

JUNGLE21

Calle Antonio Maura 16, 5º, 28014 Madrid

(SPAIN)

www.jungle21.com

INFORMATION DOCUMENT

2 March 2022

ADMISSION TO TRADING OF SHARES ON Euronext ACCESS PARIS

Euronext Access is a market operated by Euronext Paris. Companies on Euronext Access are not subject to the same rules as companies on a Regulated Market (a main market). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in a company on Euronext Access may therefore be higher than investing in a company on a Regulated Market.

The present Information Document does not constitute a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71.

Copies of this Information Document are available free of charge on JUNGLE21 S.A.'s website (<https://www.jungle21.com>).

The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF). This document was therefore not endorsed by the AMF.



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The articles of association included in this Information Document have been translated into English from Spanish version, and their content appears for information purposes. In case of any discrepancies, and for legal purposes, the Spanish version registered in the Commercial Registry shall prevail.

GLOSSARY

“**AMF**”: Autorité des Marchés Financiers.

“**ARMANEXT**”: The Euronext’s Listing Sponsor appointed by JUNGLE21.

“**Auditor**”: Grant Thornton, S.L.P. Sociedad Unipersonal.

“**CAGR**”: Compound Annual Growth Rate.

“**Company**”: the Spanish holding company requesting admission of its equity securities on Euronext Access Paris. The Company shall also be referred to as the “Group”, the “Issuer”, “JUNGLE21” or “J21”.

“**ES3**”: ESTRESARTE COMUNICACIÓN S.L, one of the four Company’s subsidiaries.

“**Euroclear**”: One of the two main clearing houses for securities traded in the Euromarket. Euroclear specializes in verifying information supplied by brokers involved in securities transaction and the settlement of securities.

“**Euronext**”: with presence in Amsterdam, Brussels, Dublin, Lisbon, Milan, Oslo and near 2,000 listed firms with over €6 trillion in market capitalization, it is the largest pan-European stock exchange. Created in 2,000, it has the largest concentration of liquidity in Europe.

“**Euronext Access Paris**”: a Euronext’s Multilateral Trading Facility (MTF) where the Company is requesting admission of its equity securities.

“**Gesvalt**”: GESVALT SOCIEDAD DE TASACIÓN, S.A.; the Company’s appointed expert valuer.

“**Google’s ZeroMOT**”: a Google’s marketing model. The ZeroMOT (or zero-moment of truth) refers to the moment in the buying process when the consumer researches a product prior to purchase. This moment usually takes place often even before the seller even knows that the prospect exists.

“**Group**”: the Spanish holding company together with its subsidiary companies shall be jointly referred to as the “Group” throughout the Information Document.

“**GT**”: Grant Thornton, S.L.P. Sociedad Unipersonal.

“**HOLYVAMA**”: HOLYVAMA CAPITAL, S.L., one of the four Company’s subsidiaries.

“**ISIN**”: International Securities Identification Number. It is used to identify securities and financial instruments. It is a code that univocally identifies tradable securities at an international level and has been

adopted eagerly in all the world's leading markets that have incorporated it into their settlement and custody processes.

“Issuer”: the Spanish holding company requesting admission of its equity securities on Euronext Access Paris. The Issuer shall also be referred to as the “Company”, the “Group”, “JUNGLE21” or “J21” throughout the Information Document.

“JUNGLE21”: the Spanish holding company requesting admission of its equity securities on Euronext Access Paris. JUNGLE21 shall also be referred to as the “Company”, the “Issuer”, the “Group”, or “J21” throughout the Information Document.

“J21”: the Spanish holding company requesting admission of its equity securities on Euronext Access Paris. J21 shall also be referred to as the “Company”, the “Issuer”, the “Group”, or “JUNGLE21” throughout the Information Document.

“LEI”: Legal Entity Identifier. It is a unique global identifier of legal entities participating in financial transactions. These can be individuals, companies, or government entities that participate in financial transactions.

“Marketing multiplier effect”: This multiplier effect is based and sustained in both reports “Creativity Drives Business Results, by Forrester Consulting (2014)” and “The growth triple play: Creativity, analytics and purpose, McKinsey Global Institute, June 2021”.

The report from Forrester Consulting in a survey showed that creative companies are also more likely to report a commanding market leadership position with a higher market share than their competitors. Of those reporting market share leadership, creative companies outnumber their less creative counterparts by a factor of 1.5. <https://landing.adobe.com/dam/downloads/whitepapers/55563.en.creative-dividends.pdf>

Attending the triple growth play, McKinsey report shows that “Companies that integrate creativity, analytics and purpose are delivering at least two times the growth of their peers.” - <https://www.mckinsey.com/business-functions/marketing-and-sales/our-insights/the-growth-triple-play-creativity-analytics-and-purpose>.

Jungle21 has a team that specialises in research, analysis and strategy, whose mission is to develop a deep analysis both from its clients and society to find real and relevant cultural insights to start. This is the first stage of each project and brings to the Company findings and inputs to start solving the challenges of its clients. On the other hand, being a creative company, its solutions always aim to be creative, innovative and unexpected. One way to show that these solutions are really “creative” is by checking the number of times that the Company’s projects have been awarded in Industry Creative Awards.

“**Majority Shareholder**”: MISS VALANTINE, S.L.

“**McKinsey Loyalty Loop**”: a marketing model developed by McKinsey. The McKinsey model integrates the loyalty factor into the consumer decision journey, thus illustrating a circular framework where consumers do not interact with brands in a linear process, but rather in a “loop”.

“**MRE**”: MAURO REAL ESTATE, S.L., a company specialized in real estate which split from the Group on 18 January 2021.

“**PLATFORM21**”: the Group has developed a unique methodology in order to structure multi-channel’s models that integrate the most effective combination of objectives, messages, and touchpoints. It is trademarked under the name PLATFORM21®.

“**REDBILITY**”: REDBILITY, S.L., one of the four Company’s subsidiaries.

“**Spanish TIN**”: Spanish tax identification number.

“**TRUE**”: RANDM PRODUCTIONS, S.L., one of the four Company’s subsidiaries.

“**Touchpoint**”: a touchpoint is a message or way a brand reaches out to their target market providing engagement as it allows the brand to be seen by the prospective customer in a favorable way.

“**UBO**”: Ultimate Beneficiary Owner; Mr. Agustín Vivancos Matamoros.

“**UI**”: User Interface. It should not be confused with “UX”, which stands for User Experience. Although they both work hand-in-hand, UI refers to the interface, which could be a graphic interface, or one developed with programming languages. On the other hand, UX is mainly focus on the usability, focusing on the analysis and social relations.

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“**Working Capital**”: It is the capital required by the Company to carry out its daily activities. It is the difference between the Company's current assets and liabilities.

1 SUMMARY

The following is a summary of some of the information contained in this Information Document. We urge to read this entire Information Document carefully, including the risk factors, JUNGLE21 S.A.'s historical financial statements, the notes to those financial statements, and the valuation of the Company.

1.1 GENERAL DESCRIPTION OF THE COMPANY

JUNGLE21, S.A., (hereinafter, the "**Company**", the "**Group**", the "**Issuer**", "**JUNGLE21**" or "**J21**") with Spanish tax identification number (*número de identificación fiscal*) ("**Spanish TIN**") A82668864, can be defined as an independent creativity agency.

The Group has developed a unique methodology and framework that fulfills both, short- and long-term creative needs of the clients it serves. With creativity at the heart of every project, generated ideas are capable of achieving truly positive transformations that help its clients to evolve and implement a tailored-made growth strategy.

J21 has its registered office at Calle Antonio Maura, 16, 5º Derecha, 28014 Madrid, Spain.

J21 was incorporated as Dommo Internet, S.A, on 17 May 2000, later changing its corporate name to PS21 Creative Agency, S.A. "PS21", and to its current name on 22 September 2021.

As shown in the graph below, J21 is the sole shareholder of its subsidiaries REDBILITY, S.L. (hereinafter "**REDBILITY**"), ESTRESARTE COMUNICACIÓN S.L. (hereinafter "**ES3**"), RANDM PRODUCTIONS, S.L. (hereinafter "**TRUE**") and HOLYVAMA CAPITAL S.L.U., (hereinafter "**HOLYVAMA**").

REDBILITY IS specialized in strategic design and innovation in the digital field. The acquisition was completed in 2019.

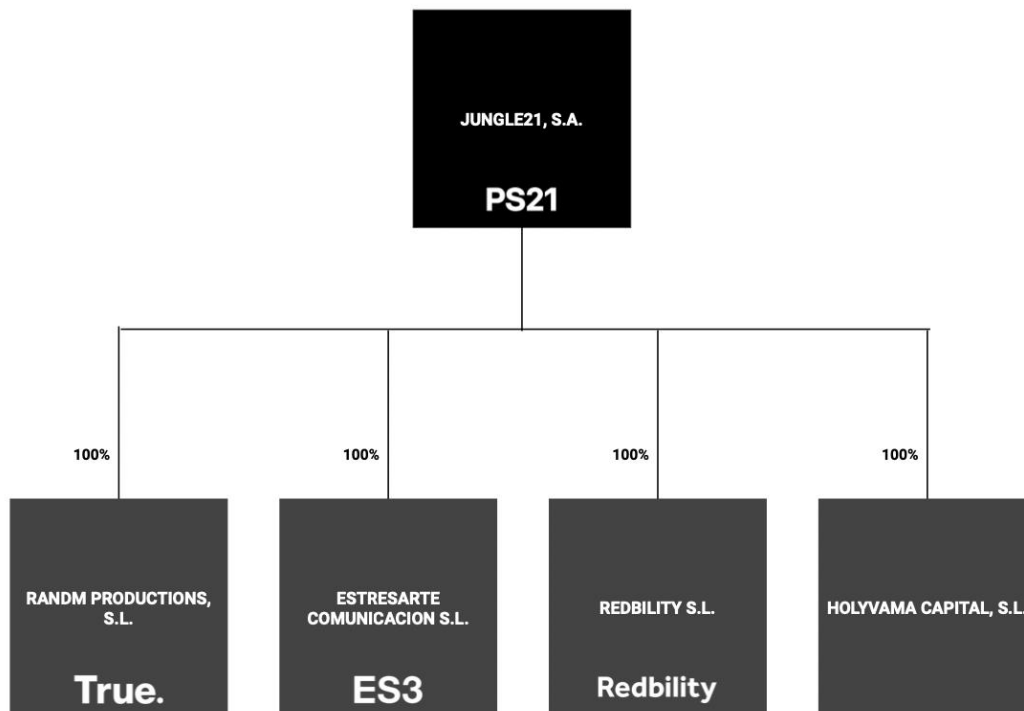
ES3 is specialized in integrated advertising services: strategy, creativity, social branding, digital and data analysis, among its main disciplines. ES3 was founded in 2007 and had a sales revenue of €1.1 million in its latest fiscal year before acquisition, which was completed in 2019.

TRUE was launched internally in 2016 in order to transform public relations, with ideas, imagination and innovation as key points.

HOLYVAMA was launched internally in 2021 and is the subsidiary that manages the Group's treasury. HOLYVAMA deals with the sales and purchase of securities, sales and purchase of social participations as

well as shares of other companies. This subsidiary contributes to the Group with positive net financial income.

MISS VALANTINE, S.L., a company validly established and in existence under the laws Spain, with registered address at Calle Antonio Maura 16, 4^o Derecha, Madrid, registered in the Madrid's Commercial Registry under volume 32970, sheet 120, page M-593482 and Spanish TIN B-87167268 is the sole shareholder of J21.



1.2 PERSONS IN CHARGE OF THE INFORMATION DOCUMENT

1.2.1 *Responsible of the Information Document*

Mr. Agustín Vivancos Matamoros, Chairman of the Board of Directors acting for and on behalf of JUNGLE21 hereby states the following:

“I declare that, to the best of my knowledge, the information provided in the Information Document is fair and accurate and that, to the best of my knowledge, the Information Document is not subject to any material omissions, and that all relevant information is included in the Information Document”.

Madrid, Spain

2 March 2022

Mr. Agustín Vivancos Matamoros

Chairman

1.2.2 Listing Sponsor

ARMANEXT ASESORES, S.L.

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

Phone number: +34 911 592 402

www.armanext.com

1.3 CORPORATE NAME, REGISTERED OFFICE

1.3.1 Legal name

The Group's full legal name is JUNGLE 21, S.A.

1.3.2 Headquarters

Calle Antonio Maura 16, 5º Derecha, 28014 Madrid, Spain.

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

Country Residence: Spain

Registered office: Calle Antonio Maura 16, 5º Derecha, 28014 Madrid, Spain.

Legal Form: Sociedad Anónima Unipersonal (Spanish Limited Liability Company)

Legislation under which the Issuer operates: Spanish Law

Website: www.Jungle21.com

1.3.4 Company Registration and LEI Code

Registered at the Commercial Registry of Madrid

Date	25/07/2000
Book	0
Sheet	122
Section	8
Inscription	1
Page	M-261669

LEI Code: 959800W7M4VCY0PZZ214

2 HISTORY AND KEY FIGURES

2.1 HISTORY OF THE COMPANY

- **17 May 2000**
 - The Company is set up and registered under the name DOMMO INTERNET, S.A. The initial number of social participations on this date was 60,102 with a nominal value of €1 each.
- **22 March 2016**
 - RANDM PRODUCTIONS, S.L.U. is set up and registered. The initial number of social participations on this date was 300 with a nominal value of €10 each. 201 social participations were subscribed by DOMMO CREATIVE CENTER, S.A. (now JUNGLE21), while three other natural persons subscribed 33 social participations each.
- **26 June 2018**
 - DOMMO CREATIVE CENTER S.A. acquires all remaining social participations of RANDM PRODUCTIONS, S.L.U. and becomes its sole shareholder.
- **15 November 2018**
 - DOMMO CREATIVE CENTER S.A. changed its corporate name to PS21 DESIGN STRATEGY, S.A.U.
- **5 April 2019**
 - PS21 DESIGN STRATEGY, S.A.U., acquires all 4,000 social participations of €1 nominal value each of ESTRESARTE COMUNICACIÓN, S.L.
- **30 July 2019**
 - PS21 DESIGN STRATEGY, S.A.U., acquires all 19,200 social participations of REDBILITY, S.L., of €1 nominal value each.

- **1 July 2020**
 - PS21 DESIGN STRATEGY, S.A.U.'s sole ownership in favour of MISS VALENTINE, S.L. is declared.
 - The shareholding capital structure as of this date was the following:

SHAREHOLDER	SHARES	SHAREHOLDING
"MISS VALENTINE, S.L."	1,751,546	95.04%
Treasury stock	91,357	4.96%
TOTAL	1,842,903	100.00%

- **8 February 2021**
 - HOLYVAMA CAPITAL, S.L.U. is incorporated with 3,000 social participations of €1 nominal value each, and PS21 DESIGN STRATEGY, S.A.U as sole shareholder.
- **18 June 2021**
 - MAURO REAL ESTATE, S.L. hereinafter ("MRE") a company specialized in real estate investing is split up from the Group as part of the Group's restructuring plan.
- **22 September 2021**
 - PS21 DESIGN STRATEGY, S.A.U. changes its corporate name to the current one, JUNGLE21, S.A.
- **5 November 2021**
 - The Company executes a share split by means of share nominal reduction. The nominal value per share of €0.09 is reduced to €0.01 and the number of shares increases from 1,842,903 to 16,586,127.

The final shareholder composition of the Company is that shown below:

SHAREHOLDER	SHARES	SHAREHOLDING
MISS VALANTINE, S.L.	15,197,085	91.63%
Treasury stock	822,213	4.96%
Other minority shareholders	566,829	3.42%
TOTAL	16,586,127	≈ 100%

2.2 SELECTED FINANCIAL DATA

The Company's key figures are presented below:

SELECTED DATA (€)	31/12/2020	31/10/2021*
PROFIT AND LOSS		
Revenues	6,539,717	7,860,124
Cost of goods sold	-1,582,811	-2,010,927
Net profit	305,194	1,933,981
BALANCE SHEET		
Total assets	7,787,651	9,438,717
Cash and equivalents	1,081,196	2,638,164
Equity	1,402,157	2,443,138
Non-current liabilities	2,881,397	3,761,599
Current liabilities	3,504,098	3,233,980
(*) Figures not audited or subject to limited review		

More detailed financial information of the Company is provided in section 10 of this Information Document: "Financial information for the 2020 fiscal year as of 31 December 2020 and interim closing as of 31 October 2021".

The audited financial statements as of 30 December 2020 along with the corresponding auditor's report is attached as **Appendix A**.

The Spanish Language financial statements as of 30 December 2020 have been audited by Grant Thornton, S.L.P. Sociedad Unipersonal, hereinafter the "Auditor" or "GT" and are available on the Company's website: www.jungle21.com.

Notes:

- Gross Profit or Net Income is sales minus variable costs of sales.
- Revenues is gross billings to clients including pass-through costs.
- Operational EBITDA is EBITDA adjusted for non-recurring items and is the measure management use to assess the underlying business performance.
- Operational EBITDA margin is operational EBITDA divided by Gross Profit.
- Gross Profit, Net Income or Gross Margin have the same meaning.

3 COMPANY ACTIVITY

3.1 SUMMARY OF ACTIVITY

J21's trajectory began three years ago, with the purpose of developing and offering an innovative business model that focuses on leveraging creativity in the entirety of the traditional marketing and communication value proposition.

3.1.1 Mission & Principles

In this process, the Group has set in motion a clear vision and mission statement:

To transform society, companies, and brands with the power of creativity.

The attainment of this goal is taking place by advocating three main overarching goals and principles:

- Creativity first
 - Creativity has the power to transform everything.
- One-stop shop
 - A single business (one P&L) that conglomerates multiple service offerings.
- Marketing Multiplier Effect
 - Communication strategies must leverage and intertwine Business x Society x Creativity.
 - Efficient allocation of resources with the commitment of achieving short and long-term results (1,000-day plans).
 - Enhancing earned media (referred to as publicity attained through promotional effort other than paid media advertising, such as creative content creation) in order to harvest improved returns on investment.

3.1.2 Corporate Social Responsibility

- Environmental and Ethical contents for sustainable projects: help clients in their challenges and ESG projects, adjust fees to work with foundations and NGOs (WWF, Fundación Paqual Maragall, etc); be part of initiatives such as “More creative women”, a collaborative and independent platform born from the union of more than 1000 creative professionals that promotes a real change in the advertising sector. It works in favour of visibility and equal opportunities for female talent in Spain.
- Corporate governance
 - Internal Code of Conduct: decrease in the use of single-use plastic bottles and control of the use of paper in photocopiers; less travels and prioritization of means of transport with the least impact (train); creation of an ethical working group.
 - Organizational structure and internal control systems.
 - Internal procedures to control that the relevant information published on the website and distributed to the market and information that is disseminated in presentations, declarations to the media, coincides.

Additionally, the Group has begun the necessary formalities and procedures in order to become a B Corp Certification.

Reference to environmental matters that may affect the Issuer’s activity

The Group does not have any liabilities, expenses, assets, provisions or contingencies of an environmental nature that could be material in relation to its equity, financial position or earnings. Therefore, no specific disclosures relating to environmental issues are included in the notes to the financial statements.

3.2 BUSINESS MODEL

3.2.1 Overview

J21’S business model is unique and differs from that of any advertising agency or communication consultancy. Their innovative business model pivots from common *digital transformation* or *strategic consultancy* services to a model more adept and fitting to the present and future of marketing and communication: the *creative transformation*.

A *creative transformation* is cornerstone to the differentiation and notoriety of brands within society through honest, innovative, and touching media and communication strategies.

The Group believes that modern brands are constructed through a series of experiential and literal messages that are interconnected, and that bounce back and forth between companies, consumers, and other stakeholders in society.

J21 is a renowned agency that excels due to its deep-rooted focus on creative solutions. Corporate marketing executives cannot expect to solve their problems through a single spot or advertisement. Creativity is needed in order to develop messages and ideas that are transmitted via different channels and directed at the modern consumer, which is more educated and empowered than ever. J21 leverages the current media and content environment for the purpose of developing creative projects with touchpoints in videoclips, social platforms, games, live feeds, and many others.

To facilitate and manage these goals in a methodical fashion, the Group has developed a unique methodology, Platform21 (detailed in section 3.2.2 of this Information Document) which serves as a creative framework to strategize and execute successful projects that continue building J21's successful track record.

The Group leverages its expertise in creativity, design, and technology to generate tangible results and positive conversation, strategically deploying tactical communication that generates awareness in the short-term, and emotional communication that improves loyalty, conversation, and experience in the long-term. Creativity is the key to harmony and balance between long-term success, and short-term tangible results and KPIs.

The Group's creative expertise (detailed in section 3.3 of this Information Document) can become a clients' competitive advantage in building their brand: only in this way is it possible to inspire conversation, and become a valuable stakeholder that is positively engrained in the fabric of society.

Currently the Company already participates in projects focused on development with blockchain technology, in addition to being part of a joint venture whose focus is the creation of digital assets such as consulting and design of NFTs for brands and foundations. As of now, this is not generating any income for the Company.

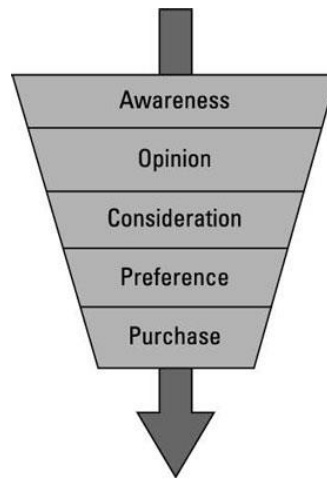
3.2.2 Methodologies

An average person receives between 6,000 and 10,000 marketing impacts or stimuli every day. Brands have the challenge to build ever-extending ecosystems as a means to attract the audience's attention. On the one hand, companies fiercely compete among themselves for this attention, and on the other, they find plenty of resistance from consumers when campaigns directed at them are not conveyed in an effective

manner, through an efficient channel, or in the precise optimal moment. Given the aforementioned it is not a surprise that according to analyses by the Kantar Group, over 50% of the effectiveness of communication depends on creativity. J21 leverages its relentless focus and expertise with creativity into its business model so as to outperform competitors and achieve outstanding results for clients.

The Traditional Marketing Model:

A noteworthy adversity in modern marketing is that structuring communication plans and executing projects is complex, as it never aims to satisfy a single isolated, tangible objective. Objectives have significantly evolved from the simplicity of those in the traditional marketing funnel model (see illustration below).



The traditional model used by advertising agencies illustrates the consumer journey as a funnel, where consumers are captured in the awareness phase and eventually funneled down to a purchase, where only a few remain convinced of the product or service. Accordingly, marketing and communication strategies used to be centered around gathering prospective consumers.

The Modern Marketing Landscape:

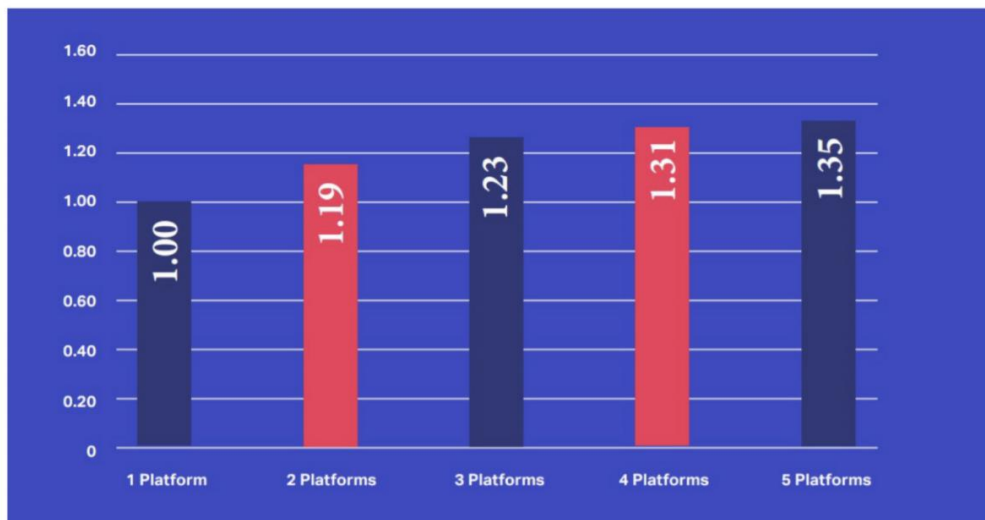
On the contrary, nowadays, projects aim to satisfy several objectives, including but not limited to: increasing notoriety, improving opinions, achieving sales, and generating recurrent customer bases. Being so, the current state of media and content consumption lends itself to a more circular model, as consumers are constantly interacting with other brands, other consumers, and society as a whole, through many different communication channels and platforms.

Recent studies from Saïd Business School find that marketing campaigns can potentially be 2.6x more effective when articulated and executed around objectives, rather than through media channels, as done

traditionally. In this landscape, creative strategies and solutions prosper, to the contrary of traditional one-dimensional marketing and communications projects.

Additionally, data sourced by Analytic Partners after researching the work of 700 brands in 45 countries, points to the fact that increasing the number of media channels on which a campaign is developed, has an incremental marginal improvement on ROI (Return on Investment) due to the effect of exposure to messages on different platforms and channels.

Incremental ROI of additional platforms



SOURCE: Analytic Partners

The main problem is that there is no extended model through which creativity is applied, aligned with the role of different elements in campaigns that complement each other and are integrated in the scope of distinct objectives. Most companies in the marketing and communication sector lack a multichannel model that not only makes communication effective, but also targets significant ROI improvements, achieving the marketing multiplier effect by leveraging the power of creativity.

J21 is perfectly positioned and organized in order to overcome these challenges and leverage efficiencies associated with their unique multichannel [TV, magazines & newspapers, digital video (YouTube) radio, social platforms, digital display (banners), radio, ecommerce, retail, client own channels (website, app, ...), out-of-home (billboards)] approach that outrivals other competitors. This has been achieved by building upon two modern marketing models which are further representative of the state of the advertising sector: Google’s ZeroMOT, and the McKinsey Loyalty Loop.

Google ZeroMOT:

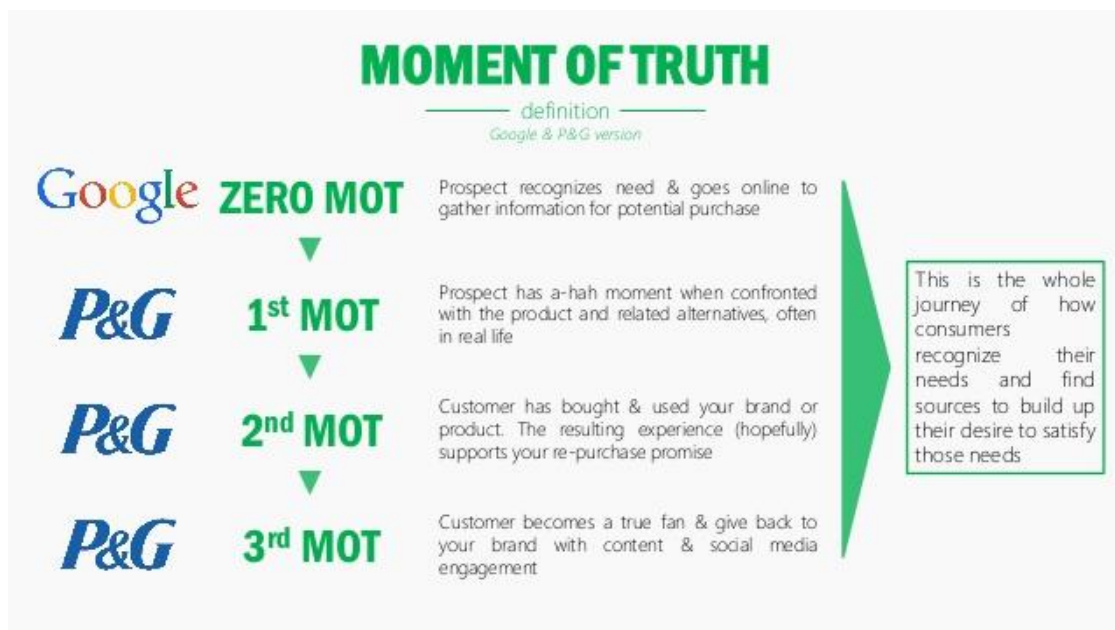
The Google ZeroMOT model arises from the huge involvement of the internet on consumers lives and their decision-making process.

The ZeroMOT (or zero-moment of truth) refers to the moment in the buying process when the consumer researches a product prior to purchase. This moment usually takes place often even before the seller even knows that the prospect exists.

The First moment of truth is the point where the prospective customer decides to make a specific purchase based on the small-scale investigation or research they have conducted. Hence, the process of purchasing should be as simple and engaging as possible.

The second moment of truth arrives at the moment that a customer makes a purchase and engages with the product of service. The key in this stage is ensuring that a strong relationship is built, with adequate teams in place for post-purchase communication.

Finally, the Third moment of truth takes place when the consumer gives feedback thus advocating the brand.



Source: Google (<https://www.thinkwithgoogle.com/>)

McKinsey Loyalty Loop:

Jess Huang (Partner at McKinsey):

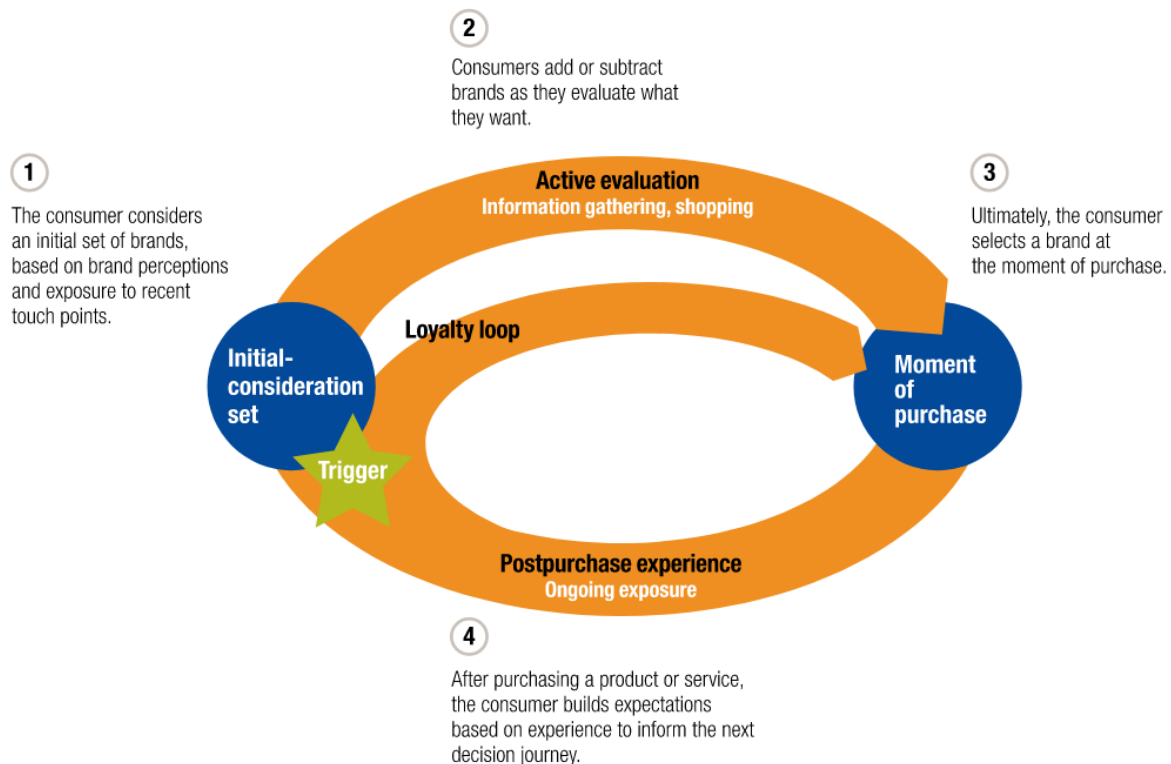
“At the root of it (the McKinsey Loop) is the fact that consumers are changing, and consumer trends are driving this. With the move to digital over the last ten years, consumers are spending more and more time on their phones and various digital channels. This makes it much easier to access the consumer, but there is a lot more noise. Brands are trying to figure out the right way to break through that noise and develop a relationship with the consumer.

For example, you see new direct-to-consumer brands popping up all over the place. Because there’s a very low barrier to establishing yourself as a brand, they’re willing to spend on customer acquisition. So it’s not that consumers are necessarily becoming less loyal, it’s just so much easier to access them and so much easier for them to try something new. So brands are really trying to figure out a way to develop and maintain that relationship with the consumer.

The second thing is that digital produces a ton of data, but how do you collect it and make sure you own it? How to you figure out what data is routed to a given consumer across a given channel? A lot of companies are realizing this, and if they can’t figure it out, they’re going to fall behind.”

As Mr. Huang implies in the quote above, the McKinsey model integrates the loyalty factor into the consumer decision journey, thus illustrating a circular framework where consumers do not interact with brands in a linear process, but rather in a “loop”, developing and (hopefully) maintaining relationship for long periods of time. According to McKinsey, the funnel concept fails to capture all the touchpoints and key buying factors resulting from the explosion of product choices and digital channels, coupled with the emergence of an increasingly well-informed consumer. In the traditional funnel metaphor, consumers start with a set of potential brands and methodically reduce that number to make a purchase, but this does not adapt to the current environment and state of media and content consumption. According to this model, in reality, the number of brands under consideration during the active-evaluation phase may actually expand rather than narrow as consumers seek information and shop a category.

Thus, modern empowered consumers make decisions that involve consumer-driven activities such as Internet reviews and word-of-mouth recommendations, making the consumer journey a circular process rather than a linear one, as seen in the following illustration.



Source: McKinsey (<https://www.mckinsey.com/>)

3.2.3 The Group's Unique Methodology

The Group has developed a unique methodology in order to structure multi-channel's models that integrate the most effective combination of objectives, messages, and touchpoints. It is trademarked under the name PLATFORM21®. This methodology, that has design at the nucleus of any action, reaps the rewards of a multi-channel approach and targets the garnering of the marketing multiplier effect. Platform21 is a framework or canvas. It is called a "platform" because a brand is a set of touch points and experiences connected to each other.

PLATFORM21® was developed by integrating the McKinsey Loyalty Loop, Google's ZeroMOT model, and a specific analysis of the different steps of the consumer decision journey in each category, thus detecting distinct consumer needs in their process of selecting and consuming goods and services. Additionally, the group leverages creativity not only in the planning and developing of a client's marketing strategy, but also in the execution of all touchpoints.

Upon the contracting of services, J21 uses its unique approach in order to plan and execute 1,000-day creative solutions where a brand experience and recognition project is developed.

Any strategic approach that aims to achieve a transformation or really relevant results in the field of branding or positioning requires a minimum of 1000 days or 3 years of work. In general, marketing plans are usually worked in time frames of 1 year divided into four quarters, so that in many cases the objectives can be short term and, almost always, sales activation prevails over brand building.

The Company works with its clients on 1,000-day plans to define where to be after that time. This objective has to do with positioning, sales, market perception, relevance..., or other metrics. By defining a 3-year vision the Company can also determine the milestones and key results to be achieved to reach that result.

In this way, both clients and agency have the ability to know at all times what is the real goal or goals to achieve in the long term, without getting lost in the day-to-day singularities.

A 1,000-day plan is a roadmap that defines a 3-year target stadium and the objectives, milestones and key results to achieve it.

These 1,000-day plans differentiate from the services provided by competitors as long and short-term KPIs are in equilibrium, thus providing a framework for creative marketing and communication that serves short-term goals and purposes, as well as a stable and positive brand identity that lasts for years to come, engrained in society as a positive actor. The Group's 1,000-day platforms are focused and adaptable, consistent and honest. Clients will use it for years so as to express relevant messages via different channels at every point of the consumer decision journey.

It is clear that creative omnichannel messages are key to spike sales and activate conversation in the short-term. Additionally, company executives are interested in achieving investment returns that are durable in time. The Group's 1,000-day plans leverage creativity for the purpose of developing emotional messages that connect with society and achieve long-term growth, balanced with tactical communication to generate awareness and consumption in the short-term. The Group develops and executes unique interconnected messages and stimuli, each through an optimal channel, always focused on achieving the particular marketing goals of any given client.

Dimensions of PLATFORM21:

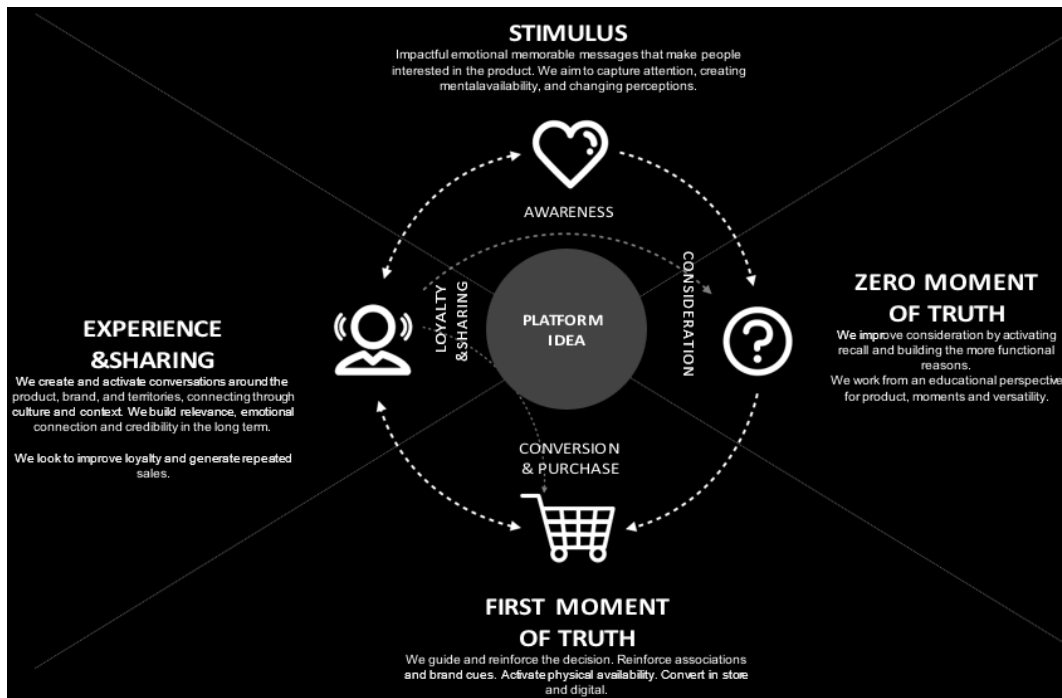
Given the evolution of media and the transformation of the consumer journey, as previously stated, J21 has developed a unique methodology that integrates the contemporary dogmas of modern marketing and communication. Rather than a funnel, or a loop, J21 illustrates interactions between customers and brands on a circular plane that incorporates different phases and communication channels within a platform. A platform lends itself to the reality of modern consumption and the current media and content environment.

This holistic fresh approach, with a creative platform at its nucleus, has been patented by J21 as PLATFORM21®.

The PLATFORM21® framework identifies 4 primary dimensions of objectives, each representative of one key moment in the traditional funnel-like consumer (decision) journey. The following dimensions are further illustrated below after this brief description:

- A: Awareness (STIMULUS). It is where prospects become aware of a brand and engage with it for the first time. Prospects might not know much about a product or service yet.
 - “Creating stimuli”: Impacting users in order to attract their attention, normally leveraging interruptions.
 - This dimension focuses on what would be the “Awareness” section of the traditional marketing funnel model.
 - To create a brand platform, the brand must first obtain notoriety.
 - The Group develops and executes successful and creative stimuli that impact society and gain the positive attention of prospective consumers. In this awareness phase, interest is generated through sensory and emotional elements. The Company usually uses mass media such as TV, press, digital video, etc.
- B: Consideration (Evaluation – ZMOT). The consumer must have some knowledge about the brand and their product or service. J21 transforms interest and knowledge into consideration by displaying relevant and tangible reasons for decision-making, balancing emotional, educational, and outright logical or rational reasons. The Company uses formats such as tutorial videos, web pages, reviews, etc.
 - “Moment of evaluation”: Answering needs arising from customer investigation and research by elaborating and diving into the characteristics of the product or service.
 - This dimension serves the purposes of the “Zero moment of truth” in Google’s ZeroMot, where prospective customers recognize an existing need and search online to gather information for any potential purchase. Messages in this dimension detail the characteristics of a given product or service.
- C: Conversion/Experience (Purchase – FMOT). Also considered the “purchase” in the Google ZMOT framework, where consumers make their product decision. It is the last phase before a prospect makes a decision and becomes a client.

