



**VBARE Iberian Properties SOCIMI, S.A.
and subsidiaries**

Report on limited review of interim condensed consolidated
financial statements for the three-month period ended
31 March 2021 prepared in accordance with
International Financial Reporting Standards as adopted by
the European Union (IFRS-EU)



Report on limited review of interim condensed consolidated financial statements

To the shareholders of VBARE Iberian Properties SOCIMI, S.A.,

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of VBARE Iberian Properties SOCIMI, S.A. (hereinafter, "the Parent company") and its subsidiaries (hereinafter, "the Group"), which comprise the statement of financial position as at 31 March 2021, and the income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and related notes, all interim condensed and consolidated, for the three-month period then ended. The Parent company's directors are responsible for the preparation of these interim condensed financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of condensed interim financial information. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with legislation governing the audit practice in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these interim condensed consolidated financial statements.

Conclusion

Based on our review, that cannot be considered as an audit, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements for the three-month period ended 31 March 2021 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, "Interim Financial Reporting", as adopted by the European Union, for the preparation of interim condensed financial statements.



Emphasis of Matter

We draw attention to the accompanying Note 2, in which it is mentioned that these interim condensed consolidated financial statements do not include all the information required of complete consolidated financial statements prepared in accordance with International Financial Reporting Standards, as adopted by the European Union, therefore the accompanying interim condensed consolidated financial statements should be read together with the consolidated financial statements of VBARE Iberian Properties SOCIMI, S.A. and its subsidiaries for the year ended 31 December 2020. Our conclusion has not been modified in relation to this matter.

PricewaterhouseCoopers Auditores, S.L.

Gonzalo Sanjurjo Pose

12 May 2021

INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

PRICEWATERHOUSECOOPERS
AUDITORES, S.L.

2021 Núm. 01/21/05776

30,00 EUR

SELLO CORPORATIVO:

Sello distintivo de otras actuaciones

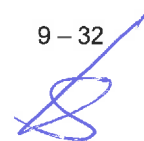


VBARE Iberian Properties SOCIMI, S.A. and subsidiaries

Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021 prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU)

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Consolidated Statement of Financial Position as at 31 March 2021 and 31 December 2020

(€ Thousand)

Assets	Notes	31 March 2021	31 December 2020
Non- Current Assets		69,478	69,459
Property plant and equipment		34	35
Investment properties	3	69,250	69,210
Non - Current financial assets	4	194	214
Current Assets		5,661	4,065
Advance payments to suppliers	4	59	56
Trade and other receivables		328	301
Trade debtors	4	184	156
Other receivables from Public Administrations	9	144	145
Short term accruals		65	44
Cash and cash equivalents	4, 5	5,209	3,664
Total Assets		75,139	73,524

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.



Consolidated Statement of Financial Position as at 31 March 2021 and 31 December 2020

(€ Thousand)

Equity and Liabilities	Notes	31 March 2021	31 December 2020
Net Equity		49,663	49,870
Share capital	6	18,049	18,049
Share Premium	6	20,605	20,605
Treasury shares	6	(524)	(518)
Retained earnings	6	11,533	11,734
Non-current Liabilities		24,350	22,350
Non-current financial liabilities		24,350	22,350
Bank Borrowings	4,8	24,034	22,024
Other financial liabilities	4	316	326
Current Liabilities		1,126	1,304
Current financial liabilities		711	624
Bank Borrowings	4,8	711	624
Trading creditors and other accounts payable		415	680
Trade Payables	4	307	589
Trade payables, group companies, associates and others	4,12	26	14
Accruals, wages and salaries	4	37	37
Other payables with Tax Administration	9	29	35
Advances from creditors	4	16	5
Equity and Liabilities		75,139	73,524

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three month period ended 31 March 2021.



Consolidated Income Statement for three-month period ended 31 March 2021 and 31 March 2020

(€ Thousand)

Continuing operations	Note	31 March 2021	31 March 2020
Gross Rental income		470	546
Other operating income		5	6
Personal expenses	10b	(103)	(120)
Other operating expenses	10b	(515)	(553)
Realize gain (Loss) and change of fair value on investment properties	3,10a	60	(600)
Operating result		(83)	(721)
Finance result	10c	(118)	(98)
Profit / Loss for the period		(201)	(819)
Corporate income tax	9	-	-
Profit / Loss for the period attributable to the shareholders		(201)	(819)
Basic and diluted earnings / loss per share (Euro)	6	(0.06)	(0.23)

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.



Consolidated Statement of Comprehensive Income for the three-month period ended 31 March 2021 and 31 March 2020

(€ Thousand)

	Note	31 March 2021	31 March 2020
Profit / Loss for the period		(201)	(819)
Other comprehensive income:			
Items that may subsequently be reclassified to results		-	-
Items that will not be reclassified to results		-	-
Total comprehensive income for the period		(201)	(819)
Attributable to the Parent Company's shareholders		(201)	(819)

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.



Consolidated Statement of Changes in Equity for the three-month period ended 31 March 2021 and 31 March 2020

(€ Thousand)

	Share Capital	Share Premium	Treasury shares	Retained earnings	Total
OPENING BALANCE AS AT 1 JANUARY 2020	18,049	22,007	(420)	15,990	55,626
Profit / Loss for the period	-	-	-	(819)	(819)
Transactions with shareholders					
Share Premium distribution	-	(573)	-	-	(573)
Operation with treasury shares	-	-	31	-	31
FINAL BALANCE AS AT 31 MARCH 2020	18,049	21,434	(389)	15,171	54,265
OPENING BALANCE AS AT 1 JANUARY 2021	18,049	20,605	(518)	11,734	49,870
Profit / Loss for the period	-	-	-	(201)	(201)
Transactions with shareholders					
Share Premium distribution	-	-	-	-	-
Operation with treasury shares	-	-	(6)	-	(6)
FINAL BALANCE AS AT 31 MARCH 2021	18,049	20,605	(524)	11,533	49,663

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.



Consolidated Statement of Cash Flows for the three-month period ended 31 March 2021 and 31 March 2020

(€ Thousand)

	Note	31 March 2021	31 March 2020
CASH FLOW FROM OPERATING ACTIVITIES		(476)	(114)
Profit / Loss for the period		(201)	(819)
Adjustments required to reflect the cash flows from operating activities:		(275)	705
Income and expenses not involving cash flows:		59	714
-Realize Loss (Gain) and from changing on fair value on investment properties	3	(60)	600
-Depreciation of Property, Plant, and equipment		1	16
-Finance Expense	10d	118	98
Changes in operating asset and liability items:		(334)	(9)
- Trade receivables and other accounts receivables		(58)	(84)
- Trade payables and other accounts payables		(276)	75
CASH FLOW FROM INVESTING ACTIVITIES		19	(360)
- Payments for property, plant and equipment		-	(28)
- Payments for investment Properties		(365)	(332)
- Collections from selling investments properties	3	384	-
CASH FLOW FROM FINANCING ACTIVITIES		2,002	2,757
- Payments / Collections on acquisitions of treasury shares	6	(6)	(10)
- Collections on disposals of treasury shares	6	-	41
- Distribution of share premium	6	-	(573)
- Collections from bank financing (net of arrangement fees)	8	2,398	3,500
- Payments for bank financing	8	(390)	(201)
Net increase in cash & cash equivalents		1,545	2,283
Cash & cash equivalents at beginning of the period	5	3,664	2,729
Cash & cash equivalents at the end of the period	5	5,209	5,012

Notes 1 to 15 of the attached notes are an integral part of these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

1. General information

VBARE Iberian Properties SOCIMI, S.A. (hereafter the **"Company"** or the **"Parent Company"**), is a private company, which was incorporated on 5 March 2015, in Spain in accordance with the revised text of the Capital Companies Act approved by Royal Legislative Decree 1/2010 of 2 July ("the Capital Companies Act") by public deed executed before the notary of Madrid, Mr. Antonio Morenés Gilés, with number 267/15 of its protocol, filed in the Madrid Mercantile Registry, volume 33.274, sheet 61, section 8, page M-598783, entry 1. Its registered office is at Calle General Castaños, 11, 1º Izq. 28004 - Madrid.

On 21 of April 2015 the Company changed its corporate name from VBA Real Estate Investment Trust 3000, S.A. to VBA Real Estate Investment Trust 3000, SOCIMI, S.A., by public deed executed before the notary and registered in the Mercantile Registry of Madrid.

On the same date, it was publicly registered the minute of the Universal Meeting of Shareholders held on 23 March 2015 where it was agreed to apply the scheme for the Spanish Real Estate Investment Trust Regime (hereafter "Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario" or "SOCIMI"), regulated by the Law 11/2009 of October 26, also, amended by the Law 16/2012, of 27 December.

