Company Registration No. 08818214

Abengoa Concessions Investments Limited

Annual Report and Financial Statements

For the year ended December 31st 2020

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Abengoa Concessions Investments Limited

Annual report and financial statements 2020

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Directors and advisors

Current Directors

Juan Pablo López Bravo Velasco	(appointed 23 June 2021)
Joaquín Fernández de Piérola Marín	(appointed 11 March 2016) (resigned June 2021)

Registered Office

26-28 Hammersmith Grove
London W6 7BA
United Kingdom

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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 director, in preparing this Strategic report, has 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% (2019:70.43%) and 29.57% (2019: 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 Sustainable Infrastructure plc (referred to "Atlantica" and quoted in Nasdaq AY) is a total return company formed to serve as the primary vehicle through which Abengoa S.A. ('Abengoa' or 'the parent', or 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 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.

As a result of the 2017 Restructuring Agreement of Abengoa, the Company contributed in March 2017 all its shares in Atlantica 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 until 2018, when all its shares were sold.

At 31 December 2019 the dissolution of ACIL Luxco 2, was approved and by universal transfer of the assets to the sole shareholder, ACIL, assumed all assets and assumes all liabilities of this company.

As at the balance sheet date the Company's balance sheet is mainly composed of share capital, intercompany loans payables and receivables and a deposit held by a third party.

Strategic report

Business review and key performance indicators

As shown on Page 8, the loss for the period is $3,509 (2019: profit of 18,748,624) which is driven mainly by finance cost of $1,131,564 (2019: 814,428), negatives exchange differences $336,721 (2019: $ 2,457) and the income from reversal of loan impairment of $1,439,458 (2019:19,812,065).

Principal risks and uncertainties

The director considers that the key risks, in respect of the Company, is the recoverability of the intercompany loans and the deposit held by a third party.

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 $4,047,723 and trade payables of 40,739 Euros equivalent to $49,762.

Company corporate structure

As a result of the 2017 Restructuring Agreement of Abengoa, the Company contributed in March 2017 all its shares in Atlantica 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 until 2018, when all its shares were sold.

On 31 December 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.

Going concern

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 appropriated and the annual accounts as at 31 December 2020 has been prepared on a non-going concern basis of accounting, considering that the only investment of the Company was dissolved at the end of 2019.

Approval

This report was approved by the board of directors on 09 February 2022 and signed on its behalf by:

Juan Pablo López Bravo Velasco
Director
09 February 2022

Directors' report

The director presents the annual report on the affairs of the Company, together with the financial statements for the year ended 31 December 2020.

Dividends

No dividends were paid by the Company during the year 2020 (2019: Nil).

Directors

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

Directors' indemnities

The company has not had any qualify third party provisions for the benefit of it director during 2020 (2019: Nil).

Employees

Details of the employees of the Company for the year are shown in note 5.

Political contributions

No political donations were made during the year (2019: 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

Juan Pablo López Bravo Velasco
Director
09 February 2022

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 decided 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 09 February 2022 and is signed on its behalf by:

Juan Pablo López Bravo Velasco
Director
09 February 2022

Statement of comprehensive income for the year ended 31 December 2020

	Notes	Year ended 2020 US$	Year ended 2019 US$
Operating expenses		(12,619)	(246,556)
Operating profit		**(12,619)**	**(246,556)**
Impairment of investments & Loan	13	1,439,458	19,812,065
Finance income	6	37,937	
Finance costs	7	(1,131,564)	(814,428)
Other gains and losses	8	(336,721)	(2,457)
Loss before tax		**(3,509)**	**18,748,624**
Tax			
Loss for the period		**(3,509)**	**18,748,624**

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.

(1) Notes 1 to 21 are an integral part of these financial statements.

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Balance sheet 31 December 2020

	Notes	2020 US$	2019 US$
Non-current assets			
Investments	11		
Amounts owed by group undertakings	13	31,289,542	54,227,342
		31,289,542	**54,227,342**
Current assets			
Amounts owed by group undertakings	13	24,413,688	
Short term deposits	13	10,927,218	10,927,218
Cash and bank balances	12	9,232	14,977
		35,350,138	**10,942,195**
Total assets		**66,639,680**	**65,169,537**
Current liabilities			
Trade and other payables	14	(162,448)	(145,366)
Amounts owed to group undertakings	15	(44,448,911)	(43,134,502)
		(44,611,359)	**(43,279,868)**
Net current liabilities		**(9,261,221)**	**(32,337,673)**
Non-current liabilities			
Amounts owed to group undertakings	15	(3,449,105)	(3,306,944)
		(3,449,105)	**(3,306,944)**
Total liabilities		**(48,060,464)**	**(46,586,812)**
Net assets		**18,579,216**	**18,582,725**
Equity			
Share capital	16	5,142,253	5,142,253
Share premium account		837,109,691	837,109,691
Capital Contribution	17	21,964,063	21,964,063
Retained earnings	17	(845,636,791)	(845,633,282)
Total equity		**18,579,216**	**18,582,725**

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 09 February 2022. They were signed on its behalf by:

Juan Pablo López Bravo Velasco
Director
09 February 2022

(1) Notes 1 to 21 are an integral part of these financial statements.