- “Generating a positive user experience”: Applying specific strategies tailored to the needs of each project, by gathering business, experiential and functional perspectives without losing sight of users.
- Prior to this first moment of truth, an investigation has highlighted the optimal touchpoints and channels used in the consumer’s pure decision making. Points of sale are thus identified, such as retail, physical stores, or e-commerce.
- The Group recognizes that design is the key component to any successful purchase and leverages its expertise in creative design in order to present information in a simple and fun way, easing and guiding the moment of purchase in ecommerce platforms, retail or other points of sale or consumption.
- D: Fidelisation/Conversation (Sharing - SMOT). Equivalent to the Second moment of truth, where the post-purchase experience takes place, and the consumer optimally becomes a true loyal customer and interacts with the brand through content and social media engagement.
 - “Moment of product/service experience and sharing”: Relating to the context, generating emotions and fostering recurrence by designing experiences that go above and beyond the specific moment of purchase and/or consumption by working on the brand experience.
 - Once the campaign is launched, a system must exist for consumers to share their opinions and experiences regarding the brand or product. Third parties publicize their experience, thus generating key earned media for the project. Whether it be through the upload of videos, or the posting of comments on social media, these reactions intensify the effectiveness and value of market investigations, which themselves allow for further focus on distinct strategies, and allocation of resources to optimize content, channels or messages.
 - The Group designs experiences that go above and beyond the moment of purchase or consumption, by leveraging creative messages that inspire conversation related to the physical and emotional context, through entertainment, public relations, or customer relationship managing, focusing on obtaining the advantages of solid earned media.
 - A very recent example of this dimension is the beginning of the Group’s strategic platform for Aliexpress, which started off in June 2021 with a series of creative content pieces starring one of the most notable Spanish influencers. Much speculation arose when the influencer posted an enigmatic picture on Instagram, which reached over 3 million impressions and 82,000 likes, later appeasing the crowds with further content that clearly pointed to her collaboration with Aliexpress. The post became viral, and spawned various ecosystems for sharing, experiences and engaging conversations.



As illustrated above, the Platform21® methodology is non-linear, thus evolving from the traditional marketing funnel model. As previously explained and highlighted by the McKinsey Loyalty Loop, a circular framework adapts to a new reality in the ecosystem of media and content consumption. Platform21® considers several interactions and synergies that arise from the combination of the four identified moments, enhancing impact when they are targeted in a coordinated fashion.

The circularity of the framework serves to illustrate the fact that each touchpoint, message, channel, and moment of truth reinforces and builds upon another. With this multi-channel strategic approach, the aforementioned marginal benefit in ROI is achieved. Clients also secure the rewards of the Group’s focus on creativity, which additionally differentiates its offerings from the rest of competitors.

Platform21 is only possible due to the Group’s unique expertise and prowess in the development and execution of creative projects, where messages are portrayed across different platforms, united under a single strategy that encompasses the goals that a given client wishes to achieve. The creative aspect is not a mere complement to a successful media and communication strategy, it is paramount and a differentiating factor that modern brands need in order to thrive and set in motion ecosystems of loyal clients within a society.

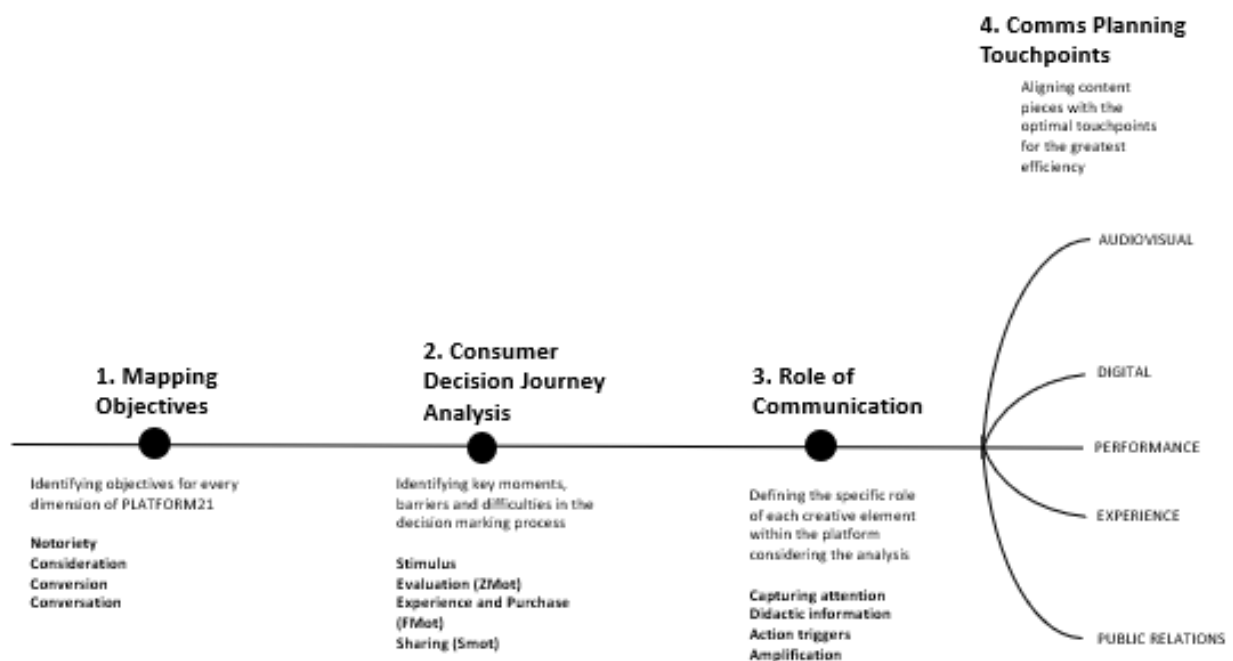
Phases of the Methodology

The Group gathers information by monitoring relevant messages in social media and entertainment channels prior to the execution of any project. On a day-to-day basis, the focus is on engagement and performance of creative spikes, tactical messages that generate brand awareness and enhance public relations. This prior step is key to achieve relevance and secure the benefits of earned media, thus strengthening any given clients’ digital presence.

Once the main objective of the campaign is set, and the role of communication channels has been identified, optimal touchpoints are identified so that the best results for the targeted objectives can be provided.

With this information, the Group establishes which elements of creative development are necessary to maximize the impact of each of the communication platform pieces, on the overall results of the campaign.

The illustration below constitutes a roadmap displaying the Group’s own unique methodology, which maximizes the impact of creativity on communication, leveraging the marginal benefits of multi-channel approaches, thus constituting a competitive advantage that will be further expanded upon in section 3.3 of this Information Document.



J21's unique methodology blends itself perfectly to its integrated services model, which consists of a differentiated specialized subsidiaries ecosystem with capabilities to adapt to every clients' needs at every point in time in the Platform21® framework. Whether it be strategy, advertising, digital communication, product development, digital experiences or public relations, J21 focuses on putting creativity at the center of every solution in order to achieve the aforementioned marketing multiplier effect that improves the efficiency and impact of marketing strategies for clients and society as a whole. The following section describes the specialized subsidiaries ecosystem, integrating the spectrum of creative tailored solutions provided by the Group to its clients.

3.2.4 Integrated services

The Group provides a One-stop Shop offering which can be classified in the following categories.

Research & Strategy

- Data, insights and strategies that provide clarity among uncertainties
- Consumer Research/Digital Analytica/Brand design/Trends & Culture research

These market and sociologic investigations serve to obtain data that serves as an important input when conceiving the optimal strategic plan. Data includes but is not limited to the current view of the brand, and common interactions within the brands ecosystem, in order to correctly market and enhance its recognition, and user experience.

For each project the Company sets a prior investigation to understand the market, its clients, and its competitors. Based on this research, J21 is able to define the best strategy and messages. Below, some of the tools and sources used are shown:

- Ad-hoc consumer & market research
- Social listening tools
- Intelligence & Research Platforms: WARC, Euromonitor, Kantar

Advertising and Content Creation

- Simple and memorable ideas that help brands and businesses
- Integrated campaigns/Digital growth/ Public Relations & Influencers/Experiential & Events

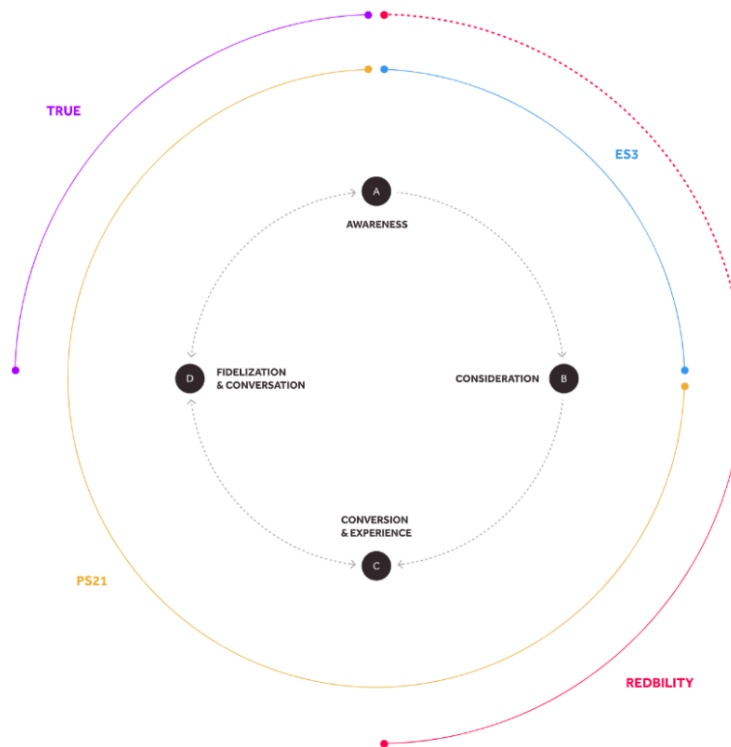
Designing the marketing and communication strategy that best enhances customer experience and upgrades the relevance of the brand within society is a complex creative process. Data is used to plan and execute brand messages and other stimuli leveraging the Group’s subsidiaries’ expertise with different channels and touchpoints that complement each other and reinforce the overarching strategy.

Digital Experiences & Platforms

- A brand experience that is coherent and relevant at every stage of the customer journey
- UX/UI/eCommerce/Product & Service Design/Digital Production

Due to the high degree of complexity of projects, true success is measured after a substantial amount of time has elapsed, deep in the long-term, at 1,000 days since the beginning of each project.

The following illustration displays the execution of the Group’s unique methodology through each of its subsidiaries.



Integration of the Group’s specialized subsidiaries

Through its specialized subsidiaries, J21 offers these tailored services that leverage its unique methodology to develop and execute successful creative platforms and accessory campaigns.

JUNGLE21

A creative independent company, which seeks to leverage creativity in order to help companies grow and evolve. JUNGLE21 is not an advertising agency, but rather, a creativity agency. Creativity is always at the heart of every project, and in this way, ideas that are capable of true positive transformation arise. JUNGLE21 works in all stages of the Platform21 project.

As a creative agency, it helps C-levels, business owners and decision makers to transform their brands & companies designing new business models, products & services, experiences and brand platforms.

Services overview:

- Brand Strategy, Platforms & Comms Planning: design the communication strategy for each touchpoint of brand experience attending to the consumer decision journey.
- Brand Narrative Design: creating new brand identities, from logos to design systems, corporate narrative storytelling.
- Creative campaigns: apply insights from culture to inspire highly creative integrated long-running communications campaigns.
- Creative Spikes: working at the speed of culture, create short-term creative campaigns to raise awareness and activate sales.
- Branded content & Entertainment: creating content that is directly linked to a brand, allowing consumers to make a connection with it.

List of capabilities:

- Strategy: Brand Platforms, Communication Planning, Research, Innovation Strategy, Always In.
- Consulting: Brand Design, Brand Narrative, Experience.
- Ideas: Campaigns, Creative Spikes, Entertainment, Content, Experiential, Social & Influencer.

True.

TRUE seeks to offer a public relations service providing support to the Group's campaigns, as well as clients demanding a management strategy itself. The goal is always to generate meaningful and lasting conversations between brands and their audiences, through fully personalised and result-oriented strategies.

As its name suggests, *True* unites creativity and credibility with the firm conviction to transform public relations and the goal of making ideas the primary focal point. An objective is to generate meaningful and lasting conversations between brands and society, leveraging imagination and innovation. Its area of expertise within the Platform21 framework is in dimensions classified as "sharing", fidelization and conversation, or second moment of truth. *True* offers clients tailored and adjustable strategies and solutions in relation to communication, public relations, and influencers.

Services overview:

- PR & Media Relations: True's teams support clients in developing creative communications strategies that will drive knowledge and understanding of their business and services amongst key stakeholders.
- Public Affairs (PA): institutional relations, corporate diplomacy and lobbying.
- Events: promote brands, products, or services through corporate public events, product samplings & event sponsorships.
- Influencer Mk: plan and execute integrated campaigns where influencer marketing serves a pivotal role in helping organizations achieve their goals.

List of capabilities:

- PR: corporate communication, international communication, messages and narratives, branded content, co-branding, institutional relations, internal communication, audits, spokesperson training, crisis communication.
- Experiences: events, product sampling, brand awareness, MICE (Meetings Incentives, Conventions & Exhibitions), sponsorships, content.
- Digital: social media, influencers, campaigns, brand reputation, SEM/SEO (Optimization search engines), advergames.



ES3 is the Group's digital agency. It facilitates the communication of brands with new audiences applying strategy and creativity in the generation of digital marketing and communication. ES3 executes projects via digital channels and focuses on the development of the brand and social interactions with customers, prospective customers, and society as a whole. This subsidiary acts in all stages of the Platform21 framework, with a special focus on achieving awareness and interceding in the consumers investigation or evaluation phase of the customer journey.

Its most important clients included: Qualitas Auto, Madrid City Council, MASMOVIL, Google, FOX, Cadena Ser, Legalitas, Correos, ING or WWF.

Services overview:

- Digital & Social Campaigns: working collaboratively with clients to find their audience and communicate in digital and social channels.
- Digital Design: helping client to develop their digital ecosystem and create brand & performance campaigns through websites, display & digital video.
- Full stack web: ES3 has expertise working in full stack development ranging from Front end Development, Middleware Integration, Backend Development & DevOps.

List of capabilities:

- Creativity: strategy, campaigns, design.
- Social: content, management, ads.
- Development: full stack web, performance, analytics.



Redbility is a design studio and it is comprised by a multidisciplinary team, where human capital prides itself in its disruptive thinking, and in its observing and restless personality. Redbility designs creative trendsetting solutions and experiences with the objective to add value to businesses and brands. Innovation and user experience are cornerstone to its culture, aside from its incisiveness and dedication to

investigation and strategy, which also characterize Redbility. It could be said that Redbility's creative expertise takes place in a previous step to the rest of the Platform21 framework, but also in the consideration and the conversion and experience dimensions. Redbility excels in designing and developing apps, investigating and researching markets and consumers, conceptualizing products and services, as well as supervising the design and production process. Product and service design and development are especially attractive to those companies that wish to leverage the tailwinds that are boosting eCommerce, as Redbility makes the purchase moment, the most simple, attractive and engaging as possible.

The acquisition contributed a portfolio of outstanding clients such as Roca, Inditex or Acciona. Set up in 2003, it had 30 employees and €1.5 million in sales revenue in its latest fiscal year before acquisition. This acquisition provided the experience of over a thousand projects related to user experience and innovation. Its main strength was the long-term contractual relationship with its clients, exceeding 7 years on average, a figure much higher than that registered in the market (the average in the advertising industry is 2.4 years, according to Scopen consultancy).

The strategy of grouping the four divisions (PS21, REDBILITY, ES3, and TRUE) under the umbrella of the JUNGLE21 brand aims to gain transparency and solvency versus third parties, have securities admitted to trading to ensure staff loyalty and keep financing the commitment to organic and inorganic growth.

Services overview:

- **Strategic Consulting Research:** research to identify and understand the user's needs, motivations and habits in order to define the problem and the context in which the proposed solutions should be addressed. We are pioneers in having our own User Experience (UX) Lab that allows us to perform all kinds of tests necessary to obtain the Insights that will help us develop the right strategy for each of our projects.
- **Product Design:** design digital products that provide a memorable experience for the user and a competitive boost for the business with customized solutions that highlight the uniqueness of the brand of our clients. We adapt the methodology to the needs of the project and work together with the client in the definition of its digital strategy for e-commerce projects, mobile applications, and websites among many others.
- **Service Design:** going beyond the specific experience of the service to provide the user with a differential value that motivates them to use it in their daily lives. Understanding the needs, instead of jumping directly to a solution, makes true innovation possible.
- **Conversion Rate Optimization (CRO):** optimize the conversion rate with a 360° strategy, with the objective of converting visitors into buyers. Redbility combines CRO, Research and User Experience to

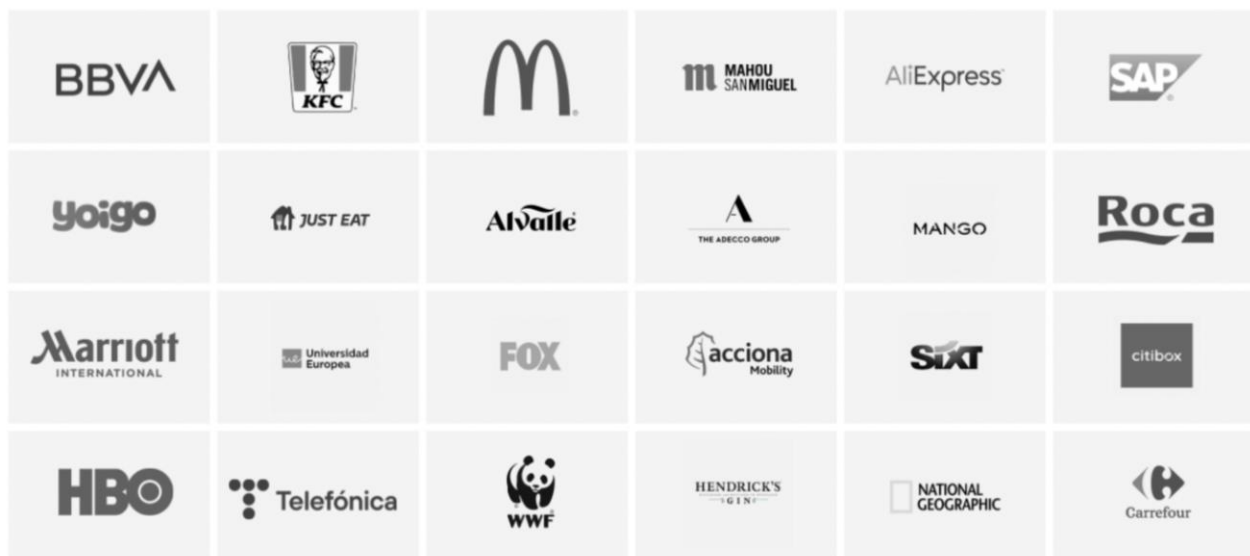
achieve the clients' goals. After an initial CRO consulting phase, it applies the right strategy to the specific needs of each project.

- Innovation And Digital Transformation: guide the digital transformation process from a strategy focused on customer experience. Digital transformation involves a change in thinking, fostering innovation and proposing new business models, incorporating greater use of technology to improve the customer experience.
- Brand Strategy: build brand, product, service and experience that represent the user and the target of clients. Redbility focus the strategy on creating experiences to differentiate and adapt to new needs, new interests and new trends.

3.2.5 Client Portfolio

The agency has become one of the main market players, thanks to the addition of relevant accounts such as: BBVA, Alvalle, Acciona, KFC, Grupo MasMóvil, Inditex, McDonalds and Roca, among others.

With a portfolio of over 50 clients, the Company focuses on business to business (B2B) and business to consumer (B2C), both, at national and at international level which are already making an effort in terms of marketing and communication investment, and which have a clear creative vocation when executing their campaigns.



The list below includes the information for the main clients of the Company:

- KFC: The Company is the Agency-of-record of KFC. Fee service is based on dedication of profiles x hours. Annual negotiation of the fee based on results, SOW (statement of work) and the profiles necessary to carry it out. The Company is in the fourth year of the relationship, starting the second 1,000-day plan of platform construction. Services provided, as a leading agency, are: communication strategy & creativity, 360º production, content creation, social networks and communication channels management.
- BBVA: The Company is the Agency-of-record of BBVA Spain. Fee service-based relationship - profiles x hour dedicated to the client. Yearly fee negotiation tailored on client's SOW and profiles required to accomplish it. Currently in the second year of a 3+2 years contract. As BBVA's lead agency for Spain, the Company offers the whole range of communication services: comms strategy, creativity and 360º production (ATL (above the line), digital).
- McDonald's: The Company takes care of McDonald's communication both at Corporate and Consumer/Brand level in Spain. The Company also offers design services, creativity and digital strategy in the relationship with influencers. Monthly fee based on the hourly dedication of each of the team members, which currently consists of 5 people. The fee is negotiated based on needs and results. The Company is in its second year of relationship with the brand.
- INDITEX: Nearly 3 years of relationship working under a dedication of profiles x hours. On a regular basis the Company has a team of 20/25 people working as implant. The service offered is the design of digital products with special focus on products, logistics, commercial and digital. The Company also supervises, coordinates and advises other management teams, in addition to the Brand guardian unit of the brand.
- ALIEXPRESS: The service agreement is an annual fee based on the time required by different profiles need to reach a scope of work (this SOW includes touch points to manage and marketing plan). Aliexpress fiscal year will end on March '22, so the Company will begin to negotiate a new fee '2022-'2023 next January. Current service agreement includes: strategy and management for their Social Media channels, content (including production), development of assets for campaigns and reporting of all these points.
- ACCIONA: The Company works with both Acciona and Acciona Mobility.
 - Acciona Mobility: 4 years of relationship. The relationship model is by fee with implant teams dedicated to product design integrated with technology and business teams.

- Acciona: The Company has been working on a project basis for 8 years. Trust and integration is the Company's added value. In 8 years it has developed approximately 20 projects. It is its consulting firm, focusing on product design.
- FAMILIA MAHOU - SAN MIGUEL: The Company works for three of the main MSM (Mahou San Miguel) brands: Budweiser, Corona and La Prohibida. The service agreement is an annual fee based on the SOW established and the profiles needed to achieve the goals for the different brands. In this case, 1 Account Director (50% time), 1 Account Manager (100% time), 1 Senior Account Executive (100% time) and 1 Junior Account Executive (100% time). The Company's service is in the first year of the first 1,000-day plan to build the platforms for each brand. The Company offers diverse services for each one of the brands as a leading agency: communication strategy & PR creativity, 360° production, content creation, influencer and social media content management and we also manage the brands relationship with KOLs (Key opinion leaders).
- GMM: (Yoigo, MásMóvil, LlamaYa, Lyca, Lebara, Yoigo Negocios, MásMóvil Negocios, EnergyGO, HomeGO, DoctorGO, MásMóvil Energía): The Company has been working for 14 years already. The fee service is based on an annual scope per profile needs and it's reviewed and negotiated each year. The Company offers services in a 360° digital experience in the production and strategy for each brand.
- ADECCO: Fee service based on dedication of profiles x hours (which is based on the time need by these profiles to reach a scope of work). In 2021, the work for Adecco started on October for 3 months of Social Media Management Adecco Red SM channels. The Company is now starting the negotiation to extend this initial agreement for the whole year 2022 due to the successful results, including strategy & channels of one more brand (Adecco Group) and brand strategy. Current service agreement includes: strategy and management for their Social Media channels, content development for those channels and reporting of all these points.
- JUST EAT: The Company is in charge of both Brand PR and Corp Comms for Just Eat in Spain, giving also support to the PA strategy when needed. The service agreement is an annual fee based on the SOW established and the profiles needed to achieve the goals for the brand. Currently, 1 Account Director (50% time), 2 Account Managers (100% time) and 1 Junior Account Executive (100% time). The Company is in the first year of the first 1,000-day plan to build the platform for the brand. Services offered as a leading agency: communication strategy & PR creativity, 360°.
- UNIVERSIDAD EUROPEA (UE): Fee service based on dedication of profiles x hours (which is based on the time needed by these profiles to reach a scope of work). 2022 will be the 5th following year of service to UE. Current service agreement includes: creativity and brand positioning, AV (audio visual) production, content creation, creative spikes & digital assets development production, content creation, influencer and social media content management and also managing the brand relationship with KOLs.

- ALVALLE: The Company is the leading creative agency for Alvalle (Pepsi) in its main European markets. Fee service-based relationship - profiles x hour dedicated to the client. Annual fee negotiation based on SOW and profile dedication required. Currently finishing the first year of the relationship (and negotiating the second one). As the brand's lead agency for the different markets (Spain, France, UK, Portugal and Belgium), the Company offers integral communication services: communication strategy, creativity and 360º production.
- FOX (DISNEY): Fee service based on monthly assets and profiles needed to develop it. 5 years client (in case of no changes, fee agreement is automatically renewed without renegotiate). Current service includes: creativity, SM (social media) management, content creation, Social ads management and reporting.
- NATIONAL GEOGRAPHIC (DISNEY): Fee service based on dedication of profiles x hours. Client (same as FOX) from June '21, there won't be fee renegotiation and the conditions remain if nothing changes. Current service includes: creative copywriting, SM management, Social Ads management and reporting.
- HENDRICK'S: Fee-based service based on the hourly dedication of the different profiles that make up the team. The Company is in charge of Brand Communication in Spain, including press office service as well as creativity, design and event organization and production.
- HBO: With HBO Spain we work on a project-by-project creating experiences based on the client's needs. The most recent project for the brand was the launch and press presentation of HBO Max in Spain.
- SAP: First year of relationship. The Company created a new service positioning as a result of the brand consulting project the Company does for SAP. It is a service based on a mixed-method methodology, branding, creativity, design, and communication strategy, and innovative and participative learning formats aimed at achieving a real impact on the company's mindset.
- MARRIOTT: The partnership between W Barcelona and the group starts with a brand consulting project to review the brand positioning and update the narrative framework. In addition to the branding services, the Company will manage the integral communication of the iconic hotel to drive the brand's priorities.

Likewise, the addition of McDonalds to the client portfolio was another milestone since this broke the unwritten historical agreement between clients whereby an agency cannot lead the creative strategy of two companies in direct competition with each other. Underneath this decision lies the conclusion that the connection with society must flood everything and penetrate the team with a common goal: to develop the best creativity for any client, regardless of the rivalry.

3.2.6 Client / Revenue Mix

J21's client and hence revenue mix is comprised by many large multinational corporations which are national or international key players in their respective sector. The Group earns 73% of its revenues from its top 15 clients, and 65% of its revenue from its top 10.

3.3 COMPETITIVE ADVANTAGES

Creativity

There is a huge demand for creative services in particular, as companies need creativity in order to stand out and benefit from the current state of media and content creation, where players constantly interact with each other and society, and gaining the attention and respect of customers is increasingly difficult.

The sector is to an extent already saturated, with millions of messages and stimuli created each day, meaning brands face intense competition when attempting to build their platforms.

The Group's first and foremost competitive advantage is its expertise and know-how in the creative field. The Group thus differentiates its offering by leveraging the power of creativity in the planning and execution of innovative strategies. A relentless focus on creativity is unique to the Group's service offering and its overarching mission and principles. As it can be seen from the Group's project track-record and increasing list of clients, creativity is one of the main keys to succeed in an environment that is continuously evolving and expanding.

Clients look for unique and creative strategies in order to stand out in their sector, and the Group welcomes, rather than fears, discussions as to the disruptiveness and creativeness of marketing campaigns. Other marketing agencies shy away from this as they understand the added difficulty (in time, and in resources) of perpetually developing and executing creative strategies. To the contrary, the Group embraces these difficulties and prides itself in its incessant goal of providing creative solutions, as these solutions are the ones that provide the most value-added to clients' brands and project goals.

J21 is renowned for its focus on creativity, and through this successful focus, has established itself as a boutique for companies with needs relating to creative services. Despite being organized into different subsidiaries with particular areas of expertise, there is an ongoing overarching focus on creativity that differentiates the offering from other competitors.

J21 is trusted for its unique methodology and framework, that fulfils both short and long-term objectives, placing creativity as a cornerstone for any and all messages and projects developed within the 1,000-day plans and beyond.

Methodology

J21 has a unique methodology that leverages multi-channel opportunities across distinct areas of marketing and communication, including: strategy, creativity, production, digital marketing, development, social interactions, digital products and services, communication, public relations and influencers. The Group works on 1,000-day plans that satisfy both long and short-term objectives, finding the equilibrium between tactical messages for specific purposes and emotional messages that aim to create a long-term relationship between a given client, its customers, and society as a whole.

Both Platform21 and the 1,000-day plans are proprietary frameworks of the Company's methodology that work in parallel, and that have already proven their effectiveness in practical cases such as KFC.

- The 1000-day plans allow to define long-term milestones and objectives of a company. These may have to do with positioning, awareness, business...etc. It depends on the client and their needs, so the metrics vary.
- Platform21 allows J21 to organize the tactical and creative execution to achieve the key results that allows the Company to fulfill the milestones defined in the 1,000-day plans.

The above-described proprietary methodology is a competitive advantage as:

- It provides the Company with a model that we can apply and replicate with any client.
- It provides the Company with a thinking structure that allows us to develop strategies in a more efficient and optimal way.
- In the different pitches in which the Company participates, this strategic approach is perceived as a unique and distinctive value of its proposal.
- Working on a 1,000-day strategic proposal is perceived by clients as a long-term and consistent vision.

Reputation and Track-record

The Group has a stellar track record of successful projects, upon which J21 has established a reputation of excellence in the offering of creative services. In addition, the awards received by the Company as a recognition of its reputation and track-record are detailed in the section 3.4 of this Document.

Highly experienced management team

Much of the management team of JUNGLE21 has been with the firm since it was founded and have significant experience in the creative services industry and the digital advertising space. In recent years, the Group has recruited experienced industry professionals to grow its presence. This combined experience has helped facilitate the continued profitable growth of the group business. The management team biographies can be found in section 4.1 of this document.

Proven financial track record and recurring revenue

The Group has been profitable since inception and has reported CAGR of 38% for the 2018-2021 period.

Even though some of the contracts are not long-term contracts, they are renewed every year, resulting in a long-term relation with the clients and thus in a recurrent income for the Company. In addition, JUNGLE21's customers have increased the amount spent with the Group over time.

Ongoing synergies

As it has been detailed, J21 is comprised by the integration of four unique subsidiaries each with a particular proficiency within a distinct dimension or stage targeted within Platform21. In practice, these four subsidiaries interact with each other constantly, and the grand majority of clients work with all of them, thus reaping the benefits of a multi-channel approach to the entirety of the consumer decision process. As previously explained, the marketing multiplier effect is not only achieved by leveraging different platforms, but also by targeting each stage of the consumer journey and by having distinct specialized subsidiaries attached through a single strategy with creativity at its nucleus.

Additionally, the consolidation of these specialized subsidiaries within J21 achieves two types of synergies. On the one hand, cost synergies are achieved as operating costs decrease when certain expenses, including human capital, infrastructure, training, equipment, research and development, or even insurance schemes are made increasingly efficient.

Revenue synergies are intensified as the services of each subsidiary are complementary and provide marginal benefits for clients. Currently, J21 targets every marketing and communication channel and objective, with subsidiaries specialized in public relations, digital media, or creating disruptive stimuli, thus configuring itself as a true One-Stop Shop. This positioning generates recurrent and growing revenues from clients, and provides the ability to sell new products, offer brand extensions, bundles and solutions. J21 will be able to transfer commercial capabilities and share best practices among its different subsidiaries. Another related advantage is that J21 will be increasingly able to pick and choose the most exciting projects and opportunities to work on, specifically those that best fit J21's mission, values and principles.

Client mix

The Group has a best-in-class client mix. In part, this is derived from J21's strategic positioning as a One-Stop Shop. The Group's client mix, which is primarily comprised by large multi-national companies, provides a robust and recurring source of cash flow. Additionally, the Group has the ability to choose those projects which are most aligned with the Group objectives. It is also important to note that, given the notoriety of the brands which J21 has as clients, the results of successful projects are well-known, and further reinforce J21's positive trajectory and stellar track-record, which not only serves to make clients evermore loyal, but also to draw in new clients with attractive multi-channel projects.

Lean company with agile and efficient activity

Unlike many other companies within the same sector, J21 focuses on its area of expertise, where it can create the most value for clients. Other competitors act as intermediaries within the advertising value chain, including costs from social platforms, such as Google, Facebook or Twitter, in their revenues, passing along these costs to clients. J21 has a lean organization and consequently, a slender/non-inflated profit and loss statement which only includes true value-added tasks. J21's activity is centred around the planning and execution of creative strategy, and thus from an organizational and financial perspective, is not caught-up in the inefficiencies inherent to intermediation in the advertising business.

J21 income comes only from the services in which they can add value in a direct and active way, while other companies also receive income from activities in which they are just intermediaries and they do not add any value (purchase of advertising spaces, audiovisual productions).

J21 measures the net income (sales – cost of sales), as it is the true income for their activity and where they create value. For example, contracting a producer that charges 300K€ for appearing in TV does not result in an income for J21 and thus it doesn't add any value. For this reason, they always measure themselves by the net income.

3.4 CERTIFICATIONS AND AWARDS

The Cannes Lions International Festival of Creativity (“Cannes Lions”)

Given the Group's excellence and stellar track record in the field of creativity, it was awarded with the Best Spanish Independent Agency prize in 2019. Receiving an award at Cannes Lions puts a firm among the world's elite, and recognizes persons and corporations as the most important and valuable in the worldwide creative marketing community.

The Cannes Lions festival, previously known as the International Advertising Festival, is a global event for enterprises involved in the is as of advertising, creative communication, and similar trades. It has a duration of seven days and is annually held in the Cannes Congress and Festivals Palace in Cannes, France. It is widely known for being the largest event in the world for advertising and communication firms, attracting over 11,000 delegates from over 90 countries to observe and attend workshops and seminars, including the prestigious awards ceremony which recognizes excellence in the sector. Undoubtedly, this festival constitutes the largest gathering in the creative marketing community.

Since its first outing in 1954, the Cannes Lions International Festival of Creativity has been bringing the creative communications industry together every year at its one-of-a-kind event in Cannes, not only to recognize the outstanding work of members of the community, but also to learn, network, and celebrate. Aside from exposure and engagement, Cannes Lions unites people, products and ideas in the same place, at the same time and becomes a perfect place to do business and change the direction of companies.

The festival provides significant credibility and visibility with top multinational executives, and challenges participants' creative standards to go above and beyond traditional projects and strategies. Creativity has become a driving force for business, for change and for good in the world. Creative solutions tend to be more effective, creative brands tend to be more successful, and creative communication tend to be more impactful. Cannes Lions is an example of the fact that creative skills, due to the state of modern media and content creation, are in higher demand than ever.

SCOPEN

The Group has been recognized by SCOPEN in a variety of categories: Top 10 for Agency of the Year in 2020, Top 5 for New Business, Top 3 for Global Market Perception in 2020, and Top 1 for Exemplary Agency.

SCOPEN is an independent consulting company that has been operating in the marketing and communication sector since 1990. SCOPEN is widely known in Spain and Latin America for conducting market investigations and research regarding the sector. Data used for recognitions is gathered from the input of over 1,300 professionals working in the marketing and communication sector.

SCOPEN's first research study was published in 1993. Onwards, SCOPEN has published over 30 market investigations which have become a true benchmark and measurement of the marketing and communication sectors, focusing on innovations and trends, recognizing those firms that have achieved superior track-records. Incorporated in Spain, SCOPEN has expanded into Latin America and currently has headquarters in Chile, Mexico, Argentina, Brazil or Singapore. Additionally, SCOPEN has published market investigations specific to countries such as China, South Africa, Portugal, or Colombia. Among the best-known publications are works such as Agency Scope, Trend Score, Salary Scope, Marketing Automation Scope or Agency Book.

SCOPEN collaborates with prestigious non-governmental institutions that constitute themselves as a cornerstone for the worldwide marketing and communication sector. An example is the aforementioned Cannes Lions, with which collaborations began in 2007. Currently and since 2011, SCOPEN is the official representative of the Cannes Lions Festival in Spain.

3.5 CORPORATE STRATEGY

J21 plans to grow through both organic and inorganic growth

3.5.1 Types of Growth

Organic growth

The Group will scale organically by consolidating its unique methodology and growing alongside existent clients which will provide recurring and expanding revenues as the results of current campaigns are continuing to improve and yielding attractive returns.

Having Company's own methodologies and work processes allows the Company to take on a greater number of projects without always starting from scratch. On the other hand, Platform21's methodology, by not only marking the field of advertising, but also adding other areas such as digital marketing, public relations or ecommerce, encourages the involvement of all the companies of the group in the strategic processes, even if they are not the ones leading the project.

To this date, the Group has been successful in delivering outstanding results to its clients. This not only implies that the Group retains a strong client base, but that these clients tend to rely on previous relationships for larger and increasingly important campaigns, especially when it comes to delivering creative services.

Creativity is the key to attain everlasting positive effects through service offerings that balance short- and long-term goals. The Group sets the stage for long-term returns on investments for clients with a unique methodology that is multichannel in its nature, thus growing with clients as these achieve their business and commercial objectives. Creativity in emotional messages is necessary for clients that need a long-lasting framework where businesses, consumers, and society interact. Because of this, the services provided by the Group remain recurrent and growing over time, as they are necessary for businesses to continue to thrive in the modern state of media and content creation and consumption.

Important clients increasingly look at creative agencies to provide short-term projects for specific campaigns that respond to current events. The Group leverages its creativity in order to plan and deploy tactical messages according to clients' needs, which in the case of multinationals that sell consumer goods, is an ongoing necessity. To the extent that these sorts of projects continue to be successful, the Group will grow and increase its efforts to satisfy short-term goals that are recurrent, yet different (hence the creative aspect) in nature.

Additionally, the Group will continue to launch new subsidiaries in order to expand their service capabilities. The latest successful example of this is the launch of the Group's subsidiary, TRUE, specialized in offering creative services in the realm of public relations. These sorts of operations not only bring in more clients, but also increase the holistic offering of the Group to existing clients, which may be interested in specialized services to satisfy given necessities.

The Group has the capability and resources, both capital and human, to continue to launch new subsidiaries internally, thus improving its offering and scale, and directly achieving future long-term growth. As detailed in section 3.4 of this Information Document, the Group has a healthy financial structure and can easily obtain debt financing at attractive rates in case significant investment that improve internal capabilities, is decided upon.

Inorganic growth

The marketing and creative sector is characterized as atomized, as top-quality competitors tend to be specialized and focused on their distinct area of expertise. Thus, mergers and acquisitions are the go-to strategy for companies in the sector attempting to scale and grow.

The Group plans on executing its growth strategies, further detailed below, through both organic and inorganic growth. The Group has previously successfully acquired and integrated two subsidiaries into its service offering: REDBILITY, and ES3.

The Group is continuously studying further acquisition targets, looking forward to replicating the successful consolidation of previous operations. Acquisitions must be differential and must be estimated to provide significant synergies through both revenues and costs, which are achieved as detailed in section 3.5.1 of this Information Document. Additionally, acquisitions must add value to the Group's differential lever, which reaps the rewards of the marketing multiplier effect through creativity, boosting product portfolios. Such has been the case in recent acquisitions, which have both increased revenues while maintaining solid and increasing profit margins.

Through further acquisitions, the Group will expand its offering, attract new clients, and build upon the marketing multiplier effect by leveraging its expertise in the creative transformation within the framework of its unique methodology. Although the Group surveilles a universe of around 50 companies of possible

targets, not all of these will fit the inorganic growth strategy at a given moment, and thus the Group will be patient in the study of targets, and aggressive in the execution of operations, if and when the right opportunities were to arise. With this in mind, as set in its latest strategic plan, the Group could carry out up to eight M&A operations in the next five years.

3.5.2 Drivers for Growth Strategies

Human capital attraction and retention

In an industry where qualified personnel is in great demand, it is essential to have the best team of professionals. Additionally, hired human capital must be talented and excel in areas relating to creativity, fitting the Group's mission and values. As such, the universe of prospective professionals is small, and the Group is conscious of the fact that attracting and retaining human capital is a strategic priority to achieve quality growth.

The Group is already considered one of the most attractive for marketing professionals due to its emphasis on creativity, its mission to achieve positive social impacts, and its holistic omnichannel approach to planning and executing communications projects. In fact, due to reasons including but not limited to the aforementioned, and as detailed further in section 3.4 of this Information Document, JUNGLE21 was recognized in the Top 6 of Independent Agencies in terms of the best places to work in within the sector by SCOPEN.

The Group will further increase loyalty and retention by offering incentive-based remuneration packages, linked to the evolution of its business, its results, and ultimately, its share price.

Geographic scope

The Group is considering expanding geographically within Europe and the Middle East in the long term. These locations are chosen as demand for offerings that are comparable to the Group's is high, while supply remains lagging. Thus, these new markets are a source of untapped potential for the Group. Additionally, the Group already is working with multinational companies, headquartered, for example in China and France. These sorts of relationships will ease the attainment of new clients in other geographies.

To the contrary of other competitors, the Group is not aggressively attempting to grow geographically at any cost. These have opted to expand, especially in Latin America, because many of its countries share the Spanish language, primarily through partnerships with local advertising agencies. However, the Group's priority, due to reputational, strategic, and mission-driven reasons, is to avoid risky partnerships where quality and control is relinquished at the expense of growth. Additionally, it must be stated that synergies arising from strategic expansions will be mitigated in countries that have significant risks related to currency, or rule of law.

The Group is aware of its particular expertise in the offering of creative services, and is decided to protect its values, mission, and successful track-record, along with its long-term relationships with client. Thus, for the moment, all activities are centralized, and geographic expansion will be carefully analyzed prior to making any significant decision.

