



All Financial Information has been translated into English except for the Annual Corporate Governance Report, which is available in the Spanish versión. In the event of discrepancy, the Spanish-language version prevails.

STATEMENT OF RESPONSIBILITY OF THE DIRECTORS OF GREENERGY RENOVABLES, S.A. ON THE CONTENT OF THE ANNUAL 2020 SEPARATE AND CONSOLIDATED FINANCIAL STATEMENTS

With regard to the annual separate and consolidated financial statements of Greenergy Renovables, S.A. for 2020, and in accordance with Article 8 of Royal Legislative Decree 4/2015, of October 23, which enacts the consolidated text of the Securities Market Law, the members of the Board of Directors hereby state:

That, to the best of their knowledge, the annual financial statements, prepared in accordance with applicable accounting principles, provide a true and fair view of the financial position and profit and loss of Greenergy Renovables, S.A. and the undertakings included in the consolidation, taken as a whole, and that the directors' report includes a fair view of the development and performance of the businesses and the position of the Greenergy Renovables, S.A. and the undertakings in the consolidation, taken as a whole, together with a description of the principal risks and uncertainties that they face.

Statement issued by the Board of Directors of GREENERGY RENOVABLES, S.A. on February 23, 2021 for the purpose of authorizing the separate and 2020 consolidated financial statements.

Mr. David Ruiz de Andrés
(Chief Executive Officer)

Mr. Antonio Jiménez Alarcón
(Board Member)

Mr. Florentino Vivancos Gasset
(Board Member)

Ms. Ana Peralta Moreno
(Board Member)

Mr. Nicolás Bergareche Mendoza
(Board Member)

Ms. María del Rocío Hortigüela Esturillo
(Board Member)

Audit Report on Financial Statements
issued by an Independent Auditor

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2020



AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

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

To the shareholders of GREENERGY RENOVABLES, S.A.:

Audit report on the consolidated financial statements

Opinion

We have audited the consolidated financial statements of GREENERGY RENOVABLES, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2020, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2020 and of its 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 in the regulatory framework applicable in Spain.

Basis for opinion

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

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

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

Key audit matters

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

Impairment of non-financial non-current assets

Description	<p>At December 31, 2020, the Group recognized PP&E items and intangible assets under non-current assets amounting to 144,768 thousand and 9,143 thousand euros, respectively, mainly corresponding to wind farms and solar parks under construction or in operation.</p> <p>For the purpose of assessing the impairment of non-current non-financial assets, the Group allocates such assets to the corresponding cash-generating units (CGU), which are then individually assigned to the projects.</p> <p>The Group estimates, at least at year-end, or earlier in the case of impairment indicators being identified, the recoverable amount of each cash-generating unit considering their value in use.</p> <p>The determination of the recoverable amount of these assets, requires the use of complex estimations, which involves the application of judgements in establishing the assumptions considered by the Group's Management in relation to those estimates.</p> <p>We have considered this area to be a Key Audit Matter due to the significance of the amounts involved, and the inherent complexity of the estimation process in determining the recoverable amount of the mentioned assets.</p> <p>The main aspects on which the Group applies judgements in determining the related assumptions are the estimate of future margins, the evolution of working capital, the discounted and growth rates, as well as the economic and regulatory conditions in the different markets in which the business operates.</p> <p>The information related to the valuation standards and the main assumptions used by the Group's Management in determining the impairment of non-current non-financial assets, are included in Notes 3.5, 6 and 7 of the accompanying consolidated financial statements.</p>
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Our response	<p>Our Audit procedures included, among others, the following:</p> <ul style="list-style-type: none">▶ Understanding the processes established by Group Management in the determination of impairment of the mentioned non-current non-financial assets▶ Assessment of the analysis of the impairment indicators of the cash generating units performed by the Group Management.▶ Review the models used by the Group's Management, in collaboration with our valuation specialists, focusing, in particular, on the mathematical consistency of the model, the reasonableness of the projected cash flows, the discount and long-term growth rates, and the consistency of these models with the business plans approved by the Group's governing bodies. In conducting our review, we held interviews with those responsible for the development of the models, and we used recognized external sources and other available information to contrast the data.
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- ▶ Review of the sensitivity analysis performed by the Group's Management with respect to the estimates made in determining the recoverable amount in the event of changes in the relevant assumptions considered.
- ▶ Review of the disclosures included in the consolidated financial statements in accordance with the applicable financial reporting framework.

Recognition of income from construction contracts

Description The Grenergy Group carries out a significant part of its business through contracts for the construction of Photovoltaic solar plants. The information on the recognition of revenue from these contracts is provided in Note 3.14 of the accompanying consolidated financial statements.

Since it affects the valuation of uncertified work carried out, which at December 31, 2020 amounts to 21,844 thousand euros (Note 11 of the accompanying consolidated financial statements), and that it likewise affects an exceedingly relevant amount of the total volume of consolidated revenue, requiring that Group Management make significant estimates related primarily to total costs, costs incurred, completion costs, and the expected profit or loss earned upon project completion, all of which fall within the scope of the criteria established in IFRS 15, "Revenue from Contracts with Customers," we determined revenue recognition from construction contracts to be a key audit matter.

Our response Our audit procedures included the following:

- ▶ Gaining an understanding of the process used to manage projects under construction, including evaluation of the design and implementation of the relevant controls.
- ▶ Choosing a selected sample of contracts, based on their significance, and verifying that their terms and conditions, as well as the invoiced income and related sales costs at year end, were recognized in the income statement in accordance with the input method (based on costs incurred in proportion to estimated total costs) over time, ensuring that costs are allocated at the correct amount and to the correct period, and checking against bank statements that invoiced amounts have been collected.
- ▶ Inquiring with Company Management about the development stage of the most relevant projects to ensure that there are no significant deviations between the projected and actual costs.
- ▶ Checking that the balances of uninvoiced completed construction recognized at December 31, 2020 from invoices issued after year-end have been billed correctly.
- ▶ Performing analytical testing on construction margins.
- ▶ Verifying against supporting documentation that 100% of completed construction was provisionally accepted.
- ▶ Reviewing the disclosures made in the notes to the consolidated financial statement comply with the applicable financial reporting framework.

Other information: consolidated management report

Other information refers exclusively to the 2020 consolidated management report, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, in conformity with prevailing audit regulations in Spain, entails:

- a. *Checking only that certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.*
- b. *Assessing and reporting on the consistency of the remaining information included in the consolidated management report with the consolidated financial statements, based on the knowledge of the Group obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the consolidated management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.*

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the consolidated management report is consistent with that provided in the 2020 consolidated financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors and the audit committee for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors of the parent company 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 has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

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

We communicate with the audit committee of the parent company 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.

We also provide the audit committee of the parent company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

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

Report on other legal and regulatory requirements

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 23, 2021.

Term of engagement

The ordinary general shareholders' meeting held on June 17, 2019 appointed us as auditors for three years, commencing on December 31, 2019.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(signed in the original version)

David Ruiz-Roso Moyano
(Registered in the Official Register of
Auditors under No. 18336)

February 23, 2021



**GREENERGY RENOVABLES, S.A.
AND SUBSIDIARIES**

**CONSOLIDATED FINANCIAL STATEMENTS AND MANAGEMENT
REPORT FOR THE YEAR ENDED DECEMBER 31, 2020**

Translation of a report issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2020 AND 2019
 (Euros)

ASSETS	Notes	12.31.2020	12.31.2019
NON-CURRENT ASSETS		169,498,284	88,044,141
Intangible assets	Note 7	9,142,687	9,445,907
Software		76,855	70,720
Patents, licenses, trademarks, et al.		9,065,832	9,375,187
Property, plant, and equipment	Note 6	144,767,655	70,346,859
Land and buildings		17,011	-
Plant and other PP&E items		61,842,809	1,271,860
PP&E under construction and prepayments		82,907,835	69,074,999
Right-of-use assets	Note 8.1	5,284,003	4,564,434
Financial investments	Note 9.1	86,845	188,991
Equity instruments		-	102,067
Other financial assets		86,845	86,924
Deferred tax assets	Note 20	10,217,094	3,497,950
CURRENT ASSETS		88,699,971	69,582,869
Inventories	Note 10	18,169,040	8,851,116
Raw materials and other consumables		519,194	1,015,452
Plant under construction		16,532,772	7,777,484
Prepayments to suppliers		1,117,074	58,180
Trade and other receivables	Note 11	42,754,986	24,762,622
Trade receivables		30,257,963	12,419,040
Other accounts receivable		273,746	160,220
Receivable from employees		21,771	20,290
Current tax assets	Note 19	-	16,112
Other receivables from public administrations	Note 19	12,201,506	12,146,960
Investments in related companies		-	40,512
Loans to related companies	Note 23.1	-	40,512
Financial investments	Note 9.1	6,460,724	6,873,062
Other financial assets		6,460,724	6,873,062
Accruals		745,971	282,470
Cash and cash equivalents	Note 12	20,569,250	28,773,087
Cash in hand		20,569,250	28,773,087
TOTAL ASSETS		258,198,255	157,627,010

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated statement of financial position for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT DECEMBER 31, 2020 AND 2019
 (Euros)

EQUITY AND LIABILITIES	Notes	12.31.2020	12.31.2019
EQUITY		48,834,948	37,097,475
Equity attributable to the Parent		49,204,938	37,247,581
Share capital	Note 13.1	8,507,177	8,507,177
Issued capital		8,507,177	8,507,177
Share premium	Note 13.2	6,117,703	6,117,703
Reserves	Note 13.3	31,911,568	15,444,869
(Shares and participation units of the Parent)	Note 13.4	(8,115,274)	(3,328,497)
Profit (loss) for the year attributed to the Parent	Note 21	15,233,317	11,436,955
Unrealized gains (losses) reserve	Note 14	(4,449,553)	(930,626)
Hedging transactions		(1,749,850)	(477,733)
Currency translation differences		(2,699,703)	(452,893)
Minority interests	Note 15	(369,990)	(150,106)
NON-CURRENT LIABILITIES		143,517,742	73,437,618
Provisions	Note 16	3,421,148	2,748,384
Borrowings	Note 17	134,505,152	67,239,122
Bonds and other marketable securities		21,496,590	21,539,686
Bank borrowings		106,608,483	41,764,740
Finance lease payables		4,199,527	3,726,447
Derivatives		2,044,363	-
Other financial liabilities		156,189	208,249
Deferred tax liabilities	Note 19	5,591,442	3,450,112
CURRENT LIABILITIES		65,845,565	47,091,917
Provisions	Note 17	838,965	828,909
Borrowings	Note 18	20,957,399	9,642,204
Bonds and other marketable securities		151,920	-
Bank borrowings		16,716,858	4,953,157
Finance lease payables		681,559	692,217
Derivatives		352,692	654,429
Other financial liabilities		3,054,370	3,342,401
Trade and other payables		44,049,201	36,620,804
Suppliers		40,326,710	23,388,491
Suppliers, related companies	Note 23.1	-	5,436
Other accounts payable		1,481,437	1,938,348
Employee benefits payable		627,373	536,097
Current income tax liabilities	Note 19	633,886	730,798
Other payables to public administrations	Note 19	979,072	1,370,551
Customer advances	Note 11	723	8,651,083
TOTAL EQUITY AND LIABILITIES		258,198,255	157,627,010

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated statement of financial position for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEARS
ENDED DECEMBER 31, 2020 AND 2019
 (Euros)

	Notes	12.31.2020	12.31.2019
CONTINUING OPERATIONS			
Revenue	Note 4	73,385,606	72,289,630
Sale of goods		71,499,624	70,931,791
Rendering of services		1,885,982	1,357,839
Changes in inventory of finished products and work in progress		8,755,288	(2,702,401)
Work performed by the entity and capitalized	Note 4	40,046,215	12,239,733
Cost of sales	Note 20	(88,026,529)	(62,588,351)
Other operating income		80,213	51,772
Employee benefits expense	Note 20	(5,723,363)	(4,784,016)
Other operating expenses	Note 20	(4,652,092)	(4,846,025)
Depreciation and amortization	Notes 6.7 and 8.1	(799,271)	(660,945)
Impairment and gains (losses) on disposal of non-current assets	Note 6	275,386	(290,804)
Impairment and losses		275,386	(291,320)
Gains (losses) on disposals		-	516
Other gains or losses		(175,641)	19,747
Negative difference on business combinations	Note 5	-	8,790,226
OPERATING PROFIT (LOSS)		23,165,812	17,518,566
Finance income	Note 20	206,043	55,019
Finance costs	Note 20	(2,627,759)	(1,141,769)
Exchange gains (losses)	Note 20	(5,242,447)	(2,307,056)
Impairment and gains (losses) on disposal of financial instruments	Note 20	-	(25,000)
FINANCE COST		(7,664,163)	(3,418,806)
PROFIT (LOSS) BEFORE TAX		15,501,649	14,099,760
Corporate income tax	Note 19	(394,634)	(2,663,443)
CONSOLIDATED PROFIT FOR THE YEAR		15,107,015	11,436,317
PROFIT (LOSS) ATTRIBUTABLE TO MINORITY INTERESTS		(126,302)	(638)
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT		15,233,317	11,436,955
Earnings (losses) per share	Note 13.6	0.64	0.48

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated statement of profit or loss for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER
31, 2020 AND 2019

A) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 (Euros)

	12.31.2020	12.31.2019
CONSOLIDATED PROFIT (LOSS) FOR THE YEAR (I)	15,107,015	11,436,317
Income and expense recognized directly in equity		
- Currency translation differences	(2,246,810)	(18,476)
- Hedging transactions	(1,272,117)	(477,733)
- Tax effect		-
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN CONSOLIDATED EQUITY (II)	(3,518,927)	(496,209)
Amounts transferred to consolidated statement of profit or loss		
- Currency translation differences	-	1,492
- Tax effect		
TOTAL AMOUNTS TRANSFERRED TO CONSOLIDATED STATEMENT OF PROFIT OR LOSS (III)	-	1,492
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE PERIOD (I+II+III)	11,588,088	10,941,600
Attributable to:		
Parent	11,807,972	10,942,238
Minority interests	(219,884)	(638)

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated statement of comprehensive income for the years ended December 31, 2020 and 2019.

B) CONSOLIDATED STATEMENT OF ALL CHANGES IN EQUITY
 (Euros)

	Share capital	Share premium	Reserves	(Treasury shares)	Profit for the period attributable to the Parent	Unrealized gains (losses) reserve	Minority interests	Total
BALANCE AT DECEMBER 31, 2018	3,645,933	6,117,703	8,373,059	(2,062,970)	13,279,402	(260,315)	(228,690)	28,864,122
Adjustments for changes in criteria and misstatements	-	-	-	-	(3,553,440)	-	-	(3,553,440)
ADJUSTED OPENING BALANCE 2019	3,645,933	6,117,703	8,373,059	(2,062,970)	9,725,962	(260,315)	(228,690)	25,310,682
Total consolidated comprehensive income	-	-	-	-	11,436,955	(494,717)	(638)	10,941,600
Capital increase	4,861,244	-	(4,861,244)	-	-	-	-	-
Transactions with shares of the Parent (net)	-	-	2,110,720	(1,265,527)	-	-	-	845,193
Changes in the consolidation scope, transfers, and other minor effects	-	-	96,372	-	-	(175,594)	79,222	-
Appropriation of profit from prior year	-	-	9,725,962	-	(9,725,962)	-	-	-
BALANCE AT DECEMBER 31, 2018	8,507,177	6,117,703	15,444,869	(3,328,497)	11,436,955	(930,626)	(150,106)	37,097,475
Adjustments for changes in criteria and misstatements	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE 2020	8,507,177	6,117,703	15,444,869	(3,328,497)	11,436,955	(930,626)	(150,106)	37,097,475
Total consolidated comprehensive income	-	-	-	-	15,233,317	(3,425,354)	(219,884)	11,588,088
Capital increase	-	-	-	-	-	-	-	-
Transactions with shares of the Parent (net)	-	-	5,066,935	(4,786,777)	-	-	-	280,158
Changes in the consolidation scope, transfers, and other minor effects	-	-	(37,191)	-	-	(93,582)	-	(130,773)
Appropriation of profit from prior year	-	-	11,436,955	-	(11,436,955)	-	-	-
BALANCE AT DECEMBER 31, 2020	8,507,177	6,117,703	31,911,568	(8,115,274)	15,233,317	(4,449,553)	(369,990)	48,834,948

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated statement of changes in equity for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED
DECEMBER 31, 2020 AND 2019

(Euros)

	Notes	12.31.2020	12.31.2019
A) CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit (loss) before tax		15,501,649	14,099,760
2. Adjustments to profit		8,700,271	(3,654,912)
a) Depreciation and amortization (+)	6 and 7	799,271	660,945
b) Impairment losses (+/-)		236,837	291,320
c) Changes in provisions (+/-)		-	764,759
e) Gains (losses) from derecognition and disposal of assets (+/-)	6 and 7	-	(516)
g) Finance income (-)		(206,043)	(55,019)
h) Finance costs (+)	20	2,627,759	1,141,769
i) Exchange gains (losses) (+/-)	20	5,242,447	2,307,056
j) Change in fair value of financial instruments (+/-)		-	25,000
k) Negative difference on business combinations (-)	5	-	(8,790,226)
3. Changes in working capital.		(26,110,670)	9,177,718
a) Inventories (+/-)	10	(9,118,309)	2,773,580
b) Trade and other receivables (+/-)	11	(17,992,364)	(10,166,547)
c) Other current assets (+/-)		(422,989)	(166,906)
d) Trade and other payables (+/-)		1,412,936	14,009,109
e) Other current liabilities (+/-)		10,056	(31,376)
f) Other non-current assets and liabilities (+/-)		-	2,759,858
4. Other cash flows from operating activities		(6,419,855)	(3,740,961)
a) Interest paid (-)	20	(2,475,839)	(1,141,769)
c) Interest received (+)		206,043	55,019
d) Income tax receipts (payments) (+/-)	20	(4,150,059)	(2,654,211)
5. Cash flows from operating activities (+/--1+/-2+/-3+/-4)		(8,328,605)	15,881,605
B) CASH FLOWS FROM INVESTING ACTIVITIES			
6. Payments on investments (-)		(80,317,510)	(56,081,472)
a) Business combinations	5	-	(4,862,103)
b) Intangible assets	6	(32,547)	(81,501)
c) Property, plant, and equipment	7	(80,284,963)	(46,503,855)
e) Other financial assets		-	(4,634,013)
7. Proceeds from disinvestments (+)		654,612	-
c) Property, plant, and equipment	6	140,128	-
e) Other financial assets	8.1	514,484	-
8. Cash flows from (used in) investing activities (7+6)		(79,662,898)	(56,081,472)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
9. Proceeds from and payments on equity instruments		280,158	845,192
c) Acquisition of own equity instruments (-)	13	(16,019,484)	(3,882,063)
c) Disposal of equity instruments of the Parent	13	16,299,642	4,727,255
10. Proceeds from and payments of financial liabilities		74,943,745	55,039,454
a) <i>Issues (+)</i>		79,720,703	59,014,369
1. Bonds and other marketable debt securities (+)		-	21,539,686
2. Bank borrowings (+)	17.1	79,720,703	34,949,805
4. Other borrowings (+)	17.2	-	2,524,878
b) <i>Repayment and redemption:</i>		(4,776,958)	(3,974,915)
1. Bonds and other marketable debt securities (+)		(43,096)	-
2. Bank borrowings (-)		(4,681,802)	(3,916,629)
4. Other borrowings (-)		(52,060)	(58,286)
12. Cash flows from financing activities (+/-9+/-10-11)		75,223,903	55,884,646
D) Effect of changes in exchange rates		4,563,763	(30,733)
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (+/-A+/-B+/-C+/-D)		(8,203,837)	15,654,046
Cash and cash equivalents at January 1	12	28,773,087	13,119,041
Cash and cash equivalents at December 31	12	20,569,250	28,773,087

The accompanying notes 1 to 25 and appendices are an integral part of the consolidated cash flow statement for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

1. Group companies

1.1. Company information

GREENERGY RENOVABLES, S.A. ("the Parent") was incorporated in Madrid on July 2, 2007 via public deed, as filed at the Mercantile Register of Madrid in Tome 24.430, Book 0, Folio 112, Section 8, Page M-439.423, 1st inscription. Its registered business and tax address, where it also performs its activities, is located at Calle Rafael Botí, nº 26, Madrid.

The corporate purpose of the Greenergy Group and the sectors in which it performs its activities are as follows: the promotion and commercialization of renewable energy installations, production of electric energy as well as any complementary activities, and management and operation of such renewable energy installations.

The Greenergy Group is present in Spain, Chile, Peru, Colombia, Argentina, Mexico, and Italy.

At December 31, 2020 the Greenergy Renovables Group is comprised of 146 companies, including the Parent (136 subsidiaries held directly by the Parent and 10 held indirectly via majority shareholdings of a subsidiary). The subsidiaries were consolidated using the full consolidation method. In each of the countries in which the Group operates, it has a parent company which conducts the outsourcing functions arranged under EPC (Engineering, Procurement, and Construction), O&M (Operation and Management), or asset-management contracts using company personnel. The remaining subsidiaries are considered Special Purpose Vehicles (SPVs) where each of the solar plants or wind farms are located. At December 31, 2020, a total of 92 subsidiaries were inactive. The breakdown of the companies which make up the Group is presented in Appendix I. In addition, the main changes in the consolidation scope corresponding to 2020 and 2019 are disclosed in Appendix II to the accompanying consolidated financial statements.

The shares of the Parent have been listed on the Madrid, Barcelona, Bilbao, and Valencia stock exchanges since December 16, 2019.

The Parent is in turn a member of the Daruan Group, the parent of which is Daruan Group Holding, S.L., a company resident in Spain. The Daruan group's consolidated financial statements for the year ended December 31, 2019, as well as the corresponding management and audit reports, were filed at the Mercantile Registry of Madrid on November 25, 2020. The Daruan group's consolidated financial statements for the year ended December 31, 2020, as well as the corresponding management and audit reports, will be filed at the Madrid Mercantile Registry.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Consolidated financial statements for the year ended December 31, 2020

1.2. Regulatory framework

The Greenergy Group performs its activity in a regulated environment with different characteristics depending on the country in which it operates. The Group's regulatory framework is disclosed in Appendix III. No relevant matters arose in this respect during 2020 which had a significant impact on the consolidated financial statements.

2. Basis of presentation

2.1 True and fair view

The annual consolidated financial statements of Greenergy Renovables, S.A. corresponding to FY 2019 were approved by the general shareholder meeting held on June 29, 2020.

The consolidated financial statements corresponding to FY 2020, which were authorized for issue by the Board of Directors of Greenergy Renovables, S.A. on February 23, 2021, as well as those of its investees, will be submitted for approval by shareholders at their respective general meetings. It is expected that they will be approved without modification.

Greenergy's annual 2020 consolidated financial statements were prepared based on the accounting records held by Greenergy Renovables, S.A. and the remaining entities which comprise the Group, in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS-EU"), and in conformity with Regulation (EC) 1606/2002 of the European Parliament and Council.

The annual consolidated financial statements of the Greenergy Group for 2019 were the first consolidated financial statements presented by the Group in accordance with IFRS-EU, with January 1, 2016 as the transition date.

They were prepared using the historical cost approach, though modified by the fair value recognition criteria applied to derivative financial instruments, business combinations, and defined benefit pension plans.

The preparation of the consolidated financial statements under IFRS-EU requires the use of certain significant accounting estimates. It also requires Management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant, are disclosed in Note 2.3.

The Group's directors have prepared the accompanying consolidated financial statements on a going-concern basis. The directors consider that COVID-19 did not have a significant impact on the Group's business or liquidity position which may cast doubt on its ability to continue as a going concern.

These consolidated financial statements give a true and fair view of Greenergy's consolidated equity and consolidated financial position at December 31, 2020, as well as the consolidated results of its operations, changes in the consolidated statement of comprehensive income, consolidated statement of changes in equity, and the consolidated statement of cash flows for the year then ended.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Consolidated financial statements for the year ended December 31, 2020

The consolidated financial statements are presented in euros, unless indicated otherwise.

2.2 Adoption of International Financial Reporting Standards (IFRS)

- a) Standards and interpretations approved by the European Union and applied for the first time during the current reporting period.

The accounting standards used to prepare the accompanying consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended December 31, 2019, as none of the standards, interpretations or amendments that are effective for the first time in the current year have had any impact on the Group's accounting policies.

- b) Standards and interpretations issued by the IASB not yet applicable in the current reporting period

The Group intends to apply the standards, interpretations, and amendments to standards issued by the IASB, not mandatory in the European Union, when they become effective and to the extent applicable. Although the Group is at present analyzing their impact, based on the analysis performed to date, it estimates that their initial application will not have a significant impact on its consolidated financial statements.

2.3 Responsibility for the information presented and significant estimates

The Parent's Board of Directors is responsible for the information included in these consolidated financial statements.

The most significant judgments and estimates necessary for application of the accounting policies described in Note 3 are as follows:

- The fair value of assets and liabilities acquired in business combinations (Notes 3.2 and 5)
- The useful life of PP&E items and intangible assets (Notes 3.3, 3.4, 6, and 7).
- Impairment losses on certain assets (Notes 3.4, 3.11, 6, and 7)
- The probability of occurrence and amounts corresponding to certain provisions and contingencies (Notes 3.15 and 16)
- The recognition of income based on degree of project completion (Note 3.14)
- The market value of derivatives (such as interest rate swaps) (Notes 3.10 and 17.4)
- The recoverability of deferred tax assets (Notes 3.13 and 19).

Although these estimates were made based on the best information available regarding the events analyzed, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8, recognizing the effects of the change in estimates in the corresponding consolidated statement of profit or loss.

Implications of COVID-19

The expansion of COVID-19 posed significant challenges to commercial activities and introduced a degree of uncertainty surrounding economic activity and demand for energy on a global scale. The quarantine measures imposed on a large portion of the global population resulted in decreased economic activity which in turn provoked a generalized decrease in macroeconomic indicators, demand for energy, and prices of the main factors in the energy sector. The effects of the COVID-19 pandemic increase the uncertainty regarding future perspectives for companies and the economy in general, with a substantial deterioration of the recovery becoming apparent in the second half of 2020. When making the estimates and assumptions necessary for preparation of the consolidated financial statements, the Parent took said circumstances into account, providing disclosure in the corresponding notes.

2.4 Comparative information

For comparative purposes the accompanying consolidated financial statements are presented together with the consolidated statement of financial position, the consolidated statement of profit or loss, the consolidated statement of changes in equity, and the consolidated statement of cash flows for the year ended December 31, 2019.

2.5 Seasonality

Given the activity in which the Group companies engage, their transactions are not significantly cyclical or seasonal in their nature.

3. Accounting principles and policies and measurement criteria

3.1. Consolidation principles

3.1.1 Subsidiaries

All companies over which the Group exercises control are considered subsidiaries. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the entity. When assessing whether the Group controls another company, the existence and effect of potential voting rights exercisable at the date to which the assessment relates is taken into account together with possible agreements with other shareholders.

The subsidiaries have been fully consolidated; all their assets, liabilities, income, expenses and expenses have been included in the consolidated financial statements after the corresponding adjustments and eliminations in respect of intra-group transactions have been made. Subsidiaries are excluded from consolidation from the date on which they no longer form part of the Group.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Consolidated financial statements for the year ended December 31, 2020

The acquisition of subsidiaries is accounted for using the acquisition method. Acquisition cost is the fair value of the assets delivered, equity instruments issued, and liabilities incurred or assumed at the exchange date, plus any costs directly attributable to the acquisition. Any excess of the acquisition cost over the fair value of the identifiable net assets acquired is recognized as goodwill. If the acquisition cost is less than the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognized directly in the consolidated income statement. This last case is considered a "bargain purchase" and is accounted for in accordance with IFRS 3.

The intangible assets acquired via a business combination are recognized separately to goodwill if the recognition criteria for assets are fulfilled, that is, if they can be separated or arise from legal or contractual rights and when their fair value can be reliably measured.

Identifiable assets acquired and liabilities or contingent liabilities assumed in a business combination are initially measured at their fair values as of the acquisition date, regardless of the percentage of minority interests.

When loss of control over a subsidiary occurs, for exclusive purposes of the consolidation, the gains or losses recognized in the separate financial statements of the company which is reducing its interests must be adjusted by the amount which arose from the reserves held in consolidated companies and generated from the acquisition date, as well as the amount which arose from income and expenses generated by the subsidiary in the year until the date on which control is lost.

With respect to the interest held by external partners, their interest in equity is recognized under "Equity" as "Minority interests" in the Group's consolidated statement of financial position. Likewise, profit for the year attributable to minority interests is recorded under "Results attributable to minority interests" in the consolidated income statement.

3.1.2 Joint arrangements

In accordance with IFRS 11, in a joint arrangement the parties are related via a contractual agreement which grants two or more of the involved parties joint control over the arrangement. Joint control exists when decisions on relevant activities require the unanimous consent of all the parties that share control.

A joint arrangement is classified as a joint operation when the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement; or as a joint venture when the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

The interests held in joint operations are consolidated under the proportional consolidation method and the interests held in joint ventures are consolidated under the equity method.

Under the equity method, the Group's interests in joint ventures are initially recognized at cost and are subsequently restated to recognize its share of post-acquisition profit and loss and movements in other comprehensive income.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Consolidated financial statements for the year ended December 31, 2020

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. If this should be the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the joint venture and its carrying amount, and recognizes the resulting amount under "Profit (loss) from investments consolidated under the equity method" in the consolidated statement of profit or loss.

The assets and liabilities assigned to joint operations are recognized in the consolidated statement of financial position, classified according to their specific nature and the Group's percentage of ownership interest. Similarly, income and expenses arising from joint operations are presented in the consolidated statement of profit or loss in accordance with their nature and the Group's percentage of ownership interest.

For more detailed information on joint ventures, see Note 18.

3.1.3 Prior standardization of the balances recognized in the separate financial statements

Before proceeding to perform the eliminations upon consolidation, the reporting periods, measurement criteria, and internal operations were standardized.

The financial statements of the companies included in the consolidation scope and used for consolidation purposes correspond to the financial year ended December 31, 2020.

In order to standardize internal operations, the amounts recognized for balances arising from internal transactions which were not in agreement, or those for which there were amounts pending recognition, the appropriate adjustments were made to perform the subsequent eliminations.

In order to standardize the groupings, when the structure of the financial statements of a Group company did not agree with that of the annual consolidated financial statements, the necessary reclassifications were performed.

3.1.4 Conversion of financial statements of companies included in the consolidation scope

All the goods, rights, and obligations of foreign companies are translated into euros using the exchange rate prevailing at the closing date to which the annual financial statements of said companies refer. The balances in the income statements are converted using the exchange rates prevailing at the dates upon which the transactions were carried out, applying an average rate. The difference between the amount of equity calculated as per the above and the amount of equity converted at the historic exchange rates is recorded under equity in the consolidated statement of financial position under "Currency translation differences."

3.1.5 Goodwill on consolidation or negative consolidation difference

"Goodwill on consolidation or negative consolidation difference" is determined based on the criteria described in Note 3.2, "Business combinations."

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Goodwill is not amortized and, as indicated in IFRS 3, is tested for impairment once a year or sooner if there are any indications of possible impairment. Thus, goodwill resulting from a business combination is allocated to each of the cash-generating units (CGUs), or to the entirety of all the Group's CGUs if appropriate, that are expected to benefit from the synergies of the combination, applying the criteria outlined in section 3.4 of this note. Subsequent to initial recognition, goodwill is measured at cost less any accumulated impairment losses.

3.1.6 Transactions between companies included in the consolidation scope

Subsequent to the standardizations described in the previous section, the reciprocal credits and debits as well as income and expenses, and results from internal transactions not carried out with respect to third parties, were eliminated in the consolidated financial statements.

3.2. Business Combinations

The Group applies the acquisition method to account for its business combinations. The acquisition date is that on which the Group obtains control of the acquired business. The consideration transferred to acquire a subsidiary includes:

- the fair values of the transferred assets;
- liabilities incurred with previous owners of acquired business;
- equity interests issued by the Group;
- the fair value of any asset or liability resulting from a contingent consideration arrangement; and
- the fair value of any prior holding in the equity of the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination, with certain limited exceptions, are measured initially at their acquisition-date fair values. The Group recognizes any non-controlling interests in an acquired entity at fair value of the respective acquisition dates or at the percentage of interest held in the identifiable net assets of the acquired entity.

Acquisition-related costs are expensed as incurred.

The excess amount of:

- the consideration transferred;
- the amount of any non-controlling interests in the acquired entity; and
- the fair value at the acquisition date of any prior holding in the acquired entity

Over the fair value of the identifiable net assets acquired is recognized as goodwill. Should the above amounts be under the fair value of the acquiree's net identifiable assets, the difference is directly recognized in results as a bargain purchase under "Negative goodwill in business combinations."

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Where settlement of any portion of cash payments is deferred, amounts payable in the future are discounted to their fair value at the exchange date. The discount rate used is the incremental rate on the entity's borrowings, which corresponds to that which could be obtained for a similar loan from an independent financial institution under comparable terms and conditions.

The contingent consideration is classified as equity or a financial liability. Amounts classified as financial liabilities are subsequently remeasured at fair value, with changes in the fair value recognized under results.

If the business combination is achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date through profit or loss.

3.3. Intangible assets

Intangible assets are considered to be identifiable non-monetary assets, without physical substance, which arise as a result of a legal business or are developed internally. Only those assets are recognized whose cost can be estimated reliably and from which the Group considers it probable that future economic benefits will be generated.

Intangible assets are initially recognized at acquisition or production cost, and subsequently they are measured at cost less any accumulated amortization and impairment losses.

Licenses, patents, and trademarks (industrial property)

Patents, licenses, and trademarks are initially measured at acquisition price and are amortized on a straight-line basis over the estimated length of their useful lives (25 years).

Software

This heading includes the amounts paid to acquire software or user licenses for programs and computer applications, provided the Company plans to use them for several years. They are amortized systematically on a straight-line basis over a period of four years.

Expenses for maintenance or global reviews of the systems, or recurring expenses as a consequence of the modification or upgrading of these applications, are recognized directly as expenses in the year in which they are incurred.

At December 31, 2020 the Group had no intangible assets with an indefinite useful life.

3.4. Property, plant, and equipment

PP&E items correspond to the assets owned by the Group for use in production and provision of goods and services or for administrative purposes and which are expected to be used during more than one period.

The assets comprising PP&E are recognized at acquisition cost (updated as per various legal provisions, if applicable) or production cost, less accumulated depreciation and any impairment losses.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Consolidated financial statements for the year ended December 31, 2020

In addition, the heading for "Work in progress" includes those expenses incurred in the development (arranging permits with the competent authorities; preparation of an environmental impact statement; performance of environmental impact, topographical, hydrological, electric, and archaeological studies; land compensation and reforestation costs as well as costs relating to personnel directly involved in the development of projects) and the construction of certain installations which are still under construction, in their initial design, development or construction phases, and which will be operated by the Group once they have been started up.

The cost of PP&E constructed by the Group is determined following the same principles as used for acquisitions of PP&E items. Capitalized production costs are recognized under "Work performed by the entity and capitalized" in the consolidated statement of profit or loss.

Costs incurred to expand, upgrade, improve, substitute or renovate PP&E items which increase productivity, capacity or efficiency, or extend the useful life of the asset, are recognized as a greater cost of said assets with the corresponding derecognition of the assets or items that have been substituted or renovated.

The acquisition cost of PP&E items which require a period of more than one year to be readied for use includes those financial expenses accrued before being readied for use in accordance with the criteria described in IAS 23. No corresponding amounts were recorded in this respect during the period. In contrast, finance interest accrued subsequent to said date, or related to financing acquisition of the remaining PP&E items, does not increase the acquisition cost and is recognized in the consolidated statement of profit or loss for the year in which they accrue.

The costs incurred for refurbishing leased premises are included under the heading for plant, depreciated systematically on a straight-line basis over a period of 8 years and never exceeding the duration of the lease agreement.

Conservation, repair, and maintenance expenses that do not increase the useful lives of assets are charged to the consolidated statement of profit or loss of the year in which they are incurred.

Depreciation is calculated systematically on a straight-line basis over the estimated useful life of each asset, based on the acquisition or production cost less the residual value, as follows:

	Years of useful life
Machinery and technical installations	5-12
Solar parks/wind farms	25-30
Transport equipment	5-10
Furniture and fixtures	10
Data processing equipment	4
Other PP&E items	6-8

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In addition, the Group on occasion has to cover significant costs with respect to the closing of installations recognized under PP&E, corresponding to dismantling costs or other related costs, so that the consolidated balance sheet includes provisions for this item (Notes 6 and 16). The estimate of the present value of these costs is recognized as a greater carrying amount for the asset with a credit to "Provisions" when the asset is initially put to use. This estimate is revised periodically so that the provision reflects the present value of all future estimated costs. The Group applies a risk-free rate to financially discount the provision given that the estimated future cash flows to settle the obligation reflect the specific risks of the corresponding liability. The risk-free rate used corresponds to the returns generated, at the closing date of the reporting period, of the government bonds with sufficient market depth and solvency and a similar maturity to that of the obligation in question. The change in the provision due to financial discounting is recognized with a charge to "Finance costs" in the consolidated statement of profit or loss.

The values and remaining life of these assets are reviewed at each reporting date and adjusted if necessary.

3.5. Impairment

At the end of each period, the Group analyzes whether there are any indications that the carrying amounts of its PP&E assets exceed their corresponding recoverable amounts, that is, whether any of them are impaired. For those assets identified, it estimates the recoverable amount, which is understood to be the greater of (i) fair value less necessary sales costs and (ii) value in use. Where the asset does not generate cash flows independently of other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount thus determined is lower than the asset's carrying amount, the difference is recognized in the consolidated statement of profit or loss, reducing the carrying amount of the asset to the recoverable amount, and future depreciation charges are adjusted in proportion to the adjusted carrying amounts and the new remaining useful life, should a new estimate be necessary.

Similarly, if there is an indication of recovery in the value of an impaired asset, the Group recognizes the reversal of the impairment loss previously recorded and adjusts the future depreciation charges accordingly. Under no circumstances will said reversal result in an increase in the carrying amount of the asset exceeding that amount that would have been recognized had no impairment losses been recognized in previous years.

The gain or loss arising from the disposal or derecognition of a PP&E item is calculated as the difference between the consideration received and the carrying amount of the asset, and is included in the consolidated statement of profit or loss for the year in which the change occurs.

At December 31, 2020 the Group had no PP&E items with an indefinite useful life.

3.6. Leases

At inception of a contract, the Group assesses whether it is a lease agreement or includes a lease. A contract is a lease agreement, or contains a lease, when it transfers the right to control use of an identified asset for a period of time in exchange for consideration.

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The lease term is the non-cancelable period, taking into account the initial term of each contract, unless Greenergy has the unilateral option of extending or terminating the contract and it is reasonably certain that it will exercise that option, in which case the corresponding extension or early termination terms are factored in.

Greenergy only reconsiders whether the contract is a lease agreement or contains a lease, if the terms and conditions agreed upon in the contract change.

Lessee

For each of the lease agreements in which it is the lessee, Greenergy will recognize a right-of-use asset and a financial lease liability (Notes 3.6 and 3.7).

Lessor

In the case of lease agreements in which it is the lessor, Greenergy will classify them as either operating leases or finance leases.

A lease is classified as a finance lease when Greenergy substantially transfers all the risks and rewards incidental to ownership of the underlying asset to the client. A lease is classified as an operating lease when the risks and rewards incidental to ownership of the underlying asset are not substantially transferred.

- Operating Leases: Payments for operating leases are recognized as income in the income statement of the lessor on a straight-line basis over the term of the contract, except when a different distribution more faithfully reflects the pattern in which the profits deriving from use of the underlying leased asset are distributed.
- Finance leases: Greenergy recognizes the assets it holds in connection with a finance lease as a receivable balance in the consolidated statement of financial position, at an amount equal to the net investment in the lease, utilizing the implicit interest rate of the lease agreement for its valuation.

Subsequently, the lessor recognizes finance income over the term of the lease so that it obtains a constant interest rate for each period with respect to the pending net finance investment relating to the lease (leased asset). Further, the lessor applies the lease payments against the gross investment in order to reduce both the principal as well as the accrued finance income.

3.7. Right-of-use assets

The Group recognizes a right-of-use asset at the inception date of the lease agreement. The cost of the right-of-use asset includes the initial amount of the lease liability, any direct initial costs, payments for leases made prior to the inception date, as well as any dismantling costs related to the asset. Subsequently, the right-of-use asset is recognized at cost less accumulated amortization/depreciation and, if applicable, the associated impairment provision, adjusted to reflect any subsequent valuation or modification of the lease.

The Group applies the exemption for short-term leases (defined as leases with a duration less than or equal to 12 months) and leases of low-value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term, unless a different approach more faithfully reflects the time pattern over which the economic benefits of the leased asset are consumed.

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The right-of-use assets are depreciated/amortized on a straight-line basis over the shorter period of the lease term or the useful life of the underlying asset. If a lease involves transfer of ownership of the underlying asset or the cost of the right-of-use asset reflects the intention of the Group to exercise a purchase option, the asset related to the right-of-use is depreciated/amortized over the useful life of the underlying asset. Depreciation/amortization starts from the inception date of the lease.

To determine the lease terms and the non-cancelable periods Greenergy uses the initial term of each contract except where it has the unilateral option of extending or terminating the contract and it is reasonably certain that it will exercise that option, in which case the corresponding extension or early termination terms are factored in.

The main leases contracted by the Group and which are subject to this regulation correspond to offices and the land where the different solar parks and wind farms are located. In the case of the land where the solar farms are located, the right-of-use asset is recognized as soon as construction of the solar farm commences, given that this is when all the rights and obligations relating to the leased land are obtained. The lease term ranges between 20 and 30 years for the land.

3.8. Financial instruments

A financial instrument is any contract that simultaneously gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. The Group only recognizes financial instruments in the statement of financial position when it becomes party to such a type of contract.

In the accompanying consolidated statement of financial position, financial assets and liabilities are classified as current depending on whether their maturity is equal to or less than twelve months from the reporting date. In the case of longer maturities, they are classified as non-current.

The financial assets and liabilities which the Group most frequently owns are the following:

- Financing granted to related parties and personnel of the Group, regardless of the legal manner in which this occurs.
- Trade receivables
- Financing received from financial institutions and suppliers
- Securities, both those representing debt (obligations, bonds, letters of credit, etc.) or equity instruments of other entities (shares) or interests held in collective investment institutions.

a) Financial assets

Based on the characteristics of the contractual cash flows and the entity's business model for managing its financial assets, the Group recognizes the financial assets it holds in the following categories:

- a) Assets at amortized cost: these financial assets are held in order to collect contractual cash flows which, based on their contractual terms, give rise to cash flows on specified dates that are solely payments of principal and interest.

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This category includes "Trade and other receivables" which are measured at the moment of their recognition in the statement of financial position at market value and subsequently at amortized cost utilizing the effective interest rate. The Group recognizes the corresponding impairment provisions for any differences between the amount of its accounts receivable it reasonably expects to recover and their carrying amounts in accordance with the previous paragraph. Said provisions are recognized in accordance with the expected losses. The Group has carried out an analysis of expected losses and concluded that this IFRS does not have any significant effect on the annual consolidated financial statements for the years 2020 and 2019.

- b) Financial assets at fair value through other comprehensive income: these are assets held with the objective of both obtaining contractual cash flows from them and selling them, and, based on the contractual clauses, the cash flows are received on specified dates that are solely payments of principal and interest. Interest, impairment losses, and currency translation differences are recognized in consolidated results as per the amortized cost model. The remaining changes in fair value are recognized in consolidated equity balances and can be reclassified to the consolidated statement of profit or loss when sold.

However, in the cases of equity instruments, provided they are not held for trading, they can be measured under this category without the amounts recognized in consolidated equity subsequently being reclassified to the consolidated statement of profit or loss upon their sale, with only dividends received being recognized in profit or loss.

- c) Financial assets at fair value through profit or loss: this category includes the remaining financial assets not described in the previous categories.

b) Financial liabilities

Financial liabilities are classified based on the agreed-upon contractual terms and taking into account the economic substance of the corresponding transactions.

- Bank borrowings and other remunerated financial liabilities: Loans, bank overdrafts, obligations, and other similar instruments which accrue interest are initially recognized at fair value, which is equivalent to the cash received net of directly attributable transaction costs incurred. Finance expenses accrued, including premiums payable on settlement or redemption and direct issue costs, are recognized in the consolidated statement of profit or loss using the effective interest rate method, increasing the carrying amount of the financial liabilities to the extent that they are not settled in the period in which they accrue. Said expenses likewise include loans at zero interest, recognized at their nominal amounts given that they do not significantly differ from fair value.

Loans repayable in the short term, but whose long-term refinancing is assured at the discretion of Group through available long-term credit facilities, are classified as non-current liabilities in the accompanying consolidated statement of financial position.

Further, those loans associated with projects which are classified under "Inventories" are classified as current liabilities.

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- Trade receivables: the Group's trade receivables in general do not mature in more than one year and do not accrue explicit interest, and are recognized at their nominal value, which is not significantly different to their amortized cost.

The Group derecognizes a financial liability, or a part of the financial liability, as soon as the obligations relating to the corresponding contract have either expired or been settled or canceled.

The substantial modifications of initially-recognized financial liabilities are accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided the related conditions of the instruments are substantially different. The Group recognizes the difference between the carrying amount of the financial liability, or part of that liability, that has been extinguished or assigned to a third party and the consideration paid, including any assets assigned (other than cash) or liabilities assumed, in the consolidated statement of profit or loss.

c) Own equity instruments

An equity instrument is any contract that evidences a residual interest in the Group's assets after deducting all of its liabilities.

The equity instruments issued by the Parent are recognized in equity at the amount received net of any issuance costs.

Share capital

Ordinary shares are classified as share capital. No other shares exist.

