THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Prospectus, or as to what action you should take, you should immediately consult an appropriately authorized professional advisor.

This document constitutes a prospectus (the "**Prospectus**") for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), relating to Soltec Power Holdings, S.A. ("**Soltec**" or the "**Company**" and, together with its subsidiaries, the "**Group**"). This Prospectus has been prepared in accordance with, and includes the information required by, Annexes 1 and 11 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) Nº 809/2004. This Prospectus has been approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**"), as competent authority under the Prospectus Regulation, on October 15, 2020. Such approval and registration relates only to the initial offering of the Shares (as defined below) and the admission to trading of all the ordinary shares of the Company on the Spanish Stock Exchanges (as defined below) as a regulated market for the purposes of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**") for trading through the SIB (as defined below). This Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website (www.soltecpowerholdings.com).

An investment in the Shares (as defined below) involves certain risks. You should carefully read this Prospectus in its entirety and in particular the risk factors set out in the section of this Prospectus entitled "*Risk Factors*" before investing in the Shares.

Soltec

Soltec Power Holdings, S.A.

(incorporated and registered in Spain as a public limited company (*sociedad anónima*))

Offering of Shares to raise gross proceeds by the Company of approximately €150 million and admission to trading on the Spanish Stock Exchanges

Offering Price Range: €3.66 to €4.82 per Share

This is an initial offering (the "**Offering**") of ordinary shares with a par value of €0.25 each in the share capital of the Company, a public limited company (*sociedad anónima*) incorporated under the laws of Spain, made by the Company to qualified investors inside and outside of Spain, including a private placement in the United States to qualified institutional buyers ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The ordinary shares of the Company have not been and will not be registered under the U.S. Securities Act. The Offering outside the United States will be made in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**").

As an exception to the above, the Company is offering certain New Offered Shares (as defined below), to certain employees of the Group, sales employees of the Group and certain individuals closely related or linked to such employees, senior executives, management team and shareholders (respectively and individually, the "**Relevant Employees**", the "**Relevant Sales Employees**" and "**Related Investors**" and jointly the "**Non-Qualified Investors**") (the "**Non-Qualified Investors Shares**") on the terms and conditions set out in section "*Plan of distribution—Non-Qualified Investors Tranche*" of this Prospectus (the "**Non-Qualified Investors Tranche**"). The Non-Qualified Investors Tranche is divided into three sub-tranches: the Employees Sub-Tranche, the Sales Employees Sub-Tranche and the Related Investors Sub-Tranche. The Non-Qualified Investors Shares are being offered only to individuals in Spain except for four employees resident in Brazil, Chile and Mexico. All New Offered Shares (as defined below) not allocated to the Non-Qualified Investors Tranche shall be considered and referred to in this Prospectus as "**Initial Qualified Investors Shares**". The Initial Qualified Investors Shares and the Additional Shares (as defined below) shall be referred to in this Prospectus as the "**Qualified Investors Shares**". The Initial Qualified Investors Shares and the Non-Qualified Investors Shares shall be referred to in this Prospectus as the "**New Offered Shares**".

Prior to this Offering, there has been no public market for the Shares or for any of the Company's ordinary shares. The indicative non-binding offering price range at which the Qualified Investors Shares will be issued in the Offering is €3.66 to €4.82 (the "**Offering Price Range**").

The Offering Price Range, which is indicative only and not binding, has been determined by the Company after consultation with the Joint Global Coordinators (as defined below), and no independent experts have been consulted in determining the Offering Price Range. The price of the Qualified Investors Shares (the "**Offering Price**") will be determined upon completion of the book-building period (expected to occur on or about October 27, 2020) and will be announced by the Company by publishing an inside information notice (*comunicación de información privilegiada*) with the CNMV. Among the factors to be considered in determining the Offering Price, in addition to prevailing market conditions, will be the Group's historical performance, estimates of its business potential and earnings prospects, an assessment of the Group's management and consideration of the above factors in relation to the market valuation of companies with comparable businesses.

The Non-Qualified Investors Shares will be offered to (i) Relevant Employees and the Relevant Sales Employees at the Employees Maximum Offering Price and (ii) Related Investors at the Related Investors Maximum Offering Price as described in section "*Plan of Distribution—Non-Qualified Investors Tranche*" of this Prospectus.

In addition, Grupo Corporativo Sefrán, S.L. (the "**Selling Shareholder**") will grant an option to the Joint Global Coordinators to acquire a number of additional existing ordinary shares of the Company representing up to 10% of the New Offered Shares (the "**Additional Shares**", and together with the New Offered Shares, the "**Shares**") at the Offering Price (less agreed commissions) to cover over-allotments of New Offered Shares in the Offering, if any, and short positions resulting from stabilization transactions (the "**Over-allotment Option**"). The Over-allotment Option will be exercisable, in whole or in part, by Banco Santander, S.A. ("**Banco Santander**") in its capacity as stabilization manager (the "**Stabilization Manager**"), acting on behalf of the Managers, for a period of 30 calendar days from the date on which the Company's ordinary shares are listed and commence trading on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") through the Automated Quotation System or "*Mercado Continuo*" of the Spanish Stock Exchanges (the "**SIB**").

In connection with the Offering, the Stabilization Manager (or any person acting for the Stabilization Manager) may, to the extent permitted by applicable law, over-allot or effect transactions to support the market price of the Shares or any options, warrants or rights with respect to, or other interest in, the Shares or other securities of the Company, in each case at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilization Manager (or persons acting on its behalf) will undertake such stabilization action.

This Prospectus and the Offering are only addressed to, and directed at, (a) institutional investors outside the United States (as defined in Regulation S under the U.S. Securities Act); (b) in the United States, QIBs (as defined in Rule 144A under the U.S. Securities Act) that are acquiring securities for their own account or for the account of another QIB; (c) in any member state of the European Economic Area ("EEA") and the United Kingdom ("UK"), qualified investors; (d) in Spain, certain non-qualified investors as defined herein as Relevant Employees, Relevant Sales Employees and Related Investors. You are deemed to have represented to the Company, the Selling Shareholder and the Managers (as defined in this Prospectus) that (i) the securities acquired or subscribed by you in the Offering have not been acquired or subscribed on a non-discretionary basis on behalf of, nor have they been acquired or subscribed with a view to their offer or resale to, any person in circumstances which may give rise to an offer of any securities to the public other than their offer or resale to qualified investors in any member state of the EEA and the UK or in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale; and (ii) if you are outside the United States, the UK and the EEA, you are a person into whose possession the document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located. No investor other than the above is allowed to participate in the Offering.

An investment in the Shares involves a high degree of risk. See section "*Risk Factors*" beginning on page 18 for a discussion of certain matters that investors should carefully consider prior to making an investment in the Shares.

The Company will apply to have its ordinary shares listed on the Spanish Stock Exchanges for trading through the SIB. The Company expects that its ordinary shares will be listed on the Spanish Stock Exchanges and commence trading through the SIB on or about October 29, 2020 ("**Admission**") under the symbol "SOL".

The New Offered Shares are expected to be delivered through the book-entry facilities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* ("**Iberclear**"), and its participating entities versus payment therefor on or about October 30, 2020.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy or subscribe any of the Shares in any jurisdiction in which or to any person to whom it would be unlawful to make such an offer.

The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of certain restrictions about eligible offerees and on transfer of the Shares, see "*Selling and Transfer Restrictions*".

This Prospectus was approved by and registered with the CNMV on October 15, 2020. Investors may contact the CNMV at the following telephone number +34 900 535 015. As this Prospectus refers to the Offering and Admission, its validity will end upon the Admission to trading of the Company's ordinary shares if the Admission were to happen prior to the expiration of 12 months following its approval. Once this Prospectus is no longer valid, the Company will have no obligation to supplement it in case of significant new factors, material mistakes or material inaccuracies.

Senior Joint Global Coordinator and Joint Bookrunner

Banco Santander

Joint Global Coordinator and Joint Bookrunner

CaixaBank

Joint Bookrunners

Berenberg JB Capital

Agent Bank

Banco Santander

Prospectus dated October 15, 2020

IMPORTANT INFORMATION

YOU SHOULD READ THE ENTIRE PROSPECTUS AND, IN PARTICULAR, "*Risk Factors*" BEGINNING ON PAGE 15 OF THIS PROSPECTUS, WHEN CONSIDERING AN INVESTMENT IN THE SHARES.

You are deemed to agree to each of the notices set forth below by accepting delivery of this Prospectus.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO SUBSCRIBE FOR OR PURCHASE, ANY OF THE SHARES BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR THE GROUP OR THAT THE INFORMATION SET FORTH HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

In this Prospectus, "we", "us", "our" and "ours" refers to the Group, unless the context otherwise requires.

In making an investment decision, prospective investors must rely upon their own examination of the Company's business and the terms of this Prospectus, including the merits and risks involved in investing in the Shares.

This Prospectus has been prepared by the Company solely for the Offering of the Shares and the Admission.

Neither the Company nor the Selling Shareholder have authorized any person to give any information or to make any representations other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Selling Shareholder.

You are being provided with this Prospectus solely for the purpose of considering an investment in the Shares. All the information in this Prospectus has been furnished by the Company and you acknowledge and agree that none of Banco Santander, CaixaBank, S.A. ("**CaixaBank**") (Banco Santander and CaixaBank together, the "**Joint Global Coordinators"**), JB Capital Markets, Sociedad de Valores, S.A. Unipersonal (or any investment vehicle directly or indirectly related thereto, "**JB Capital**") nor Joh. Berenberg, Gossler & Co. KG ("**Berenberg**" together with JB Capital, the "**Joint Bookrunners**" and together with the Joint Global Coordinators, the "**Managers**"), or any of their respective affiliates, advisors or entity through which the Managers may offer and/or sell the Shares, makes any representation or warranty, express or implied, nor to the fullest extent permitted by applicable law accepts any liability whatsoever, regarding the accuracy, completeness or verification of the information given herein, and that nothing contained in this Prospectus is, or shall be relied upon as, a promise, warranty or representation by the Managers or any of their respective affiliates, advisors or selling agents whether as to the past or the future. The Managers do not assume any responsibility for its accuracy, completeness or verification and, accordingly, disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise that they might otherwise be found to have in respect of this Prospectus. Each person receiving this Prospectus acknowledges that (i) such person has not relied on the Managers or any person affiliated with the Managers, advisors or selling agents in connection with any investigation of the accuracy of such information or its investment decision, (ii) it has relied only on the information contained herein, and (iii) no person has been authorized to give any information or to make any representation concerning the Company or the Shares (other than as contained herein) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company, the Selling Shareholder or the Managers.

Neither the Company, the Selling Shareholder nor the Managers, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not consider any information contained in this Prospectus to be investment, legal, financial, business, tax, accounting or regulatory advice. Each prospective investor should consult its own counsel, business advisor, accountant, tax advisor and other advisors for legal, financial, business, tax, accounting, regulatory and related advice regarding an investment in the Shares. Each investor or purchaser of Shares in the Offering should analyze for itself the information contained in this Prospectus and base its decision to invest or purchase Shares in the Offering upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to such investor in connection with the purchase or subscription of Shares in the Offering.

In connection with the Offering, any Manager and any of their respective affiliates or any investment vehicle directly or indirectly related to the Managers may take up a portion of the Shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for its or their own account(s) in such Shares, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this Prospectus to the Shares being offered or otherwise dealt with should be read as including any offer to, or dealing by, the Managers or any of them and any of their affiliates, and/or investment vehicle directly or indirectly related thereto, acting in such capacity. In addition, certain of the Managers or their affiliates, and/or any investment vehicle directly or indirectly related to the Managers, may enter into financing agreements (including swaps, warrants or contracts for differences) with investors in connection with which such Managers (or their affiliates) may, from time to time, acquire, hold or dispose of the Shares. The Managers do not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

You may not reproduce or distribute this Prospectus, in whole or in part, and you may not disclose any of the content of this Prospectus or use any information given herein for any purpose other than considering an investment in the Shares as described in this Prospectus.

The distribution of this Prospectus and the offering, sale, exercise or transfer of the Shares in certain jurisdictions may be restricted by law. Thus, this Prospectus may not be used in connection with any offer or solicitation in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. No action has been taken or will be taken by the Company, the Selling Shareholder or the Managers that would permit a public offering of the Shares or the possession or distribution of this Prospectus (or any other offering or publicity materials or application form(s) relating to the Shares) in any jurisdiction where action for that purpose would be required. This Prospectus may not be used for, or in connection with, and does not constitute an offer of, or an invitation or solicitation to subscribe for or purchase, any Shares in any jurisdiction in which such offer, invitation or solicitation would be unlawful. The Company, the Selling Shareholder and the Managers require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions. Neither the Company, the Selling Shareholder nor the Managers accept any responsibility for any violation by any person, whether or not such person is a prospective purchaser of the Shares described in this Prospectus, of any of these restrictions.

OFFERING RESTRICTIONS

Prospective investors should familiarize themselves with and observe the selling and transfer restrictions set out under "*Selling and Transfer Restrictions*", as well as the other offering restrictions set forth below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

NOTICE TO INVESTORS IN THE UNITED STATES

NONE OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY HAVE APPROVED OR DISAPPROVED THE SHARES, OR PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of certain restrictions about eligible offerees and on transfer of the Shares, see "*Selling and Transfer Restrictions*".

The information contained in this Prospectus has been provided by the Company and the other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Company and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without the Company's prior written consent, is prohibited. This document is not a prospectus within the meaning of Section 10 of the U.S. Securities Act.

INFORMATION FOR INVESTORS IN CERTAIN COUNTRIES

For information for investors in certain countries, see "*Selling and Transfer Restrictions*".

INFORMATION TO DISTRIBUTORS

Solely for the purposes of the product governance requirements contained within: (a) MiFID II; (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares of the Offering have been subject to a product approval process, taking into account item 18 of the Guidelines of MiFID II Product Governance Requirements published by the European Securities and Markets Authority ("**ESMA**") on February 5, 2018, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Any person offering, selling or recommending the Shares (a "distributor" under the MiFID II Product Governance Requirements) should take into consideration the Target Market Assessment.

Notwithstanding the foregoing, distributors should note that the price of the Shares may decline and investors could lose all or part of their investment in the Shares. This investment is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other advisor) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares (by either adopting the Target Market Assessment or refining it under the MiFID II Product Governance Requirements) and determining appropriate distribution channels.

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SUMMARY

A. Introduction and Warnings

THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN THE SHARES OF SOLTEC POWER HOLDINGS, S.A. (THE "COMPANY" AND, TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP") SHOULD BE BASED ON A CONSIDERATION OF THIS PROSPECTUS AS A WHOLE BY THE INVESTOR. THE INVESTOR COULD LOSE ALL OR PART OF THE INVESTMENT IN THE SHARES.

WHERE A CLAIM RELATING TO THE INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS PROSPECTUS IS BROUGHT BEFORE A COURT THE PLAINTIFF INVESTOR MIGHT, UNDER SPANISH LAW, HAVE TO BEAR THE COSTS OF TRANSLATING THIS PROSPECTUS AND ANY OTHER DOCUMENT INCORPORATED BY REFERENCE HEREIN BEFORE THE LEGAL PROCEEDINGS ARE INITIATED.

CIVIL LIABILITY ATTACHES ONLY TO THOSE PERSONS WHO HAVE TABLED THE SUMMARY, INCLUDING ANY TRANSLATION THEREOF, BUT ONLY IF THE SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THIS PROSPECTUS OR IF IT DOES NOT PROVIDE, WHEN READ TOGETHER WITH OTHER PARTS OF THIS PROSPECTUS, KEY INFORMATION IN ORDER TO AID INVESTORS WHEN CONSIDERING WHETHER OR NOT TO INVEST IN THE SHARES OF THE COMPANY.

The Company is a public limited company (*sociedad anónima*) operating under the commercial name of "Soltec". The Company is registered with the Commercial Registry of Murcia, under volume 3,417, sheet 176, section 8, page MU-101,068; is holder of Spanish tax identification number (*NIF*) A-05556733; and LEI number 959800L6L2B2GGN73292. The corporate address and the phone number of the Company are: Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura, Murcia, Spain; and +34 968 603 153, respectively. The ISIN code assigned to our issued share capital is ES0105513008, while the New Offered Shares have the provisional ISIN code ES0105513016, and will bear the same ISIN code as our issued share capital from Admission.. There will be no offering of, or application for listing for, any other class of shares of the Company. All the shares of the Company are of the same class.

This Prospectus was approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**") on October 15, 2020. Investors may contact the CNMV at the following telephone number: +34 900 535 015. This Prospectus is available at the Company's website (www.soltecpowerholdings.com) and at the CNMV's website (www.cnmv.es). Neither the Company's website nor any of its contents form part or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has neither examined nor approved the Company's website nor any of its contents.

Capitalized terms not defined in the Summary have the meanings defined elsewhere in this Prospectus.

B. Key information on the issuer

B.1. Who is the issuer of the securities?

The legal name of the issuer is Soltec Power Holdings, S.A. and its commercial name is "Soltec". The Company is incorporated as a public limited company (*sociedad anónima*) in Spain under Spanish law and, in particular, under the Spanish Companies Act. It has its registered office at Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura, Murcia, Spain and its phone number is +34 968 603 153. The Company is incorporated for an unlimited term and holds Spanish tax identification number (*NIF*) A-05556733.

The Company's deed of incorporation was granted on December 2, 2019 and was registered with the Commercial Registry of Murcia on December 5, 2019. On December 23, 2019, the Company carried out a share capital increase through in-kind contributions amounting to an aggregate amount of €296,250,000 by means of the issuance of 15,000,000 new ordinary shares, with a par value of €1.00 each and a premium of €18.75 per share, in consideration for the contribution to the Company of 823,490 shares representing the entire share capital of Soltec Energías Renovables, S.L. ("**Soltec ER**") and of 20,000 shares representing the entire share capital of Powertis, S.A. ("**Powertis**") (the "**Reorganization Process**"). Due to the Company's status as holding company of the Group, it does not carry out operations and the principal activities are carried out through the Group's main wholly-owned subsidiaries: Soltec ER and Powertis.

Our principal activities are divided into our industrial (tracker and construction services) business line led by Soltec ER, and our project development business line, led by Powertis.

Soltec ER provides a wide range of development, equipment supply, construction and operations and maintenance ("**O&M**") services. Our principal products are: (i) our SF7 single-axis trackers and our SF7 bi-facial trackers, both launched in 2017; (ii) our SF7 Tandem trackers, launched in July 2020; and (iii) our newest models SF8 single-axis trackers and SF8 bi-facial trackers, both launched in September 2020. We offer installation services to our tracker customers, in particular for new customers and particularly complex installation sites.

Moreover, we offer full commissioning services, entailing verification process in order to certify that a solar power project meets all the design, procurement, installation and construction requirements and is ready to operate. Also, we provide O&M services, including with respect to equipment that we have not supplied, such as power panels. Through Solmate, our customer service platform, we offer warranty, care and O&M services to our customers.

Extensive project engineering services are provided for each project where we supply solar trackers, with an aim to maximize yield of each site in light of its particular land constraints and to ensure that they comply with valid specifications for processes, products and service. Furthermore, our engineers are responsible for assessing incidents, providing project updates and general technical support to our other departments and customers, as well as conducting inspections and technical validation for new projects.

Our project development business line develops, and expects to construct and sell to third parties, solar power projects, mainly in Europe and Latin America, and, due to our experience, is capable of advising our clients in the entire breadth of a project lifecycle. Powertis' asset rotation strategy calls for divestments during a period of 24 months after commercial operation date in hard-currency projects and at ready-to-build in soft-currency projects.

As of June 30, 2020, our order backlog was approximately €190 million and our order pipeline was approximately €2,148 million, calculated as the sum of potential revenue not weighted by our estimate of the probability we will sign an agreement. However, we cannot make any assurances regarding the reasonability of our ability to complete such projects in the future.

As of June 30, 2020, our development backlog was approximately 1,331 MW and our development pipeline was approximately 3,816 MW, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed. However, we cannot make any assurances regarding the reasonability of our ability to complete such projects in the future. The following table sets forth certain information with respect to the beneficial ownership of the ordinary shares of the Company prior to and after the Offering.

	Pre-Offering		Offering	Post-Offering			
Owner	**Number of Shares**	**%**	**Number of Shares offered as Over-allotment option(1)**	**Over-allotment option not exercised**	**%**	**Over-allotment option exercised in full**	**%**
Mr. José Francisco Moreno Riquelme(2)	41,748,000	69.30	3,537,736(4)	41,748,000	43.66	38,210,264	39.96
Mr. Raúl Morales Torres(3)	17,892,000	29.70	—	17,892,000	18.71	17,892,000	18.71
Mr. Pablo Miguel Otín Pintado	600,000	1.00	—	600,000	0.63	600,000	0.63
Free Float	—	—	—	35,377,358	37.00	38,915,094	40.70

(1) All of our shares have the same voting rights attached to each of them.
(2) Held through Grupo Corporativo Sefrán, S.L.
(3) Held through Valueteam, S.L.
(4) Assuming that the Offering Price is the mid-point of the Offering Price Range.

As of the date of this Prospectus, the directors of the Company are the seven members of the board of directors: Mr. Raúl Morales Torres (executive), Mr. Fernando Caballero de la Sen (independent), Ms. Nuria Aliño Pérez (independent), Ms. María Sicilia Salvadores (independent), Ms. Marina Moreno Dólera (proprietary), Mr. José Francisco Morales Torres (proprietary) and Mr. Marcos Sáez Nicolás (proprietary).

Deloitte, S.L., with registered office at Plaza Pablo Ruiz Picasso 1, Torre Picasso, Madrid 28020, Spain, holder of Spanish tax identification number (*NIF*) B-79104469 and registered with the R.O.A.C. (*Registro Oficial de Auditores de Cuentas*—Official Registry of Auditors) under the number S0692 and in the Commercial Registry of Madrid under volume 13,650, section 8, sheet 188, page M-54,414 as the 96th entry, is the appointed auditor of the Company.

B2. What is the key financial information regarding the issuer?

The Company's deed of incorporation was granted on December 2, 2019 and was registered with the Commercial Registry of Murcia on December 5, 2019. On December 23, 2019, the Company carried out a share capital increase through in-kind contributions in consideration for the contribution to the Company of shares representing the entire share capital of Soltec ER and Powertis. Accordingly, the Company is an issuer of equity securities with a complex financial history for the purposes of Article 18 of the Delegated Regulation (EU) 2019/980, whereby the information prescribed by Annex 1 of Delegated Regulation (EU) 2019/980 does not represent the issuer's undertakings accurately. Consequently, the financial information included in this Prospectus has been derived from: (i) the unaudited interim condensed consolidated financial statements of the Company as of and for the six months ended June 30, 2020; which have been subject to a limited review by Deloitte, S.L. and prepared in accordance with the International Accounting Standard 34, Interim Financial Reporting ("**IAS 34**"), as adopted by the European Union, for the preparation of complete interim financial statements, and other provisions of the financial reporting framework applicable in Spain; (ii) the audited consolidated financial statements of the Company as of and for the financial year ended December 31, 2019, which incorporate the results of operations of Soltec ER and Powertis since January 1, 2019, which have been audited by Deloitte, S.L. and have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS-EU**"); (iii) the audited consolidated financial statements of Soltec ER as of and for the financial year ended December 31, 2018, which have been audited by Deloitte, S.L. and have been prepared in accordance with IFRS-EU; and (iv) the audited consolidated financial statements of Soltec ER as of and for the financial year ended December 31, 2017, which have been audited by Deloitte, S.L. and have been prepared in accordance with IFRS-EU, to accurately represent the issuer's undertaking and to allow investors to make an informed assessment of the Company in accordance with Article 6(1) and Article 14(2) of the Prospectus Regulation.

Income Statement

	As of June 30, 2020[(1)]	As of June 30, 2019[(1)]	As of December 31, 2019[(2)]	As of December 31, 2018[(3)]	As of December 31, 2017[(4)]
			(In thousands of euros)		
Total revenue	115,695	121,819	356,812	165,954	176,910
Operating profit/loss or another similar measure of financial performance used by the issuer in the financial statements	(14,518)	(1,442)	15,449	3,037	13,098
Consolidated net income for the period/financial year	(9,301)	(5,404)	1,340	(136)	8,648

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Balance Sheet

	As of June 30, 2020[(1)]	As of December 31, 2019[(2)]	As of December 31, 2018[(3)]	As of December 31, 2017[(4)]
		(In thousands of euros)		
Total assets	201,177	251,130	126,082	81,003
Total equity	(2,375)	17,982	14,456	14,958
Net Financial Debt[(5)]	104,571	86,766	53,967	37,323

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.
(5) Net Financial Debt is an alternative performance measure.

Cash flow Statement

	As of June 30, 2020[(1)]	As of June 30, 2019[(1)]	As of December 31, 2019[(2)]	As of December 31, 2018[(3)]	As of December 31, 2017[(4)]
			(In thousands of euros)		
Cash flow from operating activities	(17,612)	(16,044)	4,789	(12,641)	(4,935)
Cash flows from investment activities	(937)	(6,341)	(10,427)	1,419	528
Cash flows from financing activities	3,435	10,979	31,001	26,255	5,161

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

B3. What are the key risk that are specific to the issuer?

The most material risk factors specific to the issuer are as follows:

Risks Related to Our Financial Situation

- We have substantial indebtedness and may incur substantial additional indebtedness in the future.
- For the six months ended June 30, 2020, our consolidated net equity has been severely deteriorated, we recorded negative consolidated net equity and have consolidated net losses for such period and for the year ended December 31, 2018.
- We currently operate with negative working capital. No assurance can be provided that the financial imbalance existing as of June 30, 2020 will not continue and that we will report positive working capital in the future, which may prevent us from continuing as an operating company.

- We may be unable to generate sufficient cash flows or have access to external financing necessary to fund planned operations and make adequate capital investments in manufacturing capacity and solar project development.

Risks Related to Our Business and Industry

- Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings.
- We are exposed to health pandemics such as Coronavirus, COVID-19 or outbreaks of an infectious disease in the countries we operate.
- We are sensitive to fluctuations in exchange rates.
- Our project development business line was created recently and has a limited operating history; developing solar power projects exposes us to different risks than producing solar trackers.
- We depend on a limited number of customers, have a high level of rotation, lack of long-term customer contracts and have a limited pool of potential buyers for electricity.
- We operate in a highly-volatile industry; renewable energy industry is characterized by intense competition, a regulated environment and trade barriers.

Legal and Regulatory Risks

- We may be exposed to risks related to our intellectual and industrial property rights, infringement or misappropriation of our technology, product liability and cyber-attacks.
- We are subject to numerous laws, regulations and policies at the national, regional and local levels of government in the markets where we do business.

C. Key information on the securities

C1. What are the main features of the securities?

The Shares are ordinary shares of nominal value of €0.25 each.

The ISIN code assigned to our issued share capital is ES0105513008, while the New Offered Shares have the provisional ISIN code ES0105513016, and will bear the same ISIN code as our issued share capital from Admission. There will be no offering of, or application for listing for, any other class of shares of the Company. All the shares of the Company are of the same class.

The New Offered Shares will be created pursuant to the Spanish Companies Act and rank *pari passu* in all respects with the previously existing shares, including with respect to the right to vote and the right to receive all dividends and other distributions declared, made or paid on the Company's share capital. Each Share, including the New Offered Shares, carries one vote at the general meeting of shareholders of the Company. There are no restrictions on the voting rights of the Shares.

Holders of Shares are entitled to the rights and subject to the obligations set forth in the Bylaws. In particular, the following rights are inherent to the condition of shareholder of the Company:

- Right to attend the general meeting of shareholders with voting rights.
- Pre-emptive rights in share capital increases via monetary contributions and for any new bonds convertible into shares.
- Right to exercise shareholder actions.
- Information rights.
- Dividend and liquidation rights.

The Company does not plan to distribute dividends in the next three years. After that period, the Company will reassess its dividend policy and the payment of future dividends will be based, among other things, on the Company's financial performance and business prospects.

C2. Where will the securities be traded?

Application will be made to list the ordinary shares of the Company on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") and to have them quoted through the SIB (*Sistema de Interconexión Bursatil* or *Mercado Continuo*) of the Spanish Stock Exchanges. The Company expects its ordinary shares to be listed and quoted on the Spanish Stock Exchanges on or about October 29, 2020 under the symbol "SOL".

C3. Is there a warranty attached to the securities?

Not applicable.

C.4 What are the key risk that are specific to the securities?

The most material risk factors specific to the securities are as follows:

- After the Offering, our majority shareholder will continue to be able to exercise significant influence over us, our management and our operations, and its interests may not be aligned with the interests of our other shareholders.
- Our Shares are exposed to trading risks and other external factors.
- Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings and may have only limited ability to bring actions or enforce judgments against us or our directors.

D. Key information on the admission to trading on a regulated market

D1. Under which conditions and timetable can I invest in this security?

We expect that the tentative calendar of the Offering would be as follows:

Event	Date [(1)]
Approval and registration of this Prospectus with the CNMV	October 15, 2020
Commencement of the Orders Period for Non-Qualified Investors	October 16, 2020
Commencement of the Book-building	October 16, 2020
Finalization of the Orders Period for Non-Qualified Investors	October 22, 2020
Non-Qualified Investors Tranche final sizing and allocations of Non-Qualified Investors Shares to Non-Qualified Investors	October 27, 2020
Finalization of the Book-building	October 27, 2020
Setting of the Offering Price[(2)] and the Employees Offering Price[(3)]	October 27, 2020
Execution of the Underwriting Agreement	October 27, 2020
Publication of an inside information notice (*comunicación de información privilegiada*) with the Offering Price[(2)] and the Employees Offering Price[(3)]	October 27, 2020
Allocations of Qualified Investors Shares to Qualified Investors	October 27, 2020
Prefunding of New Offered Shares by the Senior Joint Global Coordinator	October 28, 2020
Granting of the public deed of share capital increase	October 28, 2020
Filing and registration of the public deed of share capital increase with the Commercial Registry	October 28, 2020
Transaction Date and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 28, 2020
Admission and commencement of Stabilization Period (on or about)	October 29, 2020
Settlement Date (on or about)	October 30, 2020
End of Stabilization Period (no later than)	November 27, 2020

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding other relevant information notice (*comunicación de otra información relevante*) with the CNMV.
(2) Offering Price refers to the price of the Qualified Investors Shares and the Related Investors Shares.
(3) Employees Offering Price refers to the price of the Employees Shares and the Sales Commission Shares.

Assuming that the New Offered Shares are entirely subscribed by third-party investors in the Offering, that the Over-allotment Option is not exercised and that the Offering Price is the midpoint of the Offering Price Range, the stake of the Company's shareholders prior to the Offering in the Company would represent approximately 63% of the total number of ordinary shares following the Offering, which would represent a dilution in ownership percentage for the Pre-Offering Shareholders of approximately 37% with respect to the ownership percentage they held prior to the Offering.

Under such assumptions, if the New Offered Shares are subscribed in full and the Over-allotment Option is exercised in full the stake of the Existing Shareholders following Admission will be 59.3% of the total share capital and voting rights.

Due to the difficulty in determining the expenses incurred as of the date of this Prospectus, for purely informational purposes, the estimated expenses payable by the Company in relation to the Offering amount to approximately €12.1 million (excluding any applicable VAT) if the Over-allotment Option (up to 10% of the New Offered Shares) is exercised in full.

D2. Who is the offeror and/or the person asking for admission to trading?

The offeror of the New Offered Shares is the Issuer (see section "*B. Key information on the issuer*" of this Summary). The offeror of the Additional Shares if the Over-allotment Option is exercised, in whole or in part, will be the Selling Shareholder. The Over-allotment Option will be exercisable, in whole or in part, by Banco Santander in its capacity as stabilization manager, acting on behalf of the Joint Global Coordinators, for a period of 30 calendar days from the date on which the Company's ordinary shares commence trading on the Spanish Stock Exchanges through the SIB.

D3. Why is this prospectus being produced?

This Prospectus constitutes a prospectus relating to the Company for the purposes of Article 3 of the Prospectus Regulation. This Prospectus has been approved as a prospectus by the CNMV in its capacity as competent authority under the Securities Market Act and relevant implementing measures in Spain for the admission of the Company's ordinary shares on the Spanish Stock Exchanges.

The Offering will permit us to raise gross proceeds of approximately €150 million from the issue of the New Offered Shares in the Offering (assuming the Offering Price is the midpoint of the Offering Price Range). We expect to pay fees and expenses of the Offering amounting to approximately €12.1 million (excluding any applicable VAT)) if the Over-allotment Option (up to 10%) is exercised in full, out of such gross proceeds raised in the Offering. Accordingly, we expect to raise net proceeds of approximately €137.9 million through the issue of the New Offered Shares in the Offering.

We intend to use the net proceeds from the issue of the New Offered Shares to finance the growth of the Company through the execution of the business plan for Soltec ER and Powertis, our industrial and project development business lines, respectively. In particular, we expect to use (i) around €77.9-87.9 million to reinforce the execution of the business plan for Soltec ER in particular by reinforcing its balance sheet to improve its capacity to obtain additional bank guarantees and potentially reduce the leverage of Soltec Power Holdings (i.e., Net Debt-to-Adjusted EBITDA) from approximately 4.26x as of December 31, 2019 down to approximately 1.0–1.5x by receiving proceeds from the Offering and further developing the Company's business plan; and (ii) around €60-50 million to fund the current Powertis project development business plan. "Net Debt-to-Adjusted EBITDA" is an APM. The proceeds of the Offering will not be used to repay our €100 million syndicated debt facility or any other financial indebtedness.

RISK FACTORS

An investment in the Shares involves a high degree of risk. You should read and carefully consider the risks described below and the other information contained in this Prospectus before making an investment in the Shares. Investors should consider carefully whether an investment in the Shares is suitable for them in light of the information in this Prospectus and their personal circumstances. If any recipient of this Prospectus is in any doubt about any action they should take, they should consult a competent independent professional adviser who specializes in advising on the acquisition of listed securities, to carefully review the risks associated with an investment in, and holding of, the Shares.

Any of the following risks and uncertainties could materially and adversely affect our business, financial condition, results of operations and prospects and this, in turn, could cause you to lose all or part of your original investment.

The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties not currently known to us or that we currently deem either immaterial or insufficiently specific to the Shares or our Group for inclusion in this Prospectus may also materially and adversely affect our business, financial condition, results of operations and prospects. If any of those risks occurs, our business, financial condition, results of operations and prospects would suffer and you could lose all or part of your original investment. Such risks include, among others, those related to litigation or other legal proceedings, cyber-attacks, failure to obtain additional indebtedness or government subsidies programs and economic incentives, failure to obtain proper insurance coverage, failure to attract and retain key executives and technical personnel, and failure to protect the integrity and security of personal information of our customers and employees.

This Prospectus includes forward-looking statements that involve risks and uncertainties and our actual results may differ substantially from those discussed in these forward-looking statements, including as a result of the risks described below. Save as required by applicable law, we are not obliged to, and make no commitment to, release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Prospectus. See section "Presentation of Financial Information and Other Important Notices—Forward-Looking Statements".

All references to our financial condition and results of operation as of and for the six months ended June 30, 2020 refer to financial information derived from the Unaudited Interim Condensed Consolidated Financial Statements as of and for the year ended December 31, 2019 refer to financial information derived from the Company 2019 Audited Consolidated Financial Statements (as these terms are defined in section "Presentation of Financial Information and Other Important Notices—Historical financial information" of this Prospectus). All references to our financial condition and results of operation as of and for the years ended December 31, 2018 and 2017 refer to financial information derived from the Soltec ER 2018 Audited Consolidated Financial Statements (as defined in section "Presentation of Financial Information and Other Important Notices—Historical financial information" of this Prospectus). For additional information, see section "Operating and Financial Review—Key Factors Affecting the Comparability of our Financial Condition and Results of Operations—Corporate Reorganization".

Risks Related to Our Financial Situation

We have substantial indebtedness and may incur substantial additional indebtedness in the future.

We have required a significant level of investment to grow our business and consolidate our project development business line in the past years. Among other financing sources, we have resorted to a €100 million syndicated debt facility (the "**Syndicated Debt Facility**") and other financial indebtedness to finance such growth. We currently have substantial indebtedness, which amounted to approximately €117 million (including €13.4 million and €7.1 million debt resulting from the purchase of project-related special-purpose vehicles ("**SPVs**") and loans granted by our shareholders, respectively) and €116 million as of June 30, 2020 and December 31, 2019, respectively, and of which approximately €98 million and €100 million were classified as short-term, respectively, and may incur substantial additional indebtedness in the future. Moreover, our Net Financial Debt as of June 30, 2020 amounted to €104.6 million and as of

December 31, 2019 amounted to €86.8 million. We have also incurred off-balance sheet liabilities amounting to approximately €110 million and €92 million as of June 30, 2020 and December 31, 2019, respectively, primarily consisting of guarantees granted to secure obligations related to the marketing our solar trackers. For further details on our off-balance sheet liabilities, see section "*Operating and Financial Review—Liquidity and Capital Resources—Off-balance sheet arrangements*".

We use debt ratios to monitor our indebtedness. Our Net Debt-to-Adjusted EBITDA ratio, which is a ratio calculated by dividing our Net Financial Debt by our Adjusted EBITDA, amounted to 4.26x, 10.50x and 3.30x for the years ended December 31, 2019, 2018 and 2017, respectively. This financial ratio is calculated on an annual basis and provides us with a general understanding of our capacity to repay our indebtedness. Also, in order to measure our indebtedness position, we use a Leverage ratio (Borrowings/Total Assets) that we believe is widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness. As of June 30, 2020, such leverage ratio amounted to 58.04%. This level of debt entails a significant risk. If market or business operating conditions are unfavorable or deteriorate, we may be unable to generate enough cash flows to service our debt obligations and may be required to seek to refinance our debt, raise new equity or incur additional indebtedness, which we might not be able to successfully achieve. Economic, financial and market conditions and trends, as well as the competitive environment in which we operate, are outside of our scope of control and may also affect our capacity to meet our financial obligations. "Net Debt-to-Adjusted EBITDA", "Net Financial Debt", "Adjusted EBITDA", "Leverage" and "Borrowings" are APMs. For additional information on these APMs, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*".

Further, our substantial indebtedness may have additional impacts on our business and financial condition, such as the following: (i) we may be required to devote a significant portion of our cash flows to repay our debt, and therefore not be able to use such resources for other purposes; (ii) our vulnerability to adverse economic conditions globally and/or on the sectors where we conduct our business may increase, (iii) our flexibility to react to changes in the business or the industry in which we operate may be limited; (iv) our ability to make strategic acquisitions or undertake other corporate transactions may be limited; (v) we may be at a competitive disadvantage compared with our competitors, which may have greater funds, or (vi) our ability to obtain additional indebtedness, or to do so on more favorable terms, may be limited.

The average interest rate on the Group's financial debt was approximately 3.11% for the six months ended June 30, 2020 and 3.4% in 2019. This financial debt includes the costs incurred in the arrangement of the debt amounting to €676 thousand and €947 thousand as of June 30, 2020 and December 31, 2019, respectively. Almost all of our debt accrues interest at variable interest rates such as EURIBOR, and therefore we are exposed to interest rate risk, as changes in interest rates affect cash flows related to our indebtedness. In particular, a downturn in macroeconomic conditions may lead to constricted credit markets, which may impede our expansion plans and materially and adversely affect our results of operations. Although interest rates are currently near historic lows, concerns about government deficits and debt have caused in the past, and may cause in the future, bond spreads to increase in certain markets, including Spain and elsewhere in the European Union. Any increase in interest rates would increase our finance expenses relating to our variable rate indebtedness and increase the costs of refinancing our existing indebtedness and issuing new debt. Furthermore, this could have an adverse effect on our business given that bonds, among other forms of fixed income investment, compete for capital with solar power projects.

As of December 31, 2019, the estimated sensitivity of the Group's financial costs to a 0.5% change (increase or decrease) in interest rates is as follows: the amount of the Group's financial costs from fixed gross financial debt would remain unchanged; the amount of the Group's financial costs from variable gross financial debt would increase by €55 thousand in the event of a 0.5% interest rate increase in the year ended December 31, 2019; and no change would be reflected in the event of a 0.5% interest rate decrease in the year ended December 31, 2019.

In addition, under our Syndicated Debt Facility, we agreed to certain restrictive covenants and operating and financial restrictions on our business. In particular, we are prohibited from paying dividends, prohibited from incurring additional debt consisting of more than €3 million and from granting additional guarantees, and required to meet an interest coverage ratio (Adjusted EBITDA/financial expenses) for Soltec ER and its subsidiaries above 2.5 on an annual basis. "Adjusted EBITDA" is an APM. For additional information on this APM, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". This ratio, which was met as of December 31, 2019, was not met as of December 31, 2018, and it was necessary to obtain a waiver from our lenders as of that date, which we received. This financial ratio is calculated on an annual basis and while we expect to meet such ratio as of December 31, 2020 on the basis of our updated budgets for the second half of 2020, which take into consideration sales already signed, those projects with an estimated percentage of success higher than 80% that are expected to be executed before the end of 2020 and an assumed profitability similar to that obtained in the second half of 2019, adjusted by fluctuations in raw materials and other costs during the six months ended June 30, 2020, no assurance can be given that we will meet such ratio as of December 31, 2020 or as of any other date. Failure to meet this financial ratio in the future would require a waiver from our creditors. Our creditors may decide not to grant such waiver, which may potentially lead, unless we are able to refinance our current debt, to the acceleration of our debt and subsequent material adverse consequences.

Moreover, under our Syndicated Debt Facility we are obligated to pledge our current accounts, current and non-current fix term deposits and the receivables and credit rights derived from the projects funded with such Syndicated Debt Facility. Pledged assets amounted to €54,276 thousand as of June 30, 2020, €73,653 thousand as of December 31, 2019 and €39,703 thousand as of December 31, 2018. As our Syndicated Debt Facility was signed in 2018, we were not required to pledge assets in 2017 in connection therewith. In addition, pledged assets in connection with other financing amounted to €1,663 thousand as of December 31, 2017.

The covenants of the Syndicated Debt Facility could limit our ability to plan for or react to market conditions or to meet our capital needs in a timely manner and complying with these covenants may require us to curtail some of our operations and growth plans. In addition, we are subject to a strict change of control provision pursuant to which any modification to the direct or indirect stake (i) of (a) the Company, (b) Grupo Corporativo Sefrán, S.L., (c) Valueteam, S.L., and (d) the individuals who hold the majority of the share capital of each of them – i.e., Mr. José Francisco Moreno Riquelme and our CEO Mr. Raúl Morales Torres, respectively– ((a) to (d), collectively, the "**Soltec ER's Shareholders**"), in Soltec ER, or (ii) of Soltec ER in its material subsidiaries, is considered a change of control under the Syndicated Debt Facility (a "**Syndicated Facility Change of Control**"), giving the lenders thereunder a right to declare an event of default under such facility and accelerate the related indebtedness. We have received a waiver under the facility to permit the Offering provided that Soltec ER's Shareholders retain a majority interest of, at least, 50.01% of the share capital of the Company (and indirectly of Soltec ER) following completion of the Offering. While under such facility Soltec ER's Shareholders undertake to maintain their stake, whether directly or indirectly, in Soltec ER's share capital, and not to alter their respective interest in a way that might trigger a Syndicated Facility Change of Control, we do not have a right to require them to do so and any breach by them of this undertaking or any other action by them which triggers a Syndicated Facility Change of Control, unless cured by us or a waiver thereof is obtained, could give rise to an event of default under such facility and an acceleration of the related indebtedness. We may seek a waiver from the lenders for any Syndicated Facility Change of Control, or any other breach of the covenants of the Syndicated Debt Facility, but there is no assurance that any such waiver would be granted. Consequently, any breach of the covenants in the Syndicated Debt Facility, including a Syndicated Facility Change of Control, could result in the acceleration of the related indebtedness. We can provide no assurance that we would have the necessary funds on hand to repay any acceleration of this indebtedness, or be able to refinance any acceleration of this indebtedness, if it were to become due and payable as a result of a Syndicated Facility Change of Control or otherwise. As a result, any such acceleration would likely have a material adverse effect on our business, results of operations and liquidity, and could affect our ability to continue as a going concern. In addition, some of our loan agreements contain cross-default or cross-acceleration clauses, which could enable creditors under our debt instruments to declare an event of default or accelerate their loans should there be an event of default under any of our other loan agreements, which could materially adversely affect us. For more detail on the Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

All of the above could adversely affect our financial position, and we might not be able to generate sufficient cash to satisfy both our outstanding and future debt obligations. As of June 30, 2020, Sub-tranche A1 amounts to €10,000 thousand and Sub-tranche A2 amounts to €68,648 thousand. The principal amount of Tranche A is not required to be repaid until the Maturity Date (as defined herein) provided that (i) certain conditions for drawdown are met including, among others, delivery and execution of documentation, and there shall not have occurred (a) a material adverse effect, (b) a prepayment event or (c) an event of default, and (ii) the lenders do not object to our express or deemed requests to renew the relevant drawdowns at the end of every monthly interest period. If such conditions are not met or any valid objection is made, all amounts drawn under Tranche A would be due at such time. Currently, the amortization date of Sub-tranche A2 is conditional on the collection by us of the proceeds under the Bankable Contracts (as defined herein), provided that it may not exceed the Maturity Date. We believe we will continue to be able to meet the conditions provided for in the Syndicated Debt Facility for the renewal of the drawdowns under Tranche A and, therefore, it will not be required to repay the principal amount outstanding under Tranche A until the Maturity Date. Nonetheless, no assurance can be provided that we will be able to meet the conditions provided for in the Syndicated Debt Facility, in which case the Syndicated Debt Facility can be accelerated and the amounts drawn will become immediately due and payable. If the Syndicated Debt Facility is accelerated, our financial condition may be negatively affected and we may be unable to continue as an operating company. Furthermore, no assurance can be provided that we will be able to refinance or repay our Syndicated Debt Facility at the Maturity Date (that is, September 28, 2021).

We cannot assure you that we will be able to generate enough cash flow from operations to support the repayment of our indebtedness. In the future, we may from time to time incur substantial additional indebtedness and contingent liabilities. If we incur additional debt, the risks that we face as a result of our already substantial indebtedness and leverage could intensify. If we are unable to service our indebtedness, we will be forced to adopt an alternative strategy that may include actions such as reducing or delaying capital expenditures, selling assets, restructuring or refinancing our indebtedness or seeking equity capital. For additional details, see section "*Material Contracts—Syndicated Debt Facility*" in this Prospectus.

Any of the foregoing risks could have a material adverse effect on our business, financial condition, results of operations and prospects.

For the six months ended June 30, 2020, our consolidated net equity has been severely deteriorated, we recorded negative consolidated net equity and have consolidated net losses for such period and for the year ended December 31, 2018.

We reported consolidated net losses of €9,301 thousand and recorded a negative EBITDA of €12,420 thousand for the six months ended June 30, 2020, principally due to the incurrence of extraordinary costs outside of the scope of our contractual obligations derived from strategic and commercial decisions related to the COVID-19 crisis and the increase in both structural costs resulting from delays in executing our backlog and pipeline and transportation costs due to a reduction of international trade related to the COVID-19 crisis. "EBITDA" is an APM. For additional information on this APM, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". In addition, while we recorded positive consolidated net equity of €17,982 thousand as of December 31, 2019, we recorded consolidated negative net equity of €2,375 thousand as of June 30, 2020, principally due to the operating losses reported during the six months ended June 30, 2020 and to a negative impact in exchange rate differences. In particular, the depreciation of the Brazilian real compared with the euro generated an adverse impact of approximately €11,147 thousand during such period.

The consolidated net income of Soltec ER was also adversely affected in 2018 due to a delay on signing the Syndicated Debt Facility in 2018. The direct impact of such delay was reflected in decreases in inventories of finished and semi-finished goods, revenues from the supply of trackers and delays in the execution of projects. In the year ended December 31, 2018, Soltec ER's consolidated net loss amounted to €136 thousand.

Even though the consolidated net losses reported by the Company in the six months ended June 30, 2020 were due to circumstances that we consider extraordinary and the consolidated net losses reported by Soltec ER in the year ended December 31, 2018 were related to usual business transactions as mentioned in the above paragraph, there can be no assurance that our losses will not continue or that we will be able to generate profits in the future. We may not be able to succeed in increasing our revenue sufficiently to offset the expenses required to operate our business.

We currently operate with negative working capital. No assurance can be provided that the financial imbalance existing as of June 30, 2020 will not continue and that we will report positive working capital in the future, which may prevent us from continuing as an operating company.

Our consolidated net loss amounted to €9,301 thousand for the six months ended June 30, 2020. We recorded a short-term financial imbalance in our working capital of approximately €35.9 million and €17.9 million as of June 30, 2020 and December 31, 2019, respectively, primarily due to non-contingent deferred payments in the purchase of project-related SPVs located in Brazil that amounted to approximately €11.2 million and €14.1 million, respectively. During the six months ended June 30, 2020 our working capital declined by approximately €17.9 million, mainly as a result of operating losses recorded during such period and inventories in transit pending delivery to customers.

This negative working capital is also due, in part, to the fact that Tranche A, which is comprised of Sub-tranches A1 and A2, of the Syndicated Debt Facility is classified as short-term. As of June 30, 2020, Sub-tranche A1 amounts to €10,000 thousand and Sub-tranche A2 amounts to €68,648 thousand. The principal amount of Tranche A is not required to be repaid until the Maturity Date (as defined herein) provided that (i) certain conditions for drawdown are met including, among others, delivery and execution of documentation, and there shall not have occurred (a) a material adverse effect, (b) a prepayment event or (c) an event of default, and (ii) the lenders do not object to our express or deemed requests to renew the relevant drawdowns at the end of every monthly interest period. If such conditions are not met or any valid objection is made, all amounts drawn under Tranche A would be due at such time. For additional details on the terms and conditions of our Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

Despite having incurred losses during the six months ended June 30, 2020 and presenting a short-term financial imbalance, there are several factors that we consider tend to reduce the possibility that we will not be able to continue as a going concern. We believe that the losses presented in the six months ended June 30, 2020 are explained, fundamentally, by (i) the incurrence of extraordinary costs due to strategic and commercial decisions related to the management of the COVID-19 crisis, (ii) the increase in structural costs due to the delay of projects caused by COVID-19, and (iii) the increase in transportation costs, as a result of the reduction of international trade demand resulting from COVID-19. We have taken review and evaluation measures of these factors and we estimate that, together with the implementation of certain mitigating factors, the circumstances occurring during the six months ended June 30, 2020 are temporary. These mitigating factors include the financial support of our main shareholders (formally expressed through financial support letters where such shareholders expressed their intent to provide the Group with financial support to the extent that this may be eventually necessary to continue its business activity) and the availability of credit lines granted and unused for an amount of €2,353 thousand as of June 30, 2020, as well as the reduction on the purchase price to be paid by Powertis to Solatio for the acquisition of certain Brazilian SPVs, which has been classified as a "Non-Adjusting Event" due to the application of IAS 10 (which amounts to approximately €6,087 thousand), the cash expected to be received in the short term for the recent sale to Atlas of certain Brazilian SPVs that comprise the Leo Silveira project (purchase price amounted to approximately €15,544 thousand considering the Brazilian real-euro exchange rate as of June 30, 2020) and the sale of six project-related SPVs located in Spain (cash generated from the sale of these Spanish SPVs in July 2020 amounted to €6,537 thousand at the date of preparation of the Unaudited Interim Condensed Consolidated Financial Statements). For additional details on these transactions, see "*Operating and Financial Review—Recent Developments*". Further, our project development business line maintains short-term credit policies with a total limit of €3,000 thousand, which we estimate will be renewed for the next 12 months, as has occurred for previous periods.

Nonetheless, such mitigating factors are subject to the assumption that (i) incurred structural costs are adjusted for the execution of future projects, although during the six months ended June 30, 2020 such execution has been delayed as a result of COVID-19, (ii) the incurrence of extraordinary costs is considered exceptional and is not expected to occur in the future, (iii) the increase in transportation expenses reduces the margin of ongoing projects without altering the margin of future projects given the implementation of mitigating factors, such as expanding our portfolio or improving negotiations on incoterms with our clients and (iv) the impairment recorded in the collection of permits, licenses and concessions is a consequence of the exceptional events occurred in connection with the Leo Silveira project and it is offset by the reduction on the purchase price to be paid by Powertis to Solatio for the acquisition of certain Brazilian SPVs related to such project.

We cannot guarantee the success of the above mitigating factors, or that we will continue to be able to extend existing, or obtain new, working capital financing on commercially reasonable terms or at all. We may not be able to raise capital via equity and debt issuances due to market conditions and other factors, many of which are beyond our control. For example, Spanish banks are requiring that long-term power purchase agreements ("**PPAs**") are in place in order to provide debt financing for the development of solar projects. If we are unable to obtain funding in a timely manner and on commercially acceptable terms, our growth prospects and future profitability may be materially and adversely affected.

We may not be able to manage our working capital in accordance with our plans. No assurance can be provided that the financial imbalance existing as of June 30, 2020 will not continue and that we will report positive working capital in the future. If we do not improve our working capital position, our financial condition may be negatively affected and we may be unable to continue as an operating company.

We may be unable to generate sufficient cash flows or have access to external financing necessary to fund planned operations and make adequate capital investments in manufacturing capacity and solar project development.

As of June 30, 2020, Soltec Industrial had a geographically diversified order backlog of approximately €190 million, representing projects with a total installed capacity of approximately 1.8 GW. Soltec Industrial's order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020, amounted to €2,148 million, representing potential projects with a total installed capacity of 17.6 GW.

As of June 30, 2020, in connection with our project development business line, we have identified five potential projects in our development backlog with an expected probability of completion of over 80%. Based on our internal estimations, we believe that third parties that invest in the projects will need to carry out capital expenditures of approximately €527 million in total to complete such projects. Such investment of project finance is usually obtained from debt (approximately 70%) and equity (approximately 30%). Our development pipeline as of June 30, 2020 amounted to approximately 3,816 MWs, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed.

There can be no assurance that we will be successful in converting our order backlog, order pipeline, development backlog and development pipeline in actual revenues and, even if so, they might not generate sufficient cash flows to continue growing our business and executing our business plan, which in turn may have a material adverse effect on our business, results of operations, financial condition and prospects. See section "*Business—Soltec Industrial (Trackers and Construction Services)" and "—Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings.".*

We might fail to find adequate sources of capital to fund our operations and solar power projects, such as obtaining generally required performance or other bonds prior to beginning development, or make adequate capital investments to remain competitive in terms of technology development and cost efficiency required by our projects. If adequate funds are not available on acceptable terms, or at all, our ability to fund our operations, develop, construct and operate solar power projects, develop and expand our manufacturing operations and distribution network, maintain our research and development efforts or otherwise respond to competitive pressures would be significantly impaired.

We anticipate that our operating and capital expenditure requirements may increase. To develop new projects, products and services, support future growth, achieve operating efficiencies and maintain product and service quality, we may need to make significant capital investments in technology, facilities and capital equipment, research and development, and product and process technology. In addition, we need intensive capital to provide guarantees in the course of our operations to cover, among other items, down payments and performance guarantees, as is market practice in our industry. We also anticipate that our operating costs may increase as we expand our operations, hire additional personnel, increase our sales and marketing efforts, invest in joint ventures, and continue our research and development efforts with respect to our projects, products, services and technologies.

Our inability to do the foregoing could have a material and adverse effect on our business, results of operations, financial condition and prospects.

Credit terms offered to some of our customers expose us to the credit risks of such customers, increasing our costs and expenses.

From time to time, we offer unsecured short-term or medium-term credit through the use of deferred payment terms to our customers depending on their creditworthiness and market conditions. As of June 30, 2020 and December 31, 2019, the non-defaulted unsecured credit amounted to €63.1 million and €54 million, respectively. As of June 30, 2020, the defaulted unsecured short-term (0 to 90 days), medium-term (90 to 180 days) and long-term (more than 180 days) credit amounted to €5.7 million, €6.5 million and €8.8 million, respectively. As of December 31, 2019, the defaulted unsecured short-term (0 to 90 days), medium-term (90 to 180 days) and long-term (more than 180 days) credit amounted to €32 million, €12.4 million and €3 million, respectively. Our claims for such payments and sales credits rank as unsecured claims. As of June 30, 2020 and as of December 31, 2019, such unsecured claims amounted to approximately €21 million and €47 million, respectively, and we have recorded provisions for impairment losses of accounts receivables for an amount of €2,541 thousand and €2,518 thousand, respectively. We generally receive a 10% advance payment from our customers when we enter into a sale agreement for our solar trackers. However, we do not generally receive any other payments from our customers until we have (i) delivered our solar trackers, when we generally receive 80% of the total payment, and (ii) commissioned the solar power project, when we generally receive the rest. This exposes us to credit risk if our customers default due to insolvency, bankruptcy or other reasons, which, despite our prior review of our customers' solvency and any credit insurance that we may have in place, would impose a burden on us to pursue recovery of outstanding sums and could result in significant losses.

If our customers are not able to obtain satisfactory working capital, maintain adequate cash flow, or obtain construction financing for the projects where our solar products are used, they may be unable to pay for the products and services for which they have ordered or of which they have taken delivery. Our legal recourse under such circumstances may be limited if the customer's financial resources are already constrained or if we wish to continue to do business with that customer.

Any of the foregoing risks may have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Related to Our Business and Industry

Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings.

We have established certain criteria and procedures for classifying our potential projects. These criteria and procedures are used for internal planning purposes and have not been verified by any third parties. Our order backlog, order pipeline, development backlog and development pipeline are not audited measures, and there are no generally accepted principles for their calculation. We define our order backlog as projects for which we have signed underlying agreements. We define our order pipeline as projects not yet signed but which we believe have potential to be signed in the future, and we assign different achievement probabilities to each project considering the likelihood of success based on internal parameters. For definitions of our order backlog and order pipeline, see section "*Business Key Investment Highlights—Soltec Industrial (Trackers and Construction Services)—Our Customers, Order Backlog and Order Pipeline Key Investment Highlights—Soltec Industrial (Trackers and Construction Services)—Our Customers, Order Backlog and Order Pipeline*". For definitions of our development backlog and development pipeline, see section "*Business—Project Development*".

Further, our definitions of order backlog, order pipeline, development backlog and development pipeline may not necessarily be the same as those used by other companies engaged in activities similar to ours. As a result, the amounts of our order backlog, order pipeline, development backlog and development pipeline may not be comparable to the amounts of order backlog, order pipeline, development backlog and development pipeline reported by such other companies. See sections "*Business—Soltec Industrial (Trackers and Construction Services)—Our Customers, Order Backlog and Order Pipeline*" and "*Business—Project Development*" for further details on our order backlog, order pipeline, development backlog and development pipeline, including regarding the parameters and criteria by which we assign probabilities of signing projects in our order pipeline and completing projects in our development backlog and development pipeline.

In particular, regarding Soltec Industrial (our trackers and construction services business line), approximately 33% of our order pipeline as of June 30, 2020, in terms of value, related to projects that we currently estimate have a likelihood lower than 50% of being awarded to us, representing approximately €718 million, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement. In addition, our backlog and pipeline have increased significantly during the six months ended June 30, 2020. Our order backlog increased 33% to €190 million as of June 30, 2020 from €143 million as of December 31, 2019, and our order pipeline increased 83% to €2,148 million as of June 30, 2020 from €1,171 million as of December 31, 2019. No assurances can be given that this rate of growth can be sustained going forward.

Our order backlog and order pipeline include potential revenue based on engineering and design specifications that may not be final or could be revised over time, and also may include expected revenue for O&M contracts that may not specify actual monetary amounts for the work to be performed. For these contracts, our order pipeline is based on an estimate of work to be performed, which is based on our knowledge of our potential customers' stated intentions. Furthermore, our ability to execute our order pipeline is dependent on our ability to enter into legally binding contracts with our customers and meet our operational and financing needs to execute each project. If we are unable to meet our operational and financing needs, our ability to execute our order backlog and order pipeline could be adversely affected, which could materially affect our business, financial condition, results of operations and prospects.

Moreover, regarding Powertis (our project development business line), approximately 88% of our development pipeline as of June 30, 2020, in terms of MWs, related to projects that we currently estimate have a likelihood lower than 50% of completion (early stage or identified opportunities), representing approximately 3,361 MW, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed. As of June 30, 2020, Powertis represents approximately 33.8% of our order pipeline.

There can be no assurance that the revenue projected in our order backlog, order pipeline, development backlog and development pipeline will be realized or, if realized, will be profitable. Projects may be terminated or suspended and a project's scope and schedule may change. Even if a project proceeds as expected with no interruptions, the customer may still default and fail to pay amounts owed to us. Material delays, cancellations or payment defaults, whether or not resulting from force majeure events such as adverse weather conditions and other events beyond our control, could materially adversely affect our business, financial condition, results of operations and prospects.

We are exposed to health pandemics such as Coronavirus, COVID-19 or outbreaks of an infectious disease in the countries we operate.

In December 2019, a novel strain of coronavirus, COVID-19, was identified in Wuhan, China. This virus continues to spread globally, and there is still great uncertainty about the pandemic, its impact on health, and its capacity to spread among the population. On March 11, 2020, the World Health Organization declared that the coronavirus outbreak should be characterized as a pandemic. In June 2020, the World Economic Outlook ("**WEO**") projected global gross domestic product ("**GDP**") growth at –4.9% in 2020, 1.9 percentage points below the WEO's April 2020 forecast. The COVID-19 pandemic has had a more negative impact on activity in the first half of 2020 than anticipated, and the recovery is projected to be more gradual than previously forecasted. Global GDP in 2021 is projected by WEO at 5.4%. Overall, this would leave 2021 GDP some 6.5 percentage points lower than in the pre-COVID-19 projections of January 2020. However, the WEO has already announced that this forecast may need to be corrected.

The uncertainty surrounding the coronavirus and its effects on the global economy, as of the date of this Prospectus, is expected to deeply impact global growth in 2020, affecting both supply and demand, especially due to intense global lockdowns, hits to the labor market, lower discretionary consumption, a sharp drop in tourism spending, and significant disruption in supply chains globally. Consequently, it is not possible to measure the exact impact of the pandemic, but all scenarios contemplated highlight that global GDP in 2020 will be lower than that of 2019. The measure of such decrease will not only depend on the pandemic itself, but on the quality, response, and effectiveness of policy actions undertaken.

This virus has affected all of the countries in which we operate or in which our customers or suppliers have operations including, among others, China, Italy, Spain, Mexico, Brazil, Chile and the United States. These jurisdictions have implemented and may continue to implement certain restrictions to avoid the spread of the virus, such as mobility bans between countries and specific regions, closure of schools, offices and factories, and bans of public, sports and entertainment gatherings.

Moreover, in macroeconomic terms, these countries are experiencing widespread increases in unemployment levels and decreases in industrial production. Governments and central banks have implemented several fiscal and monetary measures with the aim of reactivating the economy. During the months since the appearance of COVID-19, there has been an increase in the costs of maritime and road transport caused by the reduction in the volume of goods movement worldwide. Public debt has increased significantly due to support and spending measures. In addition, there has been an interruption or slowdown of supply chains, a sharp contraction in GDP, a substantial increase in economic uncertainty and greater volatility in financial markets and there may be an increase of payments in arrears.

The spread of an infectious disease, including COVID-19, may also result in the inability of our suppliers to deliver components or raw materials on a timely basis or may lead to a volatile economic scenario that may negatively affect our production costs and revenues.

In our industrial business line, there have been certain delays in the execution of projects and in the conversion deadlines of our order backlog and order pipeline, some of them postponed to 2021, mainly as a result of administrative delays in the start of works in respect of certain of our projects. For example, the projects of Talasol in Extremadura and La Lucha in Mexico had to stop for four weeks during the lock-down. Although this delay did not represent an operational problem, it has affected billing during the six months ended June 30, 2020. Moreover, our industrial business line was also affected by the increase in transportation costs in connection with the commercialization, distribution and supply of solar trackers.

During the six months ended June 30, 2020, our other operating expenses increased 30.5% compared to the six months ended June 30, 2019, principally due to the reduction in transport volumes worldwide, which has led to an increase in transportation costs that affected the operating margin of solar tracker supply projects during the six months ended June 30, 2020. Also during the six months ended June 30, 2020, our personnel expenses increased 43.3% compared to the six months ended June 30, 2019, principally due to a significant increase in overhead expenses incurred to enable the execution of expected business growth and additional resources required to deal with the COVID-19 related impacts on projects under execution in order to honor commitments with customers. The impact related to such increase in personnel and transportation expenses resulted in additional expenses of €6.1 million and €3.9 million, respectively, during the six months ended June 30, 2020.

Regarding our project development business line, we have continued the development of solar power projects during the six months ended June 30, 2020, although there have been delays resulting mainly from the shutdown of public administrations in the main countries in which we operate as a result of COVID-19. In Brazil, our activity has not been shut down as it has been considered essential by the Federal Government of Brazil. Nonetheless, the shutdown of Brazilian local administrations has led to temporary delays in obtaining administrative licenses.

Even though the solar PV industry is expected to remain strong in the long term, the final magnitude of the impact of the COVID-19 pandemic on our business, financial condition and results of operations will depend on future and uncertain events, including the intensity and persistence over time of the consequences arising from the COVID-19 pandemic in Spain and the other geographies in which we operate. We cannot assure you that our internal or external estimates, forecasts and judgements contained herein will occur, and they may abruptly change depending on the spread of the coronavirus. Moreover, our inability to reduce the impact of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are sensitive to fluctuations in exchange rates.

The majority of our sales in 2019, 2018 and 2017 were denominated in U.S. dollars, with the remainder in other currencies such as Brazilian reals, euros, Mexican pesos, Chilean pesos and New Peruvian soles. We regularly enter into loan arrangements with commercial banks that are denominated primarily in euros and Brazilian reals. As of December 31, 2019, most of our cash and cash equivalents and restricted cash are denominated in U.S. dollars, followed by euros. Moreover, approximately half of our trade receivables as of December 31, 2019 were linked to customers based in Latin America. In the event of a rapid devaluation or implementation of exchange or currency controls, we may not be able to exchange the local currency for the expected euro amount. Fluctuations in exchange rates, particularly between the euro and the U.S. dollar, Brazilian real, Mexican peso or Argentinian peso may result in foreign exchange gains or losses. We recorded losses from net exchange rate differences of €317 thousand, €3.9 million, €3.0 million and €4.2 million in the six months ended June 30, 2020 and the years ended December 31, 2019, 2018 and 2017, respectively. Our consolidated net equity has been severely affected, decreasing to a negative net equity of €2,375 thousand as of June 30, 2020 from a positive net equity of €17,982 thousand as of December 31, 2019, due, in part, to fluctuations in exchange rates. In particular, the depreciation of the Brazilian real compared with the euro, which generated an adverse impact of approximately €11,147 thousand for the six months ended June 30, 2020 and of approximately €363 thousand for the year ended December 31, 2019.

We also are exposed to fluctuations of our reporting currency, the euro, against the currencies of our operating entities. Cumulative translation adjustments are recorded in the line item "Translation Differences". Any increase (decrease) in the value of the euro against any foreign currency that is the functional currency of one of our operating entities will cause us to experience unrealized foreign currency translation losses (gains) with respect to amounts already invested in such foreign currencies. Accordingly, we may experience a negative impact on our comprehensive earnings or loss and equity with respect to our holdings solely as a result of foreign currency translation.

In 2019, we expanded our activities in Latin America and Europe, with Brazil representing approximately 30% of our market share. Our sensitivity to currency fluctuation has increased since then; in particular we are exposed to variations of exchange rate between the U.S. dollar, euro and Brazilian real. We estimate this sensitivity to continue in the near future as, for example, in Brazil, our development backlog amounted to approximately 1,331 MW and our development pipeline amounted to approximately 1,800 MW as of June 30, 2020. We carry out sensitivity studies on an ongoing basis to forecast the impact of currency value variations on our consolidated net income and equity.

For the six months ended June 30, 2020, a 10% increase or decrease, respectively, in the U.S. dollar–euro exchange rate would have reduced our consolidated net income by €511 thousand and our consolidated equity by €1,910 thousand and increased our consolidated net income by €624 thousand and our consolidated equity by €2,334 thousand, respectively, while a 10% increase or decrease, respectively, in the Brazilian real–euro exchange rate would have reduced our consolidated net income by €1,129 thousand and our consolidated equity by €2,298 thousand and increased our consolidated net income by €1,380 thousand and our consolidated equity by €2,809 thousand, respectively.

We generally hedge our foreign currency exposures, mainly between U.S. dollars and Brazilian reals, Brazilian reals and euros, and U.S. dollars and euros. We generally use foreign exchange forward contracts. While these contracts are intended to reduce the effects of fluctuations in foreign currency exchange rates, our hedging strategy does not mitigate the longer-term impacts of changes to foreign exchange rates. In any case, these contracts involve costs and risks of their own in the form of transaction costs, credit requirements and counterparty risk. Also, the effectiveness of our hedging program may be limited due to cost effectiveness, cash management, and exchange rate visibility and associated management judgment on exchange rate movement, and downside protection. We recorded gains on changes in the fair value of financial instruments of €3,996 thousand for the six months ended June 30, 2020, €1,317 thousand in 2018 and €1,040 thousand in 2017 and losses on changes in the fair value of financial instruments of €5,394 thousand in 2019. Likewise, we recorded net financial revenue of €60 thousand for the six months ended June 30, 2020, €149 thousand in 2019, €4 thousand in 2018 and €295 thousand in 2017. Those gains or losses are related to our hedging program. If our hedging program is not successful, or if we change our hedging activities in the future, we may experience significant unexpected expenses from fluctuations in exchange rates.

Furthermore, volatility in foreign exchange rates affects our ability to plan our pricing strategy. To the extent that we are unable to pass along increased costs and other financial effects resulting from exchange rate fluctuations to our customers, our profitability may be adversely impacted. As a result, fluctuations in foreign currency exchange rates could have a material adverse effect on our business, financial condition, results of operations and prospects.

Our project development business line was created recently and has a limited operating history; developing solar power projects exposes us to different risks than producing solar trackers.

Our project development business line was founded in September 2018 and we incorporate the results of its operations since January 1, 2019. This business line has a limited operating history and, except for the financial information referred to in the "*Selected Financial Information*" and "*Operating and Financial Review*" sections of this Prospectus, does not have any other historical financial statements or other meaningful operating or financial data. It is therefore difficult to evaluate the probable future performance of our project development business line. Given its limited operating history and early development stage, our prospective investors will have no significant opportunity to evaluate the terms of potential investment opportunities of our project development business line or any further financial data to assist them in evaluating the prospects of this business line in connection with the merits of an investment in the Shares.

As of June 30, 2020, our development backlog was approximately 1,331 MW and concentrated in Brazil. As of such date, our development pipeline was approximately 3,816 MW, of which approximately 455 MW were at advanced stage, consisting of projects with an estimated probability of completion of between 50% and 80%, approximately 1,562 MW were at early stage, consisting of projects with an estimated probability of completion of between 30% and 50%, and approximately 1,799 MW were identified opportunities, consisting of projects in a preliminary stage with an estimated probability of completion under 30%. For additional details, see "*Business—Project Development*" and "*—Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings*.*"*.

Our project development business line is subject to all of the risks, expenses, difficulties and uncertainties frequently encountered by companies and business lines in their early stages of operations. If we are unable to successfully expand our project development business line's operations, including our development backlog and development pipeline, it could have a material adverse impact on our business, results of operations, financial condition and prospects. For the definitions of, and further details on, our development backlog and development pipeline, see section "*Business—Project Development*". For additional details, see also "*—Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings*.".

The development of solar power projects can take several months or years to complete and may be delayed for reasons beyond our control. It often requires us to make significant up-front payments for, among other things, land rights and permitting in advance of commencing construction, and revenue from these projects may not be recognized for several additional months or years following contract signing. Any inability, or significant delays, in entering into sales contracts with customers after making such up-front payments could adversely affect our business, financial condition, results of operations and prospects. Furthermore, we may become constrained in our ability to simultaneously fund our other business operations and invest in other projects.

In contrast to producing solar trackers, developing solar power projects requires more management attention to negotiate the terms of our engagement and monitor the progress of the projects, which may divert management's attention from other matters. Our revenue and liquidity may be adversely affected to the extent the market for solar power projects weakens or we are not able to successfully complete the customer acceptance testing due to technical difficulties, equipment failure, or adverse weather, and we are unable to successfully operate or sell our solar power projects at prices and on terms and timing that are acceptable to us.

Moreover, we may be required to invest significant amounts of money for securing land, interconnection rights and permits and for obtaining construction financing, including debt, equity and tax credits and preliminary engineering, and may incur legal and other expenses before we can determine whether a project is feasible. If we are unable to obtain the required financing and complete the development of our solar power projects or if we fail to meet any agreed upon system-level capacity or energy output guarantees or warranties or other contractual terms, or our projects cause grid interference or other damage, we may be subject to significant damages, penalties and other obligations relating to such projects, including obligations to repair, replace or supplement materials for our projects.

Any of these factors could have a material adverse effect on our business, results of operations, financial condition and prospects.

We depend on a limited number of customers, have a high level of rotation, lack long-term customer contracts and have a limited pool of potential buyers for electricity.

We sell a substantial portion of our solar trackers to a limited number of customers. Our top five customers by net revenues collectively accounted for approximately 72%, 67%, 71% and 97% of our net revenues in the periods ended June 30, 2020 and in the years ended December 31, 2019, 2018 and 2017, respectively. We anticipate that our dependence on a limited number of customers will continue for the foreseeable future. Further, as we continue to expand our business and operations, our top customers continue to change and there is a significant level of rotation among our top customers by sales every year. In particular, all but one of our top five customers by sales in 2019 differ from those in 2018. We generally do not have long-term agreements with our customers.

For example, in relation to our trackers and construction services business line, Enel Green Power has over 1.6 GW in projects supplied by us, and has been one of our top two customers by sales every year since 2016. During the six months ended June 30, 2020, Enel Green Power was our second top customer, representing 17% of revenues, and Solar Century Holdings was our top customer, representing 25% of revenues, both followed by PCL Construction Services, representing 15% of revenues. In 2019, Enel Green Power was our top customer, representing 31% of revenues, followed by Powerchina, representing 19% of revenues, and Metka, representing 7% of revenues. In 2018, Engie was our top customer, representing 17% of revenues, followed by Enel Green Power, representing 16% of revenues, and TSK, representing 14% of revenues. In 2017, Enel Green Power was our top customer, representing 67% of revenues, followed by Engie, representing 19% of revenues, and Cypress Creek, representing 4% of revenues.

Consequently, any of the following factors may cause material fluctuations or declines in our revenues, which may have a material adverse effect on our business, financial condition, results of operations and prospects:

- the inability to find new significant customers;
- reduced, delayed or cancelled orders from one or more of our significant customers;
- the loss of one or more of our significant customers;
- a significant customer’s failure to pay for our products on time;
- a significant customer’s financial difficulties or insolvency;
- a substantial delay in the access to capital to fund our operations; and
- the inability to pass along to customers any additional project costs due to, among others, lump sum agreements.

In addition, our business plan calls for Powertis to become a significant customer of Soltec Industrial. As of June 30, 2020, Powertis represents approximately 33.8% of our order pipeline. Consequently, risks and uncertainties affecting Powertis, our project development business line, may materially and adversely affect our industrial business line, including our order backlog, and our revenues.

Furthermore, there is a limited pool of potential buyers for electricity to be generated by our solar power projects because the transmission and distribution of electricity is either monopolized or highly concentrated in most jurisdictions, which may restrict our ability to negotiate favorable terms under new long-term PPAs and could impact our ability to find customers for the electricity to be generated by our solar power plants. The willingness of buyers to purchase electricity from an independent power producer may be based on a number of factors and not solely on pricing and surety of supply. Additionally, possible purchasers may have a role in connecting our projects to the grid to allow the flow of electricity, which may limit our ability to negotiate terms favorable to us. Failure to enter into PPAs on terms favorable to us, or at all, or the exercise by any purchaser under our PPAs of curtailment or other rights to reduce purchases or payments under the PPAs, would negatively impact our revenue and our decisions regarding the development of additional power plants. Some of our current and future PPAs may be subject to price adjustments over time. If the price under any of our PPAs is reduced below a level that makes a project economically viable, our business, financial condition, results of operations and prospects could be materially and adversely affected. The termination or buyout of any of our PPAs, the requirement to pay liquidated damages or the acceleration of the maturity or termination of any of our financing arrangements upon the occurrence of certain events could have a material adverse effect on our business, financial condition, results of operations and prospects.

We operate in a highly volatile industry; the renewable energy industry is characterized by intense competition, a regulated environment and trade barriers.

Our business is affected by conditions in the renewable energy industry and, more specifically, in the solar power market. We believe that many project developers, system installers and product distributors that purchase solar power services and products, including solar trackers from manufacturers like us, may be adversely affected by, among other factors, a decline in solar energy prices, which have been decreasing globally in recent years. For additional information, see section "*Industry Overview—Solar PV Industry Trends and Dynamics*".

The price of our solar trackers is affected by overall demand for trackers in the solar power market. In addition, it may be affected by, among other factors, variations in solar energy prices, which have been decreasing globally in recent years, as well as changes in costs of materials and foreign exchange fluctuations, as further discussed below. Furthermore, increases in the cost of capital and competition may put downward pressure on the prices of our solar trackers. In particular, the unit price of our solar trackers is expected to decline over the next five years by 5% CAGR in response to market forces (source: The Global PV Tracker Landscape 2020). The cost-effectiveness, performance and reliability of solar power products and services, compared to conventional and other renewable energy sources, and the increasing competition in the solar tracker industry, could materially and adversely affect the demand for and the average selling price of our products and services.

In addition, we face intense competition from a large number of solar trackers manufacturers, including companies such as Nextracker, Array Technologies, Arctech Solar and PV Hardware, among others. The solar PV tracker industry is currently fragmented, with the two largest participants, Nextracker and Array Technologies, holding approximately 49% of the market share in the aggregate and seven other market participants, including us, holding approximately 33% of the market share in the aggregate, based on accumulated shipments in 2019 (source: The Global PV Tracker Landscape 2020, Wood Mackenzie Power & Renewables). This may result in price competition being greater than expected, which would affect our margins. Some of our competitors are developing or are currently manufacturing products based on new solar power technologies that may ultimately have costs similar to or lower than our projected costs. Some of our competitors have longer operating histories, greater name and brand recognition, higher market shares, access to larger customer bases, greater resources and significantly greater economies of scale than we do. Additionally, new competitors may decide to enter our market as a result of, among other factors, lower research and development costs in comparison with the average costs in research and development in other energy industries, such as the wind turbine generator industry. Any of these factors may materially and adversely affect our business, result of operations, financial condition and prospects.

Our project development business line aims to develop and sell solar power projects, but we also may, prior to any such sale, operate these projects and sell electricity to the local or national grid or other power purchasers. As a result, we are subject to a variety of risks associated with intense market competition, changing regulations and policies, insufficient demand for solar power, technological advancements and the failure of our power generation facilities. Furthermore, we may compete with conventional utilities and independent power producers in the event that we ultimately operate any such projects and sell electricity, which could result in some of our current or potential customers declining to purchase our products and services in case they perceive us as their competitors.

Furthermore, commercial and regulatory environments for solar power project development and operation vary significantly from region to region and country to country. We face intense competition from local and international developers and operators of solar power projects in those markets. In light of our limited experience in solar project development, some of our competitors may have advantages over us in terms of greater experience or resources in the development, financing, technical support and management of solar power projects, in any particular markets or in general. If we fail to compete successfully with our current or future competitors, our business will suffer and we may not be able to maintain or increase our market share, which may materially and adversely affect our business, result of operations, financial condition and prospects.

If sufficient demand for solar power products and services does not develop or takes longer to develop than we anticipate, our revenues may suffer and we may be unable to sustain our profitability. In recent years, demand for solar power products and services in Europe has been relatively weak as a result of the elimination of feed-in tariffs for new projects in many countries, such as Italy, which had been one of the largest European markets. Although demand in Europe has recently increased and demand in other regions, including the United States, China and India, as well as numerous emerging markets in Latin America, Asia and Africa, has diversified global demand, we cannot assure you that this demand will be sustainable or that any recent positive trends in supply or demand balance will persist. In addition, new and more efficient technologies for energy production may result in a significant reduction in the potential demand for our solar power products, services and projects, which could materially and adversely affect our business, results of operations, financial condition and prospects.

Furthermore, governments imposing trade barriers for solar power products or continuing to reduce financial support for the solar industry in those countries in which subsidies are still in place could have a direct impact on the demand for our solar power products and services. The market for solar energy is influenced by the availability and size of government subsidy programs and economic incentives in some of the countries in which we operate, in particular in the United States, where subsidies have provided attractive incentives for market participants over the last years. Governments in many countries, notably the United States, Spain, Australia and India, have traditionally provided incentives in the form of feed-in tariffs, rebates, investment tax credits and renewable portfolio standards, among other incentives. These governments have implemented mandates to end-users, distributors, system integrators and manufacturers of solar power products to promote the use of solar energy and to reduce dependency on other forms of energy. In particular, investment tax credits, which are frequently claimable by our customers, have been relevant incentives in the United States. However, some of these government mandates and economic incentives have been or are scheduled to be reduced or eliminated. In particular in Spain, the government established in 2007 a feed-in-tariff mechanism to foster the development of renewable energy, which was reduced in 2008 and subsequently modified in 2013. Recently, following consultation with the Spanish National Commission on Markets and Competition (CNMC, in its Spanish acronym), the Spanish government passed a bill (*Real Decreto-ley 17/2019, de 22 de noviembre, por el que se adoptan medidas urgentes para la necesaria adaptación de parámetros retributivos que afectan al sistema eléctrico y por el que se da respuesta al proceso de cese de actividad de centrales térmicas de generación*) that reduces the reasonable return for renewable power plants from the current 7.4% to 7.09% for the 2020-2025 period, subject to certain exceptions applicable to facilities entitled to feed-in tariffs prior to July 13, 2013. Nevertheless, feed-in tariffs have been eliminated for new projects in Spain since 2013. It is likely that this trend will continue worldwide, and it is possible that, eventually, subsidies for solar energy will be phased out completely. In addition, it is unlikely that internal rates of return will be as high as they were in the past. In particular, some financial investors and developers have pursued very low returns in renewable energy projects in certain regions. If internal rates of return fall below an acceptable rate for project investors, this may cause a decrease in demand and considerable downward pressure on solar systems, and therefore negatively impact our solar trackers and services prices and the value of our solar power projects.

The reduction, modification or elimination of government subsidies and economic incentives in one or more of our markets could therefore materially and adversely affect the growth of such markets or result in a decrease of our margins, either of which could have a material adverse impact on our business, results of operations, financial condition and prospects.

We may be subject to unexpected warranty expense that may not be adequately covered by our insurance policies.

We warrant, for a period of ten years, that our solar trackers will be free from defects in their piles and structures and, for a period of five years, that they will be free from defects in their gears, motors and electronic components. Our warranty services are offered through Solmate, our customer service platform. Solmate receives warranty claims, proposes the most appropriate solution for each case, and oversees the implementation of such solutions. Remedies for warranty claims include on-site repair of the defective items, repair in our facilities or replacement of the defective products, among other solutions and as described in our product warranties. These warranties may be extendable if an agreement is reached with our customers.

Due to the long warranty period, we bear the risk of extensive warranty claims long after we have shipped our products and recognized revenue. Any increase in the defect rate of our products would require us to increase our warranty reserves and would have a corresponding negative impact on our results of operations. In this regard, our warranty reserves amounted to €2,590 thousand, €775 thousand, €52 thousand and €247 thousand as of June 30, 2020 and as of December 31, 2019, 2018 and 2017, respectively.

Additionally, we have recorded current provisions for an amount of €1,067 thousand and €232 thousand, respectively, for the six months ended June 30, 2020 and the year ended December 31, 2019. Such increase in current provisions was due to certain extraordinary costs related to repairs at facilities of certain strategic customers that we assumed for commercial reasons in connection with two specific projects. We cannot assure that additional provisions will not need to be assumed by us for commercial reasons with respect to these or other projects in the future.

Although we conduct quality testing and inspection of our solar trackers and their components, our solar trackers have not been and cannot be tested in an environment simulating the up-to-ten-year warranty periods. In particular, unknown issues may surface after extended use. These issues could potentially affect our market reputation and adversely affect our revenues, giving rise to potential warranty claims by our customers. As a result, we may be subject to unexpected warranty costs and associated harm to our financial results as long as ten years after the sale of our products.

We also provide a limited workmanship or balance-of-system warranty against defects in engineering, design, installation and construction under normal use, operation and service conditions in those projects in which we carry out the installation of our solar trackers or perform construction services. Such warranties extend for a period of up to two years following the commissioning of the solar power plant. In resolving claims under the workmanship or balance-of-system warranty, we have the option of remedying through repair, refurbishment or replacement of equipment. We have also entered into similar warranties with our suppliers to back up our warranties.

In connection with warranty claims from our products, in the six months ended June 30, 2020 and in the year ended December 31, 2019, we registered non-current provisions for €1.38 million and €0.18 million, respectively, and current provisions for €0.14 million and €0.36 million, respectively. Any unexpected warranty expense or associated harm that is not covered adequately, or at all, by our insurance policies could have a material adverse effect on our business, financial condition, results of operations and prospects.

Legal and Regulatory Risks

We may be exposed to risks related to our intellectual and industrial property rights, infringement or misappropriation of our technology, product liability and cyber-attacks.

As we develop and bring to market new solar power products and services, we may need to increase our expenditures to protect our intellectual and industrial property. Failure to protect our intellectual and industrial property rights could undermine our competitive position. As of September 30, 2030, we had 35 registered patents and utility models in different locations such as, among others, Spain (ten), the United States (five), Chile (three), Germany (two), Hong Kong (one), Australia (two), France (one), Italy (two), Mexico (two), Peru (one) and China (one), and an additional 81 patents and utility models applications at different stages of the corresponding registration processes. We have registered the “Soltec” trademark in the European Union, the United States, Egypt, Algeria, Mexico, Australia and India, and we have applied for registration of the “Soltec” trademark in several other countries, including Chile and Argentina. Similarly, we have registered the “Powertis” trademark in Brazil and the European Union. Among other trademarks that we have registered or applied for registration in different locations, we have also registered the “Soltec Power Holdings”, “SF7”, “SF8”, “Solmate”, “Solhub”, “TeamTrack”, “Solarfighter” and “Soltec Innovations” trademarks in the European Union. These intellectual and industrial property rights afford only limited protection and the actions we take to protect our rights as we develop new solar power products and services may not be adequate. Policing the unauthorized use of proprietary technology can be difficult and expensive. In addition, litigation, which can be costly and divert management attention, may be necessary to enforce our intellectual and industrial property rights, protect our trade secrets or determine the validity and scope of the proprietary rights of others.

Our success depends on our ability to develop and use our technology and know-how and sell our solar power products and services without infringing the intellectual and industrial property or other rights of third parties. The validity and scope of claims relating to solar power technology patents involve complex scientific, legal and factual questions and analyses and are therefore highly uncertain. We may be subject to litigation involving claims of patent infringement or the violation of intellectual and industrial property rights of third parties. Defending intellectual and industrial property suits, patent opposition proceedings and related legal and administrative proceedings can be both costly and time-consuming and may significantly divert the efforts and resources of our technical and management personnel. An adverse determination in any such litigation or proceedings to which we may become a party could subject us to significant liability to, or require us to seek licenses from, third parties, as well as to pay ongoing royalties, redesign our products or subject us to injunctions prohibiting the manufacture and sale of our products or the use of our technologies. Protracted litigation could also defer customers or potential customers or limit their purchase or use of our products and services until such litigation is resolved.

We are exposed to risks associated with product liability claims if the use of our solar power products results in injury, death, property or environmental damages, or business interruption. Although no material accidents have occurred, since our products relate to electricity, it is possible that workers, installers and users could be injured or killed by our products due to product malfunctions, defects, improper installation or other causes. We are also exposed to product liability claims arising from technical failures of our solar trackers. Such failures may result from actions or omissions attributed to us or beyond our control, such as inclement weather, failures in quality controls of our equipment or errors in civil or electric works. In particular, a serious risk to the proper functioning of our solar trackers has in the past and may in the future arise from the occurrence of high wind, which may seriously damage our products and impede our ability to deliver our services. Although we carry limited product liability insurance, we may not have adequate resources to satisfy a judgment if a successful claim is brought against us. The successful assertion of product liability claims against us could result in potentially significant monetary damages and require us to make significant payments. For example, we have received claims against us mainly from product malfunction due to high wind amounting to €1,212 thousand and €594 thousand as of June 30, 2020 and December 31, 2019, respectively, and none in 2018 and 2017. Our reserves to cover these risks amounted to €2,590 thousand, €775 thousand, €52 thousand and €247 thousand in the six months ended June 30, 2020 and in the years ended December 31, 2019, 2018 and 2017, respectively.

Our operations rely on our computer systems, hardware, software, and networks, as well as those of third parties with which we do business, to securely process, store, and transmit proprietary, confidential, and other information, including intellectual and industrial property. We also rely heavily on these information systems to operate our manufacturing lines and solar power plants. In addition, our solar trackers often incorporate local and wide area wireless transmitters and are connected through radio waves. These information systems may be compromised by cyber-attacks, computer viruses, and other events that could be materially disruptive to our business operations and could put the security of our information, and that of the third parties with which we do business, at risk of misappropriation or destruction.

Any failure to protect our intellectual and industrial property rights and technology or the occurrence of any litigation may materially and adversely affect our reputation, business, financial condition, results of operations and prospects.

We are subject to numerous laws, regulations and policies at the national, regional and local levels of government in the markets where we do business.

We are subject to a variety of laws and regulations in the markets where we do business, some of which may conflict with each other and all of which are subject to change. We operate our activities in a range of international locations, including emerging markets and markets with political uncertainties. For example, Brazil, Chile, Mexico, Egypt and Peru together represented 33.6%, 63.3%, 73.6% and 89.9% of our net revenues in the six months ended June 30, 2020 and in the years 2019, 2018 and 2017, respectively. In particular, Brazil represented 14.6%, 29.3%, 30.2% and 52.0% of our net revenues in the six months ended June 30, 2020 and in the years 2019, 2018 and 2017, respectively.

Accordingly, we face a number of risks associated with operating in various countries, such as political, regulatory, labor and tax risks. For example, in response to new U.S. tariffs on China and in order to maintain our expected margins in the U.S. market, we recently had to temporarily substitute the supply of tubes, a key component of our solar trackers, which we had traditionally sourced from China, for a similar type of tube manufactured in South Korea.

We are unable to predict future changes to any of the laws or regulations applicable to our business or to their interpretation. These regulations and policies often relate to electricity pricing and technical interconnection of customer-owned electricity generation. For example, in May 2020, the Mexican Energy Ministry introduced a new interpretation on the limits of generation and governmental purchasing of clean energies (including solar photovoltaic energy), which may adversely impact our business and results of operation.

In addition, changes in applicable energy laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures. For example, in June 2020, we have been affected by changes in regulations regarding access to the transmission and distribution grid in Spain, which have been introduced to maintain access and connection rights depending on the compliance with successive milestones required for their authorization and execution. Any failure to comply with any requirements in such laws and regulations could have a material adverse effect on our development pipeline, which may impact our contractual commitments (including the collaboration agreement entered into with Total) and we could also be subject to civil or criminal liability and the imposition of fines or the seizure of the guarantees issued in favor of the relevant authorities. For more detail on the collaboration agreement, see section "*Material Contracts—Collaboration Agreement with Total Solar Ibérica, S.L. Unipersonal*".

Any of these factors could have a material adverse effect on our business, financial condition, results of operations and prospects.

Risks Relating to the Offering and the Shares

After the Offering, our majority shareholder will continue to be able to exercise significant influence over us, our management and our operations, and its interests may not be aligned with the interests of our other shareholders.

Immediately following the Offering, Mr. José Francisco Moreno Riquelme will directly or indirectly hold approximately 43.66% of our issued share capital (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and no exercise of the Over-allotment Option) or at least approximately 39.96% (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and the Over-allotment Option is exercised in full). As a result, Mr. Moreno Riquelme will continue to be in a position to effectively control, directly or indirectly, matters requiring shareholders' approval, including, among other significant corporate actions, the appointment and dismissal of the members of our Board of Directors, the payment of dividends, changes in our issued share capital, the adoption of amendments to our bylaws, the execution of mergers or other business combinations and the acquisition or disposal of substantial assets. Mr. Moreno Riquelme will therefore have the ability to, among other things, strongly influence and modify, directly or indirectly, our legal and capital structure, our management, and our business and day-to-day operations. We cannot assure you that the interests of our majority shareholder will coincide with the interests of purchasers of the Shares.

