NEXT POINT
SOCIMI

Barcelona May 12, 2022

- ✓ 2021 Nextpoint Capital Socimi, S.A. Audited Consolidated financial statements.
- ✓ 2021 Nextpoint Capital Socimi, S.A. individual audited financial statements.

Free translation

In case of discrepancy the Spanish accounts prevail

NEXTPOINT CAPITAL SOCIMI, S.A. and Subsidiaries companies

Auditor´s Report,
Consolidated Annual Accounts for the year ended December 31, 2021
and Consolidated Director's Report for the year 2021

INDEPENDENT AUDITOR´S REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS

To the shareholders of NEXTPOINT CAPITAL SOCIMI, S.A.

Opinion

We have audited the consolidated annual accounts of NEXTPOINT CAPITAL SOCIMI, S.A (before INVESTOR360REIT SOCIMI S.A) (the Parent Company) and its subsidiaries (the Group), which comprise the balance sheet as at December 31, 2021, and the income statement, statement of changes in equity, cash flow statement and related notes, all consolidated, for the year then ended.

In our opinion, the accompanying consolidated annual accounts present fairly, in all material respects, the equity and financial position of the Group as of December 31, 2021, as well as its financial performance and cash flows, all consolidated, for the year then ended, in accordance with the International Financial Reporting Standards, as adopted by European Union (EU-IFRS), the applicable financial reporting framework (as identified in Note 2 of the consolidated notes to the annual accounts), and other provisions of the financial framework applicable in Spain.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated annual accounts* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the consolidated annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Emphasis of matter

We draw attention to note 2.1 of the accompanying consolidated annual report, which mentions that the consolidated annual accounts for 2021 are the first that the directors of the parent company have prepared in accordance with the International Financial Reporting Standards adopted in the European Union (EU-IFRS), which generally require the annual accounts to present comparative information, which has been obtained by applying the EU-IFRS in force at 31 December 2021. Consequently, the figures for the previous year differ from those contained in the approved consolidated financial statements for 2020, and the differences arising from the application of EU-IFRS on the consolidated equity at 31 December 2020 and on the consolidated results for 2020 are detailed in the accompanying Note to the consolidated financial statements. Our opinion has not been modified in this respect.

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were the most significant risks of material misstatement in our audit of the consolidated annual accounts of the current period. These risks were addressed in the context of our audit of the consolidated annual accounts, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Measurement of investment property

Description

Property held for lease is included under investment property on the assets side of the balance sheet and represents 93.4% of the Group's assets, being the cash-generating units that constitute the company's business activity. The Group, as described in Note 2.1 applies the fair value model in accordance with IAS 40 and has recognized a positive change in the fair value of investment property of EUR 2.5 million in the consolidated income statement for 2021, as described in Note 8.

The Group records the market value of investment property based on valuations carried out by independent experts in accordance with the Valuation and Appraisal Standards published by the Royal Institute of Chartered Surveyors (RICS) in Great Britain, as reported in notes to the accompanying financial statements.

We considered the reasonableness of the valuation of the properties to be one of the most significant aspects of the audit because it requires the use of estimates with a significant degree of uncertainty and the involvement of management judgement.

Our response

We have obtained the valuation of investment property carried out by management's independent experts on which we have performed, inter alia, the following procedures:

- We have assessed competence, capability, and independence by obtaining confirmation.
- Verification that the valuations have been performed in accordance with the RICS methodology and can be used for investment property valuation purposes for the consolidated financial statements.
- Discussion of the key assumptions used in the valuation by meeting with the valuation experts.
- We have also applied procedures to verify the ownership of the properties, the formalization of the lease contracts, and the adequacy of the recognition and accounting recording of the income obtained from the lease of the properties.

In addition, we have procedures for reviewing the appropriateness of how the income is recorded and disclosed in the accompanying financial statements.

Equity loans

Description

As indicated in the enclosed notes to the consolidated financial statements, the Group has received loans from non-member third parties for a considerable amount which are exposed to material inaccuracy, which is why we considered this to be a relevant aspect for our audit.

Our response	Our auditing procedures include the analysis of the contracts signed by the parties, verifying not only that the recognized balances and accrued interest are consistent with the agreed terms, but that the loans meet the conditions to be considered equity loans pursuant to article 20 of Royal Decree-Law 7/1996 of 7 June on urgent fiscal measures to promote and liberalize economic activity and therefore are considered equity for the purposes of capital reduction and liquidation of companies, in accordance with the provisions of commercial legislation. We have also applied substantive procedures for the circularization of these balances in order to confirm their reasonableness. are considered as equity for the purposes of capital reduction and liquidation of companies, in accordance with the provisions of commercial legislation. We have also applied substantive procedures for the circularization of these balances in order to confirm their reasonableness. Finally, we verified that the enclosed notes to the consolidated financial statement include the disclosures required under the applicable financial reporting framework.

Other information: Consolidated Management report

Other information comprises only the consolidated management report for the 2021 financial year, the formulation of which is the responsibility of the parent company's board of directors and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility regarding the consolidated management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the consolidated management report and the consolidated annual accounts as a result of our knowledge of the Group obtained during the audit of the aforementioned financial statements, as well as evaluate and report on whether the content and presentation of the consolidated management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

Based on the work performed, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that contained in the consolidated annual accounts for the 2020 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the parent company's board of directors for the consolidated annual accounts

The parent company's board of directors is responsible for the preparation of the accompanying consolidated annual accounts, such that they fairly present the equity, financial position and financial performance of the Group in accordance with the financial reporting framework applicable to the Group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated annual accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance about whether the consolidated annual accounts are free from material misstatement, whether due to fraud or error, and to issue an auditor´s report that includes our opinion.

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

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the consolidated annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by parent company's board of directors.

- Conclude on the appropriateness of the parent company's board of directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor´s report to the related disclosures in the consolidated annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor´s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure, and content of the consolidated annual accounts, including the disclosures, and whether the consolidated annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual accounts. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

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

From the significant risks communicated with the Parent company's board of directors, we determine those matters that were of most significance in the audit of the consolidated annual accounts of the current period and are, therefore, considered to be the most significant risks.

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

AUREN AUDITORES SP, S.L.P.
Registered in ROAC under Nº S2347

Original signed in Spanish on Abril 12th 2022 by
Mª Eugenia Bailach

Registered in ROAC under Nº 12855

NEXTPOINT CAPITAL SOCIMI, S.A.
and Subsidiary Undertakings

Consolidated Financial Statements
2021

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NEXTPOINT CAPITAL SOCIMI, S.A.
and Subsidiary Undertakings
CONSOLIDATED BALANCE SHEET
AT 31 DECEMBER 2021 (in euros)

Assets	NOTES	31/12/2021	31/12/2020 (*)
A) NON-CURRENT ASSETS		**52,914,341.94**	**25,862,856.10**
I. Intangible fixed assets	**9**	**2,016.00**	**2,016.00**
5. Computer applications		2,016.00	2,016.00
II. Property, plant and equipment	**7**	**1,111,625.76**	**421,738.02**
2. Plant and other PPE		11,625.76	21,738.02
3. Advance payments of fixed assets		1,100,000.00	400,000.00
III. Investment properties	**8**	**50,590,146.00**	**24,720,000.00**
1. Land		16,265,144.85	13,351,240.00
2. Buildings		34,325,001.15	11,368,760.00
V. Non-current financial investments	**11**	**1,210,554.18**	**719,102.08**
5. Other financial assets		1,210,554.18	719,102.08
B) CURRENT ASSETS		**3,723,370.99**	**5,251,787.14**
III. Trade and other accounts receivable		**1,875,425.90**	**970,775.11**
1. Trade receivables from sales and services	11	68,206.16	27,230.25
B) Current trade receivables from sales and services		68,206.16	27,230.25
3. Sundry receivables	11, 21	1,084,786.64	324,680.48
6. Taxes receivable	15	722,433.10	618,864.38
VI. Current accruals		**104,177.32**	**0.00**
VII. Cash and cash equivalents	**11**	**1,743,767.77**	**4,281,012.03**
1. Cash and banks		1,743,767.77	4,281,012.03
T O T A L A S S E T S (A+B)		**56,637,712.93**	**31,114,643.24**

Equity and Liabilities	NOTES	31/12/2021	31/12/2020 (*)
A) EQUITY		**5,218,875.31**	**3,587,123.48**
A-1) Shareholders' equity		**5,218,875.31**	**3,587,123.48**
I. Share capital	**13**	**5,042,611.00**	**5,042,611.00**
1. Subscribed capital		5,042,611.00	5,042,611.00
II. Share premium	**13**	**180,565.45**	**180,565.45**
III. Reserves	**13**	**375,157.47**	**18,940.47**
2. Other reserves		375,157.47	18,940.47
IV. (Shares and treasury stock)	**13**	**-201,988.50**	**-208,782.00**
V. Prior year profit/(loss)	**4**	**-1,446,696.91**	**-336,718.45**
2. (Prior year losses carried forward)		-1,446,696.91	-336,718.45
VI. Consolidated group's results for the year	**4**	**1,269,226.80**	**-1,109,492.99**
B) NON-CURRENT LIABILITIES		**46,653,373.65**	**25,070,484.76**
II. Non-current payables	**2, 12, 13**	**46,653,373.65**	**25,070,484.76**
2. Bank borrowings	8	15,970,293.90	6,110,684.76
5. Other financial liabilities		30,683,079.75	18,959,800.00
C) CURRENT LIABILITIES		**4,765,463.97**	**2,457,035.00**
III. Current payables	**12**	**4,072,807.57**	**1,971,338.45**
2. Bank borrowings	8	796,223.97	322,320.73
5. Other financial liabilities		3,276,583.60	1,649,017.72
V. Trade and other payables		**692,656.40**	**485,696.55**
3. Sundry accounts payable	12	590,392.21	424,304.35
4. Outstanding salaries		6,168.51	8,873.75
6. Other taxes payable	15	85,347.17	52,518.45
7. Current accruals		10,748.51	0.00
T O T A L EQUITY AND LIABILITIES (A+B+C)		**56,637,712.93**	**31,114,643.24**

(*) 2020 consolidated balance sheet, restated according to IFRS-EU. See Note 2.

Notes 1 to 24 in the consolidated notes attached form an integral part of the consolidated balance sheet.

NEXTPOINT CAPITAL SOCIMI, S.A.
and Subsidiary Undertakings

CONSOLIDATED INCOME STATEMENT
FOR FINANCIAL YEAR 2021 (in euros)

Income Statement	NOTES	31/12/2021	31/12/2020 (*)
A) CONTINUING OPERATIONS			
1. Net income	**8, 21, 22**	**1,168,132.00**	**390,635.72**
b) Provision of services		1,168,132.00	390,635.72
3. Work carried out by the Group for its fixed assets		**375,600.00**	**29,772.71**
5. Other operating revenue		**1,540.00**	**0.00**
A) Ancillary income and other operating costs		1,540.00	0.00
6. Personnel expenses	**16**	**-342,556.85**	**-270,576.51**
a) Wages, salaries and similar		-282,175.99	-220,463.91
b) Employee benefits		-60,380.86	-50,112.60
7. Other operating expenses		**-1,220,047.90**	**-861,462.51**
a) External services	8	-1,181,970.06	-834,089.36
b) Taxes		-37,560.10	-27,373.15
c) Losses, impairment and changes in trade provisions		-517.74	0.00
8. Amortisation of fixed assets	**7, 9**	**-11,975.61**	**-235.28**
12. Variation in investment properties	**8**	**2,528,875.76**	**863,528.55**
13. Other profit/(loss)		**1,615.24**	**-1.63**
A.1) OPERATING PROFIT/(LOSS)		**2,501,182.64**	**151,661.05**
14. Financial income		**5,962.72**	**1,259.97**
b) Third parties		5,962.72	1,259.97
15. Financial expenses	**21**	**-2,054,637.94**	**-1,262,414.01**
a) Other related parties	**14**	-41,476.70	-7,751.74
b) Third party debt		-2,013,161.24	-1,254,662.27
17. Exchange differences	**14**	**-73,144.08**	**0.00**
18. Addition to financial expense assets	**8**	**889,863.46**	**0.00**
A.2) FINANCIAL PROFIT (LOSS)		**-1,231,955.84**	**-1,261,154.04**
A.3) PRE-TAX PROFIT (LOSS)	**15**	**1,269,226.80**	**-1,109,492.99**
A.4) RESULTS FOR THE YEAR FROM CONTINUING OPERATIONS		**1,269,226.80**	**-1,109,492.99**
B) DISCONTINUED OPERATIONS		**0.00**	**0.00**
A.5) PROFIT (LOSS) FOR THE YEAR	**4**	**1,269,226.80**	**-1,109,492.99**
ATTRIBUTED TO THE CONSOLIDATED GROUP		1,269,226.80	-1,109,492.99
EARNINGS PER SHARE (in euros) BASIC-DILUTED		1.36	-1.19

(*) 2020 consolidated income statement, restated according to IFRS-EU. See Note 2.

Notes 1 to 24 in the consolidated notes attached form an integral part of this income statement.

STATEMENT OF RECOGNISED INCOME AND EXPENSE
FOR FINANCIAL YEAR 2021 (in euros)

	31/12/2021	31/12/2020 (*)
A) CONSOLIDATED INCOME STATEMENT	**1,269,226.80**	**-1,109,492.99**
B) TOTAL INCOME AND EXPENSE CARRIED DIRECTLY TO EQUITY	**0.00**	**0.00**
C) TOTAL TRANSFERRED TO THE INCOME STATEMENT	**0.00**	**0.00**
TOTAL RECOGNISED CONSOLIDATED INCOME AND EXPENSES (A+B+C)	**1,269,226.80**	**-1,109,492.99**
PROFIT (LOSS) ATTRIBUTED TO THE CONSOLIDATED GROUP	1,269,226.80	-1,109,492.99
PROFIT(LOSS) ATTRIBUTED TO EXTERNAL PARTNERS	0.00	0.00

(*) Balances restated according to IFRS-EU. See Note 2.

Notes 1 to 24 in the consolidated notes attached form an integral part of the consolidated statement of recognised income and expenses.

NEXTPOINT CAPITAL SOCIMI, S.A.
and Subsidiary Undertakings

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR FINANCIAL YEAR 2021
(in euros)

	Subscribed capital	Share premium	Reserves	Shares and treasury stock	Prior year profit/(loss)	Current year profit/(loss)	TOTAL
A. 2019 CLOSING BALANCE (*)	**63,000.00**	**0.00**	**-9,296.84**	**0.00**	**-91,666.85**	**-245,051.60**	**-283,015.29**
I. Adjustments due to changes in 2019							0.00
II. Adjustment due to errors in 2019							0.00
B. 2020 ADJUSTED OPENING BALANCE	**63,000.00**	**0.00**	**-9,296.84**	**0.00**	**-91,666.85**	**-245,051.60**	**-283,015.29**
I. Total recognised consolidated income and expenses						-1,109,492.99	-1,109,492.99
II. Transactions with shareholders or owners	4,979,611.00	180,565.45	0.00	-208,782.00	0.00	0.00	4,951,394.45
1. Capital increases/(reductions)	4,979,611.00	180,565.45		-208,782.00			4,951,394.45
2. Conversion of financial liabilities to equity							0.00
3. (-) Distribution of dividends							0.00
4. Operations with shares of the holding company (net)							0.00
5. Increase/(reduction) in equity for business combinations							0.00
6. Acquisitions/(sales) of external shareholders' shares							0.00
7. Other transactions with shareholders or owners							0.00
III. Other changes in equity	0.00	0.00	28,237.31	0.00	-245,051.60	245,051.60	28,237.31
C. 2020 YEAR-END CLOSING BALANCE	**5,042,611.00**	**180,565.45**	**18,940.47**	**-208,782.00**	**-336,718.45**	**-1,109,492.99**	**3,587,123.48**
I. Adjustments due to changes in 2020							0.00
II. Adjustment due to errors in 2020							0.00
D. 2021 ADJUSTED OPENING BALANCE	**5,042,611.00**	**180,565.45**	**18,940.47**	**-208,782.00**	**-336,718.45**	**-1,109,492.99**	**3,587,123.48**
I. Total recognised consolidated income and expenses						1,269,226.80	1,269,226.80
II. Transactions with shareholders or owners	0.00	0.00	0.00	0.00	0.00	0.00	0.00
1. Capital increases/(reductions)							0.00
2. Conversion of financial liabilities to equity							0.00
3. (-) Distribution of dividends							0.00
4. Operations with shares of the holding company (net)							0.00
5. Increase/(reduction) in equity for business combinations							0.00
6. Acquisitions/(sales) of external shareholders' shares							0.00
7. Other transactions with shareholders or owners							0.00
III. Other changes in equity	0.00	0.00	356,217.00	6,793.50	-1,109,978.46	1,109,492.99	362,525.03
E. 2021 YEAR-END CLOSING BALANCE	**5,042,611.00**	**180,565.45**	**375,157.47**	**-201,988.50**	**-1,446,696.91**	**1,269,226.80**	**5,218,875.31**

(*) Balances restated according to IFRS-EU. Note 2.

Notes 1 to 24 in the consolidated notes attached form an integral part of the consolidated statement of change in equity.

NEXTPOINT CAPITAL SOCIMI, S.A.
and Subsidiary Undertakings

CONSOLIDATED CASH FLOW STATEMENT
FOR FINANCIAL YEAR 2021 (in euros)

	NOTES	FINANCIAL YEAR 2021	FINANCIAL YEAR 2020
A) CASH FLOWS FROM OPERATIONS			
1. Pre-tax results for the period		**1,269,226.80**	**-1,109,492.99**
2. Adjustments to results		**-1,284,944.30**	**368,088.06**
a) Fixed asset depreciation (+)	**7, 9**	11,975.61	235.28
g) Financial income (-)		-5,962.72	-1,259.97
h) Financial expenses (+)		2,054,637.94	1,262,414.01
i) Gains/losses on exchange (+/-).	**14**	73,144.08	0.00
j) Capitalisation of financial expense (-)	**8**	-889,863.45	0.00
k) Change in investment properties (+/-)	**8**	-2,528,875.76	-893,301.26
3. Changes in working capital		**-844,752.49**	**526,981.70**
b) Trade and other receivables (+/-)		-977,794.87	249,828.86
c) Other current assets (+/-)		-104,177.32	0.00
d) Creditors and other accounts payable (+/-)		226,471.19	277,152.84
e) Other current liabilities (+/-)		10,748.51	0.00
4. Other cash flow from operations		**-2,048,675.22**	**-1,261,154.04**
a) Interest payments (-)		-2,054,637.94	-1,262,414.01
c) Collection of interest (+)		5,962.72	1,259.97
5. Cash flows from operations (1 + 2 + 3 + 4)		**-2,909,145.21**	**-1,475,577.27**
B) CASH FLOWS FROM INVESTMENTS			
6. Payments on investments (-)		**-23,319,250.56**	**-3,873,119.42**
b) Intangible fixed assets	**9**	0.00	-336.00
c) Property, plant and equipment	**7**	-1,101,863.35	-402,232.61
d) Investment properties	**8**	-21,725,935.11	-3,183,536.73
e) Other financial assets	**11**	-491,452.10	-287,014.08
8. Cash flows from investments (6+7) .		**-23,319,250.56**	**-3,873,119.42**
C) CASH FLOWS FROM FINANCING			
9. Collections and payments on equity instruments:		**6,793.50**	**4,951,394.45**
a) Issue of equity instruments (+)	**13**	0.00	5,160,176.45
c) Acquisition of treasury stock (-)	**13**	-63.00	-208,782.00
d) Disposal of treasury stock (+)	**13**	6,856.50	0.00
10. Collections and payments on financial liabilities		**23,684,358.01**	**3,873,977.22**
a) Issue		24,268,845.63	4,555,459.87
2. Bank borrowings (+)		10,918,000.00	2,385,000.00
5. Other debt		13,350,845.63	2,170,459.87
b) Refund and amortisation of:		-584,487.62	-681,482.65
2. Bank borrowings (-)		-584,487.62	-174,358.53
3. Current loans with group and associate companies (-)		0.00	-507,124.12
12. Cash flows from financing (9+10+11)		**23,691,151.51**	**8,825,371.67**

D) EFFECT OF EXCHANGE RATE FLUCTUATIONS		**0.00**	**0.00**
E) △/▽ NET OF CASH AND CASH EQUIVALENTS (5+8+12+D)		**-2,537,244.26**	**3,476,674.98**

Cash or cash equivalents - opening		4,281,012.03	804,337.05
Cash and cash equivalents at the year-end		1,743,767.77	4,281,012.03
Difference		**-2,537,244.26**	**3,476,674.98**

(*) Balances restated according to IFRS-EU. Note 2.

Notes 1 to 24 in the consolidated notes attached form an integral part of the consolidated cash flow statement.

NEXT POINT SOCIMI

NEXTPOINT CAPITAL SOCIMI, S.A. and Subsidiary Undertakings

Consolidated notes to the accounts for the financial year ended 31 December 2021

1. GENERAL INFORMATION ABOUT THE GROUP, TYPE, COMPOSITION AND ACTIVITIES

Holding company

NEXTPOINT CAPITAL SOCIMI, S.A.,(hereinafter, the Holding Company the Group or NEXTPOINT) was incorporated on 8 May 2018 in Spain pursuant to the terms of the Capital Companies Act. Its tax ID number is A67218867.

The Company was founded under the name of VIRTUAL BUSINESS DEVELOPMENT, S.L. On 16 July 2018 the name was changed to INVESTOR360REIT SOCIMI, S.A. and on 15 January 2020 the name was changed to the current one, NEXTPOINT CAPITAL SOCIMI, S.A.

On March 1, 2022, it moved its offices at Rambla de Catalunya, 52, Piso 1-2 in Barcelona (08007).

The change of registered office was approved on March 12, 2022 by the Board of Directors and is pending to be made public and registered.

According to the Holding Company's Articles of Association, its corporate purpose consists of:

a) Buying and developing income-generating urban rental property. Real estate development includes the restoration of buildings pursuant to the terms of the Value Added Tax Act 37/1992 of 28 December, as amended from time to time.

b) Holding shares in the capital of other Real Estate Investment Trusts (REITs) or other non-resident enterprises in Spain with the same corporate purposes which are subject to rules similar to the ones that apply to REITs vis-a-vis mandatory policies, legal and statutory obligations, distribution of profits, etc.

c) Holding shares in the capital of other non-resident enterprises in Spain whose corporate purpose includes acquiring urban income-generating real estate and which are bound by the same rules that apply to REITs vis-a-vis mandatory policies, legal or statutory obligations, distribution of profits, etc. and that also meet the investment requirements referred to in section 3 of Act 11/209 of 26 October on Real Estate Investment Trusts ("SOCIMI Act").

d) Holdings in Real Estate Collective Investment Institutions regulated by Act 35/2009 of 4 November on Collective Investment Institutions, or any regulation that replaces it in the future. Business code in Spain (CNAE): 4110.

In addition to the core economic activity associated with the corporate purpose, the Holding Company may carry out other ancillary activities, i.e. these being understood as activities representing, in all, less than 20% of the income for each tax period, or those which may be considered ancillary under the laws in force at any given time.

The business activities that make up the corporate purpose may be indirectly carried out in part or in full by the Company through shareholdings or stakes in companies with the same or similar corporate purpose.

The information on corporate governance and other public information can be found on the company's website at www.nextpointsocimi.com.

Subsidiary Undertakings

The subsidiary undertakings are:

Name and address	Date of incorporation	Corporate purpose	Shareholding	Share capital
REIT PAMPLONA 59, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	07/09/2018	Urban property rentals	100% direct	3,000.00
REIT PIE DE LA CRUZE, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	07/09/2018	Urban property rentals	100% direct	3,000.00
REIT RIBERA, S.L. (Sociedad Unipersonal) Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	Urban property rentals	100% direct	3,000.00
REIT VIRGEN, S.L. (Sociedad Unipersonal) Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	Urban property rentals	100% direct	3,000.00
LEPANTO ALBERIQUE, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	Urban property rentals	100% direct	3,000.00
VIV BUILDINGS 1, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	22/05/2019	Urban property rentals	100% direct	3,000.00
VIV BUILDINGS 2, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	22/05/2019	Urban property rentals	100% direct	3,000.00
VIV BUILDINGS 3, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	22/05/2019	Urban property rentals	100% direct	3,000.00
VIV BUILDINGS 4, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	15/01/2020	Urban property rentals	100% direct	3,000.00
VIV BUILDINGS 5, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	15/01/2020	Urban property rentals	100% direct	3,000.00
NPCAP 1, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	15/03/2021	Urban property rentals	100% direct	3,000.00
NPCAP 2, S.L. Sociedad Unipersonal Rambla de Catalunya, nº 52, 1º, 2ª, Barcelona.	15/03/2021	Urban property rentals	100% direct	3,000.00

The change of address is pending to notarize and registration.

REIT Regulations

NEXTPOINT CAPITAL SOCIMI, S.A. and Subsidiary Undertakings (hereinafter "the Group"), have as their core business the acquisition and management (through third party leasing) of residential properties, tourist accommodations and geriatric care homes, primarily, although they may invest to a lesser extent in other rental assets.

In 2018, the Holding Company applied to the Tax Administration Agency (AEAT) for inclusion in the REIT tax regime effective 1 January 2018.

On 16 July 2020, the Holding Company of the NEXTPOINT Group was listed on the BME Growth (formerly MAB) with 950,000 shares of capital and a par value of €5.308011 each, represented by book entries, paid in full, for a total of €5,042,611 and an issue premium of €180,565.45.

The tax regime of the Holding Company is regulated by Act 11/2009 of 26 October, modified by Act 16/2012 of 27 December, which regulates Real Estate Investment Trusts - REITs (SOCIMI in Spanish). The investment requirements for these companies is laid out in section 3:

1. Mandatory corporate purpose

   Their core corporate purpose must consist of holding income-producing real estate, holdings in other REITs or companies with a similar corporate purpose and with the same dividend distribution system, as well as Collective Investment Institutions.

2. Investment obligation

- REITs must invest at least 80% of the asset's value in income-producing urban real estate or land for the development of real estate to be used for such purposes, provided that the development begins within three years of acquisition, as well as holdings in the capital or assets of other enterprises referred to in section 2.1 of the aforementioned Act.
  Asset value is determined by the average of the individual quarterly balance sheets for the financial year. The REIT may choose to calculate this value by replacing the book value with the market value of the items on the balance sheet, which would then apply to all balance sheets for that financial year. Any monies or credit rights arising from the sale of such real estate or holdings in the same or previous financial year are not included in the calculation, provided that, in the latter case, the reinvestment period referred to in section 6 of the Act has not elapsed.

- Likewise, at least 80% of the rental income for each financial year, excluding income from sales of the holdings and the real estate, both of which are connected with the core corporate purpose, once the maintenance period referred to below has expired, must come from income-producing real estate and from dividends or profit-sharing in those holdings.

  If the company is the holding company of a group as this is defined in section 42 of the Commercial Code, the percentage is calculated on the consolidated profit or loss, regardless of residency and the obligation to prepare consolidated financial statements. The group must be composed exclusively of the REITs and the other enterprises referred to in section 2.1 of the aforementioned Act.

- The real estate and the REIT's assets must continue to be leased for at least three years. For calculation purposes, the time during which the properties are offered for lease is also included, up to a maximum of one year.

  The period is calculated as follows:

a) In the case of real estate included in the REIT's assets before applying for this tax regime, from the start of the first tax period in which the special tax regime under this Act applies, provided that the property was leased or offered for lease on that date. Otherwise, the terms of the following paragraph apply.

b) For real estate subsequently developed or acquired by the REIT, from the date on which it was first leased or offered for lease.

c) For shares or holdings in the enterprises referred to in section 2.1 of this Act, they must be retained as assets by the REIT for at least three years from acquisition date or, where appropriate, from the beginning of the first tax period in which the tax regime under this Act applies.

3. There are other requirements for the REIT regime, such as:

- Minimum capital:
  The minimum capital is €5 million.

- Obligation to trade on a regulated market.
  The REIT's stock must be admitted to trading on a regulated market or a multilateral trading system in Spain or any member state of the European Union or the European Economic Area, or on a regulated market in any country or territory with which there is an effective exchange of tax information, uninterruptedly throughout the tax period (section 4 of the REIT Act). In this regard, the shares of the Holding Company have been listed since July 2020 on BME Growth (formerly MAB).

- Reporting obligations.
  REITs must include in their financial statements all disclosures required by the tax laws regulating the special regime for REITs.

- Obligation to pay dividends.
Once all commercial commitments are met, Group companies must pay out as dividends:

- All of the profits from dividends or profit-sharing distributed by the enterprises referred to in section 2.1 of Act 11/2009.
- At least 50% of the profits obtained from the sale of the real estate and the shares or holdings referred to in section 2.1 of Act 11/2009 and associated with the corporate purpose, once the minimum holding periods have elapsed. The remainder of these profits must be reinvested in other real estate or shares associated with the fulfilment of the corporate purpose within three years of the date of transfer.
- At least 80% of all other profits earned. If dividends are distributed against reserves from profits in a financial year when the special tax scheme is applied, they must be distributed in the manner described above.

The corporation tax rate for REITs is 0%. However, when the dividends paid by a REIT to shareholders who control more than 5% are exempt or taxed at a rate of less than 10%, the REIT must pay a special tax of 19% which is considered the portion of Corporation Tax due on the dividend paid to such shareholders. Where applicable, this special tax must be paid by the REIT within two months of the dividend payment.

As established in the first transitory provision of Act 11/2009 of 26 October, amended by Act 16/2012, of 27 December, which regulates listed real estate investment trusts companies, REITs may avail themselves of special tax regime option according to the terms of section 8 of the Act even if the requirements set out therein are not met, provided that such requirements are met within two years of the date on which the option is chosen.

Failure to meet this condition means that the REIT will be taxed under the general corporate tax rules as from the tax period when it fails to meet this condition, unless it is rectified in the next financial year. Furthermore, along with the tax due for that period, the REIT will be obligated to pay the difference between the tax due under the general regime and the tax due under the special regime for previous tax periods, without prejudice to any late interest, fees and penalties.

The Holding Company's Board of Directors believes that the requirements have been met as established in the aforementioned Act within the legal deadlines.

All companies close their accounts at 31 December each year.

Due to the nature of the Group's current business, it has no environmental liabilities, expenses, assets, provisions or contingencies that could have a significant impact on its equity, financial situation or results. Therefore, these notes to the financial statements do not contain any specific disclosures on environmental matters.

The individual and consolidated annual accounts of NEXTPOINT CAPITAL SOCIMI, S.A. for 2020 were prepared by the Board of Directors on 24 March 2021 and subsequently approved at the General Meeting of Shareholders.

2. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

2.1.- Regulatory framework

These consolidated financial statements were formulated by the Board of Directors of the Holding Company in keeping with the regulatory framework for financial reporting applicable to the Group as established in:

- The International Financial Reporting Standards (IFRS) and the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Union, pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council and its subsequent amendments (IFRS-EU, as a whole).

- Code of Commerce

- a) Capital Companies Act and commercial legislation.

- Act 11/2009 of 26 October, amended by Act 16/2012 of 27 December, which regulates listed real estate investment trusts (REITs) and other commercial legislation.

