

**Company Registration No. 08818214**

**Abengoa Concessions Investments Limited**

**Annual Report and Financial Statements**

**For the year ended 31 December 2019**



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# Abengoa Concessions Investments Limited

## Annual report and financial statements 2019

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**Abengoa Concessions Investments Limited**  
**Annual report and financial statements**

**Directors and advisors**

**Current Directors**

Richard Anthony Lynn  
Joaquín Fernández de Piérola Marín

(appointed 18 April 2017, resigned 26 May 2019)  
(appointed 11 March 2016)

**Registered Office**

26-28 Hammersmith Grove  
London W6 7BA  
United Kingdom

**Principal Bankers**

Commerzbank AG  
London Branch  
PO Box 52715  
30 Gresham Street  
London  
EC2P 2XY

# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Strategic report

This Strategic report has been prepared to provide additional information to shareholders to assess the Company's strategies and the potential for the strategies to succeed.

The directors, in preparing this Strategic report, have complied with s414C of the Companies Act 2006.

The Strategic report discusses the following areas:

- Nature of the business
- Business review and key performance indicators
- Principal risks and uncertainties
- Non - Going concern basis

#### Nature of the business

Abengoa Concessions Investments Limited ('ACIL' or the 'Company') was incorporated on 17 December 2013 having its registered office at St Martin's House 1, Lyric Square, W6 0NB, London, United Kingdom. The Company is a subsidiary of Abengoa Concessions S.L. and Abener Energía, S.A.U. which directly hold 70.43% (2018:70.43%) and 29.57% (2018: 29.57%) of the Company's shares respectively. The Company forms part of a group of companies (referred to hereinafter as the 'Group') whose parent company is Abengoa S.A ('Abengoa' or 'Abengoa Group').

The principal activity of the Company in the year under review was to act as an investment holding company.

Atlantica Yield is a total return company formed to serve as the primary vehicle through which Abengoa S.A. ('Abengoa' or 'the parent', our main shareholder indirectly through Abengoa Concessions, S.L. and Abengoa Solar, S.A.) owned, managed, and acquired renewable energy, conventional power, electric transmission lines, and other contracted revenue-generating assets, initially focused on North America (United States and Mexico) and South America (Peru, Chile, Brazil and Uruguay), as well as Europe (Spain in the first instance) and South Africa.

As of 31 December 2017, the Company owns 41.47% of Atlantica Yield indirectly. In November 2017, Algonquin Power & Utilities Corp (Algonquin), an asset manager specialized in alternative fixed income investments, reached an agreement with Abengoa for the acquisition of a 25% stake in Atlantica, with an option to acquire the remaining 16.47%. All conditions precedent was satisfied, and the transaction was finally closed on 5 March 2018. On November 27, 2018 Abengoa informed that all conditions refer to the sale option of the remaining 16.47% stake were satisfied, and the sale was completed. Since then, the Company has no stake on Atlantica Yield.

As a result of the 2017 Restructuring Agreement of Abengoa, the Company contributed in March 2017 all its shares in Atlantica Yield into a newly incorporated Luxembourg special purpose vehicle company ("ACIL Luxco 1, S.A."), in exchange for shares in ACIL Luxco 1.

The Company then contributed all its shares in ACIL Luxco 1 into a second newly incorporated Luxembourg special purpose vehicle company ("ACIL Luxco 2, S.A."), in exchange for shares in ACIL Luxco 2.

Finally, as a result of these contributions, the company became the sole shareholder of ACIL Luxco 2, which was the sole shareholder of ACIL Luxco 1, which was the shareholder of Atlantica Yield until 2018, when all its shares were sold.

At 31.12.2019, was approved the dissolution of ACIL Luxco 2, with universal transfer of the assets to the sole shareholder, whereby the ACIL takes over all assets and assumes all liabilities of this company.

As at the balance sheet date the Company has mainly share capital, intercompany loans payables and receivables and a Holdback.

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# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Strategic report

#### Business review and key performance indicators

As shown on Page 6, the profit for the period is \$18,748,624 (2018: loss of \$822,111,239) which is driven by a combination of finance cost of \$814,428 (2018: 251,393), operating expenses of \$246,555 (2018: \$49,486) and mainly by the loan impairment reversion of \$19,812,065.

#### Principal risks and uncertainties

The directors consider that the key risks, in respect of the Company, is the recoverability of the intercompany loans.

##### *Liquidity risk*

The Company manages its liquidity using the group central treasury arrangements by the using of borrowings and the maintenance of loans to provide liquidity against expenditure requirements.

##### *Brexit risk*

The Company's functional currency is USD and has limited transactions in GBP. Management continuously tracks potential change that could result in changes of the current tax regulations.

##### *Market risk*

The Company is exposed fundamentally to risk derived from changes in foreign exchange rates. The company has Intercompany debts in euros, 3,313,732 euros, equivalent to a total amount of \$3,717,013 and trade payables of 33,026 euros equivalent to \$37,044.95.