Costs directly attributable to the issue or acquisition of new shares are recognized under equity as a deduction of the corresponding amount.

Treasury shares

Transactions involving treasury shares in 2020 and 2019 are summarized in Note 13.4. They are deducted from equity on the accompanying 2019 and 2019 consolidated statements of financial position

When the Group acquires or sells own equity instruments, the amount paid or received is recognized directly in consolidated equity. No gains or losses are recognized under profit or loss arising from the purchase, sale, issue or amortization of the Group's own equity instruments.

The Parent's shares are measured at average acquisition price.

Share options (Note 3.18)

The Group has granted Greenergy Renovables, S.A. share option plans to certain employees.

Said options granted, in accordance with IFRS 2, are considered a share-based payment to be settled with own equity instruments. Therefore, they are measured at fair value on the grant date, and charged to results using the straight-line method over the life of the plan, depending on the different vesting periods of the share options, with a charge to equity.

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As market prices are not available, the value of the share options was determined using valuation techniques which take into account all the factors and circumstances which, between independent and well informed parties, would have been applicable for determining their transaction value.

d) Cash and cash equivalents

This heading in the accompanying consolidated statement of financial position includes cash in hand, demand deposits at credit entities, and other highly liquid short-term investments with original maturities of three months or less. The bank overdrafts are classified as borrowings under current liabilities in the accompanying consolidated statement of financial position.

3.9. Lease liabilities

At the inception date of the lease, the Group recognizes a lease liability at the present value of the lease payments to be made over the lease term, discounted using the implicit interest rate of the lease or, if this cannot be easily determined, the incremental borrowing rate.

The lease payments to be made include fixed payments less any receivable lease incentives, variables which depend on an index or rate, as well as guarantees for the residual value expected to arise, the exercise price of a purchase option, if it is expected to be exercised, as well as termination penalty payments, if the term of the lease reflects the intention of the lessor to exercise an option to terminate the lease.

Any other variable payment is excluded from recognition of the lease liability and the right-of-use asset.

Subsequently, the financial lease liability is increased by the interest on the lease liability, reduced by the payments made. Likewise, the liability will again be measured if there are any modifications to the amounts payable and the lease duration.

3.10. Derivative financial instruments and hedge accounting

The Group's activities expose it to financial risk mainly arising from changes in interest rates. The Group hedges this risk exposure by using interest rate swaps. The Group does not use derivative financial instruments for speculative purposes, regardless of the fact that in certain cases the conditions for the application of hedge accounting are not met.

The derivatives are initially recognized at fair value and subsequently the necessary valuation adjustments are made to reflect their fair value at any given moment, recognizing said adjustments in the consolidated statement of financial position as current or non-current assets under "Financial investments - Derivatives," if they are positive, or as current or non-current liabilities under "Borrowings - Derivatives," if they are negative.

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The gains or losses arising from any such changes in the fair value of derivatives are recognized in the consolidated statement of profit or loss for the year, unless the derivative instruments have been designated as hedging instruments for accounting purposes and are deemed to be highly effective, in which case they are recognized as follows:

- Fair value hedges: both the hedged item as well as the hedging instrument are measured at fair value, recognizing any changes in fair value for both instruments attributable to the hedged risk in the consolidated statement of profit or loss for the year, with the net effect reflected in the balance associated with the hedged item.
- Cash flow hedges: the changes in fair value of the financial derivative hedging instruments are recognized in equity, to the extent considered highly effective and net of the tax effect, under "Unrealized gains (loss) reserve" in the consolidated statement of financial position. The gains or losses accumulated under this heading and associated with the derivative are transferred to the consolidated statement of profit or loss to the extent that the hedged item affects the Group's profit or loss, or in the year in which the corresponding item is disposed of, with said effect reflected under the same heading in the consolidated statement of profit or loss.

When hedges relating to firm commitments or future transactions give rise to recognition of a non-financial asset or non-financial liability, the gain or loss accumulated in equity and associated with the derivative instrument is taken into account when determining the initial carrying amount of the asset or liability which gives rise to the hedged item.

In contrast, those changes in the fair value of derivative financial instruments which are deemed ineffective are recognized immediately in the consolidated statement of profit or loss.

This type of hedge mainly corresponds to those derivatives contracted to convert variable interest rates on financial debt to fixed rates.

- Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated or exercised, or when it no longer qualifies for hedge accounting. When this occurs, the gain or loss accumulated under "Unrealized gains (loss) reserves" in equity is maintained under said heading until the hedged transaction is carried out, at which point the results of said transaction are adjusted. If it is expected that the hedged transaction will finally not be carried out, the loss or gain recognized in equity will be taken to the consolidated statement of profit or loss for the year.

Derivatives which are implicit in other financial instruments or in other main contracts are accounted for separately when their characteristics and risks are not closely related, provided that the whole instrument is not being accounted for at fair value recognizing the changes in fair value in the consolidated statement of profit or loss.

The fair value of the various derivative instruments is calculated on the following basis:

- Derivatives traded on organized markets: their fair value is obtained based on the quoted price at the closing date of the reporting period.

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- Derivatives not traded on organized markets: for their measurement the Group uses techniques habitually used in financial markets, that is, discounting all future cash flows foreseen in the contract in accordance with their characteristics, such as the notional amount and the time schedule for collections and payments, based on market conditions at the closing date of the reporting period. The values thus obtained by the Group are compared to the valuations presented by financial intermediaries and independent third parties.

3.11. Inventories

Inventories are measured at the lower of cost or net realizable value. The cost of finished products and products in progress includes design costs, raw material and direct labor costs, as well as any other direct costs and general production overheads (based on the normal working capacity of the production methods), and interest expenses. Net realizable value is the estimated selling price in the ordinary course of business, less applicable variable sales costs.

Fixed assets (basically installations and civil engineering works) at the photovoltaic solar plants of subsidiaries included in the consolidation scope, meant for sale, are classified as inventories including reimbursable external finance expenses until they have been readied for operations.

The Group assesses the net realizable value of its inventories at each reporting date, recognizing any impairment losses as required if they are overstated. When the circumstances which gave rise to recognition of impairment losses on inventories no longer hold or there is clear evidence justifying an increase in the net realizable value due to changes in economic circumstances, the previously recognized impairment losses are reversed. This reversal is limited to the lower amount of either the cost or the new net realizable value of the inventories. Both impairment losses on inventories as well as their reversal are recognized in the consolidated statement of profit or loss for the period.

The photovoltaic assets owned by the Group are initially classified as inventories, given that the directors consider that they will be sold. In those cases in which a decision is initially taken to operate the photovoltaic solar plant, they are classified under PP&E. Should a photovoltaic plant previously classified as inventory not be sold within a year subsequent to finalizing construction, it will be reclassified as PP&E.

3.12. Foreign currency translation

Functional and presentational currency

The items included in the consolidated financial statements of each of the Group companies are measured using the currency of the primary economic environment in which it operates (functional currency). Group companies use the currencies of the countries in which they are located as their functional currency, apart from the subsidiaries Grenergy Atlantic, S.A., Kosten, S.A., Parque Eólico Quillagua, SpA, GR Taruca, S.A.C., GR Paino, S.A.C., and Grenergy Perú, S.A.C., which use the US dollar as their functional currency given that practically all their revenue is referenced to the US dollar, they are financed in US dollars, and their investments are also denominated in US dollars, as are most of their expenses.

The consolidated financial statements of the Group are presented in euros, unless expressly indicated otherwise.

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Foreign currency transactions and balances

As the Group's functional currency is the euro, all balances and transactions denominated in currencies other than the euro are deemed to be denominated in foreign currency. Said transactions are recognized in euros applying the spot exchange rates prevailing at the transaction dates.

At financial year end, the monetary assets and liabilities denominated in foreign currencies are converted to euros utilizing the average spot exchange rate prevailing at said date in the corresponding currency markets.

The gains or losses obtained from settling transactions denominated in foreign currency and the conversion at closing date exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statement of profit or loss for the year under "Exchange gains (losses)."

The exchange rates with respect to the euro of the main currencies used by the Group companies at December 31, 2020 and 2019 were as follows:

	December 31, 2020		December 31, 2019	
	Closing rate	Average accumulated rate ⁽¹⁾	Closing rate	Average accumulated rate ⁽¹⁾
US dollar (USD)	1.23	1.14	1.12	1.12
Argentine peso (ARS)	103.15	82.32	67.27	55
Peruvian sol (PEN)	4.39	3.99	3.65	3.71
Chilean peso (CLP)	873.30	905.45	839.58	797.09
Mexican peso (MXN)	24.38	24.71	21.20	21.61
Colombian peso (COP)	4,191.89	4,257.42	3,671.74	3,678.30

3.13. Income tax

Income tax expense for the year is calculated as the sum of current tax, resulting from applying the corresponding tax rate to taxable income for the year (after applying any possible tax deductions), and any changes in deferred tax assets and liabilities.

The tax effect relating to items directly recognized in equity is recognized under equity in the consolidated statement of financial position.

Deferred taxes are calculated in accordance with the balance sheet method, considering the temporary differences that arise between the tax bases of assets and liabilities and their carrying amounts, applying the regulations and tax rates that have been approved or are about to be approved at the reporting date and which are expected to apply when the corresponding deferred tax asset is realized or deferred tax liability is settled.

Deferred tax liabilities are recognized for all taxable temporary differences except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that is not a business combination and affects neither taxable profit or accounting profit. Deferred tax assets are recognized when it is probable that the Group will generate sufficient taxable profit in the future against which the deductible temporary differences or the unused tax loss carryforwards or tax assets can be utilized.

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In addition, potential differences at the consolidated level between the carrying amount of the investee and its tax base are also considered. In general, these differences arise from cumulative results generated from the date the investee was acquired, the tax credits related to the investment, and foreign currency translation differences in the case of investees whose functional currency is not the euro. Deferred tax assets and liabilities arising from these differences are recognized except, in the case of differences in tax bases, where the investor can control the timing of the reversal, and, in the case of deductible differences, if the temporary difference is likely to reverse in the foreseeable future and the company is expected to have sufficient future taxable profits.

At each reporting date the Group reviews the deferred tax assets and liabilities recognized to verify that they remain in force, making any appropriate adjustments on the basis of the results of the analysis performed.

Deferred income tax assets and liabilities are offset when, and only when, there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax balances on a net basis.

Until 2018 the Parent filed its corporate income tax under the consolidated regime in Spain together with the parent of the corresponding tax group, Daruan Group Holding, S.L., and the remaining companies which make up said tax group (Daruan Group Holding, S.L. and subsidiaries) with tax identification number 0381/14. On December 16, 2019 the Parent carried out a private placement of a share package by virtue of which its majority shareholder, Daruan Group Holding, S.L., came to hold 68% of its share capital. Thus, and as a consequence of decreasing below 70% of interest held, the Parent and its Spanish subsidiaries no longer belong to the tax group Daruan Group Holding, S.L. and subsidiaries, and they must therefore file their corporation tax individually.

3.14. Recognition of income and expenses

a) General

Revenue from contracts with customers is recognized based on compliance with performance obligations with respect to customers in accordance with IFRS 15.

Ordinary revenue represents the transfer of promised goods or services to customers in an amount that reflects the consideration to which Greenergy expects to be entitled in exchange for those goods and services.

A five-step model is established for recognizing revenue:

1. Identifying the contract(s) with a customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the different performance obligations
5. Recognizing revenue in accordance with fulfillment of each obligation

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Based on this recognition model, sales of goods are recognized when the products have been delivered to and accepted by the customer, even if they have not been invoiced or, where applicable, the services have been rendered and collection of the receivables is reasonably assured. Revenue for the year includes the estimates for construction projects executed but yet to be invoiced.

Expenses are recognized as accrued, immediately in the case of disbursements which will not generate future economic profit or when the requirements for recognizing them as an asset are not met.

Sales are measured net of taxes and discounts and Greenergy intra-group transactions are eliminated.

b) Income from construction contracts

For engineering, procurement, and construction contracts ("EPC contracts"), executed on land owned by third parties, the Group in general fulfills its performance obligations over a period of time and not at a specific moment, given that:

- The customer simultaneously receives and consumes the benefits generated by the entity's activity over the course of the service being rendered.
- The asset has no alternative use for the Group
- The Group has the enforceable right to payment for activities already completed to date. For these purposes the Company also takes into account the existence of resolutive clauses.

For EPC contracts, since there are no significant deviations in real costs compared to budgeted costs, Greenergy generally recognizes income based on the input or stage of completion methods, recognizing ordinary income based on efforts made or expenses incurred by the Group to meet its execution commitments as compared to total forecast costs for fulfilling the execution commitment. Losses which may arise on the contracted projects are recognized, in their totality, at the moment said losses become apparent and can be estimated. The difference between revenue recognized for a project and the amount invoiced for that project is recognized in the following manner:

- if it is positive, such as "Work completed pending invoice" (deferred invoicing), under "Trade and other receivables;"
- if it is negative, such as "Advance collections" (early invoicing), under "Accruals."

c) Income from the sale of solar farms

Revenue from the sale of solar farms is recognized at the moment when control over the underlying goods and services related to performance of the contractual terms is transferred to the buyer.

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Specifically, the sale of solar farms whose fixed assets are classified under "Inventories" (Note 3.11) is recognized under "Revenue" in the consolidated statement of profit or loss as the sum of the price of the photovoltaic park's shares, plus the amount of its net associated debt (total debt less working capital), while at the same time derecognizing the corresponding balance under "Inventories" with a charge to "Changes in inventory of finished goods and work in progress" in the consolidated statement of profit or loss. The difference between these two amounts is the operating profit on the sale.

For the sale of shares in solar farms deemed 100% ready to build, recognition takes place as soon as control over the underlying goods and services for the performance obligation have been transferred to the buyer and the sale is considered legally irrevocable. For these purposes the Group also takes into account the existence of resolutive clauses, amongst other matters.

d) Revenue from the rendering of services

Revenue from the rendering of services, such as those related to operation and maintenance agreements and photovoltaic park administration are recorded when the entity satisfies a performance obligation by transferring a promised good or service to a customer, regardless of when actual payment or collection occurs.

3.15. Provisions and contingencies

At the date of authorization of the accompanying consolidated financial statements, the directors of the Parent made the following distinctions:

- Provisions: existing obligations at the reporting date arising from past events that are uncertain as to amount or timing but for which it is probable that the Group will suffer an outflow of resources which can be reliably estimated (Note 16).
- Contingent liabilities: possible obligations arising as a consequence of past events, materialization of which is conditional upon one or more events occurring in the future not entirely within control of the Group and which do not meet the requirements for recognition as provisions. At 2020 and 2019 year end there were no contingent liabilities other than those disclosed in Note 16.

The consolidated financial statements of the Group record all significant provisions with respect to which it considers there is a high probability that the related obligation will have to be met. These liabilities are quantified based on the best information available at the reporting date regarding the consequences of the triggering event and taking into account the time value of money, if significant.

Their allocation is made with a charge against the consolidated statement of profit or loss for the year in which the obligation arises (legal, contractual, or implicit), and can be fully or partially reversed with a credit to the consolidated statement of profit or loss when the obligations cease to exist or decrease.

Provisions for dismantling

The Group recognizes a provision to cover dismantling costs related to the photovoltaic solar and wind farms. Dismantling costs are determined as the present value of the expected costs to settle the obligation using estimated cash flows and are recognized as part of the corresponding asset's cost. The cash flows are discounted at a pre-tax discount rate that reflects the risks specific to the dismantling liability. The unwinding of the discount is recognized as a finance cost in the consolidated statement of profit or loss as incurred.

The estimated future dismantling costs are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Provisions are determined based on expected future discounted cash flows, using pre-tax market interest rates, and when appropriate, the risks specific to the liability, when the adjustment's effect is significant. When the discount method is used, the increased provision arising from the passage of time is recognized as a financial expense.

It is the Group's policy to recognize this provision when an installation becomes operational (Note 16).

3.16. Environmental assets and liabilities

Environmental assets are classified as those the Group utilizes in its activities over a long period of time whose primary purpose is to minimize the environmental impact and protect or improve the environment, including those assets designed to reduce or eliminate future contamination from the Group's activities.

The criteria for initial recognition, allocation for amortization/depreciation, and possible impairment loss adjustments on said assets are as described in Note 3.4 above.

Given the Group's activities, and in accordance with prevailing legislation, it controls the degree of contamination produced by waste and emissions by applying an appropriate waste disposal policy. Expenses for these purposes are charged to the consolidated statement of profit or loss for the year in which they are incurred.

3.17. Employee benefits expense

Employee benefits expenses include all the Group's duties and obligations of a social nature, whether mandatory or voluntary, recognizing the obligations for bonus salary payments, holidays, and variable remuneration, as well as associated expenses.

a) Short-term employee benefits

This type of remuneration is measured at the undiscounted amount payable in exchange for services received. These benefits are generally recognized as personnel expenses for the year and are presented as a liability in the consolidated statement of financial position corresponding to the difference between the total expense accrued and the amount settled at the reporting date.

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b) Termination benefits

In keeping with prevailing legislation, the Group is obliged to pay indemnities to employees who are dismissed through no fault of their own. Said termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it has a demonstrable commitment to terminate its current labor contracts under an irrevocable and detailed plan or to provide the benefits as part of an offer to encourage voluntary redundancy.

At year end the Company had no plan to reduce personnel that would require it to record a corresponding provision.

3.18. Share-based payments

Transactions in which a company receives goods or services, including services rendered by employees, in exchange for its own equity instruments, or an amount based on the value of its equity instruments, such as share options or share appreciation rights, are considered equity-settled share-based payment transactions.

The Group shall first recognize the goods and services received as an asset or an expense, based on their nature, at the date obtained and, subsequently, the corresponding increase in equity if the transaction is settled with equity instruments or the corresponding liability if settled with a cash amount based on the value of equity instruments.

If the Group has the option to settle with equity instruments or in cash, it must recognize a liability to the extent that it has incurred a present obligation to settle in cash or with other assets; alternatively, it shall recognize an increase in equity. If the choice corresponds to the supplier of the goods or services, the Group will recognize a compound financial instrument, which shall include a liability component, for the other party's right to demand payment in cash, and an equity component, for the right to receive the consideration in equity instruments.

In transactions in which services must be completed throughout a certain period of time, these services shall be recognized as rendered during said period.

In transactions with employees which are settled with equity instruments, both the services rendered and the increase in equity to be recognized shall be measured at fair value of the equity instruments assigned on the grant date.

Equity-settled transactions which relate to goods or services other than those provided by employees shall be measured at the fair value of said goods or services, if this can be measured reliably, at the date received. If the fair value of the goods or services received cannot be reliably measured, the goods or services received and the increase in equity shall be measured at the fair value of the equity instruments granted at the date the Group obtains the goods or the other party renders the services.

After recognition of the goods and services received, as established in the above paragraphs, as well as the corresponding increase in equity, no additional adjustments shall be made to equity after the vesting date.

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For cash-settled transactions, the goods or services received and the liability to be recognized shall be measured at the fair value of the liability corresponding to the date on which the recognition requirements are met.

Thereafter, and until settlement, the corresponding liability shall be measured at fair value at each year end, and any changes in value during the year shall be recognized in the consolidated statement of profit or loss.

At December 31, 2020 and 2019 the Parent had granted various incentive plans to its employees consisting of a share option plan on its shares. Said plan establishes that the transactions shall be settled via delivery of equity instruments (Note 13.5).

3.19. Related-party transactions

As a general rule, related-party transactions are initially recognized at fair value. When the agreed-upon prices differ from fair value, the differences are recognized based on the economic reality of the transaction. Subsequent measurements are carried out as established in the corresponding regulations.

Notwithstanding the above, in the case of merger transactions, spin-offs, or non-monetary contributions of a business, the Group applies the following criteria:

- a) For transactions between related parties in which the Parent is involved, or the parent of a subgroup and its subsidiary (directly or indirectly owned), the items comprising the acquired business are recognized at their corresponding amounts, once the transaction has been carried out, in the consolidated financial statements of the Group or subgroup.
- b) In the case of transactions between other related parties, the assets and liabilities of the business are measured at the amounts at which they were carried in the separate financial statements prior to the transaction.

The difference which may arise is recognized under reserves.

3.20. Earnings per share

Basic earnings per share are calculated by dividing consolidated profit for the year attributable to the Parent by the weighted average number of ordinary shares outstanding during the year, excluding the average number of shares of the Parent held by the Group.

Diluted earnings per share are calculated by dividing the consolidated profit attributable to ordinary shareholders, adjusted by the impact of dilutive potential ordinary shares, by the weighted average number of ordinary shares outstanding during the period, adjusted by the weighted average number of ordinary shares that would be issued should all the potential ordinary shares be converted into ordinary shares of the Parent. To this end, it is assumed that conversion takes place at the beginning of the period or when the dilutive potential ordinary shares are issued in the event of issuance during the year.

4. Segmented financial reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Chief Executive Officer when taking operational decisions for Greenergy about resources to be allocated to the segment and assessing its performance, and for which discrete financial information is available.

The Group classifies the business segments in which it performs its activities under the following operational divisions:

- Development and Construction: this division's activities involve the search for feasible projects, in both financial as well as technical terms, the necessary work for reaching all the milestones for initiating construction, and preparatory work on the land for the construction and starting up of each project.
- Energy: this division deals with revenue obtained from the sale of energy in each of the markets in which the Group has or will have its own operational projects as Independent Power Producer ("IPP").
- Services: this division includes the services rendered for projects once the start-up date has been reached (Commercial Operation Date - "COD") and which are therefore in the operational phase. It also encompasses asset management and O&M activities provided for internal IPP projects as well as those for third parties.

The distribution of revenue and EBITDA amongst the three business segments at the closing of 2020 and 2019 is as follows:

	Thousands of euros	
	2020	2019
Income		
Development and Construction	111,546	83,171
Energy	-	-
Services	1,886	1,358
Total income (*)	113,432	84,529

(*) Alternative performance measure (APM) See Appendix II.

	Thousands of euros	
	2020	2019
EBITDA		
Development and Construction	27,768	22,962
Energy	-	-
Services	173	101
Corporate	(4,251)	(4,592)
Total (*)	23,690	18,471

(*) Alternative performance measure (APM) See Appendix II.

The income shown in the above table includes the following headings in the accompanying consolidated statement of profit or loss: "Revenue;" "Work performed by the entity and capitalized;" and "Gains (losses) on disposals and other." The amount of income on the above table reflects 40,046 thousand euros during 2020, and 12,240 thousand euros during 2019, representing unrealized income with respect to third parties.

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The Group did not generate any income from the sale of energy during 2020. However, the Quillagua solar farm obtained income from the sale of energy during its testing stage in the amount of 430 thousand euros, recognized as a lesser amount for the corresponding asset.

The amount shown above for EBITDA includes "Operating profit" less "Depreciation and amortization" and "Impairment losses" in the accompanying consolidated statement of profit or loss.

The total amount of income in 2020 and 2019, broken down by geographical location, is as follows:

	2020	2019
Chile	112,339	84,292
Spain	1,093	237
Total (thousands of euros)	113,432	84,529

During 2020 and 2019 the Group did not obtain income in the remaining countries where it holds assets as said assets are not operational yet.

The Group's assets and liabilities at December 31, 2020 and 2019 are shown below by geographical location:

Year ended December 31, 2020

ASSETS	Spain	Chile	Mexico	Peru	Colombia	Italy	Argentina	Total 12.31.2020
NON-CURRENT ASSETS	14,491,517	76,504,932	553,714	37,072,433	353,423	2,499	40,519,766	169,498,284
Intangible assets	81,063	5,709,366	-	-	-	-	3,352,258	9,142,687
Property, plant, and equipment	8,157,891	65,455,877	2,467	35,490,248	322,435	2,499	35,336,238	144,767,655
Right-of-use assets	1,481,667	2,160,585	-	1,578,158	-	-	63,593	5,284,003
Financial investments	48,588	31,393	2,837	4,027	-	-	-	86,845
Deferred tax assets	4,722,308	3,147,711	548,410	-	30,988	-	1,767,677	10,217,094
CURRENT ASSETS	20,007,653	36,434,059	25,095,869	3,191,991	150,780	99,990	3,719,629	88,699,971
Inventories	1,178,106	-	16,808,146	173,492	-	-	9,296	18,169,040
Trade and other receivables	5,258,936	29,179,657	2,934,392	1,945,908	57,946	-	3,378,147	42,754,986
Financial investments	6,359,339	12,388	-	88,065	932	-	-	6,460,724
Accruals	744,276	1,695	-	-	-	-	-	745,971
Cash and cash equivalents	6,466,996	7,240,319	5,353,331	984,526	91,902	99,990	332,186	20,569,250
TOTAL ASSETS	34,499,170	112,938,991	25,649,583	40,264,424	504,203	102,489	44,239,395	258,198,255

EQUITY AND LIABILITIES	Spain	Chile	Mexico	Peru	Colombia	Italy	Argentina	Total 12.31.2020
EQUITY	58,296,125	(1,690,625)	(1,641,956)	(3,016,589)	(170,302)	(9,163)	(2,932,542)	48,834,948
Capital and reserves	58,460,041	(1,691,084)	(1,598,449)	(2,853,563)	(170,302)	(9,163)	(2,932,542)	49,204,938
Share capital	8,507,177	-	-	-	-	-	-	8,507,177
Share Premium	6,117,703	-	-	-	-	-	-	6,117,703
Reserves	36,261,723	1,280,447	(2,317,986)	(802,965)	(128,326)	-	(2,381,325)	31,911,568
Profit (loss)	15,688,712	746,281	438,197	(1,469,224)	(47,938)	(9,163)	(113,548)	15,233,317
Treasury shares	(8,115,274)	-	-	-	-	-	-	(8,115,274)
Unrealized gains (losses) reserve	-	(3,717,812)	281,340	(581,374)	5,962	-	(437,669)	(4,449,553)
Minority interests	(163,916)	459	(43,507)	(163,026)	-	-	-	(369,990)
NON-CURRENT LIABILITIES	32,227,146	58,559,539	119,857	24,308,294	-	-	28,302,906	143,517,742
Provisions	-	907,853	-	-	-	-	2,513,295	3,421,148
Borrowings	32,228,565	55,877,365	-	23,638,331	-	-	22,760,891	134,505,152
Deferred tax liabilities	(1,419)	1,774,321	119,857	669,963	-	-	3,028,720	5,591,442
CURRENT LIABILITIES	39,545,183	11,562,333	9,265,895	3,210,476	38,976	11,652	2,211,050	65,845,565
Provisions	-	838,965	-	-	-	-	-	838,965
Borrowings	7,435,855	3,142,746	7,346,910	1,289,166	-	-	1,742,722	20,957,399
Trade and other payables	32,109,328	7,580,622	1,918,985	1,921,310	38,976	11,652	468,328	44,049,201
TOTAL EQUITY AND LIABILITIES	130,068,454	68,431,247	7,743,796	24,502,181	(131,326)	2,489	27,581,414	258,198,255

The Group initiated its activity in Italy during 2020.

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Year ended December 31, 2019

ASSETS	Spain	Chile	Mexico	Peru	Colombia	Argentina	Total 12.31.2019
NON-CURRENT ASSETS	3,721,756	31,646,498	64,125	17,461,689	151,206	34,998,867	88,044,141
Intangible assets	70,720	5,709,366	-	-	-	3,665,821	9,445,907
Property, plant, and equipment	2,198,049	21,090,423	60,863	15,774,842	119,242	31,103,440	70,346,859
Right-of-use assets	458,951	2,321,693	-	1,682,363	-	101,427	4,564,434
Financial investments	150,037	30,042	3,262	4,484	-	1,166	188,991
Deferred tax assets	843,999	2,494,974	-	-	31,964	127,013	3,497,950
CURRENT ASSETS	27,886,284	26,485,607	202,692	6,335,683	113,171	8,559,432	69,582,869
Inventories	872,111	7,964,972	-	4,403	-	9,630	8,851,116
Trade and other receivables	2,437,578	12,079,936	183,322	6,073,352	36,050	3,952,384	24,762,622
Investments in related companies	40,512	-	-	-	-	-	40,512
Financial investments	6,857,767	15,295	-	-	-	-	6,873,062
Accruals	222,595	25,526	-	-	34,349	-	282,470
Cash and cash equivalents	17,455,721	6,399,878	19,370	257,928	42,772	4,597,418	28,773,087
TOTAL ASSETS	31,608,040	58,132,105	266,817	23,797,372	264,377	43,558,299	157,627,010

EQUITY AND LIABILITIES	Spain	Chile	Mexico	Peru	Colombia	Argentina	Total 12.31.2019
EQUITY	42,540,368	(255,414)	(2,278,583)	(530,729)	(100,560)	(2,277,607)	37,097,475
Capital and reserves	42,704,129	1,104,681	(2,317,986)	(802,966)	(128,326)	(2,381,325)	38,178,207
Share capital	8,507,177	-	-	-	-	-	8,507,177
Share Premium	6,117,703	-	-	-	-	-	6,117,703
Legal reserve	728,631	-	-	-	-	-	728,631
Other reserves	18,276,644	(824,604)	(2,074,362)	(531,703)	(145,292)	15,555	14,716,238
Profit (loss)	12,402,471	1,929,285	(243,624)	(271,263)	16,966	(2,396,880)	11,436,955
Treasury shares	(3,328,497)	-	-	-	-	-	(3,328,497)
Unrealized gains (losses) reserve	-	(1,360,309)	77,144	221,055	27,766	103,718	(930,626)
Minority interests	(163,761)	214	(37,741)	51,182	-	-	(150,106)
NON-CURRENT LIABILITIES	22,858,655	14,399,362	-	9,534,279	-	26,645,322	73,437,618
Provisions	-	-	-	-	-	2,748,384	2,748,384
Borrowings	22,858,655	11,865,705	-	9,534,279	-	22,980,483	67,239,122
Deferred tax liabilities	-	2,533,657	-	-	-	916,455	3,450,112
CURRENT LIABILITIES	31,712,781	9,400,153	242,766	3,468,200	18,332	2,249,685	47,091,917
Provisions	-	828,909	-	-	-	-	828,909
Borrowings	7,018,189	970,423	-	132,214	-	1,521,378	9,642,204
Trade and other payables	24,694,592	7,600,821	242,766	3,335,986	18,332	728,307	36,620,804
TOTAL EQUITY AND LIABILITIES	97,111,804	23,544,101	(2,035,817)	12,471,750	(82,228)	26,617,400	157,627,010

5. Business Combinations

On November 8, 2019, the Parent acquired 100% of the share capital of Parque Eólico Quillagua SpA (PEQ). PEQ is devoted to the development, generation, production, distribution, and sale, in any form, be it on its own behalf or that of third parties, of all types of energy, including renewable, conventional, or non-conventional.

According to the share purchase-sale agreement, the price was 8,873,959 euros, payable as follows, and subject to revision as indicated further on:

- 4,862,103 euros payable on the closing date (November 8, 2019);
- 4,011,856 euros payable when either of the following takes place first: provisional reception of the built project (95 MW of nominal capacity), or 15 months subsequent to the closing date.
- Should the project exceed the 95MW of nominal capacity, the price would then rise in the amount of 72,500 euros for each additional MW of nominal capacity exceeding 95 MW.

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Price adjustment:

The price is adjusted downward in the amount equal to the costs incurred to refurbish the sub-station in order to offload energy to the tap-off standardization grid, in line with applicable legislation, as follows:

- The share purchase-sale agreement indicates that the parties agree to estimate the tap-off standardization cost at 1,863,526 euros, with PEQ carrying out its execution when considered appropriate, based on its own criteria.
- The sellers agree to guarantee Greenergy reimbursement of the excess amount paid in the equivalent amount of the effectively incurred costs until it reaches tap-off standardization cost (considering it is a price reduction).
- The tap-off standardization cost was obtained based on a quote from an engineering company that will be responsible for execution.

Based on the above, and in accordance with IFRS, the cost of the business combination at December 31, 2019 was provisional and there was a period of 12 months from the acquisition date to complete said costs. There were no modifications to the cost of the business combination in 2020.

The cost of the business combination is as follows:

	Euros	
Price paid	4,862,103	
Deferred price	4,011,856	
Variable price based on MW exceeding the nominal 95MW	-	(1)
Tap-off standardization adjustment	(1,863,526)	(2)
TOTAL	7,010,433	

- (1) The nominal capacity was not greater than 95MW.
- (2) The amount reflected above included in the share purchase-sale agreement was obtained based on a quote from the engineering company in charge of carrying out the project.

The tap-off standardization adjustment was not performed at December 31, 2020 and will be discounted from the deferred price, so that the debt payable to the subsidiary's sellers amounts to 1,933,001 euros and 2,148,330 euros at December 31, 2020 and 2019, respectively (Note 17).

The following assets and liabilities were identified during the acquisition of PEG:

	Net Carrying Amount	Fair Value
Plant	8,062,996	10,467,171
Development	-	5,709,366
Deferred tax assets	1,934,376	1,934,376
Other assets	3,386	3,386
Other liabilities	(122,984)	(122,984)
TOTAL	9,877,773	17,991,314

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Therefore, the business combination generated a negative difference on consolidation:

	Euros
Cost of the business combination	7,010,433
Assets and liabilities acquired	17,991,314
Difference	10,980,882
Deferred tax liability (27%) (*)	(2,190,656)
Negative difference on consolidation	8,790,226

(*) The deferred tax liability in the above table corresponds to the difference between the fair value and the net carrying amount at the acquisition date of the installations and developments acquired.

The fair value of the installations was determined by an independent expert based on their replacement value and a physical review of the inventory, condition, and technical characteristics of the installations.

With respect to the developments, said valuation was carried out taking into account matters such as the project plant factor, the expected sales price for energy produced, the location of the project, the specific production close to 3,000 MWh/MW, as well as basically the market price of other similar installations. In addition, it is worth noting that one of the main aspects giving value to this development is the fact that this project was in the ready to build phase at the acquisition date.

The negative consolidation difference arose as this was a bargain purchase, since the seller had been unsuccessfully trying to find a buyer for several years.

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6. Property, plant, and equipment

The breakdown and movements in this heading of the accompanying consolidated statement of financial position during 2020 and 2019 were as follows:

	Land and buildings	Machinery and technical installations	Other plant, tools, and furniture	Other PP&E items	PP&E under construction	TOTAL
COST						
Balance at 12.31.2018	-	1,755,540	548,039	97,307	16,339,779	18,740,665
Business combination (Note 5)	-	-	-	-	10,467,171	10,467,171
Additions	-	282,857	706,545	79,145	44,633,916	45,702,463
Disposals, derecognitions, and reductions	-	-	(156,710)	(77,991)	-	(234,701)
Balance at 12.31.2019	-	2,038,397	1,097,874	98,461	71,440,866	74,675,598
Currency translation differences	-	-	(31,317)	-	(6,156,142)	(6,187,459)
Additions	17,011	306,597	332,032	57,348	80,720,695	81,433,683
Transfers	-	-	60,344,102	-	(61,055,940)	(711,838)
Disposals, derecognitions, and reductions	-	(34,955)	(143,746)	-	(387,615)	(566,316)
Balance at 12.31.2020	17,011	2,310,039	61,598,945	155,809	84,561,864	148,643,668
DEPRECIATION						
Balance at 12.31.2018	-	(1,492,405)	(241,661)	(57,489)	-	(1,791,555)
Allowance for the year	-	(138,766)	(33,862)	(40,286)	-	(212,914)
Decreases	-	-	1,665	39,932	-	41,597
Balance at 12.31.2019	-	(1,631,171)	(273,858)	(57,843)	-	(1,962,872)
Allowance for the year	-	(109,992)	(110,490)	(28,366)	-	(248,848)
Decreases	-	15,860	23,357	-	-	39,217
Balance at 12.31.2020	-	(1,725,303)	(360,991)	(86,209)	-	(2,172,503)
IMPAIRMENT						
Balance at 12.31.2018	-	-	-	-	(2,174,486)	(2,174,486)
Allowance for the year	-	-	-	-	(191,381)	(191,381)
Decreases	-	-	-	-	-	-
Balance at 12.31.2019	-	-	-	-	(2,365,867)	(2,365,867)
Allowance for the year	-	(49,481)	-	-	-	(49,481)
Decreases	-	-	-	-	711,838	711,838
Balance at 12.31.2020	-	(49,481)	-	-	(1,654,029)	(1,703,510)
Net carrying amount at 12.31.2019	-	407,226	824,016	40,618	69,074,999	70,346,859
Net carrying amount at 12.31.2020	17,011	535,255	61,237,954	69,600	82,907,835	144,767,655

The useful lives and depreciation criteria used for these items are disclosed in Note 3.3.

The main additions during 2020 and 2019 correspond to installations being constructed during both years for operation, and which were in progress at 2020 and 2019 year end.

There were no significant derecognitions during 2020 and 2019.

The transfers correspond to the net carrying amount for the "Quillagua" park, which at December 31, 2020 was finished and had been transferred to "Plant" in the amount of 59,909 thousand euros, and the net carrying amount for the development of a project which the Group has in Mexico which will be sold, so that it was reclassified to "Inventories" in the consolidated statement of financial position in the amount of 712 thousand euros.

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A part of the balances recognized in the table above corresponds to the cost of the assets associated with the solar parks and wind farms. The breakdown by park/farm at 2020 and 2019 year end is as follows:

Name of solar park/wind farm	Technology	Country	Status	Capacity (MW)	Cost (Euros)	
					12.31.2020	12.31.2019
Kosten	Wind	Argentina	In progress	24	35,335,234	31,102,578
Duna & Huambos	Wind	Peru	In progress	36	34,032,521	15,011,985
Quillagua	Solar	Chile	Finished	103	60,344,103	19,358,155
Escuderos	Solar	Spain	In progress	200	4,185,327	642,584
Other developments	Solar	Spain/Chile/Peru/Colombia/Italy	In progress	-	9,354,753	2,959,697
TOTAL					143,251,938	69,074,999

Impairment losses

At the end of each reporting period, the directors evaluate whether there are any indications of impairment with respect to the photovoltaic solar installations or wind farms in an advanced stage of construction, except in the case of an event being detected which represents impairment, in which case the assessments are carried out more frequently. The Group uses, amongst other means, financial projections for each asset in order to perform these reviews. Said financial projections are structured in such a manner as to determine the costs of each project (both in the construction phase and the operational phase) and allow for the income to be projected over the entire life of the installation, given that most of them are regulated by long-term sales contracts.

At December 31, 2019 the Group recognized an impairment loss amounting to 2,366 thousand euros, mainly corresponding to various projects underway in Mexico as well as one in Chile. During the first quarter of 2020 the Group could continue with one of its projects in Mexico, having obtained the construction license, which had not been possible in prior years due to a moratorium declared by the municipality where the installations were located. Construction was initiated in July 2020, so that impairment losses recognized in prior years could be reversed in the amount of 711,839 euros, an amount recognized under "Impairment losses" in the accompanying consolidated statement of profit or loss.

Further, given the particular situation of Argentina which experienced annual inflation of approximately 36% in 2020 and the devaluation of the Argentine peso with respect to the US dollar by about 40%, as well as the economic and business environment resulting from COVID-19, an impairment test was performed on December 31, 2020 for the cash generating unit corresponding to the wind farm in Argentina.

The most sensitive issues included when evaluating the recoverable amount determined in accordance with value in use and applying the methodology described in Note 3.4, are as follows:

- Electricity produced: the production performance was estimated based on a study carried out by an independent expert.
- Price of electricity: the energy prices were determined based on the energy sales contract signed with a third party for a duration of 20 years. For subsequent years the price was determined based on the expected performance of price curves and experience of the markets where Greenergy operates.
- Operation and maintenance costs: these were determined based on the contracts signed and experience of the markets where Greenergy operates.

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- No growth rates were used. The amount corresponding to 25% of the carrying amount of PP&E was used as the terminal value, without discounting (mainly the value of the connection rights, the site, and civil engineering work performed) at December 31, 2020.
- In addition, the discount rate used was 11.17%.

Test result

The recoverable amount calculated as value in use of the CGU is 41.5 million euros, greater than the net carrying amount of the CGU assets, so that it was not necessary to recognize any impairment losses.

A sensitivity analysis was performed for each of the following scenarios with regard to the key hypotheses:

- an increase in the discount rate by 100 basis points would result in impairment losses of 2,123 thousand euros.
- a decrease of 5% in electricity produced would result in impairment losses of 1,639 thousand euros
- A 5% increase in operating and maintenance costs would not result in any impairment losses being recognized.

For the remainder of the Group's assets recognized under PP&E, there are no indications of impairment at December 31, 2020 and 2019.

Fully depreciated assets

At 2020 year end, the Group held fully depreciated assets still in use under "Property, plant, and equipment" totaling 45,237 euros (2019: 30,035 euros).

Firm purchase and sale commitments

The Group has no commitments for buying or selling any of its items of PP&E in a significant amount. Assets corresponding to the Kosten wind farm; the Duna & Huambos wind farm; and the Quillagua solar park are subject to guarantees within the project finance contracts signed for each park (Note 17.2).

Insurance

The Group has arranged several insurance policies to cover the potential risks which could affect its items of property, plant and equipment. The coverage of these insurance policies is considered sufficient.

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7. Intangible assets

The breakdown and movements in this heading of the accompanying consolidated statement of financial position during 2020 and 2019 were as follows:

	Patents, licenses, trademarks, et al.	Software	TOTAL
COST			
Balance at 12.31.2018	2,694,325	10,737	2,705,062
Business combination (Note 5)	5,709,366	-	5,709,366
Additions	957,720	81,501	1,039,221
Currency translation differences	13,776	-	13,776
Balance at 12.31.2019	9,375,187	92,238	9,467,425
Additions	4,310	28,237	32,547
Currency translation differences	(313,563)	-	(313,563)
Balance at 12.31.2020	9,065,934	120,475	9,186,409
AMORTIZATION			
Balance at 12.31.2018	-	(7,644)	(7,644)
Allowance for the year	-	(13,874)	(13,874)
Disposals, derecognitions, and reductions	-	-	-
Balance at 12.31.2019	-	(21,518)	(21,518)
Allowance for the year	(102)	(22,102)	(22,204)
Disposals, derecognitions, and reductions	-	-	-
Balance at 12.31.2020	(102)	(43,620)	(43,722)
Balance at 12.31.2019	9,375,187	70,720	9,445,907
Balance at 12.31.2020	9,065,832	76,855	9,142,687

The useful lives for these assets and the amortization criteria applied are disclosed in Note 3.4.

The additions recognized under "Patents, licenses, trademarks, and similar" mainly correspond to the fair value of the development acquired in the purchase of Parque Eólico Quillagua, SpA in the amount of 5,709,366 euros (Note 5).

Part of the balances recognized in the table above corresponds to the cost of the assets associated with the solar parks and wind farms. The breakdown by park/farm at 2020 and 2019 year end is as follows:

Name of solar park/wind farm	Technology	Country	Status	Capacity (MW)	Cost (Euros)	
					12.31.2020	12.31.2019
Kosten	Wind	Argentina	In progress	24	3,352,258	3,665,821
Quillagua	Solar	Chile	Finished	103	5,709,366	5,709,366
TOTAL					9,061,624	9,375,187

Impairment losses

The directors of the Group consider that there are no indications of any impairment losses on its intangible assets at 2020 and 2019 year end, and consequently did not recognize any impairment loss allowances for either year.

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The balance totaling 3,352,258 euros under "Patents, licenses, trademarks, and similar" reflects the fair value of the development acquired when purchasing Kosten, S.A. (Argentina). The impairment test performed on the assets of the CGU corresponding to the wind farm in Argentina took the value of these licenses into account (Note 6).

Fully amortized assets

At 2020 and 2019 year end the Group's intangible assets included fully amortized assets still in use amounting to 6,160 euros.

Leases

At 2020 and 2019 year end the Group did not have any intangible assets under finance leases. Likewise, it did not have any operating lease agreements for any of its intangible assets either.

Firm sale and purchase commitments

The Group has no commitments to acquire or sell any intangible assets at significant amounts. Neither are any of its intangible assets affected by litigation or encumbered as guarantees to third parties.

8. Right-of-use assets and operating leases**8.1. Right-of-use assets**

The breakdown for right-of-use assets as well as their movements for the years ended December 31, 2020 and 2019 are as follows:

Year ended December 31, 2020 (thousands of euros)

	Land	Offices	Transport equipment	Total
Balance at 12.31.2019	2,880	1,506	178	4,564
Additions	1,497	-	-	1,497
Currency translation differences	-	(192)	-	(192)
Depreciation allowance	(242)	(306)	(37)	(585)
Balance at 12.31.2020	4,135	1,008	141	5,284

Year ended December 31, 2019 (thousands of euros)

	Land	Offices	Transport equipment	Total
First-time application IFRS 16 at 01.01.2019	176	1,223	183	1,582
Additions	2,799	584	33	3,416
Depreciation allowance	(95)	(301)	(38)	(434)
Accrued interest	-	-	-	-
Payments	-	-	-	-
Balance at 12.31.2019	2,880	1,506	178	4,564

"Land" includes rental agreements for the land upon which the Kosten, Duna & Huambos, and Quillagua developments are being built.

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"Offices" includes the lease agreements for the office space in Spain and Chile.

"Transportation equipment" includes the rental contracts for certain transport items.

To determine the lease terms Greenergy used the initial term of each contract except where it has the unilateral option of extending or terminating the contract and it is reasonably certain that it will exercise that option, in which case the corresponding extension or early termination terms were factored in. In the case of land the lease term ranges between 20 and 30 years, while for offices the lease term ranges between 3 and 7 years.

