Auditor's Report on Ever Capital Investments, S.V., S.A.U.

(Together with the annual accounts and directors' report of Ever Capital Investments, S.V., S.A.U. for the year ended 31 December 2020)

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores, S.L.
Paseo de la Castellana, 259 C
28046 Madrid

Independent Auditor's Report on the Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Sole Shareholder of Ever Capital Investments, S.V., S.A.U.

Opinion

We have audited the annual accounts of Ever Capital Investments, S.V., S.A.U. (the "Company"), which comprise the balance sheet at 31 December 2020, and the income statement and statement of changes in equity for the year then ended, and notes.

In our opinion, the accompanying annual accounts give a true and fair view, in all material respects, of the equity and financial position of the Company at 31 December 2020, and of its financial performance for the year then ended in accordance with the applicable financial reporting framework (specified in note 2 to the accompanying annual accounts) and, in particular, with the accounting principles and criteria set forth therein.

Basis for Opinion

We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those regarding independence, that are relevant to our audit of the annual accounts pursuant to the legislation regulating the audit of accounts in Spain. We have not provided any non-audit services, nor have any situations or circumstances arisen which, under the aforementioned regulations, have affected the required independence such that this has been compromised.

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

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Most Relevant Aspects of the Audit

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

Classification and measurement of financial instruments

Financial instruments are classified and measured by applying valuation techniques, which often entail the use of judgements, assumptions and estimates by the Company. Given the significant volume of financial instruments, we consider this to be a key audit risk.

The main procedures performed on the Company's financial instrument portfolio are as follows:

– We evaluated the appropriateness of the classification of financial instruments.

– We obtained prices from external sources or observable market data to ascertain the value of the financial instruments in organised markets, which we then compared with the values used by the Company.

– We assessed whether the disclosures in the annual accounts on financial instruments meet the requirements of the applicable financial reporting framework.

Other Information: Directors' Report

Other information solely comprises the 2020 directors' report, the preparation of which is the responsibility of the Company's Directors and which does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not encompass the directors' report. Our responsibility for the directors' report, in accordance with the requirements of prevailing legislation regulating the audit of accounts, consists of assessing and reporting on the consistency of the directors' report with the annual accounts, based on knowledge of the entity obtained during the audit of the aforementioned annual accounts, and assessing and reporting on whether the content and presentation of the directors’ report are in accordance with applicable legislation. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report them.

Based on the work carried out, as described in the preceding paragraph, the information contained in the directors' report is consistent with that disclosed in the annual accounts for 2020 and the content and presentation of the report are in accordance with applicable legislation.

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Directors' Responsibility for the Annual Accounts

The Directors are responsible for the preparation of the accompanying annual accounts in such a way that they give a true and fair view of the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as they determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Annual Accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

As part of an audit in accordance with prevailing legislation regulating the audit of accounts in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

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

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

– Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

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

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

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

From the significant risks communicated to the Directors of Ever Capital Investments, S.V., S.A.U., we determine those that were of most significance in the audit of the annual accounts of the current period and which are therefore the most significant risks.

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

KPMG Auditores, S.L.
On the Spanish Official Register of Auditors (“ROAC”) with No. S0702

(Signed on original in Spanish)

María Eugenia Fernández-Villarán Ara
On the Spanish Official Register of Auditors (“ROAC”) with No. 2,931

29 April 2021

EVER CAPITAL INVESTMENTS S.V., S.A.U.
ANNUAL ACCOUNTS FOR 2020
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

BALANCE SHEET

ASSETS	Note	Euros 31/12/2020	Euros 31/12/2019 (restated)
Cash in hand and at banks		3,123.11	3,061.87
Financial assets held for trading	5	5,364,925.04	4,920,070.92
Debt securities		4,954,905.20	4,044,937.49
Equity instruments		410,019.84	875,133.43
Available-for-sale financial assets	6	-	800
Equity instruments		-	800
Loans and receivables	7	1,390,644.08	15,341,507.09
Due from financial intermediaries		1,123,815.37	13,864,412.20
Due from customers		266,828.71	1,477,094.89
Property, plant and equipment	8	65,286.78	100,484.53
For own use		65,286.78	100,484.53
Intangible assets	9	66,095.22	86,857.86
Other intangible assets		66,095.22	86,857.86
Tax assets	14	-	-
Deferred		-	-
Other assets	11	51,418.93	38,380.52
TOTAL ASSETS		**6,941,493.16**	**20,491,162.79**

LIABILITIES AND EQUITY	Note	Euros 31/12/2020	Euros 31/12/2019 (restated)
Financial liabilities at amortised cost	10	681,670.74	14,508,965.79
Due to financial intermediaries		458,671.46	12,767,766.85
Due to customers		222,999.28	1,741,198.94
Tax liabilities	14	142,535.47	557,760.51
Current		142,535.47	557,760.51
Deferred		-	-
Other liabilities	11	341,191.87	307,086.71
TOTAL LIABILITIES		**1,165,398.08**	**15,373,813.01**
CAPITAL AND RESERVES	12	**5,776,095.08**	**5,117,349.78**
Capital		3,773,000.00	3,773,000.00
Registered		3,773,000.00	3,773,000.00
Reserves		1,354,563.39	1,179,650.19
Profit or loss for the year (+/-)		648,531.69	1,454,699.59
-Dividends and remuneration		-	(1,290,000.00)
VALUATION ADJUSTMENTS (+/-)		-	-
Available-for-sale financial assets (+/-)		-	-
EQUITY		**5,776,095.08**	**5,117,349.78**
TOTAL LIABILITIES AND EQUITY		**6,941,493.16**	**20,491,162.79**

MEMORANDUM ITEM		Euros 31/12/2020	Euros 31/12/2019
Portfolios managed	16.8	55,614,933.02	62,191,207.68
TOTAL OTHER OFF-BALANCE SHEET ITEMS		55,614,933.02	62,191,207.68

The accompanying balance sheet forms an integral part of the annual accounts for 2020.

EVER CAPITAL INVESTMENTS S.V., S.A.U.
ANNUAL ACCOUNTS FOR 2020
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INCOME STATEMENT

		Euros	Euros
	Note	**2020**	**2019**
Interest and similar income	13 (a)	-	-
Interest expense and similar charges (-)	13 (a)	(72,530.04)	(14,562.55)
NET INTEREST INCOME (+/-)		(72,530.04)	(14,562.55)
Dividend income	13 (a)	-	-
Fee and commission income	13 (b)	806,052.02	1,952,847.30
Fee and commission expense (-)	13 (b)	(82,033.83)	(83,281.60)
Gains or losses on financial assets and liabilities (net) (+/-)	13 (c)	4,143,021.76	4,251,570.53
Held for trading (+/-)		4,143,021.76	4,251,570.53
Exchange differences (net) (+/-)		(51,803.32)	3,581.31
Other operating expenses (-)	13 (e)	(21,611.58)	(21,492.94)
GROSS INCOME (+/-)		4,721,095.01	6,088,662.05
Personnel expenses (-)	13 (d)	(2,989,869.84)	(3,069,370.08)
Overheads (-)	13 (e)	(727,059.33)	(1,000,311.96)
Depreciation and amortisation (-)	8 and 9	(90,070.79)	(87,883.52)
Provisioning expense (net) (+/-)		-	-
Impairment losses on financial assets (net) (+/-)		-	(2,793.56)
Loans and receivables (+/-)		-	-
RESULTS FROM OPERATING ACTIVITIES (+/-)		914,095.05	1,928,302.93
Gains or losses on disposal of assets not classified as non-current assets held for sale (+/-)		(37,039.60)	114.93
PROFIT OR LOSS BEFORE TAX (+/-)		877,055.45	1,928,417.86
Income tax (+/-)	14	(228,523.76)	(473,718.27)
PROFIT OR LOSS FROM CONTINUING OPERATIONS (+/-)		648,531.69	1,454,699.59
PROFIT OR LOSS FOR THE YEAR (+/-)		648,531.69	1,454,699.59

The accompanying income statement forms an integral part of the annual accounts for 2020.

