Alantra Partners, S.A, and companies comprising the Alantra Group

Consolidated Financial Statements
and Directors' Report
as at and for the year ended
31 December 2020 and
the Audit Report thereon

Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain and of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 32). In the event of a discrepancy, the Spanish-language version prevails.

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Translation of a report originally issued in Spanish based on our work performed in accordance with the audit regulations in force in Spain. In the event of a discrepancy, the Spanish-language version prevails.

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Alantra Partners, S.A.,

Report on the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Alantra Partners, S.A. ("the Company" or "the Parent") and companies that make up, together with the Company, the Alantra Group ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows and notes to the consolidated financial statements for the year then ended.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated equity and consolidated financial position of the Group as at 31 December 2020, and its consolidated results and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs) and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

We are independent of the Group in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the consolidated financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

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

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Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Recoverability of certain significant items of goodwill	
Description	**Procedures applied in the audit**
The accompanying consolidated statement of financial position as at 31 December 2020 presents goodwill amounting to EUR 62,836 thousand (see Note 6 to the accompanying consolidated financial statements) arising on the acquisition of shares granting the Parent control over various companies. Of this goodwill, the EUR 19,241 thousand and EUR 28,512 thousand allocated, respectively, to the Alantra LLC Boston and Alantra Corporate Finance, LLP cash-generating units (CGUs) are of particular significance. As described in Note 3-h) to the accompanying consolidated financial statements, the cash-generating units to which the aforementioned goodwill was allocated are analysed at least annually to determine whether the goodwill has become impaired over the course of the year. The impairment assessment is a process that involves a certain level of complexity that requires Group management to make significant judgements, estimates and assumptions which are potentially significant in relation to the aforementioned goodwill and relate mainly to cash flow projections based on financial information and to the determination of appropriate discount and perpetuity growth rates.	Our audit procedures included, among others, the review of the design and implementation of the relevant controls that mitigate the risks associated with the process of assessing the potential impairment of goodwill, as well as the performance of tests to verify that the aforementioned controls operate effectively. In particular, those controls through which Group management supervises and approves the commissioning of work performed by the external expert engaged for this purpose. We obtained the valuation reports of the expert engaged by Group management to analyse the recoverability of the goodwill allocated to the Alantra LLC Boston and Alantra Corporate Finance, LLP CGUs, and evaluated the competence, capability and objectivity of the expert and the adequacy of the expert's work for use as audit evidence. With respect to the measurement model used, we evaluated, with the assistance of our internal valuation experts, the reasonableness of the cash flow projections performed and the discount and perpetuity growth rates used, assessing the consistency of the financial information upon which they are based, comparing the assumptions made with data obtained from internal and external sources and performing a critical evaluation

Recoverability of certain significant items of goodwill	
Description	**Procedures applied in the audit**
purpose it was assisted by an independent expert engaged by the Group. We identified this matter as key in our audit, considering both the magnitude of the amounts affected and the high degree of judgement required of Group management when assessing the potential impairment of the aforementioned goodwill.	methodology applied. We also reviewed the clerical accuracy of the calculations. Furthermore, in order to identify possible bias in the assumptions made by Group management and be able to evaluate the reasonableness of the estimates made, we compared the revenue growth rates used with the most recently approved business plans and budgets, reviewed whether they were consistent with market information and evaluated Group management's historical accuracy in the preparation of the budgets and projections. Lastly, we performed a sensitivity analysis of the key hypotheses and assumptions identified and checked that the disclosures included in Note 6 to the accompanying consolidated financial statements in connection with this matter were in conformity with the requirements of the applicable accounting regulations.

Recognition of the success fee income received for financial advisory services provided (cutoff)

Description

The Group's revenue relates mainly to fees received for the provision of financial advisory services to companies or entities in corporate finance transactions. A very significant portion of the total of the aforementioned fees relates to income for financial advisory services that is earned based on the success of the transactions (success fees).

Although the recognition of this success fee income, in terms of its quantification, is not normally very complex, and gives rise to accounts receivable that can be converted into cash in a short period of time, it does involve the consideration of circumstances that are specific to each customer and are associated with the various contractual terms and conditions agreed with respect to each transaction for which advisory services are provided, which determine the success of the transaction.

There is therefore a risk of the success fees being recognised in the incorrect reporting period, since their recognition depends on the achievement of various milestones established in the contractual terms and conditions under which the services are rendered.

Accordingly, this matter was an area of significant auditor attention in our audit.

Procedures applied in the audit

Our audit procedures included, among others, the review of the design and implementation of the relevant controls that mitigate the risks associated with the recognition of the success fee income received for the provision of financial advisory services, as well as tests to verify that the aforementioned controls operate effectively. Specifically, those controls whereby Group management monitors the timing of achievement of the success milestone in the contractual terms and conditions under which the services are rendered and, therefore, oversees the proper recognition of the transactions in the correct period.

We also performed a combination of substantive analytical procedures and tests of details on a representative sample of corporate finance transactions, taken on selective bases, which consisted of obtaining all the associated contractual documentation, analysing the defined clauses and evaluating whether the conditions established by the financial reporting framework applicable to the Group for recognising the income (milestone achievement) were met. Furthermore, for that sample of transactions, we recalculated the fee income received by the Group in accordance with the aforementioned conditions.

In addition, we requested written confirmation for certain balances receivable for which an allowance had not been recognised at 31 December 2020, in order to check with the customers whether the related corporate finance services had actually been provided at year-end. Where

Recognition of the success fee income received for financial advisory services provided (cutoff)	
Description	**Procedures applied in the audit**
	applicable, we questioned the successful outcome of the service provision under analysis by checking whether the aforementioned success fees had been collected. Lastly, we checked that the disclosures included in Note 25 to the accompanying consolidated financial statements in connection with this matter were in conformity with those required by the applicable accounting regulations.

Other Information: Consolidated Directors' Report

The other information comprises only the consolidated directors' report for 2020, the preparation of which is the responsibility of the Parent's directors and which does not form part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated directors' report. Our responsibility relating to the consolidated directors' report, in accordance with the audit regulations in force, consists of:

a) Solely checking that the consolidated non-financial information statement and certain information included in the Annual Corporate Governance Report, to which the Spanish Audit Law refers, have been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.

b) Evaluating and reporting on whether the other information included in the consolidated directors' report is consistent with the consolidated financial statements, based on the knowledge of the Group obtained in the audit of those consolidated financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the consolidated directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above was furnished as provided for in the applicable legislation and that the other information in the consolidated directors' report was consistent with that contained in the consolidated financial statements for 2020 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors and Audit and Risk Control Committee of the Parent for the Consolidated Financial Statements

The Parent's directors are responsible for preparing the accompanying consolidated financial statements so that they present fairly the Group's consolidated equity, consolidated financial position and consolidated results in accordance with EU-IFRSs and the other provisions of the regulatory financial reporting framework applicable to the Group in Spain, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Parent's directors are responsible for assessing the Group'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 Group or to cease operations, or have no realistic alternative but to do so.

The Parent's audit and risk control committee is responsible for overseeing the process involved in the preparation and presentation of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force 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 consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is included in Appendix I to this auditor's report. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

European Single Electronic Format

We have examined the digital files in European Single Electronic Format (ESEF) of Alantra Partners, S.A. and companies that make up, together with the Company, the Alantra Group for 2020, which comprise the XHTML file including the consolidated financial statements for 2020 and the XBRL files with the tagging performed by the entity, which will form part of the annual financial report.

The directors of Alantra Partners, S.A are responsible for presenting the annual financial report for 2020 in accordance with the format and markup requirements established in Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 ("ESEF Regulation").

Our responsibility is to examine the digital files prepared by the Parent's directors, in accordance with the audit regulations in force in Spain. Those regulations require that we plan and perform our audit procedures in order to ascertain whether the content of the consolidated financial statements included in the aforementioned digital files corresponds in full to that of the consolidated financial statements that we have audited, and whether those consolidated financial statements and the aforementioned files were formatted and marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

In our opinion, the digital files examined correspond in full to the audited consolidated financial statements, and these are presented and have been marked up, in all material respects, in accordance with the requirements established in the ESEF Regulation.

Additional Report to the Parent's Audit and Risk Control Committee

The opinion expressed in this report is consistent with the content of our additional report to the Parent's audit and risk control committee dated 25 March 2021.

Engagement Period

The Annual General Meeting held on 28 October 2020 appointed us as the Group's auditors for a period of one year from the year ended 31 December 2019, i.e., for 2020.

Previously, we were designated pursuant to a resolution of the General Meeting for the period of one year and have been auditing the financial statements uninterruptedly since the year ended 31 December 2015.

DELOITTE, S.L.
Registered in ROAC under no. S0692

Alberto Torija
Registered in ROAC under no. S0692

25 March 2021

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the consolidated financial statements.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

As part of an audit in accordance with the audit regulations in force 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement 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 Group's internal control.

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

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

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

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

We communicate with the Parent's audit and risk control committee 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.

We also provide the Parent's audit and risk control committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the Parent's audit and risk control committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters.

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

ALANTRA PARTNERS, S.A. AND COMPANIES COMPRISING THE ALANTRA GROUP

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AT 31 DECEMBER 2020 AND 2019 (NOTES 1 TO 4)

(Thousands of euros)

ASSETS	Notes	31-12-2020	31-12-2019 (*)
NON-CURRENT ASSETS:		**253.403**	**176.734**
INTANGIBLE ASSETS:			
Goodwill	**6**	62.836	67.225
Other intangible assets	**6**	399	465
PROPERTY AND EQUIPMENT	**7**	17.165	20.586
INVESTMENT PROPERTY		-	-
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	**8**	45.266	39.025
NON-CURRENT FINANCIAL ASSETS:			
At fair value through profit or loss	**9**	77.023	4.310
At fair value through other comprehensive income	**9**	44.603	39.222
At amortised cost	**9**	3.666	3.422
NON-CURRENT DERIVATIVES		-	-
DEFERRED TAX ASSETS	**20**	2.445	2.479
OTHER NON-CURRENT ASSETS		-	-
CURRENT ASSETS:		**154.296**	**167.740**
NON-CURRENT ASSETS HELD FOR SALE	**10**	13.912	-
TRADE AND OTHER RECEIVABLES:			
Trade receivables for sales and services	**11**	36.593	40.298
Other receivables	**11**	2.064	2.472
Current tax assets	**20**	10.219	9.043
CURRENT FINANCIAL ASSETS:			
At fair value through profit or loss	**12**	-	11.116
At fair value through other comprehensive income		-	-
At amortised cost	**12**	662	7.569
CURRENT DERIVATIVES	**30**	-	295
OTHER CURRENT ASSETS	**13**	1.262	1.872
CASH AND CASH EQUIVALENTS	**14**	89.584	95.075
TOTAL ASSETS		**407.699**	**344.474**

EQUITY AND LIABILITIES	Notes	31-12-2020	31-12-2019 (*)
EQUITY:		**295.539**	**222.610**
SHAREHOLDERS' EQUITY:		**251.699**	**208.710**
CAPITAL:			
Issued capital	**15**	115.894	115.894
Less: Uncalled capital		-	-
SHARE PREMIUM	**15**	111.863	111.863
RESERVES	**15**	6.058	(28.775)
LESS: TREASURY SHARES AND OWN EQUITY INSTRUMENTS	**15**	(1.535)	(177)
RETAINED EARNINGS (PRIOR-YEAR LOSSES)		-	-
OTHER PARTNER CONTRIBUTIONS		-	-
PROFIT FOR THE YEAR ATTRIBUTABLE TO THE CONTROLLING COMPANY	**15 & 24**	29.026	40.134
LESS: INTERIM DIVIDEND	**15**	(9.607)	(30.229)
OTHER EQUITY INSTRUMENTS	**15**	-	-
ACCUMULATED OTHER COMPREHENSIVE INCOME:		**(3.287)**	**3.532**
ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD:			
Equity instruments at fair value through other comprehensive income	**9**	1.250	2.488
Other		-	-
ITEMS THAT CAN BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD:			
Hedging transactions		-	-
Translation differences	**3-t**	(4.537)	1.044
Share in other comprehensive income from investments in joint ventures and others		-	-
Debt instruments at fair value through other comprehensive income		-	-
Other		-	-
EQUITY ATTRIBUTABLE TO THE CONTROLLING COMPANY		248.412	212.242
NON-CONTROLLING INTERESTS	**16**	47.127	10.368
NON-CURRENT LIABILITIES:		**27.827**	**31.791**
GRANTS		-	-
NON-CURRENT PROVISIONS	**17**	9.269	9.562
NON-CURRENT FINANCIAL LIABILITIES:			
Bank borrowings, bonds and other marketable securities		-	-
Other financial liabilities	**18**	18.021	21.537
DEFERRED TAX LIABILITIES	**20**	537	692
NON-CURRENT DERIVATIVES		-	-
OTHER NON-CURRENT LIABILITIES		-	-
CURRENT LIABILITIES:		**84.333**	**90.073**
LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE	**10**	7.747	-
CURRENT PROVISIONS		-	-
CURRENT FINANCIAL LIABILITIES:			
Bank borrowings, bonds and other marketable securities	**18**	-	2.485
Other financial liabilities	**18**	5.937	6.614
TRADE AND OTHER PAYABLES:			
Payables to suppliers	**19**	9.109	10.454
Other payables	**19**	56.248	60.605
Current tax liabilities	**20**	4.133	9.102
CURRENT DERIVATIVES		-	-
OTHER CURRENT LIABILITIES	**13**	1.159	813
TOTAL EQUITY AND LIABILITIES		**407.699**	**344.474**

(*) Presented solely and exclusively for comparison purposes.

Notes 1 to 32 of the accompanying Notes to the consolidated financial statements and the Annex form an integral part of the consolidated statement of financial position at 31 December 2020.

ALANTRA PARTNERS, S.A. AND COMPANIES COMPRISING THE ALANTRA GROUP

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED
31 DECEMBER 2020 AND 2019 (NOTES 1 TO 4)
(Thousands of euros)

	Notas	Ejercicio 2020	Ejercicio 2019 (*)
REVENUE:			
Revenue from rendering of services	25	187.375	222.788
Transfers to third parties for joint execution	25	(9.513)	(8.555)
OTHER OPERATING INCOME		45	27
PERSONNEL EXPENSES	26	(109.608)	(118.380)
OTHER OPERATING EXPENSES	27	(25.436)	(36.730)
AMORTISATION AND DEPRECIATION	6 & 7	(6.010)	(5.704)
NON-FINANCIAL AND OTHER CAPITAL GRANTS		-	-
IMPAIRMENT OF NON-CURRENT ASSETS	6 & 7	(1.053)	(10.717)
GAIN (LOSS) ON DISPOSAL OF NON-CURRENT ASSETS		-	-
OTHER INCOME (EXPENSE)		-	-
OPERATING PROFIT		**35.800**	**42.729**
FINANCE INCOME	9, 12 & 14	2.457	2.813
FINANCE COSTS	18	(343)	(250)
CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS	9	252	42
GAIN (LOSS) ON RECLASSIFICATION OF FINANCIAL ASSETS AT AMORTISED COST TO FINANCIAL ASSETS AT FAIR VALUE		-	-
GAIN (LOSS) ON RECLASSIFICATION OF FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME TO FINANCIAL ASSETS AT FAIR VALUE		-	-
EXCHANGE DIFFERENCES	3-t	485	(697)
LOSS/REVERSAL OF LOSS ON IMPAIRMENT OF FINANCIAL INSTRUMENTS	28	(1.593)	77
GAIN (LOSS) ON DISPOSAL OF FINANCIAL INSTRUMENTS			
Financial liabilities at amortised cost		-	-
Other financial instruments	28	19	19.989
NET FINANCE INCOME		**1.277**	**21.974**
SHARE OF PROFIT (LOSS) OF COMPANIES ACCOUNTED FOR USING THE EQUITY METHOD	24	4.112	2.916
PROFIT BEFORE TAX		**41.189**	**67.619**
INCOME TAX	20	(7.534)	(14.661)
PROFIT FOR THE YEAR FROM CONTINUING OPERATIONS		**33.655**	**52.958**
PROFIT AFTER TAX FOR THE YEAR FROM DISCONTINUED OPERATIONS		-	-
CONSOLIDATED PROFIT FOR THE YEAR		**33.655**	**52.958**
PROFIT ATTRIBUTABLE TO THE CONTROLLING COMPANY	24	29.026	40.134
PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	16	4.629	12.824
EARNINGS PER SHARE			
Basic	4	0,75	1,04
Diluted	4	0,75	1,04

(*) Presented solely and exclusively for comparison purposes.

Notes 1 to 32 of the accompanying Notes to the consolidated financial statements and the Annex form an integral part of the consolidated statement of profit or loss for the year ended 31 December 2020

ALANTRA PARTNERS, S.A. AND COMPANIES COMPRISING THE ALANTRA GROUP

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019 (NOTES 1 to 4)

(Thousands of euros)

	Notes	Ejercicio 2020	Ejercicio 2019 (*)
CONSOLIDATED PROFIT FOR THE YEAR		**33.655**	**52.958**
OTHER COMPREHENSIVE INCOME – ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD:		**(1.270)**	**3.821**
From revaluation (reversal of revaluation) of property and equipment and intangible assets		-	-
From actuarial gains and losses		-	-
Share in other comprehensive income from investments in joint ventures and associates		-	-
Equity instruments at fair value through other comprehensive income	**9**	(1.309)	4.242
Other income and expenses not reclassified to profit or loss for the period	**16**	(32)	155
Tax effect	**9 & 20**	71	(576)
OTHER COMPREHENSIVE INCOME – ITEMS THAT CAN BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD:		**(5.581)**	**3.407**
Hedging transactions:		-	-
Valuation gains (losses)		-	-
Amounts transferred to profit or loss		-	-
Amounts transferred to the initial carrying amount of hedged items		-	-
Other reclassifications		-	-
Translation differences:		**(5.581)**	**3.407**
Valuation gains (losses)	**3-t**	(5.581)	3.407
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Share in other comprehensive income from investments in joint ventures and associates:		-	-
Valuation gains (losses)		-	-
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Debt instruments at fair value through other comprehensive income		-	-
Valuation gains (losses)		-	
Amounts transferred to profit or loss		-	
Other reclassifications		-	-
Other income and expenses that can be subsequently reclassified to profit or loss for the period:		-	-
Valuation gains (losses)		-	-
Amounts transferred to profit or loss		-	-
Other reclassifications		-	-
Tax effect		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**26.804**	**60.186**
ATTRIBUTABLE TO THE CONTROLLING COMPANY		22.207	47.207
ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	**16**	4.597	12.979

(*) Presented solely and exclusively for comparison purposes.

Notes 1 to 32 of the accompanying Notes to the consolidated financial statements and the Annex form an integral part of consolidated statemen of comprehensive income for the year ended 31 December 2020

ALANTRA PARTNERS, S.A. AND COMPANIES COMPRISING THE ALANTRA GROUP

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019 (NOTES 1 TO 4)
(Thousands of euros)

	Equity attributable to the controlling company							
	Shareholders' equity							
	Capital	**Share premium and reserves**	**Treasury shares and own equity instruments**	**Profit for the period attributable to the controlling company**	**Other equity instruments**	**Fair value adjustments**	**Non-controlling interests**	**Total equity**
CLOSING BALANCE AT 31 DECEMBER 2018 (*)	**115.894**	**55.882**	**(768)**	**35.031**	-	**(3.541)**	**8.779**	**211.277**
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-
Restatements to correct errors	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE AT 1 JANUARY 2019 (*)	**115.894**	**55.882**	**(768)**	**35.031**	-	**(3.541)**	**8.779**	**211.277**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	**40.134**	-	**7.073**	**12.979**	**60.186**
TRANSACTIONS WITH PARTNERS OR OWNERS:								
Capital increases (decreases)	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
Dividend distribution	-	(30.229)	-	(8.055)	-	-	-	(38.284)
Transactions with treasury shares and own equity instruments (net)	-	536	591	-	-	-	-	1.127
Increases (decreases) in equity resulting from business combinations	-	-	-	-	-	-	-	-
Other transactions with partners and owners	-	-	-	-	-	-	(11.390)	(11.390)
OTHER CHANGES IN EQUITY:								
Equity-settled share-based payments	-	-	-	-	-	-	-	-
Transfers between equity items	-	-	-	-	-	-	-	-
Other changes	-	26.670	-	(26.976)	-	-	-	(306)
CLOSING BALANCE AT 31 December 2019 (*)	**115.894**	**52.859**	**(177)**	**40.134**	-	**3.532**	**10.368**	**222.610**
Adjustments for changes in accounting criteria (Note 2.4)	-	-	-	-	-	-	-	-
Restatements to correct errors	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE AT 1 JANUARY 2020 (*)	**115.894**	**52.859**	**(177)**	**40.134**	-	**3.532**	**10.368**	**222.610**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-	-	-	**29.026**	-	**(6.819)**	**4.597**	**26.804**
TRANSACTIONS WITH PARTNERS OR OWNERS:								
Capital increases (decreases) (Note 15)	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
Dividend distribution	-	(9.607)	-	(6.972)	-	-	-	(16.579)
Transactions with treasury shares and own equity instruments (net)	-	-	(1.358)	-	-	-	-	(1.358)
Increases (decreases) in equity resulting from business combinations	-	-	-	-	-	-	-	-
Other transactions with partners and owners	-	-	-	-	-	-	32.162	32.162
OTHER CHANGES IN EQUITY:								
Equity-settled share-based payments	-	-	-	-	-	-	-	-
Transfers between equity items	-	-	-	-	-	-	-	-
Other changes	-	65.062	-	(33.162)	-	-	-	31.900
CLOSING BALANCE AT 31 DECEMBER 2020	**115.894**	**108.314**	**(1.535)**	**29.026**	-	**(3.287)**	**47.127**	**295.539**

(*) Presented solely and exclusively for comparison purposes.

Notes 1 to 32 of the accompanying Notes to the financial statements are an integral part of the consolidated statement of changes in equity for the year ended 31 December 2020

ALANTRA PARTNERS, S.A. AND COMPANIES COMPRISING THE ALANTRA GROUP

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019 (NOTES 1 to 4)

(Thousands of euros)

	Notes	Ejercicio 2020	Ejercicio 2019 (*)
CASH FLOWS FROM OPERATING ACTIVITIES:		**27.684**	**56.924**
Profit before tax		**41.189**	**67.619**
Adjustment to profit or loss-		**4.436**	**25.770**
Amortisation and depreciation	**6 & 7**	6.010	5.704
Other adjustments to profit (net)	**28**	(1.574)	20.066
Changes in working capital		**(74.895)**	**(28.075)**
Other cash flows used in operating activities-		**56.954**	**(8.390)**
Interest paid		-	-
Cash paid for dividends and remuneration of other equity instruments		-	-
Dividends received		-	-
Interest received		-	-
Income tax recovered (paid)	**20**	(5.186)	(7.049)
Other receipts (payments) from operating activities	**9, 15 & 16**	62.140	(1.341)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES:		**(11.029)**	**(21.471)**
Cash paid for investments-		**(92.183)**	**(44.450)**
Group companies, associates and business units	**2.14**	(5.142)	(21.558)
Property and equipment, intangible assets and investment property	**6 & 7**	(697)	(2.428)
Other financial assets	**9, 10 & 11**	(86.158)	(20.303)
Non-current assets and liabilities classified as held for sale		-	-
Other assets	**9**	(186)	(161)
Cash received from divestments-		**81.154**	**22.979**
Group companies, associates and business units	**2.14**	65.278	11.921
Property and equipment, intangible assets and investment property		-	-
Other financial assets	**9**	15.876	11.058
Non-current assets and liabilities classified as held for sale		-	-
Other assets		-	-
Other cash flows from (used in) investing activities		-	-
Dividends received		-	-
Interest received		-	-
Other cash received from (paid on) investing activities		-	-
CASH FLOWS USED IN FINANCING ACTIVITIES:		**(22.146)**	**(42.650)**
Proceeds from (payments for) equity instruments-		**(638)**	-
Issuances		-	-
Redemptions		-	-
Acquisitions	**15**	(638)	-
Disposals		-	-
Proceeds from (payments for) financial liability instruments-		-	-
Issuances		-	-
Repayments and redemptions		-	-
Cash paid for dividends and remuneration of other equity instruments	**4 & 15**	**(16.579)**	**(38.284)**
Other cash flows from (used in) financing activities-	**2.4 & 18**	**(4.929)**	**(4.366)**
Interest paid		(167)	(155)
Other cash received from (paid on) financing activities		(4.762)	(4.211)
EFFECT OF CHANGES IN EXCHANGE RATES		-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(5.491)**	**(7.197)**
Cash and cash equivalents, opening balance	**14**	**95.075**	**102.272**
Cash and cash equivalents, closing balance	**14**	**89.584**	**95.075**
Cash in hand and at banks		89.584	95.075
Other financial assets		-	-
Bank overdrafts repayable on demand		-	-

(*) Presented solely and exclusively for comparison purposes.

Notes 1 to 32 of the accompanying Notes to the consolidated financial statements and the Annex form an integral part of the consolidated statement of cash flows for the year ended 31 December 2020

Translation of consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain (see Notes 2 and 32). In the event of a discrepancy, the Spanish-language version prevails.

Alantra Partners, S.A, and companies comprising the Alantra Group

Notes to the Consolidated Financial Statements for the year ended 31 December 2020

1. Description of the Alantra Group

Alantra Partners, S.A. (hereinafter, the Company) was incorporated in Madrid (Spain) on 11 November 1997 as Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. The deed for the takeover of N Más Uno IBG, S.A. (hereinafter, N+1 IBG) by the Company was entered in the Madrid Companies Register on 20 July 2015. This transaction resulted in N Más Uno IBG, S.A. ceasing to exist and the Company changing its name to Nmás1 Dinamia, S.A. and also losing its status as a private equity firm. On 4 January 2017, as a result of the change to the Group's name, the Company changed its name to the present one (see further below).

The Company's corporate purpose therefore encompasses the following activities:

1. Provision of financial advisory services.

2. Management of any property or assets, in accordance with any prevailing legal requirements.

3. Acquisition and holding of shares and equity stakes in other companies whose corporate purpose is, pursuant to any prevailing legal requirements, financial brokerage, management of any type of asset including investment funds or portfolios of any type, and provision of all types of investment services.

4. Acquisition, holding and disposal of shares or equity stakes in any type of company; granting participating loans or other forms of finance to any type of company; investment in any securities or financial instruments, assets, movable property or real estate, or rights, in accordance with any prevailing legal requirements, in order to generate a return on said shares or equity stakes in companies and investments.

The activities comprising the corporate purpose may be performed by the Company in whole or in part, or indirectly through ownership of shares or equity stakes in companies with an identical or similar corporate purpose.

At 31 December 2020 and 2019, the Company carried out its business in Spain from its offices at calle José Ortega y Gasset 29 in Madrid.

The Bylaws and other public information may be consulted at the Company's registered office and on its website (www,alantra,com).

Alantra Partners, S.A. is the parent of a group (hereinafter, the Group or the Alantra Group) comprising various companies carrying out financial advisory and consultancy services to businesses and institutions in Spain and abroad. They also provide investment and associated services; advice on asset management;

advice, administration and management for private equity firms, collective investment schemes (hereinafter, CISs) and companies involved in acquiring direct stakes in companies (see Note 2.14). Also, at 31 December 2020, the Group had a branch office in China, another one in Italy and one more in United Kingdom.

On 26 September 2016 the Company issued a Material Disclosure (*hecho relevante*) to the Spanish securities exchange authority, the Comisión Nacional del Mercado de Valores (CNMV), regarding the change in the trademark of the Group it heads. Since that date, the subsidiaries in the Alantra Group have approved the respective changes to their corporate names in order to replace "N+1", "Nmás1" or "Nplusone" with "Alantra". With respect to the Company, on 4 January 2017 there was entered in the Companies Registry the change of name from Nmás1 Dinamia, S.A. to Alantra Partners, S.A.

On 29 July 2015, the Company's 17,390,984 new shares were admitted to trading on the Madrid and Barcelona stock exchanges through the Spanish electronic trading platform (*Sistema de Interconexión Bursátil*). These shares were issued for exchange in the Takeover and added to the shares that the Company already had in circulation. Since that date, the Alantra Group's activity described in the paragraph above is therefore performed within a group whose parent is a listed company.

Alantra Equities, Sociedad de Valores, S.A. was incorporated on 10 January 2011. It was solely owned by Nmás1 Research, S.L., (both companies were subsequently merged to create Alantra Equities, Sociedad de Valores, S.A.). Since then, N+1 IBG regained its previous status as parent of a consolidable group of investment services companies. After the Merger, the Alantra Group continued to be a consolidable group of investment services companies and the Company become the parent thereof.

Takeover of the former N Más Uno IBG, S.A. by the Company (reverse merger takeover)

On 18 December 2014, the boards of directors of the Company and N Más Uno IBG, S.A. approved the merger of the Company with N+1 IBG. On 23 February 2015, the boards of both companies approved and co-signed the Joint Merger Plan for both companies. This Joint Merger Plan and the agreements on the Merger were signed off by both companies' shareholders at their respective general meetings held on 29 April 2015. The Merger involved the absorption of N+1 IBG (legal acquiree) by the Company (legal acquirer), with the winding up without liquidation of N+1 IBG and the *en bloc* transfer of all its assets and liabilities to the Company, which acquired by universal succession all N+1 IBG's rights and obligations. As a result of the Merger, N+1 IBG shareholders received shares in the Company by way of exchange, along with cash compensation as per Article 25 of the Act on Structural Changes to Companies to cover any unsettled fractions in one-to-one exchanges.

The Company's portfolio of holdings in investees was simultaneously spun off as part of the planned merger, and transferred en bloc to a new company, Nmás1 Dinamia Portfolio, S.L. (now known as Alantra Private Equity Secondary Fund, Sociedad de Capital Riesgo, S.A.), which was initially solely owned by the Company. This spin-off was the object of the corresponding Spin-off Plan prepared by the Company's Board of Directors who prepared the Joint Merger Plan and approved by the Company's shareholders at the same General Meeting at which the latter was signed off.

The merger balance sheets are those closed by N+1 IBG and the Company at 31 December 2014; both authorised for issue by shareholders at the respective general meetings. Moreover, irrespective of the fact that as legal acquiree, N+1 IBG legally ceases to exist, since the transaction met requirements to be considered a "reverse merger takeover for accounting purposes", the acquirer was N+1 IBG and the Company was the acquiree. Thus, the carrying amount of N+1 IBG's assets and liabilities was not affected by the Merger, while the assets and liabilities of the Company – acquiree for economic purposes – were recognised at fair value at the time of the Merger, without prejudice to the manner in which the aforesaid spin-off was recognised.

The Merger took effect for accounting purposes on 9 July 2015 when the merger deed was filed at the Madrid Companies Registry, carrying an entry date of 20 July 2015. The conditions precedent stipulated in the Joint Merger Plan had previously been met. The Merger was subject to the special tax regime established in Chapter VIII, Title VII of Act 27/2014 of 27 November, on corporation tax, which was reported to the Spanish tax authorities (see Note 20).

Details of subsidiaries, jointly-controlled entities and associates at 31 December 2020, and relevant information thereon, are provided below:

Present name	Registered office	Activity	% Shareholding	
			Direct	Indirect
Parent:			n/a	n/a
Alantra Partners, S.A.	Madrid	Financial advisory and consultancy services		
Subsidiaries:				
Alantra International Corporate Advisory, S.L.U, (5) (9) (26)	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
				-
Alantra Capital Markets, Sociedad de Valores, S.A.U,	Madrid	Investment and complementary services	100.00	-
Alantra Dinamia Portfolio II, S.L.	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
				-
Quattrocento, S.A.S, (4) (31)	Paris	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
Alantra Corporate Finance, LLP	Birmingham	Financial advisory services	100.00	-
Alantra Investment Managers, S.L. (7) (16)	Madrid	Financial advisory services	80.00	-
Alantra Corporate Finance China, S.A. (15) (33)	Madrid	Financial advisory and consultancy services	70.01	-
Alantra Corporate Portfolio Advisors, S.L. (9) (14) (18) (19)	Madrid	Financial advisory and consultancy services	60.00	-
Alantra AG (5)	Zurich	Financial advisory and consultancy services	55.00	25.00
Alantra Investment Pool, S.L. (1) (30)	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	50.10	-
Alantra Equities, Sociedad de Valores, S.A.	Madrid	Investment and complementary services	50.01	-
Alantra s.r.l. (5) (17)	Milan	Financial advisory and consultancy services	40.00	60.00
Alantra France Corporate Finance SAS (4) (5) (38)	Paris	Financial advisory services	21.00	79.00
Alantra Corporate Finance México, S.A. de C.V. (5) (37)	Ciudad de México	Financial advisory services	0.01	99.99
Alantra Corporate Finance, S.A.U, (5) (9)	Madrid	Financial advisory and consultancy services	-	100.00
Alantra Private Equity Advisor, S.A.U, (7)	Madrid	Financial advisory and consultancy services	-	80.00
Alantra Capital Privado, S.G.E.I.C., S.A.U, (3) (7)	Madrid	Administration and management of venture capital firms	-	80.00
Alantra Private Equity Servicios, S.L.U, (3)	Madrid	Financial advisory and consultancy services	-	80.00
Mercapital Private Equity, S.G.E.I.C., S.A.U, (7) (8)	Madrid	Administration and management of venture capital firms	-	80.00
Paulonia Servicios de Gestión, S.L.U, (8)	Madrid	Financial advisory services	-	80.00
Partilonia Administración, S.L.U, (8)	Madrid	Financial advisory services	-	80.00
Mideslonia Administración, S.L.U, (8)	Madrid	Financial advisory services	-	80.00
Flenox, S.L.U, (8)	Madrid	Financial advisory services	-	80.00
Alantra Multi Asset, S.G.I.I.C., S.A.U, (formerly Alantra Asset Management, S.G.I.I.C. S.A.U,) (7)	Madrid	Administration and management of CISs	-	80.00
QMC Directorship, S.L.U, (6)	Madrid	Acquisition, holding, usufruct and disposal of shares and stakes of all kinds	-	80.00
Alantra CRU, S.L.U, (7)	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	80.00
Alantra REIM, S.L.U, (7) (39)	Madrid	Acquisition, holding, lease, operation and disposal of real estate	-	80.00
Alantra Debt Solutions, S.L. (7)	Madrid	Financial advisory and consultancy services	-	60.00
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (7) (12)	Madrid	Administration and management of CISs,	-	48.00
UDA Real Estate Data, S.L. (19) (41)	Madrid	Brokerage services for the sale, lease, cession and acquisition of real estate	-	53.37
Baruch Inversiones, S.L. (7)	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	37.25
Alantra CPA Iberia, S.L. (1) (29)	Madrid	Financial advisory and consultancy services	-	58.26
Alantra Real Estate Asset Management, S.A. (1) (7) (34)	Madrid	Acquisition, holding and disposal of shares and other equity interests in other companies whose object is the management of real estate assets	-	80.00
Alantra Enagás Energy Transition, S.A. (anteriormente denominada Alantra Energy Transition, S.A.) (1) (7) (35)	Madrid	Financial advisory and investment consultancy services	-	56.48
Alantra Solar, S.L. (2) (7) (36)	Madrid	Investment in and development and management of projects and facilities whose object is the exploitation of alternative energy sources and the generation of electricity using those sources	-	40.80
Atlántida Directorship, S.L. Sociedad Unipersonal (31)	Barcelona	Accounting, book-keeping, auditing and tax advisory services	-	-
Alantra ICA UK Ltd (5) (21) (40)	London	Financial advisory services	-	100.00
Alantra Corporate Portfolio Advisors International Limited (14) (17) (18)	London	Financial advisory and consultancy services	-	42.00
Brooklin Buy-Out Limited (7)	Dublin	General Partner of investment vehicles	-	80.00
Alantra Corporate Portfolio Advisors International (Ireland) Limited	Dublin	Financial advisory and consultancy services	-	42.00
Alantra Corporate Portfolio Advisors (Italy), s.r.l., (17)	Milan	Financial advisory and consultancy services	-	42.00
Alantra Belgium, NV (5)	Brussels	Financial advisory and consultancy services	-	85.00
Alantra Deutschland GmbH (5)	Frankfurt	Financial advisory services	-	100.00
EQMC GP, LLC (12)	Wilmington	General Partner of investment vehicles	-	48.00
Alantra U.S, Corporation LLC (5) (10) (24)	Boston	Financial advisory services	-	100.00
Alantra, LLC (10) (38)	Boston	Financial advisory services	-	100.00
Alantra Tech USA, LLC (24) (40)	Boston	Financial advisory services	-	70.00
Downer & Company, S.A.S, (38)	Paris	Financial advisory services	-	100.00
C.W, Downer & Co, India Advisors LLP (11)	Mumbai	Financial advisory services	-	99.00
Partnersalantra Portugal LDA (5)	Lisbon	Financial advisory services	-	85.00
Alnt Corporate Portfolio Advisors (Portugal) Lda, (18) (40)	Lisbon	Financial advisory services	-	50.13
Alantra Nordics AB (5) (22) (26)	Stockholm	Financial advisory services	-	75.00
Alantra Denmark ApS (22) (40)	Stockholm	Financial advisory services	-	75.00
Alantra Corporate Finance, B.V., (5)	Amsterdam	Financial advisory services	-	100.00
Alantra Greece Corporate Advisors, S.A. (5) (32)	Athens	Financial advisory services	-	100.00
Alantra Corporate Portfolio Advisors (Greece) S.A. (20) (40)	Athens	Financial advisory services	-	42.00
Alantra Chile SPA (5) (13)	Santiago de Chile	Financial advisory services	-	100.00
Alantra Austria & CEE GmbH (5) (27)	Vienna	Financial advisory services	-	71.00
Nmás1 Private Equity International S.à.r.l (7)	Luxembourg	General Partner of private equity investment firms	-	80.00
Alteralia Management, S.à.r.l, (7)	Luxembourg	General Partner of investment vehicles	-	80.00
Alteralia II Management, S.à.r.l, (7)	Luxembourg	General Partner of investment vehicles	-	80.00
Alantra Investment Advisory (Shanghai) Co. Ltd (15) (40)	Shanghai	Financial advisory services	-	70.01
Alantra Business Consultancy Shanghai Co., Ltd, (25) (40)	Shanghai	Financial advisory services	-	42.00
Alantra Hong Kong Limited (5) (23) (40)	Hong Kong	Financial advisory services	-	100.00
Alantra Corporate Portfolio Advisors International (Brazil) LTDA (28) (40)	São Paolo	Financial advisory services	-	42.00

(1) Companies incorporated in 2020.
(2) Companies acquired in 2020.
(3) Alantra Capital Privado, S.G.E.I.C., S.A.U. owns 100% of Alantra Private Equity Servicios, S.L.U.
(4) Alantra Partners, S.A. owns all the shares of Quattrocento, S.A.S., through which it controls 19% of Alantra France Corporate Finance, S.A.S.
(5) Alantra International Corporate Advisory, S.L.U. owns 100% of Alantra Corporate Finance, S.A.U. and Alantra Deutschland GmbH, 60% of Alantra, s.r.l. and Alantra France Corporate Finance SAS, 100% of Alantra Corporate Finance B.V. and Alantra U.S. Corporation, LLC, 85% of Partnersalantra Portugal LDA, 75% of Alantra Nordics AB, 100% of Alantra Greece Corporate Advisors, S.A., 100% of Alantra Chile SPA, 85% of Alantra Belgium, NV, 71% of Alantra Austria & CEE GmbH, 27.46% of Nplus1 Singer Ltd, 35% of Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş, 25% of Alantra AG, 99.99% of Alantra Corporate Finance México, S.A. de C.V. and 100% of Alantra Hong Kong Limited and Alantra ICA UK Ltd.
(6) Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) owns a 100% ownership interest in QMC Directorship, S.L.U.
(7) On 14 May 2020, it was resolved, inter alia, to include Grupo Mutua as a reference shareholder of the Alantra Group's alternative asset management division, through the acquisition by Grupo Mutua of 20% of the share capital of Alantra Investment Managers, S.L. (see Note 2.14) and, therefore, the Group held an 80% ownership interest in the latter at 31 December 2020. At 31 December 2020, Alantra Investment Managers, S.L. owned 100% of Alantra Capital Privado S.G.E.I.C., S.A.U., Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.), Alantra REIM, S.L.U., Alantra CRU, S.L.U., Mercapital Private Equity S.G.E.I.C., S.A.U., Nmás1 Private Equity International S.à.r.l., Alantra Private Equity Advisor, S.A.U., Alteralia Management, S.à.r.l., Brooklin Buy-Out Limited, Alteralia II Management S.à.r.l. and Alantra Real Estate Asset Management, S.A.; 75% of Alantra Debt Solutions, S.L., 70.60% of Alantra Enagás Energy Transition, S.A. (formerly Alantra Energy Transition, S.A.), 60% of Alantra EQMC Asset Management, S.G.I.I.C., S.A., 51% of Alantra Solar, S.L., 49% of Indigo Capital, S.A.S., 46.56% of Baruch Inversiones, S.L., 35% of Asabys Partners, S.G.E.I.C., S.A. (held indirectly through Asabys Asset Services, S.L.) and 24.49% of Access Capital Partners Group, S.A. (direct ownership interest of 16.25% and indirect ownership interest of 8.24% through Access Capital S.A.).
(8) Mercapital Private Equity S.G.E.I.C., S.A.U. owns 100% of Paulonia Servicios de Gestión, S.L.U., Partilonia Administración, S.L.U., Mideslonia Administración, S.L.U. and Flenox, S.L.U.
(9) Alantra Corporate Finance, S.A.U. held a 60% ownership interest in Alantra Corporate Portfolio Advisors, S.L. On 21 December 2020, Alantra International Corporate Advisory, S.L.U., as the sole shareholder of Alantra Corporate Finance, S.A.U., decided to distribute this equity interest as an interim dividend in kind out of profit for 2020. Also, on that same date the Company, as the sole shareholder of Alantra International Corporate Advisory, S.L.U., in turn decided to distribute the aforementioned ownership interest with a charge to share premium. As a result, the Company is now the direct shareholder of Alantra Corporate Portfolio Advisors, S.L.
(10) Alantra U.S. Corporation LLC owns 100% of Alantra, LLC.
(11) Alantra, LLC owns 99% of C.W. Downer & Co. India Advisors LLP.
(12) Alantra EQMC Asset Management, S.G.I.I.C., S.A. owns 100% of EQMC GP, LLC.
(13) Alantra Chile SPA owns 30.95% of Landmark Capital, S.A.
(14) Alantra Corporate Portfolio Advisors, S.L. owns 70% of Alantra Corporate Portfolio Advisors International Limited.
(15) Alantra Corporate Finance China, S.A. owns 100% of Alantra Investment Advisory (Shanghai) Co. Ltd., which was incorporated on 17 May 2019.
(16) On 17 April 2019, the acquisition of 24.49% of Access Capital Partners Group, S.A. by Alantra Investment Managers, S.L. was formalised.
(17) On 4 February 2019, Alantra, s.r.l. (Italy) transferred all its ownership interest in Alantra Corporate Portfolio Advisors (Italy) s.r.l. to Alantra Corporate Portfolio Advisors International Limited.
(18) On 14 February 2019, Alnt Corporate Portfolio Advisors (Portugal) Lda. was incorporated; this company was owned by Alantra Corporate Portfolio Advisors, S.L. and Alantra Corporate Portfolio Advisors International Limited on an equal footing basis. Within the framework of its plan for the segregation of an economic unit, Alantra Corporate Portfolio Advisors, S.L. transferred its ownership interest in this company to Alantra CPA Iberia, S.L.
(19) At 31 December 2019, Alantra Corporate Portfolio Advisors, S.L. held 94.45% of the share capital of UDA Real Estate Data, S.L. On 11 December 2020, Alantra Corporate Portfolio Advisors, S.L. sold 5.5% of the share capital. Also, the Group holds a right of usufruct over 3.87% of the share capital.
(20) On 25 June 2019, Alantra Corporate Portfolio Advisors (Greece) S.A. was incorporated; Alantra Corporate Portfolio Advisors International Limited owns 99.999% of this company.
(21) On 1 July 2019, Alantra ICA UK Ltd. was incorporated and its share capital was subscribed in full by Alantra International Corporate Advisory, S.L.U.
(22) On 1 July 2019, Alantra Denmark ApS was incorporated; Alantra Nordics owns 100% of this company.
(23) On 23 July 2019, Alantra Hong Kong Limited was incorporated, with Alantra International Corporate Advisory, S.L.U. owning 99.90% of its share capital. Subsequently, on 9 August 2019, Alantra International Corporate Advisory, S.L.U. acquired the remaining 0.10% of the share capital from a third party.
(24) On 25 September 2019, Alantra U.S. Corporation formalised the acquisition of 70% of the share capital of Alantra Tech USA LLC.
(25) On 23 September 2019, Alantra Business Consultancy Shanghai Co., Ltd. was incorporated; Alantra Corporate Portfolio Advisors International Limited owns 100% of this company.
(26) On 30 August 2019, Alantra International Corporate Advisory, S.L.U. sold a 5% interest owned by it in the share capital of Alantra Nordics AB to a third party.
(27) On 18 November 2019, Alantra International Corporate Advisory, S.L.U. sold a 10% interest owned by it in the share capital of Alantra Austria & CEE GmbH to several third parties. Also, on 21 September 2020, Alantra International Corporate Advisory, S.L.U. acquired 11% of this company's share capital.
(28) On 4 November 2019, Alantra Corporate Portfolio Advisors International (Brazil) LTDA was incorporated; Alantra Corporate Portfolio Advisors International Limited owned 99.9998% and Alantra Corporate Portfolio Advisors International (Ireland) Limited owned 0.0002% of this company. On 23 September 2020, Alantra Corporate Portfolio Advisors International Limited acquired the additional percentage of ownership not previously owned by it.
(29) Company incorporated as a result of the plan for the segregation of an economic unit formally prepared by the Board of Directors of Alantra Corporate Portfolio Advisors, S.L. at its meeting held on 22 November 2019. The segregation became effective for accounting purposes in 2020, upon registration of the related deed in the Mercantile Register. The segregated company was not extinguished as a result of the aforementioned segregation. On 11 and 17 December 2020, Alantra Corporate Portfolio Advisors, S.L. sold 2.9% of the share capital to three Group employees. Also, the Group holds a right of usufruct over 1.67% of the share capital.
(30) On 5 February 2020, Alantra Investment Pool, S.L. was incorporated. Initially wholly owned by Alantra Partners, S.A., 49.90% of this company was acquired by Mutua on 14 May 2020.
(31) Although at 31 December 2020 the Group did not have an ownership interest in the share capital of Atlántida Directorship, S.L., Sole-Shareholder Company, the Company's directors consider that the conditions for classifying it as a subsidiary in 2020 were met.
(32) On 3 March 2020, Alantra International Corporate Advisory, S.L.U. acquired additional shares of Alantra Greece Corporate Advisors, S.A., representing 12.5% of its share capital.
(33) On 7 October 2020, the Company sold a 29.99% interest held by it in the share capital of Alantra Corporate Finance China, S.A. to several third parties.
(34) On 3 March 2020, Alantra Real Estate Asset Management, S.A. was incorporated, with Alantra Investment Managers, S.L. owning a 60% equity interest. Subsequently, on 15 December 2020, Alantra Investment Managers, S.L. acquired the remaining 40% of the share capital, and thus owned all the shares at 31 December 2020.
(35) On 14 September 2020, Alantra Enagás Energy Transition, S.A. (formerly Alantra Energy Transition, S.A.) was incorporated; Alantra Investment Managers, S.L. owns 70.60% of this company.
(36) On 12 June 2020, Alantra Investment Managers, S.L. acquired 51% of the share capital of Alantra Solar, S.L.
(37) On 1 October 2020, the Company acquired 0.01% of the share capital of Alantra Corporate Finance Mexico, S.A. de C.V., in which Alantra International Corporate Advisory, S.L.U. holds a 99.99% equity interest.
(38) On 30 November 2020, an agreement was entered into whereby Alantra, LLC transferred the 100% ownership interest held by it in Downer & Company, SAS to Alantra France Corporate Finance SAS.
(39) Alantra REIM, S.L.U. owns 50% of Tertenia Directorship, S.L.
(40) Companies incorporated in 2019.
(41) Companies acquired in 2019.