Moreover, any modification by our majority shareholder or Valueteam, S.L. to the direct or indirect stake in the Company is restricted under our syndicated facility agreement, such that any sales of Shares by any of Grupo Corporativo Sefrán, S.L. or Valueteam, S.L. will cause a Syndicated Facility Change of Control, giving the lenders thereunder a right to declare an event of default under such facility and accelerate the related indebtedness. We have received a waiver under the facility to permit the Offering provided that Soltec ER's Shareholders retain a majority interest of, at least, 50.01% of the share capital of the Company (and indirectly Soltec ER) following completion of the Offering. While under such facility Soltec ER's Shareholders (including Grupo Corporativo Sefrán, S.L. and Valueteam, S.L.) undertake to maintain their stake, whether directly or indirectly, in Soltec ER's share capital, and not to alter their respective interest in a way that might trigger a Syndicated Facility Change of Control, we do not have a right to require them to do so and any breach by them of this undertaking or any other action by them which triggers a Syndicated Facility Change of Control, unless cured by us or a waiver thereof is obtained, could give rise to an event of default under such facility and an acceleration of the related indebtedness. We can provide no assurance that we would have the necessary funds on hand to repay any acceleration of this indebtedness, or be able to refinance any acceleration of this indebtedness, if it were to become due and payable as a result of a Syndicated Facility Change of Control or otherwise. As a result, any such acceleration would likely have a material adverse effect on our business, results of operations and liquidity, and could affect our ability to continue as a going concern. In addition, some of our loan agreements contain cross-default clauses, which could enable creditors under our debt instruments to declare an event of default should there be an event of default under any of our other loan agreements, which could materially adversely affect us. For more detail on the Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

Furthermore, our majority shareholder's significant ownership may delay or deter a change of control of our Company (including deterring a third party from making a takeover offer for our Company), deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company, and affect the liquidity of the Shares, each of which could have a material adverse effect on the market price of the Shares.

Our Shares are exposed to trading risks and other external factors.

There is currently no public trading market for our ordinary shares prior to the Offering, and Admission should not be taken as implying that there will be a liquid market for the Shares. There can be no assurance that an active trading market will develop or, if one does develop, that it will be maintained. The failure of an active trading market to develop may affect the liquidity of the Shares. Our ordinary shares may therefore be difficult to sell compared to the shares of companies with more liquid trading markets and the share price may be subject to greater fluctuation than might otherwise be the case.

Sales of substantial amounts of our ordinary shares, or the perception that such sales might occur, may adversely affect the prevailing trading price of our ordinary shares. On completion of the Offering, Grupo Corporativo Sefrán, S.L., Valueteam, S.L. and Mr. Pablo Miguel Otín Pintado are expected to directly own approximately 43.66%, 18.71% and 0.63%, respectively, of our ordinary shares (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and no exercise of the Over-allotment Option) or approximately 39.96%, 18.71% and 0.63%, respectively, of our ordinary shares (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and the Over-allotment Option is exercised in full). Ordinary shares held by the Selling Shareholder, together with any ordinary shares owned by us, will be subject to lock-up arrangements of 180 days from Admission and any ordinary shares held by Valueteam, S.L., Mr. Pablo Miguel Otín Pintado and other members of our senior management will be subject to lock-up arrangements of 365 days from Admission, as described in further detail in section "*Plan of Distribution—Lock-up*". However, such lock-up arrangements provide for certain exceptions and, in any case, these restrictions may be waived. Moreover, as these lock-up restrictions end, the market price of our ordinary shares could drop significantly if we, our core shareholders or our management team sell our ordinary shares or are perceived by the market as intending to sell them.

Furthermore, there is no assurance that the Offering Price will be indicative of the future price of our ordinary shares. Following the Offering, the price of our ordinary shares may not always accurately reflect the underlying value of our business. The price and value of our ordinary shares may decrease as well as increase, and investors may realize less than the original sum invested. The value of our ordinary shares may, in addition to being affected by our actual or forecast operating results, fluctuate significantly as a result of a large number of factors, some which are specific to our operations and some, such as those which may affect solar energy companies, which are outside our control.

We do not expect to distribute dividends in at least the next three years, and there is no assurance that we will pay dividends or regarding the level of any such dividends in the future.

Our ability to pay any future dividends and their amount depend on, among other factors, our future business performance, the income from our subsidiaries, achieving sufficient distributable profits, our working capital requirements, restrictions included in our debt agreements, our planned investments and any applicable legal restrictions. For example, under our Syndicated Debt Facility, we are prohibited from paying dividends or any distributions until its maturity, which is expected to occur on September 28, 2021 if not extended pursuant to its terms. Moreover, we are also prohibited by law from distributing dividends until the balance of our legal reserve is equivalent to at least 20% of the Company's issued share capital. We also might not pay dividends if our directors believe this may result in any Group member being inadequately capitalized or if, for any other reason, our directors conclude it would not be in our best interests. In particular, in the near term, we intend to devote our generated cash flows to continue growing our business and executing our business plan, including capital expenditures at various properties. We do not plan to distribute dividends for at least the next three years. After that period, we will reassess our dividend policy and the payment of future dividends based on, among other things, our financial performance and business prospects. See section "*Dividend Policy*" for further details.

Subscriptions carried out by Non-Qualified Investors are binding and may only be revoked if a prospectus supplement is published.

All offers or proposals to subscribe the New Offered Shares by the Non-Qualified Investors Shares are binding and may only be revoked by the Non-Qualified Investors if a supplement to this Prospectus is published and such supplement contains the correction of an untrue statement of a material fact or the inclusion of an omission to state a material fact and such statement or omission arouses or was acknowledged before the Admission date. The Non-Qualified Investor that intends to revoke its subscription must have (i) already subscribed New Offered Shares before such supplement is published, and (ii) express its intent to withdraw its subscription of New Offered Share within two working business days after the publication of such supplement.

Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings and may have only limited ability to bring actions or enforce judgments against us or our directors.

Spanish corporate law provides for pre-emption rights to be granted to shareholders in the event of a share capital increase in our Company under certain circumstances. However, securities laws of certain jurisdictions may restrict our ability to allow participation by shareholders in future equity offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either the ordinary shares and any other securities that are offered and sold are registered under the U.S. Securities Act, or the ordinary shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. We cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable shareholders in the United States or other jurisdictions to exercise their pre-emption rights or, if available, that we will utilize any such exemption.

The ability of an overseas shareholder to bring an action against us may be limited under law. We are a public limited company (*sociedad anónima*) incorporated in Spain and most of our assets are located outside of the United States. The rights of holders of our ordinary shares are governed by Spanish law and by our bylaws. These rights differ in certain respects from the rights of shareholders in comparable U.S. corporations and some other non-Spanish corporations. In addition, all our directors and executive officers are residents of Spain and a substantial part of their assets are located in Spain. Consequently, it may not be possible for an overseas shareholder to effect service of process upon us or our directors and executive officers within the overseas shareholder's country of residence or to enforce against us or our directors or executive officers judgments of courts of the overseas shareholder's country of residence based on civil liabilities under that country's securities laws. An overseas shareholder may not be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than Spain against our directors or executive officers who are residents of Spain or countries other than those in which judgment is made. In addition, Spanish or other courts may not impose civil liability on our directors or executive officers in any original action based solely on foreign securities laws brought against us or our directors or executive officers in a court of competent jurisdiction in Spain or other countries.

There can be no assurance that we will not be a passive foreign investment company for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. investors in our Shares.

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes interest, investment income and gains from commodities transactions (other than certain active business commodities gains). Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash is a passive asset.

We do not expect to be a PFIC for our current taxable year. However, the application of the PFIC rules to our Company is subject to certain uncertainties. In addition, our PFIC status is an annual factual determination that will depend on the manner in which we operate our business, the composition of our income and assets, and the value of our assets from time to time (which value may be determined by reference to the market value of the Shares, which may be volatile). Therefore, we may be a PFIC for any taxable year if our market capitalization declines while we hold a substantial amount of cash (including cash raised in this Offering). Accordingly, we cannot give assurance that we will not be a PFIC for any taxable year. We will not conduct annual assessments of our PFIC status. If we are a PFIC for any taxable year during which a U.S. investor owns Shares, the U.S. investor will generally be subject to adverse U.S. federal income tax consequences. See "*Certain U.S. Federal Income Taxation Considerations—Passive Foreign Investment Company Rules*."

DECLARATION OF RESPONSIBILITY AND COMPETENT AUTHORITY

Declaration of Responsibility

Mr. Raúl Morales Torres, acting in the name and on behalf of the Company, in his capacity as Chief Executive Officer, as duly empowered representative of the Company by means of the resolutions adopted by the Company's general meeting of shareholders and the Board of Directors (as defined in this Prospectus) on October 6, 2020, accepts responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, to the best of his knowledge, the information contained in this Prospectus is, as of the date of this Prospectus, in accordance with the facts and contains no omissions likely to affect its content.

Mr. José Francisco Moreno Riquelme, acting in the name and on behalf of the Selling Shareholder, in his capacity as sole-director, declares that the Selling Shareholder accepts responsibility for the information referred to the Selling Shareholder in the sections entitled "*Principal Shareholders*" and "*Plan of Distribution*". Having taken all reasonable care to ensure that such is the case, to the best of his knowledge, the information referred to the Selling Shareholder in sections "*Principal Shareholders*" and "*Plan of Distribution*" is as of the date of this Prospectus, in accordance with the facts and contains no omissions likely to affect its contents.

For the avoidance of doubt, none of the Managers or their respective affiliates, advisors or selling agents make any representation or warranty, express or implied, nor accept any responsibility whatsoever with respect to the content of this Prospectus, including the accuracy or completeness or verification of any of the information herein. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Selling Shareholder or the Managers (or any of their respective affiliates or any entity through which the Managers may offer and sell the Shares) that any recipient of this document should purchase or subscribe the Shares. Each investor should determine for itself the relevance of the information contained in this Prospectus, and its purchase or subscription of Shares should be based upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors that may be relevant to such investor in connection with the purchase or subscription of the Shares. In any event, investors should consult their financial advisor before making an investment in the Company.

Competent Authority

a) This Prospectus has been approved by and registered with the CNMV on October 15, 2020, as competent authority under the Prospectus Regulation, the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015 of October 23 (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) (the "**LMV**") and relevant implementing measures in Spain.

b) The CNMV only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation.

c) Such approval should not be considered as an endorsement of the Company and/or the quality of the Shares.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER IMPORTANT NOTICES

Historical financial information

The Company's deed of incorporation was granted on December 2, 2019 and was registered with the Commercial Registry of Murcia on December 5, 2019. On December 23, 2019, the Company carried out a share capital increase through in-kind contributions for an aggregate amount of €296,250,000 by means of the issuance of 15,000,000 new ordinary shares, with a par value of €1.00 each and a premium of €18.75 per share, in consideration for the contribution to the Company of 823,490 shares representing the entire share capital of Soltec ER and of 20,000 shares representing the entire share capital of Powertis (the "**Reorganization Process**"). The Company did not carry on any business prior to the implementation of the Reorganization Process on December 23, 2019, other than preparing for its implementation.

Soltec ER was incorporated on, and has been operating since, February 26, 2004. Powertis was incorporated on September 28, 2018 and had a very limited business activity during its fiscal year ended December 31, 2018. Powertis was not a subsidiary of Soltec ER prior to the Reorganization Process, but rather a sister company, with the two shareholders of Soltec ER holding 95% of the share capital of Powertis in proportions equivalent to their relative equity stakes in Soltec ER. The remaining 5% was held by Mr. Pablo Miguel Otín Pintado, who currently holds the position of Chief Executive Officer of Powertis.

Accordingly, the Company is an issuer of equity securities with a complex financial history for the purposes of Article 18 of the Delegated Regulation (EU) 2019/980, whereby the information prescribed by Annex 1 of Delegated Regulation (EU) 2019/980 does not represent the issuer's undertakings accurately. Consequently, the financial information included in this Prospectus has been derived from: (i) the unaudited interim condensed consolidated financial statements as of and for the six months ended June 30, 2020; which have been subject to a limited review by Deloitte, S.L. ("**Deloitte**") and prepared in accordance with IAS 34 as adopted by the European Union, for the preparation of complete interim financial statements, and other provisions of the financial reporting framework applicable in Spain (the "**Unaudited Interim Condensed Consolidated Financial Statements**"), (ii) the audited consolidated financial statements as of and for the financial year ended December 31, 2019 of the Company (the "**Company 2019 Audited Consolidated Financial Statements**"), which include the financial condition and results of operations of the Company as of and for the year ended December 31, 2019 and consolidate the results of operations of Soltec ER and Powertis since January 1, 2019, (iii) the audited consolidated financial statements of Soltec ER as of and for the financial year ended December 31, 2018 (the "**Soltec ER 2018 Audited Consolidated Financial Statements**"), which include the financial condition and results of operations of Soltec ER as of and for the year ended December 31, 2018, and (iv) the audited consolidated financial statements of Soltec ER as of and for the financial year ended December 31, 2017 (the "**Soltec ER 2017 Audited Consolidated Financial Statements**" and, together with (ii) and (iii) above, the "**Audited Financial Statements**" and together with the Unaudited Interim Condensed Consolidated Financial Statements, the "**Financial Statements**"), to accurately represent the issuer's undertaking and to allow investors to make an informed assessment of the Company in accordance with Article 6(1) and Article 14(2) of the Prospectus Regulation. Consequently, the Financial Statements are incorporated by reference into this Prospectus. For the avoidance of doubt, the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements are presented together in a single document.

All references to our financial condition and results of operation as of and for the six months ended June 30, 2020 and as of and for the year ended December 31, 2019 refer to financial information of the Company and all references to our financial condition and results of operation as of and for the years ended December 31, 2018 and 2017 refer to financial information of Soltec ER. See section "*Operating and Financial Review—Key Factors Affecting the Comparability of our Financial Condition and Results of Operations—Corporate Reorganization*".

The Audited Financial Statements have been audited by Deloitte. The respective audit reports on the Audited Financial Statements were unqualified. The Audited Financial Statements have been translated from Spanish to English, and in case of any discrepancy between the English version and the Spanish version, the latter shall prevail.

The Audited Financial Statements have been prepared in accordance with IFRS-EU and the Unaudited Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34. For more information on the basis of presentation of the financial information included herein, see Note 2 to each of the Financial Statements.

Pursuant to Spanish regulatory requirements, consolidated directors' reports must accompany the Company 2019 Audited Consolidated Financial Statements and are incorporated by reference into this Prospectus only in order to comply with such regulatory requirements. Any information contained in such reports shall be deemed to be modified or superseded by any information included elsewhere in this Prospectus that is subsequent to or inconsistent with it. Investors are strongly cautioned that the consolidated directors' reports contain information as of various historical dates and do not contain a full description of the Company's business, affairs or results. The information contained in the consolidated directors' reports has not been prepared for the specific purpose of this Offering. Accordingly, the consolidated directors' reports should be read together with the other portions of this Prospectus, and in particular the sections of this Prospectus entitled "*Risk Factors*" and "*Operating and Financial Review*". Furthermore, the consolidated directors' reports include certain forward-looking statements that are subject to inherent uncertainty (see "*Forward-Looking Statements*" below). The consolidated directors' report accompanying the Company 2019 Audited Consolidated Financial Statements has not been audited by Deloitte, although Deloitte has reviewed the coherence of the information presented therein with regards to the information contained in the Company 2019 Audited Consolidated Financial Statements.

See section "*Documents on Display*" for further information on certain documents of the Company. The Group's segment information included in the Company 2019 Audited Consolidated Financial Statements is presented in accordance with the disclosure requirements set forth in IFRS-EU 8, Operating Segments. The Company's principal activities are divided into its industrial (tracker and construction services) business line led by Soltec ER, and its project development business line, led by Powertis.

Presentation of Line Items

The nomenclature used for certain line items included in the Financial Statements incorporated by reference in this Prospectus varies in the years presented therein. Unless otherwise indicated in this Prospectus, the Company has used the nomenclature used in the Company 2019 Audited Consolidated Financial Statements and accompanying consolidated directors' report. For example, (i) the Unaudited Interim Condensed Consolidated Financial Statements and the Company 2019 Audited Financial Statements refer to "Other intangible fixed assets" while the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements refer to "Other intangible assets"; (ii) the Company 2019 Audited Financial Statements refers to "Technical facilities and tangible fixed assets" while the Unaudited Interim Condensed Consolidated Financial Statements refers to "Technical facilities and other tangible fixed assets" and the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements refer to "Technical installations and other items"; (iii) the Company 2019 Audited Financial Statements, the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements refer to "Translation differences" and the Unaudited Interim Condensed Consolidated Financial Statements refers to "Exchange rate differences".

Alternative Performance Measures

In addition to the financial information presented herein and prepared under IFRS-EU or IAS 34, as applicable, the Company has included in this Prospectus certain alternative performance measures (the "**APMs**") as defined in Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal. Such measures include: Gross Margin, Gross Margin on Sales, Net Margin, Margin on Sales, EBITDA, Adjusted EBITDA, Borrowings, Net Financial Debt, Net Debt-to-EBITDA, Leverage and Return on Capital Employed (ROCE). The Group believes that the presentation of the APMs included herein complies with the guidelines issued by the ESMA on October 5, 2015 on alternative performance measures and the "Q&A on Alternative Performance Measures Guidelines" published in October 2017.

The Company has presented these APMs, which are unaudited, as supplemental information because they are used by the Group's management in making financial, operational and planning decisions and provide useful financial information that it believes should be considered in addition to the Financial Statements in assessing the Group's performance. In addition, the Company believes that the APMs presented herein may contribute to a better understanding of its results of operations by providing additional information on what the Company considers to be some of the drivers of its financial performance and because certain of these APMs are believed to be in line with indicators commonly used by analysts covering the Company's industry and investors in the capital markets.

These APMs are not defined under, and have not been prepared in accordance with, IFRS-EU. They should only be considered together with the Financial Statements and may be presented on a different basis than the financial information included in the Financial Statements. In addition, the APMs, as calculated by the Company, may differ significantly from similarly titled information reported by other companies, and therefore may not always be comparable.

Prospective investors are cautioned not to place undue reliance on these measures, which should be considered as supplemental to, and not a substitute for, the financial information prepared in accordance with IFRS-EU included herein. The APMs included herein have not been audited by the Company's auditors or by any independent expert. The definitions and determination of the APMs included herein are disclosed in the consolidated directors' report to the Company 2019 Audited Consolidated Financial Statements.

Some of the limitations of these APMs are:

- they may not reflect the Company's cash expenditures or future requirements for capital expenditures or contractual commitments;
- they may not reflect changes in, or cash requirements for, the Company's working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments, on the Company's debt;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements that would be required for such replacements;
- some of the exceptional items that are eliminated in calculating Adjusted EBITDA reflect cash payments that were made, or will be made in the future; and
- the fact that other companies in the industry may calculate Adjusted EBITDA differently than the Company does, which limits their usefulness as comparative measures.

As a result of the limitations of these APMs, investors are cautioned not to place undue reliance on these measures. Such measures should be reviewed by investors in conjunction with the Financial Statements and the section titled "*Operating and Financial Review*".

Rounding

Certain financial information in this Prospectus has been subject to rounding adjustments. As a result of this rounding, figures shown as totals in tables or elsewhere in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In addition, certain percentages presented in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Market, Economic and Industry Data

This Prospectus includes market share and industry data, which the Company has obtained from industry publications and surveys, industry reports prepared by governments, regulators, consultants, internal surveys and customer feedback. Market and industry data is principally based on, where available, official government or industry bodies. In particular, the Company has included market and industry data from the following third-party sources, among others: (i) International Renewable Energy Agency (IRENA); (ii) DNV – GL; (iii) Wood Mackenzie Power & Renewables; and (iv) IHS Markit.

To the Company's knowledge, all third-party information, as outlined above, has been accurately reproduced and, as far as the Company is aware and has been able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company has not independently verified the information and cannot guarantee its accuracy. As the Company does not have access to all of the facts and assumptions underlying such market and industry data, it is unable to verify such information and cannot guarantee its accuracy or completeness. The Company believes that this third-party market and industry data, to the extent quoted or referred to herein, is reliable, but it has not independently verified it and cannot guarantee its accuracy or completeness.

In addition, in cases where third-party data does not cover the market or type of service or product, third-party data is not available or when the Company's operations constitute the majority of the market in a specific geography, the Company has included certain market and industry data reflecting its management's best estimates based upon information obtained from regulators, trade and business organizations and associations, consultants and other contacts within the industries in which the Group operates as well as its senior management team's business experience and experience in the industry. For example, certain market share information and other statements presented herein regarding the Group's position relative to its competitors are not based on published statistical data or information obtained from independent third parties but reflects management's best estimates. The Company has based these estimates upon information obtained from its customers, trade and business organizations and associations and other contacts in the respective industries in which the Group operates.

Any and all of the information set forth in this Prospectus relating to the operations, financial results or market share of the Group's competitors has been obtained from information made available to the public in such companies' publicly available reports and independent research, as well as from the Group's experience, internal studies, estimates and investigation of market conditions.

The Company believes that these internal surveys and market and industry estimates, to the extent included in this Prospectus, are reliable, but the Company has not independently verified this information and cannot guarantee its accuracy or completeness. The Company cannot assure you that any of the assumptions that it has made in compiling this data are accurate or correctly reflect its position in its markets or other matters relating to its business. Accordingly, investors are cautioned not to place undue reliance on such estimates.

Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect the Group's intentions, beliefs or current expectations and projections about the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans, opportunities, trends, future developments and the markets the Group serves or intends to serve. The Group has tried to identify these and other forward-looking statements by using the words "may", "could", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "guidance", "project", "future", "potential", "believe", "seek", "plan", "aim", "expect", "objective", "goal", "project", "strategy", "target", "continue" and similar expressions or their negatives. These forward-looking statements are based on numerous assumptions regarding the Group's present and future business and the environment in which the Group expects to operate in the future. Forward-looking statements may be found in the sections of this Prospectus entitled "*Risk Factors*", "*Operating and Financial Review*", *"Industry Overview"* and "*Business*" and elsewhere in this Prospectus.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause the Group's actual results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets the Group serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Investors should read the section entitled "*Risk Factors*" and the description of the Group's segments in the section entitled "*Business*" for a more complete discussion of the factors that could affect the Group.

In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may or may not occur in the future. Additional risks that the Group may currently deem immaterial or that are not presently known to the Group could also cause the forward-looking events discussed in this Prospectus not to occur. These forward-looking statements speak only as of the date of this Prospectus. Except as otherwise required by Spanish, U.S. federal and other applicable securities laws and regulations and by any applicable stock exchange regulations, the Group undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Prospectus. Given the uncertainty inherent in forward-looking statements the Group cautions prospective investors not to place undue reliance on these statements.

This Prospectus does not contain any profit estimates or a profit forecast as defined in the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019.

Currency References

Unless otherwise indicated, all references in this Prospectus to "euro", "EUR" and "€" are to the lawful single currency of member states of the European Union that adopt or have adopted the euro as their currency in accordance with the legislation of the European Union relating to European Monetary Union, all references to "U.S. dollars" and "USD" are to the lawful currency of the United States of America, and all references to "Brazilian real" and "BRL" are to the lawful currency of the Federative Republic of Brazil. The Company prepares its annual accounts in euro.

Trademarks

The Company owns or has rights to certain trademarks, trade names, service marks or applicable copyright notices that it uses in connection with the operation of the Company's business. The Company asserts to the fullest extent under applicable law, its rights to its trademarks, trade names, service marks and applicable copyright notices. Solely for convenience, the trademarks, trade names, service marks or applicable copyright notices appearing in this Prospectus are listed without the applicable ®, © or ™ symbols.

Legislation

This Prospectus refers to various statutes, directives and other legislation and regulations. Unless the contrary is specified or the context otherwise requires, all such references are to the laws of Spain.

Investment Considerations

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Shares, for whom an investment in the Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) that might result from such investment. Typical investors in the Company are expected to be institutional and qualified investors who are looking to allocate part of their investment portfolio to the Spanish market and the solar PV industry. Investors should consult their financial advisor before making an investment in the Company.

The Shares are designed to be held over the long term and may not be suitable as short-term investments. There is no guarantee that any appreciation in the value of the Shares will occur and investors may not recover the full value of their investment. Any operating and/or financial objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

A prospective investor should be aware that the value of an investment in the Company is subject to normal market fluctuations and other risks inherent in investing in securities. There is no guarantee that any appreciation in the value of the Shares will occur or that the operating objectives of the Company will be achieved. The value of investments and any income derived therefrom may fall or rise, and investors may not recoup the original amount invested in the Company.

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting or regulatory matters, investment decisions or any other matter. Prospective investors must rely upon their own representatives, including their own financial and legal advisors and accountants, as to financial, legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein. An investment in the Company should be regarded as a long-term investment. There can be no guarantee that the Company's investment objectives will be achieved. Prospective investors should bear in mind that the price of the Shares can go down as well as up.

EXPECTED TIMETABLE AND OFFERING STATISTICS

Expected Timetable of Principal Events

We expect that the tentative calendar of the Offering would be as follows:

Event	Date [(1)]
Approval and registration of this Prospectus with the CNMV	October 15, 2020
Commencement of the Orders Period for Non-Qualified Investors	October 16, 2020
Commencement of the Book-building……………………………………	October 16, 2020
Finalization of the Orders Period for Non-Qualified Investors	October 22, 2020
Non-Qualified Investors Tranche final sizing and allocations of Non-Qualified Investors Shares to Non-Qualified Investors	October 27, 2020
Finalization of the Book-building	October 27, 2020
Setting of the Offering Price[(2)] and the Employees Offering Price[(3)]	October 27, 2020
Execution of the Underwriting Agreement	October 27, 2020
Publication of an inside information notice (*comunicación de información privilegiada*) with the Offering Price[(2)] and the Employees Offering Price[(3)] ...	October 27, 2020
Allocations of Qualified Investors Shares to Qualified Investors	October 27, 2020
Prefunding of New Offered Shares by the Senior Joint Global Coordinator	October 28, 2020
Granting of the public deed of share capital increase..	October 28, 2020
Filing and registration of the public deed of share capital increase with the Commercial Registry..	October 28, 2020
Transaction Date and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 28, 2020
Admission and commencement of Stabilization Period (on or about)	October 29, 2020
Settlement Date (on or about)	October 30, 2020
End of Stabilization Period (no later than)	November 27, 2020

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding other relevant information notice (*comunicación de otra información relevante*) with the CNMV.
(2) Offering Price refers to the price of the Qualified Investors Shares and the Related Investors Shares.
(3) Employees Offering Price refers to the price of the Employees Shares and the Sales Commission Shares.

Offering Statistics

The table below includes the Offering statistics assuming the sale of all the New Offered Shares in the Offering.

	The Company
Offering Price Range (per Qualified Investors Share)...	Non-binding range of between €3.66 and €4.82 per share
New Offered Shares[(1)]	c. 35,377,358
Additional Shares[(2)]	Up to 3,537,736
Estimated gross proceeds of the New Offered Shares	c. €150,000,000
Estimated gross proceeds of the Additional Shares receivable by the Selling Shareholder[(2)]...	€15,000,000
Estimated total fees and expenses of the Offering..	€12,100,000
Underwriting commissions[(4)]..	€7,000,000
Estimated net proceeds of the New Offered Shares receivable by us........................	c.€137,900,000
Our expected market capitalization following the Offering[(3)]	€405,417,600
CNMV fee	€45,000
Iberclear fee[(5)]..	€6,600
Spanish Stock Exchanges fee[(5)]	€59,800

(1) The number of New Offered Shares will be the number required in order to raise gross proceeds of €150 million in the Offering at the Offering Price, which is to be within the Offering Price Range. The share capital increase resolution contemplates the possibility of incomplete subscription, in which case the number of New Offered Shares could be lower.

(2) Refers to the Additional Shares under the Over-allotment Option assuming the Over-allotment Option is exercised in full. The number of Additional Shares would be up to 4,098,361 Additional Shares if the Offering Price is the lower end of the Offering Price Range or up to 3,112,033 Additional Shares if the Offering Price is the upper end of the Offering Price Range.
(3) Assuming the Offering Price is the mid-point of the Offering Price Range.
(4) Assuming payment of the maximum amount of the discretionary commission of the Managers excluding VAT.
(5) Assuming the Over-allotment Option is exercised in full.

INDUSTRY OVERVIEW

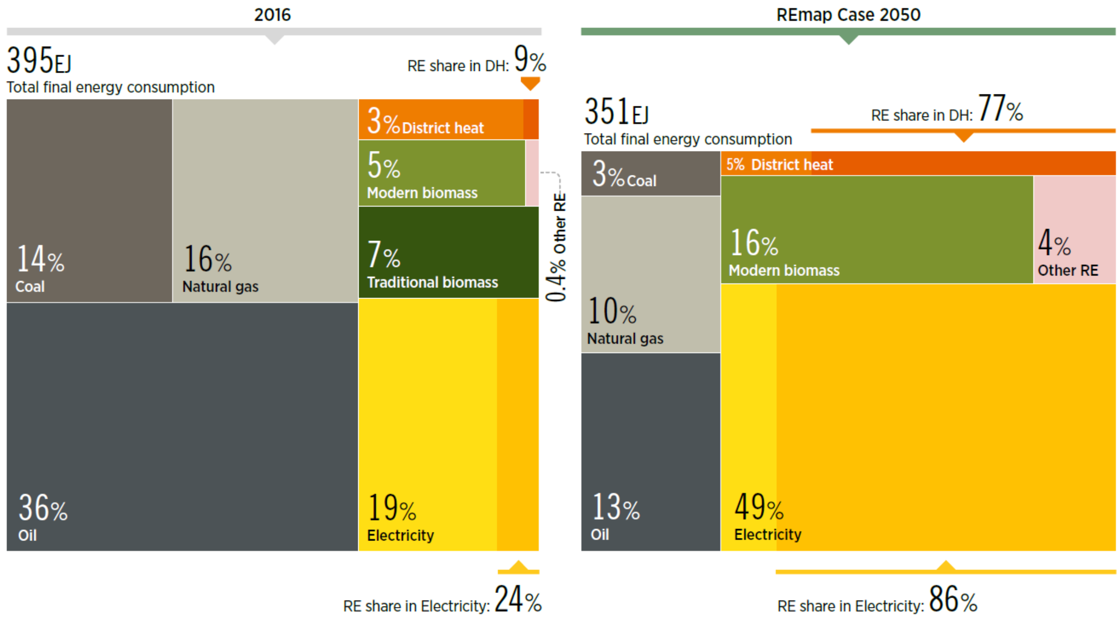
In this Prospectus, statements regarding the industry in which we operate and our position in this industry are based on publicly available third-party sources and our experience, internal studies, estimates and surveys, and our own investigation of market conditions, including review of press reports and other publicly available data regarding our competitors. Press reports do not always indicate the date on which the information is current; therefore, there can be no assurance that we have a consistent data set for making comparisons. We believe that the sources of such information in this Prospectus are reliable and generally reflective of industry and market conditions as we understand them, but there can be no assurance that any of these assumptions are accurate or correctly reflect our position in our industry. None of our internal surveys or information has been verified by any independent sources. Our internal estimates or judgments and those contained in this Prospectus, particularly as they relate to expectations about our market and industry, involve risks and uncertainties and are subject to change based on various factors, including those discussed under "Risk Factors" and "Forward-Looking Statements" or elsewhere in this Prospectus. The projections and other forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See "Risk Factors" and "Forward-Looking Statements".

This work is partially based on 'Global Energy Transformation – A roadmap to 2050', developed by the International Renewable Energy Agency (IRENA), 'Energy Transformation Outlook 2018' and 'Energy Transition Outlook 2020', developed by DNV – GL, 'The Global PV Tracker Landscape 2020', developed by Wood Mackenzie Power & Renewables, and 'Global PV Tracker Market Report 2020' and 'PV country profiles', developed by IHS Markit. However, the resulting work has been prepared by us and does not necessarily reflect the views of IRENA, DNV – GL, Wood Mackenzie Power & Renewables nor IHS Markit. Neither IRENA, DNV – GL, Wood Mackenzie Power & Renewables nor IHS Markit, which have not verified the accuracy of the information presented herein, accepts any responsibility or liability for this work. Such data and statistics are based on market research, which itself is based on sampling and subjective judgments by both the researchers and the respondents, including judgments about what types of products and transactions should be included in the relevant market. In addition, the value of comparisons of statistics for different markets is limited by many factors, including that (i) the markets are defined differently, (ii) the underlying information was gathered by different methods and (iii) different assumptions were applied in compiling the data. Accordingly, the market statistics included in this Prospectus should be viewed with caution and no representation or warranty is given by any person, including us or the Managers, as to their accuracy.

Electricity Sector Overview

By 2050, electric power is expected to become the largest carrier at the point of final energy use (DNV – GL, 2020), meeting 49% of the world's final energy demand (IRENA, 2019c). Coal, oil, natural gas, biomass, renewables & hydrogen and direct heat are expected to meet the remaining 51% of the world's final energy demand (DNV – GL, 2018). Electricity generation is forecasted to increase rapidly globally, by 160% from 2016 to 2050 (DNV – GL, 2018), growing from a 20% share of final consumption in 2016 to an almost 50% share by 2050 (IRENA, 2019c). In 2050, electricity will replace large shares of direct fossil fuel use in final energy demand (the main alternative nowadays), creating a more efficient and clean energy system with less energy lost.

Figure: Total final energy consumption breakdown by energy carrier (%)



Note: Total final energy consumption is expected to decrease from 395 exajoules ("**EJ**") in 2016 to 351EJ in 2050 as a result of the speed deployment of energy efficiency technologies. A circular economy will play an increasingly important role in forthcoming decades, contributing to reductions in energy consumption and increases in the efficiency of resource use, as well as improvements in material efficiency in industry due to innovations.

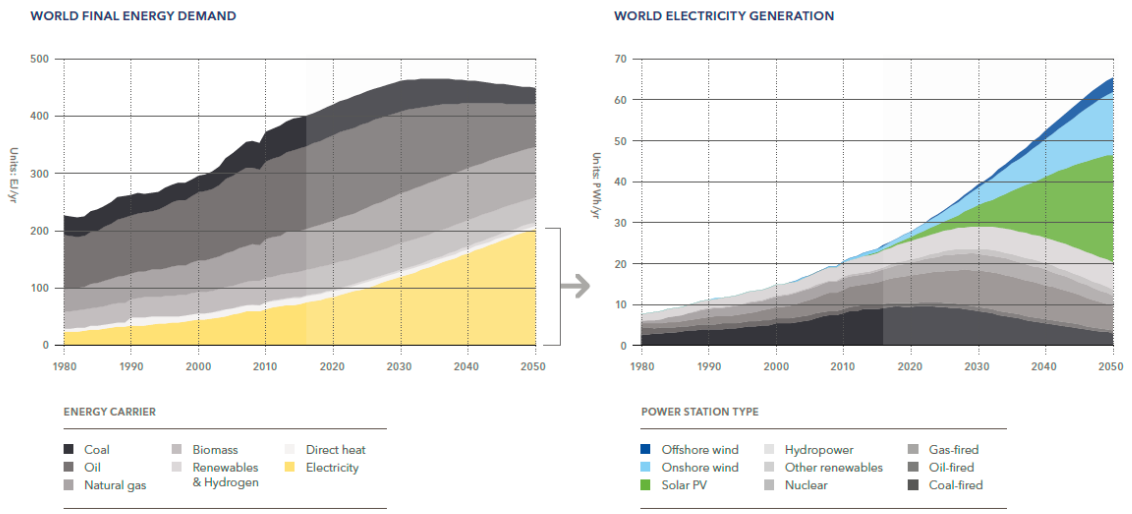
For electricity use, 24% in 2016 and 86% in 2050 comes from renewable sources; for district heating, this share is 9% and 77%, respectively. DH refers to "district heat" and RE refers to "renewable energy".

District heat or heating is a system of networks of hot and cold water pipes, typically buried underground, that are used to efficiently heat and cool buildings using less energy than if the individual buildings were to each have their own boilers and chillers. (Source: IRENA (2019 Edition), Global Energy Transformation — A roadmap to 2050)

The current global scenario of decarbonization is resulting in a diversification of the electricity generation mix. Renewable energy sources have been recently outpacing conventional sources and a further acceleration is expected. Since 2012 and for the seventh successive year, the net additional power generation capacity of renewable sources exceeded that of non-renewable sources. If these trends were to continue, the share of renewables in power generation will rise from 24% in 2016 to 86% in 2050, out of which 60% would come from solar and wind (IRENA, 2019c). In December 2018, the revised renewable energy directive 2018/2001/EU entered into force, establishing a new binding renewable target for the EU for 2030 of at least 32%. The EU could raise its 2030 renewable energy target to 35% by 2030, as part of the ongoing reform of the renewable energy directive. In Spain, the National Integrated Plan for Climate and Energy 2030 (PNIEC) establishes a target of 74% of renewable generation.

Wind and solar power dominated overall renewable energy additions in the power sector in 2018, with an estimated 51 GW of wind power and 109 GW of solar photovoltaic ("**PV**") power installed during that year. Both are expected to add capacities of over 6,000 GW and 8,500 GW, respectively, by 2050. More specifically, solar PV is set to lead the paradigm shift towards sustainable electricity generation sources as the fastest growing technology.

Figure: World final energy demand and generation



(Source: IRENA (2019 Edition), Global Energy Transformation — A roadmap to 2050)

The expansion and transformation of the global electricity sector will come along with an investment increase. Cumulative investments in the energy system by 2050 are expected to total USD 95 trillion (IRENA, 2019c, Reference Case). The sum of capex for renewables and grids as a fraction of global energy expenditure is expected to grow from 17% in 2016 to 47% in 2050 (*Energy Transformation Outlook 2018 DNV – GL*).

The global installed electricity capacity is forecasted to increase, with solar PV and wind energy supplying around three-fifths of global electricity generation by 2050. Renewable energy capacity additions are expected to be boosted by large scale solar PV installations in several regions.

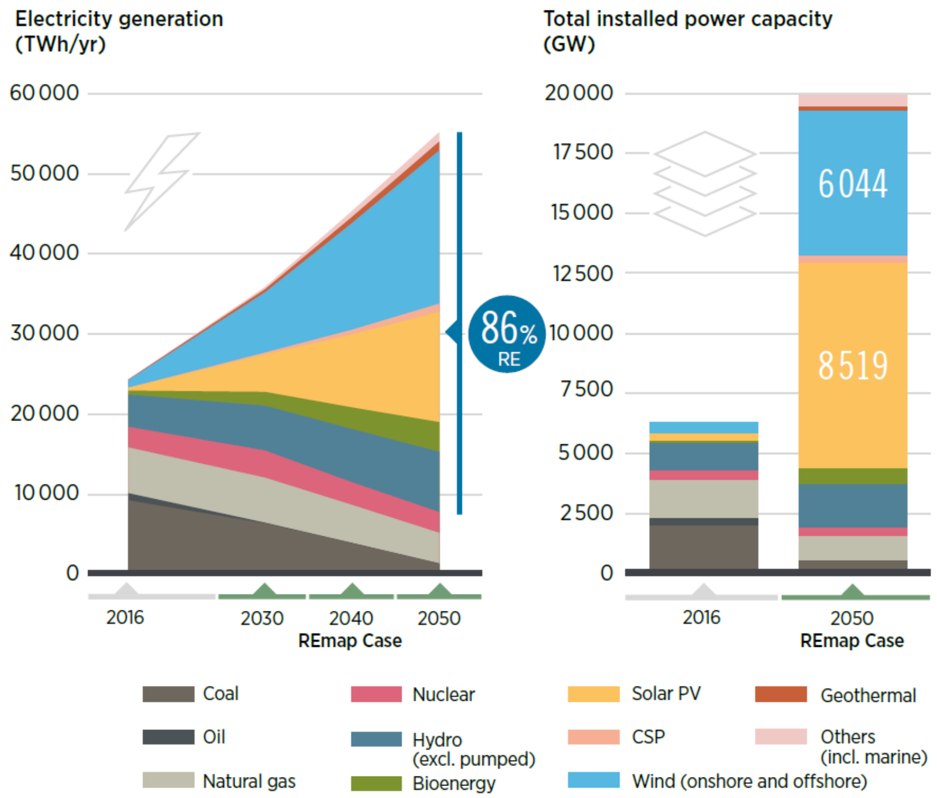
Renewable Energy Industry

IRENA's report "Global Energy Transformation — A roadmap to 2050 (2019 Edition)" presents two different scenarios for 2050: Reference Case and renewable energy roadmap analysis ("**REmap Case**"). The Reference Case considers current and planned policies of countries. It includes commitments made in Nationally Determined Contributions and other planned targets. It presents a perspective based on governments' current projections and energy plans. The REmap case includes the deployment of low-carbon technologies, based largely on renewable energy and energy efficiency, to generate a transformation of the global energy system that limits the rise in global temperature to well below 2 degrees Celsius above pre-industrial levels. The scenario is focused on energy-related carbon dioxide emissions, which make up around two-thirds of global greenhouse gas emissions.

The transition towards sustainable energy sources is setting up a favorable scenario for renewables in order to capture growth opportunities. According to the REmap Case, renewables are expected to make up two-thirds of energy consumption and 86% of power generation by 2050, with 60% coming from solar and wind. Growth rates in renewable power have averaged 8-9% per year since 2010 (IRENA, 2019).

Renewable energy sources include solar, wind, hydroelectric and biomass, among others. Hydroelectric is the first technology as of today in terms of installed capacity and wind is recognized as a commercially viable and scalable source of renewable energy. Nevertheless, both are currently facing environmental challenges and a lack of high-resource locations, as opposed to solar, which has limited constraints in terms of location and, given its competitive costs, is potentially ready to satisfy the majority of the global electricity demand.

Figure: Electricity generation mix (TWh/yr) and power generation installed capacity (GW) by fuel, REmap Case, 2016-2050



(Source: *Energy Transformation Outlook 2018 DVN – GL*)

Solar PV Industry Trends and Dynamics

Solar Energy

Solar energy can be generated through solar PV or solar thermal ("**CSP**") technology. PV systems directly convert the sun's energy into electricity through solar cells which absorb the sun's light. Solar CSP, on the other side, is an indirect energy generator as it produces electric power by converting the sun's energy into high-temperature heat using various mirror configurations, which then drives a heat engine and, consequently, an electric generator.

PV systems are, in turn, either grid-connected systems or off-grid systems, depending on its connection to the electricity transmission and distribution grid.

In the period from 2018 to 2050, solar PV is expected to grow annually by 11%, whilst CSP is expected to remain flat (DNV – GL, 2020). This significant divergence is due to several advantages of PV systems, including the following:

- mitigation of distribution and transmission constraints due to their capacity to achieve economies of scale at small sizes;
- modular condition which facilitates the installation at or near the sites where the electricity is consumed;
- operating expenses are minimized as PV systems require very little maintenance and no fuel, and are subject to minimal cost increases or volatility over the life of the system;
- high adaptation of solar modules which are flexible to a variety of locations; and

- solar energy generation typically coincides with the times of peak energy demand.

Solar PV Industry

Strong policy support and favorable incentive schemes globally have boosted solar PV to consolidate as one of the most rapidly growing renewable energy sources. 109 GW of solar PV capacity was installed globally in 2018. By 2030, 300 GW are expected to be installed per year (IRENA, 2019 – REmap Case) as a result of the reinforcement of policies, achieving 8,500 GW by 2050.

Solar PV has recently equalized wind as one of the most competitive sources of electricity driven by a reduced levelized cost of energy ("**LCOE**") and a combination of steep capex reductions and technology efficiency improvements. The rampant decline in components costs in recent years has led to the fall in overall levelized solar electricity tariff. The LCOE for solar PV has reduced from 347 USD/MWh in 2010 to 81 USD/MWh in 2017-2018, representing a 77% decrease, mostly through falling solar module costs and reduced setup costs. Such fall is expected to continue at a lower but stabilized pace. By comparison, the LCOE for onshore wind has reduced from 80 USD/MWh in 2010 to 56 USD/MWh in 2017-2018, representing a 30% decrease (IRENA, 2019c).

Solar PV key markets and relevant growth drivers are set to shape the market in the next decades, including the following:

- Government incentive schemes are transitioning from subsidy-driven mechanisms (feed-in-tariffs or green certificates, among others) to regulated competitive auctions, resulting in solar prices reduction;

- Local renewable targets abided by governments across the globe with the intent of accelerating respective economies' decarbonization. Some examples of national renewable solar PV targets include Brazilian target of +6.5 GW by 2022, Spanish target of +30 GW by 2030, U.S. target of +82 GW by 2023, Chilean target of +3 GW by 2022, Mexican target of +11 GW by 2023 and Italian target of +30 GW by 2030 (IHS Markit, Country Profiles 2019);

- Growing appetite of investors who are seeking long-term contracted low-risk assets;

- Improved financial conditions favored by new funding solutions such as green bonds and similar instruments, as well as more sophisticated comprehension by lenders;

- Cost-efficiency increase due to continuous technological improvements which result in higher performance, reliability, predictability and lower operating expenses; and

- High growth coming from emerging countries across Latin America, Africa, Middle East and Southeast Asia, but also from developed regions like Europe.

Furthermore, long-term success in the solar PV industry is expected to be supported by vertical integration across the value chain in terms of margin improvements and market share gains, as well as by an agile and flexible management team in order to anticipate market opportunities.

Solar PV Trackers Industry Outlook

Solar panels are the main component of a PV plant, however, mounting systems are also essential since they provide a structural base to hold solar panel in place. There are two main types of solar mounting structures: rooftop solar mounting and ground mounting. Ground-mount solar PV systems are commonly used in large commercial or utility PV projects.

Ground-mount PV systems are typically categorized into two groups: fixed-tilt and tracking systems. Fixed-tilt systems are characterized as static racking in which the angle of tilt remains constant, whereas tracking systems are distinguished as the angle of modules in the array that are mechanically adjusted throughout the day to follow the best angle for sun irradiation and, as a result, to ensure maximum energy production.

The main advantages of tracking compared to fixed-tilt systems include the following:

- While using 10.5% more land space, tracking systems are estimated to produce between 15% and 25% more than fixed-tilt systems which is critical in a context of decreasing solar PPAs prices in order to achieve viable returns on investment ("**ROIs**");
- Tracking systems are estimated to produce more energy when the cost of electricity is typically higher; and
- Tracker costs are dropping significantly partly due to innovation and partly due to local manufacturing with high level of automation (Wood Mackenzie Power & Renewables, 2020). Globally, the average selling price for trackers is expected to be around USD 110,000$/MW in 2019 and USD 100,000/MW by 2020 (Wood Mackenzie Power & Renewables, 2020) .

Figure: Increased Production of Single-axis Trackers: Bifacial Tracker vs. Monofacial Tracker (100MW – Murcia, March 2, 2019)

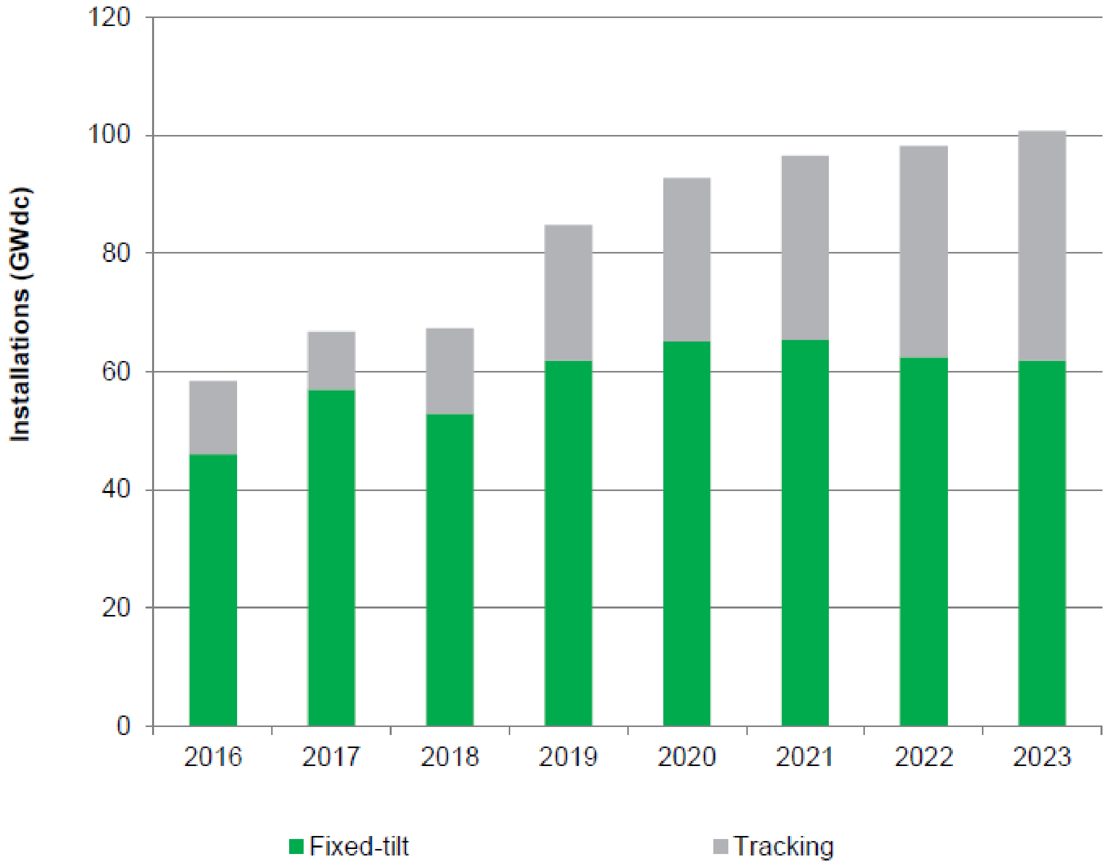
(Source: Soltec Power Holdings)

Within tracking systems, there are additional categories:

- Single-axis tracking, where modules are fixed along a horizontal plane and rotate along a single axis. Single-axis tracking can also be fixed along a tilted, non-horizontal plane or with tilted modules along a horizontal plane.
- Azimuth tracking, where tilted modules rotate around a fixed vertical axis. This category is currently outdated.
- Dual-axis tracking, where modules rotate along both vertical and horizontal axes so that the module plane is always perpendicular to the sun. This category is currently outdated.

Solar PV trackers have consolidated as the fastest growing among all tracking systems. According to IHS Markit, the share of trackers as a percentage of ground-mount systems should increase globally from 20% in 2018 to 40% by 2025. In 2019, 8.9 GWdc trackers were installed globally, and are expected to increase by 22% in 2020, which would equal approximately 28.4 GWdc of installations in 2020 (Wood Mackenzie Power & Renewables, 2019). Solar tracker installations are expected to grow on average 17% annually from 2020 to 2024 (IHS Markit, 2019). On average thirty Solar PV trackers are usually installed by each MW.

Figure: Global PV ground mount installations, 2018-2024E (GW direct current –"GW dc"–)

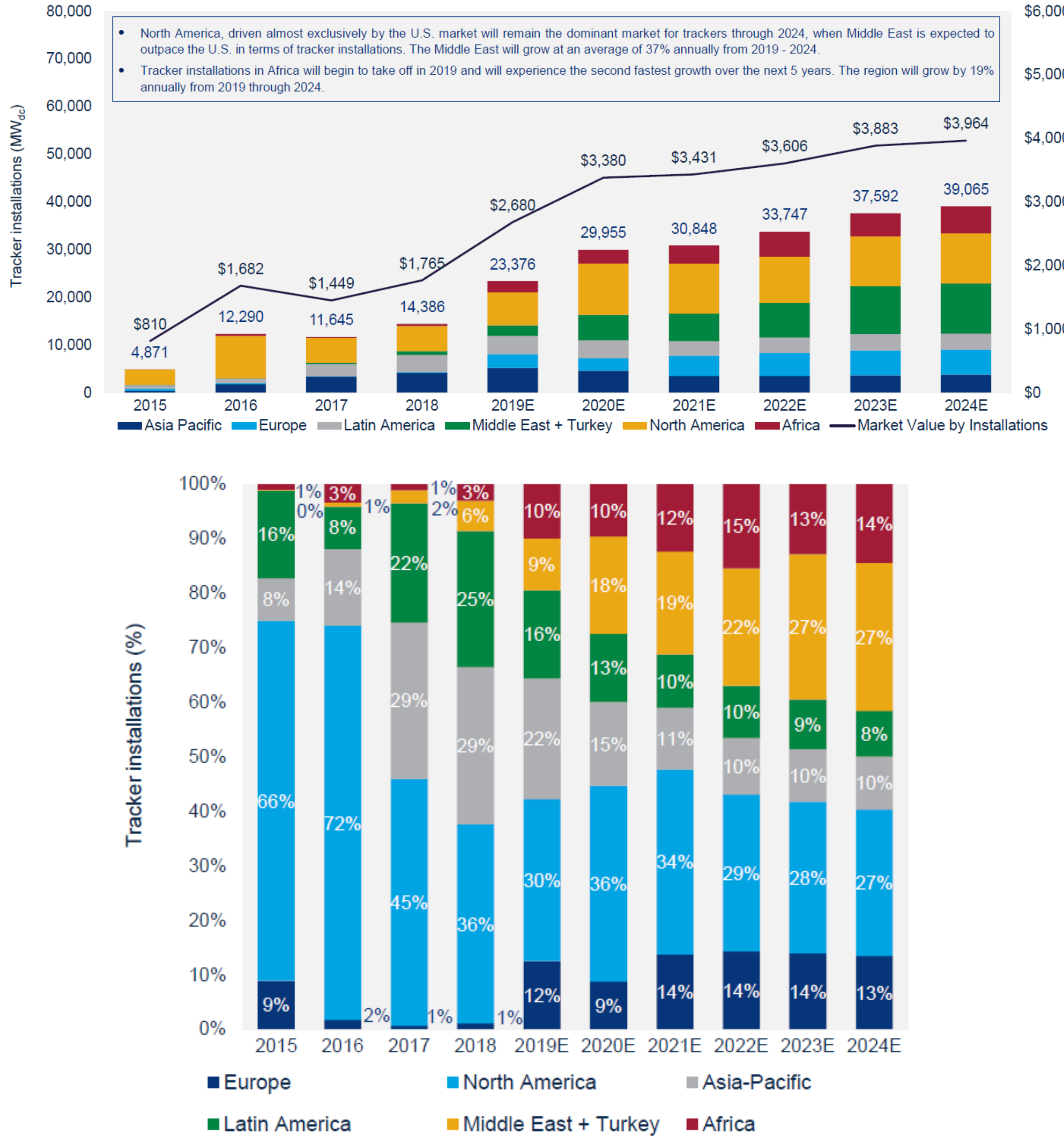


(Source: IHS Markit (August 2020), Global PV Tracker Market Report 2020)

The Global PV tracker market is expected to generate c. $16Bn in revenues from 2020 to 2024 (Wood Mackenzie Power & Renewables, 2020).

Trackers are expected to continue to gain share from fixed-tilt mounting systems in most major markets, particularly the Middle East, Africa and Europe. As markets mature and achieve economic growth, they are expected to shift to tracking systems. North America, driven almost exclusively by the United States, is expected to remain the dominant market for trackers until 2025, however, Middle East is expected to outpace the United States in terms of growth pace, growing at an average of 57% annually from 2020 to 2025. Tracker installation in Africa is expected to begin to take off in 2019 and to experience the second fastest growth from 2020 to 2025, growing by 28% annually.

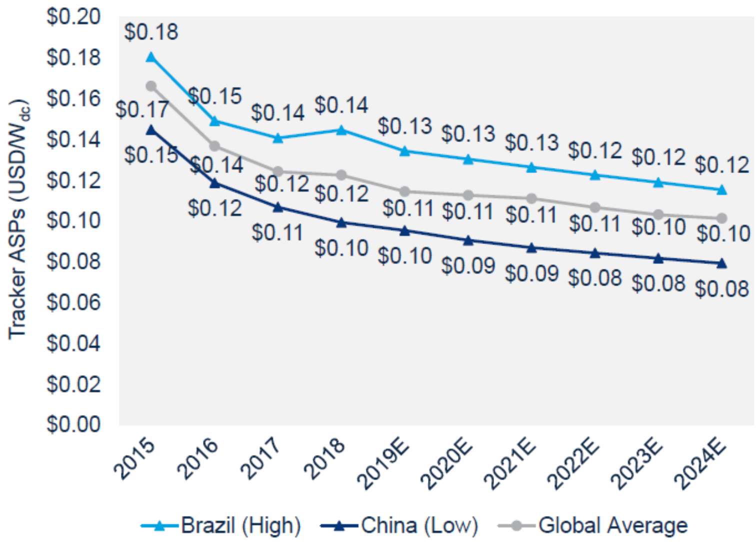
Figure: Global PV tracker installations by regions and global tracker market value by installations, 2015-2025E (MWdc) (USD million)



(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

Global tracker average selling price ("**ASP**") is very linked to commodity costs of components being steel the main raw material, which account for approximately 60% of total price of a tracker. The global tracker ASP has followed a downward trend since 2015 due to increased competition, margin compression and cost reduction. However, ASP stayed flat from 2017 to 2018 due to the rise in global steel prices. In 2018, it stagnated as a result of the Section 301 tariffs imposed by the United States on China which included rising commodity steel prices. Prices are expected to decline from 2020 to 2025, but at a more subdued pace than the price declines seen from 2015 through 2017. Tracker prices also depend on the order size of the shipment, with larger shipments being priced lower (Wood Mackenzie Power & Renewables, 2020). Price differences among major markets are also influenced by various factors, including local content requirements, tariffs, labor and material costs. Prices for the 2020-2025 are expected to decrease at -5% CAGR.

Figure: Global PV tracker ASP forecast, 2015-2024E (USD/Wdc)



(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

Nevertheless, the forecasted growth of the market is expected to be sustained by several key trends, including the following, among others:

- Increasing M&A activity. The entrance of new players to the competitive landscape puts pressure on margins and market positioning. As a consequence, participants in the sector are striving to distinguish themselves, leading to an integration process in which further M&A activity is expected.

- Vendors are also expanding their businesses to become software and service providers as a means of differentiation. (Wood Mackenzie Power & Renewables, 2020).

- New tracker entrants. Tracker vendor landscape is getting crowded as at least eight vendors launched tracker products in 2019 and 2020 (Wood Mackenzie Power & Renewables, 2020).

- Safe Harbor: Between 25-30% of tracker shipments in 2019 were to obtain the full 30% tax credit in the United States (reduced to 26% in 2020), with more shipments for safe harbor expected in 2020 (Wood Mackenzie Power & Renewables, 2020).

Selected Regions Overview

Europe

European tracker market accounted for 14% of total installations in 2019, with more opportunities in the region arising, as trackers installations are forecasted to grow by 16% annually in the 2020-2025 period, achieving 27.7 GW of accumulated installed capacity by 2025 (Wood Mackenzie Power & Renewables, 2020). European growth is based on utility-scale projects with still substantial demand coming from Spain and France. They are expected to be the most significant EU markets for tracker projects over the next 5 years as a result of their moderately sizeable tender pipelines. Moreover, Italy's Ministry of Economic Development (MISE) issued the country's new National Integrated Plan for Climate and Energy 2030 (PNIEC) which set solar target of 50 GW.

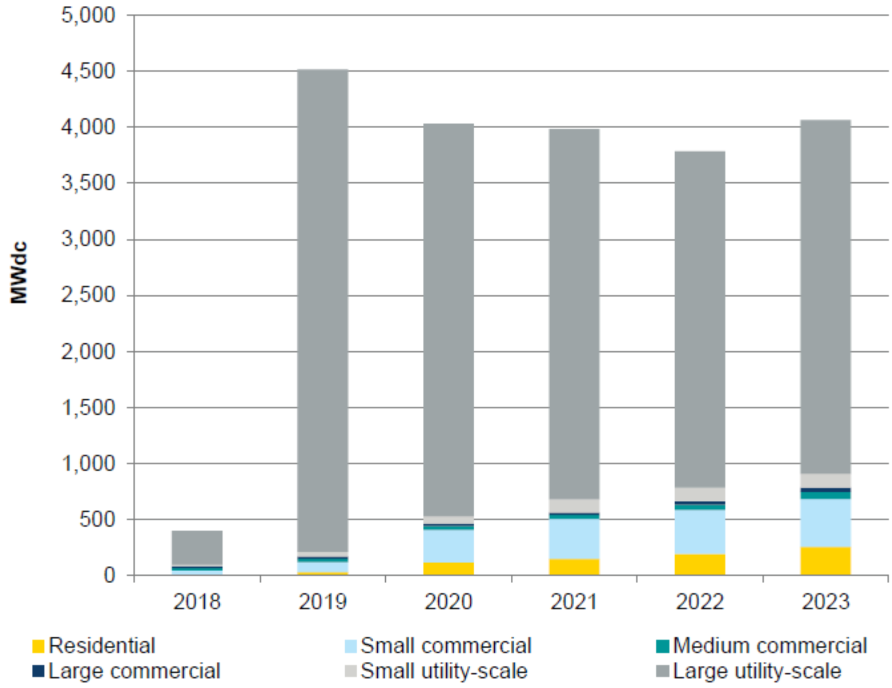
Figure: Top tracker markets by cumulative installations, 2020E-2025E (MWdc)

Country	2020E-2025E Tracker Inst. (MWdc)	Analyst Notes
Spain	11,499	Spanish solar boom in 2018 was spurred by the country´s auctions. The market is favorable towards trackers because of its high irradiance and low wages, and is expected to remain the main tracker market in the region throughout 2025
Italy	3,423	Italy's Ministry of Economic Development (MISE) issued the country's new National Integrated Plan for Climate and Energy 2030 (PNIEC), which set solar target of 50 GW

(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

More specifically, Spain is expected to take the lead for utility-scale projects, with Italy and France as relevant markets, but with smaller projects on average (<10MW). The country offers favorable market opportunities due to its sizeable market size (99 GW of total installed capacity, of which 58% are renewables, including hydro), an ambitious target of 3-4 GW per year of new solar PV capacity until 2030, and an increasing demand for utility-scale projects. The National Integrated Plan for Climate and Energy 2030 (Spanish PNIEC) sets a solar target of 37 GW by 2030. As a result, the Spanish market represents 73% of the European PV tracker market underpinned by appetite from international investors, lack of local components constraints and favorable financing conditions.

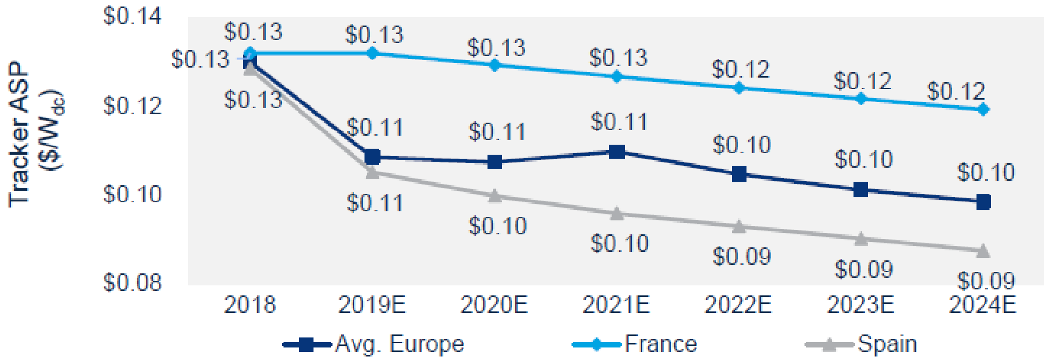
Figure: Spain — Annual PV installations by system type (MWdc)



(Source: IHS Markit (April 2019), PV Country Profiles: Spain)

In 2018, one-third of tracker installations in Europe were in France, which has higher prices due to the country's carbon-emissions requirements. The carbon footprint requirements embedded in the so-called CRE4 tenders held by the French Energy Regulatory Commission (CRE), have often been described as one of the main obstacles to the development of a gigawatt-scale utility-scale PV market. However, as the Spanish market begins to increase in 2019, Europe's ASPs are expected to track closer to Spain (IHS Markit, 2019).

Figure: Tracker ASPs in major regional markets, Europe, 2019-2025E (USD/Wdc)



(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

Latin America

Solid and appealing opportunities are emerging in Latin America in the context of large utility-scale projects in countries such as Chile, Argentina, Brazil or Mexico, among others. Latin America shipments (including the Caribbean) account for 20% of global tracker market shipments, growing 14% from 2018 to 2019, and consolidating as top player in the global market in terms of total shipments, only behind the United States, that accounted for 48% of global market tracker shipments in 2019 (Wood Mackenzie Power & Renewables, 2020).

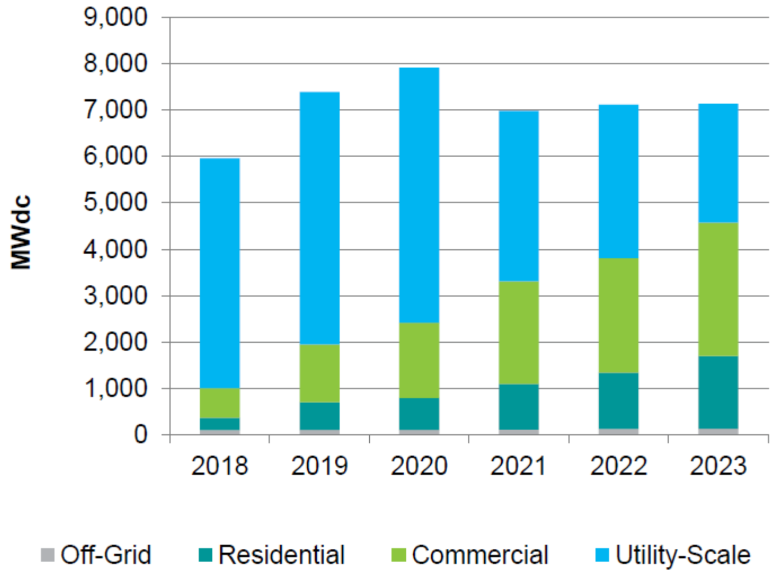
Figure: Top tracker markets by cumulative installations, 2020E-2025E (MWdc)

Country	2020E-2025E Tracker Inst. (MWdc)	Market Notes
Brazil	7,425	Brazilian market is driven by solar auctions, which indicates positive growth, although the auctions were postponed as a result of coronavirus. System pricing is impacted by local content requirements, although recent local production of trackers has led to a decline in the country´s tracker ASP and is expected to be a boon for the market

(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

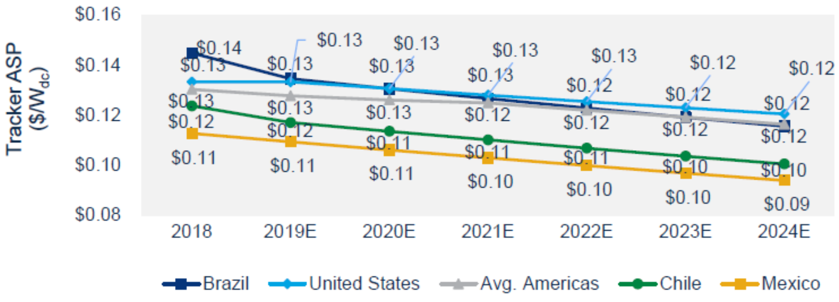
Solar PV demand is forecasted to be led by Mexico and Brazil, with a 36% and 28% market share within Latin America in the 2017-2023 period, respectively (IHS Markit, 2019, Country Profiles). Mexico and Brazil are opening to large tracker projects supported by new regulatory reforms and government-sponsored auctions, thus, becoming the largest contributors to utility-scale installations which accounted for 83% of total installations in the region in 2018 (IHS Markit, 2019, Country Profiles). From 2019 to 2022, Brazil is expected to install 6.5 GW of PV, primarily driven by utility-scale projects awarded from renewable energy auctions (IHS Markit, 2019, Country Profiles).

Figure: Latin America — PV installations by segment, 2018-2023 (MWdc)



(Source: IHS Markit (April 2019), Utility-scale installations in Latin America and forecast 2019-2023)

Figure: Tracker ASPs in major regional markets, Americas, 2019-2025E (USD/Wdc)



(Source: Wood Mackenzie Power & Renewables (September 2020), The Global PV Tracker Landscape 2020)

BUSINESS

Overview

We are a leading global company specialized in providing integrated solutions in solar PV energy with a top-three market position among global tracker suppliers based on global shipments in 2019 (source: The Global PV Tracker Report - 2020, IHS Markit). We design, manufacture and install solar tracking systems and develop solar power projects. Since our founding over 16 years ago, we have delivered trackers for projects with a total of 7.1 GW of installed capacity, of which 42% of such installed capacity is in Latin America, 31% in North America (including Mexico), 25% in Europe, the Middle East and Africa and 2% in Asia-Pacific. Out of that total, we delivered trackers for projects with a total of 1 GW of installed capacity in the six months ended June 30, 2020, 2.9 GW of installed capacity in 2019, 1.5 GW in 2018 and 1.0 GW in 2017. We are based in Murcia, Spain, and have more than 20 offices and, as of June 30, 2020, had over 1,320 employees, out of whom approximately 900 were temporary employees related to our projects. In 2019, we had an estimated global market share among global tracker suppliers of 9%, or 10% excluding estimated safe harbor shipments in the United States (source: The Global PV Tracker Report - 2020, IHS Markit). In the six months ended June 30, 2020, we generated revenues of €115.7 million and EBITDA of €(12.4) million, compared with revenues of €121.8 million and EBITDA of €0.8 million in the six months ended June 30, 2019. In 2019, we generated revenues of €356.8 million and EBITDA of €17.7 million, compared with revenues of €166.0 million and EBITDA of €5.1 million in 2018. "EBITDA" is an APM. For additional information on this APM, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". Our diversified footprint is mainly focused on Spain, South America and North America (including Mexico), which represented 34%, 33% and 27% of our revenues in the six months ended June 30, 2020, respectively.

We offer a wide range of services for our customers and have the ability to operate as an integrated solar PV company, covering the full range of development, equipment supply, installation and construction services, and O&M services. We divide our business into our industrial (trackers and construction services) business line, which we also refer to as Soltec Industrial, and our project development business line, which we also refer to as Powertis.

We offer a dynamic portfolio of solar trackers, including the SF8 and SF7 single-axis trackers, the SF8 and SF7 bi-facial trackers and the SF7 Tandem. A solar tracker is an integrated system on which solar panels are mounted and which orients such solar panels toward the sun. Our SF8 and SF7 single-axis trackers are high-yield trackers with flexible land-use options, which we believe makes it a cost-effective option for developers of solar power projects. Our SF8 and SF7 bi-facial trackers allow for the collection of light from both sides of the solar panels by capturing sunlight reflected from the surface of the land under the panels. Given the correct conditions, primarily subject to albedo (a measure of how reflective a surface is) and plant design, trackers increase energy production by up to 25% compared with fixed-tilt installations, which do not move to orient the solar panel more directly toward the sun. Our SF7 Tandem combines features of a two-up-portrait configuration with those of a two-row tracker.

In connection with our industrial business line, we define our order backlog as projects for which we have signed underlying agreements. We define our order pipeline as projects not yet signed but which we believe have potential to be signed in the future. We had a geographically diversified order backlog of €189.8 million as of June 30, 2020, representing projects with a total installed capacity of 1.8 GW. Including our order pipeline, which is detailed below in this paragraph, we have, as of such date, identified supply projects with a total installed capacity of approximately 19.4 GW, or €2,338 million, which, if we are successful in signing, we expect to be executed in the remainder of 2020, 2021 and 2022. Our order backlog is primarily focused on Latin America, the United States and Spain, and is comprised of projects with renowned companies around the world. Moreover, we believe that our order pipeline is well diversified geographically. Our order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020, amounted to €2,148 million, representing potential projects with an installed capacity of 17.6 GW. Of this total order pipeline, in terms of value, 46% is for projects located in Latin America, 38% for Europe, the Middle East and Africa, 14% for Asia-Pacific and 2% for United States. Based on our management's experience and outlook, we assign various achievement probabilities for each project to reflect our estimate of the probability an agreement will be signed. In particular, approximately 33% of our order pipeline, in terms of value, as of June 30, 2020 related to projects that we currently estimate have a likelihood lower than 50% of resulting in projects being awarded to us. For more information, see "*—Key Investment Highlights—Soltec Industrial (Trackers and Construction Services)— Our Customers, Order Backlog and Order Pipeline*".

With respect to our project development business line, as of June 30, 2020, we had a development backlog of 1,331 MW of projects, an advanced-stage development pipeline of 455 MW of projects, an early-stage development pipeline of 1,562 MW of projects, and 1,799 MW in identified opportunities in a preliminary stage, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed. For additional information regarding our development backlog and development pipeline, see "*—Project Development*".

Key Investment Highlights

Growing Solar Market Underpinned by Appealing PV Industry Dynamics

By 2050, electric power is expected to become the largest carrier at the point of final energy use, meeting 49% of the world's final energy demand. Electricity generation is forecasted to increase rapidly globally, by 160% from 2016 to 2050. Decarbonization is resulting in a diversification of the electricity generation mix and renewable energy sources have been recently outpacing conventional ones. Since 2012, the net additional power generation capacity of renewable sources exceeded that of non-renewable sources. If these trends were to continue, the share of renewables in power generation will rise from approximately 24% in 2016 to 86% in 2050, out of which 60% would come from solar and wind. We believe solar PV is leading this change toward decarbonization and renewables, and that there is significant demand for utility-scale solar power projects in key markets. The solar tracker sector is expected to take advantage of these favorable market conditions, and solar PV trackers are currently the fastest growing among all tracking systems. The share of trackers as a percentage of ground-mount systems is expected to increase globally from 20% in 2018 to 40% in 2025, and solar tracker installations are expected to grow approximately 17% annually from 2020 to 2024. (Sources: Energy Transformation Outlook 2018 and Energy Transition Outlook 2020, DNV – GL; Global Energy Transformation – A roadmap to 2050, International Renewable Energy Agency; The Global PV Tracker Landscape 2020, Wood Mackenzie Power & Renewables; Global PV Tracker Market Report – 2020, IHS Markit).

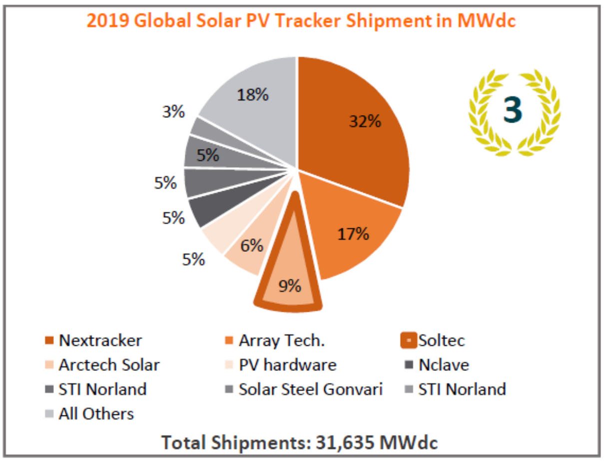
In the European solar PV industry, we believe there are increasing growth opportunities based on utility-scale projects. Tracker installations in Europe are expected to grow 16% annually from 2020 to 2025, potentially reaching installation in projects with an accumulated installed capacity of 27.7 GW by 2025. Spain and Italy are expected to be among the most significant EU markets for tracker-installed projects over the next five years. Spain is expected to represent approximately 73% of the European solar tracker market by 2024 with solar projects with a total installed capacity of approximately 11.5 GW expected to be installed with trackers between 2020 and 2025. Moreover, solar projects with a total installed capacity of approximately 3.4 GW are expected to be installed with trackers in Italy between 2019 and 2024, and Italy's Ministry of Economic Development has set a target of 50 GW by 2030. (Source: The Global PV Tracker Landscape 2020, Wood Mackenzie Power & Renewables; IHS Markit; PNIEC (Piano Nazionale Integrato per l'Energia e il Clima)).

In the Latin America solar PV industry, we believe there are significant opportunities for trackers, with the Latin American solar tracker market expected to grow at a CAGR of 10% from 2019 to 2024. Brazil and Mexico have begun opening up to large-scale solar power projects utilizing trackers, supported by new regulatory reforms and government-sponsored auctions. We expect trackers to be installed in solar power projects in Brazil with a total installed capacity of 7.4 GW during the period from 2020 to 2025, with a significant pipeline of projects developing in 2020 and 2021. In Mexico, we expect solar projects with a total installed capacity of approximately 7.8 GW to be installed with trackers between 2019 and 2024.

(Source: The Global PV Tracker Landscape 2019 and 2020, Wood Mackenzie Power & Renewables; IHS Markit).

Leading Solar Trackers Company with a Recognized Brand

We hold a top-three market position among global tracker suppliers based on global shipments in 2019, with a 9% global market share during such period. During the same period, NEXTracker and Array Technologies had global market shares of 32% and 17%, respectively, and we were followed by Arctech Solar and PV Hardware, which had a 6% and a 5% global market share, respectively, as shown in the following graphic (source: The Global PV Tracker Report - 2020, IHS Markit):



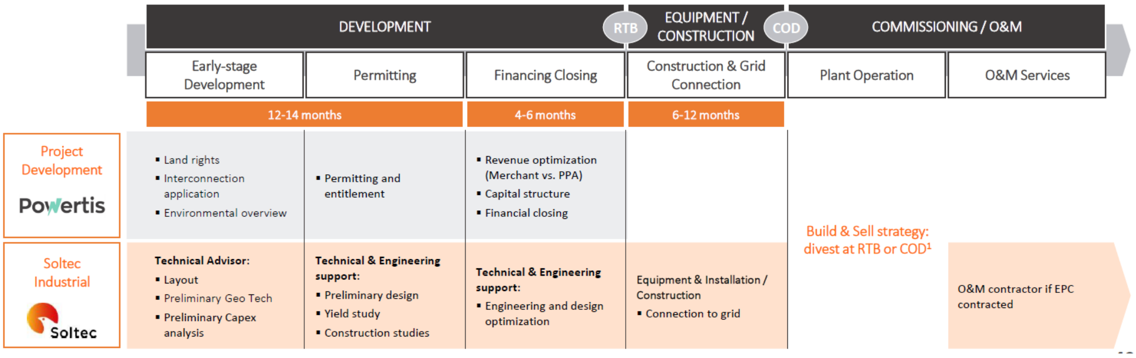
In 2019, we were the number-three tracker supplier by shipments in the Americas, with a 10% market share in that year. In Mexico, we were the number-one tracker supplier by shipments in 2019, with a 40% share of such market in such year. In Spain, we were the number-two supplier of trackers by shipments in 2019, with a 22% market share in that year. (Source: The Global PV Tracker Report - 2020, IHS Markit).

In 2018, we were the number-five global tracker supplier by shipments, with an 8% global market share. In Brazil, we were the number-one tracker supplier in 2018, with a 29% share of such market in such year. In Spain, we were the number-three supplier of trackers in 2018, with a 20% market share in that year. (Source: The Global PV Tracker Landscape 2019, Wood Mackenzie Power & Renewables). We believe our presence in and focus on high-growth markets gives us a competitive advantage compared to our competitors.

Integrated and Sustainable Business Model to Capture Growth and Margins

Our integrated business model provides expertise throughout the entire breadth of a project lifecycle, with our collaboration framework across our business lines being driven by market standards and transfer pricing rules. Our current business plan was recently formalized to integrate Powertis, our project development business line, in connection with the Reorganization Process. Given its foundation in September 2018, Powertis has a limited operating history.

The following graphic sets forth our primary activities at each stage of a solar power project lifecycle, including the breakdown of activities undertaken by Soltec Industrial and Powertis, respectively, our industrial and project development business lines.



(1) Depending on the currency of the project, we intend to divest either during a period of up to 24 months after COD (as defined below) or at RTB (as defined below).

Our integrated approach was established for several key reasons. First, project development has been part of our identity since our incorporation, and we began developing solar power projects shortly after it. Second, we expect to be able to capture growth and margin in the solar PV sector, which is in the process of consolidation. Third, by having full control over the entire value chain, we can focus on high-quality and tailor-made products. Fourth, there are significant synergies between our business lines as both activities benefit from a transfer of market intelligence and know-how. Further, we believe that the complementary nature of an integrated model gives us access to additional revenue streams. Moreover, we believe that our model is backed with agreements with renowned customers. Lastly, we expect to facilitate the joint management of both business lines by implementing an open-book strategy and other standard market measures.

We believe there are significant advantages to our integrated business model. First, integration of project development increases the visibility of our solar tracker order backlog, as well as cross selling capabilities. Second, with presence on both the development and construction sides of the value chain, we are able to anticipate and benefit from trends affecting the market. Moreover, we believe that project development diversifies our exposure to the solar trackers market while leveraging our expertise, and that we benefit from differentiating factors allowing us to capture additional margins. We employ transfer pricing and the use of arm's-length intra-Group transactions in order to improve coordination among production, sales and processes, which we believe positively affects the allocation of resources, and we believe our focus on core value-added activities limits expenses and translates into cost savings. Finally, we focus on ensuring high standards of quality along the entire value chain.

Furthermore, we believe that our integrated business model generates natural barriers to entry in those markets in which we operate, as further described below.

Highly Innovative Company with Best-in-Class Products and Differentiated Solutions

We believe that we are a best-in-class solar tracker manufacturer providing integrated services across the value chain. Our industrial model includes the design, manufacturing and supply of solar trackers and related components, as well as the provision of installation and construction and other support services to our customers. We typically supply solar power projects that have an installed capacity of over 100 MW, and undertake and complete construction in five to 12 months from ready-to-build ("**RTB**") to the commercial operation date ("**COD**"). We provided installation services to approximately 10%, in terms of revenues, of the solar power projects to which we supplied trackers in 2019. Moreover, we continually innovate our solar trackers in order to increase yield, cost-effectiveness and product adaptability, while reducing assembly times.

Our innovative technological proposition involves continuous improvement of our trackers with an aim to achieve efficiency gains and cost reductions. We work to remain active in the main product development trends in the solar tracking industry and have continually made investments in research and development. We have 35 registered patents and utility models pertaining to our products and processes and an additional

81 patents and utility models applications at different stages of the corresponding registration processes. In early 2019, we launched our research and development division, Soltec Innovations, to consolidate our various research and development activities and focus such efforts in our Bi-facial Tracker Evaluation Center (BiTEC) in Livermore, California, in the San Francisco Bay Area, and at our Murcia headquarters.

Our strong brand positioning benefits from recognition thanks to our pioneer status in tracker manufacturing backed by long-term relationships with clients. We provide ad-hoc solutions to our customers supported by agreements with both suppliers and clients.

We believe that our integrated and sustainable business model promotes greater value creation and synergies, allowing us to be a proactive agent in the transition toward an emissions-free energy model.

Our strong local presence, in 16 countries on five continents, has been built on our experience in markets in which local expertise and know-how is essential.

We believe that our sizable manufacturing capacity allows for improved pricing and may help limit the entrance of new competitors. We were the number-three global tracker manufacturer based on global shipments in 2019 (source: The Global PV Tracker Report - 2020, IHS Markit), and we are prepared for the design and supply challenges involved in the supply of trackers to large-scale projects of over 100 MW.

Our customized solutions differentiate us from our competitors, allowing us to provide tailor-made solutions for each of our customers. Our SF8 and SF7 solar trackers provide greater land use options compared with fixed-tilt installations, enabling greater sight field, even on irregular land and with reduced civil works. Our market-leading installation tolerances help achieve high sight field and minimize earth grading and environmental impact.

We provide a wide suite of complementary services to support our customers. Our project engineering services include site layout and front-to-end project management. Our Solhub factory services include warehousing and logistics. We also provide on-site advisory, logistics, training, commissioning, installation and O&M services. Our construction services include installation of our solar trackers, balance of plant (BoP) services (consisting of services related to the supporting components and auxiliary systems needed by a power plant to deliver energy other than the generating unit itself), and other installation and construction services. Our factory experts provide comprehensive training in their areas of expertise, and our specialized engineers deliver on commissioning at an average execution rate of 5 MW per day, and up to 10 MW per day. Finally, our Solmate after-sales services are supported by our local infrastructure in Mexico, the United States, Brazil, Spain, Chile and Australia. For additional information regarding our products and services, see "*—Soltec Industrial (Trackers and Construction Services)*".

Client Base Comprising a Portfolio of Renowned Customers

We have a worldwide geographical footprint and a client base of renowned customers. Our physical presence is strategically distributed globally to serve markets with the greatest potential. The following map sets forth information regarding global irradiation and the locations of our offices. (Source: Global Solar Atlas.)

We have local teams in each of our 20 worldwide offices, and in our Murcia headquarters we centralize our EMEA sales, Soltec Innovation research and development division, manufacturing (with two production lines and inventory warehousing), accounting, human resources and logistics activities.

We have a large portfolio of esteemed customers in both Soltec Industrial, our trackers and construction services business line, and Powertis, our project development business line, as set forth below.

Additionally, over the past four years, we have increasingly diversified our customer base of renowned companies. We have experienced significant turnover among our top-five customers as well as decreased customer concentration generally. The below table sets forth our top five customers for the six months ended June 30, 2020 and the years ended December 31, 2019, 2018, 2017 and 2016.

Revenues (€ Mn)	H1 2020			FY 2019			FY 2018			FY 2017			FY 2016	
1st	solarcentury	29 (25%)	↑	enel Green Power	110 (31%)	↑	ENGIE	29 (17%)	↑	enel Green Power	120 (67%)	=	enel Green Power	56 (86%)
2nd	enel Green Power	20 (17%)	↓	中国电建 POWERCHINA	69 (19%)	↑	enel Green Power	26 (16%)	↓	ENGIE	33 (19%)	↑	PRODIEL	3 (5%)
3rd	PCL Construction	18 (15%)	↑	METKA	23 (7%)	↑	TSK	24 (14%)	↑	CYPRESS CREEK	7 (4%)	↑	SOLAR PACK	1 (2%)
4th	Naturgy	9 (8%)	↑	GRUPO ORTIZ	18 (5%)	↑	Scatec Solar	21 (13%)	↑	ISOLUX CORSÁN	6 (3%)	=	ISOLUX CORSÁN	1 (2%)
5th	METKA	8 (7%)	↓	SINDUSTRIAL	18 (5%)	↑	biosar	16 (10%)	↑	Scatec Solar	5 (3%)	↑	TOZZIgreen	1 (1%)
Other customers		32 (28%)			118 (33%)			51 (30%)			7 (4%)			3 (4%)

The following table breaks down our net revenues by geography for the six months ended June 30, 2020 and the years ended December 31, 2019, 2018 and 2017.

	For the six months ended June 30,		For the years ended December 31,					
	2020(1)		2019(2)		2018(3)		2017(4)	
Net revenues	(in millions of euros, except percentages)							
Spain	39.4	34.1%	73.5	20.6%	15.8	9.5%	0.8	0.5%
Brazil	16.9	14.6%	104.5	29.3%	50.1	30.2%	91.9	52.0%
North America(5)	30.9	26.7%	131.8	36.9%	32.6	19.7%	52.6	29.7%
Rest of South America(6)	21.7	18.7%	40.0	11.2%	15.1	9.1%	28.5	16.1%
APAC(7)	4.5	3.9%	5.5	1.6%	7.9	4.7%	0.0	0.0%
Others(8)	2.2	1.9%	1.5	0.4%	44.5	26.8%	3.0	1.7%
Total	**115.7**	**100.0%**	**356.8**	**100.0%**	**166.0**	**100.0%**	**176.9**	**100.0%**

(1) Derived from the Company 1H 2020 Audited Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.
(5) USA and Mexico.
(6) Argentina, Chile, Colombia and Peru.
(7) Australia, India and Thailand.
(8) Denmark, Egypt, Israel, Jordan, Kenya and Namibia.

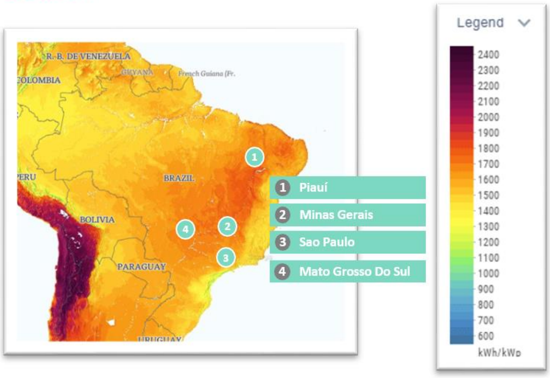
Opportunity to Generate Growth through a Sizeable and Visible Pipeline in High-Potential Markets

We had a geographically diversified industrial order backlog that amounted to 1.8 GW or €189.8 million as of June 30, 2020. Our order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020, amounted to €2,148 million, representing potential projects with a total installed capacity of 17.6 GW. For more information, see "*—Soltec Industrial (Trackers and Construction Services)—Our Customers, Order Backlog and Order Pipeline*" and "*—Project Development*".

Our project development portfolio is located in regions of Brazil, Spain and Italy with world-class solar irradiation and reliable interconnections to the local electricity grids. We believe that taking advantage of the best global locations supports value generation in some of the fastest-growing solar markets in the world. Our projects include best-in-class equipment sourced from renowned international suppliers, high-quality long-term PPAs with creditworthy off-takers and long-term land lease agreements for our projects. In addition, we have local teams with deep knowledge of their respective markets, which we believe gives us a key competitive advantage. Further, we have the flexibility to engage in projects throughout the entire development process, from the initial project assessment, land procurement and transmission integration, to financing and PPA arrangements, in addition to follow on developments such as construction or operations, COD and asset management.

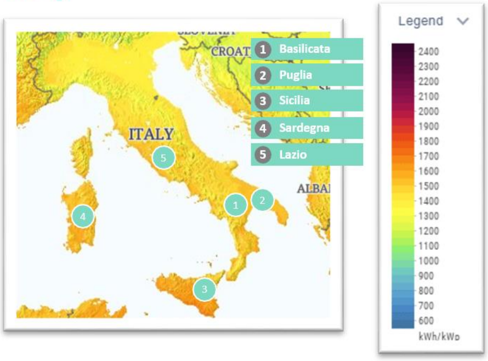
The following maps set forth the locations of our project development portfolio together with information regarding solar irradiation for Brazil, Spain and Italy. (Source: Global Solar Atlas.)

Brazil



Spain

Italy



Our order pipeline and development pipeline are at various stages, ranging from projects at very early stages to projects at advanced stages. We assign various achievement probabilities for each project in our pipeline to reflect our estimate based on our management's experience and outlook. All or a substantial portion of the projects in our pipeline may not be signed, developed if signed or successful if developed, and prospective investors are therefore cautioned not to place undue reliance on our pipeline. We may not reach an agreement on, or develop, projects included in our pipeline, or they may not be successful. Projects may never actually be initiated by the relevant authority, or, if initiated, may not be bid on by us. In addition, revenues for projects we complete or supply could differ materially from our estimates as a result of many factors, including, but not limited to, those described under sections "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements*" and "*Risk Factors*".

Highly-experienced and Committed Management Team

Our top management has an average of over 15 years of experience in our industry, has been significantly involved in our development and has driven the Company to a leading position in the solar PV industry (see "*—Leading Solar Trackers Company with a Recognized Brand*"). Our Chief Executive Officer ("**CEO**") and Co-Founder, Raúl Morales, who is also General Manager of Soltec Industrial, our industrial business line, has over 20 years of experience and has been with the Group since its founding in 2004. Pablo Otín is CEO of Powertis, our project development business line. Mr. Otín has over 18 years of experience and joined the Group in 2018 following time at Gestamp Solar (currently X-Elio) and Gamesa Energía, among other companies. Our Chief Financial Officer ("**CFO**"), José Nuñez, who is also the Head of Finance of Soltec Industrial, has over 20 years of experience and joined the Group in 2019 following over 13 years of experience at Abengoa and over three years at Deloitte. Our Chief Operating Officer ("**COO**"), Sergio López, who is also Head of Operations of Soltec Industrial, has over 23 years of experience and joined the Group in 2011 following extensive experience in the solar energy and construction industries. Our Global Director of Investors Relations, Meritxell Pérez de Castro, has over 18 years of experience and joined the Group in 2019 following extensive experience in Llorente y Cuenca, Clínica Baviera, Sol Meliá, Deloitte and BBVA. Our Chief Strategy Officer ("**CSO**") and Head of Corporate Development, Eduardo de San Nicolás, who is also Head of Organization of Soltec Industrial, has over 14 years of experience and joined the Group in 2014 following experience as an energy engineer in, among others, the Murcia City Energy Agency of Climate Change. Silvia Díaz de Laspra, our Chief Legal Officer, who is also Head of Legal of Soltec Industrial, joined the Group in 2015 and has over five years of experience. Our Chief Marketing Officer ("**CMO**"), Paula Lax, who is also our Head of Sales, as well as Head of Marketing and Sales of Soltec Industrial, joined the Group in 2015 and has over eight years of experience. For additional information regarding our management team, see section "*Management and Board of Directors*".

Our Growth Strategy

Our growth strategy is based on the following six pillars.

Leverage Growing Markets

We aim to leverage growing solar markets in respect of which we have strong knowledge and expertise. In particular, we plan to focus on Brazil, the United States, Mexico, Spain, Chile and Italy. According to IHS Markit (Country Profiles, 2019), Brazil is expected to add 6.5 GW of installed capacity by 2022, the United States is expected to add 82 GW by 2023, Mexico is expected to add 11 GW by 2023, Spain is expected to add 30 GW by 2030 and Chile is expected to add 3 GW by 2022. According to PNIEC (Piano Nazionale Integrato per l'Energia e il Clima, 2019), Italy is expected to reach 50 GW in accumulated installed capacity by 2030.