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RECOGNISED INCOME AND EXPENSE		2020	2019
A)	**Profit or loss for the year (+/-)**	648,531.69	1,454,699.59
B)	**OTHER RECOGNISED INCOME/EXPENSE (+/-)**	-	-
1.	**Available-for-sale financial assets (+/-)**	-	-
	a) Revaluation gains/losses (+/-)	-	-
TOTAL INCOME AND EXPENSE FOR THE YEAR (A+B)		648,531.69	1,454,699.59

The accompanying statement of recognised income and expense forms an integral part of the annual accounts for 2020.

STATEMENT OF TOTAL CHANGES IN EQUITY

	Capital	Reserves	Profit/(loss) for the year	(Interim dividend)	Total capital and reserves	Total equity
Balance at 31 December 2018	3,773,000.00	1,782,847.02	(363,279.15)	-	5,192,567.87	5,192,567.87
Corrections of errors 2018 and prior years	-	(239,917.68)	-	-	(239,917.68)	(239,917.68)
Adjusted balance at 1 January 2019	3,773,000.00	1,542,929.34	(363,279.15)	-	4,952,650.19	4,952,650.19
Total recognised income and expense	-	-	1,454,699.59	-	1,454,699.59	1,454,699.59
Transactions with shareholders or owners						
Distribution of dividends	-	-	-	(1,290,000.00)	(1,290,000.00)	(1,290,000.00)
Other changes in equity	-	(363,279.15)	363,279.15	-	-	-
Balance at 31 December 2019	3,773,000.00	1,179,650.19	1,454,699.59	(1,290,000.00)	5,117,349.78	5,117,349.78
Corrections of errors 2019	-	10,213.61	-	-	10,213.61	10,213.61
Total recognised income and expense	-	-	648,531.69	-	648,531.69	648,531.69
Other changes in equity	-	164,699.59	(1,454,699.59)	1,290,000.00	-	-
Balance at 31 December 2020	3,773,000.00	1,354,563.39	648,531.69	-	5,776,095.08	5,776,095.08

The accompanying statement of total changes in equity forms an integral part of the annual accounts for 2020.

1.-COMPANY ACTIVITY

Ever Capital Investments, S.V., S.A.U. (hereinafter the Company) was incorporated by public deed under Spanish law on 2 March 2016.

On 22 April 2016, the Spanish National Securities Market Commission (CNMV) entered the Company in the Administrative Registry of Securities Brokers with number 259.

The Company's statutory activity is the performance of all the investment and advisory services referred to in articles 140 and 141 of the Spanish Securities Market Law.

These services may be carried out in both the domestic and international markets.

As a stock exchange broker, the Company's activity is regulated by applicable provisions, particularly Royal Legislative Decree 4/2015 of 23 October 2015, which approves the Revised Spanish Securities Market Law, Law 47/2007 of 19 December 2007, Royal Decree 217/2008 of 15 February 2008, amended by Royal Decree 358/2015 of 8 May 2015, and different CNMV circulars.

The Company is engaged in the activities that stock exchange broker companies, as investment service companies, are permitted to carry out in accordance with articles 140 and 141 of the Revised Spanish Securities Market Law. The Company can therefore render the following investment services:

a) Receive orders from domestic and foreign investors for the subscription or trading of domestic or foreign securities and relay them for execution by an authorised entity or execute them if authorised to do so.

b) Manage, on behalf of the issuer, the subscription and redemption of investment fund units and trading thereof on its own behalf or on behalf of third parties.

c) Engage in direct or indirect mediation in securities placement on behalf of the issuer.

d) Underwrite securities.

e) Be a member of the Book-Entry Trading System and serve as the management entity of the Public Debt Book-Entry Trading System.

f) Engage in public trading of domestic or foreign securities not traded on official secondary markets on its own behalf or on behalf of third parties.

g) Carry out the book-entry registration of the securities traded, when said securities are not traded on official markets in accordance with the Spanish Securities Market Law.

h) Act as a member of the Securities Clearing and Settlement System.

i) Grant loans for use directly in the purchase and sale of securities.

j) Manage the securities portfolios of third parties, without being able to trade on its own account with the holder of the securities being managed.

k) Act as securities custodian for securities holders or as securities administrator for securities represented by book entries.

l) Act as custodian for collective investment undertakings.

m) Act as an entity appointed by Banco de España to perform transactions in foreign currency derived from the aforementioned activities, in accordance with the above-mentioned law.

n) Perform activities that complement the aforementioned activities in accordance with the Spanish Securities Market Law and additional provisions.

Stock exchange broker companies are regulated by Royal Decree 4/2015 of 23 October 2015, which approves the Revised Spanish Securities Market Law, Law 44/2002 of 22 November 2002 and Royal Decree 217/2008 of 15 February 2008, governing the legal framework for investment firms, amended by Royal Decree 1820/2009 of 27 November 2009 and Royal Decree 358/2015 of 8 May 2015, and by the CNMV Circulars. These regulations stipulate, inter alia, the following minimum requirements for authorisation to operate as a stock exchange broker company:

(a) The company must have a minimum share capital of Euros 730 thousand.

(b) The company must comply with the solvency ratio stipulated in the CNMV Circulars.

(c) The company must meet a specific liquidity ratio. To this end, it must maintain a certain volume of investments in low-risk, high-liquidity assets amounting to 10% of the liabilities that could require settlement within one year, excluding instrumental or transitory creditor accounts available to customers.

(d) Financing may only be obtained from financial institutions entered into the pertinent registers of the CNMV, Banco de España or the Spanish insurance authorities, or equivalent European Union registers. However, public funds may also be received for the following:

- Share issues.
- Subordinated financing.
- Issues of securities traded on official secondary markets.

The Company's registered office is located at Calle Azalea 1, Alcobendas, Madrid.

The Company opened a branch in Barcelona in April 2017.

The Company opened a branch in London in September 2018, which ceased activity in 2019 and closed in 2020 as a result of Brexit.

The Company forms part of the Atalanta Inversiones Europeas S.L. and subsidiaries Group, whose parent is Atalanta Inversiones Europeas S.L.

The directors of Atalanta Inversiones Europeas S.L. and subsidiaries authorised the issue of the annual accounts for 2020 on 31 March 2021 (the 2019 accounts were authorised for issue on 30 March 2020).

2. BASIS OF PRESENTATION OF THE ANNUAL ACCOUNTS

2.1. True and fair view

The annual accounts for 2020 have been prepared on the basis of the accounting records of Ever Capital Investments S.V., S.A.U.

The annual accounts for 2020 have been prepared in accordance with prevailing legislation and CNMV Circular 7/2008 of 26 November 2008 to give a true and fair view of the equity and financial position at 31 December 2020 and results of operations and changes in equity for the year then ended.

These annual accounts, prepared by the Company's directors, are pending approval by the shareholder at the general meeting. However, the directors of the Company consider that the annual accounts will be approved by the shareholder with no significant changes.

