Global Dominion Access, S.A.

Audit Report,
Annual Accounts at 31 December 2022
and Management Report

GLOBAL DOMINION ACCESS, S.A.

Annual Financial Statements and Management Report for the annual financial year ending 31 December 2022

BALANCE SHEET AT 31 DECEMBER 2022
(Thousands of EUR)

		As of 31 December	
ASSETS	**Note**	**2022**	**2021**
NON CURRENT ASSETS			
Intangible fixed assets	5	13,800	18,736
Property, Plant and Equipment	6	1,305	516
Long-term investment in group companies and associate	7, 8 and 9	480,225	454,507
Long-term financial investments.	7 and 9	4,018	5,437
Deferred tax assets	16	16,578	17,422
		515,926	**496,618**
CURRENT ASSETS			
Inventories		94	110
Trade debts and other receivables	7 and 9	57,424	51,150
Short-term investment in group companies and associated	7 and 9	115,220	67,388
Short-term financial investments	7 and 9	29,256	3,375
Cash and other cash equivalents	10	41,499	82,191
		243,493	**204,214**
TOTAL ASSETS		**759,419**	**700,832**

		As of 31 December	
EQUITY AND LIABILITIES	**Note**	**2022**	**2021**
EQUITY			
Share capital	11	19,083	20,088
Share premium	11	194,640	214,640
Reserves	12	(24,764)	(13,883)
Treasury stock or shares	11	(3,044)	(9,113)
Translation differences		941	(114)
Profit (Loss) of the financial year	13	(56,920)	14,956
SHAREHOLDERS' EQUITY		**129,936**	**226,574**
NON-CURRENT LIABILITIES			
Long-term provisions	17	3,025	3,265
Long-term debts	7, 14 and	222,756	166,860
Deferred tax liabilities	16	1,702	1,709
		227,483	**171,834**
CURRENT LIABILITIES			
Short-term debts	7, 14 and	67,221	38,303
Short-term debts with group companies and associate	7, 15 and	232,488	208,302
Trade and other accounts payable	7, 15	102,291	55,819
		402,000	**302,424**
TOTAL NET WORTH AND LIABILITIES		**759,419**	**700,832**

PROFIT AND LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDING 31 December 2022 (Thousands of EUR)

	Note	Financial year ending 31 December 2022	2021
CONTINUING OPERATIONS			
Net revenue	**18**	**54,992**	**80,837**
Procurements	**18**	**(31,514)**	**(42,292)**
Other operating income	**18**	**19,838**	**1,782**
Personnel costs	**18**	**(9,984)**	**(9,643)**
Other operating expenses	**18**	**(8,464)**	**(6,863)**
External services		(8,217)	(6,807)
Taxes		(247)	(56)
Depreciation of fixed assets	**5 and 6**	**(7,167)**	**(8,364)**
Impairment and profit or loss on disposal of investments in group and associate companies	**8**	**(74,442)**	**1,715**
OPERATING RESULT		**(56,741)**	**17,172**
FINANCIAL PROFIT	**20**	**(15,167)**	**(5,679)**
PROFIT (LOSS) BEFORE TAX		**(71,908)**	**11,493**
Income tax	19	14,988	3,463
PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS	**13**	**(56,920)**	**14,956**
PROFIT (LOSS) OF THE FINANCIAL YEAR		**(56,920)**	**14,956**

STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2022
(Thousands of EUR)

A) STATEMENT OF ACKNOWLEDGED INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDING 31 December 2022

	Financial year ending 31 December	
	2022	2021
Balance of the profit and loss account from continuing operations	**(56,920)**	**14,956**
Balance of the profit and loss account from discontinued operations	**-**	**-**
Income and expenses recognised directly in net worth		
Arising from valuation of financial instruments.	1,001	-
Translation differences	54	(15)
Total income and expenditure recognised directly in net worth	**1,055**	**(15)**
TOTAL RECOGNISED INCOME AND EXPENDITURE	**(55,865)**	**14,941**
TOTAL RECOGNISED INCOME AND EXPENDITURE FROM CONTINUED OPERATIONS	**(55,865)**	**14,941**
TOTAL RECOGNISED INCOME AND EXPENDITURE FROM DISCONTINUED OPERATIONS	**-**	**-**

STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2022 (Thousands of EUR)

B) TOTAL STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 December 2022

	Share capital	Share premium	Reserves	Treasury stock or shares	Profit (Loss) of the financial year	Translation differences	Total
Balance at 31 December 2021	**21,187**	**214,640**	**16,011**	**(17,980)**	**5,064**	**(99)**	**238,823**
Total recognised income and expense	-	-	-	-	14,956	(15)	14,941
Dividends	-	-	(3,989)	-	-	-	(3,989)
Distribution of Profit and Loss 2020	-	-	5,064	-	(5,064)	-	-
Reduction of own shares	(1,099)	-	(31,021)	32,120	-	-	-
Treasury share transactions	-	-	-	(23,253)	-	-	(23,253)
Other movements	-	-	52	-	-	-	52
Balance at 31 December 2021	**20,088**	**214,640**	**(13,883)**	**(9,113)**	**14,956**	**(114)**	**226,574**
Total recognised income and expense	-	-	-	-	(56,920)	1,055	(55,865)
Dividends	-	-	(13,531)	-	-	-	(13,531)
Transfers	-	(20,000)	20,000	-	-	-	-
Distribution of Profit and Loss 2021	-	-	14,956	-	(14,956)	-	-
Reduction of own shares	(1,005)	-	(32,480)	33,485	-	-	-
Treasury share transactions	-	-	-	(27,416)	-	-	(27,416)
Other movements	-	-	174	-	-	-	174
Balance at 31 December 2022	**19,083**	**194,640**	**(24,764)**	**(3,044)**	**(56,920)**	**941**	**129,936**

STATEMENT OF CASH FLOWS CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2022
(Thousands of EUR)

	Note	Financial year ending 31 December 2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES	**21**		
Profit of the year before tax - ongoing transactions		(71,908)	11,493
Profit of the year before tax - discontinued transactions		-	-
Adjustments of profit (loss)		96,416	11,322
Changes in working capital		39,983	26,824
Other cash flows from operating activities		(4,949)	(2,644)
		59,542	**46,995**
CASH FLOWS FROM INVESTING ACTIVITIES	**22**		
(Gains) / Losses on investment		(97,622)	26,960
		(97,622)	**26,960**
CASH FLOWS FROM FINANCING ACTIVITIES	**23**		
Receipts and payments from equity instruments		(27,416)	(23,253)
Collections and payments for liability instruments		38,335	(34,980)
Payments for dividends and remuneration on other equity		(13,531)	(3,989)
		(2,612)	**(62,222)**
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(40,692)**	**11,733**
Cash or cash equivalents at the start of the financial year	10	82,191	70,458
Cash or cash equivalents at the end of the financial year	10	41,499	82,191
Cash from merger	1	-	-

1. GENERAL INFORMATION

Global Dominion Access, S.A., hereinafter the Company, was incorporated on 1 June, 1999 and its registered office for tax purposes and its head offices are located in Bilbao (Spain), from 18 May 2022 onwards at plaza Pío Baroja, número 3, 1ª planta, post code 48001 (formerly at calle Ibáñez de Bilbao, número 28, planta 8ª, 1-B, post code 48009).

In accordance with Article 2 of its articles of association, Global Dominion Access, S.A. engages in the preparation of studies regarding the creation, structure and viability of companies and markets both in Spain and abroad, developing, promoting, directing and managing business activities grouped by production sectors by organizing human and material resources for the group of companies, acquiring those that are already in operation and creating new companies, merging, taking over, spinning off or liquidating them in order to directly carry out the activities as is most appropriate in each case for the most efficient management of the business.

Activities related to the general assessment, design, analysis, research, consultancy, advice, supervision, technical assistance, development, upgrading, manufacturing, supply, installation, assembly, purchase, sale, lease, storage, distribution, deployment, import, export, operation, repair, maintenance, warranty, training, education, learning support and marketing of products, solutions, equipment, systems and services required or convenient for correct use and performance of any material or non material nature, as well as any legal activity refer to the activities listed below and in general related to telecommunications and IT.

In particular, act as an integrator or complex projects representing joint performance of the different activities described through a turn-key model or not.

The Company is the Parent of a Group of companies (hereinafter, Dominion Group or the Group) in accordance with current legislation. The reporting of consolidated annual financial statements is necessary in accordance with accounting principles generally accepted in Spain in order to present a true and fair view of the Group's financial situation and the results of its operations. The Global Dominion Access, S.A. and subsidiaries Consolidated Annual Financial Statements were prepared in accordance with International Financial Reporting Standards adapted by the European Union (IFRS-EU). Based on the applicable incorporation methods, these consolidated financial statements included all Dominion Group companies as per article 42 of the Spanish Commercial Code. These Consolidated Annual Financial Statements present net worth, including net profit/loss for the year and non-controlling interests, totalling EUR 308,273 thousand and consolidated profit/loss totalling EUR 35,990 thousand (2021: EUR 386,393 and EUR 44,284 thousand, respectively).

The Group defines itself as a global Services and Projects company with the aim of providing comprehensive solutions that maximise business process efficiency by means of a different approach and innovative technology application.

To this regard, we can make a distinction between three activity segments: B2B 360 Projects, B2B Services and B2C. Regarding the above B2B activity segments, the Group offers its services and projects in three main fields of activities or specialisation: T&T (Technology, Telecommunications and Infrastructures), Industry and Energy.

In turn, the area of activity relating to the B2C segment is directed towards businesses and private customers, in which the Dominion Group defines itself as the One Stop Shop company for household services distribution and management.

Its facilities are located in Europe (Spain, Germany, France, Italy, the United Kingdom, Poland, Denmark, Slovakia and Portugal), Latin America (Mexico, Peru, Argentina, Chile, Ecuador, the Dominican Republic, Colombia, Guatemala and Panama), the United States and Canada, so on in Asia (Saudi Arabia, India, Oman, Qatar, UAE, Israel, Vietnam, Indonesia and the Philippines), and Africa (South Africa and Angola) and Oceania (Australia and Papua).

The companies making up the Group are detailed in Annex II. Changes in financial years 2022 and 2021 affecting the companies directly held by the Company are detailed in Note 8.

The Company has been listed on the stock exchange since 27 April 2016.

2. BASIS OF REPORTING

2.1. TRUE AND FAIR VIEW

The adjoining Annual Financial Statements have been prepared based on the Company's accounting records and are presented in accordance with current trade law, and with the rules established in the Spanish General Chart of Accounts, approved by Royal Decree 1514/2007, and amendments incorporated by Royal Decree 1/2021, of 12 January, in effect for the financial years commencing on 1 January 2021, in order to show a true and fair view of the Company's net worth, financial position and results, as well as the accuracy of cash flows incorporated into the cash flow statement. These Annual Financial Statements, which have been drawn up by the Company Directors, will be submitted to the General Shareholders´ Meeting for approval and they are expected to be approved without modifications. For their part, the Annual Financial Statements corresponding to the 2021 financial year, were approved by the General Shareholder's Meeting on 10 May, 2022.

2.2. CRITICAL ASPECTS IN THE EVALUATION AND ESTIMATION OF UNCERTAINTY

The preparation of the Annual Financial Statements requires the Company to use certain estimates and judgements related to the future, which are continuously assessed and are based on historical experience and other factors, including expectations of future success deemed reasonable under current circumstances.

The resulting accounting estimates, by definition, will rarely match the corresponding actual results. The estimates and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Impairment of shares in the companies of the Group and associate companies

The Company tests annually whether equity investments in group companies and associates have suffered any impairment, in accordance with the accounting policy stated in Note 3.5. Impairment is calculated by comparing the carrying amount of the investment with its recoverable amount.

The recoverable amount of a share in group companies and associates is determined on the basis of value-in-use calculations less net financial debt. The value-in-use calculations are based on cash flow projections based on five-year financial budgets approved by management. Cash flows for periods over five years are extrapolated on the basis of a prudent assumption concerning the estimated growth rates that are always lower than the average long-term growth rate for the business in which each of the considered group companies. Net financial debt consists of the Group's overall debtor and creditor positions with credit institutions and financial accounts.

(Thousands of EUR)

However, in certain cases, unless there is clearer evidence of the recoverable amount in relation to the investment, the estimate of the impairment takes account of the net worth of the investee company, adjusted, where appropriate, to the generally accepted accounting principles and standards under Spanish legislation that are applicable, adjusted by net unrealized capital gains on the measurement date. If the investee creates a subgroup of companies, the net worth indicated in the consolidated financial statements is taken into account, to the extent that these are prepared, and, failing this, the net worth in the individual financial statements is taken into account.

When recoverable value is taken as the benchmark for impairment analysis, a number of assumptions are made to calculate recoverable value, including the following:

- The pre-tax discount rate was determined on the basis of the weighted average cost of capital (WACC) plus a premium to reflect the tax effect. This rate was determined using the capital asset pricing model (CAPM), which is widely used for discount rate calculation purposes. In certain instances, the discount rate calculation additionally factors in a specific risk premium to reflect the characteristics and the risk profile intrinsic to the cash flow projections of each company.

The macroeconomic situation also affected the main discount rate calculation items. To this regard, discount rate effects mainly arise as a result of the current macroeconomic uncertainty in each country, as well as the effect of greater public deficits caused by this additional uncertainty, the volatility in some sectors (this is not the case in most of the sectors the Group operates in, but there is always collateral damage that must be considered) and, in general, greater investor risk aversion.

For these individual financial statements and assessing individual recoverability for each investee, the discount rates applied for forecasts for major holdings in group companies are as follows:

	2022	2021
The Phone House Spain, S.L.U.	6.00%	6.00%
Beroa Technology Group, GmbH	8.44%	7.00%
Chimneys and Refractories International SRL	6.90%	8.00%
Mexicana de Electrónica Industrial, S.A. de C.V.	9.03%	14.50%
Dominion Industry & Infrastructures, S.L.	4.87%	6.00%
Dominion Global France SAS	6.66%	7.00%
Dominion Global PTY Ltd	6.83%	9.00%
Abside Smart Financial Technologies, S.L.	4.95%	6.00%
Dominion SPA	7.23%	10.60%
Dominion Colombia, S.A.S	12.24%	11.00%
Global Dominion Access USA	6.67%	7%
Connected World Services Europe, S.L.	4.85%	-

The discount rate is after tax and reflects the specific risk related to significant associate companies and has been applied in the analysis of 2022 and 2021.

The main variations of discount rates relative to those use in the previous year are mainly determined by the variations sustained in risk-free rates.

- EBITDA (earnings before income taxes and depreciation/amortization) is determined by Group management in the strategic plans, taking into account the overall situation in the markets in which the Group operates, their expected evolution, group operations with a similar structure to the current structure and based on prior year experience. These EBITDAs vary by type of business as follows.

(Thousands of EUR)

For these individual financial statements, the sales EBIDTA taken into account for forecasts for major holdings in group companies is as follows:

	EBITDA on sales	
	2022	2021
The Phone House Spain, S.L.U.	0% - 7%	5% - 8%
Bilcan Global Services, S.L.	-	4.5% - 8.5%
Beroa Technology Group, GmbH	3%	8% - 10%
Chimneys and Refractories International SRL	9% - 10%	10% - 12%
Dominion Energy, S.A.	-	10.2% - 12%
Mexicana de Electrónica Industrial, S.A. de C.V.	5% - 6.3%	8% - 10%
Bygging India Limited	-	10% - 12%
Dominion Industry & Infrastructures, S.L.	1% - 1.3%	4%
Dominion E&C Iberia S.A.U.	-	8% - 10%
Dominion Global France SAS	3.4% - 4.2%	8% - 10%
Dominion Denmark A/S	-	8% - 10%
Dominion Global PTY Ltd	8.99% - 9.17%	8% - 10%
Dominion Peru Soluciones y Servicios SAC.	-	8% - 10%
Abside Smart Financial Technologies, S.L.	15%	8% - 10%
Instalaciones Eléctricas Scorpio, S.A.	-	7% - 8%
Dominion SPA	3% - 3.83%	8% - 10%
Zwipit, S.A.	-	4.5% - 8.5%
Dominion Colombia, S.A.S	10%	8% - 10%
Dominion Smart Innovation S.A. de C.V.	-	8% - 10%
Interbox Technology, S.L.	-	4.5% - 8.5%
Dominion Servicios Medioambientales, S.L.	-	6% - 7%
Global Dominion Access USA	3.26% - 3.92%	-

With respect to the assumptions made to project the EBITDA and their future growth, the most likely scenario has been used according to the Management model so that underperformance is considered unlikely. On the other hand, account has been taken of the potential impacts that the increase in interest rates and in consumer prices could have on the assumptions, concluding that there is sufficient slack to withstand these variations which, in any case, have no significant effect.

In companies whose activities refer to projects in which a new production process or a new infrastructure is created, in which the subsequent design, implementation and maintenance is carried out - with these typically being multi-year with long-term commercial development processes - the diversity of project types and geographical areas is expected to increase in view of the current project portfolio and growing pipeline opportunities, based on the Group's transversal nature and consolidation of inorganic business growth. In those companies whose activities are related to framework contracts for operation and maintenance outsourcing and process improvement projects in sectors such as health, education or telecommunications, the forecasts indicate the implementation of the adopted efficiency measures, a focus on profitability and the securing of significant new contracts. Finally, in terms of activities related to framework contracts for operation and maintenance outsourcing and process improvement projects in sectors for solutions for the metal, petrochemical, glass or cement sectors, among others, the inorganic growth integration process will be consolidated and demand is expected to increase based on the foreseeable evolution of political and macroeconomic measures in certain geographical areas.

- The approved business plan sales projections indicate a compound annual mean growth rate (CAGR) of between 0%-18% in accordance with the expected organic growth demanded by the Group businesses.

- These EBITDAs are adjusted with other expected net cash movements and flows related to taxes to reach the after tax cash generated in each year.

The result of using cash flows before tax and a discount rate before tax does not differ significantly from the result of using cash flows after tax and a discount rate after tax.

Cash flows beyond five years, which is the period covered by the Group's projections, are calculated using a normalized and sustainable flow over time based on the fifth year estimate, with prudent assumptions with respect to the expected future growth rate (growth rate of 2%), and based on estimates of GDP growth and the inflation rate in the various markets, as well as evaluating the necessary level of investment for these growth rates. These flows are updated to calculate residual value, taking into account the discount rate applied in the projections, less the growth rate taken into consideration.

The Company has performed sensitivity analysis of the discount rate by applying a 10% increase and decrease to said rate. As a result of this analysis, no different conclusions were drawn by comparison with the results of the recovery analysis performed by the Management. It should also be noted that a 0.5% sensitivity of the perpetual growth rate does not affect the conclusions of the recovery analysis the was conducted.

Corporate income tax

The legal situation of tax legislation applicable to the Company implies that certain calculations are estimated and that the ultimate quantification of the tax is uncertain. Tax is calculated based on the best estimates by senior management, according to the situation of current tax legislation, and taking into account its envisaged evolution (Note 19). The Company recognises deferred tax assets that it expects to be recovered in future financial years. On preparing these financial statements, management assessed the projected recoverability of accrued tax credits, both separately and on a consolidated tax basis, over a reasonable time-scale of no more than 10 years.

Where the final tax result is different to the initially recognised amounts, these differences shall have an effect on the profit tax for the financial year during which such determination is made.

The calculation of corporate tax did not necessitate significant estimates except with respect to the amount of tax credits recognised in the year. If the assumptions used for this estimate had been modified by 10%, the effect on the profit or loss for the year would have been insignificant.

Personnel benefits

In terms of profit-sharing and bonus plans for current employees, the Company estimates the amounts of benefits to be paid and the group of people to which they apply, based on historical experience of the response by employees regarding their perception of benefits, and actuarial criteria and hypotheses that generally apply in these cases.

Any change in the number of people who are definitively included in the aforementioned plans or in the hypotheses taken into account, will have an effect on the book value of the corresponding benefits, as well as on the profit and loss account.

These estimates are reassessed at the end of each financial year, and benefits are adjusted based on the best estimates in existence at each closure.

Impairment of certain current assets

The Company adjusts the value of receivables according to its estimate for recoverable value calculated as the present value of estimated future cash flows.

Estimated impairment of goodwill

The Company tests annually whether goodwill has suffered any impairment, and, should this exist, its impairment is assessed, in accordance with the accounting policy stated in Notes 3.1 and 3.4. These calculations require the use of estimates (Note 4.2).

With respect to the assumptions made to project the EBITDA and their future growth, the most conservative scenario has been used according to the Management model so that underperformance is considered unlikely.

Useful lives of fixed assets and an estimate of impairment of property, plant and equipment and intangible assets

The Company Management determines the estimated useful lives and corresponding amortisation charges for its property, plant and equipment. This estimate is based on actual depreciation incurred for their operation, use and enjoyment. The Management will increase or decrease the amortisation charge when useful lives are shorter or longer than previously estimated lives, or will amortise or eliminate technically obsolete or non-strategic assets that have been abandoned or sold.

At year-end or when impairment is identified, the Company estimates the recoverable amount of property, plant and equipment and intangible assets by deducting estimated future cash flows.

Fair value of derivatives or other financial instruments

The fair value of financial instruments that are not traded in an active market is determined by third-party confirmation. The Company uses the evaluations provided by the credit institution it holds financial instruments with to determine this value (Note 14).

Degree of advancement or completion of the service agreements.

The accounting of services provision contracts according to the degree of completion or progress thereof is based, in most cases, on estimations of the total of costs incurred on the total ones estimated for project completion. Changes in these estimations have impact in the recognized results of the works in accomplishment. The estimates are constantly monitored and adjusted where appropriate.

The Company operates, in specific circumstances, via long-term contracts which may include different execution or performance obligations to be undertaken during different time periods.

The accounting recognition of the revenue derived from these contracts requires the Group's Management to apply judgement and significant estimates both in the interpretation of the contracts and in the estimate of their costs and degree of completion and, more specifically in relation with:

- Identification of the different performance obligations.

- Assignment of the individual prices for each performance obligation.
- Identification of the time periods during which the different performance obligations take place.
- Estimate of the total costs required to complete the performance obligations and, subsequently, the planned margins for each of them.
- Control of the real costs incurred.
- Estimate of the amount of revenue to be registered as the specific performance obligation is being met.
- Analysis of other possible agreements not included in the main contract.

The estimates for revenue, the costs or the degree of completion towards finalisation are reviewed if the circumstances change. Any resulting increase or decrease in the estimated revenue or costs is reflected in the financial year result where the circumstances which give rise to the review are known by the Management.

2.3. COMPARISON OF INFORMATION

Information relating to the previous financial year is provided purely for comparative purposes.

2.4. ENTRY GROUPING

In order to facilitate understanding of the balance sheet, the profit and loss account, the statement of changes in net worth and the cash flow statement, these statements are presented in a grouped format, and the required analyses are included in the corresponding notes to the Annual Report.

2.5. PRESENTATION CURRENCY

Unless specifically indicated otherwise, the Annual Financial Statements are expressed in thousands of Euros.

3. ACCOUNTING CRITERIA

3.1. INTANGIBLE FIXED ASSETS

Goodwill

Goodwill is the excess at the acquisition date of the cost of a business combination over the fair value of the identifiable net assets acquired in the transaction. As a result, goodwill is only recognised when it is acquired for consideration and represents the future economic benefits arising from assets acquired in a business combination that are not individually identified and separately recognised.

Goodwill is allocated to the cash-generating units (CGUs) that are expected to benefit from the business combination the goodwill was generated in.

Goodwill recognised separately is amortized on a straight-line basis over its estimated useful life, being valued at acquisition cost less accumulated amortization, and, if applicable, the accumulated amount of recognised impairment corrections. The useful life is determined separately for each of the CGUs to which it has been assigned and is estimated to be 10 years (unless proven otherwise). At least on an annual basis, analyses are performed for any indications of impairment of the value of the cash-generating units to which goodwill has been assigned, and if there is one, its eventual impairment is checked.

Impairment assessment corrections recognised for goodwill must not be reversed in a subsequent period.

Development

Business development expenditures incurred during a project are recognized as intangible assets if they are feasible from a technical and commercial perspective and the costs incurred can be reliably measured and if generation of profits is likely. Development costs, which are activated, are amortised in a straight line over their estimated useful life for each project, without exceeding 5 years.

Computer Software

Computer program licences acquired from third parties are capitalised based on costs incurred to acquire them and prepare them to use the specific program. These costs are amortised over the assets' estimated useful lives which never exceed four years.

Costs associated with developing or maintaining computer software programs are recognised as an expense when incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Company, and that are deemed likely to generate economic benefits in excess of costs beyond one year, are recognised as intangible assets. Directly attributable costs include software developer costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives (which do not exceed 3 years).

3.2. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are recognised at their acquisition price or production cost, less accumulated amortisation and the accumulated amount of recognised losses.

Costs for extending, modernising or improving tangible fixed assets are incorporated into the asset as greater asset value, exclusively when they represent an increase in capacity, productivity or an extension of their useful life, provided that it is possible to know or estimate the book value of items that are removed from the inventory due to replacement.

Recurring maintenance expenses are charged to the profit and loss entry during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method according to the respective assets' useful lives based on the actual decline in value brought about by operation, use and possession. Property, plant and equipment are amortised on the cost values applying the estimated operating life years:

	Operating life
Plant and machinery	6-10
Other fixtures and fittings, tools and equipment	7
Transport Items	5
Data processing equipment	4

The residual value and useful life of assets is reviewed and adjusted, if necessary, on the date of each balance sheet.

If the book value of an asset is in excess of its estimated recoverable amount, its value is reduced immediately to its recoverable amount (Note 3.4).

Profit and losses from the sale of tangible fixed assets are calculated by comparing the income obtained from the sale with the book value, and are recorded on the profit and loss account.

Derecognitions and disposals are accounted for by eliminating the item's cost and the corresponding accumulated depreciation charge.

3.3. BORROWING COST

Financial expenses directly attributable to the acquisition or construction of property, which needs a period exceeding one year in order to be ready for use, are included at cost until they are in an operational condition.

3.4. IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets are subjected to impairment loss tests providing an event or change in circumstances implies that the book value may not be recovered. An impairment loss is recognised by the excess carrying amount of the asset with regards to its recoverable amount, with this understood as the fair value of the asset minus the sale costs or the value in use, whichever is the highest. For the purposes of assessing impairment, assets are grouped together at the lowest level where cash flows can be separately identified (cash generation units).

3.5. FINANCIAL ASSETS

a) Financial assets at fair value, with changes in the profit and loss account:

This category includes equity instruments that are not held for trading or to be valued at cost and for which an unconditional decision has been made upon initial recognition to allocate subsequent changes in fair value directly to the profit and loss account.

In addition to this, financial assets that are irrevocably recognised upon initial recognition as being measured at fair value with changes in the profit and loss account, and that would otherwise have been included in another category, are included to eliminate or significantly reduce an accounting inconsistency or accounting misstatement that would otherwise arise from measuring the assets or liabilities on a different basis.

Initial valuation
Financial assets included in this category will initially be stated at their fair value, which, unless proven otherwise, is the price of the transaction, understood to be equivalent to the fair value of the consideration given. Directly attributable transaction costs will be recognised in the profit and loss account for the financial year.

Subsequent valuation
Following the initial recognition, the company will value the financial assets in this category at fair value with changes in the profit and loss account.

b) Financial Assets at Amortised Cost

This category includes financial assets - including those admitted for trading on an organised market - that the Company holds as investments to receive cash flows from contract execution and the contract conditions of financial assets which, on specific dates, give rise to cash flows that are only the collection of the principle and interests on the outstanding principle.

Contractual cash flows that are only collections of principal and interest on the principal outstanding are inherent in an arrangement which has an ordinary or common loan character, notwithstanding the fact that the transaction is arranged at a zero or below-market interest rate.

This category includes receivables from trade operations and receivables from non-trade operations.

- Credits for commercial operations: these are those financial assets originating in the sale of goods and the rendering of services in connection with the company's business transactions with deferred payment; and

- Credits for non-commercial operations: are those financial assets that are not equity instruments or derivatives and that are not of a commercial origin, and the collection of which is worth a determined or determinable amount and which arise from loans or credit operations granted by the company.

Initial valuation
Financial assets classified in this category are initially measured at fair value, which, unless evidence suggests otherwise, will be the price of the transaction, which will be equivalent to the fair value of the return presented plus the transaction costs that are directly attributable.

Nevertheless, credits for commercial operations with an expiry date greater than one year and that have no explicit contractual interest rate, as well as credits to personnel, dividends receivable and capital calls on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value to the extent that the effect of not discounting the cash flows is deemed to be insignificant.

Subsequent valuation
The financial assets included in this category are valued at amortised cost. Accrued interests will be accounted for in the profit and loss account by applying the effective interest rate method.

However, loans and receivables maturing in less than one year that are initially measured at nominal value pursuant to the previous paragraph will continue to be measured at nominal value, unless impairment has occurred.