#### Company corporate structure

As a result of the 2017 Restructuring Agreement of Abengoa, the Company contributed in March 2017 all its shares in Atlantica Yield into a newly incorporated Luxembourg special purpose vehicle company ("ACIL Luxco 1, S.A."), in exchange for shares in ACIL Luxco 1.

The Company then contributed all its shares in ACIL Luxco 1 into a second newly incorporated Luxembourg special purpose vehicle company ("ACIL Luxco 2, S.A."), in exchange for shares in ACIL Luxco 2.

Finally, as a result of these contributions, the company became the sole shareholder of ACIL Luxco 2, which was the sole shareholder of ACIL Luxco 1, which was the shareholder of Atlantica Yield until 2018, when all its shares were sold.

On 31.12.2019 the dissolution of ACIL Luxco 2 SA and its subsidiary ACIL Luxco 1 SA were formalized. By universal transfer all assets and all liabilities of the dissolved entities were assumed by the Company.

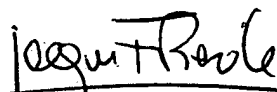
#### Non-Going concern basis

The objective of the Company is the acquisition and holding of interest in foreign companies and undertakings, as well as the administration, development and management of such interest. The principal activity of the Company is to act as investment holding company.

The use of the going concern basis to prepare the annual accounts is not appropriate and the annual accounts as at 31 December 2019 have been prepared on the non-going concern basis of accounting, considering that the only investment of the Company has been dissolved at the end of this year.

#### Approval

This report was approved by the board of directors on 11 February 2021 and signed on its behalf by:



Joaquín Fernández de Piérola Marín  
Director  
11 February 2021

# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements for the year ended 31 December 2019.

#### Dividends

No dividends were paid by the Company during the year 2019 (2018: Nil).

#### Directors

The directors, who served throughout the year and to the date of this report except as noted, are shown on page 1.

#### Directors' indemnities

The company has not had any qualify third party provisions for the benefit of its directors during 2019 (2018: Nil).

#### Employees

Details of the employees of the Company for the year are shown in note 6.

#### Political contributions

No political donations were made during the year (2018: Nil.)

#### Auditors

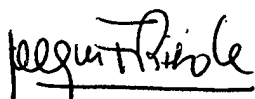
For the financial year in question Abengoa Concessions Investments Limited was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

A company is small if it meets two out of three of the following criteria for two consecutive years:

- an annual turnover of no more than £10.2 million
- assets worth no more than £5.1 million
- 50 or fewer employees on average

The members acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

By order of the Board



Joaquín Fernández de Piérola Marín  
Director  
11 February 2021

# Abengoa Concession Investments Limited

## Annual report and financial statements

### Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

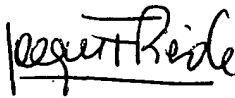
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS-IASB'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, International Accounting Standard 1 requires that directors:

- Properly select and apply accounting policies;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- Make an assessment of the Company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

This responsibility statement was approved by the board of directors on 11 February 2021 and is signed on its behalf by:



Joaquín Fernández de Piérola Marín  
Director  
11 February 2021

Abengoa Concessions Investments Limited  
Annual report and financial statements

**Statement of comprehensive income for the year ended 31 December 2019**

	Notes	Year ended 2019 US\$	Year ended 2018 US\$
Revenue	7		
Operating expenses		(246,555.70)	(49,486.00)
<b>Operating profit</b>		<b>(246,555.70)</b>	<b>(49,486.00)</b>
(Loss)/Profit from disposal of investments	8		
Impairment of investments & Loan	15	19,812,064.51	(821,950,539.00)
Finance costs	9	(814,427.97)	(251,393.00)
Restructuration financial cost			
Other gains and losses	10	(2,457.07)	140,179.00
<b>Loss before tax</b>		<b>18,748,623.77</b>	<b>(822,111,239.00)</b>
Tax	11		
<b>Loss for the period</b>		<b>18,748,623.77</b>	<b>(822,111,239.00)</b>

All results are derived from continuing operations. There are no other gains and losses other than those included in loss for the period, and therefore no statement of other comprehensive income/expense has been presented.

<sup>(1)</sup> Notes 1 to 23 are an integral part of these financial statements.

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Abengoa Concessions Investments Limited  
Annual report and financial statements