2.2. Use of judgement and estimates in the preparation of the financial statements

The Company's directors are responsible for the information included in the annual accounts. The preparation of certain information included in these annual accounts has required the directors to make judgements and estimates based on assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses and obligations. The most significant estimates used in preparing these annual accounts are as follows:

• The fair value of certain financial assets not quoted on official secondary markets (see note 6).

• The measurement of the financial risks to which the Company is exposed when performing its activity (see note 5).

2.3 Comparative information

The balance sheet, income statement, statement of changes in equity, and the notes thereto for 2020 include comparative figures for 2019, which formed part of the annual accounts approved by the shareholder at the annual general meeting held on 29 April 2020. In certain cases the directors have opted to omit items for which there was no data at 31 December 2020 and 2019.

Correction of errors

In 2020 it came to light that two Group companies had recognised and settled income tax for 2016 and 2017 at a reduced rate to which they were not entitled under applicable tax legislation (see note 14). Accordingly, as required by recognition and measurement standard 22 of the Spanish General Chart of Accounts, the comparative figures for 2019 have been restated.

Moreover, the interim dividend disclosure has been corrected to present it as a separate line within capital and reserves, rather than as a reduction in reserves as reflected in 2019.

Details of the adjustments made and the financial statement items affected are as follows:

Balance sheet

	Balance at 31/12/2019	**Adjustments**	**Balance at 31/12/2020**
Tax liabilities	317,842.83	239,917.68	557,760.51
Current	317,842.83	239,917.68	557,760.51
TOTAL LIABILITIES	15,133,895.33	239,917.68	15,373,813.01
CAPITAL AND RESERVES	5,357,267.46	-239,917.68	5,117,349.78
Reserves	129,567.87	1,050,082.32	1,179,650.19
Interim dividend	0.00	-1,290,000.00	-1,290,000.00
EQUITY ATTRIBUTABLE			
TO THE PARENT	5,357,267.46	-239,917.68	5,117,349.78

2.4 Functional and presentation currency

The figures disclosed in the annual accounts are expressed in Euros, the Company's functional and presentation currency, rounded off to two decimal places.

2.5 Current situation triggered by the Coronavirus pandemic

On 11 March 2020, the World Health Organization declared the public health emergency caused by COVID-19 to be a worldwide pandemic. The speed at which events transpired both domestically and internationally and the combination of extraordinary circumstances clearly pointed to an unprecedented health crisis of considerable scope. To address this situation, the Spanish government deemed it necessary to declare a state of emergency through the publication of Royal Decree 463/2020.

The economic impact caused by this declaration led the Spanish government, as well as the European Union and other international bodies, to adopt stimulus measures in order to mitigate the social and economic impact of the crisis.

The Company also took the necessary measures to ensure the continuity of its operations and businesses. To that end, it provided employees with IT equipment and mobile telephones so that they could perform their normal duties from home via remote connections to the

Company’s systems. As regards the management of personnel, in-person meetings have been eliminated completely and replaced with video conferencing technology to ensure the safety and integrity of employees.

Despite the exceptional circumstances, there has been no impact on management activity, regulatory compliance control and risk control. At the date of authorisation for issue of these annual accounts, customers are still being attended to normally.

Despite the existence of an effective vaccine against COVID-19, which is now being made widely available, the emergence of new variants of the disease could have an impact on the Spanish and international macroeconomic environment, directly and indirectly affecting the valuation of financial assets and, therefore, the value of the portfolios under management, issues which could have a bearing on revenues. At the date of authorisation for issue of these annual accounts it is too early to assess the effect this situation may have on the business over the coming years, although the Company’s directors consider this to be an exceptional situation that will not jeopardise the continuity of business, the effect of which will be recognised prospectively. Lastly, the Company's directors are constantly monitoring the situation and will provide notification of any changes in their assessment of the current scenario where necessary.

3. SIGNIFICANT ACCOUNTING POLICIES

a) Foreign currency transactions and balances

Foreign currency transactions are translated into Euros using the exchange rates prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date. Non-monetary assets measured at fair value have been translated into Euros at the exchange rate at the date that the fair value was determined.

Exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. However, exchange gains or losses arising on monetary items forming part of a net investment in a foreign operation are recognised as translation differences in equity.

b) Financial instruments

(i) Recognition, classification and measurement of financial instruments

Financial assets and liabilities are recognised when the Company becomes party to a contract, in accordance with the terms of that contract.

Debt instruments are recognised from the date on which a legal right to receive or pay cash arises and derivative financial instruments are recognised from the trade date. In general the Company derecognises financial instruments on the date from which the rewards, risks, rights and obligations or the control thereof are transferred to the purchaser.

The Company classifies financial instruments into different categories based on the nature of the instruments and management's intentions on initial recognition.

Regular way purchases or sales of financial assets, understood as those in which the reciprocal obligations of the parties must be met within the time frame established generally by regulation or convention in the marketplace concerned and for which gross cash flows are exchanged, are recognised at the trade date or the settlement date.

A financial asset and a financial liability are offset only when the Company currently has the legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Financial instruments are presented and measured, depending on their classification, based on the following criteria:

• Financial assets at fair value through profit or loss:

○ Financial assets held for trading: assets held for the purpose of selling in the market in the near term and derivatives not designated as hedging instruments. These are measured at fair value and net differences with the acquisition price are recognised in the income statement.

Financial assets that are not derivatives can be reclassified out of the trading portfolio when they cease to be held for the purpose of being sold or repurchased in the near term, provided that:

* The reclassification stems from exceptional circumstances arising from a particular, isolated event not associated with the Company, in which case the assets are reclassified to available-for-sale financial assets.

* The Company has the intention and financial ability to hold the assets until maturity and the assets met the definition of loans and receivables on initial recognition, in which case they are classified as loans and receivables.

○ Other financial assets at fair value through profit or loss: hybrid financial assets, jointly managed assets and hedging derivatives. These are measured at fair value and net differences with the acquisition price are recognised in the income statement.

• Loans and receivables: financial assets that are not derivatives, with fixed or determinable cash flows, on which the Company will recover all expenditure incurred. These assets are initially recognised at the fair value of the consideration given, and are subsequently carried at amortised cost using the effective interest rate. Assets purchased at a discount are recognised at the amount disbursed. The difference between the redemption value and the cash disbursed is recognised as finance income in the income statement over the residual period until maturity.

• Available-for-sale financial assets: those securities not classified in any of the preceding portfolios. These assets are carried at fair value and net differences with the acquisition price are recognised in equity until the asset is derecognised, whereupon the gain or loss on disposal is taken to the income statement.

• Financial liabilities at amortised cost: these are initially recognised at the fair value of the consideration received, and subsequently carried at amortised cost, recognising net differences with the acquisition price in the income statement.

The carrying amounts of financial instruments are adjusted with a charge to the income statement when there is objective evidence that an impairment loss has occurred.

Transfer of financial assets

Financial asset transfers are measured as follows:

• When substantially all risks and rewards are transferred, the financial asset is derecognised and any right or obligation retained or created in the transfer is recognised separately.

• When substantially all risks and rewards are retained, the financial asset is not derecognised and a financial liability is recognised for an amount equal to the consideration received, which is measured at amortised cost.

• When substantially all the risks and rewards are neither transferred nor retained and the Company does not retain control, the financial asset is derecognised and any right or obligation retained or created through the transfer is recognised. Where the Company retains control, the financial asset is not derecognised but remains on the balance sheet.

