



Excellent exposure to iconic hotel assets

January-December 2022 results
15 March 2023





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Main figures as at 31 December 2022

 <p>PRIME PORTFOLIO WITH HIGH VALUE POTENTIAL</p>	 <p>FINANCIAL SOUNDNESS</p>	 <p>THE IMPROVEMENT STARTED IN 1H22 CONTINUES</p>	 <p>EPRA NTA</p>
<p>GAV⁽¹⁾ €586.5 million (+32,1 vs 2021)</p> <p>43% in operation 42% in restructuring 15% in development</p> <p>GAV⁽¹⁾/Acquisition Cost⁽³⁾ +6.3%</p>	<p>Liquidity of €72.5 million</p> <p>Low LTV leverage level⁽²⁾ 8.8% (Gross LTV 21,2%)</p> <p>86% of the debt matures after January 2026</p> <p>80.8% fixed rate debt (2.98%)</p>	<p>Revenues €12.3 million (+45.5% vs. 2021)</p> <p>Net Result €11.8 million (+24% 2021)</p> <p>Result of hotel business activity +€15.65 million (+32.2% vs 2021)</p>	<p>EPRA NTA €4.66/share</p> <p>Increase in asset value +12.5 million, which highlights the quality and value potential of the portfolio, as well as the effectiveness of MHRE's strategy</p>

(1) Valuation carried out on 31 December 2022 by independent experts.

(2) (Financial Debt – Cash and cash equivalents)/GAV

(3) Acquisition cost = acquisition price + transaction costs + Capex



Main milestones in the period

- **Increase in the portfolio's GAV to €586.5 million⁽¹⁾; +32.1% vs. 2021; (+46.3% excluding the effect of the sale of Hotel Vía Castellana in January 2022).** The variation is due to:
 - ✓ The sale of Hotel Vía Castellana on 31 January 2022 for €43 million.
 - ✓ The CAPEX implemented in the period amounting to €57 million, arising from the progress of the repositioning works in the hotels.
 - ✓ The incorporation of new assets amounting to €114.3 million.
 - ✓ The increase in the valuations carried out by an independent expert amounting to €12.5 million. This demonstrates the value-generating capacity of the Company's portfolio strategy and potential, despite the difficult and adverse post-COVID market environment and the generalised rise in interest rates.
- **During 2022, the Radisson Collection Hotel, Gran Vía Bilbao and the Golf Alcaidesa Links course opened its doors** after an extensive refurbishment, has enabled it to position itself at the highest level and which has meant it can join the European Tour Destination network. For the remaining part of the portfolio under transformation, major progress has been made in its conversion. As a result of these developments, **the JW Marriott Hotel Madrid, Nobu Sevilla and Nobu San Sebastian are expected to open their doors in 2023. It is expected to end the year with 8 of the 13 hotels in the portfolio in operation.**
- **In addition, we continue to conclude agreements with some of the main leading hotel chains worldwide that operate in the luxury segment.** In 2022, an **agreement was signed with Nobu for the asset located at Alcalá 26 in Madrid**, and an agreement was reached with Fairmont (Accor) for the opening of a **Fairmont hotel La Hacienda San Roque in Cádiz**. After year end, **the contract with Alma Hoteles for the Plaza San Francisco asset in Seville was terminated early and amicably and a new agreement was signed with Nobu**, which will improve the expected profitability of the asset. 10 of the 13 assets currently have a lease agreement in place.
- **2022 has been an intense year in acquisitions (€114.3 million), adding to the portfolio the Iberostar Las letras, located in Gran Vía 11, Madrid, and also in the capital a building at 19, Zorrilla Street, as well as a plot of land in El Palmar, Cádiz** to develop a luxury eco-resort. In addition, the purchase of a plot of land in Marbella has been booked with a disbursement of €6.7 million. This purchase of a seafront plot of land in Marbella is expected to be completed this year once the conditions agreed for this are met.
- **Significant improvement in results** (revenues of €12.3 million, and net result of €11.8 million (+45.5% and 24% vs. 2021, respectively) as a result of highest revenues due to the improvement in the hotel business activity as a result of the commissioning of new assets, the updating of rents in line with the CPI, the positive impact of the sale of Hotel Vía Castellana and the significant improvement in the valuation of the portfolio.
- **We maintain a strong balance sheet: net LTV⁽²⁾ of 8.8% with a cash on hand balance of €72.5 million at 31 December 2022.**
- **The market has acknowledged the company's good development and in May 2022, MHRE completed the second payment of the capital increase executed in July 2021 amounting to €156.4 million, which was the largest operation in the Spanish primary market to date and demonstrated the solidity and attractiveness of the MHRE project.** After this operation, Castlelake placed its stake in the capital at 49.72%, and Mutualidad de la Abogacía and Arconas International entered as main shareholders, with a 5.05% stake respectively.
- **The investments made during the year have significantly improved the positioning of the Portfolio**, since thanks to the **proactive management** of the same, it has been **divested, generating capital gains**, in an asset which, although of good quality, was not homogeneous with the category of hotels sought, and assets of greater distance, quality and in a better location have been acquired, with the added bonus that the **greatest weight of the portfolio has been oriented towards the City of Madrid** (50,1% GAV value) destination of choice for the investment community. Also significant is the increase in the price paid per room (+7%⁽³⁾ vs 2021), which has reached a new all-time record. As for the 5* segment, this is the preferred by investors, not only because they show a clear preference for assets located in prime locations, but also because of the strength shown by the sector's main variables. The experts' outlook for the industry remains positive despite the macroeconomic environment.

