FAIFEY INVEST SOCIMI, S.A.

Calle Príncipe de Vergara 112, 4th floor, 28002 Madrid (SPAIN)

www.faifeysocimi.com

INFORMATION DOCUMENT

28 July 2021

ADMISSION TO TRADING OF SHARES
ON EURONEXT ACCESS PARIS

Euronext Access is a market operated by Euronext. Companies on Euronext Access are not subject to the same rules as companies on a Regulated Market (a main market). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Access may therefore be higher than investing in a company on a Regulated Market.

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 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.

Copies of this Information Document are available free of charge on FAIFEY INVEST SOCIMI S.A.'s website (www.faifeysocimi.com).

The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF). This document was therefore not endorsed by the AMF.

ARMANEXT
LISTING SPONSOR EURONEXT

TABLE OF CONTENTS

The articles of association included in this Information Document have been translated into English from Spanish version, and their content appears for information purposes. In case of any discrepancies, and for legal purposes, the Spanish version registered in the Commercial Registry shall prevail.

1. SUMMARY

The following is a summary of some of the information contained in this Information Document (hereinafter the “**Information Document**”). We urge to read this entire Information Document carefully, including the risk factors, FAIFEY INVEST SOCIMI, S.A.’s financial statements, the notes to those financial statements, and the valuation of both the assets and the Company.

1.1 GENERAL DESCRIPTION OF THE COMPANY

FAIFEY INVEST SOCIMI, S.A., (hereinafter, the “**Company**”, the “**Issuer**” or “**FAIFEY**”) with Spanish tax identification number (*número de identificación fiscal*) (“**Spanish TIN**”) A-88525563, is a Spanish company running under the special tax regime applicable to Spanish listed real estate property investment companies (*sociedades cotizadas de inversión en el mercado inmobiliario* –“**SOCIMI**” or “**SOCIMIs**”–), the Spanish equivalent to other real estate investment trusts (“**REIT**”) existing in other jurisdictions.

FAIFEY has its registered office at Calle Príncipe de Vergara 112, 4º, 28002 Madrid (Spain).

The Company was incorporated on 12 November 2019 under the corporate name of FAIFEY INVEST, S.A. and later took the corresponding corporate decisions and made the relevant communications to the Spanish tax authorities required under the SOCIMI special tax regime, hence changing its name to the current one. This is further described in section 1.3.5. below.

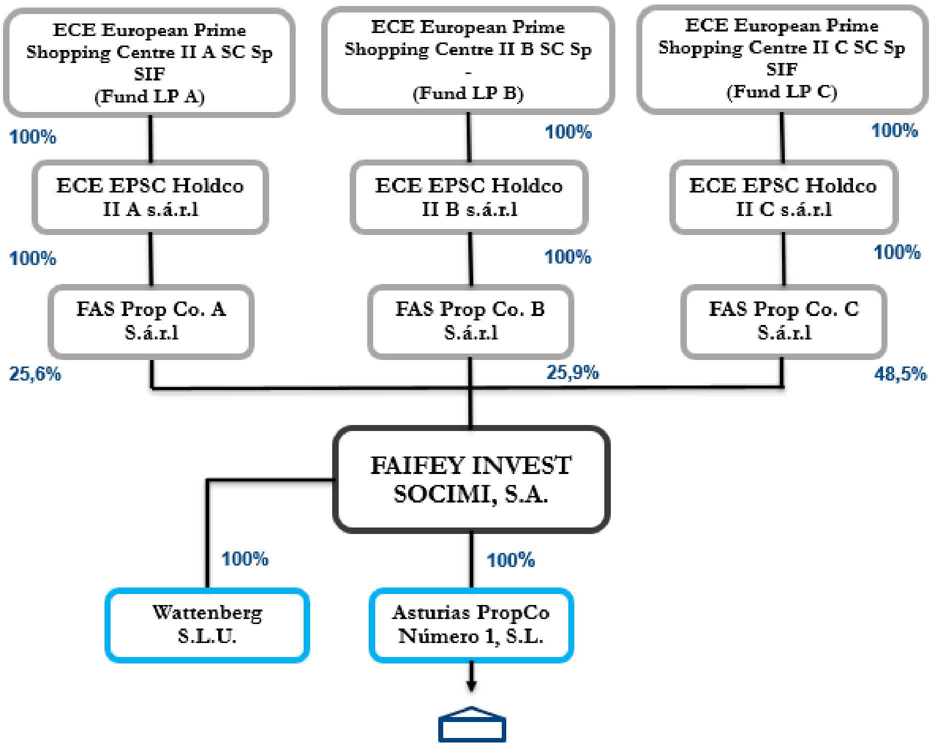
As shown in the graph below, FAIFEY is the sole shareholder of its subsidiaries Wattenberg S.L.U. (hereinafter “**Wattenberg**”) and Asturias PropCo Número 1, S.L. (hereinafter "**APN1**") which, on its turn invest in real estate assets in Spain.

The shareholders of FAIFEY are:

(I) FAS PROP CO. A S.á.r.l. company validly established and in existence under the laws of Grand Duchy of Luxembourg, with registered address 19, rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, registered at the Luxembourg’ Commercial Registry under number B-239492 and Spanish Tax Identification Number N0187787G.

(II) FAS PROP CO. B S.á.r.l. company validly established and in existence under the laws of Grand Duchy of Luxembourg, with registered address 19, rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, registered at the Luxembourg’ Commercial Registry under number B-239494 and Spanish Tax Identification Number N0187788E.

(III) FAS PROP CO. C S.á.r.l. company validly established and in existence under the laws of Grand Duchy of Luxembourg, with registered address 19, rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, registered at the Luxembourg’ Commercial Registry under number B-239496 and Spanish Tax Identification Number N0187789C.



ECE European Prime Shopping Centre II A SC Sp SIF (Fund LP A)
ECE European Prime Shopping Centre II B SC Sp - (Fund LP B)
ECE European Prime Shopping Centre II C SC Sp SIF (Fund LP C)
100%
100%
100%
ECE EPSC Holdco II A s.á.r.l
ECE EPSC Holdco II B s.á.r.l
ECE EPSC Holdco II C s.á.r.l
100%
100%
100%
FAS Prop Co. A S.á.r.l
FAS Prop Co. B S.á.r.l
FAS Prop Co. C S.á.r.l
25,6%
25,9%
48,5%
FAIFEY INVEST SOCIMI, S.A.
100%
100%
Wattenberg S.L.U.
Asturias PropCo Número 1, S.L.

1.2 PERSONS IN CHARGE OF THE INFORMATION DOCUMENT

1.2.1 Responsible of the Information Document

FAIFEY INVEST SOCIMI S.A, declares that, each one of the members of the Board of Directors are authorised to represent the Company jointly and severally and grants them the powers to prepare any documentation in relation to the admission to listing and trading. In this sense, the Board hereby states the following:

"We declare that, to the best of our knowledge, the information provided in the Information Document is fair and accurate and that, to the best of our knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document".

DocuSigned by:

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Madrid, Spain

27 July 2021

Mr. José María Ortíz López-Cámara

Secretary and Director

1.2.2 Listing Sponsor

ARMANEXT ASESORES, S.L.

Paseo de la Castellana 56, Bajo Derecha, 28046 (Madrid)

Phone number: +34 911 592 402

www.armanext.com

1.3 CORPORATE NAME, REGISTERED OFFICE AND REGISTRATION IN SPECIAL TAX REGIME FOR SOCIMI

1.3.1 Legal name

The Company´s full legal name is "FAIFEY INVEST SOCIMI, S.A.".

1.3.2 Headquarter

Calle Príncipe de Vergara 112, 4º, 28002 Madrid (Spain).

1.3.3 Residence and legal form, legislation under which the issuer operates, registered office and website

Country Residence: Spain.

Registered office: Calle Príncipe de Vergara 112, 4º, 28002 Madrid (Spain).

Legal Form: Spanish limited liability company (*Sociedad Anónima* or *S.A.*).

Legislation under which the issuer operates: Spanish law.

Website: www.faifeysocimi.com

1.3.4 Company Registration and LEI Code

Registered at the Madrid Commercial Registry

Date	12 November 2019
Book	39903
Sheet	80
Inscription	1
Page	M-708714

LEI Code: 894500HRR6V5GXLJ7716

1.3.5 Registration for the SOCIMI special tax regime

On 25 September 2020, the Company's General Shareholders Meeting approved the application of the SOCIMI special tax regime established in Law 11/2009[1], of 26 October, on Listed Real Estate Property

[1] Ley 11/2009, de 26 de octubre, por la que se regulan las Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario.

Investment Companies, as amended by Law 16/2012[2], of 27 December (hereinafter "**SOCIMI Law**" – referred to as "**REIT Act**" in the Articles of Association –). This resolution was communicated to the Tax Authorities on this same date.

On 27 September 2019, the former shareholder of APN1 resolved for the application of SOCIMI Law. This resolution was communicated to the Tax Agency on 30 September 2019.

1.4 DURATION *(Article 3 of the Articles of Association)*

ARTICLE 3. – DURATION

Its duration shall be indefinite and it shall commence operations on the day of signature of the deed of incorporation.

1.5 COMPANY PURPOSE *(Article 2 of the Articles of Association)*

ARTICLE 2. – CORPORATE PURPOSE

The Company's main corporate purpose is the performance of the following activities, whether in Spain or abroad:

(i) *The acquisition and promotion of urban real estate for leasing or the refurbishment of buildings under the terms set out in Law 37/1992, of 28 December, governing Value-added Tax –Ley 37/1992, de 28 de diciembre, del Impuesto sobre el Valor Añadido;*

(ii) Holding equity units in the share capital of other Spanish real estate investment trusts –sociedades cotizadas de inversión en el mercado inmobiliario, SOCIMIs– or in the share capital of other enterprises not resident in Spanish territory that have the same corporate purpose as the foregoing and which are subject to a similar structure as the one established for the aforementioned SOCIMIs with regard to the obligatory, legal or statutory policy on profit share;

(iii) Holding of equity units in the share capital of other enterprises, whether or not resident on Spanish territory, whose main corporate purpose is the acquisition of urban real estate for leasing and which are subject to the same structure as the one established for SOCIMIs with regard to the obligatory, legal or statutory policy on profit share and who comply with the investment requirement referred to under Article 3 of Law 11/2009, of 26 October, regulating SOCIMIs (the "SOCIMIs Act");

[2] Ley 16/2012, de 27 de diciembre, por la que se adoptan diversas medidas tributarias dirigidas a la consolidación de las finanzas públicas y al impulso de la actividad económica.

(iv) Holding of shares or equity units in Collective Investment Undertakings regulated under Law 35/2003, of 4 November, governing Collective Investment Undertakings, or any regulation that replaces this in the future.

Together with the economic activity arising from the main corporate purpose, the Company may carry out other supplementary activities, understood as those activities that jointly represent less than 20% of the Company's income in each tax reporting period, or those that could be considered supplementary pursuant to the applicable law at any given time.

a) In general, the subscription, derivative acquisition, holding, administration or disposal of securities and equity units, with the exception of those activities subject to special legislation;

b) The provision of financing services to its subsidiary companies; and

c) The management and administration of securities representing the equity of enterprises not resident in Spanish territory through the corresponding organization of material and personal means, pursuant to the provisions set out under article 107 of Law 27/2014, of 27 November, governing Corporate Income Tax –Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades– and the provisions that implement, replace or amend this

The direct and indirect exercise, where appropriate, of all those activities reserved through special legislation are hereby excluded. Should legal requirements for a certain activity included within the corporate purpose requires a professional qualification, prior of an administrative authorization, registration with a public register or any other requirement, said activity cannot commence until the professional or administrative requirements have been complied with.

1.6 DIVIDENDS *(Article 27 and 27 BIS of the Articles of Association)*

The Company is required to distribute dividends equal to at least those envisaged in the REIT Law (SOCIMI Law), under the terms of this Law. In accordance with the SOCIMI Law and the Company's Articles of Association, this distribution must be agreed within six months after the end of each financial year and the dividend must be paid within one month after the date on which the payout is agreed.

ARTICLE 27. – DISTRIBUTION OF DIVIDENDS AND ALLOCATION OF RESULTS

The General Shareholders' Meeting shall decide the allocation of profits/losses for the relevant financial year in accordance with the approved balance sheet.

Dividends may only be paid out after the allocations specified by law or in the Articles of Association have been made, charging them to the year's profits or allocating the corresponding reserves, provided the net accounting value of the Company's equity is not (or would not be due to the dividend distribution) less than its share capital. The minimum amount to pay out shall be defined in accordance with Article 6 of the SOCIMIs Act.

If the General Shareholders' Meeting resolves to pay out dividends, it shall determine the time and method for paying them pursuant to these Articles of Association, in the SOCIMIs Act and, if applicable, in the regulations applicable to BME Growth or the regulated market in which the Company is finally listed. The determination of the foregoing and any others that may be necessary or appropriate for the resolution to be effective may be delegated in the Board of Directors.

The General Shareholders Meeting or the Board may resolve to distribute interim dividends, with the limitations set out in law and duly complying with the applicable regulations.

The General Shareholders Meeting may decide that the dividends should be paid out completely or partially in kind, as long as the assets or securities that will be paid out are of the same nature and provided that they are listed on an official market when the resolution is passed or that the Company duly guarantees that they could be made liquid within a maximum of one year, and with the condition that they must not be distributed for a price below than the one that appears in the Company's balance sheet.

Dividends shall be distributed among shareholders in proportion to the share capital they have paid up.

ARTICLE 27 BIS. – SPECIAL RULES FOR PAYING OUT DIVIDENDS

Indemnification. In cases where the distribution of a dividend triggers the obligation of the Company to pay the special levy envisaged in Article 9.2 of the SOCIMIs Act, or any law that may replace it, the Board of Directors of the Company may require the shareholders who have triggered such levy to indemnify the Company.

The amount of the indemnification shall be equal to the corporate income tax expense that arises for the Company from paying the dividend that serves as the basis for calculating the special levy, plus the amount which, after deducting the corporate income tax that is levied on the total amount of the indemnification, manages to offset the expense arising from the special levy and from the relevant indemnification.

The amount of the indemnification shall be calculated by the Board of Directors, although such calculation may be delegated to one or more directors. Unless resolved otherwise by the Board of Directors, the indemnification shall be claimable on the day before the dividend is paid.

For illustration purposes, a sample calculation is below regarding the indemnification in two different cases, in order to show how the effect of the indemnification on the Company's income statement is nil in both cases:

Assuming a gross dividend of 100 and a special corporate income tax levy of 19% and a corporate income tax rate 0% for the income obtained by the Company, the indemnification would be calculated as follows:

Dividend: 100

Special levy: 100 x 19% = 19

CIT expense due to special levy ("GISge"): 19

Indemnification ("I"): 19

Corporate income tax base for the indemnification ("BIi"): 19

CIT expense associated with the indemnification ("GISi"): 0

Effect on the Company: I – GISge – GISi = 19 – 19 – 0 = 0

Assuming a gross dividend of 100 and special corporate income tax levy of 19% and a corporate income tax rate of 10% for income obtained by the Company, the indemnification, rounded to the nearest cent, would be calculated as follows:

Dividend: 100

Special levy: 100 x 19% = 19

CIT expense due to special levy ("GISge"): 19

Indemnification ("I"): 19+ [19 x 0.1/(1-0.1)]=21.1119

Corporate income tax base for the indemnification ("BIi"): 21.11

CIT expense associated with the indemnification ("GISi"): 21.11 x 10% = 2.11

Effect on the Company: I – GISge – GISi = 21.11 – 19 – 2.11 = 0

Right to compensation: The indemnification shall be offset against the dividend to be received by the shareholder who has triggered the obligation to pay the special levy.

Right to withholding due to breaches of the ancillary obligation. In cases where the dividend is paid before the periods granted for fulfilment of the ancillary obligations, the Company may withhold from those shareholders or holders of economic rights over the shares of the Company who have yet to provide the information and documentation required under Article 8.1 above, an amount equal to the amount of the indemnification that must, if applicable, be paid. Once the ancillary obligation has been fulfilled, the Company shall return the amounts withheld from any shareholder who is not obliged to indemnify the Company.

In addition, if the ancillary obligation is not fulfilled within the stipulated periods, the Company may also withhold the payment of the dividend and offset the withheld amount against the amount of the indemnification, paying the shareholder any positive difference.

Other rules. In cases where the total amount of the indemnification may be detrimental to the Company, the Board of Directors may seek an amount that is lower than the amount calculated pursuant to the provisions of section 3 of this Article.

1.7 BUSINESS YEAR (*Article 25 of the Articles of Association*)

ARTICLE 25. – BUSINESS YEAR

The financial year shall begin on the first day of January and end on the thirty-first day of December of each year. By way of exception, the first financial year shall commence on the day of signature of the public deed of incorporation and end on the thirty-first day of December of the same year.

1.8 ADMINISTRATIVE, MANAGEMENT, AND CONTROLLING BODIES

1.8.1 Board of Directors (Articles 18, 19, 20, 21, 22, 23, 24 and 25 of the Articles of Association)

The regime governing the Company's managing body is regulated in Articles 18, 19, 20, 21, 22, 23, 24 and 25 of the Articles of Association. The main characteristics are those indicated as follows:

ARTICLE 18. – MANAGEMENT OF THE COMPANY

The administration of the company and its representation in and out of court is the responsibility of the following:

- A sole director.

- A minimum of two joint and several directors and a maximum of five.

- Two joint directors.

- A Board of Directors, comprising a minimum of three and a maximum of twelve members.

The General Shareholders' Meeting has the power to opt alternatively for the way of organising the management of the company, among the established systems, without the need to amend the Articles of Association, complying with the requirements established in the Law. In order to be appointed director, it shall not be necessary to be a shareholder, but those persons prohibited from being directors by the Spanish Companies Act, as well as those declared incompatible to hold such position by Act 3/2015 of 30 March and by the laws of the Autonomous Communities that are competent, may not be directors.

ARTICLE 19. – DURATION AND REMUNERATION OF DIRECTORS

*The directors shall be appointed for a term of six years. The position of director shall be unremunerated***.**

ARTICLE 20. – APPOINTMENT OF A LEGAL PERSON AS DIRECTOR

If a legal person is appointed director, it shall be necessary for it to appoint a single natural person to permanently exercise the functions of the position. The revocation of its representative by the director legal *person shall not take effect until such time as it appoints a person to replace it. This appointment shall be entered in the Commercial Registry.*

ARTICLE 21. – ORGANISATION AND FUNCTIONING OF THE BOARD OF DIRECTORS

The Board of Directors shall be validly constituted when half plus one of its members are present at the meeting, either in person or represented by another director. Representation shall be conferred by letter addressed to the Chairman.

Resolutions shall be adopted, except where the law requires an enhanced majority, by an absolute majority of those attending the meeting, which must be convened by the Chairman or the person acting in his stead. The meeting shall be convened by letter or telegram sent to each and every one of its members twenty-four hours in advance. The vote in writing and without a meeting shall be valid if no Director objects.

In the event of a tie, the personal vote of the Chairman shall decide.

Resolutions of the Board of Directors held by videoconference or multiple telephone conference call shall be valid, provided that none of the directors objects to this procedure, that they have the necessary means at their disposal and that they mutually recognise each other, which must be stated in the minutes of the board meeting and in the certificate of the resolutions issued. In this case, the board meeting shall be deemed to be the only meeting held in the place where the registered office is located.

The directors constituting at least one third of the members of the board may call a board meeting, indicating the agenda, to be held in the place where the registered office is located, if, upon request to the chairman, the latter has not called the meeting within one month without just cause. It shall appoint a chairman and secretary from among its members.

ARTICLE 22. – ALLOCATION OF POSITIONS OF THE BOARD OF DIRECTORS - MINUTES AND CERTIFICATIONS

If the General Shareholders' Meeting has not appointed them, the Board shall appoint from among its members a Chairman and, if it deems appropriate, one or more Vice-Chairmen. In the same way, it shall appoint a Secretary and, if it deems appropriate, a Deputy Secretary, who may not be directors, who shall attend the meetings of the Board with the right to speak but not to vote, unless they hold the status of director. The founding shareholders may appoint the Chairman, Secretary, Vice-Chairman and Vice-Secretary, if any, of the Board of Directors at the time of incorporation, without prejudice to the power of the Board, once the company has been registered in the Commercial Registry, to revoke such appointments and appoint new directors. Board meetings shall be recorded in minutes, which shall be drawn up or transcribed in the corresponding minute book and signed by the Chairman and the Secretary or by the Vice-Chairman and the Vice-Secretary, as the case may be. Certificates of the minutes shall be issued by the Secretary of the Board of Directors or, where appropriate, by the Deputy Secretary, with the approval of the Chairman or Deputy Chairman, as the case may be.

The formalisation in a public instrument of the resolutions of the Board shall correspond to any of the members of the Board itself, as well as to the Secretary or Vice-Secretary thereof, even if they are not directors.

ARTICLE 23. – EXTENSION OF THE REPRESENTATION OF THE MANAGEMENT BODY

The representation of the Management Body shall extend to all acts included in the corporate purpose defined in the Articles of Association, within which it shall have all powers as broadly understood.

ARTICLE 24. – EXECUTIVE COMMITTEE - MANAGING DIRECTORS. DELEGATION OF POWERS

The Board of Directors, if any, may appoint one or several Executive Committees or one or several Managing Directors from among its members, determining the persons who are to hold such offices and their manner of acting, and may delegate to them, in whole or in part, on a temporary or permanent basis, all the powers that may not be non-delegable under the law.

The Board of Directors, with the favourable vote of two thirds of its members, may also delegate, on a permanent basis, its representative powers to the executive committee or to one or more directors, determining, if there are several of them, whether they must act jointly or may act separately.

Executive Committees or Managing Directors may be appointed by the founding shareholders at the time of incorporation, without prejudice to the powers of the Board, once the company is registered in the Commercial Registry, to revoke or replace such appointments. Only in the event that these Articles of Association establish that the office of director is remunerated and one or more members of the Board of Directors are appointed as Managing Director, with executive functions attributed to them by virtue of another title, would it be necessary to enter into a contract between the latter and the company, in accordance with the legal terms.

1.8.2 Composition of the Board of Directors

The Board of Directors of the Company is composed by:

Member	Position
Dr. Volker Kraft	Chairman
Mr. Christian Müller	Vice-President
Mr. Markus Schmitt-Habersack	Director
Mr. Jose María Ortiz	Secretary

1.8.3 Directors' background

The career and professional profile of the current directors is described below:

Dr. Volker Kraft

Prior to joining ECE in 2008 and the founding of ECE Real Estate Partners GmbH, a private equity firm located in Munich, Germany, where he was a member of the management team and the internal investment committee.

Volker has been involved in various stages of the private equity process, including the preparation and execution of leveraged buyouts, M&A transactions, and mezzanine financings.

Volker obtained a Doctorate in Finance from the University of St. Gallen, Switzerland, in 2000 and obtained a masters degree in Business Administration from the University of St. Gallen, Switzerland, in 1997.

From 2009 to 2015, Volker served on the Board of Directors of DDR Corp. (now: Site Centers), a leading owner, manager and developer of market-dominant shopping centres in the U.S., as a representative for the Otto Family.

In 2014, Volker was appointed to the Board of Directors of Sonae Sierra Brasil S.A. (now: Alliansce Sonae Shopping Centers S.A.), one of the leading developers, owners and operators of shopping centres in Brazil.

Mr. Christian Müller

Christian Müller joined ECE Real Estate Partners in February 2010. Prior to that, he was a Project Manager for Finance of ECE, where he was responsible for the financial analysis of numerous shopping centre developments and real estate transactions in Germany, Eastern Europe, Russia and Turkey. In this role he was also involved in the set up of the Fund Management Platform ECE Real Estate Partners. Prior to joining ECE in 2007, Christian worked at Deutsche Genossenschafts-Hypothekenbank AG in the Credit Treasury Division, where he was responsible for the negotiation and project management of various transactions concerning structured finance, securitization and the sale of loan and real estate portfolios in Germany with a total transaction value of several billion Euros, which he joined in 2002. Christian obtained a degree in Business Administration from the University of Würzburg (Bavaria) business school in 2002. At ECE Real Estate Partners he is responsible for advising on the sourcing, execution and ongoing management of real estate investments and holds the role of senior advisor to the Avenida Poznan Fund, the ECE European Prime Shopping Centre Fund II and the ECE Preferred Equity Fund. He is also responsible for advising on the third party financing activities of ECE Real Estate Partners.

Mr. Markus Schmitt-Habersack

Prior to joining ECE Real Estate Partners, Markus was Chairman Investment Germany and International Partner of Cushman & Wakefield. Markus has been involved in major retail real estate transactions in Germany, buy side and sell side, representing a total investment volume of more than 750 million Euro.

Before he joined Cushman & Wakefield, Markus was 15 years with ECE Project management in different senior functions including Head of Business Development of ECE International and Director M&A. Markus has been managing several shopping centre developments in Germany and Eastern Europe and various shopping centre transactions in Germany, Italy, Spain and Denmark.

Markus studied law at the University of Freiburg and the University of Mainz and obtained the 1st and 2nd state examination in law.

Mr. José María Ortiz

Prior to joining ECE Real Estate Partners in December 2010, from April 2006 until December 2010, José María was Group Financial Controller at Hines in Luxembourg, where he was responsible for the co-ordination of the legal and tax structuring process of open-ended and close-ended fund structures, co-ordination of acquisitions and disposals, finance and cash management, financial reporting, fee structuring, annual budget review and approval. In addition, during José María's time at Hines, he held Directorship functions for Luxembourg limited liability companies.

Prior to joining Hines in April 2006, José María worked from July 1999 to April 2006 at Arthur Andersen-Ernst & Young in Madrid and became a Manager in 2004. Whilst at Arthur Andersen-Ernst & Young, José María's tasks included auditing Luxembourg closed-ended investment funds investing in the European Union in development and advising on the set up of different Luxembourg fund structures. José María obtained a degree in Economics and a PhD in Monetary Markets from the Universidad Computense de Madrid in 1994.

1.8.4 Assessment of the Board of Directors related to Bankruptcy, Liquidation, and/or Fraud Related Convictions

The Board of Directors declares that neither the company nor its directors, nor its executives are or have been involved in historical (at least in the previous past five years), or on-going, bankruptcy, liquidation, or similar procedure and also fraud related convictions or on-going procedures in which any person from the management and/or board of the Issuer have been involved.

1.8.5 Description of the Functioning of the General Meeting (Articles 10, 11, 12, 13, 14, 15, 16, and 17 of the Articles of Association)

The Company's General Shareholders Meeting is governed by the provisions of the Corporate Enterprises Act and the Articles of Association.

ARTICLE 10. – GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting shall decide by majority vote on matters within its legal competence. All shareholders, including dissenting shareholders and those who have not participated in the meeting, shall be subject to the resolutions of the General Shareholders' Meeting, without prejudice to the rights and actions recognised by law.

The General Shareholders' Meeting (which may give instructions to the management body, under the terms of the law) is competent to pass resolutions on:

- *The approval of the annual accounts, the allocation of profits and the approval of the management of the company;*
- *The appointment, removal and exercise of the corporate action for liability in respect of the directors, liquidators and auditors;*
- *The amendment of the Articles of Association;*
- *The increase and reduction of the share capital;*
- *The suppression or limitation of pre-emptive subscription and assumption rights;*
- *The transformation, merger, spin-off, global transfer of assets and liabilities and the transfer of the registered office abroad;*
- *The dissolution of the company and the approval of the final liquidation balance sheet and*
- *Likewise, the acquisition, disposal or contribution to another company of essential assets under the legal terms.*

Any other matter determined by law or the Articles of Association shall also be subject to deliberation and resolution by the General Shareholders' Meeting.

ARTICLE 11. – TYPES OF GENERAL SHAREHOLDERS' MEETINGS

General Shareholders' Meetings may be ordinary or extraordinary. An ordinary general meeting is one that, having been called for that purpose, must necessarily be held within the first six months of each year to approve the management of the company, the accounts for the previous year and decide on the allocation of profits. All other meetings shall be of an extraordinary nature and shall be held when called by the Board of Directors or, where appropriate, the company's liquidators, whenever they deem it necessary or convenient for the company's interests and in any event on the dates or in the periods determined by law and the Articles of Association.

As regards the calling of general or extraordinary meetings at the request of one or more shareholders representing at least five per cent of the share capital, or the calling of meetings by court order or in special cases, the provisions of the applicable rules shall apply. Shareholders representing at least five per cent of the share capital may request the publication of a supplement to the notice of a General Shareholders' Meeting, including one or more items on the agenda, in which case the procedure shall be as provided for in the applicable rules.

ARTICLE 12. – CALLING OF THE GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting shall be called by notice published on the company's web site if it has been set up, registered and published as stipulated in Article 11 bis of the Act. If the company has not yet agreed to create its web page or if it has not yet been duly registered and published, the notice shall be published in the Official Gazette of the Commercial Registry and in one of the daily newspapers with the largest circulation in the province in which the registered office is located. The notice shall state the name of the company, the date and time of the meeting, and may also state the date on which, if appropriate, the meeting is to be held on second call, with a period of at least twenty-four hours between the two, as well as the agenda setting out the business to be transacted, the position of the person or persons who called the meeting and, where required by law, the right of shareholders to examine at the registered office and, where appropriate, to obtain, free of charge and immediately, the documents to be submitted for approval of the meeting and the technical reports established by law.

If the General Shareholders' Meeting, duly called, is not held on first call and the date of the second call has not been provided for in the notice, it must be announced, with the same agenda and with the same publicity requirements as the first call, within fifteen days following the date of the meeting not held and at least ten days prior to the date set for the meeting. The provisions of this article shall not apply when a legal provision establishes different notice requirements for meetings that must deal with specific matters, in which case the specific provisions shall be observed. When resolutions are to be passed affecting different classes of shares, non-voting shares, or only a part of the shares belonging to the same class, the requirements established for this purpose in the applicable rules must be complied with. Notwithstanding the provisions of the preceding article, the general meeting shall be validly constituted to transact any business, without the need for prior notice, as a general meeting, provided that all the share capital is present or represented and the attendees unanimously agree to the holding of the meeting and its agenda. The general meeting may be held anywhere in Spain or abroad.

ARTICLE 13. – RIGHT TO ATTEND GENERAL SHAREHOLDERS' MEETINGS

All shareholders, including those without voting rights, may attend General Shareholders' Meetings. An essential requirement for attendance is that the shareholder must have registered ownership of his shares in the company's share register one day prior to the day on which the meeting is to be held. It is the duty of the director and, where applicable, the liquidators to attend General Shareholders' Meetings. Directors, managers, technicians and other persons with an interest in the proper conduct of the company's affairs may attend the General Shareholders' Meetings if their presence is required by the administrative body or, where appropriate, the liquidators, or by shareholders with full ownership of shares representing at least ten per cent of the share capital to speak on specific matters requiring special explanations in order to be discussed.

The chairman of the General Shareholders' Meeting may authorise the attendance of any other person he deems appropriate, such authorisation may be revoked by a resolution of the attendees adopted by a three-quarters majority of the share capital. Any shareholder entitled to attend may be represented at the General Shareholders' Meeting by another person, even if such person is not a shareholder. In this case, the proxy must be granted in writing and be special for each meeting.

For the exercise of the right to attend meetings and the right to vote, the pooling of shares shall be lawful. The provisions of the law shall apply in the event that the administrative body requests representation for itself or for another, as well as, in general, for any case of public request for representation.

ARTICLE 14. – CONSTITUTION AND QUORUM OF THE GENERAL SHAREHOLDERS' MEETING

The General Shareholders' Meeting shall be validly constituted, on first call, when the shareholders present or represented hold at least twenty-five per cent of the subscribed capital with veto rights. On second call, the meeting shall be validly constituted regardless of the amount of capital attending the meeting. In order for the General Shareholders' Meeting, whether ordinary or extraordinary, to validly resolve to issue bonds, to increase or reduce capital, to make any other amendment to the Articles of Association, to issue bonds, to abolish or restrict the pre-emptive right to acquire new shares, as well as to convert, merge, spin off or transfer all assets and liabilities and to transfer the registered office abroad, shareholders holding at least fifty per cent of the subscribed capital with voting rights must be present or represented at the first meeting in person or by proxy. At second call, the attendance of twenty-five per cent of such capital shall be sufficient.

ARTICLE 15. – PLACE OF THE MEETINGS - GENERAL SHAREHOLDERS' MEETING PRESIDING BOARD - MANNER OF DELIBERATION AND ADOPTION OF RESOLUTIONS

The General Shareholders' Meetings shall be held in the municipality where the company has its registered office and if the notice of meeting does not state the place where the meeting is to be held, it shall be understood that the meeting has been called to be held at the registered office.

The chairman, depending on the nature of the administrative body, shall be the sole director, the chairman of the board of directors or, in the absence of the latter, the vice-chairman, if any, the company's oldest joint or several director, or the oldest director if they have been appointed at the same time, and in their absence, in all cases, the shareholder agreed by the shareholders at the general meeting.

The secretary, depending on the nature of the administrative body, shall be the shareholder agreed by the General Meeting itself, in the case of a sole director, the Secretary of the Board of Directors or, in the absence of the latter, the Deputy Secretary, if any, the most recent joint or several director of the company, or the youngest if they have been appointed at the same time, and in the absence of these, in all cases, the shareholder agreed by the General Meeting itself. The chairman shall direct the deliberations, give the floor and determine the duration of the successive interventions. Resolutions shall be adopted by a simple majority of the votes of the shareholders present or represented at the General Shareholders' Meeting (a resolution shall be deemed adopted when it receives more votes in favour than against of the capital present or represented).

However, for the adoption of resolutions on the matters specifically mentioned in the second paragraph of the preceding article, if the share capital present or represented exceeds fifty per cent, it shall be sufficient for the resolution to be adopted by an absolute majority. However, the favourable vote of two-thirds of the capital present or represented shall be required when, on second call, shareholders representing twenty-five per cent or more of the subscribed voting capital do not reach fifty per cent. At the General Shareholders' Meeting, separate votes shall be taken on all matters that are substantially independent of each other, even if they are included in the same item on the Agenda; and, in any event, on the appointment, ratification, re-

election or removal of each director; on the amendment of the Articles of Association, on each article or group of articles with their own autonomy and on those that are provided for, where appropriate, in these Articles of Association. In all other matters, verification of attendance, voting and the shareholder's right to information, the provisions of the law shall apply.

ARTICLE 16. – MINUTES AND CERTIFICATIONS OF GENERAL SHAREHOLDERS' MEETINGS.

All corporate resolutions adopted at General Shareholders' Meetings shall be documented in the minutes, in accordance with the legal requirements, which shall be drawn up or transcribed in the relevant minute book. The list of those attending the meeting must be included in the minutes. The minutes shall be approved by the General Shareholders' Meeting itself, at the end of the meeting, or failing this, within fifteen days by the chairman of the General Shareholders' Meeting and two intervening shareholders, one representing the majority and the other the minority. The certificates of the minutes shall be issued, depending on the nature of the administrative body, by the sole director, by the secretary of the board of directors or, where appropriate, by the A 1 deputy secretary, with the approval of the chairman or the vice-chairman, where appropriate, by any of the joint directors or by any two of the joint directors. The formalisation in a public instrument of company resolutions shall be carried out by the persons empowered to certify them. They may also be executed by any of the members of the Board of Directors without the need for express delegation.

ARTICLE 17. – SOLE SHAREHOLDER

In the case of a sole shareholder, the latter shall exercise the powers of the General Shareholders' Meeting, in which case its decisions shall be recorded in the minutes, under his signature or that of his representative, and may be executed and formalised by the shareholder himself or by the company's administrative body, in all other respects complying with the legal regulations applicable to sole proprietorships and the Articles of Association insofar as they are compatible with the circumstance of being a sole shareholder.

2. HISTORY AND KEY FIGURES

2.1 HISTORY OF THE COMPANY

- **12 November 2019**
  - The Company is set up and registered under the name FAIFEY INVEST, S.A. by public deed granted before the Notary of Madrid, Spain. The initial number of participations on this date was 60,000 with a nominal value of €1 each.
  - The Company´s shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
TMF PARTICIPATIONS HOLDINGS (SPAIN), S.L.	30,000	50%
TMF SOCIEDAD DE PARTICIPACIÓN, S.L.	30,000	50%
TOTAL	**60,000**	**100.00%**

- **16 January 2020**
  - FAS PROPCO. A, S.À.R.L., FAS PROPCO. B, S.À.R.L. and FAS PROPCO. C, S.À.R.L. acquire all 60,000 shares of TMF PARTICIPATIONS HOLDINGS (SPAIN), S.L. and TMF SOCIEDAD DE PARTICIPACIÓN, S.L. at a price of €1 each.
  - As a result of the foregoing, the Company's shares are held as follows:

SHAREHOLDER	SHARES	SHAREHOLDING
FAS PROPCO. A, S.À.R.L.	15,353	25.59%
FAS PROPCO. B, S.À.R.L.	15,529	25.88%
FAS PROPCO. C, S.À.R.L.	29,118	48.53%
TOTAL	**60,000**	**100.00%**

- **29 January 2020**
  - The Company resolves to increase capital up to €5,060,000 at the General Extraordinary and Universal Shareholders meeting.

    The Company executes this capital increase with a pre-emption right through the issuance of 5,000,000 newly created shares with a nominal value €1 per share and a share premium of 33,18885029, hence totalling €170,944,251.46.

    FAS PROPCO. A, S.À.R.L., FAS PROPCO. B, S.À.R.L. and FAS PROPCO. C, S.À.R.L. subscribe 1,279,417, 1,294,083 and 2,426,500 shares respectively.

As a result of the foregoing, the Company's shares are held as follows:

SHAREHOLDER	SHARES	SHAREHOLDING
FAS PROPCO. A, S.À.R.L.	1,294,770	25.59%
FAS PROPCO. B, S.À.R.L.	1,309,612	25.88%
FAS PROPCO. C, S.À.R.L.	2,455,618	48.53%
TOTAL	**5,060,000**	**100.00%**

- **31 January 2020**
  - Briscoe Invest, S.L.U. a fully owned subsidiary of the Company acquires 100% of the share capital of APN1. from the Spanish company Asturias Retail and Leisure SOCIMI, S.A.
  - Additionally, the Company acquires 100% of the shares of Wattenberg Invest, S.L.U. from the Luxembourg company Intu Holding, S.À.R.L.
- **28 May 2020**
  - APN1 completes a merger absorbing its subsidiary BRISCOE, S.L.U. In accordance with Law 3/2009[3] of 3 April, on Structural Amendments of Companies, given the latter was the sole shareholder of APN1, the merger by absorption was executed without a share capital increase of the absorber (i.e., APN1).
- **25 September 2020**
  - The Universal, Extraordinary and General Shareholders Meeting opts for the Company to be subject to the SOCIMI regime.
  - The company changes its corporate name to the current one, FAIFEY INVEST SOCIMI, S.A. and adapts its by-laws to comply with SOCIMI Law.

It must be noted that, to this date, the Company has not implemented a share-based incentive scheme neither for its employees (currently it has no employees), nor its directors.

[3] Ley 3/2009, de 3 de abril, por la que se regulan las Modificaciones Estructurales de las Sociedades Mercantiles

2.2 SELECTED FINANCIAL DATA

More detailed financial information of the Company is provided in section 8 of this Information Document: “Financial information for the 2020 annual fiscal year at 31 December”.