When the contractual cash flows of a financial asset change because of the issuer's financial difficulties, the company assesses whether an impairment loss should be recognised.

Value impairment
Impairment losses are recognised at least at year-end and whenever objective evidence indicates that a financial asset, or a group of financial assets with similar risk characteristics valued together, involves impairment as a result of one or more events that have occurred after initial recognition and which resulted in a decrease or delay in estimated future cash flows, which could have been caused by the insolvency of the debtor.

As a general rule, impairment losses on these financial assets are the difference between their book value and the current value of future cash flows, including, whenever applicable, cash flows from the application of real and personal guarantees, which are estimated to be generated, subtracted at the effective interest rate calculated on the date they are first recognised. For floating interest rate financial assets, the effective interest rate at the reporting date is used pursuant to the contractual terms and conditions.

Impairment losses, and their reversal when the amount of the impairment loss drops as a result of a subsequent event, are recognised as expenditure or income, respectively, in the Profit and Loss Account. Reversal of the deterioration is limited to the book value of the asset that would be recognised on the reversal date if value deterioration had not been recorded.

c) Financial Assets at Cost

In all cases, the following items are included in this valuation category:

- Equity stakes in group, multi-group and associated companies.
- All other equity stakes whose fair value cannot be determined on the basis of a quoted price in an active market for an identical instrument, or cannot be estimated reliably, and derivatives with these investments underlying them.
- Hybrid financial assets whose fair value cannot be estimated reliably, unless they qualify for recognition at amortised cost.
- Contributions made as a result of joint ventures and similar arrangements.
- Participating loans whose interest is contingent, either by virtue of a fixed or variable interest rate agreed on the condition that a milestone is achieved by the borrowing company (e.g. profit), or because it is only calculated on the basis of the performance of the borrowing company's business.
- Any other financial asset that is initially recognised in the backlog at fair value with changes in the profit and loss account when it is not possible to reliably estimate its fair value.

Initial valuation
Investments included in this category are initially measured at cost price, which is equivalent to the fair value of the consideration given plus directly attributable transaction costs, the latter not included in the cost of investments in group companies.

However, if an investment exists prior to their classification as a group, multi-group or associated company, its book value prior to this classification is considered to be the book value that the investment should have had just before the company's classification.

The initial valuation is formed, in part, by the amount of the pre-emptive rights and similar which, when applicable, have been acquired.

Subsequent valuation
The equity instruments included in this category are subsequently valued at cost, subtracting, where applicable, the amount accrued of the corrections to values due to impairment.

When these assets must be assigned a value due to derecognition or otherwise, the homogeneous groups weighted mean cost method is applied, and it is understood that these values bear the same rights.

For the sale of pre-emptive subscription rights and similar rights or the segregation of these rights in order to exercise them, the cost of the rights reduces the carrying amount of the respective assets.

Payments made as a result of a joint venture and similar contracts are valued at cost, increased or decreased by the profit or loss, respectively, which correspond to the company as a non-managing venturer, minus, when applicable, any accumulated impairment losses.

This criteria is applied for participating loans whose interest is contingent, either by virtue of a fixed or variable interest rate agreed on the condition that a milestone is achieved by the borrowing company (e.g. profit), or because it is only calculated on the basis of the performance of the borrowing company's business. If irrevocable fixed interest is agreed in addition to contingent interest, the latter is recognised as financial revenue on an accruals basis. Transaction costs are charged to the profit and loss account on a straight line basis over the term of the participating loan.

Impairment

By the end of the financial year, the required valuation corrections shall be performed whenever there is objective evidence that the book value of an investment cannot be recovered. The impairment loss is the difference between its carrying amount and the recoverable amount, the latter understood to be the higher amount between its fair value minus costs to sell and the current value of future cash flows arising from the investment, which, in the case of equity instruments is calculated either by estimating those that are expected to be received as a consequence of dividend distributions by the investee and the disposal or derecognition of the investment in the investee, or by estimating its share in the cash flows expected to be generated by the investee through ordinary activities and the disposal or derecognition in accounts.

Unless better evidence of the recoverable amount of investments in net worth instruments is available, the estimated impairment loss on this type of asset is calculated based on the net worth of the investee and any unrealised capital gains existing on the valuation date, net of the tax effect. When calculating this value, and provided that the investee has invested in another investee, the net worth recognised in the consolidated annual financial statements prepared pursuant to the criteria of the Spanish Commercial Code and its implementing regulations is taken into account.

The recognition of impairment losses and, where applicable, their reversal, are treated as expenses and income respectively, in the profit and loss account. Reversal of the deterioration is limited to the book value of the investment that would be recognised on the reversal date if value deterioration had not been recorded.

However, if any investment was made in the company before it was classified as a company of the group, multi-group or associate and, prior to that classification, valuation adjustments were made and recognised directly in net worth as a result of the investment in question, those adjustments are maintained after classification until the investment is disposed of or derecognised, at which time they are recognised in the profit and loss account, or until the following circumstances occur:

- In the case of previous valuation adjustments as a result of increases in value, impairment allowances will be recognised against the net worth item in relation to the valuation adjustments already applied up to the value of those adjustments, and the excess, if any, is recognised in the profit and loss account. Impairment losses recognised directly in net worth are not reversed.

- Should there by any previous valuation adjustments due to impairment, when the recoverable amount subsequently exceeds the carrying amount of the investments, the latter is increased to the limit of the aforementioned impairment, allocated under the item relating to previous valuation adjustments and thereafter the new amount is considered to be the investment cost. However, where there is objective evidence of impairment of the investment value, any losses directly accumulated in the net worth are recognised in the profit and loss account.

3.6. DERIVATIVE FINANCIAL INSTRUMENTS AND ACCOUNTING HEDGE

Financial derivatives are measured at fair value upon initial recognition and for subsequent measurement purposes. The method used to recognise the resulting profit or loss depends on whether the derivative has been assigned as a hedging instrument, and if so, the nature of the hedge. The Company assigned specific derivatives such as:

a) Fair value hedges

Changes in the fair value of derivatives that are assigned and qualify as fair value hedges are recorded in the profit and loss account, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When the hedged item is either a firm commitment that has not been recognised or one aspect of this, the cumulative change in fair value of the hedged item following its designation is recognised as an asset or a liability, and the corresponding gain or loss is recorded in the profit and loss account.

Changes in the carrying amount of hedged items measured at amortised cost require adjustment, either when the change occurs or afterwards when hedge accounting ends, with the effective interest rate of the instrument in question.

b) Cash flow hedges

The profit or loss arising from the hedging instrument, to the extent that it constitutes an effective hedge, is charged directly to net worth. Accordingly, the net worth component resulting from the hedge is adjusted so that it is equal, in absolute terms, to the lower of the following two values:

- The cumulative profit or loss of the hedging instrument from the start date of the hedge.
- The cumulative change in fair value of the hedged item (i.e., the current value of the cumulative change in the estimated future cash flows hedged) since the start date of the hedge.

Any other profit or loss on the hedging instrument, or any profit or loss required to offset the change in the cash flow hedge adjustment calculated pursuant to the previous paragraph, is hedge ineffectiveness, which is charged to profit or loss for the financial year.

If a hedged highly probable forecast transaction results in the subsequent recognition of a non-financial asset or non-financial liability, or a hedged forecast transaction relating to a non-financial asset or non-financial liability becomes a firm commitment that is subject to fair value hedge accounting, this amount is removed from the cash flow hedge adjustment and is included directly in the initial cost or other carrying amount of the asset or liability. This same criterion applies for hedges relating to the exchange rate risk involved in the acquisition of investment in a company of the group, multi-group or associate company.

In all other cases, the adjustment recognised in net worth is transferred to the profit and loss account in the extent that the hedged forecast future cash flows affect the profit or loss for the financial year.

However, if the adjustment recognised in net worth is a loss and all or part of it is not expected to be recovered in one or more future periods, the amount that is not expected to be recovered is immediately recognised in profit or loss.

3.7. INVENTORIES

Inventories are measured at the lower of purchase cost and net realisable value. The purchase price is calculated in accordance with the weighted average price method. In the case of product manufacturing, production costs include the direct and indirect manufacturing costs.

When the net realisable value of inventories is less than cost, the appropriate value adjustments are made and recognised as an expense in the income statement. If the circumstances that caused the value adjustment cease to exist, the adjustment is reversed and income is recognised in the income statement.

Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

3.8. EQUITY

Share capital is represented by ordinary shares.

New share or option issue costs are presented directly against net worth, as lower reserves.

If the Company's own shares are acquired, the compensation paid, including any directly attributable incremental cost, is deducted from net worth until cancellation, reissuing or divestment. When these shares are sold or subsequently re-issued, any amount received, net of any directly attributable incremental transaction cost, is included under net worth.

3.9. FINANCIAL LIABILITIES

a) <u>Financial liabilities at amortised cost</u>

As a general rule, this category trade and non-trade payables:

- Payables for commercial operations: these are those financial liabilities originating in the purchase of goods and services in connection with the company's business transactions with deferred payment; and
- Payables from non-trade transactions: are those financial liabilities that are not derivative instruments and that are not of a commercial origin but arise from loan or credit transactions received by the company.

Participating loans of an ordinary or common loan nature are also included in this category notwithstanding the agreed interest rate (zero or below market).

<u>Initial valuation</u>
The Liabilities included in this category are initially recognised at their fair value, which is the price of the transaction, and which is the fair value of the consideration received adjusted for directly attributable transaction costs.

Notwithstanding this, debts for commercial operations with an expiry date greater than one year and that have no contractual interest rate, as well as capital calls by third parties regarding shares, the amount of which is expected to be paid in the short term, are valued at their nominal value when the effect of not updating cash flows is not significant.

Subsequent valuation
The financial liabilities included in this category are valued at amortised cost. Accrued interests will be accounted for in the profit and loss account by applying the effective interest rate method.

Notwithstanding this, those debits with a maturity of under twelve months and which are initially valued at their face value, shall continue to valued at that amount.

b) Financial liabilities at fair value, with changes in the profit and loss account:

This category includes the financial liabilities that meet one of the following conditions:

- Liabilities held for trading.
- Those that have been irrevocably allocated upon initial recognition to be accounted for at fair value with changes in the profit and loss account, given that:
  - An inconsistency or "accounting mismatch" with other instruments at fair value with changes in profit or loss is removed or significantly reduced; or
  - A group of financial liabilities or financial assets and liabilities is managed and its performance is measured on a fair value basis pursuant to a documented risk management or investment strategy and information on the group is also provided to key management personnel on a fair value basis.
- Non-segregated hybrid financial liabilities optionally and irrevocably included.

Initial and Subsequent Valuation
Financial liabilities included in this category are initially stated at their fair value, with this being the price of the transaction, which will be equivalent to the fair value of the consideration received. Directly attributable transaction costs are recognised in the Profit and Loss Account for the financial year.

Following the initial recognition, the financial liabilities in this category are valued at fair value with changes in the profit and loss account.

In the case of convertible bonds, the fair value of the liability component is determined using the interest rate for similar non-convertible bonds. This figure is recorded as a liability on the basis of the amortized cost until it is settled upon conversion or maturity. Other obtained revenue is allocated to the conversion option and is recognised in net worth.

In the event of renegotiation of existing debts, no substantial modifications to the financial liabilities will be deemed to have taken place if the lender of the new loan is the same as the lender that granted the original loan and the current value of the cash flows, including net commissions, does not differ by more than 10% from the current value of the cash flows for the original liability on which payment is pending, calculated using the same method.

3.10. GRANTS RECEIVED

Refundable grants are recorded as liabilities until the conditions are met for their classification as non-refundable, while non-refundable grants are recorded as income directly in net worth and are recognised as income over a systematic and rational base which is correlated with the expenses resulting from the grant. Non-refundable grants received from the shareholders are recognised directly in equity.

Thus, a grant is considered non-refundable when there is an individual agreement on the grant, and all the conditions for it have been met and there are no reasonable doubts that it will be received.

Monetary subsidies are measured at the fair value of the amount received whilst non-monetary subsidies are measured at the fair value of the good received, with both values relating to the moment they are acknowledged.

Non-repayable grants related to the acquisition of intangible assets, property, plant and equipment, and investment property are recognised as income for the financial year in proportion to the amortisation or depreciation charged on the relevant assets or, if applicable, upon their sale, value adjustment or write-off. Non-repayable grants related to specific costs are recognised in the profit and loss account in the financial year in which the relevant expenses accrue, and non-repayable grants awarded to offset an operating deficit are recognised in the financial year they are awarded, unless they are used to offset an operating deficit in future years, in which case they are recognised in those periods.

3.11. CURRENT AND DEFERRED TAXES

The profit tax expense (income) is the amount that accrues during the financial year for this concept, comprising both current tax and deferred tax expenses (income).

Both current and deferred tax expenses (income) are registered on the profit and loss account. However, the tax effect related to items recorded directly under net worth is recognised under direct equity.

Current tax assets and liabilities are assessed based on the amounts expected to be paid to, or recovered from tax authorities, according to current legislation, or legislation approved and pending publication on the financial year end date.

Deferred taxes are calculated, according to the liability method, based on temporary differences that arise between the tax base of assets and liabilities and their book values. However, if the deferred taxes arise from the initial recognition of an asset or liability, in a transaction other than a business combination, which at the time of the transaction neither affected the book result nor the tax base, they are not recognised. This deferred tax is determined by applying the legislation and tax rates approved on the balance sheet date, or that are pending approval and are expected to apply when the corresponding deferred tax asset is realised, or the deferred tax liability is settled.

Deferred tax assets are only recorded to the extent that it is considered probable that there will be future taxable gains, with which the temporary differences can be offset.

The regional tax group was set up on 1 January, 2015 with the controlling party being: Global Dominion Access, S.A. And the rest:

- Dominion Investigación y Desarrollo, S.L.U.
- Dominion E&C Iberia, S.A.
- Dominion Energy, S.A.
- Instalaciones Eléctricas Scorpio, S.A.
- Energy Renewables 8, S.L.
- Dominion Servicios Medioambientales, S.L.
- Desarrollos Green BPD 1, S.L.U.
- Desarrollos Green BPD 2, S.L.U.
- Desarrollos Green BPD 3, S.L.U.
- Desarrollos Green BPD 4, S.L.U.
- Desarrollos Green BPD 5, S.L.U.
- Desarrollos Green BPD 6, S.L.U.
- Dominion Renewable 1, S.L.U.
- Dominion Renewable 2, S.L.U.

Dominion Renewable 3, S.L.U.
Dominion Renewable 5, S.L.U.
Dominion Renewable 6, S.L.U.
Dominion Renewable 7, S.L.U.
Linderito Solar, S.L.U.
Pamaco Solar, S.L.U.
Pico Magina Solar, S.L.U.
Proyecto Solar Pico del Terril, S.L.U.
Rio Alberite Solar, S.L.U.
Villaciervitos Solar, S.L.U.
Wydgreen, S.L.U.
Kinabalu Solar Park I, S.L.U.
Cerro Torre Solar, S.L.U.
Basde Solar I, S.L.U.
Jambo Renovables I, S.L.U.
Pico Abadias Solar, S.L.U.
Tormes Energías Renovables, S.L.U.
Cayambe Solar Power, S.L.U.
Cerro Bayo Renewable Energy, S.L.U.
Cerro Galan Solar, S.L.U.
El Pedregal Solar, S.L.U.
Cero Lastarria, S.L.U.
Cerro Acotango, S.L.U.
Cerro Las Tórtolas, S.L.U.
Cerro Juncal, S.L.U.
Cerro Marmolejo, S.L.U.
Cerro Vicuña, S.L.U.
Dominion Energy Projects, S.L.U. (Incorporated in 2022)
Pico Ocejón Solar, S.L.U. (Incorporated in 2022)
Torimbia Green Energy, S.L.U. (Incorporated in 2022)
Bas Buelna Solar, S.L.U. (Incorporated in 2022)
Desarrollos Green Ancón, S.L.U. (Incorporated in 2022)
Domwind Solar, S.L.U. (Incorporated in 2022)
Desarrollos Piedralaves, S.L.U. (Incorporated in 2022)
Vidiago Energy, S.L.U. (Incorporated in 2022)
Peñalara Energía Green, S.L.U. (Incorporated in 2022)
Rancho Luna Power, S.L.U. (Incorporated in 2022)
Chinchilla Green, S.L.U. (Incorporated in 2022)
Somontín Power, S.L.U. (Incorporated in 2022)
Generación Cobijeru, S.L.U. (Incorporated in 2022)
Generación El Turbón, S.L.U. (Incorporated in 2022)
Bakdor Renovables, S.L.U. (Incorporated in 2022)
Molares Green Renovables, S.L.U. (Incorporated in 2022)
Pecan Green Soluciones, S.L.U. (Incorporated in 2022)
Sajas Renewable Energy, S.L.U. (Incorporated in 2022)
Trujillo Vatios, S.L.U. (Incorporated in 2022)
Albala Energy, S.L.U. (Incorporated in 2022)
Coderland España, S.L.U. (Incorporated in 2022)

3.12. EMPLOYEE BENEFITS

a) Pension commitments

The company has an established contribution pension plan. The plan is funded through payments to the insurance company or externally administered funds.

Defined benefit pension plans

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity and has no legal, contractual or implicit obligation to pay further contributions if the separate entity does not hold sufficient assets to pay all assumed commitments.

For defined contribution plans, the Company pays contributions into pension insurance plans managed publicly or privately on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Company is not obliged to make any additional payments. Contributions are recognised as employee benefits when they accrue. Contributions paid in advance are recognised as an asset where a cash reimbursement or a reduction in future payments is available.

The Company recognises a liability for contributions to be made when, at year end, unpaid contributions accrued exist.

b) Dismissal compensation

Dismissal compensation is paid to employees as a consequence of the Company's decision to terminate their employment contract prior to normal retirement age, or when the employee accepts voluntary reduction in exchange for these provisions. They include compensation agreed under redundancy plans that terminate employment contracts before normal retirement age The Company records these benefits when it has demonstrably undertaken to terminate the employment of workers in accordance with a detailed formal plan which cannot be revoked, or to provide severance indemnities as a result of an offer that encourages voluntary resignation. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

c) Benefit and bonus participation plans

The Company recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to its shareholders after certain adjustments. The Company recognises a provision when it is contractually obliged to do so, or when the practice in the past has created an implicit obligation.

d) Variable remuneration plans based on the value of the Company's shares payable in cash

Liabilities with regard to appreciation rights of cash-settled shares of the Company are recognised as expense for remuneration to employees during the corresponding service period. Liabilities are recalculated on each date on which the information is presented and they are presented as remuneration obligations to employees on the balance sheet.

3.13. CONTINGENT LIABILITIES AND PROVISIONS

Provisions are recognised when the Company has a present legal or implicit obligation, as a result of past events, and it is probable that it will be necessary to expend resources to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are valued based on the current value of expenditure expected to be necessary to settle the obligation, using a before tax rate the reflects current market assessments of time value of money and the specific risks of the obligation. Adjustments to the provision as a result of its update are recognised as a financial expense, as they accrue.

Provisions maturing within one year, with an insignificant financial effect, are not discounted.

When it is expected that part of the expenditure necessary to settle the provisions will be reimbursed by a third party, the reimbursement is recognised as an independent asset, provided that its reception is practically certain.

In turn, any possible obligations arising as a consequence of past events, the materialisation of which is dependent on whether or not one or more future events outside the Company's control occur, are considered as contingent liabilities. These contingent liabilities are not subject to accounting records, and their details are presented in the Annual Report.

3.14. BUSINESS COMBINATIONS

Mergers, spin-offs and non-monetary contributions of a business between group companies are recognised following the rules for accounting for related-party transactions (Note 3.19).

Mergers and spin-offs that are not common control transactions and business combinations arising from the acquisition of all of the assets and liabilities of a company or a portion thereof that constitutes one or more businesses are recognised using the acquisition method.

The Company recognises business combinations arising from the acquisition of shares or equity interests in another company in accordance with the rules for accounting for investments in Group companies, multi-group companies and associates (Note 3.5.c).

3.15. JOINT VENTURES

a) Jointly controlled assets and operations

The Company recognises the proportional part it has in the assets it controls jointly and the liabilities incurred jointly based on its shareholding percentage, as well as the assets related to the joint operations that are under control and the liabilities incurred as a result of the joint venture. Its corresponding part of the generated income and the incurred expenses by the joint business is also recorded in the profit and loss account. The expenses incurred from the shareholding in the joint venture are also recorded.

The unrealised profit that arises from reciprocal transactions as well as the assets, liabilities, income, expenses and reciprocal cash flows are eliminated in proportion to the shareholding.

3.16. REVENUE RECOGNITION

Revenue is recognised when control over goods or services is handed over to the customers. Revenue is then recognised for the amount of the consideration it is expected to be entitled to in exchange for the transfer of committed goods and services relating to contracts with customers, as well as other revenue not related to contracts with customers that constitute the Company's ordinary activities. The recognised amount is determined by deducting the amount of discounts, rebates, price reductions, incentives or rights granted to customers, as well as value added tax and other directly related taxes payable from the consideration for the transfer of goods or services committed to customers or other revenue from the Company's ordinary activities.

When the price established in contracts with customers includes a variable consideration, the best estimate of the variable consideration is included in the price to be recognised to the extent that it is highly likely that there will not be a significant reversal of the revenue recognised when the uncertainty associated with the variable consideration is subsequently resolved. The Company bases its estimates taking account of the historical information, taking into account the type of customer, the type of transaction and the specific terms of each agreement.

According to the interpretation published by the ICAC in its official journal in September 2009 (no. 79), companies classified as 'industrial holding companies', as is the case with Global Dominion Access, S.A., must present dividends, interest income and management fees from their investments in Group companies, multi-group companies and associates as "Revenue" in the Income Statements. Profit or loss from backlog disposal or write-downs and the impairment of group, multi-group and associated companies is recorded as operating income.

a) <u>Provision of services</u>

The Company renders technology consultancy and telecommunications engineering, maintenance and installation services to public organisations and private companies. These services are rendered in accordance with a specific date and materials, or a fixed price contract.

Revenues from specific dates and materials contracts, which normally relate to the rendering of telecommunications engineering services, are recognised at the rates stipulated in the contract to the extent that personnel performs the hours and direct expenses are incurred.

The revenue deriving from fixed-price contracts for both engineering maintenance and network installation as well as industrial maintenance is recognized based on the degree of completion method in accordance with the services performed or the percentage completion of the agreements compared with total services or construction contracts to be fulfilled. The degree of completion of minor works does not normally represent a significant percentage of the total income due to the fact that the invoice milestones are normally linked to costs that are incurred and include an adjustment for estimated margins at any given moment. Larger projects or EPCs involve a higher degree of estimates based on the existing situation of the Project at the end of the year and for which the income associated with the costs incurred to date plus the project's estimated margin is recognized. The normal estimation time horizon for the income obtained through the degree of completion of these projects does not exceed three months of invoicing at the end of each year.

When the contracts include multiple execution obligations the transaction price will be allocated to each execution obligation based on the independent sale prices. When these are not directly observable, they are estimated on the basis of the expected cost plus the margin.

In contracts which feature variable prices, these are estimated based on the probability that the obligations or conditions determining them are met. To this end, an analysis is performed on the conditions, their fulfilment possibility and the experience from past financial years in similar contracts.

If circumstances arise that modify initial estimations of revenues, costs or degree of completion, these estimations are reviewed. Revisions could lead to increases or decreases in estimated revenues and costs, and are reflected in the income statement in the period in which the circumstances that have led to such revisions are known by management. Specifically, for additional revenue, it is recognized when a formal approval from the client exists.

b) Interest income

Interest income is recognised using the effective interest rate method. When an account receivable suffers an impairment loss, the Company reduces its book value to its recoverable amount, discounting future estimated flows at the instrument's original effect interest rate, and continues posting the discount as lower interest income. Interest income on impaired loans is recognised either as cash is collected or on a cost-recovery basis as conditions warrant.

c) Dividend income

Dividend income is recognised as income on the profit and loss account, when the right to receive the amount payable is established. This notwithstanding, if the distributed dividends come from results generated prior to the date of acquisition, they are not recognised as income, reducing the book value of the investment.

3.17. LEASES

a) Financial Lease

Leases of tangible fixed assets in which the Company retains substantially all the risks and advantages of ownership are classified as finance leases. Finance leases are capitalised at the start date of the lease at the lower value corresponding to either the fair value of the leased property or the current value of the minimum lease payments. To calculate the current value the interest rate implicit in the contract is used or, if this cannot be determined, then the Company's interest rate for similar transactions is used.

Each lease payment is allocated between liabilities and finance charges. The total financial charges are distributed over the lease period and are allocated to the Profit and Loss Account for the financial period in which they were incurred, applying the effective interest method. Contingent quotas are an expense in the financial year in which they are incurred. The corresponding lease obligations, net of finance charges, are included in "Finance lease creditors". Fixed assets acquired under finance leases depreciate during their useful life or the term of the lease, whichever is shorter.

b) Operating Leases

Leases where the lessor retains a major part of the risks and benefits arising from ownership are classified as operational leases. Operational leasing payments (net of any incentive received from the lessor) are charged to the profit and loss account for the financial year during which they accrue, on a straight line basis during the lease period.

3.18. FOREIGN CURRENCY TRANSACTIONS

a) Operational and presentation currency

The Company's Annual Financial Statements are presented in thousands of euros, which is the Company's presentation and operational currency.

b) Transactions and balances

Transactions in foreign currency are converted to the operational currency using exchange rates in force on the date of the transactions. Profits and losses in foreign currency resulting from the settlement of these transactions and from the conversion of monetary assets and liabilities denominated in a foreign currency, are recognised on the profit and loss account, except when deferred to net worth, such as qualified cash flow hedges and qualified net investment hedges.

Changes in the fair value of monetary securities denominated in foreign currency, classified as available for sale, are analysed between conversion differences resulting from changes in the amortised cost of the security, and other changes in the book value of the security. Conversion differences are recognised in the result for the financial year, and other changes in book value are recognised under net worth.

Conversion differences of non-monetary items, such as equity instruments maintained at fair value with changes in the profit and loss account, are presented as part of the profit or loss in fair value. Conversion differences of non-monetary items, such as equity instruments classified as financial assets available for sale, are included under net worth.

3.19. RELATED PARTY TRANSACTIONS

In general, operations between group companies are accounted for at the initial moment, at fair value. If the agreed price differs from its fair value, the difference is recorded on the basis of the economic reality of the operation. Subsequent evaluations are made pursuant to the corresponding standards.

This notwithstanding, during business merger or demerger operations, or non-monetary contributions, the component parts of the acquired business are valued based on their corresponding amount, once the operation has taken place, on the Consolidated Annual Financial Statements of the group or sub-group.

When the parent company or the group or sub-group, and its dependent, do not intervene, the Annual Financial Statements to be considered for these effects shall be those of the group, or largest sub-group, into which the equity elements are integrated, whose parent company is Spanish.

In these cases, differences that may arise between the value of the acquired company's assets and liabilities, adjusted for the balance of groups of subsidies, donations and bequests received, and adjustments due to changes in value, and any amount of capital and issue premiums, if applicable, issued by the absorbing company, are registered in reserves.

3.20. EQUITY ITEMS OF AN ENVIRONMENTAL NATURE

Expenses arising from corporate actions aimed at protecting and improving the environment are accounted for as an expense of the financial year in which they are incurred. When these expenses involve incorporations into tangible fixed assets, with the aim of minimising the environmental impact and protecting and improving the environment, they are accounted for as the highest value of the fixed asset.

4. FINANCIAL RISK MANAGEMENT

4.1. FINANCIAL RISK FACTORS

The Company's activities are exposed to a variety of financial risks: Market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk, climate change risk and other circumstantial risks. The global risk management programme of the Company and of the Group it belongs to focuses on the uncertainty in financial markets, and attempts to minimise potential adverse effects on financial profitability. The Company uses derivative financial instruments to hedge certain risk exposures.

While international market trends have affected market confidence and consumer spending patterns, the Company is still in good standing to increase ordinary income by means of ongoing innovation and the purchase and sale transactions it has entered into. The Company has reviewed their exposure to climate-related risks and other emerging corporate risks, but did not detect any risks that might affect its financial standing or performance at 31 December, 2022. The company has sufficient margins to meet its current financial debt covenants and sufficient working capital and undrawn credit facilities to cover its ongoing operating and investment operations.

a) Market risk

i) Exchange rate risk

The Company operates on a national and international scale and is therefore exposed to exchange rate risk in currency operations. Exchange rate risk arises from future transactions, recognised assets and liabilities, and net investments in foreign operations.

Therefore, the presence of the Company on the international market requires that the Management arrange an exchange rate risk management policy. The basic goal is to reduce the negative impact on operations in general and on the income statement in particular of the variation in interest rates such that it is possible to protect against adverse movements and, if appropriate, leverage favourable development.

