

GALIL CAPITAL RE SPAIN SOCIMI, S.A

18 de junio de 2021

En virtud de lo previsto en el artículo 17 del Reglamento (UE) nº 596/2014, sobre abuso de mercado, y en el artículo 228 del texto refundido de la Ley del Mercado de Valores, aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre, y disposiciones concordantes, así como en la Circular 3/2020 del segmento BME Growth de BME MTF Equity (BME MTF Equity), sobre información a suministrar por empresas incorporadas a negociación en el segmento BME Growth de BME MTF Equity (la "**Circular 3/2020 del BME MTF Equity**"), en sus redacciones vigentes, Galil Capital Re Spain, SOCIMI, S.A. ("**Galil Capital**" o la "**Sociedad**"), pone en conocimiento del mercado la siguiente

OTRA INFORMACIÓN RELEVANTE

Mediante la presente, se pone en conocimiento del mercado la presentación corporativa elaborada por la Sociedad dirigida a los actuales accionistas y, en su caso, a potenciales inversores.

En cumplimiento de lo dispuesto en la Circular 3/2020 del BME MTF Equity se deja expresa constancia de que la información comunicada por la presente ha sido elaborada bajo la exclusiva responsabilidad de la Sociedad y sus administradores.

Quedamos a su disposición para cuantas aclaraciones consideren oportunas.

Atentamente,



Jerry Zwi Mandel
Presidente del Consejo de Administración
de Galil Capital Re Spain SOCIMI, S.A.



Galil
Capital
RE Spain
SOCIMI,
S.A.



www.galilcapital.es

Jerry Mandel
+972-52-5499999
jerrym@galilcapital.com

18 June 2021





Disclaimer - Future Looking Statement

Certain information set forth in this presentation contains “forward-looking information”, including “future oriented financial information” and “financial outlook”, under applicable securities laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact, information contained herein constitutes forward-looking statements and includes, but is not limited to, the (i) projected financial performance of the Company; (ii) the expected development of the Company’s business; (iv) execution of the Company’s vision and growth strategy; (v) sources and availability of third-party financing for the Company’s projects; (vi) completion of the Company’s projects that are currently underway, in development or otherwise under consideration; (vi) renewal of the Company’s current customer, supplier and other material agreements; and (vii) future liquidity, working capital, and capital requirements.

These statements are not guarantees of future performance and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management’s estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.



Table of Contents

1. Overview of GCRE Spain
2. Recent Investment - April 2021
3. Covid19 Impact
4. RICs Valuation of Portfolio
5. GCRE Debt Position as of 31 DEC 2020
6. Rent Income Analysis
7. Financial Statements Review
8. NAV (IFRS) per Share Analysis
9. 2020 & 2021 Goals (presented in June 2020) vs. Actual
10. Factors Affecting Returning to “Normality”

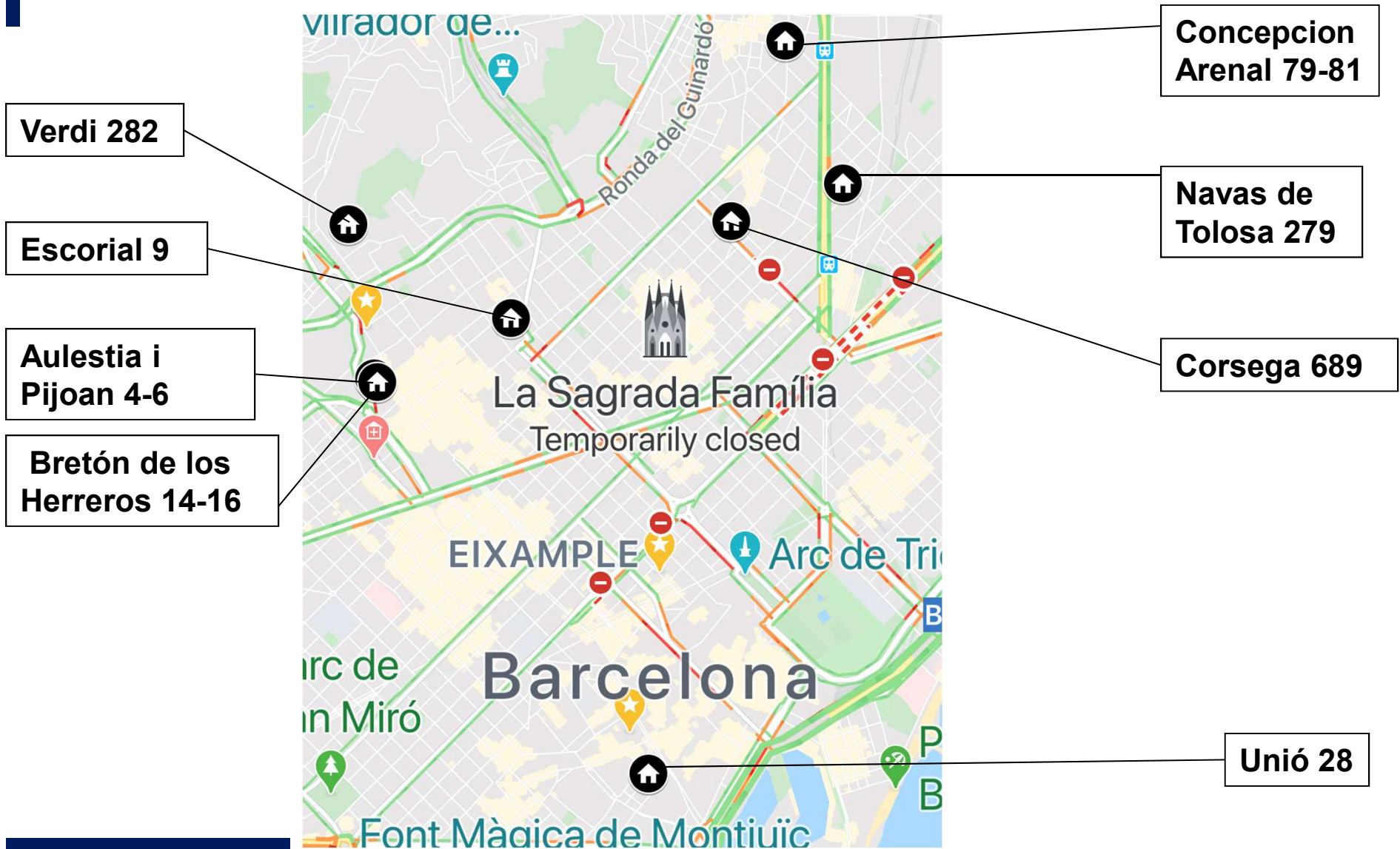
Overview of GCRE Spain

Overview of GCRE*

- Founded in December 2015
- Structured as SOCIMI (similar to US REIT) – significant Tax benefits.
- Shares listed on the BME Growth (Spain) – previously named MAB
- Focus on Barcelona and Madrid Residential Buildings
- Hold properties for 3+ years, remodel interior of units and improve buildings, as needed, to be able to increase rents and make units more attractive for resale in the future
- Owns 10 residential buildings (8 in Barcelona and 2 in Madrid):
 - 16,253 M2 constructed area
 - 175 viviendas and 28 locales
- 8** residential buildings owned 3+ years (SOCIMI min hold requirement)
- 2 residential buildings without mortgages
- **GCRE**, via a wholly owned subsidiary, GALIL RE NAQUERA 1 S.L.U. (“**GALIL NAQUERA**”), completed the purchase of an industrial property in Valencia for EUR9,000,000.