- Circular 3/2020 issued by BME Growth on “Information to be provided by companies whose securities trade in the BME Growth segment of BME MTF Equity”.

- All other applicable Spanish accounting laws.

These Consolidated Annual Accounts for the year ended 31 December 2021 are the first ones prepared under IFRS and the first ones presented by the Group in accordance with International Financial Reporting Standards (IFRS), in particular, IFRS 1. "First-time Adoption of IFRS", and the International Financial Reporting Interpretations adopted by the European Union (together, IFRS-EU) in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council and subsequent amendments.

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires the Directors of the Holding Company to exercise their judgement in the process of applying the Group’s accounting policies. Note 2.7 discloses the areas that require a higher level of judgement or entail greater complexity, and the areas where assumptions and estimates are significant for the Interim Summary Consolidated Financial Statements.

Since the consolidated annual accounts for the current financial year are the first ones presented under IFRS-EU, the balances for the 2020 financial year ended 31 December 2020 have been restated on the same basis for comparative purposes. Therefore, the balances compared with those of the previous year are considered not to have been audited as they are not based on the same accounting principles.

Therefore, the reconciliation of the consolidated balance sheet at 31 December 2020 has been included below:

Assets	31/12/2020-General Accounting Plan	ADJUSTMENTS	31/12/2020-IFRS
A) NON-CURRENT ASSETS	**23,535,519.11**	**2,327,336.99**	**25,862,856.10**
I. Intangible fixed assets	**2,016.00**	**0.00**	**2,016.00**
5. Computer applications	2,016.00	0.00	2,016.00
II. Property, plant and equipment	**421,738.02**	**0.00**	**421,738.02**
2. Plant and other PPE	21,738.02	0.00	21,738.02
3. Advance payments of fixed assets	400,000.00	0.00	400,000.00
III. Investment properties	**22,392,663.01**	**2,327,336.99**	**24,720,000.00**
1. Land	10,831,572.10	2,519,667.90	13,351,240.00
2. Buildings	11,561,090.91	-192,330.91	11,368,760.00
V. Non-current financial investments	**719,102.08**	**0.00**	**719,102.08**
5. Other financial assets	719,102.08	0.00	719,102.08
B) CURRENT ASSETS	**5,251,787.14**	**0.00**	**5,251,787.14**
III. Trade and other accounts receivable	**970,775.11**	**0.00**	**970,775.11**
1. Trade receivables from sales and services	27,230.25	0.00	27,230.25
B) Current trade receivables from sales and services	27,230.25	0.00	27,230.25
3. Sundry receivables	324,680.48	0.00	324,680.48
6. Taxes receivable	618,864.38	0.00	618,864.38
VII. Cash and cash equivalents	**4,281,012.03**	**0.00**	**4,281,012.03**
1. Cash and banks	4,281,012.03	0.00	4,281,012.03
T O T A L A S S E T S (A+B)	**28,787,306.25**	**2,327,336.99**	**31,114,643.24**

Equity and Liabilities	31/12/2020-General Accounting Plan	IFRS-2020	31/12/2020-IFRS
A) EQUITY	**1,259,786.49**	**2,327,336.99**	**3,587,123.48**
A-1) Shareholders' equity	**1,259,786.49**	**2,327,336.99**	**3,587,123.48**
I. Share capital	**5,042,611.00**	**0.00**	**5,042,611.00**
1. Subscribed capital	5,042,611.00	0.00	5,042,611.00
II. Share premium	**180,565.45**	**0.00**	**180,565.45**
III. Reserves	**-13,016.52**	**31,956.99**	**18,940.47**
2. Other reserves	-13,016.52	31,956.99	18,940.47
IV. (Shares and treasury stock)	**-208,782.00**	**0.00**	**-208,782.00**
V. Prior year profit/(loss)	**-1,716,490.65**	**1,379,772.20**	**-336,718.45**
2. (Prior year losses carried forward)	-1,716,490.65	1,379,772.20	-336,718.45
VI. Consolidated group's results for the year	**-2,025,100.79**	**915,607.80**	**-1,109,492.99**
B) NON-CURRENT LIABILITIES	**25,070,484.76**	**0.00**	**25,070,484.76**
II. Non-current payables	**25,070,484.76**	**0.00**	**25,070,484.76**
2. Bank borrowings	6,110,684.76	0.00	6,110,684.76
5. Other financial liabilities	18,959,800.00	0.00	18,959,800.00
C) CURRENT LIABILITIES	**2,457,035.00**	**0.00**	**2,457,035.00**
III. Current payables	**1,971,338.45**	**0.00**	**1,971,338.45**
2. Bank borrowings	322,320.73	0.00	322,320.73
5. Other financial liabilities	1,649,017.72	0.00	1,649,017.72
V. Trade and other payables	**485,696.55**	**0.00**	**485,696.55**
3. Sundry accounts payable	424,304.35	0.00	424,304.35
4. Outstanding salaries	8,873.75	0.00	8,873.75
6. Other taxes payable	52,518.45	0.00	52,518.45
T O T A L EQUITY AND LIABILITIES (A+B+C)	**28,787,306.25**	**2,327,336.99**	**31,114,643.24**

The adjustments made to investment properties are due to the implementation of the fair value method to value these assets as provided for in IAS 40, whereby the profit or loss was charged to the results of financial year 2020. An analysis of the impact of IFRS 16 showed that it did not have a significant effect.

NEXT POINT SOCIMI

The reconciliation of the consolidated 2020 income statement is as follows:

Income Statement A) CONTINUING OPERATIONS	31/12/2020-General Accounting Plan	IFRS-2020	31/12/2020-IFRS
1. Net turnover	**390,635.72**	**0.00**	**390,635.72**
b) Provision of services	390,635.72	0.00	390,635.72
3. Work carried out by the Group for its fixed assets	**0.00**	**29,772.71**	**29,772.71**
6. Personnel expenses	**-270,576.51**	**0.00**	**-270,576.51**
a) Wages, salaries and similar	-220,463.91	0.00	-220,463.91
b) Employee benefits	-50,112.60	0.00	-50,112.60
7. Other operating expenses	**-861,462.51**	**0.00**	**-861,462.51**
a) External services	-834,089.36	0.00	-834,089.36
b) Taxes	-27,373.15	0.00	-27,373.15
8. Amortisation of fixed assets	**-83,192.10**	**82,956.82**	**-235.28**
11. Impairment and profit/(loss) on property disposals	**60,650.28**	**-60,650.28**	**0.00**
12. Variation in investment properties	**0.00**	**863,528.55**	**863,528.55**
13. Other profit/(loss)	**-1.63**	**0.00**	**-1.63**
A.1) OPERATING PROFIT/(LOSS)	**-763,946.75**	**915,607.80**	**151,661.05**
14. Financial income	**1,259.97**	**0.00**	**1,259.97**
b) Third parties	1,259.97	0.00	1,259.97
15. Financial expenses	**-1,262,414.01**	**0.00**	**-1,262,414.01**
a) Group companies	-7,751.74	0.00	-7,751.74
b) Third party debt	-1,254,662.27	0.00	-1,254,662.27
A.2) FINANCIAL PROFIT (LOSS)	**-1,261,154.04**	**0.00**	**-1,261,154.04**
A.3) PRE-TAX PROFIT (LOSS)	**-2,025,100.79**	**915,607.80**	**-1,109,492.99**
A.4) RESULTS FOR THE YEAR FROM CONTINUING OPERATIONS	**-2,025,100.79**	**915,607.80**	**-1,109,492.99**
B) DISCONTINUED OPERATIONS	**0.00**	**0.00**	**0.00**
A.5) PROFIT (LOSS) FOR THE YEAR	**-2,025,100.79**	**915,607.80**	**-1,109,492.99**
ATTRIBUTED TO THE CONSOLIDATED GROUP	-2,025,100.79	915,607.80	-1,109,492.99
ATTRIBUTED TO EXTERNAL PARTNERS	0.00	0.00	0.00

The adjustments made in "Variation in investment properties", "Amortisation of fixed assets" and "Impairment and profit/(loss) on property disposals" are due to the implementation of the fair value method to value these assets as provided for in IAS 40 mentioned above. An analysis of the impact of IFRS 16 showed that it did not have a significant effect.

The impact of the application of IFRS on the 2019 financial statements is conceptually the same as indicated above for the 2020 financial year, with the following impact in euros summarized by line item in the 2019 figures:

BALANCE SHEET:

	31/12/2019-General Accounting Plan	IFRS-2019	31/12/2019-IFRS
A) NON CURRENT ASSETS	**Asset 19.684.941,51**	**1.383.491,88**	**21.068.433,39**
III. Investment properties	**18.293.508,12**	**1.383.491,88**	**19.677.000,00**
1. Lands	9.843.966,65	633.704,55	10.477.671,20
2. Constructions	8.449.541,47	749.787,33	9.199.328,80

Equity & Liabilities	31/12/2019- General Accounting Plan	IFRS-2019	31/12/2019-IFRS
A) NET EQUITY	**-1.666.507,17**	**1.383.491,88**	**-283.015,29**
A-1) Shareholders Equity	**-1.666.507,17**	**1.383.491,88**	**-283.015,29**
III. Reserves	**-13.016,52**	**3.719,68**	**-9.296,84**
2. Other reserves	-13.016,52	3.719,68	-9.296,84
VI. Profit for the year of the consolidated group	**-1.624.823,80**	**1.379.772,20**	**-245.051,60**

PROFIT & LOSS STATEMENT :

Profit & Loss Statement	31/12/2019- General Accounting Plan	IFRS-2019	31/12/2019-IFRS
8. Amortisation on fixed assets	-32.349,52	28.237,31	-4.112,21
11. Impairment and profit (loss) on property disposals	-271.208,15	271.208,15	0,00
12. Variation in real estate investments	0,00	1.080.326,74	1.080.326,74
A.1) OPERATING PROFIT (LOSS)	**-887.443,37**	**1.379.772,20**	**492.328,83**
A.3) PRE-TAX PROFIT (LOSS)	**-1.624.823,80**	**1.379.772,20**	**-245.051,60**
A.4) RESULTS FOR THE YEAR FROM CONTINUING OPERATIONS	**-1.624.823,80**	**1.379.772,20**	**-245.051,60**
A.5) PROFIT (LOSS) OF THE YEAR	**-1.624.823,80**	**1.379.772,20**	**-245.051,60**
ATTRIBUTED TO THE CONSOLIDATED GROUP	**-1.624.823,80**	**1.379.772,20**	**-245.051,60**

Reconciliation of the 2020 consolidated cash flow statement

		FY 2020 - General Accounting Plan	IFRS ADJUSTMENT	FY 2020 - IFRS
A)	**CASH FLOWS FROM OPERATIONS**			
	1. Pre-tax results for the period	**-2,025,100.79**	**915,607.80**	**-1,109,492.99**
	2. Adjustments to results	**1,283,695.86**	**-915,607.80**	**368,088.06**
	a) Fixed asset depreciation (+)	83,192.10	-82,956.82	235.28
	b) Value adjustments due to impairment (+/-)	-60,650.28	60,650.28	0.00
	g) Financial income (-)	-1,259.97	0.00	-1,259.97
	h) Financial expenses (+)	1,262,414.01	0.00	1,262,414.01
	j) Change in fair value of investment property (+/-)	0.00	-893,301.26	-893,301.26
	3. Changes in working capital	**526,981.70**	**0.00**	**526,981.70**
	b) Trade and other receivables (+/-)	249,828.86	0.00	249,828.86
	d) Creditors and other accounts payable (+/-)	277,152.84	0.00	277,152.84
	4. Other cash flow from operations	**-1,261,154.04**	**0.00**	**-1,261,154.04**
	a) Interest payments (-)	-1,262,414.01	0.00	-1,262,414.01
	c) Collection of interest (+)	1,259.97	0.00	1,259.97
	5. Cash flows from operations (1 + 2 + 3 + 4)	**-1,475,577.27**	**0.00**	**-1,475,577.27**
B)	**CASH FLOWS FROM INVESTMENTS**			
	6. Payments on investments (-)	**-3,873,119.42**	**0.00**	**-3,873,119.42**
	b) Intangible fixed assets	-336.00	0.00	-336.00
	c) Property, plant and equipment	-402,232.61	0.00	-402,232.61
	d) Investment properties	-3,183,536.73	0.00	-3,183,536.73
	e) Other financial assets	-287,014.08	0.00	-287,014.08
	8. Cash flows from investments (6+7) .	**-3,873,119.42**	**0.00**	**-3,873,119.42**
C)	**CASH FLOWS FROM FINANCING**			
	9. Collections and payments on equity instruments:	**4,951,394.45**	**0.00**	**4,951,394.45**
	a) Issue of equity instruments (+)	5,160,176.45	0.00	5,160,176.45
	c) Acquisition of treasury stock (-)	-208,782.00	0.00	-208,782.00
	10. Collections and payments on financial liabilities	**3,873,977.22**	**0.00**	**3,873,977.22**
	a) Issue	4,555,459.87	0.00	4,555,459.87
	2. Bank borrowings (+)	2,385,000.00	0.00	2,385,000.00
	5. Other debt	2,170,459.87	0.00	2,170,459.87
	b) Refund and amortisation of:	-681,482.65	0.00	-681,482.65
	2. Bank borrowings (-)	-174,358.53	0.00	-174,358.53
	3. Current loans with group and associate companies (-)	-507,124.12	0.00	-507,124.12
	12. Cash flows from financing (9+10+11)	**8,825,371.67**	**0.00**	**8,825,371.67**
D)	**EFFECT OF EXCHANGE RATE FLUCTUATIONS**	**0.00**	**0.00**	**0.00**
E)	**△/▽ NET OF CASH AND CASH EQUIVALENTS (5+8+12+D)**	**3,476,674.98**	**0.00**	**3,476,674.98**

Cash or cash equivalents - opening	804,337.05	0.00	804,337.05
Cash and cash equivalents at the year-end	4,281,012.03	0.00	4,281,012.03
Difference	**3,476,674.98**	**0.00**	**3,476,674.98**

The adjustments made to “Fixed asset depreciation", "Impairment losses" and "Changes in the fair value of investment property" are due to the application of the fair value method for valuing investment property in accordance with IAS 40, mentioned above.

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2.2 True and fair view

The 2021 consolidated financial statements were obtained from the Group's accounting records and are submitted in line with the Regulatory Framework highlighted in the above point, so that they show a true image of the Group's equity, financial situation, results and cash flows in 2021.

These consolidated financial statements undergo an audit.

2.3 Non-mandatory accounting principles applied

No non-statutory accounting principles were applied. These 2021 consolidated financial statements were prepared based on the mandatory accounting principles and standards that would have a significant effect on them. There are no statutory accounting principles that have not been applied.

2.4 Functional currency

These consolidated financial statements are expressed in euros.

2.5 Comparability of information

For the purposes of comparison, these consolidated financial statements show both the figures for 2021 and those for 2020 in respect of every item included in the balance sheet, the profit and loss account, the statement of changes in equity, the consolidated cash flow statement and the consolidated notes.

As indicated above, the Consolidated Annual Accounts for the year ended 31 December 2021 are presented in accordance with IFRS-EU international standards and not following the General Accounting Plan or Rules for the Formulation of Consolidated Annual Accounts (NOFCAC), as was the case in the years prior to 2021. The comparative balances for 2020 reported in these Consolidated Annual Accounts are expressed according to IFRS-EU international standards.

At the end of Note 2., section 2.1 on the Basis for Presentation of the Consolidated Annual Accounts, there is a reconciliation of all comparative statements and balances for FY 2020 that have been restated, indicating the initial balance according to the General Accounting Plan and NOFCAC standards, according to the current criteria (PGC-NOFCAC) for FY 2020, the adjustments made and the final balance according to IFRS-EU international standards, restated for FY 2020.

***2.6* Adoption of IFRS**

The accounting policies adopted in the preparation of these Consolidated Annual Accounts that were considered by the Group, as necessary, are:

(1) Standards and interpretations applicable in this financial year

For the financial year ended at 31 December 2021, new accounting standards came into force that are discussed below:

New standards, amendments and interpretations		Mandatory application for financial years starting on or after:
	Approved for use in the European Union	
Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. Interest Rate Benchmark Reform - Phase 2 (published in August 2020)	Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 in relation to the interest rate benchmark reform (Phase 2).	1 January 2021
Amendments to IFRS 4. Deferred application of IFRS 9 (published in June 2020).	Deferred application of IFRS 9 to 2023.	1 January 2021
Amendments to IFRS 16. COVID-related rent concessions (published in March 2021).	Amendment to extend the deadline for the application of the practical solution of IFRS 16 for COVID-related rent concessions.	1 April 2021 (*)

(*) Early application allowed.

(2) Standards and interpretations issued but not yet in force

At the date of these Consolidated Annual Accounts, the following standards, amendments or interpretations had been issued by the International Accounting Standards Board (IASB) but had not yet come into force, either because their effective date is later than the date of the enclosed Annual Accounts or because they have not yet been adopted by the European Union:

New standards, amendments and interpretations		Mandatory application for financial years starting on or after:
	Approved for use in the European Union	
Amendments to IFRS 3. Amendments to IFRS 3 Reference to the Conceptual Framework (published in May 2020)	IFRS 3 was updated to align the definitions of assets and liabilities in a business combination with the contents of the Conceptual Framework. In addition, certain clarifying guidance is given on the recognition of contingent assets and liabilities.	1 January 2022
Amendments to IFRS 16. Proceeds obtained before intended use (published in May 2020)	The amendment prohibits deducting any proceeds from the sale of items produced while the company is preparing an asset for its intended use from the cost of an item of property, plant and equipment. Revenue from the sale of such items, together with production costs, must be reported in the income statement.	1 January 2022
Amendment to IAS 37 - Onerous contracts - Cost of fulfilling a contract (published in May 2020).	The amendment explains that the direct cost of fulfilling a contract includes the incremental costs of fulfilling this contract and the allocation of other costs that are directly related to the performance of the contract.	1 January 2022
Improvements to IFRS: 2018-2020 Cycle (published in May 2020)	Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.	1 January 2022

Still not approved for implementation in the European Union

Amendments to IAS 1 - Classification of liabilities as current and non-current (published in January 2020)	Clarifications regarding the presentation of liabilities as current and non-current.	1 January 2023
Amendments to IAS 1: Disclosure of accounting policies (published in February 2021)	Amendments that enable entities to appropriately identify the material accounting policy information that should be disclosed in the financial statements.	1 January 2023
Amendment to IAS 8: Definition of accounting estimates (published in February 2021)	Amendments and clarification on what should be understood as a change in an accounting estimate.	1 January 2023
Amendments to IAS 12 – Deferred tax related to assets and liabilities arising from a single transaction (published in May 2021)	Clarifications regarding how entities should recognise deferred tax arising from transactions such as leases and decommissioning obligations.	1 January 2023
Amendments to IFRS 17 - Insurance contracts - First-time application of IFRS 17 and IFRS 9. Comparison of information (published in December 2021)	Amendments to the transition requirements of IFRS 17 for insurance companies that apply both IFRS 17 and IFRS 9 for the first time simultaneously.	1 January 2023
IFRS 17: Insurance contracts and amendments (amendments published in May 2017 and June 2020)	Replaces IFR 4 and clarifies the principles of registration, measurement, presentation and disclosure of insurance contracts in order to ensure that the entity provides relevant and reliable information that allows the users of the information to determine the effects of the contracts on their financial statements.	1 January 2023

The Group will apply the new standards, amendments and interpretations if and when they are adopted by the European Union. In any event, the Directors of the Holding Company have assessed the possible effect of applying these standards in the future and do not believe that they will have a material effect on the Group's consolidated annual accounts once in force.

2.7 Critical aspects of the assessment and evaluation of uncertainty

The information contained in these Consolidated Annual Accounts is the responsibility of the Holding Company's Board of Directors.

Estimates made by the Holding Company's Board of Directors were used for calculating the value of certain assets, liabilities, income, expenses and commitments in the 2021 consolidated financial statements. These estimates basically refer to:

1. The value of the Group's real estate assets and properties.

   Fair value of investment properties

   The Group obtains independent annual valuations of its investment properties. At the end of the year being reported, the Holding Company's Board of Directors makes an estimate of the fair value of each investment property based in the most recent independent valuations. The Holding Company's Board of Directors calculates the value of a property within the range of estimates of its acceptable fair value.

   The best evidence of the fair value of investment properties in an active market are the prices of similar assets. The lack of such information given the market's current situation has led the Directors of the Holding Company to calculate the fair value using a range of fair values. In making this judgement, the Group uses a number of sources, including:

i. Current prices in an active real estate market of a different kind, condition or location, adjusted to reflect the differences with the Group's real estate assets.

ii. Recent property prices in other less active markets that are adjusted to reflect the change in economic conditions since the date of any given transaction.

iii. Discounted cash flows based on estimations arising from the terms and conditions of current lease agreements and, if possible, on the evidence of the market prices of similar properties in the same location using the discount rates that reflect the uncertainty of the time factor.

The valuations used for each investment property to present them at market value are discussed in Note 8.

Impairment of the value of tangible and intangible assets.

The valuation of the potential impairment of non-current non-financial assets requires that certain estimates be made to calculate the fair value in order to evaluate their possible impairment, the best evidence of this being the prices of similar assets. If this information is not available given the current market situation, the following criteria are used: a range of fair values calculated on the basis of current prices in an active market for different types of properties, conditions or locations, adjusted to reflect how they differ from the Company's assets; recent prices for properties in other less active markets, adjusted to reflect changes in economic conditions since the transaction date; and discounts to the expected future cash flows of the assets or the cash-generating units to which they pertain, based on estimates derived from the terms of current and projected leases, using an appropriate discount rate to calculate the present value of these cash flows.

Calculating fair value, value-in-use and present value

Calculating fair value, value in use and current value involves calculating future cash flows and assuming hypotheses relative to those future cash flows and the discount rates applicable to them. The related estimates and assumptions are based on the past experience and other factors considered to be reasonable based on the circumstances.

Useful life of fixed assets

The Holding Company's Directors calculate the estimated useful lives and corresponding depreciation charges for fixed assets.

2. Equity imbalance. Although the consolidated losses recorded in prior years meant that equity at the 2020 year-end was lower than share capital, this year's result means that equity is higher than share capital and the Group has prepared the Consolidated Annual Accounts on a going concern basis. Moreover, the Group has participating loans in the amount of €26.4 million in principal (€18.6 million in principal at 31 December 2020), which are detailed in Note 12 on financial liabilities. As stated in note 13.5, these loans are recognised as adding value to Equity for the purposes of their measurement.

3. Calculation of provisions and contingencies.

4. Management of financial risk and especially liquidity and tax risks.

5. The effects of COVID-19 on the preparation of these consolidated financial statements.

   On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic.
   The coronavirus or COVID-19 pandemic has not had a material effect on the Group's business, financial position or operating profit at 31 December 2021 and therefore has not had a material impact on the 2021 Consolidated Annual Accounts. The outlook for the future is cautiously optimistic due to the vaccination campaign and the evolution of the pandemic in recent months.

   The pandemic did not affect the assets that were already operative but did affect those requiring renovations before being leased, which has caused a delay in such work and therefore their readiness for leasing:

   Ribera 3, Valencia
   Virgen 24 and 28, Valencia
   San Cristobal 7, Valencia
   Pie de la Cruz, 14, Valencia

   The Holding Company's Board of Directors is constantly monitoring the situation in order to successfully deal with any possible impacts, both financial and non-financial, that may occur.
   The Group has received ICO loans for a total of €505,000 (€380,000 the year before) and has requested a grace period of up to two years to boost liquidity.

6. Compliance with the SOCIMI tax regime (note 1)

7. Going concern

The Group incurred losses in recent years due to the Holding Company's initial start-up costs and the public offering, but this situation is expected to be reversed under the current business plan. The acquisition of rental property gradually and progressively generates increased income for the Group.

Furthermore, the market value of the Group's properties is higher than the purchase price. The capital gains which are reflected in the 2021 financial information are the result of transitioning to IFRS-EU reporting in these Consolidated Annual Accounts.They are also reflected in the comparative figures.

The working capital at the date of these Consolidated Annual Accounts is negative, but if the short-term interest accrued on participating loans maturing more than one year away is removed, the difference between current assets and current liabilities is positive rather than negative, which is why it is not believed that it will have a significant impact on the Group.

Although estimates are made on the basis of the best information available at the date of these consolidated annual accounts, future events may require these estimates to be adjusted (upward or downward) at a later date, which would be carried out prospectively as stipulated in IAS 8 (see Note 20 - Subsequent Events).

2.8 __Estimation of fair value__

All assets and liabilities for which there are calculations and breakdowns of their fair value in the Consolidated Annual Accounts are classified in the range of fair values described below, based on the lowest variable that would be significant for calculating the overall fair value:

- Listed prices (not adjusted) in active markets for identical assets and liabilities (Level 1).
- Figures different to the listed price included in Level 1 that are observable for an asset or liability, both directly (i.e., prices) and indirectly (i.e., derived from prices) (Level 2).
- Figures for an asset or liability that are not based on tangible market figures (i.e., unobservable figures)(Level 3).

According to IFRS 13, the hierarchy level at which an asset or liability is classified in its entirety (Level 1, Level 2 or Level 3) is determined by the lowest relevant input used in the measurement within the fair value hierarchy. If the inputs used to measure the fair value of an asset or liability can be categorised in different levels, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the measurement of the security.

The above levels are reflected in IFRS 13 Market Valuations. These valuations have a subjective component as they are made on the basis of the valuator's assumptions, which may not be accurate. For this reason, and in accordance with EPRA recommendations, we have classified the valuations of investment property in Level 3 as set out in IFRS 13.

2.9 Grouping of items

Certain items on the consolidated balance sheet and the consolidated income statement, the consolidated statement of change in financial position and the consolidated cash flow statement are grouped together to make them easier to understand. However, to the extent that it is significant, the information has been included separately in the pertinent notes to the financial statements.

2.10 Changes in accounting estimates and policies

As previously mentioned, these Consolidated Annual Accounts for the year ended 31 December 2021 are the first ones prepared under IFRS and the first ones presented by the Group in accordance with International Financial Reporting Standards (IFRS). Hence, there are changes in the accounting standards applied with respect to those applied the year before.

2.11 Correction of accounting errors

There are no errors in the comparative figures.

2.12 Related party transactions

There are no transactions between consolidated companies on dates that are less than three months from the closing of the consolidated financial statements, since the financial years of all Group companies end on 31 December each financial year.

3. CONSOLIDATION

3.1. Consolidation principles

Consolidation method

Subsidiary undertakings are consolidated using the full consolidation method, since they are wholly-owned by the Holding Company, which also controls the governing bodies and their voting rights. Consequently, there are no minority shareholdings in the equity or results of the consolidated Subsidiaries that must be reported under the heading of Minority Interests.

There is no goodwill or negative consolidation difference, since the Subsidiary Undertakings were directly incorporated by the Group's Holding Company. Consequently, control is acquired when the Subsidiary Undertakings are incorporated.

Balances and transaction between group companies

Debit and credit balances and transactions during the year between consolidated enterprises are eliminated on consolidation.

Standardisation of accounting principles

It was not necessary to standardise the accounting principles used by the consolidated companies as there are no significant differences, except for the cancellation of incorporation expenses included in the assets of the Subsidiary Company, which is a different standard for the Group's Holding Company.

3.2. Scope of consolidation

The scope of consolidation includes the Holding Company and the Subsidiary Undertakings mentioned in note 1 of these consolidated financial statements. There have been no changes in the scope of consolidation in comparison with the previous financial year, with the exception of new companies incorporated in this financial year that are fully owned by the Group's Holding Company.

4. DISTRIBUTION OF THE HOLDING COMPANY'S PROFITS

The General Shareholders' Meeting held on 28 June 2021 decided to allocate the Holding Company's losses for the year ended 31 December 2020, in the amount of €669,314.58 (€43,803.80 in profits the year before), to offset prior year losses.

Dividend payment limits

According to section 6 of Act 11/2009, amended by Act 16/2012 of 27 December, REITs that have chosen the special tax regime are obligated to pay the profits obtained during the year to their shareholders in the form of dividends, once all commercial obligations have been met. The resolution to pay dividends must be passed within six months of the end of the financial year and the payment must be made within one month of the resolution date, as follows:

a) 100% of the profits from dividends or profit-sharing distributed by the enterprises referred to in section 2.1 of the Act.

b) At least 50% of the profits obtained from the sale of the real estate and the shares or holdings referred to in section 2.1 of the Act and associated with the corporate purpose, once the minimum holding periods referred to section 2.3 have elapsed. The remainder of these profits must be reinvested in other real estate or shares associated with the fulfilment of the corporate purpose within three years of the date of transfer. Otherwise, these profits must be distributed in full, together with any profits from the year in which the reinvestment period ends. If the items to be reinvested are sold before the holding period in section 2.3 of the act elapses, the profits must be distributed in full together with any profits from the financial year in which they were sold.
The distribution obligation does not apply to the portion of the profits earned in years when the company was not part of the special tax regime established in this Act.

c) At least 80 percent of all other profits earned.

The Holding Company is obligated to allocate 10% of profits for the year to the funding of legal reserves. This legal reserve may not exceed 20% of share capital as the Company is subject to the special regime for REITs. However, in the event of a capital reduction due to losses, it must be at least 10% of the new share capital, after reduction, if dividends are to be paid, as established in section 325 of the Capital Companies Act. Furthermore, dividends can only be paid out of the financial year profits or freely available reserves as long as net equity is more than the share capital or will not fall below share capital as a result of the dividend payment.

Given the losses incurred by the Group, there were no interim dividends.

The Group's losses in 2020, which totalled €1,109,492.99 (€245,051.60 in losses the year before) were carried over to prior year losses.

5. VALUATION AND REGISTRATION STANDARDS

5.1 Standardisation of items on the individual financial statements of consolidated companies

It was not necessary to standardise the companies' accounting principles, with the exception of start-up expenses included in the Subsidiary's assets, which are not considered assets for the Group's Holding Company under current accounting regulations. The financial years of all Group companies end on 31 December each year.

5.2 Criteria for elimination of investments and equity

The share capital and other equity items of Subsidiary Undertakings are written off against the investment in them on the date when any given Subsidiary Undertaking is incorporated by the Group.

5.3 Group transactions and balances

Debit and credit balances and transactions during the year between consolidated enterprises are eliminated on consolidation.

5.4 Intangible fixed assets

Intangible assets are stated at their acquisition cost and/or production cost and are later stated at cost less accumulated depreciation and/or any losses due to impairment they have sustained. These assets are depreciated according to their useful life.

The Company recognises any losses in the carrying value of the assets due to impairment. The criteria for recording losses due to the impairment of these assets and, if applicable, any losses due to impairment recognised in prior years are similar to those applied to tangible assets.

Intangible assets are amortised on a straight-line basis over the years of estimated useful life. In the case of the website, the estimated useful life is 5 years, and therefore the amortisation rate is 20%.

5.5 Property, plant and equipment

The tangible assets were measured at their purchase or production cost, less accumulated amortisation and any known impairment losses. The acquisition price or production cost includes the additional expenditure necessarily incurred until the asset is up and running.

The cost of expansion, replacement or renovation to extend the useful life of a tangible asset or its financial capacity is accounted for as an increase in its value, with the subsequent accounting withdrawal of the items replaced or renewed. The cost of regular maintenance, upkeep and repair work is charged to the income statement based on the accrual principle in the financial year in which the cost is incurred.