ESG

The Group's strategy involves anticipating trends and constantly protecting and reinforcing its corporate image. With this in mind, it is a priority to become a pacesetter in the sector, especially in matters that concern the well-being of society as a whole, such as environmental and social governance.

To attain this aspiration, the Group has initiated the process in order to achieve the B-Corp certification. Certified B-Corporations are a new kind of business that balance purpose and profit. They are required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. This qualification will certify that J21 is a member of a global community of leaders, that drives a global movement of people using business as a force for good.

Certified B-Corporations are conferred this status by the non-profit institution: B Lab. In order to achieve this status, companies should have; achieved a high standard of social and environmental performance as measured by the B Impact assessment, verified their scores through transparency requirements, and made a legal commitment to consider all stakeholders, not just shareholders.

To summarise, it will be certified that JUNGLE21 is a for-profit corporation with modified fiduciary duty standard, held to higher standards of purpose, accountability, and transparency, and one which has internalized its duty to consider the best interests of employees, communities, customers and suppliers, as well as shareholders.

The process of achieving a B-Corp certification is quite extensive, ordinarily lasting around 8-12 months. The Group expects to achieve this important milestone shortly after its shares join the market in Euronext Access. This certification will boost attractiveness to both prospective investors (including specialized funds) and prospective clients (including companies that already are, or plan to be, B-Corp certified).

The B-Corp movement is a product of a universal improvement in the understanding of economic behaviour. B-Corporations provide a significant novel opportunity for investors through a greater acknowledgement of the real drivers that motivate and excite people. In this way, B Corps could make even greater profits than other types of companies. According to CircleUp/Helio in "The Business Case for Caring- A Helio Analysis of Certified B Corps", 75% of B Corps are in and over the 90th percentile for brand performance, and enjoy a sales growth that is 3 times faster than non-B Corps in the consumer goods and services category.

According to Bcorporation.net, globally there are around 3,600 Certified B-Corps. Of all these, only 11 were publicly traded as of May 2021. This will make it so that JUNGLE21 is one of the few public equity investment options readily available for investors. Becoming a Certified B-Corporation will have the potential to increase access to capital, attracting impact investment capital and sustainability-linked forms of credit. This certification will also create an attractive investment opportunity for retail investors and conscious clients aligned with an ESG-focused mission and principles. Additionally, the Group will attain potential enhanced brand equity, by joining other high-profile, highly respected leading companies, that are B Corps. Furthermore, B Corp status may help in the attraction and retention of talent, especially affecting high-value workers who want to work with meaning.

Aside from this certification, the Group plans on developing content for sustainable projects and platforms. With increasing scale and recognition, the Group will improve its ability to focus resources on projects that are most inspiring and aligned with its mission statement.

Attraction & employee retention

Being a listed company will allow the Company to structure products in its stock option program to retain the key talent in its business.

Adding talented companies to the ecosystem will make it a more attractive place for talent, as well as being able to offer movement between companies.

Getting ahead of trends

The Company is in the process to be a Certified B Corp, which will allow not only to have recognition in the market and by potential clients, but also to be able to offer services related to ESG projects, something that will be mandatory for large companies in the short term.

New products, services & intellectual property

In addition to the capabilities that new acquisitions bring, and will bring, the Company is going to develop its own products focused on scalability. Currently the Company already participates in projects focused on development with blockchain technology, in addition to being part of a joint venture whose focus is the creation of digital assets such as consulting and design of NFTs for brands and foundations. As of now, this is not generating any income for the Company.

Other areas in which we intend to invest is in proprietary data platforms, mixed / augmented / virtual reality content and the creation of academic and edtech products and services with a focus on creativity applied to business

Business Model

The Company's business model is based on the next step of "digital transformation", which is "creative transformation". This is the key lever for companies to differentiate themselves and to be relevant, as well as to have a positive impact on society and its brands.

Content Creators & Influencers

Clients are increasingly interested in achieving a successful digital transformation, including the use of digital media in their communication and advertisements. Many companies develop a website, online store, and other channels, but one of the most creative and successful forms of leveraging digital communication is through the successful incorporation of social media personalities and influencers into their marketing strategy. In its services, the Group goes above and beyond facilitating its clients' digital transformations. The Group becomes deeply involved in the creative transformation of a client by using its unique methodology and deploying tactical and emotional messages through an omnichannel approach. Thus, clients reap the rewards of the marketing multiplier effect and harvest positive long-term earned media.

With content developed by corporations being in intense competition with one another, the use of influencers can be especially attractive, due to their reliability, honesty, and their capability to execute engaging and thought-provoking content. These effects are especially tangible among the younger generations, which trust, interact, and rely on influencers to provide content and general guidance.

Influencers can be hired through agents, or directly in order to perform one-off brand deals and create content for their follower base. Additionally, influences can be incorporated into a brand project through organized platforms with a high number of "micro-influencers" that may be aligned in a distinct direction that further adds value to multi-channel creative communications strategies. The Group already has notable experiences working alongside influencers, as detailed in section 3.2.3 of this Information Document, and can build upon these symbiotic relationships to achieve growth in one of the most creative and innovative areas within marketing and communication.

Given the above, the Group incorporates into its investment strategy the goal of intensifying relationships with influencers and becoming a reliable source for the execution of both specific and long-term projects that leverage creativity in this medium.

Metrics and data to improve creativity and output of the platform

The Group has highlighted its ambition to continue improving creativity and outputs of its unique methodology and platform through the development of real-time metrics and data. The Group shows a successful track record in projects that involve social media and aim to harvest significant earned media. In

fact, the Group has achieved jaw-dropping results to the extent that it has been asked to commence or increase the scale of these sorts of projects with both existing and new clients.

Nevertheless, the Group looks to further strive and improve its offering by leveraging data analytics that provide actionable insight into any and all aspects of projects, especially on social media, where outreach, involvement and interaction can be easily quantified.

The Group routinely establishes relevant metrics and KPIs for any given project and messages within a project, but furthering these capabilities could become increasingly important as technology improves, and gathering and analyzing data could provide specialized insight into the intricacies of successful creative work.

Despite the fact that data analytics will become increasingly useful for creative companies, it cannot be pursued at any cost. The Group's current lean structure and agile efficiency could be disrupted if significant investment was deployed to grow in data analytics. Additionally, the Group will continue focusing on its expertise and proven success with creative services, which many times has an emotional intangible effect, and to this date, cannot be effectively measured. As a result, the Group will pursue growth in data analytics as a tool to improve its existing service offering, rather than as a source of additional income in the context of its own subsidiary.

While other competitors expand their data analytics capabilities by deploying large amounts of capital and launching analytics branches, the Group is aware that significant technological improvements will arise, and it will be better off by leveraging data analytics as a non-recurrent tool, to improve outputs of specific platforms, rather than investing large amounts that could stretch and weaken its core business.

Digital and audiovisual production

The Group plans on expanding its services offering by improving its capabilities in the marketing value chain. These sorts of investments have the capacity to become a source for growth as well as efficiency, strengthening, rather than diluting its expertise in the core business of creativity.

Digital and audiovisual production is intrinsically related to creativity, as it involves both creative as well as logistic decisions. The Group plans on growing by investing in equipment and human capital, that will align the mission and objectives of content distribution or publication, and content production.

Outsourcing production can prove to be costly in time and resources, as well as unreliable or even counterproductive. By developing production capabilities, the Group will implement its high-quality standard in the entire marketing value chain, and will align incentives and objectives of both content creators and content distributors, improving the quality of services for clients, by controlling the whole marketing process. Additionally, content can be further tailored to the specific needs of an individual

project. In the current state of media, where content is abundant and competition is fierce, having production capabilities will also allow the Group to reduce lag-times in the deployment of tactical and emotional messages.

Thus, not only will the Group grow in scale, it will also increase the effectiveness and efficiency of its projects and platforms. Effectiveness will be attained by aligning objectives, tailoring content, and leveraging the creative expertise of the Group. Efficiency will be improved by significantly improving lag-times from the moment a piece of creative content is planned, to the moment it is executed, and finally, to the moment it is published via omnichannel strategies. Additionally, a production unit will allow clients to quickly respond to current events, improving its interaction not only with its consumers, but also through its emotional connection with society as a whole.

3.6 FINANCIAL HIGHLIGHTS AND BUSINESS PLAN

J21's target is to triple the Company's gross margin every three years, with average annual growth of between 20-26%, supported by the acquisition of external firms that complete the services offered by J21, with the integration of two companies per year over the next three years.

Currently the team is made up of over 125 employees with creative profiles, strategists, producers, designers and consultants, with a revenue per employee of €95,000.

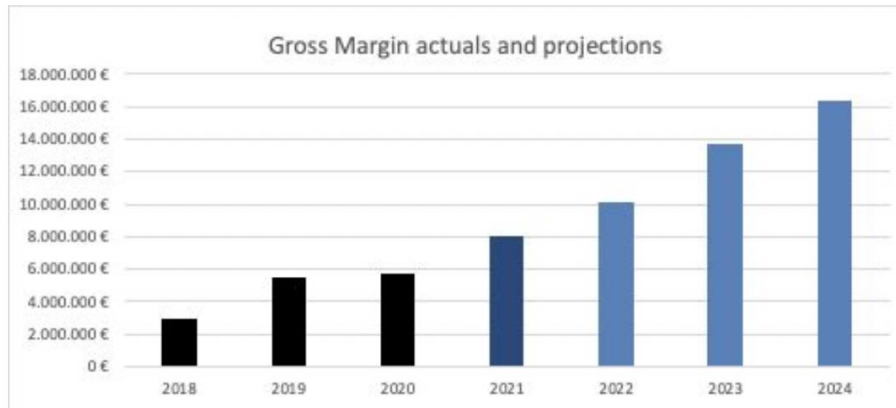
The Group's interest in accelerated growth stems from the need to opt for large accounts that require suppliers with minimum revenue levels, inaccessible to most independent companies. Size is therefore vital in this industry to achieve stability, security, retain talent and attract the best professionals.

The Group's financial and strategic teams are constantly studying acquisition targets, working with a universe of around 50 companies valued between €300,000 and €4,000,000.

Payment for these acquisitions is planned to amount to 50% of the price upfront, and 50% stock. Additionally, 50% of the upfront payment will be financed with debt. The costs related to each acquisition are estimated to be around 10% of the purchase price, with a maximum of €100,000.

According to Gesvalt, the expert valuator appointed by the Group, REDBILITY and ES3 transactions contributed to an increase in sales by 40% on the year of their acquisition, while improving their gross margin by 70%. In principle, the two companies are operating in the market separately and with their own brands, but in the medium-term, the Group intends to create multi-company teams for the development of cross-cutting projects.

In order to finance past and future growth strategies, J21 has either directly or through its subsidiaries entered into financing agreements with Spanish top-tier financial institutions for a total amount of €4,274,391. 41% of this debt is maturing before December 2023, and 59% will be maturing in 2024-2025.



3.6.1 Revenues

The group's business model is based on the integrated services that each of its subsidiaries provides. These revenues are recurring and increasing in nature, as clients tend to look to expand engagement of services by specialized subsidiaries in the scope of an existing creative strategy.

Revenue will be assured in two ways: 10% rate of organic growth per year and inorganic growth through new acquisitions or launch of own divisions, with € 1,250,000 extra revenue by acquisition.

The CAGR for the first three years (2018-2021) was 38%. For the current business plan (2021-2026), a more conservative rate of 26% is proposed. Onwards, and additional long-term period of stable growth at 2% is considered.

3.6.2 Costs

Given the nature of the Group's business model, within the consumer services sector, most costs are derived from the acquisition, retention, and training of creative talent. As the Group's revenue's increase, and projects are evermore specialized and complex, the Group will need to deploy additional human capital to fulfil clients' demands.

- The Group's expects a 2% increase in personnel costs in 2022, and a 3% increase per year from 2023 onwards.
- General expenses are assumed to grow at 10% per year.

- An additional yearly expense of €153,400 accounts for costs directly or indirectly relating to the listing of the Company's shares on Euronext.
- The Group will incur in an extra €300,000 personnel expense once it has ≥200 employees due to the increase of seniority when increasing the number of employees.

3.6.3 WCR (Working Capital Requirement)

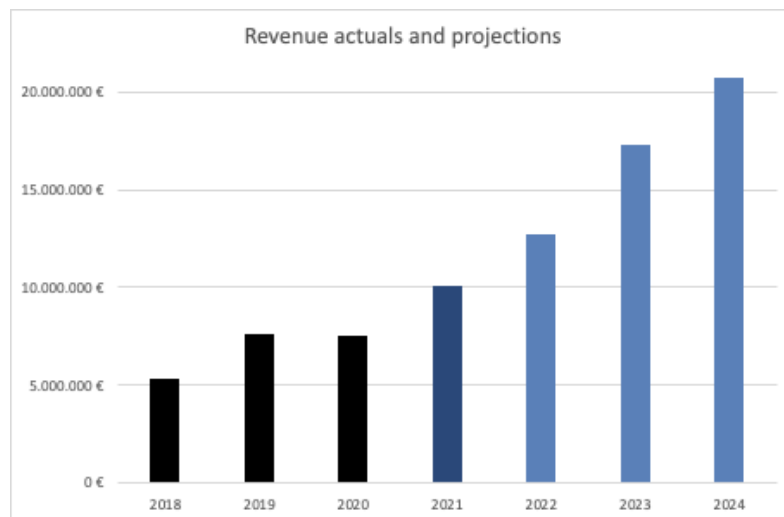
The amounts derived from the year-on-year difference in working capital generated are established as Working Capital Requirements for each year. WCR has been estimated based on the expected investment in working capital according to the evolution of the business. The Group's operating cashflow is robust, benefitting from collection periods that are almost half of the Group's payment periods.

The Board of Directors declared at their Board of Directors' meeting held on 15 December 2021 at the Company's registered office, that the Company has sufficient capital to meet all its short-term liabilities for the 12-month following its admission to listing on Euronext Access Paris.

3.6.4 Corporate Tax Rate

A €3.3 million deferred tax credit is considered. From 2023 on, taxes would be paid off and, for the Terminal Value, the application of a generic 25% tax rate is proposed. Allowable deductions for R&D expenses are not considered, under the principle of prudence in the valuation.

3.6.5 Projected Overall Revenue & Profitability



*As stated in section 3.6.1 above, revenue projections assume a 10% organic growth per year, and an extra €1,250,000 revenue per acquisition.

3.7 INDUSTRY AND COMPETITIVE ANALYSIS

The following section has been drafted by Gesvalt, the expert valuer appointed by the Group, which has analysed the market as a part of their top-down valuation for the Group. This is done with the purpose of introducing the economic environment in which the Group operates as well as determining the reasonableness of the assumptions that support the valuation.

3.7.1 General Industry Information

Amid a global recession, 2020 has seen the sharpest fall in global Entertainment & Media (hereinafter “E&M”) revenue in 21 years, with a decline of 5.6%. However, according to PWC estimates, E&M spending is expected to grow by 6.4% in 2021. For a 5-year projection period, the compound annual growth rate (CAGR) is forecast to be 2.8%, reaching \$2.2 trillion, maintaining the trend of recent years. At a particular level, the trend will not be so homogeneous and there will be marked differences between the different markets, segments and companies.

In Spain, revenue is expected to grow at a CAGR of 3.3% within the next five years, reaching € 32,567 million in 2024.

A K-shaped recovery is expected, that is, the results of the industry will differ considerably depending on the segment observed. The market has fragmented and, as a result, companies are identifying and adopting innovative growth models that adapt to the new preferences of an increasingly dynamic customer.

The health crisis has had a high impact on a sector marked by the behaviour of consumers, who have changed their habits, ways of socializing, working and entertaining themselves. Traditional revenue models have been questioned, while new formulas emerge to monetise contents and diversify the offer. Advertising, technology, and the competitive environment evolve in line with new information and content consumption habits. Nevertheless, while new opportunities are being created, businesses with a long tradition have been demolished.

Historically, advertising spending has increased or decreased in line with consumer spending. Last year this trend was broken, advertising plummeted, and although it will recover in the coming years, it will grow at a slower pace than the industry as a whole.

The loss of revenue from paper sales and advertising has not been offset to date by the increase in digital revenue from advertising or subscriptions. Therefore, the need to implement paid content models is assumed.

Advertising agencies will play a key role within the value chain, redefining advertiser-media relationships. Most companies will have to evolve by relying on technology. The progressive digitization has broken the classic paradigms of the business model focused on revenue from the sale of advertising space. Search

engines, social media, influencers, BTL (Below the Line) branding, among others, have absorbed a relevant portion of the investment volume.

Advertising budgets are diversifying towards new sources, media and developments of digital tools in order to optimise investment and returns.

On the other hand, along with the more classic spaces and formats, the focus will be put on niche channels, events and sponsorships which allow brands to associate with concepts that reinforce their positioning and reputation, along with other innovative strategies that may involve brands in the content design, for example, with original fiction productions where the brand is integrated into the narrative discourse.

Quality will be one of the main differentiating factors, giving priority to rigor, reflection and the improvement of the user experience over the search for clicks and audience volume.

The irruption of programmatic advertising on digital channels has revolutionized investment by advertisers. In addition to offering advertisers more specific and appropriate spaces, it allows the development of payment methods based on the interests of readers and viewers. However, these investments have not yet had a significant impact on revenue. In Spain, this type of advertising has become a way to lower prices instead of raising them, as has happened in other countries.

Technology is presenting the greatest opportunities to successfully reformulate the various value generation models for clients, users and brands, allowing a refined segmentation of profiles, interests, concerns and needs. Greater knowledge of the user will allow to offer a better, more personalised and relevant experience based on multiple variables. In this way, advertising will be less intrusive, and the campaigns' effectiveness will be increased.

Nevertheless, the development and implementation of such innovations requires a high level of investment, where the need to combine the short and long term, forces companies to find a difficult balance. Actually, the industry tends to be more focused on the short term, which affects innovation.

The current competitive framework is requiring different groups to seek cooperation alternatives, with the aim of forming solid alliances that allow them to gain competitiveness in this environment. The need for transformation entails a search for greater size and returns to guarantee its survival. In this sense, corporate transactions focused on obtaining greater volume, synergies, as well as service and production operational efficiencies are also accelerating.

Consolidating the market share, entering new business lines, expanding the customer base and the geographic reach or increasing the supply chain are being the main reasons to boost mergers and acquisitions. Although large companies within the industry have a strong dimension, they are required to continue growing in order to cover gaps.

As digitization has accelerated and advertising revenues come under pressure from COVID-19, large advertising agencies and media conglomerates are trying to simplify their models and structures. In any case, companies are looking to take defensive approaches to this type of transactions.

In short, the industry is facing numerous challenges, but the outlook continues to be positive, although business opportunities are not distributed equally in all industry segments. The acceleration of digitization and the change of habits will favour the most advanced segments, exhausting the possibilities of those that were already in the backward phase.

In order to build and maintain relationships with users, differentiate or increase skills, it will be necessary to understand and manage the complexities of consumer experience.

3.7.2 The Spanish Ecosystem

According to the InfoAdex study on Advertising Investment in Spain 2021, the actual investment volume recorded by the advertising market stood at € 10,793,6 million, which accounts for a -17.9% decline compared to the € 13,151.5 million reached the previous year.

In 2020, the rate of decrease of controlled media (previously called “conventional media”) was -18.1%, moving from € 5,957.7 million registered in 2019 to €4,878.9 million invested in 2020. As a result, the percentage of the total market obtained by controlled media in 2020 was 45.2%, one tenth lower than that of the previous year.

On the other hand, the so-called estimated media (previously called “non- conventional media”) accounted for 54.8% of the total amount invested in 2020, with € 5,914.7 million invested throughout the year, a figure -17.8% lower than the € 7,193.8 registered in 2019.

The following table displays the evolution of controlled media:

MEDIUM	INVESTMENT (millions €)	WEIGHT	YoY CHANGE
DIGITAL	2,174.30	44.50%	-5.30%
TV	1,640.30	33.60%	-18.40%
RADIO	486.40	7.70%	-22.90%
NEWSPAPER	335.80	6.90%	-30.80%
OUTDOOR	221.30	4.50%	-47.70%
MAGAZINES	194.80	2.30%	-43.30%
SUNDAY SUPPLEMENTS	12.30	0.30%	-53.70%
CINEMA	9.60	0.20%	-73.30%

Source: InfoAdex – study on Advertising Investment in Spain 2021.

The following table displays the evolution of estimated media:

MEDIUM	INVESTMENT (millions €)	WEIGHT	YoY CHANGE
MAILING	1,430.60	24.00%	-18.20%
TELEPHONE MARKETING	1,383.40	23.40%	-12.80%
MERCHANDISING / SIGNS	1,308.90	22.10%	-25.50%
SPONSORSHIP / CSR	510.30	8.60%	-9.90%
BRAND CONTENT	363.70	6.10%	1.60%
SPORTS SPONSORSHIP	356.90	6.00%	-11.90%
LEAFLET MAILING	250.40	3.30%	-21.70%
YEARBOOKS	80.50	1.30%	-39.40%
INFLUENCERS	61.80	1.30%	22.30%
POINT OF SALE ANIMATION	49.70	0.83%	-29.60%
CATALOGUES	28.70	0.50%	-32.40%
NATIVE ADVERTISING	28.50	0.50%	26.90%
LOYALTY CARDS	28.00	0.50%	-10.20%
ADVERTISING GIFTS	26.80	0.45%	-33.80%
CORPORATE PUBLISHING	24.80	0.42%	-10.00%
FAIRS AND EXHIBITIONS	24.60	0.40%	-68.80%
PROMOTIONAL GAMES	7.70	0.10	-71.20%

Source: InfoAdex – study on Advertising Investment in Spain 2021.

In 2020, there was a decrease in the year-on-year investment volume of investment in both controlled and estimated media, following a trend similar to the evolution of the provisional GDP data. The combined index for the media on this indicator stands at 0.86%, one tenth and three hundredths below the figure obtained in 2019.

In regard to the behaviour of the two large media groups, the share of controlled media over GDP is five hundredths less than in 2019, while the estimated media lost seven hundredths.

CONCEPT	2016	2017	2018	2019	2020
Nominal GDP	1,118,522	1,166,319	1,206,878	1,244,757	1,119,976
Public investment.	5,235	5,750	5,962	5,985	4,879
Public investment.	6,832	7,191	7,269	7,194	5,915
Total Advertising	12,067	12,942	13,232	13,152	10,794
% Total Advertising	1.08%	1.11%	1.10%	1.06%	0.96%

Source: InfoAdex – study on Advertising Investment in Spain 2021.

Additionally, the following table displays investment by industry in Spain:

	INDUSTRY	2020 Investment (million €)	YoY Change
1	Automotive	387.40	-31.4%
2	Distribution & Restaurants	374.40	-16.0%
3	Finance	350.10	-10.9%
4	Telecommunications	295.4	-2.6%
5	Food	293.6	-2.8%
6	Public & Private Services	283.1	-8.4%
7	Beauty and Hygiene	233.7	-27.1%
8	Culture, Teaching & Communication	227.6	-30.8%
9	Beverages	124.7	-33.5%
10	Gambling & Betting	121.3	-10.8%
11	Health	120.9	-5.7%
12	Transportation, Travel & Tourism	89.2	-53.3%
13	Home	81.2	-9.4%
14	Sports & Free Time	79.0	-22.4%
15	Energy	70.1	-6.2%
16	Miscellaneous	69.7	-25.9%
17	Cleaning	46.1	3.3%
18	Building	37.6	-44.2%
19	Textile & Clothing	36.8	-32.8%
20	Industrial, Material, Work, Agriculture & Livestock	28.1	-20.1%
21	Office & Trade Equipment	26.2	-5.0%
22	Personal Items	23.8	-54.3%
23	Tobacco	0.1	56.5%
	TOTAL CONTROLLED INVESTMENT	3,400.1	-20.2%

Source: InfoAdex – study on Advertising Investment in Spain 2021.

3.7.3 Advertising Trends for 2021

The arrival of the pandemic has led to a change in consumption habits, manners and ways in consumers, brands and their communication. All of this is leading to a transformation in the industry that is affecting the main players. Some of the advertising trends for 2021 are listed below:

Changes in the relationship of brands with agencies: Although the entry of new players -such as marketing, communication and advertising service providers- was expected, the reality is that only new advertisers have emerged in this new scenario. Small companies and businesses have been forced to sell their products in stock through e-commerce by means of digital channel advertising.

Relationship between companies and advertising agencies: The lockdown has strengthened relationships of trust with agencies, perceiving them as strategic partners to remain present in the minds of consumers.

Revolution in industry prices: Part of the work has demanded urgent responses requiring a commitment and sensitivity adjusted to the new reality, with more competitive prices.

Diversity: The cross-cutting character of marketing profiles continues to demand attracting talent, that is scarce in new areas.

Organisational changes in agencies: The industry has opened the doors to a global labour market where talent can work for a campaign from anywhere and at the time required.

Definition and execution of the marketing strategy: E-commerce platforms grew by 39% in 2020 and are expected to increase an additional 30% in 2021, which will force to reconsider marketing strategies and advertising practices.

Advertising personalisation: A qualitative leap will take place in advertising personalisation to reach the target at the right time.

Audiovisual content pills: Short videos following the model of TikTok or Instagram Reels.

Mobile advertising: Investment will grow in advertising for small screens, and Stories and in-game advertising will be the preferred formats. The next step will be ads in messaging apps.

Liquid skins in display advertising: The skin is the personalisation of the header and the sides of a web page with the campaign's image, although incorporating videos so that dynamic effects and greater visibility are achieved. The classic display advertising will become more interactive and multimedia-based to connect with audiences.

Programmatic advertising with Artificial Intelligence: Managing programmatic ads through AI will help automate purchase processes in order to address even more specific audiences. Voice searches and the 5G network will allow for personalised conversations with relevant customers. Ad Tech companies are beating all expectations, hand in hand with omnichannel retailing, connected TV and the proliferation of outdoor advertising. New online events will allow the public to interact from their homes. On the other hand, in the retail sector, Augmented Reality has made it possible to better understand the products before buying them.

Connecting with the consumer in a cost-effective and respectful way, ensuring compliance with user preferences and legislative requirements in terms of privacy, will become one of the great challenges.

As behavioural trends and the society develop faster and faster, it will be crucial to take advantage of the power of data in order to continually check what works in terms of message, channel, (e.g.: call to Action), etc.

The trend towards micro-personalised messages across all relevant channels will accelerate even more. The drawback of this trend is the complexity of handling communication in practice, requiring greater flexibility on the part of advertisers.

Agencies will have the opportunity to get closer to their clients in order to strategically advise them, guide them from concept to idea generation, and fully assume the Communication and Media plan. Although this may reverse the trend of partially taking over these activities internally, in any case, clients and agencies will need to work as partners to succeed.

3.7.4 COVID-19 Impact

In a crisis as complex as the current one, the difficulty in making decisions increases notably. Therefore, it is more necessary than ever to know the needs of citizens, so as to adopt policies adapted to each customer.

First of all, there has been an increase in demand for web applications, e-commerce, digital strategy and website creation, linked to mobility restrictions enacted by governments. The disruption of physical sales encouraged companies to strengthen their presence and gain visibility. The consumption of online content skyrocketed, and, in this line, companies sought positions to meet that demand, through the production of their own contents. Paradoxically, online advertising dropped due to the fear of making investments that would not bring positive returns. With regard to the decrease in the development of mobile applications, it is considered as a shift of priorities from offline to online activity.

Event marketing was one of the main victims of bans on meetings and positioning strategies oriented towards the short term. As for graphic design, branding and positioning segments, their evolution has been compromised by strategies also focused on the short term, pragmatism and efficiency.

In this sense, Gesvalt can speak of a paradigm shift in the industry. In-home media consumption, including conventional television and the explosive demand for platforms such as Netflix, Amazon and HBO, has reached all-time highs. For their part, companies have strengthened their CSR campaigns to publicise their social initiatives. Sensitivity towards the new consumer makes them take more care of what and how it is told, in a more humane and close way. Likewise, immediacy is another consequence derived from the changing health situation that forces the processes to speed up.

In times of little social interaction, the bonds between brand and customer are strengthened, which does not always turn into immediate profitability, but into a stronger long-term relationship.

The market is experiencing an alteration due to the economic impact of the pandemic in all sectors and has evidenced the need to bring services and products closer through digital media.

The demand for applications, e-commerce, digital strategy and website creation has skyrocketed with the restrictions that world trade is going through. Companies must gain online visibility and put mechanisms in place that allow them to sell their solutions in a more effective manner, all while minimising their spending on advertising.

Likewise, in the coming years, companies will be encouraged to work digitally to gain competitiveness and boost their services. In this sense, the EU approved a package of extraordinary measures aimed at recovery within the “Next Generation EU” instrument, aimed at post-covid reconstruction, supporting investment in ecological and digital transitions. Although the trend towards the reduction of physical sales and the acceleration of the digital transformation had already been observed, the crisis has caused a faster transition than expected.

Investments must be redefined in terms of demand generation to adapt to the new scenario. In this sense, it is possible that, related to the need to provide new solutions for clients, new areas may arise for which it is necessary to have new agencies.

At the date of this valuation, there is insufficient market evidence, and Gesvalt are faced with an unprecedented set of circumstances that make it difficult to pass judgment now. That is why Gesvalt’ opinion must be contextualized as reflected in VPS3 and VPGA 10 contained in the RICS’ Red Book regarding “uncertainty in valuation”.

3.7.5 JUNGLE21’s Market Positioning

The Group has consolidated itself in the most prestigious rankings of agencies, according to data from the latest report from Scopen consultancy.

By way of example, the following should be highlighted:

- **Top 1 Exemplary Independent Agency**, and top 6 of all agencies (groups and independent)
- **Top 3 Global Market Perception Ranking**. Ranking of rankings that groups all the parameters.
- **Top 10 Agency of the Year**, according to agency professionals. The consulting firm highlights that the evaluations of advertisers are very critical of the industry and the competition. In this case, the most valued aspects are: originality; creativity effectiveness; and production quality.

The report also highlights that J21 is among the top 14 agencies in spontaneous knowledge and among the top 5 most attractive independent companies (those they would choose from a short list of 3 agencies).

This data supports the work carried out in record time to build a competitive team with high capacities. It should be noted that the data in the report are prior to winning the BBVA and McDonalds contracts.

3.8 DEPENDENCE ON LICENCES AND PATENTS

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

Nevertheless, the Group has registered intellectual property, most notably, the Group's unique methodology: PLATFORM21®, which has been previously detailed in section 3.2 of this Information Document.

The trademark registration has been granted by the Spanish Ministry of Industry, Commerce and Tourism through its Spanish Office for Patents and Brands, for 10 years, counted from the date of filing of the application (November 3rd, 2020), and may be renewed indefinitely for further periods of 10 years.

3.9 INSURANCE CONTRACTS

Insurance Company	Markel Insurance SE
Policy number	019S00659RCP
Insured	PS21 DESIGN STRATEGY, S.A.
Gross Insurance Premium	€7,570.49
Insured Amount	€1,500,000
Cover	Civil responsibility: professional, and general as well as legal defense expenses (up to €150,000), data protection (up to €60,000) or loss of documentation (up to €150,000).
Validity period	14 February 2020 to 13 February 2021, annually renewable

Insurance Company	PLUS ULTRA SEGUROS GENERALES Y VIDA, S.A. DE SEGUROS Y REASEGUROS
Policy number	GPDHM3000306
Insured	PS21 DESIGN STRATEGY, S.A.
Gross Insurance Premium	€1.304,89
Insured Amount	€634,686 (building) and €147,112 (contents)
Cover	Property damages (explosions, smoke, meteorological conditions, vandalism, collapse, electrical damages, flood) furnishings, machinery, valuable objects, trousseau...
Validity period	1 May 2021 to 30 April 2022, annually renewable

3.10 RELATED-PARTY TRANSACTIONS

As per the 2020 audited annual accounts, the Group loans in favour of Miss Valantine, S.L. (Group's sole shareholder) amounting to €414,000 and in favour of Agustín Vivancos Matamoros (chairman and CEO) amounting to €84,500, both maturing in 2022.

During the financial year 2020, salaries for work performance have been accrued to Agustín Vivancos Matamoros as sole director in the amount of €149,937.

4 ORGANIZATION

4.1 COMPANY'S FUNCTIONAL ORGANISATIONAL CHART

The Group's workforce is currently comprised by over 110 people, which have different areas of expertise. The majority of the people in the Group are creatives

J21's management team:



AGUSTÍN VIVANCOS.
CEO.



BEATRIZ ARCE.
GENERAL MANAGER.



VÍCTOR BLANCO.
ECD.



SERGIO GARCÍA.
STRATEGY DIRECTOR.



JACOBO PÉREZ DEL PULGAR.
INNOVATION DIRECTOR.



CARLOS ABELLA.
CLIENT SERVICES
DIRECTOR



PAULA MARÍN.
HEAD OF ES3.



ANA ZUMALACARRÉGUI.
HEAD OF TRUE.



MARIO SÁNCHEZ.
HEAD OF REDBILITY



MARÍA DAVILA.
FINANCE DIRECTOR

Agustín Vivancos - CEO & Founder

Entrepreneur with more than 25 years of experience, including startup launches, new product development, growth, M&A and strategy.

Mr. Vivancos is founder and CEO of JUNGLE21. He also founded PS21 in 2018 making it grow 3x in the first 3 years through acquisitions. Under his leadership, the company has achieved great recognition in the industry, positioning itself as the # 1 Exemplary agency and among the top 10 in terms of both employee and industry appeal. In just three years he has managed to place the agency as the first Spanish independent agency in Cannes Lions as well as the # 1 independent in the Effie Awards.

Before he was the founder of dommo, a creative agency; Before dommo, he was the founder of an e-commerce startup and a fashion company. He previously served as a financial analyst at Procter & Gamble. Social enthusiast, enterprising love, husband, father, food and travel lover, curious.

He is a lifelong learning believer, is currently finishing the OPM from Harvard Business School, but has also completed his annual training in M&A, innovation, leadership at London Business School, Singularity University or Stanford Business School. He is also an AMP from IESE.

He actively contributes to the sector, he is currently the president of the creative agencies association, ACT. Founding member of the Matador Club and Patron of the FAD Juventud.

Beatriz Arce - General Manager, PS21

Mrs. Arce has more than 20 years' experience working in creative companies, and she continues with the same purpose from that very first day: to empower creativity and transform brands.

Her experience through multinational and independent agencies, working for different brands and sectors, has made her become the professional she is today.

Before becoming Managing Director at PS21, she worked as Head of Growth, boosting new business and attracting big brands that today are part of JUNGLE21's portfolio.

Committed to creative excellence, she was trained at the Berlin School of Leadership and led projects which have won prestigious awards at Cannes Festival, Creative Club, Efficacy Awards, and more. Understanding the need to shape the next generation of professionals in advertising, she is part of the teaching staff of Zinkproject advertising school.

Character and passion in equal measure, Bea will always fight for great ideas, understanding that to grow clients and brands, creativity and innovation come first. This is what makes PS21 an industry reference.

Víctor Blanco - Executive Creative Director, JUNGLE21

Mr. Blanco is the executive creative director of JUNGLE21. For more than 14 years he has worked obsessively on doing things differently and considering creativity as a contagion to spread throughout the world.

He started his career in 2008 as a copywriter. Six years later, at the age of 28, he had already risen through the ranks to executive creative director of Remo, a referential independent agency at the time.

He has worked for different brands and different types of projects.

His work has been awarded in national and international advertising festivals such as, Cannes Lions, WARC, Premios Eficacia, Club de creativos de España or even Premio Ondas.

He also combines his work with teaching and lecturing.

Sergio García - Strategy Director, JUNGLE21

Bachelor's degree in Advertising at the Complutense University of Madrid, Mr. García developed his career both on the client and agency side of the business, working at Santander Bank and Leo Burnett. After that, he joined the strategy department at dommo, where he led the strategic development for local and global brands such as, Google, Lidl, and Yoigo, helping create a trends consultancy (NowTrends) and co-founded a creative production company (Randm). He was deeply involved in the transformation from dommo to PS21, and after completing his education in the Berlin School of Creative Leadership, he currently leads the strategy team in the company to build strong, relevant, and effective brands. His work has been recognised internationally in the biggest creative and effectiveness festivals such as Cannes Lions Effies, Warc Awards, El Sol or Eurobest amongst others. He's also a frequent public speaker on trends and innovation, and teaches strategy and innovation in several universities and advertising schools.

Jacobo Pérez del Pulgar - Innovation Director, JUNGLE21

Over 15 years working on the bridge between technology, business, trends & creativity. Mr. Pérez del Pulgar has designed brands, experiences, products, services, and campaigns for several companies such as, Google, Nike, KFC, SAP, Jose Cuervo, DIAGEO, BBVA, DIESEL, Movistar, Domino's Pizza, Mahou San Miguel or SONY in Europe, the USA & LATAM.

He is currently leading the innovation and consulting practice of the J21 ecosystem, both for clients and intrapreneurial projects. Previously, he has led many other creative and design projects internationally in Barcelona, Madrid, Milano, Hamburg, Los Angeles, Mexico City, Tulum & Austin.

His work has been awarded in creative and marketing festivals such as Cannes, Eurobest, Ojo de Iberoamérica, NY Advertising Festival, WARC Awards, Best Awards, EPICA, The Drum, El Sol, FIAP, EFFIE Mexico, Eficacia, IAB Inspirational, and One Show.

Lecturer & speaker focused on innovation, creative marketing, digital strategy, design thinking & content at academies & universities such as MAS,, TAG, IED, Zink, INESDI and Neoland.

Carlos Abella - Client Services Director, JUNGLE21

In 2006, Mr. Abella started in the world of advertising with Adstore-Y&R, where he worked in the account department for Movistar. Beginning work with a telecommunications client cemented the fact that he

wanted to make a career in the advertising world. After leaving Y&R he joined dommo, now PS21, to manage their Yoigo account.

He has worked for many advertisers and projects in a variety of national and international sectors such as: Marca, FCA Group (Alfa Romeo), Lidl, Openbank, Sanitas or Multiópticas. He is currently Group Account Director, responsible for the growth of clients, creating long-term relationships based on trust, knowledge and depth of their business. The move from a multinational (Y&R) to an independent company (PS21) reinforced his sense of work life: with more than 15 years' experience, he knows he made the right career choice.

Ana Zumalacarregui - General Manager & Head, True

Mrs. Zumalacarregui is the General Manager of True. She has been working on amplifying creative campaigns for over 20 years for some of the most important brands and public institutions in Spain. With a BA in Journalism and Spanish, a minor in Philosophy, and a Master's Degree, she created True to bring together the best creativity with the most effective PR strategies and techniques in order to create meaningful and lasting conversations between the brands and their audiences, not only in the media. Ana has been a Jury Member at El Sol and Euroeffies and she is part of the Board of Directors of the Spanish Communications Association (ADC).

Mario Sánchez - Product and Service design & Executive Director, Redbility

Mr. Sánchez is a partner at JUNGLE21 and one of the founders of Redbility. Under his leadership, for more than 20 years, Mario has sought to build digital products and services created under methodologies focused on serving users and maximizing business objectives. During his professional experience, he has led accounts and projects for international companies such as, Roca, Acciona, Telefónica, Cepsa, Nestlé, etc.

He is a faithful defender of order and passionate about creativity and methodologies. Mario is a mentor in the education sector, being a powerful speaker at different schools and universities. For Mario, innovation must always be present on a day to day basis, he truly encompasses his maxim: "the only constant is change".

Paula Marín - Executive Creative Director & Head, ES3

After graduating in Advertising and PR, Mrs. Marín started in the world of communication in Weber Shandwick agency, where she began to flirt with the digital world and the proto-social networks of the time. She continued her career in audiovisual production, to end up being part of a newly created agency, Estresarte Comunicación, in 2007. Since then, she has specialized in creativity and digital strategy, working for clients such as Google, Jazztel, Yoigo, Qualitas Auto, Correos, FOX, Ayuntamiento de Madrid, Warner Music and Amnesty International. Among the highlights are the launch in Spain of Google's social presence,

for which she developed the company's strategy and role in the local market, the launch of the Pop Up Project of Google's digital training platform Activate, and the inbound strategy for Disney's female channel, FOX Life.

She currently leads the team at ES3, the digital agency of the PS21 group, where she combines creativity with her knowledge of tools, formats, methodologies and platforms to create digital strategies and experiences, high performance campaigns, content planning and social media, always without losing sight of the results.

María Dávila - Finance Director

With an Economics degree from the University of Vigo, Ms. Dávila María has more than 10 years of experience in administration and finance.

She developed a large part of her career in the automotive group (Grupo Copo), carrying out cost and profitability analysis.

After going through the controller department and taking over the administration department of one of the Group's companies, her obsession with continuous improvement led her to complete an Executive Master's degree in Accounting and Financial Management at EAE Business School.

María currently works as the Finance Director of JUNGLE21.