8.2. Operating leases - Leases

To conduct its business, the Group leases the right to use certain goods from third parties and other Daruan Group companies. The terms outlined in the main lease agreements which were in force during 2020 and 2019, and which do not fall under the scope of IFRS 16 as they are short-term, are as follows:

Year ended December 31, 2020

Item	Lease maturity	Expense for the year (a)
		2020
Office rental (Spain)	2020	108,000
Office rental (Peru)	2020	18,216
Office rental (Argentina)	2020	6,175
Apartment rental (Chile)	2020	40,394
Other	2020	105,678
Total		278,463

a) Monthly lease payments

Year ended December 31, 2019

Item	Lease maturity	Expense for the year (a)
		2019
Office rental (Spain)	2020	108,000
Office rental (Chile)	2019	25,441
Office rental (Peru)	2020	10,479
Office rental (Argentina)	2020	7,469
Apartment rental (Chile)	2020	11,342
Apartment rental (Mexico)	2019	9,857
Other	2020	8,677
Total		181,265

a) Monthly lease payments

At 2020 and 2019 year end, the Group had the guarantees which were legally mandated by lessors totaling 86,845 euros and 86.924 euros, respectively (Note 9.1).

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The breakdown of non-cancelable minimum future operating lease payments, broken down by maturities at 2020 and 2019 year end, is as follows:

	2020			2019		
	1 year	Between 1 and 5 years	More than 5 years	1 year	Between 1 and 5 years	More than 5 years
Office rental (Spain)	54,000	-	-	108,000	-	-
Office rental (Peru)	18,216	-	-	10,479	-	-
Office rental (Argentina)	6,175	-	-	7,469	-	-
Apartment rental (Chile)	40,394	-	-	7,616	-	-
Other	12,265	-	-	16,870	-	-
Total	131,050	-	-	150,434	-	-

None of the goods leased by the Group were sublet to third parties during 2020 and 2019.

9. Financial assets**9.1. Other financial investments**

The movements during 2020 and 2019 in the different balances recognized under the headings for financial investments in the accompanying statement of financial position are as follows:

	Balance at 12.31.2018	Additions	Decreases	Balance at 12.31.2019	Additions	Decreases	Balance at 12.31.2020
Non-current investments							
Equity instruments	-	102,067	-	102,067	-	(102,067)	-
Other financial assets	748	-	(748)	-	-	-	-
Security deposits and guarantees	91,989	-	(5,065)	86,924	(79)	-	86,845
	92,737	102,067	(5,813)	188,991	(79)	(102,067)	86,845
Current investments							
Loans to companies	2,236,465	-	(2,236,465)	-	-	-	-
Other financial assets	123,838	6,873,062	(123,838)	6,873,062	-	(412,338)	6,460,724
	2,360,303	6,873,062	(2,360,303)	6,873,062	-	(412,338)	6,460,724
Total	2,453,040	6,975,129	(2,366,116)	7,062,053	(79)	(514,405)	6,547,569

Current loans to companies at December 31, 2018 correspond to three loans which the subsidiary Grenergy Pacific Limitada granted to entities which left the Group at December 31, 2018 (GR Tineo S.p.A, GR Lingue S.p.A., and GR Guayacan S.p.A.). These loans were repaid in February 2019.

Other financial assets recognized under current assets at December 31, 2020 and 2019 correspond to short-term deposits at financial entities which bear interest at market rates.

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The breakdown of the financial investments, based on how the Group manages them, is as follows:

Year ended December 31, 2020

	At fair value through profit or loss	Loans and receivables	Total
Non-current investments			
Equity instruments	-	-	-
Security deposits and guarantees	-	86,845	86,845
	-	86,845	86,845
Current investments			
Other financial assets	-	6,460,724	6,460,724
	-	6,460,724	6,460,724
Total	-	6,547,569	6,547,569

Year ended December 31, 2019

	At fair value through profit or loss	Loans and receivables	Total
Non-current investments			
Equity instruments	102,067	-	102,067
Security deposits and guarantees	-	86,924	86,924
	102,067	86,924	188,991
Current investments			
Other financial assets	-	6,873,062	6,873,062
	-	6,873,062	6,873,062
Total	102,067	6,959,986	7,062,053

The Company did not reclassify any financial assets amongst different categories nor did it assign or transfer any financial assets during 2020 or 2019.

At December 31, 2020 and 2019, the maturities of financial assets that are fixed or determinable by residual amounts have a duration of more than five years.

At December 31, 2020 and 2019 the Group had not delivered or accepted any financial assets as guarantees for transactions.

10. Inventories

The breakdown of inventories at December 31, 2020 and 2019 is as follows:

	12.31.2020			12.31.2019		
	Cost	Impairment losses	Balance	Cost	Impairment losses	Balance
Raw materials and other consumables	519,194	-	519,194	1,015,452	-	1,015,452
Plant under construction	16,532,772	-	16,532,772	7,777,484	-	7,777,484
Prepayments to suppliers	1,117,074	-	1,117,074	58,180	-	58,180
Total	18,169,040	-	18,169,040	8,851,116	-	8,851,116

At 2020 and 2019 year end, the Group recognized materials yet to be used in the solar parks under "Raw materials and other consumables" in the respective amounts of 519,194 euros and 1,015,452 euros.

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The movements in inventories of raw materials and plant under construction during 2020 and 2019 were as follows:

	12.31.2019	12.31.2018
Balance at January 1	8,792,936	9,647,193
Changes in inventory of work in progress	8,755,288	(2,702,401)
Changes in inventory of raw materials	(496,258)	(99,857)
Closing balance	17,051,966	8,792,936

"Plant under construction" reflects a balance of 17,073,430 euros at December 31, 2020 (2019: 7,777,484 euros), which includes construction costs for one photovoltaic solar farm located in Mexico (San Miguel de Allende) meant for sale. During 2019 this heading included the construction costs for two photovoltaic solar farms located in Chile (Quinta and Sol de Septiembre) which were sold in the course of 2020.

The Group has arranged insurance policies to cover the potential risks to which its inventories are exposed. The coverage of these insurance policies is considered sufficient.

At December 31, 2020 and 2019, there were no inventories encumbered in guarantee of debts.

11. Trade receivables and customer advances

"Trade receivables" in the accompanying consolidated statement of financial position presents receivable balances from construction and sales of photovoltaic solar plants as well as income from operating and maintenance services rendered for photovoltaic solar plants.

At December 31, 2020, "Trade receivables" mainly records the amounts pending collection for the sale of photovoltaic solar plants in the amount of 29,939 thousand euros (2019: 14,211 thousand euros). At December 31, 2020, of the aforementioned amount, 21,844 thousand euros correspond to invoices pending issue in connection with "production executed and pending invoice" as a consequence of the positive difference between income recognized for each construction project and the amount invoiced for each such project (2019: 6,371 thousand euros).

At December 31, 2019 the Group signed purchase-sale agreements for shares which included resolutive clauses rendering the sale revocable. The corresponding amounts collected were classified as current liabilities under "Customer advances" in the accompanying consolidated statement of financial position, totaling 8,651,083 euros.

The breakdown of sales to external customers who were invoiced amounts equal to or greater than 10% of net turnover during 2020 and 2019 is the following:

Clients	Euros	
	2020	2019
AD CAPITAL TRALKA ENERGÍAS RENOVABLES	-	17,874,002
CARBONFREE CHILE, SPA	20,135,644	19,707,120
NEXTENERGY CAPITAL GROUP	29,475,999	-
SONNEDIX	679,392	12,392,620
DE ENERGIA, SPA	20,810,473	19,752,738
Total	71,101,508	69,726,480

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At 2020 and 2019 year end, the Company did not consider any of its receivable balances as doubtful.

The carrying amounts of the Group's trade receivables are denominated in the following currencies (in euros):

	Euros	
	2020	2019
Euros	8,784	64,561
US dollars	29,665,586	11,360,948
Chilean pesos	583,593	993,531
Total	30,257,963	12,419,040

The entirety of balances reflected under this heading mature in the upcoming 12 months and the directors consider that the amount recognized in the accompanying consolidated statement of financial position with respect to said assets is in line with fair value.

12. Cash and cash equivalents

The breakdown for this heading at 2020 and 2019 year end is as follows:

	Balance at 12.31.2020	Balance at 12.31.2019
Cash in hand	20,569,250	28,773,087
Total	20,569,250	28,773,087

Of the amounts shown in the table above, at December 31, 2020 and 2019, 0 euros and 1,243,653 euros, respectively, correspond to current accounts pledged for obtaining guarantees.

13. Capital and reserves

13.1. Share capital

At Thursday, December 31, 2020 the Parent's share capital amounted to 8,507,177 euros corresponding to 24,306,221 shares with a nominal value of 0.35 euros each.

The shareholders of the Parent in general meeting at June 17, 2019 agreed upon a capital increase of 4,861,244 euros with a charge to the Parent's voluntary reserves, via increase of the nominal value of already issued shares by 0.2 euros per share, thus resulting in a value of 0.35 euros per share.

At December 31, 2020 the following shareholders of the Parent held a direct stake of more than 10% of share capital:

Shareholder	Number of shares	Percentage of ownership interest
Daruan Group Holding, S.L.	16,539,590	68%

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13.2. Share Premium

The share premium amounted to 6,117,703 euros at December 31, 2020 and 2019. This balance can be used for the same purposes as the voluntary reserves of the Parent, including conversion to capital.

13.3. Reserves

The consolidated statement of changes in equity which forms a part of these consolidated financial statements provides the breakdown for aggregate balances and movements during 2020 and 2019. The breakdown and movements of the different balances comprising reserves are shown below:

	Balance at 12.31.2018	Increase	Decrease	Transfers	Balance at 12.31.2019	Increase	Decrease	Balance at 12.31.2020
Parent company reserves:								
<u>Non-distributable reserves</u>								
Legal reserve	729,187	-	-		729,187	718,203	-	1,447,390
Capitalization reserve	335,221	204,237	-	20,194	559,652	218,248	-	777,900
<u>Unrestricted reserves:</u>								
Voluntary reserves	12,032,951	12,732,727	(7,124,981)	836,371	18,477,068	15,453,092	-	33,930,160
Total reserves of the Parent	13,097,359	12,936,964	(7,124,981)	856,565	19,765,907	16,389,543	-	36,155,450
Reserves in consolidated companies	(4,724,300)	2,771,589	(1,511,762)	(856,565)	(4,321,038)	77,156	-	(4,243,882)
Total	8,373,059	15,708,553	(8,636,743)	-	15,444,869	16,466,699	-	31,911,568

Legal reserve

The legal reserve of the Parent was allocated in accordance with article 274 of the Spanish Corporate Enterprises Act, which states that in any event, companies must earmark an amount equal to 10% of profit for the year to a legal reserve until such reserve reaches at least 20% of share capital.

This reserve cannot be distributed, and can only be used to offset losses if no other reserves are available for this purpose. Any amount of the reserve used for this purpose must be restored with future profits.

Voluntary reserves

These reserves are freely distributable.

The gains or losses obtained on the purchase-sale of treasury shares are recognized directly under voluntary reserves. The increase in voluntary reserves in connection with this item recognized in 2020 totals 5,066,935 euros (2019: 2,110,720 euros).

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Capitalization reserves

During 2017 the Parent set aside a capitalization reserve, with a charge to available reserves, corresponding to 10% of the increase in capital and reserves of 2016, in accordance with the stipulations of article 25 of Law 27/2014 of November 27, on Corporate Income Tax (Note 19).

This reserve will be restricted for a period of 5 years. During 2020 this reserve increased by 218,248 euros (2019: 204,237 euros), corresponding to 10% of the increase in capital and reserves of 2019.

13.4. Own equity instruments

At 2020 and 2019 year end the portfolio of own equity instruments is broken down as follows:

	Balance at 12.31.2020	Balance at 12.31.2019
Number of shares in treasury share portfolio	484,345	556,815
Total treasury share portfolio	8,115,274	3,328,497
Liquidity Accounts	200,518	31,770
Fixed Own Portfolio Account	7,914,756	3,296,727

During 2020 and 2019, the movements in this portfolio were as follows:

Year ended December 31, 2020

	Treasury shares		
	Number of shares	Nominal amount	Average acquisition price
Balance at 12.31.2019	556,815	3,328,497	5.98
Acquisitions	951,635	16,019,484	16.83
Disposals	(1,024,105)	(11,232,707)	10.97
Balance at 12.31.2020	484,345	8,115,274	16.75

Year ended December 31, 2019

	Treasury shares		
	Number of shares	Value of portfolio	Average acquisition price
Balance at 12.31.2018	888,177	2,062,969	2.32
Acquisitions	389,978	3,882,063	9.95
Disposals	(721,340)	(2,616,535)	3.63
Balance at 12.31.2019	556,815	3,328,497	5.98

The purpose of holding the treasury shares is to maintain them available for sale in the market as well as for the incentive plan approved for directors, executives, employees, and key collaborators of the Group (Note 13.5).

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At December 31, 2020 treasury shares represent 2% (2019: 2.3%) of all the Parent's shares.

13.5. Incentive plans for employees

At the meeting held on June 26, 2015, the Board of Directors of the Parent approved an incentive plan for certain executives and key personnel based on the granting of options on the Parent's shares. At December 31, 2020 the number of shares set aside for covering this plan totaled 0 shares. The exercise price of the share options was established as 1.38 euros per share.

The beneficiary will be able to acquire:

- A third of the shares granted for the option from the date on which two years have elapsed counting from the grant date.
- A third of the shares granted for the option from the date on which three years have elapsed counting from the grant date.
- A third of the shares granted for the option from the date on which four years have elapsed counting from the grant date.

On June 2, 2016 a second granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 2,000 shares. The exercise price of the share options was established as 1.90 euros per share.

On November 27, 2018 a third granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 157,143 shares. The exercise price of the share options was established as 3.50 euros per share.

On March 29, 2019 a fourth granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 55,700 shares. The exercise price of the share options was established as 6.90 euros per share.

Said incentive plans establish that their settlement will be carried out by delivery of equity instruments to the employees should they exercise the options granted. The exercise prices of the options on shares were established by reference to the fair value of the corresponding equity instruments at the grant date.

At December 31, 2020 there were 54,381 exercisable options (December 31, 2019: 54,445). In 2020, 52,668 options were exercised (2019: 263,333 options).

A new incentive plan was approved in October 2019 for certain executives and key personnel based on the granting of options on the Parent's shares.

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Each year the beneficiary will have the right to exercise up to 25% of the options granted. The right to exercise shall be approved by the Commission for Appointments and Remuneration based on the beneficiary's compliance with the objectives established in the Remuneration Policy for Senior Management. The beneficiary can exercise the share options starting two years from their grant date and for a period of three years. The option's exercise price, which shall be set at the moment the option is granted by the Company, shall be made up of the quoted price on the corresponding market at the closing prior to the grant date and the average value of the quoted share price in the ninety sessions preceding the option grant date. The option can only be exercised if the beneficiary remains in the company. At December 31, 2020 the number of shares set aside for covering this plan totaled 56,165 shares, though no rights had been exercised at said date. The exercise price of the share options was established as 7.73 euros per share.

At September 28, 2020 a new incentive plan was approved based on the granting of options on the Parent's shares with similar characteristics to the previous plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 134,513 shares, though no rights had been exercised at said date. The exercise price of the share options was established as 15.28 euros per share.

The Group did not recognize any amounts relating to this item since it considered that the fair value of the option price is not significant.

13.6. Earnings (losses) per share

Basic

The basic earnings (losses) per share from continuing operations corresponding to the years ended December 31, 2020 and 2019 were as follows:

	Euros	
	12.31.2020	12.31.2019
Profit attributable to the shareholders of the Parent	15,233,317	11,436,955
Weighted average number of ordinary shares outstanding	23,785,641	23,583,725
Earnings (losses) per share	0.64	0.48

Basic earnings per share are calculated by dividing the profit attributable to the shareholders of the Parent by the weighted average number of ordinary shares outstanding during the year.

Diluted

There are no significant agreements for diluting basic earnings per share as calculated in the previous paragraph.

14. Unrealized gains (losses) reserve

Hedging transactions

These transactions correspond to the fair value at December 31, 2020 and 2019 of interest rate hedging instruments contracted by the Group (Note 17.5).

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Currency translation differences

The breakdown of this heading in the consolidated statement of financial position for each company included in the consolidation scope is as follows:

	Original currency	12.31.2020	12.31.2019
GR RENOVABLES MEXICO S.A. DE C.V.	Mexican peso (MXN)	250,453	54,857
GREENERGY GREENHUB S.A. DE C.V.	Mexican peso (MXN)	18,704	6,956
GREENERGY PERU SAC	US dollar (USD)	18,307	(14,924)
GR PAINO SAC	US dollar (USD)	(292,449)	123,481
GR TARUCA SAC	US dollar (USD)	(307,232)	112,498
GREENERGY RENOVABLES PACIFIC, LTDA.	Chilean peso (CLP)	(335,494)	(640,845)
FAILLO 3, LTDA.	Mexican peso (MXN)	1,112	6,522
GR COLOMBIA, SAS	Columbian peso (COP)	5,962	27,766
PARQUE EÓLICO QUILLAGUA, SpA	US dollar (USD)	(1,599,993)	(200,201)
GR PACIFIC OVALLE, LTDA.	Chilean peso (CLP)	(39,285)	(39,004)
ORSIPO 5 SOLAR	Mexican peso (MXN)	6,861	11,507
MESO 4 SOLAR	Mexican peso (MXN)	1,849	(1,383)
CRISON 2 SOLAR	Mexican peso (MXN)	428	136
ASTILO 1 SOLAR	Mexican peso (MXN)	2,238	(1,423)
MIRGACA 6 SOLAR	Mexican peso (MXN)	29	(27)
GREENERGY OPEX, SpA	Chilean peso (CLP)	1,145	(2,527)
GREENERGY POWER, SpA	US dollar (USD)	5,666	
GREENERGY ATLANTIC S.A.	US dollar (USD)	55,692	37,196
KOSTEN S.A.	US dollar (USD)	(493,696)	66,522
Total		(2,699,703)	(452,893)

15. Minority interests

The movements in this heading for each company were as follows:

Year ended December 31, 2020

	12.31.2019	Profit (loss)	Currency translation differences	12.31.2020
GR. Renovables Mexico, S.A.	(33,916)	(4,706)	4,201	(34,421)
Grenergy Perú SAC	(11,583)	(4,155)	336	(15,402)
GR Paino, SAC	31,106	(61,629)	(46,214)	(76,737)
GR Taruca, SAC	31,660	(55,909)	(46,637)	(70,886)
Grenergy Renovables Pacific, Ltda.	102	235	(1)	336
Faillo 3, Ltda.	(2,693)	-	(5,410)	(8,103)
Grenergy Pacific Ovalle, Ltda.	130	-	(6)	124
Level Fotovoltaica S.L.	(163,778)	(138)	-	(163,916)
Meso 4 Solar	(506)	-	66	(440)
Crison 2 Solar	(46)	-	6	(40)
Astilo 1 Solar	(573)	-	75	(498)
Mirgaca 6 Solar	(9)	-	2	(7)
Total	(150,106)	(126,302)	(93,582)	(369,990)

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Year ended December 31, 2019

	12.31.2018	Inclusions and exclusions of the consolidation scope	Other	Profit (loss)	Currency translation differences	12.31.2019
GR. Renovables México, S.A.	(28,999)	-	1,071	(4,334)	(1,654)	(33,916)
Grenergy Perú SAC	(7,748)	-	-	(3,606)	(229)	(11,583)
GR Paino, SAC	-	13,539	-	3,847	13,720	31,106
GR Taruca, SAC	-	13,475	-	5,685	12,500	31,660
Grenergy Renovables Pacific, Ltda.	20	-	(118)	220	(20)	102
Failo 3, Ltda.	(8,581)	-	-	-	5,888	(2,693)
Grenergy Pacific Ovalle, Ltda.	(21,012)	-	21,153	(3)	(8)	130
Level Fotovoltaica S.L.	(161,331)	-	-	(2,447)	-	(163,778)
Meso 4 Solar	(453)	-	(1)	-	(52)	(506)
Crison 2 Solar	(48)	-	-	-	2	(46)
Astilo 1 Solar	(538)	-	(1)	-	(34)	(573)
Mirgaca 6 Solar	-	-	(8)	-	(1)	(9)
Total	(228,690)	27,014	22,096	(638)	30,112	(150,106)

The balance of "Profit (loss) attributed to minority interests" in the accompanying consolidated statement of profit or loss represents the share of said minority shareholders in consolidated profit (loss) for the year.

Appendix I includes a breakdown of Grenergy's investees, indicating their activity as well as the corresponding percentage of equity interest held and control.

No matters arose requiring complex judgment in the analysis performed to determine whether Grenergy exercises control over the consolidated entities given that Grenergy has the right to variable remuneration from its involvement in the investee as well as the ability to affect those returns through its power over the investee and the analysis was based on representation of Grenergy in the subsidiaries' Board of Directors and its participation in significant decisions. Further, in general, there are no significant restrictions, such as protective rights, with regard to the ability of Grenergy to access the assets or utilize them, as well as to settle liabilities.

16. Provisions and contingencies

The movements in this heading during 2020 and 2019 were as follows:

	Provision for penalties	Provision for delays	Provision for guarantees	Provision for dismantling costs	Total
Balance at 12.31.2018	-	-	64,150	-	64,150
Amounts provisioned	2,748,384	491,300	273,459	-	3,513,143
Amounts applied	-	-	-	-	-
Balance at 12.31.2019	2,748,384	491,300	337,609	-	3,577,293
Amounts provisioned	-	186,269	275,551	907,852	1,369,672
Currency translation differences	(235,089)	-	(254,501)	-	(489,590)
Amounts applied	-	(197,262)	-	-	(197,262)
Balance at 12.31.2020	2,513,295	480,307	358,659	907,852	4,260,113

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Provision for penalties

This provision corresponds to the estimated penalties in connection with the commercial start-up of the Kosten wind farm, which arose from its electricity-production contract with Compañía Administradora del Mercado Mayorista Eléctrico S.A. (CAMMESA). In accordance with the aforementioned contract, the Group was committed to ensuring that the wind farm would be finished and start commercial operations on August 13, 2019. However, due to different circumstances and events, mainly the bankruptcy of its most significant subcontractor, the wind farm could not be completed. CAMMESA in turn has in general acknowledged the existence of force majeure as a consequence of the COVID-19 pandemic, suspending the calculation of deadlines from March 12, 2020 to December 31, 2020. The contractually established deadline has passed and the Group estimates that the commercial start-up will take place in the first quarter of 2021. At December 31, 2020, the Group's directors and its external as well as internal legal advisors considered the risk of having to pay the contractual penalties as likely, and thus decided to set aside a corresponding provision. The provision recognized had no effect on the consolidated statement of profit or loss as the Group executed certain guarantees issued in its favor which covered this circumstance with its main subcontractor. Notwithstanding the above, should CAMMESA finally decide to apply penalties to Grenergy for the delay, the directors of the Group consider there are legal grounds based on force majeure which could render the penalties void, and the pertinent legal steps would be taken to prevent the outflow of resources for the Group.

Provision for delays and provision for guarantees

At each year end the Group evaluates the need to recognize a provision for guaranteeing and covering any inconsistencies that may arise with respect to materials, supplies, and spare parts delivered as well as penalties due to delays in connecting solar plants. At December 31, 2020 and 2019 the Group recognized provisions with respect to these items based on its historical experience in the case of the guarantees and based on the contractual clauses in the case of delays.

Provision for dismantling costs

The Group recognizes a provision for dismantling costs when the construction period for the solar plants and wind farms ends. This provision is calculated by estimating the present value of the obligations assumed in connection with dismantling or retirement and other associated obligations, such as restoration costs for the location on which the solar plants were constructed. At December 31, 2020 this provision relates to the Quillagua plant in Chile which became operational in December 2020.

Legal proceedings and/or claim litigation underway

There were no significant legal proceedings underway during either 2020 or 2019. Both the Group's legal advisers as well as the Parent's directors believe that the finalization of said proceedings and claim litigation will not have a significant effect on the consolidated financial statements and notes thereto for the year ended December 31, 2020. Consequently, no provision was allocated in this respect.

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES
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17. Non-current and current borrowings

The breakdown of these headings in the consolidated statement of financial position at December 31, 2020 and 2019 is as follows:

	Non-current borrowings	Current borrowings	Total at 12.31.19	Non-current borrowings	Current borrowings	Total at 12.31.20
Bonds and other marketable debt securities	21,539,686	-	21,539,686	21,496,590	151,920	21,648,510
Bank borrowings	41,764,740	4,953,157	46,717,897	106,608,483	16,716,858	123,325,341
Loans	41,764,740	3,633,730	45,398,470	106,608,483	15,052,251	121,660,734
Credit lines	-	24,435	24,435	-	976,297	976,297
Foreign financing - current	-	1,294,992	1,294,992	-	688,310	688,310
Other financial liabilities	208,249	3,342,401	3,550,650	156,189	3,054,370	3,210,559
Derivatives	-	654,429	654,429	2,044,363	352,692	2,397,055
Finance lease payables	3,726,447	692,217	4,418,664	4,199,527	681,559	4,881,086
Total	67,239,122	9,642,204	76,881,326	134,505,152	20,957,399	155,462,551

The only liabilities recognized at fair value correspond to derivative financial instruments. Said recognition was carried out by discounting cash flows (Note 3.10).

The fair value of the remaining financial assets and liabilities does not differ significantly from their carrying amounts.

At December 31, 2020 and 2019, the breakdown of borrowings by residual maturities is as follows:

Year ended December 31, 2020

	Bonds and other marketable debt securities	Bank borrowings	Other borrowings	Finance lease liabilities	Total
Until 12.31.2021	151,920	16,716,858	3,054,370	681,559	20,604,707
Until 12.31.2022	-	7,481,951	156,189	593,063	8,231,203
Until 12.31.2023	-	7,988,150	-	487,288	8,475,438
Until 12.31.2024	21,496,590	8,551,282	-	478,039	30,525,911
Until 12.31.2025	-	7,301,516	-	416,365	7,717,881
More than 5 periods	-	75,285,585	-	2,224,772	77,510,357
Total	21,648,510	123,325,341	3,210,559	4,881,086	153,065,496

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Year ended December 31, 2019

	Bonds and other marketable debt securities	Bank borrowings	Other borrowings	Derivatives	Finance lease liabilities	Total
Until 12.31.2020	-	4,953,157	3,342,401	654,429	692,217	9,642,204
Until 12.31.2021	-	5,979,643	52,060	-	515,209	6,546,912
Until 12.31.2022	-	5,250,801	156,189	-	553,070	5,960,060
Until 12.31.2023	-	5,448,398	-	-	482,268	5,930,666
Until 12.31.2024	21,539,686	5,855,502	-	-	473,019	27,868,207
More than 5 periods	-	19,230,396	-	-	1,702,881	20,933,277
Total	21,539,686	46,717,897	3,550,650	654,429	4,418,664	76,881,326

During 2020 and 2019 the Group complied with the payment of all its financial debt at maturity. Likewise, at the date of authorization of these consolidated financial statements the Group had complied with all obligations assumed.

The original currency of the carrying amounts recognized for non-current and current bank borrowings, both associated with photovoltaic solar farms and not associated, is as follows:

	Balance at 12.30.2020	Balance at 12.30.2019
Euros	12,368,358	1,840,654
US dollars	110,956,983	44,877,543
Total	123,325,341	46,717,897

The Group's exposure to credit entities in connection with changes in interest rates is as follows:

	Balance	One year	More than one year
At December 31, 2020			
Borrowings from credit entities at variable interest rates	1,664,607	1,664,607	-
At December 31, 2019			
Borrowings from credit entities at variable interest rates	1,319,427	1,319,427	-

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The movement in financial debt during 2020, presenting the changes which generate cash flows separately from those which do not do so, is as follows:

	12.31.2019	Generate cash flows		Do not generate cash flows		12.31.2020
		Increase	Decrease	Currency translation differences	Other	
Bonds and other marketable debt securities	21,539,686	-	(43,096)	-	151,920	21,648,510
Bank borrowings	46,717,897	79,720,703	(3,989,585)	635,458	240,868	123,325,341
Loans	45,398,470	78,768,841	(3,382,903)	635,458	240,868	121,660,734
Credit lines	24,435	951,862	-	-	-	976,297
Foreign financing - current	1,294,992	-	(606,682)	-	-	688,310
Other financial liabilities	3,550,650	-	(52,060)	(288,031)	-	3,210,559
Derivatives	654,429	-	-	-	1,742,626	2,397,055
Finance lease liabilities	4,418,664	-	(692,217)	(366,960)	1,521,599	4,881,086
TOTAL	76,881,326	79,720,703	(4,776,958)	(19,533)	3,657,013	155,462,551

17.1. Bonds and other marketable debt securities

In October 2019, the Parent's Board of Directors agreed to establish the "2019 Greenergy Fixed-income Renewable Energy Program" by virtue of which the Company may issue fixed-income securities in the medium and long term for a maximum nominal amount of up to 50,000,000 euros. Thus, in October 2019, the corresponding admission prospectus was prepared for the Alternative Fixed Income Market ("MARF") with a view to trading the bonds issued under the "Greenergy Renewables Fixed Income Program 2019" on said market during the period it is in force (one year from the date of the MARF admission prospectus).

In November 2019, the Parent carried out a bond issue under said program for a nominal amount of 22,000,000 euros, bearing 4.75% interest and maturing in November 2024. Interest accrued in 2020 totaled 1,197 thousand euros (2019: 174 thousand euros). The issue was validated by Vigeo Eiris in terms of environmental, social, and governance (ESG) criteria, in accordance with the directives contained in the Green Bond Principles.

The Annual Green Bond Report 2020 available for viewing on Greenergy's website provides public disclosure on the distribution of all funds obtained via the Green Bonds (22 million euros) exclusively for purposes of financing renewable energy projects, both solar and wind, as indicated in the Green Bond Framework. The report describes the project selection process, management of the funds, and the environmental benefits arising in connection with said financing. Further, said report was externally validated by Vigeo Eiris in order to ensure alignment with the Green Bond Principles and the initial commitments of Greenergy.

This bond issue is subject to fulfillment of a series of covenants, which had all been fulfilled at December 31, 2020 and 2019.

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17.2. Bank borrowings

The breakdown of loans subscribed and their main contractual conditions at December 31, 2020 and 2019 is as follows:

Year ended December 31, 2020

Financial entity	Maturity date	Type of guarantee	Installments	Euros		
				Non-current liabilities	Current liabilities	Total
Banco Sabadell	10/20/2021	Corporate	Monthly	-	525,063	525,063
Banco Sabadell (USD)	4/19/2021	Corporate	Monthly	-	271,805	271,805
KFW Bank	7/31/2034	Project guarantee	Semi-annual	22,729,268	1,697,019	24,426,287
CAF-Banco de Desarrollo de América Latina & ICO	4/30/2036	Project guarantee	Semi-annual	17,670,352	939,385	18,609,737
Sinia Capital	11/30/2035	Project guarantee	Semi-annual	4,892,284	240,868	5,133,152
Banco Security, Banco del Estado de Chile, and Penta Vida Compañía de Seguros de Vida	11/8/2036	Project guarantee	Semi-annual	43,016,852	1,622,722	44,639,574
Sinia Renovables	11/8/2036	Project guarantee	Semi-annual	8,969,561	870,645	9,840,206
Banco Sabadell (ICO)	4/30/2025	Corporate	Monthly	2,516,504	483,496	3,000,000
Bankinter (ICO)	4/30/2025	Corporate	Monthly	1,719,892	280,108	2,000,000
BBVA (ICO)	5/13/2025	Corporate	Monthly	420,096	79,904	500,000
Bankia (ICO)	4/30/2025	Corporate	Monthly	1,823,566	344,434	2,168,000
Banco Santander (ICO)	4/30/2025	Corporate	Monthly	1,030,185	169,815	1,200,000
Caixabank (ICO)	4/30/2025	Corporate	Monthly	880,395	60,472	940,867
Banco Santander (ICO)	9/1/2025	Corporate	Monthly	939,528	119,605	1,059,133
CIFI Latam	12/30/2021	Project guarantee	Semi-annual	-	7,346,910	7,346,910
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	-	-	-
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	-	-	-
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	-	-	-
KFW Bank and Bankinter	8/31/2038	Project guarantee	Semi-annual	-	-	-
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	-	-	-
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	-	-	-
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	-	-	-
FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. (AXIS)	10/31/2038	Project guarantee	Semi-annual	-	-	-
Natixis	12/31/2027	Project guarantee	Semi-annual	-	-	-
Total				106,608,483	15,052,251	103,445,824

The borrowings from credit entities in the above table accrue interest at market rates which oscillate between 1.75% and 9.5% depending on the characteristics of each loan.

Year ended December 31, 2019

Financial entity	Maturity date	Type of guarantee	Installments	Euros		
				Non-current liabilities	Current liabilities	Total
Banco Sabadell	10/20/2021	Corporate	Monthly	534,031	609,693	1,143,724
Banco Sabadell (USD)	4/19/2021	Corporate	Monthly	297,229	891,687	1,188,916
Banco Santander	4/10/2020	Corporate	Quarterly	-	673,827	673,827
KFW Bank (USD)	7/31/2034	Project guarantee	Semi-annual	22,961,222	1,458,523	24,419,745
CAF-Banco de Desarrollo de América Latina & ICO (USD)	4/30/2036	Project guarantee	Semi-annual	8,119,074	-	8,119,074
Sinia Capital (USD)	11/30/2035	Project guarantee	Semi-annual	-	-	-
Banco Security, Banco del Estado de Chile, and Penta Vida Compañía de Seguros de Vida (USD)	11/8/2036	Project guarantee	Semi-annual	-	-	-
Sinia Capital (USD)	11/8/2036	Project guarantee	Semi-annual	9,808,555	-	9,808,555
Total				41,764,740	3,633,730	45,398,470

The borrowings from credit entities in the above table accrue interest at market rates which oscillate between 1.75% and 9.5% depending on the characteristics of each loan.

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Project finance

At December 31, 2020 the Group had entered into 10 project finance arrangements (2019: 4 project finance arrangements) for an approximate total amount of 232 million euros (2019: 127 million euros):

- (i) project financing granted by KFW Bank to the subsidiary GR Kosten, S.A.U. to build and operate the Kosten wind farm (24 MW) in Argentina;
- (ii) another two granted by CAF-Banco de Desarrollo de América Latina, by Spain's Instituto de Crédito Oficial (ICO) and Sinia Capital, S.A.C.V. to the subsidiary GR Taruca, S.A.C. for construction and operation of the Duna wind farm, and to the subsidiary GR Paino, S.A.C. for construction and operation of the Huambos wind farm, both located in Peru and each with a capacity of 18 MW;
- (iii) project financing granted by Banco Security, Banco del Estado de Chile, Penta Vida Compañía de Seguros de Vida, and Sinia Renovables, S.A.U. to the subsidiary Parque Eólico Quillagua, SpA for construction and operation of the Quillagua solar park in Chile with a capacity of 103 MW.
- (iv) project financing granted by CIFI Latam to the subsidiary Green Hub for construction and operation of the San Miguel de Allende solar farm in Mexico with a capacity of 30MW; and
- (v) another 4 project finance arrangements with KFW Bank, Bankinter, and FOND-ICO INFRAESTRUCTURAS II, F.I.C.C. financing the subsidiaries GR Aitana, S.L., GR Bañuela, S.L., GR Aspe, S.L. y GR Turbón, S.L. for construction and operation of the Escuderos solar farm in Spain with a capacity of 200MW.
- (vi) one project finance arrangement with Natixis financing the construction and operation of 14 solar farms, corresponding to PMGDs and PMGs in Chile.

Kosten project

The project finance agreement with KFW Bank corresponds to a senior financing contract with a maximum principal amount of 31.7 million US dollars (25.8 million euros at the 2020 year end exchange rate) maturing on July 31, 2034 and repayable in semi-annual installments at an interest rate of 5%. At December 31, 2020 the Group was in compliance with the covenants established for this financing. This contract includes certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

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Duna & Huambos Project

In addition, during the construction of the Duna and Huambos wind farms, syndicated loan agreements were arranged during March 2019 for a maximum amount of 36.8 million US dollars (30 million euros at the 2020 year end exchange rate) with CAF-Banco de Desarrollo de América Latina and Spain's Instituto de Crédito Oficial (ICO), maturing on March 31, 2037 and with an all-in 6.79% interest rate. In addition, mezzanine loans (subordinated to senior financing) totaling 6 million US dollars (4.9 million euros at the 2020 year end exchange rate) were arranged with Sinia Capital, S.A. de C.V., maturing on November 30, 2035 and bearing a 9.50% interest rate. These contracts include certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

Quillagua project

In November 2019, the Group arranged financing in the amount of 60.3 million US dollars (49.2 million euros at the 2020 year end exchange rate) with Banco Security, Banco del Estado de Chile, and Penta Vida Compañía de Seguros de Vida to build a solar farm with a capacity of 103 MW and an estimated production of 301 GW/hour in Quillagua. The structure of the borrowings correspond to a project finance arrangement, and includes financing of the senior debt within a period of 17 years. Sinia Renovables, SAU, wholly owned by Banco de Sabadell, S.A., also participates in financing the aforementioned solar farm via a mezzanine loan in the amount of 11 million US dollars (9 million euros at the 2020 year end exchange rate). This contract includes certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

San Miguel de Allende project

In September the Group arranged bridge financing in the amount of 17.5 million US dollars (14.3 million euros at the 2020 year end exchange rate) with CIFI LATAM for construction of a solar farm in Mexico with a capacity of 30MW. This contract includes certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

Escuderos project

In December 2020 the Group arranged financing in the amount of 96.7 million euros with KFW Bank and Bankinter for construction of a solar farm in Cuenca (Spain) with a capacity of 200MW. The structure of the borrowings correspond to a project finance arrangement, and includes financing of the senior debt within a period of 17 years. FOND-ICO INFRAESTRUCTURAS II, F.I.C.C., a fund in which AXIS is invested, also participates in financing said solar farm via a mezzanine loan amounting to 12.8 million euros. This contract includes certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

PMGDs – PMGs in Chile

In December 2020 the Group arranged financing in the amount of 85 million US dollars (69.3 million euros at the 2020 year end exchange rate) with Natixis for construction of 14 solar farms corresponding to PMGDs and PMGs in Chile. This contract includes certain associated guarantees related to the Company's properties requiring compliance with certain commitments.

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17.3. Credit facilities and discount lines

At December 31, 2020 and 2019 the Group had subscribed credit facilities and credit financing for foreign operations with various financial entities. The breakdown of the credit drawn at said dates together with the corresponding contractual terms is as follows:

Year ended December 31, 2020

Financial entity	Maturity date	Euros		
		Credit limit granted	Amount drawn	Amount available
SANTANDER	5/23/2023	650,000	-	650,000
SABADELL	5/10/2021	200,000	-	200,000
BANKINTER	10/20/2021	500,000	487,089	12,911
BBVA	4/29/2023	500,000	488,206	11,794
BANKIA (VISA)	Indefinite	3,000	-	3,000
BANCO SABADELL (VISA)	Indefinite	30,000	-	30,000
SECURITY (VISA)	Indefinite	8,000	1,002	6,998
Total credit facilities		1,891,000	976,297	914,703
SABADELL	Indefinite	13,500,000	688,310	2,675,128
SANTANDER	Indefinite	11,000,000	-	7,201,000
BANKIA	5/27/2021	11,000,000	-	5,750,129
BANKINTER	10/20/2021	12,700,000	-	1,873,290
CAIXABANK	1/23/2021	4,000,000	-	-
BBVA	3/1/2021	7,500,000	-	1,176,671
Total foreign financing		59,700,000	688,310	18,676,218
Total		61,591,000	1,664,607	19,590,921

Year ended December 31, 2019

Financial entity	Maturity date	Euros		
		Credit limit granted	Amount drawn	Amount available
BANKIA I	5/27/2020	100,000	-	100,000
BANKIA II	4/21/2020	1,500,000	-	1,500,000
SANTANDER	4/17/2020	300,000	-	300,000
SANTANDER II (PREVIOUSLY "POPULAR")	5/7/2020	200,000	-	200,000
SABADELL	5/10/2020	200,000	23,102	176,898
BANKINTER	Indefinite	500,000	-	500,000
BANKIA (VISA)	Indefinite	3,000	-	3,000
BANCO SABADELL (VISA)	Indefinite	30,000	-	30,000
SECURITY (VISA)	Indefinite	8,000	1,333	6,667
Total credit facilities		2,841,000	24,435	2,816,565
SABADELL (USD)	Indefinite	13,500,000	67,554	2,886,110
SANTANDER (USD)	Indefinite	11,750,000	-	7,024,020
BANKIA (USD)	5/27/2020	11,000,000	1,227,438	3,218,843
BANKINTER (USD)	Indefinite	11,000,000	-	5,531,739
CAIXABANK (USD)	1/23/2021	5,000,000	-	2,985,581
BBVA (USD)	3/1/2020	5,000,000	-	-
Total foreign financing		57,250,000	1,294,992	21,646,293
Total		60,091,000	1,319,427	24,462,858

The average annual interest rate on the credit facilities during 2020 and 2019 was 2.15% per year.

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17.4. Other borrowings

At December 31, 2020 and 2019 the breakdown of other borrowings held by the Group was as follows:

Year ended December 31, 2020

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	156,189	52,060	208,249
Ministry of Economy and Competition	1/20/2021	Zero interest	No	Monthly	-	300	300
Other borrowings (Kosten)	-	-	-	-	-	1,069,009	1,069,009
Other borrowings (PEQ)	-	-	-	-	-	1,933,001	1,933,001
Total					156,189	3,054,370	3,210,559

Year ended December 31, 2019

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	208,249	52,060	260,309
Ministry of Economy and Competition	1/20/2021	Zero interest	No	Monthly	-	6,226	6,226
Other borrowings (Kosten)	-	-	-	-	-	1,169,001	1,169,001
Other borrowings (PEQ)	-	-	-	-	-	2,113,810	2,113,810
Other	-	-	-	-	-	1,304	1,304
Total					208,249	3,342,401	3,550,650

These balances correspond to the following:

- Amount pending payment at 2020 year end which was generated by the purchase of Kosten S.A., integrated into the Group during 2017.
- Amount pending payment at 2020 year end which was generated by the purchase of Parque Eólico Quillagua SpA, integrated into the Group in 2019 (Note 5).
- The amount pending payment at 2020 and 2019 year end on a zero interest rate loan granted by the CDTI on October 13, 2011 in the amount of 520,609 euros in order to help financing the necessary investments for the project known as "Design and Modeling of a forecasting system for performance and integral control at energy distribution installations."
- Further, the Parent received a zero interest rate loan granted by the Ministry of Economy and Competition on April 16, 2012 in the amount of 33,756 euros relating to the personnel expenses for carrying out the project known as "Design and Modeling of a forecasting system for performance and integral control at energy distribution installations."

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Repayment of both these loans can be extended over a maximum period of seven yearly installments at identical amounts, allowing a maximum maturity for the first annual installment of five years counted from the date on which they were granted. The first of said annual installments was paid in 2015.

17.5. Derivatives

The breakdown of derivative financial instruments at December 31, 2020 and 2019 is as follows:

	Non-current borrowings	Current borrowings	Total at 12.31.19	Non-current borrowings	Current borrowings	Total at 12.31.20
<i>Financial liabilities - derivatives</i>						
Interest rate hedges	-	654,429	654,429	2,044,363	352,692	2,397,055
Total	-	654,429	654,429	2,044,363	352,692	2,397,055

The derivative financial instruments recognized at December 31, 2020 and 2019 correspond to two interest rate swaps established to mitigate the effects of fluctuations in the 6-month Libor rate upon which finance expenses are established on loans contracted with banks to finance construction of the solar park included under Quillagua's "PP&E under construction." The notional amounts and fixed rates contracted at December 31, 2020 and 2019 are as follows:

Park/farm	Financial entity	Notional amount at 12.31.2020	Notional amount at 12.31.2019	Fixed rate
Quillagua	Banco Security	10,249,252	11,207,946	6.452%
Quillagua	Banco del Estado de Chile	10,249,252	11,207,946	6.452%

Under the terms of the swap, the Group pays interest at a fixed rate of 6.452% every six months and receives interest at a variable rate of 6-month Libor. The swap was designated as a cash flow hedge against interest rate risk associated with the loans denominated in US dollars granted by Banco Security and Banco del Estado de Chile. As the terms of the hedging instrument and the covered instrument are matched, it is considered an effective hedge.

17.6. Finance lease liabilities

Commencing January 1, 2019, due to the application of IFRS 16 "Leases," lease liabilities are treated as financial debt. The main liabilities recognized at December 31, 2020 and 2019 under this heading in the consolidated statement of financial position are as follows:

Year ended December 31, 2020

	Land	Offices	Transport equipment	Total
Non-current lease liabilities	3,345	750	104	4,199
Current lease liabilities	319	335	28	682
TOTAL (thousands of euros)	3,664	1,085	132	4,881

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Year ended December 31, 2019

	Land	Offices	Transport equipment	Total
Non-current lease liabilities	2,521	1,074	132	3,727
Current lease liabilities	306	353	33	692
TOTAL (thousands of euros)	2,827	1,427	165	4,419

"Land" includes the lease liabilities from the rental contracts for the land upon which the Kosten, Duna & Huambos, Quillagua, and Escuderos projects are being built.

"Offices" includes the lease liabilities from the rental contracts for the office space in Spain and Chile.

"Transport equipment" includes the lease liabilities from the finance lease contracts for certain vehicles.

The incremental financing interest rate used by Grenergy arises from the homogeneous portfolio of leases, countries, and contractual durations. The weighted average incremental interest rate for FY 2020 was 2.25% in Spain and 5.04% in Chile.

The finance cost recognized in the consolidated statement of profit or loss corresponding to this item amounted to 137 thousand euros in 2020 and 107 thousand euros in 2019.

18. Joint operations

At December 31, 2020 the Group only participates in one joint operation which fulfills the conditions described in Note 3.1.2 and corresponds to the 34.02% investment made in AIE Renovables Nudo Villanueva de los Escuderos, A.I.E, incorporated during 2019 together with two other partners, with a view to building an electricity substation for use by the partners in various solar parks.

