



GLOBAL PIELAGO SOCIMI, S.A.

Paseo de la Castellana 93, 13º, Madrid (SPAIN)

www.niding.es

INFORMATION DOCUMENT

15 April 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.

This Information Document is available free of charge on GLOBAL PIELAGO SOCIMI, S.A.'s (website www.niding.es).

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

1.	SUMMARY	4
1.1	GENERAL DESCRIPTION OF THE COMPANY	4
1.2	PERSONS IN CHARGE OF THE INFORMATION DOCUMENT	6
1.3	CORPORATE NAME, REGISTERED OFFICE AND REGISTRATION IN SPECIAL TAX REGIME FOR SOCIMI	7
1.4	DURATION (<i>Article 3 of the Articles of Association</i>)	8
1.5	COMPANY PURPOSE (<i>Article 2 of the Articles of Association</i>)	9
1.6	DIVIDENDS (<i>Article 41 of the Articles of Association</i>)	9
1.7	FISCAL YEAR (<i>Article 38 of the Articles of Association</i>)	13
1.8	ADMINISTRATIVE, MANAGEMENT, AND CONTROLLING BODIES	13
2.	HISTORY AND KEY FIGURES	29
2.1	HISTORY OF THE COMPANY	29
2.2	SELECTED FINANCIAL DATA	33
3.	COMPANY ACTIVITY	34
3.1	SUMMARY OF ACTIVITY	34
3.2	BUSINESS MODEL	34
3.3	INVESTMENT STRATEGY AND COMPETITIVE ADVANTAGES	42
3.4	COMPANY INVESTMENTS DATA	43
3.5	PAST AND FUTURE INVESTMENTS	43
3.6	DESCRIPTION OF REAL ESTATE ASSETS	48
3.7	THE MARKET	51
3.8	DEPENDENCE ON LICENCES AND PATENTS	55
3.9	INSURANCE CONTRACTS	55
3.10	RELATED-PARTY TRANSACTIONS	56
4.	ORGANIZATION	58
4.1	COMPANY'S FUNCTIONAL ORGANISATION CHART	58
5.	RISK FACTORS	59
5.1	RISKS ASSOCIATED WITH THE REAL ESTATE BUSINESS	59
5.2	OPERATING RISKS	59
5.3	FINANCIAL RISKS	61
5.4	LEGAL AND REGULATORY RISKS	63
6.	INFORMATION CONCERNING THE OPERATION	66
6.1	REGISTRATION WITH EURONEXT ACCESS	66

6.2	OBJECTIVES OF THE LISTING PROCESS.....	66
6.3	COMPANY'S SHARE CAPITAL (<i>Article 6 of the Articles of Association</i>).....	67
6.4	EVOLUTION OF THE SHARE CAPITAL, INCREASES AND REDUCTIONS.....	67
6.5	MAIN CHARACTERISTICS OF THE SHARES (<i>Article 7 of the Articles of Association</i>).....	69
6.6	CONDITIONS FOR THE TRANSFER OF SHARES (<i>Articles 10, 11, and 44 of the Articles of Association</i>).....	70
7.	COMPANY VALUATION	73
7.1	BUSINESS PLAN.....	73
7.2	COMPANY'S FINANCIAL RESOURCES FOR THE TWELVE MONTHS FOLLOWING THE FIRST DAY OF TRADING	77
7.3	COMPANY VALUATION	78
7.4	REAL ESTATE VALUATION.....	80
8.	FINANCIAL INFORMATION AT 31 DECEMBER 2020	84
8.1	CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020	84
8.2	INCOME STATEMENT AS OF 31 DECEMBER 2020.....	86
8.3	PRINCIPLES, RULES AND ACCOUNTING METHODS.....	86
8.4	SCHEDULED DATE FOR FIRST SHAREHOLDER'S GENERAL MEETING, AND FIRST PUBLICATION OF EARNINGS FIGURES	87
9.	APPENDIX: AUDITOR'S REPORTS AND ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2020	88

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, GLOBAL PIELAGO SOCIMI, S.A.’s historical financial statements, the notes to those financial statements, and the valuation of both the assets and the Company (as this term is defined below).

1.1 GENERAL DESCRIPTION OF THE COMPANY

GLOBAL PIELAGO SOCIMI, S.A., (hereinafter, the “**Company**”, the “**Issuer**”, “**Hold Co**”, “**Group**” or “**Global Pielago**”) with Spanish tax identification number (*número de identificación fiscal*) (“Spanish TIN”) **A-88581251**, 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.

Global Pielago has its registered office at Paseo de la Castellana 93, 13^º Madrid (Spain).

The Company was incorporated on 29 January 2020 under the corporate name of Global Pielago, S.L. and subsequently joined applied for the SOCIMI special tax regime, hence changing its name to the current one.

Global Pielago operates under the trade name of “Niding”.

The Company has two wholly owned subsidiaries:

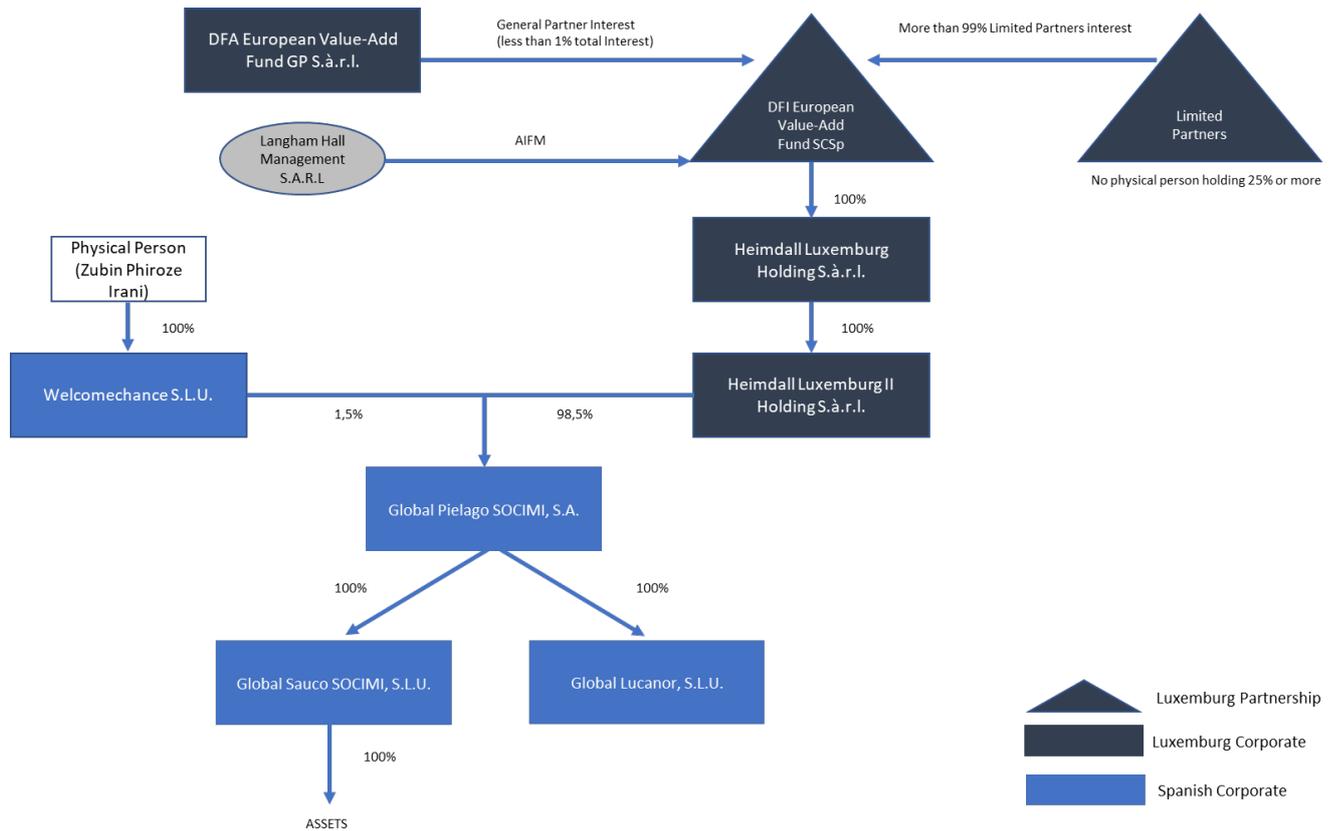
- I. Global Sauco SOCIMI S.L.U. (hereinafter, “**Global Sauco**”, the “**Subsidiary**” or “**Prop Co**”), acquired by Global Pielago on 5 March 2020 by means of a public deed granted on the same date before the Notary of Madrid, Spain.

Global Sauco owns 587 investments in real estate assets as of 31 December 2020 – 613 at the time of writing this Document.

- II. Global Lucanor S.L.U. (hereinafter, “**Global Lucanor**”), acquired by Global Pielago on 2 March 2021 by means of a public deed granted on the same date before the Notary of Madrid, Spain.

As of the date of this Information Document, Global Lucanor does not own any investments in real estate assets.

Global Pielago, together with Global Saucó and Global Lucanor, shall be jointly referred to as the “Group”.



1.2 PERSONS IN CHARGE OF THE INFORMATION DOCUMENT

1.2.1 *Responsible of the Information Document*

GLOBAL PIELAGO SOCIMI, S.A., declares that, each one of the members of the Board of Directors and Secretary are authorised and have the powers to represent the Company jointly and severally and for the purposes of preparing any documentation in relation of the Company's shares on Euronext Access Paris. 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”.

Madrid, Spain

14 April 2021

Mr. Juan Ignacio Gomez Vega

Director

1.2.2 Auditors

ERNEST & YOUNG, S.L.

Torre Azca Calle Raimundo Fernández Villaverde, 65, Madrid (Spain).

Phone number: +34 902 365 456

1.2.3 Listing Sponsor

ARMANEXT ASESORES, S.L.

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

Phone number: +34 911 592 402

www.armanext.com

ARMANEXT ASESORES, S.L. declares that, to the best of our knowledge, the information provided in the Information Document is 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.

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 GLOBAL PIELAGO SOCIMI, S.A.

1.3.2 Trade name

The Company's trade name is NIDING. Please see sub-section 3.2.1 "Trade name" for further details.

1.3.3 Headquarters

Paseo de la Castellana 93, 13^º Madrid (Spain).

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

Country Residence: Spain.

Registered office: Paseo de la Castellana 93, 13^º Madrid (Spain).

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

Legislation under which the issuer operates: Spanish law.

Website: www.niding.es

1.3.5 Company Registration and LEI Code

Registered at the Madrid Commercial Registry.

Date	3 February 2020
Book	40174
Sheet	110
Inscription	1
Page	M-713884

LEI Code: 959800NATLQD576R4Q86

1.3.6 Registration for the SOCIMI special tax regime

27 March 2020, the Company’s General Shareholders Meeting decided to approve the application of the SOCIMI special tax regime established in Law 11/2009¹, of 26 October, on Listed Real Estate Property Investment Companies, as amended by Law 16/2012², of 27 December (hereinafter “**SOCIMI Law**”– also referred to as the “SOCIMI Law” in the Articles of Association-). This resolution was communicated to the Tax Agency on 25 June 2020.

1.4 DURATION (Article 3 of the Articles of Association)

ARTICLE 3. – DURATION OF THE COMPANY AND START OF TRANSACTIONS *The Company’s duration is indefinite and it started its transactions on the day of execution of the deed of incorporation.*

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

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.

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

ARTICLE 2. – CORPORATE PURPOSE

1. *The Company's corporate purpose is:*
 - a) *Acquiring and promoting of urban real estate assets for its subsequent lease.*
 - b) *Holding the share capital of real estate investment listed companies ("SOCIMIs") or in the share capital of other non-resident companies in the Spanish territory that have the same corporate purpose as the former and are subject to a similar regime to that established for SOCIMIs with regard to the mandatory, legal or bylaw-mandated policy for profit distribution.*
 - c) *Holding the share capital of other entities, whether or non-resident in the Spanish territory, whose main corporate purpose is the acquisition of urban real estate in order to lease it and which are subject to the same regime established for SOCIMIs as regards the mandatory legal or bylaw-mandated policy to distribute profits and comply with the investment requirements referred to in article 3 of the SOCIMI Law.*
 - d) *Holding shares in publicly traded or private Real Estate Collective Investment Undertakings as regulated in Law 35/2003, of 4 November, on Collective Investment Undertakings, or such law as may replace it in the future.*
 - e) *Developing other accessory activities to those referred above, being understood as such those whose income represents, as a whole, less than 20% of the Company's income in each tax period or those that may be considered accessory in accordance with the applicable law at any given time.*
2. *The activities comprising the corporate purpose may be partly or wholly carried on in an indirect manner, by means of interests in other companies with a similar or identical purpose.*
3. *CNAE 6420. Activities of Holding companies.*

1.6 DIVIDENDS (Article 41 of the Articles of Association)

The Company is required to distribute dividends equal to at least those envisaged in the SOCIMI Law, under the terms of such 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 41. – APPLICATION OF RESULTS UNDER THE SOCIMI REGIME

1. *The shareholders at the general meeting shall pass a resolution regarding the application of results, strictly in accordance with the legal provisions that are applicable to the Company at any time. In particular, upon fulfilment of the corresponding commercial obligations, the shareholders at the general meeting shall resolve to distribute the Company's profits in accordance with the following details:*

- a) *100% of profits from dividends or shares in profits or SOCIMIs or other similar entities.*
- b) *At least 50% of profits arising out of transfers of real property and shares in publicly traded or private SOCIMIs or similar entities that have been carried out in observance of the three-year investment-holding period.*

The remainder of these profits must be reinvested in other real property or shareholdings linked to the fulfilment of the Company's corporate purpose, within the term of three years following the date of transfer. Said profits must otherwise be distributed in full together with any profits arising in the financial year in which the reinvestment period ends.

If the elements that are the object of reinvestment are transferred before the end of the minimum investment-holding period, 100% of the profits obtained must be distributed together with any profits arising during the financial year in which the relevant real property has been transferred.

- c) *At least 80% of other profits obtained.*

The shareholders at the general meeting shall determine the time and form of payment of any distributable dividends, subject to the provisions of these Articles of Association and the SOCIMI Law. The determination of these facts and of any others that may be necessary or appropriate to make the resolution effective may be delegated to the management body.

The shareholders at the general meeting or the management body may resolve to distribute interim dividends subject to the limitations and in compliance with the requirements established by Law.

The shareholders at the general meeting may resolve that dividends are to be paid partly or fully in kind, provided that the distributed assets or securities are homogeneous, are not distributed for a lower value than they have on the Company's balance sheet, are admitted to trading at the time the resolution becomes effective, and that the Company's liquidity is duly guaranteed for a maximum period of one year.

2. *Liquid profits shall be distributed among the shareholders in proportion to their holdings in the share capital. It must be resolved to allocate the profits within the six months following the conclusion of each financial year and payment must be made within the month following the date of the distribution resolution.*

3. *Special rules for the distribution of dividends are as follows:*

- a) *Right to receive dividends. Persons whose entitlements are listed in the corresponding accounting registers on the day on which the general meeting resolves to make a distribution of dividends, or, where applicable, on the day on which the management body does so, shall be entitled to receive dividends.*
- b) *Enforceability of dividend. Dividends shall be enforceable and payable 30 days after the date of the resolution by way of which the shareholders at the general meeting or, if applicable, the management body have agreed to distribute them, without prejudice to the possibility of expressly setting a specific payment date within said month by resolution.*
- c) *Indemnification. In cases in which the distribution of a dividend gives rise to an obligation for the Company to pay the special levy established in article 9.2 of the SOCIMI Law, or such rule as may replace it, the Company's management body may require that the shareholders who have caused the accrual of said levy indemnify the Company.*

The amount of the indemnification shall be equivalent to the sum accruing to the Company in Corporation Tax (Impuesto sobre Sociedades) due to the payment of the dividend that serves as a basis for calculation of the special levy, increased by the sum that, after deducting the corporation tax that affects the total amount of the indemnification, offsets the cost arising from the special levy and from the corresponding indemnification.

The management body shall calculate the amount of the indemnification, without prejudice to the possibility of it delegating said calculation to one or more directors. Unless the management body agrees otherwise, the indemnification shall be enforceable on the day before payment of the dividend.

By way of example, the indemnification is calculated below for two different circumstances in order to show how the effect of the indemnification on the Company's profit-and-loss account is zero in both cases:

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

Dividend: 100

Special levy: $100 \times 19\% = 19$

CT cost of special levy ("CTCsl"): 19

Indemnification ("I"): 19

Taxable base of CT for indemnification ("TBi"): 19

CT cost associated with indemnification ("CTCi"): 0

Effect on Company: $I - CTCsl - TBi = 19 - 19 - 0 = 0$

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

Dividend: 100

Special levy: $100 \times 19\% = 19$

CT cost of special levy ("CTCsl"): 19

Indemnification ("I"): $19 + (19 \times 0.1) / ((1 - 0.1)) = 21.1119$

Taxable base of CT for indemnification ("TBi"): 21.11

CT cost associated with indemnification ("CTCi"): $21.11 \times 10\% = 2.11$

Effect on Company: $I - CTCsl - TBi = 21.11 - 19 - 2.11 = 0$

- d) Right to compensation. The indemnification shall be offset against the dividend to be received by the shareholder who has given rise to the obligation to pay the special levy.

When the foregoing is not possible, for example because the dividend is paid partly or fully in kind, shareholders must pay the indemnification in cash, such that the assets or securities received correspond to the full value of the dividend accrued in their favour. In the alternative, the Company may resolve to deliver assets or securities for a value equivalent to the net result of discounting the amount corresponding to the indemnification from the full amount of the dividend accrued in favour of said shareholder.

- e) Right of withholding. In cases in which the dividend payment is made before the terms established for notices as applicable, the Company may withhold a sum equivalent to the amount of any indemnification that may be required to be paid from shareholders or holders of economic rights over shares of the Company who have not yet provided the information and documentation required by the aforementioned articles. Upon provision of the required information, the Company shall reimburse the withheld sums to shareholders who are not required to indemnify the Company.

If the required information and documentation are not provided within the established periods, the Company may also withhold payment of the dividend and offset the withheld amount against the amount of the indemnification, paying any positive difference to the shareholder.

- f) Other rules. In cases in which the total amount of the indemnification might prejudice the Company, the management body may demand a lower amount than the amount calculated in accordance with the provisions of sub-article c) of this article. The applicable rules in this article shall be applicable with respect to the distribution of sums that are similar to dividends (such as reserves, share premium, etc.).

1.7 FISCAL YEAR (Article 38 of the Articles of Association)

ARTICLE 38. – FINANCIAL YEAR

- 1. The financial year shall coincide with the calendar year.*
- 2. On an exceptional basis, the first financial year shall start on the date of execution of the deed of incorporation and shall end on 31 December of the same year.*

1.8 ADMINISTRATIVE, MANAGEMENT, AND CONTROLLING BODIES

1.8.1 Board of Directors (Articles 29, 30, 31, 32, 33, 34, 35, 36 and 37 of the Articles of Association)

The regime governing the Company's managing body is regulated in Articles 29, 30, 31, 32, 33, 34, 35, 36 and 37 of the Articles of Association. The main characteristics are those indicated as follows:

ARTICLE 29. – MANAGEMENT BODY AND COMPOSITION

- 1. The Company shall be managed and represented by a board of directors made up of the number of members established at the general meeting, with a minimum of three and a maximum of seven directors.*
- 2. If vacancies occur during the term for which the Directors were appointed, and there are no substitutes, the Board may appoint, from among the shareholders, the persons to fill such vacancies until the first General Meeting is held.*
- 3. Representation of faculties extend to all acts included in the corporate purpose, with the broadest possible powers to contract in general, to carry out all kinds of acts and business, binding or dispositive, of ordinary or extraordinary administration and of strict ownership, in respect of all kinds of assets, money, furniture, real estate, securities and commercial paper, with no exception other than those matters that legally and statutorily fall within the competence of the general shareholders' meeting.*
- 4. Any limitation on the representative powers of the administrative body, whether imposed by the Articles of Association or by decisions of the general shareholders' meeting, shall be ineffective vis-à-vis third parties, without prejudice to their validity and to the liability incurred by the directors vis-à-vis the company in the event of excess or abuse of powers or for the performance of acts not included in the corporate purpose that bind the company by virtue of the provisions of the Spanish Companies Law.*

ARTICLE 30. – APPOINTMENT OF DIRECTORS

- 1. It is not necessary to be a shareholder in order to be a director.*
- 2. The appointment of directors shall take effect from the time of their acceptance.*

3. *The power to appoint and remove directors shall be vested exclusively in the general shareholders' meeting.*
4. *Directors may be removed from office by the general shareholders' meeting, even if the removal is not on the agenda.*
5. *If a legal entity is appointed as director, it shall be necessary for it to appoint only one natural person to permanently exercise the functions of the office.*
6. *The revocation of its legal representative by the legal person appointed as director shall not take effect until such time as it appoints another natural person to replace it.*
7. *The directors shall hold their position for a term of six years, provided that the shareholders at the general meeting do not resolve to remove or replace them and they do not resign from their position. Directors may be re-elected upon the conclusion of the term on one or more occasions and for an equal term.*
8. *The appointment of directors shall expire when, upon conclusion of the term, the following general shareholders' meeting is held or the legal term has expired for the holding of the general shareholders' meeting that is to adopt a resolution on the approval of the accounts for the preceding financial year.*
9. *Directors appointed on an interim basis (co-option) shall hold their position until the first general shareholders' meeting that is held subsequent to their appointment.*
10. *Directors must present and formalize their resignation from the position when they are in or become subject to any of the circumstances of conflict or disqualification from holding the position established by Law.*
11. *Directors may be re-elected one or more times for periods of equal duration. Directors may not be appointed if they are legally incapacitated or incompatible to hold office, especially those determined by Law 5/2006, of 10 April, and by the regulations in force in the corresponding Autonomous Community.*
12. *Substitutes may be appointed for the directors in the event that one or more of them cease to hold office for any reason. The appointment and acceptance of the substitutes as directors shall be recorded in the Companies Register once the previous holder has ceased to hold office.*

ARTICLE 31. – OPERATIONS OF THE BOARD OF DIRECTORS

1. *The meeting shall be convened by its Chairman or the person acting in his/her position, and shall be convened by registered letter with acknowledgement of receipt, addressed personally to each director, at least seven days in advance, and shall be validly constituted when the meeting is attended, either in person or represented, always by another director, by a number of directors exceeding half the number*

of members of the Board by arithmetic calculation. Representation shall be conferred by letter addressed to the Chairman.

- 2. The Chairman shall direct the meetings, give the floor to the members, order the debates, set the order of speakers and the motions for resolutions.*
- 3. The board of directors shall meet on such days as it may decide and whenever its Chairman so decides or whenever two of its members so request, in which case it shall be convened by the Chairman to meet within fifteen days following the request.*
- 4. The directors constituting at least one third of the members of the Board may call a Board meeting, indicating the agenda, in the place where the registered office is located, if the Chairman has not called the meeting within one month, without just cause, after having been requested to do so by the Chairman.*
- 5. A meeting of the Board shall be validly convened without the need for prior notice when, all its members being assembled, they unanimously decide to hold the meeting, even by remote means of communication.*
- 6. Resolutions shall be adopted by an absolute majority of the directors present and represented at the meeting. In the event of a tie vote, the personal vote of the Chairman shall decide.*
- 7. The Board shall appoint from among its members a Chairman and, if it deems it appropriate, one or more Vice-Chairmen, in the latter case establishing the order in which they are to be appointed. It shall also freely appoint the person to act as Secretary and, if it deems appropriate, a Vice-Secretary, who may not be directors.*
- 8. Certificates of the minutes and resolutions of the Board shall be issued by the Secretary or Vice-Secretary, as the case may be, with the approval of the Chairman or Vice-Chairman.*
- 9. Their formalisation and their notarisisation shall be the responsibility of any of the members of the Board, as well as of the Secretary or Vice-Secretary thereof, even if they are not directors, with current positions and registered in the Commercial Register.*
- 10. The Minutes Book shall record the resolutions adopted with details of the convening and constitution of the Board, a summary of the matters debated, the interventions of which a record has been requested and the results of the voting.*

ARTICLE 32. – PERMANENT DELEGATIONS

- 1. The permanent delegation of any of the powers of the board of directors to the Executive Committee or to the Chief Executive Officer and the appointment of the Directors who are to hold such offices shall require for their validity the favourable vote of two thirds of the members of the Board and shall not produce any effect until they are recorded in the Commercial Register.*

2. *Under no circumstances may the powers set out in art. 249 bis of the Spanish Companies Law be delegated.*

ARTICLE 33. – MINUTES BOOK

1. *The Company shall maintain a minutes book or books, in the cases and on the terms established by applicable Law and regulation. Notwithstanding the foregoing, the company is authorised to take out civil liability insurance for its directors.*

The minutes of the meetings may be approved in any of the forms provided for in the Spanish Companies Law.

2. *The directors may require the presence of a Notary to take the minutes of the meeting, and shall be required to do so whenever shareholders representing at least one percent of the share capital so request, five days prior to the date scheduled for the meeting to be held. In both cases, the notarial minutes shall be deemed to be the minutes of the meeting.*
3. *Any shareholder and the persons who, as the case may be, have attended the general shareholders' meeting on behalf of the not attending shareholders, may at any time obtain certification of the resolutions and minutes of the general shareholders' meeting.*

ARTICLE 34. – REMUNERATION

4. *The office of director shall be remunerated. The remuneration shall be a fixed amount and the maximum amount of the annual remuneration of all the directors in their capacity as such shall be approved by the general shareholders' meeting and shall remain in force until such time as its modification is approved. The specific nature and distribution of the remuneration among the different directors in their capacity as such shall be established by resolution of the general shareholders' meeting, which shall take into consideration the functions and responsibilities attributed to each director.*
5. *Notwithstanding the foregoing, the company is authorised to take out civil liability insurance for its directors.*

ARTICLE 35. – RAISING TO PUBLIC STATUS

It is for the Secretary of the board of directors and, if applicable, the Vice-Secretary to execute the resolutions adopted by bodies of the Company as public deeds. Corporate resolutions can also be executed as public deeds by the member or members of the board of directors who are expressly empowered to do so by the corresponding body at the meeting at which the resolutions have been adopted.

ARTICLE 36. – NON-COMPETE

Unless expressly authorized by the shareholders at the general meeting, the members of the board of directors must refrain from engaging in activities on their own behalf or for a third party that entail potential or actual competition with the Company or that in any other way place them in ongoing conflict with the interests of the Company.