The financial statements at 31 December 2020 are attached as **Appendix** and are available at the Company's website: www.faifeysocimi.com

Key figures are presented below:

2.2.1 FAIFEY INVEST SOCIMI, S.A.

SELECTED DATA	31/12/2020	31/12/2019
PROFIT & LOSS (€)		
Net turnover	1,314.36	-
Other operating expenses	-87,601.97	-1.70
Operating profit/(loss)	-86,287.61	-1.70
Impairment and loss	-10,524,970.00	-
Profit/loss for the year	-10,611,257.61	-1.70
BALANCE SHEET (€)		
Non-current assets	107,881,814.62	221.18
Current assets	200,832.53	14,215.19
Total assets	108,082,647.15	14,436.37
Share capital	5,060,000.00	15,000.00
Issue premium	113,444,251.46	-
Reserves	(18,796.30)	(663.57)
Stockholder equity	107,874,195.85	14,334.73
Non-current liabilities	-	-
Current liabilities	208,451.30	101.64
Total liabilities	208,451.30	101.64

2.2.2 ASTURIAS PROPCO NÚMERO UNO, S.L.U.

SELECTED DATA (in Thousand)	31/12/2020	31/12/2019
PROFIT & LOSS (€)		
Net turnover	19,218	21,569
Other operating Expenses	-7,864	-7,571
Profit/loss for the year	-56	8,601
BALANCE SHEET (€)		
Non-current assets	290,992	130,166
Current assets	13,208	15,292
Total assets	304,200	145,458
Share capital	5,099	9,774
Issue premium	-	75
Reserves	154,092	2,041

2.2.3 WATTENBERG INVEST, S.L.U.

SELECTED DATA	31/12/2020	31/12/2019
PROFIT & LOSS (€)		
Operating profit/(loss)	-158,927.69	-124,890.11
Impairment and loss	-	-10,087,664.90
Profit/(loss) for the year	-158,927.69	-10,212,555.01
BALANCE SHEET (€)		
Non-current assets	2,500,000.00	2,500,000.00
Current assets	139,244.81	235,513.33
Total assets	2,639,244.81	2,735,513.33
Share capital	333,006.00	333,006.00
Issue premium	13,047,836.16	13,047,836.16
Profit/(loss) from previous years	-11,007,268.21	-794,713.20
Stockholder equity	2,611,646.26	2,700,573.95
Non-current liabilities	-	-
Current liabilities	27,598.55	34,939.38
Total liabilities	27,598.55	34,939.38

3. COMPANY ACTIVITY

3.1 SUMMARY OF ACTIVITY

The Company was incorporated in November 2019, as described in section 2.1 of this Information Document, with the purpose of investing in Spanish real estate. Such purpose has been achieved, so far, through the acquisition of 100% of the shares in its currently wholly owned subsidiaries, APN1 and Wattenberg. APN1 owns Parque Principado shopping centre located in Oviedo, Asturias' Autonomous Community, Spain. Wattenberg on the other side, owns twenty-two land plots adjacent to the shopping centre.

3.2 BUSINESS MODEL

The Company's business involves investing in real estate assets in Spain, allocated for long-term leases to obtain revenues and improve values. The Company's objective is to maximize rental income by exploiting the potential of the assets currently in its portfolio and although the Company is currently not looking for new investment opportunities, the land plots adjacent to the shopping centre represent an opportunity for development in the event there was existing demand for carrying out such investment, and other investments could be analyzed in due course.

As mentioned above, the asset of APN1 and, indirectly, of the Company, is a multi-tenant shopping centre with more than 115,000 sqm GLA, over two floors and 168 units and which comprises three (3) different areas (each one identified with an independent registered unit within the Land Registry): (i) a hypermarket, (ii) a retail gallery, and (iii) a petrol station, currently almost fully leased. Wattenberg's assets, and thus indirectly owned by the Company as well, consist of 22 land plots with an aggregate area of 139,800 sqm.

The Company´s widest powers rest upon the Board of Directors, except for matters out of its purview, in which case would be the General Shareholders Meeting, the highest governing body of the Company.

The Company does not have employees. All the strategic, management and most relevant decision impacting the business plan, the activity or the assets are taken by the Board of Directors. However, the day to day activity and asset and property management are externally managed. FAIFEY works alongside some of the most reputable advisors, hence giving current and potential investors the guarantee and comfort they need. The Company therefore relies on its advisers to effectively manage its existing real estate asset while maximizing rental income.

The Company has either directly or indirectly – through its wholly-owned subsidiaries or through its asset manager, entered into various service agreements. The main characteristics of these agreements shall be detailed below:

The Community of Owners of Parque Principado Shopping Centre, (which is comprised by the owners of the three areas (the hypermarket, retail gallery and petrol station) i.e. APN1) and Asturias Propco Número Uno S.L.U (the Company's subsidiary which holds the Parque Principado asset) entered into a Centre Management Agreement with ECE Projektmanagement España S.A.U in the following terms:

ECE PROJEKTMANAGEMENT ESPAÑA S.A.U

The Community of Owners of Parque Principado Shopping Centre as "**Client 1**", Asturias Propco Número Uno S.L.U as "**Client 2**", jointly referred as the "**Clients**" and ECE Projektmanagement España S.A.U. as "**ECE Projektmanagement**" or the "**Manager**" entered an asset management agreement dated 26 February 2020 in Madrid.

The management agreement covers Parque Principado Shopping Centre.

This agreement shall be deemed to commence on 31 January 2020 (the day of signing) and shall continue in full force until:

a) The end of the 10th full calendar year following the day of signing (fixed contractual term).

b) The agreement shall be extended by periods of three years unless it is terminated by one of the Parties, subject to a period of notice of at least one year to the date of expiration.

c) The agreement may be terminated after the expiration of 5 years after the commencement of this Agreement through a termination notice delivered thereafter with a notice period of at least 12 months to the end of a month, when a series of cumulative requirements are fulfilled.

SERVICES

Services to be provided by the manager are detailed in article 2 of the management agreement. These services include but are not limited to the following:

- (Re-)Leasing: finding tenants, negotiating lease term and legal contracts, leasing and subsequent re-leasing using the Centre related standard ECE Projektmanagement lease contract as approved by the client, as well as optimization of the tenant structure taking to account the respectively current development in retail trade, and supporting measures in connection with the move-in and move-out tenants.

- Maintenance (operating expenses): identification of the maintenance requirements and preparation of a corresponding annual budget for the Centre, as well as arranging and overseeing of the maintenance works, and budgeting of the operating expenses including service charge budgets and ongoing analysis in respect of possibilities of optimization.

- Accounting: keeping the accounts and elaborating an annual planning with target performance comparison, supporting in profitability calculations for debt financing purposes and calculation of estimated operating costs, preparing ongoing rental space statistics, rent calculation including the assertion and enforcement of increases in rent, keeping account of received and outstanding payments due, and supporting in terms of business administration and technical/organizational matters for the tax consultant and auditor commissioned by the Clients, including provision of information and handling of queries.

- Reporting: Including a property report, list of receivables/liabilities, current maintenance, current investments, special topics, tenants list, annual budget, litigation report, among others.

- Contractual matters: responsibility over the conclusion, amendment, extension, rescission, and termination as well as the supervision of all centre related agreements, contracts for use and authorizations as well as similar contracts, all maintenance, cleaning, security and other service agreements.

- Legal support: taking care of all legal matters directly related to the management of the Centre, instructing attorneys at law for the Clients in order to defend rights before courts as well as for the initial of judicial execution measures.

- Insurance: taking out, amending, terminating as well as supervising all centre related insurance policies and taking out insurances for all property, property owner's liability and related risks that are typically insured.

- Personnel management: providing and managing the personnel required for the administration of the Centre and ensuring that the personnel have suitable experience, expertise and qualification.

- Tasks of the local administration of ECE Projektmanagement in the Centre.

    - Cooperation with the central administration.

    - Use and control of the personnel working in the Centre by a centre manager.

    - Elaboration and supervision of general rules of the house and overseeing compliance of tenants, shoppers, contractors and other parties with such rules.

    - Securing the functioning, operating capacity and security of the Centre.

    - Improvement of signposting and of traffic and parking facilities.

- Engineering and architect's services: services in respect of planning, call for tenders, award of contracts, project supervision, settlement and supervision of the remedying of defects including the assertion of claims in respect of defects, all in regards to construction, structural improvements, conversion and interior works, design and structural improvement of the shopping malls and facades or of extensions to them, maintenance and repair, or following conditions imposed by public authorities.

  Construction measures of the tenants: in accordance with the rental provisions the installation of shop window and entrance facilities as well as of illuminated advertising signs and other structural alterations by the tenant require the prior consent of the landlord, granting the necessary approval on behalf of the client in respect of measures notified by the tenants.

TMF SPAIN S.A.

Both the Company, and its subsidiaries Asturias Propco Número 1 S.L.U. and Wattenberg S.L.U., as the "**Clients**", entered service agreements for an indefinite period on 20 January 2020 with TMF Spain S.A. TMF Spain S.A. "**TMF**" provides, among others, administrative services, human resources and payroll services, corporate and secretarial services, registered agent/address services, incorporation services and management services to clients.

The Company's main costs are those derived from the accounting services provided to the Company, and to any wholly owned subsidiaries. It should be noted that, one-off costs, cost of services determined by time spent, and other miscellaneous are not included.

Either party may terminate the agreement at any time by providing a 3 (three) months prior written notice and in accordance with the terms of such agreement.

<u>SERVICES</u>

- Corporate services – includes standard services (covering the minimum statutory requirements as per current Spanish regulations related to SOCIMI additional specific requirements), and non-standard services (ad hoc) such as:
    - Organising and convening the Annual Meeting of the Governing Body to draw up annual accounts, and the Annual General Meeting of Shareholders to approve the annual accounts, with English translations, if required.
    - Maintenance, custody, and filing of the Corporate Books of the Company.
    - Organising and convening Extraordinary Meetings of the Governing Body and Extraordinary Meetings of Shareholders to approve resolutions, as well as coordinating with third parties (notaries, legal advisors) for the formalisation of aforementioned resolutions.
    - Assistance with the implementation of the Crime Prevention Plan/assessment and with AML (Anti-money laundering procedures, as may be required.
- Accounting and administrative services
    - Includes bookkeeping, corporate reporting, statutory reporting, and cash management, such as reception of bank statements or booking of cash movements.
- Audit Assistance
    - Assistance for two audits per year, comprising an average of 50 hours of work.
- Tax Compliance

   - Preparation and filing of the quarterly or monthly and annual Wage Withholding Tax returns, Value Added Tax returns (as well as preparation and custody of the Value Added Tax registration books), Rental Withholding Tax returns and 347 form concerning transactions with third parties.

- Notifications

   - E-Notification Mailbox: providing TMF mailbox for tax notification purposes from Central/General Spanish Tax Authorities and checking mailbox daily, and, forwarding copies thereof to client designated contact.

   - Digital certificate: preparation of necessary Power or Attorney and official forms and filing the application and collection of Digital Certificate at the Tax Authorities.

- Domicile.

Reference to environmental matters that may affect the Issuer's activity

The Company does not have any liabilities, expenses, assets, provisions or contingencies of an environmental nature that could be material in relation to its equity, financial position or earnings. Therefore, no specific disclosures relating to environmental issues are included in the notes to the financial statements.

3.3 INVESTMENT STRATEGY AND COMPETITIVE ADVANTAGES

3.3.1 Investment strategy

The Company's investment philosophy involves proactive value creation through the different focus points:

1. Active Centre management and income generation

   - Provision of "hands-on" centre management services in-house generating substantial rental income and ensuring long-term value appreciation.

   - Securing ancillary revenues through shopping centre marketing, advertising, and other activities.

2. Redevelopment/Expansion

   - Cost-effective, timely and innovative execution of redevelopment.

   - Improving layout and composition of retail areas and ensure the maximization of value.

3. Repositioning

   - Revitalize through value enhancement, via reinvestment, refurbishment and modernization.

   - Optimizing shop-design, high-impact marketing concepts and product range.

4. Re-leasing

- Optimizing branch and tenant mix.
- Attracting market leading retailers, that are vital to the success of prime urban shopping centres.

5. Portfolio management

- Creating synergies across the portfolio saving costs and enhancing value.
- Risk management and reporting excellence.

FAIFEY´s leverage criteria

The Company will seek to optimize the leverage structure in order to maximize the returns of the investors. The level of leverage currently is 64%, calculated as the total value of debt divided by the value of the real estate assets, and will not exceed of 70%, pursuant to the limitations under the financing documents (see “financial covenants” in section 3.4. below).

3.3.2 Competitive advantages

The Company features a high upside potential via Business plan and asset management initiatives.

1. Stable return characteristics:

- Throughout historical business cycles, prime shopping centres managed by ECE have generated stable returns for investors through a diverse tenant mix with long-term leases.

2. Opportunity for pro-active value creation:

- “Hands on” asset management expertise resulting in the ability to execute tenant mix optimization, expansions and repositioning measures.

3. High barriers to entry:

- Target markets characterized by strict planning regimes, reduced new supply coming online, a limited number of competitive buyers with in-house management capabilities and the need for economies of scale.

4. Inflation protection

- Achieved through a combination of real estate ownership, indexed lease agreements and tenant sales rental revenues.

5. Market opportunity

- In a rapidly changing retail market, an increasing number of dominant shopping centres in prime locations requires revitalization or refurbishment.

3.3.3 SWOT Analysis

The property itself is also a source of many key competitive advantages, as detailed in the following table comprising section 3.6.4 of this Information Document:

Strengths	Opportunities
• Dominant shopping centre in region of Asturias. • Main free time destination in case of bad weather. • Competition considered as rather weak. • Neighbourhood with IKEA and retail park strengthen the micro location as main shopping destination of the catchment area. • Location at highway crossing leads to great accessibility by car; also good public transport connection with Oviedo. • Strong historical turnover and footfall development. • Strong tenant mix: many anchor tenants with their only shop in Asturian Region. • High occupancy rate: Vacancies mainly related to strategic reasons. • Rebranding to strong brand "Parque Principado" is well appreciated from customers. • Low bad debt level before extraordinary Covid 19 impact. • Generally strong performance of anchor tenants. • Connection and interaction with Asturian community. • New tenants perform very well.	• Restructuring of Hypermarket area offers potential for conceptional optimizations and rental uplift. • Demand for tenants to extend their GLA. • Strengthen and optimize leisure and entertainment sector to be more independent from weather impact on footfall and attract kids and families. • Cinema refurbishment and long-term lease contract. • Replacing weak tenant concept with strong one (e.g. regional, innovative, individual concepts…). • Optimization of parking management. • Improvement of road access between highways and the shopping centre. • Strong recovery potential from Covid 19 impact shown after first lockdown. • Considering usage of land plots (e.g. residential purposes).
Weaknesses	**Threats**
• Road accesses from highway to the centre is generally overcrowded at peak times (i.e. Saturdays). • Hypermarket area is currently oversized and (12,000 sqm) and outdated; low quality of stay in this area. • Some shops look outdated and require refurbishment. • Footfall drops in case of good weather as Asturians look for alternative activities. • Gross Leasable Area (GLA) limitations. • Although Parque Principado is one of Spain's Top 10 shopping centres, the market entries of new tenants into the Spanish retail market are likely to occur in Madrid and Barcelona first. • Lack of leisure and entertainment offer. • Lack of Home offer. • Bad image of Cinema because of it being outdated. • Lack of public transport connection with Gijon.	• Covid 19 impact may lead to mid and long term impact on insolvencies, bad debt, vacancies, turnover, reluctant tenant expansion, etc. • Local authorities' involvement may lead to discussions about exchange of benefits regarding restructuring measures (participation in highway access project). • Pipelines permit may require investment. • Rolling break options for several anchor tenants. • Cinemas fast recovery from Covid 19 impact is questionable. • New flagship stores opening at competitors' locations. • Growth of leisure offer within the catchment area.

3.4 COMPANY INVESTMENTS DATA

On the date of this Document, the Company owns one property asset with a total market value of €284,000,000.

Below, a table will show the asset's occupancy rate level and location:

PROPERTY ASSET	OCCUPANCY RATE
Parque Principado Shopping Centre (Asturias)	99.4%

- **Geographic Concentration:** Oviedo, Asturias, Spain
- **Property Typology:** Shopping Centre (Retail)
- **Mortgages/Debt:**

Asturias Propco Número Uno, S.L.U. as "**Borrower**" and entered a "**Facility agreement**" in Madrid on 31 January 2020 with Allianz Debt Fund SCP SICAV-SIF and Allianz S.P.A (the "**Original Lenders**"), Allianz Real Estate (the "**Agent**") and CBRE Loan Services Limited (the "**Security Agent**") for a total amount of €185,000,000 divided into several tranches, in order to, among other things, refinance the Borrower's existing debt as owner of the Intu Asturias shopping centre located in Oviedo.

Financial covenants:

- The Borrower shall ensure that at any time the Debt Yield[4] shall be at the minimum level of 6.25%.
- The Borrower must ensure that the Loan to Value does not, at any time, exceed 70%.

Only and exclusively while any such circumstances are continuing, the Borrower shall repay the loans on each subsequent interest payment date (other than the last one) in repayment instalments equal to 0.375% of the overall amount of loans utilised at the end of the availability period.

Therefore, if the Borrower becomes obliged to repay the loans in repayment Instalments in accordance with the aforementioned scenarios, the Borrower shall crease to be obliged to repay the loans in repayment instalments.

Utilization:

The Borrower has utilized a first tranche (first term facility) that amounts to €126,000,000 (including arrangement fees) until 28 February 2020.

[4] Debt Yield: Net Operating Income/Loan Amount

3.5 PAST AND FUTURE INVESTMENTS

Past investments

The Company carried out a single investment, which took place in January 2020. FAIFEY indirectly acquired 100% of the shares in APN1 (owner of the shopping centre), and Wattenberg, the subsidiary owning the adjacent land plots.

Future investments

The Company currently does not have any investments in the pipeline for the following 3 years, but FAIFEY will consider the purchase of assets that fit its aforementioned Business Model and Investment Strategy.

3.6 DESCRIPTION OF REAL ESTATE ASSETS

3.6.1 Parque Principado Macro-Location

The Parque Principado Shopping & Leisure Centre (hereinafter "**the property**" or "**Parque Principado**") is located on Paredes Street, Lugones, to the north-east of Oviedo, Asturias. Due to its location, Parque Principado belongs ot the city of Oviedo, capital of the region.

The Asturias region, located in the north of Spain, has a GDP per capita of €23,087 (Source: Instituto Nacional de Estadística – Year 2018), which is below the national average (€25,854), but the GDP per capita of the city of Oviedo amounts to approx. €29,000. If Spain's regions were ranked using this indicator, the Asturias region would be on the 11th place, ranking higher than Valencia or Andalucía and lower than the Navarra or Cantabria regions. Historically, the mining sector was one of the main economic drivers of the region but, due to the increasing use of alternative energy sources and together with the increasing environmental consciousness, this sector has a very low share in the current economy, with the services sector being the main driver today.

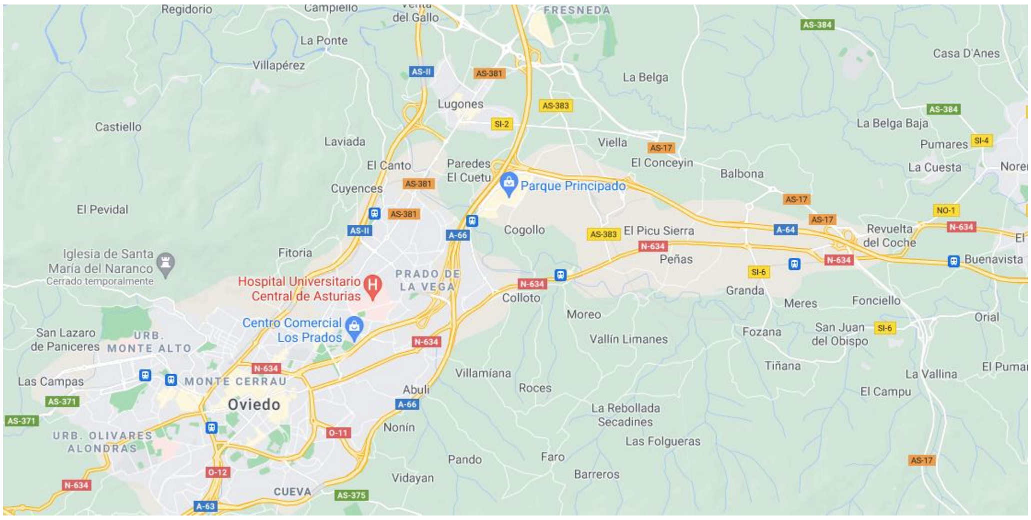
The city of Oviedo, capital city of the region, has a population of 219,910, which accounts for 21% of the region. From 2015 to 2020, the population of the Oviedo municipality has decreased by -0.90%, which is lower than the regional average (-3.10%), and higher than the Spanish average which has increased (1.7%). (Source: "Instituto Nacional de Estadística" – Year 2020). It is important to highlight that 4 municipalities (Oviedo, Gijón, Avilés and Siero) amount to 60% of the total population of the region.

Although the city of Oviedo represents the principal catchment area for Parque Principado Shopping Centre, other municipalities located less than 20 minutes by car should be taken into account as part of the primary catchment area, such as Siero (51,509 inhabitants), Mieres (37,537 inhabitants) and Llanera (13,695 inhabitants). (Source: "Instituto Nacional de Estadística" – INE/2020).

As it was previously hinted at, the main economic sector in the province of Asturias is the service sector, with approx. 69.60% of total GDP, followed by the industry sector with approx. 28.82% (including construction and energy), the remaining 1.56% of GDP is generated by agriculture, farming and fishing. In 2013 the GDP of the province was 2.17% of the total national GDP. (Source: "Contabilidad Regional de España" - INE/2015).

The activity rate in the Autonomous Community of Asturias is 50.18%, lower than the average of Spain (58.19%). In addition, the level of unemployment in the Autonomous Region of Asturias amounts to 13.50%, which is below the national average (16.13%). (Source: EPA – INE 4th Q 2020).

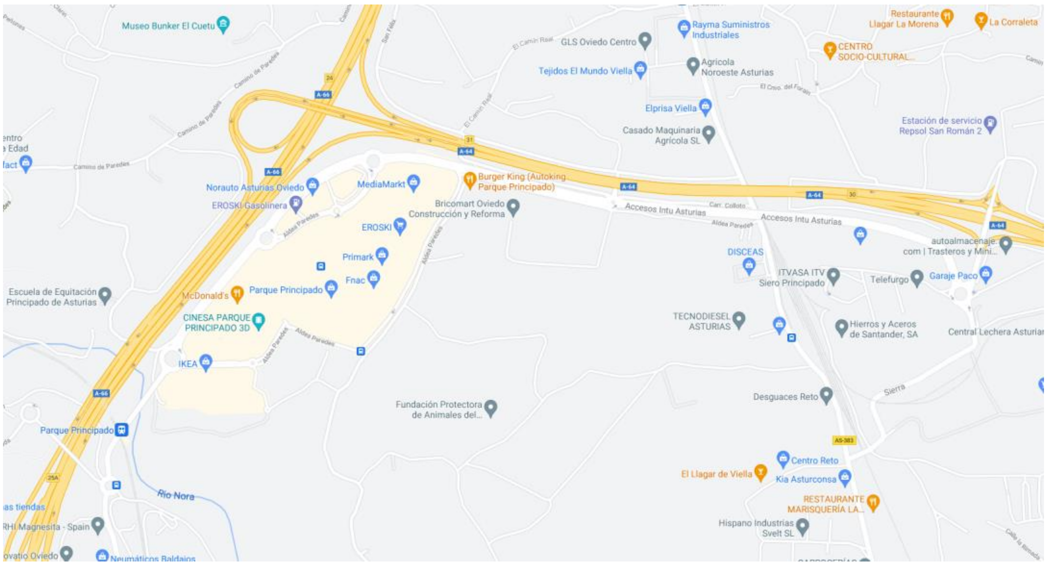
As seen in the figure shown below, Parque Principado is strategically located near the A-66 (Madrid – Asturias Highway) and the A-64 (Oviedo – Villaviciosa road). In addition, the region itself is very well frequented by travellers due to the Asturias Airport located close to Avilés, and a train connecting with Madrid and other regions to the south. Although the main transportation alternative to the shopping centre is by car, several bus lines serve the property.



3.6.2 Parque Principado Micro-Location

Parque Principado is located in Lugones, a small municipality towards the south of the region and approx. 15 minutes driving distance to the north from Ovideo's city centre. The property benefits from an excellent location in the confluence of two main highways, A-66 and A-64. These two highways link the region with capital cities such as Madrid or Bilbao, as well as all the municipalities of the region. Asturias is not a large region and the other two main cities, Gijon and Avilés, with 271,717 and 77,791 inhabitants respectively, are reachable in less than 30 minutes driving distance from the property.

The immediate surroundings of Parque Principado Shopping & Leisure Centre are a mix of light industries and retail offer. The property itself is located within a consolidated retail agglomeration with more than 115,000 m², including the Parque Principado itself, IKEA and other retail warehouses such as Bricomart or Conforama.



Catchment Analysis

The Asturias region is within the ten smallest regions by size in Spain, and most of its population is located towards the north of it. Thus, Oviedo, Gijón, Avilés and Siero, which together amount to more than 60% of the total region's population, are located within less than 30 minutes driving distance to one another.

More than 90% of Parque Principado's visitors are car-borne. Still, the centre has good public transportation links. Nevertheless, those are only used by less than 20% of visitors.

In this context, Parque Principado benefits from an excellent location being situated in the confluence of the A64 and A66 highways, connecting the property with all the main municipalities in the region. This location forms the immediate catchment area with a population of more than 130,000 inhabitants as well as a secondary catchment area of 320,000 inhabitants. Having said this, even though penetration on the secondary and tertiary catchment area should in theory decrease due to the presence of other retail schemes such as Los Prados, Parque Astur and Los Fresnos, the retail mix of Parque Principado, with retailers such as Primark, H&M and Media Markt that are not present in other retail areas of the region, and the strength of its location within a retail agglomeration including IKEA, ensure an above-average penetration of Parque Principado in these areas.

The average disposable income for the population in the first isochrone amounts to €27,800 and increases up to €28,600 for the second isochrone, due to the inclusion of Oviedo. The average age of the population within the catchment area is 46 years, which is in line with the country average.

The following table summarizes the number of inhabitants and average expenses in the aforementioned isochrones, with data provided by JLL Valoraciones, S.A.U.

Isochrones	Population	Disposable income (€/annum/inhab)	Unemployment (%)	Average Age	Fashion (€/p.a./inhab)	Food (€/p.a./inhab)	Home (€/p.a./inhab)	Food & Beverage (€/p.a./inhab)
0-10 min by car	136,180	27,800	13.9	44.5	1,950	3,650	1,350	2,750
10-20 min by car	319,220	28,600	15.5	46.5	2,000	3,950	1,200	2,900
20-30 min by car	407,800	28,050	16.0	48.3	2,050	4,050	1,100	3,050

3.6.3 Property Description

The asset under valuation comprises 73,801 m² distributed over two floors and 168 units (including storage rooms, kiosks, lower ground units, a hypermarket and petrol station).

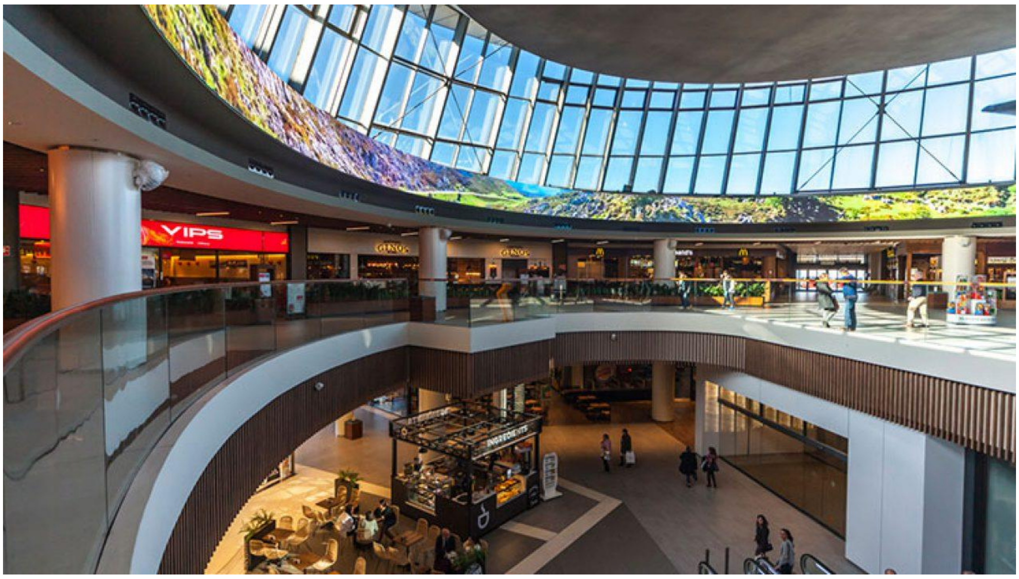
Due to the unlevelled site, both floors benefit from street access, therefore these are named ground floor and lower ground floor. At the ground floor, the hypermarket and the cinema are located, while on the lower ground floor a supermarket is located. The latter benefits from having the closest entrance to the IKEA area and direct access to the underground parking garage. The ground floor can be split into three main areas: the north area, a central retail area, distributed along two corridors, with main retailers, and a third leisure and restaurants area towards the south, where the cinema entrance and the restaurants are located. On the lower ground floor, a supermarket and some restaurants are located. A European leader in car maintenance, and the gas station are located independently on the parking lot area towards the north, however, are included in the centre and plot ownership. The gas station has 122.5 m² of control building, with 6 payment cabins and includes a car wash tunnel and 8 petrol pumps.

The entrances with the highest footfall are those accessible from the above ground parking lot on the ground floor area, directly leading to the squares named “Plaza del Roble” and “Plaza de las Palmeras”.

As mentioned above, the property is comprised by the three Land Registry units which correspond to the retail gallery, the hypermarket and the gas station, which all three form at present a condominium which was formally incorporated on 4 April 2001 (being APN1 the only entity within the condominium).

The asset can be considered as fully let, as there are only 774 m^2 of vacant space, 239 m^2 are kept strategically vacant to allow a potential expansion of the hypermarket area, and the rest are mall areas destined to kiosks that have remained vacant almost since opening.

The property is occupied by strong retail anchor tenants, together occupying approx. 64% of the total lettable area.



Parque Principado's 168 shops predominantly target younger people and families providing a diverse mix of brands, unique within the catchment area. The retail offer ranges from fashion to shoes and accessories, and from sports items to health & beauty. For a number of retailers, Parque Principado is their only shop within the entire region.

Over the last years several projects have been developed in the property, firstly the food court layout was updated, and several external terraces were built. Secondly the lower ground floor (formerly leisure) was re-anchored into a supermarket together with several services and restaurants strip mall. Additionally, other investments have been completed in the mall area and on the façade as well as the parking to update its layout. Currently, there are no other comparable projects in other retail areas in the region existing. As a result, the refurbishment of the restaurant areas with a modern layout will help with current market challenges, improve the retail mix and finally improve the footfall as well.

Cinema

The multiplex cinema has 12 screens and approx. 1,900 seats in total. With an excess of 380,000 visitors per annum (2019) the cinema has been having an average performance despite its outdated appearance until 2019. Having said this leisure and restaurants have been the activities hit the most since the outbreak of the pandemic and continuous lockdowns and capacity restrictions have had strong impact on their performance.

It is likely that investments to refurbish the cinema complex might be needed, especially if competitor's schemes are looking to develop new leisure areas (i.e. Los Fresnos and Modoo).

Foodcourt

Another major attraction of the centre is its updated food court, including 22 different food retail concepts with several internal and external terraces. Some of these retailers benefit from exterior terraces facing the parking lot on the ground floor. Having said this leisure and restaurants have been the activities hit the most since the outbreak of the pandemic and continuous lockdowns and capacity restrictions have had strong impact on their performance.

Parking

The offer is completed with approx. 4,700 free parking spaces distributed over both above and below ground levels, with most of them on located on the ground floor level. The parking lot on the ground floor provides direct access to the entrances of the main squares, the hypermarket area and the Media shop location. The lower ground floor shares open-air parking with IKEA with direct access to the supermarket entrance and provides underground parking spaces.

Adjacent Land Plots

In addition, the Company, through its subsidiary, owns 22 land plots with an aggregate area of 139,800 sqm. Based on the information provided, these land plots are located towards the south-east of the shopping centre, just behind it and the retail park. The intention with these land plots is to use them to enlarge the property and create a bigger retail hub together with the retail park and IKEA in the future. As explained throughout this Information Document, for valuation purposes, these are currently considered as rural land plots as there are no concrete redevelopment plans in place. The lands are mostly destined to a grazing/agricultural use.

3.7 THE MARKET

3.7.1 Economic Context

Following the severe COVID-19 outbreak in Spain, and confinement measures imposed in March 2020, economic activity suffered an enormous contraction in the first half of the year, being the service sector the most badly affected.

Spain entered a “new normality” at the end of June 2020 that the economy bounced back strongly in the third quarter following the easing of the previously imposed social distancing measures. However, following infection rate increases throughout the country at the end of the third quarter, the Spanish economy started to slow down. This led the government to impose new restrictive measures that limited growth in the fourth quarter. GDP ending up contracting 11.1% during the year.

According to ECB data, the macroeconomic environment is supported by the hypothesis of global growth in 2021. In Spain, GDP is forecast to growth 6.3% in 2021. It is expected that the economy improves gradually as the country’s population gets vaccinated, and that the economy gets back to pre-covid levels by the end of 2022-23, in line with forecast for the EU according to Oxford Economics estimates.

The pandemic negatively affected unemployment rate, and currently this stands above 15%. As the current situation improves, employment rate is expected to pick up with forecasts of 0.4% and 2.7% in 2021 and 2022 respectively according to OECD.

Inflation in Spain has been negative with price decreasing 0.3%, which has made the purchasing power of some households. Deflation will foreseeably temporary. Oxford Economics forecast modest inflation CPI; 1% in 2021-22.

Despite the collapse in consumer spending in the first half of 2020 as a result of enforced lockdowns, consumer spending was solid as measures started to be phased out, nonetheless still quite affected by virus waves that followed. Oxford Economics forecast 6.4% consumer spending increase in 2021, growth above Eurozone area.

3.7.2 Investment Market – Retail

Throughout 2020, lockdowns as well as social distancing measures restricted consumers from visiting retail shops and shopping malls, as well as the number of shoppers that were allowed at a given time given capacity restrictions. The increase in remote work also decreased the number of pedestrian's traffic, particularly in main streets, and near main transport hubs. Moreover, tourism remain significantly below pre-covid levels with a notable impact in retail sales.

As a consequence of the above, consumer spending and retail sales declined by 13.3% and 7.7% respectively according to Oxford Economics. Other indicators such as number of shoppers in retail areas and credit card spending also pointed to a deceleration of retail expenditure.

There were nonetheless winners; e-commerce and grocery shops benefited the most. Once clients were allowed back to shop physically, e-commerce growth slowed down although it remained above pre-covid levels supported by employees that continued to work from home.

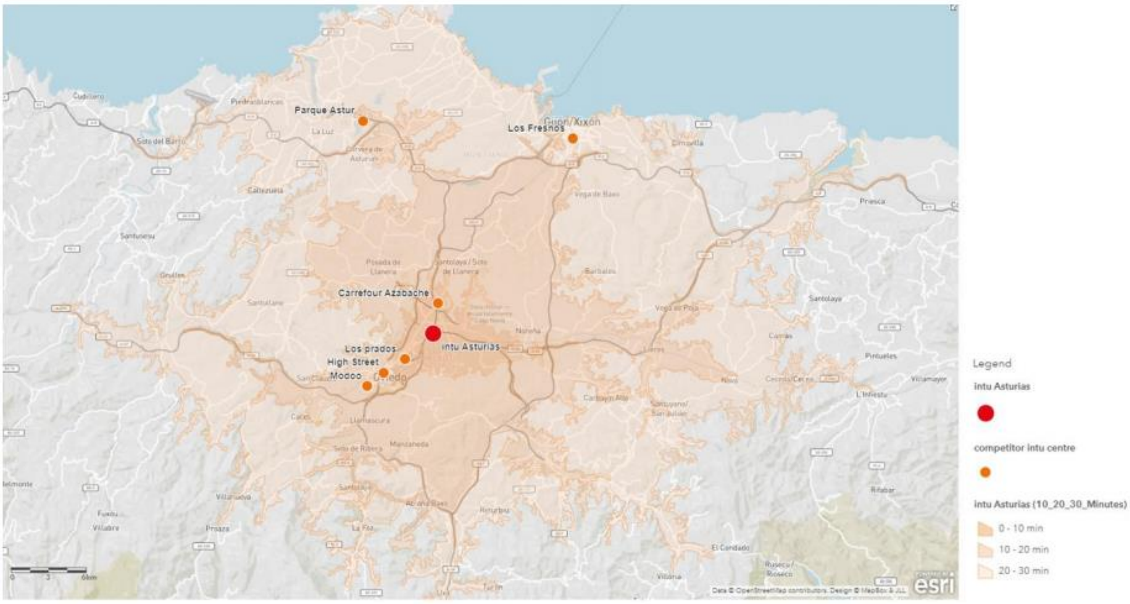
Fashion sales dropped drastically (-30% according to Eurostat) and leisure and restaurants also dropped (-23% according to credit card spending).

Success of vaccination campaigns will allow sanitary restrictions' measures to be phased out from mid-2021, and once the uncertainty and worries deriving from the pandemic start to fade, forecasts point towards strong recovery of retail sales. In this sense, Oxford Economics forecast retail sales growth of 6.3% and 6.7% in 2021 and 2022, respectively.

3.7.3 Competitors

Even though Asturias is amongst the regions with the highest retail density in Spain, the offer is not all of the same quality, with the main retail high street destinations being Corrida street in Gijón, Uría and Pelayo streets in Oviedo, and Los Fresnos and Parque Principado in terms of shopping centres. Parque Principado is the dominant scheme within its catchment area. Thanks to its location, size and retail mix, it functions as a supra-regional shopping centre attracting customers from a large catchment area.

The high street offer in Oviedo and Gijón is strong with presence of retailers such as ZARA, Mango, Scalpers, Bershka, Massimo Dutti, etc, and weaker in Avilés. The following map illustrates the geographic positions of different competitors, detailed further below, against Intu Asturias, the Parque Principado's shopping centre old name.



Name	Location	GLA (m²)	Anchor(s)
Los Fresnos	Gijón	38,000	Carrefour Hypermarket, and ample comercial mix of fashion and accesories
Parque Astur	Corvera de Asturias (Avilés)	70,000	Carrefour Hypermarket, Paidesport, cinema complex, and 120 retail units including well-known retailers
Los Prados	Oviedo city centre	35,600	Carrefour Hypermarket, food & beverage offering, and cinema complex
Las Salesas	Oviedo	32,500	Hipercor, El Corte Inglés, and food & beverage offering

3.8 DEPENDENCE ON LICENCES AND PATENTS

The Company (through APN1) requested before the Spanish Trademark and Patent office, the registration of a new trademark started on 30 November 2011. No third parties have opposed such registration as of the time of writing this Information Document.

The Company has the necessary licenses for the construction and operation of the shopping centre as required by the Autonomous Community of Asturias, where it operates. However, it has not provided evidence of certain first occupancy licenses that should have been granted following several refurbishments works carried out between 2001 and 2018.

3.9 INSURANCE CONTRACTS

The Company has underwritten insurance policies through its subsidiary Asturias Propco Número Uno, S.L. The insurance policies' details and main covers are detailed below:

Insurance company	XL Insurance Company SE, Sucursal en España
Policy number	ES00021882LI21A
Policy type	Civil liability insurance
Insurance Premium	€10,524.36
Insured amount	- €1,000,000 per claim - €2,000,000 per insured period
Insured obligations	- Operational civil liability - Employer civil liability - Product civil liability - Post-works or executed works civil liability insurance
Validity period	- 01/01/2021 to 31/12/2021, renewable only under explicit agreement between the parties.

Insurance company	Acquinex GmbH
Policy number	AC1WI20-0091
Policy type	Buyer-side Warranty & Indemnity Insurance
Insurance Premium	€272,436
Insured amount	€32,500,000
Insured obligations	- General Warranties - Fundamental Warranties - Tax Warranties - Tax Indemnity
Validity period	- In the case of General Warranties, 36 months from Commencement date. - In the case of Fundamental Warranties, Tax Warranties, and Tax Indemnity, 84 months from commencement date.

Insurance company	CHUBB European Group SE
Policy number	ESPKN239632
Policy type	Material damages & rent loss risk
Insurance Premium	€62,061.00
Insured amount	€200,025,000.00
Insured obligations	- Damages from robberies - Damages from expoliation - Water-related damages - Damages to glass, windows, or signs - Damages to property - Rent loss (for a period of 36 months)
Validity period	01/01/2021 to 31/12/2021, annually renewable.