5 GOVERNANCE AND SHARE CAPITAL

5.1 BOARD OF DIRECTORS

5.1.1 *Composition of the Board of Directors*

Member	Position
Mr. Agustín Vivancos	Chairman
“Miss Valentine, S.L.” legally represented by Ms. Beatriz Martínez Fuentes	Board Member
“Butler Digital, S.L.” legally represented by Mr. Luis Pérez del Val	Board Member
Mr. Manuel Giro de la Iglesia	Board Member
Mr. Isidoro Martínez de la Escalera	Board Member
Mr. Francisco Gallardo Báez	Secretary Non-Member

5.1.2 *Directors’ trajectory*

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

Agustín Vivancos

Entrepreneur with more than 25 years of experience, including startup launches, new product development, growth, M&A and strategy.

Agustin is founder and CEO of Jungle21. He also founded PS21 in 2018 making it grow 3x in the first 3 years through acquisitions. Under his leadership, the company has achieved great recognition in the industry, positioning itself as the # 1 Exemplary agency and among the top 10 in terms of both employee and industry appeal. In just three years he has managed to place the agency as the first Spanish independent agency in Cannes Lions as well as the # 1 independent in the Effie Awards.

Before he was the founder of dommo, a creative agency; Before dommo, he was the founder of an e-commerce startup and a fashion company. He previously served as a financial analyst at Procter & Gamble. Social enthusiast, enterprising love, husband, father, food and travel lover, curious.

He is a lifelong learning believer, is currently finishing the OPM from Harvard Business School, but has also completed his annual training in M&A, innovation, leadership at London Business School, Singularity University or Stanford Business School. He is also an AMP from IESE.

He actively contributes to the sector, he is currently the president of the creative agencies association, ACT. Founding member of the Matador Club and Patron of the FAD Juventud.

Beatriz Martínez

Beatriz has spent most of his career in fashion firms such as, Inditex and Pull & Bear, in sales, business expansion, new store openings, selection and employee training. She has been the Retail Supervisor at Levi's, leading store openings, personnel selection sales for the south of Spain, its islands and Portugal. She also managed El Corte Inglés openings in Portugal, as well as collaborating on the firm's "trend laboratory", with the Zinc physical store and the reissue archive of its iconic garments. She also worked with La Perla, the Italian lingerie firm.

From there, she moved on to the advertising industry, taking over the new business of dommo. Later, she founded and developed the trends and gastronomy hub, dommokitchen.

Beatriz has launched several startups, including Tristana, a fashion brand with the lightest cashmere jacket on the market. Currently she is managing a real estate company and an art investment company.

Beatriz completed her fashion studies at the Madrid School of Arts and Crafts; she has a Master's in Event Organization and a Master's in CoolHunting from Blanquerna / Ramon Llull University. She also has a Master in Fashion Production from the Centro Superior de Diseño, IED Madrid.

Luis Pérez del Val

Multidisciplinary and strategic business vision. High capacity at building and developing new projects, consolidation of existing projects with high growth rates and leadership in international expansion. Achieving funding in different stages: seed, bank and state funding; growth capital, IPO; debt issuance. Restructuring of companies and business lines. Extensive experience in training and managing teams. Over 20 years as an entrepreneur, CEO in the digital, e-commerce, media and classified sectors. Expert in Grocery Industry, retail and Last Mile delivery and fulfillment logistics. Three years' experience in investment banking M&A. Used to overcoming challenges in extraordinarily adverse environments. Expert in hyper growth management

Now he is at Glovo Group - Lola Market. Founder & CEO of Lola Market, a supermarket market place with delivery in 1h. Prior to that, he worked at Bodaclick (2014 - 2000) IPO in 2010. CEO & Founder. Capital raised €20M. EV 2010 €50M. Present in 12 countries in LaTam, South Europe and East Europe. 400

employees. Classified and Directory. Wedding Market Place. Also founded Eventoclick in 2004, a directory for MICE industry.

Degree in Economics and Business Administration from CUNEF - Universidad Complutense de Madrid.

Other positions currently held:

Member of Board: Dugun.com: wedding directory and classifieds related to weddings; South Summit: Main Event for VCs and Entrepreneurs in Spain; A3D Printer: 3d Building Printing; Patronage Horizontes Abiertos Foundation.

Manuel Giro

More than 15 years of experience leading teams to relentlessly pursue our goals. Successfully launching and building innovative premium brands that are present in +60 countries globally. Specialized in wines and spirits. Wide experience in brand and company acquisitions and their subsequent update being able to turn unanticipated situations into positive results. I define myself as hard worker, conscientious, strategic and critical thinker.

Actual: Co-owner and member of the Board of Directors in: Destilerías MG, Giró Ribot vinos y cavas, Ron Barceló, Gin Mare, MG Norte, Grupo Vinícola Marqués de Vargas, Amer Global Brands and also member of Junta Directiva Espirituosos de España.

He worked for 2 years in finance for Ernst & Young, Merrill Lynch and RSM McGladrey in Miami and Chicago. After that, he joined his family company (Destilerías MG) as an assistant director of the COO, marketing & sales and Finance directors from 2000 to 2015. Since then, his current role is CEO.

Executive MBA IESE Business School (2015) and Degree in Business and administration in the Universidad de Barcelona (1998).

Isidoro Martínez de la Escalera

Chief Marketing & Communications Officer of NH Hotel Group since 2014.

He is an Industrial Engineer and has a postgraduate degree from IESE. He is married and has 2 daughters.

He has an extensive and consolidated professional career, developed in recognized multinational companies in consumer goods, media and internet sectors. He has held various responsibilities in the general management and marketing area of Procter & Gamble, PepsiCo, 20th Century Fox, Antena 3 TV and Grupo Osborne.

In addition, he has developed his role as an entrepreneur as a founding partner of the communication agency QMS and in the digital marketing and social media consultancy firm, MultiPlatform Content.

He has been a Director for 9 years (2012-2021) of Biosearch, a biotechnology company listed on the Madrid Stock Exchange. Biosearch was acquired by the multinational, Kerry, in a bid that has turned out to be one of the most successful, in terms of price, for an acquired company on the Spanish Stock market.

Isidoro combines his business activity with working as a teacher at various top-level schools such as, the Instituto de Empresa, the Instituto Superior para el Desarrollo de Internet (ISDI), and the University of Nebrija.

He is a published author of the novel "Smoke in the Rain" (2010).

Francisco Gallardo

As a lawyer, he developed his professional career in the corporate area of the Law Firm, Cuatrecasas, where he reached the position of partner.

He is currently a partner of the corporate area in Martínez-Echevarría lawyers.

He has a wide experience in transactions related to company purchases, and in cases related to mercantile, civil and economic areas. Moreover, he has a wide experience in bankruptcy proceedings, corporate conflicts and integral advice to companies. He has directed projects concerning corporate restructuring, restructuring debt, international acquisition and sale of assets and equity interests.

He has advised several incorporations of companies to the Euronext Access and BME Growth markets, including the incorporation of the company with the largest market capitalization of BME Growth (two billion euros).

Graduate in Law from the University of Seville (1993), Master's in Company Legal Advice, Master's in Fiscal advice, Master's in Senior Management. Professor of several law schools, he participates as a speaker in numerous conferences held with first level entities, in terms of Corporate Law and Bankruptcy Law.

5.1.3 Assessment of the Board of Directors Related to Bankruptcy, Liquidation, and/or Fraud Related Convictions

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

6 RISK FACTORS

Set forth below are detailed those risks, uncertainties and other factors that may affect the Company's future results.

Type of risk	Description	Impact ¹	Risk management
Operating risks	Business strategy	●	Management experience and expertise
	Customer base	●	Top-tier client retention
	Client concentration	●	Further diversifying client mix
	Geographic concentration	●	Further diversifying country risk
	Competition	●	Leveraging feedback to maintain successful track record
	Competitive advantages	●	Continued focus on differentiation
	Contracts' duration	●	Procuring long-term relationships
	Majority shareholder	●	
	Key personnel	●	Incentive-based employment scheme
	Acquisitions or investments	●	Continuous analysis and due diligence
Financial risks	Debt management and interest rates	●	Hedging
	Financing	●	Continued access to broad financing sources
Legal, regulatory and economic risks	Litigation	●	Establishing compliance controls
	Deceleration of the economy	●	Expanding service offerings
Economic scenario and other risks	Sector and cyclical	●	Adaptability to changing economic landscapes
	COVID-19	●	Quality recurring sources of income
	Force majeure	●	Reviewing insurance policy effectiveness
	Volatility and liquidity	●	Procuring long-term investors
Risks associated with the stock market	Share dilution	●	Securing optimal financial structure
	Probability of losses	●	Conservative guidance by management
	Forward-looking statements	●	Backed by expert valuer

●	High impact
●	Moderate impact
●	Low impact

6.1 OPERATING RISKS

6.1.1 Business Strategy

The value of an investment in the Company is dependent, inter alia, upon the Group successfully implementing its growth plans and achieving the aims set out in this document. Although the Group has been successful in implementing its strategy to date and has a clearly defined strategy going forward, there can be no guarantee that its objectives will be achieved or that the Group will achieve the continued level of success that the directors expect or that certain successes might not replicate previous successes. Furthermore, the Group may decide to change aspects of its strategy described in this document. The Group's ability to implement its business strategy successfully may be adversely impacted by factors that

the Group cannot currently foresee, such as unanticipated market forces, costs and expenses or technological factors. Should it be unsuccessful in implementing its strategy or should it take longer than expected to implement its growth plans, the future financial results of the Group could be negatively impacted.

6.1.2 Retaining a premium customer base

The Group's strategy is to work with premium clients and the success of the Group's business model is dependent on retaining large numbers of premium clients and ensuring that advertisements are suitably placed with reputable publishers. In the event that the Group were to take an action which could damage the reputation or branding of the clients that the Group works with, this could have a significant impact on the Group's reputation and the willingness of its customer base and networks to continue to work with the Group. A decrease in the number of clients who work with JUNGLE21 could have an adverse impact on the financial position and prospects of the Group.

6.1.3 Client concentration

In the year ended 31 December 2020, the Group's top 10 clients accounted for 65% of revenues, and the top 15 clients accounted for 73% of the Group's revenues. The relationship of the Group with its key customers could be adversely affected by a number of factors, including a decision by a key customer to diversify or change how, or from whom, they source their services currently provided by the Group, an inability to agree on mutually acceptable pricing terms with any one of its key customers or a significant dispute with or between the Group and one of its key customers. If the Group's commercial relationship with any of its key customers terminates for any reason, or if one of its key customers significantly reduces its business with the Group and the Group is unable to enter into similar relationships with other customers on a timely basis, or at all, or if any one of its key customers imposes terms which vary significantly from the Group's standard terms and conditions, the Group's business, its results of operations and/or its financial condition could be materially adversely affected.

6.1.4 Degree of geographic concentration

JUNGLE21's revenue derived from national clients stand at around 85%, thus exposing the Company to geographic concentration risk, and making this susceptible to the Spanish' economy, which in case of declining could cause an adverse effect in the business, the Group financial results, its financial position, and future prospects.

JUNGLE21 is however already working with international clients headquartered in countries such as France or China.

International client base is expected to grow both, in geographies where the Group already has presence,

and boosted by an expanding service offering as the company carries out acquisitions, and, in the longer-term, in the Middle East, an untapped market with huge potential.

6.1.5 Competition

The Group's activity takes place in a competitive sector in which other specialized national and international firms coexist. The Group has a favourable competitive position and numerous competitive advantages (further detailed in section 3.3 of this Information Document). In the event that firms with which the Group competes, or new firms which the Group could begin to compete with were to pose a threat and reduce its business opportunities, the Group's business, results, financial structure and equity valuation could be affected.

6.1.6 Risks related to the long-term duration of competitive advantages

The activities in which the Group is involved through its divisions take place in competitive sector that require important human, material, financial, and technical resources, where other companies also operate.

The Group's positioning is substantiated by a series of competitive advantages (section 3.3 of this Information Document), which, in the unlikely event that they would not continue into the medium and long-term, could have negative repercussions on the Group's business, and its capacity to achieve long-term growth objectives.

6.1.7 A high percentage of contracts have a duration ≤ 2 years

As it is common in the sector in which the Group operates, a high percentage of contracts have a duration of less than two years, which could result in the long-term uncertainty of future cash flows. Notwithstanding, these contracts are automatically renewed, which results in the Group improving its recurring revenues year to year. Additionally, as is detailed in section 3.2 of this Information Document, the Group usually works on 1,000-day projects regardless of the duration of the contract, and clients tend to renew the hiring of the Group's services beyond the scope of these projects and the initial contract duration. As the Group achieves new clients and increases its service offerings, recurring revenues are expected to increase into the future. However, it must be stated that clients have the capability to end working relationships unilaterally at the end of the duration of their contract. As such, if many clients were to decide to not renew their contracts, the Group's revenues, profits, and financial position could be negatively impacted.

6.1.8 Majority shareholder

The majority shareholder of the Group holds a 91.63% stake of the share capital and voting shareholder votes. Mr. Agustín Vivancos is the Ultimate Beneficiary Owner of the Company's majority shareholder,

on top of being the CEO and Chairman of the Board of Directors, which grants him powers to exert a high degree of influence regarding the Group's decisions.

6.1.9 Dependence on key personnel and employees

Whilst the Group has a growing organizational structure and a management team that reduces the dependence on key personnel, the Group is managed by a reduced number of key high executives (highlighting among others Agustín Vivancos, CEO of the Group) whose departure could represent a substantial adverse impact on the Group's operations. The Growth and success of JUNGLE21 will depend, to a large extent, in the Group's capacity to attract, professionally develop, and retain the management team of the different departments comprising the Group's organizational structure. The loss of key personnel or the lack of capacity to find qualified professionals, could have a substantial adverse effect in the business, the Group financial results, its financial position, and future prospects.

6.1.9 Risk of conflict of interest derived from the possibility of the Directors of doing other activities

The directors of the Company might be directors or shareholders of other companies in the same sector, which can result in conflicts of interest in the decision-making regarding investments, disinvestments and business management that could affect the development of the Company's activity and therefore, its results.

6.1.10 Risks derived from acquisitions or investments

As detailed in this Information Document, the Group will consider opportunities to acquire or make investments in other businesses that could enhance their capabilities, complement current products, or expand the breadth of their markets or customer base. Whilst the Group has no current commitments with respect to any acquisition or investment, the Group will consider acquisitions in the future to grow the business. The Group's ability to successfully grow through acquisitions depends upon their ability to identify, negotiate, complete, and integrate suitable target businesses and to obtain any necessary financing. These efforts could be expensive and time consuming and may disrupt ongoing business and prevent management from focusing on operations. If the Group is unable to successfully integrate any acquired businesses, products, or technologies effectively, the business, results of operations, and financial condition will be materially adversely affected.

6.2 FINANCIAL RISKS

6.2.1 Debt management and the associated interest rate

According to the most recent financial data available (see section 10) JUNGLE21 the Group has a net financial debt position. The non-compliance with interest debt payments or with associated covenants could negatively affect the financial position of the Group, financial results or valuation.

Moreover, the financial debt of the Group is subject to interest rate risk, which would have an adverse effect on the Group's financial results and cash flows. Notwithstanding, as a mitigating factor, the Group entered a derivative contract with Banco Santander, to hedge against a rise in interest rates.

6.2.2 Lack of capacity to obtain financing for acquisitions or strategic partnerships

Currently, the Group is comprised by the combination of its subsidiaries PS21 and TRUE (developed in-house), as well as REDBILITY and ES3 (acquired companies). The Group intends to grow both, organically and through acquisitions and strategic partnerships.

In the case that the Group does not obtain financing to the extent that it cannot further acquire companies and expand its divisions as planned, the Group may have difficulties in achieving their objectives, which could impact their business, results, financial structure, and equity valuation. Considering its credit track-record the Group does not expect these circumstances will take place in the future.

6.3 LEGAL, REGULATORY AND ECONOMIC RISKS

6.3.1 Litigation and other adversarial actions in the ordinary course of business could materially adversely affect the Group

Although the Group is not currently party (either as a claimant or as a defendant) to any material litigation, it may be subject to such litigation in the future. In addition, the Group may be subject to other disputes, claims and complaints, including adversarial actions, by customers, employees, suppliers, insurers and others in the ordinary course of business. Significant claims or a substantial number of small claims may be expensive to defend, may divert the time and focus of management away from the Group's operations and may result in the Group having to pay monetary damages, any of which could have a material adverse effect on the Group's financial condition, business, prospectus and results of operations. In addition, adverse publicity or substantial litigation against the Group could negatively impact its reputation, even if the Group is not found liable, which could have a material adverse effect on the Group's business and financial condition.

6.4 ECONOMIC SCENARIO AND OTHER RISKS

6.4.1 *Deceleration of the Economy*

Unfavourable economic conditions, such as a recession or an economic collapse could negatively affect the demand for the Group's services and its pricing power. With adverse economic conditions, prospective clients could reduce the allocation of marketing spending in their budgets, thus reducing expenses in new projects, or searching for cheaper and lower quality alternatives from competitors. This situation could reduce the group's revenues and negatively the business, results, financial structure, or equity valuation.

6.4.2 *Risks derived from the sector and its cyclicity*

The marketing and communication sector is also affected by cyclical forces that partly depend on the macroeconomic and financial environment. The Group's clients' marketing and communication budgets could be influenced by factors such as: interest rates, GDP growth, inflation, changes in legislation, the geopolitical situation, and demographic or social factors. In the event that variations were to occur in said factors, the Group's business, results, financial situation, and equity valuation could be affected.

6.4.3 *COVID-19*

The pneumonia of unknown cause detected in Wuhan (China) was first reported to the World Health Organization (WHO) on 31 December 2019. The outbreak was declared a Public Health Emergency by the WHO on 30 January 2020 and later became known as COVID-19. Since then, the virus has spread across most world's countries, being Spain one of the worst affected. This led the Spanish Government to implement a state of alarm on 13 March 2020 and put the country under a strict lockdown aimed at containing the spread of the virus.

the Government delegated on to regional authorities the need to apply the measures according to the needs and particularities of each region, and these remained in place in some way or another until the end of summer of 2021.

Although COVID-19 affected all the Company's operations and forced this to put acquisitions on hold, the financial performance has been better than expected, and even new service agreements with prestigious clients have been signed during this time.

At the time of writing, and despite over 80% of the Spain's population being vaccinated, the country is battling the sixth COVID-19 wave. The new variant, first detected in South Africa and which became known as "Omicron", is rapidly spreading and leading the country to its highest level of infection rate per 100,000 inhabitants since the virus was first detected in 2020. Consequently, the Spanish' Government has restored the use of wearing facemask is all public spaces. It is to this date unknown how this Omicron wave will develop, or whether other waves will follow.

To this date, the possibility that COVID-19 leads to measures aimed at keeping social distancing exists, although the possibility that businesses are forced to temporarily stop their activity again is seen as unlikely. Should current circumstances change, it could lead to unfavorable economic performance, employment, consumption and the state of the economy in general.

The above mentioned could have an adverse material effect in JUNGLE21, its financial results, the balance sheet and the Company's working capital which to this date, is difficult to estimate. The Company continues to monitor the situation on an ongoing basis as of the time of writing, and has, to this date, not experienced any material impact.

6.4.4 Force majeure risks

Pandemics, epidemics, accidents, natural catastrophes, adverse climate conditions, unexpected geological circumstances, revolutions, uprisings, armed conflicts, terrorist attacks, general electrical power losses, or other major catastrophes could produce significant material damages, interrupt operations, destabilize the Group's financial structure, and affect revenues and financial results of the Group.

6.5 RISKS ASSOCIATED WITH THE STOCK MARKET

6.5.1 Share price volatility and liquidity

Euronext Access is a multi-lateral trading facility designed principally for growth companies, and as such, tends to experience lower levels of trading liquidity than larger companies quoted on the Regulated Market or some other stock exchanges. Following admission, there can be no assurance that an active or liquid trading market for the shares will develop or, if developed, that it will be maintained. The shares may therefore be subject to large fluctuations on small volumes of shares traded. As a result, an investment in shares traded on Euronext Access carries a higher risk than those listed on the Regulated Market.

Prospective investors should be aware that the value of an investment in the Group may go down as well as up, and that the market price of the shares may not reflect the underlying value of the Group. There can be no guarantee that the value of an investment in the Group will increase. Investors may therefore realise less than, or lose all of, their original investment. The share prices of publicly quoted companies can be highly volatile, and shareholdings may be illiquid. The price at which the shares are quoted and the price which investors may realise for their shares may be influenced by many factors, some of which are general or market specific, others which are sector specific and others which are specific to the Group and its operations. These factors include, without limitation, (i) the performance of the overall stock market; (ii) large purchases or sales of shares by other investors; (iii) financial and operational results of the Group; (iv) changes in analysts' recommendations and any failure by the Group to meet the expectations of the

research analysts; (v) changes in legislation or regulations and changes in general economic, political or regulatory conditions; and (vi) other factors which are outside the control of the Group.

6.5.2 Share dilution in the event of corporate operations or employee compensation plans

In the event of a capital raise, shareholders that do not partake in proportion to their participation prior to the operation would see their shares diluted. Additionally, the Group expects to acquire new companies partially or totally compensating targets in shares, which would result in the issuance of new shares. The Group could implement stock compensation schemes for employees that could dilute previous shareholders.

6.5.2 Probability of making losses on investment

Shareholders in companies such as the Group must remain wary of the fact that markets such as Euronext Access are designed for growing small and medium enterprises with future prospects, and, as such, shareholders assume greater risks compared to investments in large capitalization companies trading on regulated markets. Investors in Euronext Access should be adequately advised by an investment professional and should read this Information Document adequately and entirely prior to investing.

Additionally, given its high-growth prospects, the Group cannot guarantee the distribution of dividends to the extent expected by shareholders.

6.5.3 Forward-looking statements

This document contains forward-looking statements that involve risks and uncertainties. All statements, other than those of historical fact, contained in this document are forward-looking statements. The Group's actual results could differ materially from those anticipated in the forward-looking statements as a result of many factors. Investors are urged to read this entire document carefully before making an investment decision. The forward-looking statements in this document are based on the Directors' beliefs and assumptions and information only as of the date of this document, and the forward-looking events discussed in this document might not occur. Therefore, investors should not place any reliance on any forward-looking statements. Except as required by law or regulation, the Directors undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future earnings or otherwise.

7 INFORMATION CONCERNING THE OPERATION

7.1 REGISTRATION WITH EURONEXT ACCESS

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

ISIN: ES0105636007

Euronext Ticker: MLJ21

Number of shares to be listed: 16,586,127

Nominal price per share: €0.01

Reference price per share: €3.14

Market capitalisation: €52,080,438.78

First listing and trading date: 4/03/2022

Listing Sponsor: ARMANEXT ASESORES S.L.

Agent Bank: BNP SECURITIES SERVICES, S.C.A.

Central Securities Depository: EUROCLEAR FRANCE

7.2 OBJECTIVES OF THE LISTING PROCESS

This transaction is carried out within the framework of a procedure for admission to trading on the Euronext Access Market operated by Euronext Paris S.A., through technical admission. The proposed transaction does not require a visa from the Autorité des Marchés Financiers (AMF).

The registration on the Euronext Access Market will allow the Company to acquire notoriety and to adapt to the operation of financial markets before a possible transfer to a larger market that enables to continue its development, meeting the following objectives:

- Increase the Company’s shareholder base and provide shareholders with liquidity for their shares, as well as an ongoing market valuation of these.
- Enable the preparation and execution of employee stock option plans in order to attract and retain the best talent.
- Improve the Company’s notoriety, visibility and brand recognition.
- Provide absolute transparency improving trust among all stakeholders (clients, suppliers, credit institutions, employees, public institutions, and shareholders).

7.3 COMPANY’S SHARE CAPITAL

The registered share capital of the Company amounts to €165,861.27 and is divided into 16,586,127 bearer shares with a nominal value of €0.01 per share. The share capital is fully paid-in.

SHAREHOLDER	SHARES	SHAREHOLDING
MISS VALANTINE, S.L. ¹	15,197,085	91.63%
Treasury stock	822,213	4.96%
Other minority shareholders	566,829	3.42%
TOTAL	16,586,127	100,00%

7.4 MAIN CHARACTERISTICS OF THE SHARES

7.4.1 Voting Rights

The Company’s share capital is represented by 16,586,127 shares.

The shares are all of the same class and series, and they attribute to their holder the same rights and obligations.

¹ The Company is owned and indirectly controlled by Mr. Agustín Vivancos Matamoros as the Ultimate Beneficiary Owner of Miss Valentine, S.L.

Each share with voting rights represents or represented at the General Shareholders' Meeting shall entitle to one vote.

7.4.2 Transferability of shares

The shares and economic rights deriving therefrom, including the pre-emptive subscription right, are freely transferable by all means permitted by law.

The Company's articles of association govern the transfer of shares in case of change of control.

7.4.3 Admission to Clearance

The Company will appoint Euroclear France as entity in charge of keeping the shareholders' registry book, and it will be Euroclear France's role to ensure there are processes in place that guarantee the clearing and settlement of transactions between participants.

7.4.4 Dividends

The General Meeting or the Management Body may agree on the distribution of amounts on account of dividends with the limitations and fulfilling the requirements established in the Law 1/2010, 2nd of July of the Spanish Law of Corporations.

The General Shareholders' Meeting may agree that the dividend is fully or partially paid in kind, provided that the goods or shares subject to distribution are homogeneous, are admitted to trading on an official market at the time of the effectiveness of the resolution or are duly guaranteed by the Company to obtain liquidity within a maximum period of one year and are not distributed for a lower value than the one they have in the balance sheet of the Company.

7.4.5 Dissolution and liquidation

The company shall be dissolved in accordance with article 360 and subsequent of Law 1/2010, 2nd of July of the Spanish Law of Corporations in the event of dissolution.

7.4.6 Exclusion from Listing

In the event that the General Meeting of Shareholders resolved to delist its equity securities admitted to trading on Euronext Access or in any other Multilateral Trading Facility, and such exclusion agreement was not backed by all shareholders, the Company shall be obliged to offer, to the shareholders who did not vote in favour of the delisting, the acquisition of their shares at a justified price.

The Company shall not be obliged to the aforementioned obligation whenever it agrees the admission to listing of its shares on a different Multilateral Trading Facility simultaneously with its exclusion from trading on the Market where its shares are currently admitted to trading.

8 LOCK-UP

Miss Valentine, S.L. (the main shareholder of JUNGLE21) has agreed that for the first twelve months from the date of admission of its shares to Euronext Access (operated by Euronext Paris), it commits to a 90% lock-up of its current number of shares (or any interest therein or in respect thereof) of JUNGLE21 unless in the case of acquisition(s) of any external company/companies by JUNGLE21, in which case JUNGLE21 may fund up to 50% of the purchase price with shares held by Miss Valentine S.L., pursuant to JUNGLE21's business plan. In the event of acquisition(s), JUNGLE21 shall notify Euronext of such agreement.

9 COMPANY VALUATION BY AN INDEPENDENT VALUATOR

The Issuer has entrusted GESVALT SOCIEDAD DE TASACIÓN, S.A. (hereinafter “**Gesvalt**”) with an independent valuation of 100% of its shares. The report establishes a range of values as of 31 May 2021.

The purpose of this company valuation is to provide an independent opinion on the fair value of the Company’s Equity regarding its situation according to the most recent available information.

Methodology

According to IFRS 13 on Fair Value Measurement, the main asset valuation techniques start from three general approaches: cost, market, and income, which are in line with the International Valuation Standards issued by the IVSC.

The purpose of this valuation is to determine the Equity Fair Value of a business with recurrent and relatively stable operation. Due to this, Gesvalt deems the Discounted Cash Flow approach to be most appropriate, with the incorporation of comparable multiples like secondary procedure. In turn, in case of existence of non-operating assets, these should be thoroughly studied separately.

DCF is a dynamic valuation approach which starts from the analysis of the business’ past performance and the corresponding pre-determination of certain variables, by assuming a series of parameters to obtain a financial projection of the future financial activity of the business.

For applying this approach, Gesvalt must obtain the most accurate projection of future benefits derived from the economic activity as a result of the combination of business-related assets and the current and potential market positioning.

Valuation Process

According to the methodology proposed, the valuation follows the following steps:

1. Present Value of Cash Flows according the information given by the Company
2. Present Value of Terminal Value according the information given by the Company
3. Enterprise Value (Value of Non-Operating Assets) -if any- (Value of Debt)
4. Equity Value

The Discounted Cash Flow (DCF) approach is highly used in business valuations due to its rigour and analytical capacity. Its main advantages are:

- 1) facilitating the analysis of factors creating value for the business
- 2) recognising -in an explicit manner- the time value of the cash flows generated by the business itself

Therefore, the DCF approach is based on an estimate of the income that the operating business will generate, carried out in the most technical and objective manner possible.

The Enterprise Value, and consequently the value of the shareholders' contributions, will be determined by the present value of all future free cash flows generated by the business. The Enterprise Value (EV) is calculated according to the following formula:

$$EV = \sum_{i=1}^{i=n} \frac{CF_i}{(1+r)^i} + \frac{TV_n}{(1+r)^n}$$

Where:

CF_i = Value of Free Cash Flows in year "i"

r = Discounts rate ("Post-Tax" WACC)

n = Number of years of the explicit forecast period

TV_n = Terminal value of the Company in year "n"

Free Cash Flows

Free Cash Flows (FC_i) represent the income generated by the business in a given period, which are available to pay off both debt financing - through payment of the corresponding interests- and equity financing, through either payment of dividends or the creation of reserves of a legal, statutory or voluntary nature, which increases the theoretical value of the shares that make up the origins of the business.

For the case in hand, and due to the incorporation of accounting flows that are unrelated to the determination of cash generation by the operations (applications of capital grants, accounting depreciation and other items), the following structure is generated:

Sales Revenue
Cost of Goods Sold (COGS)
Wages & Salaries
Overhead Expenses
Depreciation and Amortisation
EBIT
Corporate Tax
NOPLAT (*)
Depreciation and Amortisation
Working Capital Requirements
CAPEX
FCF

(*) Net Operation Profit Less Amortisation and Taxes

Therefore, the free Cash Flows are the annual amounts of Gross Operating Profit (EBITDA = Earnings Before Interest, Depreciation and Amortization) less direct taxes and capital expenditure, plus possible variations in working capital.

Discount Rate

The discount rate (r) is the specific coefficient which must be applied to discount free cash flows. It is also known as “Post-Tax Weighted Average Cost of Capital (WACC), since the resulting rate is a weighted average of Cost of Equity and Cost of Debt, calculated as follows:

$$WACC = K_d (d\%) + K_e (e\%)$$

Where:

WACC = Discount rate.

d% = Weight of debts in the capital structure.

K_d = After-Tax cost of debt. The required rate of return on investment of the lenders of a company, that is, the return (interest rate= required by bank and other financial lenders, less the tax shield linked to the deductibility derived from such expense.

e% = Weight of equity in the capital structure.

K_e = Cost of equity. It refers to a shareholder’s required rate of return on an equity investment.

In turn, the cost of equity (K_e) is calculated as follows:

$$K_e = [R_f + \beta(R_s)] + I_p$$

Where:

K_e = Cost of equity.

R_f = Risk-Free return. In practice, this rate is equivalent to the return of long-term Treasury bonds.

R_m = Average market return of an investment in a business in the same industry as similar to the one being studied as possible (within R_s).

R_s = Risk premium derived from the differential between the estimated average rate of return of similar businesses (R_m) and that of risk-free financial assets, increased by the specific circumstances that condition the business under study.

I_p = Illiquidity and size premium, specified by the adjustment made in the estimate based on variables obtained from companies with listed shares and greater liquidity.

β = Systematic (or market) risk coefficient. Beta is a measure of correlation between the particular security (given industry) and the total equity market.

The volatility or total risk of an investment basically comprises two components:

- The systematic (or market) risk (β), which reflects the sensitivity degree of demand and the market uncertainty investors are exposed. Its value is derived from the factors that exist in the economy as a whole and that threaten all businesses (expectations, interest rates, inflation rates, political events, etc.).
- The non-systematic or specific risk of the company. This component of the global risk is eliminated through diversification of operations, markets, products or services, etc.

The aforementioned “ β ” indicator quantifies or enhances the risk of the contributions invested in the business and is formed taking into account, fundamentally:

- a) The degree of sensitivity of the market demand in respect of the subject company’s products and services. If offered goods
- b) and services are “expendable” or “luxury” items, the elasticity of demand is higher and therefore the risk of loss is higher as well.

- c) The type of business: for companies whose activity has a strong “cyclical” component, the risk is higher and therefore “ β ” is higher as well.
- d) The degree of diversification of activities, or in other words, of business’ products or services. In the event of a negative market situation, less diversification results in a greater risk for the company.
- e) The consolidation of the client portfolio and its degree of “loyalty”. The higher the number of clients and the longer the client- company relationship, the lower the business risk, and the lower “ β ”.
- f) The operational leverage of fixed costs. The higher the operating leverage of fixed costs (Fixed costs / Total costs or also due to the coefficient % Change in EBIT /% Change in Income), the higher the risk and the higher “ β ”.
- g) The financial leverage through the use of debt. The more debt financing, the higher the volatility of the benefit, the higher the risk and the higher “ β ”.

In general terms, a business with $\beta = 1$ has a risk level equal to the market; $\beta > 1$ indicates a risk level greater than the market risk, mainly due to a higher sensitivity of the market demand; and $\beta < 1$ means a risk level lower than the market. For the subject valuation, the estimate of beta has been obtained by using the Hamada Equation. According to this application, the beta of leveraged listed companies is related by eliminating the effect of their known leverage to adjust the result through the leverage of the target company. If this leverage is variable in time, a result will be obtained for each explicit period. The equation is as follows:

$$\beta_L = \beta_U [1 + (1 - T) D/E]$$

Where:

β_L : Levered Beta

β_U : Unlevered Beta

T: Tax Rate

D: Weight of Debt

E: E: Weight of Equity

Terminal Value

Terminal Value (TV) is the value of the going concern’s expected cash flow beyond the explicit forecast horizon. Generally, its calculation is based on the present value of the perpetual income stream expected to be generated by the company from that moment.

Assumptions and Variables

Projection Period

A 5-year time period is proposed with the intention of specifying the revenue to be received by the company within the 2022-2026 interval. From that moment on, the calculation of the Terminal Value is established.

An additional year (2027) has been added to the projections provided by the company due to the need to work with a stabilised residual value at rates consistent with the economy growth rate, set at 2%.

Discount Rate

The result of the calculation is presented below, starting from the quantification of the discount rate in order to later calculate the Enterprise Value and the conclusions derived from it:

Weight of Debt (2021)	37.27%
Cost of Debt	3.46%
Corporate Tax Rate	25.00%
Post-tax Cost of Debt	2.59%
Weight of Equity (2021)	62.73%
Risk-free Return (10-year Treasury bonds)	0.47%
β Unlevered Beta (industry)	0.84
β Levered Beta (company)	1.2179
Risk Premium ()	8.25%
Additional Risk Premium α	4.00%
Cost of Equity K_e	14.52%
WACC adjusted for illiquidity risk	10.07%

Terminal Value Calculation

TERMINAL VALUE	
NOPLAT n+1	€6,221,912.45
CAPEX	-
DEPRECIATION & AMORT.	-
NOF	-€961,375.69
FCF n+1	€5,260,536.75
Terminal Value	€65,152,971.72
PV of Terminal Value	€34,634,283.90

Enterprise Value Calculation

Once the values of the explicit Cash Flows and the Terminal Value have been estimated, the following conclusions are drawn:

- The Present Value of expected Cash Flows is **€17,569,309.73**
- The Present Value of the Terminal Value is **€34,634,283.90**
- Therefore, the Enterprise Value amounts to **€52,203,593.63**

Equity Value Calculation

In conclusion, in order to arrive at the Equity Value, the Company's debts must be subtracted, and non-operating assets (if any) and financial interests must be added.

The result of this adjustment determines the following value:

PV of Cash Flow	€17,569,309.73
PV of Terminal Value	€34,634,283.90
EV	€52,203,593.63
Adjustments	
Financial Debt	-€4,044,195.00
Non-Operational Assets	€3,910,000.00
EQUITY VALUE	€52,069,398.63

In addition, Gesvalt has conducted a sensitivity analysis where the potential impact on the model derived from a variation in the growth rate and the cost of capital has been contrasted, with the following result:

	1,50%	2,00%	2,50%
9,07%	€56,888,600.84	€60,057,455.38	€63,708,328.64
10,07%	€49,717,296.04	€52,069,398.63	€54,732,045.40
11,07%	€44,062,342.81	€45,860,534.53	€47,868,449.15

Complementary Valuation Approaches

In order to compare the result achieved by discounting the Free Cash Flows, Gesvalt has also applied the Multiple Valuation as a contrast method, based on transaction multiples within the industry.

Nevertheless, it should be noted that this valuation technique is a simplified method with a series of shortcomings and should only be taken as a reference to assess the extent to which the valuation reflects the market opinion.

PER MULTIPLE VALUATION	
Net Profit	€1,206,553.00
ENTERPRISE VALUE	€41,493,357.67
Financial Debt	€4,044,195.00
Non-Operational Assets	€3,910,000.00
Net Financial Debt	-€134,195.00
EQUITY VALUE	€41,359,162.67

EV/EBITDA MULTIPLE VALUATION	
EV/EBITDA Multiple	18,34x
EBITDA	€2,036,793.00
ENTERPRISE VALUE	€37,354,783.62
Financial Debt	€4,044,195.00
Non-Operational Assets	€3,910,000.00
Net Financial Debt	-€134,195.00
EQUITY VALUE	€37,220,588.62

In this sense, the result of the DCF valuation would be close to the upper range of values obtained with market multiples.

This deviation can be justified on three grounds:

- Data refer to January 2021, in the middle of the third wave of the pandemic and without the effects of the immunisation programmes carried out
- Multiples are biased by the penalisation of some subsectors particularly punished by the pandemic
- The company has shown a more efficient behaviour above average in the last strategic plan and this trend is expected to continue

Valuation Result

Based on the information provided, the valuations carried out and the valuation process described in the previous sections, Gesvalt concludes that the value of the Company will be determined as follows:

EQUITY VALUE: €52,069,398

(FIFTY-TWO MILLION SIXTY-NINE THOUSAND THREE HUNDRED AND NINETY-EIGHT EUROS)

Taking into consideration the valuation report of the Company issued by Gesvalt dated of 31 May 2021, the Board of Directors of the Company held on 15 December 2021 established a reference price of €3.14 per share, which implies a total value for the Company of €52,080,438.78. This valuation of the Company is included in the valuation range established by Gesvalt.

Value of JUNGLE21:	€52,080,438.78
Price per Share:	€3.14

10 FINANCIAL INFORMATION FOR THE 2020 FISCAL YEAR AS OF 31 DECEMBER 2020 AND INTERIM CLOSING AS OF 31 OCTOBER 2021

The financial statements set out in this Information Document have been prepared in accordance with accounting principles referred to in section 10.3.

The selected financial data included in section 2.3 derives from the audited financial statements as of 31 December 2020, and interim closing as of 31 October 2021.

The audited financial statements as of 31 December 2020, and along with the corresponding auditor's report is attached as **APPENDIX A**.

The financial data included in this Information Document has been translated into English for information purposes only. In case of any discrepancies, the original Spanish version of the audited financial statements shall prevail.

The Spanish Language financial statements as of 31 December 2020 have been audited by GT and are available on the Company's website: www.jungle21.com.

10.1 CONSOLIDATED BALANCE SHEET FOR THE FISCAL YEAR 2020 AS OF 31 DECEMBER AND INTERIM BALANCE SHEET AS OF 31 OCTOBER 2021

ASSETS (€)	31/12/2020	31/10/2021 (*)
NON – CURRENT ASSETS	2,983,727	3,524,407
Intangible assets	1,477,913	1,233,887
Tangible fixed assets	584,536	322,814
Investment property	189,819	-
Long – term investments in group companies and associated	498,500	948,500
Long – term financial investments	78,951	83,003
Deferred tax assets	154,008	936,203
CURRENT ASSETS	4,803,925	5,914,310
Inventories	35,178	104,080
Trade and other receivables	1,626,911	2,054,443
Short-term investments in group companies and associates	-	344,362
<i>Short – term financial investments</i>	<i>2,015,151</i>	<i>676,194</i>
<i>Short term accruals</i>	<i>45,488</i>	<i>97,067</i>
<i>Cash and equivalents</i>	<i>1,081,196</i>	<i>2,638,164</i>
TOTAL ASSETS	7,787,651	9,438,717

(*) Figures not audited or subject to limited review

EQUITY AND LIABILITIES (€)	31/12/2020	31/10/2021 (*)
EQUITY	1,402,157	2,443,138
Capital	165,862	165,862
Share premium	940,324	47,324
Reserves	178,058	483,252
(Shares and participations of the parent company)	- 187,282	- 187,282
Profit for the year attributable to the parent company	305,194	1,933,981
NON – CURRENT LIABILITIES	2,881,397	3,761,599
Long – term debts	2,881,397	3,761,599
CURRENT LIABILITIES	3,504,098	3,233,980
Short – term debts	2,269,821	2,199,000
Trade and other payables	1,234,277	1,034,981
TOTAL EQUITY AND LIABILITIES	7,787,651	9,438,717

(*) Figures not audited or subject to limited review

General Commentary:

The increase of the equity reflects the results of 2021, that has improved in comparison with the 2020 result. This has an impact on the asset side as well, increasing both the current ratio (1.37 in 2020 vs 1.83 in 2021) and non-currents assets (+18%) due to the investment in Holyvama Capital (Group Company), the loans of the parent company that will mature before the end of the year 2021 and the deferred tax assets recognized to the activation of the tax loss carryforward.