ARTICLE 37 – GENERAL FUNCTIONING OF THE BOARD OF DIRECTORS

- 1. The meeting shall be called by individual written notice (letter, fax, telegram or email) to all the directors, sent to the address designated by each of them for such purpose or, in the absence of a specified address, to the registered address. There must be a period of at least five calendar days between the sending of the final communication and the date scheduled for the holding of the board meeting, except in the case of urgent meetings, which may be called to be held immediately subject to the consent of a majority of the directors. The call shall always include the agenda for the meeting unless there are reasonable grounds for not doing so, and it shall be accompanied by the information deemed necessary for the deliberation and adoption of resolutions on the items to be examined except in urgent cases. In any event, the board may deliberate and adopt resolutions on the matters within its purview even if they are not included on the agenda in the call to meeting.*
- 2. The directors must attend the meetings held in person. However, any director may grant a proxy to another director. The proxy shall be granted in writing for the specific meeting in question and may be notified by any of the means provided for in the above sub-article.*
- 3. The board meeting is deemed validly constituted when half plus one of the board members attend the meeting, and any director may grant their proxy to another director. Deliberation shall be carried out by separate items and shall be subject to moderation by the Chair.*
- 4. The Chair shall be replaced in their absences by the Vice-Chair, in the established order if there is more than one, and in the absence of a Vice-Chair, by the oldest director. The Secretary shall be replaced in their absences by the Vice-Secretary and, if the Vice-Secretary is also absent, by the director designated by the board in each case.*
- 5. Votes in writing and without a meeting shall also be valid provided that no director opposes this procedure.*
- 6. Meetings shall be held at the registered office or elsewhere in Spain, unless all the members consent to another location abroad.*
- 7. Board meetings may be held in several locations connected by systems that permit the recognition and identification of attendees, continuous communication among the attendees regardless of their location and the ability to interject and cast votes, all in real time.*

8. *For all purposes relating to the board of directors, attendees in any location shall be deemed to be attending the same, single meeting. The meeting shall be deemed to be held in the location where the highest number of directors is present and, in the event of a tie, in the location where the Chair of the board of directors or the person chairing the meeting is present.*
9. *The Chair and any of the Vice-Chairs of the board of directors may invite the members of the Company’s management team or any other person they deem appropriate to participate in the meetings of the board of directors. Said guests shall be bound to keep strictly confidential the content examined at meetings of the board.*
10. *The board of directors may if it deems it necessary or appropriate develop and complete the legal and bylaw-mandated regulation relating to its operation by approving Regulations of the board of directors. In such a case, the board of directors shall inform the shareholders at the general shareholders’ meeting the approval of the aforementioned regulations.*

1.8.2 Composition of the Board of Directors

The Board of Directors of the Company is composed by:

Member	Position
Bluseat Trust Services Spain S.L.U. (represented by Mrs. Rima Yousfan Moreno)	Director and Chairperson
Mr. Juan Ignacio Gomez Vega	Director
Mr. Zubin Phiroze Irani	Director
Mrs. María Lorena Salamanca Cuevas	Secretary non-director

1.8.3 Directors’ trajectory

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

- **Mr. Zubin Phiroze Irani**

26 years of experience in Real Estate. He started his career in New York and relocated to London in 1999. Since then, Mr. Irani has been responsible for investing in and creating businesses focused on all parts of the real estate capital structure including Equity, Mezzanine and Senior Debt. Mr. Irani has been responsible for over €45 billion of transaction volume during his career.

From March 2009 to September 2016, Mr. Irani served as a Managing Principal of Westbrook Partners where he was responsible for all European equity investing, value enhancement and realization activities. Mr. Irani set up Westbrook’s German equity business and re-built Westbrook’s equity business in France. He was also a Member of the Investment Committee.

Prior to joining Westbrook, Mr. Irani was a Partner at Goldman Sachs. He was Head of the European Real Estate Financing Group in London and Member of the Global Structured Finance Committee. From 1999 to 2005, Mr. Irani was the Chief Financial Officer of the Real Estate Principal Investment Area in Europe and was responsible for all European financing activity and currency hedging worldwide, and from 2003 to 2005, he was also Co-Head of European Real Estate Mezzanine Investments.

Prior to joining Goldman Sachs in 1996, Mr. Irani worked at Salomon Brothers as an analyst for a year within Investment Banking and spent three years in the Commercial Mortgage Finance Group in New York.

Mr. Irani received a B.S. from Cornell University and is currently a Member of the Cornell University Council.

- **Mr. Juan Gomez Vega**

Juan is a Director at DFI. He has over 15 years of experience in real estate debt, equity investment and asset management. Prior to joining DFI, he was Chief Capital Markets Officer at Neinor Homes where he was responsible for the execution of its €1.3 billion IPO. He was previously a Director at Lone Star Spain, where he oversaw the sourcing and execution of circa €1.5 billion investment opportunity in Iberia, and a Chief Executive of Vilamoura World, a Portuguese master developer wholly-owned by Lone Star funds. Juan holds a BS in Economics, an MS in Finance, an MBA from Columbia Business School and is a CFA Charterholder.

- **Mrs. Rima Yousaf Moreno**

Before joining Auxadi in 2009, Rima worked at Discovery Communications in the UK regional headquarters, managing the European Internal Audit Team, and soon becoming Director of Consolidation and Reporting. Prior to her career in the UK, she worked in Public Practice in a Big Four firm. Rima brings to the equation her financial management background as well as consultancy experience, having been on both sides of the table. She holds an Economics degree from UB in 2001. Certified account auditor from ICAC in 2006. Executive MBA from “Centro de Estudios Financieros” in 2008. Postgraduate studies in Tax Advice by IE Business School in 2010. Rima attended the LPSF at Harvard Business School in 2010. She speaks Spanish and English.

- **Mrs. María Lorena Salamanca Cuevas**

Graduated in Law at the University of San Pablo CEU in 1999 besides graduating in Business Administration at the Southbank University, London in 2000. She speaks fluent Spanish and English. María studied a Data Protection master’s degree in 2009. Other postgraduate studies include:

- Management Development, Harvard University – 2012
- Specialization Courses, EU – China School of Law – 2010
- Business Law Advisory master’s degree, ESIC – 2003

María Lorena has worked for Auxadi for over 13 years. During her time in Auxadi she has led the Legal department since 2003 and has since then incorporated over 100 companies. She is currently a Secretary of the Board for over 20 multinational companies and a Board member of the Oberta's University in the region of Catalonia. María Lorena has been a member of the Bar association in Madrid since 2000.

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 procedures, 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 16, 17, 18, 19, 20, 21, 22, 24, 25, 26, 27 and 28 of the Articles of Association)

The Company's General Shareholders' Meeting is governed by the provisions of the restated text of the Spanish Companies Law, approved by Royal Legislative Decree 1/2010, of 2 July (the "Spanish Companies Law")³, and articles 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and 28 of its the Articles of Association.

ARTICLE 15. – MAJORITY SYSTEM

1. *Corporate resolutions shall be adopted by a simple majority of votes of the shareholders present in person or by proxy at the general meeting, and a resolution shall be deemed adopted when more votes are cast in favour of it than against it out of the share capital present in person or by proxy.*
2. *For the adoption of the resolutions referred to in article 194 of the Spanish Companies Law (except in the case of matters that are in turn some of those included in the Reserved Matters, in which case they shall be governed by the provisions set forth below), if the capital present in person or by proxy exceeds fifty percent, 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 in person or by proxy at the meeting shall be required when, on second call, shareholders representing twenty five percent or more of the subscribed capital with voting rights do not reach fifty percent.*
3. *For the adoption of resolutions relating to the Reserved Matters, on first call, the favourable vote of ninety nine percent (99%) of the votes corresponding to the shares into which the share capital is divided shall be required. On second call, the resolution shall be adopted with the favourable vote of ninety eight and seven percent (98.7%) of the votes corresponding to the shares into which the share capital is divided.*

³ Texto refundido de la Ley de Sociedades de Capital, aprobado por el Decreto Legislativo 1/2010, de 2 de julio.

4. *For these purposes, agreements relating to the following matters shall be considered "Reserved Matters":*
 - a. *The amendment of the Company's Articles of Association or of any of its subsidiaries.*
 - b. *The modification of the rights, obligations or restrictions relating to the shares of the Company or any of its subsidiaries.*
 - c. *The allocation or creation of any kind of shares in the Company or any of its subsidiaries or the creation or granting of any options or pre-emptive or acquisition rights over, or the conversion of any kind of security into, shares in the Company or any of its subsidiaries, except (i) in those cases of restructuring or reorganization of the group to which the Company belongs and such restructuring or reorganization does not modify the proportion of shares owned by each of the shareholders or the rights derived from such shares or (ii) in connection with any guarantee agreements granted on shares within the framework of financing assumed by the group to which the Company belongs.*
 - d. *The merger, subdivision, conversion or redemption of any shares of the Company or any of the companies of the group, except in those cases of restructuring or reorganization of the group to which the Company belongs and such restructuring or reorganization does not modify the proportion of shares owned by each of the shareholders or the rights derived from such shares.*
 - e. *Any reduction of the share capital, of the share premium account or of the capitalization reserves of the Company or of any of its subsidiaries, unless required by Law.*
 - f. *Any substantial change in the nature or scope of the business conducted by the Company or any of its subsidiaries that includes a change in the acquisition, development, holding and transactions of commercial and residential real estate.*
 - g. *Whilst Global Marianela, S.L. or any of its subsidiaries continues to act as asset manager of the real estate owned by the Company and its subsidiaries, the acquisition by the Company or any of its subsidiaries of any real estate assets, shares, or any other form of equity interest in other companies or tangible assets, or the approval for the subscription of any financing for these purposes.*
 - h. *The approval of the subscription of any contract, agreement or transaction (including financing agreements) between the Company or any of its subsidiaries and a shareholder of the Company (if any) holding more than fifty percent of the share capital of the Company.*
5. *All the shareholders, including dissenting and absentee shareholders, are subject to the resolutions passed at the general meeting in relation to the matters within its purview, without prejudice to the shareholder's right of withdrawal when legally admissible and the rights of challenge established in applicable law.*
6. *The splitting of votes is permitted so that financial intermediaries with the status of shareholders but acting on behalf of various clients can cast their votes in accordance with client instructions.*

ARTICLE 16. – COMPETENCES OF THE GENERAL SHAREHOLDERS’ MEETING

The general shareholders’ meeting shall be competent to deliberate and resolve on the matters included in article 160 of the Spanish Companies Law, as well as on any others attributed to it by virtue of these Articles of Association and applicable regulations.

ARTICLE 17. – TYPES OF GENERAL MEETING

- 1. General meetings shall be either annual (ordinarias) or extraordinary.*
- 2. Annual general meetings, previously called for this purpose, shall necessarily meet within the first six months of each financial year to approve the management of the company, the annual accounts of the previous financial year and to decide on the distribution of profits.*

ARTICLE 18. – FORM AND CONTENT OF THE CALL

- 1. General meetings shall be called by means of announcement published on the Company’s corporate website if it has been created, registered and published on the legally applicable terms. The call shall otherwise be published in the Official Gazette of the Commercial Registry (Boletín Oficial del Registro Mercantil) and in one of the widely circulated newspapers in the province in which the registered office is located.*
- 2. The announcement shall state the Company name, the location, the date and the time of the meeting on first call, the position of the person or persons making the call, and the agenda, which shall include the items for examination; as well as any other aspects that must be included in the announcement pursuant to the provisions of the Regulations for the General Meeting. It may also state the date, time and location for the meeting to be held on second call, if appropriate.*
- 3. There must be a period of at least one month between the call and the date scheduled for the meeting, except in those cases in which a longer period is established by the Law on structural changes to companies, which shall be calculated as from the date of publication on the website or, if applicable, the date on which the announcement was sent to the last of the shareholders.*
- 4. If a duly called general meeting is not held on first call and the announcement did not specify the date on second call, it must be announced with the same agenda and the same publication requirements as on first call within the 15 days following the date of the general meeting not held and with at least 10 days’ notice prior to the date of the meeting.*
- 5. The provisions of this article are deemed without prejudice to fulfilment of the specific requirements established by law for the call to the meeting due to the items to be examined, or to other circumstances, as well as to the provisions of the Regulations for the General Meeting, if applicable.*

6. *General meetings shall be deemed called and validly constituted to examine any item without the need for a prior call provided that all of the share capital is present in person or by proxy and the attendees unanimously agree to hold a general meeting.*

ARTICLE 19. – ANNOUNCEMENT OF THE CALL TO GENERAL MEETINGS

1. *General meetings must be called by the Company's board of directors and, if applicable, by its liquidators, without prejudice to the special cases provided for in the Spanish Companies Law.*
2. *The management body may call a general meeting provided that it deems it appropriate in the corporate interest and it will be required to do so in the following cases:*
 - a. *When an annual general meeting must be held.*
 - b. *When requested by shareholders representing at least one per cent of the share capital. In this case, the general meeting must be called to be held within two months following the date on which the directors have been requested to call it by a notarial office, and the agenda must include the items raised in the request. The announcement must state the date on which the meeting will be held on second call, if appropriate.*
3. *The directors shall call the general meeting whenever they consider it convenient to the corporate interests and, in any case, on the dates and situations determined by Law and the Company's Articles of Association. They shall also call it in the cases provided for in the above paragraph, in accordance with the provisions set forth therein.*
4. *The foregoing is deemed without prejudice to the calling of a general meeting by a Court Clerk (Letrado de la Administración de Justicia) or Commercial Registrar (Registrador Mercantil) corresponding to the registered office, in such cases and with such requirements as are established by law.*
5. *Upon the dissolution of the Company, the liquidating body shall be responsible for the call to the general meeting.*

ARTICLE 20. – LOCATION AND TIME OF GENERAL MEETINGS

1. *General meetings shall be held in the location where the Company has its registered address. However, a general meeting arranged by agreement of all shareholders (junta universal) can be held in any location within the national territory or abroad. If the location for holding the meeting is not included in the call, the meeting shall be deemed called to be held at the registered office.*
2. *The shareholders may attend general meetings by attending the meeting location indicated in the above sub-article, or by attending other locations connected thereto by videoconference or other technically equivalent systems that permit the recognition and identification of the attendees and continuous communication among them, regardless of their location, as well as real-time interjections and casting*

of votes. When the management body decides to make use of this provision, the call shall state that it is possible to attend by videoconference or technically equivalent means, specifying how it may be done, the connection system and the locations where the necessary technical means to attend and participate in the meeting are available. Resolutions shall be deemed adopted at the registered office.

- 3. General meetings shall be held on the scheduled day on first or second call. If resolutions are adopted at the general meeting by correspondence or by other means of remote communication, they shall be deemed adopted at the registered office and on the date of receipt of the final votes cast.*

ARTICLE 21. – CONSTITUTION OF GENERAL MEETINGS

- 1. The general shareholders' meeting, whether ordinary or extraordinary, shall be validly constituted on first call when the shareholders present in person or represented hold at least twenty five percent of the share capital with voting rights. On second call, the meeting shall be validly constituted regardless of the amount of share capital in attendance.*
- 2. However, in order for the ordinary or extraordinary general shareholders' meeting to validly resolve on the matters contemplated in article 194 of the Spanish Companies Law, it shall be necessary, on first call, the attendance of shareholders present in person or represented who hold at least fifty percent of the share capital with voting rights. On second call, the attendance of twenty five percent of said share capital shall be sufficient.*
- 3. If it is necessary pursuant to applicable law or these Articles of Association for a certain quorum to attend in order for a resolution to be validly adopted with respect to one or more of the items on the agenda for a general meeting and said quorum is not reached, the agenda shall be limited to the other items that do not require the relevant quorum.*
- 4. Absences arising once a general meeting has been validly constituted shall not affect the holding thereof.*
- 5. Without prejudice to the provisions of the above sub-article, a general meeting shall be validly constituted as a general meeting arranged by agreement of all shareholders (junta universal) provided that all of the share capital is present in person or by proxy and the attendees unanimously agree to hold the meeting and the agenda therefor.*

ARTICLE 22. – RIGHT OF ATTENDANCE

- 1. The Company's shareholders shall have the right to attend general meetings whatever the number of shares they hold, provided that their status as a shareholder has been ascertained before the general meeting is held; this shall be proven by means of the document that certifies their status as shareholders in accordance with the law; it shall state the number, class and series of the shares they hold, as well as the number of votes that they may cast.*

- 2. In order to attend general meetings, it shall be necessary for the shareholder to have ownership of their shares registered in the corresponding book-entry accounting register five days in advance of the date on which the general meeting is to be held and to provide the corresponding attendance card or document that certifies their status as a shareholder in accordance with the law.*
- 3. The chair of the general meeting may authorise the attendance of any person that they deem appropriate. However, the shareholders at the general meeting may revoke said authorisation.*

ARTICLE 24. – BOARD AND CHAIR OF THE GENERAL MEETING

- 1. The board shall be made up of at least the chair and the Secretary of the general meeting. The members of the Company's management body may also form part thereof. If a Notary has been requested to attend, they may also form part of the board of the general meeting.*
- 2. The meetings shall be chaired by the Chairman of the board of directors or, where appropriate, by the Vice-Chairman, and the Secretary of the board of directors or, where appropriate, the Vice-Secretary of board of directors shall act as Secretary.*
- 3. In the absence of the aforementioned persons, the Chairman and Secretary of the general shareholders' meeting shall be those designated, at the beginning of the meeting, by the shareholders in attendance.*
- 4. Certificates of the minutes of the General Meetings shall be issued by the Secretary of the board of directors or, as the case may be, by the Vice-Secretary, with the approval of the Chairman or the Vice-Chairman, as the case may be.*
- 5. The formalisation of corporate resolutions in a public instrument shall be carried out by the persons empowered to certify them. It may also be carried out by any of the members of the board of directors without the need for express delegation.*
- 6. The members of the management body must attend general meetings, although the inability of any of them to attend for any reason shall not prevent the valid constitution of the general meeting.*

ARTICLE 25. – FORM OF DELIBERATING AND VOTING ON RESOLUTIONS

- 1. Once the list of attendees has been drawn up, the Chair shall if appropriate declare the general meeting to be validly constituted and shall determine whether all the items included on the agenda can be examined or, otherwise, the items that can be subject to deliberation and resolution at the general meeting. Each item on the agenda shall be subject to a separate vote, and there must be a separate vote on items that are substantively independent, particularly where established by Law.*
- 2. The Chair shall submit the items included on the agenda for deliberation as they appear thereon, and shall conduct the debates so that the meeting proceeds in an orderly fashion. The Chair shall have the relevant organizing and disciplinary powers for such purpose, can expel persons who disturb the normal course of the meeting, and can resolve to temporarily suspend the meeting.*

3. *Even when in attendance at the meeting, the Chair of the general meeting may instruct such director as they deem appropriate or the Secretary of the general meeting to conduct the debate; such persons shall perform these duties on behalf of the Chair, who may assume them at any time.*
4. *Any person with the right to attend may interject at least once in the deliberation in relation to each item on the agenda, although the Chair of the general meeting may establish the order of interjections and limit their maximum duration at any time.*
5. *The shareholders may verbally request such information or clarifications as they deem suitable regarding the items included on the agenda during the holding of the general meeting. The management body shall be required to provide the information or clarifications in the form and within the time periods established by law.*
6. *Once the Chair considers that an item has been sufficiently debated, they shall submit it for a vote. It is for the Chair to establish the voting system that they deem most appropriate and to conduct the corresponding process.*
7. *Without prejudice to the provisions of the foregoing sub-articles, resolutions can be adopted at the general meeting by correspondence or by any other remote means of communication, provided that the identity of the subjects who are voting and the integrity of the direction of their vote are duly guaranteed.*
8. *The corporate resolutions must be set forth in minutes that must include the list of attendees and must be approved in accordance with the provisions of Law.*

ARTICLE 26. – APPROVAL OF RESOLUTIONS

1. *Resolutions of the general shareholders' meeting shall be adopted in accordance with article 15 above, with the exception of those cases in which applicable laws require a qualified majority or unanimity.*
2. *Each share shall grant one voting right.*
3. *The matters referred to in article 197 bis of the Spanish Companies Law shall be voted on separately at the meetings.*

Article 27. – DISTANCE VOTING

1. *Shareholders with the right of attendance may cast their vote on the proposals relating to items included on the agenda for any general meeting by the following means:*
 - a. *postal delivery or correspondence, delivering to the Company the duly signed attendance and voting card (together with any voting form made available by the Company for such purpose), or by other written means that, in the opinion of the management body in a resolution adopted for such*

- purpose, permits proper verification of the identity of the shareholder exercising their voting right;
or*
- b. electronic correspondence or communication with the Company, attaching an electronic-format copy of the attendance and voting card (together with any voting form made available by the Company for such purpose) that shall include the electronic signature or other form of identification of the shareholder, on the terms established by the management body in a resolution adopted for such purpose to ensure that this vote-casting system contains the proper guarantees of authenticity and identification of the shareholder casting their vote.*
- 2. Votes cast by any of the aforementioned means must be received by the Company before midnight on the third day prior to the day scheduled for holding the general meeting on first call in order for them to be valid. The management body may reduce this mandatory notice period in the resolution to call the general meeting in question, giving it the same publicity as is given to the announcement of the call.*
 - 3. Shareholders who cast their distance votes on the terms set forth in this article shall be classified as present for purposes of constitution of the relevant general meeting. As a result, proxies granted prior to the casting of that vote shall be deemed revoked and those granted subsequently shall be deemed not granted.*
 - 4. The casting of distance votes referred to in this article shall be rendered void by the attendance in person at the meeting of the shareholder who cast the vote.*
 - 5. The management body may implement the foregoing provisions by establishing the instructions, rules, means and procedures to facilitate the casting of votes and the granting of proxies by remote means of communication, in line with the technical state of the art and adjusted where applicable to the rules that are enacted for such purpose and the provisions of these Articles of Association. Any implementation rules that are adopted by the management body pursuant hereto shall be published on the Company's website.*
 - 6. In order to avoid potential duplications, the management body may adopt such measures as are required to ensure that the person casting a distance vote or granting a proxy is duly entitled to do so pursuant to the provisions of these Articles of Association.*

ARTICLE 28. – MINUTES BOOK

- 1. The Company shall maintain a minutes book or books, in the cases and on the terms established by applicable Law and regulation.*
- 2. The minutes of the meetings may be approved in any of the forms provided for in the Spanish Companies Law.*

3. *The directors may require the presence of a Notary to take the minutes of the meeting, and shall be required to do so whenever shareholders representing at least one percent of the share capital so request, five days prior to the date scheduled for the meeting to be held. In both cases, the notarial minutes shall be deemed to be the minutes of the meeting.*
4. *Any shareholder and the persons who, as the case may be, have attended the general shareholders' meeting on behalf of the not attending shareholders, may at any time obtain certification of the resolutions and minutes of the general shareholders' meeting.*

2. HISTORY AND KEY FIGURES

2.1 HISTORY OF THE COMPANY

- **29 January 2020**

- The Company was set up and registered under the name Global Pielago S.L. by means of a public deed granted before the Notary of Madrid, Spain. The initial number of shares (*participaciones sociales*) on this date was 3,600, correlatively numbered from 1 to 3,600 with a nominal value of €1 each share.
- The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
LATORRE & ASOCIADOS CONUSLTORÍA, S.L.	3,600	100%
TOTAL	3,600	100.00%

- **5 March 2020**

- The Company's Sole Shareholder approved a €56,400 capital increase through the creation of 56,400 new shares at a nominal value of €1 each, correlatively numbered from 3,601 to 60,000 both inclusive. The share capital thus became €60,000, comprised of 60,000 shares with a nominal value of €1 each.
- The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
LATORRE & ASOCIADOS CONUSLTORÍA, S.L.	60,000	100%
TOTAL	60,000	100.00%

- The Company's Sole Shareholder approved the conversion of the Company into a Public Limited Company (S.A.), until now a Limited Company (S.L.), changing its name to Global Pielago, S.A.

- **5 March 2020**

- The Company's acquired 100% of Global Sauco SOCIMI S.L.U.

- **27 March 2020**

- The Company's General Meeting approved to formally request the application of the SOCIMI special Tax Regime.

- LATORRE & ASOCIADOS CONSULTORÍA, S.L., sold (i) 59,100 Global Pielago, S.A.’s shares with a nominal value of €1 each to DFI EUROPEAN VALUE-ADD FUND, SCSP (hereinafter “**DFI Fund**”),
- The Company’s General Meeting approved to formally request the application of the SOCIMI special Tax Regime.
- LATORRE & ASOCIADOS CONSULTORÍA, S.L., sold (i) 59,100 Global Pielago, S.A.’s shares with a nominal value of €1 each to DFI Fund, which paid a price of €59,100; and (ii) 900 Global Pielago, S.A.’s shares with a nominal value of €1 each to WELCOMECHANCE, S.L.U. (hereinafter “**Welcomechance**”), which paid a price of €900.
- The Company’s shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
DFI EUROPEAN VALUE-ADD FUND, SCSP	59,100	98,5%
WELCOMECHANCE, S.L.U.	900	1,5%
TOTAL	60,000	100.00%

- **23 April 2020**

- A Shareholders’ agreement, (the “**Shareholders’ Agreement**”) relating to the establishment and operation of Global Pielago, S.A., was signed between DFI Fund and Welcomechance on 23 April 2020.
- DFI Fund held 51,100 shares, representing 98.5% of the Company’s issued share capital, and Welcomechance held 900 shares representing 1.5% of the Company’s issued share capital.
- As per the terms of the Shareholders’ Agreement, the shareholders undertook to provide the Company with funds in order to achieve the following result:
 - a) DFI Fund would hold 4,925,000 ordinary shares.
 - b) Welcomechance would hold 75,000 ordinary shares.

- **2 June 2020**

- DFI Fund contributed the shares it held over the Company to Heimdall Luxembourg Holdings S.à r.l. (hereinafter “**Heimdall**”) on 2 June 2020 under the “**Share Contribution Agreement**” relating to the shares of Global Pielago, S.A. The total 59,100 shares were contributed as follows:
 - a) 53,977 shares numbered from 1 to 53,977, both included, in exchange for the subscription for alphabet shares in Heimdall.

- b) 5,123 shares numbered from 53,978 to 59,100, both included, as a payment in kind to discharge the loan granted by DFI Fund to Heimdall by means of an intra-group loan agreement entered into by DFI Fund as “lender” and Heimdall as “borrower”.
- o Prior to executing the contribution agreement and pursuant to the Shareholders’ Agreement, DFI Fund and Heimdall entered into a “Deed of Adherence”, according to which Heimdall would be entitled to the benefit of all of the provisions of the Shareholders’ Agreement which conferred rights on DFI Fund, as if Heimdall were a party of the Shareholders’ Agreement. In turn, Heimdall undertook to observe, perform and be bound by all the provisions of the Shareholders’ Agreement imposing obligations on DFI as if it were a party of the thereto.

SHAREHOLDER	SHARES	SHAREHOLDING
HEIMDALL LUXEMBOURG HOLDINGS S.À.R.L.	59,100	98,5%
WELCOMENCHANCE, S.L.U.	900	1,5%
TOTAL	60,000	100.00%

- **25 June 2020**

- o Global Pielago, as Sole Shareholder of its subsidiary Global Sauco, resolved to formally request the application of the SOCIMI Special Tax Regime for the PropCo. This resolution was communicated to the Spanish Tax Agency on the same date.
- o Global Pielago communicated to the Spanish Tax Agency the resolution adopted by its general shareholders’ meeting previously, on 27 March 2020, with regard to the application of the SOCIMI Special Tax Regime.
- o Global Pielago changed its registered office from calle Suero de Quiñones 34-36 Madrid, to Paseo Castellana 93-13 Madrid.
- o In order to achieve the total 5,000,000 ordinary shares agreed under the terms of the Shareholders’ Agreement, the general shareholders’ meeting resolved to increase the Company’s share capital in the amount of €4,940,000, resulting in a €5,000,000 share capital. 4,940,000 shares of a nominal value of €1 numbered consecutively from 60,001 to 5,000,000 both inclusive were issued.
- o The Company’s share capital thus became €5,000,000, comprised of 5,000,000 shares of €1 each.

The aforementioned shares were issued with a global premium of €7,602,083.50, that is, at a rate of €1.53888329959514 per share. The value of the share capital increase adding the concepts of share capital and premium, amounted to €12,542,083.50.

SHAREHOLDER	SHARES	SHAREHOLDING
HEIMDALL LUXEMBOURG HOLDINGS S.À.R.L.	4,925,000	98,50%
WELCOMECHANCE, S.L.U.	75,000	1,50%
TOTAL	5,000,000	100.00%

- **25 June 2020**

- Heimdall and Welcomechance ratified the agreement named “Call Option Agreement relating to Global Pielago SOCIMI, S.A.” executed between them on that same date, through which Welcomechance granted a call option over all the shares of Global Pielago held by Heimdall in favour of the latter, so that Heimdall has the right, but not the obligation, to purchase and receive from Welcomechance the shares it may hold from time to time in Global Pielago, under the terms set forth therein.
- On the same date, Heimdall and Welcomechance ratified the agreement named “Put Option Agreement relating to Global Pielago SOCIMI, S.A.” executed between them on that same date, through which Heimdall granted a put option over all the shares of Global Pielago held by Welcomechance in favour of the latter, so that Welcomechance has the right, but not the obligation, to sell and transfer to Heimdall the shares it may hold from time to time in Global Pielago, under the terms set forth therein.