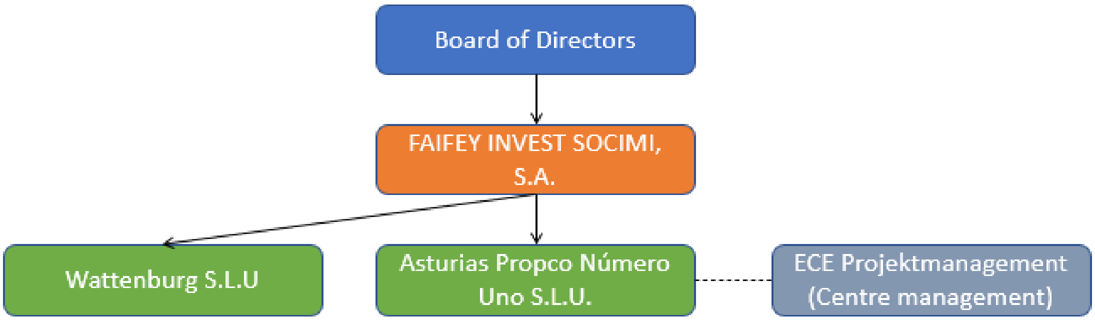
3.10 RELATED-PARTY TRANSACTIONS

The Company has not incurred in related-party transactions.

4. ORGANIZATION

4.1 COMPANY'S FUNCTIONAL ORGANISATION CHART

All the strategic, management and most relevant decision impacting the business plan, the activity or the assets are taken by the Board of Directors. The Company does not have any employees and thus, all day-to-day functions have been externalized. Those advisers providing services for the smooth running of the business are shown below:



5. RISK FACTORS

Set forth below are detailed those certain risks, uncertainties and other factors that may affect the Company's future results.

5.1 RISKS ASSOCIATED WITH THE REAL ESTATE BUSINESS

5.1.1 Cyclical sector

The current real estate sector is very sensitive to the existing political and economic-financial environment. The revenue derived from the property asset and its valuation depend, in large part, on the supply and demand for properties, inflation, interest rates, the economic growth rate or legislation.

If the Company's asset were to suffer a decline in value requiring a provision with respect to the carrying value, this would have an impact on the profit, the financial situation, and the valuation of the Company.

5.1.2 Risks derived from the possible fluctuation in the demand for properties and their consequent decrease in rental prices

The Company leases its property to multiple lessees. Said contractual relationships are documented and signed by the respective parties. In the event that said clients decided not to renew their contract or insist on renegotiating rent prices downwards, this would have a negative impact on the financial position, profits, or valuation of the Company.

5.1.3 Degree of liquidity of investments

Real estate investments are characterised for being more illiquid than investments in movable property. Therefore, in the event that the Company decided to divest, its ability to sell may be limited in the short-term.

5.1.4 Risks inherent to real estate investments and development activities

Income obtained from the lease of spaces within the Company's shopping centre are subject to a series of different risks, which include but are not limited to the following:

- The need to periodically renovate, repair, or re-lease spaces
- The capacity to collect rent and service charges in a reasonable time period
- Delays in the collection of rent, termination of contracts, or other circumstances which may difficult or delay rent collection or the re-lease of spaces
- The capacity to obtain maintenance services and adequate insurance policies in the acceptable commercial terms and with acceptable premiums

5.1.5 Competition from new Shopping Centres in the area, as well as new retail trends such as e-commerce

The Company faces competition from shopping centres in Spain and internationally, as well as new shopping centres or retail centres in the area, which could lead to an excess supply of retail spaces, a decrease in the price of shopping centres spaces, or a difficulty in the collection of expected rents due to an excess supply of retail spaces.

In addition, the Company's asset could suffer from new trends such as the growing market share of e-commerce within the retail sector, which impacts the demand for spaces in the shopping centre. These factors could have a negative impact on the Company's results, financial situation, and value.

5.1.6 Risks from unforeseen damages to the Shopping Centre

The Company's shopping centre is exposed to extraordinary damages that proceed from situations such as fires, floods, accidents, or other natural disasters. If any of these damages were to unexpectedly surpass amounts insured, the Company would have to face these costs, as well as the indirect costs related to the investment and expected revenues, with an impact on the Company's financial situation, results, and value.

5.2 OPERATING RISKS

5.2.1 Risks associated with the valuation of the asset

At the time of valuing the real estate asset, CBRE made certain assumptions, among others, concerning the occupancy rate of the asset, the future rent growth, the estimated profitability or the discount rate used, with which a potential investor many do not agree. If said subjective elements were to evolve negatively, the valuation of the Company's asset would be lower and could consequently affect the Company's financial situation, profit or valuation.

5.2.2 Degree of concentration – industry, geographic, client

Currently FAIFEY has invested in Oviedo only, thus giving place to a large exposure to Asturias' capital. However, as a mitigating factor, it should be highlighted that Oviedo is the mean area of the province in terms of business activity and with above-average macroeconomic indicators. Moreover, the area where the asset is located is well-established and hence the Company is not exposed, in general, to great risks in this sense.

In case of specific modifications to the urban plans in the autonomous communities or local authorities, or due to changes of the economic conditions in the area, the financial position, results, or valuation of the Company could be negatively affected.

Additionally, the Company's business model is based primarily on a single real estate investment, comprised by the aforementioned Parque Principado shopping mall. This can be considered as an additional risk as the entirety of the Company's activity and financial results are linked to the performance of a single asset. However, this concentration risk is mitigated by the fact that there are many different tenants leasing spaces in the asset. Furthermore, the Company could further develop the accessory land plots it owns, thus diversifying into more assets of different kinds into the future.

5.3 FINANCIAL RISKS

5.3.1 Risk relating to debt management and the associated interest rate

As detailed in section 3.2 of this Information Document, the Company has a facility agreement with Allianz Debt Fund SCP SICAV-SIF, Allianz S.P.A, Allianz Real Estate and CBRE Loan Services Limited of which €126,000,000 have been utilized.

The Company must comply with the conditions established by its lenders. These conditions, which will be detailed again below for the avoidance of doubt, came into force on 27 January 2020.

The conditions to be fulfilled by the Company in relation to the facility are the following:

- The Borrower shall ensure that at any time the Debt Yield shall be at the minimum level of 6.25%.

- The Borrower must ensure that the Loan to Value does not, at any time, exceed 70%.

Only and exclusively while any such circumstances are continuing, the Borrower shall repay the loans on each subsequent interest payment date (other than the last one) in repayment instalments equal to 0.375% of the overall amount of loans utilised at the end of the availability period.

As of the date of publication of this Information Document, the Company considers that all conditions set by its lenders are being met and that they will continue to be met for the duration of the loan. In case of non-compliance, the lenders could demand the loan to be repaid in full, hence risking the Company´s viability.

5.3.2 Risk arising from the effect of COVID-19

The pneumonia of unknown cause detected in Wuhan (China) was first reported to the World Health Organization (WHO) on 31 December 2019. The outbreak was declared a Public Health Emergency by the WHO on 30 January 2020 and later became known as COVID-19. Since then, the virus has spread across most world's countries, being Spain one of the worst affected. This led the Spanish Government to implement a state of alarm on 13 March 2020 and put the country under a strict lockdown aimed at containing the spread of the virus. To phase out these measures, and start reopening the country, the Government delegated on to regional authorities the need to apply the measures according to the needs and particularities of each region. As of the date of writing this Information Document, the virus spread unevenly across the country, contagion rates remain high, and measures aimed at keeping social distancing remain in place.

It is to this date unknown if new virus waves could force Spanish businesses to temporarily stop their activity again, although this scenario is seen as unlikely. In any case, the country continues to battle the spread of the virus and the implemented measures will lead to unfavorable economic performance, employment, consumption and the state of the economy in general.

The above mentioned could have an adverse material effect in FAIFEY, its financial results, the balance sheet and the Company´s working capital which to this date, is difficult to estimate, as it will depend largely on the extent and duration of the outbreak.

5.4 LEGAL AND REGULATORY RISKS

5.4.1 Risks related to regulatory changes

The Company's activities are subject to legal and regulatory provisions of a technical, environmental, tax and commercial nature, as well as planning, safety, technical and consumer protection requirements, among others. The local, autonomic, and national administrations may impose sanctions for non-compliance with these standards and requirements. The sanctions may include, among other measures, restrictions that may limit the performance of certain operations by the Company. In addition, if the non-compliance is significant, the fines or sanctions may have a negative impact on the Company's profits and financial situation.

A significant change to these legal and regulatory provisions or a change affecting the way in which these legal and regulatory provisions are applied, interpreted or met, may force the Company to change its plans, projections or even properties and, therefore, assume additional costs, which could negatively impact the Company's financial situation, profit or valuation.

5.4.2 Changes in tax legislation (including changes in the tax regime of SOCIMI)

Any change (including changes of interpretation) to the SOCIMI Law or in relation to the tax legislation in general, in Spain or in any other country in which the Company may operate in the future or in which future shareholders of the Company are resident, including but not limited to:

(i) The creation of new taxes, and,

(ii) The increase of the tax rates in Spain or in any other country where the Company may operate,

could have an adverse effect on the activities of the Company, its financial conditions, its forecasts or results of operations.

Furthermore, the non-compliance with the requirements established in the SOCIMI Law could imply the loss of the special tax regime applicable to FAIFEY (except in those cases in which the regulations allow its correction within the next immediate fiscal year) given of course, that the company has already joined it.

The loss of the SOCIMI regime (i) would have a negative impact for the Company in terms of direct taxation, (ii) could affect the liquidity and financial position of FAIFEY, as long as it is required to regularize the direct taxation of the income obtained in previous tax periods, and (iii) would determine that FAIFEY could not opt again for the application of the same SOCIMI special tax regime until at least three years from the conclusion of the last tax period in which said regime would have been applicable. All this could therefore affect the return that investors obtain from their investment in the Company.

5.4.3 Application of special tax regime

It should be noted that following FAIFEY's application to the SOCIMI tax regime, the Company will be subject to a special tax of 19% on the full amount of the dividends or profit sharing distributed to the partners whose participation in the share capital of the entity is equal to or greater than 5% when the dividends paid out to these shareholders are either tax exempt or taxed at an effective rate lower than 10%.

This tax will be considered as a Corporate Income Tax quote. Shareholders who cause the accrual of the special tax of 19% shall indemnify the Company, and indirectly, the other shareholders as such expense will impact all the shareholders pro-rata to their participation in the share capital of the Company, in an amount equivalent to the damaged caused to the Company in the form of Corporate Income Tax quote described before.

5.4.4 Loss of the SOCIMI tax regime

The General Shareholders' Meeting did opt for the application of special legal and tax regime applicable to SOCIMI on 25 September 2020, so that said regime applies from the Company's fiscal year commencing on 1 January 2020.

The application of said special tax regime is subject to compliance with the requirements set out in SOCIMI Law all of which have already been implemented by the Company as of the date of this document, except for the one related to the listing of its shares in a stock market venue, for which this document intends to serve.

Lack of compliance with any of said requirements would mean that the Company would be taxed under the general Corporation Income Tax regime for the year in which said non-compliance occurred. If this risk were to materialize, the Company may be asked, where appropriate, to clear in subsequent tax periods the difference between Corporation Tax paid (0%) and the application of the general regime, without prejudice to late payment interest, surcharges and penalties that may be appropriate, as the case may be. The loss of said SOCIMI special tax regime could negatively affect the Company's financial situation, operating results, cash flows or valuation.

5.4.5 Litigation risk

Currently there is not any litigation risk impacting the Company's results.

5.4.6 Lack of liquidity for the payment of dividends

All dividends and other distributions paid by the Company will depend on the existence of profits available for distribution, and sufficient cash. In addition, although extremely unlikely for the reasons described below, there is a risk that the Company generates profits but does not have sufficient cash to meet, monetarily, the dividend distribution requirements set out in the SOCIMI tax regime. If the Company does not have sufficient cash, it may be required to cover dividends in kind or to implement a system of reinvesting dividends in new shares.

As an alternative, the Company may request additional funding, which would increase its financial costs, reduce its capacity to ask for funding for making new investments and it may have an adverse material effect on the Company's business, financial conditions, operating results and forecasts.

However, the estimations of the company are that the generation of cash exceeds, on a regular basis, the amount of the profits, basically due to the registration of the yearly amortization of the real estate asset, which implies an amount of available cash at the level of the entity significantly higher than the amount of the yearly profit.

6. INFORMATION CONCERNING THE OPERATION

6.1 REGISTRATION WITH EURONEXT ACCESS

Admission procedure: Admission to trading of ordinary shares on Euronext Access Paris through technical admission.

ISIN: ES0105553004

Euronext Ticker: MLECE

Number of shares to be listed: 5,060,000 shares

Nominal price per share: €1

Reference price per share: €19.80

Market capitalisation: €100,188,000

Initial listing and trading date: 30/07/2021

Listing Sponsor: ARMANEXT ASESORES S.L.

Agent Bank: BNP Paribas Securities Services

Central Securities Depositary: EUROCLEAR FRANCE

6.2 OBJECTIVES OF THE LISTING PROCESS

This transaction is carried out within the framework of a procedure for admission to trading on the Euronext Access Market operated by Euronext Paris S.A., through technical admission. The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF).

The registration in the Euronext Access Market will allow the Company to acquire notoriety and to adapt to the operation of financial markets before a possible transfer to a larger market that enables to continue its development.

Additionally, in order to keep the SOCIMI's special tax regime, the Company must be listed in a European Market or in a Market of any other country that has entered into a treaty with Spain including an exchange of information clause.

6.3 COMPANY'S SHARE CAPITAL *(Article 5 of the Articles of Association)*

Article 5 of the articles of association sets out the Company's share capital.

ARTICLE 5. – SHARE CAPITAL

The share capital is five million sixty thousand euros (EUR 5,060,000), fully subscribed and paid up. The share capital shall be divided into five million sixty thousand (5,060,000) shares of one euro (EUR 1) par value each, numbered sequentially from 1 to 5,060,000 inclusive. All shares are ordinary and belong to the same class and series.

6.4 MAIN CHARACTERISTICS OF THE SHARES

The legal regime applicable to FAIFEY's shares is that envisaged in Spanish law, the provisions included in (i) the restated text of the Spanish Companies Law, approved by Royal Legislative Decree 1/2010 of 2 July (*texto refundido de la Ley de Sociedades de Capital, aprobado por Real Decreto Legislativo 1/2010, de 2 de julio*), and (ii) the restated text of the Spanish Securities Market Law, approved by Royal Legislative Decree 4/2015, of 23 October (*texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*), and in any other regulations which develop, implement, amend or replace those laws and by all other relevant law.

FAIFEY's shares are represented by book entries and are registered in the corresponding accounting records kept by Euroclear France. All FAIFEY's shares are registered, belong to the same class and series and are fully subscribed and paid up. All shares representing the Company's share capital also confer the same dividend and voting rights. Each share carries the right to one vote and there are no preference shares.

FAIFEY's shares are denominated in euros (€).

6.5 CONDITIONS FOR THE TRANSFER OF SHARES *(Article 8 of the Articles of Association)*

ARTICLE 8. – TRANSMISSION OF CORPORATE SHARES

The shares are freely negotiable and their transfer is governed by the provisions of the Spanish Companies Act and other complementary provisions.

7. COMPANY VALUATION

7.1 BUSINESS PLAN

Below, the Profit and Loss forecast for the years ending 2021, 2022, and 2023 is shown, which has been prepared using criteria comparable to those used in the preparation of the Company's Financial Statements and considering the assumptions explained below:

PROFIT AND LOSS ACCOUNT (thousands of Euros)	31 December 2021E	31 December 2022E	31 December 2023E
Net rental Income	**16,679**	**17,111**	**17,928**
Other operative costs	**(4,663)**	**(3,298)**	**(2,216)**
Externalized Services	(4,663)	(3,298)	(2,216)
Taxes	-	-	-
Other operative income	-	-	-
Amortization of real estate investments	**(4,064)**	**(4,064)**	**(4,064)**
Depreciation of real estate investments	-	-	-
Net Operating Income	**7,952**	**9,749**	**11,648**
Financial income	-	-	-
Financing costs	(3,131)	(3,194)	(3,194)
Financial Result	**(3,131)**	**(3,194)**	**(3,194)**
Income Tax	-	-	-
Net Income	**4,821**	**6,554**	**8,455**

Net rental income

- Strong rental uplift starting in 2023.
- Forecast for 2021 considered planning and preparation costs of 700,000€; allocation of main costs in 2022-2024; restructuring revenues considered, costs and revenues could be adjusting according to further strategic scenario development.

Other operating expenses

- The main decrease between year-end December 2023 and December 2021 corresponds to all the costs associated to the SOCIMI building process, as well as those associated to listing and trading.

Financing costs

- Slight increase assumed due to the withdrawal of a construction loan amounting to 6,500,000€ in December 2021 and January 2022 (which us already yon currently blocked construction account of the Company's subsidiary APN1), the total loan is of 185,000,000€ at a fixed rate.

Property costs

- Development mainly caused by ECE leasing fees as well as other factors (management fee, tenant care fee, management fee third party) show stable development.

Cash surplus

- Distribution to shareholders according to Socimi regime.

The business plan data have been prepared using criteria comparable to that used for the historical financial information

The Profit and Loss forecast reflected in this section has been prepared by using accounting criteria consistent with those used for the preparation of the Financial Statements, described in section 8 of this Informational Document.

The Profit and Loss forecast presented above has not been subject to audit review or any type of assurance by independent auditors.

Main assumptions and factors that could substantially affect compliance with the forecasts or estimates

The main assumptions and factors, which could substantially affect the fulfilment of the forecasts or estimates, are detailed in point 5 of this Informational Document. In addition to those mentioned in the section indicated above, a series of factors are listed below which, although not including all possible factors are those which could substantially affect the fulfilment of the forecasts.

- Risk of inaccurate estimation of the market rents
- Default risk higher than that estimated in the invoiced rents
- Risk of lack of occupancy in the leased properties
- Risk of non-occupancy of the new properties acquired
- Risk of increase in third-party costs (marketing, insurers, utilities, and professional services suppliers)
- Risk of increase in the estimated CapEx and OpEx levels

7.2 COMPANY'S FINANCIAL RESOURCES FOR THE TWELVE MONTHS FOLLOWING THE FIRST DAY OF TRADING

Cashflow Forecast (thousands of Euros)																	
Cash in	**jun-21**	**jul-21**	**Aug-21**	**sep-21**	**oct-21**	**nov-21**	**dec-21**	**Jan-22**	**feb-22**	**mar-22**	**Apr-22**	**may-22**	**jun-22**	**jul-22**	**Aug-22**	**sep-22**	**oct-22**
Current income	1,666	1,666	1,666	1,666	1,666	1,666	1,666	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724	1,724
Capital inflow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other income	27	133	238	238	238	238	238	314	314	314	314	314	314	314	314	314	314
Total running cash inflow	**1,693**	**1,799**	**1,904**	**1,904**	**1,904**	**1,904**	**1,904**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**	**2,038**
Cash out	**jun-21**	**jul-21**	**Aug-21**	**sep-21**	**oct-21**	**nov-21**	**dec-21**	**Jan-22**	**feb-22**	**mar-22**	**Apr-22**	**may-22**	**jun-22**	**jul-22**	**Aug-22**	**sep-22**	**oct-22**
Property management costs	477	477	477	477	477	783	783	428	428	428	428	428	428	428	428	428	428
Capex incl. tenant fit out contributions	160	-10	-10	310	50	943	1,422.00	0	0	875	0	0	4,860	0	0	2,940	0
Property administration costs	222	7	7	7	7	7	222	362	5	5	5	5	115	5	5	5	5
Company costs	24	24	24	24	24	24	110	26	26	26	26	26	26	26	26	26	26
Ancillary costs	15	15	15	15	15	15	15	10	10	10	10	10	10	10	10	10	10
Sales tax payable (VAT)	278	211	278	278	223	268	113	234	234	296	144	296	296	52	296	296	-214
Other cash flow items	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Exchange rate differences	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Bank interest / Financial costs	0	0	788	0	0	779	0	0	798	0	0	798	0	0	798	0	0
Bank loan redemption / increase (-)	0	0	0	0	0	0	-2,935	0	0	0	0	0	3,565	0	0	0	0
Shareholder loan redemption	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shareholder loan interest	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Distribution to shareholders	1,495	0	0	1,495	0	0	1,495	0	0	2,600	0	0	2,600	0	0	2,600	0
Capital contributions (-) / repayments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total running cash outflow	**2,671**	**725**	**1,580**	**2,606**	**796**	**2,820**	**1,225**	**1,061**	**1,502**	**4,241**	**614**	**1,564**	**4,770**	**522**	**1,564**	**6,306**	**255**
Ongoing over and under-absorption	-978	1,074	325	-702	1,108	-915	680	978	536	-2,202	1,425	474	-2,731	1,516	474	-4,267	1,783
Liquidity opening balance	8,703	7,725	8,799	9,124	8,422	9,531	8,615	9,295	10,273	10,809	8,607	10,031	10,506	7,774	9,291	9,765	5,498
Closing balance current finance plan	**7,725**	**8,799**	**9,124**	**8,422**	**9,530**	**8,616**	**9,295**	**10,273**	**10,809**	**8,607**	**10,032**	**10,505**	**7,775**	**9,290**	**9,765**	**5,498**	**7,281**

The Board of Directors declared at their Board of Directors´ meeting held on 30 June 2021 at the Company´s registered office, that the Company has sufficient capital to meet all its short-term liabilities for the 12-month following its admission to listing on Euronext Access Paris.

7.3 COMPANY VALUATION

The Issuer has entrusted SAVILLS AGUIRRE NEWMAN CONSULTORES, S.A.U. (hereinafter, "**Savills**") with an independent valuation of 100% of its shares. The report establishes a range of values at 31 December 2020.

The purpose of this company valuation is to provide an independent opinion on the fair value of the shares of the Company regarding its situation according to the most recent available information.

The fair value of FAIFEY's shares has been calculated by Savills using the triple NAV method. This method is based on the hypothetical liquidation value of the Company and the net asset value has been obtained by making fair value adjustments to the Company's assets and liabilities, using as market value of assets the values estimated in reports produced by JLL Valoraciones S.A.U, hereinafter "**JLL**", following RICS standards, and further detailed in section 7.4 of this Information Document.

7.3.1 Methodology

In accordance with the information available to SAVILLS and their understanding of the characteristics and activities carried out by the Company, SAVILLS has considered that the most appropriate method for the valuation and estimation of a range of possible values of the totality of the Company is the method of Triple Net Asset Value or Triple NAV.

Said method consists of calculating the value of the real estate company from the sum of the market value of its assets, deducting the amount of the financial debt, the net fiscal liabilities derived from the theoretical recognition of the market value of said assets, and other adjustments to the fair value of assets and liabilities.

Additionally, the Triple NAV methodology is based on the company in operation hypothesis, assuming, according to the usual practice in the sector, the continuity in the nature of the assets currently in the portfolio In this way, at the time of the sale of an asset, it would in any case be replaced by new assets destined for the same purpose.

Triple NAV Methodology

The market value of the assets has been estimated taking as a reference the valuation report of the different assets as of 31 12 2020 made by JLL, further detailed in section 7.4 of this Information Document.

In order to provide a range of values, SAVILLS has performed a sensitivity analysis to a variation in the Market Value of the assets provided by JLL (€284,000,000) of +/-3%.

After making an assessment of the debt, this was considered to be at market level and no adjustment was made.

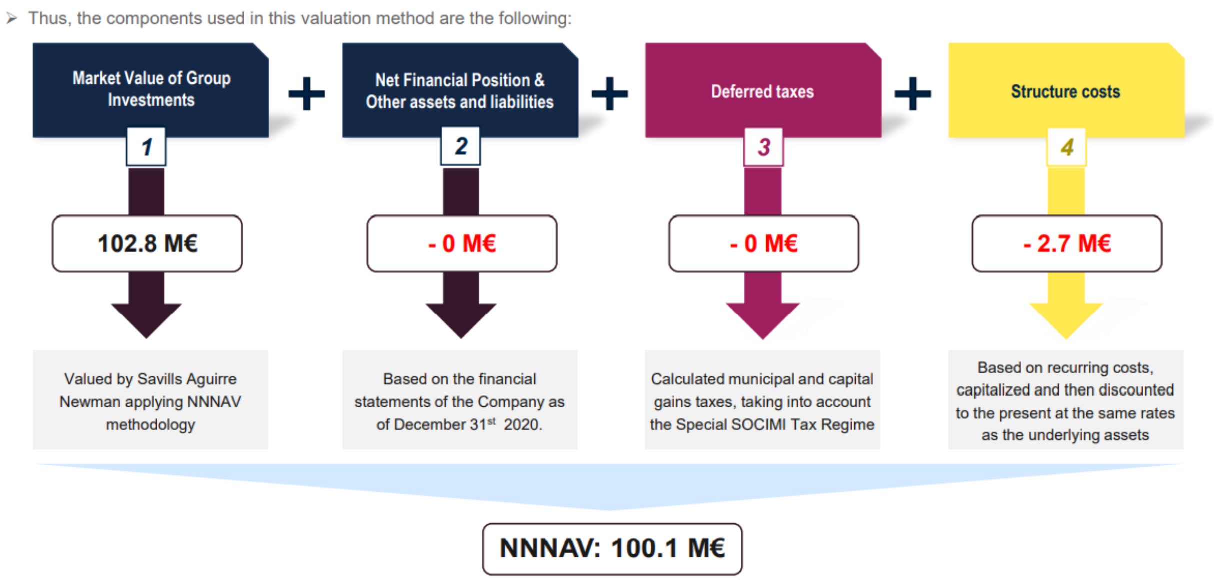
An adjustment was made for the structural costs of the Company, costs that cover concepts not included in the valuation of the Company's assets, but which are essential for its management, as well as for the Company's usual operations and are, as such, necessary for the realization of latent capital gains.

Any potential deferred taxes have been analysed and incorporated into the valuation, taking into account the special SOCIMI tax regime under which the companies operate.

7.3.2 Valuation

SAVILLS performed a valuation following the Triple NAV Methodology taking as starting point the individual financial statements sheet as of 31 December 2020 and the net present value of the asset it has in property. This methodology is being increasingly adopted by real estate valuation professionals as it provides a more accurate description of the realizable value of a shareholder's investment in a company.

Thus, the components used in this valuation method are detailed in the following illustration:



Given that the Company is composed by two subsidiaries, APN1 and Wattenberg, the market value of these subsidiary's investments is estimated for both:

NNNAV – APN1	Low	Base	High
Portfolio Market Value	**273,103,500**	**281,550,000**	**289,996,500**
Net financial position	-175,967,000	-175,967,000	-175,967,000
Other Assets & Liabilities	-1,323,000	-1,323,000	-1,323,000
Deferred Municipal Land Tax	-203,055	-203,055	-203,055
Deferred Capital Gains Tax	-	-	-
Structural Costs	-2,712,304	2,712,304	2,712,304
Triple Net Asset Value	**92,898,141**	**101,344,641**	**109,791,141**

NNNAV – Wattenberg	Low	Base	High
Portfolio Market Value	**2,376,500**	**2,450,000**	**2,523,500**
Net financial position	59,786	59,786	59,786
Other Assets & Liabilities	51,860	51,860	51,860
Deferred Municipal Land Tax	-	-	-
Deferred Capital Gains Tax	-	-	**-5,875**
Structural Costs	-1,071,001	-1,071,001	-1,071,001
Triple Net Asset Value	**1,418,145**	**1,491,645**	**1,559,270**

Accordingly, following the Triple NAV valuation methodology, the value obtained for the Company is detailed in the illustration below:

Company Valuation	31/12/2020
Group Investments NNNAV	102,836,286
Net Financial Position	200,833
Other Assets & Liabilities	(208,451)
Deferred taxes - Municipal	(0)
Deferred taxes – Capital gains	(0)
Structural Costs	(2,711,237)
Triple Net Asset Value	**100,117,430**

Net financial position (k€)	31/12/2020
Debt position	(0)
Total cash	200,833
Total financial assets	-
Total	**200,833**

Other Assets & Liabilities (k€)	31/12/2020
Total Other Liabilities	(208,451)
Total Other Assets	-
Total	**(208,451)**

No capital gains taxes are to be paid as the company has always been under the SOCIMI Special Tax Regime with a 0% tax rate.

Municipal land taxes are already included within the subsidiaries NNNAV valuations.

Savills has considered the structural costs that the Company will have to incur in for its management and its listing on Euronext, which currently would amount to €155k per annum, updated by CPI for a 10-year period.

The present value was calculated based on a discounted cash Flow of these costs, plus a terminal value estimation on year 10.

7.3.3 Conclusions

After performing the individual valuation of the assets, and following a Triple NAV methodology, SAVILLS has estimated the Company's value.

In order to provide a range of values, SAVILLS has calculated a lower and upper range by performing a sensitivity analysis to a variation in the Market Value of the assets provided by JLL (€284,000,000) of +/- 3%.

The following table shows the results obtained for the Company:

COMPANY VALUE AT 31/12/2020	(€) LOW	(€) BASE	(€) HIGH
Group Investments NNNAV	94,316,286	102,836,286	111,350,411
Net Financial Position	200,833	200,833	200,833
Other Assets & Liabilities	-208,451	-208,451	-208,451
Deferred Municipal Land Tax	-	-	-
Deferred Capital Gains Tax	-	-	-
Structuring Costs	-2,711,237	-2,711,237	-2,711,237
Triple Net Asset Value	**91,597,430**	**100,117,430**	**108,631,555**
Value per share (€/share)	**18.10**	**19.79**	**21.47**

Taking into consideration the valuation report of the Company issued by SAVILLS, the Board of Directors established a reference price per share of €19.80, which implies a total value for the Company of €100,188,000.

7.4 REAL ESTATE VALUATION

The Issuer has entrusted JLL with an independent valuation of its asset. Complying with said mandate, JLL has issued a valuation report with regard to the asset with the valuation date 31 December 2020.

7.4.1 Valuation Commentary

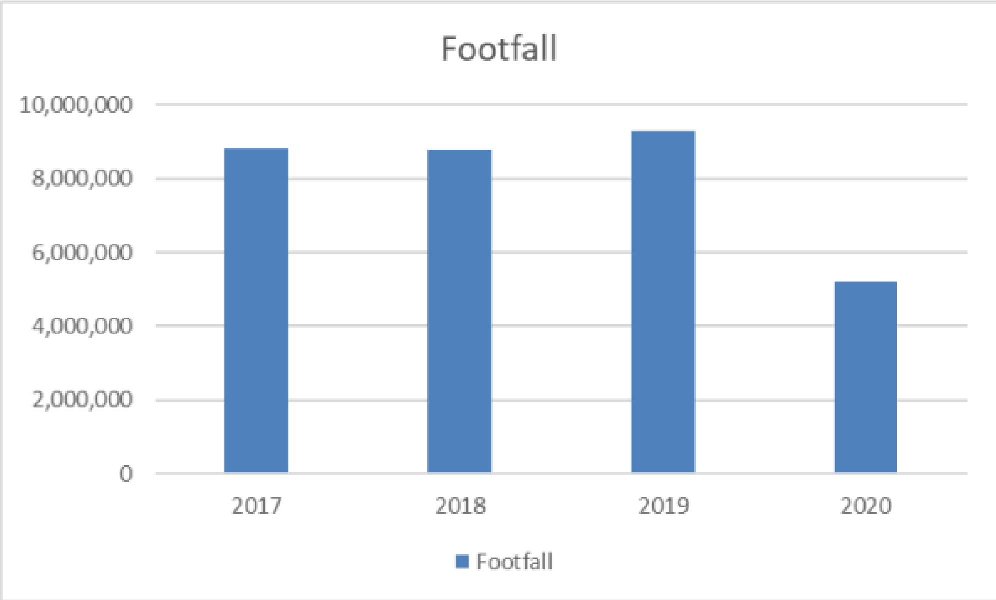
Contractual Income

Turnover

The turnover figures for the centre amounted to approximately €193,500,000 in 2018, and approximately €199,500,000 in 2019, respectively. According to the information provided, until October 2020, rolling 12 month sales amount €123,000,000.

Footfall

The shopping centre had approximately 8.9 million visitors in 2015, amounting to approximately 24,300 per day on average. Generally speaking, the footfall has remained more or less stable since 2015 to 2019. Like for like footfall has increased by 5.4% compared to the same period in 2018. Total 2019 footfall amounted to approximately 9.3 million, which equals 25,417 per day on average. The outbreaks of the pandemic and the different capacity and lockdown restrictions have had impact on footfall and figures, until November 2020 according to the information provided, amount approximately to 5.2 million, as illustrated in the figure below.



It is expected that the future refurbishment and restructuring of the hypermarket area will help improve sales and footfall to the property given that as of today, even though Eroski due to its size could be considered an anchor tenant, it does not act as a large customer draw, especially compared to other hypermarkets in the area.

Income Expiry Profile

The WARLT (Weighted average lease term) amounts to approx. 5.05 years (based on the in-place rent, excl. special rights of termination). This expiration takes into consideration as contract end the break date for the cinema. Approximately 60% of contracts have an expiry between 1-5 years, and around 30% of contracts have an expiry date between 6-10 years. Additionally, a little over 10% of contracts expire in over 10 years.

Rental Assumption

Assuming the centre is fully let the total market rental value for the Parque Principado shopping centre amounts to €17,058,167, resulting in an under-rent of approx. 1.20%. Based on JLL's understanding of the market, they appraise the property to be rack-rented. JLL outlines parts of their analysis of the adopted rental values below.

7.4.2 Valuation Methodology

Market Value Definition

In arriving at their opinion of the Market Value, JLL prepared a report in accordance with the RICS Valuation – Global Standards 2020 published by the Royal Institution of Chartered Surveyors.

DCF Calculation

The Market Value of the property has been assessed using the Discounted Cash Flow (DCF) calculation method. This takes into account the agreed rent for the signed leases, the market rent for currently vacant space and estimated rents for re-letting of the space after lease term expiry.

In all instances, the DCF was calculated for a 10-year period and assumed a capitalised value based on a stabilised rental income of the properties thereafter. Cash flows for the relevant year are calculated as follows: the Rental Income at full occupancy (Base Rental Revenue) is reduced by the loss of rent due to rent-free periods (Base Rent Abatements) and vacancy (Absorption and Turnover Vacancy). Income from indexation clauses (CPI and Other Adjustment Revenues) and step rents (Base Rental Step Revenue) have been added to obtain the Total Potential Gross Revenue. While rents are calculated according to their particular adjustment clause, costs have been adjusted according to the change in the Consumer Price Index (CPI) on a yearly basis. JLL has assessed monthly rents as this conforms to the timing of rental payments. Subsequently, the Cash Flows calculated across the valuation period are discounted to the valuation date monthly in advance using the market derived discount rate.

After deduction of the non-recoverable costs (i.e., Insurance, Management, Maintenance Costs, and Ground Tax, Vacancy Costs), the Net Operating Income (NOI) is determined. In case of vacancy, the reimbursable costs the landlord receives are lower than the amount the landlord has to pay, so that only in this event do Vacancy Costs have an influence on the NOI.

Subtracting the non-operating costs (such as Leasing Commissions, Tenant Improvements and Capital Expenditures) from the NOI results in the Cash Flow before Tax and Debt Service.

After the DCF-period of 10 years, JLL has considered a stabilised rental income. The capitalised value takes this stabilised rental income and subtracts the stabilised expenses, resulting in the Stabilised Net Operating Income. This result is capitalised into perpetuity applying an equated (growth explicit) yield and produces the Terminal Value Indication. The resulting value is then discounted to the valuation date using the discount rate from term years 1-10.

Discounting the remaining Cash Flows for years 1 to 10 and the Terminal Value for year 11 to the valuation date (i.e. the Net Present Value) produces the Gross Capital Value. After deductions for Purchaser's Costs, the Market Value is obtained.

Turnover

The majority of the lease contracts of the tenants have turnover provisions. According to the information provided regarding invoiced turnover rent in 2020 and JLL's own individual assumptions in respect to the COVID impact, the forecast for the turnover income in 2020 is approximately €102,243.

Estimated Rental Value

JLL assumes that all lease renewals during the cashflow period are in line with their estimation of rental value, which is based on the rental growth rates described below.

The indexation growth has been applied according to the forecast provided by Oxford Economics, one of the world's largest economics organisations serving numerous clients in the industrial, financial and governmental sectors worldwide. The following indexation growth has been adopted:

Yr 1 (Data Dec-20)	Yr 2 (Data Dec-21)	Yr 3 (Data Dec-22)	Yr 4 (Data Dec-23)	From Yr 5 (Data Dec-24)
0.00%	1.00%	1.15%	1.50%	1.80%

The rent escalation analysis is based on the individual clauses agreed within the lease agreements, whereby the rental income is most commonly linked to the growth in the inflation rate (Consumer Price Index (CPI). The lease agreements that are linked to the CPI will all be adapted in accordance with the contractual provisions as illustrated in the indexation schedule provided by the landlord.

As a result, JLL has also accounted for inflation in all costs included within the cash flow. This applies to the non-recoverable costs as well as to the tenant improvement costs.

Capital Expenditures and Non-Recoverable Costs

JLL has taken into account tenant improvement costs in a range of €75/sqm - €300/sqm of lettable area for the hypothetical (re-)letting for the potential step rent to be granted mainly to anchors and certain tenants.

JLL has applied leasing fees which amount to 12.5% for re-letting and renewals due to information provided to them. They also inform that the general market practice is to follow between 10% and 12% for re-letting fees and 5% for renewals.

Yields

In order to determine the yield, JLL has used the following information:

- The fact that a hypermarket remains in the long term as hypermarket anchor tenant and the impact this situation has on the performance of lower mall area.
- The low vacancy levels. If JLL excludes the kiosks and ATMs vacant, vacancy level is low with approx. 7 units.
- For many top-tier retailers, Parque Principado is their only shop within the entire region.
- The good footfall level and evolution over the last four years and the performance on re-opening months after lockdown.
- The current condition the property benefits from several investments done since 2015, and improvements on layout.
- Bank lending market impact on returns demanded by investors.
- Market information obtained through JLL's Capital Markets team at a local as well as European level.
- It is important to specify that prime shopping centres/retail parks together with prime offices located in Madrid and Barcelona are the most demanded assets by investors. Due to the current circumstances most seek assets such as supermarkets and hypermarkets, as these are understood to be more resilient.
- The yield levels generated by prime assets in Spain, as far as shopping centres are concerned, stand at 5.30%, with 5.25% - 5.50% for prime retail warehouse parks. Secondary assets have also seen an increase, with figures from 7.00% for good secondary shopping centres to above 8.00% for the remaining.
- Based on the property' s location, the projected achievable rental income stream, and position in the market JLL has applied a Discount Rate of 7.60% and Exit Yield at 5.50%, resulting in a net yield of 5.33% in year 2.

7.4.3 Market Value

Having regard to the foregoing, JLL is of the option that the Market Value of the 100% freehold interest in the property, subject to the comments, qualifications and financial data contained within their report, and assuming the property is free of encumbrances, restrictions or other impediments of an onerous nature which would affect value, as of 31 December 2020 is:

€284,000,000

(Two Hundred and Eighty-Four Million Euros)

PROPERTY	PROPERTY TYPE	LOCATION	LEASABLE SURFACE AREA (sqm)	NET MARKET VALUE
Parque Principado Shopping Centre	Retail	Oviedo (Asturias)	73,801 sqm	€281,550,000
Adjacent land plots	Rural land plots	Oviedo (Asturias)	139,800 sqm	€2,450,000

The above valuation figure represents a rounded net figure, i.e. a deduction has been made for land transfer tax, legal costs and agents' fees normally incurred by the purchaser. No allowance has been made for any expenses of realisation or for taxation, which might arise in the event of a disposal. The property is considered as if free and clear of all mortgages or other charges, which may be secured thereon.

8. FINANCIAL INFORMATION FOR THE ANNUAL FISCAL YEAR AT 31 DECEMBER 2020

The financial statements set out in this Information Document have been prepared in accordance with accounting principles referred to in section 7.3.

The selected financial data included in section 2.3 derives from the standalone financial statements of FAIFEY, APN1 and Wattenberg at 31 December 2020.

The financial data included in this Information Document has been translated into English for information purposes only. In case of any discrepancies, the original Spanish version of the financial statements shall prevail.

