Global Dominion Access, S.A.

Audit Report,
Annual Accounts at 31 December 2020
and Management Report for 2020

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 December 31, 2020, 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 December 31, 2020, 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.

Key audit matter	How our audit addressed the key audit matter
Recovery of investments in group companies and associates Investments in group companies and associates represent a substantial part of its assets (as indicated in notes 8, 9 and 27 of the accompanying notes to the financial statements) The amounts of equity instruments and long-term and short-term loans granted to group and associated companies at the end of 2020 amounted to 361,958 thousand euros, 78,090 thousand euros and 112,907 thousand euros, respectively. As indicated in note 3.4 to the accompanying financial statements, management assesses annually whether there are indications of impairment, and determines the recoverable amount of the investments recorded in the balance sheet. The determination of the recoverable amount of these investments is based primarily on the estimation of the value of future cash flows. These forecasts require relevant judgments and estimates by management, including, among others, expectations of revenues, EBITDA over sales, projected growth rates, estimated discount rates for the calculation of the present value of cash flows, etc. The most significant assumptions applied by the Company in its analysis are summarized in note 2.3 of the accompanying notes to the financial statements. Deviations in these ratios and their estimates determine significant variations in the performed calculations and, therefore, in the analysis of the recovery of investments in group and associated companies. Due to the relevance of the judgments and estimates made by management, the analysis of this area is a key audit matter of our audit.	First of all, we have proceeded to understand the Company´s process in evaluating the valuation of investments, as well as the analysis of their recovery and the impairment test performed by management, verifying that the criteria used in performing these tests are consistent with the established in the applicable regulatory framework. Regarding the estimated cash flows we have verified the calculations performed, we have compared the projected annual cash flows of the corresponding group companies, which are based on the plans and budgets approved by the Group´s management, with those actually achieved, and we have analysed the key assumptions used to determine the expected growth rates and EBIDTA on sales, contrasting them with available comparable (historical results and industry margins) and analysing, if appropriate, their reasonableness with available contracts or agreements with third parties. In the case of the discount rates applied, these have been evaluated with the collaboration of our team of experts. As a result of our analysis and tests, we consider that management´s conclusions on the non-existence of impairment of investments, the estimates made and the information disclosed in the financial statements are adequately supported and are consistent with the information currently available.

Other information: Management Report

Other information comprises only the management report for the 2020 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) Verify only that the certain information included in the Annual Corporate Governance Report, as referred to in the Auditing Act has been provided in the manner required by applicable legislation and, if not, we are obliged to disclose that fact.

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 2020 financial year, and its content and presentation are in accordance with applicable regulations.

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

The Company´s directors are responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of Global Dominion Access, S.A., in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the 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 Company´s 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 have no realistic alternative but to do so.

The audit 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 Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company´s 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 Company´s audit 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 Company´s audit committee with a statement that we have complied with relevant ethical requirements, including those relating to independence, and we communicate with the audit committee those matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Company´s audit 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 2020 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 2020 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).

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 committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's audit committee dated February 23, 2021.

Appointment period

The General Ordinary Shareholders' Meeting held on May 6, 2020 appointed PricewaterhouseCoopers Auditores, S.L. as auditors for a period of 1 year for the year ended December 31, 2020.

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

Services provided

Services provided to the Company and its subsidiaries for services other than the audit of the accounts are detailed in Note 30 to the annual accounts.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Original in Spanish signed by Jose Antonio Simón Maestro (15886)

February 23, 2021

GLOBAL DOMINION ACCESS, S.A.

Annual Financial Statements
31 December 2020

GLOBAL DOMINION ACCESS, S.A.

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GLOBAL DOMINION ACCESS, S.A.

BALANCE SHEET AT THE END OF THE 2020 FINANCIAL YEAR
(In thousands of euros)

ASSETS	Note	As of 31 December 2020	2019
NON CURRENT ASSETS			
Intangible fixed assets	5	24,379	49
Property, Plant and Equipment	6	568	1
Long-term investment in group companies and associate companies	7 and 8	440,048	399,840
Long-term financial investments.	7 and 9	689	2,138
Deferred tax assets	16	18,394	16,927
		484,078	**418,955**
CURRENT ASSETS			
Inventories		87	-
Trade debts and other receivables	7 and 9	77,915	11,702
Short-term investment in group companies and associated enterprises	7, 8 and 9	112,907	185,993
Short-term financial investments	7 and 9	1,573	23,070
Cash and other cash equivalents	10	70,458	16,858
		262,940	**237,623**
TOTAL ASSETS		**747,018**	**656,578**

GLOBAL DOMINION ACCESS, S.A.

BALANCE SHEET AT THE END OF THE 2020 FINANCIAL YEAR
(In thousands of euros)

EQUITY AND LIABILITIES	Note	As of 31 December 2020	As of 31 December 2019
SHAREHOLDERS' EQUITY			
Share capital	11	21,187	21,187
Share premium	11	214,640	289,065
Reserves	12	16,011	47,939
Treasury stock or shares	11	(17,980)	(1,021)
Retained Profit / Loss.		-	(74,425)
Translation differences		(99)	(16)
Profit (Loss) of the financial year	13	5,064	1,516
SHAREHOLDERS' EQUITY		**238,823**	**284,245**
NON CURRENT LIABILITIES			
Long-term provisions	23	5,755	-
Long-term debts	14 and 15	169,996	89,224
Long-term debts with group companies and associate companies	15 and 27	11,953	-
Deferred tax liabilities	16	1,709	-
		189,413	**89,224**
CURRENT LIABILITIES			
Short-term debts	14 and 15	34,641	14,840
Short-term debts with group companies and associate companies	14, 15 and 27	225,860	262,312
Trade and other payables	15	58,281	5,957
		318,782	**283,109**
TOTAL NET WORTH AND LIABILITIES		**747,018**	**656,578**

GLOBAL DOMINION ACCESS, S.A.

PROFIT AND LOSS ACCOUNT CORRESPONDING TO THE YEAR ENDING 31 December 2020
(Stated in EUR thousands)

	Note	Year ended on 31 December	
		2020	**2019**
CONTINUING OPERATIONS			
Revenue	**17**	**70,998**	**20,114**
Provisions	**17**	**(37,078)**	**(52)**
Other operating income	**17**	**11,375**	**-**
Staff costs	**17**	**(13,098)**	**(3,697)**
Other operating expenses	**17**	**(10,119)**	**(1,718)**
External services		(9,879)	(1,429)
Taxes		(240)	(289)
D&A	**5 and 6**	**(8,043)**	**(108)**
Allocation of non-financial assets subsidies and others		**238**	**-**
Impairment and profit or loss on disposal of investments in group and associate companies	**8**	**(6,375)**	**(8,048)**
OPERATING PROFIT (LOSS)		**7,898**	**6,491**
FINANCIAL PROFIT (LOSS)	**19**	**2,002**	**(7,181)**
PROFIT (LOSS) BEFORE TAX	**18**	**9,900**	**(690)**
Income tax	18	(4,825)	3,443
PROFIT (LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS		**5,075**	**2,753**
DISCONTINUED OPERATIONS			
Financial year profit (loss) from uninterrupted operations net of tax	**28**	**(11)**	**(1,237)**
PROFIT (LOSS) FOR THE YEAR		**5,064**	**1,516**

GLOBAL DOMINION ACCESS, S.A.

STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2020

A) STATEMENT OF ACKNOWLEDGED INCOME AND EXPENDITURE FOR THE FINANCIAL YEAR ENDING 31 DECEMBER 2020. (In thousands of euros)

	Note	Year ended on 31 December 2020	2019
Balance of the profit and loss account from continuing operations		**5,075**	**2,753**
Balance of the profit and loss account from discontinued operations		**(11)**	**(1,237)**
Income and expenses recognised directly in net worth			
Arising from valuation of financial instruments.		(38)	(15)
Translation differences		(83)	(10)
Total income and expenses recognised directly in net worth		**(121)**	**(25)**
TOTAL RECOGNISED INCOME AND EXPENDITURE		**4,943**	**1,491**
TOTAL RECOGNISED INCOME AND EXPENDITURE FROM CONTINUED OPERATIONS		**4,954**	**2,728**
TOTAL RECOGNISED INCOME AND EXPENDITURE FROM DISCONTINUED OPERATIONS	28	**(11)**	**(1,237)**

B) TOTAL STATEMENT OF CHANGES IN NET EQUITY CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2020 (In thousands of euros)

	Subscribed capital (Note 11).	Share Premium (Note 11)	Reserves (Note 12)	Treasury stock or shares (Note 11)	Results from previous financial years (Note 12)	Results from the financial year (Note 13)	Translation differences	Total
Opening balance 2019	**21,187**	**289,065**	**35,357**	**(1,041)**	**(63,562)**	**(10,863)**	**(6)**	**270,137**
Total recognised income and expense	-	-	(15)	-	-	1,516	(10)	1,491
Restructuring transactions (Note 6)	-	-	12,525	-	-	-	-	12,525
Operations with treasury shares	-	-	53	20	-	-	-	73
Other movements	-	-	19	-	-	-	-	19
Distribution of Profit and Loss 2018	-	-	-	-	(10,863)	10,863	-	-
Final balance 2019	**21,187**	**289,065**	**47,939**	**(1,021)**	**(74,425)**	**1,516**	**(16)**	**284,245**
Total recognised income and expense	-	-	(38)	-	-	5,064	(83)	4,943
Distribution of dividends	-	-	(10,844)	-	-	-	-	(10,844)
Operations with treasury shares	-	-	-	(16,959)	-	-	-	(16,959)
Transfers	-	(74,425)	-	-	74,425	-	-	-
Distribution of Profit and Loss 2019	-	-	1,516	-	-	(1,516)	-	-
Absorption merger (Note 1)	-	-	(20,679)	-	-	-	-	(20,679)
Other movements	-	-	(1,883)	-	-	-	-	(1,883)
Final balance 2020	**21,187**	**214,640**	**16,011**	**(17,980)**	**-**	**5,064**	**(99)**	**238,823**

GLOBAL DOMINION ACCESS, S.A.

STATEMENT OF CASH FLOWS CORRESPONDING TO THE FINANCIAL YEAR ENDING 31 DECEMBER 2020
(In thousands of euros)

	Note	Year ended on 31 December 2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES	**20**		
Profit of the year before tax - ongoing transactions		9,900	(690)
Profit of the year before tax - discontinued transactions		(11)	(1,237)
Adjustments of profit (loss)		16,384	10,633
Changes in working capital		(3,500)	(550)
Other cash flows from operating activities		6	(3,356)
		22,779	**4,800**
CASH FLOWS FROM INVESTING ACTIVITIES	**21**		
(Gains) / Losses on investment		(18,211)	(1,559)
		(18,211)	**(1,559)**
CASH FLOWS FROM FINANCING ACTIVITIES	**22**		
Receipts and payments from equity instruments		-	73
Receipts and payments from financial liability instruments.		60,808	(9,977)
Payments for dividends and remuneration on other equity instruments		(27,803)	-
		33,005	**(9,904)**
NET INCREASE / REDUCTION OF CASH OR EQUIVALENT		**37,573**	**(6,663)**
Cash or cash equivalents at the start of the financial year	**10**	16,858	23,521
Cash or cash equivalents at the end of the financial year	**10**	70,458	16,858
Cash from merger	**1**	16,016	-

GLOBAL DOMINION ACCESS, S.A.

ANNUAL FINANCIAL STATEMENTS REPORT, FINANCIAL YEAR 2020
(Stated in EUR thousands)

1. GENERAL INFORMATION

Global Dominion Access, S.A. (hereinafter the Company) was incorporated on 1 June, 1999 and its registered domicile for Mercantile and tax purposes and its corporate seat are located in Bilbao (Spain), 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 319,741 thousand and consolidated profit/loss totalling EUR 12,989 thousand (2019: EUR 353,683 and EUR 35,997 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.

The Group's Management submitted the 2019-2022 Strategy Plan during the 2019 financial year, which sets out the strategy for the coming years and the way in which business performance will be assessed. The information broken down into segments has accordingly been modified with respect to previous years to adapt it to the different businesses included in this strategy and to make it easier to understand.

To this regard, a distinction was made between two operation segments in the Group until financial year 2019: Specialised Engineering and Solutions Segment and Multi-technology Services Segment. From financial year 2020 onwards, three different activity segments are distinguished:

- B2B 360º Projects
- B2B Services
- B2C

To understand these three segments, we must first make a distinction between the two lines of business the Group's activity is based on:

- On the one hand, we have the classic Dominion Group line, B2B ("Business to Business"), where the Group's value proposal is to be a Tier 1 supplier and digital expert who is capable of delivering an end-to-end solution: from the design, management and implementation of the project to the subsequent operation and maintenance (O&M). Two segments can be distinguished in this B2B world:
    - B2B 360º Projects, which 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. These are comprehensive projects (typically multi-year), with long-term commercial development processes. This segment comprises a business where visibility is the project portfolio on each date and it typically has a margin profile of more than 15%.
    - B2B Services, which refers to the framework contracts for operation and maintenance outsourcing and process improvement projects. These contracts typically involve recurring revenues with adjusted margins that should come close to a contribution margin of approximately 10%.

- On the other hand, the B2C ("Business to Customer") world, which comprises all end customer oriented activities: the marketing of electricity and gas supplies, telecommunications services, insurance and other services in the household. In this segment, the Group's value proposal is to serve as a multiple service provider offering all personal and household services in a single, all-encompassing platform. This segment strives to obtain recurring revenue. The most important factors to measure business are the number of customers (or services) and their mean "lifetime value".

Just as was stated the year before, but now only focusing on the B2B world, the Group offers its solutions in three main fields of activity or expertise:

- T&T (Technology and Telecommunications), in which it offers solutions in sectors such as Health, Education, Telecommunications, Transport, Logistics or Public Administration.

- Industry, with solutions for the metal, petrochemical, glass or cement sectors, among others.

- Energy, primarily in the renewables area: photovoltaic, biomass and wind power, and power transmission lines.

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 2020 and 2019 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.

Merger by absorption by the Company

On 30 September 2020, the resolution the Company's General Shareholders' Meeting passed on 6 May 2020 was raised to a public instrument. This resolution was in relation to the merger by absorption of Global Dominion Access, S.A. (the absorbing company) and Dominion Smart Solutions, S.A.U., Beroa Thermal Energy, S.L.U., Visual Line, S.L.U., ECI Telecom Ibérica, S.A.U., Dominion West Africa, S.L.U. and Wind Recycling, S.L.U. (Absorbed Companies) with dissolution without liquidation of the Absorbed Companies and transfer en bloc, on a universal basis, of their assets and liabilities to the Absorbing Company, which acquired their rights and obligations by universal succession. The merger project was filed with the Company Registry of Biscay on 23 March 2020. The approval of the merger plan by the General Shareholders' Meetings of these companies was published in the Official Gazette of the Company Registry on 22 May 2020.

The Absorbing Company is the direct owner (as regards Dominion Smart Solutions, S.A.U., Beroa Thermal Energy, S.L.U., Visual Line, S.L.U. and Wind Recycling, S.L.U.) or the indirect owner (as regards ECI Telecom Ibérica, S.A.U. and Dominion West Africa, S.L.U. through its subsidiary Dominion Smart Solutions, S.A.U.) of all the shares or equity interests that the share capital of the Absorbed Companies is divided into.

The merger balance sheets of the Absorbing Company and the Absorbed Companies used were those closed by the Absorbing Companies on 31 December 2019. These balance sheets were drawn up by the management boards of the companies and approved by the Shareholders or Sole Shareholders. In relation to these balance sheets, those relating to the Absorbing Company and Dominion Smart Solutions, S.A.U. have been audited, and those relating to the other Absorbed Companies have not been audited as there is no legal requirement for them to be audited as per article 263 of the Capital Companies Act.

Pursuant to the provisions of Accounting Standard 21 (Transactions between group companies) of Royal Decree 1514/2007, of 16 November, which approves the General Accounting Plan, the transactions of the Absorbed Companies will be considered to have been executed for accounting purposes in relation to the Absorbing Company from the beginning of the financial year that the merger is approved in, i.e. 1 January 2020.

This transaction was designed and agreed with the intention of simplifying and rationalising the Company's corporate structure so as to avoid possible duplication of operating, administrative and management costs, since these companies all form part of the same business project.

The balance sheets of the Absorbed Companies at 1 January 2020 are provided below as merger balance sheets. These balance sheets are in the 6 months prior to the merger project date pursuant to article 36 of law 3/2009, of 3 April, on structural modifications of trading companies.

GLOBAL DOMINION ACCESS, S.A.

ANNUAL FINANCIAL STATEMENTS REPORT, FINANCIAL YEAR 2020
(Stated in EUR thousands)

ASSETS	Dominion Smart Solutions, S.A.	Beroa Thermal Energy, S.L.	Visual Line, S.L.	ECI Telecom Ibérica, S.L.	Wind Recycling, S.L.	Dominion West Africa, S.L.	Approved balances total	Total balance integrated 1 January 2020
NON CURRENT ASSETS	**44,566**	**95,810**	**533**	**1,181**	**9**	**-**	**142,099**	**28,720**
Intangible fixed assets	31,697	-	379	-	8	-	32,084	27,259
Property, Plant and Equipment	1,098	-	-	-	1		1,099	1,099
Long-term investment in group companies and associate companies	9,796	92,448	-	-	-	-	102,244	-6,310
Long-term financial investments.	146	-	-	-	-	-	146	146
Deferred tax assets	31	3,362	154	1,181	-	-	4,728	4,728
Non-current trade receivables	1,798	-	-	-	-	-	1,798	1,798
							0	0
CURRENT ASSETS	**84,378**	**52,562**	**183**	**318**	**58**	**66**	**137,565**	**22,420**
Inventories	1,101	-	-				1,101	1,101
Trade debts and other receivables	60,123	-	154	19	13	-	60,309	60,309
Short-term investment in group companies and associated enterprises	4,543	52,537	-	233	-	59	57,372	-57,773
Short-term financial investments	845	-	-	-	-	-	845	845
Accruals and deferred income	1,666	-	-	-	-	-	1,666	1,666
Cash and other cash equivalents	16,100	25	29	66	45	7	16,272	16,272
TOTAL ASSETS	**128,944**	**148,372**	**716**	**1,499**	**67**	**66**	**279,664**	**51,140**

(Stated in EUR thousands)

EQUITY AND LIABILITIES	Dominion Smart Solutions, S.A.	Beroa Thermal Energy, S.L.	Visual Line, S.L.	ECI Telecom Ibérica, S.L.	Wind Recycling, S.L.	Dominion West Africa, S.L.	Approved balances total	Total balance integrated 1 January 2020
SHAREHOLDERS' EQUITY	**40,103**	**42,739**	**219**	**-3,257**	**23**	**66**	**79,893**	**-20,443**
Shareholders' equity	39,938	45,977	219	-3,257	23	66	82,966	-20,678
Translation Differences	-70	-	-	-	-	-	-70	0
Interim dividend	-	-3,238	-	-	-	-	-3,238	0
Capital grants	235	-	-	-	-	-	235	235
							0	0
NON CURRENT LIABILITIES	**11,192**	**2,670**	**89**	**4,650**	**-**	**-**	**18,601**	**5,651**
Long-term provisions	49	-	-	-	-	-	49	49
Long-term debts	2,809	2,670	-	-	-	-	5,479	5,479
Long-term debts with group companies and associate companies	8,300	-	-	4,650	-	-	12,950	0
Other non-current liabilities	-	-	89	-	-	-	89	89
Deferred tax liabilities	34	-	-	-	-	-	34	34
							0	0
CURRENT LIABILITIES	**77,649**	**102,963**	**408**	**106**	**44**	**-**	**181,170**	**65,932**
Short-term debts	801	3,272	-	-	-	-	4,073	4,073
Short-term debts with group companies and associate companies	19,028	99,600	245	93	10	-	118,976	3,738
Trade and other payables	57,708	91	163	13	34	-	58,009	58,009
Short term accruals	112	-	-	-	-	-	112	112
							0	0
TOTAL NET WORTH AND LIABILITIES	**128,944**	**148,372**	**716**	**1,499**	**67**	**66**	**279,664**	**51,140**

The main differences between the integrated balance sheet at 1 January 2020 and the book value of assets acquired and liabilities assumed in the business combination are the result of the adjustments recorded to the explicit goodwill of Dominion Smart Solutions, S.A.U., long-term investment in group companies from Dominion Smart Solutions, S.A.U. and Beroa Thermal Energy, S.L.U. and, accordingly, the merger reserve generated from the business combination.

