	1,103	-	1,971	851
Net equity	7,453	9,169	7,945	4,198

At the end of the years ended December 31, 2020, 2019 and 2018, the detail of the main captions of the statements of profit and loss of the aforementioned subsidiaries with significant minority interests is as follows (in thousands of euros):

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Concept	Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2020	Hidro Quetzal, S.A Amount as of December 31, 2020	Drago Renovables, S.L. Amount as of December 31, 2020	Mocan Renovables, S.L.. Amount as of December 31, 2020
Net Revenues	4,283	-	4,778	2,926
Operating Income	2,538	-	2,388	1,266
Net financial loss	(838)	-	(2,101)	(840)
Net income/(loss) from continued operations	1,700	-	346	483
Net income/(loss) attributed to the Parent Company	1,636	-	651	523

Concept	Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2019	Hidro Quetzal, S.A Amount as of December 31, 2019	Drago Renovables, S.L. Amount as of December 31, 2019	Mocan Renovables, S.L.. Amount as of December 31, 2019
Net Revenues	4,621	-	5,148	2,536
Operating Income	2,983	-	2,884	1,594
Net financial loss	(1,807)	-	(1,802)	(681)
Net income/(loss) from continued operations	1,176	-	1,001	933
Net income/(loss) attributed to the Parent Company	(1,619)	-	1,133	2,810

Concept	Llanos del Sur Fotovoltaica, S.A. Amount as of December 31, 2018	Hidro Quetzal, S.A Amount as of December 31, 2018	Drago Renovables, S.L. Amount as of December 31, 2018	Mocan Renovables, S.L.. Amount as of December 31, 2018
Net Revenues	4,243	-	4,669	2,283
Operating Income	2,761	-	2,567	1,453
Net financial loss	(1,566)	-	(1,152)	(435)
Net income/(loss) from continued operations	1,195	-	1,207	1,073
Net income/(loss) attributed to the Parent Company	874	-	1,384	1,011

(14) Long-term provisions

The breakdown of the provisions as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	2020	2019	2018
Tax provision	414	370	247
Dismantling provision	942	311	226
<b>Ending balance as of December 31,</b>	<b>1,356</b>	<b>681</b>	<b>473</b>

The tax provision covers the possible disbursements that may arise from corporate income tax inspection procedures carried out by tax authorities to the group companies Hidroeléctrica de Oroul, S.L. and Energía de Pontevedra, S.L. (see Note 19).

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As of December 31, 2020, the Group recorded as dismantling provision an amount of €876 thousand euros associated with the wind farms built in Canary Islands (311 thousand euros in 2019 and 71 thousand euros in 2018).

The provisions were constituted by increasing the value of the facilities. For its calculation, the Group performed a detailed technical analysis estimating the average cost of dismantling per installed MW in 14 thousand euros.

In accordance with applicable legislation, these companies must compulsorily restore the lands on which the wind farms operate to their original conditions once operation useful life is concluded. Dismantling is scheduled to take place between fiscal years 2040 and 2045 depending on each individual wind farms useful life.

During the year 2020, additional financial expenses were recorded due to updates in provisions for a total amount of 5 thousand euros (6 thousand euros during the year 2019 and 6 thousand euros during the year 2018), recorded as Financial expenses on the consolidated profit and loss account.

(15) Short and Long-term debts and Trade and other accounts payable

(a) Classification of financial liabilities by category

The entire amounts of the Group's Short and Long-term debts correspond to financial liabilities at amortized cost, except for derivatives, which are liabilities accounted for at fair value with changes in profit and loss account.

Short and Long-term debts considered as “Debt with financial institutions” are valued at nominal value as they constitute an acceptable approach to their fair value and do not vary significantly, except for debt with financial institutions valued at amortized cost.

(b) Short and Long-term debts

	<b>2020</b>	
	<u>Non-current</u>	<u>Current</u>
Related parties		
Debt with related parties (Note 20)	8,479	834
Third parties		
Debts and accounts payable		
Obligations and other marketable securities	116,096	6,382
Debts with financial institutions	39,947	3,184
Lease liabilities (Note 8)	6,724	392
Derivatives	-	1,554
Other financial liabilities	14,272	6,787
<b>Total debts</b>	<b><u>185,518</u></b>	<b><u>19,133</u></b>



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	<b>2019</b>	
	<u>Non-current</u>	<u>Current</u>
Related parties		
Debt with related parties (Note 20)	3	-
Third parties		
Debits and accounts payable		
Debts with financial institutions	116,478	10,010
Lease liabilities (Note 8)	26,272	3,104
Derivatives	1,317	-
Other financial liabilities	9,374	439
<b>Total debts</b>	<b><u>153,444</u></b>	<b><u>13,553</u></b>
	<b>2018</b>	
	<u>Non-current</u>	<u>Current</u>
Related parties		
Debt with related parties (Note 20)	-	67
Third parties		
Debits and accounts payable		
Debts with financial institutions	120,472	9,239
Lease liabilities (Note 8)	29,267	3,014
Other financial liabilities	2,377	1,128
<b>Total debts</b>	<b><u>152,116</u></b>	<b><u>13,448</u></b>

**Debts with related parties**

As of December 31, 2020, the Parent Company registered an account payable with its Sole Shareholder amounting to 8,479 thousand euros. The interest rate on debts with related parties is 1.75% (the amount payable as of December 31, 2019 amounted to 3 thousand euros and nil for 2018). The interest rate applicable in each year is the result of increasing the one-year Euribor in force on the last day of the previous year by two percentage points.

**Obligations and other marketable securities**

On September 10, 2020, Ecoener Emisiones, S.A.U., a company fully owned by Grupo Ecoener, S.A.U., issued a €130 million non-recourse senior debt consisting of two green bond classes listed on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange with the following main characteristics:

- i. Class 1: These bonds account with a nominal value of 39,000 thousand euros bearing a 2.35% interest rate due December 31, 2040.
- ii. Class 2: These bonds account with a nominal value of 91,000 thousand euros bearing a 2.35% interest rate due December 31, 2040.

The principal amortization and interest payment are scheduled on a semi-annual basis with repayment dates on June 30 and December 31 during the term of the bond. The first payment was made on December 31, 2020 for an amount of 5,498 thousand euros.

The bond was fully subscribed by entities acting as vehicles for the investment groups Schroders, Aviva and Manulife.

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Part of the raised capital by Ecoener Emisiones, S.A.U. has been used simultaneously to entirely redeem the indebtedness from different subsidiaries of the Group.

The detail of costs assumed by these companies for the early redemption of such debt as of December 31, 2020, recorded in Financial expenses as Debts with third parties, is as follows (in thousand euros):

Hidroeléctrica del Giesta, S.L.	221
Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	43
Hidroeléctrica de Oulol, S.L.	627
Dragmoc, S.L.	1,390
Drago Renovables, S.L.	236
Mocan Renovables, S.L.	89
<b>Total</b>	<b>2,606</b>

Additionally, part of the capital raised by Ecoener Emisiones, S.A.U. has been destined to early cancel the interest rate swap contracts associated with the financing with Banco Sabadell, S.A. from Drago Renovables, S.L and Mocan Renovables, S.L., amounting to an expense of 944 thousand euros and 355 thousand euros, respectively, recorded in the as Changes in fair value of financial instruments. The outstanding amount was mainly used for the payment of bond issue costs and cancellation of intra-group debts. Additionally, cash and cash equivalents include certain amounts of restricted cash related to restrictions included in green bond, which contains a debt services reserve account and maintenance reserve account by 8,016 thousand euros and 1,000 thousand euros, respectively.

Additionally, the Group provides the following guarantees to ensure the return of the bonds issued:

1. The following group companies: Hidroeléctrica del Giesta, S.L., Energías de Pontevedra, S.L., Hidroeléctrica de Oulol, S.L. Sociedad Lucense de Energía Hidráulica y Eólica, S.L., Drago Renovables, S.L., Mocan Renovables, S.L. y Yesquera de Aluce, S.L., have signed a promissory mortgage guarantee on the assets of the operating plants. Additionally, they pledge regarding certain credit rights and bank accounts have been signed.
2. Ecoener Emisiones, S.A.U., has signed a real guarantee on all the shares under its ownership.
3. The Parent Company of the Group has signed a real guarantee on the shares held by the company Ecoener Emisiones, S.A.U.

The nominal amounts and maturities of the two classes of bonds issued by Ecoener Emisiones, S.A.U., are the following (thousands of euros):

	2020	2021	2022	2023	2024	Subsequent years	Total
Class A1	1,650	1,977	1,926	2,472	2,796	28,179	<b>39,000</b>
Class A2	3,849	4,613	4,494	5,768	6,524	65,752	<b>91,000</b>
<b>Total</b>	<b>5,499</b>	<b>6,590</b>	<b>6,420</b>	<b>8,240</b>	<b>9,320</b>	<b>93,931</b>	<b>130,000</b>

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The nominal maturities for both classes of bonds are subject to compliance by the Group with a series of financial and non-financial covenants as detailed in the bond issuance agreement. Specifically, these bonds will early mature in the event of not maintaining the debt service coverage ratio and the project life coverage ratio within certain levels set in the Trust Deed for the issued bonds.

In particular, the Obligors shall ensure on each payment date (semi-annually), the Group will be reviewed to ensure that they exceed the following ratios at all times:

- a) The Historic Debt Service Coverage Ratio, referred to as the "Historic DSCR", must be at least 1.05x. The Historic Debt Service Coverage Ratio shall be calculated on each payment date as the ratio of the net flows for the finalized calculation period to which the ratio relates to the debt service serviced in such period.
- b) The expected debt service coverage ratio, referred to as "Projected DSCR", must be at least 1.05x. The expected debt service coverage ratio will be calculated at each payment date as the quotient between the net cash flows for the calculation period beginning after the payment date to which the ratio refers, considering certain production and sales price assumptions already defined, and the debt service to be serviced during such period.
- c) The project life coverage ratio, referred to as the "PLCR, Project Life Cover Ratio", must be at least 1.10x. The project life coverage ratio will be calculated at each payment date as the aggregate of the net present value of the expected net cash flows between the payment date and the end of the useful life of each of the generation facilities included in the perimeter of the bond, plus the sum of the available balances, divided by the outstanding principal amount of the bond.

Verification of compliance with the established ratios will be carried out on each payment date of the bond schedule, using the financial model developed as the basis for the issuance of the green bond.

The Group complies with its correspondent covenants as of December 31, 2020 and as of the date of preparation of the Consolidated Annual Accounts.

Under the provisions of the Bond, if a direct or indirect change of control occurs at Group level, the bondholders may exercise an option that would require the bond issuer to reimburse or even repurchase or seek to repurchase the entirety or part of the issued bond. Additionally, in the event of a change of control (that is, the pre-offering sole shareholder ceasing to directly or indirectly own at least 51% of the shares), each bondholder will have the option to require the bond issuer to reimburse or even repurchase or seek to repurchase the entirety or part of the issued bond.

The Group complies with its correspondent covenants as of December 31, 2020 and as of the date of preparation of the Consolidated Annual Accounts.

Additionally, the Group maintains a series of commitments, such as the constitution of guarantees on certain critical assets, the sale of certain critical assets or the performance of certain corporate restructuring operations, among others, which in the event of non-fulfilment could lead to their early maturity (See note 6). The Groups' management estimate that none of the ratios will be breached, therefore classifying such debt in accordance to the previously scheduled maturities.

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The accrued coupon payment for the issued bond as of December 31, 2020 amount to 5,498 thousand euros of principal and 936 thousand of interests.

Due to the market interest rate environment, the fair value of the bonds does not differ substantially from their book value.

#### **Debt with financial institutions**

As a result of the issue of the two classes of the green bond listed in the Open Market (Freiverkehr) of the Frankfurt Stock Exchange, for an amount of 130 million euros, on September 10, 2020, as described above, the amount registered as Debt with financial institutions was derecognized, from 78,071 thousand euros to 77,341 thousand euros at the end of 2019 and 2018.

On May 23, 2018, Llanos del Sur Fotovoltaica, S.A. formalized a loan with Banco Atlantida for an amount of 19,493 thousand dollars with the maturity date settled on December 16, 2028. The loan was formalized with a 7.30% interest rate. The proceeds obtained were used to cancel the loan established in lempiras that was formalized in 2016. The accounting treatment of the aforementioned cancellation was not considered as a substantial modification of the financial debt under IFRS 9. The accounting treatment of the aforementioned cancellation was not considered as a refinancing since the new contract was granted by a financial entity other than the initial grantor.

As of December 31, 2020, 2019 and 2018, Llanos del Sur Fotovoltaica, S.A. presented an outstanding balance for these contracts amounting to 16,588 thousand dollars, 17,477 thousand dollars and 18,146 thousand dollars, respectively. The balance due as of December 31, 2020, 2019 and 2018 amounted to 13,421 thousand euros, 15,548 thousand euros and 16,137 thousand euros, respectively.

On July 23, 2014, Energías del Ocosito, S.A. signed a loan with Banrural for an amount of 35,056 thousand dollars. Such loans' maturity date was established at July 23, 2031 and was formalized with an 7% interest rate. On March 2, 2016, the loan was extended for an amount of 4,323 thousand dollars, reaching 39,379 thousand dollars, also extending its maturity until September 23, 2032. On November 6, 2020, a new loan was signed for an amount of 37,090 thousand dollars, maturing in 2040, using the corresponding proceeds to cancel the existing loan with Banrural. As of the closing date of the fiscal year, the aforementioned loan is pending formalization.

As of December 31, 2020, 2019 and 2018, the outstanding balance amounted to 37,090 thousand dollars, 36,229 thousand dollars and 38,142 thousand dollars, respectively. The outstanding balance in euros at the end of 2020, 2019 and 2018 amounted to 28,769 thousand euros, 32,007 thousand euros and 33,307 thousand euros, respectively.

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**Derivatives**

On October 8, 2020, the group companies Drago Renovables, S.L., Mocan Renovables, S.L., Energías de Pontevedra, S.L., Hidroeléctrica del Giesta, S.L., Hidroeléctrica de Oourol, S.L. Sociedad Lucense de Energía Hidráulica y Eólica, S.L., Cardo de Plata, S.L., Yesquera de Aluce, S.L. y Alamillo de Doramas, S.L. signed an agreement with Axpo Iberia, S.L. to ensure the sale price of all the energy produced during the financial year 2021. The contract establishes a price range per MWh produced, so that the Group ensures receiving in any case a value per MWh always among such established range regardless of the price of electricity in the daily and intraday market. The contract establishes monthly payments on account, the expense will be recorded in the external services caption of the profit and loss account.

As of December 31, 2020, the Group records a balance due amounting to 1,554 thousand euros from the valuation adjustments of the derivative charged as Changes in the fair value of financial instruments in the consolidated profit and loss account (Note 10).

As of December 31, 2019, the Group recorded an amount of 1,317 thousand euros (49 thousand euros debtor balance as of December 31, 2018) for the valuation of the interest rate swap cancelled during the year 2020 (Note 10).

**Other financial liabilities**

Other financial liabilities mainly a debt formalized in the Ecoener Inversiones, S.C.A., SICAV-RAIF for 12,650 thousand euros (7,375 thousand euros as of December 31, 2019 and zero as of December 31, 2018). This debt is made up of two tranches of 5,150 thousand euros and 7,500 thousand euros, maturing on December 31, 2025 and September 17, 2025, respectively; and both accrue an interest rate of 1%. Additionally, Other financial liabilities mainly register, as of December 31, 2020, an amount of 1,622 thousand euros (1,977 thousand euros as of December 31, 2019 and 2,168 thousand euros as of December 31, 2018, respectively) corresponding to a long-term debt with Hidroeléctrica Tres Ríos, S.A. for the assignment of contracts relating to energy supply generated for users of the final distribution service, an agreement that was formalized in 2016.

All financial debt accrues market interest rates.

- Net gains and losses by categories of financial liabilities

The amount of net gains and losses by categories of financial liabilities is as follows (in thousands of euros).

	Debts and payable items			Financial liabilities at fair value with changes in profit and loss account		
	2020	2019	2018	2020	2019	2018
Financial expenses at amortized cost	10,299	6,052	7,324	-	-	-
Variation in fair value of financial instruments	-	-	-	(2,281)	(1,367)	-
Other	-	70	98	-	-	-
Net profit / (loss) in profit and loss account	<b>10,299</b>	<b>6,122</b>	<b>7,422</b>	<b>(2,281)</b>	<b>(1,367)</b>	<b>-</b>

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(c) Classification by maturity

The classification of financial liabilities by maturity, as of December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	2020							
	Less than one year	Two years	Three years	Four years	Five years	Subsequent years	Less current amount	Total non-current
Debts								
Obligations and other marketable securities	6,382	6,221	8,050	9,143	9,080	83,602	(6,382)	116,096
Debts with related parties	834	8,479	-	-	-	-	(834)	8,479
Debts with financial institutions	3,184	710	2,332	2,485	2,633	31,787	(3,184)	39,947
Lease liabilities	392	384	373	346	309	5,312	(392)	6,724
Derivatives	1,554	-	-	-	-	-	(1,554)	-
Other financial liabilities	6,787	-	-	1,622	7,500	5,150	(6,787)	14,272
Trade and other accounts payable								
Suppliers	4	-	-	-	-	-	(4)	-
Wages payable	9	-	-	-	-	-	(9)	-
Other trade payables	3,729	163	-	-	-	-	(3,729)	163
<b>Total financial liabilities</b>	<b>22,875</b>	<b>15,957</b>	<b>10,755</b>	<b>13,596</b>	<b>19,522</b>	<b>125,851</b>	<b>(22,875)</b>	<b>185,681</b>
	2019							
	Less than one year	Two years	Three years	Four years	Five years	Subsequent years	Less current amount	Total non-current
Related parties								
Debt with related parties	-	-	-	-	-	-	3	3
Debts								
Debts with financial institutions	10,010	11,649	8,748	8,983	16,519	70,579	(10,010)	116,478
Lease liabilities	3,104	3,158	2,824	2,444	2,478	15,368	(3,104)	26,272
Derivatives	-	-	-	-	-	1,317	-	1,317
Other financial liabilities	439	210	210	210	210	8,534	(439)	9,374
Trade and other accounts payable								
Suppliers	2	399	367	367	367	1,903	(2)	3,403
Wages payable	11	-	-	-	-	-	(11)	-
Other trade payables	2,176	-	-	-	-	-	(2,176)	-
<b>Total financial liabilities</b>	<b>15,742</b>	<b>15,416</b>	<b>12,149</b>	<b>12,004</b>	<b>19,574</b>	<b>97,704</b>	<b>(15,742)</b>	<b>156,847</b>

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	2018							Less current amount	Total non- current
	Less than one year	Two years	Three years	Four years	Five years	Subsequent years			
Related parties									
Debt with related parties	67	-	-	-	-	-	(67)	-	
Debts									
Debts with financial institutions	9,239	8,222	8,482	8,669	8,944	86,155	(9,239)	120,472	
Lease liabilities	3,014	3,008	3,069	2,711	2,317	18,162	(3,014)	29,267	
Other financial liabilities	1,128	398	190	190	190	1,409	(1,128)	2,377	
Trade and other accounts payable									
Suppliers	-	242	242	220	220	1,401	-	2,325	
Other trade payables	4,032	-	-	-	-	-	(4,032)	-	
<b>Total financial liabilities</b>	<b>17,480</b>	<b>11,870</b>	<b>11,983</b>	<b>11,790</b>	<b>11,671</b>	<b>107,127</b>	<b>(17,480)</b>	<b>154,441</b>	

(d) Trade and other accounts payable

The detail of Trade and other accounts payable as of December 31, 2020, 2019 and 2018, is as follows (in thousand euros):

	2020	2019	2018
Third parties			
Non-current accounts payable	163	3,403	2,325
Short-term suppliers	4	2	-
Other trade payables	3,729	2,176	4,032
Wages payable	9	11	-
Other debts with tax authorities	943	863	595
Total	<b>4,848</b>	<b>6,455</b>	<b>6,952</b>

As of December 31, 2020, 2019 and 2018, Non-current accounts payable amounted to 163 thousand euros, 3,403 thousand euros and 2,325 thousand euros, respectively. The deviations adjustment in the market prices for the years 2020, 2019 and 2018 whose compensation occurred during the immediately subsequent regulatory semi-period after the one in which they were registered and during the rest of the regulatory useful life of the wind farms and hydropower plants operated by the Group, as well as the debtor balance amount to be offset in the long term and corresponding to the 2014-2016 regulatory semi-period 2014-2016 (Note 4.m.i).

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(16) Grants

The movement in non-refundable capital grants received as of December 31, 2020, 2019 and 2018 is as follows:

	2020	2019	2018
<b>Balance as of January 1</b>	<b>3,618</b>	-	-
Additions for the year:			
Feder-Eolcan La Caleta	1	879	-
Feder-Eolcan Lomo del Moral	-	747	-
Feder-Eolcan Las Casillas 1	-	719	-
Feder-Eolcan Arcos del Coro	-	677	-
Feder-Eolcan El Rodeo	-	596	-
Transfer to the Consolidated Profit and Loss Account:			
Feder-Eolcan El Rodeo	(2)	-	-
Feder-Eolcan La Caleta	(10)	-	-
<b>Balance as of December 31</b>	<b>3,607</b>	<b>3,618</b>	-

Grants received from the Institute for Energy Diversification and Saving (Instituto para la Diversificación y Ahorro de la Energía or “IDAE”) recognized during 2019, are intended to finance the construction of five wind farms in Gran Canaria (Spain), which are expected to be fully completed in 2021, although the first wind farms came into operation in 2020.

There were no unfulfilled conditions or other contingencies related to grants at the date of preparation of these consolidated annual accounts.

(17) Information on the average payment period to suppliers.

In accordance with the second final provision of Law 31/2014, of December 3, amending the third additional provision of Law 15/2010, of July 5, amending Law 3/2004, of December 29, establishing measures to combat late payment in commercial transactions, and in relation to the information to be included in the notes to the financial statements on deferrals of payment to suppliers in commercial transactions, calculated on the basis of the provisions of the Resolution of January 29, 2016 of the Spanish Accounting Authority (Instituto de Contabilidad y Auditoría de Cuentas or “ICAC”), the detail of the Group’s average period of payment to suppliers for the years 2020, 2019 and 2018 are as follows:



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	2020	2019	2018
	Days		
Average period of payment to suppliers	87	145	167
Paid transactions ratio	62	116	154
Unpaid transactions ratio	322	274	195
	Amount		
	Euros		
Total made payments	11,606	9,701	7,374
Total pending payments	1,255	2,176	3,171

(18) Other assets and liabilities

Detail of accruals as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	2020		2019		2018	
	Non-current	Current	Non-current	Current	Non-current	Current
Other assets	681	815	716	960	712	303
Other liabilities	2,464	118	2,580	117	2,696	117

Other non-current assets mainly correspond to the straight-line expenses of the royalties on rented land in the Canary Islands (see note 8).

Other current assets correspond mainly to advanced payments associated to lease of land on which two of the wind farms are located.

The balance of Other non-current liabilities relates entirely to the linear allocation to net income of accruals recorded by the Hidroeléctrica de Ourol, S.L. for the collection made in advance to several companies due to the rights of use of energy evacuation infrastructures owned by Hidroeléctrica de Ourol, S.L. The amounts pending to be registered as income as of December 31, 2020 will be registered over the subsequent 22 years, based on the agreed contract term.

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(19) Taxes

The breakdown of the balances with tax authorities as of December 31, 2020, 2019 and 2018 is as follows (in thousands of euros):

	<b>2020</b>	
	<b>Non-current</b>	<b>Current</b>
<b>Assets</b>		
Deferred tax assets	5,033	-
Current tax assets	-	828
Value added tax	-	7,647
Other tax	-	152
	<u>5,033</u>	<u>8,627</u>
<b>Liabilities</b>		
Deferred tax liabilities	126	-
Current tax liabilities	-	142
Value added tax and similar items	-	436
Social Security	-	43
Withholdings	-	106
Tax on energy production value	-	333
Others	-	25
	<u>126</u>	<u>1,085</u>
<b>2019</b>		
	<b>Non-current</b>	<b>Current</b>
<b>Assets</b>		
Deferred tax assets	4,183	-
Value added tax and similar items	-	3,462
	<u>4,183</u>	<u>3,462</u>
<b>Liabilities</b>		
Deferred tax liabilities	-	-
Value added tax and similar items	-	336
Social Security	-	12
Withholdings	-	30
Tax on energy production value	-	437
Others	-	48
	<u>-</u>	<u>863</u>
<b>2018</b>		
	<b>Non-current</b>	<b>Current</b>
<b>Assets</b>		
Deferred tax assets	2,071	-
Value added tax and similar items	-	3,555
	<u>2,071</u>	<u>3,555</u>
<b>Liabilities</b>		
Deferred tax liabilities	60	-
Value added tax and similar items	-	369
Social Security	-	5
Withholdings	-	40
Tax on energy production value	-	8
Others	-	173
	<u>60</u>	<u>595</u>

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The Parent Company is taxed on corporation tax in accordance with the special regime for corporate Groups, provided for in current tax legislation, forming part of Group number 146/10, of which the Sole Shareholder is the Parent Company. This group is entirely formed by companies based in Spain, on which the direct or indirect ownership percentage on such companies is equal to or greater than 75%. In this case, the group companies would be all considered as subsidiaries in Spain except for Hidroeléctrica de Oourol S.L. and Oilean Telde Eólica Energy, S.L. The Tax Group was incorporated in 2010.

The rest of the companies not integrated in the consolidated tax group are taxed individually according to their respective tax regimes in force in each country.

As a result of the taxation of the Company as part of the Special Regime for groups of companies, for the calculation of the individual corporation tax, the eliminations of the results from operations carried out during the year between the companies that are part of the tax Group are considered, as well as the incorporation of eliminations made in previous years. For the computation of deductions, the limits and requirements of the tax Group are considered, regardless of the individual tax base of each company.

The reconciliation between the net income/(loss) for the year and the tax base as of December 31, 2020, 2019 and 2018, in thousand euros, is as follows:

	<b>2020</b>		
	<b>Consolidated profit and loss account</b>		
	<b>Increases</b>	<b>Decreases</b>	<b>Net</b>
Net consolidated income/(loss)	5,768	-	5,768
Income tax (benefit)/expense for the year	575	-	575
Income/(loss) before tax	5,193		5,193
Permanent differences			
Of individual companies	-	(3,582)	(3,582)
Temporary differences			
Of individual companies			
Originating in the year	4,249	(504)	3,780
Originating from previous years	-	(296)	(296)
Tax base (Tax result)			5,095
Application tax loss carryforwards			(645)
Capitalisation reserve			(404)
Adjusted tax base			4,046



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The permanent differences in 2020 relate mainly to the reversal of impairment of the Xestosa wind farm in the amount of 2,954 thousand euros, the elimination of the consolidated results of foreign companies in the amount of 3,340 thousand euros and the elimination of transactions between Group companies in the amount of 2,270 thousand euros.

The permanent differences in 2019 mainly relate to the elimination of the tax base of the reversal of impairment of assets of Energías de Pontevedra, S.L. in the amount of 1,175 thousand euros, the elimination of the consolidated impact of the results of foreign companies in the amount of 671 thousand euros, as well as the elimination of intercompany transactions between Group companies in the amount of 1,993 thousand euros.

The permanent differences in 2018 relate to the incorporation of the results of foreign companies for an amount of 4,549 thousand euros, the reversal of goodwill amortization, and the elimination of intercompany transactions amounting to 993 thousand euros.

The current tax rates in each country in which the Group's companies have their residence for the years 2020, 2019 and 2018 are listed below:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Spain		25% of profit	
Guatemala		25% of profit	
Guatemala		7% of income	
Honduras	25% of profit+1% of assets+5% on the excess of the profit over 1 million lempiras		

The relationship between consolidated income tax benefit/(expense) and consolidated net income/(loss) as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Consolidated Income/(loss) before taxes	5,193	3,930	113
Tax rate (25%)	1,298	983	28
Permanent differences			
Of individual companies	(895)	(498)	1,273
Deductions and discounts for the current year	(235)	2,121	(622)
Capitalization reserve	(101)	(22)	(88)
Effect difference tax rate	475	(214)	(845)
Other adjustments	33	(468)	277
<b>Consolidated income tax benefit</b>	<b>575</b>	<b>1,902</b>	<b>23</b>

The negative temporary differences originated in the years 2020, 2019 and 2018 arise mainly due to the reversal of the depreciation of non-deductible fixed assets in the years 2013 and 2014.

The deductions and discounts correspond to the benefits applied by the group companies established in the Canary Islands, and which are contemplated in Law 19/1994, of July 6, modifying the Economic and Fiscal Regime of the Canary Islands.

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The Canary Islands tax legislation establishes a discount of fifty percent of the total tax corresponding to the income derived from the sale of tangible goods produced in said territory. Likewise, the deduction for investments in new fixed assets continues to apply in the Canary Islands. In the years 2020, 2019 and 2018, the group companies benefiting from these bonuses and deductions carried out the wind energy production activity.

The company Llanos del Sur Fotovoltaica, S.A. (Honduras) has an exemption from income tax payment and all those taxes related to income for its solar photovoltaic energy production activity during a 10 years period. Hence, this exemption will end in the year 2025.

The company Energías del Ocosito, S.A. (Guatemala) has an exemption from income tax payment and all those taxes related to income for its hydropower production activity for a period of 10 years. Hence, this exemption will end in the year 2026.

The breakdown of income tax benefit/(expense) for the years 2020,2019 and 2018 is as follows (in thousand euros):

	2020	2019	2018
Expense for current tax	(414)	(901)	(118)
Benefit for deferred tax	997	3,161	188
Income tax adjustments	(8)	(358)	(47)
<b>(Expense) / Income from income tax</b>	<b>575</b>	<b>1,902</b>	<b>23</b>

The breakdown of deferred tax assets and liabilities by category as of December 31, 2020, 2019 and 2018 is as follows (in thousand euros):

	2020		
	Assets	Liabilities	Net
Non-deductible financial expenses	1,805	-	1,805
Non-deductible depreciation	288	-	288
Credits for losses to be compensated	486	-	486
Expected credit loss	2,454	-	2,454
Deduction rights	1,805	-	1,805
Right of use lease	-	(126)	(126)
<b>Total assets/(liabilities)</b>	<b>5,033</b>	<b>(126)</b>	<b>4,900</b>
	2019		
	Assets	Liabilities	Net
Non-deductible financial expenses	741	-	741
Non-deductible depreciation	349	-	349
Credits for losses to be compensated	398	-	398
Deduction rights	2,689	-	2,689
Right of use lease	6	-	6
<b>Total assets/(liabilities)</b>	<b>4,183</b>	<b>-</b>	<b>4,183</b>
	2018		
	Assets	Liabilities	Net
Non-deductible financial expenses	528	-	528
Non-deductible depreciation	404	-	404
Credits for losses to be compensated	554	-	554
Deduction rights	568	-	568
Temporary differences allowance	-	(60)	(60)
Right of use lease	17	-	17
<b>Total assets/(liabilities)</b>	<b>2,071</b>	<b>(60)</b>	<b>2,011</b>

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The changes in deferred tax assets are as follows (in thousand euros):

	2019	Additions	Disposals	2020
Non-deductible financial expenses	741	1,064	-	1,805
Non-deductible depreciation	349	7	(68)	288
Tax losses carryforward	398	92	(4)	486
Right of use	6		(6)	-
Deduction rights	2,689		(235)	2,454
<b>Total assets/(liabilities)</b>	<b>4,183</b>	<b>1,163</b>	<b>(313)</b>	<b>5,033</b>

	2018	Additions	Disposals	2019
Non-deductible financial expenses	528	1,064	-	741
Non-deductible depreciation	404	7	(68)	349
Tax losses carryforward	554	92	(4)	398
Right of use	17		(11)	6
Deduction rights	568	2,529	(408)	2,689
<b>Total assets/(liabilities)</b>	<b>2,071</b>	<b>2,744</b>	<b>(632)</b>	<b>4,183</b>

	2017	Additions	Disposals	2018
Non-deductible financial expenses	998	-	(470)	528
Non-deductible depreciation	477	-	(73)	404
Tax losses carryforward	1,103	-	(549)	554
Right of use	-	17	-	17
Deduction rights	206	362		568
Others	47	-	(47)	-
<b>Total assets/(liabilities)</b>	<b>2,071</b>	<b>379</b>	<b>(1,139)</b>	<b>2,071</b>

As of December 31, 2020, the companies that contribute the main taxable income to the group are Hidroeléctrica de Ourol, S.L., Oilean Telde Eolica Energy, S.L. and Tiraventos, S.L. amounting to 1,572 thousand euros, 367 thousand euros and 42 thousand euros, respectively. As of December 31, 2019, the capitalized negative tax bases, mainly correspond to those contributed by Hidroeléctrica de Ourol, S.L., Desarrollo Energético de la Mariña, S.L. and Tiraventos, S.L. (amounting to 1,572 thousand euros, 645 thousand euros and 42 thousand euros, respectively).

Negative tax bases pending tax compensation by the individual companies within the perimeter of Grupo Ecoener, S.A.U. as of December 31, 2020, 2019 and 2018 have been generated by companies based in Spain and are summarized below:

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2020

<b>Year of generation</b>	<b>Initial balance</b>	<b>Withdrawal of tax loss carryforwards</b>	<b>Applied in year 2020</b>	<b>Additions</b>	<b>Balance pending compensation</b>
2003	1	-	(1)	-	-
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	1	-	-	-	1
2007	2	(1)	-	-	1
2008	19	(1)	(18)	1	1
2009	630	(3)	(626)	-	1
2010	3	(1)	-	-	2
2011	1	(1)	-	-	-
2012	25	(1)	-	2	26
2013	1,211	(1)	-	35	1,245
2014	379	(1)	-	65	443
2015	5	(4)	-	107	108
2016	5	(4)	-	25	26
2017	5	(4)	-	57	58
2018	5	(5)	-	25	25
2019	5	(5)	-	41	41
2020	-	-	-	11	11
	<b>2,297</b>	<b>(32)</b>	<b>(645)</b>	<b>368</b>	<b>1,989</b>

2019

<b>Year of generation</b>	<b>Initial balance</b>	<b>Withdrawal of tax loss carryforwards</b>	<b>Applied in year 2019</b>	<b>Additions</b>	<b>Balance pending compensation</b>
2003	1	-	-	-	1
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	1	-	-	-	1
2007	2	-	-	-	2
2008	35	-	(16)	-	19
2009	630	-	-	-	630
2010	3	-	-	-	3
2011	1	-	-	-	1
2012	25	-	-	-	25
2013	1,211	-	-	-	1,211
2014	379	-	-	-	379
2015	5	-	-	-	5
2016	5	-	-	-	5
2017	5	-	-	-	5
2018	5	-	-	-	5
2019	-	-	-	5	5
	<b>2,308</b>	<b>-</b>	<b>(16)</b>	<b>5</b>	<b>2,298</b>



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2018					
Year of generation	Initial balance	Withdrawal of tax loss carryforwards	Applied in year 2018	Additions	Balance pending compensation
2003	1	-	-	-	1
2004	-	-	-	-	-
2005	-	-	-	-	-
2006	1	-	-	-	1
2007	2	-	-	-	2
2008	35	-	-	-	35
2009	630	-	-	-	630
2010	3	-	-	-	3
2011	1	-	-	-	1
2012	25	-	-	-	25
2013	1,211	-	-	-	1,211
2014	379	-	-	-	379
2015	267	-	(262)	-	5
2016	5	-	-	-	5
2017	5	-	-	-	5
2018	5	-	-	-	5
	<b>2,570</b>	-	<b>(262)</b>	-	<b>2,308</b>

Within the above tax bases an amount of 45 thousand euros is not capitalized as of December 31, 2020 (705 thousand euros as of December 31, 2019 and 91 thousand euros as of December 31, 2018).

Recoverability analysis of deferred tax assets and activated tax credits

As stated in the accounting policies, the Group recognizes deferred tax assets in the consolidated balance sheet only if they are recoverable within a reasonable period, also considering the legally established limits for their application. For estimating the recoverability of activated tax credits, a time horizon is considered in accordance with the current situation of the Group's business, bearing in mind the maximum recoverability periods of such credits established by the applicable tax regulations. Such time horizon is established in 10 years. The analysis of the recoverability of tax credits pending compensation is carried out by the Group on estimates for each of the companies with activated tax credits, on which it makes the necessary tax adjustments to determine the correspondent tax bases. Additionally, the Group considers the limitations to the compensation of taxable bases established by the respective jurisdictions, carrying out a specific analysis for each of them. The Group also assesses the existence of deferred tax liabilities with which to offset these tax losses in the future. In the estimates and budgets, the Group considers the operating, financial and macroeconomic circumstances applicable to each company, such as the use level of installed production capacity in each facility, the sale prices in the market for the energy produced and, if existing, the applicable regulatory remuneration regime, the financial framework applicable to each project and the operating expenses associated with it. These parameters are projected considering historical data and forecasts and reports from experts and independent bodies, as well as objectives set by the Group's management. The impact derived from the health and economic crisis caused by the outbreak of Covid-19 pandemic has been included in the projections through the updating of the energy sales price curves, obtained from the report of an independent market consultant.

Likewise, the tax obligations corresponding to the following years and taxes are not prescribed:

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	<b>Years open for inspection</b>
Corporation tax	2016-2020
Value added tax and IGIC (indirect general tax applied in the Canary Islands, “Impuesto General Indirecto Canario”)	2017-2020
Personal Income Tax	2017-2020
Social security	2017-2020

However, the right of the Tax Office to verify or investigate negative tax bases or pending compensation, deductions for double taxation and deductions to encourage the performance of certain activities applied or pending application, prescribe 10 years from the day after the deadline for filing the return or self-assessment corresponding to the tax period in which the right to compensation or application was generated. After this period, the Group must prove the negative tax bases or deductions, through the display of the settlement or self-assessment and the accounting, with proof of its deposit during that period in the Mercantile Registry.

In the opinion of the Sole Director of the Parent Company, the possibility that additional liabilities may materialise in future inspections is remote and, in any case, the tax debt that may arise from them would not significantly affect the Consolidated Annual Accounts for the year 2020.

On March 16, 2020, inspection actions were initiated on the corporation tax for the year 2017 of the group company Hidroeléctrica de Ourol, S.L., regarding certain adjustments on the accounting result. The inspection activities were concluded on February 12, 2021 with a conformity act and without any sanction and with a reject position for the inspection of a certain record subject to a negative adjustment contained in the statement of the year 2017 in application of the rule of instalment operations. Given that the Company reversed this record in the declaration for the subsequent fiscal year, 2018, the request for a refund for fiscal year 2018 will make the effect of this regularization to be financial.

During the year 2016, the Sole Shareholder, parent company of the tax group, received notification of the starting of inspection actions related to the 2011 to 2013 years, for corporation tax. In 2017, the Tax Office issued a record and a proposal for the imposition of a sanction in relation to an impairment registered in the company of the tax Group Energías de Pontevedra, S.L., against which unaddressed allegations were presented. On March 28, 2018, the Tax Office issued a settlement agreement and the imposition of a sanction, for an amount of 405 thousand euros and 176 thousand euros, respectively. An economic-public claim was filed against both agreements.

Additionally, on November 27, 2014, the group company Hidroeléctrica de Ourol, S.L. signed a disagreement certificate in relation to the partial inspection for Corporate Tax for the years 2012 and 2013 carried out by the Spanish Tax Agency. Hence, an agreement was issued for the settlement and imposition of a sanction, in relation to an impairment recorded by this company, for amounts of 681 thousand euros and 411 thousand euros, respectively. The claims submitted were rejected. An economic-administrative complaint was filed against both agreements, with the consequent liquidation or payment suspension.

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On November 9, 2018, a resolution was issued estimating the claim filed regarding the sanction and establishing that the determination of the value for the purposes of impairment must be subject to a contradictory expert appraisal. On the part of Hidroeléctrica de Oourol, S.L., an appeal was filed, seeking that the settlement also be cancelled due to lack of motivation of the settlement agreement itself, insofar as it lacks an assessment that has been formalised as such.

Notwithstanding the foregoing, as long as the appeal is not resolved, and complying with the criteria described in the inspection report, Hidroeléctrica de Oourol, S.L., and Energías de Pontevedra, S.L. recorded in the tax return for the 2014-2020 financial years a tax benefit due to the derived adjustment of the difference between the criteria applied by the company and the one proposed by the Tax Office for the years subject to partial inspection, which will have to be paid in the event that the claim filed by the company is favourable to the interests of the same. In this sense, and when estimating that the appeal will have a favourable resolution, as of December 31, 2020, 2019 and 2018, the Group maintained a provision for tax amounting to 414 thousand euros, 370 thousand euros and 247 thousand euros, respectively, with the variation of such year's corresponding to the financial update of the provision (see note 14). Said amounts were recorded to the consolidated profit and loss account under Income tax benefit/(expense) and Financial expenses, respectively. The external advisor's report, Martinez y Dosio S.L., is dated January 18, 2021. In this regard, the Board of Directors considers the amounts detailed above to be enough, as they have solid arguments to partially justify the deductibility of said impairment.

IFRIC 23 requires all uncertain tax positions to be disclosed. The Group's Management has carried out an analysis and estimates that there are no uncertain tax positions in the tax returns presented by the Group, which should be disclosed in these Consolidated Annual Accounts, different to the abovementioned.