Afterwards, on 13 of May 2015, and with retroactive effects from the financial year beginning since its incorporation, on 5 March 2015, the Company formally informed to the Tax Authorities of its tax registered office, the option chosen by its shareholders to be eligible for the SOCIMI special regime regulated by the SOCIMI Law 11/2009, of October 26, amended by the Law 16/2012, of 27 December.

On 7 September 2016, the General Shareholders' Meeting of the Company resolved to change its corporate name to the current one (VBARE Iberian Properties SOCIMI, S.A.). These resolutions were formalized into public deed before notary public on 21 September 2016 and registered with the Mercantile Registry of Madrid on 28 September 2016 and 6 October 2016.

All the shares of VBARE Iberian Properties SOCIMI, S.A. are listed since 23 December 2016, and they are traded on the market for BME Growth of BME MTF Equity (formerly alternative stock Market "MAB").

The Company's main activity is the acquisition, development and management of real estate investment properties in Spain for leases purposes under the Law 11/2009 of October 26, also, amended by the Law 16/2012, of 27 December regulating the Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (the **"SOCIMI"** Law).

Its corporate objects according to its bylaws consist in:

- a. The acquisition and refurbishment and development of urban properties for leasing purposes. Development activity includes the rehabilitation of buildings in the terms established by Law 37/1992 of 28 December, of the Value Added Tax.
- b. The ownership of interests in the share capital of other Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario (SOCIMIs) or other companies not resident in Spain with a corporate object identical to that of the former and that are subject to a regime similar to that established for the SOCIMI in relation to the mandatory, legal or statutory profit distribution policy.
- c. The ownership of interests in the share capital of other companies, resident or not in Spain, which its main corporate object is the acquisition of urban properties for leasing purposes, that are subject to a regime similar to that established for the SOCIMI in relation to the mandatory, legal or statutory profit distribution policy and meet the investment requirements regulating the SOCIMIs.
- d. The ownership of shares or ownership interests in property Collective Investment Undertakings ("Instituciones de Inversión Colectiva Inmobiliaria") governed by the Collective Investment Undertakings Law 35/2003, of 4 November. The Company is regulated in accordance with the Capital Companies Act.
- e. Any other activities ancillary to those referred to above, meaning any activities generating, in the aggregate, less than 20% of the income of the Company for each tax period or otherwise deemed ancillary in accordance with applicable laws from time to time.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

SOCIMI Regime

VBARE Iberian Properties SOCIMI, S.A. is regulated in accordance with the Law 11/2009, of October 26, also, amended by the Law 16/2012, of 27 December, governing Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario. On the Articles 3 to 6 of the mentioned law it is stated the main requirements and obligations to be complied with by this kind of companies:

Investment requirements (Art. 3)

1. The SOCIMI must have invested at least 80% of the value of their assets in urban properties for leasing purposes, in land to develop properties to be earmarked for that purpose, provided that development begins within three years following its acquisition, and in equity investments in other companies referred to in Article 2.1 of above mentioned Law 11/2009, of October 26.

The mentioned percentage will be calculated on the consolidated balance sheet in the event that the Parent Company of a group according to the criteria set out in Article 42 of the Code of Commerce, regardless of the residence and the obligation to prepare Interim Condensed Consolidated Financial Statements. The group will be composed exclusively by the SOCIMI and the other entities that paragraph 1 of Article 2 of the Law that regulates concerns.

The asset value is determined by the average of the quarterly individual balance sheets of each financial year. The Company can choose to calculate that value by substituting the book value by the market value of the elements of such balances sheets, which apply to all balances sheet for the financial year.

2. At least, 80% of the income for the fiscal year corresponding to each year, excluded those arising from the transfer of the shares and investment properties used by the Company to achieve its main corporate object, once the retention period referred to below has been elapsed, should arise from the lease of investment properties or from dividends or profit on shares coming from the aforementioned investments.

This percentage will be calculated on the consolidated result in the event that the Company is the parent of a group according to the criteria set out in Article 42 of the Code of Commerce, regardless of the residence and the obligation to prepare Interim Condensed Consolidated Financial Statements. The group will be composed exclusively by the SOCIMI and the other entities that paragraph 1 of Article 2 of the Law that regulates concerns.

The Company is the parent company of the VBARE Group, accordingly, the requirements as explained above will be calculated based on the consolidated figures of the Group.

3. The investment properties included in the Company's assets should remain leased for at least three years. The time during which the properties have been made available for lease will be included in calculating this term, with a maximum of one year.

In this sense, the period shall begin:

- a) Regarding real estate assets owned by the Company before having opted for the Socimi Regime, the period would be computed from the initial date of its first tax period in which the special tax regime set out in the act, provided that at such date the property were leased or offered for lease.
- b) Regarding real estate assets subsequently acquired or promoted by the Company, from the date on which they were leased or offered for lease for the first time.

Regarding shares in entities as specified in paragraph 1 of Article 2 of the act, they shall be maintained by the Company for at least three years from its acquisition or, if applicable, from the beginning of the first tax period in which the special tax regime set out in the act is applied.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

Obligation of being listed on a regulated market or in a multilateral trading system (Art. 4)

The shares of the SOCIMI must be admitted to trading on a Spanish regulated market or a multilateral system Spanish negotiation or any other Member State of the European Union or the European Economic Area or in a regulated market of any country or territory with in which there is an effective exchange of tax information, continuously throughout the whole tax period. The shares must be nominative.

Minimum capital required (Art. 5)

The minimum share capital figure is set at Euro 5 Million.

Distribution Obligation Results (Art. 6)

The Company must distribute as dividends, after fulfilling the mercantile requirements:

- 100% of profits from dividends by entities as stated in paragraph 1 of Article 2 of the Law 11/2009.
- At least 50% of the profits derived from the transfer of the investment properties and shares as stated in paragraph 1 of Article 2 of the Law 11/2009, made after expiry of the minimum holding periods, affected to its main corporate object. The rest of these benefits must be reinvested in other investment properties or shares affecting the attainment of that objective, within the three years following the date of transmission.
- At least 80% of the rest of the profits obtained. When the dividend distribution is made out of reserves from profits of a year in which has been applied the special tax regime, the distribution will necessarily be taken as previously described.

The agreement for the distribution of dividends must be agreed within six months following the end of each financial year and paid within the month following the date of the distribution agreement.

The obligation to distribute dividends described above will be according to regulations in force and will only work if the Company records profits under Spanish accounting principles.

However, the company intends to propose the distribution of a dividend (including the share premium, in case the Company does not generate profits in accordance with Spanish accounting principles) equivalent to 3% of the opening balance of the Consolidated Net Equity according to IFRS - EU. This annual amount will be paid in two instalments corresponding to 1.5% each, the first during the third quarter and the second after the approval of the annual accounts of the Company. For this purpose, the General Shareholders' Meeting of the Parent Company held on 12 December 2017, at the proposal of the Board of Directors of the Parent Company, approved the execution of a distribution of share premium among the shareholders in proportion to their stake in the share capital figure of the Parent Company. It has been delegated to the Board of Directors the execution of said agreement as well as for the determination of the date of payment and amount to be distributed.

On March 9, 2020, the Board of Directors agreed to distribute a share premium amounting 573 thousand euros (0.16 euros per share), which become effective on March 16, 2020 among the shareholders in proportion to their participation in the capital of the Parent Company.

Additionally, on September 22, 2020, the Board of Directors of the Parent Company agreed to distribute a share premium amounting 829 thousand euros (0.232 euros per share), which become effective on September 30, 2020 among the shareholders in proportion to their participation in the capital of the Parent Company.

As established the first Transitional Provision of the Law 11/2009 of October 26, amended by Law 16/2012, of 27 December, the SOCIMI can opt for the application of the special tax regime under the terms established in Article 8 of that Law, even if the requirements are not completed, but such requirements are met within two years from the date since the Company opted for the SOCIMI regime.

As of 31 March 2021, the Company met all the requirements of the SOCIMI regime according to the Parent Company's Directors.

The failure to comply with any of the above conditions means that the Company will be taxed under the general corporate income tax regime, from the tax period in which such failure arises, unless it would be restored in the following year. In addition, the Company will be obligated to pay the quote of the currently



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

tax period, and also the difference between the amount that the tax resulting from applying the general corporate income tax regime and the tax paid resulting from applying the SOCIMI regime in previous tax periods, subject to corresponding interest, recharges and penalties, if any, may be applicable.

The tax rate of the SOCIMI in the Corporate Income Tax is set at 0%. However, if the dividends that SOCIMI distribute to its shareholders with a holding percentage higher than 5% are exempt or taxed at a rate lower than 10%, the SOCIMI is subject to a special tax rate of 19%, which will be considered as corporate income tax on the amount of dividend distributed to such shareholders. To be applicable, this special rate must be satisfied by the SOCIMI within two months from the date of the dividend distribution.

The Company is the parent of a group of companies, and presents its Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS - EU). As at 31 March 2021, VBARE Iberian Properties SOCIMI, S.A. is the parent company of the VBARE Group. There have been no changes in the consolidation perimeter of the Group with respect to the one presented as of December 31, 2020.