The financial statements are available on the Company's website: www.faifeysocimi.com

The above-mentioned financial statements at 31 December 2020 are attached as **Appendix I**.

8.1 BALANCE SHEETS AT 31 DECEMBER 2020

8.1.1 FAIFEY INVEST SOCIMI, S.A.

ASSETS	31/12/2020	31/12/2019
NON-CURRENT ASSETS	**107,881,814.62**	**221.18**
Long-term investments in group companies and associates	**107,881,814.62**	**-**
Equity instruments	107,881,814.62	-
Deferred tax assets	-	221.18
CURRENT ASSETS	**200,832.53**	**14,215.19**
Cash and other cash equivalents	**200,832.53**	**14,215.19**
Cash and banks	200,832.53	14,215.19
TOTAL ASSETS	**108,082,647.15**	**14,436.37**

EQUITY AND LIABILITIES	31/12/2020	31/12/2019
SHAREHOLDER EQUITY	**107,874,195.85**	**14,334.73**
SHARE CAPITAL	**5,060,000.00**	**15,000.00**
Registered Capital	5,060,000.00	60,000.00
(Uncalled Capital)	-	(45,000.00)
ISSUE PREMIUM	**113,444,251.46**	-
RESERVES	**(18,796.30)**	**(663.57)**
Other reserves	(18,796.30)	(663.57)
PROFIT/LOSS FROM PREVIOUS YEARS	**(1.70)**	**-**
(Loss brought forward)	(1.70)	-
PROFIT/(LOSS) FOR THE YEAR	**(10,611,257.61)**	**(1.70)**
NON-CURRENT LIABILITIES	**-**	**-**
CURRENT LIABILITIES	**208,451.30**	**101.64**
SHORT-TERM DEBTS	**186,918.79**	**-**
Other financial liabilities	186,918.79	-
TRADE CREDITORS AND OTHER PAYABLES	**21,553.51**	**101.64**
Sundry accounts payable	17,700.73	-
Other debts to Public Administrations	3,831.78	101.64
TOTAL EQUITY AND LIABILITIES	**108,082,647.15**	**14,436.37**

8.1.2 ASTURIAS PROPCO NÚMERO 1, S.L.U.

ASSETS (in thousand)	31/12/2020	31/12/2019
NON-CURRENT ASSETS		
Real estate investments	**284,000**	**126,156**
Land	86,123	58,108
Buildings	203,877	68,048
Long-term financial investments	**6,992**	**547**
Other financial assets	6,992	547
Long-term loans to group companies and associates	**-**	**3,463**
TOTAL NON-CURRENT ASSETS	290,992	130,166
CURRENT ASSETS		
Trade and other receivables	**4,995**	**1,623**
Trade receivables - sales and services	4,995	1,623
Short-term financial investments	**384**	**97**
Loans to third parties	184	-
Other financial assets	200	97
Current accruals	**99**	**135**
Cash and other cash equivalents	**7,730**	**13,437**
TOTAL CURRENT ASSETS	13,208	15,292
TOTAL ASSETS	304,200	145,458

EQUITY AND LIABILITIES (in thousand)	**31/12/2020**	**31/12/2019**
SHAREHOLDER EQUITY		
Capital	**5,099**	**9,774**
Issue premium	-	75
Reserves	101,667	2,041
Profit/(loss) for the year	-56	8,601
TOTAL EQUITY	**106,710**	**20,491**
NON-CURRENT LIABILITIES		
Non-current payables	**182,999**	**123,551**
Long-term loans from banks	180,732	119,757
Financial derivatives	-	812
Other financial liabilities	2,267	2,982
Deferred tax liabilities	**12,600**	**-**
Liabilities for temporary differences	12,600	-
TOTAL NON-CURRENT LIABILITIES	**195,599**	**123,551**
CURRENT LIABILITIES		
Short-term debts	**1,294**	**532**
Short-term loans from banks	274	85
Other short-term debts	1,020	447
Trade creditors and other payables	**581**	**692**
Suppliers, Group companies and associates	-	-
Other payables	556	350
Debts with Public Administration Bodies	5	323
Trade debtors - credit balances	20	19
Current accruals	**16**	**192**
TOTAL CURRENT LIABILITIES	**1,891**	**1,416**
TOTAL EQUITY AND LIABILITIES	**304,200**	**145,458**

8.1.3 WATTENBERG INVEST, S.L.U.

ASSETS	31/12/2020	31/12/2019
NON-CURRENT ASSETS	**2,500,000**	**2,500,000**
Real estate investments	**2,500,000**	**2,500,000**
Land	2,500,000	2,500,000
CURRENT ASSETS	**139,244.81**	**235,513.33**
Trade and other receivables	**79,459.02**	**173,819.52**
Other receivables from Public Administration Bodies	79,459.02	173,819.52
Cash and other cash equivalents	**59,785.79**	**61,693.81**
Cash and banks	59,785.79	61,693.81
TOTAL ASSETS	**2,639,244.81**	**2,735,513.33**

EQUITY AND LIABILITIES	31/12/2020	31/12/2019
SHAREHOLDER EQUITY	**2,611,646.26**	**2,700,573.95**
SHARE CAPITAL	**2,611,646.26**	**2,700,573.95**
Registered Capital	333,006.00	333,006.00
(Uncalled Capital)	333,006.00	333,006.00
ISSUE PREMIUM	**13,047,836.16**	**13,047,836,16**
PROFIT/(LOSS) FROM PREVIOUS YEARS	**-11,007,268.21**	**-794,713.20**
(Loss from previous years)	-11,007,268.21	-794,713.20
OTHER CONTRIBUTIONS FROM MEMBERS	**397,000.00**	**327,000.00**
PROFIT/(LOSS) FOR THE YEAR	**-158,927.69**	**(10,212,55.01)**
NON-CURRENT LIABILITIES	-	-
CURRENT LIABILITIES	**27,598.55**	**34,939.38**
TRADE CREDITORS AND OTHER PAYABLES	**27,598.55**	**34,939.38**
Sundry accounts payable	27,598.55	34,907.55
Other debts to Public Administration Bodies		31.83
TOTAL EQUITY AND LIABILITIES	**2,639,244.81**	**2,735,513.33**

8.2 INCOME STATEMENTS AT 31 DECEMBER 2020

8.2.1 FAIFEY INVEST SOCIMI, S.A.

PROFIT AND LOSS ACCOUNT	31/12/2020	31/12/2019
CONTINUING OPERATIONS		
Net turnover	**1,314.36**	**-**
Provision of services	1,314.36	-
Other operating expenses	**-87,601.97**	**-1.70**
Outsourced services	-72,073.35	-
Taxes and rates	-15,528.62	-
OPERATING PROFIT/LOSS	**-86,287.61**	**-1.70**
Impairment and result on disposal of financial instruments	**-10,524,970.00**	**-**
Impairment and loss	-10,524,970.00	-
FINANCIAL RESULT	**-10,524,970.00**	-
RESULT BEFORE TAX	**-10,611,257.61**	**-1.70**
RESULT FOR THE PERIOD	**-10,611,257.61**	**-1.70**

8.2.2 ASTURIAS PROPCO NÚMERO 1, S.L.U.

PROFIT AND LOSS ACCOUNT (in thousand)	31/12/2020	31/12/2019
CONTINUING OPERATIONS		
Net turnover	**19,218**	**21,569**
Other operating expenses	**-7,864**	**-7,571**
Outsourced services	-6,330	-6,023
Taxes and rates	-1,388	-1,364
Loss, impairment and variation in provisions for commercial operations	-146	-184
Other operating income	**-**	**-46**
Amortization of real estate investments	**-4,910**	**-2,415**
Impairment of real estate investments	**-1,559**	**-**
OPERATING PROFIT/LOSS	**4,844**	**11,629**
Financial income	**12**	**20**
From group companies and associates	-	9
From third parties	12	11
Financial expenses	**-4,751**	**-2,718**
Debts with third parties	-4,751	-2,718
Debts with group companies	-	-
Changes in the fair value of financial instruments	**161**	**329**
Exchange differences	**-**	**-1**
FINANCIAL RESULT	**-4,900**	**-3,028**
RESULT BEFORE TAX	**-56**	**8,601**
Corporate income tax	**-**	**-**
RESULT FOR THE PERIOD	**-56**	**8,601**

8.2.3 WATTENBERG INVEST, S.L.U.

PROFIT AND LOSS ACCOUNT	31/12/2020	31/12/2019
CONTINUING OPERATIONS		
Other operating expenses	**-158,927.69**	**-124,890.11**
Outsourced services	-51,944.97	-124,890.11
Taxes and rates	-106,982.72	-
Impairment and profit/(loss) on disposal of fixed assets	-	**-10,087,664.90**
Impairment and losses	-	-10,087,664.90
OPERATING PROFIT/LOSS	**-158,927.69**	**-10,212,555.01**
RESULT BEFORE TAX	**-158,927.69**	**-10,212,555.01**
Corporate income tax	-	-
RESULT FOR THE PERIOD	**-158,927.69**	**-10,212,555.01**

8.3 PRINCIPLES, RULES AND ACCOUNTING METHODS

The financial statements are prepared using the accounting records of FAIFEY.

The Directors of the company are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results, in accordance with Spanish GAAP, and in according with Law 16/2007 of 4 July, 2007 concerning the reform and adaptation of the commercial legislation in terms of accounting for its international harmonisation based on European Union legislation, Royal Decree 1514/2007 of 16 November, 2007 approving the General Accounting Plan, and Royal Decree 1159/2010 of 17 September, 2010 approving the standards for the preparation of annual accounts, in all that does not expressly oppose that set out in the commercial reform mentioned with the aim of presenting a true image of the equity, financial situation and results of the group as well as the accuracy of the cash flows included in the cash flow statement.

8.4 SCHEDULED DATE FOR FIRST SHAREHOLDER'S GENERAL MEETING, AND FIRST PUBLICATION OF EARNINGS FIGURES

Publication of the Company's earnings figures shall take place on or before 30 June 2022. The scheduled date has not been determined at the time of writing.

APPENDIX: FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDING 31 DECEMBER 2020

FAIFEY INVEST SOCIMI, S.A.

Annual accounts and Directors' Report for the year ended December 31, 2020 (with comparative figures for 2019)

FAIFEY INVEST SOCIMI, S.A.

Balance sheet for the years ended December 31, 2020 and 2019 (in euros)

	ASSETS	NOTES	2020	2019
A)	**NON-CURRENT ASSETS**		**107,881,814.62**	**221.18**
IV.	**Long-term investments in group companies and associates**	**5**	**107,881,814.62**	**-**
1.	Equity instruments		107,881,814.62	-
VI.	**Deferred tax assets**		**-**	**221.18**
B)	**CURRENT ASSETS**		**200,832.53**	**14,215.19**
VII.	**Cash and other cash equivalents**	**5**	**200,832.53**	**14,215.19**
1.	Cash and banks		200,832.53	14,215.19
TOTAL ASSETS (A + B)			**108,082,647.15**	**14,436.37**

	NET ASSETS AND LIABILITIES	NOTES	2020	2019
A)	**NET WORTH**		**107,874,195.85**	**14,334.73**
A-1)	**Stockholder equity**	**5.4**	**107,874,195.85**	**14,334.73**
I.	**Capital**	**5.4**	**5,060,000.00**	**15,000.00**
1.	Registered capital		5,060,000.00	60,000.00
2.	(Uncalled capital)		-	(45,000.00)
II.	**Issue premium**	**5.4**	**113,444,251.46**	**-**
III.	**Reserves**	**5.4**	**(18,796.30)**	**(663.57)**
2.	Other reserves		(18,796.30)	(663.57)
V.	**Profit/(loss) brought forward**	**3**	**(1.70)**	**-**
2.	(Loss brought forward)		(1.70)	-
VII.	**Profit/(loss) for the year**	**3**	**(10,611,257.61)**	**(1.70)**
B)	**NON-CURRENT LIABILITIES**		**-**	**-**
C)	**CURRENT LIABILITIES**		**208,451.30**	**101.64**
III.	**Short-term debts**	**5.3**	**186,918.79**	**-**
5.	Other financial liabilities		186,918.79	-
V.	**Trade creditors and other payables**		**21,532.51**	**101.64**
3.	Sundry accounts payable	5.3	17,700.73	-
6.	Other debts to Public Administrations	8	3,831.78	101.64
TOTAL NET ASSETS AND LIABILITIES (A + B + C)			**108,082,647.15**	**14,436.37**

Income statement for the years ended on December 31, 2020 and 2019 (in euros)

		NOTES	2020	2019
A)	**CONTINUING OPERATIONS**			
1.	**Net turnover**	**9.1**	**1,314.36**	**-**
b)	Provision of services		1,314.36	-
7.	**Other operating expenses**	**9.2**	**(87,601.97)**	**(1.70)**
a)	Outsourced services		(72,073.35)	(1.70)
b)	Taxes and rates		(15,528.62)	-
A.1)	**OPERATING PROFIT/(LOSS)**	**3**	**(86,287.61)**	**(1.70)**
18.	**Impairment and result on disposal of financial instruments**		**(10,524,970.00)**	**-**
a)	Impairment and loss		(10,524,970.00)	-
A.2)	**FINANCIAL RESULT**		**(10,524,970.00)**	**-**
A.3)	**RESULT BEFORE TAX**		**(10,611,257.61)**	**(1.70)**
A.5)	**PROFIT/(LOSS) FOR THE YEAR**	**3**	**(10,611,257.61)**	**(1.70)**

FAIFEY INVEST SOCIMI, S.A.

Statement of Changes in Net Equity for the years ended December 31, 2020 and 2019

A) Recognized Income and Expenses Statements (in euros)

		NOTES	2020	2019
A)	**RESULT OF THE PROFIT AND LOSS ACCOUNT**	**3**	**(10,611,257.61)**	**(1.70)**
Income and expenses recognized directly in net equity				
B)	**TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN NET EQUITY**		**-**	**-**
Transfers to the profit and loss account				
C)	**TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT**		**-**	**-**
TOTAL RECOGNIZED INCOME AND EXPENSES		**3**	**(10,611,257.61)**	**(1.70)**

FAIFEY INVEST SOCIMI, S.A.

Statement of Changes in Net Equity for the year ended December 31, 2020

B) Statement of Total Changes in Net Equity (in euros)

		Registered Capital	Registered Not required	Issue premium	Reserves	Profit/(loss) brought forward	Profit/(loss) for the year	TOTAL
B)	**ADJUSTED BALANCE, BEGINNING OF 2019 FINANCIAL YEAR**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
I.	Total recognized income and expenses	-	-	-	-	-	(1.70)	(1.70)
II.	Transactions with partners or owners	60,000.00	(45,000.00)	-	-	-	-	15,000.00
III.	Other changes in net equity	-	-	-	(663.57)	-	-	(663.57)
C)	**BALANCE, END OF 2019 FINANCIAL YEAR**	**60,000.00**	**(45,000.00)**	**-**	**(663.57)**	**-**	**(1.70)**	**14,334.73**
D)	**ADJUSTED BALANCE, BEGINNING OF 2020 FINANCIAL YEAR**	**60,000.00**	**(45,000.00)**	**-**	**(663.57)**	**-**	**(1.70)**	**14,334.73**
I.	Total recognized income and expenses	-	-	-	-	-	(10,611,257.61)	(10,611,257.61)
II.	Transactions with partners or owners	5,000,000.00	45,000.00	113,444,251.46	-	-	-	118,489,251.46
1.	*Capital increases*	*5,000,000.00*	-	-	-	-	-	*5,000,000.00*
7.	*Other transactions with partners or owners*	-	-	*113,444,251.46*	-	-	-	*113,444,251.46*
III.	Other changes in net equity	-	-	-	(18,132.73)	(1.70)	1.70	(18,132.73)
E)	**BALANCE, END OF 2020 FINANCIAL YEAR**	**5,060,000.00**	**-**	**113,444,251.46**	**(18,796.30)**	**(1.70)**	**(10,611,257.61)**	**107,874,195.85**

FAIFEY INVEST SOCIMI, S.A.

Cash Flow Statement for the years ended December 31, 2020 and 2019 (in euros)

		NOTES	2020	2019
A)	**CASH FLOWS FROM OPERATING ACTIVITIES**			
1.	**Profit/(loss) for the year before tax**	**3**	**(10,611,257.61)**	**(1.70)**
2.	**Adjustments to the profit/(loss)**		**10,524,970.00**	**-**
f)	Profit/(loss) on derecognition and disposal of financial instruments		10,524,970.00	
3.	**Changes in working capital**		**21,430.87**	**101.64**
d)	Creditors and other payables		21,430.87	101.64
4.	**Other cash flows from operating activities**		**221.18**	**(221.18)**
d)	Payments (receipts) Income tax		221.18	(221.18)
5.	**Cash flows from operating activities (+/-1 +/-2 +/-3 +/-4)**		**(64,635.56)**	**(121.24)**
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**			
6.	**Payments for investments**		**(118,406,784.62)**	**-**
a)	Group companies and associates		(118,406,784.62)	-
7.	**Divestment receipts**		**-**	**-**
8.	**Cash flows from investing activities (6+7)**		**(118,406,784.62)**	**-**
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**			
9.	**Receipts and payments for equity instruments.**		**118,471,118.73**	**14,336.43**
a)	Issuance of equity instruments		118,489,251.46	60,000.00
b)	Amortization of equity instruments		(18,132.73)	(663.57)
c)	Acquisition of own equity instruments		-	(45,000.00)
10.	**Receipts and payments for financial liability instruments**		**186,918.79**	**-**
b)	returns and amortization of		186,918.79	-
5.	*Other debts*		*186,918.79*	-
11.	**Payments for dividends and remuneration of other equity instruments**		**-**	**-**
12.	**Cash flows from financing activities (+/-9 +/-10 -11)**		**118,658,037.52**	**14,336.43**
D)	**Effect of exchange rate changes**		**-**	**-**
E)	**NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS**		**186,617.34**	**14,215.19**
Cash or cash equivalents at beginning of year			14,215.19	-
Cash or cash equivalents at the end of the financial year			200,832.53	14,215.19

1 COMPANY ACTIVITY

The Company Faifey Invest Socimi, S.A. (hereinafter, the Company) was incorporated as a public limited company in Spain, for an indefinite period of time, on November 12, 2019 by deed executed before the notary Mr. Francisco Javier Piera Rodríguez, with index number 5.001. Its registered office is at Calle Príncipe de Vergara 112, 4º, 28002 Madrid.

It is entered in the Mercantile Registry of Madrid, in volume 39903, sheet 80, page M-708714. Its tax identification number is A88525563.

On January 17, 2020, by virtue of a deed granted before the Notary Public of Madrid, Maria del Rosario de Miguel Roses, with index number 204, the company elevated to public deed the resolutions of the General Meeting accepting the resignation of the Joint and Several Administrators of the incorporation, Ms. Belén Garrigues Calderón, Mr. Antonio Rodríguez de Santos and Mr. Fabio Marcello Barbagallo Cibrián, and appointing the following Board of Directors as the governing body:

Board Member and Chair - Mr. Volker Kraft

Board Member and Vice-Chair Mr. Markus Oscar Schmitt-Habersack

Board Member and Secretary Mr. Jose Mª Ortiz Lopez-Camara Board

Member and Vice-Secretary: Ms. Karoline Nader-Gräff

Its corporate purpose is as follows:

- The acquisition and development of urban real estate for lease or the refurbishment of buildings under the terms established in Law 37/1992 of December 28 on Value Added Tax;

- The holding of shares in the capital of other investment companies listed on the property market (SOCIMIs) or in that of other entities not based on Spanish territory that have the same corporate purpose as the former and that are subject to a regime similar to that established for the SOCIMIs with regard to the compulsory policy, legal, or statutory, for the distribution of profits;

- The holding of shares in the capital of other entities, whether or not based on Spanish territory, whose main corporate purpose is the acquisition of urban real estate for lease and which are subject to the same regime established for the SOCIMIs with regard to the compulsory policy, legal, or statutory, of distribution of profits and which meet the investment requirements referred to in Article 3 of Law 11/2009 of October 26, which regulates SOCIMIs (the “SOCIMI Law”).

- The holding of shares or units in Real Estate Collective Investment Institutions regulated by Law 35/2003, of November 4, on Collective Institutions, or any law that may replace it in the future.

Along with the economic activity derived from the main corporate purpose, the Company may carry out other ancillary activities, understood as those that represent as a whole less than 20% of the Company’s income in each tax period, or those that may be considered ancillary in accordance with the law applicable at any given time.

The closing date of the financial year is December 31 of each year.

The annual accounts statements are presented in euros, which is the Company’s functional and reporting currency.

The Company is the head of a group of two companies and is part of a group of companies, the parent company being ECE Real Estate Partners S.à r.l, with registered office in Luxembourg. The Company is not obliged to present consolidated annual accounts as it does not exceed the limits established by law.

2 BASIS OF REPORTING THE ANNUAL ACCOUNTS

2.1 *ACCURATE IMAGE*

The Board of Directors considers that the annual accounts for the 2020 financial year will be approved by the General Shareholders' Meeting without any changes

The annual accounts have been prepared on the basis of the 2020 accounting records. The annual accounts for 2020 have been prepared in accordance with current mercantile legislation and with the standards established in the Spanish National Chart of Accounts and its Sector Adaptations and, in particular, the Sector Adaptation of the Spanish National Chart of Accounts for Real Estate Companies, in order to accurately report the equity and financial position at December 31, 2020 and

the profit/(loss) from operations, changes in equity, and cash flows for the year ended December 31, 2020.

2.2 *NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED*

No non-mandatory accounting principles have been applied.

2.3 *CRITICAL ASPECTS OF VALUATION AND ESTIMATION OF RELEVANT UNCERTAINTIES AND JUDGMENTS IN THE APPLICATION OF ACCOUNTING POLICIES*

The preparation of the annual accounts requires the application of significant accounting estimates and the making of judgments, estimates, and assumptions in the process of applying the Company's accounting policies. A breakdown of the aspects that have involved a greater degree of judgment or complexity, or in which the assumptions and estimates are significant for the preparation of the annual accounts is summarized below.

2.4 *ITEM GROUPING*

Certain items in the balance sheet, income statement, statement of changes in net equity, recognized income and expenses statement, and cash flow statement are presented in groups to facilitate their understanding, although, to the extent it is significant, the information is disclosed in the related notes to the consolidated financial statements.

2.5 *ITEMS COLLECTED UNDER VARIOUS HEADINGS*

There are no assets and liabilities that are recorded or included in two or more balance sheet items.

2.6 *CORRECTION OF ERRORS*

There were no errors during the financial year.

3 DISTRIBUTION OF PROFIT

The distribution of the Company's profit for the year ended 2019 was approved by the Shareholder on January 14, 2020. The proposed distribution of profit for the year ended December 31,

2020 made by the Company's Board of Directors and to be submitted for approval of the Shareholders is as follows (in euros):

Balance for the purpose of distribution	Amount
Balance of the profit and loss account.	(10,611,257.61)
Total.	**(10,611,257.61)**
Balance for the purpose of distribution	**Amount**
Loss brought forward. . . .	(10,611,257.61)
Total.	**(10,611,257.61)**

4 RECORDING AND VALUATION RULES

4.1 *FINANCIAL INSTRUMENTS*

Recognition of financial assets and liabilities

The Company recognizes a financial instrument when it becomes a party to the contract or legal transaction in accordance with the provisions of the contract or legal transaction.

Debt instruments are recognized from the date on which the legal right to receive or the legal obligation to pay cash arises. Financial liabilities are recognized on the trade date.

Financial derivatives, including forward contracts, are recognized from the date on which they are entered into, except for those derivatives that prevent the Company from derecognizing the transferred financial assets, which are recognized in accordance with the provisions of the aforementioned section.

Financial asset purchase or sale transactions instrumented through conventional contracts, understood as those in which the reciprocal obligations of the parties must be performed within a time frame established by regulation or market convention and which cannot be settled by differences, are recognized by type of asset on the trade or settlement date. Notwithstanding the foregoing, contracts that can be settled by differences or that are not performed within the time frame established by the regulations are recognized as a derivative financial instrument during the period between the trade date and the settlement date.

Transactions performed in the foreign currency market are recognized on the settlement date, whereas financial assets traded in Spanish secondary securities markets are recognized on the trade date in the case of equity instruments and on the settlement date in the case of debt instruments.

Classification and nature of financial assets and financial liabilities

Financial instruments are classified on initial recognition as a financial asset, financial liability, or equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, financial liability, or equity instrument.

Financial instruments issued that have been recognized as financial liabilities, but which due to their special characteristics may have an effect on other regulations, have been classified under “Payables with special characteristics” in the balance sheet and their flows have been presented separately in the cash flow statement.

When issuing compound financial instruments with liability and equity components, the Company determines the equity component at the residual amount obtained after deducting the amount of the liability component, including any derivative financial instruments, from the fair value of the instrument as a whole. The liability component is measured at the fair value of a similar instrument that does not have an associated equity component. Transaction costs related to the issue of compound financial instruments are allocated on the basis of the corresponding carrying amount of each of the components at the time of classification.

Compound financial instruments; the valuation criterion followed to quantify the component of these instruments that must be classified as financial liabilities must be indicated.

The Company classifies financial instruments in the various categories on the basis of the characteristics and intentions of the Company at the time of initial recognition.

The Company assesses whether an embedded derivative should be separated from the host contract only at the time the Company becomes a party to the contract or in a subsequent period when there has been an amendment of the contractual terms that significantly affects the expected cash flows associated with the embedded derivative, the host contract, or both compared to the original expected cash flows. Embedded derivatives are presented separately from the host contract under the corresponding derivative items in the balance sheet.

For these purposes, a financial instrument whose value changes in response to a non-financial variable specific to one of the parties to the contract, such as sales, net profit, or any other variable calculated solely by reference to the performance of the parties' business, is not considered to be a derivative and therefore not an embedded derivative.

The Company applies cash flow hedge accounting to forward purchase or sale contracts for debt instruments to be settled by physical delivery at a fixed price.

Offsetting principles

A financial asset and a financial liability are offset only when the Company has an enforceable right to offset the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability at the same time.

Financial assets and financial liabilities at fair value through profit and loss

The Company classifies financial assets and liabilities at fair value through profit or loss on initial recognition only if:

- This eliminates or significantly reduces the accounting asymmetry between financial assets and liabilities, or

- The performance of a group of financial assets, financial liabilities, or both is managed and evaluated on a fair value basis in accordance with the Company's documented investment or risk management strategy. The information on these financial assets and liabilities provided internally to the Company's key management personnel is based on the fair value criterion.

Also classified in this category are financial assets and liabilities with embedded derivatives, which are treated as hybrid financial instruments, either because they have been designated as such by the Company or because the derivative component cannot be measured reliably at the acquisition date or at a later date.

Loans and receivables

Loans and receivables consist of trade receivables and non-trade receivables with fixed or determinable payments that are not listed on an active market other than those classified in other financial asset categories. These assets are initially recognized at fair value, including transaction costs incurred, and are subsequently measured at amortized cost using the effective interest method.

Financial assets that do not have an established interest rate, where the amount matures or is expected to be received in the short term and the effect of discounting is not significant, are measured at their nominal value.

The Company measures loans and receivables at amortized cost provided that reliable estimates of cash flows can be made based on the contractual terms.

The Company values at cost, increased by the profit/(loss) to be attributed, loans in which the interest is contingent because it is conditional upon the achievement of a milestone in the borrower company, for example, the obtainment of profits, or because it is calculated solely by reference to the performance of the borrower company's business. In these cases, transaction costs are allocated on a straight-line basis over the life of the loan.

Financial assets

Investments in Group companies, jointly controlled entities, and associates

Group companies are considered to be those over which the Company directly, or indirectly through subsidiaries, exercises control, as set out in Article 42 of the Spanish Commercial Code, or when the companies are controlled by any means by one or more individuals or legal entities acting jointly or are under sole management by agreements or clauses in the articles of association.

Control is the power to direct the financial and operating policies of a company in order to obtain benefits from its activities, considering for these purposes the potential voting rights exercisable or convertible at the end of the accounting year held by the Company or third parties.

Associates are defined as companies over which the Company directly, or indirectly through subsidiaries, exercises significant influence. Significant influence is the power to intervene in the financial and operating policy decisions of a company, without the existence of control or joint control over the company. In assessing the existence of significant influence, the potential voting rights exercisable or convertible at the closing date of each financial year are considered, also considering the potential voting rights held by the Company or by another company.

Multigroup companies are considered to be those that are jointly managed by the Company or one or more of the companies in the group, including the controlling entities or individuals, and one or more third parties outside the group.

Investments in Group companies, associates, and jointly controlled entities are initially recognized at cost, which is the fair value of the amount given, including transaction costs incurred in the case of investments in associated companies and jointly controlled entities, and are subsequently measured at cost, less any accumulated impairment losses. Investments in group companies acquired prior to January 1, 2010 include transaction costs incurred in the cost of acquisition.

Interest and dividends

Interest is recognized using the effective interest method.

Dividend income from investments in equity instruments is recognized when the Company's rights to receive it have arisen. If the dividends distributed unequivocally come from results generated prior to the acquisition date because amounts in excess of the profits generated by the investee since the acquisition have been distributed, they reduce the carrying amount of the investment.

Derecognition of financial assets

Financial assets are derecognized when the rights to receive the related cash flows have expired or have been transferred and the Company has substantially transferred the risks and rewards of ownership.

The Company applies the weighted average price method to measure and derecognize the cost of equity or debt instruments that form part of homogeneous portfolios and have the same rights.

Where the Company transfers a financial asset in its entirety, but retains the right to manage the financial asset in exchange for a fee, an asset or liability is recognized for the provision of that service. If the amount received is less than the expenses to be incurred as a result of providing the service, a liability is recognized in an amount equal to the obligations incurred measured at fair value. If the amount for the service is higher than that which would result from applying appropriate remuneration, an asset is recognized for administration rights.

In transactions in which a financial asset is derecognized in its entirety, the financial assets obtained or the financial liabilities, including liabilities for management services incurred, are recorded at fair value.

In transactions in which a partial derecognition of a financial asset is recorded, the carrying amount of the entire financial asset is allocated to the part sold and the part held, including assets corresponding to management services, in proportion to the corresponding fair value of each.

On derecognition of a financial asset in its entirety, the difference between its carrying amount and the sum of the amount received, net of transaction costs, including the assets obtained or liabilities assumed and any gain or loss deferred in income and expenses recognized in equity, is recognized in net equity.

The criteria for recognizing the derecognition of financial assets in transactions in which the Company neither transfers nor retains substantially all the risks and rewards of ownership are based on an analysis of the degree of control retained. In this way:

- If the Company has not retained control, the financial asset is derecognized and any rights or obligations created or retained as a result of the transfer are recognized separately as assets or liabilities.

- If control has been retained, it continues to recognize the financial asset for the Company's continuing involvement in the asset and recognizes an associated liability that is measured in line with the transferred asset. The continuing involvement in the financial asset is determined by the amount of exposure to changes in the value of the asset. Assets and associated liabilities are measured on the basis of the rights and obligations recognized by the Company. The associated liability is recognized so that the carrying amount of the asset and the associated liability is equal to the amortized cost of the rights and obligations retained by the Company, when the asset is measured at amortized cost or the fair value of the rights and obligations held by the Company, if the asset is measured at fair value. The Company continues to recognize revenue from the asset to the extent of its continuing commitment and expense from the associated liability. Changes in the fair value of the asset and the associated liability are recognized consistently in profit or loss or in equity, following the general recognition criteria described above, and should not be offset.

Transactions in which the Company retains substantially all the risks and rewards of ownership of a transferred financial asset are recognized by recognizing the amount received as a liability. Transaction costs are recognized in profit or loss using the effective interest rate method.

Valuation adjustments and impairment losses

A financial asset or group of financial assets is impaired and an impairment loss has been incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that loss event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Company recognizes the appropriate impairment losses on loans and receivables and debt instruments when there has been a reduction or delay in the estimated future cash flows due to the debtor's insolvency.

In the case of equity instruments, impairment exists when the carrying amount of the asset is no longer recoverable due to a prolonged or significant decline in its fair value.

In accordance with the ICAC resolution on asset impairment, NRV4 5, the Company considers that financial assets measured at fair value with changes in equity have suffered an impairment loss after a fall of one and a half years or 40% in their market price, without their value having recovered.

In those cases in which there is a decrease in the fair value of these instruments with a subsequent recovery above the reference listed price, the year and a half will start to be calculated from the date on which, after said recovery, the listed price starts to decrease again in a prolonged manner, unless the recovery of the fair value was an isolated and insignificant event, in which case, the year and a half will be calculated from the first decrease. The same criterion is applicable to assess whether there has been a drop in the listed price of 40%. For these purposes, the reference listing price is understood to be the initial valuation of the asset, or the weighted average value by homogeneous groups, in the event that there have been several acquisitions.

a) *Impairment of financial assets measured at amortized cost*

The amount of the impairment loss on financial assets measured at amortized cost is the difference between the carrying amount of the financial asset and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the asset's original effective interest rate. For financial assets at variable interest rates, the effective interest rate that corresponds to the valuation date according to the contractual conditions is used. For debt instruments classified as held-to-maturity investments, the Company uses their market value, provided that it is sufficiently reliable to be considered representative of the value that could be recovered.

If the financial asset is secured, the impairment calculation is determined by the present value of the cash flows that could result from the foreclosure, net of the foreclosure and sale costs, discounted at the original effective interest rate. To the extent that the financial asset is unsecured, the Company applies the same criteria from the time when foreclosure is considered probable.

On the other hand, when the Company considers it probable that it will have to sell a previously sold asset, it determines the impairment of the financial asset, considering that the asset should be recognized at the lower of its original acquisition or production cost and its fair value.

An impairment loss is recognized in profit or loss and is reversible in subsequent periods if the decrease can be objectively related to an event occurring after its recognition. The reversal of the loss is limited to the amortized cost that the assets would have had if the impairment loss had not been recognized.

Financial liabilities

Financial liabilities, including trade and other payables, that are not classified as held for trading or as financial liabilities at fair value through profit or loss are initially recognized at fair value, less any transaction costs that are directly attributable to the issue of the liabilities. Subsequent to initial recognition, liabilities classified in this category are measured at amortized cost using the effective interest method.

Financial liabilities that do not have an established interest rate, where the amount matures or is expected to be received in the short term and the effect of discounting is not significant, are measured at their nominal value.

The company measures financial liabilities at amortized cost whenever, in view of the contractual terms, reliable estimates of cash flows can be made.

The Company values at cost, plus any interest payable to the lender in accordance with the contractual terms and conditions, participating loans in which the interest is contingent because it is conditional upon the achievement of a milestone in the Company, for example, the obtainment of profits, or because it is calculated solely by reference to the performance of the Company's business. In these cases, transaction costs are allocated on a straight-line basis over the life of the loan.

a) Disposals and changes in financial liabilities

The Company derecognizes a financial liability or part of a financial liability when it has discharged the obligation contained in the liability or is legally released from the primary responsibility contained in the liability, either by virtue of legal process or by the creditor.

The exchange of debt instruments between the Company and the counterparty or substantial changes to the initially recognized liabilities are accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided that the instruments have substantially different terms.

The Company considers the terms to be materially different if the present value of the discounted cash flows under the new terms, including any fees paid net of any fees received, and using the original effective interest rate as the discount rate, differs by at least 10% from the discounted present value of the cash flows remaining on the original financial liability.

If the exchange is recorded as a cancellation of the original financial liability, the costs or fees are recognized in the profit and loss account as part of the result. Otherwise the costs or fees adjust the carrying amount of the liability and are amortized using the amortized cost method over the remaining life of the modified liability. In the latter case, a new effective interest rate is determined on the change date, which is the rate that equals the present value of the flows payable under the new conditions with the carrying amount of the financial liability on that date.

The Company recognizes the difference between the carrying amount of the financial liability or part thereof canceled or transferred to a third party and the fee paid, including any asset transferred other than cash or liability assumed, with a charge or credit to the income statement. If the Company delivers non-monetary assets in payment of the debt, it recognizes the difference between the fair value of the assets and their carrying amount and the difference between the value of the debt that is canceled and the fair value of the assets as a financial result. If the Company delivers inventories, the corresponding sale transaction is recognized at fair value and the change in inventories is recognized at carrying amount.

This treatment also applies to debt renegotiations arising from creditors' agreements, recognizing the effect thereof on the date on which the agreement is judicially approved. The positive results are recognized under financial income from creditors' agreements in the profit and loss account.

The issuance of equity instruments by the Company to settle a financial liability contracted with an unrelated party forms part of the amount paid to settle the financial liability. As a result, equity instruments issued to fully or partially settle a financial liability are measured at fair value, unless the fair value of the financial liability settled can be measured more reliably. If the Company cancels only part of the financial liability, a portion of the fair value of the equity instruments issued is allocated, where appropriate, to assess whether there has been a change in the portion of the financial liability held. The difference between the fair value of the equity instruments issued corresponding to the cancellation of the financial liability and their carrying amount is recognized under the item "Profit/(loss) on settlement of financial liabilities through the issuance of equity instruments" in the profit and loss statement.

4.2 *INCOME TAX*

Income tax expenses or income comprises both current tax and deferred tax.

Current income tax assets or liabilities are measured at the amounts expected to be paid to or recovered from the taxation authorities, using the tax rates and regulations in force or approved and pending publication at the reporting date.

Current or deferred income tax is recognized in profit or loss, unless it arises from a transaction or economic event that has been recognized in the same or a different period, against equity or from a business combination.

Recognition of deferred tax liabilities

The Company recognizes deferred tax liabilities in all cases, except where they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit.

Recognition of deferred tax assets

The Company recognizes deferred tax assets whenever it is probable that sufficient future taxable profit will be available against which they can be utilized or when tax legislation sets out the possibility of future conversion of deferred tax assets into a receivable from the tax authorities.

The Company recognizes the conversion of a deferred tax asset into a receivable from the tax authorities when it is receivable in accordance with current tax legislation. For these purposes, the deferred tax asset is derecognized with a charge to the deferred income tax expense and the account receivable with a credit to current income tax. Similarly, the Company recognizes the exchange of a deferred tax asset for government debt securities when ownership of these securities is acquired.

The Company recognizes the payment obligation arising from capital contributions as an operating expense with a credit to the debt with the Tax Authorities when this is accrued in accordance with the Corporate Income Tax Law.

However, assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit are not recognized.

Unless there is evidence to the contrary, it is not considered probable that the Company will have future taxable profits when their future recovery is expected to take place more than ten years from the year-end date, regardless of the nature of the deferred tax asset, or in the case of tax credits and other tax benefits not yet available for tax purposes due to insufficient taxable profit, when the activity has been performed or the income has been obtained that gives rise to the right to the tax credit or tax relief and there are reasonable doubts as to whether the requirements for taking the tax credit or tax relief have been met.

The Company only recognizes deferred tax assets arising from tax loss carryforwards to the extent that it is probable that future taxable profits will be available against which they can be utilized within a period not exceeding that established by the applicable tax legislation, with a maximum limit of ten years, unless there is evidence that their recovery is probable within a longer period, when the tax legislation allows them to be utilized within a longer period or does not establish any time limit on their offsetting.

On the other hand, it is considered probable that the Company has sufficient taxable profits to recover the deferred tax assets, provided that there are sufficient taxable temporary differences relating to the same tax authority and referring to the same taxpayer, the reversal of which is expected in the same tax year in which the deductible temporary differences are expected to reverse or in years in which a tax loss arising from a deductible temporary difference can be offset against earlier or later profits.

The Company recognizes deferred tax assets that have not been recognized because they exceed the ten-year recovery period, to the extent that the future reversal period does not exceed ten years from the year-end date or when there are sufficient taxable temporary differences.

In determining future taxable profits, the Company takes into account tax planning opportunities where it intends to take or is likely to take them.

Offsetting and classification

The Company only offsets income tax assets and liabilities if it has a legal right to offset them with the tax authorities and intends to either settle the resulting amounts on a net basis or realize the assets and settle the liabilities simultaneously.

Deferred tax assets and liabilities are recognized on the balance sheet as non-current assets or liabilities, irrespective of the expected date of realization or settlement.

4.3 *INCOME AND EXPENDITURE*

Income and expenditure is recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. This revenue is measured at the fair value of the consideration received, net of discounts and taxes.