Statement of changes in equity 31 December 2020

	Share capital	Share premium account	Retained earnings	Capital Contribution	Total equity
	US$	US$	US$	US$	US$
Balance at 31 December 2018	5,142,253	837,109,691	(864,109,186)	21,964,063	106,821
Profit for the period			18,748,624		18,748,624
Dissolution ACIL Luxco2			(272,720)		(272,720)
Balance at 31 December 2019	5,142,253	837,109,691	(845,633,282)	21,964,063	18,582,725
Loss for the period			(3.509)		(3.509)
Balance at 31 December 2020	5,142,253	837,109,691	(845,636,791)	21,964,063	18,579,216

(1) Notes 1 to 21 are an integral part of these financial statements.

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Cash flow statement for the year ended 31 December 2020

	Year ended 2020 US$	Year ended 2019 US$
Cash flows from operating activities		
Cash paid to employees		
Cash paid to suppliers (Including restructuring fees)		
Taxes paid		
Net cash from operating activities	**0**	**0**
Cash flows from investing activities		
Acquisition of subsidiary Luxco 1 & 2		14,977
Cash Collateral		
Dividends received		
Net cash used in investing activities	**0**	**14,977**
Cash flows from financing activities		
Proceeds from issue of share capital		
Proceeds from loan facilities (escrow agent)		
Proceeds from intercompany borrowings		
Payments from intercompany borrowings		
Other interest payments and financial costs	(6,804)	(402)
Net cash used in financing activities	**(6,804)**	**(402)**
Net increase in cash equivalents	(6,804)	14,575
Cash and cash equivalents at the beginning of the period	14,977	402
Effect of foreign exchange rate changes	1,059	
Cash and cash equivalents at the end of the period	9,232	14,977

(1) Notes 1 to 21 are an integral part of these financial statements.

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Notes to the financial statements for the year ended 31 December 2020

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 until the approval of these financial statements and are in relation to the financial restructuring process of the Abengoa Group to which belongs the Company.

1.1. Group Restructuring Process situation update.

The following summary shows the relevant facts which took place until the balance sheet date of the financial restructuring process of Abengoa Group:

In relation to the financial restructuring process realized of the Abengoa Group, it should be noted that;

Abengoa, S.A. the ultimate holding company of the group to which belongs the Company, 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.

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 Abengoa, S.A. 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, 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.

In March 2020 and as a consequence of the expected impacts on the market due to the pandemic, the Abengoa Group had to revise its financial projections to incorporate the expected effects of COVID-19 into them, such as

Notes to the financial statements for the year ended 31 December 2020

the delay in the bidding processes, lower returns in projects due to the need to include partners in the projects, abandonment of markets due to the high commercial cost and the high demand for guarantees not available in the market, etc. As a result, the company approved the Updated Viability Plan in May 2020.

Moreover, 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 December 31, 2020, some Conditions Precedent had still to be met for the restructuring to be effective.

In relation to this agreement, it should be noted that the lender of the new financing and line of guarantees would be Abengoa Abenewco1 S.A.U. ("Abenewco 1"), an entity that has been the head of all the operating companies of the group since 2017.

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 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 to ACIL Luxco 1.

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. 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. Since December 31, 2018 the Company has no stake on Atlantica.

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:

- 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.

Notes to the financial statements for the year ended 31 December 2020

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 2020 have been prepared on a non-going concern basis of accounting, considering that the only investment of the Company was dissolved at the end of 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 2020.

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

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Notes to the financial statements for the year ended 31 December 2020

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

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

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Notes to the financial statements for the year ended 31 December 2020

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.

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 Director continue to monitor the liquidity risk.

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Notes to the financial statements for the year ended 31 December 2020

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 the impairment of the loan payable by Abengoa Concessions, S.L requires estimations by the directors. The $107M loan is impaired by amount of $83M. The balance considered as recoverable corresponds to the amount owed by the Company to Abengoa Concessions, S.L (see Notes 13 and 18).

5. Staff costs and Directors' remuneration

The Company had no employees during the financial year.