1.2 Management Agreement

The following information highlights the most relevant points of certain management agreements originally signed in English language.

On 15 April 2015 the Company and VBA Real Estate Asset Management 3000, S.L., a private Spanish company, (the "**Management Company**") signed a management agreement (as amended) (hereafter the "**Management Agreement**") which determines the relationship between the parties. The Management Agreement describes the main services that the Management Company will be rendering to the Company on an exclusive basis. A description of some of these services is the following:

- 1) Management of the acquisitions or sales of the assets, refurbishments, maintenance, insurance, rental of the properties, IT platform, overseeing of the property management, and coordination with the Company's legal advisor and with the origination companies to validate opportunities and present such to the Board of Directors, as well as to acquire, lease, sell, transfer or otherwise exchange or dispose of real estate properties on behalf of the Company and to enter and execute any agreement, contract, or arrangement in relation with the purchase, acquisition, holding, lease, exchange, transfer, sell or disposal of any property or property related investment, among other.
- 2) Provide the Company with services of Key Executive.
- 3) Provide the Company with strategic services, including formulating the general investment policy of the Company, assistance in locating investment opportunities, raising of capital and other funds by the Company and assistance in locating and contracting with service providers, as well as entering into financing agreements and ancillary agreements or documents on behalf of the Company.

The Management Agreement took effect on 2 July 2015, the date on which initial funds were raised by the Company. According to the Management Agreement, all of the following definitions and calculations are made in accordance and over the consolidated financial statements under IFRS-EU.

- a) "**Management fee**": The Management Company shall be entitled to receive a Management Fee which will be calculated quarterly (as defined in the Management Agreement), starting as of the calendar quarter on which the Company has made its first real estate investment. The Management Fee for the Relevant Quarter (as defined in the Management Agreement) will be the result of multiplying 0.25 in the Relevant Management Fee Percentage and in the FS Asset (as defined in the Management Agreement).

In any case, VAT shall be added to all payments made in accordance with this section.

- b) "**Relevant Management Fee Percentage**" means, the percentage set forth in the table below, with respect to the FS Asset:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

The FS Asset (Euro Million)	Progressive Management Fee as a Percentage of the FS Asset
0 to 60	1%
60.01 to 120	0.9%
120.01 to 250	0.8%
250.01 to 500	0.7%
Above 500	0.6%

- c) **"Success fee"**: The Company shall pay the Management Company a Success Fee at a rate of 16% multiplied by (1+ applicable VAT rate) of the profit obtained by the Company resulting from its consolidated financial statements prepared under IFRS-EU. The Success Fee shall be subject to a Catch Up Mechanism (including Catch Up for previous years with respect to which the Accrued Catch Up Amount was not fully paid) and shall only be paid after and subject to meeting the minimum Hurdle Rate Amount (at a rate of 8% calculated severally for each annum, based on the formula set forth in the Management Agreement), and subject to a high water mark mechanism (applied on an annual basis), it being clarified that the Success Fee shall be calculated severally for each annum (as defined in the Management Agreement).

The Company shall pay to the Management Company the Success Fee on the following dates:

- (a) For any Relevant Annum, within 7 Business Days of the execution date of the Company's audited annual consolidated financial statements for such Relevant Annum.
- (b) To the extent the Company is liquidated during a Relevant Annum – on the date of the Company's liquidation.

The Management Company shall have the option, by providing the Company with written notice no later than 31 December of each Relevant Annum to receive all or a part of the Success Fee for such Relevant Annum in listed and tradable shares of the Company. The amount of shares to be issued to the Management Company shall be the result of dividing the Success Fee (excluding VAT) by the quoted price per share of the Company based on the average trading price during the 30 trading days prior to the exercise and consummation of such option. VAT shall be paid in immediately available funds, even if the Success Fee is paid in Company shares, as provided in this clause.

The success fee was valid until December 31, 2018 and new success fee enter in force as amended and described in Note 1.3 below.

- d) **Expenses**: Except for the Management Company Costs and Expenses (as defined in the Management Agreement), the Company shall bear all the costs and expenses related to its business activity. The Company shall bear all costs and expenses relating to its establishment, including all costs relating to the registration and incorporation of the Company; costs relating to the Initial Offering, agent fees and so forth.
- e) **Term of the Management Agreement**. The Management Agreement shall be subject to an initial term of five years (the "Initial Period") and neither party may terminate this agreement during the Initial Period except in the circumstances set out in the Management Agreement. After the Initial Period shall have elapsed, this Management Agreement shall continue to be in force for consecutive three years renewal periods without any actions required by either of the Parties, except that at any time, after the end of the Initial Period, each of the Management Company and the Company (by resolution of the shareholders of the Company passed by a majority of at least 75% of the Company's voting rights), shall have a right to terminate the Management Agreement, by giving the other party a 180 days prior notice.

1.3 Amendment to the Management Agreement

On June 19, 2019, the Company's shareholders and the Management Company's shareholders approved to amend the Management Agreement (the "Amendment") in the following terms and always subjected to the success of the capital increase approved on June 19, 2019 by VBARE's Shareholders Meeting in a minimum amount of 12,500,000 euros, which was accomplished on August 2, 2019:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

1. From January 1, 2019, the success fee is calculated as a 16% plus Value Added Tax of the Distributable Amount of the Relevant Year (as defined in the Amendment) (the "**new Success Fee**"). The new Success Fee shall only be paid after and subject to meeting an annual Hurdle Rate of 6% and based on a fully Catch-Up mechanism. The Success Fee is subjected to annually high-water mark mechanism which is reflected in the definitions and formulas in the Amendment.
2. The Distributable Amount of the Relevant Year derived, inter alia, from the annual increasing in the Company share price, which will be the difference between the weighted average Company's end year share price in the last 90 trading days, but not less than 15.7 euros per share, adjusted for dividends, other distributions and capital increase made during the relevant year.
3. The new Success Fee will be paid in ordinary shares of the Company, except for the applicable Value Added Tax that will be paid in cash.
4. The Company shall pay the new Success Fee to the Management Company within seven Business Days from the date on which the Company's general shareholders meeting approves the Consolidated Annual Accounts according to the IFRS of the Relevant Year.
5. Additionally, it has been agreed that the termination date of the Management Agreement will be 31 December 2024 unless the Company starts its own liquidation before 31 December 2024. In this case the Management Agreement will be extended for two additional years until 31 December 2026, or until the date of liquidation of the Company.
6. In the event of termination of the Management Agreement, the Company shall not pay the Management Company any Termination Fee, if (a) the liquidation of the Company occurs, or (b) a breach of the Management Agreement by the Management Company declared by a competent court or authority, or (c) starting from April 2020, as part of a successful tender offer subject that at least 75% of the Company's shareholders approve to terminate the Management Agreement with a minimum 180 days' notice period.

A liquidation of the Company can occur also as from the calendar year 2022 if (a) the net equity of the Company, according to the audited IFRS consolidated annual accounts, as at 31 December 2021 is lower than 100,000,000 euros or (b) the average daily trading volume during 2021 is lower than 75,000 euros.
7. In the event of termination of the Management Agreement before 31 December 2024, except per clause 6 above, because at least 75% of the Company's shareholders approve to terminate the Management Agreement, the Company shall pay to the Management Company a termination fee ("**Termination Fee**") equal to the sum of (i) the management fee paid in the year previous to the termination, multiplied by two, and (ii) the annual success fee to be paid for the two calendar years following the date of termination of the agreement.
8. In the event of tender offer, the new Success Fee will be paid in cash, and the Distributable Amount of the Relevant Year as describe above will derived from the price per share paid in the tender offer and all the definitions shall be construed accordingly to the date of the actual execution.
9. In the event of liquidation of the Company, the Management Company will manage the liquidation of the Company's assets, including assets portfolio, repayment of all debts by the Company and subsequently distribute the liquidation's proceeds to shareholders with the majorities applicable by law, subject to the fulfilment of clause 1 above. In such event, the Company shall sell or dispose of its entire portfolio (on a consolidated basis) and distribute to shareholders all amounts in cash resulting from such distribution or otherwise available upon compliance with all its legal and contractual obligations.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

2. Basis of preparation of the Interim Condensed Consolidated Financial Statements

2.1 Regulatory framework

The Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021, that were obtained from the accounting records of the parent company and its subsidiary as of 31 March 2021, have been prepared by the Parent Company's Directors in accordance with IAS 34 "Interim financial reporting", and should be read in conjunction with the Group's Consolidated Financial Statements as of 31 December 2020. The Group's accounting policies and methods remain unchanged compared to 31 December 2020.

These Interim Condensed Consolidated Financial Statements are presented in accordance with the International Financial Report Standards (IFRS) and the International Financial Reporting Interpretations Committee (IFRIC) adopted by the European Union (together, IFRS-EU), pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and Council and successive amendments.