Partial preliminary spin-off;

Also, on 16 June 2020, the agreement was made public for the partial spin-off of Dominion Smart Solutions, S.A.U. by segregating an economic unit, all agency activity in Chile, and transferring it to the pre-existing company Dominion Investigación y Desarrollo, S.L.U., both companies wholly owned by Global Dominion Access, S.A. at the time of signing the spin-off agreement.

The transaction was carried out with no new shares issued by Dominion Investigación y Desarrollo, S.L.U. Accordingly, the Company's equity fell as a result of the net book value of the net assets that were spun off.

This transaction is covered by the special regime established in article 112 of Chapter VII of Section VI of Provincial Law 11/2013, of 5 December, on corporate income tax.

As per the accounting principles that generally apply to spin-off transactions in companies belonging to the same group, the effective accounting date of this transaction was 1 January 2020. Also, the values used to integrate the spun-off assets and liabilities were established based on their values in the Company's consolidated financial statements on the same date, once the appropriate accounting criteria applicable had been standardised.

The net assets spun off are presented below as they were stated in the Group's consolidated financial statements on 1 January 2020 once the appropriate accounting criteria applicable had been standardised.

(Stated in EUR thousands)

	01.01.2020
Intangible fixed assets	845
Property, Plant and Equipment	350
Deferred tax assets	58
Trade debts and other receivables	1,926
Cash and other cash equivalents	256
TOTAL ASSETS	**3,435**
Trade and other payables	3,434
TOTAL LIABILITIES	**3,434**
NET ASSETS	**1**

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 1159/2010 and Royal Decree 602/2016, in order to show a true and fair view of the Company's financial situation and result, 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 2019 financial year, were approved by the General Shareholder’s Meeting on 6 May, 2020.

2.2. SIGNIFICANT EVENTS IN THE REPORTING FINANCIAL YEAR

With the Covid-19 Coronavirus outbreak in China in December 2019 and its global spread to manyountries over the course of the first few months of FY 2020, the World Health Organisation declared theoutbreak to be an international pandemic on 11 March 2020.

The significant risks this virus poses to human health has lead to the Governments of most of the affected countries implementing restrictive measures to contain and reduce the spread of this virus. Some of these measures, particularly those which have limited movement, have had major repercussions on the global economy and have cast considerable uncertainties over the future progress of many businesses.

In Spain, on 14 March 2020, the Council of Ministers declared a state of alarm, passing Royal Decree

463/2020. The state of alarm in Spain was initially envisaged to last 15 days, but was extended on various occasions, ending on 21 June 2020. However, complete normality has not been recovered at any moment in the year with cases fluctuating upwards and downwards, a situation which got worse towards the end of the year, resulting in a state of alarm being declared again on 25 October for an initial term of 15 days, which could be prolonged for up to 6 months. This lead to new containment measures being implemented and it became apparent that the recovery process would be extremely slow.

The lockdown measures implemented since the state of alarm was declared by the Spanish Government and the Autonomous Governments have ranged from shutting down all non-essential activities, initially with a significant impact on a large number of industries, to less severe restrictions, focused on trade and travel, and in particular on the hotel and catering industry, affecting these sectors and all industries directly associated to them in a significant way.

Internationally, the situation has been similar, with some differences between continents. That said, it must be pointed out that some countries that were less affected by the first wave, such as Germany or Sweden, have suffered to a greater extent in the second wave. The impact on their respective economies has varied in line with the impact of the pandemic and the stringency of the measures adopted by each government. In all cases, cross-border travel, whether for work or leisure purposes, has been affected the most, with significant effects noted across the board.

This situation gave rise to significant uncertainties and repercussions, not only economically and financially for companies, but also in other areas such as commerce, labour and taxation. Local, national and European authorities launched various measures and initiatives to alleviate the effects of the crisis and its effect on economic activity. In this regard, the Group took the measures it deemed appropriate to protect the Group' s social interest, including special measures to guarantee workplace safety and to protect its employees' health. These measures have been adapted to take account of the changing health situation in each geographical area, the instructions received and the instruments that are made available at any given time by the different public administrations, as well as the pandemic's effect on the business in each specific case.

The contingency plans envisaged for these situations were put in place from the very outset, enabling a significant amount of business continuity in the terms described below. To this end, we have implemented organisational crisis management measures, adapted to each business, both individually (the management of situations of contagion or isolation) and collectively. These measures are now being adapted in line with new developments and the pandemic and, whenever has it has been necessary, additional measures have also been added, ensuring a balance between people's well-being and business continuity.

It should be noted that, as a result of the implemented contingency plans, the Group has not had any major problems in fulfilling its contractual obligations, and therefore does not expect any significant consequences to arise as a result of failure to fulfil contracts due to the epidemic.

To provide consistent, comparable, relevant and reliable financial information and sufficient disclosure and transparency for whoever reads these Consolidated Annual Financial Statements, a more detailed explanation has been included below regarding the impact the pandemic has had on the Group's various activities in terms of margins and profit and loss: EBITDA (operating profit/loss excluding the cost of amortisation and depreciation), EBITA (operating profit/loss excluding the cost of amortisation of intangible assets from joint ventures) and Net profit/loss and in the risk management strategy of the Group.

At a corporate level, daily Management Committee Meetings have been held since the outbreak of the pandemic to assess the progress of the published data and to determine the appropriate measures to be taken in the different areas of the Group:

- Shared Services: slowing down purchases and other business combinations, as well as the CAPEX of each business, reviewing all structural costs (third party services, leases, etc.), agreeing on voluntary salary reductions for structural personnel and General Management and Area Managers, has lead to savings of approximately 240 thousand euros for the Group.

- Treasury: the optimisation of existing credit lines, comprehensive control of outstanding payments and negotiating deferrals, reviewing the customer backlog, negotiating new credit lines from the EIB and various loans related to the guarantees approved in Royal Decree Law 8/2020 of 17 March (loans guaranteed by the OCI) (Note 14). All measures have been taken in line with financial discipline that forms a part of the Group's management model, taking account of the Group's sound solvency position.

- Human Resources: two main lines of action; firstly, protecting people (constant information, provision of prevention resources and monitoring of cases that have occurred) and, secondly, HR management (the preparation of ERTE (Record of Temporary Employment Regulation filesin Spain, sick leave management, suspensions, working hour changes, etc., all the while ensuring timely wage payment).

Accordingly, although there are still many uncertainties and the effects of this pandemic are not yet completely clear, the Group has announced that the Strategy Plan (2019 - 2022) for the coming years will remain the same, and that 2020 will constitute a temporary gap, meaning that the Plan will be extended an extra year so as to achieve the goals, i.e. it will end in 2023 rather than in 2022 - Strategy Plan (2019 - 2023).

2.3. 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. Below can be found explanations and judgements that represent a significant risk of leading to a material adjustment in book values of assets and liabilities during the following financial year.

As explained in Note 2.2, as a result of the extraordinary circumstances brought about by the coronavirus (Covid-19) health crisis, the estimates and judgements used for accounting purposes have also been reviewed and adapted as necessary. Appropriate reference is made to the effects of Covid-19 in each of the following cases.

Impairment of shares in the companies of the Company 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 3.4.b.

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.

Given the existing uncertainty, when estimating future financial forecasts included in the recovery calculations for each of investee, a weighted average of the different possible scenarios has been deemed appropriate.

(Stated in EUR thousands)

The scenarios developed to quantify the effects of Covid-19 in these financial forecasts are divided into three types:

- Scenario 1: This is the most optimistic and assumes that all confinement and travel restrictions will be lifted in the first quarter of 2021 and that there will be no resurgence after this. It assumes that the entire world's population will have been vaccinated by the end of 2021. The graph showing improved activity and cost-effectiveness parameters will be u-shaped.

- Scenario 2: This scenario assumes that confinement and travel restrictions will be lifted over the course of 2021. This scenario assumes that we will become immune to the virus as a result of the population being vaccinated, but this will occur at a slower rate than in the previous scenario, continuing through 2022. New but less virulent and less lethal waves of the virus could still occur. The graph showing improved activity and cost-effectiveness parameters is still u-shaped, but rises somewhat more gradually and with some oscillations.

- Scenario 3: This is the most pessimistic scenario. The population is receiving vaccinations very slowly, either due to problems with vaccine supplies or organisational problems in the governments of each country. Outbreaks of the disease or mutations and new strains of the virus could emerge, rendering current vaccines useless. Restrictions will remain in place through 2021 and could continue into 2022. In this case, the graph showing improved activity and cost-efficiency does not reach fully recovered levels in the mid-term.

The weightings management has assigned to each of the aforementioned scenarios are based on a conservative estimate of the likelihood of each scenario happening, and these are summarised below:

	Weightings
Scenario 1	20%
Scenario 2	70%
Scenario 3	10%

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. 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.

(Stated in EUR thousands)

Covid-19 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:

	2020	2019
The Phone House Spain, S.L.U.	6.00%	4.71%
Bilcan Global Services, S.L.	6.00%	4.71%
Beroa Technology Group, GmbH	7.00%	-
Chimneys and Refractories International SRL	8.00%	-
Dominion Energy, S.L.	13.00%	12.50%
Mexicana de Electrónica Industrial, S.A. de C.V.	14.50%	14.17%
Bygging India Limited	12.50%	12.00%
Dominion Industry & Infrastructures, S.L.	5.95%	5.95%
Dominion E&C Iberia S.A.U.	7.00%	-
Dominion Global France SAS	7.00%	-
Dominion Steelcon A/S	7.00%	-
Dominion Global PTY Ltd	8.00%	-
Dominion Peru Soluciones y Servicios SAC.	8.60%	8.17%
Abside Smart Financial Technologies, S.L.	5.00%	-
InstalacionesEléctricas Scorpio, S.A.	6.50%	5.98%
Dominion SPA	10.60%	10.14%
Zwipit, S.A.	6.00%	-
Dominion Colombia, S.A.S	8.00%	9.00%
Dominion Smart Innovation S.A. de C.V.	14.50%	-
Interbox Technology, S.L.	6.00%	-
Dominion ServiciosMedioambientales, S.L.	7.00%	4.71%

The discount rate is after tax and reflects the specific risk related to significant associate companies and has been applied in the analysis of 2020 and 2019.

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.

(Stated in EUR thousands)

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 (operating result plus amortizations) vary by type of business as follows.

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	
	2020	**2019**
The Phone House Spain, S.L.U.	5%-8%	5%-6%
Bilcan Global Services, S.L.	4.5%-8.5%	4.5%-8.5%
Beroa Technology Group, GmbH	8%-10%	-
Chimneys and Refractories International SRL	10%-12%	-
Dominion Energy, S.L.	10.2%-12%	10.2%-12%
Mexicana de Electrónica Industrial, S.A. de C.V.	8%-10%	8%-10%
Bygging India Limited	10%-12%	-
Dominion Industry & Infrastructures, S.L.	3.50%	3.50%
Dominion E&C Iberia S.A.U.	8%-10%	-
Dominion Global France SAS	8%-10%	-
Dominion Steelcon A/S	8%-10%	-
Dominion Global PTY Ltd	8%-10%	-
Dominion Peru Soluciones y Servicios SAC.	8%-10%	8%-10%
Abside Smart Financial Technologies, S.L.	8%-10%	-
InstalacionesEléctricas Scorpio, S.A.	7%-8%	7%-8%
Dominion SPA	8%-10%	8%-10%
Zwipit, S.A.	4.5%-8.5%	-
Dominion Colombia, S.A.S	8%-10%	6%-7%
Dominion Smart Innovation S.A. de C.V.	8%-10%	-
Interbox Technology, S.L.	4.5%-8.5%	-
Dominion ServiciosMedioambientales, S.L.	6%-7%	6%-7%

This uncertainty brought about by Covid-19 has also been factored into the EBITDA forecast in the impairment test carried out at the end of the financial year ended 31 December 2020. The EBITDAs taken into account in this test were negative in some cases for 2021 and in the most pessimistic scenario this was also the case even in 2022 for some of the investee companies. However, gradual recovery was considered in terms of achieving the Group' s Strategy Plan with a one or two year delay, depending on which scenario is considered.

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 5% in accordance with the expected organic growth demanded by the Group businesses.

Other net movements forecast in cash and flows related to taxes are added to these EBITDAs until free cash levels after tax 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 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 0.5%), 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.

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 18). 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 income tax expense 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

On an annual basis, the Company performs analyses 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 impairment is checked, pursuant to the accounting policy of Notes 3.1 and 3.3.The recoverable amounts of cash-generating unit has been determined based on value-in-use calculations. These calculations require the use of estimates (Note 5).

With respect to the assumptions used to project the EBITDA (operating profit plus depreciation and amortisation, essential for calculating free cash flow) of the CGUs, the most conservative scenario was used so that underperformance in respect of EBITDA 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 7).

2.4. COMPARISON OF INFORMATION

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

2.5. ENTRY GROUPING

In order to facilitate understanding of the balance sheet, the profit and loss account, the statement of changes in net equity 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 report.

2.6. CHANGES IN ACCOUNTING CRITERIA

There were no accounting criteria changed with respect to 2019 and no significant errors were detected during the drawing up of these Annual Financial Statements, which would lead to the need to restate the values included in the accounts for the 2019 financial year.

2.7. 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.

IT applications

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 3.3).

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.

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

3.3. 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). Non-financial assets, other than goodwill, that have suffered impairment, undergo reviews on each balance sheet date, in case loss reversals have occurred.

3.4. FINANCIAL ASSETS AND DERIVATIVES

The Company classifies its financial assets into the following categories: fair value through profit or loss, loans and receivables, investments held to maturity and available for sale. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of investments at the time of initial recognition.

a) Loans and receivables

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not traded in an asset market. They are included in current assets, except where the maturity period is over 12 months from the date of the balance sheet, in which case they are classified as non-current assets. Loans and accounts receivable are included under “Investment in group companies” (non-current and current), “Financial investment” (non-current and current) and "Trade debtors and other accounts receivable" on the balance sheet.

These financial assets are initially valued at fair value, including transaction costs directly attributable to them. They are subsequently valued at amortised cost, recognising accrued interest based on the effective interest rate, defined as the update rate that equalises the book value of the instrument with all of its estimated cash flows until maturity. The above notwithstanding, credits for commercial operations maturing within one year are valued, both at the time of initial recognition and subsequently, at their nominal value, provided that the effect of not updating the flows is not significant.

At least at the close of the financial year, any necessary corrections in value due to impairment are made, if there is objective evidence that not all amounts payable will be collected.

The value of the impairment is the difference between the book value of the asset and the current value of future estimated cash flows, minus the effective interest rate at the time of initial recognition. Value corrections, as well as their reversal, if applicable, are recognised on the profit and loss account.

b) Equity stakes in group, multi-group and associated companies

They are valued at cost, less, if applicable, the accumulated amount of corrections due to impairment. 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 as the cost of the investment. Prior value adjustments accounted for directly in net equity are kept there until it is written off.

Where there is objective evidence that the carrying value is not recoverable, it is written down to the recoverable value, the latter being the fair value less the cost of sale and the present value of the effective cash flows arising from the investment, whichever is higher. Unless better evidence of the recoverable amount of the investments is available, impairment of this type of asset is estimated taking into account the net worth of the investee, adjusted by any unrealised capital gains existing on the measurement date. The value correction and, if applicable, its reversal, are registered on the profit and loss account for the financial year during which it occurs

Financial assets are derecognised when substantially all the risks and rewards of ownership of the asset have been transferred. Specifically in relation to accounts receivable, this transfer is generally deemed to take place when risks of insolvency and non-payment have been transferred.

Financial assets designated as hedged items are subject to hedge accounting measurement rules.

c) Financial assets held for trading and other financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include all assets held for trading acquired for sale in the short term or as part of a portfolio of identified financial instruments that are managed together with a view towards generating short term returns and financial assets designated within this category by the Company upon initial recognition based on the determination that so doing results in more meaningful disclosures. Derivatives are also classified as held for trading unless they constitute financial guarantee contracts or are designated as hedging instruments (Note 3.5).

These financial instruments are initially recognised and subsequently measured at fair value and any changes in fair value are recognised in the profit and loss account for the financial year. Transaction costs that are directly attributable to the acquisition of these assets are recognised in the profit and loss account for the financial year.

d) 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:
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.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are assigned and qualify as cash flow hedges is recognised temporarily in equity. These amounts are recycled to profit or loss in the years in which the hedged forecast transaction affects profit or loss, unless the hedge corresponds to a forecast transaction that ultimately results in the recognition of a non-financial asset or liability, in which case the gains or losses previously deferred in equity are included in the initial cost of the asset when it is acquired or liability when it is assumed.

Profit or loss relating to the ineffective portion is recognised immediately in the profit and loss account.

3.5. 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 consolidated income statement.

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

3.6. SHAREHOLDERS' EQUITY

Share capital is represented by ordinary shares.

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

If the Company's own shares are acquired, the compensation paid, including any directly attributable incremental cost, is deducted from net equity 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 equity.

3.7. FINANCIAL LIABILITIES

a) Debts and accounts payable

This category includes debits for commercial operations and debits for non-commercial operations. These external resources are classified as current liabilities, unless the Company has an unconditional right to defer settlement of them for at least 12 months after the balance sheet date.

These debts are recognised initially at fair value, adjusted for directly attributable transaction costs, and are subsequently registered at amortised cost, according to the effective interest rate method. This effective interest rate is the update rate that equalises the book value of the instrument with the expected flow of envisaged future payments until the maturity of the liability.

This notwithstanding, debts for commercial operations maturing within a period of one year or less and which do have not have a contractual interest rate are valued, at the both the initial point in time and subsequently, at their nominal value when the effect of not updating the cash flows is insignificant .

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.

In the case of convertible bonds, the Company determines the fair value of the liability component 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 equity.

b) Financial liabilities held for trading and other financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include all liabilities held for trading issued for to be bought back in the short term or as part of a portfolio of identified financial instruments that are managed together with a view towards generating short term returns and financial liabilities designated within this category by the Company upon initial recognition based on the determination that so doing results in more meaningful disclosures. Derivatives are also classified as held for trading unless they constitute financial guarantee contracts or are designated as hedging instruments.

These financial liabilities are initially recognised and subsequently measured at fair value and any changes in fair value are recognised in the profit and loss account for the financial year. Transaction costs that are directly attributable to issuing are recognised in the profit and loss account for the financial year.

3.8. 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 equity 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.

3.9. CURRENT AND DEFERRED TAXES

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.U. (formerly Beroa Iberia, S.A.U.)
- Dominion Energy, S.L.U.
- InstalacionesEléctricas Scorpio, S.A.
- Energy Renewables 8, S.L.
- Dominion ServiciosMedioambientales, S.L.U.
- Desarrollos Green BPD 1, S.L.
- Desarrollos Green BPD 2, S.L.
- Desarrollos Green BPD 3, S.L.
- Desarrollos Green BPD 4, S.L. (included in 2020)
- Desarrollos Green BPD 5, S.L. (included in 2020)
- Desarrollos Green BPD 6, S.L. (included in 2020)
- Dominion Renewable 1, S.L.
- Dominion Renewable 2, S.L.
- Dominion Renewable 3, S.L.
- Dominion Renewable 5, S.L.
- Dominion Renewable 6, S.L.
- Dominion Renewable 7, S.L.
- Linderito Solar, S.L.
- Pamaco Solar, S.L.
- Pico Magina Solar, S.L.
- Proyecto Solar Monte Bonales, S.L.
- Proyecto Solar Pico delTerril, S.L.
- Rio Alberite Solar, S.L.