The debt ratio has decreased from 82% to 74%, resulting in an improvement of the solvency ratio (18% in 2020 vs 26% in 2021).

Notes:

- Investment property: the amount registered in 2020 corresponds to a land acquired by PS21 in 2020. However, as MRE was the real estate specialized subsidiary, the entry was removed when this subsidiary split-up from the Group in 2021.
- Inventories: correspond to work in progress, and it is part of the normal course of business. The Group registers the income in the month when it actually takes place, so that expenses are correctly linked to income. Once the Group issues a given invoice, the equivalent amount of inventories is removed.
- Trade and other receivables: as sales increase in 2021 in comparison to 2020, trade and other receivables also increase. Average days receivables in 2020 was 65 days, whereas in 2021 is 62 days.

- Short-term financial investments and accruals: at the end of 2020, the Group had a much greater amount of funds invested in financial securities. In 2021, when the Group was being restructured, it has sold a good deal of these assets, thus generating a financial income.
- Cash: the increase in cash corresponds to the Group's divestments in short-term securities.
- Share premium: decreases due to the split-up of MRE from the Group.

10.2 CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE FISCAL YEAR 2020 AS OF 31 DECEMBER AND INTERIM CLOSING AS OF 31 OCTOBER 2021

PROFIT AND LOSS ACCOUNT (€)	31/12/2020	31/10/2021 (*)
Revenues	6,539,717	7,860,124
Cost of goods sold	-1,582,811	-2,010,927
Gross margin or Income	4,956,906	5,849,197
%	76%	74%
Personnel costs	-3,341,185	-3,539,195
Net margin	1,615,721	2,310,001
General	695,144	641,266
Total general, personnel + admin.	-4,036,329	-4,180,461
Operational EBITDA	920,577	1,668,736
% margin	19%	29%
Financial expenses/income	337,445	216,081
Extraordinary results	-409,108	-327,615
PBTA	848,914	1,557,202
Amortizations + extras	513,359	405,416
Income tax	-30,361	-782,195
Net Profit	305,194	1,933,981

(*) Figures not audited or subject to limited review

General Commentary:

During 2020, J21 reduced the fees to its clients in order to adapt to the COVID situation. In 2021 the fees went back to the amounts charged before the pandemic or were even increased. This together with the addition of new clients such as Alvalle, BBVA Suiza, Aliexpress, Just Eat and MSM among others), has allowed the company to increase the sales by 18%.

Regarding costs, the company has applied a cost containment policy and managed to reduce the general expenses by 8% in 2021. On the other hand, the personnel expenses were almost flat, as it was decided not

to take any staff adjustment measures in order to keep and protect the teams and talent. Therefore, the cost containment jointly with the sales increase leads to an increase of the EBIDTA by 81%.

The net profit has increased by 534% due to the aforementioned above and the activation of the previous years' tax losses carryforward (+782,195€).

Notes:

- Cost of goods sold: remain stable (76% as of 31 December 2020 vs. 74% as of 31 October 2021).
- Personnel cost: remains flat, and despite the uncertainty of current times, the Group maintained its workforce.
- Financial expenses/extraordinary results: 2018-2020 was an investment period (acquisition of ES3, Redbility, launch of TRUE) and the Company has financed itself with bank loans that continue to be amortized in 2021, thus increasing financial expenses – an amount that is offset by the income generated by short-term securities.

10.3 PRINCIPLES, RULES AND ACCOUNTING METHODS

The financial statements are prepared using the accounting records of the Company and its subsidiaries.

The Directors of the company are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results, in accordance with Spanish GAAP, and in according with Law 16/2007 of 4 July, 2007 concerning the reform and adaptation of the commercial legislation in terms of accounting for its international harmonisation based on European Union legislation, Royal Decree 1514/2007 of 16 November, 2007 approving the General Accounting Plan, and Royal Decree 1159/2010 of 17 September, 2010 approving the standards for the preparation of annual accounts, in all that does not expressly oppose that set out in the commercial reform mentioned with the aim of presenting a true image of the equity, financial situation and results of the group as well as the accuracy of the cash flows included in the cash flow statement.

10.4 SCHEDULED DATE FOR FIRST SHAREHOLDER'S GENERAL MEETING, AND FIRST PUBLICATION OF EARNINGS FIGURES

Publication of the Company's earnings figures shall take place on or before 30 June 2022. The scheduled date has not been determined at the time of writing.

**APPENDIX A: AUDITED ANNUAL FINANCIAL STATEMENTS FOR THE 2020
FISCAL YEAR ENDING DECEMBER, AND AUDIT REPORT**

Report on agreed procedures

To the Chief Executive Officer of Jungle 21, S.A.U. and subsidiaries:

We have performed the procedures agreed with you below on certain pro forma consolidated financial information as at 31 December 2020 of Jungle 21, S.A.U. (formerly PS21 Design Strategy, S.A.U.) and subsidiaries as at 31 December 2020 and subsidiaries. Our work has been carried out in accordance with generally accepted professional standards in Spain applicable to agreed-upon procedures engagements based on the international standard ISRS 4400, which regulates the auditor's performance in this type of engagements. In an engagement of this type, it is the reader of the report who draws his or her own conclusions in the light of the objective findings reported, derived from the application of the specific procedures defined by you for the purpose of enabling you to evaluate certain pro forma consolidated financial information at 31 December 2020 of Jungle 21, S.A.U. and subsidiaries. Furthermore, the addressee of the report is responsible for the adequacy of the procedures carried out for the purposes pursued. Accordingly, we assume no responsibility for the adequacy of the procedures applied.

Accordingly, the procedures applied were as follows:

Having received the pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries at 31 December 2020 (attached in Appendix I to this report), as well as the documents defining the concepts and assumptions and assumptions made by the CEO of the Parent Company (attached in Appendix II to this report), the procedures carried out consisted of:

- a) Queries to the Group's key personnel regarding the criteria applied and the specific procedures performed for the preparation of the pro forma consolidated financial information of Jungle 21, S.A.U and subsidiaries at 31 December 2020.
- b) Verification that the amounts included in each of the headings of the pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries at 31 December 2020, in relation to each of the companies included in the pro forma financial information of Jungle 21, S.A.U. and subsidiaries at 31 December 2020, agrees with the amounts that can be deduced from the amounts and balances of each of these companies.
- c) Verification of the arithmetical accuracy of the various aggregations made by the Parent's management in relation to the attached pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries at 31 December 2020.
- d) Verification that the companies included for the preparation of the pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries at 31 December 2020 agrees with that stated to us by the management of the Parent Company.
- e) Obtaining a letter of representation from the Chief Executive Officer of the Parent Company including the Parent Company's responsibility for the preparation, sufficiency, completeness and accuracy of all information provided to us, as well as the Parent Company's responsibility for the adequacy of the procedures carried out for the purposes intended.

As a result of the application of the agreed procedures outlined above, we have found no exceptions.

Because the procedures described above do not constitute an audit or a review in accordance with Auditing Standards, we do not express an opinion on the information contained in the pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries as at 31 December 2020, prepared by the Parent Company (attached in Appendix I to this report). Had additional procedures been applied, other matters may have come to our attention that we would have reported to you.

Our agreed-upon procedures report is issued solely for the purpose set out in the first paragraph of this report and for your information and may not be used for any other purpose or distributed to third parties, other than Jungle 21, S.A.U. and subsidiaries, without our prior consent. We assume no liability to third parties other than the recipients of this report.

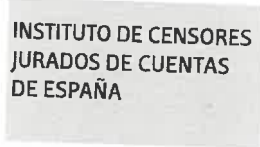
This report refers exclusively to the information contained in the pro forma consolidated financial information of Jungle 21, S.A.U. and subsidiaries as at 31 December 2020 and not to the financial statements of Jungle 21, S.A.U. and subsidiaries as at 31 December 2020, taken as a whole.

Grant Thornton, S.L.P., Sociedad Unipersonal



Iñigo Martínez Aramendi

15 November 2021



INSTITUTO DE CENSORES
JURADOS DE CUENTAS
DE ESPAÑA

GRANT THORNTON, S.L.P.

2021 Núm. 01/21/18463

30,00 EUR

SELLO CORPORATIVO:

Sello distintivo de otras actuaciones

Appendix I

ASSETS	31/12/2020
NON – CURRENT ASSETS	
Intangible assets	1.477.913
Goodwill on consolidation	816.116
Other intangible assets	661.797
Tangible fixed assets	584.536
Land and buildings	5.934
Technical installations and other tangible assets	578.603
Investment property	189.819
Investment Land and building	189.819
Long – term investments in group companies and associated	525.250
Other financial assets	525.250
Long – term financial investments	52.201
Deferred tax assets	154.008
CURRENT ASSETS	
Inventories	35.178
Trade and other receivables	1.626.911
Trade and other receivables	1.579.225
Trade and other receivables group companies and associated	-
Other receivables from Public Administrations	47.686
Short-term investments in group companies and associates	-
Short – term financial investments	2.015.151
Short term accruals	45.488
Cash and equivalents	1.081.196
TOTAL ACTIVO	7.787.651


 AV
 CEO JUN 21

EQUITY AND LIABILITIES		31/12/2020
EQUITY		1.402.157
Capital		165.862
Share capital		165.862
Share premium		940.324
Reserves		178.058
Legal and statutory		33.173
Reserves in companies by global integration		-
Other reserves		144.886
(Shares and participations of the parent company)		-187.282
Previous years' profit/(Loss)		-
Other shareholders' contributions		-
Profit for the year attributable to the parent company		305.194
NON – CURRENT LIABILITIES		2.881.397
Long – term debts		2.881.397
Debts to credit institutions		2.728.231
Finance lease payables		28.166
Other financial liabilities		125.000
CURRENT LIABILITIES		3.504.098
Short – term debts		2.269.821
Debts to credit institutions		2.066.448
Finance lease payables		3.373
Other financial liabilities		200.000
Short-term debts with group companies and associates		-
Trade and other payables		1.234.277
Suppliers		565.989
Suppliers group companies		-
Other suppliers		61.802
Employee benefits payable		87.948
Other payable to public administrations		518.538
TOTAL EQUITY AND LIABILITIES		7.787.651



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CEO Jungle 21

CONSOLIDATED PROFIT AND LOSS

31/12/2020

CONTINUING OPERATIONS

Revenue	6.495.075
Services rendered	6.495.075
Changes in Inventories of finished goods and work in progress	9.664
Own work capitalised	0
Supplies	-1.582.811
Work carried out by other companies	-1.582.811
Other operating income	34.978
Ancillary and other current revenues	32.992
Operating subsidies included in profit or loss for the year	1.986
Staff costs	-3.642.196
Wages, salaries and similar	-2.831.106
Social Security contributions	-811.090
Other operating expenses	-799.757
External Services	-690.847
Tributes	-21.185
Losses, impairment and changes in provisions for trading operations	-86.601
Other current administrative expense	-1.125
Depreciation of fixed assets	-513.359
Impairment and gains/losses on disposal of fixed assets	-3.484
Impairments and losses	-3.484
Other results	0
OPERATING INCOME	-1.890
Financial income	274.943
Marketable securities and other financial instruments	274.943
Financial expense	-108.104
For debts owed to third parties	-108.104
Change in fair value of financial instruments	170.605
Trading portfolio and others	170.605
Exchange differences	0
Impairment gains/losses on disposal of financial instruments	0
FINANCIAL INCOME	337.445
PROFIT BEFORE TAX	335.555
Income Tax	-30.361
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS	305.194
PROFIT OF THE YEAR	305.194



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CEO Junghe21

OPERATING INCOME	(1.890 €)
Amortisation of assets	513.359 €
Severance compensation	179.639 €
Employee bonus	121.372 €
Depreciation comercial	86.601 €
Other Tax	21.185 €
Depreciation property, plant and equipment	3.484 €
Regularizations and others	(3.172 €)
Adjusted operating EBITDA	920.577 €

Sales	6.539.717
Cost of good sales	1.582.811
Gross margin or Net income	4.956.906
	<i>75,80%</i>
Personel cost	3.341.185
Net margin	1.615.721
General	695.144
Total general, personel+general	4.036.329
EBIDTA	920.577
<i>% margin</i>	<i>18,57%</i>
Financial expenses	337.445
Resultados extraordinarios	- 409.108
PBTA	848.914
Amortizations+extras	513.359
Tax	30.361
Net profit	305.194


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 CEO June 21

Appendix II

Steps for the preparation of the Proforma Consolidated Financial Statements and calculation of the EBITDA at 31 December 2020 of the Jungle 21, S.A.U. Group and Subsidiaries:

1. The companies that form part of the pro forma consolidated financial statements are those that form part of the Jungle 21, S.A.U. Group. (formerly PS21 Design Strategy, S.A.U.) and subsidiaries.
2. As of 31 December 2020, the companies of the Jungle 21, S.A.U. Group (formerly called PS21 Design Strategy, S.A.U.) and subsidiaries. (formerly known as PS21 Design Strategy, S.A.U.) and subsidiaries are:
 - o Jungle 21, S.A.U. (formerly known as PS21 Design Strategy, S.A.)
 - o Randm Productions, S.L.
 - o Estresarte Comunicación, S.L.
 - o Redbilty, S.L.
 - o Mauro Real State, S.L.
3. As of 31 December 2020, the Jungle 21, S.A.U. and Subsidiaries Group has prepared consolidated annual accounts in accordance with NOFCAC.
4. As at 31 December 2020, Jungle 21, S.A.U. Group and Subsidiaries has calculated an EBITDA, based on the following assumptions:
 - a. It takes as a reference the operating profit reflected in the consolidated annual accounts mentioned in point 3 above.
 - b. This amount is increased or reduced by those items recorded which the Group considers non-recurring, as well as the depreciation and amortisation of its fixed assets:

Amortisation of assets	513.359 €
Severance compensation	179.639 €
Employee bonus	121.372 €
Depreciation comercial	86.601 €
Other Tax	21.185 €
Depreciation property, plant and equipment	3.484 €
Regularizaciones no recurrentes Regularizations and others	(3.172 €)


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CEO Jungle 21

PS21 Design Strategy, S.A.U. and subsidiaries

**Consolidated Financial Statements and Consolidated Management Report for the
financial year 2020**

Includes Auditor's Report on the Consolidated Financial Statements

This is a free translation into English language of the Audit report originally prepared in Spanish language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in case of discrepancies the Spanish language version shall prevail

AUDIT REPORT ON THE CONSOLIDATED ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

To the Sole Shareholder of PS21 Design Strategy, S.A.U., on behalf of the Sole Director:

Opinion

We have audited the consolidated annual accounts of PS21 Design Strategy, S.A.U. (hereinafter, the Parent Company) and subsidiaries (hereinafter, the Group), which comprise the consolidated balance sheet at 31 December 2020, the consolidated income statement, consolidated statement of changes in equity, consolidated cash flow statement and consolidated notes to the financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, a true and fair view of the Group's equity and financial position at 31 December 2020 and of its consolidated results and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in note 2a to the consolidated financial statements) and, in particular, with the accounting principles and policies set out therein.

Basis of the opinion

We conducted our audit in accordance with Spanish auditing standards. Our responsibilities under those standards are described below in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We are independent of the Group in accordance with the ethical requirements, including independence requirements, applicable to our audit of the consolidated annual accounts in Spain, as required by the regulations governing the audit activity. In this respect, we have not provided services other than auditing accounts, nor have there been any situations or circumstances which, in accordance with the provisions of the aforementioned regulations, have affected the necessary independence in such a way 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.

Audit highlights

Audit highlights are those matters that, in our professional judgement, have been identified as the most significant risks of material misstatement in our audit of the consolidated financial statements for the current period. These risks have been addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on those risks.

Revenue recognition

As mentioned in note 1, the Group derives its revenues mainly from advertising activities. In accordance with the applicable financial reporting framework and as indicated in note 3.p to the consolidated financial statements, revenue is recognised on an accruals basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Given the significance of the correct timing of revenue recognition, we consider this to be the most significant risk of material misstatement in relation to revenue.

Our main audit procedures at year-end 2020 included, inter alia, substantive testing of the revenue recognition process by obtaining external confirmations for a sample of outstanding receivables with, where appropriate, alternative verification procedures using subsequent proof of collection or supporting sales documentation. In addition, based on a sample of invoices close to both year-end and the beginning of the following year, we have verified the correct recognition of the revenue in the appropriate period. Finally, we have assessed whether the information disclosed in the consolidated financial statements complies with the requirements of the applicable financial reporting framework.

Impairment of trading operations

At 31 December 2020, as indicated in note 9 to the accompanying consolidated financial statements, the Group has a net value of Euros 1,579 thousand under "Trade receivables for sales and services". At the end of each year, the Parent Company's management analyses trade receivables for indications of possible problems of recoverability of outstanding balances, recognising the corresponding provision for impairment in those cases considered. In this respect, delays by customers in paying invoices issued give rise to a significant risk of material misstatement in relation to the correct assessment of the recoverability of receivables. In view of the above, as well as the relevance of the amount of the customers, we consider this issue to be one of the most relevant aspects of the audit.

In response to this risk, our audit procedures included, inter alia, obtaining details of invoices outstanding at year-end, analysing their age, obtaining external confirmations from major customers and, where appropriate, performing alternative procedures to verify unconfirmed balances and reconciling items. In addition, we have verified the collections from major customers occurring after year-end.

Subsequent valuation of Goodwill on Consolidation

As stated in note 4.b of the accompanying consolidated annual report, the Group has recognised under "Goodwill on Consolidation" in the consolidated balance sheet an amount of Euros 816 thousand corresponding to the positive differences arising between the carrying amount of the investment and the value attributed to this investment of the fair value of the assets acquired and liabilities assumed of certain companies acquired by the Parent Company and included in the consolidation. The estimate of the recoverable amount of these assets requires the exercise of judgement by the Parent Company's sole director, who has relied on a valuation performed by the Parent Company's management using valuation techniques, the calculation of which also requires the application of judgement. Due to the uncertainty inherent in these estimates, we consider this issue to be one of the most important aspects of the audit.

Our audit procedures included, among other things, an understanding of the process followed by the Group to obtain the information used as a basis for calculating the recoverable amount, an assessment of the impairment indicators and the methodology and assumptions used in estimating the recoverable amount, comparing the information contained in the business plans with the Group's own known historical experience. We also assessed the reasonableness of the valuation model and the main assumptions and data used in estimating the recoverable amount. In addition, we have assessed whether the information disclosed in the consolidated financial statements is adequate in relation to the requirements of the applicable financial reporting framework.

Emphasis paragraph

We draw attention to note 2.c of the accompanying notes to the consolidated financial statements, which describes the effects that the COVID-19 crisis situation could have on the Group's future operations. Our opinion has not been modified in this respect.

Other issues

The financial year 2020 is the first year in which the Group prepares consolidated financial statements and consolidated management report, although it is not obliged to do so, and therefore comparative figures for the previous year are not presented.

Other information: Consolidated management report

The other information comprises exclusively the consolidated management report for the financial year 2020, the preparation of which is the responsibility of the Parent Company's sole director and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. Our responsibility for the consolidated management report, as required by the regulations governing the audit activity, is to assess and report on the consistency of the consolidated management report with the consolidated financial statements based on our knowledge of the entity obtained in the course of our audit of those financial statements, and to assess and report on whether the content and presentation of the management report comply with the applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report them.

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

Liability of the Sole Director of the parent company in relation to the consolidated annual accounts

The Parent's sole director is responsible for the preparation of the accompanying consolidated annual accounts so that they present fairly the Group's consolidated equity, financial position and results, in accordance with the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as he/she determines 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 financial statements, the sole director of the parent company is responsible for assessing the Group's ability to continue as a going concern, disclosing, as appropriate, going concern matters and using the going concern basis of accounting unless the sole director of the parent company intends to liquidate the Group or to cease operations, or there is no realistic alternative.

Auditor's responsibilities in relation to the audit of the consolidated annual accounts

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

Reasonable assurance is a high degree of assurance but does not guarantee that an audit conducted in accordance with Spanish auditing standards 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 the consolidated financial statements.

As part of an audit in accordance with the regulations governing the auditing of accounts in Spain, we apply our professional judgement and maintain an attitude of professional scepticism throughout the audit. Also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is higher than for a material misstatement due to error, as fraud may involve collusion, forgery, intentional omissions, deliberate misstatements, intentional misrepresentations, or the circumvention of internal control.
- We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We assessed the appropriateness of the accounting policies applied and the reasonableness of accounting estimates and related disclosures made by the Parent Company's sole director.
- Conclude on the appropriateness of the Parent Company's sole directors' use of the going concern basis of accounting and, based on the audit evidence obtained, conclude on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to express a modified opinion. Our conclusions are based on evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to be a going concern.
- We assessed 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 a true and fair view.
- We obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We are solely responsible for our audit opinion.

We communicate with the Parent Company's Sole Administrator regarding, among other matters, the planned scope and timing of the audit and significant audit findings, as well as any significant deficiencies in internal control that we identify in the course of the audit.

Of the significant risks that have been reported to the Parent Company's Sole Director, we have identified those that were of most significance in the audit of the consolidated financial statements for the current period and which are, accordingly, the risks considered to be the most significant.

We describe these risks in our auditor's report unless legal or regulatory provisions prohibit public disclosure.

Grant Thornton, S.L.P., Sole Shareholder Company

ROAC n° S0231



Íñigo Martínez Aramendi

ROAC n° 22134

30 July 2021

PS21 DESIGN STRATEGY S.A.U. AND SUBSIDIARIES

Consolidated Financial Statements and Consolidated Management Report for the
year 2020

Includes Audit report on the consolidated annual accounts

December 31, 2020



Consolidated Annual Accounts



PS21 DESIGN STRATEGY, S.A.U. and subsidiaries

**CONSOLIDATED STATEMENT OF INCOME AND EXPENSES FOR THE YEAR
ENDED 31 DECEMBER 2020**

CONSOLIDATED STATEMENT OF INCOME AND EXPENSES	Notes	2020
Consolidated result for the year		305,194
Total Income and expenses recognised directly in consolidated equity		-
Total transfers to consolidated profit and loss account		-
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENSES		305,194



PS21 DESIGN STRATEGY, S.A.U. and subsidiaries
CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED
31 DECEMBER 2020

CONSOLIDATED PROFIT AND LOSS	Notes	2020
CONTINUING OPERATIONS		
Revenue	16 a	6,495,075
Services rendered		6,495,075
Changes in Inventories of finished goods and work in progress		9,664
Supplies	16 b	-1,582,811
Work carried out by other companies		-1,582,811
Other operating income		34,978
Ancillary and other current revenues		32,992
Operating subsidiaries included in profit or loss for the year		1,986
Staff costs	16 c	-3,642,196
Wages, salaries and similar		-2,831,106
Social Security contributions		-811,090
Other operating expenses	16 d	-799,757
External Services		-690,847
Tributes		-21,185
Losses, impairment and changes in provisions for trading operations		-86,601
Other current administrative expense		-1,125
Depreciation of fixed assets	4 y 5	-513,359
Impairment and gains/losses on disposal of fixed assets	5	-3,484
Impairments and losses		-3,484
OPERATING INCOME		-1,890
Financial income	8	274,943
Marketable securities and other financial instruments		274,943
Financial expense		-108,104
For debts owed to third parties		-108,104
Change in fair value of financial instruments	8	170,605
Trading portfolio and others		170,605
FINANCIAL INCOME		337,445
PROFIT BEFORE TAX		335,555
Income Tax		-30,361
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		305,194
PROFIT OF THE YEAR		305,194

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PS21 DESIGN STRATEGY, S.A.U. and subsidiaries
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020
(Expressed in euro)

EQUITY AND LIABILITIES	Notes	2020
EQUITY		1,402,157
CAPITAL AND RESERVES	10	1,402,157
Capital	10 a	165,862
Share capital		165,862
Share premium		940,324
Reserves	10 b	178,058
Legal and statutory		33,173
Other reserves		144,886
(Shares and participations of the parent company)	10 c	-187,282
Profit for the year attributable to the parent company	10 d	305,194
NON – CURRENT LIABILITIES		2,881,397
Long – term debts	12	2,881,397
Debts to credit institutions		2,728,231
Finance lease payables		28,166
Other financial liabilities		125,000
CURRENT LIABILITIES		3,504,098
Short – term debts	12	2,269,821
Debts to credit institutions		2,066,448
Finance lease payables		3,373
Other financial liabilities		200,000
Trade and other payables	13	1,234,277
Suppliers		565,989
Other payable to public administrations	15	518,538
Other suppliers		61,802
Employee benefits payable		87,948
TOTAL EQUITY AND LIABILITIES		7,787,651

PS21 DESIGN STRATEGY, S.A.U. and subsidiaries
CONSOLIDATED BALANCE SHEET
FOR THE YEAR ENDED 31 DECEMBER 2020
(Expressed in euro)

ASSETS	Notes	2020
NON – CURRENT ASSETS		2,983,727
Intangible assets	4	1,477,913
Goodwill on consolidation	4 b	816,116
Other intangible assets	4 a	661,797
Tangible fixed assets	5	584,536
Land and buildings		5,934
Technical installations and other tangible assets		578,603
Investment property	6	189,819
Long – term investments in group companies and associated	8	498,500
Other financial assets		498,500
Long – term financial investments	8	78,951
Deferred tax assets	15	154,008
CURRENT ASSETS		4,803,925
Inventories		35,178
Trade and other receivables	9	1,626,911
Trade and other receivables	9	1,579,225
Other receivables from Public Administrations	15	47,686
Short – term financial investments	8	2,015,151
Short term accruals		45,488
Cash and equivalents	11	1,081,196
TOTAL ASSETS		7,787,651

PS21 DESIGN STRATEGY, S.A.U. and subsidiaries
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED
31 DECEMBER 2020

	Shared capital	Shared premium	Reserves	Own shares and Equity investments	Result for the year	TOTAL
ADJUSTED BALANCE, START OF 2020	165,862	940,324	161,153	-187,282	16,906	1,096,963
Total recognised Income and expenses	-	-	-	-	305,194	305,194
Other changes in equity	-	-	16,906	-	-16,906	-
BALNCE, END OF 2020	165,862	940,324	178,059	-187,282	305,194	1,402,157

PS21 DESIGN STRATEGY, S.A.U. and subsidiaries
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED
31 DECEMBER 2020

	Notes	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax		335,555
From continuing operations		335,555
Adjustments to the result		266,000
Depreciation of fixed assets		513,359
Valuation adjustments for impairment		86,601
Gains/losses on disposal of fixed assets		3,484
Financial income		-274,943
Financial expenses		108,104
Changes in fair value of financial instruments		-170,605
Changes in working capital		82,552
Inventories		39,332
Debtors and other receivables		-193,641
Other current assets		-21,728
Creditors and other accounts payable		258,590
Other cash flows from operating activities		165,778
Interest payments		-108,104
Interest receipts		274,943
Income tax receipts (payments)		-1,061
Cash flows from operating activities		849,885
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for investments		-2,758,472
Group companies and associates		-642,935
Property, plant and equipment		-117,053
Investment property		-189,819
Other financial assets		-1,808,665
Receipts from disposals		22,657
Property, plant and equipment		22,657
Cash flows from investing activities		-2,735,815
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts and payments for financial liability instruments		2,243,377
Issue		3,647,730
Payable to credit institutions		3,647,730
Repayment and redemption of payable		-1,404,353
To credit institutions		-1,404,353
Cash flows from financing activities		2,243,377
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS		357,448
Cash or cash equivalents at beginning of the year		723,748
Cash or cash equivalents at year end		1,081,196

1. General Information

Parent company, subsidiaries and associated companies

PS21 Design Strategy, S.A. (formerly Dommo Creative Center, S.A.), the Group's parent company, was incorporated as a public limited company on 17 May 2000, having changed its corporate name to its current name on 15 November 2018 with effect from 1 January 2019, and the consequent amendment of article 1 of its Articles of Association. Its registered office is located at Calle Antonio Maura 16, Madrid.

The corporate purpose of the Parent Company, in accordance with its articles of association, is the creation, implementation and execution of advertising projects and tasks related to the contracting, mediation and dissemination of advertising messages in any of its possible forms and media, including the performance of non-conventional advertising activities. Execution of events, creation of campaigns, creation and execution of audiovisual and graphic productions, creation and design of websites and other similar platforms. The performance of activities and provision of services in the field of telecommunications, information and communication, in particular the development of activities related to the Internet and any other networks, including access activities, production activities and e-commerce.

The change of company name in 2019 was not only that, but also involved the creation of the PS21 brand with the vision of creating a new business model that would apply creativity throughout the value chain. Furthermore, the Parent Company's objective was to double the company every 3 years, which has been achieved through the acquisitions of the subsidiaries belonging to the Group.

Estresarte Comunicación, acquired in April 2019, carries out digital marketing activities to strengthen the Group's digital competencies.

Redbility, acquired in July 2019, is a digital design consultancy, which strengthens the Group in the digital product design and consultancy part.

Randm Production, which changed its activity in November 2019, is a creative communications agency that helps the Group to fill the gap in the market and make a disruption in a mature and old sector.

Mauro Real Estate, incorporated on 30 December 2020, in accordance with its articles of association, has as its corporate purpose the performance of all kinds of real estate activities.

Subsidiaries

The subsidiaries included in the scope of consolidation in 2020 are as follows:

Subsidiary	Direct holding company	Nominal percentage of capital held	Gross amount of participation	Address	Activity
Randm Productions, S.L.	PS21 Design Strategy, S.A.	100%	3,000€	C/ Antonio Maura, 16 28014 Madrid	Advertising, public relations and similar services
Estresarte Comunicación, S.L.	PS21 Design Strategy, S.A.	100%	700,000€	C/ Antonio Maura, 16 28014 Madrid	Advertising, public relations and similar services
Redbilty, S.L.	PS21 Design Strategy, S.A.	100%	1,000,000€	C/ Conde de Peñalver, 38 28006 Madrid	Consultancy, design, development and intermediation services for digital environments
Mauro Real State, S.L.	PS21 Design Strategy, S.A.	100%	3,000€	C/ Antonio Maura, 16 28014 Madrid	Real estate activities

Subsidiary	Capital	Reserves	Partner Contributions	Negative results for previous years	Result of the year
Randm Productions, S.L.	3,000	-	400,000	-205,100	-80,228
Estresarte Comunicación, S.L.	4,000	262,089	-	-	2,732
Redbilty, S.L.	19,200	925,538	-	-212,522	168,129
Mauro Real State, S.L.	3,000	-	-	-	-

All the aforementioned companies, as well as the parent company, close their annual accounts as at 31 December 2020 and have been included in the consolidation using the full consolidation method.

The assumption that determines the configuration of these companies as subsidiaries is the ownership of the majority of the voting rights.

2. Basis of presentation of the consolidated annual accounts

a) True and fair view

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 comprising notes 1 to 20, have been prepared on the basis of the accounting records of Sociedad PS21 Design Strategy, S.A. and the Group companies (see details in note 1). and the Group companies (see details in note 1), having applied the legal provisions in force on accounting matters, specifically Royal Decree 1159/2010, of 17 September, which approves the rules for the preparation of consolidated annual accounts and amends the General Accounting Plan approved by Royal Decree 1514/2007, of 16 November 2007, as amended by Royal Decree 1159/2010, of 17

September, and by Royal Decree 602/2016, of 2 December, in order to give a true and fair view of the Group's equity, financial position, results, changes in equity and cash flows for the year.

The figures included in the consolidated annual accounts are expressed in euro, unless otherwise stated.

b) Accounting principles

The consolidated annual accounts have been prepared in accordance with mandatory accounting principles. There are no accounting principles whose effect is material but which have not been applied.

c) Critical aspects of uncertainty valuation and estimation

In preparing the accompanying consolidated financial statements estimates were made by the Parent Company's directors in order to measure certain of the assets, liabilities, income, expenses and commitments reported herein. These estimates relate basically to:

- The useful lives of property, plant and equipment, intangible assets and investment property (note 4, note 5 and note 6).
- The recoverability of property, plant and equipment, intangible assets and investment property (note 3.i).
- The recoverability of deferred tax assets (note 15).
- The calculation of provisions, as well as the probability of occurrence and the amount of undetermined or contingent liabilities (note 3n).

Although these estimates were made on the basis of the best information available at the date of preparation of these consolidated financial statements, events that may occur in the future could lead to changes in these estimates (upwards or downwards) in future periods, which would be made prospectively by recognising the effects of the change in estimate in the related future income statements.

The Group has prepared the consolidated financial statements for the financial year 2020 having taken into consideration the situation of the financial year 2020 and the current situation resulting from COVID-19, as well as its possible effects on the economy in general and on the Group in particular, there being no risk of continuity in its activity. The measures that have taken place as a result of this pandemic in the Group have been to carry out an assessment of the events described and their impact on the Group and its operations, as well as to implement numerous control and management measures in order to minimise the risks arising from this situation and to minimise the impact on the Group's employees, its operations and its finances. The Group has not suffered any significant impact on its operations and finances as a result of the COVID-19 pandemic.

d) Classification of assets and liabilities as current and non – current

Assets and liabilities are presented in the balance sheet classified as current or non-current. For these purposes, assets and liabilities are classified as current when they are linked to the Group's normal operating cycle and are expected to be sold, consumed, realised or settled in the course of that cycle, are different from the above and their maturity, disposal or realisation is expected to take place within a maximum period of one year; they are held for

trading purposes or are cash and cash equivalents whose use is not restricted for a period of more than one year. Otherwise they are classified as non-current assets and liabilities.

e) Changes in the scope of consolidation

The year 2020 is the year of first consolidation, with no changes in the scope of consolidation.

The Parent Company takes control of Estresarte, S.L. on 5 April 2019 and of Redbility, S.L. on 30 July 2019. Randm Productions was incorporated on 22 March 2016 and declared a sole proprietorship on 7 June 2019, being 100% owned by PS21 Design Strategy, S.A.U.

Consolidation has been carried out using the full consolidation method, which is applied to obtain the consolidated financial statements for the companies in the group. This involves including the total amount of the individual financial statement items (assets, liabilities, expenses and income) which are aggregated and on which the appropriate adjustments and eliminations are made in order to obtain the consolidated statements.

To this end, the first step is to analyse the homogenisation of the data, making the necessary adjustments so that the items making up the financial statements can be compared and aggregated. The financial statements of all the companies in the scope of consolidation are aggregated and, finally, the various eliminations of assets, investments or intra-group transactions and balances are made.

f) Comparison of information

In accordance with commercial legislation and pursuant to art. 77 of Royal Decree 115/2010 of 17 September, approving the Rules for the Preparation of Consolidated Financial Statements, as 2020 is the first year in which the consolidated financial statements are prepared on a voluntary basis, no prior year figures are compared or presented.

g) Grouping of items

Certain items in the consolidated balance sheet and consolidated income statement are grouped together for ease of understanding, although, to the extent material, the information is disclosed in the relevant notes to the consolidated financial statements.

h) Items collected under various headings

In the preparation of the consolidated annual accounts no items have been identified that have been recorded in two or more line items of the abridged balance sheet.

i) Correction of errors

The consolidated annual accounts for the year 2020 do not include adjustments made as a result of errors detected during the year.

j) Relative importance

In determining the information to be disclosed in these notes to the consolidated financial statements on the various items of the financial statements or other matters, the Parent Company and consolidated entities, in accordance with the Conceptual Framework of the

Spanish National Chart of Accounts, have taken into account materiality in relation to the consolidated financial statements for the year 2020.

k) Classification of current and non – current items

For the classification of current items, a maximum period of one year from the date of these consolidated financial statements has been considered.

l) Appropriation of the parent company's profit

The proposed appropriation of the parent company's profit made by the Sole Director of the parent company is as follows:

<u>Delivery basis</u>	
Profit and loss (Profit)	<u>305,240</u>
<u>Application</u>	
To voluntary reserve	<u>305,240</u>
Total	<u>305,240</u>

3. Recording and valuation rules

Las principales normas de registro y valoración utilizadas para la formulación de las cuentas anuales consolidadas son las siguientes:

a) Valuation homogenisation

Assets, liabilities, income, expenses and other items in the annual accounts of group companies are measured using uniform methods and in accordance with valuation principles and rules.

If any item of assets or liabilities or any income or expense or other item in the annual accounts has been measured on a basis that is not uniform with respect to that applied on consolidation, that item is remeasured, for consolidation purposes only, in accordance with that basis and any necessary adjustments are made unless the result of the remeasurement is of little significance for the purpose of arriving at a true and fair view of the group.

b) Temporal homogenisation

If the closing date of the financial year of the consolidated company is not more than 3 months before or after the closing date of the consolidated annual accounts, the consolidated annual accounts may be included in the consolidated annual accounts on the basis of the annual accounts of this company, adjusting them in the event of significant transactions. Thus, in order to benefit from the possibility of consolidating a company without preparing interim accounts, it is no longer required that the company has a previous closing date, and it can be applied to companies that close on a date that is no more than 3 months earlier or later.

c) Goodwill on consolidation

In 2019, the Parent takes control of the acquired or combined companies and, as a result, goodwill on consolidation is generated, which corresponds to the positive differences arising between the cost of the acquisition or combination and the value attributed to that interest in the fair value of the assets acquired and liabilities assumed of the acquired companies.

Goodwill is allocated to each of the cash-generating units on which the benefits of the business combination are expected to fall and, where appropriate, a corresponding valuation adjustment is recognised.

If an impairment loss is to be recognised for a cash-generating unit to which all or part of goodwill has been allocated, the carrying amount of the goodwill of the cash-generating unit is reduced first. If the impairment exceeds the amount of goodwill, the carrying amount of the remaining assets of the cash-generating unit is reduced in proportion to their carrying amount, up to the higher of fair value less costs to sell, value in use and nil. The impairment loss is recognised in profit or loss.

When an impairment loss subsequently reverses (which is not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased by the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. Such a reversal of an impairment loss is recognised as income in the consolidated income statement.

A useful life of 10 years has been determined for goodwill, determined separately for each cash-generating unit recognised in goodwill on consolidation.

d) Reserves in fully consolidated companies and companies accounted for by the equity method

This heading includes the undistributed results generated by group and associated companies for consolidation purposes between the date of first consolidation and the beginning of the year presented.

e) Transactions and balances between companies included in the scope of consolidation

The eliminations of reciprocal receivables and payables and expenses, income and results from internal operations have been made on the basis of the provisions of Royal Decree 1159/2010 of 17 September.

f) Intangible assets

As a general rule, intangible assets are recognised provided that they meet the identifiability criterion and are initially measured at acquisition or production cost, less any accumulated amortisation and any accumulated impairment losses. In particular, the following criteria are applied:

f.1. Research and development expenditure

Research expenses incurred during the year are recognised in the consolidated income statement. However, the Group capitalises these expenses as intangible assets if the following conditions are met:

- Be project-specific and the cost clearly established so that it can be spread over time.
- There are sound reasons for the technical success and the economic and commercial profitability of the project.

Development expenditure is also recognised as an asset when it meets the above conditions.

Research and development expenditure included in the asset is amortised on a straight-line basis over its useful life (5 years), with a maximum of five years.

f.2. Goodwill recognised in individual companies

Goodwill is recognised only when its value becomes apparent by virtue of an acquisition for consideration in the context of a business combination.

Goodwill is allocated to each of the cash-generating units on which the benefits of the business combination are expected to fall and, where appropriate, the corresponding impairment loss is recognised.

The cash-generating units to which the benefits of the business combination are expected to flow and among which their value has been allocated are tested for impairment at least annually and, where appropriate, a corresponding impairment loss is recognised.

Subsequent to initial recognition, goodwill is measured at acquisition cost less accumulated amortisation and, where applicable, accumulated impairment losses recognised.

Goodwill is amortised on a straight-line basis over ten years. The useful life is determined separately for each cash-generating unit to which goodwill has been allocated.

At the end of each reporting period, the cash-generating units to which goodwill has been allocated are tested for indications of impairment and, if any, are tested for impairment in accordance with note 4b. Impairment losses recognised for goodwill are not reversed in subsequent years.

f.3. Computer applications

This item includes amounts paid for access to ownership or for the right to use computer software.

Computer software that meets the recognition criteria is capitalised at acquisition or development cost. They are amortised on a straight-line basis over a period of 5 years from the entry into operation of each application.

Computer software maintenance costs are expensed in the year in which they are incurred.

g) Tangible fixed assets

Property, plant and equipment are stated at acquisition or production cost, increased, where applicable, by any revaluations required by law, less accumulated depreciation and any impairment losses.

Indirect taxes on property, plant and equipment are only included in the acquisition or production cost when they are not recoverable directly from the tax authorities.

The initial estimate of the present value of the obligations assumed as a result of dismantling or retirement and other obligations associated with the asset, such as the costs of rehabilitating the site on which it is located, is included as an increase in the value of property, plant and equipment, provided that these obligations give rise to the recognition of provisions.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of the assets are expensed as an increase in the cost of the assets. Upkeep and maintenance costs are charged to the profit and loss account in the year in which they are incurred.