As a result, we intend to consolidate our presence in these key markets in order to capture market share. We also have established an extensive network of subsidiaries across the world and regularly monitor our expansion strategy. Accordingly, we are able to provide flexible solutions to our customers in other markets, which allows us to nurture longer-term relationships with our customers, acquire relevant experience and knowledge on new markets and diversify our exposure to certain market risks.

Reinforce Horizontal Integration through Strategic Partnerships

We plan to continue developing strategic partnerships along the entire value chain, continuously improving our integrated offering. We expect to build on and reinforce our supplier agreements for slewing drives, motors, tubes, rails and other solar tracker components, as well as our significant customer agreements, while also seeking out new strategic partners in both our industrial and project development business lines.

In particular, we aim to strengthen our pipeline and facilitate our growth through agreements with renowned participants in the solar PV industry. In addition to our collaboration agreement signed with Total on January 30, 2020, we have entered into six agreements with esteemed renewable energy companies worldwide, out of which two are pending renewal. In most of these agreements, our strategic partner commits to purchase one or several projects, normally consisting of 100 MW or more, at a predetermined price, subject to the occurrence of certain conditions. Certain agreements establish the basis for the supply of trackers and additional services during a period of time, normally one year or longer, and our strategic partner commits to a minimum annual volume of orders for several hundreds of MW.

Further, we aim to improve our performance across the supply chain by establishing and developing long-term relationships with our key suppliers to generate greater cost efficiency and enable our business to grow. We consider that such relationships allow us to reduce costs, increase efficiency and communication with our suppliers, mitigate price volatility, consolidate our supply chain, outsource non-critical activities and foster continuous improvement. We have entered into master service agreements or memoranda of understanding with numerous significant suppliers.

Continued Development of Differentiated Technology

Through our research and development division, Soltec Innovations, we intend to continue to invest in research and development, where we have already demonstrated our competitive advantage in terms of product innovation. We have 35 registered patents and utility models pertaining to our products and processes and an additional 81 patents and utility models applications at different stages of the corresponding registration processes. In the six months ended June 30, 2020, we invested €1.4 million in research and development, of which €758 thousand was expensed and €625 thousand was capitalized. In 2019, we invested €1.9 million in research and development, of which €0.9 million was expensed and €1.0

million was capitalized, compared to €1.6 million in 2018, of which €1.2 million was expensed and €0.4 million was capitalized. Soltec Innovations was incorporated as our wholly-owned subsidiary in early 2019 to consolidate our research and development strengths and efforts into one single entity. This has also provided us with certain tax benefits, such as the so-called "patent box" tax feature, consisting mainly of a corporate tax regime aiming to incentivize research and development, and tax credits for qualified expenses.

Moreover, we undertake extensive testing at our BiTEC and Murcia test sites. In particular, at BiTEC, which we believe is the world's first evaluation center specialized in bi-facial trackers, we evaluate the performance of bi-facial modules and trackers in order to improve the technical capabilities of our products. For example, we compare bi-facial production of one-up-portrait configuration solar trackers against our two-up-portrait configuration SF8 and SF7 bi-facial trackers.

Vertical Integration to Capture Margins

Following our reorganization in 2019, we plan to continue to reinforce our vertical integration to capture additional margins across the value chain. We believe that there are significant advantages to our integrated structure. We have a three-phase plan toward vertical integration. Phase one involved entering into project development. Phase two added balance of plant services. We are currently in phase three, adding engineering, procurement and construction ("**EPC**") services for the projects developed by our project development business line, following the completion of which we expect to be a vertically integrated player. For additional information, see "*—Key Investment Highlights—Integrated and Sustainable Business Model to Capture Growth and Margins*".

Sustainability as a Pillar for Future Growth

We are committed to creating a sustainable future in a new energy context. The world is in the process of decarbonization and transition toward a new and more sustainable energy model. Our commitment is the creation of value through sustainable, transparent and efficient management providing answers to society's current energy demands. We work to improve the economic viability and financial returns on our investments by improving the efficiency of solar PV projects and through innovation and research and development. We are focused on building shared value with the communities in which our projects are located. Finally, transparency, ethics and regulatory compliance are our priorities for the promotion of good governance. In recognition of our commitment to sustainable development, we aim to join many of the most important global ESG/sustainability indexes.

Strengthen Financial Position

We intend to use the net proceeds of the Offering to help execute our order backlog and development backlog, as well as our order pipeline and development pipeline. In addition, we aim to use any excess liquidity to reinforce our balance sheet, with the goal of reducing our Net Debt-to-Adjusted EBITDA from approximately 4.26x as of December 31, 2019 down to 1.0-1.5x. "Net Debt-to-Adjusted EBITDA" is an APM. For additional information on this APM, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". See section "*Reasons for the Offering and Use of Proceeds*". In addition, we plan to continue to utilize our Syndicated Debt Facility, which was signed in September 2018, and aim to balance our capital structure in order to strengthen our financial position and unlock additional growth as a result of the expected growth of the PV industry. For additional information on our Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

History

We were founded in Murcia, Spain, in 2004 as an EPC contractor and developer of solar power projects. In 2007, we designed and launched our first dual-axis tracker and began developing several small projects in Spain, France and Italy with our dual-axis trackers and fixed rooftop installations. By the end of 2007, we had developed and built solar power projects with our solar tracking technology with a total installed capacity of 20 MW. In 2008, we began offering EPC services, and in 2009 we developed and launched our first single-axis tracker and built our first project in Italy as an EPC contractor. In 2011, we launched

Solarfighter, an integrated residential solar PV system, and in 2012 we developed and launched SF Utility, a self-powered tracker, and narrowed our product focus to only single-axis trackers. In 2013, we developed our first project in Chile, Diego de Almagro, a 12 MW solar power project.

In 2015, our business began to grow significantly, with the opening of our factory in Brazil and offices in the United States. In that year, we were awarded a contract to supply our trackers for the La Silla solar power project in Chile, a 150 MW project for which we produced our first solar tracker specifically designed for bi-facial modules installed in a utility-scale solar power project. In 2016, we were chosen to supply projects with an installed capacity of 420 MW between Peru and Mexico.

In 2017, we launched both our SF7 single-axis tracker and our SF7 bi-facial tracker. In addition, in 2017 we launched our logistics center, Solhub, and our offices in India and Australia. In 2018, our project development business line, Powertis, was co-founded by our two core shareholders and Mr. Pablo Miguel Otín Pintado, and we also opened BiTEC, our bi-facial tracker evaluation center in Livermore, California, United States. In that year, we succeeded in supplying trackers to several new markets including Australia, Namibia and Thailand, and we continued expanding our market share in Brazil, Chile, Israel and the United States. We began developing projects in Brazil (approximately 1 GW) in 2018.

In 2019, we expanded our activities in Latin America and Europe. We also supplied bi-facial projects with an aggregate installed capacity of approximately 2 GW. We also launched Soltec Innovations, our dedicated research and development division. Moreover, Powertis expanded the development of solar power projects in Brazil to over 1.5 GW, including 400 MW awarded in the Brazilian A-6 auction, and 500 MW in Spain, and began operations in Italy.

In 2019, we completed our corporate reorganization through which we formed our holding company, Soltec Power Holdings S.A., which in turn carried out a capital increase in consideration for in-kind contributions representing the entire share capital of both Soltec Energías Renovables, S.L. and Powertis, S.A. Prior to such reorganization process, Powertis was not a subsidiary of Soltec Energías Renovables, S.L., but rather a sister company majority-owned by the two shareholders of Soltec Energías Renovables, S.L., our two core shareholders. For additional details on our reorganization process, see section "*Presentation of Financial Information and Other Important Notices—Historical financial information*". Following our reorganization, we redefined our business lines into industrial and project development, the latter being the business of Powertis.

In January 2020, Powertis entered into a joint development agreement with Total Solar Ibérica, S.L. Unipersonal, a wholly owned subsidiary of Total Solar International, S.A.S., to develop up to 1 GW of solar projects in Spain. For additional information on this collaboration agreement, see section "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*".

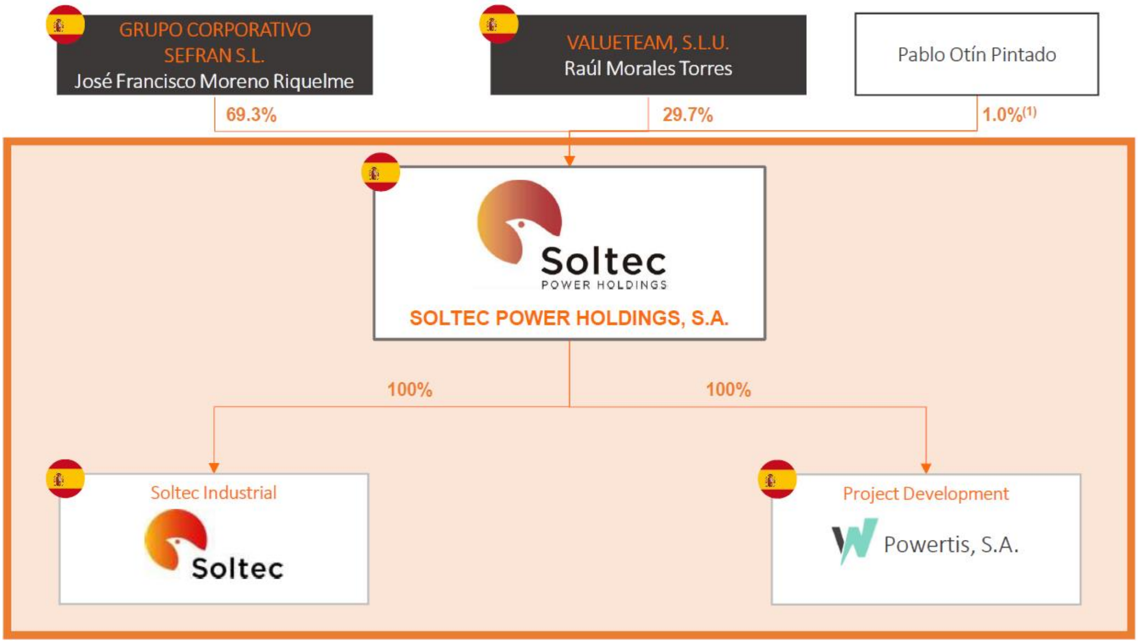
As of June 30, 2020, we have supplied solar trackers to projects with a total installed capacity of 7.1 GW around the world. For additional information on the evolution of the total installed capacity of the projects to which we have supplied trackers, see "*—Soltec Industrial (Trackers and Construction Services)*".

In July 2020, we launched our SF7 Tandem tracker.

In September 2020, we launched both our SF8 single-axis tracker and our SF8 bi-facial tracker. In addition, Powertis entered into a sale agreement with a third party for the sale of the Leo Silveira project, located in Brazil, which consisted of projects with 619 MW in the aggregate classified as development backlog as of June 30, 2020. For additional details on this transaction, see section "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*".

Organizational Structure

The diagram below sets forth a simplified overview of our corporate structure as of the date of this Prospectus.



(1) Mr. Pablo Miguel Otín Pintado, as CEO of Powertis, has a right to receive in October 2022 shares representing an additional 1% of the Company's share capital existing immediately prior to the Offering as compensation, subject to certain performance conditions. For additional details, see section "*Principal Shareholders—Shareholders Agreements*".

A full list of our subsidiaries is available in Annex I to the Unaudited Interim Condensed Consolidated Financial Statements.

Soltec Industrial (Trackers and Construction Services)

We offer a wide range of products and services in order to service our final customers and have the ability to operate as an integrated solar PV company, covering the full range of development, equipment supply, construction and O&M services. The following table sets forth the total installed capacity of the projects to which we have supplied trackers.

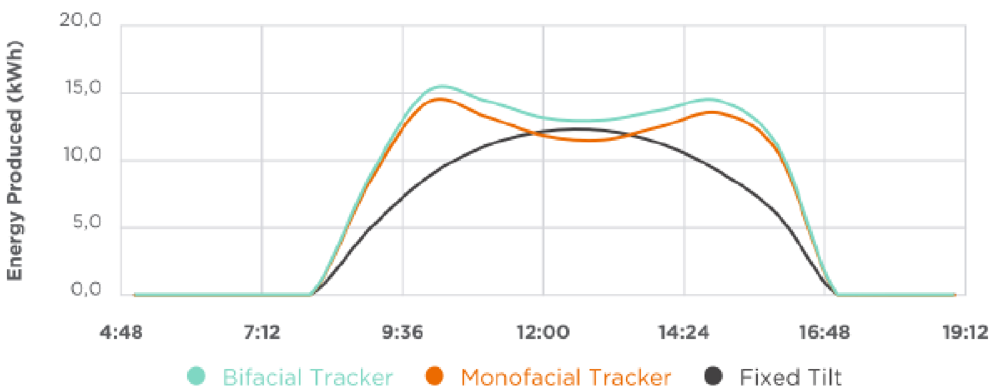
(MWs)	Six months ended June 30, 2020	2019	2018	2017	2016	2015	2014	2013-2005	Total
Installed capacity	994.3	2,909.0	1,514.9	1,033.5	319.8	255.3	72.5	40.0	**7,139.3**

The following map sets forth the locations of the solar power projects for which we have provided our trackers and related installation and construction services as of June 30, 2020.

Products

We engage in the design, manufacture and supply of solar trackers and related components. A solar tracker is an integrated system on which solar panels are mounted and which orients such solar panels at an optimal angle to the sun, boosting energy production. We have supplied solar trackers to projects with installed capacity of 7.1 GW worldwide. Solar trackers are able to increase production of solar power projects by 15-25% compared to fixed-tilt installations by extending production hours, producing more energy when the cost of electricity is typically higher. The following graphic sets forth the amount of energy that can be produced by the same PV modules in the same location and at the same time, with the use of a bi-facial tracker, which allows for the collection of light from both sides of the tracker, a monofacial tracker, which allows for the collection of light only from one side, or a fixed-tilt installation, which does not move to orient the solar panel more directly toward the sun. This graphic, which refers to measures taken on a specific date in a particular location, is provided for illustrative purposes only, as energy production varies depending on, among other factors, the geographic location of the solar trackers.

Increased Production of Single-axis Trackers: Bi-facial Tracker vs. Monofacial Tracker (100 MW – Murcia, March 2, 2019)



Source: Soltec Power Holdings

In addition to our installation and construction services discussed below, we offer installation services to our tracker customers, in particular for new customers and particularly complex installation sites. We have provided installation services to approximately 10%, in terms of revenues, of the projects to which we have supplied trackers in 2019. We subcontract installation services to temporary construction personnel under the supervision of our construction managers. Moreover, we offer BoP services to manage the various supporting components and auxiliary systems of a solar power project that are needed to deliver energy.

Solar trackers typically comprise approximately 20% of the cost to construct solar power projects, while solar modules and inverters represent approximately 40% and 7%, respectively. Construction and other costs typically comprise approximately 33% of the cost to construct solar power projects.

The following sections set forth information regarding our solar trackers.

SF7 Single-Axis Tracker

Our principal product is our SF7 single-axis tracker, which we launched in 2017. The SF7 single-axis tracker is an integrated structure onto which solar panels are mounted and which includes a motor in order to orient the solar panels at an optimal angle to the sun, boosting energy production. The following is an image of our SF7 single-axis tracker.

Our SF7 single-axis tracker is a high-yield tracker with flexible land-use options, which we believe makes it a cost-effective option for developers of solar power projects. The SF7 single-axis tracker leaves no gaps between panels, increasing yield density by up to 5% compared with trackers with gaps between panels. Moreover, as a result of our TeamTrack technology, our trackers can each move independently, allowing each tracker to maximize the exposure to solar energy of its mounted solar panels. Our trackers can be powered independently or self-powered, and control systems allow for communication with the tracker by wired or wireless technologies, depending on the site conditions and the customer's preference. We believe our trackers require 46% fewer piles per MW, 17% fewer assembly parts, 58% fewer screw connections, less wiring and less installation labor compared with those of our competition, leading to lower BoP costs and higher MW installation rates for our customers. The SF7 is a shorter tracker compared with our competitors, allowing it to adjust better to terrain. The SF7 can be installed on an incline of up to 17%, and therefore fewer civil works are needed to prepare the terrain for installation of the solar power project. We typically sell our trackers with ten-year warranties for piles and structures and five-year warranties for gears, motors and electronics.

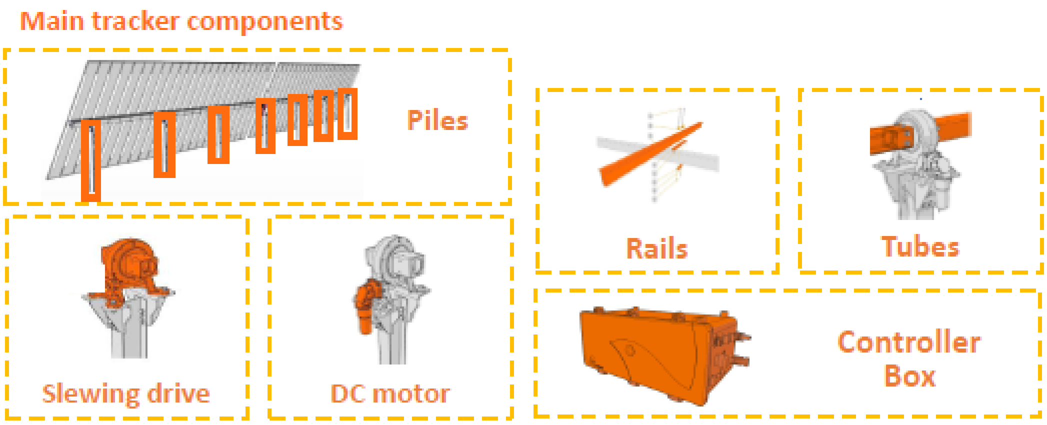
SF7 Bi-facial Tracker

Our SF7 bi-facial tracker, which we launched in 2017, is designed for the mounting of bi-facial solar panels that collect sunlight on both sides of the panel. The following is an image of our SF7 bi-facial tracker.

Our SF7 bi-facial tracker allows for the collection of light from both sides by capturing sunlight reflected from the surface of the land under the solar tracker. Our bi-facial trackers can increase energy production by up to 25% compared with fixed-tilt installations. The SF7 bi-facial tracker utilizes a two-up portrait module mounting to eliminate backside shading from the torque tube. Moreover, this solution allows for the elimination of hanging wires and manages cable through the torque tube, reducing both the total amount of wire needed and installation labor. Our SF7 bi-facial trackers are typically installed at increased heights compared with single-faced trackers, thereby reducing the intensity of shadows cast by the trackers. Moreover, elevating these trackers allows for natural refrigeration, increasing output from the PV panels. Our SF7 bi-facial trackers are mounted with wider aisles between them, allowing for increased reflected solar energy and improved accessibility for cleaning and other O&M services.

Our SF7 bi-facial trackers provide up to a 15.7% gain over single-faced trackers under high albedo conditions. Further, our SF7 bi-facial trackers provide up to a 2.1% gain over bi-facial trackers utilizing one-up portrait, which consists of using one module in vertical in contrast with the two modules in vertical supported by our bi-facial trackers. Moreover, our SF7 bi-facial trackers reduce total wires by up to 83% and installation labor by up to 75%, with 46% fewer piles per MW compared to single-faced trackers (source: Company information). We believe these advantages allow our customers to maximize the amount of reflected solar energy captured and significantly increase power density.

The following graphic sets forth the main components of our SF7 single-axis and SF7 bi-facial trackers.

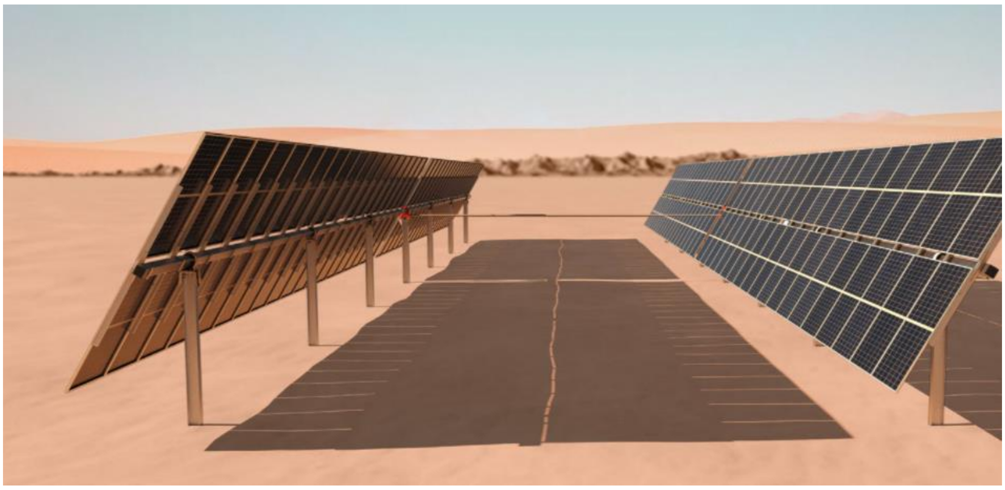


SF7 Tandem

We launched our SF7 Tandem trackers in July 2020 and expect to start installing them during the first quarter of 2021.

Our model SF7 Tandem is aimed at improving efficiency, by reducing costs of materials, as a result of combining features of a two-up-portrait configuration with those of a two-row tracker. The SF7 Tandem tracker contains two slewing-drives, one tracker controller and one motor. Its Cardan shaft is conveniently located at 1.8 meters to ease operating and maintenance activities and to ensure system functionality under various weather and terrain conditions. We have reduced the number of parts that comprise our SF7 Tandem model, providing simplicity to its design. In particular, our SF7 Tandem requires 50% fewer motors and tracker controllers compared to our SF7 model. We believe that our SF7 Tandem is a cost-effective option with optimized installation and operation characteristics.

The following is an image of our SF7 Tandem tracker.



SF8 and SF8 Bi-facial Trackers

We launched our new models, SF8 and SF8 bi-facial trackers, in September 2020 and expect to start installing them during 2021.

Our SF8 single-axis tracker is aimed at improving the performance of PV plants and has been designed to incorporate larger panels and to provide an enhanced resilience to wind. The SF8 has a four to six strings configuration with a supersized torque tube with refined geometry and a multi-drive transmission system incorporated within the tracker structure. We believe that the inclusion of two or more drives per tracker provides higher wind resistance. In addition, our SF8 tracker is integrated by autonomous electronic components, which helps ensure a more secure position during episodes of high wind.

In addition, we have reduced the number of parts that comprise our SF8 single-axis tracker, which we believe eases the installation of our trackers and therefore reduces the need for labor and expedites the installation process. In particular, our SF8 contains 5.2% fewer parts per module than our previous generation of trackers (SF7).

We believe that the SF8 single-axis tracker, as a result of our TeamTrack technology, diffuse-stow and meteorological control, increases yield density by up to 6% compared with solar trackers without asymmetric backtracking in inclined terrains, diffuse-stow and meteorological control. We believe that our SF8 bi-facial tracker, as a result of our Bi-facial TeamTrack technology, which adapts its algorithm to maximize production from both the front and the rear sides, increases yield density by up to 0.5% compared with bi-facial trackers with an algorithm not optimized for bi-facial production. Further, we believe that our SF8 bi-facial trackers increase yield density by up to 2.1% compared with bi-facial trackers utilizing one-up portrait, which consists of a single module in a vertical position, in contrast with the two modules in a vertical position supported by our bi-facial trackers. (Source: Company information). We believe these advantages allow our customers to maximize the amount of reflected solar energy captured and increase power density.

The SF8, like the SF7, can be installed on an incline of up to 17%, which means that fewer civil works are needed to prepare the terrain for installation of the solar power project. We typically sell our trackers with ten-year warranties for piles and structures and five-year warranties for gears, motors and electronics.

We continually study and refine our bi-facial trackers at BiTEC, our bi-facial tracker evaluation center in Livermore, California, United States. For additional information, see "—*Research and Development*".

Installation and Construction Services

We offer installation and construction services to our clients prior to operating of a solar power project, and additionally we offer O&M services once a project has entered into operation. Our installation and construction services are typically offered as an added benefit for new customers, complex installation sites and upon request from our customers. We provided installation services in connection with approximately 10%, in terms of revenues, of projects that we supplied in 2019.

Our tracker installation services typically last up to four months. We leverage our deep expertise and understanding of our products to provide these value-added installation services. Installation services are contracted to temporary construction personnel under supervision of our construction managers, and feedback from such installation activity is used to help our research and development professionals better understand practical installation challenges and refine our technology. In addition to tracker installation services, we also provide balance of plant (BoP) services to address all supporting components and auxiliary systems that are needed to deliver energy generated by a project, as well as EPC services to our project development business line. These may include transformers, inverters and supporting structures, among others, depending on the type of plant.

In the development and financing stages of a solar power project, we work together with project owners in the initial stages prior to achieving ready-to-build status. In early stage development, our project-owner client obtains land rights, lays out the project, undertakes preliminary studies and applies for grid access, with Soltec Industrial participating in business opportunities analysis and generally providing technical support throughout this phase. During the permitting phase, the project owner undertakes permitting and entitlement, with Soltec Industrial providing technical support.

During construction, Soltec Industrial is able to provide installation and construction services, managing all aspects and stages of building a solar power project, including permitting, engineering, construction and commissioning. In engineering, we provide basic and detailed engineering, construction-related permit services, commissioning and management of the grid connection application process. Our expert engineering team has extensive experience designing large-scale solar power projects. If requested by our customers, we undertake the procurement of main equipment and subcontractors, with procurement and negotiation capabilities for utility-scale projects, and we undertake civil, mechanical and electrical construction works through connection to the grid.

Commissioning, O&M and Other Services

We provide full commissioning services, consisting of a verification process in order to certify that a solar power project meets all the design, procurement, installation and construction requirements and is ready to be put into operation. Our commissioning work begins with planning, training and advisory services before undertaking on-site execution of the commissioning plan. Following COD, we issue a final commissioning report and support our customers through Solmate and our O&M services.

Additionally, we also offer more limited on-site advisory, logistics, training and installation services. We guide our customers through the details of logistics, site work and equipment installation during construction, leaving them better prepared for the construction and operation of solar power projects that utilize our trackers and promoting project schedules, cost control and quality. While our training services are typically aimed at prevention of problems, we are also able to respond quickly when situations require an urgent response. Our commissioning protocols are performed by specialized engineers with an aim to meeting commercial operations deadlines and improving long-term operating reliability of the project.

Once a solar power project is operational, we occasionally provide O&M services, including with respect to equipment that we have not supplied, such as solar panels. We have deep knowledge of solar power project maintenance technologies and techniques as well as extensive experience in the operation and maintenance of solar plants, including undertaking maintenance for most of the projects where we supplied solar trackers. We provide our customers with expertise in risk management during the life of solar power projects, including the evaluation of risks related to the land and wind. We expect to serve as O&M contractor for the solar power projects developed by Powertis.

We also offer our Solmate after-sales service to all of our customers. Solmate is our customer service platform through which we offer warranty, care and operation and maintenance services to our customers. Solmate receives warranty claims, proposes the most appropriate solution for each case, and oversees the implementation of such solutions. Building on our local presence and Solhub warehouses in Spain, Brazil, Chile, Mexico and Argentina, we aim to provide fast responses to our customers and maximize the availability of trackers and other equipment in order to keep our customers' projects fully operational. Moreover, we view Solmate as a key channel for cross-selling our various services, including training and O&M services.

Engineering Services

Our engineers provide extensive project engineering services for each project for which we supply solar trackers, with an aim to maximize yield for each site in light of its unique land constraints and to ensure that they comply with valid specifications for processes, products and services. As part of our engineering services, we have dedicated project managers that guide our customer through each phase of a project. In addition, our engineering department is responsible for assessing incidents, providing project updates and general technical support to our other departments and customers, as well as conducting inspections and technical validation for new projects.

When undertaking estimations for new projects, our engineers undertake the planning, organization and control of material, human and financial resources for a project, considering priorities, coordination and requirements from other departments and customers. After carefully analyzing business opportunities, our engineers produce detailed estimations to support the sales team. Additionally, they continually monitor developments in the market.

Following receipt of a purchase order and building on work undertaken during the sales phase, we typically produce a final layout and project budget within one month.

Our Customers, Order Backlog and Order Pipeline

We count among our clients renowned energy companies around the world. For Enel Green Power, the renewable energy division of the Enel Group, we have supplied trackers for large-scale solar projects as well as providing commissioning and O&M services. Enel Green Power has over 1.6 GW in projects supplied by us, of which more than 1 GW is located in Latin America. We also work with Powerchina, a state-owned company. Powerchina has more than 670 MW in projects supplied by us, all of which are located in Mexico and Latin America. Another of our main customers is Engie. Engie has over 570 MW in projects supplied by us, all of which are located in Latin America and North America. We also supply our SF7 trackers to TSK, which has over 380 MW in projects supplied by us, all of which are located in Egypt and Argentina. Another main customer is Grupo Cobra, the primary developer, EPC and O&M contractor of the ACS Group. Grupo Cobra has over 340 MW in projects supplied by us, all of which are located in Spain.

For the six months ended June 30, 2020, Solar Century Holdings was our top customer, representing 25% of revenues, followed by Enel Green Power, representing 17% of revenues and PCL Construction Services, representing 15% of revenues. In 2019, Enel Green Power was our top customer, representing 31% of revenues, followed by Powerchina, representing 19% of revenues and Metka, representing 7% of revenues.

In 2018, Engie was our top customer, representing 17% of revenues, followed by Enel Green Power, representing 16% of revenues and TSK, representing 14% of revenues. In 2017, Enel Green Power was our top customer, representing 67% of revenues, followed by Engie, representing 19% of revenues and Cypress Creek, representing 4% of revenues.

As of June 30, 2020, we have supplied solar trackers to projects with a total installed capacity of 7.1 GW around the world. The following table sets forth the breakdown by country, in terms of MWs, as a percentage of our total installed capacity as of June 30, 2020.

Country	Total installed capacity in terms of MWs (%)
Brazil	25.9%
Mexico	21.3%
Spain	16.1%
USA	9.2%
Chile	9.1%
Egypt	7.5%
Argentina	2.9%
Peru	2.5%
Australia	2.2%
Colombia	1.3%
Namibia	0.7%
Others	1.3%

Out of that total (7.1 GW), we have delivered trackers for projects with a total of 1.0 GW of installed capacity in the six months ended June 30, 2020, 2.9 GW in 2019, 1.5 GW in 2018 and 1.0 GW in 2017. For additional information on the evolution of the total installed capacity of the projects to which we have supplied trackers, see "—*Soltec Industrial (Trackers and Construction Services)*".

We define our order backlog as projects for which we have signed underlying agreements. We had a geographically diversified order backlog that amounted to €189.8 million and represented an installed capacity of 1.8 GW as of June 30, 2020. Our order backlog is primarily focused on Latin America, the United States and Spain, and is comprised of projects with renowned companies around the world. The following tables set forth information regarding our order backlog by customer and country as of June 30, 2020.

Customer	Order backlog
Enel Green Power	45.1%
AES	17.8%
Newen New Energies	15.6%
PCL Construction Services	4.9%
Sterling and Wilson	4.4%
Jinko Power	3.2%
EDF Renewables	2.7%
Solaria	2.5%
Grupo Ortiz	2.5%
Other	1.5%

Country	Order backlog
Chile	56.3%
Brazil	15.7%
USA	15.5%
Spain	6.1%
Australia	4.4%
Panama	1.5%
Israel	0.3%
Mexico	0.2%

We define our order pipeline as projects not yet signed but which we believe have potential to be signed in the future. Our order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020, amounted to €2,148 million, representing potential projects with a total installed capacity of 17.6 GW, of which €77 million or 0.9 GW represented potential projects to be undertaken by the relevant project developer in 2020, €1,282 million or 13.4 GW represented potential projects to be undertaken by the relevant project developer in

2021 and €789 million or 3.4 GW represented potential projects to be undertaken by the relevant project developer in 2022. Of this total pipeline, in terms of value, 46% is for projects located in Latin America, 38% for Europe, the Middle East and Africa, 14% for Asia-Pacific and 2% for the United States. The following tables set forth information regarding our order pipeline by customer and country as of June 30, 2020.

Customer	Order pipeline	Customer	Order pipeline
Powertis (incl. Total)	33.8%	Alten	1.4%
ACWA	11.2%	Grupo Cobra	1.4%
Emirates Water & Electricity	7.5%	Clean Energy	1.1%
Adani	7.1%	APA	1.0%
ENEL Green Power	5.7%	NextenergyCapital	1.0%
Canadian Solar	5.1%	Grenergy	0.8%
Brookfield	3.4%	Metka	0.8%
AES	2.8%	HiveEnergy/Noy Fund	0.7%
Atlas	2.5%	AMP Energy Green	0.6%
Elecnor	2.3%	WEG EPC	0.5%
Voltalia	1.8%	Engie	0.5%
Naturgy	1.7%	Jinko	0.5%
Akuo	1.6%	Other	3.2%

Country	Order pipeline	Country	Order pipeline
Brazil	34.7%	USA	1.9%
Spain	17.2%	Colombia	1.1%
Saudi Arabia	11.2%	Peru	0.7%
India	8.1%	Malaysia	0.5%
United Arab Emirates	7.5%	Armenia	0.3%
Mexico	6.8%	Israel	0.1%
Australia	5.2%	Mozambique	0.1%
Chile	2.6%	Greece	0.1%
Portugal	2.1%		

The following tables sets forth our industrial order backlog and pipeline in millions of euros and MWs, respectively, as of June 30, 2020. The following table sets forth information only as of June 30, 2020, and we can provide no assurance that we will be successful in converting our order backlog and order pipeline into revenues. Although we assign various achievement probabilities for each project to reflect our estimate of the probability we will sign an agreement, we can make no assurances regarding the reasonability of such probabilities or our ability to be successful in converting our pipeline into signed agreements now or in the future. All or a substantial portion of the projects in our order pipeline may not be signed or, if signed, successful. In particular, approximately 33% of our order pipeline as of June 30, 2020, in terms of value, related to projects that we currently estimate have a likelihood lower than 50% of resulting in projects being awarded to us. We may not reach an agreement on projects included in our pipeline, or they may not be signed or successful if signed, and prospective investors are therefore cautioned not to place undue reliance on our pipeline. In addition, revenues could differ materially from our estimates as a result of many factors, including, but not limited to, those described under sections "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements*" and "*Risk Factors*".

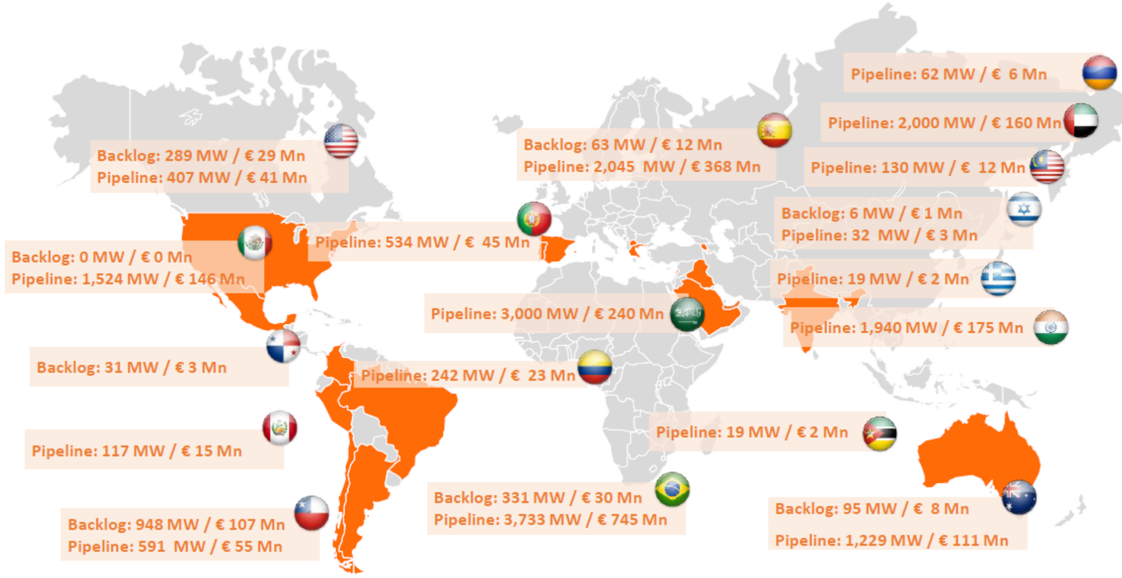
(millions of euros)	Order backlog (Signed)	Order Pipeline[1] (Our estimate of probability of signing)						
		80-100%	70-80%	60-70%	50-60%	25-50%	0-25%	Total Pipeline
Chile	**107**	17	–	–	38	–	–	**55**
Spain	**12**	252	14	–	20	2	81	**369**
USA	**29**	6	2	4	–	15	13	**40**
Brazil	**30**	4	–	557	150	21	14	**746**
Mexico	–	51	–	–	95	–	–	**146**
Australia	**8**	–	–	–	3	5	102	**110**
Panama	**3**	–	–	–	–	–	–	**–**
Israel	**1**	–	–	–	–	3	–	**3**
Colombia	**–**	18	–	–	5	–	–	**23**
Armenia	**–**	–	6	–	–	–	–	**6**
Greece	**–**	2	–	–	–	–	–	**2**
Portugal	**–**	–	–	–	11	–	34	**45**
United Arab Emirates	**–**	–	–	–	160	–	–	**160**
India	**–**	–	–	–	–	–	175	**175**
Malaysia	**–**	–	–	–	–	–	12	**12**
Saudi Arabia	**–**	–	–	–	–	–	240	**240**
Mozambique	**–**	–	–	–	–	2	–	**2**
Peru	**–**	15	–	–	–	–	–	**15**
Total	**190**	**365**	**22**	**561**	**482**	**48**	**670**	**2,148**

(1) Totals are calculated as the sums of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement.

(MWs)	Order backlog (signed)	Order Pipeline[1] (Our estimate of probability of signing)						
		80-100%	70-80%	60-70%	50-60%	25-50%	0-25%	Total Pipeline
Chile	**948**	200	–	–	391	–	–	**591**
Spain	**63**	779	170	–	190	19	886	**2,044**
USA	**290**	59	19	44	–	155	130	**407**
Brazil	**331**	37	–	1,751	1,583	210	152	**3,733**
Mexico	–	572	–	–	952	–	–	**1,524**
Australia	**95**	–	–	–	35	60	1,134	**1,229**
Panama	**31**	–	–	–	–	–	–	**–**
Israel	**6**	–	–	–	–	32	–	**32**
Colombia	**–**	187	–	–	55	–	–	**242**
Armenia	**–**	–	62	–	–	–	–	**62**
Greece	**–**	19	–	–	–	–	–	**19**
Portugal	**–**	–	–	–	134	–	400	**534**
United Arab Emirates	**–**	–	–	–	2,000	–	–	**2,000**
India	**–**	–	–	–	–	–	1,940	**1,940**
Malaysia	**–**	–	–	–	–	–	130	**130**
Saudi Arabia	**–**	–	–	–	–	–	3,000	**3,000**
Mozambique	**–**	–	–	–	–	19	–	**19**
Peru	–	117	–	–	–	–	–	**117**
Total	**1,764**	**1,970**	**251**	**1,795**	**5,340**	**494**	**7,772**	**17,624**

(1) Totals are calculated as the sums of potential MWs from such projects, not weighted by our estimate of the probability we will sign an agreement.

The following map sets forth information by country on our order backlog and our order pipeline as of June 30, 2020 in both millions of euros and MW.



The following table sets forth certain information regarding the projects included in our order backlog as of June 30, 2020. Each line of the table provides information about a different project, except for the line under the caption "Others", which refers to the aggregate of other smaller projects.

Project	Region	Country	Pending supply	Pending income recognition
			(MW)	(In millions of euros)
Project 1	LatAm	Chile	397.6	44.5
Project 2	LatAm	Brazil	330.1	29.6
Project 3	LatAm	Chile	200.8	28.6
Project 4	LatAm	Chile	180.0	17.1
Project 5	LatAm	Chile	111.0	12.1
Project 6	North America	USA	95.3	9.3
Project 7	North America	USA	90.0	9.1
Project 8	APAC	Australia	94.9	8.3
Project 9	EMEA	Spain	11.0	6.1
Project 10	EMEA	Spain	49.0	4.7
Project 11	North America	USA	45.0	4.6
Project 12	LatAm	Chile	58.0	4.3
Project 13	North America	USA	34.9	3.7
Project 14	LatAm	Panama	31.4	2.9
Project 15	North America	USA	13.0	1.4
Project 16	North America	USA	11.4	1.3
Project 17	EMEA	Israel	5.8	0.6
Project 18	LatAm	Mexico	–	0.4
Project 19	EMEA	Spain	–	0.4
Project 20	EMEA	Spain	3.0	0.3
Others	–	–	1.9	0.4
Total			**1,764.1**	**189.8**

The following table sets forth certain information regarding the projects included in our order pipeline as of June 30, 2020. Each line of the table provides information about a different project, except for the line under the caption "Others", which refers to the aggregate of other smaller projects.

Project	Region	Country	Possible supply	Potential price
			(MW)	(In millions of euros)
Project 1	LatAm	Brazil	668	397
Project 2	EMEA	Spain	370	217
Project 3	EMEA	United Arab Emirates	2,000	160
Project 4	EMEA	Saudi Arabia	2,000	160
Project 5	APAC	India	1,700	153
Project 6	EMEA	Saudi Arabia	750	60
Project 7	LatAm	Brazil	122	54
Project 8	LatAm	Brazil	121	54
Project 9	LatAm	Brazil	590	53
Project 10	LatAm	Brazil	840	52
Project 11	APAC	Australia	477	43
Project 12	LatAm	Mexico	422	42
Project 13	EMEA	Spain	364	36
Project 14	LatAm	Brazil	360	36
Project 15	LatAm	Mexico	420	36
Project 16	EMEA	Portugal	400	34
Project 17	LatAm	Mexico	300	30
Project 18	EMEA	Spain	400	30
Project 19	LatAm	Brazil	270	27
Project 20	APAC	Australia	283	25
Project 21	LatAm	Mexico	230	23
Project 22	APAC	Australia	242	22
Project 23	LatAm	Brazil	210	21
Project 24	LatAm	Chile	205	21
Project 25	EMEA	Saudi Arabia	250	20
Project 26	LatAm	Colombia	187	18
Project 27	LatAm	Chile	200	17
Project 28	EMEA	Spain	200	17
Project 29	North America	USA	155	16
Project 30	LatAm	Peru	117	15
Others	–	–	2,770	259
Total			**17,624**	**2,148**

The following table sets forth certain information regarding the criteria by which we assign probabilities of signing to projects in our order pipeline.

Bid status	Bid probability assigned by Company
Contract signed	100%
Memorandum of understanding (Existing customer)	100%
Memorandum of understanding (New customer)	90%
Letter of intent (Existing customer)	80%
Letter of intent (New customer)	70%
Contract under negotiation (Existing customer)	70%
Contract under negotiation (New customer)	60%
Shortlisted (Two contenders)	50%
Shortlisted (Three contenders)	33%
Shortlisted (Four contenders)	25%
Shortlisted (Five contenders)	20%
Offer updated to same client (Existing customer)	10%
Offer (Existing customer)	10%
Offer updated to same client (New customer)	5%
Offer (New customer)	5%
Offer not sent: Out of market price	—
Offer lost	—
Offer closed: Customer discarded	—

Sales and Marketing

Our sales team is a key department in our organization, reporting directly to our CEO. Our sales team consists of approximately 25 full-time employees based around the world in key regional offices. Our regional sales coverage is divided into four groups, Asia Pacific; Europe, Middle East and Africa; Latin

America and North America, each led by a vice president of sales with the exception of Asia Pacific, which is led by vice presidents of sales in both India and Australia. We continually work to approach new customers and build relationships in the market. Once discussions have become focused on a specific project, we typically undertake detailed project discussions and provide a quote within one to two months.

Our sales employees are incentivized with commissions for successfully closing deals, with the total sales incentive pool amounting to 2.5% of the gross margin of a sale and distributed among all levels of the sales team, including vice presidents of sales, country sales managers, account managers and sales engineers. Individual sales incentives range from 5% to 10% of the total incentive pool for sales engineers, from 20% to 30% for sales managers, from 30% to 40% for key account managers and from 40% to 50% for vice presidents of sales.

Our sales contracts typically reflect lump-sum pricing, without pass-through of raw material costs. In order to mitigate any associated risk, we generally aim to close the price of raw materials to be purchased, mostly steel, prior to the signing of the contract. In our sales contracts, we typically agree to pay liquidated damages in case of delays in deliveries, with such liquidated damages usually capped at 10% of the contract price. Generally our aggregate liability is capped at the sales price, with consequential damages and loss of profit excluded from our liability, except in cases of fraud or willful misconduct. Typically our customers pay 10% at contract signing, 80% proportional to deliveries and 10% upon project commissioning. We usually provide ten-year warranties for piles and structures and five-year warranties on gears, motors and electronics. We typically obtain bank or surety bonds to cover advance payment (10% of the contract price for six months), performance of the contract (10% for 12 months) and warranty (5% for 24 months from commissioning).

We maintain 20 sales offices around the world. The following map shows the locations of our offices, including, in green, the offices of Powertis.

Procurement, Logistics and Manufacturing

Our procurement department is a key component of our business and works closely with our other departments to ensure that we are able to deliver on schedule and within budget by securing manufacturing capacity for each project and managing all aspects of procurement with suppliers including raw materials planning, agreements with steel manufacturers, standardization, evaluation of shipment costs, analysis of customs duties for raw materials, sourcing, bidding and structuring of supply master service agreements. In 2019, we purchased €200 million in raw materials and components, purchased 124 thousand tons of steel and sent 10 thousand containers. We have agreements with major steel manufacturers to help manage fluctuating raw material costs, and our procurement department carefully evaluates shipping costs and customs duties to select appropriate suppliers for each project. Our materials purchases generally comprised approximately 60% for steel parts and approximately 40% for electronics, software and others.

In addition to purchasing, our procurement department is closely involved in our manufacturing activities. Procurement manages all aspects of planning and supply of our manufacturing activities, coordinating closely with quality and engineering at each step of the process. In particular, we manufacture the tracker controller and communication assemblies of our solar trackers. All of our in-house manufacturing is undertaken in our Murcia, Spain and Salvador de Bahia, Brazil facilities. In Murcia, we have one facility for the manufacture of the tracker controller and communication assemblies of our solar trackers, as well as third-party on-site contracting welding operations. In Salvador de Bahia, we have an additional facility for the manufacture of the tracker controller and communication assemblies of our solar trackers. In addition to our in-house manufacturing capabilities, we have outsourced contract manufacturing capabilities for non-core components based in Australia, South Korea, China, Turkey, Spain, Portugal, France, Germany, Austria, Italy, Brazil, Argentina and Mexico.

Our logistics department works closely with procurement in order to ensure that raw materials and finished products arrive on time and that we can maintain our commitments to our customers. We manage every step of the logistics process, including securing shipping from factory to site. We arrange final delivery to the site through acceptance by the customer. Our logistics department is involved from the bid stage, reviewing all contracts to ensure that we can meet our obligations. Once a project is awarded to us, we engage our supply chain to support the successful completion of the project.

Our logistics operations rely heavily on our Solhub warehousing centers, which provide innovative warehousing and logistics services. We have Solhubs in Murcia, Spain; Lauro de Freitas, Brazil; Buenos Aires, Argentina; Queretaro, Mexico; Santiago, Chile; and Antofagasta, Chile. Our Solhubs allow us to receive, warehouse and batch-ship tracker equipment for final delivery to project sites in compliance with our contractual milestone obligations and without relying on intermediary handling companies.

Quality, Environment, Health and Safety

Our quality department works to ensure that our services comply with existing specifications, norms and standards, as well as with applicable laws and regulations related to quality, environment, health and safety. Quality compliance checks are undertaken at every stage of the process, from the reception of raw materials, manufacturing and quality testing. Our quality department works to continually improve our processes and prevent contamination, damage and injury. As part of this effort, we maintain dialogue with our clients regarding matters of quality, environment, health and safety, and we organize training and awareness programs for our employees.

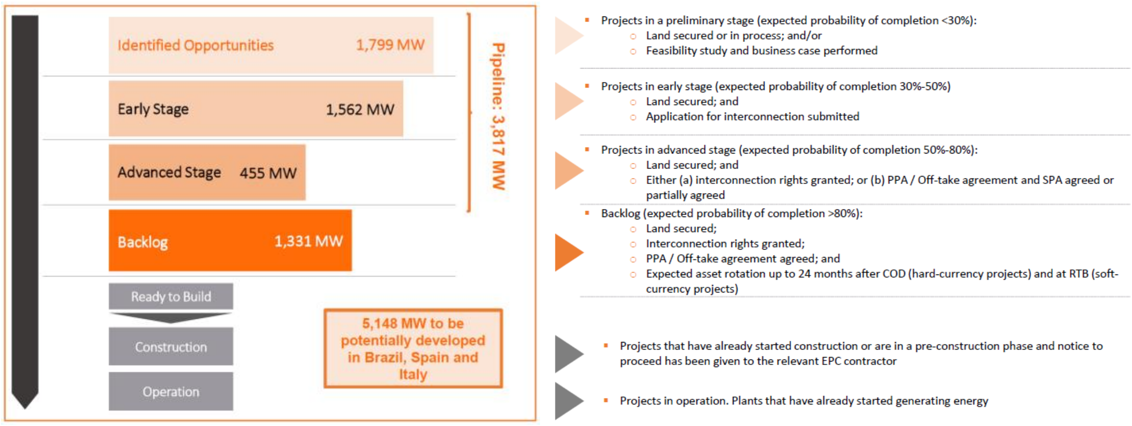
In addition to generally ensuring that manufacturing activities are executed according to specifications, we have quality controls at each major step of our manufacturing operations. Quality tests are undertaken when raw materials are received, during manufacturing, and on final products following manufacturing. Moreover, we have received numerous environment, health and safety certifications including for OHSAS 18001, ISO 9001, ISO 14001, LTR AE-002, CSA, UNE-EN 1090 and UL 3703. Enel also recognized us for good practices at our Rubi project in Peru.

Project Development

Powertis is our solar power project development division which develops and sells to third parties solar power projects in its core markets in Europe and Latin America. Our project development team has extensive experience in the entire breadth of a project lifecycle, from land procurement and transmission integration, to financing and operations, and our lean development platform is designed to maximize investment returns. Our asset rotation strategy calls for our divestment during a period of up to 24 months after COD in hard-currency projects (currently only in euros) and at RTB in soft-currency projects (currently only in Brazilian reals). At the financing stage, we partner with other investors in our development activities and may hold less-than-majority stakes in our projects. References in this Prospectus to “our projects” refer to projects for which we are primarily responsible for development and may include projects in which we hold a minority stake.

We currently develop projects in Brazil (with projects amounting to approximately 1,331 MW in our development backlog and 838 MW in our development pipeline), Spain (with projects amounting to approximately 1,800 MW in our development pipeline) and Italy (with projects amounting to approximately 1,179 MW in our development pipeline). As of the date of this Prospectus, given the relatively recent establishment of our project development division, none of our projects has entered the construction stage, given that our projects do not enter such stage until we have reached an agreement for their subsequent sale, as described below in connection with the construction and operating stages of our development projects, and three projects have entered into limited notice to proceed with Soltec ER to ensure the construction schedule preceding the sale of the assets. We are currently in negotiations with third parties for the sale of our most advanced projects. In March and April 2019, we acquired several SPVs for the development and construction of two solar PV projects in Brazil (Leo Silveira and Araxá) and in March 2020 we obtained the effective control of an SPV for the development and construction of a solar PV project in Brazil (Pedranopolis), in respect of which Powertis had made advanced payments in 2018 and 2019 amounting to €7,836 thousand in the aggregate. The total price of such acquisitions amounted to €24,238 thousand. For additional information regarding these acquisitions, see Notes 5 and 9 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2.6.a.iv to the Company 2019 Audited Consolidated Financial Statements. In September 2020, we entered into a sale agreement with a third party for the sale of the Leo Silveira project, one of our development backlog projects as of June 30, 2020. For additional details on this transaction, see sections “*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*” and “*Operating and Financial Review—Recent Developments—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*”.

The following graphic sets forth information regarding our development backlog and the three categories of our development pipeline (advanced stage, early stage and identified opportunities) as of June 30, 2020, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed.



Our development backlog consists of projects with (i) land secured, (ii) interconnection rights granted, (iii) a PPA or other off-taker arrangement in place and (iv) expected asset rotation during a period of up to 24 months after COD in hard-currency projects (currently only in euros) and at RTB in soft-currency projects (currently only in Brazilian reals). We have assigned an expected probability of completion of over 80% to the projects in our development backlog, although we can provide no assurance that any such projects will ultimately be completed or that we will ultimately be successful in rotating such assets.

The following table sets forth information regarding the five projects currently in our development backlog as of June 30, 2020.

	Development Backlog				
Project Name	Araxá	Pedranopolis	Leo Silveira[1]	Graviola	Sol de Varzea
Country	Brazil	Brazil	Brazil	Brazil	Brazil
Location	Minas Gerais	Sao Paulo	Minas Gerais	Piauí	Minas Gerais
Capacity (MW)	112.5	112.5	619	375	112.5
Project Ownership	100%	100%	100%	100%	100%
Land Rights	Obtained	Obtained	Obtained	Obtained	Obtained
Interconnection Rights	Obtained	Obtained	Obtained	Ongoing	Ongoing
Environmental Approvals	Obtained	Obtained	Obtained	Ongoing	Obtained
Financing	Secured	Secured	In negotiation	Secured	In negotiation
Off-taker Arrangement/PPA	Obtained	Obtained	Partially Obtained	Obtained	In negotiation
PPA Contract Signing	Obtained	Obtained	Partially Obtained	Obtained	Q4/2020
Partner/Counterparty	Tradener	Tradener	Cemig (60%) Tradener (40%)	Aneel (45%) Copel (55%)	Tradener
PPA Term	20	20	19	15/20	TBD
Share Purchase Agreement	In negotiation	In negotiation	In negotiation	Q4/2020	Q1/2021
Expected Interconnection Rights Award	Obtained	Obtained	Obtained	Q1/2021	Dec-20
Environmental Licenses Obtained	Obtained	Obtained	Q4/2020	Jun-21	Obtained
Expected Ready to Build	Obtained	Obtained	Jun 21	Jun-21	Q1/2021
Construction Starting Date	Jan-21	Mar-21	Jun-21	Jun-21	Dec-21
Expected COD	Jan-22	Jan-22	Jan-23	Jan-23	Jan-23
Off-taker	Utility	Utility	Utility	Utility/Regulated	-
Detailed Sources & Uses	Obtained	Obtained	Obtained	Ongoing	Ongoing
Expected Total Investment ('000 EUR) [2]	46,399	48,425	240,589	147,300	44,190
Obtained from Debt	68%	66%	70%	70%	70%
Obtained from Equity	32%	34%	30%	30%	30%
Acquisition Price Agreed ('000 EUR)[2]	2,486	2,486	14,178	3,928	2,209
Payments made ('000 EUR) [2]	994	994	3,544	786	655
Pending payments ('000 EUR) [2]	1,491	1,491	10,633	3,142	1,555

(1) We entered into a sale agreement with a third party for the sale of this project in September 2020. For additional details on this transaction, see section "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*".

(2) Amounts in euros for the Brazilian projects have been estimated using the foreign exchange rate between the Brazilian real and the euro as of June 30, 2020.

In addition, as of June 30, 2020, we had an advanced-stage development pipeline of 455 MW, or 12% of our development pipeline, consisting of projects where:

(i) the land has been secured; and

(ii) either (a) the interconnections rights have been granted or (b) an off-taking arrangement or PPA or other purchase agreement has been agreed or partially agreed.

We assign an expected probability of completion of between 50% and 80% to such projects.

The following table sets forth information regarding the 13 projects currently in our advanced-stage development pipeline:

Location	Capacity	Site control	Interconnection rights	Environmental approvals	Financing	Off-taker arrangement / PPA	Expected RTB	Expected COD
	(MW)							
Spain	200	✓	✓	Ongoing	Pending	Pending	Jun-22	May-23
Spain	90	✓	✓	Ongoing	Pending	Pending	Jun-22	May-23
Spain	8	✓	✓	Ongoing	Pending	Pending	Apr-21	Nov-21
Spain	5	✓	✓	Ongoing	Pending	Pending	Feb-21	Sep-22
Spain	14	✓	✓	Ongoing	Pending	Pending	Apr-21	Nov-21
Spain	10	✓	✓	Ongoing	Pending	Pending	Jun-21	May-22
Spain	10	✓	✓	Ongoing	Pending	Pending	Jun-21	May-22
Spain	20	✓	✓	Ongoing	Pending	Pending	Apr-21	Nov-21
Spain	13	✓	✓	Ongoing	Pending	Pending	Aug-21	Mar-22
Spain	17	✓	✓	Ongoing	Pending	Pending	Sep-21	Apr-22
Spain	12	✓	✓	Ongoing	Pending	Pending	Sep-21	Apr-22
Spain	4	✓	✓	Obtained	Pending	Pending	Sep-20	Jan-21
Italy	52	✓	✓	Ongoing	Pending	Pending	Aug-21	Dec-22
Total	**455**							

Further, as of June 30, 2020, we had an early-stage development pipeline of 1,562 MW, or 41% of our development pipeline, consisting of projects where:

(i) the land has been secured; and

(ii) the application for interconnection rights has been submitted.

We assign an expected probability of completion of between 30% and 50% to such projects.

Finally, as of June 30, 2020, we had identified opportunities in a preliminary stage of 1,799 MW, or 47% of our development pipeline, consisting of projects where:

(i) the land has been, or is in the process of being, secured; and/or

(ii) a feasibility study has been undertaken and a business case evaluation has been performed.

We assign an expected probability of completion of under 30% to such projects.

Although we assign probabilities of completion to each of the projects in our development backlog and development pipeline, we can make no assurances regarding the reasonability of such probabilities or our ability to complete such projects in the future. All or a substantial portion of the projects in our development pipeline may not be developed or successful if developed. In particular, as of June 30, 2020, approximately 88% of our development pipeline related to projects that we currently estimate have a likelihood lower than 50% of completion. We may not develop projects included in our pipeline, or they may not be successful, and prospective investors are therefore cautioned not to place undue reliance on our pipeline. Projects may never actually be initiated by the relevant authority, or, if initiated, may not be bid on by us. In addition, revenues for projects we complete could differ materially from our estimates as a result of many factors, including, but not limited to, those described under sections "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements*" and "*Risk Factors*".

The following table sets forth the estimated number of potential MW in our development backlog, and in the three categories of our development pipeline, by country as of June 30, 2020.

(MW)		**Development pipeline**(1)				**Total development backlog and pipeline**(1)
	Development backlog	**Advanced stage**	**Early stage**	**Identified opportunities**	**Total Pipeline**	
Brazil	**1,331.5**	–	–	838	**838**	**2,169.5**
Spain	–	403.5	655	741	**1,799.5**	**1,799.5**
Italy	–	52	907	220	**1,179**	**1,179**
Total	**1,331.5**	**455.5**	**1,562**	**1,799**	**3,816.5**	**5,148**

(1) Totals are calculated as the sums of potential MWs not weighted by our estimate of the probability that the project will be completed.

The development of a solar power project typically requires two to four years to complete prior to commercial operation. We classify this process into four broad stages: (i) development, (ii) financing, (iii) construction and (iv) operation, which follows entry into commercial operation. Our classification categories have been developed by us, and they may not be comparable with those used by other companies in our industry.

In the development stage of our projects, which typically takes 12 to 14 months, we leverage our existing skills and experience to own and manage the development process through early stage development and permitting. In this phase, we take advantage of our deep relationships in local markets, identifying suitable sites and obtaining land rights. Once we are assured of control of the target land through a lease option contract or other means, we undertake geological, environmental and meteorological studies. During this stage we also provide warranty deposits and guarantees. With our engineering department, we undertake a preliminary layout and design of the site. Finally, in the development stage, we begin processing permits and other administrative procedures associated with obtaining the operating and building permits required to complete the project and connect it to the local power grid. Depending on local regulations, these permits typically include an environmental impact declaration issued by the applicable environmental authority, administrative authorization and project approval permitting construction of a project based on its plans, interconnection agreements with the local grid operator and, if necessary, a public utility declaration related to expropriation of lands necessary to complete the project.

In the financing stage, which typically takes four to six months, we define the main equipment needed for the project and negotiate and close the main supply and EPC contracts. We undertake detailed analyses of the investment return for capital invested in the project and work to optimize its capital and tax structure. Additionally, we typically enter into PPAs or confirm eligibility for participation in the local tariff or remuneration scheme, depending on the location of the project and applicable laws. We finance new projects with project finance structures, involving the creation of a legally and economically independent project company generally financed with debt on a non-recourse basis to us and with equity supplied by us and, in certain cases, other investors. Negotiations with the lending banks establish the proportion of equity to be contributed to the vehicle (between 5% and 40%), the detailed terms and conditions of the debt to be arranged (including the term, interest rates and guarantees) and the various reports by outside providers that the lending banks will require, including solar studies. In addition, this type of financing generally includes the entering into of certain other contracts to help ensure a successful project, such as the provision of various guarantees. In general, the security package for each of these project financings involves assignment of rights under project contracts and pledges of the shares in the project company in favor of the lenders. We manage all aspects of project finance, including tax optimization, and we structure and negotiate our PPAs with purchasers. Finally, in the financing stage we begin to analyze opportunities for potential sale of the project.

In the construction stage, which typically takes five to 12 months, our industrial business line undertakes engineering, procurement and construction activities while simultaneously supervising execution to ensure compliance with our various project agreements, including our PPAs, financing agreements, EPC agreements and permits. This stage, which we commence only after an agreement is reached with a third party for the sale of the relevant project, includes earthwork and civil engineering (including grading of a site and the provision of access roads), electrical works (laying the cables and installing equipment to connect to the network) and installation of technical components including trackers and solar panels.

With respect to the operation stage, our business plan is to sell our projects to third parties either during a period of up to 24 months after COD in hard-currency projects (currently only in euros) or at RTB in soft-currency projects (currently only in Brazilian reals). However, we may operate them prior to any such sale. We also expect to undertake O&M activities with respect to the projects we develop.

We may employ a partnership structure for our projects, with both development and ownership vehicles, allowing our capital partners to share in a greater portion of the value chain with the aim to achieve attractive long-term returns.

Powertis entered into a joint venture with Total Solar Ibérica S.L. Unipersonal, a wholly-owned subsidiary of Total Solar International S.A.S., on January 30, 2020, through which we have agreed to jointly develop, finance, construct and operate up to 1,000 MW of greenfield solar PV facilities in Spain. Powertis has agreed to provide exclusivity to Total in Spain until February 2021 for projects of 2.5 MW in size or greater. Total holds a right to purchase 65% of Powertis' projects once land and interconnection rights have been secured. In addition, Total holds a right of first offer (ROFO) as preferred PPA provider, while we hold a ROFO as preferred tracker supplier and we have a right to perform EPC services on an "open books" and "cost plus" basis. For additional information on the collaboration agreement, including with regard to certain drag-along and matching rights, see "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal".*

In the context of this collaboration agreement, the transfer of 65% of the shares of Amber Solar Power Uno, S.L., Amber Solar Power Tres, S.L., Amber Solar Power Cuatro, S.L., Amber Solar Power Cinco, S.L. and Luminora Solar Cuatro, S.L., consisting of projects with 46.5 MW in the aggregate, was executed in March 2020. This transaction resulted in the recording of a consolidated profit of €1,367 thousand in the six months ended June 30, 2020 and entailed receiving approximately €931 thousand as the agreed consideration for the transfer of the 65% stakes. For information on these and other more recent transactions under the collaboration agreement, see "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*" and "*Operating and Financial Review—Recent Developments—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*".

Facilities

The table below sets forth the location and primary activity of our principal facilities, each of which we lease, as of the date of this Prospectus.

Location	Primary Activity
Murcia, Spain	Corporate offices, manufacturing, Solhub, test site, innovations, engineering and construction, supply chain, sales, quality and EHS
Madrid, Spain	Risk management, internal audit, investor relations, EMEA sales, legal and Powertis
Salvador de Bahia, Brazil	Offices, sales, manufacturing, supply chain, sales, engineering and construction
Lauro de Freitas, Brazil	Solhub
Livermore, California, United States	Offices, sales, engineering and construction and BiTEC test site
Buenos Aires, Argentina	Solhub
Salta, Argentina	Offices
Queretaro, Mexico	Solhub
Ciudad de Mexico, Mexico	Offices, engineering and construction, sales and supply chain
Santiago, Chile	Offices, engineering and construction, sales, supply chain and Solhub
Antofagasta, Chile	Solhub, offices
Shanghai, China	Offices, supply chain and sales
Sydney, Australia	Offices, engineering, construction and sales
New Delhi, India	Offices and sales
Bogotá, Colombia	Offices

In addition to the above facilities, we also have representative offices in Kenya, Portugal, Egypt, Italy, Israel and Denmark.

Research and Development

Innovation is part of our corporate culture, and we have a strong commitment to research and development. In the six months ended June 30, 2020, we invested €1.4 million in research and development, of which €758 thousand was expensed and €625 thousand was capitalized. In 2019, we invested €1.9 million in research and development, of which €0.9 million was expensed and €1.0 million was capitalized, compared to €1.6 million in 2018, of which €1.2 million was expensed and €0.4 million was capitalized.

At the beginning of 2019, we consolidated our research and development activities under our wholly owned subsidiary, Soltec Innovations. Its primary purpose is to research and develop new designs and improve processes to add value to our products and services, including through the optimization of procurement, generation and construction. We use feedback from our installations and other activities in order to better understand the practical challenges of installations and refine our technology. Soltec Innovations is the legal owner of the intellectual and industrial property rights it develops, with the Company or one of its subsidiaries, as applicable, paying royalties to Soltec Innovations for the intellectual and industrial property licensed. As of the date of this Prospectus, Soltec Innovations has over 20 employees fully devoted to research and development activities.

BiTEC is our bi-facial tracker evaluation center in Livermore, California, United States. At BiTEC, we have been studying bi-facial trackers in order to optimize layout, energy yield and the tracking algorithm for bi-facial applications by measuring reflected sunlight in different soil conditions, measuring different tracker heights and pitches and adjusting our TeamTrack system, all in varying climatic conditions.

In addition, we carry out field tests at our headquarters in Murcia, Spain. In Murcia, we also undertake extensive research and development activities in order to continually improve our product and service offerings.

Intellectual and Industrial Property

We have 35 registered patents and utility models pertaining to our products and processes and an additional 81 patents and utility models applications at different stages of the corresponding registration processes. These industrial property rights have been obtained and applied for in a variety of locations, including the European Union, Spain, the United States, Chile, Hong Kong, Australia, Germany, France, Italy, Mexico, Peru, Brazil, India, Argentina and China, among others. We take a proactive approach to the protection of our proprietary knowledge and rely on confidentiality agreements when discussing technical matters with other parties, including our customers.

We have registered the “Soltec” trademark in the European Union, the United States, Egypt, Algeria, Mexico, Australia and India, and we have applied for registration of the “Soltec” trademark in several other countries, including Chile and Argentina. Similarly, we have registered the “Powertis” trademark in Brazil and the European Union. Among other trademarks that we have registered or applied for registration in different locations, we have also registered the “Soltec Power Holdings”, “SF7”, “SF8”, “SF8 Bifacial”, “Solmate”, “Solhub”, “TeamTrack”, “Solarfighter” and “Soltec Innovations” trademarks in the European Union.

Legal Proceedings

We are not currently subject to any legal claims or administrative proceedings that we believe that, if decided adversely to us, would be likely to have a material effect on our business, financial condition or results of operations. In the course of our operating history, we have not been required to make any significant payments pursuant to judicial judgments entered against us. We have not recorded material provisions in connection with legal claims against us.

Employees

The table below sets forth the average number of persons employed by categories during the six months ended June 30, 2020 and each of the years ended December 31, 2019, 2018 and 2017.

	Six months ended June 30,	Year ended December 31,		
	2020	**2019**	**2018**	**2017**
General manager	-	-	1	1
Area director	44	65	6	8
Technical director	150	150	20	39
Technical staff	237	225	167	155
Administration staff	152	101	67	124
Laborers	786	832	354	783
Total	**1,369**	**1,373**	**615**	**1,110**

The table below sets forth the total number of full time and project-related (temporary) employees as of June 30, 2020 and as of December 31, 2019, 2018 and 2017.

	As of June 30,	As of December 31,		
	2020	**2019**	**2018**	**2017**
Full time employees	425	441	274	251
Project-related employees	898	1,188	299	444
Total	**1,323**	**1,629**	**573**	**695**

Variations in the number of total persons that we employ is due mainly to the number of local laborers working temporarily on our different projects worldwide, which is subject to significant fluctuation. In particular, as of June 30, 2020, approximately 898 out of our 1,323 employees were temporary employees. Our use of local temporary labor is aligned with our philosophy to collaborate with our clients in the development of local economies, and provides us with flexibility to adapt our working force to the requirements of our projects at a given time.

Approximately 94% of our employees are subject to collective bargaining agreements. We consider our relationships with our employees to be satisfactory. Although we have experienced minor labor disputes in the past, we have been able to address them without any relevant work interruptions.

Insurance

We maintain insurance policies for our operations that we believe are substantially in line with that of similar companies in the industry and that exceeds legal requirements. We work mainly with a renowned insurance broker to maintain a comprehensive insurance program through a portfolio of esteemed insurers worldwide to address our potential risks regarding damages, business losses, liabilities and financial matters. Our insurance program is in full effect, with all due premiums paid.

Although our insurance does not cover every potential risk associated with our business, we believe that our insurance coverage is adequate and in line with industry practice.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering

We believe that the Offering is the natural next step in the long-term development of the Company.

The Offering is expected to expand our shareholder base by incorporating institutional investors and a diversified base of international shareholders, thus improving our access to public capital markets (including for debt instruments) that could help us obtain financing to be used for our future growth.

In this regard, we believe that the Offering will enable us to expand our shareholder base so as to reach a free float of between 37% (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and no exercise of the Over-allotment Option) and 40.7% (assuming that the New Offered Shares are sold in full at the mid-point price of the Offering Price Range and the Over-allotment Option is exercised in full) of our total issued share capital upon Admission, thus satisfying the minimum required threshold of distribution of shares for admission to trading on the Spanish Stock Exchanges and on the SIB (which, in accordance with Spanish Royal Decree 1310/2005 of November 4, and subject to certain exceptions, involves reaching a free float of at least 25% of the shares admitted to trading).

We believe that becoming a publicly listed company will also provide us with additional advantages, including brand recognition, enhanced transparency and corporate governance, reinforced institutional profile and a tool for the retention and incentivization of the management team through stock incentive schemes (see section "*Management and Board of Directors—Compensation*"), as well as strengthening and institutionalizing the relationships of the Company with its internal and external stakeholders.

Use of Proceeds

The Offering will permit us to raise gross proceeds of approximately €150 million from the issue of the New Offered Shares in the Offering. We intend to pay fees and expenses of the Offering amounting to approximately €12.1 million (excluding any applicable VAT) if the Over-allotment Option (up to 10% of the New Offered Shares) is exercised in full, out of such gross proceeds raised in the Offering. Accordingly, we expect to raise net proceeds of approximately €137.9 million through the issue of the New Offered Shares in the Offering (see details in section "*Expected Timetable and Offering Statistics—Offering Statistics*").

We intend to use the net proceeds from the issue of the New Offered Shares to finance the growth of the Company through the execution of the business plan for Soltec ER and Powertis, our industrial and project development business lines, respectively. In particular, we expect to use (i) around €77.9-87.9 million to reinforce the execution of the business plan for Soltec ER in particular by reinforcing its balance sheet to improve its capacity to obtain additional bank guarantees and potentially reduce the leverage of the Company (i.e., Net Debt-to-Adjusted EBITDA) from approximately 4.26x as of December 31, 2019 down to approximately 1.0–1.5x by receiving proceeds from the Offering and further developing the Company's business plan; and (ii) around €60-50 million to fund the current Powertis project development business plan. "Net Debt-to-Adjusted EBITDA" is an APM. For additional information on this APM, see sections "*Operating and Financial Review—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". The proceeds of the Offering will not be used to repay our Syndicated Debt Facility or any other financial indebtedness (see details in section "*Material Contracts—Syndicated Debt Facility*").

DIVIDEND POLICY

Dividends and Dividend Policy

In the near term, we intend to devote our generated cash flows to continue growing our business and executing our business plan, including capital expenditures at various projects. We do not plan to distribute dividends during the next three years. After that period, we will reassess our dividend policy and the payment of future dividends based, among other things, on our financial performance and business prospects.

Our ability to distribute dividends in the near future will depend on a number of factors, including (but not limited to) the amount of distributable profits and reserves and our investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under general applicable law (both on the Company and on any Group entity), compliance with covenants in the debt instruments, the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as our Board of Directors or the general meeting of shareholders may deem relevant from time to time. In that regard, payment of dividends are generally proposed by the Board of Directors and must be approved by the general meeting of shareholders.

On September 28, 2018, we entered into a Syndicated Debt Facility, including a guarantee line, for a total of €100 million, in order to finance future growth, including certain solar tracker supply and installation projects, as well as to provide additional liquidity in order to better adapt to changing market conditions. The Syndicated Debt Facility forbids us from distributing any dividends during the term of the facility which terminates on September 28, 2021, if not extended pursuant to its terms. For additional information on our Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

Holders of Shares will be entitled to receive any future dividends, which will be declared on the basis set out in our Bylaws (as defined below). For additional information, see "*Description of Share Capital—Dividend and Liquidation Rights*".

Dividend distribution per share for each financial year corresponding to the historical financial information

The following table sets forth the dividend per share distributed by the Company, Soltec ER and Powertis against net profit or distributable reserves for the six months ended June 30, 2020 and the financial years ended December 31, 2019, 2018 and 2017:

	Dividends (in euro)							
	Six months ended June 30, 2020		Year ended December 31, 2019		Year ended December 31, 2018		Year ended December 31, 2017	
	Dividend	Dividend per share	Dividend	Dividend per share	Dividend	Dividend per share	Dividend	Dividend per share
Company(1)	—	—	—	—	—	—	—	—
Soltec ER	—	—	—	—	—	—	3,370,308.21	4.09
Powertis(1)	—	—	—	—	—	—	—	—

(1) The Company and Powertis were recently incorporated in December 2019 and September 2018, respectively, and, therefore, their historical financial information is limited in terms of dividend distribution. For additional information, see section "*Presentation of Financial Information and Other Important Notices*"

Any dividends will be paid in euros. Dividends are declared and paid pro rata according to the number of shares held by each shareholder. Dividends declared but not yet paid do not bear interest.

Our expectations in relation to dividends, distributable reserves, business performance and market conditions are subject to numerous assumptions, risks and uncertainties, which may be beyond our control. See "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements*". For a discussion of risks faced by our business, see "*Risk Factors*" section.

Legal and Regulatory Requirements

Our ability to distribute dividends may be restricted under general Spanish corporate laws and regulations. Spanish corporate law requires companies incorporated in Spain to contribute at least 10% of their net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the respective company's issued share capital. The legal reserve, up to the amount of 20% of the share capital, may only be used to offset losses provided, however, that no other reserve is available for such purposes. Legal reserves may be distributed to shareholders in the event of liquidation or when exceeding 20% of the share capital. As of June 30, 2020, the balance of our legal reserve was zero. Accordingly, after the Offering, at least 10% of the net income of the following year(s) will have to be contributed until the balance of such reserve is equivalent to at least 20% of our issued share capital as described above.

In addition to the above, until research and development costs are amortized in full, we cannot distribute dividends unless we constitute a non-distributable reserve for an amount equal to the research and development costs pending to be amortized. In this regard, our research and development costs pending to be amortized amount to €2,015 thousand as of June 30, 2020, and we have constituted a non-distributable reserve for the purposes set forth above that as of June 30, 2020 amounts to €632 thousand. See section "*Risk Factors—We do not expect to distribute dividends in at least the next three years, and there is no assurance that we will pay dividends or regarding the level of any such dividends in the future*".

Taxation on Dividends under Spanish Law

Under current Spanish tax legislation, any dividend distributions made by us in the future will be subject to tax. See section "*Taxation*" for a discussion of certain aspects of the taxation of dividends.

CAPITALIZATION AND INDEBTEDNESS

The following section presents the capitalization and indebtedness of the Company as of August 31, 2020. This section should be read together with sections "Presentation of Financial Information and Other Important Notices", "Selected Financial Information", and "Operating and Financial Review", and the Financial Statements and related notes thereto included elsewhere in or incorporated by reference into this Prospectus.

Representation Concerning Working Capital

In the opinion of the Company the working capital available to the Company is sufficient for the Company's present requirements and, in particular, is sufficient for at least the next 12 months from the date of this Prospectus. To arrive to this opinion the Company has taken into account the net proceeds from the Offering.

As set forth in sections "*Risk Factors—We currently operate with negative working capital. No assurance can be provided that the financial imbalance existing as of June 30, 2020 will not continue and that we will report positive working capital in the future, which may prevent us from continuing as an operating company*" and "*Operating and Financial Review—Key Factors Affecting our Business, Financial Condition, Results of Operations and Prospects—Negative working capital; going concern*", during the six months ended June 30, 2020, the Company incurred consolidated net losses of €9,301 thousand. The Company recorded a short-term financial imbalance in its working capital of approximately €35.9 million and €17.9 million, respectively, as of June 30, 2020 and as of December 31, 2019.

The Managers and the Company expect, upon the finalization of the book-building period and setting of the Offering Price (expected to be on or about October 27, 2020), to enter into an underwriting agreement with respect to 100% of the Qualified Investors Shares being offered by the Company in the Offering and, if any, the Additional Shares to be sold by the Selling Shareholder.

Banco Santander, acting in the name and for the account of the Managers, shall pay for the New Offered Shares at the Offering Price, without deduction of any commissions and expenses, the next business day following subscription of the underwriting agreement.

For details of when, and under which circumstances, the Offering may be revoked or suspended, see section "*Plan of Distribution—Withdrawal and Revocation of the Offering*".

Capitalization and Indebtedness

The following tables set forth (i) the Company's capitalization and indebtedness as of August 31, 2020, (ii) the adjustments to the Company's capitalization and indebtedness required to reflect the Offering and the net proceeds thereof (assuming the Offering is fully subscribed), and (iii) the Company's total capitalization and indebtedness adjusted to reflect the Offering and the net proceeds thereof as of August 31, 2020.

The Company did not have any contingent liabilities as of August 31, 2020.

Statement of capitalization

	As of August 31, 2020 (unaudited)	Adjustments for the net proceeds of the Offering of the New Offered Shares[(1)]	As adjusted (as of August 31, 2020) (unaudited)
	(in thousands of euros)		
Total current debt (including current portion of non-current debt)	**97,097**	**—**	**97,097**
– Guaranteed	5,824	—	5,824
– Secured	79,709	—	79,709
– Unguaranteed / unsecured	11,564	—	11,564
Total non-current debt (excluding current portion of non-current debt)	**14,396**	**—**	**14,396**
– Guaranteed	4,100	—	4,100
– Secured	—	—	—
– Unguaranteed / unsecured	10,296	—	10,296
Total shareholders equity	**8,041[(2)]**	**150,000**	**145,941**
– Share capital	15,060	9,419	24,479
– Legal reserve(s)	—	—	—
– Other reserves	(7,019)	140,581	121,462
Total	**119,534**	**150,000**	**257,434**

(1) Adjustments are calculated under the assumption that (i) the Offering raises €137.9 million net proceeds –which implies that discretional fees are paid in full–, (ii) the Over-allotment Option is exercised in full and (iii) the share premium of the Offering has been calculated considering a nominal value of €0.25 per share and a €3.66 Offering Price.

(2) As of June 30, 2020 the Company had a negative total shareholders equity of €2,375 thousand. The increase to a €8,041 thousand total shareholders equity is mainly due to the Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal. For more information see section "*Operating and Financial Review—Recent Developments*".

Statement of indebtedness

		As of August 31, 2020 (unaudited)	Adjustments for the net proceeds of the Offering of the New Offered Shares[(1)]	As adjusted (as of August 31, 2020) (unaudited)
		(in thousands of euros)		
A	Cash	6,036	137,900	143,936
B	Cash equivalents	2,749	—	2,749
C	Other current financial assets	—	—	—
D	**Liquidity** (A + B + C)	**8,785**	**137,900**	**146,685**
E	Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	86,583	—	86,583
F	Current portion of non-current financial debt	10,514	—	10,514
G	**Current financial indebtedness** (E + F)	**97,097**	**—**	**97,097**
H	**Net current financial indebtedness** (G - D)	**88,312**	**(137,900)**	**(49,588)**
I	Non-current financial debt (excluding current portion and debt instruments)	12,124	—	12,124

J	Debt instruments	—	—	—
K	Non-current trade and other payables	2,272	—	2,272
L	**Non-current financial indebtedness** (I + J + K)	**14,396**	**—**	**14,396**
M	**Total financial indebtedness** (H + L)	**102,708**	**(137,900)**	**(35,192)**

(1) Adjustments are calculated under the assumption that (i) the Offering raises €137.9 million net proceeds –which implies that discretional fees are paid in full–, and (ii) the Over-allotment Option is exercised in full.

Financial indebtedness includes liabilities related to leases. In particular, €7,743 thousand corresponds to non-current debts and €1,295 thousand corresponds to current debts. These figures are calculated with an incremental borrowing interest rate determined in accordance with IFRS16.

There are no restrictions on the availability of cash and cash equivalents.

SELECTED FINANCIAL INFORMATION

The following tables present the Company's selected consolidated financial information as of June 30, 2020 and for the six months ended June 30, 2020 and 2019 and as of and for the year ended December 31, 2019 and Soltec ER's selected consolidated financial information as of and for each of the years ended December 31, 2018 and 2017.

The selected consolidated financial information as of June 30, 2020 and for the six months ended June 30, 2020 and 2019 is derived from, and should be reviewed together with, the Unaudited Interim Condensed Consolidated Financial Statements, including the related notes thereto, prepared in accordance with IAS 34 and incorporated by reference into this Prospectus. The selected audited consolidated financial information as of and for each of the years ended December 31, 2019, 2018, and 2017 is derived from, and should be reviewed together with, the Audited Financial Statements, in each case including the related notes thereto, prepared in accordance with IFRS-EU. The Audited Financial Statements are incorporated by reference into this Prospectus.

The following tables should be read together with sections *"Presentation of Financial Information and Other Important Notices"* and "*Operating and Financial Review*", and the Financial Statements and the related notes thereto incorporated by reference in this Prospectus.

Balance Sheet

	As of June 30,	As of December 31,		
	2020[(1)]	**2019[(2)]**	**2018[(3)]**	**2017[(4)]**
	(In thousands of euros)			
NON-CURRENT ASSETS				
Intangible fixed assets	**27,809**	**34,045**	**1,245**	**1,297**
Development	2,015	1,610	957	917
Other intangible fixed assets	25,794	32,435	288	380
Property, plant and equipment	**7,549**	**7,259**	**5,095**	**4,818**
Land and buildings	2,999	2,449	2,314	2,130
Technical facilities and other tangible fixed assets	4,550	4,810	2,781	2,688
Right of use	**8,442**	**9,088**	**8,989**	**8,417**
Investments accounted for using the equity method	**547**	–	–	–
Non-current financial assets	**5,387**	**4,985**	**562**	**432**
Deferred tax assets	**9,120**	**4,339**	**1,466**	**245**
Total non-current assets	**58,854**	**59,716**	**17,357**	**15,209**
CURRENT ASSETS				
Inventories	**32,359**	**25,461**	**23,564**	**13,824**
Trade and other receivables	**84,363**	**117,644**	**49,810**	**34,267**
Trade receivables	84,340	117,533	49,780	34,207
Sundry debtors	23	111	30	60
Credits with Public Entities	**10,724**	**18,386**	**10,516**	**6,200**
Current tax assets	1,229	1,241	1,194	551
Other credits with Public Entities	9,495	17,145	9,322	5,649
Short-term investments in Group, Multigroup and Associate companies	**23**	–	–	–
Current financial assets	**1,038**	**3,191**	**5,249**	**6,900**
Other current financial assets	105	3,191	3,731	6,836
Derivatives	933	–	1,518	64
Other current assets	**2,658**	**797**	**446**	**316**
Cash and cash equivalents	**11,158**	**25,935**	**19,140**	**4,287**
Total current assets	**142,323**	**191,414**	**108,725**	**65,794**
TOTAL ASSETS	**201,177**	**251,130**	**126,082**	**81,003**
EQUITY				
Capital and reserves				
Share Capital	15,060	15,060	824	824
Reserves	2,647	1,220	12,573	3,928
Translation differences	(10,784)	363	(33)	252
Accumulated gains	(9,319)	1,338	1,093	9,955
Equity attributed to the Parent Company	**(2,396)**	**17,981**	**14,457**	**14,959**
Non-controlling interests	**21**	**1**	**(1)**	**(1)**
Total equity	**(2,375)**	**17,982**	**14,456**	**14,958**

	As of June 30,	As of December 31,		
	2020[(1)]	2019[(2)]	2018[(3)]	2017[(4)]
	(In thousands of euros)			
NON-CURRENT LIABILITIES				
Total non-current financial liabilities	**18,279**	**15,552**	**7,815**	**7,121**
Non-current debts with credit institutions	–	–	9	13
Other non-current financial liabilities	18,279	15,552	7,635	7,108
Derivatives	–	–	171	–
Non-current provisions	**1,379**	**181**	**44**	**248**
Deferred tax liabilities	**5,674**	**8,073**	**44**	**105**
Total non-current liabilities	**25,332**	**23,806**	**7,903**	**7,474**
CURRENT LIABILITIES				
Current financial liabilities	**98,488**	**100,340**	**70,541**	**41,389**
Current debts with credit institutions	84,751	82,320	69,060	38,473
Other current financial liabilities	12,476	15,552	1,242	2,916
Derivatives	1,261	2,468	239	–
Commercial creditors and other accounts payable	**75,639**	**103,125**	**31,532**	**13,885**
Suppliers	68,014	89,333	29,809	3,603
Other creditors	7,625	13,792	1,723	10,282
Debts with Public Entities	**2,881**	**5,283**	**1,650**	**3,291**
Current tax liabilities	907	1,084	488	1,308
Other debts with Public Entities	1,974	4,199	1,162	1,983
Current provisions	**1,212**	**594**	**–**	**6**
Total current liabilities	**178,220**	**209,342**	**103,723**	**58,571**
TOTAL EQUITY AND LIABILITIES	**201,177**	**251,130**	**126,082**	**81,003**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Income Statement

	For the six months ended June 30,		For the year ended December 31,		
	2020[(1)]	2019[(1)]	2019[(2)]	2018[(3)]	2017[(4)]
	(In thousands of euros)				
Net revenues	115,695	121,819	356,812	165,954	176,910
Changes in inventories of finished and semi-finished products	(148)	1,269	917	1,324	234
Other operating income	1,803	833	1,762	606	845
Works carried out by the group for its assets	625	204	968	390	377
Supplies	(86,517)	(91,072)	(260,679)	(127,564)	(114,793)
Personnel expenses	(20,053)	(13,996)	(32,309)	(15,548)	(21,487)
Other operating expenses	(23,825)	(18,253)	(49,750)	(20,102)	(30,819)
Depreciation of fixed-assets	(1,636)	(2,260)	(4,386)	(2,220)	(1,916)
Profit/(loss) from the sale of fixed assets and others	(175)	4	(204)	(12)	(55)
Other profit/(loss)	(287)	10	2,318	209	3,802
OPERATING PROFIT/(LOSS)	**(14,518)**	**(1,442)**	**15,449**	**3,037**	**13,098**
Net financial revenue	60	108	149	4	295
Financial expenses	(2,838)	(2,644)	(5,221)	(2,358)	(1,656)
Changes in the fair value of financial instruments	3,996	(2,543)	(5,394)	1,317	1,040
Net exchange gains/(losses)	(317)	(330)	(3,947)	(3,047)	(4,239)
Loss of net monetary position	(151)	(11)	(289)	–	–
Other net finance income/expenses	1	(387)	(387)	–	–
NET FINANCIAL INCOME	**751**	**(5,807)**	**(15,089)**	**(4,084)**	**(4,560)**
Share of profit/(loss) investments valued using the equity method	(77)	–	–	–	2,358
INCOME BEFORE TAX	**(13,844)**	**(7,249)**	**360**	**(1,047)**	**10,896**
Income tax	4,543	1,845	980	911	(2,248)
CONSOLIDATED NET INCOME FOR THE PERIOD/FINANCIAL YEAR	**(9,301)**	**(5,404)**	**1,340**	**(136)**	**8,648**
Profit/(Loss) attributed to the Parent Company	(9,319)	(5,391)	1,338	(136)	8,649

	For the six months ended June 30,		For the year ended December 31,		
	2020(1)	2019(1)	2019(2)	2018(3)	2017(4)
	(In thousands of euros)				
Profit/(Loss) attributed to non-controlling interests...	18	(13)	2	–	(1)

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Cash Flow Statement

	For the six months ended June 30,		For the year ended December 31,		
	2020(1)	2019(1)	2019(2)	2018(3)	2017(4)
	(In thousands of euros)				
CASH FLOW FROM OPERATING ACTIVITIES (I)	**(17,612)**	**(16,044)**	**4,789**	**(12,641)**	**(4,935)**
Pre-tax financial year income	**(13,844)**	**(7,249)**	**360**	**(1,047)**	**10,896**
Adjustments to income	**2,840**	**10,067**	**17,411**	**5,807**	**(2,141)**
Changes in working capital	**(3,852)**	**(17,383)**	**(6,655)**	**(13,869)**	**(10,634)**
Other cash flows from operating activities	**(2,756)**	**(1,479)**	**(6,327)**	**(3,532)**	**(3,056)**
CASH FLOWS FROM INVESTMENT ACTIVITIES (II)	**(937)**	**(6,341)**	**(10,427)**	**1,419**	**528**
Investment payments	**(4,052)**	**(10,831)**	**(12,920)**	**(1,711)**	**(2,399)**
Collections from divestments	**3,115**	**4,490**	**2,493**	**3,130**	**2,927**
CASH FLOWS FROM FINANCING ACTIVITIES (III)	**3,435**	**10,979**	**31,001**	**26,255**	**5,161**
Collections and (payments) from equity instruments	**–**	**–**	**19,257**	**–**	**–**
Collections and (payments) from financial liability instruments	**3,435**	**10,979**	**11,744**	**26,255**	**8,531**
Payment of dividends and return on other equity instruments	**–**	**–**	**–**	**–**	**(3,370)**
EFFECT OF TRANSLATIONS DIFFERENCES (IV)	**337**	**(193)**	**572**	**(180)**	**(61)**
NET INCREASE/(DECREASE) OF CASH AND CASH EQUIVALENTS (I+II+III+IV)	**(14,777)**	**(11,599)**	**25,935**	**14,853**	**693**
Cash and cash equivalents at start of the period	**25,935**	**19,257**	**–**	**4,287**	**3,594**
Cash and cash equivalents at the end of the financial year	**11,158**	**7,658**	**25,935**	**19,140**	**4,287**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Balance Sheet by Segments

	As of June 30, 2020(1)			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
ASSETS				
Non-current assets	**30,779**	**28,398**	**(323)**	**58,854**
Intangible fixed assets	2,390	25,419	–	27,809
Property, plant and equipment	7,350	199	–	7,549

	As of June 30, 2020[1]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
Right of use	8,321	121	–	8,442
Investments accounted for using the equity method	–	547	–	547
Long-term investments in Group, Multigroup and Associate companies	2,533	437	(2,970)	–
Non-current financial assets	4,255	1,132	–	5,387
Deferred tax assets	5,930	543	2,647	9,120
CURRENT ASSETS	**141,217**	**2,623**	**(1,517)**	**142,323**
Inventories	32,358	–	1	32,359
Trade and other receivables	86,379	369	(2,385)	84,363
Credits with public entities	9,606	349	769	10,724
Short-term investments in Group, Multigroup and Associate companies	936	23	(936)	23
Current financial assets	1,037	–	–	1,038
Other current assets	862	790	1,006	2,658
Cash and cash equivalents	10,039	1,092	27	11,158
TOTAL ASSETS	**171,996**	**31,021**	**(1,840)**	**201,177**
EQUITY AND LIABILITIES				
EQUITY	**1,874**	**(4,162)**	**(87)**	**(2,375)**
Capital and reserves	16,329	1,451	(73)	17,707
Accumulated gains	(9,103)	(167)	(49)	(9,319)
Exchange rates differences	(5,370)	(5,447)	33	(10,784)
Equity attributed to the parent company	**1,856**	(4,163)	**(89)**	**(2,396)**
Non-controlling interests	**18**	**1**	**2**	**21**
NON-CURRENT LIABILITIES	**9,434**	**16,318**	**(420)**	**25,332**
Total non-current financial liabilities	8,038	10,661	**(420)**	18,279
Non-current provisions	1,379	–	–	1,379
Deferred tax liabilities	17	5,657	–	5,674
CURRENT LIABILITIES	**160,688**	**18,865**	**(1,333)**	**178,220**
Current financial liabilities	81,188	17,409	(109)	98,488
Trade and other payables	75,569	1,323	(1,253)	75,639
Liabilities with public entities	2,719	133	29	2,881
Current provisions	1,212	–	–	1,212
TOTAL EQUITY AND LIABILITIES	**171,996**	**31,021**	**(1,840)**	**201,177**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

	As of December 31, 2019[1]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
ASSETS				
Non-current assets	**25,014**	**34,701**	**1**	**59,716**
Intangible fixed assets	1,874	32,171	–	34,045
Property, plant and equipment	7,207	52	–	7,259
Right of use	8,964	124	–	9,088
Investments accounted for using the equity method	–	–	–	–
Long-term investments in Group, Multigroup and Associate companies	–	–	–	–
Non-current financial assets	3,499	1,485	1	4,985
Deferred tax assets	3,470	869	–	4,339
CURRENT ASSETS	**191,102**	**758**	**(446)**	**191,414**
Inventories	25,461	–	–	25,461
Trade and other receivables	118,110	179	(645)	117,644
Credits with public entities	18,227	158	1	18,386
Short-term investments in Group, Multigroup and Associate companies	–	–	–	–
Current financial assets	3,191	–	–	3,191
Other current assets	390	207	200	797
Cash and cash equivalents	25,721	214	–	25,935
TOTAL ASSETS	**216,117**	**35,459**	**(446)**	**251,130**
EQUITY AND LIABILITIES				
EQUITY	**16,603**	**1,418**	**(39)**	**17,982**
Capital and reserves	14,491	1,837	(48)	16,280
Accumulated gains	1,803	(439)	(26)	1,338
Exchange rates differences	310	19	34	363
Equity attributed to the parent company	**16,604**	**1,417**	**(40)**	**17,981**

	As of December 31, 2019[(1)]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
Non-controlling interests	**(1)**	**1**	**1**	**1**
NON-CURRENT LIABILITIES	**8,746**	**15,061**	**(1)**	**23,806**
Total non-current financial liabilities	8,534	7,019	(1)	15,552
Non-current provisions	181	–	–	181
Deferred tax liabilities	31	8,042	–	8,073
CURRENT LIABILITIES	**190,767**	**18,980**	**(405)**	**209,342**
Current financial liabilities	82,419	17,921	–	100,340
Trade and other payables	102,527	1,003	(405)	103,125
Liabilities with public entities	5,227	56	–	5,283
Current provisions	594	–	–	594
TOTAL EQUITY AND LIABILITIES	**216,117**	**35,459**	**(446)**	**251,130**

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.

