

04. Commitment to stakeholders and creation of shared value

# 4.1

## Financial value



Increase in listed price compared to 2018

A Share

31 %

B Share

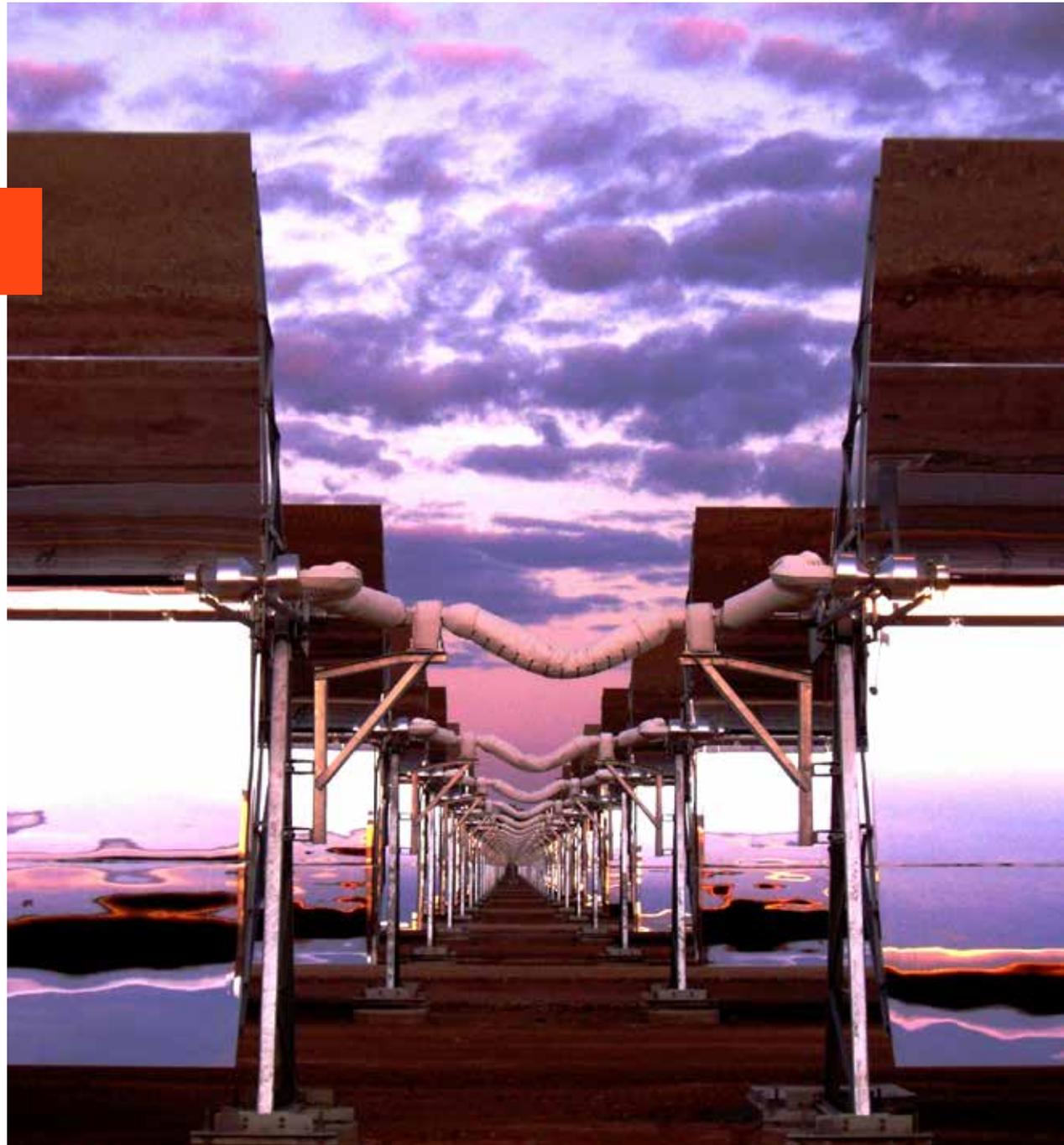
179.4 %



Silver Ecovadis Award



Investor Day Celebration



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Goals set in the SCSR 2019-2023



Prepare and disseminate materials that show the company's positioning and respond to the needs of institutional investors who value the commitment to sustainable development.



Recover presence in sustainability indices, FTSE4Good, CDP, Robecosam, etc.



Abengoa has continued working throughout 2019 on **actions to ensure viability** in the short and medium-term. Among these actions, the signing of a **new financial restructuring process** allowing the company to **continue its activity in a competitive and sustainable way in the future stands out**.