**Balance sheet 31 December 2019**

	Notes	2019 US\$	2018 US\$
<b>Non-current assets</b>			
Investments	13	-	-
Amounts owed by group undertakings	15	54,227,342.75	3,165,172.00
Long term deposits	15		
		<u>54,227,342.75</u>	<u>3,165,172.00</u>
<b>Current assets</b>			
Short term owed by group undertakings	15		
Short term deposits	15	10,927,217.74	2.00
Cash and bank balances	14	14,976.85	402.00
		<u>10,942,194.59</u>	<u>404.00</u>
<b>Total assets</b>		<u>65,169,537.34</u>	<u>3,165,576.00</u>
<b>Current liabilities</b>			
Loans and borrowings	17	-	-
Trade and other payables	16	(145,366.17)	106,417.00
Amounts owed to group undertakings	17	(43,134,502.23)	
		<u>(43,279,868.40)</u>	<u>106,417.00</u>
<b>Net current liabilities</b>		<u>(32,337,673.81)</u>	<u>106,821.00</u>
<b>Non-current liabilities</b>			
Amounts owed to group undertakings	17	(3,306,944.35)	(3,165,172.00)
		<u>(3,306,944.35)</u>	<u>(3,165,172.00)</u>
<b>Total liabilities</b>		<u>(46,586,812.75)</u>	<u>(3,058,755.00)</u>
<b>Net assets</b>		<u>18,582,724.59</u>	<u>106,821.00</u>
<b>Equity</b>			
Share capital	18	5,142,253.34	5,142,253.00
Share premium account		837,109,690.98	837,109,691.00
Capital Contribution	19	21,964,063.40	21,964,063.00
Retained earnings	19	(845,633,283.13)	(864,109,186.00)
<b>Total equity</b>		<u>18,582,724.59</u>	<u>106,821.00</u>

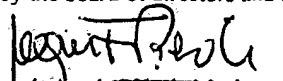
For the financial year in question Abengoa Concessions Investments Limited was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

No members have required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

These accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements of Abengoa Concessions Investments Limited, company registration no. 08818214, were approved by the board of directors and authorised for issue on 11 February 2021. They were signed on its behalf by:

  
Joaquín Fernández de Pierola Martín  
Director  
11 February 2021

(1) Notes 1 to 23 are an integral part of these financial statements.

Abengoa Concessions Investments Limited  
Annual report and financial statements

**Statement of changes in equity 31 December 2019**

	Share capital	Share premium account	Retained earnings	Capital Contribution	Total Equity
	US\$	US\$	US\$	US\$	US\$
<b>Balance at 31 December 2017</b>	<b>5,142,253.00</b>	<b>837,109,691.00</b>	<b>(41,997,947.00)</b>	<b>21,964,063.00</b>	<b>822,218,060.00</b>
Profit for the period			(822,111,239.00)		(822,111,239.00)
Capital contribution					
<b>Balance at 31 December 2018</b>	<b>5,142,253.00</b>	<b>837,109,691.00</b>	<b>(864,109,186.00)</b>	<b>21,964,063.00</b>	<b>106,821.00</b>
Profit for the period			18,748,623.77		18,748,623.77
Issue of share capital					
Dissolution ACIL Luxco2			(272,720.28)		(272,720.28)
<b>Balance at 31 December 2019</b>	<b>5,142,253.00</b>	<b>837,109,691.00</b>	<b>(845,633,282.51)</b>	<b>21,964,063.00</b>	<b>18,582,724.49</b>

(1) Notes 1 to 23 are an integral part of these financial statements.

Abengoa Concessions Investments Limited  
Annual report and financial statements

**Cash flow statement for the year ended 31 December 2019**

	Year ended 2019 US\$	Year ended 2018 US\$
<b>Cash flows from operating activities</b>		
Cash paid to employees		
Cash paid to suppliers (Including restructuring fees)		(85.85)
Taxes paid		
<b>Net cash from operating activities</b>	<b>0</b>	<b>(85.85)</b>
<b>Cash flows from investing activities</b>		
Acquisition of subsidiary Luxco 1 & 2	14,976.85	
Cash Collateral		
Dividends received		
<b>Net cash used in investing activities</b>	<b>14,976.85</b>	<b>0.00</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital		
Proceeds from loan facilities (escrow agent)		
Proceeds from intercompany borrowings		16.94
Payments from intercompany borrowings		
Other interest payments and financial costs	(402.23)	(2.70)
<b>Net cash used in financing activities</b>	<b>(402.23)</b>	<b>14.25</b>
<b>Net increase in cash equivalents</b>	<b>14,574.62</b>	<b>(71.63)</b>
Cash and cash equivalents at the beginning of the period	402.00	72.03
Effect of foreign exchange rate changes	0.23	(24.00)
<b>Cash and cash equivalents at the end of the period</b>	<b>14,976.85</b>	<b>402.00</b>

(1) Notes 1 to 23 are an integral part of these financial statements.

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# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Notes to the financial statements for the year ended 31 December 2019

#### 1. General information

ACIL is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the registered office is shown on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report.

These financial statements are presented in US Dollars as it is the primary currency in which the Company operates.

The following summary discloses relevant facts that have taken place during the year 2019 and until the approval of these financial statements and are in relation to the financial restructuring process of Abengoa.

##### *1.1. Group Restructuring Process situation update.*

The following summary shows the relevant facts which took place during the year 2019 in relation with the financial restructuring process of Abengoa Group:

##### In relation to the financial restructuring process realized in Abengoa, it should be noted that:

Once concluded the Restructuring Agreement closed on March 31, 2017, Abengoa Group has been developing the Revised Viability Plan August 2016 agreed with creditors and investors, which is focused on the traditional business of Engineering and Construction, where the company accumulates more than 75 years of experience.

Nonetheless, after the financial restructuring process that concluded in March 2017 the activity has taken longer than expected to recover, in consequence, it has had a negative impact on the business.