- **14 October 2020**

- The universal general shareholders’ meeting meeting resolved to (i) acknowledge the resignation tendered by the joint and several directors of the Company at the time, (ii) change the management body of the Company from two joint and several directors to a board of directors, and (iii) appoint the following three directors for the statutory term of six years.

Member	Position
Bluseat Trust Services Spain S.L.U. (represented by Mrs. Rima Yousfan Moreno)	Director and Chairperson
Mr. Juan Ignacio Gomez Vega	Director
Mr. Zubin Phiroze Irani	Director
Mrs. María Lorena Salamanca Cuevas	Secretary non-director

- **2 March 2021**

- The Company’s acquired 100% of Global Lucanor, S.L.U.

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.

2.2 SELECTED FINANCIAL DATA

The Company's selected financial data covers the period from its incorporation, on 29 January 2020, to 31 December 2020.

The Company's key figures from its consolidated income statement for the period from 29 January 2020 to 31 December 2020, are presented below:

SELECTED DATA	31/12/2020
PROFIT & LOSS (€)	
Net turnover	235,501
Variation in fair value of investment properties	16,429,331
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	16,323,342
Financial Expenses	(200,381)
Income Tax	-
Profit/(Loss) for the period	16,122,961
BALANCE SHEET (€)	
Investments Property	49,173,300
Cash and equivalent liquid assets	8,287,263
Equity	37,064,790
Non-current payables	13,606,896
Non-current payables to Group companies and associates	10,940,830

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

The financial statements at 31 December 2020 along with the corresponding auditor's report is attached as **Appendix**.

The Spanish language financial statements have been audited by ERNEST & YOUNG, S.L. (hereinafter "E&Y" or the "Auditor") and are available at the Company's website: www.niding.es

3. COMPANY ACTIVITY

3.1 SUMMARY OF ACTIVITY

The Company was incorporated on 29 January 2020 as described in subsection 2.1 of this Information Document with the purpose of investing in real estate through its subsidiaries.

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.

3.2 BUSINESS MODEL

Global Pielago was set up as a real estate investment vehicle in order to invest in the Spanish property market.

The Company does not have any employees. It is externally managed and works along some of the most reputable advisors, allowing it to effectively manage its existing real estate assets and to effectively maximize rental income.

On the date of this Information Document, the Company is currently analyzing investment opportunities in other property assets.

Global Pielago follows a holistic strategy designed to create long-term institutional platform with best-in-class management and sustainable income; providing tenants with improved quality product and service at affordable rental levels assembling 5,000-Unit Portfolio of Single Family Residential (hereinafter the “SFR”), assets in Spain’s key economic hubs.

Product and Service

- Portfolio of affordable rental units across major Spanish economic growth markets
- Targeting broad demographic of tenants with satisfactory credit ratings
- Superior customer service in predominantly “mom-and-pop” industry

Acquisition and Origination

- Disciplined acquisition strategy focused on quality asset and location selection (c. 13,000 units screened, bids submitted on under 20%).
- Pricing at discount to market valuations and replacement costs from motivated financial sellers seeking to liquidate large holdings.
- Significant acquisition pipeline and target vendors identified.

Sourcing and Selection Criteria

- Assets Type: Residential rental assets that are: (i) vacant or (ii) occupied excluding social contracts or long leases significantly below market.
- Pricing: Entry pricing at significant discount to market valuations (25%+) and replacement costs. Focus on relationship-based direct off-market sourcing with key targets including servicers, banks and, private equity firms.
- Location: Strong rental markets with high sustainable yields and attractive demand drivers (population growth, household formations, job growth, quality of life). Key markets include Madrid, Barcelona, Valencia, Alicante, Mallorca, Málaga and Seville.

Asset and Operational Management

- Majority of assets acquired with vacant possession to enable light-touch refurbishments followed by immediate leasing.
- Efficient administration and maintenance enabled through proprietary in-house and partner technology and best-in-class local asset management and property management teams.
- Live portfolio and data reporting to support efficiencies of scale.

Exit strategy

- Once stabilised, long-term sustainable income expected to be attractive to investors in low-interest rate environment.
- Structured a SOCIMI to support ease of exit to either institutional capital or public markets.
- Alternative liquidity options include targeted recapitalisation and sales to end users or private landlords.

Key Metrics

- Generate attractive net yields through reversion to market rents, with stabilised operating margins.
- Rental growth above CPI underwritten.
- Asymmetric return profile given low entry basis.

Value Creation

- Portfolio Aggregation.
- Discounted Pricing.
- Vacant Possession and Capex.
- Efficient Management.
- Technology.
- Structuring.
- Exit Optimisation.

3.2.1 Trade name

The Company's trade name shall be "Niding", and hence, GLOBAL PIELAGO SOCIMI, S.A. will operate under this name.

Global Pielago's website URL is, as stated throughout this Information Document, www.niding.es. Nonetheless, and in order to avoid any confusion to potential investors, the Company has acquired www.globalpielago.es domain, so that users trying to obtain information through this URL shall be automatically redirected.

Niding is a concept that refers to the idea of creating your "own nest", of settling down and finding the place where one can to build his or her life.

Niding denotes action, dynamism, and change, which connects the Company with a public that is at a turning point in life.

Niding is a new word that transmits innovation and freshness and places the company in the semantic field of young companies and start-ups.

The Company has created a friendly logo that makes it recognizable in digital environments and is supported by all digital devices.

The nest is a symbol that comes close to the idea of building a home but also "flying out of the nest" to create one's own.

The house icon of the Company's logo helps them to showcase their business core "housing rental".

The colours of the logo represent the personality of the brand. The soft green colour brings action and dynamism. It is a colour that evokes insight and, at the same time, conveys helpfulness and closeness.

On the other hand, grey colour is 85% black, which brings professionalism while providing graphical clarity.

The logo's font along with its thin and clear strokes projects an image of the Company which is straightforward and transmits seriousness, while conveying a human touch.

3.2.2 Management

The Company has outsourced the following services:

Asset Management Agreement: BRIKS RESIDENTIAL, S.L. & Talus Real Estate, S.L.

On 21 April 2020, the Company and its subsidiary Global Sauco, entered into an Asset Management Agreement with Briks Residential, S.L. (formerly Global Marianela, S.L.) (hereinafter the "**Management Company**"), and Talus Real Estate as the "**Local Partner**" regulating aspects regarding advisory and management services and the remuneration to be received by the Management Company in exchange for said activity.

The agreement has an unlimited duration and may in accordance with the agreement terms be early terminated.

SERVICES:

The services to be provided by the Management Company to the Company and to Global Sauco include:

- General services: Coordination in the acquisition of properties. Formulation and implementation of Business Plan and yearly budget. Overseeing the requirement to send reports to banks and investors. Overseeing and coordinating the annual evaluations of investment properties. Overseeing the appointment of service providers. Monitoring CapEx plans for investments. Implementing sales strategies. Assisting clients with insurance decisions. Overseeing accounts books and other tax obligations.

- Strategic services: Advisory services in regard to investment price policy. Recommendations in relation to the Business Plan in order to maximise yield. Overseeing agreements with regard to the selection of service providers, and supervising their performance.
- Asset Management Services: Providing precise instructions to property managers in relation to managing the properties. Liaising with regulatory agencies. Coordinating the filing of the Audited Annual Accounts, and assisting the auditors.
- Property Management Services: Keeping a database of lessees. Keeping copies of legal documents relating to the properties. Ensuring compliance with all formal obligations in relation to the properties.
- Maintenance and Upkeep Services: Monitoring expenses in relation to the properties and working with the Property Managers to formulate reports in relation to said monitoring. Ensuring the upkeep of the properties.
- Rent and Expense Collection Services: Negotiations and agreements with lessees. Monitoring financial ratios in relation to lessees. Making lease agreements. Overseeing rent and advances paid by lessees.
- Reporting services: Organising meetings and conferences in relation to the management of the properties. Sending reports to the Company and shareholders. Helping with the formulation of Annual Accounts and audits.
- Financial Advisory Services: Working with a range of service providers, to monitor project costs in relation to the Business Plan and advise accordingly.
- Disposals: Providing advisory services in relation to strategy and proceedings with regard to disposing of properties and preparing material for marketing policy elements. Coordinating the Company's service providers in sales processes.

Property Management: BSERVICER BÁSICO, S.L.

The Company's subsidiary, Global Sauco, entered into a property management agreement with BSERVICER BÁSICO S.L. (hereinafter "**BSERVICER**") on December 12th, 2020.

SERVICES:

Services to be provided by BSERVICER are detailed in Annex 2 of the property management agreement.

These services include but are not limited to the following:

- Services in relation to assets involved in judicial proceedings: Carrying out the filing, monitoring and management of eviction procedures against occupants in which the owner is the plaintiff, including the preparation of legal files to carry out in and out-of-court claims, as well as liaising with the tenants

regarding disputes, verifying the collection of amounts invoiced, and taking charge of any and all interlocution and communication with tenants and other relevant third parties.

- Commercial services: Managing advertising and communication policies, commercialising vacant assets, including the preparation and drafting of all required lease contracts, coordinating auditing and other legal obligations, as well as service suppliers, public authorities, taxes, etc.
- Management services: Performing financial viability and solvency studies via standardised scoring processes, attending the meetings of the owners communities and carrying out all actions that are necessary in connection therewith. In addition, managing incidences, security alarms systems, insurance claims (including the selection of optimal policies), and providing constant information in the format agreed by the parties.
- Works, maintenance and technical administration services: Coordinating improvement and refurbishment works, preparing and supervising a maintenance scheme, coordinating tenders for facility services and processing daily incidents related to customers and suppliers including compliance with inspections required by law.

Property Management: ALQUILER SEGURO S.A.U.

The company's subsidiary, Global Sauco, entered into a property management agreement with ALQUILER SEGURO S.A.U (hereinafter "**ALQUILER SEGURO**"), on June 30 2020.

SERVICES:

Services to be provided by the property manager are detailed in Annex 2 of the property management agreement.

These services include but are not limited to the following:

- Phase 1. Transaction: Analysis of the assets, containing a commercial (market analysis, description of the portfolio, rental income estimates) and technical (state of the works) due diligence of the selected assets, followed by an elaboration of a business plan for the assets which includes in-depth rent estimates, capex estimates, estimates of commercialization and eviction periods, and estimates of operating costs and proposals for their possible optimization.
- Phase 2. On-boarding: Enabling access to a platform for the monitoring of the assets, including management, custody, and organization of all documentation and contractual information.
- Phase 3. Management:

- Locating tenants that meet solvency requirements by performing a financial viability and solvency study of them before proceeding to contract signature, followed by the managing and guaranteeing of rental payments and deposits.
- Notifying the company immediately (and the corresponding insurance companies, which the property manager will aid in selecting) when it is required, as well as processing and managing incidences.
- If the tenant fails to fulfil the minimum contractual duration of one year, the property manager will provide a new tenant free of charge. Also, they will guarantee rental payments until filing eviction lawsuits, which they will elaborate and present.
- Tracking and assessing identified KPI's relating to the assets in detail.
- Other services:
 - Representation and assistance in the owners' community meetings.
 - Carrying out an evaluation of the costs of each asset including tax assistance and preparation of tax statements related to the asset.

Property Management and Administration Agreement: SERVIHABITAT SERVICIOS INMOBILIARIOS, S.L.U

The company's subsidiary, Global Sauco, entered into a property management and administration agreement with SERVIHABITAT SERVICIOS INMOBILIARIOS (hereinafter "**SERVIHABITAT**" or the "**service provider**") on 26 June 2020.

SERVICES:

Services to be provided by the service provider are detailed in Annex 3.1 of the property management agreement.

The services that will be provided include but are not limited to the following.

- Recovery of the possession of the properties: Taking the relevant legal civil and criminal actions in order to evict the occupants of properties that do not have a legal title to occupy the properties, as well as monitoring and managing eviction procedures against occupants working with and reasonably assisting external attorneys when appropriate, and at the Company's request, preparing reports related to the verification of the ownership status of the properties by visiting the corresponding properties and identifying the number of individuals living in the property, amongst other circumstances relevant to the specific case.
- Lock change and cooperation in subrogation of contracts: Once possession of the properties has been recovered, the service provider will install anti-squatter doors, manage the lock change of the

properties, and contact alarm or security service suppliers in order to aid in the negotiation of alarms installed in the properties, or other security services currently being provided.

- Initial communications with certain occupants: Contacting occupants of certain assets by “Burofax”, providing them with the contact details of a person appointed by the Company and communicating the Company’s intention and interest in negotiating a lease.
- Documentation management: Keeping documentation in custody and available to the Company, and maintaining it in such a way that it is ensured at all times that each property is identifiable and distinguishable in a unique way by means of reference number, among other related services.
- Applying information security policies: Governing, directing and organizing data in an IT informational model which meets criteria related to reporting, flexibility, homogenisation, and implementation of controls, while applying information security policies which guarantee confidentiality, integrity, availability, and traceability.

Accounting and Tax Compliance: AUXADI CONTABLES & CONSULTORES, S.A.

The Company and its subsidiary, Global Sauco, entered a service agreement with AUXADI CONTABLES & CONTABLES S.A. (hereinafter “Auxadi”) on November 23rd, 2020.

As per the executed agreement[s], the scope of the services covers differentiated areas:

- Start-up services: Initial meetings are held, the subsidiaries’ activities are analysed and the implementation of technical processes in terms of software is set up, analysing the company’s activity, its specific needs and requirements and the resulting tax obligations of such activity in Spain, reviewing of the documentation related to the company and the investments (i.e.: terms and conditions of the investments, acquisition deeds, financing structure, swap/loans in place, lease agreements, construction and developments plans...), and drafting and discussing a working protocol and a working calendar prepared by Auxadi including duties, regularity, reporting deadlines, procedures, contact persons, responsibilities, and documentation flow, among others.
- Regular services:
 - Accounting and Reporting.
 - Cash Management.
 - Tax Compliance.
 - Property Management Support.
 - Fiduciary services.

- Annual services: Official Accounting, Corporation Income Tax and Statutory Accounts.
- Corporate Secretarial & Legal Services.

3.3 INVESTMENT STRATEGY AND COMPETITIVE ADVANTAGES

3.3.1 Investment policy

Global Pielago's investment objective is to build a 5,000 residential units portfolio in Spain's key economic hubs over 3 years. The characteristics of these assets are as follows:

- a) Target affordable granular SFR, primarily in Spain's strongest economic hubs (Madrid, Catalonia, Andalusia, Valencia), to create an institutional income platform.
- b) Trade at a significant discount to market valuation and replacement cost.
- c) Majority of units vacant upon acquisition enabling immediate capex to improve quality and achieve income reversion to market rates.

Global Pielago's leverage criteria

The Company has no limitation of leverage. Global Pielago has a current leverage of 75% LTC, and it aims to reduce this to approximately 60% LTC before second year end of management.

3.3.2 Investment strategy

Global Pielago's objective is to create a 5,000-unit platform through a series of €10-100mn portfolio acquisitions with range of institutional exit options once stabilised.

Global Pielago invests in affordable granular residential assets targeting a broad demographic base of tenants with satisfactory credit ratings, providing superior customer service in an industry that is in an early stage of development and where there is room for improvement and professionalism.

The Company's strategy focuses solely on investing in assets for lease as a first residence and, therefore, to date, it does not plan to make investments in assets for short-term or vacation rentals.

3.3.3 Competitive advantages

Global Pielago's competitive advantage includes its focus on the acquisition of granular assets instead of entire buildings. Competition in this type of market is very limited.

Global Pielago will also benefit from the best-in-class local asset management and property management teams that will be managing the platform in a very efficient way, unlike most of the Spanish rental housing sector, where only 5% is managed by professionals. These teams will also profit from the investment in technology and data management systems to improve underwriting, market intelligence and both asset management and property management processes.

Finally, the fact that the Company is newly created can be considered an advantage, since the Company will not have inherited difficulties, and will be completely free to acquire assets one by one, through portfolio transactions or, if applicable, through corporate transactions.

3.4 COMPANY INVESTMENTS DATA

At 31 December 2020, the Company owns 587 property assets with a total market value of €49,173,300.

On the date of this Document, the Company owns 613 property assets.

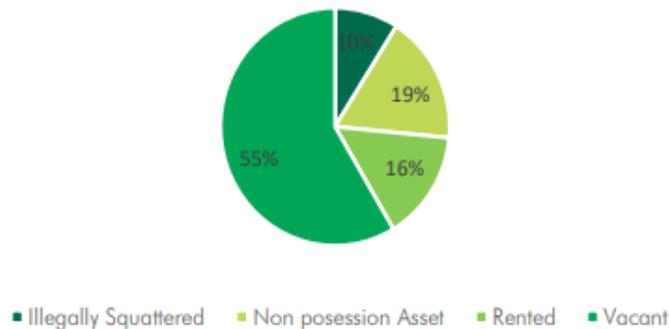
Below, a table will show the asset's occupancy rate level and location:

- **At 31 December 2020:**
 - **Number of asset:** 587 (assets under management)
 - **Property Typology:** residential units, independent parking spaces and independent storages
 - **Geographic Concentration:** 100% in Spain

Location	% Portfolio
Andalusia	25%
Aragon	5%
Balearic Islands	2%
Basque Country	0%
Canary Islands	6%
Castile and La Mancha	3%
Castile and Leon	1%
Catalonia	9%
Community of Madrid	27%
Murcia	1%
Valencian Community	21%
Total	100%

- **Occupancy rate:** 16% of the portfolio is leased, 10% of the portfolio is illegally squattered, 19% of the portfolio is affected by non-possession unrelated to illegal occupation, and 55% of the portfolio is vacant.

Portfolio composition



- **On the date of this Document:**

- **Number of asset:** 613 units (assets under management)
- **Property Typology:** residential units, annexes, and tertiary
- **Geographic Concentration:** 100% in Spain

Location	% Portfolio
Andalusia	24%
Aragon	5%
Canary Islands	5%
Castile and Leon	1%
Castile and La Mancha	3%
Catalonia	11%
Valencian Community	21%
Balearic Islands	2%
Community of Madrid	27%
Murcia	1%
Basque Country	0%
Total general	100%

- **Occupancy rate:** 27%

- **Mortgages/Debt:**

On 23 December 2020, the Company's subsidiary, Global Sauco, as "borrower", entered into a credit facility agreement with VECREF II S.à.r.l., acting as "lender".

Subject to the terms of the agreement, the lender made available to the borrower a total commitment up to the amount of €27,722,290.82, which can be broken down as follows:

- An acquisition facility commitment up to the amount of €24,714,717.26.
- Capex facility commitment up to the amount of €3,007,573.56.

The initial termination date shall be the date falling three years after the date of such agreement. However, it provides the borrower with a "First extension option" and "Second extension option" provided as long as conditions are satisfied, among which, the applicable fees being paid as per the agreement's terms.

First extension option means the date falling four years after the date of such agreement, whereas the second extension option means the date falling five years after the date of the agreement.

Under the terms of the agreement, the borrower must no later than February 15th, 2021, and on or before the date falling five business days after each subsequent utilization date, have entered into and maintain a hedging agreement.

As of the date of writing this Information Document, the borrower has utilized €9,300,088 of the total utilization facility. This agreement was raised by public deed before the Notary Public of Madrid, Mr. Antonio Morenés Giles, on December 29th, 2020. For this loan, the Group paid formalization fees of €1,330,412 and recognised the sum of €3,003 in the income statement in 2020. In this sense, the Company recognises the sum of €7,972,679 as principal pending repayment and €4,263 as accrued, unpaid interest as of December 31st, 2020.

Main financing terms

The Subsidiary shall pay the interests in quarterly instalments, in January, April, July and October, until the expiry date.

The interest rate applied shall be the EURIBOR rate plus a fixed market rate.

The Subsidiary undertakes to fulfil a series of financial ratios as from 2021. Specifically, the Loan to Value may not exceed 65% during the first three years of the borrowing (commencing at end of 2020), being reduced to 60% in the fourth and fifth years, if the expiry date is extended. From 2022 onward, it must ensure that the Debt Yield ratio does not fall below 6.25% in 2022 and 2023, or 6.5% in 2024 and 6.75 in 2025, if the expiry date is extended.

In line with the requirements established by the lender as part of this facility agreement, Global Sauco has purchased an interest rate cap to hedge its interest rate risk. More details on the Company's financing appear in subsection 5.3, "Financial Risks".

- **Related-party transactions:**

To partly cover the Company's financing needs, this has incurred into related-party transactions. More details regarding these transactions can be found in subsection 3, subsection 3.10 "Related-party transactions".

3.5 PAST AND FUTURE INVESTMENTS

Past investments

- In 2020:

Global Pielago signed a purchase agreement to acquire of 798 units in 2020. Accordingly, the Company later carried out 587 investments in real estate assets through its subsidiary, Global Sauco. In 143 of the 587 aforementioned assets, the Company has only acquired their corresponding economic rights.

The Company's asset portfolio comprises multiple properties in Spain as described in subsection 3.6 of this Information Document.

- In 2021:

The Company acquired 26 units in the 26 February 2021.

Future investments

On 31 March 2021 Global Lucanor, as purchaser, entered into a private sale and purchase agreement with several special purpose vehicles ultimately owned by Bain Capital, as sellers, for the acquisition of 99 assets for an approximate price of EUR 4,400,000. Global Lucanor carried out a downpayment of 30% of the price in favour of the sellers upon the execution of the sale and purchase agreement. The transfer of the assets is subject to the fulfilment of different conditions precedent, amongst others, the completion of Global Pielago's listing process in Euronext Access Paris. The first transfer of the assets in favour of Global Lucanor is expected to take place after the different conditions precedent are fulfilled, whilst a deferred closing is foreseen in 30 June 2021.

Global Pielago is currently analyzing four different portfolios to acquire around 800 units approximately prior to the end of Q2 and with the goal of purchasing during the following two years an additional amount of 4.000 units.

The Company estimates to reach in Q3 of 2022 approximately € 11M of rents which will mean to have at least 2.500 units already rented and with main goal to stabilize the rentals of the whole portfolio during the Q2 of 2023.

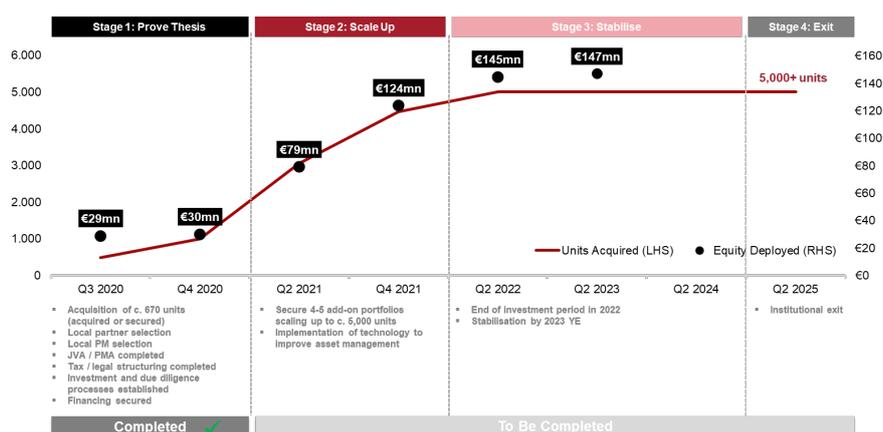
Summary of milestones fulfilled

The Company has a deep off-market pipeline developed via tactical approaches of largest granular residential asset owners in Spain (private equity firms, non-performing loans aggregators, banks, among others) which has under management non-performing loans and real-estate owned portfolios from more than two years and want to divest part of their exposure in the market.

The Company has already acquired 587 residential units and is in the process of acquiring four new real-estate owned portfolios. The process is being managed by the investment team holding an structured analysis and due diligence in order to make a selection of assets that fulfil the Company’s investment requirements. This transactions under analysis will mean an increase of approximately 700 units more to the portfolio of the Company.

The initial performance of the portfolio acquired is in line with the business plan underwriting, with a correct on-boarding process with three different servicers and fulfilling the capex and leasing estimations made.

It is important to note that the performance of the management team has demonstrated immediate value creation: 31 assets opportunistically were sold at a 54% premium over the acquisition price, and 12 assets are under offer at a 40% premium.



3.6 DESCRIPTION OF REAL ESTATE ASSETS

The Company owned 587 real estate assets at 31 December 2020 as mentioned in section 1 of this Information Document.

The Company owns 613 real estate assets on the date of this Document.

On the date of this Information Document, the Company's asset portfolio comprises multiple properties in Spain.

3.6.1 Assets' Location – Spain

The Company has a granular portfolio distributed in different autonomous communities of Spain.

Geographic distribution at 31 December 2020:

Location	Number of assets	% Portfolio
Andalusia	146	25%
Aragon	28	5%
Balearic Islands	11	2%
Basque Country	2	0%
Canary Islands	33	6%
Castile and La Mancha	16	3%
Castile and Leon	7	1%
Catalonia	55	9%
Community of Madrid	161	27%
Murcia	5	1%
Valencian Community	123	21%
Total	587	100%



Source: CBRE Valuation Advisory

Geographic distribution on the date of this Document:

Location	Number of assets	% Portfolio
Andalusia	149	24%
Aragon	28	5%
Canary Islands	33	5%
Castile and Leon	8	1%
Castile and La Mancha	16	3%
Catalonia	69	11%
Valencian Community	129	21%
Balearic Islands	10	2%
Community of Madrid	164	27%
Murcia	5	1%
Basque Country	2	0%
Total general	613	100%

In sum, the Company has a granular portfolio distributed in different autonomous communities of Spain.

3.6.2 Asset Description

At 31 December 2020, the properties are 587 real estate assets belonging to 397 residential buildings. The total portfolio includes 523 residential units, 61 independent parking spaces and 3 independent storages. Total built area of the portfolio is 41,888.67 sqm (a/g).

As of 31 December 2020, 16% of the portfolio is leased, 10% of the portfolio is illegally squattered, 19% of the portfolio is affected by non-possession unrelated to illegal occupation, and 55% of the portfolio is vacant.

40% of the assets in the portfolio are located in residential buildings with a lift, and 9.5% have common areas with a swimming pool and green areas. The years when the units were constructed range from 1880 for the oldest ones to 2012 for the most recent ones. The quality of the buildings depends on the date of construction, the location and the refurbishments previously made. Mainly, the locations have good access by public and private transport. Currently, some of the properties are under refurbishment.

On the date of this Information Document the Company has 613 real estate assets under management, 27% is leased. The total portfolio includes 521 residential units, 83 annexes and 9 tertiary.

3.6.3 SWOT

Strengths/Opportunities

- After refurbishment the quality and market value of the properties will increase.
- The majority of residential units have parking spaces.
- Overall, the properties are well-connected by public and private transport.
- The assets are located in consolidated locations that include a wide variety of services.
- High rental demand in the macro locations of the assets.
- A granular portfolio which implies more diversified risk.
- Affordable rents for leasing interest.

Risks/Weaknesses

- Difficulty of parking in the surroundings of the units.
- High offer of similar assets in nearby areas.
- Medium to high probability of illegal occupation.
- The characteristics of a granular portfolio could prove difficult to manage.
- Uncertainty due to the crisis caused by COVID-19.

3.7 THE MARKET

It is considered relevant for the investor to provide current general information on the market in which the Company operates.

