APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.

Calle Ponzano 76, 2º A, 28003 Madrid (Spain)

[https://www.apodacasocimi.com/]

INFORMATION DOCUMENT

September 20, 2022

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DRAFT SUBJECT TO CHANGES

Content

The Articles of Association included in this Information Document have been translated into English from the 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.

RESPONSIBLE OF THE INFORMATION DOCUMENT

The person below assumes the responsibility of the completeness and consistency with the facts of the data and information contained in the Information Document:

Mr. Blas Ignacio Quiralte Abelló
Chairman
APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.

Statement of the Responsibility

"*We declare 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*".

Madrid, […] September, 2022

Mr. Blas Ignacio Quiralte Abelló
APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.

1. SUMMARY

The following is a summary of some of the information contained in this Information Document. VGM Advisory Partners, S.L.U. urges to read this entire Information Document carefully, including the risk factors, APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.'s historical financial statements, the notes to those financial statements, and the valuation of both the assets and the Company.

1.1. General description of APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.

APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A. (hereinafter "APODACA" or the "Company") is a Spanish real estate investment company incorporated on December 27, 2019 and running under the special tax regime of Sociedad Cotizada de Inversión en el Mercado Inmobiliario ("SOCIMI"), equivalent to a Real Estate Investment Trust ("REIT").

The Company business is focused on investing in different type of real estate assets (residential, commercial, offices) located mainly in Madrid city (Spain) for leasing. The residential properties are mostly leased as short and mid-term accommodation, to attend the urban travellers, students and the business segment.

As of the date of this Information Document, APODACA owns a real estate portfolio made up of 49 flats, 8 commercial spaces, 5 offices and 2 semi-detached houses, distributed among 8 locations in the centre of Madrid city and Alcázar de San Juan city (in Ciudad Real province). The total built area with shared zones of the portfolio is approximately 10,155 sqm.

As described in section 6.4 of this Information Document, no shareholder owns 25% or more of the Company's shares.

1.2. Company name, Registered office, and Registration for the special tax regime for SOCIMI

1.2.1. Company name

APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A.

1.2.2. Registered office

Calle Ponzano 76, 2º A, 28003 Madrid (Spain).

1.2.3. Data of registration with the Commercial Registry

The Company is registered with the Madrid Commercial Registry at volume 40,056, sheet 160, page M-711704, with tax identification number A88559885 and legal entity identifier number 959800H02KE1VAE0WM91.

1.2.4. Registration for the SOCIMI special tax regime

On February 1, 2021, the Company's Shareholders Meeting agreed on requesting the application of the SOCIMI special tax regime that was notified to the Spanish tax authorities on February 16, 2021.

1.3. Company purpose (article 2 of the Articles of Association)

Article TWO.- Corporate purpose.

1. *The corporate purpose will be:*

   a) *The acquisition and development of urban real estate for leasing.*

   b) *The holding of shares in the capital of Real Estate Investment Trusts ("REITs") or in the capital of other entities not resident on Spanish territory which have the same corporate purpose as the former and which are subject to a system similar to that established for REITs with regard to the obligatory legal or statutory policy for the distribution of profits.*

   c) *The holding of shares in the capital of other entities, whether or not resident on Spanish territory, whose main corporate purpose is the acquisition of urban real estate for leasing and which are subject to the same system established for the REITs with regard to the compulsory, legal or statutory policy governing the distribution of profits and which meet the investment requirements referred to in Article 3 of the REITs Act.*

   d) *The holding of shares or Equity units in Undertaking for Collective Investment in Transferable Securities (UCITS) regulated by Law 35/2003, of 4 November, on Undertakings for Collective Investment or the law that replaces it in the future.*

   e) *Together with the business activity arising from the main corporate purpose, the Company may engage in other none-core activities, i.e. activities whose total revenue represents less than 20% of the Company's revenue for each tax reporting period, or activities that may be considered non-core in accordance with applicable law.*

2. *All other activities for which the law demands requirements that cannot be complied with by the Company are hereby excluded.*

3. *The activities that make up the corporate purpose may be carried out by the Company, in full or in part, indirectly, through the ownership of shares or equity units in companies with identical or similar purpose."*

1.4. Duration (article 3 of the Articles of Association)

Article THREE.- Term

The Company is incorporated for an open-ended period. However, it may de dissolved or liquidated for any of the reasons listed in Title X of Royal Legislative Decree 1/2010, of 2 July, which approves the revised text of the Corporate Enterprises Act.

1.5. Fiscal year (article 5 of the Articles of Association)

Article FIVE.- Financial year

The financial year will begin on 1 January and end on 31 December of each year, except for the year of its incorporation, which will begin on the date of registration of the deed at the Commercial Registry.

1.6. Distribution of income (articles 43 and 44 of the Articles of Association)

Article FORTY-THREE.- Approval of accounts and application of profit

1. *The Company's financial statements and the consolidated financial statements, wherever appropriate, shall be subject to the approval of the General Shareholders' Meeting.*
2. *The General Shareholder's Meeting will decide on the application of profit for the year in accordance with the approved balance sheet.*
3. *After the reserves stipulated by these Articles of Association or the Law have been covered, dividends may be distributed with a charge to income for the year, or to unrestricted reserves, if the value of net equity per books is not (nor will be as a result of distribution) lower than the share capital. The minimum distributable amount shall be set in accordance with the applicable regulations at any given time for Real Estate Investment Trusts (REITs).*
4. *If the General Shareholders' Meeting agrees to distribute dividends, it shall determine the moment and way of payment in accordance with that provided for in these Articles of Association. Setting these ends and any others that may be necessary or appropriate for the effectiveness of the resolution may be delegated to the Board of Directors.*
5. *The General Shareholders' Meeting or the Board of Directors may agree the distribution of amounts through dividends with the limits and complying with the requirements set for in the applicable regulations.*
6. *The General Shareholders' Meeting can agree for the dividend to be paid totally or partially in kind, provided that the assets or securities being distributed are consistent, admitted to trading on an official secondary market at the time of effectiveness of the resolution or liquidity is dully guaranteed by the Company within a maximum term of one year and they are not distributed for a value that is lower to the one they hold in the Company's balance sheet.*
7. *The distribution of dividends to shareholders shall take place according to their disbursed share capital.*

Article FORTY-FOUR.- Special rules for the distribution of dividends

1. *<u>Right to receive dividends</u>. Those included as entitled to receive dividends in the accounting records of the company in charge of the accounting record shall have the right to such on the day or date determined by the General Shareholders' Meeting or, where appropriate, by the Board of Directors agreeing to its distribution.*
2. *<u>Enforceability of the dividend</u>. Unless otherwise agreed, the dividend due and payable following 30 days of the date of the resolution of the General Meeting or, where appropriate, of the Board*

of Directors, deciding on its distribution.

3. *Compensation. In those cases in which the distribution of dividend results in the Company having the obligation of paying the special tax provided for in article 9.2 of the REITs Act, or the rule replacing such (REITs Act), the Board of Directors of the Company may require the shareholders who have caused the accrual of such tax to compensate the Company.*

   The amount of compensation shall be equivalent to the expense of the Corporate Tax derived from the payment of the dividend that is used as the basis of calculation of the special tax, increased by the amount that, after deducting the corporate tax applicable to the total compensation amount, can compensate the expense derived from the special tax and from the corresponding compensation.

   The amount of compensation shall be calculated by the Board of Directors without prejudice to the admissibility of the delegation of such calculation in favour of one or several directors. Unless it is agreed otherwise by the Board of Directors, compensation shall be payable on the day prior to the payment of the dividend.

   For illustrative purposes, below is the calculation of the compensation in two different scenarios, evidencing how the effect of the compensation on the profit or loss statement of the company is zero in both cases:

   a) *Assuming a gross dividend of 100 and a special tax for Corporate Tax of 19% and a rate of Income Tax Corporate Tax of 0% for income earned by the Company, the calculation of the compensation, would be as follows:*

      Dividend: 100
      Special Tax: 100 x 19% = 19
      Corporate Tax Expense of special tax ("GISge"): 19
      Compensation ("I"): 19
      Taxable base of Corporate Tax for compensation ("BIi"): 19
      Corporate Tax Expense related to compensation ("GISi"): 0
      Impact on the Company: I – GISge – GISi = 19 – 19 – 0 = 0

   b) *Assuming a gross dividend of 100 and a special tax for Corporate tax of 19% and a rate of Corporate Tax of 10% for income earned by the Company, the calculation of the compensation, rounding to the nearest cent, would be as folows:*

      Dividend: 100
      Special Tax: 100 x 19% = 19
      Corporate Tax Expense of special tax ("GISge"): 19
      Compensation ("I"): 19 + 19 x 0,1 / (1 - 0,1) = 21,1119
      Taxable base of Corporate Tax for compensation ("BIi"): 21,11
      Corporate Tax Expense related to compensation ("GISi"): 21,11 x 10% = 2,11
      Impact on the Company: I – GISge – GISi = 21,11 – 19 – 2,11 = 0

4. *Right to compensation. Compensation will be offset by the dividend payable to the shareholder as a result of the obligation to pay the special tax.*

5. *Right of retention due to non-compliance of the Ancillary Obligation. In those cases in which the payment of the dividend is performed prior to the deadline established to comply with the ancillary*

obligation, the Company can withhold payment to shareholders or to the holders of economic rights over those shares of the Company for which the information and documents required in article ten above, of an amount equivalent to the compensation that they eventually will have to pay. Once the ancillary obligation has been met, the Company will repay the withdrawn amounts to the shareholder that has no obligation to compensate the company.

Likewise, if the ancillary obligation is not met within the established deadline, the Company can also withdraw the payment of dividend and offset the withdrawn amount with the amount of compensation, by paying the positive difference to the shareholder, if any.

6. *Other rules. In those cases where the total amount of the compensation may cause a loss to the company, the Board of Directors can require an amount lower to the one calculated according to that provided for in paragraph 3 of this article.*

1.7. Administrative, management and controlling bodies

1.7.1. Board of Directors (articles 30, 31, and 35 of the Articles of Association)

Article THIRTY.- Board of Directors

1. *The Company shall be administered by a Board of Directors.*
2. *The Board of Directors shall be governed by the legal rules that are applicable thereto and by these Articles of Association. The Board of Directors may develop and complete such provisions through the relevant Regulations of the Board of Directors, the approval of which shall be notified to the General Shareholders' Meeting.*

Article THIRTY-ONE.- Competences of the Board of Directors

1. *The Board of Directors has the power to adopt the resolutions on all matters that are not attributed by the applicable regulations or these Articles of Association to the General Shareholders' Meeting.*
2. *The Board of Directors, holding the broadcast powers and duties to manage, lead, administer and represent the Company, as a general rule, will entrust the ordinary management of the Company to the delegated consultative bodies and will focus its activity in the general supervisory function and in addressing those matters that are particular relevant for the Company.*

Article THIRTY-FIVE.- Powers of representation.

1. *The power of represent the Company in and out the court is the responsibility of the Board of Directors, which shall act on a collegiate basis.*
2. *The Secretary and, where appropriate, the Deputy Secretary of the Board of Directors, shall have the necessary representative powers to notarize and request the registration of the resolutions of the General Shareholders' Meeting and of the Board of Directors.*
3. *The powers of representation of the delegated bodies shall be governed by that provided in the delegation agreement. In the absence of any indication to the contrary, it will be understood that the powers of representation are conferred upon, on an individual basis, the Chief Executive Officer, if any, and should there be an Executive Committee, upon its Chair.*

According to the Articles of Association, as of the date hereof, the governance of APODACA is entrusted to a Board of Directors composed of 6 members. The Board of Directors is formed, with regards to its internal structure of appointments and positions, as follows:

Member	Position
Mr. Blas Ignacio Quiralte Abelló	Chairman
Mr. Alvaro Luis Quiralte Abelló	Director and Secretary
Mrs. Silvia Palmira Quiralte Abelló	Director
Mr. Pablo José Quiralte Abelló	Director
Mr. Jorge David Quiralte Abelló	Director
Mr. Rafael Fuentes del Río	Director

The Board of Directors' main characteristics and its members' professional profile are described under section 4.2 of this Information Document.

2. HISTORY AND KEY FIGURES

2.1. History of the Company

The most relevant events in the history of APODACA are the following:

- **December 17, 2019.** Incorporation in Spain of the Company under the corporate name of APODACA INVERSIONES INMOBILIARIAS SOCIMI, S.A. with a total share capital amounting €32,712,120.