Work carried out by the Group on its own property, plant and equipment is reflected on the basis of the cost price of raw materials and other consumables, the costs directly attributable to those goods, as well as a reasonable proportion of indirect costs.

The Group depreciates its property, plant and equipment on a straight-line basis over the estimated useful lives of the assets. The years of useful life applied are as follows:

Element	%	Years of useful life
Other facilities	20	5
Furniture	15	7
Information processing equipment	25	4
Transport equipment	15	7
Other tangible fixed assets	10	10

h) Investment property

This item includes the values of land, buildings and other structures held either for rental or for capital appreciation as a result of future increases in their respective market prices.

Investment property is stated at acquisition or production cost less accumulated depreciation and any impairment losses.

In addition, financial expenses accrued during the construction period that are directly attributable to the acquisition or manufacture of the investment are included, provided that a period of time of more than one year is required until they are in a usable condition.

Indirect taxes on investment property are only included in the acquisition price or production cost when they are not directly recoverable from the tax authorities.

The initial estimate of the present value of the obligations assumed as a result of dismantling or removal and other obligations associated with the asset, such as the costs of rehabilitating the site on which it is located, provided that these obligations give rise to the recognition of provisions, is included as an increase in the value of investment property.

The costs of expansion, modernisation or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of the assets are expensed as an increase in the cost of the assets. Upkeep and maintenance costs are charged to the profit and loss account in the year in which they are incurred.

Work carried out by the Group on its own property, plant and equipment is recognised on the basis of the cost of raw materials and other consumables, the costs directly attributable to those assets and a reasonable proportion of indirect costs.

Depreciation of investment property is provided on a straight-line basis over the estimated useful lives of the assets from the time they are available for use.

i) Impairment of intangible assets, tangible fixed assets and investment property

An item of property, plant and equipment or intangible asset is impaired when its carrying amount exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use.

For this purpose, at least at year end, the Company assesses, by means of the so-called "impairment test", whether there are indications that any tangible or intangible fixed asset with an indefinite useful life or, where appropriate, any cash-generating unit may be impaired, in which case its recoverable amount is estimated by making the corresponding valuation adjustments.

Impairment of property, plant and equipment is calculated on an individual basis. However, when it is not possible to determine the recoverable amount of each individual asset, the recoverable amount of the cash-generating unit to which each item of property, plant and equipment belongs is determined.

If an impairment loss is to be recognised for a cash-generating unit to which all or part of goodwill has been allocated, the carrying amount of the goodwill of the cash-generating unit is reduced first. If the impairment exceeds the amount of goodwill, the carrying amount of the remaining assets of the cash-generating unit is reduced in proportion to their carrying amount, up to the higher of fair value less costs to sell, value in use and zero. The impairment loss must be recognised in profit or loss.

When an impairment loss subsequently reverses (which is not permitted in the specific case of goodwill), the carrying amount of the asset or cash-generating unit is increased by the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. Such a reversal of an impairment loss is recognised as income in the consolidated income statement.

j) Leases and similar transactions

The Group recognises as finance leases those transactions whereby the lessor transfers substantially all the risks and rewards incidental to ownership of the leased asset to the lessee, and recognises the remainder as operating leases.

j.1 Financial leasing

In finance lease transactions in which the Group acts as lessee, the Group recognises an asset in the balance sheet based on the nature of the leased asset and a liability for the same amount, which is the lower of the fair value of the leased asset and the present value at the inception of the lease of the agreed minimum lease payments, including the purchase option. Contingent rentals, the cost of services and taxes payable by the lessor are not included. The finance charge is taken to the profit and loss account in the year in which it accrues, using the effective interest method. Contingent rents are recognised as an expense in the year in which they are incurred.

Assets recognised for this type of transaction are depreciated using the same criteria as those applied to property, plant and equipment (or intangible assets), based on their nature.

j.2 Operating leasing

Expenses arising from operating lease arrangements are recognised in the consolidated income statement in the year in which they are incurred.

Any collection or payment made under an operating lease is treated as a prepayment or collection, which is taken to profit or loss over the lease term as the benefits of the leased asset are transferred or received.

k) Financial instruments

k.1. Financial assets

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

- Loans and receivables

These correspond to receivables from commercial or non-commercial transactions arising from the sale of goods, the delivery of cash or the rendering of services, for which the amount receivable is determined or determinable and which are not traded in an active market.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. They are subsequently measured at amortised cost and accrued interest is recognised in the income statement on the basis of the effective interest rate.

Notwithstanding the above, trade receivables maturing within one year and which do not have a contractual interest rate are initially measured at their nominal value, provided that the effect of not discounting cash flows is not material, in which case they will continue to be measured at that amount unless they are impaired.

Impairment losses are recognised on the basis of the difference between their carrying amount and the present value at year-end of the estimated future cash flows to be generated, discounted at the effective interest rate calculated at the time of initial recognition. These adjustments are recognised in the consolidated income statement.

- Held to maturity investments

This category includes debt securities with fixed maturity and determinable payments that are traded on an active market and for which the Group has the intention and ability to hold to maturity.

They are initially recognised at the fair value of the consideration given plus directly attributable transaction costs. These investments are subsequently measured at amortised cost and interest accrued during the period is calculated using the effective interest method.

Impairment losses are recognised in the income statement based on the difference between the carrying amount and the present value at year-end of the estimated future cash flows to be generated, discounted at the effective interest rate determined at initial recognition.

- Financial assets held for trading

Included in this category are those acquired for the purpose of selling them in the short term or those that form part of a portfolio of identified financial instruments that are managed together and for which there is evidence of recent actions to obtain gains in the short term, as well as derivative financial instruments with a favourable valuation for the company that are not financial guarantee contracts and have not been designated as hedging instruments.

They are initially recognised at the fair value of the consideration given. Directly attributable transaction costs are recognised in the income statement for the year. They are subsequently measured at fair value, with changes in fair value recognised directly in the income statement.

- Cancellation

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset have expired or when they are transferred, provided that substantially all the risks and rewards of ownership are transferred.

If the Group has neither transferred nor retained substantially all the risks and rewards of ownership of the financial asset, the financial asset is derecognised when control is not retained. If the Group retains control of the asset, it continues to be recognised at the amount to which it is exposed for changes in the value of the transferred asset, i.e. for its continuing involvement, recognising the associated liability.

The difference between the consideration received net of attributable transaction costs, considering any new asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, plus any cumulative amount recognised directly in equity, determines the gain or loss arising on derecognition of the financial asset and forms part of the profit or loss for the year in which it arises.

The Group does not derecognise financial assets in transfers in which it retains substantially all the risks and rewards of ownership. In such cases, the Group recognises a financial liability for an amount equal to the consideration received.

k.2. Interest and dividends received from financial assets

Interest and dividends on financial assets accrued after the time of acquisition are recognised as income in the consolidated income statement. Interest is recognised using the effective interest method and dividends are recognised when the right to receive them is declared.

For this purpose, the amount of explicit interest accrued but not yet due at that time and the amount of dividends declared by the competent body up to the time of acquisition are recognised separately in the initial measurement of financial assets on the basis of their maturity. Explicit interest is understood to be that which is obtained by applying the contractual interest rate of the financial instrument.

Also, when the dividends distributed clearly arise from profits generated prior to the acquisition date because amounts in excess of the profits generated by the investee since acquisition have been distributed, they are not recognised as income and reduce the carrying amount of the investment.

k.3. Financial liabilities

A financial liability is recognised in the balance sheet when the Group companies become a party to the contract or legal transaction in accordance with the provisions of the contract or legal transaction.

Payables and payables arising from the purchase of goods and services in the ordinary course of business or from non-trading transactions are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs.

Notwithstanding the above, trade payables maturing within one year and which do not bear interest at a contractual rate are initially measured at nominal value, provided that the effect of not discounting cash flows is not material.

Payables and payables are subsequently measured at amortised cost using the effective interest rate. Those which, in accordance with the previous paragraph, are initially measured at their nominal value, continue to be measured at that amount.

Financial liabilities are derecognised when the obligations giving rise to them are extinguished.

k.4. Bonds given and received

The difference between the fair value of the deposits delivered and received and the amount paid or collected is treated as an advance payment or collection for the operating lease or service rendered, which is taken to the consolidated income statement during the lease term or the period in which the service is rendered.

In the case of short-term or long-term guarantees of small amounts, cash flows are not discounted as their effect is not material.

k.5. Parent Company's own equity instruments

An equity instrument represents a residual interest in the equity of the Parent after deducting all of its liabilities.

Equity instruments issued by the Parent are recognised in equity at the amount received, net of issue costs.

Treasury shares acquired by the Group are recognised directly as a reduction in equity at the value of the consideration paid. Gains or losses arising from the purchase, sale, issue or redemption of own equity instruments are recognised directly in equity and in no case are any gains or losses recognised in the consolidated income statement.

l) Foreign currency transactions

Monetary items

Foreign-currency denominated financial assets are translated into the functional currency at the exchange rate prevailing at the time of the transaction and are measured at year-end at the exchange rate prevailing at that time.

In the particular case of financial assets of a monetary nature classified as available-for-sale financial assets, the exchange differences arising from changes in the exchange rate between the transaction date and the year-end date are determined as if the assets were measured at amortised cost in the foreign currency, so that the exchange differences are those resulting from changes in the amortised cost as a result of changes in exchange rates, irrespective of their fair value.

Exchange differences arising as a result of the year-end valuation of receivables and payables in foreign currencies are taken directly to the consolidated income statement.

m) Income Tax

Income tax expense or income is calculated as the sum of the current tax expense or income plus the deferred tax expense or income.

The current tax is the amount resulting from the application of the tax rate to the taxable profit for the year. Deductions and other tax benefits on the tax liability, excluding withholdings and payments on account, as well as tax losses carried forward from previous years and effectively applied in the year, give rise to a lower amount of current tax.

Deferred tax expense or income relates to the recognition and derecognition of deferred tax assets for deductible temporary differences, tax loss carryforwards, unused tax credits and other unused tax benefits and deferred tax liabilities for taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates expected at the time of their reversal.

Deferred tax liabilities are recognised for all taxable temporary differences, except those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither taxable profit nor accounting profit and is not a business combination.

In accordance with the principle of prudence, deferred tax assets are only recognised to the extent that it is probable that future profits will be available against which they can be utilised. Notwithstanding the above, deferred tax assets are not recognised in respect of deductible temporary differences arising from the initial recognition of assets and liabilities in a transaction that affects neither taxable profit nor accounting profit and is not a business combination.

Both current and deferred tax expense or income are recognised in the income statement. However, current and deferred tax assets and liabilities that relate to a transaction or event recognised directly in an equity item are recognised with a charge or credit to that item.

Deferred tax assets recognised are reviewed at each balance sheet date to ensure that they continue to exist and are adjusted accordingly. Deferred tax assets recognised and previously unrecognised deferred tax assets are also assessed and those recognised are derecognised if it is no longer probable that they will be recovered, or any previously unrecognised deferred tax assets are recognised to the extent that it becomes probable that they will be recovered with future taxable profit.

The group does not consolidate for tax purposes.

n) Provisions and contingencies

When preparing the consolidated annual accounts, the sole director of the parent company distinguishes between:

- Provisions

Credit balances that cover current obligations arising from past events, the settlement of which is probable to result in an outflow of resources, but the amount and/or timing of which is uncertain.

- Contingent liabilities

Possible obligations that arise from past events and whose future realisation depends on the occurrence or non-occurrence of one or more future events not wholly within the control of the Group.

The consolidated financial statements include all provisions for which it is considered more likely than not that the obligation will have to be settled and are recognised at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party. Contingent liabilities are not recognised in the consolidated financial statements, but are disclosed in the notes to the consolidated financial statements.

Provisions are measured at year-end at the present value of the best possible estimate of the amount required to settle or transfer the obligation to a third party, and adjustments arising from the discounting of provisions are recognised as a finance cost as they accrue. In the case of provisions maturing in one year or less, and where the financial effect is not material, no discounting is applied.

The compensation to be received from a third party at the time of settlement of the obligation is not deducted from the amount of the debt, but is recognised as an asset if there is no doubt that the reimbursement will be received.

o) Related party transactions

Transactions between related parties, irrespective of the degree of relatedness, are accounted for in accordance with the general rules. Accordingly, as a general rule, transacted items are initially recognised at fair value. If the price agreed in a transaction differs from its fair value, the difference is recorded on the basis of the economic reality of the transaction. Subsequent measurement is carried out in accordance with the relevant standards.

p) Revenues and expenses

Income and expenses are recognised on an accruals basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue from the rendering of services is recognised by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be estimated reliably. The stage of completion of services rendered is determined by the number of hours incurred by Group staff on the projects to be performed over the hours budgeted. For better control, these projects are detailed according to the various stages to be completed: segmentation/design of the project/meetings with the client; collection of information; analysis of data and preparation of the report.

q) Cash flow statement

The cash flow statement has been prepared using the indirect method and uses the following expressions with the meanings indicated below:

- **Operating activities:** activities that constitute the group's ordinary revenues, as well as other activities that cannot be classified as investing or financing activities.
- **Investing activities:** activities of acquiring, selling or otherwise disposing of long-term assets and other investments not included in cash and cash equivalents.
- **Financing activities:** activities that result in changes in the size and composition of equity and liabilities that are not operating activities.

4. Intangible assets

Intangible assets consist of other intangible assets and goodwill on consolidation.

a) Other intangible assets

The balances and changes during the years in gross values, accumulated depreciation and valuation adjustments, except for goodwill, are as follows:

Intangible assets	Development	Computer applications	Research	Total
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Gross Values				
Balance at 01.01.2020	802,441	32,769	79,864	915,073
Outflows, withdrawals or reductions	-	(2,865)	(2,864)	(5,728)
Balance at 12.31.2020	802,441	29,904	77,000	909,345
Accumulated depreciation				
Balance at 01.01.2020	(43,785)	(22,538)	(1,304)	(67,626)
Depreciation allowance	(160,488)	(6,541)	(15,400)	(182,429)
Departures, withdrawals or reductions	-	2,508	-	2,508
Balance at 12.31.2020	(204,273)	(26,570)	(16,704)	(247,548)
Net book value as at 12.31.2020	598,168	3,334	60,296	661,797

During the financial year 2020, the group has not capitalised any costs.

The amount of intangible fixed assets that have been fully amortised at the end of the financial year 2020 amounts to 24,904 euros and corresponds to computer applications.

During 2019, the Group capitalised costs directly associated with development amounting to 317,118 euros, related to the project to transform the Group's production model through the acquisition of two companies and based on a new production model, which were capitalised when the conditions indicated in the accounting and valuation standards indicated in Note 3f) were met.

b) Goodwill on consolidation

The year-end 2020 is the year of first consolidation, therefore there have been no additions, disposals or changes in the current goodwill, which will be amortised over 10 years from its generation in this year.

The Group tests goodwill for impairment on an annual basis. The recoverable amount of cash-generating units (CGUs) is determined on the basis of value in use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a period of 5 years.

Cash flows beyond 5 years are extrapolated using the estimated growth rates noted below. These growth rates are consistent with forecasts included in specific reports for the sector in which each CGU operates.

Group management has determined the values assigned to each of the above key assumptions as follows:

Hypothesis	Approach used to determined values
Turnover	Average annual growth rate for the forecast period of 5 years; based on past performance and management's expectations of market development.
Sales price	Average annual growth rate for the 5-year forecast period; based on current industry trends and includes long-term inflation forecasts for each territory.
Budgeted gross margin	Based on past performance and management's expectations for the future.

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Other operating costs	Fixed costs of CGUs, which do not vary significantly with sales volumes or prices. Management budgets these costs based on the current structure of the business, adjusting for inflation increases, but not reflecting future restructuring or cost saving measures. The amounts shown above are average operating costs for the forecast period of 5 years.
Annual capital expense	Expected cash costs in the CGU. Based on management's historical experience, and planned improvement expenditure. No incremental revenue or cost savings are assumed in the value-in-use model as a result of this expenditure.
Long – term growth rate	This is the weighted average growth rate used to extrapolate cash flows beyond the budgeted period. The rates are consistent with forecasts included in industry reports.
Pre – tax discount rate	It reflects specific risks related to the relevant segments and the countries in which they operate.

The balances of the Goodwill on consolidation account are as follows:

	2020				
	Randm Productions, S.L.	Estresarte Comunicación, S.L.	Redbility, S.L.	Mauro Real Estate, S.L.	TOTAL
<u>Gross opening balance</u>	205,100	433,911	267,784	-	906,795
	205,100	433,911	267,784	-	906,795
					0
<u>Accumulated depreciation</u>					
Entries	(20,510)	(43,391)	(26,778)	-	(90,679)
	(20,510)	(43,391)	(26,778)	-	(90,679)
					-
Net closing balance	184,590	390,520	241,006	-	816,116

5. Tangible fixed assets

The balances and changes during the financial years 2020, gross values, accumulated depreciation and valuation adjustments are as follows:

Tangible Fixed Assets	Other instalations	Furniture	Equipment information processes	Transport equipment	Other tangible fixed assets	Total
<u>Gross values</u>						
Balance at 01.01.2020	665,854	432,398	388,521	387,456	18,397	1,892,626
Entries	8,398	5,379	63,737	39,539		117,053
Outflows, withdrawals or reductions	(13,915)	(10,434)	(54,917)	(41,519)	(6,421)	(127,206)
Balance at 12.31.2020	660,337	427,343	397,341	385,476	11,975	1,882,473

**Accumulated
depreciation**

Balance at 01.01.2020	(505,306)	(245,359)	(300,760)	(98,209)	(13,092)	(1,162,726)
Depreciation allowance	(80,838)	(52,551)	(52,766)	(54,096)		(240,251)
Outflows, withdrawals or reductions	13,855	12,726	58,099	17,103	3,257	105,040
Balance at 12.31.2020	(572,290)	(285,184)	(295,427)	(135,202)	(9,835)	(1,297,936)
Net closing value as at 12.31.2020	88,047	142,160	101,914	250,274	2,141	584,536

The additions in 2020 were mainly due to the acquisition of computer equipment. The confinement experienced in Spain as a result of COVID-19 meant that work had to be carried out remotely for several months and more laptops were needed. These acquisitions have enabled the company to continue working normally, without neglecting the services required by customers.

During the financial year 2020, the Group recorded disposals with a net book value of EUR 22,921, resulting in a loss on disposal of fixed assets of EUR 3,484.

In addition, an electric vehicle has been acquired during 2020, which contrasts the company's responsibility towards the environment.

The gross value of items in use that are fully depreciated by 2020 is as follows:

Account	Gross value at 12.31.2020
Technical installations	263,967
Furniture	82,417
Computer equipment	183,245
Other tangible fixed assets	7,135
	<u>536,764</u>

The Group's policy is to take out insurance policies to cover the possible risks to which its property, plant and equipment are subject. At year-end 2020, there was no shortfall in coverage for these risks.

6. Investment property

The balances and changes during the financial year 2020 in gross values, accumulated depreciation and valuation adjustments are as follows:

	Land and buildings
Gross values	
Balance at 12.31.19	-
Entries	189,819
Balance at 12.31.20	<u>189,819</u>
Net Book Value at 12.31.2020	<u>189,819</u>

During the financial year 2020, a total value of 189,819 euros was recorded for land located in the municipality of Cebreros, in the urbanisation "Calas de Guisando".

The purchase of this land is due to the Group's intention to expand and diversify its business into real estate investment. As a result, the company Mauro Real Estate, S.L. was created in December 2019, a company dedicated to carrying out all kinds of real estate activities.

7. Leases and other transactions of a similar nature

a) Financial Lease

The assets of the group that are subject to finance leases are as follows:

	<u>12.31.2020</u>
Tangible fixed assets	39,539
Total	<u><u>39,539</u></u>

Corresponds to an electric vehicle acquired in 2020.

The Group has contracted the following minimum lease payments with lessors in 2020, which in accordance with the current contracts in force (Note 12):

	<u>Nominal Value</u>
<u>Minimum fees</u>	<u>12.31.2020</u>
Less than one year	3,373
Between one and five years	28,166
Total	<u><u>31,539</u></u>

During the year 2020 the Group cancels finance lease contracts consisting of three vehicles, two of which were acquired in 2017. One of them expired in May 2020 and one in October 2021. The last vehicle was acquired in 2019 and expired in January 2023. At the same time, it acquired a finance lease for 31,539 euros. This is an electric vehicle with which to attend meetings with suppliers, customers or potential customers, with less impact on pollution, given the company's responsibility towards the environment.

The finance lease contracts at year-end 2020 are as follows:

Description of the asset	Asset value	Initial Disbursement	Opening commission	Duration of contract (months)	Elapsed period (months)	Residual value	Dues paid in 2020	Dues paid in previous years	Outstanding debt
Vehicle	39,539	8,000	919	48	0	16,940	0	0	31,539
Total	<u><u>39,539</u></u>	<u><u>8,000</u></u>	<u><u>919</u></u>			<u><u>16,940</u></u>	<u><u>0</u></u>	<u><u>0</u></u>	<u><u>31,539</u></u>

b) Operating lease

The future minimum lease payments for operating leases of the offices in which the Group operates, in accordance with the current leases in force, are as follows:

	<u>2020</u>
Less than a year	188,114
Between 1 and 5 years	930,890
	<u><u>1,119,004</u></u>

The amount of operating lease and sublease payments recognised respectively as an expense in the year are as follows:

	<u>2020</u>
Minimum lease payments	<u>225,252</u>
	<u><u>225,252</u></u>

As lessee, the most significant operating leases are as follows:

- Lease of the office located at calle Antonio Maura, 16, Madrid. The lease contract commenced on 1 December 2005 and was extended by agreement on 12 May 2016 for a period of 10 years from 1 June 2016 to 31 May 2026, considering the duration of the contract to be long-term. Likewise, the amounts paid for rentals during the financial years 2020 amounted to 112,526 euros. There has been a decrease in rents paid due to the renegotiation of the office lease contract from March until the end of the year, due to the COVID-19 crisis. In 2020, the Group has recorded the discounts obtained from the lessor as contingent instalments, based on the consultation published on 19 February 2021 by the Spanish Accounting and Audit Institute (Instituto de Contabilidad y Auditoría de Cuentas).
- Office located at Calle Conde de Peñalver number 38. The lease contract started on 1 January 2011 for a duration of 5 years, which has already elapsed, and is currently renewed annually. In 2020, a reduction of the fees to be paid during the months of confinement due to the COVID-19 crisis has been agreed. In 2020, the Group has recorded the discounts obtained from the lessor as contingent instalments, based on the consultation published on 19 February 2021 by the Spanish Accounting and Audit Institute (Instituto de Contabilidad y Auditoría de Cuentas).

8. Financial instruments

Long and short – term financial investments

Financial investments are classified according to the following categories:

	<u>2020</u>				
	Long – term financial instruments				Short – term financial instruments
	Derivatives	Other Financial Assets	Equity instruments	Total	Other Financial Assets
Financial instruments	11,750	550,701	15,000	577,451	2,015,151
Total	<u>11,750</u>	<u>550,701</u>	<u>15,000</u>	<u>577,451</u>	<u>2,015,151</u>

Long-term financial instruments mainly include guarantees for rentals held by the Group, the most significant of which are the guarantee for the Antonio Maura, 16 office for an amount of 28,353 euros and the guarantee for the Conde de Peñalver office for an amount of 23,667 euros. In addition, there are 498,500 euros of loans between related parties (note 18). Equity instruments include shares for a total amount of 15,000 euros in 2020. Derivatives include € 11,750 of an interest rate option (cap).

In short-term financial instruments, the Group has recorded at year-end an amount of 1,991,095 euros corresponding to the fair value of a securities account contracted with Andbank and a fixed-term deposit in the amount of 24,056 euros. During the financial year 2020, this investment has generated a positive net result in the amount of 274,943 euros, recorded in the financial result of the consolidated profit and loss account for the financial year 2020.

The maturity of these financial instruments as at 31 December 2020 is as follows:

	2021	2022	2023	2024	More than 5 years
Financial instruments	2,015,151	510,250	-	-	67,201
	2,015,151	510,520	-	-	67,201

9. Trade and other receivables

Details of the balance sheet heading "Trade and other receivables" are as follows:

Concept	12.31.2020
Customers for sales and services	1,579,225
Other receivables from public administrations	47,686
Total	1,626,911

The Group has recorded an impairment of EUR 86,601 due to a customer balance that is likely to be uncollectible.

	Impairment of customers
Gross values	
Balance as at 12.31.19	-
Impairment of customers	86,601
Balance at 12.31.20	86,601

The remaining customer balances have no collectability problems.

10. Equity

a) Share capital

On 28 June 2019, the parent company resolved to increase capital by issuing 256,610 shares, each with a par value of 0.09 euros, with a share premium of 1.96 euros per share, all of the same class and fully subscribed and paid up, conferring the same rights to their holders. It has been registered in the commercial register on 10 February 2020.

At year-end 2020, the share capital of the parent company amounts to 165,862 euros, consisting of 1,842,909 shares with a par value of 0.09 euros, fully subscribed and paid up.

The company with a shareholding of 10% or more is as follows:

	Percentage share
Miss Valentine, S.L.	100%
	100%

b) Legal reserve

In accordance with the Consolidated Text of the Spanish Companies Act, an amount equal to 10% of the profit for the year must be transferred to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase capital in respect of the portion of the balance of the legal reserve that exceeds 10% of the increased capital. Except for the above-mentioned purpose, until the legal reserve exceeds 20% of the share capital, it may only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At year-end this reserve is fully funded.

c) Treasury shares of the parent company

During the 2018 financial year, the General Meeting of Shareholders of PS21 Design Strategy, S.A. held on 7 September 2018 approved the acquisition of treasury shares by the Company.

The shares held by the Parent Company as at 31 December 2020 are as follows:

Own shares	Number	Average purchase price	Total acquisition cost
At the close of financial year 2020	91,357	2.05	187,282

At the date of preparation of these consolidated financial statements, the Parent Company's sole director had not taken a decision on the final destination of the treasury shares mentioned above.

d) Breakdown of consolidated results

The contribution of each company included in the scope of consolidation to the consolidated results for the year, expressed in euros, was as follows:

Company	Result of the year
PS21 Design Strategy, S.A.	305,240
Randm Productions, S.L.	(80,228)
Estresarte Comunicación, S.L.	2,732
Redbility, S.L.	168,129
Mauro Real State, S.L.	-
Consolidation adjustments	(90,679)
Consolidated result for the year	305,194

11. Cash and cash equivalents

The cash and bank balances at year-end are as follows:

	Euros
	2020
Treasury	1,081,196
Other cash equivalents	-
	1,081,196

12. Financial liabilities

a) Payable to credit institutions and Finance Leases

Long-term and short-term debts are classified according to the following categories:

		Long – term debts			
		Debts to credit institutions	Finance lease payables	Other financial liabilities	Total
		12.31.2020	31.12.2020	12.31.2020	12.31.2020
Categories:					
Debits and payables		2,728,231	28,166	125,000	2,881,397
		2,728,231	28,166	125,000	2,881,397
		Deudas a corto plazo			
		Debts to credit institutions	Finance lease payables	Other financial liabilities	Total
		12.31.20	12.31.20	12.31.20	12.31.20
Categories:					
Debits and payables		2,066,448	3,373	200,000	2,269,821
		2,066,448	3,373	200,000	2,269,821

The category of "finance leases" indicated for the year 2020 corresponds to the leasing of the Group's electric vehicle (see note 8).

The total balance of "Amounts owed to credit institutions" at year-end 2020 relates to ICO credits and other loans received, debts for credit drawn down from bank cards, as well as credit lines with an interest rate, which are detailed below:

	2020
Credits:	
Banco Santander	2.75% - 1.88%
Deutsche Bank	1.75% - 1.56%
Bankinter	1.75%
Line of credit:	
Banco Santander	2.10%
Bankinter	2.00%

The amount of ICO and other loans with financial institutions represents a long-term amount of 2,728,231 euros and a short-term amount of 965,955 euros.

Short-term credits drawn down on bank cards have a balance of 20,247 euros.

The amount available and drawn down on the credit lines in place as at 31 December 2020 is as follows:

	Available limit Available	
Banco Popular	1,027,500	651,749
Banco Sabadell	200,000	157,423
Banco Bankinter	330,000	271,074
Total	1,557,500	1,080,246

The category "other financial liabilities" includes liabilities payable to the former owners of the companies acquired in 2019 due to the fulfilment of the contingent price stipulated in the sale and purchase agreements.

Classification by maturity

The breakdown by maturity of the various short-term and long-term financial liabilities with fixed or determinable maturity at the end of 2020 is as follows:

	2021	2022	2023	2024	2025	Total
Debts:						
Debts with credit institutions	2,066,448	987,266	807,593	715,684	217,687	4,794,679
Leasing debts	3,373	3,563	3,764	3,976	16,863	31,539
Other financial liabilities	200,000	125,000	-	-	-	325,000
	<u>2,269,821</u>	<u>1,115,829</u>	<u>811,357</u>	<u>719,661</u>	<u>234,550</u>	<u>5,151,218</u>

Third party guarantees

At year-end 2020, the total amount of guarantees provided to third parties amounted to € 30,000. These guarantees are provided to ensure the proper performance of the Group's activities.

13. Trade and other payables

Details of the balance sheet heading "Trade and other payables" are as follows:

<u>Concept</u>	<u>2020</u>
Suppliers	565,989
Other creditors	61,802
Employee benefits payable	87,948
Other payables to public administration	518,538
Total	<u><u>1,234,277</u></u>

The Group's average supplier payment period at 31 December 2020 is as follows:

	Days
Average payment period to suppliers	65
Paid Transactions Ratio	69
Ratio of transactions pending payment	45

	Amount (euros)
Total payments made	1.549.262
Total payments pending	384.783

14. Information on the nature and level of risk arising from financial instruments

The Group's financial risk management is centralised in the Finance Department, which has established the necessary mechanisms to control exposure to changes in interest and exchange rates, as well as credit and liquidity risks. The main financial risks affecting the Group are as follows:

a) Credit risk:

In general, the Group maintains its cash and cash equivalents with financial institutions with high credit ratings.

It should also be noted that there is no significant concentration of credit risk with third parties.

b) Liquidity risk:

Liquidity risk arises from the possibility that the Group may not have sufficient liquid funds, or access to them, at the appropriate cost, to meet its payment obligations at all times. The Group's objective is to maintain the necessary liquid funds.

As at 31 December 2020 the Group's working capital was positive by EUR 1,299,827, which indicates that payment obligations are adequately covered.

c) Market risk (including Interest rate, foreign exchange and other price risks):

Exchange rate risk is considered to be very low as foreign currency transactions do not represent a significant amount of the Group's business volume.

There is an interest rate hedging instrument (cap) (note 8).

15. Fiscal situation

The detail of the accounts related to Public Administrations in the financial year 2020 is as follows:

Account	2020			
	Debit balances		Credit balances	
	Non-current	Current	Non-current	Current
Value Added Tax	-	-	-	295,796
Withholdings and payments on account	-	47,686	-	-
Personal Income Tax	-	-	-	118,723
Deferred tax assets	154,008	-	-	-
Social Security Institutions	-	-	-	104,018
	154,008	47,686	-	518,538

The reconciliation between the consolidated accounting result and the sum of the tax bases of the scope of consolidation for the financial year 2020 is as follows:

	Financial Year 2020					
	Profit and loss account		Income and expenses recognised directly in equity			
	Increases	Decreases	Increases	Decreases	Net effect	Total
Balance of Income and expense	305,194	-	-	-	-	305,194
Income Tax	30,361	-	-	-	-	30,361
Permanent differences						
Individual companies	450	-	-	-	-	450
Consolidation adjustments	90,680	-	-	-	-	90,680
Results of loss-making companies	-	-	-	-	-	-
Offsetting of tax loss carryforwards from previous years		(305,240)				(305,240)
Tax base (Taxable Income)	426,685	(305,240)	-	-	-	121,445

The breakdown of corporate income tax expense/revenue is as follows:

	Financial Year 2020				
	Change in deferred tax				
	From assets		From liabilities		
Current tax	Temporary differences	Tax loss carryforwards	Other credits	Temporary differences	Total

<u>Write – off to P&L</u>					
Continuing operations	(133,414)	-	103,053	-	- (30,361)
Discontinued operations	-	-	-	-	-
Total tax expense/income					<u>(30,361)</u>

Deferred tax assets recognised

The deferred tax assets recognised at year-end 2020 relate to the capitalisation of tax loss carryforwards:

	2020
	Amount
<u>Tax loss carryforwards</u>	
Year 2011	183,942
Year 2015	51,652
Year 2016	32,273
Year 2018	180,644
Year 2019	60,550
Year 2020	106,971
Total Negative basis recorded	616,032

Unrecorded deferred tax assets

The Parent Company has not recognised the tax credits arising from the aforementioned tax loss carryforwards in the accompanying consolidated balance sheet, as it has considered that no reliable projection can be made, in the current economic circumstances, of the future generation of taxable profits that would allow their recovery.

Details of the Group's unrecorded tax loss carryforwards are as follows:

	2020
	Amount
<u>Tax loss carryforwards</u>	
Year 2002	1,096,362
Year 2003	729,961
Year 2004	569,430
Year 2005	733,026
Total Unrecorded negative basis	3,128,779

In accordance with applicable tax legislation, the expiry of tax credits for capitalised tax losses and deductions is indefinite.

Years to be audited and audits to be carried out

At 31 December 2020, the Group has no tax audits in progress. However, in accordance with current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute-of-limitations period has elapsed. At 31 December 2020, the Group has 2016 and subsequent years open for review for corporate income tax and 2017 and subsequent years for the other taxes applicable to it. The Parent's Sole Director considers that the aforementioned taxes have been settled appropriately and, therefore, even in the event of discrepancies in the interpretation of current legislation due to the tax treatment of the transactions, any resulting liabilities, should

they arise, would not have a material effect on the accompanying consolidated financial statements.

16. Income and expense

a) Net turnover

The breakdown of net turnover by category of activity is as follows:

<u>Geographic markets</u>	<u>2020</u>
Provision of Advertising services	4,614,584
Provision of Communication services	503,693
Provision of Digital services	1,376,798
	<u>6,495,075</u>

<u>Geographic markets</u>	<u>2020</u>
Spain	6,050,203
Rest of European Union countries	257,472
Rest of the world	187,400
	<u>6,495,075</u>

b) Supplies

<u>Breakdown</u>	<u>2020</u>
Work carried out by other companies	1,582,811
	<u>1,582,811</u>

<u>Geographic markets</u>	<u>2020</u>
Spain	1,582,811
	<u>1,582,811</u>

c) Staff costs

	<u>2020</u>
Wages and salaries	2,648,620
Termination benefits	182,487
Social Security payable by the company	682,962
Other social charges	128,128
	<u>3,642,196</u>

d) Other operating expenses

<u>Account</u>	<u>2020</u>
Leases and royalties (note 7)	225,252
Repairs and maintenance	34,600
Independent professional services	103,106
Insurance premiums	17,221
Banking and similar services	1,026
Advertising, publicity and public relations	184,649
Supplies	28,216
Other services	96,776
Other taxes	21,185
Losses, impairment and changes in trade provisions (note 9)	86,601
Other current administrative expenditure	1,125
Total	799,757

17. Information on the environment

The Group does not have any significant elements aimed at minimising environmental impact and protecting and improving the environment.

The Group has not incurred any expenses during the year 2020 for the purpose of environmental protection and improvement.

18. Related party transactions

During the year, transactions were carried out with the following related parties:

<u>Company</u>	<u>Type of link</u>
Miss Valentins, S.L.	Parent company
Agustín Vivancos	Sole Administrator

The pricing policy followed in all transactions carried out during the year is based on the application of the normal market value, in accordance with article 16 of the Corporate Income Tax Law.

The Group has loans in favour of Miss Valentine, S.L. amounting to 414,000 euros and in favour of Agustín Vivancos Matamoros amounting to 84,500 euros, both maturing in 2022.

Agustín Vivancos Matamoros, Chairman and Chief Executive Officer

During the financial year 2020, salaries for work performance have been accrued to the Sole Director in the amount of 149,937 euros.

The Group has taken out a civil liability policy covering the sole director and senior management. The premium amounts to 7,430 euros per annum in 2020.

The Group has no pension obligations to the sole director.

The sole director and the persons related to him/her referred to in article 231 have not reported any situations of direct or indirect conflict with the Group's interests.

19. Other information

The average number of persons employed during the financial years is as follows:

Professional Category	Average 2020	
	Men	Women
Senior Management	1	4
Area Directors	9	6
Creativity	14	8
New business	-	2
Study	2	1
Accounts	4	15
Finance/Administration	1	2
UX Consultant	3	4
Visual Designer	2	5
Development	2	1
	<u>38</u>	<u>48</u>

The number of employees at year-end, broken down by professional category, is as follows:

Professional Category	At 12.31.20	
	Men	Women
Senior Management	1	4
Area Directors	9	6
Creativity	16	9
New business	-	2
Study	2	1
Accounts	4	18
Finance/Administration	1	2
UX Consultant	3	4
Visual Designer	2	5
Development	2	1
	<u>40</u>	<u>52</u>

Auditor's fees

The fees to be accrued by Grant Thornton S.L.P. for the audit services of the consolidated annual accounts will amount to 11,500 euros.

The additional fees accrued by Grant Thornton S.L.P. or other entities in its network are as follows:

- Fees for the audit of the abridged annual accounts of the Parent Company in the amount of 8,160 euros.
- Fees for transfer price verification services in the amount of 4,200 euros.

20. Subsequent events

Since the closing date of the financial year to which these consolidated annual accounts refer, and up to the date of formulation of these consolidated annual accounts, no events or circumstances have occurred that should have been included but have not been, except as indicated below.

On 8 February 2021, the Parent Company incorporated a new company whose principal activity is brokerage in securities and other assets. The Parent Company has subscribed 100% of the share capital of the company for an amount of 3,000 euros. Subsequent to incorporation, it has made a shareholder contribution of 2,959,500 euros.

On 29 June 2021, Miss Valentine, S.L., as the sole shareholder of PS21 Design Strategy, S.A.U., in the exercise of its powers of the Universal General Shareholders' Meeting, decided on the Partial Spin-Off, with the transfer of 100% of the shares of its subsidiary company "Mauro Real Estate, S.L.U.", to its subsidiary company "Mauro Real Estate, S.L.U.", in exercise of its powers of the Universal General Meeting of Shareholders, decided its Partial Spin-Off, with the transfer of 100% of the shares of its subsidiary company "Mauro Real Estate, S.L.U.", to the company "Miss Valentine, S.L.", beneficiary of the spin-off, under the terms established in the Partial Spin-Off Project.



Consolidated Management Report

2

1. Evolution of the business and situation of the group

2020 has been one of the most uncertain years we have played in. Fortunately, the decisions we have made have had positive results and we start 2021 stronger and better prepared.

If COVID-19 has taught us anything, it is that our services continue to matter to our clients and that our team knows how to rise to the challenge in the most difficult moments.

One of the key decisions of our people was to invest in PS21 (with a pay cut) so that we would not have to do ERTes. 100% of the people decided that the best thing to do was to go through the storm together.

In the midst of the pandemic we have been able to win the most important tenders in Spain for PS21, BBVA and SAP, and for True, McDonald's. We have also retained the most important clients of all companies: KFC and Acciona Mobility (PS21), Inditex, Acciona and FiNetwork (Redbility), Grupo MasMovil (ES3).

The Group has created jobs in a year in which Spain has seen an increase in the number of unemployed and a record number of ERTes. We started with 78 people in the Group and ended with 91, 13 more people. The average number of employees for the year is 83. These reinforcements were mainly to strengthen the BBVA and McDonald's accounts.

The acquisitions of Estresarte, Redbility and Randm in 2019 have been a resounding success in terms of their contributions to the 2020 results, contributing €812,231, €1,376,798 and €503,693, respectively, to the Group's turnover, and future growth estimates are even more encouraging.

Bringing in new companies this 2020 has been slower due to the pandemic. We identified a small, highly reputable innovation company that could bring us new capabilities and round out our business model, but it has not yet happened.

In 2020, the group created a new real estate unit this year (Mauro Real Estate, S.L.), which will be spun off in 2021.

In addition, at the beginning of 2021, another business unit has been created focused on financial investments, whose name is Holyvama Capital, S.L. and Ps21 Design Strategy holds 100% of its shares.

2. Results and evolution of the group

Despite the difficult economic situation resulting from the COVID-19 crisis, the Group's results in 2020 were very good. Considering the Group's recurring EBITDA as the difference between operating income minus the sum of supplies, external services and personnel expenses (without taking into account the amount of non-consolidable variable compensation and remuneration), the Group's recurring EBITDA has grown by 131.93% to 920,577 euros (396,220 euros in 2019). So, we can say that the effect that COVID-19 has had on our accounts is the lack of growth in our revenue volumes, but we have improved our results compared to the previous year.

We have grown in all customers except for KFC, which reduced the fee because the restaurants were closed during the pandemic, but in 2021 we have already recovered the usual fee. Many of the new customers do not reflect contracted turnover in 2020 as they have been gained mainly in Q3 and Q4, but this will be seen in the evolution of 2021.

In the revenue forecasts for 2021 based on the contracts of the customers we have won in 2020, we will grow by more than EUR 1.25 million with the main customers alone. The average growth with major customers for 2021 is 34%. Of the Top 10 clients, 6 are listed companies.