The main variables and factors to be considered are presented to properly understand the macro economic environment and the business itself more specifically.

This section's content has been extracted from the Valuation Report issued by CBRE Valuation Advisory Services S.A.

3.7.1 Main macroeconomic indicators

Starting in 2013 (when unemployment was 27% in Q1), Spain has experienced a solid economic recovery outperforming its European counterparts. In line with similar UE economies, as of Jan 2020, perspectives pointed out towards a moderation in the economic growth, suggesting the end of an expansive cycle.

Afterwards, with the COVID-19 outburst in March 2020, the global economy has suffered. Projections from the Bank of Spain indicate that Spanish GDP in Q2 and Q3 2020 would contract around 12%. Partial lockdown in some cities and the freeze of tourist inflows are generating a dramatic effect on demand, and particularly on private consumption: one of the main drivers of the Spanish economy. In addition, unemployment has risen up to 16%, and projections point to a further increase in the next years.

Quick public intervention has been effective in reducing the intense economic contraction. Government-backed loans and partial public coverage of wages have smoothed the shock to enterprises and workers alike.

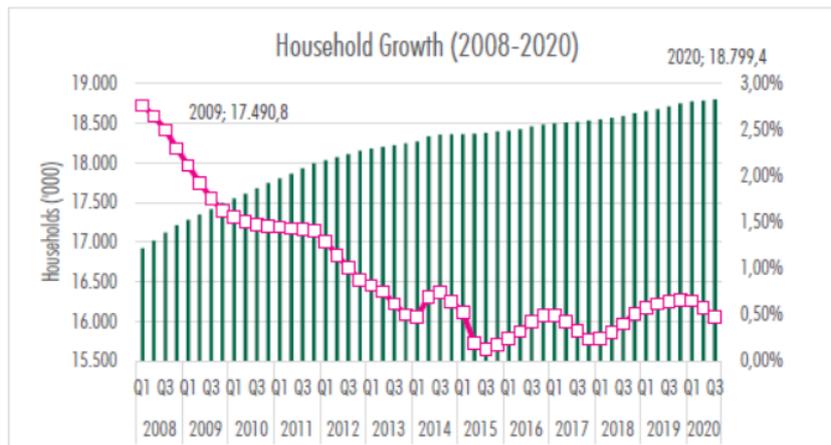
In addition, it must be stated that numerous COVID-19 vaccines have been developed and are beginning to be distributed amongst countries and administered to their populations. Hence, a control of the effects of the pandemic seems to be more plausible than months ago. Companies, investors and households could probably start to regain momentum by the second semester of 2021.

3.7.2 Residential real estate market

The current housing market

According to CBRE Valuation Advisory Services S.A., the Spanish housing market recovered significantly since hitting its lowest point in 2013. Despite a moderate demographic growth, the number of households has risen constantly over the last decade. According to the Spanish Statistical office (INE; *Población de Derecho*) as of January 2020 the total population accounted for 47 million people, 843.000 more inhabitants than in 2010. During the same period the number of households increased almost 1.3 million (Source; INE;

EPA). The shrinking size of the average family (around 2.5 people per household) is one of the main reasons for the rising number of households.

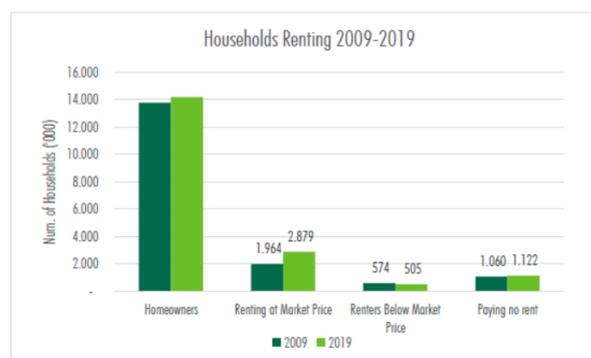


SOURCE: CBRE

The historic and current rental market

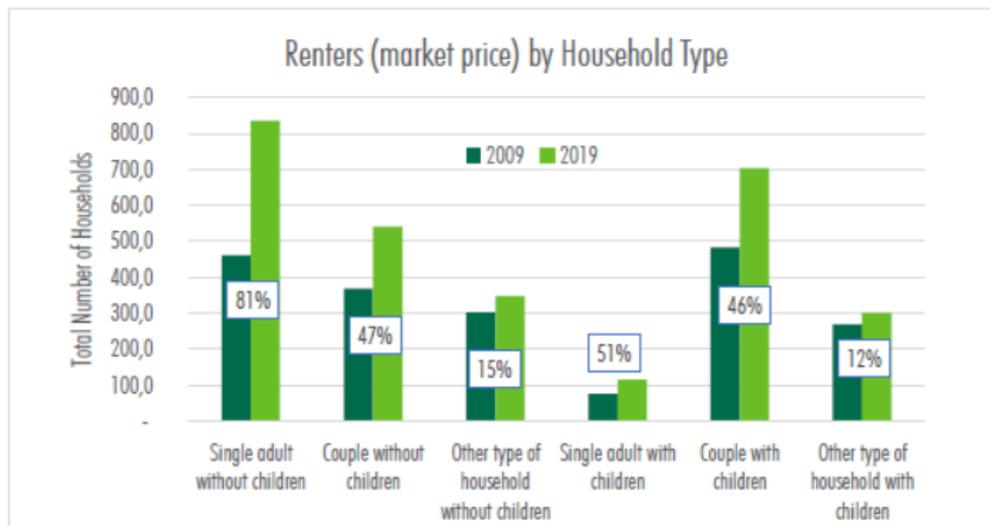
Since the 1950s, home ownership has steadily increased. According to the census completed in 1950, less than 50% of households were homeowners, however this figure had risen to 82% by the time the 2001 census was carried out. Notwithstanding, indicators show that this trend has been changing since that date. As of 2019, around 75% of households were homeowners.

Rental has been rapidly increasing since the turn of the second decade of the century. Between 2009 and 2019 the share of households renting (and living free of charge) increased from 20.7% to 24.1% (Source: INE, ECV, Living Conditions Survey). Considering the substantial growth in the number of households during that period; more than two out of three (69%) of the almost 1.3 million net new households chose renting as the preferred home tenure.



SOURCE: CBRE

Furthermore, out of almost 900 net new households renting at market rent in 2019, 46% were single individuals or single-parent households. Both of these household types have been leading growth over rental housing over the last decade. Thus, renting seems to be the preferred housing solution for young people looking to establish themselves in the labour market, as well as for single people and single-parent families.



SOURCE: CBRE

The recent rise of rental home tenancy in Spain has been driven by a cultural shift as well as a shift in financial and economic factors. Spanish households no longer perceive housing rental as a money drainage anymore, as it provides flexibility and does not require significant capital investments. Furthermore, homeownership is identified as a long-term financial commitment which is not attractive given current uncertainties in the overall economy and labour market.

Between 2015 and 2018, the Housing Price Index (IPV) increased 5.3% year-o-year on average, whereas rental prices rose by 9%. However, annual household income rose by only 2% on average each year, which indicates the difficulty many households have in acquiring a home. Even more so, both the accessibility rate (over 7 years) and the mortgage effort rate (over 31%) have been hampered by heightened demand in just a handful of markets.

Residential rental pricing

Between 2013 and 2020, the average price of renting a home in Spain increased by 60%, according to the figures published by the *Idealista* platform. According to this source, rental demand continues, as all asking rents in Spain have been even during the lockdown period.

Notwithstanding, highly tense local markets in the most consolidated areas of Barcelona and Madrid have softened down their upward trend over the last 18 months. In Madrid and Barcelona, the average monthly rents have decreased by 8.3% and 13% respectively from peak values of the cycle reached in 2019.

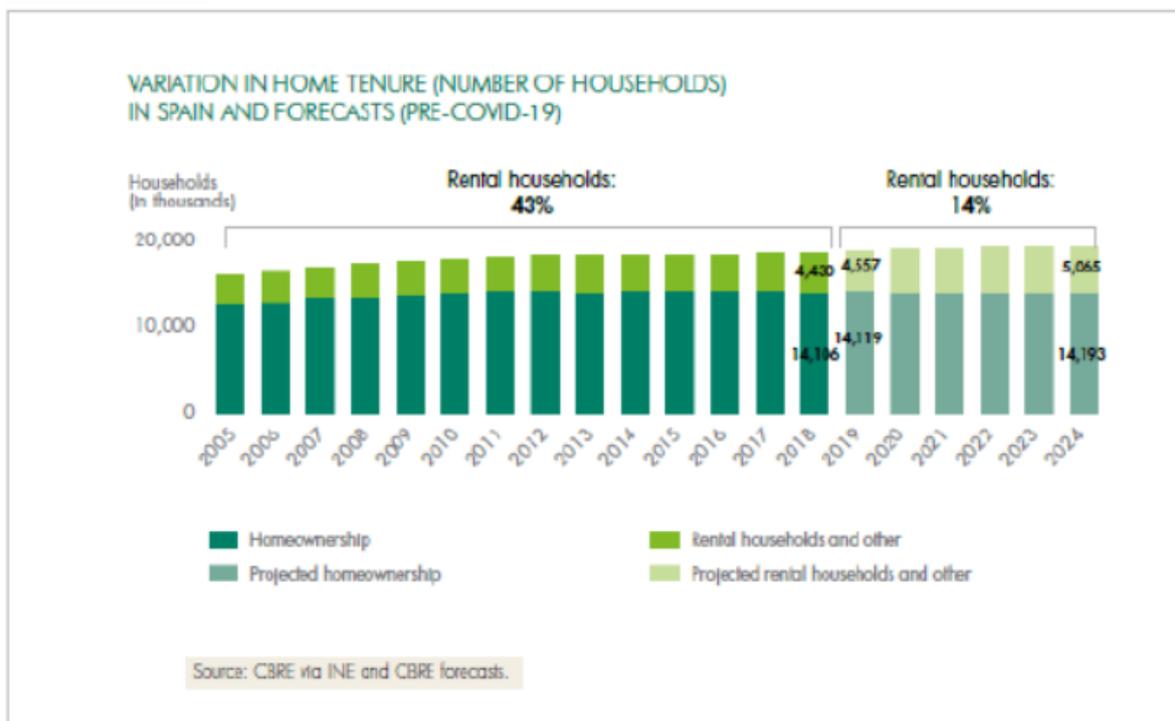
It is important to note that rental housing supply is scarce in main metropolitan areas and does not fulfil demand. Out of the estimated 2.9 million rented units, 52% are over 40 years old.

CBRE Valuation Advisory Services S.A. expects metropolitan rents to tick up, as they are in close correlation with the unemployment rate and income per capita. In addition, they forecast a spike in demand for affordable housing in out-of-town areas.

Projections and outlook

CBRE Valuation Advisory Services S.A. estimated that household renting will increase at a 2.4% annual rate between 2018 and 2024. This forecast was made prior to March 2020, and thus does not include an increase in rental demand post-COVID-19 which would probably further drive up the figure.

SOURCE: CBRE



3.7.3 COMPETITORS

Currently, there are over 85 Spanish SOCIMI listed on the different European MTFs. These real estate investment companies claim to be an attractive option not only for high net worth individuals, but also for small savers.

Their business model is based on buying properties to rent them out later and they have all types of assets: from homes to office buildings, commercial premises and shopping centers, logistics warehouses or student residences.

3.8 DEPENDENCE ON LICENCES AND PATENTS

The Company is not dependent on any trademark, patent or intellectual property right that affects its business. All properties owned have the relevant licences for their activity.

3.9 INSURANCE CONTRACTS

The Company has various insurance contracts for different properties depending on their legal situation.

Insurance Company	AXA Seguros Generales, Sociedad Anónima de Seguros y Reaseguros
Insured Property Asset	74
Insurance Premium	€3,811.91
Insured Amount	€2,000,000
Cover	<ul style="list-style-type: none"> • Civil Responsibility: up to €2 million • Other damages (except personal damages): up to €300,000 • Includes criminal defense charges and criminal bail amounts.
Validity period	From 04/09/2020 to 26/06/2021. Annually renewable.

Insurance Company	MAPFRE ESPAÑA
Insured Property Asset	146
Insurance Premium	€1,654.59
Insured Amount	€1,872,434
Cover	Includes Material damages, Complimentary guarantees, Urgent assistance, Theft, and water-related damages up to €300
Validity period	From 30/10/2020 to 30/10/2021. Annually renewable.

Insurance Company	LIBERTY
Insured Property Asset	333
Insurance Premium	€22.929,45
Insured Amount	Structure of buildings and elements of construction: €18,904,426; Other property elements unrelated to structure and construction features: €3,996,000
Cover	<ul style="list-style-type: none"> Diverse expenses including 100% cover: firefighters' assistance, rescue, fire extinction, demolition, rubble removal, property uninhabitability (for a 12-month period), loss of rental income (for a 12 month period), furnishings transfer (15% cover of up to €3,000 euros). Garden-related expenses: garden reconstruction (up to 10%), tree planting (up to €600 per tree), garden furnishings (up to €2,000 per year). Civil responsibility: security deposits (up to €300,000), employers' civil responsibility (up to €100,000) Legal: legal defense and legal bail (up to €6,100), IT assistance, online legal assistance, family legal defense and damages complaints.
Validity period	From 01/01/2020 to 31/12/2020. Annually renewable

3.10 RELATED-PARTY TRANSACTIONS

The Company has incurred in related-party transactions.

At the end of 2020, the Company recognises the sum of €10,940,830 in payables to group companies, as follows:

Heimdall Luxembourg Holdings II S.à r.l.

On 25 June 2020, the Company received loans to cover its property acquisitions from its majority shareholder, then trading as Heimdall Luxembourg Holdings S.à r.l. (the lender at the end of the year being the new shareholder, Heimdall Luxembourg Holdings II S.à r.l.).

The initial principal received was €8,669,928, this being added to by a further €1,920,328 by means of a transfer received on 16 October 2020.

The expiry date stipulated for both sums is 25 June 2025, with an interest rate being established on a 360-days base.

Throughout 2020, no repayments of principal or interest were made. Accordingly, at 31 December 2020, the accrued and unpaid interest was capitalised, being added to the principal.

Accordingly, at 31 December 2020, the total principal of the borrowings amounts to €10,777,251, with accrued unpaid interest, entered on the income statement, of €186,995.

Welcomechance, S.L.U.

On 25 June 2020, the Company received loans to cover its property acquisitions from its minority shareholder, Welcomechance, S.L.U.

The initial principal received was €132,029. This was added to by a further borrowing of €29,243 by means of a transfer received on 16 October 2020.

The stipulated maturity date for both borrowings is 25 June 2025, moreover, a fixed annual interest rate has been established on the basis of a 360-day year.

Throughout 2020, no repayments of principal or interest were made. Accordingly, at 31 December 2020, the accrued and unpaid interest was capitalised, being added to the principal.

Accordingly, as of 31 December 2020, the total principal amounts €163,579, with accrued unpaid interest, entered on the income statement, of €2,847.

4. ORGANIZATION

4.1 COMPANY'S FUNCTIONAL ORGANISATION CHART

The Company does not have any employee and the Board of Directors has the widest powers to manage the Company. Global Pielago is externally managed by some of the most reputable advisors.



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 property sector is very sensitive to the existing political and economic-financial environment. The revenues derived from the property assets and their valuations 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 portfolio 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 properties to various clients. Said contractual relationships are documented and signed by both parties. In the event that said clients decide not to renew their contracts or insist on renegotiating rent prices downwards, this would have a negative impact on the financial situation, profits, or valuation of the Company.

5.1.3 Degree of liquidity of investments

Real estate investments are characterised as being more illiquid than investments in other assets. Therefore, in the event that the Company wants to disinvest part of their portfolio of real estate assets, its ability to sell may be limited in the short term.

5.2 OPERATING RISKS

5.2.1 Risks associated with the valuation of assets

At the time of valuing the real estate assets CBRE Valuation Advisory Services S.A. (hereinafter, the "CBRE") made certain assumptions, among others, concerning the occupancy rate of the assets, the future updating of the rents, the estimated profitability or the discount rate used, with which a potential investor may not

agree. If said subjective elements were to evolve negatively, the valuation of the Company's assets would be lower and could consequently affect the Company's financial situation, profit or valuation.

5.2.2 Degree of concentration – industry, geographic, client

In terms of geographic concentration, and as at 31 December 2020, the 100% of the portfolio is located in Spain, and thus susceptible to risks arising from the Spanish economic conditions, social circumstances, and legal state of affairs. Nevertheless, the portfolio is granular and real estate assets are located throughout the whole country, with a higher concentration of these in the Community of Madrid (27%), the Valencian Community (21%), and Andalusia (25%). Assets in Catalonia, Aragon, and the Canary Islands comprise 9%, 5%, and 6% of the portfolio, respectively. It is noteworthy that the Company's assets are situated in 11 of the 17 autonomous communities in Spain. Therefore, within Spain, the portfolio is highly diversified in geographic terms.

On the other hand, the real estate portfolio is highly concentrated in the residential sector of the market. Almost 90% of assets are residential units, accounting for over 95% of the portfolio value. As a consequence, the performance of the portfolio is especially linked to factors including, but not limited to: household income, residential housing supply, regulatory benefits and tax deductions, overall demographics.

5.2.3 Risk associated with a low occupancy rate

On the date of this Information Document the Company has 613 real estate assets under management, 27% is leased.

The Company estimates to have at least 50% of the portfolio leased by the end of Q2 and is working with different strategies alongside their property managers.

- Reducing the time until the Company regains possession of properties through negotiations and social mediators.
- Speeding up of judicial processes with their lawyers and solicitors.
- Accelerating work in progress capex to start leasing assets and increase available stock.

5.2.4 Risk associated with multiple properties

On the date of this Information Document, the Company's asset portfolio comprises multiple properties in Spain. The total portfolio includes 521 residential units, 83 annexes and 9 tertiary.

The Company is externally managed and works along some of the most reputable advisors, allowing it to effectively manage its existing real estate assets and to effectively maximize rental income.

Global Pielago is working with 3 different property managers with presence among all the Spanish geography and this capillarity allows all of them to respond to any potential risk or problem that may arise in each of the locations where they have assets. To mitigate this risk, Global Pielago:

- Has unified the reporting tool to centralize all the information received by different advisors.
- Holds weekly committees with each advisor to see advances and changes on each bucket under management.

5.3 FINANCIAL RISKS

5.3.1 Risk relating to debt management and the associated interest rate

As detailed in sub-section 3.4 of this Information Document, the Company, through its subsidiary Global Sauco, holds a debt with VECREF II S.à r.l. This facility was signed on 23 December 2020. The lender made available to the borrower a total commitment up to the amount of €27,722,290.82. The total amount of the facility, where Global Sauco acts as “borrower”, and VECREF II S.à.r.l acts as “lender”, can be broken down as follows.

- An acquisition facility commitment up to the amount of €24,714,717.26
- Capex facility commitment up to the amount of €3,007,573.56

As of the date of writing this Information Document, the borrower has utilized €9,300,088 of the total utilization facility. This agreement was raised by Public Deed before the Notary Public on 29 December 2020. For this loan, the group paid formalization fees of €1,330,412 and recognised the sum of €3,003 in the income statement in 2020. In this sense, the Company recognises the sum of €7,972,679 as principal pending repayment and €4,263 as accrued, unpaid interest as of 31 December 2020.

The initial termination date shall be the date falling three years after the date of this agreement. However, it provides the borrower with a “First extension option” and “Second extension option” provided certain conditions are satisfied and the applicable fees paid as per the agreement’s terms. More details in this regard can be found in subsection 3.4 of this Information Document.

Main mortgage terms

The Subsidiary shall pay the interests on the borrowing in quarterly instalments, in January, April, July and October, until the expiry date.

The interest rate applied shall be the EURIBOR rate plus a fixed market rate.

The Subsidiary undertakes to fulfil a series of financial ratios as from 2021, specifically that the Loan to Value may not exceed 65% in the first three years of the borrowing (commencing at end of 2020), reducing to 60% in the fourth and fifth years, if the expiry date is extended. From 2022 onward, it must ensure that the Debit Yield ratio does not fall below 6.25% in 2022 and 2023, or 6.5% in 2024 and 6.75 in 2025, if the expiry date is extended.

Hedging agreement

In accordance with the defined terms of the credit facility, the Company has, through its subsidiary, Global Sauco, entered into a hedging agreement for the purpose of hedging interest payable under the agreement for the total duration of the loan (3 years). The main terms of this agreement are detailed below:

- Notional: €27,800,000
- Trade date: 12 February 2021
- Effective date: 1 February 2021
- Termination date: 23 December 2023
- Cap seller: Australia and New Zealand Banking Group Limited
- Financial execution intermediary: Clatham Financial Europe, Ltd. London
- Cap rate: 0.5%
- Floating rate option: 3 mo. EUR-Euribor-REUTERS

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 to 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, and although in different levels, measures aimed at keeping social distancing still remain in place across the country.

It is to this date unknown if new virus waves could force Spanish businesses to temporarily stop their activity again, leading to an unfavourable economic performance, employment, consumption and the state of the economy in general.

As of today, many uncertainties regarding COVID-19 are starting to dissipate. A control over pandemic through a vaccine seems today more plausible than a month ago. Companies, investors and households could probably start to regain momentum by the second semester of 2021.

The valuation later provided reflects the rental income at the date of valuation (31 December 2020), and any issues concerning the anticipated cashflow. Given the uncertainties relating to the COVID-19 virus and the current restrictions on business activities, it is possible that there will be some future rental defaults and/or insolvencies leading to voids and a resulting shortfall in rental income.

All in all, the above mentioned sanitary and legal situation could have an adverse material effect on the Company, 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. The Company continues to monitor the situation on an ongoing basis as of the time of writing and has to this date, not experienced any material impact.

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, fiscal 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:

- The creation of new taxes,
- 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 may entail the loss of the special tax regime applicable to Global Pielago (except in those cases in which the regulations allow its correction within the next immediate fiscal year) .

The loss of the SOCIMI regime (i) would have a negative impact for the Company in terms of both direct and indirect taxes, (ii) could affect the liquidity and financial position of Global Pielago, as long as it is required to regularize the indirect taxation of certain acquisitions of real estate assets, as well as the direct taxation of those income obtained in previous tax periods going to tax in accordance with the general regime and the general rate of taxation of Corporate Income Tax (*Impuesto sobre Sociedades*), and (iii) would determine that Global Pielago 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 once Global Pielago joins the SOCIMI tax regime, it 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 a rate lower than 10%.

This tax will be considered as a Corporate Income Tax (*Impuesto sobre Sociedades*) fee. Shareholders who cause the accrual of the special tax of 19% shall indemnify the Company in an amount equivalent to the Corporate Income Tax expense that would arise from making the dividend payment that serves as the basis for the calculation of the aforementioned special tax.

5.4.4 Loss of the SOCIMI tax regime

The general shareholders' meeting of the Company resolved to did opt for the application of special legal and tax regime applicable to SOCIMI on 27 March 2020. This resolution was communicated to the Tax Agency on 25 June 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 the 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 Income 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

There are no on-going significant judicial proceedings affecting 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, 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 once such regime applies. 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.

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: ES0105537007

Euronext Ticker: MLNDG

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

Nominal price per share: €1

Reference price per share: €4.92

Market capitalisation: €24,600,000

Initial listing and trading date: 19/04/2021

Listing Sponsor: ARMANEXT ASESORES S.L.

Agent Bank: Société Générale Securities Services

Central Securities Depository: 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 where there exists an effective communication exchange between Tax Agencies.

6.3 COMPANY'S SHARE CAPITAL (*Article 6 of the Articles of Association*)

Article 6 of the articles of association sets out the Company's share capital.

ARTICLE 6. – SHARE CAPITAL, SHARES

1. *The share capital is FIVE MILLION EUROS (EUR 5,000,000), divided into FIVE MILLION (5,000,000) of nominative ordinary shares, of a single series and class, each with a nominal value of ONE EURO (EUR 1.00), numbered sequentially from one to five million, both inclusive.*
2. *The shares are fully subscribed and paid up and grant their holders the same rights.*

6.4 EVOLUTION OF THE SHARE CAPITAL, INCREASES AND REDUCTIONS

- Global Pielago was set up in Madrid on 29 January with 3,600 share capital. Its shares (*participaciones sociales*) had a nominal value of €1 each and were numbered consecutively from 1 to 3,600 both inclusive.

The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
LATORRE & ASOCIADOS CONUSLTORÍA, S.L.	3,600	100%
TOTAL	3,600	100.00%

- The Company's Sole Shareholder approved a €56,400 capital increase through the creation of 56,400 new shares at a nominal value of €1 each, correlatively numbered from 3,601 to 60,000 both inclusive, on 5 March 2020. The share capital thus became €60,000, comprised of 60,000 shares of €1 each.

The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
LATORRE & ASOCIADOS CONUSLTORÍA, S.L.	60,000	100%
TOTAL	60,000	100.00%

- On 27 March 2020, DFI bought 59,100 Global Pielago, S.L.'s shares with a nominal value of €1 each and paid a price of €59,100, and Welcomechance bought 900 Global Pielago, S.L.'s shares with a nominal value of €1 each and paid a price of €900.

The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
DFI EUROPEAN VALUE-ADD FUND, SCSP	59,100	98,5%
WELCOMECHANCE, S.L.U.	900	1,5%
TOTAL	60,000	100.00%

- On 23 April 2020, the Shareholders' Agreement relating to the establishment and operation of Global Pielago was signed. See subsection 2.1. for more details.
- On 2 June 2020, DFI contributed the Company's shares into Heimdall under the Share Contribution Agreement relating to the shares of Global Pielago. See subsection 2.1. for more details.
 - The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
HEIMDALL LUXEMBOURG HOLDINGS S.À.R.L.	59,100	98,5%
WELCOMECHANCE, S.L.U.	900	1,5%
TOTAL	60,000	100.00%

- On 25 June 2020, The Company's general meeting approved a €4,940,000 share capital increase through the creation of 4,940,000 new shares at a nominal value of €1 each, correlatively numbered from 3,601 to 60,000 both inclusive. The share capital thus became €5,000,000, comprised of 5,000,000 shares of €1 each.

The aforementioned shares were created with a global premium of €7,602,083.50, that is, at a rate of €1.53888329959514 per share. The value of the share capital increase adding the concepts of share capital and premium, amounted to €12,542,083.50.

- The Company's shareholding structure on this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
HEIMDALL LUXEMBOURG HOLDINGS S.À.R.L.	4,925,000	98,50%
WELCOMECHANCE, S.L.U.	75,000	1,50%
TOTAL	5,000,000	100.00%

6.5 MAIN CHARACTERISTICS OF THE SHARES (Article 7 of the Articles of Association)

The legal regime applicable to Global Pielago's shares is that envisaged in Spanish law, the provisions included in (i) the Spanish Companies Law, (ii) the restated text of the Spanish Securities Market Law, approved by Royal Legislative Decree 4/2015, of 23 October⁴, and (iii) Royal Decree-law 21/2017, of 29 December, on urgent measures for the adaptation of Spanish law to European Union securities market regulations⁵, and in any other regulations which develop, implement, amend or replace those laws and by all other relevant law.

Global Pielago's shares are represented by book entries and are registered in the corresponding accounting records kept by Euroclear France. All Global Pielago'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.

Global Pielago's shares are denominated in euros (€).

Article 7 of the Articles of Association of the Company regulate the shares representation in book entries, which also affects article 22 (Right of attendance) which is excerpted in sub-section 1.8.5: "Description of the Functioning of the General Meeting" above.

ARTICLE 7. – REPRESENTATION OF SHARES

The shares are represented by book entries in nominative form and are constituted as such by means of their registration in the corresponding accounting register. The regime for book-entry representation of the shares shall be governed by the provisions of applicable law at any time.