  APODACA is formed as a separate legal entity following the division of CASA RAJA, S.L. and SAN JUAN DE LAS NIEVES, S.L., which distribute all their assets and liabilities among 5 new companies, one of which is APODACA.

  Specifically, the main assets and liabilities transferred to APODACA are the properties and bank loans detailed in section 3.2 of this Information Document.

- **February 1, 2021**. The Company's Shareholders Meeting approved a resolution for the SOCIMI special tax regime to be applied to the Company, which was communicated to the Spanish tax authorities on February 16, 2021.

2.2. Selected financial data

The Company's key figures are presented below:

Financial statements selected data

Selected Data		
Profit and Loss Statement (€)	**2020(*)**	**2021(**)**
Turnover	1,202,481	1,636,313
Operating Profit (Loss)	598,659	745,733
Financial Profit (Loss)	(21,722)	(87,655)
EBT	576,937	658,119
Profit (Loss) for the Year	423,423	658,096
Balance Sheet (€)	**31-12-2020(*)**	**31-12-2021(**)**
Property, plant and equipment	1,971,669	2,123,901
Investment properties	33,915,129	33,909,898
Cash and cash equivalents	676,998	42,039
Shareholders' Equity	32,775,211	32,758,568
Bank borrowing long-term	2,610,224	2,648,555
Bank borrowing short-term	544,067	206,288

(*) Non audited; (**) Audited.

Source: financial statements.

More detailed financial information of the Company is provided in section 8 of this Information Document.

Spanish language version of the financial statements as of December 31, 2021 has been audited by BDO Auditores, S.L.P.

The financial statements (including the audit report when it is available) are attached as Appendix I to this Information Document, and they are also on the Company's website: https://www.apodacainmobiliaria.com.

3. COMPANY ACTIVITY

3.1. Summary of the business

APODACA is a real estate investment company (SOCIMI) with the purpose of investing in different type of real estate assets (residential, commercial, offices) located mainly in Madrid city (Spain) for leasing. The residential properties are mostly leased as short and mid-term accommodation, to attend the urban travellers, students and the business segment.

3.2. Company investment data

Real estate assets portfolio

As of the date of this Information Document, the Company owns a real state portfolio in Spain made up of 49 flats, 8 commercial premises, 5 offices and 2 semi-detached houses.

The properties are distributed among 8 locations in Madrid city and Alcázar de San Juan city (in Ciudad Real province).

Address	City	Province	Flat	Commercial	Semi-detached house	Office	Market Value (€)
C/ Apodaca 5	Madrid	Madrid	15	3	-	-	6,868,000
C/ Alonso Heredia 18	Madrid	Madrid	11	-	-	-	3,130,000
C/ José Ortega y Gasset 67	Madrid	Madrid	12	3	-	1	13,975,000
C/ Ponzano, 76	Madrid	Madrid	11	1	-	1	7,550,000
Pº de la Castellana 103	Madrid	Madrid	-	1	-	1	14,243,000
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	-	-	-	2	1,650,000
C/ Emilio Castelar 17	Alcázar S. Juan	C. Real	-	-	1	-	850,000
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	-	-	1	-	728,000
Total			**49**	**8**	**2**	**5**	**48,994,000**

Source: APODACA.

The Market Value of the assets owned by the Company is €48,994,000 million as of March 31, 2022, according to Valtec, S.A. (hereinafter "VALTECSA") asset's valuation reports.

It should be noted that in terms of value 97% of the assets are located in the centre of Madrid city and 3% in Alcázar de San Juan city.

The Company's portfolio has a total built area (including common elements) of approximately 10,155 sqm. The occupancy in terms of units was 95% as of March 31, 2022.

Financial debt

APODACA has 3 loans outstanding with Sabadell bank for a total amount of €2,854,844 million as of December 31, 2021.

As detailed in the table below, these loans are secured with properties (mortgages).

Lender	Outstanding (*) amount (€)	Interest rate	Maturity date	Mortgage
Sabadell	1,566,733	Eur 12m + 1,04% (min. 2,5% y max. 12%)	December 31, 2036	Building in Madrid (Paseo de la Castellana 103)
Sabadell	734,570	2,25%	June 30, 2032	Building in Madrid (Calle Alonso Heredia 18)
Sabadell	553,541	2,25%	May 31, 2033	Property in Madrid (Calle Félix Boix 9, Esc 1 1º)
Total	**2,854,844**			

(*) as of December 31, 2021.

Source: APODACA.

In addition, the Company has a credit facility with Sabadell bank for a total amount granted of €750,000, and no amount has been drawn down at the end of 2021.

3.3. Future investments

The Company's strategy is to continue investing in new properties in the centre of Madrid city. Nevertheless, as of the date of this Information Document, the Company does not have any future investment committed.

The flats owned by the Company only require periodic maintenance (from time to time, mainly painting and minor repairs). Only in the case of the 5 flats with indefinite duration and rent controlled as long as the tenant lives, which are located at C/ José Ortega y Gasset 67 and in C/ Ponzano 76 in Madrid (described in sections 3.5.3 and 3.5.4 of this Information Document), the Company will need to refurnish them completely when the current leases expire.

In relation to the 2 properties located in Alcázar de San Juand (described in sections 3.5.7 and 3.5.8 of this Information Document), which are currently not rented, the Company's objective in the future is not invest in their refurbishment them but to try to divest in them.

3.4. Business model, investment strategy and competitive advantages

The Company has implemented a business model based on investing in different type of real estate assets (residential, commercial, offices) located mainly in Madrid city centre (Spain) for leasing. The residential properties are mostly leased as short and mid-term accommodation, to attend the urban travellers, students and the business segment.

Since its inception APODACA has been conceived as a long term REIT with the purpose to maximize shareholders' return, based on:

- Recurring cash-flow generation from (i) a strong and well-diversified rental income stream of its portfolio and (ii) a strong policy of operating cost containment.
- Maintaining low levels of funding with financial institutions. For example, as of 31 December 2021, the total outstanding debt of the Company with banks as a percentage of the Market Value of

assets provided by VALTECSA is 5.83%.

As of the date of this Information Document, APODACA owns a real estate portfolio made up of 49 flats, 8 commercial premises, 5 offices and 2 semi-detached houses, distributed among 8 locations in the centre of Madrid city (97% of the assets' Market Value) and Alcázar de San Juan city (3% of the asset's Market Value). The properties' occupancy in terms of units was 95% as of March 31, 2022.

The highest and sovereign governing body of the Company is the General Meeting of Shareholders, which supervises the management body, appointed by it, and takes the decisions which under the Law and the Articles of Association are incumbent upon it.

The Board of Directors resolved delegating part of its powers for the day-to-day management of the Company to Mr. Blas Ignacio Quiralte Abelló (Chairman of the Board) and Mr. Alvaro Luis Quiralte Abelló (Director and Secretary of the Board).

As of the date of this Information Document, APODACA has 3 employees, 2 with administrative and control functions and 1 with maintenance tasks, and as explained in section 3.5 has outsourced the services to lease some of the flats in Madrid to new tenants with providers such as Spain Select Property Management, S.L. and Aluni Madrid, S.L.

In the future, the Company's strategy is to continue investing in new properties in Madrid city centre.

Additionally, the Company has the intention to reform, as soon as the leases expire, the 5 flats detailed in section 3.5, which have leases governed by the rules relating to the tenancy contract of the revised text of the 1964 Urban Leases Act ("1964 LAU"). These contracts are very favourable for the tenants, as they have an indefinite duration and rent controlled as long as the tenants are alive, without prejudice to any additional subrogation to which they may be entitled. Furthermore, those contracts have a rent that is far below market conditions at present.

Among the Company's competitive advantages, the following ones stand out:

- Good location of the current real state portfolio mainly in the centre of Madrid city.
- Assets' and type of tenant's diversification.
- High level of occupancy of the properties.
- The volatility of the asset prices in urban areas where the Company has its portfolio is lower than in other areas.
- The quality of the assets (located in urban areas) makes them more liquid, and when the Company is interested easier to sell them.
- Increasing demand in urban areas, where the Company has its portfolio, for short and mid-term accommodation as an alternative to the hotel stays and conventional PRS (residential private rented sector).
- Controlled low leverage.

- A scalable business model without increasing the existing structure costs.
- A long-term investment strategy by the Company's shareholders.
- Relevant track record and experience of the Company Board of Directors.

3.5. Description of real estate assets

As mentioned in section 2.1 of this Information Document, since its inception the Company has all its real estate assets in Spain.

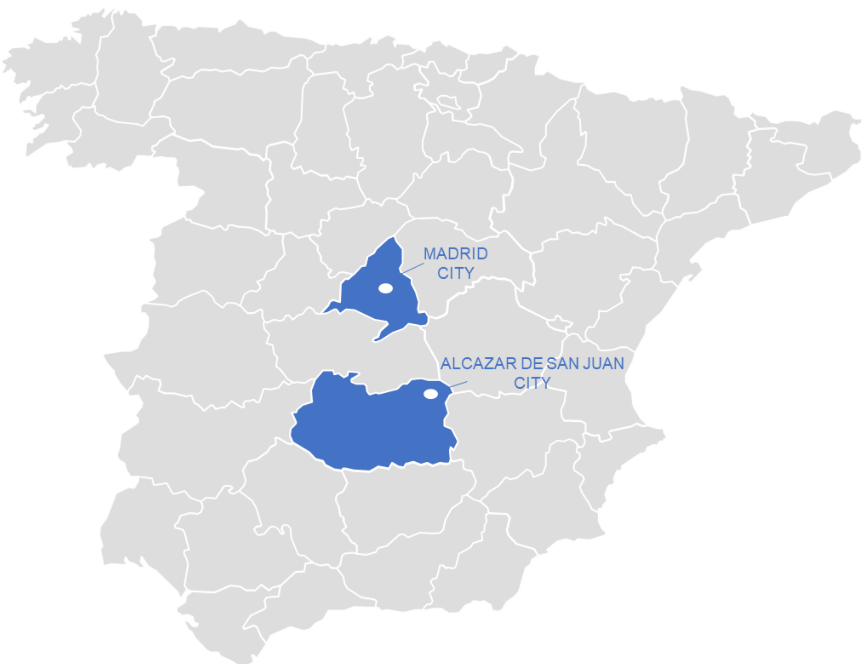
On the date of this Information Document, the Company's asset portfolio comprises the following properties:

Address	City	Province	Flat	Commercial	Semi-detached house	Office	Surface (sqm)	Units occupancy
C/ Apodaca 5	Madrid	Madrid	15	3	-	-	1,494	94%
C/ Alonso Heredia 18	Madrid	Madrid	11	-	-	-	711	100%
C/ José Ortega y Gasset 67	Madrid	Madrid	12	3	-	1	1,938	100%
C/ Ponzano, 76	Madrid	Madrid	11	1	-	1	1,228	100%
Pº de la Castellana 103	Madrid	Madrid	-	1	-	1	1,458	100%
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	-	-	-	2	416	100%
C/ Emilio Castelar 17	Alcázar S. Juan	C. Real	-	-	1	-	1,430	0%
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	-	-	1	-	1,480	0%
Total			49	8	2	5	10,155	95%

Source: APODACA.

The properties are located in Madrid city and Alcázar de San Juan city (Ciudad Real province).

Geographic location in Spain of APODACA' asset portfolio



3.5.1. Calle Apodaca 5, in Madrid (Spain)

The building is located at the intersection of Churruca and Apodaca streets, in the Justicia neighbourhood of Madrid's Centro district.

It is a residential and commercial neighbourhood with some of the most popular streets in the capital, such as Fuencarral, Gran Vía and Barquillo, and is also known for its wide range of leisure and restaurant options.

The building dates back to 1900, although it was completely refurbished in 2006, and has a partial cataloguing. The total built area (including common elements) is 1,454 sqm, with the ground floor divided into 3 commercial premises, the first to fourth floors into 3 flats each, and the fifth floor into 2 flats.