Listed below are the jointly controlled and associate companies at 31 December 2020, together with the key information on those entities:

	Registered office	Activity	% Shareholding	
			Direct	Indirect
Holdings in jointly controlled enterprises				
Alpina Real Estate GP I, S.A., en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP II, S.A., en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP, S.A., en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Phoenix Recovery Management, S.L.	Madrid	Acquisition, administration and Management of movable assets, securities portfolios and investments	50.00	-
Tertenia Directorship, S.L. (13)	Madrid	Acquisition, holding, lease, operation and disposal of real estate	-	40.00
Holdings in associates				
Nplus1 Singer Ltd (1)	London	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	27.46
Nplus1 Singer Advisory LLP (2)	London	Financial advisory and consultancy services	-	27.46
Nplus1 Singer Capital Markets Ltd (2)	London	Investment and associated services	-	27.46
Landmark Capital, S.A. (3)	Santiago de Chile	Financial advisory services	-	30.95
Landmark Capital Assesoria Empresarial Ltda. (4)	São-Paulo	Financial advisory services	-	30.95
Landmark Capital Argentina SRL (4)	Buenos Aires	Financial advisory services	-	30.94
Landmark Capital Colombia SAS (4)	Bogotá	Financial advisory services	-	30.95
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş. (1)	Istanbul	Financial advisory and consultancy services	-	35.00
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş. (1)	Istanbul	Financial advisory and consultancy services	-	35.00
Nplus 1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş (5)	Istanbul	Financial advisory and consultancy services	-	28.00
Alantra Wealth Management, Agencia de Valores, S.A. (6)	Madrid	Investment and associated services	24.61	-
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (6)	Madrid	Administration and management of CISs	24.61	-
Access Capital, S.A. (7) (8) (9)	Brussels	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	9.77
Access Capital Partners Group S.A. (7) (8) (9)	Brussels	Administration and management of venture capital firms	-	19.59
Asabys Asset Services, S.L. (8) (10) (11)	Barcelona	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	28.00
Asabys Partners, S.G.E.I.C., S.A. (8) (10) (11)	Barcelona	Administration and management of venture capital firms	-	28.00
Indigo Capital, S.A.S. (8) (12)	Paris	Administration and management of venture capital firms	-	39.20

(1) Alantra International Corporate Advisory, S.L.U. owns 100% of Alantra Corporate Finance, S.A.U. and Alantra Deutschland GmbH, 60% of Alantra, s.r.l. and Alantra France Corporate Finance SAS, 100% of Alantra Corporate Finance B.V. and Alantra U.S. Corporation, LLC, 85% of Partnersalantra Portugal LDA, 75% of Alantra Nordics AB, 100% of Alantra Greece Corporate Advisors, S.A., 100% of Alantra Chile SPA, 85% of Alantra Belgium, NV, 71% of Alantra Austria & CEE GmbH, 27.46% of Nplus1 Singer Ltd, 35% of Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş, 25% of Alantra AG, 99.99% of Alantra Corporate Finance México, S.A. de C.V. and 100% of Alantra Hong Kong Limited and Alantra ICA UK Ltd.

(2) Nplus1 Singer Ltd owns 100% of Nplus1 Singer Advisory LLP and Nplus1 Singer Capital Markets Ltd.

(3) Alantra Chile SPA owns 30.95% of Landmark Capital, S.A.

(4) Landmark Capital, S.A. owns 100% of Landmark Capital Assesoria Empresarial Ltda., 99.96% of Landmark Capital Argentina SRL and 100% of Landmark Capital Colombia SAS.

(5) Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş. owns 80% of Nplus 1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş.

(6) On 14 December 2018, Alantra Partners, S.A. and Grupo Mutua reached an agreement for the acquisition by Grupo Mutua of approximately 25% of the share capital of Alantra Wealth Management Agencia de Valores, S.A. and Alantra Wealth Management Gestión, SGIIC, S.A. The transaction was completed on 3 June 2019, at which time these investees were reclassified from subsidiaries to associates. On 22 December 2020, the Company sold an additional interest of approximately 0.12% in the share capital of Alantra Wealth Management to a third party.

(7) On 17 April 2019, the acquisition of 24.49% of Access Capital Partners Group, S.A. by Alantra Investment Managers, S.L. was formalised.

(8) On 14 May 2020, it was resolved, inter alia, to include Grupo Mutua as a reference shareholder of the Alantra Group's alternative asset management division, through the acquisition by Grupo Mutua of 20% of the share capital of Alantra Investment Managers, S.L. (see Note 2.14) and, therefore, the Group held an 80% ownership interest in the latter at 31 December 2020. At 31 December 2020, Alantra Investment Managers, S.L. owned 100% of Alantra Capital Privado S.G.E.I.C., S.A.U., Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.), Alantra REIM, S.L.U., Alantra CRU, S.L.U., Mercapital Private Equity S.G.E.I.C., S.A.U., Nmás1 Private Equity International S.à.r.l., Alantra Private Equity Advisors, S.A.U., Alteralia Management, S.à.r.l., Brooklin Buy-Out Limited, Alteralia II Management S.à.r.l. and Alantra Real Estate Asset Management, S.A.; 75% of Alantra Debt Solutions, S.L., 70.60% of Alantra Enagás Energy Transition, S.A. (formerly Alantra Energy Transition, S.A.), 60% of Alantra EQMC Asset Management, S.G.I.I.C., S.A., 51% of Alantra Solar, S.L., 49% of Indigo Capital, S.A.S., 46.56% of Baruch Inversiones, S.L., 35% of Asabys Partners, S.G.E.I.C., S.A. (held indirectly through Asabys Asset Services, S.L.) and 24.49% of Access Capital Partners Group, S.A. (direct ownership interest of 16.25% and indirect ownership interest of 8.24% through Access Capital S.A.).

(9) Access Capital S.A. owns 67.5% of Access Capital Partners Group, S.A.

(10) On 9 April 2020, Alantra Investment Managers, S.L. acquired 35% of Asabys Asset Services, S.L., once certain conditions precedent had been fulfilled.

(11) Asabys Asset Services, S.L. owns 100% of Asabys Partners, S.G.E.I.C., S.A.

(12) On 14 October 2020, Alantra Investment Managers, S.L. acquired 49% of Indigo Capital, S.A.S., once certain conditions precedent had been fulfilled.

(13) Alantra REIM, S.L.U. owns 50% of Tertenia Directorship, S.L.

2. Basis of presentation of the consolidated financial statements and other information

2.1 Regulatory financial reporting framework applicable to the Group

The accompanying consolidated financial statements were authorised for issue by the Company's directors in accordance with the regulatory framework applicable to the Group, which is established in the Spanish Commercial Code and corporate law, and therefore, pursuant to the International Financial Reporting Standards as endorsed by the European Union (hereinafter, IFRS-EU).

The takeover of N+1 IBG (legal acquiree) by the Company (legal acquirer) described in Note 1 resulted in the formation of a listed group of investment service companies, which was therefore required in 2015, for the first time, to prepare the consolidated financial statements pursuant to IFRS-EU.

The Group's consolidated financial statements as at and for the year ended 31 December 2020 were prepared in accordance with IFRS, in conformity with Regulation (EC) no, 1606/2002 of the European Parliament and of the Council of 19 July 2002, under which all companies governed by the law of an EU Member State and whose securities are admitted to trading on a regulated market of any Member State must prepare their consolidated financial statements for the years beginning on or after 1 January 2005 in conformity with the IFRS previously adopted by the European Union.

According to the options available under IAS 1,81, the same as in previous years, the Group elected to present separately, first, a statement displaying the components of consolidated profit or loss and, secondly, a statement that begins with profit or loss for the period and displays the components of other comprehensive income for the period, which in these consolidated financial statements is termed "Other comprehensive income". The consolidated statement of financial position, income statement, statement of other comprehensive income, statement of changes in net equity and cash flow statement presented in these consolidated annual financial statements have been prepared principally using the general model published in CNMV Circular 3/2018, of 28 June, on periodic reporting by issuers of securities admitted to trading on regulated markets, regarding half-yearly financial reports, interim management statements and, where applicable, quarterly financial reports.

2.2 Fair presentation

The consolidated financial statements were prepared by the Company's directors at the Board meeting on 24 March 2021 in accordance with the financial reporting framework applicable to the Group and, in particular, the accounting principles contained therein, to present fairly the Group's consolidated equity and consolidated financial position at 31 December 2020, and the consolidated results of its operations and cash flows in the year then ended, all in accordance with Commission Delegated Regulation (EU) 2019/815. The 2020 consolidated financial statements were prepared from the Company's accounting records and the individual records of the companies that comprise the Group. Since the accounting policies and measurement bases used in preparing the Alantra Group's 2020 consolidated financial statements may differ from those used by certain Group companies, the required adjustments and reclassifications were made on consolidation to unify such policies and bases and to make them compliant with the IFRS adopted by the European Union.

These consolidated financial statements will be submitted for approval by shareholders at the General Meeting, It is expected that they will be approved without any changes. The 2019 consolidated financial statements were approved by shareholders on the general meeting held on 28 October 2020 and filed with the Madrid Companies Register.

Given the magnitude of the figures in the accompanying consolidated financial statements, the Company's directors prepared them including figures in thousands of euros.

The main accounting principles and measurement bases adopted by the Group are detailed in Notes 2.14 and 3.

2.3 Non-obligatory accounting principles applied

No non-obligatory accounting principles were applied. The directors also authorised for issue these consolidated financial statements by taking into account all the obligatory accounting principles and standards with a significant effect thereon. All obligatory accounting principles were applied.

2.4 Main regulatory changes taking place between 1 January and 31 December 2020

Principle standards, amendments to the existing standards and interpretations of standards entering into force in 2020:

The following amendments to the IFRS and interpretations thereof entered into force in 2020; not having any material impact on the Alantra Group's consolidated financial statements.

The standards, amendments to existing standards and interpretations approved for use in the EU are described hereon:

- Amendments to IAS 1 and IAS 8 "Definition of Materiality". This amendment clarifies the definition of "material" to make it easier to understand because some entities have experienced difficulties deciding if certain information was material and therefore should be disclosed in financial statements.

  These amendments to the standards became effective on 1 January 2020 and did not have a significant impact on the Group's consolidated financial statements.

- Interest Rate Benchmark Reform—Phase 1 (Amendments to IFRS 9, Financial Instruments, IAS 39, Financial Instruments: Recognition and Measurement, and IFRS 7, Financial Instruments: Disclosures). The IASB has modified specific hedge accounting requirements so that entities can continue applying hedge accounting assuming that the interest rate benchmark on which the hedged cash flows and cash flows of the hedging instrument are based is not altered as a result of the uncertainties of the interest rate benchmark reform.

  These amendments to the standards became effective on 1 January 2020 and did not have a significant impact on the Group's consolidated financial statements.

- Definition of a Business (Amendments to IFRS 3). These amendments clarify the definition of a business in IFRS 3 in order to make it easier for entities to identify whether they have acquired a business in the context of a business combination or whether, by contrast, they have acquired a group of assets. According to the amendments introduced, to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to an entity's ability to create output. The IASB clarifies that outputs, which most businesses have, in and of themselves are not sufficient to determine that an integrated set of activities and assets is a business. An entity must be able to demonstrate that it has acquired both an input and a substantive process.

  These amendments to the standards became effective on 1 January 2020 and did not have a significant impact on the Group's consolidated financial statements.

- Covid-19-Related Rent Concessions (Amendment to IFRS 16, Leases). This amendment makes it easier for lessees to account for covid-19-related rent concessions (reduction in lease payments, forgiveness of lease payments or other economic incentives), the treatment of which, pursuant to the general principles of IFRS 16, would depend on whether or not they lead to a lease modification, and a case-by-case analysis of the leases could prove to be complex and costly. The amendment provides lessees with the option of not having to assess each lease in order to determine whether a covid-19-related rent concession is a lease modification. The practical expedient introduced permits a lessee to account for certain rent concessions as variable lease payments (a reduction in lease payments) rather than as lease modifications. This practical expedient applies only to rent concessions occurring as a direct consequence of the covid-19 pandemic and only if all of the following conditions are met: the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the initial consideration for the lease; any reduction in lease payments affects only payments originally due on or before 30 June 2021; and there is no substantive change to other terms and conditions of the lease.

  This amendment to IFRS 16 became effective on 1 June 2020, with earlier application permitted; it did not have an impact on the Group's consolidated financial statements since no rent concession had occurred as a direct consequence of the covid-19 pandemic.

Main standards, amendments to existing standards and interpretations of standards that had not become effective at 31 December 2020

At the date of authorisation for issue of the accompanying consolidated financial statements, certain International Financial Reporting Standards, related interpretations and amendments thereto had been issued that were not mandatorily applicable at 31 December 2020. Although in some cases early application of these standards, amendments or interpretations is permitted, the Group has not yet adopted them because their potential effects are still being analysed

Following is a detail of the standards, amendments and interpretations approved for use in the European Union:

- Interest Rate Benchmark Reform—Phase 2 (Amendments to IFRS 9, Financial Instruments, IAS 39, Financial Instruments: Recognition and Measurement, IFRS 7, Financial Instruments: Disclosures, IFRS 4, Insurance Contracts and IFRS 16, Leases). These amendments provide specific guidance on how an entity should account for financial assets and liabilities where the basis for determining their contractual cash flows changes as a result of interest rate benchmark reform. The amendments will be applicable for annual reporting periods beginning on or after 1 June 2021.

- Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4). In June 2020 the IASB published certain amendments to IFRS 7, Financial Instruments: Disclosures, including a deferral by two years of the date of its initial application until 1 January 2023. In line with these amendments, the IASB also resolved to extend the temporary exemption from applying IFRS 9, Financial Instruments, so that entities would be required to apply it for annual reporting periods beginning on or after 1 January 2023. The amendments will be applicable for annual reporting periods beginning on or after 1 June 2021.

Following is a detail of the standards, amendments and interpretations not yet approved for use in the European Union:

- Reference to the Conceptual Framework (Amendments to IFRS 3, Business Combinations). These amendments bring the references to the definitions of an asset and a liability in a business combination into line with those contained in the new Conceptual Framework of 2018. Also, new requirements are added for provisions and contingent liabilities within the scope of IAS 37, Provisions, Contingent

Liabilities and Contingent Assets and IFRIC 21, Levies. In this regard, the acquirer must apply IAS 37, Provisions, Contingent Liabilities and Contingent Assets to determine whether at the acquisition date a present obligation exists as a result of past events. As regards the tax obligations within the scope of IFRIC 21, Levies, the acquirer must apply this IFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. Lastly, the IASB explicitly states in IFRS 3, Business Combinations that the acquirer shall not recognise a contingent asset acquired in a business combination. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

- Property, Plant and Equipment—Proceeds before Intended Use (Amendments to IAS 16, Property, Plant and Equipment). The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while the entity is preparing the asset for its intended use. The proceeds from selling any such items (samples), and the cost of producing those items, must be recognised in profit or loss. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

- Onerous Contracts—Cost of Fulfilling a Contract (Amendments to IAS 37, Provisions, Contingent Liabilities and Contingent Assets). These amendments explain that the cost of fulfilling a contract comprises the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling the contract. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2022 with earlier application permitted.

- Annual Improvements to IFRS Standards 2018–2020. Minor amendments to IFRS 1, First-time Adoption of International Financial Reporting Standards, IFRS 9, Financial Instruments, IFRS 16, Leases and IAS 41, Agriculture. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2022.

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1, Presentation of Financial Statements). These amendments introduce clarifications with respect to the presentation of liabilities as current or non-current. The main changes refer to the following: the right to defer settlement of the liability for at least twelve months after the reporting period must exist at the end of the reporting period; for a liability to be classified as non-current it must be assessed whether an entity has the right to defer its settlement, irrespective of management intentions regarding the exercise of the right; covenants must be complied with at the end of the reporting period, even if under the related conditions the lender does not test compliance until a later date; the amendments define "settlement" of a liability as a transfer to the counterparty of cash, goods, services or the entity's own equity instruments that results in the extinguishment of the liability; and it is clarified that the classification of a liability whose terms include an option for the holder to settle it by the transfer of the entity's own equity instruments is not affected by that option if the option is recognised separately as an equity instrument. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2023 with earlier application permitted.

- IFRS 17, Insurance Contracts. Supersedes IFRS 4, Insurance Contracts and establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued to ensure that entities provide relevant and reliable information that gives a basis for users of the financial information to assess the effect that insurance contracts have on the entity's financial statements. The amendments will be applicable for annual reporting periods beginning on or after 1 January 2023.

2.5 Critical issues regarding valuation and estimation of uncertainty

The consolidated results and determination of consolidated equity are a product of the accounting policies and principles, measurement bases and estimates used by the Company's directors in the preparation of the consolidated financial statements. The main accounting policies and principles and measurement bases used are disclosed in Notes 2.14 and 3.

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

- The measurement of possible impairment losses on certain assets (see Notes 2.14, 3 e), 3 g), 3 h), 3 i), 6, 7, 8, 9, 10, 11 and 12);

- The useful life of property, plant and equipment and of intangible assets (see Notes 3 g), 3 h), 6 and 7);

- The measurement of goodwill impairment and purchase price allocation in business combinations (see Notes 2.14, 6 and 8);

- The judgments used to determine the lease period and the discount rate to be applied when measuring the liability under 16 (see Notes 2.4, 3-g, 3-i, 7 and 18);

- The fair value of certain financial assets and liabilities (see Notes 3 b), 9 and 18);

- The recoverability of deferred tax assets (see Notes 3 p) and 20); and

- The calculation of any provisions (see Notes 3 v) and 17);

Although these estimates were made on the basis of the best information available at year-end 2020, possible future events may require these estimates to be modified (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively in accordance with the requirements of IAS 8, recognising the effects of the change in estimates in the consolidated statement of profit or loss for the affected years.

2.6 Grouping of items

Certain items in the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows were aggregated to make them easier to understand; however, whenever the amounts involved are material, the information is broken down in the related notes to the consolidated statement of profit or loss.

2.7 Comparison of information

As required under corporate law, the information relating to 2019 contained in these notes to the consolidated financial statements is presented for comparison purposes only with the information for 2020.

2.8 Environmental impact

Environmental assets are deemed to be assets used on a lasting basis in the Group's operations, whose main purpose is to minimise environmental impact and to protect and restore the environment, including the reduction or elimination of pollution in the future.

In view of the activities in which group companies are engaged, the Group has no environmental liabilities, expenses, assets, provisions or contingencies that could have a material effect on its consolidated equity, financial position or results, Therefore, no specific disclosures relating to environmental issues are included in these notes to the consolidated financial statements.

2.9 Minimum own fund requirements

Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, and Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms regulate access to the activity of, supervision of and prudential requirements of credit institutions and investment firms and the minimum own funds such entities must have, how these own funds are calculated, and the internal capital adequacy assessment processes (ICAAP) that entities must complete, In relation to this, CNMV Circular 2/2014 of 23 June, came into force on 29 June 2014. This circular set forth the rules on the exercise of various regulatory options on solvency for investment service firms and their consolidable groups. Meanwhile, the existing standard on own funds – CNMV Circular 12/2008 of 30 December, on the solvency of investment service firms and their consolidable groups – was repealed (see Note 22).

The approval of Directive (EU) 2019/2034 of the European Parliament and of the Council of 27 November 2019 and Regulation 2019/2033 (EU) of the European Parliament and of the Council of 27 November 2019 introduced new rules on the prudential supervision of investment firms. The new rules contain provisions on equity, own fund requirements, internal governance, transparency, concentration risk, liquidity, disclosure and reporting, Regulation 2019/2033 will apply from 26 June 2021, with some exceptions, while Directive 2019/2034 must be applied by that date, with some specific sections coming into force earlier (in March 2020). The Company's directors do not believe that these new rules will have a significant impact on the Group's ability to meet own fund requirements.

The minimum capital requirements established in said Regulation are based on the Group's exposure to market, credit, operational and other risks deriving from its activities.

At 31 December 2020, the Group's own funds exceeded the minimum requirements stipulated in the rules in force at the aforesaid date.

2.10 Investment Guarantee Fund and Fund for Orderly Bank Restructuring

At 31 December 2020 and 2019, Alantra Equities, Sociedad de Valores, S.A., Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) and Alantra Capital Markets, S.V., S.A.U. are the group companies party to the Investment Guarantee Fund (*Fondo de Garantía de Inversiones*). Expenses incurred by the Group for contributions to the Investment Guarantee Fund in 2020 and 2019 totalled EUR 65 thousand and EUR 113 thousand, respectively, which are recognised under "Other operating expenses" in the consolidated statement of profit or loss.

At 31 December 2020, the Group held 11 shares in Sociedad Gestora del Fondo de Garantía de Inversiones with a par value of EUR 200 (11 shares with a par value of EUR 200 at 31 December 2019) (see Note 9).

"Other operating expenses" in the 2020 consolidated statement of profit or loss also includes EUR 2 thousand for the contribution by Alantra Equities, Sociedad de Valores, S.A. and Alantra Capital Markets, Sociedad de Valores, S.A.U, in said year to the Fund for Orderly Bank Restructuring (*Fondo de Reestructuración Ordenada Bancaria*) (EUR 2 thousand recognised in 2019).

2.11 Error correction

No significant errors in the preparation of the accompanying consolidated financial statements were detected that required the figures disclosed in the 2019 consolidated financial statements to be restated.

2.12 Customer service department

Pursuant to Ministry of Economy Order ECO/734/2004 of 11 March on customer care departments and services and customer ombudsmen of financial institutions implementing Act 35/2002 of November 22, on measures to reform the financial system. the Group's subsidiaries Alantra Equities, Sociedad de Valores, S.A., Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.), Alantra EQMC Asset Management, S.G.I.I.C., S.A. and Alantra Capital Markets, S.V., S.A.U. established their own customer service departments and regulations that fully and systematically govern the operations of these departments. These developments ensure customers can easily access the complaints system, and that any complaints or claims submitted by them are quickly resolved.

These customer service departments submit reports on their activities in 2020 to the companies' respective boards of directors. The reports state that no complaints or claims were filed by any customers in 2020, No decisions, recommendations or suggestions therefore had to be made in this regard.

2.13 Revenue and expense seasonality

The most significant operations carried out by the Alantra Group fundamentally involve advising, asset management and investment activities. Accordingly, they are not materially affected by seasonal factors within the same year.

2.14 Basis of consolidation

2.14.1 Subsidiaries

Subsidiaries are defined as entities over which the Group has the capacity to exercise control; control is, in general but not exclusively, presumed to exist when the Company owns directly or indirectly 50% or more of the voting rights of the investee or, even if this percentage is lower or zero, when, for example, there are other circumstances or agreements that give the Company control. A company has control over another investee when it is exposed, or has rights to variable returns from its involvement with the investee, and when it has the ability to use its power to affect its returns, even if the aforesaid percentage stake is not held.

The financial statements of the Group's subsidiaries are fully consolidated as per prevailing accounting standards. The following criteria, inter alia, were therefore adopted during consolidation:

1. All material balances and results of transactions carried out between consolidated companies, along with the material results of internal transactions that did not involve third parties were eliminated on consolidation.

2. Minority shareholders' shares in the equity and results of consolidated subsidiaries are shown under "Non-controlling interests" in the consolidated statement of financial position and under "Profit (loss) attributable to non-controlling interests" in the consolidated statement of profit or loss, respectively.

3. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are recognised at their fair value at the date of acquisition. Any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill, Any negative differences are taken to income on the acquisition date (see Notes 3 h and 3 w).

4. When control over an associate is acquired, the investment prior to the date of acquisition is measured at fair value. Any positive or negative differences compared to the carrying amount are recognised under the line item "Gain (loss) on disposal of financial instruments - Other financial instruments" in the consolidated statement of profit or loss.

5. Any changes in the equity of consolidated subsidiaries as from the date of acquisition that are not due to changes in the percentages of capital held or percentage share of results, or to changes in their valuation adjustments are recognised under "Reserves" in the consolidated statement of financial position.

Loss of control over a subsidiary

When control over a subsidiary is lost, for consolidation purposes only, the profit or loss recognised in the separate financial statements of the company reducing its equity interest must be adjusted as per the following criteria:

a. The amount relating to the reserves in consolidated companies generated since acquisition is taken to reserves in the company, reducing its equity interest.

b. The amount relating to income and expenses generated by the subsidiary during the year until the date control is lost is presented based on its substance.

c. The amounts relating to income and expenses recognised directly in the subsidiary's equity since the acquisition date that have not been taken to consolidated profit or loss are reclassified based on their substance, Associated translation differences are recognised under "Translation differences" in the consolidated statement of profit or loss.

d. Any profit or loss existing after such adjustments have been made is recognised in the consolidated statement of profit or loss.

If control is lost without divestment of the equity interest in the subsidiary, the result of the transaction is also presented in the consolidated statement of profit or loss.

On the other hand, if the subsidiary in question becomes a jointly-controlled entity or associate, it is consolidated using the equity method on initial recognition at the fair value of the shareholding retained at said date. The balancing entry of the adjustment needed to measure the new equity interest at fair value is recognised as per the criteria described in the previous points.

Lastly, and for consolidation purposes only, an adjustment must be recognised in the consolidated statement of profit or loss to recognise non-controlling interests of income and expenses generated by the subsidiary during the year until the date control is lost, and in the income and expenses recognised directly in Equity transferred to profit or loss statement.

2.14.2 Jointly-controlled entities

A jointly-controlled entity is an entity which, not being a subsidiary, is jointly controlled by the Group and one or more companies not related to the Group. This heading includes joint ventures. Joint ventures are contractual arrangements whereby two or more entities ("venturers") undertake an economic activity or hold assets so that any strategic financial or operating decisions affecting them requires the unanimous consent of all venturers, and those operations and assets are not part of any financial structure other than those of the venturers, Jointly-controlled entities are measured using the equity method, as defined in prevailing accounting standards and below.

2.14.3 Associates

Associates are defined as companies over which the Company is in a position to exercise significant influence, but not control or joint control. This influence is usually evidenced by a direct or indirect holding of 20% or more of the investee's voting rights, unless it can be clearly demonstrated that such influence does not exist, Associates are measured using the equity method, as defined in prevailing accounting standards.

On acquisition, associates are recognised at fair value under "Investments accounted for using the equity method" in the consolidated statement of financial position, Fair value is equal to the share of the investee's equity held, excluding any treasury shares. Goodwill generated due to any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as part of the value of the equity interest held under "Investments accounted for using the equity method" and not separately under "Intangible assets – Goodwill".

Associates were consolidated using the equity method. Investments in associates were therefore measured for an amount equivalent to the Group's share of the associates' capital, after taking into account the dividends received and other equity eliminations. The profit or loss of associates is recognised for an amount equal to the percentage of equity held in it, increasing or decreasing, as applicable, the carrying amount of the investment in the Group's consolidated statement of financial position. Any increase in value attributed to the identifiable net assets acquired is amortised over the useful lives of said assets. If, as a result of losses incurred by an associate, its equity were negative, the investment would be presented in the Group's consolidated statement of financial position with a zero value, unless the Group is obliged to give it financial support. The corresponding income or expense is recorded under "Results of companies accounted for using the equity method" in the consolidated income statement.

Pursuant to prevailing accounting rules, when there is evidence of impairment of investments in associates, the amount of the impairment is estimated as the negative difference between the recoverable amount (calculated as the higher of fair value of the investment less costs to sell and value in use; value in use is defined as the present value of the cash flows expected to be received on the investment in the form of dividends and those from its sale or other disposal) and the carrying amount. Unless there is better evidence of the recoverable amount of the investment, the estimate of impairment of this asset class is based on the equity of the investee (consolidated where applicable) adjusted for unrealised gains at the date of measurement. Losses due to impairment of these investments are recognised under "Impairment loss/reversal on financial instruments" in the consolidated statement of profit or loss. The reversal of any impairment loss is limited to the carrying amount of the investment that would have been recognised at the reversal date had no impairment loss been recognised.

S.L. is considered to be an "investment firm" for the purposes defined in IFRS 10, this entity is classified in this group and therefore the investees over which the Group has significant influence through the subsidiary Alantra Dinamia Portfolio II, as applicable, from the requirement to be accounted for using the equity method. These investees are measured at fair value through profit and loss and recognised under "Non-current financial assets – At fair value thorough profit or loss" in the consolidated statement of financial position.

2.14.4 CISs and private equity firms

Where the Group incorporates entities or holds stakes in them in order to provide its customers with access to certain investments, consideration is given pursuant to internal criteria and procedures and considering IFRS 10 as to whether the Group controls them and therefore, whether or not they should be consolidated. These methods and procedures take into consideration, *inter alia*, the risks and rewards retained by the Group, including all material items such as guarantees given or losses associated with the collection of receivables retained by the Group. These entities include CISs and private equity firms managed by the Group, which are not consolidated as the stipulations on the Group's control over them are not met. Specifically, the Group acts as an agent not a principal because it does so in the name of and to the benefit of investors or parties concerned (the principal or principals) and therefore, does not control said undertakings or vehicles when it exercises its decision-making powers.

In the case of both subsidiaries and jointly-controlled entities and associates, the results of companies acquired during the year are included in the consolidated statement of profit or loss from the date of acquisition to year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated statement of profit or loss from the beginning of the year to the date of disposal.

In the case of group companies whose accounting and measurement methods differ from those of the parent, adjustments based on the Group's criteria were made upon consolidation in order to present the consolidated financial statements on a like-for-like basis.

Details of consolidated companies and the most relevant information thereon at 31 December 2020 and 2019, including the most relevant disclosures on acquisitions and disposals in said periods are provided below:

Participaciones en empresas del Grupo a 31 de diciembre de 2020

	% Shareholding		Thousands of Euros							
			Figures for each Company as at 31 December 2020 (1)							
									Direct	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Explotación	Neto
Alantra International Corporate Advisory, S.L.U, (3)	100.00	-	118	55,330	-	(4,000)	61,663	568	10,137	9,647
Alantra Capital Markets, Sociedad de Valores, S.A.U, (3)	100.00	-	730	3,414	-	-	5,989	1,315	746	530
Alantra Dinamia Portfolio II, S.L. (2)	100.00	-	100	5,620	-	-	6,046	88	(11)	101
Quattrocento, S.A.S, (2)	100.00	-	1	200	-	-	362	35	126	126
Alantra Corporate Finance, LLP (3)	100.00	-	927	504	(89)	-	15,338	8,305	5,637	5,691
Alantra Investment Managers, S.L. (3)	80.00	-	479	70,986	115	(7,500)	82,253	7,887	10,282	10,286
Alantra Corporate Finance China, S.A. (2)	70.01	-	60	27	-	-	90	6	(4)	(3)
Alantra Corporate Portfolio Advisors, S.L. (3)	60.00	-	8	3,742	-	-	7,929	2,956	3,785	1,223
Alantra AG (2)	55.00	25.00	164	569	67	-	5,262	1,926	3,224	2,536
Alantra Investment Pool, S.L. (2)	50.10	-	10	45,364	638	-	46,320	36	(11)	272
Alantra Equities, Sociedad de Valores, S.A. (3)	50.01	-	2,000	732	-	-	3,291	462	125	97
Alantra s.r.l., (3)	40.00	60.00	100	445	-	-	5,919	3,847	2,118	1,527
Alantra France Corporate Finance SAS (3)	21.00	79.00	936	987	-	-	15,372	11,078	3,679	2,371
Alantra Corporate Finance México, S.A. de C.V, (2)	0.01	99.99	-	(276)	25	-	10	632	(392)	(368)
Alantra Corporate Finance, S.A.U, (3)	-	100.00	61	5,678	-	(5,725)	15,882	10,041	7,574	5,827
Alantra Private Equity Advisor, S.A.U, (2)	-	80.00	60	(30)	-	-	27	(1)	(3)	(3)
Alantra Capital Privado, S.G.E.I.C., S.A.U, (3)	-	80.00	311	837	-	(2,250)	4,720	3,227	3,465	2,595
Alantra Private Equity Servicios, S.L.U, (2)	-	80.00	3	161	-	-	159	(1)	(4)	(3)
Mercapital Private Equity, S.G.E.I.C., S.A.U, (3)	-	80.00	301	60	-	-	357	7	(14)	(11)
Paulonia Servicios de Gestión, S.L.U, (2)	-	80.00	3	(2)	-	-	1	-	-	-
Partilonia Administración, S.L.U, (2)	-	80.00	3	(1)	-	-	2	-	-	-
Mideslonia Administración, S.L.U, (2)	-	80.00	3	(1)	-	-	2	-	-	-
Flenox, S.L.U, (2)	-	80.00	3	(3)	-	-	1	2	(1)	(1)
Alantra Multi Asset, S.G.I.I.C., S.A.U, (anteriormente denominada Alantra Asset Management, S.G.I.I.C., S.A.U,) (3)	-	80.00	300	450	-	-	1,656	894	162	12
QMC Directorship, S.L.U, (2)	-	80.00	3	7	-	-	60	49	1	1
Alantra CRU, S.L.U, (2)	-	80.00	6	308	-	-	485	483	(444)	(312)
Alantra REIM, S.L.U, (2)	-	80.00	10	498	-	-	1,168	474	248	186
Alantra Debt Solutions, S.L. (2)	-	60.00	4	1	-	(800)	1,560	1,389	1,285	965
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (3)	-	48.00	125	650	-	(2.400)	8,648	6,912	4,463	3,361
UDA Real Estate Data, S.L. (2)	-	53.37	4	857	-	-	2,610	1,841	(120)	(92)
Baruch Inversiones, S.L. (2)	-	37.25	28	1,694	30	(1,069)	2,222	470	-	1,070
Alantra CPA Iberia, S.L. (2)	-	58.26	3	325	-	-	2,075	2,200	(604)	(453)
Alantra Real Estate Asset Management, S.A. (2)	-	80.00	60	-	-	-	12	(7)	(41)	(41)
Alantra Enagás Energy Transition, S.A. (anteriormente denominada Alantra Energy Transition, S.A.) (2)	-	56.48	125	475	-	-	603	171	(168)	(168)
Alantra Solar, S.L. (2)	-	40.80	3	-	-	-	2	4	(5)	(5)
Atlántida Directorship, S.L. Sociedad Unipersonal (2)	-	-	3	(3)	-	-	13,619	13,579	417	40
Alantra ICA UK Ltd (2)	-	100.00	6	413	(5)	-	249	217	(467)	(382)
Alantra Corporate Portfolio Advisors International Limited (4)	-	42.00	2,252	1,189	(85)	-	14,964	8,639	2,857	2,969
Brooklin Buy-Out Limited (3)	-	80.00	3	-	-	-	149	146	1	-
Alantra Corporate Portfolio Advisors International (Ireland) Limited (4)	-	42.00	-	2,267	-	(1,500)	1,345	230	397	348
Alantra Corporate Portfolio Advisors (Italy), s.r.l., (2)	-	42.00	10	63	-	-	593	429	120	91
Alantra Belgium, NV (3)	-	85.00	500	193	-	-	573	162	(281)	(282)
Alantra Deutschland GmbH (3)	-	100.00	25	1,538	-	(1,800)	9,813	7,317	4,045	2,733
EQMC GP LLC (2)	-	48.00	-	3	(1)	-	-	1	(3)	(3)
Alantra U.S, Corporation LLC (2)	-	100.00	25,771	1,935	(2,622)	(815)	26,465	973	1,267	1,223
Alantra, LLC (4) (5)	-	100.00	3,028	5,442	(498)	-	24,122	14,046	1,920	2,104
Alantra Tech USA, LLC (2)	-	70.00	405	(479)	(65)	-	2,526	2,136	651	529
Downer & Company, S.A.S, (2)	-	100.00	40	(461)	-	-	3,034	2,561	1,473	894
C.W, Downer & Co, India Advisors LLP (2)	-	99.00	(10)	(1,688)	143	-	182	1,766	(28)	(29)
Partnersalantra Portugal LDA (2)	-	85.00	33	455	-	-	1,081	365	265	228
Alnt Corporate Portfolio Advisors (Portugal) Lda, (2)	-	50.13	-	(31)	-	-	470	273	291	228
Alantra Nordics AB (2)	-	75.00	26	1,481	45	-	1,387	58	(199)	(223)
Alantra Denmark ApS (2)	-	75.00	6	86	(14)	-	686	589	40	19
Alantra Corporate Finance, B.V., (2)	-	100.00	15	(847)	-	-	23	850	(121)	5
Alantra Greece Corporate Advisors, S.A. (2)	-	100.00	50	(4)	-	-	375	732	(426)	(403)
Alantra Corporate Portfolio Advisors (Greece) S.A. (2)	-	42.00	25	150	-	-	1,406	576	661	655
Alantra Chile SPA (2)	-	100.00	4,877	(3,675)	(630)	-	594	22	-	-

	% Shareholding		Thousands of Euros							
			Figures for each Company as at 31 December 2020 (1)							
									Direct	
	Direct	Indirect	Direct	Indirect	Direct	Indirect	Direct	Indirect	Explotación	Neto
Alantra Austria & CEE GmbH (2)	-	71.00	117	(390)	-	-	675	352	633	596
Nmás1 Private Equity International S.à.r.l (2)	-	80.00	41	(42)	-	-	48	45	4	5
Alteralia Management S.à.r.l, (2)	-	80.00	13	(21)	-	-	74	91	(9)	(8)
Alteralia II Management S.à.r.l, (2)	-	80.00	12	(7)	-	-	292	309	(22)	(22)
Alantra Investment Advisory (Shanghai) Co. Ltd (4)	-	70.01	-	1,259	(40)	-	1,670	213	350	238
Alantra Business Consultancy Shanghai Co., Ltd (2)	-	42.00	402	(1)	5	-	184	63	(283)	(285)
Alantra Hong Kong Limited (2)	-	100.00	1	(13)	(2)	-	131	105	41	40
Alantra Corporate Portfolio Advisors International (Brazil) LTDA (2)	-	42.00	106	(1)	(33)	-	23	1	(50)	(50)

(1) Figures from separate financial statements, except for Alantra LLC.

(2) Companies whose financial statements are not audited but are subject to a limited review for the purposes of auditing the consolidated financial statements.

(3) Companies whose annual financial statements are subject to statutory audit by Deloitte.

(4) Companies whose financial statements are subject to statutory audit by another auditor.

(5) Company whose annual financial statements are subject to an audit of consolidated financial statements.

(6) The profit or loss of each entity for the whole of 2020 is included, irrespective of the date on which it was included in the Group.

Investments in group companies at 31 December 2019:

	% Shareholding		Thousands of Euros							
			Figures for each Company as at 31 December 2019 (1)							
									Profit/(Loss) (6)	
	Direct	Indirect	Share Capital	Reserves and Share Premium	Valuation Adjustments	Interim Dividends	Total Assets	Total Liabilities	Operating	Net
Alantra International Corporate Advisory, S.L.U, (3)	100	-	118	55,330	-	(23,050)	61,015	5,527	26,419	23,090
Alantra Investment Managers, S.L. (2)	100	-	391	22,627	366	-	28,121	866	3,482	3,871
Alantra Capital Markets, S.V., S.A.U, (3)	100	-	730	11,414	-	-	14,609	2.402	120	63
Alantra Dinamia Portfolio II, S.L. (2)	100	-	100	8,920	10	-	11,347	727	(181)	1,590
Alantra Corporate Finance China, S.A.	100	-	60	112	-	-	175	6	(4)	(3)
Quattrocento, S.A.S, (2)	100		1	179	-	-	461	27	254	254
Alantra Corporate Finance, LLP (3)	100	-	929	1,782	135	-	6,955	3,141	1,012	968
Alantra AG (2)	55	25	164	579	196		8,486	2,858	5,985	4,689
Alantra Equities, Sociedad de Valores, S.A. (3)	50.01	-	2,000	850	-	-	3,703	567	381	286
Alantra s.r.l., (3)	40	60	100	457	-	-	7,332	5,319	2,111	1,456
Alantra France Corporate Finance SAS (3)	21	79	936	191	-	-	6,500	3,783	2,342	1,590
Alantra Corporate Finance, S.A.U, (3)	-	100	61	63	-	(15,500)	21,376	19,639	19,145	17,113
Alantra Private Equity Advisor, S.A.U, (2)	-	100	60	(27)	-	-	30	-	(3)	(3)
Alantra Capital Privado, S.G.E.I.C., S.A.U, (3)	-	100	311	787	27	-	7,396	3,421	3,816	2,850
Alantra Private Equity Servicios, S.L.U, (2)	-	100	3	169	-	-	164	-	(11)	(8)
Mercapital Private Equity S.G.E.I.C., S.A.U, (3)	-	100	301	60	-	-	519	94	89	64
Paulonia Servicios de Gestión, S.L.U, (2)	-	100	3	(2)	-	-	4	3	-	-
Partilonia Administración, S.L.U, (2)	-	100	3	-	-	-	3	-	-	-
Mideslonia Administración, S.L.U, (2)	-	100	3	-	-	-	4	1	-	-
Flenox, S.L.U, (2)	-	100	3	(2)	-	-	2	2	(1)	(1)
Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) (3)	-	100	300	750	-	(2,750)	3,556	2,399	3,813	2,857
QMC Directorship, S.L.U, (2)	-	100	3	6	-	-	38	28	1	1
Alantra CRU, S.L.U, (2)	-	100	6	534	-	-	561	247	(274)	(226)
Alantra REIM, S.L.U, (2)	-	100	10	498	-	-	984	361	174	115
Alantra Debt Solutions, S.L. (2)	-	75	4	1	-	(795)	1,816	1,706	1,201	900
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (3)	-	60	125	500	-	-	7,969	3,966	4,507	3,378
Alantra Corporate Portfolio Advisors, S.L. (3)	-	60	8	3,742	-	(4,000)	19,864	13,904	6,899	6,210
UDA Real Estate Data, S.L. (2)	-	56.67	4	874	-	-	3,694	2,833	(15)	(17)
Baruch Inversiones, S.L. (2)	-	46.56	28	1,004	80	(7,962)	4,579	2,765	-	8,664
Alantra ICA UK Ltd (2)	-	100	6	217	(4)	-	107	186	(298)	(298)
Alantra Corporate Portfolio Advisors International Limited (4)	-	42	2,252	692	244	-	21,159	14,821	1,917	3,150
Brooklin Buy-Out Limited (3)	-	100	3	-	-	-	111	108	-	-
Alantra Corporate Portfolio Advisors International (Ireland) Limited (4)	-	42	-	265	-	-	3,208	892	2,353	2,051
Alantra Corporate Portfolio Advisors (Italy), s.r.l., (2)	-	42	10	-	-	-	569	497	87	62
Alantra Belgium, NV (3)	-	85	500	(187)	-	-	2,526	1,833	480	380
Alantra Deutschland GmbH (3)	-	100	25	4,544	-	(3,000)	9,816	5,873	3,517	2,374
Alantra U.S, Corporation LLC (2)	-	100	25,771	2,190	(219)	-	28,524	809	(176)	(25)
EQMC GP LLC (2)	-	60	-	15	(1)	-	7	-	(7)	(7)
Alantra, LLC (4) (5)	-	100	3,366	2,048	(23)	-	41,577	34,350	1,936	1,836
Alantra Tech USA, LLC (2)	-	70	401	-	-	-	399	513	(515)	(515)
Downer & Company, S.A.S, (2)	-	100	40	447	-	-	8,037	8,451	(912)	(901)
C.W, Downer & Co, India Advisors LLP (2)	-	99	(10)	(1,501)	(89)	-	215	1,914	(101)	(99)
Partnersalantra Portugal LDA (2)	-	85	33	741	-	-	758	268	(240)	(284)
Alnt Corporate Portfolio Advisors (Portugal) Lda, (2)	-	51	3	-	-	-	637	646	(12)	(12)
Alantra Nordics AB (2)	-	75	26	392	(5)	-	3,072	1,505	1,482	1,154
Alantra Denmark ApS (2)	-	75	6	142	(13)	-	294	214	(71)	(55)
Alantra Corporate Finance, B.V., (2)	-	100	15	(561)	-	-	386	1,218	(527)	(286)
Alantra Greece Corporate Advisors, S.A. (2)	-	87.50	50	540	-	-	588	414	(471)	(544)
Alantra Corporate Portfolio Advisors (Greece), S.A. (2)	-	42	25	-	-	-	493	311	174	149
Alantra Chile SPA (2)	-	100	4,877	(2,004)	(598)	-	632	24	(13)	(1,667)
Alantra Austria & CEE GmbH (2)	-	60	117	(34)	-	-	690	962	(355)	(355)
Alantra Corporate Finance México, S.A. de C.V., (2)	-	99.99	-	(42)	(6)	-	54	336	(210)	(234)
Nmás1 Private Equity International S.à.r.l, (2)	-	100	41	(41)	-	-	45	44	1	1
Alteralia Management, S.á.r.l. (2)	-	100	13	(12)	-	-	830	836	(7)	(7)
Alteralia II Management, S.á.r.l. (2)	-	100	12	(8)	-	-	2,760	2,780	(24)	(24)
Alantra Investment Advisory (Shanghai) Co. Ltd (4)	-	100	-	-	(5)	-	2,330	1,064	1,753	1,271
Alantra Business Consultancy Shanghai Co. Ltd (2)	-	42	-	-	-	-	-	-	-	-
Alantra Hong Kong Limited (2)	-	100	1	-	-	-	61	72	(12)	(12)
Alantra Corporate Portfolio Advisors International (Brazil) LTDA (2)	-	42	-	-	-	-	-	-	-	-

(1) Figures from separate annual financial statements except for Alantra, LLC,
(2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements,
(3) Companies whose annual financial statements are subject to statutory audit by Deloitte,
(4) Companies whose annual financial statements are subject to statutory audit by other auditor,

(5) Company whose annual financial statements are subject to an audit of consolidated financial statements,
(6) The profit or loss of each entity for the whole of 2019 is included, irrespective of the date on which it was included in the Group,

Interests in associates and jointly-controlled entities at 31 December 2020:

	% Shareholding		Carrying Amount	Accumulated Impairment	Thousands of Euros Figures for each Company as at 31 December 2020 (1)							
											Profit/(Loss)(4)	
	Direct	Indirect	(*)	(*)	Share Capital	Reserves and Share Premium	Valuation Adjustments	Interim Dividends	Total Assets	Total liabilities	Operating	Net
Holdings in jointly controlled enterprises:												
Alpina Real Estate GP I, S.A., en liquidación (2)	50.00	-	65	(48)	31	4	-	-	74	39	-	-
Alpina Real Estate GP II, S.A., en liquidación (2)	50.00	-	16	-	31	108	-	-	154	15	-	-
Alpina Real Estate GP, S.A., en liquidación (2)	50.00	-	16	(16)	31	(31)	-	-	286	286	-	-
Phoenix Recovery Management, S.L. (3)	50.00	-	102	-	4	224	-	-	1,931	883	1,094	820
Tertenia Directorship, S.L. (2)	-	40.00	2	-	3	(1)	-	-	70	74	(6)	(6)
Holdings in associates:												
Nplus1 Singer Ltd (4)	-	27.46	6,081	-	128	35,676	(3,621)	-	60,595	18,744	12,238	9,668
Landmark Capital, S.A. (3)	-	30.95	4,099	(4,026)	1,220	(687)	(130)	-	745	617	(275)	(275)
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	-	35.00	470	(470)	-	-	-	-	-	-	-	-
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş.	-	35.00	35	(35)	-	-	-	-	-	-	-	-
Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz,A,Ş	-	28.00	13	-	-	-	-	-	-	-	-	-
Alantra Wealth Management, Agencia de Valores, S.A. (3)	24.61	-	3,619	-	380	3,105	-	-	6,473	3,831	(849)	(843)
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (3)	24.61	-	1,175	-	544	230	-	-	2,050	1,270	6	6
Access Capital Partners Group S.A. (4)	-	19.59	17,459	-	5,661	503	(251)	-	26,696	11,579	11,508	9,204
Asabys Asset Services, S.L. (4)	-	28.00	1,591	-	3	539	-	-	467	2	(74)	(77)
Asabys Partners, S.G.E.I.C., S.A. (4)	-	28.00	400	-	125	275	-	-	1,636	496	987	740
Indigo Capital, S.A.S, (4)	-	39.20	2,802	-	200	921	-	-	4,340	1,429	2.487	1,790

(*) In the separate financial statements of the company holding the equity interest,

(1) Figures from separate annual financial statements, except for Nplus1 Singer Ltd, Access Capital Partners Group S.A. and Landmark Capital, S.A., which are from consolidated accounts,

(2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements,

(3) Companies whose annual financial statements are audited by Deloitte and at the consolidated level in the cases of Landmark Capital, S.A.