Overview of Portfolio

Barcelona: 8 Residential Buildings Owned



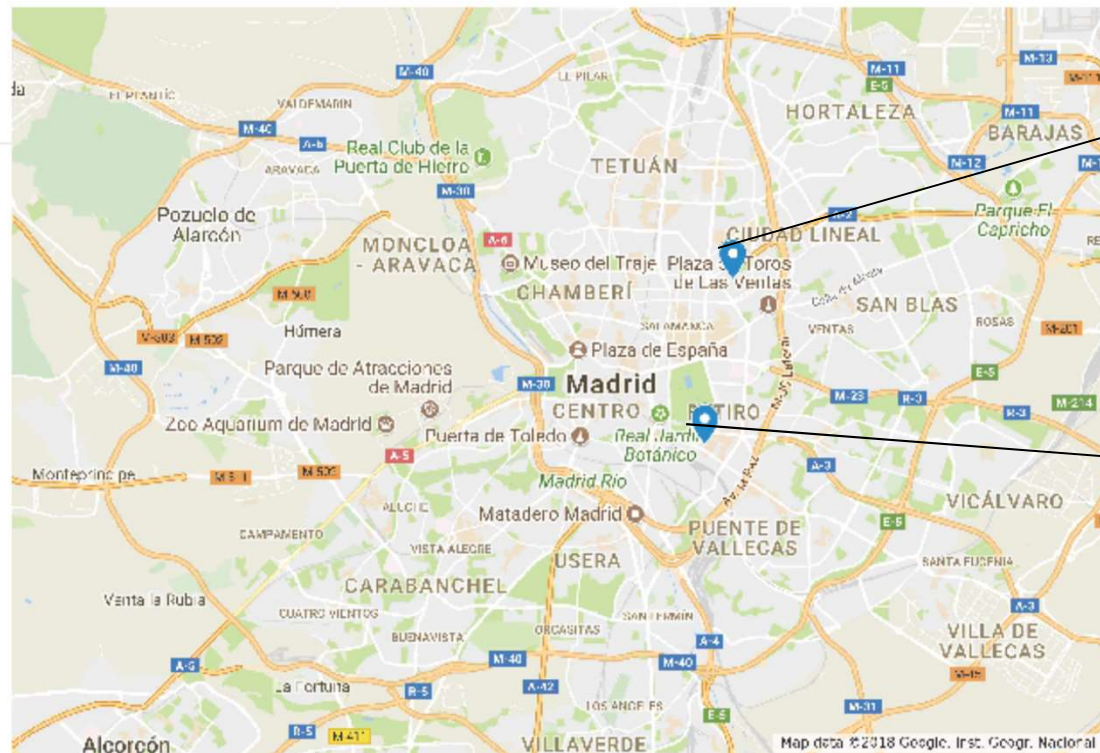
Overview of Portfolio

Madrid (inside M30) – 2 Residential Buildings Owned

MADRID OWNED PROPERTIES

MADRID OWNED PROPERTIES

- Calle de Granada, 12
- Calle de Béjar, 23



Bejar 23

Granada 12

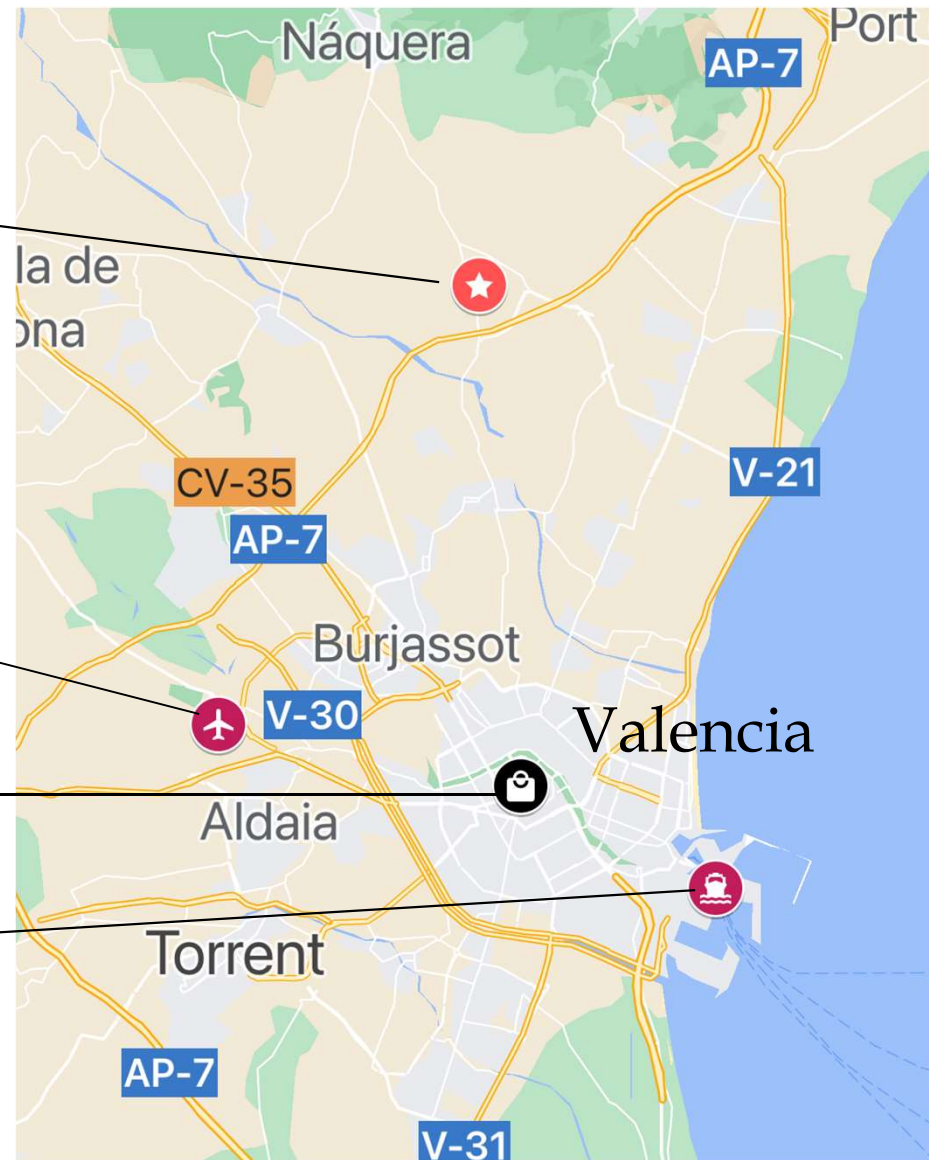
Overview of Portfolio

Valencia - 1 Industrial Property Owned

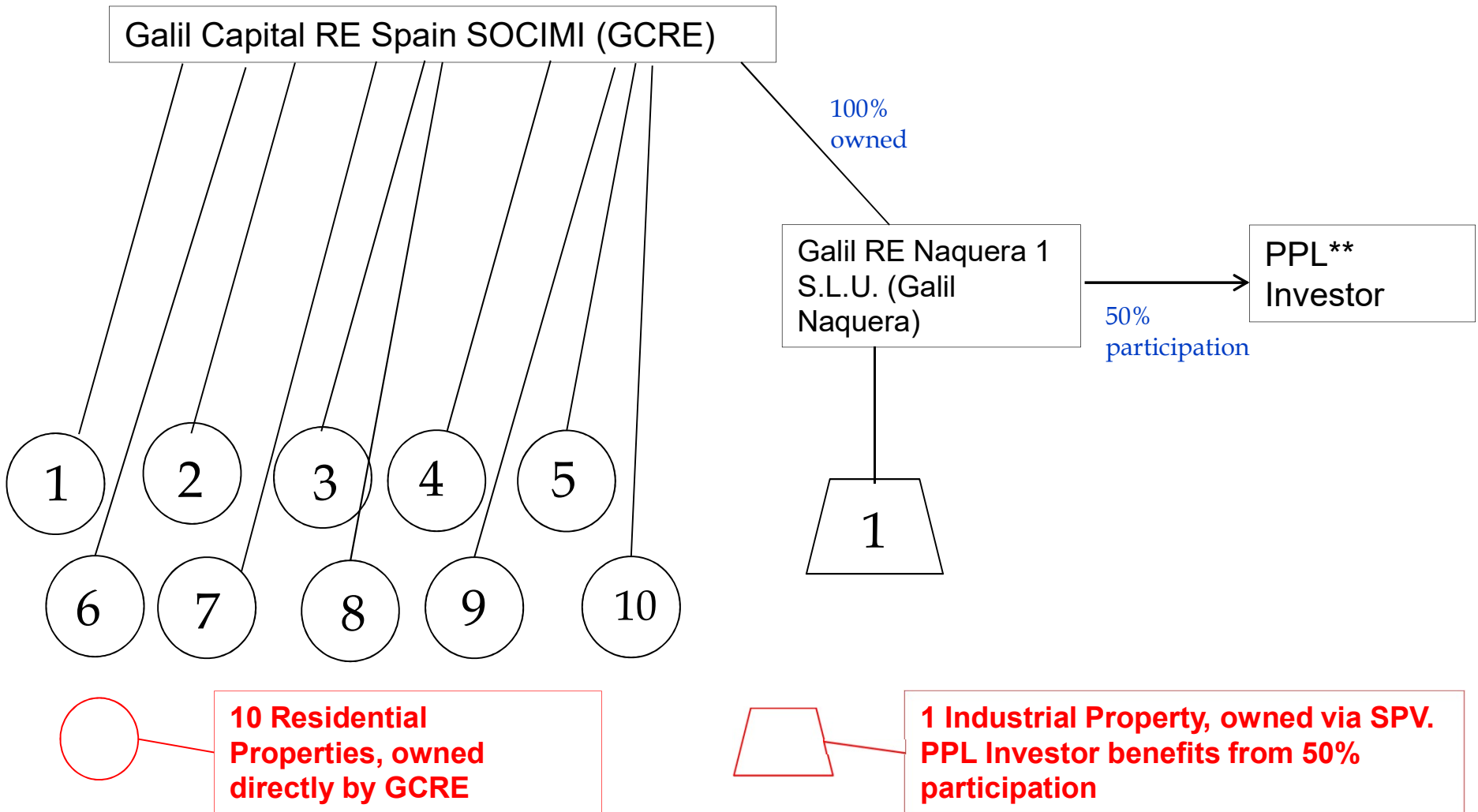
Industrial Property - located at Calle Tramuntana 1, Naquera (Valencia).

Distance & Drive Time to Property:

- 16 minutes to Valencia airport (20 km)
- 24 minutes to Central Market of Valencia (22 km)
- 35 minutes to Port of Valencia (38 km)



GCRE Structure



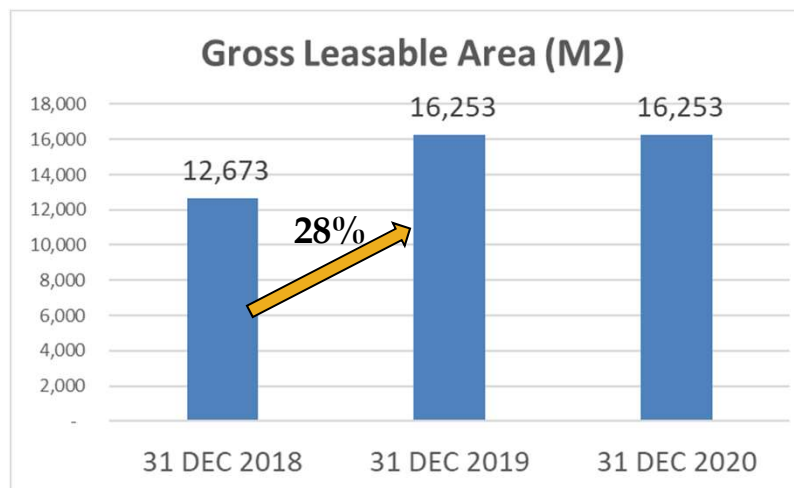
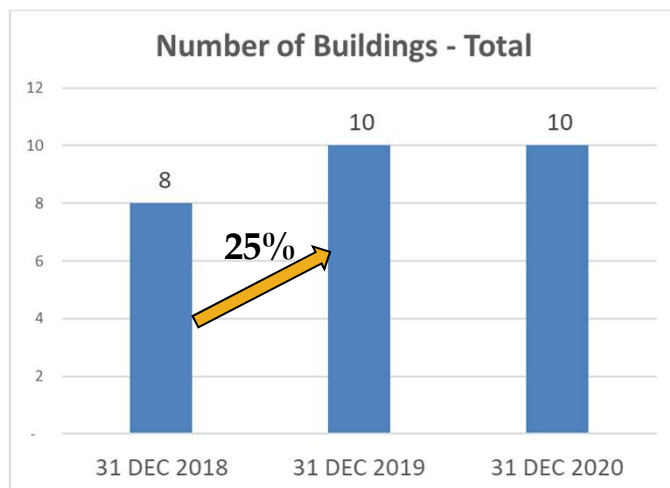
* As of 18 June 2021. ** PPL - Participating Loan