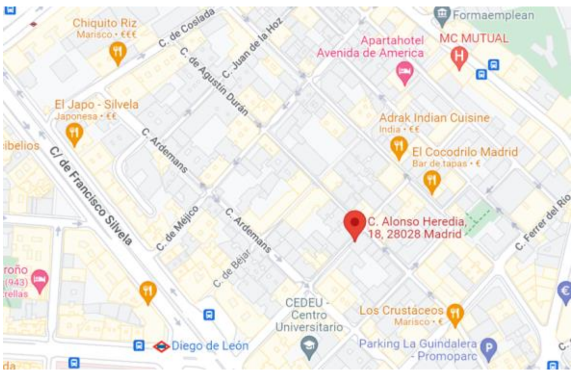
The 15 flats and 1 commercial premise are rented to Madrid Central Suites, S.L. until November 1, 2029. However, from 1 November, 2018, the tenant is entitled to terminate the lease by giving 6 months' written notice to the landlord. The tenant subleases the flats to the end user for short and medium-term stays mainly for tourists.

In 2017 the tenant applied for the municipal licence to change the use of the building from residential to lodging. The City Council and the Court of Justice of Madrid refused the application. The appeal against that decision is awaiting judgement.

As for the other 2 commercial premises, one is empty and the other has a lease for a florist's shop with indefinite duration and rent controlled as long as the tenant lives, which is regulated by the revised text of the 1964 LAU.

3.5.2. Calle Alonso Heredia 18, in Madrid (Spain)

The building is located at Alonso Heredia street, in the Guindalera neighbourhood of Madrid's Salamanca district.



It is a residential neighbourhood, consolidated, of medium-high density, with all basic facilities and services, and a good level of public transport.

The building dates back to 1925, although it was

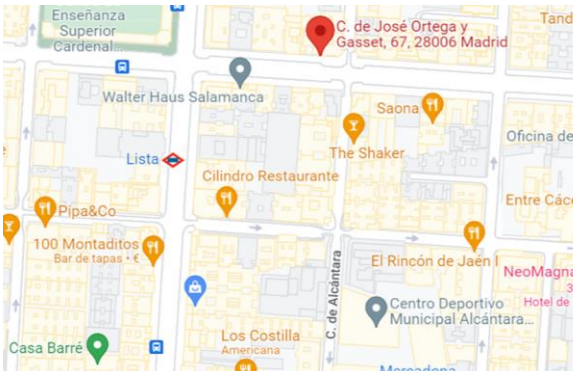
completely refurbished in 2017, and has a partial cataloguing. The total built area (including common elements) is 711 sqm, distributed between basement, ground floor and three upper floors, each with 2 flats, and an attic.

The rooms of 10 flats are rented to students for medium-term use. For the rental of the rooms, APODACA has signed a service agreement with Aluni Madrid, S.L., which can be broken at any time by either party upon written notice to the other.

The other flat is rented for residential use with a standard lease agreement.

3.5.3. Calle José Ortega y Gasset 67, in Madrid (Spain)

The building is located on the corner of José Ortega y Gasset and Alcántara streets, in the Lista neighbourhood of Madrid's Salamanca district.



It is bordered to the south by the neighbourhood of Goya one of the most luxurious in the city.

The building has structural protection and was completely refurbished in 2011. The total built area (including common elements) is 1,938 sqm, distributed between semi-basement, ground floor and first floor divided into 3 commercial premises and 1 office, second floor with 4 flats, third floor with 3 flats, fourth floor with 3 flats all of them with terraces, and fifth floor with 2 additional flats, also with terrace. Most of the flats have been recently renovated.

11 flats in this building are rented for short or medium term use. For the rental of these flats, APODACA has signed a service agreement with Spain Select Property Management, S.L., which runs for periods of 1 year each, unless either party gives the other 30 days' notice in writing.

The other flat has a lease with indefinite duration and rent controlled as long as the tenant lives, which is regulated by the revised text of the 1964 LAU.

As for the commercial premises, 2 of them are rented as restaurants and the other is rented to a hat's shop. The office is currently empty.

3.5.4. Calle Ponzano 76, in Madrid (Spain)

The main entrance to the building is at Ponzano street, in the Río Rosas neighbourhood of Madrid's Chamberí district.

It is a residential area located to the north of the capital and forms part of the so-called central core of the city.

The building dates back to 1926, although it was refurbished in 2001. The total built area (including common elements) is 1,228 sqm, consists of four retail units on the ground floor (currently joined together) and four upper floors with 3 flats per floor, except for the second floor where APOCA's office is located.

As for the flats, 4 of them are rented for short or medium term use. For the rental of these flats, APODACA has signed a service agreement with Spain Select Property Management, S.L., which runs for periods of 1 year each, unless either party gives the other 30 days' notice in writing.

In other 2 flats, the rooms are rented to students for medium-term use. For the rental of the rooms, APODACA has signed a service agreement with Aluni Madrid, S.L., which can be broken at any time by either party upon written notice to the other.

In addition, 4 flats have leases for residential use with indefinite duration and rent controlled as long as the tenant lives, which is regulated by the revised text of the 1964 LAU, and 1 flat is rented for residential use with a standard lease agreement.

The commercial premise is rented to a restaurant.

3.5.5. Paseo de la Castellana 103, in Madrid (Spain)

The building is located at Paseo de la Castellana, in the Cuatro Caminos neighbourhood of Madrid's Tetúan district.

It is in the north-west of the city, close to AZCA, one of the most important economic centres of the capital, and to the Real Madrid stadium.

The retail building dates back to 1970, although the interior of the premises had been refurnished in 2018. The total built area (including common elements) is 1,458 sqm, currently divided into 2 functional units with independent access from Paseo de la Castellana (i) bank branch, located on part of the ground floor, and (ii) bank central services offices, located in the rest of ground floor and the first floor.

The property is 100% let to Banco Santander, S.A., one of Spain's leading financial institutions, until December 31, 2024. Once the initial term has expired, the lease will be extended for 4 periods of 5 years each, unless the tenant notifies the landlord in writing 6 months in advance.

The tenant has an option to purchase the property that can be exercised between December 31, 2022 and December 31, 2023. In addition, the tenant has a right of first refusal in case the landlord wants to sell the property to a third party.

3.5.6. Calle Felix Boix 9, Esc 1 1º 1, in Madrid (Spain)

The property consists of 2 offices on the first floor of a building with 11 floors above ground level (commercial premises on the ground floor, offices on the first floor and the rest for residential use) and 2 floors below ground level for parking.

It is located at Félix Boix street, in the Nueva España neighbourhood of Madrid's Charmatín district, a consolidated residential area in coexistence with offices in the north of the capital.

The build dates back to 1968 and the total built area (including common elements) of the 2 offices owned by the Company is 416 sqm.

Both offices currently are rented.

3.5.7. Calle Emilio Castelar 17, in Alcázar de San Juan (Ciudad Real, Spain)

The property is a residential semi-detached house located in Emilio Castelar street, a prime area of the Alcázar de San Juan municipality (Ciudad Real province).

The building, currently in a state of ruin, consists of 2 floors above ground, with courtyard and warehouse at the bottom of the plot, which has an area of 988 sqm. The property has a buildable area capacity as the most likely development for commercial and residential use of approximately 1,430 sqm.

3.5.8. Calle Ramón y Cajal 5, in Alcázar de San Juan (Ciudad Real, Spain)

The property is a singular building located in Ramón y Cajal street, a centre area of the Alcázar de San Juan municipality (Ciudad Real province).

The building is an early twentieth century mansion built in 1930, originally intended for housing, with integral protection. It has a total built area of 1,480 sqm with 2 floors above ground, organized around a central courtyard, with a service courtyard and a large back garden. The property also has a main entrance and a passage for carriages that leads to an auxiliary building used as stables, which communicates with the rest of the building through the back garden.

Currently, the building is in a poor state of preservation, and it is necessary to carry out a complete restoration in order to make it fully functional again.

3.6. The Market

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

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

In this section, the information about the Spanish macroeconomic environment has been taken from the quarterly report on the Spanish Economy (Economic Bulletin 2/2022) published by Banco de España (Spanish national central bank) on June 2022, and the content about the Spanish residential, commercial and office real estate markets has been taken from VALTECSA's asset valuation reports.

3.7.1. Spanish macroeconomic environment

In 2022 Q1 global economic activity decelerated primarily owing to the spread of the COVID-19 Omicron variant, the end of some stimulus programmes, the persistence of inflationary pressures and the incipient effects of the war in Ukraine. Among the advanced economies, the pace of output growth declined between 2021 Q4 and 2022 Q1 in the United States (from +1.7% to -0.4%), the United Kingdom (from +1.3% to +0.8%), Japan (from +0.9% to -0.2%) and the euro area, excluding Ireland (from +0.5% to +0.3%).

Global growth, which was hampered in early 2022 by the resurgence of the pandemic, has continued slowing in recent months mainly as a result of the war in Ukraine, leading to significantly higher commodity prices and to a slight worsening of the bottlenecks. These developments have triggered a downward revision of growth projections and an upward revision of inflation projections for 2022 and 2023.

Main Spanish macroeconomic aggregates (1)

(%)	2021	2021				2022	
		Q1	Q2	Q3	Q4	Q1	Q2
Gross domestic product (GDP) (2)	5.1	-0.5	1.1	2.6	2.2	0.3	0.4
Contribution of domestic demand	4.7	-0.7	2.5	0.8	1.2	-1.2	1.2
Contribution of net external demand	0.5	0.2	-1.4	1.8	1.0	1.5	-0.8
Employment: hours worked (3)	7.0	-2.7	29.7	3.3	2.7	7.5	3.5
Harmonised index of consumer prices (HICP) (3)	3.0	0.7	2.3	3.4	5.8	7.9	7.8
HICP excluding energy and food	0.6	1.2	-0.2	0.7	1.6	2.6	3.4

(1) Information available on May 24, 2022. The Q2 2022 figures are Banco de España projections.
(2) Quarter-on quarter rate of change.
(3) Year-on-year rate of change.

Source: INE and Banco de España.

After growing by 2.2% in 2021 Q4, Spanish GDP expanded by 0.3% in 2022 Q1. This marked slowdown stemmed from the spread of the Omicron variant early in the year and, in particular, from the detrimental impact on activity of Russia's invasion of Ukraine and the road hauliers' in March. The latter developments especially prompted a steep rise in uncertainty and commodity prices, which adversely affected household consumption decisions. As a result, in 2022 Q1 Spanish GDP still stood 3.4 pp short of its pre-pandemic level, while the euro area overall recovered that mark in the final stretch of 2021.

The Banco de España's projections envisage GDP growth of 0.4% in Q2. Confidence appears to be recovering somewhat, while activity looks particularly resurgent in the more contact-intensive services, against a backdrop of fewer pandemic-related restrictions. Consumption seems to be recovering in Q2, following the sharp fall-off in the final stretch of Q1. Social security registrations continued to rise in April and May 2022, while the number of furloughed workers declined.

The pace of growth in business investment could slow in Q2 after a highly buoyant start to the year. This comes against a background of deteriorating confidence and rising uncertainty associated with the war in Ukraine, which has prompted sluggishness in industrial order books and new supply-side problems that continue to exert upward pressure on input prices.

Persistent global supply bottlenecks and slower than expected growth in export markets signal a deceleration in the rate of growth of foreign trade in Q2. The recovery in foreign tourism has continued so far in Q2, underpinned by the easing of international travel restrictions.

Prices have continued to rise in recent months, driven by the energy component, but also by the cost of food and underlying inflation. In May 2022, the Harmonised Index of Consumer Prices (HICP) flash estimate rose to 8.5% year-on-year. Underlying inflation – i.e. excluding energy and food prices – has risen in recent months, mainly owing to higher services prices. In particular, it stood at 3.4% year-on-year in April 2022, compared with an average of 2.6% in Q1. In this setting, the inflation outlook is subject to great uncertainty.

3.7.2. Spanish residential, commercial and office real estate markets

Spanish residential market

The increase in optimism within the Spanish residential market has moderated at the end of the first quarter of 2022, due to the context of economic slowdown, geopolitical uncertainty and energy costs at record highs, with the impact this has on the real state market and construction in particular.

The average price of new housing has as a whole experienced a year-on-year increase of 3.0% to 2,551 €/sqm in 2021. By cities Madrid continues to register one of the highest average price at national level, 3,757 €/sqm with an increase of 3.5% in 2021 and, in contrast, Ciudad Real one the lowest, 1,228 €/sqm with an increase of 1.6% in 2021.

The residential market has performed well during 2021, however as explained above there are several factors that on one hand could lead to reduction on new housing production, making prices even more expensive, and in the other have could have a negative impact on household income, with a consequent contraction in demand.

Yields in the residential rental segment are becoming attractive. Madrid and Barcelona cities offer prime yields, 3.0% and 3.25% respectively, on a par with other European cities such as London and Copenhagen.