The Company includes the interest incorporated into trade receivables maturing in less than one year that do not have a contractual interest rate when the effect of not updating the cash flows is not significant. Interest received on financial assets is recognized using the effective interest method and dividends are recognized when the Company's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognized as income on the income statement.

Revenue from the sale of goods or services is recognized at the fair value of the consideration received or receivable for these. Cash, volume, and other discounts, as well as the interest included in the nominal amount of receivables, are recorded as a reduction in said receivables.

Discounts granted to clients are recognized as a reduction in sales revenue when it is probable that the conditions for granting them will be met.

Advances on account of future sales are valued at the value received. Advances to be applied in the long term are subject to financial restatement at the end of each year based on the market interest rate at the time of their initial recognition.

Identification of transactions

The Company assesses whether or not there are different components in a transaction in order to apply the revenue recognition criteria to each of them.

4.4 *TRANSACTIONS WITH RELATED PARTIES*

Transactions between Group companies, except those related to mergers, spin-offs, and non-monetary contributions to businesses, are recognized at the fair value of the consideration given or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic substance.

5 FINANCIAL INSTRUMENTS

5.1 *GENERAL CONSIDERATIONS*

A financial instrument is a contract that gives rise to a financial asset in one company and, simultaneously, a financial liability or equity instrument in another.

It shall apply to the following financial instruments:

Financial assets

- Cash and cash equivalents, as defined in Rule 9 of the preparation of the annual accounts;

- Trade receivables: trade receivables and sundry debtors;

- Loans and receivables from third parties: such as loans and financial receivables granted, including those arising from the sale of non-current assets;

- Debt securities in relation to debt of other companies acquired: such as debentures, bonds, and promissory notes;

- Equity instruments of other companies acquired: shares, units of collective investment undertakings, and other equity instruments;

- Derivatives with favorable valuation for the company: including futures, options, swaps, and forward foreign currency purchase and sale, and

- Other financial assets: such as deposits with credit institutions, advances and loans to employees, guarantees and deposits given, dividends receivable, and disbursements required on own equity instruments.

Financial liabilities

- Debits for commercial operations: suppliers and sundry creditors;

- Debts with credit institutions;

- Bonds and other marketable securities issued: such as bonds and promissory notes;

- Derivatives with an unfavorable valuation for the company: including futures, options, swaps, and forward foreign currency purchase and sale;

- Debts with special characteristics, and

- Other financial liabilities: debts with third parties, such as financial loans and credit received from persons or companies other than credit institutions, including those arising through the purchase of non-current assets, guarantees, and deposits received and disbursements required by third parties on shareholdings.

Own equity instruments

A financial derivative is a financial instrument that meets the following characteristics:

- Their value changes in response to changes in variables such as interest rates, prices of financial instruments and listed commodities, exchange rates, credit ratings, and indexes in relation thereto and which, if they are not financial variables, need not be specific to one of the parties to the contract.

- They require either no upfront investment or a lower investment than other types of contract where a similar response to changes in market conditions might be expected.

- They are settled at a future date.

This standard is also applicable to the treatment of accounting hedges and transfers of financial assets, such as trade discounts, factoring transactions, repurchase agreements, and securitizations of financial assets.

Recognition

The company shall recognize a financial instrument on its balance sheet when it takes on obligations under the contract or legal transaction in accordance with the provisions thereof.

5.2 *INFORMATION ON THE RELEVANCE OF FINANCIAL INSTRUMENTS TO THE COMPANY'S FINANCIAL POSITION AND RESULTS*

Information related to the balance sheet

a) Categories of financial assets and financial liabilities

(i) *Classification of financial assets by category*

The classification of financial assets by category and class except for investments in the equity of Group companies, jointly controlled entities, and associates is as follows:

Classes	Short-Term Financial Instruments	
	Loans, Derivatives, and Others	
Categories	2020	2019
Cash and other cash equivalents	200,832.53	14,215.19
Total	**200,832.53**	**14,215.19**

(ii) *Classification of financial liabilities by category*

The classification of financial liabilities by category and class, as well as the comparison of the fair value and carrying amount, is as follows:

Classes	Short-Term Financial Instruments	
Categories	Derivatives and Others	
	2020	2019
Debts and payables	204,619.52	-
Total	**204,619.52**	-

The "Debts and payables" item does not include the balances that the Company maintains with the Tax Authorities.

b) Classification by maturity

The Company's financial liabilities at the end of this financial year are due to mature within less than a year.

c) Transfers of financial assets

There have been no transfers of financial assets during the year and no contracts for the assignment of receivables have been entered into during the year.

d) Corrections due to impairment arising from credit risk

No financial assets were impaired during the year.

e) Non-payment and non-compliance with contractual conditions

The Company is up to date with its contractual obligations relating to the financial liabilities reflected on the balance sheet at the end of the year.

Other information to be included in the notes to the consolidated annual accounts

a) Hedge accounting

As at the year-end, the Company has no hedging financial instrument balances.

b) Fair value

The fair value and carrying amount of each class of financial instruments is shown in the following table:

	2020		2019	
Asset classes	**Fair value**	**Book value**	**Fair value**	**Book value**
Inv. in the equity of group comps., jointly-cont. ents. and assocs.	107,881,814.62	107,881,814.62	-	-
Total	**107,881,814.62**	**107,881,814.62**	**-**	**-**

	2020		2019	
Categories of liability	**Fair value**	**Book value**	**Fair value**	**Book value**
Debts and payables	204,619.52	240,619.52	-	-
Total	**204,649.52**	**240,619.52**	**-**	**-**

These tables exclude financial instruments the carrying amount of which is an acceptable approximation of fair value and those which, being equity instruments, are not quoted in an active market, as well as derivatives with these as their underlying instruments that are measured at cost.

c) Group companies, jointly-controlled entities, and associates

(i) Jointly-controlled entities and associates

The breakdown of investment in equity instruments of jointly-controlled entities, associates, without significant influence even where 20% of the share capital is owned, and companies in which the Company is a general partner is as follows:

Legal information		
Name	**Asturias Propco Número Uno, S.L.**	**Wattenberg Invest, S.L.U.**
Activity	Developer of urban real estate for lease	Real estate development
Percentage Direct shareholding	100%	100%
Percentage Indirect shareholding		
Net worth		
Capital	5,098,708.37	333,006.00
Reserves	154,092,227.44	-
Other equity items	(52,425,378.18)	2,437,567.95
Result from previous financial year	(55,641.93)	(158,927.69)
Profit from continuing operations	-	-
Results of discontinued operations	-	-
Data in the master		
Carrying value of the Company's investment	106,709,915.37	1,171,899.25
Impairment recorded in the year	(10,524,970.00)	-

On January 14, 2020, the Company acquired all the shares of the Spanish company Briscoe, S.L.U. On January 27, 2020, said company acquired all shares in the company Asturias Propco Número Uno, S.L. through a private sales agreement.

On May 28, 2020, a deed was signed for a merger through absorption between Asturias Propco Número Uno, S.L.U., as the absorbing company, and Briscoe, S.L.U., as the absorbed company, with the result that Faifey Invest, S.L. became the sole shareholder of the absorbing company.

Additionally, on January 27, 2020, the Company acquired all shares in the company Wattenberg Invest, S.L.U. through a private sales agreement that was subsequently placed on public record through the deed executed on January 31, 2020, before the Notary Mr Antonio Perez-Coca Crespo under number 464 of his record book.

5.3 *INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS*

Qualitative information

The Company's financial risk management is centralized within the Finance Department, which has established the necessary mechanisms to control exposure to interest rate and exchange rate fluctuations, as well as to credit and liquidity risks. The main financial risks that affect the Company are indicated below:

a) Credit risk:

In general, the Company keeps its cash and cash equivalents in financial institutions with high credit ratings. Additionally, there is no significant concentration in the volume of client transactions.

b) Liquidity risk:

In order to ensure liquidity and be able to meet all payment commitments arising from its activity, the Company has the cash and cash equivalents shown on its balance sheet.

c) Market risk (including interest rate, exchange rate, and other price risks):

Both the Company's cash and financial debt are exposed to interest rate risk, which could have an adverse effect on financial results and cash flows.

Quantitative information

The maximum exposure to major risks as at December 31, 2020 and 2019, excluding foreign exchange exposure, was as follows:

Patrimonial group	2020	2019
Credit		
Long-term financial investments	107,881,814.62	-
Short-term financial investments	-	-
Trade and other receivables	-	-
Cash and other cash equivalents	200,832.53	14,215.19
Liquidity		
Long-term debts	-	-
Short-term debts	186,918.79	-
Trade creditors and other payables	21,532.51	101.64
Market		
Fixed assets and real estate investment	-	-
Stock	-	-
Total	**108,291,098.45**	**14,316.33**

Exposure to exchange rate risk arises to the extent that the Company carries out transactions in foreign currencies or has assets or liabilities denominated in currencies other than the presentation currency.

Therefore, the Company is not exposed to exchange rate risk as it does not carry out transactions in foreign currencies.

5.4 *STOCKHOLDER EQUITY*

The composition and movement of equity are presented in the statement of changes in equity.

Capital

As at December 31, 2020, the share capital of the company was represented by 5,060,000.00 ordinary bearer shares with a nominal value of 1 euro each. At the end of the 2019 financial year, the share capital of the Company amounted to 60,000.00 euros, represented by 60,000 shares each with a nominal value of 1.00 euro.

The movement of outstanding shares is as follows:

	Ordinary shares	
	2020	**2019**
Opening balance	60,000.00	-
Monetary contributions	5,000,000.00	60,000.00
Total	**5,060,000.00**	**60,000.00**

a) Cash contribution

By virtue of the deed dated January 30, 2020, executed before the Notary Public of Madrid, Ms Maria del Rosario Miguel Roses, under number 356 of her record book, the decisions of the General Shareholders' Meeting, whereby it was agreed to increase the share capital of the Company, which amounted to 60,000.00 euros at incorporation, fully subscribed and paid up, by the amount of 5,000,000.00 euros, to reach a total share capital of 5,060,000.00 euros, through the issue of 5,000,000 new shares each with a nominal value of 1.00 euro, numbered from 60,001 to 5,060,000, both inclusive, were placed on public record.

All of the new shares are fully subscribed and paid up by Fas Prop Co. A S.à r.l. , Fas Prop Co. B S.à r.l., and Fas Prop Co. C S.à r.l. , via bank transfer to the company's bank account.

Issue premium

The capital increase described above was carried out through the inclusion of an issue premium of 33.18885029 per newly issued share, i.e., a total issue premium of 165,944,251.46 euros. Additionally, on June 12, 2020, the Shareholders in their General Meeting approved a distribution of reserves for a total amount of 52,500,000.00 euros, charged to the issue premium.

Thus, as at December 31, 2020, the amount of the issue premium amounted to 113,444,251.46 euros.

Reserves

a) Legal reserve

The legal reserve must be furnished in accordance with Article 274 of the Consolidated Text of the Capital Companies Act, which establishes that, in any event, an amount equal to 10% of the profit for the year must be allocated to this reserve until it reaches at least 20% of the share capital. It cannot be distributed and if it is used to offset losses, in the event that there are not sufficient other reserves available for this purpose, it must be replenished with future profits.
As at the end of the 2020 financial year, no funds had been allocated to this reserve.

b) Voluntary reserves

As at December 31, 2020, the Company has negative reserves amounting to 18,796.30 corresponding to notary and registration fees for the incorporation of the Company and the capital increase carried out.

6 STOCK

The Company has no stock.

7 FOREIGN CURRENCY

The Company has no assets or liabilities denominated in foreign currencies.

8 TAX SITUATION

The breakdown of the balances with Tax Authorities is as follows:

	2020		2019	
	Debit balances	**Credit balances**	**Debit balances**	**Credit balances**
Deferred tax	-	-	221.18	-
Withholdings made	-	3,831.78	-	101.64
Other debts with Tax Authorities	**-**	**3,831.78**	**221.18**	**101.64**

Under current legislation, taxes cannot be considered definitively settled until the returns submitted have been inspected by the tax authorities or the four-year statute of limitations period has elapsed. As at December 31, 2020, the Company had all the financial years of the main taxes applicable to it pending inspection by the tax authorities from the following years:

	Financial year
Value Added Tax	2019-2020
Corporate Tax	2019-2020

However, the right of the tax authorities to check or investigate tax losses offset or pending offsetting, double taxation tax credit, and tax credit to encourage the performing of certain activities applied or pending application expires after 10 years from the day following the end of the period established for the submission of the tax return or self-assessment corresponding to the tax period in which the right to offset or apply these arose. Once this period has elapsed, the Company must provide evidence of the negative tax bases or deductions by showing the tax return or self-assessment together with the accounts, with proof of the submission thereof to the Commercial Registry during the aforementioned period.

As a result, among other things, the different possible interpretations of current tax legislation could result in additional liabilities in the event of an inspection. In any case, the Parent Company's Governing Body considers that these liabilities, should they arise, would not have a material effect on the annual accounts.

8.1 *INCOME TAX*

The reconciliation between the net amount of income and expenses for the year and the taxable income that the Company expects to declare after approval of the annual accounts is as follows:

2020	Profit and loss account	
Balance of income and expenditure for the year	-	(10,611,257.61)
	Increases	Decreases
Permanent differences	-	-
Taxable income (tax result)	-	(10,611,257.61)
Tax rate:	25.00%	25.00%
Total tax due	-	-
Total tax due minus applicable deductions:	-	-
Total tax due minus tax credits:	-	-
Amount payable/(to be refunded)	**-**	**-**

2019	Profit and loss account	
Balance of income and expenditure for the year	-	(1.70)
	Increases	Decreases
Permanent differences	(663.57)	-
Taxable income (tax result)	-	(665.27)
Tax rate:	25.00%	25.00%
Total tax due	-	-
Total tax due minus applicable deductions:	-	-
Total tax due minus tax credits:	-	-
Amount payable/(to be refunded)	**-**	**-**

The Company has tax loss carryforwards that can be offset against any taxable profit it may obtain, as follows:

(Euros) Year of generation	Outstanding at beginning of year	Compensated during the year	Outstanding at year-end
2019	665.27	-	665.27
2020	10,611,257.61	-	10,611,257.61
Total	**10,611,257.61**	**-**	**10,611,257.61**

The Company may be subject to inspection by the tax authorities for the last 4 years for the main taxes applicable thereto, except for corporate income tax, for which the period that may be subject to inspection is up to 10 years.

As a result, among other things, the different possible interpretations of current tax legislation could result in additional liabilities in the event of an inspection. In any case, the Governing Body considers that these liabilities, should they arise, would not have a significant effect on the annual accounts.

9 INCOME AND EXPENDITURE

9.1 *NET TURNOVER*

The net turnover at the end of the current financial year amounts to 1,314.36 euros and corresponds to the following activities:

	2020	2019
Investment in group companies	1,314.36	-
Total	**1,314.36**	**-**

9.2 *OTHER OPERATING EXPENSES*

The breakdown of the "Other operating expenses" item on the income statement for 2020 and 2019 is as follows:

Description	2020	2019
Outsourced services	**72,073.35**	**1.70**
Independent professional services	70,910.45	-
Banking and similar services	1,162.90	1.70
Taxes and rates	**15,528.62**	**-**
Negative adjustments in indirect taxation	15,528.62	-
Total	**87,601.97**	**1.70**

9.3 *OTHER PROFIT/(LOSS)*

There were no movements in this item during the year.

10 ENVIRONMENTALINFORMATION

As at December 31, 2020, there were no significant assets dedicated to protecting and improving the environment, and no significant expenses of this nature were incurred during the year.

The Company's Governing Body considers that there are no significant contingencies related to the protection and improvement of the environment, and does not consider it necessary to record any provision for environmental risks and expenses as at December 31, 2020 and 2019.

No grants of an environmental nature were received during the year ended December 31, 2020 and 2019.

11 TRANSACTIONS WITH PAYMENTS BASED ON EQUITY INSTRUMENTS

There were no transactions with payments based on equity instruments during the year.

12 GRANTS, DONATIONS, AND LEGACIES

There were no grants, donations, or legacies of any kind during the year.

13 BUSINESS COMBINATIONS

There were no mergers, takeovers, or spin-offs during the year.

14 JOINT VENTURES

There were no joint ventures with other companies during the year.

15 NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

The Company has no current assets held for sale and has not carried out any operations that were discontinued during the year.

16 EVENTS AFTER THE REPORTING PERIOD

On February 1, 2021, by virtue of a deed executed before the Notary Public of Madrid Mr Antonio Perez-Coca Crespo under number 988 of his record book, the decisions of the Extraordinary and Universal General Meeting of Shareholders held on September 25, 2020, in which the corporate name of the entity was changed and the partial modification of the bylaws was approved, were placed on public record.

In the opinion of the Governing Body, no significant events have come to light since the end of the financial year.

16.1 *IMPLICATIONS OF THE PANDEMIC*

On March 11, 2020, the World Health Organization upgraded the status of the situation caused by the coronavirus outbreak (COVID-19) from a public health emergency to an international pandemic.

The evolution of events, nationally and internationally, led to an unprecedented health crisis that has impacted the macroeconomic environment and the evolution of business. To address this situation, a series of measures were adopted during the 2020 financial year to deal with the economic and social impact which, among other aspects, led to restrictions on the mobility of people. In particular, the Spanish Government proceeded, among other measures, to the declaration of a state of alarm through the publication of Royal Decree 463/2020, of March 14, which was lifted on July 1, 2020, and the approval of a series of extraordinary urgent measures to address the economic and social impact of COVID-19, through, among others, Royal Decree-Law 8/2020 of March 17. As at the date of the approval of these annual accounts, the state of alarm declared by the Spanish Government by Royal Decree 926/2020, of October 25, which was initially approved until November 9, 2020, was in force and extended until May 9, 2021 by Royal Decree 956/2020, of 3 November.

The evolution of the pandemic is having consequences for the economy in general and for the Company's operations, the effects of which in the coming months are uncertain and will depend to a large extent on the evolution and extent of the pandemic.

There is still limited visibility as to the duration and magnitude of the crisis. However, the half-yearly financial information adequately reflects the financial position of the Company and provides the information necessary to understand the performance of the business with respect to the 2020 Annual Accounts. The most relevant implications of COVID-19 on the Annual Accounts as at December 31, 2020 are detailed below:

- The COVID-19 pandemic has not had a significant negative impact on the direct activity of the Company, due to the very nature of said activity.

In the context of this pandemic, the Company has analyzed the following potential risks to its business:

Liquidity and credit risk: it is foreseeable that the general market situation could lead to a general increase in liquidity tensions in the economy, as well as a credit crunch. In this regard, the Company has sufficient capacity to obtain financing from Group companies, which will enable it to cope with these tensions. At the same time, the contraction in liquidity is expected to cause the Company's lending policies to be readjusted to adapt to the new macroeconomic environment and the general situation of customers.

Operational risk: this type of risk is minimal, due to the nature of the Company's activity.

Risk of variation in certain key figures: the factors mentioned above, together with other specific factors, such as the reduced provision of services to group companies as their activity is reduced as a result of the fall in demand, as well as the economic and production slowdown, may lead to a decrease in the amounts of relevant headings for the Company such as "Net Turnover" and "Operating profit"

on coming financial statements, although it is not possible to reliably quantify their impact for the time being, taking into account the aforementioned conditions and restrictions.

The Directors have assessed whether the consequences of COVID-19 would have an impact on the variation of certain key figures and on the valuation of assets and liabilities on the balance sheet, excluding negative consequences in relation thereto. In addition, the Company is currently continuing to monitor the impact of the pandemic in order to take possible measures in this regard in accordance with the developments over the coming months.

From a fiscal and legal point of view, Royal Decree-Law 8/2020, of March 17, establishes a series of measures relating to the suspension of procedural, administrative, statute of limitation, and expiry periods and the resuming thereof when the situation returns to normal. The Company does not foresee these measures having a significant impact on the administrative and legal proceedings currently in progress.

Lastly, it should be noted that the company's governing body is constantly monitoring the evolution of the situation in order to successfully deal with any possible impacts, both financial and non-financial, that may arise.

17 TRANSACTIONS WITH RELATED PARTIES

17.1 *BALANCES WITH RELATED PARTIES*

The breakdown of debtor and creditor balances with group companies, including senior management personnel and the governing body, and their main characteristics.

The breakdown of the balances by category at year-end 2020 is as follows:

Company Name	Type of relationship	Concept	Closing balance for 2020
Ece Epsc Hold Co II A	Shareholder	Current Account	(767.65)
Ece Epsc Hold Co II B	Shareholder	Current Account	(776.45)
Ece Epsc Hold Co II C	Shareholder	Current Account	(1,455.90)
Asturias Propco Número Uno, S.L.	Group company	Current account	(233,918.79)
Asturias Propco Número Uno, S.L.	Group company	Current account	50,000.00
Total			**(186,918.79)**

Information relating to the Company's Governing Body and senior management personnel

During the year ended December 31, 2020, they did not receive any remuneration, nor were they granted any advances or loans and no obligations were assumed on their behalf by way of guarantee. As at December 31, 2020, there are no accrued pension or similar liabilities to members of the Company's Governing Body, nor are there any debit or credit balances with them.

18 OTHER INFORMATION

PricewaterhouseCoopers Auditores, S.L., the firm that audits the Company's annual accounts, invoiced fees and expenses (net fees if the expenses are invoiced separately) for professional services during the year ended December 31, 2020, as follows:

	2020
For audit services	14,000.00
Total	**14,000.00**

The amounts included in the table above include all fees for services rendered during 2020, regardless of when they were billed.

19 SEGMENTED INFORMATION

The breakdown of revenue by business category and geographical market is as follows:

2020	National	European Union	Outside the EU	Total
Other	1,314.36	-	-	1,314.36
Total	**1,314.36**	**-**	**-**	**1,314.36**

20 INFORMATION ON GREENHOUSE GAS EMISSION ALLOWANCES

There are no greenhouse gas emission allowances.

21 INFORMATION ON DEFERRALS OF PAYMENT DUE TO SUPPLIERS, THIRD ADDITIONAL PROVISION "DUTY OF INFORMATION" OF LAW 15/2010 OF JULY 5

The information required by the third additional provision of Law 15/2010, of July 5, prepared in accordance with the ICAC Resolution of January 29, 2016, on the information to be included in the notes to the financial statements in relation to the average payment period to suppliers in commercial transactions, is detailed below. The information on the average supplier payment period is as follows:

	2020	2019
Concept	**Days**	**Days**
Average supplier payment period	29.02	21.00
Ratio of transactions paid	28.97	21.00
Ratio of transactions pending payment	30.00	-
	Amount (euros)	**Amount (euros)**
Total payments made	75,429.72	486.76
Total outstanding payments	3,630.00	-

Directors' report for the year ended December 31, 2020

Business performance and situation of the Company

For the year ended December 31, 2020, the Company's profit and loss account reflects an operating profit for the year amounting to a loss of 10,611,257.61 euros, mainly as a result of costs associated with the acquisition of subsidiaries and the Company's management expenses. In addition to the impairment loss of the subsidiary Asturias Propco Número Uno, S.L. amounting to 10,524,970.00 euros.

Foreseeable evolution of the Company

An improvement or at least a stabilization of the operating results of 2020 is expected for the 2021 financial year, although it is difficult to make a clear forecast given the current social and economic circumstances.

Financial risk management and use of financial instruments

The Company faces the risks and uncertainties inherent in the industry in which it operates, as detailed in Note 8 to the consolidated annual accounts.

Research and development activities

The Company has not carried out any research and development activities in the current or previous years.

Acquisition of own shares

As at December 31, 2020, the Company had not carried out any transactions with own shares during the year.

Significant events after the reporting period

In the opinion of the Governing Body, no significant events have come to light subsequent to the closing of the financial year other than those indicated in section 16 of the Notes to the Consolidated Financial Statements.

Use of financial instruments

During the year ended December 31, 2020, the Company did not contract any interest rate hedging financial instruments.

Measures to be taken to reduce the average payment period to suppliers

The average supplier payment period for 2020 was 29.02 days. Although the period does not exceed the maximum of 60 days established by Law 3/2004, of December 29, which establishes measures to combat late payment in commercial transactions, the Governing Body is carrying out a review of all internal processes in order to shorten supplier payment periods.

FAIFEY INVEST SOCIMI, S.A.

Report for the 2020 financial year

RECORD OF APPROVAL OF ANNUAL ACCOUNTS:

On ____ the ___, _____, and in compliance with the requirements established in article 253 of the Capital Companies Act and article 37 of the Commercial Code, the Governing Body proceeded to prepare the annual accounts for the financial year from January 1, 2020 to December 31, 2020. The annual accounts consist of the documents attached hereto.

Madrid, on ____ the __, 2021

_____________________________	_____________________________
Mrs Karoline Nader-Gräff	Mr Jose Maria Ortiz Lopez Camara
_____________________________	_____________________________
Mr Oskar Markus Schmitt Habersack	Mr Volker Kraft

ASTURIAS PROPCO NÚMERO UNO, S.L.
SOCIEDAD UNIPERSONAL

ANNUAL ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2020

ASTURIAS PROPCO NÚMERO UNO, S.L.U.

BALANCE SHEET AT DECEMBER 31, 2020

(Thousands of euros)

ASSETS	Notes to the	12/31/2020	12/31/2019	NET ASSETS AND LIABILITIES	Notes to the	12/31/2020	12/31/2019
NON-CURRENT ASSETS:				**NET WORTH:**			
				STOCKHOLDER EQUITY			
Property investments	**5**	**284,000**	**126,156**	Registered	**9.1**	5,099	9,774
Land Buildings		86,123	58,108	Issue Premium	**9.2**	(52,425)	75
Long-term financial investments		203,877	68,048	Reserves	**9.2**	154,092	2,041
Other financial assets	**6 and**	**6,992**	**547**	Profit/(loss) for the year	**3**	(56)	8,601
Long-term loans to group companies and associates		6,992	547	**Total net assets**		**106,710**	**20,491**
Total non-current assets	**Note 6**	-	**3,463**				
		290,992	**130,166**				
				NON-CURRENT LIABILITIES:			
				Non-current payables	**6**	**182,999**	**123,551**
				Long-term bank borrowings Financial		180,732	119,757
				derivatives		-	812
				Other financial liabilities		2,267	2,982
				Deferred tax liabilities		**12,600**	-
				Liabilities for temporary differences		12,600	-
				Total non-current liabilities		**195,599**	**123,551**
				CURRENT LIABILITIES:			
CURRENT ASSETS:				**Short-term debts**	**6**	**1,294**	**532**
Trade and other receivables				Short-term bank borrowings Other short-		274	85
Trade receivables - sales and services		**4,995**	**1,623**	term borrowings		1,020	447
Short-term financial investments	6	4,995	1,623	**Trade and other payables** Suppliers Group and		**581**	**692**
Loans and advances to	**6 and**	**384**	**97**	associated companies Other payables	6	-	-
third parties Other		184	-	Payables to public authorities Advances	6	556	350
financial assets		200	97	from customers	12	5	323
Current accruals	**7b**	**99**	**135**	**Current accruals**	6	20	19
Cash and other cash equivalents	**8**	**7,730**	**13,437**	**Total current liabilities**	**7b**	**16**	**192**
Total current assets		**13,208**	**15,292**	**TOTAL NET ASSETS AND LIABILITIES**		**1,891**	**1,416**
TOTAL ASSETS		**304,200**	**145,458**			**304,200**	**145,458**

Notes 1 to 19 to the attached financial statements form an inseparable part of the balance sheet at December 31, 2020.

ASTURIAS PROPCO NÚMERO UNO, S.L.U.

INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

(Thousands of euros)

	Notes to the Financial Statements	12/31/2020	12/31/2019
CONTINUING OPERATIONS:			
Net turnover Other operating	**13.1**	**19,218**	**21,569**
expenses	**13.2**	**(7,865)**	**(7,571)**
Outsourced		(6,330)	(6,023)
services Taxes		(1,388)	(1,364)
and rates	7	(146)	(184)
Loss, impairment and variation in provisions for commercial operations		**-**	**46**
Other operating income		**(4,910)**	**(2,415)**
Amortization of property investments		**(1,599)**	**-**
Impairment of property investments		**4,844**	**11,629**
Operating profit/(loss)			**-**
	13.3	**12**	**20**
Financial income	14.1	-	9
From group and associated		12	11
companies From third parties	**13.3**	**(4,751)**	**(2,718)**
Financial expenses		(4,751)	(2,718)
Debts with third parties		-	-
Debts with group companies	**13.3**	**(161)**	**(329)**
Changes in the fair value of financial instruments Exchange	**13.3**	**-**	**(1)**
differences		**(4,900)**	**(3,028)**
Financial result Profit/(loss)		**(56)**	**8,601**
before tax Income tax	12	**-**	**-**
Result for the year from continuing operations		**(56)**	**8,601**
Profit/(loss) for the year	**3**	**(56)**	**8,601**

Notes 1 to 19 to the attached financial statements are an inseparable part of the income statement at December 31, 2020.

ASTURIAS PROPCO NÚMERO UNO, S.L.U.

STATEMENT OF CHANGES IN NET EQUITY FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

A) STATEMENT OF RECOGNIZED INCOME AND EXPENSES FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

(Thousands of euros)

	Notes to the Financial Statements	12/31/2020	12/31/2019
PROFIT/(LOSS) FOR THE YEAR (I)	**3**	**(56)**	**8,601**
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN NET EQUITY (II)		**(12,604)**	-
TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (III)		-	-
TOTAL RECOGNIZED INCOME AND EXPENSES (I+II+III)		**(12,604)**	**8,601**
TOTAL INCOME AND EXPENSES		**(12,660)**	**8,601**

Notes 1 to 19 to the attached annual accounts form an inseparable part of the Statement of Recognized Income and Expenses at December 31, 2020.

ASTURIAS PROPCO NÚMERO UNO, S.L.U.

STATEMENT OF CHANGES IN NET EQUITY FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE FINANCIAL YEAR ENDED DECEMBER 31, 2020

(Thousands of euros)

	Capital (Note 9.1)	Issue Premium (Note 9.2)	Reserves (Note 9.2)	Profit/(loss) for the year (Note 3)	Total
BALANCE, END OF 2018 FINANCIAL YEAR	**9,774**	**4,186**	**2,041**	**7,889**	**23,890**
Total recognized income and expenses	-	-	-	8,601	8,601
Other changes in net equity:					
Dividend distribution	-	-	-	(7,889)	(7,889)
Other transactions with partners or owners	-	(4,111)	-	-	(4,111)
CLOSING BALANCE AT DECEMBER 31, 2019	**9,774**	**75**	**2,041**	**8,601**	**20,491**

(Thousands of euros)

	Capital (Note 9.1)	Issue premium (Note 9.2)	Reserves (Note 9.2)	Profit/(loss) for the year (Note 3)	Total
BALANCE, END OF 2019 FINANCIAL YEAR	**9,774**	**75**	**2,041**	**8,601**	**20,491**
Total recognized income and	-	-	-	(56)	(56)
expenses Other changes in net			(12,604)		(12,604)
equity:	-	-	-	(8,601)	(8,601)
Dividend distribution	(4,675)	(52,500)	164,655	-	107,480
Other transactions with partners or owners					
CLOSING BALANCE AT December 31, 2020	**5,099**	**(52,425)**	**154,092**	**(56)**	**106,710**

Notes 1 to 19 to the attached annual accounts form an inseparable part of the Statement of Changes in Net Equity at December 31, 2020.

(in thousands of euros)

ASTURIAS PROPCO NÚMERO UNO, S.L.U
STATEMENT OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

		12/31/2020	12/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year before tax		**(56)**	**8,601**
Adjustments to the profit/(loss):		**10,778**	**5,521**
Depreciation of fixed assets	Note 5	4,910	2,415
Valuation adjustments for impairment	Note 5	1,599	-
Change in provisions	Note 7	31	184
Financial income	Note 13.3	(11)	(20)
Financial expenses	Note 13.3	4,751	2,718
Exchange differences	Note 13.3	-	1
Changes in the fair value of financial instruments	Note 13.3	161	329
Other income and expenses		936	(106)
Changes in working capital:		**(10,576)**	**(171)**
Debtors and other receivables		(3,404)	(14)
Creditors and other payables		206	(301)
Other current liabilities		(622)	136
Other current assets		(130)	8
Other non-current assets and liabilities		(6738)	
Other cash flows from operating activities		**(4,740)**	**(2,050)**
Interest payments		(4,751)	(2,061)
Interest charges		11	11
Cash flows from operating activities		**(4,538)**	**3,300**
CASH FLOWS FROM INVESTING ACTIVITIES			-
Payments for investments		**(364)**	**(299)**
Property investments	Note 5	(364)	(299)
Cash flows from investing activities		**(364)**	**(299)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts and payments for equity instruments:			**(4,111)**
Amortization of equity instruments			(4,111)
Receipts and payments for financial liability instruments		**60,352**	**(3,394)**
Debts with credit institutions		61,164	-
Issuance of debts with group companies			(3,454)
Other debts		(812)	60
Payments for dividends and remuneration of other equity instruments:		**(61,101)**	**(7,889)**
Dividends and issue premium		(8,601)	(7,889)
Cash flows from financing activities		**(747)**	**(15,394)**
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS		**(5,707)**	**(3,792)**
Cash or cash equivalents at beginning of the financial year	Note 8	**13,437**	**17,229**
Cash or cash equivalents at the end of the financial year	Note 8	**7,730**	**13,437**

Notes 1 to 19 to the attached financial statements form an inseparable part of financial statements at December 31, 2020.

1. General information

Asturias PropCo Número Uno S.L.U. was incorporated on October 28, 1999 by virtue of a deed authorized by the Notary Public of this municipality, Mr. Antonio Huerta Trólez, under his index number 2749. Its registered office is located in Madrid, at Paseo de la Castellana, número 64.

The Company is entered in the Mercantile Register of Madrid in Volume 14.702, Sheet 21, Section 8, Page M-243914, with tax identification number B-82467754.

In a deed executed on October 4, 2013, before the Notary Public of Madrid, Mr. Antonio Morenés Giles, under his index number 2639, the Company declared its sole shareholder status, which was entered in the Madrid Mercantile Register in Volume 26304, Sheet 129m, Section 8, Page M243914, 6th entry.

On July 28, 2017, the resolutions adopted on June 26, 2017 merging the subsidiaries Asturias Propco Número Uno, S.L. (as the absorbing company) and Asturias Propco Número Dos, S.L. (as the absorbed company) were placed on public record before the notary public Antonio Morenés Giles. The resolutions adopted were published in national newspapers without opposition from any creditor. Finally, the merger was duly entered in the Commercial Register on August 25, 2017. The merger took effect for accounting purposes on January 1, 2017.

On May 28, 2020, the agreements adopted on April 23, 2020 merging the companies Asturias Propco Número Uno, S.L.U. (as the absorbing Company) and Briscoe,S.L.U. (as the absorbed company) were placed on public record before the notary public Eva María Fernández Medina. The resolutions adopted were published in national newspapers without opposition from any creditor. Finally, the merger was duly entered in the Commercial Register on June 11, 2020. The merger took effect for accounting purposes on January 31, 2020.

On January 31, 2020, the Company changed its registered office from Calle Paseo de la Castellana nº 64, 28046 Madrid to Avenida Pablo VI, nº 9, oficina C, 28224 Pozuelo de Alarcón.

As at December 31, 2020, the Company's Board of Directors is made up of the following members:

- Mr. Volker Kraft: Chairman
- Mr. José María Ortiz López-Cámara: Secretary
- Mr. Markus Oskar Schmitt-Habersack: Vice-Chairman
- Mr. Christian Müller: Deputy Secretary

The main activity carried out by the Company consists of the rental of premises located in the Parque Principado shopping center in the municipality of Siero (Asturias). During the 2020 financial year, the shopping center returned to its original name of Parque Principado, changing the name from Intu Asturias.

The currency of the main economic environment in which the Company operates is the euro, which is therefore its functional currency.

The closing date of the financial year is December 31 of each year.

1.1 SOCIMI Regime

On August 18, 2014, the sole shareholder adopted the decision to include the Company in the regime regulated by Law 11/2009 of October 26, governing Listed Real Estate Investment Companies ("SOCIMIs") with effect from January 1, 2014 pursuant to the provisions of Article 2.1.c) of the SOCIMI Law. Said acceptance was notified to the State Tax Administration Agency by letter dated September 23, 2014.

Subsequently, as a result of the potential transfer of 100% of the company's shareholdings, on September 27, 2019, through the decision of its sole shareholder, the Company opted, on a precautionary basis, as it understood that it might have to comply directly with the listing requirement set out in Article 4 of Law 11/2009, to avail itself of the special tax regime set out in Law 11/2009 for the periods commencing from January 2019 onwards, while complying with the remaining requirements set out therein. The decision was communicated to the tax office on September 30, 2019.

Notwithstanding the foregoing, its status as an entity pursuant to Article 2.1.c) of Law 11/2009 was ratified in the 2014 financial year, and the option communicated during 2019 as a result of the acquisition of the shares representing 100% of the share capital of the current Sole Shareholder was rendered null and void. The Sole Shareholder is a public limited company that has opted for the application of the special regime for SOCIMIs regulated by Law 11/2009 dated September 22, 2020, whose shares are expected to be admitted to trading on a regulated market or in a multilateral trading system pursuant to Article 4 of the aforementioned law in the coming months, in compliance with the requirement set out in Article 4 of Law 11/2009 within the period established for this purpose in the aforementioned law.

In accordance with the provisions of Article 8 of Law 11/2009 and the Company being an entity in Spanish territory in accordance with Article 2(1)(c) of Law 11/2009, it is decided (leaving without effect the *ad cautelam* option made in 2019) to maintain the application for corporate income tax purposes of the special tax regime regulated in Law 11/2009, for the current tax period of 2020 and the following tax periods under the terms of the option made and communicated in the 2014 financial year. This option is communicated to the tax authorities on September 25, 2020.

2. <u>Basis of reporting the annual accounts</u>

2.1 Regulatory framework for financial information applicable to the Company

The annual accounts have been prepared by the Board of Directors of the Company in accordance with the regulatory financial reporting framework applicable to the Company, which is set out in:

- The Commercial Code and other commercial legislation.

- The General Accounting Plan approved by Spanish Royal Decree 1514/2007, Royal Decree 1159/2010 of September 17 approving the Rules for the Formulation of Annual Accounts, and Royal Decree 602/2016.

- The mandatory rules approved by the Instituto de Contabilidad y Auditoría de Cuentas (Accounting and Auditing Institute) in development of the General Accounting Plan and its complementary rules.

- Law 11/2009 of October 26 governing Listed Real Estate Investment Companies (SOCIMIs) in relation to the information to be disclosed in the notes to the annual accounts.

- All other applicable Spanish legislation.

2.2. Non-mandatory accounting principles

No non-mandatory accounting principles have been applied. The directors have also prepared these annual accounts taking into account all the mandatory accounting principles and standards that have a material effect on these annual accounts. No mandatory accounting principles have not been applied.

2.3 Critical Aspects of uncertainty valuation and estimation

With the appearance of COVID-19 and the qualification of pandemic by the World Health Organization during the year 2020, the Spanish State declared a state of alarm on March 15, 2020, which meant the mandatory closure of many businesses. All this has led to significant falls in the Company's activity. Its income has been considerably reduced by agreeing discounts, bonuses, and deferrals on tenants' rents.

At the year end, the Company's Board of Directors is aware that this situation will continue to affect the Company's operations, with a number of agreements to reduce income expected at the year end.

In preparing these Annual Accounts, estimates made by the Company's Board of Directors have been used. All estimates were made on the basis of the best information available at year end; however, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years, which would be done looking forward, as appropriate.

Other assumptions about the future, as well as other relevant data on the estimation of uncertainty at the reporting date, which have a significant risk of changes, are as follows:

Impairment of the value of non-current assets

The measurement of non-current assets, other than financial assets, requires estimates to be made in order to determine their fair value for the purpose of assessing possible impairment, especially in the case of property investments. To determine this fair value, the Company has commissioned an independent expert to conduct a valuation of property investment based on an estimate of the expected future cash flows of these assets and using an appropriate discount rate to calculate their present value.

Impairment of financial assets

The Company analyzes annually whether there are indicators of impairment for financial assets by performing impairment tests when circumstances so indicate.