Criteria for calculating the fair value of financial instruments

Fair value is the amount for which an asset can be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The Company applies the following systematic criteria to determine the fair value of financial assets and financial liabilities:

• The Company first applies the quoted market price in the most advantageous active market to which it has immediate access, adjusted to reflect any difference in the credit risk between instruments traded in that market and the one being valued. The bid price is used for assets purchased or liabilities to be issued and the asking price is used for assets to be purchased or liabilities issued. If the Company has assets and liabilities with offsetting market risks, it uses mid-market prices for the offsetting risk positions and applies the bid or asking price to the net position, as appropriate.

Where market prices are not available, the Company uses recent transaction prices adjusted to market conditions.

• Otherwise, for most derivatives the Company applies generally accepted valuation techniques that make maximum use of market inputs and rely as little as possible on specific inputs not observable in the market.

Impairment of financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and the event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

• Impairment of financial assets carried at cost or amortised cost

In the case of financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. These losses cannot be reversed and are therefore recognised directly against the value of the asset and not as an allowance account.

• Impairment of available-for-sale financial assets

When a decline in the fair value of an available-for-sale financial asset has been accounted for directly in recognised income and expense, the cumulative loss is reclassified to profit and loss when there is objective evidence that the asset is impaired, even though the financial asset has not been derecognised. The impairment loss recognised in profit or loss is calculated as the difference between the acquisition cost, net of any reimbursements or repayment of the principal, and the present fair value, less any impairment loss previously recognised in profit or loss for the year.

Impairment losses on investments in equity instruments cannot be reversed and are therefore recognised directly against the value of the asset and not as an allowance account.

If the fair value of debt instruments increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the increase is recognised in profit and loss up to the amount of the previously recognised impairment loss and any excess is accounted for in recognised income and expense.

c) Property, plant and equipment

Property, plant and equipment are measured at cost of acquisition or production, including indirect taxes that are not directly recoverable from the taxation authorities, less accumulated depreciation and impairment losses. Depreciation of property, plant and equipment is calculated over their useful life using the straight-line method, on the basis of the cost of the assets less their residual value. The estimated useful lives of the different items of property, plant and equipment are as follows:

Years of useful life	
Furniture	10 years
Information technology equipment	4 years
Vehicles	2 years (second hand)

The Company reviews the depreciation methods and useful lives of each item of property, plant and equipment at least at each reporting date.

Repair and maintenance costs that do not improve the related assets or extend their useful lives are recognised in profit and loss when incurred. Only those costs likely to generate future profits are capitalised, provided that the amount of such costs can be estimated reliably.

d) Intangible assets

Intangible assets, which basically comprise computer software, meet the identifiability criterion, and are recognised net of any accumulated amortisation and possible impairment losses. Intangible assets are measured at cost of purchase or production. Amortisation of intangible assets is calculated over their useful life, using the straight-line method, on the basis of the cost of the assets less their residual value. They have an estimated useful life of three years.

e) Leases

The Company has rights to use certain assets through lease contracts.

Leases in which the Company assumes substantially all the risks and rewards incidental to ownership are classified as finance leases, otherwise they are classified as operating leases. The Company has only arranged operating leases.

Lease payments under an operating lease, net of incentives received, are recognised as an expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the lease’s benefit.

f) Security deposits

Security deposits paid in relation to lease contracts are measured using the same criteria as for financial assets. The difference between the amount paid and the fair value is classified as a prepayment and recognised in profit and loss over the lease term.

g) Fees and commissions, interest and dividend income

Fees and commissions

Fees and commissions from activities and services rendered during a specific period of time are recognised in the income statement over the duration of the activities or services.

Fees and commissions from activities and services rendered during a period of time that is not specific are recognised in the income statement in line with the stage of completion.

Fees and commissions from a service rendered in a single act are recognised in the income statement when the single act is carried out.

Variable management fees and commissions are recognised based on the best estimate at any given time. The Company adjusts these fees and commissions, retrospectively if appropriate, when it has access to information on trends in the calculation bases.

The processing of stock market fees for performing securities transactions is considered a single service received, which is recorded as fees and commissions for securities transactions.

h) Interest and dividend income

Interest is recognised using the effective interest method.

Dividends from investments in equity instruments are recognised when the Company is entitled to receive them. If the dividends are clearly derived from profits generated prior to the acquisition date because amounts higher than the profits generated by the investment since acquisition have been distributed, the carrying amount of the investment is reduced.

i) Personnel expenses

Personnel remuneration is measured without discounting at the amount payable for services received and is generally recognised as personnel expenses for the year and an accrual, reflecting the difference between the total expense and the amount already settled.

j) Income tax

The income tax expense is determined by the tax payable on the taxable income for a year after taking into account any changes in that period due to temporary differences, tax credits and deductions, and tax losses.

Income tax expense is recognised in the income statement except when the transaction is recognised directly in equity, or when it arises on a business combination, in which case the deferred tax is recognised as one of its assets or liabilities. The effects of timing differences, where applicable, are included in deferred tax assets or liabilities in the accompanying balance sheet.

k) Contributions to the Investment Guarantee Fund

In accordance with Royal Decree 948/2001 of 3 August 2001 on investor compensation schemes, amended by Law 53/2002 of 30 December 2002 on tax, administrative and social measures and by Royal Decree 1642/2008 of 10 October 2008 amending the amounts guaranteed, stock exchange broker companies must make annual contributions to the Investment Guarantee Fund. The amount contributed by the Company to this fund in 2020 is Euros 20,611.52 (Euros 20,492.94 in 2019), which is recognised under other operating expenses in the accompanying income statement (see note 13.e).

l) Related party transactions

Transactions with Group companies and related parties are recognised at the fair value of the consideration given or received. The difference between this value and the amount agreed is recognised in line with the underlying economic substance of the transaction.

m) Statement of total changes in equity

This statement shows a reconciliation of the opening and closing carrying amounts of all items that make up equity, grouping movements according to their nature, as follows:

• Reclassifications, reflecting changes in equity due to the adjustment of balances in the financial statements as a result of changes in accounting principles or corrections of errors.

• Income and expenses recognised during the period comprise the aggregate amount of the items recognised in the statement of recognised income and expense.

• Other changes in equity comprise the remaining items recognised in equity, such as distribution of profit or application of losses, transactions with own equity instruments, equity-settled payments, transfers between equity line items and any other increases or decreases in equity.

n) Off-balance sheet customer funds

The Company's off-balance-sheet item, “Portfolios managed”, reflects the value of the portfolios managed for its customers.

4.- DISTRIBUTION OF PROFIT

The distribution of the Company’s profit for 2020 that the board of directors will propose for approval by the shareholder at the annual general meeting, and the distribution of the profit for 2019 approved by the shareholder at the general meeting held on 29 April 2020, are as follows:

	Euros	**Euros**
	2020	**2019**
Profit for the year	648,531.69	1,454,699.59
Distribution	648,531.69	1,454,699.59
Dividends	-	1,290,000.00
Legal reserve	64,900.00	145,469.96
Voluntary reserve	583,631.69	19,229.63

According to the minutes to the extraordinary general shareholder meeting of Ever Capital Investments S.V., S.A. held on 31 December 2019, an interim dividend of Euros 0.3419 per share, comprising a total of Euros 1,290,000.00, was distributed to the shareholder on 14 January 2020 (see note 15).

The amount distributed did not exceed the profits reported by the Company since the end of the previous reporting period, after deducting the estimated income tax payable on these profits, as required by article 277 of the revised Spanish Companies Act.