(20) Balances and transactions with related parties

a) Balances with related parties

The breakdown of debit and credit balances with group companies excluded from the consolidation perimeter, companies accounted for by the equity method, joint ventures, and related parties, including senior management personnel and members of the management as of December 31, 2020, 2019 and 2018, is detailed below (in thousand euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>01.01.2018</u>
Long-term investments in group companies and associates	(1)	-	2.469	22,452
Short-term investments with related companies	376	325	525	-
<b>Total assets with related parties</b>	<b><u>375</u></b>	<b><u>325</u></b>	<b><u>2.994</u></b>	<b><u>22,452</u></b>

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	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>01.01.2018</u>
Long-term debts with related parties (Note 15)	8,479	3	-	-
Short-term debts – Other financial liabilities	6,322	-	-	-
Short-term debts with related parties (Note 15)	834	-	67	15
Trade and other payables	174	-	604	813
<b>Total liabilities with related parties</b>	<b><u>15,809</u></b>	<b><u>3</u></b>	<b><u>671</u></b>	<b><u>828</u></b>

The balances that Grupo Ecoener, S.A.U. has with its Sole Shareholder as current accounts are presented net in these Consolidated Annual Accounts.

At 31 December 2020, the Parent Company has an account payable to its Sole Shareholder amounting to 8,479 thousand euros, including nominal value plus interest payable. This debt bears interest at Euribor + 2% and matures in December 2022. Additionally, certain subsidiaries had an account payable with the Sole Shareholder amounting to 6,322 thousand euros corresponding to construction and development work associated with the same of renewable energy plants.

At January 1, 2018, there was an account receivable of the Group from the Sole Shareholder in the amount of 22,452 thousand euros, which as a result of the sale transaction of Hidroeléctrica del Giesta, S.L. to the Group company Lucense de Energía Hidráulica y Eólica, S.L. was cancelled (see Note 2.i. and 13).

As of December 31, 2020, Short-term investments with related companies, includes 376 thousand euros corresponding to balances receivable by the companies of the Group from Ecoener, S.L.U., as it is the Parent Company of the tax group to which it belongs. Likewise, as of December 31, 2020, an amount of 834 thousand euros is recorded under Short-term debts with related companies, corresponding to due balances payable to Ecoener, S.L.U. for corporate income tax to the subsidiaries that are part of the tax group, which form part of the consolidation perimeter of Grupo Ecoener, S.A.U. (see Notes 10 and 19).

As of December 31, 2019, and 2018, Receivables from related companies include 195 thousand euros and 320 thousand euros, respectively, relating to the net receivable amount by the companies of the Sole Shareholder in respect of settlement of Corporation tax.

b) Group transactions with related parties

As of December 31, 2020, 2019 and 2018, the significant transactions carried out by the Group fall under the following contracts:

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Date	Companies	Description
10/03/2020	Ecoener, S.L.U. Group-Ecoener, S.L.U.	Credit account with a maximum limit of 10 million euros.
01/11/2020	Ecoener, S.L.U. Group -Ecoener, S.L.U.	Framework agreement for the purchase and sale of business unit.
01/12/2020	Ecoener, S.L.U. Group -Ecoener, S.L.U.	Subrogation of Ecoener, S.L.U.'s business in Grupo Ecoener, S.A.U., for the provision of management services for different companies of the Group.
01/12/2020	Ecoener, S.L.U. Group -Ecoener, S.L.U.	Subrogation of Ecoener, S.L.U.'s business in Grupo Ecoener, S.A.U., for the provision of management, operation and maintenance services for different group companies.
31/05/2020	Ecoener, S.L.U. Group -Ecoener, S.L.U.	Assignment of participating loans from Ecoener, S.L.U. to Grupo Ecoener, S.A.U., the debtors being several group companies.
30/06/2020	Ecoener, S.L.U. Group -Ecoener, S.L.U.	Company purchase and sale agreement of Oilean Telde Eólica Energy, S.L. by Grupo Ecoener, S.A.U.

Details of the dividends distributed by Grupo Ecoener, S.A.U. and its subsidiaries to the Sole Shareholder are shown in Note 13.

c) Information regarding the members of the Board of Directors and of the Group's management team

The Board of Directors was constituted on the same date as the creation of the Parent Company, concretely, January 28, 2020. All management functions are performed by one of the members of the Board of Directors.

From the moment of its incorporation into the Company, the Board of Directors' members have accrued, for their employment relationship with the Company, remunerations amounting to 30 thousand euros.

d) Conflicts of interest among Directors of the Parent Company

The members of the Board of Directors of the Parent Company and the people related to them, have not incurred in any situation of conflict of interest that had to be reported in accordance with the provisions of Article 229 of the TRLSC.

However, the Directors of the Parent Company have been informed that the Chairman of the Board of Directors holds management positions in other companies with the same, similar or complementary type of activity as the Company belonging to the business group of which the Company is the parent company.

The Parent Company has not paid any insurance premium for Directors' and Officers' liability insurance for possible damages caused by acts or omissions in the year 2020, since such premium has been paid by the Sole Shareholder.

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(21) Income and expenses

a) Net revenue

The main activities carried out by the Group are the generation and sale of electricity from renewable energy sources such as wind, hydropower and solar photovoltaic, as well as the design, promotion and development, management and operation and maintenance of the corresponding production facilities owned by the Group.

As described in Note 4.m on revenue recognition, at a consolidated level, the main services that generate a revenue recognition are the generation of energy from the renewable energy facilities owned by the Group and the commercialization of energy other than this produced in the facilities owned by the Group.

The distribution by segment of the Group's net revenue during the years 2020, 2019 and 2018 by operating segment is as follows (in thousand euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Hydropower plants operation	13,646	11,405	11,577
Wind farms operation	13,781	12,981	12,733
Solar photovoltaic plants operation	4,283	4,621	4,243
Energy commercialization	4,385	4,039	2,537
Other services	802	690	77
	<u><b>36,897</b></u>	<u><b>33,736</b></u>	<u><b>31,167</b></u>

As of December 31, 2020, a higher income due to market 'prices deviation adjustments based on Royal Decree 413/214 amounting to 3,303 thousand euros for the year 2020 is recorded. Additionally, it includes expenses relating to the reversal of the adjustment for the 2014-2016 periods amounting to 91 thousand euros. Additionally, at December 31, 2020, income of 489 thousand euros is included for the reversal of the adjustment of the 2017-2019 subperiod.

As of December 31, 2019, a lower income due to market prices deviation adjustments based on Royal Decree 413/214 amounting to 1,477 thousand euros for the year 2019 is recorded. Additionally, it includes expenses relating to the reversal of the adjustment for the 2014-2016 periods amounting to 91 thousand euros.

As of December 31, 2018, a lower income due to market prices deviation adjustments based on Royal Decree 413/214 amounting to 2,549 thousand euros for the year 2020 is recorded. Additionally, it includes expenses relating to the reversal of the adjustment for the 2014-2016 periods amounting to 91 thousand euros.

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b) Personnel expenses

The breakdown of social charges during the years 2020, 2019 and 2018 are as follows (in thousand euros):

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Social security in charge of the Group	335	359	295
Other social expenses	1	1	1
	<u><b>336</b></u>	<u><b>360</b></u>	<u><b>296</b></u>

As of December 31, 2020, within Salaries, wages and similar items, 2 thousand euros are included as compensation (9 thousand euros as of December 31, 2019 and 18 thousand euros as of 31 December 2018).

(22) Personnel

The average number of Group employees in 2020, 2019 and 2018, broken down by category, is as follows:

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Management personnel	4	5	5
Administrative-type employees	2	3	3
Rest of qualified personnel	29	28	28
Other unskilled workers	7	7	8
	<u><b>42</b></u>	<u><b>43</b></u>	<u><b>44</b></u>

The distribution by gender as of December 31, 2020, 2019 and 2018, of the employees and the management, is as follows:

	<u>2020</u>		<u>2019</u>		<u>2018</u>	
	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>	<u>Male</u>	<u>Female</u>
Managing directors	1	2	-	-	-	-
Rest of management personnel	3	-	5	-	5	-
Administrative-type employees	1	1	1	1	1	2
Rest of qualified personnel	18	9	16	7	18	9
Other unskilled workers	5	2	5	-	7	2
	<u><b>28</b></u>	<u><b>14</b></u>	<u><b>27</b></u>	<u><b>8</b></u>	<u><b>31</b></u>	<u><b>13</b></u>

As of December 31, 2020, 2019, and 2018, the Group does not have employees with disabilities equal to or greater than 33%.

(23) Audit fees

The fees corresponding to the services rendered by the auditing firm KPMG Auditores, S.L. regarding the Group's financial statements for the years ended December 31, 2020, 2019 and 2018, regardless of the time of invoicing, are as follows:

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In thousand euros			
	2020	2019	2018
For Audit services	287	89	53
Other verification services	-	9	-
Other services	-	3	3
<b>Total</b>	<b>287</b>	<b>101</b>	<b>56</b>

On the other hand, the network and other entities linked to KPMG international have billed the Group during the years ended December 31, 2020, 2019 and 2018, the following fees for professional services:

In thousand euros			
	2020	2019	2018
For Audit services	37	10	-
Other services	15	15	15
<b>Total</b>	<b>52</b>	<b>25</b>	<b>15</b>

(24) Guarantees committed to third parties and other contingent liabilities

As of December 31, 2020, 2019, and 2018, the Group had granted, from several financial institutions and insurance companies, certain guarantees, and surety certificates to guarantee compliance with the obligations or commitments acquired with different institutions and official bodies, which are detailed below (in thousand euros):

Company	2020		2019		2018	
	Limit	Formalised amount	Limit	Formalised amount	Limit	Formalised amount
Alamillo de Doramas, S.L.	2,791	2,791	2,791	2,791	120	120
Amagante Herreño, S.L.	88	88	88	88	88	88
Arrebol Renovables, S.L.	-	-	-	-	126	126
Bencomia de Risco, S.L.	343	343	112	112	112	112
Canutillo de Sabinosa, S.L.	330	330	100	100	100	100
Cardo de Plata, S.L.	1,277	1,277	1,165	1,165	56	56
Cardoncillo Gris, S.L.	74	74	-	-	-	-
Chajorra de Aluce, S.L.	60	60	60	60	60	60
Colino Majorero, S.L.	903	903	902	902	182	182
Conservilla Majorera, S.L.	-	-	72	72	72	72
Cresta de Gallo, S.L.	96	96	95	95	95	95
Dama de Bandama, S.L.	248	248	232	232	232	232
Drago Renovables, S.L.	200	200	200	200	200	200
Energías de Pontevedra, S.L.	30	30	30	30	30	30
Eólicos del Matorral, S.L.	976	976	-	-	-	-
Hidroeléctrica de Ourol, S.L.	946	946	1,083	1,083	1,003	1,003
Helecho de Cristal, S.L.	-	-	1,487	1,487	47	47
Herdanera, S.L.	-	-	440	440	440	440
	<b>8,362</b>	<b>8,362</b>	<b>8,857</b>	<b>8,857</b>	<b>2,963</b>	<b>2,963</b>



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Company	2020		2019		2018	
	Limit	Formalised amount	Limit	Formalised amount	Limit	Formalised amount
Hidroeléctrica del Giesta, S.L.	124	124	124	124	-	-
Hierba Muda, S.L.	80	80	80	80	80	80
Magarza del Andén, S.L.	2,336	2,336	-	-	483	483
Magarza Plateada, S.L.	150	150	364	364	364	364
Malva del Risco, S.L.	353	353	352	352	352	352
Mocan Renovables, S.L.	92	92	92	92	92	92
Mosquera de Tamadaba, S.L.	-	-	92	92	92	92
Oilean Telde Eólica Energy, S.L.	1,952	1,952	-	-	-	-
Picocercialo, S.L.	72	72	160	160	160	160
Risoela, S.L.	165	165	164	164	164	164
Rosalito Palmero, S.L.	955	955	235	235	235	235
Salvia Blanca, S.L.	520	520	560	560	560	560
Siempreviva Azul, S.L.	164	164	164	164	164	164
Siempreviva Gigante, S.L.	280	280	266	266	266	266
Sociedad Eólica Punta Maeda, S.L.	1,288	1,288	1,408	1,408	641	641
Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	120	120	120	120	120	120
Tabaiba Solar, S.L.	384	384	200	200	200	200
Tiraventos, S.L.	1,820	1,820	1,020	1,020	1,020	1,020
Violeta Palmera, S.L.	889	889	-	-	-	-
Yesquera de Aluce, S.L.	942	942	846	846	72	72
Comercializadora Centroamericana de Energía La Ceiba, S.A.	551	551	772	772	446	446
Energías del Ocosito, S.A.	198	198	213	213	433	433
Llanos del Sur Fotovoltaica, S.A.	541	541	590	590	579	579
	<b>22,338</b>	<b>22,338</b>	<b>16,679</b>	<b>16,679</b>	<b>9,486</b>	<b>9,486</b>

Additionally, there are fixed assets as well as other assets pledged as guarantees for certain debts, as well as other types of sureties, whose net carrying amount is detailed below (in thousand euros):

Company	Pledge	2020	2019	2018
Grupo Ecoener, S.A.U.	Shares of Ecoener Emisiones, S.A. (Sole Shareholder Company)	-	-	-
Ecoener Emisiones, S.A.U.	Subsidiary shares	-	-	-
Hidroeléctrica del Giesta, S.L.U.				
Energías de Pontevedra, S.L.U.				
Hidroeléctrica de Ourol, S.L.U.	Promise of mortgage guarantee at creditor's request.	124,502	-	-
Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	Pledge on receivables			
Drago Renovables, S.L.	Pledge on bank accounts.			
Mocan Renovables, S.L.				
Yesquera de Aluce, S.L.				
Ecoener Inversiones S.C.A. SICAV-RAIF, S.L.	Subsidiary shares	12,650	5,527	5,998
Desarrollo Energético de La Mariña, S.L.	Subsidiary shares	-	5,527	5,998
Drago Renovables, S.L.	Credit rights	-	23,600	25,352
Energías de Pontevedra, S.L.	Mortgage and credit rights	-	-	1,886
Energías del Ocosito, S.A.	Fiduciary guarantee hydropower facilities	29,455	32,007	33,308
Hidroeléctrica de Ourol, S.L.	Mortgage and credit rights	-	22,637	24,532
Hidroeléctrica del Giesta, S.L.	Credit rights and company shares	-	26,343	28,466
Llanos del Sur Fotovoltaica, S.A.	Fiduciary guarantee solar photovoltaic facilities	13,421	15,548	16,137
Mocan Renovables, S.L.	Credit rights	-	8,888	9,548
Sociedad Lucense de Energía Hidráulica y Eólica, S.L.	Mortgage	-	2,657	3,672
Dragmoc, S.L.	Shares	-	7,100	7,100

The Board of Directors of the Parent Company does not expect significant liabilities to arise for the Group in relation to the guarantees and sureties detailed above.

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### (25) Segment information

The main activities carried out by the Group are the generation and sale of electricity from renewable energy sources such as wind, hydropower and solar photovoltaic, as well as the design, promotion and development, management and operation and maintenance and the corresponding production facilities owned by the Group.

As described in Note 4.m on revenue recognition, at a consolidated level, the main services that generate a revenue recognition are the generation of energy from the renewable energy facilities owned by the Group and the commercialization of energy other than this produced in the facilities owned by the Group.

The Group identifies its operating segments, mainly, based on the technologies used to generate and sale renewable energy in its owned. The assignment to each operating segment is made at the level of the company that owns the activity, taking into account the technology with which most of its revenues are generated. These segments are the basis for regular review, discussion and evaluation. Thus, the segments that have been identified are as follows:

- Hydropower plants operation
- Wind farms operation
- Solar photovoltaic plants operation.
- Energy commercialization. The energy commercialization other than that produced in the facilities owned by the Group is only carried out in Guatemala, by Comercializadora Centroamericana de Energía La Ceiba, S.A.
- Other services, which includes:
  - o All those activities that generate revenues and bear expenses from sources other than the electricity produced by the facilities owned by the Group, or the commercialization of energy.
  - o The “Other services” segment includes renewable energy generation projects in progress, together with the related debt. Once these projects have been completed, they are transferred at consolidated values to the "Hydropower plants operation", "Wind farms operation" and "Solar photovoltaic plants operation" segments. The detail of the projects under construction at the end of 2020 is detailed in Note 6. Also included is the financing of the Project Bond issued by Ecoener Emisiones, S.A. (see Note 15) in 2020.
  - o The assets that entered operation during 2020 have a consolidated cost of 18,734 thousand euros. During 2019 and 2018 no facilities entered operation.
  - o In addition, the other services segment includes the Group's corporate management costs, including personnel dedicated to the operation of generating facilities.

Additionally, for the purposes of presenting its operating segments, and in relation to the heading “Other Operating Expenses”, the Group presents the sub-headings for “External Services” and “Taxes” grouped together in the same line, and a separate line for the “Losses, impairment and variation of provisions for trade operations”.

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The detail of the consolidated profit and loss account and the assets of the consolidated balance sheet corresponding to the years ended December 31, 2020, 2019 and 2018, broken down by operating segments, is as follows:

(Thousand euros)	2020						Total
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Energy commercialization		
Net revenues	13,646	13,781	802	4,283	4,385	36,897	
Changes in inventories of finished and semi-finished products	-	-	(5)	-	-	(5)	
Supplies	-	-	(27)	-	(3,625)	(3,652)	
Other operating income	-	119	-	-	-	119	
Personnel expenses	-	-	(1,768)	-	(84)	(1,852)	
External services and taxes	(3,075)	(2,871)	(3,670)	(360)	(115)	(10,091)	
Losses, impairment and variation of provisions for trade operations	(15)	(10)	-	1,005	-	980	
Depreciation and amortization	(2,978)	(3,954)	(195)	(1,011)	(2)	(8,140)	
Government grants for non-financial assets and others	-	12	-	-	-	12	
Impairment and income from disposals of fixed assets	-	2,894 <sup>(*)</sup>	(155)	-	-	2,739	
Other income	65	86	3	-	-	154	
Operating income	7,643	10,057	(5,015)	3,917	559	17,161	
Financial income	13	119	79	22	2	235	
Financial expense	(2,514)	(3,037)	(3,551)	(1,197)	-	(10,299)	
Other	(653)	(1,664)	128	296	(11)	(1,904)	
Net financial loss	(3,154)	(4,582)	(3,344)	(879)	(9)	(11,968)	
Income/(loss) before tax	4,489	5,475	(8,359)	3,038	550	5,193	
Income tax benefit/(expense) for the year	(655)	(6)	1,347	2	(113)	575	
Net income/(loss) from continued operations	3,834	5,469	(7,012)	3,040	437	5,768	
Assets of the segment	74,855	96,642	37,715	18,555	1,161	228,928	
Liabilities and net equity of the segment	37,216	23,156	152,850	14,794	912	228,928	

(\*) Corresponds to the impairment reversal derived from the Xestosa hydropower facility reported under "Wind" segment due to the fact that such facility forms part of a company whose main activity is the operation of renewable energy wind farms.

This plant accounts for approximately 10% of its owner company's power generation.

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(Thousand euros)	2019					
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Energy commercialization	Total
Net revenues	11,405	12,981	690	4,621	4,039	33,736
Changes in inventories of finished and semi-finished products	-	-	(74)	-	-	(74)
Supplies	-	-	(28)	-	(3,484)	(3,512)
Other operating income	-	117	7	1	-	125
Personnel expenses	-	-	(1,801)	-	(89)	(1,890)
External services and taxes	(2,359)	(2,254)	(2,129)	(269)	(31)	(7,042)
Losses, impairment and variation of provisions for trade operations	-	-	-	(3,050)	-	(3,050)
Depreciation and amortization	(2,613)	(3,515)	(696)	(1,129)	-	(7,953)
Impairment and income from disposals of fixed assets	-	1,175 <sup>(*)</sup>	(533)	-	-	642
Other income	-	-	245	-	-	245
Operating income	6,433	8,504	(4,319)	174	435	11,227
Financial income	230	20	352	15	3	620
Financial expense	(1,976)	(2,204)	(791)	(1,151)	-	(6,122)
Other	125	(1,366)	(367)	(169)	(18)	(1,795)
Net financial loss	(1,621)	(3,550)	(806)	(1,305)	(15)	(7,297)
Income/(loss) before tax	4,812	4,954	(5,125)	(1,131)	420	3,930
Income tax benefit/(expense) for the year	(617)	2,256	297	-	(34)	1,902
Net income/(loss) from continued operations	4,195	7,210	(4,828)	(1,131)	386	5,832
Assets of the segment	79,211	82,034	14,455	19,207	955	195,862
Liabilities and net equity of the segment	71,295	81,936	25,959	15,914	758	195,862

(\*) Corresponds to the impairment reversal derived from the Xestosia hydropower facility reported under "Wind" segment due to the fact that such facility forms part of a company whose main activity is the operation of renewable energy wind farms.

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(Thousand euros)	2018					Total
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Energy commercialization	
Net revenues	11,577	12,733	77	4,243	2,537	31,167
Changes in inventories of finished and semi-finished products	-	-	(67)	-	-	(67)
Supplies	-	-	(3)	-	(2,313)	(2,316)
Other operating income	-	-	117	2	-	119
Personnel expenses	-	-	(1,813)	-	(82)	(1,895)
External services and taxes	(3,124)	(2,377)	(1,198)	(153)	(125)	(6,977)
Losses, impairment and variation of provisions for trade operations	-	-	(56)	(1,425)	4	(1,477)
Depreciation and amortization	(2,620)	(3,469)	(762)	(1,010)	-	(7,861)
Impairment and income from disposals of fixed assets	-	-	(786)	-	-	(786)
Other income	(18)	259	698	-	-	939
Operating income	5,815	7,146	(3,793)	1,657	21	10,846
Financial income	1	30	(9)	7	11	40
Financial expense	(3,029)	(2,312)	(750)	(1,325)	(6)	(7,422)
Other	(2,047)	(434)	(574)	(296)	-	(3,351)
Net financial loss	(5,075)	(2,716)	(1,333)	(1,614)	5	(10,733)
Income/(loss) before tax	740	4,430	(5,126)	43	26	113
Income tax benefit/(expense) for the year	(460)	(343)	824	9	(7)	23
Net income/(loss) from continued operations	280	4,087	(4,302)	52	19	136
Assets of the segment	75,388	82,415	13,918	21,127	744	193,592
Liabilities and net equity of the segment	67,295	85,833	22,609	17,608	247	193,592

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The detail of the consolidated profit and loss account corresponding to the years ended December 31, 2020, 2019 and 2018, broken down by geography, is as follows:

	Year ended December 31, 2020 (in thousand euros)				
	Spain	Guatemala	Honduras	Other	Total
Net revenues	24,514	8,100	4,283	-	36,897
Changes in inventories of finished and semi-finished products	-	(5)	-	-	(5)
Supplies	(27)	(3,625)	-	-	(3,652)
Other operating income	119	-	-	-	119
Personnel expenses	(1,522)	(276)	(43)	(11)	(1,852)
External services and taxes	(7,901)	(1,458)	(508)	(224)	(10,091)
Losses, impairment and variation of provisions for trade operations	(21)	(4)	1,005	-	980
Depreciation and amortization	(6,074)	(1,038)	(1,017)	(11)	(8,140)
Government grants for non-financial assets and others	12	-	-	-	12
Impairment and income from disposals of fixed assets	2,739	-	-	-	2,739
Other income	155	-	(1)	-	154
<b>Operating income</b>	<b>11,994</b>	<b>1,694</b>	<b>3,719</b>	<b>(246)</b>	<b>17,161</b>
Financial income	207	6	22	-	235
Financial expense	(7,691)	(1,313)	(1,197)	(98)	(10,299)
Other <sup>(2)</sup>	(2,294)	99	292	(1)	(1,904)
<b>Net financial loss</b>	<b>(9,778)</b>	<b>(1,208)</b>	<b>(883)</b>	<b>(99)</b>	<b>(11,968)</b>
<b>Income/(loss) before tax</b>	<b>2,216</b>	<b>486</b>	<b>2,836</b>	<b>(345)</b>	<b>5,193</b>
<b>Income tax benefit/(expense) for the year</b>	<b>773</b>	<b>(178)</b>	<b>(20)</b>	<b>-</b>	<b>575</b>
<b>Net income/(loss) from continued operations</b>	<b>2,989</b>	<b>308</b>	<b>2,816</b>	<b>(345)</b>	<b>5,768</b>

(1) Includes "Changes in the fair value of financial instruments", "Net exchange gains/(losses)" and "Impairment from disposals of financial instruments".

	Year ended December 31, 2019 (in € thousands)				
	Spain	Guatemala	Honduras	Other	Total
Net revenues	22,194	6,921	4,621	-	33,736
Changes in inventories of finished and semi-finished products	-	(74)	-	-	(74)
Supplies	(28)	(3,484)	-	-	(3,512)
Other operating income	124	-	1	-	125
Personnel expenses	(1,535)	(311)	(44)	-	(1,890)
External services and taxes	(5,491)	(1,077)	(431)	(43)	(7,042)
Losses, impairment and variation of provisions for trade operations	-	-	(3,050)	-	(3,050)
Depreciation and amortization	(5,620)	(1,200)	(1,133)	-	(7,953)
Impairment and income from disposals of fixed assets	642	-	-	-	642
Other income	174	73	(2)	-	245
<b>Operating income</b>	<b>10,460</b>	<b>848</b>	<b>(38)</b>	<b>(43)</b>	<b>11,227</b>
Financial income	28	577	15	-	620
Financial expense	(4,097)	(871)	(1,151)	(3)	(6,122)
Other <sup>(2)</sup>	(1,315)	(310)	(170)	-	(1,795)
<b>Net financial loss</b>	<b>(5,384)</b>	<b>(604)</b>	<b>(1,306)</b>	<b>(3)</b>	<b>(7,297)</b>
<b>Income/(loss) before tax</b>	<b>5,076</b>	<b>244</b>	<b>(1,344)</b>	<b>(46)</b>	<b>3,930</b>
<b>Income tax benefit/(expense) for the year</b>	<b>2,004</b>	<b>(72)</b>	<b>(29)</b>	<b>(1)</b>	<b>1,902</b>
<b>Net income/(loss) from continued operations</b>	<b>7,080</b>	<b>172</b>	<b>(1,373)</b>	<b>(47)</b>	<b>5,832</b>

(1) Includes "Changes in the fair value of financial instruments", "Net exchange gains/(losses)" and "Impairment from disposals of financial instruments".

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	Year ended December 31, 2018 (in € thousands)				Total
	Spain	Guatemala	Honduras	Other	
Net revenues	21,655	5,269	4,243	-	31,167
Changes in inventories of finished and semi-finished products	(67)	-	-	-	(67)
Supplies	(3)	(2,313)	-	-	(2,316)
Other operating income	119	-	-	-	119
Personnel expenses	(1,494)	(358)	(43)	-	(1,895)
External services and taxes	(5,885)	(855)	(237)	-	(6,977)
Losses, impairment and variation of provisions for trade operations	(56)	-	(1,421)	-	(1,477)
Depreciation and amortization	(5,713)	(1,134)	(1,014)	-	(7,861)
Impairment and income from disposals of fixed assets	(786)	-	-	-	(786)
Other income	1,685	(746)	-	-	939
<b>Operating income</b>	<b>9,455</b>	<b>(137)</b>	<b>1,528</b>	<b>-</b>	<b>10,846</b>
Financial income	22	11	7	-	40
Financial expense	(4,271)	(1,829)	(1,322)	-	(7,422)
Other <sup>(2)</sup>	(792)	(2,306)	(253)	-	(3,351)
<b>Net financial loss</b>	<b>(5,041)</b>	<b>(4,124)</b>	<b>(1,568)</b>	<b>-</b>	<b>(10,733)</b>
Income/(loss) before tax	4,414	(4,261)	(40)	-	113
Income tax benefit/(expense) for the year	145	(75)	(47)	-	23
<b>Net income/(loss) from continued operations</b>	<b>4,559</b>	<b>(4,336)</b>	<b>(87)</b>	<b>-</b>	<b>136</b>

(1) Includes "Changes in the fair value of financial instruments", "Net exchange gains/(losses)" and "Impairment from disposals of financial instruments".

There are no conciliatory positions between the financial information by segment and the Group's consolidated financial information for the years 2020, 2019 and 2018.

There is no income from ordinary activities or inter-segment activities in 2020, 2019 and 2018.

For the years 2020, 2019 and 2018 no asymmetric assignments in the breakdown of the segmented information have occurred.

Regarding cash flows, the Group analyzes them at a consolidated level. Hence, cash flows registered for the years 2020, 2019 and 2018 are presented in the consolidated cash flows statement included in these Consolidated Annual Accounts.

The Group's non-current assets (other than financial instruments, investments accounted for using the equity method and deferred tax assets) as of December 31, 2020, 2019 and 2018 are located in the following geographical regions:

	2020	2019	2018
Spain	140,529	108,078	107,023
Guatemala	35,579	40,506	39,107
Honduras	14,665	16,721	16,887
Other	1,373	-	-
	<b>192,146</b>	<b>165,305</b>	<b>163,017</b>

Non-current assets are distributed according to the country of incorporation of the group company owning the correspondent asset.

Revenue from ordinary activities regarding transactions with single external customers representing at least 10 percent of such revenue, classified by segment, as of December 31, 2020, 2019 and 2018, in thousands of euros, are as follows:

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	2020				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Empresa Nacional Energía Eléctrica	-	-	-	4,283	4,283
Axpo Iberia, S.L.	4,136	7,043	-	-	11,179
Comisión Nacional Mercados y Competencia	5,768	6,473	-	-	12,241
Empresa Eléctrica de Guatemala, S.A.	1,739	-	-	-	1,739
Disar, S.A.	-	-	1,792	-	1,792
	<b>11,643</b>	<b>13,516</b>	<b>1,792</b>	<b>4,283</b>	<b>31,234</b>

	2019				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Empresa Nacional Energía Eléctrica	-	-	--	4,621	4,621
Axpo Iberia, S.L.	4,300	7,789	-	-	12,089
Comisión Nacional Mercados y Competencia	4,223	5,138	-	-	9,361
Empresa Eléctrica de Guatemala, S.A.	1,492	-	-	-	1,492
Disar, S.A.	-	-	1,502	-	1,502
	<b>10,015</b>	<b>12,927</b>	<b>1,502</b>	<b>4,621</b>	<b>29,065</b>

	2018				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Empresa Nacional Energía Eléctrica	-	-	-	4,243	4,243
Axpo Iberia, S.L.	4,962	8,158	-	-	13,120
Comisión Nacional Mercados y Competencia	3,774	4,520	-	-	8,294
Empresa Eléctrica de Guatemala, S.A.	1,239	-	-	-	1,239
Corporación Inmobiliaria sol-Est, S.A.	-	-	354	-	354
Disar, S.A.	-	-	930	-	930
	<b>9,975</b>	<b>12,678</b>	<b>1284</b>	<b>4,243</b>	<b>28,180</b>

The amount of non-current asset additions not considered as financial instruments, deferred tax assets, defined benefit assets nor rights derived from insurance contracts by segment as of December 31, 2020, 2019 and 2018, in thousands of euros, is as follows:

	2020				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Intangible assets	-	-	1,110	-	1,110
Property, plant and equipment	13	7,294	25,404	-	32,711
	<b>13</b>	<b>7,294</b>	<b>26,514</b>	<b>-</b>	<b>33,821</b>



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	2019				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Intangible assets	-	22	30	-	52
Property, plant and equipment	619	192	11,017	-	11,828
Other non-current assets	-	-	4	-	4
	<b>619</b>	<b>214</b>	<b>11,051</b>	<b>-</b>	<b>11,884</b>

	2018				
	Hydropower plants operation	Wind farms operation	Other services	Solar photovoltaic plants operation	Total
Intangible assets	40	1	62	-	103
Property, plant and equipment	44	425	182	3	654
	<b>84</b>	<b>426</b>	<b>244</b>	<b>3</b>	<b>757</b>

(26) Fair value measurement

26.1 Fair value measurement of financial instruments

Financial assets and liabilities measured at fair value in the consolidated balance sheet are grouped into three levels of a fair value hierarchy. These levels are defined based on the observability of significant measurement inputs, as follows:

- Level 1: quoted prices (unadjusted) on active markets for identical assets or liabilities.
- Level 2: inputs other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The following table shows the levels within the hierarchy of financial assets and liabilities measured at fair value as of December 31, 2020, 2019 and 2018:

As of December 31, 2020	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Derivatives	-	-	-	-
<b>Total financial assets at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Derivatives – Energy Price swap	-	1,554	-	1,554
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>1,554</b>	<b>-</b>	<b>1,554</b>

As of December 31, 2019	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Derivatives	-	-	-	-
<b>Total financial assets at fair value</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Financial liabilities</b>				
Derivatives – Interest rate swap	-	1,317	-	1,317
<b>Total financial liabilities at fair value</b>	<b>-</b>	<b>1,317</b>	<b>-</b>	<b>1,317</b>

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As of December 31, 2018	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
Derivatives – Interest rate swap	-	49	-	49
<b>Total financial assets at fair value</b>	-	<b>49</b>	-	<b>49</b>
<b>Financial liabilities</b>				
Derivatives	-	-	-	-
<b>Total financial liabilities at fair value</b>	-	-	-	-

There have been no transfers between hierarchy levels in fiscal years 2020, 2019 and 2018.

Fair value measurement of financial instruments

The Group's treasury department performs valuations of financial items for financial reporting purposes, assisted by third-party valuation specialists for complex valuations. Valuation techniques are selected based on the characteristics of each instrument, with the overall objective of maximizing the use of market information. The Treasury Department reports directly to the Chief Financial Officer. Valuation processes and changes in fair value are performed at least once a year, in accordance with the Group's reporting dates.

The following valuation techniques are used for instruments classified in level 2:

- Financial derivatives (Level 2) - Interest rate swap: The Group periodically receives swap valuation updates from Banco de Sabadell, the financial institution with which the interest rate swap is contracted.
- Financial derivatives (Level 2) - Energy price swap: During the year 2020, the Group signed an agreement with a customer acting as its selling agent in Spain, to ensure the selling price of all the energy sold to the market for the entire year 2021. The Group periodically performs the swap valuation update from the customer with whom the sale price swap is contracted. This valuation update is received at year-end (Note 10).

26.2 Fair value measurement of non-financial assets

As of December 31, 2020, 2019 and 2018, there are not any non-financial assets measured at fair value.

(27) Earnings per share

Both basic and diluted earnings per share have been calculated using as the numerator the profit attributable to the shareholders of the parent company (Grupo Ecoener, S.A.U.), i.e. no adjustments have been necessary to be made to profit for the years 2020, 2019 and 2018. Basic earnings per share are determined by dividing the net income attributable to the Group in a period by the weighted average number of shares outstanding during that period, excluding, where appropriate, the average number of treasury shares held during such period.

In order to calculate diluted earnings per share, both the amount of income attributable to common shareholders and the weighted average number of shares outstanding, net of treasury shares, must be adjusted for all dilutive effects inherent to potential common shares.

The Parent Company has no potentially dilutive effects, and consequently, basic earnings per share coincide with diluted earnings per share.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

### Notes to the Consolidated Annual Accounts as of and for the year ended December 31, 2020

The reconciliation of the weighted average number of shares for diluted earnings per share in respect to the weighted average number of common shares used to calculate basic earnings per share is as follows:

<b>Thousands of shares:</b>	<b>2020</b>
Weighted average number of shares used in basic earnings per share	5,600
Effect of the conversion of stock options into share-based payments	-
<b>Weighted average number of shares used in diluted earnings per share</b>	<b>5,600</b>
Net income for the year attributed to the Parent Company (thousands of euros)	3,457
Basic earnings per share and diluted	0.6173

The average number of shares has been based on what is described in Notes 1 and 2.i, considering that the accounting effect date of the reorganization is considered from the beginning of the year.

In the event that, the Parent Company of Grupo Ecoener, S.A.U. had existed and held the same number of shares as in 2020, earnings per share for the years 2019 and 2018 would have amounted to 0.9473 and 0.0625, respectively (unaudited amounts).

#### (28) Subsequent events

The Company expects its shares to be listed on the Spanish Stock Exchanges during the first half of 2021.

On March 4, 2021, the Sole Shareholder of Grupo Ecoener, S.A.U. proceeded to write-off part of the credit it has with said Company for an amount of 6,500 thousand euros and which is recorded in the Consolidated Annual Accounts under debts with related parties. The aforementioned transaction has been carried out as a shareholder contribution by means of the write-off of part of the credits held by the Sole Shareholder in the Company.

On March 22, 2021, the Board of Directors of Grupo Ecoener, S.A. approved a long-term incentive plan for the period 2021-2023. The remuneration set forth in the plan, will be payable in cash upon the fulfillment of a series of business objectives. Beneficiaries will receive the incentive if they voluntarily join the plan and remain within the company in 2023. The maximum remuneration to be distributed among the beneficiaries, will consist of 0.5% of the EBITDA of Grupo Ecoener, S.A.U. in 2023. The maximum number of beneficiaries will be 8. Said plan is not linked to the Initial Public Offering.

On March 22, 2021, the Sole Shareholder proposed to carry out a capital increase in the amount of 12,240 thousand euros, through the issuance of 122,400 new registered shares, with a nominal value of 100 euros each, through capitalization of an amount of 12,240 thousand euros of freely available reserves to share capital. Simultaneously, the Sole Shareholder proposed to modify the nominal value of the shares, which becomes 0.32 euros, creating by dividing the existing 312.5 new shares for each existing share, thus converting the 128,000 registered shares currently existing in 40,000,000 registered shares of the Company of the same class and series, fully subscribed and paid up. It is estimated that both transactions will be approved without any modification.