The contribution of this joint operation to the assets, liabilities, income, and expenses of Grenergy is as follows:

	12.31.2020	12.31.2019
Non-current assets	821	-
Property, plant, and equipment	821	-
Current assets	189	-
Trade and other receivables	144	-
Cash and cash equivalents	45	-
Current liabilities	(170)	-
Trade and other payables	(170)	-
Net assets (thousands of euros)	840	-

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	12.31.2020	12.31.2019
Revenue	-	-
Other operating expenses	(118)	-
OPERATING PROFIT	(118)	-
PROFIT BEFORE TAX	(118)	-
CONSOLIDATED PROFIT (thousands of euros)	(118)	-

19. Public administrations and tax matters

The breakdown of balances with public administrations at December 31, 2020 and 2019 is as follows:

Receivable from public administrations	Non-current	Current	Balance at 12.31.2020	Non-current	Current	Balance at 12.31.19
Deferred tax assets	10,217,094	-	10,217,094	3,497,950	-	3,497,950
Current income tax assets	-	-	-	-	16,112	16,112
Other receivables from public administrations	-	12,201,506	12,201,506	-	12,146,960	12,146,960
Tax refunds receivable from the tax authorities	-	83,520	83,520	-	1,577,972	1,577,972
VAT receivable	-	12,117,986	12,117,986	-	10,568,988	10,568,988
Total	10,217,094	12,201,506	22,418,600	3,497,950	12,163,072	15,661,022

Payable to public administrations	Non-current	Current	Balance at 12.31.2020	Non-current	Current	Balance at 12.31.19
Deferred tax liabilities	5,591,442	-	5,591,442	3,450,112	-	3,450,112
Current income tax liabilities	-	633,886	633,886	-	730,798	730,798
Other payables to public administrations	-	979,072	979,072	-	1,370,551	1,370,551
VAT payable	-	593,034	593,034	-	977,065	977,065
Payable to the public treasury for withholdings	-	202,994	202,994	-	329,274	329,274
Social security agencies	-	183,044	183,044	-	64,212	64,212
Total	5,591,442	1,612,958	7,204,400	3,450,112	2,101,349	5,551,461

Tax matters

In accordance with current legislation in the countries in which Group companies are located, taxes cannot be considered definitive until they have been inspected by the tax authorities or the corresponding inspection period has elapsed.

Due to the varying interpretations of the tax regulations applicable, certain tax contingencies that are not objectively quantifiable could arise. Nevertheless, the Parent's directors considers that tax debts arising from possible future actions taken by the tax authorities corresponding to each of the Group companies would not have a significant effect on the consolidated financial statements taken as a whole.

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Corporate income tax

The Parent has been filing its tax returns under a consolidated tax regime since 2012 together with other Group companies. The parent of the tax group was Daruan Venture Capital, S.C.R. during 2012 and 2013, and since 2014 the new parent of the tax group has been Daruan Group Holding, S.L. As indicated in Note 3.13, in 2019 the Parent and its Spanish subsidiaries left the tax group.

The reconciliation of consolidated accounting profit and corporate income tax, in accordance with the separate information for each company, is as follows:

Year ended December 31, 2020

	Statement of profit or loss		
	Increase	Decrease	Total
Pre-tax accounting profit			15,501,649
Permanent differences	117,595	-	117,595
Temporary differences	187,594	(4,930,361)	(4,742,767)
Capitalization reserve		(778,675)	(778,675)
Taxable income (Tax results)			10,097,802
Gross tax calculated at an average rate			2,857,677
Application of tax loss carryforwards			(2,452,561)
Expense (income) relating to tax associated with consolidation adjustments (*)			(10,482)
Expense (income) on profits			394,634

(*) Mainly corresponds to consolidation adjustments arising from the elimination of unrealized internal margins with respect to third parties.

Year ended December 31, 2019

	Statement of profit or loss		
	Increase	Decrease	Total
Pre-tax accounting profit			14,099,760
Permanent differences	279,710	(1,593)	278,117
Temporary differences	283,771	(360)	283,411
Capitalization reserve		(238,442)	(238,442)
Taxable income (Tax results)			14,422,846
Gross tax calculated at an average rate			4,182,625
Expense (income) relating to tax associated with consolidation adjustments (*)			(1,519,182)
Expense (income) on profits			2,663,443

(*) Mainly corresponds to consolidation adjustments arising from the elimination of unrealized internal margins with respect to third parties.

While the theoretical tax rates vary depending on the different locations, the main rates applied for both FY 2020 and FY 2019 were as follows:

Country	Tax rate
Spain	25%
Chile	27%
Peru	29.50%
Argentina (*)	30%
Mexico	30%
Colombia	33%

(*) 25% from 2021 onwards

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Deferred tax assets and liabilities

The difference between tax expense for the year and previous years, and that which is already paid or is payable for said periods is recognized under "Deferred tax assets" or "Deferred tax liabilities," as appropriate. Said deferred taxes were calculated by applying the prevailing nominal tax rate to the corresponding amounts.

The breakdown and movements in this item in the accompanying consolidated statement of financial position at December 31, 2020 and 2019 is as follows:

	Balance at 12.31.2018	Recognized in profit or loss			Balance at 12.31.2019	Recognized in profit or loss			Balance at 12.31.2020
		Additions	Business combinations	Derecognitions		Additions	Currency translation differences	Derecognitions	
Deferred tax assets	956,594	742,802	1,934,343	(135,789)	3,497,950	7,889,283	(611,757)	(558,382)	10,217,094
Tax loss carryforwards pending offset	247,987	-	1,934,376	(135,789)	2,046,574	2,452,561	(611,757)	-	3,887,378
Tax deductions pending application	33	-	(33)	-	-	-	-	-	-
Temporary differences	708,574	742,802	-	-	1,451,376	5,436,722	-	(558,382)	6,329,716
Deferred tax liabilities	-	344,032	3,107,111	(1,031)	3,450,112	2,141,330	-	-	5,591,442
Permanent differences, adjustments on consolidation	-	-	-	-	-	-	-	-	-
Temporary differences	-	344,032	3,107,111	(1,031)	3,450,112	2,141,330	-	-	5,591,442
Total	956,594	398,770	(1,172,768)	(134,758)	47,838	5,747,953	(611,757)	(558,382)	4,625,652

Deferred tax assets arising from business combinations correspond to the tax base of the subsidiary Parque Eólico Quillagua, SpA at the date it joined the Group (Note 5).

Deferred tax liabilities on business combinations correspond to the measurement at fair value of the assets acquired from the Kosten and Parque Eólico Quillagua business combinations (Note 5).

Different Group companies were engaged in the construction of the solar farms which the Group has mainly recognized under "PP&E" (Note 6) and "Inventories" (Note 10) at December 31, 2020 and 2019, as applicable. The unrealized gains arising from said transactions are eliminated, generating a positive tax effect with respect to said unrealized gains, which will mostly be recovered in the year in which the interests in the subsidiaries who own these installations are sold or via their depreciation/amortization. Thus, at December 31, 2020 the deferred tax assets recognized in connection with this item amount to 5,085 thousand euros.

The recoverability of deferred tax assets is assessed during recognition and at least at year end, in accordance with Group results forecast for upcoming years.

Tax loss carryforwards pending offset

Deferred tax assets for unused loss carryforwards are recognized to the extent that, based on the Group's future business plans, it is probable that future taxable profit will be available against which these assets may be utilized.

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At 2020 and 2019 year end the breakdown of tax loss carryforwards yet to be applied, by company, is as follows:

Thousands of euros	12.31.2020	12.31.2019
LEVEL FOTOVOLTAICA, S.L.	328	323
GR PACIFIC OVALLE, LTDA.	1,017	1,017
GREENERGY PERU SAC	406	783
GR TARUCA	112	-
GR PAINO	171	-
GR RENOVABLES MEXICO S.A.	347	1,559
GREEN HUB	174	-
GREENERGY COLOMBIA SAS	129	145
GREENERGY ATLANTIC S.A.	263	101
FAILO 3, LTDA.	14	18
PARQUE EÓLICO QUILLAGUA, SpA	7,291	7,164
KOSTEN SA	7,049	477
Total	17,301	11,587

Of the balances presented in the above table, at December 31, 2020 only the tax loss carryforwards corresponding to the subsidiaries Kosten, S.A. (Argentina), GR Renovables México, S.A. (Mexico), and Parque Eólico Quillagua, SpA (Chile) have been applied. The recovery of these tax assets is reasonably assured given that they correspond to companies expected to generate recurring profits in the coming months after becoming operational.

The limits to their application are broken down as follows:

Country	Tax rate
Chile	No limit
Argentina	4 years
Mexico	No limit

20. Income and expenses**Cost of sales**

The breakdown of the consolidated balance recognized under this heading by sector of activity is as follows:

	12.31.2020			12.31.2019		
	Acquisitions	Changes in inventories	Total consumption	Acquisitions	Changes in inventories	Total consumption
Consumption of goods for resale	88,518,227	(496,258)	88,021,969	62,674,701	(99,857)	62,574,844
Work performed by third parties	4,560	-	4,560	13,507	-	13,507
Total	88,522,787	(496,258)	88,026,529	62,688,208	(99,857)	62,588,351

The breakdown of the purchases recorded in the accompanying consolidated statement of profit or loss is as follows:

	12.31.2020	12.31.2019
Spain	34,927,633	8,557,104
Imports	53,595,154	54,131,104
Total	88,522,787	62,688,208

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Employee benefits expense

The breakdown of this heading in the consolidated statement of profit or loss for 2020 and 2019 is as follows:

	12.31.2020	12.31.2019
Wages and salaries	4,748,670	4,011,197
Social security payable by the Company	906,926	707,907
Other social security expenses	67,767	64,912
Total	5,723,363	4,784,016

The average number of employees, by professional category, in 2020 and 2019, was as follows:

Category	2020	2019
Directors and Senior Management	9	7
Department directors	23	16
Other	129	64
Total	161	87

The breakdown by gender of employees, directors, and senior management at 2020 and 2019 year end, is as follows:

Category	12.31.2020			12.31.2019		
	Men	Women	Total	Men	Women	Total
Directors and Senior Management	6	3	9	6	3	9
Department directors	21	5	26	13	4	17
Other	120	37	157	95	29	124
Total	147	45	192	114	36	150

The Group had no employees under contract with disabilities greater than or equal to 33% during 2020 or 2019.

External services

The breakdown of this heading in the consolidated statement of profit or loss for 2020 and 2019 is as follows:

Type	2020	2019
Leases	278,463	150,434
Repairs and maintenance	201,633	155,891
Professional services	1,935,053	1,966,538
Transportation	0	10,533
Insurance	139,074	188,951
Bank services	265,419	269,910
Advertising and publicity	79,505	156,531
Supplies	169,227	168,216
Other	903,981	961,074
Taxes	167,514	53,188
Losses on, impairment of, and change in trade provisions	512,223	764,759
Total	4,652,092	4,846,025

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"Professional services" at December 31, 2019 in the above table includes an amount of 551 thousand euros corresponding to the expenses incurred for admission to trading the Parent's shares on the Stock Exchanges of Barcelona, Bilbao, Madrid, and Valencia, and their inclusion on the Spanish electronic trading platform.

"Other" mainly includes expenses incurred when changing offices in Spain and Chile during 2019, as well as personnel travel expenses during 2020 and 2019.

Finance income and expenses

The breakdown of finance income and expenses recognized in the accompanying consolidated statement of profit or loss is as follows:

	12.31.2020	12.31.2019
Income	206,043	55,019
Interest from other financial assets	206,043	55,019
Expenses	(2,627,759)	(1,141,769)
Interest on borrowings	(2,627,759)	(1,141,769)
Exchange gains (losses)	(5,242,447)	(2,307,056)
Impairment of and gains (losses) on disposal of financial instruments	-	(25,000)
Impairment and losses	-	(25,000)
Finance cost	(7,664,163)	(3,418,806)

Negative exchange differences in 2020 mainly correspond to the depreciation of the US dollar against the euro.

Negative exchange differences during 2019 are mainly the result of the significant depreciation of the Argentine peso against the US dollar given the balances receivable from Argentina's public authorities.

The breakdown for currency translation differences by currency at December 31, 2020 and 2019 is as follows:

	Euros	
	2020	2019
US dollar (USD)	(2,192,212)	(20,657)
Argentine peso (ARS)	(1,865,775)	(1,558,966)
Peruvian sol (PEN)	(301,760)	297,017
Chilean peso (CLP)	(1,219,778)	(1,110,038)
Mexican peso (MXN)	337,723	77,813
Colombian peso (COP)	(645)	7,775
Total	(5,242,447)	(2,307,056)

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21. Foreign currency

The breakdown of transactions carried out in foreign currency during 2020 and 2019 is as follows:

Year ended December 31, 2020

	12.31.2020						
	Corresponding amounts in euros						
	US Dollars	Chilean pesos	Peruvian soles	Mexican pesos	Argentinean pesos	Colombian pesos	Total
Sale of goods	71,499,624	-	-	-	-	-	71,499,624
Services rendered	-	1,683,770	-	-	-	-	1,683,770
Total	71,499,624	1,683,770	-	-	-	-	73,183,394
Acquisitions	(46,555,162)	(22,186,113)	-	-	-	-	(68,741,275)
Work performed by third parties	-	(4,560)	-	-	-	-	(4,560)
Receipt of services	(110,965)	(1,486,026)	(304,238)	(104,671)	-	(85,728)	(2,091,628)
Total	(46,666,127)	(23,676,699)	(304,238)	(104,671)	-	(85,728)	(70,837,463)

Year ended December 31, 2019

	12.31.2019						
	Corresponding amounts in euros						
	US Dollars	Chilean pesos	Peruvian soles	Mexican pesos	Argentinean pesos	Colombian pesos	Total
Sale of goods	70,931,791	-	-	-	-	-	70,931,791
Services rendered	-	1,120,742	-	-	-	-	1,120,742
Total	70,931,791	1,120,742	-	-	-	-	72,052,533
Acquisitions	(39,809,633)	(14,321,471)	-	-	-	-	(54,131,104)
Work performed by third parties	-	(13,507)	-	-	-	-	(13,507)
Receipt of services	(255,377)	(1,028,145)	(188,018)	(79,423)	-	(17,533)	(1,568,496)
Total	(40,065,010)	(15,363,123)	(188,018)	(79,423)	-	(17,533)	(55,713,107)

22. Environmental disclosures

One of the characteristic phases in the development of a renewable energy project, whether solar or wind, is the performance of environmental impact studies and the issuing of environmental impact statements for particular installations. The main objective in said studies and statements is to measure and reduce the real impact on the environment arising from execution of any project.

Competent authorities in the different countries in which the Group operates are in charge of preventing environmental damage. Thus, assessment of the environmental impact of any activity allows the Group to introduce an environmental dimension to the design and execution of the projects and activities which it performs in each country. This assessment allows for certification that the initiatives, both in the private and public sectors, are in compliance with the applicable environmental requirements.

Though there are various types of environmental impact, they can mainly be classified into three different types in accordance with their origin: (i) environmental impact provoked by the use of natural resources; (ii) environmental impact provoked by contamination; and (iii) environmental impact provoked by the occupation of land.

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The Group's projects are generally affected by the environmental impact of land occupation. Thus, at the outset of any project, land is searched for and located whose essential characteristics will not be modified by execution of the project in question or which may even be improved from an environmental point of view.

Another effect on the environment which could impact the Group's PP&E is contamination given the nature of the machinery used in carrying out its activities. In this regard, those responsible for executing any stage in the development of a project always seek to optimize the organization of equipment, adapting it to the surroundings.

Depending on each project, the Group hires different consultants and specialized engineering firms to conduct environmental studies which are subsequently reviewed by the competent authorities. Once said studies have been analyzed in detail by the competent authority, a decision is taken as to the appropriateness of performing the activity being assessed, determining the conditions and measures necessary for adequately protecting the environment and the natural resources associated with the project.

In accordance with prevailing legislation, the Group controls the degree of contamination generated while pursuing an appropriate waste disposal policy.

23. Related-party transactions

23.1. Related-party transactions and balances

In addition to Group entities and associates, the Group's related parties also include the directors and senior management of the Parent (including close family members) as well as those entities over which they may exercise control or significant influence.

At 2020 and 2019 year end, the debit and credit balances the Parent holds with related parties are broken down as follows:

	Parent company	Other related parties	Total 12.31.2020	Parent company	Other related parties	Total 12.31.2019
Assets						
Loans to related companies	-	-	-	40,512	-	40,512
	-	-	-	40,512	-	40,512
Liabilities						
Suppliers, related companies	-	-	-	-	(5,436)	(5,436)
	-	-	-	-	(5,436)	(5,436)

The balances with related parties at December 31, 2020 and 2019 are comprised of the following:

- Loans to related companies: reflects the debt some Group companies hold with the parent of the tax group (Daruan Group Holding) for corporate income tax corresponding to FY 2019.
- "Suppliers, related companies" for FY 2019: reflects the debt pending payment for the fees invoiced by other Group companies at each year end.

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The breakdown of transactions performed with related parties in 2020 and 2019 is as follows:

	12.31.2020		12.31.2019	
	Parent company	Other related parties	Parent company	Other related parties
Expenses	(194,531)	(503,040)	(121,837)	(234,059)
Leases	(194,531)	(112,844)	(121,837)	(114,059)
Other purchases	-	(377,195)	-	-
Services received	-	(13,001)	-	(120,000)

The transactions with related parties carried out during 2020 and 2019 relate to the normal course of the Group's business and were generally carried out on an arm's length basis:

- Renting the offices at Rafael Botí 2 by Nagara Nur, S.L. for an amount of 112,844 euros and 114,050 euros in 2020 and 2019, respectively.
- Renting the offices at Rafael Botí 26 by Daruan Group Holding, S.L.U. for an amount of 194,531 euros in 2020 (2019: 121,837 euros).
- Purchases of health care materials from Marp Marketing y Producto, S.A. in 2020 for an amount of 268,034 euros.
- Management fees invoiced by Daruan Venture Capital for an amount of 120,000 euros in 2019.

23.2. Disclosures relating to the directors and senior management

During 2020 and 2019 the Parent did not extend any advances or credit to its directors, nor did it assume any obligations on their behalf by way of guarantees extended. Likewise, the Parent has no pension or life insurance commitments for any of its current or former directors.

The amounts accrued by members of the Board of Directors during 2020 and 2019 was the following:

Type of remuneration	2020	2019
Remuneration for membership of Board and/or Board committees	138,000	82,286
Salaries	155,000	60,000
Variable remuneration in cash	123,462	60,000
Share-based remuneration schemes	232,735	-
Other	15,905	7,401
TOTAL	665,102	209,687

The directors of the Parent are covered by a civil liability insurance policy for which the Parent disbursed a premium of 24 and 19 thousand euros in 2020 and 2019, respectively.

The amounts accrued by senior management corresponding to fixed remuneration, variable annual remuneration, and other items, amounted to 320,588 euros in 2020 (2019: 1,164,834 euros).

23.3. Other disclosures relating to the directors

At the date of authorization of these consolidated financial statements, none of the Parent's directors notified its Board of any conflicts of interest, direct or indirect, with those of the Group in connection with said members themselves or any persons to whom article 229 of the Spanish Corporate Enterprises Act refers.

The directors did not carry out any related-party transactions outside the ordinary course of activities or transactions which were not carried out on an arm's length basis with the company or Group companies during the years 2020 and 2019.

24. Other disclosures

24.1. Risk management policy

The activities of the Group are exposed to various financial risks: market risk (including exchange rate risk), and liquidity risk. The Group's risk management is focused on the uncertainty of financial markets and attempts to minimize the potentially adverse effects on its profitability, using certain financial instruments for this purpose, described further on in the notes.

Market risk

The market in which the Group operates is related to the sector for production and commercialization of renewable energies. It is for this reason that the factors which influence said market positively and negatively can affect the Group's performance.

Market risk in the electricity sector is based on a complex price formation process in each of the countries or markets in which the Group performs its business activities.

In general, the price of products offered in the sector of renewable energies contains a regulated component as well as a market component. The first is controlled by the competent authorities of each country or market and can vary whenever said authorities consider it appropriate and necessary, resulting in an obligation for all market agents to adapt to the new circumstances, including the Group companies active in said countries. The cost of energy production would be affected as well as distribution to networks, thereby also affecting the price paid by Greenergy Group clients, either with respect to the negotiation of purchase-sales prices for its projects or price formation in the wholesale market ("merchant") as well as under the Power Purchase Agreements ("PPAs").

As far as the market component is concerned, there is the risk that the competitors of the Group, both for renewable energies as well as for conventional energies, may be able to offer lower prices, generating competition in the market which, via pricing, may endanger the stability of the Group's client portfolio and could thereby provoke a substantial negative impact on its activities, results, and financial position.

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At any rate, as the performance of said sector varies significantly from country to country and continent to continent, three years ago the Group initiated a geographical diversification process, breaking into markets outside Spain (currently the Group is present in Spain, Chile, Mexico, Colombia, Argentina, Peru, and Italy), thereby reducing this type of risk even more. At present, all the efforts being made by Greenergy are focused on further developing the projects it owns in these countries.

Product responsibility

The Group designs, develops, executes, and promotes large scale renewable energy projects, certified by TÜV Rheinland; its integrated quality management system (ISO9001) and environmental management system (ISO 14001) systematizes the identification of each project's requirements in terms of quality, safety, and efficiency for each of the phases of said projects.

Client credit risk for O&M and AM services

With respect to those projects for which Greenergy performs O&M and AM services, credit risk arises from non-compliance with the recurring payment obligations of the clients party to said contracts, in spite of the fact that these contracts generally foresee quarterly commission payments in arrears and payments 30 days subsequent to the issuing of each invoice.

The percentage of allowances for insolvencies was zero during 2020 and 2019.

Exchange rate risk

GREENERGY performs a large part of its economic activities abroad and outside the European market, specifically, in Chile, Peru, Argentina, Mexico, and Colombia. At December 31, 2020 practically all Group revenue was denominated in currencies other than the euro, specifically, the US dollar. Likewise, a large part of the expenses and investments, mainly corresponding to expenses incurred for consumables required in construction activities and investments in development projects, were also denominated in US dollars. Thus, the currency used in the normal course of the Group's corporate activity in LATAM is the local currency or the US dollar.

COVID-19 provoked great instability in the currency markets, especially in those of emerging markets. Specifically, with respect to the emerging markets in which the Group operates, the depreciation of currencies (Chilean peso, Peruvian sol, and Mexican peso) was very pronounced.

In spite of this scenario, the impact of this depreciation on the Group's results was always under control, maintaining itself within the established risk limits and allowing for a significant mitigation of the impact.

Likewise, the diversification of the Group in different geographical markets and the high business volume in strong currencies such as the euro or the US dollar represents a mitigating factor which stabilizes the Group's results.

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If at December 31, 2020 the euro had been devalued/revalued by 10% with respect to the other functional currencies, with the remaining variables constant, equity would have been 9,577 thousand euros more or 8,705 thousand euros less, respectively (2019: 5,833 thousand euros more or 5,384 thousand euros less, respectively) due to the effect of the equity contributed by the subsidiaries who operate with a functional currency other than the euro. The breakdown by currency is as follows:

	Euros			
	12.31.2020		12.31.2019	
	10%	-10%	10%	-10%
US dollars (USD)	(4,618,704)	5,080,574	(3,181,140)	3,499,254
Chilean peso (CLP)	(2,600,693)	2,862,257	(1,145,800)	1,260,452
Other	(1,485,788)	1,634,198	(1,020,963)	1,123,059
Total	(8,705,185)	9,577,029	(5,347,903)	5,882,765

If the average exchange rate of the euro during 2020 had been devalued/revalued by 10% with respect to the other functional currencies, with the remaining variables constant, profit before taxes for the period would have been 469 thousand euros less or 453 thousand euros more, respectively (2019: 562 thousand euros less or 580 thousand euros more, respectively), mainly due to the result of converting the profit or loss statement to euros. The breakdown by currency is as follows:

	Euros			
	12.31.2020		12.31.2019	
	10%	-10%	10%	-10%
US dollars (USD)	(329,165)	299,241	(200,336)	182,123
Chilean peso (CLP)	(153,715)	169,087	(284,138)	312,552
Other	13,726	(15,099)	(77,361)	85,097
Total	(469,154)	453,229	(561,835)	579,772

Liquidity risk

Liquidity risk refers to the possibility that the Group may not be able to meet its financial commitments in the short term. As the Group's business is capital intensive and involves long term debt, it is important for the Group to analyze the cash flows generated by the business so that it can fulfill its debt payment obligations, both financial and commercial.

Liquidity risk arises from the financing needs of the Grenergy Group's activities due to the time lag between requirements and generation of funds. The management of this risk by the Group is based on the rapid rotation of projects which allows the Group to obtain significant cash flows, subsequently reinvesting them in new projects, and the availability of working capital facilities and credit financing with different financial entities for operations abroad.

As the Group has no significant financial commitments in the short term, at the date of authorization of these consolidated financial statements, the cash flows generated in the short term by the Group are sufficient to meet the maturities of financial and commercial debt in the short term. Liquidity risk refers to the possibility that the Group may not be able to meet its financial commitments in the short term.

During the early stages of the effects arising from COVID-19 and until the central banks started implementing measures for injecting liquidity to stabilize markets, liquidity squeezes arose, mainly affecting entities with poor ratings.

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The Greenergy Group's liquidity position was sound prior to the situation arising from COVID-19, which ensured that the Group was not at risk of failing to comply with its commitments.

However, and with a view to guaranteeing liquidity should there be an additional deterioration in the generation of cash by the businesses, the sources for liquidity were expanded, ensuring that even in an environment of low liquidity the Greenergy Group would receive support from banking entities at competitive prices. This was evidenced by the signing of long-term loans for an amount of 14.3 million euros during 2020, all of which were granted by Spanish credit entities and included in the ICO-COVID credit lines (Note 17).

At December 31, 2020 the Greenergy Group's liquidity position was sound, including sufficient cash and available credit lines to cover its liquidity requirements comfortably even in the case of a major contraction of markets.

Interest rate risk

The changes in variable interest rates (e.g. EURIBOR) alter the future flows of assets and liabilities referenced to such rates, especially short and long-term financial debt. The objective of Greenergy's interest rate risk management policy is to achieve a balanced structure of financial debt with a view to reducing the financial cost of debt to the extent possible.

A significant portion of financial debt of the Issuer (e.g. loans and working capital facilities) accrues interest at fixed rates, and as far as structured financing is concerned, such as the "Project Finance" of the Argentinian and Peruvian subsidiaries, the financing contracts are referenced at fixed interest rates or, when referenced to variable rates, allow the Special Purpose Vehicle ("SPV") to substitute the variable rates for fixed rates at each payment request.

If during 2020 and 2019 the average borrowings referenced to variable rates had been 10 basis points higher/lower, with the remaining variables constant, profit after tax for the corresponding period would not have experienced significant changes given that approximately 95% of the Group's borrowings are referenced to a fixed rate. Thus, the Group considers that exposure to interest rate risk is not great.

Environmental risks

During the development phase of the renewable energy projects, either solar or wind, the Group carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and its evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life the project, and also to define the preventative, corrective, and compensatory measures with regard to said impacts.

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Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These Programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These Programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Group contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the periodic associated reporting, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The Group's projects are generally affected by the environmental impact of land occupation. Thus, the land selection phase plays a fundamental role and the Group searches for and locates land using a system for analyzing current environmental values with a view to minimizing environmental impact.

24.2. Guarantee commitments to third parties

At 2020 year end, the Group had provided guarantees to third parties in the amount of 40,928,603 euros (2019: 45,286,171 euros), which were chiefly arranged for presentation in public renewable energy tenders and auctions.

Given that the aforementioned guarantees were basically granted with a view to ensuring compliance with contractual obligations or investment commitments, the events which could lead to their execution, and thus a cash outflow, would be non-compliance on the part of Greenergy with regard to its obligations related to the ordinary course of its activities, which is considered unlikely. Greenergy considers that any unforeseen liabilities at December 31, 2020 that may arise in connection with the aforementioned guarantees, would in any case not be significant.

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24.3. Audit fees for the auditors and related entities

The fees accrued for professional services rendered by Ernst & Young, S.L. during 2020 and 2019 are broken down as follows:

Categories	2020		2019	
	Services rendered by the auditor of accounts and related companies	Services rendered by other auditors of the Group	Services rendered by the auditor of accounts and related companies	Services rendered by other auditors of the Group
Audit services (1)	100,875	62,100	99,250	51,150
Other assurance services (2)	3,500	-	32,500	1,800
Total audit and related services	104,375	62,100	131,750	52,950
Other (3)	40,267	2,000	-	-
Total other professional services	40,267	2,000	-	-
Total professional services	144,642	64,100	131,750	52,950

- (1) Audit services: This heading includes services rendered for the performance of statutory audits of the Group's annual financial statements and the limited review work performed with respect to the interim consolidated financial statements.
- (2) Other audit-related assurance services: These services mainly correspond to the review work performed and the Comfort Letter issued in connection with the green bonds in 2019.
- (3) Other: These services correspond to the advisory work performed in connection with ESG matters.

24.4. Information on average payment periods to suppliers

The following table presents the disclosures required by final provision two of Law 31/2014, of December 3, prepared in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of January 29, 2016 on the disclosures to be included in notes to financial statements with respect to the average payment period for suppliers in commercial transactions:

	2020	2019
	Days	Days
Average supplier payment period	56.21	52.92
Ratio of transactions paid	60	60
Ratio of transactions pending payment	49	43
	Amount (euros)	Amount (euros)
Total payments made	58,939,127	26,556,384
Total payments outstanding	31,000,016	18,961,836

Exclusively for disclosure purposes as required by the aforementioned ICAC Resolution, suppliers include trade payables to the suppliers of goods or services recognized under "Trade and other payables - Suppliers" and "Trade and other payables - Other accounts payable" under current liabilities in the balance sheets of companies located in Spain. The average payment period is understood to be the time elapsed from the delivery of goods or rendering of services at the expense of the supplier to the material payment of the transaction.

25. Events after the reporting date

No significant events took place from December 31, 2020 to the date on which the Parent's Board of Directors authorized these consolidated financial statements that require disclosure.

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GREENHOUSE SOLAR FIELDS, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(688)	-	(241)	(181)	-	2,137
GREENHOUSE SOLAR ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(527)	-	(324)	(243)	-	2,236
GREENHOUSE RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(412)	-	(324)	(243)	-	2,351
GUIA DE ISORA SOLAR 2, S.L.	Spain	Production of renewable electric energy	100%	-	100%	1,565	-	1,565	3,100	(6,888)	-	(414)	(311)	-	(4,099)
GR SOLAR 2020, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(1,904)	-	(331)	(248)	-	848
GR SUN SPAIN, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(2,505)	-	(520)	(390)	-	105
GR EQUITY WIND AND SOLAR, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	287,130	-	(319)	(239)	-	289,891
LEVEL FOTOVOLTAICA S.L.	Spain	Production of renewable electric energy (Inactive company)	50%	-	50%	1,504	-	1,504	3,008	(327,556)	-	(276)	(276)	-	(324,824)
GR BAÑUELA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(617)	-	(308)	(732)	-	1,651
GR TURBON RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(611)	-	(468)	(857)	-	1,532
GR AITANA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(593)	-	(406)	(1,168)	-	1,239
GR ASPE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(620)	-	(351)	(750)	-	1,630
VIATRES RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	40%	-	40%	1,200	-	1,200	3,000	-	-	-	-	-	3,000
EIDEN RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	(144)	(108)	-	2,543
CHAMBO RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	(185)	(139)	-	2,512
MAMBAR RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(348)	-	(230)	(173)	-	2,479
EL AGUILA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(289)	-	(148)	(111)	-	2,600
EUGABA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(76)	-	(454)	(341)	-	2,583
TAKE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(80)	-	(521)	(391)	-	2,529
NEGUA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(176)	-	(566)	(424)	-	2,400
GR SISON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR PORRON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR BISBITA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR AVUTARDA RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(378)	(284)	-	(284)
GR COLIMBO RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR MANDARIN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR DANICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CHARRAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CERCETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CALAMON RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(507)	(380)	-	(380)
GR CORMORAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR GARCILLA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(420)	(315)	-	(315)
GR LAUNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR MALVASIA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(462)	(346)	-	(346)
GR MARTINETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR FAISAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(420)	(315)	-	(315)
GREENERGY OPEX, S.L	Spain	Operation and maintenance of renewable electric energy installations (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GREENERGY EPC EUROPA, S.L.	Spain	Construction of electric energy installations (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR POWER COMERCIALIZACION, S.L	Spain	Commercialization of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	-	99.9%	43,150	-	43,150	34,352	2,500,377	-	4,255,755	2,160,217	-	4,694,946
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR MAITEN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR ALGARROBO S.P.A	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,303 (1,303)	-	-	-	-	-	-	-	-	-
GR PACIFIC CHIOLOE SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	917 (917)	-	-	-	-	-	-	-	-	-
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,357 (1,357)	-	-	933,056	(925,903)	-	-	-	-	7,153
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LENGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LUMILLA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee	
												Operating profit	Continuing operations	Discontinued operations		
GR TOROMIRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-	-
GR PACAMA, S PA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-	-
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-	-
GR RULI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-	-
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1.314 (1.314)	-	-	-	-	-	-	-	-	-	-
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-	-
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-	-
GR Mañío SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-	-
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-	-
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-	-
GR Huacano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Corcolén SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Fuique SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Piñol SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Tayú SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Corontillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Frangel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee	
												Operating profit	Continuing operations	Discontinued operations		
GR Tapa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
Grenergy OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	1.258	-	1.258	1,145	67,058	-	216,466	208,334	-	-	276,537
Parque Eólico Quillagua SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	15,210,577	-	15,210,577	17,961,713	(1,766,228)	(1,749,850)	(147,041)	(1,747,136)	-	-	12,698,499
GR PUMALIN SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR CORCOVADO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR QUEULAT SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR YENDEGAIA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR KAWESQAR	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR HORNOPIREN SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ALARCE ANDINO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ALERCE COSTERO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR TOLTUACA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR TORRES DEL PAINE SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR PATAGONIA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR NAHUELBUTA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR CONGUILILLO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR VILLARRICA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ARCHIPIELAGO JUAN FERNANDEZ SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GREENERGY PALMAS DE COCOLÁN, SPA	Chile	Holding company	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR LA CAMPANA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR VOLCAN ISLUGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR LAUCA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR PAN DE AZUCAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR MORRO MORENO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR NEVADO TRES CRUCES, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR LLULLAILLACO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR SALAR HUASCO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR RAPANUI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR PUYEHUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR CABO DE HORNOS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR CERRO CASTILLO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR PALI AIKE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR RADAL SIETE TAZAS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR ISLA MAGDALENA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GREENERGY LLANOS CHALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR LAGUNA SAN RAFAEL, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-
GR POWER CHILE, SPA	Chile	Comercialización de energía eléctrica de carácter renovable	100%	-	100.0%	1,067	-	1,067	1,035	-	-	(69,882)	(67,468)	-	(66,433)
GREENERGY PERU SAC	Peru	Promotion and construction of electric energy installations	99%	-	99%	275	-	275	275	(143,988)	-	(150,698)	(282,832)	-	(426,545)
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR BAYONAR, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR VALE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	4,932,484	-	4,932,484	5,029,784	140,709	-	(110,488)	(272,359)	-	4,898,134
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	5,011,139	-	5,011,139	5,119,504	123,692	-	(115,292)	(316,388)	-	4,926,808
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-

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Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2020			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	-	98%	2,843	-	2,843	2,050	(1,349,823)	-	1,036,070	887,989	-	(459,784)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	19,693	-	19,693	92,272	(9,667)	-	(54,923)	240,794	-	323,399
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	2,050	(14,226)	-	-	-	-	(12,176)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(24,901)	-	-	-	-	(22,851)
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(1,982)	-	-	-	-	68
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(21,983)	-	-	-	-	(19,933)
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(2,089)	-	(349)	(349)	-	(388)
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(379)	-	-	-	-	1,671
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	-	100%	270,237	-	270,237	229,245	(80,620)	-	(87,925)	(76,999)	-	71,626
GR PARQUE BRISA SOLAR 2	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE BRISA SOLAR 3	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE PRADO SOLAR 1	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE SOLAR SANDALO 2	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE SOLAR TUCANES	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GREENERGY RINNOVABILI ITALIA SRL	Italy	Promotion and construction of electric energy installations	100%	-	100%	100,000	-	100,000	100,000	-	-	(9,163)	(9,163)	-	90,837
GREENERGY RENEWABLES UK LIMITED	UK	Promotion and construction of electric energy installations	100%	-	100%	-	-	-	-	-	-	-	-	-	-
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	-	100%	314,453	-	314,453	264,645	(275,240)	-	(164,859)	(198,668)	-	(209,263)
KOSTEN S.A.	Argentina	Production of renewable electric energy; promotion and construction of electric energy installations	100%	-	100%	8,158,807	(2,336,000)	5,822,807	4,600,291	(1,451,244)	-	(145,422)	8,090	-	3,157,137
								31,786,544							

(*) Exchange rate applied at closing of 12.31.2020, with average rates applied to the 2020 income statement.

(**) Audited financial statements

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Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GREENHOUSE SOLAR FIELDS, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(576)	-	(150)	(113)	-	2,317
GREENHOUSE SOLAR ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(414)	-	(150)	(113)	-	2,479
GREENHOUSE RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(299)	-	(150)	(113)	-	2,594
GUIA DE ISORA SOLAR 2, S.L.	Spain	Production of renewable electric energy	100%	-	100%	1,565	-	1,565	3,100	(6,592)	-	(395)	(296)	-	(3,788)
GR SOLAR 2020, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(1,901)	-	(4)	(3)	-	1,096
GR SUN SPAIN, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(2,505)	-	-	-	-	495
GR EQUITY WIND AND SOLAR, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	273,911	-	(154)	13,219	-	290,130
LEVEL FOTOVOLTAICA S.L.	Spain	Production of renewable electric energy (Inactive company)	50%	-	50%	1,504	-	1,504	3,008	(322,662)	-	(4,860)	(4,893)	-	(324,547)
GR BAÑUELA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(617)	-	-	-	-	2,383
GR TURBON RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(611)	-	-	-	-	2,389
GR AITANA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(593)	-	-	-	-	2,407
GR ASPE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(620)	-	-	-	-	2,380
VIATRES RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	40%	-	40%	1,200	-	1,200	3,000	-	-	-	-	-	3,000
EIDEN RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	-	-	-	2,651
CHAMBO RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	-	-	-	2,651
MAMBAR RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(348)	-	-	-	-	2,652
EL AGUILA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(289)	-	-	-	-	2,711
EUGABA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(368)	-	389	292	-	2,924
TAKE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(391)	-	414	311	-	2,920
NEGUA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	575	-	(533)	(399)	-	3,176
GR SISON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR PORRON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR BISBITA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR AVUTARDA RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR COLIMBO RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR MANDARIN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR DANICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CHARRAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CERCETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CALAMON RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CORMORAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR GARCILLA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-

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Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)							
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee	
												Operating profit	Continuing operations	Discontinued operations		
GR LAUNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GR MALVASIA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GR MARTINETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GR FAISAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	-	99.9%	43,150	-	43,150	35,732	1,289,309	(141,875)	517,350	69,501	-	-	1,252,667
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR MAITEN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR ALGARROBO S.P.A	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,303 (1,303)	-	-	-	-	-	-	-	-	-	-
GR PACIFIC CHILOE SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	917 (917)	-	-	-	-	-	-	-	-	-	-
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,357 (1,357)	-	-	970,530	(962,949)	-	168	(20)	-	-	7,561
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR CARZA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR PILO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR PITAO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LENGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LUMILLA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR TOROMIRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR PACAMA, S PA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-

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Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-
GR RULI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.357 (1.357)	-	-	-	-	-	-	-	-	-
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1.314 (1.314)	-	-	-	-	-	-	-	-	-
GR Roble SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Guindo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	1,191	(119)	-	(21,366)	(21,366)	-	(20,294)
GR Raúl SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Mañío SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Ciprés SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Ulmo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.441 (1.441)	-	-	-	-	-	-	-	-	-
GR Sauce SpA	Chile	Production of renewable electric energy	100%	-	100.0%	1.441 (1.441)	-	-	1,191	(358)	-	2,207	(12,804)	-	(11,971)
GR Huacano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Corcolén SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Fuínque SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Piñol SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Tayú SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Corontillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-

APPENDIX I

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Equity investments in Group companies and associates at
December 31, 2019

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Frangel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Tera SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
Greenergy OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	1,258	-	1,258	1,191	-	-	102,141	73,471	-	74,662
Parque Eólico Quillagua SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	14,907,246	-	14,907,246	19,343,306	(1,531,547)	(477,733)	79,340	(298,699)	-	17,035,327
GREENERGY PERU SAC	Peru	Promotion and construction of electric energy installations	99%	-	99%	275	-	275	275	(810,720)	-	603,265	639,558	-	(170,887)
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR BAYONAR, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR VALE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	2,862,143	-	2,862,143	3,229,815	96,067	-	(34,044)	56,849	-	3,382,731
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	2,872,698	-	2,872,698	3,241,615	96,147	-	(27,555)	38,471	-	3,376,233
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	-	98%	2,843	-	2,843	2,358	(1,505,453)	-	(91,217)	(46,006)	-	(1,549,101)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	17,799	-	17,799	96,684	2,325	-	(30,483)	(30,483)	-	68,526
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	15,311	(16,361)	-	-	-	-	(1,050)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,358	(28,637)	-	-	-	-	(26,279)
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,358	(2,279)	-	-	-	-	79
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,358	(25,281)	-	-	-	-	(22,923)
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy	-	99.99%	99.99%	2,790 (2,790)	-	-	2,351	5,950	-	(795)	(27,472)	-	(19,171)

APPENDIX I

GREENERGY RENOVABLES, S.A. AND SUBSIDIARIES

Equity investments in Group companies and associates at
December 31, 2019

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2.790 (2.790)	-	-	2,358	(436)	-	-	-	-	1,922
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	-	100%	270,237	-	270,237	261,720	(109,038)	-	(21,559)	16,966	-	169,648
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	-	100%	103,629	-	103,629	101,644	(62,294)	-	(155,654)	(266,344)	-	(226,994)
KOSTEN S.A.	Argentina	Production of renewable electric energy; promotion and construction of electric energy installations	100%	-	100%	8,158,807	-	8,158,807	5,548,811	45,291	-	(299,416)	(2,130,535)	-	3,463,567
								29,296,646							

(*) Exchange rate applied at closing of 12.31.2019, with average rates applied to the 2019 income statement.

(**) Audited financial statements

ANNEX II

Changes in the consolidation scope

The main changes to the consolidation scope corresponding to 2020 were as follows:

New inclusions in the consolidation scope during 2020:

- Incorporation of Grenergy Rinnovabili Italia SRL with share capital totaling 100,000 euros, fully subscribed and paid in at 2020 year end.
- Incorporation of GR Power, SpA with share capital totaling 1,067 euros, fully subscribed and paid in at 2020 year end.
- Incorporation of GR Pumalin SpA, GR Corcovado, SpA, GR Queulat, SpA, GR Yendegaia, SpA, GR Kawesqar, SpA, GR Hornopiren, GR Alarce Andino, SpA, GR Alarce Costero, SpA, GR Toltuaca, SpA, GR Torres del Paine, SpA, GR Patagonia, SpA, GR Nahuelbuta, SpA, GR Conguillillo, SpA, GR Villarrica, SpA, GR Archipelago Juan Fernandez, SpA, Grenergy Palmas de Cocolán, SpA, GR La Campana, SpA, GR Volcan Isluga, SpA, GR Lauca, SpA, GR Pan de Azúcar, SpA, GR Morro Moreno, SpA, GR Nevado Tres Cruces, SpA, GR Llullaillaco, SpA, GR Salar Huasco, SpA, GR Rapanui, SpA, GR Puyehue, SpA, GR Cabo de Hornos, SpA, GR Cerro Castillo, SpA, GR Pali Aike, SpA, GR Radal Siete Tazas, SpA, GR Isla Magdalena, SpA, Grenergy Llanos Challe, SpA, GR Laguna San Rafael, SpA, GR Parque Brisa Solar 2, GR Parque Brisa Solar 3, GR Parque Prado Solar 1, GR Parque Solar Sandalo 1. Grenergy Opex, S.L., Grenergy EPC Europa, S.L., and GR Power comercialización, S.L. with share capital corresponding to the minimum required by legislation in each country. At December 31, 2020 the share capital of these companies was not yet paid in.

Exclusions from consolidation scope during 2020:

- On June 27, 2019 the Parent sold its interests in GR Guindo, SpA and GR Sauce, SpA. Said sales contracts for shares of the subsidiaries included resolatory clauses which did not make the sale effective until 2020, the year in which the installations were connected and said clauses were no longer relevant.
- On June 30, 2020 the Parent sold its interests in GR Raulí SpA, GR Ulmo SpA, and GR Roble SpA.
- On September 30, 2020 the Parent sold its interests in GR Carza, SpA, GR Pilo, SpA, and GR Pitao, SpA.
- On October 31, 2020 the Parent sold its interests in GR Ciprés, SpA.

The main changes to the consolidation scope corresponding to 2019 were as follows:

New inclusions in the consolidation scope during 2019:

- On February 20, 2019 the following companies were incorporated in Spain: GR Sison Renovables, S.L.U., GR Porrón Renovables, S.L.U., GR Bisbita Renovables, S.L.U., GR Avutarda Renovables, S.L.U., GR Colimbo Renovables S.L.U., GR Mandarin Renovables, S.L.U., GR Danico Renovables, SLU, GR Charran Renovables, S.L.U., GR Cerceta Renovables, S.L.U., GR Calamon Renovables, S.L.U., GR Cormoran Renovables, GR Garcilla Renovables, S.L.U., GR Launico Renovables, S.L.U., GR Malvasia Renovables, S.L.U., GR Martineta Renovables, S.L.U., and GR Faisan Renovables, S.L.U.; with share capital of 3,000 euros for each of them. At December 31, 2019 the share capital of these companies was not yet paid in.