5. FINANCIAL ASSETS HELD FOR TRADING

At 31 December 2020 and 2019 this item comprises the following:

	31/12/2020	31/12/2019
	Euros	Euros
Debt securities	4,954,905.20	4,044,937.49
Equity instruments	410,019.84	875,133.43
Total	**5,364,925.04**	**4,920,070.92**

The fair value of these assets has been obtained from prices quoted on Bloomberg. Debt securities comprise private fixed income securities.

6. AVAILABLE-FOR-SALE FINANCIAL ASSETS

	31/12/2020	31/12/2019
	Euros	Euros
Equity instruments	-	800.00

The portfolio of available-for-sale financial assets is composed of unquoted equity securities. Fair value is obtained on the basis of valuation techniques in which all significant inputs are based on directly or indirectly observable market data.

7. LOANS AND RECEIVABLES

Due from financial intermediaries

Details at 31 December 2020 and 2019 are as follows:

	31/12/2020	31/12/2019
	Euros	Euros
Demand deposits	1,002,595.40	956,237.25
Receivables from transactions performed by the Company on its own account pending settlement	121,219.97	9,861,903.91
Other receivables	-	3,046,271.04
Total	**1,123,815.37**	**13,864,412.20**

a) Demand deposits

This item comprises balances in current accounts held in financial institutions at 31 December 2020 and 2019, which earn interest at market rates.

b) Receivables from transactions performed by the Company on its own account pending settlement

This item reflects balances derived from the sale of securities by the Company on its own behalf and which are pending settlement with Caceis (formerly Santander Securities Services) at 31 December 2020 and 2019.

c) Other receivables

This item comprises the balance of securities borrowed for the delivery of sales made in the short term.

Due from customers

Details at 31 December 2020 and 2019 are as follows:

	31/12/2020	31/12/2019
	Euros	**Euros**
Due from customers	266,828.71	1,477,094.89
Total	**266,828.71**	**1,477,094.89**

The balance due from customers reflects trade receivables.

8. PROPERTY, PLANT AND EQUIPMENT

Movement in this line item in 2020 is as follows:

Cost	31/12/2019	Additions	Disposals	31/12/2020
Furniture, IT equipment, fixtures	204,706.81	7,074.47	-	211,781.28
Accumulated depreciation (furniture, IT equipment, fixtures)	(104,222.28)	(42,272.22)	-	(146,494.50)
Carrying amount	**100,484.53**	**(35,197.75)**	**-**	**65,286.78**

Movement in this line item in 2019 was as follows:

Cost	31/12/2018	Additions	Disposals	31/12/2019
Furniture, IT equipment, fixtures	159,142.97	45,563.63	-	204,706.60
Accumulated depreciation (furniture, IT equipment, fixtures)	(67,026.77)	(37,195.30)	-	(104,222.07)
Carrying amount	**92,116.20**	**8,368.33**	**-**	**100,484.53**

At 31 December 2020 and 2019 the Company has no firm commitments to purchase property, plant and equipment. At 31 December 2020 and 2019 the Company has fully depreciated property, plant and equipment amounting to Euros 58,416.90. The Company had no fully depreciated property, plant and equipment in 2019.

9. INTANGIBLE ASSETS

Movement in this line item in 2020 is as follows:

Cost	**31/12/2019**	**Additions**	**Disposals**	**31/12/2020**
Computer software, website	221,053.93	27,036.00	-	248,089.93
Accumulated amortisation (Computer software, website)	(134,196.07)	(47,798.64)	-	(181,994.71)
Carrying amount	**86,857.86**	**(20,762.64)**	**-**	**66,095.22**

Movement in this line item in 2019 was as follows:

Cost	**31/12/2018**	**Additions**	**Disposals**	**31/12/2019**
Computer software, website	182,600.12	38,453.81	-	221,053.93
Accumulated amortisation (Computer software, website)	(83,507.85)	(50,688.22)	-	(134,196.07)
Carrying amount	**99,092.27**	**(12,234.41)**	**-**	**86,857.86**

At 31 December 2020 and 2019 the Company has no intangible assets acquired from companies located outside Spain. At 31 December 2020 and 2019 the Company has fully amortised intangible assets amounting to Euros 5,402.65 in both years.

10. FINANCIAL LIABILITIES AT AMORTISED COST

Details at 31 December 2020 and 2019 are as follows:

	31/12/2020	31/12/2019
	Euros	**Euros**
Due to customers	222,999.28	1,741,198.94
Due to financial intermediaries	458,671.46	12,767,766.85
Total	**681,670.74**	**14,508,965.79**

The balance due to customers at 31 December 2020 reflects amounts payable to creditors and personnel. At 31 December 2019 it reflected amounts payable to creditors, personnel and the Parent for the interim dividend.

The balance due to financial intermediaries reflects balances derived from the purchase of securities by the Company on its own behalf that are pending settlement with Caceis (formerly Santander Securities Services), and payables on the transfer and lending of securities

11. OTHER ASSETS AND LIABILITIES

Details at 31 December 2020 and 2019 are as follows:

	31/12/2020	31/12/2020	31/12/2019	31/12/2019
	Assets	**Liabilities**	**Assets**	**Liabilities**
Other assets	51,418.93	-	38,380.52	-
Public entities	-	341,191.87	-	307,086.70
Total	**51,418.93**	**341,191.87**	**38,380.52**	**307,086.70**

At 31 December 2020, other assets include a balance of Euros 28,545.75 composed of a security deposit and an additional guarantee for the rental contract entered into in March 2020 with Juno Mini SL, and the security deposit for the rental contract of the Barcelona branch's office, entered into on 1 April 2017.

At 31 December 2019, other assets included a balance of Euros 18,375.57 composed of a security deposit and an additional guarantee for the rental contract entered into on 1 March 2016 with Metrovacesa (the rental contract was subsequently subrogated to Merlín Properties and then to Juno Mini SL), and for the rental contract of the Barcelona branch's office, entered into on 1 April 2017.

12. EQUITY

a) Registered capital

Details of equity and movement during the year are shown in the statement of changes in equity.

At 31 December 2020 and 2019, the share capital of Ever Capital Investments, S.V., S.A.U. amounts to Euros 3,773,000.00 divided into 3,773,000 shares of Euros 1 par value each, subscribed and fully paid.

Atalanta Inversiones Europeas S.L., with which the Company forms a consolidable group, holds 100% of the share capital.

b) Reserves

Legal reserve

In accordance with the Revised Spanish Companies Act, companies are obliged to transfer 10% of the profits for the year to a legal reserve until such reserve reaches an amount equal to 20% of the share capital. This reserve may only be used to offset losses if no other reserves are available. Under certain conditions it may be used to increase share capital.

Other reserves

Other reserves are mainly composed of freely distributable reserves.

c) Capital adequacy: Capital management

Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 sets out the prudential requirements for credit institutions and investment firms, and CNMV Circular 2/2014 of 23 June 2014 includes provisions on the solvency of investment firms and their consolidable groups; how capital should be determined; the different capital self-assessment processes to be implemented by entities; and the public information these entities should submit to the market.

For the purposes of calculating its capital requirements the Company considers Tier 1 capital to be all items defined as such, taking into account the corresponding deductions, in Regulation (EU) No. 575/2013, Directive 2013/36/EU and CNMV Circular 2/2014 (hereinafter the solvency regulations).

Common Equity Tier 1 capital is defined as components of capital and reserves that are available for unrestricted and immediate use to cover risks or losses as soon as these occur, and is recognised free of all foreseeable taxes when it is calculated. These items are characterised by a stability and duration that is, a priori, higher than that of Tier 2 capital items, which are explained below. The Company's Tier 1 capital at 31 December 2020 and 2019 is basically composed of retained earnings.