Spanish commercial market

As a consequence of the COVID-19 health crisis, in 2020 rents for commercial assets in Spain declined progressively. In 2021, prime rents remained stable in Madrid (€245 sqm/month) compared to a year ago.

The increase in vaccination rates has encouraged more people to resume their usual activity to shop, travel and return to the office. Therefore, continued but slow growth in retail sales is expected in 2022. Although threat posed by the conflict between Russia and Ukraine, together with the lingering effect of the pandemic, material shortages, supply chain disruptions, as well as weaker international tourism, all cast a shadow over the outlook and could delay the recovery.

In 2021 investor interest focused mainly on the core product. In this regards, prime assets have showed greater resilience compared to secondary locations, where the availability of premises is greater. Prime retail yields remained stable through 2021, as uncertainty and risk over sustainable rents continues.

Spanish office market

The complicated scenario inherited from 2020, whose hiring levels were at historic levels, as well as the uncertainty about the evolution of the pandemic, impacted the office market’s behaviour in Spain during the first 8 months of 2021. It was at the end of the summer, coinciding with a generalized return to face-to-face work while maintaining a flexible component, that an increase in activity was observed.

The vacancy rate has increased slightly to over 10.5% in 2021, driven by low take-up and the incorporation of new projects or refurbishments into the market. In relation to rents, these have undergone slight adjustments of around 5%, compensated by additional incentives on the part of the owners.

The office market in Spain has managed to improve its 2020 investment volume by 19% in 2021. Although this figure is not bad, it has not reached the average investment of the last 8 years. All indications are that prime yields may have bottomed out by 2021.

3.7. Dependence on licenses and patents

To hold and operate its assets, the Company requires having certain licenses or certificates, among others, the first occupancy licenses and the energy performance certificates. All properties owned under operation have the relevant licenses for their activity.

The license of first occupancy is issued by the local council, once it has been verified that the construction of the property has been executed in accordance with the project. The energy performance certificate is issued by qualified companies and technicians and is a document that defines the energy characteristics of the property.

In 2017 the tenant applied for the municipal licence to change the use of the building located in Calle Apodaca, 5 (Madrid) from residential to lodging. Madrid City Council and Court of Justice refused the application. The appeal against that decision is awaiting judgement.

The Company is not dependent on any trademark, patent, or intellectual property right that affects its business.

3.8. Insurance contracts

The Company has underwritten various insurance policies with Axa Seguros Generales S.A. de Seguros y Reaseguros, Generali España S.A. de Seguros y Reaseguros, Mapfre España Compañía de Seguros y Reaseguros S.A., Allianz Compañía de Seguros y Reaseguros, S.A., and Mutua de Propietarios Seguros y Reaseguros a Prima Fija, to insure the repair of or compensation for certain damages of its properties.

3.9. Related-party transactions

Set out below is a summary of the transactions carried out by the Company with related parties during the years 2020 and 2021, and the outstanding balances with related parties as of December 31, 2020 and December 31, 2021, as disclosed in the audited financial statements for the year 2021 (note 12).

There are 5 companies related to APODACA since the shareholders and members of the Board of Directors are the same individuals. These companies are Aljibesllanos, S.L., Añavete, S.L., Socitello, S.L., Lairocse, S.L. and Inversiones Jumarama, S.L.

Outstanding balances at the end of year 2021 and 2020 between the Company and other related parties are the following:

2021 (€) (*)	Related companies	Members of the Board of Directors
Other financial assets	-	37,936
Other financial liabilities	(391,379)	-

(*) *Audited.*

Source: financial statements.

The net balance of “Other financial liabilities” of €391,379 corresponds to the sum of the debt of €392,077 with Aljibesllanos, S.L. and the debt of €308 with the liquidated and dissolved company Construcciones Tambor 2, S.L., together with the credits granted to Lairocse, S.L. and Socitello, S.L. for amounts of €485 and €521. The debt with Aljibesllanos, S.L. matures in 2026.

The net balance of “Other financial assets” of €37,936 corresponds to credits with members of the Board of Directors.

2020 (€) (*)	Related companies	Members of the Board of Directors
Other financial assets	-	36,947
Other financial liabilities	(460,254)	-

(*) *Non audited.*

Source: financial statements.

During 2021 and 2020, the following transactions have taken place between the Company and its related parties:

2021 (€) (*)	**Related companies**
Reception of services (by Aljibesllanos, S.L.)	23,224
Interest expense paid (to Aljibesllanos, S.L.)	17,619

(*) *Audited.*

Source: financial statements.

2020 (€) (*)	**Related companies**
Expenses due to interest paid	22,567

(*) *Non audited.*

Source: financial statements.

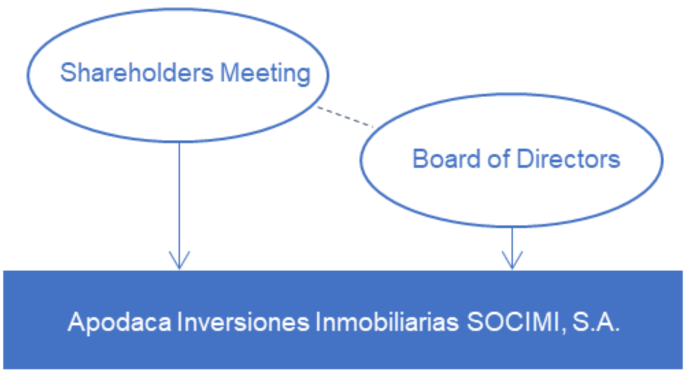
4. ORGANIZATION

4.1. Company's functional organization

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

The Company is internally managed by the Board of Directors.

Company´s functional organization



4.2. Main characteristics of the Board of Directors

4.2.1. Composition of the Board of Directors

According to the Articles of Association, the administration and representation of the Company is attributed to a Board of Directors, which shall be composed of a minimum of 3 persons and a maximum of 9. The members of the Board of Directors shall be appointed by the General Shareholders Meeting.

As of the date of this Information Document, the governance of APODACA is entrusted to a Board of Directors composed of 6 members. The Board of Directors is formed, with regards to its internal structure of appointments and positions, as follows:

Member	Position
Mr. Blas Ignacio Quiralte Abelló	Chairman
Mr. Alvaro Luis Quiralte Abelló	Director and Secretary
Mrs. Silvia Palmira Quiralte Abelló	Director
Mr. Pablo José Quiralte Abelló	Director
Mr. Jorge David Quiralte Abelló	Director
Mr. Rafael Fuentes del Río	Director

The career and professional profile of the current Directors are described below:

- **Mr. Blas Ignacio Quiralte Abelló** – *Chairman.*

Throughout his career he has held senior management positions in various companies, including credit risk and subsidiaries management at Banesto – Banco Santander (1993 – 2013), General Manager of concrete subsidiaries at the cement group Portland Iberia (1990 – 1993), administration executive at the pharmaceutical company Antibióticos, S.A. (1986-1989), consultant at the business and strategy consulting firm Control Presupuestario (1983-1986).

Degree in Economics from Fundación Universitaria San Pablo CEU (Universidad Complutense, Madrid).

- **Mr. Alvaro Luis Quiralte Abelló** – *Director and Secretary.*

He has worked for almost 30 years in ENDESA (energy group). Top Manager (2004-2019) and member of the Executive Committee as Energy Management M.D.

Degree in Industrial Engineering from Universidad Politécnica (Madrid) and Master in Finance from Comercial de Deusto.

- **Mrs. Silvia Palmira Quiralte Abelló** – *Director.*

She has been a coach for people with intellectual disability for almost 10 years (2010-2019).

Degree in Law from Fundación Universitaria San Pablo CEU (Universidad Complutense, Madrid) and degree in History from Universidad Complutense (Madrid).

- **Mr. Pablo José Quiralte Abelló** – *Director.*

Since 1999 he works in CECABANK based in Madrid. Previously he was Deputy Manager of Market services at MEFF RV (1994-1999), currently part of BME Group.

Degree in Industrial Engineering from Universidad Politécnica (Madrid) and Master in Finance from Comercial de Deusto.

- **Mr. Jorge David Quiralte Abelló** – *Director.*

Currently he is a Real Estate Manager for his own account. Until December 2021 he was Director and General Manager of Casa Raja, S.L., a real estate company that was the origin of APODACA.

Degree in Marketing from Fundación Universitaria San Pablo CEU (Universidad Complutense, Madrid), Degree in Real Estate Management from Universidad de Alcalá de Henares, and Master in "European Economy and Management" from Fundación Universitaria San Pablo CEU (Universidad Complutense, Madrid).

- **Mr. Rafael Fuentes del Río** – *Director.*

Since 1992 he has been the owner of the retail pharmacy "Aravaca" and administrator of Mondragón agriculture and San Rafael de las Nieves, S.L.

Degree in Pharmacy from Universidad Autónoma (Madrid).

4.2.2. Capacity (articles 32 of the Articles of Association)

Article THIRTY-TWO.- Composition of the Board of Directors

1. *The Board of Directors shall be composed of a number of members which shall not be less than three or greater than nine, to be determined the General Shareholders' Meeting.*
2. *The General Shareholders' Meeting is responsible for setting the number of directors. To this effect, it shall decide the number directly through express resolution or indirectly by opening up vacancies or appointing new directors, within the maximum limit laid down in the previous paragraph.*
3. *Directors need not be shareholders, being able to be appointed as such both natural and legal persons, although in this last case, a natural person must be indicated so that he/she can act as its representative while exercising the position.*
4. *Individuals that have been considered to be incompatible in accordance with State Act 5/2006, and autonomic applicable laws cannot be appointed as Directors, nor can those individuals to which article 213 of the Corporate Enterprises Act refers to.*
5. *The appointment of the Directors will become effective from the moment of acceptance of the position.*

The General Shareholders Meeting held on February 24, 2022, released APODACA's Directors from their obligation not to compete with the Company, concerning their positions and holdings in other companies, under the terms permitted by article 230.3 of the Spanish Companies Act, provided that (i) no harm can be expected to the Company under any circumstances, (ii) the Director informs the Board in a timely manner in the event of a conflict of interest or effective competition that causes harm to the Company, and (iii) the Director resigns from its post in the event of any harm, damage, or negative effect to the Company.

4.2.3. Term of office (article 33 of the Articles of Association)

Article THIRTY-THREE.- Term of office

1. *Directors will hold office during a term of FIVE years and may be re-elected one or more times for terms of the same duration.*
2. *The appointment shall expire when the next General Meeting is held or the term legally established for the General Meeting to take elapses, in which resolution must be adopted regarding the approval of the financial statements of the previous year.*
3. *The directors appointed by co-option shall carry out their duties until the date of the first General Shareholders' Meeting held after such appointment.*

4.2.4. Directors' compensation (article 36 of the Articles of Association)

Article THIRTY-SIX.- Remuneration

1. *The position of Director shall is unpaid.*

2. *The remuneration policy of directors shall be adjusted according to the remuneration system provided for in the articles of association and shall be approved by the General Shareholders' Meeting at least every three years, as a separate item on the Agenda.*

3. *Without prejudice to the position of director, any person holding such office may be appointed to perform management duties, including the position of General Manager.*

4. *The remuneration for the position of director shall be compatible and independent from wages, compensations, pensions, professional services or rewards of any kind to which the director may have access because he/she has with the company a special or common employment relationship, for the performance of duties of a different nature to those of his/her position as director that, where appropriate, he/she may hold in the company, being subject to the working regime of service contracts or any other that may be legally applicable depending of its nature.*

4.2.5. Functioning of the Board of Directors (articles 34, 37 and 38 of the Articles of Association)

Articles 34, 37 and 38 of the Articles of Association sets out the functioning of the Board of Directors.