GCRE Residential Portfolio Overview

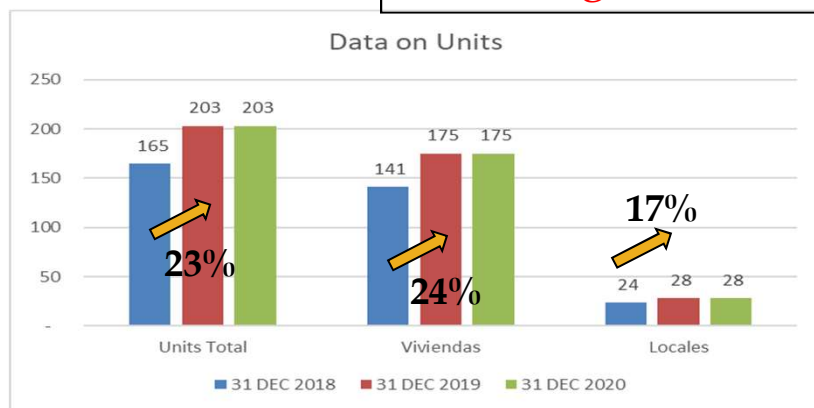
<u>Owned Properties</u>	<u># of Properties</u>	<u>Date Purchased</u>	<u>Built Area (M2) - Catastro</u>	<u>Number of Viviendas</u>	<u>Number of Locales</u>	<u>Mortgage</u>
Barcelona						
Unio 28 (100%)	1	05-May-16	1,787	12	4	Yes
Breton de Los Herreros 14-16 (100%)	1	19-Oct-16	1,287	11	4	Yes
Aulestia I Pijoan 4-6 (100%)	1	19-Oct-16	1,281	11	4	Yes
Corsega 689 (100%) - DIVISION HORIZONTAL	15	2-Feb-17	1,539	15	1	Yes
Escorial 9 (100%)	1	17-Jul-18	1,603	14	2	Yes
Verdi 282 (100%)	1	20-Jul-18	851	13	2	No
Navas de Tolosa 279 (100%)	1	16-May-19	707	10	1	No
Concepcion Arenal 79-81 (100%)	1	16-Dec-19	2,873	24	3	Yes
Total Owned Barcelona			11,928	110	21	
Madrid						
Granada 12 (bulk - 46 units out of 56 units - DIVISION HORIZONTAL)	46	06-Mar-17	2,284	44	2	Yes
Bejar 23 (100%)	1	27-Dec-17	2,041	21	5	Yes
Total Owned Madrid			4,325	65	7	
GRAND TOTAL			16,253	175	28	

No new purchases in FY2020.

GCRE Portfolio: 31 DEC 2018 vs. 31 DEC 2019 vs. 31 DEC 2020



No changes in 2020 vs 2019

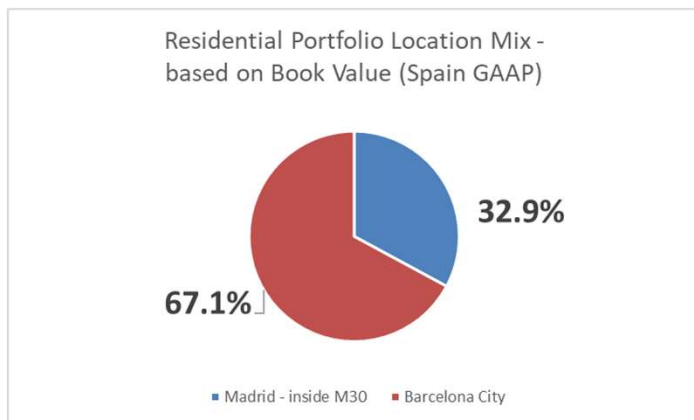


In 2020 GCRE did not buy any new property.

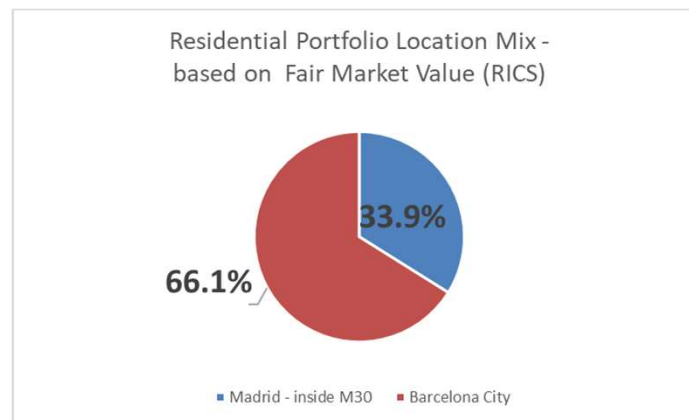
In April 2021, GCRE bought an Industrial Property in Valencia.

Residential Portfolio - Location Mix

As of 31 December 2020



Total BV: EUR34,982,819



Total MV: EUR 47,676,000



Total Leased Area: 16,253 M2



Recent Investment - April 2021

Recent Investment - April 2021

Galil Capital RE Spain SOCIMI, S.A. ("GCRE"), via a wholly owned subsidiary, **GALIL RE NAQUERA 1 S.L.U. ("GALIL NAQUERA")**, completed the purchase of an Industrial property in Naquera (Valencia) on 29 April 2021.

The property is located at Calle Tramuntana 1, Naquera (Valencia).

The property is comprised of 5 separate modules with an aggregate constructed area of approx. 52,103 M2, on a parcel of 83,749 M2 (the "Property").

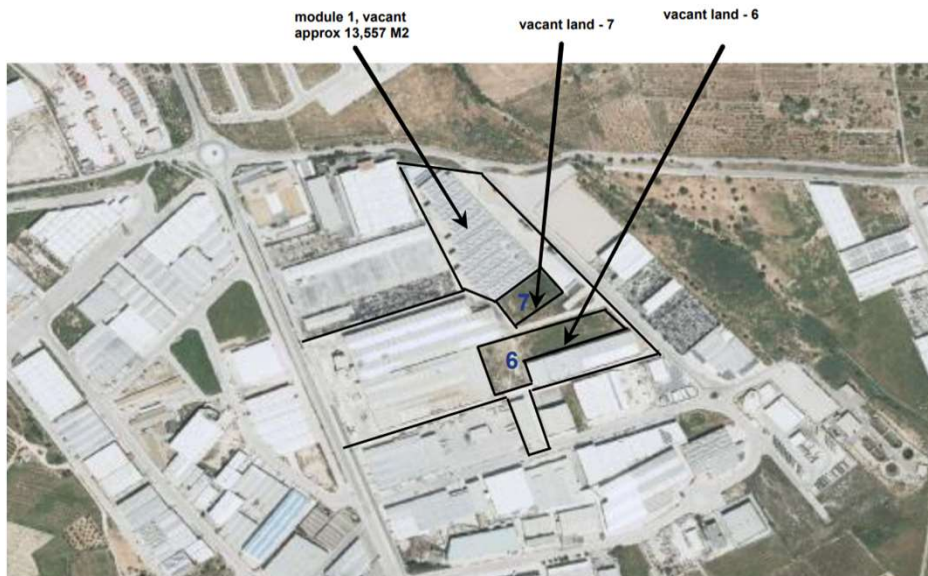
The Purchase price for the Property was EUR9,000,000, representing eur173/ constructed M2. As of 21 May 2021, the Property has an appraised value (VALOR DE TASACION - HIPOTECARIO) of **EUR11,116,524**.

GALIL NAQUERA has signed or been assigned lease agreements with existing tenants for approx. EUR720,000 per annum. The main tenant (new 10 year lease agreement) has occupied the Property since 2013, and currently occupies approx. 70% of constructed area of the Property. The lease agreement with the main tenant has a 10 year Obligado Cumplimento period.

GALIL NAQUERA is in preliminary talks with potential tenants who wish to lease Modulo 1 (approx. 13,557 M2) which is currently vacant. Once module 1 is leased, it will generate additional rent income.

Recent Investment - April 2021

	Constructed	
	Area M2	
Modulo 1	13,557	vacant
Modulo 2	28,742	Sopena
Modulo 3	1,305	Sopena
Modulo 4	2,578	75% vacant
Modulo 5	5,921	Sopena
Total	52,103	
Area 6		vacant land
Area 7		vacant land



Modulo 1 (vacant) – allow for additional rent income.

Vacant land (areas 6 & 7) – allow for the construction of additional space (TBD).

Recent Investment - Funding

Financing Type	Amount (EUR)	Main terms
GCRE Shareholders' Loan	2,450,000	<ul style="list-style-type: none"> • Senior to Participating Loan • 2.5% fixed annual interest
Participating Loan	2,450,000	<ul style="list-style-type: none"> • Subordinated to GCRE Investment • Guarantees performance of existing tenant • Variable interest - benefits 50% of annual net income and 50% of future capital gains • 2.5% fixed annual interest
Short Term Loans*	4,500,000	<ul style="list-style-type: none"> • Annual Interest rates between 2.25% - 4.5% • Maturity – up to 18 months.

* Company plans to refinance the short term loans with traditional bank mortgage.

NOI Expectations

Expected Rent Income under signed leases – eur60,000/ month, eur720,000 annually.

Expected GROSS CAP RATE of signed leases – approx. 8% (based on eur9,000,000 purchase price).

In discussions with potential tenants to lease vacant constructed area (13,557 M2 – Module 1). Additional rent income expected once new lease is signed.

Vacant land represent potential to add additional space that could be leased in the future.

Covid19 Impact

From end of March 2020 until today, Covid19 has had significant negative impact on Spain economy in general, and on **GCRE** business in particular.

Although the real estate residential sector has been less impacted by covid19, when compared to other real estate sectors such as hospitality and restaurants, commercial, Airbnb and student housing, still the negative impact on these other sectors did have a spill-over effect on **GCRE** business.

While during regular times, Barcelona and Madrid are very attractive to international tourists and foreign students who want to study abroad in Spain due to these cities' many outdoor markets, restaurants, shops, sport events, busy bars and nightclubs as well as museums and churches – these many attractions have been practically closed during Covid19 – and hence affected the Tourism and International Students segments as both practically disappeared during Covid19.