Exclusions from consolidation scope during 2019:

- On November 30, 2018 the Parent sold its interests in GR Chaquihue, SpA. Said sales contract for shares of the subsidiary included resolutive clauses which did not make the sale effective until 2019, the year in which the installations were connected and said clauses were no longer relevant.
- On April 19, 2019 the Parent sold its interests in GR Tamarugo, SpA.
- On June 26, 2019 the Parent sold its interests in GR Molle, SpA.
- On June 28, 2019 the Parent sold its interests in GR Bellota, SpA.

APPENDIX III

Regulatory framework

Sector regulation in Europe

Spain

The renewable energies sector is a regulated sector which saw fundamental changes in recent years, receiving a new regulatory framework in 2013. Within said framework, the main legislative reference is Act 24/2013, of December 26, on the Electricity Sector, which repealed Act 54/1997 of November 27, on the Electricity Sector.

The new Sector Act (Law 24/2013), published on December 26, 2013, ratified the provisions of Royal Decree-Law 9/2013, eliminating the so-called special regime and proposing a new remuneration regime for facilities that generate power from renewable sources, cogeneration, and waste. The new remuneration regime (known as specific remuneration, to be applied to the new installations exceptionally) is additional to the revenue obtained from the sale of energy in the market and is composed of a term per unit of installed capacity to cover, where applicable, the investment costs which cannot be recovered in the market, and a term for the operation to cover, where applicable, the difference between the operating costs and the market price.

This new specific remuneration is calculated based on a standard installation over the length of its useful regulatory life in the context of the activity performed by an efficient and well-managed company, as per the following:

- standard revenues from the sale of energy valued at the market price;
- standard operating costs; and
- the standard value of the original investment.

This remuneration regime is underpinned by a "reasonable return" on investment which is defined as the yield on the 10-year sovereign bond plus a spread (which has initially been set at 300 basis points).

The new regime establishes regulatory periods of six years and sub-periods of three years. Every three years there is scope for changing the remuneration parameters related to market price forecasts, factoring in any deviations that may have arisen during the sub-period.

Every six years the standard parameters for installations can be modified, except for the amount of initial investment and the regulatory useful lives, which remain unchanged throughout the life of the installations. Likewise, every six years the interest rate for remuneration can be changed, but only with respect to future remuneration.

The value of the standard investment for the new installations is determined via a competitive procedure.

This new remuneration is applicable from July 2013, the date on which Royal Decree Law 9/2013 entered into force.

On June 6, 2014, Royal Decree Law 413/2014 was published, regulating the production of electric energy from renewable energy sources, cogeneration, and waste. Subsequently, on June 16, 2014, Order IET/1045/2014, of the Ministry for Industry, Energy, and Tourism, was published, approving the remuneration parameters of standard facilities applicable to certain installations that produce electricity from renewable sources, cogeneration, and waste. In accordance with this new regulation, in addition to the revenue obtained from the sale of energy valued at market prices, the installations will receive specific remuneration during their regulatory life composed of a term per unit of installed capacity to cover, where applicable, the investment costs of each standard facility which cannot be recovered by the sale of energy in the market, known as investment remuneration, and a term for the operation to cover, where applicable, the difference between operating costs and revenue from participating in the market for production of a standard facility, known as operational remuneration.

It is worth highlighting that at December 31, 2019 the Group does not own any assets in Spain which could be classified as a renewable energy plant or installation whose remuneration is determined by the aforementioned regulatory framework.

The Parent focused its efforts on carrying out new developments and constructing new installations in Latin America via its subsidiaries.

On November 23, 2019 Royal Decree Law 17/2019, of November 22, was published, by virtue of which urgent measures were adopted for the necessary adaptation of remuneration parameters which affect the electricity system and further providing a response to the process of terminating activities at thermal power plants. The main aspects covered in this Royal Decree Law are as follows:

- It establishes the reasonable return for renewable energy, cogeneration, and waste, and the financial remuneration rate for production in territories outside the Iberian Peninsula for the 2020-2025 period. The rate is updated to 7.09% vs 7.398% or 7.503%, depending on the type of installations.
- It establishes that before February 29, 2020 the Government will establish the remaining remuneration parameters which will be applicable from 2020 to 2025, which previously requires the definition of the related reasonable return.
- It incorporates a mechanism which the installations that had already been granted prime remuneration when Royal Decree Law 9/2013 became effective can avail themselves of: the option for the owners to maintain a reasonable return of 7.398% for their installations until 2031. This measure will not be applicable when there is a right to receive indemnities as a consequence of a firm court sentence or definitive arbitration ruling, or if judicial or arbitration proceedings are ongoing, unless the irrevocable renunciation of said compensation, continuation or re-initiation of said proceedings is officially accredited. In addition, the installations can renounce the remuneration framework which is regulated by this Royal Decree Law and avail themselves of the ordinary framework, subject to a review every six years.

On January 21, 2020 the Council of Ministers approved the agreement comprising the Declaration regarding the Climate and Environmental Emergency in Spain, which commits the Executive to the following during the first 100 days:

- Introduce a law in parliament which guarantees that zero net emissions be achieved at the latest by 2050, implementing a 100% renewable electricity system, private and commercial vehicles with 0 grammes of CO₂ emissions per kilometer, an agricultural system neutral in equivalent CO₂ emissions, as well as a tax, budget, and financial system compatible with the necessary decarbonization of the economy and society.
- Define the path to decarbonization in the long term for our country, ensuring the objective of climate neutrality at the latest by the year 2050.
- Present the second National Plan for Adaptation to Climate Change.
- Boost the transformation of our industrial model and services sector via collective agreements for a Fair Transition together with accompanying measures.

On February 28, 2020, Order TED/171/2020, of February 24, 2020, was published for application to the regulatory period from January 31, 2020 to December 31, 2025, updating the remuneration parameters of standard facilities applicable to certain installations that produce electricity from renewable sources, cogeneration, and waste.

On March 6, 2020 the CNMC Resolutions of February 26, 2020 were published by virtue of which the remuneration for companies distributing and transporting electric energy was provisionally established for the year 2020. Approval of a remuneration resolution for the year 2020 is expected should the aforementioned remuneration resolution not be approved and made effective. In this case, the remuneration approved by Order IET/980/2016, of June 10, should continue to be applied to the first settlements payable in 2020 for distributors and Order IET/981/2016, of June 15, which established remuneration for 2016, the last remuneration scheme which has been approved and which has been applied in recent years, should continue to be applied to transporters.

On March 26, 2020, Order TED/287/2020, of March 23, was published, establishing the contribution obligations for the National Fund for Energy Efficiency in 2020.

On March 31, 2020 the Ministry for Energy Transition and the Demographic Challenge (MITERD) and the Council of Ministers agreed upon sending the National Integrated Energy and Climate Plan (PNIEC) 2021-2030 to the European Commission.

On May 19, 2020 the Council of Ministers introduced the Proposed Law on Climate Change and Energy Transition (PLCCTE) in parliament. Thus, the parliamentary procedure for ratifying a legal text which will define the regulatory and institutional framework was initiated in order to facilitate the progressive adaptation of the national reality to the demands which regulate climate-related actions and which will also facilitate and focus the decarbonization of the Spanish economy by 2050, a decarbonization process which must be socially just.

On June 24, 2020 Royal Decree-Law 23/2020 was published by virtue of which measures were approved with respect to energy issues and other areas for reactivation of the economy. This law contains a battery of measures to boost, in an orderly and rapid manner, the energetic transition to a fully renewable electricity system, as well as favoring economic reactivation in line with the European Green Deal. The regulation, amongst other matters, eliminates barriers for the massive deployment of renewable resources, defines new business models and foments energy efficiency, establishes milestones and temporary deadlines to avoid speculative movements in the utilization of network access permits, creates a new auction system which offers stability to the investor and allows all consumers to benefit from the savings associated with the integration of renewable energies in the system, while also making it possible to inject the surplus from prior years with a view to ensuring liquidity in the system and mitigating the imbalances which have been provoked by the COVID-19 crisis.

On September 22, 2020 the Government approved the National Plan for Adaptation to Climate Change.

On November 3, 2020, Royal Decree 960/2020, regulating the economic regime for installations generating electricity from renewable energy sources, was published. It was approved in application of RDL 23/2020 as the alternative remuneration framework for the specific remuneration framework. It establishes the scope of auctions for renewable energy installations, the remuneration scheme to be received, as well as the necessary requirements and guarantees.

In connection with this Royal Decree, Order TED/1161/2020, of December 4, was approved, regulating the first auction mechanism for granting the economic regime applicable to renewable energies and establishing the corresponding schedule for the 2020-2025 period.

At December 31, 2020 the Group was not operating any installations in Spain.

Italy

Italy represents one of the most mature renewable energy markets in the world.

However, this country is still far from reaching the European objectives in terms of energy and sustainability and, as also indicated in the PNIEC (National Energy and Environment Plan published by the Ministry for Economic Development), Italy needs to aggregate some 30GW of photovoltaic energy to its fuel mix, in addition to the current 20GW in the country (about 9% of its composition in terms of the source).

In coming years solar energy will represent the most attractive energy in the country, with a high chance of investor interest being created and strengthened all over the world.

The sale of energy is performed via the spot market or via PPAs.

The developments in Italy involve clear and transparent electricity regulation, which allows for the market to develop against the speculation of the past.

The applicable regulation is established in the document known as TICA (Testo integrato delle connessioni attive), in accordance with "deliberazione ARG/elt 99/08" (and all modifications and integrations thereof).

The need to make an advance payment for the connection and to start the application process for authorization within a maximum period of time provides assurance to the market that existing projects are transparent and viable.

From the environmental point of view, the regulation is well articulated, considering that as Italy is a fairly diversified territory, each of the 20 regions can apply for its own regional regulations, in custodianship of its own landscape and environment, applying different restrictions by region.

At any rate, the processes involved are standard and basically relate to art. 27bis of the DLgs 152/2006 which enacts the PAUR (Provvedimento autorizzatorio unico regionale), which in turn includes the VIA (Valutazione Impatto Ambientale) process in a single process plus the "Autorizzazione Única" - in accordance with art. 12 of the DLgs 387/2003.

Should the VIA process not be necessary, process 387 shall be directly considered for obtaining the single authorization.

Sector regulation in Latin America

Chile

Until now the Group has operated in Chile via photovoltaic installations operated under the regime for small power producers ("SPP"). The SPPs comprise all those means of generation with excess capacity less than or equal to 9 MW, connected via medium voltage networks in the distribution systems. These types of projects make up the short term Grenergy project portfolio in Chile.

The main difference in the commercialization of energy between an SPP and other producers consists in sales made at a stabilized price. This stabilized price is offered by the distributing company to the which the producer sells. This price is in turn set by the National Energy Commission every six months. It is based on the forecast made for marginal costs over the following 48 months for each base price. As it corresponds to an average performance of marginal costs over the next four years and 24 hours a day, this price does not change significantly, remaining stable in comparison with spot prices.

In addition, all producing companies can sign contracts with their clients at freely agreed-upon prices (non-regulated clients) and with the transmission/distribution companies at the base price, determined by the National Energy Commission as explained above. Another type of commercialization of generated energy is via a regulated process for supply tenders involving distributor companies. The distributor companies in turn sell their energy to final regulated clients or to unregulated clients who do not wish to freely agree upon supply contracts with producer companies.

The producing companies must notify the CDEC six months in advance with respect to the option of selling energy they will choose (at the base price or stabilized price). In order to change the option, advance notice of 12 months must be provided, with the minimum term for each option corresponding to four years.

Nonetheless, regulatory changes are currently afoot in the SPP segment which will affect product remuneration schemes (stabilized price), as well as red tape and procedures. Behind the scenes of this change, certain participants consider this stabilized price as tantamount to a cross-subsidy which is no longer necessary to foster the installation of new renewable capacity.

Amendments approved by the Ministry of Energy in October 2020 (Regulations for small-scale generation measures) establish a transitional regime for projects already under the current remuneration scheme, as well as those in late stages of progress. Projects already under operation may continue to receive the current stable price for a period of up to 14 years counting from the entry into force of the newer regulations, which is also applicable to projects in their final stages of development. To be eligible, the projects must be granted connection permission, or present the environmental paperwork within a period of 7 months. They must also have obtained the construction declaration within 18 months counting from the new regulations becoming effective. Should the above conditions not be met, new projects will continue at the stable price, although based on a different calculation method, linked to the timeframe during which each sells its energy.

On April 30, 2020 the Ministry of Energy published the decree setting the prices at the level of generation and transmission, effective from November 1, 2018, as well as the corresponding Expansion Plans of the Median Systems.

In contrast, on May 29, 2020 the CNE determined the extent of the exclusive payment established in the Law on Short Distribution (Law no. 21.194) which comprises the activities relating to electric energy transportation via distribution networks, the purchase and sale of energy and power to regulated end users, the use of distribution network installations which allow for the injection, retirement or management of electric energy, the rendering of services at legally fixed prices and the services which are provided utilizing the infrastructure or resources essential for the rendering of the aforementioned services, whose shared utilization with other services is absolutely necessary or efficient.

Peru

The electricity sector in Peru is regulated by the Electricity Concession Law, in accordance with Decree Law No. 25844, Supreme Decree No. 009-93-EM and its modifications and extensions. In accordance with this law, the electric energy sector in Peru is divided into three principal segments: generation, transmission, and distribution. Since October 2000, the Peruvian electricity system has been comprised of the National Interconnected Electricity System ("SEIN" in its Spanish acronym) as well as other connecting systems. The Group supplies renewable electric energy in the segment which belongs to SEIN based on Law No. 28832 of 2006, which ensures the efficient generation of electric energy, introducing important changes in the regulation of the sector.

In accordance with the Electricity Concession Law, the operation of energy generation installations and transmission systems is subject to the regulations of the National Committee for Economic Operations - ("COES-SEIN") so as to coordinate operations at a minimum cost, ensuring the secure supply of electricity, as well as the best use of energy resources.

The COES-SEIN regulates electric energy prices and transmission prices between energy producers, as well as the consideration for owners of the transmission systems.

To foster installation of renewable energy, the Peruvian government has on several occasions held public tenders in which it offered long-term contracts (20 years) with energy prices set at a fixed rate.

During August 2019, the Peruvian government published a new regulation acknowledging fixed capacity, i.e., granting wind power projects the maximum power generated by a generation unit with a high level of security. This is a relevant step forward, considering that generation projects must deliver fixed amounts of energy once a supply contract has been signed. Peru's government is working to publish a regulation which also makes it possible to recognize solar energy as fixed power.

Colombia

Colombia liberated its electricity sector in 1995 thanks to its Electricity Public Service Act and Electricity Law (both during 1994). Regulation of this market was implemented by the Energy and Gas Regulation Commission. It enacted the basic rules and launched this new approach in July 1995. The sector separates its activities into the following segments: generation, transmission, distribution, and sales.

Energy purchase-sale transactions between generators and sellers takes place on the wholesale market as defined under Article 11 of Law 143 of 1994, in the following terms: *"it is the market of large wholesalers of electric energy, in which generators and sellers buy and sell energy and power on the national inter-connected system."*

Considering the system's huge proportion of hydraulic generation, as well as the existence of different climatological phenomena in the country which seriously affect the availability of hydraulic resources, the "reliability charge" was created: plants receive an additional amount for their fixed power, which is that which will likely be distributed during a drought year, in which the system guarantees there will be installed capacity to generate the country's demand when necessary. Renewable plants are entitled to receive this additional income for this or part of their annual energy output.

To foster the presence of renewable energy there, the Colombian government has held renewable energy tenders. Long-term contracts at set prices are offered during these bidding processes (listed at the price index) signed with sellers. To boost sellers' interest, the government expects that 10% of energy supplied to regulated users originate from unconventional renewable energy sources.

On June 10, 2020, articles 11, 12, 13, and 14 of Law 1715, of 2014, were enacted by Decree 289, of 2020, modifying and expanding Decree number 1625, of 2016, the Single Regulatory Framework for Tax Matters, while certain articles of Decree number 1073, the Single Regulatory Framework for the Administrative Sector of Mining and Energy, were repealed, establishing the incentives for generation of electric energy with unconventional sources, assigning competence to the UPME to issue certifications of tax benefits, and defining the steps to be taken for deduction of income tax, accelerated amortization/depreciation of assets, and exemption from tariffs on the FNCER projects.

On October 23, 2020, via Resolution no. 40311 of 2020, the Ministry of Mining and Energy established the guidelines for public policy regarding allocation of transportation capacity to generators in the National Interconnected Electricity System, as well as for loss of access, while further regulating certain additional matters such as guarantees which must be presented for the connections, behavioral norms, and a transition regime.

Argentina

Argentina's energy sector has undergone three differentiated stages which have impacted its current system. Until 1992, the scheme was based on a centralized market under heavy government control. That year, Law 24,065 went into effect, establishing the bases for creating the following: ENTRE (the National Electricity Regulatory Board), the MEM administration (Wholesale Electricity Market), setting prices on the spot wholesaler market, determining tariffs for regulated businesses, as well as evaluating assets to be privatized.

In 2002, subsequent to the country's financial crisis, the Emergency Law was approved, freezing tariffs (among other measures). This led to a situation in which incentive to invest was strongly dissuaded, with nearly all new generation and transportation projects taken over by the government. However, generation activity continues to be dominated by private-sector participants and is still liberal.

Against a backdrop of energy demand arising due to low private investment, as well as the intention to take advantage of the country's natural resources while also reducing dependence on energy from abroad, new regulations were established declaring electricity production from renewable energy projects of national interest. Specifically, Law 27,191 was approved in 2015, imposed on users consuming 8% of their energy from the above sources in 2017, and up to 20% in 2025. The need for public tenders (under the auspices of the RenovAr plan) was established within the framework of this regulation (the most representative being Law 27,191).

In these tender processes, projects obtain 20-year energy sale PPAs. CAMMESA, the counterparty, is the non-profit entity which oversees the Argentine market though the contracts are backed by a specific fund created by the Ministry of Energy and Mining, and claims can be reported to the World Bank as a last recourse. Apart from the government-backed agreement, RenovAr also offers tax breaks to attract private investment.

Mexico

On March 4, 2020 the CRE published the "Agreement by virtue of which the Regulatory Energy Commission issues the criteria for calculating the total number of Clean Energy Certificates available to cover the total amount of Clean Energy Obligations for each of the first two years in which said Obligations are effective, while establishing the Implicit Price Calculation Methodology for the Clean Energy Certificates to which the twenty second transitory provision of the Law on Energy Transition refers."

On May 1, 2020 the National Center for Energy Control (CENACE in its Spanish acronym) published the "Agreement to guarantee the Efficiency, Quality, Reliability, Continuity, and Security of the National Electricity System, with a view to acknowledging the epidemic due to the illness caused by the SARS - CoV2 virus (COVID-19)."

On May 15, 2020 the Secretariat of Energy (SENER in its Spanish acronym) published the "Agreement establishing the Policy for Reliability, Security, Continuity, and Quality in the National Electricity System."

GREENERGY RENOVABLES, S.A. and Subsidiaries

Consolidated management report for 2020

1. The Group's main activities

1.1 Nature of the Group's operations and its main activities

Greenergy is a Spanish company which produces energy based on renewable sources, specialized in the development, construction, and operation of photovoltaic and wind energy projects.

Since its incorporation in 2007, the Group has seen rapid growth and changes in the planning, design, development, construction, and financial structuring of projects. It is present in Europe as well as in Latam since the year 2012. Currently, Greenergy has offices in Spain, Italy, Chile, Peru, Colombia, Argentina, and Mexico. Greenergy's overall pipeline, which includes photovoltaic solar energy installations and wind farms in different stages of development, exceeds 6 GW.

Its business model encompasses all project phases, from development through construction and financial structuring to plant operation and maintenance. In addition, Greenergy generates income from recurring sales to third parties of non-strategic parks, combined with recurring income from its own parks in operation as well as income from O&M and AM services for plants sold to third parties. During 2020 the Group did not generate any income from the sale of energy as none of its installations were operational.

Greenergy performs its activities in each of the phases comprising the value chain of a renewable energy project, prioritizing greenfield projects, that is, those renewable energy projects starting from nothing or those already underway which require a complete modification, as compared to brownfield projects, which require certain occasional modifications, expansions or repowering.

The source of this income is technologically diversified, encompassing project developments in wind and photovoltaic energy, so that it can operate at highly competitive prices as compared to conventional energy sources. This backdrop is further favored by an emerging market for PPAs (bilateral energy purchase-sale agreements) as well as the end of the fossil fuel era as determined on a political level with a view to closing down nuclear power plants and coal plants within 10 years.

The Parent has been listed on the continuous market since December 16, 2019, with capitalization at 2020 year end totaling 943 million euros.

1.2 Pipeline phases

According to degree of maturity, the Group classifies its projects into the following phases:

- Initial or early stage development (<50%): projects which are technically and financially feasible based on the following circumstances: (i) there is land potential; (ii) access to the electricity grid is considered operationally viable; and/or (iii) it is potentially interesting for sale to third parties.
- Advanced development (>50%): projects in advanced technical and financial stages, since: (i) the land is assured, or there is at least more than a 50% probability of it being obtained; (ii) the appropriate requests to connect to the electricity grid have been filed, with a 90% or higher likelihood of being accepted; and (iii) environmental permits have been requested.
- In Backlog (>80%): projects in the final phase prior to construction, in which: (i) land and access to the electricity grid are assured; (ii) the likelihood of obtaining environmental permits is over 90%; and (iii) there are PPAs or framework agreements with energy buyers or banks which are ready to be signed, or there is a bankable price stabilization scheme.
- Under construction (100%): EPC projects in which the engineering, construction, and procurement order has been given to commence construction under the corresponding EPC contract.
- In operation: projects for which the acceptance certificate has been signed by the entity that will be the owner of the project in question, and for which responsibility over the asset has been transferred from the entity performing the EPC construction tasks to the Group's operations team.

The corresponding administrative authorizations may be obtained during any stage of the pipeline, including during the construction phase.

At December 31, 2020 the Group had over 6GW in different stages of development.

1.3 Operating divisions

The Grenergy Group classifies its different business activities under the following operational divisions:

- **Development and Construction:** this division's activities involve the search for feasible projects, in both financial as well as technical terms, the necessary work for reaching all the milestones for initiating construction, and preparatory work on the land for the construction and starting up of each project.
- Energy: this division deals with revenue obtained from the sale of energy in each of the markets in which Grenergy has or will have its own operational projects as Independent Power Producer ("IPP").

- **Services:** this division includes the services rendered for projects once the start-up date has been reached (Commercial Operation Date - "COD") and which are therefore in the operational phase. It also encompasses asset management and O&M activities provided for internal IPP projects as well as those for third parties.

2. 2020 Business Performance

The year 2020 was affected by the expansion of COVID-19, which posed significant challenges to commercial activities and introduced a degree of uncertainty surrounding economic activity and demand for energy on a global scale. The quarantine measures imposed on a large portion of the global population resulted in decreased economic activity which in turn provoked a generalized decrease in macroeconomic indicators, demand for energy, and prices of the main factors in the energy sector. The effects of the COVID-19 pandemic increase the uncertainty regarding future perspectives for companies and the economy in general, with a substantial deterioration of the recovery becoming apparent in the second half of 2020. COVID-19 did not have a significant impact on the consolidated financial statements. However, some of the measures implemented by different countries, such as restricted mobility for persons, mandatory quarantines, isolation or confinement, the closing of borders, and the closing of public and private venues (except for those covering primary needs and those related to health services) did result in a reduction of the Group's activities, mainly in Argentina and Peru, which resulted in construction delays for the Kosten and Duna & Huambos projects and delays in obtaining income from the sale of energy.

The main headings for the consolidated statement of profit or loss and the consolidated statement of financial position are explained below:

- The 2020 consolidated income statement presented revenue figures representing the best results for GREENERGY thus far. Its 23.7 million euro EBITDA and 15.1 million euro net profit reflect the push during recent years in developing and executing Latam projects in portfolio, especially in Chile. These efforts have translated into relevant positive results for the Group, establishing the bases for building the pipeline in Latin America and Spain, as foreseen.
- Total income and EBIDTA amounted to 113,431,821 euros and 23,689,697 euros, respectively, broken down by operating division as follows:

	Thousands of euros	
	2020	2019
Income		
Development and Construction	111,546	83,171
Energy	-	-
Services	1,886	1,358
Total income (*)	113,432	84,529

(*) Alternative performance measure (APM) See Appendix I.

EBITDA	Thousands of euros	
	2020	2019
Development and Construction	27,768	22,962
Energy	-	-
Services	173	101
Corporate	(4,251)	(4,592)
Total	23,690	18,471

(*) Alternative performance measure (APM) See Appendix I.

Development and Construction: the rise in income and EBITDA margin was the result of a greater number of parks under construction, offset by an increased number of parks sold during 2020 vs. the previous year (2020: 389 MW under construction and 9 parks sold, vs. 193 MW in construction and 5 sold in 2019).

Energy: Greenergy did not generate any income from the sale of energy during 2020. However, the Quillagua solar farm obtained income from the sale of energy during its testing stage in the amount of 430 thousand euros, recognized as a lesser amount for the corresponding asset.

Services: the increase in income corresponds to a greater number of parks in operation in 2020 as compared to 2019 (180MW vs. 150MW).

Corporate: corresponds to general expenses. The main EBITDA variations were due to an increase in the Group's activity and size.

- Amortization/depreciation charges, totaling 799 thousand euros, increased by 21% with respect to the previous year as a result of the increased amortization/depreciation of right-of-use assets.
- Finance cost amounted to a negative total of 7.7 million euros. This item encompasses two large figures:
 - Interest on debt associated with the projects: 2.6 million euros in expenses.
 - Negative exchange differences, mainly corresponding to provisions as a consequence of the pronounced depreciation of the US dollar against the euro during 2020.
- After tax profits for the Group totaled 15.1 million euros.
- With regard to the consolidated statement of financial position, the performance reflected at 2020 year end with respect to the prior year showed changes which reflected continuity in the Group's growth, with the most important balances being strengthened. The following are especially positive aspects worth highlighting:
 - The 106% increase in PP&E, reaching 144.8 million euros, which was a consequence of the construction of the parks which the Group intends to operate.
 - The 32% increase in equity, reaching 48.8 million euros.

- The increase in working capital, which amounts to 22.8 million euros, representing a 2% increase over the amount recognized at 2019 year end, thus permitting the Group to meet its short-term payment obligations comfortably, continue performing its activities, while ensuring its stability and a decrease in its long-term financial debt.
- The increase in net debt due to the debt associated with new projects under construction:

Net debt	12/31/2020	12/31/2019
Non-current bank borrowings (*)	35,026,283	26,097,393
Current bank borrowings (*)	4,832,787	4,841,280
Other non-current financial liabilities	156,189	208,249
Other current financial liabilities	3,054,370	3,342,401
Current financial investments - other financial assets	(6,460,724)	(6,873,062)
Cash and cash equivalents (*)	(12,492,510)	(20,408,005)
Net recourse corporate debt	24,116,395	7,208,256
Recourse project finance (*)	50,382,935	42,392,003
Recourse project treasury (*)	(5,631,607)	(8,365,082)
Net recourse project finance	44,751,328	34,026,921
Unsecured project finance (*)	62,009,987	-
Unsecured project treasury (*)	(2,445,133)	-
Net unsecured project finance	59,564,854	-
Total net debt	128,432,577	41,235,177

(*) Alternative performance measure (APM) See Appendix I.

3. Privileged information and other relevant information for FY 2020

- During the first quarter of 2020 the Group performed an exhaustive diagnosis of ESG matters as well as an assessment of materiality, which included consultation with external sources and more than 40 internal interviews. The results provided key information on areas for improvement and material issues of critical importance to the Group and its interest groups, covering a total of 21 subject matters with KPIs in four dimensions: governance, social, environmental, and economic. This information was utilized as the basis for preparing the ESG Action Plan 2021-2023 which the Company has already started implementing. It is a very detailed action plan which presents close to 70 specific actions in the areas of good governance, alignment of ESG objectives, corporate strategy, and management of risks and impacts, as well as covering communications regarding ESG matters to the public.
- In September 2020 the Group published its first sustainability report, and announced the approval of its sustainability policy. The sustainability policy describes the priorities in the area of sustainability and establishes the rules which govern the manner in which the policy is supervised, with a view to improving and articulating governance in this area and integrating it in the whole organization. A Sustainability Director has been contracted to provide leadership in the implementation of the plan.
- In December 2020, the Group arranged its first energy sale framework agreement in Colombia with the energy company Celsia, encompassing 120GW-hours per year. Said agreement, which will be signed with a series of photovoltaic solar energy projects with 76MWp in Colombia, will be progressively added to the commercial activities of Celsia starting in 2022 and for a duration of 15 years, though they will only be activated when the different solar farms become operational.

- In December 2020 the Group closed a green project financing agreement for the solar farm in Escuderos with a capacity of 200MW. Via this agreement, KfW IPEX-Bank will assume two thirds of the senior debt, approximately totaling 64 million euros, while Bankinter will finance the remaining amount, corresponding to about 32 million euros. This project finance agreement includes financing the debt for a period of 17 years counting from construction. It is a green loan in line with the Green Loan Principles (GLP) and has been independently verified for compliance by G-Advisory.

In addition, Axis Participaciones Empresariales, a venture capital management company entirely held by the ICO (Official Credit Institute) via the ICO Infraestructuras II Fund, enters the agreement with subordinated debt totaling 12.9 million euros and for the same period.

4. Strategy and objectives for upcoming years

From the commencement of its activities, the Group has fundamentally based its business model on the development, financing, and construction of solar and wind energy projects. Thus, during the 2015-2019 period the Group decided to sell all the projects it had developed in Spain and Latam to third parties, permitting Grenergy to use the funds obtained thereby to boost the inclusion of new projects in its pipeline and contribute the necessary capital to finance many of these projects so as to be able to construct and operate the portfolio of projects that had reached the ready-to-build phase.

The Group also performed O&M and asset management services in the majority of the projects transferred to third parties, which generated recurring revenue from the moment the first plants were started up in Spain.

Without prejudice to continuing the "build to sell" business model, the Group has redefined its strategic objective as the development, construction, and operation of its own projects in Europe and Latin America, so as to generate and obtain recurring income from the sale of energy generated by these projects in the medium and long term.

Thus, the Group expects that the rotation of projects in their different phases of development, always subject to their construction, will allow it to generate sufficient cash it can dedicate to investments in a portfolio of projects which will provide the basis for future recurring income once said projects are connected to the electricity grid, selling energy directly to the market or to specific buyers of energy under bilateral purchase-sale contracts or other purchase-sale framework contracts for energy at predetermined prices, or by resorting to bankable schemes for the stabilization of prices.

In addition to its solar and wind energy generation activity, the Group plans to add storage activities to its services: storing energy produced by intermittent renewable sources in order to arbitrage when selling the energy and accessing other remuneration schemes.

5. Administrative, management and supervisory bodies, and senior management

Board of Directors

Below is a description of Grenergy's Board of Directors at the date of preparation of these consolidated financial statements, indicating the positions filled by each member:

Name/corporate name	Position	Type of director	Shareholder who proposed the appointment	Date of first appointment	End of appointment
Mr. David Ruiz de Andrés	Chairman / CEO	Executive	Daruan Group Holding, S.L.	5/19/2015	11/15/2023
Mr. Antonio Jiménez Alarcón	Board member	Executive	--	11/15/2019	11/15/2023
Mr. Florentino Vivancos Gasset	Secretary and director	Proprietary	Daruan Group Holding, S.L.	5/19/2015	11/15/2023
Ms. Ana Peralta Moreno	Board member	Independent	--	6/27/2016	11/15/2023
Mr. Nicolás Bergareche Mendoza	Board member	Independent	--	6/27/2016	11/15/2023
Ms. María del Rocío Hortigüela Esturillo	Board member	Independent	--	11/15/2019	11/15/2023

The shareholders of the Parent in general meeting, held on June 29, 2020, agreed upon the reappointment of Ms. Ana Cristina Peralta Moreno as independent Board member and Mr. Nicolás Bergareche Mendoza as independent Board member.

As indicated in the Parent's Board of Directors' regulations, it is especially empowered to do the following (among others): (i) call Board meetings; (ii) add items to the agenda of an already programmed meeting; (iii) coordinate and gather all non-executive directors; and (iv) oversee periodic assessments by the Chairman of the Board, where applicable.

Senior executives

The senior executives of the Group (understood as those who report directly to the Board of Directors and/or the CEO) at the date of preparation of these consolidated financial statements follow:

Name	Position
Mr. David Ruiz de Andrés	Chief Executive Officer (CEO)
Mr. Antonio Jiménez Alarcón	Chief Finance Officer (CFO) and Executive Board Member
Ms. Mercedes Español Soriano	Director of Development and M&A
Mr. Daniel Lozano Herrera	Investor Relations and Communications Director
Mr. Álvaro Ruiz Ruiz	Director of Legal Area

Average workforce

The average number of employees in 2020, broken down by professional categories, was the following:

Category	2020
Directors and Senior Management	9
Department directors	23
Other	129
Total	161

6. Information on the nature and level of risk of financial instruments

The activities of the Group are exposed to various financial risks: market risk (including exchange rate risk), and liquidity risk. The Group's risk management is focused on the uncertainty of financial markets and attempts to minimize the potentially adverse effects on its profitability, using certain financial instruments for this purpose. The chief financial risks which might affect the Group are indicated in Note 24.1 of the accompanying notes to the consolidated financial statements.

7. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Group carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and its evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life the project, and also to define the preventative, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These Programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These Programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Group contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the periodic associated reporting, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The Group's projects are generally affected by the environmental impact of land occupation. Thus, the land selection phase plays a fundamental role and the Group searches for and locates land using a system for analyzing current environmental values with a view to minimizing environmental impact.

8. Investment in research and development

The Group did not capitalize any amounts during 2020 related to research and development.

9. Treasury shares

The treasury share portfolio at the closing of FY 2020 is comprised of the following:

	Balance at 12.31.2020
Number of shares in treasury share portfolio	484,345
Total treasury share portfolio	8,115,274
Liquidity Accounts	200,518
Fixed Own Portfolio Account	7,914,756

During FY 2020, the movements in the treasury share portfolio of the Parent were as follows:

	Treasury shares		
	Number of shares	Nominal amount	Average acquisition price
Balance at 12.31.2019	556,815	3,328,497	5.98
Acquisitions	951,635	16,019,484	16.83
Disposals	(1,024,105)	(11,232,707)	10.97
Balance at 12.31.2020	484,345	8,115,274	16.75

The purpose of holding the treasury shares is to maintain them available for sale in the market as well as for the incentive plan approved for directors, executives, employees, and key collaborators of the Group (Note 13.5).

At December 31, 2020 treasury shares represent 2% of all the Parent's shares.

10. Average supplier payment period

In compliance with Law 31/2014, of December 3, which amends additional provision three of Law15/2010, of July 5, establishing measures to be taken in combating arrears in commercial transactions, the Group reported that the average payment period for the Parent, Grenergy Renovables, S.A., to its suppliers was 56.21 days.

11. Annual Corporate Governance Report

The Annual Corporate Governance Report for 2020 is attached as an appendix and forms an integral part hereof, as provided in article 526 of the Corporate Enterprises Act.

12. Events after the reporting period

No significant events took place between December 31, 2020 and the date of authorization for issue of the accompanying consolidated financial statements that may require disclosure.

13. Final considerations

We'd like to take this opportunity to thank our clients for their confidence in us, as well as our suppliers and strategic partners for their constant support; our investors for having believed in Grenergy since its shares were issued, and especially to our Group's collaborators and employees, since without their efforts and dedication, we would find it difficult to achieve the established targets or the results obtained.

Appendix I: Glossary of alternative performance measures (APM)

This consolidated management report includes financial figures considered alternative performance measures (APMs), in conformity with the directives published by the *European Securities and Markets Authority* (ESMA) in October, 2015.

APMs are presented to provide a better assessment of the Group's financial performance, cash flows, and financial position, to the extent that Grenergy uses them when making financial, operational, or strategic decisions for the Group. However, these APMs are not audited, nor is it necessary to disclose or present them under IFRS-EU. Therefore, they must not be considered individually but rather as complementary information to the audited financial data or the financial information subject to limited reviews prepared in accordance with IFRS-EU standards. Further, these measures may differ in both definition as well as in their calculation as compared to similar measures used by other companies, and are thus not necessarily comparable.

The following is an explanatory glossary of APMs utilized, including calculation methods, and definition/relevance, as well as their reconciliation with items recorded in Grenergy's 2020 and 2019 consolidated financial statements.

ALTERNATIVE PERFORMANCE MEASURE (APM)	CALCULATION METHOD	DEFINITION/RELEVANCE
Income	"Revenue" + "Work performed by the entity and capitalized" + "Gains (losses) on disposals and other."	Indicates the total volume of income obtained from the Group's operating activities.
EBITDA	"Operating profit" - "Impairment and losses" - "Amortization and depreciation of assets."	Indicates the Group's profit-generating capacity, solely based on its operating activities, eliminating depreciation/amortization provisions and impairment losses on assets.
Net debt	"Non-current borrowings" + "Current borrowings" - "Current financial investments" - "Other financial assets" - "Cash and cash equivalents."	A figure for use in analyzing the Group's financial position.
Non-current borrowings	bank "Non-current: Bonds and other marketable securities" + "Non-current bank borrowings" + "Non-current finance lease liabilities" - Non-current project bank borrowings.	The amount of financial debt payable by the Group over a period exceeding one year.
Current bank borrowings	"Current bank borrowings" + "Current finance lease liabilities" - Current project bank borrowings.	The amount of financial debt payable by the Group within a year.
Cash and cash equivalents	"Cash and cash equivalents" - Project cash balance	The amount subtracted from financial debt to obtain net debt.
Recourse project finance	Non-current recourse project finance bank borrowings+ Current recourse project finance bank borrowings.	Indicates secured borrowings of the Parent.
Recourse project treasury	"Cash and cash equivalents" - Cash in hand and equivalents - Unsecured project treasury	The amount disbursed by the financing entity attributable to project construction.
Unsecured project debt	Non-current unsecured project finance bank borrowings+ Current unsecured project finance bank borrowings	Indicates unsecured borrowings of the Parent.
Unsecured treasury	project "Cash and cash equivalents" - Cash in hand and equivalents and unsecured project treasury	The amount disbursed by the financing entity attributable to project construction.

The following is a reconciliation of APMs used (in euros):

Income

RECONCILIATION OF INCOME	12/31/2020	12/31/2019
"Revenue"	73,385,606	72,289,630
+ "Work performed by the entity and capitalized"	40,046,215	12,239,733
+ "Gains (losses) on disposals and other"	--	516
Total income	113,431,821	84,529,879

EBITDA

RECONCILIATION OF EBITDA	12/31/2020	12.31.2019
"Operating profit"	23,165,812	17,518,566
- "Impairment and losses"	275,386	(291,320)
- "Depreciation and amortization"	(799,271)	(660,945)
Total EBITDA	23,689,697	18,470,831

Net debt

RECONCILIATION OF NET DEBT	12/31/2020	12.31.2019
"Non-current borrowings"	132,460,789	67,239,122
+ "Current borrowings"	23,001,762	9,642,204
- "Current financial investments"—"Other financial assets"	6,460,724	6,873,062
- "Cash and cash equivalents"	20,569,250	28,773,087
Total Net Debt	128,432,577	41,235,177

Non-current financial debt

RECONCILIATION OF NON-CURRENT FINANCIAL DEBT	12/31/2020	12/31/2019
"Non-current: Bonds and other marketable securities"	21,496,590	21,539,686
"Non-current bank borrowings"	106,608,483	41,764,740
+ "Non-current finance lease liabilities"	4,199,527	3,726,447
+ "Non-current derivatives"	2,044,363	--
- Non-current project finance bank borrowings	(99,322,680)	(40,933,480)
Total non-current financial debt	35,026,283	26,097,393

Current financial debt

RECONCILIATION OF CURRENT FINANCIAL DEBT	12/31/2020	12/31/2019
"Bonds and other marketable securities"	151,920	--
+ "Current bank borrowings"	16,716,858	4,953,157
+ "Current finance lease liabilities"	681,559	692,217
+ "Current derivatives"	352,692	654,429
- Current project finance bank borrowings	(13,070,242)	(1,458,523)
Total current financial debt	4,832,787	4,841,280

Cash and cash equivalents

RECONCILIATION OF CASH AND CASH EQUIVALENTS	12/31/2020	12/31/2019
"Cash and cash equivalents"	20,569,250	28,773,087
- Project treasury	(8,076,740)	(8,365,082)
Total cash and cash equivalents	12,492,510	20,408,005

Recourse project finance

RECONCILIATION OF RECOURSE PROJECT FINANCE	12/31/2020	12/31/2019
Non-current recourse project finance bank borrowings	40,399,620	40,933,480
+ Current recourse project finance bank borrowings	9,983,315	1,458,523
Total recourse project finance	50,382,935	42,392,003

Unsecured project debt

RECONCILIATION OF UNSECURED PROJECT DEBT	12/31/2020	12/31/2019
Non-current unsecured project finance bank borrowings	58,923,060	--
+ Current unsecured project finance bank borrowings	3,086,927	--
Total recourse project finance	62,009,987	--

Recourse project treasury

RECONCILIATION OF RECOURSE PROJECT TREASURY	12/31/2020	12/31/2019
"Cash and cash equivalents"	20,569,250	28,773,087
- Cash in hand and equivalents	(12,492,510)	(20,408,005)
- Unsecured project treasury	(2,445,133)	--
Total recourse project treasury	5,631,607	8,365,082

Unsecured project treasury

RECONCILIATION OF UNSECURED PROJECT TREASURY	12/31/2020	12/31/2019
"Cash and cash equivalents"	20,569,250	28,773,087
- Cash in hand and equivalents	(12,492,510)	(20,408,005)
- Recourse project treasury	(5,631,607)	(8,365,082)
Total unsecured project treasury	2,445,133	--

AUTHORIZATION OF THE CONSOLIDATED FINANCIAL STATEMENTS AND THE CONSOLIDATED MANAGEMENT REPORT FOR THE YEAR ENDED DECEMBER 31, 2020

The consolidated financial statements and consolidated management report for FY 2020 were authorized for issue by the Board of Directors of the Parent, GREENERGY RENOVABLES, S.A., in its meeting on February 23, 2021, for the purpose of submission for verification by the auditors and subsequent approval by the shareholders in general meeting.

Mr. Florentino Vivancos Gasset is authorized to sign all pages comprising the consolidated financial statements and consolidated management report for FY 2020.

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. David Ruiz de Andrés
(Chief Executive Officer)

Mr. Antonio Jiménez Alarcón
(Board Member)

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. Florentino Vivancos Gasset
(Board Member)

Ms. Ana Peralta Moreno
(Board Member)

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. Nicolás Bergareche Mendoza
(Board Member)

Ms. María del Rocío Hortigüela Esturillo
(Board Member)

Audit Report on Financial Statements
issued by an Independent Auditor

GREENERGY RENOVABLES, S.A.
Financial Statements and Management Report
for the year ended
December 31, 2020



AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

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

To the shareholders of GREENERGY RENOVABLES, S.A.:

Report on the financial statements

Opinion

We have audited the financial statements of GREENERGY RENOVABLES, S.A. (the Company), which comprise the balance sheet as at December 31, 2020, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2020 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

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

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

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

Key audit matters

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

Valuation of investments in and loans to group companies and associates

Description	<p>As disclosed in the accompanying balance sheet at December 31, 2020, the Company recorded equity instruments as well as non-current and current loans to group companies and associates under "Non-current and current assets - Investments in group companies and associates," amounting to 31,787 thousand, 19,754 thousand, and 13,745 thousand euros, respectively.</p> <p>As explained in Note 4.4.b) to the accompanying financial statements, at least at year end, the Company assesses if there is evidence of impairment and recognizes any impairment loss. Said impairment losses are calculated as the difference between the investment's carrying amount and its recoverable amount, deemed to be the higher of fair value less costs to sell and the present value of the future cash flows from the investment. Unless better evidence is available, impairment losses on these types of assets are estimated taking into account the investee's equity adjusted for any unrealized capital gains existing on the measurement date.</p> <p>To determine recoverable amount, the directors base their estimates on discounted cash flow analysis, which requires them to make significant judgments with respect to certain key assumptions, particularly, business plan projections and discount rates.</p> <p>Due to the significance of the amounts involved, as well as the inherent complexity and sensitivity of the estimates made by the complexity, we determined this to be a key audit matter.</p>
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Our response	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">▶ Understanding the criteria established by management to identify indications of impairment.▶ Comparing the value of investments in group companies and associates and the related loans with their carrying amounts (equity), adjusted by unrealized capital gains existing at year end to identify indications of impairment.▶ Reviewing the consistency and reasonableness of the methodology used to build the cash flow projections by verifying arithmetical calculations of recoverable amount.▶ Reviewing the reasonableness of the financial information included in the financial models, based on the judgments and hypotheses made, and the discount rate applied.▶ Verifying that the accompanying notes to the financial statements include the information required by the applicable financial reporting framework.
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Sale of subsidiaries

Description	<p>As explained in Note 9.1 to the accompanying financial statements, in 2020, the Company signed an agreement with third parties for the sale of several subsidiaries, for which it obtained a profit of 19,042 thousand euros. This amount is shown in “Impairment and gains/(losses) on disposal of financial instruments” on the accompanying income statement.</p> <p>As explained in Note 4.4b) to the accompanying financial statements, in accordance with the regulatory financial reporting framework applicable in Spain, the Company will derecognize the investment in group companies when the risks and rewards incidental to ownership have been substantially transferred. The difference between the consideration received, net of attributable transaction costs and the carrying amount of the investment in group companies, determines the gain or loss generated upon derecognition and is included in the income statement for the year to which it relates.</p> <p>Due to the significant impact of the sale of these subsidiaries on the income statement and the complexity of the sale agreements entered into during the year, we determined this to be a key audit matter.</p>
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Our response	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">▶ Understanding the transactions carried out by analyzing the sale agreements reached and holding meetings with Company Management.▶ Reviewing the accounting effects arising from the difference between the acquisition cost of the investments in group companies and the value of the consideration received.▶ Examining bank statements to verify collection of the sale of the subsidiaries in accordance with the payment schedule stipulated in the sale agreement.▶ Verifying that the accompanying notes to the financial statements include the information required by the applicable financial reporting framework.
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Balances and transactions with group companies

Description	<p>As explained in Note 21.1 to the accompanying financial statements, the Company acts as a supplier to the Group, to which it sells components required for photovoltaic park installations (panels, inverters, etc.) for significant amounts.</p> <p>Due to the significance of the balances and transactions with group of companies, as well as the risk that the measurement of these transactions might be incorrect and/or questioned in the event of a tax inspection, we determined this to be a key audit matter.</p>
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Our response	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none">▶ Understanding transactions between related parties through consultations with management.▶ Obtaining supporting documentation for the most significant transactions with related parties to validate the terms and conditions applied as well as whether they were measured at arm’s length prices in accordance with prevailing accounting regulations.▶ Reconciling balances and transactions with other group companies.
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- ▶ Involving our tax specialists to analyze the latest transfer pricing report prepared by the Company with its tax advisers.
- ▶ Verifying that the accompanying notes to the financial statements include the information required by the applicable financial reporting framework.