1. Capacity to exercise shareholder rights is obtained by means of registration in the accounting register, which presumes lawful ownership and entitles the registered owner to demand that the Company recognise them as shareholder. Said capacity may be proven by production of the relevant certificates issued by the entity entrusted with maintaining the corresponding accounting register.
2. If the Company provides valuable consideration to the person registered as owner in the accounting register, it shall be released from the corresponding obligation even if the person is not the beneficial owner of the share, provided that it acts in good faith and without gross negligence.

⁴ *Texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre.*

⁵ *Real Decreto-ley 21/2017, de 29 de diciembre, de medidas urgentes para la adaptación del derecho español a la normativa de la Unión Europea en materia del mercado de valores.*

3. In the event that the person with capacity according to the accounting register book entries has such status pursuant to a fiduciary title or owing to their status as a financial intermediary acting on behalf of their clients or through another similar title or status, the Company may require that they disclose the identity of the beneficial owners of the shares, as well as the acts of transfer and encumbrance with relation thereto.

6.6 CONDITIONS FOR THE TRANSFER OF SHARES (*Articles 10, 11, and 44 of the Articles of Association*)

Articles 10 and 11 of the Articles of Association refer to the transferability of the Company's shares.

The Company's shares are freely transferable by all legally admissible means. However, in compliance with the Shareholders' Agreement, it is noted that Global Pielago's shareholders have a statutory (i) tag along right, through which, if a shareholder intends to transfer Company's shares representing more than 50% of its voting rights to a third party, the rest of its shareholders will have the right to transfer to such third party, under at least the same terms and conditions as the former, all its shares in the Company; and (ii) drag along right, through which, if a shareholder intends to transfer Company's shares representing more than 50% of its voting rights to a third party, it shall have the right to demand the other shareholders to sell all of the shares of the Company under at least the same terms and conditions as the former.

The above shall not apply in transfers of shares from one of the Company's shareholders to any entity of its group or to any fund, investment vehicle or any other investment entity managed by the same management entity as the transferring shareholder. For this purpose, the term "group" is defined as per article 42 of the Spanish Code of Commerce, according to which control exists when a company has or may have, directly or indirectly, control over one or more other companies. Control is presumed to exist when a company, with respect of a subsidiary:

- a. holds the majority of voting rights;
- b. has the power to appoint or remove a majority of the members of its management body;
- c. may dispose, by virtue of agreements with third parties, of the majority of voting rights (notably, through shareholders' agreements); or
- d. has appointed the majority of the members of the management body who hold office at the time when the consolidated accounts are to be drawn up and during the two immediately preceding financial years. In particular, this shall be presumed to be the case where the majority of the members of the board of directors of the controlled company are members of the board of directors or senior executives of the controlling company or of another company controlled by it. This situation shall not give rise to consolidation if the company whose directors have been appointed is linked to another company in any of the cases provided for in paragraphs a. or b. above.

ARTICLE 10. – TRANSFER OF SHARES OF THE COMPANY

1. *The shares and the economic rights deriving therefrom, including pre-emptive subscription and free allotment rights, are freely transferable by all legally admissible means, subject to compliance with the provisions of this article.*
2. *Transfers made contrary to the provisions of this article shall not be valid vis-à-vis the Company.*
3. *Special rules for the transfer of shares:*
 - a. ***Tag along right.** In the event that a shareholder intends to transfer shares of the Company to a third party and such shares jointly represent more than 50% of the voting rights in the Company, the remaining shareholders will have the right to transfer to the acquirer, on terms and conditions no less advantageous than those that the shareholder holding more than 50% of the voting rights has agreed with the third party, all, but not part, of its shares in the Company (the "**Tag Along Right**").*

*For these purposes, the shareholder who intends to transfer shares of the Company representing more than 50% of the voting rights to a third party must notify in writing the terms of the offer to the rest of the Company's shareholders, with a copy to the Company's management body, stating (i) the identification number of the shares offered and the terms of the offer, including the price and payment terms (all of which terms must comply with the provisions of the preceding paragraph); (ii) the estimated date for the transfer; (iii) the identity of the third party acquirer; as well as (iv) a copy of any definitive or draft transfer agreements agreed with the third party acquirer (the "**Transfer Notice**").*

*Except in the case of exercise by the transferring shareholder of the Drag Along Right, the remaining shareholders may, if they consider it appropriate, within a period of twenty (20) days, other than Saturdays, Sundays or public holidays in the locality in which the registered office of the Company is located, calculated as from the day following the Transfer Notice, communicate in writing addressed to the transferring shareholder and to the Company's management body, their irrevocable decision to jointly sell all of the shares owned by them, under the same terms and conditions as those contained in the Transfer Notice (the "**Notice of Exercise of the Tag Along Notice**").*

In this case, the interested third party will be required to purchase the shares that are the object of the initial offer from the transferring shareholder and the shares that, in exercise of the Tag Along Right, have been offered by the other shareholders in the Notice of Exercise of the Tag Along Notice.

- b. ***Drag along right.** In all cases in which a shareholder intends to transfer shares of the Company to a third party and such shares jointly represent more than 50% of the voting rights in the Company, such transferring shareholder shall have the right, but not the obligation, to demand*

the other shareholders to sell all, but not part, of the shares of the Company that held and always on terms and conditions no less advantageous than those agreed by the transferring shareholder with the third party acquirer (the "Drag Along Right").

In this regard, in the event that the third party offer qualifies as a valid offer for the exercise of the Drag Along Right and the transferring shareholder decides to exercise its Drag Along Right, the transferring shareholder must indicate in the Transfer Notice its exercise of the Drag Along Right.

As a consequence of the exercise of the Drag Along Right by the transferring shareholder, the remaining shareholders irrevocably undertake to transfer their shares to the acquirer third party, free of liens and encumbrances and rights in favour of third parties and with all the rights inherent to them on the date of transfer, and under the same terms and conditions agreed by the transferring shareholder with said acquirer, on the date and before the Spanish notary designated by the transferring shareholder, and signing, if necessary or convenient, the same public and private documents subscribed by the transferring shareholder and which are reasonable for the most complete and efficient execution of the aforementioned transfer.

- c. *Free transfers. The following shall be free and not subject to the exercise of the Tag Along Right or the Drag Along Right: (i) the transfers of shares that any shareholder may carry out at any time in favour of any company of its group, in accordance with the provisions of article 42 of the Code of Commerce, or to any fund, investment vehicle or any other investment entity managed by the same management entity as the referred shareholder.*

ARTICLE 11. – CO-OWNERSHIP, USUFRUCT, PLEDGE AND SEIZURE OF SHARES

Joint ownership, usufruct (usufructo) and pledge of shares shall be governed by the provisions of the Spanish Companies Law from time to time.

7. COMPANY VALUATION

7.1 BUSINESS PLAN

Below is 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	2020	2021	2022	2023
Net turnover	235,501	2,619,171	11,193,402	22,070,199
Supplies	(1,419,210)	-	-	-
Other operating income	2,381,715	-	-	-
Other operating expenses	(1,303,995)	(3,924,308)	(9,484,801)	(10,581,951)
Variation in fair value of investment properties	18,429,331	-	-	-
EBITDA	18,057,287	(1,305,137)	1,708,601	11,488,391
EBIT	16,323,342	(3,968,075)	(4,823,617)	3,668,391
EBT (Profit/loss before taxes)	16,122,961	(7,518,118)	(11,147,466)	(3,117,577)
INCOME ATTRIBUTABLE TO SHAREHOLDERS	16,122,961	(7,518,118)	(11,147,466)	(3,117,577)

The Company continues to monitor the situation on an ongoing basis and to this date, it has not experienced any material impact, nor will it expect effects on coming years.

The information of these starting hypothesis is detailed below:

Gross income

- The business plan assumes:
 - Existing assets continue to lease up and rent
 - Assets that need capex are leased after the capex is done
 - Increase in the number of rented assets from the vacant dwellings under commercialization
- Occupancy rates: It is assumed that the portfolio stabilizes at 95% occupancy during the Q2 of 2023
- Rental income for 2021 corresponds to 586 dwellings;
 - Rental income for 2020 corresponds to 94 dwellings already rented or new contracts achieved by the commercial team.

- Occupancy rates: during 2020, the occupancy rate of the portfolio is around 16% and the expectation assumed is that the portfolio stabilizes at 95% occupancy during the Q2 of 2023.

The Company estimates to reach in Q3 of 2022 approximately €11M of rents which will mean to have at least 2.500 units already rented and with main goal to stabilize the rentals of the whole portfolio during the Q2 of 2023.

Supplies:

Acquisition price of all the economic right purchased during 2020 in the portfolio Heimdall 1 as part of the non-strategic portfolio (Lock Box). This economic rights were part of the purchase agreement and Global Pielago will transform this economics right into assets 12 months after the initial acquisition if the manager is not able to sell them in the market. This economic rights will be activated and Global Pielago does not estimate to acquire any other economic rights in the future.

Other Operating income

The differences between the 2020 and 2021 figures are mainly motivated by an increase of the revenues due to the sale of economic rights (lock box) during 2020 with a positive impact of €2.3M also implying a reduction of service charge leakage from unoccupied spaces and an external loan re-payments allowing a reduction of financial expenses.

This portfolio is under our subcontractors management and no more sales have been planned or estimated in the business model.

Other Operating expense

- Real Estate Taxes: There will be an increase of taxes due to the number of units under management purchased, once Global Pielago reaches the number of 5,000 dwellings this expenses will be stabilized.
- Insurance: Global Pielago has all the assets protected with an insurance policy to avoid any potential damage. This expense will increase in the following years till the acquisition of the 5,000 units.
- Maintenance Cost
- Property Management
- Leasing costs

- Asset Management fees

The year-on-year increase is primarily due to the acquisition of new assets and the consequent increase on maintenance costs, management fees and other expenses related.

The asset management team is also working to reduce the operating expenses through reduction of servicing fees of costs coming from their services (rentals, construction works, servicing and re-possession).

Variation of fair value of investments

- Difference between the market value and the fair value paid in the acquisition: The fair value shall reflect market conditions on the balance but may be incorrect or inappropriate because of changes in market conditions. The fair value reflects, inter alia, rental income from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental income from future leases in the light of current conditions. Any cash outflows expected should reflect the difference of values and this circumstance needs an adjustment reflected in the Profit and Loss account.

Capex

- The business plan assumes an estimate of the capex needs that the Company will experience in order to refurbish the assets that need it before leasing them.
- Estimations: 221 units will need Capex. Some of the units will only need cosmetics services (painting and cleaning) while others are in need of kitchen and bathrooms furniture. Total Capex is estimated to be at approximately €1,5MM spread across the following four years. This Capex is yet to be activated on the Company's balance sheet.

Financial expenses:

Financial expenses are forecasted attending to current financing in place and the expected financing to be arranged for the future acquisitions.

The finance expenses are going to be reduced yearly due to payments made to the lenders but it has been estimated that once the portfolios has been stabilized and after two years of management, a refinancing will be requested.

Taxes

- It has been estimated that all the provisions of the SOCIMI Law have been complied with and, therefore, the effective rate applicable to the Company is 0%.

The business plan data has 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 forecasts or estimates

The main assumptions and factors, which could substantially affect the fulfilment of the forecasts or estimates, are detailed in section 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

At the close of 2020, the Company recorded losses that were nonetheless offset by the variation in the fair value of investment properties. The directors believe that this situation is reasonable in a newly-created company that has yet to become fully operational as it is expected to be in a brief period of time. When combined with the express financial support from its parent company, this situation will allow the Group to normalise its financial situation in the short term. Therefore, the consolidated annual financial statements have been presented based on the principle of a going concern that presumes the realisation of assets and the liquidation of liabilities in the normal course of operations.

Working capital	abr.-21	jul.-21	oct.-21	ene.-22	abr.-22	jul.-22	oct.-22	ene.-23	abr.-23	jul.-23	oct.-23	ene.-24	abr.-24	jul.-24
Gross Rental income	511.637	655.507	1.025.058	1.613.623	2.326.236	3.147.098	4.106.445	4.894.353	5.412.951	5.740.425	6.022.469	6.098.195	6.098.195	6.098.195
Total Cash Inflows	511.637	655.507	1.025.058	1.613.623	2.326.236	3.147.098	4.106.445	4.894.353	5.412.951	5.740.425	6.022.469	6.098.195	6.098.195	6.098.195
Operating Expenses	(445.686)	(655.184)	(872.847)	(1.099.892)	(1.329.057)	(1.427.704)	(1.542.994)	(1.637.681)	(1.700.004)	(1.739.358)	(1.773.253)	(1.782.353)	(1.782.353)	(1.782.353)
Leasing Costs	(48.365)	(50.481)	(136.674)	(226.421)	(257.552)	(288.022)	(332.985)	(276.459)	(181.964)	(114.903)	(77.233)	(26.570)	-	-
Corporate Overheads	(150.279)	(223.404)	(288.404)	(345.279)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)	(398.904)
Asset Management Fee	(152.092)	(216.585)	(273.913)	(324.075)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)	(371.370)
Financial expenses	(711.282)	(1.118.921)	(1.322.629)	(1.478.303)	(1.673.895)	(1.612.186)	(1.632.353)	(1.616.595)	(1.654.504)	(5.317.844)	(1.577.358)	(1.560.213)	(1.560.213)	(1.577.358)
Total Cash Outflows	(1.507.703)	(2.264.575)	(2.894.467)	(3.473.969)	(4.030.778)	(4.098.185)	(4.278.606)	(4.301.009)	(4.306.746)	(7.942.379)	(4.198.118)	(4.139.410)	(4.112.840)	(4.129.985)
Non recoverable VAT	(459.963)	(297.572)	(363.702)	(424.154)	(482.699)	(412.996)	(424.214)	(412.318)	(339.384)	(337.444)	(279.475)	(225.273)	(178.531)	(136.215)
Net Cash Flow	(1.456.029)	(1.906.640)	(2.233.111)	(2.284.500)	(2.187.241)	(1.364.083)	(596.375)	181.026	766.821	(2.539.398)	1.544.876	1.733.512	1.806.824	1.831.996

The Board of Directors declared at their Board of Directors' meeting held on 31 March 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 CBRE with an independent valuation of 100% of its shares. The report establishes a range of values as of 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.

Due to the type of activity carried out by the Group, CBRE believes the best corporate valuation methodology would be the Adjusted Value of Group's Equity, since CBRE believe it is the methodology which best reflects the market value of companies with real estate business activity.

The Group's real estate assets have been valued at market value following the methodology of the Royal Institution of Chartered Surveyors ("RICS") and according to the International Valuations Standards (IVS). This market valuation report of the real estate assets owned by the Group as at 31 December 2020 has been carried out by CBRE.

7.3.1 Methodology

As mentioned previously and considering the type of activity carried out by the Group (real estate activity), CBRE considers that the best methodology for its valuation is the Adjusted Value of Group's Equity. This methodology is based on the hypothesis of a company under operation.

The detail and scope of the phases applicable to the mentioned methodology is as follows:

- Calculation of the fair value of real estate assets (GAV) to obtain implicit capital gains / losses (based on the market valuation report prepared by CBRE Valuation Advisory as at 31 December 2020) and accomplished using the RICS Methodology, assuming the market value of the assets.

Since the real estate assets of the Group were recognized at their fair value at December 31st, 2020 and were not depreciated as established in IAS 40, no adjustment to the value of the Group's equity should be included in the corporate valuation in this regard.

- Analysis of the remaining assets and liabilities of the Group's consolidated balance sheet, as at 31 December 2020, whose adjustments to market value could affect the Company's value:
 - Advances to suppliers: This caption reflects payments for which the invoices are not received at year- end close and, consequently are not considered as costs of the investment properties (€272,947).
 - Long-Term Bank Borrowings - debt formalization fees: On 29 December 2020, the subsidiary company put on public deed a mortgage agreement over certain investment properties held by the Company for an amount of €9,300,088. The Group paid fees of

€1,330,412 to formalize that loan, having recognized the sum of €3,003 in the income statement in 2020. At 31st December 2020, the Group accounted that loan using the amortized cost methodology under Spanish GAAP / IFRS (€7,972,679). The difference between amortized costs and the amount to be repaid (formalization fees) should be considered as additional debt, in order to reflect the nominal value of financial debt (€1,327,409).

- Calculation of the current value of the recurrent structure costs that have not been considered in the GAV calculation. The structural costs in which the Group has to incur to manage the assets have not been considered in the valuation of the real estate assets, which, once normalized, amount to €867,185 per year. Its present value has been calculated by discounting cash flows of these projected 10-year costs based on standardized structure costs. In addition, a sensitivity analysis was carried out varying the discount rate by +/- 25 basis points with the following result:

Euro	Lower Range	Central	Higher
Structure Costs Adjustment	(9,713,286)	(9,457,374)	(9,214,370)

No other adjustments to market value of the rest of consolidated items in the balance sheet have been considered according to our analysis, and as confirmed by the Board of Directors, there are no further adjustments in the remaining items that could affect the Company's value.

- Calculation of the tax effect of the adjustment to market value of the real estate assets (implicit gains/capital loss) and of the rest of adjustments on the other assets and liabilities. Considering the Company's SOCIMI condition and its compliance with the SOCIMIs' regime mentioned previously, CBRE has assumed a 0% tax rate.
- Calculation of the range of the adjusted equity valuation, net of taxes, starting from the Group's fair value and applying sensitivities analysis on the valuation of real estate assets. CBRE has calculated the lower range and the higher range of value of the Group's equity.

Thus, starting off from the accounts as at December 31st, 2020, the range of value of the Company's equity as at December 31st, 2020 would be as follows:

(€) EQUITY VALUATION	Lower Range	Central Range	Upper Range
Shareholders' Equity per Financial Statements	37,064,790	37,064,790	37,064,790
Fair Value Real Estate Investments	47,943,968	49,173,300	50,402,633
Net Book Value Real Estate Investments	49,173,300	49,173,300	49,173,300
[+/-] Revaluation of investment properties (Owned properties)	(1,229,333)	-	1,229,333
- Advances to suppliers	(272,947)	(272,947)	(272,947)
[+/-] Long-Term Bank Borrowings	(1,327,409)	(1,327,409)	(1,327,409)
- Structural costs	(9,713,286)	(9,457,374)	(9,214,370)
Shareholder's Equity Value	24,521,815	26,007,059	27,479,397

(€) EQUITY VALUATION	Lower Range	Central Range	Upper Range
Rounded Adjusted Shareholder's Equity	24,520,000	26,010,000	27,480,000

This valuation of the Group's equity has not taken into account the potential impact (positive or negative) of the accounts of suppliers' advances for the 143 assets (€3,381,526) and of the advances corresponding to 5% of the purchase price of future acquisitions (€173,647) at the time the corresponding purchases or sales are executed, as CBRE does not have an independent expert valuation of these assets.

Using this methodology, CBRE have obtained the Group's equity range of value as of 31 December 2020, which could differ from the value obtained subsequently, but it is the valuation methodology accepted in transactions between independent parties for real estate companies.

Value GLOBAL PIELAGO:	€24,520,000 - €27,480,000
Price per Share:	€4.904 - €5.496

Taking into consideration the valuation report of the Company issued by CBRE, the Board of Directors of the Company on 31 March 2021 established a reference price of €4.92 per share, which it implies a total value for the Company of €24,600,000. This valuation of the Company is included in the valuation range established by CBRE.

7.4 REAL ESTATE VALUATION

The Issuer has entrusted CBRE with an independent valuation of its assets. Complying with said mandate, CBRE issued a valuation report for the Company's assets with the valuation date being 31 December 2020.

As of the date of this Information Document, the Company's asset portfolio comprises multiple properties in Spain. The properties subject to valuation consist of 587 real estate assets belonging to 397 residential buildings. The total portfolio includes 523 residential units, 61 independent parking spaces and 3 independent storages. In sum, The Company's assets are mostly concentrated in the residential private sector.

7.4.1 Valuation Methodology

CBRE has relied upon two complementary methods to arrive at the valuation of the properties.

On one hand, a method of valuation by comparables, which consisted in applying an estimated value per square metre, which was obtained through the study of comparable operations in distinct comparable locations over the last two years. Unit market prices in these operations were standardised on the basis of a series of parameters such as surface area, location, and state of repair. These parameters were weighted in accordance to the greater or lesser degree of similarity of the properties compared to the ones being valued in their report.

On the other hand, a traditional method that assesses the expected income to be produced by a property and then discounts flows at an appropriate rate to convert income streams into a capital value at present date. A Market Rent (not to be confused to the Current Rent) is determined and then capitalised into perpetuity as CBRE views the income stream as sustainable in the long-term. For the portion of the Current Rent that is above CBRE's estimation of Market Rent, a higher discount rate is applied to account for the additional risk attached to the related tranche of income.

In general, and after carrying out a market study, CBRE affirms that the portfolio is under-rented. CBRE estimates an individual Market Rent for each property of €7 per sqm per month, as compared to the Current Rent of €4 per sqm, per month.

Annualized current gross rent of the portfolio is €383,952 per annum, however, the portfolio occupancy rate is only 16% at the valuation date. The current rent of the portfolio as of 31 December 2020 is €31,996 per month, thus the average monthly rent per residential unit is €344 per month.

Considering the information provided to CBRE by the Company, 16% of the portfolio is rented, 10% of the portfolio is illegally squattered, for 19% of the portfolio there is no-possession of the assets due to issues unrelated to illegal occupation, and 55% of the portfolio is currently vacant.

ERV (Estimated Rental Value or Market Rent, with the aforementioned assumptions) is calculated to be €3,529,626 per year, which is equal to €7.02 per sqm per month, excluding property taxes and common charges.

Furthermore, in properties affected by illegal squatting, a legal fee of €2,000 per unit and a compensation of €4,000 has been considered (deducted) in the calculation of property value. Additionally, a refurbishment CAPEX has been considered amounting to an average of 20% of the market value for the 57 affected units.

In non-possession cases a legal fee of €6,000 per unit has been considered (deducted) in the property value. Additionally, different timings have been assumed for the recovery period for each type of assets depending on the legal status: 9 months or 18 months, when legal proceedings have or have not been initiated, respectively.

Based on CBRE's market experience in residential investment market transactions, discount rates are applied ranging from 1.40% to 8% for the worst locations, rental levels, and quality of the properties. Secondary locations are penalized with a further 0.25-0.50%, depending on the case, and for illegally squattered and non-possession assets, a further increase of 0.5-1.0% may have been applied to reflect the added risk of these assets.

Regarding the considered expenses, the Company provided CBRE with common charges and property taxes dated on November – December 2020. CBRE has considered both service charges and property taxes as recoverable expenses from the tenants.

CBRE applies a discount on rent to reflect contingency costs that cannot be recovered from the tenants. For the Market Value calculation, a cost provision for Contingencies, to cover unexpected non-recoverable cost, is assumed at 1.5% of paid rent.

According to the current rental market in different comparable locations, the Current Rent and Market Rent assumed for the properties, and the occupancy rate of other buildings in the area, a void period is estimated and included in the calculations. The void period range is from 1 to 4 months between contracts. Additionally, due to the Current Rents being below Market Rents, it has been considered that the renewal at Market Rent will be at the same period as the vacant units.

Summary

The following table summarizes the aforementioned calculations to arrive at an estimated Market Value:

Market Parameter	SUMMARY
Built area	41,887.67 sqm (a/g)
No. of residential units	523
No. of parking spaces	61
No. of storages	3
Current Gross Rent (annualized)	€383,95
Net Rent	(€547)
Market Rent	€3,529,626
Portfolio average Initial Yield	0.78%
Portfolio average Reversionary Yield	7.18%
Market Value	€49,173,300
€/sqm	1,174

Vacant Possession Value

The Vacant Possession Value ignores the current lease contract and assumes that the units are vacant and ready to be let.

In the calculation of this value, CBRE has assumed a number of vacancy months depending on the quality of each individual unit and has capitalised the ERV at a higher yield rate than a leased asset; this yield rate should be considered as the open-market yield level.

For the Vacant Possession, CBRE has applied the corresponding costs during the assumed vacant months and the letting fees. The majority of the new contracts CBRE has assumed a contingency of the rent as a regular non-recoverable costs.

Vacant Possession Value	SUMMARY
Built area	41,887.67 sqm (a/g)
No. of residential units	523
No. of parking spaces	61
No. of storages	3
Market Rent	€3,529,626
Portfolio average Initial Yield	7.09%
Portfolio average Reversionary Yield	7.18%
Market Value	€49,812,800
€/sqm	1,189

7.4.2 Market Value

All things considered, CBRE is of the opinion that the Market Value, which comprises theoretical breakdown construction and land, of the properties as of 31 December 31, 2020, is:

€49,173,300

(Forty-Nine Million One Hundred Seventy-Three Thousand Three Hundred Euros)

7.4.3 Theoretical Breakdown Construction

All things considered, CBRE is of the opinion that the day one Theoretical Breakdown Land value of the properties as of 31 December 31, 2020, is:

€21,698,800

(Twenty-One Million Six Hundred Ninety-Eight Thousand Eight Hundred Euros)

7.4.4 Theoretical Breakdown Construction

All things considered, CBRE is of the opinion that the day one Theoretical Breakdown Construction value of the properties as of 31 December 31, 2020, is:

€27,474,500

(Twenty-Seven Million Four Hundred Seventy-Four Thousand Five Hundred Euros)

7.4.5 Vacant Possession Value

CBRE is of the opinion that the Market Value of the properties on the special assumption that the property has full vacant possession as AT 31 December 31, 2020, is:

€49,812,800

(Forty-Nine Million, Eight Hundred Seventy Twelve Thousand Eight Hundred Euros)

8. FINANCIAL INFORMATION AT 31 DECEMBER 2020

The financial statements set out in this Information Document have been prepared in accordance with accounting principles referred to in subsection 8.3 of this ID.

The selected financial data included in subsection 2.4 derives from the audited financial statements as 31 December 2020.

The financial statements as of 31 December 2020 with the corresponding auditors' reports are attached as **Appendix**.

The Spanish language financial statements have been audited “E&Y” or and are available at the Company's website: www.niding.es.

The auditor's work includes the financial statements as of 31 December 2020 along with corresponding notes, an auditor's report, and a management report.

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 audited financial statements shall prevail.

The Company's audited financial statements (and the above-mentioned reports) are available on the Company's website: www.niding.es

The financial statements as of 31 December 2020 with the corresponding auditors' reports are attached as **Appendix I**.

8.1 CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2020

ASSETS	31/12/2020
NON-CURRENT ASSETS	49,198,287
Investment Properties	49,173,300
Land	35,839,129
Buildings	13,327,385
Fixed assets in progress	6,786
Non-current financial assets	24,987

ASSETS	31/12/2020
CURRENT ASSETS	13,588,117
Inventories	3,828,121
Supplier advances	3,828,121
Trade and other receivables	1,472,733
Trade receivables for sales and services	1,305,267
Other receivables	127,294
Other receivables from Public Entities	40,172
Cash and cash equivalents	8,287,263
Cash	8,287,263
TOTAL ASSETS	62,786,404

EQUITY AND LIABILITIES	31/12/2020
EQUITY	37,064,790
SHAREHOLDERS' EQUITY	37,064,790
Capital	5,000,000
Subscribed capital	5,000,000
Issue premium	7,602,083
Other shareholder contributions	8,339,746
Income attributable to shareholders	16,122,961
NON-CURRENT LIABILITIES	24,547,726
Non-current payables	13,606,896
Loans and borrowings	7,972,679
Other non-current receivables	5,634,217
Non-current payables to Group companies and associates	10,940,830
CURRENT LIABILITIES	1,173,888
Current payables	4,263
Loans and borrowings	4,263
Trade and other payables	1,169,625
Payables to suppliers	1,113,646
Other payables	51,055
Supplier advances	4,924
TOTAL EQUITY AND LIABILITIES	62,786,404

8.2 CONSOLIDATED INCOME STATEMENT AS OF 31 DECEMBER 2020

PROFIT AND LOSS ACCOUNT	31/12/2020
Net turnover	235,501
Supplies	(1,419,210)
Other operating income	2,381,715
Other operating expenses	(1,303,995)
Outside services	(1,303,995)
Variation in fair value of investment properties	16,429,331
Revaluation	18,163,276
Impairment	(1,733,945)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES	16,323,342
Finance income	-
Finance expense	(200,381)
FINANCE INCOME/(EXPENSE)	(200,381)
PROFIT/(LOSS) BEFORE TAXES	16,122,961
Income tax	-
INCOME ATTRIBUTABLE TO SHAREHOLDERS	16,122,961
Profit/(Loss) for the period	16,122,961
Other comprehensive income:	
Items to be transferred to Net Assets	-
Other comprehensive income for the period	-
Comprehensive Income	16,122,961
Attributable to shareholders of the parent company	16,122,961

8.3 PRINCIPLES, RULES AND ACCOUNTING METHODS

The financial statements are prepared using the accounting records of International Financial Reporting Standards (“IFRS”).