The result was that many fully furnished units that pre-Covid19 were offered for short term vacations (AIRBNB) or mid-term stays (less than 1 year, students that come for 1-2 semesters) – have lost their traditional customer base during Covid19. As the market realized that Covid19 is going to stay for some time, many of these vacant units were offered in the residential market for regular long term leases – which increased the supply of vacant units and the competition for new tenants, resulting in longer vacancy cycles, and lower rents.

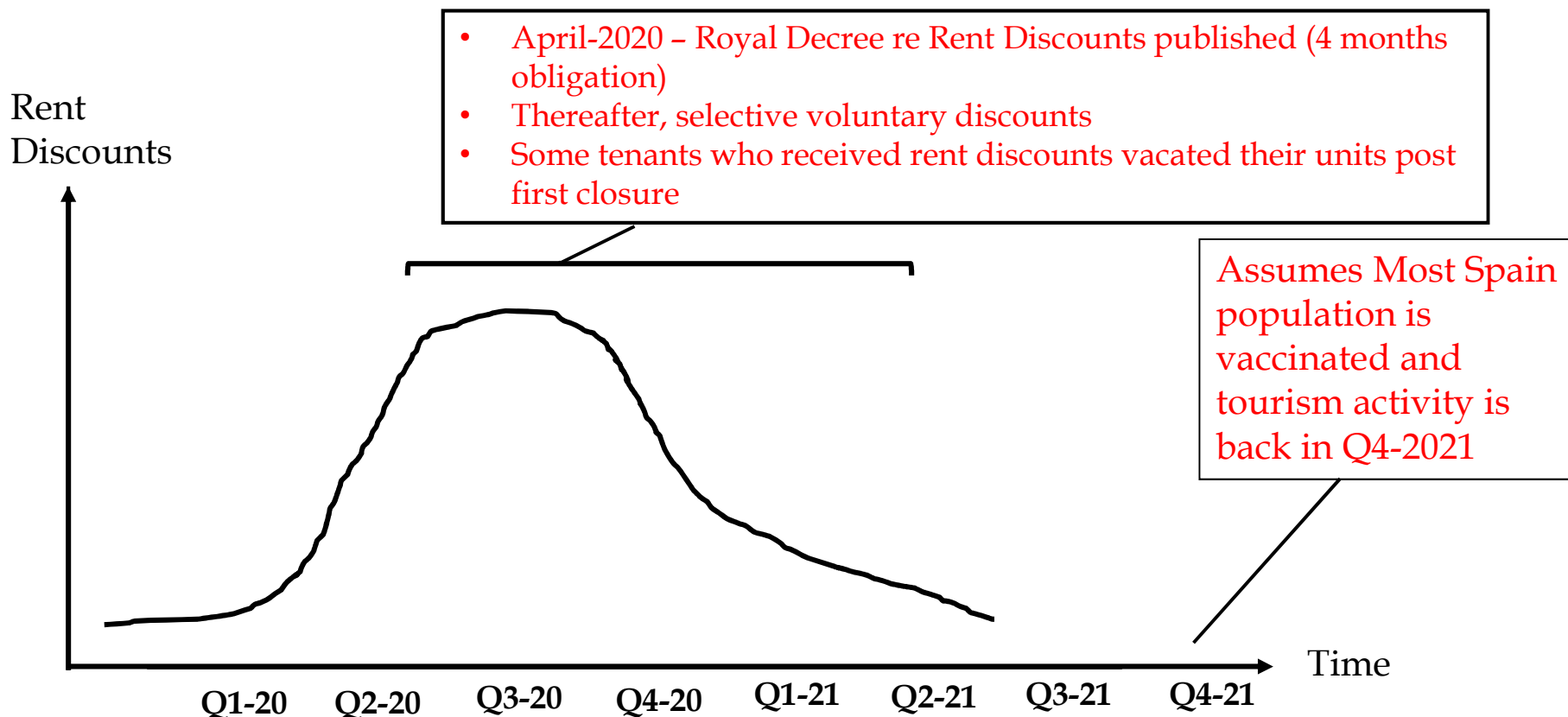
Covid19 Impact*

In addition, during “normal” times, many international students come to Spain for 1-2 semesters and look for fully furnished accommodations, typically sharing apartments with other international students. In July 2020, the then largest customer of **GCRE**, a company that leased 10 units from **GCRE** and worked with USA students that came to study in Barcelona and Madrid – went out of business and returned its 10 units to **GCRE**. Unfortunately, 2 of the 10 units that this tenant returned, were occupied with Okupas (one of which is still occupied with OKUPAS as of the date of this presentation).

Covid19 also had negative impact on many sectors of the Spain economy which resulted in loss or reduced income of many of our tenants. This required **GCRE** to offer temporary discounts to certain tenants who experienced financial difficulties. Furthermore, some tenants who lost their jobs, could not afford to keep their leased apartments and had to vacate their units and move back to live with their families, or move to a cheaper/ smaller apartment.

These negative effects resulted in lower rent income from leased units and increased number of vacant units at **GCRE** portfolio than what we expected for FY2020 pre-covid19.

Graph for Illustration Purpose Only - Rent Discounts (estimates)



* Estimates as of 18 June 2021

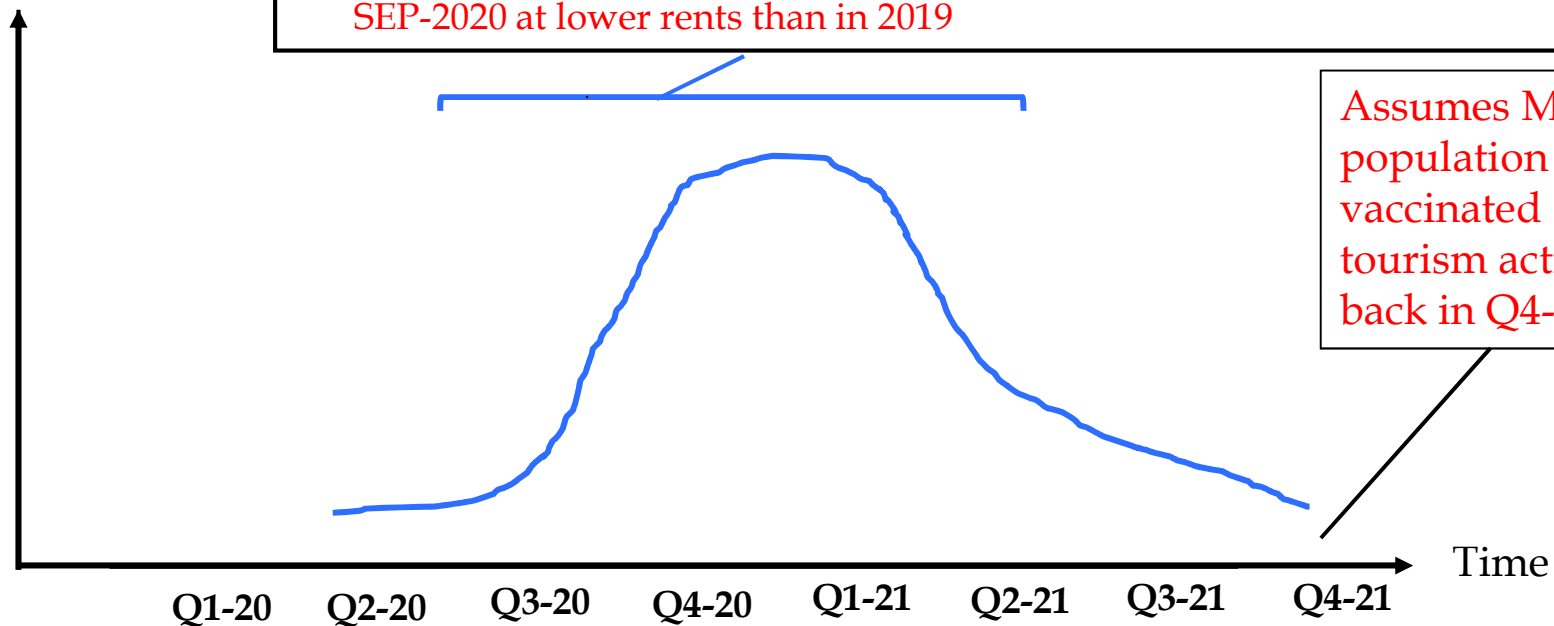
Covid19 Impact (cont'd)*

Graph for Illustration Purpose Only - Vacancies (estimates)

Vacancies

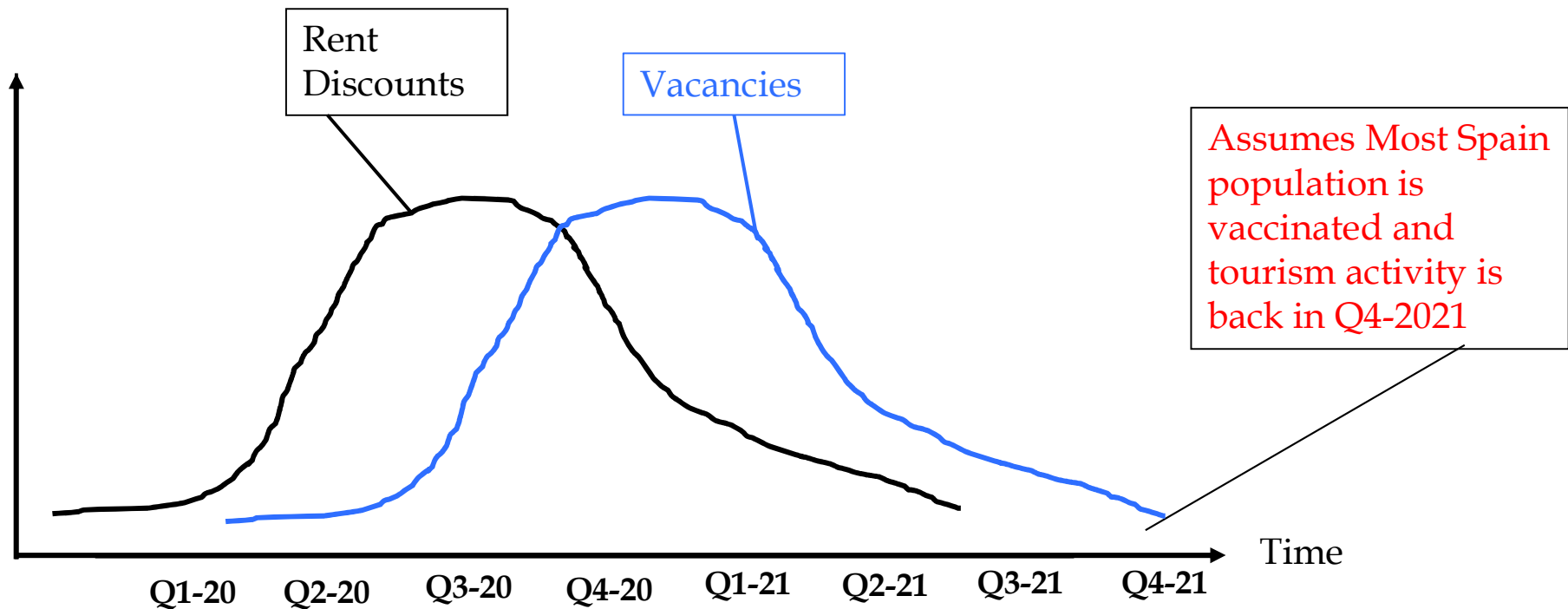
- Tenants Economically affected by covid19 vacate units post first closure
- 1 tenant vacated 9 units 31 July 2020
- Foreign exchange students vacated 5 units in Q2-2020. Units released in SEP-2020 at lower rents than in 2019