Except as per what was indicated in the preceding paragraphs, for the period from December 31, 2020, to the date of preparation of these Consolidated Annual Accounts by the Parent Company's Board of Directors, no significant events worthy of mention have occurred or have come to the Parent Company's attention.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
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(In thousand euros)

Appendix I

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Uncalled capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Income		Total Equity
										Operating	Net	
Drago Renovables, S.L. (*) (***)	La Coruña	-	75%	4,455	-	273	1,157	-	-	2,388	346	6,231
Mocan Renovables, S.L. (*) (***)	La Coruña	-	75%	2,051	-	231	520	-	-	1,266	483	3,285
Hidroeléctrica del Giesta, S.L. (*) (***)	La Coruña	-	100%	247	-	157	-	-	-	3,613	1,615	2,019
Hidroeléctrica de Oourol, S.L. (*)	La Coruña	-	70%	1,608	-	863	-	-	-	2,122	279	2,750
Soc. Lucense de Energía Hidráulica, S.L. (*)	La Coruña	-	100%	1,204	-	241	-	-	-	1,537	864	2,309
Energías de Pontevedra, S.L. (*)	La Coruña	-	100%	47	-	(2)	-	-	-	289	153	198
Ecoener Invers. de Centroamérica S.A. (*)	Guatemala	99.99%	0.01%	6,473	-	195	-	2,623	2,102	(717)	(742)	10,651
Hidro Quetzal, S.A. (*)	Guatemala	-	75.89%	5,336	-	1	3,346	-	(1)	-	-	8,682
Ecoener Ingeniería, S.A. (*)	Guatemala	-	98%	-	-	22	-	2,178	(2,207)	718	650	643
Energías del Ocosito, S.A. (*) (***)	Guatemala	-	75.89%	8,505	-	208	-	-	(4,229)	681	(1,069)	3,415
Energías de Forcarei, S.L. (*)	La Coruña	97%	-	1,599	-	-	-	-	(93)	(1)	(29)	1,477
Sociedad Eólica Punta Maeda, S.L. (*)	La Coruña	100%	-	1,215	-	(9)	-	523	(473)	(74)	(62)	1,194
Bencomia de Risco, S.L. (*)	La Coruña	100%	-	10	-	-	-	815	(7)	(8)	(7)	811
Magarza del Andén, S.L. (*)	La Coruña	100%	-	10	-	-	-	48	(45)	(31)	(25)	(12)
Cardo de Plata, S.L. (*) (***)	La Coruña	-	100%	343	-	-	332	1,823	(46)	143	(19)	2,433
Hierba Muda, S.L. (*)	La Coruña	100%	-	10	-	-	-	8	(6)	(2)	(2)	10
Tabaiba Solar, S.L. (*)	La Coruña	100%	-	5	-	-	-	1,421	(10)	(10)	(10)	1,406
Ecoener Ingeniería, S.L. (*)	La Coruña	100%	-	5	-	17	-	-	-	66	51	73
Comercializadora Centroamericana de Energía La Ceiba, S.A. (*) (***)	Guatemala	-	100%	119	-	7	-	36	18	463	340	520
Llanos del Sur Fotovoltaica, S.A. (**) (***)	Honduras	-	50%	6,616	-	2,498	-	-	-	2,538	1,700	10,814
Ecoener Ingeniería Honduras, S.A. (*)	Honduras	-	98.04%	2	-	-	-	-	56	61	57	115
Chajorra de Aluce, S.L. (*)	La Coruña	100%	-	3	-	-	2	3	(4)	(2)	(2)	2
Amagante Herreño, S.L. (*)	La Coruña	100%	-	3	-	-	2	392	(3)	(3)	(3)	391
Dama de Bandama, S.L. (*)	La Coruña	100%	-	3	-	-	2	30	(5)	(13)	(11)	19
Conservilla Majorera, S.L. (*)	La Coruña	75%	-	3	-	-	2	-	(23)	(2)	(2)	(20)
Picocercialo, S.L. (*)	La Coruña	100%	-	3	-	-	2	11	(9)	(13)	(10)	(3)
Mosquera de Tamadaba, S.L. (*)	La Coruña	75%	-	3	-	-	2	-	(24)	(2)	(1)	(20)
Colino Majorero, S.L. (*)	La Coruña	100%	-	3	-	-	2	4	(3)	(27)	(21)	(15)
Cresta de Gallo, S.L. (*)	La Coruña	75%	-	3	-	-	2	-	(5)	(16)	(12)	(12)
Canutillo de Sabinosa, S.L. (*)	La Coruña	100%	-	3	-	-	2	3,176	(5)	(14)	(12)	3,164
Alamillo de Doramas, S.L. (*) (***)	La Coruña	19%	81%	1,241	-	57	586	-	(91)	(12)	(63)	1,730

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Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Uncalled capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Income		Total Equity
										Operating	Operating	
Malva de Risco, S.L. (*)	La Coruña	100%	-	3	-	-	2	2	(3)	(6)	(5)	(1)
Tiraventos, S.L. (*)	La Coruña	100%	-	250	-	(3)	-	27	(42)	(2)	(1)	231
Siempreviva Gigante, S.L. (*)	La Coruña	100%	-	3	-	-	2	24	(3)	(12)	(11)	15
Herdanera, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(15)	(11)	(9)
Salvia Blanca, S.L. (*)	La Coruña	100%	-	3	-	-	2	7	(3)	(10)	(8)	1
Siempreviva Azul, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(6)	(5)	(3)
Magarza Plateada, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(12)	(9)	(7)
Risoela, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(2)	(1)	1
Helecho de Cristal, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(32)	(25)	(23)
Rosalito Palmero, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(2)	(2)	-
Bejeque Rojo, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(3)	(2)	(2)	-
Eólicos de Ferrol, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(2)	(2)	(1)	2
Drago General Partner, S.À.R.L. (*)	Luxembourg	100%	-	12	-	1	-	-	(3)	(6)	(10)	-
Ecoener Inversiones SCA, SICAV-RAIF (*)	Luxembourg	96.67%	3.33%	1,825	9	59	-	-	-	261	(248)	1,645
Violeta de Anaga, S.L. (*)	La Coruña	100%	-	3	-	-	2	-	(1)	(2)	(2)	2
Ecoener Emisiones, S.A.U. (*) (***)	La Coruña	100%	-	317	-	3,230	2,442	977	-	1,427	(317)	6,649
Oilean Telde Eolica Energy, S.L. (*)	Canary Islands	100%	-	167	-	5	-	-	(66)	(11)	79	185
Violeta Palmera, S.L. (*)	Canary Islands	100%	-	23	-	-	408	2,550	-	(6)	(36)	2,945
Eólicos del Matorral, S.L. (*)	Canary Islands	100%	-	23	-	-	411	2,400	-	(5)	(39)	2,795
Ecoener Mirazul Dos, S.A. (*)	Nicaragua	99%	1%	2	(2)	-	-	-	-	-	-	-
Yesquera de Aluce, S.L. (*)	La Coruña	-	100%	553	-	-	2	-	(45)	(71)	(223)	287
Cardoncillo Gris, S.L. (*)	Spain	100%	-	3	-	-	2	-	-	(2)	(2)	3
Yerbamora, S.L. (*)	Spain	50%	-	3	-	-	-	-	-	(1)	(1)	2
LCV Ecoener Solares Dominicana, S.R.L. (*)	Dominican Republic	99%	-	2	-	-	-	-	-	-	-	2
EFD Ecoener Fotovoltaica Dominicana, S.R.L. (*)	Dominican Republic	99%	1%	2	-	-	-	-	-	(26)	(27)	(25)
Ecoener Solar Panamá, S.A. (*)	Panama	99%	-	9	(9)	-	-	-	-	-	-	-
Ecoener Renovables Panamá, S.A. (*)	Panama	99%	-	9	(9)	-	-	-	-	-	-	-
Ecoener Ingeniería Panamá, S.A. (*)	Panama	99%	-	9	(9)	-	-	-	-	(36)	(37)	(37)
Ecoener Operación y Mantenimiento, S.L. (*)	Spain	100%	-	3	-	-	2	-	-	(1)	(1)	4

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Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Uncalled capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Income		Total Equity
										Operating	Operating	
Ecoener Servicios Constructivos, S.L. (*)	Spain	100%	-	3	-	-	2	100	-	(12)	(9)	96
Eólicos Hercúlinos, S.L. (*)	Spain	100%	-	3	-	-	2	-	-	(1)	(1)	4
EID Ecoener Inversiones, S.R.L. (*)	Dominican Republic	99%	1%	2	-	-	-	-	-	-	-	2
Fontes dos Arcos, S.L. (*)	Spain	100%	-	3	-	-	2	-	-	(1)	(1)	4
Hidroeléctrica de Santa Cruz II (**)	Guatemala	-	99%	-	-	-	-	344	(315)	-	-	29

(\*) *The activity carried out by the company is the promotion, construction and operation of energy production facilities from renewable sources.*

(\*\*) *The activity of the Company is the operation of a solar photovoltaic plant.*

The data corresponding to the stand-alone financial statements of each of the Group companies even when they are themselves heads of a subgroup. In addition, the data corresponds to the unaudited individual financial statements as of December 31, 2020, except for those companies marked with a (\*\*), which have been audited by KPMG or by another auditor as of December 31, 2020.

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corresponding to the year ended December 31, 2019  
(In thousand euros)

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income		Total Equity
										Operation	Net	
Drago Renovables, S.L. (*) (***)	La Coruña	-	75%	4,454	183	2,097	-	-	-	2,884	1,001	7,736
Mocan Renovables, S.L. (*) (***)	La Coruña	-	75%	2,051	143	964	-	-	-	1,594	933	4,091
Hidroeléctrica del Giesta, S.L. (*) (***)	La Coruña	100%	-	3,997	974	-	-	-	(1,750)	2,661	1,884	5,105
Desarrollo Energético de la Mariña, S.L. (*)	La Coruña	100%	-	3	(242)	-	1,400	(1,116)	-	(2)	(209)	(164)
Hidroeléctrica de Oourol, S.L. (*)	La Coruña	-	70%	1,608	489	-	-	-	-	1,337	394	2,491
Energías de Xerdiz, S.L. (*)	La Coruña	100%	-	4	1	-	114	(116)	-	(2)	(1)	2
Soc. Lucense de Energía Hidráulica, S.L. (*)	La Coruña	-	100%	1,204	241	-	-	-	(600)	1,138	695	1,540
Energías de Pontevedra, S.L. (*)	La Coruña	100%	-	1,347	153	-	-	(357)	-	1,498	1,318	2,462
Ecoener Invers. de Centroamérica S.A. (*)	Guatemala	99.99%	0.01%	6,473	184	-	2,653	2,397	-	(400)	(236)	11,471
Hidroeléctrica de Santa Cruz (*)	Guatemala	-	100%	1,397	-	-	-	(1,698)	-	-	-	(301)
Hidroeléctrica de Santa Cruz II (*)	Guatemala	1%	99%	-	-	-	344	(315)	-	-	-	29
Corp. Hidroelect.Guatemalteca, S.A. (*)	Guatemala	-	100%	1	65	-	-	-	-	78	78	144
Hidro Quetzal, S.A. (*)	Guatemala	-	75.89%	5,336	1	3,346	-	(1)	-	-	-	8,682
Ecoener Ingeniería, S.A. (*)	Guatemala	-	98%	-	22	-	2,178	(2,043)	-	(140)	(165)	(8)
Energías del Ocosito (*) (***)	Guatemala	-	75.89%	8,505	9	-	-	(4,200)	-	327	(30)	4,284
Gestión de Obras y Servicios Guatemaltecos, S.A. (*)	Guatemala	-	98%	-	-	-	283	(268)	-	-	-	16
Energías de Forcarei, S.L. (*)	La Coruña	97%	-	1,598	-	-	-	(63)	-	(1)	(29)	1,506
Sociedad Eólica Punta Maeda, S.L. (*)	La Coruña	100%	-	1,215	(9)	-	523	(65)	-	(541)	(408)	1,256
Bencomia de Risco, S.L. (*)	La Coruña	100%	-	10	-	-	36	(3)	-	(3)	(3)	39
Magarza del Andén, S.L. (*)	La Coruña	100%	-	10	-	-	48	(44)	-	(2)	(1)	12
Cardo de Plata, S.L. (*) (***)	La Coruña	100%	-	343	-	332	1,823	(6)	-	(54)	(40)	2,452
Hierba Muda, S.L. (*)	La Coruña	100%	-	10	-	-	8	(4)	-	(2)	(2)	12
Tabaiba Solar, S.L. (*)	La Coruña	100%	-	5	-	-	62	(7)	-	(4)	(3)	56
Ecoener Ingeniería, S.L. (*)	La Coruña	100%	-	5	17	-	-	-	-	53	39	61
Comercializadora Centroamericana de Energía La Ceiba, S.A. (*)	Guatemala	100%	-	119	1	-	202	(83)	-	159	108	347
Llanos del Sur Fotovoltaica, S.A. (**)	Honduras	-	50%	6,616	1,605	-	-	-	-	2,983	1,176	9,397

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
corresponding to the year ended December 31, 2019  
(In thousand euros)

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income		Total Equity
										Operation	Operation	
Chajorra de Aluce, SL (*)	La Coruña	100%	-	3	-	2	3	(3)	-	(2)	(1)	4
Amagante Herreño, SL (*)	La Coruña	100%	-	3	-	2	12	(2)	-	(2)	(1)	13
Dama de Bandama, SL (*)	La Coruña	100%	-	3	-	2	30	(3)	-	(2)	(1)	30
Conservilla Majorera, SL (*)	La Coruña	75%	-	3	-	2	-	(21)	-	(3)	(2)	(18)
Picocercialo, SL (*)	La Coruña	100%	-	3	-	2	11	(9)	-	-	-	7
Mosquera de Tamadaba, SL (*)	La Coruña	75%	-	3	-	2	-	(21)	-	(3)	(3)	(19)
Colino Majorero, SL (*)	La Coruña	100%	-	3	-	2	4	(2)	-	(2)	(1)	6
Cresta de Gallo, SL (*)	La Coruña	75%	-	3	-	2	-	(3)	-	(2)	(2)	-
Canutillo de Sabinosa, SL (*)	La Coruña	100%	-	3	-	2	26	(3)	-	(2)	(2)	26
Alamillo de Doramas, SL (*)	La Coruña	100%	-	723	-	722	-	(3)	-	(117)	(88)	1,354
Tiraventos, S.L. (*)	La Coruña	100%	-	250	(3)	-	27	(40)	-	(2)	(1)	232
Dragmoc, S.L. (*) (***)	La Coruña	100%	-	1,100	(2)	-	-	(85)	(1,137)	1,864	1,436	1,312
Malva de Risco, S.L. (*)	La Coruña	100%	-	3	-	2	2	(2)	-	(2)	(2)	4
Siempreviva Gigante, S.L. (*)	La Coruña	100%	-	3	-	2	24	(2)	-	(2)	(2)	26
Herdanera, S.L. (*)	La Coruña	100%	-	3	-	2	-	(2)	-	(2)	(1)	2
Salvia Blanca, S.L. (*)	La Coruña	100%	-	3	-	2	7	(2)	-	(2)	(1)	9
Siempreviva Azul, S.L. (*)	La Coruña	100%	-	3	-	2	-	(2)	-	(2)	(1)	2
Magarza Plateada, S.L. (*)	La Coruña	100%	-	3	-	2	-	(2)	-	(2)	(1)	2
Risoela, S.L. (*)	La Coruña	100%	-	3	-	2	-	(1)	-	(2)	(1)	2
Helecho de Cristal, S.L. (*)	La Coruña	100%	-	3	-	2	-	(2)	-	(2)	(2)	2
Rosalito Palmero, S.L. (*)	La Coruña	100%	-	3	-	2	-	(1)	-	(2)	(1)	2
Bejeque Rojo, S.L. (*)	La Coruña	100%	-	3	-	2	-	(1)	-	(2)	(1)	2
Eólicos de Ferrol, S.L. (*)	La Coruña	100%	-	3	-	2	-	-	-	(2)	(1)	3
Drago General Partner SARL (*)	Luxembourg	100%	-	12	1	-	-	-	-	4	3	16



## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
corresponding to the year ended December 31, 2019  
(In thousand euros)

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income		Total Equity
										Operation	Operation	
Ecoener Inversiones, SCA (*)	Luxembourg	100%	-	1,650	77	-	-	-	-	(55)	(58)	1,669
Violeta de Anaga, S.L. (*)	La Coruña	100%	-	3	-	2	-	-	-	(2)	(1)	5
Yesquera de Aluce, SL (*)	La Coruña	100%	-	553	-	2	-	(3)	-	(35)	(43)	509
Ecoener Ingeniería Honduras, S.A. (*)	Honduras	-	98.04%	2	-	-	-	49	-	90	60	112

(\*) *The activity carried out by the company is the promotion, construction and operation of energy production facilities from renewable sources.*

(\*\*) *The activity of the Company is the operation of a solar photovoltaic plant.*

The data corresponding to the stand-alone financial statements of each of the Group companies even when they are themselves heads of a subgroup. In addition, the data corresponds to the unaudited individual financial statements as of December 31, 2020, except for those companies marked with a (\*\*\*) which have been audited by KPMG or by another auditor as of December 31, 2020.

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
corresponding to the year ended December 31, 2019  
(In thousand euros)

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income Operation	Income Operation	Total Equity
Drago Renovables, S.L. (*) (***)	La Coruña	-	75%	4,454	188	2,097	-	-	-	2,567	1,207	7,946
Mocan Renovables, S.L. (*) (***)	La Coruña	-	75%	2,051	110	964	-	-	-	1,453	1,073	4,198
Hidroeléctrica del Giesta, S.L. (*)	La Coruña	100%	-	3,997	974	-	-	-	(442)	2,212	841	5,370
Desarrollo Energético de la Mariña, S.L. (*)	La Coruña	100%	-	3	(242)	-	1,400	(1,195)	-	(2)	79	45
Hidroeléctrica de Oourol, S.L. (*)	La Coruña	-	70%	1,608	439	-	-	(447)	-	1,558	497	2,097
Soc. Lucense de Energía Hidráulica, S.L. (*)	La Coruña	-	100%	1,204	2,037	-	-	-	-	1,202	731	3,972
Energías de Pontevedra, S.L. (*)	La Coruña	100%	-	1,347	154	-	-	(548)	-	295	191	1,144
Ecoener Invers. de Centroamérica S.A. (*)	Guatemala	99.99%	0.1%	6,473	179	-	5,697	1,798	-	(301)	86	14,233
Hidroeléctrica de Santa Cruz (*)	Guatemala	-	100%	1,397	-	-	-	(1,698)	-	-	-	(301)
Hidroeléctrica de Santa Cruz II (*)	Guatemala	1%	99%	-	-	-	344	(315)	-	-	-	29
Hidroeléctrica de Santa Cruz III (*)	Guatemala	-	99.98%	-	-	-	52	(58)	-	-	-	(6)
Corp. Hidroelect.Guatemalteca, S.A. (*)	Guatemala	-	100%	1	737	-	-	(180)	-	(3)	(3)	555
Hidro Quetzal, S.A. (*)	Guatemala	-	75.89%	5,336	1	3,346	-	(1)	-	-	-	8,682
Inversiones Renovables Guatemaltecas (*)	Guatemala	83.76%	-	9	-	207	-	(21)	-	-	-	195
Ecoener Ingenieria, S.A. (*)	Guatemala	-	98%	-	22	-	2,014	(627)	-	23	5	1,414
Energías del Ocosito (*) (***)	Guatemala	-	75.89%	8,505	9	-	-	(792)	-	297	(3,357)	4,365
Gestión de Obras y Servicios Guatemaltecos, S.A. (*)	Guatemala	-	98%	-	-	-	283	(231)	-	(36)	(36)	16
Hidro Soloma, S.A. (*)	Guatemala	99.80%	0.20%	1	-	-	3	(129)	-	128	119	(6)
Hidroeléctrica Cuatro Chorros del Chicaman(*)	Guatemala	-	99.98%	1	-	-	-	(1)	-	-	-	-
Hidroeléctrica San Bartolomé, S.A. (*)	Guatemala	-	83.75%	216	-	-	-	(25)	-	-	-	191
Hidroeléctrica San Pedro Soloma I, S.A. (*)	Guatemala	-	99.98%	1	-	-	-	(1)	-	-	-	-
Hidroeléctrica San Pedro Soloma II, S.A. (*)	Guatemala	-	99.98%	1	-	-	116	(1)	-	(120)	(120)	(4)
Energías de Forcarei, S.L. (*)	La Coruña	97%	-	1,599	-	-	-	(34)	-	(2)	(29)	1,536

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
corresponding to the year ended December 31, 2019  
(In thousand euros)

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income Operation	Operati on	Total Equity
Sociedad Eólica Punta Maeda, S.L. (*)	La Coruña	100%	-	1,215	(9)	-	524	(56)	-	(3)	(9)	1,665
Bencomia de Risco, S.L. (*)	La Coruña	100%	-	10	-	-	36	(2)	-	(3)	(2)	42
Magarza del Andén, S.L. (*)	La Coruña	100%	-	10	-	-	48	(4)	-	(53)	(41)	13
Cardo de Plata, S.L. (*)	La Coruña	100%	-	10	-	-	58	(2)	-	(4)	(3)	63
Hierba Muda, S.L. (*)	La Coruña	100%	-	10	-	-	9	(3)	-	(2)	(2)	14
Tabaiba Solar, S.L. (*)	La Coruña	100%	-	5	-	-	62	(4)	-	(3)	(3)	60
Ecoener Ingeniería, S.L. (*)	La Coruña	100%	-	5	17	-	-	-	-	317	244	266
Comercializadora Centroamericana de Energía La Ceiba, S.A. (*)	Guatemala	100%	-	119	-	-	202	(105)	-	16	19	235
Llanos del Sur Fotovoltaica, S.A. (**)	Honduras	-	50%	6,616	410	-	-	-	-	2,761	1,195	8,221
Ecoener Ingeniería Honduras, S.A. (*)	Honduras	-	98.04%	2	-	-	-	10	-	66	47	59
Chajorra de Aluce, SL (*)	La Coruña	100%	-	3	-	2	-	-	-	(3)	(3)	2
Amagante Herreño, SL (*)	La Coruña	100%	-	3	-	2	11	-	-	(2)	(1)	15
Dama de Bandama, SL (*)	La Coruña	100%	-	3	-	2	30	(1)	-	(2)	(2)	32
Conservilla Majorera, SL (*)	La Coruña	75%	-	3	-	2	-	(3)	-	(23)	(18)	(16)
Picocernicalo, SL (*)	La Coruña	100%	-	3	-	2	9	-	-	(11)	(8)	6
Mosquera de Tamadaba, SL (*)	La Coruña	75%	-	3	-	2	-	(3)	-	(23)	(18)	(16)
Colino Majorero, SL (*)	La Coruña	100%	-	3	-	2	3	-	-	(2)	(1)	7
Yesquera de Aluce, SL (*)	La Coruña	100%	-	3	-	2	19	-	-	(2)	(2)	22
Cresta de Gallo, SL (*)	La Coruña	75%	-	3	-	2	-	(1)	-	(2)	(2)	2
Canutillo de Sabinosa, SL (*)	La Coruña	100%	-	3	-	2	26	(1)	-	(2)	(2)	28
Alamillo de Doramas, SL (*)	La Coruña	100%	-	3	-	2	34	(1)	-	(2)	(2)	36
Tiraventos, S.L. (*)	La Coruña	100%	-	250	(3)	-	27	(39)	-	(1)	(19)	234

## GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Information regarding its subsidiaries  
corresponding to the year ended December 31, 2019  
(In thousand euros)

Dragmoc, S.L. (*) (***)	La Coruña	100%	-	1,101	(3)	500	-	-	-	259	(85)	1,513
Malva de Risco, S.L. (*)	La Coruña	100%	-	3	-	2	2	-	-	(2)	(2)	5
Siempreviva Gigante, S.L. (*)	La Coruña	100%	-	3	-	2	24	-	-	(2)	(2)	27
Herdanera, S.L. (*)	La Coruña	100%	-	3	-	2	-	-	-	(2)	(2)	3
Salvia Blanca, S.L. (*)	La Coruña	100%	-	3	-	2	7	-	-	(2)	(2)	10
Siempreviva Azul, S.L. (*)	La Coruña	100%	-	3	-	2	-	-	-	(2)	(2)	3
Magarza Plateada, S.L. (*)	La Coruña	100%	-	3	-	1	-	-	-	(2)	(1)	3

Company	Registered address	% Direct Ownership	% Indirect Ownership	Capital	Reserves	Issue premium	Sole Shareholder contribution	Accumulated losses from previous periods	Interim dividend	Income Operation	Income Operation	Total Equity
Risoela, S.L. (*)	La Coruña	100%	-	3	-	1	-	-	-	(2)	(1)	3
Helecho de Cristal, S.L. (*)	La Coruña	100%	-	3	-	2	-	-	-	(2)	(2)	3
Rosalito Palmero, S.L. (*)	La Coruña	100%	-	3	-	1	-	-	-	(2)	(1)	3
Bejeque Rojo, S.L. (*)	La Coruña	100%	-	3	-	1	-	-	-	(2)	(1)	3

(\*\*) The activity carried out by the company is the promotion, construction and operation of energy production facilities from renewable sources.

(\*\*\*) The activity carried out by the company is the sale and purchase of rural and urban properties, and buildings and constructions of all kinds, concretely garages, parking lots for every type of vehicles, as well as their promotion, urbanization, construction and exploitation and assignment by any legal title.

(\*\*\*\*) The activity of the Company is the operation of a solar photovoltaic plant.

The data correspond to the individual financial statements of each of the Group's companies, even when they are themselves heads of a subgroup. In addition, the data correspond to the unaudited individual financial statements as of December 31, 2018, except for those of the companies marked with a (\*\*\*) which have been audited by KPMG or by another auditor.

# 2020 CONSOLIDATED MANAGEMENT REPORT



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## SUMMARY

Net revenues +9.4%

**EUR 36,897 thousand**

**FY 2019: EUR 33,736 thousand**

EBITDA +31.9%

**EUR 25,301 thousand**

**FY 2019: EUR 19,180 thousand**

EBITDA margin +11.7%

**68.6%**

**FY 2019: 56.9%**

Adjusted EBITDA +0.4%

**EUR 21,428 thousand**

**FY 2019: EUR 21,343 thousand**

Adjusted EBITDA margin -5.2%

**58.1%**

**FY 2019: 63.3%**

Net financial debt +48.0%

**EUR 182,193 thousand**

**FY 2019: EUR 123,089 thousand**

Working capital -18.9%

**EUR 7,216 thousand**

**FY 2019: EUR 8,897 thousand**

MW portfolio

**283 MW**

MW Pipeline

**1,527 MW**  
(284 MW backlog)

# 1. POSITION OF THE ENTITY

Grupo Ecoener, S.A.U. (the “Ecoener Group”, the “Parent”, the “Parent Company” or the “Company”) and its subsidiaries (the “Group”) make up a consolidated group of companies operating in the renewable energy industry, more specifically, in the hydropower, wind and solar PV industries.

The Ecoener Group is currently specialised in the construction, management, development, maintenance and operation of renewable energy facilities. The Group operates hydropower plants, wind farms and solar PV plants, and boasts a high level of expertise in the three technologies. We also generate power on a long-term basis to contribute to genuinely sustainable development.

Headquartered in La Coruña, Spain, we are working in 11 countries in which we are either operating, constructing or developing renewable energy assets or projects (Spain, Honduras, Guatemala and Dominican Republic being the countries where we have In Operation or Under Construction assets, and Panama, Colombia, Chile, Nicaragua, Kenya, Georgia and Serbia, being the countries where we are developing projects classified under different stages of our Pipeline).

Our culture is based on a corporate identity that sets us apart from our competitors, on which we work to contribute to the promotion of social and environmental sustainability in the communities with which we interact.

Generating renewable energy projects while fully respecting social and environmental sustainability thus requires in-depth knowledge of the value chain necessary to carry out a project from design to commissioning. As has been demonstrated throughout our history, we have the ability to operate as an integrated company with its own resources in the process of development, construction and operation of hydropower facilities, wind farms and solar PV plants.

Our experience in the development and construction of projects, together with our internal capacity for operation, maintenance and infrastructure management, and an efficient financial strategy, allow us to offer sustainable, innovative and profitable renewable energy solutions. The Ecoener Group has been selecting suitable locations to build and operate plants with hydropower, wind and solar PV technology for over 30 years.

The fact that the entire value chain is integrated in-house gives us superior understanding and control over the development, financing, construction and operation of projects. The Ecoener Group’s value-added lies in its ability to rely solely on its own workforce to identify, design, develop, finance and build projects to be commissioned, and to subsequently manage the sale of energy produced at its facilities.

Our vertical integration strategy for each of the three technologies, combined with our knowledge and ability to take advantage of the value chain, is what sets us apart from our competitors and allows us to maximise profit margins.

## ***1.1 Mission and vision of the ECOENER Group***

The Ecoener Group has the clearly defined mission of effectively and efficiently build sustainable renewable energy plants that have a positive impact on its economic, social and environmental setting.

To achieve this goal, it has established itself as a multi-technology, vertically integrated, internationally-oriented company, characterised by excellence in the identification of opportunities and in the construction and operation of long-term renewable energy facilities.

## ***1.2 Structure and operation***

Grupo Ecoener, S.A.U. was incorporated as a public limited liability company, pursuant to Spanish legislation, on 28 January 2020, and was registered at La Coruña Mercantile Registry. Its registered office is located at Cantón Grande, 6 - 6º (La Coruña). Grupo Ecoener, S.A.U. is a wholly owned subsidiary of the Spanish company Ecoener, S.L.U., which currently owns the 100% of its shares.

The Ecoener Group expects its shares to be listed on the Spanish stock exchanges in 2021.

### Restructuring operation

As part of its business strategy for 2020, Ecoener, S.L.U., as the Group's Sole Shareholder, has decided to transfer the following business to the company Grupo Ecoener, S.A.U.:

- a) The entire ownership of its renewable energy facilities.
- b) Its activity of promotion and development of renewable energy facilities understood as the entirety of work carried out from the earliest phases of identification of opportunities of business until the confirmation of the viability of the project.
- c) And its activity regarding operation and maintenance of renewable energy facilities.

For further clarification, the Sole Shareholder has not transferred to Grupo Ecoener, S.A.U. certain real estate properties, as well as the construction and development business associated with the construction of the parks under construction at the end of the fiscal year.

In relation to the construction and development activity associated with construction, the latter being understood as the management of the work necessary for the subsequent execution of construction activities, while the physical construction activity strictly includes the implementation and completion of the works and commissioning of the installation. Both activities have historically been carried out by the Sole Shareholder on a discontinued basis, through the hiring of personnel for work and services only during the periods in which it has had facilities under construction.

Hence, this activity does not count with permanent human resources or relevant materials, and when carried out it has been through the coordination of human and technical resources hired specifically for the construction of a particular facility, and consequently, disengaged when such construction is finished. The last facilities built by the Sole Shareholder have been the five wind farms in San Bartolomé de Tirajana (Gran Canaria) owned by the subsidiaries of Grupo Ecoener, S.A.U.: Cardo de Plata, SL, Yesquera de Aluce, SL, Alamillo de Doramas, SL, Violeta Palmera, SL and Eólicos del Matorral, S.L.

On December 31, 2020, the Sole Shareholder terminated the contracts of all the workers hired for the execution of such works, due to their completion. Once these installations completed, it is not foreseen for Ecoener, S.L.U. to incur in any other activity apart from that of a holding company and therefore does not requires counting with any staff related to the aforementioned construction and development activity.

In this regard, Grupo Ecoener, S.A.U., within the restructuring operation, has not received any employee, right or obligations related to the construction and development activity associated with such operation.

Since January 1, 2021 and without forming part of the aforementioned restructuring operation, Grupo Ecoener, S.A.U., through its subsidiary, Aquis Querquennis, S.L. (incorporated under the name of Ecoener, Servicios Constructivos, S.L.), builds the twelve photovoltaic plants in San Bartolomé de Tirajana (Gran Canaria) owned by the subsidiaries Canutillo de Sabinosa, S.L., Tabaiba Solar, S.L. and Bencomia de Risco, S.L., as well as the wind farm in the same municipality for the subsidiary Oilean Telde Eólica Energy, S.L.

Of the five wind farms built in 2020, three entered into operation during the fiscal year 2020 and the other two are expected to do so during April 2021. This construction activity was carried out by the Sole Shareholder during the fiscal year 2020. For the fiscal year 2021, test works have been carried out by the hired wind turbines supplier, in accordance with their supply and installation contract.

Additionally, the Group counts with a portfolio of projects in different stages of development, the construction of which has not been started at the beginning of fiscal year 2021. Such construction will be carried out by Grupo Ecoener, S.A.U. Hence, Grupo Ecoener, S.A.U. has hired the required personnel to count with a permanent structure to undertake the construction and development of power generation facilities from renewable sources. In order to encourage the stability of this activity, the personnel considered as essential will be offered permanence commitments to be received once a five years period has elapsed.

The business units transfer was performed mainly through the transfer of entities under the common control of Ecoener, S.L.U. As a result, Grupo Ecoener, S.A.U. became the Parent Company of a Group comprised of subsidiaries.

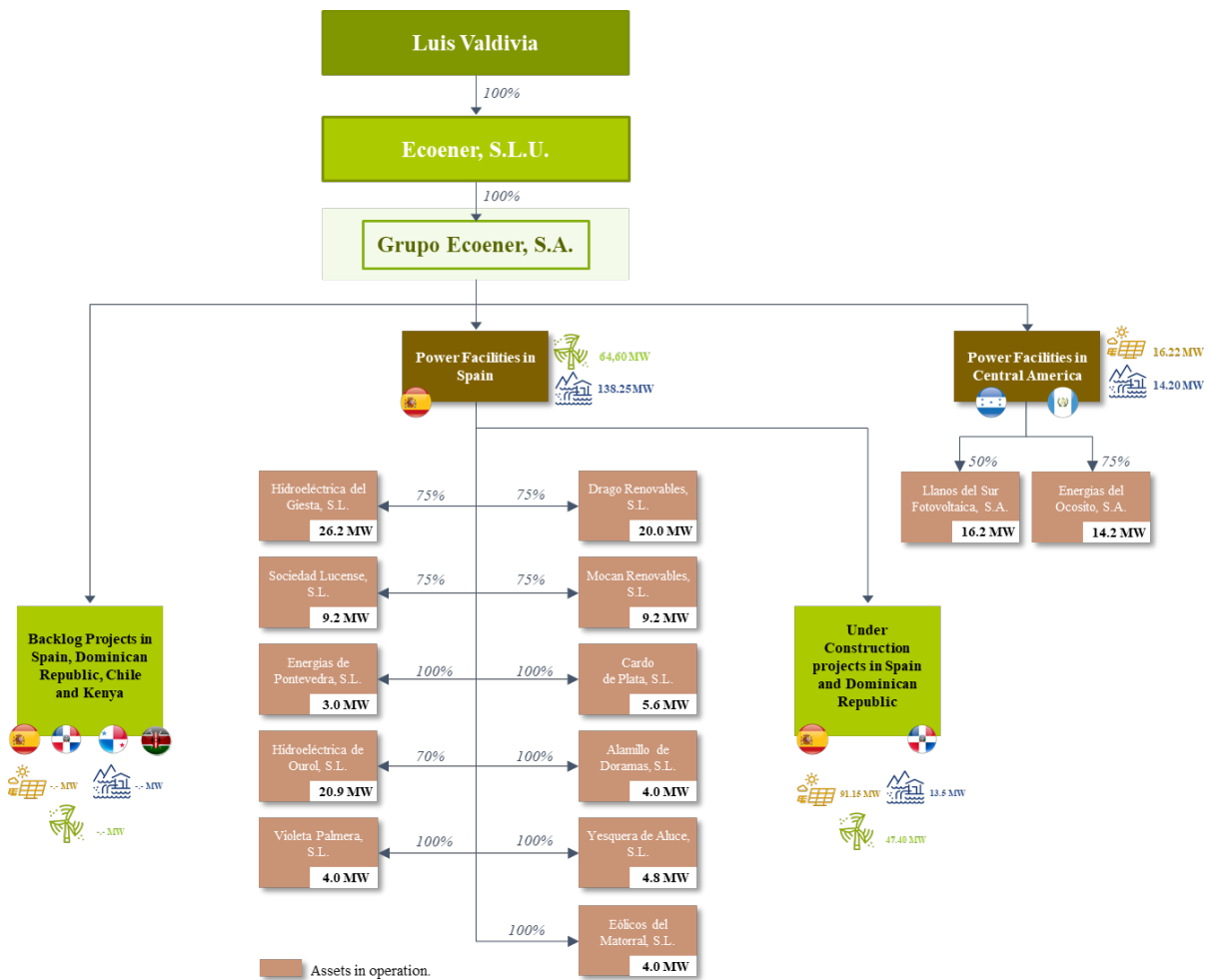
The main transactions performed in 2020 in this connection were as follows:

- On 12 June 2020, Ecoener, S.L.U. agreed to increase the capital of Grupo Ecoener, S.A.U. by EUR 500 thousand through the creation of 5,000 new registered shares with a par value of EUR 100 per share and a share premium of EUR 4,750 thousand of EUR 950 per share, which were fully subscribed and paid through the non-monetary contribution of 100% of the subscribed share capital of certain subsidiaries.



- On November 1, 2020, Ecoener S.L.U. and Grupo Ecoener S.A.U. signed a business purchase agreement whereby the former sells to the latter the O&M and high-level Promotion and Development unit from the earliest stages of identifying business opportunities to confirming the viability of the project, thus subrogating Grupo Ecoener, S.A.U. in the obligations that the Sole Shareholder had over the employees and contracts. The ownership of the assets and the assumed liabilities of the business, as well as the assigned contracts, are transferred as of December 1, 2020, while the transferred employees will be transferred on successive dates as of November 1, 2020 and been concluded as of December 31, 2020. Subsequently, but on the same day on which the purchase agreement was executed, Ecoener. S.L.U. waived the outstanding receivable from Grupo Ecoener, S.A. for the completion of the aforementioned transaction.
- On November 9, 2020, Ecoener, S.L.U. sold the company Ecoener Ingeniería Panamá, S.A. to Grupo Ecoener, S.A.
- On November 11, 2020, Ecoener, S.L.U. sold the company Bencomia del Risco, S.L. to Ecoener, S.A. Group.

The Group structure is shown in the following diagram:



The Group engages mainly in the following business activities:

- a) Administration and management services. The provision of all aspects of business administration and management services, whether through its professionals or by coordinating the services of collaborating professionals.
- b) Intermediation in all manner of mercantile transactions and the performance thereof on behalf of third parties, while complying with the legislation in force in this connection.
- c) The provision of technical assistance services in general, and the design, description, development and execution of all manner of technical projects, particularly those relating to the development and construction of public and private works.
- d) The administration and management of all types of assets and the business development thereof.
- e) The generation of electricity from renewable energy sources such as wind, hydropower, solar power, biomass and other sources, as well as the design, development, construction, management, maintenance, operation and closure and dismantling of the corresponding production facilities.
- f) Ownership, through concession arrangements or administrative authorizations, of the activities and facilities described above, and by virtue of such ownership, perform the pertinent registration formalities at the corresponding administrative registries.
- g) The performance of purchase and sale transactions and transfers, the arrangement of mortgages, leases and usufructs, and the completion of any other legal transactions in relation to the production or facilities described above.
- h) The provision of services to third parties in addition to technical assistance in relation to the activities and facilities described above, including, but not limited to, administrative and environmental management services and services relating to the commissioning of new facilities, in addition to comprehensive management, including operation and maintenance, of the production facilities that are in operation.

### ***1.3 Segments and business divisions***

Our operating segments are as follows: (i) operation of hydropower plants; (ii) operation of wind farms; (iii) operation of solar PV plants; (iv) energy commercialization; and (v) other services. The other services segment includes all those activities that generate revenues and bear expenses from sources other than electricity produced by the facilities owned by the Group, or the energy commercialization, as well as renewable energy generation projects in progress, as well as corporate management costs, including personnel dedicated to the operation of generating facilities. These projects in progress, once completed, are transferred to "Operation of hydropower plants", "Operation of wind farms" and "Operation of solar photovoltaic plants" segments.

As of December 31, 2020, we own renewable energy facilities in operation in three countries (Spain, Guatemala and Honduras) belonging to two geographical regions, with their respective delegations, with a total capacity of approximately 141 MW, of which 116 MW are attributable to the stake that we own in such facilities. The following table shows the capacity of our assets and facilities, as well as our project Pipeline, by technology, as of March 31, 2021:

	PORTFOLIO & PIPELINE				
	Assets		Pipeline		
	In operation	Under construction	Backlog	Advanced development	Early stage
<b>Hydropower</b>	52 MW	3 MW	0 MW	11 MW	455 MW
<b>Wind</b>	73 MW	47 MW	60 MW	21 MW	328 MW
<b>Solar PV</b>	16 MW	91 MW	224 MW	32 MW	396 MW
<b>TOTAL</b>	<b>141 MW</b>	<b>142 MW</b>	<b>284 MW</b>	<b>64 MW</b>	<b>1,179MW</b>

Our growing presence in different regions of the world, our expertise in the three main renewable energy technologies (hydropower, wind, solar PV and, to a lesser extent, energy commercialization) and our organic and sustainable growth are only possible thanks to our distinctive culture and sustainable, vertically integrated and homogeneous management style observed by Ecoener Group’s personnel.

These four business lines or operating segments form the basis for evaluating the Group’s results, in respect of which management periodically conducts its management decisions at corporate level.

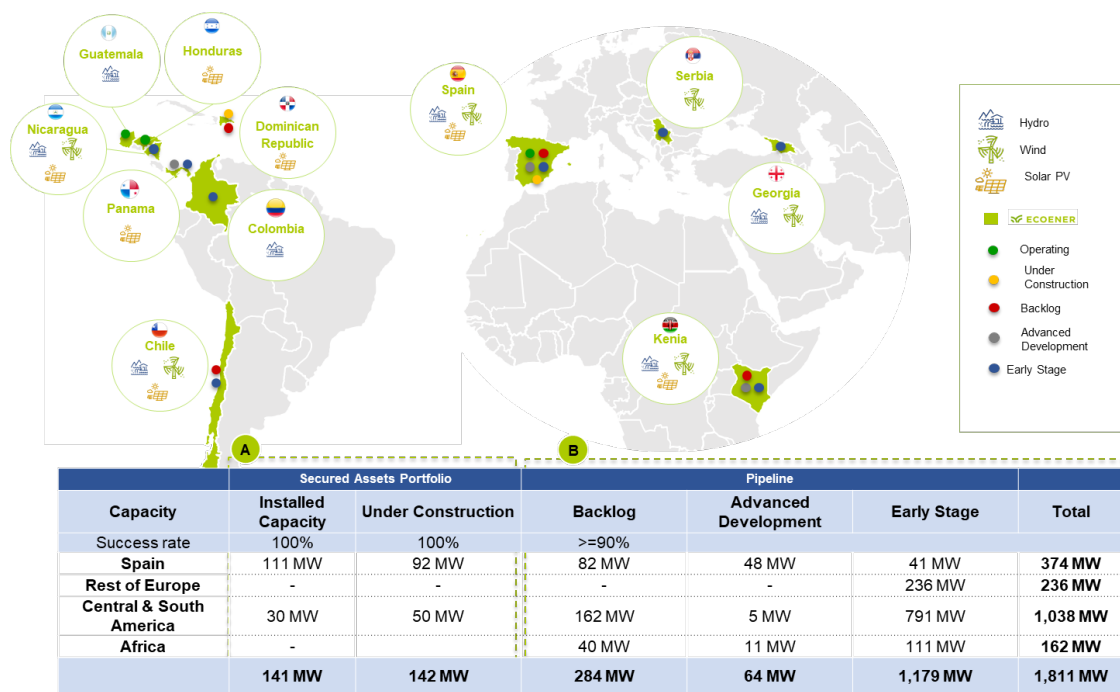
Our business covers various jurisdictions, technologies and activities, which reduces our dependence on any one market, technology or commercial division, offers us resistance during recessions and places us in a good position to harness international business opportunities. Our global operations in eleven countries, including Spain, Honduras, Guatemala and Dominican Republic being the countries where we have In Operation or Under Construction assets, and Panama, Colombia, Chile, Nicaragua, Kenya, Georgia and Serbia, cover both mature and growing markets.