During the three-month period ended 31 March 2021 there was no significant changes in the estimates made at the end of the previous period. The preparation of these Interim Condensed Consolidated Financial Statements, although this does not coincide with the fiscal year of the Group and subsidiary forming such Group (as the end of the fiscal year is established on 31 December of each year), is not due to compliance with legal or statutory requirements.

VBARE Iberian Properties SOCIMI, S.A.'s Stand Alone Annual Accounts and Consolidated Financial Statements for the year 2020, have been drawn-up by its Directors, and have been approved by the General Shareholders Meeting held on 19 April 2021.

The Directors of the Parent Company have prepared these Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021 on a going-concern basis.

The presentation currency of the Interim Condensed Consolidated Financial Statements is the Euro, which is the Group's functional currency.

The figures stated in these Interim Condensed Consolidated Financial Statements are expressed in Euro Thousand, unless otherwise stated.

New IFRS - EU standards, amendments and IFRIC interpretations issued

a) Standards, modifications and mandatory interpretations for all years beginning on 1 January 2020:

- IFRS 3 (Modification) – "Definition of business."
- IAS 1 (Modification) and IAS 28 (Modification) – "Definition of materiality and relative significance."
- IFRS 9 (Modification), IFRS 7 (Modification) and IAS 39 (Modification) – "Interest rate benchmark reform".
- IFRS 16 (Modification) "Leasing rents reductions due to COVID-19":

For the purposes of IFRS-EU, the amendments must be applied retrospectively and are applicable no later than June 1, 2020 for fiscal years beginning on January 1, 2020.

As of the date of preparation of these Interim Condensed Consolidated Financial Statements, the Company has carried out a preliminary analysis of the impacts that the new accounting standards will have on these Interim Condensed Consolidated Financial Statements, reaching the conclusion that they will not be significant.

b) Standards, amendments and interpretations applied to existing standards that have not been adopted by the European Union but that can be adopted in advance:

- IFRS 4 (Modification) "Extension of the temporary exemption from applying IFRS 9"
- IFRS 9 (Modification), IAS 39 (Modification), IFRS 7 (Modification), IFRS 4 (Modification) and IFRS 16 (Modification) "Reference interest rate reform: Phase 2"

The modifications will apply to the annual exercises that begin as of January 1, 2021, although their early application is allowed.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

- c) Standards, amendments and interpretations applied to existing standards that cannot be adopted in advance or that have not been adopted by the European Union:
- IFRS 10 (Modification) y IAS 8 (Modification) – “Sale of contribution of assets between an investor and its associates of joint venture.”
 - IFRS 17 – “Insurance contract.”
 - IFRS 17 (Modification) “Modifications to IFRS 17”
 - IAS 1 (Modification) – “Clasificación of liabilities as current or non-current.”
 - IAS 16 (Modification) “Property, plant and equipment - Income obtained before intended use”
 - IAS 37 (Modification) – “Onerous contracts – Cost of breaching a contract.”
 - IFRS 3 (Modification) – “Reference to Conceptual Framework.”

Annual Improvements to IFRS. Cycle 2018 - 2020:

The amendments affect IFRS 1, IFRS 9, IFRS 16 and IAS 41 and apply to annual periods beginning on January 1, 2022. The main amendments refer to:

- IFRS 1 “First-time adoption of IFRS”
- IFRS 9 “Financial Instruments”
- IFRS 16 “Leases”
- IAS 41 “Agriculture”

The annual improvements are pending approval by the European Union.

The Administrators of the parent company have not considered the early application of the Rules and Interpretations detailed above and in any case their application will be considered by the Group once they have been approved, where appropriate, by the European Union.

These amendments or interpretations on the condensed consolidated interim financial statements of the Group will not have a significant impact.

2.2 Comparative figures

According to the International Financial Reporting Standards as adopted by the European Union, the information included in these Condensed Interim Consolidated Financial Statements for the three-month period ended 31 March 2021 is presented with comparative figures with the information for the three-month period ended 31 March 2020 for the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows and for the year ended 31 December 2020 for the Consolidated Statement of Financial Position.

2.3 Seasonality of operations

Considering the type of operations involved, revenues and operating results on these Interim Condensed Consolidated Financial Statements are not affected by seasonality.

2.4 Operating segment information

Information on operating segments is reported on the basis of the internal information supplied to the ultimate decision-making body, the Board of Directors, which have been identified as the highest decision-making authority, being responsible for allocating resources and assessing the performance of operating segments

The members of the Board of Directors have established that the Group has only one activity segment as at the date of these Interim Condensed Consolidated Financial Statements.

2.5 Responsibility of the information and use of estimates

The information included in these Interim Condensed Consolidated Financial Statements is responsibility of the Parent Company's Directors.

**Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021**

The preparation of the Interim Condensed Consolidated Financial Statements according to IFRS- EU requires the Parent Company's Directors to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The Board of Directors reviews these estimates on a continuous basis. However, given the uncertainty inherent to these estimates, there is a significant risk that significant adjustments could arise in the future regarding the value of the associated assets and liabilities and significant changes in the assumptions, events and circumstances on which they are based.

In preparing these Interim Condensed Consolidated Financial Statements, the significant judgments made by the Parent Company's Directors in applying the group's accounting policies and the key sources of estimation uncertainty are as follows:

- a) Fair value of Investment property
- b) Corporate Income Tax and the compliance with the requirements of the SOCIMIs
- c) The management of the financial risk and especially the liquidity risk

2.6 Relevant information and materiality

When determining the information to be disclosed in the Interim Condensed Consolidated Financial Statements or other subjects, the Group, in accordance with IAS 34, has considered the relevant information and materiality in relation with the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021.

3. Investment property

Investment properties comprise: apartments, penthouses, buildings, scattered apartments, storage rooms, parking spaces and retail assets owned by the Group for rent on a long-term basis and not occupied by the Group.

Set out below is a breakdown of and movements in the accounts recorded under investment properties for the three-month period ended 31 March 2021.

	Euro Thousand	
	Investment Properties	Total
Balance at 1 January 2020	72,945	72,945
Acquisitions	-	16,490
Transaction cost capitalised	59	756
Subsequent disbursements capitalised	1,511	1,538
Disposals	(2,013)	(337)
Others	(16)	(11)
Gain from fair value adjustments	(3,276)	4,411
Balance at 31 December 2020	69,210	69,210
Acquisitions	-	-
Transaction cost capitalised	-	-
Subsequent disbursements capitalised	346	346
Others	1	1
Disposals	(376)	(376)
Gain (Loss) from fair value adjustments	69	69
Balance at 31 March 2021	69,250	69,250

Between January 1, 2021 and March 31, 2021, no acquisitions have been formalized but the Group has formalized the sale of 4 apartments for a price 2% higher than the independent expert valuation and 41% higher than the total investment costs.

Under "Others" caption the Group records the letting fees incurred for the commercialisation of the properties. These are capitalised within the carrying amount of the leased assets and are recognised as an expense during the minimum lease term, on the same basis as the lease derived therefrom, as established in IAS 40 and IAS 17.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

The identification of qualified assets included under this note in accordance with the Article 11 of SOCIMI Law and is included in Appendix 1 to the Interim Condensed Consolidated Financial Statements.

Valuation Process

Investment properties are recognized at fair value, according to IAS 40. The fair value of the Group's investment properties is calculated on the basis of independent appraisers' reports not related to the Group.

Below is the cost and fair value of investment properties at 31 March 2021 and 31 December 2020:

	31 March 2021		31 December 2020	
	Cost	Fair value	Cost	Fair value
Investment properties	51,707	69,250	51,630	69,210

The results recognized in the consolidated interim income statement on measuring investment property at fair value as of 31 March 2021 amounts to Euro 60 Thousand (minus Euro 600 Thousand as of 31 March 2020). According to IFRS 13, some situations may arise where transaction prices may not represent the fair value of an asset at initial recognition.

These investments have been valued following a market value approach, and these valuations have been performed by Savills Aguirre Newman Valoraciones y Tasaciones, S.A.U., an independent expert firm in accordance with the provisions of the RICS Appraisal and Valuation Manual (the "Red Book") published by The Royal Institution of Chartered Surveyors based in England.

The market value is defined as the estimated amount for which an asset can be sold on a given market at the date of valuation between a seller and a willing buyer, being both reasonably knowledgeable about the asset, prudently, free of undue pressure to trade and assuming a reasonable time is given for completing the transaction.

Investment properties measured after initial recognition at fair value are grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

- **Level 1:** Measurements derived from (unadjusted) quoted prices in active markets for identical assets or liabilities.
- **Level 2:** Measurements derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- **Level 3:** Measurements derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (non-observable inputs).