Assumes Most Spain population is vaccinated and tourism activity is back in Q4-2021



We now own 12 anti-okupa doors in BCN vs 2 owned doors during pre-covid era)

Graph for Illustration Purpose Only - Rent Discounts & Vacancies (estimates)



* Estimates as of 18 June 2021

Temporary vs. Longer Term Impact

Most covid19 impact will be temporary and will be reversed gradually once most Spain population is vaccinated and tourism activity is back.

Temporary Affects:

- Mandatory rent discounts (Royal Decree)
- Voluntary rent discounts
- Vacancies
- Lead time to lease vacant units
- Some property Improvement projects on hold

Long term impact (2-3 years)

- New leases signed during covid19 will have longer impact as long as tenant stays in unit



RICs Valuation of Portfolio

The following pages are based on RICs valuations prepared on buildings owned by GCRE on 31 DEC 2020.

Please note that none of the value estimates mentioned on the next page has materialized yet, and there is no assurance that such estimated values could be achieved by GCRE, when it tries to sell its properties in the future.

RICs Valuation of Portfolio

RICs Appraisals: 31-DEC-2020 vs. 31-DEC-2019

Building	Purchase	SQR Meter	Appraised Value	Appraised	Appraised Value	Appraised	RICS 31DEC20 vs 31DEC19
	Date	(Catastro)	(RICS) 31 DEC	Value (RICS)	(RICS) 31 DEC	Value (RICS)	
			2019 (Gross	DEC 2019 -	2020 (Gross	DEC 2020 -	
			Value)	per M2	Value)	per M2	
			31-Dec-19	31-Dec-19	31-Dec-20	31-Dec-20	
		A	C1	E1 = C1 / A	C1	E1 = C1 / A	
Unio 28	05-May-16	1,787	€ 4,902,000	€ 2,743	€ 4,343,000	€ 2,430	-11.4%
Aulestia I Pijuan 4-6	19-Oct-16	1,281	€ 4,987,000	€ 3,893	€ 4,525,000	€ 3,532	-9.3%
Breton de Los Herreros 14-16	19-Oct-16	1,287	€ 5,240,000	€ 4,071	€ 4,619,000	€ 3,589	-11.9%
Corsega 689	02-Feb-17	1,539	€ 3,817,000	€ 2,480	€ 3,683,000	€ 2,393	-3.5%
Granada 12	06-Mar-17	2,284	€ 9,475,000	€ 4,148	€ 9,400,000	€ 4,116	-0.8%
Bejar 23	27-Dec-17	2,041	€ 6,586,000	€ 3,227	€ 6,757,000	€ 3,311	2.6%
Escorial 9	17-Jul-18	1,603	€ 5,216,000	€ 3,254	€ 4,576,000	€ 2,855	-12.3%
Verdi 282	20-Jul-18	851	€ 2,464,000	€ 2,895	€ 2,281,000	€ 2,680	-7.4%
Navas de Tolosa 279 + Malet 40	16-May-19	707	€ 2,029,000	€ 2,870	€ 2,108,000	€ 2,982	3.9%
Concepcion Arenal 79-81	16-Dec-19	2,873	€ 5,965,731	€ 2,076	€ 5,384,000	€ 1,874	-9.8%
TOTAL (9 buildings)		16,253	€ 50,681,731	€ 3,118	€ 47,676,000	€ 2,933	-5.9%

The 5.9% decrease in value from 31 DEC 2019 to 31 DEC 2020 was mainly due to higher vacancy rates on 31 DEC 2020 due to covid19 market conditions and the introduction of new rent control laws in Barcelona in FY2020.

Spain GAAP does NOT reflect property value appreciations based on RICs appraisals - unlike IFRS.

RICs Valuation of Portfolio

31-DEC-2020 RICs Appraisals vs. Book Value

Building	Purchase	SQR Meter	Book Value of	Appraised Value	% Value
	Date	(Catastro)	Buildings as of 31 DEC 2020	(RICS) 31 DEC 2020 (Gross Value)	Appreciation based on RICS Appraisals vs BV
		A	B1	C1	$D1 = (C1 / B1) - 1$
Unio 28	05-May-16	1,787	€ 2,934,185	€ 4,343,000	48%
Aulestia I Pijuan 4-6	19-Oct-16	1,281	€ 3,292,114	€ 4,525,000	37%
Breton de Los Herreros 14-16	19-Oct-16	1,287	€ 3,177,534	€ 4,619,000	45%
Corsega 689	02-Feb-17	1,539	€ 2,502,740	€ 3,683,000	47%
Granada 12	06-Mar-17	2,284	€ 6,303,741	€ 9,400,000	49%
Bejar 23	27-Dec-17	2,041	€ 5,195,836	€ 6,757,000	30%
Escorial 9	17-Jul-18	1,603	€ 4,046,389	€ 4,576,000	13%
Verdi 282	20-Jul-18	851	€ 1,677,815	€ 2,281,000	36%
Navas de Tolosa 279 + Malet 40	16-May-19	707	€ 1,499,527	€ 2,108,000	41%
Concepcion Arenal 79-81	16-Dec-19	2,873	€ 4,352,938	€ 5,384,000	24%
TOTAL (9 buildings)		16,253	€ 34,982,819	€ 47,676,000	36%

RICs Appraised Values as of 31 DEC 2020 show an average value appreciation of 36% vs the Book Value (Spain GAAP) of our 10 building portfolio on same date.

Spain GAAP does NOT reflect property value appreciations based on RICs appraisals - unlike IFRS.

GCRE Debt Position as of 31 DEC 2020

GCRE Liabilities Position

Bank Debt	31-Dec-19	31-Dec-20		
Short term	€ 661,601	€ 585,515		
Long term	€ 8,711,769	€ 10,141,999		
Total	€ 9,373,370	€ 10,727,514		

Financial Institution	Maturity Date	Original Principal Amount	Principal Amount as of 31-DEC 2020	Interest Rate
Sabadell	31-Jul-31	€ 1,100,000	€ 825,479	Euribor + 2.50%
bankinter	18-Nov-36	€ 2,600,000	€ 2,259,682	Euribor + 2.25%
Bankinter	16-Mar-37	€ 2,926,000	€ 2,631,635	Euribor + 2.25%
Bankinter	09-Jul-38	€ 2,500,000	€ 2,345,969	Euribor + 2.10%
Bankinter	16-Dec-39	€ 1,000,000	€ 957,079	Euribor + 1.80%
Abanca	01-Mar-35	€ 1,900,000	€ 1,707,669	Euribor + 1.80%
TOTAL		€ 12,026,000	€ 10,727,513	

Post Balance Sheet Date	Maturity Date	Original Principal Amount		
Abanca	01-May-36	€ 2,100,000		Euribor + 1.80%
Bridge Loan	up to 31 OCT 2022	€ 3,550,000	net of intracompany loans	2.25%-4.50%

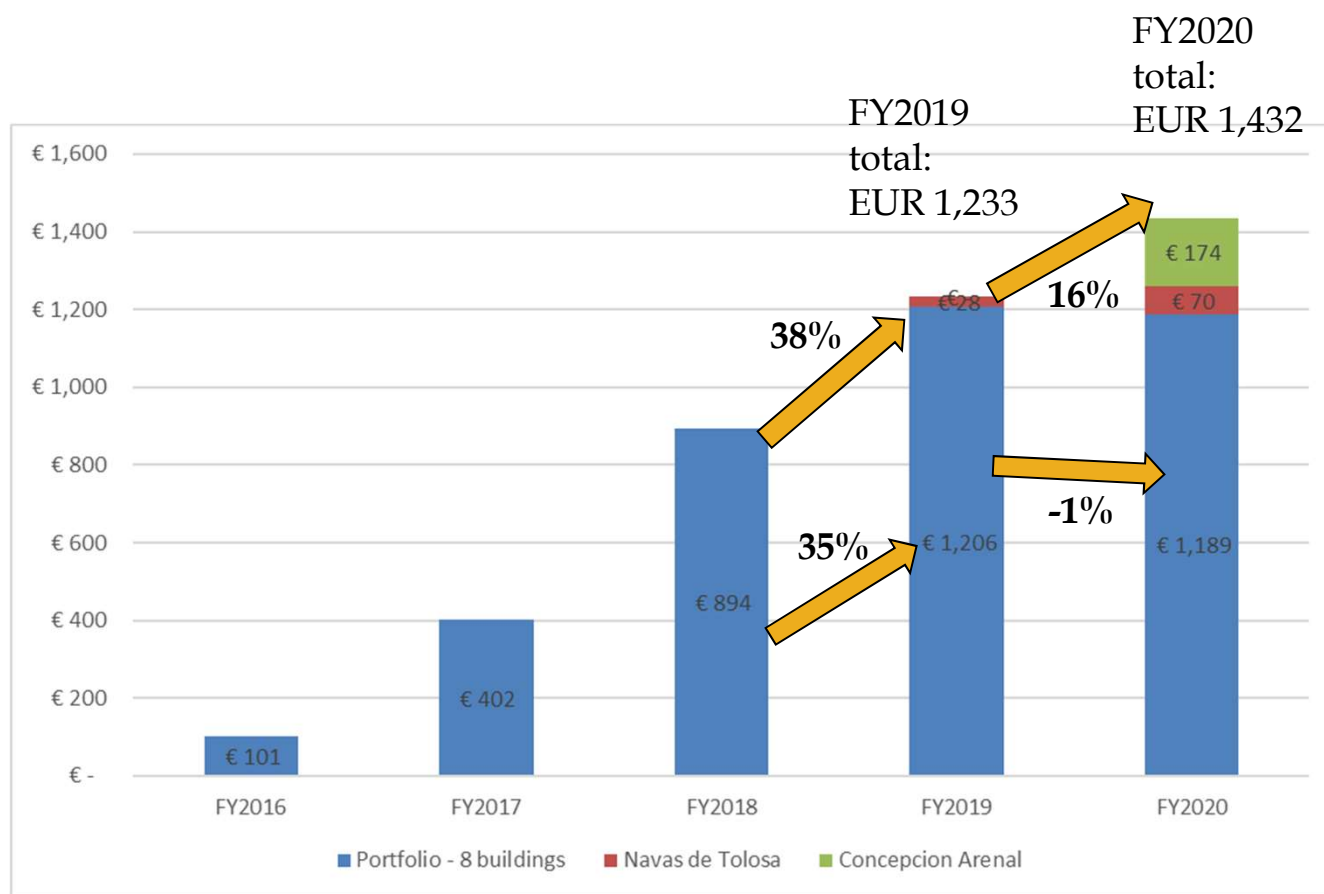
RICs Appraised Values as of 31 DEC 2020 - EUR47,676,000.