(1) Valuation carried out on 31 December 2022 by independent experts.

(2) Net Financial Debt/GAV

(3) Source INE (National Statistics Institute) and Colliers International

Consolidated results 2022 (IFRS)

(Euros)	12/31/2022 (12 months)	12/31/2021 (12 months)	Var % (12 months)
Revenues	12.323.093	8.467.546	45,5%
Cost of sales	(160.143)	(116.735)	37,2%
Other operating income	746.283	183.031	307,7%
Personnel Cost	(6.589.019)	(4.939.113)	33,4%
Other operating expenses	(4.705.959)	(3.186.789)	47,7%
EBITDA	1.614.256	407.940	295,7%
Impairment losses of accounts receivable	(74.058)	(872.726)	ns
Changes in fair value of investment properties	14.988.227	12.749.794	17,6%
Depreciation & Amortization	(856.351)	(670.820)	27,7%
Impairment losses on disposal of non current assets	(2.458.289)	(839.257)	192,9%
Result for loss of control of subsidiaries	860.198	0	ns
EBIT	14.073.982	10.774.932	31%
FINANCIAL RESULT	(2.287.206)	(1.301.123)	-76%
PROFIT BEFORE TAXES	11.786.776	9.473.809	24%
Taxes	-	-	
NET PROFIT	11.786.776	9.473.809	24%
Breakdown by segment			
Revenues	12.323.093	8.467.546	45,53%
Hotels	9.875.588	7.149.381	38,1%
Golf	2.447.505	1.318.166	85,7%
EBITDA	1.614.256	407.940	295,71%
Hotels	2.363.472	1.363.169	73,4%
Golf	(749.216)	(955.228)	21,6%

(1) Income arising from the current use of the building

(2) Excluding the costs associated with Golf de Alcaidesa due to being temporarily operated by the Company

(3) Excluding employees of Alcaidesa

- The figure for revenues amounted to €12.3 million, 45.5% vs. 2021, thanks to the better performance of both the hotel business activity (+38.1% vs. 2021) and the Golf courses business activity (+85.7% vs. 2021). The reasons for this increase are as follows
 - ✓ The entry into operation of new hotels: Radisson Bilbao (since March) and Iberostar Gran Vía las Letras (since October 27), as well as the building in Madrid acquired at the end of 2021, located at Alcalá 26 (future Nobu Madrid)⁽¹⁾. On the other hand, Vía Castellana only contributed in January as it was sold at the end of that month.
 - ✓ Update of the rents of the Meliá Bilbao and Lucentum hotels in line with the CPI (+6.5% and 10.5%, respectively, in 2022)
 - ✓ Revenues are expected to continue to improve in 2023, not only because the hotels incorporated in 2022 will be computed for the 12 months, but also because the hotels JW Marriot Madrid, Nobu San Sebastian and Nobu Plaza San Francisco in Seville are expected to come into operation during this financial year. To this will be added the positive contribution expected from updating the rents in line with the CPI.
- EBITDA stands at €1.61 million, which is four times higher than that recognised in 2021, as a result of the aforementioned improvements.
 - ✓ A significant improvement stands out in the hotel business activity EBITDA compared to that recognised in 2021 (+73.4%), as was also the case in the Golf business activity, although the latter continues to record losses.
 - ✓ Percentage decrease over EPRA NTA of fixed personnel costs⁽³⁾ despite the increase in staff due to business growth (especially in the technical area). Fixed personnel costs⁽³⁾ amounted to 0.48% of EPRA NTA, i.e. less than half of the 1% forecast (0.88% in 2021). It should also be noted that the bonus established in the Management Policy was accrued as the target return on stabilised operating assets was achieved.
 - ✓ The ratio of overheads⁽²⁾ to EPRA NTA at the end of the period stood at 0.90%, also far below the limit set of 1.5%
- Net result of +€11.79 million (+24% vs 2021). Excluding the effect of the direct operation of the Golf de Alcaidesa courses, the result would have been €15.6 million.
 - ✓ Positive contribution of the sale of Hotel Vía Castellana (+0.86 million) and the significant improvement in asset value (+12.5 million).
 - ✓ Increase in financial expenses linked to the financing associated with the Radisson Seville and Radisson Bilbao hotels, due to the fact that these were previously capitalised as higher cost of the work, until they were delivered to the lessee in June 2021 and March 2022, respectively.