The ambition is to continue to grow at the pace we have set ourselves and in 2021 to make record net profit. For now, our time and thinking remains focused on COVID-19 and how the Group can continue to grow while being in the middle of it all. Our forecasts are optimistic looking at the numbers for the first half of 2021.

3. Use of financial instruments

The Group is in a good financial situation in which the positive working capital allows us to have some peace of mind as it ensures that we can pay our short-term financing needs.

As of today, we have no liquidity risk or any type of cash flow risk, but rather we have adequate solvency to be able to meet our estimates.

As usual in times of growth, the confidence of financial institutions in supporting the Group through financing, both long and short term, is important. In 2021, we have managed to increase working capital and we are in the process of studying new long-term loans that can help us maintain the desired levels of growth.

4. Research and development activities

During 2019, the Group capitalised costs directly associated with development amounting to 317,118 euros, related to the project to transform the Group's production model through the acquisition of two companies and which is based on a new production model.

There are no other research and development activities other than those explained in note 4 of the consolidated annual report and capitalised in accordance with the conditions indicated in the recording and valuation standards indicated in Note 3f of the consolidated annual report.

5. Own funds

As mentioned in the notes to the consolidated financial statements, during the 2018 financial year, the acquisition of treasury shares by the Company was approved by the General Meeting of Shareholders of PS21 Design Strategy, S.A. held on 7 September 2018.

The shares held by the Parent Company as at 31 December 2020 are 91,357 shares at an acquisition price of EUR 2.05 and are therefore valued at EUR 187,282 in the Group's consolidated balance sheet.

At the date of formulation of these consolidated financial statements, the Parent Company's Sole Director has not taken a decision on the final intended use of the treasury shares indicated above.

6. Average supplier payment period

In relation to the information on payments made to suppliers, in accordance with Law 15/2010 of 5 July, it is as follows:

Average payment period:

	Days
Average payment period to suppliers	65
Paid Transactions Ratio	69
Ratio of transactions pending payment	45

	Amount (euros)
Total payments made	1.549.262
Total payments pending	384.783

7. Subsequent events

Since the closing date of the financial year to which these consolidated annual accounts refer, and up to the date of formulation of these consolidated annual accounts, no events or circumstances have occurred that should have been included but have not been, except as indicated below.

On 8 February 2021, the Parent Company incorporated a new company whose principal activity is brokerage in securities and other assets. The Parent Company has subscribed 100% of the share capital of the company for an amount of 3,000 euros. Subsequent to incorporation, it has made a shareholder contribution of 2,959,500 euros.

On 29 June 2021, Miss Valentine, S.L., as the sole shareholder of PS21 Design Strategy, S.A.U., in the exercise of its powers of the Universal General Shareholders' Meeting, decided on the Partial Spin-Off, with the transfer of 100% of the shares of its subsidiary

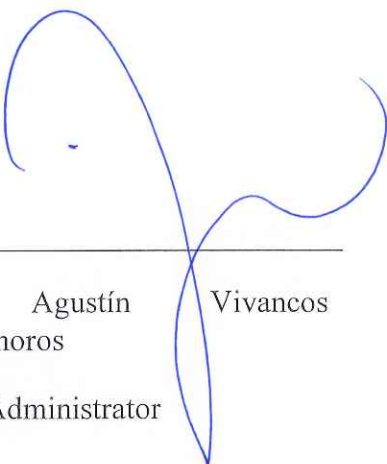
company "Mauro Real Estate, S.L.U.", to its subsidiary company "Mauro Real Estate, S.L.U.", in exercise of its powers of the Universal General Meeting of Shareholders, decided its Partial Spin-Off, with the transfer of 100% of the shares of its subsidiary company "Mauro Real Estate, S.L.U.", to the company "Miss Valentine, S.L.", beneficiary of the spin-off, under the terms established in the Partial Spin-Off Project.



FORMULATION OF THE CONSOLIDATED ANNUAL ACCOUNTS AND
CONSOLIDATED MANAGEMENT REPORT FOR THE FINANCIAL YEAR
2020

The Sole Director of PS21 DESIGN STRATEGY S.A.U., on 30 July 2021, proceeds to prepare the consolidated annual accounts (Balance Sheet, Profit and Loss Account, Statement of Changes in Equity, Cash Flow Statement and Notes, all of them consolidated) and the consolidated management report for the year ended 31 December 2020, which are constituted by the documents attached hereto.

Madrid, 30 July 2021



D. Agustín Vivancos
Matamoros
Sole Administrator

APPENDIX B: ARTICLES OF ASSOCIATION OF THE COMPANY

Estatutos Sociales de JUNGLE21, S.A.

Título I. Denominación, Objeto, Domicilio y Duración de la Sociedad

Artículo 1.- Denominación social.

La sociedad se denomina "JUNGLE21, SOCIEDAD ANÓNIMA" (en adelante, la "Sociedad").

Artículo 2.- Objeto Social.

La Sociedad tendrá por objeto:

- a. Como actividad principal (CNAE 7311), la creación, realización y ejecución de proyectos publicitarios y las tareas relacionadas con la contratación, mediación y difusión de mensajes publicitarios en cualquiera de sus formas y medios posibles, incluida la realización de actividades publicitarias no convencionales.
- b. La ejecución de eventos, creación de campañas, elaboración de estudios de mercado y actividades de promoción, diseño y cualquier otra actividad concerniente a la organización de las relaciones públicas.
- c. La ejecución de actividades relacionadas directa o indirectamente con el marketing, el *merchandising* y otras actividades comerciales conexas o similares.
- d. La creación y realización de producciones audiovisuales y gráficas, la confección y diseño de páginas web y demás plataformas informáticas similares.
- e. La realización de actividades y la prestación de servicios en el ámbito de las telecomunicaciones, la información y la comunicación; en especial, el desarrollo de actividades relacionadas con Internet y cualesquiera otras redes, incluyendo actividades de acceso, actividades de producción, distribución y/o exhibición de contenidos propios o ajenos, actividades de portal, actividades de comercio electrónico y cualesquiera otras actividades que en

Bylaws of JUNGLE21, S.A.

Title I. Corporate name, Purpose, Registered address, and Duration of the Company


Article 1. - Corporate name.

The Company shall be called "JUNGLE21, LIMITED COMPANY" (hereinafter, the "Company").

Article 2. - Corporate purpose.

The Company's corporate purpose is to carry out the following activities:

- a. As its main activity (CNAE 7311), the creation, implementation and execution of advertising projects and tasks related to the contracting, mediation, and dissemination of advertising messages in any of its possible forms and media, including the performance of non-conventional advertising activities.
- b. The execution of events, creation of campaigns, preparation of market research and promotional activities, designing and any other activity related to the organization of public relations.
- c. The execution of activities directly or indirectly related to marketing, merchandising and other related or similar commercial activities.
- d. The creation and execution of audiovisual and graphic productions, the creation and design of web pages and other similar IT platforms.
- e. The performance of activities and provision of services in the field of telecommunications, information, and communication; in particular, the development of activities related to the Internet and any other networks, including access activities, production, distribution and/or exhibition of its own or other people's content, portal activities, e-commerce activities and any other activities that may arise in the future in this area.



esta área puedan surgir en el futuro.

f) Actividades de intermediación en operaciones con valores y otros activos. -----

La tenencia, compra y venta de títulos valores, acciones y participaciones de otras sociedades, exceptuándose aquellas actividades propias de las Sociedades de Inversión Colectiva o que estén sujetas a requisitos especiales por la legislación sobre el Mercado de Valores. -----

En todo lo que no suponga colisión con las actividades legalmente reservadas por legislación especial, y en particular, por la legislación de las Instituciones de Inversión Colectiva y del Mercado de Valores, concertar y realizar por cuenta propia toda clase de operaciones respecto a valores en cualquier tipo de mercado, nacional o internacional, comprar, vender o de otro modo, adquirir, transmitir, sustituir, enajenar, pignorar, administrar y suscribir toda clase de acciones, valores convertibles en ellas o que otorguen derecho a su adquisición o suscripción, obligaciones, derechos, bonos, pagarés, efectos públicos o valores mobiliarios, y participar en otras sociedades.

g) la adquisición, posesión, administración, cesión y disposición de cualquier forma de acciones, participaciones, obligaciones, pagarés, letras de cambio y cualesquiera otros valores, así como la prestación de servicios de administración, coordinación, mantenimiento y optimización de los recursos de las sociedades en las que la sociedad participe, todo ello por cuenta propia.

La Sociedad podrá desarrollar las actividades integrantes del objeto social tanto en España como en el extranjero y podrá desarrollarlas total o parcialmente, de modo directo o indirecto, esto es, mediante la titularidad de acciones y lo participaciones en sociedades con objeto idéntico, análogo o semejante, cuya fundación o creación podrá promover y en cuyo capital podrá participar individualmente o en colaboración con otras personas jurídicas.

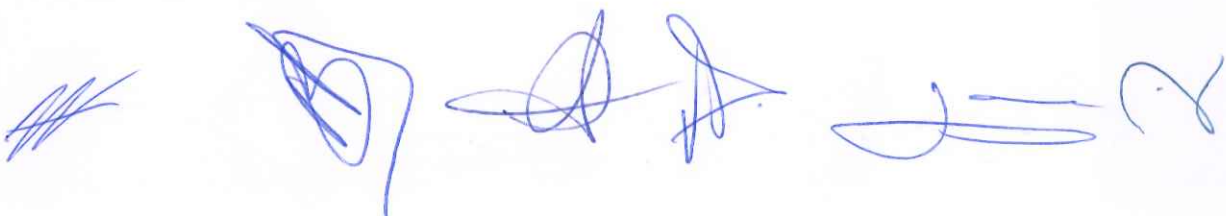
f) Intermediation activities in operations with securities and other assets.

The holding, purchase and sale of securities, shares and participations of other companies, with the exception of those activities of the Investment Companies or that are subject to special requirements by the legislation on the Securities Market.

In everything that does not imply collision with the activities legally reserved by special legislation, and in particular, by the legislation of Collective Investment Institutions and the Securities Market, to arrange and carry out on own account all kinds of operations with respect to securities in any type of market, national or international, buy, sell or otherwise, acquire, transmit, substitute, alienate, pledge, manage and subscribe all kinds of shares, securities convertible into them or that grant the right to their acquisition or subscription, obligations, rights, bonds, promissory notes, public effects or transferable securities, and participate in other companies.

g) the acquisition, possession, administration, assignment and disposal of any form of shares, participations, obligations, promissory notes, bills of exchange and any other securities, as well as the provision of administration services, coordination, maintenance and optimization of the resources of the companies in which the company participates, all on its own account.

The Company may carry out the integral activities of the corporate purpose both in Spain and abroad and may carry them out in whole or in part, directly or indirectly, i.e. through the ownership of shares and equity interests in companies with an identical, analogous or similar purpose, whose foundation or creation it may promote and in whose capital it may participate individually or in collaboration with other legal entities.



Las actividades anteriormente expresadas se ejercerán siempre con sujeción a las disposiciones legales de aplicación en la materia y previa obtención, en su caso, de las autorizaciones, licencias u otros títulos administrativos que fueran necesarios.

The activities will always be carried out in accordance with the applicable legal provisions on the matter and prior acquisition, where appropriate, of the necessary authorizations, licenses or other administrative titles.

Se excluyen de este objeto todas aquellas actividades para cuyo ejercicio alguna ley exija requisitos especiales que no queden cumplidos por esta Sociedad.

Excluded from this corporate purpose are all activities for whose exercise a law might require special requirements that are not fulfilled by this Company.

Si alguna ley exigiera para el ejercicio de todas o algunas de las actividades expresadas algún título profesional, autorización administrativa, inscripción en Registros Públicos, o, en general, cualesquiera otros requisitos, tales actividades no podrán iniciarse antes de que se hayan cumplido los requisitos administrativos exigidos y, en su caso, deberán desarrollarse por medio de persona o personas que tengan la titulación requerida.

If any law required for the exercise of some or all of the referred activities a professional qualification, administrative authorization, registration in Public Records, or, in general, any other requirements, such activities cannot be initiated before the administrative requirements have been fulfilled and, where appropriate, must be carried out by means of a person or persons having the required qualification.

En el desarrollo de la actividad prevista en el objeto social la Sociedad velará por la generación de un impacto social positivo para la sociedad, las personas vinculadas a ésta y el medioambiente.

In carrying out the activity envisaged in the corporate purpose, the Company shall ensure that it generates a positive social impact for the society, its stakeholders, and the environment.

Artículo 3.- Domicilio social y página web corporativa.

La Sociedad tiene su domicilio en calle Antonio Maura, 16-5º derecha (Madrid).

Article 3. - Registered Address and corporate website.

The Company has its registered address in street Antonio Maura, 16-5º right (Madrid).

El Órgano de Administración será competente para (i) acordar la creación, la supresión o el traslado de sucursales, agencias o delegaciones, en cualquier lugar de España y del extranjero, (ii) cambiar el domicilio social y (iii) acordar la modificación y el traslado de la página web corporativa, pero no para acordar su creación.

The Board of Directors shall be competent to (i) agree on the creation, elimination or transfer of branches, agencies, or delegations, anywhere in Spain and abroad, (ii) change the registered address and (iii) agree on the amendment or movement of the corporate website, but not to agree its creation.

La Sociedad dispondrá de una página web corporativa (www.jungle21.com) en los términos establecidos en la Ley de Sociedades de Capital y

The Company will have a corporate website (www.jungle21.com) under the terms established in the Spanish Companies Act (*"Ley de Sociedades de*

que estará inscrita en el Registro Mercantil. En dicha página web corporativa se publicarán los documentos de información, conforme a la Ley, que se consideren oportuno poner a disposición de los accionistas e inversores a través de este medio.

La modificación, el traslado o la supresión de la página web corporativa de la Sociedad será competencia del Consejo de Administración.

Artículo 4.- Duración y comienzo de actividades.

La duración de la Sociedad es indefinida.

Título II. Capital Social y Acciones

Artículo 5.- Capital Social y Acciones.

El capital social es de CIENTO SESENTA Y CINCO MIL OCHOCIENTOS SESENTA Y UN MIL EUROS Y VEINTISIETE CÉNTIMOS (165.861,27-€), completamente suscrito y desembolsado, y dividido y representado por 16.586.127 acciones ordinarias, numeradas correlativamente de la 1 a la 16.586.127 ambas inclusive, de UN CÉNTIMO DE EURO (0,01.-€) de valor nominal cada una de ellas, totalmente desembolsadas.

Las acciones son todas de una sola clase y una sola serie, y atribuyen a sus titulares los mismos derechos y obligaciones.

Artículo 6.-Representación de las acciones.

1.- Las acciones están representadas por medio de anotaciones en cuenta y se constituyen como tales en virtud de su inscripción en el correspondiente registro contable. Se regirán por la normativa aplicable en materia de mercados de valores.

2.- La legitimación para el ejercicio de los derechos del accionista se obtiene mediante la inscripción en el registro contable, que presume la titularidad legítima y habilita al titular registral a exigir que la Sociedad le reconozca como accionista. Dicha legitimación podrá acreditarse mediante exhibición

Capital") and that will be registered in the Commercial Registry. On this corporate website, the mandatory information documents in accordance with the Law, as well as any information deemed appropriate to be available to shareholders and investors, shall be published.

The modification, transfer or elimination of the corporate website of the Company shall be the responsibility of the Board of Directors.

Article 4. - Duration and start of activities.

The duration of the Company is indefinite.

Title II. Share Capital and Shares

Article 5. - Share Capital and Shares.

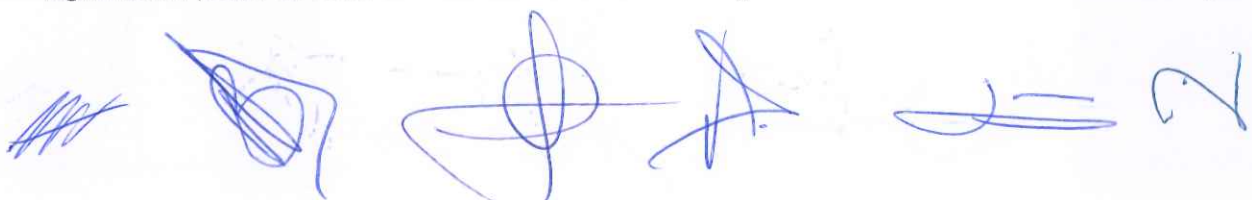
The share capital is ONE HUNDRED SIXTY-FIVE THOUSAND EIGHT HUNDRED SIXTYONE THOUSAND EUROS AND TWENTYSEVEN CENTS (€ 165,861.27), fully subscribed and paid up, and divided and represented by 16,586,127 ordinary shares, numbered consecutively from 1 to 16,586,127 both inclusive, of ONE CENT OF A EURO (€ 0.01.-) of nominal value each, fully paid up.

The shares are all of a single class and a single series, and they attribute to their holders the same rights and obligations.

Article 6.-Representation of the shares.

1. - The shares are represented by book entries form (*"anotaciones en cuenta"*) and are constituted as such by virtue of their inscription in the corresponding accounting record. They will be governed by the applicable regulations in the matter of securities markets.

2. - The legitimization for the exercise of the shareholder's rights is obtained through the registration in the accounting register, which presumes legitimate ownership and entitles the registered owner to demand that the Company recognizes him as a shareholder. Such legitimacy



de los certificados oportunos, emitidos por la entidad encargada de la llevanza del correspondiente registro contable.

3.- Si la Sociedad realiza alguna prestación a favor de quien figure como titular de conformidad con el registro contable, quedará liberada de la obligación correspondiente, aunque aquél no sea el titular real de la acción, siempre que la realizara de buena fe y sin culpa grave.

4.- En la hipótesis de que la persona que aparezca legitimada en los asientos del registro contable tenga dicha legitimación en virtud de un título fiduciario o en su condición de intermediario financiero que actúa por cuenta de sus clientes o a través de otro título o condición de análogo significado, la Sociedad podrá requerirle para que revele la identidad de los titulares reales de las acciones, así como los actos de transmisión y gravamen sobre las mismas.

Artículo 7.- Obligación de información de los accionistas a la Sociedad.

1. Accionistas titulares de participaciones significativas:

a) De manera general, el accionista estará obligado a comunicar a la Sociedad las adquisiciones o transmisiones de acciones, por cualquier título y directa o indirectamente, que determinen que su participación total alcance, supere o descienda del 5% del capital social y sucesivos múltiplos. Si el accionista es administrador o directivo de la sociedad, esta obligación de comunicación se referirá al porcentaje del 1% del capital social y sucesivos múltiplos. Las comunicaciones deberán realizarse al Consejo de Administración de la Sociedad y dentro del plazo máximo de los cuatro (4) días naturales siguientes a aquel en que se hubiera producido el hecho determinante de la

may be proved by means of the presentation of the appropriate certificates, issued by the entity in charge of carrying out the corresponding accounting record.

3.- If the Company performs any benefit in favour of whoever appears as the owner according to the accounting record, it will be released from the corresponding obligation, even if the former is not the actual owner of the shares, provided that it is carried out in good faith and without serious fault.

4. - In the hypothesis that the person who appears legitimized in the entries in the accounting register has such legitimization by virtue of a fiduciary title or in its capacity as financial intermediary acting on behalf of its clients or through another title or condition of analogous meaning, the Company may require him to disclose the identity of the actual owners of the shares, as well as the acts of transfer and encumbrance thereon.

Article 7.- Information obligation of the shareholders to the Company .

1. Shareholders holding significant number of shares:

a) In general, the shareholder will be obliged to communicate to the Company the acquisition or transfer of shares, by any title and directly or indirectly, that determines that his total stake in the Company reaches, exceeds or falls from 5% of the share capital and successive multiples. If the shareholder is a manager or a director of the Company, this obligation of communication will refer to the percentage of 1% of the share capital and successive multiples. The communications must be made to the Board of Directors of the Company within a maximum period of the four (4) calendar days following that on which the relevant event of the communication had occurred.

comunicación.

b) Igualmente, todo accionista que haya alcanzado esa participación significativa deberá comunicar al Consejo de Administración cualquier adquisición posterior, con independencia del número de acciones adquiridas.

c) Igual declaración a las indicadas en los apartados precedentes deberá además facilitar cualquier persona que sea titular de derechos económicos sobre acciones de la Sociedad que representen un porcentaje igual o superior al cinco por ciento (5%) de capital social.

d) Junto con la comunicación prevista en los apartados precedentes, el accionista, o el titular de los derechos económicos afectado deberá facilitar al Consejo de Administración de la Sociedad:

(i) Un certificado de residencia a efectos del correspondiente impuesto personal sobre la renta expedido por las autoridades competentes de su país de residencia. En aquellos casos en los que el accionista resida en un país con el que España haya suscrito un convenio para evitar la doble imposición en los impuestos que gravan la renta, el certificado de residencia deberá reunir las características que prevea el correspondiente convenio para la aplicación de sus beneficios.

(ii) Un certificado expedido por las autoridades fiscales del país de residencia, si éste fuera distinto de España, acreditando el tipo de gravamen al que está sujeto para el accionista el dividendo distribuido por la Sociedad, junto con una declaración del accionista indicando que el accionista titular es beneficiario efectivo de tal dividendo.

El accionista o titular de derechos económicos obligado deberá entregar a la Sociedad la documentación referida en los dos apartados anteriores dentro de los diez (10) días naturales siguientes a la fecha en la que la Junta General o en su caso el Consejo de Administración, acuerde la

b) Likewise, any shareholder who has achieved this significant stake must notify the Board of Directors of any subsequent acquisition, regardless of the number of shares acquired.

c) The same declaration to those indicated in the preceding paragraphs must also be delivered by any person who holds economic rights over shares of the Company that represent a percentage equal to or greater than five percent (5%) of the share capital.

d) Together with the communication provided for in the preceding paragraphs, the shareholder, or the owner of the economic rights affected, shall provide the Company's Board with:

(i) A certificate of residence for the purposes of the corresponding personal income tax issued by the competent authorities of his country of residence. In those cases where the shareholder resides in a country with which Spain has signed a convention to avoid double taxation, the certificate of residence must meet the characteristics provided for by the corresponding convention for the application of its benefits.

(ii) A certificate issued by the tax authorities of the country of residence, if this is different from Spain, attesting the type of tax to which the dividend distributed by the Company is subject, together with a declaration by the shareholder indicating that the shareholder is the beneficial owner of such dividend.

The shareholder or holder of economic rights obligated shall deliver to the Company the documentation referred to in the two preceding paragraphs within ten (10) calendar days following the date on which the General Meeting or, if applicable, the Board of Directors approves a

distribución de cualquier dividendo o de cualquier importe análogo (reservas, etc.) y en todo caso antes de la fecha prevista para la efectiva distribución.

e) Si el obligado a informar incumpliera la obligación de información configurada en los apartados precedentes, el Consejo de Administración podrá presumir que el dividendo está exento de impuestos.

En caso de que el pago del dividendo o importe análogo se realice con anterioridad a los plazos dados para el cumplimiento de la obligación de información, así como en caso de incumplimiento, la Sociedad podrá retener el pago de las cantidades a distribuir correspondiente al accionista o al titular de derechos económicos afectado.

2.- Accionistas sujetos a regímenes especiales:

a) Todo accionista que, como inversor, se encuentre sujeto en su jurisdicción de origen a cualquier clase de régimen jurídico especial en materia de fondos de pensiones o planes de beneficios, deberá comunicar dicha circunstancia al Consejo de Administración.

b) Igualmente, todo accionista que se encuentre en la situación descrita en el párrafo a) anterior deberá comunicar al Consejo de Administración cualquier adquisición o transmisión posterior, con independencia del número de acciones adquiridas o transmitidas.

c) Igual declaración a las indicadas en los apartados a) y b) precedentes deberá además facilitar cualquier persona que sea titular de derechos económicos sobre acciones de la Sociedad, incluyendo en todo caso aquellos titulares indirectos de acciones de la Sociedad a través de intermediarios financieros que aparezcan formalmente legitimados como accionistas en virtud del registro contable pero que actúen por cuenta de

distribution of any dividend or any similar amount (reserves, etc.) and, in any case, before the date foreseen for its effective distribution.

e) If the obligated to inform fails to comply with the information obligation set forth in the preceding paragraphs, the Board of Directors may presume that the dividend is exempt of taxation.

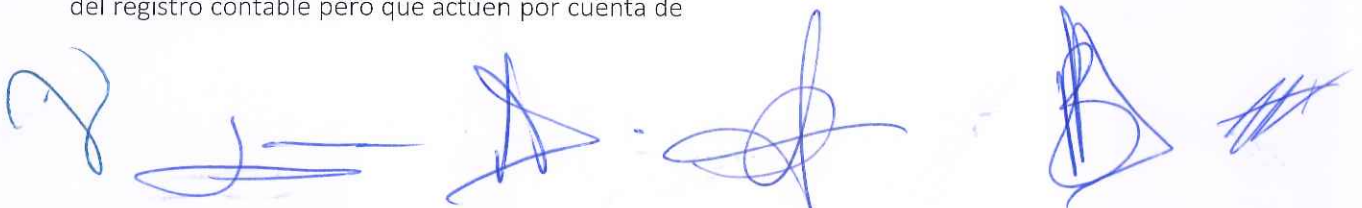
In case the payment of the dividend or similar concept is made prior to the deadlines given for compliance with the obligation of information, as well as in case of default, the Company may withhold payment of the amounts to be distributed corresponding to the shareholder or holder of economic rights affected.

2. - Shareholders subject to special regimes:

a) Any shareholder who, as an investor, is subject in its jurisdiction of origin to any kind of special legal regime in matters of pension funds or benefit plans, must communicate this circumstance to the Board of Directors.

b) Likewise, any shareholder who is in the situation described in paragraph a) above must notify the Board of Directors of any subsequent acquisition or transfer, regardless of the number of shares acquired or transferred.

c) The same declaration to those indicated in a) and b) above shall also be provided by any person who holds economic rights over shares of the Company, including in any case those indirect owners of shares of the Company through financial intermediaries who are formally legitimated as shareholders by virtue of the accounting record but acting on behalf of the said holders.



los indicados titulares.

d) La Sociedad, mediante notificación por escrito (un "Requerimiento de Información") podrá exigir a cualquier accionista o a cualquier otra persona con un interés conocido o aparente sobre las acciones de la Sociedad, que le suministre por escrito la información que la Sociedad le requiera y que obre en conocimiento del accionista u otra persona, en relación con la titularidad efectiva de las acciones en cuestión o el interés sobre las mismas (acompañado, si la Sociedad así lo exige, por una declaración formal o notarial y/o por pruebas independientes), incluida (sin perjuicio de la generalidad de cuanto antecede) cualquier información que la Sociedad juzgue necesaria o conveniente a efectos de determinar si dichos accionistas o personas son susceptibles de encontrarse en la situación descrita en el párrafo a) anterior.

La Sociedad podrá efectuar un Requerimiento de Información en cualquier momento y podrá enviar uno o más Requerimientos de Información al mismo accionista o a otra persona con respecto a las mismas acciones o a intereses sobre las mismas acciones.

e) Sin perjuicio de las obligaciones que se regulan en el presente artículo, la Sociedad supervisará las adquisiciones y transmisiones de acciones que se efectúen, y adoptará las medidas que resulten oportunas para evitar los perjuicios que en su caso pudieran derivarse para la propia Sociedad o sus accionistas de la aplicación de la normativa vigente en materia de fondos de pensiones o planes de beneficios que pueda afectarles en sus respectivas jurisdicciones.

3.- Comunicación de pactos parasociales:

Igual comunicación a la prevista en el apartado anterior 1.- a), y en el mismo plazo de cuatro (4) días desde el hecho determinante de esta obligación,

d) The Company may, by means of a written notice (an "Information Request"), require any shareholder or any other person with a known or apparent interest in the shares of the Company to provide in writing the information that the Company requires and is brought to the notice of the shareholder or other person, in relation to the actual ownership of the relevant shares or the interest thereon (accompanied, if the Company requires it, by a formal or notarial statement and / or by independent evidence), including (without prejudice to the generality of the foregoing) any information that the Company deems necessary or convenient for the purpose of determining whether such shareholders or persons are likely to be in the situation described in paragraph a) above.

The Company may make an Information Request at any time and may send one or more Information Requests to the same shareholder or to another person with respect to the same shares or interest on the same shares.

e) Notwithstanding the obligations set forth in this article, the Company shall supervise the acquisitions and transfers of shares made and shall adopt such measures as may be appropriate to avoid any damages that might arise for the Company itself or its shareholders from the application of the current regulations regarding pension funds or benefit plans that may affect them in their respective jurisdictions.

3.-Communication of shareholders agreement:

The same communication as foreseen in the previous section 1. - a), and within the same period of four (4) days from the fact determining



deberán realizar los accionistas que participen o conozcan de la suscripción, modificación, prórroga o extinción de cualquier pacto que restrinja la transferencia de las acciones de su propiedad o afecte a los derechos de voto inherentes a dichas acciones.

4.- La Sociedad dará publicidad a tales comunicaciones de acuerdo con las reglas del mercado Euronext Access o del Sistema de Negociación Multilateral en el que se encuentre incorporada.

Artículo 8.- Transmisión de Acciones.

1.- Las acciones y los derechos económicos que derivan de ellas, incluido el derecho de suscripción preferente, son libremente transmisibles por todos los medios admitidos en Derecho.

2.- Transmisión en caso de cambio de control.

No obstante lo anterior, la persona que quiera adquirir una participación accionarial superior al 50% del capital social deberá realizar, al mismo tiempo, una oferta de compra dirigida, en las mismas condiciones, a la totalidad de accionistas.

El accionista que reciba, de un accionista o de un tercero, una oferta de compra de sus acciones, por cuyas condiciones de formulación, características del adquirente y restantes circunstancias concurrentes, deba razonablemente deducir que tiene por objeto atribuir al adquirente una participación accionarial superior al 50% del capital social, sólo podrá transmitir acciones que determinen que el adquirente supere el indicado porcentaje si el potencial adquirente le acredita que ha ofrecido a la totalidad de los accionistas la compra de sus acciones en las mismas condiciones.

Artículo 9.- Usufructo de Acciones.

En el caso de usufructo de acciones, la cualidad de socio reside en el nudo propietario, pero el usufructuario tendrá derecho en todo caso a los dividendos acordados por la Sociedad durante el

such obligation, shall be made by shareholders who participate or know of the subscription, modification, extension, or termination of any agreement that restricts the transfer of the shares owned or affected by the voting rights inherent to such shares.

4.- The Company will publicize such communications in accordance with the rules of the *Euronext Access* or of the Multilateral Trading Facility which it is incorporated in.

Article 8. - Transfer of Shares.

1. - The shares and economic rights deriving therefrom, including the pre-emptive subscription right, are freely transferable by all means permitted by law.

2. - Transfer in case of change of control.

Notwithstanding the foregoing, a shareholder who wishes to acquire a shareholding in excess of 50% of the share capital must make, at the same time, a purchase offers addressed, under the same conditions, to all shareholders.

A shareholder who receives a shareholder's offer or a third party's offer to purchase its shares, on the basis of the terms of the agreement, the characteristics of the acquirer and other circumstances, must reasonably be inferred that it is intended to confer on the acquirer a shareholding in excess of 50% of the share capital, may only transfer shares that determine that the acquirer exceeds the aforementioned percentage if the potential acquirer proves that it has offered to the totality of the shareholders the purchase of their shares under the same conditions

Article 9. - Usufruct of Shares.

In the case of usufruct of shares, the qualification of shareholder resides in the bare owner, but the beneficial owner (*usufructuario*) will be entitled in any case to the dividends agreed by the Company



usufructo. El usufructuario queda obligado a facilitar al nudo propietario el ejercicio de sus derechos. En las relaciones entre el usufructuario y el nudo propietario regirá lo que determine el título constitutivo del usufructo y, en su defecto, lo previsto en la Ley de Sociedades de Capital y, supletoriamente, en el Código Civil (o, en su caso, en la legislación civil aplicable).

Artículo 10.- Prenda de Acciones.

En caso de prenda de acciones corresponderá al propietario de éstas el ejercicio de los derechos de accionista. El acreedor pignoraticio queda obligado a facilitar el ejercicio de estos derechos.

Si el propietario de las acciones incumpliese la obligación de desembolso pendiente, el acreedor pignoraticio podrá cumplir por sí esta obligación o proceder a la realización de la prenda.

Artículo 11.- Embargo de Acciones.

En caso de embargo de acciones se observarán las disposiciones contenidas en el artículo anterior, siempre que sean compatibles con el régimen específico del embargo.

Título III. Régimen y administración de la Sociedad.

Artículo 12.- Órganos de la Sociedad.

Los órganos rectores de la Sociedad son:

- (a) La Junta General de Accionistas.
- (a) El Órgano de Administración.

Sección I.- La Junta General de Accionistas.

Artículo 13.- Junta General de accionistas.

1. La Junta General de accionistas debidamente convocada y constituida, representará a todos los accionistas y todos ellos quedarán sometidos a sus decisiones, en relación con los asuntos propios de su competencia, incluso los disidentes y no asistentes a

during the usufruct. The beneficial owner is obliged to facilitate the bare owner the exercise of his rights. In the relations between the beneficial owner and the bare owner, it will govern what is determined in the title constituting the usufruct and what is foreseen in the Law and, additionally, in the Civil Code (or as the case may be, the applicable civil law).

Article 10. - Pledge of Shares.

In case of pledge of shares, the owner of the shares shall exercise the rights of shareholder. The pledgee is obliged to facilitate the exercise of these rights.

If the owner of the shares fails to comply with a pending disbursement obligation, the pledgee may fulfill this obligation or proceed with the realization of the pledge.

Article 11. - Seizure of shares.

In case of seizure of shares the provisions contained in the previous article will be observed, as long as they are compatible with the specific regime of the seizure.

Title III. Regime and administration of the Company.

Article 12. - Governing Bodies of the Company.

The governing bodies of the Company are:

- (a) The General Shareholders' Meeting.
- (b) The Management Body.

Section I. - General Shareholders' Meeting.

Article 13. - General Shareholders' Meeting.

1. The General Shareholders' Meeting duly convened and constituted, shall represent all the shareholders and all of them shall be subject to their decisions, in relation to matters within their competence, including dissidents and non-



la reunión, sin perjuicio de los derechos de impugnación establecidos en la normativa aplicable.

2. La Junta General de accionistas se rige por lo dispuesto en la normativa aplicable y en los Estatutos Sociales.

3.- Con respeto de estos Estatutos, la Junta General podrá dotarse de un Reglamento.

Artículo 14.- Clases de Juntas Generales de accionistas.

1. Las Juntas Generales de accionistas podrán ser ordinarias o extraordinarias.

2. La Junta General de accionistas ordinaria se reunirá necesariamente dentro de los seis primeros meses de cada ejercicio, para censurar la gestión social, aprobar, en su caso, las cuentas del ejercicio anterior y resolver sobre la aplicación del resultado, sin perjuicio de su competencia para tratar y decidir sobre cualquier otro asunto que figure en el orden del día. La Junta General de accionistas ordinaria será válida, aunque haya sido convocada o se celebre fuera de plazo.

3. Toda Junta General de accionistas que no sea la prevista en el párrafo anterior tendrá la consideración de Junta General de accionistas extraordinaria y se reunirá siempre que sea convocada por el Consejo de Administración de la Sociedad a iniciativa propia o bien por virtud de la solicitud de accionistas que sean titulares de, al menos, un 5% del capital social, expresando en la solicitud los asuntos a tratar en la Junta.

Artículo 15.- Convocatoria y Constitución de las Juntas Generales.

Convocatoria.

1.- Las Juntas Generales de accionistas serán convocadas por el Consejo de Administración mediante anuncio publicado en la página web corporativa de la Sociedad, en la forma y con el contenido mínimo previstos por la Ley, por lo

attendees, without prejudice to rights of challenge established in the applicable regulations.

2. The General Shareholders' Meeting is governed by the provisions of the applicable regulations and by the By-Laws.

3.- With respect to these Bylaws, the General Meeting may adopt a Regulation.

Article 14. - Classes of General Meetings of shareholders.

1. The General Shareholders' Meetings may be ordinary or extraordinary.

2. The ordinary General Shareholders' Meeting shall meet within the first six months of each fiscal year to review the corporate management, approve, if applicable, the accounts of the previous year and resolve on the allocation of the result, without prejudice to its competence to deal with and decide on any other matter on the agenda. The General Shareholders' Meeting shall be valid, even if it has been called or held after the deadline.

3. A General Meeting of shareholders other than that provided for in the preceding paragraph shall be considered as an Extraordinary General Meeting of Shareholders and shall meet whenever it is convened by the Board of Directors of the Company on its own initiative or by virtue of the request of shareholders who hold at least 5% of the share capital, expressing in the request the matters to be discussed at the Meeting.

Article 15. - Convening and Constitution of the General Meetings.

Convening.

1.-The General Shareholders' Meetings shall be convened by the Board of Directors by means of an announcement published on the corporate website of the Company, in the form and with the minimum content provided for by the Law, at least

menos, un mes antes de la fecha fijada para su celebración, sin perjuicio de los supuestos en que la Ley establezca una antelación superior.

La Junta General se celebrará en el término municipal donde la Sociedad tenga su domicilio. Si en la convocatoria no figurase el lugar de celebración se entenderá que la Junta ha sido convocada para su celebración en el domicilio social.

El anuncio de convocatoria expresará (i) el nombre de la Sociedad, la fecha y la hora de la reunión, (ii) el orden del día, en que figurarán los asuntos a tratar y (iii) el cargo de la persona o personas que realicen la convocatoria. Podrá, asimismo, hacerse constar la fecha en la que, si procediera, se reunirá la Junta General en segunda convocatoria.

Será posible asistir a la Junta por medios telemáticos (incluida la videoconferencia) que garanticen debidamente la identidad del sujeto cuando la Sociedad, a criterio del órgano de administración, haya habilitado tales medios. Para ello, en la convocatoria se describirán los plazos, formas y modos de ejercicio de los derechos de los accionistas previstos por los administradores para permitir el ordenado desarrollo de la Junta. En particular, los administradores podrán determinar que las intervenciones y propuestas de acuerdos que tengan intención de formular quienes vayan a asistir por medios telemáticos, se remitan a la sociedad con anterioridad al momento de la constitución de la Junta. Las respuestas a los socios o sus representantes que, asistiendo telemáticamente, ejerciten su derecho de información durante la junta se producirán durante la propia reunión o por escrito durante los siete días siguientes a la finalización de la junta.

De conformidad con el art.182 bis de la Ley de Sociedades de Capital, queda autorizada la convocatoria por parte de los administradores de juntas generales para ser celebradas sin asistencia física de los socios o sus representantes. La

one month before the date set for its execution, without prejudice to the assumptions where the Law establishes a higher notice period.

The General Meeting will be held in the municipality where the Company has its corporate address. If the convening notice does not include the place of celebration, it will be understood that the Meeting has been called to be held at the corporate address.

The notice of call shall state (i) the name of the Company, the date and time of the meeting, (ii) the agenda, which shall include the matters to be discussed and (iii) the position of the person or persons making the convening. It may also include the date on which, if appropriate, the General Meeting will meet on second call.

It will be possible to assist to the Meeting by telematic means (including videoconference) that duly guarantee the identity of the person when the Company, at the discretion of the board of directors, has enabled such means. For this purpose, the notice will describe the deadlines, forms and ways of exercising the rights of the shareholders provided by the administrators to enable orderly development of the Meeting. In particular, the directors may determine that interventions and proposals for agreements that intend to formulate those who will attend by telematic means, are referred to the Company prior to the time of the constitution of the Meeting. Responses to the shareholders or their representatives who, by attending online, exercise their right to information during the meeting will be produced during the meeting itself or in writing during the seven days following the end of the meeting.

According to the art.182 bis of the Capital Company Law, the calling of general meetings is authorized to be held without physical attendance of the partners or their representatives. The calling and



convocatoria y la celebración de estas juntas, así como los derechos de los accionistas, se regirán por estos Estatutos y por la Ley de Sociedades de Capital.

Las Juntas Generales habrán de ser convocadas por el Órgano de Administración o, en su caso, por los liquidadores. El Órgano de Administración convocará la Junta General siempre que lo estime necesario o conveniente para los intereses sociales y, en todo caso, en las fechas o períodos que determine la Ley. Entre la convocatoria y la fecha prevista para la celebración de la Junta General deberá existir un plazo de, al menos, un (1) mes o dos (2) meses, en caso de traslado internacional del domicilio social.

Los accionistas que representen, al menos, el cinco (5) por ciento del capital social podrán solicitar que se publique un complemento a la convocatoria de una Junta General de Accionistas incluyendo uno o más puntos del orden del día. El ejercicio de este derecho deberá hacerse mediante notificación fehaciente que habrá de recibirse en el domicilio social dentro de los cinco (5) días siguientes a la publicación de la convocatoria. El complemento de la convocatoria deberá publicarse con quince (15) días de antelación como mínimo a la fecha establecida para la reunión de la Junta General.