Hence, to ensure the viability of the Group in the short and medium term, and for it to be able to continue with its activity in a competitive and sustainable manner in the future, the following becomes necessary:

- › To have a stable platform that allows access to the capital markets to finance its working capital.
- › To Access new lines of guarantees to ensure the growth of its Engineering and Construction business.
- › Maintain an adequate financial structure for the business model that it will develop in the future.

In order to achieve these objectives, the Company has been working on additional actions, specifically a new 10-year viability plan, as well as a financial restructuring process, will allow it to lay the foundations to ensure its viability in the short and medium term. In this respect, the Board of Directors approved, at their meetings of December 10, 2018 and January 21, 2019, the new 10-year Viability Plan which, along with the new financial restructuring process will allow it to continue with its activity in a competitive and sustainable manner in the future.

In this respect, in order to optimize the financial structure of the Group and facilitate access to new financing in the future, the Company reached an agreement in December 2018 with a group of investors holding significant interest in the Old Money instruments to consent to an Old Money restructuring.

Abengoa executed, on December 31, 2018 a Lock Up agreement (the "lock-up agreement") with a group of financial entities and investors holding the majority of New Money 2, the syndicated guarantee facilities and Senior Old Money, as well as with the new liquidity bookrunners, by virtue of which said creditors have agreed the following, among other matters: (i) to stay certain rights and actions under such facilities vis-à-vis the relevant Group companies until any of these events take place, whichever occurs first: the date when the Lock-Up Agreement ends pursuant to its own terms or the Expiration Date, which was originally set on January 31, 2019, and subsequently extended in successive occasions until April 26, 2019 (the "Long-Stop Date"), (ii) to take all actions to support, facilitate, implement, consummate or otherwise give effect to the financial restructuring proposal and, in particular, enter into negotiations with a view to agreeing and executing a restructuring agreement on or prior to the Long-Stop Date, and (iii) agree not to sell or otherwise transfer their debt until the Long-Stop Date or the date of termination of the Lock-up Agreement, except under certain circumstances.

# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Notes to the financial statements for the year ended 31 December 2019

Upon execution of the Lock-Up contract, the remaining New Money 2 creditors, Old Money bonding providers and creditors, as well as challengers, were requested to accede to the Lock-Up agreement pursuant to the procedures established and communicated in the Relevant Fact published in that regard on December 31, 2018.

Finally, on March 11, 2019, Abengoa S.A. signed, along with some of the Group subsidiaries and a significant group of financial creditors participating in the existing financial debt, the Amendment and Restructuring Implementation Deed (the "Restructuring Agreement") for the purpose of amending the terms of the existing financing and of restructuring the Group's financial debt (the "Restructuring").

On April 25, 2019 the Company informed that, within the Restructuring Agreement framework, an agreement had been reached with the challengers to refinance said debt as part of the Senior Old Money instruments, all within the terms set forth in said Restructuring Agreement.

In some cases, the real debt held so far by the challengers will be assumed by Abengoa Abenewco 2bis and subsequently exchanged for SOM (Senior Old Money) convertible notes for an approximate amount of USD 76.6 million and €77.0 million, plus an additional contingent amount to be determined in light of future eventualities. In other cases, the debt has been traded by applying payments or payment commitments, debt relief and debt payment extensions, for an approximate amount of €23 million. The aforesaid negotiated agreements allow to eliminate the risk that existed up to now derived from claims.

Furthermore, on April 25, 2019, the Abengoa, S.A. informed that the Restructuring Effective Date occurred. Likewise, all the restructuring documents have been signed and the operation has concluded on April 26, 2019 with the issuance of new instruments and full repayment of New Money 1 and 3.

In opinion of the Members, the application of signed Restructuring Agreement allows to restore the equity balance and it will provide to the Group the necessary financial resources.

#### 2.2. ACIL Restructuring Process

Pursuant to the Restructuring Agreement of 2017, ACIL proposed a company voluntary arrangement pursuant to Part I of the Insolvency Act 1986 (the "CVA") to compromise its obligations as a guarantor of the Loans (as defined in note 21) and the Notes owed to creditors (the 'Guarantee Creditors'), who did not accede to the Restructuring.

The CVA had the objective of extending the Standard Restructuring Terms to the Company's liabilities to those creditors that had not acceded to the Restructuring Agreement, as well as to provide stability for the Company and the Group going forward, and to enable the Company to continue to carry on business as a going concern. Throughout the CVA process, the Company continued its operations under the control of its directors.

Abengoa completed the Restructuring Agreement on March 31, 2017, and at the same time, the Company's creditors approved the Company Voluntary Agreement ('CVA') securing the Group's financial stability. Following the effectiveness of both agreements, the Company transferred its shares in Atlantica Yield to ACIL Luxco 1 as described previously in this note.