In the opinion of the Company's directors, there were no items during the financial year that could be considered an expansion, modernisation or improvement of property, plant and equipment.

The Company did not carry out any work involving its fixed assets.

Assets are depreciated systematically and rationally based on their useful lives and residual values, considering the normal depreciation that occurs as a result of operation, use and enjoyment, as well as their technical or commercial obsolescence. Each part of a fixed asset item is depreciated separately on a straight-line basis:

	Estimated useful life (years)
Plant and machinery	3
Furniture and fittings	10
Data processing equipment	4

Depreciable assets are tested for losses due to impairment whenever there is an event or circumstance that indicates that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying value of the asset exceeds its recoverable value. The recoverable value is the fair value of an asset less the cost of the disposal or the value-in-use, whichever is greater. In order to evaluate losses due to impairment, assets are grouped together at the lowest level at which there are cash flows that are separately identifiable (cash generating units). Previous impairment losses on non-financial assets are reviewed for possible reversal.

5.6 Investment properties

The “Investment Properties” heading on the consolidated balance sheet reflects the value of the land, buildings and other structures which are held for operation as income-generating rental properties or to earn a profit on the sale as a consequence of future increases in market prices.

Investment properties are initially stated at their cost, including any related transaction and financing costs, if applicable (developments). For properties that require more than one year to be ready for use, financial expenses accrued before they are ready for use are included in the cost, if they meet the requirements for capitalization. Following their initial recognition, investment properties are booked at their fair value.

Investment properties are reported at their fair value at the end of the period in question and are not amortised in line with the provisions of IAS 40.

Pursuant to IAS 40, the Group periodically determines the fair value of investment property by taking the appraisals performed by independent third-party experts as the reference values, so that at the end of each financial year the fair value reflects the market conditions of the investment property at that date. The valuation reports of the independent experts contain the usual caveats and/or disclaimers regarding the results of their work, specifically, that they accept as complete and accurate the information provided by the Group and that their work has been carried out in accordance with the valuation standards published by the Royal Institution of Chartered Surveyors (RICS) of Great Britain.
The primary methodology used to determine the fair value of investment property is the discounted cash flow method, which is based on an estimate of the expected future cash flows from the investment property, using an appropriate discount rate to calculate the present value of those cash flows. This rate takes into account current market conditions and reflects all forecasts and risks associated with the cash flows and the investment. A net outflow yield is used to calculate the residual value of the asset for the last year of the cash flow projection.

The fair value of investment properties reflects, amongst others, the interest earned on leases and other assumptions that market participants would take into consideration in valuing a property in current market conditions. The calculation of the fair value is the same as described in Note 8.

Subsequent expenses are only capitalised at an asset's book value when it is likely that future financial profits associated with the expense will flow back into the Group and the cost of the item can be reliably valued. All other repair and maintenance expenses are recorded in the income statement when they are incurred. Whenever part of an investment property is replaced, the book value of the replaced part is removed.

Changes in the fair value are recognised in the income statement. Whenever the Group disposes of a property at its fair value in a transaction conducted at arm's length, the book value immediately before the sale is adjusted to the transaction price, and the adjustment is reported in the income statement under the net gain made from the adjustment of the fair value of the investment properties.

If an investment property becomes a property occupied by its owners, it is reclassified as a tangible asset. Its fair value on the date of reclassification becomes its cost for subsequent accounting purposes.

If a property occupied by its owners becomes an investment property, as its use has changed the difference between the carrying value and the fair value of this property on the date of its transfer is dealt with in the same way as a revaluation as per IAS 16.
Any increase in the property's resulting book value is recognised in the income statement in the event that losses are incurred due to prior impairment, whilst any increase that is recognised is carried over to other comprehensive profit and loss and the direct increase in equity to the revaluation reserve. Any resulting drop in the property's book value is initially recognised in other comprehensive profit and loss against any previously recognised revaluation reserve, whilst the resulting drop is recognised in the income statement.

Whenever the use of an investment property is subject to a change, as made manifest by the start of visits to it for its sale, the property is transferred to inventories. The cost placed on the property for is subsequent recording in the accounts under inventories is its fair value on the date of the change of its use. The Group work has been carried out for its investment property in the amount of 375.6 thousand euros (29.6 thousand euros in the same period of the previous year).

5.7 Losses due to impairment of non-financial assets

Depreciable assets are tested for impairment losses whenever there is an event or circumstance that indicates that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the carrying value of the asset exceeds its recoverable value. The recoverable value is the fair value of an asset less the cost of the disposal or the value-in-use, whichever is greater. In order to evaluate losses due to impairment, assets are grouped together at the lowest level at which there are cash flows that are separately identifiable (cash generating units). Previous impairment losses on non-financial assets are reviewed for possible reversal at each reporting date. The value of non-financial assets subject to amortisation is negligible.

5.8 Leases

Leases are classified as finance leases when the risks and rewards of ownership of the leased asset are substantially transferred to the lessee according to the terms of the lease. Other leases are classed as operating leases.

At 31 December 2021 (and 31 December 2020) the Group had no financial leases.

<u>Operating leases</u>

The income and expenditure related to operating lease arrangements are charged to the profit and loss account in the year in which they arise.

In addition, the acquisition cost of a leased asset is reported in the consolidated financial statements according to the nature of the asset, increased by the costs directly attributable to the lease, which are recognised as an expense over the lease term by applying the same method as that used to recognise lease income.

The amounts paid or received upon entering into an operating lease are treated as advance payments or receipts which are charged to the income statement over the term of the lease as the benefits of the leased asset are given or received.

5.9 Financial instruments

5.9.1 Financial assets

Classification

The financial assets held by the Group are classified in the following categories:

a) Loans and receivables: financial assets originating from the provision of services in the course of the company's operations.
b) Held-to-maturity investments: financial assets other than derivatives that have fixed maturity dates and fixed or determinable payments, which the undertaking has the intention and the ability to hold to maturity.
c) Cash and cash equivalents: cash on hand and the cash and deposits at banks. Other equivalent liquid assets include short-term investments with maturities less than three months away which are not subject to a significant risk of changes in value.

Initial valuation

Financial assets are initially stated at the fair value of the consideration paid plus the costs directly attributable to the transaction.

Subsequent measurement

Loans, receivables, and held-to-maturity investments are measured at amortised cost.

At the end of the financial year, the Group analyses the impairment of the financial assets not recorded at fair value. Objective evidence of impairment exists if the recoverable value of the financial asset is lower than the carrying value. Impairment losses, if any, are recognised in the consolidated income statement.

With regard to valuation adjustments relating to trade and other receivables in particular, the necessary valuation adjustments are made if there is objective evidence that the amounts due will not be collected.

The criteria for recording impairment of customer balances are as follows:

1. For customers that have been declared insolvent or where payment has been claimed through the courts, 100% of the debt will be provisioned.
2. For balances that are between six months and one year overdue, 50% of the overdue debt will be provisioned. For balances that are more than one year overdue, 100% of the overdue debt will be provisioned, including any overdue balance owed by the customer that is not yet one year late.

Valuation adjustments due to impairment of customer solvency or arrears are recognised under "Other operating expenses" on the income statement.

The Group derecognises financial assets when they expire or when the rights to the cash flows from the financial asset are transferred and substantially all the risks and rewards of ownership of the financial asset are transferred.

On the other hand, the Group does not derecognise financial assets and recognises a financial liability equal to the consideration received in those cases where a substantial portion of the risks and rewards inherent to ownership are retained.

Guarantees delivered

The difference between fair value and the amount of the deposits paid on operating leases is not significant for the consolidated financial statements. According to the Urban Leases Act, the Group is subject to the concerted deposit system with certain autonomous communities. Accordingly, deposits from tenants are classified as non-current liabilities on the consolidated balance sheet and deposits with official institutions in these autonomous communities are classified as non-current assets on the consolidated balance sheet.

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5.9.2 Financial liabilities

Financial liabilities are the Group's debit balances and payables arising from goods purchased and services received in the normal course of its business operations or those which, although not considered trade payables, cannot be considered derivative financial instruments.

Debits and other payables are originally stated at the fair value of the consideration received, adjusted by the costs that are directly attributable to the transaction. These liabilities are subsequently measured at amortised cost.

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

5.9.3 Equity instruments

Equity instruments are classed according to the contents of the contractual agreements and considering the economic basis of the operation. Expenses arising from transactions with own equity instruments are recorded directly in equity as a reduction in reserves or in the income statement, as appropriate.

5.10 Corporate tax

REIT regime

In 2018, the Holding Company applied for inclusion in the REIT tax regime, effective as of 1 January 2018.

According to Act 11/2009 of 26 October, which regulates real estate investment trust companies (REITs), those that meet the requirements defined in the regulations and opt for the application of the special tax regime provided for in the Act will be taxed at a rate of 0% for corporate income tax. If losses are incurred, section 25 of the revised text of the Corporate Tax Act does not apply. Likewise, the system of deductions and rebates established in Chapters II, III and IV of the aforementioned act do not apply. In all other matters not specifically addressed in the law on REITs, the provisions of the Revised Text of the Corporate Tax Act will apply.

According to the First Transitory Provision of Act 11/2009 on the REIT regime, Group companies have two years from the date on which the option to join the regime is chosen to comply with all legal requirements. The Holding Company's Board of Directors believes that commitments had been met at the end of the two-year period, since the Holding Company was first listed on BME Growth (formerly MAB) on 16 July 2020.

5.11 Foreign currency transactions

The Group's functional currency is the euro. Consequently, transactions in currencies other than the euro are considered to be denominated in foreign currency and are recorded at the exchange rate on the day of the transaction. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates on the date of the balance sheet. Any resulting gains or losses are recognised directly in the income statement in the year in which they arise.

5.12 Income and expense

Income and expenses are recorded based on the accrual principles, i.e., when the real movement of the goods and services they represent takes place, regardless of when the monetary or financial exchange associated with them occurs. Revenue is measured at the fair value of the consideration received, less discounts and taxes.

Trade receivables from sales and services

Sales revenue is recognised as soon as the significant risks and benefits inherent to the ownership of the item sold are transferred to the buyer, as long as the seller no longer effectively controls or manages the item.

Revenue from services rendered is recognised by reference to the stage of completion of the transaction at the date of the consolidated annual accounts, whenever the outcome of the transaction can be reliably estimated . Specifically, income from property rentals is recognised on an accrual basis and the difference between the turnover and income recognised in this way, if any, is recorded under "Accrual Accounts”.

5.13 Staff costs: pension commitments and severance packages

The staff costs include all salaries and compulsory or voluntary social welfare benefits accrued at all times, acknowledging liabilities due to extra payments, holidays and bonuses and their associated expenses.

The Group is legally obligated to provide employees who are terminated under certain conditions with severance benefits. Redundancy payments which can be reasonably estimated are recorded as expenses in the year in which the termination takes place.

At 31 December 2020 and 31 December 2019, the Group had no commitments in this regard and there was no workforce adjustment plan in place.

The Group has no long-term compensation obligations to staff.

5.14 Provisions and contingencies

In preparing the consolidated financial statements, the Holding Company's Board of Directors differentiates between:

a) Provisions. Credit balances that cover current obligations derived from past events, the cancellation of which is likely to give rise to an outflow of resources but whose amount and/or time of cancellation is undetermined.

b) Contingent liabilities. Possible obligations arising as a result of past events whose future materialisation is conditional on the occurrence or not of one or more future events that are beyond the Group's control.

The Company's consolidated annual accounts include all provisions for which it is more likely than not that the Company will have to fulfil an obligation. Unless they are considered remote, contingent liabilities are not recognised in the consolidated financial statements but rather reported in the explanatory notes to the financial statements.

Provisions are stated at the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available on the event and its consequences, with the adjustments related to the restatement of such provisions being recorded as financing expenses as and when they arise.

5.15 Environmental assets

Environmental assets are the durable assets used by the Group in its business activities for the primary purpose of minimising the environmental impact of those activities or protecting or restoring the environment, which includes reducing or eliminating future contamination. Because of their nature, the Company's business activities do not have a significant environmental impact.

5.16 Related party transactions

The Group performs all its transactions with related parties on an arm's length basis. Additionally, the transfer prices are adequately supported and therefore the Company's governing body considers that there are no significant risks in this regard that could result in significant liabilities in the future.

5.17 Current and non-current items

Assets linked to the Company's normal operating cycle, which is generally considered to be one year, as well as assets which are expected to mature, be disposed of or realised within a short time of the closing date, financial assets held for trading with the exception of financial derivatives with settlement dates more than one year away and cash and cash equivalents are considered current assets. Assets that do not meet these requirements are classed as non-current.

Likewise, liabilities linked to the normal operating cycle, financial liabilities held for trading with the exception of financial derivatives with settlement dates more than one year away and in general the obligations expected to mature or be extinguished in the short term are considered current liabilities. Otherwise, they are classified as non-current.

5.18 Business combinations

The Group did not carry out any business combinations this year or the year before.

5.19 Consolidated cash flow statement

The enclosed consolidated cash flow statement was prepared according to the indirect method using the following expressions with the meanings given:

a) Cash flows: Inflows and outflows of cash and cash equivalents, understood as short-term, highly liquid investments with a negligible risk of changes in value.
b) Operations: Operations are the Group's typical business activities along with other activities that cannot be classified as investments or finance activities.
c) Investing: The activities associated with buying, selling or otherwise disposing of non-current assets and other investments not included in cash or cash equivalents.
d) Financing: Activities that lead to changes in the size and composition of equity and liabilities that are not part of operations.

6. FINANCIAL RISK MANAGEMENT

The Group is exposed to various types of financial risk: market risk (including exchange rate risk, interest rate risk and price risk), credit risk, liquidity risk and tax risk. The Group's overall risk management program focuses on uncertainty in financial markets and seeks to minimise the potential adverse impact on its financial profitability.

Risk management is controlled by the Group's Finance Department, which identifies, evaluates and hedges financial risks in accordance with the policies approved by the Holding Company's Board of Directors. The Board provides written policies for overall risk management and for specific areas such as interest rate risk, liquidity risk and tax risk.

6.1 Market risk (interest rate and foreign exchange): The Group's interest rate risk arises mainly from debt with credit institutions, most of which is issued at floating rates tied to the Euribor. All investments are subject to prior and detailed analysis of the asset's profitability.

The Group does not normally operate with foreign currencies.

6.2 Credit risk: Credit risk is defined by the Group, which analyses the credit risk of new customers before offering them the standard commercial terms and conditions. This risk focuses on the possible insolvency of tenants.
As for credit risk arising from cash and cash equivalents, the Group has bank accounts with reputable financial institutions.

The Group does not believe there is a significant concentration of credit risk, understood as the impact which accounts receivable defaults could have on the income statement.

6.3 Liquidity risk: The Group believes that efficient management of working capital is assured by the occupancy levels of leased assets and the capacity to generate rental income from the most recently acquired properties. This year, working capital happens to be negative. However, if we exclude the short-term interest accrued on participating loans maturing later than one year away, the spread between current assets and current liabilities is positive.

Cash flow forecasts are made by the Group's Finance Department, which monitors the Group's anticipated liquidity needs to ensure that it has sufficient cash to meet its operating requirements, and makes sure that sufficient liquidity is available so that the Group does not breach financing limits.

6.4 Tax risk: The Group has availed itself of the special tax regime for real estate investment trust companies (REITs). According to section 6 of Act 11/2009 amended by Act 16/2012 of 27 December, companies that have chosen the special tax regime must comply with the legal and

tax obligations described in Note 1, including the obligation to pay the profits obtained during the year to their shareholders in the form of dividends, once all commercial obligations have been met. The resolution to pay dividends must be passed within six months of the end of the financial year and the payment must be made within one month of the resolution date.
Failure to meet any of these conditions means that the Company will be taxed under the general corporate tax rules as from the tax period when it fails to meet this condition, unless it is rectified in the next financial year.
Furthermore, along with the tax due for that period, the Company will be obliged to pay the difference between the tax due under the general regime and the tax due under the special regime for previous tax periods, without prejudice to any late interest, fees and penalties.

7. TANGIBLE ASSETS

The changes under these headings during the financial years ended at 31 December 2021 and the 2020, respectively, are as follows (in euros)

Changes in PROPERTY, PLANT AND EQUIPMENT - other fixed assets	**Amount at 31-12-2021**
GROSS OPENING BALANCE	426,085.51
(+) Added	1,101,863.35
(+/-) Transfers	-400,000.00
(-) Removals	0.00
GROSS CLOSING BALANCE	1,127,948.86

Changes in depreciation of PROPERTY, PLANT AND EQUIPMENT - other fixed assets	**Amount at 31-12-2021**
GROSS OPENING BALANCE	4,347.49
{+) Increased funding	11,975.61
(+) Increases due to acquisitions or transfers	0.00
(-) Removals, derecognitions or transfers	0.00
GROSS CLOSING BALANCE	16,323.10

NET BOOK VALUE OF PPE - other fixed assets	**1,111,625.76**

Changes in PROPERTY, PLANT AND EQUIPMENT - other fixed assets	Amount at 31-12-2020
GROSS OPENING BALANCE	961,777.60
(+) Added	402,232.61
(+/-) Transfers	-937,924.70
(-) Removals	0.00
GROSS CLOSING BALANCE	426,085.51

Changes in depreciation of PROPERTY, PLANT AND EQUIPMENT - other fixed assets	Amount at 31-12-2020
GROSS OPENING BALANCE	4,112.21
{+) Increased funding	235.28
(+) Increases due to acquisitions or transfers	0.00
(-) Removals, derecognitions or transfers	0.00
GROSS CLOSING BALANCE	4,347.49

NET BOOK VALUE OF PPE - other fixed assets	421,738.02

At 31 December 2021, all tangible fixed assets were duly insured.

There are no fully amortised assets at 31 December 2021 or 31 December 2020.

There was no need to fund fixed impairment provisions this year or last year.

No financial costs were capitalised, either in this financial year or the previous one.

There were no dismantling, removal or renovation costs, either in this financial year or the previous one.

There are no grants related to these investments, either in this financial year or the previous one.

There are no swaps or firm sale commitments, either in this financial year or the previous one.

Advances on fixed assets include down payments on the purchase of real estate that will be used for rental purposes and are therefore classified as investment properties. At the 2021 year end, this includes an advance payment of €1,100,000.00 by the subsidiary NPCAP 2, S.L.U. as a down payment for the purchase of a property.
The advance payment from the previous year refers to a €400,000.00 earnest money payment made by VIV BUILDINGS 5, S.L.U. for a property purchased in January 2021.

The totals under the heading of advances on fixed assets are €1,100,000.00 at 31 December 2021 and €400,00.00 at 31 December 2020.

There are no lands or buildings that should be considered property, plant and equipment, either in this financial year or the previous one.

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8. INVESTMENT PROPERTIES

The changes under these headings during the financial years ended at 31 December 2021 and 2020, respectively, are as follows (in euros):

Changes in INVESTMENT PROPERTIES	**Amount at 31-12-2021**
GROSS OPENING BALANCE	24,720,000.00
(+) Added	22,615,798.56
(+/-) Transfers	400,000.00
(-) Removals	0.00
(+/- IFRS adjustments - Rev. Imp and amort.	325,471.68
(+) Change in fair value	2,528,875.76
GROSS CLOSING BALANCE	**50,590,146.00**

NET BOOK VALUE OF INVESTMENT PROPERTIES	**50,590,146.00**

Changes in INVESTMENT PROPERTIES	**Amount at 31/12/2020-General Accounting Plan**	**IFRS-2020 adjustment**	**Amount at 31/12/2020-IFRS**
GROSS OPENING BALANCE	18,596,673.26	0.00	18,596,673.26
(+) Added	3,183,536.73	0.00	3,183,536.73
(+/-) Transfers	937,924.70	0.00	937,924.70
(+) Appreciation	0.00	2,001,865.31	2,001,865.31
GROSS CLOSING BALANCE	22,718,134.69	2,001,865.31	24,720,000.00

Changes in depreciation of investment properties	**Amount at 31/12/2020-General Accounting Plan**	**IFRS-2020 adjustment**	**Amount at 31/12/2020-IFRS**
GROSS OPENING BALANCE	31,956.99	-31,956.99	0.00
{+) Increased funding	82,956.82	-82,956.82	0.00
GROSS CLOSING BALANCE	114,913.81	-114,913.81	0.00

Changes in impairment of investment properties	**Amount at 31/12/2020-General Accounting Plan**	**IFRS-2020 adjustment**	**Amount at 31/12/2020-IFRS**
GROSS OPENING BALANCE	271,208.15	-271,208.15	0.00
{+) Increased funding	210,557.87	-210,557.87	0.00
(-) Removals, derecognitions or transfers	-271,208.15	271,208.15	0.00
GROSS CLOSING BALANCE	210,557.87	-210,557.87	0.00

NET BOOK VALUE OF INVESTMENT PROPERTIES	**22,392,663.01**	**2,327,336.99**	**24,720,000.00**

At 30 December 2021, all properties under the heading of “Investment properties" were adequately insured.

At 31 December 2021, €890,000.00 in financial expenses were capitalised, as shown in the following breakdown by company (for the financial year ended 31 December 2020 no financial expenses were capitalised):

Owner	31 December 2021	31 December 2020
REIT PIE DE LA CRUZE, S.L.U.	179,567.98	0.00
REIT RIBERA, S.L.U.	405,496.92	0.00
REIT VIRGEN, S.L.U.	234,894.77	0.00
LEPANTO ALBERIQUE, S.L.U.	69,903.78	0.00
TOTAL	**889,863.45**	**0.00**

There are no dismantling, retirement or renovation costs, either in this financial year or the previous one.

There are no grants related to these investments, either in this financial year or the previous one.

There are no swaps or firm sale commitments, either in this financial year or the previous one.

There were no disposals in financial year 2021 or 2020.

The value of land and buildings for investment properties (in euros) is:

ITEM	2021	2020
LAND	16,265,144.85	13,351,240.00
CONSTRUCTION	34,325,001.15	11,368,760.00
TOTAL	**50,590,146.00**	**24,720,000.00**

Based on the property appraisal carried out by Gesvalt (an independent entity) at 31 December 2021, and in the absence of information that could alter that appraisal, the table below highlights the consistency of the Group's assets and investments. Therefore, uncertainty scenarios need not be considered. The calculation of the fair market value of investment properties is based on the registry information (RICS) valuation methodology at 31 December 2021 (figures expressed in euros):

Address	Acquisition date	Owner	COST OF ACQUISITION		Total acquisition expenses:	Appraised value
			Value of land	Value of building		
Calle Pamplona, 59 Barcelona (6 floors of the building)	01/10/2018	REIT PAMPLONA 59, S.L.U.	505,030.46	1,112,856.01	1,617,886.47	1,850,000.00
Calle Pie de la Cruz, 14 Valencia (6 floors of the building)	05/10/2018	REIT PIE DE LA CRUZE, S.L.U.	1,458,048.16	652,608.32	2,110,656.48	1,400,000.00
Calle Lepanto, 28 Valencia (8 floors of the building)	15/02/2019	LEPANTO ALBERIQUE, S.L.U.	684,553.00	1,215,418.60	1,899,971.60	2,130,000.00
Calle Alberique, 10 Valencia (8 floors of the building)	13/03/2019	LEPANTO ALBERIQUE, S.L.U.	592,283.97	1,195,313.02	1,787,596.99	2,365,000.00
Calle Ribera, 3 Valencia (20 floors of the building)	18/06/2019	REIT RIBERA, S.L.U.	3,713,285.78	3,114,012.67	6,827,298.45	7,780,000.00
Calle Virgen del Puig, 24 Valencia (11 floors of the building)	30/05/2019	REIT VIRGEN, S.L.U.	556,751.73	626,874.07	1,183,625.80	1,070,000.00
Calle Virgen del Puig, 28 Valencia (11 floors of the building)	30/05/2019	REIT VIRGEN, S.L.U.	556,751.42	725,748.60	1,282,500.02	1,070,000.00
Calle Ribera, 7 Valencia (11 floors of the building)	16/10/2019	REIT VIRGEN, S.L.U.	518,079.58	662,292.09	1,180,371.67	500,000.00
Ronda Carril, 78 La Garriga (BCN)	18/11/2019	VIV BUILDINGS 1, S.L.U.	308,079.06	545,477.04	853,556.10	1,450,000.00
Josep Tarradellas, 44 Blanes (Girona)	18/11/2019	VIV BUILDINGS 1, S.L.U.	278,249.32	1,138,260.65	1,416,509.97	1,820,000.00
Varsovia, 16 Barcelona	18/11/2019	VIV BUILDINGS 1, S.L.U.	485,857.07	459,134.94	944,992.01	1,730,000.00
Varsovia, 18 Barcelona	18/11/2019	VIV BUILDINGS 1, S.L.U.	246,152.05	420,872.22	667,024.27	
C/ Cavall de Mar, 25 Empuriabrava	23/07/2020	VIV BUILDINGS 3, S.L.U.	927,780.73	1,183,011.98	2,110,792.71	2,210,000.00
Barcelona, 116 Gerona	22/01/2021	VIV BUILDINGS 4, S.L.U.	937,193.64	5,245,954.87	6,183,148.51	7,715,146.00
C/ Tordera, 2 Mataró	18/06/2021	VIV BUILDINGS 5, S.L.U.	613,298.41	3,467,196.67	4,080,495.08	5,200,000.00
Circuit de llac S/N Muro Beach	12/07/2021	NP CAP 1, SLU	3,087,641.97	6,344,358.03	9,432,000.00	12,300,000.00
TOTAL			**15,469,036.35**	**28,109,389.78**	**43,578,426.13**	**50,590,146.00**

The valuation of these real estate assets is based on the "market value" assumption and was carried out in accordance with the Professional Valuation Standards of the Royal Institution of Chartered Surveyors of July 2017 - Red Book. The “market value” of the Group's investment properties was calculated based on the appraisal performed by GESVALT ,independent valuation experts (CBRE Valuation Advisory, S.A.).

“Market value” is defined as the estimated amount for which an asset could be bought and sold by a buyer and seller in an arm's length transaction after proper marketing, where each party acts knowledgeably, prudently and without compulsion. The valuation methodology adopted by the independent appraisers in determining fair value was primarily the 10-year discounted cash flow method, in addition to cross-checking with comparables. The residual amount at the end of year 10 is calculated by applying an exit yield or cap rate to the projected net income for year 11. The cash flows are discounted at an internal rate of return to arrive at the net present value. This internal rate of return is adjusted to reflect the risk associated with the investment and the assumptions made. The key variables are therefore income and exit yield.

The profitability applied by segment is as follows:

Segment	Minimum	Maximum
Hotel	4,25%	5,60%
Nursing Home	4,95%	5,26%
Residential-tourist housing	1,86%	6,08%

The properties owned by the companies listed below are the ones that are currently leased:

- REIT PAMPLONA 59, S.L.U.
- LEPANTO ALBERIQUE, S.L.U.
- VIV BUILDINGS 1, S.L.U.

- VIV BUILDINGS 3, S.L.U.
- VIV BUILDINGS 4, S.L.U.
- VIV BUILDINGS 5, S.L.U
- NP CAP 1, S.L.U

a) Investment properties are intended for operational leasing with no purchase option.

b) Income from these investments totalled €1,164,882,70 at 31 December 2021 (€388,119.40 at 31 December 2020).

c) Expenses, including taxes on these investments, totalled €585,722.75 in financial year 2021 (€125,114.86 at 31 December 2020).

d) There are assets secured by collateral, as broken down below:

MORTGAGED PROPERTY	TOTAL EUROS
Calle Pamplona, 59 Barcelona (6 floors of the building)	800,000.00
Calle Ribera, 3 Valencia (20 floors of the building) (*)	4,190,000.00
Ronda Carril, 78 La Garriga (BCN) Josep Tarradellas, 44 Blanes (Girona) Varsovia, 16 Barcelona Varsovia, 18 Barcelona	1,740,000.00
Virgen, 24 Valencia (**) Virgen, 26 Valencia (**)	2,200,000.00
Cavall de Mar, 25 Empuriabrava	1,180,000.00
C/ Tordera, 2 Mataró	2,268,000.00
Barcelona, 116 Gerona	2,200,000.00
Calle Alberique, 10 Valencia (8 floors of the building)	760,000.00
Circuit de llac S/N Muro Beach	4,595,000.00
TOTAL	**19,933,000.00**

(*) Although the total loan amount is €4.19 million, only €2.65 million was drawn down at 31 December 2021: this loan will be drawn down against certifications when the work begins.

(**) Although the total loan amount is €2.2 million, the amount drawn down at 31 December 2021 is €700,000: the outstanding tranche of this loan will be drawn down as the work is certified.

The outstanding balance on mortgage loans at 31 December 2021 is €15,572,585.22 non-current (€5,738,503.50 the year before – non-current) and €695,453.66 current (€227,397.37 the year before).

There was a change in fair value that had an impact on the income statement this year in the amount of €2,528,875.76 euros (€863,528.55 euros the year before).

9. INTANGIBLE FIXED ASSETS

The changes under these headings during the financial years ended at 31 December 2021 and 2020, respectively, are as follows (in euros)

Changes in INTANGIBLE FIXED ASSETS	**Amount at 31-12-2021**
GROSS OPENING BALANCE	2,016.00
(+) Additions	0.00
(-) Removals	0.00
GROSS CLOSING BALANCE	2,016.00
NET BOOK VALUE OF INTANGIBLE ASSETS	**2,016.00**

Changes in INTANGIBLE FIXED ASSETS	Amount at 31-12-2020
GROSS OPENING BALANCE	1,680.00
(+) Additions	336.00
(-) Removals	0.00
GROSS CLOSING BALANCE	2,016.00
NET BOOK VALUE OF INTANGIBLE ASSETS	**2,016.00**

Investments in computer applications refer to the development of the corporate website and are amortised on a straight-line basis at a rate of 20% per year. However, these investments have not been depreciated yet, as they will not be fully commissioned until financial year 2022.

There are no fully amortised intangible assets, either in this financial year or the previous one.

There are no grants related to these assets, either in this financial year or the previous one.

10. LEASES

Financial leases

The Group has no financial leases as such.

Operating leases

a) There were no contingent payments in the financial year.

b) There are no purchase options on properties leased to third parties.

c) The renewal periods on the company's rental contracts with third parties do not exceed 10 years.

d) Rents on leased properties are usually adjusted annually on the anniversary date of the contract.

There are no restrictions of any kind, new lease agreements, additional indebtedness or any other restrictions arising from the leases signed with third parties.
At 31 December 2021, the Group had arranged for the following minimum lease payments with the tenants of its properties, according to the contracts currently in effect, not counting the impact of common expenses, future increases in the CPI or contractually-agreed future rent adjustments (in euros):

	at 31.12.2021 (euros)	at 31.12.2020 (euros)
Up to 1 year.	1,958,321.43	436,479.84
1-5 years	8,251,112.99	1,773,998.71
More than 5 years	8,719,685.07	5,192,695.31
TOTAL	**18,929,119.49**	**7,403,173.86**

The table above shows the instalments committed to third parties under contract during the minimum mandatory period, despite differences in how they are reflected on the books due to the application of accounting regulations. This is the case of the contract signed by VIV BUILDINGS 5, S.L.U. with the lessee of its property, which sets different rents during the first 4 years.
The committed rent during the minimum mandatory period of 10 years has been linearised, accounting for the difference in rent in a liability account, as follows:

Year	Liability adjustment:
2021	51,444.25
2022	78,921.26
2023	86,253.10
2024	93,731.58
2025	-55,592.99
2026	-50,951.44
2027	-50,951.44
2028	-50,951.44
2029	-50,951.44
2030	-50,951.44
Total	**0.00**

The figure is renewable annually, considering CPI increases and similar items.