Income Statement by Segments

	For the six months ended June 30, 2020[(1)]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
Net revenues	116,385	125	(815)	115,695
Changes in inventories	(148)	–	–	(148)
Other operating income	1,803	–	–	1,803
Works carried out by the group for its assets	625	–	–	625
Supplies	(86,517)	–	–	(86,517)
Personnel expenses	(19,519)	(436)	(98)	(20,053)
Other operating expenses	(22,425)	(2,057)	657	(23,825)
Depreciation of fixed-assets	(1,630)	(7)	1	(1,636)
Profit/(loss) from the sale of fixed assets and others	(175)	–	–	(175)
Other profit/(loss)	247	(534)	–	(287)
EBIT	**(11,354)**	**(2,909)**	**(255)**	**(14,518)**
Net financial revenue	60	–	–	60
Financial expenses	(1,973)	(865)	–	(2,838)
Changes in the fair value of financial instruments	3,996	–	–	3,996
Net exchange rate gains/(losses)	(3,731)	3,414	–	(317)
Loss of net monetary position	(151)	–	–	(151)
Other net financial income/expenses	–	–	1	1
NET FINANCIAL PROFIT	**(1,799)**	**2,549**	**1**	**751**
Share of profit/(loss) investments valued using the equity method	–	(77)	–	(77)
PROFIT/(LOSS) BEFORE TAX	**(13,153)**	**(437)**	**(254)**	**(13,844)**
Income tax	4,068	270	205	4,543
CONSOLIDATED NET PROFIT/(LOSS)	**(9,085)**	**(167)**	**(49)**	**(9,301)**
Profit/(Loss) attributed to the Parent Company	(9,103)	(167)	(49)	(9,319)
Profit/(Loss) attributed to non-controlling interests	18	–	-	18

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

	For the year ended December 31, 2019[(1)]			
	Soltec Industrial	Powertis	Other and Eliminations [(2)]	SPH
	(In thousands of euros)			
Net revenues	356,672	140	–	356,812
Changes in inventories	917	–	–	917
Other operating income	2,416	–	(654)	1,762
Works carried out by the group for its assets	968	–	–	968
Supplies	(260,874)	(259)	454	(260,679)
Personnel expenses	(31,805)	(504)	-	(32,309)
Other operating expenses	(48,721)	(1,204)	175	(49,750)
Depreciation of fixed-assets	(4,354)	(32)	–	(4,386)
Profit/(loss) from the sale of fixed assets and others	(204)	–	–	(204)
Other profit/(loss)	31	2,287	–	2,318
EBIT	**15,046**	**428**	**(25)**	**15,449**
Net financial revenue	149	–	–	149
Financial expenses	(4,466)	(755)	–	(5,221)

	For the year ended December 31, 2019[1]			
	Soltec Industrial	Powertis	Other and Eliminations [2]	SPH
	(In thousands of euros)			
Changes in the fair value of financial instruments	(5,394)	–	–	(5,394)
Net exchange rate gains/(losses)	(3,021)	(926)	–	(3,947)
Loss of net monetary position	(289)	–	–	(289)
Other net financial income/expenses	(387)	–	–	(387)
NET FINANCIAL PROFIT	**(13,408)**	**(1,681)**	–	**(15,089)**
Share of profit/(loss) investments valued using the equity method	–	–	–	–
PROFIT/(LOSS) BEFORE TAX	**1,638**	**(1,253)**	**(25)**	**360**
Income tax	165	815	–	980
CONSOLIDATED NET PROFIT/(LOSS)	**1,803**	**(438)**	**(25)**	**1,340**
Profit/(Loss) attributed to the Parent Company	1,803	(440)	(25)	1,338
Profit/(Loss) attributed to non-controlling interests	–	2	–	2

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.

Cash Flow Statement by Segments

	For the six months ended June 30, 2020[1]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
CASH FLOW FROM OPERATING ACTIVITIES (I)	**(14,361)**	**(2,347)**	**(904)**	**(17,612)**
Pre-tax financial year income	**(13,150)**	**(438)**	**(256)**	**(13,844)**
Adjustments to income	**4,275**	**(1,435)**	–	**2,840**
Depreciation of fixed assets	1,629	7	–	1,636
Result from disposal of fixed assets and others	–	1,901	–	1,901
Losses, impairment and changes in provisions for commercial operations	1,842	–	–	1,842
Financial income	(60)	–	–	(60)
Financial expenses	1,973	865	–	2,838
Loss of net monetary position	151	–	–	151
Changes in the fair value of financial instruments	(4,073)	–	77	(3,996)
Share of profit or loss of investments valued using the equity method	3,791	77	(3,791)	77
Exchange rate differences	(579)	(3,714)	3,143	(1,150)
Other adjustments	(399)	(571)	571	(399)
Changes in working capital	**(2,637)**	**(567)**	**(648)**	**(3,852)**
Inventories	(6,898)	–	–	(6,898)
Trade and other receivables	34,711	(381)	–	34,330
Trade and other payables	(29,172)	397	(648)	(29,423)
Other assets and liabilities	(1,278)	(583)	–	(1,861)
Other cash flows from operating activities	**(2,849)**	**93**	–	**(2,756)**
Interest payments	(1,703)	(29)	–	(1,732)
Interest income	60	–	–	60
Other collections/(payments) from operating activities	(1,206)	122	–	(1,084)
CASH FLOWS FROM INVESTMENT ACTIVITIES (II)	**399**	**(1,336)**	–	**(937)**
Investment payments	(2,711)	(1,341)	–	(4,052)
Collections from divestments	3,110	5	–	3,115
CASH FLOWS FROM FINANCING ACTIVITIES (III)	**(1,790)**	**4,293**	**932**	**3,435**
Collections and (payments) from financial liability instruments	(1,790)	4,293	932	3,435
EFFECT OF TRANSLATIONS DIFFERENCES (IV)	**69**	**268**	–	**337**
NET INCREASE/(DECREASE) OF CASH AND CASH EQUIVALENTS (I+II+III+IV)	**(15,683)**	**878**	**28**	**(14,777)**
Cash and cash equivalents at start of the period	**25,721**	**214**	–	**25,935**
Cash and cash equivalents at the end of the period	**10,038**	**1,092**	**28**	**11,158**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

	For the year ended December 31, 2019[(1)]			
	Soltec Industrial	Powertis	Other and Eliminations	SPH
	(In thousands of euros)			
CASH FLOW FROM OPERATING ACTIVITIES (I)	**7,455**	**(2,666)**	–	**4,789**
Pre-tax financial year income	**1,638**	**(3,465)**	**2,187**	**360**
Adjustments to income	**18,239**	**1,740**	**(2,568)**	**17,411**
Depreciation of fixed assets	4,354	32	–	4,386
Losses, impairment and changes in provisions for commercial operations	3,154	(3)	–	3,151
Financial income	(149)	–	–	(149)
Financial expenses	4,466	1,711	(956)	5,221
Loss of net monetary position	289	–	–	289
Changes in the fair value of financial instruments	5,394	–	–	5,394
Share of profit or loss of investments valued using the equity method	–	–	–	–
Exchange rate differences	178	–	1,348	1,526
Other adjustments	553	–	(2,960)	(2,407)
Changes in working capital	**(7,370)**	**334**	**381**	**(6,655)**
Inventories	(1,897)	–	–	(1,897)
Trade and other receivables	(68,982)	(327)	178	(69,131)
Trade and other payables	63,653	805	203	64,661
Other assets and liabilities	(144)	(144)	–	(288)
Other cash flows from operating activities	**(5,052)**	**(1,275)**	–	**(6,327)**
Interest payments	(3,766)	(1,275)	–	(5,041)
Interest income	149	–	–	149
Other collections/(payments) from operating activities	(1,435)	–	–	(1,435)
CASH FLOWS FROM INVESTMENT ACTIVITIES (II)	**(7,547)**	**(2,880)**	**-**	**(10,427)**
Investment payments	(10,037)	(2,883)	-	(12,920)
Collections from divestments	2,490	3	–	2,493
CASH FLOWS FROM FINANCING ACTIVITIES (III)	**25,376**	**5,625**	**-**	**31,001**
Collections and (payments) from equity instruments	19,222	35	-	19,257
Collections and (payments) from financial liability instruments	6,154	5,590	–	11,744
EFFECT OF TRANSLATIONS DIFFERENCES (IV)	**554**	**18**	–	**572**
NET INCREASE/(DECREASE) OF CASH AND CASH EQUIVALENTS (I+II+III+IV)	**25,838**	**97**	**-**	**25,935**
Cash and cash equivalents at start of the period	**(117)**	**117**	**-**	–
Cash and cash equivalents at the end of the period	**25,721**	**214**	–	**25,935**

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.

OPERATING AND FINANCIAL REVIEW

The following discussion of our results of operations and financial condition should be read together with "Summary", "Selected Financial Information" and the Financial Statements and their related notes included elsewhere in or incorporated by reference into this Prospectus. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections entitled "Risk Factors", "Presentation of Financial Information and Other Important Notices—Forward-Looking Statements" and "Business" in this Prospectus.

Overview

We are a leading global company specialized in providing integrated solutions in solar PV energy with a top-three market position among global tracker suppliers based on global shipments in 2019 (source: The Global PV Tracker Report - 2020, IHS Markit). We design, manufacture and install solar tracking systems and develop solar power projects. Since our founding over 16 years ago, we have delivered trackers for projects with a total of 7.1 GW of installed capacity, of which 42% of such installed capacity is in Latin America, 31% in North America (including Mexico), 25% in Europe, the Middle East and Africa and 2% in Asia-Pacific. Out of that total, we delivered trackers for projects with a total of 1 GW of installed capacity in the six months ended June 30, 2020, 2.9 GW of installed capacity in 2019, 1.5 GW in 2018 and 1.0 GW in 2017. We are based in Murcia, Spain, and have more than 20 offices and, as of June 30, 2020, had over 1,320 employees, out of whom approximately 900 were temporary employees related to our projects. In 2019, we had an estimated global market share among global tracker suppliers of 9%, or 10% excluding estimated safe harbor shipments in the United States (source: The Global PV Tracker Report - 2020, IHS Markit). In the six months ended June 30, 2020, we generated revenues of €115.7 million and EBITDA of €(12.4) million, compared with revenues of €121.8 million and EBITDA of €0.8 million in the six months ended June 30, 2019. In 2019, we generated revenues of €356.8 million and EBITDA of €17.7 million, compared with revenues of €166.0 million and EBITDA of €5.1 million in 2018. "EBITDA" is an APM. For additional information on this APM, see "—*Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". Our diversified footprint is mainly focused on Spain, South America and North America (including Mexico), which represented 34%, 33% and 27% of our revenues in the six months ended June 30, 2020, respectively.

We offer a wide range of services for our customers and have the ability to operate as an integrated solar PV company, covering the full range of development, equipment supply, installation and construction services, and O&M services. We divide our business into our industrial (trackers and construction services) business line, which we also refer to as Soltec Industrial, and our project development business line, which we also refer to as Powertis.

We offer a dynamic portfolio of solar trackers, including the SF8 and SF7 single-axis trackers, the SF8 and SF7 bi-facial trackers and the SF7 Tandem. A solar tracker is an integrated system on which solar panels are mounted and which orients such solar panels toward the sun. Our SF8 and SF7 single-axis trackers are high-yield trackers with flexible land-use options, which we believe makes it a cost-effective option for developers of solar power projects. Our SF8 and SF7 bi-facial trackers allow for the collection of light from both sides of the solar panels by capturing sunlight reflected from the surface of the land under the panels. Given the correct conditions, primarily subject to albedo (a measure of how reflective a surface is) and plant design, trackers increase energy production by up to 25% compared with fixed-tilt installations, which do not move to orient the solar panel more directly toward the sun. Our SF7 Tandem combines features of a two-up-portrait configuration with those of a two-row tracker.

In connection with our industrial business line, we define our order backlog as projects for which we have signed underlying agreements. We define our order pipeline as projects not yet signed but which we believe have potential to be signed in the future. We had a geographically diversified order backlog of €189.8 million as of June 30, 2020, representing projects with a total installed capacity of 1.8 GW. Including our order pipeline, which is detailed below in this paragraph, we have, as of such date, identified supply projects with a total installed capacity of approximately 19.4 GW, or €2,338 million, which, if we are successful in signing, we expect to be executed in the remainder of 2020, 2021 and 2022. Our order backlog is primarily focused on Latin America, the United States and Spain, and is comprised of projects with renowned companies around the world. Moreover, we believe that our order pipeline is well diversified geographically. Our order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020, amounted to €2,148 million, representing potential projects with an installed capacity of 17.6 GW. Of this total order pipeline, in terms of value, 46% is for projects located in Latin America, 38% for Europe, the Middle East and Africa, 14% for Asia-Pacific and 2% for United States. Based on our management's experience and outlook, we assign various achievement probabilities for each project to reflect our estimate of the probability an agreement will be signed. In particular, approximately 33% of our order pipeline, in terms of value, as of June 30, 2020 related to projects that we currently estimate have a likelihood lower than 50% of resulting in projects being awarded to us. For more information, see "*Business—Key Investment Highlights—Soltec Industrial (Trackers and Construction Services)—Our Customers, Order Backlog and Order Pipeline*".

With respect to our project development business line, as of June 30, 2020, we had a development backlog of 1,331 MW of projects, an advanced-stage development pipeline of 455 MW of projects, an early-stage development pipeline of 1,562 MW of projects, and 1,799 MW in identified opportunities in a preliminary stage, calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed. For additional information regarding our development backlog and development pipeline, see "*Business—Project Development*".

Key Factors Affecting our Business, Financial Condition, Results of Operations and Prospects

The following factors have affected, and are expected to continue to affect, our business, results of operations, financial condition and prospects.

Negative consolidated net equity and working capital; going concern

During the six months ended June 30, 2020, we incurred a loss of €9,301 thousand. Additionally, we had a negative consolidated net equity of €2,375 thousand as of June 30, 2020, principally due to operating losses and negative translation differences resulting from our businesses that operate in a foreign currency.

As of June 30, 2020, we had a negative working capital of €35,897 thousand. During the six months ended June 30, 2020, our working capital declined by approximately €17,969 thousand mainly as a consequence of the operating losses recorded during such period and inventories in transit pending delivery to customers.

This negative working capital is also due, in part, to the fact that Tranche A, which is comprised of Sub-tranches A1 and A2 of the Syndicated Debt Facility, is classified as short-term. As of June 30, 2020, Sub-tranche A1 amounts to €10,000 thousand and Sub-tranche A2 amounts to €68,648 thousand. The principal amount of Tranche A is not required to be repaid until the Maturity Date (as defined herein) provided that (i) certain conditions for drawdown are met including, among others, delivery and execution of documentation, and there shall not have occurred (a) a material adverse effect, (b) a prepayment event or (c) an event of default, and (ii) the lenders do not object to our express or deemed requests to renew the relevant drawdowns at the end of every monthly interest period. If such conditions are not met or any valid objection is made, all amounts drawn under Tranche A would be due at such time. Currently, the amortization date of Sub-tranche A2 is conditional on the collection by us of the proceeds under the Bankable Contracts (as defined herein), provided that it may not exceed the Maturity Date. We believe we will continue to be able to meet the conditions provided for in the Syndicated Debt Facility for the renewal of the drawdowns under Tranche A and, therefore, we will not be required to repay the principal amount outstanding under Tranche A until the Maturity Date. Nonetheless, no assurance can be provided that we will be able to meet the conditions provided for in the Syndicated Debt Facility, in which case the Syndicated Debt Facility can be accelerated and the amounts drawn will become immediately due and payable. If the Syndicated Debt Facility is accelerated, our financial condition may be negatively affected and we may be unable to continue as an operating company. Furthermore, our Syndicated Debt Facility by its terms matures on the Maturity Date (that is, September 28, 2021). We will need to repay or refinance the Syndicated Debt Facility at such time and there is no assurance that we will have or have access to the necessary resources to do so. For additional details on the terms and conditions of our Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*".

Our negative working capital as of June 30, 2020 was also due, in part, to deferred payments in the purchase of project-related SPVs located in Brazil, of which, as of June 30, 2020, €11,278 thousand was classified as short-term. In July 2020, we entered into an agreement by which we sold to Total (as defined below) a 65% stake in six project-related SPVs located in Spain. Cash generated from this sale amounted to €6,537 thousand at the date of preparation of the Unaudited Interim Condensed Consolidated Financial Statements. On September 15, 2020, we entered into an agreement to reduce the purchase price to be paid by Powertis to Solatio (as defined below) for the acquisition of the SPVs that represent the Leo Silveira project in Brazil. In particular, pursuant to this agreement, outstanding amounts to be paid by Powertis decreased to €4,546 thousand from €10,560 thousand, of which €8,894 thousand was classified as short-term and the remaining amount was classified as long-term as of June 30, 2020. This adjustment to the purchase price, which amounts to €6,087 thousand, accrued as financial income at the time the agreement was entered into in September 2020. Moreover, on September 23, 2020, we entered into sale agreement providing for the sale by Powertis to Atlas of the SPVs that represent the Leo Silveira project in Brazil. The purchase price for the sale of these Brazilian SPVs amounted to BRL 95,000 thousand (approximately €15,544 thousand considering the Brazilian real-euro exchange rate of June 30, 2020), and we estimate a net profit of approximately BRL 41,500 thousand (approximately €6,790 thousand considering the Brazilian real-euro exchange rate of June 30, 2020). All of these recent transactions are expected to improve our working capital. For additional details on these transactions, see "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*", "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*" and "*—Recent Developments".*

Moreover, losses incurred during the six months ended June 30, 2020 also contributed to a reduction of our working capital.

Despite having had losses during the six months ended June 30, 2020 and presenting a short-term financial imbalance, there are various factors that we consider tend to reduce or eliminate doubts about our ability to continue as a going concern. These factors are (i) the generation of cash resulting from the sale of the SPVs that represent the Leo Silveira project in Brazil, (ii) the ability to sell project-related SPVs located in Spain as per the collaboration agreement entered into with Total, (iii) the financial support of our main shareholders (formally expressed through financial support letters where such shareholders expressed their intent to provide the Group with financial support to the extent this may be eventually necessary to continue its business activity), and (iv) the availability of credit lines granted and not used for an amount of €2,353 thousand as of June 30, 2020. In addition, our development business line maintains short-term credit policies with a total limit of €3,000 thousand as of June 30, 2020, which we expect will be renewed for the next 12 months.

We have taken review and evaluation measures of the factors that have caused the imbalance during the six months ended June 30, 2020 and we estimate that, together with the implementation of mitigating factors, the circumstances occurring during the six months ended June 30, 2020 are temporary given that (i) incurred structural costs are adjusted for the execution of future projects, although during the six months ended June 30, 2020 such execution has been delayed as a result of COVID-19, (ii) the incurrence of extraordinary costs is considered exceptional and not expected to occur in the future, (iii) the increase in transportation expenses reduces the margin of ongoing projects without altering the margin of future projects given the implementation of mitigating factors, such as expanding our portfolio or improving negotiations on commercial terms with our clients and (iv) the impairment recorded in the collection of permits, licenses and concessions is a consequence of exceptional events which occurred in connection with the Leo Silveira project (for additional details, see "*—Critical Accounting Policies—Allocation of intangibles arising from a business combination in Brazil*") and is offset by the price reduction agreement entered into with Solatio in respect of the project-related SPVs that we purchased from them. Nonetheless, no assurance can be provided that the financial imbalance existing as of June 30, 2020 will not continue and that we will report positive working capital in the future. If we are not able to report positive working capital, our financial condition may be negatively affected and we may be unable to continue as an operating company.

We seek to manage our working capital through operating net working capital and current and non-current net financial debt, based on the stability of our relationships with our customers and suppliers, as well as by thoroughly monitoring our debtor position with financial institutions. We aim to optimize the financial resources dedicated to our business and pay special attention to the operating net working capital invested in it. We aim to control and reduce collection periods from customers and other debtors related to ongoing projects and optimize our accounts payable, as well as minimize inventories through improvements in logistics and industrial management. We also monitor our cash forecasts in order to ensure that we can meet our operational needs while maintaining sufficient unused credit resources and monitor our compliance with the covenants and financial ratios established in our Syndicated Debt Facility. As a consequence of these factors, together with our expected cash generation during 2020, we expect to meet our cash needs in the short term.

COVID-19

The coronavirus (COVID-19) pandemic has affected, and is expected to continue to adversely affect, the world economy and economic activity and conditions in Spain and the other countries in which we operate, leading many of them to economic recessions. Among other challenges, these countries are experiencing widespread increases in unemployment levels and falls in production, while public debt has increased significantly due to support and spending measures implemented by government authorities. In addition, there has been disruptions in supply chains, disruptions in administrative processes, volatility in the financial markets and volatility in exchange rates, all of which have to some degree affected our results of operations in the six months ended June 30, 2020 and are expected to continue affecting our results of operations in the future, and contributed to our negative working capital as of June 30, 2020.

Despite the challenges of COVID-19, we have been able to maintain the development of our backlog without significant delays in the collection of commercial accounts that could affect our liquidity and operating cycle. In addition, to date, there have been no significant delays in the supply of materials by our suppliers and we have generally maintained our contracts in force in accordance with their terms.

However, we have experienced certain impacts on our business segments derived from the COVID-19 pandemic:

- Industrial business line: there have been certain delays in the execution of projects and in the conversion periods of our order backlog and order pipeline, mainly as a result of administrative delays in the start of works in respect of certain of our projects. Although this delay did not represent an operational problem, it has negatively affected revenues during the six months ended June 30, 2020. Nonetheless, we currently estimate that such sales will be recovered in the second half of the year. Among other impacts derived from COVID-19, one of our projects located in Spain had to stop for four weeks during the lock-down in Spain, as well as another project located in Mexico, which also had to stop for four weeks due to the pandemic outbreak, and several projects in our order backlog and order pipeline have been delayed from 2020 to 2021.
- Project development business line: we have continued the development of solar projects during the six months ended June 30, 2020, although there have been delays resulting mainly from the shutdown of public administrations in the main countries in which we operate as a result of COVID-19. Despite the delays for obtaining licenses related to the operation of solar power projects, in June 2020, administrative measures were implemented in Spain to speed up such process, which may benefit the fulfillment of administrative procedures for the development of the projects in Spain. We expect these delays to be temporary and not to alter significantly the fulfillment of our long-term business plan.

In Brazil, our activity has not been shut down as it has been considered essential by the Federal Government of Brazil. Nonetheless, the shutdown of Brazilian local administrations has led to temporary delays in obtaining administrative licenses.

In response to COVID-19, we have adopted measures aimed at preserving the safety of our employees, such as providing protection masks and equipment, disinfecting appropriate areas, imposing social distancing rules, providing relevant instructions to avoid the spread of COVID-19 and setting up hand-washing stations, among other measures. Our office-based personnel worked remotely during the most difficult moments of the pandemic and we have implemented stringent health and safety measures at our manufacturing facilities, such as temperature screenings, masks requirement, social distance protocols and additional sanitization measures, among other measures.

Nonetheless, the final magnitude of the impact of the COVID-19 pandemic on our business, financial condition and results of operations will depend on future and uncertain events, including the intensity and persistence over time of the consequences arising from the COVID-19 pandemic in Spain and the other geographies in which we operate.

Solar power products pricing

We price our solar trackers considering the prevailing market price at the time we enter into sales contracts with our customers, taking into account the size of the contract, the strength and history of our relationship with the customer and our costs. The price of our solar trackers is affected by overall demand for trackers in the solar power market. In addition, it may be affected by, among other factors, variations in solar energy prices, which have been decreasing globally in recent years, as well as changes in costs of materials and foreign exchange fluctuations, as further discussed below. Furthermore, increases in the cost of capital and competition may put downward pressure on the prices of our solar trackers.

Further, trade barriers such as export requirements, tariffs, taxes and other restrictions and expenses, including antidumping and countervailing duty orders, could also affect the prices of our products and services and our competitiveness in some markets. We currently have import agreements in place with Brazilian, European, Mexican and Australian customs agencies with an aim to increase our competitiveness compared with other solar trackers' manufacturers in those countries.

Lately, the industry-wide average selling price of solar trackers has declined. According to studies carried out by Wood Mackenzie Power & Renewables, between 2015 and 2019 the global average price of solar trackers declined by 35%, although Wood Mackenzie estimates that the price will decline at a more subdued pace between 2020 and 2025, declining by 5% CAGR. See "*Industry Overview—Solar PV Trackers Industry Outlook*" for additional details. In particular, the unit price of our solar trackers, measured in MWs installed, has declined over the last several quarters in response to market forces. In particular, higher efficiency in solar PV installations has resulted in fewer square meters of land required to install a given amount of MWs, which in turn has resulted in fewer square meters of solar trackers needed. Therefore, although the unit price per square meter has not materially changed, the increased efficiency of solar PV installations has put downward pressure on the unit price per MW. If competition in the solar tracker industry continues to grow, or if governments impose trade barriers for solar power products or continue to reduce financial support for the solar industry in those countries in which subsidies are still in place, demand for and the average selling price of our products and services could decrease.

For additional information, see "*Risk Factors—Risks Related to Our Business and Industry—We operate in a highly-volatile industry; renewable energy industry is characterized by intense competition, a regulated environment and trade barriers" and "Industry Overview*".

Costs of materials and transport

We engage in the design, manufacturing and supply of solar trackers and related components. In order to improve yields and product performance, we continuously enhance and modify our solar tracker production capabilities. We currently manufacture in-house solar tracker controllers and communication assemblies in our Murcia, Spain and Salvador de Bahia, Brazil facilities, and have entered into supply agreements with steel, plastic and electronics suppliers that provide us with a number of components for our solar trackers. Steel is a principal input in our manufacturing processes. As a result, variations in the price of steel impact our overall costs to manufacture solar trackers. During the six months ended June 30, 2020, there has been a drop in the price of steel that has entailed an increase in our operating margin, allowing us to compensate the incurrence of extraordinary costs and the increase in associated transportation costs at the moment we purchased the supplies, and has allowed us to maintain our Gross Margin in relative terms compared to the six months ended June 30, 2019. "Gross Margin" is an APM. For additional information on this APM, see "*—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". We intend to continue direct purchasing of raw materials and other components, such as slewing drives and motors, piles, tubes and rails, through a limited number of suppliers. If we are unable to procure such materials and components at reduced prices in line with the decreasing selling prices of our solar trackers, our revenues and margins could be adversely impacted, either due to higher manufacturing costs than our competitors or write-downs of inventory, or both. See "*—Foreign exchange rates*".

In addition, despite requiring customers to make advance payments, there could be a lag in certain cases between the due date for the payment of purchased components and the time that our customers make advance payments to us. As a result, we may have the need to raise significant additional funds in order to purchase raw materials and other supply materials, as well as, to a lesser extent, to build additional manufacturing facilities. In the event that our customers cancel their orders, we may not be able to recoup advance payments made to suppliers.

Our industrial business line activity is also affected by the costs of transport in connection with the commercialization, distribution and supply of solar trackers. During the months elapsed since the appearance of COVID-19, there has been an increase in the cost of maritime and road transport, caused by the reduction in the volume of the transport of goods worldwide, which has led to an increase in transportation costs that affected the operating margin of solar tracker supply projects during the six months ended June 30, 2020. This increase in transportation costs has offset the effect of the decrease in the costs of raw materials resulting from the drop in the price of steel.

For additional information, see "*Business—Soltec Industrial (Trackers and Construction Services)—Procurement, Logistics and Manufacturing*".

Industry demand

Our business and revenue growth depend on the industry demand for solar power and solar power products and is affected by conditions in the solar power market and, more generally, in the renewable energy industry. In the last decade, solar power has become one of the most rapidly growing renewable energy sources. The solar power market still continues to develop, and future demand for solar power products and services is difficult to predict. Market data for the solar power industry is not as readily available as for more established industries, where trends are more reliably assessed from data gathered over a longer period.

By 2050, electric power is expected to become the largest carrier at the point of final energy use, meeting 49% of the world's final energy demand. Electricity generation is forecasted to increase rapidly globally, by 160% from 2016 to 2050. Decarbonization is resulting in a diversification of the electricity generation mix and renewable energy sources have been recently outpacing conventional ones. Since 2012, the net additional power generation capacity of renewable sources exceeded that of non-renewable sources. If these trends were to continue, the share of renewables in power generation will rise from approximately 24% in 2016 to 86% in 2050, out of which 60% would come from solar and wind. We believe solar PV is leading this change toward decarbonization and renewables, and that there is significant demand for utility-scale solar power projects in key markets. The solar tracker sector is expected to take advantage of these favorable market conditions, and solar PV trackers are currently the fastest growing among all tracking systems. The share of trackers as a percentage of ground-mount systems is expected to increase globally from 20% in 2018 to 40% in 2025, and solar tracker installations are expected to grow approximately 17% annually from 2020 to 2024. (Sources: Energy Transformation Outlook 2018 and Energy Transition Outlook 2020, DNV

– GL; Global Energy Transformation – A roadmap to 2050, International Renewable Energy Agency; The Global PV Tracker Landscape 2020, Wood Mackenzie Power & Renewables; Global PV Tracker Market Report – 2020, IHS Markit).

Nevertheless, demand for solar power and products depends on various factors including the global macroeconomic environment, pricing, cost-effectiveness, performance and reliability in comparison to conventional and other renewable energy sources, and the availability of favorable regulation for solar power within the electric power industry and the broader energy industry. Solar power is a fast-growing source of energy and is driven by factors such as cost-competitiveness, reliability as a predictable energy source, and government regulations and policies concerning the electric power industry, the solar and other alternative energy industries and the environment.

For a detailed discussion on industry demand, see "*Industry Overview*", "*Risk Factors—Risks Related to Our Business and Industry—We operate in a highly-volatile industry; renewable energy industry is characterized by intense competition, a regulated environment and trade barriers"* and "*Business—Key Investment Highlights—Growing Solar Market Underpinned by Appealing PV Industry Dynamics*".

Backlog and pipeline

Our business is driven by our ability to enter into new contracts for the supply and installation of solar trackers and related services as well as our ability to develop new solar power projects, which are reflected in our backlog and pipeline. We believe that our backlog and pipeline are significant indicators of the potential growth of our business lines and provide useful trend information and visibility based on our activities over the previous years. We expect that our backlog and pipeline will drive our results of operations in the near term as we undertake operations and projects, although we cannot predict with certainty when, or if, they will be actualized.

We divide our backlog into (i) order backlog for our industrial business line and (ii) development backlog for our project development business line. Similarly, we divide our pipeline into order pipeline and development pipeline for our respective business lines. Our definitions of backlog and pipeline for our industrial and project development business lines may not necessarily be the same as, and may differ from, those used by other companies engaged in activities similar to ours.

Soltec Industrial

In connection with Soltec Industrial, our industrial business line, we define order backlog as projects for which we have signed underlying agreements. The volume and timing of executing our order backlog is important to us in anticipating our operational and financing needs, and our ability to execute our order backlog is dependent on our ability to meet such operational and financing needs. Our order backlog is typically executed within 12 months of signing. As of June 30, 2020, our order backlog amounted to €189.8 million, representing supply of solar trackers to projects with an estimated total installed capacity of 1.8 GW.

Our order pipeline represents projects not yet signed but which we believe have potential to be signed in the future. Based on our management's experience and outlook, we assign various achievement probabilities for each project to reflect our estimate of the probability we will sign an agreement. Our ability to execute our order pipeline is dependent on our ability to enter into legally binding contracts with our customers and meet our operational and financing needs. We believe that our order pipeline is well diversified geographically. Our order pipeline, calculated as the sum of potential revenue from such projects, not weighted by our estimate of the probability we will sign an agreement, as of June 30, 2020 amounted to €2,148 million, representing potential projects with a total installed capacity of 17.6 GW, of which €77 million or 0.9 GW represented potential projects to be undertaken by the relevant project developer in 2020, €1,282 million or 13.4 GW represented potential projects to be undertaken by the relevant project developer in 2021 and €789 million or 3.4 GW represented potential projects to be undertaken by the relevant project developer in 2022. As of June 30, 2020, approximately 33% of our order pipeline, in terms of value, related to projects that we currently estimate have a likelihood lower than 50% of resulting in projects being awarded to us. For more information regarding the parameters and criteria by which we assign probabilities of signing to projects in our order pipeline, see "*Business—Soltec Industrial (Trackers and Construction Services)— Our Customers, Order Backlog and Order Pipeline*".

Order backlog and order pipeline are not audited measures, and there are no generally accepted principles for their calculation. As a consequence, other companies' calculations of similarly worded measures may differ significantly from our calculations. For a detailed discussion on our order backlog and order pipeline, see "*Business—Soltec Industrial (Trackers and Construction Services)— Our Customers, Order Backlog and Order Pipeline"* and *"Risk Factors—Risks Related to Our Business and Industry—Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings.*".

Powertis

In connection with Powertis, our project development business, we define our development backlog as those projects with (i) land secured, (ii) interconnection rights granted, (iii) a PPA or other off-taker arrangement in place and (iv) an expected asset rotation during a period of up to 24 months after commercial operation date ("**COD**") in hard-currency projects (currently only in euros) and at ready-to-build ("**RTB**") in soft-currency projects (currently only in Brazilian reals). The volume and timing of executing our development backlog is important to us in anticipating our operational and financing needs, and our ability to execute our development backlog is dependent on our ability to meet such operational and financing needs. The execution of our development backlog can take several months or years. As of June 30, 2020, our development backlog consisted of projects of approximately 1,331 MW in installed capacity, primarily located in Brazil.

We define our development pipeline at advanced stage as those projects where (i) the land has been secured and (ii) either (a) the interconnections rights have been granted or (b) an off-taking arrangement or PPA or other purchase agreement has been agreed or partially agreed. We assign an expected probability of completion of between 50% and 80% to such projects. We define our development pipeline at early stage as those projects where (i) the land has been secured and (ii) the application for interconnection rights has been submitted. We assign an expected probability of completion of between 30% and 50% to such projects. We define identified opportunities in a preliminary stage as those projects where (i) the land has been, or is in the process of being, secured and/or (ii) a feasibility study has been undertaken and a business case evaluation has been performed. We assign an expected probability of completion of under 30% to such projects. Calculated as the sum of potential MWs not weighted by our estimate of the probability that the project will be completed, as of June 30, 2020, we had an advanced-stage development pipeline of 455.5 MW of projects, an early-stage development pipeline of 1,562 MW of projects, and 1,799 MW in identified opportunities in a preliminary stage. As of June 30, 2020, approximately 88% of our development pipeline, in terms of MWs, relates to projects that we currently estimate have a likelihood lower than 50% of completion. Our development pipeline was concentrated mainly in Spain and Italy as of June 30, 2020.

Development backlog and development pipeline are not audited measures and there are no generally accepted principles for their calculation. As a consequence, other companies' calculations of similarly worded measures may differ significantly from our calculations. For a detailed discussion on our development backlog and development pipeline, see sections "*Business—Project Development*" and *"Risk Factors—Risks Related to Our Business and Industry—Our order backlog, order pipeline, development backlog and development pipeline are based on projections and may be subject to unexpected adjustments and cancellations and therefore may not be accurate or reliable indicators of our future revenue or earnings.*".

Availability of financing for solar projects and government subsidies

We rely on financing primarily from commercial banks in the jurisdictions in which operate to fund our operations and provide necessary guarantees in connection with our provision of goods and services and with our development of solar power plants. Our ability to obtain external financing is subject to a variety of uncertainties, including our future financial condition, results of operations and cash flows. Moreover, our Syndicated Debt Facility requires that we meet an interest coverage ratio (Adjusted EBITDA/financial expenses) for Soltec ER and its subsidiaries above 2.5, and any failure to meet such ratio may require us to obtain waivers from our lenders or lead to an acceleration of our debt, as well as negatively affect our ability to obtain new financing. "Adjusted EBITDA" is an APM. For additional information on this APM, see "—*Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". Such ratio, which was met as of December 31, 2019, was not met as of December 31, 2018, and it was necessary to obtain a waiver from our lenders as of that date, which we received. For additional information on our Syndicated Debt Facility, see "—*Liquidity and Capital Resources—Financial Liabilities*" below and section "*Material Contracts—Syndicated Debt Facility*". We are also required to pledge certain assets in order to obtain financing under our Syndicated Debt Facility. Pledged assets amounted to €54,276 thousand as of June 30, 2020, €73,653 thousand as of December 31, 2019 and €39,703 thousand as of December 31, 2018. As our Syndicated Debt Facility was signed in 2018, we were not required to pledge assets in 2017 in connection therewith. In addition, pledged assets in connection with other financing amounted to €1,663 thousand as of December 31, 2017.

Furthermore, most solar power projects, in particular the projects that we are developing in Europe, are highly leveraged and require financing for development and construction with a mixture of equity and third-party funding. These solar power projects compete for capital with other forms of fixed income investments such as government and corporate bonds.

For a detailed discussion of the impact of the availability and cost of financing and our customers' ability to finance the purchase of our products and services or to construct solar power projects, see sections "*Risk Factors—Risks Related to Our Business and Industry—We operate in a highly-volatile industry; renewable energy industry is characterized by intense competition, a regulated environment and trade barriers", "Risk Factors—Risks Related to Our Financial Situation—We may be unable to generate sufficient cash flows or have access to external financing necessary to fund planned operations and make adequate capital investments in manufacturing capacity and solar project development*" and "*Risk Factors—Risks Related to Our Financial Situation—We have substantial indebtedness and may incur substantial additional indebtedness in the future*.".

The market for solar energy is also influenced by the availability and size of government subsidy programs and economic incentives in some of the countries in which we operate, in particular in the United States, where subsidies have provided attractive incentives for market participants in recent years. However, some of these government subsidies and economic incentives have been or are scheduled to be reduced or eliminated and it is likely that this trend will continue worldwide.

For a detailed discussion of the impact of government subsidies and incentives and associated risks to our business, see section "*Risk Factors—Risks Related to Our Business and Industry—We operate in a highly-volatile industry; renewable energy industry is characterized by intense competition, a regulated environment and trade barriers*."

Foreign exchange rates

Our functional currency is the euro. As of June 30, 2020, 30% of our non-current assets were located in Spain and therefore denominated in euro, whereas 67% of our non-current assets were located in Brazil and denominated in Brazilian real. Our revenue and expenses are frequently denominated in non-euro currencies including the U.S. dollar and Brazilian real. In the six months ended June 30, 2020, 50.5% and 41% of our revenue and the sum of our supplies and other operating expenses, respectively, were denominated in U.S. dollars, while 15.5% and 11.0% of our revenue and the sum of our supplies and other operating expenses, respectively, were denominated in Brazilian real. As we have globally expanded our business, a large percentage of our revenue is derived from countries outside of the Eurozone. From time to time, we enter into loan arrangements with commercial banks that are denominated primarily in euros, Brazilian real and other foreign currencies. See Note 4.2 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 4.2 to the Company 2019 Audited Consolidated Financial Statements for further information regarding the geographic distribution of our assets and revenue.

As a result, we are exposed to foreign exchange rate fluctuations principally among the euro, the U.S. dollar and the Brazilian real. In order to manage our foreign exchange risks, we enter into foreign exchange forward contracts. However, our hedging strategy does not always mitigate the longer-term impacts of changes to foreign exchange rates. Considering changes in the fair value of financial instruments and net exchange rate differences, we recorded net foreign exchange profits of €3.7 million in the six months ended June 30, 2020 and net foreign exchange losses of €2.9 million, €9.3 million, €1.7 million and €3.2 million for the six months ended June 30, 2019 and the years ended December 31, 2019, 2018 and 2017, respectively. For a detailed discussion of the impact of foreign exchange rates, see section "*Risk Factors—Risks Related to Our Business and Industry—We are sensitive to fluctuations in exchange rates.*"

During 2020, there have been strong fluctuations in the currency markets. In particular, the depreciation of the Brazilian real has resulted in a significant variation in conversion differences and has impacted our consolidated income statement for the six months ended June 30, 2020, although such impact has been mitigated in part by the result of the exchange rate differences realized and exchange rate derivatives entered into by us.

Limited client base comprising a portfolio of renowned customers

Our business, financial condition, results of operations and prospects, as well as the comparability of our results of operations, are significantly influenced by our dependence on a limited number of customers during any given period, the significant rotation of our top customers by sales and the lack of long-term customer contracts in our industrial business line. These factors significantly impact our revenue and operating profit, as well as our consolidated profit after tax during a particular period, which makes the comparison of periods difficult.

We anticipate that sales of our solar trackers will continue to be concentrated among a small number of large customers in the foreseeable future. In the six months ended June 30, 2020 and June 30, 2019 and in the years ended December 31, 2019, 2018 and 2017, our top-five customers by net revenues collectively accounted for approximately 72%, 77%, 67%, 71% and 97% of our net revenues, respectively. Additionally, there is a significant level of rotation among our top customers by sales each year, and our top customers will likely continue to vary from period to period as we continue to expand our business and operations.

We generally do not have long-term agreements with our customers and, as a result, any or all of them could decide at any time to discontinue, decrease or delay their purchase of our products and services. Moreover, because a few customers account for a substantial portion of our net revenues, the failure of any one of these customers to pay on a timely basis would negatively impact our cash flows. Accordingly, the loss of any of our customers or a reduction in sales to or difficulties collecting payments from any of them could significantly reduce our net sales and affect our operating results.

As a result of these factors, our revenues have fluctuated from period to period. For additional information, see sections "*Business—Soltec Industrial (Trackers and Construction Services)— Our Customers, Order Backlog and Order Pipeline*" and "*Risk Factors—Risks Related to Our Business and Industry—We depend on a limited number of customers, have a high level of rotation, lack of long-term customer contracts and have a limited pool of potential buyers for electricity.*"

Interest rates

Interest rate fluctuations change the fair value of assets and liabilities bearing interest at a fixed rate and the future cash flows from assets and liabilities tied to a variable interest rate. We aim to balance the structure of our debt in order to minimize the cost of debt over the coming years, with reduced volatility in our consolidated income statement. Nevertheless, as almost all of our debt incurs interest at variable interest rates, we are therefore exposed to interest rate risk, as changes in interest rates affect cash flows related to our indebtedness. However, our sensitivity to changes in interest rates is relatively limited given the short-term payment profile of our debt.

Key Factors Affecting the Comparability of our Financial Condition and Results of Operations

As a result of the latter and following factors, our financial condition and results of operations as of and for certain of the financial periods discussed in this document may not be directly comparable with our financial condition and results of operations as of and for other financial periods discussed herein or future financial periods.

Corporate Reorganization

The comparability of our financial condition and results of operations is significantly influenced by our recent corporate reorganization and complex financial history. Soltec Power Holdings, S.A. was incorporated in early December 2019 and carried out the Reorganization Process on December 23, 2019 through which the entire share capital of both Soltec Energías Renovables, S.L. (Soltec ER) and Powertis, S.A. (Powertis) were contributed as in-kind contributions in consideration for 15,000,000 new ordinary shares of Soltec Power Holdings, S.A. with a par value of €1.00 each (which converted into 60,000,000 ordinary shares of €0.25 par value each pursuant to the 1:4 share split conducted prior to the Offering). Other than preparing for the implementation of the Reorganization Process, Soltec Power Holdings, S.A. did not carry on any business prior to December 23, 2019.

In addition, Powertis was incorporated on September 28, 2018 and had a very limited business activity in the year ended December 31, 2018, whereas Soltec ER was incorporated on, and has been operating since, February 26, 2004. Powertis was not a subsidiary of Soltec ER prior to the Reorganization Process, but rather a sister company with the two shareholders of Soltec ER, our two core shareholders, holding 95% of the share capital of Powertis in equivalent proportions to their relative equity stakes in Soltec ER. The remaining 5% was held by Mr. Pablo Miguel Otín Pintado, who currently holds the position of CEO of Powertis.

As a result, we do not have consolidated financial information as of and for the year ended December 31, 2019 that is comparable to our consolidated financial information as of and for the years ended December 31, 2018 and 2017. The financial information as of and for the six months ended June 30, 2020 included in this Prospectus has been derived from the Unaudited Interim Condensed Consolidated Financial Statements, which include the results of operations of Soltec ER and Powertis since January 1, 2020. The financial information as of and for the year ended December 31, 2019 included in this Prospectus has been derived from the Company 2019 Audited Consolidated Financial Statements, which include the financial condition and results of operation of Soltec Power Holdings, S.A. as of and for the year ended December 31, 2019 and consolidates the results of operations of Soltec ER and Powertis since January 1, 2019. The financial information as of and for the year ended December 31, 2018 included in this Prospectus has been derived from the Soltec ER 2018 Audited Consolidated Financial Statements, which include the financial condition and results of operation of Soltec ER as of and for the year ended December 31, 2018. The financial information as of and for the year ended December 31, 2017 included in this Prospectus has been derived from the Soltec ER 2017 Audited Consolidated Financial Statements, which include the financial condition and results of operation of Soltec ER as of and for the year ended December 31, 2017. For the avoidance of doubt, the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements are presented together in a single document. All references to our financial condition and results of operation as of and for the six months ended June 30, 2020 and as of and for the year ended December 31, 2019 refer to financial information of the Company and all references to our financial condition and results of operation as of and for the years ended December 31, 2018 and 2017 refer to financial information of Soltec ER. For additional information, see section "*Presentation of Financial Information and Other Important Notices—Historical financial information*".

Seasonality

Our activity is subject to seasonality, as there is a strong correlation between the purchase of stock and the level of execution of the projects that usually takes place in the last quarter of each period.

Principal Consolidated Income Statement Line Items

The following is a brief description of the principal line items of our consolidated income statement included in the Unaudited Interim Condensed Consolidated Financial Statements and in the Company 2019 Audited Consolidated Financial Statements.

Net revenues

Net revenues include income primarily from the sale of our solar trackers and the provision of installation and other services. We recognize income when transferring control of a product or service to a customer. Given that tracker installation services are carried out over more extended periods of time, income for such services is recognized based on the percentage of a contract that has been carried out. For additional information, see "—*Critical Accounting Policies—Income recognition*" below, Note 15 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2.6.k to the Company 2019 Audited Consolidated Financial Statements.

Changes in inventories of finished and semi-finished products

Changes in inventories records the difference between stocks of finished and semi-finished products at the end of the prior period and the end of the current period.

Other operating income

Other operating income principally consists of income from commissions and certain services related to the maintenance, repair and preservation of solar projects owned by third parties.

Works carried out by the group for its assets

Works carried out by the group for its assets consists of the value of work performed for internal purposes and primarily includes expenses assumed in developing new products for which a positive return through future sales is expected. This line item reflects additions to the cost basis for our intangible fixed assets during the period.

Supplies

Supplies includes purchases of raw materials and merchandise, changes in inventories and works carried out by other companies, which includes expenses related to the installation of solar trackers subcontracted to third parties.

Personnel expenses

Personnel expenses includes primarily wages, salaries and social security contributions.

Other operating expenses

Other operating expenses consist of costs related to external services, which include, among other expenses, leases and transport of products to customers. In addition, changes in trade provisions for commercial operations and taxes are also recorded in this line item.

Depreciation of fixed assets

Depreciation of fixed assets includes the depreciation of intangible assets, property, plant and equipment, and leases of fixed assets.

Profit/(loss) from the sale of fixed assets and others

Profit or loss from the sale of fixed assets and others consists primarily of the sale price or net profit from the sale of fixed assets less their carrying value.

Other profit/(loss)

This line item is comprised principally of profit or loss from the sale of our stake in subsidiaries controlled by us prior to such sale.

Net financial revenue

Net financial revenue consists principally of interest revenue on our bank deposits and gains on other financial assets.

Financial expenses

Financial expenses includes expenses resulting from interest on credit facilities, principally our Syndicated Debt Facility, as well as interest on import lines and factoring. In addition, we also record in this line item interest related to lease liabilities and financial expenses from the advance of trade receivables through customers' confirming.

Changes in the fair value of financial instruments

Changes in the fair value of financial instruments records the difference between fair value of financial instruments at the end of the prior period and the end of current period.

Net exchange gains/(losses)

Profit or loss from exchange differences included in the results from financial instruments, including for transactions settled in the corresponding financial year and for outstanding balances.

Loss of net monetary position

This line item includes profit or loss resulting from hyperinflation adjustments related to subsidiaries located in countries where the cumulative inflation over the last three years has exceeded 100% (i.e. Argentina).

Share of profit or loss of investments valued using the equity method

This line item includes the share of profit or loss of associated companies in which we hold interests and which we account for using the equity method. As of each of December 31, 2018 and 2017, we had no associated companies.

Income tax

The corporate income tax rate in Spain was 25% during each of the years presented in this Prospectus. Our income tax is highly influenced by our ability to utilize our deferred tax assets. See "—*Critical Accounting Policies*".

Results of Operations

Six months ended June 30, 2020 compared with the six months ended June 30, 2019

The following table sets forth our consolidated income statements for the six months ended June 30, 2020 and the six months ended June 30, 2019.

	For the six months ended June 30,		**2020/2019**
	2020[(1)]	**2019[(1)]**	**% change**
	(in thousands of euros, except percentages)		
Net revenues	115,695	121,819	(5.0)
Changes in inventories of finished and semi-finished products	(148)	1,269	*n.m.*
Other operating income	1,803	833	116.4
Works carried out by the group for its assets	625	204	206.4
Supplies	(86,517)	(91,072)	(5.0)
Personnel expenses	(20,053)	(13,996)	43.3
Other operating expenses	(23,825)	(18,253)	30.5
Depreciation of fixed assets	(1,636)	(2,260)	(27.6)
Profit/(loss) from the sale of fixed assets and others	(175)	4	*n.m.*
Other profit/(loss)	(287)	10	*n.m.*
Operating profit/(loss)	**(14,518)**	**(1,442)**	906.8
Net financial revenue	60	108	(44.4)
Financial expenses	(2,838)	(2,644)	7.3
Changes in the fair value of financial instruments	3,996	(2,543)	*n.m.*
Net exchange gains/(losses)	(317)	(330)	(3.9)
Loss of net monetary position	(151)	(11)	1,272.7

	For the six months ended June 30,		2020/2019
	2020[1]	2019[1]	% change
	(in thousands of euros, except percentages)		
Other net finance income/expenses	1	(387)	*n.m.*
Net financial income/(loss)	**751**	**(5,807)**	***n.m.***
Share of profit/(loss) investments valued using the equity method	**(77)**	**–**	***n.m.***
Income before tax	**(13,844)**	**(7,249)**	91.0
Income tax	4,543	1,845	146.2
Consolidated net income/loss	**(9,301)**	**(5,404)**	72.1
Profit/(loss) attributed to the parent company	(9,319)	(5,391)	72.9
Profit/(loss) attributed to non-controlling interests	18	(13)	*n.m.*

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

Net revenues. Net revenues decreased 5.0% to €115,695 thousand in the six months ended June 30, 2020 from €121,819 thousand in the six months ended June 30, 2019, principally due to COVID-19-related delays in the execution of new and existing projects. The following table sets forth our net revenues by income source for the six months ended June 30, 2020 and the six months ended June 30, 2019.

	For the six months ended June 30,		2020/2019
	2020[1]	2019[1]	% change
	(in thousands of euros, except percentages)		
Supply of trackers	99,075	109,043	(9.1)
Installation services	14,477	12,044	20.2
Operation and maintenance services	1,688	647	160.9
Others	455	85	435.3
Net revenues	**115,695**	**121,819**	(5.0)

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

Revenues from the supply of trackers decreased 9.1% to €99,075 thousand in the six months ended June 30, 2020 from €109,043 thousand in the six months ended June 30, 2019, principally due to COVID-19-related delays in the execution of new and existing projects.

Revenues from installation services increased 20.2% to €14,477 thousand in the six months ended June 30, 2020 from €12,044 thousand in the six months ended June 30, 2019, principally due to the fact that a higher portion of the projects executed in 2020 had installation services attached despite COVID-19-related delays.

Revenues from operation and maintenance services increased 160.9% to €1,688 thousand in the six months ended June 30, 2020 from €647 thousand in the six months ended June 30, 2019, principally due to a small increase in the number of O&M contracts entered into by us.

The following table sets forth the distribution of our net revenue by geographic area for the six months ended June 30, 2020 and the six months ended June 30, 2019.

	For the six months ended June 30,		2020/2019
	2020[1]	2019[1]	% change
	(in thousands of euros, except percentages)		
Spain	39,390	42,988	(8.4)
Brazil	16,943	30,491	(44.4)
North America[2]	30,931	29,582	4.6
Rest of South America[3]	21,685	13,881	56.2
APAC[4]	4,512	3,285	37.4
Others[5]	2,234	1,592	40.3
Net revenues	**115,695**	**121,819**	**(5.0)**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) USA and Mexico.
(3) Argentina, Chile, Colombia and Peru.
(4) Australia, India and Thailand.
(5) Denmark, Egypt, Israel, Jordan, Kenya and Namibia.

Changes in inventories of finished and semi-finished goods. Changes in inventories of finished and semi-finished goods decreased to negative €148 thousand in the six months ended June 30, 2020 from €1,269 thousand in the six months ended June 30, 2019, principally due to a small reduction in the volume of activity in 2020.

Other operating income. Other operating income increased 116.4% to €1,803 thousand in the six months ended June 30, 2020 from €833 thousand in the six months ended June 30, 2019, principally due to an increase in operating subsidies, which includes the operating income related to the tax deductibility of research and development activities and operating subsidies granted by public entities or third parties.

Work carried out by the group for assets. Work carried out by the group for assets increased 206.4% to €625 thousand in the six months ended June 30, 2020 from €204 thousand in the six months ended June 30, 2019, principally due to a slight increase in the investment on fixed assets in 2020.

Supplies. Supplies decreased 5.0% in nominal terms to €86,517 thousand in the six months ended June 30, 2020 from €91,072 thousand in the six months ended June 30, 2019, principally due to the lower volume of revenues. Supplies as a percentage of net revenues was 74.8% for each of the six months ended June 30, 2020 and 2019.

Personnel expenses. Personnel expenses increased 43.3% to €20,053 thousand in the six months ended June 30, 2020 from €13,996 thousand in the six months ended June 30, 2019, principally due to a significant increase in overhead expenses to enable the execution of expected business growth and additional resources required to deal with COVID-19-related impacts on projects under execution in order to honor commitments with customers.

Other operating expenses. Other operating expenses increased 30.5% to €23,825 thousand in the six months ended June 30, 2020 from €18,253 thousand in the six months ended June 30, 2019, principally due to a significant increase in transportation expenses caused by COVID-19 and other operating expenses related to the pandemic.

Depreciation of fixed assets. Depreciation of fixed assets decreased 27.6% to €1,636 thousand in the six months ended June 30, 2020 from €2,260 thousand in the six months ended June 30, 2019, principally due to the fact that a significant portion of fixed assets are fully depreciated.

Profit/(loss) from the sale of fixed assets and others. Profit/loss from the sale of fixed assets and others decreased to €175 thousand loss in the six months ended June 30, 2020 from €4 thousand profit in the six months ended June 30, 2019, principally due to a minor increase in the volume of fixed assets transferred in 2020 at a lower value.

Other profit/(loss). Other profit/(loss) decreased to a loss of €287 thousand in the six months ended June 30, 2020 from a profit of €10 thousand in the six months ended June 30, 2019, principally due to an impairment of €1,901 thousand related to the Brazilian SPVs sold to Atlas in which the net assets, considering deferred tax liabilities and other net consolidated assets, were lower than the sale price, once reduced by the accounts receivables that were maintained for such SPVs, partially offset by the recording of a profit of €1,367 thousand for the sale to Total of five project-related SPVs located in Spain in March 2020.

Operating profit/(loss). As a result of the foregoing, operating loss from continuing operations increased to €14,518 thousand in the six months ended June 30, 2020 from a €1,442 thousand loss in the six months ended June 30, 2019.

Net financial revenue. Net financial revenue decreased 44.4% to €60 thousand in the six months ended June 30, 2020 from €108 thousand in the six months ended June 30, 2019, principally due to a decrease in the interest rate in Brazil.

Financial expenses. Financial expenses increased 7.3% to €2,838 thousand in the six months ended June 30, 2020 from €2,644 thousand in the six months ended June 30, 2019, principally due to an increase in the volume of financial debt with financial institutions. The following table sets forth the components of our financial expenses for each of the six months ended June 30, 2020 and 2019.

	For the six months ended June 30,	
	2020[1]	2019[1]
	(in thousands of euros)	
Interest on credit policies	1,316	1,231
Import line interests	402	97
Lease liabilities	172	454
Financial costs payable to related parties	386	296
Expenses related to customer confirming	58	374
Projects in Brazil (Solatio)	141	–
Others	363	192
Financial expenses	**2,838**	**2,644**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.

Changes in the fair value of financial instruments. Changes in the fair value of financial instruments increased to €3,996 thousand profit in the six months ended June 30, 2020 from €2,543 thousand loss in the six months ended June 30, 2019, principally due to the income that resulted from the changes in the fair value for an amount of €2,140 thousand and the profit on the derivatives settled for an amount of €1,856 thousand. Such changes were mainly caused by fluctuations in the value of the Brazilian real against the euro and the U.S. dollar, as well as by fluctuations in the value of the euro against the U.S. dollar.

Net exchange gains/(losses). Net exchange losses decreased 3.9% to €317 thousand in the six months ended June 30, 2020, compared with €330 thousand in the six months ended June 30, 2019, principally due to the variation of the foreign exchange rates in the six months ended June 30, 2020.

Loss of net monetary position. Loss of net monetary position increased 1,272.7% to €151 thousand in the six months ended June 30, 2020 from €11 thousand in the six months ended June 30, 2019, principally due to greater activities in Argentina in the six months ended June 30, 2020.

Other net finance income/expenses. Other net finance income was €1 thousand in the six months ended June 30, 2020, compared with net finance expenses of €387 thousand in the six months ended June 30, 2019, principally due to efficiency improvements in the management of financing needs.

Net financial income/loss. For the reasons set forth above, net financial income increased to €751 thousand in the six months ended June 30, 2020 from €5,807 thousand net financial loss in the six months ended June 30, 2019.

Share of profit/(loss) of investments valued using the equity method. Share of profit or loss of investments valued using the equity method amounted to a €77 thousand loss in the six months ended June 30, 2020, compared with nil in the six months ended June 30, 2019, due to the sale of 65% of the shares of several project-related SPVs in March 2020.

Income before tax. As a result of the foregoing, loss before tax increased 91.0% to €13,844 thousand in the six months ended June 30, 2020 from a loss of €7,249 thousand in the six months ended June 30, 2019.

Income tax. Income tax increased 146.2% to €4,543 thousand in the six months ended June 30, 2020 from €1,845 thousand in the six months ended June 30, 2019, principally due to the increase in the income resulting from the recognition of tax credits for net operative losses and research and development deductions.

Consolidated net income/loss. As a result of the foregoing, consolidated net loss amounted to €9,301 thousand in the six months ended June 30, 2020 compared with the consolidated net loss of €5,404 thousand in the six months ended June 30, 2019.

Year ended December 31, 2019 compared with the year ended December 31, 2018

The following table sets forth our consolidated income statements for the years ended December 31, 2019 and 2018.

	For the years ended December 31,		2019/2018
	2019[(1)]	2018[(2)]	% change
	(in thousands of euros, except percentages)		
Net revenues	356,812	165,954	115.0
Changes in inventories of finished and semi-finished products	917	1,324	(30.7)
Other operating income	1,762	606	190.8
Works carried out by the group for its assets	968	390	148.2
Supplies	(260,679)	(127,564)	104.4
Personnel expenses	(32,309)	(15,548)	107.8
Other operating expenses	(49,750)	(20,102)	147.5
Depreciation of fixed assets	(4,386)	(2,220)	97.6
Profit/(loss) from the sale of fixed assets and others	(204)	(12)	1,600.0
Other profit/(loss)	2,318	209	1,009.1
Operating profit/(loss)	**15,449**	**3,037**	408.7
Net financial revenue	149	4	3,625
Financial expenses	(5,221)	(2,358)	121.4
Changes in the fair value of financial instruments	(5,394)	1,317	*n.m.*
Net exchange gains/(losses)	(3,947)	(3,047)	29.5
Loss of net monetary position	(289)	–	*n.m.*
Other net finance income/expenses	(387)	–	*n.m.*
Net financial income/(loss)	**(15,089)**	**(4,084)**	269.5
Income before tax	**360**	**(1,047)**	*n.m.*
Income tax	980	911	7.6
Consolidated net income	**1,340**	**(136)**	*n.m.*
Profit/(loss) attributed to the parent company	1,338	(136)	*n.m.*
Profit/(loss) attributed to non-controlling interests	2	–	*n.m.*

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Net revenues. Net revenues increased 115.0% to €356,812 thousand in the year ended December 31, 2019 from €165,954 thousand in the year ended December 31, 2018, principally due to a 109.6% increase in revenues related to trackers shipped (related to, principally, the increase in the demand for solar PV generation due to its competitiveness compared to other electricity sources), including an increase in shipments following the signing of our Syndicated Debt Facility in September 2018, for which negotiations were prolonged more than expected. This delay led to the postponement of several projects in 2018 for which we recorded revenues in 2019. The following table sets forth our net revenues by income source for each of the years ended December 31, 2019 and 2018.

	For the years ended December 31,		2019/2018
	2019[(1)]	2018[(2)]	% change
	(in thousands of euros, except percentages)		
Supply of trackers	318,719	152,058	109.6
Installation services	34,326	11,371	201.9
Operation and maintenance services	2,851	2,144	33.0
Others	916	381	140.4
Net revenues	**356,812**	**165,954**	**115.0**

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Revenues from the supply of trackers increased 109.6% to €318,719 thousand in the year ended December 31, 2019 from €152,058 thousand in the year ended December 31, 2018, principally due to a significant increase in trackers shipped related to, among other factors, the increase in the demand for solar PV generation due to its competitiveness compared with other electricity sources. In 2019, we shipped trackers for projects with a total installed capacity of 2,909 MW, a 92.0% increase compared with 1,515 MW in 2018. Our revenues from the supply of trackers and our trackers supplied in terms of MW tend to vary at differing rates depending on the mix of countries in which we are working in a given year and market prices in those countries.

Revenues from installation services increased 201.9% to €34,326 thousand in the year ended December 31, 2019 from €11,371 thousand in the year ended December 31, 2018, principally due to an increase in the sales of such services related to the increase in trackers supplied during the year.

Revenues from operation and maintenance services increased 33.0% to €2,851 thousand in the year ended December 31, 2019 from €2,144 thousand in the year ended December 31, 2018, principally due to an increase in such services related to the increase in trackers supplied.

The following table sets forth the distribution of our net revenue by geographic area for each of the years ended December 31, 2019 and 2018.

	For the years ended December 31,		2019/2018
	2019[1]	**2018[2]**	**% change**
	(in thousands of euros, except percentages)		
Spain	73,521	15,763	366.4
Brazil	104,508	50,113	108.5
North America[3]	131,835	32,634	304.0
Rest of South America[4]	39,961	15,108	164.5
APAC[5]	5,511	7,851	(29.8)
Others[6]	1,476	44,485	(96.7)
Net revenues	**356,812**	**165,954**	**115.0**

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(3) USA and Mexico.
(4) Argentina, Chile, Colombia and Peru.
(5) Australia, India and Thailand.
(6) Denmark, Egypt, Israel, Jordan, Kenya and Namibia.

Changes in inventories of finished and semi-finished goods. Changes in inventories of finished and semi-finished goods decreased 30.7% to €917 thousand in the year ended December 31, 2019 from €1,324 thousand in the year ended December 31, 2018, principally due to the decline in stocks in 2019 as we executed the projects that had been held up as result of the delay in signing the Syndicated Debt Facility in 2018.

Other operating income. Other operating income increased 190.8% to €1,762 thousand in the year ended December 31, 2019 from €606 thousand in the year ended December 31, 2018, principally due to increases in the amounts invoiced to third parties related to the maintenance, repair and upkeep of solar projects, which was principally driven by increases in Spain and Brazil.

Work carried out by the group for assets. Work carried out by the group for assets increased 148.2% to €968 thousand in the year ended December 31, 2019 from €390 thousand in the year ended December 31, 2018, principally due to the increase in investments in research and development projects carried out by Soltec Innovations, whose core business is the research and development of new designs and the improvement of existing designs.

Supplies. Supplies increased 104.4% to €260,679 thousand in the year ended December 31, 2019 from €127,564 thousand in the year ended December 31, 2018, principally due to increased purchases related to increased activity of the Company during the year. Supplies as a percentage of net revenues were 73.1% for the year ended December 31, 2019, compared with 76.9% for the year ended December 31, 2018. This percentage decreased for 2019 compared with 2018 mainly due to efficiencies and improvements in our procurement policies.

Personnel expenses. Personnel expenses increased 107.8% to €32,309 thousand in the year ended December 31, 2019 from €15,548 thousand in the year ended December 31, 2018, principally due to the increase in our average number of employees in 2019 compared with 2018 mainly due to the increase in our execution of projects following the signing of our Syndicated Debt Facility in September 2018.

Other operating expenses. Other operating expenses increased 147.5% to €49,750 thousand in the year ended December 31, 2019 from €20,102 thousand in the year ended December 31, 2018, principally due to an increase in the volume of external services contracted, in particular transportation expenses, as well as independent professional services related to the increase in our sales activity during the year.

Depreciation of fixed assets. Depreciation of fixed assets increased 97.6% to €4,386 thousand in the year ended December 31, 2019 from €2,220 thousand in the year ended December 31, 2018, principally due to the amortization of leases due to the application of IFRS 16, as well as increases in property, plant and equipment.

Profit/(loss) from the sale of fixed assets and others. Loss from the sale of fixed assets and others increased to €204 thousand in the year ended December 31, 2019 from a loss of €12 thousand in the year ended December 31, 2018, principally due to loss related to fixed assets located in Spain.

Other profit/(loss). Other profit increased to €2,318 thousand in the year ended December 31, 2019 from a profit of €209 thousand in the year ended December 31, 2018, principally due to the recognition of negative differences of the business combination related to the acquisition of the Brazilian project-related SPVs by Powertis, which amounted to €2,284 thousand.

Operating profit/(loss). As a result of the foregoing, operating profit from continuing operations increased 408.7% to €15,449 thousand in the year ended December 31, 2019 from €3,037 thousand in the year ended December 31, 2018.

Net financial revenue. Net financial revenue increased to €149 thousand in the year ended December 31, 2019 from €4 thousand in the year ended December 31, 2018, principally due to interest paid on deposits in Brazil, in line with our policy regarding the use of cash surpluses.

Financial expenses. Financial expenses increased 121.4% to €5,221 thousand in the year ended December 31, 2019 from €2,358 thousand in the year ended December 31, 2018, principally due to an increase in interest on credit facilities as a result of our entry into the Syndicated Debt Facility, as well as interest on other financial instruments, including discounted letters of credit, used in relation to the supply of trackers to our customers' projects in our industrial business line and the credit facilities used in connection with our project development business line. The following table sets forth the components of our financial expenses for each of the years ended December 31, 2019 and 2018.

	For the years ended December 31,	
	2019(1)	**2018(2)**
	(in thousands of euros)	
Interest on credit policies	3,044	933
Import line interests	296	567
Lease liabilities	447	314
Expenses related to customer confirming	462	–
Financial costs payable to related parties	296	–
Factoring expenses	–	1
Projects in Brazil (Solatio)	80	–
Others	596	543
Financial expenses	**5,221**	**2,358**

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Changes in fair value of financial instruments. Changes in fair value of financial instruments were a loss of €5,394 thousand in the year ended December 31, 2019, compared with a gain of €1,317 thousand in the year ended December 31, 2018, principally due to negative exchange rate differences in the euro-U.S. dollar and the euro-Brazilian real exchange rates, as well as the low interest-rate environment in the United States, which negatively impacted the value of certain of our derivatives.

Net exchange gains/(losses). Net exchange losses increased 29.5% to €3,947 thousand in the year ended December 31, 2019 from €3,047 thousand in the year ended December 31, 2018, principally due to the evolution of the foreign exchange markets during a year where there was a significant increase in the volume of our activity, with net revenues of €356,812 thousand in the year ended December 31, 2019 compared with €165,954 thousand in the year ended December 31, 2018. In particular, Brazilian reals and Argentine pesos were the foreign currencies that had the largest impact on exchange differences, representing 65% and 20%, respectively, over net exchange losses in the year ended December 31, 2019.

Loss of net monetary position. Loss of net monetary position was €289 thousand in the year ended December 31, 2019, compared with nil in the year ended December 31, 2018, principally due to the absence of operations in Argentina in the year ended December 31, 2018.

Other net finance income/expenses. Other net finance expenses were €387 thousand in the year ended December 31, 2019, compared with nil in the year ended December 31, 2018, principally due to a purchase price adjustment related to Seguidores Solares Planta 2, S.L., a project-related SPV that we sold to Enel Green Power España in 2017 and to which we had supplied trackers in Totana, Murcia (Spain).

Net financial income. For the reasons set forth above, net financial losses increased 269.5% to €15,089 thousand in the year ended December 31, 2019 from €4,084 thousand in the year ended December 31, 2018.

Income before tax. As a result of the foregoing, income before tax was €360 thousand in the year ended December 31, 2019 compared with loss before tax of €1,047 thousand in the year ended December 31, 2018.

Income tax. Income tax increased 7.6% to income tax benefit of €980 thousand in the year ended December 31, 2019 from income tax benefit of €911 thousand in the year ended December 31, 2018, principally due to our higher income before tax in 2019, as well as the recognition of net operating losses.

Consolidated net income. As a result of the foregoing, consolidated net loss amounted to €1,340 thousand in the year ended December 31, 2019 compared with the consolidated net loss of €136 thousand in the year ended December 31, 2018.

Year ended December 31, 2018 compared with the year ended December 31, 2017

The following table sets forth our consolidated income statements for the years ended December 31, 2018 and 2017.

	For the years ended December 31,		2018/2017
	2018(1)	2017(2)	% change
	(in thousands of euros, except percentages)		
Net revenues	165,954	176,910	(6.2)
Changes in inventories of finished and semi-finished products	1,324	234	465.8
Other operating income	606	845	(28.3)
Works carried out by the group for its assets	390	377	3.4
Supplies	(127,564)	(114,793)	11.1
Personnel expenses	(15,548)	(21,487)	(27.6)
Other operating expenses	(20,102)	(30,819)	(34.8)
Depreciation of fixed assets	(2,220)	(1,916)	15.9
Profit/(loss) from the sale of fixed assets and others	(12)	(55)	(78.2)
Other profit/(loss)	209	3,802	(94.5)
Operating profit/(loss)	**3,037**	**13,098**	(76.8)
Net financial revenue	4	295	(98.6)
Financial expenses	(2,358)	(1,656)	42.4
Changes in the fair value of financial instruments	1,317	1,040	26.6
Net exchange gains/(losses)	(3,047)	(4,239)	(28.1)
Net financial income	**(4,084)**	**(4,560)**	(10.4)
Share of profit/(loss) of investments valued using the equity method	–	2,358	n.m.
Income before tax	**(1,047)**	**10,896**	n.m.
Income tax	911	(2,248)	n.m.
Consolidated net income	**(136)**	**8,648**	n.m.
Profit/(loss) attributed to the parent company	(136)	8,649	n.m.
Profit/(loss) attributed to non-controlling interests	–	(1)	n.m.

(1) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Net revenues. Net revenues decreased 6.2% to €165,954 thousand in the year ended December 31, 2018 from €176,910 thousand in the year ended December 31, 2017, principally due to a delay in signing the Syndicated Debt Facility in 2018, which caused the postponement of several projects. The following table sets forth our net revenues by income source for each of the years ended December 31, 2018 and 2017.

	For the years ended December 31,		2018/2017
	2018[1]	2017[2]	% change
	(in thousands of euros, except percentages)		
Supply of trackers	152,058	162,094	(6.2)
Installation services	11,371	13,804	(17.6)
Operation and maintenance services	2,144	1,011	112.1
Others	381	1	n.m.
Net revenues	**165,954**	**176,910**	**(6.2)**

(1) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Revenues from the supply of trackers decreased 6.2% to €152,058 thousand in the year ended December 31, 2018 from €162,094 thousand in the year ended December 31, 2017, principally due to delays in shipments derived from the delay in signing our Syndicated Debt Facility during 2018.

Revenues from installation services decreased 17.6% to €11,371 thousand in the year ended December 31, 2018 from €13,804 thousand in the year ended December 31, 2017, principally related to lower supply of trackers during 2018.

Revenues from operation and maintenance services increased 112.1% to €2,144 thousand in the year ended December 31, 2018 from €1,011 thousand in the year ended December 31, 2017, principally due to our entry into new maintenance contracts related to installation contracts that we had signed in previous years.

The following table sets forth the distribution of our net revenue by geographic area for each of the years ended December 31, 2018 and 2017.

	For the years ended December 31,		2018/2017
	2018[1]	2017[2]	% change
	(in thousands of euros, except percentages)		
Spain	15,763	846	1,763.2
Brazil	50,113	91,939	(45.5)
North America[3]	32,634	52,608	(38.0)
Rest of South America[4]	15,108	28,509	(47.0)
APAC[5]	7,851	–	n.m.
Others[6]	44,485	3,008	1,378.9
Net revenues	**165,954**	**176,910**	**(6.2)**

(1) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.
(3) USA and Mexico.
(4) Argentina, Chile, Colombia and Peru.
(5) Australia, India and Thailand.
(6) Denmark, Egypt, Israel, Jordan, Kenya and Namibia.

Changes in inventories of finished and semi-finished goods. Changes in inventories of finished and semi-finished goods increased 465.8% to €1,324 thousand in the year ended December 31, 2018 from €234 thousand in the year ended December 31, 2017, principally due to increased stocks associated with a build up during 2018 of projects that were either pending to be supplied or in the process of being supplied.

Other operating income. Other operating income decreased 28.3% to €606 thousand in the year ended December 31, 2018 from €845 thousand in the year ended December 31, 2017, principally due to declines in the amounts invoiced to third parties for services related to the maintenance, repair and upkeep of solar power projects, which declines were primarily driven by decreases in Spain.

Work carried out by the group for its assets. Work carried out by the group for its assets increased 3.4% to €390 thousand in the year ended December 31, 2018 from €377 thousand in the year ended December 31, 2017.

Supplies. Supplies increased 11.1% to €127,564 thousand in the year ended December 31, 2018 from €114,793 in the year ended December 31, 2017, principally due to an increase in purchases in 2018 made in preparation for the execution of new contracts signed during the year, partially offset by declines in change in inventories and works carried out by other companies. Supplies as a percentage of net revenues were 76.9% for the year ended December 31, 2018, compared with 64.9% for the year ended December 31, 2017. This percentage increased for 2018 compared with 2017 mainly as a result of a decline in the efficiency of our procurement process.

Personnel expenses. Personnel expenses decreased 27.6% to €15,548 thousand in the year ended December 31, 2018 from €21,487 thousand in the year ended December 31, 2017, principally due to the decline in our average number of employees from 2017 to 2018, mainly due to delays in the execution of projects related to the delay in signing our Syndicated Debt Facility in 2018.

Other operating expenses. Other operating expenses decreased 34.8% to €20,102 thousand in the year ended December 31, 2018 from €30,819 thousand in the year ended December 31, 2017, principally due to a decrease in the volume of external services contracted related to the decline in trackers shipped during the year, in particular transportation expenses, as well as in related taxes.

Depreciation of fixed assets. Depreciation of fixed assets increased 15.9% to €2,220 thousand in the year ended December 31, 2018 from €1,916 thousand in the year ended December 31, 2017, principally due to the acquisition of new machinery in preparation for the execution of new contracts signed during 2018 and in anticipation of an expected increase in activity during 2019.

Profit/(loss) from the sale of fixed assets and others. Loss from the sale of fixed assets and others decreased 78.2% to €12 thousand in the year ended December 31, 2018 from €55 thousand in the year ended December 31, 2017, principally due to the sale of fixed assets.

Other profit/loss. Other profit decreased 94.5% to €209 thousand in the year ended December 31, 2018 from €3,802 thousand in the year ended December 31, 2017, principally due to our sale in 2017 of our 85% interest in Seguidores Solares Planta 2, S.L., a Spanish solar project SPV, to Enel Green Power España.

Operating profit/(loss). As a result of the foregoing, operating profit decreased 76.8% to €3,037 thousand in the year ended December 31, 2018 from €13,098 thousand in the year ended December 31, 2017.

Net financial revenue. Net financial revenue decreased 98.6% to €4 thousand in the year ended December 31, 2018 from €295 thousand in the year ended December 31, 2017, principally due to the decrease in the activity of the Company, which produced less cash surpluses and, as a result, fewer financial revenues.

Financial expenses. Financial expenses increased 42.4% to €2,358 thousand in the year ended December 31, 2018 from €1,656 thousand in the year ended December 31, 2017, principally due to an increase in interest on credit facilities and other financial expenses as a result of letters of credit and our initial borrowings under the Syndicated Debt Facility. The following table sets forth the components of our financial expenses for each of the years ended December 31, 2019 and 2018.

	For the years ended December 31,	
	2018(1)	**2017(2)**
	(in thousands of euros)	
Interest on credit policies	933	152
Import line interests	567	622
Lease liabilities	314	272
Factoring interests	1	261
Others	543	349
Financial expenses	**2,358**	**1,656**

(1) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Changes in fair value of financial instruments. Changes in fair value of financial instrument increased 26.6% to €1,317 thousand in the year ended December 31, 2018 from €1,040 thousand in the year ended December 31, 2017, principally due to market gains during the year.

Net exchange gains/(losses). Net exchange losses decreased 28.1% to €3,047 thousand in the year ended December 31, 2018 from €4,239 thousand in the year ended December 31, 2017, principally due to the evolution of the foreign exchange markets during the year and our active management of such risk.

Net financial income. For the reasons set forth above, net financial losses decreased 10.4% to €4,084 thousand in the year ended December 31, 2018 from €4,560 thousand in the year ended December 31, 2017.

Share of profit/(loss) of investments valued using the equity method. Share of profit of investments valued using the equity method were nil in the year ended December 31, 2018, compared with €2,358 in the year ended December 31, 2017, due to the divestment during 2017 of all interests that we had accounted for using the equity method.

Income before tax. As a result of the foregoing, loss before tax was €1,047 thousand for the year ended December 31, 2018, compared with income before tax of €10,896 thousand in the year ended December 31, 2017.

Income tax. We had an income tax benefit of €911 thousand in the year ended December 31, 2018, compared with an income tax expense of €2,248 thousand in the year ended December 31, 2017, principally due to the recognition of net operating losses in Brazil.

Consolidated net income. As a result of the foregoing, consolidated net loss amounted to €136 thousand in the year ended December 31, 2018, compared with consolidated net income of €8,648 thousand in the year ended December 31, 2017.

Liquidity and Capital Resources

Liquidity

Our principal liquidity and capital requirements consist of costs relating to the operations of our business, including working capital, which is primarily used for raw materials and merchandise purchases.

Historically, we have financed our liquidity and capital requirements primarily through internally generated cash flows and bank loans.

Historical cash flows

The following tables set forth our cash flow information for the periods indicated.

	For the six months ended June 30,		**For the years ended December 31,**		
	2020(1)	**2019(1)**	**2019(2)**	**2018(3)**	**2017(4)**
			(in thousands of euros)		
Cash flows from operating activities (I)	**(17,612)**	**(16,044)**	**4,789**	**(12,641)**	**(4,935)**
Cash flows from investment activities (II)	**(937)**	**(6,341)**	**(10,427)**	**1,419**	**528**
Cash flows from financing activities (III)	**3,435**	**10,979**	**31,001**	**26,255**	**5,161**
Effect of other translation differences (IV)	**337**	**(193)**	**572**	**(180)**	**(61)**
Net increase/(decrease) of cash and cash equivalents (I+II+III+IV)	**(14,777)**	**(11,599)**	**25,935**	**14,853**	**693**
Cash and cash equivalents at the start of the period	**25,935**	**19,257**	–	**4,287**	**3,594**
Cash and cash equivalents at the end of the period	**11,158**	**7,658**	**25,935**	**19,140**	**4,287**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Cash flows from operating activities

Cash flows used in operating activities increased to €17,612 thousand in the six months ended June 30, 2020 compared with €16,044 thousand in the six months ended June 30, 2019. The change in cash flows from operating activities was principally due to COVID-19-related impacts, in particular, the decline in revenues and the increase in personnel and other operating expenses.

Cash flows from operating activities were inflow of €4,789 thousand in the year ended December 31, 2019 compared with cash flows used in operating activities of €12,641 thousand in the year ended December 31, 2018. The change was principally related to extraordinary working capital consumption in 2018 for projects undertaken during such year but for which we did not record associated revenues during the year, following which we experienced significantly higher sales in the fourth quarter of 2018 following the execution of the Syndicated Debt Facility, as well as due to the implementation of new efficiency measures in 2019.

Cash flows used in operating activities were €12,641 thousand in the year ended December 31, 2018 and €4,935 thousand in the year ended December 31, 2017. The change in cash flows from operating activities was principally due to the extraordinary working capital consumption in 2018, as described above.

Cash flows from investment activities

Cash flows used in investment activities were €937 thousand in the six months ended June 30, 2020 compared with €6,341 thousand in the six months ended June 30, 2019. The use and purpose of the resources was principally attributable to the acquisition at the beginning of 2019 of Brazilian project-related SPVs by Powertis, which in turn raised the volume of "Other non-current financial assets" as a consequence of advance payments made to Solatio.

Cash flows used in investment activities were €10,427 thousand in the year ended December 31, 2019 compared with cash flows from investment activities of €1,419 thousand in the year ended December 31, 2018. The investment was principally related to the use of the resources in investments mainly related to technical facilities, machinery and other tools in line with our business growth, in research and development projects carried out by Soltec Innovations and in other financial assets due to purchases in Brazil related to our project development activity, as well as payments related to foreign exchange derivatives.

Cash flows from investment activities were €1,419 thousand in the year ended December 31, 2018 and €528 thousand in the year ended December 31, 2017. The change was principally related to a decrease in the purchase of assets and an increase in collections related to foreign exchange derivatives. In 2018, we purchased several machines and tools for our operations in Spain and Mexico and undertook a renovation of our headquarters in Murcia, Spain.

Cash flows from financing activities

Cash flows from financing activities decreased to €3,435 thousand in the six months ended June 30, 2020 from €10,979 thousand in the six months ended June 30, 2019. This decrease was principally attributable to a reduction in the amount of financing required to perform our activities in the six months ended June 30, 2020. In the six months ended June 30, 2020, we obtained financing for €6,987 thousand in connection with our project development business line, of which €4,102 thousand are loans granted by Instituto de Crédito Oficial (a Spanish state-owned bank attached to the Ministry of Economy and Business) and €2,885 thousand are loans granted by our main shareholders. In such period, we amortized €3,552 thousand, of which €1,760 thousand related to the termination of credits granted to Powertis, €1,016 thousand related to the amortization of debt with Solatio, €592 thousand related to adjustments for IFRS 16 Leasing, €181 thousand were payments related to our Syndicated Debt Facility and €3 thousand were payments related to loans granted by the Centre for the Development of Industrial Technology (CDTI).

Cash flows from financing activities increased to €31,001 thousand in the year ended December 31, 2019 from €26,255 thousand in the year ended December 31, 2018. The change was principally attributable to business combinations in connection with the Reorganization Process in 2019, partially offset by increased payments related to our financial debt.

Cash flows from financing activities increased to €26,255 thousand in the year ended December 31, 2018 from €5,161 thousand in the year ended December 31, 2017. The change was principally attributable to our entering into the Syndicated Debt Facility.

Financial liabilities

On September 28, 2018, we entered into a Syndicated Debt Facility, including a guarantee line, for a total of €100 million, in order to finance future growth, including certain solar tracker supply and installation projects, as well as to provide additional liquidity in order to better adapt to changing market conditions. The Syndicated Debt Facility terminates on September 28, 2021, if not extended pursuant to its terms. The best estimate of our management is that the amounts drawn thereunder will be repaid in less than 12 months from drawdown. In connection with this facility, we are required to meet an interest coverage ratio (Adjusted EBITDA/financial expenses) for Soltec ER and its subsidiaries above 2.5. "Adjusted EBITDA" is an APM. For additional information on this APM, see "*—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*". This ratio, which was met as of December 31, 2019, was not met as of December 31, 2018, and it was necessary to obtain a waiver from our lenders as of that date, which we received. We estimate that this financial ratio will be met as of December 31, 2020 on the basis of the updated budgets for the second half of 2020, which take into consideration sales already signed and those projects with an estimated percentage of success higher than 80% that are expected to be executed before the end of 2020, and an assumed profitability similar to that obtained in the second half of 2019, taking into account fluctuations in raw materials and other costs during the six months ended June 30, 2020. Failure to meet this financial ratio in the future could affect our ability to draw on the facility, lead to an acceleration of our debt or other consequences. For additional information regarding our Syndicated Debt Facility, see section "*Material Contracts—Syndicated Debt Facility*". We currently maintain certain confirming agreements with various financial institutions. Prior to our entry into our Syndicated Debt Facility, we also maintained certain credit and import financing agreements.

The average interest rate on the Group's financial debt was approximately 3.1% in the six months ended June 30, 2020 and 3.4% in 2019. This financial debt includes the costs incurred in the arrangement of the debt amounting to €677 thousand and €947 thousand, respectively.

The following table sets forth the breakdown of current and non-current financial liabilities as of June 30, 2020 and as of December 31, 2019, 2018 and 2017:

	As of June 30,		As of December 31,					
	2020(1)		2019(2)		2018(3)		2017(4)	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
	(in thousands of euros)							
Debts with credit institutions	–	84,751	–	82,320	9	69,060	13	38,473
Other financial liabilities(5)	18,279	12,476	15,552	15,552	7,635	1,242	7,108	2,916
Derivatives	–	1,261	–	2,468	171	239	–	–
Total financial liabilities	**18,279**	**98,488**	**15,552**	**100,340**	**7,815**	**70,541**	**7,121**	**41,389**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.
(5) Includes lease liabilities and excludes trades and other payables.

Our debts with credit institutions increased from December 31, 2018 to December 31, 2019 as a result of an increase in financing needs resulting from an increase in business volumes. Our debts with credit institutions increased significantly from December 31, 2017 to December 31, 2018 as a result of our entry into our Syndicated Debt Facility and our first borrowings thereunder in 2018.

Our total non-current financial liabilities, which amounted to €18,279 thousand as of June 30, 2020, consisted of non-current financial lease obligations amounting to €7,744 thousand, loans granted by the

Centre for the Development of Industrial Technology (CDTI) amounting to €385 thousand, deferred payments in connection with the acquisition of project-related SPVs in Brazil amounting to €2,280 thousand and participating loans with related parties amounting to €7,870 thousand, of which €6,747 thousand are with the majority shareholder and €1,123 thousand are with other related parties. Our current financial liabilities, which amounted to €98,488 thousand as of June 30, 2020, consisted of (i) current financial liabilities with banks amounting to €84,751 thousand, of which €78,648 thousand were drawn from the Syndicated Debt Facility, €6,103 thousand were other current financial liabilities, (ii) other current financial liabilities amounting to €12,476, of which €11,181 thousand result mainly from pending short-term payments for Brazilian projects and €1,295 thousand relate to short-term lease liabilities, and (iii) derivatives amounting to €1,261 thousand.

Our total non-current financial liabilities, which amounted to €15,552 thousand as of December 31, 2019, consisted of non-current financial lease obligations amounting to €8,239 thousand, loans granted by the Centre for the Development of Industrial Technology (CDTI) amounting to €388 thousand, deferred payments in connection with the acquisition of project-related SPVs in Brazil amounting to €2,634 thousand and participating loans amounting to €4,291 thousand. Our current financial liabilities, which amounted to €100,340 thousand as of December 31, 2019, consisted of (i) current financial liabilities with banks amounting to €82,320 thousand, of which €78,559 thousand were drawn from the Syndicated Debt Facility, €3,759 thousand were from the Powertis credit facility and €2 thousand were other current financial liabilities with banks, (ii) other current financial liabilities amounting to €15,552 thousand, of which €14,130 thousand were pending short-term payments for Brazilian projects, €1,401 thousand were financial lease obligations and €21 thousand were other current financial liabilities, and (iii) derivatives amounting to €2,468 thousand.

Trade and other payables

Our trade and other payables, which amounted to €75,639 thousand as of June 30, 2020, consisted of suppliers amounting to €68,014 thousand and other payables amounting to €7,625 thousand. Our trade and other payables, which amounted to €103,125 thousand as of December 31, 2019, consisted of suppliers amounting to €89,333 thousand and other payables amounting to €13,792 thousand.

Capital expenditures

Capital expenditures include amounts invested for purchasing long-lived assets used in our business. Capital expenditures are capitalized depending on their nature as either intangible assets or property, plant and equipment.

The following table sets forth the breakdown of our capital expenditures for the six months ended June 30, 2020 and for the years ended December 31, 2019, 2018 and 2017:

	For the six months ended June 30,		For the years ended December 31,		
	2020(1)	2019(1)	2019(2)	2018(3)	2017(4)
	(in thousands of euros)				
Capital expenditures in Intangible fixed assets	3,590	52	33,239	413	552
Capital expenditures in Property, plant and equipment	1,631	1,187	2,891	1,152	2,235
Total capital expenditures	**5,221**	**1,239**	**36,130**	**1,565**	**2,787**

(1) Derived from Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(4) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Contractual obligations

The following table presents the maturity profile of our contractual obligations as of June 30, 2020.

	Payments due by period[1]					
	2020	2021	2022	2023	2024 and subsequent years	Total
	(in thousands of euros)					
Loans with credit institutions	84,751	–	–	–	–	84,751
Lease liabilities	1,295	1,251	1,040	945	4,508	9,039
Other financial liabilities[2]	12,442	2,624	–	–	7,910	22,977
Total	**98,488**	**3,875**	**1,040**	**945**	**12,418**	**116,767**

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Includes derivatives, liabilities related to the purchase of the project-related SPVs in Brazil to Solatio and loans that Powertis, S.A. has entered into with the majority shareholders of the Company, which are classified as long-term as they do not have a predetermined repayment period and are repaid with the profits derived from the sale of the projects.

Loans with credit institutions primarily relates to our Syndicated Debt Facility. See "*Material Contracts—Syndicated Debt Facility*" for a description of our Syndicated Debt Facility and why payments thereunder are classified as due in 2020. We expect to meet our contractual obligations as follows: (i) in connection with loans with credit institutions, we expect to repay the amounts related to the Syndicated Debt Facility mainly with the amounts collected from financed projects and the amounts related to financing obtained by Powertis with the proceeds arising from the sale of its projects, (ii) we expect to finance our lease liabilities with the operating margin of the Company and (iii) in connection with other financial liabilities, we expect to repay the amounts related to financing obtained by Powertis with the proceeds arising from the sale of its projects.