Loan-To-Value (31 DEC 2020) - 22% (based on RICs Appraisals)



Rent Income Analysis

Annual Rent Income (in thousands of euros)



Navas de Tolosa purchased on 16 MAY 2019.

FY2019 rent income of EUR27,776 (6.5 months)

FY2020 rent income of EUR70,318

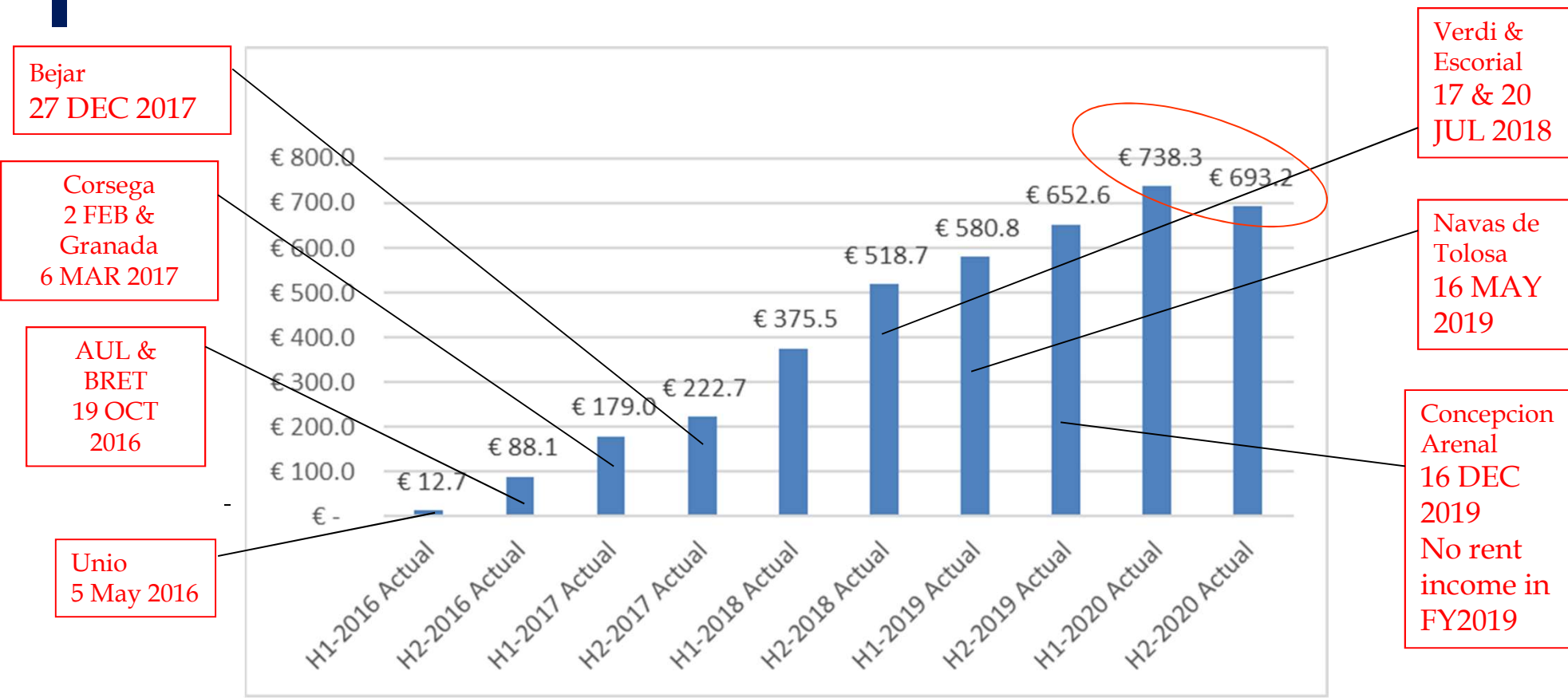
Concepcion Arenal purchased on 16 DEC 2019.

No rent income in FY2019

FY2020 rent income of EUR174,349

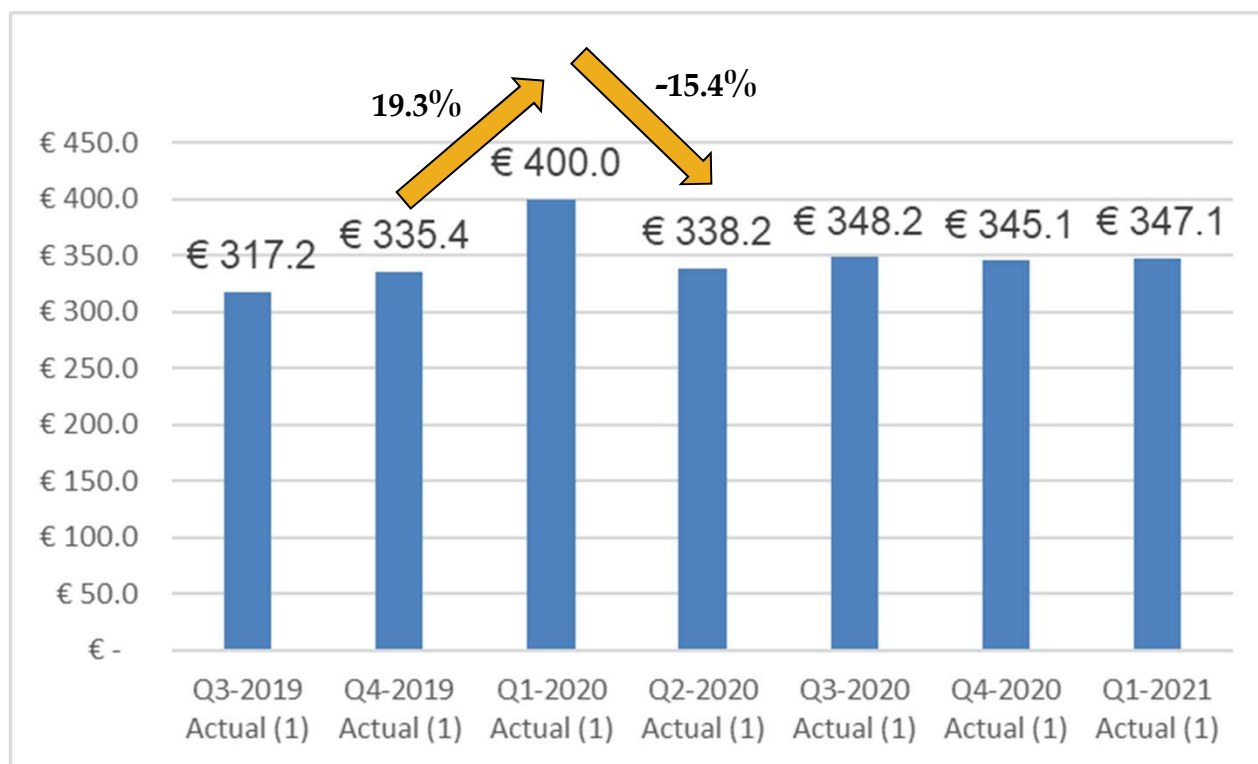
Rent Income increased 16% in FY2020 vs. FY2019. Excluding Navas de Tolosa and Concepcion Arenal - rent income of 8 buildings was practically flat in FY2020 vs FY2019, due to covid19.

Semi-Annual Rent Income (in thousands of euros)



No new purchases in 2020. H1-2020 rent Income included Q1-2020 which has been the best quarter of rent income to date.