Under most contracts, community fees and property taxes are paid by the landlord, who is also responsible for arranging and managing the services associated with the rental property.

The Group has no relevant operating lease expenses, in the context of the consolidated financial statements that are required to be capitalized in accordance with IFRS-16.

11. FINANCIAL ASSETS

The carrying value of each financial asset category is as follows (in euros):

	Non-current financial assets:		
	Instruments of equity	Securities Debt debt	Loans/ derivatives /Other
	Amount 2021	**Amount 2021**	**Amount 2021**
Held-to-maturity investments	0.00	0.00	1,210,554.18
TOTAL	**0.00**	**0.00**	**1,210,554.18**

	Non-current financial assets:		
	Instruments of equity	Securities Debt debt	Loans/ derivatives /Other
	Amount 2020	**Amount 2020**	**Amount 2020**
Held-to-maturity investments	0.00	0.00	706,000.00
Loans and receivables	0.00	0.00	13,102.08
TOTAL	**0.00**	**0.00**	**719,102.08**

Financial assets classified as non-current refer to guarantees provided by the Group, the maturities of which are different for each contract, which may be renewable, in addition to six term deposits with banks in the amount of €79,000 (REIT Pamplona), maturing on 6 May 2022 (tacitly renewable); €349,000 (REIT Ribera), maturing on 14 October 2022 (tacitly renewable); €128,000 (VIV BUILDINGS 3, S.L.U.) maturing on 20 July 2022 (tacitly renewable); €150,000 (REIT Virgen), maturing on 26 February 2023 (tacitly renewable); €64,000 (LEPANTO ALBERIQUE), maturing on 22 July 2022 (tacitly renewable); and €195,000 euros (NP CAP 1), a pledged bank account, all pledged bank loans and mortgage loans.

	Current financial assets		
	Equity of equity	Securities Debt debt	Loans/ derivatives /Other
	Amount 2021	**Amount 2021**	**Amount 2021**
Loans and receivables	0.00	0.00	1,152,992.80
TOTAL	**0.00**	**0.00**	**1,152,992.80**

	Current financial assets		
	Equity of equity	Securities Debt debt	Loans/ derivatives /Other
	Amount 2020	**Amount 2020**	**Amount 2020**
Loans and receivables	0.00	0.00	351,910.73
TOTAL	**0.00**	**0.00**	**351,910.73**

There are no adjustments for impairment due to credit risk.

The cash balance at 31 December 2021 is €1,743,767.77 (€4,281,012.03 at 31 December 2020).

12. FINANCIAL LIABILITIES

The carrying value of each financial liability category is as follows.

	Non-current financial liabilities		
	Bank borrowings	Debentures and other negotiable securities	Derivatives and Other
	Amount 2021	**Amount 2021**	**Amount 2021**
Debits and accounts payable	15,970,293.90	0.00	30,683,079.75
TOTAL	**15,970,293.90**	**0.00**	**30,683,079.75**

	Non-current financial liabilities		
	Bank borrowings	Debentures and other negotiable securities	Derivatives and Other
	Amount 2020	**Amount 2020**	**Amount 2020**
Debits and accounts payable	6,110,684.76	0.00	18,959,800.00
TOTAL	**6,110,684.76**	**0.00**	**18,959,800.00**

	Current financial liabilities		
	Bank borrowings	Debentures and other negotiable securities	Derivatives and Other
	Amount 2021	**Amount 2021**	**Amount 2021**
Debits and accounts payable	796,223.97	0.00	3,873,144.32
TOTAL	**796,223.97**	**0.00**	**3,873,144.32**

	Current financial liabilities		
	Bank borrowings	Debentures and other negotiable securities	Derivatives and Other
	Amount 2020	**Amount 2020**	**Amount 2020**
Debits and accounts payable	322,320.73	0.00	2,082,195.82
TOTAL	**322,320.73**	**0.00**	**2,082,195.82**

Financial liability instruments, classified by maturity date, are as follows for each of the items:

	Maturity date by year						
	1	2	3	4	5	More than 5	**TOTAL**
Bank borrowings	796,223.97	1,894,610.94	1,825,184.14	1,777,888.36	1,509,655.90	8,962,954.57	**16,766,517.87**
Financial lease liabilities	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Other payables	290,717.32	0.00	0.00	0.00	0.00	51,944.25	**342,661.57**
Other loans - participating loans	2,985,866.28	3,147,100.00	15,876,000.00	0.00	11,608,035.50	0.00	**33,617,001.78**
Non-current trade payables	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Trade and other payables							
Suppliers	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
Other payables	596,560.72	0.00	0.00	0.00	0.00	0.00	**596,560.72**
Debt with special characteristics	0.00	0.00	0.00	0.00	0.00	0.00	**0.00**
TOTAL	**4,669,368.29**	**5,041,710.94**	**17,701,184.14**	**1,777,888.36**	**13,117,691.40**	**9,014,898.82**	**51,322,741.94**

The Group has the mortgage-backed debt, as discussed in Note 8 on investment properties.

The Group received a total of €505,000 in three ICO loans this year (€380,000 the year before).

The average weighted interest rate on debt is the market rate of 2.60%, which ranges between 1.5% to 2.75% depending on the type of loan.

Non-current guarantees were received in the amount of €500,000 (€97,700 the year before), and current guarantees in the amount of €290,717.32 (€7,700 the year before).

Other payables include short term guarantees received with maturity dates less than one year away and long-term guarantees (with different maturities for each contract, which may be renewable and therefore all are estimated to have maturities longer than 5 years), plus the adjustment for the linearisation of rents under the rental contract of VIV BUILDINGS 5, S.L.U. mentioned in note 10, in the amount of €51,444.25 euros.

There were no discount lines or loan agreements, either in this financial year or the previous one.

There were no outstanding payments on loans in this financial year or the previous one.

The Group has received long-term and short-term loans from third parties, most of which are participating loans. However, some of the loans also include a portion of the principal on the ordinary (non-participating) loans, in which case a specific breakdown is given on each table. The breakdown is as follows:

<u>For REIT PIE DE LA CRUZE, S.L.U.</u>:

Non-current loans		**TOTAL**
FORMALISATION DATE	**26/03/2019**	
LENDER	ROI360, PIE CRUZ 14 LP	
LIMIT	2,250,000	
INTEREST RATE	8% fixed + variable 50% of project net profit	
MATURITY	**05/10/2023**	
NON-CURRENT BALANCE	2,244,600.00	**2,244,600.00**
CURRENT BALANCE	580,746.09	**580,746.09**
INTEREST FY ENDED 31/12/21	179,567.98	179,567.98

The formalisation date of the equity loan was 26/03/2019 but the effective date for interest accrual purposes is 05/10/2018.

For REIT PAMPLONA 59, S.L.U.:

Non-current loans		TOTAL
FORMALISATION DATE	**26/03/2019** (a)	
LENDER	ROI360 PAMPLONA LTD	
LIMIT	1,662,500.00	
INTEREST RATE	6% fixed + variable 60% of project net profit	
MATURITY	**01/04/2022 (*)**	
NON-CURRENT BALANCE	902,500.00	**902,500.00**
CURRENT BALANCE	143,116.80	**143,116.80**
INTEREST FY ENDED 31/12/21	54,149.97	54,149.97

(a) The formalisation date of the equity loan was 26/03/2019 but the effective date for interest accrual purposes is 01/10/2018.
(*) 1 year extension

For REIT RIBERA, S.L.U.:

Non-current loans		TOTAL
FORMALISATION DATE	**12/01/2020**	
LENDER	ROI360 RIBERA LP	
LIMIT	5,952,000.00	
INTEREST RATE	6% fixed + variable 60% of project net profit	
MATURITY	**18/06/2024**	
NON-CURRENT BALANCE	5,952,000.00	**5,952,000.00**
CURRENT BALANCE	905,940.18	**905,940.18**
INTEREST FY ENDED 31/12/21	357,120.01	357,120.01

The participating loan was signed on 12/01/2020, but the effective date for interest accrual purposes is 18/06/2019.

For LEPANTO ALBERIQUE, S.L.U.:

Non-current loans		TOTAL
FORMALISATION DATE	**18/03/2019**	
LENDER	ROI360 LEP 28 ALB 10 LP	
LIMIT	2,544,000.00	
INTEREST RATE	6% fixed + variable 60% of project net profit	
MATURITY	**15/03/2024**	
NON-CURRENT BALANCE	2,544,000.00	**2,544,000.00**
CURRENT BALANCE	432,208.35	**432,208.35**
INTEREST FY ENDED 31/12/21	152,639.95	152,639.95

The participating loan was signed on 18/03/2019, but the effective date for interest accrual purposes is 15/03/2019.

For REIT VIRGEN, S.L.U.:

Non-current loans		TOTAL
FORMALISATION DATE	**12/01/2020**	
LENDER	ROI360 VIRGEN 24 28 LP	
LIMIT	3,696,000.00	
INTEREST RATE	6% fixed + variable 60% of project net profit	
MATURITY	**16/10/2024**	
NON-CURRENT BALANCE	3,696,000.00	**3,696,000.00**
CURRENT BALANCE	550,135.08	**550,135.08**
INTEREST FY ENDED 31/12/21	221,759.92	221,759.92

The participating loan was signed on 12/01/2020, but the effective date for interest accrual purposes is 16/10/2019.

For VIV BUILDINGS 1, S.L.U.:

Non-current loans		TOTAL
FORMALISATION DATE	**12/01/2020**	
LENDER	ROI360 VOSTRA YR 1 LTD	
LIMIT	2,400,000.00	
INTEREST RATE	6% fixed + variable 60% of project net profit	
MATURITY	**18/11/2024**	
NON-CURRENT BALANCE	2,340,000.00	**2,340,000.00**
CURRENT BALANCE	10,395.64	**10,395.64**
INTEREST FY ENDED 31/12/21	140,399.99	140,399.99

The participating loan was signed on 12/01/2020, but the effective date for interest accrual purposes is 18/11/2019.

For VIV BUILDINGS 3, S.L.U.:

Non-current loans			TOTAL
TYPE OF LOAN:	**PARTICIPATING**	**ORDINARY**	
SIGNED ON	**26/12/2020**	**26/12/2020**	
LENDER	ROI 360 EMPURIA BRAVA L.P.	ROI 360 EMPURIA BRAVA L.P.	
LIMIT	788,000.00	556,000.00	1,344,000.00
INTEREST RATE	3.177% fixed + variable 50% of project net profit	10% fixed	
MATURITY	**28/12/2025**	**28/12/2025**	
NON-CURRENT BALANCE	788,000.00	556,000.00	**1,344,000.00**
CURRENT BALANCE	25,314.37	0.00	**25,314.37**
INTEREST FY ENDED 31/12/21	25,039.95	55,114.81	80,154.76

The loan (participating and ordinary) was signed on 26/12/2020, but the effective date for interest accrual purposes is 28/12/2020. On 31/03/2021, the loan was split into two, one participating and the other ordinary.

For VIV BUILDINGS 4, S.L.U.:

Non-current loans			TOTAL
TYPE OF LOAN:	**PARTICIPATING**	**ORDINARY**	
FORMALISATION DATE	**16/06/2021**	**16/06/2021**	
LENDER	ROI 360 RADISSON 1 L.P.	ROI 360 RADISSON 1 L.P.	
LIMIT	2,810,000.00	1,197,040.00	
INTEREST RATE	7.15% fixed + variable 80% of project net profit	10% fixed	
MATURITY	**18/06/2026**	**18/06/2026**	
NON-CURRENT BALANCE	2,810,000.00	1,197,040.00	**4,007,040.00**
CURRENT BALANCE	110,195.84	0.00	**110,195.84**
INTEREST FY ENDED 31/12/21	109,539.94	65,263.26	174,803.20

This loan is partly participating and partly ordinary.

The participating loan was signed on 16/06/2021, but the effective date for interest accrual purposes is 18/06/2021.

For VIV BUILDINGS 5, S.L.U.:

Non-current loans			TOTAL
TYPE OF LOAN:	**PARTICIPATING**	**ORDINARY**	
FORMALISATION DATE	**01/03/2021**	**01/03/2021**	
LENDER	ROI 360 VOSTRA LLAR 4 L.P.	ROI 360 VOSTRA LLAR 4 L.P.	
LIMIT	1,340,000.00	772,000.00	
INTEREST RATE	6.85% fixed + variable 80% of project net profit	10% fixed	
MATURITY	**22/01/2026**	**22/01/2026**	
NON-CURRENT BALANCE	1,340,000.00	590,995.50	**1,930,995.50**
CURRENT BALANCE	81,451.21	0.00	**81,451.21**
INTEREST FY ENDED 31/12/21	81,451.21	59,067.33	140,518.54

This loan is partly participating and partly ordinary.

For NP CAP 1, S.L.U.:

Non-current loans			TOTAL
TYPE OF LOAN:	**PARTICIPATING**	**ORDINARY**	
FORMALISATION DATE	**12/07/2021**	**12/07/2021**	
LENDER	ROI 360 GARDEN HOTELS 1 LTD	ROI 360 GARDEN HOTELS 1 LTD	
LIMIT	3,860,000.00	1,810,000.00	
INTEREST RATE	8% fixed + variable 80% of project net profit	10% fixed	
MATURITY	**31/08/2036**	**31/08/2036**	
NON-CURRENT BALANCE	3,860,000.00	1,810,000.00	**5,670,000.00**
CURRENT BALANCE	146,362.72	0.00	**146,362.72**
INTEREST FY ENDED 31/12/21	146,362.74	85,789.03	232,151.77

This loan is partly participating and partly ordinary.

The interest accrued on the above loans is recognised in current liabilities on the balance sheet, since it accrues annually, but payment is due on the maturity date of each loan. All debt classified as short term refers to the accrued interest on the portion of the loans that is a participating loan. Accrued interest on ordinary loans is settled annually.

13. EQUITY

13.1 Share capital

At the Holding Company's Extraordinary General Shareholders Meeting on 2 March 2020 (recorded in a public deed on 3 April 2020), it was agreed to increase the share capital by €437,192, bringing the total to €500,192. The new shares are issued with no share premium

On 28 April 2020 (recorded in a public deed on 30 April 2020), the share capital was increased by €449,808, bringing the share capital to €950,000. The new shares are issued at a share premium of 4,273,176.45 euros.

At the General Shareholders Meeting held on 13 May 2020, it was agreed to increase the share capital by €4,092,611 (executed in a public deed on 14 May 2020), which was charged to unrestricted reserves (share premium) by increasing the par value of the shares to €5,30801, bringing the total share capital to €5,042,611.

Therefore, the share capital of NEXTPOINT CAPITAL SOCIMI, S.A. at 31 December 2020 was composed of 950,000 shares with a par value of €5.30801 each, represented by book entries, fully paid up, for a total amount of €5,042,611 and a share premium of €180,565.45.

The Holding Company's shares are admitted to official listing.

At 31 December 2021 and as of December 31, 2020 the shareholders with stakes of more than 10% in the share capital of NEXTPOINT CAPITAL SOCIMI, S.A., both direct and indirect, were as follows

Shareholders	Direct ownership (%)
Omer Rabinovitz	17.95%
Ofer Lior	13.16%
Liron Sason	13.16%

This information was obtained from the relevant fact published on 10 January 2022 by BME Growth.

13.2 Share premium

Following the successive increases of the Holding Company's share capital, a share premium of €180,565.45 was generated.

13.3 Reserves

The breakdown of reserves is as follows:

	Euros	
	31/12/2021	**31/12/2020 (*)**
OTHER RESERVES	375,157.47	18,940.47
TOTAL RESERVES	**375,157.47**	**18,940.47**

(*) Figures restated pursuant to international standard IFRS-EU (see Note 2).

Legal reserve

Appropriations to legal reserves are made in accordance with section 274 of the Capital Companies Act, which provides that, in all cases, an amount equal to at least 10% of the annual profit must be earmarked for legal reserves until the balance is at least 20% of the share capital.

The legal reserve is not available for distribution. Should it be used to offset losses in the event of no other reserves being available, it must be replenished out of future profits.

The Group had not funded the minimum reserves required in the Consolidated Text of the Capital Companies Act at 31 December 2021 or 31 December 2020.

According to Act 11/2009, which regulates listed real estate investment trust companies (REITs), the legal reserves of companies that have opted to avail themselves of the special tax regime established in this act may not exceed 20% of the share capital. No restricted reserves of any other kind, other than the ones mentioned above, may be stipulated in the articles of association of these companies.

Dividends

By agreement of the General Meeting and given the losses incurred since the Company was founded, no dividends were paid. Any future dividend payments must adhere to the criteria described in Note 4 in the section on dividend payment limits.

13.4 Treasury stock

On 8 July 2020 the Holding Company acquired 19,884 treasury shares representing 2.09% of the share capital, which had previously been approved at the General Meeting held on 13 May 2020. The cost of acquiring the treasury shares was €208,782,00.

The changes in treasury shares in financial year 2021 are as follows:

	NUMBER OF SHARES	EUROS
BALANCE AT 1 JANUARY 2020	**0**	**0.00**
ADDITIONS – 8 jULY 2020	19,884	208,782.00
REMOVALS	0	0.00
BALANCE AT 31 December 2020	**19,884**	**208,782.00**
BALANCE AT 01 January 2021	**19,884**	**208,782.00**
ADDITIONS	6	63.00
REMOVALS	-628	-6,856.50
BALANCE AT 31 December 2021	**19,262**	**201,988.50**

There were no changes in financial year 2021 in respect of treasury shares.

These operations are largely unrepresentative. At 31 December 2021, shares accounted for 2.03% of the share capital.

The Holding Company has complied with its obligations under article 509 of the Capital Companies Act which establishes, in relation to shares listed on an official secondary market, that the nominal value of the shares acquired, plus those already held by the parent company and its subsidiaries, must not exceed 10% of the share capital. The subsidiaries do not possess treasury stock or shares in the holding company.

13.5 Calculation of equity taking into account the effect of equity loans

Equity, taking into account the equity loans discussed in Notes 2.6 and 12, is as follows (in euros):

	2021	2020 (*)
TOTAL BALANCE SHEET EQUITY	5,218,875.31	3,587,123.48
EQUITY LOANS	26,477,100.00	18,662,100.00
TOTAL RESTATED SHAREHOLDERS' EQUITY	**31,695,975.31**	**22,249,223.48**

(*) Figures restated pursuant to international standard IFRS-EU (see Note 2).

13.6 Earnings per share

Basic earnings per share is calculated by dividing the net earnings/(losses) attributable to the owners of the Holding Company in any given period by the average weighted number of ordinary shares in circulation over the period, excluding the average weighted shares held over the financial year in question.

The diluted earnings per share are calculated by dividing the net earnings/(losses) made in any given period by the owners of the Holding Company by the average weighted number of ordinary shares in circulation over the year plus the average weighted number of shares that would be issued in the conversion of all potentially dilutive instruments.

The following table shows the income and other information about the number of shares used to calculate the basic and diluted earnings per share.

Calculation of basic and diluted earnings

Description	Period ended 31 December 2021	Period ended 31 December 2020 (*)
Net profit (euros)	1,269,226.80	-1,109,492.99
Weighted average of the number of shares issued	950,000	950,000
Average amount of treasury stock (shares)	19,624	19,884
Basic and diluted earnings per share	1.36	-1.19

(*) Net profit, restated to coincide with IFRS-EU. See See Note 2.

Regarding the calculation of earnings per share, there were no transactions with ordinary shares or potentially ordinary shares between the closing date of the Consolidated Annual Accounts and the preparation date of same that have not been taken into consideration in those calculations for the period ended 31 December 2021.

14. FOREIGN CURRENCY

The functional currency in which these consolidated annual accounts are expressed is the euro. There are no foreign currency transactions.

Gains(losses) on exchange for financial year 2021 which are shown in the consolidated income statement stem from three loans from shareholders (already repaid, with interest), one of them in USD and two others in Israeli shekels.

The total principal on these loans was €1,535,323 and the accrued interest for the year, settled before year-end together with the principal, was €41,476.70.

15. CORPORATE INCOME TAX AND OTHER TAXES

15.1 Taxes payable and receivable

At 31 December 2021 and 31 December 2020, the balances with the tax authorities were as follows (in euros):

	31 December 2021		31 December 2020	
	RECEIVABLES	PAYABLES	RECEIVABLES	PAYABLES
VAT	690,896.38	25,269.43	615,122.64	
WITHHOLDINGS CORP. TAX	31,536.72		3,741.74	
PERSONAL INCOME TAX + SS CORPORATE SOCIAL RESPONSIBILITY		60,077.74		52,518.45
TOTAL	**722,433.10**	**85,347.17**	**618,864.38**	**52,518.45**

15.2 Corporate tax expense

Current income tax expense: no income tax expense is recognised for the current year (or for FY 2020).

The Holding Company did not recognise any deferred tax assets or liabilities for the year, as all tax adjustments indicated in the reconciliation between the book result and taxable income are subject to a 0% tax rate (under the special tax scheme for REITs).

In 2018 the Holding Company agreed to avail itself of the special tax regime in Act 11/2009 of 26 October which regulates listed real estate investment trust companies (REITs) and approved the application of the special tax regime regulated in this Act for corporate income tax and for any applicable tax for tax periods beginning on or after 1 January 2018. Since these requirements are met, the applicable tax rate is 0. Consequently, no taxes are owed.

15.3 Financial years open to tax audit and verification

According to current tax laws, tax returns are not considered final until they have been audited by tax authorities or until the four-year prescription period has elapsed. At the closing date of 31 December 2021, the Group is subject to inspection of all tax returns filed since it was incorporated. The Board of Directors of the Holding Company believes that all taxes owed by the company have been paid accordingly and that even in the event of a discrepancy in the way in which the tax laws are interpreted and applied, the tax liabilities that might arise would not have a significant impact on the enclosed consolidated annual accounts.

15.4 Reporting requirements for REITs under Act 11/2009

Pursuant to section 11 of Act 11/2009, the required information is provided in Note 25.

15.5 Tax loss carryforwards

There are no negative taxable bases pending compensation prior to the time when the company joined the REIT regime.

15.6 Other information

There are no other relevant disclosures.

16. INCOME AND EXPENSES

a. Net turnover

All of the Group's income corresponds to rental contract rents, since no expenses have been passed on to the lessees and all income has been obtained in the domestic market.
During the 2021 financial year, the Group earned income of €1,168,132 € (390,635.72 in the 2020 financial year).
The lease contracts entered into by the Group companies are under normal market conditions as regards their duration, expiration dates and agreed rent.

b. Consumption

There are no consumables or purchases of supplies as such.

c. Proceeds from disposals, swaps and other results

There were no exchanges or disposals of assets during the year, nor was there any significant revenue originating outside the company's normal scope of operations included under the heading of "Other revenue".

d. Staff costs and average number of employees

	31/12/2021	**31/12/2020**
WAGES AND SALARIES	280,635.99	220,463.91
COMPANY'S SOCIAL SECURITY CONTRIBUTIONS	61,920.86	50,112.60
TOTAL	**342,556.85**	**270,576.51**

There are no redundancy payments at 31 December 2021 or 2020.

Average number of employees:

	2021		2020	
Categories and levels	**Female**	**Male**	**Female**	**Male**
Directors	0	4.08	0	3.5
Other personnel	2.50	2.00	2.46	1.75
Total	**2.50**	**6.08**	**2.46**	**5.25**

There are no employees with recognised disabilities.

e. Financial expenses

Financial expenses accrued in 2021 are associated with external financing (Note 12).

17. PROVISIONS AND CONTINGENCIES

The Holding Company's Board of Directors does not believe that there are any relevant provisions or contingencies that need to be reported or disclosed.

In drawing up the consolidated financial statements, the Holding Company's Board of Directors differentiate, if necessary, between:

- Provisions: credit balances that cover current obligations derived from past events, the cancellation of which is likely to give rise to an outflow of resources but whose amount and/or time of cancellation is undetermined.

- Contingent liabilities: possible obligations arising as a result of past events whose future materialisation is contingent upon the occurrence of one or more future events that are beyond the Group's control.

The Group's policy is to recognise on the consolidated financial statements all provisions for which it is more likely than not that the Group will have to fulfil an obligation. Although contingent liabilities are not recognised in the financial statements, they are reported in the notes to the accounts unless they are considered as remote.

Provisions are measured at the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available on the event and its consequences, with the adjustments related to the restatement of such provisions being recorded as financing expenses as and when they arise.

The compensation to be received from a third party when the obligation is settled, provided there is no doubt about the compensation actually being received, is recorded as an asset except when there is a legal reason why part of the risk has been externalised by virtue of which the Group is not liable. In such situations, the compensation is taken into account when estimating the amount of the provision that may be needed.

NEXT POINT SOCIMI

18. ENVIRONMENTAL ASPECTS

Given the nature of the Group's business, it has no environmental liabilities, expenses, assets, provisions or contingencies that could have a significant impact on its equity, financial situation or results. Therefore, no specific disclosures are included in these consolidated financial statements.

19. GREENHOUSE GAS EMISSION RIGHTS

Given its line of business, the Group has not assigned any greenhouse gas emission rights, nor has there been any change in rights during the year. No expenses derived from greenhouse gas emission rights are recognised, nor have any provisions been made in this regard.

20. SUBSEQUENT EVENTS

- On 17 January 2022, Teddy Lin was appointed Chairman of the Board of Directors.
- On 15 February 2022, there was a new drawdown of the mortgage taken out by Reit Ribera SLU with Banco Santander in the amount of €418,500.
- Subsequent to year-end, improvements were made to the property of Reit Ribera SLU amounting to EUR 591,000 and to Reit Virgen amounting to EUR 240,000.

21. RELATED PARTY TRANSACTIONS

Shareholders and members of the Board of Directors of the Holding Company, and the members of the governing bodies of the Subsidiary Undertakings, in addition to any enterprises over which they may exercise significant influence or control are considered "related parties" of the Group.

The companies that are considered related parties are as follows:

- ROI 360 LTD
- INVEST 360 LTD
- ROI 360 LLC
- RON LAOR LTD

ROI 360 LTD is considered a related party because of the indirect interest owned by Omer Rabinovitz, former Chairman of the Board of Directors of the Holding Company.
INVEST 360 LTD is considered a related party because it is wholly owned by Omer Rabinovitz (former Chairman of the Board of Directors of the Holding Company).
ROI 360 LLC is a related party because it is also owned by Omer Rabinovitz.
RON LAOR LTD is also a related party because one of its shareholders that is part of the management team of Invest 360 holds a 1.79% stake.

At the 2021 and 2020 year end there are no debit balances with related parties.

Related party balances

The balances with related parties are summarised below (in euros):

	31/12/2021	31/12/2020
DEBIT BALANCE	309.86	484.00

	31/12/2021	31/12/2020
SERVICES RENDERED	2,467.86	0.00
RECEPTION OF SERVICES(Value B and J RE, SL)	-275.408,00	-274.417,16
INT. ACCRUED IN P&L	-41,476.70	-7,751.74

All debts with related parties were settled in 2021.

Corporate Management Fee Contracts

In 2019 and 2020, five Corporate Management Fee contracts were executed for services provided by the Holding Company for expenses in connection with the Group joining BME Growth (formerly MAB), as well as corporate management and accounting services for the following REIT subsidiaries: Reit Virgen, S.L., Reit Ribera, S.L., VIV 1 Building, S.L., VIV 3 Building, S.L. y Lepanto Alberique, S.L. In 2021, Nextpoint Capital Socimi SA entered into three more Corporate Management Fee contracts with the subsidiaries VIV BUILDINGS 4, SL, VIV BUILDINGS 5, S.L. and NPCAP 1, S.L. No costs were incurred by Reit Pamplona 59, S.L. or Reit Pie de la Cruze, S.L.

The amounts invoiced by the Holding Company, as detailed on the enclosed table, is €722,567.20, of which €713,444.31 was recognised at 31 December 2021, not considering the accruals from prior years (€65,277.08 at 31 December 2020). The remaining amount, which was not recognised at 31 December 2021, is €186,024.26 (€176,900.87 at 31 December 2020), will be recognised as income on a straight-line basis over the coming financial years.

	31/12/2021 (euros)	31/12/2020 (euros)
Accrued amount	713,444.31	65,277.08
Amount invoiced	722,567.20	104,377.03
Deferred amount	186,024.26	176,900.87

Transactions and Advisory contract with Value B and J RE, S.L.

Value B and J RE, S.L. is considered a related party since it is owned by two members of the Holding Company's Board of Directors.
The transactions between Value and the Subsidiary Undertakings through 31 December 2021 refer to what are known as “Project Management Agreements” for the provision of real estate investment advisory services by Value.
On 21 May 2020, the Holding Company entered into an agreement with Value B and J RE, S.L. for real estate consulting and investment advisory services to be rendered to the Holding Company. This agreement has a 36-month term beginning on 1 July 2020, at which time the fee for services rendered was €22,000 per month, plus chargeable costs.

The volume of transactions with this company totalled €275,408.00 at 31 December 2021. At 31 December 2020, the total was €274,417.16.

The Holding Company's Board of Directors has no conflicts of interest that must be disclosed pursuant to section 229 of the Capital Companies Act.

The members of the Holding Company's Board of Directors did not receive any compensation this year or the year before. The compensation of senior management in 2021 totalled €177,516.47 (€157,781.83 the year before).

22. SEGMENTED INFORMATION

Segmented information on the Group's activities is as follows, in euros:

Turnover by business category				
Description of the activity	**FINANCIAL YEAR 2021**	**%**	**FINANCIAL YEAR 2020**	**%**
Property rentals - residential	71,957.40	6.2%	83,831.37	21.5%
Property rentals - tourist	150,490.40	12.9%	56,626.32	14.5%
Property rentals - hotels	401,015.59	34.3%	0.00	0.0%
Property rentals - care homes	542,200.75	46.4%	248,378.03	63.6%
Provision of services	2,467.86	0.2%	1,800.00	0.5%
Total activities	**1,168,132.00**	**100.0%**	**390,635.72**	**100.0%**

Turnover by geographical market		
	FINANCIAL YEAR 2021	**FINANCIAL YEAR 2020**
Domestic market	1,168,132.00	390,635.72
Rest EU	0.00	0.00
Rest of the world (USA)	0.00	0.00
TOTAL	**1,168,132.00**	**390,635.72**

The breakdown of the properties owned by the Group, by geographical region, is 43.4% in Catalonia, 32.2% in Valencia (Valencian Community) and 24.3% in the Balearic Islands.

And the breakdown of the properties by usage category: 46.7% are tourist flats, 26.7% are care homes, 13.3% are hotels and 13.3% are residential.

23. OTHER DISCLOSURES

Guarantees

There are no guarantees or agreements with relevant third parties that have not be disclosed in these financial statements.