- Rio Guadalteba Solar, S.L.
- Villaciervitos Solar, S.L.

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 equity 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.

3.10. EMPLOYEE BENEFITS

a) Pension obligations

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 whichcan not 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.

3.11. 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 expect 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 report.

3.12. 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 3.17).

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 3.4.b).

3.13. JOINT VENTURES

a) <u>Jointly controlled assets and operations</u>

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.

3.14. REVENUE RECOGNITION

Income is registered based on the fair value of the compensation to be received, and represents amounts receivable for supplied goods and services rendered during the ordinary course of Company activities or other revenue, less refunds, markdowns, discounts and value added tax.

The Company recognises income when its amount can be accurately valued, if it is likely that future economic profits are going to flow into the Company and if the specific conditions for each of the activities, as detailed below, are met. It is not considered possible to accurately value the amount of income until all contingencies related to the sale have been resolved. The Company bases its estimates on historical results, 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) Provision of services

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.

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.

3.15. LEASES

a) When the Company is the Lessee - Operational leasing

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.

3.16. 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 equity, 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 equity.

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 equity.

3.17. 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.

3.18. ENVIRONMENT

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

Company activities are exposed to a range of different financial risks: market risks (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. 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 (Note 3.5).

In the broadest sense, the management of financial risks aims to control the incidents generated by fluctuations in exchange and interest rates. Finance Management at the Company, to which it pertains, is responsible for the arrangement of financial instruments which enable as far as possible participation in favourable environments relating to movements in the exchange and interest rates to be compatible with the limitation, in part or in whole, of the adverse effects due to an unfavourable environment. Financial market risk management has been adapted to incorporate the current uncertainty brought about by the overall situation caused by Covid-19's impact in financial year 2020.

a) Market risk

i) Exchange rate risk

The Company operates on an 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 objective 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 2020 as fair value with changes in profit/loss or fair value with changes in other comprehensive profit/loss.

The energy marketing activity does not create an additional price risk due to the fact that the sales prices are agreed on the basis of the purchase prices, transferring this risk directly to the customer.

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

Given that the Company holds no significant remunerated assets, the revenue and cash flows from the its operating activities are fairly independent with regard to the fluctuations in market interest rates.

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 2020 and 2019.

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 2020 and 2019 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 affect profit/loss before taxes in financial years 2020 and 2019, considering its impact on financial borrowings linked to variable interest rates. In addition, the Group's net financial debt amounting to over - EUR 80 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 consist of companies with high credit ratings or official entities.

(Stated in EUR thousands)

c) Liquidity risk

Prudent liquidity risk management entails having sufficient cash and tradable 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 2020 and 2019 is calculated as follows:

	2020	2019
Liquidity reserve		
Current receivables with group and associate companies (Note 27)	112,907	185,993
Third-party credits (Note 9)	1,573	22,724
Cash and other equivalent liquid assets (Note 10)	70,458	16,858
Undrawn borrowing facilities (Note 14)	182,313	134,000
	367,251	**359,575**
Bank debts (Notes 7 and 14)	179,726	82,657
Group received loans (Notes 7 and 27)	237,813	262,312
Liquidity reserve (not including unused credit facilities)	(184,938)	(225,575)
Net financial debt (*)	**232,601**	**119,394**
Bank borrowings and group loans in the long-term	(161,779)	(68,956)
Net current financial debt	**70,822**	**50,438**

(*) 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 2016, which amounted to EUR 8.3 million and EUR 3.1 million, respectively.

The Company has EUR 232.6 million in net financial debt. Management considers that the existing liquidity and credit facilities not utilised at 31 December 2020 are sufficient to fund the Dominion Group's organic and inorganic growth that is envisaged according to the Strategy Plan presented in 2020. 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.

(Stated in EUR thousands)

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:

	Thousand euros				
Financial year 2020	**Opening balance**	**Net entry into the scope of consolidation (Note 1)**	**Registrations**	**Disposals**	**Final balance**
Cost					
IT applications	1,737	9,732	5,812	-	17,281
Goodwill (Note 1)	-	16,682	-	-	16,682
	1,737	26,414	5,812	-	33,963
Amortisation					
IT applications	(1,688)	-	(5,091)	-	(6,779)
Goodwill	-	-	(2,805)	-	(2,805)
	(1,688)	-	(7,896)	-	(9,584)
Net book value	**49**				**24,379**

(Stated in EUR thousands)

	Thousand euros			
Financial year 2019	**Opening balance**	**Registrations**	**Disposals**	**Final balance**
Cost				
IT applications	1,737	-	-	1,737
	1,737	-	-	1,737
Amortisation				
IT applications	(1,588)	(100)	-	(1,688)
	(1,588)	(100)	-	(1,688)
Net book value	**149**			**49**

Scope additions relate to intangible assets included in the Company's balance sheet in relation to the merger transaction referred to in Note 1. These mainly consist of the implicit goodwill of Dominion Smart Solutions, S.A.U., and investments in research and development that were capitalized on the transaction date.

Investment in 2020 consisted in developing unique and identifiable IT applications, with reasonably assured technical and economic feasibility. These investments were recorded pursuant to the accounting criteria set out in Note 3.1.

a) Goodwill

EUR 26,414 thousand of goodwill arose as a result of the merger referred to in Note 1.

This goodwill came from the absorbed company Dominion Smart Solutions, S.A.U. whose figures at 31 December 2019 reported goodwill with a net book value of EUR 21,507 thousand.

The goodwill assigned to the Company fell by EUR 4,825 thousand as a result of the merger referred to in Note 1.

The origin of the goodwill generated in the absorbed company is described below:

In financial year 2010, with Dominion Smart Solutions, S.A.U. acquiring the assets of the technological solutions and services activity, goodwill was generated, with EUR 8,553 thousand relating to the goodwill of DistribuciónMóvil 21, S.L. (Sole-Shareholder Company). The additional goodwill which totalled EUR 12,167 thousand was generated from recognising the contribution at its fair value based on the calculation performed by an independent expert. In financial year 2011 the merger by absorption process between Dominion Smart Solutions, S.A.U. (Absorbing Company) and the companies Dominion SolucionesTecnológicasS.L.U., Install Telecom S.A.U. and Dominion Seguridad, S.A.U. generated an additional merger goodwill of EUR 11,376 thousand. In financial year 2013, as a result of the spin-off of the economic unit of the business branch responsible for network roll-out and maintenance, telecommunications and computing equipment and services in favour of the company (wholly owned by Dominion Smart Solutions, S.A.U.), Dominion Networks, S.L., and the segregation of the economic unit of the business branch responsible for integrated telemanagement centres for telecommunications networks, equipment and services in favour of the company Dominion Centro de Control, S.L.U. (Wholly owned by Dominion Smart Solutions, S.A.U.), the goodwill assigned to Dominion Smart Solutions, S.A.U. fell by EUR 12,294 thousand.

Effective for accounting purposes on 1 January 2019, as a result of the transaction in which Dominion Digital, S.L.U. (as the Spun-off Company) partially spun-off a number of assets and liabilities related to its previous activity to Dominion Smart Solutions, S.A.U., the spun-off company incorporated goodwill amounting to EUR 11.2 million.

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 events triggered by the Covid-19 pandemic alone bring about impairment which must be taken into account.

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 10.5% was applied to the forecasts (2019: 10.3%).

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 2020, are between 11% and 14% (2019: 11% and 14%).

Other net movements forecast in cash and flows related to taxes are added to these EBITDAs until free cash levels after tax 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 0.5%), 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 2020 and 2019.

b) Impairment of individual intangible assets

No impairment losses on property, plant and equipment were incurred in financial years 2020 and 2019.

(Stated in EUR thousands)

c) Assets acquired from associate companies

In financial year 2020, property, plant and equipment were acquired from group companies amounting to EUR 1,176 thousand (2019: EUR 0 thousand).

d) Fully amortized property, plant and equipment

At 31 December 2020 there is fully amortised property, plant and equipment that is still in use, with an accounting cost of EUR 9,130thousand (2019: EUR 1,349 thousand).

6. PROPERTY, PLANT AND EQUIPMENT

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

Financial year 2020	**Thousand euros**				
	Opening balance	**Entry into the scope of consolidation (Note 1)**	**Registrations**	**Disposals**	**Final balance**
Cost					
Plant and machinery	-	187	-	-	187
Other fixtures and fittings, tools and equipment	843	178	-	(35)	986
Other fixed assets	12	384	-	-	396
	855	749	-	(35)	1,569
Amortisation					
Plant and machinery	-	-	(4)	-	(4)
Other fixtures and fittings, tools and equipment	(842)	-	(55)	-	(897)
Other fixed assets	(12)	-	(88)	-	(100)
	(854)	-	(147)	-	(1,001)
Net book value	**1**				**568**

(Stated in EUR thousands)

Financial year 2019	**Thousand euros**			
	Opening balance	**Registr ations**	**Disposals**	**Final balance**
Cost				
Other fixtures and fittings, tools and equipment	843	-	-	843
Other fixed assets	12	-	-	12
	855	-	-	855
Amortisation				
Other fixtures and fittings, tools and equipment	(834)	(8)	-	(842)
Other fixed assets	(12)	-	-	(12)
	(846)	(8)	-	(854)
Net book value	**9**			**1**

a) Impairment losses

During the 2020 financial year, no significant value corrections for impairment have been recognised or reversed, for any individual tangible fixed asset.

b) Fully depreciated assets

At 31 December 2020, there are fully depreciated property, plant and equipment items still in use amounting to EUR 855 thousand (EUR 839 thousand in 2019).

c) Property under operational leasing

The profit and loss account includes operational leasing expenses corresponding to vehicle and office rental amounting to EUR 465 thousand (EUR 12 thousand in 2019).

d) 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.

(Stated in EUR thousands)

7. ANALYSIS OF FINANCIAL INSTRUMENTS

7.1. ANALYSIS BY CATEGORY

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:

	Equity instruments		Credits and Others	
	2020	**2019**	**2020**	**2019**
Financial assets				
Long-term				
- Loans and receivables (Note 9)	516	-	78,190	48,614
- Financial assets at fair value, with changes in results	73	42	-	-
	589	**42**	**78,190**	**48,614**
Short term				
- Loans and receivables (except public administration) (Note 9)	-	-	192,005	220,702
	-	**-**	**192,005**	**220,702**

	Liabilities with credit institutions		Liabilities and loans	
	2020	**2019**	**2020**	**2019**
Financial liabilities				
Long-term				
- Bank borrowings received (Note 14)	149,826	68,956	-	-
- Derivatives (Notes 14 and 15)	-	-	2,078	2,437
- Loans received with group companies (Notes 15 and 27)	-	-	11,953	-
- Other current financial liabilities (Note 15)	-	-	18,092	17,831
	149,826	**68,956**	**32,123**	**20,268**
Short term				
- Bank borrowings received (Note 14)	29,900	13,701	-	-
- Derivatives (Notes 14 and 15)	-	-	381	518
- Loans received with group companies (Notes 15 and 27)	-	-	225,860	262,312
- Other current financial liabilities (Note 15)	-	-	4,359	620
- Trade creditors and other accounts payable (Except public administration) (Note 15)	-	-	56,560	5,560
	29,900	**13,701**	**287,160**	**269,010**

(Stated in EUR thousands)

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 assets						
Financial year 2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Subsequent years**	**Total**
Investment in group companies and associates:							
- Credits to companies in the group (Note 9).	112,907	6,228	9,979	9,717	-	52,166	190,997
	112,907	**6,228**	**9,979**	**9,717**	**-**	**52,166**	**190,997**
Other investments:							
- Third-party credits (Note 9)	683	-	-	-	-	516	1,199
- Trade debtors and other accounts receivable (Except public administration) (Note 9)	78,415	-	-	-	-	100	78,515
	79,098	**-**	**-**	**-**	**-**	**616**	**79,714**

	Financial liabilities						
Financial year 2020	**2021**	**2022**	**2023**	**2024**	**2025**	**Subsequen t years**	**Total**
- Bank debts (Note 14)	29,900	26,915	49,713	60,573	12,625	-	179,726
- Group companies and associates loans (Notes 15 and 27)	225,860	-	-	11,953	-	-	237,813
- Other current financial liabilities (Note 15)	4,359	7,547	9,431	467	325	322	22,451
- Derivatives (Notes 14 and 15)	381	1,898	-	180	-	-	2,459
- Trade creditors and other accounts payable (Except public administration) (Note 15)	56,560	-	-	-	-	-	56,560
	317,060	**36,360**	**59,144**	**73,173**	**12,950**	**322**	**499,009**

7.3. CREDIT RATING OF FINANCIAL ASSETS

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.

The main financial asset items (not including equity investments) relate to balances in Group companies whose credit quality does not pose a risk to the Company.

(Stated in EUR thousands)

8. SHAREHOLDINGS IN GROUP COMPANIES, MULTI-GROUP AND ASSOCIATED COMPANIES

The changes in financial years 2020 and 2019 with regards shareholding in Group companies and associate companies are a follows:

	Cost					Depreciation			Net book value	
Financial year 2020	2019	Registrations	Disposals	Merger effect (Note 1)	2020	2019	Registrations	2020	2019	2020
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 Smart Solutions, S.A.U.	43,797	-	-	(43,797)	-	-	-	-	43,797	-
Dominion PerúSoluciones y Servicios SAC	6,793	-	-	-	6,793	-	-	-	6,793	6,793
Visual Line, S.L.	205	-	-	(205)	-	-	-	-	205	-
Beroa Thermal Energy, S.L	87,051	-	-	(87,051)	-	-	-	-	87,051	-
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
minion Industry & Infrastructures, S.L.	14,999	19,301	-	-	34,300	(14,000)	(6,600)	(20,600)	999	13,700
Dominion Energy, S.L.	17,800	-	-	-	17,800	-	-	-	17,800	17,800
The Phone House Spain, S.L.U.	99,688	-	(2,898)	-	96,790	-	-	-	99,688	96,790
Connected World ServicesEurope, S.L.U.	-	495	-	-	495	-	-	-	-	495
Dominion Colombia, S.A.S (previously Diseños y ProductosTécnicos - DITECSA Colombia)	3,244	-	-	-	3,244	-	-	-	3,244	3,244
Dominion ServiciosMedioambientales, S.L.	2,506	-	-	-	2,506	-	-	-	2,506	2,506
InstalacionesEléctricas 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.	-	-	(673)	3,367	2,694	-	-	-	-	2,694
Ampliffica México, S.A. de C.V.	-	-	-	1,625	1,625	-	-	-	-	1,625
Smart Nagusi, S.L.	-	-	-	42	42	-	-	-	-	42
Abside Smart Financial Technologies, S.L.	-	-	-	4,688	4,688	-	-	-	-	4,688
Dominion Smart Innovation S.A. de C.V.	-	-	-	2,775	2,775	-	-	-	-	2,775
Beroa Technology Group, GmbH	-	-	-	37,447	37,447	-	-	-	-	37,447
Dominion E&C Iberia S.A.U.	-	-	-	11,411	11,411	-	-	-	-	11,411
Global Dominion Access USA	-	-	-	1,914	1,914	-	-	-	-	1,914
Dominion Global France SAS	-	-	-	11,007	11,007	-	-	-	-	11,007
Dominion Global PTY Ltd	-	-	-	8,401	8,401	-	-	-	-	8,401
Dominion Steelcon A/S	-	-	-	10,061	10,061	-	-	-	-	10,061
Chimneys and Refractories International SRL	-	-	-	31,731	31,731	-	-	-	-	31,731
Dominion Arabia Industry LLC	-	-	-	1,161	1,161	-	-	-	-	1,161
Dominion Industry Argentina	-	-	-	109	109	-	-	-	-	109
Facility Management Exchange, S.L.	-	422	-	-	422	-	-	-	-	422
Zwipit, S.A.	-	3,903	-	-	3,903	-	-	-	-	3,903
Total	**359,899**	**24,121**	**(3,571)**	**(5,314)**	**375,135**	**(14,816)**	**(6,600)**	**(21,416)**	**345,083**	**353,719**
Shares in associate companies (*)										
SociedadConcesionariaSaludSiglo XXI, S.A.	3,739	-	-	-	3,739	-	-	-	3,739	3,739
Medbuying Group Technologies, S.L.	4,500	-	-	-	4,500	-	-	-	4,500	4,500
Total	**8,239**	**-**	**-**	**-**	**8,239**	**-**	**-**	**-**	**8,239**	**8,239**

The Advanced Flight Systems, S.L.U. shareholding has also been included, which was fully impaired on the analysis date.

(Stated in EUR thousands)

	Cost					Depreciation			Net book value	
Financial year 2019	2018	Registrations	Disposals	Transfers	2019	2018	Registrations	2019	2018	2019
Shareholdings in Group companies										
Dominion I+D, S.L.	3	-	-	-	3	-	-	-	3	3
Dominion Baires, S.A.	11	-	-	-	11	-	-	-	11	11
Dominion SPA	2,050	3,800	-	-	5,850	(816)	-	(816)	1,234	5,034
Dominion Smart Solutions, S.A.U.	30,503	-	-	13,294	43,797	-	-	-	30,503	43,797
Dominion PerúSoluciones y Servicios SAC	3,244	3,549	-	-	6,793	-	-	-	3,244	6,793
Visual Line, S.L.	37	168	-	-	205	-	-	-	37	205
Beroa Thermal Energy, S.L (Group)	87,051	-	-	-	87,051	-	-	-	87,051	87,051
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
Global Near, S.L. (Group)	1,295	12,525	(526)	(13,294)	-	-	-	-	1,295	-
Dominion Industry & Infrastructures, S.L.	14,999	-	-	-	14,999	-	(14,000)	(14,000)	14,999	999
Dominion Energy, S.L.	17,800	-	-	-	17,800	-	-	-	17,800	17,800
The Phone House Spain, S.L.U.	99,688	-	-	-	99,688	-	-	-	99,688	99,688
Smart House Spain, S.L.U.	3,066	-	(3,066)	-	-	-	-	-	3,066	-
Dominion Colombia, S.A.S	2,782	462	-	-	3,244	-	-	-	2,782	3,244
Dominion ServiciosMedioambientales, S.L.	2,506	-	-	-	2,506	-	-	-	2,506	2,506
InstalacionesEléctricas 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
Total	**329,141**	**34,350**	**(3,592)**	**-**	**359,899**	**(816)**	**(14,000)**	**(14,816)**	**328,325**	**345,083**
Shares in associate companies										
SociedadConcesionariaSaludSiglo XXI, S.A.	7,477	-	(3,738)	-	3,739	-	-	-	7,477	3,739
Medbuying Group Technologies, S.L.	-	4,500	-	-	4,500	-	-	-		4,500
Total	**7,477**	**4,500**	**(3,738)**	**-**	**8,239**	**-**	**-**	**-**	**7,477**	**8,239**

Transactions in Group investees in financial 2020 were as follows:

Additions and removals for mergers (Note 1)

The Company acquired the shares of the subsidiaries Dominion Smart Solutions, S.A.U. and Beroa Thermal Energy, S.L.U. as a result of the merger transaction referred to in Note 1. These shareholdings have been recorded in the Consolidated Annual Financial Statements of the group or subgroup at their corresponding value, following the transaction, pursuant to the Consolidated Annual Account preparation standards.