The Company considers Tier 2 capital to be the items defined as such in the solvency regulations, taking into account the corresponding deductions and limits. Although these items meet the definition of capital and reserves established in current legislation, they are characterised, a priori, by having a lower volatility and duration than items considered Tier 1 capital. At 31 December 2020 and 2019 the Company does not hold any Tier 2 capital.

The items that form part of eligible capital and reserves in accordance with the solvency regulations include reserves composed of retained earnings, profit for the year, positive valuation adjustments of available-for-sale financial assets, etc., whose characteristics and definition do not change, irrespective of the entity being analysed.

Details of the Company's eligible capital and reserves at 31 December 2020 and 2019, indicating each one of its components and deductions, broken down into Tier 1 and Tier 2 capital, are as follows:

	Euros	Euros
	2020	**2019**
Capital and reserves	5,061,468.17	3,288,690.02
Common Equity Tier 1 capital	5,061,468.17	3,288,690.02
Equity instruments eligible as Common Equity Tier 1 capital	3,773,000.00	3,773,000.00
Paid-in equity instruments	3,773,000.00	3,773,000.00
Retained earnings	1,354,563.39	1,419,567.87
Retained earnings from prior years	1,354,563.39	1,419,567.87
Accumulated other comprehensive income		
(-) Other intangible assets	(66,095.22)	(86,857.86)
(-) Equity instruments eligible as Common Equity Tier 1 capital from financial sector entities in which the entity has no significant investments		(527,020.00)
Common Equity Tier 1 capital ratio	24.23%	16.07%
Surplus (+)/deficit (-) Common Equity Tier 1 capital	4,121,820.00	2,367,990.00
Tier 1 capital ratio	24.23%	16.07%
Surplus (+)/deficit (-) Tier 1 capital	3,808,420.00	2,060,980.00
Total capital ratio	24.23%	16.07%
Surplus (+)/deficit (-) total capital	3,390,560.00	1,651,640.00

At 31 December 2020 and 2019 the Company's eligible capital exceeded the requirements of the aforementioned legislation.

13. INCOME STATEMENT

a) Interest and similar income, interest expense and similar charges, and dividend income

Details of these items in 2020 and 2019 are as follows:

	2020	2019
Interest and similar income	-	-
Dividend income	-	-

	2020	2019
Interest expense and similar charges	72,530.04	14,562.55

b) Fee and commission income and expense

Details of these items in 2020 and 2019 are as follows:

Fee and commission income	2020	2019
Portfolio management	646,052.02	1,909,107.61
Intermediation/placement	100,000.00	-
Advisory services	60,000.00	43,199.71
Other fees and commissions		539.98
Total	**806,052.02**	**1,952,847.30**

Fee and commission expense	**82,033.83**	**83,281.60**

c) Gains or losses on financial assets and liabilities (net)

	2020	2019
Gains or losses on financial assets and liabilities (net) (+/-)		
Held for trading (+/-)	4,143,021.76	4,251,570.53
Total	**4,143,021.76**	**4,251,570.53**

d) Personnel expenses

Personnel expenses	2020	2019
Salaries and wages	2,723,473.14	2,857,221.37
Social Security payable by the Company	252,978.68	211,758.59
Termination benefits	9,918.02	-
Other personnel expenses	3,500.00	390.12
Total	**2,989,869.84**	**3,069,370.08**

e) Overheads and other operating expenses

	2020	2019
Overheads	**727,059.33**	**1,000,311.96**
Rental of buildings and fixtures	59,709.89	134,907.34
Communications	39,482.71	31,586.28
Information technology systems	361,463.86	378,948.80
Utilities	9,078.94	8,243.40
Repairs and maintenance	1,249.35	17,024.13
Advertising and publicity	3,494.25	788.07
Entertainment and travel expenses	78,735.85	137,055.42
Governing bodies (allowances, bonuses, etc.)	18,000.00	16,000.00
Outsourced administrative services	-	11,853.84
Other independent professional services	94,776.37	190,694.88
Other expenses	28,974.35	37,078.22
Contributions and taxes	32,093.76	36,131.58
Other operating expenses	**21,611.58**	**21,492.94**
Contributions to the Investment Guarantee Fund	20,611.58	20,492.94
Other items	1,000.00	1,000.00

14. TAXATION

Details of tax assets and tax liabilities at 31 December 2020 and 2019 are as follows:

	2020	2019
Deferred assets	-	-
Current assets	-	-
Total	**-**	-
Deferred liabilities	-	-
Current liabilities	142,535.47	557,760.51
Total	**142,535.47**	**557,760.51**

In accordance with current legislation, tax returns filed in respect of various taxes cannot be considered definitive until they have been inspected and agreed by the taxation authorities or before the inspection period of four years has elapsed.

A reconciliation of the accounting profit for the year with the taxable income the Company expects to declare after approval of the annual accounts at 31 December 2020 and 2019 is as follows:

	Euros	Euros
	2020	**2019**
Accounting profit for the year before tax	877,055.45	1,928,417.86
Permanent differences	37,039.60	-
Taxable accounting income	**914,095.05**	**1,928,417.86**
Offset of tax loss carryforwards	-	(484,372.19)
Taxable income	**914,095.05**	1,444,045.67
Tax at 25%	228,523.76	361,011.42
Deductions	-	(8,386.20)
Payments on account	(85,988.29)	(34,782.82)
Income tax expense	**142,535.47**	**317,842.82**
Taxable accounting income	**228,523.76**	**473,718.27**
Income tax expense	**228,523.76**	**473,718.27**

The tax rate applicable is 25% of the taxable income. In accordance with current legislation, taxes cannot be considered definitive until they have been inspected by the taxation authorities or before the inspection period of four years has elapsed. The Company's directors do not expect that any significant additional liabilities would arise in the event of an inspection.

Per article 21 of Income Tax Law 27/2014, the Parent's profits are exempt from income tax because its only income is from Ever Capital dividends.

On 16 September and 6 October 2020, the taxation authorities gave notice of the start of penalty proceedings relating to the inspection proceedings of income tax for 2016 and 2017, respectively.

As a result of these penalty proceedings, the Company has had to settle additional amounts of tax and late payment interest. The increases in tax and the late payment interest accrued until 31 December 2019 have been recognised against reserves as corrections of prior years' errors (see statement of changes in equity).

Late payment interest for 2020 is recognised under interest expense and similar charges in the income statement at 31 December 2020. The penalty imposed for the 2016 income tax proceedings has been recognised in the income statement for the year under gains or losses on disposal of assets not classified as non-current assets held for sale. Notification of the penalty imposed for the 2017 income tax proceedings was received in 2021.

15. RELATED PARTIES

In 2020 the Company did not distribute a dividend to the Parent.

In 2019 the Company distributed an interim dividend of Euros 1,290,000.00 to the Parent Atalanta Inversiones Europeas S.L. on account of profit for the year.

16. OTHER INFORMATION

16.1 Structure of the Company's workforce

Details of the Company's employees at 31 December 2020, by category, are as follows:

	Male	Female	Total	2020 average
Senior management	2	1	3	3
Qualified personnel	9	7	16	16
Administrative staff	1	1	2	2
Total	**12**	**9**	**21**	**21**

Details of the headcount in 2019 are as follows:

	Male	Female	Total	2019 average
Senior management	2	1	3	3
Qualified personnel	9	5	14	14
Administrative staff	1	1	2	1
Total	**12**	**7**	**19**	**18**

At 31 December 2020 and 2019 the Company had no employees with a disability rating of 33% or higher.

16.2 Information on the board of directors

The Company considers the members of the board of directors to be senior management personnel.