The investment properties measured at fair value as of 31 March 2021 and 31 December 2020 are as follows:

	Level 1	Level 2	Level 3
Investment properties	-	-	69,250
Total 31.03.2021	-	-	69,250
Investment properties	-	-	69,210
Total 31.12.2020	-	-	69,210

Methodology:

a) Discounted cash flows method:

The valuation methodology adopted in terms of determining fair value of currently rented properties is the discounted cash flows method with projected net operating income at 5 years and capitalizing the 6th year at an exit yield between 3% and 6.5% and using an Internal Rate of Return for discounting cash flows obtained between 5% and 7.5%.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

The discounted cash flow method is based on predictions of the probable net income that will be generated by assets over a specific time period, taking into account the assets' residual value at the end of that period. Cash flows are discounted at an internal rate of return in order to arrive at the present net value. That internal rate of return is adjusted to reflect the risk associated with the investment and assumptions adopted.

Key variables are therefore net income, approximate residual value and internal rate of return.

Sensitivity analysis

Based on the simulations performed, the impact over fair value of investment properties of a 1% change in the internal rate of return would produce the following impacts:

	Euro thousand			
	Theoretical value			
	31 March 2021		31 December 2020	
	+1%	+1%	+1%	-1%
Valued using discounted cash flows method	66,291	72,362	66,178	76,321
Fair value of investment properties	66,291	72,362	66,178	76,321

Based on the simulations performed, the impact over fair value of investment properties of a 0.25% change in the exit yield would produce the following impact:

	Euro thousand	
	Theoretical value	
	31 March 2021	
	+0.25%	-0.25%
Valued using discounted cash flows method	65,201	73,475
Fair value of investment properties	65,201	73,475

Commitments

The Group has no contractual commitments for the acquisition, construction or development of investment properties or in relation to repairs, maintenance or insurance.

Mortgages

Certain assets include under the caption Investment Properties, whose whole fair value amounts to Euro 69,250 Thousand (Euro 63,091 Thousand as of 31 December 2020) serves as guarantee of the compliance with the obligations arranged as a result of the financing obtained by the Group (Note 8)

4. Analysis of financial instruments

4.1 Analysis by categories

The carrying amount of each category of financial instruments stipulated in the standard "Financial instruments" is as follows:

Financial assets:

	Euro thousand			
	Non-current assets			
	Debt and equity securities		Loans, derivatives and other	
	31/03/2021	31/12/2020	31/03/2021	31/12/2020
Credits and other receivables	-	-	194	214
	-	-	194	214



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

	Current assets			
	Debt and equity securities		Loans, derivatives and other	
	31/03/2021	31/12/2020	31/03/2021	31/12/2020
Credits and other receivables	-	-	5,452	3,876
	-	-	5,452	3,876
Total financial assets	-	-	5,452	4,090

Under the category of non-current financial assets, the Group recognizes the amount related to the deposits made in the corresponding public bodies derived from leases.

a) Financial liabilities:

	Euro thousand			
	Non-current liabilities			
	Borrowings		Loans, derivatives and other	
	31/03/2021	31/12/2020	31/03/2021	31/12/2020
Loans and payables	24,034	22,024	316	326
	24,034	22,024	316	326
	Current liabilities			
	Borrowings		Loans, derivatives and other	
	31/03/2021	31/12/2020	31/03/2021	31/12/2020
Loans and payables	711	624	386	645
	711	624	386	645
Total financial liabilities	24,745	22,648	702	971

Under non-current financial liabilities, they are recognised the deposits to be returned to the tenants. These deposits will be withheld if the lease rents payable by the tenants to the Group are not paid or there is a breach in the lease contract. Also, under this caption are recorded the loan agreements arranged by the Group (Note 8).

Under Current financial liabilities it is recognised the part of the aforementioned loan agreements with maturity in the short term (Note 8).

4.2 Analysis by maturity

The maturity of the financial liabilities as per the Consolidated Statement of Financial Position as at 31 March 2021 is presented in the following table:

	Euro thousand					
	31/03/2022	31/03/2023	31/03/2024	31/03/2025	Next Years	Total
Bank borrowings	711	874	1,130	1,325	21,008	25,048
Other financial liabilities	-	316	-	-	-	316
Trade payables	307	-	-	-	-	307
Trade payables, group companies and associates	26	-	-	-	-	26
Accruals, wages and salaries	37	-	-	-	-	37
Advances from clients	16	-	-	-	-	16
Total financial liabilities	1,097	1,190	1,130	1,325	21,008	25,750

The total amount does not match with the analysis by categories because the loans that the Group formalized with the different financial entities were accounted at each moment at amortized cost, resulting all the costs incurred in arranging such financing and paid in full, are netting the outstanding debt and they will be amortized during the life of each loan. The amount pending to be amortized as of March 31, 2021 amounts to 303 thousand euros.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

The maturity of the financial assets as per the Consolidated Statement of Financial Position as at 31 December 2020 is presented in the following table:

	Euro thousand				
	31/12/2020	31/12/2021	31/12/2022	31/12/2023	Next years
Bank borrowings (Note 11)	624	806	996	1,217	19,277
Other financial liabilities	-	326	-	-	-
Trade payables	589	-	-	-	-
Trade payables, group companies and associates (Note 16)	14	-	-	-	-
Accruals, wages and salaries	37	-	-	-	-
Advances from clients	5	-	-	-	-
Total financial liabilities	1,269	1,132	996	1,217	19,277

Non-current assets and liabilities relate to deposits linked to lease contracts. Its maturity is conditioned to the maturity of these contracts. It is the Group estimation that the average maturity of leasing contracts will range from two to three years.

5. Cash and cash equivalents

The heading "Cash and cash equivalents" includes cash (cash in hand and sight bank deposits) and cash equivalents (ie highly liquid short-term investments, easily convertible into certain amounts of cash within a maximum period of time of three months and whose value is subject to a negligible exchange rate risk.) The carrying amount of these assets is equal to their fair value.

As of 31 March 2021, the balance of "Cash and cash equivalents" is not restricted, except for a total amount of Euro 63 Thousand (Euro 70 Thousand as of 31 December 2020) whose management have been entrusted to the liquidity provider (Renta 4 Banco, S.A.).

Additionally, the Group has two credit lines for a maximum amount of 500,000 euros and 600,000 euros respectively, which a maturity date on 18 March 2024 and on 14 July 2021. At 31 March 2021, 0 euros have been drawn down.

6. Net Equity

Share Capital and share premium

	Number of shares	Share capital	Share Premium	Total
Balance as at 31 December 2019	3,609,790 (*)	18,049	22,007	40,056
Capital Increase	-	-	-	-
Issuance costs	-	-	-	-
Distribution of share premium	-	-	(1,402)	(1,402)
Balance as at 31 December 2020	3,609,790 (*)	18,049	20,605	38,654
Capital Increase	-	-	-	-
Issuance costs	-	-	-	-
Distribution of share premium	-	-	-	-
Balance as at 31 March 2021	3,609,790 (*)	18,049	20,605	38,654

(*) This figure includes 41,058 treasury shares as of 31 March 2021 (40,451 treasury shares as of 31 December 2020).

As of 31 March 2021, the share capital of VBARE Iberian Properties SOCIMI, S.A. amounts to Euro 18,048,950 Thousand represented by 3,609,790 nominative ordinary shares represented by book entries with a nominal value of 5 Euro each, granting the same rights to their owners.

All the shares of VBARE Iberian Properties SOCIMI, S.A. are listed since 23 December 2016, and they are traded on the market for BME Growth of BME MTF Equity (formerly alternative stock Market "MAB") being part of the SOCIMIs segment.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

The share capital and the share premium, including the shares and the share premium that derived from the advances on share capital and share premium, which are totally paid, is as follows:

	31 March 2021	31 December 2020
Number of shares	3,609,790	3,609,790
Par value (Euro)	5	5
Share capital (Euro Thousand)	18,049	18,049
Share Premium (Euro Thousand)	21,320	21,320
	39,369	39,369
Issuance Cost Deducted (Euro Thousand)	(715)	(715)
	38,654	38,654

Issuance costs have been deducted according to IAS 32.

Share premium distribution

The General Shareholders' Meeting of the Parent Company held on December 12, 2017, at the proposal of the Board of Directors of the Company, approved the distribution of the share premium among the shareholders in proportion to their participation in the share capital of the Company. The Parent Company has delegated to the Board of Directors the execution of said agreement as well as for the determination of the date of payment and premium amount of the issue to be distributed.

On March 9, 2020, the Board of Directors agreed to distribute share premium amounting 573 thousand euros (0.16 euros per share), which become effective on March 16, 2020 among the shareholders in proportion to their participation in the capital of the Parent Company.

Additionally, on September 22, 2020, the Board of Directors of the Parent Company agreed to distribute a share premium amounting 829 thousand euros (0.232 euros per share), which become effective on September 30, 2020 among the shareholders in proportion to their participation in the capital of the Parent Company.