Dominion Industry & Infrastructures, S.L.

On 18 November 2020, the share capital increase and amendment of the bylaws of Dominion Industry & Infrastructures, S.L., approved at the extraordinary and universal general shareholders' meeting held on 22 September 2020, was recorded in a public instrument. The capital increase transaction was executed by issuing one thousand new shares with a face value of 1 euro with a total share premium of EUR 19,300,000 for offsetting liquid, due and payable receivables that the Company maintained in relation to Dominion Industry & Infrastructures, S.L.

Given the required additional investment the Company has earmarked to cover its operating expenses at Dominion Industry & Infrastructures, S.L., and the fact that at 31 December 2020 this subsidiary had not obtained the forecast returns set out in the business plan, management updated the recovery analysis for this investment. Management's value-in-use analysis was based on cautious assumptions related to Dominion Industry & Infrastructures, S.L.'s expected short-term operating performance. To this regard, the assumptions that were used took account of a 1% cumulative annual sales growth rate, a 3.5% EBITDA margin on sales, 14% working capital requirements in sales, minimum and recurring investments in fixed assets and a 0.5% perpetual growth rate. Obtained cash flows were discounted at a 6% rate. This analysis resulted in management recognising an impairment on investment in Dominion Industry & Infrastructures, S.L.'s backlog amounting to EUR 6.6 million under "Impairment and profit or loss on disposal of investments in group and associate companies" in the profit and loss account for financial year 2020.

Interbox Technology, S.L.

On 29 June 2020, a sale agreement was entered into for 15% of the shares in Interbox Technology, S.L., pursuant to which Dominion Smart Solutions, S.A.U. sold these shares to a third party for a fixed amount of EUR 900 thousand. The Company received this amount in full on the date that this share purchase agreement was entered into, generating EUR 225 thousand capital gain under "Impairment and profit or loss on disposal of investments in group and associate companies". On 31 December 2020, the Company holds a 60% direct stake in Interbox Technology, S.L. (2019: 75%).

Facility Management Exchange, S.L.

On 4 September 2020, the sale agreement for shares in Facility Management Exchange, S.L. between Global Dominion Access, S.A. and the shareholders of this company was made public. In this agreement, Global Dominion Access, S.A. acquired 85% of the shares in Facility Management Exchange, S.L. The price of this transaction amounted to EUR 223 thousand.

On the same date, the agreements adopted at the general shareholders' meeting of Facility Management Exchange, S.L. were raised to a public instrument, which approved a capital increase in the company. Global Dominion Access, S.A. assumes 216,575 shares with a face value of 0.01 euros and an overall share premium of EUR 197 thousand. Also, the non-controlling shareholder holds 87,891 shares with a face value of 0.01 euros and an overall share premium of EUR 78 thousand. Accordingly, on 31 December 2020, Global Dominion Access, S.A. holds 80% direct ownership of Facility Management Exchange, S.L.

- Zwipit, S.A.

On 10 September 2020, the contract for the swapping of shares of the subsidiaries The Phone House Spain, S.L.U. and Connected World Services Europe, S.L.U. for shares in Swipit, S.A. was raised to a public instrument. Zwipit is a Spanish company that carries out the following activities: buying old handheld devices to refurbish and resell them and providing services for insurance companies in relation to the reception of damaged devices and restoring their residual value. The acquisition transaction consisted in the acquisition of 99.7% of the company's shares in exchange for 2.36% of the shares of the subsidiaries The Phone House Spain, S.L.U. and Connected World Services Europe, S.L.U., valued at an amount of EUR 2,403 thousand, and a cash payment of EUR 1,500 thousand.

Transactions in Group investees in financial 2019 were as follows:

- Bygging India Limited

On 1 February 2019, the Company implemented the first stage of the purchase of Bygging India Limited ("BIL") in which it has acquired 51% of the share capital for the amount of INR 418.5 million (EUR 5.1 million at the transaction exchange rate). During the second stage, the shareholders holding 49% of the share capital have a put option for the remaining 49%, which can be exercised in the fourth and fifth year following acquisition. 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 remains 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 the base of 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. This option was valued at EUR 8.7 million.

Dominion Smart Solutions, S.A.U. (Previously Dominion Instalaciones y Montajes, S.A.U.) - beneficiary of the activity branch of Dominion Digital, S.L.U.)

On 2 September 2019, the reverse merger was executed under which the subsidiary Dominion Digital, S.L.U. absorbed its parent company Global Near, S.L., a company wholly owned by Global Dominion Access, S.A., and an immediate partial spin-off of Dominion Digital, S.L.U. was executed in favour of Dominion Instalaciones y Montajes, S.A.U. This is when it also changed its company name Dominion Smart Solutions, S.A.U. The subsidiary Dominion Digital, S.L.U. changed its name to Nahitek Digital, S.L.U. In September 2019.

In addition, on 2 October 2019, the final sale of all the shares of the subsidiary Nahitek Digital, S.L.U. to a third party was formalized once the conditions precedent established in the preliminary purchase agreement entered into on 12 July 2019 were met. The price agreed in this agreement established an initial fixed price of EUR 5,000 thousand and a maximum contingent price of EUR 738 thousand pursuant to achieving certain sales levels established for financial years 2019 and 2020. The net book value of the sold company on the transaction date was EUR 526 thousand, whereby capital gains from the transaction amounted to approximately EUR 5.2 million recorded under "Impairment and profit or loss on the disposal of investments in Group companies and associates" in the profit and loss account for financial year 2019. EUR 3.3 million of the transaction price was received in 2019, EUR 1 million is scheduled to be received in 2020 and is recorded under "Short-term financial investments" in the balance sheet while EUR 1.4 million will be received in 2021 and is recorded under "Long-term financial investments" in the balance sheet.

This transaction resulted in EUR 12,525 thousand in capital gains relating to the adjustment required to state the spun-off business to the beneficiary company, Dominion Smart Solutions, S.A.U., at its consolidated value. This capital gain was recorded directly in the Company's equity.

SociedadConcesionariaSaludSiglo XXI, S.A.

In financial year 2019, the resolution for the sale of 15% of the shares in the Chilean associated company SociedadConcesionariaSiglo XXI, S.A. Came into force. Specifically, in June 2019, following the distribution of a dividend of EUR 3.9 million gross of taxes (EUR 2.5 million net of taxes) and the return of a shareholder loan of EUR 2.8 million, the agreement for the sale was put into effect. The sale price amounted to EUR 5.1 million, resulting in a capital gain of EUR 1.4 million which was recorded under "Impairment and profit or loss on the disposal of investments in Group companies and associates" in the profit and loss account for financial year 2019.

Dominion Industry & Infrastructures, S.L.

Given the required additional investment the Company has earmarked to cover its operating expenses at Dominion Industry & Infrastructures, S.L., and the fact that at 31 December 2019 this subsidiary had not obtained the forecast returns set out in the business plan, management updated the recovery analysis for this investment. Management's value-in-use analysis was based on cautious assumptions related to Dominion Industry & Infrastructures, S.L.'s expected short-term operating performance. To this regard, the assumptions that werre used took account of a 1% cumulative annual sales growth rate, a 3.5% EBITDA margin on sales, 14% working capital requirements in sales, minimum and recurring investments in fixed assets and a 0.5% perpetual growth rate. Obtained cash flows were discounted at a 5.95% rate. This analysis resulted in management recognising an impairment on investment in Dominion Industry & Infrastructures, S.L.'s backlog amounting to EUR 14 million under "Impairment and profit or loss on disposal of investments in group and associate companies" in the profit and loss account for financial year 2019.

Medbuying Group Technologies, S.L.

In March 2019, the Company adopted an agreement for the incorporation of a newly formed joint venture named Medbuying Group Technologies, S.L. together with MasmovilIbercom S.A. and Euskaltel, S.A., for the purpose of centralising the purchasing by these companies of mobile terminals, routers and other accessories related to the area of telecommunications. This will make it possible to obtain synergies for the simplification of the purchasing processes, making them more efficient. Both MasmovilIbercom, S.A. and Dominion Global Access, S.A. have a 45% holding each in Medbuying Group Technologies, S.L., while Euskaltel, S.A. has 10%. It has a share capital of EUR 10 million.

Smart House Spain, S.L.U.

On 10 May 2019, the sale agreement for shares in Smart House Spain, S.L.U. was executed with the subsidiary The Phone House Spain, S.L.U. for a total of EUR 2,398 thousand, resulting in a loss of EUR 669 thousand, which was recorded under "Impairment and profit or loss on disposal of investments in group and associate companies" in the 2019 profit and loss account.

Credit capitalization

Also, in financial year 2019 the Company capitalised credits held in relation to Dominion PerúSoluciones y Servicios SAC, Dominion Colombia, S.A.S. and Dominion SPA for EUR 3,549 thousand, EUR 462 thousand and EUR 3,800 thousand, respectively. Management estimated that the fair value of these credits was in line with their nominal value on the capitalisation date.

The identification details of the subsidiaries, and the controlling or shareholding percentage that the company has in investments are provided in accompanying Annex II.

(Stated in EUR thousands)

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:

Financial year 2020

Company	Share capital	Reserves	Other entries	Operational result	Financial year result	Net accounting value of the holding	Implicit goodwill
Dependent Companies							
Mexicana de Electrónica Industrial, S.A. de C.V. (*) (**)	3,101	1,030	(1,403)	2,101	1,136	15,111	2,039
Dominion I+D, S.L. (***)	3	52	(8)	1,466	1,033	3	-
Dominion Baires, S.A. (*) (**)	14	1,431	(739)	559	114	11	-
Dominion SPA (*) (**)	5,946	(2,207)	(169)	2,081	405	5,034	265
Dominion Peru Soluciones y Servicios SAC. (*) (**)	6,792	(1,369)	(1,206)	350	(198)	6,793	
Bilcan Global Services, S.L. (**)	44,553	(33,634)	-	9,895	8,637	44,550	51,367
Dominion Industry & Infrastructures, S.L. (*) (**)	7,188	13,229	(18)	(5,390)	(6,263)	13,700	11,400
Dominion Energy, S.L. (**)	3	19,425	(27)	12,609	9,900	17,800	13,480
The Phone House Spain, S.L.U. (**)	50,063	2,599	-	(13,931)	(10,961)	96,790	44,768
Connected World Services Europe, S.L.U.	3	211	(69)	(407)	(413)	495	-
Dominion Colombia, S.A.S (*) (***)	2,706	(825)	(320)	156	(45)	3,244	1,244
Dominion ServiciosMedioambientales, S.L. (**)	1,976	(63)	-	1,206	960	2,506	1,629
InstalacionesEléctricas Scorpio, S.A. (***)	500	2,740	-	(467)	(414)	4,414	1,545
Original Distribución Spain Iberia, S.A. (**)	60	(283)	-	890	411	31	475
Bygging India Limited (*) (**)	2,083	5,687	-883	2,791	1,914	13,846	7,654
Interbox Technology, S.L. (**)	60	5,112	(85)	2,218	619	2,694	-
Ampliffica México, S.A. de C.V. (*) (***)	1,151	330	(66)	713	618	1,625	-
Smart Nagusi, S.L. (***)	90	(6)	-	(1)	(1)	42	-
Abside Smart Financial Technologies, S.L. (**)	4,001	677	-	(557)	(928)	4,688	2,795
Dominion Smart Innovation S.A. de C.V. (*) (***)	6,077	(3,257)	(368)	(31)	76	2,775	-
Global AmplifficaPerú, S.A.C. (*) (***)	-	-	-	-	-	-	-
Beroa Technology Group, GmbH	15,300	(4,513)	-	(147)	(3,894)	37,447	17,139
Dominion E&C Iberia S.A.U. (**)	4,000	(4,067)	-	1,129	1,537	11,411	6,911
Global Dominion Access USA (*)	2,999	(5,946)	-	(610)	(772)	1,914	-
Dominion Global France SAS (**)	1,126	3,021	-	791	521	11,007	4,923
Dominion Global PTY Ltd (*) (**)	1,390	4,206	-	1,914	626	8,401	132
Dominion Steelcon A/S (*) (**)	190	2,354	-	1,125	749	10,061	1,792
Chimneys and Refractories International SRL (**)	2,000	13,511	-	2,268	397	31,731	16,279
Dominion Arabia Industry LLC (*) (***)	434	3,925	-	(144)	(145)	1,161	-
Dominion Industry Argentina (*) (**)	8	1,245	-	(2,193)	(2,456)	109	-
Facility Management Exchange, S.L. (***)	9	(78)	-	-	-	422	477
Zwipit, S.A. (***)	62	103	-	(64)	11	3,903	3,779
						353,719	**190,093**
Associate Companies							
SociedadConcesionariaSaludSiglo XXI, S.A. (*) (**)						3,739	-
Medbuying Group Technologies, S.L. (***)						4,500	-
						8,239	**-**

(*) Consolidated data translated from local currency into euros at the 2020 year-end exchange rate.

(**) Audited companies.

(***) Unaudited companies.

(Stated in EUR thousands)

In financial year 2020, the Company received dividends from its investees Chimneys and Refractories International SRL and SociedadConcesionariaSaludSiglo XXI, S.A. for an amount of EUR 5.3 million and EUR 0.4 million, respectively.

Financial year 2019

Company	Share capital	Reserves	Other entries	Operational result	Financial year result	Net accounting value of the holding	Implicit goodwill
Dependent Companies							
Mexicana de Electrónica Industrial, S.A. de C.V. (*) (**)	3,101	4,806	(2,938)	1,732	544	15,111	2,346
Dominion I+D, S.L. (***)	3	52	-	8	-	3	-
Dominion Baires, S.A. (*) (***)	14	1,085	(424)	537	192	11	-
Dominion SPA (*) (**)	5,946	2,286	32	853	(693)	5,034	281
Dominion Smart Solutions, S.A.U. (Previously Dominion Instalaciones y Montajes, S.A.U.) - (**)	1,836	20,015	23,288	9,787	166	43,797	33,265
Dominion Peru Soluciones y Servicios SAC. (*) (**)	6,792	2,095	(459)	(80)	84	6,793	-
Visual Line, S.L. (***)	67	7	-	(6)	146	205	-
Bilcan Global Services, S.L. (**).	44,553	(27,240)	(7,783)	942	1,247	44,550	51,367
Beroa Thermal Energy (*) (**)	12,540	1,880	10,365	14,675	11,091	87,051	132,282
Dominion Industry & Infrastructures, S.L. (*) (**)	15,000	(7,578)	15	(4,175)	(6,295)	999	11,400
Dominion Energy, S.L. (**)	3	9,171	(10)	13,499	10,223	17,800	13,480
The Phone House Spain, S.L.U. (**)	50,063	10,763	-	(6,442)	(8,163)	99,688	44,768
Dominion Colombia, S.A.S (*) (***)	2,706	(1,220)	639	29	124	3,244	1,424
Dominion ServiciosMedioambientales, S.L. (***)	1,976	(893)	-	925	829	2,506	1,629
InstalacionesEléctricas Scorpio, S.A. (***)	562	2,451	-	256	227	4,414	1,545
Original Distribución Spain Iberia, S.A. (**)	60	(932)	-	452	649	31	475
Bygging India Limited (*) (**)	2,083	3,366	67	3,524	2,321	13,846	8,611
						345,083	**302,873**
Associate Companies							
SociedadConcesionariaSaludSiglo XXI, S.A. (*) (**)						3,739	860
Medbuying Group Technologies, S.L. (***)						4,500	-
						8,239	**860**

(*) Consolidated data translated from local currency into euros at the 2020 year-end exchange rate.
(**) Data audited for Group auditing purposes
(***) Not audited

In financial year 2019, the Company received a dividend from the associate company SociedadConcesionariaSaludSiglo XXI, S.A. for EUR 3,900 thousand euros recorded as "Net turnover" in the 2019 financial year profit and loss account.

Recoverable investment was calculated based on its value in use, as explained in Note 2.2.

(Stated in EUR thousands)

9. LOANS AND RECEIVABLES

	2020	2019
Long term loans and accounts receivable:		
- Credits to companies in the group (Note 27).	78,090	46,518
- Other financial assets	689	1,406
- Appropriations to staff	-	732
	78,779	**48,656**
Short term loans and accounts receivable:		
Trade debts and other receivables		
- Trade receivables for sales and services	58,020	1
- Customers, Group companies and associates (Note 27)	17,940	11,638
- Sundry debtors	139	-
- Receivables from the Tax Authority (Note 16)	390	63
- Provision for trade debts	(780)	-
- Accruals and deferred income	2,206	-
	77,915	**11,702**
Short-term financial investments		
- Credit to group and associate companies (Note 27)	112,907	185,993
- Derivatives	-	346
- Other financial assets	1,573	22,724
	114,480	**209,063**

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

At 31 December 2020, "Other long-term financial assets" primarily comprises investments in unlisted company equity instruments amounting to EUR 516 thousand.

In financial year 2019, "Other long-term financial assets" primarily included part of the deferred price relating to the sale of Nahitek Digital, S.L.U. (previously Dominion Digital, S.L.U.) for EUR 1.4 million.

(Stated in EUR thousands)

Trade debts and other receivables

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

	2020	2019
Customer receivables for sales and services	57,498	1
Clients, projects underway pending invoicing	522	-
	58,020	**1**

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 on December 31, 2020 and 2019. "Clients, projects underway pending invoicing" comprises the sale price value of any production carried out and services rendered at December 31, 2020, 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. At 31 December 2020, there are overdue balances of over 180 days totalling EUR 2,143 thousand (2019: EUR 0 thousand). The Company has an impairment provision of EUR 780 thousand (2019: EUR 0 thousand), relating to any balances more than 180 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 31 December 2020 and 2019, 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:

	Thousand euros	
	2020	**2019**
Opening balance	**-**	**-**
Merger Additions (Note 1)	780	-
Impairment of receivables	-	-
Final balance	**780**	**-**

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 2020 this balance amounts to 2.3 million (2019: EUR 0 million).

Balances in foreign currency

The amount the Company has recorded under "Short-term loans and receivables" includes EUR 104 thousand, distributed between US dollars, pound sterling and Mexican pesos (2019: EUR 0 thousand).

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 5% in 2020 and 2019 (Note 27).

This section also includes EUR 732 thousand which relate to an appropriation granted to a member of the Board of Directors in 2014 in relation to a capital increase. At 31 December 2019 this amount was recorded in the long-term under "Appropriations to personnel" (Note 26).

Other short-term financial assets

At 31 December 2020 this section comprises the deferred price of the sale of Dominion Digital, S.L.U. This transaction was carried out in 2019 via the absorbed company Dominion Smart Solutions, S.A.U. (Note 1).

In December 2019 the Company subrogated a credit facility that originated at Bas Projects Corporation, S.L. (associated company) from the sale of one of its investments in energy assets. This credit amounted to EUR 20 million and was recorded under "Other short-term financial assets".

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

(Stated in EUR thousands)

10. CASH AND OTHER CASH EQUIVALENTS

	2020	2019
Treasury	70,458	16,858
	70,458	**16,858**

There are no restrictions on the availability of the cash. At 31 December 2020 there is cash amounting to EUR 0.7 million expressed in dollars (2019: EUR 0.6 million expressed in dollars).

11. CAPITAL AND SHARE PREMIUM

	No. of shares	Subscribed capital	Share premium	Own shares
At 31 December 2018	**169,496,963**	**21,187**	**289,065**	**(1,041)**
Operations with treasury shares	-	-	-	20
At 31 December 2019	**169,496,963**	**21,187**	**289,065**	**(1,021)**
Operations with treasury shares	-	-	-	(16,959)
Other movements	-	-	(74,425)	-
At 31 December 2020	**169,496,963**	**21,187**	**214,640**	**(17,980)**

a) Share capital

There have been no changes to the Company's share capital since the controlling company was listed on the stock market during financial year 2016.