On November 1st, 2017 Abengoa entered into a sale purchase agreement with Algonquin Power & Utilities Corp., a growth-oriented renewable energy and regulated electric, natural gas and water utility company for the sale of a stake of 25% of the issued share capital of Atlantica Yield plc. The sale became effective in March 2018, when the precedent conditions described in the Restructuring process were fulfilled. On November 27, 2018 Abengoa informed that all conditions refer to the sale option of the remaining 16,47% stake were satisfied, and the sale has been completed. As of December 31, 2018 the Company has no stake on Atlantica Yield.

#### 2. Adoption of new and revised Standards

In the current year, the Company has applied a number of amendments to IFRSs issued by the International Accounting Standards Board (IASB) that are mandatorily effective for an accounting period that begins on or after 1 January 2016. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements:

# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Notes to the financial statements for the year ended 31 December 2019

- IFRS 14 'Regulatory Deferral Accounts'. This Standard will be effective from 1 January, 2016 under IFRS-IASB.
- IFRS 16, 'Leases'. These amendments are mandatory for annual periods beginning on or after 1 January, 2016 under IFRS-IASB.
- IAS 12 (Amendment) 'Recognition for Deferred Tax for Unrealised Losses'. This amendment is mandatory for annual periods beginning on or after January 1, 2017 under IFRS-IASB, earlier application is permitted.
- IAS 7 (Amendment) 'Disclosure Initiative'. This amendment is mandatory for annual periods beginning on or after January 1, 2017 under IFRS-IASB, earlier application is permitted.

Standards, interpretations and amendments published by the IASB that will be effective for periods beginning on or after 1 January, 2016:

- IFRS 9 'Financial Instruments'. This Standard will be effective from 1 January, 2018 under IFRS-IASB.
- IFRS 15 'Revenues from contracts with Customers'. IFRS 15 is applicable for annual periods beginning on or after 1 January, 2018 under IFRS-IASB.
- IFRS 16 'Leases'. This Standard is applicable for annual periods beginning on or after January 1, 2019 under IFRS-IASB, earlier application is permitted, but conditioned to the application of IFRS 15.
- IFRS 4 (Amendment). Applying IFRS 9 'Financial Instruments' with IFRS 4 'Insurance Contracts'. This amendment is mandatory for annual periods beginning on or after January 1, 2018 under IFRS-IASB, earlier application is permitted.
- IFRIC Interpretation 22 'Foreign Currency Transactions and Advance Consideration', mandatory for annual periods beginning on or after January 1, 2018 under IFRS-IASB, earlier application is permitted.

No significant impact on the consolidated financial statements has derived from the application of the new standards and amendments that were effective for annual periods beginning after December 31, 2017.

### 3. Significant accounting policies

#### Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The financial statements have also been prepared in accordance with IFRSs adopted by the International Accounting Standards Board (IASB).

These financial statements are presented in US Dollars because that is the primary currency in which the Company operates.

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies adopted are set out below.

#### Going concern

These annual accounts have been prepared in accordance with UK legal and regulatory requirements and based on generally accepted accounting principles. The accounting policies and valuation principles are, apart from those enforced by the law, determined and implemented by the Board of Directors.

The objective of the Company is the acquisition and holding of interest in foreign companies and undertakings, as well as the administration, development and management of such interest. The principal activity of the Company is to act as investment holding company.

The use of the going concern basis to prepare the annual accounts is not appropriate and the annual accounts as at 31 December 2019 have been prepared on the non-going concern basis of accounting, considering that the only investment of the Company has been dissolved at the end of this year.

# Abengoa Concessions Investments Limited

## Annual report and financial statements

### Notes to the financial statements for the year ended 31 December 2019

#### Revenue recognition

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably). No dividends were paid by the Company during the year 2019.

#### Foreign currencies

In preparing the financial statements of Company, transactions in currencies other than the entity's functional currency (which is US\$) are recognised at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

#### Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

#### Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

#### Investments in associates and impairment

Investments in associates are stated at cost less, where appropriate, provisions for impairment.

At each balance sheet date, the Company reviews the carrying amounts of its investments to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If available, updated audit financial statements for an associate, the assessed net book value will be considered as an estimation of the value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Financial Assets

# Abengoa Concessions Investments Limited

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All financial assets are recognised and derecognised on a trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value.

Financial assets are classified into the following specified categories: financial assets 'at fair value through profit or loss' (FVTPL), 'held-to-maturity' investments, 'available-for-sale' (AFS) financial assets and 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. As at the balance sheet date the Company held only loans and receivables and therefore we have discussed only the treatment applied to those assets within this policy.

#### *Effective interest method*

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Income is recognised on an effective interest basis for debt instruments.

#### *Loans and receivables*

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

#### *Impairment of financial assets*

Financial assets are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

For financial assets carried at amortised cost, the amount of the impairment is the differences between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

#### *Financial liabilities and equity*

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

#### *Equity instruments*

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received.

#### *Financial liabilities*

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.



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In respect of financial risk management objectives, the key financial risks are considered as follows:

*Market risk*

The Company is exposed to the financial risk of exchange in foreign currency exchange rates.

*Liquidity risk*

Liquidity risk has been discussed within the Strategic report and the Basis of preparation section of this note. The Directors continue to monitor the liquidity risk.