Off-balance sheet arrangements

We had granted guarantees amounting to €110,462 thousand as of June 30, 2020 (of which 65% represented amounts with related parties), €92,403 thousand as of December 31, 2019 (of which 69% represented amounts with related parties), €31,359 thousand as of December 31, 2018 (of which 80% represented amounts with related parties) and €28,568 thousand as of December 31, 2017 (of which none of them represented amounts with related parties). For additional information, see Note 12 to the Unaudited Interim Condensed Consolidated Financial Statements, Note 11 to the Company 2019 Audited Consolidated Financial Statements and Note 12 to Soltec ER 2018 Audited Consolidated Financial Statements.

The following table sets forth the breakdown of guarantees as of June 30, 2020 and as of December 31, 2019:

	As of June 30, 2020[1]	As of December 31, 2019[2]
	(in thousands of euros)	
Banking	29,353	30,205
Surety	75,576	56,665
Group companies	5,533	5,533
Total	**110,462**	**92,403**

(1) Derived from Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.

In connection with our solar tracker installation services, we typically provide guarantees to third parties related to our provision of goods and services and, as of June 30, 2020, we had granted guarantees for an amount of €40,861 thousand (€48,506 thousand as of December 31, 2019). These guarantees are contracted for with banking institutions and insurance companies in order to secure compliance with the obligations to our customers during the installation, marketing and warranty period of solar trackers.

In connection with our project development business line, we typically provide guarantees related to our development of solar power plants. As of June 30, 2020, we had granted certain guarantees in which our majority shareholders acted as guarantors. These guarantees are requested by different local authorities in connection with bidding processes in which we participate. The arranged amount in the form of guarantees was €69,781 thousand as of June 30, 2020 (€43,897 thousand as of December 31, 2019). The interest rate paid as of June 30, 2020 was 1.14% for the guarantee lines and 0.62% for the credit lines, which resulted in €386 thousand of financial expenses in the six months ended June 30, 2020 (€296 thousand in the year ended December 31, 2019).

Analysis of Unaudited Alternative Performance Measures

The Group prepares its Audited Financial Statements in accordance with IFRS-EU and its Unaudited Interim Condensed Consolidated Financial Statements in accordance with IAS 34. Additionally, it presents some APMs to provide additional information that it believes is conducive to the comparability and understanding of its financial information and facilitates decision-making and evaluation of the Group's performance. By facilitating comparisons of relative performance, the measures aid management to detect and evaluate trends, to forecast operating and financial performance and to compare actual performance to forecast expectations. The Group uses these measures as internal measures to evaluate and compare its performance. However, these measures are not defined, and are not measures of performance, under IFRS. The APMs have not been audited or reviewed, do not represent the Group’s revenues, margins, results of operations or cash flows for the periods presented and should not be regarded as alternatives to revenue, cash flows or results of operations for the periods presented or other measures of performance as defined by IFRS. The APMs should be considered by readers only as complementary to, and not substitutive for or superior to, the financial information presented in the Audited Financial Statements under IFRS-EU and in the Unaudited Interim Condensed Consolidated Financial Statements under IAS 34. Readers are cautioned not to place undue reliance on these measures, which should not be considered in isolation, may differ significantly from similarly titled information reported by other companies and may not always be comparable. As described in this Prospectus, the financial information as of and for the six months ended June 30, 2020 has been derived from the Unaudited Interim Condensed Consolidated Financial Statements, while the financial information as of and for the financial year ended December 31, 2019 has been derived from the Company 2019 Audited Consolidated Financial Statements, the financial information as of and for the financial year ended December 31, 2018 has been derived from the Soltec ER 2018 Audited Consolidated Financial Statements and the financial information as of and for the financial year ended December 31, 2017 has been derived from the Soltec ER 2017 Audited Consolidated Financial Statements. For additional information, see “—*Key Factors Affecting the Comparability of our Financial Condition and Results of Operations—Corporate Reorganization*” and “*Presentation of Financial Information and Other Important Notices*”.

The APMs used by the Company are the following: Backlog, Gross Margin, Gross Margin on Sales, Net Margin, Net Margin on Sales, EBITDA, Adjusted EBITDA, Borrowings, Net Financial Debt, Net Debt-to-Adjusted EBITDA, Leverage and Return on Capital Employed (ROCE).

1. BACKLOG

Backlog corresponds to contracts values minus actual renevues (+/-) exchange rates differences (+/-) contract variations, (i) Booking is the amount of the total signed contracts during the periodo of reference and (ii) Completion is the amount of actual sales during the period of reference.

The table sets forth the reconciliation of this APM for the periods presented.

EUR thousands	30.06.2020	31.12.2019
Initial balance	143,287	-
Booking	162,603	499,959

Completion	(116,385)	(356,672)
Exchange rates and others	-	321
Final balance	189,826	143,287

2. GROSS MARGIN

Gross Margin corresponds to the amount of net revenues, plus changes in stocks of finished products and those in progress, less supplies.

The table below sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31,	
	2020(1)	2019(1)	2019(2)	2018(3)
	(in thousands of euros)			
Net revenues	**115,695**	**121,819**	**356,812**	**165,954**
Changes in stocks of finished products and those in progress	**(148)**	**1,269**	**917**	**1,324**
Supplies	**(86,517)**	**(91,072)**	**(260,679)**	**(127,564)**
Purchase of goods	(84,228)	(102,307)	(254,838)	(125,181)
Change in stocks	4,973	16,421	9,820	(64)
Work carried out by other companies	(7,262)	(5,186)	(15,661)	(2,319)
Gross Margin	**29,030**	**32,016**	**97,050**	**39,714**

(1) Derived from Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of the use: Gross Margin is considered by the Company as a measure of the performance of its activity, since it provides information on the profit/loss of project execution, which is obtained from external sales and subtracting the cost incurred to achieve such sales. The Company believes this margin is the best measure for the cost of the manufacturing and supply of photovoltaic trackers.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Gross Margin decreased 9.3% to €29,030 thousand in the six months ended June 30, 2020 from €32,016 thousand in the six months ended June 30, 2019, principally due to the decrease in net revenues (5%) due to COVID-19-related delays in the execution of new and existing project, which delayed income recognition by several months. Further, the increase in transportation costs in connection with our supplies was offset by the decrease in raw material costs. Gross Margin increased 144% to €97,050 thousand in the year ended December 31, 2019 from €39,714 thousand in the year ended December 31, 2018, principally due to a significant increase in our business activity compared to 2018. In particular, the Company had a larger concentration of clients with larger projects which offer better profitability and the Company increased the number of installation projects.

3. GROSS MARGIN ON SALES

Gross Margin on Sales corresponds to Gross Margin divided by net revenues.

The table below sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31,	
	2020[(1)]	2019[(1)]	2019[(2)]	2018[(3)]
	(in thousands of euros, except percentages)			
Gross Margin (I)	29,030	32,016	97,050	39,714
Net revenues (II)	115,695	121,819	356,812	165,954
Gross Margin on Sales (I/II)	25%	26%	27%	24%

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Gross Margin on Sales is considered by the Company as a measure of the performance of its activity, as it provides information on the percentage contribution that such margin represents on the amount of sales. This contribution allows for comparative analyses to be made on the performance of the margin of the projects of the Company.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Gross Margin on Sales decreased 1pp to 25% in the six months ended June 30, 2020 from 26% in the six months ended June 30, 2019, principally due to COVID-19-related delays in the execution of new and existing projects as a result of accrued expenses that were incurred by the Company despite the delays in the execution of such projects. Gross Margin on Sales increased 3pp to 27% in the year ended December 31, 2019 from 24% in the year ended December 31, 2018, principally due to a significant increase in Gross Margin (144%) and a significant increase in our business activity compared to 2018, which resulted in an increase in net revenues (115%).

4. NET MARGIN

Net Margin corresponds to Gross Margin, less personnel expenses and other operating expenses, plus losses, impairment and changes in provisions from commercial transactions, less provision for guarantees.

The table below sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31,	
	2020[(1)]	2019[(1)]	2019[(2)]	2018[(3)]
	(in thousands of euros)			
Gross Margin	29,030	32,016	97,050	39,714
Personnel expenses	(20,053)	(13,996)	(32,309)	(15,548)
Other operating expenses	(23,825)	(18,253)	(49,750)	(20,102)
Losses, impairment and changes in provisions from commercial transactions	862	1,906	3,151	81
Provision for guarantees	980	268	(499)	–
Net Margin	(13,006)	1,941	17,643	4,145

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Net Margin is considered by the Company as a measure of the performance of its activity, as it provides information on the Net Margin of the projects that have been manufactured and installed during the period.

Net Margin is calculated based on the result or Gross Margin, net of personnel expenses and operating expenses excluding losses, deterioration and variation of commercial provisions endowed in the year adjusted for the guarantees provision. Our provision for guarantees for the six months ended June 30, 2020 results from the addition of non-current and current provision for guarantees that amounted to €1,379 thousand and €145 thousand, respectively, as of June 30, 2020, less the amount of €543 thousand recorded as provision for guarantees as of December 31, 2019. Our provision for guarantees for the year ended December 31, 2019 results from the addition of non-current and current provision for guarantees that amounted to €181 thousand and €362 thousand, respectively, as of December 31, 2019, less the amount of €44 thousand recorded as provision for guarantees as of January 1, 2019. For additional details, see Note 12.2 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 11.b to the Company 2019 Audited Consolidated Financial Statements.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Net Margin decreased to €(13,006) thousand in the six months ended June 30, 2020 from €1,941 thousand in the six months ended June 30, 2019, principally due to a significant increase in the value of inputs, including (i) a significant increase in personnel expenses (43%) to permit the execution of backlog and pipeline and to deal with COVID-19-related impacts on projects and their execution so that the Company meets its commitments with its customers and (ii) an increase in other operating expenses (37%), together with a significant increase in transportation expenses due to COVID-19 and in other operating expenses. Net Margin increased 325.4% to €17,643 thousand in the year ended December 31, 2019 from €4,145 thousand in the year ended December 31, 2018, principally due to the increase in the efficiency and effectiveness of the portfolio projects of the Group. In addition, the delay in signing the Syndicated Debt Facility led to the postponement of several projects in 2018 for which we recorded revenues in 2019.

5. NET MARGIN ON SALES

Net Margin on Sales corresponds to Net Margin divided by net revenues.

The table below sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31	
	2020(1)	2019(1)	2019(2)	2018(3)
	(in thousands of euros, except percentages)			
Net Margin (I)	(13,006)	1,941	17,643	4,145
Net revenues (II)	115,695	121,819	356,812	165,954
Net Margin on Sales (I/II)	(11)%	1.6%	5%	2%

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Net Margin on Sales is considered by the Company as a measure of the performance of its activity, as it provides information on the percentage contribution that such margin represents on the net amount of sales. The Company considers which contribution allows comparative analysis on the performance of the project margin, considering the direct and indirect costs associated with their execution.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Net Margin on Sales decreased to (11)% in the six months ended June 30, 2020 from 1.6% in the six months ended June 30, 2019, principally due to (i) a significant decrease in Net Margin, resulting from a significant increase in personnel expenses (43%) to permit the execution of backlog and pipeline and to deal with COVID-19-related impacts on projects and their execution and an increase in transportation and in other operating expenses (37%), and (ii) a decrease in net revenues (5%). Net Margin on Sales increased 3pp to 5% in the year ended December 31, 2019 from 2% in the year ended December 31, 2018, principally due to the increase in Net Margin and net revenues.

6. EBITDA

EBITDA corresponds to Net Margin, plus other operating revenue and works carried out by the Group for its assets, less losses, impairment, and changes in provisions from commercial transactions, plus provision for guarantees.

The table below sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31,	
	2020(1)	2019(1)	2019(2)	2018(3)
	(in thousands of euros)			
Net Margin	(13,006)	1,941	17,643	4,145
Other operating revenue	1,803	833	1,762	606
Works carried out by the Group for its assets	625	204	968	390
Losses, impairment and changes in provisions from commercial transactions	(862)	(1,906)	(3,151)	(81)
Provision for guarantees	(980)	(268)	499	–
EBITDA	(12,420)	804	17,721	5,060

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: EBITDA is considered by the Company as a measure of the performance of its activity, as it provides an analysis on the profit/loss of the year (excluding interest and taxes, as well as amortization) as an approximation to the operational cash flows that reflect cash generation. Additionally, it is a magnitude widely used by investors when assessing companies, as well as by rating agencies and creditors to assess the level of indebtedness by comparing EBITDA with net debt and also comparing EBITDA with debt service.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: EBITDA decreased to €(12,420) thousand in the six months ended June 30, 2020 from €804 thousand in the six months ended June 30, 2019, principally due to a significant decrease in Net Margin resulting mainly from COVID-19-related delays in the execution of new and existing project, which delayed income recognition by several months, and significant increases in personnel, transportation and other operating expenses. EBITDA increased 250.2% to €17,721 thousand in the year ended December 31, 2019 from €5,060 thousand in the year ended December 31, 2018, principally due to more intensive increase in the Net Margin (326%).

7. ADJUSTED EBITDA

Adjusted EBITDA corresponds to EBITDA, plus losses, impairment and changes in provisions from commercial transactions, less provision for guarantees.

The table sets forth the reconciliation of this APM for the periods presented.

	For the six months ended June 30,		For the years ended December 31,	
	2020(1)	2019(1)	2019(2)	2018(3)
	(in thousands of euros)			
EBITDA	(12,420)	804	17,721	5,060
Losses, impairment and changes in provisions from commercial transactions	862	1,906	3,151	81
Provision for guarantees	980	268	(499)	–
Adjusted EBITDA	(10,578)	2,978	20,373	5,141

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Adjusted EBITDA is considered by the Company as a measure of the performance of its activity, as it provides an analysis of the operating results excluding commercial provisions that do not represent cash outflow.

The financial information used to calculate this APM for the six months ended June 30, 2020 and June 30, 2019 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Adjusted EBITDA decreased to €(10,578) thousand in the six months ended June 30, 2020 from €2,978 thousand in the six months ended June 30, 2019, principally due to significant decrease in EBITDA and extraordinary allowances and provisions. Adjusted EBITDA increased 296.3% to €20,373 thousand in the year ended December 31, 2019 from €5,141 thousand in the year ended December 31, 2018, principally due to a large increase in EBITDA (250%).

8. BORROWINGS

Borrowings corresponds to current debts with credit institutions, plus total non-current financial liabilities, other current financial liabilities and derivatives.

The table below sets forth the reconciliation of this APM as of the dates presented.

	As of June 30,	As of December 31,	
	2020(1)	2019(2)	2018(3)
	(in thousands of euros)		
Current debts with credit institutions	84,751	82,320	69,060
Total non-current financial liabilities	18,279	15,552	7,815
Other current financial liabilities	12,476	15,552	1,242

	As of June 30,	As of December 31,	
	2020[(1)]	2019[(2)]	2018[(3)]
	(in thousands of euros)		
Derivatives	1,261	2,468	239
Borrowings	116,767	115,892	78,356

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Borrowings are considered by the Company as a measure of the performance of its activity as it measures the financial position of the Group and is necessary for the calculation of leverage quantities typically used in the market.

The financial information used to calculate this APM as of June 30, 2020 is derived from Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Borrowings increased 0.8% to €116,767 thousand as of June 30, 2020 from €115,892 thousand as of December 31, 2019, principally due to increases (i) of €2,431 thousand in current debts with credit institutions, mainly in the development business line, and (ii) of €2,727 thousand in non-current financial liabilities, principally due to other liabilities derived from the purchase of certain project-related SPVs in Brazil from Solatio that were reclassified as long-term, which were partially offset by decreases (iii) of €3,076 thousand in other current financial liabilities, principally due to the reclassification of other liabilities derived from the purchase of certain project-related SPVs in Brazil from Solatio as long-term, which reduced our other current financial liabilities producing a netting effect on Borrowings with respect to the reclassified amounts, as well as to the impact of the exchange rate on such liabilities incurred in Brazilian reals, and (iv) of €1,207 thousand in foreign exchange derivatives.

Borrowings increased 48% to €115,892 thousand as of December 31, 2019 from €78,356 thousand as of December 31, 2018, principally due to (i) an increase of €13,260 thousand in current debts with credit institutions, principally in debts with financial institutions, mainly in the Syndicated Debt Facility, (ii) an increase of €7,737 thousand in non-current financial liabilities, principally due to other liabilities derived from the purchase of certain project-related SPVs in Brazil from Solatio, (iii) an increase of €14,310 thousand in other current financial liabilities, principally due to other liabilities derived from the purchase of certain project-related SPVs in Brazil from Solatio and (iv) an increase of €2,229 thousand in foreign exchange derivatives.

9. NET FINANCIAL DEBT

Net Financial Debt corresponds to Borrowings, less current financial assets and cash and cash equivalents.

The table below sets forth the reconciliation of this APM as of the dates presented.

	As of June 30,	As of December 31,	
	2020[(1)]	2019[(2)]	2018[(3)]
	(in thousands of euros)		
Borrowings	116,767	115,892	78,356
Current financial assets	(1,038)	(3,191)	(5,249)
Cash and cash equivalents	(11,158)	(25,935)	(19,140)
Net Financial Debt	104,571	86,766	53,967

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.

(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Net Financial Debt is a financial magnitude that measures the net debt position of a company. Additionally, it is a magnitude widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness.

The financial information used to calculate this APM as of June 30, 2020 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM as of December 31, 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Net Financial Debt increased 21% to €104,571 thousand as of June 30, 2020 from €86,766 thousand as of December 31, 2019, principally due to a decrease in cash equivalents (57%). Within the industrial business line, the decrease in Borrowings amounted to €1,728 thousand. Within the development business line, the increase in Borrowings amounted to €2,710 thousand. Net Financial Debt increased 60% to €86,766 thousand as of December 31, 2019 from €53,967 thousand as of December 31, 2018, principally due to an increase in Borrowings that amounted to €37,536 thousand. Within the industrial business line, the increase in Borrowings amounted to €12,425 thousand and the increase in cash and cash equivalents amounted to €6,795 thousand, which resulted on a Net Financial Debt increase in the amount of €5,844 thousand. Within the development business line, the increase in the Net Financial Debt amounted to €26,784 thousand due to the increase in Borrowings.

10. NET DEBT-TO-ADJUSTED EBITDA

Net Debt-to-Adjusted EBITDA corresponds to Net Financial Debt divided by Adjusted EBITDA.

The table below sets forth the reconciliation of this APM as of the dates presented.

	December 31,		
	2019(1)	**2018(2)**	**2017(3)**
	(in thousands of euros)		
Net Financial Debt(I)..	86,766	53,967	37,323
Adjusted EBITDA(II)...	20,373	5,141	11,312
Net Debt-to-Adjusted EBITDA (I/II)	4.26x	10.50x	3.30x

(1) Derived from the Company 2019 Audited Consolidated Financial Statements.
(2) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2017 Audited Consolidated Financial Statements.

Explanation of use: Net Debt-to-Adjusted EBITDA is a financial magnitude calculated on an annual basis that provides the Company with a general understanding of its capacity to repay its indebtedness and aids to measure how many years would need the Company to repay its debt if Net Financial Debt and Adjusted EBITDA remain unchanged during such period.

The financial information used to calculate this APM as of December 31, 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements as of and for the years ended December 31, 2018 and 2017, respectively.

Evolution: Net Debt-to-Adjusted EBITDA decreased to 4.26x as of December 31, 2019 from 10.50x as of December 31, 2018, principally due to the more than tripling of the Adjusted EBITDA in the year ended

December 31, 2019 compared with the year ended December 31, 2018, whereas Net Financial Debt increased by 61% as of December 31, 2019 compared with the prior year end mainly in connection with the acquisition by Powertis of projects located in Brazil. Net Debt-to-Adjusted EBITDA increased to 10.50x as of December 31, 2018 from 3.30x as of December 31, 2017, principally due to (i) a decrease in Adjusted EBITDA in the year ended December 31, 2018 compared with the year ended December 31, 2017 as a result of a delay in signing the Syndicated Debt Facility in 2018, which caused the postponement of several projects, and (ii) an increase Net Financial Debt as of December 31, 2018 compared with the prior year end as a result of signing the Syndicated Debt Facility on September 28, 2018.

11. LEVERAGE

Leverage corresponds to Borrowings divided by total assets.

The table below sets forth the reconciliation of this APM as of the dates presented.

	June 30,	December 31,	
	2020[(1)]	**2019**[(2)]	**2018**[(3)]
	(in thousands of euros, except percentages)		
Borrowings (I)	116,767	115,892	78,356
Total assets (II)	201,177	251,130	126,082
Leverage (I/II)	58.04%	46.15%	62.15%

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: Leverage is an indicator that measures the company's indebtedness position. It is widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness.

The financial information used to calculate this APM as of June 30, 2020 is derived from Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Leverage increased 12pp to 58.04% as of June 30, 2020 from 46.15% as of December 31, 2019, principally due to the decrease in the value of total assets (20%), resulting mainly from a significant decrease in debtors and other receivables and in cash and cash equivalents, as a consequence of COVID-19 related impacts and the decrease in net revenues (5%), together with an increase in Borrowings (1%) resulting from the requirements in Powertis development projects. Leverage decreased 16pp to 46.15% as of December 31, 2019 from 62.15% as of December 31, 2018, principally due to the increase in the value of total assets (99.2%), including an increase in accounts receivables, liquid assets and fixed assets compared with 2018, resulting from an increase in net revenues (115%) and the business combination related to the acquisition of certain project-related SPVs from Solatio.

12. RETURN ON CAPITAL EMPLOYED (ROCE)

Return on Capital Employed (ROCE) corresponds to Adjusted EBITDA divided by the sum of total equity and Net Financial Debt.

The table below sets forth reconciliation of this APM as of the dates presented.

	As of June 30,	As of December 31,	
	2020(1)	2019(2)	2018(3)
	(in thousands of euros, except percentages)		
Adjusted EBITDA (I)	(10,578)	20,373	5,141
Total equity(II)	(2,375)	17,982	14,456
Net Financial Debt(III)	104,571	86,766	53,967
ROCE (I/(II+III))	(10.35)%	19.44%	7.51%

(1) Derived from the Unaudited Interim Condensed Consolidated Financial Statements.
(2) Derived from the Company 2019 Audited Consolidated Financial Statements.
(3) Derived from the Soltec ER 2018 Audited Consolidated Financial Statements.

Explanation of use: the Return on Capital Employed *(ROCE)* is considered by the Company as a measure of the performance of its activity, as it measures the profitability of a company taking into consideration the efficiency with which capital is used. It is widely used by investors when assessing the real profitability of a company.

The financial information used to calculate this APM as of June 30, 2020 is derived from the Unaudited Interim Condensed Consolidated Financial Statements. The financial information used to calculate this APM for 2019 derives from the Company 2019 Audited Consolidated Financial Statements. Since the Company was incorporated in 2019, the comparative information was calculated using Soltec ER 2018 Audited Consolidated Financial Statements.

Evolution: Return on Capital Employed (ROCE) decreased to (10.35)% as of June 30, 2020 from 19.44% as of December 31, 2019, principally due to the decrease in Adjusted EBITDA (152%) together with a decrease in equity (113%) and the increase in Net Financial Debt (21%). Return on Capital Employed (ROCE) increased to 19.44% as of December 31, 2019 from 7.51% as of December 31, 2018, principally due to the significant increase in Adjusted EBITDA (296%).

Recent Developments

Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal

On January 30, 2020, Powertis entered into a collaboration agreement with Total Solar Ibérica, S.L. Unipersonal (“**Total**”), a wholly owned subsidiary of Total Solar International S.A.S., to jointly develop, finance, construct and operate up to 1,000 MW of greenfield solar PV facilities in Spain. Powertis has agreed to provide exclusivity to Total in Spain until February 2021 for projects of 2.5 MW in size or greater. Powertis conducts the technical and development actions necessary for a project to reach a ready-to-build status. The price for projects developed by Powertis under the collaboration agreement depends on a fixed rate per MW provided for in such agreement. The development budget for each project, which includes Powertis’ fees for certain development services, must be agreed upon by both parties. Pursuant to the collaboration agreement, Total must provide technical and financial assistance, including but not limited to securing a PPA for each project. Total holds a right but not the obligation to purchase 65% of Powertis’ projects once land and interconnections rights have been secured. In addition, Total holds a right of first offer (ROFO) as preferred PPA provider, while we hold a ROFO as preferred tracker supplier and we have a right to perform EPC services on an “open books” and “cost plus” basis. For additional details on this collaboration agreement with Total, including with regard to certain drag-along and matching rights, see section “*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*”.

In March 2020, the transfer of 65% of the shares of Amber Solar Power Uno, S.L., Amber Solar Power Tres, S.L., Amber Solar Power Cuatro, S.L., Amber Solar Power Cinco, S.L. and Luminora Solar Cuatro, S.L., consisting of projects with 46.5 MW in the aggregate, was executed in accordance with the terms set out in the collaboration agreement. This transaction resulted in the recording of a consolidated profit of €1,367 thousand in the six months ended June 30, 2020, of which €435 thousand represented the fair value of the stake determined through the sale price and €932 thousand represented the result of the loss of control, and entailed receiving approximately €931 thousand as the agreed consideration for the transfer of the 65% stakes.

In addition, in July 2020, the transfer of 65% of the shares of Luminora Solar Dos, S.L., Luminora Solar Tres, S.L., Amber Solar Power Nueve, S.L., Amber Solar Power Diez, S.L., Amber Solar Power Quince, S.L. and Amber Solar Power Dieciseis, S.L., consisting of projects with 326.5 MW in the aggregate classified as advanced-stage development pipeline, was executed in accordance with the terms set out in the collaboration agreement. This transaction resulted in the recording of a consolidated profit of €9,819 thousand in the month ended July 31, 2020, of which €3,075 thousand represented the fair value of the stake determined through the sale price and €6,744 thousand represented the result of the loss of control, and entailed receiving approximately €6,537 thousand as the agreed consideration for the transfer of the 65% stakes. For additional details on these transfer of shares, see section "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*".

Agreement with Solatio to reduce the price of a development backlog project (Leo Silveira)

On September 15, 2020, Powertis entered into an agreement with Solatio Energy Gestao de Projetos Solares Ltda and Solatio Desenvolvimento e Gestao de Projetos Solares Ltda (together, "**Solatio**") in order to reduce the outstanding amounts to be paid by Powertis as consideration for the purchase from Solatio of the project-related SPVs that represent the Leo Silveira project located in Minas Gerais, Brazil, which was classified as development backlog as of June 30, 2020.

This adjustment to the purchase price is derived from unexpected circumstances that resulted in a delay in the construction of the project and, consequently, in the payment dates of the outstanding amounts owed by Powertis to Solatio. In particular, the owner of the rented land where the project was expected to be developed refused to enter into a surface rights agreement, as requested by the project financing entity in order to finance the project. Although the request by the financing entity did not affect the construction of the project itself on such land or elsewhere, it was a pre-requisite to obtaining such financing, which led Powertis to start negotiations with the landowner with conditions less favorable than initially expected.

As a result of subsequent negotiations between Solatio and Powertis, pursuant to this agreement, outstanding amounts to be paid by Powertis decreased to €4,546 thousand from €10,560 thousand, of which €8,894 thousand was classified as short-term and the remaining amount was classified as long-term as of June 30, 2020. This adjustment to the purchase price, which amounts to €6,087 thousand, accrued as financial income at the time the contract was entered into (that is, September 15, 2020). For additional information, see Notes 5.2 and 9.2 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2.6.a.iv to the Company 2019 Audited Consolidated Financial Statements.

Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)

On September 23, 2020, Powertis entered into a share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda ("**Atlas**") providing for the sale of three project-related SPVs to Atlas and the granting of an option to Atlas to acquire three additional project-related SPVs, consisting of projects with 619 MW in the aggregate that represent the Leo Silveira project located in Minas Gerais, Brazil, which was classified as development backlog as of June 30, 2020.

Pursuant to the share purchase agreement, and subject to certain conditions precedent, Atlas will acquire Usina de Energia Fotovoltaica Lar do Sol IV, S.A., Usina de Energia Fotovoltaica Lar do Sol V, S.A. and Usina de Energia Fotovoltaica Lar do Sol VI, S.A., consisting of projects with 371 MW in the aggregate. Payment by Atlas is subject to compliance with the Payment Conditions (as defined herein) and due by the earlier of December 15, 2020 or the actual disbursement within the scope of Atlas' financing agreements. Nonetheless, Atlas is entitled to extend the closing and payment of this transaction until March 30, 2021 at its sole discretion, but subject to certain price adjustments. Moreover, if Powertis fails to meet the Payment Conditions, Atlas is entitled to exercise an option to sell these SPVs back to Powertis until December 30, 2020 or, if extended at Atlas' discretion, March 31, 2021. No consideration would be due by Powertis for the re-acquisition of these SPVs upon the exercise of Atlas' option to sell.

Further, pursuant to the agreement, Atlas holds a right but not the obligation to acquire, until October 31, 2020, Usina de Energia Fotovoltaica Lar do Sol I, S.A., Usina de Energia Fotovoltaica Lar do Sol II, S.A. and Usina de Energia Fotovoltaica Lar do Sol III, S.A., consisting of projects with 247 MW in the aggregate. The right to acquire these SPVs, subject to equivalent conditions than those applicable to the above SPVs, was exercised by Atlas on October 2, 2020.

The purchase price for the sale of these six SPVs amounted to BRL 95,000 thousand (approximately €15,544 thousand considering the Brazilian real-euro exchange rate of June 30, 2020), and we estimate a net profit of approximately BRL 41,500 thousand (approximately €6,790 thousand considering the Brazilian real-euro exchange rate of June 30, 2020). Additionally, this sale agreement entails the cancellation by the Company of the trade accounts receivables maintained with such SPVs, which amounts to approximately €1,175 thousand as of June 30, 2020, and the recording of an impairment for €1,901 thousand under the line item "Other profit/(loss)" related to the Brazilian SPVs sold to Atlas in which the net assets, considering deferred tax liabilities and other net consolidated assets, were lower than the sale price, once reduced by the accounts receivables that were maintained for such SPVs. For additional information on the impact of this transaction on our financial statements, see Note 6.2 to the Unaudited Interim Condensed Consolidated Financial Statements.

In connection with this agreement, we have agreed to provide trackers and additional services to Atlas for projects representing approximately 597 MW of installed capacity.

This agreement may be terminated by either party if closing does not take place by October 31, 2020.

For additional details on this sale agreement, including with regard to Atlas' option to sell certain of these SPVs to Powertis, the Payment Conditions and the right to terminate the agreement, see section "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)*".

Corporate resolutions: Board of Directors, share capital split and Management Incentive Plan

On October 6, 2020, the general meeting of shareholders of the Company agreed to modify the governing body from a sole administrator to a board of directors. Our Board of Directors is currently composed of seven members: one executive Director, three independent Directors (one of which is a lead independent director) and three proprietary Directors. For additional information on our Board of Directors, see "*Management and Board of Directors—Board of Directors*".

At the same meeting, the general meeting of shareholders agreed to split the number of shares of the Company by reducing their nominal value from 1 to 0.25 euros per share, at a rate of four new shares for each old share, without altering the value of the share capital. Consequently, immediately prior to the Offering, the Company's share capital amounts to €15,060,000, represented by 60,240,000 fully subscribed and paid up ordinary shares with a par value of €0.25 each, all of the same class. For additional information on our share capital, see "*Description of share capital*".

In addition, the general meeting of shareholders agreed at the same meeting to approve the Incentive (as defined herein) under the Management Incentive Plan (as defined herein), authorizing the Board of Directors to award to employees of the Group, including Senior Management, the Incentive Shares (as defined herein). Consequently, on October 6, 2020, the Board of Directors adopted the rules governing the Management Incentive Plan. The aggregate maximum gross amount to be delivered in Incentive Shares pursuant to the Management Incentive Plan amounts to approximately €7,531 thousand. The Management Incentive Plan, which is contingent on the Offering taking place, is considered an equity-settled plan in accordance with IFRS 2 "Share-based payments". For additional information on our Management Incentive Plan, see section "*Management and Board of Directors—Compensation—Management Incentive Plan*" and Note 19 to the Unaudited Interim Condensed Consolidated Financial Statements.

Powertis Shareholders Agreement

On October 14, 2020, the Company, Grupo Corporativo Sefrán, S.L., Valueteam, S.L., Mr. Pablo Miguel Otín Pintado, Soltec ER and Powertis decided to terminate the Powertis Shareholders Agreement (as detailed in section "*Principal Shareholders—Shareholders Agreements*" of this Prospectus).

Under the Powertis Shareholders Agreement, it was agreed that Powertis' shareholders would support Powertis in obtaining the financing necessary to fund its operations (including by way of granting the necessary guarantees to secure such funding). Consequently, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. granted a participating loan that as of December 31, 2019 amounted to €4,237 thousand (the "**Participating Loan**"). As of June 30, 2020 the Participating Loan (principal and interests) amounted to €7,870 thousand. On July 31, 2020, the Participating Loan was partially prepaid and converted into a revolving loan, which outstanding amount (principal and interests) after such prepayment was as of July 31, 2020 €3,907 thousand (the "**Revolving Loan**"). The Revolving Loan is a revolving facility for up to €6,000 thousand, accrues a 10% annual interest rate and has a maturity date of July 31, 2022.

Furthermore, pursuant to the Powertis Shareholders Agreement, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. granted Mr. Pablo Miguel Otín Pintado, as CEO of Powertis, an option to acquire from them a 5% stake in Powertis subject to the achievement of certain milestones, which expired due to the termination of the Powertis Shareholders Agreement. Consequently, pursuant to the termination of the Powertis Shareholders Agreement and in consideration for Mr. Pablo Miguel Otín Pintado consenting to the termination of the option to acquire a 5% stake in Powertis provided for in such agreement, our Board of Directors resolved to grant Mr. Otín, as CEO of Powertis, a right to receive in October 2022 shares representing 1% of the Company's share capital existing immediately prior to the Offering (the "**Powertis CEO Compensation**"), subject to certain performance conditions, to be paid net of any applicable deductions, withholdings, set-offs or counterclaims as may be required by tax laws. For additional details on the agreements entered into with Mr. Otín, see sections "*Principal Shareholders—Shareholders Agreements*" and "*Management and Board of Directors—Share ownership*".

Other recent developments

The Group is currently considering the possible sale of two project-related SPVs from its Brazilian portfolio (Usina de Energia Fotovoltaica Solatio Varzea Ltda and Usina de Energia Fotovoltaica de Pedranopolis Ltda), although no sale has yet been agreed.

Critical Accounting Policies

Our Financial Statements and the accompanying notes thereto contain information that is pertinent to the discussion and analysis of our results of operations and financial condition set forth below. The preparation of financial statements in conformity with IFRS-EU requires our management to make estimates and assumptions that affect the reported amount of assets, liabilities, sales and expenses. Estimates are evaluated based on available information and experience. Actual results could differ from these estimates under different assumptions or conditions. We believe that, in particular, the following critical accounting policies and estimates discussed below involve significant management judgment due to the sensitivity of the methods and assumptions necessary in determining the related asset, liability, sales and expense amounts: allocation of intangibles, intangible assets and property, plant and equipment useful life, impairment losses on certain non-financial assets, provisions of our customer portfolio, deferred tax assets recoverability, guarantees calculation, income recognition, lease periods and option plans on employees. For a detailed description of our significant accounting policies, see Note 2 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2 to the Company 2019 Audited Consolidated Financial Statements.

Allocation of intangibles arising from a business combination in Brazil

When we acquire an intangible asset from a third party, it is recorded as long as the requirements for asset recognition are met. Our intangible fixed assets decreased 18.3% to €27,809 thousand as of June 30, 2020 from €34,045 thousand as of December 31, 2019, principally due to an impairment of the collection of permits, licenses and concessions, of which €4,694 thousand result from the recording of translation differences as variations in equity given that the currency of the collection of permits, licenses and concessions is the Brazilian real and of which €1,901 thousand result from an impairment recorded under the line item "Other profit/(loss)" related to the Brazilian SPVs sold to Atlas in which the net assets, considering deferred tax liabilities and other net consolidated assets, were lower than the sale price, once reduced by the accounts receivables that were maintained for such SPVs. Our intangible fixed assets increased to €34,045 thousand as of December 31, 2019 from €1,245 thousand as of December 31, 2018, principally due to increase in intangible assets from the acquisitions of projects in Brazil, which amounted to approximately €32,170 thousand. For additional information on these acquisitions, see Notes 2.3 and 5 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2.6.a.iv to the Company 2019 Audited Consolidated Financial Statements.

As of June 30, 2020, liabilities resulting from the purchase of projects in connection with the business combination in Brazil amounted to approximately €13,519 thousand, with the following breakdown by project: approximately €1,479 thousand for Pedranopolis, approximately €1,479 thousand for Araxa and approximately €10,561 thousand for Leo Silveira. For information regarding the agreement to reduce the outstanding amounts to be paid by Powertis to Solatio in consideration for the project-related SPVs that represent the Leo Silveira project and the share purchase agreement providing for the sale by Powertis to Atlas of such SPVs, see "*—Recent Developments—Agreement with Solatio to reduce the price of a development backlog project (Leo Silveira)*" and "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira),*" respectively.

The test to determine the loss of value is based on the discounted future cash flows, using discount rates in line with those used in our sector. Future cash flows are based on our forecasts and, therefore, represent a value judgment. The recovery of the value of intangible assets is considered guaranteed in the current and expected context. Future events could cause a deterioration in the value of these assets that would have a negative effect on our results.

Useful life of intangible assets and property, plant and equipment

We review the estimated useful life of intangible assets and elements of property, plant and equipment at the close of each financial year. Our most significant intangible assets are permits, licenses and concessions.

As a general rule, intangible assets are initially recognized at their acquisition price or production cost. Subsequently, they are valued at their cost less any accumulated depreciation and, where applicable, any impairment losses they may have undergone in accordance with our impairment criteria. An intangible asset arising from the development (or from the development phase in an internal project) is recognized as such if, and only if, we can demonstrate all of the following: (i) it is technically possible to complete the production of the intangible asset so that it can be made available for use or sale; (ii) there is an intention to complete the intangible asset for use or sale; (iii) its ability to use or sell the intangible asset; (iv) the way in which the intangible asset will generate probable economic gains in the future; (v) the availability of adequate technical, financial or other resources to complete the development and to use or sell the intangible asset; and (vi) its capacity to reliably measure the expenditure of the intangible asset during its development. The amount initially recognized as internally-generated intangible assets is the amount of the expense incurred since the date on which the intangible assets first meet these recognition criteria. When an internally-generated intangible fixed asset cannot be recognized, the development expense is recognized in the consolidated income statement in the period in which it is incurred. Disbursements for research will be recognized as expenses for the period in which they are incurred. After initial recognition, the internally-generated intangible asset is recorded at cost less accumulated depreciation and impairment losses, according to the same criteria as intangible assets which are acquired separately.

With respect to other intangible assets, we record as industrial property the amounts paid for the acquisition or the right to use a property, or for the expenses incurred for the recording of a project. Industrial property is depreciated on a straight-line basis throughout its useful life, which has been estimated at ten years. We also record as computer applications the costs incurred in the acquisition and development of computer programs. Maintenance costs of computer applications are recognized in our consolidated income statement for the financial year in which they are incurred. Depreciation of computer applications is performed by applying the straight-line method over a period of four years.

An intangible asset is disposed at the time it is transferred or when no future economic benefit is expected from its use or sale. Gains or losses arising from the disposal of an intangible asset, measures such as the difference between the net profit from the sale and the carrying amount of the asset, are recognized in the consolidated income statement when the asset is disposed.

Elements of property, plant and equipment are initially valued at their acquisition price. It is then reduced by the corresponding accumulated depreciation and impairment losses, where applicable. Upkeep and maintenance expenses for the various elements of property, plant and equipment are charged to the consolidated income statement for the financial year in which they are incurred. Expansion, modernization and improvement costs which result in increased productivity, capacity or efficiency, or an increase in the useful life of the assets, are capitalized as major expenditures of the corresponding goods. Substitutions or renewals of elements of property, plant and equipment are accounted for as assets, with the consequent accounting withdrawal of the substituted or renewed items. The elements of property, plant and equipment are systematically depreciated based on the estimated useful life of the assets, distributing on a straight-line basis the cost of the assets less their residual value across the years of estimated useful life.

A property, plant and equipment item is retired when it is sold or when future economic benefits are not expected to be obtained from its continued use. Gains or losses arising from the transfer or retirement of a property, plant and equipment item are determined as the difference between the sale price and the carrying amount of the asset, and are recognized in the consolidated income statement.

Impairment losses on certain non-financial assets

There is impairment when the book value of an asset or cash-generating unit exceeds its recoverable amount. The calculation of fair value, less sale costs, is based on the available data on sales operations carried out at current market prices for similar assets or at the observed market prices less incremental costs of the asset's transfer. The use value calculation is based on a discounted cash flow model. Cash flows are obtained from the budget for the subsequent five years and do not include restructuring activities to which we have not yet committed, nor significant future investments to improve the profitability of the assets of the cash-generating unit under analysis. The recoverable amount is sensitive to the type of discount used in the discounted cash flow model, as well as to the expected entry of future flows and the growth rate used for extrapolation purposes.

Provisions for our customer portfolio

We estimate the allocation for the provision for impairment losses of accounts receivables related to our customer portfolio based on expected loss criteria, calculated primarily through historical experience by product segments and geographies, adjusted where appropriate for expected future behavior based on macroeconomic and industry circumstances.

Deferred tax assets

We evaluate the recoverability of deferred tax assets based on estimates of future benefits subject to taxation. The recoverability of deferred tax assets depends ultimately on the capacity of the subsidiaries in which such deferred tax assets have been generated to generate sufficient taxable benefits during the periods in which these deferred taxes are deductible. Changes in future tax rates or in the expectation of generating benefits subject to taxation to recover the carrying value of deferred tax assets may result in changes in the amount of recorded deferred tax assets.

Guarantees

The analysis of guarantees granted in the supply of goods and services requires a complex judgement to estimate the facts and circumstances which may occur (including existing defects, lack of conformity and improper operation) and, as a result of such facts and circumstances, the degree of probability of outflow of resources resulting in the recognition of a provision in our consolidated financial statements.

Revenue recognition

Revenue from contracts for the provision of services is principally recognized in accordance with the applicable accounting standard IFRS 15 and is estimated using the percentage of performance method for contracts whose result can be reliably estimated and which are likely to generate profits. When the result of a contract cannot be estimated reliably, contract revenue is only recognized to the limit of that for which a significant reversal in the future is highly likely not to occur.

The degree of completion is determined based on the tasks performed in the contract on the date of the consolidated statement of financial position, as a percentage of the total estimated tasks, as well as our monetary valuation of each task or group of tasks for each contract. In the application of the percentage of performance method, we make estimates relating to the total estimated taxes, provisions, period of execution and recovery of claims related to the contract.

Lease periods

The lease period is the non-cancellable period of the lease, in addition to (i) the period covered by an option to extend the lease, provided there is reasonable certainty that this will be exercised and (ii) the periods covered by an option to cancel the lease, provided that there is reasonable certainty that this will not be exercised.

We consider that the evaluation of a given lease period is a critical estimate and key data for calculating the lease liability amount because the lease period determines which lease payments are included in the valuation of the lease liability. Therefore, when determining a given lease period, we consider all the relevant facts and circumstances which generate an economic incentive to exercise or waive renewal and early cancellation options. We regularly review lease periods in case any changes have arisen.

Stock options plans for employees

We evaluate the determinants for the applicability of IFRS 2 "Share-based payments" at the time of granting of a stock option in order to determine its fair value at the time of granting, as well as the moment at which we recognize the goods or services received or acquired as a result of such transaction.

For information regarding the option to purchase a 5% stake in Powertis initially granted to Mr. Pablo Miguel Otín Pintado, as CEO of Powertis, by our two core shareholders pursuant to the Powertis Shareholders Agreement, see Note 2.6.r) to the Company 2019 Audited Consolidated Financial Statements. See also "*Principal Shareholders—Shareholders Agreements*" and "*—Recent Developments—Powertis Shareholders Agreement*" for information regarding the termination of the Powertis Shareholders Agreement and the right granted to Mr. Otín to receive in October 2022 shares representing 1% of the Company's share capital existing immediately prior to the Offering, subject to certain performance conditions, in consideration for Mr. Otín consenting to the termination of the option to acquire a 5% stake in Powertis.

Quantitative and Qualitative Disclosure About Market Risk

The most significant market risks that we face are interest rate risk and foreign exchange risk. Our risk management program focuses on the uncertainty of financial markets and attempts to minimize the potential adverse effects on our financial condition and results of operations through diversification geographically and with respect to our customers and product range. We conduct in-depth investment studies and have established risk identification, valuation, management and information systems covering our activities. Described below are the main control systems we use to evaluate and attempt to mitigate or reduce our main market risks.

Interest rate risk

Interest rate fluctuations change the fair value of assets and liabilities bearing interest at a fixed rate and the future cash flows from assets and liabilities tied to a variable interest rate. The aim of interest rate risk management is to balance the structure of our debt in order to minimize the cost of debt over the coming years and limit volatility in our consolidated income statement.

Almost all of our debt held accrues interest at variable interest rates, and therefore we are exposed to interest rate risk, as changes in interest rates affect cash flows related to our indebtedness.

Foreign exchange risk

We have subsidiaries in, among other locations, Brazil, the United States, Mexico, Colombia, Chile, Argentina, Australia, Peru and India, and therefore we are exposed to foreign exchange risk from operations with foreign currencies, primarily related to purchases of supplies and sales in U.S. dollars and Brazilian reals. In order to mitigate this risk, we follow a policy of contracting financial instruments that hedge foreign exchange differences for transactions in foreign currencies.

In the six months ended June 30, 2020, a 10% increase or decrease, respectively, in the U.S. dollar-euro exchange rate would have reduced our consolidated net income by €511 thousand and increased our consolidated net income by €624 thousand, respectively, while a 10% increase or decrease, respectively, in the Brazilian real-euro exchange rate would have reduced our consolidated net income by €1,129 thousand and increased our consolidated net income by €1,380 thousand, respectively. In the year ended December 31, 2019, a 10% increase or decrease, respectively, in the U.S. dollar-euro exchange rate would have reduced our consolidated net income by €12,217 thousand and increased our consolidated net income by €14,932 thousand, respectively, while a 10% increase or decrease, respectively, in the Brazilian real-euro exchange rate would have reduced our consolidated net income by €1,758 thousand and increased our consolidated net income by €2,149 thousand, respectively. In the year ended December 31, 2018, a 10% increase or decrease, respectively, in the U.S. dollar-euro exchange rate would have reduced our consolidated net income by €2,101 thousand and increased our consolidated net income by €2,568 thousand, respectively, while a 10% increase or decrease, respectively, in the Brazilian real-euro exchange rate would have reduced our consolidated net income by €1,344 thousand and increased our consolidated net income by €1,643 thousand, respectively. In the year ended December 31, 2017, a 10% increase or decrease, respectively, in the U.S. dollar-euro exchange rate would have reduced our consolidated net income by €3,324 thousand and increased our consolidated net income by €4,062 thousand, respectively, while a 10% increase or decrease, respectively, in the Brazilian real-euro exchange rate would have reduced our consolidated net income by €2,779 thousand and increased our consolidated net income by €3,397 thousand, respectively. For additional information, see Note 3.3 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 3.3.2 to the Company 2019 Audited Consolidated Financial Statements.

Certain Guidance

In connection with the development of our business plan, we have issued certain guidance for our industrial (trackers and construction services) business line and our project development business line (the "**Guidance**").

The Guidance was based on the business plan prepared by our management. In preparing this business plan, we have considered our strategic priorities and also the expected economic, market and regulatory conditions for the upcoming years. Development of the business plan required a high level of involvement of our management and it is the result of a process of prospective simulation of our business and economic and financial conditions.

The Guidance, in the view of our management, was prepared on a reasonable basis, reflecting the best estimates and judgments available to our management at the time, and presents, to the best of our management's knowledge and belief, the expected course of action and our expected future financial performance as of the date it was prepared. However, the Guidance does not reflect facts and should not be relied upon as being necessarily indicative of future results.

The Guidance, which does not constitute a profit forecast as defined in the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019, includes estimates of indicators used to measure the results of our activity. We have considered the effects of the Reorganization Process; as a result, the Guidance is not directly comparable to the financial condition and results of operations provided herein as of and for the years ended December 31, 2018 and 2017.

The Guidance is by its nature uncertain, as it is based on assumptions related largely to future events and actions that our management intends to undertake if such assumptions materialize. We believe that the expectations reflected in the business plan are reasonable although they depend on future and uncertain factors, many of which are beyond our control, such as the regulatory environment and changes in the energy and raw materials markets. Due to these factors, the Guidance is not a guarantee of future results and we are not responsible for the deviations that may occur in the cases provided or the performance of the assumptions taken to illustrate the Guidance. We do not intend to continue to publicly disclose this Guidance or any adjustments thereto resulting from such review and revision or otherwise, except as required by applicable law.

None of our independent auditors, nor any other independent accountants, compiled, examined or performed any procedures with respect to the Guidance, nor have they expressed any opinion or any other form of assurance on the Guidance or its achievability, and such parties assume no responsibility for, and disclaim any association with, the Guidance. Our business is subject to various risks and uncertainties described in the "*Risk Factors*" section of this Prospectus; such uncertainties may cause substantial deviations in the Guidance and also may result in new risks, not included in the Guidance, which could have a significant effect on our future development and results of operations.

The Guidance, while presented with certain numerical specificity, necessarily reflects numerous estimates and assumptions made by us with respect to industry performance, general business, economic, regulatory, market and financial conditions and other future events, as well as matters specific to our businesses, all of which are difficult or impossible to predict and many of which are beyond our control. The Guidance reflects subjective judgement in many respects and thus is susceptible to multiple interpretations and periodic revisions based on actual experience and business, economic, regulatory, financial and other developments. As such, the Guidance constitutes forward-looking information and is subject to risks and uncertainties that could cause actual results to differ materially from the results forecasted, including, but not limited to, our performance, industry performance, general business and economic conditions, customer requirements, competition, adverse changes in applicable laws, regulations or rules, and the various risks set forth in this Prospectus. See "*Presentation of Financial Information and Other Important Notices—Forward-Looking Statements.*" Actual results may vary significantly from the Guidance. The Guidance is dependent upon regulatory stability and certain other assumptions. None of us, the Board of Directors, the Managers or our or their respective affiliates, advisors, officers, directors or representatives can give any assurance that the Guidance will be realized or that actual results will not vary significantly from the Guidance. The Guidance covers multiple years and therefore by its nature becomes less reliable with each successive year.

In addition, the Guidance reflects assumptions of our management as of the time that it was prepared as to certain business decisions that were and are subject to change. The Guidance also may be affected by our ability to achieve strategic goals, objectives and estimations over the applicable periods. The Guidance cannot therefore be considered a guarantee of future operating or financial results, and the information should not be relied on as such. The inclusion of the Guidance should not be regarded as an indication that we, the Board of Directors or any of our advisors or representatives or anyone who received this information then considered, or now considers, it a reliable prediction of future events, and should not be relied upon as such. None of us, the Board of Directors, the Managers or any of our or their respective advisors or representatives or any of our or their respective affiliates assumes any responsibility for the validity, accuracy or completeness of the financial targets included herein.

The Guidance was prepared as of the date of this Prospectus and takes into account the estimated impact of COVID-19 as of the date it was prepared. The Guidance does not take into account any circumstances or events occurring after the date it was prepared. None of us, the Board of Directors, the Managers, or our or their respective affiliates, advisors, officers, directors or representatives intends to, and each of them disclaims any obligation to, update, revise or correct the Guidance, except as otherwise required by law, including if the Guidance is or becomes inaccurate (even in the short term).

The inclusion in this Prospectus of the Guidance should not be deemed an admission or representation by us, the Board of Directors, the Managers or our or their respective affiliates that such information is viewed by us, the Board of Directors, the Managers or our or their respective affiliates as material information of ours. Such information should be evaluated, if at all, in conjunction with the Financial Statements and the related notes thereto and the other financial information and other information regarding us contained in this Prospectus.

None of us, the Board of Directors, the Managers or our or their respective affiliates, advisors, officers, directors or representatives has made or makes any representation to any prospective investor or other person regarding our actual future performance compared to the information contained in the Guidance or that forecasted results will be achieved.

In light of the foregoing factors and the uncertainties inherent in the information provided above, investors are cautioned not to place undue reliance on the Guidance.

The Guidance has been prepared on the basis of a series of hypotheses and assumptions prepared by our management based on their knowledge and experience and the most recent data available, most of which were outside the scope of our Group's influence.

The Guidance presented below is the result of the application of the criteria and basis of presentation, hypotheses and assumptions of our management. These indicators are approximate and should be interpreted taking into account the uncertainty inherent in the assumptions used.

In connection with Soltec Industrial, our industrial business line, we have issued the following Guidance:

(i) Expected market share: We expect to maintain our 2019 global market share of approximately 10% (excluding estimated safe harbor shipments in the United States) over the next three years in the context of a growing market (source: Global PV Tracker Market Report 2020 by IHS Markit). The solar trackers market is expected to grow at a CAGR of 17% during the 2020-2024 period (source: Global PV Tracker Market Report 2020 by IHS Markit).

(ii) Additional services: We target our estimated revenue split to be as follows: trackers supply amounting to between 65% and 75% of our revenues (with expected lower trackers supply estimations over the long term (c. 55%-65%)), EPC amounting to between 20% and 25% of our revenues, BoP amounting to between 5% and 10% of our revenues, installation amounting to between 1% and 5% of our revenues and O&M services amounting to between 1% and 3% of our revenues. Further, we expect additional business from our project development business line projects amounting to approximately 15% of initial tracker deliveries in MWs, including the full suite of additional services.

(iii) Margins: We target our Gross Margin to remain stable as industry price reductions, at a CAGR of approximately 5% over the 2020-2025 period (source: The Global PV Tracker Landscape 2020 by Wood Mackenzie Power & Renewables), are transferred to suppliers. We expect to maintain our Gross Margin in an environment of falling prices by securing similar price reductions from our suppliers and improving our operational leverage. "Gross Margin" is an APM. For additional information on this APM, see "*—Analysis of Unaudited Alternative Performance Measures*" and "*Presentation of Financial Information and Other Important Notices—Alternative Performance Measures*".

(iv) Cash flow: We target our industrial business line to achieve a positive cash flow beginning in 2021 under the growth scenario envisaged. Moreover, we believe our business would be cash flow positive in a no-growth scenario given that we would expect to have lower working capital needs in such a scenario.

(v) Working capital: We target the successful implementation of sales efficiency measures to maintain a cash conversion cycle of under 40 days.

(vi) Capital expenditures: We target our yearly capital expenditures to be between 1% and 2% of revenues, mainly to finance research and development, in line with our capital expenditures in previous years.

In connection with our project development business line, which we also refer to as Powertis, we have issued the following Guidance:

(i) Asset rotation strategy: Our policy is to divest at COD or during a period of up to 24 months thereafter in hard-currency countries (currently only euros), and at RTB in soft-currency countries (currently only Brazilian reals).

(ii) Target invested equity per MW for development: We have targeted an average cost of €15,000 per MW for projects developed in Spain and Italy, and an average cost of BRL80,000 (equivalent to approximately €13,088 using the exchange rate as of June 30, 2020) per MW for projects in Brazil, including the development of pure greenfield projects and the acquisition of early stage projects.

(iii) Target cash on cash on invested capital expenditures: In Brazil, we target a return on equity invested for development of approximately four to six times cash on cash. In Europe, we target a return on equity invested for development of approximately six to eight times cash on cash.

TAXATION

Spanish Tax Considerations

The following section is a general description of the tax regime applicable to the acquisition, ownership and, as the case may be, subsequent disposition of the Shares. The information provided below does not purport to be a complete summary of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and its interpretation and application.

This analysis does not address all tax considerations that may be relevant to all categories of potential investors, some of whom may be subject to special rules (such as financial institutions, collective investment undertakings, pension funds cooperatives and look-through entities, etc.). In addition, this description does not consider regional tax regimes in force applicable in the Historical Territories of the Basque Country and the Historical Autonomous Region of Navarre ("**Concierto**" and "**Convenio Económico**", respectively) or the regulations adopted by the different Spanish Autonomous Regions (*Comunidades Autónomas*) that may apply to investors regarding particular taxes.

In particular, the applicable rules are set forth in: (i) Law 35/2006 of November 28 on the Personal Income Tax and on the partial amendment of the Corporate Income Tax, Non-resident Income Tax and Wealth Tax Law (the "**PIT Law**") and its implementing regulations, as approved by Royal Decree 439/2007 of March 30; (ii) the amended consolidated text of the Non-resident Income Tax Law (the "**NRIT Law**") approved by Royal Legislative Decree 5/2004 of March 5 and its implementing regulations, as approved by Royal Decree 1776/2004 of July 30; (iii) Law 27/2014 of November 27 on Corporate Income Tax (the "**CIT Law**"); and (iv) Royal Decree 634/2015 of July 10 approving the regulations for the CIT Law.

The description of Spanish tax laws set forth below is based on law currently in effect in Spain as of the date of this Prospectus, and on the administrative interpretations thereof made public to date. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect. In particular, the Spanish government has announced specific tax measures that may include a minimum 15% effective tax rate for Spanish corporate income tax and limitations on the Spanish participation exemption in connection with dividends and capital gains under specific conditions.

Potential investors should consult their own tax advisors concerning the specific Spanish, state, regional and local tax consequences of the acquisition, ownership and disposition of our Shares in light of their particular circumstances as well as any consequences arising under the laws of any other taxing jurisdiction.

Indirect Taxation on the Acquisition and Disposition of the Shares

The subscription and, as the case may be, subsequent disposition of the Shares is exempt from Transfer Tax, Stamp Duty and Value Added Tax.

Direct Taxation on the Ownership and Subsequent Disposition of the Shares

Shareholders resident in Spanish territory

This section describes the tax treatment applicable to investors deemed resident in the Spanish territory for tax purposes. In general, and without prejudice to the provisions of the Double Taxation Treaties entered into by Spain, investors considered to be resident in Spain for these purposes include entities resident in Spain pursuant to Article 8 of the CIT Law and individuals resident in Spain, according to any of the circumstances defined in Article 9.1 of the PIT Law, together with those resident abroad who are members of Spanish diplomatic missions, Spanish Consuls and other official bodies, as set down in Article 10.1 thereof. Pursuant to Article 8.2 of the PIT Law, investors considered resident in Spain for tax purposes also include individuals with Spanish nationality who cease to be tax residents in Spain pursuant to the criteria above and start holding their new tax residency in a country or jurisdiction deemed as a tax haven for Spanish tax purposes, during the tax period in which the change of residence takes place and the following four periods.

Individuals who acquire tax residency in Spain as a result of moving to Spanish territory will be subject to Personal Income Tax ("**PIT**"). However, those individuals will be entitled to apply for a special PIT regime based on the Non-resident Income Tax ("**NRIT**") during the period in which the change of residency takes place, and the five subsequent years, provided that they meet the requirements set forth in Article 93 of the PIT Law.

I. Spanish resident individuals

(i) Personal income tax

(a) Capital income

Pursuant to Article 25 of the PIT Law, capital income shall be considered to include dividends, considerations paid for attending at general meetings of shareholders, income from the creation or assignment of rights of use or enjoyment of the Shares and, in general, the participation in the Company's profits, and any other income received by a Spanish tax resident individual from the entity in his or her position as shareholder of the Company.

Administration and custody expenses shall be deducted from capital income obtained by the shareholder as a result of ownership of the Shares. However, discretionary or individualized portfolio management expenses shall not be offset against capital income. The amount net of administration and custody expenses shall be included in the savings taxable base of the year in which it is due, taxed at a fixed rate of 19% (for the first €6,000 of capital income obtained by the individual), 21% (for income of between €6,000.01 and €50,000) or 23% (for income in excess of €50,000).

In addition, shareholders shall, in general, be liable for a PIT withholding at a rate of 19% on the full amount of profit distributed in the 2020 tax year. This withholding shall be creditable from the PIT payable. If the amount of PIT payable is less than the PIT withholding, it shall give rise to the refund provided for in Article 103 of the PIT Law.

(b) Capital gains and losses

Gains or losses generated by a Spanish tax resident individual as a result of the transfer of the Shares qualify for the purposes of the PIT Law as capital gains or losses and are subject to taxation according to the general rules applicable to capital gains. The amount of capital gains or losses shall be calculated as the negative or positive difference between the acquisition value of the securities and their transfer value, determined by: (i) the listed value of the shares as of the transfer date; or (ii) the agreed transfer price, when this exceeds the listed value of the shares.

Where the PIT taxpayer owns other securities of the same kind, the acquisition price of the transferred shares is based on the principle that those acquired first are sold first (FIFO).

Both the acquisition and transfer values are increased or reduced, respectively, by the costs and taxes inherent to such transactions borne by the acquirer or transferor, respectively.

Capital gains or losses derived from the transfer of the Shares shall be included and offset in the savings taxable base of the tax period in which the transfer takes place, being taxed in the 2020 tax year at a rate of 19% (for the first €6,000 of capital gains obtained by the individual), 21% (for capital gains of between €6,000.01 and €50,000) or 23% (for capital gains in excess of €50,000).

Capital gains derived from transfer of the Shares are not subject to withholding tax on account of PIT. Finally, certain losses derived from the transfer of the Shares will not be treated as capital losses when identical securities are acquired during the two months prior or subsequent to the transfer date which originated that loss. In such cases, capital losses shall be included in the taxable base upon the transfer of the remaining shares of the taxpayer.

(c) Pre-emptive Subscription Rights

Distributions to Spanish shareholders of pre-emptive subscription rights to subscribe for new Shares ("**Pre-emptive Subscription Rights**") made with respect to the Shares are not treated as income under Spanish tax law. The exercise of Pre-emptive Subscription Rights is not considered a taxable event under Spanish law.

The proceeds obtained from the transfer of Pre-emptive Subscription Rights of the Shares received by a Company's shareholder shall be regarded as capital gains for the transferor corresponding the tax period in which the transfer takes place (in the manner described under "*Capital gains and losses*" above).

The amount received in the transfer of Pre-emptive Subscription Rights will be subject to withholding on account of PIT at the current rate of 19%. This withholding on account of PIT is levied by the depositary entity or, in the absence thereof, by the financial intermediary or notary public that intervenes in the transfer.

(d) Share premium distributions

The amount obtained through the distribution of the issue premium for shares admitted to trading on any of the regulated securities markets defined in MiFID II (such as the Shares) shall reduce, until cancellation, the acquisition value of the specific shares. The excess over that acquisition value will be taxed as capital income in the manner described under "*Capital income*" above. As an exception, PIT withholding is not applied on distributions of share premium.

(e) Employee Discount

The Employee Discount afforded to Relevant Employees and Relevant Sales Employees will be characterized as employment in-kind income, subject to PIT in Spain and taxed at the Relevant Employee's PIT marginal rate (maximum state rate of 45%, although the effective PIT taxation may be higher or lower depending on the autonomous region in which the Relevant Employee is resident).

Notwithstanding the above, the Employee Discount received by the Relevant Employees might benefit from a tax exemption from PIT up to the amount of EUR 12,000 to the extent that the following conditions are met:

- The Offering of the Employee Shares to the Relevant Employees is made under the same terms and conditions. According to the current criterion of the Spanish tax authorities, this condition should be assessed at individual level: that is, in each entity that forms part of the Group;
- The Employees Shares are not transferred by the Relevant Employee during the three-year period following their acquisition;
- The Relevant Employee (along with his/her immediate family) does not own a participation higher than 5% in any of the companies of the Group.

If the Employee Shares are sold prior to the expiration of the three-year holding period, the Relevant Employee will be obliged to file a supplemental tax return for the tax year in which the Employee Shares were acquired in order to pay taxes for the amount of the compensation in-kind that was deemed exempted.

This employment income, if not exempt as described above, would be subject to payment on account of the Relevant Employee´s or Relevant Sales Employee's final PIT liability.

(ii) Wealth Tax

Spanish tax resident individuals shall be subject to Wealth Tax on their total net wealth at December 31, irrespective of where their assets might be located or rights might be exercised.

This taxation shall be imposed pursuant to Law 19/1991 of June 6 on Wealth Tax (the "**Wealth Tax Law**") which, for these purposes, sets a minimum tax-free allowance of €700,000, in accordance with a tax scale with marginal rates ranging between 0.2% and 2.5%, without prejudice to specific rules that may have been approved by the Spanish Autonomous Regions.

Spanish tax resident individuals who acquire the Shares and who are required to file Wealth Tax returns must declare the Shares they hold at December 31 of each year. For these purposes, the Shares shall be valued using the average trading price in the last quarter of the year. The Ministry of Finance publishes annually this average trading price for the Wealth Tax purposes.

As of the date of this Prospectus, all these provisions corresponding to Spanish Wealth Tax will remain applicable to tax year 2020. However, pursuant to Article 3 of Royal Decree-Law 18/2019 of December 27, as from year 2021, a full exemption on Spanish Wealth Tax would apply (*bonificación del 100%*), and therefore from year 2021 and onwards, individuals resident in Spain would be released from formal and filing obligations in relation to Wealth Tax unless the application of this full exemption is postponed or revoked.

(iii) Inheritance and Gift Tax

The transfer of shares by inheritance or gift in favor of individuals who are resident in Spain is subject to Inheritance and Gift Tax ("**IGT**") in accordance with Law 29/1987, of December 18, without prejudice to the specific legislation applicable in each Spanish Autonomous Region. The acquirer of the securities is liable for this tax as taxpayer. According to IGT Law 28/1987 of December 18, the applicable general tax rates range between 7.65% and 34%. However, after applying all relevant factors (such as the specific regulations imposed by each Spanish Autonomous Region, the amount of the pre-existing assets of the taxpayer and the degree of kinship with the deceased or donor), the final effective tax rate may range from 0% to 81.6%.

Corporate resident shareholders

(i) Corporate income tax

(a) Dividends

CIT taxpayers and NRIT taxpayers who act in Spain for these purposes through permanent establishments shall include the gross amount of dividends or interest in profits received as a result of ownership of the Shares, and the costs inherent to this interest, in their taxable base, in accordance with Article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%.

However, as a general rule, dividends and interests in profits of a company could be entitled to an exemption from CIT, pursuant to Article 21 of the CIT Law, if certain requirements are met: (i) the percentage of the direct or indirect participation in the capital or equity of the entity is at least 5%, or the acquisition value of the participation exceeds €20 million and (ii) the participation must be held uninterruptedly during the year prior to the day on which the dividend is distributed, or otherwise be held for the time needed to complete this period (and provided that other requirements that need to be analyzed on a case by case basis are fulfilled). Should the Company obtain dividends, interest in profits of a company or income arising from the disposition of securities representing the capital or equity of entities comprising more than 70% of its income, the application of this exemption is conditional on the compliance of complex requirements which, in essence, require the CIT-payer holder of the shares to have an indirect holding of at least 5% of the share capital of those entities, unless these subsidiaries meet the conditions referred to in Article 42 of the Spanish Commercial Code to form part of the same group of companies of the direct subsidiary, and they prepare consolidated financial statements. Investors are advised to consult their tax advisors or lawyers to determine the compliance of the requirements to apply this exemption.

In addition, in the 2020 tax year, CIT taxpayers shall be subject to a withholding tax of 19% on the total profit distributed, unless any of the withholding exemptions set forth in prevailing regulations apply, in which case, no withholding tax shall be made. The distribution of share premium is not subject to withholding on account of CIT.

This withholding shall be creditable from the CIT payable and, should the latter be insufficient, it shall give rise to the refund provided for in Article 127 of the CIT Law.

(b) Income derived from transfers of the Shares

Any gain or loss derived from the transfer of the Shares, whether for valuable consideration or not, shall be included in the taxable base of CIT (or of NRIT for those taxpayers acting, for these purposes, through a permanent establishment in Spain) in accordance with Article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%. However, the deductibility of any losses that may be originated by the transfer of the Shares may be subject to temporary or permanent restrictions (for instance, if the capital gains potentially obtained on such transfer would have been entitled to benefit from the CIT exemption, pursuant to Article 21 of the CIT Law, indicated below), pursuant to Royal Decree-Law 3/2016 of December 2. Investors are advised to consult their tax advisors or lawyers about the application of such restrictions in their particular case. Capital gains derived from the transfer of the Shares shall not be subject to CIT withholding.

As a general rule, capital gains derived from the transfer of an interest in an entity may be entitled to a CIT exemption, pursuant to Article 21 of the CIT Law, provided that: (i) the direct and indirect participation in the capital or equity of the entity is, at least, 5%, or if the acquisition value of the participation exceeds €20 million and (ii) such participation is held uninterruptedly for the year prior to the day on which the transfer takes place. Should the Company obtain dividends, interest in profits of a company or income arising from the disposition of securities representing the capital or equity of entities comprising more than 70% of its income, the application of this exemption is conditional on the compliance of complex requirements which, in essence, require the holder of the shares to have an indirect holding of at least 5% of the share capital of those entities, unless these subsidiaries meet the conditions referred to in Article 42 of the Spanish Commercial Code to form part of the same group of companies of the direct subsidiary, and they prepare consolidated financial statements. Investors are advised to consult their tax advisors or lawyers to determine the compliance of the requirements to apply this exemption.

(c) Pre-emptive Subscription Rights

The allocation of Pre-emptive Subscription Rights and their subscription as Shares will not generate any income for CIT purposes.

However, if these Pre-emptive Subscription Rights are transferred by a CIT taxpayer, any accounting income that may arise from the transfer will be subject to the general CIT tax rate, currently of 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility to apply the CIT exemption, pursuant to Article 21 of the CIT Law, on this income.

(d) Share premium distribution

A distribution of share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the Shares. If the amount of the share premium received exceeds the acquisition value of the Shares held by a CIT taxpayer, such excess would constitute a taxable income, generally subject to the general CIT tax rate of 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility to apply the CIT exemption, pursuant to Article 21 of the CIT Law, on this income. In any event, no withholding would be applicable upon such distribution.

(ii) Wealth Tax

CIT taxpayers are not subject to Wealth Tax.

(iii) Inheritance and Gift Tax

CIT taxpayers are not subject to IGT, and income obtained through a gift is taxed pursuant to CIT rules.

Shareholders non-resident in Spanish territory

This section analyzes the tax treatment applicable to shareholders who are non-resident in Spanish territory and are beneficial owners of the Shares. Non-resident shareholders are individuals who are not PIT taxpayers and entities non-resident in Spanish territory, pursuant to Article 6 of the NRIT Law.

The tax regime described herein is general in nature, and the specific circumstances of each taxpayer should be considered in the light of the applicable Double Taxation Treaties.

I. Non-resident income tax

<u>Non-resident shareholders acting through a permanent establishment in Spain</u>

Ownership of the Shares by investors who are non-resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

If the Shares form part of the assets allocated to a permanent establishment in Spain of a person or legal entity who is non-resident in Spain for tax purposes, the NRIT rules applicable to income deriving from such Shares are the same as those for Spanish CIT taxpayers (set out above).

<u>Non-resident shareholders not acting through a permanent establishment in Spain</u>

(i) Capital income

Dividends paid to non-Spanish tax resident shareholders not acting through a permanent establishment in Spain are subject to Spanish NRIT, at the general withholding tax rate of 19%.

This taxation can be eliminated or reduced as per the application of (i) the Spanish NRIT exemption implementing the EU Parent-Subsidiary Directive or (ii) the benefits of a convention for the avoidance of Double Taxation (e.g., applicable tax rate under the Spain-U.S. treaty is 15% for U.S. investors entitled to the benefits of the treaty).

Under the EU Parent-Subsidiary Directive exemption, no Spanish withholding taxes should be levied on the dividends distributed by subsidiaries resident in the Spanish territory to their parent companies resident in other EU member states or the permanent establishment of these located in other EU member states, to the extent that the following requirements are met:

a) Both companies are subject to, and not exempt from, any of the taxes levied on legal entities in member states of the EU, according to Article 2.c) of Directive 2011/96/EU of the Council of November 30, 2011, with regard to the regime applicable to parent companies and subsidiaries in different member states, and the permanent establishments are subject to, and not exempt from, taxation in the state in which they are located;

b) The distribution of profits is not due to the liquidation of the subsidiary company; and

c) Both companies are incorporated under the laws of a EU member state, under one of the corporate forms set forth in the Annex to Directive 2011/96/EU of the Council of November 30, 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different member states, as amended by Directive 2014/86/EU of the Council of July 8, 2014.

A company is considered to be a parent company when it owns a direct or indirect participation of at least 5% in the share capital of the other company, or the acquisition value of its interest in that company exceeds €20 million. The other company is deemed a subsidiary. This interest must have been held uninterruptedly during the year prior to the date on which the profit has been distributed or becomes payable or, otherwise, the participation must continue to be held for the period needed to complete one year. In the latter case, Spanish withholding taxes (at the applicable rate) would be levied on the dividend at the time it is paid out, and the NRIT-payer and parent company should request a reimbursement to the Spanish tax authorities when the one year threshold is met. Investors are advised to consult their tax advisors or lawyers about the procedure to request this refund from the Spanish tax authorities.

This exemption shall also apply to profits distributed by subsidiaries resident in the Spanish territory to parent companies resident in member states of the EEA, and the permanent establishments of such parent companies located in other member states, provided that the requirements set forth in the NRIT Law are met.

This exemption does not apply if the dividend is obtained through a territory which qualifies as a tax haven. The exemption does not apply either if the majority of the voting rights of the parent company are held, directly or indirectly, by legal entities or individuals who are non-resident in member states of the EU or the EEA with which Spain has an effective exchange of taxation information, pursuant to section 4 of the first additional provision of Law 36/2006 of November 29 on measures for the prevention of fiscal fraud, except when the constitution and operation of such parent company is due to valid economic reasons and substantive business purposes.

As a general rule, the Company will apply NRIT withholding of 19% on dividend payments.

However, when a Double Taxation Treaty applies based on the tax residency of the recipient, the exemption or reduced tax rate established in the Double Taxation Treaty for such income shall apply, upon the taxpayer's evidence of their tax residency, in the form established in the corresponding legislation (e.g., IRS Form 6166 for U.S. investors). For this purpose, a special procedure approved by Order of the Ministry of Finance and Treasury on April 13, 2000 is applicable to make any withholding at the corresponding rate for non-resident shareholders, and for the exclusion of the withholding, when the payment procedure involves financial entities domiciled, resident or represented in Spain that are depositaries or which manage the collection of income from such securities.

Pursuant to this regulation, upon distribution of the dividend, the Company will withhold on the gross income of the dividend a rate of 19% in 2020 and transfer the resulting net amount to the depositary. The depositary which gives to the issuer (as received from the corresponding investors) evidence in the established form of the right to the entitlement to the application of reduced rates or exclusion of withholding from the non-resident shareholders shall immediately receive the excess amount withheld, for subsequent distribution to the investors. To this end, the non-resident shareholders must, before the 10th day of the month following the distribution of the dividend, provide the depositary with a certificate of tax residency issued by the relevant tax authority of their country of residence, stating that the investor is resident in such country in the terms defined in the relevant Double Taxation Treaty. In cases in which a reduced tax rate is provided by a Double Taxation Treaty pursuant to an Order establishing the use of a specific form, this form must be delivered instead of the certificate. Such tax residency certificates are generally valid for one year from the date of issue for these purposes and if they refer to a specific period, they will only be valid for that period.

When an exemption or reduced withholding tax rate under a Double Taxation Treaty is applicable, and the shareholder does not give evidence of its tax residency in a timely manner, the shareholder may request the Spanish tax authorities the refund of the amount withheld in excess, following the procedure and using the form stipulated in Spanish Order EHA/3316/2010 of December 17, 2010.

In any case, if the NRIT withholding has been already made or the entitlement to the exemption has been recognized, non-resident shareholders are not required to file a tax return for NRIT purposes in Spain.

Investors are advised to consult their tax advisors or lawyers about the procedure to request any refund from the Spanish tax authorities.

(ii) Capital gains and losses

Pursuant to the NRIT Law, capital gains derived from transfer of the Shares, or any other capital gain related to such securities by legal entities or individuals who do not act through a permanent establishment in Spain shall be subject to NRIT, being the tax payable calculated, generally, in accordance with the rules set forth in PIT Law. In particular, capital gains derived from transfer of the Shares shall be subject to NRIT at the rate of 19% in the 2020 tax year, unless a domestic exemption or a Double Taxation Treaty applies, in which case the provisions of the Double Taxation Treaty shall prevail.

Under Spanish tax law, the following capital gains will be exempt:

a) Capital gains derived from the transfer of the Shares in official secondary markets for Spanish securities which have not been obtained through a permanent establishment in Spain by individuals and entities resident in a jurisdiction that has signed a Double Taxation Treaty with Spain including an information-exchange clause (which applies to these individuals and entities), to the extent that they have not been obtained through countries or jurisdictions officially defined as a tax haven.

b) Capital gains derived from the transfer of the Shares which have not been obtained through a permanent establishment in Spain by individuals and entities resident for tax purposes in other member states of the EU, or permanent establishments of these resident in another EU member state (other than Spain), provided that they have not been obtained through countries or jurisdictions officially qualifying as tax havens. This exemption does not apply to capital gains resulting from the transfer of shares or rights of an entity: (i) when the assets of that entity comprise, mainly, real estate property located in the Spanish territory, whether directly or indirectly; (ii) in the case that the transferor is a non-resident individual at any time during the twelve months prior to the transfer, when the transferor holds an interest, directly or indirectly, of at least 25% of the capital or equity of the company; or (iii) in the case that the transferor is a non-resident company, when the transfer does not meet the requirements for application of the exemption set down in Article 21 of the CIT Law.

The capital gain or loss shall be calculated and taxed separately for each transfer. Offsetting of gains and losses from different transfers is not permitted. The tax shall be calculated applying the rules set out in Article 24 of the NRIT Law.

Pursuant to the NRIT Law, capital gains obtained by non-residents who do not act through a permanent establishment are not subject to withholding on account of NRIT.

Non-resident shareholders are required to file a tax return (currently, Form 210), calculating and paying, as applicable, the resulting NRIT due. This tax return may also be filed, and the NRIT paid, by the taxpayer's tax representative in Spain, the depository or the manager of the shares, applying the procedure and the tax return set out in Order EHA/3316/2010 of December 17, 2010.

In the event that an exemption applies, whether under Spanish law or through a Double Taxation Treaty, the non-resident investor must provide evidence of his/her/its right by providing a certificate of tax residency in a timely manner duly issued by the tax authorities of his/her/its country of residence (which must state, as the case may be, that the investor is resident in that country within the meaning of the applicable Double Taxation Treaty) or the form stipulated in the Order implementing the applicable Double Taxation Treaty. Such tax residency certificates are generally valid for one year from the date of issue for these purposes, and if they refer to a specific period, they will only be valid for that period.

(iii) Pre-emptive Subscription Rights

Distributions to non-Spanish tax resident shareholders of the Pre-emptive Subscription Rights to subscribe the Shares are not treated as income under Spanish NRIT Law. The exercise of such pre-emptive rights is not considered a taxable event under Spanish NRIT Law.

The proceeds derived from a transfer of pre-emptive rights by a NRIT taxpayer (without permanent establishment in Spain) will be regarded as a capital gain and subject to Spanish NRIT in the manner described under "*Capital gains and losses*" above.

(iv) Share premium distributions

A distribution of dividends out of the share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the Shares for shares admitted to trading on any of the regulated securities markets defined in MiFID II (such as the Shares). If the amount of the share premium received exceeds the acquisition value of the Shares held by a non-resident shareholder, such excess would constitute a taxable income subject to NRIT at a flat rate of 19%, unless otherwise provided by a Double Taxation Treaty (although this income would not be subject to withholding tax on account of NRIT in Spain).

Wealth Tax

Individuals who are not resident for tax purposes in Spain pursuant to Article 9 of the PIT Law, and who own assets and rights that can be exercised or have to be met in Spanish territory on December 31 of each year shall be subject to Wealth Tax on the value of the assets and rights that can be exercised or have to be met in Spanish territory. However, taxpayers may deduct the minimum allowance of €700,000, being applicable the general scale for the tax, which ranges from 0.2% to 2.5% in 2020.

The Spanish tax authorities consider that the shares of Spanish companies are assets located in Spain for tax purposes.

In addition, the Wealth Tax Law provides for an exemption of securities whose income are exempt from taxation under NRIT rules.

The value of the shares admitted to trading on an official Spanish secondary market owned by non-resident natural persons shall be calculated using the average trading price in the last quarter of each year. The Ministry of Finance publishes annually this average trading price for the Wealth Tax purposes.

As of the date of this Prospectus, all these provisions corresponding to Spanish Wealth Tax will remain applicable to tax year 2020. However, pursuant to Article 3 of Royal Decree-Law 18/2019 of December 27, as from year 2021, a full exemption on Spanish Wealth Tax would apply *(bonificación del 100%)*, and therefore from year 2021 and onwards, individuals resident in Spain would be released from formal and filing obligations in relation to Wealth Tax unless the application of this full exemption is postponed or revoked.

Individuals resident in a member state of the EU or the EEA shall be entitled to apply the specific rules adopted by the Spanish Autonomous Region in which the assets or rights with more value and subject to the tax are located. Investors are advised to consult their tax advisors or lawyers to determine the effects of these rules.

Finally, entities that are non-resident in Spain are not subject to this tax.

Inheritance and Gift Tax

Without prejudice to the provisions of Double Taxation Treaties, acquisitions obtained through inheritance or by gift by individuals who are non-resident in Spain, irrespective of the residency of the transferor, shall be subject to IGT when the acquisition involves assets located in Spanish territory or rights that can be exercised or have to be complied with in Spanish territory. The Spanish tax authorities consider that the shares of Spanish companies are assets located in Spain for tax purposes.

Generally, non-Spanish tax resident individuals are subject to Spanish IGT in accordance with the rules set forth in the state IGT law. However, if either the deceased or the donee is resident in a EU or EEA Member state, the applicable rules will be those corresponding to the relevant Autonomous Regions in accordance with the law. As such, prospective investors should consult their tax advisors. Likewise, in its recent judgments of February 19, March 21 and March 22, 2018, the Spanish Supreme Court, based on the European right to the free movement of capital, has declared that the application of the regional rules corresponding to the relevant Autonomous Region according to the law should be extended in some circumstances to deceased heirs or donees who are resident outside of the EU or the EEA.

Investors are advised to consult their tax advisors or lawyers.

Companies that are non-resident in Spain are not subject to this tax. The income they obtain by gifts is generally taxed as capital gains, pursuant to the NRIT Law previously described, without prejudice to any applicable Double Taxation Treaty.

Non-resident shareholders are advised to consult their tax advisors about the terms in which IGT applies in each case.

Spanish financial transactions tax

The Spanish law which implements the Spanish tax on financial transactions (the "**Spanish FTT**") was approved on October 7, 2020 and is pending publication on the State Official Gazette. Spanish FTT will charge a 0.2% rate on specific acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds €1 billion (€1,000,000,000), regardless of the jurisdiction of residence of the parties involved in the transaction.

The Spanish FTT would not apply in relation to the present Offering since transactions in the primary market are exempt from this tax but it may subject other transactions involving the acquisition of the Shares in the future depending on the market capitalization of the Company and other factors. Prospective investors are advised to seek their own professional advice in relation to the Spanish FTT.

Certain U.S. federal income taxation considerations

The following is a description of certain U.S. federal income tax consequences to the U.S. Holders described below of the ownership and disposition of the Shares, but it does not purport to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire the Shares. This discussion applies only to U.S. Holders that acquire Shares in this Offering and hold them as capital assets. In addition, this discussion does not describe all of the tax consequences that may be relevant to you in light of your particular circumstances, including alternative minimum tax consequences, any aspect of the Medicare contribution tax on "net investment income" and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or certain traders in securities;
- persons holding Shares as part of a straddle or integrated transaction;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, individual retirement accounts, or "Roth IRAs";
- our employees, executives or other persons purchasing Non-Qualified Investors Shares;
- persons that own or are deemed to own 10% or more of the Company's stock by vote or value; or
- persons holding Shares in connection with a trade or business outside the United States.

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment to you and your partners generally will depend on the status of the partners and your activities. If you are a partnership owning Shares or a partner in such partnership, you should consult your tax adviser as to your particular U.S. federal income tax consequences of owning and disposing of the Shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, and the income tax treaty between Spain and the United States (the "**Treaty**"), all as of the date hereof. These laws are subject to change, possibly with retroactive effect.

You are a "U.S. Holder" for purposes of this discussion if you are, for U.S. federal income tax purposes, a beneficial owner of Shares and:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

Except as described below under "—*Passive Foreign Investment Company Rules*," this discussion assumes that the Company is not, and will not be, a passive foreign investment company ("**PFIC**") for U.S. federal income tax purposes for any taxable year.

This discussion does not address the effects of any state, local or non-U.S. tax laws, or any U.S. federal taxes other than income taxes (such as U.S. federal or gift tax consequences).You should consult your tax adviser with regard to the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Taxation of Distributions

Distributions received on our Shares, including the amount of any Spanish taxes withheld, other than certain pro rata distributions of ordinary shares to all shareholders, will constitute foreign-source dividend income to the extent paid out of the Company's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Because the Company does not maintain calculations of its earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to you as dividends. The amount of any dividend paid in euros that you will be required to include in income will equal the U.S. dollar value of the distributed euros, calculated by reference to the exchange rate in effect on the date the payment is received, regardless of whether the payment is converted into U.S. dollars on the date of receipt. If the dividend is converted into U.S. dollars on the date of receipt, you will generally not be required to recognize foreign currency gain or loss in respect of the dividend income. You may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of its receipt. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Subject to applicable limitations, dividends received by certain non-corporate U.S. Holders may be taxable at a preferential rate, provided that the Company is not a PFIC for the taxable year in which the dividend is paid or the preceding taxable year. If you are a non-corporate U.S. Holder you should consult your tax adviser regarding the availability of the reduced tax rate on dividends.

Spanish taxes withheld from dividends on Shares at a rate not in excess of any applicable Treaty rate will generally be creditable against your U.S. federal income tax liability, subject to applicable limitations that vary depending upon your circumstances. The rules governing foreign tax credits are complex, and you should consult your tax adviser regarding the creditability of Spanish taxes in your particular circumstances. Subject to applicable limitations, in lieu of claiming a foreign tax credit, you may elect to deduct foreign taxes, including Spanish taxes, in computing your taxable income. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the relevant taxable year.

Sale or Other Taxable Disposition of Shares

You generally will recognize capital gain or loss on a sale or other taxable disposition of Shares. Such gain or loss will be long-term capital gain or loss if at the time of sale or disposition the Shares have been held for more than one year. The amount of gain or loss will equal to the difference between the amount realized on the sale or disposition and your tax basis in the Shares, each as determined in U.S. dollars. Any gain or loss will generally be U.S.-source for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

As described above under "*Taxation—Spanish Tax Considerations*," gains on the sale of Shares may be subject to Spanish taxes. You are generally entitled to use foreign tax credits to offset only the portion of your U.S. federal income tax liability that is attributable to foreign-source income. Because capital gains are generally treated as U.S.-source income, this limitation may preclude you from claiming a credit for all or a portion of any Spanish taxes imposed on any such gains. In addition, because under the Treaty a U.S. Holder's capital gains are generally not taxable in Spain (and in certain circumstances such gains could also be exempt from Spanish tax under domestic Spanish law), if you are eligible for the benefits of the Treaty or otherwise entitled to an exemption from Spanish taxation on disposition gains, you will not be able to claim foreign tax credits in respect of any Spanish taxes on such gains. You should consult your tax adviser regarding the creditability of any Spanish tax on gains as a result of a sale or other disposition of Shares in your particular circumstances.

Passive Foreign Investment Company Rules

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes interest, rents, dividends, royalties, gains from commodities transactions (other than certain active business commodities gains) and certain other gains. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash is a passive asset.

Based on the expected composition of its income and assets and the expected value of its assets, including goodwill, which is based on the expected price of the Shares in this Offering, the Company does not expect to be a PFIC for its current taxable year. However, the application of the PFIC rules to the Company is subject to certain uncertainties (such as with respect to the determination of its gross income for PFIC purposes). Moreover, if we own interests in solar plants that we develop but do not sell when they reach their commercial operation stage, our PFIC status for any taxable year may depend on the manner in which we operate such solar plants. Furthermore, any joint ventures in which we hold less than 25% interest in the future will likely be treated as passive assets for purposes of the PFIC rules. In addition, a company's PFIC status is an annual factual determination that can be made only after the end of each taxable year and the Company's PFIC status for each taxable year will depend on the composition of its income and assets and the value of its assets from time to time (which may be determined by reference to the market value of the Shares, which may be volatile). Therefore, the Company may be a PFIC for any taxable year if its market capitalization declines while it holds a substantial amount of cash (including cash raised in this Offering). Accordingly, the Company cannot assure you that it will not be a PFIC for the current or any future taxable year. The Company will not conduct annual assessments of its PFIC status for any taxable year.

If the Company is a PFIC for any taxable year and any entity in which the Company owns or is deemed to own equity interests is also a PFIC (any such entity, a "**Lower-tier PFIC**"), you will be deemed to own a proportionate amount (by value) of the shares of each Lower-tier PFIC and will be subject to U.S. federal income tax according to the rules described in the next paragraph on (i) certain distributions by a Lower-tier PFIC and (ii) dispositions of shares of Lower-tier PFICs, in each case as if you held such shares directly, even though you did not receive any proceeds of those distributions or dispositions.

Generally, if the Company is a PFIC for any taxable year during which you own the Shares, gains recognized upon a disposition (including, under certain circumstances, a pledge) of the Shares by you would be allocated ratably over your holding period for such Shares. The amounts allocated to the taxable year of disposition and to years before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge would be imposed on the resulting tax liability for each taxable year. Further, to the extent that any distribution you receive on your Shares exceeds 125% of the average of the annual distributions on such Shares received during the preceding three years or your holding period, whichever is shorter, that distribution would be subject to taxation in the same manner. If the Company is a PFIC for any year during which you owned Shares, it will generally continue to be treated as a PFIC with respect to you for all succeeding years during which you own the Shares, even if the Company ceases to meet the threshold requirements for PFIC status.

Alternatively, if the Company is a PFIC for any taxable year and if the Ordinary Shares are "regularly traded" on a "qualified exchange," you could make a mark-to-market election with respect to the Shares (but not with respect to any Lower-tier PFICs) that would result in tax treatment different from the general tax treatment for PFICs described above. The Shares will be treated as "regularly traded" in any calendar year in which more than a *de minimis* quantity of the Ordinary Shares is traded on a qualified exchange on at least 15 days during each calendar quarter. A non-U.S. exchange is a "qualified exchange" if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met. The Internal Revenue Service has not identified specific non-U.S. exchanges that are "qualified" for this purpose. Generally, under the mark-to-market election you will recognize at the end of each taxable year (i) ordinary income in respect of any excess of the fair market value of the Shares over their adjusted tax basis or (ii) ordinary loss in respect of any excess of the adjusted tax basis of the Shares over their fair market value (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If you make the election, your tax basis in the Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of Shares in a year when the Company is a PFIC will be treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election).

In addition, if the Company is a PFIC (or treated as a PFIC with respect to you) for the taxable year in which it pays a dividend or for the prior taxable year, the preferential tax rate discussed above with respect to dividends paid to certain non-corporate U.S. Holders will not apply.

If you own Shares during any year in which the Company is a PFIC, you generally will be required to file annual reports together with your U.S. federal income tax returns, subject to certain exceptions.

You should consult your tax adviser regarding whether the Company is a PFIC for any taxable year and the potential application of the PFIC rules to your ownership of Shares.

Backup Withholding and Information Reporting

Payments of dividends and sales proceeds that are made within the United States or through U.S. or certain U.S.-related financial intermediaries will generally be subject to information reporting and backup withholding, unless (i) you are an exempt recipient or (ii) in the case of backup withholding, you provide a correct taxpayer identification number and certify that you are not subject to backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (or certain specified entities) may be required to report information relating to their ownership of Shares, or non-U.S. accounts through which Shares are held. You should consult your tax adviser regarding your reporting obligations with respect to the Shares.

MANAGEMENT AND BOARD OF DIRECTORS

Spanish corporate law is mainly regulated by the consolidated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010 (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**"), which is the principal legislation under which we operate. In order to adapt the Company (i) to the provisions of the Spanish Companies Act applicable to issuers of shares listed on the Spanish Stock Exchanges, (ii) to the applicable corporate governance requirements and recommendations, such as the Code of Good Corporate Governance approved by the board of the CNMV on February 18, 2015, as amended in June 2020 (the "**Corporate Governance Code**") and (iii) to the best practices of listed companies, our board of directors (the "**Board of Directors**" or the "**Board**"), at its meeting held on October 6, 2020, approved (i) the rules and regulations that govern the Board of Directors (the "**Board of Directors Regulations**") and (ii) the Securities Markets Code of Conduct (as defined below), which will become effective upon Admission. Similarly, on October 6, 2020, our general meeting of shareholders, approved (i) a new restated text of the Company bylaws (the "**Bylaws**"), and (b) the rules and regulations that govern the general meeting of shareholders (the "**General Meeting of Shareholders Regulations**"). Likewise, on October 6, 2020 the general meeting of shareholders acknowledged the approval of the Board of Directors Regulations and of the Securities Markets Code of Conduct (as defined below).