To this end, the recoverable value of the aforementioned assets is determined. The calculation of fair values may involve the determination of future cash flows and the making of assumptions relating to the future values of those cash flows and the discount rates applicable thereto. The estimates and related assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances surrounding the Company's business.

Derivative financial instruments

The fair value of financial instruments that are not traded in an active market (e.g. derivatives outside the official market) is determined using valuation techniques. The Company uses independent expert valuations (which make assumptions based mainly on market conditions existing at each balance sheet date) to determine the value of derivative instruments.

Leasing incentives

The Company has entered into lease agreements with tenants in which certain incentives are granted in the form of grace periods, staggered rents, and contributions. The Company calculates the income pending invoicing (grace periods) on the basis of the estimated term of each lease contract, re-estimating the situation at each year end.

Negative contingent rents arising from discounts and rebates granted to lessees through agreements in the exceptional context of COVID-19 have been incorporated into the income statement, without deferring the reduction over the remaining term of the contract.

Risks related to the adoption of the SOCIMI regime

The Company is covered by the regime established in Law 11/2009, of October 26 governing Listed Real Estate Investment Companies (SOCIMIs), which in practice means that, subject to compliance with certain requirements, the companies comprising the Company are subject to a corporate income tax rate of 0%. The Company's Board of Directors monitors compliance with the requirements established in the legislation in order to safeguard the tax benefits established therein. The Board of Directors estimates that these requirements will be met at December 31, 2020 in the terms established and also expects to comply with the remaining outstanding formal requirements within the period established for this purpose (see Note 1.1), and it is not necessary to recognize any income tax expense at the date of authorization for issue of these annual accounts.

Failure to comply with the outstanding formal requirements within the period established for this purpose would result in the Company being taxed under the general corporate income tax regime.

(in thousands of euros)

2.4. Comparison of information

In accordance with commercial legislation, the figures for the previous year are presented for comparison purposes with each of the items of the balance sheet, the profit and loss account, the statement of changes in net equity, the cash flow statement, and the figures for the 2020 financial year. The notes to the annual accounts also include quantitative information for the previous year, except where an accounting standard specifically states that this is not necessary.
During the 2020 financial year, a reverse merger by absorption of the company Briscoe, S.L.U. was performed. Briscoe, S.L.U. was incorporated on April 4, 2019. Its share capital is 3,000 euros and it will not perform any transaction during the 2019 financial year, so its impact on the comparison of information with respect to the 2019 financial year will be considered insignificant.

2.5 Item grouping

Certain items in the balance sheet, statement of changes in net equity, and cash flow statement are presented in groups to facilitate their understanding, although, to the extent it is significant, the information is disclosed in the related notes to these consolidated financial statements.

2.6 Going concern

The directors are not aware of any event that could entail the liquidation of the Company. It is expected that it will continue its normal operations, and therefore these annual accounts have been prepared on a going concern basis.

3. Distribution of profit

The proposed distribution of profit for the year formulated by the Directors and which is expected to be approved by the Sole Shareholder is as follows:

Balance for the purpose of distribution	Amount
Profit and loss account balance	(56)
Total	**(56)**
Balance for the purpose of distribution	**Amount**
To be offset against future profits	(56)
Total	**(56)**

For appropriate comparative purposes, the distribution of the Company's profit for the year ended December 31, 2019 approved by the Sole Shareholder on March 20, 2020 was as follows:

Balance for the purpose of distribution	Amount
Profit and loss account balance	8,601
Total	**8,601**
Balance for the purpose of distribution	**Amount**
To dividends	8,601
Total	**8,601**

3.1 Limitations on dividend distribution

The Company is obliged to transfer 10% of the profits for the year to the legal reserve until this reserve reaches at least 20% of the share capital. This reserve is not distributable to the Sole Shareholder until it exceeds 20% of share capital (Note 9.2).

After covering the expenses set out by law or the articles of association, dividends may only be distributed out of the profit for the year, or out of unrestricted reserves, if the value of the net assets is not or, as a result of the distribution, does not turn out to be less than the share capital. For these purposes, profits recognized directly in net equity may not be distributed, either directly or indirectly. If there are losses from previous years that cause the value of the Company's equity to be less than the amount of share capital, the profit will be used to offset such losses.

3.2 Mandatory distribution of dividends

Given its status as a SOCIMI, and as set forth in Article 20 of its articles of association, the Company is obliged to distribute the profit obtained in the year to its shareholders in the form of dividends, once the corresponding commercial obligations have been met, in accordance with the provisions of Article 6 of Law 11/2009 of October 26 governing Listed Real Estate Investment Companies (SOCIMIs).

4. Recording and valuation rules

The principal recording and valuation rules used by the Company during preparation of its 2020 annual accounts, in accordance with the applicable financial reporting framework, were as follows:

4.1 Property investments

Property investments in the balance sheet includes the value of land, buildings, and other structures leased to third parties in the municipality of Siero (Asturias) (see Note 5).

The items included in the intangible assets are valued at cost, whether it is the acquisition price or the production cost.

The purchase price includes, in addition to the amount invoiced by the seller after deduction of any discounts or rebates on the price, all additional and directly related costs incurred until it is put into working order.

Subsequently, the aforementioned property investment items are measured at acquisition cost less accumulated depreciation and, where applicable, the accumulated amount of any impairment losses recognized.

The Company periodically, and at least at the end of the year or period, compares the net book value of the various property investment items with the market value obtained through valuations by independent experts or through internal studies using similar methodologies, and the appropriate provisions are made for impairment of property investments when the market value is lower than the net book value. As a result of these valuations, no impairment losses on the items recorded under this heading have been disclosed.

The financial expenses of the financing related to the construction of property investments with a term of more than one year were capitalized as part of the cost until the asset was brought into operation.

Repairs that do not represent an extension of the useful life and maintenance costs are charged to the income statement in the year in which they are incurred. The costs of expansion or improvements leading to an increase in production capacity or to a lengthening of the useful lives of the assets are capitalized and, where appropriate, the carrying amount of the replaced items is derecognized.

Depreciation of property investments is taken on cost values and is calculated by the straight-line method on the basis of the estimated useful lives of the various assets, which are as follows:

Items	% depreciation
Buildings	2%
Technical installations	10-12%

At each financial year end, the Company reviews the residual values, useful lives, and depreciation methods for property investments and, where appropriate, these are adjusted forward looking.

4.2 Impairment of non-financial assets

At least at year end, the Company assesses whether there is any indication that any non-current asset or, where appropriate, any cash-generating unit may be impaired. If there are indications and, in any case, for goodwill and intangible assets with indefinite useful lives, their recoverable amounts are estimated.

The recoverable amount is the higher of fair value less costs to sell and value in use. When the carrying amount is greater than the recoverable amount, an impairment loss is incurred. Value in use is the present value of expected future cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset.

Impairment losses and their reversal are recognized in the income statement. Impairment losses are reversed when the circumstances that gave rise to them cease to exist, except in the case of goodwill. The reversal of the impairment is limited to the carrying amount of the asset that would have been determined if the related impairment had not been previously recognized.

4.3 Leases

Contracts are classified as finance leases when it is clear from their economic terms that substantially all the risks and rewards incidental to ownership of the leased asset are transferred to the lessee. Otherwise, the contracts are classified as operating leases.

Operating leases

Property investments are leased to third parties. These leases qualify as operating leases.

Income from operating leases is recognized in the income statement as it accrues on a straight-line basis over the estimated lease term. Direct costs attributable to the lease are included as an increase in the value of the leased asset and are recognized as an expense over the lease term, applying the same criteria used to recognize lease income.

The Company has no finance leases at December 31, 2020 and 2019.

4.4 Financial Assets

Classification and valuation

Loans and receivables:

This category includes trade and non-trade receivables, which include financial assets with fixed or determinable payments which are not traded on an active market and for which the Company expects to recover the full amount paid, except, where applicable, for reasons attributable to the debtor's solvency.

On initial recognition in the balance sheet, these are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which equates to the fair value of the fee provided plus any transaction costs directly attributable thereto.

After initial recognition, these financial assets are measured at amortized cost.

Trade receivables maturing within one year that do not bear contractual interest rates, as well as advances, dividends receivable, and payments required on equity instruments, the amount of which is expected to be received in the short term, are measured initially and subsequently at their nominal value, when the effect of not discounting the cash flows is not material.

Cancellation

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or when they are transferred, provided that substantially all the risks and rewards of ownership are transferred.

If the Company has neither transferred nor retained substantially all the risks and rewards of the financial asset, the financial asset is derecognized when control is not retained. If the Company retains control of the asset, it continues to recognize it at the amount to which it is exposed to changes in the value of the transferred asset, i.e. its continuing involvement, recognizing the associated liability.

The difference between the amount received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, plus any cumulative amount recognized directly in equity, determines the gain or loss arising on derecognition of the financial asset and forms part of the profit or loss for the year in which it arises.

The Company does not derecognize financial assets in transfers in which it retains substantially all the risks and rewards of ownership, such as bill discounting, factoring transactions, sales of financial assets under repurchase agreements at a fixed price or at the sale price plus interest, and securitizations of financial assets in which the Company retains subordinated financing or other types of warranties that absorb substantially all the expected losses. In these cases, the Company recognizes a financial liability for an amount equal to the amount received.

Interest received from financial assets

Interest on financial assets accrued after the time of acquisition is recorded as income in the profit and loss account. Interest is recognized using the effective interest rate method.

4.5 Impairment of financial assets

The carrying amount of financial assets is written down with a charge to the income statement when there is objective evidence that an impairment loss has occurred.

To determine impairment losses on financial assets, the Company assesses the possible losses of both individual assets and groups of assets with similar risk characteristics.

Debt instruments

There is objective evidence of impairment of debt instruments, understood as accounts receivable, loans, and debt securities, when an event occurs after their initial recognition that has a negative impact on their estimated future cash flows.

The Company considers as impaired assets (doubtful assets) those debt instruments for which there is objective evidence of impairment that mainly refers to non-payments, defaults, refinancing, and the existence of data showing the possibility of not recovering all the agreed future cash flows or that there will be a delay in collection thereof.

In the case of financial assets measured at amortized cost, the amount of the impairment losses is equal to the difference between their carrying amount and the present value of the future cash flows estimated to be generated, discounted at the effective interest rate existing at the time of initial recognition of the asset. For trade and other receivables, the Company considers as doubtful assets those balances with items overdue for more than three months for which there is no certainty of collection and the balances of companies that have filed for insolvency proceedings.

The reversal of the impairment is recognized as income in the income statement and is limited to the carrying amount of the financial asset that would have been recognized at the date of reversal had no impairment loss been recognized.

4.6 Financial liabilities

Classification and valuation

Debts and payables

These include financial liabilities arising from the purchase of goods and services for trading operations and debts for non-trading operations that are not derivative instruments.

On initial recognition in the balance sheet, these are recognized at fair value, which, unless there is evidence to the contrary, is the transaction price, which equates to the fair value of the fee received adjusted for any transaction costs directly attributable thereto.

After initial recognition, these financial liabilities are measured at amortized cost. Accrued interest is recognized in the profit and loss account using the effective interest rate method.

Trade payables maturing within one year that do not bear contractual interest rates, as well as payments required by third parties in respect of shareholdings, the amount of which is expected to be payed the short term, are measured at their nominal value, when the effect of not discounting the cash flows is not material.

Cancellation

The Company derecognizes a financial liability when the obligation has been extinguished.

When debt instruments are exchanged with a lender, provided they have substantially different terms, the original financial liability is derecognized and the new financial liability that arises is recognized. In the same way, a substantial change of the current conditions of a financial liability is recorded.

The difference between the carrying amount of the financial liability, or part of it that has been derecognized, and the amount paid, including attributable transaction costs, which also includes any asset transferred other than cash or liability assumed, is recognized in the income statement for the year in which it arises.

When there is an exchange of debt instruments that do not have substantially different terms, the original financial liability is not derecognized and the amount of fees paid is recognized as an adjustment to its carrying amount. The new amortized cost of the financial liability is determined by applying the effective interest rate, which is the rate that matches the carrying amount of the financial liability at the change date with the cash flows payable under the new terms.

4.7 Cash and other cash equivalents

This heading includes cash on hand, bank current accounts, and deposits and reverse repurchase agreements that meet all of the following requirements:

- They are convertible into cash.
- At the time of acquisition, their maturity was no more than three months.
- They are not subject to a significant risk of change in value.
- They form part of the Company's normal cash management policy.

There are certain time restrictions on the availability of certain bank accounts and balances related to the financing contracts described in Note 11. These restrictions are detailed in Note 8.

4.8 Provisions and contingencies

Provisions are recognized in the balance sheet as provisions when the Company has a present obligation (whether arising from a legal or contractual provision or from an implicit or tacit obligation), arising as a result of past events, where it is considered probable that an outflow of resources will be required to settle the obligation, which is quantifiable.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party, and adjustments arising from the restatement of the provision are recognized as a finance cost as they accrue. In the case of provisions maturing in one year or less where the financial effect is not significant, no discounting is performed. Provisions are reviewed at each balance sheet date and are adjusted to reflect the best current estimate of the corresponding liability at each point in time.

Contingent liabilities are defined as possible obligations that arise from past events, the existence of which will be confirmed only by the occurrence of future events not wholly within the Company's control, and present obligations that arise from past events and for which it is not probable that an outflow of resources will be required to settle them or which cannot be measured with sufficient reliability. These liabilities are not recorded in the accounts and are disclosed in the notes to the annual accounts, where relevant, except when the outflow of resources is remote.

4.9 Applicable income tax law

The Company has opted for the application of the special tax regime established in Law 11/2009 of October 26, as amended by Law 16/2012 of December 27, which establishes the legal framework for Listed Real Estate Investment Companies (SOCIMIs), the main activity of these companies being investment in urban real estate assets for rental, including commercial premises among others.

Article 3 of the aforementioned Law establishes the investment requirements for this type of company, namely:

1. SOCIMIs must have at least 80% of the value of their assets invested in urban real estate intended for lease, in land for the development of real estate intended for that purpose, provided that the development is commenced within three years of acquisition, as well as in shares in the capital or assets of other entities referred to in Article 2(1) of the aforementioned Law.

   The value of the assets will be determined based on the average of the quarterly consolidated balance sheets for the year, and the Company may choose to substitute the book value for the market value of the items included in these balance sheets in order to calculate this value, which will be applied to all the balance sheets for the year. For these purposes, cash or credit rights arising from the transfer of such properties or holdings in the same or previous years will not be calculated, provided that, in the latter case, the reinvestment period referred to in Article 6 of the aforementioned Law has not elapsed.

2. Likewise, at least 80% of the income for the tax period calculated at the consolidated level, excluding income derived from the transfer of holdings and real estate assets assigned to the fulfillment of its main corporate purpose, once the maintenance period referred to in the following section has elapsed, must come from the leasing of real estate and from dividends or shares in profits from those holdings.

3. The real estate comprising the SOCIMI's assets must remain leased for at least three years. For the purposes of the calculation, the time that the properties have been offered for lease will be added, up to a maximum of one year. The time limit will be calculated:

   a) In the case of real estate that is in the SOCIMI's assets before the time of applying the regime, from the date of commencement of the first tax period in which the special tax regime established in the Law is applied, provided that at that date the property was leased or offered for lease. Otherwise, the provisions of the following point will apply.

   b) In the case of real estate developed or acquired subsequently by the company, from the date on which it was first leased or offered for lease.

In the case of shares or holdings in entities referred to in Article 2(1) of the aforementioned Law, they must be held in the SOCIMI's assets for at least three years from their acquisition or, as the case may be, from the beginning of the first tax period in which the special tax regime established in the aforementioned Law applies.

Failure to comply with any of these conditions will mean that the Company will be taxed under the general corporate income tax regime from the tax period in which the non-compliance occurs, unless it is remedied in the following year. In addition, the Company shall pay, together with the tax payable for that tax period, the difference between the tax payable as a result of applying the general tax regime and the tax payable as a result of applying the special tax regime in previous tax periods, without prejudice to any late-payment interest, surcharges, and penalties, if any, that may be applicable.

4. The minimum capital requirement is 5 million euros, which is only applicable to entities listed on an official European secondary market.

5. SOCIMIs are obliged to distribute as dividends:

    a. 100% of the profits from dividends or shares in profits distributed by other companies that apply the special SOCIMI tax regime.
    b. At least 50% of the profits derived from the transfer of real estate and shares or holdings that have fulfilled the three-year holding requirement. The rest of the profits must be reinvested in other properties or shares within the following three years.
    c. At least 80% of the rest of the profits obtained.

6. The main corporate purpose of SOCIMIs will be:

    a. The purchase and development of urban real estate for lease. Promotional activity includes the refurbishment of buildings under the terms established in Law 37/1992 of December 28, on Value Added Tax.
    b. The holding of shares in the capital of other SOCIMI or in that of other entities not based in Spanish territory that have the same corporate purpose as the former and that are subject to a regime similar to that established for the SOCIMI with regard to the compulsory legal or statutory policy for the distribution of profits.
    c. The holding of shares in the capital of other entities, whether or not based on Spanish territory, whose main corporate purpose is the acquisition of urban real estate for lease and which are subject to the same regime established for the SOCIMIs with regard to the compulsory legal or statutory policy for the distribution of profits and which meet the investment requirements referred to in Article 3 of this Law. The entities referred to in point (c) may not hold shares in the capital of other entities. The shares representing the capital of these entities must be registered and their entire capital must belong to other SOCIMIs or non-resident entities, as referred to in b) above. In the case of entities resident on Spanish territory, they may opt for the application of the special tax regime under the conditions established in Article 8 of this Law. The holding of shares or units in Real Estate Collective Investment Institutions regulated by Law 35/2003 of November 4, on Collective Investment Institutions.

The income tax expense for the year is calculated by adding the current tax, which results from applying the corresponding tax rate to the taxable profit for the year less any existing tax credits and deductions, and the changes in the year in the deferred tax assets and liabilities recognized. It is recognized in the income statement, except when it relates to transactions that are recognized directly in equity, in which case the related tax is also recognized in equity.

Deferred taxes are recorded for temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amounts to the extent that they are considered to be taxable. The tax base of an asset or liability is considered to be the amount attributed to it for tax purposes.

The tax effect of temporary differences is included under “Deferred tax assets” and “Deferred tax liabilities” in the balance sheet.

The Company recognizes a deferred tax liability for all taxable temporary differences, except, where applicable, for the exceptions set out in current legislation.

Without prejudice to the comments discussed below in relation to the SOCIMI regime, at the end of each reporting period the Company assesses the deferred tax assets recognized and those not previously recognized. Based on this assessment, the Company derecognizes a previously recognized asset if it is no longer probable that it will be recovered, or recognizes any previously unrecognized deferred tax asset if it is probable that future taxable profit will be available to the Company to allow it to be utilized.

Deferred tax assets and liabilities are measured at the tax rates expected at the time of their reversal, in accordance with current tax legislation, and in accordance with the manner in which the deferred tax asset or liability is rationally expected to be recovered or paid.

Deferred tax assets and liabilities are not deducted from the tax base and are classified as non-current assets and liabilities, regardless of the expected date of realization or settlement.

Having said the above, it is worth mentioning that on August 18, 2014 the Company adopted the decision to avail itself of the regime regulated by Law 11/2009 of October 26 governing Listed Real Estate Investment Companies (“SOCIMIs”) with effect from January 1, 2014, as a sub-SOCIMI of its Sole Shareholder. This acceptance was notified to the State Tax Administration Agency in a letter dated September 23, 2014 (Note 1.1). Pursuant to Law 11/2009 of October 26 governing listed real estate investment companies, entities that opt to apply the special tax regime set out in this Law will be taxed at a rate of 0% for corporate income tax purposes. In the event that tax losses are generated, Article 26 of Law 27/2014 on Corporate Income Tax will not be applicable. Likewise, the system of deductions and allowances established in Chapters II, III, and IV of said regulation will not be applicable. In all other matters not set out in Law 11/2009, the provisions of the Corporate Income Tax Law will also be applied.

In the context of the negotiation conducted with a third-party buyer interested in acquiring 100% of the shares representing 100% of the share capital of the Company, the latter opted, in due time and form, for the special tax regime set out in the SOCIMI Law, in its capacity as a SOCIMI whose corporate purpose is as set out in Article 2.1.a) of the aforementioned Law, for tax periods commencing on or after January 1, 2019.

In accordance with the provisions of Article 8 of Law 11/2009 and the Company being an entity in Spanish territory in accordance with Article 2(1)(c) of Law 11/2009, it is decided (leaving without effect the *ad cautelam* option made in 2019) to maintain the application for corporate income tax purposes of the special tax regime regulated in Law 11/2009, for the current tax period of 2020 and the following tax periods under the terms of the option made and communicated in the 2014 financial year. This option is communicated to the tax authorities on September 25, 2020. (see Note 1.1).

The Company will be subject to a special tax of 19% on the full amount of dividends or shares in profits distributed to shareholders whose interest in the Company’s share capital is 5% or more, when such dividends are exempt or taxed at a rate of less than 10%. This tax will be treated as a corporate income tax liability.

The directors of the Company can confirm in these annual accounts that the requirements of the standard for the application of the SOCIMI regime in 2020 have been met, and it is also expected that the remaining formal requirements will be met within the period established for this purpose (see Note 1.1).

4.10 Classification of assets and liabilities as current and non-current

Assets and liabilities are presented in the balance sheet classified as current and non-current. For these purposes, assets and liabilities are classified as current when they are linked to the Company's normal operating cycle and are expected to be sold, consumed, realized, or settled during that cycle; their maturity, disposal or realization is expected to take place within one year; they are held for trading or are cash and cash equivalents whose use is not restricted for a period of more than one year. Otherwise, they are classified as non-current assets and liabilities.

4.11 Income and expenditure

In accordance with the accrual principle, income and expenses are recognized when they occur, regardless of the date of collection or payment.

<u>Trade revenue - sales and services</u>

Revenue is recognized when it is probable that the Company will receive the benefits or economic returns from the transaction and the amount of revenue and costs incurred or to be incurred can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable, less any discounts, price reductions, and other similar items that the Company may grant and any interest included in the face value of the receivables. Indirect taxes levied on transactions and passed on to third parties do not form part of revenue.

Rental income is recognized on a straight-line basis over the estimated term of the lease.

4.12 Environmental aspects

The costs incurred in the acquisition of systems, equipment, and installations the purpose of which is to eliminate, limit, or control the possible impact on the environment of the normal course of the Company's activity are considered to be investments.

All other expenses related to the environment, other than those incurred for the acquisition of fixed assets, are treated as expenses for the year.

As regards possible environmental contingencies that might arise, the Board of Directors considers that, in view of the nature of the Company's business activities, their impact is of little significance and, in any event, they are sufficiently covered by the insurance policies taken out by the Company.

4.13 Transactions with related parties

Transactions with related parties are recognized at the fair value of the consideration given or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic substance.

4.14 Net worth

The Company's share capital is represented by ordinary shares, all of the same class.

The costs of issuing new shares or options are shown directly against equity as a reduction in reserves.

In the case of the acquisition of the Company's own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until the shares are redeemed, reissued, or sold. When these shares are subsequently sold or reissued, any amount received, net of any directly attributable incremental transaction costs, is included in equity.

4.15 Business combinations

Mergers, spin-offs, and non-monetary contributions to business between Group companies are recognized in accordance with the provisions for related party transactions (Note 4.13).

Mergers or spin-offs other than those mentioned above and business combinations arising from the acquisition of all the assets and liabilities of a company or of a part constituting one or more businesses are accounted for using the acquisition method.

In the case of business combinations resulting from the acquisition of shares or equity interests in a company, the Company recognizes the investment in accordance with the provisions established for investments in the equity of Group companies, jointly-controlled entities, and associates.

4.16 Derivative financial instruments

Financial derivatives are measured, both initially and in subsequent valuations, at fair value. The method of recognizing the resulting gain or loss depends on whether or not the derivative has been designated as a hedging instrument and, if so, the type of hedge. In this regard, it should be noted that the Company has contracted derivative financial instruments to hedge future cash flows in the event of changes in the interest rate on financial debt, which do not qualify as accounting hedges, for which reason changes in fair value in relation thereto are recognized on the income statement.

4.17 Foreign currency transactions

a) Functional and presentation currency

The Company's annual accounts are presented in thousands of euros, which is the Company's functional and presentation currency.

(in thousands of euros)

5. Investment Property

The breakdown and movements of the various items comprising the investment property are as follows:

2020 Financial year	Thousands of euros			
	Balance at 12.31.2019	Registrations	Transfers	Balance at 12.31.2020
Cost				
Land	58,108	28,015	-	86,123
Buildings	90,536	136,012	-	226,548
Technical Inst.	19,211	267	-	19,478
Real Estate Inv. in Progress	929	59	-	988
	168,784	**164,353**	**-**	**333,137**
Depreciation				
Buildings	(24,955)	(4,463)		(29,418)
Technical Inst.	(17,673)	(447)		(18,120)
Impairment		(1,599)		(1,599)
	(42,628)	**(6,509)**	**-**	**(49,137)**
Net book value	**126,156**	**157,844**	**-**	**284,000**

2019 Financial year	Thousands of euros			
	Balance at 12.31.2018	Registrations	Transfers	Balance at 12.31.2019
Cost				
Land	58,108	-	-	58,108
Buildings	89,330	-	74	89,404
Technical Inst.	18,339	-	2	18,341
Real Estate Inv. in Progress	704	299	(76)	927
	166,481	**299**	**-**	**166,780**
Depreciation				
Buildings	(21,804)	(1,979)	-	(23,783)
Technical Inst.	(16,405)	(436)	-	(16,841)
	(38,209)	**(2,415)**	**-**	**(40,624)**
Net book value	**128,272**	**(2,116)**	**-**	**126,156**

The opening balances of the accounts for the 2020 financial year have been reclassified.

In the merger process, investment property is revalued at the value on the acquisition date, January 31, 2020, this being 163,989 thousand euros, of which 28,015 thousand euros relates to land and 135,974 thousand euros to construction.

(in thousands of euros)

At the end of the year the impairment of the investment property is reflected as 1,599 thousand euros according to the valuation as at December 31, 2020 by an independent expert.

The full amount of "Investment Property" at the end of 2020 and 2019 relates to the carrying amount of the shopping center, called Parque Principado, located in Asturias, which the Company operates by leasing the commercial premises that make this up, and of a service station - gas station.

All the properties included under this heading serve as security for the financial debt identified in Note 11 of these notes to the consolidated annual accounts.

The Company has taken out various insurance policies to cover the risks to which its investment property is subject. The coverage of these policies is considered sufficient.

5.1 Operating leases

Investment property is leased to third parties under operating leases. Lease contracts have a duration of between 1 and 22 years, with contingent payments.

Income from leases amounted to 14,105 thousand euros in the year ended December 31, 2020 (December 31, 2019: 16,409 thousand euros). On top of this there is income from the re-invoicing of expenses amounting to 5,113 thousand euros as at December 31, 2020 (5,160 thousand euros as at December 31, 2019). See Note 13.1.

Details of the gross leasable area in square meters owned by the Company and its occupancy rate at the end of 2020 and 2019 are shown below:

	GLA 2020 (M2)	GLA 2019 (M2)	Occupation as at 12/31/2020	Occupation as at 12/31/2019
Asturias Propco Número Uno, S.L.U. Shopping Complex	73,801	73,801	98%	99%
	73,801	**73,801**	**98%**	**99%**

The future minimum lease payments under non-cancelable leases as of December 31, 2020 and 2019 are as follows, considering the earliest termination dates agreed to with each tenant. They do not take into account possible future inflationary increases:

	Thousands of euros	
	2020	**2019**
Up to one year	13,351	14,338
Between one and five years	32,005	24,390
More than five years	4,422	2,729
TOTAL	**49,779**	**41,457**

5.2 Other information

As at December 31, 2020 there were fully depreciated technical installations amounting to 15,800 thousand euros (December 31, 2019: 15,800 thousand euros).

- Market value

As at December 31, 2020, according to the study conducted by an independent expert, the market value of the Shopping Center amounted to 284,000 thousand euros (308,190 thousand euros in 2019).

- Key value-in-use assumptions used by the independent appraisers:

The valuation assumption used for rental real estate assets is that of income capitalization based on the discounted cash flow and Exit Yield method.

The following steps were taken to obtain the fair value of the properties:

a) Determination of 10-year income and expense streams from the rental of the properties.

b) Obtaining of the flow of net operating income (NOI) before taxes, amortization, and debt service.

c) Restatement of said net income using a discount rate of 7.4%.

d) Obtaining of a residual value determined by capitalizing the last flow of net income (market yield) in perpetuity, subtracting the expenses derived from the sale (2%), and discounting the net operating income at the same discount rate. The market yield used for the capitalization of net income streams was 4.9%.

6. Analysis of Financial Instruments

6.1 Analysis by category

The carrying amount of each of the categories of financial instrument established in the "Financial Instruments" accounting and measurement standard, except for investments in the equity of Group companies, jointly controlled entities, and associates, is as follows:

- Long-term and short-term financial assets:

(in thousands of euros)

	Thousands of euros	
	Long-term financial assets Loans and receivables and others	
	12/31/2020	**12/31/2019**
Long-term loans to Group companies	-	3,463
Long-term taxes (Note 8)	6,596	-
Bonds and deposits posted (Note 7)	396	547
	6,992	**4,010**

	Thousands of euros	
	Short-term financial assets Loans and receivables and others	
	12/31/2020	**12/31/2019**
Clients	5,347	1,943
Provision for impairment of trade accounts receivable	(352)	(320)
Short-Term Loans to Group Companies	184	-
Bonds and deposits posted (Note 7)	200	97
	5,379	**1,720**

- Long-term and short-term financial liabilities:

	Thousands of euros	
	Long-term financial liabilities	
	Loans and receivables and others	
	12/31/2020	**12/31/2019**
Debts with credit institutions	180,732	119,757
Financial derivatives	-	812
Deferred tax liabilities	12,600	
Bonds and deposits received	2,267	2,982
	195,599	**123,551**

(in thousands of euros)

	Thousands of euros	
	Short-term financial liabilities	
	Loans and Receivables and others	
	12/31/2020	**12/31/2019**
Debts with credit institutions	274	85
Suppliers of Group companies	-	-
Other payables	556	350
Trade debtors - credit balances	20	19
Short-term deposits received	1,020	447
	1,870	**901**

In 2020, short-term liabilities with public administration bodies amounted to 5 thousand euros (323 thousand euros in 2019), which have not been included in the above breakdown (see Note 12).

In 2020, a deferred tax asset of 12,600 thousand euros was recognized in the company's equity as a result of the unrealized gain generated prior to its inclusion in the SOCIMI regime.

6.2 Analysis by maturity date

The amounts of financial instruments with a fixed or determinable maturity classified by year of maturity as at December 31, 2020 and 2019, were as follows (in thousands of euros):

- Financial assets:

							2020
	2021	2022	2023	2024	2025	Subsequent years	Total
Assets:							
Clients	4,995	-	-	-	-	-	4,995
Long-term deposits	-	6,596	-	-	-	-	6,596
Loans to group companies	184	-	-	-	-	-	184-
Bonds and deposits posted	200	16	20	144	21	195	596
	5,379	**6612**	**20**	**144**	**21**	**195**	**12,371**

							2019
	2020	2021	2022	2023	2024	Subsequent years	Total
Assets:							
Clients	1,623	-	-	-	-	-	1,623
Loans to group companies (Note 15.1)	-	3,463	-	-	-	-	3,463
Loans to companies	-	-	-	-	-	-	0
Bonds and deposits posted	97	150	16	20	119	242	644
	1,720	**3,613**	**16**	**20**	**119**	**242**	**5,730**

- Financial liabilities:

							2020
	2021	2022	2023	2024	2025	Subsequent years	Total
Liabilities:							
Debts with credit institutions	274	-	-	-	180,732	-	181,006
Other payables	556	-	-	-	-	-	556
Suppliers, group companies	-	-	-	-	-	-	-
Derivative financial instruments	-	-	-	-	-	-	-
Trade debtors - credit balances	20	-	-	-	-		20
Bonds and deposits received	1,020	342	690	629	164	442	3,287
	1,853	**342**	**690**	**629**	**180,896**	**442**	**184,852**

(in thousands of euros)

							2019
	2020	2021	2022	2023	2024	Subsequent years	Total
Liabilities:							
Debts with credit institutions	85	119,757	-	-	-	-	119,842
Other payables	350	-	-	-	-	-	350
Suppliers, group companies	-	-	-	-	-	-	-
Derivative financial instruments	-	812	-	-	-	-	812
Trade debtors - credit balances	19	-	-	-	-	-	19
Bonds and deposits received	447	504	270	582	511	1,115	3,429
	901	**121,073**	**270**	**582**	**511**	**1,115**	**124,452**

7. Bonds, Deposits, Loans to Companies, and Accruals

a) Bonds, deposits, and loans to companies

As at December 31, 2020 and 2019, the amounts of the items included under the long-term and short-term financial investments and loans to companies items were as follows:

	12/31/2020	12/31/2019
Long-term bonds	396	547
Short-term bonds	200	97
Long-term loans to Group companies	-	3,463
Unavailable deposits	6,596	-
Total	**7,192**	**4,107**

Long-term and short-term bonds relate mainly to bonds deposited with the Government of the Principality of Asturias in connection with investment property leases. In accordance with the provisions of Article 36 of Law 29/1994, of 24 November, on urban leases, the obligation to deposit bonds with the Administration of the Principality of Asturias has been abolished. Previously deposited bonds will be refunded as the contracts expire.

Long-term loans to Group companies as at December 31, 2019 include two loans granted to Asturias Retail and Leisure SOCIMI, S.A.U., on October 18, 2019 and December 11, 2019 respectively. These loans bear interest at an annual rate of 3.6% and are repayable at the end of 2020.

b) Accruals

	12/31/2020	12/31/2019
Asset accruals	99	135
Bond discount	(180)	
Prepaid expenses - Insurance	279	135
Liability accruals	16	192

The asset accruals in the 2019 financial year are prepaid expenses related to the shopping center insurance policies. The asset accruals in 2020 are prepaid expenses related to the insurance policies taken out by Briscoe, S.L.U. and discounts on the Bonds.

Liability accruals as at December 31, 2020 relate to advance income received from various tenants who have paid the Company for the refurbishment of the terraces of their premises amounting to 77 thousand euros in 2019 and 116 thousand euros in 2018, the balances of which are being gradually written off against an income account over the term of the lease.

Loans and Receivables

The Company hereby provides the following breakdown of loans and receivables at year-end:

	12/31/2020	**12/31/2019**
Short-term loans and receivables:		
Trade receivables - sales and services	5,347	1,943
Provision for impairment of trade accounts receivable	(352)	(320)
TOTAL	**4,995**	**1,623**

The fair values of loans and receivables match the carrying amounts.

These items are fully denominated in thousands of euros. The "Trade receivables for sales and services" item includes the straight-line recognition of income from certain lease incentives (grace periods and staggered rents) and of expenses associated with the signing of lease contracts amounting to 1,327 thousand euros (1,337 thousand euros in 2019).

Past-due trade receivables that are less than three months old are not considered to be impaired.

The movements in the provision for impairment losses on trade and other receivables were as follows:

Balance as at January 1, 2019	**(136)**
Net (provisions)/reversals charged to income for the year	(184)
Allocations	
Balance as at December 31, 2019	**(320)**
Net (provisions)/reversals charged to income for the year	(146) - 114
Balance as at December 31, 2020	**(352)**

The maximum exposure to credit risk as at the reporting date is the fair value of each of the above categories of receivables. The Company does not hold any guarantees as insurance.

8. Cash and other cash equivalents

The composition of this item as at December 31, 2020 and 2019, was as follows:

(in thousands of euros)

	12/31/2020	12/31/2019
Sight current accounts (thousands of euros)	7,730	13,437
TOTAL	**7,730**	**13,437**

The company has 6,596 thousand euros deposited in a bank account, which is an amount loaned by Allianz but is unavailable until January 31, 2022, by virtue of the financing contracts.

9. Net worth

9.1 Registered capital

Class	Number of shares	Nominal value per share	Total nominal value (euros)
Ordinary	1,626,236	3.13528194	5,098,708.37
Total	**1,626,236**	**3.13528194**	**5,098,708.378**

The company has carried out a capital reduction of 4,675 thousand euros during the 2020 financial year.

As at December 31, 2020, the share capital of the Company amounted to 5,099 thousand euros, represented by 1,626,236 shares each with a nominal value of 3.13528194, all of the same class, fully subscribed and paid up by Fayfey Invest, S.A.

As at December 31, 2020, the Companies with a shareholding of 10% or more in the share capital were as follows:

Asturias PropCo Número Uno, S.L.U	Share Percentage	Total number of shares
Faifey Invest, S.A.	100%	1,626,236
Total	**100%**	**1,626,236**

As at December 31, 2019, the Companies with a shareholding of 10% or more in the share capital were as follows:

Asturias PropCo Número Uno, S.L.U	Share Percentage	Total number of shares
Asturias Retail and Leisure SOCIMI, S.A.U.	100%	1,626,236
Total	**100%**	**1,626,236**

9.2 Issue Premium and Reserves

The breakdown of the various items comprising the issue premium and reserves item is as follows:

(in thousands of euros)

	Issue Premium and Reserves	
	2020	**2019**
Issue Premium (52,425)	75	
Legal Reserve 1,955	1,955	
Special Reserves	164,656	
Voluntary Reserves (12,518)	86	
	101,668	**2,116**

Legal reserve

Under the Capital Companies Act, a public limited company must transfer 10% of its profit for each year to the legal reserve until the balance of this reserve reaches at least 20% of its share capital. The legal reserve may be used to increase the capital, using only the part of its balance that exceeds 10% of the capital after the increase. Except for the aforementioned purpose, and until this reaches 20% of the share capital, this reserve may only be used to offset losses when sufficient other reserves are not available for this purpose.

As at December 31, 2020 and 2019, the Company recorded the amount of 1,955 thousand euros in this item, so the Legal Reserve is fully constituted.

Voluntary Reserve

As at December 31, 2019 the Company recorded the amount of 86 thousand euros in this accounting item. During the 2020 financial year, this amount was reduced by two transactions, 4 thousand euros for the expenses incurred in the capital reduction of the entity and the capital increase of Briscoe, S.L.U. (a company that was absorbed during the financial year) and 12,600 thousand euros for the deferred tax liability recorded in the year.

Special Reserve

The reverse merger by absorption of Briscoe, S.L.U. gave rise to a merger reserve of 164,656 thousand euros.

Issue premium

The issue premium at the end of the year amounted to (52,425) thousand euros. This amount comes from the refund on June 12, 2020 of the issue premium of 52,500 to its shareholder Faifey Invest S.A.

The issue premium at the end of 2019 amounted to 75 thousand euros. This reserve is freely available.

10. Provisions and contingencies

During the year ended December 31, 2020 as well as during the 2019 financial year, there have been no significant movements that should be mentioned.

(in thousands of euros)

11. Loans and payables

The breakdown of this heading as at December 31, 2020 and 2019 was as follows:

	2020	2019
	Long-term loans and payables	
Debts with credit institutions	180,732	119,757
Other long-term debts	2,266	2,982
Derivatives		812
Total	**182,998**	**123,551**

	2020	2019
	Short-term loans and payables	
Debts with credit institutions	274	85
Other trade creditors and other payables	556	350
Other short-term debts	1,020	447
Trade debtors - credit balances	20	19
Public Administration Bodies (Note 12)	5	323
Total	**1,875**	**1,224**

Other long-term debts

The amount included in Other long-term and short-term debts relates to deposits and guarantees received in connection with the rental of real estate investment premises.

Debts with credit institutions

On January 31, 2020, through a deed executed before the Notary Mr ANTONIO PÉREZ-COCA CRESPO, under number 473 of his record book, a facility agreement for the amount of 185,000 thousand euros in favor of the company ASTURIAS PROPCO NUMERO UNO, S.L.U. with the entities ALLIANZ DEBT FUND SCSP SICAV-SIF, ALLIANZ S.P.A., ALLIANZ REAL ESTATE GMBH and ALLIANZ REAL ESTATE GMBH, acting as the agent, and CBRE LOAN SERVICES LIMITED, acting as the collateral agent, was put on public record for the purpose of:

a) Refinancing the financing contract existing to date, which amounted to 121,000 thousand euros, signed with Credit Agricole Corporate and Investment Bank Sucursal en España, on November 3, 2016.

b) Pay fees, taxes, commissions, registration fees, and other fees and costs;

c) And to cover the general corporate needs of the borrowers.