Article THIRTY-FOUR.- Designation of roles on the Board of Directors

1. *The Board of Directors will appoint, from among its members, the Chair, and will have one or several Deputy Chairs who, in accordance with the order decided by the Board, shall replace the Chair in case of vacancy, absence or illness. He shall also appoint a person to serve as Secretary. To be appointed Chair of Deputy Chair the person must be a member of the Board of Directors. This will not be needed for the appointment of the person to serve as Secretary, who, in the latter case will have the right to speak but not vote.*

2. *The Board of Directors may also appoint a Deputy Secretary, who is not required to be a director.*

Article THIRTY-SEVEN.- Meetings of the Board of Directors

1. *The Board of Directors shall meet as often as necessary for the proper performance of its duties.*

2. *The notice, which shall always include the agenda of the meeting and the relevant information, shall be made by the Secretary of the Board of Directors or who acts as such, with the authorization of the Chair and, where appropriate, when requested by the directors representing at least one third of the members thereof, all in accordance with that provided for in article 246 of the Corporate Enterprises Act at least three days prior to the date of the meeting, indicating the place, day and time of the meeting and the agenda.*

3. *Notwithstanding the foregoing, the Board of Directors shall be considered validly constituted without need for notice if all of the directors are present or represented and they unanimously agree to hold the meeting and the agenda.*

4. *Likewise, if none of the directors opposes thereto, voting of the Board of Directors may be done in writing without a meeting.*

5. *The Board of Directors can be held in different places, connected to systems than enable identification and recognition of the attendees, the permanent communication among the attendees, regardless of their location, and the participation and casting of the vote, all in real time.*

Attendees to any of the locations shall be considered, for the purposes regrading the Board of Directors, as attendees to the same and single meeting. The meeting shall be understood to have been held in the place where the larger number of directors is located and, in the event of a tie, at the location of the Chair of the Board of Directors or, in his/her absence, whoever chairs the meeting.

Article THIRTY-EIGHT.- Development of the meetings

1. *The Board shall be validly constituted when one-half plus one of the directors, present or represented, attending the Meeting. Representation by proxy shall be made in writing through a letter addressed to the Chair for each particular meeting and must be in favour of another director.*
2. *Resolutions shall be adopted by absolute majority of the directors appearing at the meeting, present or represented, except when the Law, theses Articles of Association or, where appropriate, the Regulations of the Board of Directors foresee other majorities. In case of tie, the Chair shall have the casting vote.*
3. *Minutes shall be kept of the meetings of the Board of Directors, approved by the Board of Directors at the end of the meeting or in a subsequent meeting, and be signed at least by the Chair and the Secretary or those acting as such.*

4.2.6. Assessment of the Board of Directors related to bankruptcy, liquidation, and/or fraud-related convictions

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

5. RISK FACTORS

The Company believes that the risks described below represent the main or material risks inherent in investing in its shares. Most of these factors are contingencies that may or may not occur, and the Company is not in a position to express a view on the likelihood of any such contingencies occurring.

The Company does not guarantee the completeness of the risk factors described below. The risks and uncertainties described in this Information Document may not be the only risks that the Company may face, and there may be additional risks and uncertainties currently unknown or considered not to be material, that alone or in conjunction with others (whether identified in this Information Document or not) could potentially have a material adverse effect on the business activity, financial position, and Company's operating results.

5.1. RISK ASSOCIATED WITH THE REAL ESTATE SECTOR

5.1.1. Cyclical nature of the sector

Real estate activity globally, and particularly in Spain, is subject to cycles depending on the economic-financial environment. The occupancy levels of the properties, the prices of the rents obtained and, in short, the value of the assets are influenced, among other factors, by the supply and demand of properties with similar characteristics, interest rates, inflation, the rate of economic growth, legislation, political and economic events, as well as other social and demographic factors.

The Company is unable to predict the trend of the economic cycle in the coming years or whether there will be a recession, which could have significant unfavourable effects on the operations, financial situation, forecasts, and results of the Company.

5.1.2. Risk of competition

Spanish real estate sector is very competitive and very fragmented, being characterised by the existence of few entry barriers for new competitors. The appearance of new players in the areas where the Company has its assets, which may be of a larger size or have greater financial resources than the Company, could give rise to an excess supply of rental properties or a reduction in prices, and therefore have a significant unfavourable effect on the operations, financial situation, forecasts, and results of the Company.

5.1.3. Risk of illiquidity of real estate investments

Real estate investments are relatively illiquid. Therefore, the Company could have difficulties quickly realizing the effective value of some of its real estate assets or could be obliged to reduce the realization price. The illiquidity of the investments could limit the capacity to adapt the composition of its real estate portfolio to possible changes in circumstances.

5.2. OPERATING RISKS

5.2.1. Risk of geographic concentration of the real estate portfolio

As explained in section 3.2 of this Information Document, it should be pointed out that in terms of market value as of March 31, 2022, according to VALTECSA asset's valuation report, 97% of the Company's properties are located in the city of Madrid. Therefore, the particular economic conditions that this city present, or specific modifications to the urban plans by the autonomous community or local authorities, could adversely affect the financial situation, results, or valuation of the portfolio of assets.

5.2.2. Risk of tenant concentration

The assets rented to Banco Santander, S.A. and Madrid Central Suites, S.L. represent 29% and 14% respectively of the portfolio's Market Value as of March 31, 2022, according to VALTECSA asset's valuation reports. Therefore, if Banco Santander, S.A. or Madrid Central Suites, S.L. experiences unfavourable financial circumstances that prevent it from meeting with its lease commitments, there could be significant, adverse effects on the operations, financial situation, forecasts, and results of the Company.

5.2.3. Risk deriving from outsourcing the services to lease some of the flats owned in Madrid city.

APODACA has subcontracted with Spain Select Property Management, S.L. and Aluni Madrid, S.L. the leasing services to new tenants of 15 flats and 12 flats respectively located in Madrid city. Therefore, the rental income of these flats will depend on the experience and expertise of Spain Select Property Management, S.L. and Aluni Madrid, S.L., and inefficient management of the flats by them could have significant, unfavourable effects on the operations, financial situation, forecasts, and results of the Company.

5.2.4. Risk related to the collection of rents from the assets leased

The lessees could occasionally undergo unfavourable financial circumstances preventing them from duly meeting their payment commitments. In the event of any non-fulfilment by the lessees, the recovery of the property may be delayed until a legal eviction is obtained, and therefore the availability of such property for re-lease may also be delayed. This could have significant, unfavourable effects on the operations, financial situation, forecasts, and results of the Company.

5.2.5. Risk related to the fluctuation of the demand for properties to lease and the consequent decrease in rental prices

As of March 31 2022, the level of occupancy of the assets of the Company stands at 95%. The fluctuation of the demand for properties to lease could provoke renegotiating rent prices downwards, early termination of the lease agreements, non-renewal of the contracts upon termination or renewal on less favourable terms, which could have significant, unfavourable effects on the operations, financial situation, forecasts, and results of the Company.

5.2.6. Risk of COVID-19

The appearance of the Coronavirus COVID-19 in China in January 2020 and its global spread led to a viral outbreak qualified as a pandemic by the World Health Organization as of 11 March 2020. Due to the pandemic resulting from COVID-19, the Spanish Government decreed a State of Emergency on 15 March 2020, which remained in effect until 21 June. In addition, different mobility restrictions were decreed within the country. This fact significantly affects economic activity worldwide and, a result, the Company's operations and financial results. The Company implemented a contingency plan to mitigate as far as possible the impact on results.

As a result, the Company has had to sign various deferrals or deferrals in the contracts and payments with the lessees of the assets.

5.2.7. Possible conflict of interest involving the Board of Directors

In accordance with section 229 of the Spanish Companies Act (Ley de Sociedades de Capital), the Company's Board of Directors must notify the General Shareholders Meeting of any direct or indirect conflict that may have with the Company's interests. The Company's Board of Directors must also disclose direct or indirect investments held by them, or the related parties referred to in section 231 of the Spanish Companies Act, in the share capital of a company engaging in an activity that is identical, similar or complementary to the activity that constitutes the Company's corporate purpose and must also report the positions held or functions they discharge at that company.

In this regard, although the Company's Board members hold positions or discharge functions in other companies that engage in an activity that is identical, similar or complementary to the activity that constitutes the Company's corporate purpose, this was duly reported to the Company's General Shareholders Meeting held on held on February 24, 2022, which released APODACA's Directors from their obligation not to compete with the Company, concerning their positions and holdings in other companies, under the terms permitted by article 230.3 of the Spanish Companies Act, provided that (i) no harm can be expected to the Company under any circumstances, (ii) the Director informs the Board in a timely manner in the event of a conflict of interest or effective competition that causes harm to the Company, and (iii) the Director resigns from its post in the event of any harm, damage, or negative effect to the Company.

Any potential situation of conflict of interest may be mitigated by section 228 of the Spanish Companies Act by virtue of which any Director affected by a conflict of interest situation is obliged to refrain from assisting and voting in the relevant corporate decision involving such a situation.

5.2.8. Risk deriving from the delay or, where applicable, failure to obtain or renew the necessary licenses for the properties

The Company is obliged to obtain the necessary licenses to use the properties. In addition, it may be obligatory, in certain circumstances, to renew or update existing licenses.

As explained in section 3.8 of this Information Document, it should be noted that in 2017 the tenant applied for the municipal licence to change the use of the building located in Calle Apodaca, 5 (Madrid) from residential to lodging. Madrid City Council and Court of Justice refused the application. The appeal against that decision is awaiting judgement.

Since the granting of such licenses by the authorities may take a long time or may not even carry out, the Company or the lessees may be restricted or prevented from exploiting the properties. This could have significant, unfavourable effects on the operations, financial situation, forecasts, and results of the Company.

5.2.9. Possible liability of the Company due to the actions of contractors and sub-contractors

The Company may contract, or sub-contract renovation and reform work with third parties. The subcontractors might not meet their commitments, delay deliveries, or undergo financial difficulties not allowing them to execute on time what has been agreed, meaning the Company has to devote additional resources in order to meet their commitments.

5.2.10. Risk of damages to the properties

The properties of the Company are exposed, among others, to damage from possible fires, flooding, accidents, or other natural disasters. Should any such damage not be insured or involve an amount greater than that covered, the Company would have to face this, along with any loss related to the investment made and income forecast, which could have a significant unfavourable effect on the operations, financial situation, forecasts, and results of the Company.

Furthermore, as a result of the exercise of asset-related activity by the Company, the risk exists of claims being made against the Company due to possible defects in the technical characteristics and the construction materials of the properties leased out.

5.2.11. Risk associated with the valuation of assets

At the time of valuing the real estate assets, VALTECSA made certain assumptions, among others, concerning the use and cash flow projections for the assets, the yields, and the discount rates used, which a potential investor may not agree with. If said subjective elements were to evolve negatively, the valuation of the assets would be lower and could consequently affect the Company's financial situation, profit, or valuation.

5.2.12. Risk associated with the valuation of the Company

As detailed in Section 7.1, VALTECSA has issued a valuation report dated June 30, 2022 (the "Report") in relation to its assistance to the Company, in the estimation of the fair value of 100% shares of the Company as of March 31, 2022 (the "Valuation Date").

At the time of estimating the fair value of 100% shares of the Company, VALTECA made certain assumptions, among others, concerning the cash flow projections for the structure costs, the yields, and the discount rates used, which a potential investor may not agree with. If said subjective elements were to evolve negatively, the valuation of the Company would be lower and could consequently affect the Company's financial situation, profit, or valuation.

The Report details the bases of information for the valuation of the Company, mainly, the latest available financial statements of the Company as at the Valuation Date and the real estate assets valuations issued by VALTECA as explained in section 7.2 of this Document.

5.3. LEGAL AND REGULATORY RISKS

5.3.1. Risks related to regulatory changes

The Company is 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.

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

The Company opted for the SOCIMI special tax regime, and therefore, among others, will be taxed under Corporate Income Tax at 0% for any profit arising from its activity. Therefore, any change (including changes of interpretation) in the REITs Act (Spanish Law 11/2009, of 26 October, amended by Law 16/2012 - *Ley de SOCIM*) or in relation to the tax legislation in general, in Spain or in any other country in which the Company or its subsidiaries may operate in the future or in which the shareholders of the Company are residents, including but not limited to (i) the creation of new taxes or (ii) the increase of the tax rates in Spain or in any other country of the existing ones, could have an adverse effect on the activities of the Company, its financial conditions, its forecasts, or results of operations.

5.3.3. Application of special tax regime

It should be noted that APODACA will be subject to (i) a special tax of 19% on the full amount of the dividends or profit sharing distributed to the shareholders 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%, and (ii) a special tax of 15% on undistributed profits as a dividend to the shareholders. This tax will be considered as a Corporate Income Tax fee.

According to the article 44 of the Company's Article of Association, shareholders who cause the accrual of the special tax of 19% shall indemnify to the Company in an amount equivalent to the Corporate Income Tax expense that arises for the Company the payment of the dividend that serves as a basis for the calculation of the special tax.