The technologically and geographically diversified nature of our portfolio provides a portion thereof with the benefits of a natural hedge known as the “portfolio effect” which, in practice, means that it was designed for complementary efficiency through the implementation of different technologies in various territories, which enable us to avoid fluctuations arising from the availability of resources at any given time. At certain points, some areas will have rising power output, while others will experience a fall in power output. The addition to our portfolio of diverse geographical areas such as Galicia and the Canary Islands allows us to reduce the risk associated with resource variability by territory and season, and to achieve the aforementioned “portfolio effect”.

We also have a balanced portfolio in terms of diversified technology and geographical areas, and remuneration schemes that are linked entirely to hard currencies.

We have a diversified and robust project Pipeline to underpin our growth. We continuously seek out new development opportunities to grow our project Pipeline. By leveraging our integrated platform, structure, solid understanding of the market and activity across different regions, we have developed attractive projects forming part of certain of our development stages (“Early Stage”, “Advanced Development” and “Backlog”) to grow our Pipeline.

Detail of the Group’s international presence and assets as of December 31, 2020:



## 1.4 Organizational structure

Ecoener Group’s governing bodies are the annual General Shareholder’s Meeting and the sole director (after the General Shareholders' Meeting of April 2021, the sole director will be substituted by a Board of Directors), who hold the powers conferred on them by legislation and the bylaws. Both bodies are also governed by their own regulations, which include basic information on the organization and functioning thereof.

In the first half of 2021 we have been working to implement new bylaws that will bring us into line with the transparency objectives laid down in the Spanish Code of Good Governance for Listed Companies. Although these measures had yet to be implemented at the date of preparation of this management report, we will briefly describe the main updates on which we are working and their impact on the various governance bodies.

### 1.4.1 Corporate governance bodies

#### A. Annual General Shareholder’s Meeting

The Annual General Shareholder’s Meeting is the Group’s highest decision-making and control body on matters within its remit, and the right of shareholders to be involved in essential decision-making is exercised through this body. It represents all the shareholders, all of whom are subject to its decisions. The Annual General Shareholder’s Meeting has the power to decide on all matters attributed to it through legislation or the bylaws. Decisions which, irrespective of their legal nature, involve an essential modification of the Group’s actual activity, must also be approved or ratified by the Annual General Shareholder’s Meeting.

### *B. Board of Directors*

The Board of Directors is the body that has been attributed the broadest powers to manage, direct and represent the Company. Ecoener Group's day-to-day management may be entrusted to the delegated management bodies, in which case the activity will focus on the general supervisory function and on matters that are particularly significant for the Parent.

The Board of Directors must establish an Audit Committee and a Nomination and Remuneration Committee with powers to inform, supervise, advise and propose with respect to matters within its remit, as specified in the law and in the bylaws, and implemented in the Regulations of the Board of Directors. The Board of Directors may also establish other committees with consultancy or advisory functions, notwithstanding the fact that they may also be attributed decision-making powers on an exceptional basis.

Our Bylaws and Board of Directors Regulations provide for a Board of Directors that is expected to be consisting of between 5 and 15 members. Our Board of Directors is expected to be consisting of ten members in accordance with the resolution to be approved by our Sole Shareholder exercising the powers and faculties of the General Shareholders' Meeting, on April 2021. The expected composition of the Board of Directors will be two executive directors, three proprietary directors and five independent directors.

### *C. Audit Committee*

The Audit Committee comprises a minimum of three and maximum of five non-executive directors, with a majority representation of independent directors. The Audit Committee is responsible, inter alia, for supervising the effectiveness of the internal control and internal audit functions, and for overseeing the preparation and presentation of the required financial information.

The Audit Committee is expected to be formed by three members, all of them elected among the members of the Board of Directors considered as independent directors. The Chairman of the Audit Committee will be appointed based on his experience in accounting, auditing and risk management.

### *D. Nomination and Remuneration Committee*

The Nomination and Remuneration Committee also comprises a minimum of three and maximum of five non-executive directors, with a majority representation of independent directors. The general powers entrusted to this Committee are to propose and report on appointments and terminations, under the terms provided by law.

### *E. Sustainable Development Committee*

A Sustainable Development Committee may also be set up as an internal informative and advisory body, with no executive functions, but with powers to inform, advise and propose within the scope of its activities. This Committee also comprises a minimum of three and maximum of five directors, who are appointed by the Board of Directors and of whom the majority of non-executive directors must be classified as independent.

### F. Due Diligence Mechanisms

Lastly, the Board of Directors will approve the Internal Rules of Conduct in Securities Markets, the purpose of which is to regulate the rules of conduct to be observed by the Ecoener Group, its managing bodies, employees and other persons to whom the rules apply as a result of their activities in relation to the securities market.

These Internal Rules detail the conduct to be observed with respect to proprietary transactions, insider dealing, market manipulation and treasury share transactions.

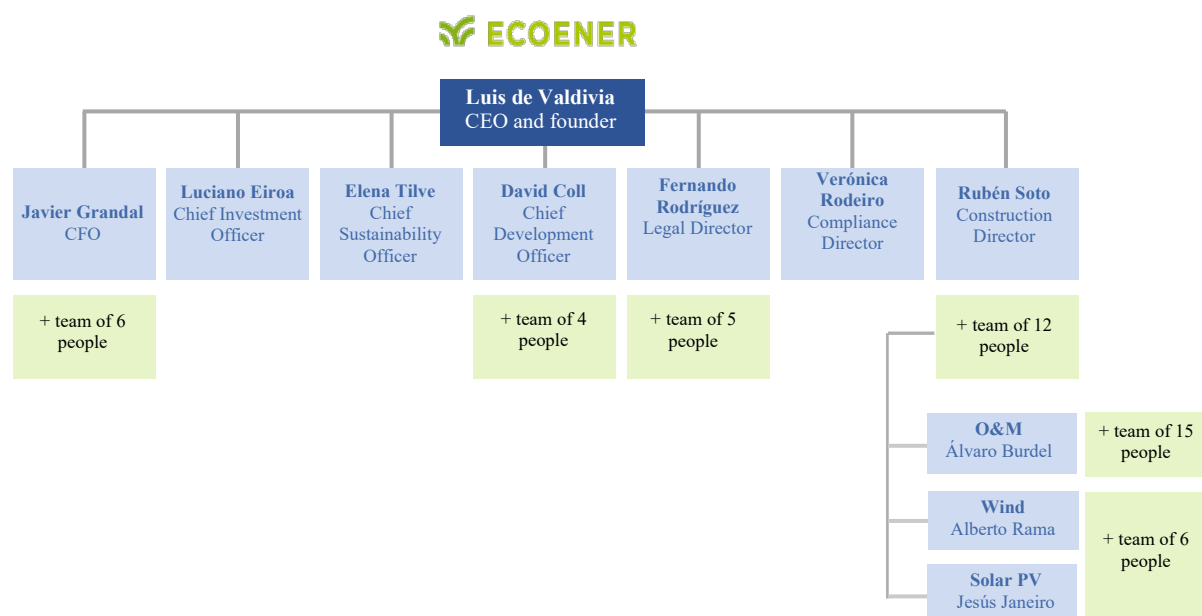
The Internal Rules of Conduct in Securities Markets apply, inter alia, to members of the Board of Directors, senior executives and employees with access to insider information, and also to our external advisers when handling insider information.

## 1.5 People at ECOENER

Group management considers the management of its personnel to be a priority. The relationships between the Company and its employees are characterised by ethical, respectful, inclusive and professional development-oriented conduct.

There were no employee terminations in progress or claims that might give rise to significant termination benefit payments as of December 31, 2020 or at the date of issue of this consolidated management report.

The Group's current operating organizational chart is as follows:



## *1.6 History of the Group*

Our activities commenced in La Coruña (Spain) in 1988, with Luis Valdivia (our current chairman and CEO). In our initial years, we focused our operations in Spain, and in 2005 we commenced our global expansion by setting up a facility in Latin America (Guatemala).

The key milestones in our history are as follows:

- 1988: Start of activity of Ecoener.
- 1988-1997: Ramp-up period of Ecoener, which led to the formation of the current Group, mainly focused on the development of hydropower renewable facilities in Spain and specifically in Galicia.
- 1997-2003: During this period, we expanded our Portfolio by 26.2 MW of hydropower facilities in Spain, consisting of the assets of San Bartolomé, Cierves, Peneda and Arnoya in Galicia.
- 2005: Internationalization to Latin America, with the development of our initial projects in Guatemala.
- 2007: Execution of the wind power tender in the Canary Islands for the allocation of power in the form of new wind farms, which will supply the Canary Islands electrical systems. Award of 38.2 MW, being the second highest awardee.
- 2008: Start of operations of: (i) the solar PV plant of Es Llobets in the Balearic Islands (1.2 MW), being the first thin-film solar PV plant in Spain; (ii) the Xestosa hydropower facility (2.9 MW), (iii) the Landro hydropower facility (9.2 MW); (iv) the Ourol wind farm (18MW); and (v) the Lalín wind farm (3 MW).
- 2010: Wind tender for the allocation of power capacity in the modality of new wind farms in Galicia. 81 MW awarded to a consortium led by a Group subsidiary.
- 2011: Wind Power Auction in Italy: Ecoener is awarded with a 10 MW tender, being (together with Gamesa) the only Spanish company receiving such tender consideration.
- 2014: Development of solar PV capacity in Honduras through the allocation of 57.5 MW in 6 projects whose production is sold under the relevant PPAs with the sovereign government of Honduras.
- 2015: Ecoener expanded its Portfolio of generation plants with the development of 16 MW of solar PV technology in Honduras (Llanos del Sur).
- 2016: Start of operations of Las Fuentes II hydropower facility in Guatemala.
- 2017: Start of operations of a 29.2 MW wind power installation in Spain; (i) Llanos de la Aldea wind farm (20MW); and (ii) San Bartolomé wind farm (9.2MW), which represented 30.5% of the total wind power installed in Spain in 2017.
- 2019: Five (5) of our wind farms in the Canary Islands received investment subsidies granted by the European Regional Development Fund (ERDF) for the construction of the assets.

- 2020: Start of operations of El Rodeo and La Caleta wind farms in the Canary Islands.
- 2020: Issuance of the first mixed green bond issued in Spain (EUR 130 million).
- 2021: Start of operations of Las Casillas 1, Lomos del Moral and Arcos del Coronadero wind farms in the Canary Islands.

### **1.6.1 Business model**

We consider that our fully vertically integrated and multi-technological business model, together with our extensive experience in developing hydropower, wind and solar PV projects from the ground up, allows us to generate competitively-priced energy and take advantage of synergies between the different activities in the value chain.

The fact that our business model can provide comprehensive solutions (for example, from design, finance structuring, supply and construction through to the operation of the plant, the subsequent management and maintenance of the assets and other services) represents an opportunity that gives us a competitive edge over other players in the market by allowing us to:

- capture the margins associated with the different phases of the value chain that other project developers may lose by having to contract external suppliers, which is particularly significant with respect to hydropower facilities and, to a lesser extent, with respect to wind and solar PV;
- monitor both project risk and the quality of the key equipment of our renewable energy facilities; and
- generate recurring cash flows and income, thus circumventing the effects of the seasonal factor.

We consider that our market position is based on the synergies and complementarity at different levels that occurs when we integrate our multi-technological model into our generation asset portfolio:

- The inclusion of the three technologies in our generation asset portfolio allows us to tackle a greater number of projects in the same territory, taking advantage of natural conditions. Thus, in Galicia, we have managed to take advantage of the two most abundant natural resources, river water and wind, and in the Canary Islands we have been doing the same with the wind and the sun.
- Generation from three technologies covers different types of energy demand, corrects any seasonality affecting production and balances the energy flow at all times. It also improves the stability and predictability of energy production, which are key to guaranteeing the supply of renewable energy.
- At risk level, it diversifies the source of income, improving the structure of returns, while creating protection barriers against any legal, natural or market changes.
- Our positioning in hydropower technology is essential in order to understand our competitive position from a competition, energy and economic standpoint on the basis of the following parameters:
  - The vast majority of competitors of our size and larger have not mastered this technology, which requires a high level of expertise in all phases of the value chain.
  - Hydropower technology provides greater stability in energy supply, while its equipment presents superior reliability and durability.



- It allows us to develop assets in regions and areas in which other technologies cannot be developed.

In each business phase associated with our technologies, we enjoy a strong strategic position with revenue generation supported by a growing and resilient market, regulatory support and renewable energy policies, as well as high entry barriers for potential participants who lack market and industry knowledge. As a result of the knowledge and experience that we acquire through the performance of our activities, we trust that we can provide the best technology available in its class, working with the highest technical standards and first-class suppliers.

This comprehensive model is supplemented by our management and monitoring of energy to optimise and guarantee the performance of income from electricity sales and minimise any impact arising as a result of factors such as a drop in demand or price volatility in the generation market.

## 1.6.2 Operating portfolio

Our business management is based on our ability to successfully execute projects classified as “Early Stage” and “Advanced Development” projects, and to fully develop our “Backlog” projects.

These categories define our “Pipeline”. Additionally, we consider our assets classified as “Under Construction” and “In Operation” to be included in our portfolio but not under the Pipeline definition.

In accordance with this classification, the following characteristics or requirements must be met by the projects at each stage thereof, in accordance with our parameters:

- **Early Stage:** projects under analysis, where the suitability and viability in terms of the chosen location has been confirmed, and in which there is a certain chance (not quantified) of obtaining the right to use the land and obtaining the access and connection point.
- **Advanced Development:** projects in which there is at least a 50% chance of obtaining the right to use the land and at least a 90% chance of obtaining an access and connection point; and also those in which there is at least a 90% chance of obtaining the right to use the land and at least a 50% chance of obtaining the access and connection point. This category also includes projects being developed by third parties in the backlog phase that will be acquired, and in respect of which a memorandum of understanding has been executed or a due diligence process has been initiated.
- **Backlog:** refers to projects in respect of which: (i) agreements granting a right for the use of the land have been executed, there is a legal framework in place that allows such use without the need for an agreement; (ii) access and connection permits have been obtained; and (iii) certain permits have been obtained and there is, in any event, a 90% chance of obtaining all the permits required for construction. This category also includes projects in respect of which: (i) the basic construction permits have been obtained and it is mandatory for the other permits to be issued;

(ii) there is a defined pricing scheme (through participation in a tender, market -with the pertinent research- or execution of a PPA); and (iii) the actual availability of financing sources (bank or alternative) has been identified.

- The management of projects considered as Early Stage, Advanced Development and Backlog fundamentally requires high-level promotion and development activities related to the identification and analysis of business opportunities, confirmation of the suitability and feasibility of such projects, mainly in relation to the availability of permits, land and evacuation capacity. The above activities are carried out directly by the Group or contracted to third parties under its supervision.
- Under Construction: refers to assets in respect of which agreements have been entered into with the asset's main suppliers (EPC contractor or equipment suppliers) and/or construction activity has already commenced in respect of certain main features of the asset: substations, interconnection lines and/or own generation facilities.
- The projects included in the Under Construction category require, firstly, the management of the works necessary for the execution of construction and development activities associated with such facility 'construction, consisting, among others, in the organization and verification of the appropriate tasks that will lead to the successful completion of the material execution of projects, such as the rethinking of construction projects, the negotiation, preparation, contracting and monitoring (always on behalf of the company that owns the project) of the contracts with suppliers, as well as tools, instruments, and equipment necessary for the construction of the project, the interaction with administrations to ensure compliance with the requirements established in different resolutions (environmental, licenses and authorizations) prior to the start of construction, the communication with land owners to ensure compliance with the formal requirements established in the leasing contracts prior to the start of the works, the formalization and structuring of the necessary financing, including the review processes or the tasks related to compliance, as far as it is concerned, by the entity owning the project, of the current provisions relating to labour, social security, prevention of occupational risks and occupational health and safety. Historically, the above activities have been developed directly by the Sole Shareholder or contracted to third parties under its supervision.
- Starting from the year 2021, construction and development activities associated with construction will be carried out directly by the Group or contracted to third parties under its supervision. The construction of the facilities concludes when the plants are in a position to generate energy and deliver it to the grid. Then, the projects become part of the Operation category.
- In Operation: these are assets that are in operation, functioning and producing electricity.
- The projects included in the Operation category require the execution of operations and maintenance activities and fully integrated management of the facilities, including commercial and administrative support of the vehicle companies owning the corresponding assets.

We have established the above classification to our best understanding, which does not prevent other companies from offering a different project taxonomy.

At 31 March 2020, our asset portfolio amounted to 283.0 MW, distributed among assets in operation (representing 141 MW) and assets under construction (representing 142 MW) and established in four different geographical areas (Spain, Guatemala, Honduras and the Dominican Republic).

Additionally, at 31 March 2020 our Pipeline projects consisted of 1,527 MW classified as Backlog (representing 248 MW), Advanced Development (representing 64 MW) and Early Stage (representing 1,179 MW) in eight different geographical areas of Spain, Eastern Europe, Latin America and Africa.

We believe that our Pipeline and Portfolio categories are significant indicators of the current situation and growth potential of our operating segments and provide useful information on activity trends and performance in previous years. We rely on this categorization and on the achievement and undertaking of future projects to drive our results and improve our growth in the short term, even though this cannot be predicted with absolute certainty.

## 2. BUSINESS PERFORMANCE AND RESULTS

### 2.1 Key financial indicators<sup>1</sup>

The Group's results for 2020 exceeded the estimates established for the year, due mainly to the positive performance of the renewable energy industry worldwide. This business performance is underpinned by various aspects, such as a significant rise in electricity demand, with the renewable energy industry experiencing the highest level of growth among the energy producing sectors.

The most noteworthy figures of the results obtained in 2020, 2019 and 2018 are as follows:

THOUSANDS OF EUROS (except for percentages)	2020	2019	2018
<b>Net revenues</b>	<b>36,897</b>	<b>33,736</b>	<b>31,167</b>
<b>EBITDA</b>	<b>25,301</b>	<b>19,180</b>	<b>18,707</b>
<i>EBITDA margin (%)</i>	<i>68.6%</i>	<i>56.9%</i>	<i>60.0%</i>
<b>Adjusted EBITDA</b>	<b>21,428</b>	<b>21,343</b>	<b>20,031</b>
<i>Adjusted EBITDA margin (%)</i>	<i>58.1%</i>	<i>63.3%</i>	<i>64.3%</i>
<b>Working capital</b>	<b>7,216</b>	<b>8,897</b>	<b>6,481</b>
<b>Net financial debt</b>	<b>182,193</b>	<b>123,089</b>	<b>122,224</b>

With respect to the main balance sheet aggregates, as of December 31, 2020 the Group's assets totalled EUR 228,928 thousand, net equity amounted to EUR 11,616 thousand and current and non-current liabilities amounted to EUR 217,312 thousand, of which EUR 43,131 thousand relate to debt with financial institutions.

With respect to the main balance sheet aggregates, as of December 31, 2019 the Group's assets totalled EUR 195,862 thousand, net equity amounted to EUR 15,414 thousand and current and non-current

<sup>1</sup> The financial indicators EBITDA, EBITDA margin (%), adjusted EBITDA, adjusted EBITDA margin (%), working capital and net financial debt are described in section 2.1.1, "Alternative Performance Measures".

liabilities amounted to EUR 180,448 thousand, of which EUR 126,488 thousand relate to debt with financial institutions.

With respect to the main balance sheet aggregates, as of December 31, 2018 the Group's assets totalled EUR 193,592 thousand, net equity amounted to EUR 17,730 thousand and current and non-current liabilities amounted to EUR 175,862 thousand, of which EUR 129,711 thousand relate to debt with financial institutions.

## NET REVENUES

The Ecoener Group has five main lines of business, namely: (i) operation of hydropower plants; (ii) operation of wind farms; (iii) operation of solar PV plants; (iv) energy commercialization; and (v) other services.

Energy production had the following evolution during 2020 with respect to 2019:

- The hydropower segment dropped to 128.85 GWh in 2020, reflecting a 3.0% (or 3.99 GWh) decrease on the 132.84 GWh produced in 2019.
- The wind segment rose to 143.49 GWh in 2020, reflecting a 0.8% (or 1.14 GWh) increase on the 142.35 GWh produced in 2019.
- The solar PV segment dropped to 25.78 GWh in 2020, reflecting a 7.2% (or 1.99 GWh) decrease on the 27.77 GWh produced in 2019.

Energy production had the following evolution during 2019 with respect to 2018:

- The hydropower segment dropped to 132.84 GWh in 2019, reflecting a 1.9% (or 2.54 GWh) decrease on the 135.38 GWh produced in 2018.
- The wind segment dropped to 142.35 GWh in 2019, reflecting a 1.6% (or 2.35 GWh) decrease on the 144.70 GWh produced in 2018.
- The solar PV segment increased to 27.77 GWh in 2019, reflecting a 3.0% (or 0.81 GWh) increase on the 26.96 GWh produced in 2018.

The detail of net revenues by geographical area in 2020, 2019 and 2018 is as follows:

NET REVENUES (Thousands of euros)	2020	% of total in 2020	2019	% of total in 2019	2018	% of total in 2018
Spain	24,514	66.4%	22,194	65.8%	21,655	69.5%
Guatemala	8,100	22.0%	6,921	20.5%	5,269	16.9%
Honduras	4,283	11.6%	4,621	13.7%	4,243	13.6%
<b>Total</b>	<b>36,897</b>	<b>100.0%</b>	<b>33,736</b>	<b>100.0%</b>	<b>31,167</b>	<b>100.0%</b>

The detail of net revenues by operating segment in 2020, 2019 and 2018 is as follows:

NET REVENUES (Thousands of euros)	2020	% of total in 2020	2019	% of total in 2019	2018	% of total in 2018
Hydropower	13,646	37.0%	11,405	33.8%	11,577	37.1%
Wind	13,781	37.3%	12,981	38.5%	12,733	41.0%
Solar PV	4,283	11.6%	4,621	13.7%	4,243	13.6%
Energy commercialization	4,385	11.9%	4,039	12.0%	2,537	8.1%
Other services	802	2.2%	690	2.0%	77	0.2%
<b>Total</b>	<b>36,897</b>	<b>100.0%</b>	<b>33,736</b>	<b>100.0%</b>	<b>31,167</b>	<b>100.0%</b>

Net revenues increased by EUR 3,161 thousand (9.4%) to EUR 36,897 thousand in the year ended December 31, 2020 from EUR 33,736 thousand in the year ended December 31, 2019, principally due to:

- a EUR 2,241 thousand (19.6%) increase in our net revenues generated from our hydropower facilities both in Spain (Cierves, San Bartolomé, Peneda, Arnoya, Landro and Xestosa, facilities with and aggregated capacity of 38.25 MW) and in Guatemala (Las Fuentes II with 14.20 MW of capacity);
- a EUR 800 thousand (6.2%) increase in our net revenues generated from our wind facilities due to the commissioning of El Rodeo, La Caleta and Las Casillas I farms in the Canary Islands, with an aggregate capacity of 14.40 MW;
- a EUR 346 thousand (8.6%) increase in our net revenues generated from our energy commercialization segment due mainly to a 3.5% increase in the MW sold and a 3.3% increase in the number of supply points.
- partially offset by a EUR 338 thousand (7.3%) decrease in our net revenues generated from our Llanos del Sur solar PV plant in Honduras, a facility with a 16.22 MW capacity.

Net revenues increased EUR 2,569 thousand (8.2%) to EUR 33,736 thousand in the year ended December 31, 2019 from EUR 31,167 thousand in the year ended December 31, 2018, principally due to:

- a EUR 1,502 thousand (59.2%) increase in our net revenues generated from our energy commercialization segment due mainly to a 71.5% increase in the MWs sold and a 25.0% increase in the number of supply points;
- a EUR 378 thousand (8.9%) increase in our net revenues generated from our Llanos del Sur solar PV plant in Honduras, a facility with a 16.22 MW capacity;
- a EUR 248 thousand (1.9%) increase in our net revenues generated from our wind facilities Llanos de la Aldea, San Bartolomé, Ourol, Lalín, with an aggregate capacity of 50.20 MW;
- partially offset by a EUR 172 thousand (1.5%) decrease in our net revenues generated from our hydropower facilities both in Spain (Cierves, San Bartolomé, Peneda, Arnoya, Landro and Xestosa, facilities with and aggregated capacity of 38.25 MW) and in Guatemala (Las Fuentes II with 14.20 MW of capacity).

## OPERATING INCOME

Operating income increased 59.2% to EUR 17,161 thousand in the year ended December 31, 2020 from EUR 11,227 thousand in the year ended December 31, 2019, principally due to:

- the above-mentioned 9.4% increase in net revenues between 2019 and 2020;
- the strong increase in impairment and income from disposal of fixed assets to EUR 2,739 thousand in the year ended December 31, 2020 from EUR 642 thousand in the year ended December 31, 2019. The EUR 2,097 thousand increase was principally due to the record of the reversal of the impairment endowed in previous years on the assets of the Xestosa hydropower facility for a value of EUR 2,929 thousand;
- the 9.7% decrease in other operating expenses to EUR 9,111 thousand in the year ended December 31, 2020 from EUR 10,092 thousand in the year ended December 31, 2019, principally due to the variation in losses, impairment and variation of provisions for trade operations in the year. In 2020, we have recorded an impairment reversal and variation in losses, impairment and variation of provisions for trade operations amounting to EUR 1,925 thousand;
- and the slight decrease in personnel expenses to EUR 1,852 thousand in the year ended December 31, 2020 from EUR 1,890 thousand in the year ended December 31, 2019, principally due to a 2.3% decrease in the average number of employees from 43 in 2019 to 42 in 2020;
- partially offset by the increases in supplies and in depreciation and amortization and by the decrease in other operating income.

Operating income increased 3.5% to EUR 11,227 thousand in the year ended December 31, 2019 from EUR 10,846 thousand in the year ended December 31, 2018, principally due to:

- the above-mentioned 8.2% increase in net revenues;
- the strong increase in impairment and income from disposal of fixed assets to a profit of EUR 642 thousand in the year ended December 31, 2019 compared to a loss of EUR 786 thousand in the year ended December 31, 2018. This EUR 1,428 thousand increase was principally due to the record of the reversal of a EUR 1,132 thousand impairment endowed in previous years on fixed assets. During 2018, no impairments or reversals of impairments of fixed assets were recorded;
- and the slight decrease in personnel expenses to €1,890 thousand in the year ended December 31, 2019 from €1,895 thousand in the year ended December 31, 2018, principally due to a 2.3% decrease in the average number of employees from 44 in 2018 to 43 in 2019;
- partially offset by the increases in other operating expenses and in supplies.

## INCOME/(LOSS) BEFORE TAX

Income/(loss) before tax increased 32.1% to €5,193 thousand in the year ended December 31, 2020 from €3,930 thousand in the year ended December 31, 2019, principally due to:

- the above-mentioned 59.2% increase in operating income and;

- the increase in net exchange gains to €377 thousand in the year ended December 31, 2020 from €10 thousand in the year ended December 31, 2019, principally due to the depreciation of the Quetzal (Guatemala) and the Lempira (Honduras) against the euro during the year;
- partially offset by:
  - a 68.2% increase in financial expense to €10,299 thousand in the year ended December 31, 2020 from €6,122 thousand in the year ended December 31, 2019, principally due to the increase in obligations and other marketable securities associated with interest payments in relation to the EUR 130 million non-recourse senior green bond and;
  - a 66.9% increase in changes in fair value of financial instruments to a loss of €2,281 thousand in the year ended December 31, 2020 from a loss of €1,367 thousand in the year ended December 31, 2019, principally due to the loss derived from the valuation of the sale price swap associated with the sale of energy arranged by Group companies.

Income/(loss) before tax increased to €3,930 thousand in the year ended December 31, 2019 from €113 thousand in the year ended December 31, 2018, principally due to:

- the above-mentioned 3.5% increase in operating income;
- the decrease in financial expense to €6,122 thousand in the year ended December 31, 2019 from €7,422 thousand in the year ended December 31, 2018, principally due to the decrease in interest payments associated with debts with third parties and;
- the increase in net exchange gains/(losses) to a €10 thousand gain in the year ended December 31, 2019 from a €2,869 thousand loss in the year ended December 31, 2018, principally due to the depreciation of the Quetzal (Guatemala) and the Lempira (Honduras) against the euro during the year and;
- partially offset by the variation in changes in fair value of financial instruments, which amounted to a loss of €1,367 thousand in the year ended December 31, 2019 from a loss of €434 thousand in the year ended December 31, 2018. This change was principally due to the loss derived from the valuation of the interest rate swap associated with the sale of energy arranged by Group companies.

## **EBITDA AND EBITDA MARGIN**

In 2020, EBITDA stood at EUR 25,301 thousand, compared to EUR 19,180 thousand in 2019. The EBITDA margin increased by 11.7% with respect to the previous year, reaching 68.6% in 2020 compared to 56.9% in 2019.

In 2019, EBITDA stood at EUR 19,180 thousand, compared to EUR 18,707 thousand in 2018. The EBITDA margin decreased by 3.1% with respect to the previous year, reaching 56.9% in 2019 compared to 60.0% in 2018.

### **ADJUSTED EBITDA AND ADJUSTED EBITDA MARGIN**

In 2020, Adjusted EBITDA stood at EUR 21,428 thousand, compared to EUR 21,343 thousand in 2019. The Adjusted EBITDA margin decreased by 5.2% with respect to the previous year, reaching 58.1% in 2020 compared to 63.3% in 2019.

In 2019, Adjusted EBITDA stood at EUR 21,343 thousand, compared to EUR 20,031 thousand in 2018. The Adjusted EBITDA margin decreased by 1.0% with respect to the previous year, from 64.3% in 2018 to 63.3% in 2019.

### **NET FINANCIAL DEBT**

As of December 31, 2020, net financial debt stood at EUR 182,193 thousand, compared to EUR 123,089 thousand as of December 31, 2019.

As of December 31, 2019, net financial debt stood at EUR 123,089 thousand, compared to EUR 122,224 thousand as of December 31, 2018.

### **WORKING CAPITAL**

As of December 31, 2020, working capital stood at EUR 7,216 thousand, compared to EUR 8,897 thousand as of December 31, 2019.

As of December 31, 2019, working capital stood at EUR 8,897 thousand, compared to EUR 6,481 thousand as of December 31, 2018.

## **2.1.1 Alternative performance measures**

The Group has prepared its consolidated financial statements as of December 31, 2020 and for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS-EU”), including unaudited financial information for 2019 and 2018 (the “Consolidated Financial Statements”). The Group has also presented certain alternative performance measures (“APMs”) to provide additional information that will contribute to the comparability and understanding of its financial information and facilitate decision-making and evaluation of the Group’s performance. The APMs should be considered by users of the financial information as complementary to, and not as a substitute for, the aggregates presented in accordance with the basis of presentation of the Consolidated Financial Statements. The Group’s most significant APMs are as follows:

#### *A. EBITDA*

**Definition:** Net income/(loss) from continued operations less net financial loss, income tax benefit/(expense) for the year and depreciation and amortization.



**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations</b>	<b>5,768</b>	<b>5,832</b>	<b>136</b>
<b>(-) Net financial loss</b>	<b>(11,968)</b>	<b>(7,297)</b>	<b>(10,733)</b>
<b>(-) Income tax benefit/(expense) for the year</b>	<b>575</b>	<b>1,902</b>	<b>23</b>
<b>(-) Depreciation and amortization</b>	<b>(8,140)</b>	<b>(7,953)</b>	<b>(7,861)</b>
<b>EBITDA</b>	<b>25,301</b>	<b>19,180</b>	<b>18,707</b>

**Explanation of use:** EBITDA is considered as a measure of the performance of the Group's activity because it provides information for analysing profitability (before interest, tax, depreciation and amortization). It is also a measure that is widely used by the investment community in appraising companies' performance. Additionally, it is a magnitude widely used by investors when assessing companies, as well as by rating agencies and creditors to assess the level of indebtedness by comparing EBITDA with net financial debt or with debt service.

### *B. EBITDA MARGIN*

**Definition:** EBITDA divided by net revenues.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA (I)</b>	<b>25,301</b>	<b>19,180</b>	<b>18,707</b>
<b>Net revenues (II)</b>	<b>36,897</b>	<b>33,736</b>	<b>31,167</b>
<b>EBITDA margin (I/II)</b>	<b>68.6%</b>	<b>56.9%</b>	<b>60.0%</b>

**Explanation of use:** the EBITDA margin is considered by the Group as a measure of the performance of its activity, as it provides information on the percentage contribution that EBITDA represents with respect to net revenues. This contribution allows comparative analyses to be conducted on the performance of our project margins.

### *C. ADJUSTED EBITDA*

**Definition:** EBITDA less other income, losses, impairment and variation of provisions for trade operations and impairment and income from disposal of fixed assets.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA</b>	<b>25,301</b>	<b>19,180</b>	<b>18,707</b>
<b>(-) Other income</b>	<b>154</b>	<b>245</b>	<b>939</b>
<b>(-) Losses, impairment and variation of provisions for trade operations</b>	<b>980</b>	<b>(3,050)</b>	<b>(1,477)</b>
<b>(-) Impairment and income from disposal of fixed assets</b>	<b>2,739</b>	<b>642</b>	<b>(786)</b>
<b>Adjusted EBITDA</b>	<b>21,428</b>	<b>21,343</b>	<b>20,031</b>

**Explanation of use:** Adjusted EBITDA is considered by the Group as a measure of the performance of its activity, as it provides an analysis of the profit and loss from operations excluding income not arising strictly from its activity and impairment and disposals of non-current assets.

#### *D. ADJUSTED EBITDA MARGIN*

**Definition:** Adjusted EBITDA divided by net revenues.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA (I)</b>	<b>21,428</b>	<b>21,343</b>	<b>20,031</b>
<b>Net revenues (II)</b>	<b>36,897</b>	<b>33,736</b>	<b>31,167</b>
<b>Adjusted EBITDA margin (I/II)</b>	<b>58.1%<sup>1</sup></b>	<b>63.3%</b>	<b>64.3%</b>

1: The 5.2 percentage point decrease in Adjusted EBITDA margin for the year 2020 compared to the prior year is due to a 0.4% decrease in Adjusted EBITDA for the year 2020 compared to the prior year, primarily due to an increase in Losses, impairment and variation of provisions for trade operations and the reversal of the impairment registered in prior years related to the Xestosa hydropower plant.

**Explanation of use:** the adjusted EBITDA margin is considered by the Group as a measure of the performance of its activity, excluding income not arising strictly from its activity and impairment and disposals of non-current assets, since it provides information on the percentage contribution represented by adjusted EBITDA with respect to net revenues.

#### *E. WORKING CAPITAL*

**Definition:** Total current assets less total current liabilities.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Total current assets (I)</b>	<b>31,294</b>	<b>25,619</b>	<b>24,673</b>
<b>Total current liabilities (II)</b>	<b>24,078</b>	<b>16,722</b>	<b>18,192</b>
<b>Working capital (I/II)</b>	<b>7,216</b>	<b>8,897</b>	<b>6,481</b>

**Explanation of use:** Working capital is a financial aggregate used to measure the performance of the Group's activity, since it provides an analysis of the Group's liquidity, operational efficiency and financial health in the short term.

#### *F. NET FINANCIAL DEBT*

**Definition:** The sum of long-term and short-term debts, less long-term and short-term lease liabilities, short-term financial investments and cash and cash equivalents.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Long-term debts (I)</b>	<b>185,518</b>	<b>153,444</b>	<b>152,116</b>
<b>Long-term lease liabilities (II)</b>	<b>6,724</b>	<b>26,272</b>	<b>29,267</b>
<b>Short-term debts (III)</b>	<b>19,133</b>	<b>13,553</b>	<b>13,448</b>
<b>Short-term lease liabilities (IV)</b>	<b>392</b>	<b>3,104</b>	<b>3,014</b>
<b>Short-term financial investments (V)</b>	<b>1,661</b>	<b>1,848</b>	<b>2,046</b>
<b>Cash and cash equivalents (VI)</b>	<b>13,681</b>	<b>12,684</b>	<b>9,013</b>
<b>Net financial debt (I-II+III-IV-V-VI)</b>	<b>182,193</b>	<b>123,089</b>	<b>122,224</b>

**Explanation of use:** Net financial debt is an aggregate that measures the financial debt position of a company. It is an aggregate widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net borrowings.

## 2.1.2 OPERATING SEGMENTS

### *Operation of hydropower facilities*

#### A. EBITDA from the operation of hydropower facilities

**Definition:** Net income/(loss) from continued operations from the operation of hydropower facilities less net financial loss from the operation of hydropower facilities, less income tax benefit/(expense) for the year from the operation of hydropower facilities, and depreciation and amortization relating to the operation of hydropower facilities.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations of hydropower facilities</b>	<b>3,834</b>	<b>4,195</b>	<b>280</b>
<b>(-) Net financial loss on the operation of hydropower facilities</b>	<b>(3,154)</b>	<b>(1,621)</b>	<b>(5,075)</b>
<b>(-) Income tax benefit/(expense) for the year from the operation of hydropower facilities</b>	<b>(655)</b>	<b>(617)</b>	<b>(460)</b>
<b>(-) Depreciation and amortization relating to the operation of hydropower facilities</b>	<b>(2,978)</b>	<b>(2,613)</b>	<b>(2,620)</b>
<b>EBITDA</b>	<b>10,621</b>	<b>9,046</b>	<b>8,435</b>

#### B. EBITDA MARGIN on the operation of hydropower facilities

**Definition:** EBITDA from the operation of hydropower facilities divided by net revenues from the operation of hydropower facilities.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA</b>	<b>10,621</b>	<b>9,046</b>	<b>8,435</b>
<b>Net revenues from the operation of hydropower facilities</b>	<b>13,646</b>	<b>11,405</b>	<b>11,577</b>
<b>EBITDA margin</b>	<b>77.8%</b>	<b>79.3%</b>	<b>72.9%</b>

#### C. ADJUSTED EBITDA on the operation of hydropower facilities

**Definition:** EBITDA from the operation of hydropower facilities less other income from the operation of hydropower facilities, losses, impairment and variation of provisions for trade operations of hydropower facilities and impairment and income from disposal of fixed assets in this operating segment.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from the operation of hydropower facilities</b>	<b>10,621</b>	<b>9,046</b>	<b>8,435</b>
<b>Other income from the operation of hydropower facilities</b>	<b>65</b>	<b>-</b>	<b>(18)</b>
<b>Losses, impairment and variation of provisions for trade operations of hydropower facilities</b>	<b>(15)</b>	<b>-</b>	<b>-</b>
<b>Impairment and income from disposal of fixed assets relating to the operation of hydropower facilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjusted EBITDA</b>	<b>10,571</b>	<b>9,046</b>	<b>8,453</b>

#### D. ADJUSTED EBITDA MARGIN on the operation of hydropower facilities

**Definition:** Adjusted EBITDA from the operation of hydropower facilities divided by net revenues from the operation of hydropower facilities.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA from the operation of hydropower facilities</b>	<b>10,571</b>	<b>9,046</b>	<b>8,453</b>
<b>Net revenues from the operation of hydropower facilities</b>	<b>13,646</b>	<b>11,405</b>	<b>11,577</b>
<b>Adjusted EBITDA margin</b>	<b>77.5%</b>	<b>79.3%</b>	<b>73.0%</b>

#### *Operation of wind farms*

##### A. EBITDA from the operation of wind farms

**Definition:** Net income/(loss) from continued operations from the operation of wind farms less net financial loss from the operation of wind farms, income tax benefit/(expense) for the year from the operation of wind farms and depreciation and amortization relating to the operation of wind farms.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations of wind farms</b>	<b>5,469</b>	<b>7,210</b>	<b>4,087</b>
<b>(-) Net financial loss on the operation of wind farms</b>	<b>(4,582)</b>	<b>(3,550)</b>	<b>(2,716)</b>
<b>(-) Income tax benefit/(expense) for the year from the operation of wind farms</b>	<b>(6)</b>	<b>2,256</b>	<b>(343)</b>
<b>(-) Depreciation and amortization relating to the operation of wind farms</b>	<b>(3,954)</b>	<b>(3,515)</b>	<b>(3,469)</b>
<b>EBITDA from the operation of wind farms</b>	<b>14,011</b>	<b>12,019</b>	<b>10,615</b>

## B. EBITDA MARGIN on the operation of wind farms

**Definition:** EBITDA from the operation of wind farms divided by net revenues from the operation of wind farms.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from the operation of wind farms</b>	<b>14,011</b>	<b>12,019</b>	<b>10,615</b>
<b>Net revenues from the operation of wind farms</b>	<b>13,781</b>	<b>12,981</b>	<b>12,733</b>
<b>EBITDA margin on the operation of wind farms</b>	<b>101.7%</b>	<b>92.6%</b>	<b>83.4%</b>

## C. ADJUSTED EBITDA from the operation of wind farms

**Definition:** EBITDA from the operation of wind farms less other income from the operation of wind farms, losses, impairment and variation of provisions for trade operations of wind farms and impairment and income from disposal of fixed assets in this operating segment.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from the operation of wind farms</b>	<b>14,011</b>	<b>12,019</b>	<b>10,615</b>
<b>Other income from the operation of wind farms</b>	<b>86</b>	<b>-</b>	<b>259</b>
<b>Losses, impairment and variation of provisions for trade operations of wind farms</b>	<b>(10)</b>	<b>-</b>	<b>-</b>
<b>Impairment and income from disposal of fixed assets relating to the operation of wind farms</b>	<b>2,894</b>	<b>1,175</b>	<b>-</b>
<b>Adjusted EBITDA from the operation of wind farms</b>	<b>11,041</b>	<b>10,844</b>	<b>10,356</b>

#### D. ADJUSTED EBITDA MARGIN on the operation of wind farms

**Definition:** Adjusted EBITDA from the operation of wind farms divided by net revenues from the operation of wind farms.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA from the operation of wind farms</b>	<b>11,041</b>	<b>10,844</b>	<b>10,356</b>
<b>Net revenues from the operation of wind farms</b>	<b>13,781</b>	<b>12,981</b>	<b>12,733</b>
<b>Adjusted EBITDA margin on the operation of wind farms</b>	<b>80.1%</b>	<b>83.5%</b>	<b>81.3%</b>

#### *Operation of solar PV plants*

##### A. EBITDA from the operation of solar PV plants

**Definition:** Net income/(loss) from continued operations of solar PV plants less net financial loss on the operation of solar PV plants, income tax benefit/(expense) for the year from the operation of solar PV plants and depreciation and amortization relating to the operation of solar PV plants.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations of solar PV plants</b>	<b>3,040</b>	<b>(1,131)</b>	<b>52</b>
<b>(-) Net financial loss on the operation of solar PV plants</b>	<b>(879)</b>	<b>(1,305)</b>	<b>(1,614)</b>
<b>(-) Income tax benefit/(expense) for the year from the operation of solar PV plants</b>	<b>2</b>	<b>-</b>	<b>9</b>
<b>(-) Depreciation and amortization relating to the operation of solar PV plants</b>	<b>(1,011)</b>	<b>(1,129)</b>	<b>(1,010)</b>
<b>EBITDA from the operation of solar PV plants</b>	<b>4,928</b>	<b>1,303</b>	<b>2,667</b>

##### B. EBITDA MARGIN on the operation of solar PV plants

**Definition:** EBITDA from the operation of solar PV plants divided by net revenues from the operation of solar PV plants.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from the operation of solar PV plants</b>	<b>4,928</b>	<b>1,303</b>	<b>2,667</b>
<b>Net revenues from the operation of solar PV plants</b>	<b>4,283</b>	<b>4,621</b>	<b>4,243</b>
<b>EBITDA margin on the operation of solar PV plants</b>	<b>115.1%</b>	<b>28.2%</b>	<b>62.9%</b>

### C. ADJUSTED EBITDA from the operation of solar PV plants

**Definition:** EBITDA from the operation of solar PV plants less other income from the operation of solar PV plants, losses, impairment and variation of provisions for trade operations of solar PV plants and impairment and income from disposal of fixed assets in this operating segment.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from the operation of solar PV plants</b>	<b>4,928</b>	<b>1,303</b>	<b>2,667</b>
<b>Other income from the operation of solar PV plants</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Losses, impairment and variation of provisions for trade operations of solar PV plants</b>	<b>1,005</b>	<b>(3,050)</b>	<b>(1,425)</b>
<b>Impairment and income from disposal of fixed assets relating to the operation of solar PV plants</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjusted EBITDA from the operation of solar PV plants</b>	<b>3,923</b>	<b>4,353</b>	<b>4,092</b>

### D. ADJUSTED EBITDA MARGIN on the operation of solar PV plants

**Definition:** Adjusted EBITDA from the operation of solar PV plants divided by net revenues from the operation of solar PV plants.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA from the operation of solar PV plants</b>	<b>3,923</b>	<b>4,353</b>	<b>4,092</b>
<b>Net revenues from the operation of solar PV plants</b>	<b>4,283</b>	<b>4,621</b>	<b>4,243</b>
<b>Adjusted EBITDA margin on the operation of solar PV plants</b>	<b>91.6%</b>	<b>94.2%</b>	<b>96.4%</b>



### Other services

#### A. EBITDA from other services

**Definition:** Net income/(loss) from continued operations of other services less net financial loss from other services, income tax benefit/(expense) for the year from other services and depreciation and amortization relating to other services.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations of other services</b>	<b>(7,012)</b>	<b>(4,828)</b>	<b>(4,302)</b>
<b>(-) Net financial loss from other services</b>	<b>(3,344)</b>	<b>(806)</b>	<b>(1,333)</b>
<b>(-) Income tax benefit/(expense) for the year from other services</b>	<b>1,347</b>	<b>297</b>	<b>824</b>
<b>(-) Depreciation and amortization relating to other services</b>	<b>(195)</b>	<b>(696)</b>	<b>(762)</b>
<b>EBITDA from other services</b>	<b>(4,820)</b>	<b>(3,623)</b>	<b>(3,031)</b>

#### B. EBITDA MARGIN on other services

**Definition:** EBITDA from other services divided by net revenues from other services.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from other services</b>	<b>(4,820)</b>	<b>(3,623)</b>	<b>(3,031)</b>
<b>Net revenues from other services</b>	<b>802</b>	<b>690</b>	<b>77</b>
<b>EBITDA margin on other services</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>

n.m.: not meaningful.