(4) Companies whose annual financial statements are audited by other auditor and at the consolidated level in the cases of Nplus1 Singer Ltd and Landmark Capital, S.A.

(5) The profit or loss of each entity for the whole of 2019 is included, irrespective of the date on which it was included in the Group,

Interests in associates and jointly-controlled entities at 31 December 2019:

	% Shareholding		Carrying Amount (*)	Accumulated Impairment (*)	Thousands of Euros Figures for each Company as at 31 December 2019 (1)						Profit/(Loss)(5)	
	Direct	Indirect			Share Capital	Reserves and Share Premium	Valuation Adjustments	Interim Dividends	Total Assets	Total liabilities	Operating	Net
Holdings in jointly controlled enterprises:												
Alpina Real Estate GP I, S.A., in liquidation (2)	50	-	65	(48)	31	14	-	-	74	39	(10)	(10)
Alpina Real Estate GP II, S.A., in liquidation (2)	50	-	16	-	31	119	-	-	154	15	(11)	(11)
Alpina Real Estate GP, S.A. , in liquidation (2)	50	-	16	(16)	31	212	-	-	286	286	(11)	(243)
Phoenix Recovery Management, S.L. (3)	50	-	102	-	4	224	-	(1,400)	1,218	960	1,901	1,430
Tertenia Directorship, S.L. (2)	-	50	2	-	3	1	-	-	32	30	(2)	(2)
Holdings in associates:												
Nplus1 Singer Ltd (4)	-	27.46	6,081	-	128	30,091	(684)	-	72,255	34,090	10,629	8,630
Landmark Capital, S.A. (3)	-	30.95	4,099	(4,026)	1,220	(23)	(181)	-	1,003	775	(789)	(788)
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	-	35	470	(470)	-	-	-	-	-	-	-	-
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş.	-	35	35	(35)	-	-	-	-	-	-	-	-
Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz,A,Ş	-	28	13	-	-	-	-	-	-	-	-	-
Alantra Wealth Management, Agencia de Valores, S.A. (3)	24.73	-	3,359	-	380	2,892	-	-	6,785	3,806	(293)	(293)
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (3)	24.73	-	1,062	-	544	382	-	-	2,555	1,685	(56)	(56)
Access Capital Partners Group S.A. (4)	-	24.49	17,459	-	5,661	(384)	(212)	-	12.409	1,125	6,698	6,219

(*) In the separate financial statements of the company holding the equity interest,

(1) Figures from separate annual financial statements, except for Nplus1 Singer Ltd, Access Capital Partners Group S.A. and Landmark Capital, S.A., which are from consolidated accounts,

(2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements,

(3) Companies whose annual financial statements are audited by Deloitte and at the consolidated level in the cases of Landmark Capital, S.A.

(4) Companies whose annual financial statements are audited by other auditor and at the consolidated level in the cases of Nplus1 Singer Ltd and Landmark Capital, S.A.

(5) The profit or loss of each entity for the whole of 2019 is included, irrespective of the date on which it was included in the Group,

Separate financial statements

The separate financial statements of the Group's parent (Alantra Partner, S.A.) were prepared in accordance with the Spanish General Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1514/2007 of 16 November, and the sector-specific versions thereof. The Group recognises its investments in subsidiaries, associates and jointly-controlled entities at cost in the separate financial statements, as stipulated in the Spanish General Chart of Accounts.

The financial statements of Alantra Partners, S.A. at 31 December 2020 and 2019 are as follows:

ALANTRA PARTNERS, S.A.

BALANCES SHEETS AT 31 DE DICIEMBRE DE 2020 AND 2019

(Thousand of euros)

ASSETS	31-12-2020	31-12-2019	LIABILITIES AND EQUITY	31-12-2020	31-12-2019
NON-CURRENT ASSETS	**215,040**	**203,234**	**EQUITY**	**211,837**	**200,408**
Intangible assets	**65**	**120**	***OWN FUNDS-***	***210,785***	***198,326***
Property and equipment	**1,349**	**1,505**	**Capital**	**115,894**	**115,894**
Non-current investments in group companies and associates-	**189,193**	**162,500**	**Share premium**	**111,863**	**111,863**
Equity instruments	189,193	162,500	**Reserves-**	**(30,449)**	**(36,226)**
Loans to companies	-	-	Legal and statutory reserves	23,191	23,191
Non-current financial assets-	**22,453**	**37,086**	Other reserves	(53,640)	(59,417)
Equity instruments	20,098	34,700	**Treasury shares and own equity investments**	**(1,535)**	**(177)**
Loans to third parties	2,140	2,169	**Profit (loss) for the period**	**24,619**	**37,201**
Other financial assets	215	217	**Interim dividend**	**(9,607)**	**(30,229)**
Deferred tax assets	**1,980**	**2,023**	**Other equity instruments**	**-**	**-**
			VALUATION ADJUSTMENTS-	***1,052***	***2,082***
			Available-for-sale financial assets	**1,052**	**2,082**
			GRANTS, DONATIONS AND BEQUESTS RECEIVED	**-**	**-**
			Grants, donations and bequests received	**-**	**-**
CURRENT ASSETS	**26,659**	**37,650**	**NON-CURRENT LIABILITIES**	**8,533**	**8,079**
Non-current assets held for sale	-	**-**	**Non-current provisions**	**8,116**	**7,974**
Trade and other receivables-	**25,138**	**28,930**	**Non-current payables**	**395**	**-**
Trade receivables	22	11	**Deferred tax liabilities**	**22**	**105**
Receivable from Group companies and associates	16,334	22,415			
Sundry accounts receivable	-	-	**CURRENT LIABILITIES**	**21,329**	**32,397**
Employee receivable	16	5	**Liabilities associated with non-current assets held for sale**	**-**	**-**
Current tax assets	8,766	6,499	**Current payables**	**-**	**2,485**
Other receivables from the tax authorities	-	-	**Current payables, group companies and associates**	**14,069**	**17,691**
Current financial investments	**88**	**5,610**	**Trade and other payables**	**7,260**	**12,221**
Cash and cash equivalents-	**1,433**	**3,110**	Other payables	2,224	3,993
Cash	1,433	3,110	Employee payables	3,731	4,086
Cash equivalents	-	-	Other payables to the tax authorities	-	-
			Current tax liabilities	1,305	4,142
TOTAL ASSETS	**241,699**	**240,884**	**TOTAL EQUITY AND LIABILITIES**	**241,699**	**240,884**

ALANTRA PARTNERS, S.A.

INCOME STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2020 AND 2019

(Thousand of euros)

	2020	2,019
CONTINUING OPERATIONS:		
Revenue	**29,123**	**58,662**
Impairment losses and gain (losses) on disposal of non-current-assets-	**8,756**	**(1,954)**
Impairment and losses	4,792	(9,925)
Gain (losses) on fisposals and others	3,964	7,971
Other operating income-	**-**	**-**
Non-core and other current operating income	-	-
Personnel expenses-	**(5,860)**	**(12,630)**
Wage, salaries and similar expenses	(4,919)	(11,306)
Employee benefits expense	(941)	(1,324)
Other operating costs-	**(8,085)**	**(9,723)**
Outside services	(8,041)	(9,591)
Taxes	(44)	(90)
Losses, impairment and changes in trade provisions	**-**	(42)
Depreciation and amortisation	**(277)**	**(232)**
Impairment losses and gain (losses) on disposal of non-current-assets-	**-**	**-**
Impairment an losses	-	-
Negative goodvill in business combinations	-	-
OPERATING PROFIT (LOSS)	**23,657**	**34,123**
Finance income-	**236**	**303**
From marketables securities and other financial instruments		
Third parties	236	303
Finance costs	**(4)**	**(81)**
Exchange differences	**36**	**27**
NET FINANCE INCOME (EXPENSE)	**268**	**249**
PROFIT (LOSS) BEFORE TAX	**23,925**	**34,372**
Income tax	694	2,829
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	**24,619**	**37,201**
DISCONTINUED OPERATIONS	-	-
Profit (loss) after tax for the period from discontinued operations	-	-
PROFIT (LOSS) FOR THE PERIOD	**24,619**	**37,201**

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019
A) STATEMENTS OF RECOGNISED INCOME AND EXPENSE

(Thousand of euros)

	2020	2019
PROFIT (LOSS) FOR THE PERIOD	**24,619**	**37,201**
Income and expense recognised directly in equity		
Measurement of financial instruments	**61**	**4,784**
Available-for-sale financial assets	61	4,784
Other income (expense)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	-	-
Actuarial gains and losses and other adjustments	-	-
Tax effect	**(10)**	**(42)**
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**51**	**4,742**
Amounts transferred to the income statement		
Measurement of financial instruments	-	-
Available-for-sale financial assets	(1,094)	(21)
Other income (expense)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	-	-
Tax effect	**13**	**5**
TOTAL AMOUNTS TRANSFERRED TO THE INCOME STATEMENT	**(1,081)**	**(16)**
TOTAL RECOGNISED INCOME AND EXPENSES	**23,589**	**41,927**

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2020 AND 2019
B)STATEMENTS OF TOTAL CHANGES IN EQUITY

(Thousand of euros)

	Capital	Share Premium	Reserves	Treasury shares	Profit (loss) for the period	Interim dividend	Other Equity Instruments	Valuation adjustments	Grants donations nd bequests receive	Total
BALANCE AT YEAR-END 2018	**115,894**	**111,863**	**(38,330)**	**(768)**	**33,978**	**(25,048)**	**-**	**(2,644)**	**-**	**194,945**
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-
Restatements to corret errors	-	-	-	-	-	-	-	-	-	-
RESTATED OPENING BALANCE 2019	**115,894**	**111,863**	**(38,330)**	**(768)**	**33,978**	**(25,048)**	**-**	**(2,644)**	**-**	**194,945**
Total recognised income and expense	-	-	-	-	37,201	-	-	4,726	-	41,927
Transactions with shareholders										
Equity issues	-	-	-	-	-	-	-	-	-	-
Shares cancelled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	(38,284)	-	-	-	(38,284)
Transactions with treasury shares (net)	-	-	536	591	-	-	-	-	-	1,127
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	693	-	-	-	-	-	-	693
Other changes in equity	-	-	875	-	(33,978)	33,103	-	-	-	-
CLOSING BALANCE 2019	**115,894**	**111,863**	**(36,226)**	**(177)**	**37,201**	**(30,229)**	-	**2,082**	-	**200,408**
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-
Restatements to corret errors	-	-	-	-	-	-	-	-	-	-
RESTATED OPENING BALANCE 2020	**115,894**	**111,863**	**(36,226)**	**(177)**	**37,201**	**(30,229)**	**-**	**2,082**	**-**	**200,408**
Total recognised income and expense	-	-	-	-	24,619	-	-	(1,030)	-	23,589
Transactions with shareholders										
Equity issues	-	-	-	-	-	-	-	-	-	-
Shares cancelled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	(16,579)	-	-	-	(16,579)
Transactions whit treasury shares (net)	-	-	-	(1,358)	-	-	-	-	-	(1,358)
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	5,777	-	-	-	-	-	-	5,777
Other changes in equity	-	-	-	-	(37,201)	37,201	-	-	-	-
CLOSING BALANCE 2020	**115,894**	**111,863**	**(30,449)**	**(1,535)**	**24,619**	**(9,607)**	-	**1,052**	-	**211,837**

ALANTRA PARTNERS, S.A.

STATEMENTS OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2020 AND 2019

(Thousand of euros)

	2020	2019
CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	**10,015**	**54,275**
Profit (loss) before tax	**23,925**	**34,372**
Adjustments to profit and loss-		
Depreciation and amortization	277	232
Impairment losses	(4,792)	8,873
Variación de provisiones	142	7,440
Imputación de subvenciones	-	-
Proceeds from (payments for) retirements and disposals of intangible assets, property and	-	-
Proceeds from (payments for) retirements and disposals of financial instruments	(3,964)	(7,971)
Changes in working capital-		
Trade and other receivables	(11,100)	(59,305)
Other current assets	2,878	4,925
Trade and other payables	225	8,847
Other current liabilities	(6,107)	16,481
Other non-current assets and liabillities	(1,869)	(1,390)
Other cash flows from (used in) operating activities		
Dividends received	17,853	45,333
Income tax receipts (payments)	(7,453)	(3,562)
Other receipts (payments)	-	-
CASH FLOWS FROM (USED IN) INVESTING ADTIVITIES	**5,525**	**(21,480)**
Payments for investments-		
Group companies and associates	(11,261)	(39,395)
Intangible assets	(24)	(72)
Property and equipment	(42)	(1,510)
Other financial assets	(25,096)	(7,024)
Non-current assets held for sale	-	-
Other assets	-	-
Proceeds from disposals-		
Group companies and associates	34,824	15,944
Intangible assets	-	-
Property and equipment	-	-
Other business units	-	-
Other financial assets	6,967	10,445
Non-current assets held for sale	-	-
Other assets	157	132
CASH FLOWS FROM (USED IN) FINANCING ACTIVITIES	**(17,217)**	**(38,284)**
Proceeds from and (payments for) equity instruments		
Issuance of equity instruments	-	-
Amortización de instrumentos de patrimonio	-	-
Acquisition of own equity instruments	(638)	-
Disposal of own equity instruments	-	-
Grants, donations and bequests received	-	-
Proceeds from and (payments for) financial liabilities		
Dividends paid and payments on other equity instruments		
Dividends	(16,579)	(38,284)
EFFECT OF CHANGES IN EXCHANGE RATES	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**(1,677)**	**(5,489)**
Cash and cash equivalents, opening balance	3,110	8,599
Cash and cash equivalents, closing balance	1,433	3,110

Main transactions during the year 2020

Restructuring of companies in the asset management business and joint investment agreement, in order to include Grupo Mutua as a reference shareholder

On 26 November 2019, subsequently rectified on 27 December 2019, the Company, as the sole shareholder of Alantra Investment Managers, S.L., resolved to increase the share capital of the latter through the issuance of 47,932 ordinary shares of EUR 1 par value each and a share premium of approximately EUR 60 per share, to be subscribed and paid by means of a non-cash contribution consisting of 100% of Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.), 75% of Alantra Debt Solutions, S.L., 100% of Alantra Reim, S.L.U., 46.56% of Baruch Inversiones, S.L. and 100% of Alantra CRU, S.L.U. The purpose of the transaction was to effect the necessary internal reorganisation of the Group's asset management business, in order to centralise it under a single entity, with a view to subsequently including Grupo Mutua as a reference shareholder for this business. The aforementioned transaction did not have an impact on the consolidated financial statements for 2019.

Subsequently, on 5 February 2020, the Group incorporated Alantra Investment Pool, S.L. in order to centralise the ownership interests held by the Group in investment vehicles. Alantra Investment Pool, S.L. was initially wholly owned by the Company, with a share capital of EUR 10 thousand and a share premium of EUR 39,964 thousand, which the Company subscribed by means of the payment of EUR 2,915 thousand in cash and the transfer of substantially all its ownership interests in investment vehicles at that date (see Note 9). Also, the first quarter of 2020 saw the performance of various transactions among companies in the Group, consisting of non-cash contributions, reimbursements of capital contributions and sales of holdings, in order to complete the aforementioned centralisation of ownership interests in investment vehicles at Alantra Investment Pool, S.L.

Lastly, as notified in a relevant event communication to the CNMV, on 27 February 2020 it was resolved to include Grupo Mutua as a reference shareholder of the Group’s alternative asset management division, through the acquisition by Grupo Mutua of 20% of the share capital of Alantra Investment Managers, S.L. and an agreement for joint investment in the funds and other products managed by the Group (through Alantra Investment Pool, S.L.). The transaction forms part of the Group’s project to consolidate its asset management division as an independent, international manager of mid-market diversified alternative assets, operating primarily in Europe. The involvement of Grupo Mutua as a reference shareholder will ensure that the necessary financial resources are available for the growth (both organic and inorganic) of the management platform, its international expansion, the strengthening of the management team, and the GP commitments that act as a facilitator for the launch of new products.

Completion of the above-mentioned transaction was conditional solely upon the obtainment of the requisite resolution of non-objection from the CNMV. Ultimately, on 14 May 2020 the Company announced, by way of a relevant event communication, that the transaction had been completed, following satisfaction of this condition precedent.

The acquisition by Grupo Mutua of 20% of the aforementioned Alantra asset management division was effected through:

- a contribution of EUR 45 million which will be used to finance the plan for the area's growth and international expansion. This contribution was instrumented through the acquisition by Grupo Mutua of 2% of Alantra Investment Managers, S.L. from the Company (by way of a sale) for EUR 3,673 thousand and, simultaneously, a capital increase at Alantra Investment Managers, S.L. involving the issuance of 87,994 shares of EUR 1 par value and a share premium of approximately EUR 468.65 each, which was subscribed in full by Grupo Mutua.

- an additional deferred payment by Grupo Mutua of up to EUR 11.2 million, to be determined on the basis of the degree to which Alantra Asset Management achieves certain business indicators envisaged for 2020-2023; this payment will be made, as the case may be, on the date a liquidity event occurs or, if none has taken place by then, on 1 April 2024. At the transaction date and at 31 December 2020, the Group considered that the conditions necessary for the accrual of the balance receivable relating to the deferred payment had not been met.

As a result of the above transaction, the Group retained control of Alantra Investment Managers, S.L. and its subsidiaries, and the aforementioned transaction did not have any impact on the consolidated statement of profit or loss, the capital gain obtained being recognised with a credit to reserves of EUR 29 millions.

Lastly, under the agreement for joint investment in the funds and other products managed by the Group, the Company sold 4,990 shares of Alantra Investment Pool, S.L. (representing 49.90% of its share capital) to Grupo Mutua for EUR 19,581 thousand. Since the Group did not lose control of Alantra Investment Pool, S.L., the capital loss incurred, which was not material, was recognised with a charge to reserves in 2020. Furthermore, the two parties have assumed the obligation to achieve a joint investment of EUR 100 million in those products over the next four years.

Acquisition of an ownership interest in Indigo Capital, S.A.S. without obtainment of control

On 6 August 2020, Alantra Investment Managers, S.L. entered into an agreement to acquire 49% of the shares of Indigo Capital, S.A.S. for a cash price of EUR 2,802 thousand, conditional solely upon obtainment of the related authorisations from the supervisors of the markets in which Indigo operates. These authorisations were obtained on 28 September 2020, and on that date the transaction was formalised and completed on the terms described above.

In the opinion of the Company's directors, the conditions for considering Indigo Capital, S.A.S. as an associate were met and, therefore, the investment in Indigo Capital, S.A.S. was recognised under "Investments Accounted for Using the Equity Method" on the asset side of the consolidated statement of financial position as at 31 December 2020.

In relation to the process of identifying the net assets acquired, the amount of the investment in Indigo Capital, S.A.S. recognised in "Investments Accounted for Using the Equity Method" includes EUR 300 thousand relating to implicit goodwill and EUR 1,257 thousand relating to contractual rights arising from client relationships (mainly fund management agreements with finite useful lives) originating from the acquired business (the client list) (see Note 8). This client list is amortised using the diminishing balance method, based on the evolution of the related activity, over an estimated period of approximately six years, although the effect is particularly significant in the first three years. The amortisation charge is recognised under "Share of Profit or Loss of Entities Accounted for Using the Equity Method" in the consolidated statement of profit or loss, together with the changes in value of the ownership interest held by the Group in Indigo Capital, S.A.S.

Acquisition of an ownership interest in Asabys Partners, S.G.E.I.C., S.A. without obtainment of control

On 17 July 2019, Alantra Investment Managers, S.L. entered into an investment agreement by virtue of which it undertook to acquire 1,180 shares of Asabys Asset Services, S.L. through (i) the purchase of 809 shares for EUR 1,091 thousand, and (ii) the acquisition of 371 newly created shares with a total value (par value and premium) of EUR 500 thousand, after which Alantra Investment Managers, S.L. would own 35% of the share capital of Asabys Asset Services, S.L.

The effectiveness of the aforementioned investment agreement was subject to Asabys Asset Services, S.L. being authorised by the CNMV to incorporate, as the sole shareholder, Asabys Partners, S.G.E.I.C., S.A., and to the latter being designated the management company of Sabadell Asabys Health Innovation Investments, S.C.R., S.A. (a private equity firm that invests in companies in the healthcare industry, sponsored by Asabys Asset Services, S.L., and which commenced operations in 2019 as a self-managed private equity firm). Once the conditions precedent referred to above had been fulfilled, on 9 April 2020 Alantra Investment Managers, S.L. acquired 35% of the share capital of Asabys Asset Services, S.L., for which it paid the aforementioned amounts. At 31 December 2019, "Current Financial Assets - At Amortised Cost" on the asset side of the consolidated statement of financial position included EUR 200 thousand which the company had advanced as a deposit in accordance with the investment agreement (see Note 12).

In the opinion of the Company's directors, the conditions for considering Asabys Asset Services, S.L. as an associate were met and, therefore, the investment in Asabys Asset Services, S.L. was recognised under "Investments Accounted for Using the Equity Method" on the asset side of the consolidated statement of financial position as at 31 December 2020.

In relation to the process of identifying the net assets acquired, the amount of the investment in Asabys Asset Services, S.L. recognised in "Investments Accounted for Using the Equity Method" includes EUR 1,705 thousand relating to implicit goodwill and EUR 696 thousand corresponding to the management agreement for Sabadell Asabys Health Innovation Investments, S.C.R., S.A., a company with a finite useful life (client list) (see Note 8). This client list is amortised using the diminishing balance method, based on the evolution of the related activity, over an estimated period of approximately six years, although the effect is particularly significant in the first three years. The amortisation charge is recognised under "Share of Profit or Loss of Entities Accounted for Using the Equity Method" in the consolidated statement of profit or loss, together with the changes in value of the ownership interest held by the Group in Asabys Asset Services, S.L.

Other transactions in 2020

In 2020 certain companies were included in the Atlanta Group and there were changes in certain percentages of ownership, without a significant impact on these condensed interim consolidated financial statements for 2020, as detailed below.

On 21 May 2019, Alantra Corporate Portfolio Advisors, S.L. resolved to acquire 93.63% of UDA Real Estate Data, S.L., a company that offers technological services based on big data and artificial intelligence for the real estate industry. The purchase price of the shares totalled EUR 2,946 thousand, of which EUR 2,129 thousand were paid in cash and EUR 817 thousand are being paid on a deferred basis to certain shareholders on the first and second anniversaries of the date of the close of the transaction, by means of two payments of EUR 408.5 thousand (see Note 19.2); the first of these payments has already been made and the second has been postponed by one year. At the same time, it was resolved to increase capital at UDA Real Estate Data, S.L. through the issuance of 548 shares of EUR 1 par value each and a share premium of EUR 844.9115937 which were subscribed in full by Alantra Corporate Portfolio Advisors, S.L. After the capital increase, Alantra Corporate Portfolio Advisors, S.L. held 94.45% of this investee. In addition, an investment commitment was entered into by an investor, formalisation of which was deferred by means of successive novations of the related agreement and ultimately abandoned in 2020. The Company's directors consider this investment will not be formalised. Also, in the process of recognising the identifiable assets acquired, the Company's directors considered that the requirements for recognising an intangible asset of EUR 317 thousand in relation to development expenditure had been met. This intangible asset, which was recognised under "Intangible Assets - Other Intangible Assets" in the consolidated statement of financial position, is amortised on the basis of its finite useful life, estimated initially at three years (see Note 6). Lastly, taking into account the consideration transferred in order to obtain control of the company, the amount relating to non-controlling interests and the fair value of the identifiable net assets of UDA Real Estate Data, S.L., including those described in the preceding paragraph, goodwill of EUR 1,673 thousand arose, which was recognised under "Intangible Assets – Goodwill" in the consolidated statement of financial position. In 2020 the Group recognised an impairment loss of EUR 1,000 thousand on a portion of that goodwill under "Impairment of Non-Current Assets" in the consolidated statement of profit or loss for 2020 (see Note 6). Lastly, on 11 December 2020, Alantra Corporate Portfolio Advisors, S.L. sold 235 shares of UDA Real Estate Data, S.L., representing 5.5% of its share capital, to one of its employees for EUR 423 per share; however, this transaction did not have a significant effect on these condensed interim consolidated financial statements. Also, the Group holds a right of usufruct over 3.87% of the share capital.

On 4 November 2019, Alantra Corporate Portfolio Advisors International (Brazil) LTDA was incorporated, of which Alantra Corporate Portfolio Advisors International Limited owned 99.9998%, through a disbursement of BRL 450 thousand, and Alantra Corporate Portfolio Advisors International (Ireland) Limited owned 0.0002%, by means of a non-material disbursement. On 23 September 2020, Alantra Corporate Portfolio Advisors International Limited acquired, by means of a non-material disbursement, the additional percentage not previously owned by it and attained a 100% ownership interest.

On 18 November 2019, Alantra International Corporate Advisory, S.L.U. sold a 10% interest owned by it in the share capital of Alantra Austria & CEE GmbH to several third parties for a non-material amount, as a result of which it held a 60% ownership interest at 31 December 2019. The capital gain that arose on this transaction, which is not material, was recognised with a credit to reserves in 2019. Lastly, on 21 September 2020, Alantra International Corporate Advisory, S.L.U. acquired additional shares from a third party for EUR 80 thousand and, therefore, at 31 December 2020 its ownership interest in Alantra Austria & CEE GmbH stood at 71%.

At its meeting held on 22 November 2019, the Board of Directors of Alantra Corporate Portfolio Advisors, S.L. prepared a plan for the segregation of an economic unit through the transfer en bloc of the segregated assets and liabilities, totalling EUR 328 thousand, to a newly created company wholly owned by this company called Alantra CPA Iberia, S.L. This plan was approved by the company's General Meeting on the same date. The purpose of the segregation was to respond to the need for an internal reorganisation of the advisory business of Alantra Corporate Portfolio Advisors, S.L., which will perform its activities through various subsidiaries depending on the nature of the activities or the geographical area in which they are carried on. The segregation became effective for accounting purposes after the reporting date, on 18 February 2020, upon registration of the related deed in the Mercantile Register. The segregated company was not extinguished as a result of the aforementioned segregation and continues to exist as the sole shareholder of the beneficiary company. The aforementioned transaction does not have an impact on these condensed interim consolidated financial statements. In addition, on 11 and 17 December 2020, Alantra Corporate Portfolio Advisors, S.L. sold 87 shares of Alantra CPA Iberia, S.L., representing 2.9% of its share capital, to three employees of Alantra CPA Iberia, S.L. for EUR 5,020 per share; however, this transaction did not have a significant effect on these condensed interim consolidated financial statements. Also, the Group holds a right of usufruct over 1.67% of the share capital.

On 14 February 2019, Alnt Corporate Portfolio Advisors (Portugal) Lda. was incorporated, with Alantra Corporate Portfolio Advisors, S.L. and Alantra Corporate Portfolio Advisors International Limited each owning a 50% stake in this company, acquired by means of a non-material disbursement. Within the framework of its plan (described above) for the segregation of an economic unit, Alantra Corporate Portfolio Advisors, S.L. transferred its ownership interest in this company to Alantra CPA Iberia, S.L.

On 23 December 2019, the Company, as the sole shareholder of Alantra Dinamia Portfolio II, S.L.U., made a cash contribution of EUR 8,900 thousand. Also, on 30 December 2019, Alantra Dinamia Portfolio II, S.L.U. entered into a convertible loan agreement whereby it lent EUR 11,116 thousand to Atlántida Directorship, S.L., Sole-Shareholder Company (whose sole shareholder is Lantus, S.L.), in order to finance the acquisition of a property in Barcelona from Olimpo Mediterráneo Residencial, S.L., as well as the associated costs (see Note 12). The loan has a term of one month, and on maturity Alantra Dinamia Portfolio II, S.L.U. can elect either to extend the loan term for further one-month periods or to receive repayment of the loan through the delivery of shares resulting from a capital increase (conversion of loan into capital). In the opinion of the Company's directors, in 2020 the conditions for considering Atlántida Directorship, S.L., Sole-Shareholder Company, as a subsidiary were met, since the aforementioned options to convert the loan into capital could be exercised from January 2020 onwards.

On 20 March 2020, Atlántida Directorship, S.L., Sole-Shareholder Company, obtained bank financing of EUR 6,500 thousand, for which the Group, together with a third party, acted as the guarantor, and a portion of the loan, amounting to EUR 5,181 thousand, was repaid. This loan bears monthly interest at a floating rate. The loan agreement stipulates that Lantus, S.L. and its shareholders are responsible, together with Atlántida Directorship, S.L., Sole-Shareholder Company, for fulfilment of any of the obligations assumed by virtue of the agreement, and they undertook to provide a security interest in 84.75% of the shares representing the capital of Atlántida Directorship, S.L., Sole-Shareholder Company, and formalised a security agreement involving the pledge of shares on that same date.

In addition, the Company's directors consider that all the requirements are met for classifying the assets and liabilities allocated to Atlántida Directorship, S.L., Sole-Shareholder Company, as a disposal group in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations, which entails certain presentation and disclosure requirements with regard to these condensed interim consolidated financial statements (see Notes 3-x and 10). In any event, the foregoing refers solely to presentation requirements and does not have a significant impact on the Group's consolidated shareholders' equity and total equity figures at 31 December 2020.

On 18 February 2020, Alantra Multi Asset, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A. resolved to change the name of Alantra Asset Management, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A. to its current name.

On 3 March 2020, Alantra International Corporate Advisory, S.L.U. acquired additional shares of Alantra Greece Corporate Advisors, S.A., representing 12.5% of its share capital, for a non-material amount from a third party, as a result of which it held all the shares of this company at 31 December 2020.

On 3 March 2020, Alantra Real Estate Asset Management, S.A. was incorporated, with Alantra Investment Managers, S.L. initially owning a 60% equity interest, for which it disbursed EUR 36 thousand. Subsequently, on 15 December 2020, Alantra Investment Managers, S.L. acquired the remaining 40% of the share capital from a third party for a non-material amount.

On 12 June 2020, Alantra Investment Managers, S.L. acquired 51% of the share capital of Alantra Solar, S.L. for a non-material amount.

On 14 September 2020, Alantra Energy Transition, S.A. was incorporated, with Alantra Investment Managers, S.L. owning a 70.60% equity interest, for which it disbursed EUR 424 thousand. In addition, on 20 November 2020 this company resolved to change its name to Alantra Enagás Energy Transition, S.A.

On 7 October 2020, the Company sold a 29.99% interest it held in the share capital of Alantra Corporate Finance China, S.A. to several third parties for EUR 161 thousand. The capital gain that arose on this transaction, which is not material, was recognised with a credit to reserves in 2020. Additionally, on that same date, a shareholders agreement was executed before a notary public in which it was agreed that, should the cumulative profit from operations of Alantra Corporate Finance China, S.A. from 1 January 2019 to 31 December 2021 reach a certain amount, an additional percentage (10%) of the company's dividend rights would be transferred to the non-controlling shareholders, who, at the same time, are employees of this company. The Company's directors do not expect Alantra Corporate Finance China, S.A. to meet the agreed conditions for the delivery of those rights.

On 1 October 2020, the Company acquired, for a non-material amount, 0.01% of the share capital of Alantra Corporate Finance México, S.A. de C.V., in which Alantra International Corporate Advisory, S.L.U. holds a 99.99% equity interest.

On 30 November 2020, an agreement was entered into whereby Alantra, LLC transferred the 100% ownership interest held by it in Downer & Company, SAS to Alantra France Corporate Finance SAS for EUR 446 thousand. Since the Group owns all the shares of both of these companies, this transaction did not have an impact on these condensed interim consolidated financial statements.

On 21 December 2020, Alantra International Corporate Advisory, S.L.U., as the sole shareholder of Alantra Corporate Finance, S.A.U., decided to distribute a dividend in kind of EUR 5,725 thousand out of profit for 2020, equal to 4,500 shares of Alantra Corporate Portfolio Advisors, S.L., representing 60% of its share capital. Also, on that same date, the Company, as the sole shareholder of Alantra International Corporate Advisory, S.L.U., decided to distribute the above-mentioned shares, for the same amount, with a charge to the share premium account, and, accordingly, at 31 December 2020 the Company held a 60% direct ownership interest in the share capital of Alantra Corporate Portfolio Advisors, S.L. This transaction did not have an impact on equity in these condensed interim consolidated financial statements.

Main transactions during previous financial years

Partial disposal of Alantra Wealth Management with loss of control

As described in Note 2, on 14 December 2018, Alantra Partners, S.A. and Grupo Mutua reached an agreement under which Grupo Mutua would acquire approximately 25% of the share capital of Alantra Wealth Management Agencia de Valores, S.A. and Alantra Wealth Management Gestión, SGIIC, S.A. (jointly, Alantra Wealth Management, which comprises a cash-generating unit), Grupo Mutua acquired a further 25% of the company’s share capital from 3Axis Involvement, S.L. Following the operation, therefore, the Group held 24.99% of the share capital of both companies, and Grupo Mutua held 50.01% thereof.

On 3 June 2019 the Company announced, by way of a Material Disclosure, that the transaction had been completed, following satisfaction of the condition precedent.

The main terms and conditions of the transaction, which establish the consideration transferred for said 50.01% holding, were as follows:

- Cash consideration of EUR 23,755 thousand, which has already been paid.
- Contingent consideration of up to EUR 6,250 thousand, subject to Alantra Wealth Management meeting certain business indicators for the period 2018-2022. At 31 December 2020 & 2019 the Group considered that the conditions had not yet been met for the payment of said consideration.

In 2019, the Company also sold to a third party approximately 0.26% of Alantra Wealth Management’s capital, retaining a 24.73% equity stake at 31 December 2019.

On the same date the aforementioned sale agreement was signed, the shareholders signed a new agreement addressing various matters relating to the governance of Alantra Wealth Management, The Company's directors consider that this means Alantra Wealth Management Gestión, S.G.I.I.C., S.A.

and Alantra Wealth Management, A.V., S.A. are now classified as associates and that, from 3 June 2019, the Alantra Group has lost control of said companies.

As a result of the aforementioned disposal, the Group recognised the consideration received and the fair value attributable to its remaining 24.73% and derecognised the carrying amount of the assets and liabilities associated with Alantra Wealth Management from the date on which it lost control thereof (under "Non-current assets held for sale" and "Liabilities associated with non-current assets classified as held for sale", including goodwill and a financial liability for a put option for non-controlling interests), see Note 10. Consequently, the Group recognised income, including the effect of measuring its remaining investment at fair value, of EUR 19,984 thousand under "Gains or losses on disposals of financial instruments - Other financial instruments" in the income statement for 2019. This amount included the effect of recovering the historic capital loss generated on the recognition of the put option for non-controlling interests, totalling EUR 5,727 thousand (see Note 28).

At the date on which the Group lost control of Alantra Wealth Management the fair value attributed to its remaining 24.73% holding was EUR 9,498 thousand, recognised under "Investments accounted for using the equity method" in the consolidated statement of financial position. Said fair value was determined using the consideration transferred as the basis for a best estimate of value, Net assets acquired amounting to 1,303 thousand were identified, corresponding to contractual rights arising from relations with customers (customer list) totalling EUR 807 thousand and tax loss carryforwards of EUR 496 thousand. A further EUR 7,645 thousand was associated with underlying goodwill (see Note 8).

In the aforementioned shareholders' agreement cross call and put options were established on all the shares in Alantra Wealth Management held by the Group. These options give Grupo Mutua the right, but not the obligation, to acquire all of said shares, paying the agreed price, between 1 January 2022 and 15 January 2022, while the Group has the right, but not the obligation, to sell said shares to Grupo Mutua in the following fifteen days, if the former does not exercise its rights. The Group considers that this agreement generates a financial derivative, The measurement of said derivative did not, however, have a material impact on these consolidated annual financial statements at 31 December 2020 & 2019, as the parent's directors estimated that the execution price agreed for these options is similar to the fair value of its holding in Alantra Wealth Management. Said exercise price is calculated using an indicator based on a number of financial variables measuring the performance of Alantra Wealth Management in the financial years from 2018 to 2021.

Finally, in the last half of 2019, Alantra Wealth Management, A.V., S.A. signed agreements with certain third parties whereby part of the remuneration agreed is based on payments by the Group of shares in Alantra Wealth Management held by the Group, subject to certain targets being met between the contract date to 31 December 2022. At 31 December 2020 and 2019, and based on information available at the time, the Group deemed that these agreements have increased the investees' value and the balance payable by EUR 395 thousand (see Note 18.1).

On 22 December 2020, the Company sold a further 0.12% of Alantra Wealth Management's capital (both companies) for an immaterial amount, retaining a 24.61% equity stake at 31 December 2020.

Acquisition of shares in Access Capital Partners Group, S.A. without taking control (2019)

As per a Material Disclosure filed with the CNMV on 19 December 2018, Alantra Investment Managers, S.L.U, signed an agreement to purchase 48.98% of Access Capital Partners Group, S.A. through the acquisition of shares in the parent company (Access Capital S.A.) and in the operating company of the aforementioned Access Group, Access is an independent management company with offices and operations in France, Belgium, the UK, Germany, Finland and Luxembourg. It provides strategies to investment capital in non-listed companies, infrastructure and private debt through funds of funds, co-investment funds and tailor-made solutions for clients. This operation is in line with Alantra's strategy of expanding its international asset management activities and extending its current product range to include funds of funds, primary and secondary funds and co-investment funds.

The acquisition was completed in two stages:

- Stage one: acquisition by the Group of 24.49% of Access Capital Partners Group, S.A. (a direct holding of 16.25% and an indirect holding of 8.24% via Access Capital S.A.) for a cash price of EUR 18,997 thousand.

  This deal was only subject to obtaining the corresponding approvals from the supervisory authorities in the markets in which Access operates. As per a Material Disclosure filed with the CNMV on 17 April 2019, once the conditions to closing this deal were met, the first phase of the terms described above was formalised and completed, with the aforesaid amount settled.

- Stage two: on the same date that the first sale agreement was signed, a shareholders' agreement was signed addressing various matters relating to the governance of Access Capital Partners Group, S.A. (subject to the same conditions precedent as the sale agreement) and establishing cross call and put options on all the shares in Access Capital Partners Group, S.A. held by another non-controlling shareholder (16.25% of the share capital of Access Capital Partners Group, S.A. and 12.21% of Access Capital S.A., giving an 8.24% indirect holding in Access Capital Partners Group, S.A.), Under said options, the Group has the right, but not the obligation, to acquire all of said shares, paying the agreed price, between 1 June 2022 and 30 September 2022, while the other non-controlling shareholder in Access Capital Partners Group, S.A. has the right, but not the obligation, to sell said shares to the Group in the same period. Said exercise price is calculated using an indicator based on a number of financial variables measuring the performance of Access Capital Partners Group, S.A. in the financial years from 2021 to 2022. The Group considers that the agreements in this second stage generate a financial derivative. The measurement of said derivative did not, however, have a material impact on these consolidated annual financial statements at 31 December 2020 & 2019, as the parent's directors estimated that the execution price agreed for these options is similar to the fair value of its holding.

- The Company's directors deem that the right conditions have been fulfilled to consider Access Capital Partners Group, S.A. as an associate and that the Alantra Group does not control it. Consequently, the equity stake in Access Capital Partners Group, S.A. has been recognised using the equity method under "Investments accounted for using the equity method" on the assets side of the consolidated statement of financial position.

  In the process of identifying the net assets acquired, the amount of the investment in Access Capital Partners Group, S.A. recognised as an under "Investments accounted for using the equity method" included EUR 14,060 thousand associated with underlying goodwill and EUR 2,762 thousand corresponding to contractual rights arising from relations with the customers of the acquired business (client list), being principally fund management agreements with defined useful lives (see Note 8). Said client list is amortised using the reducing balance method, in line with its performance, over an estimated period of six years, with the amortisation charge heavily weighted towards the first three years, This amortisation is charged to "Results of companies accounted for using the equity method" in the consolidated income statement, together with any changes in the fair value of the Group's investment in Access Capital Partners Group, S.A.

Acquisition of an additional equity interest in Alantra AG involving obtainment of control (operation carried out in 2018):

On 4 July 2018, Alantra Partners, S.A. reached an agreement for the acquisition of an ownership interest representing 55% of the dividend rights and 30% of the voting power of Alantra AG, a Swiss company engaging in the provision of financial advisory services in corporate transactions. This ownership interest was additional to the one held since 2014, representing 25% of the dividend rights and 50% of the voting power of Alantra International Corporate Advisory, S.L.. Consequently, following the aforementioned acquisition, the Group, through the Company and Alantra International Corporate Advisory, S.L., owns 80% of the voting power and dividend rights of Alantra AG.

Also on 4 July 2018, an agreement was entered into among shareholders (Group and non-controlling interests) which addressed various matters relating to the governance of Alantra AG. Based on the terms of the aforementioned agreement, the Company's directors considered that the conditions for Alantra AG to be classified as a subsidiary would be met once the conditions precedent stipulated for the transaction had been satisfied. Lastly, the transaction was completed and the Group obtained control on 25 July 2018, when the Company's General Meeting approved a capital increase.

The main terms and conditions of the transaction were as follows:

- Delivery of 571,488 new shares of Alantra Partners, S.A. (following a capital increase approved by the General Meeting), which were subscribed and paid by the (non-controlling) shareholders of Alantra AG, as consideration for the non-monetary contribution of 29.998 Alantra AG shares representing 29.998% of the voting power and 14.999% of the dividend rights, as well as 80,000 certificates representing 40% of Alantra AG's dividend rights but not carrying any voting power. The Company shares received by the non-controlling shareholders as part of the deal will be subject to a lock-up of up to six years.