Board of Directors

Spanish corporate law provides that the board of directors of a Spanish incorporated company is responsible for the management, administration and representation of the company in all matters concerning its business, subject to the provisions of such bylaws (*estatutos*), except for those matters expressly reserved for the general meetings of shareholders.

The Bylaws and Board of Directors Regulations provide for a Board of Directors that consists of between five and 15 members. The Board of Directors currently consists of seven members in accordance with the resolution passed by the general meeting of shareholders, on October 6, 2020.

According to the Bylaws and the Board of Directors Regulations, the directors are elected by the general meeting of shareholders (shareholders have the right to appoint a number of directors in proportion to their shareholding in the Company provided that vacancies exist) to serve for a maximum term of four years and may be reelected to serve for an unlimited number of terms of the same duration. If a director does not serve out his or her term, the Board of Directors may fill the vacancy by appointing an alternate director to serve until the next general meeting of shareholders. If the vacancy occurs once the general meeting of shareholders has been convened and before the meeting has been held, the Board of Directors may appoint a director to serve until the next general meeting of shareholders. Any natural or legal person, other than those specifically declared ineligible by applicable law, the Bylaws or the Board of Directors Regulations, may serve on the Board of Directors. A director may be removed from office by the general meeting of shareholders, even if such removal is not included on the agenda for that general meeting of shareholders.

The Board of Directors is responsible for the management of the Company and establishes, among other things, the strategic, accounting, organizational and financing policies of the Company. In addition, and further to any other matters as may be provided by law, the Bylaws or the Board of Directors Regulations, pursuant to Article 249 bis of the Spanish Companies Act, the following matters cannot be delegated under any circumstances by the Board of Directors:

a) Supervising the effective operation of any committees established or the performance of any delegated bodies or managers nominated by it.

b) Determining the Company's general policies and strategies.

c) Authorizing or releasing directors from the obligations arising from the duty of loyalty in accordance with the provisions of Article 230 of the Spanish Companies Act.

d) Determining its own organization and performance.

e) Preparing the annual individual and consolidated financial statements and presenting such statements to the general meeting of shareholders.

f) Preparing any type of report required from the Board of Directors by law, assuming that the transaction to which the report refers cannot be delegated.

g) Nominating or removing executive directors from the Company or establishing the conditions of their contract.

h) Nominating or removing managers on whom the Board of Directors or some of its members may directly depend, such as establishing the basic conditions of their contracts, including remuneration.

i) Decisions relating to directors' remuneration, within the statutory framework and, when relevant, the remuneration policy approved by the general meeting.

j) Calling the general meeting of shareholders and preparing the agenda and proposal for agreements.

k) The policy relating to treasury shares.

l) Any powers that the general meeting has vested to the Board of Directors, unless the Board has been explicitly authorized to sub-delegate them.

In addition, pursuant to Article 529 ter of the Spanish Companies Act, the Board of Directors may not delegate the decision on the following specific matters:

a) Approval of the strategic or business plan, annual management objectives and budget, investment and finance policies, corporate liability policy and the dividends policy.

b) Establishment of the risk control and management policy, including tax risks, and the supervision of the internal information and control systems.

c) Establishment of the corporate governance policy of the Company and the Group of which it is the parent company, its organization and functioning and, in particular, the approval and amendment of its own regulations.

d) Approval of the financial information that, pursuant to its listed nature, the Company must periodically make public.

e) Definition of the structure of the Group of companies of which the Company is the parent entity.

f) Approval of all types of investments and transactions that, due to their high value or special characteristics, are of a strategic nature or have special tax risk, unless their approval falls under the authority of the general meeting of shareholders.

g) Approval of the creation or acquisition of shares in special purpose entities or registered in countries or territories considered tax havens, in addition to any other transaction or operation of a similar nature that, due to its complexity, may undermine the transparency of the Company and its Group.

h) Approval, prior to any report from the Audit Committee (as defined below), of any transactions the Company or companies in the Group perform with directors, pursuant to articles 229 and 230 of the Spanish Companies Act, or with significant shareholders, either individually or jointly with others, of a significant share, including shareholders represented by proxy in the Board of Directors of the Company or other companies that form part of the same Group, or with persons related to them —directors affected, who represent, or who are related to shareholders affected, must abstain from participating in the deliberations and voting on the relevant resolutions. Transactions may only be exempt from this approval if they have all three of the following characteristics:

    i. they are performed under contracts whose conditions are standardized and applied *en masse* to a large number of clients;

ii. they are performed at prices or rates generally established by the supplier of the relevant goods or services in question or, if the transactions concern goods or services for which no rates are established, they are performed under arm's length conditions, similar to those applied to commercial relationships with customers having similar characteristics; and

iii. their quantity does not exceed one percent of the annual income of the Company.

i) Establishing the tax strategy of the Company.

j) Supervision of the process of preparing and presenting the financial information and the management report (*informe de gestión*), which includes, when appropriate, the mandatory non-financial information, and presents the recommendations or proposals to the Board of Directors, aiming to safeguard their integrity.

In addition, our Board of Directors Regulations provide that the Board of Directors may not delegate the decision on the following specific matters:

a) Appointing directors by means of the co-option system (*cooptación*) and submitting proposals to the general meeting of shareholders in respect of the appointment, ratification and re-election of directors not classified as independent directors, on the basis of a report by the Appointments and Remuneration Committee, or on the removal of directors, as well as formally receiving director resignations.

b) Approving, where applicable, a detailed and verifiable director selection policy that ensures that appointment and re-election proposals are based on a prior analysis of the Board of Directors needs and that they encourage a diversity of knowledge, experience and genders on the Board of Directors.

c) Approving the remuneration to be paid to each director, prior proposal from the Appointments and Remuneration Committee, in accordance with the remuneration policy approved by the shareholders in the general meeting of shareholders.

d) Appointing and removing delegate director and approving termination agreements therefor, and providing prior authorization for contracts between the Company and executive directors.

e) Appointing and removing directors from internal positions of the Board of Directors and appointing and removing Board of Directors' committee members from their committee posts.

f) Appointing and removing management personnel and approving termination agreements therefor, prior report from the Appointments and Remuneration Committee, as well as approving their indemnity clauses.

g) Approving the remuneration policy for management personnel, as well as the basic conditions of their contracts and their termination agreements, at the proposal, where applicable, of the delegate director, based on a report by the Appointments and Remuneration Committee.

h) Issuing its opinion and recommendation on any takeover bid for securities issued by the Company.

i) Preparing the annual corporate governance report and the annual report on directors' remuneration.

j) Evaluating, on a yearly basis, the functioning of the Board of Directors and its committees and proposing an action plan to remedy any weaknesses detected.

k) Approving and amending the Board of Directors Regulations.

l) Any other matter that the Board of Directors Regulations reserve for the knowledge of the full body.

According to Article 529 ter 2 of the Spanish Companies Act, under urgent and duly justified circumstances, decisions relating to the previous matters may be adopted by the delegated bodies or persons, which must be ratified in the first meeting of the Board of Directors held after the adoption of the decision.

According to Spanish law, the Board of Directors Regulations and the Bylaws, the Chairperson of the Board of Directors and, where appropriate, the Vice-Chairperson, who acts as Chairperson in the event of the Chairperson's absence or incapacity, shall be elected by the Board of Directors from among its members, following a report by the Appointments and Remuneration Committee (as defined below). Pursuant to Article 529 septies of the Spanish Companies Act, applicable upon Admission, and to the Board of Directors Regulations, if the Chairperson is an executive director, a lead independent director (*consejero independiente coordinador*) shall be appointed from among the independent directors, provided that the executive directors shall abstain from voting. The lead independent director shall have the power to request the call of the meetings of the Board of Directors and include new items on the agenda of the meetings, to coordinate and gather the non-executive directors and communicate their concerns to the Chairperson and to lead, if necessary, the regular evaluation of the Chairperson of the Board of Directors. The Secretary and, where appropriate, the Vice-Secretary of the Board of Directors do not need to be directors, in which case they will have right to speak but not to vote at Board meetings.

The Bylaws and Board of Directors Regulations provide that the Chairperson of the Board of Directors may call a meeting whenever he or she considers such a meeting necessary or suitable. The Chairperson of the Board of Directors is also required to call a meeting when so requested by at least two members of the Board of Directors or, if applicable, if so requested by the Lead Independent Director. Pursuant to the Bylaws and in compliance with the Corporate Governance Code recommendations, the Board of Directors shall meet at least eight times per year.

The Bylaws and the Board of Directors Regulations provide that the absolute majority of the members of the Board of Directors (present in person or represented by proxy by another member of the Board of Directors), that is, at least four directors, shall be present or represented in order to constitute a quorum. Except as otherwise provided by law or specified in the Bylaws, resolutions of the Board of Directors are passed by an absolute majority of the directors attending a meeting whether present in person or represented by proxy. The Bylaws and the Board of Directors Regulations do not contain any special majorities to pass any resolution different from those that are established by the legislation in force as of the date of this Prospectus. In case of a tie, the Chairperson shall have a casting vote.

The Board of Directors meeting can be held electronically by multiconference, phone or video conference, or any other equivalent system. In addition, Board resolutions can also be passed in writing in lieu of meeting (*por escrito y sin sesión*), provided that no Director objects to this procedure and that the requirements established in the law for such cases are complied with.

According to the Spanish Companies Act, directors may contest resolutions passed by the Board of Directors or by any other management body, within 30 days of their adoption. Similarly, such agreements may be contested by any shareholder or shareholders who, in the case of listed companies, represent 0.1% of the share capital, within 30 days of becoming aware of such resolutions and provided not more than one year has elapsed since their adoption. The causes, processing and effects of these challenges shall be subject to the same as those established for challenges to resolutions passed at general meetings of shareholders except that they may be based on a breach of the regulations of the Board of Directors.

Board of Directors Regulations

The Board of Directors is governed by the Bylaws and the Board of Directors Regulations, which were adopted by the Board of Directors on October 6, 2020 and are registered with the Commercial Registry of Murcia. The Board of Directors Regulations develop the Bylaws and establish the principles for the functioning of the Board of Directors, including the basic rules for its composition, structure and functions and the standards of conduct of the Board of Directors members, including, among others, the members' general obligations, duty of confidentiality, non-competition obligations, conflicts of interest management, use of the Company's assets and management of non-public information.

Pursuant to the Board of Directors Regulations, directors must tender their resignation to the Board of Directors and formally resign from their position if the Board of Directors, following a report by the Appointments and Remuneration Committee (as defined below), deems it fit, in those cases in which they may adversely affect the operation of the Board or the credit or reputation of the Company and, in particular, if they are involved in any of the circumstances of incompatibility or prohibition provided by applicable law.

Directors

Our Board of Directors is currently composed of seven members: one executive Director, three independent Directors (one of which is a lead independent director) and three proprietary Directors. The lead independent director has the powers attributed under Spanish law.

The following table sets forth, as of the date of this Prospectus, the current composition of the Board of Directors, and is followed by a summary of professional background of each such member.

Name	Position / Title	Date of first appointment	Term Expires	Shareholder represented	Category/status
Mr. Raúl Morales Torres	Executive Chairman	October 6, 2020	October 6, 2024	N/A	Executive Director
Mr. Fernando Caballero de la Sen	Lead Independent Director	October 6, 2020	October 6, 2024	N/A	Independent
Ms. Nuria Aliño Pérez	Member	October 6, 2020	October 6, 2024	N/A	Independent
Ms. María Sicilia Salvadores	Member	October 6, 2020	October 6, 2024	N/A	Independent
Ms. Marina Moreno Dólera	Member	October 6, 2020	October 6, 2024	Grupo Corporativo Sefrán, S.L.	Proprietary
Mr. José Francisco Morales Torres	Member	October 6, 2020	October 6, 2024	Valueteam, S.L.	Proprietary
Mr. Marcos Sáez Nicolás	Member	October 6, 2020	October 6, 2024	Grupo Corporativo Sefrán, S.L.	Proprietary

All the appointments have been approved by the general meeting of shareholders on October 6, 2020. As of the date of this Prospectus, all the directors have accepted their appointment, which is immediately effective and has been registered with the Commercial Registry.

The Board of Directors, at its meeting held on October 6, 2020, has appointed Ms. Silvia Amateratsu Díaz de Laspra Morales as the non-director Secretary of the Board of Directors.

The categories of directors have been determined pursuant to the definitions set forth in the Spanish Companies Act. As of the date of this Prospectus, the category assigned to each director has not been confirmed by the Appointments and Remuneration Committee (as defined below), as this committee was not in place yet on the date of the appointments. However, as soon as possible, and possibly following Admission, the Appointments and Remuneration Committee (as defined below) will confirm the assigned categories. Directors are responsible for all the matters established in the Spanish Companies Act, the Bylaws and the Board of Directors Regulations.

All members of the Board of Directors have designated our registered address as their professional address for the purpose of this Prospectus.

Biographical information

Biographical information for each of the current members of the Board of Directors, including a brief description of each Director’s business experience and education, is presented below.

Mr. Raúl Morales Torres

Mr. Raúl Morales Torres is the Chief Executive Officer of the Company since its inception. Mr. Raúl Morales Torres has more than 20 years of experience in manufacturing with over 16 of these years dedicated to the renewable energy sector. Mr. Raúl Morales Torres is the founder of Soltec ER, and currently his General Manager, raising the company from its beginnings in 2004 to become a top tier manufacturer and supplier of cost-effective single-axis solar trackers. With deep experience in the solar PV industry, Mr. Raúl Morales Torres combines his passion for renewable energy with a commitment to boost operational productivity through inspiring a culture of innovation and attracting qualified talent. In addition, from 2014 to 2015, he was President of the *Asociación Empresarial de Energías Renovables y Ahorro Energético de Murcia* (AREMUR). In 2019 he was awarded “Best Energy Engineer” by the Association of Energy Engineers, Spain chapter. He holds an electrical and industrial engineering degree from Universidad Politécnica of Cartagena and is also the Vice President of UNEF (*Union Española Fotovoltaica*).

Mr. Fernando Caballero de la Sen

Mr. Fernando Caballero de la Sen is Managing Director responsible for Aon's Risk Consulting Services and e-solutions in Spain since 2006 and currently is in charge of coordinating Latin America and Portugal AGRC initiatives. Mr. Caballero joined AON in 2000, previously he worked more than 8 years in big-four accounting and consultancy firms, including financial audit in Deloitte and risk management in KPMG. Mr. Caballero has advised in projects related with risk governance, data analytics, risk management software tools, e-solutions and compliance in the financial and industrial sector. Moreover, he has achieved projects for clients that include, among others, implementing an ERM framework for multinational companies under international standards (COSO framework ISO31000) and executed internal control framework in local and multinational corporate environment. He is member of the Institute of Internal Auditors in Spain and AGRC EMEA Operations Board and ex-com in Spain. Mr. Caballero de la Sen holds a bachelor in economics from the Universidad Complutense and a law degree by UNED University. He is a chartered accountant in Spain, poses a certification in risk management assurance and has participated in high performance management programs with Harvard University.

Ms. Nuria Aliño Pérez

Ms. Aliño is an accomplished investment banking professional with more than 20 years of experience, in developed and developing markets, spanning corporate finance (including M&A, ECM, DCM), private equity and venture capital, impact investing under Environmental, Social, and Governance (ESG) criteria, Fintech equity and debt transactions, and digital strategy. From 1995 to 2009, Ms. Aliño worked in BBVA corporate finance team and investment banking team, being Managing Director and Head of Investment Banking in Spain from 2007 to 2009, where she led Merger and Acquisitions and Private Equity Investments and managed a 33 people team with focus on investment banking products. After building a strong banking transactional experience as Managing Director at BBVA Corporate and Investment Banking, she joined the Inter-American Development Bank (IADB). At IADB she served as Advisor of the General Manager of IADB Invest, the private arm of the IADB, and was responsible for a wide range of initiatives aimed at improving lives of people across Latin-American and promoting private sector led development goals. In 2016, Ms. Aliño joined the World Bank Group, to impulse the adoption of disruptive technologies in different industries and countries, to benefit development challenges and disrupt the traditional pathways of economic development. She led Partnerships and Innovations in the financial industry at the International Finance Corporation (IFC), the largest global development institution focused on the private sector in emerging markets. Currently, she serves as Global Digital Finance Services Specialist at the IFC-World Bank and focuses on digital transformation. She is an active advisor on Open Banking to accelerate financial inclusion, competition and innovation. Ms. Nuria Aliño Pérez, holds a bachelor degree in Economics and Business Administration with a major in finance and a law degree by the Universidad Pontificia Comillas (ICADE E-3) and a diploma in Management Development Program by IESE Business School.

Ms. María Sicilia Salvadores

Ms. Sicilia has more than 20 years of experience in the energy sector. She started her career in the financial sector working in the fixed income and derivatives area of Citigroup Asset Management in Spain before training as a senior civil servant for the Government of Spain. From 1993 to 1995 she worked in the fixed income and derivatives area of Citigroup Asset Management in Spain. From 2001 to 2003, she worked as energy adviser to the Secretary of State for Energy, Industry and SMEs in the Spanish Ministry of Economy where she provided briefing and policy advice on a wide range of energy issues and parliamentary relations. From 2006 to 2010, Ms. Sicilia worked in Paris as a Senior Economist in the Electricity Markets, Energy Markets and Security Directorate of the OECD International Energy Agency, where she carried out analysis and monitoring of wholesale and retail electricity markets in OECD countries, investment trends in the power sector, regulatory issues in transmission and distribution. From 2011 to 2012 she was Head of the Prospective Department at Iberdrola Renovables and was elected as member of the Steering Committee of main renewable industry associations: Global Wind Energy Council (GWEC), WindEurope (formerly EWEA), REN-21, Asociación Eólica Empresarial (AEE). From 2012 to 2014, Ms. Sicilia worked in the Spanish Ministry of Industry, Energy and Tourism, where she was in charge of Spain’s long term energy policy including energy demand and supply prospective scenarios, energy efficiency and environmental policies, energy technology innovation and national energy statistics. As such, she was also responsible for the elaboration of the current Energy Infrastructure Investment Plan for 2015-2020. Currently, Ms. Sicilia is the Chief Strategy Officer in Enagás, member of the Executive Management Board since 2017 and responsible for the company's corporate strategic planning and market analysis. She has led the execution of M&A deals opportunities in Spain, including the acquisition of a majority stake in Saggas and BBG regasification terminals. Ms. Sicilia, has a Master Degree in Public and Economic Policy by London School of Economics and Political Science on which she graduated with distinction, diplomas on Global Strategic Management and Driving Profitable Growth by Harvard Business School and has completed the preparations for Senior Civil Service career track. She holds a bachelor in Business Administration with a major in finance and a law degree from the Universidad Complutense de Madrid, she is licensed to practice law in Spain.

Ms. Marina Moreno Dólera

Mrs. Marina Moreno Dólera has more than five years of experience in management positions in financial departments. Previously, joining the Company she worked in the multinational Zukán, S.L, in various senior positions in the areas of operations, logistics, production, as well as accounting and finance. In 2016 she joined Soltec ER, where she has been responsible for the company's global financial analysis. After a period in the corporate offices in Murcia, she was transferred to the Madrid's central office to manage the regional business of Powertis. Ms. Marina Moreno Dólera holds a bachelor in Business Administration by Colegio Universitario de Estudios Financieros (CUNEF).

Mr. José Francisco Morales Torres

Mr. José Francisco Morales Torres has over 42 years of experience in the tax and accounting advisory sector, and 36 years in account auditing and is responsible for the internal audit unit controlling payments with the General Secretariat of Water, Agriculture, Animal Husbandry, Fishing and Environment of the Autonomous Region of Murcia. In 2008, he founded the company Seguidores Solares Planta 50, S.L., dedicated to the production of photovoltaic energy, which has given him extensive knowledge of the renewable energy sector. He has focused his career in tax and accounting advice of the industrial and commercial sector, but since 2008 he has acted as an advisor of companies in the renewable energy sector, with more than 150 clients in such sector. Mr. Morales Torres holds a degree in Economics and Business Administration from the University of Malaga, and Account Auditor degree from the University of Murcia, registered in the Official Register of Auditors of Spain.

Mr. Marcos Sáez Nicolás

Mr. Sáez, has more than 23 years of experience in finance. He has worked in Zukán, S.L., since 1997, where he worked as Director of Finance from 1999 to 2016. Since 2016, he has been Executive Director of

Zukán S.L., where he has actively participated in different expansion projects with the accounting and finance team, including the Syndicated Debt Facility. Over the last 23 years, he has been a key advisor of the Company and other subsidiaries. Mr. Sáez holds a Master in Business and Administration (MBA) by the Escuela Negocios Target-UCAM, a diploma in management by the Universidad Católica San Antonio and a Bachelor in Business Administration from Universidad de Murcia.

Director's managerial positions and shareholdings

The following table sets out all entities[1], except Group companies, in which the members of the Board of Directors have been appointed as members of administrative, management or supervisory bodies, or in which they have held partnership[2] positions at any time during the five-year period preceding the date of this Prospectus, indicating whether or not each person is still a member of any such bodies or holds any shares in any such entities.

Director	Company	Position/Title	Sector	In office	Shareholding
Mr. Fernando Caballero de la Sen	AON	Managing Director	Risk Advisory	Yes	No
	Asociación Española de Gerencia de Riesgos y Seguros	Member of the Advisory Board	Risk Management	No	No
Mr. José Francisco Morales Torres	Seguidores Solares Planta 50, S.L. Unipersonal	Chief Executive Officer and Sole Shareholder	Energy	Yes	Yes
Mr. Raúl Morales Torres	Asociación Empresarial de Energías Renovables y Ahorro Energético de Murcia	President	Energy	No	No
	Huerto Solar la Alcayna C.B.	President	Energy	Yes	No
	Huerto Solar Archivel C.B.	President	Energy	Yes	No
	Huerto Solar el Cañarico C.B	President	Energy	Yes	No
	Unión Española Fotovoltáica	Member of the Manufacturers' Section of the Board	Energy	No	No
	Solnueve Iniciativas Energéticas, S.A.(1)	Director	Energy	No	Yes
Mr. Marcos Sáez Nicolás	Agricomex Política Agraria, S.L.	Director	Trade consulting	Yes	No
	Concentrados J&S, S.L.	Director	Semifinished food products	Yes	No

[1] The Company considers, to this effect, that the term "entity" includes all corporations that do not have an exclusive property, asset holding or family related purpose.

[2] The Company considers that the term "partnership" excludes all shareholdings in publicly listed companies that are not considered significant under applicable laws.

Director	Company	Position/Title	Sector	In office	Shareholding
	Planta Solar Murcia C.B.	Director	Energy	Yes	No
Ms. María Sicilia Salvadores	DualMetha	Director	Energy	Yes	No
	ENAGAS S.A.	Strategy Director and Member of the Executive Management Committee	Energy	Yes	Yes

(1) Solnueve Iniciativas Energéticas, S.A. may compete with the Company's project development business line. For information on how the Company has managed this potential conflict of interest, see section "*Conflicts of interest*" below.

Board Committees

In compliance with the Bylaws and the Board of Directors Regulations, the Board of Directors, at its meeting held on October 6, 2020, approved the creation of an audit committee (the "**Audit Committee**"), an appointments and remuneration committee (the "**Appointments and Remuneration Committee**") and a sustainable development committee (the "**Sustainable Development Committee**"), which are governed by the Bylaws, Code of Conduct and the Board of Directors Regulations. The following is a brief description of the principal characteristics of the committees of the Board of Directors.

Audit Committee

The composition, responsibilities and rules of the Audit Committee are governed by the Bylaws and the Board of Directors Regulations.

The Audit Committee shall have at least three members, with a maximum of five members, all of whom must be non-executive directors appointed by the Board of Directors, of whom the majority must be independent directors. The Audit Committee currently consists of three members in accordance with the resolution passed by the Board of Directors on October 6, 2020. Each member shall be appointed on the basis of his or her knowledge and expertise in accounting, audit or risk management or a combination thereof. As a group, the members of the Audit Committee shall have relevant technical knowledge relating to the industry to which we belong.

The Chairperson of the Audit Committee is selected by the Board of Directors from among its independent members. The Chairperson of the Audit Committee shall be replaced every four years and may be reelected after a year has elapsed since the removal. The secretary of the Audit Committee shall be appointed by the Audit Committee with no need to be a director or a member of the Audit Committee. The members of the Audit Committee are as follows:

Name	Date of appointment	Category	Title
Mr. Fernando Caballero de la Sen	October 6, 2020	Independent	Chairperson
Mr. José Francisco Morales Torres	October 6, 2020	Proprietary	Member
Ms. Nuria Aliño Pérez	October 6, 2020	Independent	Member

The Secretary non-director of the Audit Committee is Ms. Silvia Amateratsu Díaz de Laspra.

The Audit Committee will be responsible for the following matters (together with any others that may be attributed to the Audit Committee by law, the Bylaws and the Board of Directors Regulations):

a) Report to the general meeting of shareholders with respect to matters raised therein by shareholders regarding its powers and, in particular, regarding the result of the audit, explaining how such audit has contributed to the integrity of the financial information and the role that the Audit Committee has performed in the process.

b) Supervise the effectiveness of the Company's internal control, internal audit and the risks management systems, and discuss with the external auditor any significant weaknesses detected in the internal control system during the audit, all without violating its independence. For such purposes, if applicable, the Audit Committee may submit recommendations or proposals to the Board of Directors and set the corresponding period for compliance with them.

c) Supervise the process of preparation and submission of regulated financial information and submit recommendations or proposals intended to safeguard its integrity to the Board of Directors.

d) Propose to the Board of Directors the selection, appointment, re-election and replacement of the external auditor, taking responsibility for the selection process in accordance with applicable law, as well as the terms of its engagement, and regularly gather information therefrom regarding the audit plan and its implementation, in addition to preserving its independence in the performance of its duties.

e) Establish appropriate relations with the external auditor to receive information on those issues that might entail a threat to its independence, for examination by the Audit Committee, and on any other issues relating to the financial statements audit process, and, when applicable, the authorization of services other than those which are prohibited, as established in the law applicable to the activity of the audit of accounts, as well as maintain such other communication as is provided for therein.

   In any event, the Audit Committee shall receive annually from the external auditor written confirmation of its independence in relation to the Company or to entities directly or indirectly related to it, as well as detailed and individualized information regarding additional services of any kind provided by the aforementioned auditor, or by persons or entities related to it, and the fees received by such persons or entities in accordance with the law on the activity of audit of accounts.

f) Issue, on an annual basis and prior to the issuance of the auditor's report, a report stating an opinion on whether the independence of the external auditor is compromised. The report shall, in all cases, contain a reasoned assessment of the provision of each and every one of the additional services mentioned in subsection (e) above, considered individually and as a whole, other than of legal audit and in relation to the rules on independence or to the law on the activity of audit of accounts.

g) Report in advance to publication or consummation, as the case may be to the Board of Directors regarding all the matters established by applicable law, the Bylaws and in the Board of Directors Regulations, and in particular regarding:

   i. the financial information that the Company must publish from time to time;

   ii. the creation or acquisition of shares in special purpose entities or companies which registered office is located in tax haven countries or territories; and

   iii. related party transactions.

h) Supervising the Company´s internal audit activity.

i) Ensure compliance with the Company's codes of conduct and corporate governance rules and in particular ensure that the Board of Directors seeks to present the accounts to the general meeting of shareholders without limitations or qualifications in the audit report and, in the exceptional event of reservations, the Chairperson of the Audit Committee must explain the situation and ensure that the auditors clearly explain the content and scope of these limitations and reservations to the shareholders.

j) Ensure compliance with the corporate social responsibility policy and evaluate processes with respect to different stakeholder groups.

k) With respect to internal control and reporting systems:

i. supervise the preparation and completeness of the financial information prepared in relation to the Company and, where appropriate, the Group, verifying compliance with legal provisions, the accurate demarcation of the scope of consolidation and the correct application of accounting principles;

ii. monitor the independence of the internal audit unit; propose the selection, appointment, re-election and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programs; receive regular report-backs on its activities; and verify that senior management acts on the findings and recommendations set out on their reports; and

iii. establish and supervise a mechanism whereby employees can report, confidentially or anonymously, any irregularities they detect in the course of their duties, in particular financial or accounting irregularities, with potentially serious implications for the Company.

l) With respect to the external auditor:

i. if applicable, investigate the circumstances giving rise to the resignation of the external auditor;

ii. ensure that the remuneration of the external auditor does not compromise its quality or independence;

iii. ensure that the Company reports any change of auditor in an other relevant information notice (*comuniación de otra información relevante*), together with an statement of, any disagreements arising with the outgoing auditor and the reasons for the same;

iv. ensure that the external auditor has a yearly meeting with the Board of Directors in full to inform it of the work undertaken and developments in the Company’s positions; and

v. ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor’s business and other requirements concerning auditor independence.

m) Meet with any Company employee or executive, even ordering their appearance without the presence of another senior officer.

n) Review that the financial information published on the Company's corporate website is constantly updated and consistent with information prepared by the management.

o) Evaluate periodically the need for an independent area for risk control and management.

p) Define the selection procedure of the auditor, taking into account, among others, factors such as the scope of the audit, the training, experience and resources of the auditor or audit firm, the fees, as well as their independence, assistance and quality of the audit services to be provided.

q) Address any other matter assigned to it in the Board of Directors Regulations.

The Audit Committee shall meet as many times as it is called to meeting upon resolution made by the committee itself or by its Chairperson, and as a minimum four times per year to review the periodic financial information to be submitted by the Company to the stock market authorities and the information the Board of Directors must approve and include in its annual public documentation. Meetings of the Audit Committee shall be validly held when at least one half of its members are present in person or by proxy. The committee shall adopt its resolutions upon a majority vote of those present in person or by proxy. In the event of a tie, the Chairperson of the committee has a casting vote.

For the best performance of its functions, the Audit Committee may seek the advice of external professionals. The Chairperson of the Audit Committee must report to the Board of Directors on the matters discussed and the decisions adopted within such Committee. The minutes of the Audit Committee shall also be available to the Board of Directors.

Appointments and Remuneration Committee

The composition, responsibilities and rules of the Appointments and Remuneration Committee are governed by the Bylaws and the Board of Directors Regulations.

The members of the Appointments and Remuneration Committee are elected by the Board of Directors among its members. The Appointments and Remuneration Committee consists of between three and five members, all of whom must be non-executive directors and the majority must be independent directors. The Appointments and Remuneration Committee currently consists of three members in accordance with the resolution passed by the Board of Directors on October 6, 2020. Each member shall be appointed on the basis of his or her knowledge and expertise.

The Chairperson of the Appointments and Remuneration Committee must be selected by the Board of Directors from among its independent members. The Secretary of the committee shall also be appointed by the Board of Directors. The Secretary of the Appointments and Remunerations Committee shall be appointed by the Appointments and Remunerations Committee with no need to be a director or a member of the Appointments and Remunerations Committee.

The members of the Appointments and Remuneration Committee are as follows:

Name	Date of appointment	Category	Title
Ms. María Sicilia Salvadores	October 6, 2020	Independent	Chairperson
Mr. Fernando Caballero de la Sen	October 6, 2020	Independent	Member
Ms. Nuria Aliño Pérez	October 6, 2020	Independent	Member

The Secretary non-director of the Appointments and Remuneration Committee is Ms. Silvia Amateratsu Díaz de Laspra.

The primary purpose of this committee is to assist, inform and submit proposals to our Board of Directors in relation to the matters attributed to it by law, the Bylaws, or the Board of Directors.

The Appointments and Remuneration Committee shall meet each time the Board of Directors or its Chairperson requests a report or the adoption of proposals and, in any case, whenever advisable for the proper performance of its functions. The Appointments and Remuneration Committee shall be convened by its Chairperson, either on his own initiative or at the request of the Chairperson of the Board of Directors or two members of the Appointments and Remuneration Committee.

The Appointments and Remuneration Committee shall be validly formed when a majority if its members concurred, either present or represented. Resolutions shall be adopted by a majority of the members present or represented.

The Appointment and Remuneration Committee will be responsible for the following matters, together with any others that may be attributed to the Appointment and Remuneration Committee by law, the Bylaws and the Board of Directors Regulations:

a) Evaluate the skills, knowledge and experience of the members of the Board of Directors;

b) Analyze the rest of the occupations of each Director of the Company, ensuring that the directors dedicate enough time in practice and, if not, propose appropriate measures;

c) Establish a representation objective for the less represented gender on the Board of Directors;

d) Submit to the Board of Directors the proposals for appointment of independent Directors to be appointed on an interim basis or for submission to the decision of the general meeting of shareholders, as well as proposals for re-election or removal of such Directors by the general meeting of shareholders;

e) Report on proposals for appointment of other Directors on an interim basis or for submission to the decision of the general meeting of shareholders, as well as proposals for re-election or removal of appointments by the general meeting of shareholders;

f) Report on proposals for appointment and removal of Senior Management and the basic conditions of their contracts;

g) Evaluate and organize the succession of the chairperson of the Board of Directors and the Company's Chief Executive Officer and, if appropriate, make proposals to the Board of Directors in order for such succession to occur in an orderly and planned manner.

h) Recommend to the Board of Directors the remuneration policy for Directors and General Management, as well as the individual remuneration and other contractual conditions of executive Directors and ensuring compliance therewith;

i) Review the compliance of the Company's remuneration policy.

j) Review periodically the remuneration programs, including share-based remuneration systems and their application, and ensuring that their individual compensation is proportionate to the amounts paid to other directors and senior executives;

k) Propose to the Board of Directors the members that should be part of each of the Board Committees;

l) Propose to the Board of Directors a diversity policy of Directors, and if applicable to the Senior Management as well;

m) Ensure that any potential conflicts of interests do not affect the independence of the external advice furnished to the committee;

n) Verify the information on the remuneration of Directors and senior executives contained in corporate documents, including the annual report on directors' remuneration; and

o) Participate in any updates of the Board of Directors regulations in relation to the matters within its competence.

Sustainable Development Committee

The composition, responsibilities and rules of the Sustainable Development Committee are governed by the Bylaws, the Board of Directors Regulations and the Code of Conduct of the Company.

The members of the Sustainable Development Committee are elected by the Board of Directors among its members. The Sustainable Development Committee consists of between three and five members, all of whom must be non-executive directors and the majority of them must be independent directors. The Sustainable Development Committee currently consists of three members in accordance with the resolution passed by the Board of Directors on October 6, 2020.

The Chairperson of the Sustainable Development Committee must be selected by the Board of Directors from among its independent members. The Secretary of the committee shall also be appointed by the Board of Directors. The Secretary of the Sustainable Development Committee shall be appointed by the Sustainable Development Committee with no need to be a director or a member of the Sustainable Development Committee.

The members of the Sustainable Development Committee are as follows:

Name	Date of appointment	Category	Title
Ms. Nuria Aliño Pérez	October 6, 2020	Independent	Chairperson
Ms. Marina Moreno Dólera	October 6, 2020	Proprietary	Member
Ms. María Sicilia Salvadores	October 6, 2020	Independent	Member

The Secretary non-director of the Sustainable Development Committee is Ms. Silvia Amateratsu Díaz de Laspra.

The Sustainable Development Committee shall meet each time the Board of Directors or its Chairperson requests a report or the adoption of proposals and, in any case, whenever advisable for the proper performance of its functions. The Sustainable Development Committee shall be convened by its Chairperson, the compliance officer, either at his own initiative or at the request of the Chairperson of the Board of Directors or any member of the Sustainable Development Committee.

The Sustainable Development Committee shall be validly formed when a majority if its members concurred, either present or represented. Resolutions shall be adopted by absolute majority of the members present or represented.

The Sustainable Development Committee's responsibilities include:

a) Conduct a periodic review of the corporate governance system, with special emphasis on the corporate governance and compliance policies, and propose to the Board of Directors, for the approval thereof or for submission to the shareholders at a general meeting of shareholders, such amendments and updates as may contribute to the development and ongoing improvement thereof;

b) Monitor the Company's corporate governance sustainable development strategies;

c) Monitor compliance with legal requirements and with the rules and regulations of the corporate governance system;

d) Supervise the Company's actions relating to sustainable development and corporate social responsibility and report thereon to the Board of Directors when applicable;

e) Assess and review the Company's plans implementing the sustainable development policies and monitor the level of compliance therewith;

f) Monitor the Company's actions relating to corporate reputation and report thereon to the Board of Directors when applicable;

g) Report on the Company's Annual Corporate Governance Report prior to the approval thereof, obtaining for such purpose the reports of the Audit Committee, the Appointments and Remunerations Committee with respect to the sections of such report that are within its powers;

h) Report on proposed amendments of the Board of Directors Regulations and the code of ethics;

i) Issue such other reports and take such other actions as may also fall within its purview pursuant to the Corporate Governance System or as may be requested by the Board of Directors or the chairperson thereof; and

j) Assume the responsibilities set forth in the code of ethics.

Other Commitments

Upon Admission, our corporate website (www.soltecpowerholdings.com) will meet the requirements imposed by the Spanish securities market regulations. In accordance with Article 539 of the Spanish Companies Act, Ministerial Order ECC/461/2013 of March 20 and CNMV's Circular 3/2015 of June 23, our website shall include, among other information, the following:

a) Bylaws;

b) The latest individual and consolidated (where applicable) financial statements and the annual reports of last five years;

c) Certain non-financial information that must be mandatorily disclosed;

d) General Meeting of Shareholders Regulations;

e) Board of Directors Regulations;

f) Annual reports on corporate governance;

g) Information on the exercise of voting rights by the shareholders as well as documents with respect to general meeting of shareholders and its developments;

h) Electronic forum for shareholders to be used for the purpose of facilitating communication among shareholders prior to the general meeting of shareholders;

i) Inside information notices (*comunicación de información privilegiada*) and other relevant information notices (*comunicación de otra información relevante*);

j) Shareholders agreements, if any;

k) Reporting of significant stakes (*comunicación de participaciones significativas*);

l) Average period of payment to suppliers; and

m) Contact and communication channels with shareholders and mechanism to allow voting.

In addition, upon Admission, the Company intends to use its best efforts to comply with the recommendations and lines of action regarding control of financial information ("**SCIIF**"), whose implementation is still pending as of the date of this Prospectus. The Company intends to implement the SCIIF as soon as reasonably possible within the next year.

Senior Management

Our senior management comprises our Chief Executive Officer, our Head of Project Development (Chief Executive Officer of Powertis), our Chief Financial Officer, our Chief Operating Officer, our Head of Investor Relations, our Chief Sales Officer and Head of Corporate Development, our Legal Counsel and our Chief Marketing Officer and Head of Sales, who are those managers reporting to the Chief Executive Officer (collectively, the "**Senior Management**").

The following table lists the members of our Senior Management as of the date of this Prospectus, and is followed by a summary of biographical information of each such member, with the exception of those members who also serve on our Board of Directors. For biographical information on the members of our Board of Directors, see "*—Directors*".

Name	Title	Member of Management since(1)
Mr. Raúl Morales Torres	Chief Executive Officer	2019
Mr. Pablo Miguel Otín Pintado	Head of Project Development (Chief Executive Officer of Powertis)	2019
Mr. José Francisco Núñez Jiménez	Chief Financial Officer	2019
Mr. Sergio López	Chief Operating Officer	2019
Ms. Meritxell Pérez de Castro-Acuña	Head of Investor Relations	2019
Mr. Eduardo de San Nicolás Juárez	Chief Strategy Officer and Head of Corporate Development	2019

Name	Title	Member of Management since(1)
Ms. Silvia Amateratsu Díaz de Laspra Morales	Legal Counsel	2019
Ms. Ada de Paula Lax Ruiz	Chief Marketing Officer and Head of Sales	2019

(1) The Company's deed of incorporation was granted on December 2, 2019 and was registered with the Commercial Registry of Murcia on December 5, 2019. On December 23, 2019, the Company carried out the Reorganization Process. For further details, see section "*Presentation of financial information and other important notices—Historical financial information*".

Below is a brief description of the qualifications and professional experience of the members of the Senior Management who do not serve on the Board of Directors.

Mr. Pablo Miguel Otín Pintado

Mr. Otín Pintado is the Head of Project Development Division and co-founder of the Company and Chief Executive Officer of Powertis from its inception and the Chief Executive Officer of Powertis from its inception. Mr. Otín Pintado has more than 18 years of experience in the renewable energy sector working for leading companies. From 2008 to 2014, he worked at Gestamp Solar (currently X-ELIO) in several positions: from 2008 to 2009 as Head of International Development and Country Manager of Italy, and from 2009 as Vice-President and Country Manager of Gestamp Solar North America Inc. (US subsidiary of Gestamp Solar). From 2014 to 2015 he worked at Foresight Renewables as Renewable's Head of Origination. From 2015 to 2018 he worked at 8minutenergy (currently 8minute Solar Energy) as Vice-President for Emerging Markets. Between Gestamp Solar and 8minutenergy, served as adviser and director for several institutions in the renewables field in the United States, and as independent contractor. Previously, he held senior roles at Allco Finance Group from 2006 to 2008, where played a key role in setting up one of the first solar investment funds in Europe. He also has experience in wind power development, having worked at BP Alternative Energy on 2006, and Gamesa Energía from 2000 to 2006. He holds an executive MBA from IEB Business School and is a Bachelor of Engineering from University of Central Lancashire (UK) and Universidad de Zaragoza (Spain).

Mr. José Francisco Núñez Jiménez

Mr. Núñez Jiménez is the Chief Financial Officer of the Company. He has over 19 years of experience managing the finances of engineering, large-scale construction, energy and water companies worldwide. Mr. Núñez Jiménez was the Chief Financial Officer of Soltec ER from January 2019 to December 2019, when the Company, recently created to act as the holding of Soltec ER and Powertis, incorporated Soltec ER into its group. He worked as an external consultant (freelance) at Admiral Group Plc (EUI Limited Sucursal en España) from June 2018 to December 2018. Prior to that, from June 2004 to December 2017 he worked at Abengoa holding several positions, the last of which was Chief Financial Officer of Abengoa PW I Investments, S.L., from January 2016 to December 2017. Previously, he worked from 2000 to 2004 at Arthur Andersen/Deloitte Spain as senior consultant.

He holds a BSc Hons Management Accounting & Finance from the University of Manchester and a joint postgraduate management development degree from Georgetown University-McDonough School of Business, ESADE Business School and Loyola Leadership School.

Mr. Sergio López Oña

Mr. López Oña is the Chief Operating Officer of the Company. He has more than 22 years of experience in engineering. From his previous construction background to the solar energy field, he has worked his way through every engineering department in the company, gaining the experience and confidence to be promoted as Global Engineering Director. His understanding of the company in its full dimension led him to become Soltec ER's Chief Operation Officer in 2017. Previously, he worked as Chief Technological Officer of Cimentaciones del Sureste, S.L., Cimentaciones y Obras Públicas, S.L. and Estudio de Ingeniería Geotécnica Eusebio Abellan, S.L., from 1996 to 1998, 1998 to 1999 and 2004 to 2010, respectively. He co-founded and served as Chief Executive Officer from 1999 to 2004 of Estudio de

Ingeniería y Geotecnia, S.L. Currently is a member of the Capital Commitment Committee. He holds an industrial engineering degree from Universidad Politécnica of Cartagena.

Ms. Meritxell Pérez de Castro-Acuña

Ms. Pérez de Castro-Acuña is the Head of Investors Relations of the Company. Ms. Meritxell Pérez de Castro-Acuña has over 18 years of experience in financial markets, specializing in financial communications. Prior to joining the Company, Ms. Pérez de Castro-Acuña worked at Llorente & Cuenca from 2017 to 2019 as a director in the Financial Communications and Investor Relations department of the firm. She has worked as the Head of Investor Relations and corporate development of Clínica Baviera (from 2008 to 2017) and Sol Meliá (from 2006 to 2008). Previously she worked from 2002 to 2004 in Deloitte as an auditor and at BBVA in Paris in 2001. She holds a Degree in Business Administration from CUNEF (*Colegio Universitario de Estudios Financieros*), an advanced enterprise valuation specialization from IEB (*Instituto de Estudios Bursátiles*), a DEA (Researcher Sufficiency degree) in UNED (*Universidad Nacional de Educación a Distancia*), where she worked as lecturer. In addition, she has a Corporate Leadership Program in Entrepreneurship and Innovation by Deusto Business School. Currently, she is a teacher of Financial Communications and Investor Relations in ESIC Business and Marketing School.

Mr. Eduardo de San Nicolás Juárez

Mr. San Nicolás Juárez is the Chief Strategy Officer and the Head of Corporate Development of the Company. Mr. San Nicolás Juárez has 15 years of international experience in the solar industry as a sales engineer, project manager and project engineer. As Sales Coordinator and Product Director, Eduardo designed and structured Soltec ER' services, incorporated the customer relationship management (CRM) system, improved the quotation scheme, and managed a team of 40 sale people around the world. He holds a BSc Industrial Engineering from the European University of Madrid.

Ms. Silvia Amateratsu Díaz de Laspra Morales

Ms. Díaz is the legal counsel of the Company since its inception. Ms. Díaz de Laspra started her career in a German-Spanish law firm, where she specialized in international private law. She joined Soltec ER in 2015, and in the same year she was relocated to the offices of the company in California where she focused on international engineering contracts as a general counsel. She holds a Law and Business Administration degree from the Universidad de Murcia and a Master's Degree in International Trade Law from the UNED and Universidad del País Vasco.

Ms. Ada de Paula Lax Ruiz

Ms. Lax is the Chief Marketing Officer and Head of Sales of the Company. Ms. Lax joined Soltec ER in 2015 as a Marketing Head. Previously, she worked in 2013 as editor at 100x100 Creatividad+Comunicación, from July 2012 to September 2012 as a community manager at Eurospeak - Eurospeak Language School, from December 2011 to June 2012 as copy and community manager at 100x100 Taller de Técnicas Creativas, S.L., from May 2010 to November 2011 and from February 2009 to June 2009 as a journalist at La Verdad Multimedia, S.A. and she also has experience as a radio journalist from her time at Radio Popular, S.A. She created and led marketing teams and strategies in innovative fast-growing companies and markets worldwide occupying the positions of Marketing Technician, Marketing Manager and Marketing Global Director. She has a BSc in Political Science and Administration, Journalism and Advertisement and Public Relationships from the Universidad de Murcia and a master's degree in Communication, Politics, Society and Culture from UNED (*Universidad Nacional de Educación a Distancia*) and an Executive Program in Online Marketing from ENAE.

Senior Management positions and shareholdings

The following table sets out all entities[3], except Group companies, in which the members of the Senior Management have been appointed as members of the administrative, management or supervisory bodies or

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3 The Company considers, to this effect, that the term "entity" includes all corporations that do not have an exclusive property, asset holding or family related purpose.

in which they have held shareholdings[4] at any time during the five year period preceding the date of this document, indicating whether or not each person is still a member of such bodies or holds any shares in any such entities, with the exception of those members who also serve on our Board of Directors. Regarding positions and shareholdings information on the members of our Board of Directors, see —"*Director*" —.

Manager	Company	Position/Title	Sector	In office	Shareholding
Mr. Sergio López Oña	Cimentaciones del Sureste, S.L.	Chief Technical Officer	Civil works	No	No
	Cimentaciones y Obras Públicas, S.L.	Chief Technical Officer	Civil works	No	No
	Estudio de Ingeniería y Geotecnia, S.L.	Co-Founder and Chief Executive Officer	Civil works	No	No
	Eusebio Abellan, S.L.	Chief Technical Officer	Civil works	No	No
Mr. José Francisco Núñez Jiménez	Abeinsa Business Development, S.A.	Finance Director	Energy (Business Development on Energy-Related EPC)	No	No
	Abengoa PW I Investments, S.L.	Chief Financial Officer	Energy (Energy-Related Asset Management)	No	No
Mr. Pablo Miguel Otín Pintado	8minutenergy Renewables LLC	Vice President, Emerging Markets	Energy (Solar PV Development)	No	No
	Foresight Renewables	Head of Origination	Energy (Renewable Energy Asset Management)	No	No
	PMOP Consulting LLC	Principle	Consulting and asset holding	Yes	Yes
Ms. Meritxell Pérez de Castro-Acuña	Grupo Clínica Baviera	Head of Investor Relations	Ophthalmology	No	No
	Llorente y Cuenca	Investor Relations and Financial Communication Director	Communications Consultancy	No	No
Mr. Eduardo de San Nicolás Juárez	Zora, Arquitectura e Instalaciones, S.L.P.	Chief Technology Officer and Shareholder	Energy	No	No(1)

(1) Although Mr. Eduardo de San Nicolás Juárez does not hold any shareholding in Zora, Arquitectura e Instalaciones, S.L.P., he has the right to acquire 50% of the shares of the company by exercising a share purchase option.

As of the date of this Prospectus, other than Mr. Raúl Morales Torres and Mr. Pablo Otín Pintado, none of the senior managers mentioned above or members of our administrative, supervisory or management bodies hold any ordinary shares of the Company, provided that the other members of the Senior Management may subscribe for Employee Shares in the Offering within the Employees Sub-Tranche (see section "*Plan of Distribution—Employees Sub-Tranche*").

[4] The Company considers that the term "partnership" excludes all shareholdings in publicly listed companies that are not considered significant under applicable laws.

Compensation

Directors Compensation

Until October 6, 2020, the office of Director was not remunerated. Consequently, no director has received any compensation from the Company's incorporation date to October 6, 2020, when we adopted our current Bylaws and our new directors were appointed.

Following our Bylaws reform the office of Director shall be remunerated. Director's compensation for performing the duties entrusted to them in their capacity as such shall consist of a fixed annual amount or attendance fees or a combination thereof.

The maximum annual aggregate compensation amount that we may annually pay to all of our directors as remuneration for the items mentioned above shall be determined by the general meeting of shareholders, and shall remain unchanged until and unless the shareholders decide otherwise. Nevertheless, the Board of Directors may reduce the amount in each relevant fiscal year if it deems appropriate.

The Board of Directors shall determine, following a proposal from the Appointments and Remunerations Committee, the exact amount to be paid within the limit approved by the shareholders and the distribution thereof among the directors, taking into account the duties and responsibilities assigned to each Director, the position held by each of them on the Board, their membership and attendance at the meetings of the Board committees within the Board of Directors and other objective circumstances which may be deemed relevant.

The Director's compensation policy shall be set within the compensation system provided for in the Bylaws, as detailed above and shall be approved by the general meeting of shareholders at least every three years as a separate item on the agenda. The Board of Directors' proposal for the remuneration policy shall be motivated and must be accompanied by a specific report from the Appointments and Remunerations Committee. Both documents shall be made available to the shareholders through our website from the time of the call to convene the general meeting of shareholders.

In accordance with the above, the general meeting of shareholders, upon the proposal of the Board of Directors, approved on October 6, 2020, a remuneration policy that will be in force for the years 2020, 2021 and 2022 (the "**Remuneration Policy**"). The Remuneration Policy establishes that each Director will receive sufficient remuneration in order to remunerate the dedication, qualification and responsibility required for his office, but without compromising their independence. The Remuneration Policy must be adequate to the circumstances existing at each point in time, paying special attention to the evolution of the regulation of better practices, recommendations and national and international trends in relation to the remuneration of directors of listed companies and the prevailing conditions in the market, and must be proportional to the performance of executive duties by the executive directors.

The Remuneration Policy differentiates between the remuneration by reason of their office as Director and the remuneration for the performance of executive duties by the executive directors.

I. Remuneration by reason of the office as Director

Our current Bylaws provide that the office of Director is remunerated. The compensation amount that the Company may annually pay to all of its directors shall be decided by the general meeting of shareholders.

The maximum annual aggregate amount payable to all directors by reason of their office as a Director shall not exceed €339,000, pursuant to the resolution passed by the general meeting of shareholders on October 6, 2020, in accordance with our Bylaws. The resolution entered into effect following approval. This amount corresponds to an annual base remuneration of €30,000 per Director while the position of chairperson of the Board of Directors will not be remunerated. The Lead Independent Director will receive additional €10,000 per year for such role. The chairperson of the Audit Committee and the chairperson of the Appointments and Remuneration Committee will receive an additional €30,000 per year, respectively, and each member of such committees is entitled to additional annual €5,000 per year. The chairperson of the Sustainable Development Committee is entitled to additional annual remuneration of €20,000 and the members of that committee to additional €3,000 per year. The non-director Secretary of the Board of

Directors will receive a remuneration of €30,000 per year. As established in the Remuneration Policy, such amount may be reduced by the Board of Directors in any applicable fiscal year if it deems it appropriate.

The estimated aggregate compensation payable to all of our directors by reason of their office as a Director for the period comprised between October 6, 2020 and December 31, 2020, is approximately €80,803.

To the extent that executive Directors are not entitled to receive remuneration by reason of their office, the foregoing amounts do not include the remuneration that, as base salary, variable remuneration, or in any other concept related to the executive Director's remuneration, corresponds to the executive directors for the performance of executive duties.

The Board of Directors, at its meeting dated October 6, 2020 has determined, within the aforementioned overall limit, the precise amounts to be paid to each director, taking into account the duties and responsibilities assigned to each of them, their membership of Board committees within the Board of Directors and other objective circumstances that it deemed relevant. As of the date of this Prospectus such amounts have not been ratified by the Appointments and Remuneration Committee. The Appointments and Remuneration Committee expects to ratify such amounts as soon as possible following completion of the Offering.

All directors will receive where appropriate in accordance with the above, the following fixed annual amounts as compensation for the responsibility and time commitment required by such office:

a) €30,000 for their participation in the Board of Directors in their standing as such (in case a Director is appointed or leaves the office during the fiscal year the compensation to be received will be pro rata to the term of the office);

b) €10,000 for the Lead Independent Director;

c) €30,000 for the chairpersonship of the Audit Committee in addition to the corresponding amount as member of the Committee;

d) €5,000 for the membership of the Audit Committee;

e) €30,000 for the chairpersonship of the Appointments and Remuneration Committee in addition to the corresponding amount as member of the Committee;

f) €5,000 for the membership of the Appointments and Remuneration Committee;

g) €20,000 for the chairpersonship of the Sustainable Development Committee in addition to the corresponding amount as member of the Committee.

h) €3,000 for the membership of the Sustainable Development Committee; and

i) €30,000 for the non-director Secretary of the Board of Directors;

II. Remuneration for the performance of executive duties

Our Chief Executive Officer, Mr. Raúl Morales Torres, has entered into a services agreement with the Company on October 6, 2020, governing the terms of the performance of his duties as executive director and providing for the different components of his compensation, including in the event of termination of its office and the amounts to be paid by the Company as insurance premium. The terms of the contract were approved by the Board of Directors on October 6, 2020.

The remuneration package for the Chief Executive Officer, within the framework of the Remuneration Policy, is structured as follows:

a) Fixed annual remuneration: the fixed remuneration takes into account the executive duties assigned to the Chief Executive Officer, the level of responsibility, the experience, the contribution to the office and the remuneration which is paid by comparable companies.

b) Long-term incentive plan: the general meeting of shareholders approved on October 6, 2020, a long-term management incentive plan applicable to, among others, the chief executive officer, who will be entitled to a gross amount of up to €228,764 to be received in shares of the Company, subject to the conditions set forth in such long-term management incentive plan. Additionally, from time to time, the general meeting of shareholders of the Company may approve the implementation of additional long-term incentive plans for our Chief Executive Officer and our management team based on the fulfilment of strategic objectives. (see "—*Management Incentive Plan*").

c) Other concepts: comprises benefits-in-kind including the use of a company vehicle, pension scheme and health and life insurance policies.

The remuneration package for our Chief Executive Officer set forth in the services agreement approved on October 6, 2020, by our Board of Directors (within the framework of the Remuneration Policy approved by the general meeting of shareholders) is as follows:

a) a fixed annual amount of €190,083;

b) a multi-year variable compensation whereby Mr. Morales shall have the right to participate in any long-term incentive plan established by the Board of Directors; in particular, Mr. Morales participates in the long-term management incentive plan approved by the General Shareholders' Meeting on October 6, 2020, and described below under which he will be entitled to of up to €228,764 to be received in shares of the Company, subject to the conditions set forth in such long-term management incentive plan;

c) remuneration in kind which includes the use of a company vehicle and health and life insurance policies (valued at €26,000 per year).

As of the date of this Prospectus, the remuneration package for our Chief Executive Officer has been ratified by the Appointments and Remuneration Committee.

The directors do not receive any remuneration, benefits, compensation, etc. other than those detailed in this section.

Senior Management Compensation

Our senior managers and employees were employed directly by the Company. The summary table below outlines all remunerations received by our Senior Management for their role as such in 2019.

Accordingly, the estimated annual fixed compensation payable to our Senior Management (including our Chief Executive Officer) for 2020 will amount to €2,703,026. and for 2019 amounted to €2,646,526. The annual compensation of Senior Management is not linked to the market price of the Shares.

	2020	2019
Total fixed salary	€2,703,026	€2,646,526

Management Incentive Plan

The incentive (the "**Incentive**") under the management equity incentive plan (the "**Management Incentive Plan**") was approved by the shareholders of the Company in the general meeting of shareholders held on October 6, 2020, that authorized the Board of Directors to award to employees of the Group, including Senior Management, a limited number of shares of the Company that may be both treasury and/or newly issued ordinary shares (the "**Incentive Shares**"). The Management Incentive Plan, is contingent on the Offering taking place.

Consequently, on October 6, 2020, the Board of Directors -seeking to structure a compensation policy and incentive payment plans for the employees of the Group that provide a balance between incentivizing high-level performance, and aligning their interests with those of the shareholders while promote employee retention and availability for future service- decided to award Incentive Shares subject to performance conditions, and adopted the following rules for the Management Incentive Plan:

I. Participants

The Incentive Shares are awarded to a maximum of 36 designated persons who are employees of the Group in Spain, including Senior Management (collectively, the "**Participants**", and individually, a "**Participant**"), the list of whom was adopted by the Board of Directors, which also approved the maximum amount to be awarded to each Participant.

In this regard, each Participant is entitled to a specific maximum monetary amount to be initially delivered in shares of the Company and calculated on the basis of the Offering Price and their respective annual salary for 2020. The actual number of Incentive Shares to be delivered to each Participant shall be determined by the Board of Directors as described below.

The aggregate maximum gross amount to be delivered in Incentive Shares pursuant to the Management Incentive Plan amounts to €7,530,639.51.

II. Vesting periods

The Incentive Shares will vest and may be delivered to the Participants only at the end of two subsequent periods (the "**Vesting Periods**"). The first Vesting Period shall start on the January 1, 2021 and end on January 2, 2023 and the second Vesting Period shall start on the January 3, 2023 and end on the January 4, 2025.

III. Vesting conditions

The Incentive Shares will vest when the conditions and criteria of the award determined by the Board of Directors and described below are fulfilled at the expiry of each Vesting Period (the "**Vesting**") subject to the following conditions:

Condition of Continued Employment

In the event of termination of the employment or services agreement (as applicable) with any Participant prior to the end of the relevant Vesting Period, such Participant will no longer be entitled to any incentive under the Management Incentive Plan in respect of any Vesting Period that ends after such termination except if the termination is due to death, absolute permanent disability, retirement or unfair dismissal (as such term is used in the Spanish Workers' Statute) in which case the Participant will be entitled to receive such incentive as if the Participant continued to be employed by the Company until the end of the Vesting Period following such termination and the Participant or the Participant's heirs, as applicable, will not be subject to any Deferral Period (as defined below) being entitled to the delivery of the Incentive Shares upon the expiry of the corresponding Vesting Period. In any case, rights to vesting will remain subject to the other conditions of the Management Incentive Plan, including the performance conditions with the exception of the Performance Assessment (as defined below) that shall no longer apply as a performance condition.

Performance conditions

The number of Incentive Shares to be actually delivered to each Participant at the end of each Vesting Period, subject to meeting the continued employment condition described above, shall depend on the fulfilment of three performance conditions consisting of: (i) the Participant achieving a minimum B2 grade (above average performance) in the performance assessment performed by the Group on each Vesting Period (the "**Performance Assessment**"), which is composed of both a quantitative evaluation based on the achievement of certain pre-established objectives and a qualitative assessment based on an analysis of each employee's skills; (ii) the Participant achieving at least 75% of the annual individual and area objectives defined by his immediate superior in each Calculation Period (as defined below) and (iii) the cumulative annual attainment of three performance criteria: the "**Total Shareholder Return**", the "**EBITDA**" and the "**Free Cash Flow**" (defined hereafter) calculated over a period comprising from January 1 of each year until December 31 of the same year for the two years included in each Vesting Period (the "**Calculation Period**").

The number of Incentive Shares to be actually delivered to each Participant at the end of each Vesting Period shall be: (i) zero if the Participant does not pass the Performance Assessment or does not reach 75% of the individual and area objectives; or (ii) equal to 100% of the maximum Incentive Shares granted to such Participant on each Calculation Period at the date of approval of the Management Incentive Plan multiplied by a rate (the "**Global Allocation Rate**") equal to the weighted average of the "**Total Shareholder Return Allocation Rate**" (for 50%), the "**EBITDA Allocation Rate**" (for 25%) and the "**Free Cash Flow Allocation Rate**" (for 25%) calculated annually on the basis, respectively, of the Total Shareholder Return, the EBITDA and the Free Cash Flow, in accordance with the rules set forth below.

If such weighted average exceeds 100%, the number of Incentive Shares to be delivered will be equal to 100% of the maximum Incentive Shares for such Calculation Period awarded on the date of approval of the Management Incentive Plan, subject to the adjustments set forth below.

- **Total Shareholder Return Achievement Rate:** This performance criterion corresponds to an average achievement of Total Shareholder Return versus Targeted Total Shareholder Return over the entire Calculation Period.

  "**Total Shareholder Return**" is the return to shareholders for a given Calculation Period (as defined below) is equivalent to the sum of (i) the change in the closing price of the Company's ordinary shares on the Spanish Stock Exchanges at close of trading of the Company's shares at the date of beginning and end of the applicable Calculation Period less the net proceeds of any issuance of ordinary shares during such Calculation Period; and (ii) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Calculation Period (the combined total of (i) and (ii)).

  "**Targeted Total Shareholder Return**" is the Total Shareholder Return targeted by the Board and will vary from one Calculation Period to another and will be approved by the Board of Directors at the beginning of each Calculation Period. The Targeted Total Shareholder Return for the first Calculation Period has been set on an annual rate of 10%.

  For each Calculation Period in the Vesting Period, the percentage of (i) actual Total Shareholder Return over (ii) Targeted Total Shareholder Return will be calculated (such annual rate, the "**Annual TSR Achievement Rate**").

  At the end of the Vesting Period, the arithmetic average of the Annual TSR Achievement Rates for each Calculation Period in the Vesting Period (the "**TSR Achievement Rate**" or "**R**") will be calculated and the Board of Directors will determine the Total Shareholder Return Allocation Rate corresponding to such TSR Achievement Rate, as follows:

TSR Achievement Rate	Total Shareholder Return Allocation Rate
If R less than 85%	0%
If R is equal to or above 85% but less than 95%	50%
If R is equal to or above 95% but less than 100%	75%
If R is equal to or above 100% but less than 110%	100%
If R is equal to or above 110%	110%

- **EBITDA Achievement Rate:** This performance criterion corresponds to an average achievement of EBITDA versus Targeted EBITDA over the entire Calculation Period.

  "**EBITDA**" Net Margin + Other operating income + Work done by the Group for its assets - Losses, impairment and variation of provisions for commercial operations + Provision for guarantees.

"**Adjusted EBITDA**" EBITDA + Losses, impairment and changes in provisions from commercial transactions - Provision for guarantees.

"**Targeted EBITDA**" is the EBITDA targeted by the Board and will vary from one Calculation Period to another and will be approved by the Board of Directors at the beginning of each Calculation Period. The Targeted EBITDA of the first Calculation Period has been set at €30.8 million.

For each Calculation Period in the Vesting Period, the percentage of (i) actual EBITDA over (ii) Targeted Total EBITDA will be calculated (such annual rate, the "**Annual EBITDA Achievement Rate**").

At the end of the Vesting Period, the arithmetic average of the Annual EBITDA Achievement Rates for each Calculation Period in the Vesting Period (the "**EBITDA Achievement Rate**" or "**E**") will be calculated and the Board of Directors will determine the EBITDA Allocation Rate corresponding to such EBITDA Achievement Rate, as follows:

EBITDA Achievement Rate	**EBITDA Allocation Rate**
If E less than 85%	0%
If E is equal to or above 85% but less than 95%	50%
If E is equal to or above 95% but less than 100%	75%
If E is equal to or above 100% but less than 110%	100%
If E is equal to or above 110%	110%

- **Free Cash Flow Achievement Rate:** This performance criterion corresponds to an average achievement of Free Cash Flow versus Targeted Free Cash Flow over the entire Calculation Period.

  "**Free Cash Flow**" is represents the cash a company generates after accounting for cash outflows to support operations and maintains its capital assets.

Element	Source
EBIT x (1- tax rate)	Current income statement
+ Depreciation & Amortization	Current income statement
– Changes in Working Capital	Prior & current balance sheets: current assets and liabilities accounts
– Capital expenditure (CAPEX)	Prior & current balance sheets: property, plants and equipment

"**Targeted Free Cash Flow**" is the Free Cash Flow targeted by the Board and will vary from one Calculation Period to another and will be approved by the Board of Directors at the beginning of each Calculation Period. The Targeted Free Cash Flow of the first Calculation Period has been set at €13.7 million.

For each Calculation Period in the Vesting Period, the percentage of (i) actual Free Cash Flow over (ii) Targeted Free Cash Flow will be calculated (such annual rate, the "**Annual FCF Achievement Rate**").

At the end of the Vesting Period, the arithmetic average of the Annual FCF Achievement Rates for each Calculation Period in the Vesting Period (the "**FCF Achievement Rate**" or "**C**") will be calculated and the Board of Directors will determine the Free Cash Flow Allocation Rate corresponding to such FCF Achievement Rate, as follows:

FCF Achievement Rate	Free Cash Flow Allocation Rate
If C less than 85%	0%
If C is equal to or above 85% but less than 95%	50%
If C is equal to or above 95% but less than 100%	75%
If C is equal to or above 100% but less than 110%	100%
If C is equal to or above 110%	110%

- **Global Allocation Rate:** For each Vesting Period, the Global Allocation Rate is the weighted average of the Total Shareholder Return Allocation Rate (for 50%), the EBITDA Allocation Rate (for 25%) and the Free Cash Flow Allocation Rate (for 25%).

  At the end of each Vesting Period, the Board of Directors will determine whether or not the performance conditions for the Vesting Period have been met by determining successively: (i) the Performance Assessment for each Participant; (ii) the Evaluation based on individual and area objectives of each Participant; (iii) the Total Shareholder Return Allocation Rate; (iv) the EBITDA Allocation Rate; and (v) the Free Cash Flow Allocation Rate.

  If, for a given Participant, the multiplication of the number of Incentive Shares initially awarded by the Global Allocation Rate for the Vesting Period results in a fractional number of Incentive Shares to be delivered, such number of Incentive Shares to be delivered will be rounded downwards to the whole number.

  In any event, the maximum number of Incentive Shares to be delivered may not exceed the maximum amount initially awarded on the date of approval of the Management Incentive Plan, subject to the adjustments set forth below.

IV. Calculation and delivery of the Incentive Shares

The Company's financial department headed by the Chief Financial Officer and the Organization Director (*Director de Organización*) will make the corresponding calculations of the Incentive Shares to be delivered on each Vesting Period pursuant to Management Incentive Plan upon reception of the auditor's report for the financial year applicable to the Calculation Period. Once verified they shall be submitted to the Appointments and Remuneration Committee which shall review and, if deemed, appropriate shall submit such calculations to the approval of the Board of Directors. The Board of Directors will approve the incentive payable under the Management Incentive Plan.

The delivery of the Shares will occur upon conclusion of a 365 day deferral period commencing on the day after the expiry of each applicable Vesting Period (the "**Deferral Period**").

The Board of Directors will make all arrangements to deliver the Incentive Shares, if any, to the Participants as soon as practicable thereafter and may use, subject to the required approvals, any of the procedures and mechanisms available by law to complete such delivery, including without limitation the issue of new ordinary shares, the purchase of treasury shares or entering into agreements with third parties. In lieu of paying the Incentive under the Management Incentive Plan through the delivery of the Incentive Shares, the Board of Directors may opt, in the event of: (i) the Company not having enough treasury shares to deliver the Incentive Shares to be delivered to the Participants under the Management Incentive Plan; or (ii) upon a Liquidation Event (as defined below); for the total or partial payment of the Incentive through a cash payment to the Participants. Such cash payment in the case of (i) above shall be equal to the relevant amount which would be necessary (after deduction of any taxes applicable thereto) to subscribe for the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. In this regard, the Company will establish the mechanisms necessary to guarantee the subscription by the Participants of the corresponding number of newly issued Incentive Shares or to acquire existing Incentive Shares from the Company. The share price used to determine this cash payment shall be the closing price of the Company's ordinary shares on the Spanish Stock Exchanges at close of trading of the expiry date of the applicable Vesting Period.

The delivery of Incentive Shares will be communicated through the publication of publishing an other relevant information notice (*comunicación de otra información relevante*) with the CNMV.

V. Liquidation Event

Pursuant to the Management Incentive Plan, in the event of (i) liquidation of the Company approved by its shareholders, or (ii) a takeover of the Company or a sale of ordinary shares of the Company that results in the taking of a control position by any party (as the term "control" is used in Royal Decree 1066/2007, of July 27, of regime applicable to public takeovers (*Real Decreto 1066/2007, de 27 de Julio, sobre régimen de las ofertas públicas de adquisición de valores*) in both cases before the end of a Vesting Period (each a "**Liquidation Event**"), the Participants will be entitled to receive as indicated below Incentive Shares (which will not be subject to any Deferral Period) or, as further described below, a cash amount provided that, for purposes of the calculation and payment of this Incentive, the following particularities will apply:

- the relevant Calculation Period shall be deemed to have ended on the date the liquidation was approved by the shareholders of the Company or the takeover or sale was accepted by a majority of the shareholders of the Company, as applicable; and
- calculation and payment under the Management Incentive Plan shall be made as soon as reasonably practicable after the last day of the relevant Calculation Period.

If the Company determines (acting reasonably) that delivering any or all of the Incentive Shares to any Participant on any relevant date is materially prejudicial to the Company for any reason, including as a result of any applicable law which prevents the delivery of ordinary shares on that date or if the delivery of ordinary shares to such Participant would result in (i) such Participant being required to make a mandatory offer to the shareholders of the Company pursuant to the applicable Spanish takeover rules or other applicable law, or (ii) the Company or such Participant breaching the applicable Spanish takeover rules, or (iii) the Company breaching any applicable listing rules, then the Company shall instead pay any or all of the undelivered Incentive Shares due under the Management Incentive Plan to such Participant in cash. The share price used to determine this cash payment shall be the closing price of the Company's ordinary shares on the Spanish Stock Exchanges at close of trading of the applicable date the liquidation was approved by the shareholders of the Company or the takeover or sale was accepted by a majority of the shareholders of the Company, as applicable.

Additionally, if the Company determines (acting reasonably) that structuring the Incentive other than through the delivery of Incentive Shares and other than in cash (for example, through warrants or stock options) may be more beneficial to the Company or to the Participants, then the Company may structure the Incentive in such other manner.

VI. Adjustments to the number of Incentive Shares

If any change in the share capital of the Company arising from a reorganization, restructuring, consolidation, subdivision, bonus issue, share buy-back or other capital reorganization or restructuring (a "**Capital Restructuring**") occurs during any year which the Company or the Participants believe (acting reasonably) that the calculation or the amount of the Incentive (if any) payable will change in respect of that or any subsequent year having regard to the basis of calculation of the Incentive, the Company and the Participants shall negotiate in good faith to agree an appropriate adjustment to the calculation of the Incentive payable in respect of that or any subsequent year. If a dispute or difference arises between the Company and the Participants in relation to the effect (if any) of a Capital Restructuring on any calculation of the Incentive or in relation to what adjustment (if any) is appropriate, which they cannot resolve by mutual agreement within two months of the matter first being notified by one party to the other in writing, the matter shall be referred to an independent expert for determination.

VII. Taxation

The Incentive will be characterized as employment income, subject to PIT in Spain and taxed at the Participant's PIT marginal rate (maximum state rate of 45%).

Notwithstanding the above, the Incentive received by the Participants involved in this scheme may be reduced in a 30% (up to an annual limit of €300,000) provided that, in brief:

- more than two years have elapsed from the granting of the Incentive until the accrual of each of the Incentive; and that
- in the five precedent tax years the Participant had not applied this 30% reduction to other long-term or irregular employment income (excluding, for these purposes, severance payments that the key employee may have received).

The Incentive will be net of any all applicable withholdings or payment on account for or on account of any applicable taxes, as well as any social security contributions that shall be borne by the Participants.

The Incentive would be subject to payment on account of the Participant´s final PIT liability. The cost of such payment on account will be deducted from the Participant's cash salary or in the manner determined by the employer. The payment on account should not be added to the Participant's PIT taxable base.

D&O Insurance Policy

As of the date of this Prospectus we maintain a directors and officers ("**D&O**") insurance policy that protects the members of the Board of Directors of the Company and subsidiaries from liabilities incurred as a result of actions taken in their official capacity as directors. In accordance with the terms and conditions of this policy, coverage is limited to €10,000,000 per claim and per insurance period. However, we review the terms and conditions of this policy each semester is order to adapt them as the Company growths.

Share ownership

The table below sets out the Company's shares directly or indirectly held by members of the Board of Directors and Senior Management as of the date of this Prospectus.

	Pre-Offering		**Over-allotment option not exercised**		**Over-allotment option exercised in full**	
Director	Number of shares	%	Number of shares	%	Number of shares	%
Mr. Raúl Morales Torres(1)	17,892,000	29.7	17,892,000	18.71%	17,892,000	18.71%
Mr. Pablo Miguel Otín Pintado	600,000	1.00	600,000	0.63%	600,000	0.63%

(1) Indirectly through Valueteam, S.L.

As a consequence of the Capital Increase, the Company became the sole shareholder of Powertis and, consequently, on October 14, 2020, the Company, Grupo Corporativo Sefrán, S.L., Valueteam, S.L., Mr. Pablo Miguel Otín Pintado, Soltec ER and Powertis decided to terminate the Powertis Shareholders Agreement (see sections "*Principal Shareholders—Shareholders Agreement*" and "*Operating and financial review—Recent developments—Poweris Shareholders Agreement*").

. The termination agreement of the Powertis Shareholders Agreement entered into between Powertis, Soltec ER, Grupo Corporativo Sefrán, S.L., Valueteam, S.L., Mr. Pablo Miguel Otín and the Company on October 14, 2020 (the "**Termination Agreement**") cancelled Mr. Pablo Miguel Otín Pintado's option to acquire a

5% stake of Powertis and, in consideration for Mr. Pablo Miguel Otín Pintado consenting to the termination of the option to acquire a 5% stake in Powertis provided for in such agreement, our Board of Directors resolved to grant Mr. Pablo Miguel Otín Pintado, as Chief Executive Officer of Powertis, a right to receive a number of shares representing 1% of the Company's share capital existing immediately prior to the Offering for no consideration and subject to the following performance conditions, to be paid net of any applicable deductions, withholdings, set-offs or counterclaims as may be required by tax law:

i. Initiating the construction of Powertis' first project in Spain no later than a period of two years and one day from October 2020;

ii. Powertis reaching a pipeline of 1 GW no later than a period of two years and one day from October 2020;

iii. Powertis' profits obtained from the sale of development projects exceeding €10,000,000 during 2020; and

iv. Continuing his relationship with Powertis for a 2 year and a day period beginning on October 2020.

Powertis will make all arrangements to deliver the shares, if any, to Mr. Pablo Miguel Otín as soon as practicable upon the completion of all such conditions and may use, subject to the required approvals, any of the procedures and mechanisms available by law to complete such delivery, including, without limitation, the purchase of shares in the market or entering into agreements with third parties. The Company will not issue any shares to deliver to Mr. Pablo Miguel Otín in the context of the Termination Agreement.

Finally, as of the date of this Prospectus, no Director or member of the Senior Management has been granted options to purchase ordinary shares of the Company, nor does any other Director or member of the Senior Management hold ordinary shares of the Company, directly or indirectly. See "—*Directors Compensation*" and "—*Senior Management Compensation"* for further information on the remuneration policy of the directors and members of the Senior Management.

Securities Markets Code of Conduct and Corporate Governance Recommendations

Securities Markets Code of Conduct

Although it is no longer mandatory pursuant to the reform of the LMV enacted by Royal Decree-Law 19/2018 of November 23 (*Real Decreto-ley 19/2018, de 23 de noviembre, de servicios de pago y otras medidas urgentes en materia financiera*) ("**Royal Decree-Law 19/2018**"), we have implemented and defined a transparent set of rules and regulations for compliance with market abuse regulations which is compliant with MAR (as defined below).

On October 6, 2020, the Board of Directors approved the Securities Markets Code of Conduct (*Reglamento Interno de Conducta en los Mercados de Valores*) (the "**Securities Markets Code of Conduct**"), which will be effective upon Admission. The Securities Markets Code of Conduct applies to, among other persons, all members of the Board of Directors, Senior Management and employees who have regular access to inside information, as defined under MAR.

The Securities Markets Code of Conduct, among other things:

a) regulates the conduct of our directors and managers with regard to the treatment, use and disclosure of our inside information;

b) establishes the restrictions on, and conditions for, the dealing on our securities or our other financial instruments referencing them by persons subject to the Securities Markets Code of Conduct and by those who possess inside information;

c) provides that persons subject to the Securities Markets Code of Conduct shall not engage in market manipulation with respect to our securities or our other financial instruments; and

d) regulates dealings by the Company in its own shares.

Corporate Governance Recommendations

The Spanish Companies Act sets out certain legal provisions related to corporate governance mandatorily applicable to Spanish listed companies on the Spanish Stock Exchanges. We believe that we comply with the requirements of the Spanish Companies Act.

Additionally, the Corporate Governance Code sets out certain non-binding recommendations on corporate governance to be considered (on a "comply or explain" basis) by the companies listed on the Spanish Stock Exchanges.

We believe that we substantially comply with the recommendations of the Corporate Governance Code. In particular, as of the date of this Prospectus, we comply with recommendations: 1, 8, 12, 13, 15, 16, 17, 22, 25, 26, 27, 28, 29, 30, 31, 33, 34, 35, 37, 38, 39, 40, 41 42, 43, 47, 49, 50, 51, 52, 53, 55, 56, 57, 58, 61, 62 and 64. Upon Admission, the Company will comply with recommendation 18. We are committed to follow strict corporate governance policies and we intend to adapt our practices to all the recommendations contained in the Corporate Governance Code, as soon as possible after Admission, in a consistent manner. However, as of the date of this Prospectus, our corporate governance practices depart from these recommendations in the following aspects:

- Recommendation 4: As of the date of this Prospectus, the Company has a limited number of shareholders, and thus has not discussed if a policy of communication and contacts with shareholders, proxy advisors and institutional investors or a policy of communication of economic-financial, non-financial and corporate information are necessary.

  However, once the ordinary shares of the Company have been admitted to trading, the Company will consider as a priority the implementation a policy of communication and contacts with shareholders, proxy advisors and institutional investors and a policy of communication of economic-financial, non-financial and corporate information under the principles of transparency and respect to all parties. The Board of Directors will, as the case may be, approve these policies within a reasonable timeframe, and the policies will be subsequently made available in the Company's website together with information related to how they are put in practice.
- Recommendation 7: The Company does not comply with paragraph 1 of the recommendation because currently it does not, and does not foresee to, broadcast the general meeting of shareholders live in the Company's website.
- Recommendation 11: As of the date of this Prospectus, the Company does not, and does not foresee to, pay attendance bonus (*primas de asistencia*) to its shareholders for attendance at the general meeting. Consequently, the Company has not approved, and does not foresee to approve in the near future, an attendance bonus policy. Nevertheless, if the Company decides to start paying attendance bonus (*primas de asistencia*) to its shareholders, the Board of Directors will approve a general and stable attendance bonus policy beforehand.
- Recommendation 14: As of the date of this Prospectus, the Board of Directors has not approved a policy for selecting its members. The Board of Directors shall consider the potential approval of such policy after Admission.
- Recommendation 45 and 46: As of the date of this Prospectus, the Board of Directors has not approved a risk control and management policy or a risk control and management control function that comply with these recommendations. It is currently working on the implementation of an internal control and risk management system for the process of financial reporting (SCIIF) which it expects to have in place by December 31, 2020. In this regard, the Company undertakes either to approve a risk control and management policy and a risk control and management control function by December 31, 2020 or to have established the adequate mechanisms for its approval.
- Recommendation 54: As of the date of this Prospectus, the Board of Directors has not approved a corporate social responsibility policy or a communication policy.

- Recommendation 63: The Company does not comply with this recommendation as the contractual arrangements with the executive director does not expressly foresee any provisions to reclaim variable components of remuneration upon deviations from applicable indicators or errors.

Moreover, as of the date of this Prospectus, the following recommendations are not applicable to the Company: 2, 3, 5, 6, 9, 10, 18, 19, 20, 21, 23, 24, 32, 36, 44, 48, 59, and 60.

The Board of Directors will prepare an annual corporate governance report and such report will be submitted to the shareholders for information purposes. The report will be announced through the publication by the Company of an other relevant information notice (*comunicación de otra información relevante*) and will be reproduced in the management reports (*informe de gestión*) of our individual and consolidated audited financial statements.

Conflicts of Interests

Pursuant to Article 29 of the Board of Directors Regulations, directors will face a conflict of interest where the Company's interests collide directly or indirectly with the personal interest of a director. There is a personal interest of a director in a matter when it affects him or her or a related party, and, in addition, for proprietary directors, when it affects the shareholder or shareholders which appointed him or her or proposed his or her appointment or to persons directly or indirectly related to them.

Therefore, the directors are required to avoid situations in which their interests, whether on their own behalf or on behalf of others, may conflict with the corporate interest or with their duties to the Company.

In particular, pursuant to Article 229 of the Spanish Companies Act, the directors (and related parties to directors) should abstain from:

a) carrying out transactions with the Company, excluding ordinary transactions, of limited amount and undertaken in standard conditions applicable to all customers;

b) using the name of the Company or its capacity as director to unduly influence private transactions;

c) using corporate assets, including confidential information on the Company, for private purposes;

d) taking advantage of business opportunities of the Company;

e) obtaining advantages or compensation from third parties other than the Company associated with their post unless they are a mere compliment; and

f) carrying out activities, on their own or on behalf of third parties, which may compete with the Company or which could put the director in a permanent conflict with the interest of the Company.

Each member of the Board of Directors is required to report to the Board of Directors any circumstances that may give rise to a conflict of interest, direct or indirect, with the Company. In all events, the situations of conflict in which the Company's Directors are involved shall be reported in the notes to the financial statements and in the annual corporate governance report.

Members of the Board of Directors shall abstain from participating in the debate and voting on resolutions or decisions in connection with which such directors or any person related to them are affected by a conflict of interest, whether direct or indirect.

Additionally, directors should abstain from engaging in commercial or professional transactions which may give rise to a conflict of interest, without having first informed and received approval from the Board of Directors, which shall request a report from the Audit Committee. Such authorization shall not be necessary for transactions entered into with us if all of the following conditions are met in respect of the relevant transaction:

a) the transaction is performed under contracts whose conditions are standardized and applied *en masse* to a large number of clients;

b) the transaction is performed at a price or rate generally established by the supplier of the relevant goods or services in question or, if the transaction concerns goods or services for which no rates are established, it is performed under arm's length conditions, similar to those applied to commercial relationships with customers having similar characteristics; and

c) the consideration of the transaction does not exceed one percent of the annual income of the Company.

To the best of our knowledge, as of the date of this Prospectus, there are no actual or potential conflicts of interest between our directors or our Senior Management and us, and none are engaged in self-dealing or personally engaged in any business that could be deemed as part of our operations.

Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. currently hold a 21.74% and 9.31% stake, respectively, in Solnueve Iniciativas Energéticas, S.A, a company that operates in the same industry as Powertis and, additionally, Grupo Corporativo Sefrán, S.L is currently a member of the board of directors of Solnueve Iniciativas Energéticas, S.A. until its expected resignation from such position ahead of Admission.

Pursuant to the Company's Code of Conduct, the legal department of the Company analyzed this situation and concluded that it did not generate a conflict of interests for Mr. Raúl Morales Torres, as executive director of the Company, for Mr. José Francisco Morales Torres, as proprietary director of Valueteam, S.L., or for Ms. Marina Moreno Dólera and Mr. Marcos Sáez Nicolás, as proprietary directors of Grupo Corporativo Sefrán, S.L. in attention to the different dimension and market position of Powertis compared with Solnueve Iniciativas Energéticas, S.A., authorizing these holdings on Solnueve Iniciativas Energéticas, S.A.

In addition, on October 13, 2020, the general meeting of shareholders of the Company authorized such holdings pursuant to articles 229 and 230 of the Spanish Companies Act provided that neither Mr. Raúl Morales Torres, Mr. José Francisco Morales Torres, Ms. Marina Moreno Dólera and Mr. Marcos Sáez Nicolás hold any administrative, management or employment positions in Solnueve Iniciativas Energéticas, S.A., and that the holdings of Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. in such company are exclusively held as a passive investment. Consequently, Grupo Corporativo Sefrán, S.L. will resign from its directorship position in Solnueve Iniciativas Energéticas, S.A prior to Admission.

Finally, the Company's Audit Committee will review this situation following the approval of this Prospectus.

Compliance Internal Policies

We have implemented internal compliance policies to manage risks in accordance with our basic principles of anti-corruption, SOS communication channels, Code of Conduct and criminal compliance protocols. Such internal compliance policies consist of a set of substantive rules, formal procedures and material actions aimed at guaranteeing compliance with ethical principles and applicable legal provisions and preventing, avoiding and mitigating risks resulting from irregular, unethical or illegal behaviors from the Company´s professionals.

Family Relationships

Except for Ms. Marina Moreno Dólera, daughter of Mr. José Francisco Moreno Riquelme, and Mr. José Morales Torres, brother of Mr. Raúl Morales Torres, there are no family relationships and no "close relatives" (as this term is defined in applicable regulations for related party transactions and, in particular, in Order EHA/3050/2004 of September 15, 2004 on information to be disclosed by listed companies regarding related party transactions) among the directors, the directors and other members of our Senior Management or the members of our Senior Management.

No Convictions and Other Negative Statements

None of our directors or members of our Senior Management have, in the five years preceding the date of this Prospectus: (i) been convicted in relation to fraudulent offenses; (ii) acted as members of the board of directors of entities affected by bankruptcy, receivership or liquidation; (iii) been publicly incriminated and/or sanctioned by statutory or regulatory authorities (including designated professional bodies); or (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of securities or from acting in the management or conduct of the affairs of any issuer.

Agreements with Directors and Senior Management (including Post-Termination Benefits)

All our employees, including our Chief Executive Officer and the Senior Management are subject to post-contractual confidentiality agreements.

Our Chief Executive Officer is subject to non-competition and non-solicitation undertakings for one year and two years, respectively, from termination of his agreement for the provision of executive director services with the Company.

Our Chief Executive Officer services agreement also provides for (i) a minimum permanence period of four years, which if the Company does not respect will trigger a compensation to the CEO by the Company of a minimum of two annuities of total remuneration; (ii) a compensation of two annuities of total remuneration in the event of termination by the Company without serious breach by the CEO, and (iii) a change of control clause, which allows the CEO to terminate his contract and receive an indemnity of two annuities of his total remuneration in case of a change of control in the Company as such is defined in Royal Decree 1066/2007 of July 27 (*Real Decreto 1066/2007, de 27 de julio, de régimen de las ofertas públicas de adquisición de valores*).

All of our Senior Management are subject to exclusivity agreements, unless otherwise authorized by the Board of Directors. As of the date of this Prospectus, none of our Senior Management is employed or renders services to any direct competitor, nor is authorized for such employment or service.

PRINCIPAL SHAREHOLDERS

As of the date of this Prospectus, the Company's issued share capital amounts to €15,060,000, divided into 60,240,000 ordinary shares, with a par value of €0.25 each and belonging to a single class. Each of our ordinary shares entitles the holder to one vote and there is no limit as to the maximum number of voting rights that may be held by individual shareholders or by companies of the same group.

As a result of the Offering, between 40,983,607 and 31,120,332 New Offered Shares (based on an Offering Price at the lower and upper ends of the Offering Price Range, respectively), of €0.25 par value each, are expected to be issued, resulting in a post-offering share capital ranging from €25,305,902 to €22,840,083, divided into between 101,223,607 and 91,360,332 ordinary shares.

The following table shows the shareholding and voting rights in the Company by our principal shareholders immediately prior to and after the Offering, and their expected shareholding, together with the expected shareholding of the free float, upon completion of the Offering and including the exercise of the Over-allotment option in full, assuming that the Offering Price is €4.24 (that is, the mid-point of the Offering Price Range) and that the number of New Offered Shares issued is 35,377,358:

	Pre-Offering		Offering	Post-Offering			
Owner	**Number of Shares**	**%**	**Number of Shares offered as part of the Over-allotment option(1)**	**Over-allotment option not exercised**	**%**	**Over-allotment option exercised in full**	**%**
Mr. José Francisco Moreno Riquelme(2)	41,748,000	69.30	3,537,736(4)	41,748,000	43.66	38,210,264	39.96
Mr. Raúl Morales Torres(3)	17,892,000	29.70	—	17,892,000	18.71	17,892,000	18.71
Mr. Pablo Miguel Otín Pintado	600,000	1.00	—	600,000	0.63	600,000	0.63
Free Float	—	—	—	35,377,358	37.00	38,915,094	40.70

(1) All of our shares have the same voting rights attached to each of them.
(2) Held through Grupo Corporativo Sefrán, S.L.
(3) Held through Valueteam, S.L.
(4) Assuming that the Offering Price is the mid-point of the Offering Price Range.

Shareholders agreements

As of the date of this Prospectus there are no shareholders agreements in force between the Company's shareholders.

Nevertheless, on September 28, 2018, Grupo Corporativo Sefrán, S.L., Valueteam, S.L., Mr. Pablo Miguel Otín Pintado, Soltec ER and Powertis entered into a shareholders agreement (the "**Powertis Shareholders Agreement**") to set forth the terms and conditions that would regulate the relationship between them as shareholders of Powertis and Mr. Otín's appointment as Chief Executive Officer of Powertis.

In the context of the Powertis Shareholders Agreement it was agreed, among others, that Mr. Pablo Miguel Otín Pintado would hold an initial 5% stake of Powertis and to grant him the option to acquire an additional 5% stake in Powertis subject to certain conditions.

It was also agreed that Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. would grant a loan of up to €100,000 to Mr. Pablo Miguel Otín Pintado to acquire the necessary shares to subscribe for the initial 5% of Powertis (the "**CEO Loan**") and that such loan would be repaid by Powertis (including any accrued interest) two years after the execution of the Powertis Shareholders Agreement, on behalf of Mr. Pablo Miguel Otín Pintado and as part of his compensation package as Chief Executive Officer of Powertis. The CEO Loan has already been recognized on Powertis' financial statements as of June 30, 2020 for its total amount of €100,000 and interests of €3,000 and is expected to be repaid in October 2020.

Additionally, it was agreed that Powertis' shareholders would support Powertis in order for it to obtain the financing necessary to fund its operations (including by way of granting the necessary guarantees to secure such funding). Consequently, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. granted the Participating Loan that as of December 31, 2019 amounted to €4,237 thousand. As of, June 30, 2020 the Participating Loan (principal and interests) amounted to €7,870 thousand. On July 31, 2020, the Participating Loan was partially prepaid and converted into the Revolving Loan, which outstanding amount (principal and interests) after such prepayment was as of July 31, 2020, €3,907 thousand. The Revolving Loan is a revolving facility for up to €6,000 thousand, accrues a 10% annual interest rate and has a maturity date of July 31, 2022.

In the context of the Offering, the Company was incorporated on December 2, 2019, and was registered with the Commercial Registry of Murcia on December 5, 2019, in order to act as a holding company of both Soltec ER and Powertis. In this regard, on December 23, 2019, the general meeting of shareholders of the Company (formed at that time solely by Grupo Corporativo Sefrán, S.L. and Valueteam, S.L.) approved a capital increase through an in-kind contribution amounting to €296,250,000 by means of the issuance of 15,000,000 new ordinary shares with a par value of €1.00 each and a premium of €18.75 per share. The shares issued were of the same class as the outstanding shares and were subscribed and paid in full by means of the contribution to the Company of 823,490 shares representing the entire share capital of Soltec Energías Renovables, S.L. by its shareholders (that is, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L.) and of 20,000 shares representing the entire share capital of Powertis, S.A. by its shareholders (that is, Grupo Corporativo Sefrán, S.L., Valueteam, S.L. and Mr. Pablo Miguel Otín Pintado) (the "**Capital Increase**").

As a consequence of the Capital Increase, the Company became the sole shareholder of Powertis and, consequently, on October 14, 2020, the Company, Grupo Corporativo Sefrán, S.L., Valueteam, S.L., Mr. Pablo Miguel Otín Pintado, Soltec ER and Powertis decided to terminate the Powertis Shareholders Agreement.