In order to arrange such a policy, the Management applies the Management Scope concept. This concept encompasses all those flows for collection / payment in a currency other than the euro, which will arise over a specific time period. The Management Scope includes assets and liabilities denominated in foreign currency and firm or highly probable commitments for purchases or sales in a currency other than the euro. Assets and liabilities in foreign currency are subject to management, irrespective of timing scope, while firm commitments for purchases or sales that form part of the management scope will be subject to the same if their forecast inclusion in the balance sheet takes place in not more than 18 months.

Following the definition of Management Scope, in order to manage risks the Management uses a series of financial instruments that in some cases permit a certain degree of flexibility. These instruments will basically be as follows:

- Forward currency purchases/ sales: An exchange rate known at a specific date is fixed which may, moreover, be subject to timing adjustments in order to adapt and apply it to cash flow.

- Other instruments: Other hedging derivatives may also be used, the arrangement of which will require specific approval by the relevant management body. This body will have to be informed beforehand as to whether or not it complies with the necessary requirements to be regarded as a hedging instrument, therefore qualifying for the application of the rule on hedge accounting.

The Group protects against loss of value as a result of movements in the exchange rates other than the euro in which its investments in foreign operations are denominated by similarly denominating, to the extent possible, its borrowings in the currency of the countries of these operations if the market is sufficiently deep or in a strong currency such as the dollar, insofar as dollar correlation to the local currency is significantly higher than that of the euro. Correlation, estimated cost and depth of the debt and derivative market determine the policy in each country.

The Company has several investments in foreign operations, whose net assets are denominated in the local currency and are exposed to foreign currency risks. The exchange risk on the net assets of these foreign operations is mainly managed through natural hedges achieved by borrowings (loans) in the corresponding foreign currency.

The exposure on the rest of the assets in other foreign currencies in respect of operations in countries outside the Eurozone is basically mitigated by borrowings in these currencies.

ii) *Price risk*

The Company generally has zero exposure to equity instrument price risk because it has no investments of this kind held and/or classified in the balance sheet for 2022 as fair value with changes in profit/loss or fair value with changes in other comprehensive profit/loss.

iii) *Interest Rate Risk*

The Company's exposure to interest rate risk is from long and short-term external funds that have an interest rate tied to the Euribor plus a differential.

The Company analyses its exposure to interest rate risk dynamically and manages interest rate risk on cash flows through interest rate swaps when management considers it appropriate. There are no significant interest rate swap contracts at year-end 2022 and 2021.

Sensitivity to the interest rates included in the annual financial statements is limited to the direct effect of changes in interest rates applied to financial instruments subject to recognized interest in the balance sheet. It is worth considering that the financial borrowing in the Company in 2022 and 2021 is agreed to fixed interest rates or interest rate swaps. The sensitivity of the profit and loss account to a variation of one percentage point in interest rates (considering hedging derivative financial instruments) will not have a significant effect, considering its impact on financial borrowings linked to variable interest rates. In addition, the Group's net financial debt amounts to over EUR 163 million which combined with an increase in market interest rates would entail a rise, albeit moderate, of the profitability of the financial investments contracted. This profitability will partially offset the negative impact of a higher financial cost.

b) Credit risk

Credit risks are managed by customer groups. The credit risk deriving from cash and cash equivalents, financial instruments and bank deposits is considered to be non relevant in view of the credit standing of the banks with which the Company operates. In one-off circumstances due to specific liquidity risks involving these financial institutions all necessary provisions are recognized to cover those risks.

(Thousands of EUR)

Furthermore, the Company maintains specific policies for the management of this customer credit risk, taking into account their financial position, past experience and other factors. It should be noted that a significant part of its customers consists of companies with high credit ratings or official entities.

c) Liquidity risk

Prudent liquidity risk management entails having sufficient cash and tradeable securities, ensuring the availability of financing through a sufficient amount of committed credit facilities and having the capacity to settle market positions. Due to the dynamic nature of underlying businesses, the Company's Finance Department aims to maintain financing flexibility by making available committed credit and discounting lines.

Management follows up the Company's liquidity reserve forecasts together with the Net Financial Debt, which at 31 December 2022 and 2021 is calculated as follows:

	2022	2021
Liquidity reserve		
Current receivables with group and associate companies (Note 27)	115,220	67,388
Third-party credits (Note 9)	29,256	2,868
Cash and other equivalent liquid assets (Note 10)	41,499	82,191
Undrawn borrowing facilities (Note 14)	146,500	163,500
	332,475	**315,947**
Bank debts (Note 14)	205,934	186,539
Group received loans (Note 27)	232,488	215,677
Liquidity reserve (not including unused credit facilities)	(185,975)	(152,447)
Net financial debt (*)	**252,447**	**249,769**
Bank borrowings and group loans in the long-term (Note 14)	(153,664)	(148,859)
Net current financial debt	**98,783**	**100,910**

(*) The net financial debt calculation does not include financial liabilities primarily relating to the deferred prices for the acquisition of Bygging India Limited in 2019 and ZH Ingenieros, S.A.S. in 2022.

The Company has EUR 252 million in net financial debt. Management considers that the existing liquidity and credit facilities not utilised at 31 December 2022 are sufficient to meet the Company's liquidity needs. Combined with efficient management of funds and the focus on improving business profitability, this will allow borrowings to be serviced and shareholder return expectations to be fulfilled.

Although the magnitude of working capital taken into consideration in an isolated manner is not a key parameter for understanding the Company's financial statements, it actively manages working capital through net operating capital and net current and non-current financial debt, based on the solidity, quality and stability of relationships with its customers and suppliers, as well as the exhaustive monitoring of its situation with financial institutions the loans of which are automatically renewed in many cases. The management also pays special attention to the optimisation and maximum saturation of the resources devoted to the business. It therefore pays special attention to the net working capital invested in the business. In keeping with this, major efforts have been made to control and reduce the collection periods for trade and other receivables.

One of the Company's strategic lines is to ensure the optimisation and maximum saturation of the resources devoted to the business. It therefore pays special attention to the net working capital invested in the business.

d) Climate Change Risk

The current situation means that climate change risk is not only an exercise in compliance but also a priority that must be incorporated as a fundamental basis of the strategic decisions of companies, representing a growing risk for activities, but also an opening to new opportunities. For this reason, companies are obliged to analyse the implications of the risks emerging from climate change and to consider the impact that it could have with regard to the financial information presented, as well as on the investment process, regulations and information dissemination.

As we made clear in the financial statements for 2021 fiscal year, the Board of Directors of the Company, through two committees: the Audit and Compliance Committee and the Sustainability Committee, exercises its supervisory and monitoring role in relation to sustainability and the non-financial information provided by the Group. Within the framework of this task, these Committees approved the Sustainability Strategy with a significant aspect being the present reflections made by the Group with regard to the risks and opportunities resulting from climate change. This strategy is monitored and reviewed on an ongoing basis.

Insofar as the Company's mission is to help its customers, with its services and solutions, to becoming more efficient, and with sustainability clearly becoming increasingly relevant in the pursuit of achieving this efficiency, the Company's risks and opportunities are closely related to the requirements of and measures taken by its customers.

Accordingly, given the Company's limited exposure to raw materials or intermediate products, to the sale of finished products involving complex processing, or to energy or water-intensive manufacturing facilities, or facilities with high pollutant gas emissions, no significant transitional risks are identified as a result of restriction policies, or legislative, technological, market or reputational risks, besides the clear need to adapt to the expectations of the stakeholders involved and, in particular, to those of our customers.

In contrast, opportunities are identified, in the short, medium and long term, that arise from customers' ability to adapt to these changes (resource efficiency, green services, climate resilience), as well as in new sectors or areas of activity that are making headway as a result of increased awareness of climate change implications (renewable energy generation and support for countries in the adaptation stages). The effects of these opportunities will mainly affect income and expenses and, to a lesser extent, investment in assets that may be required in order to carry out new activities.

The Company's Sustainability Strategy has been designed around three pillars: being, doing and communicating.

In the case of "being", the Company assumes the fact that it is increasingly important for its customers to have suppliers who are committed to sustainability when assessing their effects and taking measures to reduce them. For this reason, the Company is continuing with its commitment to be an increasingly more sustainable company in all aspects: respect for the environment; respect for its employees with regard to promoting diversity; promote talent and ensure adequate levels of occupational safety; respect for its governance and management policies, adapting to professional ethics; and respect for the supply chain used by the businesses performed within the Company and as a supply chain for our customers.

In the case of "doing", the Company focuses on opportunities to consolidate and expand its existing sustainability offer for its customers. Accordingly, it has set the goal of redesigning its offer, in all segments of its business activity, to meet these new requirements, whilst also creating new opportunities for different activities where it foresees increased interest in the forthcoming years.

Finally, in terms of "communicating", the Company is committed to providing increasingly greater visibility to its impacts and efforts in this area, among other means, through ESG Sustainability rankings, such as CDP (Carbon Disclosure Project), Ecovadis, MSCI or S&P Global, among others.

Accordingly, the assessment carried out by Management has determined that the possible effects could arise in the following areas:

- Non-financial assets: Company Management has assessed the potential shorter useful economic lives of existing assets, e.g. due to regulatory changes calling for new production technologies. Climate-related issues may result in evidence of an asset (or a group of assets) being impaired. For example, a regulatory change that phases out the use of certain facilities.

- Costs: a possible impact on production and distribution costs has been assessed as a result of increased input costs (e.g. water, energy, supply chain or transportation costs) or increases in insurance premiums in high-risk locations.

- Others: Potential climate-related effects applicable to significant assumptions regarding future business plans and cash flows and the data used to perform accounting estimates have been assessed.

Based on the assessments carried out and current information, no material effects on the Group's consolidated financial statements have been identified that have not been considered.

e) Other Circumstantial Risks:

The Effect of the Covid-19 Pandemic:

The global pandemic that started in 2020, causing devastating health, economic and social repercussions, continued in 2022, albeit in a different way and with a far lower impact thanks to the increasing vaccination and the decreasing incidence of the virus itself.

The economy in general has been affected by these circumstances. However, despite this, the year was marked by a clear economic upturn, although it is important to clarify that this recovery was unequal. In the case of the Company, these collateral effects of the pandemic have not had a significant adverse effect on business recovery. During 2021, the Group returned to pre-pandemic levels and this trend has been maintained in 2022.

War in Ukraine:

The war in Ukraine broke out (24 February 2022), creating a complex geopolitical situation in Eastern Europe. The duration of this war, which is affecting global financial stability, is currently unpredictable. The war is taking its toll on the world economy with increases in the price of raw materials and energy, triggering major problems in the supply chains of many businesses, as well as other potential effects that may occur, depending on how this situation evolves.

After analysing and assessing the direct impact that this conflict could have on the continuity of the Company's business, there are no foreseeable liquidity or market risks for the Company that cannot be covered with the current existing situation. Notwithstanding this, there are a series of indirect impacts such as a broad-based rise in prices and a shortage of raw materials which, although it is not easy to measure their consequences, it can be said that they will have no significant effect on the Company's business margins in the short term.

4.2. FAIR VALUE ESTIMATION

The fair value of the financial instruments that are marked on active markets (such as securities held for trading and available-for-sale securities) is based on market prices at the balance sheet date. The listed market price used for financial assets is the ordinary buy price.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses a variety of methods and makes assumptions based on existing market conditions at each balance sheet date. Quoted market prices or dealer quotes are used for non-current debt. Other techniques, such as discounted cash flow analysis, are used to determine the fair value for the remaining financial instruments. Fair value of interest rate swaps is calculated as the present value of the estimated future cash flows. Fair value of forward foreign exchange contracts is determined using forward exchange rates quoted at the balance sheet date.

It is assumed that the book value of credits and debits for commercial operations is close to their fair value. The fair value of financial liabilities, for the effects of presenting financial information, is estimated by discounting future contractual cash flows at current market interest rates that may be available to the Company for similar financial instruments.

Company asset and liability classification is explained in Note 7.

5. INTANGIBLE FIXED ASSETS

Details and movements of intangible fixed assets items are shown below:

Financial year 2022
Thousands of Euros

	Opening balance	Additions	Final balance
Cost			
Development	8,548	1,471	10,019
Computer Software	11,233	414	11,647
Goodwill	16,682	-	16,682
	36,463	1,885	38,348
Depreciation			
Development	(3,686)	(2,849)	(6,535)
Computer Software	(8,285)	(1,215)	(9,500)
Goodwill	(5,756)	(2,757)	(8,513)
	(17,727)	(6,821)	(24,548)
Net book value	18,736		13,800

Financial year 2021

Thousands of Euros

	Opening balance	Additions	Transfers	Final balance
Cost				
Development	-	1,446	7,102	8,548
Computer Software	17,281	1,054	(7,102)	11,233
Goodwill	16,682	-	-	16,682
	33,963	2,500	-	36,463
Depreciation				
Development	-	(2,367)	(1,319)	(3,686)
Computer Software	(6,779)	(2,825)	1,319	(8,285)
Goodwill	(2,805)	(2,951)	-	(5,756)
	(9,584)	(8,143)	-	(17,727)
Goodwill	24,379			18,736

In financial year 2022, mainly development projects undertaken with in-house as well as third-party staff have been recorded.

In financial year 2021, the development projects undertaken using both in-house and third-party personnel, which was included under Computer software in previous years, have been reclassified appropriately.

a) Goodwill

As a result of the merger in 2020, goodwill amounting to EUR 16,682 thousand came from the absorbed company Dominion Smart Solutions, S.A.U.

The goodwill is allocated to the Company's cash generating units (CGU) as per the country of operation and the business segment.

Goodwill has an established useful life of 10 years. Its recoverable value is estimated by applying the value-in-use method.

The Company makes an annual estimate of the value-in-use of goodwill for comparison purposes and, regardless of the fact that there was no evidence of impairment as per Note 2.2.

The value-in-use calculations use cash flow projections based on five-year financial budgets approved by management. Cash flows for periods over five years are extrapolated on the basis of a prudent assumption concerning the estimated growth rates that are lower than the average long-term growth rate for the business in which the Company operates.

As in prior years, the pre-tax discount rate was determined on the basis of the weighted average cost of capital (WACC) plus a premium to reflect the tax effect. The WACC was determined using the capital asset pricing model (CAPM), which is widely used for discount rate calculation purposes. The discount rate calculation additionally factors in a specific risk premium to reflect the characteristics and the risk profile intrinsic to the cash flow projections of the Company.

To recover the net assets of the CGU, a discount rate of 13% was applied to the forecasts (2021: 10.00%).

The discount rate is after tax and reflects the specific risk related to the Company.

The changes in the discount rate compared to the rate used in the previous financial year are primarily due to significant projects undertaken in emerging countries and changes in the applicable risk-free rate.

EBITDA (earnings before income taxes and depreciation/amortization) is determined by Company management in the strategic plans, taking into account the overall situation in the market in which the Company operates, its expected evolution, operations with a similar structure to the current structure and based on prior year experience.

For these individual financial statements, the sales EBIDTA taken into account for forecasts made at 31 December 2022, are between 12.7% and 17.2% (2021: 13.3% and 18%).

Other expected net cash movements and flows related to taxes are added to these EBITDAs to reach the after tax cash generated in each year are reached.

The result of using cash flows before tax and a discount rate before tax does not differ significantly from the result of using cash flows after tax and a discount rate after tax.

Cash flows beyond five years, which is the period covered by the projections of the Group the Company belongs to, are calculated using a normalized and sustainable flow over time based on the fifth year estimate, with prudent assumptions with respect to the expected future growth rate (growth rate of 5.00%), and based on estimates of GDP growth and the inflation rate in the market, as well as evaluating the necessary level of investment for these growth rates. These flows are updated to calculate residual value, taking into account the discount rate applied in the projections, less the growth rate taken into consideration.

The Company conducted the relevant sensitivity analyses on the basic hypotheses (discount rate and EBITDAs) with no impairment in 2022 and 2021.

b) Impairment of individual intangible assets

No impairment losses on property, plant and equipment were incurred in financial years 2022 and 2021.

c) Assets purchased from Group companies and associate companies

In financial year 2022, property, plant and equipment were acquired from group companies amounting to EUR 537 thousand (2021: EUR 168 thousand).

d) Fully amortized property, plant and equipment

At 31 December 2022 there is fully amortised property, plant and equipment that is still in use, with an accounting cost of EUR 11,399 thousand (2021: EUR 9,145 thousand).

6. PROPERTY, PLANT AND EQUIPMENT

Details and movements of items included under "Property, Plant and Equipment" are shown below:

(Thousands of EUR)

Financial year 2022

	Opening balance	Additions	Disposals	Final balance
Cost				
Plant and machinery	196	-	-	196
Other fixtures and fittings, tools and	1,146	194	-	1,340
Other fixed assets	396	941	-	1,337
	1,738	1,135	-	2,873
Depreciation				
Plant and machinery	(7)	-	-	(7)
Other fixtures and fittings, tools and	(1,046)	(268)	-	(1,314)
Other fixed assets	(169)	(78)	-	(247)
	(1,222)	(346)	-	(1,568)
Net book value	516			1,305

Financial year 2021

	Opening balance	Additions	Disposals	Final balance
Cost				
Plant and machinery	187	30	(21)	196
Other fixtures and fittings, tools and	986	160	-	1,146
Other fixed assets	396	-	-	396
	1,569	190	(21)	1,738
Depreciation				
Plant and machinery	(4)	(3)	-	(7)
Other fixtures and fittings, tools and	(897)	(149)	-	(1,046)
Other fixed assets	(100)	(69)	-	(169)
	(1,001)	(221)	-	(1,222)
Net book value	568			516

a) Impairment losses

During the 2022 and 2021 financial years, no significant value corrections for impairment have been recognised or reversed, for any individual tangible fixed asset.

b) Fully depreciated assets

At 31 December 2022, there are fully depreciated property, plant and equipment items still in use amounting to EUR 1,500 thousand (EUR 855 thousand in 2021).

c) Property under operational leasing

The profit and loss account includes operational leasing expenses corresponding to vehicle and office rental amounting to EUR 285 thousand (EUR 330 thousand in 2021).

d) Property not earmarked for operations

In financial years 2022 and 2021 there were no items of tangible fixed assets not earmarked for operations.

e) Tangible fixed assets affected by guarantees

At 31 December 2022 and 2021 there are no tangible fixed assets affected by guarantees.

f) Insurance

The Company has contracted several insurance policies to cover risks to which tangible fixed assets are exposed. The coverage provided by these policies is considered sufficient.

7. ANALYSIS OF FINANCIAL INSTRUMENTS

7.1 ANALYSIS BY CATEGORIES

The book value of each category of financial instruments, established in the "Financial instrument" recording and valuation standard, with the exception of investments in the equity of group and associate companies (Note 8) is as follows:

	At amortized cost		At fair value, with changes in profits and losses	
Financial assets in thousands of EUR	**2022**	**2021**	**2022**	**2021**
Long-term				
- Credits to companies in the group (Note 9)	91,063	69,549	-	-
- Other financial assets (Note 9)	359	2,712	2,470	2,725
- Derivatives	-	-	1,189	-
	91,422	**72,261**	**3,659**	**2,725**
Short term				
- Trade debtors and other accounts receivable (except public administration) (Note 9)	56,008	51,133	-	-
- Credits to companies in the group (Note 9)	115,220	67,388	-	-
- Derivatives (Notes 9 and 14)	-	-	-	507
- Other financial assets (Note 9)	29,256	2,868	-	-
	200,484	**121,389**	**-**	**507**

Financial liabilities in thousands of EUR	At amortized cost		At fair value, with changes in profits and losses	
	2022	2021	2022	2021
Long-term				
- Bank borrowings received (Note 14)	153,664	148,859	-	-
- Derivatives (Note 14)	-	-	-	131
- Other financial liabilities (Note 15)	69,092	17,870	-	-
	222,756	**166,729**	**-**	**131**
Short term				
- Bank borrowings received (Note 14)	52,270	37,680	-	-
- Derivatives (Note 14)	-	-	2,342	-
- Loans received with group companies (Notes 15 and 27)	232,488	208,302	-	-
- Other financial liabilities (Note 15)	12,609	623	-	-
- Trade and other accounts payable (except public administration) (Note 15)	101,785	54,144	-	-
	399,152	**300,749**	**2,342**	**-**

7.2. ANALYSIS BY MATURITY

The amounts of financial instruments, with a determined or determinable maturity, classified by year of maturity, are shown below:

Financial year 2022	Financial assets						
	2023	2024	2025	2026	2027	Subsequent years	Total
Investment in group companies and associates:							
- Credits to companies in the group (Note 9)	115,220	9,570	3,865	5,760	835	71,033	206,283
	115,220	**9,570**	**3,865**	**5,760**	**835**	**71,033**	**206,283**
Other investments:							
- Other financial assets (Note 9)	29,256	2,829	-	-	-	-	32,085
- Trade debtors and other accounts receivable (Except public administration) (Note 9)	56,008	-	-	-	-	-	56,008
- Derivatives (Notes 14 and 15)	-	1,189	-	-	-	-	1,189
	85,264	**4,018**	**-**	**-**	**-**	**-**	**89,282**

Financial year 2022	Financial liabilities						
	2023	2024	2025	2026	2027	Subsequent years	Total
- Bank debts (Note 14)	52,270	30,176	32,862	26,541	35,514	28,571	205,934
- Group companies and associates loans (Notes 15 and 27)	232,488	-	-	-	-	-	232,488
- Other financial liabilities (Note 15)	12,609	67,521	1,349	164	58	-	81,701
- Derivatives (Note 14)	2,342	-	-	-	-	-	2,342
- Trade and other accounts payable (Except public administration) (Note 15)	101,785	-	-	-	-	-	101,785
	401,494	**97,697**	**34,211**	**26,705**	**35,572**	**28,571**	**624,250**

7.3. CREDIT RATING OF FINANCIAL ASSETS

Unlike shareholdings and balances with group and associated companies, financial assets essentially relate to emissions made by top-tier Spanish banks and investment funds managed by prestigious entities, whose assets are deposited in top-tier national or international entities.

The credit risk of receivables from customers and other receivables is managed by classifying the risk of each of its customers and requesting prepayments or guarantees (sureties) whenever the assigned limits are exceeded.

8. HOLDINGS IN GROUP AND ASSOCIATED COMPANIES

The changes in financial years 2022 and 2021 with regards shareholding in Group companies and associate companies are a follows:

(Thousands of EUR)

	Cost				Depreciation				Net book value	
Financial year 2022	2021	Additions	Disposals	2022	2021	Additions	Disposals	2022	2021	2022
Shareholdings in Group companies										
Dominion I+D, S.L.	3	-	-	3	-	-	-	-	3	3
Dominion Baires, S.A.	11	-	-	11	-	-	-	-	11	11
Dominion SPA	5,850	-	-	5,850	(816)	(1,002)	-	(1,818)	5,034	4,032
Dominion Perú Soluciones y Servicios SAC	6,793	-	-	6,793	-	-	-	-	6,793	6,793
Mexicana Electrónica Industrial, S.A. de C.V	15,111	-	-	15,111	-	-	-	-	15,111	15,111
Bilcan Global Services, S.L (Group).	44,550	-	-	44,550	-	-	-	-	44,550	44,550
Dominion Industry & Infrastructures, S.L.	34,300	-	-	34,300	(23,325)	(4,853)	-	(28,178)	10,975	6,122
Dominion Energy, S.A.	42,800	66,920	-	109,720	-	-	-	-	42,800	109,720
The Phone House Spain, S.L.U.	96,790	-	-	96,790	-	(31,004)	-	(31,004)	96,790	65,786
Connected World Services Europe, S.L.U.	495	-	-	495	-	-	-	-	495	495
Dominion Colombia, S.A.S (previously Diseños y Productos Técnicos - DITECSA Colombia)	3,244	-	-	3,244	-	(3,000)	-	(3,000)	3,244	244
Dominion Servicios Medioambientales, S.L.	3,506	-	-	3,506	-	-	-	-	3,506	3,506
Instalaciones Eléctricas Scorpio, S.A	4,414	-	-	4,414	-	-	-	-	4,414	4,414
Original Distribución Spain Iberia, S.A.	31	-	-	31	-	-	-	-	31	31
Bygging India Limited	13,846	-	-	13,846	-	-	-	-	13,846	13,846
Interbox Technology, S.L.	2,694	-	-	2,694	-	-	-	-	2,694	2,694
Ampliffica México, S.A. de C.V.	-	-	-	-	-	-	-	-	-	-
Smart Nagusi, S.L.	42	-	-	42	-	-	-	-	42	42
Abside Smart Financial Technologies, S.L.	4,688	-	-	4,688	-	-	-	-	4,688	4,688
Dominion Smart Innovation S.A. de C.V.	2,775	-	-	2,775	-	-	-	-	2,775	2,775
Beroa Technology Group, GmbH	37,447	-	-	37,447	-	(12,600)	-	(12,600)	37,447	24,847
Dominion E&C Iberia S.A.U.	11,411	-	-	11,411	-	(6,975)	-	(6,975)	11,411	4,436
Global Dominion Access USA	1,914	-	-	1,914	-	(1,914)	-	(1,914)	1,914	-
Dominion Global France SAS	11,007	-	-	11,007	-	-	-	-	11,007	11,007
Dominion Global PTY Ltd	8,401	-	-	8,401	-	-	-	-	8,401	8,401
Dominion Denmark A/S	10,061	4,001	-	14,062	-	(9,760)	-	(9,760)	10,061	4,302
Cri Enerbility, SRL (previously Chimneys and Refractories International SRL)	31,731	-	-	31,731	-	-	-	-	31,731	31,731
Dominion Arabia Industry LLC	1,161	-	-	1,161	-	-	-	-	1,161	1,161
Dominion Industry Argentina	109	-	-	109	-	(109)	-	(109)	109	-
Facility Management Exchange, S.L.	647	-	-	647	-	(647)	-	(647)	647	-
Zwipit, S.A.	3,903	-	-	3,903	-	-	-	-	3,903	3,903
Dominion Centroamericana, S.A.	-	-	-	-	-	-	-	-	-	-
Ampliffica, S.L.	2	-	-	2	-	-	-	-	2	2
Dominion Polska Z.o.o.	-	2,578	-	2,578	-	(2,578)	-	(2,578)	-	-
Servishop Manlogist, S.A.	-	753	-	753	-	-	-	-	-	753
ZH Ingenieros, S.A.S.	-	3,919	-	3,919	-	-	-	-	-	3,919
Other minor items	-	3	-	3	-	-	-	-	-	3
Total	**399,737**	**78,174**	**-**	**477,911**	**(24,141)**	**(74,442)**	**-**	**(98,583)**	**375,596**	**379,328**
Shares in associate companies (*)										
Sociedad Concesionaria Salud Siglo XXI, S.A.	3,739	-	-	3,739	-	-	-	-	3,739	3,739
Medbuying Group Technologies, S.L.	4,500	-	-	4,500	-	-	-	-	4,500	4,500
Sociedad Concesionaria Hospital Buin Paine, S.A.	954	472	-	1,426	-	-	-	-	954	1,426
Advanced Flight Systems, S.L.	339	-	(339)	-	(339)	-	339	-	-	-
Ampliffica México, S.A. de C.V.	169	-	-	169	-	-	-	-	169	169
Total	**9,701**	**472**	**(339)**	**9,834**	**(339)**	**-**	**339**	**-**	**9,362**	**9,834**

(Thousands of EUR)

	Cost					Depreciation			Net book value	
Financial year 2021	2020	Additions	Disposals	Merger effect (Note 1)	2021	2020	Additions	2021	2020	2021
Shareholdings in Group companies										
Dominion I+D, S.L.	3	-	-	-	3	-	-	-	3	3
Dominion Baires, S.A.	11	-	-	-	11	-	-	-	11	11
Dominion SPA	5,850	-	-	-	5,850	(816)	-	(816)	5,034	5,034
Dominion Perú Soluciones y Servicios SAC	6,793	-	-	-	6,793	-	-	-	6,793	6,793
Mexicana Electrónica Industrial, S.A. de C.V	15,111	-	-	-	15,111	-	-	-	15,111	15,111
Bilcan Global Services, S.L (Group).	44,550	-	-	-	44,550	-	-	-	44,550	44,550
Dominion Industry & Infrastructures, S.L.	34,300	-	-	-	34,300	(20,600)	(2,725)	(23,325)	13,700	10,975
Dominion Energy, S.A.	17,800	25,000	-	-	42,800	-	-	-	17,800	42,800
The Phone House Spain, S.L.U.	96,790	-	-	-	96,790	-	-	-	96,790	96,790
Connected World Services Europe, S.L.U.	495	-	-	-	495	-	-	-	495	495
Dominion Colombia, S.A.S (previously Diseños y Productos Técnicos - DITECSA Colombia)	3,244	-	-	-	3,244	-	-	-	3,244	3,244
Dominion Servicios Medioambientales, S.L.	2,506	1,000	-	-	3,506	-	-	-	2,506	3,506
Instalaciones Eléctricas Scorpio, S.A	4,414	-	-	-	4,414	-	-	-	4,414	4,414
Original Distribución Spain Iberia, S.A.	31	-	-	-	31	-	-	-	31	31
Bygging India Limited	13,846	-	-	-	13,846	-	-	-	13,846	13,846
Interbox Technology, S.L.	2,694	-	-	-	2,694	-	-	-	2,694	2,694
Ampliffica México, S.A. de C.V.	1,625	-	(1,625)	-	-	-	-	-	1,625	-
Smart Nagusi, S.L.	42	-	-	-	42	-	-	-	42	42
Abside Smart Financial Technologies, S.L.	4,688	-	-	-	4,688	-	-	-	4,688	4,688
Dominion Smart Innovation S.A. de C.V.	2,775	-	-	-	2,775	-	-	-	2,775	2,775
Beroa Technology Group, GmbH	37,447	-	-	-	37,447	-	-	-	37,447	37,447
Dominion E&C Iberia S.A.U.	11,411	-	-	-	11,411	-	-	-	11,411	11,411
Global Dominion Access USA	1,914	-	-	-	1,914	-	-	-	1,914	1,914
Dominion Global France SAS	11,007	-	-	-	11,007	-	-	-	11,007	11,007
Dominion Global PTY Ltd	8,401	-	-	-	8,401	-	-	-	8,401	8,401
Dominion Denmark A/S	10,061	-	-	-	10,061	-	-	-	10,061	10,061
Chimneys and Refractories International SRL	31,731	-	-	-	31,731	-	-	-	31,731	31,731
Dominion Arabia Industry LLC	1,161	-	-	-	1,161	-	-	-	1,161	1,161
Dominion Industry Argentina	109	-	-	-	109	-	-	-	109	109
Facility Management Exchange, S.L.	422	225	-	-	647	-	-	-	422	647
Zwipit, S.A.	3,903	-	-	-	3,903	-	-	-	3,903	3,903
Ampliffica, S.L.	-	2	-	-	2	-	-	-	-	2
Total	**375,135**	**26,227**	**(1,625)**	**-**	**399,737**	**(21,416)**	**(2,725)**	**(24,141)**	**353,719**	**375,596**
Shares in associate companies (*)										
Sociedad Concesionaria Salud Siglo XXI, S.A.	3,739	-	-	-	3,739	-	-	-	3,739	3,739
Medbuying Group Technologies, S.L.	4,500	-	-	-	4,500	-	-	-	4,500	4,500
Sociedad Concesionaria Hospital Buin Paine, S.A.	-	954	-	-	954	-	-	-	-	954
Advanced Flight Systems, S.L.	-	339	-	-	339	-	(339)	(339)	-	-
Ampliffica México, S.A. de C.V.	-	169	-	-	169	-	-	-	-	169
Total	**8,239**	**1,462**	**-**	**-**	**9,701**	**-**	**(339)**	**(339)**	**8,239**	**9,362**

None of the companies in which the Company has holdings are listed on the stock exchange.