Other information: management report

Other information refers exclusively to the 2020 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

- a. Checking only that certain information included in the Corporate Governance Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.
- b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2020 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the audit committee for the financial statements

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

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

The audit committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

We communicate with the audit committee of the Company 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.

We also provide the audit committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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

Report on other legal and regulatory requirements

Additional report to the audit committee

The opinion expressed in this audit report is consistent with the additional report we issued to the audit committee on February 23, 2021.

Term of engagement

The ordinary general shareholders' meeting held on June 17, 2019 appointed us as Group auditors for three years, commencing on December 31, 2019.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(signed in the original version)

David Ruiz-Roso Moyano
(Registered in the Official Register of
Auditors under No. 18336)

February 23, 2021



GREENERGY RENOVABLES, S.A.

**FINANCIAL STATEMENTS AND MANAGEMENT REPORT
FOR THE YEAR ENDED
DECEMBER 31, 2020**

Translation of a report issued in Spanish. In the event of a discrepancy, the Spanish language version prevails.

GREENERGY RENOVABLES, S.A.

Financial statements for the year ended December 31, 2020

BALANCE SHEET AT DECEMBER 31, 2020 AND 2019

(Euros)

ASSETS	Notes to the financial statements	Financial Year 2020	Financial Year 2019	EQUITY AND LIABILITIES	Notes to the financial statements	Financial Year 2020	Financial Year 2019
NON-CURRENT ASSETS		52,916,767	41,057,346	EQUITY		57,377,917	35,181,470
Intangible assets	6	81,063	70,720	CAPITAL AND RESERVES		57,377,917	35,181,470
Patents, licenses, trademarks, et al.		4,208	-	Share capital	13.1	8,507,177	8,507,177
Software		76,855	70,720	Issued capital		8,507,177	8,507,177
Property, plant, and equipment	7	824,388	644,883	Share premium	13.2	6,117,703	6,117,703
Plant and other PP&E items		824,388	644,883	Reserves and retained earnings	13.3	28,952,022	16,703,061
Investments in group companies and associates	9.1	51,540,108	39,474,745	Legal reserve		1,447,390	729,187
Equity instruments		31,786,544	29,296,646	Voluntary reserves		27,504,632	15,973,874
Loans to group companies and associates	21.1	19,753,564	10,178,099	(Own shares and equity holdings)	13.3	(8,115,274)	(3,328,497)
Financial investments	9.2	24,618	24,000	Profit (loss) for the year	3	21,916,289	7,182,026
Other financial assets		24,618	24,000	NON-CURRENT LIABILITIES		31,086,775	22,710,798
Deferred tax assets	17	446,590	842,998	Borrowings		31,086,775	22,710,798
				Bonds and other marketable securities	14.1	21,496,591	21,539,687
CURRENT ASSETS		74,921,315	48,630,700	Bank borrowings	14.2 and 14.3	9,330,166	831,260
Inventories	10	4,661,388	1,692,133	Finance lease payables	8.1	103,829	131,602
Raw materials and other consumables		516,832	872,111	Other financial liabilities	14.4	156,189	208,249
Work in progress		3,456,246	820,022	CURRENT LIABILITIES		39,373,390	31,795,778
Prepayments to suppliers		688,310	-	Borrowings		7,232,851	6,868,629
Trade and other receivables		43,492,691	18,531,402	Bonds and other marketable securities		151,920	-
Trade receivables	11	1,083,199	64,561	Bank borrowings	14.2 and 14.3	3,998,307	3,493,301
Trade receivables from group companies and associates	21.1	38,916,536	16,178,806	Finance lease payables	8.1	28,254	32,927
Other accounts receivable	11	3,088,626	1,651,195	Other financial liabilities	14.4	3,054,370	3,342,401
Receivable from employees		54	-	Payables to group companies and associates	15 and 21.1	277,688	242,988
Other receivables from public administrations	17	404,276	636,840	Trade and other payables		31,862,851	24,684,161
Investments in group companies and associates	9.1 and 21.1	13,744,945	3,933,100	Suppliers		29,459,121	17,412,657
Loans to group companies and associates		13,744,945	3,933,100	Suppliers, group companies and associates	21.1	-	5,436
Financial investments	9.2	6,359,430	6,857,767	Other accounts payable		1,541,020	1,543,743
Other financial assets		6,359,430	6,857,767	Employee benefits payable		453,774	415,669
Accruals		260,472	206,844	Current income tax liabilities	17	151,586	525,521
Cash and cash equivalents	12	6,402,389	17,409,454	Other payables to public administrations	17	257,350	200,859
Cash in hand		6,402,389	17,409,454	Customer advances	11	-	4,580,276
TOTAL ASSETS		127,838,082	89,688,046	TOTAL EQUITY AND LIABILITIES		127,838,082	89,688,046

The accompanying notes 1 to 24 and appendices are an integral part of the balance sheet at December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A.

Financial statements for the year ended December 31, 2020

GREENERGY RENOVABLES, S.A.**INCOME STATEMENT FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019**

(Euros)

	Notes to the financial statements	Financial Year 2020	Financial Year 2019
CONTINUING OPERATIONS			
Revenue	23	79,301,890	54,862,112
Sale of goods		79,099,678	54,625,015
Rendering of services		202,212	237,097
Changes in inventory of finished products and work in progress		2,636,224	820,022
Cost of sales	18	(65,774,031)	(48,123,539)
Consumption of goods for resale		(65,774,031)	(48,123,539)
Other operating income		483,145	1,057,831
Ancillary income		483,145	1,057,831
Employee benefits expense		(3,603,633)	(2,921,315)
Wages, salaries, et al		(2,766,709)	(2,275,416)
Social security costs, et al	18	(836,924)	(645,899)
Other operating expenses		(2,045,577)	(2,563,675)
External services		(2,032,976)	(2,559,971)
Other taxes		(12,601)	(3,704)
Other current management expenses		-	-
Depreciation and amortization	6 and 7	(153,814)	(93,989)
Impairment and gains (losses) on disposal of assets	7	-	516
Gains (losses) on disposals		-	516
Other gains or losses		(114,777)	(19,223)
OPERATING PROFIT (LOSS)		10,729,427	3,018,740
Finance income	18	982,277	499,708
From marketable securities & other financial instruments		982,277	499,708
- Of group companies and associates	21.1	825,042	439,712
- Of third parties		157,235	59,996
Finance costs	18	(2,269,129)	(1,038,917)
Borrowings from third parties		(2,269,129)	(1,038,917)
Borrowings from group companies and associates		-	-
Exchange gains (losses)	18	(2,132,940)	(73,776)
Impairment and gains (losses) on disposal of financial instruments	9.1 and 18	18,939,518	6,623,212
Impairment and losses		(102,655)	(300,417)
Gains (losses) on disposals	9.1	19,042,173	6,923,629
FINANCE COST		15,519,726	6,010,227
PROFIT (LOSS) BEFORE TAX		26,249,153	9,028,967
Corporate income tax	17	(4,332,864)	(1,846,941)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		21,916,289	7,182,026
PROFIT FOR THE YEAR		21,916,289	7,182,026

The accompanying notes 1 to 24 and appendices are an integral part of the income statement for the years ended December 31, 2020 and 2019.

GREENERGY RENOVABLES, S.A.

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

A) STATEMENT OF RECOGNIZED INCOME AND EXPENSE (Euros)

	Notes to the financial statements	Financial Year 2020	Financial Year 2019
PROFIT (LOSS) FOR THE PERIOD (I)	3	21,916,289	7,182,026
Income and expense recognized directly in equity		-	-
IV. Other adjustments		-	-
V. Tax effect		-	-
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY (II)		-	-
Amounts transferred to the income statement		-	-
TOTAL AMOUNTS TRANSFERRED TO PROFIT OR LOSS (III)		-	-
TOTAL RECOGNIZED INCOME AND EXPENSE (I+II+III)		21,916,289	7,182,026

The accompanying notes 1 to 24 and appendices are an integral part of the statement of recognized income and expense for the years ended December 31, 2020 and 2019.

B) STATEMENT OF TOTAL CHANGES IN EQUITY (Euros)

	Share capital (Note 12.1)	Share premium (Note 12.2)	Reserves (Note 12.3)	(Own shares and equity investments) (Note 12.3)	Profit (loss) for the year (Note 3)	TOTAL
BALANCE AT DECEMBER 31, 2018	3,645,933	6,117,703	12,726,160	(2,062,969)	8,991,163	29,417,990
Adjustments and/or corrections of errors	-	-	-	-	(2,263,738)	(2,263,738)
ADJUSTED OPENING BALANCE 2019	3,645,933	6,117,703	12,726,160	(2,062,969)	6,727,425	27,154,252
Total recognized income and expense	-	-	-	-	7,182,026	7,182,026
Transactions with shareholders or owners	-	-	-	-	-	-
Capital increases	4,861,244	-	(4,861,244)	-	-	-
Transactions with treasury shares or own equity instruments (net)	-	-	2,110,720	(1,265,528)	-	845,192
Other changes in equity	-	-	6,727,425	-	(6,727,425)	-
BALANCE AT DECEMBER 31, 2019	8,507,177	6,117,703	16,703,061	(3,328,497)	7,182,026	35,181,470
Adjustments and/or corrections of errors	-	-	-	-	-	-
ADJUSTED OPENING BALANCE 2020	8,507,177	6,117,703	16,703,061	(3,328,497)	7,182,026	35,181,470
Total recognized income and expense	-	-	-	-	21,916,289	21,916,289
Transactions with shareholders or owners	-	-	-	-	-	-
Capital increases	-	-	-	-	-	-
Transactions with treasury shares or own equity instruments (net)	-	-	5,066,935	(4,786,777)	-	280,158
Other changes in equity	-	-	7,182,026	-	(7,182,026)	-
BALANCE AT DECEMBER 31, 2020	8,507,177	6,117,703	28,952,022	(8,115,274)	21,916,289	57,377,917

The accompanying notes 1 to 24 and appendices are an integral part of the statement of changes in equity for the years ended 31 December 2020 and 2019.

GREENERGY RENOVABLES, S.A.

CASH FLOW STATEMENT FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

(Euros)

	Notes	2020	2019
A) CASH FLOWS FROM OPERATING ACTIVITIES			
1. Profit (loss) before tax		26,249,153	9,028,967
2. Adjustments to profit		3,676,261	1,171,170
a) Depreciation and amortization (+)	6 and 7	153,814	93,989
e) Gains (losses) from derecognition and disposal of assets (+/-)		-	(516)
f) Gains (losses) on derecognition and disposal of financial instruments (+/-)	9.1	102,655	25,000
g) Finance income (-)	18	(982,277)	(59,996)
h) Finance costs (+)	18	2,269,129	1,038,917
i) Exchange gains (losses) (+/-)	18	2,132,940	73,776
3. Changes in working capital		(23,090,008)	20,745,442
a) Inventories (+/-)		(2,969,255)	(575,827)
b) Trade and other receivables (+/-)		(24,961,289)	8,037,622
c) Other current assets (+/-)		(53,628)	(144,305)
d) Trade and other payables (+/-)		4,894,164	13,427,952
4. Other cash flows from operating activities		(5,744,844)	(3,004,042)
a) Interest paid (-)		(2,117,209)	(1,038,917)
c) Interest received (+)		157,235	59,996
d) Income tax receipts (payments) (+/-)	17	(3,784,870)	(2,025,121)
5. Cash flows from operating activities (+/-1+/-2+/-3+/-4)		1,090,562	27,941,537
B) CASH FLOWS FROM INVESTING ACTIVITIES			
6. Payments on investments (-)		(21,499,101)	(36,008,809)
a) Group companies and associates	9.1	(21,154,821)	(28,609,103)
b) Intangible assets	6	(32,547)	(81,501)
c) Property, plant, and equipment	7	(311,115)	(437,478)
e) Other financial assets		(618)	(6,880,727)
7. Proceeds from disinvestments (+)		498,337	40,755
c) Property, plant, and equipment	7	-	40,755
e) Other financial assets		498,337	-
8. Cash flows from (used in) investing activities (7-6)		(21,000,764)	(35,968,054)
C) CASH FLOWS FROM FINANCING ACTIVITIES			
9. Proceeds from and payments on equity instruments	13	280,158	845,192
c) Acquisition of own equity instruments		(16,019,484)	(3,882,063)
d) Disposal of own equity instruments		16,299,642	4,727,255
10. Proceeds from and repayment of financial liabilities		8,911,010	16,334,456
a) Issues	14	11,403,033	23,638,014
1. Bonds and other marketable debt securities (+)		-	21,539,687
2. Bank borrowings (+)		11,368,333	-
3. Borrowings from group companies and associates (+)		34,700	-
4. Other borrowings (+)		-	2,098,327
b) Repayment and redemption:	14	(2,492,023)	(7,303,558)
2. Bank borrowings (-)		(2,439,963)	(4,714,540)
3. Borrowings from group companies and associates (-)		-	(2,530,731)
4. Other borrowings (-)		(52,060)	(58,287)
12. Cash flows from financing activities (+/-9+/-10-11)		9,191,168	17,179,648
D) Effect of changes in exchange rates		(288,031)	-
E) NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS (+/-A+/-B+/-C+/- D)		(11,007,065)	9,153,131
Cash and cash equivalents at January 1	12	17,409,454	8,256,323
Cash and cash equivalents at December 31	12	6,402,389	17,409,454

The accompanying notes 1 to 24 and appendices are an integral part of the cash flow statement for the years ended December 31, 2020 and 2019.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

1. Activity

GREENERGY RENOVABLES, S.A. ("the Company") was incorporated in Madrid on July 2, 2007 via public deed, as filed at the Mercantile Registry of Madrid in Tome 24.430, Book 0, Folio 112, Section 8, Page M-439.423, 1st inscription. Its registered business and tax address, where it also performs its activities, is located at Calle Rafael Botí, nº 26, Madrid.

The corporate purpose of the Company and the sectors in which it performs its activities are as follows: the promotion and commercialization of renewable energy installations, production of electric energy and any complementary activities, including the management and operation of such installations.

As described in Note 13.1, the Company is a member of the Daruan group, the parent of which is Daruan Group Holding, S.L.U., which has its registered address at calle Rafael Botí no. 2, Madrid.

The Daruan group's consolidated financial statements for the year ended December 31, 2019, as well as the corresponding management and audit reports, were filed at the Mercantile Registry of Madrid on November 25, 2020. The Daruan group's consolidated financial statements for the year ended December 31, 2020, as well as the corresponding management and audit reports, will be filed at the Madrid Mercantile Registry.

The shares of the Company have been listed on the Madrid, Barcelona, Bilbao, and Valencia stock exchanges since December 16, 2019.

As disclosed in Note 9, the Company holds shares in subsidiaries and is the head of a group of companies which comprise the Grenergy Group. The consolidated financial statements of the Grenergy Group for the year ended December 31, 2020, as well as the corresponding management and audit reports, will be filed at the Madrid Mercantile Registry.

2. Basis of presentation of the financial statements

2.1 True and fair view

The financial statements for the year ended December 31, 2020 were prepared based on the accounting registers of the Company and give a true and fair view of its equity and financial position, the results of its operations, the changes in equity, and the cash flows during the period. They were prepared by the directors of the Company in accordance with the applicable regulatory framework for financial information, as established in:

- a) The Spanish Code of Commerce and remaining mercantile legislation.
- b) Spanish GAAP approved by Royal Decree 1514/2007, partially modified by Royal Decree 1159/2010 of September 17 and Royal Decree 602/2016 of December 2, and its sector adaptations.

GREENERGY RENOVABLES, S.A.

Financial statements for the year ended December 31, 2020

- c) Binding rules approved by the ICAC (Instituto de Contabilidad y Auditoría de Cuentas - Spanish Audit and Accounting Institute) enacting Spanish GAAP and its complementary regulations.
- d) Other applicable Spanish accounting regulations.

The Company's financial statements for the year ended December 31, 2019 were approved by the shareholders in general meeting on June 29, 2020. The accompanying 2020 financial statements, prepared by the directors, will be submitted for approval at the general shareholders meeting, where they are expected to be approved without modification.

2.2 Non-obligatory accounting principles applied

The main accounting principles adopted by the Company are presented in Note 4. All accounting principles or recognition and measurement standards with a significant effect on the financial statements were applied in their preparation.

The figures included in all statements comprising the financial statements (balance sheet, income statement, statement of changes in equity, cash flow statement, and the accompanying notes) are presented in euros, the functional currency of the Company, unless indicated otherwise.

2.3 Critical issues concerning the measurement and estimation of uncertainty

The preparation of certain information included in the accompanying financial statements required the use of estimates based on assumptions made by senior management, subsequently ratified by the directors of the Company, for the quantification of certain assets, liabilities, income, expenses, and commitments contained therein.

The most significant estimates used to prepare these financial statements relate to:

- Impairment losses on equity instruments (Note 9.1.a)
- Recognition of transactions with related parties at market prices (Note 21.1)

These estimates and hypotheses are based on the best information available at the date of preparation of these financial statements regarding the estimation of uncertainty at the reporting date and are reviewed periodically. However, it is possible that these periodic reviews or future events may require the Company to modify the estimates made in coming periods. Should this occur, the effects of the changes in estimates shall be recognized prospectively in the income statement of the corresponding period and successive periods in accordance with the stipulations established in Spanish GAAP recognition and measurement standard number 22 on changes in accounting criteria, errors, and estimates.

2.4 Comparative information

In accordance with mercantile legislation, for each of the headings presented in the balance sheet, the income statement, the statement of changes in equity, and the cash flow statement, in addition to the figures for 2020, those for the prior year are also included for comparative purposes. Quantitative information for the previous year is also included in the notes to the accompanying financial statements unless an accounting standard specifically states that this is not required.

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3. Appropriation of profit

The Company's Board of Directors will submit the following proposed appropriation of profit for approval at the general shareholders' meeting:

	Euros
Proposed appropriation	
Profit for the year	21,916,289
	21,916,289
Appropriation to:	
Legal reserve	254,045
Voluntary reserves	20,919,391
Capitalization reserves	742,853
	21,916,289

4. Recognition and measurement standards

The recognition and measurement standards used in preparing the financial statements for 2020 are as follows:

4.1 Intangible assets

Intangible assets are considered to be identifiable non-monetary assets, without physical substance, which arise as a result of a legal business or are developed internally. Only those assets are recognized whose cost can be estimated reliably and for which the Company considers it probable that future economic benefits will be generated.

Intangible assets are initially recognized at acquisition or production cost, and subsequently they are measured at cost less any accumulated amortization and impairment losses.

Software

This heading includes the amounts paid to acquire software or user licenses for programs and computer applications, provided the Company plans to use them for several years. They are amortized systematically on a straight-line basis over a period of four years.

Expenses for maintenance or global reviews of the systems, or recurring expenses as a consequence of the modification or upgrading of these applications, are recognized directly as expenses in the year in which they are incurred.

4.2 Property, plant, and equipment

PP&E items correspond to those assets owned by the Company which are used in production or the provision of goods and services, or for administrative purposes, and are expected to be used over more than one period.

The assets comprising PP&E are recognized at acquisition cost (updated as per various legal provisions, if applicable) or production cost, less accumulated depreciation and any impairment losses.

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The cost of PP&E constructed by the Company is determined following the same principles as used for acquisitions. Capitalized production costs are recognized under "Work performed by the entity and capitalized" in the income statement.

Costs incurred to expand, upgrade, improve, substitute or renovate PP&E items which increase productivity, capacity or efficiency, or extend the useful life of the asset, are recognized as a greater cost of said assets with the corresponding derecognition of the assets or items that have been substituted or renovated.

The acquisition cost of the PP&E items which require a period of more than one year to be readied for use includes those financial expenses accrued before being readied for use. No corresponding amounts were recorded in this respect during the period. In contrast, finance interest accrued subsequent to said date, or related to financing acquisition of the remaining PP&E items, does not increase the acquisition cost and is recognized in the income statement for the year in which they accrue.

The costs incurred for refurbishing leased premises are included under the heading for plant, depreciated systematically on a straight-line basis over a period of 8 years and never exceeding the duration of the lease agreement.

Periodic expenses relating to conservation, repairs, and maintenance that do not increase the useful lives of assets are charged to the income statement for the year in which they are incurred.

Depreciation is calculated systematically on a straight-line basis over the estimated useful life of each asset, based on the acquisition or production cost less the residual value, as follows:

	Years of useful life
Machinery	5-10
Plant and tools	5-12
Transport equipment	5-10
Furniture and fixtures	10
Data processing equipment	4
Other PP&E items	6-8

The values and remaining life of these assets are reviewed at each reporting date and adjusted if necessary.

At the end of each period, the Company analyzes whether there are any indications that the carrying amounts of its PP&E assets exceed their corresponding recoverable amounts, that is, whether any of them are impaired. For those assets identified, it estimates the recoverable amount, which is understood to be the greater of (i) fair value less necessary sales costs and (ii) value in use. In the case of an asset that does not generate cash flows independently of other assets, the Company calculates the recoverable amount for the cash generating unit to which it belongs.

If the recoverable amount thus determined is lower than the asset's carrying amount, the difference is recognized in the income statement, reducing the carrying amount of the asset to the recoverable amount, and future depreciation charges are adjusted in proportion to the adjusted carrying amounts and the new remaining useful life, should a new estimate be necessary.

Similarly, if there is any indication of recovery in the value of an impaired asset, the Company recognizes the reversal of the impairment loss previously recorded and adjusts the future depreciation charges accordingly. Under no circumstances will said reversal result in an increase in the carrying amount of the asset exceeding that amount that would have been recognized had no impairment losses been recognized in previous years.

The gain or loss arising from disposal or derecognition of a PP&E item is calculated as the difference between the consideration received and the carrying amount of the asset, and is included in the income statement of the year in which the change occurs.

4.3 Leases

Leases qualify as finance leases when, based on the economic terms of the arrangement, all risks and rewards incidental to ownership of the leased item are substantially transferred to the lessee. All other lease arrangements are classified as operating leases.

Company as lessee

Assets acquired under finance lease arrangements are recognized, based on their nature, at the lower of the fair value of the leased item or the present value at the outset of the lease term of the minimum lease payments agreed upon, including the associated purchase option. A financial liability is recognized for the same amount. Contingent installments, service expenses, and reimbursable taxes (by the lessor) are not included in the calculation of agreed minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability. The total finance charge under the lease agreement is taken to the income statement in the period accrued using the effective interest rate method. Assets are depreciated, amortized, impaired, and derecognized using the same criteria applied to assets of a similar nature.

Operating lease payments are recognized as expenses in the income statement when accrued.

Company as lessor

Rental income from operating lease payments are recognized in the income statement as accrued. Direct costs attributable to the operating lease increase the value of the leased asset and are recognized as an expense over the term of the lease on the same basis as lease income.

4.4 Financial instruments

A financial instrument is any contract that simultaneously gives rise to a financial asset for one entity and a financial liability or equity instrument for another entity. The Company only recognizes financial instruments in the balance sheet when it becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are classified as current in the accompanying balance sheet if their maturity is equal to or less than twelve months from the reporting date. In the case of longer maturities, they are classified as non-current.

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The financial assets and liabilities which the Company most frequently owns are the following:

- Financing granted to related parties and personnel of the Company, regardless of the legal manner in which this occurs
- Trade receivables
- Financing received from financial institutions and suppliers
- Securities, both those representing debt (obligations, bonds, letters of credit, etc.) or equity instruments of other entities (shares) or interests held in collective investment institutions.

a) Financial assets

Financial assets are initially measured at fair value plus any incremental costs directly attributable to the transaction which gave rise to them, except when the assets are classified as held for trading, in which case, the incremental costs are taken directly to the income statement of the year in which they are incurred.

For measurement purposes the Company classifies financial assets, except for investments held in group companies, jointly controlled entities, or associates, in one of the following categories:

- Loans and receivables: These balances correspond to receivables (trade and non-trade) which are not derivatives, are not traded on an active market, correspond to fixed or determinable cash flows, and which are expected to recover the entire initial disbursement, except when there are reasons attributable to the solvency of the debtor. They arise when the Company provides cash or goods and services related to its corporate purpose directly to a debtor without any intention of trading the account receivable. In addition, security deposits and guarantees recognized at their nominal amounts are also classified under this heading given that they do not significantly differ from fair value.

After initial recognition, these items are measured at amortized cost using the effective interest rate method. However, in general, trade receivables maturing in less than twelve months are recognized at their nominal values, that is, they are not discounted.

Amortized cost is the acquisition cost of the asset less principal repayments, adjusted (upwards or downwards) by the amount systematically allocated to the income statement in connection with the difference between the initial cost and the corresponding liquidation value at maturity, taking into account any impairment losses.

Likewise, the effective interest rate is the rate that at the asset's acquisition date exactly discounts all its estimated future cash flows throughout its remaining life.

It is Company policy to recognize impairment losses with a view to covering balances of a certain age or those balances for which circumstances exist which warrant their classification as doubtful debts.

b) Investments in group companies, jointly-controlled entities, and associates

As indicated in Note 9, the Company directly or indirectly controls certain entities. In general, regardless of the interests held, the Company's interest in the share capital of other companies which are not listed on a stock exchange are measured at acquisition cost less, if applicable, any accumulated impairment losses.

Said impairment losses are calculated as the difference between the investment's carrying amount and its recoverable amount, deemed to be the higher of fair value less costs to sell and the present value of the future cash flows from the investment. Unless better evidence is available, impairment losses on these types of assets are estimated taking into account the investee's equity adjusted for any unrealized capital gains existing on the measurement date.

Impairment losses and any subsequent reversals are recognized as an expense or as income, respectively, in the income statement. Reversal of impairment losses is limited to the original carrying amount of the investment.

The Company derecognizes an investment in group companies, jointly controlled entities, and associates when the risks and benefits inherent to ownership of said investment have been substantially transferred. When an investment in group companies, jointly controlled entities or associates is derecognized, the difference between the consideration received, net of attributable transaction costs, including any new asset obtained less any liability assumed, and the carrying amount of said investment, plus any cumulative gain or loss directly recognized in equity, determines the gain or loss generated upon derecognition, and is included in the income statement for the year to which it relates.

c) Financial liabilities

Financial liabilities are classified based on the agreed-upon contractual terms and taking into account the economic substance of the corresponding transactions.

The main financial liabilities held by the Company correspond to held-to-maturity liabilities, which may or may not include remuneration, and which for measurement purposes are classified under "Trade and other payables," initially measuring them at fair value and subsequently at amortized cost.

- Bank borrowings and other remunerated financial liabilities: Loans, bank overdrafts, obligations, bonds, and other similar instruments which accrue interest are initially recognized at fair value, which is equivalent to the cash received net of directly attributable transaction costs incurred. Finance expenses accrued, including premiums payable on settlement or redemption and direct issue costs, are recognized in the income statement using the effective interest rate method, increasing the carrying amount of the financial liabilities to the extent that they are not liquidated during the period in which the expenses accrue. Said expenses likewise include loans at zero interest, recognized at their nominal amounts given that they do not significantly differ from fair value.

Loans repayable in the short term, but whose long-term refinancing is assured at the discretion of the Company through available long-term credit facilities, are classified as non-current liabilities in the accompanying balance sheet.

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- Trade receivables: the Company's trade receivables, which in general do not mature in more than one year and do not accrue explicit interest, are recognized at their nominal value, which is not significantly different to their amortized cost.

The Company derecognizes a financial liability, or a part of the financial liability, as soon as the obligations relating to the corresponding contract have either expired or been fulfilled or canceled.

The substantial modifications of initially-recognized financial liabilities are accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided the related conditions of the instruments are substantially different. The Company recognizes the difference between the carrying amount of the financial liability that has been canceled or assigned to a third party and the consideration paid, including any assets assigned (other than cash) or liabilities assumed, in the income statement.

d) Own equity instruments

All equity instruments issued by the Company are classified in "Share capital" under "Capital and reserves" in the accompanying balance sheet. The Company does not hold any other own equity instruments.

Said instruments are recognized under equity at the amount received net of direct issue costs.

When the Company acquires or sells own equity instruments, the amount paid or received is recognized directly in net equity accounts, and no amounts are recognized in the income statement for said transactions (Note 13).

e) Cash and cash equivalents

This heading in the accompanying balance sheet includes cash in hand, demand deposits at credit entities, and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are classified as borrowings under current liabilities in the accompanying balance sheet.

4.5 Derivative financial instruments and hedge accounting

Company policy does not allow for the use of derivative financial instruments or any hedging transactions.

4.6 Inventories

The Company promotes and constructs photovoltaic solar farms for their subsequent operation and/or sale. Further, the Company recognizes the related costs incurred under "Inventories" in the accompanying balance sheet until all the terms and conditions described in Note 4.9 are met, at which time the sale is recognized.

The photovoltaic solar farm projects are valued at production cost, which is understood to be the costs directly attributable to the project, as well as a reasonable portion of indirectly attributable costs.

The Company valued projects under construction at year end and transferred the related attributable costs to "Inventories."

The Company assesses the net realizable value of its inventories at each reporting date, recognizing any impairment losses as required if they are overstated. When the circumstances which gave rise to recognition of impairment losses on inventories no longer hold or there is clear evidence justifying an increase in the net realizable value due to changes in economic circumstances, the previously recognized impairment losses are reversed. This reversal is limited to the lower amount of either the cost or the new net realizable value of the inventories. Both impairment losses on inventories as well as their reversal are recognized in the income statement for the period.

The photovoltaic solar farms owned by the Company are initially classified as inventories as the directors consider that under normal circumstances they will be sold. In those cases in which at the outset a decision is taken to operate the photovoltaic solar farm, it is classified under PP&E.

4.7 Foreign currency transactions and balances

As the Company's functional currency is the euro, all balances and transactions denominated in currencies other than the euro are considered as denominated in foreign currency. Said transactions are recognized in euros applying the spot exchange rates prevailing at the transaction dates.

At financial year end, the monetary assets and liabilities denominated in foreign currencies are converted to euros utilizing the average spot exchange rate prevailing at said date in the corresponding currency markets.

The gains or losses obtained from settling transactions denominated in foreign currency and the conversion at closing date exchange rates of the monetary assets and liabilities denominated in foreign currencies are recognized in the income statement for the year under "Exchange gains (losses)."

4.8 Corporate income tax

Income tax expense for the year is calculated as the sum of current tax, resulting from applying the corresponding tax rate to taxable income for the year (after applying any possible tax deductions), and any changes in deferred tax assets and liabilities.

The tax effect relating to items directly recognized in equity is recognized under equity in the balance sheet.

Deferred taxes are calculated in accordance with the balance sheet method, considering the temporary differences that arise between the tax bases of assets and liabilities and their carrying amounts, applying the regulations and tax rates that have been approved or are about to be approved at the reporting date and which are expected to apply when the corresponding deferred tax asset is realized or deferred tax liability is settled.

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Deferred tax liabilities are recognized for all taxable temporary differences except for those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that is not a business combination and affects neither taxable profit or accounting profit. Deferred tax assets are recognized when it is probable that the Company will generate sufficient taxable profit in the future against which the deductible temporary differences or the unused tax loss carryforwards or tax assets can be utilized.

At each reporting date the Company reviews the deferred tax assets and liabilities recognized to verify that they remain in force, making any appropriate adjustments on the basis of the results of the analysis performed.

Until 2018 the Company filed its corporate income tax under the consolidated regime together with the parent of the corresponding tax group, Daruan Group Holding, S.L., and the remaining companies which make up said tax group (Daruan Group Holding, S.L. and subsidiaries) with tax identification number 0381/14. On December 16, 2019 the Company carried out a private placement of a share package by virtue of which the majority shareholder of the Company, Daruan Group Holding, S.L. came to hold 68% of the Company's share capital. Thus, and as a consequence of decreasing below 70% of interest held, the Company and its subsidiaries in Spain no longer belong to the tax group Daruan Group Holding, S.L. and subsidiaries and they must therefore file their corporation tax individually.

4.9 Income and expense recognition

The Company recognizes revenue and expenses on an accrual basis, that is, when the goods or services are actually provided, regardless of when actual collection or payment occurs.

The most significant criteria utilized by the Company for recognition of its revenue and expenses are the following:

- Revenue from sales and the rendering of services: is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, VAT, and other sales-related taxes.

The sale of goods is recognized as revenue when the risks and rewards inherent to ownership of the goods have been substantially transferred, the results of the transaction can be reliably determined, and it is probable that the Company will receive the economic returns relating to the transaction.

For engineering, procurement, and construction contracts ("EPC contracts") executed on land belonging to third parties, the Company in general recognizes the income and results corresponding to each contract based on the estimated stage of completion as per the percentage of costs incurred with respect to the total costs budgeted. For these purposes the Company also takes into account the existence of resolutive clauses. Losses which may arise on the contracted projects are recognized, in their totality, at the moment said losses become apparent and can be estimated. The difference between revenue recognized for a project and the amount invoiced for that project is recognized in the following manner:

- if it is positive, such as "Work completed pending invoice" (deferred invoicing), under "Trade and other receivables;"
- if it is negative, such as "Advance collections" (early invoicing), under "Customer advances."

Income for services rendered is also recognized considering the degree of completion of these services at the balance sheet date, provided that the result of the transaction can be estimated reliably and it is probable the economic benefits associated with the transaction will flow to the Company.

- Expenses: are recognized in the income statement when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. This means that recognition of expenses occurs simultaneously with the recognition of an increase in liabilities or a decrease in assets. Further, expenses are recognized immediately when an outflow does not generate future economic benefits or when the necessary requirements for recognition as an asset are not met.
- Interest income and expenses and similar items: are generally recognized by applying the effective interest rate method.

Dividends are recognized under "Revenue" at the moment the Company acquires the right to receive them, that is, when the competent bodies of the companies in which it holds the investment have approved their distribution.

4.10 Provisions and contingencies

At the date of authorization of the accompanying financial statements the directors of the Company made the following distinctions:

- Provisions: existing obligations at the reporting date arising from past events that are uncertain as to amount or timing, but for which it is probable that the Company will suffer an outflow of resources which can be reliably estimated.
- Contingent liabilities: possible obligations arising as a consequence of past events, materialization of which is conditional upon one or more uncertain events occurring in the future not entirely within control of the Company and which do not meet the requirements for recognition as provisions.

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The financial statements of the Company present all the significant provisions with respect to which it considers the related obligation will probably have to be met. The provisions are quantified based on the best information available at the reporting date regarding the consequences of the triggering events and taking into account the time value of money, if significant.

Their allocation is made with a charge against the income statement for the year in which the obligation arises (legal, contractual, or implicit), and can be fully or partially reversed with a credit to the income statement when the obligations cease to exist or decrease.

The Company did not recognize any contingent liabilities at year end.

4.11 Environmental assets and liabilities

Environmental assets are classified as those the Company utilizes in its activities over a long period of time whose primary purpose is to minimize the environmental impact and protect or improve the environment, including those assets designed to reduce or eliminate future contamination from the Company's activities.

The criteria for initial recognition, allocation for amortization/depreciation, and possible impairment loss adjustments on said assets are as described in Note 4.2 above.

Given the Company's activities, and in accordance with prevailing legislation, it controls the degree of contamination produced by waste and emissions by applying an appropriate waste disposal policy. Expenses for these purposes are charged to the income statement for the year in which they are incurred.

4.12 Employee benefits expense

Employee expenses include all the Company's duties and obligations of a social nature, whether mandatory or voluntary, recognizing the obligations for bonus salary payments, holidays, and variable remuneration, as well as associated expenses.

a) Short-term employee benefits

This type of remuneration is measured at the undiscounted amount payable in exchange for services received. These benefits are generally recognized as personnel expenses for the year and are presented as a liability in the balance sheet corresponding to the difference between the total expense accrued and the amount settled at the reporting date.

b) Termination benefits

In keeping with prevailing legislation, the Company is obliged to pay indemnities to employees who are dismissed through no fault of their own. Said termination benefits are payable when employment is terminated by the Company before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it has a demonstrable commitment to terminate its current labor contracts under an irrevocable and detailed plan or to provide termination benefits as part of an offer to encourage voluntary redundancy.

At year end the Company had no plan to reduce personnel that would require it to record a corresponding provision.

4.13 Payments based on shares and share options

Transactions in which the Company receives goods or services, including services rendered by employees, in exchange for its own equity instruments, or an amount based on the value of its equity instruments, such as share options or share appreciation rights, are considered equity-settled transactions.

The Company recognizes, on the one hand, the goods and services at the time they are received as an asset or expense, depending on their nature, and on the other, the corresponding increase in equity, if the transaction is settled using equity instruments, or the corresponding liability, if it is settled with an amount that is based on the value of equity instruments.

If the Company has the option to settle with equity instruments or in cash, it must recognize a liability to the extent that it has incurred a present obligation to settle in cash or with other assets; alternatively it shall recognize an increase in equity. If the choice corresponds to the supplier of the goods or services, the Company shall recognize a compound financial instrument, which shall include a liability component for the other party's right to demand payment in cash and an equity component for the right to receive the consideration in own equity instruments.

In transactions in which services must be completed throughout a certain period of time, these services shall be recognized as rendered during said period.

In transactions with employees which are settled with equity instruments, both the services rendered and the increase in equity to be recognized shall be measured at fair value of the equity instruments assigned on the grant date.

Equity-settled transactions which relate to goods or services other than those provided by employees shall be measured at the fair value of said goods or services, if this can be measured reliably, at the date received. If the fair value of the goods or services received cannot be reliably measured, the goods or services received and the increase in equity shall be measured at the fair value of the equity instruments granted corresponding to the date on which the Company obtains the goods or the other party renders the services.

After recognition of the goods and services received, as established in the above paragraphs, as well as the corresponding increase in equity, no additional adjustments shall be made to equity after the vesting date.

For cash-settled transactions, the goods or services received and the liability to be recognized shall be measured at the fair value of the liability corresponding to the date on which the recognition requirements are met.

Thereafter, and until settlement, the corresponding liability shall be measured at fair value at each year end, and any changes in value during the year shall be recognized in the income statement.

At December 31, 2020 the Company had granted an incentive plan to its employees consisting of options on its shares. Said plan establishes that the transactions shall be settled via delivery of equity instruments.

4.14 Related-party transactions

Commercial or financial transactions carried out with group companies, jointly controlled entities, associates, and other related parties are initially recognized at fair value regardless of the degree of relationship.

4.15 Classification of balances between current and non-current

The Company classifies assets and liabilities in the balance sheet as current and non-current. For these purposes, assets and liabilities are classified as current in accordance with the following criteria:

- Assets are classified as current when they are expected to be realized or are intended for sale or consumption in the Company's normal operating cycle; they are held primarily for trading; they are expected to be realized within 12 months from the reporting date; or are cash or cash equivalents, unless they are restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.
- Liabilities are classified as current when it is expected that they will be settled in the Company's normal operating cycle; they are held primarily for the purpose of trading; they are due to be settled within twelve months from the reporting date; or if the Company does not have the unconditional right to defer settlement of the liability for at least twelve months after the reporting date.
- Financial liabilities are classified as current when they are due to be settled within twelve months after the reporting date, even if the original term was for a period longer than twelve months, and an agreement to refinance or to reschedule payments on a long-term basis is completed after the reporting date and before the financial statements are authorized for issue.

5. Implications of COVID-19

The expansion of COVID-19 posed significant challenges to commercial activities and introduced a degree of uncertainty surrounding economic activity and demand for energy on a global scale. The quarantine measures imposed on a large portion of the global population resulted in decreased economic activity which in turn provoked a generalized decrease in macroeconomic indicators, demand for energy, and prices of the main factors in the energy sector. The effects of the COVID-19 pandemic increase the uncertainty regarding future perspectives for companies and the economy in general, with a substantial deterioration of the recovery becoming apparent in the second half of 2020. When making the estimates and assumptions necessary for preparation of the financial statements, the Company took said circumstances into account, providing disclosure in the corresponding notes.

6. Intangible assets

The breakdown and movements in this balance sheet heading during 2020 and 2019 were as follows:

	Patents, licenses, trademarks, et al.	Software	TOTAL
COST			
Balance at 12.31.2018	-	10,737	10,737
Additions	-	81,501	81,501
Balance at 12.31.2019	-	92,238	92,238
Additions	4,310	28,237	32,547
Balance at 12.31.2020	4,310	120,475	124,785
AMORTIZATION			
Balance at 12.31.2018	-	(7,644)	(7,644)
Allowance for the year	-	(13,874)	(13,874)
Balance at 12.31.2019	-	(21,518)	(21,518)
Allowance for the year	(102)	(22,102)	(22,204)
Balance at 12.31.2020	(102)	(43,620)	(43,722)
Net carrying amount at 12.31.2019	-	70,720	70,720
Net carrying amount at 12.31.2020	4,208	76,855	81,063

The useful lives for these assets and the amortization criteria applied are disclosed in Note 4.1.

Fully amortized assets

At 2020 and 2019 year end the Company's intangible assets included fully amortized assets still in use amounting to 6,160 euros.

Intangible assets acquired from group companies and associates

No intangible assets were acquired from group companies or associates in 2020 and 2019.

Impairment losses

The directors of the Company consider that there are no indications of any impairment losses on its intangible assets at 2020 and 2019 year end, thus not recognizing any impairment loss allowances for either year.

Leases

At December 31, 2020 and 2019, the Company held no intangible assets under finance leases. Likewise, the Company is not party to any operating lease agreements in connection with its intangible assets.

Firm purchase and sale commitments

The Company has no commitments to acquire or sell any intangible assets at significant amounts. Neither are any intangible assets affected by litigation or encumbered as guarantees to third parties.

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Insurance

The Company has taken out various insurance policies to cover the risks to which its intangible assets are exposed and considers said coverage as sufficient.

7. Property, plant, and equipment

The breakdown and movements in this balance sheet heading for 2020 and 2019

are as follows:

	Machinery and technical installations	Other plant, tools, and furniture	Other PP&E items	PP&E under construction and prepayments	TOTAL
COST					
Balance at 12.31.2018	18,612	256,861	298,076	-	573,549
Additions	14,066	311,455	111,957	-	437,478
Disposals, derecognitions, and reductions	-	(2,180)	(77,991)	-	(80,171)
Balance at 12.31.2019	32,678	566,136	332,042	-	930,856
Additions	4,072	249,695	57,348	-	311,115
Disposals, derecognitions, and reductions	-	-	-	-	-
Balance at 12.31.2020	36,750	815,831	389,390	-	1,241,971
DEPRECIATION					
Balance at 12.31.2018	(16,735)	(148,906)	(80,149)	-	(245,790)
Allowance for the year	(1,113)	(20,928)	(58,074)	-	(80,115)
Decreases	-	-	39,932	-	39,932
Balance at 12.31.2019	(17,848)	(169,834)	(98,291)	-	(285,973)
Allowance for the year	(2,518)	(64,429)	(64,663)	-	(131,610)
Decreases	-	-	-	-	-
Balance at 12.31.2020	(20,366)	(234,263)	(162,954)	-	(417,583)
Net carrying amount at 12.31.2019	14,830	396,302	233,751	-	644,883
Net carrying amount at 12.31.2020	16,384	581,568	226,436	-	824,388

The useful lives for these assets and the depreciation criteria applied are disclosed in Note 4.2.

The main additions during 2020 and 2019 correspond to furniture and refurbishment work on the new offices, as well as the acquisition of transport equipment.

The main derecognitions during 2019 correspond to furniture and transport equipment.

PP&E acquired from group companies and associates

No PP&E items were acquired from group companies in 2020 and 2019.

Impairment losses

The directors of the Company consider that there are no indications of any impairment losses on the different items comprising its PP&E at 2020 and 2019 year end.

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Fully depreciated assets

At 2020 year end the Company had fully depreciated PP&E items still in use amounting to 45,237 euros (2019: 30,035 euros).

Leases

"Transport equipment" at December 31, 2020 and 2019 presents balances amounting to 141,294 and 177,591 euros, respectively, corresponding to the net carrying amount of transport equipment held under finance lease agreements and classified under the corresponding heading according to their nature. The durations of the lease agreements range from 2 to 5 years (Note 8.1).

Firm purchase and sale commitments

The Company has no commitments to acquire or sell PP&E items in significant amounts and neither are any of said assets affected by litigation or encumbered as guarantees to third parties.

Insurance

The Company has taken out various insurance policies to cover the risks to which its PP&E items are exposed. The coverage of these policies is considered sufficient.

8. Leases and other similar transactions**8.1 Finance Leases - Lessee**

At December 31, 2020 and 2019 the assets acquired by the Company by virtue of finance lease agreements were as follows:

Year ended December 31, 2020

Property, plant, and equipment	Gross value	Accumulated depreciation	Net carrying amount
Transport equipment	226,238	(84,944)	141,294
Total	226,238	(84,944)	141,294

Year ended December 31, 2019

Property, plant, and equipment	Gross value	Accumulated depreciation	Net carrying amount
Transport equipment	226,238	(48,647)	177,591
Total	226,238	(48,647)	177,591

The initial value of said assets corresponds to the lower of fair value of the good and the present value of minimum payments agreed upon, including the purchase option if applicable, at the lease date.