Quarterly Rent Income (in thousands of euros)

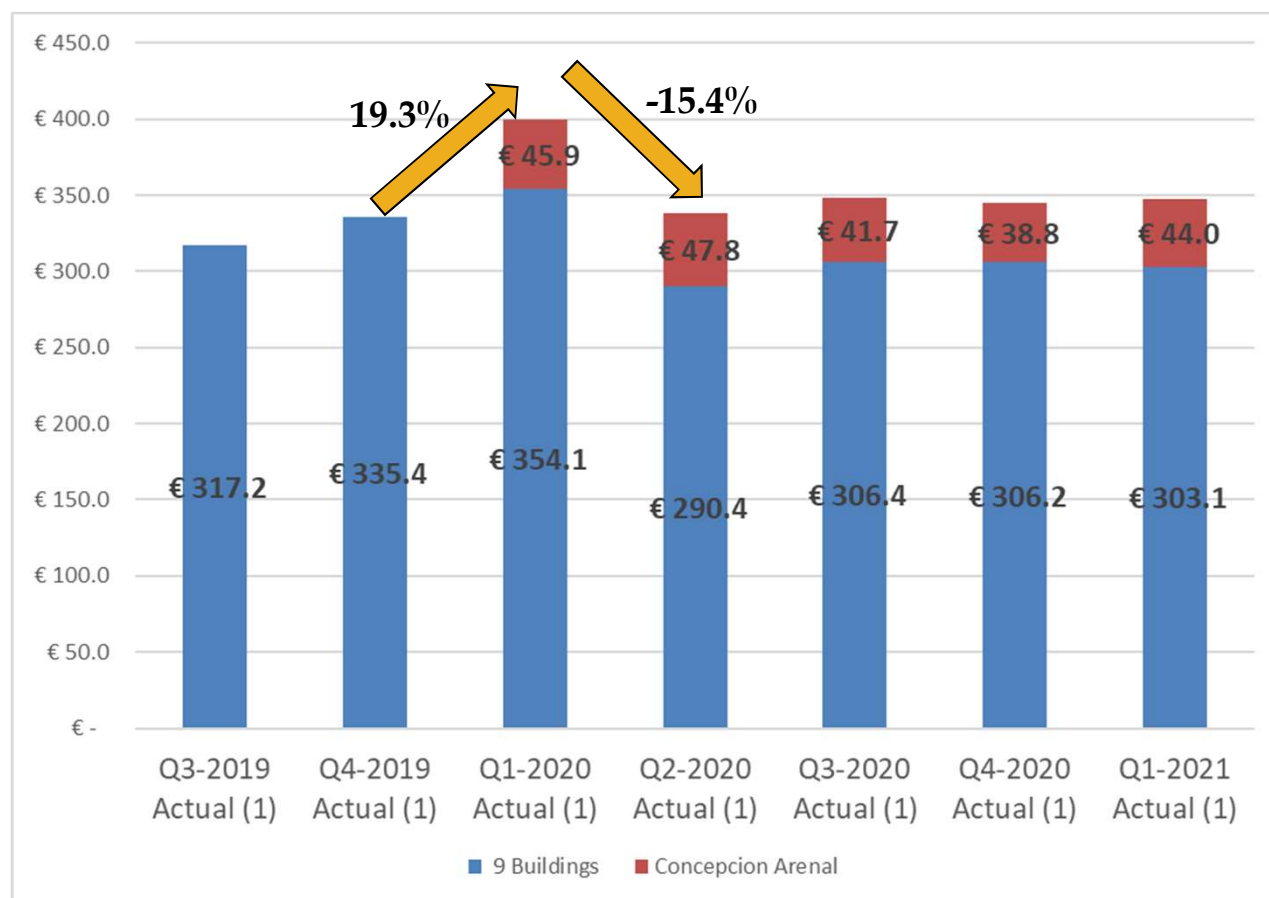


Q1-2020 vs. Q4-2019: +19.3% rent income growth (5.6% organic growth excluding Concepcion Arenal)

Q2-2020 vs. Q1-2020: -15.4% rent income decrease due to Covid19

Q2-2020 through Q1-2021: rent income was practically flat

Quarterly Rent Income (in thousands of euros)



Concepcion Arenal:
 Purchased on 16 DEC 2019
 No rent income in FY2019
 EUR 45,936 Rent Income in Q1-2020 (1)

Q1-2020 vs. Q4-2019: +19.3% rent income growth (5.6% organic growth excluding Concepcion Arenal)
 Q2-2020 vs. Q1-2020: -15.4% rent income decrease due to Covid19
 Q2-2020 through Q1-2021: rent income was practically flat

(1) Quarterly rent income data not reviewed by auditors

Rent Income per Building FY2019 - FY2020

<u>Owned Properties</u>	<u>Date Purchased</u>	<u>FY2019 Rent Income</u>	<u>FY2020 Rent Income</u>	<u>FY2020/FY2019</u>	<u>Comments</u>
Barcelona					
Unio 28 (100%)	05-May-16	€ 116,062	€ 113,414	-2%	Principal unit (currently vacant) to be split into 4 and leased. Received Licence but on hold until market conditions improve
Breton de Los Herreros 14-16 (100%)	19-Oct-16	€ 136,112	€ 130,674	-4%	new elevator
Aulestia I Pijoan 4-6 (100%)	19-Oct-16	€ 126,956	€ 142,293	12%	new elevator
Corsega 689 (100%) - DIVISION HORIZONTAL	2-Feb-17	€ 95,833	€ 116,593	22%	evicted 5 okupas, completely reformed 8 units. Local vacant.
Escorial 9 (100%)	17-Jul-18	€ 142,078	€ 123,885	-13%	covid19 affected occupancy
Verdi 282 (100%)	20-Jul-18	€ 65,560	€ 84,576	29%	completely reformed 5 units
Navas de Tolosa 279 (100%) (incl Torre Malet)	16-May-19	€ 27,776	€ 70,318	153%	Purchased in May 2019. completely reformed 4 units
Concepcion Arenal 79-81 (100%)	16-Dec-19	€ -	€ 172,824	NA	1 local/basement vacant.
Madrid					
Granada 12 (bulk - 46 units out of 56 units - DIVISION HORIZONTAL)	06-Mar-17	€ 377,558	€ 321,750	-15%	building fully reformed. Rent decrease due to covid19
Bejar 23 (100%)	27-Dec-17	€ 145,490	€ 156,926	8%	10 units completely reformed, 2 units to be reformed, 8 units fully furnished. New elevator being installed.
TOTAL		€ 1,233,425	€ 1,433,253	16%	



Financial Statements Review

We decided to also publish our annual accounts in accordance to IFRS guidelines (in addition to Spain GAAP accounts which are mandatory).

<p>Spanish GAAP Accounts</p>	<ul style="list-style-type: none"> • Investment properties are recorded at cost. <p><u>Required by:</u></p> <ul style="list-style-type: none"> • Hacienda (Taxes) • SOCIMI (dividend calculations)
<p>IFRS Accounts</p>	<ul style="list-style-type: none"> • Investment properties are recorded at fair market value (RICs). • NAV (IFRS) – better indication of theoretical share value • Does not have tax implications or affect dividend calculations

FY2020 Audited Financial Statements (**Spain GAAP**) English Translation for Convenience Purposes

Balance Sheet - Spain GAAP - Assets

	Note	31.12.2020	31.12.2019
ASSETS			
NON-CURRENT ASSETS			
		35,124,015	34,878,359
Tangible fixed assets		35,042	8,949.00
Technical installations and other tangible fixed assets		35,042	8,949.00
Investment property	5	34,983,779	34,771,179
Land and natural resources		22,679,564	22,679,564
Buildings		12,304,215	12,091,615
Non-current financial assets		105,194	98,231
Other financial assets	7	105,194	98,231
CURRENTS ASSETS			
		2,346,696	1,345,004
Inventories		-	91,074
Advances to suppliers	7	-	91,074
Trade receivables and other accounts receivable		115,785	128,724
Trade receivables for sales and services	7	115,705	74,131
Other accounts receivable from public authorities	7 y 10	80	54,593
Short-term financial investments	7	17,999	7,924
Other financial assets		17,999	7,924
Cash and equivalent liquid assets		2,212,912	1,117,283
Cash resources		2,212,912	1,117,283
TOTAL ASSETS		37,470,711	36,223,363

Investment Property at cost



Total Assets



FY2020 Audited Financial Statements (**Spain GAAP**) English Translation for Convenience Purposes

Balance Sheet - Spain GAAP - Equity and Liabilities

	Note	31.12.2020	31.12.2019
NET EQUITY AND LIABILITIES			
NET EQUITY		26,476,243	26,623,737
Shareholder's funds	9	26,476,243	26,623,736
Share capital		27,386,960	27,386,960
Issued capital		27,386,960	27,386,960
Share premium		1,317,420	1,317,420
Reserves		(47,328)	(47,328)
Voluntary reserves		(47,328)	(47,328)
Uncalled capital	9.3	(286,850)	(286,850)
Prior year results		(1,746,466)	(1,666,664)
(Retained losses from prior years)		(1,746,466)	(1,666,664)
Result of the year	3	(147,494)	(79,802)
NON-CURRENT LIABILITIES			
Non-current payables	7	10,321,559	8,863,235
Bank borrowings		10,141,999	8,711,769
Other financial liabilities		179,560	151,467
CURRENT LIABILITIES			
Current payables	7	598,176	674,117
Bank borrowings		585,515	661,601
Other financial liabilities		12,661	12,516
Trade payables and other accounts payable	7 y 8	74,733	62,275
Suppliers, group companies	7 y 12	3,000	3,000
Sundry accounts payable	7	49,675	55,997
Employees (payroll creditor)	7	-	933
Other accounts payable to Public Authorities	10	20,258	1,620
Customer advances		1,800	725
TOTAL EQUITY AND LIABILITIES		37,470,711	36,223,363

Equity Capital raised



Long term Debt with banks



FY2020 Audited Financial Statements (**Spain GAAP**) English Translation for Convenience Purposes

Income Statement - Spain GAAP

	Note	2020	2019
CONTINUING OPERATIONS			
Net turnover			
		1,433,253	1,233,426
Services rendered	5, 11	1,433,253	1,233,426
Other operating incomes:			
		7,119	6,181
Ancillary income and other income from normal operations		7,119	6,181
Employee costs:			
		(9,717)	(9,714)
Salaries, wages and similar		(7,387)	(7,384)
Social Security and similar costs		(2,330)	(2,330)
Other operating costs			
	5, 11	(1,066,073)	(886,072)
External services		(919,295)	(828,842)
Taxes		(135,449)	(55,090)
Losses, impairment and provisions for commercial operations	7	(11,264)	(2,024)
Other management costs		(65)	(116)
Depreciation and amortisation charge			
	5	(258,093)	(213,695)
Other gains and losses			
		17,978	1,373
OPERATING PROFIT		<u>124,467</u>	<u>131,499</u>
Finance income:			
		231	185
Marketable securities and other financial instruments	12	231	185
Other		231	185
Finance expenses			
		(272,192)	(211,486)
Other		(272,192)	(211,486)
NET FINANCE INCOME/EXPENSE			
		(271,961)	(211,301)
PROFIT BEFORE TAX		<u>(147,494)</u>	<u>(79,802)</u>
RESULT FOR THE PERIOD			
	3	(147,494)	(79,802)

RENT INCOME
From EUR1,233K
To EUR1,433 K
(+16.2%)

OPERATING INCOME
From EUR131,499
To EUR124,467
(-5.3%)