Consolidated Results 2022 (IFRS)

Consolidated Balance Sheet	31 December 2022	31 December 2021
Total investment properties including those for disposal	597.701.122	448.006.370
Bank Borrowings	-124.189.380	-127.540.085
Cash	72.460.965	53.545.370
Net Debt	-51.728.415	-73.994.715
LTV ⁽¹⁾	21,2%	28,7%
Net LTV	8,8%	16,7%
Average Interest Rate	2,98%	2,15%
Average Debt Maturity	5,9	7,5

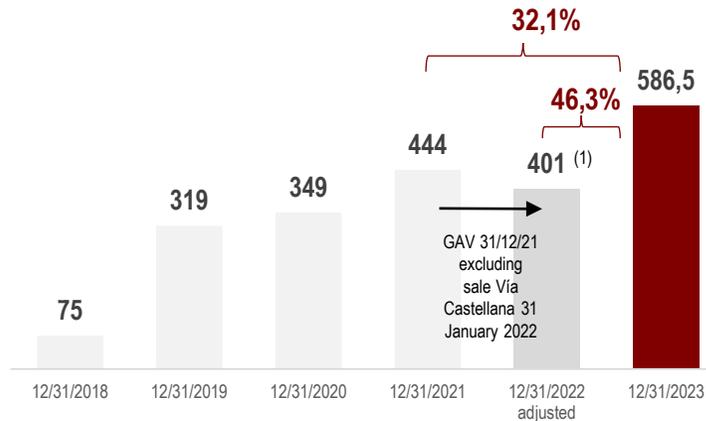
- **Tangible and real estate assets increased by €149 million**, mainly due to the CAPEX implemented in the period amounting to €57 million, the €12.5 million increase in the asset valuation carried out by independent experts, the acquisitions made amounting to €114.3 million and the advance payment of investments amounting to €6.7 million. Note the decrease due to the sale of Hotel Via Castellana (-€43 million) on 31/1/22
- **The LTV debt ratio⁽¹⁾ stands at 8.8% vs. 16.7% at year end 2021. The company had a cash of 72.5 million at year end 2022.**
- **86% of the debt matures after 1 January 2026.**
- **80.78% of the debt is fixed rate, with the average rate being 2.98%.**
- **The EPRA NTA stood at €4.66/share as at 31 December.**



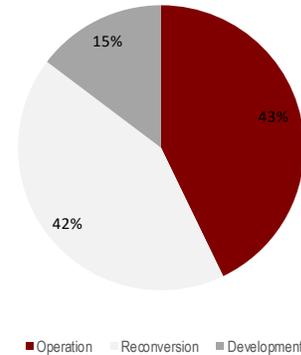
(1) Net financial debt/GAV

Portfolio summary as at 31 December 2022

Portfolio GAV performance



Portfolio state based on GAV



Estimated date of entry into operation of the assets

	Category	Sustainability certificate	Keys	Estimate opening date
Lucentum	4*		169	In operation
Meliá Bilbao	5*		211	In operation
Radisson Collection Sevilla	5*	Leed Gold	89	In operation
Radisson Collection Bilbao	5*	Leed Platinum	137	In operation
Gran Via 11; Madrid	4*		109	In operation
Hotel JW Madrid	5*	In process of Leed Gold	139	2Q23
Hotel Nobu Sevilla	5*	In process of Leed Gold	25	2Q23
Nobu San Sebastian	5*	In process of Leed Gold	19	4Q23
La Hacienda San Roque	5*	In process of Leed Gold	213	2Q24
Zorrilla 19, Madrid (2)	5*	In process of Leed Gold	58	2Q24
Nobu Madrid	5*	In process of Leed Gold	50	4Q24
Palacetes de Córdoba (2)	5*	In process of Leed Gold	44	1Q25
El Palmar Cadiz (2)	5*	In process of Leed Gold	126	1Q26
TOTAL PORTFOLIO			1.389	