#### C. ADJUSTED EBITDA from other services

**Definition:** EBITDA from other services less other income from other services, losses, impairment and variation of provisions for trade operations from other services and impairment and income from disposal of fixed assets in this operating segment.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from other services</b>	<b>(4,820)</b>	<b>(3,623)</b>	<b>(3,031)</b>
<b>Other income from other services</b>	<b>3</b>	<b>245</b>	<b>698</b>
<b>Losses, impairment and variation of provisions for trade operations from other services</b>	<b>-</b>	<b>-</b>	<b>(56)</b>
<b>Impairment and income from disposal of fixed assets relating to other services</b>	<b>(155)</b>	<b>(533)</b>	<b>(786)</b>
<b>Adjusted EBITDA from other services</b>	<b>(4,668)</b>	<b>(3,335)</b>	<b>(2,887)</b>

#### D. ADJUSTED EBITDA MARGIN on other services

**Definition:** Adjusted EBITDA from other services divided by net revenues from other services.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA from other services</b>	<b>(4,668)</b>	<b>(3,335)</b>	<b>(2,887)</b>
<b>Net revenues from other services</b>	<b>802</b>	<b>690</b>	<b>77</b>
<b>Adjusted EBITDA margin on other services</b>	<b>n.m.</b>	<b>n.m.</b>	<b>n.m.</b>

n.m.: not meaningful.

#### *Energy commercialization*

##### A. EBITDA from energy commercialization

**Definition:** Net income/(loss) from continued operations of energy commercialization less net financial loss from energy commercialization, income tax benefit/(expense) for the year from energy commercialization and depreciation and amortization relating to energy commercialization.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations of energy commercialization</b>	<b>437</b>	<b>386</b>	<b>19</b>
<b>(-) Net financial loss from energy commercialization</b>	<b>(9)</b>	<b>(15)</b>	<b>5</b>
<b>(-) Income tax benefit/(expense) for the year from energy commercialization</b>	<b>(113)</b>	<b>(34)</b>	<b>(7)</b>
<b>(-) Depreciation and amortization relating to energy commercialization</b>	<b>(2)</b>	<b>-</b>	<b>-</b>
<b>EBITDA from energy commercialization</b>	<b>561</b>	<b>435</b>	<b>21</b>

## B. EBITDA MARGIN from energy commercialization

**Definition:** EBITDA from energy commercialization divided by net revenues from energy commercialization.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from energy commercialization</b>	<b>561</b>	<b>435</b>	<b>21</b>
<b>Net revenues from energy commercialization</b>	<b>4,385</b>	<b>4,039</b>	<b>2,537</b>
<b>EBITDA margin from energy commercialization</b>	<b>12.8%</b>	<b>10.8%</b>	<b>0.8%</b>

## C. ADJUSTED EBITDA from energy commercialization

**Definition:** EBITDA from energy commercialization less other income from energy commercialization, losses, impairment and variation of provisions for trade operations from energy commercialization and impairment and income from disposal of fixed assets in this operating segment.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA from energy commercialization</b>	<b>561</b>	<b>435</b>	<b>21</b>
<b>Other income from energy commercialization</b>	-	-	-
<b>Losses, impairment and variation of provisions for trade operations from energy commercialization</b>	-	-	<b>4</b>
<b>Impairment and income from disposal of fixed assets relating to energy commercialization</b>	-	-	-
<b>Adjusted EBITDA from energy commercialization</b>	<b>561</b>	<b>435</b>	<b>17</b>

## D. ADJUSTED EBITDA MARGIN on energy commercialization

**Definition:** Adjusted EBITDA from energy commercialization divided by net revenues from energy commercialization.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
Adjusted EBITDA from energy commercialization	561	435	17
Net revenues from energy commercialization	4,385	4,039	2,537
Adjusted EBITDA margin on energy commercialization	12.8%	10.8%	0.7%

## 2.1.3 GEOGRAPHICAL INFORMATION

### Spain

#### A. EBITDA in Spain

**Definition:** Net income/(loss) from continued operations in Spain less net financial loss in Spain, income tax benefit/(expense) for the year in Spain and depreciation and amortization in Spain.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
Net income/(loss) from continued operations in Spain	2,989	7,080	4,559
(-) Net financial loss in Spain	(9,778)	(5,384)	(5,041)
(-) Income tax benefit/(expense) for the year in Spain	773	2,004	145
(-) Depreciation and amortization in Spain	(6,074)	(5,620)	(5,713)
EBITDA in Spain	18,068	16,080	15,168

#### B. EBITDA MARGIN in Spain

**Definition:** EBITDA in Spain divided by net revenues in Spain.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
EBITDA in Spain	18,068	16,080	15,168
Net revenues in Spain	24,514	22,194	21,655
EBITDA margin in Spain	73.7%	72.5%	70.0%

### C. ADJUSTED EBITDA in Spain

**Definition:** EBITDA in Spain less other income in Spain, losses, impairment and variation of provisions for trade operations in Spain and impairment and income from disposal of fixed assets in this geographical region.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in Spain</b>	<b>18,068</b>	<b>16,080</b>	<b>15,168</b>
<b>Other income in Spain</b>	<b>155</b>	<b>174</b>	<b>1,685</b>
<b>Losses, impairment and variation of provisions for trade operations in Spain</b>	<b>(21)</b>	<b>-</b>	<b>(56)</b>
<b>Impairment and income from disposal of fixed assets in Spain</b>	<b>2,739</b>	<b>642</b>	<b>(786)</b>
<b>Adjusted EBITDA in Spain</b>	<b>15,195</b>	<b>15,264</b>	<b>14,325</b>

### D. ADJUSTED EBITDA MARGIN in Spain

**Definition:** Adjusted EBITDA in Spain divided by net revenues in Spain.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA in Spain</b>	<b>15,195</b>	<b>15,264</b>	<b>14,325</b>
<b>Net revenues in Spain</b>	<b>24,514</b>	<b>22,194</b>	<b>21,655</b>
<b>Adjusted EBITDA margin in Spain</b>	<b>62.0%</b>	<b>68.8%</b>	<b>66.2%</b>

## Guatemala

### A. EBITDA in Guatemala

**Definition:** Net income/(loss) from continued operations in Guatemala less net financial loss in Guatemala, income tax benefit/(expense) for the year in Guatemala and depreciation and amortization in Guatemala.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations in Guatemala</b>	<b>308</b>	<b>172</b>	<b>(4,336)</b>
<b>(-) Net financial loss in Guatemala</b>	<b>(1,208)</b>	<b>(604)</b>	<b>(4,124)</b>
<b>(-) Income tax benefit/(expense) for the year in Guatemala</b>	<b>(178)</b>	<b>(72)</b>	<b>(75)</b>
<b>(-) Depreciation and amortization in Guatemala</b>	<b>(1,038)</b>	<b>(1,200)</b>	<b>(1,134)</b>
<b>EBITDA in Guatemala</b>	<b>2,732</b>	<b>2,048</b>	<b>997</b>

## B. EBITDA MARGIN in Guatemala

**Definition:** EBITDA in Guatemala divided by net revenues in Guatemala.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in Guatemala</b>	<b>2,732</b>	<b>2,048</b>	<b>997</b>
<b>Net revenues in Guatemala</b>	<b>8,100</b>	<b>6,921</b>	<b>5,269</b>
<b>EBITDA margin in Guatemala</b>	<b>33.7%</b>	<b>29.6%</b>	<b>18.9%</b>

## C. ADJUSTED EBITDA in Guatemala

**Definition:** EBITDA in Guatemala less other income in Guatemala, losses, impairment and variation of provisions for trade operations in Guatemala and impairment and income from disposal of fixed assets in this geographical region.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in Guatemala</b>	<b>2,732</b>	<b>2,048</b>	<b>997</b>
<b>Other income in Guatemala</b>	<b>-</b>	<b>73</b>	<b>(746)</b>
<b>Losses, impairment and variation of provisions for trade operations in Guatemala</b>	<b>(4)</b>	<b>-</b>	<b>-</b>
<b>Impairment and income from disposal of fixed assets in Guatemala</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjusted EBITDA in Guatemala</b>	<b>2,736</b>	<b>1,975</b>	<b>1,743</b>

#### D. ADJUSTED EBITDA MARGIN in Guatemala

**Definition:** Adjusted EBITDA in Guatemala divided by net revenues in Guatemala.

**Reconciliation:** The reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA</b>	<b>2,736</b>	<b>1,975</b>	<b>1,743</b>
<b>Net revenues</b>	<b>8,100</b>	<b>6,921</b>	<b>5,269</b>
<b>Adjusted EBITDA margin in Guatemala</b>	<b>33.8%</b>	<b>28.5%</b>	<b>33.1%</b>

#### Honduras

##### A. EBITDA in Honduras

**Definition:** Net income/(loss) from continued operations in Honduras less net financial loss in Honduras, income tax benefit/(expense) for the year in Honduras and depreciation and amortization in Honduras.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Net income/(loss) from continued operations in Honduras</b>	<b>2,816</b>	<b>(1,373)</b>	<b>(87)</b>
<b>(-) Net financial loss in Honduras</b>	<b>(883)</b>	<b>(1,306)</b>	<b>(1,568)</b>
<b>(-) Income tax benefit/(expense) for the year in Honduras</b>	<b>(20)</b>	<b>(29)</b>	<b>(47)</b>
<b>(-) Depreciation and amortization in Honduras</b>	<b>(1,017)</b>	<b>(1,133)</b>	<b>(1,014)</b>
<b>EBITDA in Honduras</b>	<b>4,736</b>	<b>1,095</b>	<b>2,542</b>

##### B. EBITDA MARGIN in Honduras

**Definition:** EBITDA in Honduras divided by net revenues in Honduras.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in Honduras</b>	<b>4,736</b>	<b>1,095</b>	<b>2,542</b>
<b>Net revenues in Honduras</b>	<b>4,283</b>	<b>4,621</b>	<b>4,243</b>
<b>EBITDA margin in Honduras</b>	<b>110.6%</b>	<b>23.7%</b>	<b>59.9%</b>

### C. ADJUSTED EBITDA in Honduras

**Definition:** EBITDA in Honduras less other income in Honduras, losses, impairment and variation of provisions for trade operations in Honduras and impairment and income from disposal of fixed assets in this geographical region.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in Honduras</b>	<b>4,736</b>	<b>1,095</b>	<b>2,542</b>
<b>Other income in Honduras</b>	<b>(1)</b>	<b>(2)</b>	<b>-</b>
<b>Losses, impairment and variation of provisions for trade operations in Honduras</b>	<b>1,005</b>	<b>(3,050)</b>	<b>(1,421)</b>
<b>Impairment and income from disposal of fixed assets in Honduras</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Adjusted EBITDA in Honduras</b>	<b>3,732</b>	<b>4,147</b>	<b>3,963</b>

### D. ADJUSTED EBITDA MARGIN in Honduras

**Definition:** Adjusted EBITDA in Honduras divided by net revenues in Honduras.

**Reconciliation:** The reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>Adjusted EBITDA</b>	<b>3,732</b>	<b>4,147</b>	<b>3,963</b>
<b>Net revenues</b>	<b>4,283</b>	<b>4,621</b>	<b>4,243</b>
<b>Adjusted EBITDA margin in Honduras</b>	<b>87.1%</b>	<b>89.7%</b>	<b>93.4%</b>

### *Other geographical areas<sup>2</sup>*

#### A. EBITDA in other geographical areas

**Definition:** Net income/(loss) from continued operations in other geographical areas less net financial loss in other geographical areas, income tax benefit/(expense) for the year in other geographical areas and depreciation and amortization in other geographical areas.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

<sup>2</sup> Other geographical areas include Nicaragua, Panama and Dominican Republic.



	2020	2019	2018
<b>Net income/(loss) from continued operations in other geographical areas</b>	<b>(345)</b>	<b>(47)</b>	-
<b>(-) Net financial loss in other geographical areas</b>	<b>(99)</b>	<b>(3)</b>	-
<b>(-) Income tax benefit/(expense) for the year in other geographical areas</b>	-	<b>(1)</b>	-
<b>(-) Depreciation and amortization in other geographical areas</b>	<b>(11)</b>	-	-
<b>EBITDA in other geographical areas</b>	<b>(235)</b>	<b>(43)</b>	-

## B. EBITDA MARGIN in other geographical areas

**Definition:** EBITDA in other geographical areas divided by net revenues in other geographical areas.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in other geographical areas</b>	<b>(235)</b>	<b>(43)</b>	-
<b>Net revenues in other geographical areas</b>	-	-	-
<b>EBITDA margin in other geographical areas</b>	<b>n.m.</b>	<b>n.m.</b>	-

n.m.: not meaningful.

## C. ADJUSTED EBITDA in other geographical areas

**Definition:** EBITDA in other geographical areas less other income in other geographical areas, losses, impairment and variation of provisions for trade operations in other geographical areas and impairment and income from disposal of fixed assets in this geographical region.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>EBITDA in other geographical areas</b>	<b>(235)</b>	<b>(43)</b>	-
<b>Other income in other geographical areas</b>	-	-	-
<b>Losses, impairment and variation of provisions for trade operations in other geographical areas</b>	-	-	-
<b>Impairment and income from disposal of fixed assets in other geographical areas</b>	-	-	-
<b>Adjusted EBITDA in other geographical areas</b>	<b>(235)</b>	<b>(43)</b>	-

#### D. ADJUSTED EBITDA MARGIN in other geographical areas

**Definition:** Adjusted EBITDA in other geographical areas divided by net revenues in other geographical areas.

**Reconciliation:** the reconciliation of this APM to the Consolidated Financial Statements for 2020 is as follows (amounts in thousands of euros):

	2020	2019	2018
<b>ADJUSTED EBITDA in other geographical areas</b>	<b>(235)</b>	<b>(43)</b>	-
<b>Net revenues in other geographical areas</b>	-	-	-
<b>Adjusted EBITDA margin in other geographical areas</b>	<b>n.m.</b>	<b>n.m.</b>	-

n.m.: not meaningful.

## 2.2 Average period payment to suppliers

The average period of payment in 2020 was 87 days (2019: 145 days; 2018: 167 days). This represents a reduction in the average period of payment to suppliers in 2020 with respect to 2019, as a result of efforts to align events giving rise to payments with those giving rise to collection in order to reduce payment time.

## 2.3 Key non-financial indicators

### 2.3.1. Production

All of the electricity generated by the Group comes from renewable sources: hydropower, wind power and solar PV, in the following regions:

Electricity production (GWh)							
Country	Region	Source	2020	2019	2018	2017	2016
Spain	Galicia	Hydropower	92.88	101.45	107.52	41.7	111.91
Spain	Galicia	Wind	63.16	61.21	62.48	52.17	52.37
Spain	Canary Islands	Wind	80.33	81.14	82.22	21.49	-
<b>Spain</b>	<b>All</b>	<b>All</b>	<b>236.37</b>	<b>243.80</b>	<b>252.2</b>	<b>115.4</b>	<b>164.3</b>
<b>Guatemala</b>	<b>Quetzaltenango</b>	<b>Hydropower</b>	<b>35.97</b>	<b>31.39</b>	<b>27.86</b>	<b>34.51</b>	<b>22.91</b>
<b>Honduras</b>	<b>Choluteca</b>	<b>Solar PV</b>	<b>25.78</b>	<b>27.77</b>	<b>26.96</b>	<b>27.14</b>	<b>28.11</b>
<b>All</b>	<b>All</b>	<b>All</b>	<b>298.12</b>	<b>302.96</b>	<b>307.04</b>	<b>177.01</b>	<b>215.3</b>

#### Power in operation, by region (MWh)

Country	Region	Source	2020	2019	2018	2017	2016
Spain	Galicia	Hydropower	38.30	38.20	38.20	38.20	38.20
Spain	Galicia	Wind	21.00	21.00	21.00	21.00	21.00
Spain	Canary Islands	Wind	43.60	29.20	29.20	29.20	-
<b>Spain</b>	<b>All</b>	<b>All</b>	<b>102.90</b>	<b>88.40</b>	<b>88.40</b>	<b>88.40</b>	<b>59.20</b>
<b>Guatemala</b>	<b>Quetzaltenango</b>	<b>Hydropower</b>	<b>14.20</b>	<b>14.20</b>	<b>14.20</b>	<b>14.20</b>	<b>14.20</b>
<b>Honduras</b>	<b>Choluteca</b>	<b>Solar PV</b>	<b>16.20</b>	<b>16.22</b>	<b>16.22</b>	<b>16.22</b>	<b>16.22</b>
<b>All</b>	<b>All</b>	<b>All</b>	<b>133.30</b>	<b>118.82</b>	<b>118.82</b>	<b>118.82</b>	<b>89.62</b>

#### Power in operation, by technology (MWh)

Technology	Country	Region	2020	2019	2018	2017	2016
Hydropower	Spain	Galicia	38.30	38.20	38.20	38.20	38.20
Hydropower	Guatemala	Quetzaltenango	14.20	14.20	14.20	14.20	14.20
<b>Hydropower</b>	<b>All</b>	<b>All</b>	<b>52.50</b>	<b>52.40</b>	<b>52.40</b>	<b>52.40</b>	<b>52.40</b>
Wind	Spain	Galicia	21.00	21.00	21.00	21.00	21.00
Wind	Spain	Canary Islands	43.60	29.20	29.20	29.20	-
<b>Wind</b>	<b>All</b>	<b>All</b>	<b>64.60</b>	<b>50.20</b>	<b>50.20</b>	<b>50.20</b>	<b>21.00</b>
<b>Solar PV</b>	<b>Honduras</b>	<b>Choluteca</b>	<b>16.20</b>	<b>16.22</b>	<b>16.22</b>	<b>16.22</b>	<b>16.22</b>
<b>All</b>	<b>All</b>	<b>All</b>	<b>133.30</b>	<b>118.82</b>	<b>118.82</b>	<b>118.82</b>	<b>89.62</b>

### 2.3.2 Environment

The main essential principles that we have respected and taken on as our own include the preservation of surroundings, integration of the production facilities into the environment, respect for human rights and commitment to the communities in which the Group carries on its activities.

This commitment is also demonstrated in the long-term vision of each project and in the responsibility assumed vis-à-vis local communities and stakeholders. For this reason, the Group has always ensured, and will continue to ensure, the utmost respect towards both the natural and social surroundings of its projects, and it will continue to strive to protect the investments and the people involved in the performance of its activities.

Based on these premises, the actions detailed below are included in the environmental sustainability plan:

- **Respect for natural environment:** The main objective is to ensure that the environment is cared for, guaranteeing respect and care for the natural surroundings and having the resources required to cause the lowest impact possible when performing activities. This commitment to natural surroundings is put into practice through various sustainability programs.

- **Sustainable water management:** Responsible and sustainable water management is a basic pillar of our environmental sustainability policy, for which purpose: (i) we conduct studies of minimum and environmental water flows, as well as water quality studies, once a year; (ii) we implement measures to improve consumption (implementation of water consumption measurement and control mechanisms at the headquarters and at the assets); and (iii) we ensure that water is returned to nature and to local communities.
- **Protection of biodiversity:** Examples of our commitment with biodiversity include most notably the following actions: (i) installation of monitoring equipment and infrared lighting at the new wind power assets, aimed at reducing the risk of bird collisions, and which cause wind turbines to stop when birds approach; (ii) signaling measures for flows of migratory birds; (iii) use of fish barrier and ladder systems at the new hydropower plants; (iv) installation of fire dampers to avoid fires at power facilities; and (v) reforestation processes.

### 2.3.3 Employees

Senior management is basically made up of six people, with an average age of forty-eight and an average length of service of more than fourteen years at the Company.

This scenario is not exclusively limited to senior management, but is rather a reflection of the various departments, which have a similar situation, despite growth and internationalization resulting in the gradual entry of new workers. Along these lines, 6 people have been at the Group for more than 20 years and 14 people have been providing their services for between 10 and 20 years. This low turnover after more than 30 years, particularly in key roles, is testament to the commitment and loyalty of the Company's staff members.

The fact that their professional careers have been forged with the Group makes it hard to distinguish between the Group and its own management team and employees. This alignment of objectives and knowledge of the organization and its processes is very uncommon. These conditions have resulted in high productivity among our employees.

The average number of Group employees in 2020, 2019 and 2018, broken down by category, is as follows:

	2020	2019	2018
<b>Management personnel</b>	4	5	5
<b>Administrative-type employees</b>	2	3	3
<b>Rest of qualified personnel</b>	29	28	28
<b>Other unskilled workers</b>	7	7	8
<b>Total</b>	42	43	44

The distribution by gender as of December 31, 2020, 2019 and 2018, of the employees and the management, is as follows:

	2020		2019		2018	
	Male	Female	Male	Female	Male	Female
Managing directors	1	2	-	-	-	-
Rest of management personnel	3	-	5	-	5	-
Administrative-type employees	1	1	1	1	1	2
Rest of qualified personnel	18	9	16	7	18	9
Other unskilled workers	5	2	5	-	7	2
<b>Total</b>	<b>28</b>	<b>14</b>	<b>27</b>	<b>8</b>	<b>31</b>	<b>13</b>

We form part of collective bargaining agreements with workers' organizations in Spain, and the management of the Group considers that the terms and conditions of these agreements are consistent with general industry practice. We believe that we enjoy satisfactory labor relations with our employees, and we have not experienced any major industrial disputes or work stoppages.

Our success depends to a large extent on our ability to attract and retain qualified employees, for which purpose we have adopted competitive and attractive remuneration policies based on professional development, individual objectives and the Group's general performance.

### 3. LIQUIDITY AND CAPITAL RESOURCES

The main sources of financing for our projects are as follows:

- We are financing 93 MW of our Portfolio with a EUR 130 million non-recourse senior green bond (composed of (i) EUR 39 million guaranteed class A1 bonds bearing a 2.35% interest rate due December 31, 2040 and (ii) EUR 91 million guaranteed class A2 bonds bearing a 2.35% interest rate due December 31, 2040) to replace existing senior debt facilities as of December 31, 2019, fund project related capital expenditures and corporate general purposes and pay any ancillary costs (the "Senior Bond" or "Green Project Bond"). As said, the issuance of the Senior Bond replaced our existing senior debt facilities allowing us to extend the maturity of our existing debt, reducing the financing cost of our operating projects in Spain and raising additional resources for financing equity of the projects under construction in the Canary Islands in 2021.
- We also use bank loans under non-recourse project finance structures to finance in a long term our projects in Guatemala and Honduras with local banks and the construction of our projects in the Canary Islands in 2021.
- Finally, we are using an innovative financing structure in the Canary Islands which allows raising from private investors funds for 5 years bullet with a rate of 1%, who complete their profitability with specific tax profits available in Canary Islands.

Our main liquidity and capital requirements as of December 31, 2020, mainly related to our Senior Bond and non-recourse project finance from financial institutions are to finance project development and construction costs, current operations, working capital requirements and debt service obligations.

Thus, we mainly focus in maintaining adequate financing flexibility by formalizing short-term financing operations as well as maturities deferral when possible.

The Group also has liquidity constraints related to debt service requirements in connection with its existing and future debt. The Group's current and non-current financial liabilities amounted to EUR 204,651 thousand as of December 31, 2020, EUR 166,997 thousand as of December 31, 2019 and EUR 165,564 thousand as of December 31, 2018, representing 94.2% as of December 31, 2020, 92.5% as of December 31, 2019 and 94.1% as of December 31, 2018 of our total liabilities as of such dates. The increase in financial liabilities as of December 31, 2020 is principally due to the fact that during the year ended December 31, 2020, we issued the Senior Bond.

The Group will continue to use capital in the future to finance the construction and operation of new renewable energy facilities and support the growth of its Pipeline. As a normal part of our business and depending on market conditions, the Group will, from time to time, consider opportunities to repay, redeem, repurchase or refinance its indebtedness, such as the Senior Bond. The Group has historically financed its liquidity and capital requirements primarily through non-recourse project finance from financial institutions at a local and/or international level (comprising also development banking institutions) as well as multilateral collective investment entities or other innovative ways.

Changes in the Group's operating plants, lower than anticipated electricity sales, increased expenses or other events may cause to seek additional debt, equity or other financing in future periods. There can be no guarantee that financing will be available on acceptable terms or at all. Debt financing, if available, could impose additional cash payment obligations, additional covenants and operating restrictions.

In terms of our liquidity position, the cash flows from the Group's operations are the main source of cash financing for existing operations, capital expenditure, investments and interest and capital payment obligations. The Group also relies on external financing, including bonds or loans from financial institutions, as described above. The Group's general financing policy consists of managing its liquidity to ensure that the Group's maintain access to funds required for future obligations.

### 3.1 Financial obligations

The following table provides a breakdown of the current and non-current financial liabilities as of December 31, 2020, 2019 and 2018:

	2020		2019		2018	
	Non-current	Current	Non-current	Current	Non-current	Current
	(in thousands of euros)					
Debt with financial institutions .....	39,947	3,184	116,478	10,010	120,472	9,239
Lease liabilities.....	6,724	392	26,272	3,104	29,267	3,014
Obligations and other marketable securities .....	116,096	6,382	-	-	-	-
Debt with related parties.....	8,479	834	3	-	-	67
Derivatives .....	-	1,554	1,317	-	-	-
Other financial liabilities .....	14,272	6,787	9,374	439	2,377	1,128
<b>Total non-current and current payables .....</b>	<b>185,518</b>	<b>19,133</b>	<b>153,444</b>	<b>13,553</b>	<b>152,116</b>	<b>13,448</b>

Our main financial liability is our Senior Bond. The maturities of the nominal value of the bond, in thousands of euros and categorized separately for Class A1 and Class A2, are as follows:

In thousands of euros	2020	2021	2022	2023	2024	Subsequent years	Total
Class A1	1,650	1,977	1,926	2,472	2,796	28,179	<b>39,000</b>
Class A2	3,849	4,613	4,494	5,768	6,524	65,752	<b>91,000</b>
Total	<b>5,499</b>	<b>6,590</b>	<b>6,420</b>	<b>8,240</b>	<b>9,320</b>	<b>93,931</b>	<b>130,000</b>

The amounts and maturities of our Senior Bond, and of the bank loans arranged under non-recourse project finance structures to finance our projects in Guatemala and Honduras with local banks, are subject to compliance with a series of financial and non-financial covenants. The aforementioned covenants are being met at the reporting date.

### ***3.2 Contractual obligations and off-balance sheet transactions***

We have contingent liabilities relating to bank guarantees, surety certificates and other guarantees provided in the normal course of our operations. In the normal course of business, we are obliged to provide performance bonds in the form of bank or cash guarantees for the performance of projects, as well as surety certificates.

## **4. MAIN RISKS AND UNCERTAINTIES**

Management of the Parent is generally responsible for establishing and supervising the Group's risk management framework. The Board of Directors has empowered Company management to develop and supervise the Group's financial risk management policies. Group management is committed to managing financial risks and works to analyze those to which the Group is exposed, so that we can mitigate the potential uncertainties we face.

The Group's risk management policies are established to identify and analyze the financial risks faced by the Group, set appropriate limits and risk controls and supervise risks and compliance with limits. The risk management policies and systems are reviewed regularly to reflect changes in the Group's market, circumstances and activities. Through its training and management standards and procedures, the Group aims to maintain a disciplined and constructive financial control environment in which all employees understand their roles and obligations.

The activities carried out by the Group are exposed to various financial risks: market risk (including exchange rate risk, interest rate risk and market price risk), credit risk and liquidity risk. The risk assessment is carried out on the analysis of its impact probability and its severity, which allows to control the risks and, through periodic updates, makes possible to have the capacity to act and adapt, mitigating threats that could arise from the changing and globalized environment in which the Group operates.

The Group's global risk management program focuses on the uncertainty of the financial markets and tries to minimize the potential adverse effects on the Group's financial profitability. The Group uses derivatives to hedge certain risks.

Risks are classified into operational risks and risks related to the financial situation.

## 4.1. Financial risks

Risk management is controlled by the Group's Central Treasury Department in accordance with policies approved. This Department identifies, assesses and hedges financial risks in close collaboration with the Group's operating units.

### *MARKET RISK*

Market risk is the risk that changes in market prices (for example, exchange rates or interest rates) will affect the Group's income or the value of its financial instruments. The objective of market risk management is to manage and control exposure to such risks within acceptable parameters, while optimizing profitability. To manage market risks, the Group uses derivatives and closes long-term energy sales contracts at an established price. All these transactions are carried out within the guidelines established by the Company's Management.

#### *Interest rate risk*

The Group adopts the policy of ensuring that most of its cash flows are exposed to a fixed interest rate. This is achieved in part by underwriting fixed-rate instruments and by formalizing borrowings at a variable rate and using interest rate swaps as hedges for the variability of cash flows attributable to variations in interest rates.

As the Group does not have significant remunerated assets, the income and cash flows from the Group's operating activities are mostly independent from fluctuations in market interest rates. The Group's interest rate risk arises from long-term borrowings.

Until the cancellation in 2020 of the financing associated with certain renewable energy facilities in Spain, the Group managed the interest rate risk in cash flows through variable to fixed interest rate swaps for the loan granted to Drago Renovables, S.L. and Mocan Renovables, S.L. by Banco Sabadell, S.A. Following the issuance of the Project Bond in 2020, the interest rate risk has been mitigated as it is a financing issued at a fixed interest rate.

Therefore, income and cash flows from the Group's operating activities are mostly independent from fluctuations in market interest rates and consequently, given that the Group's indebtedness is at fixed interest rate, it was estimated that the interest rate risk was not significant as of December 31, 2020.

#### *Market price risk*

The Group is exposed to the risk that volatility of the energy market implies on its gross operating margin. The energy market is an active market, in which prices are subject to certain volatility as a result of the interaction of supply and demand. This exposes the Group to the risk of compromising its gross operating margins.

The Group signs agreements with clients to ensure the sale price of the energy sold and its gross operating margins (Power Purchase Agreements or "PPAs" and regulated remuneration schemes). These contracts allow the Group to secure the price of energy for a period of time. The Group's policy is that these agreements cover at least 70% of the income, being at the end of the year in a range higher than 80%.



The rates at which the Group supplies energy may have a slight or no relation to the costs incurred in generating energy, which may generate fluctuations in margins.

Therefore, only those assets that are exposed to merchant remuneration schemes, mainly in the Canary Islands, are exposed to market price risk.

A change of 100 basis points in prices would have increased or decreased energy sales by EUR 316 thousand (2019: EUR 290 thousand; 2018: EUR 290 thousand). This analysis assumes that all other variables, at particular foreign currency exchange rates, remain constant.

Due to the generation mix and sales price assurance established by the Group to mitigate market price risk, the pandemic caused by COVID-19 and the health and economic crisis has not had a material impact on the Group's Consolidated Financial Statements. For further information, please see Note 9 to the Consolidated Financial Statements.

#### *Foreign currency risk*

The exchange rate risk arises from future commercial transactions, recognized assets and liabilities and net investments in businesses carried out in foreign countries. The Group is exposed to the risk of transactional exchange rate to the extent that the Group carries out transactions in currencies other than the functional currencies of the different subsidiaries that comprise the Group. The main functional currency of the group companies is the euro. Nonetheless, there are certain subsidiaries that operate with currencies other than the euro, especially the dollar, lempira and quetzal.

To reduce the risk inherent to investments in foreign businesses with a functional currency other than the euro, the Group tries to borrow in the same functional currency of the assets it finances. In addition, at the end of the years ended December 31, 2020, 2019 and 2018, the Group has a “secured portfolio” which means that it has a balanced portfolio with diversified technology and geography, as well as 100% linked to hard currencies in relation to the contracts of the different remuneration schemes, mainly the dollar.

For more information, see Note 9 to the Consolidated Financial Statements.

#### *CREDIT RISK*

The Group's exposure to credit risk is mainly influenced by the individual characteristics of each client. However, the Group also considers factors that may influence the credit risk of its customer base, including the risk of default associated with the industry and the country in which clients operate.

Credit risk is the risk of financial loss for the Group if a client or counterpart of a financial instrument does not comply with its contractual obligations and arises mainly from accounts receivable from clients and investments in debt instruments.

The objective of managing this risk is to reduce, as far as possible, its impact through a preventive examination of the solvency of the Group's clients. Once the contracts are in execution, the credit quality of the pending collection amounts are periodically evaluated and the estimated recoverable amounts that are considered doubtful are reviewed.

Management has established a credit policy according to which each new client is individually analysed to determine their solvency before the standard period of credit granted by the Group to its clients.

Likewise, the Group maintains its treasury in financial institutions with a high credit rating. Therefore, the Group's credit risk has historically been very low, including in the year ended December 31, 2020.

In response to the COVID-19 pandemic, the Risk Management Committee has also carried out more frequent reviews of the sales limits for customers in the worst-affected regions and industries. The Group limits its exposure to the credit risk associated with trade receivables by establishing payment periods of 30 days and 90 days for individual and corporate customers, respectively.

#### Expected credit loss analysis for trade receivables of contracts with customers

The Group allocates a level of credit risk to each case of exposure based on the information available in order to predict the expected credit loss (including, among other sources, external ratings, audited financial information and statements, management accounts, cash flow projections and information in the press regarding customers), using the judgement of management which is based on years of experience with the Group. The levels of credit risk are defined by using qualitative and quantitative factors which indicate the risk of non-compliance.

Exposure within each level of credit risk is segmented and classified by geographical region and industry, and an ECL rate is calculated for each segment on the basis of the default status and actual experience of credit losses over the last seven years. These rates are multiplied by scaling factors to reflect the differences between the economic circumstances during the period in which the data was gathered, current circumstances and the Group's opinion on the economic circumstances during the expected life of the accounts receivable.

The impairment scales in 2020 have been reviewed, reflecting the real and expected impact of COVID-19 pandemic in each geographic region, although since the Group's services are classified as "essential" the impact has been limited.

For more information, see Note 9 to the Consolidated Financial Statements.

#### *LIQUIDITY RISK*

Liquidity risk is the risk that the Group finds difficulties to meet obligations associated with its financial liabilities settled through the delivery of cash or another asset. The Group's objective when managing liquidity is to ensure, as far as possible, that it has enough liquidity to meet its liabilities when they mature, without incurring unacceptable losses or risk of damage to the reputation of the Group.

The Group uses the cost of its activities to calculate the cost of its products and services, which helps monitoring cash flow requirements and optimize cash return on investments.

The Group carries out a cautious liquidity risk management, based on the maintenance of enough cash, the availability of financing through the issuance of negotiable securities or available credit facilities and sufficient capacity to settle market positions. Given the dynamic nature of the underlying businesses, the Group's treasury department aims to maintain flexibility in its financing. Therefore, formalizing short-term financing operations or deferral of operations maturity.

For further information, see Note 9 of the Consolidated Annual Accounts.

### *CASH FLOW INTEREST RATE RISK*

Most of the Group's income and cash flows from operations are unaffected by changes in market interest rates. The Group's interest rate risk arises from non-current borrowings.

In the past, until the settlement of the related financing, the Group managed the cash flow interest rate risk by means of floating-to-fixed swaps for the loan granted to Drago Renovables, S.L. and Mocan Renovables, S.L. by Banco Sabadell, S.A.

## **4.2. Operational risks**

The detail of the operational risks that affect us is as follows:

### *PROJECT PIPELINE*

Year-on-year changes in the size of our Pipeline or projects portfolio may have a significant impact on our results of operations. In general terms, the increase in the number of projects translates into a general increase in expenses in the Group's profit and loss account.

### *SIGNIFICANT UPFRONT INVESTMENTS IN OUR PROJECTS*

Accomplishing the Group's Pipeline requires to make significant upfront investments, particularly in connection with costs associated with project analysis and feasibility studies, payments for land rights, payments for interconnection and grid connectivity arrangements, government permits, engineering and procurement of our renewable energy facilities, in addition to the personnel-hours dedicated by the Group's employees, which affect results of operations.

### *LICENCES, AUTHORIZATIONS, CONCESSIONS AND PERMITS*

The Group is required to obtain various interconnection, environmental, construction and other administrative approvals in connection with its operations in the countries in which the Group's operate. Failure to comply with applicable laws, regulations or recognized international standards or to obtain or renew the necessary permits and approvals may result in the loss of the right to operate facilities or continue operations, the imposition of significant administrative liabilities or costly compliance procedures or other enforcement measures that could have the effect of closing or limiting production from the Group's operations, any of which could impair the ability to successfully compete in the industry, which could have a material adverse effect on its consolidated results of operations.

### *REGULATORY CHANGES*

Electricity generation activity is regulated in all jurisdictions in which the Group operates. Therefore, regulation can have a direct impact on the Group's results.