  At the same time as the above-mentioned agreements, the Group and the non-controlling shareholders agreed to exchange the cash flows relating to the earnings obtained in 2018 to 2020 from, respectively, the Alantra AG dividend rights acquired by the Group and the dividend rights of the Company shares issued in the capital increase carried out for the aforementioned acquisition and subscribed by the non-controlling shareholders. The rules governing this exchange of cash flows are included in the shareholders agreements and, in practice, signified that in 2020, 2019 and 2018 the Group was entitled to attribute to itself 80% of the dividend rights of Alantra AG from the date on which control was obtained.

  Lastly, as described below, the agreements between the Group and the non-controlling shareholders included the grant of cross-options (put and call options) on the 20% of the dividend and voting rights still held by the non-controlling shareholders. In 2020 the maturity date of these cross options was extended to 31 March 2024 and 30 June 2024, with all the other conditions concerning these options remaining unchanged.

  S.L. has the right, but not the obligation, to purchase, acquire and pay the agreed price for all the aforementioned shares in the first quarter of 2024 (initially 2021), and the non-controlling shareholders have the right to sell those shares to the Group in the three months thereafter (non-controlling shareholders' put option), if the call option has not been exercised beforehand.

  The Group accounts for the put options on shares of subsidiaries granted to non-controlling interests on the acquisition date of a business combination by recognising a financial liability for the present value of the best estimate of the amount payable in this connection, based on the terms and conditions established in the shareholders agreement. In subsequent reporting periods, any changes in the financial liability are recognised in reserves. The discretionary dividends, if any, paid to the non-controlling interests up to the date the options are exercised are recognised as a distribution of profit. If the options are ultimately not exercised, the transaction will be accounted for as a sale of shares to the non-controlling shareholders. Consequently, at 31 December 2020 and 2019, "Non-current financial liabilities – Other financial liabilities" in the consolidated statement of financial position includes EUR 1,660 thousand and EUR 2,090 thousand, respectively, corresponding to the put option in favour of the non-controlling shareholders of Alantra AG (see Note 18). On measuring the liability at fair value, a charge to reserves was recognised (see Note 15).

Acquisition of a 50% interest in the Landmark Group (operation carried out in 2016)

On 20 April 2016 Alantra International Corporate Advisory, S.L. incorporated Alantra Chile Spa, with a contribution of USD 1 thousand.

As reported in a Material Disclosure on 24 May 2016, Alantra Chile Spa signed a sale-purchase contract on 23 May 2016 to acquire 50% of the shares of Landmark Capital, S.A., a Chilean company and head of a corporate group (hereinafter, the "Landmark Group") with operations in Chile and Argentina, Brazil and Colombia, The company specialises in advising on corporate transactions in Latin America, Landmark Capital, S.A.'s investee companies include Landmark Capital Assesoria Empresarial Ltda., Landmark Capital Argentina SRL and Landmark Capital Colombia SAS.

The sale-purchase was organised in two stages:

- First stage (already completed): at the date of the sale-purchase contract, Alantra Chile Spa acquired 30.0705% of the share capital of Landmark Capital, S.A. for USD 5,011,758, paid in cash at the signing date of the share sale-purchase agreement, The sale-purchase contract fixed 1 January 2016 as effective date of the acquisition of the 30.0705% of the Landmark Group shares, with Alantra Chile Spa (formerly Nmás1 Chile Spa) from that time forth obtaining 30.0705% of the earnings generated by the Landmark Group.

- Second stage (pending completion): acquisition by Alantra Chile Spa of approximately an additional 20% of the Landmark Capital, S.A. share capital in 2019 at a price calculated according to the earnings recorded by the Landmark Group in 2016, 2017 and 2018, However, on 9 June 2017 the Group acquired additional shares of Alantra Chile SPA, bringing its ownership interest to 30.95%. The effective date of this second transaction was established as 1 January 2019, and from this date Nmás1 Chile SPA would have acquired the rights and obligations pertaining to approximately 50% of the Landmark Group. Said additional acquisition by Alantra Chile Spa was pending execution at the date on which these consolidated annual financial statements were prepared.

The Directors of the Company consider that at 31 December 2020 and 2019 the conditions for considering the Landmark Group as an associate were met and that the Alantra Group did not have control of the Landmark Group. Accordingly, the investment in the Landmark Group was recorded applying the equity method under "Investments accounted for using the equity method" on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019, Based on its performance, this investment was almost entirely impaired at 31 December 2020 and 2019 (see Note 8).

Other relevant transactions

On 29 December 2017 the process of winding up Alpina Real Estate GP I, S.A., Alpina Real Estate GP II, S.A. and Alpina Real Estate GP, S.A. began.

As announced by way of a Material Disclosure dated 11 July 2018, Alantra Partners, S.A. reached an agreement for the acquisition, by Alantra CRU, S.L.U., of Portfolio Solutions Group, the global division of KPMG LLP (UK) which engages in the provision of advisory services for transactions involving credit portfolios, non-performing loans (NPLs) and non-strategic bank assets. Portfolio Solutions Group had 35 professionals located in various European markets, who joined the 40 Alantra Group professionals who in recent years have been operating in this business line out of Madrid and in other countries. The transaction was subject to, inter alia, the condition precedent that the transfer of undertakings procedure established in UK employment law be completed. Lastly, on 14 August 2018 the Company announced, by way of a Material Disclosure, that the transaction had been completed, following satisfaction of the condition precedent, In addition, on 4 July 2018 a shareholders agreement was entered into which stipulated that if Alantra Corporate Portfolio Advisors International Limited were to achieve a specified cumulative profit from operations in the period from the date on which control was obtained (the date on which the conditions precedent were satisfied) to 31 December 2022, an additional percentage (10%) of the company's dividend rights would be transferred to the non-controlling shareholders, who are at the same time executives of this company, This scenario was accounted for in accordance with the amendments to IFRS 2 "Classification and measurement of share-based payment transactions" (see Note 3-y), whereby the Group has recognised under "Personnel expenses" in the consolidated income statements for the financial years ended 31 December 2020 and 2019 an expense of EUR 617 thousand and EUR 626 thousands, respectively, corresponding to its best estimate at those dates of the number of equity instruments it expects to release in 2022, once the company's Directors consider that the company has met the conditions for the delivery thereof.

On 16 February 2018, Alantra EQMC Asset Management, S.G.I.I.C., S.A., a management company whose corporate purpose is the management of assets and 60% of whose share capital was subscribed by Alantra Investment Managers, S.L. for EUR 360 thousand, was registered in the specific register of the CNMV. A shareholders' agreement was also signed establishing cross options on all the shares in Alantra EQMC Asset Management, S.G.I.I.C., S.A. held by non-controlling shareholders, corresponding to 40% of the total shares. Under said options, the Group has the right, but not the obligation, to acquire all of said shares, paying the agreed price, while the non-controlling shareholders have the right to sell said shares to the Group (non-controlling shareholders' put option). The conditions, dates, scenarios and amounts payable upon the exercising of said options are stated in the shareholders' agreements. The accounting criterion for recognising the liability generated by these options and subsequent measurement is described in the section on "Acquisition of an additional equity interest in Alantra AG involving obtainment of control (operation carried out in 2018)" (see above). Consequently, at 31 December 2020 and 2019, "Non-current financial liabilities – Other financial liabilities" in the consolidated statement of financial position includes EUR 6,450 thousand and EUR 7,360 thousand, respectively, corresponding to the put option in favour of the non-controlling shareholders of Alantra EQMC Asset Management, S.G.I.I.C., S.A. (see Note 18). On measuring the liability at fair value, a charge to reserves was recognised (see Note 15).

On 14 January 2019 Alantra Corporate Finance China, S.A.U, resolved to change its name from Alantra Equity and Credit Management, S.A.U, to its current name.

On 4 February 2019 and agreement was signed whereby Alantra, s.r.l., (Italy) transferred 100% of its shareholding in Alantra Corporate Portfolio Advisor (Italy) s.r.l., to Alantra Corporate Portfolio Advisors International Limited, in which the Group holds a 42% share, for the amount of EUR 10 thousand, The Group now therefore holds 42% of Alantra Corporate Portfolio Advisors (Italy) s.r.l.. The capital gain generated on this transaction, which is not material, was credited to reserves in 2019.

On 17 May 2019 Alantra Investment Advisory (Shanghai) Co., Ltd, was incorporated, Alantra Corporate Finance China, S.A.U, holds 100% of its shares.

On 25 June 2019 Alantra Corporate Portfolio Advisors (Greece) S.A. was incorporated, Alantra Corporate Portfolio Advisors International Limited acquired approximately 100% of the shares of this company for consideration of EUR 25 thousand.

On 1 July 2019 Alantra ICA UK LTD was incorporated with share capital of GBP 5 thousand, which was fully subscribed by Alantra International Corporate Advisory, S.L. In accordance with British Law (section 479 of the 2006 Companies Act), Alantra ICA UK LTD is exempt from the requirement to audit the financial statements. On the same date Alantra Denmark ApS was incorporated, with Alantra Nordics AB acquiring 100% of the shares of this company for consideration of DKK 1,000 thousand.

On 23 July 2019 Alantra Hong Kong Limited was incorporated, with Alantra International Corporate Advisory, S.L. acquiring 99.90% of its share capital for consideration of HKD 10 thousand, Subsequently, on 9 August 2019, Alantra International Corporate Advisory, S.L. acquired the remaining 0.10% from a third party for a non-material amount.

On 30 August 2019 Alantra International Corporate Advisory, S.L. sold 5% of its shares in Alantra Nordics AB to a third party for SEK 469 thousand. The capital gain generated on this transaction, which is not material, was credited to reserves in 2019.

On 10 September 2019 Alantra CRU, S.L.U, resolved to change its name from Alantra Infrastructure, S.L.U, to the current name.

On 23 September 2019 Alantra Business Consultancy Shanghai Co., Ltd was incorporated, Alantra Corporate Portfolio Advisors International Limited holds 100% of the shares of this company.

On 25 September 2019, Alantra U.S, Corporation signed an "LLC Agreement" to acquire 70% of the share capital of Alantra Tech USA LLC for USD 350 thousand.

3. Accounting policies and measurement bases

The following accounting principles, policies and measurement bases were applied in the preparation of the Group's 2020 consolidated financial statements:

a) Definitions and classification of financial instruments

i. Definitions

A "financial instrument" is a contract that gives rise to a financial asset at one entity and a financial liability or equity instrument at another entity simultaneously.

An "equity/capital instrument" is any agreement that evidences a residual interest in the assets of the issuing entity after deducting all of its liabilities.

A "financial derivative" is a financial instrument, the value of which changes in response to a change in an observable market variable (such as an interest rate, exchange rate, financial instrument price or market index), whose initial investment is very small compared to other financial instruments with a similar response to changes in market factors, and which is generally settled at a future date.

ii. Classification of financial assets for measurement and presentation purposes

Financial assets are initially presented in the consolidated statement of financial position, firstly according to whether they are "current" or "non-current" (see Note 3.k). Moreover, financial assets are classified into the following categories for the purposes of measurement and assignation to line items based on the contractual cash flow characteristics of the assets and the Group's business model:

- At amortised cost

  Financial assets classified in this measurement category involve a business model that entails holding a financial asset to collect contractual cash flows and, in accordance with the terms and conditions of the contract, cash flows are received on specified dates that are solely payments of principal and interest on the principal amount outstanding.

  This measurement category therefore comprises loans to third parties that, even if they are not contractual in nature, are not remunerated according to the gross profit or loss obtained by the borrower, and accounts receivable (primarily from the Group providing services). It also includes any reverse repurchase agreements and deposit accounts at credit institutions held by the Group and maturing within three months.

  This measurement category also includes: "Non-current financial assets – At amortised cost" and "Current financial assets – At amortised cost"; "Trade receivables for sales and services" and "Other receivables" under "Trade and other receivables"; and "Other non-current assets", "Other current assets" and "Cash and cash equivalents" on the consolidated statement of financial position.

- At fair value through other comprehensive income (equity)

  Debt securities classified in this measurement category involve a business model that entails collecting contractual cash flows and selling the asset and, in accordance with the terms and conditions of the contract, cash flows are received on specified dates that are solely payments of principal and interest on the principal amount outstanding. It also includes equity instruments comprising investments in entities that are not subsidiaries, joint ventures or associates, designated voluntarily and at the start and irrevocably in this category and that cannot be classified as held for trading.

  Consequently, in the Group's case, this measurement category includes the stakes held in closed-end entities (basically venture capital companies and funds). It was decided to irrevocably classify all of these in this category, which means the aforesaid amounts cannot be taken to profit or loss if the investment is sold; only dividends received are recognised as income.

  This measurement category includes "Current/non-current financial assets – At fair value through other comprehensive income" in the consolidated statement of financial position.

- At fair value through profit or loss

  This category includes financial assets held for trading and any other assets that cannot be or are not classified at amortised cost or at fair value through other comprehensive in accordance with the requirements set out in the previous sections. Financial assets held for trading are those acquired with the intention of selling them in the near term or which are part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent pattern of short-term profit-taking, along with derivatives not designated as hedging instruments.

Consequently, the Group includes in this measurement category: loans to third parties remunerated according to the gross profit or loss obtained by the borrower; investments in collective investment undertakings and listed equities; financial derivatives no deemed to be accounting hedges; and subsidiaries over which the Group has significant influence through an "investment vehicle" (see Note 2.14.4). This category also includes financial assets that are managed jointly with financial liabilities, eliminating significantly any inconsistencies in recognition or valuation.

This measurement category includes "Current/non-current financial assets – At fair value through profit or loss" in the consolidated statement of financial position.

At 31 December 2019 the Group had two currency futures at two and three months recognised under "Current derivatives" in the consolidated statement of financial position and which are also classified under this measurement category. No positions were held at 31 December 2020.

Financial assets are reclassified if, and only if, the aim of an entity's business model changes significantly. No assets were reclassified during the year and no reclassifications are envisaged.

"Investments accounted for using the equity method" includes equity/capital instruments in jointly-controlled entities and associates (see Note 2.14), except those classified as "Other financial assets at fair value through profit or loss".

"Non-current assets held for sale" includes any assets (including financial assets) or disposal groups that are available for immediate sale (see Note 3-x).

iii. Classification of financial liabilities for measurement and presentation purposes

Financial liabilities are initially presented in the consolidated statement of financial position as "current" or "non-current" (see Note 3 k), and subsequently based on their nature. The greater part of the Group's financial liabilities includes debts and payables by the Group that have arisen from the purchase of goods or services in the normal course of business and those which, while not having commercial substance, cannot be classed as derivative financial instruments. The Group's financial liabilities are recognised under "Non-current financial liabilities", "Other current liabilities", "Non-current financial liabilities", "Trade and other payables" and "Other current liabilities" on the liabilities side of the consolidated statement of financial position, All are classified, for measurement purposes, as financial liabilities at amortised cost.

The Group also recognises certain financial liabilities under "Trade and other payables – Other payables" (see Note 19), which are jointly managed with certain assets classified "At fair value through profit or loss" (see Note 9.1). For measurement purposes, these liabilities are designated as financial liabilities at fair value through profit or loss.

In addition, since the entry into force of IFRS 16 "Leases" in 2019, the lessor must recognise a liability for the present value of the lease payments and a right-of-use asset for the underlying asset during the lease period (see Note 3.i). The liability is recognised under "Non-current financial liabilities – Other financial liabilities" or "Current financial liabilities – Other financial liabilities" according to the lease payment period (see Note 18).

"Liabilities associated with non-current assets held for sale" includes liabilities directly associated with the assets held for sale at 31 December 2020 by Atlántida Directorship, S.L. Sociedad Unipersonal (see Note 3-x and 10). At 31 December 2019 no amounts were recorded under said heading.

Financial liabilities cannot be reclassified.

b) *Measurement and recognition of gain (loss) on financial assets and liabilities*

Financial assets and liabilities are initially recognised at fair value which, in the absence of evidence to the contrary, is deemed to be the transaction price. This amount is then adjusted by the transaction costs that are directly attributable to the acquisition of the financial asset or issuance of the financial liability, except for financial instruments recognised, where applicable, at fair value through profit or loss. Financial assets and liabilities are subsequently measured at each year-end as follows:

i. Measurement of financial assets

Financial assets classified for measurement purposes as "at amortised cost" are initially measured at fair value (which, unless evidence exists to the contrary, is equal to the transaction price), including any directly attributable transaction costs. Subsequently, these assets are measured at amortised cost using the effective interest rate method, "Amortised cost" is understood to be the acquisition cost of a financial asset or liability plus or minus, as appropriate, the principal repayments and the accumulated amortisation taken to the consolidated statement of profit or loss for the difference between the initial cost and the maturity amount. In the case of financial assets, amortised cost furthermore includes any reductions for impairment or uncollectability. However, balances expected to be collected within one year from the reporting date are measured at their nominal value, insofar as the effect of not discounting them is not significant.

The "effective interest rate" is the discount rate that exactly matches the carrying amount of a financial instrument to all its estimated cash flows of all kinds over its remaining life. For fixed-rate financial instruments, the effective interest rate coincides with the contractual rate of interest at the time of acquisition, adjusted as necessary for any commissions or fees which by their nature are assignable to a rate of interest. In the case of floating-rate financial instruments, the effective interest rate coincides, where applicable, with the rate of return prevailing in all connections until the first revision of the benchmark interest rate.

On the other hand, financial assets classified for measurement purposes as "At fair value through other comprehensive income" or "At fair value through profit or loss" are initially measured at "fair value" including, in the case of the former, any directly attributable transaction costs. Subsequently, both categories of assets are measured at fair value and any changes in the fair value of assets classified as "at fair value through other comprehensive income" are recognised in equity under "Accumulated other comprehensive income" until they are disposed of. Subsequently, these latter assets are reclassified to profit or loss in the case of debt instruments and to reserves in the case of equity instruments. In the Group's case, all of the assets classified in this category are equity instruments and any changes in fair value are recognised, net of their tax effect, under "Items that will not be subsequently reclassified to profit or loss for the period – Equity instruments at fair value through other comprehensive income". As the name suggests, any changes in the fair value of other financial assets "at fair value through profit or loss" are recognised with a charge or credit to profit or loss.

The fair value of a financial instrument on a given date is the amount at which the asset could be exchanged between knowledgeable, willing parties in an arms' length transaction on that date. Fair value is determined without deducting transaction costs incurred on disposal. The most objective and common reference for the fair value of a financial instrument is the price that would be paid for it on an organised, transparent and deep market ("quoted price" or "market price") (see Note 30).

If there is no market price for a given financial instrument, its fair value is estimated on the basis of the price established in recent transactions involving similar instruments and, in the absence thereof, of valuation techniques sufficiently used by the international financial community, taking into account the specific features of the instrument to be measured and, particularly, the various types of risk associated with it. Nevertheless, the limitations of the valuation models that have been developed and the possible inaccuracies in the assumptions required by these models may give rise to the fair value thus estimated of a financial instrument differing somewhat from the price at which the instrument could be bought or sold on the valuation date.

Disclosures on the fair value of financial instruments, their classification and the measurement bases used are provided in Note 30.

The amounts at which the financial assets are recognised represent, in all material respects, the Group's maximum exposure to credit risk at each reporting date.

ii. Measurement of financial liabilities

Financial liabilities classified for measurement purposes as "Debts and payables" are initially measured at fair value (which, unless evidence exists to the contrary, is equal to the transaction price), including any directly attributable transaction costs. These financial liabilities are then measured at amortised cost, while any accrued interest is recognised under "Finance costs" in the consolidated statement of profit or loss. However, balances expected to be paid within one year from the reporting date are measured at their nominal value, insofar as the effect of not discounting them is not significant.

Furthermore, financial liabilities classified for measurement purposes as "Financial liabilities at fair value through profit or loss" are wholly measured at their fair value, using the same criteria as used for the financial assets with which they are jointly managed.

Lastly, changes in the value of financial liabilities originating from put options to non-controlling interests (see section i) are recorded with an offsetting in reserves (see Note 2.14).

iii. Recognition of fair value changes

As a general rule, changes in the fair value of financial assets and liabilities are recognised with a balancing entry in the consolidated statement of profit or loss. A distinction is made between the changes resulting from the accrual of interest or dividends (which are recognised under "Finance income" or "Finance costs", as appropriate); those arising from the impairment of asset quality and those arising for other reasons, which are recognised for their net amount under "Loss/reversal of loss on impairment of financial instruments" in the consolidated statement of profit or loss.

However, changes in the fair value (gains or losses) of "Financial assets at fair value through profit or loss" and "Financial liabilities at fair value through profit or loss" are recognised, net, under "Changes in fair value of financial instruments". Any changes deriving from reclassifications of assets are recognised under "Gain (loss) on reclassification of financial assets at amortised cost to financial assets at fair value" or "Gain (loss) on reclassification of financial assets at fair value through other comprehensive income" in the consolidated statement of profit or loss.

Any changes in fair value involving financial assets "at fair value through other comprehensive income", which in the Group's case solely comprise equity instruments, are recognised, net of their tax effect, in equity ("Accumulated other comprehensive income – Items that will not be subsequently reclassified to profit or loss for the period – Equity instruments at fair value through other comprehensive income").

Financial assets are only derecognised when the contractual rights to the cash flows expire or the risks and rewards incidental to ownership of the financial assets have been substantially transferred to third parties, Similarly, financial liabilities are only derecognised when the obligations that gave rise to them have been settled or when they have been acquired, whether with a view to cancellation or resale, Any gains or losses are recognised under "Gain (loss) on disposal of financial instruments".

Lastly, details of the profit (loss) of companies accounted for using the equity method are provided in Note 2.14.

c) ***Derecognition of financial assets and liabilities***

The accounting treatment of transfers of financial assets depends on the extent to which the risks and rewards associated with the transferred assets are transferred to third parties:

1. If substantially all the risks and rewards of the assets transferred are transferred to third parties – unconditional sales, sales under an agreement to repurchase them at their fair value at the date of repurchase, sales of financial assets with a purchased call option or written put option that is deeply out of the money, and other similar cases – the transferred financial asset is derecognised and any rights or obligations retained or created in the transfer are recognised simultaneously.

2. If the Group retains substantially all the risks and rewards associated with the transferred financial asset – sale of financial assets under an agreement to repurchase them at a fixed price or at the sale price plus interest, a securities lending agreement in which the borrower undertakes to return the same or similar assets, and other similar cases – the transferred financial asset is not derecognised and continues to be measured by the same criteria as those used before the transfer. However, the following items are recognised:

    a. An associated financial liability, for an amount equal to the consideration received and subsequently measured at amortised cost.

    b. The income from the transferred financial asset not derecognised and any expense incurred on the new financial liability – recognised directly in profit and loss.

3. If the Group neither transfers nor retains substantially all the risks and rewards associated with the transferred financial asset – sale of financial assets with a purchased call option or written put option that is not deeply in or out of the money and other similar cases – the following distinction is made:

    a. If the transferor does not retain control of the transferred financial asset, the asset is derecognised and any rights or obligations retained or created in the transfer are recognised.

    b. If the transferor retains control of the transferred financial asset, it continues to recognise it for an amount equal to its exposure to changes in value and recognises a financial liability associated with the transferred financial asset. The net carrying amount of the transferred asset and the associated liability is the amortised cost of the rights and obligations retained, if the transferred asset is measured at amortised cost, or the fair value of the rights and obligations retained, if the transferred asset is measured at fair value.

Accordingly, financial assets are only derecognised when the cash flows they generate have been extinguished or when substantially all the inherent risks and rewards have been transferred to third parties. Similarly, financial liabilities are only derecognised from the consolidated statement of financial position when the obligations that gave rise to them have been settled or when they have been acquired, whether with a view to cancellation or resale.

d) Offsetting

Asset and liability balances are offset and therefore, reported in the consolidated statement of financial position at their net amount, when, and only when, they arise from transactions for which a contractual or legal right of set-off exists and there is an intention to settle them on a net basis, or to realise the asset and settle the liability simultaneously, and that one of the parties involved is a financial institution.

e) Impairment of financial assets

A financial asset is considered to be impaired – and therefore its carrying amount is adjusted to reflect the effect of impairment – when there is objective evidence that events have occurred which:

- In the case of debt instruments (loans and debt securities), give rise to an adverse impact on the future cash flows that were estimated at the transaction date.

- In the case of equity instruments, mean that their carrying amount may not be fully recovered.

As a general rule, the carrying amount of impaired financial instruments is adjusted with a charge to the consolidated statement of financial position for the period in which the impairment becomes evident, and the reversal, if any, of previously recognised impairment losses is recognised in the consolidated statement of financial position for the period in which the impairment ceases to exist or is reduced. When the recovery of any recognised amount is considered unlikely due to impairment, the amount is written off, without prejudice to any actions that the Group may initiate to seek collection until its contractual rights are extinguished due to expiry of the statute-of-limitations period, forgiveness or any other cause.

The impairment model in IFRS 9 is based on expected loss and is the same for all financial assets. An impairment allowance will be recognised for any losses expected over the next 12 months or expected losses over the life of the asset. A simplified approach can be used, which is what the Group does, to recognise the expected credit loss over the life of all its trade and other receivables. The Group has its own model for measuring the risk posed by its debtors and estimating expected losses based on the probability of default and exposed balances based on available debtor portfolio information. The general criterion in this model is that a balance receivable is deemed to be irrecoverable and has to be fully impaired after the debtor has been 12 months in arrears. These criteria are applied when there is no other objective evidence that a balance receivable will not be settled such as insolvency proceedings. The other financial instruments – primarily other current and non-current financial assets at amortised cost – are monitored on a case-by-case basis to determine if credit risk has increased. In the case of all these assets, the effect of calculating expected loss using the simplified approach rather than debtors' credit risk status is not significant.

Losses due to impairment are recognised under "Loss/reversal of loss on impairment of financial instruments" in the consolidated statement of profit or loss.

Impairment losses on "Investments accounted for using the equity method" are estimated and recognised by the Group pursuant to the criteria described in Note 2.14.

f) Recognition of income and expenses

The paragraphs below summarise the most significant criteria applied by the Group in recognising income and expense:

i. Interest income and expenses and similar items

Interest income and expenses and similar items are generally recognised on an accrual basis using the effective interest method under "Finance income" and "Finance costs", respectively, in the consolidated statement of profit or loss. Dividends received from other companies not included in the Group's scope of consolidation are recognised as income under "Finance income" in the consolidated statement of profit or loss when the Group's right to receive them arises. Interest and dividends accrued prior to the acquisition date are not recognised in the consolidated statement of profit or loss, and the corresponding asset is cancelled when these items are collected.

ii. Income and expenses from provision of services

Income and expenses from provision of services (processing and execution of orders, preparation of investment reports and financial analysis, management and administration of CISs and private equity firms, discretionary portfolio management, and the provision of business advisory services, search for and placement of packages in secondary markets and marketing of collective investment schemes, etc, – see Note 25), all basically comprising commissions and similar fees, are recognised in the consolidated statement of profit or loss using different criteria depending on their nature, The main fees and commissions are as follows:

Income from the provision of services is recognised by reference to the stage of completion of the transaction at the reporting date, provided the outcome of the transaction can be estimated reliably. This income is recognised in the consolidated statement of profit or loss in accordance with criteria based on the nature of the revenues, the most significant of which are:

- Those arising as a result of transactions and services that extend over a prolonged period of time, which are recognised over the life of the transaction or service.

  This type of income from provision of services includes that from the management and administration of CISs, the management and administration of private equity firms, discretionary portfolio management, and the provision of business advisory services (excluding performance fees) and from marketing collective investment schemes, and is included in the balance of "Revenue – Revenue from rendering of services" in the consolidated statement of profit or loss.

  Part of the aforementioned income from the management and administration of Collective Investment Schemes is variable, being based on the performance of the investment under management. In these cases, the Group reviews, and if necessary adjusts, the income recognised from said fees if at any time after recognition (within the crystallisation period of one year) there is any likelihood the fees must be refunded, if returns fall in this later period.

  In this category of expenses, those from agency, marketing of collective investment schemes, third-party management and customer representation services are included in "Revenue – Transfers to third parties for joint execution" in the consolidated statement of profit or loss.

- Those relating to services provided in a single act, which are recognised when the single act is carried out.

This type of income includes commissions charged for the provision of financial advisory services which accrue in line with the performance of the transactions (performance fees) in accordance with the contractual terms established. In these cases, the performance fee accounts for almost all or a large part of the remuneration earned on each individual contract and, furthermore, the contractual benchmark hurdle is highly sensitive to factors outside the Group's control, such as the actions of third parties. For this type of income, therefore, it is very important to pass the benchmark hurdle, as the recognition of ordinary income will be postponed until this has taken place.

In addition, this type of income from the provision of services includes performance fees based on the final gains generated by the Capital Risk Funds and Capital Risk Firms managed by the Group on the sale of their investments.

This type of income from the provision of services also includes the revenues from securities brokerage services, identifying and placing bundles on secondary markets, and preparing investment and financial analysis reports which are recorded under "Revenue – Revenue from rendering of services" in the consolidated statement of profit or loss.

iii. Non-finance income and costs and other operating income

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

g) Property and equipment

This line item comprises the cost of furniture, facilities, computer hardware and other property and equipment owned by the Group, all classified as "Property and equipment for own use" given its intended purpose.

This line item also includes right-of-use assets associated with lease contracts as a result of the application of IFRS 16 where the underlying asset is an item of property, plant or equipment. The accounting policies associated with lease contracts are detailed in Note 3.i.

Property and equipment is initially measured at acquisition cost or production cost, and subsequently reduced by any accumulated depreciation or impairment losses.

Depreciation is calculated by applying the straight-line method to the acquisition cost of the assets less their residual value.

The depreciation charge for the year is recognised under "Depreciation and amortisation" in the consolidated statement of profit or loss and is basically calculated using the following depreciation rates (based on the average years of estimated useful life of the various assets):

	Annual Depreciation Rate
Facilities	10%
Computer hardware	25%
Furniture	10%
Other property and equipment	10%
Right-of-use (*)	33.33%

(*) Calculated using the weighted average lease period at 31 December 2020 – see Note 3.i.

At each statement of financial position date, the Group assesses whether there are any internal or external indications that the carrying amount of an item of property or equipment exceeds its recoverable amount, in which case the asset is written down to the recoverable amount and the future depreciation charges are adjusted in proportion to the written-down carrying amount and the new remaining useful life, should it need to be reestimated.

Similarly, if there is an indication of a recovery in the value of an impaired item of property or equipment, the Group recognises the recovery of the impairment loss recognised in prior periods and adjusts the future depreciation charges accordingly. Under no circumstances may the recovery of an impairment loss on an asset increase its carrying amount above the amount at which it would have been stated if no impairment losses had been recognised in prior years.

The Group recognises any impairment losses on these assets with a charge to "Impairment of non-current assets" in the consolidated statement of profit or loss.

The estimated useful lives of the items of property and equipment for own use are reviewed at least at the end of the reporting period with a view to detecting significant changes therein. If changes are detected, the useful lives of the assets are adjusted by correcting the depreciation charge to be recognised in the consolidated statement of profit or loss in future years on the basis of the new useful lives.

Any gain (loss) on the sale of an item of property or equipment is recognised under "Gain (loss) on disposal of non-current assets" in the consolidated statement of profit or loss.

Upkeep and maintenance expenses relating to property and equipment for own use are recognised as an expense in the period in which they are incurred. Conversely, costs incurred that increase capacity or efficiency or extend the useful life of the assets are capitalised as part of the cost of the related assets.

h) Intangible assets

Other intangible assets

These assets are identifiable (i.e., separable from other assets) non-monetary assets without physical substance which arise from contractual or other legal rights or which are developed internally by the Group. They are only recognised when their cost can be estimated reliably and when it is considered probable that they will generate future economic benefits.

Intangible assets are recognised initially at acquisition or production cost and subsequently measured at cost less any accumulated amortisation and impairment losses.

All the Group's assets included under "Other intangible assets" have a finite useful life and comprise software acquired for valuable consideration and developments acquired by the Group. The estimated useful lives of the items of these intangible assets are reviewed at least at the end of the reporting period with a view to detecting significant changes therein. If changes are detected, the useful lives of the assets are adjusted by correcting the amortisation charge to be recognised in the consolidated statement of profit or loss in future years on the basis of the new useful lives.

These intangible assets are amortised over their finite useful lives, applying similar criteria to those used to amortise property, plant and equipment. The annual percentages applied are on average 20% for software and 33.33% for development.

Charges for the amortisation of these assets are recognised under "Amortisation and depreciation" in the consolidated statement of profit or loss.

The Group recognises any impairment losses on these assets with a charge to "Impairment of non-current assets" in the consolidated statement of profit or loss. The criteria used to recognise the impairment losses on these assets and, where applicable, the recovery of impairment losses recognised in prior years are similar to those used for property and equipment (see Note 2 g).

Any gain (loss) on the sale of an intangible asset is recognised under "Gain (loss) on disposal of non-current assets" in the consolidated statement of profit or loss.

Goodwill

Goodwill represents advance payments made by the acquirer for future economic benefits arising from the assets that are not individually and separately identifiable and recognisable. It is calculated as the difference between the fair value of the assets acquired and liabilities assumed and the cost of the business combination, both at the acquisition date.

Goodwill is assigned to one or more cash-generating units that are expected to benefit from synergies deriving from the business combination, Cash generating units are the smallest identifiable groups of assets that generate cash inflows for the Group that are largely independent of the cash inflows generated from other assets or groups of assets of the Group. Each unit or units to which goodwill is assigned:

- Represents the lowest level within the entity at which goodwill is monitored internally,

- Is not larger than an operating segment,

Cash generating units to which goodwill has been allocated are tested for impairment, with the goodwill assigned included in their carrying amount. This testing is done at least annually or whenever there are indications of impairment.

Goodwill arising upon the acquisition of companies with a functional currency other than the euro is measured in the functional currency of the acquiree and is translated to euros at the exchange rate prevailing on the consolidated statement of financial position.

Goodwill is never amortised but is periodically tested for impairment and written down if there is any evidence thereof.

Impairment of a cash-generating unit to which goodwill has been assigned is determined by comparing the unit's carrying amount – adjusted by any goodwill attributable to non-controlling interests if non-controlling interests are not measured at fair value – and its recoverable amount.

A cash-generating unit's recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is calculated as the discounted value of projected future cash flows estimated by the unit's management based on the latest available budgets for forthcoming years. The main assumptions used in the calculation are: a sustainable growth rate to extrapolate cash flows in perpetuity and a discount rate for discounting the cash flows (see Note 6). Any impairment losses are recognised under "Impairment of non-current assets" in the consolidated statement of profit or loss. Impairment losses on goodwill are not reversed in subsequent periods.

If the carrying amount of a cash generating unit is greater than its recoverable amount, the Group recognises an impairment loss. The impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the unit and, second, if losses remain to be allocated, to reduce the carrying amount of the other assets of the unit; with any remaining loss being assigned in proportion to the carrying amount of each of the assets of the unit. If the option of measuring non-controlling interests at fair value has been applied, there will be recognised the impairment of the goodwill attributable to those non-controlling interests.

i) Accounting for leases

As from 1 January 2019, IFRS 16 "Leases" replacing IAS 17 introduces a single accounting model for leases, recognising all leases in the statement of financial position. At the commencement of the contract the Group determines if it constitutes, or contains, a lease. A contract constitutes, or contains, a lease if it conveys the right to control the use of an asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability for all lease contracts where it is the lessor, with the exception of short-term leases (less than 12 months) and the lease of low-value assets, The Group expenses lease payments on such contracts on a straight-line basis under "Other operating expenses" (see Note 27). The Group has a small number of lease agreements as lessor, primarily relating to office premises and IT equipment. The Group has applied the exemption for leases whose underlying assets are deemed to be of low value to most of these agreements, classifying them as operating leases. At 31 December 2020 and 2019, the leases recognised in the consolidated statement of financial position correspond basically to leases on the offices of the parent company and its subsidiaries.

The Group initially measures the right-of-use asset at an amount equivalent to the lease liability. Subsequently, accumulated amortisation and any impairment costs are deducted from the carrying amount of right-of-use assets, which is also adjusted to reflect any remeasurement of the lease liabilities. The right-of-use asset is amortised on a straight-line basis over the shorter of the useful life of the asset or the lease period (see Note 3.q). Right-of-use assets are carried under "Property, plant and equipment", i.e., the same heading in the consolidated statement of financial position as the corresponding underlying assets would be recognised if they were owned by the Group.

The Group applies IAS 36 "Impairment of assets" to determine if a right-of-use asset is impaired and any impairment loss needs to be recognised. The Company's directors did not consider it necessary to recognise any impairment losses at 31 December 2020 and 2019.

The lease liability is initially measured at the present value of the outstanding lease payments at the commencement date, discounted using the interest rate implicit in the lease, if that rate can be readily determined. If it cannot be readily determined, the lessee will use its incremental borrowing rate at the reporting date. Lease payments include fixed payments less any lease incentive receivable, variable lease payments based on an index or rate, and amounts expected to be payable in respect of residual value guarantees. The lease liability is recognised under "Non-current financial liabilities - Other financial liabilities" or "Current financial liabilities - Other financial liabilities" according to the lease payment period.

The carrying amount of the lease liability is increased to reflect interest accrued on the liability (using the effective interest method) and decreased to reflect payments effected. The lease payment is split between the liability and finance expenses on assignment. The finance expense, which is not material, is recognised under "Finance expenses" over the life of the lease, so as to produce a constant periodic interest rate on the remaining balance of the liability for each financial year.

The Group remeasures the lease liability (and makes the corresponding adjustments to the related right-of-use asset) when, for example, changes occur to the lease period or to the future lease payments due to a change in an index or rate used to determine certain payments.

As noted above, lease payments are discounted using the interest rate implicit in the lease, which involves making key estimates that require significant judgment. The lease period is estimated on the basis of the non-cancellable period and the periods covered by renewal options which may be exercised at the Alantra Group's discretion and which it is reasonably certain to do so. In its assessment, the Group takes into account all the available information and analyses key matters (investments made and the amortisation period of said investments) that represent an economic incentive for exercising (or not) a renewal or cancellation option. The Group also takes into account the time horizon over which the strategic planning process of its activities takes place. After the commencement date, the Group reassesses the lease period if any significant event occurs or there is a change in circumstances under its control and which could affect its ability to exercise (or not) an extension or cancellation option (e,g, a change in business strategy). The weighted average lease period at 31 December 2020 was 3 years (31 December 2019: 3.94 years).

Assumptions are also used to calculate the discount rate as the interest rate implicit in the lease is not always readily available. The Group uses the risk-free interest rate at the lease commencement date to calculate the present value of the lease payments, adjusted for each country, currency and lease period, plus an adjustment to reflect the Group's own risk. At 31 December 2020, the weighted average incremental borrowing rate applied to discount the lease liabilities recognised in the consolidated statement of financial position is 1.20% (31 December 2019: 1.23%).

j) Tax assets and liabilities

"Deferred tax assets", "Deferred tax liabilities" and "Trade and other receivables – Current tax assets" and "Trade and other payables – Current tax liabilities" in the consolidated statement of financial position include the amount of all corporate income tax assets and liabilities, which are classified where applicable as: "current" (balances receivable or payable for tax within the next 12 months) and "deferred" (balances receivable or payable for tax in future years including, as the case may be, those arising from tax loss carryforwards or unused tax credit or deductions).

k) Current and non-current assets and liabilities

Current assets are those that the Group intends to sell, consume or realise during the normal operating cycle, and those that are expected to mature, be disposed of or realised within twelve months of the reporting period; or are cash or cash equivalents. All other assets are classified as non-current.

Current liabilities comprise any obligations related with the normal operating cycle that the Group intends to settle during said cycle, and those that are expected to mature or expire within twelve months of the reporting period. They include salaries payable. All other liabilities are classified as non-current.

l) Other non-current assets and liabilities

"Other current assets" and "Other non-current assets" in the consolidated statement of financial position comprise the balance of assets not recognised under other line items, and include advances and loans to personnel and other assets.

"Other current liabilities" and "Other non-current liabilities" in the consolidated statement of financial position comprise the balance of payables not included in other categories.

These balances include all prepayments and accrued income and accrued expenses and deferred income, with the exception of accrued interest which is recognised in the line items including the financial instruments giving rise to the corresponding interest balances. They are also classified as "current" and "non-current" as per the criteria described in point k) of this note.

m) Own equity instruments

An equity instrument represents a residual interest in the assets of the Company after deducting all of its liabilities. Own equity instruments are only those that meet the following conditions:

- The instrument includes no contractual obligation for the issuer that requires it: (i) to deliver cash or another financial asset to another entity; or (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

- If the instrument will or may be settled in the issuer's own equity instruments, it is: (i) a non-derivative that includes no contractual obligation for the issuer to deliver a variable number of its own equity instruments; or (ii) a derivative that will be settled only by the issuer exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

Gains or losses on trading in own equity instruments, including issuance and cancellation of these instruments, are recognised directly against equity. Any costs incurred in transactions involving own equity instruments are charged against equity after deducting any related tax incentives.

The changes in value of own equity instruments are not recognised in the financial statements. The considerations received or delivered in exchange for these instruments are directly included in or deducted from consolidated equity.

n) Assets under management

Assets managed by the Group that are owned by third parties are not recognised in the consolidated statement of financial position. Income from such activity is recognised under "Revenue" in the consolidated statement of profit or loss (see Note 25).

o) Personnel expenses

Pension plan and other post-employment commitments

The Group had no material pension plan commitments with its staff at the 2020 and 2019 reporting closes.

Termination benefits

Under current Spanish legislation, the Group is required to pay termination benefits to employees whose employment is terminated when certain conditions are met. Compensation paid to employees laid off in 2020 and 2019 is recognised under "Personnel expenses" in the consolidated statement of profit or loss (see Note 26). The Company's directors considered that at 31 December 2020 and 2019, there were no reasons for booking an additional provision for such commitments at said dates.

p) Income tax

Income tax expenses or income tax rebates include both current and deferred tax expense or income and are recognised under "Income tax" on the consolidated statement of financial position.

A temporary difference exists when there is a difference between the carrying amount of an asset or liability and its tax base. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes. A taxable temporary difference is one that will generate a future obligation for the Group to make a payment to the related tax authorities. A deductible temporary difference is one that will generate a right for the Group to a rebate or a reduction in the tax charge in the future.

Tax credits and deductions and tax loss carryforwards are amounts that, after performance of the activity or obtainment of the profit or loss giving entitlement to them, are not used for tax purposes in the related tax return until the conditions for doing so established in the tax regulations are met, and the Group considers it probable that they will be used in future periods.

Current tax assets and liabilities are the taxes that are expected to be recoverable from or payable to the related tax authorities within 12 months from the date they are recognised. Deferred tax assets and liabilities are amounts of income tax expected to be recoverable or payable, respectively, in future periods.

Deferred tax liabilities are recognised for all significant taxable temporary differences. Deferred tax assets arising from deductible temporary differences and from tax credits and rebates and tax loss carryforwards are only recognised when it is deemed probable that the Group will generate future taxable profits against which these assets may be utilised.

Deferred tax assets and liabilities are not recognised in connection with the initial recognition of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither accounting profit (loss) nor taxable profit (tax loss).

The deferred tax assets and liabilities recognised are reassessed each year in order to ascertain whether they still exist, and the appropriate adjustments are made on the basis of the findings of the analyses performed.

Article 7 of Act 16/2012 of 27 December, adopting various tax measures aimed at consolidating public finances and boosting economic activity, establishes that depreciation and amortisation of property and equipment, intangible assets and investment property for the tax periods beginning in 2013 and 2014 for those entities that, in those years, did not meet the requirements established in sections 1, 2 or 3 of Article 108 of the Consolidated Spanish Corporate Tax Act (approved by Royal Decree-Law 4/2004 of 5 March) will be deducted from the tax base up to 70% of that which would have been tax deductible if this percentage had not been applied, pursuant to sections 1 and 4 of Article 11 of this act. Any depreciation or amortisation charges that are not tax deductible pursuant to this article will be deducted on a straight-line basis over 10 years or, optionally, over the useful life of the asset as from the first tax period beginning in 2015. Moreover, Additional Transitional Provision 37 of Corporate Tax Act 27/2014 of 27 November, establishes that taxpayers subject to the tax rate stipulated in section 1 of Article 29 of said act and to whom the limit on tax-deductible depreciation and amortisation charge set forth in Article 7 of Act 16/2012 of 27 December, applies will be entitled to deduct from the tax liability 5% of the amounts in the tax base (2% in the tax periods beginning in 2015) deriving from depreciation and amortisation charges not deducted in the tax periods commencing in 2013 and 2014.

Article 13,2 of Spanish Corporate Tax Act 27/2014 of 27 November provides that impairment losses on property, plant and equipment, on investment property, on intangible assets (including goodwill), on securities representing a share of the capital or equity of entities and on debt securities are not considered tax deductible expenses. In this respect, Transitional Provision 15 of Corporate Tax Act 27/2014 of 27 November provides that the reversal of impairment losses on property, plant and equipment, investment property, intangible assets and debt securities that were considered tax deductible in tax periods begun prior to 1 January 2015 will be included in the Corporate Tax base for the tax period in which their value is recovered for accounting purposes; and Transitional Provision 16 of said Corporate Tax Act provides that the reversal of impairment losses on securities representing a share of the capital or equity of entities that were taken as tax deductible in the Corporate Tax base in tax periods begun prior to 1 January 2013 (in accordance with the provisions of the then prevailing Royal Decree 4/2004 of 5 March which approved the revised text of the Corporate Tax Act), irrespective of their accounting allocation in the profit or loss statement, will be included in the tax base for the period in which the value of equity at year-end exceeds the value at the start of the year, in proportion to their share, taking into account the contributions or returns of contributions made therein, and limited by said excess, For these purposes, the positive difference between the value of equity at the end and start of the year, on the terms of this paragraph, will be understood to correspond, first, to impairment losses that have been taken as tax deductible.

Nevertheless, Royal Decree-Law 3/2016 of 2 December, which adopted tax measures aimed at strengthening public finances and other urgent social measures, provides that, in all cases, the reversal of impairment losses on securities representing a share of the capital or equity of entities that were tax deductible in the Corporate Tax base in tax periods begun prior to 1 January 2013, will be included, at least, in equal parts in the tax base for each of the five tax periods begun on or after 1 January 2016.