There are no restrictions on the free transfer of the shares.

At 31 December 2020 and 2019, the following companies participated in 10% or more of the share capital:

	2020		2019	
	Number of shares	**Interest percentage**	**Number of shares**	**Interest percentage**
AcekDesarrollo y Gestión Industrial, S.L.	22,998,560	13.56%	22,119,353	13.05%

b) Share premium

At the Shareholders' Meeting held on 6 May 2020, 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 Company's balance sheet for an amount of EUR 74,425 thousand.

This reserve is unrestricted.

c) Treasury shares

At 31 December 2020, the company held a total number of 5,493,741 shares representing 3.18% of the share capital at that date (2019: 320,186 shares representing 0.18%), whose book value on the said date amounted to EUR 17,980 thousand (2019: EUR 1,021 thousand). During financial year 2020, 5,173,555 own shares were purchased, respectively (2019: sold and purchased 886,940 and 897,985 own shares, respectively). These operations did not result in capital gains/losses credited to the consolidated equity for financial year 2020 (2019: capital gain of 54 thousand euros against equity).

Pursuant to the mandate conferred by the General Shareholders’ Meeting held on 06 May 2020, 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 up to 6 May 2025.

Pursuant to this authorisation, on 26 February 2020 the Board of Directors announced its agreement to

implement a scheme to buy its own shares back to reduce the Parent's share capital through the cancellation of its own shares, thereby contributing to the shareholder remuneration policy by increasing the profit per share. The maximum limit of the scheme is 5% of the share capital, which corresponds to a maximum of 8,475,000 shares for a maximum cash amount of EUR 35 million. The scheme will run for one year 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.

(Stated in EUR thousands)

12. RESERVES AND PREVIOUS YEARS' PROFIT/LOSS

	2020	2019
Legal and statutory:		
- Legal reserve	2,006	1,855
	2,006	**1,855**
Other reserves and losses from previous financial years:		
- Voluntary reserves	22,387	33,745
- Merger reserves (Note 1)	(8,154)	12,525
- Adjustment due to changes in value of financial instruments	(228)	(186)
- Deferred losses	-	(74,425)
	14,005	**(28,341)**

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.

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.

b) Voluntary reserve

These reserve are unrestricted.

(Stated in EUR thousands)

13. PROFIT (LOSS) FOR THE YEAR

The proposal for the distribution of results and reserves for the Company to be presented to the General Shareholders' Meeting for the 2020 financial year, and the distribution approved for the 2019 financial year, is as follows:

	2020	2019
Distribution base		
Profit and loss	5,064	1,516
	5,064	**1,516**
Appropriation		
Legal reserve	506	152
Voluntary reserves	4,558	1,364
	5,064	**1,516**

14. BORROWINGS

a) Bank loans and credit facilities

	2020	2019
Non-current		
Bank loans and credit facilities	149,826	68,956
	149,826	68,956
Current		
Bank loans and credit facilities	16,900	4,335
Promissory Note Programme	13,000	10,000
	29,900	14,335
	179,726	**83,291**

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 four 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. Finally, the fourth renewal was signed on 10 December 2020, extending the maturity of part of the revolving tranche (tranche B). The calculations of the current value of the discounted cash flows using the new terms of each renewal compared to using the original interest rate did not vary by more than 10% from the value of the cash flow from the original liability. Accordingly, no amount was recognised in the income statement for 2020 and the preceding years.

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 20 million to restructure the Group's non-current financial liabilities. Tranche A2 consists of a loan, in US dollars, for a total of USD 35.6 million 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 2021 and which entails the amortization of 5% in 2021, 7.5% in 2022, 12.5% in 2023 and 75% in 2024. Regarding tranche B, the first due date was set at 19 July 2022 for EUR 11.2 million, whilst the second due date was set at 19 July 2023 for EUR 38.8 million. The latter due date may be extended for an additional year, subject to the acceptance of the funding bodies.

At 31 December 2020, the Group had drawn down EUR 20 million of tranche A1 (2019: EUR 20 million) and USD 35.6 million of tranche A2 which is equivalent to EUR 29,035 thousand (2019: USD 35.6 million, equivalent to EUR 31,749 thousand). No sum had been drawn from the revolving credit of tranche B at 31 December, 2020 and 2019.

This financing bears a Euribor interest rate plus a market spread. Tranche A1 has three 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 31 December 2020 and 2019 it is fully drawn down, with outstanding balances at each date amounting to EUR 17.9 million and EUR 21.4 million, respectively. This financing matures in December 2025 and is repayable at a rate of EUR 3.57 million per year from 2019 to 2025.

On 10 and 22 July 2020, the Company secured loans totalling EUR 50 million from the European Investment Bank (EIB) and Instituto de CréditoOficial (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. As of 31 December 2020, both loans 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., EurologísticaDirectaMóvil 21, S.L.U., Interbox Technology, S.L., Sur Conexión, S.L.U., TiendasConexión, S.L.U., Dominion Deutschland GmbH, Dominion Novocos, GmbH, Beroa Technology Group GmbH, F&SFeuerfestbau 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 with DM Informática S.A. de C.V. in 2019), Dominion PerúSoluciones y Servicios, SAC, Dominion Energy, S.L.U., Dominion Industry & Infrastructures, S.L., The Phone House Spain, S.L.U., Dominion Spa, InstalacionesEléctricas Scorpio, S.A.U.,Dominion Global PTY Limited, Dominion ServiciosMedioambientales, S.L.U., Smart House Spain, S.A.U., AlternaOperador Integral, S.L. and ICC Commonwealth Corporation. In both cases, the Company has obtained commitments to include additional guarantors, if necessary, representing at least 75% of the Group’s annual EBITDA, assets and revenue.

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 2020 and 2019, these ratios were met.

On 4 May 2020, the Company incorporated a promissory note issuance programme called the “Dominion 2020 Promissory Note Programme” in the Alternative Fixed Income Securities Market (MARF) with a maximum limit of EUR 75 million and with maturity dates of up to 24 months. On 6 May 2019, Global Dominion Access, S.A. incorporated a promissory note issuance programme, the “Dominion 2019 Promissory Note Programme” in the Alternative Fixed Income Securities Market (MARF) with a maximum limit of EUR 75 million and with maturity dates of up to 24 months. At 31 December 2020, the outstanding balance amounted to EUR 13 million maturing in less than 12 months. The programme will serve 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.

(Stated in EUR thousands)

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 OCI 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. One of these loans matures in full in the third year, in 2023, whilst the other seven are paid off in monthly or quarterly

instalments over the next 5 years, with a one-year grace period, i.e. the last instalment is deferred until 2025. All loans bear a market interest rate - in some cases a fixed rate and in other cases a variable rate linked to Euribor plus a market difference. These loans were fully drawn at 31 December, 2020.

Also, EUR 3,571 thousand of the EIB loan was paid back in financial year 2020 (2019: EUR 39,571 thousand paid back) as follows: EUR 20,000 thousand for tranche B of the syndicated loan, EUR 16,000 thousand for tranche A1 of the syndicated loan and EUR 3,571 thousand for the loan granted by the EIB.

Non-current borrowings have the following maturities:

	2020	2019
Between 1 and 2 years	26,915	6,155
Between 3 and 5 years	122,911	59,798
More than 5 years	-	3,003
	149,826	**68,956**

The effective interest rates at the balance sheet dates were the usual market rates (basically Euribor plus market reference rates) 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 17 and 487 basis points (2019: between 20 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.

(Stated in EUR thousands)

At 31 December 2020 and 2019, the Company did not draw down balances from lines of credit from financial institutions. The total amount of these credit facilities, together with other unused credit facilities, amounted to EUR 182,313 thousand (2019: EUR 134,000 thousand).

The Company has the following unused credit facilities:

	2020	2019
Variable rate:		
- maturing in less tan one year	82,313	84,000
- maturing in more tan one year	100,000	50,000
	182,313	**143,552**

This loan is not secured by real property.

b) Derivative financial instruments

	2020		2019	
	Assets	Liabilities	Assets	Liabilities
Interest rate swaps				
- Cash flow hedges	-	(583)	-	(686)
Exchange rate hedges				
- Cash flow hedges	-	(230)	346	-
- no hedging	-	(262)	-	(518)
Equity Swap	-	(1,384)	-	(1,751)
	-	(2,459)	346	(2,955)

Swaps (interest rate)

The Company maintains cash flow hedging derivatives which were contracted in prior years posted at a value of EUR 403 thousand at 31 December, 2020 (EUR 436 thousand at 31 December, 2019). The notional principal amount for this interest rate swap contract (from variable to fixed) outstanding at 31 December 2020 amounted to EUR 1.3 million (2019: EUR 1.3 million), which is classified as a hedging instrument. The fixed interest rate applied totals 4.87% and the main variable interest rate of reference is the DKK-CIBOR-DKNA13.

Additionally, in 2016, in connection with the new syndicated financing agreement described above, the Company entered into three interest rate swap contracts with financial institutions under which the Company will pay a fixed rate on the Tranche-A1 financing. The notional amounts of the derivatives decrease proportionately as Tranche A1 is repaid. At 31 December 2020 the valuation of these derivative financial instruments was EUR 180 thousand (2019: EUR 250 thousand). In July 2019, as a result of the syndicated loan novation in which tranches A1 and B were modified, these hedges were restructured to adapt them to the new notional amount and repayment model.

	Notional Principal	Interest Rate	Maturity
Hedging derivative 1	6,667	0.452%	2024
Hedging derivative 2	6,667	0.452%	2024
Hedging derivative 3	6,666	0.452%	2024
	20,000		

	Notional Principal	Interest Rate	Maturity
Hedging derivative 1	6,667	0.452%	2024
Hedging derivative 2	6,667	0.452%	2024
Hedging derivative 3	6,666	0.452%	2024
	20,000		

Exchange rate hedges

During financial year 2020, currency hedging operations were undertaken for certain transactions made in a currency other than that of the company in question. Transactions open at 31 December 2020 correspond to trade transactions in US dollars against euros.

	Notional Principal (thousands of USD)	Maturity date	Value (thousands of Euros)	As hedge accounting
USD sale – transaction 1	15,000	30/03/2021	(119)	Yes
USD sale – transaction 2	35,000	05/01/2021	(262)	No
	50,000			

(Stated in EUR thousands)

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 2022. At 31 December 2020 the valuation of these derivative financial instruments was EUR - 1,384 thousand (2019: EUR - 1,751 thousand).

15. DEBTS AND ACCOUNTS PAYABLE

	2020	2019
Long term debts and accounts payable:		
- Loans from credit institutions (Notes 7 and 14)	149,826	68,956
- Derivatives (Note 14)	2,078	2,437
- Loans with group companies (Notes 27 and 7)	11,953	-
- Other non-current liabilities	18,092	17,831
	181,949	**89,224**
Short term debts and accounts payable:		
- Loans from credit institutions and others (Notes 7 and 14)	29,900	13,701
- Derivatives (Note 14)	381	518
- Loans with group companies (Notes 27 and 7)	225,860	262,312
- Suppliers	40,839	105
- Suppliers, companies forming part of the company and associates (Note 27)	3,139	131
- Sundry creditors	669	589
- Other current liabilities (Note 7)	4,359	620
- Tax Authority payables (Note 16)	1,722	398
- Staff	3,104	4,735
- Customer prepayments	8,809	-
	318,782	**283,109**

(Stated in EUR thousands)

Other financial liabilities

Details of other non-current and current liabilities at 31 December 2020 and 2019 are as follows:

	2020	2019
Non-current		
Debts from company acquisitions:		
InstalacionesEléctricas Scorpio, S.A. (Note 8)	-	9,000
Bygging India Limited (Note 8)	8,357	8,711
Chimneys and Refractories International S.R.L.	513	-
Other minor items	-	120
Debts owed on loans granted by public authorities	2,248	-
Customer prepayments	6,974	-
	18,092	**17,831**
Current		
Debts from company acquisitions:		
InstalacionesEléctricas Scorpio, S.A. (Note 8)	3,150	500
Debts owed on loans granted by public authorities	629	-
Other debts	580	120
	4,359	**620**

As stated in Note 8, 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, 2020 this option was stated at EUR 8.3 million (EUR 8.7 thousand in 2019).

In financial year 2020, EUR 0.6 million expenditure 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 1 million in 2020 following the updating of the exchange rate for this debt, which was recorded in Indian Rupees.

In September 2016 the Company acquired specific energy assets from the GrupoEléctrico Scorpio, S.A. The transaction price was estimated at EUR 17,800 thousand, 390 thousand of which were paid in 2016, a promissory note of EUR 1,410 thousand was issued which was settled in 2017. The remaining amount, EUR 16,000 thousand, included a deferred payment of EUR 7 million due in 2019 and a contingent amount of EUR 9 million, calculated as 33% of the management EBITDA generated by the acquired business in the five years subsequent to the acquisition (excluding upcoming projects on the transaction date) which, based on the terms and conditions of the sales contract, is payable in 2022. This transaction included a 25% stake in Bas Project Corporation, S.L. On 28 July 2020, an amendment to the sale agreement for these assets was raised to a public instrument, stipulating that the Company's outstanding debt became a fixed amount of EUR 3,150 thousand payable in 2021.

As a result of the merger referred to in note 1, the Company acquires the rights of Beroa Thermal Energy, S.L.U. (absorbed company) regarding the reciprocal purchase and sale option for 2.5% of the shares in Chimneys and Refractories International SRL. At 31 December 2020, when the price of the aforementioned reciprocal option was updated, the Company recorded EUR 513 thousand of fixed liabilities and also EUR 1.9 million of revenue from changes in the fair value of the asset.

Debts owed on loans granted by public authorities are assumed by the Company in the scope of the merger referred to in Note 1 through the Absorbed Company Dominion Smart Solutions, S.A.U. and these include balances payable for loans with a subsidised interest rate granted by the Department of Industry.

In financial year 2019, EUR 1.1 million of income was recorded to adjust the fair value of the liability relating to the purchase of Ditecsa Colombia SolucionesMedioambientales, S.A.S. to the value that was ultimately paid. This amount was recorded under "Financial profit or loss" in the profit and loss account for financial year 2019.

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 short-term Company debts is denominated entirely in Euros.

At 31 December 2020, the Company also recorded customer prepayment amounting to EUR 15,783 thousand. EUR 8,809 thousand of this is recorded in the short term, relating to the multi-year contract executed abroad, which is expected to be completed in the long-term based on the Company's best estimates.

Deferments of payments made to suppliers

The breakdown of the average term of trade payables settlement during in 2020 in relation to the legally-permitted payment terms stipulated in Law 15/2010 of 5 of July, is as follows:

	Days 2020	Days 2019
Average period of payment to suppliers	112	40
Ratio of transactions settled	128	36
Ratio of transactions not yet settled	63	83

	Thousands of euros (2020)	Thousands of euros (2019)
Total transactions settled	15,752	1,840
Total transactions not yet settled	5,295	172

In 2020 and 2019, 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 112 days (40 days in 2019).

The Company adapted its in-house processes and payment terms policy pursuant to Law 15/2010 (as amended by Law 31/2014) and Royal Decree-Law 4/2013, which amended Law 3/2004 laying down measures to prevent late payment in business transactions. To this regard, the contract terms with commercial suppliers in 2020 included payment periods of 60 days or less, pursuant to the terms agreed between the parties.

(Stated in EUR thousands)

16. TAXES

a) Current tax

The current taxation detail as of 31 December 2020 and 2019 is as follows:

	2020	2019
Debit balances:		
- Withholdings	91	9
- VAT	-	24
- Corporate tax	299	30
	390	**63**

Credit balances:	**2020**	**2019**
- Income tax	343	106
- VAT	1,230	-
- Social Security	126	8
- Current tax payable to Tax Authorities	23	284
	1,722	**398**

b) Deferred taxes

The deferred taxes details as of 31 December 2020 and 2019 is as follows:

	2020	2019
Deferred tax assets:		
- Credits by negative tax bases	17,497	13,995
Credits for unused deductions	824	2,572
- Temporary differences	73	360
Deferred tax liabilities:		
- Temporary differences	(1,709)	-
Deferred tax (Net)	**16,685**	**16,927**

(Stated in EUR thousands)

Asset and liability variations during financial years 2020 and 2019 related to deferred tax were as follows:

	2020	2019
Deferred tax assets		
Opening balance	**16,927**	**15,167**
Merger additions	4,696	-
Regularisations	170	-
Deferred tax assets recognised for the year	(1,160)	2,822
Transfer of deferred tax assets to the consolidated tax group	(2,239)	(1,062)
Final balance	**18,394**	**16,927**
Deferred tax liabilities		
Opening balance	**-**	**-**
Recognition of deferred tax liabilities	(1,709)	-
Final balance	**(1,709)**	**-**
Net balance	**16,685**	**16,927**

At year-end 2020 and 2019, 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.

(Stated in EUR thousands)

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

Year of origin	Amount	Year of prescription
2001	1,831	2031
2002	240	2032
2003	668	2033
2004	4,035	2034
2005	405	2035
2006	549	2036
2007	1,182	2037
2008	1,167	2038
2009	41,263	2039
2010	16,806	2040
2011	1,210	2041
2012	1,684	2042
2013	1,701	2043
2014	163	2044
	72,904	

Also, no deductions were recorded during the year and none are pending application. The details of the 2020 deductions will be included in the final corporate income tax return in July 2021.

(Stated in EUR thousands)

17. INCOME AND EXPENSES

a) Revenue

	2020	2019
Provision of services	37,221	1,248
Rendering of services to companies in the group (Nota 27)	24,661	12,175
Interest on credits to companies in the group (Note 27)	3,377	2,791
Dividends received from companies in the group (Note 8)	5,739	3,900
	70,998	**20,114**

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 19 million. In 2020, the "Rendering of services to companies in the group" section comprises EUR 14.2 million for Dominion Deutschland GmbH and Dominion Steelcon A/S relating to services rendered in relation to the aforementioned project (2019): EUR 3.3 million). The remaining Group revenues (Note 27) relate to the gross amount of the dividend distributed primarily from Chimneys and Refractories International S.R.L. amounting to EUR 5.3 million, and revenue from the rendering of services as management fees.

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

	%	
Market	**2020**	**2019**
Domestic	77%	22%
Abroad	23%	78%
	100%	**100%**

b) Provisions

Provisions in financial years 2020 and 2019 are broken down in the following table:

	2020	2019
Work performed by other companies:		
Purchases:		
- Domestic purchases	14,523	52
- Foreign purchases	22,555	-
	37,078	**52**

(Stated in EUR thousands)

c) Transactions performed in foreign currency

In financial year 2020, commercial transactions were made in foreign currency for EUR 376 thousand (EUR 0 thousand in 2019). Exchange rate differences in 2020 and 2019 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

	2020	2019
Other operating income	10,664	-
Operating subsidies transferred to the net profit (loss) for the year.	711	-
	11,375	**-**

In financial year 2020, "Other operating income" includes the effect the increased shareholding in the Danish joint venture New Horizons in InfrastruturesNHID has had on the income statement in relation to previous financial years.

e) Staff costs

	2020	2019
Wages, salaries and similar	11,683	3,618
Other staff welfare expenses	1,415	79
	13,098	**3,697**

The average number of employees, not counting the average number of people subject to these lay-offs in the financial year, over the course of financial years 2020 and 2019, is as follows, according to their category:

	Average number of employees	
Category	**2020**	**2019**
Male/Female Director	20	4
Officer in Charge	18	-
Technician	92	-
Skilled worker	3	-
Male/Female Clerk	21	-
	154	**4**

(Stated in EUR thousands)

Also, the distribution of personnel and members of the board by gender in the Company in financial years 2020 and 2019 is as follows:

	2020			2019		
Category	Men	Women	Total	Men	Women	Total
Members of the Board	8	3	11	10	2	12
Male/Female Director	13	7	20	4	-	4
Officer in Charge	12	6	18	-	-	-
Technician	65	23	88	-	-	-
Skilled worker	-	3	3	-	-	-
Male/Female Clerk	3	17	20	4	-	4
	101	**59**	**160**	**18**	**2**	**20**

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

f) Other operating expenses

The "Other operating expenses" increase is primarily due to the operating expenses related to the activity carried out by the absorbed company Dominion Smart Solutions, S.A.U. as a result of the merger referred to in Note 1.