The main features of the financing contract are:

a) Lenders: ALLIANZ DEBT FUND SCSP SICAV-SIF (83.78%) AND ALLIANZ S.P.A. (16.22%)

b) Borrowers: Asturias Propco Número Uno, S.L.U.

(in thousands of euros)

c) Principal: € 185,000,000. Divided into three amounts: € 126,000,000; € 52,500,000, and € 6,500,000

d) Maturity: 5 years (1/31/2025).

e) Repayment schedule: In a single payment five years after signing the contract.

f) Interest rate: 1.7% fixed annual rate, accrued quarterly.

g) Guarantees granted: i) On January 31, 2020 and before the Notary Antonio Perez Coca Crespo, a first ranking mortgage was constituted on the properties owned by ASTURIAS PROPCO NUMERO UNO, S.L.U, 96183, 96184, and 96185, to guarantee the repayment of 240.5 million, to cover up to a maximum of 185 million in principal, 11.1 million in interest, 29.6 million in late payment interest, and 14.8 million in costs and expenses.

h) Covenants established: i) Debt Yield Covenant: the maintaining of a debt ratio of 6.25% of net operating income; ii) Loan to Value: the maintaining of a maximum ratio of 70% between the capital drawn down and the market value of the properties mortgaged as security for this financing agreement.

At the end of the year ended December 31, 2020, the Company had drawn down an amount of 185,000 thousand euros and therefore recorded an outstanding amount measured at amortized cost under non-current liabilities of 180,732 thousand euros' principal as at December 31, 2020, with the nominal amount outstanding as at December 31, 2020 being 185,000 thousand euros. Accrued interest not yet due is recognized under current liabilities in the amount of 274 thousand euros as at December 31, 2020.

The nominal amount outstanding as at December 31, 2019 was 121,000 thousand euros. Accrued and unmatured interest is recognized in current liabilities in the amount of 85 thousand euros as at December 31, 2019.

The financial expenses accrued in 2020 on the loan with Allianz as the Agent bank amount to 4,734 thousand euros. The financial expenses accrued in 2019 on the loan with Credit Agricole as the Agent bank amount to 2,718 thousand euros.

12. Tax situation

The breakdown of the balances relating to tax assets and liabilities as at December 31 was as follows:

	Assets	Liabilities	Assets	Liabilities
	2020		2019	
Current:				
Value Added Tax (VAT)	-	5	-	323
	-	**5**	**-**	**323**

(in thousands of euros)

According to the legal provisions in force, tax assessments cannot be considered final until they have been inspected by the tax authorities or the statute of limitations period, currently set at four years, has elapsed. The Company has the last four financial years open for inspection for all applicable taxes. In the opinion of the Company's directors and its tax advisers, there are no significant tax contingencies that could arise, in the event of an inspection, from possible interpretations of the tax legislation applicable to the transactions carried out by the Company.

12.1 Calculation of Corporate Income Tax

The reconciliation between the net amount of income and expenses for 2020 and 2019 and the taxable income (taxable profit) for corporate income tax purposes is as follows:

2020 FINANCIAL YEAR	**Increases**	**Decreases**	**Total**
Profit/(loss) for the year	-	-	(39)
Balance of income and expenses for the year before taxes	**-**	**-**	**(39)**
Permanent differences	**-**	**-**	**-**
Temporary differences	**1,599**	**(97)**	**1,502**
Impairment losses on investment property	1,599		1,599
Depreciation deductibility limit	-	(97)	(97)
Taxable income (tax result)	**-**	(97)	**1,463**

2019 FINANCIAL YEAR	**Increases**	**Decreases**	**Total**
Profit/(loss) for the year	-	-	8,601
Balance of income and expenses for the year before taxes	**-**	**-**	**8,601**
Permanent differences	**-**	**-**	**-**
Temporary differences	**-**	**(97)**	**(97)**
Depreciation deductibility limit	-	(97)	(97)
Taxable income (tax result)	**-**	**-**	**8,504**

The temporary differences are 97 thousand euros for expenses not deducted for depreciation of investment property from previous years; and 1,599 thousand euros for the impairment loss on investment property.

On December 27, 2012, through Royal Decree-Law 16/2012, various tax measures were adopted, including (article 7) the limitation of 30% of the tax deductibility for depreciation for the periods 2013 and 2014. Therefore, accounting depreciation that is not tax deductible under the provisions of this law will be deducted on a straight-line basis over a period of 10 years or optionally over the useful life of the asset, starting in 2015.

As a result of its status as a SOCIMI and insofar as it complies with the criteria established by Law 11/2009, of October 26, the current corporate income tax rate applicable to the Company is 0% as a result of the application of the SOCIMI regime to the taxable income. In both 2020 and 2019, there have been no deductions from the contributions applied and no withholdings or payments on account. The amount payable to the tax authorities was 0 euros as at December 31, 2020 and 2019.

(in thousands of euros)

At the end of 2020 and 2019, the Company had tax loss carryforwards from 2013 amounting to 3,168 thousand euros pending offsetting.

13. Income and Expenditure

13.1 Net turnover

The distribution of the Company's net turnover from continuing operations by category of activity was as follows:

	2020	2019
Income from rental of premises	14,105	16,409
Income from expenses passed on to tenants	5,113	5,160
TOTAL	**19,218**	**21,569**

13.2 Other operating expenses

The breakdown of this item at the end of the year was as follows:

	2020	2019
External services and credit impairment losses:		
Owners' community expenses	4,786	4,181
Independent professional services	1,119	1,665
Insurance premiums	194	160
Banking services	4	1
Advertising/Business name change services	178	
Other services	48	15
Allocation/(Reversal) to the provision for trade operations	146	138
TOTAL	**6,475**	**6,161**

	2020	2019
Taxes and rates:		
Real Estate Tax	375	352
Tax on Economic Activities	86	86
Tax on Large Commercial Establishments (IGEC) for the financial year	926	926
TOTAL	**1,387**	**1,364**

(in thousands of euros)

13.3 Financial result

	2020	2019
Financial income:		
- Interest on short-term payables to Group companies	-	9
- Other financial income	12	11
TOTAL	**12**	**20**
Financial expense:		
- Interest on bank borrowings	(2,796)	(2,061)
- Loan arrangement fees	(1,955)	(648)
- Interest on debts to group and associated companies	-	-
- Others	-	(9)
TOTAL	**(4,751)**	**(2,718)**
Changes in the fair value of financial instruments		
Changes in the fair value of financial instruments	(160)	(329)
TOTAL	**(160)**	**(329)**
Exchange differences		
Exchange differences	-	(1)
TOTAL	**-**	**(1)**

14. Related parties

The parties related to the Company in the 2020 financial year and the nature of said relationships were as follows:

Company Name	Nature of the relationship
Faifey Invest, S.A.	Sole Shareholder of the Company.

The parties related to the Company in the 2019 financial year and the nature of said relationships were as follows:

Company Name	Nature of the relationship
Asturias Retail and Leisure SOCIMI, S.A.U.	Sole Shareholder of the Company.
Principality Park S.à r.l.	Majority shareholder of Asturias Retail and Leisure SOCIMI, S.A.U.
Intu Management Spain, S.L.	Group Company Intu Properties PLC
Intu Shopping Centers PLC	Group Company Intu Properties PLC

14.1 Transactions with related parties.

The breakdown of balances and transactions with group companies is shown in the following tables:

(in thousands of euros)

Balances

Company Name	Concept	2020	2019
Faifey Invest ,S.A.	Collections and payments	184	-
Total		**3,463**	-

Related companies before January 31, 2020

Balances

Company Name	Concept	2020	2019
Asturias Retail and Leisure SOCIMI, S.A.U.	Long-term loans to group companies and associates	-	3,463
Total		-	**3,463**

Transactions

Company Name	Concept	2020	2019
Intu Management Spain S.L.	Asset management services	(144)	(1,080)
Intu Shoping Centres PLC	Insurance premium	-	(160)
Principality Park S.à r.l.	Financial expenses	-	-
Asturias Retail and Leisure SOCIMI, S.A.U.	Financial income	-	9
Total		**(144)**	**(1,231)**

15. Directors and senior management

The Company has no balances with the directors or senior management, nor did it grant them any remuneration during the years ended December 31, 2020 and 2019.

Since the Company does not have its own personnel, there is no Senior Management.

The Company has no pension or life insurance commitments to former or current members of the Board of Directors.

In relation to Articles 229 and 230 of the Capital Companies Act, the directors have declared that they have no conflict of interest with the Company.

16. Information on the nature and level of risk arising from financial instruments

The Company's risk management policies in 2020 were established by the Board of Directors. Based on these policies, a series of procedures and controls were established to identify, measure, and manage the risks arising from its activity.

(in thousands of euros)

16.1 Credit risk

Credit risk arises from the possible loss caused by the failure of the Company's counterparties to comply with their contractual obligations, i.e. the possibility of not recovering the financial assets for the amount recognized and within the established period.

Operational Activities

Periodically, a breakdown is prepared with the age of each of the balances receivable and which serves as a basis for managing their collection. Overdue accounts are followed-up on each month by the Property Manager. For those that are more than three months old, a collection procedure is initiated, at which point they are passed on to the legal department for follow-up and, if necessary, subsequent legal action.

The breakdown of the concentration of credit risk by counterparty for sales and services to clients as at December 31, 2020 and 2019, is as follows:

	2020		2019	
	No. of clients	In	No. of clients	In
With a balance of more than 100 thousand euros	15	1,756	-	-
With a balance between 100 thousand euros and 50 thousand euros	16	1,149	3	201
With a balance between 50 thousand euros and 20 thousand euros	21	650	6	186
With a balance of less than 20 thousand euros	82	255	12	82
TOTAL	**134**	**3,810**	**21**	**469**
Linearization of rental fees		1,328		1,337
Invoices and credit memos to be issued		189		138
Trade debtors - credit balances		20		-
Valuation adjustments due to impairment		(352)		(321)
Trade receivables - sales and services		**4,995**		**1,623**

Investment activities

The Company's policies establish that financial investments (investment in repos, treasury funds, and short, medium, and long-term fixed income investment funds) should not be made unless certain specific circumstances make it advisable to do so.

16.2 Market risk

Market risk arises from the possible loss caused by changes in the fair value or future cash flows of financial instruments due to changes in market prices. Market risk includes interest rate risk, currency risk, and price risk.

Interest rate risk

Interest rate risk arises from the possible loss caused by changes in the fair value or future cash flows of financial instruments due to changes in market interest rates. The Company attempts to mitigate the risk of changes in interest rates by arranging derivative financial instruments.

Exchange rate risk

The Company is not exposed to the risk of exchange rate fluctuations as it carries out its operations in the euro zone and the euro is its functional currency.

Price risk

In relation to price risk, the Company has established a series of policies for setting rental prices based on the type of premises to be leased in order to monitor an adequate level of income that allows the demand for space to be matched to vacant premises. Any modification in relation to this pricing policy must be previously authorized by the Commercial Management of the Group to which it belongs.

16.3 Liquidity risk

Liquidity risk arises from the possibility that the Company may not have sufficient liquid funds, or access to these, at an appropriate cost, to meet its payment obligations at all times.

The Company estimates its cash requirements on a regular basis and no short-term needs have been identified.

16.4 Fair value

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

The fair value of financial instruments not quoted in an active market is determined using valuation techniques. The Company uses its judgment to select a variety of methods and makes assumptions based on market conditions at each balance sheet date. Quoted market prices or broker quotes are used for long-term debt. Other techniques are used to determine the fair value of other financial instruments , such as estimated discounted cash flows. The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows.

The fair value of forward exchange rate contracts is determined using the forward exchange rates quoted in the market at the balance sheet date.

(in thousands of euros)

It is assumed that the carrying amount of trade receivables and payables approximates their fair value. The fair value of financial liabilities for financial reporting purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Company for similar financial instruments.

17. Other information

17.1 Staff structure

The Company has no employees and therefore there are no personnel expenses.

The Company's current Board of Directors consists of four men, one of whom acts as a non-director deputy secretary.

17.2 Audit fees

The fees accrued during the year for services rendered by the auditors were as follows (in euros):

	2020	2019
Audit Services		16
TOTAL		**16**

In 2020 and 2019, the annual accounts were audited by PwC and Deloitte, respectively.

No fees have been accrued in the 2020 and 2019 financial years for items other than the auditing of accounts or by firms using the Deloitte and PwC brands.

17.3 Environmental Information

Systems, equipment, installations, and expenses incurred by the Company for the protection and improvement of the environment were not significant as at December 31, 2020 and 2019.

With the procedures currently in place, the Company considers that environmental risks are adequately controlled.

The Company did not receive any environmental grants during 2020 or 2019.

17.4 Information on deferrals on payments to suppliers in commercial transactions

The information required by Final Provision Two of Law 31/2014, of December 3, which has been prepared applying the Resolution of the Spanish Accounting and Audit Institute dated January 29, 2016, is detailed below:

(in thousands of euros)

	2020	2019
	Days	**Days**
Average supplier payment period	17	31
Ratio of transactions paid	17	21
Ratio of transactions pending payment	10	604
	Amount (thousands of euros)	**Amount (thousands of euros)**
Total payments made	13,486	9,216
Total outstanding payments	482	155

The "Average supplier payment period" shall be understood to be the period that elapses from the invoice date until the material payment of the transaction, according to the aforementioned Resolution of the Spanish Accounting and Audit Institute.

This "Average supplier payment period" is calculated as the quotient formed in the numerator by the sum of the ratio of transactions paid by the total amount of the payments made plus the ratio of transactions pending payment by the total amount of the payments pending and, in the denominator, by the total amount of payments made and payments pending.

The ratio of transactions paid is calculated as the quotient formed in the numerator by the sum of the products corresponding to the amounts paid, by the number of payment days (calendar days elapsed from the start of the calculation of the term until the material payment of the transaction) and, in the denominator, the total amount of the payments made.

Likewise, the ratio of transactions pending payment corresponds to the quotient formulated in the numerator by the sum of the products corresponding to the amounts pending payment, by the number of days pending payment (calendar days elapsed from the start of the calculation of the period until the closing date of the annual accounts) and, in the denominator, the total amount of the payments pending.

The result of such a high ratio of outstanding transactions is due to the outstanding invoices for works retentions. These retentions are not paid until completion of the contracted work, so the ratio skyrockets.

The maximum legal payment period applicable to the Company under Law 11/2013 of 26 July is 30 days, unless there is an agreement between the parties with a maximum of 60 days.

17.5 Information requirements arising from the status as a SOCIMI (Law 11/2009)

In compliance with the provisions of Law 11/2009, which regulates listed real estate investment companies, the following information is detailed below:

1- Reserves from years prior to the application of the tax regime established in Law 11/2009, as amended by Law 16/2012, of December 27.

a) Asturias Propco Número Uno, S.L.U.: 4,997 thousand euros.

(in thousands of euros)

b) Asturias Propco Número Dos, S.L.U.*: 3,199 thousand euros of negative reserves as a result of the losses obtained by the Company in 2013.

2- Reserves from years in which the tax regime established in Law 11/2009, as amended by Law 16/2012, of December 27, was applied.

COMPANY	TYPE OF RESERVE	AMOUNT	TYPE OF CHARGE	YEAR
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	LEGAL RESERVE	62	0%	2014
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	VOLUNTARY RESERVES	62	0%	2014
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	LEGAL RESERVE	130	0%	2015
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	VOLUNTARY RESERVES	843	0%	2015
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	VOLUNTARY RESERVES	(12,518)	0%	2020
ASTURIAS PROPCO NUMERO UNO, S.L.U.	SPECIAL RESERVES	164,656	0%	2020
ASTURIAS PROPCO NÚMERO DOS, S.L.U.*	SHARE CAPITAL	15	0%	2013-2014
ASTURIAS PROPCO NÚMERO DOS, S.L.U.*	ISSUE PREMIUM	394	0%	2014
ASTURIAS PROPCO NÚMERO DOS, S.L.U.*	LEGAL RESERVE	(212)	0%	2014
ASTURIAS PROPCO NÚMERO DOS, S.L.U.*	NEGATIVE RESULT	(1,049)	0%	2014

3- Dividends distributed charged to income for each year in which the tax regime established in this Law has been applicable, differentiating between the part arising from income subject to the 0% or 19% tax rate and that which, where applicable, has been taxed at the general tax rate.

COMPANY	DIVIDEND (Thousands of euros)	TAX RATE	YEAR	Date of Distribution Agreement
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	493	0%	2014	6/30/2015
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	3,888	0%	2015	4/28/2016
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	3,863	0%	2016	5/16/2017
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	8,248	0%	2017	5/24/2018
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	7,889	0%	2018	6/17/2019
ASTURIAS PROPCO NÚMERO UNO, S.L.U.	8,601	0%	2019	3/20/2020
ASTURIAS PROPCO NÚMERO DOS, S.L.U.*	1,633	0%	2014	6/30/2015

4- In the case of the distribution of dividends charged to reserves, designation of the year the reserve allocated came from and whether these have been taxed at 0%, 19%, or at the general rate.

On December 17, 2018, it was agreed to distribute dividends, charged to the Company's reserves, amounting to 7,200 thousand euros to its sole shareholder

Asturias Retail and Leisure SOCIMI, S.A., of which 7,056 thousand euros came from the share premium and share capital contributed by Asturias Propco Número Dos, S.L., and 145 thousand euros from reserves generated by the Company prior to its entry into the SOCIMI regime.

5- Date of the agreement to distribute the dividends referred to in points 3 and 4, above.

See previous points.

6- Date of acquisition of the properties intended for lease and of the shares in the capital of the entities referred to in section 1 of article 2 of this Law.

a) Shopping center located in the parishes of Viella and Lugonés, in Naón, Paredes, Folgueras, San Justo, and Llosa de la Villa, Town Council of Siero, which is registered in the Land Registry of Pola de Siero, as property number 96,185 in Volume 1,034, Book 881, folio 156, entry no. 2 (Notes 1.2 and 19). Construction of the asset was completed on May 23, 2001.

b) Annex to the shopping center located in the parishes of Viella and Lugonés, in Naón, Paredes, Folgueras, San Justo, and Llosa de la Villa, Town Council of Siero, which is registered in the Land Registry of Pola de Siero in Volume 1,034, Book 881, Folio 149, number 96,183. Acquired by virtue of the deed of sale granted before Madrid Notary Mr Antonio Morenés Giles on October 4, 2013 under number 2,619 of his record book.

c) Service Station - Gas Station of the "Intu Asturias" shopping complex located in the parishes of Viella and Lugonés, in Naón, Paredes, Folgueras, San Justo, and Llosa de la Villa, Town Council of Siero, which is registered in the Land Registry of Pola de Siero, Volume 1,300, Book 1,106, Folio 134, number 96.184. Acquired on May 20, 2014, and by public deed granted before the same Notary Public of Madrid, under number 1,111 of his record book.

7- Identification of the asset included in the 80% referred to in section 1 of article 3 of this Law.

See Note 5 to these annual accounts and the preceding point

8- Reserves from financial years in which the tax regime established in this law was applicable and which have been used during the tax period, other than for distribution or to offset losses, identifying the financial year said reserves correspond to.

See point 2.

* As described in Note 1 to these notes to the consolidated annual accounts, on July 28, 2017, the resolutions adopted on June 26, 2017 merging the subsidiaries Asturias Propco Número Uno, S.L. (as the absorbing company) and Asturias Propco Número Dos, S.L. (as the absorbed company) were placed on public record. The merger took effect for accounting purposes on January 1, 2017. In accordance with the foregoing and for greater control and understanding, the reserves and dividends from Asturias Propco Número Dos, S.L. have been broken down instead of being included in the reserves of Asturias Propco Número Uno, S.L.

* As described in Note 1 of these notes to the consolidated annual accounts, on May 28, 2020, the resolutions adopted on April 23, 2020 merging the companies Asturias Propco Número Uno, S.L.U. (as the absorbing company) and Briscoe, S.L.U. (as the absorbed company) were placed on public record. The merger took effect for accounting purposes on January 31, 2020.

18. Reverse merger by absorption

Merger by absorption. On May 28, 2020, the merger by absorption of the company BRISCOE, S.L.U. with Tax Identification Number B88362108, with registered office in Madrid, Calle Príncipe de Vergara, número 112, was notarized with the dissolution thereof and absorption en bloc of its corporate assets by ASTURIAS PROPCO NUMERO UNO, S.L.U., all according to the merger project presented by the directors, drawn up and signed on April 23, 2020. The date for accounting purposes was January 31, 2020. Therefore, the transactions of the absorbed company are considered to have been carried out, for accounting purposes, on behalf of the absorbing company as from January 31, 2020.

The main activity of BRISCOE, S.L.U., the absorbed company, was the incorporation, participation in, on its own account or indirectly through the management and control of other companies and enterprises, acquisition, disposal, holding, and exploitation of real estate.

The merger of the two companies, which belong to the same Group, is justified in order to centralize planning and decision-making in the absorbing company as well as management, financial, and administrative services, in order to achieve less administrative complexity and more coordinated management by not duplicating administrative structures, with the consequent savings in costs and additional operational flexibility.

The merger does not fall under the special regime for mergers and spin-offs, contributions of assets, exchange of securities, and change of registered office of a European company or Cooperative Society from one member state to another of the European Union established in Chapter VII of Title VII of Law 27/2014, of November 27, on Corporate Income Tax.

Briscoe, S.L.U. carried out a capital increase with an issue premium on April 1, 2020. The share capital was increased by 5,000 thousand euros and an issue premium of 164,732 thousand euros was charged.

The shares of Asturias Propco Número Uno, S.L.U. at the time of the merger were valued in Briscoe, S.L.U. for a total amount of 169,053 thousand euros. As at January 31, 2020, the valuation of the investment property of Asturias Propco Número Uno, S.L.U. amounted to 290,000 thousand euros.

The items transferred and their valuation as at January 31, 2020 in thousands of euros are as follows:

- Accruals and deferrals 336
- Cash and other cash equivalents: 169,734
- Issued capital pending registration - 169,732
- Trade creditors and other payables - 337

Balance Sheet of Briscoe, S.L.U.

ASSETS		1/31/2020
A)	NON-CURRENT ASSETS	182,673,842.00
IV.	Long-term investments in group companies and associates	182,673,842.00
V.	Long-term financial investments	
B)	CURRENT ASSETS	(12,603,232.48)
III.	Trade and other receivables	226.65
3.	Other debtors	226.65
IV.	Short-term investments in group companies and associates	(182,673,842.00)
VI.	Current accruals	336,189.69
VII.	Cash and other cash equivalents	169,734,193.18
TOTAL ASSETS (A + B)		170,070,609.52

(in thousands of euros)

	NET ASSETS AND LIABILITIES	2020
A)	**NET WORTH**	**1,899.78**
A-1)	**Stockholder equity**	**3,000.00**
I.	**Capital**	**3,000.00**
1.	Registered capital	3,000.00
III.	**Reserves**	**(418.81)**
V.	**Profit/(loss) brought forward**	**(140.16)**
VII.	**Profit/(loss) for the year**	**(541.25)**
B)	**NON-CURRENT LIABILITIES**	**-**
C)	**CURRENT LIABILITIES**	**170,068,709.74**
III.	**Short-term debts**	**169,731,885.37**
3.	Other short-term debts	169,731,885.37
V.	**Trade creditors and other payables**	**336,824.37**
2.	Other payables	336,824.37
TOTAL NET ASSETS AND LIABILITIES (A + B + C)		**170,070,609.52**

19. Events after the reporting period

The situation of instability caused by the emergence of the COVID-19 Coronavirus in China in January 2020 is continuing to affect the company's activity directly during the first months of 2021. Rent reduction agreements continue to be signed with tenants, resulting in a significant decrease in sales.

From the reporting date to the date of these notes to the consolidated annual accounts, novation agreements have been reached to reduce rent to tenants with respect to 2020 rents amounting to 249 thousand euros. Similar agreements are yet to be signed with other lessees amounting to 1,038 thousand euros.

In the absence, for the time being, of the distribution of the vaccine against the Coronavirus and the achieving of herd immunity, the Company's operations are uncertain and will depend to a large extent on the evolution and spread of the pandemic in the coming months, as well as on the capacity for reaction and adaptation of all the economic agents affected.

Therefore, as at the date of preparation of these Annual Accounts, it is premature to make a detailed assessment or quantification of the possible impacts that COVID-19 will have on the Company, due to the uncertainty of its consequences in the short, medium, and long-term. However, it is not possible to assess whether and to what extent this situation will continue in the future.

Lastly, it should be noted that the Company's directors are constantly monitoring the evolution of the situation in order to successfully address any possible impacts, both financial and non-financial, that may arise, including that relating to the timely fulfillment of the formal requirements pending in relation to the SOCIMI regime (see Note 1.1).

Apart from these events, there have been no significant events for the Company that could have an impact on these annual accounts.

On the first day of February, two thousand and twenty-one, before the Notary Mr Antonio Pérez-Coca Crespo, under number 991 of his record book, the decisions of the sole shareholder and the resolutions of the Board of Directors, adopted on December 9, 2020, whereby it was agreed to modify article 16 of the Company's bylaws, in the sense of modifying the structure of the Company's governing body, which would go from being formed by four joint and several directors to a board of directors composed of four members, appointing Mr. Volker Kraft, Mr. Markus Oskar Schmitt-Habersack, Mr. José Mª Ortiz López-Cámara and Mr. José Mª Ortiz López-Cámara as members of the governing body, was placed on public record.

WATTENBERG INVEST, S.L.U.

Annual Accounts and Directors' Report for the year ended December 31, 2020 (with comparative figures for 2019)

WATTENBERG INVEST, S.L.U.

Notes to the financial statements

WATTENBERG INVEST, S.L.U.

Balance sheet for the years ended December 31, 2020 and 2019 (in euros)

	ASSETS	NOTES	2020	2019
A)	**NON-CURRENT ASSETS**		**2,500,000.00**	**2,500,000.00**
III.	**Real estate investments**	**5**	**2,500,000.00**	**2,500,000.00**
1.	Land		2,500,000.00	2,500,000.00
B)	**CURRENT ASSETS**		**139,244.81**	**235,513.33**
III.	**Trade and other receivables**		**79,459.02**	**173,819.52**
6.	Other receivables from Public Administrations	8	79,459.02	173,819.52
VII.	**Cash and other cash equivalents**		**59,785.79**	**61,693.81**
1.	Cash and banks	6	59,785.79	61,693.81
TOTAL ASSETS (A + B)			**2,639,244.81**	**2,735,513.33**

	NET ASSETS AND LIABILITIES	NOTES	2020	2019
A)	**NET WORTH**		**2,611,646.26**	**2,700,573.95**
A-1)	**Stockholder equity**		**2,611,646.26**	**2,700,573.95**
I.	**Capital**	**6.4**	**333,006.00**	**333,006.00**
1.	Registered capital		333,006.00	333,006.00
II.	**Issue premium**	**6.4**	**13,047,836.16**	**13,047,836.16**
V.	**Profit/(loss) brought forward**		**(11,007,268.21)**	**(794,713.20)**
2.	(Loss brought forward)		(11,007,268.21)	(794,713.20)
VI.	**Other contributions from members**	**6.4**	**397,000.00**	**327,000.00**
VII.	**Profit/(loss) for the year**		**(158,927.69)**	**(10,212,555.01)**
B)	**NON-CURRENT LIABILITIES**		**-**	**-**
C)	**CURRENT LIABILITIES**		**27,598.55**	**34,939.38**
V.	**Trade creditors and other payables**	**6.2**	**27,598.55**	**34,939.38**
3.	Sundry accounts payable		27,598.55	34,907.55
6.	Other debts to Public Administrations		-	31.83
TOTAL NET ASSETS AND LIABILITIES (A + B + C)			**2,639,244.81**	**2,735,513.33**

WATTENBERG INVEST, S.L.U.

Income statement for the years ended on December 31, 2020 and 2019 (in euros)

		NOTES	2020	2019
A)	**CONTINUING OPERATIONS**			
7.	**Other operating expenses**	**9.1**	**(158,927.69)**	**(124,890.11)**
a)	Outsourced services		(51,944.97)	(124,890.11)
b)	Taxes and rates		(106,982.72)	-
11.	**Impairment and profit/(loss) on disposal of fixed assets**		**-**	**(10,087,664.90)**
a)	Impairment and losses		-	(10,087,664.90)
A.1)	**OPERATING PROFIT/(LOSS)**	**3**	**(158,927.69)**	**(10,212,555.01)**
A.3)	**RESULT BEFORE TAX**		**(158,927.69)**	**(10,212,555.01)**
A.5)	**PROFIT/(LOSS) FOR THE YEAR**	**3**	**(158,927.69)**	**(10,212,555.01)**

WATTENBERG INVEST, S.L.U.

Statement of Changes in Net Equity for the years ended December 31, 2020 and 2019

A) Recognized Income and Expenses Statements (in euros)

		NOTES	2020	2019
A)	**RESULT OF THE PROFIT AND LOSS ACCOUNT**	**3**	**(158,927.69)**	**(10,212,555.01)**
Income and expenses recognized directly in net equity				
B)	**TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN NET EQUITY**		**-**	**-**
Transfers to the profit and loss account				
C)	**TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT**		**-**	**-**
TOTAL RECOGNIZED INCOME AND EXPENSES		**3**	**(158,927.69)**	**(10,212,555.01)**

Statement of Changes in Net Equity for the year ended December 31, 2020

B) Statement of Total Changes in Net Equity (in euros)

		Registered Capital	Issue premium	Profit/(Loss) carried forward	Other contributions from members	Profit/(loss) for the year	TOTAL
A)	**BALANCE, END OF 2018 FINANCIAL YEAR**	**333,006.00**	**13,047,836.16**	**(682,462.31)**	**176,000.00**	**(112,250.89)**	**12,762,128.96**
B)	**ADJUSTED BALANCE, BEGINNING OF 2019 FINANCIAL YEAR**	**333,006.00**	**13,047,836.16**	**(682,462.31)**	**176,000.00**	**(112,250.89)**	**12,762,128.96**
I.	Total recognized income and expenses	-	-	-	-	(10,106,770.17)	(10,106,770.17)
II.	Transactions with partners or owners	-	-	-	151,000.00	-	151,000.00
7.	Other transactions with partners or owners	-	-	-	151,000.00	-	151,000.00
III.	Other changes in net equity	-	-	(112,250.89)	-	112,250.89	-
C)	**BALANCE, END OF 2019 FINANCIAL YEAR**	**333,006.00**	**13,047,836.16**	**(794,713.20)**	**327,000.00**	**(10,106,770.17)**	**2,806,358.79**
D)	**ADJUSTED BALANCE, BEGINNING OF 2020 FINANCIAL YEAR**	**333,006.00**	**13,047,836.16**	**(794,713.20)**	**327,000.00**	**(10,106,770.17)**	**2,806,358.79**
I.	Total recognized income and expenses	-	-	-	-	(158,927.69)	(158,927.69)
II.	Transactions with partners or owners	-	-	-	70,000.00	-	70,000.00
7.	Other transactions with partners or owners	-	-	-	70,000.00	-	70,000.00
III.	Other changes in net equity	-	-	(10,212,555.01)	-	10,106,770.17	(105,784.84)
E)	**BALANCE, END OF 2020 FINANCIAL YEAR**	**333,006.00**	**13,047,836.16**	**(11,007,268.21)**	**397,000.00**	**(158,927.69)**	**2,611,646.26**

Cash Flow Statement for the year ended December 31, 2020 (in euros)

		NOTES	2020	2019
A)	**CASH FLOWS FROM OPERATING ACTIVITIES**			
1.	**Profit/(loss) for the year before tax**	**3**	**(158,927.69)**	**(10,212,555.01)**
2.	**Adjustments to the profit/(loss)**		**-**	**10,087,664.90**
e)	Profit/(loss) on disposal of fixed assets		-	10,087,664.90
3.	**Changes in working capital**		**87,019.67**	**(7,668.52)**
b)	Debtors and other receivables		94,360.50	(3,509.79)
d)	Creditors and other payables		(7,340.83)	(4,158.73)
4.	**Other cash flows from operating activities**		**-**	**-**
5.	**Cash flows from operating activities (+/-1 +/-2 +/-3 +/-4)**		**(71,908.02)**	**(132,558.63)**
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**			
6.	**Payments for investments**		**-**	**-**
7.	**Divestment receipts**		**-**	**-**
8.	**Cash flows from investing activities (6+7)**		**-**	**-**
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**			
9.	**Receipts and payments for equity instruments.**		**70,000.00**	**151,000.00**
a)	Issuance of equity instruments		70,000.00	151,000.00
10.	**Receipts and payments for financial liability instruments**		**-**	**-**
11.	**Payments for dividends and remuneration of other equity instruments**		**-**	**-**
12.	**Cash flows from financing activities (+/-9 +/-10 -11)**		**70,000.00**	**151,000.00**
D)	**Effect of exchange rate changes**		**-**	**-**
E)	**NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS**		**(1,908.02)**	**18,441.37**
Cash or cash equivalents at beginning of year			61,693.81	43,252.44
Cash or cash equivalents at the end of the financial year			59,785.79	61,693.81

1 COMPANY ACTIVITY

The company Wattenberg Invest, S.L.U. (hereinafter, the 'Company') was incorporated as a limited liability company in Spain, for an indefinite period of time, on November 7, 2014 by deed executed before the notary public Mr. Francisco Javier Piera Rodríguez, under his index number 3.714. Its registered office is currently located at Calle Príncipe de Vergara 112, 4º Planta, 28002 Madrid.

It is entered in the Mercantile Register of Madrid, in volume 32,835, sheet 31, page M-591034. Its tax identification number is B87140786.

Its corporate purpose is as follows:

- *The planning, execution, management, and use (particularly the promotion, construction, purchase and sale, transformation, leasing, and holding) of all types of buildings, whether individual or blocks, or as a group, such as housing developments, real estate complexes, shopping and leisure centers, industrial estates, business parks, car parks, and sports facilities, including the preliminary phase of land development and subdivision.*

- *The management of urban planning systems or procedures and the promotion and planning of the location of small, medium, and large companies in industrial estates and parks and housing developments, providing them with appropriate advice, both for their installation and for their development, through intermediation or coordination in the provision of services in the financial, fiscal, administrative, commercial, legal, and technical fields.*

- *The manufacture, purchase, sale, import, export, distribution, and marketing of all kinds of materials, elements, accessories, and products, both for real estate construction in general and for the ornamentation and finishing details of buildings, as well as the leasing for a specific period of time of the machinery necessary to undertake any construction work or land subdivision.*

- *Intervention and intermediation in real estate operations on its own behalf or on behalf of national or foreign, public or private companies, or individuals.*

- *Real estate investment, purchase and sale, administration, management, assignment, enjoyment, holding, leasing, use, and general administration of all types of real estate.*

- *The provision of real estate consultancy services, advice to individuals, as well as to all types of companies, public or private, national or foreign corporations, in all matters related to real estate investment, through intermediation and coordination in the provision of services in the legal, economic, or fiscal fields.*

- *The acquisition, sale, assignment, investment, holding, enjoyment, administration, management, and negotiation in general of all kinds of securities, whether listed on the stock exchange or other markets - both domestic and foreign - or not, on its own account, with the exception of brokerage and always excluding the activities of collective investment institutions and those included in the scope of the stock market.*

- *Business consultancy, study, research, promotion, intermediation, and coordination in the provision of all kinds of technical, administrative, commercial, accounting, financial, economic, fiscal, and legal assistance and management services.*

With respect to the aforementioned activities that may be professional activities, the corporate purchase is to mediate, intermediate, and coordinate the provision of services relating to such activities.

The aforementioned activities may also be performed by the Company in whole or in part, either directly or indirectly through participation in other companies with a similar purpose.

Specifically, the main activity of the Company is Real Estate Development with CNAE (Spanish National

Classification of Economic Activities) number 4110.

On January 27, 2020, by means of a private sale and purchase agreement, the former shareholder transferred 100% of the Company's shares to Faifey Invest, S.A. This agreement was formalized in a public deed signed on January 31, 2020 before the notary public of Madrid Mr. Antonio Pérez-Coca Crespo under his index number 464.

At the end of the 2020 financial year, the Company is managed by four joint administrators: Mr. Markus Oskar Schmitt Habersack, Mr. Jose Maria Ortiz Lopez Cámara, Mr. Christian Müller and Mr. Volker Kraft, in accordance with the deed of corporate changes granted before the Madrid notary public Mr. Antonio Pérez-Coca Crespo under his index number 466.

The Company is part of the ECE Real Estate Partners S.à r. l group and, in accordance with Note 6, the direct parent company is Faifey Invest SOCIMI, S.A., which has its registered office and tax domicile at Calle Príncipe de Vergara 112, cuarta planta, 28002, Madrid, and files its individual annual accounts with the Madrid Mercantile Register.

The closing date of the financial year is December 31 of each year.

The annual accounts statements are presented in euros, which is the Company's functional and reporting currency.

2 BASIS OF REPORTING THE ANNUAL ACCOUNTS

2.1 *ACCURATE IMAGE*

The Board of Directors considers that the annual accounts for the 2020 financial year will be approved by the Sole Shareholder without any changes.

The annual accounts have been prepared on the basis of the 2020 accounting records. The annual accounts for 2020 have been prepared in accordance with current mercantile legislation and with the standards established in the Spanish National Chart of Accounts and its Sector Adaptations and, in particular, the Sector Adaptation of the Spanish National Chart of Accounts for Real Estate Companies, in order to accurately report the Group's equity and financial position at December 31, 2020 and the profit/(loss) from its operations, changes in equity, and cash flows for the year ended December 31, 2020.

2.2 *NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED*

No non-mandatory accounting principles have been applied.

2.3 *CRITICAL ASPECTS OF VALUATION AND ESTIMATION OF RELEVANT UNCERTAINTIES AND JUDGMENTS IN THE APPLICATION OF ACCOUNTING POLICIES*

The preparation of the annual accounts requires the application of significant accounting estimates and the making of judgments, estimates, and assumptions in the process of applying the Company's accounting policies.

2.4 *COMPARISON OF INFORMATION*

The annual accounts are presented, for comparative purposes, with each of the items of the balance sheet, the profit and loss account, the statement of changes in net equity, the cash flow statement, and the notes to the annual accounts, in addition to the figures for the period ended December 31, 2020, the figures for the previous financial year.

2.5 *ITEM GROUPING*

Certain items in the balance sheet, income statement, statement of changes in net equity, recognized income and expenses statement, and cash flow statement are presented in groups to facilitate their understanding, although, to the extent it is significant, the information is disclosed in the related notes to the consolidated financial statements.

2.6 *ITEMS COLLECTED UNDER VARIOUS HEADINGS*

There are no assets and liabilities that are recorded or included in two or more balance sheet items.

2.7 *CORRECTION OF ERRORS*

There were no errors during the financial year.

3 DISTRIBUTION OF PROFIT

The proposed distribution of profit for the year ended December 31, 2020 made by the joint administrators of the Company and to be submitted for the approval of the Sole Shareholder is as follows (in euros):

Balance for the purpose of distribution	Amount
Balance of the profit and loss account.	(158,927.69)
Total.	**(158,927.69)**

Balance for the purpose of distribution	Amount
Loss brought forward. . . .	(158,927.69)
Total.	**(158,927.69)**

4 RECORDING AND VALUATION RULES

4.1 *REAL ESTATE INVESTMENTS*

The Company classifies under this item properties, including those in progress or under development, which are intended, in whole or in part, to earn rental income or for capital appreciation, or both, rather than for use in the production or supply of goods or services, or for the Company's administrative purposes or for sale in the ordinary course of business. The Company recognizes and values investment property in accordance with the criteria established for property, plant, and equipment.

The Company reclassifies an investment property to property, plant, and equipment when it begins to use the property in the production or supply of goods or services or for administrative purposes.

On the other hand, the Company reclassifies an investment property to inventories when it commences work to substantially transform the property with the intention of selling it.

The Company reclassifies property, plant, and equipment to investment property when the property is no longer used for the production or supply of goods or services or for administrative purposes and is intended to earn rental income or for capital appreciation, or both.