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 IFRS and the IRFS Interpretations Committee, adopted by the European Union as Regulation (EC) No 1606/2002 of the European Parliament and of the Council and successive amendments thereto.

As this is the first year that the Company is active, being the year in which it was incorporated, no comparative figures can be given.

Formulating the consolidated annual financial statements in accordance with the IFRS requires the use of certain critical accounting estimations. It also requires that the management uses their knowledge in the process of applying the Groups' accounting policies.

The currency in which these consolidated annual financial statements are formulated is in Euro, this being the currency in which the Group operates.

The figures contained in the consolidated annual financial statements are expressed in euros with two decimal places, unless otherwise indicated.

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 June 2021. The scheduled date has not been determined at the time of writing.

9. APPENDIX: AUDITOR'S REPORTS AND ANNUAL FINANCIAL STATEMENTS AT 31 DECEMBER 2020

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020, formulated in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU, and consolidated Directors' Report

Audit Report on Consolidated Financial Statements
issued by an Independent Auditor

GLOBAL PIELAGO, SOCIMI, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the period from January 29, 2020
to December 31, 2020



AUDIT REPORT ON CONSOLIDATED FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To the shareholders of GLOBAL PIELAGO, SOCIMI, S.A.:

Opinion

We have audited the consolidated financial statements of GLOBAL PIELAGO, SOCIMI, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2020, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in net assets, the consolidated cash flow statement, and the notes thereto, for the period from January 29, 2020 (incorporation date of the parent) to December 31, 2020.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2020 and of its financial performance and its consolidated cash flows, for the period from January 29, 2020 to December 31, 2020 in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

More relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the consolidated financial statements of the current period. These risks were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Valuation of Real Estate Investments

Description The Group has registered under the heading of real estate investments in the consolidated statement of position as of December 31, 2020, a net amount of 49,173 thousand euros corresponding to the properties owned by the Group. The breakdown corresponding to these assets is detailed in Note 6 of the attached consolidated annual financial statements.

The Group uses the fair value model for its real estate investments (IAS 40) as an accounting policy, recording the difference between the fair value and the previous book value in the consolidated income statement as detailed in Note 6 of the attached consolidated report. Directors of the Parent Company periodically determine the fair value of real estate investments, taking as reference values the valuation carried out by an independent expert in accordance with the valuation standards of the Royal Institution of Chartered Surveyors "RICS". The determination of these fair values requires significant judgments and estimates to be made by the independent expert and the Directors of the parent Company. The detail of the different methodologies used is detailed in Note 4 of the accompanying consolidated report. The relevance of the amounts involved and the high sensitivity of the analyzes carried out with respect to the changes in the assumptions used has made us consider the valuation of real estate investments as one of the most relevant aspects of our audit.

Our response In relation to this area, our audit procedures have included, among others:

- ▶ Review of the reasonableness of the valuation models used by the independent expert, in collaboration with our specialists in real estate asset valuations, covering the mathematical analysis of the model, the identification and review of the hypotheses used, verification that the information used is complete, adequate and relevant, as well as an assessment that it is supported by observable market data, including the performance of comparison procedures on the valuations, if necessary.
- ▶ Verification that the attached consolidated financial statements includes the related information disclosures required by the applicable financial reporting framework.

Other information: consolidated management report

Other information refers exclusively to the consolidated management report for the period from January 29, 2020 to December 31, 2020, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the consolidated management report is to assess and report on the consistency of the management report with the consolidated financial statements based on the knowledge of the Group obtained during the audit, and to assess and report on whether the content and presentation of the consolidated management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, the information contained in the consolidated management report is consistent with that provided in the consolidated financial statements for the period from January 29, 2020 to December 31, 2020 and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the parent company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the directors of the parent company, we determine those that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

ERNST & YOUNG, S.L.
(Registered in the Official Register of
Auditors under No. S0530)

(Signature on the original in Spanish)

Fernando González Cuervo
(Registered in the Official Register of
Auditors under No. 21268)

March 5, 2021

TABLE OF CONTENTS

	<u>Page</u>
Consolidated Balance Sheet	3-4
Consolidated income statement	5
Consolidated Statement of Comprehensive Income	6
Consolidated Statement of Changes in Net Assets	7
Consolidated Cash Flow Statement	8
Consolidated annual financial statements	9-53
Consolidated directors' report	54-56

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated Balance Sheet 31 December 2020

(In euros)

ASSETS	Notes	2020
NON-CURRENT ASSETS		49,198,287
Investment properties	6	49,173,300
Land		35,839,129
Buildings		13,327,385
Fixed assets in progress		6,786
Non-current financial investments	7	24,987
CURRENT ASSETS		13,588,117
Inventories	6 and 8	3,828,121
Supplier advances		3,828,121
Trade and other receivables		1,472,733
Trade receivables for sales and services	9	1,305,267
Other receivables	9	127,294
Other receivables from Public Entities	14	40,172
Cash and cash equivalents	10	8,287,263
Cash		8,287,263
TOTAL ASSETS		62,786,404

Notes 1-21 to the consolidated report are an integral part of the consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated Balance Sheet 31 December 2020

(In euros)

EQUITY AND LIABILITIES	Notes	2020
EQUITY		37,064,790
SHAREHOLDERS' EQUITY		37,064,790
Capital	11	5,000,000
Subscribed capital		5,000,000
Issue premium	11	7,602,083
Other shareholder contributions	11	8,339,746
Income attributable to shareholders	11/15	16,122,961
NON-CURRENT LIABILITIES		24,547,726
Non-current payables	12,1	13,606,896
Loans and borrowings		7,972,679
Other non-current receivables		5,634,217
Non-current payables to Group companies and associates	12,2	10,940,830
CURRENT LIABILITIES		1,173,888
Current payables	12,1	4,263
Loans and borrowings		4,263
Trade and other payables		1,169,625
Payables to suppliers	13	1,113,646
Other payables	14	51,055
Supplier advances	9	4,924
TOTAL EQUITY AND LIABILITIES		62,786,404

Notes 1-21 to the consolidated report are an integral part of the consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated income statement for the period from 29 January 2020 to 31 December 2020

(In euros)

INCOME STATEMENT	Notes	2020
CONTINUING OPERATIONS		
Net turnover	6 and 15 a)	235,501
Supplies	15 c)	(1,419,210)
Other operating income	15 b)	2,381,715
Other operating expenses	15 d)	(1,303,995)
Outside services		(1,303,995)
Variation in fair value of investment properties	6	16,429,331
Revaluation		18,163,276
Impairment		(1,733,945)
PROFIT/(LOSS) FROM OPERATING ACTIVITIES		16,323,342
Finance income		
Finance expense	12 and 15	(200,381)
FINANCE INCOME/(EXPENSE)		(200,381)
PROFIT/(LOSS) BEFORE TAXES		16,122,961
Income tax	14	-
INCOME ATTRIBUTABLE TO SHAREHOLDERS		16,122,961

Notes 1-21 to the consolidated report are an integral part of the consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated Statement of Income for the period from 29 January 2020 to 31 December 2020

(In euros)

	Notes	2020
Profit/(Loss) for the period		16,122,961
Other comprehensive income:		
Items to be transferred to Net Assets		-
Other comprehensive income for the period		-
Comprehensive Income		16,122,961
Attributable to shareholders of the parent company	11 and 15	16,122,961

Notes 1-21 to the consolidated report are an integral part of the consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated statement of changes in equity for the period from 29 January 2020 to 31 December 2020

(In euros)

	Share capital (Note 11)	Issue premium (Note 11)	Profit/(Loss) for the year (Notes 11 and 15)	Other shareholder contributions (Note 11)	Total
Balance at 31/12/2019	-	-	-	-	-
Total recognised income and expense	-	-	16,122,961	-	16,122,961
Other changes in equity:	5,000,000	7,602,083	-	8,339,746	20,941,829
Capital increases	5,000,000	7,602,083	-	-	12,602,083
Shareholder contributions	-	-	-	8,339,746	8,339,746
Balance at 31/12/2020	5,000,000	7,602,083	16,122,961	8,339,746	37,064,790

Notes 1-21 to the consolidated report are an integral part of the consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated cash flow statement for period from 29 January 2020 to 31 December 2020 (in euros)

	Notes	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the period before taxes		16,122,961
From continuing operations	15	16,122,961
Adjustments to profit/(loss)		(16,232,223)
Variation in fair value of investment properties	6	(18,163,276)
Impairments (+/-)	6	1,733,945
Finance expense	15.e)	197,108
Changes in working capital		(4,110,906)
Increase/(Decrease) in Inventories	6 and 8	(3,828,121)
(Increase)/Decrease in Receivables	9 and 14	(1,472,733)
Increase/(Decrease) in Payables	9, 13, 14	1,169,625
Other non-current assets and liabilities (+/-)	7 and 12	20,323
Other cash flows from operating activities		-
Cash flows from operating activities		(4,220,168)
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Payments for investments		(32,743,969)
Investment properties	6	(32,743,969)
Cash flows from investment activities		(32,743,969)
CASH FLOWS FROM FINANCING ACTIVITIES		
Collections and payments for equity instruments		20,941,829
Issue of equity instruments	11	20,941,829
Collections and payments for equity instruments		25,639,983
Receivables from Group companies and associates	12,2	10,750,988
Loans and borrowings	12,1	9,300,088
Other receivables	12,1	5,588,907
Repayments and amortisation		(1,330,412)
Loans and borrowings	12,1	(1,330,412)
Cash flows from financing activities		45,251,400
NET INCREASE / DECREASE IN CASH OR CASH EQUIVALENTS	10	8,287,263
Cash or equivalents at the start of the year		-
Cash or equivalents at the close of the year	10	8,287,263

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated annual financial statements for the period from 29 January 2020 to 31 December 2020

1. General information

Global Piélago, SOCIMI, S.A., hereinafter the Parent Company, is a Spanish public limited company, with VAT No. A88581251, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 29 January 2020; it is entered on the Madrid Register of Companies, volume 40,174, page 110, sheet M-713884, entry No. 1. Its current registered offices are located at Paseo de la Castellana, 93, 13th floor, 28046 Madrid.

The Company was initially incorporated as a limited liability company under said public deed delivered on 29 January 2020. It was converted into a public liability company under public deed of 5 March 2020, in Madrid.

Its registered offices at the time it was incorporated were located in Calle Suero de Quiñones 34-36, 1st floor, 28002 Madrid. On 25 June 2020 it moved to its current offices, as set down in public deed, at which time its name was also changed to its current name.

The Company's corporate object is:

- a) The acquisition and development of urban real estate for lease.
- b) The holding of shares in the capital of other SOCIMI or in other companies non resident in Spain with the same corporate purpose and which are subject to a regime similar to the one established for SOCIMIs in relation to the obligatory policy on appropriation of profit stipulated by law or the bylaws.
- e) The holding of shares in the capital of other companies resident or non resident in Spain, whose main corporate purpose is the acquisition of urban real estate for lease, which are subject to the regime established for SOCIMIs in relation to the obligatory policy on distribution of dividends stipulated by law or the bylaws and meet the investment requirements referred to in art. 3 of Law on Listed Real Estate Investment Companies.

The holding of public or private limited liability shares in Collective Real Estate Investment Undertakings governed by Law 35/2003, of 4 November, on Collective Investment Undertakings.

In addition to the business activity deriving from the company's primary corporate purpose, SOCIMI may also undertake ancillary activities, i.e. any activities the revenues from which account for less than 20% of the revenue in the company in any tax period, or any considered ancillary by law at any given time. The corporate purpose excludes any activities legally required to comply certain conditions not met by the Company or its Bylaws.

On 25 June 2020, a resolution of the General Shareholders' Meeting, resolving that the Company would opt for the special regime for listed real estate investment trusts (SOCIMI, in Spanish), regulated by Act 11/2009 of 26 October, was put on public deed.

We now list the primary elements defining the SOCIMI regime which applies to the Company.

SOCIMI Regime

Global Piélago SOCIMI, S.A. is regulated by Act 11/2009 of 26 October, as amended by Act 16/2012 of 27 December, on Listed Real Estate Investment Trusts.

The primary characteristics defining the SOCIMI regime, which must be met for the regime to be applied correctly, are:

1. Corporate Purpose.

- The primary corporate purpose of the company must be that of holding real estate for lease, holding interests in other SOCIMI or companies having a similar corporate purpose and the same dividend distribution regime and in Collective Investment Schemes.

2. Investment.

- The company must invest at least 80% of its asset value in real estate for lease, in land for the development of real estate to be used for said purpose (providing that development commences within three years of its acquisition), and in interests in the capital of other companies having a similar corporate purpose to that of the company.

The asset value will be determined according to the average of the quarterly individual balance sheets for the financial year, and the Company may choose to calculate that value by replacing the carrying amount with the market value of the elements comprising those balance sheets, which would be applied to all balance sheets for the financial year. This determination will not include any cash or credit rights issuing from the transmission of said properties or interests made in the same or previous years, providing, in this latter case, that the reinvestment term specified in Article 6 of the Act has not elapsed.

This percentage will be calculated on the basis of the consolidated financial statements if the company is the parent of a group according to the criteria established in art. 42 of the Code of Commerce, regardless of the place of residence and of the obligation to prepare consolidated annual financial statements. This group will be exclusively composed of the SOCIMIs and the rest of the companies to which art. 2.1 of the Law refers.

The Company is the parent in a group comprising itself, Global Piélago, SOCIMI, S.A. and Global Sauco, SOCIMI, S.L.

- Likewise, 80% of its revenues within the tax period should be obtained from: (i) real estate leasing and (ii) dividends on interests. This percentage will be calculated on the basis of the consolidated income statement if the Company is the parent of a group of companies according to the criteria established in art. 42 of the Code of Commerce, regardless of the place of residence and of the obligation to prepare consolidated annual financial statements. This group will be exclusively composed of the SOCIMIs and the rest of the companies to which art. 2.1 of the Law 11/2009 refers.
- Properties must be leased for at least three years (for calculation purposes, up to one year may be added from the period during which they were available for lease). Interests in the asset must be retained for at least three years.

3. Trading on a regulated market.

SOCIMI must be listed for trading on a regulated stock market in Spain or in any other country with which tax information is exchanged. Shares must be registered stocks.

At 31 December 2020, the Company shares are not listed on the stock market.

4. Distribution of Gains:

The Company must distribute the following dividends, after complying with the applicable business requirements:

- One hundred percent of the profits from dividends or profit sharing distributed by the companies to which art. 2.1 of Law 11/2009 refers.
- At least 50% of the profits from the transfer of real estate and public or private limited liability company shares referenced in art. 2.1 of Act 11/2009, made after the minimum holding period, subject to compliance with its primary corporate purpose. The remaining profits should be reinvested in other real estate or shares subject to the fulfilment of that purpose, within three years as of the transfer date.
- At least 80 percent of the rest of the profits obtained. When the distribution of dividends is made against reserves from profits of a year in which the special tax scheme was not applied, their distribution must be adopted as described above.

5. Information.

SOCIMI are required to include in the report accompanying their annual accounts the information required by the tax legislation governing the special regime for SOCIMIs.

6. Minimum capital.

The minimum stock capital is established at €5 million.

Companies may opt for the application of the special tax scheme in the terms established in article 8 of the Act, even when they do not meet the minimum requirements established therein, providing the requirements are met within two years of opting for the regime.

Failure to comply with any of said conditions will mean that the Company will be included under the general Corporate Income Tax regime from the year in which said failure comes about, unless it is remedied in the following year. Moreover, in addition to the quota for the year in question, the Company will also be required to pay the difference between the quota given by applying the general scheme and the quota paid after applying the special tax regime in the previous year, in addition to any delay interest, surcharges and sanctions which may apply.

The Parent Company and the investee, as defined below, opted to adopt the SOCIMI regime by notifying the Spanish Tax Agency on 25 June 2020, having agreed as much at their General Meeting.

At the time of filing these Consolidated Annual Financial Statements, both companies are in the provisional period established by Law for compliance with the requirements specified above. At 31 December 2020, neither complied with all of the requirements stipulated in the Act.

The Company is the parent in a group of companies and files consolidated annual financial statements formulated in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU.

1.1. Subsidiaries

The Company is the head of a corporate group, thereby being the parent of the following subsidiary at 31 December 2020:

Company	Registered address	Activity	Holding %	Consolidation method
GLOBAL SAUCO, SOCIMI, S.L. (*)	Spain	SOCIMI	100% - direct	Full Consolidation

(*) Not audited.

On 5 March 2020, in Madrid, the Parent Company acquired 100% of the stock capital of Global Sauco, SOCIMI, S.L.U. (Hereinafter, “the subsidiary”), also incorporated in 2020, under public deed No. 446.

Global Sauco, SOCIMI, S.L.U. is a Spanish limited liability company, with VAT No. B88581236, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 29 January 2020, number 297; it is entered on the Madrid Register of Companies, volume 40,174, page 130, sheet M-713886, entry No. 1a. Its current registered offices are located at Paseo de la Castellana, 93, 13th floor, 28046 Madrid.

Its registered offices at the time it was incorporated were located in Calle Suero de Quiñones 34-36, 1st floor, 28002 Madrid. On 25 June 2020 it moved to its current offices, as set down in public deed No. 2,247, at which time its name was also changed to its current name.

The subsidiary is also a SOCIMI and has the same corporate purpose as the parent company. On 25 June 2020, a resolution of the General shareholders' Meeting, under which it was agreed that the Company should be ruled by the special regime for listed real estate investment trusts (SOCIMI, in Spanish), regulated by Act 11/2009 of 26 October, was put on public deed.

The assets held by the Group at the end of 2020 were acquired by the Subsidiary after joining the Group.

When Global Sauco, SOCIMI, S.L.U. was acquired by Global Piélagos, SOCIMI, S.A., the latter became the parent company of a corporate group, this being the first year in which consolidated annual statements are filed.

1.2 Management and Subscription Agreements

The following is a summary of the most important points of a series of management agreements issued originally in English.

1.2.1. Management Agreement

In June 2020, the Company signed a Management Agreement with Briks Residential, S.L. (Management Company), regulating aspects having to do with advisory and management services and the remuneration to be received by the Management Company in exchange for said activity.

The agreement is made for an unlimited time and may be terminated for any of the reasons stated in Point 9 therein, including withdrawal of either party, providing they give twelve months' notice.

The services provided by the management company to the parent company and investee include:

- a) General services. Coordination in the acquisition of properties. Formulation and implementation of Business Plan and yearly budget. Overseeing the requirement to send reports to banks and investors. Overseeing and coordinating the annual evaluations of investment properties. Overseeing the appointment of service providers. Monitoring CapEx plans for investments. Implementing sales strategies. Assisting clients with insurance decisions. Overseeing accounts books and other tax obligations.
- b) Strategic services. Advisory services in regard to investment price policy. Recommendations in relation to the Business Plan in order to maximise yield. Overseeing agreements with regard to the selection of service providers, and supervising their performance.
- c) Asset Management Services: Providing precise instructions to Property Managers in relation to managing the properties. Liaising with regulatory agencies. Coordinating the filing of the Audited Annual Accounts, and assisting the auditors.
- d) Property Management Services: Keeping a database of lessees. Keeping copies of legal documents relating to the properties. Ensuring compliance with all formal obligations in relation to the properties.
- e) Maintenance and Upkeep Services. Monitoring expenses in relation to the properties and working with the Property Managers to formulate reports in relation to said monitoring. Ensuring the upkeep of the properties.
- f) Rent and Expense Collection Services. Negotiations and agreements with lessees. Monitoring financial ratios in relation to lessees. Making lease agreements. Overseeing rent and advances paid by lessees.
- g) Reporting services. Organising meetings and conferences in relation to the management of the properties. Sending reports to the Company

and shareholders. Helping with the formulation of Annual Accounts and audits.

- h) Financial Advisory Services. Working with a range of service providers, to monitor project costs in relation to the Business Plan and advise accordingly.
- i) Disposals. Providing advisory services in relation to strategy and proceedings with regard to disposing of properties, and preparing material for marketing policy elements. Coordinating the Company's service providers in sales processes.

The management contract establishes a series of fees, as follows:

Acquisition Fee:

As owner of the properties, the investee, Global Sauco, SOCIMI, S.L. will pay the management company management fees of 0.75% of the total individual acquisition price of assets in the "Alcazar I" development, the private acquisition contract over which was signed between the parties on 7 April 2020.

With regard to the acquisition of properties not included in said development, the company which acquires the properties will pay the management acquisition fees of 0.5% the individual acquisition price to the management company.

Asset Management Fees:

The management company will be entitled to receive annual fees calculated at 0.5% of the total acquisition price of each of the Company's properties, plus the CapEx expenses over each asset (plus VAT).

2. Basis of preparation of the consolidated annual financial statements

The consolidated annual financial statements for the year 29 January 2020 (date of incorporation) until 31 December 2020 were obtained from the books of the Company and the subsidiary up to 31 December 2020. They were formulated by the Company's directors in accordance with the International Financial Reporting Standards (IFRS) and the IRFS Interpretations Committee, adopted by the European Union as Regulation (EC) No 1606/2002 of the European Parliament and of the Council and successive amendments thereto.

As this is first year that the Company is active, being the year in which it was incorporated (see Note 1), no comparative figures are given. From now on, 2020 refers to the period from the date of incorporation (29 January 2020) to 31 December 2020.

The consolidated annual financial statements of the group for 29 January 2020 to 31 December 2020 are the first annual accounts to which the IRFS are applied. The Group has applied IFRS 1 in formulating the consolidated annual financial statements.

These consolidated annual financial statements refer to the period from 29 January 2020 to 31 December 2020. The IFRS were adopted on 29 January 2020, this being the date on which the Parent Company was incorporated.

The Parent Company's Directors prepared the consolidated annual financial statements at 31 December 2020 in accordance with the going concern principle.

Formulating these consolidated annual financial statements in accordance with the IFRS requires the use of certain critical accounting estimations. It also requires that Management use their knowledge in the process of applying the Group's accounting policies. Note 4 to these consolidated annual financial statements stipulates those areas which require a high degree of understanding or complexity and the areas in which hypotheses and estimations have a material effect on these consolidated annual financial statements.

The currency in which these consolidated annual financial statements are formulated is the Euro, this being the currency in which the Group operates.

The figures contained in these consolidated annual financial statements are expressed in euros to two decimal places, unless otherwise indicated.

2.1 Scope of Consolidation

Throughout 2020, the acquisitions and interests acquired in Note 1.1 were acquired, extending the scope of consolidation.

2.2 Adoption of International Financial Reporting Standards

Standards and interpretations approved by the European Union and becoming effective in the year

During 2020, a series of standards, amendments and interpretations came into effect. These, if applicable to the Group, are to be used in formulating the consolidated annual financial statements:

Standards, Amendments and Interpretations	Description	Effective Date
Amendments to IAS 1 and IAS 8: Definition of "materiality"	Amendments to IAS 1 and IAS 8 to align the definition of "materiality" used in the Conceptual Framework and the standards themselves.	1-Jan-20
Amendments to IFRS 9, IAS 39 and IFRS 7: Interest rate benchmark reform	Amendments to IFRS 9, IAS 39 and IFRS 7 relating to the undergoing reform in benchmark interest rates.	1-Jan-20
Amendments to IFRS 3: Business combinations	Clarifying the definition of a business.	1-Jan-20

Amendment to IFRS 16: COVID-19-related rent concessions	Amendment to make it easier for lessees to account for COVID-19-related rent concessions.	1-Jun-20
---	---	----------

There have been no significant impacts to the Group's consolidated financial statements deriving from the application of this standard

Standards and interpretations issued by the IASB, not effective in the period

The following standards were not in force in 2020, either because their effective date is later than that of the consolidated annual financial statements, or because they had not yet been adopted by the European Union:

The Group intends to adopt the standards, interpretations and amendments to the standards issued by the IASB but not yet mandatory in the European Union at the time these consolidated annual financial statements were formulated once they take effect, if applicable. Although the Group is currently analysing the impact of this move, based analyses conducted to date, the Group estimates that their initial application will have no material impact on its consolidated annual financial statements.

3. Accounting standards

The principal accounting policies and evaluation standards adopted by the group, in accordance with which these consolidated annual financial statements have been formulated, were drawn up in accordance with the IFRS and are given here below:

3.1 Cash and cash equivalents.

Cash and cash equivalents Including cash, bank accounts and bank deposits and short-term, highly liquid investments which may be converted easily into cash, having an investment term of less than three months.

The Group's current accounts accrue interest at the market rate for this type of account. The book value of these assets is close to their fair value.

In general, the Group holds its cash and cash equivalents in banks with a high credit rating.

3.2 Investment properties

The investment properties include properties under construction and development for use as investment properties, investments are made partially or tally for the purpose of generating revenues, profits or both, instead of being used in the production or supply of good or services or for immediate sale in the ordinary course of business. They correspond to land, buildings and other constructions maintained for operation under a lease regime or for capital gains for their sale as a result of any increases of their respective market prices that may take place in the future.

The Directors of the Parent Company do not intend to dispose of these assets within the time frame, having decided to retain these assets as investment properties in the consolidated balance sheet.

Investment properties are initially measured at cost, including related transaction costs and financing costs, if any. After their initial measuring, investment properties are given at their fair value.

Investment properties are given at their fair value at the end of the reference period and are not depreciated as established in IAS 40.

Gains and losses arising from changes in the fair value of investment property must be included in net profit or loss for the period in which they arise.

While construction is in course, the cost of construction works and financial expenses are capitalised. When the asset is in condition to be put into operation, it is measured at its fair value.

Subsequent expenses are measured at their value in the asset's books only when it is probable that future economic benefits attributable to the expense will flow to the entity and the costs of the elements can be measured reliably. Other repairs and maintenance to the property are entered in the expenses for the year in which they are incurred. When part of an investment property is replaced, the book value of the replaced part is cancelled.

As stipulated in IAS 40, the Group periodically determines the fair value of investment properties in such a way that at the end of the year they reflect the actual market state of the investment property elements on said date. This fair value is determined annually on the basis of evaluations conducted by independent valuers.

The properties are located at several places around Spain, each being an individual cash-generating unit, having its own lease agreement, once obtained.

3.4 Recognition of income

Income and expense are recorded on an accruals basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Lease revenues are evaluated at the fair value of the consideration received, less discounts and taxes.

When the Company acts as principal and is exposed to the risks associated with the transactions, the revenues are expressed in gross terms. When the Company acts as an agent and is exposed to the risks associated with the transactions, the revenues are given on a gross basis. Income is calculated at the fair value of the consideration less trade discounts, volume discounts and rebates.