This main effects of this restructuring were:

- alignment of the capital structure with the business profile,
- conversion of Old Money debt into mandatory convertible bonds,
- receipt of new liquidity (€97 million),
- receipt of new lines of guarantees (€140 million),
- and the closing of the A3T financing.

Following the two financial restructurings (in 2017 and 2019), Abengoa reinforced its capital structure, becoming an attractive company at global level in the EPC business and reorienting its strategy.

However, the economic impact of COVID-19 has obliged the company to change its future perspectives.

For these reasons, and bearing in mind the performance of the company in 2019 and the delay in certain milestones of the Viability Plan such as the sale of certain assets and other monetisations, the company has opted to revise its financial projections and publish an Updated Business Plan.

In order to restore Abengoa SA's equity balance and ensure compliance with the Updated Business Plan, the company has set into motion a series of measures including:

- requesting a new line of liquidity to financial entities amounting to €250 million for a term of five years, guaranteed by the ICO,

- requesting new revolving guarantee lines amounting €300 million to cover business needs until the end of 2021, requesting the extension of the maturity dates of the current ones until 2025 and improving their conditions,
- closing agreements with suppliers and other creditors with overdue debts, which will allow the Company to deconsolidate the debt from the Abengoa Abenewco 1 perimeter, in exchange for certain preferential rights over the materialisation of certain assets, and
- amending certain debt conditions with creditors of the NM II, Reinstated Debt, A3T Convertible Bond and Old Money (SOM and JOM) debt that may imply debt write-offs and capitalisation.

The foregoing measures require amendments to the financial instruments to which they affect for which agreements with the financial creditors must be reached.

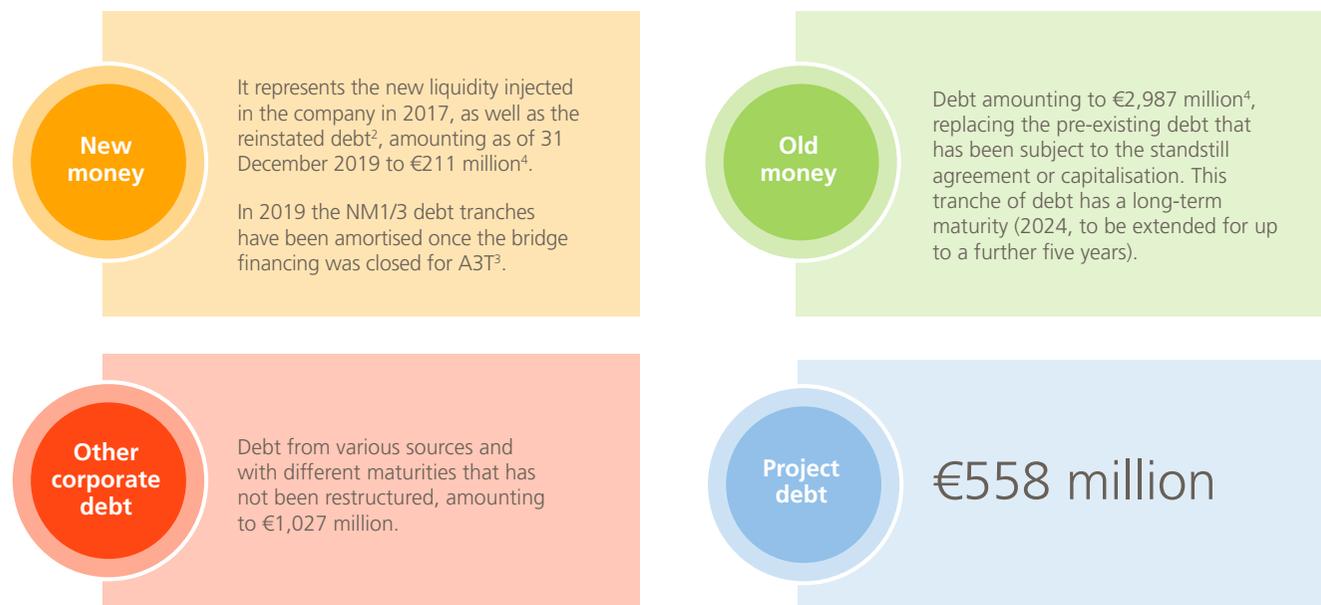


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## Abengoa's financing model

The financial restructurings completed in March 2017 and April 2019 involved a significant change in the capital structure, shareholding composition and medium-term financing model. At the end of 2019 there was an increase in Gross Financial Debt, up by 5 % compared to December 2018. This results from recognising New Money <sup>2</sup>, Reinstated Debt and Old Money at nominal value following the Event of Default triggered by the equity imbalance of the parent company Abengoa S.A.