18. PROFIT TAX 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 2020, 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)			9,900
Pre-tax profit and loss (discontinued operations)			(11)
Temporary differences	-	(7,121)	(7,121)
Permanent differences	11,555	(9,488)	2,067
Previous taxable base			**4,835**
Offset tax bases			(2,417)
Final tax base			**2,418**
Whole rate due			580
Deductions			(580)
Tax payable			**-**

(Stated in EUR thousands)

Decreases due to permanent differences mainly relate to the gross amount of the dividend distributed by Chimneys and Refractories International S.R.L. and SociedadConcesionariaSaludSiglo XXI, S.A. totalling EUR 5.3 million and EUR 0.4 million, respectively, and to the capital gains obtained in the financial year from the sale of 15% of the shares in the subsidiary Interbox Technology, S.L.U. (Note 8). The permanent positive differences relate to non-deductible tax expenses.

The temporary differences relate to the different accounting and tax method regarding the change in the fair value of the contingent prices associated with the acquisitions of Dominion Energy, S.L.U. and Chimneys and Refractories International S.R.L. (Note 15).

Corporate income tax (expense)/revenue consists of:

	2020	2019
Adjustment of Company Tax in the previous financial year.	113	(1)
Acknowledgement of deferred taxes assets (Note 16)	-	2,822
Acknowledgement of deferred taxes liabilities (Note 16)	(1,709)	-
Application of deferred taxes assets (Note 16)	(3,399)	(1,062)
Regularisations	170	-
Current tax for continued operations	-	3,306
Non-recoverable withholdings (Note 8)	-	(1,622)
	(4,825)	**3,443**

The Company incurred tax losses in the past with the tax loss carryforwards relating to these amounting to EUR 17 million at 31 December 2020 (2019: EUR 58 million) which are completely capitalized at 31 December 2020 and 2019 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 2020, the Company has deductions of EUR 824 thousand (2019: EUR 2,572 thousand), as well as temporary asset differences of EUR 73 thousand (2019: EUR 0 thousand and EUR 648 thousand).

Non-recoverable withholdings in financial year 2019 included the withholding tax levied at source on dividend distribution of ConcesionariaSaludSiglo XXI, S.A., which management deems non-recoverable.

(Stated in EUR thousands)

The applicable legislation for Corporation Tax settlements during financial year 2020 for the Company is that corresponding to the Regional Regulation 11/2013 of 5 December for Corporation Tax. Due to the modifications introduced by Regional Regulation 2/2018, of 21 March, the general Corporation Tax rate was changed from 28% to 26% for the tax periods starting as from 1 January 2018 and 24% for the tax periods started as from 1 January 2019, whereby, a tax rate of 24% applies for the Company in financial year 2020. Likewise, specific limits were introduced to the offsetting of tax-loss carry forwards.

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.

19. FINANCIAL PROFIT (LOSS)

	2020	**2019**
Financial income		
From negotiable securities and other financial instruments (Note 14)	1	57
	1	**57**
Financial expenses:		
For debts with companies in the group (Note 27).	(1,778)	(1,792)
Amounts owed to third parties	(5,434)	(3,413)
	(7,212)	**(5,205)**
Variation of the fair value in financial instruments (Note 15)	**7,459**	**(762)**
Exchange rate differences (Note 17c)	**1,754**	**(1,271)**
Financial profit/loss	**2,002**	**(7,181)**

At 31 December 2020, changes in the fair value of financial instruments include EUR 7.1 million revenue from the change in the fair value of the contingent price established for the purchase of InstalacionesEléctricas Scorpio, S.A. and InstalacionesEléctricas Scorpio Rioja, S.A., and the change in the fair value of the contingent price for the purchase of Chimneys and Refractories International SRL, given that part of this price was offset by dividend distributions.

(Stated in EUR thousands)

20. CASH FLOWS FROM OPERATING ACTIVITIES

	2020	2019
Profit of the year before tax - ongoing transactions:	**9,900**	**(690)**
Profit of the year before tax - discontinued transactions:	**(11)**	**(1,237)**
Adjustments of profit (loss):		
- Fixed asset depreciation (Notes 5 and 6)	8,043	108
- Value corrections for impairment (Note 8)	6,375	-
- Change in provisions (Note 23)	5,706	-
- Allocation of subsidies	(238)	-
- Financial income (Note 19)	(1)	(2,848)
- Financial expenses (Note 19)	7,212	5,205
- Exchange rate differences (Note 19)	(1,754)	-
- Impairment and profit or loss on disposal of investments in group and associate companies	-	8,998
- Variation of the fair value in financial instruments (Note 19)	(7,459)	790
- Other income and expenses	(1,500)	(1,620)
	16,384	**10,633**
Changes in working capital:		
- Inventories	1,014	-
- Debtors and other receivables (Notes 7 and 9)	(6,068)	251
- Other current assets	1,666	-
- Creditors and other accounts payable (Notes 7 and 15)	(1,952)	(801)
- Other current liabilities	(27)	-
- Other non-current assets and liabilities	1,867	-
	(3,500)	**(550)**
Other cash flows from operating activities:		
- Interest paid	(5,434)	(3,413)
- Interest received	-	57
- Dividends received	5,739	-
- Tax payment	(299)	-
	6	**(3,356)**
Cash flows from operating activities	**22,779**	**4,800**

(Stated in EUR thousands)

21. CASH FLOWS FROM INVESTING ACTIVITIES

	2020	2019
Payments for investments:		
- Intangible fixed assets (Note 5)	(5,812)	-
- Other financial assets	(504)	(1,379)
- Investments in group companies and associates (Note 8)	(154,257)	(44,282)
	(160,573)	**(45,661)**
Gains on investment:		
- Property, Plant and Equipment (Note 6)	35	-
- Other financial assets	31,397	14
- Investments in group companies and associates (Note 8)	110,930	44,088
	142,362	**44,102**
Cash flows from investing activities	**(18,211)**	**(1,559)**

22. CASH FLOWS FROM FINANCING ACTIVITIES

	2020	2019
Receipts and payments from equity instruments:		
- Own equity instruments	-	73
	-	**73**
Financial liability instrument proceeds and payments:		
Issue:		
- Bank debts (Note 14)	100,000	10,000
- Debts with group companies (Note 15)	68,715	26,546
Return:		
- Bank debts (Note 14)	(3,571)	(39,488)
- Debts with group companies (Note 15)	(98,730)	-
- Other liabilities	(5,606)	(7,035)
	60,808	**(9,977)**
Payments for dividends and remuneration on other equity instruments:		
- Dividends	(10,844)	-
- Other equity instrument returns	(16,959)	-
	(27,803)	**-**
Cash flows from financing activities	**33,005**	**(9,904)**

(Stated in EUR thousands)

23. PROVISIONS AND CONTINGENCIES

Movements in the Group's provisions in 2020 and 2019 are as follows:

	Other provisions	Obligations to personnel.	Total
At 31 December 2018	**-**	**-**	**-**
At 31 December 2019	**-**	**-**	**-**
Appropriations	1,255	4,500	5,755
At 31/12/2020	**1,255**	**4,500**	**5,755**
Non-current provisions			**5,755**
Short-term provisions			**-**

Provisions are essentially broken down as follows:

- Provisions of EUR 1,255 thousand (2019: EUR 0 thousand) corresponding to the total coverage of likely risks related to legal proceedings underway, basically, abroad.

- Provision of EUR 4,500 thousand (2019: EUR 0 thousand) mainly relating to the additional incentive agreed on with senior management entitled to this incentive as well as the CEO as detailed in Note 26 d).

Contingent liabilities

At 31 December 2020, the Company has granted guarantees to group companies and associate companies for works and services rendered to customers totalling approximately EUR 119 million (2019: EUR 121.3 million). The Company also has guarantees of EUR 3.5 million (2019: EUR 0.3 million).

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

24. COMMITMENTS

a) Sale Commitments

At 31 December 2020 and 2019, the Company had no sale commitments.

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:

	2020	2019
Less than one year	133	2
Between one and five years	21	4
	154	**6**

(Stated in EUR thousands)

25. JOINT VENTURES (JVs)

The Company participates in the following temporary joint ventures (JVs) in financial years 2020 and 2019:

Name	Activity	Interest percentage
Global Dominion Access, S.A. and AdasaSistemas, 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.-AdasaSistemas, 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%
GrifolsMovaco, S.A.; Dominion Instalaciones y Montajes, S.A.U. Temporary Business Association, Law 18/1982, of 26 May (*)	Turnkey project for the promotion and monitoring of the adherence for elderly patients in therapeutic care from the medication-therapeutic unit for outpatients at the Miguel Servat University Hospital in Zaragoza	32.71%
New Horizons in Infrastructure NHID I/S	Execution of turnkey projects in emerging countries.	84.30%

(*) JV wound up in financial year 2020.
(**) 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.

(Stated in EUR thousands)

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:

	2020
Current assets	65,662
Current liabilities	(29,858)
Turnover	43,324
Total expenses	(25,169)
Attributed profit and loss	18,154

There are no contingent liabilities or capital investment commitments relating to the Company's participation in the JV in financial years 2020 and 2019.

26. REMUNERATION TO THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT

a) Senior management remuneration and loans

The total remuneration paid in 2020 to senior management personnel, excluding that included in Compensation paid to the members of the Board of Directors amounted to EUR 1,494 thousand (2019: EUR 1110 thousand).

During financial year 2020, a payment of EUR 21 thousand was made to pension funds or plans established for the members of Senior management (2019: EUR 16 thousand).

The Group has health insurance policies taken out that gave rise to an annual payment EUR 6 thousand in 2020 (2019: 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 2020, and the respective provisions were recorded in the Group's profit and loss account.

(Stated in EUR thousands)

The Group 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 35 thousand having been settled during the financial year. (2019: EUR 25 thousand).

b) Company director remuneration

During 2020 and 2019 the amount paid to the Board of Directors is shown in the following table and is comprised of the following items and amounts:

	2020	2019
Salaries and extraordinary remunerations	2,215	940
Other compensation	14	14
	2,229	**954**

Contributions totalling EUR 8 thousand were made in 2020 to pension plans or funds established for former or current members of the company's Board of Directors (2019: 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 6 thousand in 2020 (2019: EUR 6 thousand).

Furthermore, the contract with the CEO contains a clause under which a severance payment doubling his annual compensation is payable if the employment relationship is terminated.

During financial year 2018, an incentive agreement was signed for the CEO based on the evolution of the quoted market price for the Company's shares which was liquidated in financial year 2020. A new incentive agreement was entered into in 2020 which was also based on the evolution of the listed price. Section d) of this Note explains these arrangements in greater detail.

In financial year 2020, the Appointments and Remuneration Committee of the Board of Directors also adopted new resolutions relating to the remuneration of the different members of the Board of Directors.

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.

(Stated in EUR thousands)

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

	2020	2019
Loans to shareholders and Directors	732	732
	732	**732**

In year 2014, a credit of EUR 1,500 thousand was granted to a member of the Board & Directors in connection with a capital increase. During the financial year of 2017, partial cancellation was performed for a total amount of EUR 768 thousand.

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

On 03 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 Company for the Chief Executive and certain board members of the Company. Pursuant to this agreement, the maximum number of share rights that are assignable to beneficiaries shall be 2,600,000.

During 2018, an agreement was concluded for the Chief Executive Officer of an economic incentive linked to the evolution of the market price for the shares of Global Dominion Access, S.A., in which the Chief Executive Officer is assigned 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, 3 euros 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 generation period runs from 1 January 2017 to 31 December 2019 or 2021, at the beneficiary's choice and the settlement dates for both periods are February 2020 and February 2022. The beneficiary requested settlement of the aforementioned incentive at the beginning of financial year 2020 and payment was made in March 2020 for a total calculated amount of EUR 845 thousand.

In financial year 2020, the contracts relating to this supplementary incentive were entered into for all the senior management members entitled to it, with the respective provision recorded in the Company's income statement. These incentives accrue from 1 January 2017 to 31 December 2021 and will be settled in 2022.

(Stated in EUR thousands)

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 Company on 6 May 2020, which provides long-term variable remuneration subject to share price performance. This agreement has 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, 3 euros 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 spans from 1 January 2020 to 31 December 2021, which will be settled in cash in financial year 2022.

e) Conflicts of interest

In order to avoid conflicts of interest with the company, during 2020 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 companies owned by the Company in financial years 2020 and 2019 relate to the following items and amounts:

a) Transaction with Group companies and Associated companies

	2020	2019
Provision of services (Note 17.a)	24,661	12,175
Other operating income (Note 17.c)	333	-
Procurements (Note 17)	(24,348)	(3)
Charged interest (Note 1)	(1,778)	(1,792)
Interest paid (Note 17)	3,377	2,791

(Stated in EUR thousands)

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

	2020	2019
Balances receivable with group and associate companies (Note 9)	17,940	11,638
Balances payable with group and associate companies (Note 15)	3,139	131

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

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

Pricing conditions

Financial year 2020

	Balance	Granted date	Maturity date	Interest
Long-term Group Credits				
Mexicana Electrónica Industrial, S.A. de C.V	9,716	2019	2024	5%
Bygging India Limited	3,000	2019	2026	2.5%
Dominion SPA	4,000	2018	2023	4%
Dominion SPA	5,561	2017	2022	4%
Dominion SPA	2,700	2016	2022	4%
Dominion Centro de Control, S.L.	3,000	2018	2023	1%
Dominion Centro de Control, S.L.	3,000	2020	2031	1%
Global Dominion Access USA	17,121	2016	2026	1%
Dominion Energy, S.L.U.	20,000	2020	2030	1%
Beroa Technology Group GmbH	5,000	2013	2026	2.6%
Dominion E&C Iberia, S.A.U.	4,000	2019	2029	1%
Others	325	-	-	-
Total credits	**77,423**			
Accrued interest to be cancelled in the long-term				
Dominion SPA	667			
Total interests	**667**			
Total long term (Note 9)	**78,090**			

(Stated in EUR thousands)

Details of loans and receivables
Financial year 2020

	2019	Adrditions / Reductions	Merger effect	Transfers	Capitalisation of borrowing costs	2020
Long-term Group Credits						
Mexicana Electrónica Industrial, S.A. de C.V	9,716	-	-	-	-	9,716
	9,716	-	-	-	-	9,716
Bygging India Limited	-	-	-	3,000	-	3,000
	-	-	-	3,000	-	3,000
Dominion SPA (*)	10,791	-	-	60	1,410	12,261
	10,791	-	-	60	1,410	12,261
Dominion Centro de Control, S.L.	3,000	3,000	-	-	-	6,000
	3,000	3,000	-	-	-	6,000
Global Dominion Access USA	-	-	17,121	-	-	17,121
	-	-	17,121	-	-	17,121
Dominion Energy, S.L.U.	-	20,000	-	-	-	20,000
	-	20,000	-	-	-	20,000
Beroa Technology Group GmbH	-	-	5,000	-	-	5,000
	-	-	5,000	-	-	5,000
Dominion Industry & Infrastructures, S.L. (Note 8)	9,301	-	-	(9,301)	-	-
	9,301	-	-	(9,301)	-	-
Dominion Smart Solutions, S.A.U.	8,300	-	(8,300)	-	-	-
	8,300	-	(8,300)	-	-	-
Dominion E&C Iberia, S.A.U.	4,000	-	-	-	-	4,000
	4,000	-	-	-	-	4,000
Others	-	325	-	-	-	325
Total credits	**45,108**	**23,325**	**13,821**	**(6,241)**	**1,410**	**77,423**
Accrued interest to be cancelled in the long-term						
Dominion SPA	1,410	667	-	-	(1,410)	667
Total interests	**1,410**	**667**	-	**-**	**(1,410)**	**667**
Total long term (Note 9)	**46,518**	**23,992**	**22,121**	**3,060**	**-**	**78,090**

(*) Interest was capitalised with Dominion SPA in financial year 2020.

(Stated in EUR thousands)

Financial year 2019

	31.12.2018	Registrations	Capitalisation (Note 6)	Transfers	31.12.2019
Long-term Group Credits					
Mexicana Electrónica Industrial, S.A. de C.V	9,716	-	-	-	9,716
	9,716	-	-	-	9,716
Dominion Centro de Control, S.L.	3,000	-	-	-	3,000
	3,000	-	-	-	3,000
Global Near, S.L.	3,500	-	-	(3,500)	-
	1,500	-	-	(1,500)	-
	700	-	-	(700)	-
	5,700	-	-	(5,700)	-
Dominion Digital, S.L.	100	-	-	(100)	-
	100	-	-	(100)	-
	200	-	-	(200)	-
Dominion Smart Solutions, S.A.U. (Previously Dominion Instalaciones y Montajes, S.A.U.) - beneficiary of the activity branch of Dominion Digital, S.L.U.)	4,000	-	-	4,300	8,300
	4,000	-	-	4,300	8,300
Dominion SPA	18,511	-	(3,800)	(3,920)	10,791
	18,511	-	(3,800)	(3,920)	10,791
Dominion Industry & Infrastructures, S.L.	-	9,301	-	-	9,301
	-	9,301	-	-	9,301
Dominion E&C Iberia, S.A.U. (formerly Beroa Iberia, S.A.)	-	4,000	-	-	4,000
	-	4,000	-	-	4,000
Total credits	**41,127**	**13,301**	**(3,800)**	**(5,520)**	**45,108**
Accrued interest to be cancelled in the long-term					
Dominion SPA	1,156	254	-	-	1,410
Total interests	**1,156**	**254**	**-**	**-**	**1,410**
Total long term (Note 9)	**42,283**	**13,555**	**(3,800)**	**(5,520)**	**46,518**

(*) Credit facilities granted to Dominion SPA were capitalised in financial year 2019. See Note 6.

(Stated in EUR thousands)

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

Short-term financial investments

	31.12.20	31.12.19	Max limit granted
Short-term Group Credits			
Dominion SPA	3,920	4,883	5,859
Beroa Thermal Energy, S.L	-	90,644	Without limitation
Dominion Smart Solutions, S.L.U.	-	14,899	15,000
Dominion Perú Soluciones y Servicios, S.A.C.	-	-	1,074
Bas Project Corporation, S.L.	17,687	19,493	20,000
Dominion Industry & Infrastructures, S.L.	28,919	31,563	Without limitation
Dominion Industry de Argentina, S.R.L.	1,211	-	Without limitation
Bygging India Limited	-	3,000	Without limitation
Mexicana Electrónica Industrial, S.A. de C.V	15,316	2,858	Without limitation
Dominion Steelcon A/S	1,688	897	Without limitation
Medbuying Group Technologies, S.L.	-	1,400	Without limitation
Beroa Polska SP	1,356	1,356	Without limitation
Abside Smart Financial Technologies, S.L.	1,059	400	Without limitation
Dominion Servicios Medioambientales, S.A.	287	898	Without limitation
Dominion Colombia S.A.S.	1,826	-	Without limitation
Chimneys and Refractories Intern S.R.L.	1,766	-	Without limitation
Dominion Global France	1,582	-	Without limitation
Beroa Technology Group	10,660	-	Without limitation
New Horizons in Infrastructures in Denmark	2,634	-	Without limitation
Dominion Global Pty Limited	4,559	-	Without limitation
Beroa Refractory & Insulation	1,958	-	Without limitation
Advanced Flight Systems, S.L.U.	1,263	-	Without limitation

(Stated in EUR thousands)

Other minor items	3,000	2,032	Without limitation
	100,691	**174,323**	
Interest on short-term accounts receivable			
Beroa Thermal Energy, S.L	-	8,015	
Dominion Energy, S.L.	332	-	
Bas Project Corporation, S.L.	1,326	652	
Dominion Instalaciones y Montajes, S.A.U.	-	1,863	
Mexicana Electrónica Industrial, S.A. de C.V	1,322	491	
Dominion Perú Soluciones y Servicios, S.A.C.	-	280	
Dominion SPA	1,139	-	
Beroa Technology Group	6,622	-	
Dominion Industry & Infrastructures, S.L.	438	-	
Other minor items	1,037	369	
Total interests	**12,216**	**11,670**	
Total short-term financial investments (Note 9)	**112,907**	**185,993**	

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 fluctuates between 5% and 1% in 2020 (2019): 5% and 1%).