The Group is subject to a variety of laws and regulations in the markets in which it operates, some of which may conflict with each other and all of which are subject to change. The Group operates in a variety of international locations, including emerging markets and markets with political uncertainties. Note 2 of the Consolidated Financial Statements describes the most relevant regulatory framework affecting the Group.

### *RISKS RELATED TO NORMAL OPERATIONS IN THE COURSE OF BUSINESS*

The operational risk in the Group's activities is concentrated in the impossibility of generating electricity, or of completing the work of a solar photovoltaic, hydropower plants or wind farms. In order to minimize these risks, the Group conducts the following measures:

- **Insurance:** the vast majority of the aforementioned operational risks are capable of being insured. In this way, the Group has an insurance program, contracted with insurers of recognized solvency, to adequately cover the risks related to the development of projects, both in the construction and assembly phase and in the operation of the plants. Ecoener has worked for more than 15 years with an insurance broker that has staff with extensive experience in the renewable energy sector and has provided professional support to the Group, both in the facilities built in Spain, and internationally. The Group's insurance program covers transportation, construction or assembly risks, anticipated loss of profits, civil liability, risks of material damage, machinery breakdowns and loss of operational profits and civil liability for contamination.
- **Quality process:** the Group develops adequate operation and maintenance processes so that those uninsurable events of interruption in electricity generation are minimal. Likewise, the Group has a criteria for spare parts aimed at a rapid resolution of production stoppages.

### *RISKS DUE TO CUSTOMER CONCENTRATION*

The Group operates mainly with PPA contracts for the sale of energy or with regulated remuneration schemes which, in many cases, has a main customer as the buyer of energy and with an established energy sale price. This high concentration of customers is mitigated by the fact that the contracts are long-term and oblige the buyer to purchase energy during that period, so the loss of future business will only be in cases of the buyer's insolvency, and not by commercial decisions.

Additionally, the Group generates the remaining income by selling electricity through merchant remuneration systems, therefore by selling the energy generated to the market.

## **5. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

The Company expects its shares to be listed on the Spanish Stock Exchanges during the first half of 2021.

On March 4, 2021, the Sole Shareholder of Grupo Ecoener, S.A.U. proceeded to write-off part of the credit it has with said Company for an amount of EUR 6,500 thousand and which is recorded in the Consolidated Financial Statements under debts with related parties. The aforementioned transaction has been carried out as a shareholder contribution by means of the write-off of part of the credits held by the Sole Shareholder in the Company.

On March 22, 2021, the Board of Directors of Grupo Ecoener, S.A. approved a long-term incentive plan for the period 2021-2023. The remuneration set forth in the plan, will be payable in cash upon the fulfillment of a series of business objectives. Beneficiaries will receive the incentive if they voluntarily join the plan and remain within the company in 2023. The maximum remuneration to be distributed among the beneficiaries, will consist of 0.5% of the EBITDA of Grupo Ecoener, S.A.U. in 2023. The maximum number of beneficiaries will be eight. Said plan is not linked to the Initial Public Offering.

On March 22, 2021, the Sole Shareholder proposed to carry out a capital increase in the amount of 12,240,000 euros, through the issuance of 122,400 new registered shares, with a nominal value of 100 euros each, through capitalization of an amount of 12,240,000 euros of freely available reserves to share capital. Simultaneously, the Sole Shareholder proposed to modify the nominal value of the shares, which becomes 0.32 euros, creating by dividing the existing 312.5 new shares for each existing share, thus converting the 128,000 registered shares currently existing in 40,000,000 registered shares of the Company of the same class and series, fully subscribed and paid up. It is estimated that both transactions will be approved without any modification.

Except as per what was indicated in the preceding paragraphs, for the period from December 31, 2020, to the date of preparation of the consolidated financial statements of the Group as of December 31, 2010 and for the year then ended, no significant events worthy of mention have occurred or have come to the Parent Company's attention.

## 6. OUTLOOK FOR THE GROUP<sup>3</sup>

In future periods, the Group will mainly seek to continue funding investments for the development and construction of the projects identified as part of the Pipeline.

Current outlook prospects are positioning the Group in a favorable position as indicated by current industry trends. In the medium and long term, electrical power is expected to exponentially gain market share and continue to evolve until becoming the largest energy provider, covering 49% of the world's energy demand.

Hence, we believe that we are in a good position to capitalize on the momentum of renewable energies given our experience in multiple technologies, our experience throughout the value chain, our diversified Portfolio and investment opportunities, and our capabilities to produce energy in hydropower, wind and solar PV technologies. We also believe that our Backlog (totaling 284 MW), Advanced Development (totaling 64 MW) and Early Stage (totaling 1,179 MW) projects are indicators of the strength of our business, our capacity to expand our geographic footprint base and our ability to generate operating revenue and visible cash flows in the near and medium term.

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<sup>3</sup> This section of the management report contains certain forward-looking information reflecting projections and estimates with underlying assumptions, statements regarding plans, objectives, and expectations in relation to future operations, investments, synergies, products and services, and statements about future results or estimates by management, which are based on assumptions that are believed to be reasonable by management.

In this regard, while the Group believes that the expectations contained in such statements are reasonable, it is cautioned that forward-looking information and statements are subject to risks and uncertainties, many of which are difficult to predict and generally beyond the Group's control, which risks could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. Forward-looking statements are not guarantee of future results and have not been reviewed by the Group's auditors. It is recommended that decisions not be made based on forward-looking statements that speak only as of the date on which they were made. All forward-looking statements reflected in this report are expressly qualified by the cautionary statements made. The forward-looking statements included in this document are based on information available at the date of this management report. Except to the extent required by applicable law, the Group undertakes no obligation to publicly update any forward-looking statements or revise any forward-looking information, even if new information is made public or new events occur.

Based on the aforementioned, our strategy in future periods, will be twofold:

- i. on the one hand, we will emphasize in the generation of growth based on profitability and risk control through the development and commissioning of our current portfolio of assets, the current Pipeline and additional opportunities identified by our experienced team. This, mainly performed by means of the international expansion in markets without risk of instability of the electricity transmission or distribution network; and
- ii. ensuring that this growth is sustainable from an environmental point of view and of integration in the communities in which the projects are developed.

## **7. R&D ACTIVITIES**

In 2020, 2019 and 2018, the Group did not make any significant investments in research and development activities. We use the best technologies, software and IT applications and we develop internal knowledge as a result of such use.

## **8. ACQUISITION AND DISPOSAL OF TREASURY SHARES**

Grupo Ecoener, S.A.U. (the Parent of the Group) does not have treasury shares.

## **9. DIVIDEND POLICY**

Our objective at Ecoener is to reinvest our cash flows from operations in developing long-term projects and increasing value for shareholders by executing the business plan. We do not envisage that dividends will be distributed in the three years following the Group's initial public offering. Subsequently, the dividend policy will be reconsidered based on how our business outlook and financial performance evolve.

Our future dividend policy will depend on various factors, including our income and generation of cash flows, distributable profit, financial position, debt servicing obligations, cash requirements (including investment plans), compliance with obligations to be exceeded or not exceeded contained in the debt instrument agreements, future outlook, market conditions and other factors that may be considered relevant at the time. The Board of Directors shall be in charge of carrying out the dividend payment proposal, and the Annual General Meeting shall be in charge of approving it.

Where possible, shareholders will have the right to receive future dividends, which will be declared as set out in our bylaws.

The dividends will be paid in euros and will be declared and paid in proportion to the number of shares held by each shareholder.

Our expectations in terms of dividends, distributable reserves, business performance and market conditions are subject to numerous scenarios, risks and uncertainties that may be beyond our control.

## 10. CORPORATE SOCIAL RESPONSIBILITY

Having a long-term perspective means looking beyond our Company. At Ecoener we are able to contribute to a better future, through what we are and what we do. Our responsibility begins at local level but has a global vision.

The way in which we operate generates a positive impact on the main goals identified in the 2030 Agenda. For this reason, we add our commitment in this area to our commitment to the Sustainable Development Goals (SDGs). This is a natural consequence of our way of working. In performing our own activities, we comply with seven of the aforementioned principles:

- Goal 6: Clean water and sanitation
- Goal 7: Affordable and clean energy
- Goal 9: Industry, innovation and infrastructure
- Goal 11: Sustainable cities and communities
- Goal 12: Responsible consumption and production
- Goal 13: Climate action
- Goal 15: Life on land

Ecoener's activities in Guatemala are performed within a PoA (program of activities) under the UN Framework Convention on Climate Change, aimed at supporting projects that involve the reduction of CO<sub>2</sub> emissions and which forms part of the Kyoto Protocol's Clean Development Mechanism.

Accordingly, the Las Fuentes II hydropower plant, owned by Ecoener, operates within the framework of the only hydropower PoA existing in Central America.

Committed to this area, the SDGs set out the long-term horizon, a horizon which we are building with current lines of action, with specific measures wherever we work. But while we are aware that each facility requires a specific design to safeguard the environment, it also needs commitment from the geographical areas in which we work. We are very aware of the characteristics and needs of the areas in which we work.

### ***10.1 Social action***

We contribute to the progress of society and do so in the way we know best, as we are aware of our social responsibility as an economic player and driver for development. We create wealth by creating quality jobs and we cooperate with various social causes to contribute, through our support, to creating a more favorable environment for those who suffer most.

### ***10.2 Commitment to the most disadvantaged groups***

We have an unquestionable commitment to human rights and the acknowledgement of people's dignity. We also have a specific Human Rights policy and have carried out measures to encourage respect for local communities.

The Group has created partnerships to strengthen our local commitment, as social involvement with the areas in which we work forms part of our business. In this regard, we have social action plans in cooperation with various municipal councils in Galicia, financing community projects in the surroundings of our facilities.

To do this, we perform the following activities: (i) assess the characteristics and needs of the region in which the projects are performed; (ii) purchase from local suppliers and hire services at local level; and (iii) finance and support projects of interest for the local communities.

In Honduras we support social and economic development projects in three communities that live near our Llanos del Sur solar PV plant. Also, on exceptional occasions such as the current health crisis caused by the covid-19 pandemic, we cooperate by sending emergency aid.

In addition, in Guatemala we are members of Fedecovera in the operation of Las Fuentes II hydropower plant. The mission of this cooperative is to improve the living conditions of 30,000 small producers of cocoa, turmeric, coffee and tea among the Q'eqchies y Poqomchies communities, while encouraging respect for, and protection of, their culture.

### ***10.3 Commitment to innovation and job creation***

Ecoener's objective in terms of commitment to employees is to promote and ensure dignified, fair and favorable working conditions for all employees. We achieve this by developing various programs grouped into the following lines of action: firstly, job stability and very attractive salaries (in Spain, salary conditions are above those stipulated in the applicable labor agreements in force, while in the other countries in which we are present such as Guatemala, Honduras, Panama and the Dominican Republic, salary conditions are higher than the industry average); policies and procedures for occupational risk prevention and safety at facilities; promotion of diversity and equality; and a culture of respect and care for our employees.

### ***10.4 Responsible and transparent communication***

With regard to the economic and governance aspect, Ecoener promotes a business culture in which transparency, integrity, trust and a long-term perspective form the essence of the Company. This involves sustainable long-term growth and integrated sustainability management, as well as ethical and responsible management. We do not contribute to or support corrupt or illicit practices, and we take care of our reputation.

### ***10.5 Sustainability and respect for the environment***

The main essential principles that we have respected and taken on as our own include the preservation of surroundings, integration of the production facilities into the environment, respect for human rights and commitment to the communities in which the Group carries on its activities.

This commitment is also demonstrated in the long-term vision of each of the Group's projects and in the responsibility assumed vis-à-vis local communities and stakeholders. For this reason, the Group has always ensured, and will continue to ensure, the utmost respect towards both the natural and social surroundings of its projects, and it will continue to strive to protect the investments and the people involved in the performance of its activities.

Based on these premises, the actions we carry out within the strategic sustainability and environmental respect plan are detailed as follows:

- Respect for natural surroundings: the general aim is to ensure that the environment is cared for, guaranteeing respect and care for the natural surroundings and having the resources required to cause the lowest impact possible when performing activities. This commitment to



natural surroundings is put into practice through various sustainability programs.

- Management of natural resources: our aim is to develop and implement best practices in environmental protection to achieve more efficient management of resources, by: (i) using natural resources responsibly and reasonably; and (ii) incorporating the best ecological technology available without jeopardizing the quality of our projects. This includes responsible and sustainable water management, since it is a basic pillar of our environmental sustainability policy, for which purpose: (i) we conduct studies of minimum and environmental water flows, as well as water quality studies, once a year; (ii) we implement measures to improve consumption (implementation of water consumption measurement and control mechanisms at the headquarters and at the assets); and (iii) we ensure that water is returned to nature and to local communities.
- Protection of biodiversity: examples of our commitment to biodiversity include most notably the following actions: (i) installation of monitoring equipment and infrared lighting at the new wind assets, aimed at reducing the risk of bird collisions, which cause wind turbines to stop when birds approach; (ii) signaling measures for flows of migratory birds; (iii) use of fish barrier and ladder systems at the new hydropower plants; (iv) installation of fire dampers to avoid fires at power facilities; and (v) reforestation processes.

### ***10.6 Measures for the protection of employees against COVID-19***

The protection of our employees against COVID-19 and therefore prevention against it since the beginning of the pandemic have been and are essential measures for the Group, maintaining and preserving an adequate work environment in terms of protection and health measures.

The main preventive measures against COVID-19 that we have adopted and will maintain overtime until the competent health authorities so establish are detailed below: establishment of appropriate security distancing measures, installation of disinfectant floor mats at the entrance of our offices, air purification with ozone on a night to night basis, installation of air purifiers in all rooms, daily measurement of the temperature of all employees, free delivery of FFP2 masks certified under European sanitary regulations of different colors to verify the correct rotation of masks in due time, due supply of hand sanitizer gel, performance of PCR tests for SARS-CoV-2 to all our employees every 15 days and continuous ventilation of our offices.

GRUPO ECOENER, S.A.U. AND SUBSIDIARIES

Authorisation for issue of the Consolidated Annual Accounts and  
Consolidated Management Report for 2020

At their meeting held on 31 March 2020, pursuant to the requirements of article 253 of the Revised Spanish Companies Act and article 37 of the Spanish Code of Commerce, the Directors of Grupo Ecoener, S.A.U. authorised for issue the consolidated annual accounts and consolidated management' report for the period from 1 January 2020 to 31 December 2020. The consolidated annual accounts comprise the accompanying documents that precede this certification.

Sigend:

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D. Luis de Valdivia Castro – Chairman

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Elena Tilve Seoane - Director

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Verónica Rodeiro Vázquez - Director

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Fernando Rodríguez Alfonso - Secretary



# Informe de Auditoría de Grupo Ecoener, S.A.U.

(Junto con las cuentas anuales abreviadas de  
Grupo Ecoener, S.A.U. correspondientes al  
ejercicio finalizado el 31.12.2020)



KPMG Auditores, S.L.  
Calle de la Fama, 1 1º  
15001 A Coruña

## **Informe de Auditoría de Cuentas Anuales Abreviadas emitido por un Auditor Independiente**

Al accionista único de Grupo Ecoener, S.A.U.:

### **Opinión**

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Hemos auditado las cuentas anuales abreviadas de Grupo Ecoener, S.A.U. (la Sociedad), que comprenden el balance abreviado a 31 de diciembre de 2020, la cuenta de pérdidas y ganancias abreviada y la memoria abreviada correspondientes al periodo comprendido entre el 28 de enero de 2020 y el 31 de diciembre de 2020.

En nuestra opinión, las cuentas anuales abreviadas adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de la Sociedad a 31 de diciembre de 2020, así como de sus resultados correspondientes al periodo comprendido entre el 28 de enero de 2020 y el 31 de diciembre de 2020, de conformidad con el marco normativo de información financiera que resulta de aplicación (que se identifica en la nota 2 de la memoria abreviada) y, en particular, con los principios y criterios contables contenidos en el mismo.

### **Fundamento de la opinión**

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Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España. Nuestras responsabilidades de acuerdo con dichas normas se describen más adelante en la sección *Responsabilidades del auditor en relación con la auditoría de las cuentas anuales abreviadas* de nuestro informe.

Somos independientes de la Sociedad de conformidad con los requerimientos de ética, incluidos los de independencia, que son aplicables a nuestra auditoría de las cuentas anuales abreviadas en España según lo exigido por la normativa reguladora de la actividad de auditoría de cuentas. En este sentido, no hemos prestado servicios distintos a los de la auditoría de cuentas ni han concurrido situaciones o circunstancias que, de acuerdo con lo establecido en la citada normativa reguladora, hayan afectado a la necesaria independencia de modo que se haya visto comprometida.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión.



## Aspectos más relevantes de la auditoría

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Los aspectos más relevantes de la auditoría son aquellos que, según nuestro juicio profesional, han sido considerados como los riesgos de incorrección material más significativos en nuestra auditoría de las cuentas anuales abreviadas del periodo actual. Estos riesgos han sido tratados en el contexto de nuestra auditoría de las cuentas anuales abreviadas en su conjunto, y en la formación de nuestra opinión sobre éstas, y no expresamos una opinión por separado sobre esos riesgos.

### Operaciones entre empresas del grupo (véanse notas 1, 4(e), 4(k), 8.2, 11, 14.4 y 15 de las cuentas anuales abreviadas)

Tal como se describe en la nota 1, durante el año 2020 la Sociedad ha realizado diversas operaciones con empresas del grupo al que pertenece. A raíz de dichas transacciones principalmente, el patrimonio neto se ha visto incrementado en 28.776 miles de euros por aportaciones no dinerarias realizadas y se ha registrado un beneficio por 11.529 miles de euros por la enajenación de una participación en una sociedad. Consideramos estas transacciones un aspecto relevante de auditoría por su significatividad y los impactos que tienen en las cuentas anuales abreviadas.

Nuestros procedimientos de auditoría han comprendido, entre otros, la lectura y entendimiento de la escritura de ampliación de capital y de otra documentación soporte de dichas transacciones, así como la evaluación de la razonabilidad del proceso seguido por la Sociedad para la identificación, valoración y registro de los importes a reconocer como Inversiones en empresas del grupo y asociadas a largo plazo, como Fondos Propios y como Resultado por enajenaciones de instrumentos financieros. Asimismo, hemos evaluado el modelo utilizado por la Sociedad para la determinación de los valores consolidados y hemos realizado la comprobación aritmética de dichos valores. De cara a validar el valor razonable de la participación vendida, hemos revisado con la implicación de nuestros especialistas en valoraciones, las principales hipótesis realizadas por un experto independiente y utilizadas para la determinación de dicho valor razonable. Adicionalmente, hemos evaluado si la información revelada en las cuentas anuales abreviadas sobre las transacciones y el citado proceso respectivamente cumple con los requerimientos del marco normativo de información financiera aplicable a la Sociedad.

## Responsabilidad de los administradores en relación con las cuentas anuales abreviadas

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Los administradores son responsables de formular las cuentas anuales abreviadas adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, de conformidad con el marco normativo de información financiera aplicable a la entidad en España, y del control interno que consideren necesario para permitir la preparación de cuentas anuales abreviadas libres de incorrección material, debida a fraude o error.

En la preparación de las cuentas anuales abreviadas, los administradores son responsables de la valoración de la capacidad de la Sociedad para continuar como empresa en funcionamiento, revelando, según corresponda, las cuestiones relacionadas con la empresa en funcionamiento y utilizando el principio contable de empresa en funcionamiento excepto si los administradores tienen intención de liquidar la sociedad o de cesar sus operaciones, o bien no exista otra alternativa realista.



## **Responsabilidades del auditor en relación con la auditoría de las cuentas anuales abreviadas**

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Nuestros objetivos son obtener una seguridad razonable de que las cuentas anuales abreviadas en su conjunto están libres de incorrección material, debida a fraude o error, y emitir un informe de auditoría que contiene nuestra opinión. Seguridad razonable es un alto grado de seguridad pero no garantiza que una auditoría realizada de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España siempre detecte una incorrección material cuando existe. Las incorrecciones pueden deberse a fraude o error y se consideran materiales si, individualmente o de forma agregada, puede preverse razonablemente que influyan en las decisiones económicas que los usuarios toman basándose en las cuentas anuales abreviadas.

Como parte de una auditoría de conformidad con la normativa reguladora de la actividad de auditoría de cuentas vigente en España, aplicamos nuestro juicio profesional y mantenemos una actitud de escepticismo profesional durante toda la auditoría. También:

- Identificamos y valoramos los riesgos de incorrección material en las cuentas anuales abreviadas, debida a fraude o error, diseñamos y aplicamos procedimientos de auditoría para responder a dichos riesgos y obtenemos evidencia de auditoría suficiente y adecuada para proporcionar una base para nuestra opinión. El riesgo de no detectar una incorrección material debida a fraude es más elevado que en el caso de una incorrección material debida a error, ya que el fraude puede implicar colusión, falsificación, omisiones deliberadas, manifestaciones intencionadamente erróneas, o la elusión del control interno.
- Obtenemos conocimiento del control interno relevante para la auditoría con el fin de diseñar procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad.
- Evaluamos si las políticas contables aplicadas son adecuadas y la razonabilidad de las estimaciones contables y la correspondiente información revelada por los administradores.
- Concluimos sobre si es adecuada la utilización, por los administradores, del principio contable de empresa en funcionamiento y, basándonos en la evidencia de auditoría obtenida, concluimos sobre si existe o no una incertidumbre material relacionada con hechos o con condiciones que pueden generar dudas significativas sobre la capacidad de la Sociedad para continuar como empresa en funcionamiento. Si concluimos que existe una incertidumbre material, se requiere que llamemos la atención en nuestro informe de auditoría sobre la correspondiente información revelada en las cuentas anuales abreviadas o, si dichas revelaciones no son adecuadas, que expresemos una opinión modificada. Nuestras conclusiones se basan en la evidencia de auditoría obtenida hasta la fecha de nuestro informe de auditoría. Sin embargo, los hechos o condiciones futuros pueden ser la causa de que la Sociedad deje de ser una empresa en funcionamiento.
- Evaluamos la presentación global, la estructura y el contenido de las cuentas anuales abreviadas, incluida la información revelada, y si las cuentas anuales abreviadas representan las transacciones y hechos subyacentes de un modo que logran expresar la imagen fiel.



Nos comunicamos con los administradores de la entidad en relación con, entre otras cuestiones, el alcance y el momento de realización de la auditoría planificados y los hallazgos significativos de la auditoría, así como cualquier deficiencia significativa del control interno que identificamos en el transcurso de la auditoría.

Entre los riesgos significativos que han sido objeto de comunicación a los administradores de Grupo Ecoener, S.A.U. determinamos los que han sido de la mayor significatividad en la auditoría de las cuentas anuales abreviadas del periodo actual y que son, en consecuencia, los riesgos considerados más significativos.

Describimos esos riesgos en nuestro informe de auditoría salvo que las disposiciones legales o reglamentarias prohíban revelar públicamente la cuestión.

KPMG Auditores, S.L.  
Inscrito en el R.O.A.C. nº S0702

Daniel Fraga Romero  
Inscrito en el R.O.A.C. nº 18135

22 de marzo de 2021



KPMG AUDITORES, S.L.

2021 Núm. 04/21/00545

96,00 EUR

SELLO CORPORATIVO:

Informe de auditoría de cuentas sujeto  
a la normativa de auditoría de cuentas  
española o internacional

## GRUPO ECOENER, S.A.U.

Balance Abreviado  
31 de diciembre de 2020

(Expresado en euros)

ACTIVO	Notas	31.12.2020	PATRIMONIO NETO Y PASIVO	Notas	31.12.2020
<b>ACTIVO NO CORRIENTE:</b>		<b>46.714.252</b>	<b>PATRIMONIO NETO:</b>	<b>Nota 11</b>	<b>40.138.085</b>
Inmovilizado intangible	Nota 5	48.889	<i>FONDOS PROPIOS</i>		
Inmovilizado material	Nota 6	41.901	Capital		560.000
Inversiones en empresas del Grupo y asociadas	Nota 8.2	46.604.119	Prima de emisión		4.750.000
Inversiones financieras a largo plazo	Nota 8.1	19.343	Reservas		23.451.931
			Otras aportaciones de socios		73.052
			Resultado del ejercicio		11.303.102
			<b>PASIVO NO CORRIENTE:</b>		<b>8.581.603</b>
			Deudas con empresas del Grupo y asociadas	Nota 12 y 15	8.581.603
<b>ACTIVO CORRIENTE:</b>		<b>2.375.403</b>	<b>PASIVO CORRIENTE:</b>		<b>369.967</b>
Existencias	Nota 10	4.222	Deudas a corto plazo	Nota 12	116.341
Deudores comerciales y otras cuentas a cobrar	Nota 9	58.191	Deudas con entidades de crédito		1.341
Clientes por ventas y prestaciones de servicios	Nota 15	38.386	Otras deudas a corto plazo		115.000
Otros deudores	Nota 13	19.805	Acreeedores comerciales y otras cuentas a pagar	Nota 12.2	252.508
Inversiones en empresas del Grupo y asociadas	Nota 8.3 y 15	2.133.703	Otros acreedores		252.508
Inversiones financieras a corto plazo	Nota 8.1	4.504	Periodificaciones a corto plazo		1.118
Periodificaciones a corto plazo		25.325			
Efectivo y otros activos líquidos equivalentes	Nota 8.4	149.458			
<b>TOTAL ACTIVO</b>		<b>49.089.655</b>	<b>TOTAL PATRIMONIO NETO Y PASIVO</b>		<b>49.089.655</b>

Las notas explicativas 1 a 17 de la memoria adjunta forma parte integrante de las cuentas anuales abreviadas del ejercicio 2020.



## GRUPO ECOENER, S.A.U.

Cuenta de Pérdidas y Ganancias Abreviada correspondiente al periodo  
comprendido entre el 28 de enero y el 31 de diciembre de 2020

(Expresada en euros)

	Notas	Periodo terminado el 31 de diciembre de 2020
<b>Importe neto de la cifra de negocios</b>	<b>Nota 14.1 y 15</b>	<b>238.121</b>
<b>Aprovisionamientos</b>		<b>(170)</b>
<b>Gastos de personal</b>	<b>Nota 14.2</b>	<b>(123.934)</b>
<b>Otros gastos de explotación</b>	<b>Nota 14.3</b>	<b>(217.696)</b>
<b>Amortización del inmovilizado</b>	<b>Notas 5 y 6</b>	<b>(11.261)</b>
<b>Deterioro y resultado por enajenaciones de instrumentos financieros</b>	<b>Nota 14.4</b>	<b>11.416.884</b>
<b>Otros resultados</b>		<b>(403)</b>
<b>RESULTADO DE EXPLOTACIÓN</b>		<b>11.301.541</b>
<b>Gastos financieros</b>	<b>Nota 12 y 15</b>	<b>(18.980)</b>
<b>Diferencias de cambio</b>		<b>(12.348)</b>
<b>RESULTADO FINANCIERO</b>		<b>(31.328)</b>
<b>RESULTADO ANTES DE IMPUESTOS</b>		<b>11.270.213</b>
Impuesto sobre Beneficios	<b>Nota 13</b>	32.889
<b>RESULTADO DEL EJERCICIO</b>		<b>11.303.102</b>

Las notas explicativas 1 a 17 de la memoria adjunta forma parte integrante de las cuentas anuales abreviadas del ejercicio 2020.

GRUPO ECOENER, S.A.U.

Estado de Cambios en el Patrimonio Neto Abreviado  
31 de diciembre de 2020

(Expresado en euros)

**a) ESTADOS DE INGRESOS Y GASTOS RECONOCIDOS ABREVIADO**

	<b>Periodo terminado el 31 de diciembre de 2020</b>
<b>RESULTADO DE LA CUENTA DE PÉRDIDAS Y GANANCIAS (I)</b>	<b>11.303.102</b>
<b>Ingresos y gastos imputados directamente al patrimonio neto</b>	
<b>TOTAL INGRESOS Y GASTOS IMPUTADOS DIRECTAMENTE EN EL PATRIMONIO NETO (II)</b>	<b>-</b>
<b>TOTAL TRANSFERENCIAS A LA CUENTA DE PÉRDIDAS Y GANANCIAS (III)</b>	<b>-</b>
<b>TOTAL INGRESOS Y GASTOS RECONOCIDOS (I+II+III)</b>	<b>11.303.102</b>

Las notas explicativas 1 a 17 de la memoria adjunta forma parte integrante de las cuentas anuales abreviadas del ejercicio 2020.

## GRUPO ECOENER, S.A.U.

Estado de Cambios en el Patrimonio Neto Abreviado  
31 de diciembre de 2020

(Expresado en euros)

**b) ESTADO TOTAL DE CAMBIOS EN EL PATRIMONIO NETO ABREVIADO**

	Capital	Prima de emisión	Reservas	Otras aportaciones de socios	Resultado del ejercicio	Total de Patrimonio Neto
<b>SALDO INICIAL AL 28 DE ENERO DE 2020</b>	-	-	-	-	-	-
<b>Total ingresos y gastos reconocidos</b>	-	-	-	-	<b>11.303.102</b>	<b>11.303.102</b>
<b>Operaciones con accionistas</b>	<b>560.000</b>	<b>4.750.000</b>	<b>23.452.707</b>	<b>73.052</b>	-	<b>28.835.759</b>
Constitución	60.000	-	-	-	-	60.000
Ampliación de capital (notas 8.2 y 11)	500.000	4.750.000	23.452.707	-	-	28.702.707
Aportación de socios (nota 11)	-	-	-	73.052	-	73.052
<b>Otros movimientos</b>	-	-	<b>(776)</b>	-	-	<b>(776)</b>
<b>SALDO FINAL AL 31 DE DICIEMBRE DE 2020</b>	<b>560.000</b>	<b>4.750.000</b>	<b>23.451.931</b>	<b>73.052</b>	<b>11.303.102</b>	<b>40.138.085</b>

Las notas explicativas 1 a 17 de la memoria adjunta forma parte integrante de las cuentas anuales abreviadas del ejercicio 2020.

## GRUPO ECOENER, S.A.U.

Memoria de las cuentas anuales abreviadas  
31 de diciembre de 2020  
(Expresada en euros)

### **1. Actividad de la Sociedad**

GRUPO ECOENER, S.A. (SOCIEDAD UNIPERSONAL) (en lo sucesivo, “Grupo Ecoener S.A.U.” o “la Sociedad”) se constituyó como sociedad anónima unipersonal de conformidad con la legislación española el 28 de enero de 2020, e inscrita en el Registro Mercantil de La Coruña en el Tomo 3.716 del Archivo, Sección General, al folio 40, hoja número C-59.313.

La Sociedad es la Sociedad Dominante de Grupo Ecoener, S.A.U. y Sociedades Dependientes.

La Sociedad Dominante última es Ecoener, S.L.U. (Sociedad Unipersonal) (en lo sucesivo, “Ecoener, S.L.U.” o “el Accionista Único”) que en la actualidad posee el 100% de sus acciones.

En el marco de su estrategia de negocio durante el ejercicio 2020 Ecoener, S.L.U. en calidad de Accionista Único del Grupo, ha decidido transmitir la totalidad de sus negocios de instalaciones de generación de energía renovable, su actividad de operación y mantenimiento de las mismas así como las actividades de promoción y desarrollo previo a la fase de construcción a la sociedad Grupo Ecoener, S.A.U. A modo aclaratorio, el Accionista Único ha traspasado a Grupo Ecoener, S.A.U. toda su actividad relacionada con las energías renovables, siendo ciertas propiedades inmobiliarias así como el negocio de construcción de los parques en curso, las únicas actividades relevantes que no se han sido objeto de la operación de reestructuración.

En relación con la actividad de construcción, dicha actividad se ha realizado históricamente por el Accionista Único de manera discontinua, sólo durante los periodos en los que ha tenido instalaciones en construcción. La actividad no cuenta con medios humanos permanentes o materiales relevantes, y cuando se ha ejercido ha sido mediante la coordinación de recursos humanos y técnicos contratados específicamente para la construcción de una instalación, que son desvinculados cuando dicha construcción finaliza. Las últimas instalaciones construidas por el Accionista Único han sido los cinco parques eólicos en San Bartolomé de Tirajana (Gran Canaria) de los que son titulares las sociedades de dependientes de Grupo Ecoener, S.A.U., Cardo de Plata, S.L., Yesquera de Aluce, S.L., Alamillo de Doramas, S.L., Violeta Palmera, S.L. y Eólicos del Matorral, S.L. El 31 de diciembre de 2020, el Accionista Único dio por finalizados los contratos de la totalidad de los trabajadores que habían sido contratados para la ejecución de las obras, por finalización de las mismas. Una vez finalizadas estas instalaciones no está previsto que Ecoener, S.L.U. tenga más actividad que la de sociedad patrimonial.

Desde el 1 de enero de 2021 Grupo Ecoener, S.A.U., a través de su sociedad dependiente, Aquis Querquennis, S.L. (constituida con la denominación Ecoener, Servicios Constructivos, S.L.), construye las doce plantas fotovoltaicas en San Bartolomé de Tirajana (Gran Canaria) de las que son titulares las sociedades dependientes Canutillo de Sabinosa, S.L., Tabaiba Solar, S.L. y Bencomia de Risco, S.L., así como el parque eólico en el mismo municipio para la también participada Oilean Telde Eólica Energy, S.L.

Durante el ejercicio 2020, las operaciones mercantiles realizadas para realizar la citada reorganización fueron las siguientes:

- a) Con fecha 12 de junio de 2020, la Sociedad ha realizado una ampliación de capital por valor de 500.000 euros mediante la creación de 5.000 nuevas acciones nominativas con un valor nominal unitario de 100 euros por acción y una prima de emisión de 4.750.000 euros asociada de 950 euros por acción (Nota 11), que fueron íntegramente suscritas y desembolsadas mediante aportación no dineraria por parte del Accionista Único, Ecoener, S.L.U., de gran parte de las participaciones en sociedades dependientes de las que era titular (véase Notas 8 y 11). Los valores contables a los que se ha contabilizado la operación en línea con los dispuesto por el BOICAC 85, han sido los valores consolidados NOFCAC de la sociedad aportante, Ecoener, S.L.U.

(Continúa)

## GRUPO ECOENER, S.A.U.

Memoria de las cuentas anuales abreviadas

31 de diciembre de 2020

(Expresada en euros)

- b) El 25 de junio de 2020, Grupo Ecoener, S.A.U. vende a Ecoener Emisiones, S.A.U., 66.510 participaciones sociales de la Sociedad del grupo Hidroeléctrica del Giesta, S.L.U. las cuales representan el 100% del capital social de la misma. Esta participación se había transmitido a la Sociedad en la aportación no dineraria comentada en el apartado a) anterior. El precio de venta se fija en 19.754.000 euros que será desembolsado por Ecoener Emisiones, S.A.U. mediante un calendario con último pago en 2025 (véase Nota 8.2 y 8.3). Dicha operación se ha realizado a valor de mercado en base a un cálculo interno por descuento de flujos elaborado internamente por la Sociedad. Las hipótesis consideradas son consistentes con la valoración realizada por PricewaterhouseCoopers realizada con fecha 11 de febrero de 2021.
- c) Con fecha 1 de noviembre de 2020, entre Ecoener, S.L.U. y Grupo Ecoener, S.A.U. se firmó un contrato de compraventa de negocio donde el primero vende a este último la unidad de operación y mantenimiento, y promoción y desarrollo de alto nivel previo a la fase de construcción, adquiriendo mediante este acto Grupo Ecoener, S.A.U. los activos y pasivos que componen dichas unidades de negocio junto con el derecho exclusivo de continuar con la explotación de las mismas. La titularidad de los activos y los pasivos asumidos del negocio, así como los contratos cedidos, se transmiten desde el 1 de diciembre de 2020, mientras que los empleados transferidos lo serán en sucesivas fechas a partir del 1 de noviembre de 2020, habiendo concluido al cierre del ejercicio 2020 (véase Nota 11). En el mismo acto, Ecoener, S.L.U. condona a Grupo Ecoener, S.A.U. la deuda contraída con ella en esta operación de compraventa de negocio. Esta operación, atendiendo a la naturaleza de la misma, se ha registrado contablemente como una aportación no dineraria de un negocio.

La citada reorganización se ha realizado, entre otras razones, por la intención del Accionista Único respecto a que las acciones de Grupo Ecoener, S.A.U. comiencen su cotización en Bolsa durante el ejercicio 2021.

Como consecuencia de lo anterior, Grupo Ecoener, S.A.U. ha pasado a ser la Sociedad Dominante de un Grupo formado por Sociedades Dependientes (en adelante, el «Grupo Ecoener S.A.U.» o el «Grupo»), cuya actividad principal es la tenencia de las participaciones sociales de las empresas que componen el Grupo así como la prestación de servicios de gestión y administración a las citadas Sociedades Dependientes.

El domicilio social está situado en la calle Cantón Grande, nº6 - 6º, de La Coruña. Constituye su objeto social:

1. Servicios de administración y gestión. La prestación de servicios de dirección, administración y gerencia empresarial en todas sus manifestaciones ya sea a través de los profesionales de su plantilla o, en su caso, realizando la coordinación de los servicios de los profesionales colaboradores.
2. La intermediación en operaciones mercantiles de todo género y su realización por cuenta de terceros, cumpliendo las legislaciones vigentes sobre la materia.
3. La prestación de servicios de asistencia técnica en general, así como la concepción, descripción, desarrollo y ejecución de proyectos técnicos de toda índole y en especial los relacionados con la promoción, construcción y obras públicas y privadas.
4. La administración y gestión de todo tipo de patrimonios, tanto mobiliarios como inmobiliarios, y su desarrollo empresarial.
5. La generación de electricidad a partir de fuentes de energía renovables tales como la eólica, la hidráulica, la solar, la biomasa y otras, así como el diseño, la promoción, la construcción, la gestión, el mantenimiento, la explotación y el cierre y desmontaje de las correspondientes instalaciones de producción.

(Continúa)

## GRUPO ECOENER, S.A.U.

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6. Ostentar la titularidad, mediante concesiones o autorizaciones administrativas, de las actividades e instalaciones descritas en los puntos anteriores y, en su virtud, inscribirse en los correspondientes registros administrativos.
7. La realización de compraventas, cesiones, hipotecas, arrendamientos, usufructos y cualesquiera otros negocios jurídicos sobre la producción o las instalaciones descritas en los puntos anteriores.
8. La prestación de servicios a terceros así como la asistencia técnica en relación a las actividades e instalaciones descritas en los puntos anteriores, entre los que se incluyen a título enunciativo y no limitativo, los servicios de gestión administrativa, medioambiental y de puesta en marcha de nuevas instalaciones así como la gestión integral, incluyendo operación y mantenimiento, de las propias instalaciones de producción que se encuentren en funcionamiento.

Las actividades antes indicadas podrán ser realizadas por la Sociedad, directamente, indirectamente mediante su participación en otras sociedades de objeto idéntico o análogo. Se exceptúan de objeto social aquellas actividades reservadas por las leyes a ciertos tipos de sociedades, así como para las que se precise una autorización o título habilitante con el que la sociedad no cuente.

A 31 de diciembre de 2020 la Sociedad es dominante de un grupo de sociedades. El detalle de las sociedades dependientes de la Sociedad ha sido incluido en el Anexo I a estas Cuentas Anuales Abreviadas. La Sociedad formulará las Cuentas Anuales Consolidadas del ejercicio 2020, aplicando las Normas Internacionales de Información Financiera adoptadas por la Unión Europea ("NIIF-UE").

## **2. Bases de presentación de las cuentas anuales abreviadas**

### ***a) Marco Normativo de información financiera aplicable a la Sociedad***

Estas cuentas anuales abreviadas han sido formuladas por el Consejo de Administración de acuerdo con el marco normativo de información financiera aplicable a la Sociedad, que es el establecido en:

- a. Código de Comercio y la restante legislación mercantil.
- b. Plan General de Contabilidad aprobado por R.D. 1514/2007 y las modificaciones posteriores y adaptaciones sectoriales de aplicación
- c. Las normas de obligado cumplimiento aprobadas por el Instituto de Contabilidad y Auditoría de cuentas en desarrollo del Plan General de Contabilidad y sus normas complementarias.
- d. El resto de la normativa contable española que resulte de aplicación.

### ***b) Imagen fiel***

Las cuentas anuales abreviadas del ejercicio terminado el 31 de diciembre de 2020 se han formulado a partir de los registros contables de la Sociedad y se presentan de acuerdo con el marco normativo de información financiera que resulta de aplicación y en particular, los principios y criterios contables en él contenidos, de forma que muestran la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad habidos durante el correspondiente ejercicio.

Estas cuentas anuales abreviadas, que han sido formuladas por el Consejo de Administración de la Sociedad, se someterán a la aprobación, estimándose que serán aprobadas sin modificación alguna.

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**c) Principios contables no obligatorios aplicados**

No se han aplicado principios contables no obligatorios. Adicionalmente, el Consejo de Administración ha formulado estas cuentas anuales abreviadas teniendo en consideración la totalidad de los principios y normas contables de aplicación obligatoria que tienen un efecto significativo en dichas cuentas. No existe ningún principio contable que, siendo obligatorio, haya dejado de aplicarse.