Data as at 31 December 2022

- ✓ GAV⁽¹⁾ increases by 46.3% excluding the effect of the sale of Vía Castellana on 31 January 2022 vs. 2021. In LfL terms, the increase was +3.4%.
- ✓ GAV⁽¹⁾/acquisition cost: +6.3%; +10.7%⁽³⁾ in the portfolio of hotels in operation
- ✓ Capex
 - Implemented in 2022 of €57 million
 - Pending implementation €163.15 million.

GAV/Acquisition Cost as at 31 December 2022

Total portfolio
+6.3 %



Portfolio in operation⁽³⁾
+10.7 %

(1) Source CBRE and Savills as at 31 December 2022, excluding the sale of Hotel Vía Castellana executed on 31 January 2022
 (2) Project being defined, consequently, the number of rooms could vary
 (3) Hotel Lucentum, Hotel Meliá Bilbao, Hotel Radisson Bilbao; Hotel Iberostar Las Letras and Hotel Radisson Seville

Overall view of the portfolio as at 31 December 2022

LEED Gold certification has been requested for all assets undergoing restructuring

Assets in portfolio with a GAV⁽¹⁾ of 586.5 million

GAV ⁽¹⁾ : 33.9 million	GAV ⁽¹⁾ : 51.6 million	GAV ⁽¹⁾ : 46.7 million	GAV ⁽¹⁾ : 48.7 million	GAV ⁽¹⁾ : 70.4 million	GAV ⁽¹⁾ : 155.8 million	GAV ⁽¹⁾ : 10.3 million	GAV ⁽¹⁾ : 13.2 million	GAV ⁽¹⁾ : 2.1 million	GAV ⁽¹⁾ : 36.8 million	GAV ⁽¹⁾ : 74.2 million	GAV ⁽¹⁾ : 30.8 million	GAV ⁽¹⁾ : 12 million
Alicante	Bilbao	Seville	Bilbao	Madrid	Madrid	Seville	San Sebastian	Córdoba	Madrid	Cádiz	Madrid	Cadiz
Hotel Lucentum	Meliá Bilbao	Plz. Magdalena	Hotel Gran Vía	Hotel Iberostar Las Letras	JW Marriott	Plz. San Francisco	Paseo Miraconcha	Palacetes de Córdoba	C/Alcalá 26	Fairmont La Hacienda	C/Zorrilla 19	El Palmar
<ul style="list-style-type: none"> Bedrooms: 169 Category 4* Type: Leisure Operator: Eurostars Contract type: Fixed income until 2025. From 2025, variable income with a guaranteed minimum income Incorporated into the scope in 2018 	<ul style="list-style-type: none"> Bedrooms: 211 Category 5* Type: Bleisure Operator: Meliá Contract type: Fixed income Incorporated into the scope in November 2019 	<ul style="list-style-type: none"> Bedrooms: 89 Category 5* Type: Luxury Operator: Radisson Collection Contract type: Variable income with guaranteed minimum income Main building incorporated into the scope in 1H2019 and annex in 1H2019 LEED Gold Certificate 	<ul style="list-style-type: none"> Bedrooms: 137 Category 5* Type: Luxury Operator: Radisson Collection Contract type: Variable income with guaranteed minimum income Incorporated into the scope in 1H2019 LEED Platinum Certificate 	<ul style="list-style-type: none"> Bedrooms: 109 Category 4* Type: Bleisure Operator: Iberostar Contract type: Fixed income Incorporated into the scope in October 2022 	<ul style="list-style-type: none"> Bedrooms: 139 Category 5* Type: High-end Luxury Operator: JW Marriot Contract type: Variable income with guaranteed minimum income. Incorporated into the scope in October 2019. Consists of two buildings 	<ul style="list-style-type: none"> Bedrooms: 25 Category 5* Type: Boutique luxury Operator: Nobu Hoteles Contract type: Variable income with guaranteed minimum income Incorporated into the scope in 2019. Consists of two buildings 	<ul style="list-style-type: none"> Bedrooms: 19 Category 5* Asset type: Boutique luxury Operator: Nobu Contract type: variable income with guaranteed minimum Included in the portfolio in 4Q20. 	<ul style="list-style-type: none"> Bedrooms: 44 Category 5* Type: boutique Operator: pending Included in the portfolio in 1H2020. Consists of converting different properties into a single hotel The project design is currently underway 	<ul style="list-style-type: none"> Bedrooms: 50 Category 5* Asset type: Luxury. Included in the portfolio in December 2021. Operator Nobu. Contract type: variable income with guaranteed minimum. 	<ul style="list-style-type: none"> Bedrooms: 213 Category 5* Type: Luxury resort with villas and golf courses Operator: Fairmont Contract type: Variable income with guaranteed minimum income Incorporated into the scope in December 2019. Consists of different plots of land, two golf courses and a clubhouse. 	<ul style="list-style-type: none"> Bedrooms: 58 Category 5* The project design is currently underway Operator Pending Incorporated into the scope in July 2022 	<ul style="list-style-type: none"> Bedrooms: 126 Category 5* Type: Luxury eco-resort The project design is currently underway Incorporated into the scope in November 2022 Operator Pending