Corporation Tax Law 27/2014, of 27 November, establishes, inter alia, a reduction over two years of the standard corporate income tax rate which was 30% until 31 December 2014. Since 1 January 2016 the rate has been 25%.

Lastly, Article 16 of Corporate Tax Act 27/2014 of 27 November provides that net financial expenses will be deductible up to the limit of 30 percent of operating profit for the year (within the meaning given in said article). In any event, net financial expenses of EUR 1 million will be deductible for the tax period.

As a result of the takeover described in Note 1, at its meeting on the 22 July 2015 the Company's Board of Directors resolved that the Company would file consolidated tax returns with the Alantra Group of which it is parent (see Note 20) and includes certain group companies.

Further, as a result of the aforementioned merger, at its meeting on 22 July 2015 the Company's Board of Directors agreed to file VAT returns under the special regime for the new tax group of which it is parent (see Note 20) and includes certain group companies.

The Company filed individual tax returns prior to the Merger described in Note 1 because it did not pertain to a group.

q) Consolidated statement of cash flows

The following terms are used in the consolidated statement of cash flows:

- Cash flows: inflows and outflows of cash and cash equivalents, which are considered current, highly liquid investments that have little risk of changing in value.

- Operating activities: the principal revenue-producing activities of the Group, and other activities that are not investing or financing activities.

- Investing activities: the acquisition and disposal of non-current assets and other investments not included in cash and cash equivalents.

- Financing activities: activities that result in changes in the size and composition of the equity and borrowings of the Group provided these are not operating activities.

In preparing the consolidated statements of cash flows, "Cash and cash equivalents" were considered to be short-term, highly liquid investments that are subject to an insignificant risk of changes in value, The Group therefore classifies the balances of current accounts and any time deposits or those concerning reverse repurchase agreements under "Cash and cash equivalents" on the assets side of the consolidated statement of financial position (see Note 14).

A reconciliation of the carrying amount of the liabilities arising from the Group's financing activities is set out in Note 18, distinguishing those changes that generate cash flows from those that do not.

r) Consolidated other comprehensive income

The consolidated statement of other comprehensive income presents the income and expenses generated by the Group as a result of its business activity in the year. A distinction is made between income and expenses recognised in the consolidated statement of profit or loss, on one hand, and, on the other, income and expenses recognised directly in consolidated equity pursuant to prevailing laws and regulations.

Accordingly, this statement presents:

a. The consolidated profit or loss for the period.

b. Net income and expense recognised temporarily in consolidated equity (and therefore subsequently taken to profit and loss for the period).

c. Net income and expense recognised definitively in consolidated equity (and therefore not subsequently taken to profit and loss for the period).

d. The income tax incurred in respect of the items indicated in b) and c) above.

e. Total recognised income and expense, calculated as the sum of all of the above (total comprehensive income for the period).

Changes in income and expense recognised in consolidated equity as hedging transactions, debt instruments at fair value through other comprehensive income, translation differences or share in other comprehensive income from investments in joint ventures and associates, as well as other income and expenses are broken down into:

a. Valuation gains (losses): includes the amount of income, net of expenses incurred in the year, recognised directly in consolidated equity.

b. Amounts transferred to profit or loss: includes the amount of the revaluation gains and losses previously recognised in equity, albeit in the same year, which are recognised in the consolidated statement of profit or loss.

c. Other reclassifications: includes, where applicable, the amount of the transfers made in the year between line items in accordance with current regulations.

The amounts of these items are presented gross and the related tax effect is recognised under "Income tax", except for amounts relating to entities accounted for using the equity method which are presented net of the tax effect.

s) Consolidated statement of changes in equity

The consolidated statement of changes in equity presents all the changes in consolidated equity, including any arising from changes in accounting policies and from the correction of errors. This statement accordingly presents a reconciliation between the carrying amount of each component of consolidated equity at the beginning and the end of the period, grouping changes into the following headings according to their nature:

a. Adjustments for changes in accounting criteria and restatements to correct errors: include the changes in consolidated equity arising as a result of the retrospective adjustments and restatements of the balances in the consolidated financial statements due to changes in accounting policies or to the correction of errors.

b. Total comprehensive income for the period: includes, in aggregate form, the total items recognised in the consolidated statement of recognised income and expense.

c. Transactions with partners and owners: includes any items recognised in relation to capital increases and decreases, dividend pay-outs, transactions with treasury shares and own equity instruments, and other transactions with partners and owners.

d. Other changes in equity: includes the remaining items recognised in consolidated equity, including allocations of profit, equity-instrument-based payments, transfers between consolidated equity items, and any other increases or decreases in consolidated equity.

t) Foreign currency transactions

The Group's functional currency and presentation currency in its consolidated financial statements is the euro. Therefore, transactions in currencies other than the euro are deemed to be foreign currency transactions and are recognised by applying the exchange rates prevailing at the date of the transaction.

Balances in foreign currencies are translated to euros in two consecutive phases:

- Translation of foreign currency to the functional currency (currency of the primary economic environment in which the entity operates) and

- Translation to euros of the aforesaid balances in the functional currencies of the entities with a non-euro functional currency.

Exchange differences arising on translating foreign currency balances into the functional currency of consolidated entities are generally recognised net under "Exchange differences" in the consolidated statement of profit or loss. As an exception to this rule, exchange differences concerning financial instruments measured at fair value through profit or loss are recognised in the consolidated statement of profit or loss together with all other changes that may affect the fair value of the instrument, and exchange differences arising on non-monetary items measured at fair value through equity are recognised under "Items that can be subsequently reclassified to profit or loss for the period – Translation differences" in the consolidated statement of financial position until they are realised.

At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates then prevailing. Any resulting gains or losses, where applicable, are recognised directly in the consolidated statement of profit or loss in the year in which they arise.

The gain generated on the acquisition of a business abroad is recognised in the same functional currency as the business and converted at the rate prevailing at the end of the reporting period.

Income and expenses arising from exchange differences on intragroup payables and receivables denominated in a currency other than the functional currency of one of the parties are not eliminated on consolidation. Unless the payable or receivable is part of a net investment in a foreign company, said differences are recognised in the consolidated statement of profit or loss.

The exchange rates used by the Company in translating the foreign currency balances to euros for the purpose of preparing the financial statements, taking into account the criteria mentioned above, were the official rates published by the European Central Bank.

In 2020 and 2019, the Group held cash in foreign currencies (i.e., currencies other than the functional currency of each company at individual level). The Group granted loans to the former shareholders of Alantra LLC in foreign currency and granted a credit facility of up to GBP 1,5 million to the former shareholders of Alantra Corporate Finance, LLP, which was drawn down in 2019 (see Note 2.14). It also holds other assets and liabilities in foreign currencies. These concepts basically generated a net gain during the year of EUR 485 thousand (net loss of EUR 697 thousand in 2019). These amounts are recognised under "Exchange differences" in the consolidated income statements.

Translation of financial statements denominated in foreign currencies

The financial statements of subsidiaries with a functional currency other than the presentation currency (the euro) were translated to euros as follows:

- The assets and liabilities in their consolidated statement of financial position were translated at the exchange rates prevailing at the end of the reporting period.

- Equity items were translated at historical exchange rates.

- Profit or loss statement items and the corresponding reserves were translated at the cumulative average exchange rates for the period in which they arose. Pursuant to that policy, the Group considers that during the year there were significant variations in exchange rates which, due to their relevance for the accounts as a whole, required application of the exchange rate prevailing at the transaction date instead of the aforesaid average exchange rates.

- Any resulting exchange differences were recognised as a separate component of equity under "Items that can be subsequently reclassified to profit and loss for the period – Translation differences" or "Non-controlling interests".

When control, joint control or a significant influence over a company with a functional currency other than the euro is lost, the translation differences recognised as a component of equity relating to that company are recognised in profit or loss at the same time as the gain or loss on the disposal is recognised. If the investee with a functional currency other than the euro is a jointly-controlled entity or associate and it is partially disposed of, without giving rise to a change in its classification as an investee or the jointly-controlled entity becomes an associate, only the proportional part of the translation differences is recognised in profit or loss, If an ownership interest in a subsidiary with these characteristics is disposed of without losing control over said company, this proportional part of the cumulative translation difference is attributed to the share of non-controlling interests.

The exchange values in euros of the main consolidated asset and liability balances held by the Group in foreign currencies at 31 December 2020, classified according to their nature, are detailed below:

	Thousands of Euros			
	Exchange Value			
	US Dollar	Pound Sterling	Other Currencies	Total Foreign Currencies
Assets:				
Intangible assets – Goodwill (Note 6)	19,241	29,179	12,609	61,029
Property and equipment (Note 7)	599	3,474	224	4,297
Investments accounted for using the equity method (Note 8)	-	12,134	43	12,177
Non-current financial assets (Note 9)	79	429	190	698
Trade and other receivables – Trade receivables (Note 11)	966	4,312	3,857	9,135
Trade and other receivables – Other receivables (Note 20)	82	711	1,262	2,055
Current financial assets (Note 12)	-	49	575	624
Cash and cash equivalents – Current accounts (Note 14)	10,231	12,398	6,011	28,640
Total assets	**31,198**	**62,686**	**24,771**	**118,655**
Liabilities:				
Non-current financial liabilities (Note 18)	777	1,167	646	2,590
Deferred tax liabilities (Note 20)	223	19	-	242
Current financial liabilities (Note 18)	338	915	1,495	2,748
Non-Current Provisions (Note 17)	36	52	40	128
Trade and other payables-				
Payables to suppliers	523	2,354	588	3,465
Other payables	4,512	9,259	1,117	14,888
Current tax liabilities	179	249	475	903
Total liabilities	**6,588**	**14,015**	**4,361**	**24,964**

The exchange values in euros of the main consolidated asset and liability financial position held by the Group in foreign currencies at 31 December 2019, classified according to their nature, are detailed below:

	Thousands of Euros Exchange Value			
	US Dollar	Pound Sterling	Other Currencies	Total Foreign Currencies
Assets:				
Intangible assets – Goodwill (Note 6)	21,017	30,833	12,545	64,395
Property and equipment (Note 7)	1,134	3,295	418	4,847
Investments accounted for using the equity method (Note 8)	-	11,167	73	11,240
Non-current financial assets (Note 9)	87	437	173	697
Trade and other receivables – Trade receivables (Note 11)	4,633	6,388	597	11,618
Current financial assets (Note 12)	2,173	1	575	2,749
Cash and cash equivalents – Current accounts (Note 14)	5,875	5,418	10,863	22,156
Total assets	**34,919**	**57,539**	**25,244**	**117,702**
Liabilities:				
Non-current financial liabilities (Note 18)	1,261	1,842	2,503	5,606
Deferred tax liabilities (Note 20)	29	541	-	570
Current financial liabilities (Note 18)	2.473	950	1,774	5,197
Non-Current Provisions (Note 17)	53	38	40	131
Trade and other payables-				
Payables to suppliers	4,028	11,332	5,444	20,804
Current tax liabilities	114	909	1,163	2,186
Total liabilities	**7,958**	**15,612**	**10,924**	**34,494**

The effect of translating values in the functional currencies of the foreign companies to the Company's functional currency is recognised under "Items that can be subsequently reclassified to profit and loss for the period – Translation differences". The breakdown of this line item by company at 31 December 2020 and 2019 is as follows:

		Thousands of Euros	
	Currency	31-12-2020	31-12-2019
Nplus1 Singer Ltd (1) (5)	Pound sterling	(1,063)	(219)
Alantra AG (2)	Swiss franc	931	974
Alantra US Corporation, LLC (2) (3)	US dollar	(2,758)	(292)
Alantra Chile SPA (2) (4)	Chilean peso	(632)	(589)
EQMC GP, LLC (2)	US dollar	(1)	(1)
Alantra Nordics, AB (2) (6)	Swedish krona	25	(14)
Alantra Corporate Finance, LLP (2)	Pound sterling	(754)	1,087
Alantra Corporate Portfolio Advisors International Limited (2) (7)	Pound sterling	(262)	114
Alantra Corporate Finance México, S.A. de C.V., (2)	Mexican peso	25	(7)
Alantra ICA UK Ltd (2) (8)	Pound sterling	(6)	(4)
Alantra Investment Advisory (Shanghai) Co, Ltd (2) (8)	Chinese yuan	(40)	(5)
Alantra Hong Kong Limited (8)	Hong Kong dollar	(2)	-
		(4,537)	**1,044**

(1) Companies consolidated using the equity method (see Note 2.14)
(2) Fully consolidated companies (see Note 2.14).
(3) Includes the effect of unifying the treatment of subsidiary Alantra, LLC, which is fully consolidated and whose functional currency is the US dollar.

(4) Includes the effect of unifying the treatment of subsidiary Landmark Capital S.A., which is consolidated using the equity method and whose functional currency is the Chilean peso.
(5) Includes the effect of unifying the treatment of subsidiary Nplus1 Singer Ltd, which is consolidated using the equity method and whose functional currency is the Pound sterling.
(6) Includes the effect of unifying the treatment of subsidiary Denmark ApS, which is fully consolidated and whose functional currency is the Danish krone.
(7) Includes the effect of unifying the consolidation of Alantra Corporate Portfolio Advisors International Limited which is fully consolidated and has the Pound sterling as its functional currency.
(8) Company incorporated during 2019.

u) Related-party transactions

Related-party transactions are those carried out with group companies and entities or individuals meeting the requirements set forth in IAS 24.

The Group carries out all transactions with related parties at arm's length.

v) Provisions and contingencies

In preparing the consolidated financial statements, the Company's directors distinguish between:

a. Provisions: balances payable for an amount that is estimated to cover present obligations, arising from past events, whose nature is clearly specified but of uncertain timing or amount, the settlement of which is expected to result in an outflow of resources embodying economic benefits. These obligations may arise as a result of:

   - A legal or contractual obligation.

   - A tacit or implicit obligation deriving from the creation by the Group of a valid expectation on the part of third parties with regard to its discharge of certain responsibilities. These expectations are created when the Group publicly accepts certain responsibilities or by means of an established pattern of past behaviour or published policies.

   - The virtually certain trend in regulation in certain aspects, specifically draft legislation which the Group will certainly be bound by.

   Over the ordinary course of its operations, the Group is subject to the supervision of competent regulatory bodies. The Company's directors do not expect any matters to arise as a result of the actions of these bodies that would have a significant impact on the accompanying consolidated financial statements.

   Provisions are quantified using the best information available regarding the consequences of the obligating event and are re-estimated at each reporting date, taking into account the financial effect if significant. The same provisions are applied to meet the specific obligations for which they were initially recognised and are reversed, totally or partially, whenever said obligations disappear. They are recognised under "Non-current provisions" and "Current provisions" in the consolidated statement of financial position according to their nature.

b. Contingent liabilities: possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. They include present obligations whose settlement is not likely to generate an outflow of cash resources embodying economic benefits or whose amount cannot be quantified in a sufficiently reliable manner.

c. Contingent assets: possible assets that arise from past events and whose existence is conditional on, and will be confirmed only by, the occurrence or non-occurrence of events beyond the control of the Group. Contingent assets are not recognised in either the consolidated statement of financial position or the consolidated statement of profit or loss, but their existence is disclosed in the accompanying notes wherever it is deemed probable that they will give rise to an inflow of resources embodying economic benefits.

Contingent liabilities are recognised neither in the consolidated statement of financial position nor in the consolidated statement of profit or loss (except for those recorded in a business combination), but are disclosed in the consolidated financial statements.

At the end of 2020 certain litigation and claims were in process against the Company arising from the ordinary course of its operations. The Company's directors and external lawyers consider that it is unlikely these legal proceedings will prejudice the Company and that it is not necessary to recognise a provision at year-end 2020.

w) Business combinations

The acquisition by the parent of control over a subsidiary constitutes a business combination and is accounted for using the acquisition method. In subsequent consolidations, the elimination of the investment in, or net assets of, these subsidiaries is carried out, as a general rule, on the basis of the amounts resulting from the use of the acquisition method on the date control was obtained. Thus, the acquisition date is determined and the cost of the business combination calculated, recognising the identifiable assets acquired and liabilities assumed at their fair value on said date.

The cost of the business combination is the sum of:

- The acquisition-date fair values of any assets transferred, liabilities incurred or assumed and equity instruments issued, and

- The fair value of any contingent consideration that depends on future events or on compliance with certain pre-established conditions.

The cost of the business combination does not include expenses relating to the issue of equity instruments offered or financial liabilities delivered in exchange for the items acquired.

Lawyers' fees and fees for other professional services related to the combination, in addition to expenses generated internally in this connection, are also excluded from the cost of the combination. These amounts are taken directly to consolidated statement of profit or loss.

In a business combination achieved in stages, goodwill or negative goodwill on any previously held equity interest prior to the acquisition date (the date on which it gains control) is the difference between:

- The cost of the business combination plus the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and

- The value of the identifiable assets acquired less the liabilities undertaken, determined in the manner described above.

The acquirer will also recognise an asset in the consolidated statement of financial position under "Intangible assets – Goodwill" if on the acquisition date there is a positive difference between:

- The sum of the price paid plus the amount of all non-controlling interests, plus the fair value of any previously held equity interest in the acquiree; and

- The fair value of the assets acquired and liabilities assumed,

In the exceptional case that the difference arising in the business combination is negative, it is recognised as income in the consolidated statement of profit or loss (see Note 1).

Any gain or loss arising from measurement at fair value at the date control of the investee is obtained is recognised in the consolidated statement of profit or loss. If the equity interest had been measured previously at fair value, any changes in fair value not recognised in profit or loss for the period are transferred to the consolidated statement of profit or loss. The cost of the business combination is presumed to be the best estimate of acquisition-date fair value of any previously held equity interest (see Note 2.14).

If the measurement procedures of a business combination necessary to apply the acquisition method explained above are incomplete by the end of the reporting period, the acquirer will report the provisional amounts. The acquirer may adjust the provisional amounts recognised during the period necessary to obtain the required information. This period will not exceed one year. The effects of the adjustments made in this period are accounted for retrospectively, also adjusting the comparative information retrospectively if necessary.

Subsequent changes in the fair value of the contingent consideration are recognised in profit or loss, unless the consideration was classified as equity, in which case, subsequent changes in its fair value are not recognised.

x) Non-current assets held for sale

Non-current assets held for sale and directly associated liabilities (disposal group) which will be disposed of jointly, as a group, in a single transaction, are measured at the lower of their carrying amount and fair value less costs to sell.

A non-current asset (or disposal group including current and non-current assets and liabilities) is classified as held for sale if its carrying amount will be recovered primarily through its sale rather than through continued use.

In order to apply the aforesaid classification, the asset or disposal group must be available for immediate sale in their present condition, subject to normal and usual terms and conditions of sale of these assets, and their sale must be highly probable and be expected to take place within 12 months. For the sale to be highly probable, management must be committed to a plan to sell the asset, and an active programme to locate a buyer and complete the plan must have been initiated.

As explained in Note 2.14. pursuant to prevailing legislation, the Company's directors classified the assets and liabilities allocated to Atlántida Directorship, S.L. Sole-Shareholder Company as held for sale, which entails certain presentation and disclosure requirements with regard to the 2020 consolidated financial statements, as described in previous paragraphs.

At the date of authorisation for issue of the accompanying financial statements, the disposal is expected to take place in the second quarter of 2021. The Group considers the fair value less costs to sell of Atlántida Directorship. S.L, Sociedad Unipersonal is higher than its carrying amount.

At 31 December 2020 the Group therefore presents separately in the consolidated statement of financial position the assets and liabilities associated with the investment in Atlántida Directorship, S.L. Sociedad Unipersonal ("Non-current assets held for sale" and "Liabilities associated with non-current assets held for sale", respectively) – see Note 10.

y) Share-based payments

The Group measures goods or services received and any corresponding increase in equity in transactions with share-based payments directly at the fair value of the goods or services received, unless the fair value cannot be reliability estimated. If the Group cannot reliably estimate the fair value of the goods or services received, their value and any corresponding increase in equity will be measured indirectly based on the fair value of the equity instruments allocated.

If the equity instruments granted do not vest until the counterparty completes a specified period of service, the Group shall presume that the services to be rendered by the counterparty as consideration for those equity instruments will be received in the future, during the vesting period. The Group shall account for those services as they are rendered by the counterparty during the vesting period, with a corresponding increase in equity.

Typically, equity instruments are granted to employees on the basis they continue to provide their services in the Group over a specific period of time, Conditions may also be imposed involving performance targets (such as a specified increase in the Group's profit or increase in its share price). Any vesting conditions other than market conditions shall not be taken into consideration when estimating the fair value of the shares or equity instruments on the measurement date.

When applying the aforementioned requirements, the Group recognises an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and revises that estimate, if necessary, if subsequent information indicates that the number of equity instruments expected to vest differs from previous estimates. On a cumulative basis, no amount is recognised for goods or services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition.

Two of the subsidiaries are subject to a shareholders' agreement including the payment of shares in this subsidiary, although this has no material impact on the accompanying consolidated financial statements (see Note 2).

z) Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the Group's most senior operating decision-maker (Board of Directors) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment reporting as per applicable standards (IFRS 8) for the main business units, geographies and main customers is provided in Note 29.

4. Distribution of the Company's profit

a) Distribution of the Company's profit

At the General Meeting on 28 October 2020, shareholders approved the proposed distribution of the Company's profit for the year ended 31 December 2019.

The proposed distribution of the Company's 2020 profit that the Board of Directors will bring before the General Meeting for approval is shown below, together with the proposal approved for 2019:

	Thousands of Euros	
	2020	2019
Basis of distribution:		
Net profit for the period	24,619	37,201
Distribution:		
Legal reserve	-	-
Final dividend	15,012	6,972
Interim dividends–		
Approved prior to year-end	9,607	30,229
	24,619	**37,201**

On 28 October 2020, the Company's General Meeting agreed to distribute a final dividend of EUR 6,972 thousand against 2019 profits. This final dividend was paid on 11 November 2020.

At its meeting on 28 October 2020, the Company's General Meeting also resolved to distribute an interim dividend of EUR 9,607 thousand against 2020 profit, which was paid on 11 November 2020.

On 29 April 2019, the Company's General Meeting agreed to distribute a final dividend of EUR 8,055 thousand against 2018 profits. This final dividend was paid on 13 May 2019.

At its meeting on 29 April 2019, the Company's General Meeting also resolved to distribute an interim dividend of EUR 7,407 thousand against 2019 profit, which was paid on 13 May 2019.

Furthermore, on 12 December 2019 the Company's Board of Directors resolved by way of a written vote not at a board meeting to distribute another interim dividend of EUR 22,822 thousand against 2019 profit, which was paid on 19 December 2019.

The provisional financial statements prepared by the Company's Board of Directors pursuant to legal requirements (Article 277 of the Spanish Corporate Enterprises Act) demonstrating the existence of sufficient funds to distribute said interim dividends were as follows:

	Thousands of Euros		
	28 March 2019	30 November 2019	1 Octuber 2020
Net profit at dividend distribution date	13,655	40,026	17,431
Interim dividend paid out	-	7,407	-
Allowance to legal reserve	-	-	-
Available net profit	13,655	32,619	17,431
Amount of profit proposed for distribution	**7,407**	**22,822**	**9,607**
Available cash before pay-out (including repo)	12,139	25,282	29,120 (*)
Gross amount of interim dividend	7,407	22,822	9,607
Remaining cash	**4,732**	**2.460**	**19,513**

(*) Including the fair value of Mutuafondo Corto Plazo, FI.

b) Earnings per share

i. Basic earnings per share

The Group's basic earnings per share is calculated by dividing its net profit for a specific period by the weighted average number of shares outstanding during said period, excluding the average number of treasury shares held in the period.

Accordingly:

	Thousands of Euros	
	2020	2019
Net profit for the period attributable to the parent	29,026	40,134
Weighted average number of shares outstanding	38,475,799.09	38,571,928.75
Conversion of convertible debt	-	-
Adjusted number of shares	38,475,799.09	38,571,928.75
Basic earnings per share (euros)	**0,75**	**1,04**

ii. Diluted earnings per share

The Group's diluted earnings per share is calculated by dividing net profit for the period attributable to ordinary shareholders, adjusted for the effects of dilutive potential ordinary shares and the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares of the Company.

The diluted earnings per share would therefore be:

	Thousands of Euros	
	2020	2019
Net profit for the period attributable to the parent	29,026	40,134
Adjusted number of shares	38,475,799.09	38,571,928.75
Basic earnings per share (euros)	**0,75**	**1,04**

Treasury stock from 2020 and 2019 has been taken into account to calculate the adjusted number of shares.

5. Remuneration and other benefits to the Company's Board of Directors and Key Management Personnel

5.1 Remuneration of the Board of Directors

As per the Company's Bylaws, board members will be remunerated as follows for performing their duties as such:

- A fixed annual fee; and

- Per diems for attending meetings of the Board of Directors and the Board committees on which they serve.

On approval by shareholders at the General Meeting, board remuneration can consist of the delivery of shares or share options. At the General Meeting, shareholders will, where applicable, set the maximum number of shares that can be assigned each year, the price or system for calculating the strike price of the options, or the value of the shares that may be used as a reference, and the duration of the plan. This method of remuneration has not been used to date.

Each board member's remuneration for serving on the Board will bY sie determined by the Board of Directors taking into account his/her duties and responsibilities, positions held on board committees and other relevant objective factors.

An individual breakdown of the remuneration of the Company's board members, showing fixed pay and *per diems* for attending the meetings of the Board and board committees in 2020 and 2019 is as follows:

Board Member	Type of Director	Euros			
		2019		2018	
		Fixed Remuneration	Per Diem	Fixed Remuneration	Per Diem
Mr. Santiago Eguidazu Mayor	Executive	34,000	13,500	54,000	13,500
Mr. Santiago Bergareche Busquet	External	44,000	13,500	54,000	13,500
Mr. Alfred Merton Vinton (1)	External	-	-	15,500	3,750
Mr. José Javier Carretero Manzano	Independent	26,000	21,000	36,000	25,500
Mr. Luis Carlos Croissier Batista	Independent	35,000	23,250	45,000	27,000
Mr. Jorge Mataix Entero	Proprietary	16,000	17,250	36,000	18,000
Mr. José Antonio Abad Zorrilla	Proprietary	16,000	17,250	36,000	18,000
Ms. María Luisa Garaña Corces	Independent	26,000	21,000	36,000	18,000
Mr. Josep Pique Camps	Proprietary	26,000	10,500	36,000	12,000
Ms. Diane Segalen (2)	Independent	26,000	16,500	15,800	6,750
		249,000	153,750	364,300	156,000
		402,750		**520,300**	

(1) Mr. Alfred Merton Vinton, ceased to be a director on 5 June 2019.

(2) Diane Segalen was coopted as a director of the Company on5 June 2019. Her appointment as a member of the Board of Directors was also ratified by shareholders at the 28 October 2020 General Meeting.

The Board of Directors also agreed to the payment of an additional fixed remuneration in 2020 and 2019 to the following Directors for their additional dedication to their duties as Directors:

	Euros	
	2020	2019
Mr. Santiago Bergareche Busquet	-	10,000
Mr. Alfred Merton Vinton	-	35,000
Mr. José Javier Carretero Manzano	30,000	40,000
Mr. Luis Carlos Croissier Batista	30,000	40,000
Ms. María Luisa Garaña Corces	30,000	20,000
Mr. Josep Pique Camps	-	10,000
Ms. Diane Segalen	-	10,000
	90,000	**165,000**

At the end of the 2020 and 2019 reporting periods, Alantra Partners, S.A. had 9 directors (7 men and 2 women).

The amount accrued in this respect was EUR 493 thousand and EUR 685 thousand in 2020 and 2019, respectively, recorded under "Other operating expenses" in the 2020 and 2019 consolidated statement of profit or loss (see Note 27). At 31 December 2020 and 2019, some EUR 193 thousand and EUR 308 thousand, respectively were pending payment in this respect, which are included under "Trade and other payables – Other payables" on the liabilities side of the consolidated statement of financial position (see Note 19).

In 2020, EUR 608 thousand was effectively paid for this concept (EUR 655 thousand in 2019).

At 31 December 2020 and 2019, no loans or advances had been granted to the Company's serving and former board members, and no guarantee obligations or pension or life insurance commitments had been assumed on their behalf.

In 2020 and 2019, the Company recorded EUR 24 thousand and EUR 18 thousand, respectively, under "Other operating expenses" in the 2020 and 2019 consolidated statement of profit or loss in respect of the premiums paid for civil liability insurance covering damages caused by acts or omissions of Directors.

Board members' ownership interests in the Company

Pursuant to Act 26/2003 of 17 July, amending Securities Market Act 24/1988 of 28 July, and the Corporate Enterprises Act, the Company is required to disclose any ownership interests in the Company held by the board members of Alantra Partners, S.A.

A breakdown of the ownership interests in the Company of members of the Board of Directors at 31 December 2020 and 2019 is as follows:

	31/12/2020 (1)				31/12/2019 (1)			
	Total Shares	Total Shares	Total Shares	Total Shares	Total Shares	Percentage Ownership Interest	Direct	Indirect
Mr. Santiago Eguidazu Mayor	6,756,273	17.49%	1,033,969	5,722,304	6,756,273	17.49%	1,033,969	5,722,304
Mr. Santiago Bergareche Busquet	14,351	0.04%	4,522	9,829	14,351	0.04%	4,522	9,829
Mr. Alfred Merton Vinton	-	-	-	-	-	-	-	-
Mr. José Javier Carretero Manzano	20,000	0.05%	20,000	-	20,000	0.05%	20,000	-
Mr. Luis Carlos Croissier Batista	-	-	-	-	-	-	-	-
Mr. Jorge Mataix Entero	2,754,780	7.13%	192,038	2,562,742	2,754,780	7.13%	212,038	2,542,742
Mr. José Antonio Abad Zorrilla	2,764,132	7.16%	100,000	2,664,132	2,764,132	7.16%	100,000	2,664,132
Ms. María Luisa Garaña Corces	-	-	-	-	-	-	-	-
Mr. Josep Pique Camps	-	-	-	-	-	-	-	-
Ms. Diane Segalen	-	-	-	-	-	-	-	-
	12,309,536	**31.87%**	**1,350,529**	**10,959,007**	**12,309,536**	**31.87%**	**1,370,529**	**10,939,007**

(1) At 31 December 2020 and 2019, the Company's capital was represented by 38,631,404 shares.

5.2. Remuneration of Key Management Personnel and members of the Board of Directors as directors of the Company

At 31 December 2020 and 2019, the Group had three and four senior managers, respectively (not including the executive director). Based on this figure, total remuneration to key management personnel in 2020 was EUR 1,834 thousand; recognised under "Personnel expenses" in the consolidated statement of profit or loss (EUR 3,624 thousand at 31 December 2019) - see Note 26 -. At 31 December 2020, EUR 1,120 thousand was payable for this concept and recognised under "Trade and other payables – Other payables" on the liabilities side of the consolidated statement of financial position (31 December 2019: EUR 2,562 thousand) (see Note 19). These were practically all settled in full at the date of preparation of the accompanying consolidated financial statements. The amount actually paid for this item in 2020 was EUR 3,276 thousand (EUR 2,722 thousand in 2019).

The Board chairman, Mr. Santiago Eguidazu Mayor, accrued EUR 1,000 thousand fixed remuneration and a EUR 1,185 thousand bonus in 2020 for serving as executive director, which was approved by the Board of Directors on the recommendation of the Appointments and Remuneration Committee (2019: EUR 1,000 thousand fixed, and EUR 1,959 thousand bonus). At 31 December 2020, EUR 1,435 thousand was payable for this concept and recognised under "Trade and other payables – Other payables" on the liabilities side of the consolidated statement of financial position (31 December 2019: EUR 2,209 thousand) (see Note 19), An amount of EUR 2,959 thousand was effectively paid in this connection in 2019 (31 December 2019: EUR 2.484 thousand). At the date of preparation of the accompanying consolidated financial statements, EUR 961 thousand had been settled in this connection.

This bonus has two components: i) a quantitative component (requiring the approval of the Company's audit committee) equivalent to 3.2% of the Company's pre-tax profit, excluding the result of operations or accounting adjustments not realised in cash or cash equivalents, which the Company's Audit Committee is required to verify; and ii) a qualitative component calculated according to criteria, indicators and/or parameters determined annually by the Appointments and Remuneration Committee.

At 31 December 2020 and 2019, no loans or advances had been granted to the Company's serving and former key management personnel, and no guarantee obligations or pension or life insurance commitments had been assumed on their behalf.

Information regarding directors' conflicts of interest

At year-end 2020, none of the Company's directors had reported to the Board of Directors any situation of direct or indirect conflicts between the interests of the Company and their own or those of related parties.

6. Intangible assets

a) Goodwill

At 31 December 2020 and 2019, "Intangible assets – Goodwill" on the assets side of the consolidated statement of financial position included goodwill generated from the acquisition of shares conferring control of the following companies:

	Year Control Taken	Thousands of Euros	
		31/12/2020	31/12/2019
By investee:			
Alantra Equities, Sociedad de Valores, S.A.	2010	499	499
Alantra Deutschland GmbH	2013	416	416
Alantra Investment Managers, S.L.U,	2013	47	47
Alantra Corporate Portfolio Advisors, S.L.	2014	31	31
Alantra France Corporate Finance, S.A.S,	2015	141	141
Alantra Nordics AB	2016	94	91
Partnersalantra Portugal LDA	2016	-	23
Alantra, LLC (Boston)	2016	19,241	21,017
Alantra Corporate Finance, LLP	2017	28,512	30,128
Alantra Corporate Portfolio Advisors International Limited	2018	667	705
Alantra AG	2018	12,515	12.454
UDA Real Estate Data, S.L.	2019	673	1,673
		62,836	**67,225**
By currency:			
Euro		1,807	2,830
Pound sterling		29,179	30,833
Swedish Krona		94	91
US dollar		19,241	21,017
Swiss Franc		12,515	12.454
		62,836	**67,225**

The movement recorded in 2020 and 2019 in the balance of "Intangible assets – Goodwill" on the assets side of the consolidated statement of financial position is shown below:

	Thousands of Euros	
	2020	2019
Balance at the beginning of the period	67,225	73,734
Additions	-	1,673
Impairment	(1,023)	(10,717)
Other changes (*)	(3,366)	2,535
Balances at the end of the period	**62,836**	**67,225**

(*) Correspond to exchange differences.

Movement in this line item in 2020 was mainly due to exchange differences and the impairment loss for part of the goodwill of the Real Estate Data, S.L. CGU recognised in 2020 (see Note 2.14 and this Note).

In 2020 the directors of the Group's parent recognised an impairment loss for part of the goodwill associated with the UDA Real Estate Data, S.L. CGU of EUR 1,000 thousand, and for all of the goodwill associated with the Partnersalantra Portugal LDA CGU of EUR 23 thousand under "Impairment of non-current assets" in the 2020 consolidated income statement. At year-end 2019 the directors of the Group's parent recognised an impairment loss for part of the goodwill associated with the Alantra Corporate Finance, LLP CGU, Alantra Equities, Sociedad de Valores, S.A. CGU, and Alantra, LLC (Boston) CGU amounting to EUR 6,966 thousand, EUR 2,500 thousand and EUR 1,251 thousand, respectively. These losses were recognised under "Impairment and losses" in the 2019 consolidated income statement.

As mentioned in Note 3-h, the cash generating units ("CGUs") to which goodwill has been assigned are periodically tested for impairment, with their carrying amount including the part of goodwill assigned. This testing is done at least annually or whenever there are indications of impairment.

Both the fair values of the CGUs and the assignment of fair value to their assets and liabilities are based on estimates and assumptions which the Group's management have considered appropriate for the circumstances. However, changes in the measurement assumptions used could give rise to a difference in the result of the impairment testing.

The impairment testing calculation uses three key assumptions, which are the ones to which the amount of recoverable value is most sensitive:

- The cash flows projections made by the Group's management, based on the latest available budgets for the next 5 years.

- The constant sustainable growth rate to extrapolate the cash flows, as from the fifth year (2025), beyond the period covered by the budgets or forecasts.

- The rate for discounting future cash flows, which is the same as the cost of capital assigned to each CGU, and which is composed of a risk-free rate plus a premium reflecting the inherent risk of each of the businesses evaluated.

The approach used by the Group's management to determine the values of these assumptions is based both on their projections or, where applicable, on past experience. Those values are uniform with external information sources. Also, the measurement of the two most significant goodwills (CGU assigned to Alantra, LLC – Boston and CGU assigned to Alantra Corporate Finance, LLP) were reviewed by an independent expert (not the Group's external auditor).

Discussed below are the main characteristics (key assumptions, discount rate, growth rates and sensitivity analysis) used in impairment testing of the most important cash generating units:

Against the backdrop of Covid-19, the measurement methodology used to determine the value in use of the Alantra, LLC (Boston) CGU was to discount the future free cash flows associated with that business for a projection period of five years (until 2025). This was done on an expected cash flow basis involving analysing several possible future scenarios regarding the extent and duration of the pandemic and its impacts on the businesses, i.e. considering various possible cash flow forecasts and assigning probabilities to each scenario. This value in use was determined with the assistance of an independent expert. The key variables on which the financial projections and each scenario are constructed come from estimates of the future revenues and expenses of that company. The present value of future cash flows to be distributed used to determine value in use was calculated using as the discount rate the yield on risk-free assets plus a specific risk premium commensurate with the business analysed. As per this method, the discount rate was 11.23%. The residual value was estimated as the present value of perpetual income as from the last year of the projection (based on the average normalised net operating profit for the projection period) and considering a nominal annual growth rate of 1%. The growth rate of residual value was also analysed for sensitivity, which was determined at between 0.50% and 1.30%, while the sensitivity of the discount rate was between 9.83% and 12.63%. In addition, as a check, the measurement metric used by the independent expert was the comparable transaction multiples method. As a result of the aforementioned methods, no impairment losses arose.

Against the backdrop of Covid-19, the measurement methodology used to determine the value in use of the Alantra Corporate Finance, LLP CGU was to discount the future free cash flows associated with that business for a projection period of five years (until 2025). This was done on an expected cash flow basis involving analysing possible several scenarios regarding the extent and duration of the pandemic and its impacts on the businesses, i.e. considering various possible cash flow forecasts and assigning probabilities to each scenario. This value in use was determined with the assistance of an independent expert. The key variables on which the financial projections and each scenario are constructed come from estimates of the future revenues and expenses of that company. The present value of future cash flows to be distributed used to determine value in use was calculated using as the discount rate the yield on risk-free assets plus a specific risk premium commensurate with the business analysed. As per this method, the discount rate was 10.93%. The residual value was estimated as the present value of perpetual income as from the last year of the projection (based on the average normalised net operating profit for the projection period) and considering a nominal annual growth rate of 1%. The growth rate of residual value was also analysed for sensitivity, which was determined at between 0.5% and 1.3%, while the sensitivity of the discount rate was between 9.93% and 11.93%. In addition, as a check, the measurement metric used by the independent expert was the comparable transaction multiples method. As a result of the aforementioned methods, no impairment losses arose.

The measurement methodology used by the Group's specialised department to obtain the value in use of the Alantra AG CGU was to discount the future free cash flows associated with that business for a five-year projection period (until 2025). The key variables on which the financial projections are constructed come from estimates of the future revenues and expenses of that company. The present value of future cash flows to be distributed used to determine value in use was calculated using as the discount rate the yield on risk-free assets plus a specific risk premium commensurate with the business analysed. As per this method, the discount rate was 9.1%. The residual value was estimated as the present value of perpetual income as from the last year of the projection (based on the average normalised net operating profit for the projection period) and considering a nominal annual growth rate of 1%. The growth rate of residual value was also analysed for sensitivity, which was determined at between 0.8% and 1.3%, while the sensitivity of the discount rate was between 8.6% and 9.6%.As a result of this analysis, no impairment losses arose.

The measurement methodology used by the Group's specialised department to obtain the value in use of the UDA Real Estate Data, S.L. CGU at 31 December 2020 was to discount the future free cash flows associated with that business for a five-year projection period (until 2025). The key variables on which the financial projections are constructed come from estimates of the future revenues and expenses of that company. The present value of future cash flows to be distributed used to determine value in use was calculated using as the discount rate the yield on risk-free assets plus a specific risk premium commensurate with the business analysed. As per this method, the discount rate was 11.40%. The residual value was estimated as the present value of perpetual income as from the last year of the projection (based on the average normalised net operating profit for the projection period) and considering a nominal annual growth rate of 0%. The growth rate of residual value was also analysed for sensitivity, which was determined at between -1.0% and 1.0%, while the sensitivity of the discount rate was between 9.9% and 12.9%. As a result of the aforementioned method, impairment losses of EUR 1,000 thousand arose, which the Group has recognised as per the criteria described beforehand.

b) Other intangible assets

The balance of this heading on the assets side of the consolidated statement of financial position at 31 December 2020 records software and developments acquired by the Group for EUR 399 thousand (EUR 465 thousand at 31 December 2019), Shown below is the movement recorded in this heading in 2019 and 2018:

	Thousands of Euros							
	Software		Development		Client list		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
Cost:								
Balance at the beginning of the period	664	939	432	-	988	988	2,084	1,927
Additions	175	86	-	-	-	-	175	86
Disposals	(25)	(361)	-	-	(988)	-	(1,013)	(361)
Other changes (*)	-	-	-	432	-	-	-	432
Balances at the end of the period	814	664	432	432	-	988	1,246	2,084
Accumulated amortisation:								
Balance at the beginning of the period	(510)	(747)	(121)	-	(988)	(988)	(1,619)	(1,735)
Allowances	(111)	(193)	(130)	(97)	-	-	(241)	(290)
Disposals	25	361	-	-	988	-	1,013	361
Other changes (*)	-	69	-	(24)	-	-	-	45
Balances at the end of the period	(596)	(510)	(251)	(121)	-	(988)	(847)	(1,619)
Intangible assets, net	**218**	**154**	**181**	**311**	**-**	**-**	**399**	**465**

(*) In 2019 includes intangible assets acquired in the purchase of UUDA Real Estate Data, S.L.

(**) In 2019 corresponds mainly to the addition of the accumulated amortisation of the assets of UDA Real Estate Data, S.L. recognised prior to the company's incorporation in the Group and amounting to EUR 24 thousand.

An intangible asset (client list) was recognised arising from the acquisition of Portfolio Solutions Group, KPMG LLP (UK)'s global division (see Note 2.14). This had been fully amortised at year-end 2018 with an expense of EUR 988 thousand charged to "Amortisation and depreciation" in the consolidated statement of profit or loss. This was written off the consolidated statement of financial position in 2020.

Fully amortised intangible assets in use amounted to EUR 470 thousand, EUR 320 thousand at 31 December 2020 and 2019 respectively.

At 31 December 2020 and 2019 there were no intangible assets acquired or transferred under a finance lease.

At year-end 2020 and 2019 the Directors of the Company did not regard it necessary to record any impairment of other intangible assets.

7. Property and equipment

The changes in "Property and equipment" on the assets side of the consolidated statement of financial position in 2020 and 2019, entirely comprising property and equipment for own use, were as follows:

	Thousands of Euros						
	Fixtures	Computer Hardware	Furniture	Other Items of Property and Equipment	Property and Equipment in Progress	Rights of use	Total
Cost:							
Balances at 1 January 2019	3,632	2,398	1,029	265	-	-	7,324
Additions	1,419	545	348	30	-	23,127	25,469
Disposals	(1,902)	(368)	(154)	(42)	-	(2.484)	(4,950)
Transfers	-	-	-	-	-	-	-
Other changes (*)	47	(57)	17	-	-	-	121
Balances at 31 December 2019	3,196	2,632	1,240	253	-	20,643	27,964
Additions	78	361	65	18	-	2,260	2,782
Disposals	(60)	(165)	(47)	-	-	(1,649)	(1,921)
Transfers	-	-	-	-	-	-	-
Balances at 31 December 2020	3,214	2,828	1,258	271	-	21,254	28,825
Accumulated depreciation:							
Balances at 1 January 2019	(1,776)	(1,617)	(426)	(164)	-	-	(3,983)
Allowances	(529)	(392)	(104)	(23)	-	(4,366)	(5,414)
Disposals	1,193	368	89	42	-	153	1,845
Other changes (*)	163	4	6	1	-	-	174
Balances at 31 December 2019	(949)	(1,637)	(435)	(144)	-	(4,213)	(7,378)
Allowances	(323)	(390)	(111)	(16)	-	(4,929)	(5,769)
Disposals	47	148	47	-	-	1,245	1,487
Balances at 31 December 2020	(1,225)	(1,879)	(499)	(160)	-	(7,897)	(11,660)
Impairment:							
Balances at 1 January 2019	(709)	-	(65)	-	-	-	(774)
Allowances (Note 3 a)	-	-	-	-	-	-	-
Disposals	709	-	65	-	-	-	774
Balance at 31 December 2019	-	-	-	-	-	-	-
Allowances (Note 3 a)	(13)	(17)	-	-	-	-	(30)
Disposals	13	17	-	-	-	-	30
Balance at 31 December 2020	-	-	-	-	-	-	-
Property and equipment, net:							
Balances at 31 December 2019	**2,247**	**995**	**805**	**109**	**-**	**16,430**	**20,586**
Balances at 31 December 2020	**1,989**	**949**	**759**	**111**	**-**	**13,357**	**17,165**

(*) Movement generated mainly due to the acquisition of 85% of UDA Real Estate Data, S.L. (see Note 2.14).

Fully depreciated property and equipment in use amounted to EUR 1,418 thousand at 31 December 2019, EUR 1,444 thousand at 31 December 2019.

Property and equipment are covered by appropriate insurance policies. The directors of the Company estimate that the risks to which those fixed assets are subject are sufficiently covered.

An impairment loss of EUR 774 thousand was recognised in 2018 affecting some of these items as a result of relocating the Company's head office. These losses were recognised based on the Company's best estimate. During 2019 the impaired property, plant and equipment was written off the statement of financial position with no impact on the Group's income. In addition, no significant impairment losses on these items on the assets side of the Company's statement of financial position arose in 2019. In 2020 impairment losses of EUR 30 thousand arose, recognised under "Impairment of non-current assets" in the 2020 consolidated statement of financial position, which had been written off the statement of financial position at 31 December 2020.