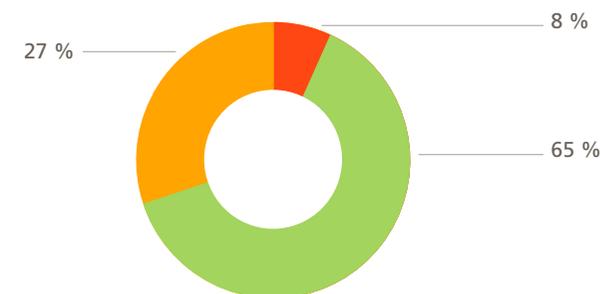
The financial debt at 31 December 2019 amounted to €4,783 million<sup>1</sup> and, in relation to the financial restructuring, is classified in the following categories:



Depending on the type of financial instrument, the €4,783 million of financial debt is classified as:

- **Loans with credit institutions** consisting of new loans signed mainly with credit institutions for "New Money" and "Old Money".
- **Capital markets** consisting mainly of new bonds issued under the headings "New Money" and "Old Money".
- **Other borrowing:** Mainly includes non-recourse financing for projects, guarantees and executed guarantees.

Percentage of financing



<sup>1</sup> For more information, check the financial statements available at <http://www.abengoa.com/web/en>. This figure excludes €1,165 million corresponding to debt of projects classified as held for sale.

<sup>2</sup> **Reinstated Debt** corresponds to new debt recognised in favour of certain creditors as a consideration for taking part in the restructuring transaction.

<sup>3</sup> Non-recourse financing in process. It will qualify as temporary until the final loan is executed.

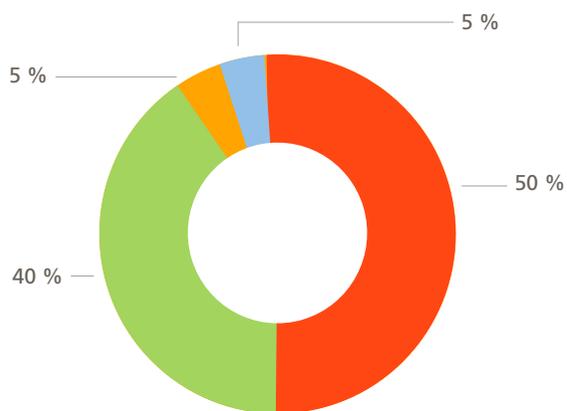
<sup>4</sup> Amounts expressed at nominal value.

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## Ownership structure

The new ownership structure resulting from the March 2017 financial restructuring was as follows: 102-5,102-7

- New Money Investors
- Old Money Investors
- New Guarantees
- Shareholders before the restructuring



Since then, there has been a high turnover among Abengoa shareholders, meaning that currently there are only two shareholders with significant shareholdings (more than 3 % of the vote):

- Secretary of State for Trade – Ministry of Economics, Industry and Competitiveness with 3.152 %<sup>5</sup>.

Abengoa is a listed company with a share capital of €36,865,862.17, represented by 18,836,119,300 shares, fully subscribed and paid up, belonging to two different classes:

- 1,621,143,349 Class A shares<sup>6</sup>, with an individual nominal value of €0.02, which individually confer one hundred votes.
- 17,214,975,951 Class B shares<sup>7</sup>, with an individual nominal value of €0.02, which individually confer one vote.

The class A and class B shares are accepted for official trading on the Stock Markets of Madrid and Barcelona and on the Spanish Stock Market Interconnection System (Continuous Market)<sup>8</sup>. The class A shares have been accepted for trading since 29 November 1996 and the class B shares since 25 October 2012.

## Share trend

The stock market evolution of Abengoa’s shares during 2019 has been determined by the implementation of the restructuring process completed in March 2017 and April 2019.

In accordance with the data provided by the Spanish Stock Markets (Bolsas y Mercados Españoles or BME), in 2019 a total of 2,354,159.667 of shares class A and 54,847,247,940 of class B shares were traded. This represents an average subscription of 9,231,999 daily class A shares and 215,087,247 daily class B shares. The average traded volume was €0.2 million daily for class A shares and €2 million daily for class B shares.

The last trading price for Abengoa shares in 2019 was €0.019 in class A shares, up 31 % compared to the end of 2018, and €0.0095 of class B shares, up 179.40 % compared to 2018.