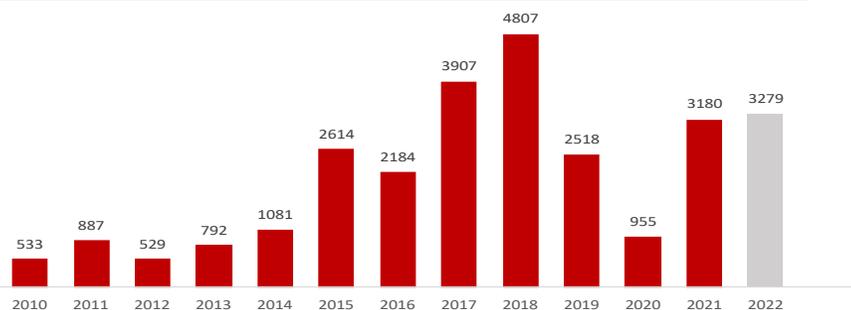
Openings scheduled for 2023.

(1) Valuation carried out on 31 December 2022 by independent experts.

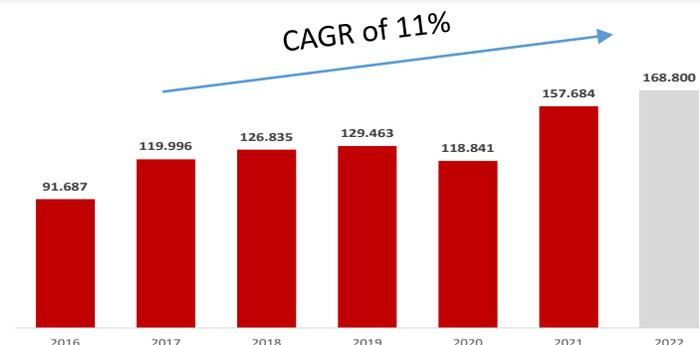
The strength continues both in terms of the volumes of hotel investment and in the industry's fundamentals

Positive Market Context:

In 2022, investment in hotels stood at €3,279 million, +3% more than in 2021 and +30% more than in 2019, the last pre-pandemic year. Only in 4 of the last 13 years has the threshold of €3,000 million investment been exceeded, and 2022 has been one of them. It should be noted that 24% of this figure corresponds to investments in Madrid, a city in which MHRE has 50% of its portfolio's GAV.

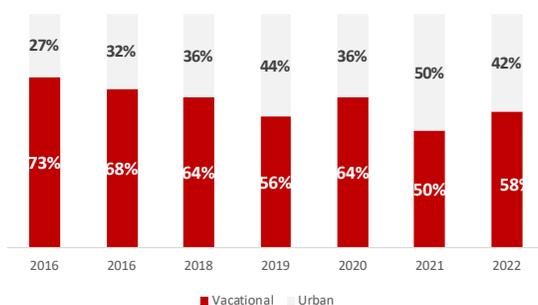


The average price paid per room in 2022 reached a new record, standing at €168,800, which is +7% more than the figure in 2021 and 33% higher than that recorded in 2019



Despite the price disparity seen in the 133 transactions undertaken in 2022, this improvement in the price paid per room is mainly due to 5* and 5*GL hotel transactions. Specifically, one third of the volume invested corresponds to assets in this category. This figure reaches 40% when taking into consideration the transactions implemented in the last 3 years (€2,555 million), which is a clear indicator of the performance and resilience of this type of asset and demonstrates investors' high degree of interest in prime assets and in the evolution of the luxury hotel sector to which they are linked.