Transactions in Group investees in financial 2022 were as follows:

Dominion Denmark, A/S:

On 22 December 2022, Dominion Denmark, A/S held an extraordinary general meeting where the resolution was adopted to increase the share capital by capitalising an existing debt with the Company for an amount of EUR 4 million, which will be recorded in 2022 fiscal year.

Dominion Polska, z.o.o:

On 25 October 2022, Dominion Deutschland GmbH and Global Dominion Access, S.A. entered into an agreement in which the former transferred all of the stake in Dominion Polska, z.o.o. for a price of 1 euro. On the same date, the German subsidiary also transferred its outstanding receivables from the Polish subsidiary to the Company, which, together with its own receivables, amounted to a capital increase of EUR 2.6 million in the Polish subsidiary by capitalising these debts.

Servishop Manlogist, S.A.:

On 30 May, 2022 the purchase and sale contract for 100% of the shares of the Spanish company Servishop Manlogist, S.A. was recorded in public form by Global Dominion Access, S.A. This company is dedicated to the provision of recurrent or occasional services for the management of maintenance and repairs of properties and a range of technical facilities for multi-point companies in Spain (Core business) and has as a complementary activity the performance of "Image Express" services consisting in the execution of micro reforms (together with the core business) complementing the business of the subsidiary of Facility Management Exchange, S.L. (FAMAEX).

The transaction purchase price has two parts: fixed and variable. The fixed price amounts to EUR 600 thousand, of which EUR 500 thousand were paid in cash on signing the notarial instrument and the remaining amount of EUR 100 thousand were paid in January 2023. This fixed price could be subject to adjustments, based on the Net Worth value finally determined following the review of the initial financial statements. The variable price will depend on the trend of the company's net working capital over the course of the two years following the purchase date. On the date on which these annual financial statements were drawn up, a total transaction price of EUR 753 thousand was considered.

ZH Ingenieros, S.A.S.:

On 30 September 2022, the trade agreement was entered into whereby the parent company acquired 75% of the Colombian company ZH Ingenieros, S.A.S., a company devoted to carrying out civil, mechanical, electrical, instrumentation and control works for basic hydrocarbon, mining, gas and energy industry, maintenance, repairs, cleaning and the application of surfacing on storage tanks, piping and structures in service or not in operation and to general engineering projects in Columbia and countries the Republic of Colombia has mutual cooperation pacts or agreements with. This activity supplements the activity of the Environmental Services area, which is essentially operating in Spain.

The transaction purchase price has two parts: fixed and variable. The fixed price amounts to a total of COP 13 billion (EUR 2.9 million at the exchange rate on the date of the transaction) of which COP 6 billion was paid in cash, COP 3 billion will be paid 6 months after the transaction is concluded, COP 2.5 billion 12 months after the transaction is concluded, and the remaining COP 1.5 billion will be paid in 2023. The variable price will be established on the basis of a multiplier applied to the average EBITDA for financial years 2022 to 2024 and has been estimated at COP 4.5 billion (EUR 1 million at the exchange rate on the date of the transaction).

- Dominion Energy, S.A.:

In September 2022, the Company purchased the stake of the minority shareholder of this subsidiary. As a result of this, the Company now holds a 100% stake in the subsidiary. The agreed price amounts to EUR 66.9 million which is pending payment at financial year end and matures in 2024 (Note 15).

- Depreciation fiscal year 2022:

In financial year 2022, as a result of the Management's appraisal of the recoverability of investment in Group companies and associates (Note 2.2), impairment amounting to EUR 74,442 thousand was recognised under "Impairment and profit/(loss) on disposal of investments in Group companies and associates" in the accompanying income statement (Note 18).

The Company's Management combined this appraisal with its consideration of the comparable value of the investee's net worth adjusted by the net unrealised gains existing on the appraisal date, reaching the same conclusion regarding recognition of the aforementioned impairment.

Transactions in Group investees in fiscal year 2021 were as follows:

- Dominion Energy, S.A.

On 2 December 2021, an investment agreement was entered into with Mast Investments, S.a.r.l. (Mast), accordingly, this becoming a minority shareholder in the Dominion Group's Renewable Energies (Green) business. By means of this agreement, Dominion intended to accelerate the growth of its clean energy business and become a leading IPP (Independent Power Producer) company in the sector. Mast became part of the Group with a 23.4% stake in the subsidiary Dominion Energy, S.L., contributing EUR 50 million. Dominion also contributed an additional EUR 25 million, which together with the amount contributed by the minority shareholder, will be used to finance the projects already in the backlog and which exceed 1 GW of power.

- Ampliffica Mexico, S.A. de C.V.

On the other hand, on 15 December 2021, another transaction took place involving the incorporation of a shareholder in the LEADERA business currently being developed by the Mexican subsidiary Ampliffica Mexico, S.A de C.V. in Latin America. The agreement involves the sale of a 51% stake, and therefore loss of control of the aforementioned Mexican company. The share sale price was set at EUR 2 million plus an adjustment to this price with regard to the transferred operating working capital of EUR 0.2 million. This transaction generated a capital gain of approximately EUR 1.9 million, recorded in the profit and loss account of fiscal year 2021.

Sociedad Concesionaria Hospital Buin Paine, S.A. de C.V.

In May 2021, the Company, in collaboration with other shareholders, incorporated the Chilean company Sociedad Concesionaria Hospital Buin Paine, S.A., whose corporate purpose is to design, build, maintain and operate the "Hospital de Buin-Paine" public fiscal work under a concession system, as well as the rendering and operation of the basic, special mandatory and complementary services agreed on in the Concession Contract. The company was incorporated with a capital of 13billion Chilean pesos, of which 5 billion Chilean pesos were paid, which is equivalent to approximately EUR 5.8 million on the date of incorporation. Global Dominion Access, S.A. acquired a 10% stake, which represented an initial outlay of EUR 585 thousand, with a seat on the Board of Directors and the right to vote in the company's strategic decisions. Also, before the end of financial year 2021, the shareholders agreed to make an additional contribution amounting to a total of 3,700 million pesos, of which the Company contributed 10%, corresponding to an equivalent of EUR 381 thousand.

In financial year 2022, the remaining 4.3 billion pesos was paid to complete the incorporation share capital, which resulted in a cash outflow for the Company totalling EUR 472 thousand.

Dominion Servicios Medioambientales, S.L.

On 30 September 2021, the merger by absorption agreement was placed on the public record whereby the subsidiary Dominion Servicios Medioambientales, S.L, absorbed Audere Investment, S.L. and Tankiac, S.L.U. (equity investees of Audere Investment, S.L.) establishing an exchange of securities between the contributing shareholders whereby the Parent Company held 75% of the merged subsidiary.

Dominion Industry & Infraestructures, S.L.

In financial year 2021, investment in Dominion Industry & Infraestructures, S.L. was impaired by EUR 2.7 million and the related effect was recognised under the heading "Impairment and profit or loss on disposal of investments in group and associate companies" in the adjoining profit and loss account of fiscal year 2021.

Their amounts of capital, reserves, financial year results and other information of interest, as shown in the individual Annual Financial Statements of the companies, are as follows:

(Thousands of EUR)

Financial year 2022

Company	Share capital	Reserves	Other entries	Operational result	Financial year result	Net accounting value of the holding	Original implicit goodwill
Subsidiaries							
Mexicana de Electrónica Industrial, S.A. de C.V. (*)(**)	3,101	8,079	(956)	7,437	3,905	15,111	2,382
Dominion I+D, S.L. (***)	3	892	(36)	200	185	3	-
Dominion Baires, S.A. (*)(**)	14	1,815	(1,155)	607	(407)	11	-
Dominion SPA (*)(**)	5,946	3,131	(339)	(893)	(352)	4,032	-
Dominion Peru Soluciones y Servicios SAC. (*)(**)	6,792	3,067	(803)	4,587	2,172	6,793	-
Bilcan Global Services, S.L. (**)	44,553	31,444	-	3,347	3,148	44,550	48,385
Dominion Industry & Infrastructures, S.L. (**)	7,188	(6,877)	(1)	(4,968)	(5,813)	6,122	11,400
Dominion Energy, S.A. (**)	1,000	193,536	(24)	51,719	37,278	109,720	19,072
The Phone House Spain, S.L.U. (**)	50,060	(39,105)	-	(11,110)	(14,661)	65,786	49,123
Connected World Services Europe, S.L.U. (***)	3	1,742	-	(232)	(509)	495	4,883
Dominion Colombia, S.A.S (*)(***)	2,706	(1,509)	(559)	1,006	(325)	244	1,011
Dominion Servicios Medioambientales, S.L. (**)	4,631	12,252	-	5,820	5,303	3,506	2,632
Instalaciones Eléctricas Scorpio, S.A. (***)	500	3,775	-	668	662	4,414	1,545
Original Distribución Spain Iberia, S.A. (**)	60	(118)	-	434	(159)	31	475
Bygging India Limited (*)(**)	2,083	10,804	(867)	1,714	809	13,846	7,736
Interbox Technology, S.L. (**)	60	5,512	-	3,279	44	2,694	-
Smart Nagusi, S.L. (***)	90	(51)	-	(21)	(21)	42	-
Abside Smart Financial Technologies, S.L. (**)	4,001	(142)	-	(19)	(4)	4,688	2,796
Dominion Smart Innovation S.A. de C.V. (*)(**)	6,077	(2,186)	81	294	437	2,775	-
Global Ampliffica Perú, S.A.C. (*)(***)	1	58	(1)	43	30	-	-
Beroa Technology Group, GmbH (**)	15,300	(8,953)	-	2,168	1,399	24,847	17,139
Dominion E&C Iberia S.A.U. (**)	4,000	(3,285)	-	467	(3,222)	4,436	6,911
Global Dominion Access USA (*)	3,435	(9,891)	-	(1,565)	(2,508)	-	-
Dominion Global France SAS (**)	1,126	3,753	-	(1,046)	(1,259)	11,007	4,924
Dominion Global PTY Ltd (*)(**)	1,408	6,023	-	1,713	867	8,401	141
Dominion Denmark A/S (*)(**)	202	5,348	-	(8,347)	(8,820)	4,302	-
Cri Enerbility, SRL (previously Chimneys and Refractories International SRL) (**)	2,000	11,386	-	570	311	31,731	16,280
Dominion Arabia Industry LLC (*)(***)	497	3,973	-	64	60	1,161	-
Dominion Industry Argentina (*)(**)	5	(1,208)	-	1,723	(148)	-	-
Facility Management Exchange, S.L. (***)	9	(918)	-	(90)	(116)	-	738
Zwipit, S.A. (***)	62	467	-	72	72	3,903	3,779
Dominion Centroamericana, S.A. (*)(***)	9	4,013	(3)	2,089	1,945	-	-
Ampliffica, S.L. (***)	3	(598)	-	(277)	(279)	2	-
Dominion Polska Z.o.o.	431	48	-	288	247	-	-
Servishop Manlogist, S.A.	328	(189)	-	(180)	(181)	753	252
ZH Ingenieros, S.A.S.	231	2,234	(162)	1,404	1,154	3,919	3,247
Other minor items	-	-	-	-	-	3	-
						379,328	**204,852**
Associate Companies							
Sociedad Concesionaria Salud Siglo XXI, S.A.						3,739	
Medbuying Group Technologies, S.L.						4,500	
Sociedad Concesionaria Hospital Buin Paine, S.A.						1,426	
Advanced Flight Systems, S.L.						-	
Ampliffica México, S.A. de C.V.						169	
						9,834	

(*) Data translated from local currency into euros at the 2022 year-end exchange rate.

(**) Audited companies.

(***) Unaudited companies.

(Thousands of EUR)

Financial year 2021

Company	Share capital	Reserves	Other entries	Operational result	Financial year result	Net accounting value of the holding	Original implicit goodwill
Subsidiaries							
Mexicana de Electrónica Industrial, S.A. de C.V. (*)(**)	3,101	2,166	(1,261)	(209)	(1,735)	15,111	2,039
Dominion I+D, S.L. (***)	3	1,085	(55)	(526)	(564)	3	-
Dominion Baires, S.A. (*)(**)	14	1,908	(825)	516	52	11	-
Dominion SPA (*)(**)	5,946	(1,802)	(584)	4,224	593	5,034	265
Dominion Peru Soluciones y Servicios SAC. (*)(**)	6,792	(2,250)	(1,275)	1,052	974	6,793	-
Bilcan Global Services, S.L. (**)	44,553	(24,279)	-	(394)	(1,368)	44,550	51,367
Dominion Industry & Infrastructures, S.L. (**)	7,188	7,448	(4)	(2,470)	(2,742)	10,975	11,400
Dominion Energy, S.A. (**)	1,000	100,965	-	22,374	19,291	42,800	18,759
The Phone House Spain, S.L.U. (**)	50,060	(11,348)	-	211	(235)	96,790	44,768
Connected World Services Europe, S.L.U. (***)	3	1,061	-	1,853	1,703	495	-
Dominion Colombia, S.A.S (*)(***)	2,706	(870)	(445)	466	11	3,244	1,244
Dominion Servicios Medioambientales, S.L. (**)	4,631	48	(25)	1,836	1,642	3,506	1,629
Instalaciones Eléctricas Scorpio, S.A. (***)	500	2,325	-	199	126	4,414	1,545
Original Distribución Spain Iberia, S.A. (**)	60	134	-	962	331	31	475
Bygging India Limited (*)(**)	2,083	7,601	(285)	2,144	1,584	13,846	7,654
Interbox Technology, S.L. (**)	60	5,731	-	1,851	448	2,694	-
Smart Nagusi, S.L. (***)	90	(7)	-	(1)	(2)	42	-
Abside Smart Financial Technologies, S.L. (**)	4,001	(251)	-	129	117	4,688	2,795
Dominion Smart Innovation S.A. de C.V. (*)(**)	6,077	(3,181)	(236)	26	119	2,775	-
Beroa Technology Group, GmbH (**)	15,300	(8,407)	-	(92)	524	37,447	17,139
Dominion E&C Iberia S.A.U. (**)	4,000	(2,530)	-	409	(755)	11,411	6,911
Global Dominion Access USA (*)	3,242	(7,667)	-	(836)	(1,601)	1,914	-
Dominion Global France SAS (**)	1,126	3,559	-	(380)	116	11,007	4,924
Dominion Global PTY Ltd (*)(**)	1,416	4,948	-	-	1,101	8,401	132
Dominion Denmark A/S (*)(**)	190	3,206	-	(209)	(2,761)	10,061	1,792
Cri Enerbility, SRL (previously Chimneys and Refractories International SRL) (**)	2,000	10,748	-	282	638	31,731	16,280
Dominion Arabia Industry LLC (*)(***)	469	4,097	-	11	(333)	1,161	-
Dominion Industry Argentina (*)(**)	7	(906)	-	63	(110)	109	-
Facility Management Exchange, S.L. (***)	9	(117)	-	(593)	(608)	647	477
Zwipit, S.A. (***)	62	114	-	254	209	3,903	3,779
Dominion Centroamericana, S.A. (*)(***)	9	137	11	218	170	-	-
Ampliffica, S.L. (***)	3	-	-	(40)	(40)	2	-
						375,596	**195,374**
Associate Companies							
Sociedad Concesionaria Salud Siglo XXI, S.A. (*)(**)						3,739	
Medbuying Group Technologies, S.L. (**)						4,500	
Sociedad Concesionaria Hospital Buin Paine, S.A. (*)(**)						954	
Ampliffica Mexico, S.L. (*)(***)						169	
						9,362	

(*) Consolidated data translated from local currency into euros at the 2021 year-end exchange rate.

(**) Audited companies.

(***) Unaudited companies.

In financial year 2022, the Company received dividends from its investee companies Interbox Technology S.L., Original Distribución Spain Iberia, S.A., Dominion Servicios Medioambientales, S.L., Dominion SpA and Dominion Centroamericana, S.A., for EUR 0.5, 0.1, 1, 0.2 and 0.1 million, respectively, recorded as "Net turnover" in the 2022 financial year profit and loss account.

(Thousands of EUR)

In financial year 2021, the Company received dividends from its investee companies Chimneys and Refractories International SRL, Ampliffica México, S.A. de C.V. and Sociedad Concesionaria Salud Siglo XXI, S.A. for EUR 2.5, 0.7 and 0.5 thousand recorded as "Net turnover" in the 2021 financial year profit and loss account.

9. LOANS AND RECEIVABLES

	2022	2021
Non-current		
- Credits to companies in the group (Note 27)	91,063	69,549
- Other financial assets	4,018	5,437
	95,081	**74,986**
Current		
Trade debts and other receivables		
- Customer receivables for sales and services	41,406	37,652
- Customers, group companies and associates (Note 27)	13,745	11,742
- Sundry Debtors	205	142
Receivables from the Tax Authority (Note 16)	1,416	17
- Provision for trade debts	(636)	(636)
- Periods	1,288	2,233
	57,424	**51,150**
Short-term financial investments		
- Credit to group and associate companies (Note 27)	115,220	67,388
- Derivatives	-	507
- Other financial assets	29,256	2,868
	144,476	**70,763**

The fair values of credits and receivables are not different from their book values.

At 31 December 2022 and 31 December 2021, the caption "Other long-term financial assets" mainly includes the part of the deferred price relating to the disposal of the financial investment held by the Company in Guuk Telecom, S.A. The balance recorded for this item amounted to EUR 2.5 million, maturing in 2027.

Financial Assets at Amortised Cost

The “Customer receivables for sales and services” section is broken down as follows:

	2022	2021
Customer receivables for sales and services	30,740	19,145
Clients, projects underway pending invoicing	10,666	18,507
	41,406	**37,652**

The amount recorded under "customer receivables for sales and services" relates to invoices made out to customers for work performed or services rendered which are still outstanding at 2022 and 2021 year-end.

"Clients, projects underway pending invoicing" comprises the sale price value of any production carried out and services rendered at 31 December, 2022, which will be invoiced after that date.

The maximum exposure to credit risk on the information presentation date is the fair value of each of the aforementioned categories of accounts receivable. The Company does not maintain any guarantee as insurance.

Days sales outstanding within the range of 90 and 120 days. However, it has been historically considered that due to the characteristics of the Company's customers, balances receivable due within 120 and 180 days entail no credit risk. The Company has an impairment provision of EUR 636 thousand (2021: EUR 636 thousand), relating to any balances more than 360 days overdue with specific reception problems that are identified on a case-by-case basis. For all other overdue balances, Management does not foresee any recoverability problems as these all relate to balances with customers who have no recent late payment records. Accordingly, at 2022 and 2021 year-end, all accounts receivable - whether overdue or not - for which recoverability is deemed uncertain on those dates, have been provided for.

The movement of the provision for impairment losses of customer accounts receivable is as follows:

	Thousands of Euros	
	2022	2021
Opening balance	**636**	**780**
Balance write-offs	-	(144)
Final balance	**636**	**636**

The amounts covered by non-recourse factoring or customer account receivable sales agreements at year-end have been derecognised as the risks of ownership have been transferred to the financial institutions and the Group has no continuing involvement. At 31 December 2022 this balance amounts to EUR 0.17 million (2021: EUR 1.3 million).

Balances in foreign currency

The amount the Company has recorded under "Trade and other receivables" includes EUR 13 thousand in US dollars (2021: EUR 26 thousand in USD).

Credits with group and associated companies

This section comprises the balance of current accounts the Company has with a number of Group companies that accrue a market interest rate of between 1% and 10% in 2022 and 2021 (Note 27).

Other short-term financial assets

At 31 December 2022 this heading included the fixed-term deposit amounting to EUR 28.6 million, bearing 3.29% interest and maturing in 2023.

At December 31, 2021, this heading mainly included the part of the deferred price of the sale of 51% of Ampliffica Mexico, S.A. de C.V. and the amount receivable from the sale of the healthcare solutions business performed by the Company in 2021.

Book values of short-term loans and receivables are mainly expressed in euros.

(Thousands of EUR)

10. CASH AND OTHER CASH EQUIVALENTS

	2022	2021
Treasury	41,499	82,191
	41,499	**82,191**

There are no restrictions on the availability of the cash. At 31 December 2022 there is cash amounting to EUR 23 million expressed in dollars (2021: EUR 0.7 million expressed in dollars).

11. CAPITAL AND SHARE PREMIUM

	No. of shares	Subscribed capital	Share premium	Own shares
At 31 December 2020	**169,496,963**	**21,187**	**214,640**	**(17,980)**
Operations with treasury shares	-	-	-	(23,253)
Capital reduction through cancellation of own shares	(8,795,186)	(1,099)	-	32,120
At 31 December 2021	**160,701,777**	**20,088**	**214,640**	**(9,113)**
Operations with treasury shares	-	-	-	(27,416)
Capital reduction through cancellation of own shares	(8,035,089)	(1,005)	-	33,485
Pre-dividend transfer	-	-	(20,000)	-
At 31 December 2022	**152,666,688**	**19,083**	**194,640**	**(3,044)**

a) Share capital

On 4 November 2022, the resolution to reduce share capital through the reduction of capital through the amortisation of own shares authorised by the General Shareholders' Meeting held on 10 May 2022 was raised to a public instrument. Based on this resolution, the share capital of the Parent Company was reduced by a nominal amount of EUR 1,005 thousand by amortising 8,035,089 treasury shares, each with a face value of 0.125 euros. Consequently, the share capital of the Parent Company stood at EUR 19,083 thousand.

Also, on 3 November 2021, the corporate resolution to reduce the share capital through the amortisation of own shares, authorised by the General Shareholders' Meeting held on 13 April 2021, was recorded in a notarial instrument. Based on this resolution, the share capital of the Parent Company was reduced by a nominal amount of EUR 1,099 thousand by amortising 8,795,186 treasury shares, each with a face value of EUR 0.125.

There are no restrictions on the free transfer of the shares. At 31 December 2022 and 2021, the following companies participated in 10% or more of the share capital:

	2022		2021	
	Number of shares	Shareholding percentage	Number of shares	Shareholding percentage
Acek Desarrollo y Gestión Industrial, S.L.	22,978,560	15.05%	22,978,560	14.30%

b) Share premium

At the General Shareholders' Meeting held on 10 May 2022, prior to the distribution of a dividend out of unrestricted reserves, the shareholders approved a transfer from the unrestricted reserve, Additional paid-in capital to the "Previous years' losses" account in the Parent Company's balance sheet for an amount of EUR 20,000.

This reserve is unrestricted.

c) Treasury shares

Changes in the treasury shares in 2022 and 2021 in terms of the number of shares and in thousands of EUR were as follows:

	No. Shares	Thousands of Euros
Initial balance 31 December 2020	**5,493,741**	**17,980**
Acquisitions	5,275,165	23,253
Amortisation of shares	(8,795,186)	(32,120)
Initial balance 31 December 2021	**1,973,720**	**9,113**
Acquisitions	6,949,833	27,416
Amortisation of shares	(8,035,089)	(33,485)
Final balance 31 December 2022	**888,464**	**3,044**

At 31 December 2022, the company held a total number of 888,464 shares representing 0.58% of the share capital at that date (2021: 1,973,720 shares representing 1.23%), whose book value on the said date amounted to EUR 3,044 thousand (2021: EUR 9,113 thousand). In fiscal year 2022, 6,949,833 own shares were acquired (2021: 5,275,165 own shares).

Pursuant to the mandate conferred by the General Shareholders' Meeting held on 10 May 2022, whereby the Company's Board of Directors is empowered to acquire, at any time and as many times as is deemed appropriate, shares in Global Dominion Access, S.A., through any legal means, including a charge to profits for the year and/or to unrestricted reserves, and to subsequently sell or redeem such shares, in accordance with Article 146 and 509 and concordant articles of the Spanish Companies Act. This mandate is valid for a period of 5 years; e.g. until 10 May 2027. This agreement supersedes the previous one adopted by the General Shareholders' Assembly on 13 April, 2021.

Pursuant to this authorisation, on 2 November 2022 the Board of Directors announced its agreement to implement the third scheme to buy its own shares back to reduce the Company's share capital through the amortization of its own shares, thereby contributing to the shareholder remuneration policy by increasing the profit per share, running for a maximum term of two years. The limit established in this scheme is 1% of the share capital, which corresponds to a maximum of 1,526,667 shares for a maximum cash amount of EUR 7.25 million. The scheme will run for six months from the publication date of the agreement; however, the Company reserves the right to terminate the buyback scheme if, before the end of the scheme, it has acquired shares for a purchase price that amounts to the maximum cash amount or the maximum number of shares that is permitted, or if any other situation arises whereby it is advisable to do so.

The previous scheme, which was published on 27 October 2021 was also in force during the financial year and ended on 21 October 2022, with the established limit of 5% of the share capital having been reached. The shares acquired under this programme were amortised in financial year 2022.

d) Dividends

At the Annual Shareholders' Meeting held on 10 May 2022, the shareholders of the Company resolved to appropriate a final gross dividend of 0.08757 euros per share in the Company with entitlement to receive it, and this is recorded under unrestricted reserves. The maximum gross amount to be allocated is EUR 14,073 thousand, if all the Company's ordinary shares are allocated.

The allocations were made on 6 July 2022, for an amount of EUR 13,531 thousand.

The Ordinary General Shareholders' Meeting of the Company, held on 13 April 2021, agreed to allocate, charged to unrestricted reserves, a complementary dividend for the gross amount of EUR 0,03465 per share of the Company, to those entitled to receive it.

The allocations were made on 7 July 2021, for an amount of EUR 3,989 thousand.

(Thousands of EUR)

12. RESERVES AND PREVIOUS YEARS' PROFIT/LOSS

	2022	2021
Legal and statutory:		
- Legal reserve	4,008	2,512
	4,008	**2,512**
Other reserves and losses from previous financial years:		
- Voluntary reserves	(31,777)	(8,141)
- Reserves for merger	-	(8,154)
- Adjustment due to changes in value of financial instruments	901	(100)
- Capital redemption reserve fund	2,104	-
	(28,772)	**(16,395)**

a) Legal reserve

The legal reserve has been set up in accordance with article 214 of the Capital Companies Act, which states that, in any case, an amount equal to 10% of the profit for the year will be deposited into the legal reserve, until the latter reaches at least 20% of the share capital. At 31 December 2022, this reserve had been fully paid up. (2021: limit not reached).