Information on the average payment period to suppliers as per the third additional provision of Act 15/2010 of 5 July on the duty of disclosure

In compliance with the provisions of the Resolution of the Institute of Accounting and Accounts Auditing (ICAC), of 29 February 2016, below is a breakdown of the information on the average payment period to suppliers in business transactions for the Holding Company (the rest are irrelevant):

ITEM	2021	2020
	Days	Days
Average period of payment to suppliers	19	21.53

In the year, the Group complied, in the most significant aspects, with Royal Decree Act 4/2013, of 22 February, on the measures to support entrepreneurs and stimulate growth and job creation (which amended Act 3/2014, of 29 December, which established measures to fight against arrears in business transactions), which sets a maximum legal deadline of 30 days, extendible, if so arranged with any given supplier, to 60 days.

Auditors' Fees

The fees charged by Auren Auditores S.P., S.L.P. to audit the 2021 annual accounts totalled €5,500.00 (€5,000.00 in financial year 2020), whilst the fees charged for the audit of the individual annual accounts of the Holding Company and its subsidiary undertakings totalled €55,300.00 (€40,200.00 in 2020). AUREN provided the Holding Company with other audit-related services during the financial year totalling €11,900.00 (€23,350.00 in 2019). The fees charged by other member companies of the AUREN group for services rendered to all group companies in 2021 totalled €77,737.25 euros (76,471.56 in 2020).

24. DISCLOSURES REQUIRED BY REITs PURSUANT TO ACT 11/ 2009

In compliance with the provisions of Act 11/2009 regulating listed real estate investment trust companies (REITs), the following information is provided:

a)	Reserves from years preceding the application of the special tax scheme pursuant to Act 11/2009, amended by Act 16/2012, of 27 December	None
b)	Reserves for each financial year in which the special tax scheme established in this act has applied: • Profits from income taxed at the general rate • Profits from income taxed at 19% • Profits from income taxed at 0% Reserves from each financial year subject to the special tax scheme established by law. • Profits from income taxed at the general rate • Profits from income taxed at 19% • Profits from income taxed at 0%	During the financial years in which the Group has been taxed at the special REIT rate, it has not earned a profit; therefore, no reserves have been funded.
c)	Dividends paid out charged to profits for each year in which the tax scheme established in the act has applied • Dividends from income taxed at the general rate • Dividends from income taxed at 18% (2009) and 19% (2010–2012) Dividends from income taxed at 0%	During the financial years in which the Group has been taxed at the special REIT rate, it has not earned a profit; therefore, no dividends have been paid.
d)	Dividends paid out of reserves: • Dividends paid out of reserves taxed at the general rate. • Dividends paid out of reserves taxed at 19%. • Dividends paid out of reserves taxed at 0%.	The Group has not paid dividends out of reserves.
e)	Date of agreement on the payment of dividends referred to d) and e) above	N/A

NEXT POINT SOCIMI

f)	Date of acquisition of income-generating rental properties under this special scheme	See note 8 of this report on investment properties
g)	Date of acquisition of holdings in the capital of the enterprises referred to in section 2(1) of this Act	See Note 1 of this report on the incorporation of subsidiary undertakings
h)	Identification of assets that count towards the 80% referred to in section 3.1 of this Act	See Note 8 of this report on investment properties. The income-generating leased properties that are eligible for the special tax scheme are discussed in Note 8.
i)	Reserves arising during periods when the special tax regime under this Act has applied and which have been used during the tax period for something other than distribution or to offset losses. Indicate the year in which these reserves originated.	N/A

The Consolidated Annual Accounts comprising the Consolidated Balance Sheet, the Consolidated Income Statement, the Consolidated Statement of Changes in Equity, the Consolidated Cash Flow Statement and the Consolidated Notes to the Financial Statements for the year ended 31 December 2021 were drafted on 59 pages in Barcelona on 28 March 2022, and signed by the Board of Directors:

Teddy Gabriel Lin
(Chairman)

Liron Sason
(Board Member)

Nir Tuvia Goldberg
(Board Member)

Ofer Lior
(Board Member)

Omer Rabinovitz
Board Member

NEXTPOINT CAPITAL SOCIMI, S.A.

and Subsidiary Undertakings

Consolidated Directors' Report

2021 fiscal year

NEXTPOINT CAPITAL SOMICI, S.A. and Subsidiary Undertakings (consolidated group)

CONSOLIDATED DIRECTORS' REPORT FOR FINANCIAL YEAR 2021

1. STATE OF AFFAIRS AND SITUATION OF THE GROUP

NEXTPOINT is a business group that buys, transforms and leases properties, directly or through real estate agents.

The Holding Company and the rest of its subsidiary undertakings began business in the property lease segment in financial year 2018. As a group, it stated to file consolidated financial statements in 2020 and 2021, and will continue to do so in future financial years, for which it adapted its articles of association in order to subscribe to the REIT tax scheme. It has a two-year transition period to meet the conditions established by Act 11/2009, of 26 October, which governs Listed Real Estate Investment Trust Companies in the real estate market, pursuant to the first transitory provision of this act.

The Holding Company of the NEXTPOINT Group was first listed on BME Growth (formerly MAB) on 16 Juy 2020, as a result of which it can be assumed that it fulfils all initial conditions established in the REITs legislation.

The state of affairs of the Group is mainly reflected in the figures contained in the Consolidated Financial Statements for the year.

The Group has maintained a stable and sound relationship with third parties, including suppliers, creditors, clients, debtors, financial institutions.

All investments were made on the basis of criteria of profitability and suitability, and were therefore in line with the Group's current and future needs.

The main risks faced by the Group are those inherent to its business and the sector in which it operates.

The figures and results of the Group, as described in the notes to the consolidated financial statements, ensure an appropriate economic and financial position and future growth.

The main aspects relating to employees and the environment are also described in the notes.

The potential impact of COVID-19 in drawing up this directors' report should be highlighted. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic.

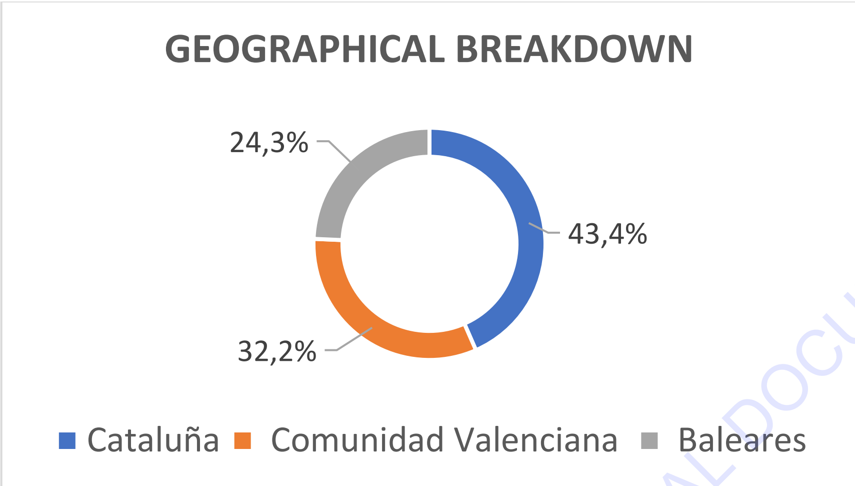
The Holding Company's Board of Directors is constantly monitoring the situation in order to successfully deal with any possible impacts, both financial and non-financial, that may occur.

The most notable effect on the Group has been a delay in the work and thus a delay in transformation of the assets to get them ready for leasing.

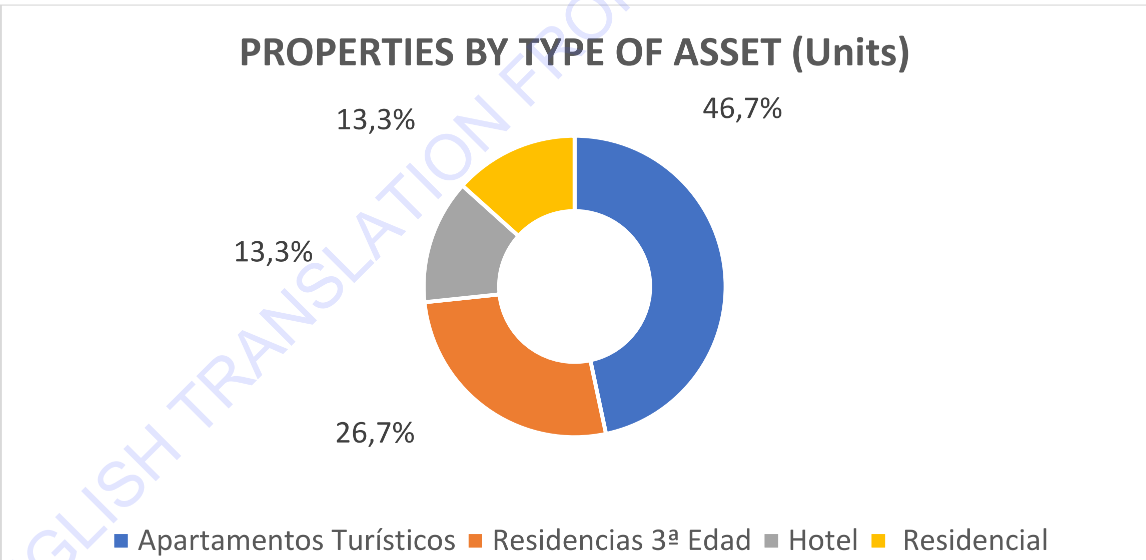
Even so, the percentage of consolidated turnover compared to what was forecast was 97.6%, i.e., €1,168 M compared to the €1,196 M originally predicted.

The NEXTPOINT Group has a diversified portfolio in the Hospitality area between hotels, tourist apartments and care homes. There is a also a minority investment in residential property.

Geographically, 43.4% of the properties are located in Catalonia, 32.2% in Valencia (Valencian Community) and 24.3% in the Balearic Islands.

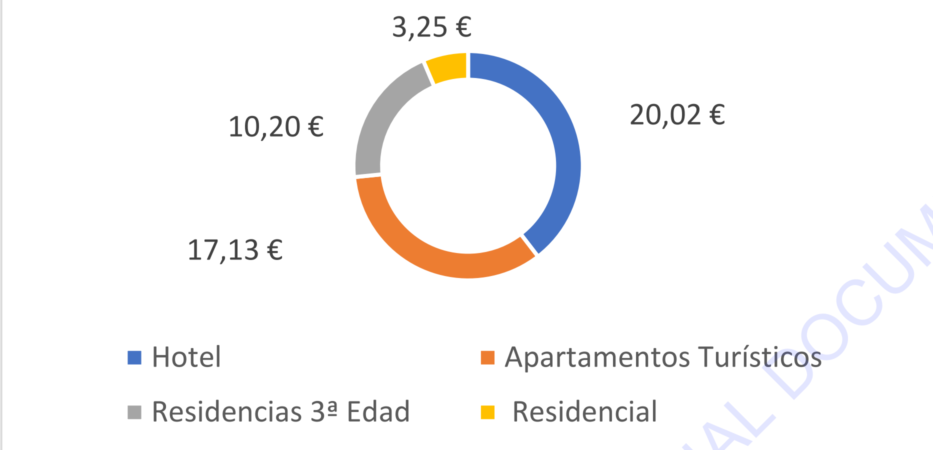


By usage category, 46.7% are tourist apartments, 26.7% are care homes, 13.3% are hotels and 13.3% are residential.



At 31 December 2021, the value of the real estate portfolio according to the registry information (RIC) methodology is €50,590,146.40, broken down as follows: €3.25M residential; €10.2M care homes; €17.13M tourist apartments and €20.02M hotels.

NEXT POINT SOCIMI



Registry information (RIC) by property category (million euros)

2. SUBSEQUENT EVENTS

- On 17 January 2022, Teddy Gabriel Lin was named Chairman of the Board of Directors.

- On 15 February 2022, there was a new drawdown of the mortgage taken out by Reit Ribera SLU with Banco Santander in the amount of €418,500.

3. FORESEEABLE EVOLUTION OF THE GROUP

The expected evolution of the Group is based on the knowledge of the action plan, the Group's economic and financial situation, and the environment in which it operates.

After examining the scope of the forecasts set out in the report, to our understanding the Group enjoys very favourable prospects that make the continued growth of the Group's operations in the real estate market a foreseeable reality, as well as pointing to both economic and financial stability and adequate performance.

The Business Plan will be adapted to the current circumstances at any given time that may arise in the future as a result of the effects of COVID-19.

4. RESEARCH AND DEVELOPMENT ACTIVITIES

The Group did not conduct any research and development activities in 2021 or in the previous financial year.

5. FINANCIAL INSTRUMENTS

The balance for operations carried out by the Group with financial instruments is duly recorded in the consolidated annual report.

6. ACQUISITION OF TREASURY STOCK

On 8 July 2020 the Holding Company acquired 19,884 treasury shares that represented 2.09% of the share capital, which had previously been approved at the General Meeting held on 13 May 2020. The cost of acquiring the treasury shares amounted to €208,782,00.

The changes in treasury shares in financial year 2021 were as follows:

	NUMBER OF SHARES	EUROS
BALANCE AT 1 JANUARY 2020	**0**	**0.00**
ADDITIONS – 8 July 2020	19,884	208,782.00
REMOVALS	0	0.00
BALANCE AT 31 DECEMBER 2020	**19,884**	**208,782.00**
BALANCE AT 01 January 2021	**19,884**	**208,782.00**
ADDITIONS	6	63.00
REMOVALS	-628	-6,856.50
BALANCE AT 31 December 2021	**19,262**	**201,988.50**

There were no changes in financial year 2021 in respect of treasury shares.

These operations are largely unrepresentative. At 31 December 2021, shares accounted for 2.03% of the share capital.

The parent company has complied with its obligations under article 509 of the Capital Companies Act which establishes, in relation to shares listed on an official secondary market, that the nominal value of the shares acquired, plus those already held by the parent company and its subsidiaries, must not exceed 10% of the share capital. The subsidiaries do not possess treasury stock or shares in the Holding Company.

7. INFORMATION ON THE AVERAGE PAYMENT PERIOD TO SUPPLIERS AS PER THE THIRD ADDITIONAL PROVISION OF ACT 15/2010 OF 5 JULY ON THE DUTY OF DISCLOSURE.

In compliance with the provisions of the Resolution of the Institute of Accounting and Accounts Auditing (ICAC), of 29 January 2016, below is a breakdown of the information on the average payment period to suppliers in business transactions for the Holding Company (the rest are irrelevant):

ITEM	2021	2020
	Days	Days
Average period of payment to suppliers	19	21.53

In the year, the Group complied, in the most significant aspects, with Royal Decree Act 4/2013, of 22 February, on the measures to support entrepreneurs and stimulate growth and job creation (which amended Act 3/2014, of 29 December, which established measures to fight against arrears in business transactions), which sets a maximum legal deadline of 30 days, extendible, if so arranged with any given supplier, to 60 days.

NEXT POINT SOCIMI

The Directors' Report on the Consolidated Financial Statements for the year ended at 31 December 2021 was issued in Barcelona on 28 March 2022 on 6 sheets of paper and signed by the Board of Directors:

Teddy Gabriel Lin (Chairman)	Liron Sason (Board Member)
Nir Tuvia Goldberg (Board Member)	Ofer Lior (Board Member)
Omer Rabinovitz (Board Member)	

NEXTPOINT CAPITAL SOCIMI, S.A.

**Audit report, annual accounts
for the year ended December 31,2021**

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation or information, views opinions, the original language version of our report takes precedence over this translation.

INDEPENDENT AUDITOR´S REPORT ON THE ANNUAL ACCOUNTS

To the shareholders of NEXTPOINT CAPITAL SOCIMI, S.A.

Opinion

We have audited the annual accounts of NEXTPOINT CAPITAL SOCIMI, S.A. (the Company), which comprise the balance sheet as at December 31, 2021, the income statement, statement of changes in equity, cash flow statement and related notes, all, for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as of December 31, 2021, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for opinion

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the annual accounts of the current period. These risks were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Integrity and measurement of balances and transactions with related parties

Description

As indicated in the enclosed notes to the financial statements, receivable and payable balances and related party transactions are significant and hence susceptible to material inaccuracies, which is why we considered this a relevant aspect for our audit.

Our response

Our auditing procedures to validate the balances with related parties include analyzing the contracts signed with such parties and verifying that the balances and accrued interest are in line with the agreed terms. We also apply substantiating procedures for the circularization of these balances in order to confirm their reasonableness.

Regarding the contracts between the Company and five subsidiary sub-REITs for Corporate Management Fees, we have reviewed the stipulations underlying the basis for the calculation of the remuneration. Moreover, we reviewed the mathematical calculations to verify that the recorded amounts matched the accrued remuneration, and to verify the integrity of the data used in the calculation and the correct timing.

Finally, we verified that the enclosed notes to the financial statements include the disclosures required under the applicable financial reporting framework.

Other information: Management report

Other information comprises only the management report for the 2021 financial year, the formulation of which is the responsibility of the company's board of directors and does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, as well as evaluate and report on whether the content and presentation of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

Based on the work performed, as described in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the 2021 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the board of directors for the annual accounts

The Company´s board of directors is responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company, in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Company´s board of directors is responsible for assessing the Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

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

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

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company´s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company´s board of directors.

- Conclude on the appropriateness of the board of directors´ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor´s report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor´s report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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

From the significant risks communicated with the Company´s board of directors, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are, therefore, considered to be the most significant risks.

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

AUREN AUDITORES SP, S.L.P.
Registered in ROAC under Nº S2347

Original signed in Spanish on Abril 12th 2022 by
Mª Eugenia Bailach

Registered in ROAC under Nº12855

GENERAL COMPANY INFORMATION

ID

COMPANY DETAILS

Legal status — SA: 01011 ☒ SL: 01012 Other: 01013

NIF: 01010 A67218867

LEI: 01009 — Only for companies that have an LEI (Legal Entity Identifier)

Company name: 01020 NEXTPOINT CAPITAL SOCIMI, S.A.

Registered address: 01022 VIA LAIETANA, 57, 3º, 2ª

Municipality: 01023 BARCELONA

Province: 01025 BARCELONA

Postcode: 01024 08003

Telephone no.: 01031

Company email contact address 01037 admin@nextpointsocimi.com

Membership to a group of companies:

	COMPANY NAME:		TIN
Direct holding company: 01041		01040	
Ultimate holding company of the group: 01061		01060	

LINE OF BUSINESS

Principal business: 02009 PROPERTY DEVELOPMENT (1)

CNAE code: 02001 4110 (1)

SALARIED PERSONNEL:

a) Average number of people employed during the course of the year, by contract type and people with disabilities:

		FINANCIAL YEAR 2021 (2)	FINANCIAL YEAR 2020 (3)
PERMANENT (4):	04001	5.00	3.50
TEMPORARY (5):	04002	0.00	0.00

Of which: Employees with disabilities equal to or greater than 33% (or local equivalent rating)

	04010		

b) Salaried personnel at the end of the year, by contract type and sex:

	FINANCIAL YEAR 2021 (2)				FINANCIAL YEAR 2020 (3)	
	MALE		FEMALE		MALE	FEMALE
PERMANENT:	04120	2	04121	3	1	1
TEMPORARY:	04122		04123			

FILING OF ACCOUNTS

		FINANCIAL YEAR 2021 (2)			FINANCIAL YEAR 2020 (3)		
		YEAR	MONTH	DAY	YEAR	MONTH	DAY
Opening date of the financial statements:	01102	2021	1	1	2020	1	1
Closing date of the financial statements:	01101	2021	12	31	2020	12	31

Number of pages filed: 01901

If there are no figures for any of the financial years, please state the reason:

01903

UNITS

Mark the units used for drawing up all of the documents that make up the financial statements with an X:

Euros:	09001	X
Thousands of euros:	09002	
Millions of euros	09003	

(1) According to the four-digit coding system of the National Business Activity Classification System approved by Royal Decree 475/2007 on 13 April (BOE of 28.04.2007).
(2) Financial year to which the financial statements refer.
(3) Previous financial year.
(4) In calculating the average number of permanent employees, consider the following criteria:
  a) If there were no significant personnel changes during the fiscal year, indicate the subtotal of permanent staff at the beginning and end of the financial year.
  b) If there were changes, calculate the number of employees for each month of the year and divide by twelve.
  c) If there were temporary layoffs or working hour adjustments, the affected personnel must be considered permanent employees, but only in proportion to the fraction of the year or workweek actually worked.
(5) The average number of temporary employees may be calculated by adding all of the weeks which temporary personnel have worked and dividing by 52 weeks. The following calculation may also be used (same as the previous one): no. of persons under contract × $\frac{\text{average no. of weeks worked}}{52}$

IDENTIFICATION DETAILS OF THE BENEFICIAL OWNER(1) TR

IDENTIFICATION OF THE BENEFICIAL OWNER

The company is obliged to provide the identity of the beneficial owner as it is not listed on a regulated market in the EU or other equivalent country. YES

The company is providing the identity of the beneficial owner for the first time or is updating the details thereof. NO

I. The beneficial owner is a natural person with a shareholding of above 25%.

NAME AND SURNAME/S	ID CARD/FOREIGNER'S ID CARD NUMBER	DATE OF BIRTH (DD.MM.YYYY)	NATIONALITY/CODE (2)	COUNTRY OF RESIDENCE/ CODE 2)	% SHAREHOLDING	
					DIRECT	INDIRECT (3)
1	2	3	4	5	6	7

II. Beneficial owner is equivalent to a natural person

If no one natural person holds or controls more than 25% of the share capital or voting rights, state the beneficial owners; in this case a director or member of senior management, as established in sect. 8 of Royal Decree 304/2014.

NAME AND SURNAME/S	ID CARD/FOREIGNER'S IDENTIFICATION CODE	DATE OF BIRTH (DD.MM.YYYY)	NATIONALITY/CODE (2)	COUNTRY OF RESIDENCE/ CODE (2)
1	2	3	4	5

III. Details of the companies involved in the chain of command

In the case of indirect beneficial ownership, give details of the chain of command

ID CARD/FOREIGNER'S ID CARD NUMBER	LEVEL IN THE CHAIN OF COMMAND	COMPANY NAME	NIF/FOREIGNER'S ID CODE	NATIONALITY /CODE (2)	REGISTERED ADDRESS	REGISTRATION DETAILS/LEI (IF APPLICABLE)
1	2	3	4	5	6	7

(1) Companies listed on a regulated market of the European Union or equivalent third countries are excepted.
(2) Country code according to ISO 3166-1 alpha 2.
(3) Give details of companies involved in table III.

COVID-19 DECLARATION

COMPANY	TIN
NEXTPOINT CAPITAL SOCIMI, S.A.	A67218867

REGISTERED ADDRESS
VIA LAIETANA, 57, 3º, 2ª

MUNICIPALITY	PROVINCE	FINANCIAL YEAR
BARCELONA	BARCELONA	2021

Labour-related measures applied to the company.

1. Application for FURLOUGH in the year due to the pandemic [1]: No

It was due to [2]:

It resulted in [3]:

Number of workers hired before FURLOUGH: Duration:

Start date: End date:

Number of workers affected by FURLOUGH:

2. Recoverable Remunerated Leave (Royal Decree-Law 10/2020, of 29 March)

Proportion of staff, permanent and temporary, under the recoverable remunerated leave scheme. 0.00

Duration (Number of days): 0.00

3. Sick leave due to CORONAVIRUS

Proportion of permanent staff affected. 0.00

Rent (sections 1 to 15 of Royal Decree-Law 11/2020).

1. Rent to Third Parties (Big Tenants) Awarded [4]: Not applicable
2. Small Landlords. Voluntary arrears granted to tenants [1]. No
3. Public financing (including guarantors) received for the lease of business premises [1]. No

ICO loan guarantees

Amount of the guarantee granted, if applicable, by the Official Credit Institution (ICO) pursuant to sections 29 and 30 of Royal Decree-Law 8/2020, of 17 March.

Amount (€): 0

What percentage does the amount granted cover of the total amount requested? 0.00

Public subsidies

Describe the plan or programme requested, the grantor and the system (guarantors, arrears, deferment, interest paid, etc.)

Mortgage arrears (sections 16 to 19 of Royal Decree-Law 11/2020). Taken up [1]. No

Non-mortgage arrears (sections 18, and 21 to 26 of Royal Decree-Law 11/2020). Taken up [1]. No

Supplies Facilities have been requested for supplies or they have been cancelled (sections 42 to 44 of Royal Decree-Law 11/2020) [1]. No

Tourism Support measures conceded to the Tourist sector were taken up as per sections 12 and 13 of Royal Decree-Law 7/2020, of 12 March[1]. No

SIGNATURES AND NAMES OF THE DIRECTORS (if submitted on paper)

(1) 1.- YES, 2.- NO.
(2) 1. Due to force majeure events. 2. Due to technical, financial and organisational reasons. 3. Due to other reasons.
(3) 1. Cancellation of contracts. 2. Reduced working day. 3. Cancellation of contracts and reduced working day.
(4) 1. Decrease in tenants' rent. 2. Debt restructuring. 3. Decrease in tenants' rent and debt restructuring. 4. Other.

DOCUMENT ON SERVICES TO THIRD PARTIES

SR

COMPANY	TIN
NEXTPOINT CAPITAL SOCIMI, S.A.	A67218867

REGISTERED ADDRESS
VIA LAIETANA, 57, 3º, 2ª

MUNICIPALITY	PROVINCE	YEAR(2)
BARCELONA	BARCELONA	2021

The rendering of services to third parties during the year, as per section 2.1 of Act 10/2010, of 28 April, on the prevention of money laundering and the and the financing of terrorism.

Territorial scope of operations (1):

Countries in which operations are conducted:

Provinces in which operations are conducted:

Municipalities in which operations are conducted:

Have you rendered services to non-residents?(3)

Is the rendering of services to third parties, as per section 2.1 o) of Act 10/2010 of 28 April, the sole line of business?

Turnover from these services:

Last Year | Previous Year | Unquantifiable

Number of Operations/Services on behalf of third parties rendered as a freelancer or outsourced:

	Number of Operations
Incorporation of companies or other legal persons.	
Director, secretary and/or external consultant to a company.	
Member of an association or similar.	
Providing a registered, business, postal, administrative or similar address to a legal person.	
Acting as a trustee in a trust or similar arrangement.	
Acting as a nominee shareholder	

SIGNATURES AND NAMES OF THE DIRECTORS (if submitted on paper)

(1) Municipal, provincial, autonomous community, national or international.
(2) Financial year to which the annual accounts refer.
(3) Yes or no

STANDARD BALANCE SHEET

B1.1

NIF: A67218867 COMPANY NAME: NEXTPOINT CAPITAL SOCIMI, S.A.	Space reserved for directors' signatures	**UNIT** (1): Euros: 09001 Thousands: 09002 Millions: 09003	X (09003)

Assets		NOTES TO THE ANNUAL ACCOUNTS	FINANCIAL YEAR 2021 (2)	FINANCIAL YEAR 2020 (3)
A) NON-CURRENT ASSETS	11000		50,755.76	55,606.02
I. Intangible fixed assets	11100	6.1	2,009.00	2,009.00
1. Development	11110			
2. Concessions	11120			
3. Patents, licences, trademarks and similar	11130			
4. Goodwill	11140			
5. Computer applications	11150		2,009.00	2,009.00
6. Research	11160			
7. Intellectual property	11180			
8. Other intangible assets	11170			
II. Tangible assets	11200	6.2	9,396.76	19,509.02
1. Land and buildings	11210			
2. Plant and other tangible fixed assets	11220		9,396.76	19,509.02
3. Work in progress and advance payments	11230			
III. Real estate investments	11300			
1. Land	11310			
2. Buildings	11320			
IV. Non-current investments in group and associate companies	11400	7.3	36,000.00	30,000.00
1. Equity instruments	11410			
2. Loans to companies	11420			
3. Debt securities	11430			
4. Derivatives	11440			
5. Other financial assets	11450		36,000.00	30,000.00
6. Other investments	11460			
V. Non-current financial investments	11500	7.1	3,350.00	4,088.00
1. Equity instruments	11510			
2. Loans to third parties	11520			
3. Debt securities	11530			
4. Derivatives	11540			
5. Other financial assets	11550		3,350.00	4,088.00
6. Other investments	11560			
VI. Deferred tax assets	11600			
VII. Non-current trade payables	11700			

(1) Check the appropriate box depending on whether the figures are shown in euros, thousands of euros or millions of euros. All figures in the documents that make up the financial statements must be expressed in the same unit.
(2) Financial year to which the annual accounts refer.
(3) Previous financial year.