The Termination Agreement cancelled Mr. Pablo Miguel Otín Pintado's option to acquire a 5% stake of Powertis and, in consideration for Mr. Pablo Miguel Otín Pintado consenting to the termination of such option, our Board of Directors resolved to grant Mr. Pablo Miguel Otín Pintado, as Chief Executive Officer of Powertis, a right to receive a number of shares representing 1% of the Company's share capital existing immediately prior to the Offering, subject to certain performance conditions, as further described under "*Management and Board of Directors—Share ownership*".

Change of Control of the Company

The Company is not aware of any arrangements that would result in a change of control in the Company at a subsequent date.

Lock-up Arrangements

See section "*Plan of Distribution—Lock-up*" for a discussion of certain lock-up arrangements.

DILUTION

In the event that none of the Company's current shareholders subscribe for New Offered Shares in the Offering, and assuming that the New Offered Shares are entirely subscribed by third party investors in the Offering at the mid-point of the Offering Price Range, the stake of the Company's shareholders prior to the Offering (the "**Pre-Offering Shareholders**") in the Company would represent approximately 63% of the total number of ordinary shares following the Offering, which would represent a dilution in ownership percentage for the Pre-Offering Shareholders of approximately 37% with respect to the ownership percentage they held prior to the Offering.

The table below sets forth the increase in the number of ordinary shares as a result of the Offering.

	Pre-Offering	**Post-Offering**	
		Over-allotment option not exercised	**Over-allotment option exercised in full**
Existing ordinary shares	100%	63.00%	63.00%
New Offered Shares	—	37.00%	37.00%
Total	100%	100%	100%

As of June 30, 2020, there is a negative net equity per share that amounts to approximately €0.16.

Furthermore, the Company may decide to carry out additional share capital increases in the future. In the event that share capital increases were effected, shareholders could be diluted if they do not exercise their pre-emptive subscription rights or in the event such share capital increases exclude pre-emptive subscription rights for existing shareholders in accordance with Spanish law.

RELATED PARTY TRANSACTIONS

General Information

We enter into transactions with certain related parties or their affiliates from time to time and in the ordinary course of our business.

For IFRS-EU purposes, a "related party" is a person or entity that is related to the entity that is preparing its financial statements. We are required to report all related party transactions, as defined in International Accounting Standard 24 "Related Party Transactions", in accordance with IFRS-EU. Prior to the Offering, we considered related parties the following:

a) our affiliates;

b) our existing shareholders;

c) members of the Board of Directors;

d) our senior management and the senior management of our existing shareholders;

e) persons or entities related to the our shareholders, directors and/or senior management of the Group.

Pursuant to the Board of Directors Regulations approved on October 6, 2020, the Board of Directors shall examine the relevant transactions that the Company or Group companies carry out with directors, with shareholders that own, whether individually or together with others, a significant interest (*participación significativa*), including shareholders represented on the Board of Directors of the Company or of other Group companies, or with persons related to them. The performance of such transactions shall require the authorization of the Board, following a favorable report by the Audit Committee, except where the law provides that its approval falls within the purview of the general meeting of shareholders. Such transactions shall be evaluated in the light of the principle of equal treatment among all shareholders and the prevailing market conditions, and shall be disclosed in the annual corporate governance report and in the periodic public information, upon the terms set out by applicable regulations. Moreover, following the Offering, the Audit Committee shall review and issue a report regarding all transactions executed prior to the date of this Prospectus and their execution on an arm's-length basis. Proprietary directors must also refrain from participating in the discussion and from casting their votes on resolutions relating to conflict of interests between us and the relevant significant shareholder.

However, the authorization provided for in the preceding paragraph shall not be required for transactions that simultaneously meet the following conditions:

a) they are performed under contracts whose conditions are standardized and applied *en masse* to a large number of clients;

b) they are performed at prices or rates generally established by the supplier of the relevant goods or services in question or, if the transactions concern goods or services for which no rates are established, they are performed under arm's-length conditions, similar to those applied to commercial relationships with customers having similar characteristics; and,

c) their consideration does not exceed one percent of the annual income of the Company.

We do not enter into transactions with related parties on terms more favorable to them than we would offer to third parties. We believe that the prices and terms and conditions set forth in the below-mentioned transactions are comparable to those that would be obtained at arm's-length with unrelated parties, which, in turn, comply with applicable transfer pricing regulations. Moreover, we believe that we have complied and are in compliance in all material respects with the requirements of the relevant provisions of the Bylaws and the Spanish laws governing related party transactions with respect to all of our transactions with related parties.

Transactions with Related Parties

The outstanding balance from related party transactions amounts to an aggregate of €12,721 (which includes €7,870 in long-term loans). The breakdown of material related party transactions entered into during the periods covered by the Unaudited Interim Condensed Consolidated Financial Statements and the Company 2019 Audited Consolidated Financial Statements is set out below. All of our related party transactions are carried out at arms'-length.

	Majority shareholder[(1)] (In thousands of euros)		Other Related Parties[(2)] (In thousands of euros)	
	Six months ended June 30, 2020	Financial year ended December 31, 2019	Financial year ended June 30, 2020	Financial year ended December 31, 2019
Net revenues	-	-	44	288
Services provided	-	-	34	80
Services received	(4)	(10)	(866)	(1,768)
Personnel expenses	-	-	(53)	(105)
Financial expenses	(525)	(534)	(240)	(361)
Financing received during the financial year	2,650	2,019	-	438
Financing received and returned during the financial year	-	(20)	(215)	(553)

(1) Mr. José Francisco Moreno Riquelme and Grupo Corporativo Sefrán, S.L.

(2) Mr. Raúl Morales Torres, Mr. Pablo Miguel Otín Pintado and companies controlled by either of them along with other persons or entities considered related parties under International Accounting Standard 24. .

The balance of the "services received" account includes, among others, the expense recorded as a consequence of the logistics and sales transport services carried out by Grupo Morarte Logistics, related to the majority shareholder of the Company.

The amounts corresponding to "financial expenses" corresponding to the six months ended June 30, 2020 derive mainly from €628 thousand in interest accrued on loans borrowed from the majority shareholder and other related parties and from €137 thousand in financial expenses associated with office and warehouse lease agreements held with third parties.

The amounts corresponding to "financing received during the financial year" and "financial expenses" for the period ended December 31, 2019 are related to a Participating Loan granted by Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. to Powertis in order to fund the latter's operations. The Participating Loan amounted (principal and interest) to €7,870 thousand and to €4,291 thousand as of June 30, 2020 and as of December 31, 2019, respectively. The Participating Loan accrued a 10% interest rate agreed between Powertis and its former majority shareholders (current shareholders of the Company). On July 31, 2020, the Participating Loan was partially prepaid and converted into the Revolving Loan, which outstanding amount (principal and interest) after such prepayment was €3,907 thousand as of such date. The Revolving Loan is a revolving facility for up to €6,000 thousand, accrues a 10% annual interest rate and has a maturity date of July 31, 2022.

Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. have granted counter-guarantees for credit policies and guarantees to Powertis for €71.6 million (estimated €63.6 million as of December 31, 2019). These counter-guarantees accrue interest between 0.62% and 1.14% (estimated 1.06% and 1.45% as of December 31, 2019).

It is expected that, upon its incorporation the Audit Committee ratifies the Revolving Loan along with lease agreements and logistics and sales transport services agreements entered into with related parties.

The detail of the balance as of June 30, 2020 and December 31, 2019 with related parties is as follows:

	Majority shareholder(1)(In thousands of euros)		Other Related Parties(2) (In thousands of euros)	
	As of June 30, 2020	As of December 31, 2019	As of June 30, 2020	As of December 31, 2019
Non-current assets	-	-	-	118
Debtors and other current assets	-	-	91	172
Current financial assets	-	-	25	25
Long-term loans	(6,747)	(3,439)	(1,123)	(852)
Other non-current financial liabilities	-	-	(4,014)	(4,228)
Other current financial liabilities	-	-	(584)	(584)
Commercial creditors and other accounts payable	-	(220)	(369)	(262)

(1) Mr. José Francisco Moreno Riquelme and Grupo Corporativo Sefrán, S.L.

(2) Mr. Raúl Morales Torres, Mr. Pablo Miguel Otín Pintado and companies controlled by either of them along with other persons or entities considered related parties under International Accounting Standard 24.

Fundamentally, the Group records under the heading “other non-current financial liabilities” and “other current financial liabilities”, €4,6 thousand corresponding to the account payable as a result of the lease agreement with the related companies Sefrán Blends, S.L. and Zukán, S.L. after applying a recognition set forth in IFRS16 rule. Such leases correspond to the lease of certain warehouses located in Spain where the Company carries out part of its activities. Zukán, S.L. is a company that sells sweetener products whose director is Mr. José Francisco Moreno Riquelme and is a subsidiary company of Grupo Corporativo Sefrán, S.L. that provides land rental services and minor services.

As of June 30, 2020, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. have provided counter-guarantees for credit policies and guarantees to Powertis for an amount of €71,600 thousand (€63,600 thousand as of December 31, 2019). These counter-guarantees accrue interest of between 0.62% and 1.14% (1.06% and 1.45% as of December 31, 2019).

As of June 30, 2020, the Chief Executive Officer of Powertis had a €100,000 liability under the CEO Loan with the shareholders of the parent company, Grupo Corporativo Sefrán, S.L. and Valueteam, S.L. This amount was used for the initial subscription of Powertis shares upon its incorporation.

Material related party transactions entered into during the periods covered by the Soltec ER 2018 Audited Consolidated Financial Statements and Soltec ER 2017 Audited Consolidated Financial Statements are set out below:

	Majority shareholder (thousands €)	Other Related Parties (thousands €)
Financial Year ended December 31, 2018		
Net revenues	13	261
Services provided	-	146
Services received	-	(1,602)
Financial expenses	-	(222)
Financing granted and collected during the financial year	-	668
Financing granted during the financial year	-	(7)
Financing received and returned during the financial year	-	(1,338)
Financial Year ended December 31, 2017		
Net revenues	-	183

Services provided	-	68
Services received	-	(2,318)
Financial expenses	(19)	(121)
Purchase of intangible assets	-	144
Sales of associated companies	1,955	836
Net book value of spin-off assets	-	128
Financing granted and collected during the financial year	-	551
Financing granted during the financial year	-	(1,163)
Financing received during the financial year	-	1,338
Collection of dividends	-	81
Payment of dividends	(2,359)	(1,011)

For the year ended December 31, 2019, the balance of the "Services received" account includes, among others, the expense recorded as a consequence of the logistics and sales transport services carried out by Grupo Morarte Logistics.

During the financial year 2017, the Group granted additional financing provisions to Solnueve Iniciativas Energéticas, S.A., which was sold in 2018 for an amount of €1,163 thousand. Likewise, it has received collections from the aforementioned company amounting to €551 thousand. During the year ended December 31, 2018, the Group has collected the entire outstanding amount owed by Solnueve Iniciativas Energéticas, S.A. as of December 31, 2017.

During the financial year 2017, the Group also received a temporary cash withdrawal from Valueteam, S.L. for an amount of €1,200 thousand. This temporary cash withdrawal was returned during the year 2018.

Compensation of Senior Management of Soltec ER and Powertis

Six Months Ended June 30, 2020

During the six months ended June 30, 2020, Mr. Raúl Morales Torres, our sole director during such period, who also served as general manager of Soltec ER and a subsidiary, accrued €91,000 as income. However, he did not accrue any in-kind income with respect to his duties as general manager. The sole director's civil liability insurance premium amounted to €10,000 as of June 30, 2020.

During the six months ended June 30, 2020, Mr. Otín Pintado, Powertis' Chief Executive Officer, accrued €100 thousand as income.

Financial Year Ended December 31, 2019

During the year ended December 31, 2019, Mr. Raúl Morales Torres, Soltec ER's sole director, who also served as general manager of a subsidiary, accrued €180,000 as income. This amount decreased from 2018 because at the end of 2018 he resigned from his position as general manager of a subsidiary. However, he did not accrue any in-kind income with respect to his duties as general manager.

The sole director's civil liability insurance premium amounted to €10,000 in 2019.

During the year ended December 31, 2019, Mr. Otín Pintado, Powertis' Chief Executive Officer, accrued €150,000 as income.

Financial Year Ended December 31, 2018

During the year ended December 31, 2018, Mr. Raúl Morales Torres, Soltec ER's sole director, who also served as general manager of a subsidiary, accrued €322,000 as income. However, he did not accrue any in-kind income with respect to his duties as general manager.

The sole director's civil liability insurance premium amounted to €7,000 in 2018.

During the year ended December 31, 2018, Mr. Otín Pintado, Powertis' Chief Executive Officer, accrued €88,750 as income.

Financial Year Ended December 31, 2017

During the year ended December 31, 2017, Mr. Raúl Morales Torres, Soltec ER's sole director, who also served as general manager of a subsidiary, accrued €227,000 as income. However, he did not accrue any in-kind income with respect to his duties as general manager.

DESCRIPTION OF SHARE CAPITAL

The following summary provides information concerning our share capital and briefly describes certain significant provisions of our Bylaws (*estatutos sociales*) and Spanish corporate law, the Spanish Companies Act, Spanish Act 3/2009 of April 3 on Structural Amendments of Private Companies (*Ley 3/2009, de 3 de abril, sobre modificaciones estructurales de las sociedades mercantiles*), the LMV and Royal Decree 878/2015 of October 2 on clearing, settlement and registry of negotiable securities in book-entry form, and transparency requirements for issuers of securities admitted to trading on an official secondary market (*Real Decreto 878/2015, de 2 de octubre, sobre compensación, liquidación y registro de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial*).

This summary does not purport to be complete and is qualified in its entirety by reference to the Bylaws, the Spanish Companies Act and other applicable laws and regulations. Copies of the Bylaws are available (in Spanish) at the Commercial Registry of Murcia, (in Spanish with an English translation for information purposes) at our principal headquarters located at Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500 Molina de Segura (Murcia) and on our website at www.soltecpowerholdings.com and, from Admission, at the CNMV's offices.

On October 6, 2020, the General Meeting of Shareholders Regulations, the Board of Directors Regulations and the Securities Markets Code of Conduct were approved. Copies of these documents are available at our website at www.soltecpowerholdings.com and on the CNMV's website at www.cnmv.es.

General

We are a public limited company (*sociedad anónima*) registered with the Commercial Registry of Murcia, under volume 3417, sheet 176, section 1, page MU-101068, holder of Spanish tax identification number (NIF) A-05556733 and with LEI code 959800L6L2B2GGN73292, incorporated for an unlimited period of time pursuant to a public deed of incorporation granted before the public notary Ms. María Dolores Heredia Cánovas on December 2, 2019, under number 2113 of her notarial records, having our registered office in Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura (Murcia).

As of the date of this Prospectus, our issued share capital is €15,060,000, divided into 60,240,000 ordinary shares with a par value of €0.25 each. The ISIN code assigned to our issued share capital is ES0105513008, while the New Offered Shares have the provisional ISIN code ES0105513016, and will bear the same ISIN code as our issued share capital from Admission—the ISIN codes have been assigned by the Spanish National Agency for the Codification of Securities (*Agencia Nacional de Codificación de Valores Mobiliarios*), an entity dependent upon the CNMV.. All of our ordinary shares are fully subscribed and paid up.

Our shares are represented by book entries and the entity responsible for maintaining the corresponding accounting records is Iberclear, with registered office at Plaza de la Lealtad, 1, 28014 Madrid, Spain.

We were originally incorporated with a share capital of €60,000 divided into 60,000 ordinary shares with a par value of €1.00 each, all of the same class, which were fully subscribed and paid up.

On December 23, 2019, the general meeting of shareholders approved a capital increase through in-kind contributions amounting to €296,250,000 by means of the issuance of 15,000,000 new ordinary shares with a par value of €1.00 each and a premium of €18.75 per share. The shares issued were of the same class as the outstanding shares and were subscribed and paid in full by means of the contribution to the Company of 823,490 shares representing the entire share capital of Soltec ER and of 20,000 shares representing the entire share capital of Powertis. The in-kind contributions were subject to compulsory valuation by KPMG Auditores, S.L. as independent expert appointed by the Commercial Registry, pursuant to the Spanish Companies Act and the Commercial Registry Regulations.

Consequently, the Company's share capital amounts to €15,060,000, represented by 60,240,000 fully subscribed and paid up ordinary shares with a par value of €0.25 each, all of the same class.

The summary table below outlines these main changes in our share capital since our incorporation:

Date	Corporate action	Par value (€)	Aggregated Share premium (€)	Number of issued/ redeemed shares	Total amount (€)	Number of resulting shares	Resulting share capital (€)
December 2, 2019	Incorporation	60,000	N/A	60,000	60,000	60,000	60,000
December 23, 2019	In kind share capital increase for the contribution of Soltec ER and Powertis	15,000,000	281,250,000	15,000,000	296,250,000	15,060,000	15,060,000
October 6, 2020	Split	N/A	N/A	45,180,000	N/A	60,240,000	15,060,000

On October 13, 2020, the general meeting of shareholders, passed the resolutions authorizing the Board of Directors to (i) acquire treasury shares, directly by the Company or indirectly by the Company's subsidiaries, within five years from October 13, 2020, in the maximum amount permitted by the applicable legislation, (ii) increase the share capital of the Company within five years from October 13, 2020 in a maximum amount of 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of shares representing up to 20% of the number of issued and outstanding shares, and (iii) issue bonds within five years from October 13, 2020 in a maximum principal of €150 million convertible into new shares of the Company representing up to 50% of the total share capital of the Company, further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of bonds convertible into shares representing up to 20% of the number of issued and outstanding shares. It should be noted that the 50% limits mentioned in (ii) and (iii) above are cumulative.

Dividend and Liquidation Rights

Holders of our ordinary shares have the right to participate in distributions of profits and proceeds from liquidation, proportionally to their paid-up share capital. However, there is no right to receive a minimum dividend.

Payment of dividends is proposed by the Board of Directors and must be authorized by the general meeting of shareholders. Holders of shares participate in such dividends from the date agreed by a general meeting of shareholders, unless otherwise agreed. Additionally, interim dividends (*dividendos a cuenta*) may also be distributed among shareholders directly upon approval by the Board of Directors or the general meeting of shareholders provided that: (i) there is sufficient liquidity to pay the interim dividend; and (ii) the amount distributed does not exceed the amount resulting from deducting from the earnings booked since the end of the previous year, the sum of losses corresponded to previous years, the mandatory amounts to be allocated for legal or Bylaws reserves, and the estimated tax due on the aforesaid earnings. The Spanish Companies Act requires each company to allocate at least 10% of its net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the issued share capital. The legal reserve up to such 20% is not available for distribution to our shareholders except upon liquidation. As of June 30, 2020, our legal reserve amounts to zero. Moreover, the legal reserve will be calculated over our issued share capital following completion of the Offering.

According to the Spanish Companies Act, dividends may only be paid out of profits or distributable reserves (after the compulsory allocation to reserves, including the legal reserve, and only if the value of the corporative net worth is not, and as a result of distribution would not be, less than the issued share capital).In addition, no profits may be distributed unless the amount of distributable reserves is at least equal to the amount of the research and development expenses recorded as an asset on the balance sheet. Accordingly, the ability to make a distribution to shareholders will depend on the ability to generate net profits in future periods in order to achieve sufficient distributable reserves.

In any case, any dividend proposed by the Board of Directors will be submitted for approval by the general meeting of shareholders. In accordance with Article 947 of the Spanish Commerce Code, the right to a dividend lapses and reverts to the Company if it is not claimed within five years after becoming payable.

We are not aware of any restriction on the collection of dividends by non-resident shareholders. All holders will receive dividends through Iberclear and its member entities, without prejudice to potential withholdings on account of the Non-resident Income Tax that may apply. See section "*Taxation*".

In the event of liquidation, the shareholders would be entitled to receive proportionately any assets remaining after payment of the debts and all applicable taxes and expenses.

Our ability to distribute dividends in the near future will depend on a number of factors, including (but not limited to) the amount of distributable profits and reserves and its investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under local applicable law (both on the Company and on any Group entity), compliance with covenants in the debt instruments (for additional information regarding our Syndicated Debt Facility, see "*Material Contracts—Syndicated Debt Facility*"), the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as the Board of Directors or the general meeting of shareholders may deem relevant from time to time.

Shareholders' Meetings and Voting Rights

Pursuant to the Bylaws, the General Meeting of Shareholders Regulations and the Spanish Companies Act, ordinary annual general meetings of shareholders shall be held on a date fixed by the Board of Directors within the first six months of each financial year. Extraordinary general meetings of shareholders may be called by the Board of Directors at any time, or at the request of shareholders representing at least 3% of the issued share capital. Following Admission, notices of all general meetings of shareholders will be published in the Official Gazette of the Commercial Registry or in one of the more widely circulated newspapers of Spain, on our corporate website and on the website of the CNMV, at least 30 calendar days prior to the date when the meeting is to be held, except as discussed in the following paragraph.

In addition, once our ordinary shares are trading, if we offer our shareholders the ability to vote by electronic means accessible to all of them, extraordinary general meetings of shareholders may be called on 15 days' notice. The decision to permit such reduction of the call period should be taken by a majority of not less than two thirds of the voting capital represented in an ordinary annual general meeting of shareholders, and the authorization shall be granted for a term which shall not exceed the date of the subsequent annual ordinary general meeting of shareholders.

Provided that the state of the art allows it and the Board of Directors so resolves at the time of the notice, shareholders eligible to attend the General Meeting of Shareholders, or their designated proxy holder (as explained hereafter), may do so via any electronic means that allow them to be connected in real time with the site or sites where the meeting is being held. Remote attendance by shareholders or their proxy holders will be considered for all purposes to be the same as attending the General Meeting in person.

Ordinary general meetings of shareholders shall resolve on the following matters: (i) the approval of the management of the Company carried out by the Board of Directors during the previous financial year, (ii) the approval of the financial statements for the previous financial year, (iii) the allocation of the previous financial year's income or loss, and (iv) the approval of the statement on non-financial information. All other matters can be considered at either an extraordinary or an ordinary general meeting of shareholders if the matter is within the authority of the meeting and is included on the agenda (with certain exceptional items which do not need to be included on the agenda to be validly passed, like dismissal of directors and the decision to bring the liability action against directors of the Company).

We may bring liability action against directors pursuant to a general meeting of shareholders resolution, which may be adopted at the request of any shareholder even when not included on the agenda. Bylaws cannot require a qualified majority for the adoption of such resolution. The general meeting of shareholders may consent or waive such action at any time, unless an objection is raised thereto by shareholders representing 5% of the share capital. The decision to bring an action or reach a settlement shall entail the removal of the relevant directors. The approval of the financial statements shall not preclude action for liability nor constitute a waiver of the action agreed or brought.

According to the Spanish Companies Act —and in addition to the matters referred to in the previous paragraphs and any other matters as provided by law, the Bylaws or the General Meeting of Shareholders Regulations— the following matters fall within the authority of the general meetings of shareholders:

a) Approval of the rules and regulations for the general meeting of shareholders that, subject to the applicable law and the articles of association, shall govern the call, organization, information about, attendance at and holding of the general meeting of shareholders, as well as the exercise of voting rights in the context of the call and holding of the meetings.

b) The amendment of the Bylaws.

c) Appointment and removal of members of the Board of Directors, as well as ratification or revocation of interim appointments of such directors by the Board itself, and examination and approval of their performance and exemption of the directors from the legal prohibitions regarding conflicts of interest when applicable law assigns such power to the general meeting of shareholders.

d) Appointment and removal of the external auditor and liquidators.

e) Bringing claims for liability against members of the Board of Directors, liquidators or the external auditor.

f) Approval, where appropriate, of the annual accounts and the corporate management and of resolutions on the allocation of earnings, as well as approval, if appropriate, of the consolidated annual accounts, and of the annual non-financial information report.

g) Resolutions on the issuance of bonds or other fixed-income securities convertible into shares or which carry the right to a share in the Company's net income, any share capital increase or decrease, the re-registration, merger or split-off, the overall assignment of assets and liabilities, the relocation of the registered office abroad and the dissolution of the Company and, in general, any amendment to the Company's articles of association, unless applicable law assigns power to the directors regarding any of these matters.

h) Authorizing the Board of Directors the increase or reduction the share capital, pursuant to the Spanish Companies Law —or granting authority to increase the share capital to the Board of Directors.

i) Conferral upon the Board of Directors of such powers as advisable for unforeseen events.

j) Authorizing the acquisition of Company shares.

k) Deciding on the exclusion or limitation of pre-emptive rights, without prejudice to the possibility of delegating this power to the directors as provided by applicable law.

l) Deciding on matters submitted to the shareholders at the general meeting of shareholders by resolution of the Board of Directors.

m) Approving director remuneration policy as provided by applicable law and deciding on the application of consistent remuneration systems for the delivery of shares or rights to them, as well as any other compensation system referencing the value of Company shares regardless of who the beneficiary of the compensation systems may be.

n) Approving the acquisition, disposal or contribution of essential operating assets. For these purposes, an operating asset shall be presumed essential whenever the amount of the transaction exceeds 25% of the Company's assets as recorded in the previous balance sheet.

o) The transformation, merger, demerger or transfer of all the assets and liabilities of the Company and moving its registered offices abroad.

p) The dissolution of the Company and the approval of transactions that have the effect of winding up the Company.

q) The approval of the final winding up balance sheet.

r) The transfer of core activities previously carried out by the parent company to subsidiaries, even if the Company retains full control of the activities.

s) Deciding or voting on any other matter assigned to it under applicable law or the articles of association of the Company.

Also, as required by the Spanish Companies Act, the general meetings of shareholders shall vote separately on substantially independent matters. Even if included in the same item on the agenda, the following shall be voted separately: (i) the appointment, re-election, ratification or separation of directors; (ii) the advisory vote on the annual report on directors' remuneration; and (iii) in resolutions to amend the Bylaws, each substantially independent article or group of articles.

Each of our ordinary shares entitles the holder to one vote and there is no limit as to the maximum number of votes that may be cast by individual shareholders or by companies of the same group. Shareholders duly registered in the book-entry records maintained by Iberclear, and its member entities, five days prior to the day on which a general meeting of shareholders is scheduled and in the manner provided in the notice for the meeting are entitled to attend and vote at the meeting. The general meeting of shareholders notice shall indicate the date on which our ordinary shares must be held by a shareholder in order to participate and vote in a general meeting of shareholders. All shareholders have the right to attend the general meeting of shareholders regardless of the number of shares held.

Any of our ordinary shares may be voted by proxy. Proxies must be in writing or in electronic form acceptable under the Bylaws and are valid for a single general meeting of shareholders. Proxies may be given to any person, whether or not a shareholder. Proxies must specifically refer to a specific general meeting of shareholders. A proxy may be revoked by giving notice to the Company prior to the meeting or by the shareholder attending the meeting in person.

Proxy holders will be required to disclose any conflict of interest prior to their appointment. In the event a conflict of interest arises after the appointment, it must be immediately disclosed to the relevant shareholder. In both cases, the proxy holder shall not exercise the shareholder's rights unless the latter has given specific voting instructions for each resolution in respect of which the proxy holder is to vote on behalf of the shareholder. A conflict of interest in this context may in particular arise where the proxy holder is: (i) our controlling shareholder, or another entity controlled by such shareholder; (ii) a member of the Board of Directors, management or supervisory body of the Company, or of a controlling shareholder or another entity controlled by such shareholder; (iii) an employee or the auditor of the Company, or employee or auditor of a controlling shareholder or another entity controlled by such shareholder; or (iv) a natural person related to those mentioned in (i) to (iii) above.

A person acting as a proxy holder may hold a proxy from more than one shareholder without limitation as to the number of shareholders so represented. Where a proxy holder holds proxies from several shareholders, he or she will be able to cast votes for a shareholder differently from votes cast for another shareholder.

Entities appearing as holders of ordinary shares in the book-entry records but acting on behalf of different persons shall always be entitled to exercise voting rights in a divergent manner in order to comply with conflicting voting instructions received from their clients. These entities may also delegate voting rights to each of the indirect holders or their nominees, without limits on the number of delegations.

The Bylaws provide that, on the first call of an ordinary or extraordinary general meeting of shareholders, attendance in person or by proxy of shareholders representing at least 25% of the voting capital will constitute a quorum. If the meeting is not quorate on the first call, the meeting can be reconvened in second call (provided the meeting notice included both first and second call), which according to the Spanish Companies Act requires no quorum. The interval between the first and the second call for a general meeting of shareholders must be at least 24 hours.

However, a resolution in a general meeting of shareholders to increase or decrease our share capital or otherwise modify the Bylaws, issue bonds and securities whose competence is not legally attributed to any other corporate body of the Company, suppress or limit the pre-emptive subscription rights over new shares, transform, merge, spin off, globally assign our assets and liabilities, or transfer our registered address abroad, requires attendance in person or by proxy of shareholders representing at least 50% of our voting capital on first call, and attendance in person or by proxy of shareholders representing at least 25% of our voting capital on second call. In the case of attendance in person or by proxy of shareholders representing more than 50% of our voting capital, an absolute majority shall suffice to pass the aforementioned resolutions. On second call, and in the event that less than 50% of our voting capital attends in person or by proxy, such resolutions may only be passed upon the vote of shareholders representing two thirds of the attending share capital. Resolutions in all other cases are passed by a simple majority of the votes corresponding to the capital stock present or represented at such meeting.

Under the Spanish Companies Act, shareholders who voluntarily aggregate their shares so that the aggregated shareholding is equal to or greater than the result of dividing the total share capital by the number of directors have the right, provided there are vacancies on the Board of Directors, to appoint a corresponding proportion of the members of the Board of Directors (disregarding fractions). Shareholders who exercise this right may not vote on the appointment of other directors.

A resolution passed at a general meeting of shareholders is binding on all shareholders, although a resolution which is (i) contrary to law or the Bylaws or the internal regulations of the Company, or (ii) prejudicial to the interest of the Company and beneficial to one or more shareholders or third parties, may be challenged. Damage to the Company’s interest is also caused when the resolution, without causing damage to corporate assets, is imposed in an abusive manner by the majority. An agreement is understood to have been imposed in an abusive manner when, rather than responding reasonably to a corporate need, the majority adopts the resolution in their own interests and to the unjustifiable detriment of the other shareholders. In the case of listed companies, the required fraction of the Company’s share capital needed to be able to contest is 1/1000. The right to contest would apply to those who were shareholders at the time when the resolution was passed (provided they hold at least 0.1% of the share capital), directors and interested third parties. In the event of resolutions contrary to public order, the right to contest would apply to any shareholders (even if they acquired such condition after the resolution was passed), and any director or third party.

In certain circumstances (for example, a change or significant amendment of the corporate purpose, transformation or transfer of registered address abroad), the Spanish Companies Act gives dissenting or absent shareholders (including non-voting shareholders) the right to withdraw from the Company. If this right were exercised, the Company would be obliged to purchase the relevant shares at the average market price of the shares in the last quarter in accordance with the procedures established under the Spanish Companies Act.

Pre-emptive Rights and Increases of Share Capital

Pursuant to the Spanish Companies Act and the Bylaws, shareholders have pre-emptive rights to subscribe any new shares issued against monetary contributions and for any new bonds convertible into shares. Such pre-emptive rights may be excluded when so required by the corporate interest under special circumstances by a resolution passed at a general meeting of shareholders or by the Board of Directors (when the Company is listed and the general meeting of shareholders delegates to the Board of Directors the right to increase the capital stock or issue convertible bonds and exclude pre-emptive rights), in accordance with Articles

308, 417, 504, 505, 506 and 511 of the Spanish Companies Act. We do not have neither convertible nor exchangeable bonds outstanding and have not issued any warrants over our ordinary shares.

Also, holders of shares have the right of free allotment recognized in the Spanish Companies Act in the event of a share capital increase against reserves.

However, the pre-emptive rights, in any event, will not be available in an increase in share capital against non-cash contribution, by means of capitalization of credit rights, or to honor the conversion into shares of convertible bonds or in a merger in which shares are issued as consideration. Pre-emptive rights are transferable, may be traded on the SIB and may be of value to existing shareholders because new shares may be offered for subscription at prices lower than prevailing market prices.

The Board of Directors has been authorized by the general meeting of shareholders to issue new ordinary shares up to 50% of our share capital immediately following the Offering. The Board of Directors is also authorized to exclude pre-emptive rights in connection with the issuance of new ordinary shares representing up to 20% of the total number of issued and outstanding shares as of the date of the meeting, provided that such exclusion is in our corporate interest. In addition, the Board of Directors has been as well authorized for a term of five years to issue bonds that are convertible into ordinary shares and to disapply pre-emptive rights in connection with any such issuances subject to the same cumulative cap of 20% of the total number of issued and outstanding shares as of the date of the meeting.

There are no acquisition rights and or obligations over authorized but unissued capital or an undertaking to increase the share capital and there are no members of the Group, the share capital of which is under option or agreed conditionally or unconditionally to be put under option.

Shareholder Actions

Pursuant to the Spanish Companies Act, directors are liable to us, shareholders and creditors for any actions or omissions that are illegal or contravene the Bylaws and for failure to perform their legal and fiduciary duties diligently.

Subsequent ratification or approval of any such act or omission by the shareholders in a general meeting of shareholders does not forego directors' liability. Under Spanish law, liability of the directors is joint and several (*solidaria*), except to the extent any Director can demonstrate that he or she did not participate in the decision-making process related to the relevant act or omission, was unaware of its existence or if being aware of it, he or she used his or her best efforts to mitigate any damages to the Company or if he or she expressly disagreed with the decision-making relating to such act or omission.

Shareholders must generally bring actions against the directors as well as any other actions against the Company or challenging corporate resolutions before the courts of the judicial district of the Company's registered address (currently Molina de Segura, Murcia, Spain).

Registration and Transfers

The Company's ordinary shares are in registered book-entry form and indivisible. Joint holders of one share must designate a single person to exercise their rights, but they are jointly and severally (*solidariamente*) liable to the Company for all the obligations arising from their status as shareholders. Iberclear, which manages the Spanish clearance and settlement system of the Spanish Stock Exchanges, maintains the central registry reflecting the number of shares held by each of its member entities (*entidades participantes*). Each member entity, in turn, maintains a registry of the owners of such shares, provided that holders of shares may elect to open a direct account with Iberclear. The Company has the right to request from Iberclear the details of its shareholders, including their names, addresses and contact details.

The Shares are freely transferable in accordance with the Spanish Companies Act, the LMV and any implementing regulation.

As a general rule, transfers of shares quoted on the Spanish Stock Exchanges must be made through or with the participation of a member of a Spanish Stock Exchange. Brokerage firms, or dealer firms, Spanish credit entities, investment services entities authorized in other EU member states and investment services entities authorized by their relevant authorities and in compliance with the Spanish regulations are eligible to be members of the Spanish Stock Exchanges. See "*Market Information*". Transfer of shares quoted on the Spanish Stock Exchanges may be subject to certain fees and expenses.

Restrictions on Foreign Investment

Exchange controls and foreign investments are regulated under Law 19/2003, of July 4 ("**Law 19/2003**"), as amended pursuant to Royal Decree-Law 8/2020, of March 17, and Royal Decree-Law 11/2020, of March 31. Foreign investments are generally liberalized unless they fall within the scope of article 7 bis of Law 19/2003, enacted in March 2020.

Article 7 bis of Law 19/2003 establishes a screening mechanism for certain investments made by non-EU and non-EFTA residents, based on public order, public health and public security reasons (the "**Screening Mechanism**"). The Screening Mechanism aligns part of the Spanish foreign investment legal framework with Regulation (EU) 2019/452 of March 19, 2019 establishing a framework for the screening of foreign direct investments into the European Union. Certain provisions of Regulation (EU) 2019/452 ─such as the list of sectors affecting public order and public security or the definition of state-owned enterprises and other similar investors ─are mirrored in the regulations establishing the Screening Mechanism. Regulation (EU) 2019/452 is in force as of October 11, 2020 and adjustments to the Screening Mechanism could be required to comply with EU mandatory standards.

The Screening Mechanism can be summarized as follows:

- Under the ordinary procedure, prior authorization from the Spanish Council of Ministers (*Consejo de Ministros*) is required to close foreign direct investments subject to it. The legal term to issue a decision is six months.
- On a transitional basis, until the Screening Mechanism is further developed, a fast-track 30-day procedure, whose resolution is to be issued by a lower-tier authority (the General Directorate for International Trade and Investments─*Dirección General de Comercio Internacional e Inversiones*), applies for investments (i) agreed but not closed prior to March 18, 2020; and (ii) those below €5 million. Investments below €1 million are not subject to the Screening Mechanism.
- Under both the ordinary and fast-track procedures, the investment will be deemed unauthorized if the relevant authority does not respond to the authorization request within the corresponding legal term.

For the purposes of the Screening Mechanism, the following persons are deemed to be "foreign investors":

- non-EU and non-EFTA residents; and
- EU or EFTA residents beneficially owned by non-EU and non-EFTA residents. This occurs when non-EU and non-EFTA residents ultimately possess or control, directly or indirectly, more than 25% of the share capital or voting rights of the investor, or otherwise exercise control, directly or indirectly, over the investor.

Foreign direct investments are:

- investments that result in a foreign investor reaching a stake of at least 10% of the share capital of a Spanish company; and
- any corporate transaction, business action or legal transaction which enables effective participation in the management or control of a Spanish company.

Not all foreign direct investments are subject to the Screening Mechanism, as this will depend on: (i) the sector in which the target carries out its business; and (ii) the personal circumstances of the foreign investor, regardless of the business of the target.

Foreign direct investments in the following sectors are subject to the Screening Mechanism:

- Critical infrastructure, whether physical or virtual, including energy, transport, water, health, communications, media, data processing or storage, aerospace, defense, electoral or financial infrastructure, and sensitive facilities, as well as land and real estate crucial for the use of such infrastructure.

- Critical technologies and dual use items as defined in point 1 of Article 2 of Council Regulation (EC) No 428/2009, including artificial intelligence, robotics, semiconductors, cybersecurity, aerospace, defense, energy storage, quantum and nuclear technologies as well as nanotechnologies and biotechnologies.
- Supply of critical inputs, including energy or raw materials, as well as food security.
- Sectors with access to sensitive information, including personal data, or the ability to control such information.
- Media.
- Other sectors designated by the Spanish government from time to time that may affect public security, order or health.

Foreign direct investments by the following foreign investors are also subject to the Screening Mechanism, regardless of the business of the target:

- Investors directly or indirectly controlled by the government, including state bodies or armed forces, of a non EU/EFTA country.
- Investors that have already made an investment affecting national security, public order or public health in another EU Member State, including an investment in any of the above-mentioned sectors.
- Investors subject to ongoing judicial or administrative proceedings for engaging in illegal or criminal activities.

Gun jumping the Screening Mechanism will render the transaction invalid and without any legal effect, until the required authorization is obtained. In addition, fines up to the value of the investment could be imposed.

In addition, Royal Decree 664/1999, of April 23, establishes that non-Spanish foreign investors who are not resident in a tax haven are required to file a notification with the Spanish Registry of Foreign Investments following an investment or divestiture, if any, solely for statistical, economic and administrative purposes. Where the investment or divestiture is made in shares of Spanish companies listed on any of the Spanish Stock Exchanges, the duty to provide notice of a foreign investment or divestiture lies with the relevant entity with whom the shares (in book-entry form) have been deposited or which has acted as an intermediary in connection with the investment or divestiture.

If the foreign investor is a resident of a tax haven, as defined under Spanish law (Royal Decree 1080/1991, of July 5), notice must be provided to the Registry of Foreign Investments prior to making the investment, as well as after consummating the transaction. However, prior notification is not necessary in the following cases:

- investments in listed securities, whether or not trading on an official secondary market;
- investments in participations in investment funds registered with the CNMV; and
- foreign shareholdings that do not exceed 50.0% of the capital of the Spanish company in which the investment is made.

Additional regulations to those described above apply to investments in some specific industries, including air transportation, mining, manufacturing and sales of weapons and explosives for civil use and national defense, radio, television, telecommunications and gambling. These restrictions do not apply to investments made by EU residents, other than investments by EU residents in activities relating to the Spanish defense sector or the manufacturing and sale of weapons and explosives for non-military use.

Exchange Control Regulations

Pursuant to Royal Decree 1816/1991 of December 20 relating to economic transactions with non-residents, as amended by Royal Decree 1360/2011 of October 7, and EC Directive 88/361/EEC, charges, payments or transfers between non-residents and residents of Spain must be made through a registered entity, such as a bank or another financial institution registered with the Bank of Spain (*entidades registradas*), through bank accounts opened abroad with a foreign bank or a foreign branch of a registered entity, in cash or by check payable to bearer. All charges, payments or transfers which exceed €6,010 (or its equivalent in another currency), if made in cash or by check payable to bearer, must be notified to the Spanish exchange control authorities.

Shareholder Information Rights

From the publication of the general meeting of shareholders notice and up until five days before the meeting, shareholders may request the Board of Directors to provide any information or explanations that they deem appropriate, and may submit in writing or by email, questions they deem relevant on matters regarding the items on the agenda. In addition, upon the same prior notice and in the same manner, the shareholders may request in writing such clarifications as they deem are necessary regarding information available to the public that the Company has provided to the CNMV since the holding of the last general meeting of shareholders, and regarding the report submitted by the Company to the external auditor. The directors shall provide the requested information in writing by the day of the general meeting of shareholders.

During the course of the general meeting of shareholders, all shareholders may verbally request information or clarifications that they deem are necessary regarding the matters on the agenda or request clarifications regarding information available to the public that the Company has provided to the CNMV since the holding of the last general meeting of shareholders and regarding the report submitted by the Company's external auditor. If it were not possible to provide the requested information during the course of the meeting, the directors must provide the requested information in writing within seven days of the celebration of the general meeting of shareholders.

The directors will not be obliged to provide the requested information if it is deemed unnecessary for the recognition of the requesting shareholder's rights or if there are objective reasons to consider that the information is going to be used in detriment of our interests or that providing the requested information may harm us or our related companies; provided that, the requested information may not be withheld when the request is upheld by shareholders representing at least 25% of our share capital.

Reporting Requirements

Transactions affecting voting rights

Pursuant to Royal Decree 1362/2007 of October 19, any individual or legal entity which, by whatever means, purchases or transfers shares which grant voting rights in our Company, must notify us and the CNMV if, as a result of such transaction, the proportion of voting rights held by that individual or legal entity reaches, exceeds or falls below a threshold of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 60%, 70%, 75%, 80% and 90% of the total voting rights.

The individual or legal entity obliged to carry out the notification must serve the notification by means of the form approved by the CNMV, within four trading days from the date on which the individual or legal entity acknowledged or should have acknowledged the circumstances that generated the obligation to notify (Royal Decree 1362/2007 deems that the obliged individual or legal entity should have acknowledged the aforementioned circumstance within two trading days from the date on which the transaction was entered into, regardless of the date on which the transaction takes effect).

The reporting requirements apply not only to the purchase or transfer of shares, but also to those transactions in which, without a purchase or transfer, the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the threshold that triggers the obligation to report as a consequence of a change in the total number of voting rights of a company on the basis of the information reported to the

CNMV and disclosed by it. In such a case, the transaction is deemed to be acknowledged within two trading days from the date of publication of the other relevant information notice (*comunicación de otra información relevante*) regarding such transaction.

Should the individual or legal entity effecting the transaction be a non-resident of Spain, notice must also be given to the Spanish Registry of Foreign Investments maintained by the General Bureau of Commerce and Investments. See "*Restrictions on Foreign Investment*" above.

Regardless of the actual ownership of the shares, any individual or legal entity with a right to acquire, transfer or exercise voting rights granted by the shares, and any individual or legal entity which acquires, transfers or holds, whether directly or indirectly, other securities or financial instruments which grant a right to acquire shares with voting rights, will also have an obligation to notify the Company and the CNMV of the holding of a significant stake in accordance with the applicable regulations set out above.

Should the person or group effecting the transaction be resident in a tax haven (as defined in Royal Decree 1080/1991 of July 5), the threshold that triggers the obligation to disclose the acquisition or transfer of the Shares is reduced to 1% (and successive multiples thereof).

All members of the Board of Directors must report to both the Company and the CNMV any percentage or number of voting rights in the Company held by them at the time of becoming or ceasing to be a member of the Board of Directors within five trading days. Furthermore, all members of the Board of Directors must report any change in the percentage of voting rights they hold, regardless of the amount, as a result of any acquisition or disposition of the shares or voting rights, or financial instruments which carry a right to acquire or dispose of shares which have voting rights attached, including any stock based compensation that they may receive pursuant to any of our compensation plans. Members of our Senior Management must also report any stock based compensation that they may receive pursuant to any of our compensation plans or any subsequent amendment to such plans. See section "*Management and Board of Directors*" for information on the ordinary shares held by members of the Board of Directors, Senior Management, and members of our administrative, supervisory or management bodies.

Disclosure requirements applicable to persons discharging managerial responsibilities

Pursuant to Article 19 of MAR (as defined below), persons discharging managerial responsibilities and any persons closely associated with them must similarly report to us and the CNMV any acquisition or disposal of our ordinary shares, derivative or financial instruments linked to our ordinary shares, regardless of the size of the relevant transaction, within three business days after the date the transaction is made, provided that transactions carried out by the relevant person within the calendar year reach €5,000 in the aggregate or the increased threshold set forth by the relevant competent authority as permitted by Article 19 of MAR. In this regard, pursuant to Royal Decree-Law 19/2018, the LMV increased such threshold raising the referred amount up to €20,000 in the aggregate. The notification of the transactions must include particulars of, among others, the type of transaction, the date of the transaction and the market in which the transactions were carried out, the number of shares traded and the price paid.

Article 3.(25) of MAR defines persons discharging managerial responsibilities as a person within an issuer who is either (a) a member of the administrative, management or supervisory body of the issuer, or (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to the issuer and power to take managerial decisions affecting the future developments and business prospects of the issuer.

In certain circumstances established by Royal Decree 1362/2007, the notification requirements on the acquisition or transfer of shares also apply to any person or legal entity that, directly or indirectly, and independently of the ownership of the shares or financial instruments, may acquire, transmit or exercise the voting rights granted by those shares or financial instruments, provided that the aggregated proportion of voting rights reaches, increases above or decreases below, the percentages set forth by Spanish law.

Moreover, pursuant to Article 30.6 of Royal Decree 1362/2007, in the context of a takeover bid, the following transactions should be notified to the CNMV: (i) any acquisition reaching or exceeding 1% of the voting rights of the Company, and (ii) any increase or decrease in the percentage of voting rights held by holders of 3% or more of the voting rights in the Company. The CNMV will immediately make public this information.

Shareholders Agreements

The LMV and Articles 531, 533 and 535 of the Spanish Companies Act require parties to disclose certain types of shareholders agreements that affect the exercise of voting rights at a general meeting of shareholders or contain restrictions or conditions on the transferability of shares or bonds that are convertible or exchangeable into shares of listed companies.

If the shareholders enter into such agreements with respect to the Company's shares, they must disclose the execution, amendment or extension of such agreements to the Company and to the CNMV, file such agreements with the appropriate commercial registry and publish them through an other relevant information notice (*comunicación de otra información relevante*). Failure to comply with these disclosure obligations renders any such agreement unenforceable and constitutes a violation of the LMV.

The agreement will have no effect with respect to the regulation of the right to vote in general meetings of shareholders and restrictions or conditions on the free transferability of shares and bonds convertible into shares until such time as the aforementioned notifications, filings and publications are made.

Upon request by the interested parties, the CNMV may waive the requirement to report, file and publish the agreement when publishing the agreement could cause harm to the affected company.

For shareholders agreements existing as of the date of this Prospectus, see section "*Principal Shareholders—Shareholders Agreements*".

Net Short Positions

In accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps (the "**Short Selling Regulation**") (as further supplemented by several delegated regulations regulating technical aspects necessary for its effective enforceability and to ensure compliance with its provisions), net short positions on shares listed on the Spanish Stock Exchanges equal to, or in excess of, 0.2% of the relevant issuer's share capital and any increases or reductions thereof by 0.1% are required to be disclosed to the CNMV.

If the net short position reaches 0.5%, and also at every 0.1% above that, the CNMV will disclose the net short position to the public. The Short Selling Regulation restricts uncovered short sales in shares, providing that a natural or legal person may enter into a short sale of a share admitted to trading on a trading venue only where one of the conditions established in Article 12 of the Short Selling Regulation has been fulfilled.

The notification or disclosure mentioned above shall be made not later than at 3:30 p.m. (CET) on the following trading day.

Notification is mandatory even if the same position has been already notified to the CNMV in compliance with transparency obligations previously in force in that jurisdiction.

The information to be disclosed is set out in Table 1 of Annex I of Delegated Regulation 826/2012, according to the format approved as Annex II of this Regulation. The information will be published, where appropriate, on a web page operated or supervised by the CNMV.

Moreover, pursuant to the Short Selling Regulation, where the CNMV considers that (i) there are adverse events or developments that constitute a serious threat to financial stability or to market confidence (such as: serious financial, monetary or budgetary problems, which may lead to financial instability, unusual volatility causing significant downward spirals in any financial instrument, etc.); and (ii) the measure is necessary and will not be disproportionately detrimental to the efficiency of financial markets in view of the advantages sought, it may, following consultation with the ESMA, take any one or more of the following measures:

- impose additional notification obligations by either (a) reducing the thresholds for the notification of net short positions in relation to one or several specific financial instruments; and/or (b) requesting the parties involved in the lending of a specific financial instrument to notify any change in the fees requested for such lending; and
- restrict short selling activity by either prohibiting or imposing conditions on short selling.

On March 16, 2020, pursuant to the authority granted by Regulation 236/2012, and in the context of the Coronavirus Pandemic, the CNMV issued a decision to temporarily ban transactions on securities and financial instruments that create or increase a net short position on shares of Spanish companies listed on Spanish equity markets. This ban applied from March 17 until May 18, 2020.

In addition, according to Short Selling Regulation, where the price of a financial instrument has fallen significantly during a single day in relation to the closing price on the previous trading day (10% or more in the case of a liquid share), the CNMV may prohibit or restrict short selling of financial instruments for a period not exceeding the end of the trading day following the trading day on which the fall in price occurs.

Finally, the Short Selling Regulation also vests powers to ESMA enabling it to take measures similar to the ones described above in exceptional circumstances, when the purpose of these measures is to deal with a threat affecting several EU member states and the competent authorities of these member states have not taken adequate measures to address it.

In that regard, on March 16, 2020, ESMA temporarily lowered the initial notification threshold of net short positions in relation to the issued share capital of companies to which Regulation (EU) No. 236/2012 applies from 0.2% to 0.1% of the relevant issuer's share capital for a three month period ending on June 17, 2020. Such measure has been subsequently extended by ESMA through several ensuing decisions until, for the time being, December 18, 2020.

Share Repurchases

Pursuant to the Spanish Companies Act, we may only repurchase our own shares within certain limits and in compliance with the following requirements:

- the repurchase must be authorized by the general meeting of shareholders in a resolution establishing the maximum number of shares to be acquired, the ownership title for the acquisition, the minimum and maximum acquisition price and the duration of the authorization, which may not exceed five years from the date of the resolution;
- the repurchase, including the shares already acquired and currently held by us, or any person or company acting in our own name but on our behalf, must not bring the net worth of the Company (*patrimonio neto*) below the aggregate amount of the share capital and legal or non-distributable reserves. For these purposes, net worth means the amount resulting from the application of the criteria used to draw up the financial statements, subtracting the amount of profits directly allocated to such net worth, and adding the amount of share capital subscribed but not called and the share capital par value and issue premium recorded in the accounts as liabilities;
- the aggregate value of the shares directly or indirectly repurchased, together with the aggregate par value of the ordinary shares already held by us, must not exceed 10% of our share capital; and
- shares repurchased for valuable consideration must be fully paid-up. A repurchase shall be considered null and void if (i) the shares are partially paid-up, except in the case of free repurchase, or (ii) the shares entail ancillary obligations.

Treasury shares lack voting and economic rights (for example, the right to receive dividends and other distributions and liquidation rights). Such economic rights except the right to receive bonus shares, will accrue proportionately to all the shareholders. Treasury shares are counted for purposes of establishing the quorum for general meetings of shareholders as well as majority voting requirements to pass resolutions at general meetings of shareholders.

Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse ("**MAR**"), repealing, among others, Directive 2003/6/EC of the European Parliament and the European Council of January 28 on insider dealing and market manipulation, establishes rules in order to ensure the integrity of the European Community financial markets and to enhance investor confidence in those markets. This regulation maintains an exemption from the market manipulation rules regarding share buy-back programs by companies listed on a stock exchange in an EU Member State. Regulation 2016/1052 implements MAR with regard to the regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. According to the provisions included in Regulation 2016/1052, in order to benefit from the exemption, an issuer implementing a buy-back program must comply with the following requirements:

a) Prior to the start of trading in a buy-back program, the issuer must ensure the adequate disclosure of the following information:

   i. The purpose of the program. According to Article 5.2 of MAR, the buy-back program must have as its sole purpose (a) to reduce the capital of the issuer; (b) to meet obligations arising from debt financial instruments convertible into equity instruments; or (c) to meet obligations arising from share option programs, or other allocations of shares, to employees or to members of the administrative, management or supervisory bodies of the issuer or of an associate company;

   ii. The maximum pecuniary amount allocated to the program;

   iii. The maximum number of shares to be acquired; and

   iv. The period for which authorization for the program has been granted.

b) The issuer must ensure that the transactions relating to the buy-back program meet the conditions included on Article 3 of Regulation 2016/1052. Specifically, the issuer must ensure that the purchase price is not higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out. Furthermore, issuers must not purchase on any trading day more than 25% of the average daily volume of shares on the corresponding trading venue.

c) Issuers shall not, for the duration of the buy-back program, engage on (a) selling of own shares; (b) trading during the closed periods referred to in Article 19.11 of MAR; and (c) trading where the issuer has decided to delay the public disclosure of inside information.

CNMV Circular 1/2017, dated April 26, on liquidity contracts entered into by issuers with financial institutions for the management of its treasury shares, as amended by CNMV Circular 2/2019, dated November 27, governs the disclosure requirements by issuers and the rules of conduct to be followed by financial intermediaries when trading under a liquidity agreement for these trades to benefit from the safe harbor provided by such Circular and qualify as an accepted market practice for the purposes of MAR.

If an acquisition or series of acquisitions of the Company's ordinary shares reaches or exceeds or causes our and our affiliates' holdings to reach or exceed 1% of the voting shares, the Company must notify its final holding of treasury shares to the CNMV. If such threshold is reached as a result of a series of acquisitions, such reporting obligation will only arise after the closing of the acquisition which, taken together with all acquisitions made since the last of any such notifications, causes our and our affiliates' holdings to exceed 1% of the voting shares. Sales and other transfers of the treasury shares will not be deducted in the calculation of such threshold. This requirement would also apply if the shares were acquired by one of our majority-owned subsidiaries.

Moreover, pursuant to Spanish Companies Act, the audited financial statements of a company must include a reference to any treasury shares.

MARKET INFORMATION

Prior to the Offering, there has been no public market for our ordinary shares. We will apply to list our ordinary shares on the Spanish Stock Exchanges and to have them quoted on the Automated Quotation System (*Sistema de Interconexión Bursátil or Mercado Continuo*) (the "**SIB**" or "**Mercado Continuo**") of the Spanish Stock Exchanges. The Spanish securities market for equity securities comprises four stock exchanges located in Barcelona, Bilbao, Madrid and Valencia. We expect that our ordinary shares (including the Shares offered hereby) will be listed on the Spanish Stock Exchanges and quoted on the SIB on or about October 29, 2020 under the symbol "SOL".

SIB

The SIB links the four Spanish Stock Exchanges, providing those securities listed on it with a uniform continuous market that eliminates certain of the differences between the local exchanges. The principal feature of the system is the computerized matching of bid and offer orders at the time of entry of the relevant order. Each order is executed as soon as a matching order is entered, but can be modified or cancelled until it is executed. The activity of the market can be continuously monitored by investors and brokers. The SIB is operated and regulated by Sociedad de Bolsas, S.A. ("**Sociedad de Bolsas**"), a company owned by the companies that manage the Spanish Stock Exchanges. All trades on the SIB must be placed through a brokerage firm, a dealer firm or a credit entity that is a member of a Spanish Stock Exchanges.

In a pre-opening session held from 8:30 a.m. to 9:00 a.m. (CET) each trading day, an opening price is established for each security traded on the SIB based on a real-time auction in which orders can be entered, modified or cancelled but not executed. During this pre-opening session, the system continuously displays the price at which orders would be executed if trading were to begin at that moment. Market participants only receive information relating to the auction price (if applicable) and trading volume permitted at the current bid and offer price. If an auction price does not exist, the best bid and offer price and associated volumes are shown. The auction terminates with a random period of 30 seconds in which share allocation takes place. Until the allocation process has finished, orders cannot be entered, modified or cancelled. In exceptional circumstances (including the admission of new securities on the SIB) and after giving notice to the CNMV, Sociedad de Bolsas may establish an opening price without regard to the reference price (the previous trading day's closing price), alter the price range for permitted orders with respect to the reference price and modify the reference price.

The computerized trading hours, known as the open session, are from 9:00 a.m. to 5:30 p.m. (CET). During the trading session, the trading price of a security is permitted to vary up to a maximum so-called 'static' range of the reference price, provided that the trading price for each trade of such security is not permitted to vary in excess of a maximum so-called 'dynamic' range with respect to the trading price of the immediately preceding trade of the same security. If, during the trading session, there are matching bid and offer orders for a security within the computerized system which exceed any of the above 'static' or 'dynamic' ranges, trading on the security is automatically suspended and a new auction is held where a new reference price is set, and the 'static' and 'dynamic' ranges will apply over such new reference price. The 'static' and 'dynamic' ranges applicable to each particular security are set up and reviewed periodically by Sociedad de Bolsas.

Information with respect to the computerized trades which take place between 9:00 a.m. and 5:30 p.m. (CET) is made public immediately, and information with respect to trades which occur outside the computerized matching system is reported to the Sociedad de Bolsas by the end of the trading day and is also published in the Stock Exchange Official Gazette (*Boletín de Cotización*) and on the computer system by the beginning of the next trading day.

Clearing, Settlement and Book-entry System

The Spanish clearing, settlement and book-entry system was adapted by Law 11/2015 of June 18 on the recovery and resolution of credit institutions and investment firms (*Ley 11/2015, de 18 de junio, sobre recuperación y resolución de entidades de crédito y empresas de servicios de inversión*) and Royal Decree 878/2015 of October 2 to the provisions set forth in Regulation (EU) No 909/2014 of the European

Parliament and of the Council of July 23, 2014 on improving securities settlement in the EU and on central securities depositaries, amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012. Following the implementation of this reform, transactions carried out on the SIB continue to be settled by Iberclear, as central securities depositary, and are cleared by BME Clearing, S.A., as central counterparty ("**CCP**"). Investors are urged to contact their agent or custodian in Spain as soon as possible to make the arrangements necessary for registering the shares in their name on the Subscription Date.

Iberclear and the CCP are owned by Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A., a holding company which also holds a 100% interest in each of the Spanish official secondary markets.

Shares of listed Spanish companies are represented in book-entry form. The book-entry system is a two-tier level registry: the keeping of the central book-entry register corresponds to Iberclear and the keeping of the detail records correspond to the participating entities in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies that are authorized to render custody and administration of financial instruments, (iii) the Bank of Spain, (iv) the General Administration and the General Social Security Treasury, (v) other duly authorized central securities depositaries and central clearing counterparties and (vi) other public institutions and private entities when expressly authorized to become a participating entity in central securities depositaries.

The central registry managed by Iberclear reflects: (i) one or several proprietary accounts which will show the balances of the participating entities' proprietary accounts; (ii) one or several general third-party accounts that will show the overall balances that the participating entities hold for third parties; (iii) individual accounts opened in the name of the owner, either individual or legal person; and (iv) individual special accounts of financial intermediaries which use the optional procedure of settlement of orders. Each participating entity, in turn, maintains the detail records of the owners of such shares.

According to the above, Spanish law considers the owner of the shares to be:

(i) the participating entity appearing in the records of Iberclear as holding the relevant shares in its own name;

(ii) the investor appearing in the records of the participating entity as holding the shares; or

(iii) the investor appearing in the records of Iberclear as holding shares in a segregated individual account.

BME Clearing is the CCP in charge of the clearing of transactions closed on the Spanish Stock Exchanges. BME Clearing interposes itself on its own account as seller in every purchase and as buyer in every sale. It calculates the buy and sell positions *vis-à-vis* the participants designated in such buy or sell instructions. The CCP then generates and sends to Iberclear the relevant settlement instructions.

The settlement and book-entry registration platform managed by Iberclear, which operates under the trade name of ARCO, receives the settlement instructions from BME Clearing and forwards them to the relevant participating entities involved in each transaction. ARCO operates under a T+2 settlement standard, by which any transactions must be settled within two business days following the date on which the transaction was completed.

Obtaining legal title to shares of a company listed on the Spanish Stock Exchanges requires the participation of a Spanish official stockbroker, broker-dealer or other entity authorized under Spanish law to record the transfer of shares. To evidence title to shares, at the owner's request, the relevant participating entity must issue a legitimation certificate (*certificado de legitimación*). If the owner is a participating entity or a person holding shares in a segregated individual account, Iberclear is in charge of the issuance of the certificate regarding the shares held in its name.

Euroclear and Clearstream, Luxembourg

Shares deposited with depositaries for Euroclear Bank, S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, Société Anonyme ("**Clearstream**"), and credited to the respective securities clearance account of purchasers in Euroclear or Clearstream against payment to Euroclear or Clearstream, will be held in accordance with the Terms and Conditions Governing Use of Euroclear and Clearstream, the operating procedures of the Euroclear System (as amended from time to time), the Management Regulations of Clearstream and the Instructions to Participants of Clearstream (as amended from time to time), as applicable. Subject to compliance with such regulations and procedures, those persons on whose behalf accounts are kept at Euroclear or Clearstream and to whom shares have been credited ("**investors**"), will be entitled to receive a number of shares equal to that amount credited in their accounts.

With respect to shares deposited with depositaries for Euroclear or Clearstream, such shares will be initially recorded in the name of Euroclear or one of its nominees or in the name of Clearstream or one of its nominees, as the case may be. Thereafter, investors may withdraw shares credited to their respective accounts if they wish to do so, upon payment of the applicable fees, if any, and once the relevant recording in the book-entry records kept by the members of Iberclear has occurred.

Under Spanish law, only the holder of record in Iberclear's registry is entitled to dividends and other distributions and to exercise voting, pre-emptive and other rights in respect of such shares. Euroclear (or its nominees) or Clearstream (or its nominees) will, respectively, be the sole record holders of the shares that are deposited with any depositaries for Euroclear and Clearstream until investors exercise their rights to withdraw such shares and record their ownership rights over the shares in the book-entry records kept by the members of Iberclear.

Cash dividends or cash distributions, as well as stock dividends or other distributions of securities, received in respect of the shares that are deposited with the depositories for Euroclear and Clearstream will be credited to the cash accounts maintained on behalf of the investors at Euroclear and Clearstream, as the case may be, after deduction of any applicable withholding taxes, in accordance with the applicable regulations and procedures of Euroclear and Clearstream. See "*Taxation*".

Euroclear and Clearstream will endeavor to inform investors of any significant events of which they become aware affecting the shares recorded in the name of Euroclear (or its nominees) and Clearstream (or its nominees) and requiring action to be taken by investors. Each of Euroclear and Clearstream may, at its discretion, take such action, as it shall deem appropriate in order to assist investors in exercising their voting rights in respect of the shares. Such actions may include: (i) acceptance of instructions from investors to grant or to arrange for the granting of proxies, powers of attorney or other similar certificates for delivery to the Company, or its agent; or (ii) exercise by Euroclear or its nominees and Clearstream or its nominees of voting rights in accordance with the instructions provided by investors.

In case the Company offers or causes to be offered to Euroclear (or its nominees) and Clearstream or its nominees, acting in their capacity as record holders of the ordinary shares deposited with the depositaries for Euroclear and Clearstream, respectively, any rights to subscribe for additional shares or rights of any other nature, each of Euroclear and Clearstream will, respectively, endeavor to inform investors of the terms of any such rights of which it becomes aware in accordance with the applicable provisions in the aforementioned regulations and procedures. Such rights will be exercised, insofar as practicable and permitted by applicable law, according to written instructions received from investors, or, alternatively, such rights may be sold and, in such event, the net proceeds to be received by the Company from the Offering will be credited to the cash account maintained on behalf of the investor with Euroclear or Clearstream.

Tender offers

Tender offers are governed in Spain by Articles 128 et seq. of the LMV and Royal Decree 1066/2007 of July 27 (*Real Decreto 1066/2007, de 27 de julio, de régimen de las ofertas públicas de adquisición de valores*) which implement Directive 2004/25/EC of the European Parliament and of the Council of April

21, 2004. Other than the referred tender offer regulation, there is no other special regulation in Spain that may govern mandatory tender offers over the ordinary shares of the Company.

Tender offers in Spain may qualify as either mandatory or voluntary.

Mandatory tender offers must be launched for all the shares of the target company and all other securities that might directly or indirectly entitle a holder thereof to acquire or subscribe such shares (including, without limitation, convertible and exchangeable notes) at an equitable price, and not subject to any conditions, when any person or entity acquires control of a Spanish listed company, whether such control is obtained:

- by means of the acquisition of shares or other securities that directly or indirectly entitle a holder thereof to subscribe or acquire voting shares in such company;
- through shareholder agreements with shareholders or other holders of such securities; or
- as a result of other situations of equivalent effect as provided in the applicable Spanish regulation on tender offers (which constitute indirect control acquired through mergers, share capital decreases or changes in the target's treasury shares).

A person or entity is deemed to have control over a target company, either individually or jointly with other parties acting in concert, whenever:

- it acquires, directly or indirectly, a percentage of the company's voting rights equal to or greater than 30%; or
- it has acquired a percentage that is less than 30% of the voting rights and appoints, during the 24-month period following the date of acquisition of such percentage, a number of directors that, together with those already appointed by it (if any), represents more than half of the members of the target company's board of directors. The Spanish regulation on tender offers also sets forth certain situations where directors are deemed to have been appointed by the bidder or persons acting in concert therewith unless evidence to the contrary is provided.

For the purposes of calculating the percentages of voting rights acquired, the Spanish regulation establishes the following rules:

- percentages of voting rights corresponding to: (i) companies belonging to the same group as the bidder; (ii) members of the board of directors of the bidder or of companies of its group (unless evidence to the contrary is provided); (iii) persons acting in concert with or on behalf of the bidder; (iv) voting rights which may be exercised freely and over an extended period by the bidder under proxy granted by the actual holders or owners of such rights, in the absence of their specific instructions with respect thereto; and (v) shares held by a nominee (such nominee being a third party whom the bidder totally or partially covers against the risks related to acquisitions or transfers of the shares or the possession thereof), will be deemed to be held by the bidder;
- both the voting rights arising from the ownership of shares and those enjoyed under a usufruct or pledge or under any other contractual title, will also be deemed to be held by the bidder;
- the percentage of voting rights shall be calculated based on the entire number of the company's shares with voting rights, even if the exercise of such rights has been suspended. Treasury stock held directly or indirectly by the target company (according to the information available on the date of calculation of the percentage of voting rights held by the bidder) shall be excluded from the calculation. Non-voting shares shall be taken into consideration only when they carry voting rights pursuant to applicable law; and
- acquisitions of securities or other financial instruments which entitle the holder to the subscription, conversion, exchange or acquisition of shares which carry voting rights will not result in the obligation to launch a tender offer until such subscription, conversion, exchange or acquisition occurs.

Notwithstanding the foregoing, upon the terms established in the applicable Spanish regulation on tender offers, the CNMV will conditionally exempt a person or entity from the obligation to launch a mandatory bid when another person or entity not acting in concert with the potential bidder, directly or indirectly holds an equal or greater voting percentage in the target company.

Spanish regulations establish certain exceptions where control is obtained but no mandatory tender offer is required, including, among others:

- Subject to the CNMV's approval, acquisitions or other transactions resulting from the conversion or capitalization of claims into shares of listed companies if their financial feasibility is subject to serious and imminent danger provided that such transactions are intended to ensure the company's financial recovery in the long term. The approval of the CNMV will not be required if the acquisition takes place in the context of a refinancing agreement under the restated text of the Insolvency Act approved by Royal Legislative Decree 1/2020, dated May 5.
- In the event of a merger, provided that those acquiring control did not vote in favor of the merger at the relevant general meeting of shareholders of the target company and provided also that it can be shown that the primary purpose of the transaction is not the takeover but an industrial or corporate purpose.
- When control has been obtained after a voluntary bid for all of the securities, if either the bid has been made at an equitable price or has been accepted by holders of securities representing at least 50% of the voting rights to which the bid was directed (excluding voting rights already held by the bidder and those belonging to shareholders who entered into an agreement with the bidder regarding the tender offer).

The price of the mandatory tender offer is deemed to be equitable when it is at least equal to the highest price paid by the bidder or any person acting in concert therewith for the same securities during the twelve months preceding the announcement of the tender offer. Other rules used to calculate such equitable price are set forth in the applicable Spanish regulation. However, the CNMV may change the price determined pursuant to such rules in certain circumstances (such as, extraordinary events affecting the price or evidence of market manipulation).

Mandatory offers must be launched as soon as possible and at any event within one month from the acquisition of the control of the target company.

Voluntary tender offers may be launched in those cases in which a mandatory offer is not legally required. Voluntary offers are subject to the same rules established for mandatory offers except for the following:

- they might be subject to certain conditions (such as amendments to the bylaws or adoption of certain resolutions by the general meeting of shareholders of the target company, acceptance of the offer by a minimum number of shares of the target company, approval of the offer by the general meeting of shareholders of the bidder; and any other condition deemed by the CNMV to be in accordance with law), provided that the fulfillment of such conditions may be verified by the end of the offer acceptance period; and
- they may be launched at a price other than an equitable price.

Notwithstanding the foregoing, by way of exception, the price in a voluntary tender offer must be the higher of (i) the equitable price and (ii) the price resulting from an independent valuation report, and must at least consist of cash as an alternative if certain circumstances have occurred during the two years prior to the announcement of the offer (basically, the trading price for the shares being affected by price manipulation practices, market or share prices being affected by natural disasters, force majeure, or other exceptional events, or the target company being subject to expropriation or confiscation resulting in significant impairment of the target company's real value).

The Spanish regulation on tender offers sets forth further relevant provisions, including, among others:

- the board of directors of the target company will be exempt from the prohibition to carry out frustrating or defensive actions against a foreign bidder provided the latter's board of directors is not subject to equivalent passivity rules and subject to prior approval by the company's general meeting of shareholders within the 18-month period before the date of the public announcement of the tender offer;
- defensive measures included in a listed company's bylaws and transfer and voting restrictions included in agreements among a listed company's shareholders will remain in place whenever the company is the target of a tender offer, unless the shareholders decide otherwise (in which case any shareholders whose rights are diluted or otherwise adversely affected shall be entitled to compensation at the target company's expense); and
- squeeze-out and sell-out rights will apply provided that following a mandatory tender offer (or as a result of a voluntary offer for all of the target's share capital) the bidder holds shares representing at least 90% of the target company's voting share capital and the tender offer has been accepted by the holders of securities representing at least 90% of the voting rights over which the offer was launched.

The Company has never been the target of a tender offer by a third-party bidder over the ordinary shares of the Company.

PLAN OF DISTRIBUTION

General Overview of the Offering

We are offering New Offered Shares in the Offering as is required to raise gross proceeds of approximately €150 million. In addition, the Offering may be increased by a number of Additional Shares of the Company representing up to 10% of the New Offered Shares to be sold by the Selling Shareholder in the event that the Stabilization Manager exercises the Over-allotment Option (see "*Reasons for the Offering and Use of Proceeds*", "*Principal Shareholders*" and "*Over-allotment Option*").

The Offering is distributed in the following two tranches:

(i) Non-Qualified Investors Tranche: addressed to the Relevant Employees, Relevant Sales Employees and Related Investors (collectively, the "**Non-Qualified Investors**");

(ii) Qualified Investors Tranche: directed to qualified investors inside and outside of Spain, including a private placement in the United States to QIBs as defined in Rule 144A under the U.S. Securities Act, in reliance of such Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Tentative calendar of the Offering

We expect that the calendar of the Offering will be as follows:

Event	Date [(1)]
Approval and registration of this Prospectus with the CNMV	October 15, 2020
Commencement of the Orders Period for Non-Qualified Investors	October 16, 2020
Commencement of the Book-building..	October 16, 2020
Finalization of the Orders Period for Non-Qualified Investors	October 22, 2020
Non-Qualified Investors Tranche final sizing and allocations of Non-Qualified Investors Shares to Non-Qualified Investors...	October 27, 2020
Finalization of the Book-building	October 27, 2020
Setting of the Offering Price[(2)] and the Employees Offering Price[(3)]	October 27, 2020
Execution of the Underwriting Agreement	October 27, 2020
Publication of an inside information notice (*comunicación de información privilegiada*) with the Offering Price[(2)] and the Employees Offering Price[(3)] ...	October 27, 2020
Allocations of Qualified Investors Shares to Qualified Investors	October 27, 2020
Prefunding of New Offered Shares by the Senior Joint Global Coordinator	October 28, 2020
Granting of the public deed of share capital increase......................................	October 28, 2020
Filing and registration of the public deed of share capital increase with the Commercial Registry..	October 28, 2020
Transaction Date and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 28, 2020
Admission and commencement of Stabilization Period (on or about)	October 29, 2020
Settlement Date (on or about)	October 30, 2020
End of Stabilization Period (no later than)	November 27, 2020

(1) Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding other relevant information notice (*comunicación de otra información relevante*) with the CNMV.
(2) Offering Price refers to the price of the Qualified Investors Shares and the Related Investors Shares.
(3) Employees Offering Price refers to the price of the Employees Shares and the Sales Commission Shares.

Non-Qualified Investors Tranche

The Non-Qualified Investors Tranche shall consist of an amount of New Offered Shares (the "**Non-Qualified Investors Shares**") which shall not exceed the greater of: (i) 2% of the New Offered Shares (thus, not including the Additional Shares) and (ii) €3 million, after application of the Employee Discount (as defined below), as applicable to the Relevant Employees and Relevant Sales Employees (the "**Non-Qualified Investors Tranche Maximum Amount**").

If the total amount of orders placed under the Non-Qualified Investors Tranche fail to cover the Non-Qualified Investors Tranche Maximum Amount, the remainder will be considered Qualified Investors Shares for all purposes in the Offering. Conversely, if after the conclusion of the Order Period (as defined below) there is an oversubscription of the Non-Qualified Investors Tranche (that is, the amount of orders placed by Non-Qualified Investors exceeds the Non-Qualified Investors Tranche Maximum Amount), then the allocation of shares amongst Non-Qualified Investors shall be made in accordance with the rules described under section—*Common features of the Non-Qualified Investor Sub-Tranches. Allocation of orders amongst the Non-Qualified Investor Sub-Tranches*.

The Non-Qualified Investors Tranche is divided into three sub-tranches: the Employees Sub-Tranche, the Sales Employees Sub-Tranche and the Related Investors Sub-Tranche. All orders from Relevant Employees, Relevant Sales Employees and Related Investors (as defined below) shall comply with certain requirements as described below.

Employees Sub-Tranche

We are initially offering to certain employees (the "**Relevant Employees**") certain Non-Qualified Investors Shares (the "**Employees Shares**"). The Relevant Employees will be entitled to place orders to subscribe Employees Shares (each, an "**Employee Order**") for a minimum amount of €500 (the "**Minimum Employee Order Amount**"). There is no maximum amount for Employee Orders in the Employees Sub-Tranche, subject to the limit of the Non-Qualified Investors Tranche Maximum Amount.

In order to qualify as a Relevant Employee, the employee needs to be, as of the date of this Prospectus, on the payroll of one of the following Spanish companies of the Group: Soltec Power Holdings, S.A., Soltec Energías Renovables, S.L., Powertis, S.A. or Soltec Innovations, S.L. The total number of employees that qualify as Relevant Employees amounts to 143. The Offering is not addressed to employees of any other Group company and is limited to employees in Spain, with the exception of four employees of other Group companies resident in Brazil, Chile and Mexico. Relevant Employees must hold a cash account and a securities account with any of the Joint Global Coordinators, into which they must make a cash deposit or transfer an amount equal to the amount in euros expressed in their Employee Order.

The Employees Shares will be subscribed by the Relevant Employees at the lower of: (i) the high-end of the Offering Price Range, after application of the Employee Discount, as defined below (the "**Employees Maximum Offering Price**"), or (ii) the Offering Price, after application of the Employee Discount, which will be determined and announced by the Company through an inside information notice (*comunicación de información privilegiada*) concurrently with the announcement of the Offering Price (the "**Employees Offering Price**") on or about October 27, 2020.

The "**Employee Discount**" consists of a 10% discount.

In consideration for the Employees Discount, each Relevant Employee acquiring Employees Shares will agree in the relevant contractual and subscription documentation to a lock-up period of 365 days (starting on the date of Admission, which is expected to occur on or about October 29, 2020) (the "**Employees Lock-up Period**") during which the disposal of the relevant Employees Shares will be subject to certain restrictions as set forth under section "—*Lock-up—Employees lock-up*".

Sales Employees Sub-Tranche

According to the current scheme for sales commissions of the Company, members of its sales team are entitled to commissions linked with the achievement of milestones related to the execution of specific projects.

We are initially offering to certain sales team employees (the "**Relevant Sales Employees**") the possibility to accelerate accrual and payment of their unaccrued sales commissions in consideration for the investment by such Relevant Sales Employees of the amount of such commissions, net of any applicable withholding tax, through the subscription for Non-Qualified Investors Shares (the "**Sales Commissions Shares**"). Relevant Sales Employees will be entitled to place orders to subscribe Sales Commissions Shares (each, a "**Relevant Sales Employees Order**") for a minimum amount of €10,000 (the "**Minimum Relevant Sales Employees Order Amount**"). The maximum amount of Relevant Sales Employees Orders in the Sales Employees Sub-Tranche will be determined for each Relevant Sales Employee as the net amount of unaccrued sales commissions to which he or she is entitled to. Relevant Sales Employees may, in addition, place Employees Orders to subscribe Employees Shares (as defined above) under the Employees Sub-Tranche, subject to the limit of the Non-Qualified Investors Tranche Maximum Amount and provided that they qualify as Relevant Employees and comply with the rules set forth therein (see "*Employees Sub-Tranche*").

In order to qualify as a Relevant Sales Employee, an individual needs to be an employee of the sales department in Spain who is on the payroll of Soltec Energías Renovables, S.L. as of the date of this Prospectus and, in addition, is eligible to receive sales commissions pursuant to Soltec ER's official Sales Commission Scheme approved on October 1, 2019 by the Company's CMO with the approval of the CSO and the CEO. Relevant Sales Employees include only sales team and employees in Spain and the total number of employees that qualify for the subscription of Sales Commissions Shares under this sub-tranche is six.

In order to be able to subscribe for Sales Commissions Shares, Relevant Sales Employees are required to hold a cash account and a securities account with any of the Joint Global Coordinators, into which the Company will transfer an amount equal to the amount in euros expressed in the Relevant Sales Employees Order.

The transfer of the relevant amount by the Company into the cash account held by the Relevant Sales Employees having placed Relevant Sales Employees Orders will constitute final, non-refundable settlement of the relevant accrued and accelerated portion of unaccrued sales commissions to which such Relevant Sales Employees are entitled to.

The Sales Commissions Shares will be subscribed by the Relevant Sales Employees at the Employees Offering Price (that is, applying the Employee Discount).

Each Relevant Sales Employee receiving Sales Commissions Shares will agree in the relevant contractual and subscription documentation to a lock-up period of 365 days (starting on the date of Admission, which is expected to occur on or about October 29, 2020) (the "**Sales Employees Lock-up Period**") during which the disposal of the Sales Commissions Shares will be subject to certain restrictions as set forth under section "*—Lock-up—Sales Employee lock-up*".

The Employee Discount will be characterized as employment in-kind income, subject to PIT in Spain and taxed at the Relevant Sales Employee's PIT marginal rate (maximum state rate of 45%). This employment income would be subject to payment on account of the Relevant Sales Employee´s final PIT liability.

Related Investors Sub-Tranche

We are initially offering to certain individuals closely related (directly or collaterally, by virtue of either consanguinity or affinity, up to a second degree) or closely linked to our current shareholders, or their ultimate beneficial owners, or to the Relevant Employees (the "**Related Investors**") certain Non-Qualified Investors Shares (the "**Related Investors Shares**"). Related Investors will be entitled to place orders to subscribe Related Investors Shares (each, a "**Related Investors Order**"), for a minimum amount of €10,000 (the "**Minimum Related Investors Order Amount**"). There is no maximum amount for Related Investors Orders in the Related Investors Sub-Tranche, subject to the limit of the Non-Qualified Investors Tranche Maximum Amount.

Related Investors include only individuals in Spain. Related Investors shall also be required to hold a cash account and a securities account with any of the Joint Global Coordinators, into which they must make a cash deposit or transfer in an amount equal to the amount in euros of the Related Investors Order.

The Related Investors Shares will be subscribed by Related Investors, as calculated by the Company, at the lower of: (i) the high-end of the Offering Price Range (the "**Related Investors Maximum Offering Price**"), or (ii) the Offering Price which will be determined and announced by the Company through an inside information notice (*comunicación de información privilegiada*) concurrently with the announcement of the Offering Price (the "**Related Investors Offering Price**") on or about October 27, 2020.

There will be no lock-up in connection with the Related Investors Shares.

Common features of the Non-Qualified Investor Sub-Tranches. Allocation of orders amongst the Non-Qualified Investor Sub-Tranches

The Relevant Employees, the Relevant Sales Employees and the Related Investors have received confirmation from the Company on their eligibility to place orders under the corresponding sub-tranche and their identity has been notified by the Company to the Joint Global Coordinators.

Orders from Relevant Employees, Relevant Sales Employees and Related Investors may be placed to the Company from the date following the approval and registration of this Prospectus with the CNMV (expected to be on or about October 15, 2020) up to (and including) October 22, 2020, both inclusive (the "**Order Period**") and will have to be followed by the deposit of an amount equal to the amount in euros of the corresponding order placed in the cash account linked to the securities account opened with any of the Joint Global Coordinators. No order will be considered as effectively made if the aforementioned deposit is not carried out within the Order Period. Employee Orders, Relevant Sales Employee Orders and Related Investors Orders will express the euro amount which each Relevant Employee, Relevant Sales Employee and Related Investor is willing to invest, considering the Minimum Employee Order Amount, the Minimum Relevant Sales Employees Order Amount and the Minimum Related Investors Order Amount. Orders below these minimum amounts or, in the case of the Relevant Sales Employees, which exceed the maximum amount applicable to them will not be accepted and will be disregarded.

Orders from Relevant Employees, Relevant Sales Employees and Related Investors will be irrevocable, except in the exceptional case where a supplement to this Prospectus is published. In such event, Relevant Employees, Relevant Sales Employees and Related Investors will be granted the possibility to revoke their respective Orders, by written notice to the Company, within the term of two business days from the date of publication of the supplement, both inclusive. A supplement will be published only in case of existence of a new significant factor, or a material inaccuracy or material error in the information included in this Prospectus which, in each case, (i) can have an impact on the assessment of the value of the Shares, and (ii) is known or arises between the date of publication of the Prospectus and Admission.

On October 27, 2020, the Company, after reviewing the notices and deposits carried out by the corresponding Relevant Employees, Relevant Sales Employees and Related Investors in connection with the relevant orders made, shall determine the final sizing of the Non-Qualified Investors Tranche (that is, the definitive number of Non-Qualified Investors Shares).

If after the end of the Order Period, there is no oversubscription of the Non-Qualified Investors Tranche (that is, the amount of orders placed by Non-Qualified Investors does not exceed the Non-Qualified Investors Tranche Maximum Amount), the number of New Offered Shares to be allocated to every Non-Qualified Investor will be determined by dividing the euro amount included in the relevant order by the Employees Offering Price or the Related Investors Offering Price, as applicable, and rounding the resulting number downwards to the nearest whole number.

If after the end of the Order Period, there is an oversubscription of the Non-Qualified Investors Tranche (that is, the amount of orders placed by Non-Qualified Investors exceeds the Non-Qualified Investors Tranche Maximum Amount), then the allocation of shares amongst Non-Qualified Investors shall be made in accordance with the rules described below (see "—*Common features of the Non-Qualified Investor Sub-Tranches. Allocation of orders amongst the Non-Qualified Investor Sub-Tranches*"). Orders placed under the Employees Sub-Tranche and Sales Employees Sub-Tranche shall have priority over the orders placed under the Related Investors Sub-Tranche which, as the case may be, may be unallocated in its entirety.

Therefore, if the amount of orders placed under the Employees Sub-Tranche and Sales Employees Sub-Tranche exceeds the Non-Qualified Investors Tranche Maximum Amount, no shares shall be allocated to the Related Investors Sub-Tranche and a *pro rata* allocation (*prorrateo*) among Employee Orders and Relevant Sales Employee Orders (as defined below) would apply, according to the following rules:

(i) Employee Orders and Relevant Sales Employee Orders expressed in euros will be converted into orders expressed in number of Non-Qualified Investors Shares by dividing the euro amount included in the order by the Employees Maximum Offering Price. If the resulting number is not a whole number, the number of Non-Qualified Investors Shares shall be rounded down to the nearest whole number;

(ii) All Employee Orders and Relevant Sales Employee Orders placed will be allocated such number of Non-Qualified Investors Shares resulting from dividing €1,000 (or the lower amount ordered) into the Employees Maximum Offering Price, rounded down to the nearest whole number; and

(iii) The remaining Non-Qualified Investors Shares shall be allocated to each of the Relevant Employees and Sales Relevant Employees proportionally (in a *pro-rata* allocation basis) to the number of Non-Qualified Investors Shares ordered by such employee and not allocated pursuant to the allocation set out in paragraph (ii) above.

As a general principle, the following rules shall apply: (i) in case of fractions, the resulting number of Non-Qualified Investors Shares to be allocated shall be rounded down to the nearest whole number; (ii) the percentages to be used for the proportional allocation under (iii) above shall be also rounded down to the nearest whole number and up to three decimals; and (iii) no Relevant Employee or Sales Relevant Employee shall be allocated a greater number of Non-Qualified Investors Shares than that resulting from his or her order. The Agent Bank shall apply the above rules for the purposes of allocating the Non-Qualified Investors Shares.

If, after the end of the Order Period, the amount of orders placed by Non-Qualified Investors exceeds the Non-Qualified Investors Tranche Maximum Amount but orders placed under the Employees Sub-Tranche and Sales Employees Sub-Tranche are capable of being allocated in their entirety, a *pro rata* allocation (*prorrateo*) among Related Investor Orders (as defined below) would apply, according to the following rules:

(i) Related Investor Orders expressed in euros will be converted into orders expressed in number of Non-Qualified Investors Shares by dividing the euro amount included in the order by the Related Investor Maximum Offering Price. If the resulting number is not a whole number, the number of Non-Qualified Investors Shares shall be rounded down to the nearest whole number;

(ii) All Related Investor Orders placed will be allocated such number of Non-Qualified Investors Shares resulting from dividing €10,000 (Minimum Related Investors Order Amount**)** by the Related Investors Maximum Offering Price, rounded down to the nearest whole number; or

(iii) If the number of Non-Qualified Investors Shares available for allocation to Related Investor Orders, after allocating all of the Employee Orders and Relevant Sales Employees Orders in full, is insufficient to effect the allocation provided in (ii), then the Non-Qualified Investors Shares will be allocated to each of the Related Investors proportionally (on a *pro-rata* allocation basis) to the number of Non-Qualified Investors Shares ordered by such investor; and

(iv) If the allocation contemplated in (ii) has been effected in full, then the remaining Non-Qualified Investors Shares shall be allocated to each of the Related Investors proportionally (on a *pro-rata* allocation basis) to the number of Non-Qualified Investors Shares ordered by such investor and not allocated pursuant to the allocation set out in (ii) above.

As a general principle, the following rules shall apply: (i) in case of fractions, the resulting number of Non-Qualified Investors Shares to be assigned shall be rounded down to the nearest whole number; (ii) the percentages to be used for the proportional allocation under (iii) above shall be also rounded down to the nearest whole number and up to three decimals; and (iii) no Related Investor shall be assigned a greater number of Non-Qualified Investors Shares than that resulting from his or her order. The Agent Bank shall apply the above rules for the purposes of allocating the shares.

Qualified Investors Tranche

The Qualified Investors Tranche consists of an initial offer of the Qualified Investors Shares to qualified investors inside and outside of Spain, including a placement in the United States to QIBs as defined in Rule 144A in reliance on such Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The offering of the Qualified Investors Shares within the Qualified Investors Tranche will be conducted through a book-building process. During the book-building period, which is expected to start on October 16, 2020 (following approval and registration of this Prospectus with the CNMV, on or about October 15, 2020) and end on October 27, 2020 (both inclusive), the Managers will market the Qualified Investors Shares among investors in accordance with, and subject to, the requirements and the selling and transfer restrictions set forth in this Prospectus (see "*Selling and Transfer Restrictions*"). Investors may make their purchase proposals during this period, indicating the aggregate euro amount they would be willing to invest to subscribe Qualified Investors Shares and the price at which they would be interested in subscribing them.

The book-building period may be reduced or extended by agreement of the Joint Global Coordinators and us if, in their and our view, (i) the book of demand is sufficiently covered before the end of the book-building period or (ii) an extension of the book-building period for up to one additional week is appropriate for the Offering. In the event there is such a reduction or extension of the book-building period, we will inform the market through the publication of an other relevant information notice (*comunicación de otra información relevante*), as well as about the subsequent steps in the tentative calendar of the Offering, which may be postponed or brought forward accordingly.

Subscription proposals made by qualified investors for the Qualified Investors Shares during the book-building Period constitute only an indication of their interest in the Qualified Investors Shares and shall accordingly not be binding neither for the investors nor for the Company. However, following determination of the Offering Price and allocation of the Qualified Investors Shares to investors, each Manager shall inform investors having placed subscription proposals with such Manager of the final number of Qualified Investors Shares allocated to them, if any, and shall require confirmation of their subscription proposals. Once a subscription proposal has been confirmed by an investor, it becomes binding and irrevocable, except in the exceptional case where a supplement to this Prospectus is published. In such event, Qualified Investors would be granted the possibility to revoke their respective subscription proposals, prior written notice to the Managers, within a term of two business days from the date of publication of the supplement. A supplement will be published only in case of existence of a new significant factor, or a material inaccuracy or material error in the information included in this Prospectus which, in each case, (i) can have an impact on the assessment of the value of the Shares, and (ii) is known or arises between the date of publication of the Prospectus and Admission. Qualified investors will be expected to confirm their subscription proposals to their custodian entities responsible for the "billing and delivery" including in their settlement instructions the 35 digits corresponding to each of the final qualified investor's settlement account in Iberclear and the 20 digits corresponding to each final qualified investor's securities account in an Iberclear participant. Failure to furnish such instructions to their respective "billing and delivery" entities may result in qualified investors not being allocated Qualified Investors Shares or custodians not accepting settlement.

We have discussed with the Joint Global Coordinators their principles for allocation, the factors they believe to be relevant to the allocation and pricing of the Qualified Investors Shares and have agreed objectives and process for the allocation and pricing of the Qualified Investors Shares. The Joint Global Coordinators will take into account their prudential responsibilities to manage their risk properly when agreeing the allocation, pricing and timing. The Managers, the Company and the Selling Shareholder will collectively determine the definitive allocation of the Shares to investors on the date of pricing of the Offering, which is expected to occur on or about October 27, 2020. Any disagreement between the Managers, on the one hand, and the Company and the Selling Shareholder, on the other hand, with respect to allocation preferences will be resolved at the absolute discretion of the Company and the Selling Shareholder.

Notwithstanding the foregoing, the Company may not reject subscription requests if such rejection would entail the Managers having to fulfil their respective underwriting commitments in whole or in part.

We have entered into two subscription commitments with Swedbank Robur Fonder AB, on behalf of the fund Swedbank Robur Småbolagsfond Europa, and Santander Asset Management, S.A., S.G.I.I.C., whereby each of these investors undertake, subject to certain conditions, including full allocation of their orders, to subscribe, respectively, €10,000,000 and €20,000,000 in New Offered Shares at the Offering Price, provided that such price is within the Offering Price Range.

Payment and settlement of the New Offered Shares

The transaction date of the Offering (*fecha de operación bursátil*) (the "**Transaction Date**") is expected to be on or about October 28, 2020. On the Transaction Date, investors' payment orders will be processed via the Spanish Stock Exchanges and Iberclear, and assuming the Managers have not exercised the termination rights contained in the Underwriting Agreement, investors shall be entitled to receive the New Offered Shares acquired or subscribed for in the Offering.

In order to expedite the registration and listing of our ordinary shares, it is expected that Banco Santander, in its capacity as prefunding bank, will subscribe and pay for the New Offered Shares on October 28, 2020, acting in the name and on behalf of the Managers, which in turn act on behalf of the final qualified investors.