**4. Critical accounting judgements and key sources of estimation uncertainty**

The following are the critical judgements and estimates the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

**Valuation of the recoverability of the intercompany loan**

Determining whether the Company's loan payable by Abengoa Concessions, S.A has been impaired requires estimations by the directors. The \$107M loan has been impaired in the amount of \$84M. The remaining recoverable is the amount owed by the Company to Abengoa Concessions, S.L.

**5. Auditor's remuneration**

The analysis of the auditor's remuneration is as follows:

	Year ended 2019 US\$	Year ended 2018 US\$
Fees payable to the Company's auditor for the audit of the Company's annual accounts	0	0
<b>Total audit fees</b>	<b>0</b>	<b>0</b>

The annual accounts have not been audited during the two last years.

**6. Staff costs and Directors' remuneration**

The Company had no employees in the period (2018 - \$nil.)

Directors have received \$13,087 in remuneration for services to the Company during 2019 (2018: \$12,931).

	2019 US\$	2018 US\$
<b>Directors' remuneration</b>		
Emoluments	13,087	12,931
	<b>13,087</b>	<b>12,931</b>

**7. Revenue**

There is not dividend income during 2019 (2018: \$nil). See Note 12 for more details.

**8. Net profit/(loss) from disposals of investments**

There is not profit on disposal of investments during 2019 (2018: nil).

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As of end of 2018, the Company only had an investment totally impaired. It has been deleted in balance sheet due to the dissolution of ACIL Luxco 2 at 31.12.2019.

**9. Finance costs**

Finance cost relate to interest expenses on intercompany loans due to Abengoa Concessions, S.L.

The "Promissory Note" has generate a cost of \$141,772 during this year (2018: \$248,587)

Due to the ACIL Luxco 2 dissolution, The Company has a new debt with Abengoa Concessions (see note 20). This facility loan has supposed an interest expense of in the year \$672,256

	Year ended 2019	Year ended 2018
	US\$	US\$
Interest on intercompany loans	(814,029)	(248,587)
Long and short-term debt interest	0	0
Restructuration financial cost	0	0
Others	(399)	(2,806)
<b>Total finance costs</b>	<b>(814,428)</b>	<b>(251,393)</b>

**10. Other gains and losses**

	Year ended 2019	Year ended 2018
	US\$	US\$
Net foreign exchange gains/(losses)	(2,457)	140,179
	<b>(2,457)</b>	<b>140,179</b>

**11. Tax**

At 31 December 2019, the Company did not have recognised any deferred tax asset (2018: \$Nil).

**12. Dividends**

During the reporting period, the Company did not receive dividends from ACIL Luxco 2. (2018: \$nil)

No dividends were paid by the Company during the year (2018: \$nil).

**13. Investments**

As of 31 December 2019, the carrying value of the investments was as follows:

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	2019	2018
	US\$	US\$
At start of year		717,640,848
Revaluation		
Impairment		(717,640,848)
Acquisitions		
Disposals		
Contribution ACIL Luxco 2		
<b>Total Investments</b>	<b>0</b>	<b>0</b>

As at 31 December 2016 the Company owned 41,557,663 shares, representing a stake of 41.47% of Atlantica Yield.

In March 2017, Abengoa Concessions Investments Limited contributed all its shares in Atlantica Yield Plc into a newly incorporated Luxembourg special purpose vehicle company, incorporated on 23 January 2017, in exchange for shares in ACIL Luxco 1 (contributing 41,557,663 shares in Atlantica Yield Plc, for an amount of \$955,783,105). This first contribution revaluation resulted in a profit of \$143,391,931 in 2017.

Then, Abengoa Concessions Investments Limited contributed all its shares in ACIL Luxco 1 into ACIL Luxco 2, in exchange for shares in ACIL Luxco 2, a newly incorporated Luxembourg special purpose vehicle company. The contribution was valued at \$717,576,196 and consists of the Shares, valued at \$955,783,105, decreased by a promissory note in favour of the Company for USD 238,206,909.30 issued by ACIL Luxco 2.

As a result of these contributions, Abengoa Concessions Investments Limited is the sole shareholder of ACIL Luxco 2, who is the sole shareholder of ACIL Luxco 1, who was shareholder of Atlantica Yield Plc.

On November 1<sup>st</sup>, 2017 ACIL Luxco 1, S.A. entered into a sale purchase agreement with Algonquin Power & Utilities Corp. for the Sale of a stake of 25% of the issued share capital of Atlantica Yield plc, with an option to acquire the remaining 16.47%. The sale was completed on 9 March 2018 and on 22 November 2018 respectively, completing the divestment of the entire 41% held in Atlantica Yield.

At the end of 2018, the investment in ACIL Luxco 2 was impaired totally (\$717,640,848).

As stated in the strategic report, on 31.12.2019 the dissolution of ACIL Luxco 2 SA and ACIL Luxco 1 SA were formalized, by universal transfer all assets and all liabilities of the dissolved entities were assumed by the Company. The Company holds no investment since end of 2019.