5.3.4. Loss of special tax regime

The Company or its subsidiaries may lose the special tax regime established under the SOCIMI Law, coming to be taxed under the general Corporate Income Tax regime, in the actual tax period in which any of the circumstances occurs:

- Exclusion from trading on regulated markets or a multilateral trading system.
- The substantial non-fulfilment of the information obligations referred to by Article 11 of the SOCIMI Law, unless the report for the immediately following financial year remedies such non-fulfilment.
- Any lack of distribution agreement or total or partial payment of the dividends in the terms and periods referred to by Article 6 of the SOCIMI Law. In this case, taxation under the general regime will take place during the tax period corresponding to the financial year from the profit of which such dividends would have derived.
- A de-registration of the special tax regime established in the SOCIMI Law.
- The non-fulfilment of any other of the requisites required under the SOCIMI Law so that the Company might apply the special tax regime unless the reason for the non-fulfilment is remedied within the immediately following financial year. However, the non-fulfilment of the period for maintaining the investments (properties or shares of certain entities) referred to by Article 3.3 of the SOCIMI Law will not involve the loss of the special tax regime.

The loss of the special tax regime established in the SOCIMI Law will mean its application may not be requested again for at least three years since the conclusion of the last tax period in which such regime applied. The loss of the special tax regime and subsequent eligibility for tax under the Corporate Income Tax general regime in the financial year in which said loss takes place, would mean that the Company would be obliged to pay, if applicable, the difference between the tax quota owed under the general regime and the quota paid under the special tax regime in financial years prior to the breach, notwithstanding any default interest, surcharges, and penalties that may be imposed.

5.3.5. Risk deriving from a potential inspection by the Tax Authorities

Pursuant to prevailing legislation, no taxes may be considered to have been definitively settled until the declarations have been inspected by the tax authorities, or until a statute of limitations period of four years has elapsed. As of the date of this Informational Document, the Company is subject to an inspection all taxes applicable to it corresponding to the period commencing from its incorporation.

5.3.6. Litigation risk

There is currently no ongoing litigation that could have an adverse impact on the Company’s results.

5.4. FINANCIAL RISKS

5.4.1. Risks relating to debt management

As indicated in section 3.2 of this Information Document, as of December 31, 2021, the total outstanding debt of the Company with Sabadell bank (€2,854,844) as a percentage of the Market Value of assets (€48,994,000) provided by VALTECSA is 5.83%.

As security of all the obligations and liabilities assumed by the Company under 3 loan agreements, the Company has granted mortgages over real estate assets it owned.

Therefore, the failure to comply with the obligations assumed by the Company with Sabadell Bank could lead to the early expiration of the corresponding financing agreements, as well as the cross-maturity of other debts, and, therefore, the fact that said lender demand in advance the payment of the principal of the debt and its interests and, in their case, execute the securities that could have been granted in their favour, which could negatively affect the activities, financial situation, and the results of the Company.

Concerning interest rates, the Company's loans representing 45.12% of the outstanding debt with Sabadell bank as of December 31, 2021 are referenced to a fix interest rate. Therefore, for the remaining 54.88%, APODACA is exposed to interest fluctuations and an increase in interest rates that could result in higher financing costs, which could negatively affect the activities, financial situation, and the results of the Company.

5.4.2. Risks associated with the financing of the new investments

The investment strategy of the Company contemplates the financing of investments through equity and/or through bank debt.

If APODACA does not have access to financing, or they do not obtain it with adequate terms, or if there are delays in obtaining such financing, it may impair their ability to undertake investments or even be forced to give up investments already foreseen, which could adversely affect its investment strategy and cause negative consequences in the results of its commercial operations and, ultimately, in its business.

5.4.3. Lack of liquidity for the payment of dividends

All dividends and other distributions payable by the Company will depend on the existence of available profits for distribution and sufficient cash. Moreover, there is a risk that the Company may generate profits but have insufficient cash to meet the dividend distribution requirements in the SOCIMI regime in monetary terms. If the Company has insufficient cash, the Company could be obliged to pay dividends in kind or implement a system to reinvest the dividends in new shares.

As an alternative, the Company could apply for additional financing, which would increase its financial costs and reduce its capacity to seek financing for new investments, which could have a material adverse effect on the Company's business, financial conditions, results, and expectations.

6. INFORMATION CONCERNING THE OPERATION

6.1. Admission on Euronext Access

At the General Shareholders Meeting held on February 24, 2022, APODACA's shareholders approved the admission of the Company's shares to Euronext Access Paris.

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

ISIN: ES0105658001

Euronext Ticker: MLASO

Number of shares to be listed: 545,202 ordinary shares

Nominal price per share: €60.00

Reference price per share: €70.00

Market capitalization: €38,164,140

Initial listing and trading date: 30-09-2022

Listing Sponsor: VGM Advisory Partners, S.L.U.

Paying agent: CaixaBank, S.A.

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 a technical admission of the shares.

The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF). The registration on the Euronext Access Market should provide more visibility to the Company, and at the same time, allow it to consolidate its structure while familiarizing itself with the financial markets.

Finally, to keep the special tax regime for SOCIMI, the Company needs to be listed on a stock exchange in Europe.

6.3. Company's share capital (article 7 of the Articles of Association)

Article 7 of the Articles of Association sets out the Company's share capital.

Article SEVEN.- Share capital and shares

1. *Share capital.- The share capital is hereby set at THIRTY TWO MILLION SEVEN HUNDRED AND TWELVE THOUSAND ONE HUNDRED AND TWENTY EUROS (€32.712.120).*
2. *Shares: Such share capital is divided into FIVE HUNDRED AND FORTY-TWO THOUSAND TWO HUNDRED AND TWO registered shares of the same class and series, with an individual face value of SIXTY euros each, fully subscribed and paid up, conferring the political and economic rights defined in the current legislation.*

6.4. Evolution of the share capital, increases, and reductions

The Company was incorporated on December 17, 2019, with a share capital of €32,712,120. After the incorporation there has no been any increases or reductions of the share capital.

As of the date of this Information Document, the distribution of the share capital is as follows:

Shareholder	(€) Share capital	Shareholding
Mr. Blas Ignacio Quiralte Abelló (1)	5,452,020	16.67%
Mr. Alvaro Luis Quiralte Abelló (2)	5,452,020	16.67%
Mrs. Silvia Palmira Quiralte Abelló (3)	5,452,020	16.67%
Mr. Pablo José Quiralte Abelló (3)	5,452,020	16.67%
Mr. Jorge David Quiralte Abelló (3)	5,452,020	16.67%
Mrs. Nieves Fuentes Quiralte Mrs. Marta Fuentes Quiralte Mr. Rafael Fuentes Quiralte Mr. Miguel Fuentes Quiralte (4)	5,452,020	16.67%
Total	**32,712,120**	**100.00%**

(1) Chairman of the Board.
(2) Director and Secretary of the Board.
(3) Director of the Board.
(4) Joint bare owners of the shares, being Mr. Rafael Fuentes del Río (Director of the Board) the usufructuary of the shares.

It must be noted that, to this date, the Company has not implemented a share-based incentive scheme neither for its Directors, nor its employees.

6.5. Main characteristics of the shares

6.5.1. Shares representation and accounting records. (article 8 of the Articles of Association)

According to article 8 of the Articles of Association:

Article EIGHT.- Representation of shares

1. *The shares will be represented by book entries and are constituted as such by virtue of their entry in the corresponding accounting record. They shall be governed by the regulation applicable to securities markets.*

2. *Legitimacy for the exercise of the shareholder's rights, including transfer, if any, is obtained through registration in the accounting record that assumes the lawful ownership and entitles the holder of the registration to demand that the Company recognise them as a shareholder. This legitimacy may be proven by presenting the appropriate certificates issued by the entity responsible for keeping the corresponding accounting records.*
3. *If the Company performs any services in favour of the person who appears as the owner in accordance with the accounting record, it will be released from the corresponding obligation, even if that person is not the beneficial owner of the share, provided that it was performed in good faith and without negligence.*
4. *In the event that the person who appears legitimated in the entries of the accounting records holds such legitimacy by virtue of a trust title or other financial intermediary acting on behalf of its clients or through any other title or condition of similar meaning, the Company may require them to disclose the identity of the actual beneficial owners of the shares, as well as the acts of transfer and encumbrance thereon.*

The shares traded on Euronext Access Paris will be registered on Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("IBERCLEAR"), and for all the settlement related services of the shares listed on that market will be used IBERCLEAR.

6.5.2. Transferability of the shares (articles 11 of the Articles of Association)

Articles 11 covers the transferability of the shares.

Article ELEVEN.- Transfer of shares

1. *Free transfer of shares*

   The shares and the economic rights arising therefrom, including the pre-emptive right, are freely transferable by all legally permissible means.

6.5.3. Rights for shareholders

All the shares are ordinary shares granting the same rights to their holders. Among the most relevant rights, according to Spanish law, specifically the Spanish Companies Act, should be highlighted the following:

- Right to participate in dividend distributions.

  The shares confer to their holders the right to participate in all dividend distributions and in their proportional part of the assets remaining under a liquidation event under the terms established in the Spanish Companies Act. As all of them are ordinary shares, there shall be no difference among them.

- Preferred subscription right in the issuance of new shares.

  The owners of the shares will have a preferred right to subscribe shares (ordinary or preferred) in all capital increases and in the issuance of convertible shares, with the only exception being the subscription rights contemplated in article 308 and 417 of the Spanish Act.

Additionally, the Spanish Companies Act contemplates the free assignment of shares in the case of capital increases against reserves.

- Political rights.

  The shares confer to their owners the right to assist and vote in the Shareholders Meeting. Also, the holders of the shares shall be allowed to contest the shareholders' agreements in accordance with the terms contemplated by the Spanish Companies Act.

  Each share carried the right to issue one vote.

- Information rights.

  The shares confer their holders the right to be informed under the terms of article 197 of the Spanish Companies Act.

According to article 29 of the Articles of Association, the Shareholders Meetings will be quorate on first call when the shareholders present or represented hold at least 25% of the subscribed share capital with voting rights. In the second call to meeting any amount of present or represented share capital is permissible to constitute a Meeting.

Notwithstanding that indicated in the previous paragraph, in accordance with the terms contemplated by the Spanish Companies act, for the Shareholders Meeting to validly resolve to increase or reduce share capital, amend the Articles of Association, issue debentures, eliminate or restrict pre-emption rights on new shares, carry out any alteration of legal form, mergers, spin-offs or transfers en bloc of assets and liabilities or transfer the registered office abroad, it will be necessary, on first call for shareholders present or represented to hold at least 50% of the subscribed share capital rights. Under the second call, the presence of 25% of said capital will suffice.

According to article 29 of the Articles of Association, in general, corporate resolutions will be adopted by a simple majority of the votes of the shareholders present or represented at the Shareholder's Meeting of the Company. However, in accordance with the terms contemplated by the Spanish Companies act, where the share capital present or represented at the Shareholders Meeting is less than 50%, the resolutions referred to in the preceding paragraph may only be validly passed with the vote in favour of at least two-thirds of the shareholders present or represented.

6.5.4. Ancillary obligations of the shares (article 10 of the Articles of Association)

Article TEN.- Ancillary obligations

The Company's shares involve the performance and fulfilment of the ancillary obligations described hereunder. These obligations, which will not involve any remuneration by the Company to the shareholder in each case affected, are as follows:

1. *Shareholders with significant stakes*

   a) *Any shareholder who (i) holds shares in the Company in a percentage equal to or greater than*

5% of the share capital, or of that percentage of ownership provided for in Article 9.2 of the REITs Act, or the regulation that replaces it, for the accrual by the Company of the special levy through Corporate Tax (the Significant Shareholding); or (ii) acquires shares that imply reaching, together with those already held, a Significant Shareholding in the Company's share capital, must notify theses circumstances to the Board of Directors within five (5) calendar days of the moment on which he has become holder of that percentage of ownership.

b) Similarly, any shareholder who has reached such Significant Shareholding in the Company's share capital must notify the Board of Directors of any subsequent acquisition, irrespective of the number of shares acquired.

c) The same declaration as those specified in foregoing sections (a) and (b) must also be provided by any person who holds economic rights over shares in the Company representing a percentage equal to or greater than five per cent (5) of the share capital or any other percentage of ownership that, for the accrual by the Company of the special charge for the Corporate Tax, is anticipated at any given time by the current regulations replacing or amending article 9.2 of the REITs Act, including in any case those indirect holders of shares in the Company through financial brokers who appear formally legitimated as shareholders by virtue of the accounting record but who act on behalf of the aforementioned holders.

d) Together with the communication provided for in the preceding sections, the affected shareholder or holder of the economic rights must provide the Secretary of the Board of the Company:

i. A certificate of residence for personal income tax purposes issued by the competent authorities in their country of residence. In those cases in which the shareholder resided in a country with which Spain has signed an agreement to avoid double taxation on taxes levied on income, the residence certificate must meet the characteristics provided for in the corresponding agreement for the application of its benefits.

ii. A certificate issued by a person with sufficient power to prove the type of tax to which the dividend distributed by the Company is subject, along with a statement that the beneficial owner of the dividend is the beneficial owner.