It cannot be distributed and, if used to compensate for losses, if there are no other available reserves sufficient for this purpose, it must be replenished with future profits.

13. PROFIT (LOSS) OF THE FINANCIAL YEAR

The proposal for the distribution of results and reserves for the Company to be presented to the General Shareholders' Meeting for the 2022 financial year, and the distribution approved for the 2021 financial year, is as follows:

	2022	2021
Distribution base		
Profits and losses	(56,920)	14,956
	(56,920)	**14,956**
Appropriation		
Legal reserve	-	1,496
Voluntary reserves	-	13,460
Profits/losses from previous financial years	(56,920)	-
	(56,920)	**14,956**

(Thousands of EUR)

14. BORROWINGS

a) Bank loans and credit facilities

	2022	2021
Non-current		
Bank loans and credit facilities	153,664	128,859
Promissory Note Programme	-	20,000
	153,664	148,859
Current		
Bank loans and credit facilities	22,270	17,680
Promissory Note Programme	30,000	20,000
	52,270	37,680
	205,934	**186,539**

The Company has the policy of diversifying its financial markets and, accordingly, there is no loan/credit risk concentration with respect to balances with banks since it works with various institutions.

On 11 November 2016, the company entered into a syndicated loan agreement with four financial institutions, divided into two tranches (tranche A - loan - and tranche B - "revolving" credit line). This contract has been renewed six times: the first on 4 December 2017, whereby the repayment terms and the repayment rate were modified and an additional tranche A2 was added to the loan section, in US dollars; then, on 4 December 2018, the second renewal was made, in which the maturity date of tranche B was modified; thirdly, on 12 July 2019, the third renewal was signed with the revolving tranche (tranche B) amount being modified, simultaneously reducing the loan section in euros (tranche A1) by the same amount by which tranche B was extended and, likewise, the financing prices and repayment terms of all the tranches were modified again. Next, the fourth renewal was signed on 10 December 2020, extending the maturity of part of the revolving tranche (tranche B). On 8 October 2021, the fifth renewal was entered into, amending the list of guarantors and the thresholds of EBITDA, total assets and total revenues to be met in connection with the guarantor coverage ratio. Finally, on 29 July 2022, the sixth novation was entered into, extending the maturities of all tranches and transferring the equivalent of EUR 5 million from Tranche A2 to Tranche A1. The calculations of the current value of the cash flows using the new terms of each renewal discounted from the original interest rate did not vary by more than 10% from the value of the cash flow from the original liability.

Accordingly, after the series of renewals, the tranches included in the syndicated loan contract are as follows:

Tranche A1 consists of a loan of EUR 25 million to restructure the Group's non-current financial liabilities. Tranche A2 consists of a loan, in US dollars, for a total of 30.6 million USD and tranche B is a "revolving" credit line for EUR 50 million.

For tranches A1 and A2, there is no change to the amortization profile, establishing six-monthly amortizations with the first instalment in January 2024 and which entails the amortization of 10% in 2024, 15% in 2025, 22% in 2026 and 53% in 2027. For tranche B, the first maturity date is set for 29 July 2025. Notwithstanding, the above maturity date can be extended on an annual basis up to a maximum of two times, e.g. until 29 July 2026 and 29 July 2027. This extension is subject to agreement by the financial entities.

At 31 December 2022, the Company had drawn down EUR 25 million of tranche A1 (2021: EUR 19 million) and USD 30.6 million of tranche A2 which is equivalent to EUR 29.8 thousand (2021: USD 33.8 million, equivalent to EUR 30 million). No sum had been drawn from the revolving credit of tranche B at 31 December, 2022 and at 31 December 2021.

This financing bears a Euribor interest rate plus a market spread. Tranche A1 has four hedging derivative financial instruments, as indicated in the following section of this same note.

Additionally, on 18 November 2016, the Company entered into a loan agreement with the European Investment Bank (EIB) for a maximum of EUR 25 million for development funding under the "Smart Innovation" programme. At December 31, 2022 and 2021, the outstanding balance to be amortized amounted to EUR 10.7 million and EUR 14.3 million, respectively. This financing matures in December 2025 and is repayable at a rate of EUR 3.6 million per year from 2019 to 2025.

On 10 and 22 July 2020, the Group secured loans totalling EUR 50 million from the European Investment Bank (EIB) and Instituto de Crédito Oficial (ICO) - EUR 25 million each - to execute the "Smart Innovation 2" R&D&I investment project. Both loans are repayable over 10 years with a 3-year grace period and annual repayments. On 31 December, 2022, both loans had been fully drawn down (2021: EUR 13 million of the loan granted by the ICO had been drawn down while the remaining amount of the ICO and the entire loan granted by the EIB were undrawn).

Both the syndicated loans and the loans indicated in the previous paragraph granted by the EIB and ICO are secured by guarantees furnished by the following Group companies: Dominion E&C Iberia, S.A.U, Bilcan Global Services, S.L., Dominion Centro de Control, S.L.U., Dominion Investigación y Desarrollo, S.L.U., Eurologística Directa Móvil 21, S.L.U., Interbox Technology, S.L., Sur Conexión, S.L.U., Tiendas Conexión, S.L.U., Dominion Deutschland GmbH, Dominion Novocos, GmbH, Beroa Technology Group GmbH, F&S Feuerfestbau GmbH & Co KG, Ampliffica Mexico, S.A. de C.V., Dominion Industry México S.A. de C.V., Mexicana de Electrónica Industrial S.A. de C.V., Dominion Polska Sp. Z.o.o., Dominion Steelcon A/S, Dominion Smart Innovation, S.A. de C.V. (merged in 2019 with DM Informática S.A. de C.V.), Dominion Perú Soluciones y Servicios, SAC, Dominion Industry & Infrastructures, S.L., The Phone House Spain, S.L.U.., Dominion Spa, Instalaciones Eléctricas Scorpio, S.A.U.,Dominion Global PTY Limited, Dominion Servicios Medioambientales, S.L.U., Smart House Spain, S.A.U., Alterna Operador Integral, S.L., ICC Commonwealth Corporation, Original Distribución Spain Iberia, S.A., Dimoin Calderería, S.A., Connected World Services Europe, S.L. and Dominion Colombia, S.A.S.

All these financings are subject to meeting certain ratios, which is normal in the market for these contracts, related to EBITDA, net financial debt and shareholders' equity. At 31 December 2022 and 2021, these ratios were met.

In April 2020 and pursuant to Royal Decree-Act 8/2020 of 17 March on extraordinary emergency measures to address the economic and social impact of Covid-19, article 29 of which establishes State guarantees provided by the Ministry of Economic Affairs and Digital Transformation managed by the ICO for companies and self-employed workers, which are managed by financial institutions, the Parent Company entered into loans with eight financial institutions for a total of EUR 100 million. Over the course of 2021, EUR 30 million was repaid early, bringing the outstanding balance to EUR 70 million at 31 December 2021. These loans are repayable in monthly or quarterly instalments with maturities from 2022 to 2026. Over the course of 2022, EUR 9.8 million was repaid, bringing the balance to EUR 60.2 million at 31 December 2022. All loans bear a market interest rate - in some cases a fixed rate and in other cases a floating rate linked to Euribor plus a market difference.

(Thousands of EUR)

In summary, during financial year 2022, EUR 17,390 thousand of the financing specified in the previous paragraphs were repaid (2021: EUR 36,141 thousand repaid).

On 5 May 2022, the Company incorporated a promissory note issuance programme called the "Dominion 2022 Promissory Note Programme" in the Alternative Fixed Income Securities Market (MARF), maturing in one year, with a maximum limit of EUR 100 million and with maturities for promissory note issued of up to 24 months. In financial year 2021, Global Dominion Access, S.A. maintained its promissory note programme under the same terms, for an amount of EUR 100 million. The outstanding balance at 31 December 2022, amounted to EUR 30 million, all maturing in less than 12 months. At 31 December 2021, the outstanding balance amounted to EUR 40 million. The programme serves as a way to diversify the financing of the working capital requirements of the Dominion Group and as an alternative to bank financing for this purpose.

Non-current borrowings have the following maturities:

	2022	2021
Between 1 and 2 years	30,176	108,832
Between 3 and 5 years	94,917	32,597
More than 5 years	28,571	7,430
	153,664	**148,859**

The effective interest rates at the balance sheet dates were the usual market rates (reference market rate plus a market margin) and there was no significant difference with respect to other companies of a similar size and with similar risks and borrowing levels.

Borrowings and credit facilities from credit institutions generate a market interest rate in accordance with the currency concerned plus a spread that ranges between 60 and 750 basis points (2021: between 60 and 487 basis points).

The carrying amounts and fair values of current and non-current borrowings do not differ significantly, as a large part of the debt is recent, and all amounts accrue interest at market rates, considering existing interest rate hedges.

At 31 December 2022 and 2021, the Company did not draw down balances from lines of credit from financial institutions.

The Company has the following unused credit facilities:

	2022	2021
Floating rate:		
- maturing in less than one year	96,500	87,749
- maturing in more than one year	50,000	75,751
	146,500	**163,500**

This loan is not secured by real property.

(Thousands of EUR)

b) Derived financial instruments

	2022		2021	
	Assets	**Liabilities**	**Assets**	**Liabilities**
Interest rate swaps				
- Cash flow hedges	1,186	-	-	(131)
Exchange rate hedges	-	-	-	-
- Cash flow hedges	-	-	-	-
- no hedging	-	-	-	-
Equity Swap	-	(2,342)	507	-
	1,186	**(2,342)**	**507**	**(131)**

Swaps (interest rate)

In financial year 2022, the Company had four interest rate swap derivatives with financial institutions under which the Group will pay a fixed rate on the syndicated loan Tranche-A1 financing. The notional amounts of the derivatives decrease proportionately as Tranche A1 is repaid. At 31 December 2022 the valuation of these derivative financial instruments amounted to EUR 0 thousand (2021: EUR 131 thousand).

	2022		
	Notional Principal	**Interest Rate**	**Maturity**
Hedging derivative 1	6,250	1.445%	2027
Hedging derivative 2	6,250	1.445%	2027
Hedging derivative 3	6,250	1.445%	2027
Hedging derivative 4	6,250	1.445%	2027
	25,000		

	2021		
	Notional Principal	**Interest Rate**	**Maturity**
Hedging derivative 1	6,667	0.00452	2024
Hedging derivative 2	6,667	0.00452	2024
Hedging derivative 3	6,666	0.00452	2024
	20,000		

(Thousands of EUR)

Exchange rate hedges

During financial year 2022, currency hedging operations were undertaken for certain transactions made in a currency other than that of the company in question. However, on 31 December, 2022, there were no open transactions.

Equity swaps

In financial year 2017, the controlling company entered into a derivative instrument associated with the quoted market price of the shares of Global Dominion Access, S.A. and settled in cash. The underlying asset of the transaction amounted to 2.6 million shares and the instrument maturity is planned for 31 March 2023. At 31 December 2022 the valuation of these derivative financial instruments was EUR 2,342 thousand negative (2021: EUR 507 thousand).

15. FINANCIAL LIABILITIES

	2022	2021
Non-current:		
- Bank loans (Note 14)	153,664	148,859
- Derivatives (Note 14)	-	131
- Other non-current liabilities (Note 8)	69,092	17,870
	222,756	**166,860**
Current:		
- Loans from credit institutions and others (Note 14)	52,270	37,680
- Derivatives (Note 14)	2,342	-
- Loans with group companies (Note 27)	232,488	208,302
- Suppliers	80,358	35,387
- Suppliers, group companies and associates (Note 27)	12,405	12,086
- Sundry creditors	701	330
- Other current liabilities	12,609	623
- Tax Authority payables (Note 16)	506	1,675
- Staff	3,561	6,021
- Customer pre-payments	4,755	225
- Accrual	5	95
	402,000	**302,424**

In Financial Year 2022, "Other non-current liabilities" includes the outstanding purchase price payable for the purchase of the stake held by the minority shareholder in Dominion Energy, S.L. See Note 8.

Other financial liabilities

Details of other non-current and current liabilities at 31 December 2022 and 2021 are as follows:

	2022	2021
Non-current		
Debts from company acquisitions: (Note 7)		
ZH Ingenieros, S.A.S.	1,005	-
Servishop Manlogist, S.A.	103	-
Bygging India Limited	-	9,539
Chimneys and Refractories International S.R.L.	-	513
Debts owed on loans granted by public authorities	1,064	1,654
Customer prepayments	-	6,164
	2,172	**17,870**
Current		
Debts from company acquisitions: (Note 7)		
ZH Ingenieros, S.A.S.	1,563	-
Servishop Manlogist, S.A.	150	-
Cri Enerbility, SRL	513	-
Bygging India Ltd	9,762	-
Other debts	621	623
	12,609	**623**

On 1 February 2019 the Company completed the first tranche of acquiring 51% of Bygging India Limited's share capital. Likewise, the Company is the holder of a purchase option which can be exercised in the fifth year following acquisition. For this second tranche, the price remained linked to the effective performance of BIL during the periods, depending on the case, which will be directly appraised by the generation of discretionary cash flow provided by BIL. The maximum price to be paid by the Company for the entire operation will not exceed 5 times the average EBITDA and, in any case, will not be less than the carrying amount value of BIL at the end of the valuation period. At 31 December, 2022, this option was stated at EUR 9.8 million (EUR 9.5 thousand in 2021).

In financial year 2022, EUR 0.7 million expenditure (2021: EUR 0.6 million) was recorded following the financial restatement of the contingent price relating to the purchase of Bygging India Limited. The Company also recorded revenue amounting to EUR 0.4 million (revenue of EUR 0.5 million euros in 2021) following the updating of the exchange rate for this debt, which was recorded in Indian Rupees.

In financial year 2022, various purchases were made, such as ZH Ingenieros, S.A.S and Servishop Manlogist, S.A., for which the outstanding amount to be repaid is recorded in the long and short-term.

The book value of short term debts is close to their fair value, given that the discount effect is not significant.

The book value of long-term Company debts is denominated entirely in Euros.

Deferments of payments made to suppliers

The breakdown of the average term of Spanish trade payables settlement during 2022 in relation to the legally-permitted payment terms stipulated in Spanish Law 18/2022 of 28 of September, which amends the provisions in the previous Law on the average payment period, is as follows (days and thousands of euros):

	Days 2022	Days 2021
Mean supplier payment period	97	107
Ratio of transactions settled	96	100
Ratio of transactions not yet settled	120	120

	Thousands of euros (2022)	Thousands of euros (2021)
Total transactions settled	15,058	8,836
Total transactions not yet settled	5,530	4,774

Monetary volume	15,058
Invoices paid for periods shorted than the maximum period set out by regulations	1,282
% of the total number of invoices	66%
% of the monetary total of payments to suppliers	51%

In 2022 and 2021, the mean supplier payment period for suppliers operating in Spain was calculated based on the criteria established in the single additional provision of the Resolution of 29 January 2016 of the Spanish Institute of Accounting and Accounts Auditing, amounting in 97 days (107 days in 2021).

Although the Company exceeded the domestic supplier deadline set out in Law 15/2010, the Group has implemented a series of measures essentially focused on identifying any deviations by regularly monitoring and analysing accounts payable to suppliers, reviewing and improving internal supplier management procedures, as well as complying with and, where applicable, updating the conditions established in commercial transactions subject to applicable regulations.

The payments to suppliers during financial year 2022 that have exceeded the legal deadline are derived from circumstances outside the established policy payments, among which are mainly: delay in issuing invoices (legal obligation of the supplier), closing agreements with suppliers for the delivery of goods or the provision of services, or timely processing operations.

16. TAXES

a) Current tax

The current taxation detail as of 31 December 2022 and 2021 is as follows:

(Thousands of EUR)

	2022	2021
Debit balances: (Note 9)		
- Withholdings	40	10
- VAT	1,202	-
- Corporate tax	174	7
	1,416	**17**

Credit balances: (Note 15)	2022	2021
- Personal income tax	394	359
- VAT	-	568
- Social Security	112	118
- Current tax payable to Tax Authorities	-	630
	506	**1,675**

a) Deferred taxes

The deferred taxes details as of 31 December 2022 and 2021 is as follows:

	2022	2021
Deferred tax assets:		
- Credits by negative tax bases	16,213	17,057
Credits for unused deductions	155	155
- Temporary differences	210	210
Deferred tax liabilities:		
- Temporary differences	(1,702)	(1,709)
Deferred tax (Net)	**14,876**	**15,713**

Asset and liability variations at 31 December 2022 and 2021 related to deferred tax were as follows:

	2022	2021
Deferred tax assets		
Opening balance	**17,422**	**18,394**
Regularisations	656	(218)
Deferred tax assets recognised for the year	-	-
Transfer of deferred tax assets to the consolidated tax group	-	(754)
Cancellation of tax credits	(1,500)	-
Final balance	**16,578**	**17,422**
Deferred tax liabilities		
Opening balance	**(1,709)**	**(1,709)**
Recognition of deferred tax liabilities	7	-
Final balance	**(1,702)**	**(1,709)**
Net balance	**14,876**	**15,713**

At year-end on 31 December, 2022 and 2021, the Company had recorded tax credits for tax loss carryforwards, deductions from previous years and temporary differences that are expected to be recovered in no more than 10 years.

(Thousands of EUR)

The tax loss carryforwards incurred by the Tax Group and pending application at the year-end are as follows:

Year generated	Amount	Year implemented
2004	3,435	2034
2006	44	2036
2007	1,182	2037
2008	1,167	2038
2009	43,679	2039
2010	16,806	2040
2011	1,210	2041
2012	1,684	2042
2013	1,701	2043
2014	163	2044
2022	2,520	2054
	73,591	

Also, no deductions were recorded during the year and none are pending application. The details of the 2022 deductions will be included in the final corporate income tax return in July 2023.

17. PROVISIONS AND CONTINGENCIES

Movements in the Company's provisions in 2022 and 2021 are as follows:

	Other provisions	Obligations to personnel.	Total
At 31 December 2020	**1,255**	**4,500**	**5,755**
Transfers from short-term to long-term	-	(1,941)	(1,941)
Amounts provisioned	1,000	-	1,000
Amounts applied	-	(1,549)	(1,549)
At 31 December 2021	**2,255**	**1,010**	**3,265**
Amounts provisioned	770	-	770
Transfer to remuneration pending payment	-	(1,010)	(1,010)
At 31 December 2022	**3,025**	**-**	**3,025**
Non-current provisions			**3,025**

Provisions are essentially broken down as follows:

- Provisions of EUR 3,025 thousand (2021: EUR 2,255 thousand) corresponding to the total coverage of likely risks related to legal proceedings underway, basically, abroad.
- In financial year 2021 it has recorded a provision of EUR 1,010 thousand, mainly relating to the additional incentive agreed on with senior management entitled to this incentive as well as the CEO (Note 27 d).

(Thousands of EUR)

At 2022 year-end, this provision was adjusted to the short term under the "Remunerations pending payment" section.

Contingent liabilities

At 31 December 2022, the Company has granted guarantees to group companies and associate companies for works and services rendered to customers totalling EUR 161 million (2021: EUR 146 million). The Company also has guarantees of EUR 6.5 million (2021: EUR 4 million).

Concesionaria Salud Siglo XXI, S.A. (Note 8) shares are pledged to guarantee the Company's financial debt.

18. INCOME AND EXPENSES

a) Net revenue

	2022	2021
Services rendered	32,371	59,974
Rendering of services Group companies (Nota 27)	14,789	13,771
Interest on loans to Group companies (Note 27)	5,950	3,324
Dividends received from group companies (Note 8)	1,882	3,768
	54,992	**80,837**

The "Services rendered" section comprises sales and services rendered in the technological solutions line, as well as sales and services rendered in relation to a project the Company is executing abroad for approximately EUR 29.5 million (2021: EUR 36.7 million).

Additionally, interest accrued on the various loans granted to Group companies is recognised under "Interest on loans to Group companies". The remaining revenue to the Group recognised under "Dividends received from group companies" primarily relates to various dividends distributed by various Group companies, the details of which included in (Note 8).

Net turnover corresponding to the Company's ordinary activities is geographically distributed as follows:

	%	
Market	**2022**	**2021**
Domestic	9%	29%
Abroad	91%	71%
	100%	**100%**

b) Procurements

Provisions in financial years 2022 and 2021 are broken down in the following table:

(Thousands of EUR)

	2022	2021
Work performed by other companies:		
Purchases:		
- Domestic purchases	4,031	15,738
- Foreign purchases	27,483	26,554
	31,514	**42,292**

c) Transactions performed in foreign currency

In financial year 2022, commercial transactions were made in foreign currency for EUR 1,790 thousand (EUR 1,246 thousand in 2021). Exchange rate differences in 2022 and 2021 relate to the current accounts the Company holds with banks, mainly in dollars, to account with Group companies, balances drawn down in dollars (Notes 14 and 15) and the effect of the clearing derivative instruments.

d) Other operating income

	2022	2021
Other operating income	19,530	1,664
Operating subsidies transferred to the net profit (loss) for the year.	308	118
	19,838	**1,782**

Operating income, capital grants and other income were recognised in financial years 2022 and 2021.

e) Impairment and profit or loss on disposal of investments in group and associate companies

At 31 December 2022, the Company recorded a loss of EUR 74,442 thousand as a result of the investment recovery analysis the Company's management performed.

f) Personnel costs

	2022	2021
Wages, salaries and similar	9,018	8,632
Other staff welfare expenses	966	1,011
	9,984	**9,643**

EUR 207 thousand of severance payments were incurred in financial year 2022 (2021: EUR 990 thousand).

The average number of employees in financial years 2022 and 2021, distributed by categories, is as follows:

(Thousands of EUR)

	Average number of employees	
Category	**2022**	**2021**
Director (*)	17	18
Person responsible	11	12
Technician	31	42
Skilled worker	-	1
Male/Female Clerk	19	17
	78	**90**

Also, the distribution of personnel and members of the board by gender in the Company in financial years 2022 and 2021 is as follows:

	2022			2021		
Category	**Men**	**Women**	**Total**	**Men**	**Women**	**Total**
Members of the Board	8	3	11	8	2	10
Director (*)	10	5	15	12	5	17
Person responsible	9	4	13	9	3	12
Technician	19	10	29	21	12	33
Skilled worker	-	1	1	-	-	-
Male/Female Clerk	4	13	17	1	15	16
	50	**36**	**86**	**51**	**37**	**88**

(*) The Directors section includes the 5 members of Senior Management (4 men and 1 woman) both in financial year 2022 and 2021.

No Company employee has a disability of 33% or more.

g) Other operating expenses

The increase in "Other operating expenses" is mainly due to an increase in travel expenses and independent professional services.

19. TAX ON PROFITS AND FISCAL SITUATION

Reconciliation between the net amounts of income and expenses from the financial year, and the tax base for profit tax in financial year 2022, attributable to the Company from the individual return is as follows:

	Profit and loss account		
Balance of income and expenses in the year	**Increases**	**Abatements**	**Net**
Pre-tax profit and loss (continuing operations)	-	-	(71,908)
Permanent differences	3,500	(3,077)	423
Previous taxable base	**-**	**-**	**(71,485)**
Offset tax bases	-	-	-
Final tax base	**-**	**-**	**(71,485)**

(Thousands of EUR)

Increases due to permanent differences mainly relate to non-deductible goodwill expenses. Drops relate to dividends and provisions recorded in the financial year.

Corporate income tax (expense)/revenue consists of:

	2022	2021
Adjustment of Company Tax in the previous financial year	(468)	3,014
Application of deferred tax assets and liabilities (Note 16)	(7)	(754)
Regularisations	(1,500)	(218)
Current tax for continued operations	17,156	1,421
Non-recoverable withholdings (Note 8)	(193)	-
	14,988	**3,463**

The Tax Group incurred tax losses in the past with the tax loss carryforwards relating to these amounting to EUR 19.5 million at 31 December 2022 (2021: EUR 17 million) which are partially capitalized at 31 December 2022 and 2021 to the extent that management considers it likely that the Company will earn taxable profits allowing them to be applied in no more than 10 years.

At 31 December 2022, the Company has deductions of EUR 155 thousand (2021: EUR 155 thousand), as well as temporary asset differences of EUR 210 thousand (2021: EUR 210 thousand).

The applicable legislation for Corporation Tax settlements during financial year 2021 for the Company is that corresponding to the Regional Regulation 11/2013 of 5 December for Corporation Tax.

The Company has inspections pending by the tax authorities, of the 4 most recent financial years of the main taxes applicable to it.

As a consequence, among other aspects, of possible different interpretations of current tax legislation, additional liabilities may arise as a consequence of an inspection. In all cases, the Board of Administrators believes that should these liabilities arise they will not have a significant effect on the Annual Financial Statements.

20. FINANCIAL PROFIT

	2022	2021
Financial income		
From negotiable securities and other financial instruments (Note 14)	191	11
Other financial incomes.	8	-
	199	**11**
Financial expenses:		
For debts with companies in the group (Note 27).	(2,264)	(1,827)
Amounts owed to third parties	(7,131)	(6,793)
	(9,395)	**(8,620)**
Variation of the fair value in financial instruments (Note 14)	**(5,375)**	**5,130**
Exchange rate differences	**(596)**	**(2,200)**
Financial profit	**(15,167)**	**(5,679)**

(Thousands of EUR)

At 31 December 2022 and 2021, changes in the fair value of financial instruments include the revenue generated by the Equity Swap in full, respectively.

21. CASH FLOWS FROM OPERATING ACTIVITIES

	Note	2022	2021
Profit of the year before tax - ongoing transactions:		**(71,908)**	**11,493**
Adjustments of profit (loss):			
- Amortization of property, plant and equipment	5 and 6	7,167	8,364
- Impairment loss corrections	8	-	3,988
- Change in provisions	17	770	(549)
- Financial income	20	(199)	(11)
- Financial expenses	20	9,395	8,620
- Exchange rate differences	20	596	2,200
- Impairment and profit or loss on disposal of investments in group and associate companies		74,442	-
- Change in fair value in financial instruments.	20	5,375	(5,130)
- Other income and expenses		(1,130)	(6,160)
		96,416	**11,322**
Changes in working capital:			
- Inventories		16	(23)
- Trade and other accounts receivable	7 and 9	(6,075)	26,776
- Other current assets		(199)	764
- Creditors and other accounts payable	7 and 15	46,241	(1,488)
- Other non-current assets and liabilities		-	795
		39,983	**26,824**
Other cash flows from operating activities:			
- Interest payments		(5,873)	(4,225)
- Interest charges		199	37
- Dividends received		1,882	3,767
- Tax payment		(1,157)	(2,223)
		(4,949)	**(2,644)**
Cash flows from operating activities		**59,542**	**46,995**

(Thousands of EUR)

22. CASH FLOWS FROM INVESTING ACTIVITIES

	Note	2022	2021
Payments for investments:			
- Intangible fixed assets	5	(755)	(1,217)
- Tangible fixed assets		(1,135)	-
- Other financial assets	8	(28,610)	(190)
- Investment in Group Companies and Associates		(67,122)	(28,634)
		(97,622)	**(30,041)**
Gains on investment:			
- Tangible fixed assets	6	-	21
- Other financial assets		-	-
- Investment in Group Companies and Associates	8	-	56,980
		-	**57,001**
Cash flows from investing activities		**(97,622)**	**26,960**

23. CASH FLOWS FROM FINANCING ACTIVITIES

	Note	2022	2021
Receipts and payments from equity instruments:			
- Own equity instruments		(27,416)	(23,253)
		(27,416)	**(23,253)**
Financial liability instrument proceeds and payments:			
Issue:			
- Liabilities with credit institutions	14	42,786	20,000
- Amounts owed to group companies	15	14,791	-
- Other liabilities		-	-
Return:			
- Liabilities with credit institutions	14	(17,390)	(23,642)
- Amounts owed to group companies	15	-	(31,338)
- Other liabilities		(1,852)	-
		38,335	**(34,980)**
Payments for dividends and remuneration on other equity instruments:			
- Dividends		(13,531)	(3,989)
- Other equity instrument returns		-	-
		(13,531)	**(3,989)**
Cash flows from financing activities		**(2,612)**	**(62,222)**

24. COMMITMENTS

a) Sale Commitments

At 31 December 2022 and 2021, the Company had no sale commitments.

(Thousands of EUR)

b) Operational leasing commitments

The Company rents premises where its offices are located, as well as a number of vehicles used by management.