Treasury shares

The movement under this caption during the three-month period ended 31 March 2021 and the year 2020 is the following:

	Number of shares	Euro thousand Value
Balance at 31 December 2019	32,569	420
Increases / Acquisitions	11,184	140
Decreases / Disposals	(3,302)	(42)
Balance at 31 December 2020	40,451	518
Increases / Acquisitions	607	6
Decreases / Disposals	-	-
Balance at 31 March 2021	41,058	524

Treasury shares of the Parent Company as of 31 March 2021 represent 1.14% (1.12% at December 31, 2020) of the share capital figure totalling 41,058 shares with an average price of acquisition of 12.63 Euro per share (40,451 shares with an average purchase price of 12,65 euros per share as of December 31, 2020).

On 7 September 2016 the General Shareholders Meeting of the Parent Company agreed to authorise the Board of Directors to acquire Company's treasury shares by way of sale, exchange or payment in kind, in one or several transactions, provided that the acquired shares shall not exceed 20% of the Company's share capital. The price or consideration for such shares shall range from a minimum equal to their nominal value to a maximum of (i) in case that the Company's shares have not been admitted to listing on any regulated market or multilateral trading facility, 25 euros per share (ii) in case that the Company's shares are listed on the market for BME Growth of BME MTF Equity (formerly alternative stock Market



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

"MAB") being part of the SOCIMIs Segment, 120% of the listed price for the shares in the Company at the time of the acquisition. This authorisation is in force for a five-year period after the date of the agreement.

Legal reserves and other reserves

In accordance with the Spanish Companies Act, private companies have to transfer an amount equal to 10% of the profit for the year to the legal reserve until this reserve reaches at least 20% of capital. The legal reserve can be used to increase capital in the part of the balance exceeding 10% of the increased capital. Except as mentioned above, while not exceeding 20% of the capital and considering the limitations set forth under the SOCIMI regime, the legal reserve can only be used to offset losses, provided that sufficient other reserves available for this purpose.

In accordance to Law 11/2009, for which SOCIMI are regulated, the legal reserve of the companies that have opted to apply the SOCIMI tax regime, may not exceed 20% of the share capital figure. The bylaws of these companies may not establish any other statutory reserve unavailable different from the legal reserve.

As of 31 March 2021, and 31 December 2020 the Parent Company's legal reserve is not constituted.

Shareholders

The main shareholders of the Parent Company as of 31 March 2021, and 31 December 2020, with a percentage higher than 5% of the share capital of the Parent Company, directly or indirectly, are as follows:

	% Number of Shares		
	31 March 2021		
	Direct	Indirect	Total
<u>Shareholder</u>			
Meitav Dash Provident Funds and Pension Ltd.	16.58%	-	16.58%
Dan Rimoni	10.98%	-	10.98%
M. Wertheim (holdings) Ltd.	10.43%	-	10.43%
Value Base Ltd.	4.88%	3.26%	8.14%
Kranot Hishtalmut Psagot	6.08%	-	6.08%
Ido Nouberger (*)	3.39%	-	3.39%

	% Number of Shares		
	31 December 2020		
	Direct	Indirect	Total
<u>Shareholder</u>			
Meitav Dash Provident Funds and Pension Ltd.	16.58%	-	16.58%
Dan Rimoni	10.98%	-	10.98%
M. Wertheim (holdings) Ltd.	10.43%	-	10.43%
Value Base Ltd.	4.88%	3.26%	8.14%
Kranot Hishtalmut Psagot	6.08%	-	6.08%
Ido Nouberger (*)	3.39%	-	3.39%

(*) Ido Nouberger also holds 20.075% in Value Base Ltd.

Earnings per share

a) Basic earnings per share:

Basic earnings per share are calculated by dividing the profit / (loss) for the period attributable to shareholders of the Parent Company by the weighted average number of ordinary shares throughout the period, excluding the weighted average number of treasury shares held shares throughout the year or period.

Details of the calculation of earnings/(losses) per share are as follows:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

	31 March 2021	31 March 2020
Net profit for the period attributable to equity holders of the Parent Company (Euro Thousand)	(201)	(819)
Number of the weighted average shares (excluding own shares)	3,568,827	3,578,688
Earnings per share (Euro)	(0.06)	(0.23)

b) Diluted earnings per share:

Diluted earnings per share are calculated by dividing net profit/(loss) of the period attributable to the owners of the Parent Company by the weighted average number of ordinary shares in the period, plus the weighted average number of shares which would be issued when converting all potentially diluting instruments.

For these purposes, they are considered dilutive instruments the ordinary shares presented under "advances capital" which have been issued at the close of each period.

The Group has evaluated the effect of dilution of these potential shares and their potential impact on the calculation of earnings per share, and have concluded that its effect is not significant, and therefore basic and diluted earnings per share do not differ significantly.

Net result distribution

The distribution of results of the Parent Company as of 31 December 2020 according to Spanish General Accepted Accounting Principles as per their stand-alone annual accounts as approved by the General Shareholders' Meeting on 19 April 2021 is as follows:

	Euro Thousand
<u>Basis of distribution</u>	
Profit /(Loss)	(362)
<u>Distribution</u>	
Losses from prior years	(362)

Dividends distribution policy

The dividend will be paid in cash, and it will be recognized as a liability in the Interim Condensed Consolidated Financial Statements in the period in which the dividends are approved by shareholders of the Parent Company or subsidiaries.

The SOCIMI is required to distribute the profit generated during the year to shareholders as dividends. Once the corresponding mercantile obligations have been fulfilled, said distribution must be agreed as stated in note 1 of the Interim Condensed Consolidated Financial Statements.

During the period from 1 January 2021 to 31 March 2021 and the fiscal year 2020, no dividends have been distributed.

7. Trade payables

The carrying amount of these trade payables is equal to their fair value.

8. Borrowings

The breakdown of the Group's financial debt as of 31 March 2021 is as follows:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

Signing date	Maturity	Interest rate (annual)	Amount financed	Long term debt	Short-term debt		Financial expense	Interest paid
				Principal	Principal	Interest due not paid		
21/04/2016	21/04/2031	Variable Eur12+1.25%	2,100	1,669	75	5	6	6
19/07/2016	19/07/2031	Fixed 1.8%	750	400	8	2	2	2
19/07/2016	19/07/2031	Fixed 1.8%	300	241	11	1	1	1
30/11/2016	31/12/2031	Fixed 1.8%	600	434	39	-	3	2
30/11/2016	31/12/2031	Fixed 1.8%	637	461	41	-	3	2
26/04/2017	30/06/2032	Fixed 1.8%	187	159	9	-	1	1
26/04/2017	30/06/2032	Fixed 1.8%	1,250	1,066	59	-	6	5
26/04/2017	30/06/2032	Fixed 1.8%	250	213	12	-	1	1
10/05/2017	10/05/2032	Fixed 1.8%	508	433	24	-	2	2
31/01/2018	31/01/2030	Fixed 1.8%	324	305	10	-	1	1
31/01/2018	31/01/2030	Fixed 1.8%	492	462	15	-	2	2
29/01/2018	29/01/2033	Fixed 2%	675	252	16	1	4	1
12/07/2018	30/09/2030	Fixed 1.8%	625	597	15	-	3	3
30/07/2018	30/09/2030	Fixed 1.8%	785	750	20	-	4	4
30/07/2018	30/09/2030	Fixed 1.8%	900	860	16	-	4	4
02/10/2018	31/12/2030	Fixed 1.8%	735	707	17	-	4	3
03/10/2018	03/10/2039	Fixed 1.8% (*)	5,250	5,086	75	7	25	24
09/10/2018	31/12/2030	Fixed 1.8%	800	403	9	-	4	2
08/01/2019	08/01/2039	Fixed 1.8% (**)	3,430	3,319	55	4	16	15
24/10/2019	01/10/2030	Fixed 1.7% (***)	4,000	3,490	10	-	16	15
14/05/2020	14/05/2025	Fixed 1.5%	425	339	86	-	2	2
25/05/2020	25/05/2025	Fixed 1.75%	360	293	68	-	2	2
30/09/2020	30/09/2025	Variable Eur12+2.35%	300	-	-	-	-	-
24/02/2021	24/02/2036	Fixed 1.8%	2,400	2,398	2	-	3	3
TOTAL			28,083	24,337	692	20	115	103

(*) VBA SUB 2018, S.L.U. has a mortgage loan for an amount of 5,250,000 euros at 21 years formalized in 2018 which accrues a fixed interest rate during the first 12 years and variable from year 13. This mortgage loan for the purposes of the above table is considered " Borrowings at fixed rate ".

(**) VBARE Iberian Properties Socimi, S.A., has a mortgage loan for an amount of 3,430,000 euros at 20 years formalized in 2019 which accrues a fixed interest rate during the first 12 years and variable from year 13. This mortgage loan for the purposes of the above table is considered " Borrowings at fixed rate ".