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The most significant data at December 31, 2020 and 2019 in connection with the goods acquired under finance leases are as follows:

Year ended December 31, 2020

Item	Lease maturity	Number of lease payments	Euros				
			Cost at source	Lease payments made		Pending payments	
				Prior years	Current year	Current	Non-current
Transport equipment	04/22/2021	60 a)	31,908	23,103	6,049	2,756	
Transport equipment	11/22/2022	48 a)	105,830	12,005	11,387	11,559	70,879
Transport equipment	2/26/2024	60 a)	32,975	5,802	6,402	6,477	14,294
Transport equipment	6/3/2024	60 a)	37,312	3,731	7,463	7,462	18,656
Total			208,025	44,641	31,301	28,254	103,829

a) Monthly lease payments

Year ended December 31, 2019

Item	Lease maturity	Number of lease payments	Euros				
			Cost at source	Lease payments made		Pending payments	
				Prior years	Current year	Current	Non-current
Transport equipment	04/22/2021	60 a)	31,908	16,708	6,395	7,097	2,231
Transport equipment	3/5/2023	60 a)	49,835	7,960	41,875	-	-
Transport equipment	11/22/2022	48 a)	105,830	913	11,092	11,344	82,481
Transport equipment	2/26/2024	60 a)	32,975	-	5,802	6,402	20,771
Transport equipment	6/3/2024	60 a)	37,312	-	3,731	8,084	26,119
Total			257,860	25,581	68,895	32,927	131,602

a) Monthly lease payments

8.2 Operating leases - Lessee

The Company leases the right to use certain goods from third parties and group companies to perform its activity. The conditions attaching to the main lease agreements which were in force during 2020 and 2019 were as follows:

Year ended December 31, 2020

Item	Lease maturity	Expense for the year (a)
		2020
Offices Rafael Botí 2	2,021	108,000
Offices Rafael Botí 26	2,022	184,207
Vehicles	2022-2025	8,730
Other rents	2,021	12,265
Total		313,202

a) Monthly lease payments

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Year ended December 31, 2019

Item	Lease maturity	Expense for the year (a)
		2019
Offices Rafael Botí 2	2020	108,000
Offices Rafael Botí 26	2022	119,922
Apartment Mexico	2019	11,858
Other rents	2020	8,677
Total		248,457

b) Monthly lease payments

At 2020 and 2019 year end the Company had set up the legal guarantees demanded by the lessors, the value of which amounted to 24,618 euros and 24,000 euros, respectively (Note 9.2).

At December 31, 2020 and 2019 the future minimum payments for non-cancellable operating lease agreements broken down by maturity are as follows:

	Minimum payments 2020	Minimum payments 2019
Up to one year	278,256	310,062
Between 1 and 5 years	86,481	189,557
More than five years	-	23,695
Total	364,737	523,314

Neither at 2020 nor 2019 year end, or during either year, were the assets leased by the Company subleased to third parties.

9. Financial investments**9.1 Investments in group companies, jointly-controlled entities, and associates**

The breakdown and movements for the captions included under this balance sheet heading for 2020 and 2019 were as follows:

Year ended December 31, 2020

	Balance at 12.31.2019	Additions	Retirements	Impairment losses	Balance at 12.31.2020
Non-current investments					
Equity instruments	29,411,669	4,838,531	(12,633)	(2,336,000)	31,901,567
Unpaid portion of equity investments	(115,023)	(12,633)	12,633	-	(115,023)
Loans to companies	10,178,099	9,575,465	-	-	19,753,564
	39,474,745	14,401,363	-	(2,336,000)	51,540,108
Current investments					
Loans to companies	3,933,100	7,853,916	-	1,957,929	13,744,945
	3,933,100	7,853,916	-	1,957,929	13,744,945
Total	43,407,845	22,255,279	-	(378,071)	65,285,053

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Year ended December 31, 2019

	Balance at 12.31.2018	Additions	Retirements	Impairment losses	Balance at 12.31.2019
Non-current investments					
Equity instruments	11,561,020	17,850,649	-	-	29,411,669
Unpaid portion of equity investments	(67,023)	(48,000)	-	-	(115,023)
Loans to companies	855,622	9,322,477	-	-	10,178,099
	12,349,619	27,125,126	-	-	39,474,745
Current investments					
Loans to companies	2,449,123	1,483,977	-	-	3,933,100
	2,449,123	1,483,977	-	-	3,933,100
Total	14,798,742	28,609,103	-	-	43,407,845

Equity instruments

The breakdown at 2020 and 2019 year end and the movements for this balance sheet heading are as follows:

Company name	Balance at 12.31.2018	Additions	Derecognition s	Balance at 12.31.19	Addition s	Derecognition s	Impairmen t losses	Balance at 12.31.2020
GREENERGY PACIFIC LTDA	43,150	-	-	43,150	-	-	-	43,150
GREENERGY PERU SAC	275	-	-	275	-	-	-	275
GREENHOUSE SOLAR FIELDS, S.L.	3,006	-	-	3,006	-	-	-	3,006
GREENHOUSE SOLAR ENERGY, S.L.	3,006	-	-	3,006	-	-	-	3,006
GREENHOUSE RENEWABLE ENERGY, S.L.	3,006	-	-	3,006	-	-	-	3,006
GUIA DE ISORA SOLAR 2, S.L.	1,565	-	-	1,565	-	-	-	1,565
GR RENOVABLES MÉXICO	2,843	-	-	2,843	-	-	-	2,843
GR SOLAR 2020, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR SUN SPAIN, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR EQUITY WIND AND SOLAR, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR TARUCA S.A.C.	1,597,955	1,264,188	-	2,862,143	2,070,341	-	-	4,932,484
GR PAINO S.A.C.	1,597,955	1,274,743	-	2,872,698	2,138,441	-	-	5,011,139
GREENERGY COLOMBIA S.A.S.	12,168	258,071	-	270,239	-	-	-	270,239
GREENHUB S.L. DE C.V.	17,797	-	-	17,797	1,894	-	-	19,691
LEVEL FOTOVOLTAICA S.L.	1,504	-	-	1,504	-	-	-	1,504
GR BAÑUELA RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR TURBON RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR AITANA RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
GR ASPE RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
KOSTEN S.A.	8,158,806	-	-	8,158,806	-	-	(2,336,000)	5,822,806
GR JULIACA, S.A.C.	255	-	-	255	-	-	-	255
GR HUAMBOS, S.A.C.	255	-	-	255	-	-	-	255
GR APORIC, S.A.C.	255	-	-	255	-	-	-	255
GR BAYONAR, S.A.C.	255	-	-	255	-	-	-	255
GR VALE S.A.C.	255	-	-	255	-	-	-	255
GREENERGY ATLANTICS, S.A.	6,486	97,142	-	103,628	210,824	-	-	314,452
EIDEN RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
EL AGUILA RENOVABLES, S.A.	3,000	-	-	3,000	-	-	-	3,000
MAMBAR RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
CHAMBO RENOVABLES, S.A.	3,000	-	-	3,000	-	-	-	3,000
EUGABA RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
TAKE RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
NEGUA RENOVABLES, S.L.	3,000	-	-	3,000	-	-	-	3,000
GREENERGY OPEX, SPA	-	1,259	-	1,259	-	-	-	1,259
GR CHAQUIHUE, SPA	-	1,408	(1,408)	-	-	-	-	-
GR TAMARUGO, SPA	-	1,303	(1,303)	-	-	-	-	-
GR MOLLE, SPA	-	1,303	(1,303)	-	-	-	-	-
GR BELLOTO, SPA	-	1,441	(1,441)	-	-	-	-	-
PEQ, SPA	-	14,907,246	-	14,907,246	303,331	-	-	15,210,577
GR GUINDO, SPA	-	-	-	-	1,441	(1,441)	-	-
GR SAUCE, SPA	-	-	-	-	1,441	(1,441)	-	-
GR RAULI, SPA	-	-	-	-	1,441	(1,441)	-	-
GR ULMO, SPA	-	-	-	-	1,441	(1,441)	-	-
GR ROBLE, SPA	-	-	-	-	1,441	(1,441)	-	-
GR PITAO, SPA	-	-	-	-	1,357	(1,357)	-	-
GR PILO, SPA	-	-	-	-	1,357	(1,357)	-	-
GR CARZA, SPA	-	-	-	-	1,357	(1,357)	-	-
GR CIPRÉS, SPA	-	-	-	-	1,357	(1,357)	-	-
GREENERGY RINNOVABILI ITALIA, SRL	-	-	-	-	100,000	-	-	100,000
GR POWER CHILE, SPA	-	-	-	-	1,067	-	-	1,067
VIATRES RENEWABLE ENERGY, S.L.	1,200	-	-	1,200	-	-	-	1,200
Total	11,493,997	17,808,104	(5,455)	29,296,646	4,838,531	(12,633)		31,786,544

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The main movements during 2020 were as follows:

- Capital increase for GR Taruca, S.A.C. amounting to 2,070,341 euros.
- Capital increase for GR Paino, S.A.C. amounting to 2,138,441 euros.
- Capital increase for Greenhub, S.L. de C.V. amounting to 1,894 euros.
- Capital increase for GR Atlantic, S.A. amounting to 210,824 euros.
- Capital increase for PEQ, SpA. amounting to 303,331 euros.
- Incorporation of Greenergy Rinnovabili Italia SRL with share capital totaling 100,000 euros, fully subscribed and paid in at 2020 year end.
- Incorporation of GR Power, SpA with share capital totaling 1,067 euros, fully subscribed and paid in at 2020 year end.
- Incorporation of GR Pumalin SpA, GR Corcovado, SpA, GR Queulat, SpA, GR Yendegaia, SpA, GR Kawesqar, SpA, GR Hornopiren, GR Alarce Andino, SpA, GR Alerce Costero, SpA, GR Toltuaca, SpA, GR Torres del Paine, SpA, GR Patagonia, SpA, GR Nahuelbuta, SpA, GR Conguillilo, SpA, GR Villarrica, SpA, GR Archipiélago Juan Fernandez, SpA, Greenergy Palmas de Cocolán, SpA, GR La Campana, SpA, GR Volcan Isluga, SpA, GR Lauca, SpA, GR Pan de Azúcar, SpA, GR Morro Moreno, SpA, GR Nevado Tres Cruces, SpA, GR Llullaillaco, SpA, GR Salar Huasco, SpA, GR Rapanui, SpA, GR Puyehue, SpA, GR Cabo de Hornos, SpA, GR Cerro Castillo, SpA, GR Pali Aike, SpA, GR Radal Siete Tazas, SpA, GR Isla Magdalena, SpA, Greenergy Llanos Challe, SpA, GR Laguna San Rafael, SpA, GR Parque Brisa Solar 2, GR Parque Brisa Solar 3, GR Parque Prado Solar 1, GR Parque Solar Sandalo 1. Greenergy Opex, S.L., Greenergy EPC Europa, S.L., and GR Power comercialización, S.L. with share capital corresponding to the minimum required by legislation in each country. At December 31, 2020 the share capital of these companies was not yet paid in.
- Sale of interest held in GR Guindo, SpA, GR Sauce, SpA, GR Raulí, SpA, GR Ulmo, SpA, GR Roble, SpA, GR Carza, SpA, GR Pilo, SpA, GR Ciprés, SpA, and GR Pitao, SpA. Said transactions generated capital gains amounting to 19,042 thousand euros, recognized under "Impairment and gains (losses) on disposal of financial instruments" in the accompanying income statement.

The main movements during 2019 were as follows:

- Capital increase for GR Taruca, S.A.C. amounting to 1,264,188 euros.
- Capital increase for GR Paino, S.A.C. amounting to 1,274,743 euros.
- Capital increase for GR Colombia, S.A.S. amounting to 258,071 euros.
- Capital increase for GR Atlantics, S.A. amounting to 97,143 euros.

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- Incorporation of GR Opex, S.P.A. with share capital totaling 1,259 euros, fully subscribed and paid in at 2019 year end.
- Acquisition of PEQ, S.P.A. for 7,010,433 euros. At December 31, 2019 a balance of 2,113,810 euros was pending payment to the former shareholders of the company (Note 14.4). Subsequently, in December 2019 a capital increase was carried out for the company in the amount of 7,896,813 euros via capitalization of debt.
- Sale of shareholdings in GR Chaquihue, SPA, GR Tamarugo, SPA, GR Molle, SPA, and GR Belloto, SPA. Said transactions generated capital gains of 6,924 thousand euros, recognized under "Impairment and gains (losses) on disposals of financial instruments" in the accompanying income statement.

None of the entities in which the Company has invested are listed on an organized securities market.

The Company considers that holding less than 20% of interests in another company means no significant influence can be exercised over it, while holding more than 20% of interests in another company does allow for the exercise of significant influence.

At December 31, 2020, considering the economic and entrepreneurial environment resulting from COVID-19, current market conditions, the prevailing economic uncertainty, as well as the specific situation in Argentina, the Company performed an impairment test on the cash generating unit belonging to the wind farm in Argentina relating to the group company Kosten, S.A. As a result of said test, the Company recognized 2,336 thousand euros of impairment losses on the interest held in Kosten under "Impairment and gains (losses) on disposals of financial instruments" in the accompanying income statement. The main hypotheses used for determining the recoverable amount at December 31, 2020, by discounting cash flows, were as follows:

	12.31.2020
Discount rate	11.17%
Period (years)	20

The directors of the Company consider that there are no indications of additional impairment losses on interests held in group companies.

The information on each of the entities in which the Company is invested is attached in **Appendix I**.

Loans to group companies

These loans correspond to the financing granted by the Company to different group companies. At 2020 and 2019 year end, the breakdown of these borrowing facilities by entity, including their main characteristics, is as follows:

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Year ended December 31, 2020

Entity	Maturity date	Interest rate	Type of guarantee	Credit limit	Euros		
					Non-current assets	Current assets	Total
GR RENOVABLES MEXICO S.A. DE C.V.	Indefinite	Euribor + 200 b.p.	-	2,000,000	-	4,724,642	4,724,642
GREENERGY PERU SAC	Indefinite	Euribor + 200 b.p.	-	1,000,000	2,741,048	-	2,741,048
GREENERGY COLOMBIA S.S.	Indefinite	5% fixed	-	300,000	390,670	-	390,670
LEVEL FOTOVOLTAICA, S.L.	Indefinite	-	-	300,000	-	-	-
KOSTEN.S.A.	Indefinite	7% fixed	-	-	4,454,264	-	4,454,264
KOSTEN.S.A.	Indefinite	7% fixed	-	4,900,000	2,257,646	-	2,257,646
KOSTEN.S.A.	Indefinite	7% fixed	-	-	4,071,453	-	4,071,453
GREENERGY ATLANTIC, S.A.	Indefinite	7% fixed	-	-	331,471	-	331,471
GR SOLAR 2020, S.L.U.	Indefinite	Euribor + 200 b.p.	-	-	627,894	-	627,894
GR SUN SPAIN SLU	Indefinite	Euribor + 200 b.p.	-	-	127,164	-	127,164
GR TARUCA	Indefinite	-	-	-	627,931	-	627,931
GR PAINO	Indefinite	-	-	-	673,024	-	673,024
GR AITANA RENOVABLES, S.L.	11/30/2038	6% fixed	-	-	914,048	-	914,048
GR BAÑUELA RENOVABLES, S.L.	11/30/2038	6% fixed	-	-	574,176	-	574,176
GR TURBON RENOVABLES, S.L.	11/30/2038	6% fixed	-	-	578,841	-	578,841
GR ASPE RENOVABLES, S.L.	11/30/2038	6% fixed	-	-	561,757	-	561,757
GREEN HUB S. DE R.C. DE C.V.	12/31/2022	9% fixed	-	16,300,000	-	9,020,303	9,020,303
EIDEN RENOVABLES, S.L.U.	Indefinite	-	-	-	55,150	-	55,150
CHAMBO RENOVABLES, S.L.U.	Indefinite	-	-	-	54,769	-	54,769
MAMBAR RENOVABLES, S.L.	Indefinite	-	-	-	55,109	-	55,109
EL AGUILA RENOVABLES, S.L.	Indefinite	-	-	-	69,111	-	69,111
EUGABA RENOVABLES, S.L.U.	Indefinite	-	-	-	75,854	-	75,854
NEGUA RENOVABLES, S.L.U.	Indefinite	-	-	-	75,837	-	75,837
TAKE RENOVABLES, S.L.U.	Indefinite	-	-	-	84,412	-	84,412
GR SISON RENOVABLES, S.L.U.	Indefinite	-	-	-	32,749	-	32,749
GR PORRON RENOVABLES, S.L.U.	Indefinite	-	-	-	34,452	-	34,452
GR BISBITA RENOVABLES, S.L.U.	Indefinite	-	-	-	34,457	-	34,457
GR AVUTARDA RENOVABLES, S.L.U.	Indefinite	-	-	-	25,037	-	25,037
GR COLIMBO RENOVABLES, S.L.U.	Indefinite	-	-	-	34,452	-	34,452
GR MANDARIN RENOVABLES, S.L.U.	Indefinite	-	-	-	48,116	-	48,116
GR FAISAN RENOVABLES, S.L.U.	Indefinite	-	-	-	34,496	-	34,496
GR CALAMON RENOVABLES, S.L.U.	Indefinite	-	-	-	34,588	-	34,588
GR MALVASIA RENOVABLES, S.L.U.	Indefinite	-	-	-	29,328	-	29,328
GR MARTINETA RENOVABLES, S.L.U.	Indefinite	-	-	-	34,452	-	34,452
Other group companies	Indefinite	-	-	-	9,808	-	9,808
Total					19,753,564	13,744,945	33,498,509

Year ended December 31, 2019

Entity	Maturity date	Interest rate	Type of guarantee	Credit limit	Euros		
					Non-current assets	Current assets	Total
GR RENOVABLES MÉXICO S.A. DE C.V. (*)	12/31/2020	Euribor + 200 b.p.	-	2,000,000	-	-	-
GREENERGY PERÚ SAC (*)	12/31/2020	Euribor + 200 b.p.	-	1,000,000	1,073,857	-	1,073,857
GREENERGY COLOMBIA S.A.S (*)	12/31/2020	Euribor + 200 b.p.	-	300,000	76,615	-	76,615
LEVEL FOTOVOLTAICA, S.L.	Indefinite	4% fixed	-	300,000	-	-	-
KOSTEN. S.A.	Indefinite	7% fixed	-	-	8,381,168	-	8,381,168
GREENERGY ATLANTIC, S.A.	Indefinite	Euribor + 200 b.p.	-	-	276,997	-	276,997
GR SOLAR 2020, S.L.U.	Indefinite	Euribor + 200 b.p.	-	-	234,184	-	234,184
GR SUN SPAIN S.L.U.	Indefinite	Euribor + 200 b.p.	-	-	100,152	-	100,152
GR TARUCA	Indefinite	Euribor + 200 b.p.	-	-	-	2,522,314	2,522,314
GR PAINO	Indefinite	Euribor + 200 b.p.	-	-	-	629,531	629,531
GR AITANA RENOVABLES, S.L.	Indefinite	-	-	-	-	215,750	215,750
GR BAÑUELA RENOVABLES, S.L.	Indefinite	-	-	-	-	143,118	143,118
GR TURBON RENOVABLES, S.L.	Indefinite	-	-	-	-	143,152	143,152
GR ASPE RENOVABLES, S.L.	Indefinite	-	-	-	-	131,986	131,986
EUGABA RENOVABLES, S.L.U.	Indefinite	-	-	-	-	34,634	34,634
NEGUA RENOVABLES, S.L.U.	Indefinite	-	-	-	-	34,634	34,634
TAKE RENOVABLES, S.L.U.	Indefinite	-	-	-	-	34,634	34,634
Other group companies	Indefinite	-	-	-	35,126	43,347	78,473

GREENERGY RENOVABLES, S.A.

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Total					10,178,099	3,933,100	14,111,199
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(*) These items correspond to credit facilities maturing in 2020 which can be annually renewed. At December 31 they were classified under non-current assets given that the Company expects repayment over the long term.

In 2020 and 2019 the Company recognized interest income amounting to 825,042 euros and 439,712 euros, respectively.

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At December 31, 2019 the Company recognized a provision for impairment losses amounting to 2,575 thousand euros given the doubtful recoverability of the loans granted to the group companies GR Renovables México, S.A. de C.V. and Level Fotovoltaica, S.L. In 2020 the Company reversed the provision for impairment losses corresponding to the loan granted in Mexico in the amount of 2,233 thousand euros given that said company has signed a solar farm construction contract and it expects to generate sufficient positive cash flows in order to meet its debt obligations with respect to the Company. Said amount is recognized under "Impairment and gains (losses) on disposals of financial instruments" in the accompanying income statement.

9.2 Other financial investments

The movements during 2020 and 2019 in the different balances recognized under the headings for financial investments in the accompanying balance sheet are as follows:

	Balance at 12.31.18	Additions	Decreases	Balance at 12.31.19	Additions	Decreases	Balance at 12.31.2020
Non-current investments	26,040	-	(2,040)	24,000	618	-	24,618
Security deposits and guarantees	26,040	-	(2,040)	24,000	618	-	24,618
Current investments	-	7,125,273	(267,506)	6,857,767	-	(498,337)	6,359,430
Other financial assets	-	7,125,273	(267,506)	6,857,767	-	(498,337)	6,359,430
Total	26,040	7,125,273	(269,546)	6,881,767	618	(498,337)	6,384,048

Other financial assets recognized under current assets at December 31, 2020 and 2019 correspond to short-term deposits at Bankinter which bear interest at market rates.

The breakdown at December 31, 2020 and 2019 of the financial investments, based on how the Company manages them, is as follows:

	12.31.2020			12.31.2019		
	Held to maturity	Loans and receivables	Total	Held to maturity	Loans and receivables	Total
Non-current investments	24,618	-	24,618	24,000	-	24,000
Security deposits and guarantees	24,618	-	24,618	24,000	-	24,000
Current investments	-	6,359,430	6,359,430	-	6,857,767	6,857,767
Other financial assets	-	6,359,430	6,359,430	-	6,857,767	6,857,767
Total	24,618	6,359,430	6,384,048	24,000	6,857,767	6,881,767

The Company did not reclassify any financial assets amongst different categories nor did it assign or transfer any financial assets during 2020 or 2019.

At December 31, 2020 and 2019, the maturities of financial assets that are fixed or determinable by residual amounts are less than five years.

At December 31, 2020 and 2019 the Company had not delivered or accepted any financial assets as guarantees for transactions.

10. Inventories

The breakdown of the Company's inventories at December 31, 2020 and 2019 is as follows:

	12.31.2020			12.31.2019		
	Cost	Impairment losses	Balance	Cost	Impairment losses	Balance
Raw materials and other consumables	516,832	-	516,832	872,111	-	872,111
Work in progress	3,456,246	-	3,456,246	820,022	-	820,022
Prepayments to suppliers	688,310	-	688,310	-	-	-
Total	4,661,388	-	4,661,388	1,692,133	-	1,692,133

Since the directors of the Company consider that there are no indications of impairment losses on inventories at December 31, 2020 and 2019, no impairment loss adjustments were recorded in either year.

The Company has arranged insurance policies to cover the potential risks to which its inventories are exposed. The coverage of these insurance policies is considered sufficient.

11. Trade receivables and other receivables

The heading "Trade receivables" in the accompanying balance sheet presents amounts receivable for the rendering of operating and maintenance services at photovoltaic installations, as well as amounts receivable for the construction and sale of photovoltaic installations. The debts pending collection for the sale of shareholdings in group companies are recorded under "Other receivables."

At 2020 and 2019 year end, the Company did not consider any of its receivable balances as doubtful.

At December 31, 2019 the Company signed purchase-sale contracts for shares in companies that own the development rights, which included a resolatory clause stipulating that the sale not be considered irrevocable until fulfillment of certain conditions. The corresponding amounts collected were classified as current liabilities under "Customer advances" in the accompanying balance sheet, totaling 4,580,276 euros.

12. Cash and cash equivalents

The breakdown for this heading at 2020 and 2019 year end is as follows:

	Balance at 12.31.2020	Balance at 12.31.2019
Cash in hand	6,402,389	17,409,454
Total	6,402,389	17,409,454

Of the amounts shown in the table above, at December 31, 2020 and 2019, 0 euros and 1,243,653 euros, respectively, correspond to current accounts pledged for obtaining guarantees.

13. Capital and reserves

13.1 Share capital

At December 31, 2020 the Company's share capital amounted to 8,507,177 euros, corresponding to 24,306,221 shares with a nominal value of 0.35 euros each.

At December 31, 2020 the following shareholders held a direct stake of more than 10% of share capital:

Shareholder	Number of shares	Percentage of ownership interest
Daruan Group Holding, S.L.	16,539,590	68%

13.2 Share Premium

The share premium amounted to 6,117,703 euros at December 31, 2020. This balance can be used for the same purposes as the voluntary reserves of the Company, including conversion to capital.

13.3 Reserves

The statement of changes in equity which forms a part of these financial statements provides the breakdown for aggregate balances and movements during 2020 and 2019 in this subheading of the accompanying balance sheet. The breakdown and movements of the different line items are shown below:

	Balance at 12.31.2018	Increases	Transfers	Balance at 12.31.2019	Increases	Decreases	Balance at 12.31.2020
Legal and statutory							
Legal reserve	729,187	-	-	729,187	718,203	-	1,447,390
Other reserves							
Voluntary reserves	11,661,752	10,897,645	(7,124,981)	15,434,416	11,292,316	-	26,726,732
Capitalization reserves	335,221	204,237	-	539,458	238,442	-	777,900
Total	12,726,160	11,101,882	(7,124,981)	16,703,061	12,248,961	-	28,952,022

Legal reserve

In accordance with article 274 of the Spanish Corporate Enterprises Act, 10% of profit must be transferred to the legal reserve each year until it represents at least 20% of share capital.

This reserve is not distributable to owners and may only be used to offset income statement losses provided no other reserves are available. The balance recognized for this reserve can be used to increase share capital.

Voluntary reserves

These reserves are freely distributable.

The gains or losses obtained on the purchase-sale of treasury shares are recognized directly under voluntary reserves. The increase in voluntary reserves in connection with this item

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recognized in 2020 totals 5,066,935 euros (2019: 2,110,720 euros).

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Capitalization reserves

During 2017 the Company set aside a capitalization reserve, with a charge to available reserves, corresponding to 10% of the increase in capital and reserves of 2016, in accordance with the stipulations of article 25 of Law 27/2014 of November 27, on Corporate Income Tax (Note 17). This reserve will be restricted for a period of 5 years. During 2020 this reserve increased by 238,442 euros, corresponding to 10% of the increase in capital and reserves of 2019.

Treasury shares

At 2020 and 2019 year end the treasury share portfolio is broken down as follows:

	Balance at 12.31.2020	Balance at 12.31.2019
Number of shares in treasury share portfolio	484,345	556,815
Total treasury share portfolio	8,115,274	3,328,497
Liquidity Accounts	200,518	31,770
Fixed Own Portfolio Account	7,914,756	3,296,727

During 2020 and 2019, the movements in the treasury share portfolio were as follows:

Year ended December 31, 2020

	Treasury shares		
	Number of shares	Nominal amount	Average acquisition price
Balance at 12.31.2019	556,815	3,328,497	5.98
Acquisitions	951,635	16,019,484	16.83
Disposals	(1,024,105)	(11,232,707)	10.97
Balance at 12.31.2020	484,345	8,115,274	16.75

Year ended December 31, 2019

	Treasury shares		
	Number of shares	Value of portfolio	Average acquisition price
Balance at 12.31.2018	888,177	2,062,969	2.32
Acquisitions	389,978	3,882,063	9.95
Disposals	(721,340)	(2,616,535)	3.63
Balance at 12.31.2019	556,815	3,328,497	5.98

A profit was obtained on Greenergy treasury share transactions during 2020 amounting to 5,067 thousand euros (2019: a profit of 2,111 thousand euros), recognized under "Voluntary reserves" in the accompanying balance sheet.

The purpose of holding the treasury shares is to maintain them available for sale in the market as well as for the incentive plan approved for directors, executives, employees, and key collaborators of the Group (Note 13.4).

At December 31, 2020 treasury shares represent 2% of all the Company's shares (2019: 2.3%).

13.4 Incentive plans for employees

At the meeting held on June 26, 2015, the Board of Directors of the Company approved an incentive plan for certain executives and key personnel based on the granting of options on the Company's shares. At December 31, 2020 the number of shares set aside for covering this plan totaled 0 shares. The exercise price of the share options was established as 1.38 euros per share.

The beneficiary will be able to acquire:

- A third of the shares granted for the option from the date on which two years have elapsed counting from the grant date.
- A third of the shares granted for the option from the date on which three years have elapsed counting from the grant date.
- A third of the shares granted for the option from the date on which four years have elapsed counting from the grant date.

On June 2, 2016 a second granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 2,000 shares. The exercise price of the share options was established as 1.90 euros per share.

On November 27, 2018 a third granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 157,143 shares. The exercise price of the share options was established as 3.50 euros per share.

On March 29, 2019 a fourth granting of options was approved in the framework of the aforementioned incentive plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 55,700 shares. The exercise price of the share options was established as 6.90 euros per share.

Said incentive plans establish that their settlement will be carried out by delivery of equity instruments to the employees should they exercise the options granted. The exercise prices of the options on shares were established by reference to the fair value of the corresponding equity instruments at the grant date.

Of the plans described in the above paragraphs, at December 31, 2020 there were 54,381 exercisable share options (2019: 54,445 exercisable share options). In 2020, 52,668 options were exercised (2019: 263,333 options).

A new incentive plan was approved in October 2019 for certain executives and key personnel based on the granting of options on the Company's shares.

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Each year the beneficiary will have the right to exercise up to 25% of the options granted. The right to exercise shall be approved by the Commission for Appointments and Remuneration based on the beneficiary's compliance with the objectives established in the Remuneration Policy for Senior Management. The beneficiary can exercise the share options starting two years from their grant date and for a period of three years. The option's exercise price, which shall be set at the moment the option is granted by the Company, shall be made up of the quoted price on the corresponding market at the closing prior to the grant date and the average value of the quoted share price in the ninety sessions preceding the option grant date. The option can only be exercised if the beneficiary remains in the company. At December 31, 2020 the number of shares set aside for covering this plan totaled 56,165 shares, though no rights had been exercised at said date. The exercise price of the share options was established as 7.73 euros per share.

At September 28, 2020 a new incentive plan was approved based on the granting of options on the Company's shares with similar characteristics to the previous plan. At December 31, 2020 the number of shares set aside for covering this plan totaled 134,513 shares, though no rights had been exercised at said date. The exercise price of the share options was established as 15.28 euros per share.

The Company did not recognize any amounts relating to this item since it considered that the fair value of the option price is not significant.

14. Non-current and current borrowings

The breakdown of these headings in the accompanying balance sheet at December 31, 2020 and 2019 is as follows:

Year ended December 31, 2020

	Borrowings	Borrowings	Total at 12.31.20
Bonds and other marketable securities	21,496,591	151,920	21,648,511
Bank borrowings	9,330,166	3,998,307	13,328,473
Loans	9,330,166	2,334,702	11,664,868
Credit lines	-	975,295	975,295
Foreign financing	-	688,310	688,310
Other borrowings	156,189	3,054,370	3,210,559
Finance lease payables (Note 8.1)	103,829	28,254	132,083
Total	31,086,775	7,232,851	38,319,625

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Year ended December 31, 2019

	Borrowings	Borrowings	Total at 12.31.19
Bonds and other marketable securities	21,539,687	-	21,539,687
Bank borrowings	831,260	3,493,301	4,324,561
Loans	831,260	2,175,207	3,006,467
Credit lines	-	23,102	23,102
Foreign financing	-	1,294,992	1,294,992
Other borrowings	208,249	3,342,401	3,550,650
Finance lease payables (Note 8.1)	131,602	32,927	164,529
Total	22,710,798	6,868,629	29,579,427

All the financial liabilities held by the Company are classified under "Trade and other payables" for measurement purposes.

At December 31, 2020 and 2019 the breakdown of borrowings by residual maturities is as follows:

Year ended December 31, 2020

	Bonds and other marketable securities	Bank borrowings	Other borrowings	Finance lease payables	Total
Within one year	151,920	3,998,307	3,054,370	28,254	7,232,851
2022	-	2,661,501	156,189	84,894	2,902,584
2023	-	2,721,719	-	14,092	2,735,811
2024	21,496,591	2,783,300	-	4,843	24,284,734
2025	-	1,163,646	-	-	1,163,646
More than five years	-	-	-	-	-
Total	21,648,511	13,328,473	3,210,559	132,083	38,319,626

Year ended December 31, 2019

	Bonds and other marketable securities	Bank borrowings	Other borrowings	Finance lease payables	Total
Within one year	-	3,493,301	3,342,401	32,927	6,868,629
2021	-	831,260	52,060	27,773	911,093
2022	-	-	156,189	84,894	241,083
2023	-	-	-	14,092	14,092
2024	21,539,687	-	-	4,843	21,544,530
More than five years	-	-	-	-	-
Total	21,539,687	4,324,561	3,550,650	164,529	29,579,427

During 2020 and 2019 the Company complied with the payment of all its financial debt at maturity. Likewise, at the date of authorization of these financial statements the Company had complied with all obligations assumed.

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14.1 Bonds and other marketable securities

In October 2019, the Board of Directors of Greenergy agreed upon establishment of the "Greenergy Renewables Fixed Income Program 2019," by virtue of which the Company can issue medium and long-term fixed-income securities for a maximum nominal amount of up to 50,000,000 euros. Thus, in October 2019, the corresponding admission prospectus was prepared for the Alternative Fixed Income Market ("MARF") with a view to trading the bonds issued under the "Greenergy Renewables Fixed Income Program 2019" on said market during the period it is in force (one year from the date of the MARF admission prospectus).

In November 2019, the Company carried out a bond issue under said program for a nominal amount of 22,000,000 euros, bearing 4.75% interest and maturing in November 2024. Interest accrued in 2020 totaled 1,197 thousand euros (2019: 174 thousand euros). The issue was validated by Vigeo Eiris in terms of environmental, social, and governance (ESG) criteria, in accordance with the directives contained in the Green Bond Principles.

The Annual Green Bond Report 2020 available for viewing on the Company's website provides public disclosure on the distribution of all funds obtained via the Green Bonds (22 million euros) exclusively for purposes of financing renewable energy projects, both solar and wind, as indicated in the Green Bond Framework. The report describes the project selection process, management of the funds, and the environmental benefits arising in connection with said financing. Further, said report was externally validated by Vigeo Eiris in order to ensure alignment with the Green Bond Principles and the initial commitments of the Company.

This bond issue is subject to fulfillment of a series of covenants, which had all been fulfilled at December 31, 2020.

14.2 Bank borrowings

The breakdown of loans subscribed and their main contractual conditions at December 31, 2020 and 2019 is as follows:

Year ended December 31, 2020

Financial entity	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
BANCO SABADELL	10/20/2021	2.50%	Corporate	Monthly	-	525,063	525,063
BANCO SABADELL (USD denominated loan)	4/19/2021	3.60%	Corporate	Monthly	-	271,805	271,805
Banco Sabadell (ICO)	4/30/2025	2.00%	Corporate	Monthly	2,516,504	483,496	3,000,000
Bankinter (ICO)	4/30/2025	2.25%	Corporate	Monthly	1,719,892	280,108	2,000,000
BBVA (ICO)	5/13/2025	2.50%	Corporate	Monthly	420,096	79,904	500,000
Bankia (ICO)	4/30/2025	2.85%	Corporate	Monthly	1,823,566	344,434	2,168,000
Banco Santander (ICO)	4/30/2025	1.75%	Corporate	Monthly	1,030,185	169,815	1,200,000
Caixabank (ICO)	4/30/2025	2.50%	Corporate	Monthly	880,395	60,472	940,867
Banco Santander (ICO)	9/1/2025	1.75%	Corporate	Monthly	939,528	119,605	1,059,133
Total					9,330,166	2,334,702	11,664,868

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Year ended December 31, 2019

Financial entity	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
BANCO SABADELL	10/20/2021	2.50%	No	Monthly	534,031	609,693	1,143,724
BANCO SABADELL (USD denominated loan)	4/19/2021	3.60%	No	Monthly	297,229	891,687	1,188,916
BANCO SANTANDER	4/10/2020	2.15%	No	Monthly	-	673,827	673,827
Total					831,260	2,175,207	3,006,467

14.3 Credit policies and foreign financing

At December 31, 2020 and 2019 the Company had subscribed credit facilities and credit financing for foreign operations with various financial entities. The breakdown of the credit drawn at said dates together with the corresponding contractual terms is as follows:

Year ended December 31, 2020

Financial entity	Maturity date	Euros		
		Credit limit granted	Amount drawn	Amount available
SANTANDER	5/23/2023	650,000	-	650,000
SABADELL	5/10/2021	200,000	-	200,000
BANKINTER	10/20/2021	500,000	487,089	12,911
BBVA	4/29/2023	500,000	488,206	11,794
BANKIA (VISA)	Indefinite	3,000	-	3,000
BANCO SABADELL (VISA)	Indefinite	30,000	-	30,000
Total credit facilities		1,883,000	975,295	907,705
SABADELL	Indefinite	13,500,000	688,310	2,675,128
SANTANDER	Indefinite	11,000,000	-	7,201,000
BANKIA	5/27/2021	11,000,000	-	5,750,129
BANKINTER	10/20/2021	12,700,000	-	1,873,290
CAIXABANK	1/23/2021	4,000,000	-	-
BBVA	3/1/2021	7,500,000	-	1,176,671
Total foreign financing		59,700,000	688,310	18,676,218
Total		61,583,000	1,663,605	19,583,923

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Year ended December 31, 2019

Financial entity	Maturity date	Euros		
		Credit limit granted	Amount drawn	Amount available
BANKIA I	5/27/2020	100,000	-	100,000
BANKIA II	4/21/2020	1,500,000	-	1,500,000
SANTANDER	4/17/2020	300,000	-	300,000
SANTANDER II (PREVIOUSLY "POPULAR")	5/7/2020	200,000	-	200,000
SABADELL	5/10/2020	200,000	23,102	176,898
BANKINTER	Indefinite	500,000	-	500,000
BANKIA (VISA)	Indefinite	3,000	-	3,000
BANCO SABADELL (VISA)	Indefinite	30,000	-	30,000
Total credit facilities		2,833,000	23,102	2,809,898
SABADELL (USD)	Indefinite	13,500,000	67,554	2,886,110
SANTANDER (USD)	Indefinite	11,750,000	-	7,024,020
BANKIA (USD)	5/27/2020	11,000,000	1,227,438	3,218,843
BANKINTER (USD)	Indefinite	11,000,000	-	5,531,739
CAIXABANK (USD)	1/23/2021	5,000,000	-	2,985,581
BBVA (USD)	3/1/2020	5,000,000	-	-
Total foreign financing		57,250,000	1,294,992	21,646,293
Total		60,083,000	1,318,094	24,456,191

The foreign financing contracted by the Company for the years 2020 and 2019 includes credit transactions as well as warranty coverage, letters of credit, and guarantees (Note 22.2).

The average annual interest rate on the credit facilities during 2020 and 2019 was 2.15% per year.

14.4 Other borrowings

The breakdown of this heading at December 31, 2020 and 2019 was the following:

Year ended December 31, 2020

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	156,189	52,060	208,249
Ministry of Economy and Competition	1/20/2021	Zero interest	No	Monthly	-	300	300
Other borrowings (Kosten)	-	-	-	-	-	1,069,009	1,069,009
Other borrowings (PEQ)	-	-	-	-	-	1,933,001	1,933,001
Total					156,189	3,054,370	3,210,559

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Year ended December 31, 2019

Lender	Maturity date	Interest rate	Type of guarantee	Installments	Euros		
					Non-current liabilities	Current liabilities	Total
Spanish Center for the Development of Industrial Technology (CDTI)	5/12/2022	Zero interest	No	Monthly	208,249	52,060	260,309
Ministry of Economy and Competition	1/20/2021	Zero interest	No	Monthly	-	6,226	6,226
Other borrowings (Kosten)	-	-	-	-	-	1,169,001	1,169,001
Other borrowings (PEQ)	-	-	-	-	-	2,113,810	2,113,810
Other	-	-	-	-	-	1,304	1,304
Total					208,249	3,342,401	3,550,650

These balances correspond to the following:

- The amount pending payment at December 31, 2020 and 2019 generated by the purchase of Kosten, S.A., integrated in the Group in 2017 (Note 9.1).
- The amount pending payment at December 31, 2020 and 2019 generated by the purchase of PEQ, S.P.A., integrated in the Group in 2019 (Note 9.1).
- The amount pending payment at 2020 and 2019 year end on a zero interest rate loan granted by the CDTI on October 13, 2011 in the amount of 520,609 euros in order to help financing the necessary investments for the project known as "Design and Modeling of a forecasting system for performance and integral control at energy distribution installations." The Company did not recognize said loan at its fair value, as established in Consultation number 1 of BOICAC 81, as it considers that said fair value does not significantly differ from its nominal amount.
- Further, the Company received another zero interest rate loan granted by the Ministry of Economy and Competition on April 16, 2012 in the amount of 33,756 euros, relating to the personnel expenses for carrying out the project known as "Design and Modeling of a forecasting system for performance and integral control at energy distribution installations."

Repayment of both these loans can be extended over a maximum period of seven yearly installments at identical amounts, allowing a maximum maturity for the first annual installment of five years counted from the date on which they were granted. The first of said annual installments was paid in 2015.

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15. Borrowings from group companies and associates

The breakdown of these headings in the accompanying balance sheet at December 31, 2020 and 2019 is the following:

Year ended December 31, 2020

	Maturity date	Interest rate	Type of guarantee	Borrowings	Borrowings	Total at 12.31.20
Borrowings from group companies						
Loan debt	Indefinite	-	-	-	277,688	277,688
Total			-	-	277,688	277,688

Year ended December 31, 2019

	Maturity date	Interest rate	Type of guarantee	Borrowings	Borrowings	Total at 12.31.19
Borrowings from group companies						
Loan debt	Indefinite	-	-	-	242,988	242,988
Total			-	-	242,988	242,988

Loan debt at December 31, 2020 and 2019 reflects the current account payable by Greenergy Renovables, S.A. to the Group company GR Equity Wind and Solar, S.L.

16. Information on deferred payments to suppliers

The average payment period for suppliers was as follows:

	2020	2019
	Days	Days
Average supplier payment period	56.21	52.92
Ratio of transactions paid	60	60
Ratio of transactions pending payment	49	43
	Amount (euros)	Amount (euros)
Total payments made	58,939,127	26,556,384
Total payments outstanding	31,000,016	18,961,836

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17. Public administrations and tax matters

The breakdown of balances with public administrations at December 31, 2020 and 2019 is as follows:

Year ended December 31, 2020

Receivable from public administrations	Non-current	Current	Balance at 12.31.2020
Deferred tax assets	446,590	-	446,590
Other receivables from public administrations	-	404,276	404,276
VAT receivable	-	404,276	404,276
Total	446,590	404,276	850,866

Payable to public administrations	Non-current	Current	Balance at 12.31.2020
Current income tax liabilities	-	151,586	151,586
Other payables to public administrations	-	257,350	257,350
Payable to the public treasury for withholdings	-	153,136	153,136
Social security agencies	-	104,214	104,214
Total	-	408,936	408,936

Year ended December 31, 2019

Receivable from public administrations	Non-current	Current	Balance at 12.31.19
Deferred tax assets	842,998	-	842,998
Other receivables from public administrations	-	636,840	636,840
VAT receivable	-	636,840	636,840
Total	842,998	636,840	1,479,838

Payable to public administrations	Non-current	Current	Balance at 12.31.19
Current income tax liabilities	-	525,521	525,521
Other payables to public administrations	-	200,859	200,859
VAT payable	-	-	-
Payable to the public treasury for withholdings	-	141,608	141,608
Social security agencies	-	59,251	59,251
Total	-	726,380	726,380

Tax matters

At December 31, 2020 the Company is open to inspection of all taxes to which it is liable for the last four years, as well as corporate income tax for 2016.

Under current Spanish tax legislation, taxes cannot be considered definitive until the tax returns have been inspected by the tax authorities or until the four-year legal inspection period has elapsed.

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Due to the varying interpretations of the tax regulations applicable, certain tax contingencies that are not objectively quantifiable could arise. Nevertheless, the directors consider that tax debts arising from possible future actions taken by the tax authorities would not have a significant effect on the financial statements taken as a whole.

Income tax

Due to the differing treatment of certain transactions permitted under prevailing tax legislation, accounting profit differs from taxable income. The reconciliation of accounting profit with taxable income for 2020 and 2019 was the following:

Year ended December 31, 2020

	Income statement			Income and expense recognized directly in equity	Total
	Increase	Decrease	Total	Total	
Income and expenses for the year	21,916,289	-	21,916,289	-	21,916,289
Corporate income tax	4,332,864		4,332,864	-	4,332,864
Permanent differences	2,453,595	(19,042,173)	(16,588,578)	-	(16,588,578)
From the individual Company	2,453,595	(19,042,173)	(16,588,578)	-	(16,588,578)
Temporary differences	1,551	(2,233,528)	(2,231,977)	-	(2,231,977)
Arising in the year	-	-	-	-	-
Arising in prior years	1,551	(2,233,528)	(2,231,977)	-	(2,231,977)
Capitalization reserve		(742,853)	(742,853)	-	(742,853)
Taxable income (Tax results)	28,704,299	(22,018,554)	6,685,745	-	6,685,745
Tax charge (25%)					1,671,436
Tax deductions applied					(41,124)
Tax payable					1,630,312
Withholdings and payments on account					(1,478,726)
Net amount payable (collectible)					151,586

The positive permanent differences mainly correspond to the portfolio provision of the group company Kosten in the amount of 2,336 thousand euros (Note 9.1).