Total future minimum payments for non-cancellable operational leases are shown below:

	2022	2021
Less than one year	408	122
Between one and five years	1,180	27
	1,588	**149**

25. JOINT VENTURES (JVs)

The Company participates in the following temporary joint ventures (JVs) in financial years 2022 and 2021:

Name	Activity	Shareholding percentage
Global Dominion Access, S.A. and Adasa Sistemas, S.A.U. Law 18/1982, 26 May.	The acquisition and implementation of a surface observation system and GOES/DCS communications to be integrated into the Modernisation Program relating to the National Hydrometeorological Measurement and Prediction System (Venehmet project) being carried out by the Ministry of the Environment and Natural Resources (M.A.R.N), now the Ministry of People Power for the Environment (Venezuela).	50%
"Global Dominion Access, S.A.-Adasa Sistemas, S.A.U.-EMTE, S.A., Unión Temporal de Empresas, Law 18/1982, 26 May" (*)	The execution of the Contract "For the modernisation of Environmental and Civil Protection Equipment coordinated by COPECO".	50%
New Horizons in Infrastructure NHID I/S	Execution of turnkey projects in emerging countries.	100%

(*) The Company has not included its share in assets and liabilities and sales and profit or loss of this joint venture in the balance sheet or profit and loss account as they are insignificant with regards to the financial statements of the joint venture.

The amounts that are indicated below represent the Company's stake in the assets, liabilities, sales and results of the joint ventures. These amounts have been included in the Company balance sheet and profit and loss statement:

(Thousands of EUR)

	2022	2021
Current assets	57,042	38,605
Current liabilities	(13,013)	(3,697)
Turnover	31,085	36,713
Total expenses	(31,084)	(28,875)
Attributed profit and loss	86	7,838

There are no contingent liabilities or capital investment commitments relating to the Company's participation in the JV in financial years 2022 and 2021.

26. REMUNERATION TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

a) Senior management remuneration and loans

The total remuneration paid in 2022 to senior management personnel, excluding that included in Compensation paid to the members of the Board of Directors amounted to EUR 2,930 thousand (2021: EUR 1.545 thousand). Also, in financial year 2023, before these annual financial statements were drawn up, compensation amounting to EUR 990 thousand was paid up.

During financial year 2022, a payment of EUR 16 thousand was made to pension funds or plans established for the members of Senior management (2021: EUR 23 thousand).

The Company has health insurance policies taken out that gave rise to an annual payment EUR 4 thousand in 2022 (2021: EUR 5 thousand).

Regarding the supplementary incentive that the General Shareholders' Meeting passed in 2017 (section d) of this Note, the relevant contracts were entered into with all senior management members entitled to this incentive in financial year 2021, which was paid up in financial year 2022, for a total amount of EUR 1,544 thousand. Section d) of this Note explains the arrangements for this type of incentives in greater detail.

The Company settled the civil liability insurance premium for all senior management and directors for any damages caused by actions or omissions whilst carrying out their duties, with an annual premium of EUR 21 thousand having been settled during the financial year. (2021: EUR 21 thousand).

b) Company director remuneration

During 2022 and 2021 the amount paid to the Board of Directors is shown in the following table and is comprised of the following items and amounts:

	2022	2021
Salaries and extraordinary remunerations	3,889	2,951
Other compensation	22	12
	3,911	**2,963**

In addition to this, in 2021 the directors received an advance payment relating to their remuneration which accrued in 2022 for a total of EUR 128 thousand.

Contributions totalling EUR 8 thousand were made in 2022 to pension plans or funds established for former or current members of the company's Board of Directors (2021: EUR 8 thousand).

As regards life insurance premiums, the Company has policies for the CEO covering death and permanent disability, for which premiums totalled EUR 14 thousand in 2022 (2021: EUR 4 thousand).

Furthermore, the contract with the CEO contains a clause under which a severance payment equivalent to double their annual salary is established, at the time of dismissal and in accordance with the terms of the contract.

During financial year 2020, an incentive agreement was signed for the CEO based on the evolution of the quoted market price for the controlling Company's shares which was paid up in financial year 2022 for a total of EUR 2,028 thousand. Section e) of this Note explains the arrangements for this type of incentives in greater detail.

Also, in financial years 2022 and 2021, the Appointments and Remuneration Committee of the Board of Directors approved the remuneration updates for the various members of the Board of Directors, considering the limits set out in the Company's Articles of Association.

Except for the items indicated in the preceding paragraphs, the members of the Company's Board of Directors have not received any compensation consisting of profit sharing or bonuses.

As stated in section a) of this Note, the Company paid the relevant civil liability insurance premium for all senior management and Directors for damages incurred as a result of actions or failure to perform certain actions whilst performing their duties, with a single premium specified in that section.

c) Loans to shareholders of the parent company

In financial year 2014, a credit of EUR 1,500 thousand was granted to a member of the Board of Directors in connection with a capital increase. During financial year 2017, partial cancellation was made for an amount of EUR 768 thousand and in financial year 2021 the remaining amount of EUR 732 thousand was cancelled. At 31 December 2022, there is no remaining credit relating to shareholders in the consolidated balance sheet.

d) Remunerations based on the evolution of the quoted market price for the controlling Company's shares

On 3 May 2017, the Shareholders' Meeting approved the right to receive a long-term additional incentive based on the increase in the quoted value of the shares of the Parent company for the Chief Executive Officer and certain board members of the Group. Pursuant to this agreement, the maximum number of share rights that are assignable to beneficiaries shall be 2,600,000. This incentive was established for the Chief Executive Officer in 2018 and was paid to him in 2020. The executives' portion was established in 2020 and was paid in 2022, amounting to Euros 1,544 thousand paid to the Company's executives.

Following the positive report from the Appointments and Remuneration Committee, the Board of Directors passed a new remuneration package for the CEO, once it had been approved by the Annual General Shareholders' Meeting of the Parent Company on 6 May 2020, which provided long-term variable remuneration subject to share price performance. This agreement had the same terms that were provided in the previous one, also granted to the Chief Executive Officer assigning 1,300,000 rights for the increase in the value of the market price of Global Dominion Access, S.A.'s share, divided by its base market price, EUR 3 per share and the closing value of the average market price at the end of the generation period, whilst this plan can be settled in cash. The incentive vesting period spanned from 1 January 2020 to 31 December 2021, and was paid in 2022, amounting to EUR 2,028 thousand.

(Thousands of EUR)

The Annual General Shareholders' Meeting held on 10 May 2022 approved a long-term additional incentive based on the increase in share value of the Parent Company for the CEO and certain executives which will be paid in cash. The number of rights shall be assigned by the Board of Directors, following a report from the Nominations and Remuneration Committee; the increase in value will have an initial share value of 4.54 euros and the time frame will be extended to the share value at 2024 year-end. In the case of the CEO, they may decide to bring forward the application of the Incentive by one year.

e) Conflicts of interest

In order to avoid conflicts of interest with the company, during 2021 the Directors occupying positions on the Board of Directors complied with the obligations established in Article 228 of the Spanish Companies Act. Both Directors and persons related to them have abstained from conflicts of interest as stipulated by Article 229 of that legislation, and during the year no direct or indirect conflict of interest was reported to the Company's Board of Directors.

27. OPERATIONS WITH GROUP COMPANIES AND ASSOCIATED COMPANIES

Transactions and balances with Group companies in financial years 2022 and 2021 relate to the following items and amounts:

a) Transaction with Group companies and Associated companies

	2022	2021
Provision of services (Note 18.a)	14,789	13,771
Procurements (Note 18)	(25,197)	(40,584)
Charged interest	(2,264)	(1,827)
Interest paid (Note 18)	5,950	3,324

b) Closure balances deriving from sales and purchases of goods and services

	2022	2021
Balances receivable with group and associate companies (Note 9)	13,745	11,742
Balances payable with group and associate companies (Note 15)	12,405	12,086

Accounts receivable and payable with Group companies and related companies result from transactions for the rendering of services. Accounts receivable are not insured.

(Thousands of EUR)

c) Loans granted to group companies, associate companies and related companies

Pricing conditions

Financial year 2022

	Balance	Granted date	Maturity date	Interest
Long-term Group Credits				
Mexicana Electrónica Industrial, S.A. de C.V	8,024	2019	2024	5%
Mexicana Electrónica Industrial, S.A. de C.V	5,589	2020	2025	5%
Bygging India Limited	3,000	2019	2026	2.5%
Dominion SPA	4,788	2018	2030	2.5%
Dominion SPA	5,561	2017	2030	2.5%
Dominion SPA	1,938	2016	2030	2.5%
Dominion SPA	3,920	2020	2023	2.5%
Dominion Centro de Control, S.L.	3,000	2021	2036	2.5%
Dominion Centro de Control, S.L.	3,000	2018	2023	1%
Dominion Centro de Control, S.L.	4,000	2020	2031	1%
Global Dominion Access USA	19,646	2016	2026	1%
Beroa Technology Group GmbH	5,000	2013	2026	2.6%
Dominion E&C Iberia, S.A.U.	6,760	2019	2029	1%
Dominion Industry México, S.A. de C.V.	835	2021	2027	5%
ZH Ingenieros, S.A.S.	1,205	2022	2024	12%
The Phone House Spain, S.L.	6,000	2022	2032	2%
Dominion Denmark A/S	3,865	2022	Can be extended on an annual basis	3%
Facility Management Exchange, S.L.	950	2022	2032	2%
Total credits	**87,081**			
Accrued interest receivable in the long-term				
Dominion SPA	2,617			
Global Dominion Access USA	1,023			
Mexicana Electrónica Industrial, S.A. de C.V	342			
Total credits	**3,982**			
Total long-term	**91,063**			

(Thousands of EUR)

Details of loans and receivables in the long-term

	2021	Additions / Disposals	Transfers	2022
Long-term Group Credits				
Mexicana Electrónica Industrial, S.A. de C.V	13,522	91	-	13,613
Bygging India Limited	3,000	-	-	3,000
Dominion SPA	16,273	(66)	-	16,207
Dominion Centro de Control, S.L.	6,000	4,000	-	10,000
Global Dominion Access USA	18,512	1,134	-	19,646
Dominion Energy, S.L.U.	-	-	-	-
Beroa Technology Group GmbH	5,000	-	-	5,000
Dominion Industry & Infrastructures, S.L.	-	-	-	-
Dominion E&C Iberia, S.A.U.	4,000	2,760	-	6,760
Dominion Industry México, S.A. de C.V.	1,024	(189)	-	835
ZH Ingenieros, S.A.S.	-	1,205	-	1,205
The Phone House Spain, S.L.	-	6,000	-	6,000
Dominion Denmark A/S	-	3,865	-	3,865
Facility Management Exchange, S.L.	-	950	-	950
Others	6	(6)	-	-
Total credits	**67,337**	**19,744**	**-**	**87,081**
Accrued interest receivable in the long-term				
Dominion SPA	2,212	405	-	2,617
Global Dominion Access USA	-	-	1,023	1,023
Mexicana Electrónica Industrial, S.A. de C.V	-	-	342	342
Total credits	**2,212**	**405**	**1,365**	**3,982**
Total long term (Note 9)	**69,549**	**20,149**	**1,365**	**91,063**

(Thousands of EUR)

	2020	Additions / Disposals	Transfers	2021
Long-term Group Credits				
Mexicana Electrónica Industrial, S.A. de C.V	9,716	(1,222)	5,028	13,522
Bygging India Limited	3,000	-	-	3,000
Dominion SPA	12,261	-	4,012	16,273
Dominion Centro de Control, S.L.	6,000	-	-	6,000
Global Dominion Access USA	17,121	1,391	-	18,512
Dominion Energy, S.L.U.	20,000	-	(20,000)	-
Beroa Technology Group GmbH	5,000	-	-	5,000
Dominion E&C Iberia, S.A.U.	4,000	-	-	4,000
Dominion Industry México, S.A. de C.V.	-	1,024	-	1,024
Others	325	(319)	-	6
Total credits	**77,423**	**874**	**(10,960)**	**67,337**
Accrued interest receivable in the long-term				
Dominion SPA	667	-	1,545	2,212
Total interests	**667**	**-**	**1,545**	**2,212**
Total long term (Note 9)	**78,090**	**874**	**(9,415)**	**69,549**

(Thousands of EUR)

The maturities for these long-term amounts are broken down in Note 7.2.

Short-term financial investments

	31.12.2022	31.12.2021
Short-term Group Credits		
Dominion Perú Soluciones y Servicios, S.A.C.	585	585
Dominion Industry & Infrastructures, S.L.	1,854	6,207
Dominion Industry de Argentina, S.R.L.	6,324	5,624
Dominion Denmark A/S	7,933	1,688
Dominion Polska Z.o.o.	2,216	1,358
Abside Smart Financial Technologies, S.L.	-	292
Dominion Servicios Medioambientales, S.L.	1,864	2,015
Dominion Colombia S.A.S.	4,448	2,425
Cri Enerbility, S.R.L.	2,560	2,560
Dominion Global France SAS	1,582	1,582
Beroa Technology Group GmbH	10,815	10,780
New Horizons in Infrastructures in Denmark	-	-
Dominion Global Pty Limited	4,559	4,559
Beroa Refractory & Insulation LLC	1,667	1,575
Dominion Centro de Control, S.L.	-	1,322
Dominion Energy, S.A.	39,140	3,178
The Phone House Spain, S.L.	2,678	6,634
Dominion E&C Iberia, S.A.U.	7,527	2,510
Ampliffica, S.A.	3,159	-
ZH Ingenieros, S.A.S.	1,075	-
Other minor items	4,966	3,170
	104,952	**58,064**
Interest on short-term accounts receivable		
Dominion Energy, S.L.	399	-
Dominion Perú Soluciones y Servicios, S.A.C.	280	280
Beroa Technology Group GmbH	8,039	7,277
Dominion Industry & Infrastructures, S.L.	512	435
The Phone House Spain, S.L.	-	53
Dominion Centro de Control, S.L.	238	124
Other minor items	800	1,155
Total interests	**10,268**	**9,324**
Total short-term financial investments	**115,220**	**67,388**

Short-term receivables relate to the debtor position relating to current accounts with subsidiaries that mature in the short term and which accrue a market interest rate that fluctuated between 1% and 10% in 2022 (2021: 1% and 5%).

d) Loans received from group, associated and related companies

In financial years 2022 and 2021, the Company holds the following loans received from group, associated and related companies:

(Thousands of EUR)

	2022	2021
Long-term loans received from group and related companies: (Note 15)		

	2022	2021
Short-term loans received from group and related companies: (Note 15)		
- Bilcan Global Services, S.L.	28,814	17,067
- Interbox Technology, S.L.	159,552	134,994
- Instalaciones Eléctricas Scorpio, S.A.	2,923	1,963
- Dominion Centro de Control, S.L.	1,234	-
- NHID Spanish branch	-	152
- NHID Danish branch	-	1,373
- Dominion Denmark A/S	-	3,188
- Dominion Tanks Dimoin, S.A.U. (Previously Dimoin Calderería, S.A.U.)	-	3,982
- Dominion Hivisan, S.L.	358	1,201
- Dominion Deutschland GmbH	14,178	11,435
- Original Distribución Spain Iberia, S.A.	16,318	25,338
- Other minor companies	1,064	512
	224,441	**201,205**
Interest payable for short-term loans received from group and related companies (Note 15):		
- Bilcan Global Services, S.L.	1,100	923
- Interbox Technology, S.L.	5,582	4,659
- Other minor companies	1,365	1,515
	8,047	**7,097**
	232,488	**208,302**

The balances relate to the creditor position relating to current accounts with subsidiaries that mature in the short term.

The average interest rate on these receivables fluctuates between 1% and 10% (2021: between 1% and 10%).

These receivables and payables primarily result from the Company's activity as a financing management centre for Group companies.

28. INFORMATION ABOUT THE ENVIRONMENT

The Company bears environmental protection laws in mind when carrying out its operations. The Company believes is fulfils these laws substantially and that it upholds procedures designed to promote and guarantee their fulfilment.

The Company has adopted all appropriate measures with respect to the protection and improvement of the environment and the minimisation of any environmental impact and complies with current legislation in this respect. During the financial year, the Company did not make any investments of an environmental nature and did not incur any expenses relating to the protection and improvement of the environment, and did not consider it necessary to make any allowance for environmental risks or expenses since there are no contingencies relating to the protection and improvement of the environment or any environmental liabilities.

Aware of the relevance sustainability has attained for the stakeholders it interacts with, the Company has included as part of the Group's Strategy Plan a Sustainability Strategy, which sets out ambitious and specific goals to this regard, focusing specifically on accurately measuring its effects and taking steps to mitigate these effects. During 2022 and 2021, the Company did not make any significant investments of an environmental nature and therefore did not consider it necessary to make any allowance for environmental risks or expenses since there are no contingencies relating to the protection and improvement of the environment or any environmental liabilities.

29. ACCOUNTS AUDITORS FEES

Fees accrued during the financial year by PricewaterhouseCoopers Auditores, S.L. for accounts auditing services (including the Consolidated Annual Financial Statements of the Company) and for other verification services, amounted to EUR 282 thousand (2021: EUR 265 thousand). Of services other than auditing accounts, PricewaterhouseCoopers Auditores, S.L. provided EUR 54 thousand (2021: EUR 53 thousand) and they correspond to reports on procedures agreed on ratios tied to financing contracts, that referring to the information in relation to the Internal Control over the Financial Reporting System (ICFR) and the review of the information included in the Non-financial Reporting Statement contained in the management report for the Consolidated Annual Financial Statements of the Company.

30. SUBSEQUENT EVENTS

From 31 December 2022 to the date these financial statements were drawn up, no significant events occurred that need to be stated.

31. REPORTING OF ASSETS AND RIGHTS HELD ABROAD. OBLIGATION TO FILE FORM 720 SPANISH TAX AGENCY

Law 7/2012, of 29 October, amending tax and budgetary regulations and adapting financial regulations as a result of the intensification of actions to prevent and combat fraud, introduces a new specific reporting obligation regarding assets and rights abroad - through a new eighteenth additional provision of Law 58/2003, of 17 December on General Tax Laws.

The regulatory enforcement of this new reporting obligation related to foreign countries can be found in articles 42 bis, 42 ter and 54 bis of the General Standard for taxation control and inspection procedures.

The Tax Agency imposes the obligation to file Form 720 on all individuals with assets abroad, regardless of whether they are owners, representatives, authorised parties or beneficiaries. In the frequently asked questions section of Form 720, the Tax Agency has established that individuals are not under any obligation to file a tax return provided that the parent company based in Spain has recorded it in its consolidated accounts or in the Annual Report, pursuant to Article 42 bis.4.b).

The details of Form 720 are included in Appendix I of this Annual Report

GLOBAL DOMINION ACCESS, S.A.

APPENDIX I – Model 720

MEXICO

MEXICANA DE ELECTRONICA INDUSTRIAL, S.A. DE C.V.

Taxpayer Identification Code	SURNAMES AND FIRST NAME	TELEPHONE NUMBER	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
16036270A	Mikel Barandiaran	944793787		8 With power of disposition	12,545,006.18	8,166,091.35
30639110M	Mikel Uriarte	944793787		8 With power of disposition	12,545,006.18	8,154,726.22
44670695A	Roberto Tobillas	944793787		8 With power of disposition	12,545,006.18	8,154,726.22

BIC code	Account code	Bank Name	Bank Tax Code	Bank address	Province/Region/State	Postcode	Bank country	Opening date	Balance at 31 December (in euros)	Average balance last quarter (in euros)
BMSXMXMM	9008177740	Banco Nacional de México SA	BNM840515VB1	Isabela Catolica 44 Centro	Mexico DF	06000	Mexico	03 Dec 2012	12,427.66	11,365.13
BMSXMXMM	9066273805 3431	Banco Nacional de México SA	BNM840515VB1	Isabela Catolica 44 Centro	Mexico DF	06000	Mexico	03 Dec 2012	3,957.29	1,964.16
BCMRMXMM	0145605806	BBVA Bancomer SA	BBA830831LJ2	Av Universidad 1200 Xoco	MX	03339	Mexico	03 Dec 2012	187,613.23	96,693.56
BMSXMXMM	65-500551798-3	BANCO SANTANDER (MÉXICO), S.A.	BSM970519DU8	Prol. P Reforma No 500 Piso 2	Mexico DF	01219	Mexico	03 Dec 2012	4,055.34	3,337.41
BMSXMXMM	9066304110 USD	Banco Nacional de México SA	BNM840515VB1	Isabela Catolica 44 Centro	Mexico DF	06000	Mexico	03 Dec 2012	570,469.06	451,973.34
BCMRMXMM	0145606276	BBVA Bancomer SA	BBA830831LJ2	Av Universidad 1200 Xoco	Mexico DF	03339	Mexico	03 Dec 2012	11,763,549.10	7,597,823.25
BMSXMXMM	82-50013403-8	BANCO SANTANDER (MÉXICO), S.A.	BSM970519DU8	Prol. P Reforma No 500 Piso 2	Mexico DF	01219	Mexico	03 Dec 2012	2,934.50	2,934.50

GLOBAL DOMINION ACCESS, S.A.

APPENDIX I – Model 720

PERU

DOMINION PERU SOLUCIONES Y SERVICIOS S.A.C.

Taxpayer Identification Code	SURNAMES AND FIRST NAME	TELEPHONE NUMBER	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
16036270A	Mikel Barandiaran	944793787	3	With power of disposition	7,210,925.88	5,008,118.14
30639110M	Mikel Uriarte	944793787	3	With power of disposition	7,210,925.88	5,008,118.14
08998366F	Carmen Gómez	944793787	3	With power of disposition	7,210,925.88	5,008,118.14
16079749N	German Pradera	944793787	3	With power of disposition	7,210,925.88	5,008,118.14
44670695A	Roberto Tobillas	944793787	3	With power of disposition	7,210,925.88	5,008,118.14

BIC code	Account code	Bank Name	Bank Tax Code	Bank address	Province/Region/State	Postcode	Bank country	Opening date	Balance at 31 December (in euros)	Average balance last quarter (in euros)
BCONPEPL	0011-0387-01-00024514	BBVA BANCO CONTINENTAL	20100130204	AV. REP DE PANAMA N3055 URB. EL PALOMAR	SAN ISIDRO/LIMA	15047	Peru	11 May 2012	197,712.88	437,368.70
BCONPEPL	0011-0387-01-00024522	BBVA BANCO CONTINENTAL	20100130204	Av. REP DE PANAMA N3055 URB. EL PALOMAR	SAN ISIDRO/LIMA	15047	Peru	11 May 2012	1,232,513.37	873,177.80
BCPLPEPL	193-2165016-1-57	BANCO DE CREDITO DEL PERU	20100047218	Av. RIVERA NAVARRETE - AV. JUAN DE ARONA	SAN ISIDRO/LIMA	15046	Peru	22 April 2014	52.22	488,528.11
BCPLPEPL	191-2506646-0-55	BANCO DE CREDITO DEL PERU	20100047218	Av. RIVERA NAVARRETE - AV. JUAN DE ARONA	SAN ISIDRO/LIMA	15046	Peru	01 March 2018	2,233,969.07	945,841.62
BIFSPEPL	007000583169	BANCO INTERAMERICANO DE FINANZAS	20101036813	Av. RIVERA NAVARRETE 600 SAN ISIDRO	SAN ISIDRO/LIMA	15046	Peru	01 June 2017	2,311,571.87	1,546,562.21
BIFSPEPL	007000446560	BANCO INTERAMERICANO DE FINANZAS	20101036813	Av. RIVERA NAVARRETE 600 SAN ISIDRO	SAN ISIDRO/LIMA	15046	Peru	01 August 2014	1,085,737.89	593,003.55
BINPPEPL	041-3001784579	BANCO INTERBANK	20100053455	AV. CARLOS VILLARAN N140 URB. STA CATALINA	LA VICTORIA	15034	Peru	12 January 2019	149,368.58	123,636.16

APPENDIX I – Model 720

COLOMBIA

COLUMBIAN BRANCH

Taxpayer Identification Code	SURNAMES AND FIRST NAME	TELEPHONE NUMBER	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
PAJ8505558	David Martinez Astola	573174342820	1	With power of disposition	1,172,302.94	862,688.61
1076413	Cristian Marcos Blanco	573174342820	1	With power of disposition	1,172,302.94	862,688.61

BIC code	Account code	Bank Name	Bank Tax Code	Bank address	Province/Region/State	Postcode	Bank country	Opening date	Balance at 31 December (in euros)	Average balance last quarter (in euros)
GEROCOBB	001308330100028810	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	01 October 2020	387.99	387.99
GEROCOBB	001304910100009140	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	20 June 2011	12,137.87	13,112.77
GEROCOBB	001308330100016553	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	20 June 2011	113,359.67	226,591.07
GEROCOBB	001308330200015167	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	11 June 2021	376,570.58	229,893.19
GEROCOBB	001308330200014111	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	29 October 2020	591,566.15	340,026.40
GEROCOBB	001308330100028293	BBVA COLOMBIA, S.A.	860.003.020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLOMBIA	27 July 2020	7,214.06	12,843.15
COLOCOBM	4892587578	Bancolombia S.A.	890.903.938-8	Sucursal Avenida Chile Código 048	BOGOTÁ	12362	COLOMBIA	19 January 2011	70,576.03	39,508.09
COLOCOBM	4800001529	Bancolombia S.A.	890.903.938-8	Sucursal Avenida Chile Código 048	BOGOTÁ	12362	COLOMBIA	11 August 2021	490.60	325.94

GLOBAL DOMINION ACCESS, S.A.