(***) VBARE Iberian Properties Socimi, S.A formalized a mortgage loan on October 24, 2019 for an amount of 4,000,000 euros that at December 31, 2020 had been withdrawn 3,500,000 euros.

The total amount does not match with the balance sheet as of March 31, 2021 because the loans that the Group formalized with the different financial entities were accounted at each moment at amortized cost, resulting all the costs incurred in arranging such financing and paid in full, are netting the outstanding debt and they will be amortized during the life of each loan. The amount pending to be amortized as of March 31, 2021 amounts to 303 thousand euros.

During the three-month period ended March 31, 2021, the Group has formalized one mortgage loan of 2.4 million euros.

During the twelve-month period ended December 31, 2020, the Group formalized three loans without mortgage guarantees for amounts of 425,000, 360,000 and 300,000 euros, all with a maturity of 5 years.

From these three loans, only the first two have been withdrawn as March 31, 2021. Additionally, the Group withdrawn in 2020 3,500,000 euros from the 4,000,000 euros loan formalized on October 24, 2019.

Additionally, the Group has two credit lines for a maximum amount of 500,000 euros and 600,000 euros respectively, which a maturity date on 18 March 2024 and on 14 July 2021. At 31 March 2021, 0 euros have been drawn down and has accrued a financial expense of 3 thousand euros in 2020.

The breakdown of the Group's financial debt as of 31 December 2020 is as follows:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

Signing date	Maturity	Interest rate (annual)	Amount financed	Long term debt	Short-term debt		Financial expense	Interest paid
				Principal	Principal	Interest due not paid		
21/04/2016	21/04/2031	Variable Eur12+1.25%	2,100	1,688	75	5	26	23
19/07/2016	19/07/2031	Fixed 1.8%	750	402	8	2	13	12
19/07/2016	19/07/2031	Fixed 1.8%	300	244	11	1	5	5
30/11/2016	31/12/2031	Fixed 1.8%	600	444	39	-	11	9
30/11/2016	31/12/2031	Fixed 1.8%	637	471	41	-	10	10
26/04/2017	30/06/2032	Fixed 1.8%	187	162	8	-	4	3
26/04/2017	30/06/2032	Fixed 1.8%	1,250	1,081	56	-	23	20
26/04/2017	30/06/2032	Fixed 1.8%	250	216	11	-	5	4
10/05/2017	10/05/2032	Fixed 1.8%	508	439	23	-	9	9
31/01/2018	31/01/2030	Fixed 1.8%	324	307	9	-	6	6
31/01/2018	31/01/2030	Fixed 1.8%	492	466	14	-	10	9
29/01/2018	29/01/2033	Fixed 2%	675	283	-	1	17	11
12/07/2018	30/09/2030	Fixed 1.8%	625	602	14	-	12	11
30/07/2018	30/09/2030	Fixed 1.8%	785	756	18	-	17	14
30/07/2018	30/09/2030	Fixed 1.8%	900	866	20	-	18	16
02/10/2018	31/12/2030	Fixed 1.8%	735	713	15	-	15	13
03/10/2018	03/10/2039	Fixed 1.8% (*)	5,250	5,105	72	7	97	94
09/10/2018	31/12/2030	Fixed 1.8%	800	537	11	-	14	12
08/01/2019	08/01/2039	Fixed 1.8% (**)	3,430	3,334	53	4	66	62
24/10/2019	01/10/2030	Fixed 1.7% (***)	4,000	3,500	-	-	49	48
14/05/2020	14/05/2025	Fixed 1.5%	425	365	60	-	4	4
25/05/2020	25/05/2025	Fixed 1.75%	360	315	45	-	5	4
30/09/2020	30/09/2025	Variable Eur12+2.35%	300	-	-	-	-	-
TOTAL			25,683	22,296	603	20	436	399

(*) VBA SUB 2018, S.L.U. has a mortgage loan for an amount of 5,250,000 euros at 21 years formalized in 2018 which accrues a fixed interest rate during the first 12 years and variable from year 13. This mortgage loan for the purposes of the above table is considered " Borrowings at fixed rate ".

(**) VBARE Iberian Properties Socimi, S.A., has a mortgage loan for an amount of 3,430,000 euros at 20 years formalized in 2019 which accrues a fixed interest rate during the first 12 years and variable from year 13. This mortgage loan for the purposes of the above table is considered " Borrowings at fixed rate ".

(***) VBARE Iberian Properties Socimi, S.A formalized a mortgage loan on October 24, 2019 for an amount of 4,000,000 euros that at December 31, 2020 had been withdrawn 3,500,000 euros.

The Group's financial debt is recognised at its amortised cost in the Consolidated Interim Statement of Financial Position

The abovementioned loan agreements contain certain covenants that are customary in the market for facilities of this nature, based on Loan to Value (LTV) and rental incomes over the asset mortgaged. Failure to meet these covenants represents an event of default and may result in, among other things, an acceleration of the loan's maturity and/or may trigger an early amortization event.

At December 31, 2020, the Parent Company defaulted on a ratio of a loan whose outstanding principal at December 31, 2020 amounted to 283 thousand euros. Despite this, the Parent Company received a waiver from said financial entity which exempt its compliance on December 31, 2020. The Parent Company is monitoring such ratio for 2021, but anyway, it is expected the principal amount at December 31, 2021 be close to 0 euros (283 thousand euros at March 31, 2021).

9. Tax situation

9.1 Balances with Tax Administration

The main current receivable and payable taxes balances as at 31 March 2021 and 31 December 2020 are as follows:



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

	31 March 2021		31 December 2020	
	Tax assets	Tax liabilities	Tax assets	Tax liabilities
Withholding tax	-	18	-	24
VAT	144	-	145	-
Payroll tax	-	11	-	11
	144	29	145	35

The Group does not maintain long term balances with tax authorities as at 31 March 2021 and 31 December 2020.

9.2 Corporate Income Tax

The reconciliation between the consolidated net result for the period from 1 January 2021 to 31 March 2021 and the taxable base of the Group companies' is set out below:

	Consolidated income statement			Income and expense allocated directly to net equity			Total
	Increase	Reductions	Total	Increases	Reductions	Total	Total
Balance income and expenses of financial period	(201)	-	(201)	-	-	-	(201)
IFRS and Consolidation Adjustments	-	(125)	(125)	-	-	-	(125)
Corporation Tax	-	-	-	-	-	-	-
Permanent differences	-	-	-	-	-	-	-
Temporary differences:	-	-	-	-	-	-	-
originating in the financial year	-	-	-	-	-	-	-
Taxable base			(326)			-	(326)

The taxable base presented in the previous table is the sum of the taxable bases of the companies that make up the Group, the consolidated result of the period having been adjusted for adjustments and eliminations of consolidation, as well as the conversion adjustments to International Standards of Financial information adopted by the European Union (IFRS-EU).

In accordance with the SOCIMI Law, current Corporate Income Tax is the result of applying 0% to the tax base. No deductions are applicable in the year 2021, nor withholdings or payments in accounts.

9.3 Years open to review and tax inspections

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute of limitations has expired. At 31 March 2021, all the taxes applicable for which the Group companies are liable since its incorporation are open to inspection and for which its liquidation have occurred up to 31 March 2021.

As a result, among other things, of the different interpretations to which Spanish tax legislation lends itself, additional tax liabilities may arise in the event of a tax inspection. In any event, the Group consider that such liabilities, if ever they arise, will not have a significant effect on the accompanying Interim Condensed Consolidated Financial Statements.

10. Revenue and expenses

a) Gain from fair value on investment properties

The details of gain from fair value on investment properties are provided in note 3.

b) General and administrative expenses

The breakdown of this caption of the consolidated income statement is as follows.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

	Euro Thousand	
	31 March	
	2021	2020
Property operating expenses	182	158
Management fee – see note 1.2(a) and note 12	220	231
Success fee – see note 1.2.1(c) and note 12	-	-
Variation in provisions and losses on bad debts	25	16
Professional fees and others	88	148
Total	515	553

Calculation of the success fee

The amount corresponding to the success fee as of March 31, 2021 and March 31, 2020 has been calculated in accordance with the conditions established in the Management Agreement and its subsequent amendments as detailed in notes 1.2. and 1.3.

As of March 31, 2021 and 2020, no success fee has been accrued by the Company as the as the "Distributable Amount of the Relevant Year" as stated in Note 1.3. has not reach the hurdle rate of 6%.

Payroll

	Euro Thousand	
	31 March	
	2021	2020
Wages and salaries	81	98
Social Security	22	22
Total	103	120

c) Finance result

The finance result is as at March 31, 2021 and 2020 is broken-down as follows:

	Euro Thousand	
	31 March	
	2021	2020
Financial expenses		
Bank interest from borrowings (Note 8)	(118)	(98)
Total	(118)	(98)

d) Contribution to the consolidated profit by Group company

The contribution to the profit for the three-month period ended 31 March 2021 and 31 March 2020 by each company included in the consolidation scope is as follows:

	Euro Thousand	
	31 March	
	2021	2020
VBARE Iberian Properties SOCIMI, S.A.	(400)	(686)
VBA SUB 2018, S.L.U.	199	(133)
Total	(201)	(819)

11. Environmental information

Given the activity in which the Group operates, it has no environmental liabilities, expenses, assets, provisions or contingencies that could have a material impact on its equity, financial position and results of its operations.