Recognition of ordinary income

Lease revenues are evaluated at the fair value of the consideration received or to be received deriving from same. Rent discounts and concessions grace periods are recognised on the accounts, straight-lining the total amount of the concession or discount over the entire time the tenant's contract is in force. When a lease agreement ends before expected, any pending grace period or discount is entered in the final period before the end of the contract.

Leasing investment properties to third parties

The primary activity of the Group companies is the acquisition and lease of commercial centres and retail parks, though it may invest to a lesser extent in other assets for rent or direct sale (business premises, office buildings, logistics warehouses, logistics centres and residential products). The Group's ordinary revenues come from leasing these investment properties to third parties. The ordinary revenues deriving from leasing the investment properties are recognised by reference to the stage of completion of the transaction at the balance sheet date, when the result of the transaction may be measured reliably. The Group's lease revenues are recognised on a monthly basis in accordance with the conditions and amounts agreed in the respective lease agreements. These revenues are recognised only when they may be measured reliably and it is probable that the profits deriving from the lease will be received. In the case of revenue arising from the rendering of services which cannot be measured reliably, the revenues are recognised only to the extent of the expenses recognised that are recoverable.

The Group periodically evaluates whether any given service agreement is onerous, in which case it recognises the necessary provisions.

Result of disposal of investment properties

The results deriving from the disposal of investment properties is recorded on an accruals basis, i.e. when the actual flow of the goods included in the transaction occurs, regardless of when the resulting monetary or financial flow arises. The results are measured at the fair value of the consideration received, less sales costs, against the book value of the asset received. The recognition of sales income occurs when the significant risks and benefits inherent to the ownership of the property sold have been transferred to the buyer, and the day-to-day management or the effective control over such asset is no longer maintained.

Other revenues from sale of stocks

The recognition of sales income occurs when the significant risks and benefits inherent to the ownership of the asset sold have been transferred to the buyer, and the day-to-day management or the effective control over such asset is no longer maintained. For real-estate inventories this generally takes place upon signing the public deed of sale.

3.5 Provisions

The provisions given in IAS 37 are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the

obligation, and when a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expected payments necessary to settle the obligation, using a pre-tax rate that reflects the current market value of money and the specific risks inherent in the obligation. Adjustments to update provisions are recognised as a financial expense as they are accrued.

Provisions settled within a year or less, whose financial effect is immaterial, and are not discounted. When it is expected that part of the payment necessary to settle the provision is to be made by a third party, the disbursement is recognised as an independent asset, provided its receipt is almost entirely guaranteed.

Services received under the concept of “Success Fees” have been carried based on the term of IFRS 2 “Share-based payments” as liabilities, at their fair value.

3.6 Corporate Income Tax

General Regime

Income tax expense or income consist of both current and deferred expense or income.

Current tax is the amount of income taxes payable/(recoverable) as a result of the income tax settlements for a reporting period. Tax credits and other tax benefits, excluding tax withholdings and payments on account, and tax loss carryforwards effectively utilised in the current period reduce the current income tax expense.

Deferred tax expense or income correspond to the recognition and settlement of deferred tax assets and liabilities. These include the temporary differences, identified as the amounts expected to be payable or recoverable, between the carrying values of assets and liabilities and their tax bases, as well as tax loss carryforwards pending offsetting and unused tax credits. These amounts are recognised by applying to the temporary difference or tax credit the tax rate that is expected to apply when the asset is realised, or the liability is settled.

The Group recognises all deferred tax liabilities, except when the time difference derives from the initial recognition of the goodwill, the depreciation of which is not tax-deductible, or the initial recognition of other assets and liabilities in operations that do not affect either the tax base or the accounting profit.

Deferred tax assets identified with temporary differences are recognised only to the extent that the consolidated companies will in the future have sufficient taxable profits against which they can be offset and when they do not proceed from the initial recognition of other assets and liabilities in an operation that does not affect either the tax base or the accounting profit. The rest of deferred tax assets (tax loss carryforwards, temporary differences and deductions pending offsetting) are only recognised if it is considered likely that in future the consolidated companies will have sufficient tax profits against which to offset them.

At each balance sheet date the recognised deferred tax assets are reconsidered, making the appropriate corrections to these to the extent that doubts exist on their future recovery. Likewise, deferred tax assets not recognised on the consolidated balance sheet are also assessed at each reporting date, and are recognised if it is likely they will be recovered with future tax gains.

SOCIMI Scheme

On 25 June 2020, applying retroactively as from the year commencing on its incorporation on 29 January 2020, the Company notified the Regional Office of the State Tax Administration Agency corresponding to its registered offices that its shareholders had agreed to adopt the special SOCIMI tax scheme.

The special SOCIMI tax scheme, after being amended by Act 16/2012 of 27 December, is based on a Corporate Income Tax rate of 0%, providing a series of requirements are met.

Nevertheless, the tax is accrued in proportion to the distribution of dividends. When a negative tax base is generated, the Corporate Income Tax Act 27/2014 of 27 November is not applicable. The tax deduction and bonus schemes established in Chapters II, III and IV of the legislation are also not applicable. For anything else not envisaged in the Law on Listed Real Estate Investment Companies, the provisions of the Spanish Corporate Income Tax Act will also be applicable.

As established in Article 9 of the SOCIMI Act, the entity is subject to a special rate of 19% on the total amount of dividends or profit sharing distributed to shareholders whose holding in the share capital of the entity is equal to or greater than 5%, providing that said dividends are exempt or taxed at a rate lower than 10% at their tax residences. This rate will be considered the Corporate Income Tax liability. In this regard, the Group has established a procedure by means of which it guarantees that its shareholders confirm the payment or withholding, when applicable, of 19% of the amount of the dividend paid to the shareholders who do not comply with the aforementioned said tax requirements.

Said SOCIMI Regime applies as from the year beginning on 29 January 2020, independently of whether the Company complies all the requirements for its application as, by virtue of Provisional Disposition One of Act 11/2009 on the SOCIMI Regime, the Company has a period of two years as from the time it adopts the regime to comply with same. The Company's Directors expect that the Company will comply with the requirements before the end of the two-year period.

The proposal for the application of the results of 2020 of the Parent Company, as formulated by the Board of Directors of the Parent Company and pending approval by the shareholders, is to apply the losses of the year towards the negative results of previous years. The Board of Directors estimates that the loss generated in the abridged individual accounts for the year will be offset by the profits generated in subsequent years. Moreover, the Company's subsidiaries have not paid dividends to the Company in the year from 29 January 2020 to 31 December 2020.

Other Taxes

The Group's primary activity is leasing residential properties in mainland Spain and the Canary Islands, which activity is subject to VAT or the Canary Islands General Tax (IGIC). Nevertheless, as the Company also owns a series of premises, the subsidiary pays tax under the special pro-rata regime and, accordingly, any VAT or IGIC paid is partially recoverable.

The taxpayer in question may deduct 100% of the tax paid in operations which entitle them to a deduction; 0% in transactions which don't, and a percentage in operations having to do with the overall management of the business. Said deduction percentage is determined on the basis of the total volume of transactions, giving rise to the right to a deduction or not, divided by the total volume of transactions giving rise to the right to a deduction.

3.7 Consolidation Policies

(a) Consolidation principles applied

The main consolidation and evaluation principles applied by the Group to formulate the consolidated annual financial statements were as follows:

1. The consolidated annual financial statements were formulated on the basis of the accounting records of Global Piélago, SOCIMI, and its subsidiary companies. Companies are considered to be subsidiaries of the Parent Company when the latter has effective control of same, as indicated in Point 6 below;
2. The income of the subsidiary companies for the period is included in the consolidated income statement as from the effective date of acquisition or incorporation;
3. All accounts payable and receivable and other transactions between consolidated companies have been eliminated in the consolidation process;
4. When necessary, the annual accounts of the subsidiaries are adjusted to ensure that the accounting standards used are homogeneous with those used by the Parent company of the Group;
5. The interests of minority shareholders are established in proportion to the fair values of recognised identifiable assets and liabilities. The interests of minority shareholders in:
 - a. The assets of the investees: these are listed under the heading "External Shareholders" in the consolidated balance sheet, under the heading "Net Assets";
 - b. The results for the period: these are given under the heading "Net income attributable to external shareholders" in the consolidated income statement;
6. The criteria followed to determine the consolidation method applicable to the Group company is Full Consolidation:
 - The full consolidation method is used to consolidate all subsidiaries, defined as companies over which the Group has control to direct financial and operating policies, generally along with an interest of more than half the voting rights. The effect of any potential voting rights that are currently exercisable or

convertible at year end are considered when assessing whether the Group exercises control over a company.

- The initial measurement of subsidiaries is performed using the purchase method. The acquisition cost is the fair value of the assets acquired, of the equity instruments issued and liabilities incurred or assumed on the date of exchange. The identifiable assets acquired and the identifiable liabilities and contingencies assumed in a business combination are evaluated initially at their fair value on the date of acquisition, independently of the scope of the minority interests. Any acquisition costs in excess of the fair value of the Group's interest in the identifiable acquired net assets is recognised as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the consolidated income statement for the period.

At 31 December 2020 all subsidiaries had been consolidated by the full consolidation method.

(b) Business combination

The Group's business combinations are accounted for by use of the purchase method of accounting, requiring judgements and estimations in allocating fair values to the assets acquired and liabilities assumed in the transaction and in allocating the acquisition price to said fair values.

To integrate the businesses into the Group's financial statements, current accounting standards were applied, allocating the purchase price to the assets acquired and liabilities assumed on the basis of estimating their fair value on the date of acquisition.

In 2020, the Group acquired 100% of the stock capital of Global Sauco SOCIMI, S.L. for the sum of €3,600. As outlined in Note 1.1., the acquired company is based in Madrid and owns real estate in Spain.

As the 12-month term from acquisition has not yet finalised, the accounting for this business combination will be revised in the event that any of the circumstances defined in IFRS 3 "Business Combinations" should arise.

Within the period since the date of acquisition, the acquired assets generated €2,617,216 in operating income, giving a net result of €(105,989). The transaction expenses incurred during the period have been entered under the heading "Other operating expenses"

Euros	Market value recognised at acquisition	Carrying amount of the acquired company
Cash and cash equivalents	3,600	3,600
Total Assets	3,600	3,600

Total Liabilities	-	-
Total net assets at market value	3,600	
Goodwill	-	
Purchase price	3,600	

(c) Subsidiaries

The subsidiaries are all those companies over which the Group holds control. The existence and effect of any potential voting rights that are currently exercisable are taken into account to assess whether the Group exercises control over a company. Subsidiaries are consolidated as of the date on which the control is transferred to the Group. They are excluded from the consolidation from the date on which it ends.

The purchase method of accounting is used to account for the Group's business combinations. The price paid for the acquisition of a subsidiary consists of the fair value of the assets transferred, the liabilities incurred by the previous owners of the concern and the shares issued by the Group. The transferred consideration includes the fair value of all assets and liabilities deriving from a contingent consideration agreement.

The acquired identifiable assets and the liabilities and contingencies assumed in a business combination are evaluated initially at their fair value on the date of acquisition. For each business combination, the Group may decide to recognise any interest not controlled in the acquired concern either at its fair value or in proportion to the non-controlling interest in the amounts recognised in relation to the interest in the identifiable net assets in the acquired concern.

The related costs are entered as expenses in the year in which they are incurred.

If the business combination is done in stages, it will be established at the fair value on the date of acquisition the interest as previously determined by the acquirer, and be re-evaluated at its fair value on the date of acquisition. Any gain or loss resulting from this second evaluation will be recognised in the profit or loss for the year.

Any contingent considerations to be transferred by the Group are recognised at their fair value on the date of acquisition. Subsequent changes to the fair value of the consideration classified as an asset or liability are recognised as established in IAS 39. Transactions between companies, balances and unrealised profits resulting from intragroup transactions between associates are eliminated. Unrealised losses are also eliminated if they have been adjusted and, if the amounts submitted by the subsidiaries must be adapted to the Group's accounting practices, the corresponding measures are applied.

(d) Changes in the ownership of subsidiaries with no change in control

Transactions involving non-dominant interests resulting in no loss of control are entered as asset transactions, in other words, as transactions with the owners in their capacity as such. The difference between the fair value paid for the consideration and the corresponding acquired proportion of the carrying value of the subsidiary's net assets are entered in the equity. Gains and losses resulting from the disposal of non-controlling interests are also recognised in the equity.

(e) Disposal of subsidiaries

When the Group relinquishes control, all interests held by the Group are adjusted to their fair value on the date on which control is relinquished, recognising the change in the recognised value in the consolidated income statement. Moreover, any amounts previously recognised in the other comprehensive income with regard to the investee in question are entered as is the Group had directly sold the related assets and liabilities.

3.8 Share capital

Share capital consists of ordinary registered shares.

The cost of issuing new shares are entered directly into assets as a reduction in the issue premium.

In the event that the Company acquires treasury shares, the consideration paid includes all directly attributable incremental costs and is deducted from equity until the shares are cancelled. When these shares are sold or reissued, all amounts received are entered directly into equity.

3.9 Earnings per Share

The basic earnings per share is calculated by dividing the balanced average number of ordinary shares in circulation during the year by the net profit for the year attributable to the Parent Company, not including the average number of shares in the Parent Company in the Group company portfolios.

3.10 Leases

Leases are classified as finance leases whenever the terms of the lease substantially transfer the risks and rewards incidental to ownership of the leased asset to the lessee.

All other leases are classified as operating leases. At 31 December 2020, the Group did not hold any finance leases.

Operating lease

The income and expense deriving from operating lease contracts are charged to the income statement in the year in which they accrue.

Any collection that may be made when contracting an operating lease will be treated as an advance collection that will be allocated to profit/(loss) throughout

the lease period, as the profits of the leased asset are assigned or received on a straight-line basis.

Evaluating the impact of IFRS 16 - Leases

IFRS 16 establishes the principles for the recognition, measurement, presentation and disclosure of information for leases.

It introduced a single model for accounting for leases which requires that the assets and liabilities of all leases of over 12 months be accounted, in a manner similar to those previously classified as finance leases. In relation to the lessee's accounts, the accounting requirements in force prior to IAS 17 are substantially maintained.

In this regard, the Directors have estimated that there was no material impact on the consolidated annual accounts and, accordingly, no impact has been entered for the first application of said concept.

Amendment to IFRS 16: COVID-19-related rent concessions

In April 2020 the IASB published an educational document clarifying the treatment of concessions/relief provided to lessees in relation to the exceptional situation arising as a result of the COVID-19 pandemic. As the IASB makes clear, these concessions/relief may be considered changes in the scope of a lease agreement and, therefore, amendments to contracts.

This new guidance concluded with regard to the accounting treatment to be given to the two possible situations in which a lessor may find themselves:

- Future concessions agreed for future periods: In this situation, the lessor will apply IFRS 16 and may straight-line future concessions agreed with the lessee.

The Group has recorded no impact for this situation at 31 December 2020.

- Concessions or relief for past rent: In this situation, the lessor may recognise a credit impairment, as established in IFRS 9, or conduct the same exercise as in the previous situation.

The Group has recorded no impact for this situation at 31 December 2020.

3.11 Financial assets

a) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are classified as current assets unless they mature in more than 12 months after the date of the consolidated balance sheet, in which case they are classified as non-current. Loans and receivables are classified as "Loans to companies" and "Trade and other receivables" in the consolidated balance sheet.

These financial assets are initially recognised at fair value, including the transaction costs directly attributable to them, and subsequently at amortised cost, recognising the interest accrued in accordance with their effective interests

rate, understood as the update rate that equals the carrying value of the instrument with all its estimated cash flows until maturity.

Notwithstanding the foregoing, trade receivables maturing in less than a year are valued, both initially and subsequently, at nominal value, when the effect of not updating the cash flows is not significant.

At least at year-end, the necessary value adjustments due to value impairment are made, should there be objective evidence that not all amounts owed will be collected.

The amount of the loss due to impairment is the difference between the carrying amount of the asset and the updated value of future estimated cash flows, discounted at the interest rate at the time of its initial recognition. Value adjustments, and also reversals, if any, are recognised in the consolidated income statement.

3.12 Financial liabilities

a) Debits and payables

This category includes trade payables and non-trade payables. These external resources are classified as current liabilities, unless the Company has the unconditional right to defer their settlement for at least 12 months after the date of the consolidated balance sheet.

These liabilities are initially recognised at fair value, adjusted for directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method. Said effective interest is the update rate equalling the carrying amount of the instrument with the expected flow of payments until maturity.

Notwithstanding the foregoing, trade payables maturing in less than a year and without a contract rate of interest are valued, both initially and subsequently, at nominal value, when the effect of not updating the cash flows is not significant.

The Group derecognises financial liabilities when the obligations cease to exist.

When debt instruments are exchanged, provided that they have substantially different conditions, the original financial liability is derecognised and the new financial asset arising is recognised. Similarly, a substantial modification is recorded in the current conditions of a financial liability. The difference between the carrying amount of the financial liability, or the part thereof that has been derecognised, and the consideration paid, including attributable transactions costs, also including any assigned asset other than the cash or liability undertaken, is recognised in the consolidated income statement on the date it takes place.

When there is an exchange of debt instruments that do not have materially different conditions, the original financial liability is not retired from the consolidated balance sheet, and the amount of fees paid are entered as an adjustment in the carrying amount. The new amortised cost of the financial

liability is determined by applying the effective interest rate, which is the rate matching the carrying value of the financial liability on the date of modification with the cash flows payable in accordance with the new conditions.

Should there be any renegotiation of existing payables, no substantial amendments of the financial liability are considered to exist when the lender of the new loan is the same party granting the initial loan and the updated value of cash flows including net fees differs by less than 10% from the updated value of the cash flows pending payment of the original liability, calculated using the same method.

3.13 Related party transactions

Transactions carried out between Group companies and related companies are generally measured initially at fair value. Where the agreed price differs from fair value, the difference is recognised based on the economic substance of the transaction. The transactions are subsequently measured as set out in the related measurement standards.

3.14 Equity items of an environmental nature

Assets of an environmental nature are those which are used with lasting effect in the Group's activities and which have as their primary purpose to minimise environmental impact and protect and improve the environment, including by reducing or eliminating pollution in the future.

The Group's activity inherently has no significant environmental impact.

4. Estimations

Formulating these consolidated annual financial statements requires the directors of the Parent Company to make judgements, estimations and assumptions which affect how accounting policies are applied and asset and liability and income and expenditure balances. The real results may differ from said estimations.

The directors revise their estimations on a constant basis. However, in view of their inherent uncertainty, there is a risk that significant adjustments may have to be made to the future in relation to the value of the affected assets and liabilities, as well as changes in the assumptions, facts and circumstances on which they are based.

To formulate these consolidated annual financial statements, the judgements made by the directors of the Parent Company in applying the accounting principles of the Group and the main areas of uncertainty in their estimations are the following:

Fair value of investment properties

The fair value is determined by independent external assessors, using evaluation techniques and assumptions, such as estimated future cash flows and estimated appropriate discount rate for said future cash flows, and also management assessments based on economic models.

Additionally, investment properties under development also require an estimation of construction costs. In this case, the fair value is determined on the basis of the most recent transactions involving properties of similar characteristics and locations as the property being assessed.

The evaluations made by the independent valuer up to 31 December 2020 were conducted under the circumstances arising as a result of the COVID-19 pandemic and are, accordingly, subject to “material uncertainty”, according to the RICS Global Valuations Standards. In this regard, a lower degree and a greater degree of caution should be given to the evaluation. Nevertheless, the evaluation made by the independent valuer includes an estimation of the potential impact of the situation on net earnings, expectations of growth, projected prices and discounts of each asset owned by the Company.

The best evidence of the fair value of investment properties on the market is their comparison with similar assets. When this information is not available, the valuer determines the fair value by applying a range of fair values. When making these judgements, the valuer uses a series of sources, including:

- i. Current prices in an active market with different types of properties, under different conditions and in different places, adjusting them to the differences with the Group's assets.
- ii. Recent prices of properties in other, less active markets, adjusting them to the changes in economic conditions since the date of the transaction.
- iii. Discounting cash flows based on estimations deriving from the terms and conditions of current rental agreements and, if possible, market price evidence for similar properties in the same place, using discount rates that reflect the uncertainty of the time factor.

Evaluation and assumption techniques applied to measure fair value

The fair value of financial assets and liabilities is determined as follows:

- The fair value of financial assets and liabilities with standard terms and conditions traded on active, liquid markets is determined in reference to market prices.
- The fair value of other financial assets and liabilities (not including derivatives) is determined using generally accepted evaluation models based on discounting cash flows, using observable transaction prices on the market and quotes for similar instruments.

Financial instruments evaluated subsequently to their initial recognition at fair value are classified into levels 1 to 3, based on the degree to which the fair value is observed.

- Level 1: referenced to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: referenced to other observable inputs (other than the quoted prices included in Level 1) for the asset or liability, whether directly (prices) or indirectly (deriving from prices).

- Level 3: referenced to valuation techniques including inputs for the asset or liability not based on observable market data (non-observable inputs).

There are no transactions in levels 1, 2 or 3.

Note 6 also give detailed information on calculating the fair value of investment properties which, according to Level 2, amounts to €49,173,300, not including advances on investment properties.

Corporate Income Tax

The Parent Company is covered by the tax regime established in Act 11/2009 of 26 October on Listed Real Estate Investment Companies (SOCIMI), which, providing they comply with a series of requirements, pay tax at a rate of 0%.

The Directors of the Parent Company monitor compliance with the applicable legal requirements to ensure that the company is entitled to the tax gains established by law.

In this regard, the Directors of the Parent Company consider that said requirements will be fulfilled within the established deadlines and, accordingly, have recognised no expenditure in relation to corporate income tax.

5. Managing Financial Risk and Financial Instruments.

5.1 Financial risk factors

The Group's activities are exposed to a series of financial risks. The Group's global risk management programme focuses on uncertainty in the financial markets and aims to minimise potential effects on its return on equity.

Risk management is handled by the management company Briks Residential, S.L.U.

5.1.1 Market risk

Due to the current situation of the real estate sector, and with the aim of mitigating its potential negative impacts, the Group has specific measures in place to reduce their impact on its balance sheet.

These measures are applied depending on the results of the regular sensitivity tests carried out by the Group and on the basis of the strategy defined in the business plans.

Information relating to the SARS-CoV-2 (COVID-19) pandemic

On 11 March 2020 the World Health Organisation raised the public health emergency caused by the SARS-CoV-2 virus (commonly known as the coronavirus or COVID-19) to international pandemic status. COVID-19 spread rapidly around the world and is still active. The evolving situation has resulted in an unprecedented worldwide healthcare, social and economic crisis.

The Group's directors have analysed the financial situation to determine short-term financial and liquidity needs. The main findings of their analysis are:

- Liquidity risk: the foreseeable consequence of the general situation of the markets will be increased liquidity pressures and a shrinking credit market. In this regard, the Group has the external funding described in Note 12 in place. They are also monitoring cash availability and needs by means of a monthly cash budget. In this regard, the Directors of the Parent Company, based on the cash budget formulated to withstand the economic and social impact of COVID-19, affirm that the Group has the sufficient financial capacity to fulfil its short-term obligations.
- Asset/liability evaluation risk: changes in the future estimations of rental income, financial costs, recovery of trade receivables, etc. may have a negative impact on the carrying amount of certain assets (investment properties, non-current assets, tax credits, etc.), as well as on the need to account for certain provisions or other types of liabilities.
- Continuity risk: the directors consider that the ongoing concern principle remains valid.

Having considered the above aspects and evaluated the situation, the directors consider that, at the time of formulating these consolidated annual financial statements, there are no impairments to the current and non-current assets included in the consolidated balance sheet that have not been included at 31 December 2020, although, depending on the evolving situation, certain events may take place that would be adjusted in the coming year.

5.1.2 Liquidity risk

The liquidity risk is defined as the risk of the Group not fulfilling its obligations in relation to settled financial liabilities or other financial assets.

The Group implements a prudent liquidity risk management policy, having the sufficient liquidity to fulfil all due obligations, not just in normal market conditions, but also in times of uncertainty, without incurring unreasonable losses or endangering the reputation of the Group. At 31 December 2020, the Group had loans and borrowings with credit institutions.

5.1.3 Currency risk

The Group is exposed to no risk with regard to possible exchange rate fluctuations, as it conducts all transactions in euros, its functional and accounting currency.

5.1.4 Credit risk

The Group has cash and deposits in Spanish banks, being thus exposed to the stability and insolvency risks of same.

Another credit risk lies in the possible insolvency of tenants. Accordingly, the Group selects tenants with the highest possible credit rating. However, business units are occasionally acquired with tenants in place who, this being the case,

could not be assessed by the Group. The Group attempts to attenuate the risk of non-payment by having tenants pay advances.

5.1.5. Tax Risk

As mentioned in Note 1, the Parent Company is covered by the special tax scheme for listed real estate investment companies (SOCIMI). Article 6 of the SOCIMI Act 11/2009, as amended by Act 16/2012, establishes that dividends must be paid out to shareholders, providing certain trade obligations are fulfilled. Dividend payouts must be approved within six months of the end of the tax year, and paid within one month from their approval.

If the General Shareholders' Meeting of a SOCIMI does not approve the dividend share-out proposed by the Board of Directors, calculated in accordance with the requirements of the law, they may be infringing the law and, therefore, would be taxed in accordance with the general tax scheme rather than the one that applies to SOCIMI.

6. Investment properties

Investment properties include: apartments, lofts, storage rooms, parking spaces and business premises owned by the Group for long-term leases, and not occupied by Group affiliates.

The following are the movements occurring under this heading throughout the year in course:

	In Euros
	Investment properties
Balance at 29/01/2020	-
Acquisitions	31,720,422
Disposals	-140,740
Capex	1,157,322
In course	6,786
Impairment	-1,733,945
Investment property evaluation result	18,163,456
Balance at 31/12/2020	49,173,300

At 31 December 2020, the subsidiary had 587 properties on its books.

From the time the Parent Company was incorporated up to 31 December 2020, the Group had performed the following transactions:

Acquisition of Properties:

- On 7 April 2020, the subsidiary entered into a private sale-purchase agreement (the “Alcázar I” Agreement) with two non-group companies, regulating the terms and conditions for the purchase of a property portfolio buy the former from the latter. Said private sale-purchase agreement was renewed on 25 May 2020 and 26 June 2020.
- On 2 October 2020, the subsidiary entered into a private sale-purchase agreement (the “Alcázar II” Agreement) with three non-group companies, regulating the terms and conditions for the purchase of a property portfolio by the former from the latter.

Under the Alcázar I Agreement, the subsidiary acquired properties on the following date and for the following amounts:

- On 26 June 2020, in deeds delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 373 properties. The acquisition cost of said properties was €19,757,636 (plus transaction fees and certain improvements amounting to €942,151).
- On 30 July 2020, in deeds delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 32 properties. The acquisition cost of said properties was €1,825,723 (plus transaction fees and certain improvements amounting to €36,570).
- On 30 September 2020, in deeds of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 32 properties. The

acquisition cost of said properties was €1,653,862 (plus transaction fees and certain improvements amounting to €6,898).

- On 30 December 2020, in deeds of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 6 properties. The acquisition cost of said properties was €426,081.

Additionally, under the Alcázar II Agreement, the subsidiary acquired properties on the following date and for the following amounts:

- On 30 October 2020, in deeds of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 45 properties. The acquisition cost of said properties was €2,127,530 (plus transaction fees and certain improvements amounting to €171,703).
- On 30 December 2020, in deeds of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group acquired 107 properties. The acquisition cost of said properties was €5,929,589.

The details of the properties listed under this heading, in compliance with Article 11 of the SOCIMI Act, is included in Annex I to these consolidated annual financial statements.

Evaluation procedure

At 31 December 2020, the investment properties were recognised at their fair value, this being understood as their market value. The market value of the Group's investment properties at 31 December 2020, less advances on investment properties, as calculated by independent valuers, amounted to €49,173,300.