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Global Dominion Access, S.A. (*)	Bilbao	-	-	-	Holding Company / B2B 360 Projects / B2B Services
Dominion Investigación y Desarrollo S.L.U.	Bilbao	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Interbox Technology S.L	Bilbao	60.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Original Distribución Spain Iberia, S.A.	Madrid	51.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Medbuying Group Technologies, S.L.	Madrid	45.00%	Global Dominion Access, S.A.	Participation method	B2B Services
Smart Nagusi, S.L.	Bilbao	50.01%	Global Dominion Access, S.A.	Global integration	B2B Services
Abside Smart Financial Technologies, S.L.	Bilbao	50.01%	Global Dominion Access, S.A.	Global integration	B2B Services
Wydgreen, S.L.U.	Bilbao	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Servishop Manlogist, S.A. (1)	Sevilla	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Facility Management Exchange, S.L.	Madrid	80.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Sociedad Concesionaria Salud Siglo XXI, S.A.	Chile	15.00%	Global Dominion Access, S.A.	Participation method	B2B 360 Projects
Sociedad Concesionaria Hospital Buin del Paine, S.A.	Chile	10.00%	Global Dominion Access, S.A.	Participation method	B2B 360 Projects
Bygging India Ltd	India	100.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Dominion Colombia, S.A.S	Colombia	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
ZH Ingenieros, S.A.S.	Colombia	75.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Honduras SRL	Honduras	98.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Global Ampliffica Perú S.A.C.	Peru	99.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Perú Soluciones y Servicios S.A.C.	Peru	99.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Ampliffica México, S.A. de C.V.	Mexico	49.00%	Global Dominion Access, S.A.	Participation method	B2B Services
Dominion Smart Innovation S.A. de C.V	Mexico	99.84%	Global Dominion Access, S.A.	Global integration	B2B Services
Mexicana de Electrónica Industrial, S.A. de C.V.	Mexico	99.99%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Baires, S.A.	Argentina	95.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Ampliffica, S.L. (*)	Bilbao	51.01%	Global Dominion Access, S.A.	Global integration	B2B Services
Ampliffica Ecuador, S.A.S.	Ecuador	100.00%	Ampliffica S.L	Global integration	B2B Services
Ampliffica Perú , S.A.C.	Peru	99.00%	Ampliffica S.L	Global integration	B2B Services
Ampliffica Chile (previously Commonwealth Power Chile)	Chile	100.00%	Ampliffica, S.L	Global integration	B2B 360 Projects
Dominion Servicios Medioambientales, S.L. (*)	Bilbao	75.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Degasio Gmbh	Germany	38.25%	Dominion Servicios Medioambientales, S.L.	Global integration	B2B Services
TA Environmental Technologies Ltd	Germany	38.25%	Dominion Servicios Medioambientales, S.L.	Global integration	B2B Services
Instalaciones Eléctricas Scorpio, S.A.U. (*)	Bilbao	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Scorpio Energy	Oman	60.00%	Instalaciones Eléctricas Scorpio, S.A.	Global integration	B2B Services
Dominion Centroamericana, S.A. (*)	Panama	75.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Coderland España, S.L.U. (1)	Panama	75.00%	Dominion Centroamericana, S.A.	Global integration	B2B 360 Projects
Dominion Guatemala, S.A. (1)	Guatemala	74.99%	Dominion Centroamericana, S.A.	Global integration	B2B Services
Dominion SPA (*)	Chile	99.99%	Global Dominion Access, S.A.	Global integration	B2B Services / B2B 360 Projects

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Dominion Servicios Refractarios Industriales SPA (SEREF)	Chile	90.00%	Dominion SPA	Global integration	B2B Services
Dominion Industry & Infrastructures, S.L. (*)	Barcelona	99.99%	Global Dominion Access, S.A.	Global integration	B2B Services
Desolaba, S.A. de C.V.	Mexico	98.00%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
El Salvador Solar 1, S.A. de C.V.	El Salvador	80.00%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
El Salvador Solar 2, S.A. de C.V.	El Salvador	80.00%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Montelux, S.R.L.	The Dominican Republic	100.00%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Dominion I&I Audio Visual Recording Equipment & Accessories LLC (1)	United Arab Emirates	100.00%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Global Dominion Services, S.R.L.	Romania	100.00%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Dominion Tanks Dimoin, S.A.U. antes (Dimoin Calderería, S.A.U.)	Madrid	100.00%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Dominion Hivisan, S.L.	Valladolid	70.00%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Dominion Energy, S.A. (*)	Bilbao	100.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Dominion Energy Projects, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Pico Ocejón Solar, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Torimbia Green Energy, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Bas Buelna Solar, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green Ancón, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Domwind Solar, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Piedralaves, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Vidiago Energy, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Peñalara Energía Green, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Rancho Luna Power, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Chinchilla Green, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Somontín Power, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Generación Cobijeru, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Generación El Turbón, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Bakdor Renovables, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Molares Green Renvalbes, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Pecan Green Renovables, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Sajas Renewables Energy, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Trujillo Vatios, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Albalá Energy, S.L. (1)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Renovable 1, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Renovable 2, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Renovable 3, S.L. U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Renovable 5, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Renovable 6, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Dominion Renovable 7, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Energy Renewable 8, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 1, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 2, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 3, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 4, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 5, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Desarrollos Green BPD 6, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Proyecto Solar Pico del Terril, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Villaciervitos Solar, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Rio Alberite Solar, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Rio Guadalteba Solar, S.L.U.	Bilbao	50.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Pico Magina Solar, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Kinabalu Solar Park I, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Torre Solar I, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Basde solar I, S.L.U. (previously Ceres Renewable Energy, S.L.U.)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Jambo Renovables I, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Tormes Energías Renovables, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Pico Abadías Solar S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cayambe Solar Power S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Bayo Renewable Energy S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Galán Solar S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
El Pedregal Solar S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Lastarria, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Acotango, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro las Tortolas, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Juncal, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Marmolejo, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Cerro Vicuña, S.L.U.	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion & Green Energias Renovables, S.A.S.	Ecuador	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Dominion Ecuador Niec, S.A.	Ecuador	94.93%	Dominion Energy, S.A. (90%) and BAS Projects Corporation, S.L. (5%)	Global integration	B2B 360 Projects
Global Dominicana Renovables DRDE, S.R.L.	The Dominican Republic	99.99%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Pamaco Solar, S.L. (*)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Bas Italy Prima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Seconda, S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Terza S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Bas Italy Quarta S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quinta S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Sesta S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Settima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ottava S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Nona S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Decima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Undicesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Dodicesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Tredicesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quatordicesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quindicesima S.R.L. (*)	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
G7 Solar, SRL I (1)	Italy	100.00%	Bas Italy Quindicesima S.R.L.	Global integration	B2B 360 Projects
Bas Italy Sedicesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Diciassettesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Diciottesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Diciannovesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventunesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventiduesima S.R.L. (*)	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
SF Lidia I , SRL (1)	Italy	100.00%	Bas Italy Ventiduesima S.R.L.	Global integration	B2B 360 Projects
Bas Italy Ventitreesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventiquattresima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Venticinquesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventiseiesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventisettesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventotesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ventinovesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Tretesima S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Solar I S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
PVR Solar S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
RM Solar S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
AT Solar I S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
AT Solar II S.R.L.	Italy	100.00%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Linderito Solar, S.L.U. (*)	Bilbao	100.00%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Verahonroso	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Pieramides d'outono	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Inquieta Contelaçao	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Appealing Sunday	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Destrezabissal	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Estrategia Coincidente	Portugal	100.00%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Bas Projects Corporation, S.L. (*)	Bilbao	98.66%	Dominion Energy, S.A.	Global integration	B2B 360 Projects
Biomasa Rojas, S.A. (1)	Argentina	74.33%	BAS Projects Corporation, S.L. (50%) and Global Dominion Access, S.A. (25%)	Global integration	B2B 360 Projects
BAS Caribe 1, S.L. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Project Dominicana, S.R.L. (1)	The Dominican Republic	99.34%	BAS Caribe 1, S.L. (51%) and Dominion Energy, S.A. (49%)	Global integration	B2B 360 Projects
Fase 2 WCG, S.L. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Proyecto Solar Monte Bonales, S.L. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Puerto Villamil, S.L. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Caliope Energy, S.L. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Generación Fotovoltaica El Llano, S.L (1)	Bilbao	88.89%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 1, S.L.U. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 2, S.L.U. (*)(1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Genergiabio Corrientes, S.A. (1)	Argentina	73.99%	Bas Projects Development 2, S.L.U.	Global integration	B2B 360 Projects
Bas Projects Development 4, S.L.U. (*)(1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Biomasa Venado, S.A. (1)	Argentina	74.33%	Bas Projects Development 4, S.L.U. (50%) and Global Dominion Access, S.A. (25%)	Global integration	B2B 360 Projects
Bas Projects Development 5, S.L.U. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 7, S.L.U. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 8, S.L.U. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 9, S.L.U. (1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Bas Projects Development 10, S.L.U. (*)(1)	Bilbao	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
(JSC) Phu Luong (1)	Vietnam	83.86%	BAS Projects Corporation, S.L. (1%) and Bas Projects Development 10, S.L.U. (84%)	Global integration	B2B 360 Projects
ABO Investment (1)	Vietnam	83.86%	Bas Projects Development 10, S.L.U.	Global integration	B2B 360 Projects
Sanersol, S.A. (1)	Ecuador	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Saracaysol, S.A. (1)	Ecuador	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Solsantros, S.A. (1)	Ecuador	98.66%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
BAS Projects Corporation México, S.A. de C.V. (1)	Mexico	98.65%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
ESZ Holding KI, S.A.P.I. de C.V. (1)	Mexico	24.67%	BAS Projects Corporation, S.L.	Participation method	B2B 360 Projects
ESZ Holding KII, S.A.P.I. de C.V. (1)	Mexico	24.67%	BAS Projects Corporation, S.L.	Participation method	B2B 360 Projects
Eólica Cerritos, S.A.P.I. de C.V. (1)	Mexico	98.65%	BAS Projects Corporation, S.L.	Global integration	B2B 360 Projects
Domcmisolar 22, S.L. (*)(1)	Bilbao	49.42%	BAS Projects Corporation, S.L.	Participation method	Holding Company / B2B 360 Projects
Koror Business, S.R.L. (1)	The Dominican Republic	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Desarrollos Fotovoltaicos DSS, S.A.S (1)	The Dominican Republic	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects
Energia Renovable BAS, S.R.L. (1)	The Dominican Republic	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects
Eterra Grupo Ecoenergetico del caribe, S.R.L. (1)	The Dominican Republic	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects
WCGF Solar II, S.R.L. (1)	The Dominican Republic	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects
Levitals Grupo Inversor, S.L. (1)	Bilbao	49.42%	Domcmisolar 22, S.L.	Participation method	B2B 360 Projects
Dominion Global France SAS	France	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Denmark A/S (*)	Denmark	100.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Steelcon Slovakia, s.r.o.	Slovakia	100.00%	Dominion Denmark A/S	Global integration	B2B 360 Projects
Labopharma, S.L.	Madrid	80.00%	Dominion Denmark A/S	Global integration	Inactive
Dominion Global Pty. Ltd. (*)	Australia	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services
SGM Fabrication & Construction Pty. Ltd.	Australia	70.00%	Dominion Global Pty. Ltd.	Global integration	B2B Services
Global Dominion Access USA (*)	USA	100.00%	Global Dominion Access, S.A.	Global integration	Holding Company
Karrena USA Inc (previously Karrena Cooling Systems, Inc) (*)	USA	100.00%	Global Dominion Access USA	Global integration	B2B 360 Projects
Commonwealth Power (India) Private Limited	India	100.00%	Karrena USA Inc	Global integration	B2B 360 Projects
Commonwealth Constructors Inc	USA	100.00%	Global Dominion Access USA	Global integration	B2B 360 Projects
Commonwealth Dynamics Limited	Canada	100.00%	Global Dominion Access USA	Global integration	B2B 360 Projects
ICC Commonwealth Corporation (*)	USA	100.00%	Global Dominion Access USA	Global integration	B2B Services / B2B 360 Projects
Capital International Steel Works, Inc.	USA	100.00%	ICC Commonwealth Corporation	Global integration	B2B 360 Projects
International Chimney Canada Inc	Canada	100.00%	ICC Commonwealth Corporation	Global integration	B2B 360 Projects
Dominion E&C Iberia, S.A.U. (*)	Bilbao	100.00%	Global Dominion Access, S.A.	Global integration	B2B Services / B2B 360 Projects
Dominion Industry México, S.A. de C.V.	Mexico	99.99%	Dominion E&C Iberia, S.A.U.	Global integration	B2B Services
Dominion Industry de Argentina, SRL (*)	Argentina	100.00%	Dominion E&C Iberia, S.A.U.	Global integration	B2B Services / B2B 360 Projects
Biomasa Santa Rosa, SRL (1)	Argentina	100.00%	Dominion Industry de Argentina, S.R.L.	Global integration	B2B Services / B2B 360 Projects
Altac South Africa Propietary Limited	South Africa	100.00%	Dominion E&C Iberia, S.A.U.	Global integration	Inactive
Dominion Global Philippines Inc.	Philippines	100.00%	Dominion E&C Iberia, S.A.U.	Global integration	Inactive
Cri Enerbility, SRL (previously Chimneys and Refractories Intern. SRL)(*)	Italy	90.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Chimneys and Refractories Intern. SPA (in liquidation)	Chile	90.00%	Cri Enerbility, SRL (previously Chimneys and Refractories Intern. SRL)	Global integration	Inactive
Chimneys and Refractories Intern. Vietnam Co. Ltd.	Vietnam	100.00%	Cri Enerbility, SRL (previously Chimneys and Refractories Intern. SRL)	Global integration	B2B 360 Projects
Dominion Arabia Industry LLC	Saudi Arabia	98.30%	Chimneys and Refractories Intern. SRL (17%) and Global Dominion Access, S.A. (83%)	Global integration	B2B Services / B2B 360 Projects
Beroa Technology Group GmbH (*)	Germany	100.00%	Global Dominion Access, S.A.	Global integration	Holding Company
Karrena Betonanlagen und Fahrmischer GmbH (*) (in liquidation)	Germany	100.00%	Beroa Technology Group GmbH	Global integration	Inactive
Dominion Bierrum Ltd	United Kingdom	100.00%	Beroa Technology Group GmbH	Global integration	B2B 360 Projects
Dominion Novocos GmbH	Germany	100.00%	Beroa Technology Group GmbH	Global integration	B2B Services
Beroa International Co LLC	Oman	70.00%	Beroa Technology Group GmbH	Global integration	B2B Services

APPENDIX II - Shareholdings in Group companies

Name and address	Domicile	Shareholding / Effective Control	Holder company of the equity interest	Reason for consolidation	Activity Segment
Beroa Refractory & Insulation LLC	United Arab Emirates	49.00%	Beroa Technology Group GmbH	Global integration	B2B Services
Beroa Nexus Company LLC	Qatar	49.00%	Beroa Technology Group GmbH	Global integration	B2B Services
Dominion Deutschland GmbH (*)	Germany	100.00%	Beroa Technology Group GmbH	Global integration	B2B Services / B2B 360 Projects
Karrena Construction Thérmique S.A.	France	100.00%	Dominion Deutschland GmbH	Global integration	Inactive
Karrena Arabia Co.Ltd	Saudi Arabia	55.00%	Dominion Deutschland GmbH	Global integration	B2B Services
Beroa Chile Limitada (in liquidation)	Chile	99.99%	Dominion Deutschland GmbH	Global integration	Inactive
Burwitz Montageservice GmbH	Germany	100.00%	Dominion Deutschland GmbH	Global integration	B2B Services
F&S Beteiligungs GmbH	Germany	51.00%	Dominion Deutschland GmbH	Global integration	B2B Services
F&S Feuerfestbau GmbH & Co KG	Germany	50.96%	F&S Beteiligungs GmbH	Global integration	B2B Services
Beroa Abu Obaid Industrial Insulation Company Co. WLL	Bahrain	45.00%	Dominion Deutschland GmbH	Global integration	B2B Services
Dominion Polska Z.o.o.	Poland	100.00%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Bilcan Global Services S.L.U. (*)	Cantabria	100.00%	Global Dominion Access, S.A.	Global integration	Holding Company
Eurologística Directa Móvil 21 S.LU.	Cantabria	100.00%	Bilcan Global Services S.L.U.	Global integration	B2B Services
Tiendas Conexión, S.L.U.	Cantabria	100.00%	Bilcan Global Services S.L.U.	Global integration	B2B Services
Sur Conexión, S.L.U.	Cantabria	100.00%	Bilcan Global Services S.L.U.	Global integration	B2B Services
Dominion Centro de Control S.L.U.	Madrid	100.00%	Bilcan Global Services S.L.U.	Global integration	B2B Services
Miniso Lifestyle Spain, S.L.	Madrid	85.00%	Bilcan Global Services S.L.U.	Participation method	B2B Services
Connected World Services Europe, S.L. (*)	Madrid	97.66%	Global Dominion Access, S.A.	Global integration	B2C
Alterna Operador Integral, S.L. (*)	Madrid	90.17%	Connected World Services Europe, S.L.	Global integration	B2C
Butik Energia, S.L.U. previously (Dominion Comercializadora, S.L.U.)	Madrid	100.00%	Alterna Operador Integral, S.L.	Global integration	B2C
Tu comercializadora de energía luz dos tres, S.L.	Madrid	51.00%	Alterna Operador Integral, S.L.	Global integration	B2C
The Telecom Boutique, S.L.U.	Madrid	100.00%	Connected World Services Europe, S.L.	Global integration	B2C
Plataforma de Renting Tecnológico, S.L.U.	Madrid	100.00%	Connected World Services Europe, S.L.	Global integration	B2C
Butk Telco, S.L.	Madrid	100.00%	Connected World Services Europe, S.L.	Global integration	B2C
The Phone House Spain, S.L. (*)	Madrid	97.65%	Global Dominion Access, S.A.	Global integration	B2C
Netsgo Market, S.L.	Madrid	90.00%	The Phone House Spain, S.L.	Global integration	B2C
SmartHouse Spain, S.A.	Madrid	100.00%	The Phone House Spain, S.L.	Global integration	B2C
ZWIPIT, S.A.	Madrid	99.71%	Global Dominion Access, S.A.	Global integration	B2C

(*) Parent company of all investees appearing subsequently in the table
(1) Companies included in the scope of consolidation in 2022 together with their

APPENDIX III - CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2021 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS
(Thousands of EUR)

ASSETS	As of 31 December 2022	2021
NON CURRENT ASSETS		
Property, Plant and Equipment	279,280	125,286
Goodwill	357,403	302,820
Other intangible assets	45,589	50,717
Non-current financial assets	9,555	103,397
Investments accounted for using the equity method	103,675	16,658
Deferred tax assets	44,165	48,563
Other non-current assets	11,450	5,616
	851,117	**653,057**
CURRENT ASSETS		
Inventories	84,495	70,351
Trade and other receivables	248,364	228,211
Assets per contract	235,603	101,988
Other current assets	11,673	14,692
Current tax assets	38,338	25,668
Other current financial assets	54,084	15,927
Cash and cash equivalents	182,383	254,205
	854,940	**711,042**
Disposable group assets classified as held for sale	**31,571**	**-**
TOTAL ASSETS	**1,737,628**	**1,364,099**

APPENDIX III - CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2021 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (Thousands of EUR)

EQUITY AND LIABILITIES	As of 31 December 2022	2021
EQUITY		
Share capital	19,083	20,088
Own shares	(3,044)	(9,113)
Share premium	194,640	214,640
Retained earnings	114,213	141,637
Cumulative exchange differences	(31,365)	(29,731)
Net worth attributable to parent company's shareholders	**293,527**	**337,521**
Non-controlling shares	**14,746**	**48,872**
	308,273	**386,393**
NON-CURRENT LIABILITIES		
Deferred income	12	39
Non-current provisions	31,163	32,917
Long-term borrowed capital	209,212	157,117
Deferred tax liabilities	11,589	10,172
Non-current derivative financial instruments	-	131
Other non-current liabilities	91,594	60,909
	343,570	**261,285**
CURRENT LIABILITIES		
Current provisions	7,603	5,126
Short-term borrowed capital	188,280	47,127
Trade and other payables	659,559	538,600
Contract liabilities	112,863	48,300
Current tax liabilities	30,503	24,464
Current derivative financial instruments	2,341	303
Other current liabilities	61,665	52,501
	1,062,814	**716,421**
Disposable group liabilities classified as held for sale	**22,971**	-
TOTAL NET WORTH AND LIABILITIES	**1,737,628**	**1,364,099**

APPENDIX III- CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS
(Thousands of EUR)

	Financial year ending 31 December	
	2,022	**2021 (*)**
CONTINUING OPERATIONS		
OPERATING INCOME	**1,274,589**	**1,113,262**
Net revenue	1,227,468	1,100,896
Other operating income	47,121	12,366
OPERATING EXPENSES	**(1,200,039)**	**(1,045,037)**
Consumption of raw materials and secondary materials	(644,516)	(604,983)
Employee benefit expenses	(327,015)	(283,373)
Amortisations	(48,468)	(45,731)
Other operating expenses	(178,048)	(110,947)
Profit/(loss) on sale/impairment of assets	(1,576)	(394)
Other expenses	(416)	391
OPERATING PROFIT	**74,550**	**68,225**
Finance income	5,563	3,614
Finance costs	(7,846)	(16,960)
Net exchange differences	(9,999)	(7,333)
Variation in the fair value of assets and liabilities attributed to profit and loss	611	1,148
Share in net income (loss) of associates	(3,552)	4,991
PROFIT BEFORE TAX	**59,327**	**53,685**
Income tax	(12,406)	(5,076)
PROFIT ON CONTINUING OPERATIONS AFTER TAXES	**46,921**	**48,609**
LOSS ON DISCONTINUED OPERATIONS AFTER TAX	**(10,931)**	**(4,325)**
PROFIT FOR THE FINANCIAL YEAR	**35,990**	**44,284**
PROFIT/(LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**4,973**	**2,065**
PROFIT ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	**31,017**	**42,219**

(*) Figures restated

Basic and diluted earnings from continuing and discontinued activities attributable to parent company shareholders (stated in euros per share)

- Basic and diluted earnings from continuing operations	0.2699	0.2912
- Basic and diluted earnings from discontinuing operations	(0.0703)	(0.0271)

INDIVIDUAL MANAGEMENT REPORT

1. COMPANY SITUATION

1.1. ORGANISATIONAL STRUCTURE

Appendix II of the annual financial statements provide the details of the subsidiary companies of Global Dominion Access, S.A. included in the scope of consolidation of Dominion.

The Company has a transparent, effective corporate governance system oriented towards its corporate goals, which stimulates investor confidence and reconciles the interests of its stakeholders.

On the basis of prevailing legislation and in line with international best practices accepted by the markets, the system defines and limits the powers of the Group's main governing bodies (General Shareholders' Meeting, Board of Directors and Management Committee) in its By-laws and Regulations, guarantees ethical conduct by means of the Code of Conduct and regulates relations with third parties through corporate policies and internal rules.

1.2. OPERATION

The Company's core business is to help its clients improve the efficiency of their business processes, either by outsourcing them entirely, or by introducing improvements or modifying them with different technologies. As sustainability is a fundamental factor in corporate efficiency, Dominion also focuses on helping its clients become more sustainable, reducing and adapting to the effects of climate change.

The Company was created in 1999 as a technology company focused on providing added value services and solutions to specialized customers in the telecommunications industry. In this very competitive and rapidly growing environment, Global Dominion Access, S.A. was forced to adapt to growing innovation, the commoditization of technology and growingly tight margins developing an agile approximation of customer needs that allowed it to obtain positive financial results, supported by strict fiscal discipline.

The Company has grown and has known how to transfer the skills and methods, which now form part of its value proposition to other sectors, to become a global provider of multi-technology services and specialised engineering solutions in specific market segments.

As part of the process to extend its area of influence, as regards both business sectors and geographies, and in line with its strategic focus on leading the consolidation process under way in its industry, Dominion has completed more than 40 mergers and acquisitions and joint ventures in its history.

The main acquisition in 2022 was the acquisition of BAS Projects Corporation, S.L. and its subsidiaries (BAS), a company devoted to the development and operation of renewable energy projects. This agreement was entered into with Mast Investements, S.a.r.l. (Mast), which has become a minority partner in the Renewable Energies (Green) business. No significant acquisitions were made besides the aforementioned one.

The Company's business model is based on the following fundamental principles:

Digitalisation and Technological Focus

Dominion is a technological company with a clear multi-industry vocation. Nowadays, all sectors find themselves affected by the digital revolution, in some cases allowing a reduction in their production costs, whilst facilitating the creation of a more innovative offer in all of them, dividing up their clientèle more efficiently, providing better service, etc. In general, it can be affirmed that Dominion is present in all those sectors in which digitization could entail a relevant change in the way they work.

In each sector in which it is active, Dominion places special emphasis on having in-depth knowledge of the processes and technologies employed, in addition to its process digitization and redesign capacity, which allows new solutions, services and ways of doing things to be proposed. This transversal approach allows transferring the best lessons learnt between industries.

Decentralisation

As regards its team and organisational structure, Dominion focuses on flat and decentralised structures and a global model based on division and country directors.

The Division is the executive line, led by "entrepreneurial" managers, with responsibility to the contribution margin, sharing the same culture and focus on efficiency, as well as multidisciplinary training in technical, economic and people management aspects.

The core structure is small, thus avoiding expensive, inflexible organisations. The corporate services areas are clearly focused on serving the divisions and defining rules within their areas of responsibility. This team has demonstrated an excellent capacity to integrate new teams into Dominion's project, equipping them with the same culture and assuring there are mechanisms to make the most of potential for transversal processes and cross-selling (operational scalability).

Diversification

Dominion has over 1,000 clients in more than 35 countries where it is present, none of which account for more than 4.5% of its revenue.

The vast majority are leading companies in their respective industries that value the one-stop shop opportunity presented by Dominion, comprising two dimensions: geographic (same services and solutions everywhere) and multi-technology, as its teams and technology are able to optimise different services previously provided by several companies while assuring similar standards of quality and occupational safety.

This diversification is also evident in the different fields of activity and segments in which it operates.

Financial discipline

Dominion sets and drives demanding targets focused on the generation of strong cash flow, the efficient management of working capital and strict discipline with respect to CAPEX, the management of research and development (R&D+i) and organic growth.

Furthermore, it is worth highlighting that seasonality is not considered to be a critical factor in Dominion's sales. There is merely a higher concentration of industrial maintenance in the second half of the year, coinciding with August and December.

2. EVOLUTION AND RESULTS OF THE BUSINESSES

2022 has been marked by a devastating war that broke out in February, and also by inflation. Inflation has resulted in central banks implementing the most aggressive monetary policy change in the last four decades, ending a cycle of extremely low rates.

The Company constantly monitors market changes and trends that affect its customers' current and future requirements. The company’s offer reflects several trends the consolidation and acceleration of which increase its market potential.

2.1 FUNDAMENTAL FINANCIAL AND NON-FINANCIAL INDICATORS

The most relevant financial indicators of the Dominion business are as follows, expressed in thousands of EUR:

	2022	2021
Turnover	54,992	80,837
Operating profit (EBIT)	(56,741)	17,172
Profit before tax (EBT)	(71,908)	11,493
Profit (loss) for the year from continuing operations	(56,920)	14,956
Financial year result	(56,920)	14,956

The aforementioned financial indicators are generally known and accepted. The calculation has been done in accordance with generally accepted practices and no adjustment has been made to the accounting information taken into consideration and broken down directly in the Individual Annual Financial Statements.

2.2 MATTERS RELATING TO THE ENVIRONMENT AND PERSONNEL

2.2.1 THE ENVIRONMENT

This information is covered in Note 4.1 of the individual annual financial statements.

2.2.2. PERSONNEL

This information is covered in detail in Note 18 of the individual annual financial statements.

3. LIQUIDITY AND CAPITAL RESOURCES

3.1. LIQUIDITY

The prudent management of the liquidity risk entails maintaining sufficient cash and available financing through sufficient credit facilities. In this respect, the Company's strategy is to maintain through the Treasury department the necessary financing flexibility through available funding with undrawn lines of credit. Additionally, and on the basis of liquidity requirements, the Company uses liquidity financial instruments (non-recourse factoring and the sale of financial assets representing receivables, through which the risks and rewards on accounts receivable are transferred) that, in accordance with Dominion's policy, do not exceed approximately one-third of overdue trade and other receivable balances in order to maintain liquidity levels and the structure of working capital required under its business plans.

The information regarding the Company's liquidity reserve forecasts together with the development of the Net Financial Debt is provided in Note 4.1 to the individual annual financial statements.

Management monitors forecasts of liquidity needs in order to optimise cash and undrawn credit facilities.

One of the Company's strategic lines is to ensure the optimisation and maximum saturation of the resources devoted to the business. It therefore pays special attention to the net working capital invested in the business. In keeping with this and as in previous years, major efforts have been made to control and reduce the collection periods for trade and other receivables and to minimise services rendered pending invoicing. Similarly, the Company constantly optimises supplier payment terms, standardising policies and conditions throughout the Group.

As a result of the above it may be confirmed that there are no liquidity risks.

Note 14 to the Individual Annual Financial Statements provides details on current and non-current borrowings employed. The Company has a diversification policy for financial markets and, accordingly, there is no loan/ credit risk concentration with respect to balances with banks since the Group works with various institutions.

On 11 November 2016, the company entered into a syndicated loan agreement with four financial institutions, divided into two tranches (tranche A - loan - and tranche B - "revolving" credit line). This contract has been renewed six times: the first on 4 December 2017, whereby the repayment terms and the repayment rate were modified and an additional tranche A2 was added to the loan section, in US dollars; then, on 4 December 2018, the second renewal was made, in which the maturity date of tranche B was modified; thirdly, on 12 July 2019, the third renewal was signed with the revolving tranche (tranche B) amount being modified, simultaneously reducing the loan section in euros (tranche A1) by the same amount by which tranche B was extended and, likewise, the financing prices and repayment terms of all the tranches were modified again. Next, the fourth renewal was signed on 10 December 2020, extending the maturity of part of the revolving tranche (tranche B). On 8 October 2021, the fifth renewal was entered into, amending the list of guarantors and the thresholds of EBITDA, total assets and total revenues to be met in connection with the guarantor coverage ratio. Finally, on 29 July 2022, the sixth novation was entered into, extending the maturities of all tranches and transferring the equivalent of EUR 5 million from Tranche A2 to Tranche A1. The calculations of the current value of the cash flows using the new terms of each renewal discounted from the original interest rate did not vary by more than 10% from the value of the cash flow from the original liability.

Accordingly, after the series of renewals, the tranches included in the syndicated loan contract are as follows:

Tranche A1 consists of a loan of EUR 25 million to restructure the Group's non-current financial liabilities. Tranche A2 consists of a loan, in US dollars, for a total of 30.6 million USD and tranche B is a "revolving" credit line for EUR 50 million.

For tranches A1 and A2, there is no change to the amortization profile, establishing six-monthly amortizations with the first instalment in January 2024 and which entails the amortization of 10% in 2024, 15% in 2025, 22% in 2026 and 53% in 2027. For tranche B, the first maturity date is set for 29 July 2025. Notwithstanding, the above maturity date can be extended on an annual basis up to a maximum of two times, i.e. until 29 July 2026 and 29 July 2027. This extension is subject to agreement by the financial entities.

At 31 December 2022, the Company had drawn down EUR 25 million of tranche A1 (2021: EUR 19 million) and USD 30.6 million of tranche A2 which is equivalent to EUR 29.8 thousand (2021: USD 33.8 million, equivalent to EUR 30 million). No sum had been drawn from the revolving credit of tranche B at 31 December, 2022 and at 31 December 2021.

This financing bears a Euribor interest rate plus a market spread. Tranche A1 has four hedging derivative financial instruments, as indicated in the following section of this same note.

Additionally, on 18 November 2016, the Company entered into a loan agreement with the European Investment Bank (EIB) for a maximum of EUR 25 million for development funding under the "Smart Innovation" programme. At December 31, 2022 and 2021, the outstanding balance to be amortized amounted to EUR 10.7 million and EUR 14.3 million, respectively. This financing matures in December 2025 and is repayable at a rate of EUR 3.6 million per year from 2019 to 2025.

On 10 and 22 July 2020, the Group secured loans totalling EUR 50 million from the European Investment Bank (EIB) and Instituto de Crédito Oficial (ICO) - EUR 25 million each - to execute the "Smart Innovation 2" R&D&I investment project. Both loans are repayable over 10 years with a 3-year grace period and annual repayments. On 31 December, 2022, both loans had been fully drawn down (2021: EUR 13 million of the loan granted by the ICO had been drawn down while the remaining amount of the ICO and the entire loan granted by the EIB were undrawn).