The shareholder or owner of economic rights must deliver this certificate to the Company within ten (10) calendar days following the date on which the General Meeting or, wherever appropriate, the Board of Directors agrees to the distribution of any dividend or any analogous amount (reserves, etc.).

e) If the party obliged to report fails to comply with the reporting obligation set out in sections a) to d) above, the Board of Directors may presume that the dividend is exempt or that is subject to a lower tax rate than that provided in article 9.2 of the REITs Act, or whichever rule may replace it.

Alternatively, the Board of Directors may request, at the expense of the dividend corresponding to the shareholder, a legal report from a law firm of renowned prestige in the country in which the shareholder resides to pronounce on the taxation of dividends disbursed by the Company. The expense incurred to the Company will be due the day before the payment of the dividend or similar amount corresponding to the shares of the shareholder or holder of economic rights concerned, upon the terms laid down in article forty-five of these

Articles of Association.

In any case, in accordance with article forty-five, paragraph 5 of these Articles of Association, if the payment of the dividend or similar amount is performed prior to the deadline established to comply with the ancillary obligation, and in cases of non-compliance, the Company can withhold the payment of the amounts to be allocated to shareholders or to the holder of economic rights concerned, under the terms foreseen in article forty-five of these Articles of Association.

f) *The transfer of the Company shares (including, therefore, this ancillary obligation) for inter-vivos o mortis- causa acts is authorised for all purposes.*

g) *referred to in section a) above will be understood as (i) automatically modified if the figure set out in article 9.2 of the REITs Act, or rule that replaces it were to vary or be substituted and therefore being duly (ii) replaced by the one contained at any time in the aforementioned regulations.*

2. *Shareholders subject to special regimes*

a) *Any shareholder who, as an investor, is subject in their home jurisdiction to any kind of special legal system regarding pension funds or benefit plans, must notify this circumstance to the Board of Directors.*

b) *Similarly, any shareholder in the situation described in foregoing paragraph (a) must notify the Board of Directors of any subsequent acquisition or transfer, regardless of the number of shares acquired or transferred.*

c) *The same declaration as those specified in foregoing sections (a) and (b) must also be provided by any person who holds economic rights over shares in the Company, including in any case those indirect holders of shares in the Company through financial brokers who appear formally legitimated as shareholders by virtue of the accounting record but who act on behalf of the aforementioned holders.*

d) *The Company, by notice in writing (an Information Order) may require any shareholder or any other person with a known or apparent interest in the Company's shares to provide whatever written information the Company may require and as is known to the shareholder or other person, in relation to the beneficial ownership of the shares in question or the interest therein (accompanied, if the Company so requires, by a formal notary-witnessed declaration and/or by independence evidence), including (without prejudice to the general nature of the foregoing) any information which the Company may consider necessary or desirable for the purpose of determining whether such shareholders or persons are likely to be in the situation described in foregoing paragraph (a).*

The Company may make an Information Request at any time and may send one or mores Information Requests to the same shareholders or to another person with respect to the same shares or interests in the same shares.

(e) *Without prejudice to the obligations regulated in this article ten, paragraph 2, the Company will supervise the acquisitions and transfers of shares that are made, and will adopt the appropriate measures to avoid damages that could arise for the Company itself or its shareholders from application of the prevailing regulations in the field of pension funds or* *benefits plans that could affect them in their respective jurisdictions.*

(f) *The transfer of the shares of the Company (including, therefore, this ancillary obligation) through inter-vivos or mortis-causa acts is authorised for all purposes.*

7. COMPANY VALUATION AND FINANCIAL FORECASTS

7.1. Company valuation

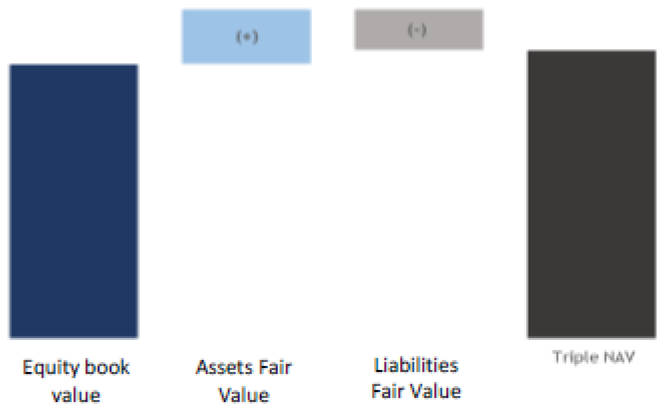
The Company has engaged VALTECSA to provide an independent expert opinion on the Company's fair value as of March 31, 2022.

Valuation methodology used

Based on the fact that the Company is a SOCIMI, according to VALTECSA, the most appropriate method to value the Company is Triple-NAV (NNNAV), which is based on the hypothesis of the immediate liquidation of the Company.

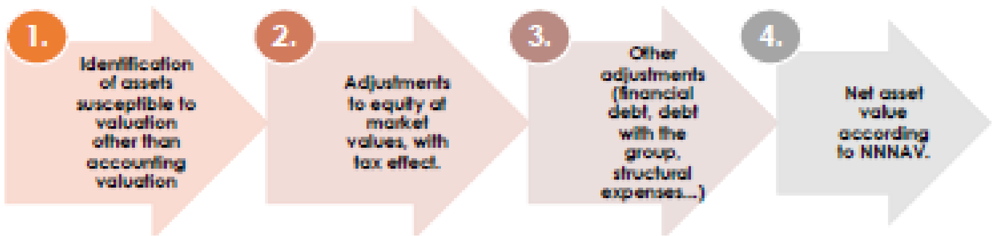
This assumed liquidation would involve the sale of all the assets owned by the Company and the cancellation of all liabilities, as well as the consideration of the net tax liabilities arising from the theoretical recognition of capital gains on assets and other adjustments to the fair value of assets and liabilities. Once the company becomes a SOCIMI, no deferred tax asset or liability has to be recognised, because at that time the company would be taxed at 0% (for the investments under the rental regime, not for the rest of the assets on the balance sheet). In this case, there are assets on the balance sheet that are not subject to the rental regime.

Graphically, the NNNVA methodology would be represents as follows:



Valuation process

The valuation is determined based on the following sequence:



As mentioned above, the valuation is carried as of 31 March 2022.

Identification of relevant assets

According to VALTECSA, the Company's assets include the following main elements:

- Investment property.

  It includes the value of land, buildings and other structures which are held either for rental purposes or to generate a capital gain on their sale as a result of future increases in their respective market prices. This heading includes assets subject to independent valuation, which is analysed in a more specific section below.

  The rental regime for each property is explained in sections 3.5.1 to 3.5.5 of this Information Document when describing the real estate assets held by the Company.

- Tangible fixed assets.

  Three properties for own use or non-rental assets (2 located in Alcázar de San Juan and the Company's headquarters at Calle Ponzano 76, 2º A, Madrid) as well as other fixed assets. This heading includes assets subject to independent valuation, which is analysed in a more specific section below.

- Other balance sheet items.

  Apart from the aforementioned items, according to VALTECSA, there are balances in other asset and liability items, which, due to their nature and the information provided, may have a market value similar to the book value at the time of valuation. VALTECSA therefore propose to analyse the valuation of the financial debt.

Adjustments to market value

As mentioned above, only the valuation of the items included under Investment property and Tangible fixed assets is analysed. In this respect, independent valuations have been carried out by VALTECSA (see section 7.2 of this Information Document), which determine the Market Value to be considered for the analysis.

A summary of the independent asset valuations is presented:

Address	City	Province	Market Value (€)
C/ Apodaca 5	Madrid	Madrid	6,868,000
C/ Alonso Heredia 18	Madrid	Madrid	3,130,000
C/ José Ortega y Gasset 67	Madrid	Madrid	13,975,000
C/ Ponzano, 76	Madrid	Madrid	7,550,000
Pº de la Castellana 103	Madrid	Madrid	14,243,000
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	1,650,000
C/ Emilio Castelar 17	Alcázar S. Juan	C. Real	850,000
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	728,000
Total			**48,994,000**

Source: VALTECSA.

To provide a range of market values for the properties, VALTECSA have calculated an upper and a lower range, obtained through the following hypothesis: +/- 5% change in market values.

- Investment property.

The summary of valuation carried out by VALTECSA excluding the 3 non-rental assets mentioned above is shown in the table below:

Address	City	Province	Market Value (€)
C/ Apodaca 5	Madrid	Madrid	6,868,000
C/ Alonso Heredia 18	Madrid	Madrid	3,130,000
C/ José Ortega y Gasset 67	Madrid	Madrid	13,975,000
C/ Ponzano, 76 (*)	Madrid	Madrid	7,015,000
Pº de la Castellana 103	Madrid	Madrid	14,243,000
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	1,650,000
Total			46,881,000

(*) Excluding the Company's headquarters at Calle Ponzano 76, 2º A

Source: VALTECSA.

According to APODACA balance sheet as of March 31, 2022 (non audited), the net book value of Investment property is €33,970,185.

The book and market values of the Company's Investment property, and the gross difference (gain/loss) arising therefrom as of March 31, 2022 are:

Investment property (€)	Lower range	Base	Higher range
Book value	33,970,185	33,970,185	33,970,185
Market value	44,536,950	46,881,000	49,225,050
Capital Gain/Loss	10,566,765	12,910,815	15,254,865

Source: VALTECSA.

- Tangible fixed assets.

The valuation carried out by VALTECSA of the 3 non-rental assets is the following:

Address	City	Province	Market Value (€)
C/ Ponzano, 76, 2º A	Madrid	Madrid	535,000
C/ Emilio Castelar 17	Alcázar S. Juan	C. Real	850,000
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	728,000
Total			2,113,000

Source: VALTECSA.

The office with the Company's headquarters located at Calle Ponzano 76, 2º A, Madrid is described in section 3.5.4 of this Information Document, and the other 2 properties located in Alcázar de San Juan (C/ Emilio Castelar 17 and C/ Ramón y Cajal 5) are described in sections 3.5.7 and 3.5.8.

According to APODACA balance sheet as of March 31, 2022 (non audited), the net book value of the non-rental assets is €1,951,724.

The book and market values of the Company's 3 non-rental assets, and the gross difference (gain/loss) arising therefrom as of March 31, 2022 are:

Investment property (€)	Lower range	Base	Higher range
Book value	1,951,724	1,951,724	1,951,724
Market value	2,007,350	2,113,000	2,218,650
Capital Gain/Loss	**55,626**	**161,276**	**266,926**

Source: VALTECSA.

<u>Tax treatment</u>

Of all the capital gains generated by the valuation of assets, only those derived from Tangible fixed assets generate a tax charge, as shown in the table.

Tax effect of capital gain/losses (€)	Lower range	Base	Higher range
Capital gains accruing tax liability	55,626	161,276	266,926
Tax Rate	25%	25%	25%
Net Fiscal impact (Capital gain/losses)	**13,907**	**40,319**	**66,732**

Source: VALTECSA.

The theoretical taxes on the capital gains/losses are obtained by applying the corporate tax rate of 25%.

<u>Other adjustments</u>

- Structural costs.

  For the NNNAV calculation, the structural costs provided by the Company correspond to (i) the costs associated with the listing and maintenance of the Company's shares on Euronext Access Paris and (ii) the costs of managing the assets necessary to carry out the leasing activity that have not been considered in the valuation of the real estate assets.

  The following assumptions have been employed by VALTECSA for the calculation of the structural costs:

Structural costs	€229,924
Perpetual growth rate ("g")	1%
Discount rate ("K")	3.98%
Exist Yield	4.07%

Source: VALTECSA.

The discount rate ("K") and the Exit Yield applied has been calculated as the weighted average of discount rates applicable to the real estate assets in the portfolio.

A terminal value has been estimated for the end of the period assuming the ongoing concern principle.