The results recognised in the consolidated income statement as a result in the variation in the fair value of the investment properties amounts to €18,163,456. As indicated in IFRS 13, in certain cases, the transaction price may not reflect the fair value of the asset at initial recognition. The Group's investment properties have been valued by an independent, expert valuation firm, as per the standards of the Royal Institute of Chartered Surveyors (RICS).

The approach used to calculate the market value of the investment properties is the sales comparison method, based on comparing the asset with others, whose value is known. The greater the similarity between them with regard to construction type, location, etc., the more reliable the result.

The primary variables that influence and affect the market, such as relative weighting, must be determined. This may be done directly or by using regression analysis. The commonly used factors are: location, build quality, build age, build status and condition, surface area and fitness for purpose.

Similar operations may include sales and lease arrangements in the area, the supply of land and buildings and the opinions of other valuers or agents. As a result, the value is determined by identifying comparable transactions for the sale and closure of operations, which are comparable in terms of location, as well as condition and functionality.

The first step towards obtaining a reliable comparison is to standardise the (comparable) unit market prices obtained, based on a series of values including

surface area, location, asset quality/specifications, etc.; the second is the weighting of these values based on the degree of similarity between the assets being compared. These are the main factors or variables used to determine variations in the specific market, such as the correct weighting.

Advances on investment properties

In addition to the items included under the heading “Investment properties”, the Group includes advances amounting to €173,647 for the acquisition of properties pending acquisition based on the Alcázar I and Alcázar II agreements mentioned above. The respective advances on said properties (before management and improvement costs) amount to €9,013 and €164,634.

These advances are amounts paid as earnest money, making the offers irrevocable and obliging the Company to acquire the properties in question. This notwithstanding, the final implementation of the contract is subject to a series of conditions precedent contingent on the legal, property and tax reviews being satisfactory after reviewing the corresponding legal documents.

Any unjustified failure by the Group to go through with the sale contracts within the specified time, will entitle the sellers to terminate the contract and retain the advances.

Disposal of Properties:

Throughout the year, the Company disposed of certain investment properties acquired in the year on the following dates:

- On 7 September 2020, in a deed of sale delivered before Madrid Notary Public Mr Javier de Lucas y Cadenas, the Group disposed of five properties. The sale price of said properties was €79,057.
- On 7 September 2020, in a deed of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group disposed of one property. The sale cost of said property was €15,811.
- On 7 September 2020, in a deed of sale delivered before Madrid Notary Public Mr Antonio Morenés Giles, the Group disposed of two properties. The Sales cost of said properties was €135,311.

The total profits resulting from the sale of investment properties in 2020 amounted to €77,298.

Income derived from investment properties

The Group has operative lease agreements in force over properties. At 31 December 2020, the Company recognises incomes of €235,501 under this concept.

Operating leases

The revenue recognised in the year by the group has its origin in rental revenues deriving from lease agreements, as stated above.

The total amount of minimum future receivables for non-cancelled operative leases is as follows:

Expiry of Leases	EUROS
Under 1 year	22,701
From 1 to 2 years	1,882
From 2 to 3 years	1,942
Over 3 years	630
TOTAL	27,155

Insurance

The Group's policy is to cover all possible risks which may affect its investment properties by taking out insurance policies having coverage considered sufficient by the directors of the Parent Company.

7. Other financial assets

By virtue of the Subsidiary's operative lease agreements, at 31 December 2020 the Group recognises the sum of €24,146 as advances deposited with official bodies.

Under this heading, the subsidiary recognises certain advances paid to third-party service providers, amounting to €841.

8. Inventories

Supplier advances

Acquisition of financial rights

On 7 April 2020, the subsidiary entered into a private sale-purchase agreement with a non-group company (included under the Alcázar I agreement), by virtue of which it was agreed that the subsidiary would acquire the financial rights deriving from a portfolio of properties being sold by the seller.

Under said agreement, on 26 June 2020 the subsidiary paid the other party the sum of €5,917,386.

The remaining amount corresponding to each asset is offset as sales are made. 25% of the initial price of unsold assets will be paid in 2022, as the company will acquire any properties not sold by that date as investment properties.

Additionally, as the seller transfers the properties included in the portfolio to third parties outside the Group, the subsidiary recognises the cancellation of said financial rights over the properties sold and the corresponding profit in the income statement.

Throughout the year, 32 sales of said properties took place, resulting in revenues of €2,108,980 for the company.

Consequently, at 31 December 2020, the amount recognised by the Group as supplier advances paid to third parties for this concept amounted to €3,381,526.

Other supplier advances

At 31 December 2020, the Group recognised the sum of €272,948 in payments made prior to receipt of invoices (not including the advances paid as stated in Point 6, amounting to €173,647, and for the acquisition of financial rights, as stated above).

9. Trade and other receivables

Under trade receivables, the Group recognises the sum of €1,305,267 as rents owed by clients, less certain advances received by tenants, and owned from the settlement of the sales of financial rights to the third party by whom they are sold.

The Group recognises current liabilities of €4,924 as trade advances.

In turn, the Group recognises the sum of €127,294 as other receivables, this being the amount to be received by the subsidiary from the sale of the credit rights in December 2020.

10. Cash and cash equivalents

This heading includes cash and cash equivalents of the Group in cash, banks and short-term deposits maturing in three months or earlier. The carrying amount of these assets is equivalent to their fair value.

At 31 December 2020, the balance of the heading “Cash and cash equivalents” amounted to 8,287,263 euros, which are fully available.

11. Equity and shareholders' equity

Share capital and issue premium

At 31 December 2020 the share capital of the Parent Company amounted to €5,000,000, represented by 5,000,000 shares, each with a par value of €1. All shares are the same class and fully subscribed and paid up.

Heimdall Luxembourg Holdings II S.à r.l. owns 4,925,000 of said shares, numbers 1 to 59,100, both inclusive, and 60,001 to 4,925,900, both inclusive, accounting for 98.5% of the stock capital, with an issue premium of €7,488,052.

Welcomechance, S.L.U. owns 75,000 of said shares, numbers 59,101 to 60,000, both inclusive, and 4,925,901 to 5,000,000, both inclusive, accounting for 1.5% of the stock capital, with an issue premium of €114,031.

Legal reserve and other reserves

The Spanish Companies Act requires that the limited company transfers 10% of profits for the period to a legal reserve until this reserve reaches an amount equal to at least 20% of share capital. This legal reserve can be used to increase capital in the part exceeding 10% of capital after the increase. Apart from the purpose mentioned above, the legal reserve may only be used to offset losses, providing it does not exceed 20% of the capital and taking into account the limits in place under the SOCIMI regime, provided no other sufficient reserves are available for the purpose.

Under Act 11/2009, regulating listed real estate investment companies (SOCIMI), the legal reserves of companies subject to the special tax scheme established therein may not exceed 20% of their stock capital. The bylaws of these companies may not establish any restricted reserve other than the foregoing one.

At 31 December 2020, the Company's legal reserve was not constituted.

Shareholder contributions

At 31 December 2020, this item amounted to €8,339,746, €8,214,650 of which corresponded to the majority shareholder, Heimdall Luxembourg Holdings II S.á r.l., and €125,096 to the minority shareholder, Welcomechance, S.L.U.

To attain this sum, on 27 March 2020, the Company approved new contributions from its shareholders from that time, on 27 March receiving €2,353,478 and €35,840.

On 14 October 2020, the Company subsequently approved new contributions from its shareholders from that time, on 15 October 2020 receiving €89,256 from the minority shareholder Welcomechance, S.L.U. And on 16 October 2020 €5,861,172 from the majority shareholder.

Shareholder structure

At 31 December 2020, the direct shareholders of the Parent Company are:

- Heimdall Luxembourg Holdings II S.á r.l., majority shareholder, holding 98.5% of the capital.
- Welcomechance, S.L.U., minority shareholder, holding 1.5% of the capital.

Earnings per Share

The details to be taken into account to calculate earnings/(losses) per share are:

Net profit for the period attributable to the shareholders	16,122,961
Total number of shares in circulation	5,000,000
Earnings per share (Euro)	3.22

Appropriation of profit/(loss)

The proposed distribution of the profits(losses) of the Parent Company to be put to the General Shareholders Meeting is as follows:

APPROPRIATION OF PROFIT/(LOSS)	EUROS
	2020
Basis of allocation	
Profit/(Loss) in Income Statement	(296,527)
TOTAL	(296,527)
Appropriation	
Prior years' losses	(296,527)
TOTAL	(296,527)

This distribution is expected to be approved by the General Shareholders Meeting in early 2021.

Dividend distribution policy

Dividends will be paid in cash when available, and recognised as a liability in the consolidated annual financial statements in the period in which they are approved by the shareholders of the Parent Company or the subsidiary.

After fulfilling the corresponding commercial obligations, SOCIMIs must distribute the profit obtained in the year to its shareholders, in the form of dividends, and should resolve on this distribution within six months of the end of each year as follows:

- a) One hundred percent of the profits from dividends or profit sharing distributed by the companies to which art. 2.1 of this Law refers.
- b) At least 50 percent of the profits from the transfer of real estate and public or private limited liability company shares referenced in art. 2.1 of this Law, performed following the end of the periods to which art. 3.3 of this Law refers, subject to the fulfilment of its main corporate purpose. The remaining profits should be reinvested in other real estate or shares subject to the fulfilment of that purpose, within three years as of the transfer date. Otherwise, these profits should be distributed in their entirety and together with any profits, as appropriate, from the year in which the reinvestment period finalises. If the elements for reinvestment are transferred prior to the maintenance period, any profits should be distributed in their entirety together with any profits, as appropriate, from the year in which they were transferred. The distribution obligation does not cover, where appropriate, that part of the profits attributable to years in which the company was not taxed by the special tax scheme established in this Law.
- c) At least 80 percent of the rest of the profits obtained.

When the distribution of dividends is made against reserves from profits of a year in which the special tax scheme was not applied, their distribution must be adopted in terms of the resolution referenced in the preceding paragraph.

The legal reserve of companies subject to the special tax scheme established in the Law may not exceed 20% of their capital. The bylaws of these companies

may not establish any restricted reserve other than the foregoing one.

No dividends were paid out during 2020.

12. Financial liabilities

12.1 Non-current payables

Loans and borrowings:

On 29 December 2020, the subsidiary put on public deed a mortgage agreement over certain investment properties held by the Company, for which it received the sum of €9,300,088.

The group paid fees of €1,330,412 to formalise said loan, having recognised the sum of €3,003 in the income statement in 2020.

At the end of 2020, there were no significant differences between the fair value and the carrying value of the loans and borrowings.

The essential terms of the financing arrangement are described below:

- The principal of the borrowing shall be returned in full on its expiry date, established as 23 December 2023.
- The subsidiary shall pay the interests on the borrowing in quarterly instalments, in January, April, July and October, until the expiry date.
- The interest rate applied shall be the EURIBOR rate plus a fixed market rate.
- The subsidiary undertakes to fulfil a series of financial ratios as from 2021, specifically that the Loan to Value may not exceed 65% in the first three years of the borrowing (commencing at end of 2020), reducing to 60% in the fourth and fifth years, if the expiry date is extended. From 2022 onward, it must ensure that the Debit Yield ratio does not fall below 6.25% in 2022 and 2023, or 6.5% in 2024 and 6.75% in 2025, if the expiry date is extended.

Based on said borrowing, at 31 December 2020, the Group recognises the sum of €7,972,679 as principal pending repayment and €4,263 as accrued, unpaid interest.

Other non-current payables and other financial liabilities

a) *Other financial liabilities:*

By virtue of the Subsidiary's operative lease agreements, at 31 December 2020 the Group recognises the sum of €45,310 in advances and deposits received from tenants.

b) *Non-current fixed assets payable:*

The subsidiary recognises the sum of €5,588,907 in non-current fixed assets

payable, as the conditions of the contracts of sale stipulate that 25% of the initial acquisition price for the investment properties be paid in June 2022.

12.2 Payables to Group companies:

At the end of 2020, the group recognises the sum of €10,940,830 in payables to group companies, as follows:

Heimdall Luxembourg Holdings II S.à r.l.

On 25 June 2020, the Group received loans to cover its property acquisitions from its majority shareholder, then trading as Heimdall Luxembourg Holdings S.à r.l. (the lender at the end of the year being the new shareholder, Heimdall Luxembourg Holdings II S.à r.l.).

The initial principal received was €8,669,928, this being added to by a further €1,920,328 by means of a transfer received on 16 October 2020.

The expiry date stipulated for both sums is 25 June 2025, with an interest rate being established on a 360-day base.

Throughout 2020, no repayments of principal or interest were made. Accordingly, at 31 December 2020, the accrued and unpaid interest was capitalised, being added to the principal as stipulated in Point 3.4 of the loan agreements.

Accordingly, at 31 December 2020, the total principal of the borrowings amounts to €10,777,251, with accrued unpaid interest, entered on the income statement, of €186,995.

Welcomechance, S.L.U.

On 25 June 2020, the Group received loans to cover its property acquisitions from its minority shareholder, Welcomechance, S.L.U.

The initial principal received was €132,029. This was added to by a further borrowing of €29,243 by means of a transfer received on 16 October 2020.

The stipulated maturity date for both borrowings is 25 June 2025, moreover, a fixed annual interest rate of has been established on the basis of a 360-day year.

Throughout 2020, no repayments of principal or interest were made. Accordingly, at 31 December 2020, the accrued and unpaid interest was capitalised, being added to the principal as stipulated in Point 3.4 of the loan agreements. Additionally, the sum of €541 was withheld to pay the Tax Administration Agency.

Accordingly, at 31 December 2020, the total principal amounts €163,579, with accrued unpaid interest, entered on the income statement, of €2,847.

13. Trade payables

The carrying amount of the trade payables is equivalent to their fair value.

At 31 December 2020, the Company owed €1,113,646.

Trade payables includes commercial creditors of debts for goods or services supplied, included in the “Miscellaneous Creditors” items of the current liabilities.

Information on deferral of payment to suppliers.

In accordance with the ICAC Resolution of 29 January 2016, regarding information to be included in the notes to the annual financial statements in relation to the average payment period to suppliers in trade operations, supplies the following information:

	2020
	Days
Average supplier payment period	67.48
Ratio of transactions paid	73.49
Ratio of outstanding payment transactions	32.78
	Amount (Euros)
Total payments made	1,698,453.85
Total payments outstanding	294,237.10

14. Public Entities and tax position

The structure of current balances with public entities at 31 December 2020 is as follows:

In euros	In Euros	
	Accounts receivable	Accounts payable
<i>Balances with the Tax Authorities</i>		
Withholdings from professionals (Personal Income Tax)	-	14,444
Withholdings on interest (Corporate Income Tax)	36,070	36,611
VAT	4,102	-
Canary Islands General Tax (IGIC)	-	-
	40,172	51,055

The Group has a credit of €4,102 with the Public Entities in VAT deductions.

At the same time, the Group has a total debt of €51,055 with the Public Entities. This is due to withholdings made to professionals totalling €14,444 and withholdings made in relation to intragroup loans. In this regard, the subsidiary withholds the sum of €36,070 from the parent company as interest accrued on the intragroup loan, and the parent company withholds the sum of €541 from the minority shareholder as interest accrued on the intragroup loan.

Corporate Income Tax calculation

The conciliation between the consolidated result and the sum of the taxable bases of the Group companies for the year 29 January 2020 to 31 December 2020 is given below:

	EUROS
	2020
Accounting profit/(loss) before taxes	16,122,961
Corrections to the result	16,429,331
Offsetting of tax loss carryforwards	-
Taxable income (tax profit/(loss))	(306,370)
Tax at 0%	-
Withholdings	(36,070)

The taxable base given in the table is the sum of the taxable bases of the Group's companies, after adjusting the consolidated profit/(Loss) for the year by consolidation adjustments and eliminations.

Under the SOCIMI Act, the current corporate income tax is the result of applying a rate of 0% to the taxable base.

Additionally, in accordance with Article 9 of Act 11/2009 of 26 October on Listed Real Estate Investment Companies, Article 26 of the revised Corporate Income Tax Act does not apply to negative tax bases and, accordingly, they are not accumulated to offset future years.

The Group has a credit with the Public Entities for withholdings made by the investee in relation to capitalised interests on the loan. This credit amounts to €36,070 and its repayment will be requested in the 2020 Corporate Income Tax statement.

Years open to inspection and tax audits:

As established by legislation in force, taxes cannot be deemed as definitively settled until the tax returns filed have been audited by tax authorities or until the 4-year statute of limitations has concluded. At 2020 year-end, the Group companies' tax returns for all the years since its incorporation were open for review by the tax authorities.

The Directors of the Parent Company deem that the settlements of the aforementioned taxes have been appropriately undertaken whereby, even if discrepancies arise over the existing regulatory interpretation of the tax treatment given to the transactions, any possible resulting liabilities, should they materialise, would not have a significant impact on these consolidated annual financial statements.

15. Income and expense

a) Gains in the fair value of investment properties:

The breakdown of the fair value of the investment properties is given in Note 6.

b) Income from investment properties

The breakdown of the income from the subsidiary's investment properties is given below.

INCOME FROM LEASES AND SALES	EUROS
	2020
Lease income	196,658
Lease rent settlements	38,843
Sale of financial rights	2,108,980
Income from disposal of investment properties	77,298
Sales of other credit rights	195,437
TOTAL	2,617,216

Notwithstanding the foregoing, the Group considers the Net Turnover to include only the incomes deriving from its lease activities, this being the group's primary activity. Accordingly, the Net Turnover for the year 2020 is €235,501.

c) Supplies

The group recognises the sum of €1,419,210 from the acquisitions of financial rights which it has cancelled as they were transmitted throughout 2020.

d) Operating expense

The breakdown of this item of the consolidated income statement is as follows:

OPERATING EXPENSE	EUROS
	2020
Independent professional services	529,739
Asset management services (*)	488,196
Property management services	84,219
Insurance premiums	45,404
Banking services	25,197
Other miscellaneous expense	8,994
Property expenses	114,096
Taxes	8,150
TOTAL	1,303,995

(*) Arising from the management agreement explained in Note 1.2 here, the group has paid €488,196 in asset management services to 31 December 2020.

e) Finance expense

The finance expenses are the result of loans received from group companies and the bank and of difference in exchange rates, as indicated in point 12.

At 31 December 2020, total finance expenses amounted to €200,381, broken down into €189,842 in loans received from group companies, €7,266 in finance expenses relating to the mortgage loan, and €3,273 euros due to negative exchange rate differences.

f) Audit fees

The fees for the auditing and review services provided by Ernst & Young in 2020 amount to €99,800.

Throughout the year ending on 31 December 2020, in addition to audit fees, a further €59,620 were paid for services provided by other companies in the E&Y group.

g) Shareout of Consolidated Result

The financial statements for the period from 29 January 2020 to 31 December 2020 for the companies included in the scope of consolidation are as follows:

Companies	In euros
Full Consolidation	2020
Global Piélago, SOCIMI, S.A.	(296,527)
Global Sauco, SOCIMI, S.L.(*)	16,419,488
Total	16,122,961

*Not audited

16. Other information

Environmental information

In view of the business activities carried out by the Group, companies, they do not have any environmental liability, expense, assets, provisions or contingencies that might be material with respect to their equity, financial position or results.

Therefore, no specific disclosures relating to environmental issues are included in these consolidated annual financial statements.

Staff costs

At 31 December 2020, the group companies have no employees.

17. Related party transactions and balances

On the other hand, at 31 December 2020, the heading “Non-current payables to Group companies” recognises loans granted to the Company by Heimdall Luxembourg Holdings II S.à r.l. and Welcomechance, S.L.U., accruing interest at a fixed annual rate and expiring on 25 June 2025.

At 31 December 2020, these loans had accrued interest of €186,995 and €2,847, respectively, which have been recognised in the income statement for the year.

The Directors of the Parent Company consider that the operations with affiliate companies have been conducted under market conditions and on the basis of agreements between the parties.

The prices of related-party transactions are properly supported, so the Company Directors consider there are no risks that might cause material tax liabilities.

18. Provisions and contingencies

At 31 December 2020, the Group had received no claims or complaints, and accordingly no contingencies or provisions were set aside.

19. Information concerning conflicts of interest on the part of the Directors

Shareholdings, posts and activities of members of the Board of Directors

Article 229 of Spanish Companies Act obliges company directors to notify the company’s governing bodies of any direct or indirect conflicts of interests potentially affecting the interests of the Group companies.

Likewise, the directors are required to notify any direct or indirect interests held by themselves or related persons in any company having a corporate purpose that is similar, analogous or complementary to that of the Company, as well as notifying any positions or functions they may hold in same.

In this regard, in order to comply with the obligations established in the Spanish Companies Act and particularly with the established for directors, certain members of the Board have reported that they may possibly incur in conflict of interest as they directly or indirectly hold an interest in the Management Company or in companies having a corporate purpose that is analogous or complementary to that of the Group companies.

Notwithstanding the foregoing, during the period in which the directors of the Parent Company held their positions on the Board of Directors, no resolutions were passed which could have involved a conflict with the interest of the Company and, accordingly, none was obliged to abstain from voting in order to comply with applicable legislation.

Remuneration to Directors and Senior Management.

In 2020, the Directors of the Company received and accrued no amounts as salaries, remuneration or expenses as directors. Neither did they receive shares

or stock options in those years, and they did not exercise any options and did not have any options pending exercise.

Likewise, no contributions were made to funds or pension schemes on behalf of the Company's Board of Directors.

Throughout 2020, upper management functions were performed by several members of the Board of Directors.

20. Information Deriving From SOCIMI Status. Law 11/2009

Description	Year 2020
a) Reserves from financial years prior to the application of the tax scheme established in Law on Listed Real Estate Investment Companies	N/A
b) Reserves from years in which the tax regime established for SOCIMIs is first applied, differentiating the part resulting from revenues subject to the 0% interest rate or the 19% rate from those subject to the general rate	N/A
c) Dividends distributed against the profits for each year in which the tax regime established for SOCIMIs is applicable, differentiating the part resulting from revenues subject to the 0% interest rate or the 19% rate from those subject to the general rate	N/A
d) In the case of dividends distributed against reserved, stipulating the year from which the reserve used was constituted and whether it has been taxed at the 0% rate, the 19% rate or the general rate	N/A
e) Date of the resolution for distribution of the dividends to which letters c) and d) above refer	N/A
f) Date of acquisition of the shares in the capital of the enterprises to which art. 2.1 of this Law refers	See Note 6 and Annex 1
g) Identification of the asset that is calculated within the 80% referenced in art. 3.1 of Law on Listed Real Estate Investment Companies	See Note 6 and Annex 1
h) Reserves from financial years in which the special tax regime for SOCIMIs applied, utilised during the tax period for purposes other than their distribution or to offset losses, identifying the year in which it was constituted	N/A

21. Subsequent events

On February 23, 2021, all the Parent Company's debt with the group companies Heimdall Luxembourg Holdings II S.à r.l. and Welcomechance, S.L.U. explained in note 12.2 were repaid in full.

In the judgement of the Company Directors, no other issues which could have had a material effect on these consolidated annual financial statements have been revealed subsequent to 31 December 2020.

Global Piélago, SOCIMI, S.A. and subsidiaries

Consolidated directors' report for the period from 29 January 2020 to 31 December 2020

This Consolidated Directors Report for 2020 is filed by the directors of the Parent Company, in compliance with Articles 253 and 262 of the Spanish Companies Act, as amended, for approval by the shareholders.

1. Situation of the Group

Global Piélago, SOCIMI, S.A., hereinafter the Parent Company, is a Spanish public limited company, with VAT No. A88581251, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 29 January 2020; it is entered on the Madrid Register of Companies, volume 40,174, page 110, sheet M-713884, entry No. 1. It has registered offices at Paseo de la Castellana, 93, 13th floor, 28046 Madrid.

The Parent Company was initially incorporated as a limited liability company under said public deed delivered on 29 January 2020. It was converted into a public liability company under public deed of 5 March 2020, in Madrid.

On 5 March 2020, in Madrid, the Parent Company acquired 100% of the stock capital of Global Sauco, SOCIMI, S.L. (Hereinafter, the “subsidiary”).

Global Sauco, SOCIMI, S.L. is a Spanish limited liability company, with VAT No. B88581236, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 29 January 2020; it is entered on the Madrid Register of Companies, volume 40,174, page 130, sheet M-713886, entry No. 1. It has registered offices at Paseo de la Castellana, 93, 13th floor, 28046 Madrid.

The corporate purpose of both group companies is that of SOCIMIs (outlined below), both being covered by said regime. On 25 June 2020, a resolution of the General shareholders' Meetings, resolving that the Companies would opt for the special regime for listed real estate investment trusts (SOCIMI, in Spanish), regulated by Act 11/2009 of 26 October, was put on public deed.

The corporate purpose is:

- a) The acquisition and development of urban real estate for lease.
- b) The holding of shares in the capital of other SOCIMI or in other companies non resident in Spain with the same corporate purpose and which are subject to a regime similar to the one established for SOCIMIs in relation to the obligatory policy on appropriation of profit stipulated by law or the bylaws.
- c) The holding of equity stakes in Spanish or foreign companies, engaged in the acquisition of urban real estate for lease as their main corporate purpose and subject to the same mandatory dividend distribution policy as SOCIMIs, providing that the investment requirements referred to in art. 3 of the SOCIMI Act are met.

- d) The holding of shares or participations in Collective Real Estate Investment Undertakings governed by Law 35/2003, of 4 November, on Collective Investment Undertakings, or by future laws which may replace it.

2. Progress of the Business

2.1 Business Progress and Results in 2020.

Both the parent company and the subsidiary were incorporated in 2020.

In 2020, the subsidiary acquired a total of 595 assets, transferring 8 of them throughout the year in the interest of the business. Accordingly at end of 2020, the group had 587 properties.

It also acquired 143 financial rights over a portfolio of properties made available up for sale, transferring 32 throughout the year and retaining 111 at year end.

Any of said assets made available for sale and not sold by 28 June 2021 will be acquired by the subsidiary to form part of its investment property portfolio.

2.2 Managing Financial Risk and Financial Instruments.

In order to finance its property investments, the Company has acquired intragroup debt, which it hopes to reduce in 2021. External finance was also acquired.

2.3 Expectations for 2021

The company intends to continue with its activity, obtaining revenues from its subsidiaries from their investment property leasing activities.

We justify these expectations by: The growth in the number of leased units, the re-valuation of the lease agreements and the implementation of a cost reduction plan.

On the basis of these expectations, the policy of the Group will be to optimise its costs and maintain an on-going control of its fund flow.

3. Environmental Issues

The Group's activity inherently has no significant environmental impact.

4. R&D&i Activities

The Group has not conducted any research and development activities during the financial year ended 31 December 2020.

5. Acquisition and Disposal of Treasury Shares

Throughout 2020, the Group has conducted no operations involving the acquisition or disposal of treasury shares.

6. Other Relevant Information

The Parent Company shares are not listed on the stock market. However, with a view to complying with the legal requirements for SOCIMI, the Company intends to undertake proceedings to be listed on the Spanish multilateral trading market (MAB) in 2021.

Consolidated Annual Financial Statements for the period from 29 January 2020 (date of incorporation) to 31 December 2020, formulated in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union.

In accordance with current legislation, the company directors have formulated the Consolidated Annual Financial Statements for the period from 29 January (date of incorporation) to 31 December 2020, formulated in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, and which include:

- The consolidated balance sheet
- Consolidated income statement
- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Changes in Net Assets
- Consolidated Cash Flow Statement
- Notes to the consolidated annual financial statements
- Consolidated directors' report

Madrid, 5 March 2021

Zubin Phiroze Irani

Juan Ignacio Gómez Vega

Bluseat Trust Services Spain, S.L.U., represented by Rima Yousfan Moreno