On 5 May 2022, the Company incorporated a promissory note issuance programme called the "Dominion 2022 Promissory Note Programme" in the Alternative Fixed Income Securities Market (MARF), maturing in one year, with a maximum limit of EUR 100 million and with maturities for promissory note issued of up to 24 months. In financial year 2021, Global Dominion Access, S.A. maintained its promissory note programme under the same terms, for an amount of EUR 100 million. The outstanding balance at 31 December 2022, amounted to EUR 30 million, all maturing in less than 12 months. At 31 December 2021, the outstanding balance amounted to EUR 40 million. The programme serves as a way to diversify the financing of the working capital requirements of the Dominion Group and as an alternative to bank financing for this purpose.

3.2. ANALYSIS OF OFF-BALANCE SHEET CONTRACTUAL OBLIGATIONS AND OPERATIONS

The main off-balance sheet contractual obligations are described in Note 17 to the Annual Financial Statements and fundamentally relate to guarantees that are directly associated with the various business activities and operating lease rates.

4. MAIN RISKS AND UNCERTAINTIES

4.1. OPERATING RISKS

4.1.1. REGULATORY RISK

Notwithstanding the various environmental and safety regulations that affect all activities with which the Company endeavours to strictly comply, the Company's business is not generally characterised by being subject to regulations the change of which could give rise to a direct and relevant loss of business for Dominion. The changes that may affect clients and, indirectly, the Company, are adequately covered in the contracts signed and mitigated by the Company's broad diversification in terms of industries and countries.

Furthermore, and also in the regulatory area, the Company is aware of the need to properly protect its clients and employees' personal data. Throughout 2022, it has continued its cyclical review process of its activities, assisted by external experts.

4.1.2. OPERATIONAL RISK

As explained in point 3 of the "Statement of Non-Financial Information", the Company draws up a list of risks. This is constantly kept up to date and is used to identify all the company's tolerance levels and mitigation and elimination goals, assigning responsibilities and closely monitoring them. All the factors described in this section form a part of the Company's risk management system.

Section E of the Annual Corporate Governance Report expands on the information regarding the risk management system.

Among the strategic risks, it should be noted that tax risk, corruption-related risks, anti-competitive practices and money-laundering risks, risks related to respect for human rights and also those arising from climate change are analysed, considering both the impact they may have on the Company's activities and the impact these activities have on the environment and the various stakeholders Environmental and social sustainability risks, including those related to occupational safety, are covered at length in the "Non-Financial Information Statement".

From an operational perspective, the very limited existence of the Company in production transformation processes means that the main risks lie in potential project management inadequacies, whether these be financial, technical or time-related.

The Company attempts to minimise these risks by ensuring the quality and integrity of its processes, certifying and maintaining them under continuous review, adequately training its teams both technically and in project management and, fundamentally, supporting its activity in platforms in which business knowledge and management control resides.

4.1.3. CUSTOMER CONCENTRATION

The Company has a broad customer base, the majority of which are leaders in their respective sectors, showing great diversification in terms of geographical location and sector. For this reason, Note 9 of the Annual Financial Statement explains that there is no credit risk concentration with regard to trade accounts receivable.

4.2. FINANCIAL RISK

The Company's activities are exposed to a variety of financial risks: Market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk, climate change risk and other circumstantial risks. The global risk management programme of the Company and of the Group it belongs to focuses on the uncertainty in financial markets, and attempts to minimise potential adverse effects on financial profitability. The Company uses derivative financial instruments to hedge certain risk exposures.

While international market trends have affected market confidence and consumer spending patterns, the Company is still in good standing to increase ordinary income by means of ongoing innovation and the purchase and sale transactions it has entered into. The Company has reviewed their exposure to climate-related risks and other emerging corporate risks, but did not detect any risks that might affect its financial standing or performance at 31 December, 2022. The company has sufficient margins to meet its current financial debt covenants and sufficient working capital and undrawn credit facilities to cover its ongoing operating and investment operations.

a) Market risk

i) *Exchange rate risk*

The Company operates on a national and international scale and is therefore exposed to exchange rate risk in currency operations. Exchange rate risk arises from future transactions, recognised assets and liabilities, and net investments in foreign operations.

Therefore, the presence of the Company on the international market requires that the Management arrange an exchange rate risk management policy. The basic goal is to reduce the negative impact on operations in general and on the income statement in particular of the variation in interest rates such that it is possible to protect against adverse movements and, if appropriate, leverage favourable development.

In order to arrange such a policy, the Management applies the Management Scope concept. This concept encompasses all those flows for collection / payment in a currency other than the euro, which will arise over a specific time period. The Management Scope includes assets and liabilities denominated in foreign currency and firm or highly probable commitments for purchases or sales in a currency other than the euro. Assets and liabilities in foreign currency are subject to management, irrespective of timing scope, while firm commitments for purchases or sales that form part of the management scope will be subject to the same if their forecast inclusion in the balance sheet takes place in not more than 18 months.

Following the definition of Management Scope, in order to manage risks the Management uses a series of financial instruments that in some cases permit a certain degree of flexibility. These instruments will basically be as follows:

- Forward currency purchases/ sales: An exchange rate known at a specific date is fixed which may, moreover, be subject to timing adjustments in order to adapt and apply it to cash flow.
- Other instruments: Other hedging derivatives may also be used, the arrangement of which will require specific approval by the relevant management body. This body will have to be informed beforehand as to whether or not it complies with the necessary requirements to be regarded as a hedging instrument, therefore qualifying for the application of the rule on hedge accounting.

The Group protects against loss of value as a result of movements in the exchange rates other than the euro in which its investments in foreign operations are denominated by similarly denominating, to the extent possible, its borrowings in the currency of the countries of these operations if the market is sufficiently deep or in a strong currency such as the dollar, insofar as dollar correlation to the local currency is significantly higher than that of the euro. Correlation, estimated cost and depth of the debt and derivative market determine the policy in each country.

The Company has several investments in foreign operations, whose net assets are denominated in the local currency and are exposed to foreign currency risks. The exchange risk on the net assets of these foreign operations is mainly managed through natural hedges achieved by borrowings (loans) in the corresponding foreign currency.

The exposure on the rest of the assets in other foreign currencies in respect of operations in countries outside the Eurozone is basically mitigated by borrowings in these currencies.

ii) *Price risk*

The Company generally has zero exposure to equity instrument price risk because it has no investments of this kind held and/or classified in the balance sheet for 2022 as fair value with changes in profit/loss or fair value with changes in other comprehensive profit/loss.

iii) *Cash flow and fair value interest rate risk*

The Company's exposure to interest rate risk is from long and short-term external funds that have an interest rate tied to the Euribor plus a differential.

The Company analyses its exposure to interest rate risk dynamically and manages interest rate risk on cash flows through interest rate swaps when management considers it appropriate. There are no significant interest rate swap contracts at year-end 2022 and 2021.

Sensitivity to the interest rates included in the annual financial statements is limited to the direct effect of changes in interest rates applied to financial instruments subject to recognized interest in the balance sheet. It is worth considering that the financial borrowing in the Company in 2022 and 2021 is agreed to fixed interest rates or interest rate swaps. The sensitivity of the profit and loss account to a variation of one percentage point in interest rates (considering hedging derivative financial instruments) will not have a significant effect, considering its impact on financial borrowings linked to variable interest rates. In addition, the Group's net financial debt amounts to over EUR 163 million which combined with an increase in market interest rates would entail a rise, albeit moderate, of the profitability of the financial investments contracted. This profitability will partially offset the negative impact of a higher financial cost.

b) Credit risk

Credit risks are managed by customer groups. The credit risk deriving from cash and cash equivalents, financial instruments and bank deposits is considered to be non relevant in view of the credit standing of the banks with which the Company operates. In one-off circumstances due to specific liquidity risks involving these financial institutions all necessary provisions are recognized to cover those risks.

Furthermore, the Company maintains specific policies for the management of this customer credit risk, taking into account their financial position, past experience and other factors. It should be noted that a significant part of its customers consists of companies with high credit ratings or official entities.

c) Liquidity risk

Prudent liquidity risk management entails having sufficient cash and tradeable securities, ensuring the availability of financing through a sufficient amount of committed credit facilities and having the capacity to settle market positions. Due to the dynamic nature of underlying businesses, the Company's Finance Department aims to maintain financing flexibility by making available committed credit and discounting lines.

Management follows up the Company's liquidity reserve forecasts together with the Net Financial Debt, which at 31 December 2022 and 2021 is calculated as follows:

(Thousands of EUR)

	2022	2021
Liquidity reserve		
Current receivables with group and associate companies	115,220	67,388
Loans to third parties	29,256	2,868
Cash and other cash equivalents	41,499	82,191
Undrawn borrowing facilities	146,500	163,500
	332,475	**315,947**
Liabilities with credit institutions.	205,934	186,539
Group received loans	232,488	215,677
Liquidity reserve (not including unused credit facilities)	(185,975)	(152,447)
Net financial debt (*)	**252,447**	**249,769**
Bank borrowings and group loans in the long-term	(153,664)	(148,859)
Net current financial debt	**98,783**	**100,910**

(*) The net financial debt calculation does not include financial liabilities primarily relating to the deferred prices for the acquisition of Bygging India Limited in 2019 and Dominion Energy, S.L. in 2026, which amounted to EUR 8.3 million and EUR 3.1 million, respectively.

The Company has EUR 252 million in net financial debt. Management considers that the existing liquidity and credit facilities not utilised at 31 December 2022 are sufficient to meet the Company's liquidity needs. Combined with efficient management of funds and the focus on improving business profitability, this will allow borrowings to be serviced and shareholder return expectations to be fulfilled.

Although the magnitude of working capital taken into consideration in an isolated manner is not a key parameter for understanding the Company's financial statements, it actively manages working capital through net operating capital and net current and non-current financial debt, based on the solidity, quality and stability of relationships with its customers and suppliers, as well as the exhaustive monitoring of its situation with financial institutions the loans of which are automatically renewed in many cases. The management also pays special attention to the optimisation and maximum saturation of the resources devoted to the business. It therefore pays special attention to the net working capital invested in the business. In keeping with this, major efforts have been made to control and reduce the collection periods for trade and other receivables.

One of the Company’s strategic lines is to ensure the optimisation and maximum saturation of the resources devoted to the business. It therefore pays special attention to the net working capital invested in the business.

d) Climate Change Risk

The current situation means that climate change risk is not only an exercise in compliance but also a priority that must be incorporated as a fundamental basis of the strategic decisions of companies, representing a growing risk for activities, but also an opening to new opportunities. For this reason, companies are obliged to analyse the implications of the risks emerging from climate change and to consider the impact that it could have with regard to the financial information presented, as well as on the investment process, regulations and information dissemination.

As we made clear in the financial statements for FY 2021, the Board of Directors of the Company, through two committees: the Audit and Compliance Committee and the Sustainability Committee, exercises its supervisory and monitoring role in relation to sustainability and the non-financial information provided by the Group. Within the framework of this task, these Committees approved the Sustainability Strategy with a significant aspect being the present reflections made by the Group with regard to the risks and opportunities resulting from climate change. This strategy is monitored and reviewed on an ongoing basis.

Insofar as the Company's mission is to help its customers, with its services and solutions, to becoming more efficient, and with sustainability clearly becoming increasingly relevant in the pursuit of achieving this efficiency, the Company's risks and opportunities are closely related to the requirements of and measures taken by its customers.

Accordingly, given the Company's limited exposure to raw materials or intermediate products, to the sale of finished products involving complex processing, or to energy or water-intensive manufacturing facilities, or facilities with high pollutant gas emissions, no significant transitional risks are identified as a result of restriction policies, or legislative, technological, market or reputational risks, besides the clear need to adapt to the expectations of the stakeholders involved and, in particular, to those of our customers.

In contrast, opportunities are identified, in the short, medium and long term, that arise from customers' ability to adapt to these changes (resource efficiency, green services, climate resilience), as well as in new sectors or areas of activity that are making headway as a result of increased awareness of climate change implications (renewable energy generation and support for countries in the adaptation stages). The effects of these opportunities will mainly affect income and expenses and, to a lesser extent, investment in assets that may be required in order to carry out new activities.

The Company's Sustainability Strategy has been designed around three pillars: being, doing and communicating.

In the case of "being", the Company assumes the fact that it is increasingly important for its customers to have suppliers who are committed to sustainability when assessing their effects and taking measures to reduce them. For this reason, the Company is continuing with its commitment to be an increasingly more sustainable company in all aspects: respect for the environment; respect for its employees with regard to promoting diversity; promote talent and ensure adequate levels of occupational safety; respect for its governance and management policies, adapting to professional ethics; and respect for the supply chain used by the businesses performed within the Company and as a supply chain for our customers.

In the case of "doing", the Company focuses on opportunities to consolidate and expand its existing sustainability offer for its customers. Accordingly, it has set the goal of redesigning its offer, in all segments of its business activity, to meet these new requirements, whilst also creating new opportunities for different activities where it foresees increased interest in the forthcoming years.

Finally, in terms of "communicating", the Company is committed to providing increasingly greater visibility to its impacts and efforts in this area, among other means, through ESG Sustainability rankings, such as CDP (Carbon Disclosure Project), Ecovadis, MSCI or S&P Global, among others.

Accordingly, the assessment carried out by Management has determined that the possible effects could arise in the following areas:

- Non-financial assets: Company Management has assessed the potential shorter useful economic lives of existing assets, e.g. due to regulatory changes calling for new production technologies. Climate-related issues may result in evidence of an asset (or a group of assets) being impaired. For example, a regulatory change that phases out the use of certain facilities.

- Costs: a possible impact on production and distribution costs has been assessed as a result of increased input costs (e.g. water, energy, supply chain or transportation costs) or increases in insurance premiums in high-risk locations.

- Others: Potential climate-related effects applicable to significant assumptions regarding future business plans and cash flows and the data used to perform accounting estimates have been assessed.

Based on the assessments carried out and current information, no material effects on the Group's consolidated financial statements have been identified that have not been considered.

c) Other Circumstantial Risks:

The Effect of the Covid-19 Pandemic:

The global pandemic that started in 2020, causing devastating health, economic and social repercussions, continued in 2022, albeit in a different way and with a far lower impact thanks to the increasing vaccination and the decreasing incidence of the virus itself.

The economy in general has been affected by these circumstances. However, despite this, the year was marked by a clear economic upturn, although it is important to clarify that this recovery was unequal. In the case of the Company, these collateral effects of the pandemic have not had a significant adverse effect on business recovery. During 2021, the Group returned to pre-pandemic levels and this trend has been maintained in 2022.

War in Ukraine:

The war in Ukraine broke out (24 February 2022), creating a complex geopolitical situation in Eastern Europe. The duration of this war, which is affecting global financial stability, is currently unpredictable. The war is taking its toll on the world economy with increases in the price of raw materials and energy, triggering major problems in the supply chains of many businesses, as well as other potential effects that may occur, depending on how this situation evolves.

After analysing and assessing the direct impact that this conflict could have on the continuity of the Company's business, there are no foreseeable liquidity or market risks for the Company that cannot be covered with the current existing situation. Notwithstanding this, there are a series of indirect impacts such as a broad-based rise in prices and a shortage of raw materials which, although it is not easy to measure their consequences, it can be said that they will have no significant effect on the Company's business margins in the short term.

5. SIGNIFICANT EVENTS FOLLOWING YEAR-END

From 31 December 2022 to the date these individual annual financial statements were drawn up, no significant subsequent events occurred.

6. INFORMATION REGARDING THE ORGANISATION'S FORESEEABLE EVOLUTION

The Company strives to achieve its business goals by strategically combining organic growth, a policy of mergers and acquisitions and increasing the profitability of its activities.

The Company currently has a 2019-2023 Strategic Plan in place designed to grow to double its net income in the time frame of this Plan and allocate a dividend to its shareholders that is equivalent to one third of its net income. It also plans to continue its leading role in the sector's concentration process in the various sectors is operates in.

A new Strategic Plan is currently being developed to include the new activities acquired in financial year 2022, as well as for sustainability, a key aspect of the Strategic Plan, whereby the solutions provided help our clients progress towards a more efficient and sustainable world. The current annual financial statement have been drawn up following the current strategy at 31 December 2022, the 2019-2023 Strategic Plan.

These goals call for a strong balance sheet as well as a strong financial standing to give the company an advantage when bidding for large-scale projects or when taking over companies.

To implement this Plan, the Company will focus its efforts on five main aspects and a specific strategy to develop sustainability as a key element in defining the type of company that it wants to be:

- Differential Value Proposals
- Positioning
- Diversification
- Digitisation
- Organisation

7. R&D&I ACTIVITIES

Innovation is a strategic activity for the Company's activities and a key element for its strength and market consolidation. The concept of technological dynamism, the ability of the team to be permanently up-to-date in technological innovation and competitive intelligence, is closely related to its capacity to take part in R&D&I projects, to compare new ideas and designs.

In order to maintain an adequate level of technological dynamism, so as to bring efficiency to internal and external customers alike, a number of teams at the Company are taking part in R&D&i projects, organised around research lines, guided by a corporate team in order to achieve innovative products and services in the future.

The main lines of research in 2022 were Smart Industry, Energy and networks, environmental services (automation of cleaning, waste management, recycling, etc.), logistics and management of fleets, Smart House, Artificial Vision applied to various water management sectors, e-commerce and Fintech. R&D&I projects are developed based on Dominion’s own knowledge, technological progress, our skills in industrial research, development capacity and collaboration with universities, reputable technological centres and other companies that are leaders in their respective industries.

8. ACQUISITIONS AND DISPOSALS OF TREASURY STOCKS

At 31 December 2022, the company held a total number of 888,464 shares representing 0.58% of the share capital at that date (2021: 1,973,720 shares representing 1.23%), whose book value on the said date amounted to EUR 3,044 thousand (2021: EUR 9,113 thousand). In fiscal year 2022, 6,949,833 own shares were acquired (2021: 5,275,165 own shares).

Pursuant to the mandate conferred by the General Shareholders' Meeting held on 10 May 2022, whereby the Company's Board of Directors is empowered to acquire, at any time and as many times as is deemed appropriate, shares in Global Dominion Access, S.A., through any legal means, including a charge to profits for the year and/or to unrestricted reserves, and to subsequently sell or redeem such shares, in accordance with Article 146 and 509 and concordant articles of the Spanish Companies Act. This mandate is valid for a period of 5 years; i.e. until 10 May 2027. This agreement supersedes the previous one adopted by the General Shareholders' Assembly on 13 April, 2021.

Pursuant to this authorisation, on 2 November 2022 the Board of Directors announced its agreement to implement the third scheme to buy its own shares back to reduce the Company's share capital through the amortization of its own shares, thereby contributing to the shareholder remuneration policy by increasing the profit per share, running for a maximum term of two years. The limit established in this scheme is 1% of the share capital, which corresponds to a maximum of 1,526,667 shares for a maximum cash amount of EUR 7.25 million. The scheme will run for six months from the publication date of the agreement; however, the Company reserves the right to terminate the buyback scheme if, before the end of the scheme, it has acquired shares for a purchase price that amounts to the maximum cash amount or the maximum number of shares that is permitted, or if any other situation arises whereby it is advisable to do so.

The previous scheme, which was published on 27 October 2021 was also in force during the financial year and ended on 21 October 2022, with the established limit of 5% of the share capital having been reached. The shares acquired under this programme were amortised in financial year 2022.

9. MEAN SUPPLIER PAYMENT PERIOD

The breakdown of the average term of Spanish trade payables settlement during 2022 in relation to the legally-permitted payment terms stipulated in Spanish Law 18/2022 of 28 of September, which amends the provisions in the previous Law on the average payment period, is as follows (days and thousands of euros):

	Days 2022	Days 2021
Mean supplier payment period	97	107
Ratio of transactions settled	96	100
Ratio of transactions not yet settled	120	120

	Thousands of euros (2022)	Thousands of euros (2021)
Total transactions settled	15,058	7,693
Total transactions not yet settled	5,530	4,774
Monetary volume	15,058	
Invoices paid for periods shorted than the maximum period set out by regulations	1,282	
% of the total number of invoices	66%	
% of the monetary total of payments to suppliers	51%	

In 2022 and 2021, the mean supplier payment period for suppliers operating in Spain was calculated based on the criteria established in the single additional provision of the Resolution of 29 January 2016 of the Spanish Institute of Accounting and Accounts Auditing, amounting in 97 days (107 days in 2021).

Although the Company exceeded the domestic supplier deadline set out in Law 15/2010, the Group has implemented a series of measures essentially focused on identifying any deviations by regularly monitoring and analysing accounts payable to suppliers, reviewing and improving internal supplier management procedures, as well as complying with and, where applicable, updating the conditions established in commercial transactions subject to applicable regulations.

The payments to suppliers during financial year 2022 that have exceeded the legal deadline are derived from circumstances outside the established policy payments, among which are mainly: delay in issuing invoices (legal obligation of the supplier), closing agreements with suppliers for the delivery of goods or the provision of services, or timely processing operations.

10. OTHER RELEVANT INFORMATION

10.1. STOCK MARKET INFORMATION

A year marked by the volatility and inflation.

2022 has been a complicated year for the markets, marked by volatility across all types of assets. Uncertainty, which remained throughout the year, influenced investment decisions and led Dominion's shares to follow a downward trend until the end of the year This pattern was in line with the IBEX 35 benchmark index, particularly in the second half of the year.

At 31 December 2022, Dominion shares were listed at EUR 3.58, which translates into a market capitalisation of EUR 547,310 thousand.

10.2. DIVIDEND POLICY

The 2019-2023 Strategy Plan introduced in May 2019 includes dividend distribution as one of its strategic goals.

To this regard, the distribution of one-third of the ordinary income of the parent company's unrestricted reserves to shareholders will be submitted for approval at the Annual General Meeting.

11. ANNUAL CORPORATE GOVERNANCE REPORT

The path to the Annual Governance Report drawn up by Global Dominion Access, S.A. for financial year 2022 and published on the CNMV is provided below.

See:
http://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=1&nif=A95034856

12. ANNUAL REPORT ON BOARD MEMBER REMUNERATION

The path to the Annual Board Member Remuneration Report drawn up by Global Dominion Access, S.A. for financial year 2022 and published on the CNMV is provided below.

See:
http://www.cnmv.es/portal/Consultas/EE/InformacionGobCorp.aspx?TipoInforme=6&nif=A95034856

DRAFTING OF THE ANNUAL FINANCIAL STATEMENTS AND MANAGEMENT REPORT FOR FINANCIAL YEAR 2022

In compliance with Article 253 of the current Spanish Companies Act the Board of Directors of GLOBAL DOMINION ACCESS, S.A., hereby prepares the Annual Financial Statements and Directors' Report for the 2022 year-end.

Also, the members of the Board of Directors of the Company declare that, to the best of their knowledge, the annual financial statements prepared in accordance with applicable accounting principles present fairly the financial position and results of the issuer and that the Directors' Report includes a fair analysis of the performance and results of the businesses, together with a description of the principal risks and uncertainties which they face.

For all pertinent purposes and as an introduction to the aforementioned accounts and report, they hereby sign this document:

In Bilbao, on 22 February 2023

SIGNATORIES

Mr **Antón Pradera Jaúregui**
(Chair)

Mr **José Ramón Berecibar Mendizabal**
(Non-board Secretary)

Mr **Mikel Felix Barandiaran Landin**
(CEO)

Mr. **Juan María Riberas Mera**
(Voting member)

Mr **Jesús María Herrera Barandiaran**
(Voting member)

Ms. **Arantza Estefania Larrañaga**
(Voting member)

Mr. **Jorge Álvarez Aguirre**
(Voting member)

Mr. **Francisco Javier Domingo de Paz**
(Voting member)

Mr. **Juan Tomás Hernani Burzaco**
(Voting member)

Mr. **Jose María Bergareche Busquet**
(Voting member)

Ms. **Amaya Gorostiza Tellería**
(Voting member)

GLOBAL DOMINION ACCESS, S.A.

Ms. **Paula Zalduegui Egaña**
(Voting member)

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Independent auditor's report on the annual accounts

To the shareholders of Global Dominion Access, S.A.

Report on the annual accounts

Opinion

We have audited the annual accounts of Global Dominion Access, S.A. (the Company), which comprise the balance sheet as at 31 December 2022, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2022, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2.1 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Key audit matters

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

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Key audit matter	How our audit addressed the key audit matter
Recovery of investments in subsidiaries and associates Long-term investment in subsidiaries and associates represent a significant percentage of the Company's assets (notes 8 and 9 of the annual accounts). The value of equity instruments and loans granted to subsidiaries and associates in the long and short-term amounts to €389,2, €91,1 and €115,2 thousand, respectively, at 31 December 2022. By the end of the financial year, the valuation corrections shall be performed whenever there is objective evidence that the book value of this investment cannot be recovered (note 3.5 of the annual report). The determination of the recoverable amount of these investments is primarily based on discounted future cash flow models which estimation requires relevant judgments and estimates, including, among others, expectations of revenues, EBITDA over sales, projected growth rates and discount rates. Details of the main assumptions made, and the results of impairment tests carried out by management are provided in note 2.2 to the notes to the annual accounts. This matter is key as it involves the management making critical judgements and significant estimates regarding key assumptions used, which are subject to uncertainty, and the fact that significant future variations in these assumptions could have a significant impact on the annual accounts.	Our auditing procedures included, among others, the following: • Understanding the internal process and relevant controls that are in place to analyse recovery of investments in subsidiaries and associates. • Assessing the suitability of the valuation models used, verifying that they are based on the plans and budgets that have been approved by management, and validating the key assumptions used by comparing them with available comparable data (historical results). • With regards to discount rates, working with our valuation experts, verifying that the method used to estimate them is suitable, and that the value of these rates lies within a reasonable range. • Verifying the mathematical accuracy of the models prepared by management and comparing the calculated recoverable amount with the net book value of the assets. • Verifying the breakdowns included in the annual accounts pursuant to applicable regulations. Based on our analyses and tests, we consider that the management's approach and conclusions, as well as the information disclosed in the annual accounts, are consistent with the evidence obtained.

Other information: Management report

Other information comprises only the management report for the 2022 financial year, the formulation of which is the responsibility of the Company's directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to:

a) Only checking that the non-financial information statement, as well as specific information included in the Annual Corporate Governance Report and the Annual Report on Board Member Remuneration, relating to the Accounts Auditing Act, have been provided in the manner specified in the applicable standards and, otherwise, consists in obtaining the information to this regard

b) Evaluate and report on the consistency between the rest of the information included in the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, as well as to evaluate and report on whether the content and presentation of this part of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described above, we have verified that the information mentioned in section a) above has been provided in the manner required by applicable legislation and that the rest of the information contained in the management report is consistent with that contained in the annual accounts for the 2022 financial year, and its content and presentation are in accordance with applicable regulations.

Responsibility of the directors and the audit and compliance committee for the annual accounts

The directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the aforementioned directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

The audit and compliance committee is responsible for overseeing the process of preparation and presentation of the annual accounts.

Auditor’s responsibilities for the audit of the annual accounts

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

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

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the entity's audit and compliance committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the aforementioned those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the entity’s audit and compliance committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters.

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

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of Global Dominion Access, S.A. for the 2022 financial year that comprises an XHTML file of the annual accounts for the financial year, which will form part of the annual financial report.

The directors of Global Dominion Access, S.A. are responsible for presenting the annual financial report for 2022 financial year in accordance with the formatting requirements established in the Delegated Regulation (EU) 2019/815 of 17 December 2018 of the European Commission (hereinafter the ESEF Regulation). In this regard, the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration have been incorporated by reference in the management report.

Our responsibility is to examine the digital file prepared by the Company's directors, in accordance with legislation governing the audit practice in Spain. This legislation requires that we plan and execute our audit procedures in order to verify whether the content of the annual accounts included in the aforementioned file completely agrees with that of the annual accounts that we have audited, and whether the format of these accounts has been affected, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital file examined completely agrees with the audited annual accounts, and these are presented, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Report to the audit and compliance committee

The opinion expressed in this report is consistent with the content of our additional report to the audit and compliance committee of the Company dated 23 February 2023.

Appointment period

The General Ordinary Shareholders' Meeting held on 10 May 2022 appointed us as auditors for a period of one year, for the year ended 31 December 2022.

Previously, we were appointed by resolution of the General Ordinary Shareholders' Meeting for an initial period and we have been auditing the accounts continuously since the year ended 31 December 1999.

Services provided

Services provided to the audited entity for services other than the audit of the accounts are disclosed in note 29 to the annual accounts.

In relation to the services provided to the subsidiary companies of the Company for services other than the audit of the accounts, refer to the audit report dated 23 February 2023 on the consolidated annual accounts of Global Dominion Access, S.A. and its subsidiaries, where these subsidiaries have been consolidated.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Antonio Velasco Dañobeitia (22286)

February 23, 2023