(Stated in EUR thousands)

d) Loans received from group, associated and related companies

At 31 December 2020 and 2019 the Company holds the following loans received from group, associated and related companies:

	2020	2019
Long-term loans received from group and related companies (Note 15):		
- Mexicana Electrónica Industrial, S.A. de C.V	11,953	-
	11,953	**-**

	2020	2019
Short-term loans received from group and related companies (Note 15):		
- Bilcan Global Services, S.L.	25,987	21,912
- Interbox Technology, S.L.	131,363	131,872
- Dominion Energy, S.L.	44,506	33,468
- InstalacionesEléctricas Scorpio, S.A.	2,053	2,536
- Dominion Industry & Infrastructures, S.L.	-	112
- The Phone House Spain, S.L.U.	9,738	59,065
- Dominion E&C Iberia, S.A.U.	852	499
- Dominion Networks, S.L. (Left Group in 2020), S.L.U.	-	6,403
- Dominion Industry Argentina, S.A.	-	1,130
- Dominion Centro de Control, S.L.	3,256	6
- NHID Spanish branch	154	1,494
- Dominion Steelcon A/S	1,503	-
- Other minor items	126	326
	219,538	**258,823**
Interest payable for short-term loans received from group and related companies (Note 15):		
- Bilcan Global Services, S.L.	1,249	501
- Interbox Technology, S.L.	3,924	2,866
- Other minor items	1,149	122
	6,322	**3,489**
	225,860	**262,312**

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 2.5% (2019: between 0.8% and 2.15%).

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

28. DISCONTINUED ACTIVITIES

In financial year 2018, Global Dominion Access, S.A.'s Board of Directors decided to start an active programme to find a buyer for its Brazilian subsidiaries, Dominion TecnologíaLtda (holding) and Dominion Instalaçioes e Montagens do BrasilLtda, and to discontinue operations in that country. The Group's activity in Brazil, carried out by Dominion Instalaçioes e Montagens do Brasil and which represents all business in Brazil, is a CGU in the group of T&T Services CGUs of the Group. To this regard, the Company's Directors recorded all investment held in that country under "Non-current assets held for sale", adjusting their full value as they believed that this was the best estimate of the recoverable amount relating to these investments. Also, considering the significance of the Company's profit/loss from these investments in terms of financial information as a whole, the Directors have treated these investments as discontinued operations and recorded the related impairment losses, net of their tax effect, in financial year 2019 under "Profit for the year from discontinued operations, net of tax" in the profit and loss account.

Finally, on 30 July 2019, the Brazilian subsidiary Dominion Instalaçoes e Montanges do Brasil Ltd was declared insolvent by the Brazilian courts. From this date, a trustee/liquidator took over management of the subsidiary.

EUR 950 thousand impairment relating to the granted financing was recorded in the profit and loss account for financial year 2019. There were also other expenses relating to the Brazilian companies amounting to EUR 287 thousand. Both amounts were recorded under "Profit or loss for the year from discontinued operations net of tax".

(Stated in EUR thousands)

At 31 December, 2019, the amounts of capital, reserves, financial year results and other information of interest, as shown in the individual Annual Financial Statements of the companies, were as follows:

Financial year 2019

Company	Share capital	Reserves	Other entries	Operational result	Financial year result	Net accounting value of the holding	Implicit goodwill
Dependent Companies							
Dominion Tecnologías, Ltdal (*) - Group	8,574	(29,502)	4,221	(4,900)	(8,980)	-	-
Dominion Instalaçoes e Montagens do Brasil, Ltda (*)	42,443	(38,639)	4,117	(4,796)	(8,879)	-	-

(*) Consolidated data translated from local currency into euros at the 2019 year-end exchange rate.

Profit or loss for the year from discontinued operations in financial years 2020 and 2019 is broken down as follows:

	2020	2019
Impairments	-	(950)
Other expenses	(11)	(287)
Current Corporate Tax	-	-
	(11)	**(1,237)**

29. 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 provision for environmental risks or expenses since there are no contingencies relating to the protection and improvement of the environment or any environmental liabilities.

30. 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 202 thousand and EUR 4 thousand, respectively (2019: EUR 147 thousand and EUR 28 thousand). Of these services, other than auditing accounts, PricewaterhouseCoopers Auditores, S.L. Provided EUR 4 thousand (2019: EUR 28 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 (ICSFR) 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.

31. SUBSEQUENT EVENTS

From 31 December 2020 to the date these financial statements were drawn up, no significant events occurred that need to be stated.

At its meeting to draw up these individual Financial Statements held on 22 February 2020, the Board of Directors will propose the agenda for the next General Shareholders' Meeting. One of the items that will be included on the agenda will be the proposed distribution of dividends from the Parent Company's voluntary reserves of EUR 4.2 million.

32. 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 its annual report, pursuant to Article 42 bis.4.b).

The details of Form 720 are included in Annex I of this report.

GLOBAL DOMINION ACCESS, S.A.

ANNEX I – Model 720

MEXICO

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

Tax Code	Surnames and First Name or company name	Telephone	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
16036270A	Mikel Barandiaran	944793787	8	With power of disposition	4,139,361.91	4,038,514.95
30639110M	Mikel Uriarte.	944793787	8	With power of disposition	4,139,361.91	4,034,507.92
44670695A	Roberto Tobillas	944793787	8	With power of disposition	4,139,361.91	4,034,507.92

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	03/12/2012	8,006.71	4,007.03
BMSXMXMM	9066273805 3431	Banco Nacional de México SA	BNM840515VB1	Isabela Catolica 44 Centro	Mexico DF	06000	Mexico	03/12/2012	2,013.05	26,971.60
BCMRMXMM	0145605806	BBVABancomer SA	BBA830831LJ2	Av Universidad 1200 Xoco	MX	03339	Mexico	03/12/2012	6,210.65	22,937.27
BMSXMXMM	65-500551798-3	BANCO SANTANDER (MÉXICO), S.A.	BSM970519DU8	Prol. P Reforma No 500 Piso 2	Mexico DF	01219	Mexico	03/12/2012	6,155.75	11,712.83
BMSXMXMM	9066304110 USD	Banco Nacional de México SA	BNM840515VB1	Isabela Catolica 44 Centro	Mexico DF	06000	Mexico	03/12/2012	1,551,263.49	1,253,636.21
BCMRMXMM	0145606276	BBVABancomer SA	BBA830831LJ2	Av Universidad 1200 Xoco	Mexico DF	03339	Mexico	03/12/2012	2,565,712.27	2,719,250.01
BMSXMXMM	82-50013403-8	BANCO SANTANDER (MÉXICO), S.A.	BSM970519DU8	Prol. P Reforma No 500 Piso 2	Mexico DF	01219	Mexico	03/12/2012	0.00	0.00

GLOBAL DOMINION ACCESS, S.A.

PERU

DOMINION PERU SOLUCIONES Y SERVICIOSS.A.C.

Tax Code	Surnames and First Name or company name	Telephone	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
16036270A	Mikel Barandiaran.	944793787	3	With power of disposition	3,699,304.17	0.00
30639110M	Mikel Uriarte.	944793787	3	With power of disposition	3,699,304.17	0.00
08998366F	Carmen Gómez	944793787	3	With power of disposition	3,699,304.17	0.00
16079749N	German Pradera	944793787	3	With power of disposition	3,699,304.17	0.00
44670695A	Roberto Tobillas	944793787	3	With power of disposition	3,699,304.17	0.00

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)
BCONPEPL	0011-0387-01-00024514	BBVA BANCO CONTINENTAL	20100130204	Av. REP DE PANAMA NRO. 3055 URB. EL PALOMAR	SAN ISIDRO/ LIMA	15047	Peru	11/05/2012	1,562,071.35
BCONPEPL	0011-0387-01-00024522	BBVA BANCO CONTINENTAL	20100130204	Av. REP DE PANAMA NRO. 3055 URB. EL PALOMAR	SAN ISIDRO/ LIMA	15047	Peru	11/05/2012	1,308,408.49
BCPLPEPL	193-2165016-1-57	BANCO DE CREDITO DEL PERU	20100047218	ESQ.AV.. RIVERA NAVARRETE - AV. JUAN DE ARONA	SAN ISIDRO/ LIMA	15046	Peru	22/04/2014	478,062.26
BCPLPEPL	191-2506646-0-55	BANCO DE CREDITO DEL PERU	20100047218	ESQ.AV.. RIVERA NAVARRETE - AV. JUAN DE ARONA	SAN ISIDRO/ LIMA	15046	Peru	01/03/2018	1,161.04
BIFSPEPL	007000583169	BANCO INTERAMERICANO DE FINANZAS	20101036813	Av. RIVERA NAVARRETE 600 SAN ISIDRO	SAN ISIDRO/ LIMA	15046	Peru	01/06/2017	504,364.97
BIFSPEPL	007000446560	BANCO INTERAMERICANO DE FINANZAS	20101036813	Av. RIVERA NAVARRETE 600 SAN ISIDRO	SAN ISIDRO/ LIMA	15046	Peru	01/08/2014	3,550.66
BINPPEPL	041-3001784579	BANCO INTERBANK	20100053455	Av. CARLOS VILLARANNRO. 140 URB. SANTA CATALINA	LA VICTORIA	15034	Peru	12/01/2019	893,974.72

GLOBAL DOMINION ACCESS, S.A.

COLUMBIA

COLUMBIAN BRANCH

Tax Code	Surnames and First Name or company name	Telephone	Registry no.	Declaring condition	Reporting status 1	Reporting status 2
34935063H	Francisco José Rionegro	944793787	1	With power of disposition	1,095,615,180.59	1,099,072,769.00
30662767H	LeireGandariasZapirain	944793787	1	With power of disposition	1,095,615,180.59	1,099,072,769.00
1076413	Cristian Marcos Blanco	573174342820	1	With power of disposition	20,465,201.91	20,465,201.91

BIC code	Account code	Bank Name	Bank Tax Code	Bank address	Province/ Region / State	Postcode	Bank country	Opening date	Balance at 31 December (in pesos)	Average balance last quarter (in pesos)
GEROCOBB	001304910100009148	BBVA COLOMBIA, S.A.	860003020-1	CENTRO EMPRESARIAL BOGOTÁ, CARRERA 9 72 - 21	BOGOTÁ	12362	COLUMBIA	20 June 2011	1,095,615,181	1,099,072,769
COLOCOBM	178-000101-28	Bancolombia S.A.	890903938-8	SucursalAvenida Chile Código 048	BOGOTÁ	12362	COLUMBIA	19 January 2011	20,465,202	20,465,202

GLOBAL DOMINION ACCESS, S.A.

ANNEX II - Shareholdings in Group companies

Name and address	Address	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
SociedadConcesionariaSaludSiglo XXI, S.A.	Chile	15%	Global Dominion Access, S.A.	Participation method	B2B 360 Projects
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%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
El Salvador Solar 1, S.A. de C.V.	El Salvador	80%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
El Salvador Solar 2, S.A. de C.V.	El Salvador	80%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Montelux, S.R.L.	The Dominican Republic	100%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Abasol S.P.A.	Chile	100%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Rovello S.P.A.	Chile	100%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Pimentell S.P.A.	Chile	70%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Rosinol S.P.A.	Chile	100%	Dominion Industry & Infrastructures, S.L.	Global integration	Inactive
Dominion I&I Audio Visual Recording Equipment & Accessories LLC	United Arab Emirates	49%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
DimoinCaldereria, S.A. (1)	Madrid	100%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Hivisan, S.L. (1)	Valladolid	70%	Dominion Industry & Infrastructures, S.L.	Global integration	B2B Services
Dominion Energy, S.L.U. (*)	Bilbao	100%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Dominion Centroamericana, S.A.	Panama	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Ecuador Niec, S.A.	Ecuador	70%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Bas Projects Corporation, S.L.	Loiu (Biscay)	35%	Dominion Energy, S.L.U.	Participation method	B2B 360 Projects
Global DominicanaRenovablesDRDE, S.R.L.	The Dominican Republic	99.90%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 1, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 2, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 3, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 5, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 6, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 7, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Dominion Renovable 8, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 1, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 2, S.L.	Loiu	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 3, S.L.	Loiu	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 4, S.L.	Loiu	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 5, S.L.	Loiu	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Desarrollos Green BPD 6, S.L.	Loiu	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Proyecto Solar Pico del Terril, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Proyecto Solar Monte Solares, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects

Name and address	Address	Shareholding / Effective Control	Holder company of the equity interest	Reason for Consolidation	Activity Segment
Villaciervitos Solar, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Pamaco Solar, S.L. (*)	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Bas Italy Prima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Seconda	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Terza	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quarta	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quinta	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Sesta	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Settima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Ottava	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Nona	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Decima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Undicesima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Dodicesima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Tredicesima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quatordicesima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Bas Italy Quindicesima	Italy	100%	Pamaco Solar, S.L.	Global integration	B2B 360 Projects
Linderito Solar, S.L. (*)	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Verahonroso	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Pieramidesd'outono	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
InquietaConstelaçao	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Appealing Sunday	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Destrezabissal	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
EstrategiaCoincidente	Portugal	100%	Linderito Solar, S.L.	Global integration	B2B 360 Projects
Rio Alberite Solar, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Rio Guadalteba Solar, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
Pico Magina Solar, S.L.	Bilbao	100%	Dominion Energy, S.L.U.	Global integration	B2B 360 Projects
InstalacionesEléctricas Scorpio, S.A. (*)	Loiu	100%	Global Dominion Access, S.A.	Global integration	B2B Services
Scorpio Energy	Oman	60%	InstalacionesEléctricas Scorpio, S.A.	Global integration	B2B Services
Dominion Colombia, S.A.S	Columbia	100%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion ServiciosMedioambientales, S.L.	Bilbao	100%	Global Dominion Access, S.A.	Global integration	B2B Services
Original Distribución Spain Iberia, S.A.	Madrid	51%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Guatemala, S.A.	Guatemala	99.99%	Global Dominion Access, S.A.	Global integration	B2B Services
Medbuying Group Technologies, S.L.	Bilbao	45%	Global Dominion Access, S.A.	Participation method	B2B Services
Dominion Investigación y DesarrolloS.L.U.	Bilbao	100%	Global Dominion Access, S.A.	Global integration	B2B Services
Interbox Technology S.L	Bilbao	60%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Honduras SRL	Honduras	98%	Global Dominion Access, S.A.	Global integration	B2B Services
Global AmplifficaPerúS.A.C.	Peru	99%	Global Dominion Access, S.A.	Global integration	B2B Services
Advanced Flight Systems S.L.	Bilbao	40%	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
Ampliffica México, S.A. de C.V.	Mexico	99.99%	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
Smart Analytics, S.L.	Bilbao	50.01%	Global Dominion Access, S.A.	Global integration	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

GLOBAL DOMINION ACCESS, S.A.

Name and address	Address	Shareholding / Effective Control	Holder company of the equity interest	Reason for Consolidation	Activity Segment
Dominion Baires, S.A.	Argentina	95%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion SPA (*)	Chile	99.99%	Global Dominion Access, S.A.	Global integration	B2B Services /B2B 360 Projects
Dominion ServiciosRefractariosIndustriales SPA (SEREF)	Chile	90%	Dominion SPA	Global integration	B2B Services
Dominion PerúSoluciones y ServiciosS.A.C.	Peru	99%	Global Dominion Access, S.A.	Global integration	B2B Services
Facility Management Exchange, S.L. (1)	Madrid	80%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Global France SAS	France	100%	Global Dominion Access, S.A.	Global integration	B2B Services
Dominion Steelcon A/S (*)	Denmark	100%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Steelcon Slovakia, s.r.o.	Slovakia	100%	Dominion Steelcon A/S	Global integration	B2B 360 Projects
Labopharma, S.L.	Madrid	80%	Dominion Steelcon A/S	Global integration	Inactive
Dominion Global Pty. Ltd. (*)	Australia	100%	Global Dominion Access, S.A.	Global integration	B2B Services
SGM Fabrication & Construction Pty. Ltd.	Australia	70%	Dominion Global Pty. Ltd.	Global integration	B2B Services
Global Dominion Access USA (*)	USA	100%	Global Dominion Access, S.A.	Global integration	Holding Company
Karrena Cooling Systems, Inc previously (Commonwealth Dynamics Inc) (*)	USA	100%	Global Dominion Access USA	Global integration	B2B 360 Projects
Commonwealth Power (India) Private Limited	India	100%	Commonwealth Dynamics Inc	Global integration	B2B 360 Projects
Commonwealth Constructors Inc	USA	100%	Global Dominion Access USA	Global integration	B2B 360 Projects
Commonwealth Dynamics Limited	Canada	100%	Global Dominion Access USA	Global integration	B2B 360 Projects
Commonwealth Power Chile	Chile	100%	Global Dominion Access USA	Global integration	Inactive
ICC Commonwealth Corporation previously (International Chimney Corporation) (*)	USA	100%	Global Dominion Access USA	Global integration	B2B 360 Projects / B2B Services
Capital International Steel Works, Inc.	USA	100%	ICC Commonwealth Corporation	Global integration	B2B 360 Projects
International Chimney Canada Inc	Canada	100%	ICC Commonwealth Corporation	Global integration	B2B 360 Projects
Karrena LLC	USA	100%	Global Dominion Access USA	Global integration	B2B 360 Projects
Dominion E&C Iberia, S.A.U. (*)	Bilbao	100%	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, S.R.L.	Argentina	100%	Dominion E&C Iberia, S.A.U.	Global integration	B2B Services / B2B 360 Projects
Altac South Africa Propietary Limited	South Africa	100%	Dominion E&C Iberia, S.A.U.	Global integration	Inactive
Dominion Global Philippines Inc.	Philippines	100%	Dominion E&C Iberia, S.A.U.	Global integration	Inactive
Chimneys and Refractories Intern. SRL (*)	Italy	90%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Chimneys and Refractories Intern. SPA (in liquidation)	Chile	90%	Chimneys and Refractories Intern. SRL	Global integration	Inactive
Chimneys and Refractories Intern. Vietnam Co. Ltd.	Vietnam	100%	Chimneys and Refractories Intern. SRL	Global integration	B2B 360 Projects
Dominion Arabia Industry LLC	Saudi Arabia	98.30%	Chimneys and Refractories Intern. SRL	Global integration	B2B Services / B2B 360 Projects
Beroa Technology Group GmbH (*)	Germany	100%	Global Dominion Access, S.A.	Global integration	Holding Company
KarrenaBetonanlagen und Fahrmischer GmbH (*) (in liquidation)	Germany	100%	Beroa Technology Group GmbH	Global integration	Inactive
Dominion Bierrum Ltd	United Kingdom	100%	Beroa Technology Group GmbH	Global integration	B2B 360 Projects
Dominion Novocos GmbH	Germany	100%	Beroa Technology Group GmbH	Global integration	B2B Services
Beroa International Co LLC	Oman	70%	Beroa Technology Group GmbH	Global integration	B2B Services
Beroa Refractory & Insulation LLC	United Arab Emirates	49%	Beroa Technology Group GmbH	Global integration	B2B Services
Beroa Nexus Company LLC	Qatar	49%	Beroa Technology Group GmbH	Global integration	B2B Services
Dominion Deutschland GmbH (*)	Germany	100%	Beroa Technology Group GmbH	Global integration	B2B Services / B2B 360 Projects
Cobra Carbon Grinding, B.V. (**)	The Netherlands	50%	Dominion Deutschland GmbH	Participation method	B2B Services