STANDARD BALANCE SHEET B1.2

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

Space reserved for directors' signatures

Assets		NOTES TO THE ANNUAL ACCOUNTS	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
B) CURRENT ASSETS	12000		4,579,028.10	4,855,628.48
I. Non-current assets held for sale	12100			
II. Inventories	12200			
1. Merchandise for resale	12210			
	12220			
2. Raw materials and other supplies	12221			
a) Raw materials and other non-current supplies.	12222			
b) Raw materials and other current supplies.	12230			
3. Work in progress	12231			
a) With a long production cycle.	12232			
b) With a short production cycle	12240			
4. Finished products	12241			
a) With a long production cycle.	12242			
b) With a short production cycle	12250			
5. By-products, waste and recovered materials	12260			
6. Advance payments to suppliers	12300	7.2	112,106.78	91,351.84
III. Trade and other accounts payable	12310	15.2	7,964.62	484.00
1. Trade receivables from sales and services	12311			
a) Non-current trade receivables from sales and services	12312		7,964.62	484.00
b) Current trade receivables from sales and services.	12320			
2. Trade receivables from group and associate companies	12330		26,187.02	12,675.47
3. Sundry debtors	12340			
4. Personnel	12350			
5. Current tax assets	12360		77,955.14	78,192.37
6. Other taxes receivable	12370			
7. Called-up share capital (shareholders)	12400		3,226,440.33	2,328,797.86
IV. Current investments in group and associate companies	12410			
1. Equity instruments	12420			
2. Loans to companies	12430			
3. Debt securities	12440			
4. Derivatives	12450		3,226,440.33	2,328,797.86
5. Other financial assets	12460			
6. Other investments				

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD BALANCE SHEET

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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Assets		NOTES TO THE ANNUAL ACCOUNTS	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
V. Current financial investments	12500			439.44
1. Equity instruments	12510			
2. Loans to companies	12520			
3. Debt securities	12530			
4. Derivatives	12540			
5. Other financial assets	12550			
6. Other investments	12560			
VI. Current accruals	12600		26,620.00	
VII. Cash and cash equivalents	12700		1,213,860.99	2,435,039.34
1. Cash and banks	12710		1,213,860.99	2,435,039.34
2. Other cash equivalents	12720			
TOTAL ASSETS (A + B)	10000		4,629,783.86	4,911,234.50

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD BALANCE SHEET

B2.1

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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EQUITY AND LIABILITIES		NOTE(S)	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
A) EQUITY	20000		3,988,410.71	4,339,497.38
A-1) Capital and reserves	21000		3,988,410.71	4,339,497.38
I. Share capital	21100	9	5,042,611.00	5,042,611.00
1. Registered capital	21110	9	5,042,611.00	5,042,611.00
2. (Uncalled capital)	21120			
II. Issue premium	21200	9	180,565.45	180,565.45
III. Reserves	21300	9.2	-1,280.42	-1,323.84
1. Legal and statutory	21310			
2. Other reserves	21320		-1,280.42	-1,323.84
3. Revaluation reserve	21330			
4. Capital reserve	21350			
IV. (Shares and Treasury stock.)	21400	9.3	-201,988.50	-208,782.00
V. Prior year profit/(loss)	21500		-673,573.23	-4,258.65
1. Unappropriated profit	21510			
2. (Prior year losses)	21520			
VI. Other shareholder contributions	21600			
VII. Profit/(loss) in the financial year	21700	3	-357,923.59	-669,314.58
VIII. (Interim dividend)	21800			
IX. Other equity instruments	21900			
A-2) Value adjustments	22000			
I. Financial assets held for sale	22100			
II. Hedging transactions	22200			
III. Non-current assets and related liabilities held for sale	22300			
IV. Exchange differences	22400			
V. Other	22500			
A-3) Grants, donations and bequests received	23000			
B) NON-CURRENT LIABILITIES	31000	8.1	297,998.72	297,998.72
I. Non-current provisions	31100			
1. Non-current employee benefit obligations	31110			
2. Environmental actions	31120			
3. Restructuring provisions	31130			
4. Other provisions	31140			
II. Non-current payables	31200	8.1	297,998.72	297,998.72
1. Debentures and other negotiable securities	31210			

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD BALANCE SHEET

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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EQUITY AND LIABILITIES		NOTE(S)	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
2. Bank borrowings	31220		297,998.72	297,998.72
3. Financial lease payables	31230			
4. Derivatives	31240			
5. Other financial liabilities	31250			
III. Non-current payables to group and associate companies	31300			
IV. Deferred tax liabilities.	31400			
V. I. Non-current accruals	31500			
VI. Non-current trade payables.	31600			
VII. Special non-current payables	31700			
C) CURRENT LIABILITIES	32000	8.2	360,183.23	273,738.40
I. Liabilities related to non-current assets held for sale	32100			
II. Current provisions	32200			
1. Provisions for greenhouse gas emission rights	32210			
2. Other provisions	32220			
III. Current payables	32300		73,963.22	77,964.39
1. Debentures and other negotiable securities	32310			
2. Bank borrowings	32320		82,001.28	82,001.28
3. Financial lease payables	32330			
4. Derivatives	32340			
5. Other financial liabilities	32350		-8,038.06	-4,036.89
IV. Current payables to group and associate companies	32400	8.2	16,808.80	
V. Trade and other payables	32500	8.2	83,386.95	18,873.14
1. Suppliers	32510		53,135.46	-14,688.18
a) Non-current suppliers	32511			
b) Current suppliers	32512		53,135.46	-14,688.18
2. Suppliers, group and associate companies	32520			
3. Sundry creditors	32530		30,251.49	33,561.32
4. Personnel (outstanding salaries)	32540			
5. Current tax liabilities	32550			
6. Other taxes payable	32560			
7. Advance payments from customers	32570			
VI. Current accruals	32600		186,024.26	176,900.87
VII. Special current payables	32700			
TOTAL EQUITY AND LIABILITIES (A + B + C)	30000		4,629,783.86	4,911,234.50

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD INCOME STATEMENT

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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(DEBIT)/CREDIT		NOTES TO THE FINANCIAL STATEMENTS	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
A) CONTINUING OPERATIONS				
1. Turnover	40100		715,912.17	103,237.08
a) Sales	40110			
b) Provision of services	40120		715,912.17	103,237.08
c) Financial revenues from holding companies	40130			
2. Variation in inventories of finished products and work in progress	40200			
3. Work done by the company on its own assets	40300			
4. Supplies	40400			
a) Consumption of goods	40410			
b) Consumption of raw materials and other consumables	40420			
c) Work carried out by other companies	40430			
d) Impairment of goods, raw materials and other supplies.	40440			
5. Other operating income	40500		1,540.00	
a) Sundry and other operating income	40510		1,540.00	
b) Operating grants released to income during the year	40520			
6. Personnel costs	40600	12.2	-342,556.85	-270,576.51
a) Wages, salaries and similar	40610		-280,635.99	-220,463.91
b) Employee benefits	40620		-61,920.86	-50,112.60
c) Provisions	40630			
7. Other operating expenses	40700	12.3	-754,262.73	-558,018.14
a) External services	40710		-754,262.73	-558,018.14
b) Taxes	40720			
c) Losses, impairment and changes in trade provisions	40730			
d) Other current operating expenses	40740			
e) Charges for greenhouse gas emission rights	40750			
8. Fixed asset depreciation	40800		-11,975.61	-235.28
9. Allocation of non-financial and other fixed asset grants	40900			
10. Surplus provisions	41000			
11. Impairment and proceeds from fixed asset disposals	41100			
a) Impairment and losses	41110			
b) Profit/loss on disposals and other	41120			
c) Impairment and proceeds from fixed asset disposals conducted by holding companies	41130			
12. Losses from business combinations	41200			

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD INCOME STATEMENT

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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(DEBIT)/CREDIT		NOTES TO THE FINANCIAL STATEMENTS	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
13. Other profit/(loss)	41300			
A.1) OPERATING PROFIT/(LOSS) (1 + 2 + 3 + 4 + 5 + 6 + 7 + 8 + 9 + 10 + 11 + 12 + 13)	49100		-391,343.02	-725,592.85
14. Financial income	41400		157,738.51	66,455.94
a) From shares in equity instruments	41410			
a 1) To group and associate companies	41411			
a 2) To third parties	41412		157,738.51	66,455.94
b) From marketable securities and other financial instruments	41420			
b 1) From group and associate companies	41421			
b 2) From third parties	41422		157,738.51	66,455.94
c) Allocation of financial grants, donations and gifts	41430			
15. Financial expenses	41500		-50,976.74	-10,177.67
a) From payables to group and associate companies	41510			
b) From payables to third parties	41520		-50,976.74	-10,177.67
c) From the restatement of provisions	41530			
16. Variation in fair value of financial instruments	41600			
a) Trading portfolio and other	41610			
b) Available-for-sale financial assets charged to profit and loss for the year	41620			
17. Exchange differences	41700		-73,372.34	
18. Impairment and proceeds from financial instrument disposals	41800			
a) Impairment and losses	41810			
b) Profit/(loss) on disposals and similar	41820			
19. Other financial income and expenses	42100			
a) Addition to financial expense assets	42110			
b) Financial income arising from arrangements with creditors	42120			
c) Other income and expenses	42130			
A.2) FINANCIAL PROFIT/(LOSS) (14 + 15 + 16 + 17 + 18 + 19)	49200		33,419.43	56,278.27
A.3) PROFIT/(LOSS) BEFORE TAX (A.1 + A.2)	49300	3	-357,923.59	-669,314.58
20. Corporation tax	41900			
A.4) PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS (A.3 + 20)	49400	3	-357,923.59	-669,314.58
B) DISCONTINUED OPERATIONS				
21. Profit/(loss) in the previous year from discontinued operations net of tax.	42000			
A.5) YEAR PROFIT/(LOSS) (A.4 + 21)	49500			

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD STATEMENT OF CHANGES IN EQUITY

PN1

A) Statement of income and expenditure recognised in the year

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

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		NOTES TO THE FINANCIAL STATEMENTS	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
A) PROFIT/(LOSS) ON THE INCOME STATEMENT.	59100		-357,923.59	-669,314.58
INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY				
I. Due to measurement of financial instruments	50010			
1. Available-for-sale financial assets.	50011			
2. Other income/expenses.	50012			
II. Due to cash flow hedges	50020			
III. Grants, gifts and bequests received.	50030			
IV. Due to actuarial gains and losses and other adjustments	50040			
V. Due to non-current assets and related liabilities held for sale.	50050			
VI. Conversion differences	50060			
VII. Tax effect	50070			
B) Total income and expense recognised directly in equity (I + II + III + IV +V+VI+VII)	59200			
TRANSFERS TO THE INCOME STATEMENT				
VIII. Due to measurement of financial instruments	50080			
1. Available-for-sale financial assets.	50081			
2. Other income/expenses.	50082			
IX. Due to cash flow hedges	50090			
X. Grants, gifts and bequests received.	50100			
XI. Due to non-current assets and related liabilities held for sale.	50110			
XII. Conversion differences	50120			
XIII. Tax effect	50130			
C) Total transfers to the income statement (VIII + IX + X + XI + XII + XIII).	59300			
TOTAL INCOME AND EXPENSES RECOGNISED (A+B+C).	59400		-357,923.59	-669,314.58

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD STATEMENT OF CHANGES IN EQUITY

PN2.1

B) Statement of changes in total equity

NIF: A67218867

COMPANY NAME:
NEXTPOINT CAPITAL SOCIMI, S.A.

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		SHARE CAPITAL REGISTERED 01	SHARE CAPITAL (UNCALLED) 02	ISSUE PREMIUM 03
A) CLOSING BALANCE IN 2019 (1)	511	63,000.00		
I. Adjustments due to changes in standards for financial year 2019 (1) **and in prior years**	512			
II. Adjustments due to errors in 2019 (1) **and in prior years**	513			
B) ADJUSTED OPENING BALANCE IN 2020 (2)	514	63,000.00		
I. Total recognised income and expenses.	515			
II. Operations with shareholders or owners	516	4,979,611.00		
1. Capital increases	517	4,979,611.00		
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524			180,565.45
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532			180,565.45
C) CLOSING BALANCE IN 2020 (2)	511	5,042,611.00		180,565.45
I. Adjustments due to changes in standards in the financial year 2020 (2)	512			
II. Adjustments due to errors in 2020 (2)	513			
D) ADJUSTED OPENING BALANCE IN 2020 (2)	514	5,042,611.00		180,565.45
I. Total recognised income and expenses.	515			
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524			
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532			
E) CLOSING BALANCE IN 2021 (3)	525	5,042,611.00		180,565.45

(1) Financial year N-2
(2) Financial year prior to that to which the financial statements refer (N-1)
(3) Financial year to which the financial statements refer (N)
(4) Revaluation reserve as per Act 16/2012 of 27 December. Companies using revaluations provisions other than the one contained in Act 16/2012 must provide details of the provision claimed.

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STANDARD STATEMENT OF CHANGES IN EQUITY

PN2.2

B) Statement of changes in total equity

NIF: A67218867

COMPANY NAME:
NEXTPOINT CAPITAL SOCIMI, S.A.

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		RESERVES	(SHARES AND TREASURY STOCK)	PRIOR YEAR PROFIT/(LOSS)
		04	05	06
A) CLOSING BALANCE IN 2019 (1)	511	-1,174.31		-48,063.05
I. Adjustments due to changes in standards for financial year 2019 (1) **and in prior years**	512			
II. Adjustments due to errors in 2019 (1) **and in prior years**	513			
B) ADJUSTED OPENING BALANCE IN 2020 (2)	514	-1,174.31		-48,063.05
I. Total recognised income and expenses	515			
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524	-149.53	-208,782.00	43,804.40
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532	-149.53	-208,782.00	43,804.50
C) CLOSING BALANCE IN 2020 (2)	511	-1,323.84	-208,782.00	-4,258.65
I. Adjustments due to changes in standards in the financial year 2020 (2)	512			
II. Adjustments due to errors in financial year 2020 (2)	513			
D) ADJUSTED OPENING BALANCE IN 2020 (2)	514	-1,323.84	-208,782.00	-4,258.65
I. Total recognised income and expenses	515			-669,314.58
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524	43.42	6,793.50	
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532	43.42	6,793.50	
E) CLOSING BALANCE IN 2021 (3)	525	-1,280.42	-201,988.50	-673,573.23

(1) Financial year N-2
(2) Financial year prior to that to which the financial statements refer (N-1)
(3) Financial year to which the financial statements refer (N)
(4) Revaluation reserve as per Act 16/2012 of 27 December. Companies using revaluations provisions other than the one contained in Act 16/2012 must provide details of the provision claimed.

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STANDARD STATEMENT OF CHANGES IN EQUITY

B) Statement of changes in total equity

NIF: A67218867

COMPANY NAME:
NEXTPOINT CAPITAL SOCIMI, S.A.

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		OTHER SHAREHOLDER CONTRIBUTIONS	PROFIT/(LOSS) FOR THE YEAR	(INTERIM DIVIDEND)
		07	08	09
A) CLOSING BALANCE IN 2019 (1)	511			
I. Adjustments due to changes in standards for financial year 2019 (1) **and in prior years**	512			
II. Adjustments due to errors in 2019 (1) **and in prior years**	513			
B) ADJUSTED OPENING BALANCE IN 2020 (2)	514			
I. Total recognised income and expenses	515		-669,314.58	
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524			
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532			
C) CLOSING BALANCE IN 2020 (2)	511		-669,314.58	
I. Adjustments due to changes in standards in the financial year 2020 (2)	512			
II. Adjustments due to errors in financial year 2020 (2)	513			
D) ADJUSTED OPENING BALANCE IN 2021 (3)	514		-669,314.58	
Total recognised income and expenses	515		-357,923.59	
I. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524		669,314.58	
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532		669,314.58	
E) CLOSING BALANCE IN 2021 (3)	525		-357,923.59	

(1) Financial year N-2
(2) Financial year prior to that to which the financial statements refer (N-1)
(3) Financial year to which the financial statements refer (N)
(4) Revaluation reserve as per Act 16/2012 of 27 December. Companies using revaluations provisions other than the one contained in Act 16/2012 must provide details of the provision claimed.

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STANDARD STATEMENT OF CHANGES IN EQUITY
B) Statement of changes in total equity

NIF: A67218867

COMPANY NAME:
NEXTPOINT CAPITAL SOCIMI, S.A.

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		OTHER EQUITY INSTRUMENTS	ADJUSTMENTS DUE TO CHANGES IN VALUE	GRANTS, DONATIONS AND BEQUESTS RECEIVED
		10	11	12
A) CLOSING BALANCE IN 2019 (1)	511			
I. Adjustments due to changes in standards for financial year 2019 (1) **and in prior years**	512			
II. Adjustments due to errors in 2019 (1) **and in prior years**	513			
B) ADJUSTED OPENING BALANCE IN 2020 (2)	514			
I. Total recognised income and expenses.	515			
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524			
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532			
C) CLOSING BALANCE IN 2020 (2)	511			
I. Adjustments due to changes in standards in the financial year 2020 (2)	512			
II. Adjustments due to errors in financial year 2020 (2)	513			
D) ADJUSTED OPENING BALANCE IN 2020 (2)	514			
I. Total recognised income and expenses.	515			
II. Operations with shareholders or owners	516			
1. Capital increases	517			
2. (-) Capital reductions	518			
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519			
4. (–) Distribution of dividends.	520			
5. Operations with shares or treasury stock (net)	521			
6. Increase/(reduction) in equity as a result of a business combination.	522			
7. Other operations with shareholders or owners	523			
III. Other changes in equity	524			
1. Changes in the revaluation reserve (4)	531			
2. Other changes	532			
E) CLOSING BALANCE IN 2021 (3)	525			

(1) Financial year N-2
(2) Financial year prior to that to which the financial statements refer (N-1)
(3) Financial year to which the financial statements refer (N)
(4) Revaluation reserve as per Act 16/2012 of 27 December. Companies using revaluations provisions other than the one contained in Act 16/2012 must provide details of the provision claimed.

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STANDARD STATEMENT OF CHANGES IN EQUITY

PN2.5

B) Statement of changes in total equity

NIF: A67218867

COMPANY NAME:
NEXTPOINT CAPITAL SOCIMI, S.A.

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		TOTAL
		13
A) CLOSING BALANCE IN 2019 (1)	511	57,566.44
I. Adjustments due to changes in standards for financial year 2019 (1) and in prior years	512	
II. Adjustments due to errors in 2019 (1) and in prior years	513	
B) ADJUSTED OPENING BALANCE IN 2020 (2)	514	57,566.44
I. Total recognised income and expenses.	515	-669,314.58
II. Operations with shareholders or owners	516	4,979,611.00
1. Capital increases	517	4,979,611.00
2. (-) Capital reductions	518	
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519	
4. (–) Distribution of dividends.	520	
5. Operations with shares or treasury stock (net)	521	
6. Increase/(reduction) in equity as a result of a business combination.	522	
7. Other operations with shareholders or owners	523	
III. Other changes in equity	524	-28,365.48
1. Changes in the revaluation reserve (4)	531	
2. Other changes	532	-28,365.48
C) CLOSING BALANCE IN 2020 (2)	511	4,339,497.38
I. Adjustments due to changes in standards in the financial year 2020 (2)	512	
II. Adjustments due to errors in 2020 (2)	513	
D) ADJUSTED OPENING BALANCE IN 2020 (2)	514	4,339,497.38
I. Total recognised income and expenses.	515	-357,923.59
II. Operations with shareholders or owners	516	
1. Capital increases	517	
2. (-) Capital reductions	518	
3. Financial liabilities converted into equity(conversion of bond, subject to debt relief).	519	
4. (–) Distribution of dividends.	520	
5. Operations with shares or treasury stock (net)	521	
6. Increase/(reduction) in equity as a result of a business combination.	522	
7. Other operations with shareholders or owners	523	
III. Other changes in equity	524	-6,836.92
1. Changes in the revaluation reserve (4)	531	
2. Other changes	532	
E) CLOSING BALANCE IN 2021 (3)	525	3,988,410.71

(1) Financial year N-2
(2) Financial year prior to that to which the financial statements refer (N-1)
(3) Financial year to which the financial statements refer (N)
(4) Revaluation reserve as per Act 16/2012 of 27 December. Companies using revaluations provisions other than the one contained in Act 16/2012 must provide details of the provision claimed.

STANDARD CASH FLOW STATEMENT

F1.1

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

Space reserved for directors' signatures

		NOTES	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
A) CASH FLOWS FROM OPERATIONS				
1. Profit/(loss) for year before tax	61100		-357,923.59	-669,314.58
2. Adjustments to profit/(loss)	61200		-21,443.85	-56,042.99
a) Fixed asset amortisation (+)	61201		11,975.61	235.28
b) Value adjustments due to impairment (+/–)	61202			
c) Changes in provisions (+/–)	61203			
d) Release of grants (–)	61204			
e) Profit/(loss) on removals and disposals of fixed assets (+/–)	61205			
f) Profit/(loss) on removals and disposals of financial instruments (+/–).	61206			
g) Financial income (–)	61207		-157,738.51	-66,455.94
h) Financial expenses (+)	61208		50,976.74	10,177.67
i) Exchange differences (+/–).	61209		73,342.34	
j) Change in fair the value of financial instruments (+/–)	61210			
k) Other income and expenses (–/+)	61211			
3. Changes in working capital	61300		-45,859.22	35,983.61
a) Inventories (+/–)	61301			
b) Trade and other accounts receivable (+/–)	61302		-69,493.84	16,115.84
c) Other current assets (+/–).	61303			
d) Trade and other accounts payable (+/-).	61304		14,511.23	-19,281.83
e) Other current liabilities (+/–)	61305		9,123.39	39,149.60
f) Other non-current assets and liabilities (+/–)	61306			
4. Other cash flows from operations	61400		106,761.77	56,278.27
a) Interest payments (–).	61401		-50,976.74	-10,177.67
b) Dividends received (+)	61402			
c) Interest received (+)	61403		157,738.51	66,455.94
d) Corporation tax received/(paid) (+/–)	61404			
e) Other payments/(collections) (–/+).	61405			
5. Cash flows from operations (1 + 2 + 3 + 4)	61500		-318,464.86	-633,095.69

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD CASH FLOW STATEMENT

F1.2

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

Space reserved for directors' signatures

		NOTES	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
B) CASH FLOWS FROM INVESTMENTS				
6. Payments on investments (–)	62100		-905,505.82	-1,941,170.58
a) Group and associate companies	62101		-903,642.47	-1,938,162.53
b) Intangible fixed assets	62102			-336.00
c) Property, plant and equipment	62103		-1,863.35	-2,232.61
d) Investment properties	62104			
e) Other financial assets	62105			-439.44
f) Non-current assets held for sale	62106			
g) Business unit	62107			
h) Other assets	62108			
7. Collections from divestments (+)	62200			
a) Group and associate companies	62201			
b) Intangible fixed assets	62202			
c) Property, plant and equipment	62203			
d) Investment properties	62204			
e) Other financial assets	62205			
f) Non-current assets held for sale	62206			
g) Business unit	62207			
h) Other assets	62208			
8. Cash flows from investments (6 +7)	62300		-909,505.82	-1,941,170.58

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD CASH FLOW STATEMENT

F1.3

NIF: A67218867

COMPANY NAME:

NEXTPOINT CAPITAL SOCIMI, S.A.

Space reserved for directors' signatures

		NOTES	FINANCIAL YEAR 2021 (1)	FINANCIAL YEAR 2020 (2)
C) CASH FLOWS FROM FINANCING				
9. Collections and payments on equity instruments	63100		6,793.50	4,951,394.45
a) Issue of equity instruments (+)	63101			5,160,176.45
b) Amortization of equity instruments (–)	63102			
c) Acquisition of treasury stock (–)	63103			-208,782.00
d) Disposal of treasury stock (+)	63104		6,793.50	
e) Grants, gifts and bequests received (+)	63105			
10. Collections and payments on financial liabilities	63200		-4,001.17	-228,835.36
a) Issue	63201			380,000.00
1. Debentures and other negotiable securities (+)	63202			
2. Bank borrowings (+)	63203			380,000.00
3. Loans from group and associate companies (+)	63204			
4. Debt with special characteristics (+)	63205			
5. Other debt (+)	63206			
b) Refund and amortisation of	63207		-4,001.17	-608,835.36
1. Debentures and other negotiable securities (-)	63208			
2. Bank borrowings (–)	63209			
3. Loans from group and associate companies (–)	63210			-328,216.10
4. Debt with special characteristics (+)	63211			
5. Other debt (–)	63212		-40,001.17	-280,619.26
11. Payment of dividends and returns on other equity instruments .	63300			
a) Dividends (–).	63301			
b) Returns on other equity instruments (–)	63302			
12. Cash flows from financing (9 + 10 + 11)	63400		2,792.33	4,722,559.09
D) Effect of exchange rate fluctuations	64000			
E) NET INCREASE/DECREASE OF CASH AND CASH EQUIVALENTS (5 + 8 + 12 + D)	65000		-1,221,178.35	2,148,292.82
Cash and cash equivalents at the start of the year	65100		2,435,039.34	286,746.52
Cash and cash equivalents at the year-end.	65200		1,213,860.99	2,435,039.34

(1) Financial year to which the financial statements refer.
(2) Previous financial year.

STANDARD ENVIRONMENTAL ENVIRONMENTAL INFORMATION

IM

COMPANY		TIN
NEXTPOINT CAPITAL SOCIMI, S.A.		A67218867
REGISTERED ADDRESS		
VIA LAIETANA, 57, 3º, 2ª		
MUNICIPALITY	PROVINCE	FINANCIAL YEAR
BARCELONA	BARCELONA	2021

The undersigned, as Directors of the aforementioned Company, state that in the reporting standards used in these financial statements there are NO items of an environmental nature that must be included in the Notes pursuant to the provisions set out in the third section of the General Accounting Plan (Royal Decree 1514/2007, of 16 November).

☒

The undersigned, as Directors of the aforementioned Company, state that in the reporting standards used in these annual accounts there ARE items of an environmental nature that must be included in the Notes pursuant to the provisions set out in the third section of the General Accounting Plan (Royal Decree 1514/2007, of 16 November).

☐

SIGNATURES AND NAMES OF THE DIRECTORS

STANDARD FORM FOR REPORTING ON SHARES AND TREASURY STOCK

A1

COMPANY	TIN
NEXTPOINT CAPITAL SOCIMI, S.A.	A67218867

REGISTERED ADDRESS
VIA LAIETANA, 57, 3º, 2ª

MUNICIPALITY	PROVINCE	FINANCIAL YEAR
BARCELONA	BARCELONA	2021

During this financial year the company did not conduct any transactions involving shares/treasury stock ☒
(Note: In this case, only this form (A1) need be submitted)

Balance at the previous year-end: ....0.00.... Shares/treasury stock ....0.00..........% of the share capital

Balance at the year-end: ....0.00.... Shares/treasury stock ....0,00 ....% of the share capital

Date	Item (1)	Date of AGM resolution	No. shares or treasury stock	Nominal	Proportion of share capital	Price or consideration	Balance after the transaction

Note: Use as many copies as may be necessary of form A1.1.

(1) AO: Original acquisition of shares or treasury stock of the holding company (sections 135 and following of the Capital Companies Act). AD: Direct derivative acquisition; AI: Indirect derivative acquisition; AL: Unrestricted acquisition (sections 140, 144 and 146 of the Capital Companies Act). ED: Disposal of shares acquired in breach of the first three provisions of section 146 of the Capital Companies Act).
EL: Disposal of freely tradable shares or treasury stock (section 145.1 of the Capital Companies Act). RD: Redemption of shares pursuant to section 146 of the Capital Companies Act.
RL: Redemption of freely tradable shares or treasury stock (section 145 of the Capital Companies Act). AG: Acceptance of treasury stock as security (section 149 of the Capital Companies Act).
AF: Shares acquired through the financial assistance of the entity (section 150 of the Capital Companies Act). PR: Reciprocal shares or treasury stock (sections 151 and following of the Capital Companies Act);.

FILING REQUEST ON THE COMPANIES REGISTRY OF BARCELONA

PR

FILING OF FINANCIAL STATEMENTS

NAME OF THE ENTITY SUBMITTING THE STATEMENTS FOR FILING

Name of the Entity: NEXTPOINT CAPITAL SOCIMI, S.A. NIF: A67218867

Registration Details:

Volume: 46. 422 Folio: 82 Registration Sheet No.: B519437 Year-end date: 31.12. 2021 (dd.mm.yyyy)

IDENTIFICATION OF THE ACCOUNTING DOCUMENTS WHOSE FILING IS REQUESTED

FINANCIAL STATEMENTS FOR FINANCIAL YEAR: 2021

Balance Sheet
Standard ☒
Summary ☐
SME ☐

Income Statement
Standard ☒
Summary ☐
SME ☐

Notes
Standard ☐
Summary ☐
SME ☐

Statement of Changes in Equity
Standard ☒

Cash Flow Statement
Standard ☒

Auditor's Report
Voluntary ☐
Mandatory ☐

Non-Financial Statement
Separate document ☐

Company's identification sheet ☒

Environmental Statement ☒

Directors' Report ☐

Document on services to third parties ☐

Identification details of the beneficial owner ☐

Treasury Stock Form ☒

SICAV Certificate ☐

Calls to AGMs ☐

Certification of Resolutions ☒

Other Documents ☐ No.

COVID-19 sheet ☒

Code of the Signatory Auditor on the Official Registry of Account Auditors

Date of issue of the Auditors Report

DETAILS OF THE FILER

Name and surnames: ALEJANDRO MARTINEZ-COMIN GRABALOS DNI: 46145683R

Address: CL MAO 10 1 2 Postcode: 8.022

Town/city: BARCELONA Province: BARCELONA Telephone no.: 933.909.720

Fax: Email: mayra@gabinetemartinezcomin.com

The filer is aware that the notification that the financial statements have been filed or, if applicable, classified as substandard, will be sent to the above email address pursuant the provisions of section 322 of the Mortgage Act.

Filer's signature: Code 2D

FILING REQUEST
ON THE COMPANIES REGISTRY OF BARCELONA
FILING OF THE FINANCIAL STATEMENTS

PR

NAME OF THE ENTITY SUBMITTING THE STATEMENTS FOR FILING

Name of the Entity: NEXTPOINT CAPITAL SOCIMI, S.A. NIF: A67218867

Registration Details:

Volume:__46. 422_ Folio:82_ Registration Sheet No.:_B519437 Year-end date:_31.12. 2021
(dd.mm.yyyy)

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Pursuant to (EU) Regulation 2016/679 of the European Parliament and Council, of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data (GDPR), you are hereby informed that: 1. The personal data provided in this document shall be added to the Registry's records and to the database created using them, for which the Registrar is the data controller and whose purpose is to process them as expressly provided for in the Registry's regulations. The information contained therein shall only be disclosed as provided for by law, or for the purposes of responding to formal requests of disclosure filed in compliance with the Companies Registries Regulations (RRM) sect. 2, 4, 9 and 12 of the Preliminary Title and the Guidelines of 29 October 1996 and 17 February 1998). 2. Insofar as is compatible with the Registry's specific regulations, data subjects shall be entitled to access, rectify, cancel and object to the processing of their data as provided for in the aforementioned Organic Law by writing to the Registry. 3. The services requested are subject to obtaining and processing your data as described above.

Copy for the interested party

FILING REQUEST
ON THE COMPANIES REGISTRY OF BARCELONA
FILING OF THE FINANCIAL STATEMENTS

PR

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Copy for the bank/Companies Registry cash desk

DIGITAL FINGERPRINT CERTIFICATION   H

COMPANY:	NEXTPOINT CAPITAL SOCIMI, S.A.	NIF:	A67218867
REGISTERED ADDRESS:	VIA LAIETANA, 57, 3º, 2ª		

MUNICIPALITY:	BARCELONA	PROVINCE:	BARCELONA	YEAR:	2021

NAME OF THE PERSONS WHO ISSUE THE CERTIFICATION

LIRON SASON

OFER LIOR

NIR TUVIA GOLDBERG

OMER RABINOVITZ

TEDDY GABRIEL LIN

SIGNATURES:

THE ABOVE PERSONS CERTIFY THAT THE DIGITAL FILING GENERATED THE FOLLOWING DIGITAL FINGERPRINT:

NEXTPOINT CAPITAL SOCIMI, S.A.

NOTES TO THE FINANCIAL STATEMENTS FOR THE BUSINESS YEAR ENDED

AT THIRTY-FIRST OF DECEMBER TWO THOUSAND AND TWENTY-ONE

The purpose of these notes is to complete, extend and comment on the Balance Sheet, Income Statement, the Statement of Change in Equity and the Cash Flow Statement for financial year 2021.

1. LINE OF BUSINESS OF THE COMPANY

The Company was incorporated on 8 May 2018 under the name VIRTUAL BUSINESS DEVELOPMENT, S.L. On 2 July 2018, its name was changed to INVESTOR360, Sociedad Limitada, pursuant to a notarised deed, and subsequently changed to INVESTOR360REIT SOCIMI, S.A. on 16 July 2018. Finally, its name was changed to its current one, NEXTPOINT CAPITAL SOCIMI, S.A., pursuant to a notarised deed of 15 January 2020 executed by the Notary of Barcelona Mr Miguel Ángel Campo Güerri under no. 62 of his records.

1.1 Registered address

Its registered address is at Vía Laietana, 57, 3º, 2ª, 08003 Barcelona.

On 1 March 2022, it moved its registered address to Rambla de Catalunya, 52, 1-2, Barcelona (08007).

The change of registered address was approved on 12 March 2022 and is pending notarisation and filing with the companies registry.

1.2 LINE OF BUSINESS OF THE COMPANY

The Company is devoted to property development.