Lastly, the Company reclassifies an inventory to investment property when the property is subject to an operating lease.

Depreciation of investment property is determined by applying the following criteria:

	Depreciation method	Years of estimated useful life
Buildings		
Industrial buildings	Linear	33.33
Land dedicated exclusively to waste dumps	Linear	25
Warehouses and tanks (gas, liquid, and solid)	Linear	14.29
Commercial, administrative, service, and residential buildings	Linear	50

4.2 *FINANCIAL INSTRUMENTS*

Recognition of financial assets and liabilities

The Company recognizes a financial instrument when it becomes a party to the contract or legal transaction in accordance with the provisions of the contract or legal transaction.

Debt instruments are recognized from the date on which the legal right to receive or the legal obligation to pay cash arises. Financial liabilities are recognized on the trade date.

Financial derivatives, including forward contracts, are recognized from the date on which they are entered into, except for those derivatives that prevent the Company from derecognizing the transferred financial assets, which are recognized in accordance with the provisions of the aforementioned section.

Financial asset purchase or sale transactions instrumented through conventional contracts, understood as those in which the reciprocal obligations of the parties must be performed within a time frame established by regulation or market convention and which cannot be settled by differences, are recognized by type of asset on the trade or settlement date. Notwithstanding the foregoing, contracts that can be settled by differences or that are not performed within the time frame established by the regulations are recognized as a derivative financial instrument during the period between the trade date and the settlement date.

Transactions performed in the foreign currency market are recognized on the settlement date, whereas financial assets traded in Spanish secondary securities markets are recognized on the trade date in the case of equity instruments and on the settlement date in the case of debt instruments.

Classification and nature of financial assets and financial liabilities

Financial instruments are classified on initial recognition as a financial asset, financial liability, or equity instrument in accordance with the substance of the contractual arrangement and the definitions of a financial asset, financial liability, or equity instrument.

Financial instruments issued that have been recognized as financial liabilities, but which due to their special characteristics may have an effect on other regulations, have been classified under “Payables with special characteristics” in the balance sheet and their flows have been presented separately in the cash flow statement.

When issuing compound financial instruments with liability and equity components, the Company determines the equity component at the residual amount obtained after deducting the amount of the liability component, including any derivative financial instruments, from the fair value of the instrument as a whole. The liability component is measured at the fair value of a similar instrument that does not have an associated equity component. Transaction costs related to the issue of compound financial instruments are allocated on the basis of the corresponding carrying amount of each of the components at the time of classification.

Compound financial instruments; the valuation criterion followed to quantify the component of these instruments that must be classified as financial liabilities must be indicated.

The Company classifies financial instruments in the various categories on the basis of the characteristics and intentions of the Company at the time of initial recognition.

The Company assesses whether an embedded derivative should be separated from the host contract only at the time the Company becomes a party to the contract or in a subsequent period when there has been an amendment of the contractual terms that significantly affects the expected cash flows associated with the embedded derivative, the host contract, or both compared to the original expected cash flows. Embedded derivatives are presented separately from the host contract under the corresponding derivative items in the balance sheet.

For these purposes, a financial instrument whose value changes in response to a non-financial variable specific to one of the parties to the contract, such as sales, net profit, or any other variable calculated solely by reference to the performance of the parties' business, is not considered to be a derivative and therefore not an embedded derivative.

The Company applies cash flow hedge accounting to forward purchase or sale contracts for debt instruments to be settled by physical delivery at a fixed price.

Loans and receivables

Loans and receivables consist of trade receivables and non-trade receivables with fixed or determinable payments that are not listed on an active market other than those classified in other financial asset categories. These assets are initially recognized at fair value, including transaction costs incurred, and are subsequently measured at amortized cost using the effective interest method.

Financial assets that do not have an established interest rate, where the amount matures or is expected to be received in the short term and the effect of discounting is not significant, are measured at their nominal value.

The Company measures loans and receivables at amortized cost provided that reliable estimates of cash flows can be made based on the contractual terms.

The Company values at cost, increased by the profit/(loss) to be attributed, loans in which the interest is contingent because it is conditional upon the achievement of a milestone in the borrower company, for example, the obtainment of profits, or because it is calculated solely by reference to the performance of the borrower company's business. In these cases, transaction costs are allocated on a straight-line basis over the life of the loan.

Financial assets and liabilities valued at cost

Investments in equity instruments whose fair value cannot be reliably estimated and derivative instruments that are linked thereto and that must be settled by delivery of such unlisted equity instruments are measured at cost, less any accumulated impairment losses. If a reliable measurement of the financial asset or liability is available to the Company at any time on an ongoing basis, the financial asset or liability is recognized at fair value at that time, recognizing gains or losses based on the classification of the asset or liability.

Financial assets

a) Interest

Interest is recognized using the effective interest method.

b) Derecognition of financial assets

Financial assets are derecognized when the rights to receive the related cash flows have expired or have been transferred and the Company has substantially transferred the risks and rewards of ownership.

The Company applies the weighted average price method to measure and derecognize the cost of equity or debt instruments that form part of homogeneous portfolios and have the same rights.

In transactions in which a financial asset is derecognized in its entirety, the financial assets obtained or the financial liabilities, including liabilities for management services incurred, are recorded at fair value.

In transactions in which a partial derecognition of a financial asset is recorded, the carrying amount of the entire financial asset is allocated to the part sold and the part held, including assets corresponding to management services, in proportion to the corresponding fair value of each.

On derecognition of a financial asset in its entirety, the difference between its carrying amount and the sum of the amount received, net of transaction costs, including the assets obtained or liabilities assumed and any gain or loss deferred in income and expenses recognized in equity, is recognized in net equity.

The criteria for recognizing the derecognition of financial assets in transactions in which the Company neither transfers nor retains substantially all the risks and rewards of ownership are based on an analysis of the degree of control retained. In this way:

- If the Company has not retained control, the financial asset is derecognized and any rights or obligations created or retained as a result of the transfer are recognized separately as assets or liabilities.

- If control has been retained, it continues to recognize the financial asset for the Company's continuing involvement in the asset and recognizes an associated liability that is measured in line with the transferred asset. The continuing involvement in the financial asset is determined by the amount of exposure to changes in the value of the asset. Assets and associated liabilities are measured on the basis of the rights and obligations recognized by the Company. The associated liability is recognized so that the carrying amount of the asset and the associated liability is equal to the amortized cost of the rights and obligations retained by the Company, when the asset is measured at amortized cost or the fair value of the rights and obligations held by the Company, if the asset is measured at fair value. The Company continues to recognize revenue from the asset to the extent of its continuing commitment and expense from the associated liability. Changes in the fair value of the asset and the associated liability are recognized consistently in profit or loss or in equity, following the general recognition criteria described above, and should not be offset.

Transactions in which the Company retains substantially all the risks and rewards of ownership of a transferred financial asset are recognized by recognizing the amount received as a liability. Transaction costs are recognized in profit or loss using the effective interest rate method.

Financial liabilities

Financial liabilities, including trade and other payables, that are not classified as held for trading or as financial liabilities at fair value through profit or loss are initially recognized at fair value, less any transaction costs that are directly attributable to the issue of the liabilities. Subsequent to initial recognition, liabilities classified in this category are measured at amortized cost using the effective interest method.

Financial liabilities that do not have an established interest rate, where the amount matures or is expected to be received in the short term and the effect of discounting is not significant, are measured at their nominal value.

The Company measures financial liabilities at amortized cost whenever, in view of the contractual terms, reliable estimates of cash flows can be made.

The Company values at cost, plus any interest payable to the lender in accordance with the contractual terms and conditions, participating loans in which the interest is contingent because it is conditional upon the achievement of a milestone in the Company, for example, the obtainment of profits, or because it is calculated solely by reference to the performance of the Company's business. In these cases, transaction costs are allocated on a straight-line basis over the life of the loan.

a) Retirements and changes in financial liabilities

The Company derecognizes a financial liability or part of a financial liability when it has discharged the obligation contained in the liability or is legally released from the primary responsibility contained in the liability, either by virtue of legal process or by the creditor.

The exchange of debt instruments between the Company and the counterparty or substantial changes to the initially recognized liabilities are accounted for as a cancellation of the original financial liability and the recognition of a new financial liability, provided that the instruments have substantially different terms.

The Company considers the terms to be materially different if the present value of the discounted cash flows under the new terms, including any fees paid net of any fees received, and using the original effective interest rate as the discount rate, differs by at least 10% from the discounted present value of the cash flows remaining on the original financial liability.

If the exchange is recorded as a cancellation of the original financial liability, the costs or fees are recognized in the profit and loss account as part of the result. Otherwise the costs or fees adjust the carrying amount of the liability and are amortized using the amortized cost method over the remaining life of the modified liability. In the latter case, a new effective interest rate is determined on the change date, which is the rate that equals the present value of the flows payable under the new conditions with the carrying amount of the financial liability on that date.

The Company recognizes the difference between the carrying amount of the financial liability or part thereof canceled or transferred to a third party and the fee paid, including any asset transferred other than cash or liability assumed, with a charge or credit to the income statement. If the Company delivers non-monetary assets in payment of the debt, it recognizes the difference between the fair value of the assets and their carrying amount and the difference between the value of the debt that is canceled and the fair value of the assets as a financial result. If the Company delivers inventories, the corresponding sale transaction is recognized at fair value and the change in inventories is recognized at carrying amount.

This treatment also applies to debt renegotiations arising from creditors' agreements, recognizing the effect thereof on the date on which the agreement is judicially approved. The positive results are recognized under financial income from creditors' agreements in the profit and loss account.

The issuance of equity instruments by the Company to settle a financial liability contracted with an unrelated party forms part of the amount paid to settle the financial liability. As a result, equity instruments issued to fully or partially settle a financial liability are measured at fair value, unless the fair value of the financial liability settled can be measured more reliably. If the Company cancels only a portion of the financial liability, a portion of the fair value of the financial liabilities is allocated, where appropriate, to the

equity instruments issued to assess whether there has been a change in the portion of the financial liability held. The difference between the fair value of the equity instruments issued corresponding to the cancellation of the financial liability and their carrying amount is recognized under the item "Profit/(loss) on settlement of financial liabilities through the issuance of equity instruments" in the profit and loss statement.

4.3 *INCOME TAX*

Income tax expenses or income comprises both current tax and deferred tax.

Current income tax assets or liabilities are measured at the amounts expected to be paid to or recovered from the taxation authorities, using the tax rates and regulations in force or approved and pending publication at the reporting date.

Current or deferred income tax is recognized in profit or loss, unless it arises from a transaction or economic event that has been recognized in the same or a different period, against equity or from a business combination.

Recognition of deferred tax liabilities

The Company recognizes deferred tax liabilities in all cases, except where they arise from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit.

Recognition of deferred tax assets

The Company recognizes deferred tax assets whenever it is probable that sufficient future taxable profit will be available against which they can be utilized or when tax legislation sets out the possibility of future conversion of deferred tax assets into a receivable from the tax authorities.

The Company recognizes the conversion of a deferred tax asset into a receivable from the tax authorities when it is receivable in accordance with current tax legislation. For these purposes, the deferred tax asset is derecognized with a charge to the deferred income tax expense and the account receivable with a credit to current income tax. Similarly, the Company recognizes the exchange of a deferred tax asset for government debt securities when ownership of these securities is acquired.

The Company recognizes the payment obligation arising from capital contributions as an operating expense with a credit to the debt with the Tax Authorities when this is accrued in accordance with the Corporate Income Tax Law.

However, assets arising from the initial recognition of assets or liabilities in a transaction that is not a business combination and at the date of the transaction affects neither accounting profit nor taxable profit are not recognized.

Unless there is evidence to the contrary, it is not considered probable that the Company will have future taxable profits when their future recovery is expected to take place more than ten years from the year-end date, regardless of the nature of the deferred tax asset, or in the case of tax credits and other tax benefits not yet available for tax purposes due to insufficient taxable profit, when the activity has been performed or the income has been obtained that gives rise to the right to the tax credit or tax relief and there are reasonable doubts as to whether the requirements for taking the tax credit or tax relief have been met.

The Company only recognizes deferred tax assets arising from tax loss carryforwards to the extent that it is probable that future taxable profits will be available against which they can be utilized within a period no longer than that established by the applicable tax legislation, with a

maximum limit of ten years, unless there is evidence that their recovery is probable within a longer period, where the tax legislation allows them to be offset over a longer period or does not set time limits on offsetting.

On the other hand, it is considered probable that the Company has sufficient taxable profits to recover the deferred tax assets, provided that there are sufficient taxable temporary differences relating to the same tax authority and referring to the same taxpayer, the reversal of which is expected in the same tax year in which the deductible temporary differences are expected to reverse or in years in which a tax loss arising from a deductible temporary difference can be offset against earlier or later profits.

The Company recognizes deferred tax assets that have not been recognized because they exceed the ten-year recovery period, to the extent that the future reversal period does not exceed ten years from the year-end date or when there are sufficient taxable temporary differences.

In determining future taxable profits, the Company takes into account tax planning opportunities where it intends to take or is likely to take them.

Valuation of deferred tax assets and liabilities

Deferred tax assets and liabilities are measured at the tax rates that will apply to the years in which the assets are expected to be realized or the liabilities are expected to be settled, based on tax rates and tax laws in force or approved and pending publication, taking into account the tax consequences that will arise from the manner in which the Company expects to recover the assets or settle the liabilities. For these purposes, the Company has considered the deduction for reversal of temporary measures developed in the 37th temporary provision of Law 27/2014 of November 27 on Corporate Income Tax, as an adjustment to the tax rate applicable to the deductible temporary difference associated with the non-deductibility of the depreciation and amortization charged in the 2013 and 2014 financial years.

Offsetting and classification

The Company only offsets income tax assets and liabilities if it has a legal right to offset them with the tax authorities and intends to either settle the resulting amounts on a net basis or realize the assets and settle the liabilities simultaneously.

Deferred tax assets and liabilities are recognized on the balance sheet as non-current assets or liabilities, irrespective of the expected date of realization or settlement.

4.4 *INCOME AND EXPENDITURE*

Income and expenditure is recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. This revenue is measured at the fair value of the consideration received, net of discounts and taxes.

The Company includes the interest incorporated into trade receivables maturing in less than one year that do not have a contractual interest rate when the effect of not updating the cash flows is not significant. Interest received on financial assets is recognized using the effective interest method and dividends are recognized when the Company's right to receive them is declared. In any case, interest and dividends on financial assets accrued after the time of acquisition are recognized as income on the income statement.

Revenue from the sale of goods or services is recognized at the fair value of the consideration received or receivable for these. Cash, volume, and other types of

discount, as well as the interest included in the nominal amount of receivables, are recorded as a reduction on the receivables.

Discounts granted to clients are recognized as a reduction in sales revenue when it is probable that the conditions for granting them will be met.

Advances on account of future sales are valued at the value received. Advances to be applied in the long term are subject to financial restatement at the end of each year based on the market interest rate at the time of their initial recognition.

4.5 *PROVISIONS AND CONTINGENCIES*

General Criteria

Provisions are recognized when the Company has a current legal or contractual implicit obligation as a result of a past event; when it is likely that there is an outflow of resources incorporating future economic benefits to settle the obligation; and when a reliable estimate can be made of the amount of the obligation.

The amounts recognized on the balance sheet correspond to the best estimate at the reporting date of the expenditure required to settle the present obligation, after taking into account the risks and uncertainties relating to the provision and, where significant, the financial effect of discounting, provided that the expenditure to be made in each period can be reliably determined. The discount rate is determined on a pre-tax basis, considering the time value of money, as well as the specific risks that have not been considered in the future flows related to the provision at each closing date.

Isolated obligations are assessed by the individual outcome that is most likely to occur. If the obligation involves a large population of homogeneous items, it is valued by weighting the possible outcomes by their probabilities. If there is a continuous range of possible outcomes and each point in the range has the same likelihood as the others, the obligation is valued at the average amount.

The financial effect of provisions is recognized as financial costs on the income statement.

Provisions do not include the tax effect or expected gains on the disposal or abandonment of assets.

Reimbursement rights receivable from third parties to settle the provision are recognized as a separate asset when there are no doubts as to their effective collection. The reimbursement is recognized as income on the income statement in accordance with the nature of the expense, up to the limit of the amount of the provision.

In cases in which the Company has externalized the hedged risk to a third party by means of a legal or contractual agreement, the provision is recognized exclusively for the portion of the risk assumed.

Provisions are reversed against income when it is unlikely that an outflow of resources will be required to settle the obligation.

4.6 *TRANSACTIONS WITH RELATED PARTIES*

Transactions between Group companies, except those related to mergers, spin-offs, and non-monetary contributions to businesses, are recognized at the fair value of the consideration given or received. The difference between this value and the agreed amount is recorded in accordance with the underlying economic substance.

5 REAL ESTATE INVESTMENT

The composition of and movements in the accounts included under Real Estate Investment were as follows:

2020	Investment in land and natural assets	Total
Cost		
Opening balance	12,587,664.90	12,587,664.90
Acquisitions	-	-
Deregistrations	-	-
Closing balance	12,587,664.90	12,587,664.90
Accumulated depreciation	-	-
Valuation adjustments due to impairment		
Opening balance	(10,087,664.90)	(10,087,664.90)
Allocations/Reversals	-	-
Closing balance	(10,087,664.90)	(10,087,664.90)
Net value	**2,500,000.00**	**2,500,000.00**

2019	Investment in land and natural assets	Total
Cost		
Opening balance	12,587,664.90	12,587,664.90
Acquisitions	-	-
Deregistrations	-	-
Closing balance	12,587,664.90	12,587,664.90
Accumulated depreciation	-	-
Valuation adjustments due to impairment		
Opening balance	-	-
Allocations/Reversals	(10,087,664.90)	(10,087,664.90)
Closing balance	(10,087,664.90)	(10,087,664.90)
Net value	**2,500,000.00**	**2,500,000.00**

As at December 31, 2020 and 2019, real estate investment consisted of the plots of land acquired by the Company next to the Intu Asturias shopping center located in the parishes of Viella and Lugonés, locations in Naón, Paredes, Folgueras, San Justo, and Llosa de la Villa, in the municipality of Siero.

As at December 31, 2020, the Company had capitalized expense related to the acquisition of this land amounting to 1,314,203.00 euros (same amount as in 2019).

Based on the valuation of an independent expert, the Company's directors proceeded to record impairment amounting to 10,087,665.00 euros as at December 31, 2019, in order to adapt the accounting cost to the recoverable value, in accordance with the appraisal carried out.

Income and expenditure from real estate investment

The breakdown of non-income producing real estate investment as at December 31, 2020 and 2019, was as follows:

2020 **Assets**	**Cost**	**Accumulated Depreciation**	**Valuation adjustments**	**Net book value**
Land	12,587,664.90	-	-	2,500,000.00
Total	**12,587,664.90**	**-**	**-**	**2,500,000.00**

2019 **Assets**	**Cost**	**Accumulated Depreciation**	**Valuation adjustments**	**Net book value**
Land	12,587,664.90	-	(10,087,664.90)	2,500,000.00
Total	**12,587,664.90**	**-**	**(10,087,664.90)**	**2,500,000.00**

6 FINANCIAL INSTRUMENTS

6.1 *GENERAL CONSIDERATIONS*

A financial instrument is a contract that gives rise to a financial asset in one company and, simultaneously, a financial liability or equity instrument in another.

It shall apply to the following financial instruments:

Financial assets

- Cash and cash equivalents, as defined in Rule 9 of the preparation of the annual accounts;

- Trade receivables: trade receivables and sundry debtors;

- Loans and receivables from third parties: such as loans and financial receivables granted, including those arising from the sale of non-current assets;

- Debt securities in relation to debt of other companies acquired: such as debentures, bonds, and promissory notes;

- Equity instruments of other companies acquired: shares, units of collective investment undertakings, and other equity instruments;

- Derivatives with favorable valuation for the company: including futures, options, swaps, and forward foreign currency purchase and sale, and

- Other financial assets: such as deposits with credit institutions, advances and loans to employees, guarantees and deposits given, dividends receivable, and disbursements required on own equity instruments.

Financial liabilities

- Debits for commercial operations: suppliers and sundry creditors;

- Debts with credit institutions;

- Bonds and other marketable securities issued: such as bonds and promissory notes;

- Derivatives with an unfavorable valuation for the company: including futures, options, swaps, and forward foreign currency purchase and sale;

- Debts with special characteristics, and

- Other financial liabilities: debts with third parties, such as financial loans and credit received from persons or companies other than credit institutions, including those arising through the purchase of non-current assets, guarantees, and deposits received and disbursements required by third parties on shareholdings.

Own equity instruments

A financial derivative is a financial instrument that meets the following characteristics:

- Their value changes in response to changes in variables such as interest rates, prices of financial instruments and listed commodities, exchange rates, credit ratings, and indexes in relation thereto and which, if they are not financial variables, need not be specific to one of the parties to the contract.

- They require either no upfront investment or a lower investment than other types of contract where a similar response to changes in market conditions might be expected.

- They are settled at a future date.

This standard is also applicable to the treatment of accounting hedges and transfers of financial assets, such as trade discounts, factoring transactions, repurchase agreements, and securitizations of financial assets.

Recognition

The company shall recognize a financial instrument on its balance sheet when it takes on obligations under the contract or legal transaction in accordance with the provisions thereof.

6.2 *INFORMATION ON THE RELEVANCE OF FINANCIAL INSTRUMENTS TO THE COMPANY'S FINANCIAL POSITION AND RESULTS*

Information related to the balance sheet

a) *Categories of financial assets and financial liabilities*

(i) Classification of financial assets by category

The classification of financial assets by category and class except for investments in the equity of Group companies, jointly controlled entities, and associates is as follows:

Classes	Short-Term Financial Instruments	
	Loans, Derivatives, and Others	
Categories	**2020**	**2019**
Cash and other cash equivalents	59,785.79	61,693.81
Total	**59,785.79**	**61,693.81**

b) Classification of financial liabilities by category

The classification of financial liabilities by category and class, as well as the comparison of the fair value and carrying amount, is as follows:

Classes	Short-Term Financial Instruments	
Categories	Derivatives and Others	
	2020	**2019**
Debts and payables	27,598.55	34,907.55
Total	**27,598.55**	**34,907.55**

Classification by maturity

The Company's financial liabilities at the end of this financial year are due to mature within less than a year.

6.3 *INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS*

Qualitative information

The Company's financial risk management is centralized within the Finance Department, which has established the necessary mechanisms to control exposure to interest rate and exchange rate fluctuations, as well as to credit and liquidity risks. The main financial risks that affect the Company are indicated below:

a) Credit risk:

In general, the Company keeps its cash and cash equivalents in financial institutions with high credit ratings. Additionally, there is no significant concentration in the volume of client transactions.

b) Liquidity risk:

In order to ensure liquidity and be able to meet all payment commitments arising from its activity, the Company has the cash and cash equivalents shown on its balance sheet.

c) Market risk (including interest rate, exchange rate, and other price risks):

Both the Company's cash and financial debt are exposed to interest rate risk, which could have an adverse effect on financial results and cash flows.

Quantitative information

The maximum exposure to major risks as at December 31, 2020 and 2019, excluding foreign exchange exposure, was as follows:

Patrimonial group	2020	2019
Credit		
Trade and other receivables	79,459.02	173,819.52
Cash and other cash equivalents	59,785.79	61,693.81
Liquidity		
Trade creditors and other payables	27,598.55	34,907.55
Market		
Fixed assets and real estate investment	2,500,000.00	2,500,000.00
Total	**2,666,843.36**	**2,770,420.88**

Exposure to exchange rate risk arises to the extent that the Company carries out transactions in foreign currencies or has assets or liabilities denominated in currencies other than the presentation currency.

Therefore, the Company is not exposed to exchange rate risk as it does not carry out transactions in foreign currencies.

6.4 *STOCKHOLDER EQUITY*

The composition and movement of equity are presented in the statement of changes in equity.

Capital

At the end of 2020, the Company's share capital amounted to 333,006.00 euros, represented by 333.006 company shares, each with a par value of 1.00 euro, all of them of the same

class, fully subscribed and paid up, by Faifey Invest SOCIMI, S.A., holder of 100% of the Company's shares.

On November 7, 2014, the Company was incorporated with a share capital of 3,000.00 euros represented by 3,000 shares of 1.00 euro each.

On December 30, 2014, at the Extraordinary and Universal General Shareholders' Meeting, the Company's share capital was increased by 80,000.00 euros through the creation of 80,000 new shares with a nominal value of 1.00 euro each and a total issue premium of 235,000.00 euros. These shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 83,000.00 euros.

On June 19, 2015, by resolution of the Extraordinary and Universal General Shareholders' Meeting, the share capital of the Company was increased by 63,750.00 euros through the creation of 63,750 new shares with a nominal value of 1.00 euro each and a total issue premium of 191,250.00 euros. The shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 146,750.00 euros.

Likewise, on July 21, 2015, the shareholders at the Extraordinary and Universal General Shareholders' Meeting approved an increase in the Company's share capital of 186,250.00 euros through the creation of
186,250 new shares with a nominal value of 1.00 euro each and a total issue premium of 558,750.00 euros. These shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 333,000.00 euros.

On December 11, 2015, at the Extraordinary and Universal General Shareholders' Meeting, the share capital of the Company was increased by the amount of 1 euro by creating 1 new shareholding with a nominal value of 1.00 euro and a total issue premium of 933,659.00 euros. The shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 333,001.00 euros.

On May 5, 2016, at the Extraordinary and Universal General Shareholders' Meeting, the share capital of the Company was increased by the amount of 1 euro by creating 1 new shareholding with a nominal value of 1.00 euro and a total issue premium of 659,999.00 euros. The shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 333,002.00 euros.

On October 1, 2016, at the Extraordinary and Universal General Shareholders' Meeting, the share capital of the Company was increased through the conversion of the loan (see Note 11) into the amount of 1.00 euro by creating a new shareholding with a nominal value of 1 euro and a total issue premium of 8,568,181.00 euros. The shares were fully subscribed and paid up through the contribution of the loan by the Luxembourg company Intu Holding S.à
r.l. that said company held against the Company (in accordance with article 301.2 of the Capital Companies Act, the corresponding report was drawn up, stating that the aforementioned credit was expressly found to be liquid, due, and payable). As a result of this increase, the share capital stood at 333,003.00 euros.

On December 30, 2016, at the Extraordinary and Universal General Shareholders' Meeting, the share capital of the Company was increased by 2.00 euros through the creation of 2 new shares each with a nominal value of 1.00 euro and a total issue premium of 1,756,998.00 euros. The shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 333,005.00 euros. On January 13, 2017, the capital increase was notarized before the notary Mr Francisco Javier Piera Rodríguez under number 133 of his record book.

On March 7, 2017, the Extraordinary and Universal General Shareholders' Meeting resolved to increase the share capital of the Company by the amount of 1.00 euro by creating 1 new shareholding with a nominal value of 1.00 euro and a total issue premium of 143,999.00 euro. These shares were fully subscribed and paid up by the Luxembourg company Intu Holding S.à r.l. by means of a cash contribution. As a result of this increase, the share capital stood at 333,006.00 euros.

As at December 31, 2020, the companies or persons with a shareholding of 10% or more in the share capital were:

Shareholder	Number of shares	Share Percentage
Faifey Invest SOCIMI, S.A.	333,006.00	100%

Reserves

a) Legal reserve

The legal reserve must be furnished in accordance with Article 274 of the Consolidated Text of the Capital Companies Act, which establishes that, in any event, an amount equal to 10% of the profit for the year must be allocated to this reserve until it reaches at least 20% of the share capital.

It cannot be distributed and if it is used to offset losses, in the event that there are not sufficient other reserves available for this purpose, it must be replenished with future profits.

As at December 31, 2020, the Company had not set up a legal reserve.

b) Issue premium

At the end of 2020 and 2019, as a result of the aforementioned share capital increases, the issue premium amounted to 13,047,836.00 euros.

c) Other contributions from members

The amount recorded as contributions from shareholders to the Company's equity without being considered capital is 397,000.00 euros at the close of the 2020 financial year (327,000.00 euros at the close of 2019).

7 FOREIGN CURRENCY

The Company has no assets or liabilities denominated in foreign currencies.

8 TAX SITUATION

The breakdown of the balances with Tax Authorities is as follows:

	2020		2019	
	Debit balances	**Credit balances**	**Debit balances**	**Credit balances**
Value Added Tax	79,459.02	-	173,819.52	-
Withholdings made	-	-	-	31.83
Other debts with Tax Authorities	**79,459.02**	**-**	**173,819.52**	**31.83**

Under current legislation, taxes cannot be considered definitively settled until the returns submitted have been inspected by the tax authorities or the four-year statute of limitations period has elapsed. As at December 31, 2020, the Company had all the taxes applicable to it pending inspection and the statute of limitations period had not elapsed. The Governing Body considers that the tax returns for the aforementioned taxes have been filled out correctly and that, therefore, even in the event of discrepancies in the interpretation of current legislation in relation to the tax treatment of the transactions, any resulting liabilities, should they arise, would not have a material effect on these annual accounts.

However, the right of the tax authorities to check or investigate tax losses offset or pending offsetting, double taxation tax credit, and tax credit to encourage the performing of certain activities applied or pending application expires after 10 years from the day following the end of the period established for the submission of the tax return or self-assessment corresponding to the tax period in which the right to offset or apply these arose. Once this period has elapsed, the Company must provide evidence of the negative tax bases or deductions by showing the tax return or self-assessment together with the accounts, with proof of the submission thereof to the Commercial Registry during the aforementioned period.

As a result, among other things, the different possible interpretations of current tax legislation could result in additional liabilities in the event of an inspection. In any case, the Parent Company's Governing Body considers that these liabilities, should they arise, would not have a material effect on the annual accounts.

8.1 *INCOME TAX*

The reconciliation between the net amount of income and expenses for the year and the taxable income that the Company expects to declare after approval of the annual accounts is as follows:

2020	Profit and loss account	
Balance of income and expenditure for the year	-	(158,927.69)
	Increases	Decreases
Permanent differences	-	-
Taxable income (tax result)	-	(158,927.69)
Tax rate:	25.00%	25.00%
Amount payable/(to be refunded)	**-**	**(158,927.69)**

2019	**Profit and loss account**	
Balance of income and expenditure for the year	-	(10,212,555.01)
	Increases	Decreases
Permanent differences	10,087,664.90	-
Taxable income (tax result)	-	(124,890.11)
Tax rate:	25.00%	25.00%
Total tax due	-	-
Total tax due minus applicable deductions:	-	-
Total tax due minus tax credits:	-	-
Amount payable/(to be refunded)	**-**	**(124,890.11)**

The Company has tax loss carryforwards that can be offset against any taxable profit it may obtain, as follows:

(Euros) Year of generation	**Outstanding at beginning of year**	**Outstanding at year-end**
2014	881.86	881.86
2015	88,085.60	88,085.60
2016	479,436.00	479,436.00
2017	114,058.00	114,058.00
2018	112,250.89	112,250.89
2019	124,890.11	124,890.11
2020	158,927.69	158,927.69
Total	**1,078,530.15**	**1,078,530.15**

The Company may be subject to inspection by the tax authorities for the last 4 years for the main taxes applicable thereto, except for corporate income tax, for which the period that may be subject to inspection is up to 10 years.

As a result, among other things, the different possible interpretations of current tax legislation could result in additional liabilities in the event of an inspection. In any case, the Governing Body considers that these liabilities, should they arise, would not have a significant effect on the annual accounts.

As a result, among other things, the different possible interpretations of current tax legislation could result in additional liabilities in the event of an inspection. In any case, the Governing Body considers that these liabilities, should they arise, would not have a significant effect on the annual accounts.

9 INCOME AND EXPENDITURE

9.1 *OTHER OPERATING EXPENSES*

The breakdown of the "Other operating expenses" item on the income statement for 2020 and 2019 is as follows:

Description	**2020**	**2019**
Outsourced services	**51,944.97**	**105,784.84**
Independent professional services	51,901.04	105,734.84
Banking and similar services	43.93	50.00
Taxes and rates	**106,982.72**	**19,105.27**
Other taxes	352.37	19,105.27
Negative adjustments in indirect taxation	106,630.35	-
Total	**158,927.69**	**124,890.11**

9.2 *OTHER PROFIT/(LOSS)*

There were no movements in this item during the year.

10 ENVIRONMENTALINFORMATION

As at December 31, 2020, there were no significant assets dedicated to protecting and improving the environment, and no significant expenses of this nature were incurred during the year.

The Company's Governing Body considers that there are no significant contingencies related to the protection and improvement of the environment, and does not consider it necessary to record any provision for environmental risks and expenses as at December 31, 2020 and 2019.

No grants of an environmental nature were received during the year ended December 31, 2020 and 2019.

11 GRANTS, DONATIONS, AND LEGACIES

There were no grants, donations, or legacies of any kind during the year.

12 EVENTS AFTER THE REPORTING PERIOD

On February 1, 2021, a deed was executed before the Notary Antonio Perez-Coca Crespo, under number 990 of his record book, amending the Governing Body, whereby Ms Karoline Nader Gräff was removed as a member of the Board of Directors and Mr. Christian Müller was appointed to this position.

In the opinion of the Governing Body, no additional events have come to light since the end of the financial year.

12.1 *IMPLICATIONS OF THE PANDEMIC*

On March 11, 2020, the World Health Organization upgraded the status of the situation caused by the coronavirus outbreak (COVID-19) from a public health emergency to an international pandemic.

The evolution of events, nationally and internationally, led to an unprecedented health crisis that has impacted the macroeconomic environment and the evolution of business. To address this situation, a series of measures were adopted during the 2020 financial year to deal with the economic and social impact which, among other aspects, led to restrictions on the mobility of people. In particular, the Spanish Government proceeded, among other measures, to the declaration of a state of alarm through the publication of Royal Decree 463/2020, of March 14, which was lifted on July 1, 2020, and the approval of a series of extraordinary urgent measures to address the economic and social impact of COVID-19, through, among others, Royal Decree-Law 8/2020 of March 17. As at the date of the approval of these annual accounts, the state of alarm declared by the Spanish Government by Royal Decree 926/2020, of October 25, which was initially approved until November 9, 2020, was in force and extended until May 9, 2021 by Royal Decree 956/2020, of 3 November.

The evolution of the pandemic is having consequences for the economy in general and for the Company's operations, the effects of which in the coming months are uncertain and will depend to a large extent on the evolution and extent of the pandemic.

There is still limited visibility as to the duration and magnitude of the crisis. However, the half-yearly financial information adequately reflects the financial position of the Company and provides the information necessary to understand the performance of the business with respect to the 2020 Annual Accounts. The most relevant implications of COVID-19 on the Annual Accounts as at December 31, 2020 are detailed below:

The COVID-19 pandemic has not generated significant negative impacts on the direct activity of the Company.

In the context of this pandemic, the Company has analyzed the following potential risks to its business:

- **Liquidity and credit risk:** it is foreseeable that the general market situation could lead to a general increase in liquidity tensions in the economy, as well as a credit crunch. In this regard, the Company has sufficient capacity to obtain financing from Group companies, which will enable it to cope with these tensions. At the same time, the contraction in liquidity is expected to cause the Company's lending policies to be readjusted to adapt to the new macroeconomic environment and the general situation of customers.

- **Operational risk:** this type of risk is minimal, due to the nature of the Company's activity.

- **Risk of changes in certain key figures:** the factors mentioned above, together with other specific factors, such as the reduced provision of services to group companies as their activity is reduced as a result of the fall in demand, as well as the economic and production slowdown, may lead to a decrease in the amounts of relevant headings for the Company such as "Net Turnover" and "Operating profit" on coming financial statements, although at the moment it is not possible to reliably quantify their impact, taking into account the conditioning factors and restrictions already indicated.

  The Directors have assessed whether the consequences of COVID-19 would have an impact on the variation of certain key figures and on the valuation of assets and liabilities on the balance sheet, excluding negative consequences in relation thereto. In addition, the Company is currently continuing to monitor the impact of the pandemic in order to take possible measures in this regard in accordance with the developments over the coming months.

  From a fiscal and legal point of view, Royal Decree-Law 8/2020, of March 17, establishes a series of measures relating to the suspension of procedural, administrative, statute of limitation, and expiry periods and the resuming thereof when the situation returns to normal. The Company does not foresee these measures having a significant impact on the administrative and legal proceedings currently in progress.

Lastly, it should be noted that the Company's directors are constantly monitoring the evolution of the situation in order to successfully deal with any possible impacts, both financial and non-financial, that may arise.

13 OTHER INFORMATION

The firm that audits the Company's annual accounts, PricewaterhouseCoopers Auditores, S.L, invoiced fees and expenses for professional services during the year ended December 31, 2020, as follows:

	2020	2019
For audit services	8,850.00	5,472.00
Total	**8,850.00**	**5,472.00**

Information relating to the Company's Governing Body and senior management personnel

During the years ended December 31, 2020 and 2019, the directors have not received any remuneration, nor have they been granted any advances or loans and no obligations have been assumed on their behalf by way of guarantee. As at December 31, 2020 and 2019, there are no accrued pension or similar liabilities with members of the Company's Governing Body, nor are there any debit or credit balances with them.

During the year ended December 31, 2020 and 2019, the Directors of the Company did not enter into any transactions with the Company outside the ordinary course of business or on terms other than arm's length terms.

14 INFORMATION ON GREENHOUSE GAS EMISSION ALLOWANCES

There are no greenhouse gas emission allowances.

15 INFORMATION ON DEFERRALS OF PAYMENT DUE TO SUPPLIERS, THIRD ADDITIONAL PROVISION "DUTY OF INFORMATION" OF LAW 15/2010 OF JULY 5

The information required by the third additional provision of Law 15/2010, of July 5, prepared in accordance with the ICAC Resolution of January 29, 2016, on the information to be included in the notes to the financial statements in relation to the average payment period to suppliers in commercial transactions, is detailed below. The information on the average supplier payment period is as follows:

	2020	2019
Concept	**Days**	**Days**
Average payment period to suppliers	27.25	111.58
Ratio of transactions paid	26.31	17.92
Ratio of transactions pending payment	75.50	364.00
	Amount (euros)	**Amount (euros)**
Total payments made	68,622.23	70,797.79
Total outstanding payments	1,331.00	26,267.55

Directors' report for the year ended December 31, 2020

Business performance and situation of the Company

For the year ended December 31, 2020, the Company's profit and loss account reflects an operating profit for the year amounting to a loss of 158,927.69 euros, mainly associated with the Company's administration and management expenses.

Foreseeable evolution of the Company

An improvement or at least a stabilization of the operating results of 2020 is expected for the 2021 financial year, although it is difficult to make a clear forecast given the current social and economic circumstances.

Financial risk management and use of financial instruments

The Company faces the risks and uncertainties inherent in the industry in which it operates, as detailed in Note 6 to the consolidated annual accounts.

Research and development activities

The Company has not carried out any research and development activities in the current or previous years.

Acquisition of own shares

As at December 31, 2020, the Company had not carried out any transactions with own shares during the year.

Significant events after the reporting period

In the opinion of the Governing Body, no significant events have come to light subsequent to the closing of the financial year other than that mentioned in section 12 of the notes to the annual accounts.

Use of financial instruments

During the year ended December 31, 2020, the Company did not contract any interest rate hedging financial instruments.

Measures to be taken to reduce the average payment period to suppliers

The average supplier payment period for 2020 was 27.25 days. Although the period does not exceed the maximum of 60 days established by Law 3/2004, of December 29, which establishes measures to combat late payment in commercial transactions, the Governing Body is carrying out a review of all internal processes in order to shorten supplier payment periods.

Approval of the annual accounts for the 2020 financial year

RECORD OF APPROVAL OF ANNUAL ACCOUNTS:

On ____ the __, 2021, and in compliance with the requirements established in article 253 of the Capital Companies Act and article 37 of the Commercial Code, the Governing Body proceeded to approve the annual accounts for the financial year from January 1, 2020 to December 31, 2020. The annual accounts consist of the documents attached hereto.

Madrid, on ____ the __, 2021

Mr Christian Müller	Mr Jose Maria Ortiz Lopez-Cámara
Mr Markus Oskar Schmitt Habersack	Mr Volker Kraft