**14. Cash and Bank**

	2019	2018
	US\$	US\$
Cash and bank balances	14,976.85	402
<b>Total cash and bank balances</b>	<b>14,976.85</b>	<b>402</b>

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15. Financial assets

	2019	2018
	US\$	US\$
Long term deposits		
Short term deposits	10,927,217.74	2
Amounts owed by group undertakings	54,227,342.75	3,165,172
Short term owed by group undertakings		
<b>Total Financial assets</b>	<b>65,154,560.49</b>	<b>3,165,174</b>

Short term deposits include the Holdback on sale of Atlantica Yield plc. \$40 million of the purchase price for the Atlantica shares was held back by Algonquin and was to be released to ACIL Luxco 1 upon satisfaction of certain conditions. In May 2019, Algonquin paid already \$7.5 and \$21.6 in September 2019 to Abengoa Group. The Director is not aware of any arguments or issues which may jeopardize the recoverability of the outstanding amount of USD 10.9 million and hence no impairment of the receivable is required.

Amounts owed by group undertakings include the following:

- Two collaterals released that were transferred to Abengoa Concessions arising financial asset in the Company. The investment is classified within non-current assets as it will be payable in accordance with the availability of the resources, as agreed between the Company and the parent company (see Note 20). The origin of this amount previously described is:
  - Amounts owed to the Company by Abengoa Concessions, S.L. amounting \$45,000,000 related to a bonding line of the Solana project.
  - Amounts owed to the Company by Abengoa Concessions, S.L. amounting \$62,612,666 related to two bonding lines of the Mojave project.

During 2018, this asset was impaired in an amount of \$104,309,691. Part of this accrual, \$19,812,065 has been reverted during 2019 due to the Company has new debts with Abengoa Concessions S. L because of ACIL Luxco 2 dissolution. The remaining recoverable, \$22,975,737 is the amount owed by the Company to Abengoa Concessions, S.L. (see note 20).

- After dissolution ACIL Luxco 2, the Company has two new receivable loans with the intercompany Abengoa Abenewco 1 S.A., located as Non-currents assets in the balance sheet:
  - Receivable amount \$27,553,456. This loan does not bear interest. Release Holdback Fee (Luxco 1)
  - Receivable amount \$678,823; \$597,041 of main and \$81,782 of interest.

16. Trade and other payables

	2019	2018
	US\$	US\$
Other payables	145,366	(106,417)
<b>Total current payables excluding borrowings</b>	<b>145,366</b>	<b>(106,417)</b>
<b>Total non-current payables excluding borrowings</b>	<b>-</b>	<b>-</b>

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Notes to the financial statements for the year ended 31 December 2019

17. Loans and borrowings

	2019	2018
	US\$	US\$
Loan facilities	-	-
Interest payable	-	-
Amounts owed to group undertakings	46,441,446	3,165,172
<b>Total loans and borrowings</b>	<b>46,441,446</b>	<b>3,165,172</b>

The amounts owed to group undertakings include the following intercompany debts: Abengoa Concessions, S.L. \$22,975,737., A3T Luxco 1 \$70,041., A3T Luxco 2 \$23,186,404. and Abenewco 1 \$209,264. (See note 20).

The secured term facility agreements that were in 2016 ("March 2016 Facility", "September 2016 Facility" and "December 2015 facility") were paid as a result of the Restructuring Process. In March 2017, the intercompany loans were paid, and these three loan facilities were cancelled.

18. Share capital and share premium

	2019	2018
	US\$	US\$
<b>Share capital</b>		
<i>Authorised:</i>		
51,422,500 (2018: 51,422,500) ordinary shares type A of \$0.1 each and 3 ordinary shares type B of €1 each	5,142,253	5,142,253
<i>Issued and fully paid:</i>		
51,422,500 (2018: 51,422,500) ordinary shares type A of \$0.1 each and 3 ordinary shares type B of €1 each	5,142,253	5,142,253

The Company has one class of ordinary shares which carry no right to fixed income. At the time of signing the loan facilities March 2016 Facility and September 2016 Facility (see Note 17), Global Loan Agency Services Limited, which is the agent of said loan facilities, subscribed in each instance 2 shares type B with a nominal value of €1. Pursuant to Article 41A.6 of the Articles of Association, class "B" shares do not convey any right to vote on the holder, nor dividend, or capital distribution (including on winding up) rights. On March 28th, 2017, another share type B with a nominal value of €1 was subscribed.

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Current shareholders:

	A Ordinary Shares (par value US\$0.10)	B Ordinary Shares (par value €1)	Total
Abener Energía, S.A.U.	15,207,720		15,207,720
Abengoa Concessions, S.L.	36,214,780		36,214,780
Global Loan Agency Services Limited		3	3
<b>Total</b>	<b>51,422,500</b>	<b>3</b>	<b>51,422,503</b>

19. Retained earnings

	US\$
Balance at 1 January 2018	(20,033,884)
Net profit for the year	(822,111,239)
<b>Balance at 31 December 2018</b>	<b>(842,145,123)</b>
Net profit for the year	18,748,624
ACIL Luxco 2 dissolution	(272,720)
<b>Balance at 31 December 2019</b>	<b>(823,669,220)</b>

Partners or owner's contribution has been originated by the 97% write-off of intercompany loan as of 31st March 2017 against the shareholder due to the Restructuring Process.