PRE-TAX INCOME
From EUR -79,802
To EUR -147,494

FY2020 Financial Statements (IFRS) English Translation for Convenience Purposes

Balance Sheet - Assets - IFRS

(Expressed in Euros)

Assets	Notes	31 dec 2020	31 dec 2019
Non- current			
Property, plant and equipment		35,042	8,949
Investment property	4	47,676,000	50,681,731
Long-term investments	6.1	105,194	98,231
Non-current Assets		47,816,236	50,788,911
Current			
Prepayments and othershort-term assets	6.1	-	91,074
Trade and other receivables	6.1	115,785	128,723
<i>Customers</i>		115,705	74,131
Social Security and Government entities	9	80	54,593
Short- termn Investment	6.1	17,999	7,924
Cash and cash equivalents		2,212,912	1,117,283
Current Assets		2,346,696	1,345,004
Total Assets		50,162,932	52,133,915

Notes 1 to 17 are an integral part of these financial statements for the year ended December 31, 2020

FY2020 Financial Statements (IFRS) English Translation for Convenience Purposes

Balance Sheet - Equity and Liabilities - IFRS

(Expressed in Euros)

Equity Capital raised

Long term Debt with banks

31-DEC-2020

22% Total Liabilities / Total Assets

Equity and liabilities	Notes	31 dec 2020	31 dec 2019
Equity	8		
Share capital		27,386,960	27,386,960
Share premium		1,317,420	1,317,420
Other reserves		15,783,422	12,001,780
Retained losses from prior years		(1,666,664)	(1,666,664)
Own shares and equity holdings		(286,850)	(286,850)
Retained earnings		(3,365,825)	3,781,642
Total Equity		39,168,463	42,534,288
Liabilities			
Non-current			
Debt with financial institutions	6.2	10,141,999	8,711,769
Other financial liabilities	6.2	179,560	151,467
Total Non-current liabilities		10,321,559	8,863,236
Current			
Short-term borrowings			
Debt with financial institutions	6.2	585,515	661,601
Other financial liabilities	6.2	12,661	12,516
Trade and other payables	6.2 y 7	74,733	62,274
Suppliers, group companies and associates	11	3,000	3,000
Creditors		49,675	55,997
Personnel (salaries payables)		-	933
Tax, Social Security and Government entities	9	20,258	1,620
Advances received from customers		1,800	724
Total Current Liabilities		672,910	736,391
Total Liabilities		10,994,469	9,599,627
Total equity and liabilities		50,162,932	52,133,915
		0	-

Notes 1 to 17 are an integral part of these financial statements for the year ended December 31, 2020

FY2020 Financial Statements (IFRS) English Translation for Convenience Purposes

Income Statement - IFRS

Continuing activities	Notes	31 dec 2020	31 dec 2019
Revenue	10	1,433,253	1,233,426
Other operating costs	10	(1,188,142)	(1,901,166)
Operating income from real estate operations		245,111	(667,740)
Change in fair value of investment property	4 y 10	(3,005,731)	4,892,731
Net result of real estate operations		(2,760,620)	4,224,991
Other income		7,119	6,181
Employee benefits expense		(9,717)	(9,714)
General and administrative expense	10	(234,564)	(172,774)
Other taxes	10	(112,064)	(55,090)
Losses for commercial operations	10	(1,996)	(2,024)
Other results		17,978	1,373
Operating profit		(3,093,864)	3,992,943
Finance costs		(272,192)	(211,486)
Finance income	6.2 y 11	231	185
Other financial items		-	-
Exchange gains/(losses)		-	-
Profit before tax from continuing activities		(3,365,825)	3,781,642
Income tax expense	9	-	-
Profit after tax from continuing activities		(3,365,825)	3,781,642

Change in FMV:
FY2018: +EUR11,579K
FY2019: +EUR4,893K
FY2020: -EUR3,006K

OPERATING
INCOME
FY2018: +EUR9,893K
FY2019: +EUR3,993K
FY2020: -EUR3,094

PRE-TAX
INCOME
FY2018: +EUR9,685K
FY2019: +EUR3,782K
FY2020: -EUR3,366

Notes 1 to 17 are an integral part of these financial statements for the year ended December 31, 2020



NAV (IFRS) per Share Analysis

NAV (IFRS) per Share Analysis

<u>Share Issue Date</u>	<u>Number of Shares</u>	<u>Share Price</u>	<u>Equity Capital Raised</u>	<u>Comments</u>
28-Sep-17	2,079,986	€ 10.00	€ 20,799,860	(Pre-Listing - approx 39% in FY2016 and 27% in FY2017)
14-Feb-19	658,710	€ 12.00	€ 7,904,520	Public Rights Offering (34%)
			€ 28,704,380	
	31-Dec-18	31-Dec-19	31-Dec-20	
NAV (IFRS)	€ 30,881,674	€ 42,534,288	€ 39,168,463	
Number of Shares Outstanding	2,079,986	2,738,696	2,738,696	
Shares Owned by the Company (Liquidity Provider)	26,900	28,400	28,400	
Number of Shares - NET	2,053,086	2,710,296	2,710,296	
NAV/ Share	€ 15.04	€ 15.69	€ 14.45	
				-7.9%



31 DEC 2020 NAV/ Share = EUR14.45, Down 7.9% from 31 DEC 2019 mainly due to covid19.

Weighted Average Share Purchase Price of Investor who fully subscribed to FEB-2019 Rights Offering = **EUR10.59**



2020-2021 Goals (presented in 2020) vs. Actual



2020-2021 Goals vs Actual

Goals for 2020 & 2021*	Actual **
Buy 1-2 additional buildings with unused leverage (3 owned buildings without mortgages + EUR1.9MM mortgage taken on 27 FEB 2020 cash on hand)	No new purchases in 2020 Investment in Industrial property in April 2021
Continue property improvement projects	Continued projects that were underway pre-covid19. Postponed the start of certain new projects
Increase rent income by leasing newly reformed units at higher rents	Leased some newly reformed units, but experienced higher vacancy and down pressure on rents due to covid19
Achieve positive Net Income under Spain GAAP and start paying dividends	Not in 2020
Evaluate sale opportunities of matured properties that may arise, if the offered price is right	During covid19 is not the time to sell properties. Need to wait until Spain is back to "normal" market conditions

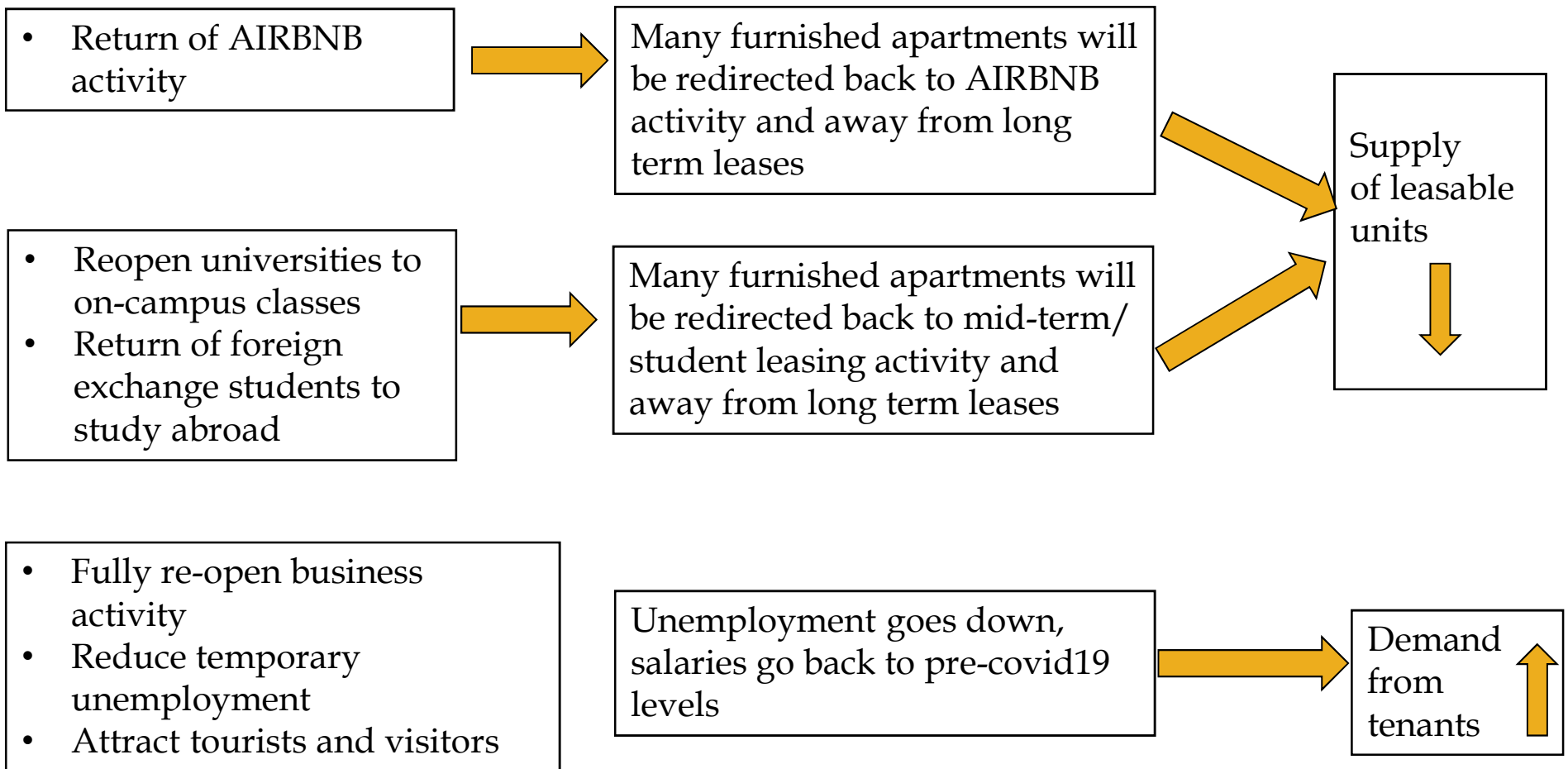


Factors Affecting Returning to “Normality”

Factors Affecting Returning to “Normality”

Critical Factor: Most Spain population need to be vaccinated for covid19 so market can fully reopen.

Factors Affecting Returning to "Normality"



Factors Affecting Returning to "Normality"

Most Spain population vaccinated for covid19 and market reopens.