No Directors´ remuneration has been accounted during 2020 (2019: $13,087).

	2020 US$	2019 US$
Directors' remuneration		
Emoluments	0	13,087
	0	**13,087**

6. Finance Income

The intercompany receivable loan with Abengoa Abenewco 1 S.A., with a principal amount of $597,041 has generated an interest income of $37,937 during 2020 (see Note 13).

7. Finance costs

Finance costs correspond mainly to interest expenses on intercompany loans due to Abengoa Concessions, S.L.

The "Promissory Note" has generated interest expenses of $142,161 during the year 2020 (2019: $141,773)

The facility loan of $15,4 million has supposed an interest expense of $ 984,183 in the year (2019: $672,256)

	Year ended 2020 US$	Year ended 2019 US$
Interest on intercompany loans	(1,126,344)	(814,029)
Others	(5,220)	(399)
Total finance costs	**(1,131,564)**	**(814,428)**

8. Other gains and losses

	Year ended 2020 US$	Year ended 2019 US$
Net foreign exchange gains/(losses)	(336,721)	(2,457)
	(336,721)	**(2,457)**

Notes to the financial statements for the year ended 31 December 2020

9. Tax

As at 31st December 2020 the Company has not have recognised any deferred tax asset (2019: $Nil).

10. Dividends

No dividends were paid or received by the Company during the year (2019: $nil).

11. Investments

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

In March 2017, Abengoa Concessions Investments Limited contributed all its shares in Atlantica 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, 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 became the sole shareholder of ACIL Luxco 2, who became the sole shareholder of ACIL Luxco 1, who became shareholder of Atlantica.

On 1 November 2017 ACIL Luxco 1 entered into a share purchase agreement with Algonquin Power & Utilities Corp (Algonquin). for the sale of a stake of 25% of the issued share capital of Atlantica, 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 41,47% held in Atlantica.

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

On 31 December 2019 the dissolution of ACIL Luxco 2 and ACIL Luxco 1 was formalized and 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.

12. Cash and Bank

	2020 US$	2019 US$
Cash and bank balances	9,232	14,977
Total cash and bank balances	**9,232**	**14,977**

13. Financial assets

	2020 US$	2019 US$
Short term deposits	10,927,218	10,927,218
Amounts owed by group undertakings	55,703,230	54,227,342
Total Financial assets	**66,630,448**	**65,154,560**

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Notes to the financial statements for the year ended 31 December 2020

Short term deposits consists of the so-called Holdback on the sale of Atlantica. An amount of $40 million of the purchase price for the Atlantica shares was held back by Algonquin and is to be released to ACIL Luxco 1 upon satisfaction of certain conditions. In May 2019 Algonquin paid $7.5 and $21.6 in September 2019 to Abengoa Group. The Directors are 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 has been made.

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 was classified within non-current assets and this year has been reclassified to current assets. 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.

  This asset was impaired in an amount of $104,309,691 at the end of 2018. In 2020 a portion of $107,000,000 of the two aforementioned loans was converted into profit participating loan with effective date 31 December 2019. The reversal of the impairment has generated a profit of $1,439,458 during the year (2019: 19,812,065). The remaining recoverable, $24,413,688 is the amount owed by the Company to Abengoa Concessions, S.L. (see note 18).
- With dissolution ACIL Luxco 2, the Company assumed two new intercompany receivables with the Abengoa Abenewco 1 S.A., shown as Non-currents assets in the balance sheet:
    - Receivable amount $30,572,782 from to the partial release of Holdback (ACIL Luxco 1). The receivable does not bear interest.
    - Receivable amount $716,760; $597,041 principal and $119,719 interest. During the year 2020 this receivable generated an interest income of $37,937.

14. Trade and other payables

	2020 US$	2019 US$
Other payables	162,448	145,366
Total current payables excluding borrowings	**162,448**	**145,366**

15. Loans and borrowings

	2020 US$	2019 US$
Amounts owed to group undertakings	47,898,016	46,441,446
Total loans and borrowings	**47,898,016**	**46,441,446**

The amounts owed to group undertakings include the following intercompany debt: Abengoa Concessions, S.L. $24,413,688., A3T Luxco 1 $70,041., A3T Luxco 2 $23,186,404. and Abenewco 1 $227,883. (See note 18).

Notes to the financial statements for the year ended 31 December 2020

16. Share capital and share premium

	2020 US$	2019 US$
Share capital		
Authorised:		
51,422,500 (2019:51,422,500) ordinary shares type A of $0.1 each and 3 ordinary shares type B of €1 each	5,142,253	5,142,253
Issued and fully paid:		
51,422,500 (2019:51,422,500) 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, 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.