The ACIL Luxco 2 dissolution, has supposed a decrease in the retained earnings of \$272,720.

20. Related party transactions

In 2019 and 2018, the Company transactions primarily include loans granted by Abengoa Concessions, S.L. The following amounts were outstanding at the balance sheet date:

	2019		2018	
	Owed by group undertaking	Owed to group undertaking	Owed by group undertaking	Owed to group undertaking
A3TLuxco 1		70,041		
A3TLuxco 2		23,186,404		
Abengoa Concessions, S.L.	22,975,737	22,975,737	3,165,172	3,165,172
Abenewco I, S.A.	31,251,605	209,264	-	-
<b>Total party transactions</b>	<b>54,227,342</b>	<b>46,441,446</b>	<b>3,165,172</b>	<b>3,165,172</b>

Abengoa Concessions, S.L. owes to the Company \$22,975,737. The loan was signed in 2017 in an amount equal to \$107,612,666 (the loan shall not bear interest). During 2018, the credit was impaired in an amount of \$104,309,691 and \$19,812,065 of this accrual has been reverted during 2019 due to the Company has new debts with Abengoa Concessions S. L because of ACIL Luxco 2 dissolution. The remaining recoverable, \$22,975,737 is the amount owed by the Company to Abengoa Concessions, S.L and it is broken down as follow:

- Promissory Note executed on 28 March 2017. Main \$2,237,284\$ and interest \$390,359.
- Loan result from the application of the standard term of Abengoa Restructuring Process (write-off 97% of the intercompany loans hold as of March. 30<sup>th</sup> 2017. This loan does not bear interest. \$679,301

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**Notes to the financial statements for the year ended 31 December 2019**

- Abengoa Concessions made available a loan facility to ACIL Luxco 2 in aggregate amount equal to \$15,488,788. It was fully utilized on 25 April 2019 when ACIL Luxco 2 instructed the Abengoa Concessions to pay an amount equal to the Facility to ABG Orphan Holdco, S.a.r.l., who in turn instructed Abengoa Concessions to pay such amount to the Agent under the NM1/3 Facilities Agreement to be applied in repayment of part of NM1B Facility and related interest. This facility loan has supposed an interest expense of in the year \$672.256
- 3.127.171,83 euros booked in current account equivalent to a total amount of \$3,507,749.

Through the dissolution of ACIL Luxco 2 SA and ACIL Luxco 1 SA the Company assumes the beforementioned liability with Abengoa Concessions as well as liabilities with A3T Luxco 1 SA, A3T Luxco 1 SA and Abenewco 1.

**21. Commitments and guarantees**

After the completion of the restructuring process on April 2019, the Company is not a guarantor of the previous financing.

**22. Ultimate parent company**

The Company's immediate parent are Abengoa Concessions S.L. and Abener Energía, S.A.U. and ultimate controlling party is Abengoa S.A, a company incorporated in Spain. Copies of the group financial statements of Abengoa are available from its corporate website.

**Subsidiary within a larger group**

ACIL belongs to Abengoa Group (referred to hereinafter as "Abengoa"), which at the closing of 2019, was made up of 325 companies: the parent company itself (Abengoa, S.A), 289 subsidiaries, 16 associates, 19 joint ventures and 98 UTES (temporary joint operations).

Abengoa, S.A. was incorporated in Seville, Spain on January 4, 1941 as a Limited Liability Company and was subsequently transformed into a Limited Liability Corporation ("S.A." in Spain) on March 20, 1952. Its registered office is Campus Palmas Altas, C/Energía Solar nº 1, 41014 Seville.

The Consolidated Financial Statement of Abengoa, S.A. are drawn up and are available at the website [www.abengoa.com](http://www.abengoa.com).

**23. Events after the balance sheet date**

Taking into account the health and economic crisis caused by COVID-19 and taking into account the evolution of the company, the Board of Directors of Abengoa, SA decided to carry out a review and update of the Viability Plan mentioned in Note 1 to incorporate the impact of the crisis caused by COVID-19 in said Plan.

The aforementioned Updated Viability Plan due to the situation of COVID-19 was approved by the Board of Directors at its meeting on May 19, 2020.

On August 6, 2020, Abengoa, S.A. and its group of companies reached an agreement with the holders of the New Money 2, Senior and Junior Old Money debt to carry out a financial restructuring that includes write-offs and capitalizations of the pending debt as of December 31, 2019. Likewise, the aforementioned entities together with others in addition to the Official Credit Institute (ICO) and the Spanish Export Credit Insurance Company (CESCE), agreed to sign a new liquidity line and new guarantee line to enable the group to execute the Updated Viability Plan. As of the date of formulation of these Annual Accounts, some Conditions Precedent have yet to be met for the restructuring to be effective.