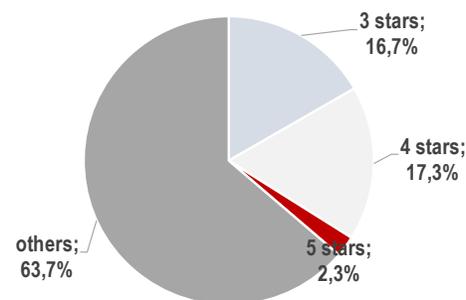
Investment in urban hotels stood at 42%, below the figure obtained in 2021, due to the transaction of 3 significant holiday-type portfolios in 2022.



In 2022, the most significant operations in the sector were in the urban category, especially in Madrid and Barcelona

- Madrid reached an all-time investment record of €803 million (19 hotels and 2,500 rooms), which meant that the capital will account for 24% of the total hotel investment recorded in Spain.
- Continued high demand from international luxury hotel operators to increase or establish a presence in Spain

The percentage of 5-star hotels of the total hotel stock in Spain is 2.3%, a figure that is significantly below the European average.



Positive outlook for the luxury hotel sector in 2023 despite the macroeconomic situation.

- Industry experts state that the liquidity obtained in the capital raising processes during the pandemic, and the buying pressure, will mean that the main allocation of capital will be to prime assets because of their greater liquidity and lower sensitivity to cyclical changes, as has been demonstrated in the past.
- On the other hand, the main hotel variables in the 5* segment in 2022 have continued to show strength:
 - ✓ 12.2% increase in ADR in 2022.
 - ✓ The increase in average revenue per room (REVPAR), that is, taking into account occupancy in the 5-star category, has been 53%, with this being one of the categories that has risen the most in 2022, thus demonstrating the strength that the luxury hotel sector continues to experience.

Excellent management of assets in portfolio

- ✓ Increase in portfolio value of €12.5 million, despite the current economic context
- ✓ Asset turnover: sale of Hotel Vía Castellana with significant capital gains
- ✓ New acquisitions amounting to €114.3 million
- ✓ New hotel openings: 2023 will end with 8 of the 13 assets in operation
- ✓ Agreements with leading international operators: Nobu for the Alcala 26 building in Madrid and Plaza de San Francisco building in Seville, and Fairmont for the La Hacienda asset

Significant improvement in results

- ✓ Revenues of €12.3 million (+45.5% vs 2021) and net result of €11.8 million (+24% vs 2021)
- ✓ Increased number of hotels in operation
- ✓ Rent updates in line with the CPI
- ✓ Improvements in ADRs above the forecasts for hotels with variable income contracts

Shareholding reinforcement

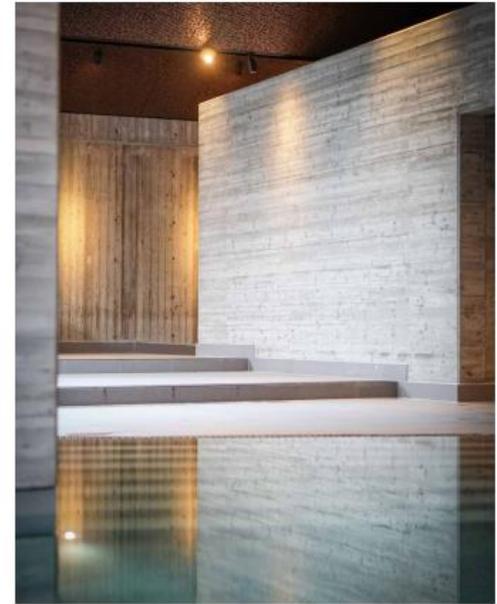
- ✓ Following the second payment of the capital increase carried out in May 2022, Castllake placed its stake in the capital at 49.72%, and Mutualidad de la Abogacía and Arconas International entered as main shareholders, with a stake of 5.05% in the capital, respectively.