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
Total	**51,422,500**	**3**	**51,422,503**

17. Capital Contribution and Retained Earnings

	US$
Balance at 1January 2019	**842,145,123**
Net profit for the year	18,748,624
Acil Luxco 2 dissolution	(272,720)
Balance at 31 December 2019	**823,669,219**
Net profit for the year	(3.509)
Balance at 31 December 2020	**823,672,728**

Partners or owner´s contribution was originated by the 97% write-off of intercompany loans as of 31st March 2017 against the shareholder due to the Restructuring Process. Capital contribution $21,964,063 is included in the opening balance.

The dissolution of ACIL Luxco 2 supposed a decrease of the retained earnings by $272,720 in 2019.

Notes to the financial statements for the year ended 31 December 2020

18. Related party transactions

	2020		2019	
	Owed by group undertaking	**Owed to group undertaking**	**Owed by group undertaking**	**Owed to group undertaking**
A3TLuxco 1		70,041		70,041
A3TLuxco 2		23,186,404		23,186,404
Abengoa Concessions, S.L.	24,413,688	24,413,688	22,975,737	22,975,737
Abenewco 1, S.A.	31,289,542	227,883	31,251,605	209,264
Total party transactions	**55,703,230**	**47,898,016**	**54,227,342**	**46,441,446**

Abengoa Concessions, S.L. owes to the Company $107,471,856 (the loan shall not bear interest). During 2018, the credit was impaired by an amount of $104,309,691 and $1,439,458 of the impairment has been reverted during 2020 (2019: $19,812,065); thus the net book balance between Abengoa Concessions, S.L. and the Company is zero.

The debt to Abengoa Concessions, S.L is broken down as follow:

- Promissory Note executed on 28 March 2017. Principal $2,237,284$ and interest $532,520.
- Loan result from the application of the standard term of Abengoa Restructuring Process (write-off 97% of the intercompany loans held as of March. 30th 2017. This loan does not bear interest. $679,301
- 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. Principal $15,488,788 and $1,656,440 interest at 31.12.2020.
- $3,819,355 booked in current account.

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

19. Commitments and guarantees

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

20. 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 the Abengoa Group (referred to hereinafter as "Abengoa",), which at the closing of 2020, was made up of 294 companies: the parent company itself (Abengoa, S.A), 258 subsidiaries, 16 associates, 19 joint ventures and 96 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.

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Notes to the financial statements for the year ended 31 December 2020

21. Events after the balance sheet date

And as a consequence of the adverse effects of COVID19, as well as the delay in the closing of the restructuring operation, Abenewco 1 as holding company of all operating companies has once again updated the financial forecasts, to include the unforeseen impacts of COVID-19 in the coming years.: Viability Plan 2021.

From the date mentioned in Note 1 and until February 19, 2021, the closing date of the new restructuring agreement was extended, as the necessary consents for this purpose were obtained at each possible expiration. However, not having obtained a new consent for the extension of the term, the restructuring agreement was automatically terminated so that the financing operation announced initially could no longer be executed. A fact that was communicated on February 22, 2021

On that same date, Abengoa S.A. informed that it is working on an alternative solution and therefore has entered into conversations and negotiations with public institutions and private entities whose participation is essential in order to be able to close the new financial operation that guarantees stability and the future of the group of companies.

According to Inside Information as of March 17, 2021, an offer has been received for i) the acquisition of Abenewco 1; ii) as well as for the financial restructuring of the Abengoa Group by the entity "TerraMar Capital, LLC" ("TerraMar"). Thus, this offer was initially made without a binding nature, but after the corresponding review by the offeror, it became binding on May 14, 2021 (according to Inside Information dated May 17, 2021). On July 26, 2021, the Supervisory Body (Comisión Nacional del Mercado de Valores, "CNMV") was informed through the publication of Inside Information of the receipt of an update of TerraMar's binding offer that maintains its initial parameters and sets a tentative implementation schedule, subject to compliance with certain conditions, the conformity of the remaining financial creditors and the obtaining of public financing lines. Said offer has been subsequently updated, including certain modifications in some of its terms and extended until February 24, 2022, as has been communicated to the Supervisory Body (CNMV) through the publication of Inside Information dated January 14, 2022.

With regard to Abengoa S.A., on February 22, 2021 it submitted a request for voluntary insolvency proceedings, which was admitted for processing, and on February 26, 2021, the Court of the Mercantile Instance of Seville (Section 3) issued an Order declaring the voluntary insolvency of the Company, agreeing to process it through the channels of the ordinary procedure (order number 160/2021).

On the date of the signature of these financial statements the proceedings were still ongoing.

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