Therefore, no specific environmental disclosures have been included in these notes to the Interim Condensed Consolidated Financial Statements.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

12. Transactions with VBA Real Estate Asset Management 3000 and Related parties

Transactions shown below were carried out with VBA Real Estate Asset Management 3000 and Related parties as at 31 March 2021 and 2020 is as follows:

	Euro Thousand		
	31 March 2021		
	Success fee	Management fee	Other expenses
VBA Real Estate Asset Management 3000, S.L.	-	220	-
Aura Asset Management, S.L.	-	-	-
	-	220	-

	Euro Thousand		
	31 March 2020		
	Success fee	Management fee	Other expenses
VBA Real Estate Asset Management 3000, S.L.	-	231	-
Aura Asset Management, S.L.	-	-	2
	-	231	2

At 31 March 2021 and 31 December 2020, the outstanding balances with VBA Real Estate Asset Management 3000 and Related parties' breakdown as follows:

	Euro Thousand	
	Trade and other payables	
	31 march 2021	31 December 2020
VBA Real Estate Asset Management 3000, S.L.	26	14
Total	26	14

	Euro Thousand	
	Trade and other receivables	
	31 march 2021	31 December 2020
VBA Real Estate Asset Management 3000, S.L.	-	-
Total	-	-

13. Provision and contingencies

As of 31 March 2021, and 31 December 2020 the Group has no claims or demands, and no provisions and contingencies have arisen.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

14. Information requirements deriving from Socimi regime. Law 11/2009

Description	31 March 2021	31 December 2020
a) Reserves from years prior to the application of the tax scheme contained in Law 11/2009, amended by Law 16/2012.	N/A	N/A
b) Reserves from years in which the tax scheme contained in Law 11/2009, amended by Law 16/2012, have been applied.	N/A	N/A
c) Dividends distributed against profits each year in which the tax scheme contained in this Law is applicable, differentiating the part from income subject to tax at 0% or 19% from those where tax has been levied at the general rate.	N/A	N/A
d) For distribution against reserves, identifying the year from which the reserves applied derive and if they have been taxed at 0%, 19% or the general rate.	N/A	N/A
e) Date of the agreement for the distribution of dividends referred to in c) and d) above.	N/A	N/A
f) Date of acquisition of buildings for rent and interests in the capital of companies referred to in Article 2.1 of this Law.	Please see note 6 and Appendix I and II	Please see note 6 and Appendix I and II
g) Identification of assets taken into account in the 80% referred to in Article 3.1 of this Law.	Please see note 6 and Appendix I and II	Please see note 6 and Appendix I and II
h) Reserves from years in which the tax system applicable in this Law was applicable, which were made available in the tax period, not for distribution or offsetting losses, identifying the year from which the reserves derive.	N/A	N/A

15. Events occurring after the reporting period

The Group, from March 31st, 2021 has formalized the sale of 1 apartment for a price equal than the independent expert valuation.

The Group has formalized at the date of these Interim Condensed Consolidated Financial Statements 40 deposits agreements for the same number of apartments for a total sale price of €4.9 million euros. As such sales are conditioned to several conditions that, as of today are not certain to predict if they will be fulfilled or not, the Parent Company's Directors have decided the conditions disclosed on the IFRS 5 are not fulfilled and have decided not to classify such units as *"Non-current Assets Held for Sale"*.

On May 4, 2021, the Board of Directors agreed to distribute a share premium amounting 828 thousand euros (0.232 euros per share), which will become effective on May 11, 2021 among the shareholders in proportion to their participation in the capital of the Parent Company.

In the opinion of the Parent Company's Directors, no facts or circumstances occurred after the three-month period ended as at 31 March 2021 have come to their attention which may have significant impact on these Interim Condensed Consolidated Financial Statements.



Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

Appendix I: Investment properties acquired by the Group

Kind of Asset	Location	Acquisition Date
Building of 14 units, 3 Storages & 16 parkings	Calle Juan Pascual, Madrid.	30/07/2015
Apartment	Calle Venancio Martin, Madrid.	19/11/2015
Apartment	Calle Uva, Madrid.	19/11/2015
Apartment	Calle San José y Pasaderas, Madrid.	19/11/2015
Apartment	Travesía de Getafe, Parla.	19/11/2015
Apartment	Calle Abedul, Madrid.	19/11/2015
Building of 6 units & 5 Storages	Calle Antonia Ruiz Soro, Madrid.	18/05/2016
Apartment	Camino de la Suerte, Madrid.	17/12/2015
Apartment	Calle León XIII, Parla.	17/12/2015
5 Apartments, 2 Storages & 1 Parking	Calle Oropéndola, Madrid.	17/12/2015
8 Apartments & 8 Storages	Calle Cantueso, Madrid.	17/12/2015
Apartment	Calle El Huésped del Sevillano, Madrid.	18/12/2015
Apartment	Calle Cedro, Torrejón de Ardoz.	18/12/2015
Apartment	Calle Ernestina Manuel de Villena, Madrid.	18/12/2015
Apartment	Calle Sáhara, Madrid.	18/12/2015
Apartment	Calle Rafaela Ybarra, Madrid.	18/12/2015
Apartment	Calle Alejandro Morán, Madrid.	21/04/2016
Apartment	Calle Topacio, Torrejón de Ardoz.	31/05/2016
7 Apartments, 7 Storages & 7 Parkings	Calle Bariloche, Madrid.	19/01/2016
Building of 48 units	Calle Carnicer, Madrid.	04/02/2016
Building of 6 units	Calle Brihuega, Madrid.	14/04/2016
Apartment	Calle Algaba, Madrid.	31/05/2016
5 Apartments	Calle Santa Julia, Madrid.	31/05/2016
31 Apartments & 31 Storages	Calle Vicente Carballal, Madrid.	31/05/2016
Building of 16 units	Calle Margaritas, Madrid.	22/12/2016
Building of 8 units	Calle Carrascales, Madrid.	28/06/2017
Building of 7 units	Calle Santa Valentina, Madrid.	20/07/2017
1 Local Premise & 12 Apartments	Calle Concordia, Móstoles.	21/03/2018
14 Apartments & 10 Storages	Calle Eugenio Gross, Málaga.	26/06/2018
Building of 12 units	Calle Don Quijote, Madrid.	24/07/2018
Building of 36 units	Calle Luchana, Madrid.	03/10/2018
Building of 29 units	Calle Vallehermoso, Madrid.	08/01/2019
Building of 12 units	Calle San Andrés, Madrid.	30/09/2019
35 Apartments & 35 parkings	Avenida Monte Igueldo, Madrid.	28/10/2019



VBARE Iberian Properties SOCIMI, S.A. and subsidiaries

Notes to the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021

Appendix II: Investments in affiliates

Sociedad	Acquisition Date
VBA SUB 2018, S.L.U.	26/09/2018

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a flourish.



Preparation of the Interim Condensed Consolidated Financial Statements for the three-month period ended 31 March 2021 prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

DON IÑIGO DE LOYOLA SÁNCHEZ DEL CAMPO BASAGOITI, in his capacity as **SECRETARY NON-DIRECTOR OF THE BOARD OF DIRECTORS**, of the company **"VBARE IBERIAN PROPERTIES SOCIMI, S.A."** with registered office in the town of Madrid, at Calle General Castaños 11, 1º Izq, **CERTIFIES:**

That the Interim Condensed Consolidated Financial Statements for the **THREE (3)** month period ended 31 March 2021, prepared in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) in English language, have been drawn up with the favorable vote of all the members of the Company's Board of Directors at the meeting held on 11 May 2021, for verification by the auditors.

The directors attended by telephone conference, in accordance with the provisions of article 23.14 of the Company's Bylaws, giving the meeting a telematic nature in the interests of adopting preventive measures and in order to preserve people's health and avoid the spread of COVID 19. For this reason, the duly formulated Interim Condensed Consolidated Financial Statements for the period of THREE (3) months period ended 31 March 2021 **DO NOT HAVE the signatures of any of the directors:**

- Fernando Acuña Ruiz.
- Juan Manuel Soldado Huertas.
- Yair Ephrati.
- Ido Nouberger.
- Juan José Nieto Bueso.
- Yeshayau Manne.

The above-mentioned Financial Statements, which precede this procedure, are numbered from page 1 to 32 and signed only at the end with my signature.

Madrid, May 11 2021

Mr. Iñigo de Loyola Sánchez del Campo Basagoiti
Secretary Non- Director of VBARE IBERIAN PROPERTIES SOCIMI, S.A.