**d) Aspectos críticos de la valoración y estimación de la incertidumbre**

En la elaboración de las cuentas anuales abreviadas se han utilizado estimaciones realizadas por el Consejo de Administración de la Sociedad para valorar algunos de los activos, pasivos, ingresos, gastos y compromisos que figuran registrados en ellas. Básicamente estas estimaciones se refieren a:

- La evaluación de posibles pérdidas por deterioro de inversiones (instrumentos de patrimonio y créditos) en empresas del grupo y asociadas.
- La determinación del valor razonable de determinadas inversiones financieras.

A pesar de que estas estimaciones se han realizado sobre la base de la mejor información disponible al cierre del ejercicio terminado el 31 de diciembre de 2020, es posible que acontecimientos que puedan tener lugar en el futuro obliguen a modificarlas (al alza o a la baja) en los próximos ejercicios, lo que se realizaría, en su caso, de forma prospectiva.

**e) Comparación de la información**

No se presentan cifras comparativas en estas cuentas anuales abreviadas adjuntas, ya que la Sociedad se constituye el 28 de enero de 2020 (véase Nota 1), por lo que su ejercicio social se corresponde al ejercicio comprendido entre el 28 de enero de 2020 y el 31 de diciembre de 2020.

**f) Moneda funcional y moneda de presentación**

Estas cuentas anuales abreviadas se presentan en euros, siendo el euro la moneda funcional y de presentación de la Sociedad.

**g) Agrupación de partidas**

Determinadas partidas del balance abreviado y de la cuenta de pérdidas y ganancias abreviadas se presentan de forma agrupada para facilitar su comprensión, si bien, en la medida en que sea significativa, se ha incluido la información desagregada en las correspondientes notas de la memoria.

**h) Cambios en criterios contables**

Durante el periodo comprendido entre el 28 de enero y el 31 de diciembre de 2020 no se han producido cambios de criterios contables, ya que son las primeras cuentas anuales abreviadas de la Sociedad.

**i) Impacto del Covid – 19 en la Sociedad**

El 11 de marzo de 2020, la Organización Mundial de la Salud declaró el brote de Coronavirus COVID-19 una pandemia, debido a su rápida propagación por el mundo, habiendo afectado a más de 150 países. La mayoría de los Gobiernos han tomado medidas restrictivas para contener la propagación, que incluyen: aislamiento, confinamiento, cuarentena y restricción al libre movimiento de personas, cierre de locales públicos y privados, salvo los de primera necesidad y sanitarios, cierre de fronteras y reducción drástica del transporte aéreo, marítimo, ferroviario y terrestre.

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Esta situación está afectando de forma significativa a la economía global, debido a la interrupción o ralentización de las cadenas de suministro y al aumento significativo de la incertidumbre económica, evidenciado por un aumento en la volatilidad del precio de los activos, tipos de cambio y disminución de los tipos de interés a largo plazo.

Los Administradores han evaluado periódicamente, y concretamente tanto al cierre del ejercicio como en la fecha de formulación de las cuentas anuales abreviadas, los impactos presentes y potenciales a futuro del Grupo. En este sentido, dado que hasta la fecha de formulación de las presentes cuentas anuales abreviadas no se han producido impactos en el Grupo, debido principalmente a la consideración de la actividad que el Grupo realiza como Servicio Esencial, los Administradores han concluido que la presente situación, a la fecha, no ha tenido y no se estima que tenga un impacto relevante sobre las operaciones de Grupo Ecoener, S.A.U.

### **3. Distribución de resultados**

La propuesta de distribución del resultado del periodo comprendido entre el 28 de enero y el 31 de diciembre de 2020 es como sigue:

	<b>Periodo terminado el 31.12.2020</b>
<b>Bases de reparto</b>	
Beneficio del ejercicio	<b>11.303.102,01</b>
<b>Distribución</b>	
Reserva legal	2.560.000,00
Reservas voluntarias	8.743.102,01
<b>Total</b>	<b>11.303.102,01</b>

### **4. Normas de registro y valoración**

Las principales normas de registro y valoración utilizadas por la Sociedad en la elaboración de sus cuentas anuales abreviadas del periodo comprendido entre el 28 de enero y el 31 de diciembre de 2020, de acuerdo con el marco normativo de información financiera descrito en la Nota 2, han sido las siguientes:

#### ***a) Inmovilizado intangible***

Como norma general, el inmovilizado intangible se valora inicialmente por su precio de adquisición. Posteriormente se valora a su coste minorado por la correspondiente amortización acumulada y, en su caso, por las pérdidas por deterioro que haya experimentado, conforme al criterio mencionado en la Nota 4 c). Dichos activos se amortizan en función de su vida útil.

##### *Propiedad industrial*

En esta cuenta se registran los importes satisfechos para la adquisición de la propiedad o el derecho de uso de las diferentes manifestaciones de la misma, o por los gastos incurridos con motivo del registro de la desarrollada por la empresa. La propiedad industrial se amortiza linealmente a lo largo de su vida útil que se ha estimado en 10 años.



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*Aplicaciones informáticas*

La Sociedad registra en esta cuenta los costes incurridos en la adquisición y desarrollo de programas de ordenador. Los costes de mantenimiento de las aplicaciones informáticas se registran en la cuenta de pérdidas y ganancias abreviada del ejercicio en que se incurren. La amortización de las aplicaciones informáticas se realiza aplicando el método lineal durante un período de 4 años.

**b) Inmovilizado material**

El inmovilizado material se valora inicialmente por su precio de adquisición y, posteriormente, se minora por la correspondiente amortización acumulada y las pérdidas por deterioro, si las hubiera, conforme al criterio mencionado en la Nota 4 c).

Los gastos de conservación y mantenimiento de los diferentes elementos que componen el inmovilizado material se imputan a la cuenta de pérdidas y ganancias abreviada del ejercicio en que se incurren. Por el contrario, los importes invertidos en mejoras que contribuyen a aumentar la capacidad o eficiencia o a alargar la vida útil de dichos bienes se registran como mayor coste de los mismos.

La Sociedad amortiza el inmovilizado material siguiendo el método lineal, aplicando porcentajes de amortización anual calculados en función de los años de vida útil estimada de los respectivos bienes, según el siguiente detalle:

	Años de vida útil estimada
Instalaciones técnicas	10
Maquinaria	8,33
Utillaje	3,33 – 10
Mobiliario	4 – 10
Equipos para proceso de información	3,33 – 10
Otro inmovilizado	4 – 10

**c) Deterioro de valor de activos intangibles y materiales**

Siempre que existan indicios de pérdida de valor, la Sociedad procede a estimar mediante el denominado “Test de deterioro” la posible existencia de pérdidas de valor que reduzcan el valor recuperable de dichos activos a un importe inferior al de su valor en libros. Si se trata de activos identificables que no generan flujos de caja de forma independiente, se estima la recuperación de la unidad generadora de efectivo a la que el activo pertenece.

El importe recuperable se determina como el mayor importe entre el valor razonable menos los costes de venta y el valor en uso.

Los valores recuperables se calculan para cada unidad generadora de efectivo, si bien en el caso de inmovilizaciones materiales, siempre que sea posible, los cálculos de deterioro se efectúan de forma individualizada.

Cuando una pérdida por deterioro de valor revierte posteriormente, el importe en libros del activo o de la unidad generadora de efectivo se incrementa en la estimación revisada de su importe recuperable, pero de tal modo que el importe en libros incrementado no supere el importe en libros que se habría determinado de no haberse reconocido ninguna pérdida por deterioro en ejercicios anteriores. Dicha reversión de una pérdida por deterioro de valor se reconoce como ingreso.

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**d) Arrendamientos**

Los arrendamientos se clasifican como arrendamientos financieros siempre que de las condiciones de los mismos se deduzca que se transfieren al arrendatario sustancialmente los riesgos y beneficios inherentes a la propiedad del activo objeto del contrato. Los demás arrendamientos se clasifican como arrendamientos operativos. Al 31 de diciembre de 2020 no existen contratos de arrendamiento financiero.

En relación con los arrendamientos operativos, en los que la Sociedad actúa como arrendatario, los gastos derivados de los acuerdos de arrendamiento operativo se cargan a la cuenta de pérdidas y ganancias abreviada en el ejercicio en que se devengan. Adicionalmente, cualquier cobro o pago que pudiera realizarse al contratar un arrendamiento operativo, se tratará como un cobro o pago anticipado que se imputará a resultados a lo largo del periodo del arrendamiento, a medida que se cedan o reciban los beneficios del activo arrendado.

**e) Instrumentos financieros***Activos financieros**i. Clasificación*

Los activos financieros que posee la Sociedad se clasifican en las siguientes categorías:

- Préstamos y partidas a cobrar: activos financieros originados en la venta de bienes o en la prestación de servicios por operaciones de tráfico de la empresa, o los que, no teniendo un origen comercial, no son instrumentos de patrimonio ni derivados y cuyos cobros son de cuantía fija o determinable y no se negocian en un mercado activo.
- Inversiones en el patrimonio de empresas del Grupo, asociadas y multigrupo: se consideran empresas del Grupo aquellas vinculadas con la Sociedad por una relación de control, y empresas asociadas aquellas sobre las que la Sociedad ejerce una influencia significativa. Adicionalmente, dentro de la categoría de multigrupo se incluye a aquellas sociedades sobre las, en virtud de un acuerdo, se ejerce un control conjunto con uno o más socios.

Valoración inicial

Los activos financieros se registran, en términos generales, inicialmente al valor razonable de la contraprestación entregada más los costes de la transacción que sean directamente atribuibles.

En el caso de inversiones en el patrimonio de empresas del Grupo que otorgan control sobre la sociedad dependiente, los honorarios abonados a asesores legales u otros profesionales relacionados con la adquisición de la inversión se imputan directamente a la cuenta de pérdidas y ganancias.

Valoración posterior

Los préstamos y partidas a cobrar se valoran por su coste amortizado, utilizando el método del tipo de interés efectivo.

No obstante, los activos financieros que no tengan un tipo de interés establecido, el importe venza o se espere recibir en el corto plazo y el efecto de actualizar no sea significativo, se valoran por su valor nominal.

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Las inversiones en empresas del Grupo, asociadas y multigrupo se valoran por su coste, minorado, en su caso, por el importe acumulado de las correcciones valorativas por deterioro. Dichas correcciones se calculan como la diferencia entre su valor en libros y el importe recuperable, entendido éste como el mayor importe entre su valor razonable menos los costes de venta y el valor actual de los flujos de efectivo futuros derivados de la inversión. Salvo mejor evidencia del importe recuperable, se toma en consideración el patrimonio neto de la entidad participada, corregido por las plusvalías tácitas existentes en la fecha de la valoración (incluyendo el fondo de comercio, si lo hubiera).

Al menos al cierre del ejercicio la Sociedad realiza un “test de deterioro” para los activos financieros que no están registrados a valor razonable. Se considera que existe evidencia objetiva de deterioro si el valor recuperable del activo financiero es inferior a su valor en libros. Concretamente, al cierre del ejercicio la Sociedad ha reevaluado si existen indicios de deterioro sobre las participaciones financieras que ostenta en las participaciones en sociedades dependientes. Cuando se produce, el registro de este deterioro se registra en la cuenta de pérdidas y ganancias.

La Sociedad da de baja los activos financieros cuando expiran o se han cedido los derechos sobre los flujos de efectivo del correspondiente activo financiero y se han transferido sustancialmente los riesgos y beneficios inherentes a su propiedad.

Por el contrario, la Sociedad no da de baja los activos financieros, y reconoce un pasivo financiero por un importe igual a la contraprestación recibida, en las cesiones de activos financieros en las que se retenga sustancialmente los riesgos y beneficios inherentes a su propiedad.

#### Intereses y dividendos

Los intereses se reconocen por el método del tipo de interés efectivo.

Los ingresos por dividendos procedentes de inversiones en instrumentos de patrimonio se reconocen cuando han surgido los derechos para la Sociedad a su percepción. Si los dividendos distribuidos proceden inequívocamente de resultados generados con anterioridad a la fecha de adquisición porque se han distribuido importes superiores a los beneficios generados por la participada desde la adquisición, minoran el valor contable de la inversión.

#### ***Aportaciones no dinerarias***

En las aportaciones no dinerarias de negocios, incluyendo inversiones en empresas del grupo, a empresas del grupo, las inversiones en el patrimonio recibidas, se valoran en la fecha que se realiza la operación, por el valor contable de los elementos patrimoniales entregados o por el importe representativo del porcentaje de participación equivalente al valor contable de los activos netos de la inversión aportada, en las cuentas anuales consolidadas del grupo según las Normas para la Formulación de las Cuentas Anuales Consolidadas.

Concretamente, según el BOICAC 85 y conforme a la Norma de Registro y Valoración 21 del Plan General de Contabilidad, en la redacción introducida por el Real Decreto 1159/2010, de 17 de septiembre, en vigor para los ejercicios iniciados a partir del 1 de enero de 2010, se determine que la diferencia puesta de manifiesto entre los valores a los que se realizó la aportación y el valor contable en libros del Accionista Único se registra contra el epígrafe de “Reservas voluntarias”. Los valores contables considerados que han originado la citada diferencia, en línea con los dispuesto por el BOICAC 85, han sido los valores consolidados NOFCAC de la sociedad aportante, Ecoener, S.L.U. Adicionalmente según se establece en la Norma de Registro y Valoración 21 del Plan General de Contabilidad y conforme a lo dispuesto en el BOICAC 85, aquellos negocios cuyo valor consolidado es negativo se han traspasado a un valor simbólico de 0,01 euros. De otra parte, la fecha de efectos contables en las operaciones de aportación no dineraria es la fecha en la que se realiza la operación.

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*Pasivos financieros*

Son pasivos financieros aquellos débitos y partidas a pagar que tiene la Sociedad y que se han originado en la compra de bienes y servicios por operaciones de tráfico de la empresa, o aquellos que, sin tener un origen comercial, no pueden ser considerados como instrumentos financieros derivados.

Los débitos y partidas a pagar se valoran inicialmente al valor razonable de la contraprestación recibida, ajustada por los costes de la transacción directamente atribuibles. Con posterioridad, dichos pasivos se valoran de acuerdo con su coste amortizado, utilizando el método del tipo de interés efectivo.

No obstante, los pasivos financieros que no tengan un tipo de interés establecido, el importe venza o se espere recibir en el corto plazo y el efecto de actualizar no sea significativo, se valoran por su valor nominal.

La Sociedad da de baja los pasivos financieros cuando se extinguen las obligaciones que los han generado.

Los activos y pasivos se presentan separadamente en el balance y únicamente se presentan por su importe neto cuando la sociedad tiene el derecho exigible a compensar los importes reconocidos y, además, tienen la intención de liquidar las cantidades por el neto o de realizar el activo y cancelar el pasivo simultáneamente.

*Instrumentos de patrimonio*

Un instrumento de patrimonio representa una participación residual en el patrimonio de la sociedad, una vez deducidos todos sus pasivos.

Los instrumentos de patrimonio emitidos por la Sociedad se registran en el patrimonio neto por el importe recibido, neto de los gastos de emisión.

**f) Efectivo y otros activos líquidos equivalentes**

Este epígrafe del balance abreviado incluye el efectivo en caja, las cuentas corrientes bancarias y los depósitos y adquisiciones temporales de activos que cumplen con todos los siguientes requisitos:

- Son convertibles en efectivo.
- En el momento de su adquisición su vencimiento no era superior a tres meses.
- No están sujetos a un riesgo significativo de cambio de valor.
- Forman parte de la política de gestión normal de tesorería de la Sociedad.

**g) Ingresos y gastos**

Los ingresos y gastos se imputan en función del criterio de devengo, es decir, cuando se produce la corriente real de bienes y servicios que los mismos representan, con independencia del momento en que se produzca la corriente monetaria o financiera derivada de ellos. Dichos ingresos se valoran por el valor razonable de la contraprestación recibida, deducidos descuentos e impuestos.

Los ingresos por prestación de servicios se reconocen considerando el grado de realización de la prestación a la fecha de balance abreviado, siempre y cuando el resultado de la transacción pueda ser estimado con fiabilidad.

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**h) Provisiones y contingencias**

El Consejo de Administración de la Sociedad en la formulación de las cuentas anuales abreviadas diferencia entre:

- a. Provisiones: saldos acreedores que cubren obligaciones actuales derivadas de sucesos pasados, cuya cancelación es probable que origine una salida de recursos, pero que resultan indeterminados en cuanto a su importe y/ o momento de cancelación.
- b. Pasivos contingentes: obligaciones posibles surgidas como consecuencia de sucesos pasados, cuya materialización futura está condicionada a que ocurra, o no, uno o más eventos futuros independientes de la voluntad de la Sociedad.

Las cuentas anuales abreviadas recogen todas las provisiones con respecto a las cuales se estima que la probabilidad de que se tenga que atender la obligación es mayor que de lo contrario. Los pasivos contingentes no se reconocen en las cuentas anuales abreviadas, sino que se informa sobre los mismos en las notas de la memoria abreviada, en la medida en que no sean considerados como remotos.

Las provisiones se valoran por el valor actual de la mejor estimación posible del importe necesario para cancelar o transferir la obligación, teniendo en cuenta la información disponible sobre el suceso y sus consecuencias, y registrándose los ajustes que surjan por la actualización de dichas provisiones como un gasto financiero conforme se va devengando.

La compensación a recibir de un tercero en el momento de liquidar la obligación, siempre que no existan dudas de que dicho reembolso será percibido, se registra como activo, excepto en el caso de que exista un vínculo legal por el que se haya exteriorizado parte del riesgo, y en virtud del cual la Sociedad no esté obligada a responder; en esta situación, la compensación se tendrá en cuenta para estimar el importe por el que, en su caso, figurará la correspondiente provisión.

**i) Indemnizaciones por despido**

De acuerdo con la legislación vigente, la Sociedad está obligada al pago de indemnizaciones a aquellos empleados con los que, bajo determinadas condiciones, rescinda sus relaciones laborales. Por tanto, las indemnizaciones por despido susceptibles de cuantificación razonable se registran como gasto en el ejercicio en el que se adopta la decisión del despido.

**j) Impuesto sobre Beneficios**

La Sociedad tributa en régimen de declaración consolidada, formando parte del grupo de consolidación fiscal nº 146/10, siendo la sociedad Ecoener, S.L.U. la cabecera del Grupo fiscal.

El gasto devengado por impuesto sobre sociedades, de las sociedades que se encuentran en régimen de declaración consolidada, se determina teniendo en cuenta, además de los parámetros a considerar en caso de tribulación individual expuestos anteriormente, los siguientes:

- Las diferencias temporarias y permanentes producidas como consecuencia de la eliminación de resultados por operaciones entre sociedades del Grupo, derivadas del proceso de determinación de la base imponible consolidada.

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- Las deducciones y bonificaciones que corresponden a cada sociedad del Grupo fiscal en el régimen de declaración consolidada; a estos efectos, las deducciones y bonificaciones se imputarán a la sociedad que realizó la actividad u obtuvo el rendimiento necesario para obtener el derecho a la deducción o bonificación fiscal.

Las diferencias temporarias derivadas de las eliminaciones de resultados entre las empresas del grupo fiscal se reconocen en la sociedad que ha generado el resultado y se valoran por el tipo impositivo aplicable a la misma.

El gasto o ingreso por Impuesto sobre Beneficios comprende la parte relativa al gasto o ingreso por el impuesto corriente y la parte correspondiente al gasto o ingreso por impuesto diferido.

El impuesto corriente es la cantidad que la Sociedad satisface como consecuencia de las liquidaciones fiscales del impuesto sobre el beneficio relativas a un ejercicio. Las deducciones y otras ventajas fiscales en la cuota del impuesto, excluidas las retenciones y pagos a cuenta, así como las pérdidas fiscales compensables de ejercicios anteriores y aplicadas efectivamente en éste, dan lugar a un menor importe del impuesto corriente.

Por la parte de los resultados fiscales negativos procedentes de algunas de las sociedades del Grupo que han sido compensados por el resto de las sociedades del Grupo consolidado, surge un crédito y débito recíproco entre las sociedades a las que corresponden y las sociedades que lo compensan. En caso de que exista un resultado fiscal negativo que no pueda ser compensado por el resto de las sociedades del Grupo consolidado, estos créditos fiscales por pérdidas compensables son reconocidos como activos por impuesto diferido, considerando para su recuperación al grupo fiscal como sujeto pasivo.

La Sociedad dominante del Grupo registra el importe total a pagar (a devolver) por el Impuesto sobre Sociedades consolidado con cargo (abono) a Créditos (Deudas) con empresas del grupo y asociadas.

El importe de la deuda (crédito) correspondiente a las sociedades dependientes se registra con abono (cargo) a Deudas (Créditos) con empresas del grupo y asociadas.

*i. Reconocimiento de pasivos por impuesto diferido*

La Sociedad reconoce los pasivos por impuesto diferido en todos los casos, excepto que surjan del reconocimiento inicial del fondo de comercio o de un activo o pasivo en una transacción que no es una combinación de negocios y en la fecha de la transacción no afecta ni al resultado contable ni a la base imponible fiscal.

*ii. Reconocimiento de activos por impuesto diferido*

La Sociedad reconoce los activos por impuesto diferido, siempre que resulte probable que existan ganancias fiscales futuras suficientes para su compensación.

No obstante, los activos que surjan del reconocimiento inicial de activos o pasivos en una transacción que no es una combinación de negocios y en la fecha de la transacción no afecta ni al resultado contable ni a la base imponible fiscal, no son objeto de reconocimiento.

La Sociedad sólo reconoce los activos por impuestos diferido derivados de pérdidas fiscales compensables, en la medida que sea probable que se vayan a obtener ganancias fiscales futuras que permitan compensarlos en un plazo no superior al establecido por la legislación fiscal aplicable, con el límite máximo de diez años, salvo prueba de que sea probable su recuperación en un plazo superior, cuando la legislación fiscal permita compensarlos en un plazo superior o no establezca límites temporales a su compensación.

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Por el contrario se considera probable que la Sociedad dispone de ganancias fiscales suficientes para recuperar los activos por impuesto diferido, siempre que existan diferencias temporarias imponibles en cuantía suficiente, relacionadas con la misma autoridad fiscal y referidas al mismo sujeto pasivo, cuya reversión se espere en el mismo ejercicio fiscal en el que se prevea reviertan las diferencias temporarias deducibles o en ejercicios en los que una pérdida fiscal, surgida por una diferencia temporaria deducible, pueda ser compensada con ganancias anteriores o posteriores.

Al objeto de determinar las ganancias fiscales futuras, la Sociedad tiene en cuenta las oportunidades de planificación fiscal, siempre que tenga la intención de adoptarlas o es probable que las vaya a adoptar.

*iii. Valoración de activos y pasivos por impuesto diferido*

Los activos y pasivos por impuesto diferido se valoran por los tipos impositivos que vayan a ser de aplicación en los ejercicios en los que se espera realizar los activos o pagar los pasivos, a partir de la normativa y tipos que están vigentes o aprobados y pendientes de publicación y una vez consideradas las consecuencias fiscales que se derivarán de la forma en que la Sociedad espera recuperar los activos o liquidar los pasivos.

*iv. Compensación y clasificación*

La Sociedad sólo compensa los activos y pasivos por impuesto sobre beneficios si existe un derecho legal a su compensación frente a las autoridades fiscales y tiene la intención de liquidar las cantidades que resulten por su importe neto o bien realizar los activos y liquidar los pasivos de forma simultánea.

Los activos y pasivos por impuesto diferido se reconocen en balance abreviado como activos o pasivos no corrientes, independientemente de la fecha esperada de realización o liquidación.

**k) Transacciones con vinculadas**

La Sociedad realiza todas sus operaciones con vinculadas a valores de mercado. Adicionalmente, los precios de transferencia se encuentran adecuadamente soportados por lo que el Consejo de Administración de la Sociedad considera que no existen riesgos significativos por este aspecto de los que puedan derivarse pasivos de consideración en el futuro.

La diferencia entre el valor razonable y el importe acordado se registra de acuerdo con la sustancia económica subyacente, ya sea como una aportación o una distribución de dividendos.

Las transacciones con partes vinculadas se rigen por la Norma de Valoración 13ª de Elaboración de cuentas anuales del Plan General de Contabilidad. En este sentido:

- Se entenderá que una empresa forma parte del grupo cuando ambas estén vinculadas por una relación de control, directa o indirecta, análoga a la prevista en el artículo 42 del Código de Comercio, o cuando las empresas estén controladas por cualquier medio por una o varias personas jurídicas que actúen conjuntamente o se hallen bajo Dirección Única por acuerdos o cláusulas estatutarias.
- Se entenderá que una empresa es asociada cuando, sin que se trate de una empresa del Grupo en el sentido señalado, la empresa o las personas físicas dominantes, ejerzan sobre esa empresa asociada una influencia significativa.
- Una parte se considera vinculada a otra cuando una de ellas ejerce o tiene la posibilidad de ejercer directa o indirectamente o en virtud de pactos o acuerdos entre accionistas o partícipes, el control sobre otra o una influencia significativa en la toma de decisiones financieras y de explotación de la otra.

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La Sociedad realiza todas sus operaciones con vinculadas a valores de mercado.

***l) Transacciones en moneda distinta al euro***

Las transacciones en moneda distinta al euro se registran contablemente por su contravalor en euros. Las pérdidas o ganancias por las diferencias que se originen en la cancelación de los saldos derivados de las operaciones en moneda distinta al euro son reconocidas en la cuenta de pérdidas y ganancias abreviada en el momento de producirse.

No obstante lo anterior, los créditos y débitos en moneda distinta al euro al cierre del ejercicio se valoran en euros a los tipos de cambio vigentes en dicha fecha, reconociéndose como gastos las pérdidas de cambio por grupo de moneda y como ingreso las ganancias por variación en el tipo de cambio.

***m) Partidas corrientes y no corrientes***

Se consideran activos corrientes aquellos vinculados al ciclo normal de explotación que con carácter general se considera de un año, también aquellos otros activos cuyo vencimiento, enajenación o realización se espera que se produzca en el corto plazo desde la fecha de cierre del ejercicio, los activos financieros mantenidos para negociar, con la excepción de los derivados financieros cuyo plazo de liquidación sea superior al año y el efectivo y otros activos líquidos equivalentes. Los activos que no cumplen estos requisitos se califican como no corrientes.

Del mismo modo, son pasivos corrientes los vinculados al ciclo normal de explotación, los pasivos financieros mantenidos para negociar, con la excepción de los derivados financieros cuyo plazo de liquidación sea superior al año y en general todas las obligaciones cuya vencimiento o extinción se producirá en el corto plazo. En caso contrario se clasifican como no corrientes.

***n) Remuneración de Administradores y Alta Dirección***

La remuneración de los miembros de la Alta Dirección de la Sociedad y personas que desempeñan funciones asimiladas (véase Nota 16) se imputa en función del devengo, registrándose al cierre del ejercicio la correspondiente provisión en caso de que el importe no hubiera sido objeto de liquidación.

***o) Elementos patrimoniales de naturaleza medioambiental***

Se consideran activos de naturaleza medioambiental los bienes que son utilizados de forma duradera en la actividad de la Sociedad, cuya finalidad principal es la minimización del impacto medioambiental y la protección y mejora del medio ambiente, incluyendo la reducción o eliminación de la contaminación futura.

Dada la actividad a la que se dedica la Sociedad, la misma no tiene responsabilidades, gastos, activos, ni provisiones y contingencias de naturaleza medioambiental que pudieran ser significativos en relación con el patrimonio, la situación financiera y los resultados de la misma. Por este motivo, no se incluyen desgloses en las presentes cuentas anuales abreviadas.



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**5. Inmovilizado intangible**

El movimiento habido entre la fecha de constitución de la sociedad y el periodo terminado el 31 de diciembre de 2020 en el inmovilizado intangible y de sus correspondientes amortizaciones ha sido el siguiente:

**Ejercicio 2020**

	Euros			
	28.01.2020	Adiciones por aportación no dineraria negocio	Adiciones	31.12.2020
<b>Coste:</b>				
Propiedad industrial	-	5.205	-	5.205
Aplicaciones informáticas	-	43.460	-	43.460
Otro inmovilizado intangible	-	6.900	-	6.900
Total coste	-	55.565	-	55.565
<b>Amortización acumulada:</b>				
Propiedad industrial	-	-	(365)	(365)
Aplicaciones informáticas	-	-	(6.311)	(6.311)
Total amortización acumulada	-	-	(6.676)	(6.676)
<b>Total inmovilizado intangible</b>	-	<b>55.565</b>	<b>(6.676)</b>	<b>48.889</b>

Durante el ejercicio 2020, la Sociedad ha registrado, principalmente, altas de propiedad industrial, aplicaciones informáticas y otro inmovilizado intangible como consecuencia de la aportación no dineraria del negocio (véase nota 1).

Al 31 de diciembre de 2020, la Sociedad no tenía compromisos firmes de adquisición de inmovilizado intangible.

Durante el periodo comprendido entre el 28 de enero y el 31 de diciembre de 2020 la Sociedad no ha reconocido ni revertido ningún deterioro en la cuenta de pérdidas y ganancias abreviada.

Al 31 de diciembre de 2020 no existían elementos del inmovilizado intangible afecto a garantías.

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**6. Inmovilizado material**

El movimiento habido en el periodo terminado el 31 de diciembre de 2020 en el inmovilizado material y de sus correspondientes amortizaciones ha sido el siguiente:

**Ejercicio 2020**

	Euros			
	28.01.2020	Adiciones por aportación no dineraria negocio	Adiciones	31.12.2020
<b>Coste:</b>				
Terrenos	-	-	5.000	5.000
Instalaciones técnicas	-	-	-	-
Maquinaria	-	-	-	-
Ustillaje	-	2.723	-	2.723
Mobiliario	-	10.777	5.386	16.163
Equipos para proceso de información	-	22.458	-	22.458
Otro inmovilizado	-	142	-	142
<b>Total coste</b>	-	<b>36.100</b>	<b>10.386</b>	<b>46.486</b>
<b>Amortización acumulada:</b>				
Instalaciones técnicas	-	-	-	-
Maquinaria	-	-	-	-
Ustillaje	-	-	(25)	(25)
Mobiliario	-	-	(922)	(922)
Equipos para proceso de información	-	-	(3.638)	(3.638)
Otro inmovilizado	-	-	-	-
<b>Total amortización acumulada</b>	-	-	<b>(4.585)</b>	<b>(4.585)</b>
<b>Total inmovilizado material</b>	-	<b>36.100</b>	<b>5.801</b>	<b>41.901</b>

Las altas más significativas se corresponden, principalmente, con los elementos de inmovilizado material adquiridos como consecuencia de la aportación no dineraria del negocio (véase nota 1).

Al 31 de diciembre de 2020, la Sociedad no tenía compromisos firmes de adquisición de inmovilizado material.

Durante el periodo comprendido entre el 28 de enero y el 31 de diciembre de 2020 la Sociedad no ha reconocido ni revertido ningún deterioro en la cuenta de pérdidas y ganancias abreviada.

Al 31 de diciembre de 2020 no existían elementos del inmovilizado material afecto a garantías.

**7. Arrendamientos**

La Sociedad tiene arrendados a terceros en régimen de arrendamiento operativo, principalmente plazas de aparcamiento.

El importe de las cuotas de arrendamientos operativos reconocidas como gasto durante el ejercicio terminado el 31 de diciembre de 2020 ha sido de 285 euros (véase Nota 14.3).

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Los pagos mínimos futuros por arrendamientos operativos no cancelables no son significativos.

**8. Inversiones financieras**

La totalidad de las inversiones financieras se corresponden con préstamos y partidas a cobrar, a excepción de 35.762.258 euros, que se corresponden con Inversiones en empresas del grupo y asociadas.

**8.1 Inversiones financieras a largo y corto plazo**

El detalle por categorías de las cuentas del epígrafe “Inversiones financieras a largo plazo” e “Inversiones financieras a corto plazo” al 31 de diciembre de 2020 es el siguiente:

	Euros	
	Fianzas y otros	
	31.12.2020	
Inversiones financieras a largo plazo	19.343	
Inversiones financieras a corto plazo	4.504	
	<b>23.847</b>	

El epígrafe “Inversiones financieras” recoge al 31 de diciembre de 2020 las fianzas y depósitos a largo y corto plazo que la Sociedad tiene constituidos por distintos contratos de alquiler y suministros.

**8.2 Inversiones en empresas del Grupo y asociadas a largo plazo**

El detalle por categorías de las cuentas del epígrafe “Inversiones en empresas del Grupo y asociadas a largo plazo” al 31 de diciembre de 2020 es el siguiente:

	Euros		
	Instrumentos de Patrimonio	Créditos	Total
	31.12.2020	31.12.2020	31.12.2020
Inversiones en el patrimonio de empresas del grupo (Anexo I)	35.762.258	-	35.762.258
Préstamos y Partidas a cobrar con empresas del grupo (Nota 15)	-	10.841.861	10.841.861
	<b>35.762.258</b>	<b>10.841.861</b>	<b>46.604.119</b>

La aportación no dineraria descrita en la Nota 1 supuso el registro de inversiones en empresas del Grupo y asociadas por importe de 28,7 millones de euros. Dicho valor ha sido calculado sobre la base de los valores consolidados que las citadas participaciones tenían en las cuentas anuales consolidadas de Ecoener, S.L.U. ajustándolas principalmente por:

- Los márgenes generados durante la fase de construcción de las instalaciones de energía renovable cuyo negocio no fue traspasado a Grupo Ecoener, S.A.U. (Ver Nota 1).
- Aquellas inversiones financieras que tenían un valor consolidado negativo que se han traspasado a un valor simbólico de 0,01 euros.
- El resultado generado desde el cierre del ejercicio 2019 hasta la fecha de la aportación.

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En el Anexo I se encuentra el detalle de las participaciones financieras directas e indirectas que ostenta la Sociedad.

Los créditos con empresas del grupo y asociadas a largo y corto plazo (véase apartado siguiente) devengan tipos de interés de mercado, devengándose ingresos financieros por importe de 213.209 euros en el ejercicio 2020 (véase nota 15).

Durante el ejercicio 2020, la Sociedad ha deteriorado un importe de 66.349 euros correspondientes a una cuenta corriente con empresas del grupo y que se ha registrado en el epígrafe “Deterioro y resultado por enajenaciones de instrumentos financieros” de la cuenta de pérdidas y ganancias abreviada (Nota 14.4).

Los movimientos más representativos durante el ejercicio 2020 dentro del epígrafe “Inversiones en empresas del Grupo y asociadas a largo plazo-Instrumentos de Patrimonio- son los siguientes:

	Euros					
	Aportación no dineraria del Accionista Único	Aportación dineraria a sociedades dependientes	Compraventa de Oilean Telde Eólica Energy	Enajenación de participaciones	Otros movimientos	Total
Inversiones en el patrimonio de empresas del grupo (Anexo I)	28.702.707	10.755.000	3.300.000	(8.224.687)	1.229.238	35.762.258
	<b>28.702.707</b>	<b>10.755.000</b>	<b>3.300.000</b>	<b>(8.224.687)</b>	<b>1.229.238</b>	<b>35.762.258</b>

- Con fecha 12 de junio de 2020, la Sociedad ha realizado una ampliación de capital, suscrita y desembolsada mediante aportación no dineraria por parte del Accionista Único de las siguientes participaciones sociales: Energías de Pontevedra, S.L., Energías de Forcarei, S.L., Ecoener Inversiones de Centroamérica, S.A., Hidroeléctrica del Giesta, S.L., Ecoener Ingeniería, S.L., Sociedad Eólica Punta Maeda, S.L., Chajorra de Aluce, S.L., Amagante Herreño, S.L., Dama de Bandama, S.L., Conservilla Majorrera, S.L., Picocernicalo, S.L., Mosquera de Tamadaba, S.L., Colino Majorero, S.L., Yesquera de Aluce, S.L., Cresta de Gallo, S.L., Canutillo de Sabinosa, S.L., Alamillo de Doramas, S.L., Tiraventos, S.L., Hierba Muda, S.L., Magarza del Andén, S.L., Tabaiba Solar, S.L., Dragmoc, S.L., Malva del Risco, S.L., Siempreviva Gigante, S.L., Hernadera, S.L., Salvia Blanca, S.L., Siempreviva Azul, S.L., Magarza Plateada, S.L., Risoela, S.L., Helecho de Cristal, S.L., Desarrollo Energético de la Mariña, S.L., Rosalito Palmero, S.L., Bejeque Rojo, S.L., Violeta de Anaga, S.L., Drago General Partner, S.A.R.L., Ecoener Inversiones S.C.A. SICAV-RAIF, Eólicos de Ferrol, S.L., Ecoener Fotovoltaica Dominicana, S.R.L., Ecoener Inversiones Dominicana, S.R.L., Ecoener Solares Dominicana, S.R.L., Ecoener Renovables Panamá, S.A. y Ecoener Solar Panamá, S.A.. Si bien estas participaciones son las que Ecoener, S.L.U. poseía directamente, son objeto de la transacción también las sociedades dependientes de las sociedades mencionadas en este punto, aportándose por tanto los subgrupos correspondientes. En el Anexo I hemos detallado el detalle de todas las sociedades dependiente en los que la Sociedad ostenta una participación directa o indirecta.

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Dicha operación ha supuesto aumentar el capital de Grupo Ecoener, S.A.U. por valor de 500 miles de euros mediante la creación de 5.000 nuevas acciones nominativas con un valor nominal unitario de 100 euros por acción y una prima de emisión de 4.750 miles de euros asociada de 950 euros por acción (Nota 11), que fueron íntegramente suscritas y desembolsadas por parte del Accionista Único. Adicionalmente, la contabilización de esta aportación no dineraria a valores consolidados de la dominante última española, Ecoener, S.L.U., ha supuesto el registro de unas participaciones por un valor de 28.702.707 euros, contabilizándolo con cargo a capital y prima por los importes mencionados anteriormente y, la diferencia, reservas de la Sociedad (véase nota 11).

- La Sociedad ha realizado aportaciones a las siguientes sociedades dependientes y por los siguientes importes:

	2022
Amagante Herreño, S.L.	380.000
Canutillo de Sabinosa, S.L.	3.150.000
Tabaiba Solar, S.L.	1.360.000
Ecoener Servicios Constructivos, S.L.	100.000
Violeta Palmera, S.L.	2.550.000
Eólicos del Matorral, S.L.	2.400.000
Bencomia del Risco, S.L.	815.000
<b>Total</b>	<b>10.755.000</b>

Las citadas aportaciones se han realizado con el objeto del desarrollo de proyectos renovables en Canarias.

Con fecha de 30 de junio de 2020 se realizó la adquisición del 100% de la sociedad Oilean Telde Eólica Energy, S.L. por un importe de 3.300.000 euros al Accionista Único. El Accionista Único había adquirido la citada sociedad a un tercero durante el primer trimestre del ejercicio 2020.

Previo a la realización de la compra por parte de la Sociedad al Accionista Único, se realizó la adquisición a un tercero de una opción de compra sobre un número de acciones representativo del 40% del capital social de Oilean Telde Eólica, S.L. con el objetivo de eliminar la posibilidad de dilución a futuro en la citada compañía a voluntad de un tercero. En este sentido, con fecha 22 de junio de 2020 los Administradores de la Sociedad decidieron adquirir la citada opción por importe de 300 miles de euros.

- Constitución de la sociedad del grupo, Ecoener Emisiones, S.A.U. con un capital de 60.000 euros, totalmente suscrito y desembolsado por la Sociedad, con fecha 16 de abril de 2020.
- Con fecha 19 de junio de 2020, Ecoener Emisiones, S.A.U. ha realizado una ampliación de capital social, suscrita íntegramente por la Sociedad, en la cuantía de 257 miles de euros mediante la creación de 2.570 nuevas acciones de 100 euros de valor nominal cada una de ellas. La ampliación de capital social se decide con una prima de emisión de 950 euros por acción, la cual asciende a 2.442 miles de euros. La ampliación fue suscrita mediante una aportación no dineraria de las siguientes participaciones de las que la Sociedad era propietaria:

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- o Energías de Pontevedra, S.L.,
- o Desarrollo Energético de la Mariña, S.L.,
- o Dragmoc, S.L.,
- o Yesquera de Aluce, S.L.

Con fecha 2 de diciembre de 2020, la Sociedad aprobó la fusión por absorción de las Sociedades “Dragmoc, S.L.” y “Desarrollo Energético de la Mariña, S.L.” por parte de Ecoener Emisiones, S.A.U. Conforme a la Norma de Registro y Valoración 21 del Plan General de Contabilidad, la aportación no dineraria se realizó a los valores consolidados, mismo valor al que los había contabilizado la Sociedad en la aportación no dineraria que la realizó el Accionista Único en la aportación no dineraria de 12 de junio de 2020.

- El 25 de junio de 2020, Grupo Ecoener, S.A.U. vende a Ecoener Emisiones, S.A.U., 66.510 participaciones sociales de la Sociedad del Grupo Hidroeléctrica del Giesta, S.L.U., las cuales representan el 100% del capital social de la misma. El precio de venta se fija en 19.754.000 euros que será desembolsado por Ecoener Emisiones, S.A.U. mediante un calendario con último cobro en 2025. En esta operación se ha puesto de manifiesto un resultado positivo por importe de 11.529.313 euros, registrado en el epígrafe “Deterioro y resultado por enajenaciones de instrumentos financieros” de la cuenta de pérdidas y ganancias abreviada. El saldo pendiente de cobro por este concepto a 31 de diciembre de 2020 asciende a 11.007.298 euros registrado dentro de Inversiones en empresas del Grupo y asociadas, de los cuales 2.099.324 euros son a corto plazo (véase nota 8.3).