Since it started trading in the Stock Market on 29 November 1996, the company’s value has been devaluated 6 % compared to its initial value. During this same period, the selective IBEX-35 has been revaluated up to 105 %.

<sup>5</sup> Data as of 20 June.

<sup>6</sup> Class A shares: shares that have one hundred votes per share.

<sup>7</sup> Class B shares: shares that have one vote per share.

<sup>8</sup> Spanish Stock Market Interconnection System (SIBE): an electronic platform for trading national stock exchange equities that provides real-time information on the activity and trend of each security.



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## Transparent communication

102-34, 102-44

Transparent and responsible information is essential for Abengoa, since it allows all stakeholders to have **all the information required** to carry out **a comprehensive analysis of the economic-financial, social and environmental performance** of the company.

For this purpose, Abengoa is making an effort **to improve and enrich the information provided**, offering **content that is increasingly more comprehensive and appropriate to their demands and circumstances**, thus building better relationships while perfecting the channels of dialogue in order to offer a greater flow of information.

This commitment becomes even more relevant given the company's delicate situation in recent years and the huge impact this situation has had on its stakeholders.

In 2019 the usual activity in communication with investors continues to be clearly marked by the financial crisis of the last four years. In these extraordinary circumstances, no road shows have been held. However, more than four years later, Abengoa held once again its Investor Day, in Madrid on 15 October.



<https://twitter.com/Abengoa/status/1184010018053591040>

Throughout the year the **quarterly market presentations** were maintained and **individual meetings with institutional investors** were held, in order to re-establish the dialogue regarding the business and the future of the company. Moreover, in 2019 **regular meetings were held with groups of individual shareholders**.

 **Telephone conferences:**

- Carrying out four conference calls through telephone and the website for the presentation of quarterly or half-yearly financial results.
- Conference call through telephone and the website to explain the proposed new financial restructuring carried out on 20 March.

 **Institutional investors and shareholders:**

- Several meetings with key institutional investors to obtain the necessary consent for execution of the company's strategy, in accordance with the terms of the New Money
- Two meetings with shareholders.

 **Shareholders' website:**

- Number of visits to the shareholders website: 114,521 visits, equivalent to 17 % of the total number of visits received through [www.abengoa.com](http://www.abengoa.com)

Throughout this time, the company has continued the efforts that started in 2016 to keep its investors, creditors and shareholders informed of the progress of the financial restructuring and to explain the details thereof and the economic impact it would have on their investments in Abengoa. Therefore, the following actions have been carried out:

 **Shareholders mailbox:**

- Management of around 2,600 requests through the shareholders' mailbox.

 **Telephone help desk:**

- Phone service to all those shareholders, bond holders and entities holding bonds with any doubts regarding the restructuring processes or other matters.

 **Analysis agencies:**

- Very limited communication with analysis agencies, many of which ceased to cover Abengoa due to the company's situation. None of these entities closed the year with a positive recommendation.

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The main doubts and questions received from stakeholders in the shareholder mailbox and through telephone queries have been related to:

- **Effect of the new April 2019 restructuring for investors:** exchange of debt instruments for new convertible instruments.
- 10-year **viability plan** published.
- **Financial results** throughout the year.
- Progress in the **sale of assets:** A3T cogeneration plant in Mexico.
- Information on the various **consents requested from financial creditors for the ongoing financial restructuring.**
- **Performance of the warrants** (share purchase rights) freely given to shareholders in March 2017.

The **shareholders and investors section** of Abengoa's website is the most visited, followed by the home page, with approximately **17 % of the visits**. In this section, you will be able to find a large amount of relevant information, the most prominent of which is as follows:

- Sections devoted to financial restructurings in 2017 and 2019.
- Relevant facts and other communications to the CNMV (Spanish Securities and Exchange Commission).
- Economic information.
- Annual report.
- General Shareholders' Meeting and Shareholders' Forum.
- Presentations.
- Share information.
- Fixed income and bonds.
- Investors' agenda.
- Structure of governing bodies.

Among all these aspects, far and away the most visited sections have been those devoted to the restructuring process and relevant facts.

## Socially responsible investor market

The affinity Abengoa has with socially responsible investors, also known as environment, social and government (ESG) investors, serves as guarantee for the company's long-term growth.

The company's financial recovery is starting to show in the sustainability indicators Abengoa is reattaining.

In 2019, the company was awarded the Ecovadis medal as a token and recognition for its CSR policies.



In addition, Abengoa is working towards returning to being part of the renowned CDP (Carbon Disclosure Project) index in 2020, having obtained the highest ratings before the crisis.