At 31 December 2020 the Group held assets acquired under finance leases of immaterial value (EUR 41 thousand at 31 December 2019).

All the right-of-use assets associated with lease contracts at 31 December 2020 and 2019 corresponded to offices.

The breakdown of liabilities associated with lease contracts by maturity date is as follows (see Note 18):

Lease liabilities (discounted)	Thousands of Euros	
	2020	2019
Less than one year	4,856	5,102
One to five years	8,759	11,385
After five years	-	-
	13,615	**16,487**

8. Investments accounted for using the equity method

This line item comprises the equity/capital instruments issued by Alantra Group investees, which are associated and jointly-controlled entities accounted for using the equity method.

a) Breakdown

Details of this line item on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019, contractual currency and whether or not investees' securities are listed or non-listed are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
By investee:		
Nplus1 Singer Ltd	12,134	11,167
Alpina Real Estate GP I, S.A., in liquidation	17	17
Alpina Real Estate GP II, S.A., in liquidation	69	69
Alpina Real Estate GP, S.A., in liquidation	-	-
Sociedades Daruma	-	-
Phoenix Recovery Management, S.L.	524	129
Landmark Capital, S.A.	43	73
Tertenia Directorship, S.L.	1	1
Alantra Wealth Management	10,046	9,853
Access Capital Partners Group, S.A.	18,100	17,716
Indigo Capital, S.A.S,	2,767	-
Asabys Asset Services, S.L.	1,565	-
	45,266	**39,025**
By currency:		
Euro	33,089	27,785
Pound sterling	12,134	11,167
Chilean pesos	43	73
	45,266	**39,025**
Listing status:		
Non-listed	45,266	39,025
	45,266	**39,025**

Material disclosures on associates belonging to the Alantra Group in 2020 and 2019, respectively, are included in Note 2.14.

Since all the companies included in the previous table generated net profits in 2020, the Group recognised these in the consolidated statement of profit or loss. These profits attributable to the Group totalled EUR 4,112 thousand in 2020 (2019: EUR 2,916 thousand), recognised under "Share of profit (loss) of companies accounted for using the equity method" in the consolidated statement of profit or loss (see Note 24).

The amount attributable to Nplus1 Singer Ltd includes the consolidated figures of the sub-group comprising Nplus1 Singer Ltd, Nplus1 Singer Advisory LLP and Nplus1 Singer Capital Markets Ltd. This amount includes EUR 642 thousand of implicit goodwill generated from the Group's acquisition of Nplus1 Singer Ltd shares in 2012 (see Note 2.14). Said implicit goodwill was generated in sterling, the functional currency of Nplus1 Singer Ltd, and was converted to the Group's functional currency at the rate prevailing at the end of the reporting period.

The amount corresponding to Landmark Capital, S.A. includes the consolidated figures of the sub-group comprising Landmark Capital, S.A., Landmark Capital Assesoria Empresarial Ltda., Landmark Capital Argentina SRL and Landmark Capital Colombia SAS. At 31 December 2018 said amount included EUR 1,447 thousand (net of impairment) in respect of the implicit goodwill generated on the Group's acquisition in 2016 of shares of Landmark Capital, S.A. (see Note 2.14). In 2019, the Group recognised an impairment loss for the entire amount of this goodwill of EUR 1,419 thousand under "Loss/reversal of loss on impairment of financial instruments" in the 2019 consolidated income statement (see Note 28).

The amount corresponding to Alantra Wealth Management includes the consolidated figures of Alantra Wealth Management Gestión, S.G.I.I.C., S.A. and Alantra Wealth Management, A.V., S.A. of EUR 2,994 thousand and EUR 7,052 thousand, respectively. Said amount includes EUR 7,645 thousand assigned to underlying goodwill (see Note 2.14).

The amount corresponding to Access Capital Partners Group, S.A. includes the consolidated figures of the sub-group of which this company is the parent. This amount includes EUR 14,060 thousand associated with underlying goodwill and EUR 2,762 thousand corresponding to contractual rights arising from relations with the customers of the acquired business (client list), being principally fund management agreements with defined useful lives, as a result of the acquisition in 2019 by the Group of Access Capital Partners Group, S.A. y de Access Capital S.A. (see Note 2.14). Said client list is amortised using the reducing balance method, in line with its performance, over an estimated period of six years, with the amortisation charge heavily weighted towards the first three years. Said amortisation amounted to EUR 776 thousand and EUR 958 thousand in 2020 and 2019, respectively, and is charged to "Share of profit (loss) of companies accounted for using the equity method" in the 2020 and 2019 consolidated income statements with the other results contributed by this investee (see Note 24).

The amount corresponding to Indigo Capital, S.A.S. and Asabys Asset Services, S.L. (which includes the consolidated figures of Asabys Partners, S.G.E.I.C., S.A. which is solely owned) includes EUR 300 thousand and EUR 705 thousand, respectively, associated with underlying goodwill, as well as EUR 1,257 thousand and EUR 696 thousand, respectively, corresponding to contractual rights arising from relations with the customers of the acquired business (client lists), as a result of the acquisition in 2020 by the Group of Indigo Capital, S.A.S. and Asabys Asset Services, S.L. shares (See Note 2.14). Said client lists are amortised using the reducing balance method, in line with their performance, over an estimated period of six years, with the amortisation charge heavily weighted towards the first three years. Said amortisation amounted to EUR 197 thousand and EUR 259 thousand in 2020 and is charged to "Share of profit (loss) of companies accounted for using the equity method" in the 2020 consolidated income statement with the other results contributed by this investee (see Note 24).

The method used by the Group's specialist department to measure the value in use of the cash generating unit assigned to Access Capital Partners Group, S.A. was to discount future cash flows associated with this business over a five-year projection period (until 2025). In the case of Alantra Wealth Management, the recoverable amount of its cash generating unit is calculated at fair value less costs to sell. The cross call and put options were established on all the shares in Alantra Wealth Management held by the Group generates a financial derivative. As the parent's directors estimated that the execution price agreed for these options is similar to the fair value of its holding in Alantra Wealth Management and, at 31 December 2020, said value did differ materially from its cost, there is no evidence of impairment.

At 31 December 2020 the Company's directors did not deem it necessary to recognise any impairment of goodwill other than those already disclosed.

9. Non-current financial assets

The breakdown of this line item at 31 December 2020 is as follows:

	Thousands of Euros			
	At fair Value Through Profit or Loss	At Fair Value Through Other Comprehensive Income	At Amortised Cost	Total
Balances at 1 January 2020	4,310	39,222	3,422	46,954
Additions (*)	79,707	7,827	290	87,824
Transfers to current assets/ liquidations	-	-	(45)	(45)
Disposals (*)	(6,994)	(2.446)	(1)	(9,441)
Balances at 31 December 2020	**77,023**	**44,603**	**3,666**	**125,292**

(*) Includes valuation adjustments or impairment, as applicable.

The breakdown of this line item at 31 December 2019 was as follows:

	Thousands of Euros			
	At fair Value Through Profit or Loss	At Fair Value Through Other Comprehensive Income	At Amortised Cost	Total
Balances at 1 January 2019	14,022	28,136	5,313	47,471
Additions (*)	756	13,937	700	15,393
Transfers to current assets/ liquidations	-	-	(2,533)	(2,533)
Disposals (*)	(10,468)	(2,851)	(58)	(13,377)
Balances at 31 December 2019	**4,310**	**39,222**	**3,422**	**46,954**

(*) Includes valuation adjustments or impairment, as applicable.

9.1 Financial assets at fair value through profit or loss

Details of this line item on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019, by nature, are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Equity instruments	75,270	1,412
Debt securities	-	-
Derivatives	-	-
Other financial assets	1,753	2,898
	77,023	**4,310**

Details of "Financial assets at fair value through profit or loss" at 31 December 2020 and 2019 are as follows:

	2020		2019	
	Percentage Ownership Interest	Thousands of Euros Fair Value	Percentage Ownership Interest	Thousands of Euros Fair Value
Equity instruments:				
QMC III Iberian Capital Fund II, FIL (1) (2)	0.40%	347	0.37%	341
Mutuafondo Corto Plazo, F.I, (1)	4.95%	74,219	N/A	-
EQMC, FIL (1) (3)	0.24%	280	0.89%	1,008
QMC Iberian Oportunities, FIL (1) (2)	74.47%	336	N/A	-
Microwd Inversiones, S.L.	0.15%	13	0.15%	13
Smart2me, S.L.	0.30%	25	N/A	-
DIVA-E Management Beteiligungs GmbH	N/A	50	N/A	50
		75,270		**1,412**
Other financial assets:				
Nueva Capital Privado Inversiones, S.L.	N/A	34	N/A	34
Loans to employees	N/A	1,719	N/A	2,864
		1,753		**2,898**
		77,023		**4,310**

(1) Fair value calculated on the basis of the last net asset value published by each investee at the measurement date.
(2) Coordinated, managed and administrated by Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) (an Alantra Group company).
(3) This entity is coordinated, managed and administrated by Alantra EQMC Asset Management, S.G.I.I.C., S.A. (an Alantra Group company).

Details of the fair value of "Financial assets at fair value through profit or loss" are provided in Note 30.

The fund QMC III Iberian Capital Fund, FIL, managed by Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.), was incorporated on 15 September 2017 with equity of EUR 300,000 which was fully paid in by the Group. No contributions or redemptions were made in 2020 or 2019.

On 16 June 2016 the Group subscribed EUR 10,000 thousand of units in the fund Mutuafondo Corto Plazo, Fondo de Inversión. In 2019 the Group fully redeemed its position in the fund for a gross amount of EUR 9,962 thousand, generating a loss of EUR 38 thousand recognised under "Gain (loss) on disposal of financial instruments – Other financial instruments" in the 2019 consolidated income statement (see Note 28). Subsequently, on 10 June 2020 the Group once again subscribed EUR 79,000 thousand fund units. On 6 November 2020 the Group also redeemed a gross amount of EUR 5,002 thousand, generating a gain of EUR 12 thousand recognised under "Gain (loss) on disposal of financial instruments – Other financial instruments" in the 2020 consolidated income statement (see Note 28).

In 2018 and 2017 Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) subscribed EUR 1,080 thousand of Class C shares in EQMC, Fondo de Inversión Libre in order to meet its commitments in respect of a multi-year incentive programme for certain employees of the Company as agreed by the respective Boards of Directors. In 2019 Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) partly redeemed its position in said fund in the amount of EUR 506 thousand, fully redeeming EUR 764 thousand in 2020. The gains on this investment were distributed to the employees in accordance with the terms and conditions established in said programmes, with EUR 336 thousand recorded under "Trade and other payables - Other payables" in the consolidated statement of financial position at 31 December 2020 (see Note 19). The fair value of said investments at 31 December 2019 was EUR 910 thousand – an amount which matches the payables to said employees recorded under "Trade and other payables - Other payables" in the consolidated statement of financial position at 31 December 2019 (see Note 19).

In 2020 and 2019 Alantra EQMC Asset Management, S.G.I.I.C., S.A. subscribed EUR 119 thousand and EUR 88 thousand, respectively, of Class C shares in EQMC, Fondo de Inversión Libre. The fair value of said investments at 31 December 2020 and 2019 was EUR 280 thousand and EUR 98 thousand, respectively – amounts which match the payables to said employees recorded under "Trade and other payables – Other payables" in the consolidated statement of financial position at 31 December 2020 (see Note 19). This investment is jointly managed with a financial liability, eliminating significantly any inconsistencies in recognition or valuation.

In addition, on 12 April 2016 the Group acquired shares of DIVA-E Management Beteiligungs GmbH for EUR 50 thousand. There were no movements in this investment in 2020 and 2019.

In 2019 Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) incorporated the hedge fund QMC Iberian Oportunities. FIL, whose initial capital totalled EUR 299 thousand, fully contributed by the Group (see Note 12.2). The fair value of these shares was EUR 336 thousand at 31 December 2020.

On 4 September 2019 the Group subscribed to a monetary capital increase of Microwd Inversiones, S.L., assuming 522 shares for EUR 13 thousand.

Lastly, on 1 July 2020 the group made a monetary contribution to Smart2me. S.L., receiving 201 shares amounting to EUR 25 thousand.

At 31 December 2020 and 2019 EUR 34 thousand were included in both years corresponding to a loan granted initially to Nueva Capital Privado Inversiones, S.L. – limited partner of Nmás1 Private Equity Fund US No.1, L.P., Nmás1 Private Equity Fund US No.2, L.P. and Nmás1 Private Equity Fund US No.3, L.P. The loan will remain in force until the date on which the aforementioned investment complex is completed. Due to the financial position of these entities, part of the aforementioned loan was impaired in 2018. There were no changes in 2020 and 2019.

In November 2017 Alantra Capital Privado, SGEIC, S.A.U. (an Alantra Group company) granted several credit facilities to staff with a maximum limit equal to 56.083% of their commitments to pay in to the structure of Alantra Private Equity Fund III, which manages this company, and subject to pledging the units acquired as collateral. These employees used the finance to partly settle some of the payment commitments assumed. These credit agreements expire on the same day as the fund's settlement period ends, and therefore any amounts borrowed over the drawdown period must be repaid by employees on the expiration date. Baruch Inversiones, S.L. also granted credit facilities to staff of Alantra Capital Privado, SGEIC, S.A.U. to finance the capital increase carried out by Alantra Private Equity Secondary Fund, S.C.R., S.A. in 2018 which also manages Alantra Private Equity Secondary Fund, S.C.R., S.A., and subject to pledging the shares acquired as collateral. This finance generates interest for the companies, which will be paid at each distribution date and calculated as stipulated in the agreements. The loans granted by Baruch Inversiones. S.L. were settled in 2020. At 31 December 2020 these loans at fair value totalled EUR 1,719 thousand (31 December 2019: EUR 2,864 thousand).

9.2 *Financial assets at fair value through other comprehensive income*

Details of this line item on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019, by nature, are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Equity instruments	44,603	39,222
Debt securities	-	-
Derivatives	-	-
Other financial assets	-	-
	44,603	**39,222**

Details of "Financial assets at fair value through other comprehensive income" at 31 December 2020 and 2019 are as follows:

	2020		2019	
	Percentage Ownership Interest	Thousands of Euros Fair Value	Percentage Ownership Interest	Thousands of Euros Fair Value
Equity instruments:				
Alteralia S.C.A., SICAR (1) (4)	4.57%	4,109	4.57%	4,945
Alteralia II S.C.A., SICAR (1) (6)	1.50%	1,855	1.50%	1,471
Alantra Private Equity Secondary Fund, S.C.R., S.A. (1) (5)	3.95%	6,120	3.95%	7,188
Alantra Private Equity Fund III, F.C.R., (1) (5)	8.91%	27,171	8.91%	21,824
Alantra Private Equity Fund, III, S.C.R., (1) (5)	9.58%	4,499	9.58%	3,612
Nmás1 Private Equity Fund II, F.C.R., – en liquidación – (1) (5)	1.316%	34	1.316%	96
Electra Partners Club 2007, LP (1)	N/A	-	11.76%	16
Titán Infraestructuras, F.C.R., (2)	0.003%	240	N/A	60
Sabadell Asabys Health Innovation Investments, S.C.R., S.A. (1)	1.51%	387	-	-
Alteralia Real Estate Debt, FIL (1) (3)	1.47%	180	-	-
Gestora del Fondo de Garantía de Inversiones, S.A. (2)	N/A	2	N/A	2
Fundo de Compensação do Trabalho (2)	N/A	3	N/A	5
Otros instrumentos de capital (2)	N/A	3	N/A	3
		44,603		**39,222**

(1) Fair value calculated on the basis of the last net asset value published by each investee at the measurement date.

(2) Financial instruments measured at cost.

(3) Coordinated, managed and administrated by Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) (an Alantra Group company).

(4) This entity is coordinated, managed and administrated by Alteralia Management, S.à.r.l, (an Alantra Group company).

(5) This entity is coordinated, managed and administrated by Alantra Capital Privado, S.G.E.I.C., S.A.U, (an Alantra Group company).

(6) This entity is coordinated, managed and administrated by Alteralia II Management, S.à.r.l, (an Alantra Group company).

The amounts committed with respect to certain risk capital vehicles and hedge funds and the Group's disbursement commitments at 31 December 2020 are as follows:

	Thousands of Euros	
	Initial Amount Committed	Outstanding Disbursement Commitments
Alteralia S.C.A., SICAR (*) (**)	6,358	1,389
Alteralia II S.C.A., SICAR	3,075	1,369
Alantra Private Equity Fund, III, F.C.R.,	34,668	7,963
Alantra Private Equity Fund, III, S.C.R.,	5,750	1,280
Nmás1 Private Equity Fund II, F.C.R., – en liquidación – (**)	4,000	207
Titán Infraestructuras, F.C.R.,	600	360
Sabadell Asabys Health Innovation Investments, S.C.R., S.A.	1,021	612
Alteralia Real Estate Debt, FIL	500	325

(*) Following its investment period, new disbursements may only be requested in very exceptional circumstances as explained in its prospectus.

(**) No additional disbursements are expected to be requested by this vehicle.

Details of the fair value of "Financial assets at fair value through other comprehensive income" are provided in Note 30.

In 2019 the Group received payments from QMC II Iberian Capital Fund, FIL (in liquidation) of EUR 295 thousand (gross), generating a gain of EUR 59 thousand, recognised under "Finance income" in the 2019 consolidated income statement.

In 2015 the Group signed several contracts with Alteralia Management, S.à.r.l. to subscribe Special Class and Class C shares of Alteralia S.C.A., SICAR amounting to EUR 6,358 thousand. In 2020 the Group received pay-outs of EUR 834 thousand. Furthermore, in 2020 and 2019 the Company received dividends of EUR 221 thousand and EUR 254 thousand, respectively, recognised under "Finance income" in the 2020 and 2019 consolidated income statements.

On 28 December 2017 Alteralia II S.C.A., SICAR was incorporated, with the Group making a disbursement of EUR 30 thousand. In 2020 and 2019 new disbursements of EUR 282 thousand and EUR 1,189 thousand thousand were made. Furthermore, in 2020 and 2019 Alteralia II S.C.A., SICAR distributed dividends of EUR 52 thousand and EUR 8 thousand, respectively, to the Group recognised under "Finance income" in the 2020 and 2019 consolidated income statements.

On 13 July 2018 the Extraordinary General Meeting of Alantra Private Equity Secondary Fund, S.C.R., S.A. agreed to increase capital by EUR 6,109 thousand by issuing and placing on the market 6,109,417 new shares of EUR 1 par value each. Alantra Investment Managers, S.L. (at this date, a solely owned subsidiary of Alantra Partners, S.A.) subscribed 183,283 Class D shares for EUR 3,666 thousand. Subsequently, Alantra Investment Managers, S.L. sold a total of 122,189 shares to a number of the Group's employees for the same value (previously acquired shares) of EUR 2.444 thousand. On 3 October 2019 the Extraordinary General Meeting of Alantra Private Equity Secondary Fund, S.C.R., S.A. approved the distribution of a dividend charged to the share premium account of EUR 733 thousand payable to holders of class C and D shares. EUR 19 thousand of this amount was paid to the Group and is recorded under "Finance income" in the consolidated income statement for 2019. On 6 November 2020 the Extraordinary General Meeting of Alantra Private Equity Secondary Fund, S.C.R., S.A. also approved the distribution of an interim dividend of EUR 30,831 thousand charged to the 2020 result payable to holders of class A and B shares, as well as a dividend charged to the share premium account of EUR 3,162 thousand payable to holders of class C and D shares. EUR 3,366 thousand of these amounts was paid to the Group. Of this amount, EUR 1,530 thousand was recognised as a reduction in the cost of the units and EUR 1,836 thousand as dividend income recorded under "Finance income" in the consolidated income statement for 2020.

During 2016 the Group signed a contract with Alantra Capital Privado, SGEIC, S.A.U. to subscribe shares in Alantra Private Equity Fund III, FCR. The Group disbursed EUR 79 thousand on 20 May 2016. Lastly, on 6 February 2017 Alantra Capital Privado. S.G.E.I.C.. S.A.U. (the fund manager) completed the fund's placement period and the Group agreed to disburse EUR 34,668 thousand. The Group made contributions of EUR 5,266 thousand and EUR 6,060 thousand, respectively, in 2020 and 2019.

On 22 April 2016, the Group subscribed 35,800 Class A shares and 1,200 Class B shares of Alantra Private Equity Fund III, S.C.R., S.A. for EUR 184 thousand. In addition, on 22 April 2016 the Group signed a letter of acceptance in which it made certain investment commitments in Alantra Private Equity Fund III, S.C.R., S.A. In November 2016 and January 2017 the Group also signed a number of sale-purchase agreements for shares of Alantra Private Equity Fund III, S.C.R., S.A. whereby it sold a total of 25,500 Class A shares for EUR 162 thousand. These operations did not generate any gain or loss for the Group. The Group made contributions in this respect of EUR 880 thousand and EUR 1,018 thousand in 2020 and 2019, respectively.

In 2020 and 2019, the Group received redemptions of the Nmás1 Private Equity Fund II (in liquidation) units of EUR 1,434 thousand and EUR 11,559 thousand, respectively. The amount received in was recognised under "Revenue – Revenue from rendering of services" in the consolidated income statement (see Note 25.1).

In 2020 and 2019 the Group received distributions of units of Electra Partners Club 2007, LP totalling GBP 27 thousand and GBP 2,095 thousand, respectively (equal to EUR 30 thousand and EUR 2,370 thousand included under "Finance income"in the consolidated income statement), which were settled in 2020.

In 2019 Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) incorporated the hedge fund Alteralia Real Estate Debt. FIL, whose initial capital totalled EUR 300 thousand, fully contributed by the Group (see Note 12.2). In 2020 the fund reimbursed the Group for the amount disbursed by the latter to incorporate the fund, with the Group obtaining a loss of EUR 14 thousand. Also in 2020 the Group signed a contract establishing an irrevocable commitment to invest in the aforementioned fund by subscribing units totalling up to EUR 500 thousand. In 2020 the Group disbursed EUR 175 thousand in this respect.

On 18 December 2019, the Group subscribed EUR 60 thousand in the fund Titán Infraestructura, F.C.R. managed by Access Capital Partners S.A. In 2020 the Group made an additional disbursement of EUR 180 thousand.

Lastly, in 2020 the Group subscribed EUR 409 thousand in Sabadell Asabys Health Innovation Investments, S.C.R., S.A., managed by Asabys Partners, S.G.E.I.C., S.A.

Adjustments due to changes in the fair value of "Financial assets at fair value through other comprehensive income" are recognised, net of the corresponding tax effect, in consolidated equity under "Items that will not be subsequently reclassified to profit or loss for the period – Equity instruments through other comprehensive income". At 31 December 2020 and 2019, details of "Items that will not be subsequently reclassified to profit or loss for the period – Equity instruments through other comprehensive income" in the consolidated statement of financial position are as follows:

	Thousands of Euros			
	31/12/2020		31/12/2019	
	Valuation	Valuation Adjustments	Valuation	Valuation Adjustments
Alteralia S.C.A., SICAR	4,109	(1)	4,945	1
Alteralia II S.C.A., SICAR	1,855	38	1,471	(10)
Alantra Private Equity Secondary Fund, S.C.R., S.A.	6,120	995	7,188	2,042
Alantra Private Equity Fund III, F.C.R.,	27,171	214	21,824	386
Alantra Private Equity Fund, III, S.C.R.,	4,499	4	3,612	22
Nmás1 Private Equity Fund II, F.C.R., (en liquidación)	34	11	96	37
Electra Partners Club 2007, LP	-	-	16	10
Titán Infraestructuras, F.C.R.,	240	-	60	-
Sabadell Asabys Health Innovation Investments, S.C.R., S.A.	387	(13)	-	-
Alteralia Real Estate Debt, FIL	180	2	-	-
Gestora del Fondo de Garantía de Inversiones, S.A.	2	-	2	-
Fundo de Compensação do Trabalho	3	-	5	-
Other equity instruments	3	-	3	-
	44,603	**1,250**	**28,136**	**2.488**

9.3 Financial assets at amortised cost

Details of this line item on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019, by nature, are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Equity instruments	-	-
Debt securities	-	-
Derivatives	-	-
Other financial assets	3,666	3,422
	3,666	**3,422**

Details of “Financial assets at amortised cost” at 31 December 2020 and 2019 are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Other financial assets		
Guarantees	792	740
Tamsi, S.L.	-	-
Segur Ibérica, S.A.	-	-
Quartiers Properties AB	139	-
Former shareholders Alantra Corporate Finance, LLP	345	394
Loans to employees	2,390	2,288
	3,666	**3,422**

“Guarantees” in the previous table comprises the security deposit given by the Company to secure the lease of the offices from which it conducts business, set at EUR 739 thousand and EUR 719 thousand at 31 December 2020 and 2019, respectively.

Furthermore, on 16 October 2015 the sale of the 25% stake held by Nmás1 Dinamia Portfolio, S.A. in Tamsi Spain, S.L. was also formalised and completed for EUR 12,679 thousand. This transaction involved the sale of the investment and full repayment of the participating loans granted by the Group to Tamsi Spain, S.L. totalling EUR 9,321 thousand. The net amount obtained from the divestment, which has already been settled, was EUR 20,500 thousand. It was planned that this amount would be increased by EUR 1,483 thousand, which would be recovered if Tamsi Spain, S.L., in turn, recovered the balance of an account in Banco de Madrid, S.A.U. In this connection, the Group considered that it was reasonably doubtful that this additional amount would be collected in full, and it therefore made an allowance of EUR 310 thousand. The amount finally recognised on the assets side of the consolidated statement of financial position at 31 December 2015 was therefore EUR 1,173 thousand During 2016, Tamsi Spain, S.L. recovered EUR 750 thousand of the account it held in Banco Madrid and the Group granted a loan for that amount to Tamsi Spain, S.L., which was repaid in 2017. In 2018 Tamsi Spain, S.L. recovered EUR 365 thousand of the balance of the account held in Banco Madrid. The net balance outstanding was therefore EUR 58 thousand at 31 December 2018; an allowance of EUR 310 thousand was recognised. On 10 May 2019 the Group collected EUR 102 thousand offset against impairment losses recognised in prior years of EUR 44 thousand recognised under “Gain (loss) on disposal of financial instruments – Other financial instruments” in the 2019 consolidated income statement (see Note 28). Lastly, on 20 July 2020 the Group collected EUR 73 thousand offset against impairment losses recognised in prior years of the same amount recognised under “Gain (loss) on disposal of financial instruments – Other financial instruments” in the 2020 consolidated income statement (see Note 28). At 31 December 2020 and 2019 the outstanding balance of the loan was fully impaired.

“Non-current financial assets – Loans” on the assets side of the consolidated statement of financial position at 31 December 2018 and 2017 also includes EUR 631 thousand in both years, corresponding to a loan granted by the Company to Segur Ibérica, S.A. on 7 September 2011 (principal of EUR 559 thousand and interest accrued to that date of EUR 72 thousand). During 2016, as a result of the financial position faced by that company (insolvency proceedings), the Company wrote off the whole of the loan, This loan falls due on 31 December 2018, There were no changes in this loan during 2020 and 2019 and it has been fully impaired.

In addition, on 29 November 2017 the Group granted a credit facility of up to GBP 1.5 million to the former shareholders of Alantra Corporate Finance, LLP. At 25 January 2019 said facility had been partly drawn down for the amount of GBP 353 thousand. At the same time, separate contracts were signed with each shareholder ending on the date that the lock-up obligations concerning the Company’s shares expire. At 31 December 2019 these loans were recognised under “Non-current financial assets – At amortised cost" in the consolidated statement of financial position. In 2020 and 2019 an immaterial amount of interest was generated, recognised under "Finance income" in the 2020 and 2019 consolidated income statements. Moreover, at the 2020 and 2019 year-ends, the Group converted the aforementioned Pound-sterling loan to its functional currency at the year-end exchange rate, incurring a loss of EUR 96 thousand recognised under "Exchange differences" in the consolidated income statements for 2020 and 2019. At 31 December 2020, EUR 48 thousand (EUR 45 thousand after applying the simplified approach to credit losses under IFRS 9 – see below) was reclassified to "Current financial assets – At amortised cost" because the maturity date of the loans is 30 June 2021.

On 15 July 2020 Alantra Debt Solutions, S.L. granted a EUR 140-thousand loan to Quartiers Properties AB (EUR 139 thousand recognised at 31 December 2020 after applying the simplified approach to credit losses under IFRS 9 – see below). The interest rate on this loan is floating and tied to the Euribor as contractually agreed. It matures in July 2024 and the interest is recorded under "Finance income" in the 2020 consolidated income statement.

Lastly, the Group granted certain loans to employees of the Group totalling EUR 2,390 thousand and EUR 2,288 thousand at 31 December 2020 and 2019, respectively. These include three loans totalling EUR 1,666 thousand (31 December 2019: EUR 1,741 thousand) granted on 5 December 2018, 1 March 2019 and 10 December 2019, respectively, to three employees of Group companies for the acquisition of 130,000 shares in total, held by the Company as treasury stock under the Share Purchase and Retention Bonus Plan (see Note 15). The interest rate on these loans is floating and tied to the Euribor +1%. They mature on 5 December 2022, 1 March 2023 and 10 December 2023, respectively, and the interest is recorded under "Finance income" in the 2020 consolidated income statement. At 31 December 2020, a further four loans were included totalling EUR 95 thousand that were granted on 11 and 17 December 2020 to three employees of Alantra Group companies for the acquisition of shares in UDA Real Estate Data, S.L. and/or Alantra CPA Iberia, S.L. (see Note 2.14). These loans accrue interest at a floating rate tied to the Euribor +1%, and mature on 31 December 2026 and 31 December 2027. No interest was accrued in 2020, which is not material vis-à-vis the accompanying consolidated financial statements.

9.4 Impairment losses

At 31 December 2020 EUR 6 thousand (31 December 2019: EUR 6 thousand) corresponded to impairment losses recognised as per the simplified approach used by the Group (see Note 3-e) under "Non-current financial assets – At amortised cost". Movement in these are recognised under "Loss/reversal of loss on impairment of financial instruments" (see Note 28) in the consolidated income statement.

10. Non-current assets held for sale and liabilities associated with non-current assets classified as held for sale

As described in Note 2.14, in accordance with the applicable standard, at 31 December 2020 the Group considered that these assets had met all the requirements of the prevailing standard to classify the assets and liabilities assigned to Atlántida Directorship. S.L. Sociedad Unipersonal as a "disposal group" in accordance with IFRS 5 "Non-current assets held for sale and discontinued operations" (see Note 3-x), and the pertinent reclassifications were made at year-end 2020. The assets classified under this heading are detailed below:

	Thousands of Euros
Investment property	12,993
Non-current financial assets	113
At fair value through profit or loss	-
At fair value through other comprehensive income	-
At amortised cost	*113*
Other non-current assets	197
Trade and other receivables	3
Trade receivables for sales and services	-
Other receivables	-
Current tax assets	*3*
Cash and cash equivalents	606
TOTAL ASSETS	**13,912**
Non-current financial liabilities	7,583
Bank borrowings, bonds and other marketable securities	*6,403*
Other financial liabilities	*1,180*
Trade and other payables	164
Payables to suppliers	*17*
Other payables	*100*
Current tax liabilities	*47*
TOTAL LIABILITIES	**7,747**

The balance of the line item "Investment property" shown under assets in the above table corresponds to a residential building in Barcelona (see Note 2.14).

"Non-current financial liabilities – Bank borrowings, bonds and other marketable securities" in the above table includes the financial liability of EUR 6,403 thousand corresponding to the finance provided by Banco de Sabadell, S.A. after three instalments totalling EUR 97 thousand were repaid in 2020.

At the date of authorisation for issue of the accompanying financial statements, the disposal is expected to take place in the second quarter of 2021. The Group considers the fair value less costs to sell of Atlántida Directorship. S.L, Sociedad Unipersonal is higher than its carrying amount.

11. Trade and other receivables

11.1 Trade receivables

a) Breakdown

At 31 December 2020 and 2019, "Trade and other receivables – Trade receivables" on the assets side of the consolidated statement of financial position was as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
By category and situation of the transactions:		
Fees and commissions	7,838	5,368
Business and advisory services	28,465	34,760
Impaired assets	2,560	2,326
Valuation adjustments–		
Impairment losses	(2,560)	(2,326)
Other receivables	290	170
	36,593	**40,298**
By currency:		
Euro	27,458	28,680
Other currencies	9,135	11,618
	36,593	**40,298**

At 31 December 2020 and 2019, "Fees and commissions" in the above table comprises the receivable associated with commission accrued by the Group in the years ended on these dates (see Note 25), broken down as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Gestión de vehículos de inversión:		
Nmás1 Private Equity Fund II (en liquidación)	-	14
Alantra Private Equity Fund III	1,989	-
Alantra Private Equity Secondary Fund, S.C.R., S.A.	107	843
EQMC Europe Development Capital Fund, Plc	4,231	3,067
QMC II Iberian Capital Fund, FIL	-	151
QMC III Iberian Capital Fund, FIL	285	325
EQMC, FIL	386	445
Alteralia Debt Fund, FIL	-	7
Alteralia Real Estate Debt, FIL	91	-
QMC Iberian Opportunities, FIL	2	-
Mercer Investment Fund 2	578	516
Alantra Global Technology Fund	169	-
	7,838	**5,368**

The balance under "Commissions – EQMC Europe Development Capital Fund, Plc" above corresponds to the management of a vehicle totalling EUR 4,231 thousand and EUR 3,067 thousand at 31 December 2020 and 2019 (see Note 25).

At 31 December 2020 the balance of "Fees and commissions – Alantra Private Equity Fund III" in the table above includes EUR 1,686 thousand and EUR 303 thousand of the balance receivable comprising the management fee associated with Alantra Private Equity Fund III, F.C.R., and Alantra Private Equity Fund III, S.C.R., respectively. No amounts are receivable for this concept at 31 December 2019.

"Business and advisory services" also includes the fees and commissions receivable primarily for business and advisory services rendered, totalling EUR 28,465 thousand at 31 December 2020 (31 December 2019: EUR 34,760 thousand).

Furthermore, at 31 December 2020 and 2019 the balance of "Other receivables" in the above table includes EUR 106 thousand and EUR 59 thousand, respectively, of balances receivable comprising income from expenses previously assumed by the Group and comprising the expenses incurred in organising and administrating the vehicles managed by Mercapital Private Equity, S.G.E.I.C., S.A.U, (see Note 25).

All the balances included in this line item are payable on demand.

b) Impairment losses

The changes during 2020 and 2019 in impairment losses associated with financial assets recognised under "Trade and other receivables – Trade receivables" on the assets side of the consolidated statement of financial position were as follows:

	Thousands of Euros	
	2019	2018
Balance at the beginning of the period	2,326	6,658
Impairment losses with a charge to profit and loss (*)	2,382	3,581
Reversal of impairment losses credited to income (*)	(899)	(5,818)
Writeoffs	(1,233)	(2,095)
Translation differences	(16)	-
Balances at the end of the period	**2,560**	**2,236**

(*) Amounts recognised under "Gain (loss) on disposals of financial instruments – Other financial instruments" in the consolidated statement of profit or loss (see Note 28).

Impaired assets

At 31 December 2020 and 2019, financial assets classified as loans and deemed to be fully impaired due to the associated credit risk totalled EUR 2,560 thousand and EUR 2,326 thousand, respectively. Of this amount, at 31 December 2020 EUR 175 thousand (31 December 2019: EUR 101 thousand) corresponded to impairment losses recognised on application of the expected loss model. The remaining amount basically comprises impairment losses recognised by the Group having detected objective evidence of impairment after analysing the balances on a case-by-case basis.

11.2 Other receivables

At 31 December 2020 and 2019, "Trade and other receivables – Other receivables" on the assets side of the consolidated statement of financial position comprised receivables from public entities, excluding income tax rebates, totalling EUR 1,357 thousand and EUR 1,623 thousand, respectively (see Note 20).

At 31 December 2019 "Trade and other receivables – Other receivables" on the assets side of the consolidated statement of financial position included an amount pending collection of EUR 250 thousand corresponding to temporary cash drawdowns of Alantra Private Equity Secondary Fund. S.C.R., S.A. Meanwhile, at 31 December 2019 it included an amount pending collection from Alantra Wealth Management, A.V., S.A. corresponding to a provision for value added tax of EUR 274 thousand (in August 2019, following its loss of control over said company, the Group applied to remove it from the VAT group) and an amount granted by the Group to the company to meet temporary cash drawdowns of EUR 215 thousand.

At 31 December 2020 a further EUR 10 thousand (EUR 15 thousand at 31 December 2019) corresponded to impairment losses recognised as a result of applying the expected loss model.

Finally, the balance recorded under “Trade and other receivables – Other receivables” on the assets side of the consolidated statement of financial position at 31 December 2020 included the amount pending collection in respect of the dividend distributed by Nplus1 Singer Ltd of EUR 623 thousand.

12. Other current financial assets

12.1 Financial assets at fair value through profit or loss

The balance under this line item in the consolidated statement of financial position includes, at 31 December 2019, a convertible loan of EUR 11,116 thousand granted to Atlántida Directorship, S.L. Sociedad Unipersonal. As said loan was formalised on 30 December 2019, at the end of the 2019 reporting period its fair value was the same as its cost. The Company’s directors deemed that the right conditions have been fulfilled to consider Access Capital Partners Group, S.L. Sociedad Unipersonal to be a subsidiary because, since January 2020 the capitalisation options described beforehand can be exercised (see Notes 2.14 and 10).

12.2 Financial assets at amortised cost

The balance of this line item on the assets side of the consolidated statement of financial position sheet primarily comprises the deposit accounts opened by the Group in 2019:

	Thousands of Euros			
	Nominal Value	Carrying Amount	Expiry Rate	Annual Interest Rate
Bankinter, S.A.	3,000	3,000	25/04/2020	0.15%
	3,000	**3,000**		

This deposit generated interest of EUR 1 thousand, recorded under “Finance income” in the 2019 consolidated income statement.

As a result of the corporate action in Alantra AG (see Note 2.14 in the section on “Acquisition of an additional equity interest in Alantra AG involving obtainment of control”), the Group recognised a receivable at 31 December 2020 and 2019 of EUR 575 thousand as per the agreement to exchange cash flows related with earnings in the period 2018-2020. It is expected that this will be settled in the first half of 2021.

At 31 December 2020 the loans granted by the Company to the former shareholders of Alantra Corporate Finance, LLP amounting to EUR 45 were reclassified from “Non-current financial assets – At amortised cost” on the assets side of the consolidated statement of financial position as they mature on 31 June 2021 (see Note 9.4).

At 31 December 2019 the amount corresponding to the loans to certain partners of EUR 680 thousand was also included. These loans fell due on 30 September 2019. The Group and its partners agreed that during the loan term, any distributions to partners would not be paid but would be used to pay down the loan and interest. Consequently, said loans were cancelled by offsetting them against the amounts received in respect of the interim dividend distributed. These loans bore interest at an annual fixed rate equal to the Euribor + 1%. The amounts thereof were not material for the accompanying consolidated annual financial statements.

On 27 April 2016 the Group granted six loans totalling USD 2,313 thousand and EUR 414 thousand to the former shareholders of Alantra, LLC which were carried under ""Non-current financial assets – At amortised cost" in the consolidated statement of financial position at 31 December 2019 because the loans matured on or before 27 April 2020, and were repaid in full in the first quarter of 2020. These loans were secured by the shares the Group handed over to Alantra, LLC's former shareholders, with one being settled through the return of 44,059 of the Company's treasury shares (see Note 15). The interest rate on these loans was floating and tied to the 1M Euribor + 1.5% (with a floor of 1.5%), which was paid when the loans fell due. In 2020 and 2019 an immaterial amount of interest was generated, recognised under "Finance income" in the 2020 and 2019 consolidated income statements. Moreover, when the loans fell due and at the 2019 year-end, the Group converted the US-dollar loan granted to the former shareholders of Alantra, LLC to its functional currency at the maturity-date exchange rate and the year-end exchange rate, respectively, generating an immaterial gain recognised under "Exchange differences" in the consolidated income statement for 2020 and 2019.

At 31 December 2019 the Group recognised a deposit amounting to EUR 200 thousand as established in the Asabys Asset Services, S.L. investment agreement (see the section on "Acquisition of a non-controlling interest in Asabys Partners. S.G.E.I.C., S.A." in Note 2.14).

Additionally, at 31 December 2019 the amounts of EUR 299 thousand and EUR 300 were recognised in respect of the contribution made by the Group to incorporate two new hedge funds QMC Iberian Opportunities, F.I.L and Alteralia Real Estate Debt, F.I.L., respectively, whose shares were still pending issue at that date (see Notes 9.1 and 9.2).

Lastly, on 28 June 2018 Alantra International Corporate Advisory, S.L.U. granted a series of loans to Alantra, s.r.l.'s partners, which fall due on 25 July 2024 – the end date of the lock-up period of six years to which the shares received by the Italian non-controlling shareholders were subject as a result of the acquisition of the capital of Alantra, s.r.l. by the Company (see Note 15). As per the loan agreement, Alantra International Corporate Advisory, S.L.U. assigned its position as lender to the Company on 8 June 2020. With the voluntary exit of one of the Italian non-controlling shareholders, the amount it owed the Group (EUR 115 thousand) fell due, was callable on demand and settled. An amount of EUR 75 thousand of the loan was offset by handing over shares in the Company (see Note 15). The remaining balance receivable of EUR 40 thousand is recognised under "Current financial assets – At amortised cost" on the assets side of the statement of financial position.

Finally, at 31 December 2020, impairment losses in compliance with IFRS 9 and as per the simplified approach used by the Group (see Note 3-e) have been estimated to total EUR 2 thousand (EUR 95 thousand at 31 December 2019), this movement being recognised under "Loss/reversal of loss on impairment of financial instruments" in the consolidated income statement (see Note 28).

13. Other current assets and liabilities

"Other current assets" on the assets side of the consolidated statement of financial position at 31 December 2020 and 2019 included prepaid expenses of EUR 1,065 thousand and EUR 1,662 thousand, Impairment losses as a result of application of IFRS 9 and as per the simplified approach used by the Group (see Note 3) on current assets have been estimated at EUR 4 thousand (EUR 8 thousand at 31 December 2019), this movement being recognised under "Loss/reversal of loss on impairment of financial instruments" in the consolidated income statement (see Note 28).

At 31 December 2019, "Other current liabilities" includes accrued income of EUR 1,159 thousand (31 December 2019: EUR 813 thousand).

14. Cash and cash equivalents

a) Breakdown

Details of "Cash and cash equivalents" at 31 December 2020 and 2019 are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Cash:		
Current accounts	90,128	95,506
Cash	76	51
	90,204	95,557
Other cash equivalents:		
Deposit accounts at credit institutions	-	-
	-	-
Impairment losses:	(620)	(482)
	89,584	**95,075**

At 31 December 2020 impairment losses as a result of application of IFRS 9 and as per the simplified approach used by the Group (see Note 3-e) on cash and cash equivalents have been estimated at EUR 620 thousand (EUR 482 thousand at 31 December 2019), this movement being recognised under "Loss/reversal of loss on impairment of financial instruments" in the consolidated income statement (see Note 28).

Income generated from current accounts in 2020 and 2019 was not material for the Group.

Details of the current accounts held by the Group at 31 December 2020 and 2019 are as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Currents accounts in euros:		
Bankinter, S.A.	22,651	27,772
Banca March, S.A.	27	217
Banco Sabadell, S.A.	940	4,384
Banco Bilbao Vizcaya Argentaria, S.A.	106	107
Banco Santander, S.A.	3,583	8,374
Crédit Agricole Italia S.p.A.	1,361	486
UBI Banca	1,973	504
Grupo Bancario Credito Emiliano	2,849	2.450
Banca Albertini Syz & Co,	-	5
Zürcher Kantonalbank	80	230
Barclays Banc PLC	5,381	14,350
Bankia, S.A.	50	50
Crédit Lyonnais	1,333	(2)
Cajamar Caja Rural	6	6
Commerzbank, A.G.	8,614	2,099
BNP Paribas Securities Services	10,562	5,482
ING Bank, N.V.	217	91
Allied Irish Bank	673	5,317
Alpha Bank	160	427
Bank of Ireland	75	39
Erste Bank	566	487
Svenska Handelsbanken AB	116	256
Société Générale	46	29
Arquia Bank, S.A.	25	40
EFG Bank (Luxembourg) S.A.	54	150
HSBC Bank (China)	40	-
	61,488	**73,350**
Current accounts in currencies other than the euro:		
Banco Santander, S.A.	7,672	5,772
Allied Irish Bank	1,554	1,634
Crédit Lyonnais	3	185
Svenska Handelsbanken AB	739	388
Bank of America	-	(33)
Barclays Bank PLC	12,094	3,704
Banco Bilbao Vizcaya Argentaria, S.A.	2	52
Bank of Bahrain and Kuwait B.S.C.	6	22
China Merchants Bank	1,525	2,349
Zürcher Kantonalbank	2,782	4,731
HSBC Bank (China)	153	-
Industrial and Commercial Bank of China	1	-
Bankinter, S.A.	2,109	3,352
	28,640	22,156
	90,128	**95,506**

	Thousands of Euros	
	31/12/2020	31/12/2019
Current accounts by country:		
Domestic market	29,222	42,708
UK	17,475	17,444
Italy	4,578	2,534
Germany	8,614	2,098
France	11,441	4,686
Greece	250	639
Netherlands	216	460
Portugal	579	685
Sweden	855	645
Belgium	452	40
Austria	566	538
Ireland	442	599
Luxembourg	100	152
Switzerland	4,078	7,725
United States	9,007	11,573
India	6	21
China	1,719	2,349
Chile	526	558
Mexico	2	52
	90,128	**95,506**

Pursuant to Article 42 bis 4b) of Royal Decree 1065/2007, the Alantra Group individually identifies in its auxiliary accounting records the current accounts held outside Spain by the Company or its foreign and Spanish subsidiaries.

In April the Group arranged a EUR 20-million line of credit with Bankinter, none of which has yet been drawn down.