At 31 December 2020 the board has three members. In 2020 the members of the board of directors accrued Euros 79,999.92 in respect of salaries and wages (Euros 122,333.20 in 2019).

At 31 December 2020 and 2019 the Company has no balances payable to or receivable from members of the board of directors. At 31 December 2020 the Company has no pension or life insurance commitments with senior management or current or former members of the board of directors.

At 31 December 2020 and 2019, neither the members of the board of directors nor senior management personnel have received any loans or advances nor has the Company extended any guarantees on their behalf.

With regard to the information required under article 229 of Royal Legislative Decree 1/2010 of 2 July 2010 approving the Revised Spanish Companies Act, at the 2020 reporting date no members of the Company’s board of directors have informed the other members of the board of any direct or indirect conflicts of interests they or any of their related parties may have with the Company.

16.3 Average supplier payment period. "Reporting Requirement". Additional Provision Three of Law 15/2010 of 5 July 2010

Pursuant to Law 31/2014 of 3 December 2014 amending the Spanish Companies Act in order to improve corporate governance, and wherein final provision two amends additional provision three of Law 15/2010 of 5 July 2010, which in turn amended Law 3/2004 of 29 December 2004 establishing measures to combat late payment in commercial transactions, so as to require all commercial companies to expressly disclose the average supplier payment period in the notes to their annual accounts, at 31 December 2020 and 2019 the Company’s average payment period to trade suppliers and service providers is as follows:

	2020	**2019**
	Days	Days
Average supplier payment period	10	15
Transactions paid ratio	9	15
Transactions payable ratio	33	3
	Euros	Euros
Total payments made	820,618.69	875,267.68
Total payments outstanding	27,203.95	54,957.05

16.4 Customer service department

Article 17 of Ministry of Economy Order ECO/734/2004 of 11 March 2004 requires customer service departments and, where applicable, the financial institution ombudsman to report on the customer service and ombudsman activities carried out in the prior year and to submit this information annually to the board of directors.

Article 17 of the above-mentioned order requires customer service departments and, where applicable, the financial institution ombudsman to report on the customer service and ombudsman activities carried out in the prior year and to submit this information annually to the board of directors.

During 2020 and 2019 the Company did not receive any complaints or claims.

16.5 Audit fees

The auditor of the annual accounts of the Company is KPMG Auditores, S.L.

Net audit fees for the year ended 31 December 2020 amounted to Euros 12,096.00, irrespective of the date of invoice (Euros 14,388.00 in 2019).

In addition, KPMG Auditores, S.L. invoiced the Company fees of Euros 5,523.00 and Euros 7,110.00 for other audit-related services in 2020 and 2019, respectively.

16.6 Environmental information

The directors consider that the environmental risks deriving from the Company's activity are minimal and adequately covered and that no additional liabilities will arise therefrom. The Company did not incur any expenses or receive any environment-related grants during the years ended 31 December 2020 and 2019. The Company has not held any greenhouse gas emission allowances.

16.7 Other information

In accordance with article 70 bis One of Law 24/1988 of 28 July 1988 governing the securities market, for the purposes of the annual investment services report, the Company declares that it performs all of its activity in Spain (see Appendix I).

16.8 Customer funds managed

Details of off-balance sheet customer funds at 31 December 2020 and 2019 are as follows:

Portfolios managed	31/12/2020	31/12/2019
Total	**55,613,431.82**	**62,191,207.68**
Investments in quoted domestic shares and equity holdings	3,569,098.94	10,921,113.59
Investments in unquoted domestic shares and equity holdings	8,566,174.42	8,789,105.60
Investments in quoted domestic fixed income securities	11,927,848.45	12,766,805.32
Investments in unquoted domestic fixed income securities	-	-
Investments in quoted foreign securities	22,997,668.37	12,888,382.23
Investments in unquoted foreign securities	6,470,501.82	7,096,209.43
Cash with financial intermediaries	2,082,139.82	9,729,591.51

17. EVENTS AFTER THE REPORTING PERIOD

Between 31 December 2020 and the date on which the Company's board of directors authorised these annual accounts for issue, no significant events occurred that require disclosure in the accompanying annual accounts.

18. RISK MANAGEMENT AND FAIR VALUE OF FINANCIAL INSTRUMENTS

18.1.- Risk management. Measurement

Activities concerned with financial instruments may involve the assumption or transfer of one or more types of risk by the Company. The risks associated with financial instruments are:

a) Credit risk

This refers to the potential loss due to failure by a counterparty to comply with some or all of its obligations. This risk can be divided into:

- Settlement risk, which arises when the exchange of financial assets and cash flows does not occur at the same time. As the Company usually settles its transactions on a delivery-versus-payment (DVP) basis, this risk can be considered non-existent.
- Counterparty risk, which consists of the potential loss derived from non-compliance by a counterparty, as the position will need to be placed on the market again.
- Issuer risk, which is defined as potential losses derived from changes in credit ratings or negative changes in the market's perception of the solvency of the issuer of a financial asset held by the Company.

b) Liquidity risk

This risk is caused by the inability to open/close a market position because no counterparty can be found, there is a lack of liquidity in the market or because it has a high cost.

c) Market risk

In general, market risk can be defined as the risk of losses derived from adverse movements in the price of assets in which a position is held. It includes three types of risk:

- Currency risk, which is defined as potential losses in value of any assets denominated in currencies other than the Euro.
- Interest rate risk, which is defined as potential losses in value of any assets denominated in currencies other than the Euro.
- Price risk, which is defined as potential losses derived from adverse movements in the price of the different assets comprising the portfolio.

d) Legal risk

This is the risk of potential losses because a transaction cannot be executed due to failure to draw up a complete and adequate contract, or because the transaction contravenes the legal framework regulating the Company's activity.

e) Operational risk

Operational risk is the risk of losses arising from inadequate or failed internal processes, personnel or systems, or from external events, including legal risk.

18.2.- Risk management structure

Although the board of directors is ultimately responsible for identifying and controlling risks, the Company has other bodies and units that are responsible for managing and monitoring these risks.

a) Credit risk

In order to analyse credit risk, the Company calculates the probability of non-compliance by each issuer of the securities held in the portfolio.

This analysis seeks to adapt to the manner in which the department managing the Company's own risk operates, as the portfolio is rotated very frequently, meaning that the probability of default must be calculated in the short term. No assets are expected to be held in the portfolio for more than one year. The average probability of default in the fixed income portfolio is less than 10% and, therefore, does not exceed the 10% limit established.

In order to mitigate credit risk with financial entities, they are selected based on their prestige and experience in the sector, as well as on the basis of the solvency ratings assigned by well-known external agencies in the markets.

Furthermore, simultaneous exchanges of financial assets and cash flows in all the transactions performed have, at the very least, occurred within a reasonable time frame.

The Company has not incurred any losses as a result of the failure of counterparties to meet their obligations.

b) Liquidity risk

Since its incorporation, Ever Capital Investments, S.V. has implemented a prudent liquidity risk protection policy, holding a sufficient volume of funds in cash and other liquid financial instruments to settle its eligible liabilities with a residual maturity of less than one year.

c) Market risk

As established, interests in unquoted companies and any other securities which, despite being quoted on an organised market, are not sufficiently liquid for the market prices to be considered representative, are excluded from market risk calculations.

Investments in unquoted shares may not exceed 30% of eligible capital. If they are between 30% and 50% of eligible capital they must be approved by the chair of the board. If they are between 50% and 75% of eligible capital they must be approved in advance by the board of directors.