El Órgano de Administración deberá, asimismo, convocar la Junta General cuando lo soliciten accionistas que representen, al menos, el cinco (5) por ciento del capital social, expresando en la solicitud los asuntos a tratar en la Junta General. En este caso, deberá ser convocada para su celebración dentro de los dos (2) meses siguientes a la fecha en que se hubiere requerido notarialmente al Órgano de Administración para convocarla, debiendo incluirse necesariamente en el orden del día los asuntos que hubiesen sido objeto de solicitud.

Por lo que se refiere a la convocatoria de la Junta

holding of these meetings, as well as the rights of the shareholders, will be governed by these Bylaws and the Capital Companies Law.

The General Meetings shall be convened by the Management Body or, as the case may be, by the liquidators. The Management Body shall convene the General Meeting whenever it deems it necessary or appropriate for the corporate interests and, in any case, at the dates or periods determined by the Law. Between the call and the date scheduled for the General Meeting shall be a period of at least one (1) month (or two (2) months, in case of international transfer of the corporate address).

Shareholders representing at least five (5) percent of the share capital may request that a supplement to the convening notice of the General Meeting shall be published, including one or more items on the agenda. The exercise of this right must be made by means of effective notification that must be received at the corporate address within five (5) days following the publication of the convening notice. The complement of the convening notice must be published at least fifteen (15) days before the date established for the meeting of the General Meeting.

The Management Body shall also convene the General Meeting at the request of shareholders representing at least five (5) percent of the share capital, expressing in the request the matters to be discussed at the General Meeting. In this case, it must be convened within two (2) months following the date on which the Board of Directors was required by means of a notary requirement to convene the Meeting, and the matters that had been the subject of the requirement must necessarily be included in the agenda.

With regard to the convening of the General

General por el Secretario judicial o Registrador mercantil del domicilio social, se estará a lo dispuesto en la Ley.

Constitución.

Salvo que imperativamente se establezcan otros quórum de constitución, la Junta General quedará válidamente constituida, en primera convocatoria, cuando los accionistas presentes o representados, posean, al menos, el veinticinco (25) por ciento del capital suscrito con derecho de voto. En segunda convocatoria, será válida la constitución de la Junta cualquiera que sea el capital concurrente.

Sin embargo, para que la Junta General pueda acordar válidamente los acuerdos relativos a los asuntos a que se refiere el artículo 194 de la Ley de Sociedades de Capital será necesaria, en primera convocatoria, la concurrencia de accionistas presentes o representados que posean, al menos, el cincuenta (50) por ciento del capital suscrito con derecho de voto. En segunda convocatoria será suficiente la concurrencia del veinticinco (25) por ciento de dicho capital.

Junta General universal.

No obstante, lo anterior, la Junta General quedará válidamente constituida, con el carácter de universal, para tratar cualquier asunto, sin necesidad de previa convocatoria, siempre que esté presente o representada la totalidad del capital social y los concurrentes acepten por unanimidad la celebración de la Junta General. La Junta General universal podrá reunirse en cualquier lugar del territorio nacional o del extranjero.

Artículo 16.- Legitimación para asistir a las Juntas Generales.

1. Tendrán derecho de asistencia a las Juntas Generales de accionistas los accionistas de la Sociedad cualquiera que sea el número de acciones de que sean titulares. Podrán asistir a la Junta General todos los accionistas que figuren como

Meeting by the judicial Secretary or by the Commercial Registrar of the corporate address, it will be in accordance with the Law.

Constitution.

Unless other quorums are established imperatively, the General Meeting shall be validly constituted, on first call, when the shareholders present or represented, hold at least twenty-five (25) percent of the subscribed share capital with voting rights. On second call, the constitution of the Meeting shall be valid whatever the concurrent share capital.

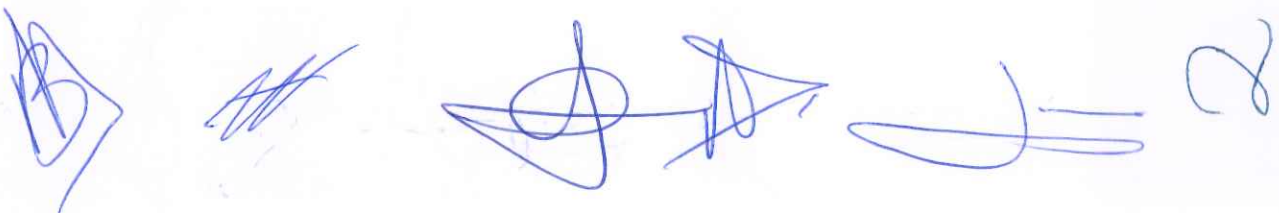
However, in order for the General Meeting to be able to validly agree on the matters referred to in article 194 of the Law, on first call, the attendance of shareholders present or represented shall be at least fifty (50) per cent of the subscribed share capital with voting rights. In second call, the concurrence of twenty-five (25) percent of the subscribed share capital shall be sufficient.

Universal General Meeting.

Notwithstanding the foregoing, the General Shareholders' Meeting shall be validly constituted, with the character of universal, to deal with any matter, without prior notice, whenever the totality of the share capital is present or represented and the attendees unanimously accept the holding of the General Meeting. The General Meeting may be held anywhere in the national territory or abroad.

Article 16. - Legitimation to attend the General Meetings.

1. Shareholders of the Company shall have the right to attend the General Shareholders' Meetings, regardless of the number of shares they hold. Any shareholders who appear as holders in the corresponding accounting record of book



titulares en el correspondiente registro contable de anotaciones en cuenta con cinco días de antelación a su celebración, lo que podrán acreditar mediante la oportuna tarjeta de asistencia, certificado expedido por alguna de las entidades autorizadas legalmente para ello o por cualquier otra forma admitida en Derecho.

Artículo 17.- Asistencia y Representación.

Todo accionista que tenga derecho de asistencia podrá hacerse representar en la Junta General por medio de otra persona, aunque esta no sea accionista. La representación deberá conferirse por escrito y con carácter especial para cada Junta General, en los términos y con el alcance establecido en la Ley.

En todo caso, el voto de las propuestas sobre puntos comprendidos en el orden del día de la Junta podrá delegarse o ejercitarse por el accionista mediante correspondencia postal, electrónica, por videoconferencia o cualquier otro medio de comunicación a distancia siempre que (a) se garantice debidamente la identidad del sujeto que ejerce el derecho de voto y (b) quede registrado en algún tipo de soporte.

Las restricciones a la representación previstas en los artículos 184 y 186 de la Ley de Sociedades de Capital no serán aplicables cuando el representante sea el cónyuge o un ascendiente o descendiente del representado, ni tampoco cuando aquel tenga poder general conferido en documento público con facultades para administrar todo el patrimonio que el representado tuviere en territorio nacional.

La representación es siempre revocable. La asistencia personal a la Junta General del representado tendrá valor de revocación.

Artículo 18.- Derecho de Información.

Hasta el séptimo (7º) día anterior al previsto para la celebración de la Junta General, los accionistas

entries five days before their conclusion shall be able to attend the General Meeting, which may be evidenced by the appropriate attendance card, certificate issued by one of the legally authorized entities or by any other form admitted by Law.

Article 17. - Attendance and Representation.

Any shareholder who has the right to attend the General Meeting may be represented by another person, even if the latter is not a shareholder. The representation must be conferred in writing and specifically for each General Meeting, in the terms and with the scope established in the Law.

In any case, the vote of the proposals included in the agenda of the Meeting may be delegated or exercised by the shareholder by mail, electronic correspondence, by videoconference or any other means of distance communication provided that (a) the identity of the person exercising the voting right is duly guaranteed and (b) it is registered in some type of medium.

The restrictions on representation provided for in articles 184 and 186 of the Law shall not apply when the representative is the spouse or an ascendant or descendant of the represented, nor when the person has general power conferred in a public document with powers to administer all the assets that the represented person has in the national territory.

Representation is always revocable. The personal assistance to the General Meeting of the represented person can be revoked.

Article 18. - Right of Information.

Until the seventh (7th) day prior to the date scheduled for the General Shareholders' Meeting,



podrán solicitar de los Administradores las informaciones o aclaraciones que estimen precisas acerca de los asuntos comprendidos en el orden del día, o formular por escrito las preguntas que consideren pertinentes. Los Administradores estarán obligados a facilitar la información por escrito hasta el día de la celebración de la Junta General.

Durante la celebración de la Junta General, los accionistas de la Sociedad podrán solicitar verbalmente las informaciones o aclaraciones que consideren convenientes acerca de los asuntos comprendidos en el Orden del Día. Si el derecho del accionista no se pudiera satisfacer en ese momento, los Administradores estarán obligados a facilitar la información solicitada por escrito dentro de los siete (7) días siguientes al de la terminación de la Junta General.

Los Administradores estarán obligados a proporcionar la información solicitada al amparo de los dos párrafos anteriores, salvo que esa información sea innecesaria para la tutela de los derechos del accionista, o existan razones objetivas para considerar que podría utilizarse para fines extra-sociales o su publicidad perjudique a la sociedad o a las sociedades vinculadas.

La información solicitada no podrá denegarse cuando la solicitud esté apoyada por accionistas que representen, al menos, el veinticinco (25) por ciento del capital social.

Artículo 19.- Mesa de la Junta General.

La mesa de la Junta General estará formada por un Presidente y un Secretario. Serán Presidente y Secretario de la Junta quienes lo sean del Consejo de Administración y, en su defecto, los designados por los accionistas concurrentes al comienzo de la reunión. El Presidente dirigirá el debate en las sesiones de la Junta General y, a tal fin, concederá el uso de la palabra y determinará el tiempo y el final de las intervenciones.

shareholders may request to the Directors any information or clarifications they deem necessary regarding the matters included in the agenda or formulate in writing the questions they may consider relevant. The Directors shall be obliged to provide the information in writing until the date of the General Meeting.

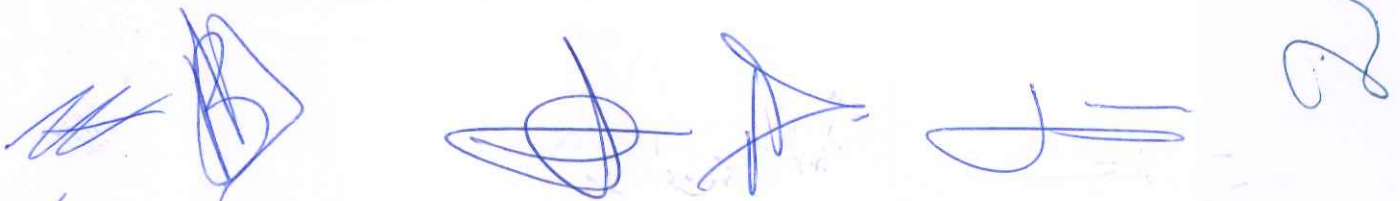
During the General Shareholders' Meeting, shareholders of the Company may verbally request any information or clarifications they deem appropriate regarding the matters included in the agenda. If the shareholder's right cannot be satisfied at that time, the Directors will be obliged to provide the information requested in writing within seven (7) days following the end of the General Meeting.

The Directors will be obliged to provide the requested information under the two previous paragraphs, unless such information is unnecessary for the protection of shareholder rights, or there are objective reasons to consider that it could be used for extra-corporate purposes, or its publicity would harm the Company or related companies.

The information requested may not be denied when the request is supported by shareholders representing at least twenty-five (25) percent of the share capital.

Article 19. - Board of the General Meeting.

The Board of the General Meeting shall consist of a Chairman and a Secretary. The Chairman and Secretary of the Board shall be those of the Board of Directors and, failing that, those appointed by the shareholders attending the meeting. The Chairman shall lead the debate in the sessions of the General Meeting and, to that end, shall grant the time and the end of the interventions.



Artículo 20.- Votación separada por asuntos.

En la Junta deberán votarse separadamente aquellos asuntos que sean sustancialmente independientes. En todo caso, aunque figuren en el mismo punto del orden del día, deberán votarse de forma separada: a) el nombramiento, la ratificación, la reelección o la separación de cada administrador; b) en la modificación de estatutos sociales, la de cada artículo o grupo de artículos que tengan autonomía propia; c) si imperativamente se establece la votación separada (p.ej., dispensa de la obligación de no competir del administrador conforme al art. 230.3 de la Ley); o, d) en su caso, aquellos asuntos en los que así se disponga en estos Estatutos.

Artículo 21.- Mayorías para la adopción de acuerdos.

- 1.- Cada acción con derecho de voto presente o representado en la Junta General de accionistas dará derecho a un voto.
- 2.- Los acuerdos se adoptarán por las mayorías legalmente establecidas en cada caso.
3. - Las acciones del accionista que se encuentre en conflicto de intereses se deducirán del capital social para el cómputo de la mayoría de los voto que en cada caso sea necesaria.

Del Órgano de Administración

Artículo 22.- Modos de organizar la administración.

- 1.- La Sociedad estará administrada por un Consejo de Administración.
- 2.- El Consejo de Administración se regirá por las normas legales que le sean de aplicación y por estos Estatutos Sociales. El Consejo de Administración podrá desarrollar y completar tales previsiones por medio del oportuno Reglamento del Consejo de Administración, de cuya aprobación informará a la

Article 20. - Separate Voting by Matters.

In the Meeting, those matters that are substantially independent must be voted separately. In any case, even if they appear in the same item on the agenda, they must be voted separately: a) the appointment, ratification, re-election or separation of each administrator; b) in the modification of the bylaws, that of each article or group of articles that have their own autonomy; c) if a separate vote is required (i.e., exemption from the obligation of the administrator not to compete according to Article 230.3 of the Law); or, d) where appropriate, those matters in which this is stated in these Bylaws.

Article 21. Majorities for the adoption of agreements.

1. - Each share with voting rights presents or represented at the General Shareholders' Meeting shall entitle to one vote.
2. - The agreements will be adopted by the majorities legally established in each case.
3. - The shares of the shareholder that are in conflict of interest will be deducted from the share capital to calculate the majority of the votes that is necessary in each case.

Management Body

Article 22. - Ways of organizing the Company.

- 1.-The Company will be managed by a Board of Directors.
2. - The Board of Directors shall be governed by the applicable legal regulations and by these Bylaws. The Board of Directors may develop and supplement such provisions by means of the appropriate Regulations of the Board of Directors, whose approval the General Shareholders'

Junta General de accionistas.

3.- En el desempeño de su cargo, los administradores deberán tener en cuenta en sus decisiones y actuaciones los efectos de dichas decisiones o actuaciones con respecto a los intereses de (i) los socios, (ii) los empleados de la Sociedad y de sus filiales; (iii) los clientes, proveedores y otras partes directa o indirectamente vinculadas a la Sociedad, como por ejemplo, la comunidad en donde, directa o indirectamente, opera la Sociedad. Asimismo deberán velar por la protección del medio ambiente local y global y por los intereses de la Sociedad en el corto y largo plazo.

Artículo 23.- Duración del cargo.

Los consejeros nombrados desempeñarán su cargo por un plazo de seis (6) años, plazo que deberá ser igual para todos ellos, sin perjuicio de su reelección, así como de la facultad de la Junta General de proceder en cualquier tiempo y momento a su cese de conformidad a lo establecido en la Ley.

Si durante el plazo para el que fueron nombrados los Consejeros se produjesen vacantes sin que existieran suplentes, el Consejo podrá designar a las personas que hayan de ocuparlas hasta que se reúna la primera Junta General.

Artículo 24.- Retribución de los consejeros.

El cargo de consejero será retribuido.

La remuneración de los consejeros consistirá en dietas de asistencia a las reuniones del Consejo de Administración, cuya cuantía determinará la Junta General.

Si un miembro del Consejo de Administración es nombrado consejero delegado o se le atribuyen funciones ejecutivas en virtud de otro título (el "Consejero Ejecutivo"), el Consejero Ejecutivo percibirá, adicionalmente a lo previsto en el apartado anterior, una retribución compuesta por

Meeting shall be informed.

3. - In the performance of their duties, the directors shall consider in their decisions and actions the effects of such decisions or actions on the interests of (i) the shareholders; (ii) the employees of the Company and its subsidiaries; (iii) the customers, suppliers and other parties directly or indirectly related to the Company, such as the community in which the Company directly or indirectly operates. They shall also ensure the protection of the local and global environment and the Company's short and long-term interests.

Article 23. - Term of appointment.

The appointed Directors shall hold office for a term of six (6) years, which shall be the same for all of them, without prejudice to their re-election, as well as the power of the General Meeting to proceed with their removal at any time and at any moment in accordance with what is established in the Law.

If, during the term for which the Directors were appointed, vacancies occur without there being any substitutes, the Board may appoint the persons to fill them until the first General Meeting.

Article 24. - Remuneration of the Board members.

The office of director shall be remunerated.

Directors' remuneration shall consist of attendance fees for meetings of the Board of Directors, the amount of which shall be determined by the General Meeting.

If a member of the Board of Directors is appointed managing director or is attributed executive functions by virtue of another title (the "Executive Director"), the Executive Director shall receive, in addition to the provisions of the preceding section, remuneration comprising the following items,



los siguientes conceptos, que se concretarán en su contrato conforme a lo previsto en el artículo 249 de la Ley de Sociedades de Capital:

(a) una asignación fija anual en metálico; (b) retribución variable en función del grado de cumplimiento de objetivos cualitativos o cuantitativos y cuyos parámetros fuesen acordados por el Consejo de Administración cada año; (c) un seguro de vida; (d) un seguro médico; (e) gastos de vivienda y alojamiento; (d) gastos de escolarización de descendientes; (e) la eventual indemnización por cese o por resolución de su relación con la Sociedad.

El importe máximo de la remuneración anual del conjunto de los administradores deberá ser aprobado por la junta general y permanecerá vigente en tanto no se apruebe su modificación.

La distribución de la retribución entre los distintos administradores se establecerá por acuerdo de éstos y, en el caso del consejo de administración, por decisión del mismo, que deberá tomar en consideración las funciones y responsabilidades atribuidas a cada consejero.

El devengo de la retribución se entenderá por meses vencidos, de tal forma que la retribución de cada Consejero será proporcional al tiempo que dicho Consejero haya ejercido su cargo durante el ejercicio para el que se fija dicha remuneración.

El pago se efectuará por meses vencidos, dentro de los cinco (5) días primeros días del mes natural siguiente a aquél en que se haya devengado la retribución de que se trate.

Mientras la Junta General no haya fijado la retribución aplicable a un determinado ejercicio, se aplicará mensualmente la última retribución acordada. Las retribuciones así percibidas serán regularizadas, al alza o a la baja, dentro de los cinco (5) primeros días del mes natural siguiente a aquél en el que la Junta General apruebe la retribución

which shall be specified in his contract in accordance with the provisions of article 249 of the Capital Companies Act:

(a) a fixed annual allowance in cash; (b) variable remuneration based on the degree of fulfillment of qualitative or quantitative objectives and whose parameters are agreed by the Board of Directors each year; (c) life insurance; (d) medical insurance; (e) housing and accommodation expenses; (d) schooling expenses for descendants; (e) possible compensation for termination or termination of their relationship with the Company.

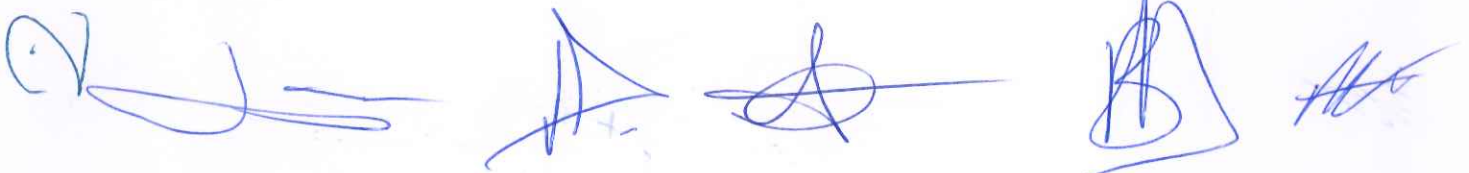
The maximum amount of the annual remuneration of all the directors as a whole must be approved by the general meeting and shall remain in force until such time as a change is approved.

The distribution of remuneration among the different directors shall be established by agreement of the directors and, in the case of the board of directors, by decision of the board, which must take into consideration the functions and responsibilities attributed to each director.

Remuneration shall be paid monthly in arrears, so that the remuneration of each director shall be proportional to the time that such director has held office during the financial year for which such remuneration is fixed.

Payment shall be made monthly in arrears, within the first five (5) days of the calendar month following that in which the remuneration in question was accrued.

If the General Meeting has not fixed the remuneration applicable to a given financial year, the last agreed remuneration shall be applied monthly. The remuneration thus received shall be adjusted upwards or downwards within the first five (5) days of the calendar month following the month in which the General Meeting approves the



correspondiente al ejercicio en cuestión.

La retribución prevista en este artículo será compatible e independiente del pago de los honorarios o salarios que pudieran acreditarse frente a la Sociedad, por prestación de servicios o por vinculación laboral, según sea el caso, con origen en una relación contractual distinta de la derivada del cargo de Consejero, los cuales se someterán al régimen legal que les fuere aplicable.

Artículo 25.- Régimen y funcionamiento del Consejo de Administración.

El Consejo de Administración estará compuesto por un número mínimo de tres (3) miembros y un máximo de ocho (8). Corresponderá a la Junta General la determinación del número concreto de Consejeros.

El Consejo de Administración nombrará de su seno al Presidente y podrá nombrar, si así lo acuerda, a un Vicepresidente, que sustituirá al Presidente en caso de vacante, ausencia o enfermedad. También designará a la persona que desempeñe el cargo de Secretario y podrá nombrar a un Vicesecretario, que sustituirá al Secretario en caso de vacante, ausencia o enfermedad. El Secretario podrá ser o no Consejero, en cuyo caso tendrá voz, pero no voto. Lo mismo se aplicará, en su caso, al Vicesecretario.

El Consejo de Administración deberá reunirse, al menos, una vez al trimestre.

El Consejo de Administración será convocado por su Presidente o el que haga sus veces. Los administradores que constituyan al menos un tercio de los miembros del Consejo podrán convocarlo, indicando el orden del día, para su celebración en la localidad donde radique el domicilio social, si, previa petición al Presidente, este sin causa justificada no hubiera hecho la convocatoria en el plazo de un mes.

La convocatoria se cursará mediante carta,

remuneración for the financial year in question.

The remuneration provided for in this article shall be compatible with and independent of the payment of any fees or salaries that may be credited to the Company for the provision of services or employment, as the case may be, arising from a contractual relationship other than that deriving from the office of Director, which shall be subject to the applicable legal regime.

Article 25. - Regime and nature of the Board of Directors.

The Board of Directors shall be composed of a minimum of three (3) members and a maximum of eight (8). The General Meeting shall determine the specific number of members.

The Board of Directors shall appoint the Chairman from among its members and may appoint a Vice-Chairman to replace the Chairman in case of vacancy, absence or illness. It will also appoint the person who holds the office of Secretary and may appoint a Deputy Secretary, who will replace the Secretary in case of vacancy, absence, or illness. The Secretary may or may not be a Director, in which case he / she will have a voice but no vote. The same shall apply, where appropriate, to the Deputy Secretary.

The Board of Directors shall meet at least quarterly.

The Board of Directors shall be convened by its Chairman. The Directors constituting at least one-third of the members of the Board may convene it, indicating the agenda, to be held at the place where the Company's registered office is located, if previously request has been sent to the Chairman and he has not convened the meeting within one month, without justification caused.

The convening will be sent by letter, telegram, fax,

telegrama, fax, o cualquier otro medio escrito o telemático. La convocatoria se dirigirá personalmente a cada uno de los miembros del Consejo de Administración al menos con cuatro (4) días de antelación. Será válida la reunión del Consejo sin previa convocatoria cuando, estando reunidos todos sus miembros, decidan por unanimidad celebrar la sesión.

Salvo que imperativamente se establezcan otras mayorías, el Consejo quedará válidamente constituido cuando concurren a la reunión, presentes o representados, la mayoría absoluta de sus miembros. En caso de número impar de Consejeros, la mayoría absoluta se determinará por defecto (por ejemplo, 2 Consejeros han de estar presentes en un Consejo de Administración compuesto por 3 miembros; y 3 en uno de 5).

Serán válidos los acuerdos del Consejo de Administración celebrados por videoconferencia o por conferencia telefónica múltiple siempre que ninguno de los Consejeros se oponga a este procedimiento, dispongan de los medios necesarios para ello, y se reconozcan recíprocamente, lo cual deberá expresarse en el acta del Consejo y en la certificación de los acuerdos que se expida. En tal caso, la sesión del Consejo se considerará única y celebrada en el lugar del domicilio social.

El Consejero solo podrá hacerse representar en las reuniones de este órgano por medio de otro Consejero. La representación se conferirá mediante carta dirigida al Presidente.

El Presidente abrirá la sesión y dirigirá la discusión de los asuntos, otorgando el uso de la palabra, así como facilitando las noticias e informes de la marcha de los asuntos sociales a los miembros del Consejo.

Salvo que imperativamente se establezcan otras mayorías, los acuerdos se adoptarán por mayoría absoluta de los Consejeros concurrentes a la sesión. En caso de número impar de Consejeros, la mayoría absoluta se determinará por defecto (por ejemplo, 2

or any other written or telematic means. The call will be addressed personally to each of the members of the Board of Directors at least four (4) days in advance. The meeting of the Board shall be valid without prior notice when, when all its members attend and unanimously decide to hold the meeting

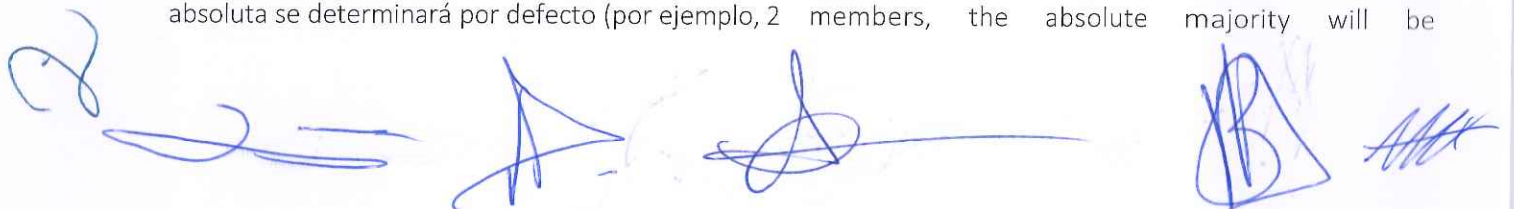
Unless other majorities are imperatively established, the Board shall be validly constituted when the absolute majority of its members attend the meeting, present or represented. In the case of an odd number of Directors, the absolute majority will be determined by default (for example, 2 Directors must be present on a Board of Directors composed of 3 members and 3 in one of 5).

The resolutions of the Board of Directors concluded by videoconference or by multiple telephone conference shall be valid provided that none of the Directors opposes to this procedure, have the means to do so, and recognize each other, which shall be expressed in the minutes of the Board and in the certification of the agreements that is issued. In such case, the meeting of the Board shall be considered sole and held at the place of registered office.

The Director may only be represented at meetings of this body through another Director. Representation shall be conferred by means of a letter addressed to the Chairman.

The Chairman will open the session and lead the discussion of the issues, giving the floor, as well as facilitating news and reports on the progress of corporate matters to Board members.

Unless other majorities are imperatively established, resolutions shall be adopted by an absolute majority of the members attending the meeting. In the case of an odd number of members, the absolute majority will be



Consejeros que votan a favor del acuerdo si concurren 3 consejeros; y 3 si concurren 5). En caso de empate, el voto del Presidente del Consejo será dirimente.

La votación de los acuerdos por escrito y sin sesión será válida cuando ningún Consejero se oponga a este procedimiento.

Las discusiones y acuerdos del Consejo de Administración se llevarán a un libro de actas.

Sin perjuicio de los apoderamientos que puedan conferir a cualquier persona, el Consejo de Administración podrá designar de entre sus miembros a uno o varios Consejeros Delegados o Comisiones Ejecutivas, estableciendo el contenido, los límites y las modalidades de delegación.

La delegación permanente de alguna facultad del Consejo de Administración en la Comisión Ejecutiva o en uno o varios Consejeros Delegados y la designación del o de los Consejeros que hayan de ocupar tales cargos requerirán, para su validez, el voto favorable de las dos terceras partes de los componentes del Consejo y no producirán efecto alguno hasta su inscripción en el Registro Mercantil; además, será necesario que se celebre el contrato (o contratos) previsto en el art. 249 de la Ley. En ningún caso podrá ser objeto de delegación la formulación de las cuentas anuales y su presentación a la Junta General, las facultades que ésta hubiera delegado en el Consejo, salvo que hubiera sido expresamente autorizado por ella para subdelegarlas y, en general, las demás facultades que sean indelegables conforme a lo previsto en el art. 249 bis de la Ley.

El Consejo podrá constituir una Comisión de Auditoría y Control y una Comisión de Nombramientos y Retribuciones con las facultades de información, supervisión, asesoramiento y propuesta en las materias de su competencia que se especifiquen y desarrollen en el Reglamento del

determined by default (for example, 2 members who vote in favor of the agreement if 3 members attend, and 3 if 5 members attend). In the event of a tie, the chairman of the board shall have the casting vote.


The voting of the agreements in writing and without session will be valid when no Director opposes to this procedure.

The discussions and resolutions of the Board of Directors will be taken to a book of minutes.

Notwithstanding any powers conferred on any person, the Board of Directors may appoint from among its members one or more Executive Directors or Executive Committees, establishing the content, limits and modalities of delegation.

The permanent delegation of any powers of the Board of Directors to the Executive Committee or to one or several Executive Officers and the appointment of the Board of Directors or Officers to hold such positions shall require, for their validity, a favorable vote of two thirds of the members of the Board and will not produce any effect until they are registered with the Commercial Registry; in addition, it will be necessary to conclude the contract (or contracts) provided for in art. 249 of the Law. In no case may the delegation of the preparation of the annual accounts and their submission to the General Meeting be delegated to the Board, unless it has been expressly authorized by it to sub-delegate them and, in general, the other faculties that cannot be delegated in accordance with the provisions of art. 249 bis of the Law.

The Board may establish an Audit and Control Committee and an Appointment and Remuneration Committee with the powers of information, supervision, advice and proposal in matters within their competence that are specified and developed in the Regulations of the Board of Directors.



Consejo de Administración.

Asimismo, el Consejo podrá constituir otras comisiones con funciones consultivas o asesoras, sin perjuicio de que excepcionalmente se les atribuya alguna facultad de decisión.

Likewise, the Board may set up other committees with advisory functions, without prejudice to the fact that they are exceptionally empowered to decide.

Título IV. Ejercicio Social y Cuentas Anuales

Title IV. Fiscal Year and Annual Accounts

Artículo 26.- Ejercicio Social y formulación de las cuentas anuales.

Article 26. - Fiscal Year and preparation of the Annual Accounts.

1.- El ejercicio social comenzará el 1 de enero de cada año, terminando el 31 de diciembre.

1. - The fiscal year will begin on January 1st of each year and finish on the 31st of December.

2.- El Consejo de Administración, dentro de los tres primeros meses del año, formulará las cuentas anuales, el informe de gestión y la propuesta de aplicación del resultado y, en su caso, las cuentas anuales y el informe de gestión consolidados. Las cuentas anuales y el informe de gestión deberán firmarse por todos los consejeros. Si faltara la firma de alguno de ellos se señalará en cada uno de los documentos en que falta, con expresa indicación de la causa.

2. - The Board of Directors, within the first three months of the year, shall prepare the annual accounts, the management report and the proposal for the allocation of the result and, if applicable, the consolidated annual accounts and management report. The annual accounts and the management report must be signed by all the directors. If the signature of any of them is missing, it will be indicated in each of the documents that are missing, with an express indication of the cause.

Artículo 27.- Auditores de cuentas.

Article 27. - Accounts Auditors.

Las cuentas anuales y el informe de gestión de la Sociedad, así como, en su caso, las cuentas anuales y el informe de gestión consolidados, deberán ser revisados por auditores de cuentas.

The annual accounts and the management report of the Company, as well as the consolidated annual accounts and management report, shall be reviewed by account auditors.

Artículo 28.- Aprobación de cuentas y aplicación del resultado.

Article 28. - Approval of the Annual Accounts and Allocation of the result.

1.- Las cuentas anuales de la Sociedad así como las cuentas anuales consolidadas, en su caso, se someterán a la aprobación de la Junta General de accionistas.

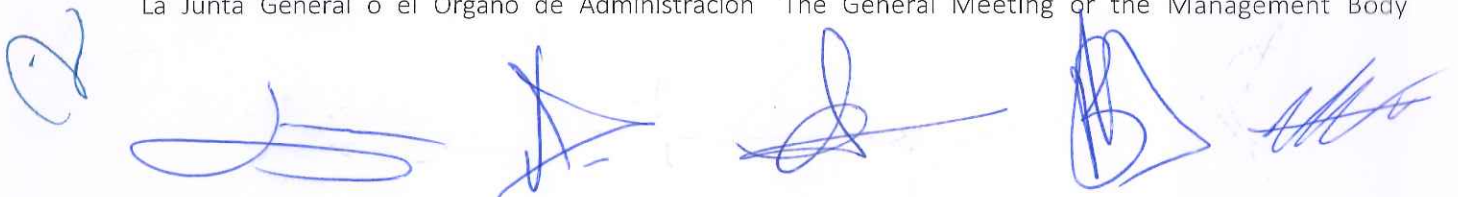
1. - The annual accounts of the Company and the consolidated annual accounts, if any, shall be submitted to the General Shareholders' Meeting for approval.

2.- La Junta General de accionistas resolverá sobre la aplicación del resultado del ejercicio de acuerdo con el balance aprobado.

2. - The General Shareholders' Meeting will resolve on the allocation of the result of the year in accordance with the approved balance sheet.

La Junta General o el Órgano de Administración

The General Meeting or the Management Body



podrá acordar la distribución de cantidades a cuenta de dividendos con las limitaciones y cumpliendo los requisitos establecidos en la Ley.

La Junta General de accionistas podrá acordar que el dividendo sea satisfecho total o parcialmente en especie, siempre y cuando los bienes o valores objeto de distribución sean homogéneos, estén admitidos a negociación en un mercado oficial en el momento de la efectividad del acuerdo o quede debidamente garantizada por la Sociedad la obtención de liquidez en el plazo máximo de un año y no se distribuyan por un valor inferior al que tienen en el balance de la Sociedad.

Artículo 29.- Reglas especiales para la distribución de dividendos.

1.- Derecho a la percepción de dividendos. Tendrán derecho a la percepción del dividendo quienes figuren legitimados en los registros contables de la correspondiente sociedad de gestión de los sistemas de registro, compensación y liquidación de valores (Iberclear, S.A., Euroclear, LCH, S.A. o similar) en el momento que determine la Junta General de accionistas o, de ser el caso, el Consejo de Administración, con motivo del acuerdo de distribución.

2.- Derecho de retención por incumplimiento de la obligación de información del artículo 7. En aquellos casos en los que el pago del dividendo se realice con anterioridad a los plazos dados para el cumplimiento de la obligación de información, la Sociedad podrá retener a aquellos accionistas o titulares de derechos económicos sobre las acciones de la Sociedad que no hayan facilitado todavía la información y documentación exigida en el artículo 7 precedente. Una vez cumplida la obligación, la Sociedad reintegrará las cantidades retenidas al accionista que no tenga obligación de indemnizar a la sociedad.

may agree on the distribution of amounts on account of dividends with the limitations and fulfilling the requirements established in the Law.

The General Shareholders' Meeting may agree that the dividend is fully or partially paid in kind, provided that the goods or shares subject to distribution are homogeneous, are admitted to trading on an official market at the time of the effectiveness of the resolution or are duly guaranteed by the Company to obtain liquidity within a maximum period of one year and are not distributed for a lower value than the one they have in the balance sheet of the Company.

Article 29. - Special rules for the distribution of dividends.

1. - Right to receive dividends. The persons entitled to receive the dividend shall be the ones registered in the accounting records of the corresponding management company of the systems for registering, clearing and liquidating securities (Iberclear, SA, Euroclear, LCH, S.A. or similar) at the time determined by the General Shareholders' Meeting or, as the case may be, by the Board of Directors, for the purposes of the distribution resolution

2. - Right of retention for breaching of the Obligation of information of article 7. In those cases, in which the payment of the dividend is made prior to the deadlines established for compliance with the obligation to provide information, the Company may retain those shareholders or holders of economic rights over the shares of the Company that have not yet provided the information and documentation required in the preceding article 7. Once the obligation is fulfilled, the Company will reimburse the retained amounts to the shareholder who has no obligation to indemnify the Company.

Título V. Disolución y Liquidación

Artículo 30.- Disolución y Liquidación.

La Sociedad se disolverá por las causas y de acuerdo con el régimen establecido en los artículos 360 y siguientes de la Ley.

Los Administradores al tiempo de la disolución quedarán convertidos en liquidadores, salvo que la Junta General alcance un acuerdo para designar otros al acordar la disolución.

Los liquidadores ejercerán su cargo por tiempo indefinido.

Título VI.- Otras disposiciones.

Artículo 31.-Exclusión de negociación.

Desde el momento en el que las acciones de la Sociedad sean admitidas a negociación en Euronext Access o en otro Sistema o mercado de Negociación Multilateral, en el caso en que la Junta General adopte un acuerdo de exclusión de negociación de sus acciones de dicho mercado que no estuviese respaldado por la totalidad de los accionistas, la Sociedad estará obligada a ofrecer, a los accionistas que no hubieran votado a favor, la adquisición de sus acciones al precio justificado que resulte de la regulación de las ofertas públicas de adquisición de valores para los supuestos de exclusión de negociación en Euronext Access, o en otro Sistema o mercado de Negociación Multilateral.

La Sociedad no estará sujeta a la obligación anterior cuando acuerde la admisión a cotización de sus acciones en un mercado secundario oficial con carácter simultáneo a su exclusión de negociación del Mercado

Artículo 32.- Fuero para la resolución de conflictos.

Para todas las cuestiones litigiosas que puedan

Title V. Dissolution and Liquidation

Article 30. - Dissolution and Liquidation.

The Company shall be dissolved for the causes and in accordance with the regime established in articles 360 and subsequent of the Law.

The Directors at the time of dissolution shall be converted into liquidators unless the General Meeting reaches an agreement to appoint others upon resolution of dissolution.

The liquidators will exercise their position indefinitely.

Title VI.- Other provisions.

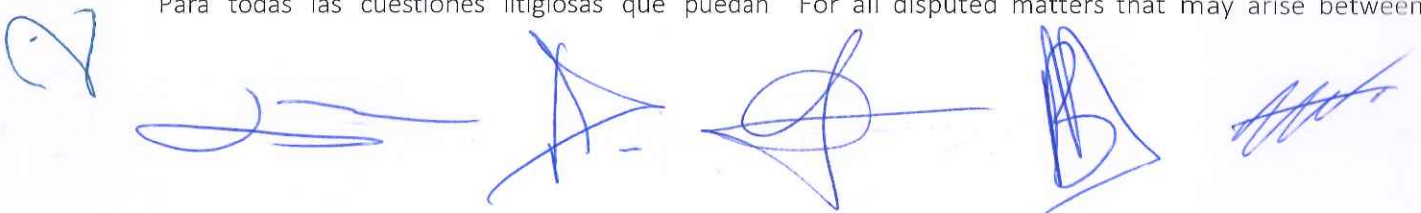
Article 31. - Exclusion of negotiation.

From the moment the shares of the Company are admitted to trading in the Euronext Access or in another Multilateral Trading Facility, in the event that the General Meeting adopts a bargaining agreement excluding its shares in the aforementioned market that is not supported by all the shareholders, the Company will be obliged to offer, to the shareholders who did not vote in favor, the acquisition of its shares at the justified price resulting from the regulation of public offers for the acquisition of securities for the cases of exclusion from trading in Euronext Access or in another Multilateral Trading Facility.

The Company will not be subject to the previous obligation when it agrees to the admission to trading of its shares in an official secondary market simultaneously with its exclusion from trading on the Market.

Article 32. - Jurisdiction for the resolution of conflicts.

For all disputed matters that may arise between

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suscitarse entre la Sociedad y los accionistas por razón de los asuntos sociales, tanto la Sociedad como los accionistas, con renuncia a su propio fuero, se someten expresamente al fuero judicial de la sede del domicilio social de la Sociedad, salvo en los casos en que la normativa aplicable imponga otro fuero.

Título VII. Disposiciones Generales

Artículo 33.- Ley aplicable.

La Sociedad se regirá por los presentes Estatutos y, en lo no previsto en ellos, por las disposiciones del texto refundido de la Ley de Sociedades de Capital, aprobado por el Real Decreto legislativo 1/2010, de 2 de julio ("Ley de Sociedades de Capital") y demás disposiciones que le sean aplicables.

the Company and the shareholders due to corporate matters, both the Company and the shareholders, with resignation of their own jurisdiction, expressly submit to the judicial jurisdiction of the registered office of the Company, except in cases in which the applicable legislation imposes another jurisdiction.

Title VII. General provision

Article 33. - Applicable law.

The Company shall be governed by these Bylaws and, in the cases not provided for therein, by the provisions of the Spanish Companies Act, Law 11/2009 approved by Royal Legislative Decree 1/2010, of July 2 ("*Ley de Sociedades de Capital*"), and other applicable provisions.