15. Equity

The changes in 2020 and 2019 in this line item in the consolidated statement of financial position were as follows:

	Thousands of Euros											
			Reserves									
	Capital	Share Premium	Legal and Statutory Reserve	Other Reserves	Reserves at Consolidated Companies	Reserves in Companies Accounted for Using the Equity Method	Less: Treasury Shares and Own Equity Instruments	Profit (loss) for the Period Attributable to the Parent	Interim Dividend	Other Equity Instruments	Total	Dividends
Balances at 31 December 2018	115,894	111,863	22,316	(38,157)	(16,819)	1,727	(768)	35,031	(25,048)	-	206,039	7,698
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted balances at 31 December 2018	115,894	111,863	22,316	(38,157)	(16,819)	1,727	(768)	35,031	(25,048)	-	206,039	7,698
Equity issues	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit for 2018	-	-	875	5,130	(4,659)	582	-	(35,031)	25,048	-	(8,055)	8,055
Purchase/sale of treasury shares	-	-	-	536	-	-	591	-	-	-	1,127	-
Profit for 2019	-	-	-	-	-	-	-	40,134	-	-	40,134	-
Decreases in equity resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (Note 4)	-	-	-	-	-	-	-	-	(30,229)	-	(30,229)	-
Transaction with shareholders or owners	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	(998)	692	-	-	-	-	-	(306)	-
Balances at 31 December 2019	**115,894**	**111,863**	**23,191**	**(33,489)**	**(20,786)**	**2,309**	**(177)**	**40,134**	**(30,229)**	**-**	**208,710**	**8,055**
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted balances at 31 December 2019	115,894	111,863	23,191	(33,489)	(20,786)	2,309	(177)	40,134	(30,229)	-	208,710	8,055
Equity issues	-	-	-	-	-	-	-	-	-	-	-	-
Distribution of profit for 2019	-	-	-	2,883	(685)	735	-	(40,134)	30,229	-	(6,972)	6,972
Purchase/sale of treasury shares	-	-	-	-	-	-	(1,358)	-	-	-	(1,358)	-
Profit for 2010	-	-	-	-	-	-	-	29,026	-	-	29,026	-
Decreases in equity resulting from business combinations	-	-	-	-	-	-	-	-	-	-	-	-
Dividends (Note 4)	-	-	-	-	-	-	-	-	(9,607)	-	(9,607)	-
Transaction with shareholders or owners	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	(1,034)	32,869	65	-	-	-	-	31,900	-
Balances at 31 December 2020	**115,894**	**111,863**	**23,191**	**(31,640)**	**11,398**	**3,109**	**(1,535)**	**29,026**	**(9,607)**	-	**251,699**	**6,972**

Capital

On 13 December 2016 the General Meeting of the Company resolved to increase the share capital by issuing and placing in circulation 1,262,652 ordinary shares with a nominal value of EUR 3 each and a share premium of approximately EUR 6,525 per share. The full amount of the capital increase was wholly subscribed and paid in by the former shareholders of Alantra, LLC. Also, on 13 December 2016 the General Meeting resolved to increase its share capital by issuing and placing in circulation 604,124 ordinary shares with a nominal value of EUR 3 each and share premium of approximately EUR 6,228 per share. The increase was fully subscribed and paid in by certain shareholders of Alantra International Corporate Advisory, S.L. by way of a non-monetary contribution of 509,012 shares of Company Alantra International Corporate Advisory, S.L. On 4 January 2017 there was recorded in the Companies Registry of Madrid the deed executed on 20 December 2016 notarising the resolutions on the capital increases approved by the Extraordinary General Meeting of Shareholders of the Company on 13 December 2016.

As a result, at 31 December 2016 the share capital stood at EUR 106,610,880, represented by 35,536,960 shares each with a nominal value of EUR 3.

On 21 November 2017, the Company's General Meeting voted to increase capital by issuing 1,635,592 new ordinary shares with a par value of EUR 3 each and a share premium of EUR 8.79 per share, which were fully subscribed and paid up by the former partners of Alantra Corporate Finance, LLP through a non-monetary contribution of 54.85% of Alantra Corporate Finance, LLP's capital,

As a result, at 31 December 2017 the share capital stood at EUR 111,517,656.00 represented by 37,172,552 shares each with a nominal value of EUR 3.

On 25 July 2018, the Company's Extraordinary General Meeting voted to increase share capital by issuing and placing 1,458,852 ordinary shares of EUR 3 par value each and with a share premium of approximately EUR 12.15 per share, These had been subscribed and paid by certain partners through non-monetary contributions of 40% of the capital of Italian company, Alantra, S.r.l., 40% of the capital of the French company, Alantra France Corporate Finance S.A.S, (including 100% of Quattrocento, S.A.S.), and shares and units representing 29.998% of the political rights and 54.999% of the economic rights of the Swiss company, Alantra AG.

As a result, the Company's capital amounted to EUR 115,894,212.00, represented by 38,631,404 shares of EUR 3 par value each.

All shares are of the same class and carry the same economic and political rights. These shares are listed on the electronic trading platforms of the Madrid and Barcelona stock exchanges.

Details of the Company's shareholders with stakes of 3% or higher at 31 December 2020 (as per the register of significant holdings kept by the CNMV) are as follows:

Shareholders	2020			
	No, of Shares Held Directly	% Direct Ownership	No, of Shares Held Indirectly	% Indirect Ownership
Taiko, S.A. (sociedad absorbente de Ánpora Patrimonio, S.A.R.L.)	7,000,000	18.12%	-	-
Ricardo Portabella Peralta	-	-	7,000,000	18.12%
Certimab Control, S.L.	5,722,304	14.81%	-	-
Santiago Eguidazu Mayor	1,033,969	2.68%	5,722,304	14.81%
AV Málaga Capital, S.L.	2,664,132	6.90%	-	-
Jose Antonio Abad Zorrilla	100,000	0.26%	2,664,132	6.90%
Viviendas Vacacionales Cantabria, S.L.	2,562,742	6.63%	-	-
Jorge Mataix Entero	192,038	0.50%	2,562,742	6.63%
Starr International Company, Inc	1,699,891	4.40%	-	-
Starr International, AG	-	-	1,699,891	4.40%
Santa Lucía Vida y Pensiones S.A., Compañía de Seguros y Reaseguros (*)	1,176,628	3.05%	425,887	1.10%
Other shareholders	16,195,417	41.92%	-	-
Treasury shares	284,283	0.74%	-	-
	38,631,404	**100.00%**	**20,074,956**	**51.97%**

Details of the Company’s shareholders with stakes of 3% or higher at 31 December 2019 (as per the register of significant holdings kept by the CNMV) were as follows:

Shareholders	2019			
	No, of Shares Held Directly	% Direct Ownership	No, of Shares Held Indirectly	% Indirect Ownership
Ánpora Patrimonio, S.A.R.L.	7,028,661	18.19%	-	-
Ricardo Portabella Peralta	-	-	7,028,661	18.19%
Certimab Control, S.L.	5,722,304	14.81%	-	-
Santiago Eguidazu Mayor	1,033,969	2.68%	5,722,304	14.81%
AV Málaga Capital, S.L.	2,664,132	6.90%	-	-
Jose Antonio Abad Zorrilla	100,000	0.26%	2,664,132	6.90%
Viviendas Vacacionales Cantabria, S.L.	2,542,742	6.58%	-	-
Jorge Mataix Entero	212,038	0.55%	2,542,742	6.58%
Starr International Company, Inc	1,699,891	4.40%	-	-
Starr International, AG	-	-	1,699,891	4.40%
Other shareholders	17,603,726	45.57%	-	-
Treasury shares	23,941	0.06%	-	-
	38,631,404	**100.00%**	**19,657,730**	**50.88%**

On 26 March 2015 the shareholders of N+1 IBG signed a “Shareholders’ Agreement on the Company generated from the merger of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. and N Más Uno IBG, S.A. – Share Lock-up obligations” whereby the shareholders of the Company via N+1 IBG agreed not to transfer the shares in the Company obtained in the swap effected to carry out the Merger for a specific period of time determined according to the nature of the shareholder, Said agreement came into force on the date the Merger was recorded in the Mercantile Register and was automatically cancelled after four years from that date.

Furthermore, after the issuance of the shares that have been received by the former shareholders of Alantra, LLC and certain shareholders of Alantra International Corporate Advisory, S.L.U., certain shareholders' agreements came into effect whereunder the new shareholders agreed to a lock-up of the shares of the Company obtained in the capital increases approved by the General Meeting of the Company on 13 December 2016 for a specified period of time. Those agreements came into effect on 18 January 2017 and were automatically cancelled four years later.

Furthermore, after the issuance of the shares that were received by the former shareholders of Alantra Corporate Finance, LLP and certain shareholders of Alantra International Corporate Advisory, S.L., certain shareholders' agreements came into effect whereunder the new shareholders agreed to a lock-up of the shares of the Company obtained in the capital increases approved by the General Meeting of the Company on 21 November 2017 for a specified period of time. Those agreements came into effect on 20 December 2017 and will be automatically cancelled on 30 June 2021 for nine shareholders and on 30 June 2023 for six shareholders.

Lastly, following the issue of shares received by the non-controlling shareholders of Alantra AG, Alantra s.r.l. and Alantra France Corporate Finance S.A.S., a number of associative arrangements came into force to ensure new shareholders assume certain lock-up obligations in connection with the Company's shares obtained through the capital increase approved by the Company's Extraordinary General Meeting on 25 July 2018 for a period of six years.

Share premium

The Spanish Corporate Enterprises Act expressly permits the use of the share premium to increase capital and establishes no specific restrictions as to its use.

In 2020 and 2019 the Company's General Meeting did not approve any distributions to shareholders with a charge to share premium.

Reserves

The breakdown, by type, of this line item in the consolidated statement of financial position at 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Legal reserve	23,178	23,178
Statutory reserve	13	13
Other reserves	(31,640)	(33,489)
Reserves in consolidated companies	11,398	(20,786)
Reserves in companies accounted for using the equity method	3,109	2,309
	6,058	**(28,775)**

Legal and statutory reserve

Companies posting a profit in a financial year must transfer 10% of profit to the legal reserve until the balance of this reserve reaches at least 20% of the share capital, except when losses from previous years reduced the Company's equity to less than its share capital. In the latter case, profit shall be allocated to offset such losses until equity equals share capital and will transfer 10% of the remaining profit to the corresponding legal reserve.

The legal reserve may be used to increase capital, provided that the remaining reserve balance does not fall below 10% of the increased share capital. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2020 and 2019 the Company's legal reserve amounted to EUR 23,178 thousand and the statutory reserve amounted to EUR 13 thousand.

Other reserves

"Other reserves" includes freely distributable reserves, Reserves are negative as a result of the takeover described in Note 1 and the need to redefine share N+1 IBG's capital.

Furthermore, "Other reserves" likewise included at 31 December 2020 and 2019, among other items, the negative reserve generated as a result of the capital increases carried out by Alantra Partners, S.A. and subscribed and paid in by the shareholders of Alantra AG, Alantra France Corporate Finance, S.A.S., Quattrocento, S.A.S, and Alantra, s.r.l., by way of a non-monetary contribution of shares representing 55%, 21%, 100% y 40% of said entities, in the amount of EUR 948 thousand.

Reserves in consolidated companies

The breakdown, by company, of this line item in the consolidated statement of financial position at 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Alantra International Corporate Advisory, S.L.U, (*) (**)	(18,462)	(15,160)
Alantra Corporate Finance China, S.A.	1,078	(176)
Alantra Investment Managers, S.L. (*) (***)	29,032	(3,109)
Alantra Corporate Portfolio Advisors, S.L. (*) (**)	3,490	-
Alantra Equities, Sociedad de Valores, S.A.	(1,490)	(1,372)
Alantra Dinamia Portfolio II, S.L.	20	20
Alantra Capital Markets, Sociedad de Valores, S.A.U,	(47)	(47)
Alantra AG	299	308
Alantra Corporate Finance, LLP	(2,522)	(1,250)
	11,398	**(20,786)**

(*) Corresponds to the reserves contributed to the Alantra Group by each of the consolidated sub-groups therein (see Note 2.14).

(**) As a result of the corporate restructuring leading to Alantra Corporate Portfolio Advisors, S.L. becoming a direct component of the Company, reserves in consolidated companies were presented in 2020 as an independent sub-group of Alantra International Corporate Advisory, S.L.U. At 31 December 2020, the companies contributing the most significant balances in the Alantra International Corporate Advisory, S.L.U. consolidated sub-group are: Alantra Deutschland GmbH (positive sum of EUR 2,883 thousand) and Alantra International Corporate Advisory, S.L.U., Alantra, s.r.l., Alantra France Corporate Finance, S.A.S., Alantra Austria & CEE GmbH, Alantra US Corporation, LLC and Alantra, LLC (negative sums of EUR 2,835 thousand, EUR 2,739 thousand; EUR 6,755 thousand, EUR 1,126 thousand, EUR 1,772 thousand and EUR 1,710 thousand, respectively). At 31 December 2020, the companies contributing the most significant balances in the Alantra Corporate Portfolio Advisors, S.L. are: Alantra Corporate Portfolio Advisors, S.L. and Alantra Corporate Portfolio Advisors International (Ireland) (positive sums of EUR 2,174 thousand and EUR 908 thousand, respectively).

(***) The variation of the Alantra Investment Managers, S.L. sub-group mainly corresponds to the positive effect for the Group of the sale of 2% of this company by the Group, and the increase in Alantra Investment Managers, S.L.'s capital fully subscribed by the Mutua Group, which obtained an 18% equity stake (see Note 2.14). At 31 December 2020, the companies contributing the most significant balances in the consolidated sub-group are: Alantra Investment Managers, S.L., Alantra Capital Privado, S.G.E.I.C., S.A.U. and Baruch Inversiones, S.L. (positive sums of EUR 25,576 thousand, EUR 1,179 thousand and EUR 914 thousand, respectively).

Reserves in companies accounted for using the equity method

The breakdown, by company, of this line item in the consolidated statement of financial position at 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31/12/2020	31/12/2019
Nplus1 Singer Ltd (*)	3,396	2.140
Alpina Real Estate GP, S.A., en liquidación	(18)	104
Alpina Real Estate GP I, S.A., en liquidación	24	29
Alpina Real Estate GP II, S.A., en liquidación	54	59
Phoenix Recovery Management, S.L.	12	12
Landmark Capital, S.A. (*)	(186)	(7)
Tertenia Directorship, S.L.	(1)	-
Alantra Wealth Management Gestión, S.G.I.I.C., S.A.	(11)	-
Alantra Wealth Management A.V., S.A.	(133)	-
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	41	41
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş.	(69)	(69)
	3,109	**2,309**

(*) Corresponds to the reserves contributed to the Alantra Group by each of the consolidated sub-groups therein (see Note 2.14).

Treasury shares and own equity instruments

In 2020, the Group acquired 183,263 treasury shares as explained in Notes 9.3 and 12.2. It also acquired a further 77,079 treasury shares, whereby its treasury share portfolio totalled 284,283 shares at 31 December 2020.

In 2019 the Group sold 80,000 treasury shares (see Note 9.3) whereby its treasury share portfolio totalled 23,941 shares at 31 December 2019.

16. Non-controlling interests

The balance of this line item in the consolidated statement of financial position comprises the value of the ownership interests of minority shareholders and partners in the subsidiaries. The balance under “Non-controlling interests” in the consolidated statement of profit or loss represents the share of subsidiaries’ profit or loss to which these minority shareholders and partners are entitled.

“Non-controlling interests” in the consolidated statement of financial position at 31 December 2020 related to the ownership interests in the following companies:

	Thousands of Euros						
	Capital	Reserves	Valuation Adjustments	Translation Differences	Profit (Loss) for the Period (*)	Interim Dividends	Total
Alantra Equities, Sociedad de Valores, S.A.	1,000	366	-	-	49	-	1,415
Alantra Corporate Finance China, S.A.	18	386	-	(12)	70	-	462
Alantra Investment Pool, S.L.	5	22,636	319	-	136	-	23,096
Alantra Corporate Portfolio Advisors, S.L.	3	1,497	-	-	(66)	-	1,434
Alantra Corporate Portfolio Advisors International Limited	1,306	1,555	-	(178)	476	-	3,159
Alantra Corporate Portfolio Advisors International (Ireland)	-	1,314	-	-	202	(870)	646
Alantra Corporate Portfolio Advisors (Italy) s.r.l.,	6	37	-	-	53	-	96
Alantra Corporate Portfolio Advisors (Greece) S.A.	14	87	-	-	380	-	481
Alnt Corporate Portfolio Advisors (Portugal) Lda,	-	(16)	-	-	118	-	102
Alantra Business Consultancy Shanghai Co., Ltd,	233	-	-	3	(166)	-	70
Alantra Corporate Portfolio Advisors International (Brazil) LTDA	61	-	-	(19)	(29)		13
Alantra CPA Iberia, S.L.	2	132	-	-	(184)	-	(50)
UDA Real Estate Data, S.L.	2	387	-	-	(88)	-	301
Alantra Investment Managers, S.L.	96	14,189	23	-	134	(1,500)	12,942
Alantra Private Equity Advisor, S.A.U,	12	(6)	-	-	-	-	6
Nmás1 Private Equity International S.à.r.l,	8	(8)			1	-	1
Brooklin Buy-Out Limited	1	-	-	-	-	-	1
Alantra Multi Asset, S.G.I.I.C., S.A.U, (anteriormente denominada Alantra Asset Management, S.G.I.I.C., S.A.U,)	60	90	-	-	3	-	153
QMC Directorship, S.L.U,	1	1	-	-	-	-	2
Alantra EQMC Asset Management, S.G.I.I.C., S.A.	15	78	-	-	403	(288)	208
EQMC GP, LLC	-	-	-	-	-	-	-
Mercapital Private Equity, S.G.E.I.C., S.A.U,	60	12	-	-	(2)	-	70
Partilonia Administración, S.L.U,	1	-	-	-	-	-	1
Mideslonia Administración, S.L.U,	1	-	-	-	-	-	1
Paulonia Servicios de Gestión, S.L.U,	1	-	-	-	-	-	1
Flenox, S.L.U,	1	1	-	-	-	-	2
Alantra Private Equity Servicios, S.L.U,	1	32	-	-	(1)	-	32
Alantra Capital Privado, S.G.E.I.C., S.A.U,	62	167	-	-	519	(450)	298
Alantra Reim, S.L.U,	2	100	-	-	37	-	139
Alantra CRU, S.L.U,	1	62	-	-	(63)	-	-
Alantra Debt Solutions, S.L.	2	-	-	-	387	(320)	69
Alteralia Management, S.à.r.l,	3	(4)	-	-	(2)	-	(3)
Alteralia II Management, S.à.r.l,	2	(2)	-	-	(4)	-	(4)
Alantra Solar, S.L.	2	-	-	-	(3)	-	(1)
Alantra Enagás Energy Transition, S.A. (anteriormente denominada Alantra Energy Transition, S.A.)	54	206	-	-	(73)	-	187
Alantra Real Estate Asset Management, S.A.	12	-	-	-	(8)	-	4
Baruch Inversiones, S.L.	18	1,063	19	-	(**) 671	(671)	1,100
Partnersalantra Portugal LDA	5	68	-	-	34	-	107
Alantra Nordics AB	3	339	-	9	(56)	-	295
Alantra Denmark ApS	1	20	-	1	5	-	27
Alantra Belgium, NV	75	29	-	-	(42)	-	62
Alantra Austria & CEE GmbH	34	(113)	-	-	173	-	94
C.W, Downer & Co, India Advisors LLP	-	(17)	-	1	(1)	-	(17)
Alantra Tech USA, LLC	122	(143)	-	(13)	159	-	125
	3,306	**44,545**	**361**	**(208)**	**3,222**	**(4,099)**	**47,127**

(*) As part of the acquisition of the additional 55% of Alantra AG.'s share capital and incorporation of Alantra EQMC Asset Management, S.G.I.I.C., S.A., put options were arranged over all the shares of the aforementioned companies that the non-controlling partner holds at any given time, with a financial liability recognised for the fair value of the best estimate of the balance payable under "Non-current financial liabilities – Other financial liabilities" in the consolidated statement of financial position at 31 December 2020 (see Note 18). Consequently, "Non-controlling interests" in the consolidated statement of financial position did not include the amounts attributable to Alantra AG non-controlling interests, only those corresponding to the Mutua Group (20% of 60% of Alantra EQMC Asset Management, S.G.I.I.C. S.A.'s share capital) in 2020, which are however shown in "Profit attributable to non-controlling interests" in the consolidated income statement. Equally, "Profit attributable to non-controlling interests" in the consolidated income statement includes the results obtained by those companies acquired or incorporated in 2020 (Alantra Solar, S.L., Alantra Enagás Energy Transition, S.A. – formerly Alantra Energy Transition, S.A., Alantra Real Estate Asset Management, S.A. and Alantra CPA Iberia, S.L.).

(**)Primarily corresponds to the effect on 2020 profit attributable to non-controlling interests of income from the Class B units of the funds comprising the structure of Nmás1 Private Equity Fund II (in liquidation) (see Note 25.1).

"Non-controlling interests" in the consolidated statement of financial position at 31 December 2019 comprised the ownership interests in the following companies:

	Thousands of Euros						
	Capital	Reserves	Valuation Adjustments	Translation Differences	Profit (Loss) for the Period (*)	Interim Dividends	Total
Alantra Equities, Sociedad de Valores, S.A.	1,000	425	-	-	143	-	1,568
Alantra Corporate Portfolio Advisors, S.L.	3	742	-	-	2,601	(1,600)	1,746
Alantra Corporate Portoflio Advisors International Limited	1,306	401	-	144	1,827	-	3,678
Alantra Corporate Portfolio Advisors International (Ireland)	-	154	-	-	1,190	-	1,344
Alantra Corporate Portfolio Advisors (Italy), s.r.l.,	6	-	-	-	36	-	42
Alantra Corporate Portfolio Advisors (Greece) S.A.	15	-	-	-	87	-	102
Alnt Corporate Portfolio Advisors (Portugal) Lda,	2	1	-	-	(6)	-	(3)
UDA Real Estate Data, S.L.	2	515	-	-	(34)	-	483
Baruch Inversiones, S.L.	15	537	43	-	(**) 4,630	(4,255)	970
Alantra Debt Solutions, S.L.	1	-	-	-	225	(199)	27
Alantra Greece Corporate Advisors, S.A.	6	68	-	-	(68)	-	6
Partnersalantra Portugal LDA	5	111	-	-	(42)	-	74
Alantra Nordics AB	7	98	-	(1)	289	-	393
Alantra Denmark ApS	1	-	-	-	(14)		(13)
Alantra Belgium, NV	75	(28)	-	-	57	-	104
Alantra Austria & CEE GmbH	47	(14)	-	-	(142)	-	(109)
C.W, Downer & Co, India Advisors LLP	-	(15)	-	-	(1)	-	(16)
Alantra Corporate Finance México, S.A. de S.V.	-	-	-	-	-	-	-
Alantra Tech USA, LLC	123	-	-	(1)	(155)	-	(33)
EQMC GP, LLC	-	5	-	-	-	-	5
	2,614	**3,000**	**43**	**142**	**10,623**	**(6,054)**	**10,368**

(*) As part of the acquisition of the additional 55% of Alantra AG,'s share capital and incorporation of Alantra EQMC Asset Management, S.G.I.I.C. , S.A., put options were arranged over all the shares of the aforementioned companies that the minority interest holds at any given time, with a financial liability recognised for the fair value of the best estimate of the balance payable under "Non-current financial liabilities – Other financial liabilities" in the consolidated statement of financial position at 31 December 2019 (see Note 18), Consequently, "Non-controlling interests" in the consolidated statement of financial position did not include the amounts attributable to non-controlling interests in 2019, which are however shown in "Profit attributable to non-controlling interests" in the consolidated income statement. Equally, "Profit attributable to non-controlling interests" in the consolidated income statement includes the results obtained by those companies acquired or incorporated in 2019 (Alantra Corporate Portfolio Advisors (Italy), s.r.l., Alantra Corporate Portfolio Advisors (Greece) S.A., Alnt Corporate Portfolio Advisors (Portugal) Lda., UDA Real Estate Data, S.L., Alantra Denmark ApS and Alantra Tech USA, LLC).

(**) Primarily corresponds to the effect on 2019 results attributable to minority interests of income from the Class B units of the funds comprising the structure of Nmás1 Private Equity Fund II (see Note 25.1).

The changes in 2020 and 2019 in the balance of "Non-controlling interests" in the consolidated statement of financial position were as follows:

	Thousands of Euros
Balance at 1 January 2019	8,779
Profit (loss) for 2019 attributable to non-controlling interests	12,824
Other changes in equity attributable to non-controlling interests	155
Others (*)	(11,390)
Balance at 31 December 2019	10,368
Profit (loss) for 2020 attributable to non-controlling interests	4,629
Other changes in equity attributable to non-controlling interests	(32)
Others (*)	32,162
Balance at 31 December 2019	**47,127**

(*) Basically includes the effect of the corporate actions carried out in 2020 and 2019, with the dividend distribution being the most significant effect; and in 2020 the sale of 2% of Alantra Investment Managers, S.L. by the Group and the increase in Alantra Investment Managers, S.L.'s share capital fully subscribed by the Mutua Group meaning it acquired an 18% equity stake; and the sale of 49.90% of Alantra Investment Pool, S.L. also to the Mutua Group (see Note 2.14).

17. Non-current provisions

At 31 December 2014, the Group recognised a provision to cover the performance fee paid to its Management Company (Alantra Capital Privado, S.G.E.I.C., S.A.U,) for managing the Company's investees. This fee was calculated by multiplying the net gain generated by the Company from the sale of each investee by a remuneration rate of 20%, Alantra Capital Privado, S.G.E.I.C., S.A.U, passed on part of this performance fee to its employees by way of a bonus, which would be provisioned for and settled provided the conditions stipulated in the management contract between the Company and Alantra Capital Privado, S.G.E.I.C., S.A.U, are fulfilled. As a result of the Merger described in Note 1 and the Company losing its status as a private equity firm, this contract was cancelled and the provision was not considered in the business combination. The part corresponding to the bonus payable by Alantra Capital Privado, S.G.E.I.C., S.A.U, to its employees for managing the Company's portfolio was however, kept on the books, "Non-current provisions" on the liabilities side of the consolidated statement of financial position at 31 December 2020 and 2019 therefore includes EUR 535 thousand in both years, provision set aside for this bonus.

A further allowance of EUR 1,094 thousand was recognised under "Non-current provisions" in 2020 and 2019 as the best estimate of the cost of the requirement for the Company to comply with an investment agreement. Consequently, the Company recognised an expense for said amount under "Loss/reversal of loss on impairment of financial instruments" in the 2019 consolidated income statement (see Note 28).

At 31 December 2020 and 2019, it also included EUR 1,587 thousand and EUR 1,587 thousand, respectively, provisioned by certain foreign companies for various concepts, including EUR 241 thousand in 2020 (31 December 2019: EUR 801 thousand) for restructuring certain subsidiaries. At 31 December 2020 "Non-current provisions" on the liabilities side of the consolidated statement of financial position included an allowance of EUR 1,069 thousand (31 December 2019: EUR 927 thousand) recognised in the normal course of the Group's business.

Finally, "Non-current provisions" in the consolidated statement of financial position at 31 December 2020 and 3019 included EUR 5,419 thousand corresponding to the Company's directors best estimate of the variable remuneration accrued as a result of the revenues generated for the Group on its investment in Alantra Wealth Management (see Note 2.14), which will not be payable until 2022.

The movements recorded in 2020 and 2019 in the balance of "Non-current provisions" in the consolidated statement of financial position are shown below:

	Thousands of Euros
Balances at 1 January 2019	2,090
Allocations with a charge to income (*)	7,472
Recoveries released to income	-
Other	-
Balances at 31 December 2019	9,562
Allocations with a charge to income (**)	333
Recoveries released to income	-
Other	(626)
Balances at 31 December 2019	**9,269**

(*) Charged to "Other operating expenses" and "Personnel expenses" and to "Loss/reversal of loss on impairment of financial instruments" in the consolidated income statement for 2019.

(**)Primarily recognised with a charge to "Other operating expenses" in the 2020 consolidated income statement.

18. Financial liabilities

181 Non-current financial liabilities

At 31 December 2020 "Non-current financial liabilities – Other financial liabilities" in the consolidated statement of financial position includes the financial liabilities of EUR 6,450 thousand and EUR 1,660 thousand, respectively, corresponding to the put options for the minority interests of Alantra EQMC Asset Management, S.G.I.I.C. , S.A. and Alantra AG agreed in the shareholders' agreement signed by the parties (31 December 2018: EUR 7,360 thousand and 2,090 thousand, respectively) - see Note 2.14-. These put options require a liability to be recognised at fair value rather than recognising the minority interests of Alantra EQMC Asset Management, S.G.I.I.C. , S.A.U, and Alantra AG (see Note 2.14). A 31 December 2020 the difference between the financial liability and minority interests was therefore recognised under "Reserves" in the consolidated statement of financial position at 31 December 2020 (see Note 15).

Furthermore, at 31 December 2020 the Group recognised under this heading an immaterial sum for the assets acquired under a finance lease (31 December 2019: EUR 41 thousand).

As a result of the entry into force of IFRS 16, the Group recognised at 31 December 2020 and 2019 liabilities associated with lease agreements amounting to EUR 8,759 thousand and EUR 11,385 thousand, respectively (see Note 7).

At both 31 December 2020 and 2019 it also included USD 743 thousand (EUR 605 thousand and EUR 661 thousand at 31 December 2020 and 2019, respectively) as the contingent consideration for 50% of the tax credits that Alantra Group recovers in a 5-year period, in relation to the acquisition by Alantra US Corporation, LLC of 48,258 shares of Alantra, LLC.

Lastly, at 31 December 2020, this heading includes allowances as per the various agreements signed by Alantra Wealth Management, A.V., S.A. with certain third parties under which part of the stipulated remuneration is in the form of share-based payments by the Company using Alantra Wealth Management shares held by the Company amounting to EUR 395 thousand; and the allowances as per the agreement to sell CPA Iberia, S.L. and UDA Real Estate, S.L. shares (see Note 2.14).

18.2 Current financial liabilities

On 6 May 2016 the Group arranged two loans from Bankinter, S.A. of USD 2,312 thousand and EUR 415 thousand. In 2019 interest on the euro-denominated loan was accrued at a floating rate tied to the Euribor (if negative, it would be taken as zero) plus a spread of 1.15%, which was revised every three months. Interest on the US dollar-denominated loan was accrued at a floating rate tied to the Libor (if the reference rate was negative, it would be taken as zero) plus a spread of 1.15%. Interest on both loans was settled quarterly. At 31 December 2019 the balance of these loans totalled EUR 2.485 thousand, recognised under "Current financial liabilities – Bank borrowings, bonds and other marketable securities", since these loans matured on 6 and 7 February 2020, respectively, and have been duly settled. Interest accrued in 2020 and 2019 is recognised under "Finance costs" in the 2020 and 2019 consolidated income statement.

At 31 December 2020 "Current financial liabilities – Other financial liabilities" includes the Group's estimate of the dividends payable to Alantra AG as per the agreement on exchanging cash flows associated with earnings during the period 2018-2020 (see Notes 2.14 and 12) totalling EUR 1,081 thousand (31 December 2019: 1,512 thousand).

Finally, as a result of the entry into force of IFRS 16, the Group recognised at 31 December 2020 and 2019 liabilities associated with lease agreements amounting to EUR 4,856 thousand and EUR 5,102 thousand (see Note 7).

A reconciliation of the carrying amount of the liabilities arising from the Group's financing activities is set out below, distinguishing those changes that generate cash flows from those that do not:

			No Cash Flow Impact				
	01/01/2020	Cash Flows	Exchange Rate	Change in Fair Value	Reclassifications	Other	31/12/2020
Non-current financial liabilities:							
Non-current liabilities associated with Alantra Wealth Management	-	-	-	-	-	395	395
Long term liability associated with the sale of Alantra CPA Iberia, S.L. and UDA Real Estate, S.L.	-	111	-	-	-	-	111
Alantra, LLC acquisition earn-out	661	-	(56)	-	-	-	605
Finance leases	41	(41)	-	-	-	-	-
Put option, Alantra AG non-controlling shareholders	2,090	-	-	(430)	-	-	1,660
Put option, Alantra EQMC Asset Management, S.G.I.I.C., S.A.	7,360	-	-	(910)	-	-	6,450
Non-current liabilities associated with leases	11,385	-	-	-	(4,633)	2,007	8,759
Other items	-	41	-	-	-	-	41
Total non-current financial liabilities	21,537	111	(56)	(1,340)	(4,633)	2.402	18,021
Current financial liabilities:							
Acquisition 55% Alantra AG	1,512	-	-	-	-	(431)	1,081
Long-term loan Bankinter (in euros)	416	(416)	-	-	-	-	-
Long-term loan Bankinter (in dollars)	2,069	(2,025)	(44)	-	-	-	-
Current liabilities associated with leases	5,102	(4,929)	-	-	4,633	50	4,856
Total current financial liabilities	9,099	(7,370)	(44)	-	4,633	(381)	5,937
Total financial liabilities	**30,636**	**(7,259)**	**(100)**	**(1,340)**	**-**	**2,021**	**23,958**

A reconciliation of the carrying amount of the liabilities arising from the Group's financing activities is set out below (at 31 December 2019), distinguishing those changes that generate cash flows from those that do not:

	01/01/2019	Cash Flows	No Cash Flow Impact Exchange Rate	Change in Fair Value	Reclassifications	Other	31/12/2019
Non-current financial liabilities:							
Long-term loan, Bankinter (in euros)	415	(2)	-	3	(416)	-	-
Long-term loan, Bankinter (in US dollars)	2,031	(32)	28	42	(2,069)	-	-
Alantra, LLC acquisition earn-out	1,218	(549)	(8)	-	-	-	661
Finance leases	233	(192)	-	-	-	-	41
Put option, Alantra AG non-controlling shareholders	2.482	-	-	(392)	-	-	2,090
Put option, Alantra EQMC Asset Management, S.G.I.I.C., S.A. non-controlling shareholders	7,120	-	-	240	-	-	7,360
Non-current liabilities associated with leases	15,067	-	-	-	(4,762)	1,080	11,385
Total non-current financial liabilities	**28,566**	**(775)**	**20**	**(107)**	**(7,247)**	**1,080**	**21,537**
Current financial liabilities:							
Current deferred payment acquisition Alantra, LLC	1,103	(1,103)	-	-	-	-	-
Acquisition 55% Alantra AG	1,002	-	-	-	-	510	1,512
Short-term loan, Bankinter (in euros)	-	-	-	-	416	-	416
Short-term loan, Bankinter (in US dollars)	-	-	-	-	2,069	-	2,069
Current liabilities associated with leases	4,220	(4,366)	-	-	4,762	486	5,102
Total current financial liabilities	6,325	(5,469)	-	-	7,247	996	9,099
Total financial liabilities	**34,891**	**(6,244)**	**20**	**(107)**	**-**	**2,076**	**30,636**

19. Trade and other payables

19.1 Suppliers

At 31 December 2020 and 2019, "Trade and other payables – Payables to suppliers" included the balances payable by the Group to various suppliers in connection with its normal operations (see Note 27).

19.2 Other payables

"Trade and other payables – Other payables" on the liabilities side of the consolidated statement of financial position at 31 December 2020 and 2019 were as follows:

	Thousands of Euros 31/12/2020	31/12/2019
Wages and salaries payable (Notes 5 and 26)	41,382	46,326
Tax payables (Note 20)	11,997	12,296
Other debts	2,869	1,983
	56,248	**60,605**

The balance of the line item "Wages and salaries payable" above includes remuneration payable to members of the Company's Board and Executive Committee totalling EUR 1,628 thousand at 31 December 2020 (31 December 2019: EUR 2,524 thousand) -see Note 5-.

At 31 December 2020, "Wages and salaries payable" also included remuneration payable to the Group's key management personnel of EUR 1,120 thousand (31 December 2018: EUR 2,562 thousand).

"Wages and salaries payable" at 31 December 2020 also includes EUR 37,780 thousand (EUR 39,994 thousand at 31 December 2019) in remuneration pending payment to employees.

"Wages and salaries payable" at 31 December 2019 also included the deferred payment (pushed back in 2020 for a further year) to certain shareholders for the acquisition of UDA Real Estate Data, S.L. The amount of EUR 238 thousand was accrued at that date as one of the conditions of payment is that the beneficiaries continue to be employees of the company.

The balance of "Wages and salaries payable" in the table above includes at 31 December 2020 and 2019 the EUR 336 thousand and EUR 910 thousand, respectively, owed by the Group to certain employees of Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) under the multi-year extraordinary incentive programme approved by said company's Board of Directors on 21 June 2016. At the date of authorisation for issue of the accompanying consolidated financial statements, these programmes had expired, with the position being fully settled for EUR 764 thousand in 2020 (partial payment of the position of EUR 506 thousand in 2019). That multi-year extraordinary incentive programme consists of the result of the Company's investment in Class C shares of EQMC FIL on 30 June 2016 (see Note 9.1).

In 2020 and 2019 Alantra EQMC Asset Management, S.G.I.I.C., S.A. subscribed EUR 119 thousand and EUR 88 thousand, respectively, of Class C shares in EQMC, Fondo de Inversión Libre within the framework of a multi-year incentive programme approved by the Boards of Directors of said company on 26 July 2019. The fair value of said shares at 31 December 2020 and 2019 was EUR 280 thousand and EUR 98 thousand, respectively, equal to the liability recognised under this line item. Said multi-year extraordinary incentive programme consists of the result of the Company's investment in Class C shares of EQMC FIL on 30 July 2019 (see Note 9.1).

Lastly, at 31 December 2020 "Other debts" above included the dividends payable by Alantra Corporate Portfolio Advisors, S.L., Alantra Investment Managers, S.L. and Alantra EQMC Asset Management, S.G.I.I.C., S.A. to non-controlling shareholders of EUR 153 thousand, EUR 1,500 thousand and EUR 960 thousand, respectively (dividend payable by Alantra Corporate Portfolio Advisors, S.L. to non-controlling shareholders of EUR 1,600 thousand at 31 December 2019).

20. Tax matters

The Company files consolidated tax returns for the tax group of which it is the parent (see Note 3 p), Companies out of the tax group are taxed at the rates applicable to them (see section iv).

i. Current tax receivables and payables

At 31 December 2020 and 2019, "Trade and other receivables – Other receivables" on the assets side of the consolidated statement of financial position included the following balances with public authorities (see Note 11):

	Thousands of Euros	
	31/12/2019	31/12/2018
VAT recoverable	1,357	1,623
Other receivables from public authorities	-	-
	1,357	**1,623**

At 31 December 2020 and 2019, “Trade and other payables – Other payables” on the liabilities side of the consolidated statement of financial position included the following balances with public authorities (see Note 19):

	Thousands of Euros	
	31/12/2019	31/12/2019
VAT payable	4,140	4,440
Tax withholdings payable	4,060	3,257
Social security payable	3,797	4,599
	11,997	**12,296**

ii. Reconciliation of accounting profit and taxable income (tax loss)

The reconciliation of accounting profit to taxable income (tax loss) vis-à-vis corporate tax (tax group) in 2020 and 2019 is as follows:

	Thousands of Euros	
	2020	2019
Profit for the period before tax	41,189	67,619
Permanent differences:		
Decreases	(37,448)	(60,030)
Increases	385	3,185
Temporary differences:		
Decreases	(85)	(690)
Increases	348	6,069
Tax loss carryforwards applied	-	-
Taxable income (tax loss)	**4,389**	**16,153**

“Permanent differences – Decreases” for 2020 and 2019 breaks down as follows:

	Thousands of Euros	
	2019	2019
Profit before tax of companies outside the tax group	36,888	51,225
Revision of non-deductible provisions	560	855
Gains from investees	-	7,950
Permanent differences	**37,448**	**60,030**

“Permanent differences – Increases” for 2020 and 2019 breaks down as follows:

	Thousands of Euros	
	2020	2019
Provisions and impairment	144	2,899
Dontations	218	-
Others	23	286
Permanent differences	**385**	**3,185**

"Temporary differences" for 2020 and 2019 breaks down as follows (consolidated tax group):

	Thousands of Euros	
	2020	2019
Impairment	313	313
Multi-year variable remuneration	(80)	337
Variable remuneration associated with Alantra Wealth Management (*)	-	5,419
Accelerated depreciation	35	(685)
Non-tax deductible depreciation	(5)	(5)
Temporary differences	**263**	**5,379**

(*) Corresponds to the provision for the estimated variable remuneration accrued as a result of the revenues generated for the Group on its investment in Alantra Wealth Management (see Notes 17 and 26).

At 31 December 2020 and 2019 the provision for corporate income tax of the companies inside the tax group (see Note 3-p), net of withholdings and payments on account, have a balance receivable of EUR 9,690 thousand and 7,604 thousand, respectively, recognised under "Trade and other receivables – Deferred tax assets" in the consolidated statement of financial position.

The provision for corporate income tax of the companies outside the tax group, net of withholdings and payments on account, is recorded as a receivable of EUR 529 thousand and a payable of EUR 4,133 thousand under "Trade and other receivables – Current tax assets" on the assets side of the consolidated statement of financial position at 31 December 2020 and "Trade and other payables – Current tax liabilities" on the liabilities side of the consolidated statement of financial position at 31 December 2020, respectively (a receivable of EUR 1,439 thousand, and a payable of EUR 9,102 thousand at 31 December 2019). These balances are recognised under "Trade and other receivables – Current tax assets" on the assets side of the consolidated statement of financial position at 31 December 2019 and "Trade and other payables – Current tax liabilities" on the liabilities side of the consolidated statement of financial position at 31 December 2019, respectively).

iii. Tax recognised in equity

Details of tax recognised directly in equity as a result of the valuation adjustments to the Group's investments at 31 December 2020 and 2019 are as follows:

	Thousands of Euros			
	Deferred tax assets		Deferred tax liabilities	
	2020	2019	2020	2019
Balances at the beginning of the period	15	3	32	596
Increases	-	12	64	10
Decreases	(10)	-	(3)	(574)
Balances at the end of the period	**5**	**15**	**93**	**32**

iv. Reconciliation between accounting profit and corporate tax expense (rebate)

The reconciliation of consolidated accounting profit and corporate tax expense (rebate) for 2020 and 2019 is as follows:

	Thousands of Euros	
	2020	2019
Accounting profit before tax	41,189	67,619
Tax payable (*)	10,297	16,905
Impact of permanent differences	(9,266)	(14,211)
Deductions	(76)	-
Increases in corporate tax for the period	112	(11)
Offset of tax loss carryforwards	-	-
Total corporate tax expense (rebate) recognised in the profit or loss statement	**1,067**	**2,683**

(*) Amount calculated at 25% of accounting profit before tax (see Note 3 p).

The corporate tax expense (rebate) of companies outside the tax group and not accounted for using the equity method at 31 December 2020 and 2019 was as follows:

	Thousands of Euros			
	2020		2019	
	Profit (Loss) Before Tax	Corporate Tax Expense (Rebate)	Profit (Loss) Before Tax	Corporate Tax Expense (Rebate)
Baruch Inversiones, S.L.	1,413	344	11,560	2,896
Alantra Equities, Sociedad de Valores, S.A.	130	33	381	95
Alantra Corporate Portfolio Advisors, S.L.	1,593	370	8,281	2,071
Alantra s.r.l.,	2,127	600	2,078	622
Alantra Deutschland GmbH	4,049	1,316	3,518	1,144
Alantra France Corporate Finance SAS	3,353	982	2,306	716
Downer & Company, S.A.S,	900	6	-	-
Alantra Corporate Finance, B.V.,	5	-	(526)	(240)
Alteralia Management, S.á.r.l.	(9)	-	(7)	-
Alteralia II Management, S.á.r.l.	(22)	-	(24)	-
Alantra U.S, Corporation LLC	1,267	44	(176)	(151)
Alantra Tech USA, LLC	529	-	(515)	-
Alantra, LLC (*)	2,075	-	836	-
Partnersalantra Portugal LDA	253	25	(239)	45
Alantra Nordics AB	(223)	-	1,476	322
Alantra Greece Corporate Advisors, S.A.	(403)		(532)	12
Alantra Belgium, N.V.	(281)	1	476	96
Alantra Corporate Portfolio Advisors International (Ireland) Limited	397	49	2,354	303
Alantra Austria & CEE GmbH	629	33	(355)	-
Alantra Corporate Finance, LLP	5,691	992	968	206
EQMC GP LLC	(3)	-	(7)	-
Alantra Wealth Management, A.V., S.A. (**)	-	-	(293)	20
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (**)	-	-	(56)	25
Alantra Chile Spa	-	-	(1,667)	-
Quattrocento, S.A.S,	126	-	254	-
Alantra Corporate Portfolio Advisors International Limited	3,388	419	4,056	906
Alantra AG	3,219	683	5,940	1,251
Alantra EQMC Asset Management, S.G.I.I.C., S.A.	4,454	1,093	4,505	1,127
Alantra Capital Markets, S.V., SAS (Sucursal en Italia)	744	219	65	22
Alantra Corporate Finance México, S.A. de C.V.,	(368)	-	(234)	-
Nmás1 Private Equity International, S.á.r.l.	4	-	1	-
UDA Real Estate Data, S.L.	(123)	(31)	(17)	-
Alantra Corporate Portfolio Advisors (Italy), s.r.l.,	120	29	85	23
Alantra Investment Advisory (Shanghai) Co., Ltd,	314	76	1,754	483
Alantra Denmark ApS	34	15	(71)	(16)
Alnt Corporate Portfolio Advisors (Portugal) Lda,	291	63	(12)	-
Alantra Corporate Portfolio Advisors (Greece), S.A.	661	6	149	-
Alantra ICA UK Ltd	(467)	(85)	(298)	-
Alantra Corporate Finance China, S.A.	(4)	(1)	-	-
Alantra Debt Solutions, S.L.	1,288	322	-	-
Alantra Business Consultancy Shanghai Co., Ltd,	(285)	-	-	-
Alantra Hong Kong Limited	40	-	-	-
Alantra Corporate Portfolio Advisors International (Brazil) LTDA	(50)	-	-	-
Alantra Investment Pool, S.L.	272	-	-	-
Alantra CPA Iberia, S.L.	(604)	(151)	-	-
Alantra Real Estate Asset Management, S.A.	(41)	-	-	-
Alantra Enagás Energy Transition, S.A. (anteriormente denominada Alantra Energy Transition, S.A.)	(168)	-	-	-
Brooklin Buy-Out Limited	-	-	-	-
Atlántida Directorship, S.L.	39	-	-	-
Alantra Solar, S.L.	(5)	-	-	-
	36,349	**7,452**	**46,014**	**11,978**

(*) Figures for the Alantra, LLC consolidated subgroup.
(**) Has tax loss carryforwards that can be offset for tax purposes in future corporate income tax sentiments at the date on which control is lost (see Note 2.14).