Therefore, the structural costs projected are as follows:

	2022	2023	2024	2025	2026	2027	2028	2029	2030	Terminal Value
Structure Costs (€)	229,924	232,224	234,546	236,891	239,260	241,653	244,069	246,510	248,975	8,192,631
Discount factor	0.981	0.943	0.907	0.872	0.839	0.807	0.776	0.746	0.717	0.717
Present Value (€)	225,478	219,009	212,726	206,623	200,695	194,937	189,344	183,912	178,636	5,878,074
Present Value accumulated (€)	225,478	444,486	657,212	863,835	1,064,529	1,259,466	1,448,810	1,632,722	1,811,357	7,689,432

Source: VALTECSA.

In order to provide a range of values for the structural costs, VALTECSA has calculated a lower and upper limit based on the following assumptions:

- Variation of +/-0.50% in the discount rate applied ("K").
- Variation of +/- 0.25% in the perpetual growth rate ("g").

Structural costs (€)		g		
		0.75%	1.00%	1.25%
K	3.48%	7,369,794	7,973,394	8,684,078
	3.98%	7,109,864	7,689,432	8,371,788
	4.48%	6,861,077	7,417,683	8,072,971

Source: VALTECSA.

- Financial debt.

Following the analysis carried out on the financial debt, based on its characteristics, VALTECSA understands that the interest rates and the spread applied, based on the issuer's credit quality, are in line with market parameters. Consequently, VALTECSA assumes the book value as a reference equivalent to its current market value.

- Long-term debt with related parties.

The resulting implicit rate of the long-term debt with related parties for 2021 is 4.49%. Without knowing the credit quality of the entity, VALTECSA assumed that this is a market price.

Valuation result

Based on the information provided, the valuation carried out, and the valuation process described above, VALTECSA concluded that the value range of APODACA as of March 31, 2022, is determined as follows:

Company value at 31-03-2022 (€)	Low range	Base	High range
Net Worth Value(*)	33,049,361	33,049,361	33,049,361
Capital gains on assets	10,622,391	13,072,091	15,521,791
(-) Structural costs	(8,684,078)	(7,689,432)	(6,861,077)
(-) Net capital gains taxes	(13,907)	(40,319)	(66,732))
Adjusted equity (NNNAV)	**34,973,768**	**38,391,701**	**41,643,343**
Number of shares	545,202	545,202	545,202
Net Worth Value(*)	64.15	70.42	76.38

(*) Non audited.

Source: VALTECSA.

Taking into consideration the NNNAV of the Company, on 8 September, 2022, APODACA's Board of Directors established a reference price of €70.00 per share, which implies a total value for the Company of € 38,164,140. This value of the Company is around the Base value determined by VALTECSA for the NNNAV.

7.2. Real estate assets valuation

On 23 May and 31 May, 2022, VALTECSA issued 8 valuation reports regarding each of the Company's real estate assets, being the valuation date March 31, 2022.

VALTECSA is a company regulated by RICS and therefore complies in all its written reports with the Professional Standards 1 and 2 published by RICS in 2022, which is known as the Red Book, and involve following the International Valuation Standards (IVS 2022) published by the International Valuation Standards Council (IVSC) in 2022.

The sole purpose of these asset valuation reports is to determine the Market Value, within the meaning of the IVS 2022, as the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the valuation date.

For the valuation method, VALTECSA has adopted the Rent Capitalization for all the properties except the one located in Emilio Castelar street (Alcázar de San Juan). This method is based on discounting the amounts of future cash flows ("DCF") over a period of time (including the terminal value) to the valuation date, applying the appropriate discount rate.

The terminal value has been calculated for all the assets by direct capitalization at an exit yield of the expected net rents in the last period, expect for the properties located in Ortega y Gasset and Ponzano streets (Madrid). In these 2 assets, the terminal value has been calculated by comparison of current market prices, considering that the possible revaluation of the assets is offset by the depreciation due to age.

VALTECSA has considered, among others, the following main assumptions for the calculation of the Market Value of 7 properties based on the DCF method:

Address	City	Province	Cash flow period	Discount rate	Terminal value
C/ Apodaca 5	Madrid	Madrid	10 years	3.61%	3.65% exit yield
C/ Alonso Heredia 18	Madrid	Madrid	10 years	4.10%	4.20% exit yield
C/ José Ortega y Gasset 67	Madrid	Madrid	10 years	3.97%	7,181 sqm market price
C/ Ponzano, 76	Madrid	Madrid	10 years	4.00%	6,162 sqm market price
Pº de la Castellana 103	Madrid	Madrid	10 years	4.00%	4.25% exit yield
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	46 years (end of useful life)	4.10%	-
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	10 years	6.49%	5.99% exit yield

Source: VALTECSA.

For the asset located in Emilio Castelar street (Alcázar de San Juan), VALTECSA has adopted the Dynamic Residual method. The residual value of this property by the dynamic procedures is 599,67 €/sqm per buildable area calculated as the difference between the value of the proceeds from the sale of the finish property and the value of the payments made for the various costs and expenses.

Subject to the information, assumptions and limitations of the market and the reports, VALTECSA is of the opinion that the Market Value of the subject properties, as of March 31, 2022, is as follows:

Address	City	Province	Market Value (€)
C/ Apodaca 5	Madrid	Madrid	6,868,000
C/ Alonso Heredia 18	Madrid	Madrid	3,130,000
C/ José Ortega y Gasset 67	Madrid	Madrid	13,975,000
C/ Ponzano, 76	Madrid	Madrid	7,550,000
Pº de la Castellana 103	Madrid	Madrid	14,243,000
C/ Félix Boix 9, Esc 1 1º 1	Madrid	Madrid	1,650,000
C/ Emilio Castelar 17	Alcázar S. Juan	C. Real	850,000
C/ Ramón y Cajal 5	Alcázar S. Juan	C. Real	728,000
Total			48,994,000

Source: VALTECSA.

7.3. Company's financial resources for at least twelve months after the first day of trading

Based on the Company's financial statements ended on December 31, 2021, the Company's Board of Directors declared at the meeting held on February 24, 2022, that the Company has sufficient resources to meet all its short-term liabilities for the 12-month period following its admission to trading on Euronext Access Paris.

8. FINANCIAL INFORMATION FOR YEARS 2020 AND 2021

The financial statements set out in this Information Document have been prepared in accordance with accounting principles referred to in section 8.3, and the selected financial data included have been derived from the financial statements for the years ended on December 31, 2020, and on December 31, 2021, contained in the respective financial reports, so they should be read in conjunction with the financial statements and notes included therein.

The Spanish language version of the financial statements as of December 31, 2021 has been audited by BDO Auditores, S.L.P.

The financial statements (including the audit report when it is available) are attached as Appendix I to this Information Document, and they are also available on the Company's website: https://www.apodacainmobiliaria.com/

The selected financial data of the financial statements included in this Information Document have been translated into English from the Spanish version of the financial statements, and their content appears for information purposes. In case of any discrepancies, the information included in the Spanish version of the financial statements shall prevail.

8.1. Balance Sheets as of December 31, 2020, and December 31, 2021

Assets (€)	31-12-2020(*)	31-12-2021(**)
Non-Current Assets	**35,886,798**	**36,033,799**
Property, plant and equipment	1,971,669	2,123,901
Land and buildings	*1,971,669*	*1,955,713*
Technical facilities and other PP&E	*-*	*161,152*
PP&E under construction	*-*	*7,036*
Investment properties	33,915,129	33,909,898
Investment in land and natural assets	*23,480,194*	*23,480,194*
Construction investments	*10,434,936*	*10,429,704*
Current Assets	**850,882**	**262,816**
Trade and other receivables	140,631	180,293
Trade receivables for sales and services	*138,216*	*123,836*
Sundry receivables	*2,270*	*2,270*
Current tax assets	*-*	*53,682*
Other credits with associate companies	*145*	*506*
Short-term investments in associate companies	-	1,006
Short-term financial investments	33,254	39,479
Other short-term equity instruments	*1,066*	*962*
Other financial assets	*32,188*	*38,517*
Cash and cash equivalents	676,998	42,039
Total Assets	**36,737,680**	**36,296,615**

(*) Non audited; (**) Audited.

Source: financial statements.

Equity and Liabilities (€)	31-12-2020(*)	31-12-2021(**)
Equity	**32,775,211**	**32,758,568**
Shareholders' Equity	**32,775,211**	**32,758,568**
Capital	32,712,120	32,712,120
Reserves	10,038	(19,361)
Legal and statutory	*-*	*42,342*
Other reserves	*10,038*	*(61,704)*
Profit (loss) for the year	423,423	658,096
Interim dividend	(370,370)	(592,287)
Non-Current Liabilities	**2,661,841**	**3,137,394**
Long-term debts	2,661,841	3,137,394
Bank borrowing	*2,610,224*	*2,648,555*
Other financial liabilities	*51,617*	*488,838*
Current Liabilities	**1,300,629**	**400,653**
Short-term debts	1,005,710	202,366
Bank borrowing	*544,067*	*206,288*
Other financial liabilities	*461,644*	*(3,922)*
Trade and other payables	294,919	198,287
Sundry payables	*1,477*	*(1,989)*
Personnel (remuneration pending payment)	*10*	*1,031*
Current tax liabilities	*149,170*	*-*
Other debts with Public Administrations	*144,262*	*199,245*
Total Equity and Liabilities	**36,737,680**	**36,296,615**

(*) Non audited; (**) Audited.

Source: individual financial statements.

The liquidity ratio defined as the amount of Current Assets over Current Liabilities was 0.65 as of December 31, 2020 and 0.66 as of December 31, 2022.

8.2. Profit and Loss Statements corresponding to the year ending on December 31, 2020, and December 31, 2021

Profit and Loss Statement (€)	2020(*)	2021(**)
Turnover	1,202,481	1,636,313
Personnel expenses	(88,611)	(142,516)
Wages, salaries and similar	*(70,820)*	*(112,154)*
Employee benefit charges	*(17,791)*	*(30,363)*
Other operating expenses	(335,861)	(469,693)
Outsourced services	*(226,247)*	*(314,863)*
Taxes	*(109,614)*	*(173,591)*
Losses, impairment and changes in trade provisions	*-*	*18,762*
Depreciation / Amortization of fixed assets	(182,112)	(261,252)

Exceptional results	2,761	(17,078)
Operating Profit (Loss)	**598,659**	**745,773**
Finance income	7	78
Income from holdings in equity instr., group companies and associates	*0*	*3*
Other income from marketable securities and other financial instruments	*7*	*75*
Financial expenses	(44,266)	(87,745)
Through debts with group companies and associates	*(44,260)*	*(17,619)*
Through debts with third parties	*(6)*	*(70,126)*
Impairment and gains and losses on disposal of financial	22.537	12
Financial Profit/Loss	**(21,722)**	**(87.655)**
EBT	**576,937**	**658,119**
Corporate tax	(153,458)	(23)
Profit (Loss) for the Year from Continuing Operations	**423,478**	**658,096**
Profit (Loss) from Discontinued Operations	**(55)**	**-**
Profit (Loss) for the Year	**423,423**	**658,096**

(*) Non audited; (**) Audited.

Source: individual financial statements.

8.3. Principle, rules, and accounting methods

The attached financial statements have been prepared in accordance with the legal framework governing financial reporting applicable to the Company, which is established in the following:

- The Commercial Code and remaining mercantile legislation.
- General Chart of Accounts approved by Royal Decree 1514/2007, which was amended in 2016 by Royal Decree 602/2016, subsequently amended by Royal Decree 1159/2010 and later amended by Royal Decree 1/2021, and the sectorial adaptation for real estate companies.
- The mandatory regulations approved by the Institute of Accounting and Accounts Auditing in the implementation of the Chart of Accounts and its supplementary standards.
- Law 11/2009, of 26 October, as amended by Law 16/2012, of 27 December, which regulates Listed Real Estate Investment Trusts (REITs).
- The remainder of applicable Spanish accounting legislation.

8.4. Schedule date for the first Shareholder's General Meeting and the first publication of earning figures

The first publication of the Company's earnings figures following the admission to trading of shares on Euronext Access Paris will be the financial statements for year 2022 not later than five months following the close of 2022.

The Company will hold its first Ordinary Shareholders Meeting as a listed company in May or June 2022.

9. LISTING SPONSOR

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APPENDIX I: FINANCIAL STATEMENTS FOR THE YEARS 2020 AND 2021, WITH THE AUDITOR'S REPORT WHEN AVAILABLE