The luxury hotel market continues to show signs of strength

- ✓ Hotel investment has continued at new records and is expected to continue at significant levels in 2023. More than €2,000 million in the process of investment according to data provided by industry experts
- ✓ Expected improvements in ADR and REVPAR in the 5 stars segment.
- ✓ Preference for prime assets

Conclusions







Consolidated Balance Sheet:



<i>Assets</i>	<i>12/31/2022</i>	<i>12/31/2021</i>
NON CURRENT ASSETS	602.269.955	405.829.116
Intangible assets	23.248	0
Property plant & equipment	19.257.122	17.304.370
Investment properties	578.444.000	387.702.000
Finacial Investment	2.044.851	822.746
Trade receivables	2.500.734	0
CURRENT ASSETS	89.610.124	122.699.831
Inventories	918.965	427.547
Trade and other receivables	14.672.391	13.021.504
Financial investment	956.606	12.254.977
Other Current assets	601.197	421.343
Cash and cash equivalents	72.460.965	53.545.370
Assets held for sale	43.029.090	43.029.090
TOTAL ASSETS	691.880.079	528.528.947

<i>Equity & Liabilities</i>	<i>12/31/2022</i>	<i>12/31/2021</i>
EQUITY	539.428.164	372.160.949
NON CURRENT LIABILITIES	125.963.181	113.634.618
Borrowings	123.448.887	111.120.324
<i>Bank borrowings</i>	118.019.627	108.081.012
<i>Finance lease payables</i>	0	28.915
<i>Other financial liabilities</i>	5.429.260	3.010.397
Deferred tax liabilities	2.514.294	2.514.294
CURRENT LIABILITIES	26.488.734	42.733.380
Provisions	88.034	161.886
Borrowings	8.442.439	9.764.229
<i>Bank borrowings</i>	6.181.001	5.993.965
<i>Finance lease payables</i>	0	173.234
<i>Financial Derivates</i>	2.261.438	3.597.030
Trade & other payables	17.931.927	12.566.031
Other current liabilities	26.334	53.351
Liabilities associated with assets held for sale	20.187.883	20.187.883
TOTAL EQUITY & LIABILITIES	691.880.079	528.528.947

EPRA Earnings and EPRA Earnings Per Share

(Figures in thousand euros)		<u>2022</u>
EARNINGS PER IFRS CONSOLIDATED INCOME STATEMENT		11.787
<u>Adjustments to calculate EPRA Earnings, exclude:</u>		
(i) Changes in value of investment properties, development properties held for investment and other interests		14.988
(ii) Profits or losses on disposal of investment properties, development properties held for investment and other interests		860
(iii) Profits or losses on sales of trading properties including impairment charges in respect of trading properties.		-
(iv) Tax on profits or losses on disposals		-
(v) Negative goodwill / goodwill impairment		-
(vi) Changes in fair value of financial instruments and associated close-out costs		(292)
(vii) Acquisition costs on share deals and non-controlling joint venture interests		-
(viii) Deferred tax in respect of EPRA adjustments		-
(ix) Adjustments (i) to (viii) above in respect of joint ventures (unless already included under proportional consolidation)		-
(x) Non-controlling interests in respect of the above		-
EPRA EARNINGS		(3.769)
Basic number of shares		100.061
EPRA EARNINGS PER SHARE (Euros)		(0,04)
<u>MHRE specific adjustments, exclude:</u>		
(a) Net profit (loss) from other activities different than hotel leases (i.e. Golf)		(3.861)
(b) Provision for personnel bonuses and other remuneration items		(2.232)
ADJUSTED EPRA EARNINGS		2.323
ADJUSTED EPRA EARNINGS PER SHARE (Euros)		0,02

The additional specific MHRE adjustments made to determine the EPRA Earnings correspond to the following:

- a) The net result (loss in 2022) generated by the activity of the golf courses temporarily operated by the Group.
- b) The expense accrued in the year for bonuses and other remuneration items for MHRE personnel, as these items vary from year to year.

Appendix – EPRA information

At MHRE we recognise the importance of complying with a standardised and generally accepted reporting mechanism on the main economic indicators of the business, in order to provide quality and directly comparable information in the industry, both for investors and for different users of the financial information.

Since January 2023 MHRE is a member of EPRA (European Public Real Estate Association). For this reason, for the first time in the 2022 financial year, we have dedicated a specific section to present our main economic indicators in accordance with EPRA guidelines.⁽¹⁾

The EPRA set of indicators is based on the information included in the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRS) and makes certain adjustments to provide investors with the most relevant information about a real estate investment company.

The indicators defined in the EPRA Best Practices Recommendations that MHRE considers most relevant are included in this appendix.