Its corporate purpose is as follows:

> “a) Buying and developing income-generating urban rental property. Real estate development includes the restoration of buildings pursuant to the terms of the Value Added Tax Act 37/1992, of 28 December, as amended from time to time.
>
> b) Holding shares in the capital of other Real Estate Investment Trusts (REITs) or other non-resident enterprises in Spain with the same corporate purposes that are subject to rules similar to the ones that apply to REITs in respect of mandatory policies, legal and statutory obligations, distribution of profits, etc.

c) Holding shares in the capital of other non-resident enterprises in Spain whose corporate purpose includes acquiring urban income-generating real estate and which are bound by the same rules that apply to REITs in respect of mandatory policies, legal or statutory obligations, distribution of profits, etc. and that also meet the investment requirements referred to in section 3 of Act 11/209, of 26 October, on Real Estate Investment Trusts ("SOCIMI Act").

d) Holdings in Real Estate Collective Investment Institutions regulated by Act 35/2009, of 4 November, on Collective Investment Institutions, or any regulation that replaces it in the future.
Business code in Spain (CNAE): 4110.

The Company is the holding company of the group of REITs, whose subsidiary undertakings are:

- Reit Pamplona 59, S.L. Sociedad Unipersonal
- Reit Pie de la Cruze, S.L. Sociedad Unipersonal
- Reit Ribera, S.L. Sociedad Unipersonal
- Reit Virgen, S.L. Sociedad Unipersonal
- Lepanto Alberique, S.L. Sociedad Unipersonal
- VIV Buildings 1, S.L. Sociedad Unipersonal
- VIV Buildings 2, S.L. Sociedad Unipersonal
- VIV Buildings 3, S.L. Sociedad Unipersonal
- VIV Buildings 4, S.L. Sociedad Unipersonal
- VIV Buildings 5, S.L. Sociedad Unipersonal
- NPCAP 1, SL. Sociedad Unipersonal,
- NPCAP 2, SL Sociedad Unipersonal.

The consolidated financial statements were drawn up on 28 March 2022 and filed with the Companies Registry of Barcelona, where the Group's Holding Company, NEXTPOINT CAPITAL SOCIMI, S.A., also files its financial statements. The 2021 consolidated financial statements are the first the Group has drawn up under IFRS rules, in particular in respect of IFRS 1, First-time Adoption of International Financial Reporting Standards, and the criteria of the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Union (IFRS-EU, as a whole), pursuant to Regulation (EC) No 1606/2002 of the European Parliament and of the Council and its subsequent amendments.

On 16 July 2020, NEXTPOINT CAPITAL SOCIMI, S.A., became listed on BME Growth (formerly MAB) with 950,000 shares of capital and a par value of €5.308011 each, represented by book entries, paid in full, for a total of €5,042,611 and an issue premium of €180,565.45.

<u>1.3 Applicable law.</u>

These financial statements were drafted subject to the financial reporting framework that applies to the Company, as established in:

- Code of Commerce.

- Capital Companies Act and all other trade laws.

- General Accounting Plan (PGC) approved by Royal Decree 1514/2007, which was amended by Royal Decree 602/2016, the sector-specific adaptation of the PGC for real estate companies approved in the Order of 28 December 1994, to the extent that it contradicts the General Accounting Plan, and by Royal Decree 1/2021, of 12 January.

- The mandatory standards approved by the Spanish Institute of Accounting and Auditing for the implementation of the General Accounting Plan and related rules.

- All other applicable Spanish accounting laws.

- Act 11/2009, of 26 October, amended by Act 16/2012 of 27 December, which regulates listed real estate investment trusts (REITs) and all other trade laws.

- Circular 3/2020 released by BME Growth on "Information to be provided by companies admitted to trading in the BME Growth segment of BME MTF Equity".

On 30 September 2018, the Company submitted a document to the Spanish Tax Agency to notify it that as of financial year 2018 it would subscribe to the special Tax Scheme for REITs.

REITs are regulated by Act 11/2009, of 26 October, amended by Act 16/2012, of 27 December, which both regulate Listed Real Estate Investment Trusts. These trusts are subject to a special tax scheme, pursuant to which they must comply, amongst others, with the following obligations:

1. <u>Mandatory corporate purpose</u>. Their core corporate purpose must consist of holding income-producing real estate, holdings in other REITs or companies with a similar corporate purpose and with the same dividend distribution system, as well as Collective Investment Institutions.

2. <u>Investment obligation</u>
   - REITs must invest at least 80% of their assets in real estate for lease or land for the development of real estate to be used for this purpose, provided that development begins within three years of acquisition, as well as in holdings in the capital of other enterprises whose corporate purpose is similar to that of REITs.
     If a company is the holding company of a group as defined in section 42 of the Code of Commerce, this percentage is calculated based on the consolidated balance sheet, regardless of its place of tax residence and the obligation to prepare consolidated financial statements. A group must be composed exclusively of REITs and the other enterprises referred to in section 2.1 of Act 11/2009.
     There is also the option to substitute the book value of the assets for their market value. Liquid assets/credit lines from the transfer of such assets will not be counted, provided they are reinvested within the set deadlines.

- Likewise, 80% of their revenues must come from earnings from: (i) the lease of real estate; and (ii) dividends from shareholdings. If a company is the holding company of a group as defined in section 42 of the Code of Commerce, this percentage is calculated based on the consolidated balance sheet, regardless of its place of tax residence and the obligation to prepare consolidated financial statements. A group must be composed exclusively of REITs and the other enterprises referred to in section 2.1 of Act 11/2009.
- Real estate must be leased for at least three years (for the calculation, up to one year may be added if real estate has been on offer for lease). Shares must be held for at least three years.

3. Obligation to trade on a regulated market. A REIT's stock must be admitted to trading on a regulated market in Spain or in any other country with which there is an exchange of tax information. Shares must be registered ones.

4. Obligation to pay dividends. Once all commercial commitments are met, a company must pay out as dividends:
   - 100% of the profits from dividends or profit-sharing distributed by the enterprises referred to in Article 2.1 of Law 11/2009.
   - At least 50% of the profits obtained from the sale of the real estate and the shares or holdings referred to in Article 2.1 of Law 11/2009 and associated with the corporate purpose, once the minimum holding periods have elapsed. The remainder of these profits must be reinvested in other real estate or shares associated with the performance of the corporate purpose within three years of the date of transfer.
   - At least 80% of all other profits earned. If dividends are distributed against reserves from profits in a financial year when the special tax scheme is applied, they must be distributed in the manner described above.

5. Reporting obligations. REITs must include all disclosures required by the tax laws regulating the special scheme for REITs in their financial statements.

6. Minimum capital. The minimum capital is €5 million.

The option may be taken to apply the special tax scheme under the terms set out in section 8 of the Act, even if the requirements in it are not met, on the condition that these requirements will be met within two years following the option to apply this scheme.

Failure to meet any of the above conditions will mean that a holding Company and all of its subsidiary undertakings will be taxed under the general corporate tax rules as from the tax period when it fails to meet this condition, unless this is rectified in the next financial year. Furthermore, along with the tax due for that period, a Company must pay the difference between the tax due under the general scheme and the tax due under the special scheme for previous tax periods, notwithstanding any late interest, fees and penalties that may be payable. The corporation tax rate for REITs is 0%. However, when the dividends paid by a REIT to shareholders who control more than 5% are exempt or taxed at a rate of less than 10%, the REIT must pay a special tax of 19% which is considered the portion of Corporation Tax due on the dividend paid to such shareholders. Where applicable, this special tax must be paid by the REIT within two months of the dividend payment.

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

2.1 True and fair view

The balance sheet, the income statement, the statement of changes in equity and the cash flow statement meet the requirements necessary to show a true and fair view of the Company's equity, financial situation and results.

2.2 Non-mandatory accounting principles applied

It was not deemed necessary or advisable by the directors to apply any accounting standards other than mandatory ones. The accounting principles established in Royal Decree 1514/2007, of 16 November, were applied.

2.3 Critical aspects of the assessment and evaluation of uncertainty

The information contained in these financial statements is the responsibility of the Company's Governing Body.

Estimates made by the Company's Governing Body were used for calculating the value of certain assets, liabilities, income, expenses and commitments in the 2021 financial statements. These estimates basically refer to:

1. The value of the Company's real estate assets and properties.

Impairment of the value of the real estate investments and tangible assets.

Calculating the value of the possible impairment of non-current non-financial assets requires that certain estimates be made to calculate the fair value in order to evaluate their possible impairment, the best evidence of this being the prices of similar assets. If this information is not available given the current market situation, the following criteria are used: a range of fair values calculated on the basis of current prices in an active market for different types of properties, conditions or locations, adjusted to reflect differences with the assets owned by the Company; recent prices for properties in other less active markets, adjusted to reflect changes in economic conditions since the transaction date; and discounts to the expected future cash flows of the assets or the cash-generating units to which they pertain, based on estimates derived from the terms of current and projected leases, using an appropriate discount rate to calculate the present value of these cash flows.

Calculating fair value, value in use and current value.

Calculating fair value, value in use and current value involves calculating future cash flows and assuming hypotheses relative to those future cash flows and the discount rates applicable to them. The related estimates and assumptions are based on the past experience and other factors considered to be reasonable based on the circumstances.

Useful life of fixed assets and investment properties

The Company's management calculates the estimated useful lives and corresponding depreciation charges for fixed assets.

2. The management drew up the relevant business plans and anticipates that Equity will remain positive over the next five financial years. Furthermore, as stated in notes 8 and 12 equity loans have been secured that back the Company's investment and equity.

3. Calculation of provisions and contingencies.

4. Management of financial risk and, in particular, liquidity and tax risks.

5. The effects of COVID-19 on the preparation of these consolidated financial statements. On 11 March 2020, the World Health Organisation declared COVID-19 a pandemic. The coronavirus or COVID-19 pandemic did not have a significant effect on the Company's business, financial situation or operating results at 30 December 2021 and, therefore, there has been no significant impact on the 2021 Financial Statements. The Company views its future evolution with a certain amount of optimism thanks to the vaccination campaign and the evolution of the pandemic over the past few months.

2.4 Comparability of information

There were no exceptional reasons to justify modifying the layout of the balance sheet, the income statement or the statement of changes in equity of the previous financial year. In compliance with Circular 3/2020 of BME Growth, the financial statements have been redrafted in the standard format, without this entailing any significant changes to them.

2.5 Items included under different headings

There are no equity items that appear under more than one heading on the asset or liability side of the balance sheet.

2.6 Changes in accounting policies

No adjustments were made to the Financial Statements in this financial year due to changes in accounting criteria.

2.7 Correction of errors

No errors were encountered at the end of the financial year that required the Financial Statements to be redrafted. Any events arising after the year-end that might require adjustments to the estimates used at the year-end are mentioned in the relevant sections.

2.8 Materiality

In deciding on the information to be broken down in these notes on the items in the financial statements and other matters, in accordance with the Conceptual Framework of the General Accounting Plan, the Company took materiality into account for the 2021 financial statements. Therefore, mandatory notes that were void of content at the year-end have been left out.

2.9 Transition to the PGC amended by Royal Decree 1/2021 for the 2021 Financial Statements

Changes in accounting policies as a result of Royal Decree 1/2021

On 30 January 2021, the Official State Gazette published Royal Decree 1/2021, of 12 January, which amended the General Accounting Plan passed by Royal Decree 1514/2007, of 16 November; the General Accounting Plan for Small- and Medium-Sized Enterprises passed by Royal Decree 1515/2007, of 16 November; the Standards for Drafting Consolidated Financial Statements passed by Royal Decree 1159/2010, of 17 September; and the Standards on the Adaptation of the General Accounting Plan to not-for-profit entities passed by Royal Decree 1491/2011, of 24 October.

Furthermore, as a result of Royal Decree 1/2021 a resolution passed by the Institute of Accountants and Auditors (ICAC) was published in the Official State Gazette on 13 February 2021 on the reporting, measurement and drafting standards in financial statements for recognising income from the delivery of goods and the rendering of services (hereinafter, the "Resolution on Revenues").

Pursuant to section 1 of Transitional Provision One of Royal Decree 1/2021, Nextpoint Capital Socimi, S.A. chose the option not to restate 2020 figures, but rather to use the standard provided for on financial instruments in Royal Decree 1/2021, namely, there was no requirement to restate figures. In summary, it has chosen to use the new standards based on a transition date of 1 January 2021. Thus the figures for 2020 that are included for comparative purposes in the 2021 financial statements have not been adapted to the new standards. However, the items related to financial instruments in the previous financial year were reclassified in line with the new drafting standards provided for in Transitional Provision Two, section 6e).

The content of the aforementioned Royal Decree and Resolution has been used for all financial statements for financial years started after 1 January 2021.

The changes mainly affect Nextpoint Capital Socimi, S.A. in respect of the following items:

a) Financial instruments (reporting and measurement standard 9 for financial instruments in the General Accounting Plan).

b) Trade receivables from sales and services (reporting and measurement standard 14 for trade receivables from sales and services in the General Accounting Plan).

The main differences between the accounting and classification standards used in financial year 2020 and those used in 2021 that have affected the Company are as follows:

<u>First-time implementation of the changes introduced by Royal Decree 1/2021, of 12 January, in reporting and measurement standard 9 for financial instruments</u>:

Following the enactment of Royal Decree 1/2021, reporting and measurement standard 9 in the General Accounting Plan was amended in order to adapt it to International Financial Reporting Standard 9 (IFRS 9). Thus, new standards were introduced for the classification, measurement and derecognition of financial instruments, which will vary depending on the management or business model used for financial assets and the contractual terms of the cash flows from them. The names of the categories of financial instruments have changed, as shown below:

Previous Categories	New Categories
Financial assets	
- Investments in group companies, joint ventures and associates	1. Financial assets at cost
- Loans and accounts receivable. - Held-to-maturity investments	2. Financial assets at depreciated cost
- Available-for-sale financial assets	3. Financial assets at fair value with changes in equity
- Financial assets held for trading - Other financial assets at fair value with changes in the income statement	4. Financial assets at fair value with changes in the income statement
Financial liabilities	
Debits and accounts payable	Financial liabilities at amortised cost
- Financial liabilities held for trading - Other financial liabilities at FV with changes in P&L	2. Financial liabilities at FV with changes in P&L

Financial assets at amortised cost: The previous items "Loans and accounts receivable" and "Held-to-maturity investments" have been added to this category provided they are held with the intention of obtaining cash flows arising from the performance of an agreement, and the contractual terms and conditions of a financial asset gives rise, on specific dates, to cash flows that are only collections of the principal and interest on the outstanding principal.

The amortised cost category takes in practically all of the Company's financial assets that had previously been classified as "Loans and accounts receivable". This new category does not give rise to significant differences in respect of the measurement standards of the previous category.

Financial assets at cost: Investments in group companies, joint ventures and associates are classified this category. The new category does give rise to differences with regard to the measurement of the category formerly called "Investments in group companies, joint ventures and associates".

On the date of the initial implementation of Royal Decree 1/2021, of 1 January 2021, the Company chose to implement transitional provision 2 and include comparative information without restating the items from 2020. However, they were reclassified to show the balances from 2020 adjusted to the new drafting standards. Therefore, the Company used the new categories of financial instruments in line with Royal Decree 1/2021 for the year ended at 31 December 2021 and, for comparative purposes only, they were used for the year ended at 31 December 2020.

As a result of the review conducted by the Company, the crossover to these categories entailed a change of names, but this did not have an impact on the measurement of the financial assets affected.

The Company made no adjustments to the book value of the financial assets and liabilities in reserve accounts at 1 January 2021.

This standard entails a greater breakdown of information in the notes to the financial statements insofar as financial instruments are concerned, essentially with regard to risk management, the fair value hierarchy and measurement techniques.

First-time implementation of the changes introduced by Royal Decree 1/2021, of 12 January, in reporting and measurement standard 14 for trade receivables from sales and services in the General Accounting Plan:

Financial statements from 1 January 2021 onwards are subject to the enforcement of the Resolution passed by the ICAC on 13 February 2021 on reporting, measurement and drafting standards for the recognition of trade receivables from sales and services. The latest amendment to the PGC and its additional provisions pursuant to Royal Decree 1/2021, have entailed changes to reporting and measurement standard 14, "Trade receivables from sales and services", as well as to the information to be reported in the notes on these transactions.

This standard set a new model for recognising revenues arising from agreements with customers, in which revenues must be recognised in line with the level of performance of the obligations in these agreements. Standard revenues are understood to be the transfer of goods and services pledged to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and services. Furthermore, the concept of risks and rewards has new been substituted for the concept of control as a fundamental principle.

In order to implement this fundamental principle, the following successive stages must be followed:

Step 1: Identification of a contract or contracts with a customer
Step 2. Identification the obligations contained in a contract
Step 3. Calculation of the transaction price
Step 4. Distribution of the transaction price among the obligations in a contract
Step 5: Recognition of income to the extent that an entity performs its obligations

Broadly speaking, the main changes that must now be made are:

- Rules have been set for identifying a contract and the various goods and services subject to them, as well as guidelines for combining and modifying contracts.
- Requirements have been set to calculate when income accrues, in particular, for calculating whether income must be recognised at a specific time or over time, depending on the degree to which a service has been rendered.
- The transaction price is taken as a starting point and certain specific aspects are examined, such as the payment of cash to customers, the delivery of goods free of charge, flagging costs, a variable consideration due to discounts, contingent amounts, an agreement's financial characteristics and the goods transferred by customers.

For the first-time implementation of this standard as of 1 January 2021, the Company has chosen an alternative method of using it for new agreements entered into from that date. This means that is has chosen not to restate the comparative information for financial year 2020 and to follow the standards in force until 31 December 2020 for agreements that had not terminated on the date of the first implementation.

The Company has reviewed its internal policies for recognising income for the various types of contracts it has with customers. This entailed identifying the obligations to be performed, the timeframe it is expected these obligations will be performed, the transaction price and its allocation among the obligations in a contract. The aim of this review was to pick up any potential differences with the income recognition model in the new standard. No significant differences or contractual obligations were found that could give rise to the recognition of assets and liabilities due to agreements entered into with customers.

3. APPROPRIATION OF PROFIT

The Board of Directors will table a proposal to the AGM that results be approved for the year, which showed a loss of €357,923.59 and is to be placed in an account called "losses in financial year 2021".

Basis of appropriation	2021	2020
Profit/(loss)	(357,923.59)	(669,314.58)
Total	**(357,923.59)**	**(669,314.58)**

Appropriation	2021	2020
To losses in financial year 2020	----------	(669,314.58)
To losses in financial year 2021	(357,923.59)	----------
Total	**(357,923.59)**	**(669,314.58)**

4. REPORTING AND MEASUREMENT STANDARDS

The main measurement standards used by the Company in drawing up its Financial Statements for 2021, in accordance with those set out in the General Accounting Plan were as follows:

4.1 Intangible assets

Intangible assets are reported at their acquisition price net of accumulated amortisation and any impairment losses.

The Company's intangible assets are made up of those under the heading "Computer software", which are initially valued at their acquisition price and are not subject to any amortisation whatsoever, as its full installation will not be completed until business year 2022. The rate of amortisation to be applied on a straight-line basis will be at an annual rate of 20%.

4.2 Tangible assets

Tangible assets are reported at their acquisition price net of accumulated depreciation and any impairment losses. There were no impairment losses in the year of the Company's tangible assets.

The tangible assets are made up of the items under the headings "Plant and machinery", "Fixtures and fittings" and "Data processing equipment", all of which were booked at the acquisition price, less the corresponding depreciation.

The depreciation provisions are made with a balancing entry on the income statement and are basically equal to the depreciation percentages calculated based on the following breakdown:

	%
Plant and machinery	33.33
Fixtures and fittings	10
Data processing equipment	25

4.2 a) Financial leases

Whenever the Company acts as lessee, its financial leases are classified as those in which there is a substantial transfer of all of the risks and rewards inherent to the property subject to the lease agreement.

They are initially booked by recognising a fixed asset item according to its nature and a financial liability in the same amount, which is the lesser of the fair value of the leased asset and the current value at the start of the lease of the minimum payments agreed upon. Subsequently, the financial burden is distributed over the term of a lease and carried to the income statement using the effective interest rate method. In the case of leased assets, they are subject to balance sheet depreciation, impairment and disposal criteria.

Operating leases

The income and expenditure related to operating lease arrangements are charged to the income statement in the year in which they arise. The acquisition cost of a leased asset is also reported on the balance sheet according to the nature of the asset and increased by the costs directly attributable to the lease, which are recognised as an expense over the lease term, subject to the same method as that used to recognise lease income.

The amounts paid or received upon entering into an operating lease are treated as advance payments or receipts that are charged to the income statement over the term of the lease as the benefits of the leased asset are given or received.

At 31 December 2021 and 2020, the Company had no finance leases, nor had it entered into any operating lease agreements involving significant amounts.

4.3 Financial assets and liabilities

4.3 a) Financial assets

The Company recognises a financial asset on its balance sheet whenever it becomes an obligation of an agreement or legal transaction pursuant to its terms and conditions.

Financial assets are classified as current or non-current depending on whether their expiry is shorter or longer than twelve months, respectively.

For the purposes of their measurement, the Company has classified its financial assets into the following categories:

- **Financial assets at amortised cost.** This category includes trade receivables (customers and sundry debtors) arising from the sale of goods and the provision of services for business transactions with deferred payment, and non-trade receivables. The latter are financial assets, other than equity instruments and derivatives, not arising from a business transaction but rather from loans or credit facilities extended by the Company, the amount of which is known or can be calculated.

  A financial asset will be included in this category, even if admitted for trading on a regulated market, if the Company holds the investment with the intention of obtaining cash flows arising from the performance of an agreement, and the contractual terms and conditions of a financial asset gives rise, on specific dates, to cash flows that are only collections of the principal and interest on the outstanding principal.

  These assets are initially measured at fair value, which, unless proven otherwise, is equal to the transaction price, except in the case of loans for business transactions that are due within one year and that are not subject to a specific contractual interest rate, advances and loans to staff, dividends receivable and called-up equity instruments that it is expected will be collected in the short-term, which are measured at their nominal value.

  Subsequently, they are measured at amortised cost.

  Losses due to impairment are recorded depending on the risk that possible insolvencies pose with regard to their collection.

- **Financial assets held for trading with changes in the income statement.** These are assets that are acquired with the intention of selling them in the short-term and derivatives that are not hedge instruments or financial guarantee contracts. Non-derivative assets include fixed income instruments and equity instruments, although as they are all listed their sale in the short-term is guaranteed.

  These assets are initially measured at fair value, which, unless proven otherwise, is equal to the consideration paid. Transaction costs are directly recognised in the income statement. The initial value of the pre-emptive subscription rights acquired is added to equity instruments. They will subsequently be measured at fair value, whereby any changes to this value is charged to the income statement.

  The impairment of assets forms part of their fair value, as a result of which value adjustments are not made to them beyond changes to their fair value.

- **Financial assets at cost.** Equity investments in group companies, joint ventures and associates are included in this category, as are all other investments in equity instruments whose fair value cannot be calculated against the benchmark of a listed price on an active market for an identical instrument, or that cannot be reliably estimated, and the derivatives that serve as the underlying asset to these investments.

  They are initially measured at cost, which is equivalent to the fair value of the consideration paid plus the costs that are directly attributable to a transaction. The value of the pre-emptive subscription rights acquired is added to this initial value. These investments will be subsequently valued at cost, minus, where appropriate, any accumulated adjustments in value due to impairment.

4.3 b) Financial liabilities

The Company recognises a financial liability on its balance sheet whenever it becomes an obligation of an agreement or legal transaction pursuant to its terms and conditions.

Financial liabilities are classified as current or non-current depending on whether their expiry is shorter or longer than twelve months, respectively.

For purposes of their measurement, the Company has classified its financial liabilities into the following categories:

- **Financial liabilities at amortised cost.** These are accounts payable (suppliers and sundry creditors) and non-trade payables whether or not they arise from the Company's normal course of business.
  They are initially measured at fair value that, unless proven otherwise, will be the price of the transaction, which will be equivalent to the fair value of the consideration paid plus the directly attributable transaction costs.

  However, trade debts falling due within less than one year with no contractual interest rate and called-up equity holdings that are expected to be paid in the short-term may be stated at their nominal value, provided the effect of not restating the cash flows is not significant.
  Subsequently, they are stated at amortised cost. The interest accrued is recognised in the income statement using the effective interest rate method.
  However, debts falling due within less than one year that are initially stated at their nominal value according to the section above will continue to be valued for this amount.

- **Financial liabilities at fair value with changes in the income statement.** These assets will be measured at fair value that, unless proven otherwise, is the price of the transaction, which is equal to the fair value of the consideration paid. The directly attributable transaction costs are recognised in the income statement.
  Subsequent to their initial recognition, these liabilities are stated at fair value without deducting the transaction costs incurred to dispose of them. Changes in the fair value are charged to the income statement.

The Group writes off financial liabilities when the obligations giving rise to them cease to exist.

4.4 Inventories

Inventories are measured at their acquisition price or production cost. Indirect taxes that cannot be recovered from the Tax Authorities are included in the acquisition price.

4.5 Corporation tax

The special tax scheme for REITs, following its amendment by Act 16/2012, of 27 December, is based on a Corporation Tax rate of zero percent, provided certain requirements are met. Amongst them, it is worth highlighting the requirement that at least 80% of assets are made up of urban properties intended for lease and that their full ownership is acquired or that they are acquired through shareholdings in companies that meet the same investment and distribution of profit requirements, whether Spanish or foreign, regardless of whether they are listed on a regulated market. Similarly, the main source of revenue of such entities must come from the property market, even if for the rental market, from the subsequent sale of properties following a minimum lease period or from revenues from shareholdings in entities with similar characteristics. However, the tax liability is calculated in proportion to the distribution of dividends. Dividends received by shareholders will be exempt from tax, unless the beneficiary is a legal entity subject to Corporation Tax or a permanent establishment belonging to a foreign entity, in which case there is a deduction on the net tax liability, so that such revenues pay tax at the same rate as any given shareholder. However, all other revenues will not be taxed provided they are not subject to distribution to the shareholders.

As established in section 9 of Act 11/2009, of 26 October, which governs Listed Real Estate Investment Trusts, as amended by Act 16/2012, of 27 December, an entity will be subject to a special tax rate of 19% on the full amount of the dividends or profits shared amongst shareholders whose share of the entity's share capital is equal to or above 5%, whenever such dividends paid to the shareholders are exempt from tax or taxed at a rate below 10%. This special tax rate will not apply whenever dividends are received by other REITs, whatever their shareholding.

In this regard, the Company has implemented a procedure through which confirmation is ensured by the shareholders that they have paid the tax due, whereby, if applicable, 19% of the dividends distributed will be subject to a 19% withholding in the case of shareholders who do not meet the above requirements.

The Company has not paid dividends to its shareholders subsequent to it subscribing to the Special Tax Scheme for REITs.

4.6 Income and expenses

Income arising from agreements with customers must be recognised based on the performance of the contractual obligations entered into with them, that is, income is recognised when the control of the goods or services has been transferred to the customers.

Income associated with the rendering of services is recognised over time based on the degree to which a service has been provided at the balance sheet date, provided the outcome of the transaction can be reliably estimated.

Income from the delivery of goods and the rendering of services is calculated at the fair value of the consideration to which the Company expects to be entitled in exchange for these goods and services in its normal course of business, minus any type of discount extended and tax.

Five steps have been set for recognising income:
1. Identification of a contract (or contracts) with a customer.
2. Identification of the performance of contractual obligations.
3. Calculation of the transaction price.
4. Allocation of the transaction price to the contractual obligations.
5. Recognition of income as the contractual obligations are performed.

Income from interest is accrued in accordance with a principle of a timing difference.

Expenses are immediately recognised on accrual in the case of payments that will not generate future financial profits or whenever they do not meet the necessary requirements for recording them in the books as assets.

4.7 Grants, donations and bequests

Grants awarded in cash to the Company by non-shareholders are measured at the fair value of the amount paid.

4.8 Related party transactions

Commercial or financial operations with related parties are carried out at arm’s length.

4.9 Cash flow statement

The enclosed cash flow statement was prepared according to the indirect method using the following expressions with the meanings given:

Cash Flows. Inflows and outflows of cash and cash equivalents, understood as short-term, highly liquid investments with a negligible risk of changes in value.
Business operations. Operations that form part of the Company’s typical business along with others that cannot be classified as investments or financing.
Investments. The activities associated with buying, selling or otherwise disposing of non-current assets and other investments not included in cash or cash equivalents.
Financing. Activities that lead to changes in the size and composition of equity and liabilities that are not part of operations.

5. FINANCIAL RISK MANAGEMENT

The Company's business is exposed to various types of financial risk: market risk (including exchange rate risk, interest rate risk and price risk), credit risk, liquidity risk and tax risk. The Company's overall risk management programme focuses on uncertainty in financial markets and seeks to minimise the potential adverse impact on its financial profitability.

Risk management is controlled by the Company's Finance Department, which identifies, evaluates and hedges financial risks in accordance with the policies approved by the Company's Board of Directors. The Board provides written policies for overall risk management and for specific areas such as interest rate risk, liquidity risk and tax risk.

5.1 Market risk (interest rate and foreign exchange): The Company's interest rate risk arises mainly from debt with credit institutions, most of which is issued at fixed rates of interest. All investments are subject to prior and detailed analysis of the asset's profitability.

The Company does not normally operate with foreign currencies.

5.2 Credit risk: Credit risk is defined by the Company, which analyses the credit risk of new customers before offering them the standard commercial terms and conditions. This risk focuses on the possible insolvency of customers and debtors.

As for credit risk arising from cash and cash equivalents, the Group has bank accounts with reputable financial institutions.

The Company does not believe there is a significant concentration of credit risk, understood as the impact that defaults on accounts receivable could have on the income statement.

5.3 Liquidity risk: Cash flow forecasts are made by the Company's Finance Department, which monitors the Company's anticipated liquidity needs to ensure that it has sufficient cash to meet its operating requirements, and makes sure that sufficient liquidity is available so that the Company does not breach financing limits.