Payment for the New Offered Shares by the prefunding bank is expected to be made on October 28, 2020 to our account maintained with Banco Santander, acting as agent bank (the "**Agent Bank**").

Following receipt of the subscription funds due, we shall declare the amount of the share capital increase corresponding to the relevant number New Offered Shares newly issued closed and grant the corresponding share capital increase public deed before a Spanish Notary Public, for its subsequent registration with the Murcia Commercial Registry. Granting of the capital increase public deed before a Spanish Notary and registration with the Commercial Registry of Murcia is expected to take place on or about October 28, 2020. Following registration, a notarial testimony of the share capital increase public deed duly registered, will be delivered to the CNMV, Iberclear and the Madrid Stock Exchange, as the lead stock exchange for the listing of the New Offered Shares.

Following such delivery, the latter will inform Banco Santander through the corresponding Iberclear participants of the relevant registration details relating to the relevant New Offered Shares issued as result of the share capital increase and temporarily allocated to them in accordance with their pre-funding obligations.

We will request admission to listing and trading of our ordinary shares on the Spanish Stock Exchanges and through the SIB as soon as possible. Admission is expected to take place on or about October 29, 2020. If there is any delay in the admission to listing and trading of our ordinary shares on the Spanish Stock Exchanges, we will publicly announce, via an other relevant information notice (*comunicación de otra información relevante*), such delay and a revised expected date of Admission.

Payment by the investors for the New Offered Shares subscribed and paid for in full on the Transaction Date by Banco Santander as prefunding bank**,** will be made no later than the second business day following the Transaction Date against delivery through the facilities of Iberclear of the New Offered Shares to final investors, which is expected to take place on or about October 30, 2020 (the "**Settlement Date**").

All of the Company's ordinary shares are expected to be listed on the Spanish Stock Exchanges and quoted on the SIB on or about October 29, 2020, under the symbol "SOL".

Expenses

Due to the difficulty in determining the expenses incurred as of the date of this Prospectus, for purely informational purposes, the following table sets forth the estimated expenses payable by the Company in relation to the Offering (excluding any applicable VAT):

Expenses[(1)]	*(in millions of euros)*
Underwriting commissions	7.0
Iberclear fee, Spanish Stock Exchanges fee and CNMV fee	0.1
Legal, financial advisory, audit and other expenses (notary public, Commercial Registry, legal publishing, legal and financial advice, audit services and IPO insurance).	5.0
Total	12.1

(1) Assuming that (i) the Offering is of approximately €150 million; (ii) all the Qualified Investors Shares (including the Over-allotment shares) have been placed or underwritten by each of the Underwriters and that the Over-allotment Option has been entirely exercised; and (iii) the discretionary commission is paid in full.

The Underwriting Agreement

The Managers and us expect, upon the finalization of the book-building period and setting of the Offering Price (expected to be on or about October 27, 2020), to enter into an underwriting agreement (the "**Underwriting Agreement**") with respect to the Qualified Investors Shares being offered by us in the Offering and, if any, the Additional Shares to be sold by the Selling Shareholder. Subject to the satisfaction of certain conditions set out in the Underwriting Agreement and the Underwriting Agreement not having terminated in accordance with its terms, each Manager will agree, severally but not jointly, nor jointly and severally, to subscribe for or to procure purchasers for or, failing which, to purchase (as the case may be), the following percentages of the total number of Qualified Investors Shares:

Managers	% Qualified Investors Shares[(1)]
Banco Santander	45%
Caixabank	32%
JB Capital	11.5%
Berenberg	11.5%

(1) The percentages in this column refer to the Qualified Investors Shares only. In case there were Additional Shares, these would be distributed among the Managers following the same proportion set forth herein.

In consideration of the agreement by the Managers to subscribe for or to procure purchasers for or, failing which, to subscribe or acquire such percentage of the total number of Qualified Investors Shares as described in the table above and pursuant to the Underwriting Agreement, we will pay to the Managers a base fee of 3% of the aggregate Offering Price of the Qualified Investors Shares and any Additional Shares issued or sold in the Offering (if the Over-allotment option is exercised in whole or in part). In addition, and in consideration for the global coordination, direction, underwriting and allocation services we will pay to Banco Santander and Caixabank a fee of 0.12% and 0.09%, respectively, of the aggregate Offering Price of the Qualified Investors Shares and any Additional Shares issued or sold in the Offering (if the Over-allotment option is exercised in whole or in part), in their capacity as Joint Global Coordinators.

Likewise, and in consideration for the assistance provided by the Joint Global Coordinators in the design, execution and processing of the Non-Qualified Investors Tranche, we will pay a flat fee of €20,000 to each Joint Global Coordinator, regardless of the amount subscribed and orders placed in such tranche generally or processed by each entity in particular.

Furthermore, we may, at our sole discretion, pay to the Managers a discretionary fee of up to 1% of the aggregate Offering Price of the Qualified Investor Shares and Additional Shares issued or sold in the Offering to be distributed among the Managers as determined by us. Furthermore, we will also agree to reimburse the Managers for certain expenses as set forth in the Underwriting Agreement. The Underwriting Agreement will contain certain customary representations and warranties given by us to the Managers and will provide that the obligations of the Managers are subject to satisfaction of certain customary conditions precedent. The Underwriting Agreement will also provide that we will, subject to certain exceptions, indemnify the Managers against certain liabilities, including liabilities under applicable securities laws that may arise in connection with the Offering. In addition, the Underwriting Agreement may be terminated in certain circumstances.

The identity and number of Managers and the exact number of Qualified Investors Shares to be underwritten by each of the Managers shall be fixed if and when the Underwriting Agreement is entered into. We will inform the market through the publication of an other relevant information notice (*comunicación de otra información relevante*) of any change in of the number or identity of Managers, or the percentage of Qualified Investors Shares underwritten by any of them, as described above.

Any offer or sale of the Shares in the United States will be made by the Managers, their affiliates or agents, who are registered United States broker-dealers, pursuant to applicable U.S. securities laws. CaixaBank is only participating in the Offering outside the United States under Regulation S of the U.S. Securities Act. CaixaBank is not a broker-dealer registered with the SEC and will not be offering or selling securities in the United States or to U.S. nationals or residents.

Pricing of the Offering

Prior to the Offering, there has been no public market for our ordinary shares.

Offering Price Range

The indicative non-binding Offering Price Range within which subscription or purchase orders may be placed is between €3.66 to €4.82 per Share (with the applicable discount in case of the Employees Shares and Sales Commissions Shares). However, the Offering Price may be outside this range. The Offering Price Range has been determined by the Joint Global Coordinators and us, and no independent experts were consulted in determining the Offering Price Range.

Among the factors considered in determining the Offering Price Range were our future prospects and the prospects of our industry in general, our sales, EBITDA and certain other financial and operating information in recent periods, and the financial ratios, market prices of securities and certain financial and operating information of companies engaged in activities similar to ours. The Offering Price Range is indicative only and not binding, it may change during the course of the Offering and the Offering Price may be set higher or lower than the Offering Price Range. There can be no assurance that the prices at which the Shares will be sold in the public market after the Offering will not be lower than the Offering Price Range or that an active trading market for the Shares will develop and continue after the Offering. See "*Risks Relating to the Offering and the Shares—The trading price of our ordinary shares may fluctuate in response to various factors, many of which are outside our control*".

Offering Price and number of New Offered Shares

The Offering Price and the exact number of New Offered Shares to be issued in the Offering will be determined by the Joint Global Coordinators and us upon the finalization and on the basis of the book-building process. The Offering Price will be announced through an inside information notice (*comunicación de información privilegiada*) reported to the CNMV no later than October 27, 2020, prior to the execution of the Underwriting Agreement. No independent experts will be consulted in determining the Offering Price. The final number of Non-Qualified Investors Shares and Qualified Investors Shares will be announced through that same inside information notice (*comunicación de información privilegiada*).

The underwriting price will be the price per share to which the Managers will undertake to purchase the Qualified Investors Shares that, as the case may be, are not allocated to Qualified Investors, and will be equal to the Offering Price. The purchase price of any Additional Shares will also be equal to the Offering Price.

Expenses and taxes charged to investors

We will not charge investors any expenses in addition to the Offering Price.

Investors subscribing and acquiring New Offered Shares may be required to pay stamp taxes and other charges in compliance with the laws and practices of their country of residency in addition to the Offering Price.

In addition, subscribers will have to bear any commissions payable to financial intermediaries through which they will hold the New Offered Shares, including those commissions related to the administration and security custody which are freely set by the relevant financial intermediaries and notified to the CNMV or the Bank of Spain, as the case may be.

Agent

Banco Santander, with registered address in Paseo de Pereda, 9-12, 39004 Santander, Spain, will act as Agent Bank in the Offering. The Agent Bank will be responsible for, among other things: issuing a certificate confirming payment for the New Offered Shares for the purposes of notarizing the corresponding capital increase resolutions; maintaining the New Offered Shares deposited in the securities accounts held with it by the Joint Global Coordinators until settlement of the Offering; instructing the entities participating in the Offering on the procedures applicable to its execution; receiving and processing information on the selection and confirmation of purchase proposals and collaborating in the allocation of the New Offered Shares to final investors; and cooperating with us in the Admission process.

Withdrawal and Revocation of the Offering

Withdrawal of the Offering

We expressly reserve the right to withdraw the Offering, postpone it, defer it or suspend it temporarily or indefinitely for any reason at any time before the setting of the Offering Price. In case of withdrawal of the Offering, we will notify the CNMV, the Agent Bank and the Joint Global Coordinators on behalf of the Managers of such circumstance, on the date on which the withdrawal takes place or as soon as practicable thereafter.

Revocation of the Offering

The Offering will be revoked:

(i) if the Underwriting Agreement is not signed on or before 03:00 a.m. (CET) time on the date following the day on which the Offering Price is due to be set (which is expected to be set on October 27, 2020) or such later date as is determined in case of any postponement thereof duly notified to the CNMV;

(ii) if the Offering is suspended or withdrawn by any judicial or administrative authority;

(iii) if our ordinary shares are not admitted to listing on the Spanish Stock Exchanges before 11:59 p.m. (CET) on November 13, 2020;

(iv) if the Underwriting Agreement is terminated at the discretion of the Joint Global Coordinators, following prior consultation with the rest of the Managers, upon the occurrence of the following customary termination provisions set forth in the Underwriting Agreement until the time of registration of the public deed of share capital increase relating to the issuance of the Qualified Investors Shares with the Commercial Registry of Murcia:

  (a) there has been a breach by the Company of any of the representations or warranties contained in the Underwriting Agreement or any of the representations and warranties of the Company contained therein is not, or has ceased to be, true and correct, or a breach by the Company of any of the undertakings given in the Underwriting Agreement has occurred;

  (b) there has been since the time of execution of the Underwriting Agreement a Material Adverse Effect or any development reasonably likely to result in a Material Adverse Effect, as defined therein;

  (c) there has occurred (i) any material adverse change in the financial markets in Spain, the United States or the United Kingdom or in any member state of the EEA, or the international financial markets, (ii) any outbreak of hostilities or escalation thereof or other calamity or crisis or (iii) any change or development involving a prospective change in national or international political, financial or economic conditions, or currency exchange rates, in each case, the effect of which event, individually or together with any other such event makes it impracticable or inadvisable to market the Qualified

Investor Shares and/or the Additional Shares or to enforce contracts for the sale of the Qualified Investor Shares and/or the Additional Shares;

(d) trading generally on the Spanish Stock Exchanges, the London Stock Exchange, the New York Stock Exchange or in the NASDAQ System has been suspended or limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of such exchanges or by such system or by order of the regulatory authorities of Spain, the United States, the United Kingdom or any other governmental or self-regulatory authority, or a material disruption has occurred in commercial banking or securities settlement, payment or clearance services in Spain, the United States, the State of New York, or the United Kingdom or any member state of the EEA;

(e) a moratorium on banking activities has been declared by the competent authorities of any of the European Union, Spain, the United States, the State of New York, or the United Kingdom or any member state of the EEA;

(f) any new law or regulation or any change in existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting Spain, any relevant member state of the EEA and/or the United States, (i) is materially adverse to, or is likely to materially and prejudicially affect, the business or financial or trading position or prospects of the Company, (ii) makes, or is likely to make, it impracticable or inadvisable to market the Qualified Investor Shares and/or the Additional Shares or enforce contracts for the sale of the Qualified Investor Shares and/or the Additional Shares, or (iii) is likely to result in the successful completion of the Offering being prejudiced; or

(g) any of the following occurs:

   i. at any time the Company publishes an amendment or supplement to this Prospectus, or a press or stock exchange release or an inside information notice (*comunicación de información privilegiada*) or an other relevant information notice (*comunicación de otra información relevante*), (i) pursuant to applicable law or regulation or (ii) that seeks to correct any untrue statement of a material fact or omission to state a material fact necessary in order that this Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements herein, in the light of the circumstances under which they were made, not misleading; or

   ii. the Company does not publish an amendment or supplement to this Prospectus in form and content reasonably satisfactory to the Joint Global Coordinators, after consultation with them, without undue delay and in accordance with applicable laws and stock exchange regulations, after, in each case, a request by the Joint Global Coordinators for such publication based on information that the Joint Global Coordinators or their counsel (either as a result of having been notified of such information by the Company or otherwise) believe would be required to amend or supplement this Prospectus to ensure that it does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which such statements were made, not misleading,

   if the effect of any such amendment or supplement, or decision not to so publish, by the Company, (i) materially and adversely affects the Managers' compliance with securities laws, or (ii) makes it impracticable or inadvisable to market the Qualified Investor Shares and/or the Additional Share or to enforce contracts for the sale of the Qualified Investor Shares and/or the Additional Share.

(v) if the Underwriting Agreement is automatically terminated as a result of the conditions precedent under it not being fulfilled or waived.

Consequences of withdrawal, revocation or publication of a supplement

In case of withdrawal or revocation of the Offering, all offers or proposals to subscribe the New Offered Shares (including the order placed by the Company to subscribe the Non-Qualified Investors Shares) shall be cancelled and all subscription orders related to the Offering shall be terminated. Additionally, we will have no obligation to issue or deliver the New Offered Shares and investors (including for the purposes of this section, the Joint Global Coordinators in the name and on behalf of the Managers, and each Manager on behalf of the final investors) shall have no obligation to acquire or subscribe for the New Offered Shares.

In the event that any investor has already subscribed New Offered Shares (expected on October 28, 2020) before termination of the Offering takes place and:

(i) also before registration of the deed relating to the share capital increase, we will revoke all our corporate resolutions relating to the share capital increase and not effect the share capital increase, in which case the Agent Bank will release the aggregate amount of the Offering Price as soon as practicable and in no event later than the business day immediately following such termination, together with interest calculated at the statutory rate (*interés legal*) (currently set at 3% annual rate) from the date on which the relevant investor paid for the New Offered Shares until the date on which we repay the subscription price; or

(ii) after registration of the deed relating to the share capital increase, we will (a) repay the subscription price paid by each holder of the New Offered Shares in respect of their relevant New Offered Shares, together with interest calculated at the statutory rate (*interés legal*) (currently set at 3%) from the date on which the investors paid for the New Offered Shares until the date on which we repay the subscription price, and (b) reduce our share capital and cancel the New Offered Shares.

Moreover, pursuant to Article 23 (1) and (2) of the Prospectus Regulation, in case a supplement to this prospectus is published, both the Non-Qualified Investors and the Qualified Investors that have already subscribed New Offered Shares before such supplement is published, shall have the right, exercisable within two business days after the publication of such supplement, to withdraw their acceptances pursuant to items (i) and (ii) above as applicable, provided that such supplement contains an untrue statement of a material fact or an omission to state a material fact and such statement or omission arouses or was acknowledged before the Admission date.

Simultaneously, upon the issuance of the subscription proposals, the qualified investors subscribing in the Offering shall be deemed to have consented to the aforementioned transactions.

Defaulted Shares

If one or more of the Managers shall fail at the Closing Time to subscribe the Shares which it or they are obliged to subscribe under the Underwriting Agreement (the "**Defaulted Shares**"), the Joint Global Coordinators shall have the right but not the obligation, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Managers, or any other Managers, to subscribe all, but not less than all, of the Defaulted Shares in such amounts as may be agreed and upon the terms set forth herein; if, however, the Joint Global Coordinators shall not have completed such arrangements within such 24-hour period, then:

(i) if the number of Defaulted Shares does not exceed 12% of the number of Shares to be subscribed for on such date, each of the non-defaulting Managers shall be obliged, acting severally and not jointly nor jointly and severally, to itself subscribe the full amount thereof in the proportions that their respective Underwriting Commitments bear to the Underwriting Commitments of all non-defaulting Managers; or

(ii) if the number of Defaulted Shares exceeds 12% of the number of Shares to be subscribed for on such date, the respective obligations of the Managers to subscribe or purchase, and of the Company and the Selling Shareholder to sell, Shares shall terminate without liability on the part of any non-defaulting Manager, and the Offering will be therefore revoked.

Upon a default or partial default as described in items (i) and (ii) above, the Company shall publish a supplement to the Prospectus pursuant to Article 23 (1) and (2) of the Prospectus Regulation, and both the Non-Qualified Investors and the Qualified Investors that have already subscribed New Offered Shares before such supplement is published, shall have the right, exercisable within two business days after the publication of such supplement, to withdraw their orders.

Authorization of the Offering

On October 13, 2020, the Company's general meeting of shareholders decided to apply for Admission and to carry out the Offering and granted the necessary authority to the Board of Directors to issue the New Offered Shares. On October 13, 2020, the Board of Directors (with the composition described in section "—*Management and Board of Directors*") resolved to apply for Admission, to carry out the Offering and approved a share capital increase in connection with the offering of the New Offered Shares.

The share capital increase resolution contemplates the possibility of an incomplete subscription. However, in the event of a reduction of the size of the Offering, the Company shall publish a supplement to the Prospectus pursuant to Article 23 (1) and (2) of the Prospectus Regulation, and both the Non-Qualified Investors and the Qualified Investors that have already subscribed New Offered Shares before such supplement is published, shall have the right, exercisable within two business days after the publication of such supplement, to withdraw their orders.

On October 14, 2020, the Joint Global Coordinators and our Board of Directors determined the indicative Offering Price Range for the Offering.

For the avoidance of doubt, no application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any exchange other than the Spanish Stock Exchanges and the SIB.

No pre-emptive subscription and/or acquisition rights are applicable in relation to the Offering, taking into account that each of the existing shareholders has irrevocably waived its pre-emptive rights over the New Offered Shares and the Additional Shares, if any.

The Offering is not subject to any administrative approval or authorization besides the regime applicable to the approval by the CNMV of this Prospectus for the purposes of the Offering and the subsequent Admission in accordance with the LMV and related regulation.

Stabilization

In connection with the Offering, Banco Santander, or any of its agents, as Stabilization Manager, acting on behalf of the Managers, may (but will be under no obligation to) to the extent permitted by applicable law, engage in transactions that stabilize, support, maintain or otherwise affect the price, as well as over-allot Shares or effect other transactions, all with a view to supporting the market price of our ordinary shares at a level higher than that which might otherwise prevail in the open market. Any stabilization transactions shall be undertaken in accordance with applicable laws and regulations, in particular, MAR and Regulation 2016/1052.

The stabilization transactions shall be carried out in the Spanish Stock Exchanges through the SIB for a maximum period of 30 calendar days from Admission, provided that trading is carried out in compliance with the applicable rules, including any rules concerning public disclosure and trade reporting. The stabilization period is expected to commence on October 29, 2020 and end no later than November 27, 2020 (the "**Stabilization Period**").

For this purpose, the Stabilization Manager may carry out an over-allotment of Shares in the Offering, which may be covered by the Stabilization Manager pursuant to one or several securities loans granted by the Selling Shareholder. The Stabilization Manager is (i) not required to enter into such transactions and (ii) such transactions may be effected on a regulated market and may be taken at any time during the Stabilization Period. However, neither the Stabilization Manager nor any of its agents are under any obligation to effect stabilizing transactions and there is no assurance that the stabilizing transactions will be undertaken. Such stabilization, if commenced, may be discontinued at any time without prior notice, without prejudice of the duty to give notice to the CNMV of the details of the transactions carried out under

Regulation 2016/1052. In no event will measures be taken to stabilize the market price of the Shares above the Offering Price. In accordance with Article 5.5 of MAR and Article 6.2 of Regulation 2016/1052, the details of all stabilization transactions will be notified by the Stabilization Manager to the CNMV no later than closing of the seventh daily market session following the date of execution of such stabilization transactions.

The maximum number of Additional Shares over which the Overallotment Option may be exercised by the Stabilization manager shall be reduced by the number of Shares that have been acquired in the market by the Stabilization Manager in the context of the stabilization transaction by the end of the Stabilization Period.

Additionally, in accordance with Articles 5.4 and 5.5 of MAR and Article 6.3 of Regulation 2016/1052, the following information will be disclosed to the CNMV by the Stabilization Manager within one week of the end of the Stabilization Period: (i) whether or not stabilization transactions were undertaken; (ii) the date on which stabilization transactions started; (iii) the last date on which stabilization transactions occurred; and (iv) the price range within which any stabilization transactions were carried out, for each of the dates during which stabilization transactions were carried out.

Liquidity Providers

There are no entities that have a firm commitment to act as intermediaries in secondary trading providing liquidity through bid and offer rates.

Over-allotment Option

In connection with the Offering, the Selling Shareholder will grant to the Managers, acting severally and not jointly, nor jointly and severally, an option to acquire at the Offering Price Additional Shares representing up to 10% of the aggregate number of total New Offered Shares. The Over-allotment Option will be exercisable by the Stabilization Manager, on behalf of the Managers, upon notice to the Company and the Selling Shareholder, on one or more occasions in whole or in part, only during the Stabilization Period and only for the purpose of covering over-allotments (if any) and to cover any short positions resulting from stabilization transactions (if any). Any Additional Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the New Offered Shares (including for all dividends and other distributions declared, made or paid on the New Offered Shares), will be purchased on the same terms and conditions as the New Offered Shares being sold in the Offering and will form a single class for all purposes with the other ordinary shares.

The exercise of the Over-allotment Option is not subject to any conditions and will be notified by means of the corresponding other relevant information notice (*comunicación de otra información relevante*) including the date in which the Over-allotment Option will be exercised together with the number of shares.

Lock-up

Company lock-up

We will agree in the Underwriting Agreement that during a period from the date on which the Underwriting Agreement is signed to and including 180 days from Admission, neither we nor any of our subsidiaries nor any person acting on our or their behalf (other than the Managers, as to whom we will give no undertaking) will, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed:

(i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any ordinary shares or other shares of the Company, or any securities convertible into or exercisable or exchangeable for ordinary shares or other shares of the Company or file any prospectus under the applicable regulations or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing;

(ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any ordinary shares or other shares of the Company; or

(iii) enter into any other transaction with the same economic effects as sub-clauses (i) and (ii) above, or agree to do or announce or otherwise publicize the intention to do any of the foregoing,

whether any such swap or transaction described in paragraphs (i), (ii) or (iii) above is to be settled by delivery of ordinary shares or any securities convertible into or exercisable or exchangeable for ordinary shares, in cash or otherwise.

The foregoing shall not apply to (A) the issue of the New Shares to be sold hereunder, (B) transfers of Ordinary Shares by the Company in favor of any Affiliate who assumes a similar undertaking vis-à-vis the Joint Global Coordinators, (C) the grant or exercise of options or other rights to acquire Ordinary Shares or rights related to Ordinary Shares under the Company's employees' share and incentive schemes, in each case as disclosed in this Prospectus and the Disclosure Package, (D) the issue, acquisition or transfer of shares in connection with any employee benefit or incentive plan implemented by the Company, to the extent described in this Prospectus and the Disclosure Package; and (E) transfers of Ordinary Shares as a result of the operation of a liquidity agreement entered into by the Company with an authorized dealer or broker pursuant to CNMV Circular 1/2017, of 26 April.

Selling Shareholder lock-up

The Selling Shareholder will agree that during a period from the date on which the Underwriting Agreement is signed to and including 180 days from Admission, neither the Selling Shareholder nor any of their affiliates nor any person acting on their behalf (other than the Managers and us, as to whom the Selling Shareholder will give no undertaking) will, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed:

(i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any ordinary shares or other shares of the Company, or any securities convertible into or exercisable or exchangeable for ordinary shares or other shares of the Company or other securities that are substantially similar to the ordinary shares;

(ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any ordinary shares or other shares of the Company; or

(iii) enter into any other transaction with the same economic effects as sub-clauses (i) and (ii) above,

whether any such swap or transaction described in paragraphs (i), (ii) or (iii) above is to be settled by delivery of ordinary shares or any securities convertible into or exercisable or exchangeable for ordinary shares, in cash or otherwise.

The foregoing sentence shall not apply to (A) such ordinary shares held by the Selling Shareholder as may be lent by such Selling Shareholder to the Joint Global Coordinators pursuant to any stock lending agreement, and the sale of the Additional Shares in the event the Over-Allotment Option is exercised; (B) transfers of ordinary shares by such Selling Shareholder in favor of Affiliates who assume a similar undertaking vis-à-vis the Joint Global Coordinators; (C) the transfer of the ordinary shares to the offeror in the context of a takeover bid for the acquisition of the Company and/or the delivery of an irrevocable undertaking to tender ordinary shares in such a takeover bid; (D) any pledge over ordinary shares, provided that such pledge may not be enforced by the pledgee until the expiry of this lock-up undertaking; and (E) any disposal of ordinary shares pursuant to any offer by the Company to purchase its own securities which is made on identical terms to all holders of ordinary shares.

Non-Selling Shareholders lock-up

Valueteam, S.L. and Mr. Pablo Miguel Otín Pintado will assume a lock-up commitment to us similar to the one undertaken by the Selling Shareholder during a period from the date on which the Underwriting Agreement is signed to and including 365 days from Admission, and subject to equivalent exceptions.

Employees and Sales Employees lock-up

In consideration for the Employees Discount, each Relevant Employee acquiring Employees Shares and Relevant Sales Employees acquiring Sales Employees Shares will agree with the Company not to, during the Employees Lock-up Period or Sales Employees Lock-up Period, without the prior written consent of the Company, such consent not to be unreasonably withheld or delayed, directly or indirectly:

(i) issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any ordinary shares or other shares of the Company or other securities that are substantially similar to the ordinary shares, or any securities convertible into or exercisable or exchangeable for ordinary shares or other shares of the Company or other securities that are substantially similar to the ordinary shares;

(ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any ordinary shares or other shares of the Company; or

(iii) enter into any other transaction with the same economic effects as sub-clauses (i) and (ii) above,

whether any such swap or transaction described in paragraphs (i), (ii) or (iii) above is to be settled by delivery of ordinary shares or any securities convertible into or exercisable or exchangeable for ordinary shares, in cash or otherwise.

Other Relationships

Each of the Managers is a full service financial institution engaged in various activities, which may include the provision of investment banking, commercial banking and financial advisory services. The Managers and their respective affiliates may have engaged or performed from time to time in the past, and may from time to time in the future, engage in or perform ordinary course of business transactions or services, including investment banking and/or commercial banking transactions with us, our respective affiliates for which they have received or will receive customary fees and reimbursement of expenses. In addition, in the event that we enter into any equity swap agreement for the purpose of hedging our exposure to a potential increase in our share price from Admission to the date of delivery of the Management Incentive Plan, one of the Managers may enter into an equity swap agreement with us and in connection with that swap agreement such Manager may be allocated with such number of Qualified Investors Shares in the Offering as may be necessary to hedge such Manager's exposure under the equity swap and to enable it to deliver shares pursuant to the equity swap. See "*Management and Board of Directors—Compensation—Management Incentive Plan*".

In the ordinary course of their various business activities, the Managers and their respective affiliates may hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company, and its respective affiliates for their own account and for the account of their customers and may at any time hold long and short positions in such securities and instruments.

In addition, certain of the Managers or their affiliates are, and may in the future be, lenders, and in some cases, agents or managers for the lenders, under certain of the financing agreements or other financing arrangements of the Company or its respective affiliates. In their capacity as lenders, such lenders may, in the future, seek a reduction of a loan commitment to us or our respective affiliates, or impose incremental pricing or collateral requirements with respect to such financing agreements or arrangements, in the ordinary course of business. In particular, Banco Santander and CaixaBank act as lenders (and in the case of Banco Santander, also as agent) of our Syndicated Debt Facility detailed in sections "*Material Contracts—Syndicated Debt Facility*" and "*Operating and Financial Review*" of this Prospectus. Also, certain of the Managers or their affiliates that have a lending relationship with us may routinely hedge their credit exposure to us consistent with their customary risk management policies. A typical hedging strategy would include these Managers or their affiliates hedging such exposure by entering into transactions which consist of either the purchase or credit default swaps or the creation of short positions in our securities.

MATERIAL CONTRACTS

Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal

On January 30, 2020, Powertis entered into a collaboration agreement with Total Solar Ibérica, S.L. Unipersonal ("**Total**") (a wholly owned subsidiary of Total Solar International, S.A.S.) to jointly develop, finance, construct and operate up to 1,000 MW of greenfield solar PV facilities in Spain. Powertis has agreed to provide exclusivity to Total in Spain for one year following the execution of the collaboration agreement for projects of 2.5 MW in size or greater. Once Powertis has successfully secured the land and interconnection rights for a specific project through a special purpose vehicle, Total holds a right but not the obligation to acquire a 65% stake of such SPV, with the remaining 35% held by Powertis.

Powertis shall conduct the technical and development actions necessary for a project to reach a ready-to-build status. The price for projects developed by Powertis under the collaboration agreement depends on a fixed rate per MW provided for in such agreement. The development budget for each project, which includes Powertis' fees regarding certain development services, shall be agreed upon by both parties. Pursuant to the collaboration agreement, Total shall provide technical and financial assistance, including but not limiting securing a PPA for each project. In addition, Total has a right of first offer (ROFO) and a right of first refusal (ROFR) in relation to the PPAs for the projects covered by the collaboration agreement.

Moreover, the collaboration agreement provides that either party may sell its stake in the SPV on the following stages: (i) after a project has reached ready-to-build status, in which case the non-selling party will be entitled to a right to match, and (ii) six months after a project has passed all commissioning tests and becomes fully operational, in which case the selling party shall be entitled to a drag-along right, limited in the case of Powertis being the selling party to 15% of Total's interest and Total retaining a 50% stake in the SPV. In no event Powertis and Total will be required to buy each others' stake if no third parties are interested.

In addition, Soltec ER has the right of exclusivity to provide services of engineering, procurement and construction to the projects related to the collaboration agreement, provided that certain conditions, including pricing and quality, are fulfilled. If such conditions are not fulfilled, Soltec ER has the right, under certain terms, to match an offer from a third party. Furthermore, Soltec ER has the right of first offer to supply solar trackers to such projects and, if such offer is rejected, Soltec ER has the right to match any third party offer related to the supply of solar trackers.

In March 2020, the transfer of 65% of the shares of Amber Solar Power Uno, S.L., Amber Solar Power Tres, S.L., Amber Solar Power Cuatro, S.L., Amber Solar Power Cinco, S.L. and Luminora Solar Cuatro, S.L., consisting of projects with 46.5 MW in the aggregate, was executed in accordance with the terms set out in the collaboration agreement. Consequently, as of June 30, 2020, the Company has no longer the control over these SPVs. This transaction resulted in the recording, in the six months ended June 30, 2020, a consolidated profit of €1,367 thousand derived from the transfer under the heading "other results", of which €435 thousand represented the fair value of the stake determined through the sale price and €932 thousand represented the result of the loss of control, and entailed receiving approximately €931 thousand as the agreed consideration for the transfer of the 65% stakes.

Moreover, in July 2020 the transfer of 65% of the shares of Luminor Solar Dos, S.L., Luminora Solar Tres, S.L., Amber Solar Power Nueve, S.L., Amber Solar Power Diez, S.L., Amber Solar Power Quince, S.L., and Amber Solar Power Dieciseis, S.L. consisting of projects with 326.5 MW in the aggregate classified as advanced-stage development pipeline, was executed in accordance with the terms set out in the collaboration agreement. Consequently, as of July 31, 2020, the Company has no longer the control over these SPVs. This transaction resulted in the recording a consolidated profit of €9,819 thousand in the month ended July 31, 2020, derived from the transfer under the heading "other results", of which €3,075 thousand represented the fair value of the stake determined through the sale price and €6,744 thousand represented the result of the loss of control, and entailed receiving approximately €6,537 thousand as the agreed consideration for the transfer of the 65% stakes.

Syndicated Debt Facility

On September 28, 2018, Soltec ER entered into a syndicated debt facility agreement with Banco Santander; Bankia, S.A.; CaixaBank; Cajamar Caja Rural, Sociedad Coopertiva de Crédito; Bankinter, S.A.; Banco Cooperativo Español, S.A.; Banco Bilbao Vizcaya Argentaria, S.A.; Banco de Castilla la Mancha, S.A. (currently Liberbank, S.A.); Ibercaja Banco, S.A. Unipersonal; Banco de Sabadell, S.A.; and Banco Pichincha España, S.A.; as lenders, for a principal amount of up to €100 million, in order to finance future growth, including certain solar tracker supply and installation projects, as well as to provide additional liquidity in order to better adapt to changing market conditions. This Syndicated Debt Facility was partially amended in January 2019 and in March 2020.

The Syndicated Debt Facility is structured as follows:

- Tranche A: consisting of a syndicated senior revolving credit facility divided into two sub-tranches for a principal amount of up to €10 million and €70 million, respectively.

  The first sub-tranche, which is freely-available for a principal amount of up to €10 million, must be used to finance Soltec ER working capital needs, including the cancellation of existing short-term debt, as well as to reimburse any amounts resulting from the enforcement of the guarantees delivered by the lenders under Tranche B ("**Sub-tranche A1**").

  The second sub-tranche, which is conditionally-available for a principal amount of up to €70 million, must be used to finance supply and installation contracts entered into by the Group (the "**Bankable Contracts**"), as well as to reimburse any amounts resulting from the guarantees delivered by the lenders under Tranche B ("**Sub-tranche A2**").

  Amounts drawn under Sub-tranche A2 require the approval of the lenders, after validation by one of the four largest independent audit firms that the supply and installation contracts are Bankable Contracts and that all other conditions established in the Syndicated Debt Facility have been met. Among other conditions, the Syndicated Debt Facility requires that customers under Bankable Contracts have a credit rating equal to or higher than BBB- or deliver a first demand bank guarantee from a reputable banking institution with such rating.

- Tranche B: consisting of a bilateral guarantees facility for a principal amount of up to €20 million to be delivered as collateral to secure Soltec ER's obligations in respect of supply, installation and faithful compliance of its agreements with its customers or as guarantees of the contracts financed under Tranche A.

The Syndicated Debt Facility matures on September 28, 2021, and may be extended for two additional one-year periods by agreement of the parties (the "**Maturity Date**"). The principal amount of Tranche A is not required to be repaid until the Maturity Date provided that (i) certain conditions for drawdown are met including, among others, delivery and execution of documentation, and there shall not have occurred (a) a material adverse effect, (b) a prepayment event or (c) an event of default, and (ii) the lenders do not object to Soltec ER's express or deemed requests to renew the relevant drawdowns at the end of every monthly interest period. If such conditions are not met or any valid objection is made, all amounts drawn under Tranche A would be due at such time. Currently, the amortization date of Sub-tranche A2 is conditional on the collection by Soltec ER of the proceeds under the Bankable Contracts, provided that it may not exceed the Maturity Date. The Company believes that Soltec ER will continue to be able to meet the conditions provided for in the Syndicated Debt Facility for the renewal of the drawdowns under Tranche A and, therefore, it will not be required to repay the principal amount outstanding under Tranche A until the Maturity Date.

The annual interest rate of the Syndicated Debt Facility is calculated on the basis of one-month EURIBOR plus a spread of 250 basis points for the amounts drawn under Tranche A. In addition, there is a commission of 0.75% (calculated on a yearly basis) on the available and undrawn amounts for Tranche A, a commission for the issuance of the bilateral guarantees of 0.1% (calculated on a yearly basis) and a commission for the risk related to provision of the facility of bilateral guarantees of 0.2% (calculated on a quarterly basis) for

Tranche B. We paid an average interest rate of 2.46% on the Syndicated Debt Facility in the year ended December 31, 2019 and incurred a financial expense in such year of €1,958 thousand, recorded under the heading "Financial expenses" of the consolidated income statement of the attached fiscal year. For additional details, including with respect to information for the six months ended June 30, 2020, see Notes 9.2 and 15.6 to the Unaudited Interim Condensed Consolidated Financial Statements and Notes 8.2.1 and 14.F to the Company 2019 Audited Consolidated Financial Statements.

Soltec ER's obligations under this facility are secured by certain subsidiaries of the Group (the "**Guarantors**") through a first-demand personal guarantee and other guarantees (mainly, pledges) over bank accounts, Group subsidiaries' shares and credit rights resulting from Bankable Contracts and insurance policies. Soltec ER is also subject to certain customary covenants.

The Syndicated Debt Facility can be accelerated, and the amounts drawn will become immediately due and payable, upon the occurrence of certain events, including upon a Change of Control (as described below) and the failure to maintain a ratio of EBITDA to financial expenses (for Soltec ER and its subsidiaries) above 2.5. In addition, the Syndicated Debt Facility contains a cross default provision.

As detailed in section "*Risk Factors—Risks Related to Our Financial Situation—We have substantial indebtedness and may incur substantial additional indebtedness in the future*" a change of control under the Syndicated Debt Facility agreement means any modification to the direct or indirect stake in Soltec ER's Shareholders or of Soltec ER's stake in its material subsidiaries. The triggering of a Syndicated Facility Change of Control could give rise to an event of default under such facility and an acceleration of the related indebtedness.

Moreover, the Soltec ER's Shareholders undertake to maintain their stake, whether directly or indirectly, in Soltec ER's share capital, and not to alter their respective interest in a way that might trigger a Change of Control. Consequently, if Soltec ER carries out a share capital increase Soltec ER's Shareholders shall subscribe their pro-rata portion of the capital increase.

Under the Syndicated Debt Facility, Soltec ER must deliver to the lenders on or before June 30 every year a certificate in respect of the EBITDA / financial expenses ratio by reference to the fiscal year ended December 31 of the previous fiscal year. For more information see section "*Risk factors—We have substantial indebtedness and may incur substantial additional indebtedness in the future*".

On January 31, 2020, Soltec ER obtained a waiver from the lenders authorizing the contribution to the Company of 823,490 shares representing the entire share capital of Soltec ER in connection with the Reorganization Process. Further, given the Change of Control provision of the Syndicated Debt Facility, on October 5, 2020, Soltec ER obtained a waiver from the lenders authorizing the Offering provided that Soltec ER's Shareholders retain a majority interest of, at least, 50.01% of the share capital of the Company (and indirectly of Soltec ER) following completion of the Offering.

Under the terms of the Syndicated Debt Facility, Soltec ER must prepay any amounts drawn in full if there is a Change of Control or if Soltec ER loses control over any of the Guarantors or its material subsidiaries. In addition, Soltec ER must partially prepay any amounts drawn with proceeds received in certain circumstances, including with amounts collected under the Bankable Contracts.

Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)

On September 23, 2020, Powertis, as seller, entered into a share purchase agreement with, among others, Mr. Carlos García Mena, Powertis' Brazil regional general manager ("**Mr. García**" and, jointly with Powertis, the "**Sellers**"), as seller, Atlas Casablanca Comercializadora De Energia Ltda. ("**Atlas**"), as buyer, and the Company and Atlas Energia Renovável do Brasil S.A. ("**Atlas ER**"), as guarantors (the "**Atlas Agreement**"). Under the Atlas Agreement, Powertis and Mr. García, in a proportion of respectively 99.99% and 00.01%, sell and transfer to Atlas, which purchases and acquires (i) the shares representing the total share capital of (a) Usina de Energia Fotovoltaica Lar Do Sol IV S.A., (b) Usina de Energia Fotovoltaica Lar Do Sol V S.A. and (c) Usina de Energia Fotovoltaica Lar Do Sol VI S.A. (collectively, "**Block A**

Companies"); and (ii) an option over the shares representing the total share capital of (a) Usina de Energia Fotovoltaica Lar Do Sol I S.A., (b) Usina de Energia Fotovoltaica Lar Do Sol II S.A. and (c) Usina de Energia Fotovoltaica Lar Do Sol III S.A. (collectively, "**Block B Companies**"), to be exercised at Atlas' discretion by October 31, 2020 ("**Call Option**").

The Block A Companies, together with the Block B Companies, are part of the Lar do Sol Photovoltaic Complex (*Complexo Fotovoltaico Lar do Sol*), commercially referred to as Leo Silveira project, composed of 10 individual photovoltaic plants in Minas Gerais, Brazil, that have an individual capacity of 49.5 MW-AC ("**Photovoltaic Plant**") for a combined capacity of 495 MW-AC, and 619 MW-DC of installed capacity assuming a DC:AC ratio of 1.25. Each of the Block A Companies owns two Photovoltaic Plants in a total of six Photovoltaic Plants (the "**Projects**"), that is, 60% of the aggregate installed capacity.

Also pursuant to the Atlas Agreement, Atlas undertakes to cause certain companies within its portfolio holding PV plants to enter into agreements with the Block A Companies and Block B Companies for the assignment of use of real estate properties for the Photovoltaic Plants to be relocated. Furthermore, the revised installed capacity for the combined Photovoltaic Plants in the new real estate properties is anticipated to be approximately 597 MW-DC—that is, assuming an DC:AC ratio of approximately 1.20.

Consideration for the shares representing the total share capital of the Block A Companies ("**Shares of the Block A Companies**") is subject to a post-Closing adjustment based on the positive or negative difference between (i) the net debt of the Block A Companies as of Closing Date and (ii) the net debt of the Block A Companies as of August 31, 2020 ("**Purchase Price**").

Additionally, on October 2, 2020 Atlas exercised the Call Option for the purchase of the shares representing the total share capital of the Block B Companies ("**Shares of the Block B Companies**") for certain consideration that is subject to a post-Closing adjustment based on the positive or negative difference between (i) the net debt of the Block B Companies as of Closing Date and (ii) the net debt of the Block B Companies as of August 31, 2020.

The purchase price for the sale of the Shares of the Block A Companies and the Shares of the Block B Companies amounted to BRL 95,000 thousand (approximately €15,544 thousand considering the Brazilian real-euro exchange rate of June 30, 2020), and an estimated net profit of approximately BRL 41,500 thousand (approximately €6,790 thousand considering the Brazilian real-euro exchange rate of June 30, 2020) is expected. Additionally, this sale agreement implies the cancellation by the Company of the commercial accounts receivable maintained with such SPVs, which amounts to approximately €1,175 thousand as of June 30, 2020, and the registration of an impairment for €1,901 thousand as result from the disposal of fixed assets. For additional information on the impact of this transaction on our financial statements, see Note 6.2 to the Unaudited Interim Condensed Consolidated Financial Statements.

The transfer of the Shares of the Block A Companies to Atlas under the Atlas Agreement (but not the transfer of the Shares of the Block B Companies) are subject to, among others, the following conditions precedent:

(i) approval of the transfer by the CADE (*Conselho Administrativo de Defesa Económica*), the Brazilian antitrust regulator, which was obtained on September 24, 2020;

(ii) the Sellers causing each of the Block A Companies to enter into a Transmission System Connection Agreement (*Contrato de Conexão do Sistema de Transmissão*) with Serra Paracatu Transmissora de Energia Ltda. by 2 October 2020 or the date which may be set by the National System Operator (*Operador Nacional do Sistema*) ("**Transmission System Connection Agreement**"). The contract has not yet been executed and the National System Operator is yet to set a new date.; and

(iii) the Sellers causing each of the Block A Companies to assign certain environmental licences to companies other than the Block B Companies.

For the purposes of the Atlas Agreement, Closing Date (*Data de Fechamento*) shall be deemed a date after the satisfaction or waiver of the last condition precedent (except with respect to the conditions precedent which, by their nature, must be satisfied on the Closing Date), where the transfer of the Shares of the Block

A Companies to Atlas will take place. However, the Purchase Price may only be due after Closing Date, since payment thereof is subject to the satisfaction of the Payment Conditions (as defined below).

If Closing does not take place by October 31, 2020, the Atlas Agreement may be terminated either by Atlas or by the Sellers, upon notification to the other Parties thereto.

The obligation of Atlas to pay the Purchase Price to the Sellers shall be subject to compliance with certain conditions ("**Payment Conditions**") by December 15, 2020 or by the date of the actual disbursement within the scope of Financing (as defined below), whichever occurs first, and may be extended, at the sole discretion of Atlas, until March 30, 2021 ("**Financial Closing**"). Payment Conditions are as follows:

(i) representations and warranties provided by the Sellers must have remained valid, correct and precise (except for those expressly related to a specific date, which shall be valid, correct and precise by that date);

(ii) absence of breach: the Sellers, the Company and the Block A Companies shall have fulfilled all the obligations under the terms of the Atlas Agreement by or on the date of payment of the Purchase Price;

(iii) absence of material adverse effect: from the date of the Atlas Agreement (that is, September 23, 2020) until the date of fulfilment of the last Condition of Payment, no material adverse effect may have occurred with regard to the Block A Companies as a result of acts, facts, events or omissions before and up to (and including) the Closing Date;

(iv) absence of claim (*demanda*): the inexistence of any claim that makes it costly or impossible or prevents or delays the completion of the transaction;

(v) approval by the National Electrical Power Agency (*Agência Nacional de Energia Elétrica*) of certain amendments to the technical features of the Projects;

(vi) the Sellers must compile all the necessary documents to change the sub-modality of the SisComex (RADAR) of the Block A Companies from limited to unlimited and Atlas must cause the change of sub-modality by the Block A Companies;

(vii) Atlas must cause each of the Block A Companies, as applicable and as determined by the National System Operator, to enter into amendments to the respective Transmission System Connection Agreements and Agreements for Use of Transmission System (*Contratos de Uso do Sistema de Transmissão*). These must reflect the amendments to the technical features of the Projects as well as any terms and conditions indicated by the National System Operator and shall not be subject to any administrative or judicial proceedings which (i) question, threaten or suspend their legality or (ii) plead their nullity;

(viii) execution of a financing agreement and guarantees connected thereof, among Atlas, the Block A Companies and a financial agent ("**Financing**"); and

(ix) the Sellers must cause the Block A Companies to inform the Brazilian Federal Revenue (*Receita Federal do Brasil*) regarding (i) the amendments to the technical features of the Projects, clarifying that such amendments do not impact their REIDI qualification as approved by the Ministry of Mines and Energy (*Ministério de Minas e Energia*) and declared by the Brazilian Federal Revenue and (ii) the change of control of the Block A Companies in the context of the transaction, as duly evidenced by documents to be presented to Atlas.

If the Atlas Agreement is terminated after Closing but before Financial Closing (i) through a mutual agreement; (ii) by the Sellers, (a) following a breach of the representations and warranties of Atlas or (b) provided that the Payment Conditions to which Atlas is in charge of, including the Financing, are not fulfilled or waived by Atlas; or (iii) by Atlas, following a breach of the representations and warranties of either the Sellers or the Company; Atlas shall immediately return the Shares of the Block A Companies to the Sellers, at the original condition existing at Closing Date but including the assignment of use of real estate properties under control by Atlas, and thus losing all rights over the six Photovoltaic Plants directly owned by the Block A Companies (that is, 60% of the aggregate installed capacity of the Lar do Sol Photovoltaic Complex).

Under the Agreement, Atlas is entitled, after Closing Date, to exercise an option to sell the Shares of the Block A Companies to the Sellers until December 30, 2020, provided that the Sellers failed to meet the Payment Conditions ("**Put Option**"). No consideration is due by the Sellers for the re-acquisition of the Shares of the Block A Companies upon the exercise of the Put Option. The Put Option may be extended, at Atlas' discretion, by a 90-days' period (that is, until March 31, 2021).

If Atlas, after February 15, 2021, (i) exercises the Put Option; or (ii) exercises its right to terminate the Agreement, without fault of the Sellers; Atlas shall pay certain consideration to the Sellers. The exercise by Atlas of the Put Option before this date does not entail any payment to the Sellers.

The Company shall be joint and severally liable, as guarantor and principal payer, for the execution and fulfilment of the obligations of the Sellers and of the Block A Companies under the Atlas Agreement.

Under the Atlas Agreement, Atlas undertook to enter into, and Soltec ER undertook to cause one of its related parties to enter into, an agreement for the supply of trackers and additional services to the Block A Companies ("**Tracker Supply Agreement**"). The Tracker Supply Agreement shall be entered into by October 30, 2020, without prejudice to further extension by mutual agreement and regardless of whether Closing takes place. The term sheet of the Tracker Supply Agreement –which establishes its main indicative terms and conditions, subject to final agreement and execution between the parties– determines that the price to be paid to the supplier shall be negotiated based in substantially the same terms as the ones included in Exhibit A. Exhibit A contains offers with the following offer metrics a tracker configuration including a total of 8,256 trackers and other supplies, considering a total PV plant power of approximately 361 MW, for an aggregate consideration that, subject to certain technical conditions, may amount to up to approximately BRL184 million (approximately €30 million considering the Brazilian real-euro exchange rate of June 30, 2020).

Same terms described for Block A Companies applies to Block B Companies upon execution of the Call Option, which was exercised by Atlas on October 2, 2020.

Material contracts relating to the Offering

For a description of the material contracts relating to the Offering, see "*Plan of Distribution—The Underwriting Agreement*".

SELLING AND TRANSFER RESTRICTIONS

The distribution of this Prospectus and the offer and sale of the Shares in certain jurisdictions may be restricted by law. No action has been or will be taken in any jurisdiction that would permit a public offering or sale of the Shares, or possession or distribution of this Prospectus (or any other offering or publicity material relating to the Shares), in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law. Accordingly, the Shares may not be offered, sold or purchased or delivered, directly or indirectly, and neither this Prospectus nor any other Offering material or advertisement in connection with the Shares may be distributed or published in or from any country or jurisdiction where to do so would breach any securities laws or regulations of any such country or jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration, except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction.

Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions, including those in the paragraphs that follow, on the distribution of this Prospectus and the offer of Shares. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Because of the following restrictions, purchasers of Shares are advised to consult legal counsel before making any offer for, or resale, pledge or other transfer of, Shares.

United States

Due to the following restrictions, purchasers of Shares in the United States are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of the Shares. Terms used in this section, which are defined in Rule 144A or in Regulation S under the U.S. Securities Act, are used herein as defined therein.

Transfer Restrictions

The Shares are being offered in accordance with Rule 144A and Regulation S under the U.S. Securities Act. The Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction within the United States and, accordingly, may not be offered, sold or delivered within the United States except to QIBs in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Rule 144A and outside the United States in accordance with Regulation S.

In addition, until 40 days after the closing of the Offering, any offer or sale of the Shares originally distributed outside the United States in accordance with Regulation S that is made within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if made otherwise than in accordance with Rule 144A under the U.S. Securities Act or pursuant to another exemption from registration under the U.S. Securities Act.

Each purchaser of the Shares hereby will be deemed by its acceptance of the Shares to have represented and agreed as follows:

(a) if in the United States, the purchaser is (i) a QIB, (ii) aware, and each beneficial owner of the Shares has been advised, that the sale of Shares to it is being made in reliance on Rule 144A and (iii) acquiring Shares for its own account or for the account of a QIB;

(b) if outside the United States, the purchaser is acquiring the Shares in an "offshore transaction" meeting the requirements of Regulation S and was located outside the United States at the time the buy order for the Shares was originated;

(c) the purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act; and

(d) the purchaser understands that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be reoffered, resold, pledged or otherwise transferred except (i) (A) to a person whom the purchaser and any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (B) in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S or (C) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available) and (ii) in accordance with all applicable securities laws of the states of the United States. Such purchaser acknowledges that the Shares offered and sold in accordance with Rule 144A are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act and that no representation is made as to the availability of the exemption provided by Rule 144 for re-sales of the Shares.

Selling Restrictions

No action has been or will be taken in any jurisdiction that would permit a public offering of the Shares, or possession or distribution of this Prospectus or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Shares may be distributed or published, in or from any country or jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and the Offering. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute an offer of, or the solicitation of an offer to buy or subscribe for, any of the Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction. There will be no public offering in the United States.

European Economic Area and United Kingdom

In relation to each Member State of the European Economic Area and the United Kingdom (each a "**Relevant State**"), no Shares have been offered or will be offered pursuant to the Offering to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that it may make an offer to the public in that Relevant State of any Shares at any time under the following exemptions under the Prospectus Regulation:

(a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under the Prospectus Regulation), subject to obtaining the prior consent of the Global Coordinator for any such offer; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Shares to be offered so as to enable an investor to decide to purchase or subscribe for any Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

ENFORCEMENT OF CIVIL LIABILITIES

We are a Spanish company and most of our assets are located outside the United States. In addition, all of our directors and executive officers, as well as our principal shareholders, reside or are located outside the United States, mainly in Spain. As a result, investors may not be able to effect service of process upon us or these persons, or to enforce judgments obtained against us or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. securities laws. Furthermore, it is doubtful that a lawsuit based upon U.S. federal or state securities laws, or upon the laws of any non-Spanish jurisdiction, could be brought in an original action in Spain and that a foreign judgment based upon such laws would be enforceable in Spain.

VALIDITY OF THE SHARES AND LEGAL MATTERS

The validity of the Shares offered and certain legal matters relating to the Offering will be passed upon for the Company by Uría Menéndez Abogados, S.L.P. (with respect to Spanish law) and by Davis Polk & Wardwell LLP (with respect to U.S. federal law). Certain legal matters relating to the Offering will be passed upon for the Managers by Cuatrecasas, Gonçalves Pereira, S.L.P. (with respect to Spanish law) and by Mayer Brown International LLP (with respect to U.S. federal law).

INDEPENDENT AUDITORS

Deloitte, S.L., with registered office in Madrid, at Plaza Pablo Ruiz Picasso 1, Torre Picasso, Madrid 28020, Spain, holder of Spanish tax identification number (NIF) B-79104469 and registered with the R.O.A.C. (*Registro Oficial de Auditores de Cuentas*—Official Registry of Auditors) under the number S0692 and in the Commercial Registry of Madrid under Volume 13,650, Section 8, Sheet 188, Page M-54414 as the 96th entry, has audited the Audited Financial Statements.

Deloitte, S.L. was appointed as independent auditor of Soltec ER at its general meeting of shareholders held on November 5, 2018, for the years 2018 to 2020 (both inclusive), and has not resigned, has not been removed or has not been reappointed as its independent auditor during the period covered by the historical financial information, and prior to the date of this Prospectus.

Deloitte, S.L. was also appointed as independent auditor of the Company at its general meeting of shareholders held on December 26, 2019, for the years 2019 to 2021, and has not resigned, has not been removed or has not been reappointed as our independent auditor during the period covered by the historical financial information, and prior to the date of this Prospectus.

ADDITIONAL INFORMATION

Information on the Company

The Company's legal name is Soltec Power Holdings, S.A. and it operates under the commercial name "Soltec". The Company is registered with the Commercial Registry of Murcia, under volume 3417, sheet 176, section 8, page MU-101068, and holder of Spanish tax identification number (NIF) A05556733, telephone number +34 968 603 153 and LEI code 959800L6L2B2GGN73292.

The Company was incorporated for an unlimited period of time pursuant to a public deed of incorporation granted on December 2, 2019 before the Notary Public Ms. María Dolores Heredia Cánovas, under number 2019/2113 of her notarial records, having its registered office at Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura (Murcia).

The principal legislation under which the Company operates, and under which the Company's existing ordinary shares were issued and under which the Shares will be issued, is the Spanish Companies Act and the regulations enacted thereunder.

The Company's financial year ends on December 31st.

The Company is domiciled in Spain and is resident in Spain for tax purposes.

For so long as any Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the U.S. Securities Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered to such person pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Company's Group

The table below shows the Company's significant subsidiaries, including name, country of incorporation or residence, registered office, main service, the proportion of ownership interest held (whether directly or indirectly) and, if different, the proportion of voting power held.

Company	Country of Registration	Registered Office	Main service	Direct stake %	Indirect stake %
Soltec Energías Renovables, S.L. Unipersonal	Spain	Polígono Industrial la Serreta, calle Gabriel Campillo S/N 30500 Molina de Segura	Marketing and management of equipment for renewable energy	100%	—
Powertis, S.A. Unipersonal	Spain	C/ Principe de Vergara 43 – 6ª Planta 28001, Madrid	Solar power project development	100%	—
Soltec Energie Rinnovabili S.r.L.	Italy	Viale Antonio Gramsci, 20 50136 Firenze	Marketing and management of equipment for renewable energy	—	100%
Soltec America, LLC.	United States	3050 Osgood Ct Fremont, CA 94539	Marketing and management of equipment for renewable energy	—	100%
Soltec Chile S.p.A.	Chile	El Bosque Nte 0134, Piso 7 Las Condes, Región Metropolitana	Marketing and management of equipment for renewable energy	—	100%

Company	Country of Registration	Registered Office	Main service	Direct stake %	Indirect stake %
Soltec Brasil Industria, Comercio e Servicios de Energías Renovaveis, LTDA	Brazil	Rua Dr. Barreto, 483, Lauro de Freitas, Estado de Bahia, 42700-000	Marketing and management of equipment for renewable energy	—	100%
Solar Trackers Colombia S.A.S	Colombia	Calle 93 B No. 19 – 35 Oficina 201, Bogotá, D.C., Cundinamarca – República de Colombia	Marketing and management of equipment for renewable energy	—	100%
Soltec Innovations, S.L.	Spain	Polígono Industrial la Serreta, calle Gabriel Campillo S/N 30500 Molina de Segura	Technical engineering services and related technical advisory activities	—	100%
Soltec Energías Renovables S.A.C.	Peru	Avenida República de Panamá N° 3576, Lima	Marketing and management of equipment for renewable energy	—	99.67%
Seguidores Solares Soltec SA de CV	Mexico	Oxford 30, Cuauhtémoc, 06600 Col Juárez	Marketing and management of equipment for renewable energy	—	100%
Soltec Trackers Private Limited	India	303, 3rd Floor, Tower 1 DLF Corporate Park, DLF City, Phase - 3, Gurgaon, Haryana 122001	Marketing and management of equipment for renewable energy	—	99.99%
Soltec Argentina, S.R.L.	Argentina	Avenida del Libertador 498, Piso 30, 1001. Ciudad Autónoma Buenos Aires	Marketing and management of equipment for renewable energy	—	95%
Soltec Australia, PTY LTD.	Australia	300 Barangaroo Avenue, Level 24, Three International Towers, Barancaroo NSW 2000	Marketing and management of equipment for renewable energy	—	100%
Solar Trackers Soltec Limited	Kenya	Adlife Plaza, Ring Road Kilimani. P. O. Box 6219 - 00200 – City Square. Nairobi. Kenya	Marketing and management of equipment for renewable energy	—	100%
Soltec Francia SARL	France	6 Place de la Madeleine 75008 Paris	Marketing and management of equipment for renewable energy	—	100%
Powertis, S.R.L.	Italia	Via Venti Settembre, 1. 00187 Roma	Solar power project development	—	100%
Powertis Brasil Desenvolvimento De Pojetos De Energia E Participações LTDA	Brasil	Quadra 1000 Lote 0008 Loteamento 40 Jardim Aeroporto 42.701-310 Pitangueiras. Lauro de Freitas	Solar power project development	—	100%

Changes after June 30, 2020

Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal

In the context of the collaboration agreement with Total, the transfer of 65% of the shares of six SPVs was formalized in July 2020. This transaction resulted in the recording of a consolidated profit of €9,819 thousand in the month ended July 31, 2020. For additional information, see section "*Material Contracts—Collaboration agreement with Total Solar Ibérica, S.L. Unipersonal*".

Agreement with Solatio to reduce the price of a development backlog project (Leo Silveira)

On September 15, 2020, Powertis entered into an agreement with Solatio Energy Gestao de Projetos Solares Ltda and Solatio Desenvolvimento e Gestao de Projetos Solares Ltda in order to reduce the outstanding consideration owed by Powertis to Solatio for the acquisition of SPVs related to the Leo Silveira project.

This agreement entails a reduction of the outstanding purchase price from €10,560 thousand to €4,546 thousand, of which €8,894 thousand were classified as short-term and the remaining amounts were classified as long-term as of June 30, 2020. The payment calendar is as follows: (i) €2,278 thousand of the outstanding purchase price shall be paid on March 31, 2021, and (ii) the remaining €2,278 thousand shall be paid on June 30, 2021.

Upon execution of this agreement, the €6,087 thousand purchase price adjustment was accrued as financial income. For additional details, see Notes 5.2 and 9.2 to the Unaudited Interim Condensed Consolidated Financial Statements and Note 2.6.a.iv to the Company 2019 Audited Consolidated Financial Statements.

Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)

On September 23, 2020, Powertis entered into a share purchase Agreement with Atlas in connection with the sale of the Block A Companies and the granting of an option to acquire the Block B Companies, consisting of projects with 495 MW in the aggregate. These SPVs represent the Leo Silveira project located in Minas Gerais, Brazil. On October 2, 2020 Atlas exercised its call option over the Block B Companies.

The purchase price for the sale of the Block A Companies and the Block B Companies amounted to BRL 95,000 thousand (approximately €15,544 thousand considering the Brazilian real-euro exchange rate of June 30, 2020), and an estimated net profit of approximately BRL 41,500 thousand (approximately €6,790 thousand considering the Brazilian real-euro exchange rate of June 30, 2020) is expected. Additionally, this sale agreement implies the cancellation by the Company of the commercial accounts receivable maintained with such SPVs, which amounts to approximately €1,175 thousand as of June 30, 2020, and the registration of an impairment for €1,901 thousand as result from the disposal of fixed assets. For additional information on the impact of this transaction on our financial statements, see Note 6.2 to the Unaudited Interim Condensed Consolidated Financial Statements. For further details, see section "*Material Contracts—Share purchase agreement with Atlas Casablanca Comercializadora de Energia Ltda. in connection with the sale of a development backlog project (Leo Silveira)".*

DOCUMENTATION INCORPORATED BY REFERENCE

The following documentation is incorporated by reference into this Prospectus:

- the Company's Unaudited Interim Condensed Consolidated Financial Statements (https://soltecpowerholdings.com/wp-content/uploads/2020/10/2020-H1-Informe-EEFF-IAS34-conso_-esp.pdf) and its English translation (https://soltecpowerholdings.com/wp-content/uploads/2020/10/H1-2020_SOL_Revision-limitada_ENG.pdf),
- the Company's 2019 Audited Consolidated Financial Statements (https://soltecpowerholdings.com/wp-content/uploads/2020/09/Informe-CCAA-Soltec-Conso-19.pdf) and its English translation (https://soltecpowerholdings.com/wp-content/uploads/2020/10/2019-Informe-CCAA-IG-SPH-conso_en.pdf), and
- the Soltec ER 2018-2017 Audited Consolidated Financial Statements (https://soltecpowerholdings.com/wp-content/uploads/2020/10/Informe-CCAA-Soltec-Conso-17_18.pdf) and its English translation (https://soltecpowerholdings.com/wp-content/uploads/2020/10/EN_SER-17-y-18_FS-Audit-report.pdf).

The Audited Financial Statements come along with their respective consolidated directors' reports including all of their respective annexes, and by their respective auditors' reports, which are all incorporated by reference into this Prospectus. For the avoidance of doubt, the Soltec ER 2018 Audited Consolidated Financial Statements and the Soltec ER 2017 Audited Consolidated Financial Statements are presented together in a single document.

DOCUMENTS ON DISPLAY

Copies of the following documents will be available free of charge at the Company's website (www.soltecpowerholdings.com) up to Admission and will also be available for inspection in physical form up to Admission during business hours on weekdays at our registered address in Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura (Murcia), Spain:

(i) the Company's deed of incorporation together with the relevant deed of share capital increase;

(ii) the Bylaws (which, following Admission, will also be available only in Spanish on the Company's website, www.soltecpowerholdings.com);

(iii) Board of Directors Regulations, General Meeting of Shareholders Regulations, Internal Code of Conduct in Securities (which are also available only in Spanish on the website of the CNMV, www.cnmv.es, and on the Company's website, www.soltecpowerholdings.com);

(iv) certificates of the corporate resolutions approved by the Company in connection with the Offering.

(v) the Unaudited Interim Condensed Consolidated Financial Statements and Audited Financial Statements (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es, and on the Company's website, www.soltecpowerholdings.com); and

(vi) English translation of the Audited Financial Statements (which, following Admission, will also be available on the website of the CNMV, www.cnmv.es, and on the Company's website, www.soltecpowerholdings.com).

Hard copies of the documents referred to in (i) to (vi) above will also be available for inspection in physical form at the offices of the CNMV in Madrid (Calle Edison, 4, 28006, Madrid) and in Barcelona (Paseo de Gracia, 19, 08007 Barcelona). Investors may contact the CNMV at the following telephone number: +34 900 535 015.

Documents which have access to the Commercial Registry are also available for inspection by investors.

Pursuant to the Prospectus Regulation, this Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website (www.soltecpowerholdings.com) and will be available for at least 10 years after its publication on the aforementioned websites. Hyperlinks used for the information incorporated by reference into this Prospectus shall remain functional for at least 10 years after the publication of this Prospectus.

Neither the Company's website nor any of its contents are considered part of or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has not examined nor approved the Company's website nor any of its contents.

SPANISH TRANSLATION OF THE SUMMARY

A. Introducción y advertencias

EL PRESENTE RESUMEN DEBE LEERSE COMO UNA INTRODUCCIÓN A ESTE FOLLETO. CUALQUIER DECISIÓN DE INVERTIR EN ACCIONES DE SOLTEC POWER HOLDINGS, S.A. (LA "SOCIEDAD" Y, JUNTO CON SUS FILIALES, EL "GRUPO") DEBE BASARSE EN LA CONSIDERACIÓN DE ESTE FOLLETO EN SU CONJUNTO POR PARTE DEL INVERSOR. EL INVERSOR PUEDE PERDER LA TOTALIDAD O PARTE DEL CAPITAL INVERTIDO EN LAS ACCIONES.

EN CASO DE PRESENTACIÓN ANTE UN TRIBUNAL DE CUALQUIER DEMANDA RELACIONADA CON LA INFORMACIÓN CONTENIDA EN EL PRESENTE FOLLETO O INCORPORADA POR REFERENCIA AL MISMO, ES POSIBLE QUE EL INVERSOR DEMANDANTE, EN VIRTUD DE LA LEGISLACIÓN ESPAÑOLA, TENGA QUE ASUMIR LOS COSTES DE TRADUCCIÓN DEL FOLLETO Y DE CUALQUIER DOCUMENTO INCORPORADO POR REFERENCIA AL MISMO ANTES DE INICIAR CUALQUIER PROCEDIMIENTO JUDICIAL.

LA RESPONSABILIDAD CIVIL CORRESPONDE SÓLO A LAS PERSONAS QUE HAYAN PRESENTADO EL RESUMEN INCLUYENDO CUALQUIER TRADUCCIÓN DEL MISMO, PERO SÓLO SI EL RESUMEN ES ENGAÑOSO, INEXACTO O INCOHERENTE CUANDO SE LEE JUNTO CON LAS OTRAS DE ESTE FOLLETO, O SI, LEÍDO CONJUNTAMENTE CON EL RESTO DE ESTE FOLLETO, OMITE INFORMACIÓN FUNDAMENTAL PARA AYUDAR A LOS INVERSORES A DECIDIR SI DEBEN INVERTIR O NO EN LAS ACCIONES DE LA SOCIEDAD.

La Sociedad es una sociedad anónima que opera bajo el nombre comercial de "Soltec". La Sociedad está inscrita en el Registro Mercantil de Murcia, al tomo 3.417, folio 176, sección 8, hoja MU-101.068; es titular del número de identificación fiscal (NIF) A-05556733; y del número LEI 959800L6L2B2GGN73292. El domicilio social y el número de teléfono de la Sociedad son: Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura, Murcia, España; y +34 968 603 153, respectivamente. El código ISIN asignado a las acciones ordinarias actualmente emitidas es ES0105513008, sin embargo las Nuevas Acciones Ofertadas tienen el siguiente código ISIN provisional ES0105513016 y llevarán el mismo código ISIN que las acciones ordinarias actualmente emitidas a partir de la Admisión. No se ofrecerá ni se solicitará la admisión a negociación de ninguna otra clase de acciones de la Sociedad. Todas las acciones de la Sociedad son de la misma clase.

Este folleto ha sido aprobado por y registrado con la Comisión Nacional del Mercado de Valores (la "**CNMV**") el 15 de octubre de 2020. Los inversores pueden contactar con la CNMV en el siguiente número de teléfono: +34 900 535 015. Este folleto se encuentra disponible en el sitio web de la Sociedad (www.soltecpowerholdings.com) y en el sitio web de la CNMV (www.cnmv.es). Ni el sitio web de la Sociedad ni ninguno de sus contenidos forman parte o se incorporan al presente folleto informativo, ya sea por referencia o de otro modo, salvo que se indique lo contrario en el mismo. La CNMV no ha examinado ni aprobado la página web de la Sociedad ni ninguno de sus contenidos.

Los términos en mayúsculas que no se definen en este resumen tienen los significados definidos en otras secciones del folleto.

B. Información clave sobre el emisor

B.1. ¿Quién es el emisor de los valores?

La denominación social del emisor es Soltec Power Holdings, S.A. y su nombre comercial es "Soltec". La Sociedad está constituida como sociedad anónima en España, de acuerdo con la legislación española y, en particular, con la Ley de Sociedades de Capital. Tiene su domicilio social en el Polígono Industrial la Serreta, calle Gabriel Campillo S/N, 30500, Molina de Segura, Murcia, España y su número de teléfono es +34 968 603 153. La Sociedad está constituida por tiempo indefinido y tiene el número de identificación fiscal español (NIF) A-05556733.

La escritura de constitución de la Sociedad fue otorgada el 2 de diciembre de 2019 y fue presentada en el Registro Mercantil de Murcia el 5 de diciembre de 2019. El 23 de diciembre de 2019, la Sociedad realizó un aumento de capital social mediante aportaciones no dinerarias por importe total de 296.250.000 euros mediante la emisión de 15.000.000 de nuevas acciones ordinarias, con un valor nominal de 1,00 euro cada una de ellas y una prima de 18,75 euros por acción, en contraprestación por la aportación a la Sociedad de 823.490 acciones representativas de la totalidad del capital social de Soltec Energías Renovables, S.L. ("**Soltec ER**") y de 20.000 acciones representativas de la totalidad del capital social de Powertis, S.A. ("**Powertis**") (el "**Proceso de Reorganización**"). Debido a su condición de sociedad holding del Grupo, la Sociedad no realiza operaciones y las principales actividades se llevan a cabo a través de las principales filiales del Grupo que están íntegramente participadas por la Sociedad: Soltec ER y Powertis.

Nuestras principales actividades se dividen en nuestra línea de negocio industrial (servicios de seguimiento y construcción) dirigida por Soltec ER, y nuestra línea de negocio de desarrollo de proyectos, dirigida por Powertis.

Soltec ER proporciona una amplia gama de servicios de desarrollo, suministro de equipos, construcción y operación y mantenimiento. Nuestros principales productos son nuestros seguidores solares de un sólo eje SF7 y nuestros seguidores solares bifaciales SF7, ambos lanzados en 2017, nuestros seguidores SF7 Tandem, lanzados en julio de 2020 y nuestros nuevos modelos, seguidores de un solo eje SF8 y seguidores bifaciales SF8, ambos lanzados en septiembre de 2020. Ofrecemos servicios de instalación a nuestros clientes de seguidores, en especial a clientes nuevos y en sitios de instalación particularmente complejos.

Además, ofrecemos servicios completos de puesta en marcha, que implican un proceso de verificación para certificar que un proyecto de energía solar cumple todos los requisitos de diseño, titularidad, instalación y construcción y está listo para funcionar. Además, proporcionamos servicios de operación y mantenimiento, incluso con respecto a equipos que no hemos suministrado, como los paneles de energía. A través de Solmate, nuestra plataforma de servicio al cliente, ofrecemos garantía, atención y servicios de operación y mantenimiento a nuestros clientes.

Para cada proyecto en el que suministramos seguidores solares se proporcionan amplios servicios de ingeniería de proyectos, con el objetivo de maximizar el rendimiento de cada emplazamiento a la luz de sus particulares limitaciones de terreno y asegurar que cumplen con las especificaciones válidas para los procesos, productos y servicios. Además, nuestros ingenieros se encargan de evaluar incidencias, proporcionar actualizaciones de los proyectos y apoyo técnico general a nuestros otros departamentos y clientes, así como de realizar inspecciones y validaciones técnicas para los nuevos proyectos.

Nuestra línea de negocio de desarrollo de proyectos, desarrolla y espera construir y vender a terceros, proyectos de energía solar, principalmente en Europa y América Latina, y, debido a nuestra experiencia, es capaz de asesorar a nuestros clientes en todo el ciclo vital de un proyecto. La estrategia de rotación de activos de Powertis exige desinvertir durante un período de 24 meses tras la fecha de la operación comercial en proyectos de moneda fuerte y en proyectos listos para construir en proyectos de moneda débil.

A 30 de junio de 2020, nuestro *order backlog* era de, aproximadamente, 190 millones de euros y nuestro *order pipeline* de, aproximadamente, 2.148 millones de euros, calculado como la suma de los ingresos potenciales no ponderados por nuestra estimación de probabilidad de que firmemos un contrato. Sin embargo, no podemos asegurar que podamos completar dichos proyectos en el futuro.

Al 30 de junio de 2020, nuestro *development backlog* era de, aproximadamente, 1.331 MW y nuestro *development pipeline* era de aproximadamente 3.816 MW, calculada como la suma de los MW potenciales no ponderados por nuestra estimación de la probabilidad de que el proyecto se complete. Sin embargo, no podemos asegurar que podamos completar dichos proyectos en el futuro.

La siguiente tabla presenta cierta información sobre la titularidad de las acciones ordinarias de la Sociedad antes y después de la Oferta.

	Antes de la Oferta		**Oferta**	**Después de la Oferta**			
Titular	**Número de Acciones**	**%**	**Número de Acciones ofrecidas como Opción de Sobreasignación(1)**	**Opción de Sobreasignación no ejercida**	**%**	**Opción de Sobreasignación ejercida en su totalidad**	**%**
Mr. José Francisco Moreno Riquelme(2)	41.748.000	69,30	3.537.736(4)	41.748.000	43,66	38.210.264	39,96
Mr. Raúl Morales Torres(3)	17.892.000	29,70	—	17.892.000	18,71	17.892.000	18,71
Mr. Pablo Miguel Otín Pintado	600.000	1,00	—	600.000	0,63	600.000	0,63
Free Float	—	—	—	35.377.358	37	38.915.094	40,70

(1) Todas nuestras acciones tienen los mismos derechos de voto.
(2) Por medio de Grupo Corporativo Sefrán, S.L.
(3) Por medio de Valueteam, S.L.
(4) Asumiendo que el Precio de la Oferta se encuentra en el punto medio del Rango de Precios de la Oferta

A la fecha del presente folleto, los administradores de la Sociedad son los siete miembros del consejo de administración: D. Raúl Morales Torres (ejecutivo), D. Fernando Caballero de la Sen (independiente), Dña. Nuria Aliño Pérez (independiente), Dña. María Sicilia Salvadores (independiente), Dña. Marina Moreno Dólera (dominical), D. José Francisco Morales Torres (Dominical) y D. Marcos Sáez Nicolás (dominical).

Deloitte, S.L., con domicilio social en la Plaza Pablo Ruiz Picasso 1, Torre Picasso, Madrid 28020, España, titular del número de identificación fiscal (NIF) B-79104469 e inscrita en el R.O.A.C. (Registro Oficial de Auditores de Cuentas) con el número S0692 y en el Registro Mercantil de Madrid al tomo 13.650, sección 8, folio 188, hoja M-54.414 como inscripción 96ª es la auditora designada de la Sociedad.

B.2. ¿Cuál es la información financiera clave sobre el emisor?

La escritura de constitución de la Sociedad fue otorgada el 2 de diciembre de 2019 y fue inscrita en el Registro Mercantil de Murcia el 5 de diciembre de 2019. El 23 de diciembre de 2019, la Sociedad realizó un aumento de capital social mediante aportaciones no dinerarias en contrapartida por la aportación a la Sociedad de acciones representativas de la totalidad del capital social de Soltec ER y Powertis. Por tanto, la Sociedad es un emisor de valores de renta variable con un historial financiero complejo a los efectos del artículo 18 del Reglamento Delegado (UE) 2019/980, por lo que la información prescrita por el Anexo 1 del Reglamento Delegado (UE) 2019/980 no representa con exactitud la situación del emisor. En consecuencia, la información financiera incluida en el folleto se derivada de (i) los estados financieros intermedios no auditados resumidos consolidados a 30 de junio de 2020 de la Sociedad, que han sido objeto de una revisión limitada por parte de Deloitte, S.L. y preparados de acuerdo con la Norma Internacional de Contabilidad 34 sobre Información Financiera Intermedia ("**NIC 34**"), aprobada por la Unión Europea, para la preparación de estados financieros provisionales completos, y otras disposiciones del marco de información financiera aplicable en España; (ii) los estados financieros consolidados auditados a 31 de diciembre de 2019 de la Sociedad, que incorporan los resultados de las operaciones de Soltec ER y Powertis desde el 1 de enero de 2019, que han sido auditados por Deloitte, S.L. y han sido preparados de acuerdo con las Normas Internacionales de Información Financiera, tal y como estás han sido adoptadas por la Unión Europea ("**NIIF-UE**"); (iii) los estados financieros consolidados y auditados de Soltec ER para el ejercicio cerrado a 31 de diciembre de 2018 que han sido auditados por Deloitte, S.L. y han sido preparados de acuerdo con las NIIF-UE; y (iv) los estados financieros consolidados y auditados de Soltec ER para el ejercicio cerrado a 31 de diciembre de 2017 que han sido auditados por Deloitte, S.L. y han sido preparados de acuerdo con las NIIF-UE, para representar con exactitud la situación del emisor y permitir a los inversores hacer una evaluación informada de la Sociedad de conformidad con el apartado 1 del artículo 6 y el apartado 2 del artículo 14 del Reglamento de Folletos.

Cuenta de resultados

	A 30 de junio de 2020(1)	**A 30 de junio de 2019(1)**	**A 30 de diciembre de 2019(2)**	**A 30 de diciembre de 2018(3)**	**A 30 de diciembre de 2017(4)**
			(en miles de euros)		
Total ingresos	115.695	121.819	356.812	165.954	176.910
Beneficios/pérdidas de explotación u otra medida similar del rendimiento financiero usada por el emisor en los estados financieros	(14.518)	(1.442)	15.449	3.037	13.098
Beneficio neto consolidado para el periodo/año	(9.301)	(5.404)	1.340	(136)	8.648

(1) Extraído de los Estados Financieros Intermedios Resumidos Consolidados No Auditados.
(2) Extraído de los estados financieros consolidados auditados de la Sociedad 2019.
(3) Extraído de los estados financieros consolidados auditados del Soltec ER 2018.
(4) Extraído de los estados financieros consolidados auditados del Soltec ER 2017.

Balance

	A 30 de junio de 2020(1)	**A 30 de diciembre de 2019(2)**	**A 30 de diciembre de 2018(3)**	**A 30 de diciembre de 2017(4)**
		(en miles de euros)		
Activos totales	201.177	251.130	126.082	81.003
Capital propio total	(2.375)	17.982	14.456	14.958
Deuda Financiera Neta (5)	104.571	86.766	53.967	37.323

(1) Extraído de los Estados Financieros Intermedios Resumidos Consolidados No Auditados.
(2) Extraído de los estados financieros consolidados auditados de la Sociedad 2019.
(3) Extraído de los estados financieros consolidados auditados del Soltec ER 2018.
(4) Extraído de los estados financieros consolidados auditados del Soltec ER 2017.
(5) Deuda Financiera Neta es una medida alternativa de rendimiento.

Estado de flujos de caja

	A 30 de junio de 2020(1)	**A 30 de junio de 2019(1)**	**A 30 de diciembre de 2019(2)**	**A 30 de diciembre de 2018(3)**	**A 30 de diciembre de 2017(4)**
			(en miles de euros)		
Flujos de caja netos pertinentes de actividades de explotación	(17.612)	(16.044)	4.789	(12.641)	(4.935)
Flujos de caja de actividades de inversión	(937)	(6.341)	(10.427)	1.419	528
Flujos de caja de actividades de financiación	3.435	10.979	31.001	26.255	5.161

(1) Extraído de los Estados Financieros Intermedios Resumidos Consolidados No Auditados.
(2) Extraído de los estados financieros consolidados auditados de la Sociedad 2019.
(3) Extraído de los estados financieros consolidados auditados del Soltec ER 2018.
(4) Extraído de los estados financieros consolidados auditados del Soltec ER 2017.

B.3. ¿Cuáles son los principales riesgos específicos de emisor?

Los factores de riesgo más importantes y específicos del emisor son:

Riesgos relacionados con nuestra situación financiera

- Tenemos una deuda considerable y podemos incurrir en deuda adicional considerable en el futuro.
- A 30 de junio de 2020, nuestro patrimonio neto consolidado se ha deteriorado gravemente, registramos un patrimonio neto consolidado negativo y pérdidas netas consolidadas para dicho período y para el año finalizado a 31 de diciembre de 2018.
- Actualmente operamos con un fondo de maniobra negativo. No podemos asegurar que el desequilibrio financiero existente a 30 de junio de 2020 no vaya a continuar ni que reportemos un fondo de maniobra positivo en el futuro, lo que podría impedirnos continuar como una sociedad operativa.
- Es posible que no podamos generar suficientes flujos de efectivo o tener acceso a la financiación externa necesaria para financiar las operaciones planificadas y realizar inversiones de capital adecuadas en la capacidad de fabricación y el desarrollo de proyectos solares.

Riesgos relacionados a nuestro negocio e industria

- Nuestro *order backlog, order pipeline, development backlog* y *development pipeline* se basan en proyecciones y pueden estar sujetas a ajustes y cancelaciones inesperadas y, por lo tanto, pueden no ser indicadores precisos o fiables de nuestros ingresos o ganancias futuros.
- Estamos expuestos a pandemias como el Coronavirus, COVID-19 o brotes de enfermedades infecciosas en los países en los que operamos.
- Somos sensibles a las fluctuaciones de los tipos de cambio.
- Nuestra línea de negocio de desarrollo de proyectos se creó recientemente y tiene un historial operativo limitado; el desarrollo de proyectos de energía solar nos expone riesgos distintos de los de la producción de seguidores solares.
- Dependemos de un número limitado de clientes, tenemos un alto nivel de rotación, carecemos de contratos a largo plazo con clientes y tenemos un número limitado de posibles compradores de electricidad.
- Operamos en una industria altamente volátil; la industria de la energía renovable representa una intensa competencia, un entorno regulado y barreras comerciales.

Riesgos legales y regulatorios

- Podemos estar expuestos a riesgos relacionados con nuestros derechos de propiedad intelectual e industrial, a la infracción o apropiación indebida de nuestra tecnología, a la responsabilidad por productos y a los ciberataques.
- Estamos sujetos a numerosas leyes, reglamentos y políticas a nivel estatal, autonómico y local en los mercados en los que hacemos negocios.

C. Información clave sobre los valores

C.1. ¿Cuáles son las características principales de los valores?

Las Acciones son acciones ordinarias de valor nominal de 0,25 euros cada una.

El código ISIN asignado a las acciones ordinarias actualmente emitidas es ES0105513008, sin embargo las Nuevas Acciones Ofertadas tienen el siguiente código ISIN provisional ES0105513016 y llevarán el mismo código ISIN que las acciones ordinarias actualmente emitidas a partir de la Admisión.. No habrá oferta o solicitud de admisión a negociación para ninguna otra clase de acciones de la Sociedad. Todas las acciones de la Sociedad son de la misma clase.

Las Nuevas Acciones Ofertadas se crearán de conformidad con la Ley de Sociedades de Capital y tendrán el mismo rango en todos los aspectos que las acciones anteriormente existentes, incluso en lo que respecta al derecho de voto y al derecho a recibir todos los dividendos y otras distribuciones declaradas, realizadas o pagadas sobre el capital social de la Sociedad. Cada Acción, incluidas las Nuevas Acciones Ofertadas, tiene un voto en la junta general de accionistas de la Sociedad. No hay restricciones a los derechos de voto de las Acciones.

Los tenedores de Acciones tienen derecho a los derechos y se encuentra sujetos a las obligaciones establecidos en los Estatutos y, en particular, disfrutan de los siguientes derechos inherentes a la condición de accionista de la Sociedad:

- Derecho a asistir y votar en la junta general de accionistas
- Derechos de suscripción preferente en los aumentos de capital social mediante aportaciones dinerarias y para cualquier nueva emisión de bonos convertibles en acciones
- Derecho a ejercitar las acciones de los accionistas
- Derechos de información
- Dividendos y derechos de liquidación

La Sociedad no planea distribuir dividendos en los próximos tres años. Tras ese período, la Sociedad reevaluará su política de distribución de dividendos y el pago de futuros dividendos se basará, entre otras cosas, en los resultados financieros y las perspectivas comerciales de la Sociedad.

C.2. ¿Dónde se negociarán los valores?

Se solicitará la admisión a negociación de las acciones ordinarias de la Sociedad en las Bolsas de Valores de Barcelona, Bilbao, Madrid y Valencia (las "**Bolsas Españolas**") para que negocien a través del SIB (Sistema de Interconexión Bursátil o Mercado Continuo) de las Bolsas Españolas. La Sociedad prevé que sus acciones ordinarias se negocien en las Bolsas Españolas el 29 de octubre de 2020 con el símbolo "SOL".

C.3. ¿Existe alguna garantía inherente a los valores?

No se aplica.

C.4. ¿Cuáles son los principales riesgos específicos de los valores?

Los factores de riesgo más importantes específicos para los valores son los siguientes:

- Tras la Oferta, nuestro accionista mayoritario continuará ejerciendo una influencia significativa sobre nosotros, nuestra administración y nuestras operaciones, y sus intereses pueden no estar alineados con los intereses de nuestros otros accionistas.
- Nuestras acciones están expuestas a riesgos de negociación y otros factores externos.
- Es posible que los accionistas de los Estados Unidos y de otras jurisdicciones no puedan participar en futuras ofertas de instrumentos de capital y que sólo tengan una capacidad limitada para ejercer acciones o hacer cumplir las sentencias contra nosotros o nuestros directores.

D. Información clave sobre la admisión a negociación en un mercado regulado

D.1. ¿En qué condiciones y bajo qué calendario puedo invertir en este valor?

Esperamos que el calendario provisional de la Oferta sea el siguiente:

Hito	**Fecha** (1)
Aprobación y registro del folleto con la CNMV	15 de octubre de 2020
Inicio del periodo de órdenes para Inversores No Cualificados	16 de octubre de 2020
Inicio de la construcción del libro	16 de octubre de 2020
Finalización del periodo de órdenes para los Inversores No Cualificados	22 de octubre de 2020
Determinación final del tramo para Inversores No Cualificados y asignación de Acciones de Inversores No Cualificados a Inversores No Cualificados	27 de octubre de 2020
Finalización de la construcción del libro	27 de octubre de 2020
Fijación del Precio de la Oferta(2) y del Precio de la Oferta de Empleados(3)	27 de octubre de 2020
Firma del contrato de suscripción (*underwritting agreement*)	27 de octubre de 2020
Publicación de una notificación de información privilegiada con el Precio de la Oferta(2) y el Precio de la Oferta de Empleados(3)	27 de octubre de 2020
Asignación de Acciones de Inversores Cualificados a Inversores Cualificados	27 de octubre de 2020
Prefondeo de las Nuevas Acciones Ofertadas por el Senior Joint Global Coordinator	28 de octubre de 2020
Otorgamiento de la escritura de aumento de capital social	28 de octubre de 2020
Presentación e inscripción de la escritura pública de aumento de capital social con el Registro Mercantil	28 de octubre de 2020
Fecha de la Transacción publicación de la notificación de otra información relevante	28 de octubre de 2020
Admisión e inicio del Periodo de Estabilización (en o alrededor de)	29 de octubre de 2020
Fecha de Liquidación (en o alrededor de)	30 de octubre de 2020
Fin del Periodo de Estabilización (no más tarde de)	27 de noviembre de 2020

(1) Cada una de las fechas incluidas en el calendario provisional anterior está sujeta a cambios sin previo aviso. Cualquier cambio, incluyendo en particular cualquier aplazamiento o reducción del calendario provisional, se hará público mediante la publicación de la correspondiente notificación de otra información relevante con la CNMV.

(2) El Precio de la Oferta se refiere a el precio de las Acciones de Inversores Cualificados y de las Acciones de Inversores Relacionados.

(3) El Precio de la Oferta de Empleados se refiere a el precio de las Acciones de Empleados y de las Acciones de Venta de Comisión.

Asumiendo que las Nuevas Acciones Ofertadas son suscritas en su totalidad por terceros inversores en la Oferta, la Opción de Sobreasignación no es ejercida y que el Precio de la Oferta se encuentra en el punto medio del Rango de Precios de la Oferta, la participación de los accionistas de la Sociedad antes de la Oferta en la Sociedad representaría aproximadamente 63% del número total de acciones ordinarias después de la Oferta, lo que representaría una dilución en el porcentaje de propiedad para los Accionistas Pre-Oferta de aproximadamente 37% con respecto al porcentaje de propiedad que tenían antes de la Oferta.

Bajo tales asunciones, si las Nuevas Acciones Ofertadas son suscritas en su totalidad y la Opción de Sobreasignación es ejercida en su totalidad la participación de los Accionistas Existentes después de la Admisión será de 59,3% del total del capital social y de los derechos de voto.

Debido a la dificultad de determinar los gastos incurridos a la fecha del presente Folleto, a efectos meramente informativos, los gastos estimados a pagar por la Sociedad en relación con la Oferta ascenderán a, aproximadamente 12,1 millones euros (IVA aplicable excluido) en caso de que la Opción de Sobreasignación (hasta 10% de las Nuevas Acciones Ofertadas) se ejercite en su totalidad.

D.2. ¿Quién es el ofertante o la persona que solicita la admisión a negociación?

El emisor es el oferente de las Nuevas Acciones Ofertadas (véase la sección "*B. Información clave sobre el emisor*" de este resumen). El Accionista Vendedor será el oferente de las Acciones Adicionales en caso de que la Opción de Sobreasignación sea ejercitable, en todo o en parte. La Opción de Sobreasignación será ejercitable, en todo o en parte, por Banco Santander en su calidad de gestor de estabilización, actuando en nombre de los *Joint Global Coordinators*, durante un período de 30 días naturales a partir de la fecha de inicio de negociación de las acciones ordinarias de la Sociedad en las Bolsas Españolas a través de la SIB.

D.3. ¿Por qué se ha elaborado este folleto?

El presente folleto constituye un folleto relativo a la Sociedad a los efectos del artículo 3 del Reglamento de Folletos. El presente folleto ha sido aprobado como tal por la CNMV en su condición de autoridad competente en virtud de la Ley del Mercado de Valores y de las correspondientes normas de desarrollo en España para la admisión de las acciones ordinarias de la Sociedad en las Bolsas Españolas.

La Oferta nos permitirá recaudar ingresos brutos de hasta 150 millones de euros por la emisión de las Nuevas Acciones Ofertadas en la Oferta (asumiendo que el Precio de la Oferta se encuentra en el punto medio del Rango de Precios de la Oferta). Con los ingresos brutos recaudados en la Oferta esperamos pagar los honorarios y gastos de la Oferta por un importe aproximado de 12,1 millones de euros (IVA aplicable excluido) en caso de que la Opción de Sobreasignación (hasta 10%) se ejercite en su totalidad. En consecuencia, esperamos recaudar unos ingresos netos de aproximadamente 137,9 millones de euros mediante la emisión de las Nuevas Acciones Ofertadas.

Tenemos la intención de utilizar los ingresos netos de la Oferta de las Nuevas Acciones Ofertadas para financiar el crecimiento de la Sociedad mediante la ejecución del plan de negocios de Soltec ER y Powertis, nuestras líneas de negocio de desarrollo industrial y de desarrollo de proyectos, respectivamente. En particular, esperamos utilizar (i) aproximadamente 77,9-87,9 millones de euros, para reforzar la ejecución del plan de negocio de Soltec ER, en particular reforzando su balance para mejorar su capacidad de obtener garantías bancarias adicionales y potencialmente, reducir, el apalancamiento de Soltec Power Holdings (i.e., Deuda Neta a EBITDA Ajustado) de, aproximadamente, 4,26x a 31 de diciembre de 2019, hasta, aproximadamente, 1,0-1,5x, gracias a la entrada de fondos de la Oferta y, posteriormente, con el desarrollo del plan de negocio de la Sociedad; y (ii) aproximadamente 60-50 millones de euros para financiar el actual plan de negocio de desarrollo de proyectos de Powertis. "Deuda Neta a EBITDA Ajustado" es una medida alternativa de rendimiento. Los fondos de la oferta no se utilizarán para pagar nuestro crédito sindicado de 100 millones de euros ni cualquier otra deuda financiera.

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