The rationale for assigning limits to these shares is that they cannot be analysed because there are no historical quoted prices, meaning that neither their volatility (risk) nor their beta (β) can be measured. The beta value indicates market risk, as it reflects the sensitivity of a security to movements in the market.

The VaR methodology has been applied to the most liquid equity and fixed income securities in order to measure the probability of incurring the maximum loss with a view to taking corrective action to reduce risk before this happens.

Using a 99% confidence level, the VaR may not exceed 10% of the value of the position in the portfolio.

c.1) Currency risk

The Company is not significantly exposed to this risk.

c.2) Interest rate risk

The modified duration (MD) of each bond is used to obtain the average MD for the portfolio. This value indicates how much the price of the portfolio will vary as a result of a 1% fluctuation in interest rates.

This method is applied mainly for two reasons:

- Portfolio investments are rotated very frequently, which tends to have the effect of absorbing interest rate risk. The approximate MD value is therefore a valid option for assessing the impact of changes in interest rates.
- As the securities in the portfolio are few and of a low value, the margin for error is low.

The Company is not significantly exposed to this risk.

18.3.- Fair value of financial instruments

Equity instruments whose fair value cannot be reliably estimated, or derivatives that have those instruments as their underlying asset, should be recognised at fair value.

Three types of financial instruments are distinguished:

1. Financial instruments whose fair value is based on their quoted price in active markets, without making any modifications to these assets.

2. Financial instruments whose fair value is estimated on the basis of their quoted price in organised markets for similar instruments or through other valuation techniques in which all significant inputs are based on directly or indirectly observable market data.

3. Financial instruments whose fair value is estimated through valuation techniques in which a certain significant input is not based on observable market data.

The Company applies this methodology when no Bloomberg prices, prices from contributors, completed market transactions or any type of reliable quoted price are available.

APPENDIX I: INVESTMENT SERVICES FIRMS ANNUAL REPORT

2020

This document has been drawn up in compliance with the obligations stipulated in section 1 of article 70 bis One of Securities Market Law 24/1988 of 28 July 1988, which states that investment services firms, with the exception of those referred to in paragraph 2 of article 70.1.a), must submit to the CNMV and publish annually as appendices to the entity's audited statements, the following individual information:

a) Company name, nature of activities and geographical location

b) Turnover

c) Number of full-time employees

d) Profit or loss before tax

e) Tax on profit or loss

f) Public grants or subsidies received

Transitional provision twelve of Law 10/2014 of 26 June 2014 on the regulation, supervision and solvency of credit institutions provides that on 1 July 2014 the investment firms to which article 70 bis One is applicable shall be required, for the first time, to publish the information stipulated in article 70 bis One a), b) and c).

a) Company name, nature of activities and geographical location

Ever Capital Investments, S.V., S.A.U. was incorporated by public deed under Spanish law on 2 March 2016.

On 22 April 2016, the Spanish National Securities Market Commission (CNMV) entered the Company in the Administrative Registry of Securities Brokers with number 259.

The Company's statutory activity consists of rendering all the investment and advisory services referred to in articles 140 and 141 of the Spanish Securities Market Law.

These services may be carried out in both the domestic and international markets.

The Company’s registered office is located at Calle Azalea 1, Alcobendas, Madrid.

b) Turnover

The Company's turnover, based on fee and commission income, amounted to Euros 806,052.02 in 2020 (Euros 1,952,847.30 in 2019).

c) Number of full-time employees

There are 21 full-time employees at 31 December 2020 (19 in 2019).

a) Profit before tax

Profit before tax amounts to Euros 877,055.45 in 2020 (Euros 1,928,417.86 in 2019).

b) Tax on profit

Income tax for 2020 amounts to Euros 228,523.76 (Euros 473,718.27 in 2019).

c) Public grants or subsidies received

Ever Capital Investments, S.V., S.A.U. did not receive any grants in 2020 or 2019.

Ever Capital Investment SV

2020 Directors' Report

Climate

2020 was the hardest year for management in the past 30 years. While it was a dream scenario for most investors to see such low prices, timing and liquidity were crucial to success or failure in portfolio returns. And it was all down to the pandemic.

The COVID-19 pandemic triggered sharp declines in equity markets. This was followed by a strong recovery driven by the swift response of governments and central banks.

The key to the upturn in fixed income and equity markets from their lows last year was the sheer magnitude of support from monetary bodies.

Public debt purchases drove long-term interest rates to minimum levels and this trend will continue, albeit at a slower pace. JP Morgan's team of analysts expects the global balance sheet of central banks to increase by USD 5 trillion this year. "Balance sheet growth in 2021 could be half that seen in 2020, but this pace would still be fuelled by asset price inflation", they explain.

High-quality tech stocks led the rally from the steep drops seen in March, but in the second half of the year investors showed a preference for more cyclical stocks, cheaper "value" stocks and high-yield bonds. This trend was reinforced by expectations of a more widespread economic recovery this year with the arrival of vaccines.

The approval of vaccines has sped up the pace of extensive market rotation, with significant earnings for smaller companies.

The rally since March has been impressive, but there are concerns that the markets have taken on too much debt on the assumption of profits in 2021. Global equity markets will record double-digit gains for two years running and, although a rarity, this could be extended to three years.

We bid farewell to a year marked by the pandemic, which has left uneven performance in listed companies and global stock exchanges. Wall Street broke a succession of records on the back of tech companies. The Nasdaq, which has led growth since January, rose by more than 40%, followed by the S&P500 with 15% and the Dow Jones with over 6%.

The German and Swedish indices also hit all-time highs driven by businesses making the most of the COVID impact.

The strong performance of tech companies and businesses benefitting from the effects of the Coronavirus has been the key to Wall Street's record highs. There is a smaller weight of tech and biotech companies in Europe, meaning indices there have lagged behind (except for the German Dax and Swedish OMX).

The Spanish stock market brought up the rear among major indices, with a decline of 15.45%. However, nine of the Ibex 35 companies performed positively and three generated a profitability of over 60%. 2020 was a roller coaster year for the Spanish market: in nine months the Ibex suffered its worst decline in 60 years – plummeting by 14.4% on 12 March – and had its best ever month in November – climbing 25.18%. The market went on a wild ride from 6,107 points in March to over 8,000 at year end.

The news about the arrival of vaccines drove investors to buy stocks hit hard by the pandemic, from 9 November onwards.

The Nasdaq led the rally, rising by more than 40%, followed by the Chinese Stock Index (CSI), which increased by over 20%. In Europe the German Dax and Swedish OMX performed best, with the Ibex in last place, down 15.45%.

The tech and health industries have garnered much of the attention and will continue to do so in 2021 with underexploited sub-sectors.

The S&P 500, Dow Jones, Nasdaq and Germany's Dax ended the year with record or near-record highs.

It seems that 2021 could be a good year because the dark clouds we had on the horizon at the start of the year are starting to dissipate. The USA has a new president, which will alleviate trade tensions with China. Brexit has come out of a dead end and entered a phase of negotiations, which will benefit everyone, or at least will not cause excessive harm to anyone. COVID vaccines are being administered to the sectors of the population that are most exposed due to their occupation or those most at risk due to illness or age. Recovering from the damage caused to the Spanish economy will take a few years at least.

Financial results

Ever Capital Investments posted a pre-tax profit of around Euros 900,000 in 2020, indicating an acceptable year in financial terms.

Events after the reporting period

Between 31 December 2020 and the date on which the Company's board of directors authorised these annual accounts for issue, no significant events occurred that require disclosure in the accompanying annual accounts.