6. TANGIBLE AND INTANGIBLE ASSETS

Below is a breakdown of the changes in the fixed asset items and their corresponding depreciation:

6.1 Intangible assets

2021:

	Balance at 31/12/2020	Balance at 31/12/2021
Computer software	2,016.00	2,016.00
	2,016.00	**2,016.00**

2020:

	Balance at 31/12/2019	Additions	Balance at 31/12/2020
Computer software	1,680.00	336.00	2,016.00
	1,680.00	**336.00**	**2,016.00**

6.1 a) Intangible asset amortisation

2021:

	Balance at 31/12/2020	Balance at 31/12/2021
Computer software	7.00	7.00
	7.00	**7.00**

2020:

	Provisions	Balance at 31/12/2020
Computer software	7.00	7.00
	7.00	**7.00**

6.1 b) Summary of intangible assets

2021:

	Balance at 31/12/2020	Balance at 31/12/2021
Total assets	2,016.00	2,016.00
Total amortisation	(7.00)	(7.00)
	2,009.00	**2,009.00**

2020:

	Balance at 31/12/2019	Balance at 31/12/2020
Total assets	1,680.00	2,016.00
Total amortisation	(----------)	(7.00)
	1,680.00	**2,009.00**

6.2 Tangible assets

2021:

	Balance at 31/12/2020	Additions	Balance at 31/12/2021
Technical installations	15,047.10	----------	15,047.10
Fixtures and fittings	5,882.11	----------	5,882.11
Data processing equipment	2,920.30	1,863.35	4,783.65
	23,849.51	**1,863.35**	**25,712.86**

2020:

	Balance at 31/12/2019	Additions	Balance at 31/12/2020
Technical installations	15,047.10	----------	15,047.10
Fixtures and fittings	5,775.51	106.60	5,882.11
Data processing equipment	794.29	2,126.01	2,920.30
	21,616.90	**2,232.61**	**23,849.51**

6.2 a) Tangible asset depreciation

2021:

	Balance at 31/12/2020	Provisions	Balance at 31/12/2021
Technical installations	3,666.54	----------	3,666.54
Fixtures and fittings	329.53	11,378.85	11,708.38
Data processing equipment	344.42	596.76	941.18
	4,340.49	**11,975.61**	**16,316.10**

2020:

	Balance at 31/12/2019	Provisions	Balance at 31/12/2020
Technical installations	3,666.54	----------	3,666.54
Fixtures and fittings	311.87	17.66	329.53
Data processing equipment	133.80	210.62	344.42
	4,112.21	**228.28**	**4,340.49**

6.2 a) Summary of tangible assets

2021:

	Balance at 31/12/2020	Balance at 31/12/2021
Total assets	23,849.51	25,712.86
Total depreciation	(4,340.49)	(16,316.10)
	19,509.02	**9,396.76**

2020:

	Balance at 31/12/2019	Balance at 31/12/2020
Total assets	21,616.90	23,849.51
Total depreciation	(4.112.21)	(4.340.49)
	17,504.69	**19,509.02**

Other disclosures:

- Tangible and intangible assets were duly insured at the 2021 year-end.

- Amortisation rates are given in notes 4.1 and 4.2.

- No tangible or intangible assets were acquired from group or associate companies.

- No investments were made in tangible assets located outside of Spain.

- No value adjustments were made due to impairment.

- No financial costs were capitalised.

- There are no tangible assets that affect the business.

- There are no tangible assets subject to guarantees or reversal.

- There are no tangible assets that have been subsidised.

- The Company does not have any firm purchase and/or sale commitments.

- The Company does not have any financial leases related to the tangible assets.

No profits were made in financial years 2021 or 2020 from the sale of tangible or intangible assets.

- There are no fully amortised goods.

7. FINANCIAL ASSETS

7.1 Non-current financial assets

	CLASS			
	Loans, derivatives and other		Total	
CATEGORIES	2020	2021	2020	2021
Financial assets at amortised cost	4,088.00	3,350.00	4,088.00	3,350.00
Total	**4,088.00**	**3,350.00**	**4,088.00**	**3,350.00**

7.2 Current financial assets

	CLASS			
	Loans, derivatives and other		Total	
CATEGORIES	2020	2021	2020	2021
Financial assets at depreciated cost (a)	4,801,162.11	3,245,680.54	4,801,162.11	3,245,680.54
Total	**4,801,162.11**	**3,245,680.54**	**4,801,162.11**	**3,245,680.54**

(a) At 31 December 2021, a balance with related parties was included in the amount of €3,209,631.53 (€2,328,797.86 in 2020) (see note 12).

No adjustments were made due to impairment losses from credit risk in business years 2021 or 2020.

At the year-end, the Company had a cash position in the amount of €1,213,860.99 (€2,435,039.34 at 31 December 2020).

7.3 Equity investments in group companies, joint ventures and associates

	CLASS			
	Equity instruments		Total	
CATEGORIES	2020	2021	2020	2021
Financial assets at cost	30,000.00	36,000.00	30,000.00	36,000.00
Total	**30,000.00**	**36,000.00**	**30,000.00**	**36,000.00**

7.3 a) Breakdown of group and associate companies

The investments made in group companies at the time of their incorporation are broken down below:

	Date of incorporation	Shareholding	Cost
REIT PAMPLONA 59, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona	07/09/2018	100%	3,000.00
REIT PIE DE LA CRUZE, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	07/09/2018	100%	3,000.00
REIT RIBERA, S.L. (Sociedad Unipersonal) Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	100%	3,000.00
REIT VIRGEN, S.L. (Sociedad Unipersonal) Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	100%	3,000.00
LEPANTO ALBERIQUE, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	04/12/2018	100%	3,000.00
VIV BUILDINGS 1, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	31/01/2019	100%	3,000.00
VIV BUILDINGS 2, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	31/01/2019	100%	3,000.00
VIV BUILDINGS 3, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	22/05/2019	100%	3,000.00
VIV BUILDINGS 4, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	15/01/2020	100%	3,000.00
VIV BUILDINGS 5, S.L. Sociedad Unipersonal Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	15/01/2020	100%	3,000.00
NPCAP1, S.L. Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	15/03/2021	100%	3,000.00
NPCAP2, S.L. Rambla Catalunya, nº 52, 1º, 2ª, Barcelona.	15/03/2021	100%	3,000.00
			36,000.00

All of the companies are devoted to the lease of real estate on their own account. None of the group or associate companies are listed on stock exchanges.

The companies did not distribute any dividends in 2021 or 2020.

The breakdown of the shareholders' equity of group and associate companies at 31 December 2021 is as follows:

	Share capital	Reserves	Prior year losses	Current year profit/(loss)	Total
REIT PAMPLONA 59, S.L. Sociedad Unipersonal	3,000.00	-1,890.37	-219,184.16	-81,257.85	-299,332.38
REIT PIE DE CRUZE, S.L. Sociedad Unipersonal	3,000.00	-1,494.85	-647,722.41	-722,624.01	-1,368,841.27
REIT VIRGEN, S.L. (Sociedad Unipersonal)	3,000.00	-1,413.01	-634,282.59	-1,639,296.99	-2,271,992.59
REIT RIBERA, S.L. (Sociedad Unipersonal)	3,000.00	-1,338.76	-871,229.59	-88,013.31	-957,581.66
LEPANTO ALBERIQUE, S.L. Sociedad Unipersonal	3,000.00	-1,413.01	-432,345.40	-165,741.23	-596,499.64
VIV BUILDINGS 1, S.L. Sociedad Unipersonal	3,000.00	-1,394.51	-131,051.33	-3,071.33	-132,517.17
VIV BUILDINGS 2, S.L. Sociedad Unipersonal	3,000.00	-1,394.51	-21,827.77	-5,817.86	-26,040.14
VIV BUILDINGS 3, S.L. Sociedad Unipersonal	3,000.00	-797.62	-66,602.60	-72,055.52	-136,455.74
VIV BUILDINGS 4, S.L. Sociedad Unipersonal	3,000.00	------	-4,036.30	-412,158.26	-413,194.56
VIV BUILDINGS 5, S.L. Sociedad Unipersonal	3,000.00	----------	-10,075.67	-74,517.15	-81,592.82
NPCAP1, S.L.	3,000.00	----------	----------	-163,546.02	-160,546.02
NPCAP2, S.L.	3,000.00	----------	----------	-7,727.26	-4,727.26

8. FINANCIAL LIABILITIES

8.1 Non-current financial liabilities

	CLASS			
	Bank borrowings		Total	
CATEGORIES	2020	2021	2020	2021
Financial liabilities at depreciated cost	297,998.72	297,998.72	297,998.72	297,998.72
Total	**297,998.72**	**297,998.72**	**297,998.72**	**297,998.72**

A loan was signed off in 2020 with the state-owned bank, ICO, in the amount of €380,000 that matures in 2025 and is subject to an interest rate of 2.50%.
Following the extension of the initial term by one year, the loan is subject to a grace period of two years on the repayment of the principal from the time it was signed off.

The non-current outstanding balance is €297,998.72 and the current balance is €82,001.28.

8.2 Current financial liabilities

	CLASS					
	Bank borrowings		Derivatives and similar		Total	
CATEGORIES	2020	2021	2020	2021	2020	2021
Financial liabilities at amortised cost	82,001.28	82,001.28	13,574.60	51,265.91	95,575.88	133,267.19
Total	**82,001.28**	**82,001.28**	**13,574.60**	**51,265.91**	**95,575.88**	**133,267.19**

8.3 Maturity of debt at the year-end:

PAYABLES	2022	2023	2024	2025	2026	Thereafter	Total
Bank borrowings	82,001.28	125,590.43	128,766.43	43,641.86	----------	----------	380,000
Current payables	(8,038.06)	----------	----------	----------	----------	----------	(8,038.06)
Creditors and other accounts payable							
• Suppliers	53,135.46	----------	----------	----------	----------	----------	53,135.46
• Other payables	6,168.51	----------	----------	----------	----------	----------	6,168.51
Total	**133,267.19**	**125,590.43**	**128,766.43**	**43,641.86**	**0.00**	**0.00**	**431,265.91**

There were no discount lines or loan agreements, either in this financial year or the previous one.

There were no outstanding payments on loans in this financial year or the previous one.

9. SHAREHOLDERS' EQUITY

9.1 Share capital and issue premium

The share capital at 31 December 2021 and 31 December 2020 was made up of 950,000 shares with a par value of €5.30801 each that had been fully subscribed and paid up, in a total amount of €5,042,611 and an issue premium of €180,565.45.

At the Extraordinary General Shareholders Meeting held on 2 March 2020, it was agreed to increase the share capital by €437,192, bringing the total to €500,192.

The share capital was increased in the amount of €449,808 on 30 April 2020. The new shares are issued at a share premium of €4,273,176.45.

At the General Shareholders Meeting held on 13 May 2020, it was agreed to increase the share capital by €4,092,611, which was charged to unrestricted reserves (share premium) by increasing the par value of the shares to €5.30801, bringing the total share capital to €5,042,611.

The Holding Company's shares are admitted to official listing.

At 31 December 2021 and 31 December 2020, the shareholders with stakes of more than 10% in the share capital of NEXTPOINT CAPITAL SOCIMI, S.A. both direct and indirect, were as follows:

Shareholders	Direct ownership (%)
Omer Rabinovitz	17.95%
Ofer Lior	13.16%
Liron Sason	13.16%

This information was obtained from the relevant fact published on 10 January 2022 by BME Growth.

9.2 Special reserves

The breakdown of reserves is as follows:

	Euros	
	31/12/2021	**31/12/2020**
OTHER RESERVES	-1,280.42	-1,323.84
TOTAL RESERVES	**-1,282.42**	**-1,323.84**

Pursuant to section 4.9 of the registration and valuation rules for Financial Instruments, and to section 7 on Implementation, both governed by Royal Decree 1514/2007, which passed the PGC, incorporation expenses and the cost of capital increases will be directly charged to equity as lower reserves.

Legal reserve

In accordance with the Consolidated Text of the Capital Companies Act, a total of 10% of profits must be allocated to the legal reserve each year until it reaches 20% of the share capital.

The legal reserve is not available for distribution. Should it be used to offset losses in the event of no other reserves being available, it must be replenished out of future profits.

At 31 December 2021, the Company had not met the minimum reserve limit stipulated in the Consolidated Text of the Capital Companies Act.

Dividends

Given the losses incurred since the Company was founded, no dividends were paid pursuant to a resolution passed by the AGM.

9.3 Treasury stock

On 8 July 2020, the Company acquired 19,884 treasury shares that represent 2.09% of the share capital, which had previously been approved at the General Meeting held on 13 May 2020. The cost of acquiring the treasury totalled €208,782,00.

The changes in treasury shares in financial year 2020 were as follows:

	NUMBER OF SHARES	EUROS
BALANCE AT 01 January 2020	**0**	**0.00**
ADDITIONS – 8 July 2020	19,884	208,782.00
REMOVALS	0	0.00
BALANCE AT 31 December 2020	**19,884**	**208,782.00**
BALANCE AT 01 January 2021	**19,884**	**208,782.00**
ADDITIONS	6	63.00
REMOVALS	-628	-6,856.50
BALANCE AT 31 December 2021	**19,262**	**201,988.50**

There were no changes in financial year 2021 in respect of treasury shares.

These operations are largely unrepresentative. At 31 December 2021, shares accounted for 2.03% of the share capital.

The Company performed the obligations pursuant to section 509 of the Capital Companies Act, which establishes that the par value of shares listed on an official secondary market may not exceed 10% of the share capital, including those that a holding company and its subsidiary undertakings already hold. The subsidiary undertakings do not hold treasury stock or shares in the Holding Company.

9.4 Value adjustments

None.

10. FOREIGN CURRENCY

The functional currency in which these financial statements are expressed is the euro. There are no foreign currency transactions.
The exchange differences reported in 2021 that are shown in the income statement come from three loans extended by shareholders (now paid off, including interest), one of which was in USD and the other two in Israeli shekels.

The total amount of the principal of these loans is €1,535,323 and the interest accrued over the financial year, which was paid off together with the principal before the year-end, was €41,476.70.

11. TAX SITUATION

The Company did not report any differences between book result and the taxable income.

In financial year 2018, the Company subscribed to the Special Tax Scheme for REITs.

The Company did not recognise any deferred tax assets or liabilities for the year, as all tax adjustments reported in the reconciliation between the book result and taxable income are subject to a 0% tax rate (under the special tax scheme for REITs).

12. INCOME AND EXPENSES

These items were subject to the measurement standards imposed by current regulations, as discussed in note 4.6.

12.1 Segmented information on turnover

Turnover by business category				
Description of the activity	**FINANCIAL YEAR 2021**	**%**	**FINANCIAL YEAR 2020**	**%**
Services rendered to group companies	713,444.31	99.7%	101,437.08	98.3%
Services rendered to third parties	2,467.86	0.3%	1,800.00	1.7%
Total all activities	**715,912.17**	**100.0%**	**103,237.08**	**100.0 %**

Turnover by geographical market		
	FINANCIAL YEAR 2021	**FINANCIAL YEAR 2020**
Domestic market	715,912.17	103,237.08
Rest EU	0.00	0.00
Rest of the world (USA)	0.00	0.00
TOTAL	**715,912.17**	**103,237.08**

Most of the turnover comes from agreements entered into with group companies, as discussed in detail in note 12.

12.2 Breakdown of staff expenses

	2020	2021
Salaries and wages	220,463.91	280,635.99
Employer's Social Security contributions	48,462.60	60,380.86
Other welfare costs	1,650.00	1,540.00
Total	**270,576.51**	**342,556.85**

12.3 Breakdown of other operating expenses

	2020	2021
Leases and royalties	12,039.60	8,400.00
Repairs and maintenance	2,908.82	442.65
Independent professional services	502,789.89	683,413.53
Travel expenses	6,972.82	418.44
Insurance premiums	15,946.32	24,250.03
Banking and similar services	2,580.70	4,181.87
Advertising and public relations	934.98	----------
Supplies	2,410.58	2,320.23
Other services	11,435.09	23,984.26
One-off income	(0.66)	----------
Negative VAT adjustments	----------	992.01
Total	**558,018.14**	**748,403.02**

12.4 Breakdown of other profit/(loss)

One-off expenses	----------	5,859.71
Total	----------	**5,859.71**

13. PROVISIONS AND CONTINGENCIES

The Company's Board of Directors does not believe that there are any relevant provisions or contingencies that need to be reported or disclosed. In drawing up the financial statements, the Board of Directors differentiate, if necessary, between:

- Provisions. Credit balances that cover current obligations derived from past events, the cancellation of which is likely to give rise to an outflow of resources but whose amount and/or time of cancellation is undetermined.

Contingencies. Possible obligations arising as a result of past events whose future materialisation is conditional on the occurrence or not of one or more future events that are beyond the Company's control.

The Company's policy is to recognise, whenever applicable, all provisions in the financial statements for which it is more likely than not that it will have to fulfil an obligation. Contingent liabilities are not recognised in the financial statements. Instead, those that are not considered remote are reported in the notes to the financial statements.

Provisions are measured at the current value of the best possible estimate of the amount necessary to cancel or transfer the obligation, taking into account the information available on the event and its consequences, with the adjustments related to the restatement of such provisions being recorded as financing expenses as and when they arise.

The compensation to be received from a third party when the obligation is settled, provided there is no doubt about the compensation actually being received, is recorded as an asset except when there is a legal reason why part of the risk has been externalised by virtue of which the Company is not liable. In such situations, the compensation is taken into account when estimating the amount of the provision that may be needed.

14. RELATED PARTY TRANSACTIONS

Shareholders and members of the Board of Directors of the Holding Company, and the members of the governing bodies of the Subsidiary Undertakings, in addition to any enterprises over which they may exercise significant influence or control are considered "related parties" of the Group.

The entities considered to be related parties are as follows:

- ROI 360 LTD
- INVEST 360 LTD
- ROI 360 LLC

ROI 360 LTD is considered a related party because Omer Rabinovitz, former Chairman of the Board of Directors of the Holding Company, holds an indirect stake in the Company.
INVEST 360 LTD is considered a related party because it is wholly owned by Omer Rabinovitz (former Chairman of the Board of Directors of the Holding Company).
ROI 360 LLC is a related party because it is also owned by Omer Rabinovitz.

14.1 Related party transactions

	OTHER RELATED PARTIES	
	2020	2021
Expenses for interest on loans with other related parties	4,203.92	38,230.23
• NIR TUVIA GOLDBERG		
• ROI360 LTD	202.82	0.00
• INVEST 360 LTD	4,001.10	3,685.51
• ROI 360 LLC		27,623.39
		6,921.33
• Expenses for interest on loans with group companies	876.87	0.00

	GROUP COMPANIES	
	2020	2021
Income from interest on loans with Group companies	**66,455.93**	**157,738.51**
• REIT RIBERA, S.L.U.	----------	----------
• REIT VIRGEN, S.L.U.	----------	729.00
• LEPANTO ALBERIQUE, S.L.U.	16,808.80	62,924.97
• VIV BUILDINGS 3, S.L.U.	44,767.15	5,034.80
• VIV BUILDINGS 1, S.L.U.	----------	----------
• VIV BUILDINGS 2, S.L.U.	----------	----------
• REIT PAMPLONA 59, S.L.U.	4,879.98	4,247.10
• VIV BUILDINGS 4, S.L.U.	----------	76,532.63
• VIV BUILDINGS 5, S.L.U	----------	8,270.01

14.2 Outstanding balances owed to related parties

	GROUP COMPANIES	
	2020	2021
A) CURRENT ASSETS	**2,329,237.30**	**3,217,286.29**
III. Trade and other accounts receivable	2,328,797.86	7,654.76
IV. Investments in group and associate companies	439.44	3,209,631.53
B) NON-CURRENT LIABILITIES	----------	----------
IV. Current loans with group and associate companies	----------	----------

The breakdown is as follows:

COMPLETION DATE	**30/12/2021**	**31/07/2021**	**01/11/2021**	**08/06/2021**
LENDER	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.
BORROWER	REIT VIRGEN, S.L.	LEPANTO ALBERIQUE, S.L.	REIT PAMPLONA, S.L.	VIV BUILDINGS 4, S.L.
LIMIT	162,000.00	1,547,600.00	100,000.00	706,000.00
OTHER	(a)	(b)	(c)	(d)
INTEREST RATE	6%	6%	6%	6%
MATURITY	**30/06/2022**	**04/02/2022**	**31/10/2022**	**08/06/2022**
BALANCE AT 31 December 2021	162,000.00	1,042,600.00	80,000.00	695,450.76
INTEREST ACCRUED IN FINANCIAL YEAR 2021	**729.00**	**62,924.97**	**4,247.10**	**76,532.63**

Current investments in group and associate companies				
COMPLETION DATE:	**26/12/2020**	**08/06/2021**	**13/07/2021**	**04/03/2019**
LENDER	NEXTPOINT CAPITAL SOCIMI, S.A..	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A..	NEXTPOINT CAPITAL SOCIMI, S.A.
BORROWER	VIV BUILDINGS 3, SL	VIV BUILDINGS 5, SL	NPCAP 2, SL	VIV BUILDINGS 2, SL
LIMIT	1,320,000	2,110,000	1,110,000	34,946.53
OTHER	(e)	(f)	(g)	(h)
INTEREST RATE	6%	6%	%	%
MATURITY	**04/03/2020**	**04/03/2022**	**13/07/2022**	**04/03/2022**
BALANCE AT 31 December 2021	0.00	0.00	1,110,000	24,946.53
INTEREST ACCRUED IN FINANCIAL YEAR 2021	**5,034.80**	**8,270.01**	----------	--------
TOTAL INTEREST ACCRUED IN FINANCIAL YEAR 2021				**157,738.51**

COMPLETION DATE	**13/07/2021**
LENDER	NEXTPOINT CAPITAL SOCIMI, S.A.
BORROWER	NPCAP 1, SL
LIMIT	900,000.00
OTHER	(i)
INTEREST RATE	6%
MATURITY	**13/07/2022**
BALANCE AT 31 December 2021	0.00
INTEREST ACCRUED IN FINANCIAL YEAR 2021	**5,034.80**

(a) The lender extended the loan for expenses associated with the refurbishment work on the properties at C/ Virgen 24 and 28.

(b) The lender extended the loan to cover the cost of the acquisition and improvements to the properties at C/ Lepanto 28 and C/ Alberique 10 (Valencia), for which it has provided funding up to the stated limit and has reduced the limit on the drawdown available to the amount stated.

(c) The lender extended the loan to cover the cost of the building work at C/ Pamplona 59 (Barcelona).

(d) The lender extended the loan to cover the cost of a down payment on the purchase of the property at C/Barcelona, 112 (Gerona).

(e) The lender extended the loan to cover the cost of a down payment on the acquisition of a property in Empuriabrava (Gerona) that has been repaid in full.

(f) The lender extended the loan cover the cost of a down payment on the acquisition of a property in Mataró (Barcelona) that has been repaid in full.

(g) The lender extended an advance on the down payment on the purchase of a property located in Mallorca.
(h) The lender extended funding to cover the cost of investments under review by the borrower.
(i) The lender extended an advance on the amount of the down payment on the purchase of a property located in Mallorca. At 31 December 2021, it had be paid back in full.

At 31 December 2020, there were outstanding balances with the related party VALUE B&JE RE, for current liabilities that amounted to €23,426. At 31 December the balance with VALUE B&JE RE, SL was €26,620.

Other current payables and loans with related parties were settled during this financial year:

COMPLETION DATE	**16/06/2021**	**15/06/2021**	**15/06/2021**
BORROWER	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.
LENDER	ROI 360 LTD	INVEST 360 LTD	ROI 360 LLC
LIMIT	130,000.00	997,313.00	300,000.00
INTEREST RATE	8%	8%	8%
MATURITY	**15/12/2021**	**15/12/2021**	**15/12/2021**
BALANCE AT 31 December 2021	0.00	0.00	0.00
INTEREST ACCRUED IN FINANCIAL YEAR 2021	3,685.51	27,623.39	6,921.33
TOTAL INTEREST ACCRUED IN FINANCIAL YEAR 2021 38,230.23			

The breakdown of the transactions between the Holding Company or group enterprises and related parties is as follows:

COMPLETION DATE	**01/12/2018**	**04/12/2018**	**31/10/2019**	**15/05/2020**
LENDER	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.
BORROWER	REIT VIRGEN, SL	LEPANTO ALBERIQUE, SL	REIT PAMPLONA, SL	LEPANTO ALBERIQUE, S.L.U
LIMIT	260,000.00	170,000.00	80,000.00	498,000.00
INTEREST RATE	1%	1%	6%	3%
MATURITY	**01/12/2019**	**04/12/2019**	**31/10/2021**	**15/05/2020**
BALANCE AT 31 December 2020	66.29	373.15	80,000.00	498,000.00
INTEREST ACCRUED IN FINANCIAL YEAR 2020	------	----------	**813.33**	**16,808.80**

Current investments in group and associate companies				
COMPLETION DATE	**04/03/2019**	**04/03/2019**	**26/12/2020**	**29/10/2020**
LENDER	NEXTPOINT CAPITAL SOCIMI, S.A..	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.	NEXTPOINT CAPITAL SOCIMI, S.A.
BORROWER	VIV BUILDINGS 1, SL	VIV BUILDINGS 2, SL	VIV BUILDINGS 3, SL	VIV BUILDINGS 5, S.L.U
LIMIT	370,000	104,000	1,183,000.00	
INTEREST RATE	1%	1%	6%	
MATURITY	**04/03/2020**	**04/03/2020**	**24/05/2021**	
BALANCE AT 31 December 2020	----------	34,946.53	1,319,256	
INTEREST ACCRUED IN FINANCIAL YEAR 2020	----------	--------	**44,973.20**	

<u>14.3 Related party transactions</u>

In 2019 and 2020, five corporate management fee contracts were executed for services provided by the Holding Company for the costs incurred for the Group to join BME Growth (formerly, MAB), as well as corporate management and administrative services with the following REITs: Reit Virgen, S.L., Reit Ribera, S.L., VIV 1 Building, S.L., VIV 3 Building, S.L. and Lepanto Alberique, S.L.). In 2021, Nextpoint Capital Socimi SA entered into three more corporate management fee contracts with the subsidiaries VIV BUILDINGS 4, SL, VIV BUILDINGS 5, S.L. and NPCAP 1, S.L. No expenses were accrued by Reit Pamplona 59, S.L. or Reit Pie de la Cruze, S.L.

The income invoiced by the Holding Company, as shown in the table below, totalled €722,567.20, of which €713,444.31 was recognised at 31 December 2021, but did not include the accruals paid in previous financial years (€65,277.08 at 31 December 2020). The remaining amount, which was not recognised at 31 December 2021, totals €186,024.26 (€176,900.87 at 30 December 2020), will be recognised as income on a straight-line basis over the coming years.

	2020	2021
Accrued amount	65,277.08	713,444.31
Amount invoiced	104,377.03	722,567.20
Deferred amount	176,900.87	186,024.26

In addition to the corporate management fee transactions, in financial year 2020 the Company recognised income in the amount of €60,248.06 charged for accounting services and PRINEX software provided to its subsidiaries.

The volume of transactions with this company amounted to €275,408.00 at 31 December 2021. At 31 December 2020, the total amount was €274,417.16.

15. OTHER DISCLOSURES

15.1 Distribution of the Company's employees by gender at year-end

Financial year 2021:

Categories and levels	Female	Male
Directors	0.00	4.08
Senior management	0.75	1.00
Administration-Finance	1.75	1.08
Total	**2.50**	**6.16**

Financial year 2020:

Categories and levels	Female	Male
Directors	0	4
Senior management	1	1
Administration-Finance	2.50	1
Total	**3.50**	**6**

15.2 Remuneration of the Governing Body and Senior Management

The Governing Body did not receive any type of remuneration in financial years 2021 and 2020.

They were likewise not extended any loans or benefits in the shape of pension plans or life insurance.

The Board of Directors was not involved in any conflicts of interest that must be disclosed pursuant to the provisions of section 229 of the Capital Companies Act.

In the previous financial year there was no senior management as such, whose duties fell to the Governing Body of the Holding Company. In the current financial year, the salaries paid to senior management amounted to €177,516.47.

15.3 Auditor's fees

The fees charged by AUREN AUDITORES S.P., S.L.P. for the audit of the individual financial statements for financial year 2021 amounted to €7,000 (€7,000 in the previous year). The fees charged for other services related to the audit amounted to €17,400 (€23,350 in 2020). The fees charged by other companies operating under the AUREN brand in financial year 2021 amounted to €33,369.25 (€39,576.56€ in 2020).

16. INFORMATION ON THE ENVIRONMENT And Greenhouse Gas Emission Rights

There are no systems, equipment or facilities that make up the tangible assets whose purpose is to minimise environmental impact, and protect and enhance the environment.

No expenses were incurred in the year whose purpose was to protect and enhance the environment.

There were no risks or expenses related to environmental actions, or contingencies for protecting and enhancing the environment.

17. INFORMATION ON THE AVERAGE PAYMENT PERIOD TO SUPPLIERS AS PER THE THIRD ADDITIONAL PROVISION OF ACT 15/2010 OF 5 JULY ON THE DUTY OF DISCLOSURE

In compliance with the provisions of the Resolution of the Institute of Accounting and Accounts Auditing (ICAC), of 29 January 2016, below is a breakdown of the information on the average payment period to suppliers in business transactions:

ITEM	DAYS	
	2020	2021
Average period of payment to suppliers	17.90	19

In the year, the Company complied, in the most significant aspects, with Royal Decree Law 4/2013, of 22 February, on the measures to support entrepreneurs and stimulate growth and job creation (which amended Act 3/2014, of 29 December, which established measures to fight against arrears in business transactions), which sets a maximum legal deadline of 30 days, extendible, if so arranged with any given supplier, to 60 days.

18. REPORTING REQUIREMENTS FOR REITs UNDER ACT 11/2009

In compliance with the provisions of Act 11/2009, which regulates listed Real Estate Investment Trust Companies (REITs), the following information is provided:

Description	Financial year 2021
a) Reserves from years preceding the application of the special tax scheme in Act 11/2009, amended by Act 16/2012, of 27 December.	N/A
b) Reserves for each financial year in which the special tax scheme established in this act has applied: ● Profits from income taxed at the general rate ● Profits from income taxed at 19% ● Profits from income taxed at 0%	N/A
c) Dividends paid out charged to profits for each year in which the tax scheme established in the act has applied ● Dividends from income taxed at the general rate ● Dividends from income taxed at 18% (2009) and 19% (2010–2012)	N/A

Description	Financial year 2021
● Dividends from income taxed at 0%	
d) Dividends paid out charged to reserves ● Dividends paid out charged to reserves taxed at the general rate ● Dividends paid out charged to reserves taxed at 19%	N/A N/A
● Dividends paid out charged to reserves taxed at 0%	N/A
e) Date of agreement on the payment of dividends referred to in points c) and d) above	N/A
f) Date of acquisition of income-generating rental properties under this special scheme	N/A
g) Date of acquisition of holdings in the capital of the enterprises referred to in section 2.1 of this Act	See note 7.3.a
h) Identification of assets that count towards the 80% referred to in section 3.1 of this Act	For information about investments in group companies, see note 7.3 a). The companies operating the income-producing rental properties under this scheme are Reit Pamplona 59, S.L., Sociedad Unipersonal, Lepanto Alberique, S.L. Sociedad Unipersonal, VIV BUILDING 1, S.L. Sociedad Unipersonal, VIV BUILDINGS 3, S.L. Sociedad Unipersonal, VIV BUILDING 4, S.L. Sociedad Unipersonal, VIV BUILDING 5, S.L. Sociedad Unipersonal and NPCAP 1, S.L. , Sociedad Unipersonal.
Description	**Financial year 2021**
i) Reserves from periods when the special tax scheme under this Act has applied and that have been used during the tax period for something other than their distribution or to offset losses. The year in which these reserves originated must be stated.	N/A

19. EVENTS SUBSEQUENT TO YEAR-END

Subsequent to the year-end, the InterCo loan that the Company has with REIT VIRGEN, S.L.U. was increased in the amount of €268,515.89 and the InterCo loan that the Company has with LEPANTO ALBERIQUE, S.L.U. was increased in the amount of €140,500.

In addition, Mr Teddy Lin was appointed Chairman of the Board of Directors on 17 January 2022.

These Notes are an integral part of the Financial Statements for financial year 2021 (Balance Sheet, Income Statement, Statement of Change in Equity, Cash Flow Statement and the Notes).

Barcelona, on 28 March 2022.

Board of Directors

Teddy Gabriel Lin
(Chairman)

Omer Rabinovitz (Board Member)	Liron Sason (Board Member)
Nir Tuvia Goldberg (Board Member)	Ofer Lior (Board Member)