Dentro de la columna de otros movimientos se recoge los siguientes movimientos:

- Aportaciones realizadas por Grupo Ecoener, S.A.U. para la constitución y/o compra de sociedades que integran el perímetro del Grupo del que es Dominante, por importe de 107 miles de euros. Las Sociedades constituidas han sido Ecoener Emisiones, S.A.U., Ecoener Servicios Constructivos, S.L., Violeta Palmera, S.L., Eólicos Herculinos, S.L., Fonte dos Arcos, S.L., Cardoncillo Gris, S.L., Ecoener Operación y Mantenimiento, S.L., Eólicos del Matorral, S.L., y Yerbamora, S.L. Asimismo, durante el ejercicio 2020 la Sociedad ha constituido Ecoener Mirazul Dos, S.A. y Ecoener ingeniería Panamá, S.A., cuyas participaciones están pendientes de desembolso. Por otra parte, el 11 de diciembre de 2020, el Accionista Único vende 100 participaciones de la sociedad Bencomia de Risco, S.L. por importe de 10 miles de euros a la Sociedad Dominante.
- Con fecha 14 de diciembre de 2020, Grupo Ecoener, S.A.U. vende 482.000 participaciones de Alamillo de Doramas, S.L. a la propia sociedad por importe de 902 miles de euros. Como contraprestación, Grupo Ecoener, S.A.U. recibe 20.450 participaciones de Eólicos del Matorral, S.L. y 20.310 participaciones de Violeta Palmera, S.L. por importe de 429 miles de euros y 427 miles de euros, respectivamente. Dicha operación se registró con una pérdida para Grupo Ecoener, S.A.U. de 46 miles de euros.
- La sociedad Tiraventos, S.L. fue aportada por el Accionista Único en la operación de ampliación de capital realizada por la Sociedad, suscrita mediante aportación no dineraria de gran parte de las participaciones de su propiedad (véase nota 1 y 11). Los anteriores propietarios de dicha sociedad ostentaban un derecho de crédito contingente contra Ecoener, S.L.U. que fruto de la aportación no dineraria debería de ser pagado por Grupo Ecoener, S.A.U. Con fecha 12 de noviembre de 2020, Grupo Ecoener, S.A.U. acordó el pago con los anteriores propietarios, por importe de 230 miles de euros, en concepto del mencionado precio contingente.

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- Reconocimiento a valor razonable del crédito originado por la operación de venta de la participación en Hidroeléctrica del Giesta, S.L.U. a la sociedad Ecoener Emisiones, S.A.U. (véase nota 1), registrado contablemente, en base a la naturaleza de dicha operación, como un incremento de la participación en Ecoener Emisiones, S.A.U. por importe de 977 miles de euros debido a que dicho crédito no devengada intereses conforme a un tipo de interés de mercado. Por lo tanto, se ha registrado una mayor inversión financiera en Grupo Ecoener, S.A.U. y una aportación de socios en la sociedad Ecoener Emisiones, S.A.U. por el citado importe.
- Con fecha 15 de julio de 2020, la Sociedad Ecoener Ingeniería, S.L. repartió un dividendo por importe de 39 miles de euros, minorándose el valor de su participación en la Sociedad Dominante.

El detalle de los vencimientos de los créditos a largo plazo es el siguiente:

	Euros					
	2022	2023	2024	2025	Siguientes	Total
Préstamos y Partidas a cobrar con empresas del grupo (Nota 15)	2.149.193	2.200.247	2.252.513	4.239.908	-	10.841.861
<b>Total</b>	<b>2.149.193</b>	<b>2.200.247</b>	<b>2.252.513</b>	<b>4.239.908</b>	<b>-</b>	<b>10.841.861</b>

La información más significativa relacionada con las empresas del Grupo, multigrupo y asociadas al cierre del ejercicio finalizado el 31 de diciembre de 2020 está detallada en el Anexo I. Los datos relativos a la situación patrimonial de estas sociedades se han obtenido de las cuentas anuales de las sociedades del Grupo.

Al cierre del ejercicio, los Administradores ha realizado el análisis de si existían indicios de deterioro de las participaciones o de las cuentas por cobrar con las empresas del Grupo. Como política seguida por el Grupo, para aquellas sociedades que tienen pérdidas en el ejercicio o patrimonio neto negativo, se ha evaluado la existencia de plusvalías tácita no registradas a los efectos de determinar el patrimonio neto ajustado que tendría cada sociedad. Las plusvalías tácticas no reconocidas provienen fundamentalmente de la diferencia entre el valor en libros de las instalaciones de energía renovable que ostenta el Grupo y de su valor en uso, calculado como un descuento de flujos de caja. Tras la realización de dicho análisis se ha concluido que no existen indicios de deterioro ni sobre las cuentas por cobrar ni sobre las participaciones en las empresas del Grupo.

Ninguna de las empresas en las que la Sociedad tiene participación cotiza en Bolsa al cierre del ejercicio.

Las Cuentas Anuales Abreviadas del ejercicio no recogen los efectos de la consolidación del Grupo. En el periodo terminado el 31 de diciembre de 2020, de acuerdo con la normativa vigente, la Sociedad no está obligada a formular Cuentas Anuales Consolidadas por integrarse en un Grupo Superior. No obstante lo anterior, los Administradores de la Sociedad formularán las Cuentas Anuales Consolidadas de Grupo Ecoener, S.A.U. del periodo terminado el 31 de diciembre de 2020 aplicando las Normas Internacionales de Información Financiera adoptadas por la Unión Europea (NIIF-UE), conforme a lo establecido en el Reglamento (CE) nº 1606/2002 del Parlamento Europeo y del Consejo del 19 de julio de 2002. A continuación, se presenta los datos provisionales de las mismas:

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	Consolidado NIIF-UE
Activo no corriente	197.634
Activo corriente	31.294
<b>Total activo</b>	<b>228.928</b>
Capital, reservas, aportaciones de socios y otros	(813)
Pérdidas y ganancias	3.457
Socios externos	8.972
<b>Total Patrimonio</b>	<b>11.616</b>
Pasivo no corriente	193.234
Pasivo corriente	24.078
<b>Total pasivo y patrimonio</b>	<b>228.928</b>

**8.3 Inversiones en empresas del Grupo y asociadas a corto plazo**

El detalle por categorías de las cuentas del epígrafe “Inversiones en empresas del Grupo y asociadas a corto plazo” al 31 de diciembre de 2020 es el siguiente:

	Euros
	Créditos
	31.12.2020
Préstamos y Partidas a cobrar con empresas del Grupo (Nota 15)	2.133.703
	<b>2.133.703</b>

Un importe de 2.099.324 euros se corresponde con el importe pendiente de cobro a corto plazo por la venta de Hidroeléctrica del Giesta, S.L.U. a la sociedad del Grupo Ecoener Emisiones, S.A.U. (véase nota 1 y 8.2).

**8.4 Información sobre riesgos financieros**

Las actividades de la Sociedad están expuestas a diversos riesgos financieros: riesgo de mercado (riesgo de tipo de interés), riesgo de crédito, riesgo de liquidez y riesgo de tipo de cambio. A continuación se indican los principales riesgos financieros que impactan a la Sociedad:

## a. Riesgo de mercado:

Tanto la tesorería como la deuda de la Sociedad están expuestas al riesgo de tipo de interés, el cual podría tener un efecto en los resultados financieros y en los flujos de caja. No obstante, se espera que el mismo no sea significativo.

## b. Riesgo de crédito:

Los principales activos financieros de la Sociedad son saldos de efectivo, deudores comerciales y créditos, siendo estos dos últimos en su mayoría con empresas del grupo en las que el riesgo de contraparte no es significativo.

El riesgo de crédito de la Sociedad es atribuible principalmente a sus deudas comerciales y créditos concedidos. Los importes se reflejan en el balance abreviado netos de provisiones para insolvencias, estimadas por la Dirección de la Sociedad en función de su experiencia y de su valoración del entorno económico actual.



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El riesgo de crédito de fondos líquidos es limitado porque las contrapartes son, principalmente, entidades pertenecientes al Grupo.

## c. Riesgo de liquidez:

La Sociedad lleva a cabo una gestión prudente del riesgo de liquidez, fundada en el mantenimiento de suficiente efectivo, la disponibilidad de financiación con sociedades del Grupo mediante un importe suficiente de facilidades de crédito comprometidas y la capacidad suficiente para liquidar sus posiciones acreedoras.

Al 31 de diciembre de 2020 la Sociedad dispone de efectivo por importe de 149.458 euros y el fondo de maniobra es positivo por importe de 2.005.436 euros.

## d. Riesgo de tipo de cambio:

El riesgo de tipo de cambio se produce por la posible pérdida causada por variaciones en el valor razonable o en los futuros flujos de efectivo de un instrumento financiero debidas a fluctuaciones en los tipos de cambio. La exposición de la Sociedad al riesgo de fluctuaciones en los tipos de cambio se debe principalmente a las prestaciones de servicios de terceros por las operaciones realizadas en divisas distintas a la moneda funcional, así como a la exposición a la moneda extranjera de sus participaciones en sociedades dependientes en moneda distinta al euro. No obstante, se espera que la misma no sea significativa.

**9. Deudores comerciales y otras cuentas a cobrar**

El detalle de las cuentas del epígrafe “Deudores comerciales y otras cuentas a cobrar” al 31 de diciembre de 2020 es el siguiente:

	Euros
	31.12.2020
<b>Vinculadas:</b>	
Cientes (Nota 15)	38.386
<b>Total vinculadas</b>	<b>38.386</b>
<b>No vinculadas:</b>	
Otros créditos con las Administraciones Públicas (Nota 13.1)	19.805
<b>Total no vinculadas</b>	<b>19.805</b>
<b>Total</b>	<b>58.191</b>

El epígrafe “Clientes” recoge los saldos mantenidos con empresas del Grupo y asociadas por la prestación por parte de la Sociedad de servicios de administración, jurídicos, operación y mantenimiento, y promoción y desarrollo, entre otros.

**10. Existencias**

El importe registrado en el epígrafe “Existencias” al 31 de diciembre de 2020 se corresponde con un anticipo a proveedores por 4.222 euros.

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**11. Patrimonio neto y fondos propios*****a) Capital suscrito***

La Sociedad se constituyó como Sociedad anónima, de conformidad con la legislación española, el 28 de enero de 2020, con un capital social de 60.000 euros, representado por 600 acciones nominativas con valor nominal de 100 euro cada una, totalmente suscritas y desembolsadas mediante aportación dineraria.

Con fecha 12 de junio de 2020, se llevó a cabo una ampliación del capital social por la Sociedad por valor de 500.000 euros mediante la creación de 5.000 nuevas acciones nominativas con un valor nominal de 100 euros. Adicionalmente, la ampliación se realizó con una prima de emisión de 950 euros cada acción, por valor de 4.750.000 euros. Esta ampliación fue íntegramente suscrita por el Accionista Único, Ecoener, S.L.U. y desembolsada mediante aportación no dineraria de participaciones en empresas del grupo de su propiedad (véase nota 1 y 8.2). La citada ampliación de capital ha estado sujeta a la emisión de un informe de un experto independiente nombrado por el Registro Mercantil.

Al 31 de diciembre de 2020, el capital social de la Sociedad asciende a 560.000 euros, representado por 5.600 acciones nominativas de valor nominal de 100 euros cada una, de serie única, numeradas de la uno (1) a la cinco mil seiscientas (5.600), ambas inclusive.

***b) Prima de emisión***

El Texto Refundido de la Ley de Sociedades de Capital permite expresamente la utilización del saldo de la prima de emisión para ampliar el capital social y no establece restricción específica alguna en cuanto a la disponibilidad de dicho saldo.

***c) Reserva legal***

De acuerdo con el Texto Refundido de la Ley de Sociedades de Capital, debe destinarse una cifra igual al 10% del beneficio del ejercicio a la reserva legal hasta que ésta alcance, al menos, el 20% del capital social. La reserva legal podrá utilizarse para aumentar el capital en la parte de su saldo que exceda del 10% del capital ya aumentado. Salvo para la finalidad mencionada anteriormente, y mientras no supere el 20% del capital social, esta reserva sólo podrá destinarse a la compensación de pérdidas y siempre que no existan otras reservas disponibles suficientes para este fin.

Al cierre del ejercicio 2020, la Sociedad no registra reserva legal al tratarse del primer periodo desde su constitución (véase Nota 1).

***d) Reservas voluntarias***

Las reservas voluntarias se han puesto de manifiesto, principalmente, como consecuencia de la diferencia entre el valor al que se realizó y escrituró la ampliación de capital y los valores consolidados de la totalidad de las participaciones recibidas en la aportación no dineraria (véase Nota 1 y 8.2).

La Sociedad constituirá una reserva de capitalización por importe de 14.712 euros con cargo a reservas voluntarias, la cual será indisponible durante el plazo establecido por la normativa fiscal (véase nota 13).

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**e) Otras aportaciones de socios**

Con fecha 1 de noviembre de 2020, entre Ecoener S.L.U. y Grupo Ecoener S.A.U. se firmó un contrato de compraventa de negocio donde el primero vende a este último la unidad de operación y mantenimiento, y promoción y desarrollo previo a la fase de construcción, adquiriendo mediante este acto Grupo Ecoener, S.A.U. los activos y pasivos que componen dichas unidades de negocio junto con el derecho exclusivo de continuar con la explotación de las mismas. La titularidad de los activos y los pasivos asumidos del negocio, así como los contratos cedidos, se transmiten desde el 1 de diciembre de 2020, mientras que los empleados transferidos lo serán en sucesivas fechas a partir del 1 de noviembre de 2020 y hasta el cierre de diciembre de 2020 (véase nota 1). La Sociedad ha registrado el valor neto contable de activos y pasivos adquiridos por un importe de 73.052 euros y una aportación de socios por el mismo importe.

**f) Distribución de dividendos**

La Sociedad no ha distribuido dividendos en el ejercicio.

**12. Pasivos financieros**

La totalidad de los pasivos financieros de la Sociedad se corresponden con Préstamos y partidas a pagar.

Los pasivos financieros clasificados como “Préstamos y partidas a pagar” se valoran a valor nominal al constituir una aproximación aceptable de su valor razonable y no variar significativamente.

**12.1 Deudas**

La composición de los epígrafes “Deudas a largo y corto plazo” del balance abreviado al 31 de diciembre de 2020 adjunto es la siguiente:

**Ejercicio 2020**

	Euros		
	No Corriente	Corriente	Total
Deudas con entidades de crédito	-	1.341	1.341
Otras deudas	-	115.000	115.000
Deudas con empresas del grupo y asociadas (Nota 15)	8.581.603	-	8.581.603
<b>Total</b>	<b>8.581.603</b>	<b>116.341</b>	<b>8.697.944</b>

La clasificación de las deudas por vencimientos es la siguiente:

**Ejercicio 2020**

	Euros						
	2021	2022	2023	2024	2025	Siguientes	Total
Deudas con entidades de crédito	1.341	-	-	-	-	-	1.341
Otras deudas	115.000	-	-	-	-	-	115.000
Deudas con empresas del grupo y asociadas (Nota 15)	-	8.478.932	-	-	102.671	-	8.581.603
<b>Total</b>	<b>116.341</b>	<b>8.478.932</b>	<b>-</b>	<b>-</b>	<b>102.671</b>	<b>-</b>	<b>8.697.944</b>

(Continúa)

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Dentro de la cuenta “Deudas con empresas del grupo y asociadas”, la Sociedad registra, principalmente, el saldo de la deuda correspondiente al préstamo concedido por su Accionista Único. El resto son cuentas corrientes con las empresas del Grupo que devengan un tipo de interés de mercado.

Al 31 de diciembre de 2020, se registra como Deudas a largo plazo se encuentra la deuda que la Sociedad tiene con el Accionista Único por importe de 8.478.932 euros, incluyendo nominal más intereses pendientes de pago. Dicha deuda devenga un tipo de interés de Euribor + 2% y tiene vencimiento en el mes de diciembre del 2022.

Los intereses devengados durante el ejercicio anual terminado el 31 de diciembre de 2020 por estos conceptos han ascendido a 18.980 euros y han sido registrados en el epígrafe “Gastos financieros” de la cuenta de pérdidas y ganancias abreviada (véase nota 15).

El tipo interés aplicado a las deudas con empresas del Grupo y asociadas es un tipo de interés de mercado.

### 12.2 Acreedores comerciales y otras cuentas a pagar

El detalle de acreedores comerciales y otras cuentas a pagar es como sigue:

	Euros	
	31.12.2020	
Acreeedores varios	210.526	
Otras deudas con las Administraciones Públicas (nota 13.1)	41.982	
<b>Total</b>	<b>252.508</b>	

A 31 de diciembre de 2020, dentro de “Acreeedores varios” se encuentra principalmente el saldo pendiente de pago por los servicios recibidos.

## 13. Administraciones Públicas y situación fiscal

### 13.1 Saldos con las Administraciones Públicas

La composición de los saldos con las Administraciones Públicas al 31 de diciembre de 2020 es la siguiente:

	Euros	
	No Corriente	Corriente
	31.12.2020	31.12.2020
<b>Administraciones Públicas, deudoras:</b>		
Hacienda Pública deudora por IVA (Nota 9)	-	19.805
	-	<b>19.805</b>
<b>Administraciones Públicas, acreedoras:</b>		
Hacienda Pública acreedora por retenciones	-	23.607
Organismos de la Seguridad Social acreedora	-	18.375
	-	<b>41.982</b>

La Sociedad tributa por el “Régimen de tributación de grupos de sociedades” regulado en el Texto Refundido de la Ley del Impuesto sobre Sociedades aprobado por el Real Decreto Legislativo 4/2004 de 5 de marzo, modificado por la Ley 27/2014, de 27 de noviembre, formando parte del Grupo 146/10.

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La Sociedad forma parte del grupo fiscal Ecoener, S.L.U. y Sociedades Dependientes.

Como consecuencia de la tributación de la Sociedad en el “Régimen de tributación de grupos de sociedades”, para el cálculo del Impuesto sobre Sociedades individual, se tienen en cuenta las eliminaciones de los resultados procedentes de operaciones realizadas durante el ejercicio entre las sociedades que forman parte del grupo fiscal. Para el cómputo de las deducciones, se tienen en cuenta los límites y requisitos que tenga el grupo fiscal, con independencia de la base imponible individual de cada sociedad.

### 13.2 Desglose del gasto por Impuesto sobre Sociedades

El desglose del gasto por Impuesto sobre Sociedades es el siguiente:

	Euros
	Periodo terminado el 31.12.2020
Resultado antes de impuestos	11.270.213
Diferencias permanentes	(11.416.480)
Reservas de capitalización	14.712
<b>Base imponible previa</b>	<b>(131.555)</b>
<b>Total gasto / (ingreso) por impuesto</b>	<b>(32.889)</b>

Dentro de las diferencias permanentes se incluye, principalmente, el resultado generado por la venta de Hidroeléctrica del Giesta, S.L.U., (véase nota 8.2) por importe de 11.529.313 euros.

Al 31 de diciembre de 2020 la Sociedad no tiene registradas deducciones pendientes de aplicar.

Al 31 de diciembre de 2020 la Sociedad no tiene pendientes de aplicar bases imponibles negativas.

### 13.4 Ejercicios pendientes de comprobación y actuaciones inspectoras

Según establece la legislación vigente, los impuestos no pueden considerarse definitivamente liquidados hasta que las declaraciones presentadas hayan sido inspeccionadas por las autoridades fiscales o haya transcurrido el plazo de prescripción de cuatro años. Dado que la Sociedad ha comenzado a operar desde la fecha de constitución en el ejercicio 2020 no tiene a la fecha ningún ejercicio abierto a inspección.

Los Administradores de la Sociedad consideran que se han practicado adecuadamente las liquidaciones de los mencionados impuestos, por lo que, aún en caso de que surgieran discrepancias en la interpretación normativa vigente por el tratamiento fiscal otorgado a las operaciones, los eventuales pasivos resultantes, en caso de materializarse, no afectarían de manera significativa a las cuentas anuales abreviadas.

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**14. Ingresos y gastos****14.1 Importe neto de la cifra de negocios**

El saldo de la cuenta “Importe neto de la cifra de negocios” del ejercicio 2020, presenta la siguiente composición:

	Euros
	Periodo terminado el 31.12.2020
Ingresos financieros (nota 8.2)	213.209
Prestación de servicios	24.912
	<b>238.121</b>

Dentro de la partida de “Prestación de servicios” se incluye en el ejercicio 2020, el saldo derivado de la prestación de servicios a sociedades del Grupo, principalmente.

**14.2 Gastos de personal**

El detalle de este epígrafe de la cuenta de pérdidas y ganancias abreviada adjunta correspondiente al ejercicio 2020 es el siguiente:

	Euros
	Periodo terminado el 31.12.2020
Sueldos y salarios	99.095
Cargas sociales	24.839
	<b>123.934</b>

**14.3 Otros gastos de explotación**

El detalle de este epígrafe de la cuenta de pérdidas y ganancias abreviada adjunta correspondiente al ejercicio 2020 es el siguiente:

	Euros
	Periodo terminado el 31.12.2020
Arrendamientos y cánones (Nota 7)	285
Servicios de profesionales independientes	158.130
Transportes	369
Primas de seguros	11.826
Servicios bancarios y similares	1.283
Publicidad, propaganda y relaciones públicas	9.244
Otros servicios	36.546
<b>Total servicios exteriores</b>	<b>217.683</b>
Otros tributos	13
<b>Total otros tributos</b>	<b>13</b>
<b>Total</b>	<b>217.696</b>

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**14.4 Deterioro y resultado por enajenaciones de instrumentos financieros**

El detalle de este epígrafe de la cuenta de pérdidas y ganancias abreviada adjunta correspondiente al ejercicio 2020 es el siguiente:

	Euros
	Periodo terminado el 31.12.2020
Deterioros de créditos con empresas del grupo (Nota 8.2)	(66.349)
Venta de participaciones (Nota 8.2)	11.529.313
Otros resultados	(46.080)
<b>Total</b>	<b>11.416.884</b>

Dentro de la partida de “Venta de participaciones” se incluye en el ejercicio 2020, la plusvalía por la venta de la sociedad Hidroeléctrica del Giesta, S.L.U., a la sociedad Ecoener Emisiones, S.A.U. (Nota 8.2).

**15. Operaciones y saldos con partes vinculadas**

El detalle de saldos con partes vinculadas al cierre de los ejercicios terminados el 31 de diciembre de 2020 es el siguiente:

**Ejercicio 2020**

	Sociedades del grupo	Total
Créditos a largo plazo (Nota 8.2)	10.841.861	10.841.861
Créditos a corto plazo (Nota 8.3)	2.133.703	2.133.703
Clientes (Nota 9)	38.386	38.386
Deudas a largo plazo (Nota 12)	8.581.603	8.581.603

Los créditos a largo al 31 de diciembre de 2020 corresponden, principalmente, al importe pendiente de cobro por la venta de Hidroeléctrica del Giesta, S.L.U. a la sociedad del grupo Ecoener Emisiones, S.A.U. (véanse notas 1, 8.2 y 8.3) y a un importe de 1-934 miles de euros de cuentas corrientes con sociedades dependientes.

Los créditos a corto al 31 de diciembre de 2020 corresponden, principalmente, al importe pendiente de cobro a corto plazo por importe de 2.099 miles de euros por la venta de Hidroeléctrica del Giesta, S.L.U. a la sociedad del grupo Ecoener Emisiones, S.A.U. (véanse notas 1, 8.2 y 8.3) y el resto a cuentas corrientes a corto plazo con sociedades dependientes.

En la partida “Clientes con empresas del Grupo y asociadas”, la Sociedad recoge los saldos deudores originados en la prestación de servicios de operación y mantenimiento y promoción y desarrollo.

Al 31 de diciembre de 2020, se registra como Deudas a largo plazo se encuentra la deuda que la Sociedad tiene con el Accionista Único por importe de 8.478.932 euros, incluyendo nominal más intereses pendientes de pago. Dicha deuda devenga un tipo de interés de Euribor + 2% y tiene vencimiento en diciembre del ejercicio 2022.

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El detalle de operaciones realizadas con partes vinculadas durante los ejercicios terminados el 31 de diciembre de 2020 es el siguiente:

**Ejercicio 2020**

	Sociedades del grupo
Venta de participaciones (nota 8.2 y 14.4)	19.754.000
Prestación de Servicios (nota 14.1)	24.912
Ingresos Financieros (nota 8.2 y 14.1)	213.209
Gastos Financieros (nota 12.1)	(18.980)

Las transacciones que realiza la Sociedad con partes vinculadas tienen su origen en contratos de prestación de servicios de operación y mantenimiento y promoción y desarrollo y de cuenta corriente suscritos entre las partes.

**16. Otra información****16.1 Personal**

El número medio de personas empleadas en el curso de los ejercicios 2020, distribuidas entre sexos y categorías profesionales es el siguiente:

Categoría	Número Medio de Personas
	2020
Dirección	1
Personal cualificado	2
	<b>3</b>

Asimismo, la distribución por sexos al término de los ejercicios 2020, detallado por categorías, es la siguiente:

Categoría	Número de Personas al Cierre	
	Periodo terminado el 31.12.2020	
	Hombres	Mujeres
Dirección	3	-
Administrativos	-	1
Personal cualificado	5	10
	<b>8</b>	<b>11</b>

Al 31 de diciembre de 2020, la Sociedad no mantiene empleados con discapacidad igual o superior al 33%.

**16.2 Información relativa al Consejo de Administración y personal de Alta Dirección de la Sociedad**

La totalidad de las funciones de Alta Dirección son desempeñadas por uno de los miembros del Consejo de Administración que fue constituido en la misma fecha que la creación de la Sociedad, es decir, el 28 de enero de 2020.



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Desde el momento de su incorporación a la Sociedad, los miembros del Consejo de Administración de la Sociedad han devengado, por su relación laboral con la Sociedad, retribuciones por importe de 29.574 euros.

**16.3 Situaciones de conflicto de interés del Consejo de Administración**

El Consejo de Administración de la Sociedad y las personas vinculadas al mismo, no han incurrido en ninguna situación de conflicto de interés que haya tenido que ser objeto de comunicación de acuerdo con lo dispuesto en el art. 229 del TRLSC.

No obstante, los Administradores de la Sociedad han sido informados de que el presidente del Consejo de Administración desempeña cargos de administración en otras sociedades con el mismo, análogo o complementario género de actividad que la Sociedad pertenecientes al grupo empresarial del que la Sociedad es sociedad matriz.

La Sociedad no ha satisfecho ninguna prima de seguro de responsabilidad civil de Administradores y Directivos por posibles daños ocasionados por actos u omisiones en el ejercicio 2020, ya que dicha prima ha sido satisfecha por el Accionista Único.

**16.4 Planes de Remuneración a Administradores y Alta Dirección a largo plazo**

Al 31 de diciembre de 2020, no había planes de remuneraciones a Administradores y Alta Dirección.

**16.5 Honorarios de auditoría**

Los honorarios relativos a servicios de auditoría de cuentas prestados a la Sociedad por el auditor principal, así como por otras entidades vinculadas al mismo durante el ejercicio anual terminado el 31 de diciembre de 2020 han ascendido a 11.700 euros.

**16.6 Información sobre medio ambiente**

Dada la actividad a la que se dedica la Sociedad, la misma no tiene responsabilidades, gastos, activos, ni provisiones y contingencias de naturaleza medioambiental que pudieran ser significativos en relación con el patrimonio, la situación financiera y los resultados del mismo. Por este motivo no se incluyen desgloses específicos en la presente memoria de las cuentas anuales abreviadas respecto a información de cuestiones medioambientales.

**16.7 Avaluos y garantías**

Al 31 de diciembre de 2020, la Sociedad tiene una prenda sobre las acciones de Ecoener Emisiones, S.A.U. como garantía de la deuda que mantiene ésta última por importe de 124.501.650 euros, como consecuencia de la emisión de un bono. Los Administradores de la Sociedad no esperan que se originen pasivos significativos en relación con el aval detallado en el párrafo anterior.

**17. Hechos posteriores**

La Compañía espera que sus acciones estén cotizando en Bolsa durante el primer semestre del ejercicio 2021.

Con fecha de 4 de marzo de 2021, el Accionista Único de Grupo Ecoener, S.A.U. procedió a condonar parte del crédito que tiene con la Sociedad por importe de 6.500 miles de euros y que está registrada en las cuentas de la Sociedad en el epígrafe de Deudas con empresas del Grupo y asociadas (Nota 15). La citada operación se ha realizado como una aportación de socios mediante condonación de parte de los créditos que ostentaba el Accionista Único en la Sociedad.

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Con fecha de 22 de marzo de 2021, se propone la aprobación de un plan de remuneración a directivos que será pagadero en efectivo ante el cumplimiento de una serie de objetivos de negocio. La remuneración máxima consistirá en un 0,5% del EBITDA del consolidado de Grupo Ecoener, S.A.U. en el ejercicio 2023. Dicho plan no está vinculado de la Salida a Bolsa.

El Accionista Único, con fecha de 22 de marzo de 2021 propone ampliar el capital social en la cantidad de 12.240.000 de euros, mediante la emisión de 122.400 nuevas acciones nominativas, de 100 euros de valor nominal cada una de ellas, mediante la capitalización de un importe de 12.240.000 de euros de reservas de libre disposición a capital social. Simultáneamente, en unidad de acto, el Accionista Único propone modificar el valor nominal de las acciones que pasa a ser de 0.32 euros, creándose por desdoblamiento de las existentes 312,5 acciones nuevas por cada acción existente, convirtiéndose por lo tanto las 128.000 acciones nominativas actualmente existentes en 40.000.000 acciones nominativas de la Sociedad de la misma clase y serie, totalmente suscritas y desembolsadas. Se estima que ambas operaciones serán aprobadas sin modificación alguna.

Con fecha 30 de enero de 2021 se publicó el Real Decreto 1/2021, de 12 de enero, por el que se modifica el Plan General de Contabilidad aprobado por el Real Decreto 1514/2007, de 16 de noviembre, el Plan General de Contabilidad de Pequeñas y Medianas Empresas aprobado por el Real Decreto 1515/2007, de 16 de noviembre; las Normas para la Formulación de Cuentas Anuales Consolidadas aprobadas por el Real Decreto 1159/2010, de 17 de septiembre; y las normas de Adaptación del Plan General de Contabilidad a las entidades sin fines lucrativos aprobadas por el Real Decreto 1491/2011, de 24 de octubre. Asimismo, con fecha 13 de febrero de 2021, se publicó la Resolución de 10 de febrero de 2021, del Instituto de Contabilidad y Auditoría de Cuentas, por la que se dictan normas de registro, valoración y elaboración de las cuentas anuales para el reconocimiento de ingresos por la entrega de bienes y la prestación de servicios.

Los cambios de las normas se aplican a los ejercicios que se inicien a partir del 1 de enero de 2021 y se centran en los criterios de reconocimiento, valoración y desglose de ingresos por la entrega de bienes y servicios, instrumentos financieros, contabilidad de coberturas, valoración de las existencias de materias primas cotizadas por los intermediarios que comercialicen con las mismas y en la definición de valor razonable.

En este sentido, las cuentas anuales individuales correspondientes al primer ejercicio que se inicie a partir del 1 de enero de 2021 se presentarán incluyendo información comparativa si bien no existe obligación de expresar de nuevo la información del ejercicio anterior. Únicamente se mostrará expresada de nuevo la información comparativa en el supuesto de que todos los criterios aprobados por el Real Decreto se puedan aplicar sin incurrir en un sesgo retrospectivo, sin perjuicio de las excepciones establecidas en las disposiciones transitorias.

La aplicación de las normas, en general, es retroactiva, aunque con soluciones prácticas alternativas. No obstante, la aplicación de la contabilidad de coberturas es prospectiva, los criterios de clasificación de instrumentos financieros se pueden aplicar prospectivamente y los criterios de ingresos por ventas y prestación de servicios se pueden aplicar de forma prospectiva a los contratos iniciados a partir del 1 de enero de 2021.

Los Administradores de la Sociedad están llevando a cabo una evaluación de las opciones de transición aplicables y de los impactos contables que supondrán estas modificaciones, y si bien a la fecha de formulación de las presentes cuentas anuales individuales no disponen todavía de suficiente información para concluir sobre los resultados de este análisis, la Sociedad no espera que dichos cambios tengan un impacto significativo sobre el patrimonio de la Sociedad.

## GRUPO ECOENER, S.A.U.

Anexo I –  
 Información individual relativa a empresas del grupo para el periodo terminado en  
 31 de diciembre de 2020 (miles de euros)

Sociedad	Domicilio social	% Particip. Directo	% Particip. Indirecto	Sociedad tenedora de la participación indirecta	Capital	Desembolsos no exigidos	Reservas	Prima de Emisión	Aportaciones de socios	Rdos. Neg. Ej. Anteriores	Resultado		Total Fondos Propios	Valor neto en libro de la participación
											Explotación	Neto		
Drago Renovables, S.L. (1) (*)	La Coruña	-	75%	Ecoener Emisiones, S.A.U.	4.455	-	273	1.157	-	-	2.388	346	6.231	-
Mocan Renovables, S.L. (1) (*)	La Coruña	-	75%	Ecoener Emisiones, S.A.U.	2.051	-	231	520	-	-	1.266	483	3.285	-
Hidroeléctrica del Giesta, S.L.U. (1) (*)	La Coruña	-	100%	Ecoener Emisiones, S.A.U.	247	-	157	-	-	-	3.613	1.615	2.019	-
Hidroeléctrica de Oourol, S.L. (1)	La Coruña	-	70%	Ecoener Emisiones, S.A.U.	1.608	-	863	-	-	-	2.122	279	2.750	-
Soc. Lucense de Energía Hidráulica, S.L. (1)	La Coruña	-	100%	Ecoener Emisiones, S.A.U.	1.204	-	241	-	-	-	1.537	864	2.309	-
Energías de Pontevedra, S.L. (1)	La Coruña	-	100%	Ecoener Emisiones, S.A.U.	47	-	(2)	-	-	-	289	153	198	-
Ecoener Invers. de Centroamérica S.A. (5)	Guatemala	99,99%	0,01%	Ecoener Emisiones, S.A.U.	6.473	-	195	-	2.623	2.102	(717)	(742)	10.651	7.824
Hydro Quetzal, S.A. (5)	Guatemala	-	75,89%	Energías de Forcarei, S.L.	5.336	-	1	3.346	-	(1)	-	-	8.682	-
Ecoener Ingeniería, S.A.(4)	Guatemala	-	98%	Ecoener Invers. De Centroamérica, S.A.	-	-	22	-	2.178	(2.207)	718	650	643	-
Energías del Ocosito, S.A. (1) (*)	Guatemala	-	75,89%	Hydro Quetzal, S.A.	8.505	-	208	-	-	(4.229)	681	(1.069)	3.415	-
Energías de Forcarei, S.L. (5)	La Coruña	97%	-	-	1.599	-	-	-	-	(93)	(1)	(29)	1.477	-
Sociedad Eólica Punta Maeda, S.L. (2)	La Coruña	100%	-	-	1.215	-	(9)	-	523	(473)	(74)	(62)	1.194	1.256
Bencomia de Risco, S.L. (2)	La Coruña	100%	-	-	10	-	-	-	815	(7)	(8)	(7)	811	825
Magarza del Andén, S.L. (2)	La Coruña	100%	-	-	10	-	-	-	48	(45)	(31)	(25)	(12)	12
Cardo de Plata, S.L. (1) (*)	La Coruña	-	100%	Ecoener Inversiones SCA, SICAV-RAIF	343	-	-	332	1.823	(46)	143	(19)	2.433	-
Hierba Muda, S.L. (2)	La Coruña	100%	-	-	10	-	-	-	8	(6)	(2)	(2)	10	12
Tabaiba Solar, S.L. (2)	La Coruña	100%	-	-	5	-	-	-	1.421	(10)	(10)	(10)	1.406	1.399
Ecoener Ingeniería, S.L. (4)	La Coruña	100%	-	-	5	-	17	-	-	-	66	51	73	34
Comercializadora Centroamericana de Energía La Ceiba, S.A. (3) (*)	Guatemala	-	100%	Ecoener Invers. De Centroamérica, S.A. (99,99%) - Ecoener Ingeniería, S.A. (0,01%)	119	-	7	-	36	18	463	340	520	-
Llanos del Sur Fotovoltaica, S.A.(1) (*)	Honduras	-	50%	Ecoener Invers. De Centroamérica, S.A.	6.616	-	2.498	-	-	-	2.538	1.700	10.814	-
Ecoener Ingeniería Honduras, S.A. (4)	Honduras	-	98,04%	Ecoener Ingeniera, S.A.	2	-	-	-	-	56	61	57	115	-
Chajorra de Aluce, S.L. (2)	La Coruña	100%	-	-	3	-	-	2	3	(4)	(2)	(2)	2	4
Amagante Herreño, S.L. (2)	La Coruña	100%	-	-	3	-	-	2	392	(3)	(3)	(3)	391	393
Dama de Bandama, S.L. (2)	La Coruña	100%	-	-	3	-	-	2	30	(5)	(13)	(11)	19	30
Conservilla Majorera, S.L. (2)	La Coruña	75%	-	-	3	-	-	2	-	(23)	(2)	(2)	(20)	-
Picocernicalo, S.L. (2)	La Coruña	100%	-	-	3	-	-	2	11	(9)	(13)	(10)	(3)	6
Mosquera de Tamadaba, S.L. (2)	La Coruña	75%	-	-	3	-	-	2	-	(24)	(2)	(1)	(20)	-
Colino Majorero, S.L. (2)	La Coruña	100%	-	-	3	-	-	2	4	(3)	(27)	(21)	(15)	6



## GRUPO ECOENER, S.A.U.

Anexo I –  
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Sociedad	Domicilio social	% Particip. Directo	% Particip. Indirecto	Sociedad tenedora de la participación	Capital	Desembolsos no exigidos	Reservas	Prima de Emisión	Aportaciones de socios	Rdos. Neg. Ej. Anteriores	Resultado		Total Fondos Propios	Valor neto en libro de la participación
											Explotación	Neto		
Ecoener Ingeniería Panamá, S.A. (4)	Panamá	99%	-	-	9	(9)	-	-	-	-	(36)	(37)	(37)	-
Ecoener Operación y Mantenimiento, S.L. (4)	España	100%	-	-	3	-	-	2	-	-	(1)	(1)	4	5
Ecoener Servicios Constructivos, S.L. (4)	España	100%	-	-	3	-	-	2	100	-	(12)	(9)	96	105
Eólicos Herculinos, S.L. (2)	España	100%	-	-	3	-	-	2	-	-	(1)	(1)	4	5
EID Ecoener Inversiones, S.R.L. (4)	Dominicana Rep.	99%	1%	Ecoener Invers. De Centro américa, S.A.	2	-	-	-	-	-	-	-	2	2
Fontes dos Arcos, S.L. (2)	España	100%	-	Ecoener Invers. De Centro américa, S.A.	3	-	-	2	-	-	(1)	(1)	4	5
Hidroeléctrica de Santa Cruz II (2)	Guatemala	-	99%	-	-	-	-	-	344	(315)	-	-	29	-
<b>Total</b>					<b>44.387</b>	<b>(20)</b>	<b>8.051</b>	<b>9.256</b>	<b>19.522</b>	<b>(5.617)</b>	<b>16.342</b>	<b>3.480</b>	<b>79.059</b>	<b>35.762</b>

- (1) La actividad desarrollada por la Sociedad es la promoción, construcción y explotación de centrales de producción de energía de fuente renovable, con instalaciones en operación.  
 (2) La actividad desarrollada por la Sociedad es la promoción, construcción y explotación de centrales de producción de energía de fuente renovable, con instalaciones en desarrollo  
 (3) La actividad desarrollada por la Sociedad es la comercialización de energía.  
 (4) La actividad desarrollada por la Sociedad es la prestación de servicios.  
 (5) La actividad desarrollada por la Sociedad es la tenencia de participaciones.

Los datos corresponden a los estados financieros individuales de cada una de las sociedades del Grupo incluso cuando las mismas son cabecera de un subgrupo. Adicionalmente, los datos corresponden a los estados financieros no auditados a 31 de diciembre de 2020, excepto aquellas de las sociedades marcadas con un (\*), que han sido auditadas por KPMG o por otro auditor a 31 de diciembre de 2020.

GRUPO ECOENER, S.A.U.

Diligencia de Firmas

Ejercicio 2020

Las cuentas anuales abreviadas del ejercicio terminado el 31 de diciembre de 2020 han sido formuladas por el Consejo de Administración de Grupo Ecoener, S.A.U., el día 22 de marzo de 2021, con vistas a su posterior aprobación por el Accionista Único.

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D. Luis de Valdivia Castro

Presidente

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D. Fernando Rodríguez Alfonso

Secretario

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D.<sup>a</sup> Verónica Rodeiro Vázquez

Consejera

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D.<sup>a</sup> Elena Tilve Seoane

Consejera