- (1) The guidance applied is included in the last "Best Practices Recommendations" document issued by EPRA in February 2022, which is available in EPRA's official web page: <https://www.epra.com/finance/financial-reporting/guidelines>

EPRA Net Asset Value (NAV) metrics

(Figures in thousand euros)	31/12/2022		
	EPRA NRV	EPRA NTA	EPRA NDV
IFRS Equity attributable to shareholders	539.428	539.428	539.428
Include / Exclude:			
i) Hybrid instruments	-	-	-
Diluted NAV	539.428	539.428	539.428
Include:			
ii.a) Revaluation of investment properties (if IAS 40 cost option is used)	-	-	-
ii.b) Revaluation of investment properties under construction (if IAS 40 cost option is used)	-	-	-
ii.c) Revaluation of other non-current investments	-	-	-
iii) Revaluation of tenant leases held as finance leases	-	-	-
iv) Revaluation of trading properties	-	-	-
Diluted NAV at Fair Value	539.428	539.428	539.428
Exclude:			
v) Deferred tax in relation to fair value gains of investment properties	2.514	1.257	n.a.
vi) Fair value of financial instruments	-	-	n.a.
vii) Goodwill as a result of deferred tax	-	-	-
viii.a) Goodwill as per the IFRS balance sheet	-	-	-
viii.b) Intangibles as per the IFRS balance sheet	n.a.	(23)	n.a.
Include:			
ix) Fair value of fixed interest rate debt	n.a.	n.a.	8.614
x) Revaluation of intangibles to fair value	-	n.a.	n.a.
xi) Real estate transfer tax	15.676	-	n.a.
NAV	557.618	540.662	548.042
Fully diluted number of shares	116.032	116.032	116.032
NAV per share (Euros)	4,81	4,66	4,72

Appendix – EPRA information

According to the latest EPRA "Best Practices Recommendations" document, the calculation of the EPRA NAV and EPRA NNNAV ratios were replaced by three new indicators: EPRA NRV, EPRA NTA and EPRA NDV.

EPRA Net Reinstatement Value (NRV)

The objective of this new ratio is to highlight the value of long-term net assets. Therefore, assets and liabilities that are not expected to crystallise under normal circumstances, such as fair value movements of financial derivatives and deferred taxes on real estate valuation surpluses, are excluded. Since the objective of the metric is also to reflect what would be necessary to recreate the Company through investment markets on the basis of its current capital and financing structure, related costs, such as real estate transfer taxes, should be included.

EPRA Net Tangible Assets (NTA)

The calculation of this ratio is made on the assumption that the Company buys and sells the net real estate assets, thus crystallising certain levels of deferred tax liabilities.

EPRA Net Disposal Value (NDV)

In response to investors' interest in understanding the full extent of liabilities and the resulting value of the Company if the company's assets are sold and/or if liabilities are not held to maturity. To this end, this new EPRA indicator provides a scenario in which deferred taxes, financial instruments and certain other adjustments are included in the calculation based on the full extent of its liabilities, including off-balance sheet tax exposure, net of any resulting taxes. This measure should not be considered an 'actual liquidation value' because, in many cases, fair values do not represent liquidation values.



Privileged Information and Other Relevant Information for the period

- ❑ 7 January 2022: Communication significant stakes
- ❑ 12 January 2022: Purchase building at Calle Alcalá 26 in Madrid
- ❑ 2 February 2022: sale of Hotel Vía Castellana
- ❑ 9 February 2022: Hotusa agreements
- ❑ 21 March 2022: Opening and addendum Radisson Bilbao
- ❑ 20 May 2022: New CFO appointment
- ❑ 26 May 2022: Results capital increase July 2021 corresponding to the 2nd payment
- ❑ 30 May 2022: Registration of capital increase July 2021 corresponding to the 2nd payment of the capital increase in July 2021.
- ❑ 2 June 2022: Significant shareholdings after capital increase
- ❑ 22 June 2022: Result Annual General Meeting 2022
- ❑ 4 July 2022: Significant shareholdings as at 30 June 2022
- ❑ 28 July 2022: Acquisition of building in Madrid, calle Zorrilla 19
- ❑ 7 October 2022: Portfolio valuation 1H22
- ❑ 7 October 2022 OIR Rectification Presentation of Results 1H22
- ❑ 27 October 2022: Acquisition Hotel Iberostar Gran Vía Las Letras, Madrid
- ❑ 29 November 2022: Acquisition of plot of land in El Palmar, Cádiz
- ❑ 12 December 2022: Corporate Governance amendments

Privileged Information and Other Relevant Information after the end of the period

- ❑ 3 January 2023. Communication significant shareholdings as at 31 December 2022
- ❑ 8 March 2023: Hotel Nobu Sevilla lease agreement



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