Name and address	Address	Shareholding / Effective Control	Holder company of the equity interest	Reason for Consolidation	Activity Segment
Karrena Construction Thérmique S.A.	France	100%	Dominion Deutschland GmbH	Global integration	Inactive
Dominion PolskaZ.o.o.	Poland	100%	Dominion Deutschland GmbH	Global integration	B2B 360 Projects
Karrena Arabia Co.Ltd	Saudi Arabia	55%	Dominion Deutschland GmbH	Global integration	B2B Services
Beroa Chile Limitada (in liquidation)	Chile	99.99%	Dominion Deutschland GmbH	Global integration	Inactive
BurwitzMontageservice GmbH	Germany	100%	Dominion Deutschland GmbH	Global integration	B2B Services
F&SFeuerfestbau GmbH & Co KG	Germany	50.96%	Dominion Deutschland GmbH	Global integration	B2B Services
F&SBeteiligungs GmbH	Germany	51%	Dominion Deutschland GmbH	Global integration	B2B Services
Beroa Abu Obaid Industrial Insulation Company Co. WLL	Bahrain	45%	Dominion Deutschland GmbH	Global integration	B2B Services
Bilcan Global Services S.L. (*)	Cantabria	100%	Global Dominion Access, S.A.	Global integration	Holding Company
EurologísticaDirectaMóvil 21 S.LU.	Madrid	100%	Bilcan Global Services S.L	Global integration	B2B Services
Dominion Centro de Control S.L.U.	Madrid	100%	Bilcan Global Services S.L	Global integration	B2B Services
TiendasConexión, S.L.U.	Cantabria	100%	Bilcan Global Services S.L	Global integration	B2B Services
Sur Conexión, S.L.U.	Cantabria	100%	Bilcan Global Services S.L	Global integration	B2B Services
Miniso Lifestyle Spain, S.L.	Madrid	49%	Bilcan Global Services S.L	Participation method	B2B Services
Bygging India Ltd	India	100%	Global Dominion Access, S.A.	Global integration	B2B 360 Projects
Zwipit, S.A. (1)	Madrid	98%	Global Dominion Access, S.A.	Global integration	B2C
Connected World Services Europe, S.L.U. (*)	Madrid	100%	Global Dominion Access, S.A.	Global integration	B2C
AlternaOperador Integral, S.L.	Madrid	60%	Connected World Services Europe, S.L.U.	Global integration	B2C
The Phone House Spain, S.L. (*)	Madrid	100%	Global Dominion Access, S.A.	Global integration	B2C
CanvaxAgrupaciónInterésEconómico	Madrid	95%	The Phone House Spain, S.L.	Global integration	R&D activities
Netsgo Market, S.L. (1)		90%	The Phone House Spain, S.L.	Global integration	B2C
Smart House Spain, S.L.U. (*)	Bilbao	100%	The Phone House Spain, S.L.	Global integration	B2C
The Telecom Boutique, S.L.	**Madrid**	**70%**	**Smart House Spain, S.L.U.**	**Global integration**	**B2C**

(*) Parent company of all investees appearing subsequently in the table.

(**) Joint ventures: See Note 2.2.d)

(1) Companies included in the scope of consolidation in 2020 together with their subsidiaries.

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

GLOBAL DOMINION ACCESS, S.A.

ANNEX III - CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2020 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (EUR thousands)

	As of 31 December	
ASSETS	**2020**	**2019**
NON CURRENT ASSETS		
Property, Plant and Equipment	120,099	105,461
Goodwill	301,450	302,868
Other intangible assets	43,700	46,189
Non current financial assets	28,273	6,711
Investment in associates	14,204	18,069
Deferred tax assets	45,955	46,552
Other non-current assets	4,015	13,437
	557,696	**539,287**
CURRENT ASSETS		
Inventories	50,750	53,002
Trade and other receivables	260,885	250,821
Assets per contract	97,667	79,706
Other current assets	11,371	8,397
Current tax assets	14,392	17,466
Other current financial assets	41,098	59,933
Cash and cash equivalents	237,626	141,545
	713,789	**610,870**
TOTAL ASSETS	**1,271,485**	**1,150,157**

GLOBAL DOMINION ACCESS, S.A.

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2020 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS (EUR thousands)

EQUITY AND LIABILITIES	As of 31 December 2020	2019
SHAREHOLDERS' EQUITY		
Share capital	21,187	21,187
Own shares	(17,980)	(1,021)
Share premium	214,640	289,065
Retained earnings	124,946	56,884
Cumulative exchange differences	(36,210)	(23,866)
Shareholders' equity attributable to parent company's shareholders	**306,583**	**342,249**
Non-controlling interests	**13,158**	**11,434**
	319,741	**353,683**
NON-CURRENT LIABILITIES		
Deferred income	51	292
Non-current provisions	33,906	29,451
Non-current borrowings	154,350	70,343
Deferred tax liabilities	7,277	7,421
Non-current derivative financial instruments	2,078	-
Other non-current liabilities	70,086	61,292
	267,748	**168,799**
CURRENT LIABILITIES		
Short-term provisions	7,539	4,418
Current borrowings	34,044	14,335
Suppliers and other payables	476,851	478,660
Liabilities per contract	86,228	46,585
Current tax liabilities	24,597	30,557
Current derivative financial instruments	895	3,390
Other current liabilities	53,842	49,730
	683,996	**627,675**
TOTAL NET WORTH AND LIABILITIES	**1,271,485**	**1,150,157**

GLOBAL DOMINION ACCESS, S.A.

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020 PREPARED UNDER INTERNATIONAL FINANCIAL REPORTING STANDARDS
(EUR thousands)

	Year ended on 31 December	
	2020	**2019**
CONTINUING OPERATIONS		
OPERATING INCOME	**1,045,645**	**1,158,092**
Revenue	1,029,612	1,149,312
Other operating income	16,033	8,780
OPERATING EXPENSES	**(1,013,997)**	**(1,101,502)**
Consumption of raw materials and secondary materials	(582,078)	(634,268)
Employee benefit expenses	(276,263)	(308,640)
Amortisations	(48,371)	(47,145)
Other operating expenses	(106,652)	(111,018)
Profit/(loss) on sale/impairment of assets	(633)	(373)
Other income and expenses	-	(58)
OPERATING PROFIT	**31,648**	**56,590**
Finance income	1,121	689
Finance costs	(14,969)	(12,716)
Net exchange differences	1,316	(1,580)
Variation in the fair value of assets and liabilities attributed to profit and loss	5,643	(1,655)
Share in net income (loss) of associates	(3,489)	5,417
PROFIT BEFORE TAX	**21,270**	**46,745**
Income tax	(8,219)	(4,496)
PROFIT ON CONTINUING OPERATIONS AFTER TAXES	**13,051**	**42,249**
PROFIT ON DISCONTINUED OPERATIONS AFTER TAXES	**(63)**	**(6,252)**
PROFIT FOR THE YEAR	**12,988**	**35,997**
PROFIT/(LOSS) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**454**	**3,066**
PROFIT ATTRIBUTABLE TO PARENT COMPANY SHAREHOLDERS	**12,534**	**32,931**
Basic and diluted earnings from continuing and discontinued operations attributable to parent company shareholders (expressed in euros per share)		
- Basic and diluted earnings from continuing operations	0.0749	0.2315
- Basic and diluted earnings from discontinuing operations	(0.0004)	(0.0369)

GLOBAL DOMINION ACCESS, S.A.

MANAGEMENT REPORT FOR FINANCIAL YEAR 2020 (EUR thousands)

1. Company situation

1.1. Organizational structure

As explained in Note 1, 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.

The Company is the Parent of a Group of companies (Grupo Dominion, hereinafter "the Company") in accordance with current legislation.

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.

The Company's stock market listing was accompanied by an in-depth review of the principles regulating its governance structure, the decision-making processes and the rules establishing channels for relations with stakeholders, giving rise to the current corporate governance model which is continuously being reviewed and improved.

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.

As explained in Note 1 of the Individual Annual Financial Statements, the Group's Management submitted the 2019-2022 Strategy Plan during the 2019 financial year, which set out the strategy for the coming years and the way in which business performance will be assessed. The information broken down into segments has accordingly been modified with respect to previous years to adapt it to the different businesses included in this strategy and to make it easier to understand.

To this regard, a distinction was made between two operation segments in the Group until financial year 2019: Specialised Engineering and Solutions Segment and Multi-technology Services Segment. From financial year 2020 onwards, three different activity segments are distinguished:

- B2B 360º Projects
- B2B Services
- B2C

Accordingly, if the Company's activity is classified under the segments defined in the Group, it falls under the B2B segment. It’s activity particularly refers 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. They are typically multi-year with long-term commercial development processes as well as framework contracts for operation and maintenance outsourcing and process improvement projects.

1.2. Procedure

The Company's primary activity consists of assisting its customers to make their business processes more efficient, either through complete outsourcing or through the used of the application of specialized solutions based on technology and software platforms.

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, the Company 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.

Dominion 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.

No significant acquisition was made during 2020, on the contrary, smaller-sized transactions were performed, referred to as bolt on acquisitions, which enable completing Dominion’s capacities in very specific areas of its offer.

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

Technological and digital 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 clientele 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 the 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.

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-industry, 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.

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. 2020 has also been significantly affected by the COVID-19 pandemic and the resulting effect it has had on the world economy. Accordingly, the Group has been affected by this situation, to which end we have taken its relevance into account for our analysis as explained in the adjoining financial statements.

2. Business evolution and results

2.1. Fundamental financial and non-financial indicators

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

INDIVIDUAL:	2020	2019
Turnover	70,998	20,114
Operating profit (EBIT)	7,898	6,491
Profit before tax (EBT)	9,900	(690)
Profit (loss) for the year from continuing operations	5,075	2,753
Profit (loss) from discontinued operations	(11)	(1,237)
Financial year result	5,064	1,516

The foregoing are generally recognised and accepted financial indicators. 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 Group's Individual Annual Financial Statements prepared in accordance with the current Spanish trade and accounting laws.

2.2. Matters relating to the environment and personnel

2.2.1. 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.

2.2.2. Staff

All information relating to Company personnel can be found in Note 17 e) of the Individual Financial Statements.

(EUR thousands)

3. Liquidity and capital resources

3.1. Liquidity

Prudent liquidity risk management entails having sufficient cash and tradable 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 2020 and 2019 is calculated as follows:

	2020	2019
Liquidity reserve		
Current receivables with group and associate companies (Note 27)	112,907	185,993
Third-party credits (Note 9)	1,573	22,724
Cash and other equivalent liquid assets (Note 10)	70,458	16,858
Undrawn borrowing facilities (Note 14)	182,313	134,000
	367,251	**359,575**
Bank debts (Notes 7 and 14)	179,726	82,657
Group received loans (Notes 7 and 27)	237,813	262,312
Liquidity reserve (not including unused credit facilities)	(184,938)	(225,575)
Net financial debt (*)	**232,601**	**119,394**
Bank borrowings and group loans in the long-term	(161,779)	(68,956)
Net current financial debt	**70,822**	**50,438**

(*) 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 2016, which amounted to EUR 8.3 million and EUR 3.1 million, respectively.

The Company has EUR 232.6 million in net financial debt. Management considers that the existing liquidity and credit facilities not utilised at 31 December 2020 are sufficient to fund the Dominion Group's organic and inorganic growth that is envisaged according to the Strategy Plan presented in 2020. 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.

3.2. Analysis of off-balance sheet contractual obligations and operations

The main off-balance sheet contractual obligations are described in Note 23 to the Individual 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 Dominion 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 the Company's clients and, indirectly, Dominion, are adequately covered in the contracts signed and mitigated by the Company's broad diversification in terms of industries and countries.

Nonetheless, we should point out that Dominion is paying particular attention to the new activities that it is embarking on under the 2019-2022 Strategic Plan, including renewable energy projects. Risks arising in connection with these new activities are assessed separately before they are included in Dominion's Risk System.

Furthermore, and also in the regulatory area, the Company is aware of the need to properly protect its clients and employees' personal data. Over the course of 2020, Dominion has continued to adapt to the new Law in this area, regularly reviewing its activities.

4.1.2. Operational risk

Given the very limited existence of transformation production processes at Dominion, we can state that the primary operating risk lies with the potential inability to adequately execute the Services that the Company provides to its customers. Any error made could lead to property damages or immaterial damages for the Company's customers, mainly consisting of industrial companies.

Dominion attempts to minimise these risks by ensuring the quality 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 resides and facilitating quality control over those activities.

4.1.3. Customer concentration

Dominion 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 there is no credit risk concentration with regard to trade accounts receivable.

4.2. Financial risks

Company activities are exposed to a range of different financial risks: market risks (including exchange rate risk, interest rate risk and price risk), credit risk and liquidity risk. 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 (Note 3.5).

In the broadest sense, the management of financial risks aims to control the incidents generated by fluctuations in exchange and interest rates. Finance Management at the Company, to which it pertains, is responsible for the arrangement of financial instruments which enable as far as possible participation in favourable environments relating to movements in the exchange and interest rates to be compatible with the limitation, in part or in whole, of the adverse effects due to an unfavourable environment. Financial market risk management has been adapted to incorporate the current uncertainty brought about by the overall situation caused by Covid-19's impact in financial year 2020.

4.2.1. Market risks

4.2.1.1. Exchange rate risk

The Company operates on an 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 objective 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.

4.2.1.2. 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 2020 as fair value with changes in profit/loss or fair value with changes in other comprehensive profit/loss.

The energy marketing activity does not create an additional price risk due to the fact that the sales prices are agreed on the basis of the purchase prices, transferring this risk directly to the customer.

4.2.1.3. Interest rate risks

Given that the Company holds no significant remunerated assets, the revenue and cash flows from the its operating activities are fairly independent with regard to the fluctuations in market interest rates.

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 2020 and 2019.

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 2020 and 2019 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 affect profit/loss before taxes in financial years 2020 and 2019, considering its impact on financial borrowings linked to variable interest rates. In addition, the Group's net financial debt amounting to over - EUR 80 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.

4.2.2.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 consist of companies with high credit ratings or official entities.

4.2.3.Liquidity risk

Liquidity risk has been addressed in detail in point 3.1.

5. Significant events following year-end

Consult the description in Note 30 in the accompanying financial accounts relating subsequent events.

6. Information regarding the organisation's foreseeable evolution

Organically speaking, Dominion expects to organically grow at a rate of more than 5% per year in terms of sales and more than 10% in EBITA. As a result, the Company should double its net income in the timeframe of the 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.

The Company will focus its efforts on five specific areas in order to implement this Plan:

- Differential Value Proposals
- Standing
- Diversification
- Digitalisation
- Organisation

7. R&D&I Activities

No R&D&i activities were performed in financial years 2020 and 2019.

8. Acquisitions and disposal of treasury shares

At 31 December 2020, the company held a total number of 5,493,741 shares representing 3.18% of the share capital at that date (2019: 320,186 shares representing 0.18%), whose book value on the said date amounted to EUR 17,980 thousand (2019: EUR 1,021 thousand). During financial year 2020, 5,173,555 own shares were purchased, respectively (2019: sold and purchased 886,940 and 897,985 own shares, respectively). These operations did not result in capital gains/losses credited to the consolidated equity for financial year 2020 (2019: capital gain of 54 thousand euros against equity).

Pursuant to the mandate conferred by the General Shareholders' Meeting held on 06 May 2020, 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 up to 6 May 2025.

Pursuant to this authorisation, on 26 February 2020 the Board of Directors announced its agreement toimplement a scheme to buy its own shares back to reduce the Parent's share capital through the cancellation of its own shares, thereby contributing to the shareholder remuneration policy by increasing the profit per share. The maximum limit of the scheme is 5% of the share capital, which corresponds to a maximum of 8,475,000 shares for a maximum cash amount of EUR 35 million. The scheme will run for one year 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.

9. Average period of payment to suppliers

The breakdown of the average term of trade payables settlement during in 2019 in relation to the legally-permitted payment terms stipulated in Law 15/2010 of 5 of July, is as follows:

	Days 2020	Days 2019
Average period of payment to suppliers	112	40
Ratio of transactions settled	128	36
Ratio of transactions not yet settled	63	83

	Thousands of euros (2020)	Thousands of euros (2019)
Total transactions settled	15,752	1,840
Total transactions not yet settled	5,295	172

In 2020 and 2019, 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 112 days (40 days in 2019).

The payments to suppliers during financial year 2020 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.

The Company adapted its in-house processes and payment terms policy pursuant to Law 15/2010 (as amended by Law 31/2014) and Royal Decree-Law 4/2013, which amended Law 3/2004 laying down measures to prevent late payment in business transactions. To this regard, the contract terms with commercial suppliers in 2020 included payment periods of 60 days or less, pursuant to the terms agreed between the parties.

10. Other relevant information

10.1. Stock market information

A year marred by the pandemic

As has been the case in most sectors, Dominion's stock market performance in 2020 has been marred by the pandemic and its general impact on the stock market.

We began the year following a positive trend, reaching the year's highest price in February: at €3.87 per share. However, the Covid-19 pandemic's arrival in March resulted in a widespread market fall, during which time Dominion's share price fell by 43% to €2.18 per share (the lowest price of the year). This share price drop was in line with average market drops at that time.

Since then, Dominion's share price performed better than the market average, allowing us to get back to pre-covid levels in the third quarter (September).

As a result of how well our shares performed, the sound quarter-on-quarter results and the positive market trends in the past month following news of vaccine availability, we closed the year at a 3% increase, indicating our performance was 18% better than the IBEX_35.

At 31 December, Dominion shares were listed at €3.76, which translates to EUR 637,309 million market capitalisation.

10.2. Dividend policy

The 2019-2022 Strategy Plan introduced in May 2019 includes dividend distribution as one of its strategic goals.

To this regard, the distribution of EUR 4,200 thousand Parent Company unrestricted reserves to shareholders will be submitted for approval at the Annual General Meeting.

GLOBAL DOMINION ACCESS, S.A.

DRAFTING OF THE ANNUAL ACCOUNTS AND MANAGEMENT REPORT FOR FINANCIAL YEAR 2020

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 years ended 31 December 2020.

Similarly, the members of the Company's Board of Directors 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 2021

SIGNATORIES

Mr. **Antonio MaríaPradera Jauregui**
(Chair)

Mr **José Ramón BerecibarMendizabal**
(Non-voting Secretary)

GLOBAL DOMINION ACCESS, S.A.

Mr. **Mikel BarandiaránLandín**
(CEO)

Mr. **Juan MaríaRiberasMera**
(Member)

Mrs. **GoizaldeEgañaGaritagoitia**
(Member)

Mr. **JesúsMaría Herrera Barandiarán**

Mr. **Jorge Álvarez Aguirre**
(Member)

Ms. **Juan Tomás Hernani Burzaco**
(Member)

GLOBAL DOMINION ACCESS, S.A.

Ms. **ArantzaEstefaníaLarrañaga**
(Member)

Mr. **José MaríaBergarecheBusquet**
(Member)

Ms. **Amaya GorostizaTelleria**
(Member)

Mr. **Francisco Javier Domingo de Paz**
(Member)