The negative permanent differences correspond to the capital gains obtained from the sale of interests held in Group companies (Note 9.1).

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The negative temporary differences correspond to the reversal of the impairment losses recognized on the loan granted to a Group company (Note 9.1)

Year ended December 31, 2019

	Income statement			Income and expense recognized directly in equity	Total
	Increase	Decrease	Total	Total	
Income and expenses for the year	7,182,026	-	7,182,026	-	7,182,026
Corporate income tax	1,846,941	-	1,846,941	-	1,846,941
Permanent differences	592	(6,923,629)	(6,923,037)	-	(6,923,037)
From the individual Company	592	(6,923,629)	(6,923,037)	-	(6,923,037)
Temporary differences	278,848	(360)	278,488	-	278,488
Arising in the year	275,417	-	275,417	-	275,417
Arising in prior years	3,431	(360)	3,071	-	3,071
Capitalization reserve	-	(238,442)	(238,442)	-	(238,442)
Taxable income (Tax results)	9,308,407	(7,162,431)	2,145,976	-	2,145,976
Tax charge (25%)					536,494
Tax deductions applied					(18)
Tax payable					536,476
Withholdings and payments on account					(10,955)
Net amount payable (collectible)					525,521

The reconciliation of tax payable and tax expense is as follows:

	12.31.2020	12.31.2019
Tax payable	(1,630,312)	(536,476)
Change in deferred taxes	(557,994)	69,622
Current foreign tax	(2,306,696)	(1,488,221)
Capitalization reserve	161,596	108,134
Other	542	-
Income tax expense	(4,332,864)	(1,846,941)

The line item identified as "Current foreign tax" corresponds to withholding taxes on the gains arising from the sale of shareholdings in Chilean Group companies carried out by the Company in 2020 and 2019 (Note 9.1).

Deferred tax assets and liabilities

The difference between the tax expense for 2020 and prior years as compared to the tax already paid or payable for those years is recorded in "Deferred tax assets" or "Deferred tax liabilities," as applicable. Said deferred taxes were calculated by applying the prevailing nominal tax rate to the corresponding amounts.

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The breakdown and movements under these balance sheet headings for 2020 and 2019 are as follows:

Year ended December 31, 2020

	Balance at 12.31.2019	Recognized in the income statement		Balance at 12.31.2020
		Additions	Retirements	
Deferred tax assets	842,998	161,974	(558,382)	446,590
Tax loss carryforwards pending offset	-	-	-	-
Tax deductions pending application	-	-	-	-
Temporary differences	842,998	161,974	(558,382)	446,590
Total	842,998	161,974	(558,382)	446,590

Year ended December 31, 2019

	Balance at 12.31.18	Recognized in the income statement		Balance at 12.31.19
		Additions	Retirements	
Deferred tax assets	664,818	178,321	(141)	842,998
Tax deductions pending application	33	-	(33)	-
Temporary differences	664,785	178,321	(108)	842,998
Total	664,818	178,321	(141)	842,998
Deferred tax liabilities	-	-	-	-
Temporary differences	-	-	-	-
Total	-	-	-	-

The recoverability of deferred tax assets is assessed as soon as they are recognized, and at least at each closing date, in accordance with the results the Company expects to generate in coming years.

Tax loss carryforwards pending offset

At 2020 and 2019 year end, the Company had no tax loss carryforwards pending application.

Deductions

At 2020 and 2019 year end there were no deductions pending application either.

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18. Income and expenses**Cost of sales**

The breakdown of this income statement heading for 2020 and 2019 is as follows:

Year ended December 31, 2020

	Acquisitions	Changes in inventories	Impairment (Reversal)	Total consumption
Consumption of goods for resale	66,358,091	(584,060)	-	65,774,031
Total	66,358,091	(584,060)	-	65,774,031

Year ended December 31, 2019

	Acquisitions	Changes in inventories	Impairment (Reversal)	Total consumption
Consumption of goods for resale	48,366,737	(243,198)	-	48,123,539
Total	48,366,737	(243,198)	-	48,123,539

The breakdown of purchases carried out in 2020 and 2019, by origin, is as follows:

	Balance at 12.31.20	Balance at 12.31.19
Spain	34,927,633	8,557,104
Imports	31,430,458	39,809,633
Total	66,358,091	48,366,737

Social security costs, et al

The breakdown of this income statement heading for 2020 and 2019 is as follows:

	2020	2019
Social security payable by the Company	771,317	587,928
Other social security expenses	65,607	57,971
Total	836,924	645,899

The average number of employees, by professional category, in 2020 and 2019, was as follows:

Category	2020	2019
Directors and Senior Management	9	7
Department directors	11	8
Other	31	28
Total	51	43

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The breakdown by gender of employees, directors, and senior management at 2020 and 2019 year end, is as follows:

Year ended December 31, 2020

Category	Men	Women	TOTAL
Directors and Senior Management	6	3	9
Department directors	9	3	12
Other	29	12	41
Total	44	18	62

Year ended December 31, 2019

Category	Men	Women	TOTAL
Directors and Senior Management	6	3	9
Department directors	7	2	9
Other	27	10	37
Total	40	15	55

At December 31, 2020 and 2019 the Company had no employees under contract with disabilities greater than or equal to 33%.

Finance income and expenses

The breakdown of finance income and expenses recognized in the accompanying income statement is as follows:

Year ended December 31, 2020

	Third parties	Group companies	Total
Income	157,235	825,042	982,277
Interest from other financial assets	157,235	825,042	982,277
Expenses	(2,269,129)	-	(2,269,129)
Interest on borrowings	(1,519,590)	-	(1,519,590)
Other finance expenses	(749,539)	-	(749,539)
Exchange gains (losses)	(2,132,940)	-	(2,132,940)
Impairment losses and gains (losses) on disposals (Note 9.1)	19,042,173	(102,655)	18,939,518
Impairment and losses	-	(102,655)	(102,655)
Gains (losses) on disposals	19,042,173	-	19,042,173
Finance cost	14,797,339	722,387	15,519,726

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Year ended December 31, 2019

	Third parties	Group companies	Total
Income	59,996	439,712	499,708
Interest from other financial assets	59,996	439,712	499,708
Expenses	(1,038,917)	-	(1,038,917)
Interest on borrowings	(544,175)	-	(544,175)
Other finance expenses	(494,742)	-	(494,742)
Exchange gains (losses)	(73,776)	-	(73,776)
Impairment losses and gains (losses) on disposals	6,898,629	(275,417)	6,623,212
Impairment and losses	(25,000)	(275,417)	(300,417)
Gains (losses) on disposals	6,923,629	-	6,923,629
Finance cost	5,845,932	164,295	6,010,227

19. Foreign currency

The breakdown of transactions carried out in foreign currency during 2020 and 2019 is as follows:

Year ended December 31, 2020

	Corresponding amounts in euros	
	US Dollars	Total
Purchases	46,555,162	46,555,162
Sale of goods	76,995,542	76,995,542
Total	123,550,704	123,550,704

Year ended December 31, 2019

	Corresponding amounts in euros	
	US Dollars	Total
Purchases	39,809,633	39,809,633
Sale of goods	54,624,015	54,624,015
Total	94,433,648	94,433,648

The breakdown of assets and liabilities denominated in foreign currencies at December 31, 2020 and 2019 is as follows:

Year ended December 31, 2020

	Corresponding amounts in euros		
	US Dollars	Other	Total
Assets			
Loans to Group companies	24,562,003	-	24,562,003
Trade and other receivables	39,187,304	-	39,187,304
Cash and cash equivalents	4,890,141	-	4,890,141
Liabilities			
Suppliers	(18,752,218)	-	(18,752,218)
Borrowings	(3,962,125)	-	(3,962,125)
Total	45,925,105	-	45,925,105

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Year ended December 31, 2019

	Corresponding amounts in euros		
	US Dollars	Other	Total
Assets			
Loans to Group companies	12,966,476	-	12,966,476
Trade and other receivables	4,529,858	-	4,529,858
Cash and cash equivalents	5,915,843	-	5,915,843
Liabilities			
Suppliers	(12,530,393)	-	(12,530,393)
Non-current and current borrowings	(5,766,719)	-	(5,766,719)
Total	5,115,065	-	5,115,065

20. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Company carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and its evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life the project, and also to define the preventative, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These Programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These Programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Company contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and the execution and periodic reporting associated with the Environmental Monitoring Programs, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The projects performed by the Company are in general mainly affected by the environmental impact arising out of the occupation of land. Thus, the land selection phase plays a fundamental role and the Company searches for and locates land using a system for analyzing current environmental variables with a view to minimizing environmental impact.

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21. Related-party transactions**21.1 Related-party transactions and balances**

In addition to group entities, jointly controlled entities, and associates, the Company's related parties also include its directors and senior management (including close family members) as well as those entities over which they may exercise control or significant influence.

At 2020 and 2019 year end, the debit and credit balances the Company holds with related parties are broken down as follows:

Year ended December 31, 2020

	Parent company	Other Group companies	Total
Assets			
Clients	-	38,916,536	38,916,536
Loans to group companies	-	33,498,509	33,498,509
	-	72,415,045	72,415,045
Liabilities			
Suppliers	-	-	-
Borrowings from group companies	-	277,688	277,688
	-	277,688	277,688

Year ended December 31, 2019

	Parent company	Other Group companies	Total
Assets			
Clients	-	16,178,806	16,178,806
Loans to group companies	-	14,111,199	14,111,199
	-	30,290,005	30,290,005
Liabilities			
Suppliers	-	5,436	5,436
Borrowings from group companies	-	242,988	242,988
	-	248,424	248,424

The balances with related parties at December 31, 2020 and 2019 are comprised of the following:

- Trade receivables from group companies: reflects the debt pending collection by the Company from its investees and related parties, corresponding to the sale of consumables and the construction of solar farms, mainly related to Greenergy Renovables Pacific, and totaling 32,415,271 euros at December 31, 2020 (2019: 13,300,143 euros).
- Loans to group companies: balances in favor of Greenergy Renovables, S.A. relating to loans granted to investees (Note 9.1).
- Borrowings from group companies mainly reflects the current account payable by Greenergy Renovables, S.A. to GR Equity Wind and Solar, S.L.

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The breakdown of transactions performed with related parties in 2020 and 2019 is as follows:

Year ended December 31, 2020

	Parent company	Other group companies	Key management personnel	Other related parties	Total
Income	-	80,059,152	-	-	80,059,152
Sale of goods	-	78,813,274	-	-	78,813,274
Other current operating income	-	420,836	-	-	420,836
Accrued interest	-	825,042	-	-	825,042
Expenses	194,531	-	658,866	393,879	1,247,276
Services received	194,531	-	-	125,845	320,376
Other purchases	-	-	-	268,034	268,034
Remuneration	-	-	658,866	-	658,866

The transactions with related parties carried out during 2020 relate to the normal course of the Company's business and were generally carried out on an arm's length basis. The most significant transactions were the following:

- The sale of necessary components for solar installations (panels, inverters, etc.) to Grenergy Pacific Ltda. for a total amount of 77,108,734 euros.
- Other current operating income includes management fees invoiced to the Group's subsidiaries. This income was recorded under "Other operating income" in the accompanying income statement.
- "Services received" mainly correspond to the lease expense in connection with the properties where the Company carries out its activity.

Year ended December 31, 2019

	Parent company	Other group companies	Key management personnel	Total
Income	-	56,070,833	-	56,070,833
Sale of goods	-	54,625,015	-	54,625,015
Other current operating income	-	1,006,106	-	1,006,106
Accrued interest	-	439,712	-	439,712
Expenses	119,922	1,568,294	1,374,521	3,062,737
Cost of sales	-	1,336,534	-	1,336,534
Services received	119,922	231,760	-	351,682
Remuneration	-	-	1,374,521	1,374,521

The transactions with related parties carried out during 2019 relate to the normal course of the Company's business and were generally carried out on an arm's length basis. The most significant transactions were the following:

- The sale of necessary components for solar installations (panels, inverters, etc.) to Grenergy Pacific Ltda. in the amount of 35,802,992 euros, to GR Taruca, SAC and GR Paino, SAC in the amount of 1,281,179 euros for each, and to PEQ, SPA in the amount of 16,259,665 euros.

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- Other current operating income includes management fees invoiced to the Group's subsidiaries. This income was recorded under "Other operating income" in the accompanying income statement.
- "Cost of sales" reflects the project development expenses re-invoiced by GR Perú, SAC.
- "Services received" reflects the lease expenses for the premises where the Company performs its activities and the management fees invoiced by Daruan V.C.

21.2 Disclosures relating to the directors and senior management

During 2020 and 2019 the Company did not extend any advances or credit to its directors, nor did it assume any obligations on their behalf by way of guarantees extended. Likewise, the Company has no pension or life insurance commitments for any of its current or former directors.

The amounts accrued by members of the Board of Directors during 2020 and 2019 was the following:

Type of remuneration	2020	2019
Remuneration for membership of Board and/or Board committees	138,000	82,286
Salaries	155,000	60,000
Variable remuneration in cash	123,462	60,000
Share-based remuneration schemes	232,735	-
Other	15,905	7,401
TOTAL	665,102	209,687

The directors of the Parent are covered by a civil liability insurance policy for which the Company disbursed a premium of 24 and 19 thousand euros in 2020 and 2019, respectively.

The amounts accrued by senior management corresponding to fixed remuneration, variable annual remuneration, and other items, amounted to 320,588 euros in 2020 (2019: 1,164,834 euros).

21.3 Other disclosures relating to the directors

At the date of authorization of these financial statements none of the members of the Board of Directors disclosed any conflicts of interest, direct or indirect, with those of the Company in connection with said members themselves or any persons to whom article 229 of the Spanish Corporate Enterprises Act refers.

22. Other disclosures**22.1 Risk management policy**

The activities of the Company are exposed to various financial risks: market risk (including exchange rate risk) and liquidity risk. The Company's risk management is focused on the uncertainty of financial markets and attempts to minimize the potentially adverse effects on its profitability, using certain financial instruments for this purpose, described further on in the notes.

Market risk

The market in which the Company operates is related to the sector for production and commercialization of renewable energies. It is for this reason that the factors which influence said market positively and negatively can affect the Company's performance.

Market risk in the electricity sector is based on a complex price formation process in each of the markets in which the Company performs its business activities.

In general, the price of products offered in the sector of renewable energies contains a regulated component as well as a market component. The first is controlled by the competent authorities of each country or market and can vary whenever said authorities consider it appropriate and necessary, resulting in an obligation for all market agents to adapt to the new circumstances. The cost of energy production would be affected as well as distribution to networks, thereby also affecting the price paid by the Company's clients, either with respect to the negotiation of purchase-sales prices for its projects or price formation in the wholesale market ("merchant"), or under the Power Purchase Agreements ("PPAs").

As far as the market component is concerned, there is the risk that the competitors of Greenergy, both for renewable energies as well as for conventional energies, may be able to offer lower prices, generating competition in the market which, via pricing, may endanger the stability of the Greenergy client portfolio and could thereby provoke a substantial negative impact on its activities, results, and financial position.

At any rate, as the performance of said sector varies significantly from country to country and continent to continent, three years ago the Group initiated a geographical diversification process, breaking into markets outside Spain (currently the Group is present in Spain, Chile, Mexico, Colombia, Argentina, and Peru), thereby reducing this type of risk even more. At present, all the efforts being made by Greenergy are focused on further developing the projects it owns in these countries.

Product responsibility

The Company designs, develops, executes, and promotes large scale renewable energy projects, certified by TÜV Rheinland. Its integrated quality management system (ISO9001) and environmental management system (ISO 14001) systematize the identification of each project's requirements in terms of quality, safety, and efficiency in each of the phases of said projects.

Client credit risk for Operations and Maintenance ("O&M") and Asset Management ("AM") services

With respect to those projects for which Greenergy performs O&M and AM services, credit risk arises from non-compliance with the recurring payment obligations of the clients party to said contracts, in spite of the fact that these contracts generally foresee quarterly commission payments in arrears and payments 30 days subsequent to the issuing of each invoice.

The percentage of allowances for insolvencies was zero for 2020.

Exchange rate risk

GREENERGY performs a large part of its economic activities abroad and outside the European market, specifically, in Chile, Peru, Argentina, Mexico, and Colombia. At December 31, 2020 practically all Greenergy revenue was denominated in currencies other than the euro, specifically, the US dollar. Likewise, a large part of the expenses and investments, mainly corresponding to expenses incurred for consumables required in construction activities and investments in development projects, were also denominated in US dollars.

COVID-19 has provoked significant instability in the currency markets. Thus, with respect to the emerging markets in which Greenergy operates, the depreciation of currencies (Chilean peso, Peruvian sol, and Mexican peso) was very pronounced, as was the depreciation of the US dollar.

As a consequence of the fluctuations in the value of the US dollar with respect to the euro, and to the extent that the Group does not at present have any mechanisms or hedging agreements for mitigating these exchange rate risks, Greenergy could suffer a negative impact.

Liquidity risk

Liquidity risk refers to the possibility that the Company may not be able to meet its financial commitments in the short term. As the Company's business is capital intensive and involves long term debt, it is important for the Company to analyze the cash flows generated by the business so that it can fulfill its debt payment obligations, both financial and commercial.

Liquidity risk arises from the financing needs of Greenergy's activities due to the time lag between requirements being met and the generation of funds.

During the early stages of the effects arising from COVID-19 and until the central banks started implementing measures for injecting liquidity to stabilize markets, liquidity squeezes arose, mainly affecting entities with poor ratings.

The Company's liquidity position was sound prior to the situation arising from COVID-19, which ensured that it was not at risk of failing to comply with its commitments.

However, and with a view to guaranteeing liquidity should there be an additional deterioration in the generation of cash by the businesses, the sources for liquidity were expanded, ensuring that even in an environment of low liquidity the Company would receive support from banking entities at competitive prices. This was evidenced by the signing of long-term loans for an amount of 15.3 million euros at December 31, 2020, all of which were granted by Spanish credit entities and included in the ICO-COVID credit lines (Note 14).

As the Company has no significant financial commitments in the short term, at the date of authorization of these financial statements, the cash flows generated in the short term by the Company are sufficient to meet the maturities of financial and commercial debt in the short term.

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Interest rate risk

The changes in variable interest rates (e.g. EURIBOR) alter the future flows of assets and liabilities referenced to such rates, especially short and long-term financial debt. The objective of Greenergy's interest rate risk management policy is to achieve a balanced structure of financial debt with a view to reducing the financial cost of debt to the extent possible.

A total of 97% of Greenergy's debt at December 31, 2020 is set at a fixed rate, thus limiting the exposure to changes in interest rates.

22.2 Guarantee commitments to third parties

At 2020 year end, the Company held guarantees and sureties with respect to third parties in the amount of 40,928,603 euros, mainly corresponding to guarantees for the presentation of tenders and participation in auctions for renewable energies (2019: 45,286,171 euros).

22.3 Audit fees for the auditors and related entities

The fees accrued during 2020 and 2019 for the audit of accounts and other services rendered by the auditors of the individual financial statements and the consolidated financial statements of the Group (Ernst & Young, S.L. for 2020 and 2019) and by companies belonging to the same network were as follows (in euros):

Categories	2020	2019
Audit services	100,875	99,250
Other audit-related services	3,500	32,500
Total audit and related services	104,375	131,750
Other	40,267	-
Total other professional services	40,267	-
Total professional services	144,642	131,750

The amount indicated in the table above for "Audit services" includes all fees related to the audit of the financial years 2020 and 2019, irrespective of the invoice date.

23. Segmented information

The geographical distribution of revenue for 2020 and 2019 is as follows:

	2020	2019
Chile	76,995,542	52,062,657
Spain	2,306,348	237,097
Peru	-	2,562,358
Total	79,301,890	54,862,112

24. Events after the reporting period

No significant events took place from December 31, 2020 to the date on which the Company's Board of Directors authorized these financial statements that require disclosure.

APPENDIX

GREENERGY RENOVABLES, S.A. Equity investments in Group companies and associates at December 31, 2020

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2020			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GREENHOUSE SOLAR FIELDS, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(688)	-	(241)	(181)	-	2,137
GREENHOUSE SOLAR ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(527)	-	(324)	(243)	-	2,236
GREENHOUSE RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(412)	-	(324)	(243)	-	2,351
GUIA DE ISORA SOLAR 2, S.L.	Spain	Production of renewable electric energy	100%	-	100%	1,565	-	1,565	3,100	(6,888)	-	(414)	(311)	-	(4,099)
GR SOLAR 2020, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(1,904)	-	(331)	(248)	-	848
GR SUN SPAIN, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(2,505)	-	(520)	(390)	-	105
GR EQUITY WIND AND SOLAR, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	287,130	-	(319)	(239)	-	289,891
LEVEL FOTOVOLTAICA S.L.	Spain	Production of renewable electric energy (Inactive company)	50%	-	50%	1,504	-	1,504	3,008	(327,556)	-	(276)	(276)	-	(324,824)
GR BAÑUELA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(617)	-	(308)	(732)	-	1,651
GR TURBON RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(611)	-	(468)	(857)	-	1,532
GR AITANA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(593)	-	(406)	(1,168)	-	1,239
GR ASPE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(620)	-	(351)	(750)	-	1,630
VIATRES RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	40%	-	40%	1,200	-	1,200	3,000	-	-	-	-	-	3,000
EIDEN RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	(144)	(108)	-	2,543
CHAMBO RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	(185)	(139)	-	2,512
MAMBAR RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(348)	-	(230)	(173)	-	2,479
EL AGUILA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(289)	-	(148)	(111)	-	2,600
EUGABA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(76)	-	(454)	(341)	-	2,583
TAKE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(80)	-	(521)	(391)	-	2,529
NEGUA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(176)	-	(566)	(424)	-	2,400
GR SISON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR PORRON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR BISBITA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR AVUTARDA RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(378)	(284)	-	(284)
GR COLIMBO RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR MANDARIN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR DANICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CHARRAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CERCETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR CALAMON RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(507)	(380)	-	(380)
GR CORMORAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR GARCILLA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(420)	(315)	-	(315)
GR LAUNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)
GR MALVASIA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(462)	(346)	-	(346)
GR MARTINETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	(379)	(284)	-	(284)

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Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2020			(Amounts in Euros)							
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee	
												Operating profit	Continuing operations	Discontinued operations		
GR FAISAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	(420)	(315)	-	(315)
GREENERGY OPEX, S.L	Spain	Operation and maintenance of renewable electric energy installations (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GREENERGY EPC EUROPA, S.L.	Spain	Construction of electric energy installations (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GR POWER COMERCIALIZACION, S.L	Spain	Commercialization of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-	-
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	-	99.9%	43,150	-	43,150	34,352	2,500,377	-	4,255,755	2,160,217	-	4,694,946	
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR MAITEN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-	-
GR ALGARROBO S.P.A	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,303 (1,303)	-	-	-	-	-	-	-	-	-	-
GR PACIFIC CHILOE SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	917 (917)	-	-	-	-	-	-	-	-	-	-
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,357 (1,357)	-	-	933,056	(925,903)	-	-	-	-	-	7,153
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LENGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR LUMILLA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR TOROMIRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR PACAMA, S PA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR RULI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-	-
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,314 (1,314)	-	-	-	-	-	-	-	-	-	-
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-	-
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-	-
GR Maño SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-	-
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-	-
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-	-
GR Huacano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-	-
GR Corcolán SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-	-
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-	-

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			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee	
												Operating profit	Continuing operations	Discontinued operations		
GR Fuique SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Piñol SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Tayú Spa	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Coronillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Frangel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
GR Tepa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1.258 (1.258)	-	-	-	-	-	-	-	-	-	-
Grenergy OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	1,258	-	1,258	1,145	67,058	-	216,466	208,334	-	276,537	
Parque Eólico Quillagua SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	15,210,577	-	15,210,577	17,961,713	(1,766,228)	(1,749,850)	(147,041)	(1,747,136)	-	12,698,499	
GR PUMALIN SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR CORCOVADO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR QUEULAT SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR YENDEGAIA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR KAWESQAR	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR HORNOPIREN SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ALARCE ANDINO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ALERCE COSTERO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR TOLTUACA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR TORRES DEL PAINE SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR PATAGONIA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR NAHUELBUTA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR CONGUILLO SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR VILLARRICA SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR ARCHIPIELAGO JUAN FERNANDEZ SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GREENERGY PALMAS DE COCOLÁN, SPA	Chile	Holding company	100%	-	100.0%	1,161 (1,161)	-	-	-	-	-	-	-	-	-	-
GR LA CAMPANA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR VOLCAN ISLUGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-

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												Operating profit	Continuing operations	Discontinued operations		
GR LAUCA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR PAN DE AZUCAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR MORRO MORENO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR NEVADO TRES CRUCES, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR LLULLAILLACO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR SALAR HUASCO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR RAPANUI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR PUYEHUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR CABO DE HORNOS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR CERRO CASTILLO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR PALI AIKE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR RADAL SIETE TAZAS, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR ISLA MAGDALENA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GREENERGY LLANOS CHALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR LAGUNA SAN RAFAEL, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,152 (1,152)	-	-	-	-	-	-	-	-	-	-
GR POWER CHILE, SPA	Chile	Comercialización de energía eléctrica de carácter renovable	100%	-	100.0%	1,067	-	1,067	1,035	-	-	(69,882)	(67,468)	-	-	(66,433)
GREENERGY PERU SAC	Peru	Promotion and construction of electric energy installations	99%	-	99%	275	-	275	275	(143,988)	-	(150,698)	(282,832)	-	-	(426,545)
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	-	255
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	-	255
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	-	255
GR BAYONAR, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	-	255
GR VALE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	-	255
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-	-
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-	-
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	4,932,484	-	4,932,484	5,029,784	140,709	-	(110,488)	(272,359)	-	-	4,898,134
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	5,011,139	-	5,011,139	5,119,504	123,692	-	(115,292)	(316,388)	-	-	4,926,808
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-	-
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-	-
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	-	98%	2,843	-	2,843	2,050	(1,349,823)	-	1,036,070	887,989	-	-	(459,784)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	19,693	-	19,693	92,272	(9,667)	-	(54,923)	240,794	-	-	323,399
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	2,050	(14,226)	-	-	-	-	-	(12,176)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(24,901)	-	-	-	-	-	(22,851)
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(1,982)	-	-	-	-	-	68
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,050	(21,983)	-	-	-	-	-	(19,933)

APPENDIX

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2020			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy	-	99.99%	99.99%	2.790 (2.790)	-	-	2.050	(2.089)	-	(349)	(349)	-	(388)
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2.790 (2.790)	-	-	2.050	(379)	-	-	-	-	1.671
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	-	100%	270.237	-	270.237	229,245	(80,620)	-	(87,925)	(76,999)	-	71,626
GR PARQUE BRISA SOLAR 2	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE BRISA SOLAR 3	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE PRADO SOLAR 1	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE SOLAR SANDALO 2	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GR PARQUE SOLAR TUCANES	Colombia	Production of renewable electric energy (Inactive company)	100%	-	100%	238 (238)	-	-	-	-	-	-	-	-	-
GREENERGY RINNOVABILI ITALIA SRL	Italy	Promotion and construction of electric energy installations	100%	-	100%	100,000	-	100,000	100,000	-	-	(9,163)	(9,163)	-	90,837
GREENERGY RENEWABLES UK LIMITED	UK	Promotion and construction of electric energy installations	100%	-	100%	-	-	-	-	-	-	-	-	-	-
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	-	100%	314,453	-	314,453	264,645	(275,240)	-	(164,859)	(198,668)	-	(209,263)
KOSTEN S.A.	Argentina	Production of renewable electric energy; promotion and construction of electric energy installations	100%	-	100%	8,158,807	(2,336,000)	5,822,807	4,600,291	(1,451,244)	-	(145,422)	8,090	-	3,157,137
								31,786,544							

(*) Exchange rate applied at closing of 12.31.2020, with average rates applied to the 2020 income statement.

(**) Audited financial statements

APPENDIX

GREENERGY RENOVABLES, S.A.
Equity investments in Group companies and associates at
December 31, 2019

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
			Direct	Indirect	Total	Cost	Impairment	Carrying amount				Operating profit	Continuing operations	Discontinued operations	
GREENHOUSE SOLAR FIELDS, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(576)	-	(150)	(113)	-	2,317
GREENHOUSE SOLAR ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(414)	-	(150)	(113)	-	2,479
GREENHOUSE RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,006	-	3,006	3,006	(299)	-	(150)	(113)	-	2,594
GUIA DE ISORA SOLAR 2, S.L.	Spain	Production of renewable electric energy	100%	-	100%	1,565	-	1,565	3,100	(6,592)	-	(395)	(296)	-	(3,788)
GR SOLAR 2020, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(1,901)	-	(4)	(3)	-	1,096
GR SUN SPAIN, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(2,505)	-	-	-	-	495
GR EQUITY WIND AND SOLAR, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	273,911	-	(154)	13,219	-	290,130
LEVEL FOTOVOLTAICA S.L.	Spain	Production of renewable electric energy (Inactive company)	50%	-	50%	1,504	-	1,504	3,008	(322,662)	-	(4,860)	(4,893)	-	(324,547)
GR BAÑUELA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(617)	-	-	-	-	2,383
GR TURBON RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(611)	-	-	-	-	2,389
GR AITANA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(593)	-	-	-	-	2,407
GR ASPE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(620)	-	-	-	-	2,380
VIATRES RENEWABLE ENERGY, S.L.	Spain	Production of renewable electric energy (Inactive company)	40%	-	40%	1,200	-	1,200	3,000	-	-	-	-	-	3,000
EIDEN RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	-	-	-	2,651
CHAMBO RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(349)	-	-	-	-	2,651
MAMBAR RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(348)	-	-	-	-	2,652
EL AGUILA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(289)	-	-	-	-	2,711
EUGABA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(368)	-	389	292	-	2,924
TAKE RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	(391)	-	414	311	-	2,920
NEGUA RENOVABLES, S.L.	Spain	Production of renewable electric energy	100%	-	100%	3,000	-	3,000	3,000	575	-	(533)	(399)	-	3,176
GR SISON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR PORRON RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR BISBITA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR AVUTARDA RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR COLIMBO RENOVABLES, S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR MANDARIN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR DANICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CHARRAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CERCETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CALAMON RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR CORMORAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR GARCILLA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR LAUNICO RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR MALVASIA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR MARTINETA RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-
GR FAISAN RENOVABLES S.L.U.	Spain	Production of renewable electric energy (Inactive company)	100%	-	100%	3,000 (3,000)	-	-	-	-	-	-	-	-	-

APPENDIX

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GREENERGY PACIFIC LTDA	Chile	Promotion and construction of electric energy installations	99.9%	-	99.9%	43,150	-	43,150	35,732	1,289,309	(141,875)	517,350	69,501	-	1,252,667
GR PEUMO, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR QUEULE, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR MAITEN, S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,408 (1,408)	-	-	-	-	-	-	-	-	-
GR ALGARROBO S.P.A.	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,303 (1,303)	-	-	-	-	-	-	-	-	-
GR PACIFIC CHILOE SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	917 (917)	-	-	-	-	-	-	-	-	-
GR PACIFIC OVALLE, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,357 (1,357)	-	-	970,530	(962,949)	-	168	(20)	-	7,561
GR PIMIENTO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR CHAÑAR, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR CARZA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR PILO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LÚCUMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR PITAO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LLEUQUE, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR NOTRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LENGA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR TEPÚ, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR LUMILLA, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR TOROMIRO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR PACAMA, S PA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR TEMO, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR RULI, SPA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,357 (1,357)	-	-	-	-	-	-	-	-	-
GR POLPAICO PACIFIC, SPA	Chile	Production of renewable electric energy (Inactive company)	-	98%	98.0%	1,314 (1,314)	-	-	-	-	-	-	-	-	-
GR Roble SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Guindo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	1,191	(119)	-	(21,366)	(21,366)	-	(20,294)
GR Raulí SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Manzano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Naranjillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Mañío SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Tara SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Ciprés SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Ulmo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-
GR Hualo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,441 (1,441)	-	-	-	-	-	-	-	-	-

APPENDIX

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
GR Sauce SpA	Chile	Production of renewable electric energy	100%	-	100.0%	1,441 (1,441)	-	-	1,191	(358)	-	2,207	(12,804)	-	(11,971)
GR Huacano SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Corcolén SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Luma SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Fuiñque SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Piñol SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Queñoa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Tayú Spa	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Petra SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Corontillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Liun SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Kewiña SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Franquel SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Maqui SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Petrillo SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
GR Tepa SpA	Chile	Production of renewable electric energy (Inactive company)	100%	-	100.0%	1,258 (1,258)	-	-	-	-	-	-	-	-	-
Greenergy OPEX SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	1,258	-	1,258	1,191	-	-	102,141	73,471	-	74,662
Parque Eólico Quillagua SpA	Chile	Operation and maintenance of renewable electric energy installations	100%	-	100.0%	14,907,246	-	14,907,246	19,343,306	(1,531,547)	(477,733)	79,340	(298,699)	-	17,035,327
GREENERGY PERU SAC	Peru	Promotion and construction of electric energy installations	99%	-	99%	275	-	275	275	(810,720)	-	603,265	639,558	-	(170,887)
GR JULIACA, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR HUAMBOS, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR APORIC, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR BAYONAR, S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR VALE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	255	-	255	255	-	-	-	-	-	255
GR CORTARRAMA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR GUANACO S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR TARUCA S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	2,862,143	-	2,862,143	3,229,815	96,067	-	(34,044)	56,849	-	3,382,731
GR PAINO S.A.C.	Peru	Production of renewable electric energy	90%	-	90%	2,872,698	-	2,872,698	3,241,615	96,147	-	(27,555)	38,471	-	3,376,233
GR PAICHE S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR LIBLANCA S.A.C.	Peru	Production of renewable electric energy (Inactive company)	100%	-	100%	278 (278)	-	-	-	-	-	-	-	-	-
GR RENOVABLES MÉXICO	Mexico	Promotion and construction of electric energy installations	98%	-	98%	2,843	-	2,843	2,358	(1,505,453)	-	(91,217)	(46,006)	-	(1,549,101)
GREENHUB S.L. DE C.V.	Mexico	Production of renewable electric energy	20%	80%	100%	17,799	-	17,799	96,684	2,325	-	(30,483)	(30,483)	-	68,526
FAILO 3 SACV	Mexico	Production of renewable electric energy (Inactive company)	-	50%	50%	-	-	-	15,311	(16,361)	-	-	-	-	(1,050)
ASTILO 1 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2,790 (2,790)	-	-	2,358	(28,637)	-	-	-	-	(26,279)

APPENDIX

Company name	Registered address	Activity	% capital - voting rights			Balances at 12.31.2019			(Amounts in Euros)						
			Direct	Indirect	Total	Cost	Impairment	Carrying amount	Share capital	Reserves	Other equity items	Profit (loss) for the year			Total equity of the investee
												Operating profit	Continuing operations	Discontinued operations	
CRISON 2 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2.790 (2.790)	-	-	2,358	(2,279)	-	-	-	-	79
MESO 4 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2.790 (2.790)	-	-	2,358	(25,281)	-	-	-	-	(22,923)
ORSIPO 5 SOLAR, SACV	Mexico	Production of renewable electric energy	-	99.99%	99.99%	2.790 (2.790)	-	-	2,351	5,950	-	(795)	(27,472)	-	(19,171)
MIRGACA 6 SOLAR, SACV	Mexico	Production of renewable electric energy (Inactive company)	-	99.99%	99.99%	2.790 (2.790)	-	-	2,358	(436)	-	-	-	-	1,922
GREENERGY COLOMBIA S.A.S.	Colombia	Promotion and construction of electric energy installations	100%	-	100%	270,237	-	270,237	261,720	(109,038)	-	(21,559)	16,966	-	169,648
GREENERGY ATLANTIC, S.A.U.	Argentina	Promotion and construction of electric energy installations	100%	-	100%	103,629	-	103,629	101,644	(62,294)	-	(155,654)	(266,344)	-	(226,994)
KOSTEN S.A.	Argentina	Production of renewable electric energy; promotion and construction of electric energy installations	100%	-	100%	8,158,807	-	8,158,807	5,548,811	45,291	-	(299,416)	(2,130,535)	-	3,463,567
								29,296,646							

(*) Exchange rate applied at closing of 12.31.2019, with average rates applied to the 2019 income statement.

(**) Audited financial statements

GREENERGY RENOVABLES, S.A.

Management Report for 2020

1. 2020 Business Performance

The year 2020 was affected by the expansion of COVID-19, which posed significant challenges to commercial activities and introduced a degree of uncertainty surrounding economic activity and demand for energy on a global scale. The quarantine measures imposed on a large portion of the global population resulted in decreased economic activity which in turn provoked a generalized decrease in macroeconomic indicators, demand for energy, and prices of the main factors in the energy sector. The effects of the COVID-19 pandemic increase the uncertainty regarding future perspectives for companies and the economy in general, with a substantial deterioration of the recovery becoming apparent in the second half of 2020. COVID-19 did not have a significant impact on the financial statements. However, some of the measures implemented by different countries, such as restricted mobility for persons, mandatory quarantines, isolation or confinement, the closing of borders, and the closing of public and private venues (except for those covering primary needs and those related to health services) did result in a reduction of the Company's activities.

The main headings for the income statement and balance sheet are explained below:

- Total revenue for the year amounted to 79,301,890 euros, representing an increase of 31% with respect to 2019. This important increase is fundamentally due to the sale of materials, mainly solar panels, to the Greenergy subsidiary in Chile for construction of new photovoltaic installations. Specifically, the following installations were completed and connected during 2020: Quinta, (9MW), Sol de Septiembre (11MW), Molina (11MW), Romeral (9MW), Santa Carolina (3MW), and Quillagua (103MW). In addition, the following installations were under construction in 2020: Astillas (11MW), Teno (11MW), Nahuen (11MW), San Vicente (9MW), and Escuderos (200MW). In all of the above, Greenergy Renovables S.A. acted as supplier of construction materials for the EPCs. This circumstance reflects the business continuity generated in LATAM some years ago.
- The breakdown of all operating income by nature in 2020 was as follows:
 - TOTAL Revenue: 79,301,890 euros:
 - Sale of solar panels and other materials: 74,936,506 euros
 - Sale of developments: 4,163,172 euros
 - O&M income (maintenance of plants): 202,212 euros

GREENERGY RENOVABLES, S.A.*Financial statements for the year ended December 31, 2020*

- TOTAL Other Operating Income: 483,145 euros:
 - Income from management fees: 420,836 euros
 - Other operating income: 62,309
- The results for the year before taxes showed profits amounting to 26,249,153 euros, representing an increase of 61% with respect to 2019. Net profits came in at 21,916,289 euros, 67% more than in the prior period. These results confirm the continuity of Greenergy's activities in the development of its projects, construction, and connecting plants, as reflected in last year's management report. In addition, during 2020, 9 photovoltaic solar farms in Chile were transferred together with their respective vehicle entities. Greenergy considers these results as very positive given that they reflect the continuity of growth in Latin America and the consolidation of sales of installations in this region.
- EBITDA for 2020 totaled 10,883,241 euros, 250% more than in the prior year.
- The balance for employee benefits expenses increased by 19%, amounting to 3,603,633 euros in 2020, reflecting the strengthening of the workforce and an important sign that talent is being attracted, resulting in a larger corporate structure for Greenergy in all its departments.
- The finance results for the year increased by 61% with respect to the prior year, amounting to a positive 15,519,726 euros in 2020 as a consequence of selling shareholdings in group companies, all of them vehicle entities which own the developments and permits for transferred projects.
- Capital and reserves amounted to 57,377,917 euros, increasing by 22.2 million euros with respect to the prior year end (a 63% increase), which also reflects the continuity of the Company's profit reinvestment policy.
- In 2021 Greenergy will continue to develop its portfolio of projects via its subsidiaries in Latin America and Spain.
- The average number of employees during 2020, broken down by professional categories, was the following:

Category	2020
Directors and Senior Management	9
Department directors	11
Other	31
Total	51

2. Other relevant information for FY 2020

During the first quarter of 2020 the Company performed an exhaustive diagnosis of ESG matters as well as an assessment of materiality, which included consultation with external sources and more than 40 internal interviews. The results provided key information on areas for improvement and material issues of critical importance to the Company and its interest groups, covering a total of 21 subject matters with KPIs in four dimensions: governance, social, environmental, and economic. This information was utilized as the basis for preparing the ESG Action Plan 2021-2023 which the Company has already started implementing. It is a very detailed action plan which presents close to 70 specific actions in the areas of good governance, alignment of ESG objectives, corporate strategy, and management of risks and impacts, as well as covering communications regarding ESG matters to the public.

In September 2020 the Company published its first sustainability report, and announced the approval of its sustainability policy. The sustainability policy describes the priorities in the area of sustainability and establishes the rules which govern the manner in which the policy is supervised, with a view to improving and articulating governance in this area and integrating it in the whole organization. A Sustainability Director has been contracted to provide leadership in the implementation of the plan.

3. Environmental disclosures

During the development phase of the renewable energy projects, either solar or wind, the Company carries out Environmental Impact Assessments systematically. These assessments include a description of all project activities susceptible of having an impact during the life of the project, from civil engineering work up to dismantling activities, and a complete study on alternatives for the installations and its evacuation lines is also performed. It further includes an environmental inventory which discloses the characteristics relating to air, soil, hydrology, vegetation, fauna, protected items, the countryside, heritage items, and socio-economic factors. The main objective is to identify, quantify, and measure all the possible impacts on the natural and socio-economic environment as well as the activities which give rise to them throughout the life the project, and also to define the preventative, corrective, and compensatory measures with regard to said impacts.

Once the environmental permits have been obtained from the competent authority in the form of an Environmental Impact Statement and the initial construction phase of the projects has started, the Environmental Monitoring Programs are initiated and continued until the dismantling phase of the projects. These Programs constitute the system which guarantees compliance with the protective measures defined and with respect to those incidents which may arise, allowing for detection of deviations from foreseen impacts and detection of new unexpected impacts, as well as recalibrating the proposed measures or adopting new ones. These Programs also permit Management to monitor compliance with the Environmental Impact Statement efficiently and systematically as well as other deviations which are difficult to foresee and may arise over the course of the construction work and functioning of the project.

The Company contracts specialized professional services for each project in order to perform the Environmental Impact Assessments and execute the Environmental Monitoring Programs together with the associated periodic reports, adding transparency and rigor to the process. Likewise, environmental management plans are established which comprise all the possible specific plans developed in a complementary manner, such as in the case of landscape restoration and integration plans or specific plans for monitoring fauna.

The projects performed by the Company are in general mainly affected by the environmental impact arising out of the occupation of land. Thus, the land selection phase plays a fundamental role and the Company searches for and locates land using a system for analyzing current environmental variables with a view to minimizing environmental impact.

4. Investment in research and development

The Company did not capitalize any amounts relating to R&D investments in 2020.

5. Treasury shares

The possibility of acquiring treasury shares was authorized by the shareholder meeting held on May 19, 2015, permitting acquisition of up to 2,000,000 shares at a price ranging from 0.01 to 5 euros during a period of five years, counting from said date, in order to meet the requirements of the incentive plan designed for directors, executives, employees, and collaborators to motivate and retain its "key" personnel.

On February 3, 2016 the Board of Directors agreed to purchase shares of Greenergy Renovables, S.A. for its treasury share portfolio up to a limit of 0.8% of its share capital (equivalent to 181,818 shares), thus ensuring the Company is adequately covered to grant the share options to its executives and employees.

At the date of authorization of the 2020 financial statements, Greenergy Renovables, S.A. has a treasury share portfolio comprised of 484,345 shares.

6. Information on the nature and level of risk of financial instruments

The Company's management of financial risks is centralized in Financial Management, which has established the necessary mechanisms to control exposure to credit and liquidity risk. Note 22.1 describes the most significant financial risks affecting Greenergy. At 2020 year end, Greenergy had not contracted any financial product which could be considered a risk.

7. Average supplier payment period

In compliance with Law 31/2014 of December 3, modifying the third additional provision, "Disclosure requirements," of Law 15/2010 of July 5, the Company declared an average supplier payment term of 56.21 days.

8. Proposed appropriation of profit

The results obtained during the year by Greenergy Renovables, S.A. amount to 21,916,289 euros, of which 254,045 euros will be allocated to the legal reserve, 20,919,391 euros will be allocated to voluntary reserves, and 742,853 euros will be allocated to the capitalization reserve.

9. Annual Corporate Governance Report

The Annual Corporate Governance Report for 2020 is attached as an appendix and forms an integral part hereof, as provided in article 526 of the Corporate Enterprises Act.

10. Events after the reporting period

No significant events took place between December 31, 2020 and the date of authorization for issue of the accompanying consolidated financial statements that may require disclosure.

11. Final considerations

We would like to thank our clients for their confidence in our business, our strategic suppliers and partners with whom we have been working for their constant support, our investors who have deposited their trust in Greenergy, and, especially, the collaborators and employees of this company, as without their efforts and dedication it would have been difficult to reach the objectives set or achieve the results obtained.

GREENERGY RENOVABLES, S.A.

Financial statements for the year ended December 31, 2020

Authorization of the financial statements and management report

The financial statements and management report for FY 2020 were authorized for issue by the Board of Directors of GREENERGY RENOVABLES, S.A. in its meeting on February 23, 2021, for the purpose of submission for verification by the auditors and subsequent approval by the shareholders in general meeting.

Mr. Florentino Vivancos Gasset is authorized to sign all pages comprising the financial statements and management report for FY 2020.

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. David Ruiz de Andrés
(Chief Executive Officer)

Mr. Antonio Jiménez Alarcón
(Board Member)

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. Florentino Vivancos Gasset
(Board Member)

Ms. Ana Peralta Moreno
(Board Member)

(Signed on the original version in Spanish)

(Signed on the original version in Spanish)

Mr. Nicolás Bergareche Mendoza
(Board Member)

Ms. María del Rocío Hortigüela Esturillo
(Board Member)