The corporate tax expense (rebate) for 2020 and 2019 of the tax group, which totalled EUR 1,067 thousand and EUR 2,683 thousand respectively, was recognised under "Income tax" in the consolidated statement of profit or loss. In 2020 and 2019, "Income tax" in the consolidated statement of profit or loss also included EUR 7,452 thousand and EUR 11,978 thousand, respectively, of corporate tax borne by the non-group companies not included in the tax group.

At 31 December 2020, income of EUR 1,182 thousand was recorded under "Income tax" in the consolidated income statement corresponding to the difference between the provision for income tax recognised in 2019 and the amount effectively payable. This difference is primarily due to the elimination of EUR 4,545 thousand of losses deriving from the transfer of the equity stake in Alcad, S.L. adjusted once the Company's directors became aware of Alcad, S.L. liquidation.

Furthermore, due to the amendment of certain articles of Corporate Income Tax Act 27/2014 by way of General State Budget Act 11/2020 for 2021 (see below) introducing a tax of 1.25% on dividends received or gains generated by Spanish companies receiving dividends from companies in which they have an equity stake of 5%, the Company's directors opted to recognise a deferred tax expense of EUR 197 thousand.

Lastly, at a plenary session on 1 July 2020, the Constitutional Court unanimously agreed on the unconstitutionality of Royal Decree-Law 2/2016 of 30 September. The aim of this Royal Decree-Law was to establish a minimum payment for companies with a turnover of more than EUR 10 million in the previous 12 months. Consequently, EUR 203 thousand of delay interest paid by the tax authorities is included under "Finance income", which is associated with the instalments paid by the Company that were calculated as per the legislation in force in 2016 and 2017.

v. Breakdown of corporate tax expense

Details of the corporate tax expense for 2020 and 2019 are as follows:

	Thousands of Euros	
	2020	2019
Current tax:		
On income from continuing operations	7,797	16,006
On income from discontinued operations	-	-
Deferred tax:		
On income from continuing operations	(263)	(1,345)
On income from discontinued operations	-	-
Total corporate tax expense	**7,534**	**14,661**

vi. Recognised deferred tax assets and liabilities

Details of these line items in the consolidated statement of financial position at the 2020 and 2019 year-ends were as follows:

	Thousands of Euros			
	Deferred tax assets		Deferred tax liabilities	
	31/12/2019	31/12/2019	31/12/2019	31/12/2018
Temporary differences:				
Depreciation of property and equipment	2	6	4	13
Multi-year variable remuneration	224	219	-	-
Valuation adjustments (*)	5	15	93	32
Losses in investees (****)	-	-	-	78
Tax loss carryforwards (**)	583	583	-	-
Deduction goodwill Alantra, LLC (***)	-	-	223	29
Variable remuneration (Note 26)	1,355	1,355	-	-
Other	276	301	217	540
Total deferred tax assets	**2,445**	**2,479**	**537**	**692**

(*) See movement in adjustments for exchange rates in section iii above.

(**) Corresponds to the capitalisation of tax loss carryforwards amounting to EUR 583 thousand.

(***) Corresponds to the tax deduction applied as a result of the goodwill generated on the acquisition of Alantra, LLC (see Note 6).

(****) Included the reversal deriving from the amendments set out in Royal-Decree Law 3/2016 of 3 December of a fifth of the deferred tax liability recognised by the Company before 2013 in relation to impairment losses on investments in Alantra Wealth Management, A.V., S.A. and Alantra Wealth Management Gestión, S.G.I.I.C., S.A. that were actually tax deductible.

In 2017 the Company's Directors capitalised tax loss carryforwards generated in previous financial years amounting to EUR 2,332 thousand, recording a credit of EUR 583 thousand under "Income tax" in the consolidated statement of profit loss for 2017, having not recognised any additional amounts for this concept in 2020, 2019 and 2018.

Deferred tax assets were recognised in the consolidated statement of financial position by the Group since its directors consider that, based on the best estimates of the Group's future results, including certain tax planning measures, it is likely that these assets will be recovered.

vii. Tax loss carryforwards

Pursuant to the tax returns submitted, the Company has the following tax loss carryforwards pending offset against possible future taxable income, which were generated prior to starting to file consolidated corporate tax returns and before the Merger:

Year Generated	Thousands of Euros (*)
2002	6,421
2005	1,301
2006	4,836
2007	10,701
2008	4,733
2009	14,752
2010	13,734
2011	5,685
2012	15,701
2014	11,229
2015	7,522
	96,615 (**)

(*) Tax loss carryforwards pending offset of the Company which may be offset up to the limit of the individual tax bases of said companies.

(**) Includes tax loss carryforwards of EUR 2,332 thousand.

Other foreign subsidiaries also have tax loss carryforwards which are not material for the purposes of these consolidated financial statements.

Law 27/2014, of 27 November, on corporate income tax, established a limit on the application of tax loss carryforwards of 70% of the tax base prior to said application, although up to EUR 1 million may be offset in any event.

In addition, Royal Decree-Law 3/2016 of 2 December introduces an Additional Provision 15 to the Corporate Tax Act 27/2014 of 27 November that provides that, for the 2019 tax year, offset of tax loss carryforwards from previous years, by taxpayers with net turnover of EUR 20 million or higher in the 12 months preceding the opening date of the tax period, the following special provisions shall apply:

- Offset of tax loss carryforwards will be limited to 50 percent of the tax base prior to application of the capitalisation reserve provided in Article 25 of said Act 27/2014 of 27 November, and to said offset if the net turnover in those 12 months is more than EUR 20 million but less than EUR 60 million.

- Offset of tax loss carryforwards will be limited to 25 percent of the tax base prior to application of the capitalisation reserve provided in Article 25 of said Act 27/2014 of 27 November, and to said offset if the net turnover in those 12 months is EUR 60 million or higher.

viii. Years open for review and tax audits

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute of limitations in Spain has expired. At the 2020 reporting close, the Group had open to inspection the main applicable taxes in Spain for 2016 and thereafter. The Company’s directors consider that the tax returns for the aforementioned taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions, such liabilities as might arise would not have a material effect on the accompanying consolidated financial statements.

ix. Takeover

The merger described in Note 1 is subject to the special regime for mergers, spin-offs, asset contributions and security exchanges regulated in Chapter VII of Corporate Income Tax Act 27/2014 of 27 November. According to this law, the assets and rights included in the equity received through the aforesaid merger are measured, for tax purposes, at the same values recognised by the transferor prior to the transaction, Under said special regime, the merger is exempt from property conveyance tax and stamp duty on corporate transactions and is VAT exempt.

The following points should be made with regard to prevailing corporate tax law:

- No depreciable assets have been included in the accounting records of the Company (acquirer for accounting purposes).

- The statement of financial position closed by the transferor (company taken over for accounting purposes) served as basis for the merger and was included in the annual financial statements of Company for the year in which the merger was executed.

x. Regulatory developments:

2021 General State Budget Act 11/2020 as published in Spain's Official State Gazette on 31 December 2020 introduces, among other measures, amendments to certain articles of Corporate Income Tax Act 27/2014. The most important changes concern the restriction on the tax exemption for dividends and gains which means that for years commencing on or after 1 January 2021, only 95% of dividends and gains from holding equity stakes of over 5% will be tax exempt. Consequently, the rule on those from holding equity stakes with an acquisition cost of more that EUR 20 million being tax exempt has been rendered null and void (although transitional arrangements are in place).

At the same time, the tax consolidation regime has been changed, establishing that dividends distributed between companies in the same tax consolidated group are no longer tax exempt. This results in an effective tax rate of 1.25% on dividends received or gains for Spanish companies receiving dividends from investees in which they have an equity stake of 5% or more, irrespective of whether the payer and recipient are in the same tax consolidated group.

In relation to this measure and the effects of calculating the limitation on the tax deductibility of finance costs for holding companies whose operating profits include dividends, only dividends from entities in which equity stakes of 5% or more are held will be included in the tax calculation while those received due to holding equity stakes with an acquisition cost of over EUR 20 million are excluded.

21. Risk management

The Company is exposed to a number of risks that can be grouped in two blocks: those strictly related with the financial statements (credit, liquidity and market risks) and those inherent to its business. In turn, the latter comprise risks that are particular to the industry in which the Company operates and risks that are specific to Alantra.

Two events happened in 2020 with a significant impact on the markets: Brexit and the Covid-19 pandemic. Given their importance, information on these events is provided below vis-à-vis market risk.

The Company has appropriate mechanisms in place to identify, monitor and manage the risks to which it is exposed, especially the financial risks described hereon:

Financial risks:

Credit risk

Credit risks results from the possibility of incurring a loss due to the Group's customers or counterparties failing to settle their financial obligations with the Group in part or in full, At 31 December 2020 and 2019, the Group's exposure to credit risk, by type of debtor, is shown below (not including assets non-currents classified as "At fair value through profit or loss" and "At fair value through other comprehensive income" or balances with public authorities. This does not include the contribution made in 2019 by the Group to incorporate two new hedge funds, whose shares were still pending issue at that date:

	Thousands of Euros	
	31/12/2020	31/12/2019
Non-current financial assets (see Note 9)	3,666	3,422
Trade and other receivables – Trade receivables (see Note 11)	36,593	40,298
Trade and other receivables – Other receivables (see Note 11)	707	849
Other current financial assets (see Note 12)	662	15,181
	41,628	**59,750**

Noteworthy are the following loans granted to the directors of Group companies:

- A loan to the executive partners of Alantra, s.r.l. (Italy), the outstanding balance of which is EUR 119 thousand at 31 December 2020.

- A loan to Alantra Asset Management's CEO to finance the purchase of Alantra shares in connection with the Talent programme. The outstanding balance of this loan is EUR 614 thousand at 31 December 2020 (see Note 9.3).

- A loan to Alantra Capital Privado's CEO for the investment in units of the private equity fund, PEF III. The outstanding balance of this loan is EUR 320 thousand at 31 December 2020 (see Note 9.1).

The following loans have been granted to directors of Group companies and to former shareholders of Alantra LLC:

The Group holds a pledge over shares of the Company (owned by said shareholders) for those loans and the credit risk is therefore mitigated.

The Company periodically monitors the credit quality of its counterparties. In this regard, the directors of the Company estimate that at present there is no significant credit risk in relation to its receivables from the various counterparties.

The Group's trade receivables for sales and provisions of services at 31 December 2020 and 2019 were EUR 36,593 thousand and EUR 40,298 thousand, respectively. The balances with two customers were material at EUR 3,361 thousand and EUR 2,361 thousand, respectively.

In relation to the balances with the above customers, who do not have a specific credit rating, they are submitted to individualised analysis based on knowledge of the customer's history and the age of the outstanding payments.

The accompanying table gives a breakdown of the sums fallen due on financial assets not classified as impaired at year-end 2020 and 2019.

	Thousands of Euros	
	Between 4 and 6 Months	
	2020	2019
Due financial assets and not impaired:		
Non-current financial assets-		
Available for-sale financial assets	-	-
Other financial assets at fair value through profit or loss	-	-
Loans	-	-
Other financial assets	-	-
Trade and other receivables-	-	-
Trade receivables	522	427
Other receivables	-	-
Other current financial assets	-	-
Balances at the end of the period	**522**	**427**

In addition, the Group conducts an individualised analysis of each of the debtors when testing for and recognising possible impairment, mainly considering the age of the outstanding payments in the case of trade receivables and credit quality and internal analysis of solvency for non-current financial assets. There follows a breakdown of doubtful and impaired financial assets at year-end 2020 and 2019, grouped by consolidated statement of financial position headings.

	Thousands of Euros			
	2020		2019	
	Amount	Provision	Amount	Provision
Doubtful or impaired financial assets:				
Non-current financial assets-				
Other financial assets (see Note 9.3)	193	(193)	310	(310)
Trade and other receivables-				
Trade receivables (Note 11.1)	2,560	(2,560)	2,326	(2,326)
Other receivables	-	-	-	-
Other current financial assets	-	-	-	-
Balances at the end of the period	**2,753**	**(2,753)**	**2,636**	**(2,636)**

As regards cash balances, the counterparties for more than 99% of the sight deposits held by companies in the Alantra Group are entities with investment grade long-term credit ratings (between "AAA" and "BBB-" on the Standard & Poor's scale).

The Group also carries out an individual analysis of investments accounted for using the equity method, recognising any impairment as necessary (see Note 8).

Liquidity risk

In order to ensure ongoing liquidity and the ability to service all the payment commitments arising from its business operations, the Group holds the cash and cash equivalent balances shown in the consolidated statement of financial position, availing of high liquidity level and of working capital. The Alantra Group includes two investment firms subject to the requirement that they must hold the equivalent of 10% of their total eligible liabilities in low-risk, highly liquid assets, At 31 December 2020, Alantra Equities, SV, SA, and Alantra Capital Markets, SV, SA all were in compliance with that requirement.

Liquidity risk management involves regularly analysing cash inflows and outflows, estimating how much cash and cash equivalents will be available in the future under different scenarios. At 31 December 2020, cash and cash equivalents totalled EUR 89,584 thousand (31 December 2019: EUR 95,075 thousand) (see Note 14). The Group has sufficient mechanisms to cover its occasional liquidity needs.

The Group has a classic service company business model: high margin and stable and reasonably predictable overheads. On a daily basis, the Group also monitors its cash and cash equivalents and estimated cash receipts and cash payments due in the near term.

The Group's most significant cash outflows not associated with running costs comprise dividend pay-outs to its shareholders, for which the directors prepare an accounting statement evidencing the existence of sufficient liquidity to cover any pay-outs and a provisional cash and cash equivalents breakdown for the following months that also demonstrates the Group is capable of covering any estimated cash outflows, as per prevailing legislation.

Market risk

This risk stems from changes in risk factors concerning interest rates, exchange rates, equities and the volatility thereof, as well as the solvency and liquidity risk to which the various products used by the Group are exposed. Interest rate risk primarily affects the value of fixed-income instruments, especially those with a longer term to maturity. In 2020 the Group took a position in a money market fund, valued at EUR 74,219 thousand at 31 December 2020. This is equivalent to approximately 18% of the Alantra Group's assets. However, this investment is deemed to be equivalent to cash invested in public debt or assets with a very high credit rating and daily net asset value. Interest rate risk and liquidity risk are therefore extremely low. The rest of investments in other capital instruments have basically been in private equity firms and collective investment undertakings managed by Group companies. These investments are subject to market risk. The time horizon for investing in this type of instrument is long term and the liquidity thereof is specified in the corresponding prospectuses. Vis-à-vis contingent risks related with market risk, the Group has committed to invest in the vehicle Private Equity Fund III managed by the Group company Alantra Capital Privado, SGEIC, S.A., which is still in its investment period and is valued at EUR 31,670 thousand at 31 December 2020. This investment poses a material risk to the Group, and its position is continuously monitored by the Audit and Risk Control Committee and the Board of Directors.

The Group will prudently manage market risk posed by investing cash and cash equivalents and will not invest in financial instruments that entail a material market risk.

The Alantra Group's exchange rate risk mainly arises from its international presence with businesses in countries with non-euro currencies at 31 December 2020 (United States, United Kingdom, Switzerland, Sweden, Denmark, Mexico, Hong Kong, Chile, India, China and Brazil), as well as from payments received in foreign currency and other types of financial instruments held in the Company's portfolio.

The Alantra Group does not carry financial debt, either in euro countries or in non-euro countries, which significantly reduces exchange rate risk, as there is no indebtedness in the countries where it does business.

Although the Alantra Group has expanded its international presence significantly, given the overall position in balances denominated in foreign currency, the aforesaid absence of financial debt and the relative weight of the impact on Group equity that would arise from depreciation of the other currencies versus the euro, the Group did not regard it as necessary to make hedging arrangements in 2020 and 2019. Nevertheless, cash management is used to minimise any negative effects on its financial statements of the exposure to different currencies.

To illustrate the sensitivity of earnings and equity to changes in exchange rates, the accompanying table shows sensitivity to fluctuations in the exchange rate of the currencies in which the Alantra Group operates.

	+10%	
	Impact on the Consolidated Statement of Profit or Loss	Impact on the Consolidated Equity
Pound sterling	36	7,847
US dollar	156	3,633
Hong Kong dollar	-	54
Swiss franc	-	2,193
Chilean peso	-	7
Swedish Krona	-	185
Danish Krona	-	30
Renminbi	-	268
Mexican peso	-	57
Real brasileño	-	-
	192	**14,274**

	-10%	
	Impact on the Consolidated Statement of Profit or Loss	Impact on the Consolidated Equity
Pound sterling	(36)	(7,847)
US dollar	(156)	(3,633)
Hong Kong dollar	-	(54)
Swiss franc	-	(2,193)
Chilean peso	-	(7)
Swedish Krona	-	(185)
Danish Krona	-	(30)
Renminbi	-	(268)
Mexican peso	-	(57)
Real brasileño	-	-
	(192)	**(14,274)**

Details of the positions held by the Group in foreign currencies at 31 December 2020 and 2019 and their euro equivalents are disclosed in Note 3 t.

As it has holdings in subsidiaries that operate in currencies other than the euro (United States, United Kingdom, Switzerland, Sweden, Denmark, Mexico, Hong Kong, Chile, India, China and Brazil) both the value of those holdings and the dividend income thereon is subject to equity market risk and exchange risk, The Group regularly analyses the volatility of the equities and currency markets. In 2020, the Group did not arrange any hedges of market risk involving the procurement of equity or foreign exchange derivative financial instruments. Nevertheless, the Control and Risks Committee regularly monitors the Group's risks and may propose the use of hedges.

Given the nature of the Alantra Group companies' business, the Group's exposure to market risk depends on the performance of the companies in which the vehicles in which the Group has a stake invest, most of which are managed by the Group and primarily comprise non-listed companies (see Note 9.2).

The Group's management considers that managing the risks assumed when conducting its activities enables it to quickly detect any issues and therefore, rapidly react and take any steps needed to resolve them.

Internal control procedures and the structure for managing assumed risks were established according to the Group's activities, the nature of its customers and the volume of such activities.The Group's governing bodies therefore consider risks are adequately managed. The Board of Directors does, however, continuously monitor the management of the risks to which the Group is exposed when carrying out its different activities.

Impact of Brexit

The Alantra Group has gradually increased its exposure to the British market in recent years: in 2017 it acquired 100% of Catalyst Corporate Finance LLP (currently Alantra Corporate Finance LLP) for GBP 34,474 thousand (EUR 38,836 thousand). In 2018 KPMG LLP (UK)'s division dedicated to providing advice on loan book transactions, non-performing loans (NPL) and non-core bank assets was acquired. This division was bought by an investee in which the Company holds a 70% stake: Alantra Corporate Portfolio Advisors International Limited domiciled in the United Kingdom. The Group also has a significant equity stake in N+1 Singer: a company primarily operating in British capital markets. Lastly, the Group has a UK branch of Alantra Capital Markets with a view to marketing the products managed by the Group. This branch is dormant and is currently being closed.

None of the aforementioned Alantra Group companies in the UK have been significantly affected. The Group's revenue in this region rose from EUR 38.2 million in 2019 to EUR 41.2 million in 2020.

The agreement reached in December 2020 between the UK and the EU avoiding the potential consequences of a hard Brexit in terms of business disruption and other regulatory matters means there is no reason to believe there will be a negative impact on the market and the Company's activity. Uncertainty surrounding the lack of a stable legal framework between the UK and the EU, which would have resulted in Brexit being classified as a strategic risk for Alantra, has therefore been substantially mitigated. Brexit is therefore no longer considered a strategic risk for Alantra. Nevertheless, Alantra is working to adopt certain measures related with the new regulatory framework to provide the Group (principally Alantra Corporate Portfolio Advisors International Limited) with the legal structure needed to continue providing services across the EU normally.

Impact of Covid-19

The health crisis sparked by Covid-19 has led to an unprecedented economic and social crisis. Early in the pandemic, the Alantra Group implemented a raft of measures to mitigate its impact and ensure business continuity. These can be grouped into three blocks:

The first concerning the protection of staff and introduction of remote working. The priority in this regard was two-fold: first to protect the health of our workforce, customers and, in general, all stakeholders; and second to ensure business continuity by putting in place the necessary IT systems to enable practically all staff to work remotely. The nature of the Company's business, which is compatible with homeworking, and the design of its IT infrastructure with stringent cybersecurity protocols and tools has ensured our teams have been able to continue working normally at all times and provide an uninterrupted service to our clients and investors. Over the months prior to the date of issue of this report, staff worked in the office and at home to different degrees, depending on the situation in each country and point in time.

The second block of measures is aimed at ensuring we are able to serve our clients and defend our investors' interests. As explained in the Consolidated Directors' Report, the Group ended 2020 with a similar level of activity as in the previous year, demonstrating that our services have not been interrupted. The Asset Management teams managing each class of assets in which Alantra holds positions, in both the equities and debt markets, have continued to closely monitor the companies in which the funds and portfolios under management invest.

Lastly, the Company implemented a raft of measures to protect its balance sheet and liquidity, including taking out a EUR 20-million line of credit (none of which has been drawn down) and postponing the planned payment of a dividend in March (finally distributed in October). At year-end, the Alantra Group's statement of financial position showed record levels of liquidity (with a closing cash balance of EUR 89.6 million, plus the position in the money market fund of EUR 74.2 million) and capital adequacy ratios comfortably above the regulatory thresholds.

The negative impact of this crisis on the Alantra Group's activity was clearly felt in the second and third quarters of the year, while revenues picked up (on a year-on-year basis) in the fourth quarter of 2020. As explained in the Consolidated Directors' Report, the two business segments suffering a significant impact (in terms of the year-on-year change in revenue) were: the Credit Portfolio Advisory segment, , which saw its revenue slump by 34.3% in a market with the lowest number of this type of transactions in Europe in recent years; and the Asset Management segment, suffering a 41% fall in revenue during 2019 primarily because of a very significant decrease in performance fees: EUR 18.8 million in 2019 to EUR 3.8 million in 2020 (-79.5%).

The first outbreak of Coronavirus hit and affected Alantra's 2020 financial statements as explained. The third wave has shown that an end to the effects of the pandemic is still some way off. Nevertheless, thanks to the current vaccination programme and relatively limited exposure to the hardest hit sectors (retail, air travel, hotel sector etc.) and the geographical diversification and wide range of products of the Alantra Group, at the date of issue of this report it is not envisaged that the market will fare any worse than it has done since September 2020 when it regained a certain degree of stability. Alantra will continue implementing the actions introduced to mitigate the consequences of the pandemic, such as the controls over costs, liquidity and solvency and the Covid-19 protocol.

Inherent risks of the Company's activity: industry and business specific

The risks to which the Company's business is exposed can be classified into two categories: risks faced by the industry in which the Company operates and risks that are specific to Alantra.

The first group of risks include: a) risks associated with a highly competitive sector; b) reliance on key personnel (risk of loss of human capital); c) regulatory and compliance risk; and e) reputational risk.

Risks specific to Alantra are: a) risks deriving from international expansion; b) potential conflicts of interest; c) fiscal risk; and risks stemming from being listed on a securities market.

As it does for financial risks, the Company has appropriate mechanisms in place to identify, monitor and manage these risks. More detailed information on the nature of the aforementioned risks and the corresponding mechanisms to manage them is provided in the Annual Corporate Governance Report and the Non-financial Information Statement.

22. Capital management

The Group's strategy for managing capital involves maintaining higher levels of capital than are required under existing regulations (see Note 2.9). The Group therefore regularly assesses its risk management and control and governance structure to ensure it is fit for purpose regarding fulfilment of said capital targets at the same time as allowing business objectives to be reached. The Group also quantifies it overall capital requirements on a regular basis, using overarching and forward-looking internal models considering various stress scenarios affecting the most relevant model variables, Future action plans are then drawn up based on the outcomes of the analysis to further enhance the adequate management of capital.

The Group boasted high levels of eligible capital surpluses at 31 December 2020. The main capital requirements are determined by credit risk and operational risk. The standardised approach is used to calculate the capital requirements to cover credit risk, while the basic approach is employed for the capital requirements to cover operational risk, which is correlated with changes in average net income over the last three years.

The Group continuously analyses its global risk profile and capital adequacy using a risk map; identifying and registering new risk situations and monitoring exposure using risk indicators and the possible loss events due to process failures, possible legal action, etc. The potential impact on capital and the solvency ratio is assessed. The materiality thereof is classified based on the potential impact on the financial statements.

23. Related parties

Details of transactions with related parties at 31 December 2020 and 2019 are as follows (excluding investments accounted for using the equity method (see Note 8) and investments in the vehicles managed by the Group (see Note 9):

a) Transactions with group companies and shareholders

	Thousands of Euros					
	Jointly-Controlled Entities and Associates		Significant Shareholders		Other Related Parties	
	2020	2019	2020	2019	2020	2019
ASSETS:						
Non-current financial assets (Note 9)	-	-	-	-	1,053	1,510
Trade and other receivables-						
Trade receivables (Note 11)	1,604	1,430	-	-	-	-
Other current financial assets (Note 12)	-	-	-	-	-	3,290
	1,604	**1,430**	**-**	**-**	**1,053**	**4,800**
LIABILITIES:						
Non-current financial liabilities (Note 18.1)	**-**	**-**	**-**	**-**	**-**	661
Trade and other payables – Payables to suppliers	717	507	**-**	**-**	**-**	**-**
Current financial liabilities (Note 18.2)	-	-	**-**	**-**	**-**	**-**
	-	-	**-**	**-**	**-**	**-**
	717	**507**	**-**	**-**	**-**	**661**

	Thousands of Euros					
	Jointly-Controlled Entities and Associates		Significant Shareholders		Other Related Parties	
	2020	2019	2020	2019	2020	2019
PROFIT OR LOSS:						
Income-						
Revenue (Note 25)						
Revenue from rendering of services	2,055	1,437	449	432	-	-
Transfers to third parties for joint execution	(1,472)	(841)	-	-	-	-
Finance income	-	-	-	-	6	50
Expenses-						
Other operating expenses	-	-	-	-	-	30

b) Transactions with members of the Board of Directors and key management personnel

Information on the remuneration accrued by the Boards of Directors of the Company and its subsidiaries and the Group's key management personnel, along with any loans and advances awarded directly to the Group's Board and key management personnel is disclosed in Note 5.

24. Revenue and expenses

The contributions to the Group's profit or loss for 2020 and 2019 by each company included in the scope of consolidation were as follows:

	Thousands of Euros	
	Profit (Loss)	
	2020	2019
Alantra Partners, S.A.	(3,685)	(1,832)
Fully-consolidated companies	28,599	39,050
Companies accounted for using the equity method	4,112	2,916
	29,026	**40,134**

Details of the profit and loss of each of these companies are as follows:

	Thousands of Euros	
	Profit / (Loss)	
	2020	2019
Fully consolidated companies:		
Alantra Corporate Finance China, S.A.	59	(3)
Alantra Investment Advisory (Shanghai) Co., Ltd,	238	1,271
Alantra Investment Managers, S.L.	(570)	(1,156)
Alantra Capital Privado, S.G.E.I.C., S.A.U,	2,080	2,856
Alantra Private Equity Servicios, S.L.U,	(2)	(8)
Alantra Private Equity Advisor, S.A.U,	(2)	(3)
Nmás1 Private Equity International S.á.r.l.	3	1
Mercapital Private Equity, S.G.E.I.C., S.A.U,	(8)	64
Paulonia Servicios de Gestión, S.L.U,	-	-
Partilonia Administración, S.L.U,	-	-
Mideslonia Administración, S.L.U,	-	-
Flenox, S.L.U,	(1)	(1)
Alantra EQMC Asset Management, S.G.I.I.C., S.A.	2,018	2,027
EQMC GP LLC	(3)	(4)
Alteralia Management, S.à.r.l,	(7)	(7)
Alteralia II Management, S.à.r.l,	(18)	(24)
Brooklin Buy-Out Limited	-	-
Alantra CRU, S.L.U,	(250)	(226)
Alantra International Corporate Advisory, S.L.U,	55	(381)
Alantra Corporate Finance, S.A.U,	4,338	10,179
Alantra Corporate Portfolio Advisors, S.L.	(120)	3,726
Alantra Corporate Portfolio Advisors International Limited	345	1,323
Alantra Deutschland GmbH	2,733	2,374
Alantra s.r.l.,	1,527	1,456
Alantra Corporate Portfolio Advisors (Italy), s.r.l.,	38	62
Alantra Corporate Finance B.V.,	4	(286)
Alantra France Corporate Finance SAS	2,371	1,590
Downer & Company, S.A.S, (**)	893	-
Quattrocento, S.A.S,	(14)	(13)
Alantra U.S, Corporation LLC	(70)	(25)
Alantra Tech USA, LLC	370	(361)
Alantra, LLC (*)	2,076	836
Alantra Nordics AB (*)	(153)	849
Partnersalantra Portugal LDA	194	(241)
Alantra Greece Corporate Advisors, S.A.	(346)	(476)
Alantra Chile Spa	-	(1,151)
Alantra Belgium, N.V.	(240)	323
Alantra Corporate Portfolio Advisors International (Ireland) Limited	146	862
Alnt Corporate Portfolio Advisors (Portugal) Lda,	110	(5)
Alantra Corporate Portfolio Advisors (Greece) S.A.	275	63
Alantra Austria & CEE GmbH	345	(178)
Alantra Corporate Finance México, S.A. de C.V.,	(369)	(234)
Alantra AG	2,028	3,751
Alantra Equities, Sociedad de Valores, S.A.	49	143
Alantra Multi Asset, S.G.I.I.C., S.A.U, (anteriormente denominada Alantra Asset Management, S.G.I.I.C., S.A.U,)	10	2,857
QMC Directorship, S.L.U,	1	1
Alantra Debt Solutions, S.L.	579	675
Alantra REIM, S.L.U,	148	115
Baruch Inversiones, S.L.	398	4,034
Alantra Dinamia Portfolio II, S.L.	101	1,590
Alantra ICA UK Ltd	(382)	(298)
Alantra Capital Markets, S.V., S.A.U,	530	63
Alantra Hong Kong Limited	40	(12)
Alantra Wealth Management Gestión, S.G.I.I.C., S.A.	-	(1)
Alantra Wealth Management, A.V., S.A.	-	3
UDA Real Estate Data, S.L.	(109)	82
Alantra Corporate Finance, LLP	5,691	968
Alantra Investment Pool, S.L.	1,971	-
Alantra Business Consultancy Shanghai Co., Ltd,	(120)	-
Alantra Corporate Portfolio Advisors International (Brazil) LTDA	(21)	-

	Thousands of Euros	
	Profit / (Loss)	
	2020	2019
Alantra Enagás Energy Transition, S.A. (anteriormente denominada Alantra Energy Transition, S.A.)	(95)	-
Alantra Solar, S.L.	(2)	-
Alantra Real Estate Asset Management, S.A.	(33)	-
Atlántida Directorship, S.L.	39	-
	28,599	**39,050**

(*) Figures for the Alantra, LLC and Alantra Nordics AB subgroups.
(**) The result in 2019 corresponded to the Alantra, LLC sub-group (see Note 2.14)

	Thousands of Euros	
	Profit (Loss)	
	2020	2019
Companies consolidated using the equity method (Note 8):		
Alpina Real Estate GP, S.A., en liquidación	-	(122)
Alpina Real Estate GP I, S.A., en liquidación	-	(5)
Alpina Real Estate GP II, S.A., en liquidación	-	(5)
Nplus1 Singer Ltd (1)	2,655	2,378
Landmark Capital, S.A. (1)	(82)	(244)
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	-	-
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danişmanlik Hizmetleri A.Ş.	-	-
Phoenix Recovery Management, S.L.	410	715
Tertenia Directorship, S.L.	(3)	(1)
Access Capital Partners Group, S.A. (1) (2)	1,479	344
Alantra Wealth Management Gestión, S.G.I.I.C., S.A.	1	(11)
Alantra Wealth Management, A.V., S.A. (3)	(286)	(133)
Asabys Asset Services, S.L. (1) (2)	(27)	-
Indigo Capital, S.A.S, (2)	(35)	-
	4,112	**2,916**

(1) Figures for the Nplus1 Singer, Landmark Capital, S.A., Access Capital Partners Group, S.A. and Asabys Asset Services, S.L. sub-groups, respectively.

(2) Includes the amortisation charge for the client list acquired (see Notes 2.14 and/or 8).

(3) Figures for the Alantra Wealth Management. A.V., S.A. sub-group (the company acquired Asset Growth XXI, EAF, S.L.U. (formerly Norgestión Asset Growth EAF, S.L.) in 2020). Includes the amortisation charge for the client list acquired (see Notes 2.14 and 8).

The contribution to profit and loss of each company included in the previous table was obtained from each of their separate results (see Note 2.14), after the adjustments to present their figures on a uniform basis and on consolidation, the most significant of which was the elimination of dividends paid out among group companies.

25. Revenue

Revenue comprises the income from services provided during the year and accrued fees and commissions, except those that form an integral part of the effective interest rate on financial instruments. It also includes the income transferred to third parties for joint execution in 2020 and 2019.

Details of fees and commissions received and income transferred to third parties for joint execution in 2020 and 2019 were as follows:

	Thousands of Euros	
	2020	2019
Revenue from rendering of services	187,375	222,788
Transfers to third parties for joint execution	(9,513)	(8,555)
	177,862	**214,233**

25.1 Revenue from rendering of services

The breakdown of "Revenue from rendering of services" shown in the above table for 2020 and 2019 was as follows:

	Thousands of Euros	
	2020	2019
Processing and execution of orders to buy and sell securities	999	724
Preparation of investment reports and financial analysis	2,505	2,790
Management and administration of CISs	13,107	19,110
Discretionary portfolio management	-	1,210
Administration and management of private equity firms	14,040	25,353
Provision of business and advisory services	153,594	170,565
Search for and placement of packages in secondary markets	1,437	1,877
Marketing of collective investment schemes	-	1,076
Other income	1,693	83
	187,375	**222,788**

a) Processing and execution of orders to buy and sell securities

The line item "Processing and execution of orders to buy and sell securities" shown above comprises the fees and commissions received by the Group in 2020 and 2019 for the provision of services related to the processing and executing of orders to buy and sell equities on domestic and international markets.

b) Preparation of investment reports and financial analysis

The line item "Preparation of investment reports and financial analysis" shown above comprises the fees and commissions received by the Group in 2019 and 2018 for the provision of services basically involving financial analysis of companies and other advisory services prior to order execution.

c) Management and administration of CISs

The line item "Management and administration of CISs" shown above comprises the fees and commissions received by the Group in 2020 and 2019 for managing and administrating closed-ended CISs and open-ended CISs.

Details of this line item for 2020 and 2019 are as follows:

	Thousands of Euros	
	2020	2019
EQMC Europe Development Capital Fund, Plc,	9,378	8,198
EQMC, FIL	1,392	2,225
QMC II Iberian Capital Fund, FIL	-	5,724
QMC III Iberian Capital Fund, FIL	1,116	1,225
Alteralia Debt Fund, FIL	24	29
Alteralia Debt Fund II, FIL	-	60
Mercer Investment Fund 2	821	1,030
QMC Iberian Opportunities, FIL	6	-
Alteralia Real Estate Debt, FIL	201	-
Alantra Global Technology Fund	169	-
Investment funds	-	405
Open-ended collective investment undertakings (SICAV)	-	214
	13,107	**19,110**

In 2019 the conditions were met entitling the Group to collect a performance fee for the management of QMC II Iberian Capital Fund, Fondo de Inversión Libre (in liquidation). Consequently, the Company accrued a performance fee of EUR 5,596 thousand payable by QMC II Iberian Capital Fund, Fondo de Inversión Libre. This fund was liquidated in 2020.

In 2020 the Group received a performance fee of EUR 2,269 thousand (2019: EUR 1,130 thousand) for managing EQMC Europe Development Capital Fund, Plc.

Lastly, the Group has received a performance fee for managing Alantra Global Technology Fund of EUR 135 thousand at 31 December 2020.

d) Administration and management of private equity firms

Details of this line item for 2020 and 2019 are as follows:

	Thousands of Euros	
Fee Income From:	2020	2019
Nmás1 Private Equity Fund II (in liquidation)	1,434	11,559
Alantra Private Equity Fund III	7,902	7,890
Alteralia II S.C.A. SICAR	2,321	2,159
Alantra Private Equity Secondary Fund, Sociedad de Capital Riesgo, S.A. (formerly Nmás1 Dinamia Portfolio, Sociedad de Capital Riesgo, S.A.)	1,243	1,620
Alteralia S.C.A. SICAR	1,140	1,398
Mercapital Spanish Buy-Out III España, Fondo de Capital Riesgo	-	727
	14,040	**25,353**

On 30 May 2008, the Group and, specifically, Alantra Capital Privado, S.G.E.I.C., S.A.U, (see Note 2.14) signed an administration and management contract with Nmás1 Private Equity Fund II Families, Sociedad de Capital Riesgo, S.A., Nmás1 Private Equity Fund II ERISA, Fondo de Capital Riesgo and Nmás1 Private Equity Fund II Non-ERISA, Fondo de Capital Riesgo – jointly referred to as "N+1 Private Equity Fund II" from hereon, As N+1 Private Equity Fund II had already sold the shares in its portfolio and the credit rights of all the investees, from the fourth quarter of 2018 onward Alantra Capital

Privado, S.G.E.I.C., S.A.U, did not collect any management fees. Additionally, on 24 January 2020 said group of vehicles had entered liquidation.

On 27 July 2018 the entire portfolio of funds making up the structure of Nmás1 Private Equity Fund II (in liquidation), managed by Alantra Capital Privado, S.G.E.I.C. S.A.U., was divested by selling the three investees held in the Group's portfolio to Alantra Private Equity Secondary Fund, S.C.R., S.A. managed by the aforementioned management company, Pursuant to the regulations for managing funds comprising the structure of Nmás1 Private Equity Fund II (in liquidation), the holders of Class B units are entitled to receive returns generated by the funds on reaching a certain IRR, In this regard, Baruch Inversiones, S.L. (a company in which Alantra Partners, S.A. holds a 46.56% stake) is the holder of Class B units of this fund structure. The required return threshold had been exceeded as a result of the aforesaid divestment, Subsequently, in 2020 and 2019, N+1 Private Equity Fund II (in liquidation) reimbursed an additional amount to its Class B unit holders following the liquidation of a former investee and the release of certain contingent amounts that had been retained in respect of the planned sale of other investees. The Alantra Group therefore received EUR 1,434 thousand and EUR 11,559 thousand through Baruch Inversiones, S.L. in 2020 and 2019, respectively.

In addition, on 22 April 2016, Alantra Capital Privado, S.G.E.I.C., S.A.U., had signed a management and administration agreement with Alantra Private Equity Fund III, Fondo de Capital Riesgo y Alantra Private Equity Fund III, Sociedad de Capital Riesgo, S.A.

Furthermore, on 22 April 2016 Alantra Capital Privado, S.G.E.I.C., S.A.U. signed a management and administration agreement with Alantra Private Equity Fund III, Fondo de Capital Riesgo and Alantra Private Equity Fund III, Sociedad de Capital Riesgo, S.A. The management fees accrued in 2020 and 2019 for the management and administration of Alantra Private Equity Fund III, Fondo de Capital Riesgo – as per the remuneration system stipulated in said agreement – totalled EUR 6,708 thousand (2019: EUR 6,690 thousand). The management fees accrued in 2020 and 2019 for the management and administration of Alantra Private Equity Fund III, Sociedad de Capital Riesgo – as per the remuneration system stipulated in said agreement – totalled EUR 1,194 thousand (2019: EUR 1,200 thousand).

The Group, and in particular, Alteralia Management, S.à.r.l, and Alteralia Management II, S.á.r.l., are responsible for the management and administration of Alteralia, S.C.A., SICAR and Alteralia II SCA SICAR, respectively. In consideration for these services they collected a management fee in 2020 of EUR 3,461 thousand (EUR 3,557 thousand in 2019).

On 23 December 2015 a management agreement was signed under which Alantra Capital Privado, S.G.E.I.C., S.A.U, undertook the management and administration of Alantra Private Equity Secondary Fund, S.C.R., S.A. The fixed fees accrued in 2020 and 2019 for the performance of these functions, in accordance with the remuneration system established in the aforementioned agreement amounted to EUR 1,243 thousand and EUR 1,620 thousand, respectively.

The Group and in particular, Mercapital Private Equity, S.G.E.I.C., S.A.U., coordinate, manage and administrate Mercapital Spanish Buy-Out Fund III España, Fondo de Capital Riesgo, de Mercapital Spanish Buy-Out Fund III Delaware, Fondo de Capital Riesgo and Mercapital Spanish Buy-Out Fund III Banca March, Fondo de Capital Riesgo. Following the latest extension to the life of these managed funds to 8 January 2021 – approved by a qualified majority of their investors – no management fee has been accrued in the company's favour since 1 January 2020. In return for its services, it received a management fee of EUR 727 thousand in 2019.

e) Provision of business and advisory services

The balance of "Provision of business and advisory services" shown in the previous table includes the fees and commissions received by the Group in 2020 and 2019 for providing advisory services to companies or entities in corporate finance transactions. At 31 December 2017 a very significant percentage of them corresponding to fees for the provision of advisory services paid in line with the success of the corresponding transaction. The remaining amount corresponds to fixed commissions, Most of the revenue associated with business and advisory services correspond to companies located outside Spain (see Note 29).

The amount pending receipt at year-end 2020 and 2019 is included under "Trade and other receivables – Trade receivables for sales and services" on the assets side of the consolidated statement of financial position (see Note 11). The Group has been expanding internationally for several years. In this regard, most of its revenue generated outside Spain is from these services (see Note 29).

f) Search for and placement of packages in secondary markets

The balance of "Search for and placement of packages in secondary markets" in the previous itemisation includes the amount of fees received by the Group as a result of the search for and issuance of financial instruments in different markets, locating qualified investors and subscribers for those instruments in order to obtained the greatest possible demand for Group customers

g) Marketing of collective investment schemes

The balance of the account "Marketing of collective investment schemes" itemised above included the fees received by the Group for marketing of Collective Investment Schemes by Alantra Wealth Management Gestión, SGIIC, S.A. and Alantra Wealth Management, A.V., S.A. prior to the Group losing control thereof (see Note 2.14)

h) Other income

The balance of "Other income" in the above breakdown includes revenue earned from the Group's other activities. It specifically includes fees of EUR 634 thousand charged by the Group for Alantra Multi Asset, S.G.I.I.C., S.A.U. (formerly Alantra Asset Management, S.G.I.I.C., S.A.U.) providing investor and client attraction services to various companies, as well as EUR 675 thousand of rental income.

i) Assets under management

A breakdown of assets under management by the Group at 31 December 2020 and 2019 is as follows:

	Thousands of Euros	
	31/12/2019	31/12/2018
Portfolios managed:		
Hedge funds	229,099	223,582
Private equity firms	716,089	749,782
Offshore investment vehicles	1,041,383	966,940
	1,986,571	**1,940,304**

i.1) Hedge funds

At 31 December 2020, the Group managed five hedge funds: EQMC, FIL; QMC III Iberian Capital Fund, FIL; Alteralia Debt Fund, FIL; QMC Iberian Opportunities, FIL; and Alteralia Real Estate Debt, FIL (six hedge funds at 31 December 2019: EQMC, FIL; QMC II Iberian Capital Fund, FIL (in liquidation); QMC III Iberian Capital Fund, FIL; Alteralia Debt Fund, FIL; QMC Iberian Opportunities, FIL; and Alteralia Real Estate Debt, FIL).

i.2) Private equity firms

At 31 December 2020, the Group managed seven private equity firms and six private equity funds with total assets at 31 December 2020 of EUR 716,089 thousand (five private equity firms and six private equity funds at 31 December 2019 with total assets of EUR 749,782 thousand).

i.3) Offshore investment vehicles

At 31 December 2020 and 2019, the Group managed the following offshore investment vehicles:

	Thousands of Euros	
	31/12/2020	31/12/2019
,		
EQMC Europe Development Capital Fund, Plc	860,596	818,864
Mercer Investment Fund 2	148,628	148,076
Alantra Global Technology Fund	32,159	-
	1,041,383	**966,940**

25.2 Transfers to third parties for joint execution

The line item "Transfers to third parties for joint execution" included under "Revenue" in the consolidated statement of profit or loss included an amount of EUR 9,513 thousand in 2020 (2019: EUR 8,555 thousand) of income transferred to third parties in connection with the joint execution of various financial advisory transactions over the year:

	Thousands of Euros	
	2020	2019
Brokerage fee (1)	201	153
Fees and commissions assigned to other entities and representatives (2)	8,307	7,728
Other fees and commissions	1,005	674
	9,513	**8,555**

(1) Includes the fees and commissions paid by Alantra Equities, Sociedad de Valores, S.A., to market members for direct access to the market and fees for execution of trades and settlement rights of stock exchanges and other financial markets.

(2) Includes the fees and commissions primarily transferred by way of remuneration to several collaborators for presenting new customers and bringing in new orders.

26. Personnel expenses

a) Breakdown

Details of "Personnel expenses" in the consolidated statement of profit or loss for 2020 and 2019 were as follows:

	Thousands of Euros	
	2020	2019
Wages and salaries	92,972	104,865
Social security costs	12,730	9,546
Severance payments (Note 3-o)	1,021	268
Other personnel expenses	3,146	3,701
Grants	(261)	-
	109,608	**118,380**

b) Number of employees

The Group's headcount (for the Company and subsidiaries) in 2020 and 2019, and by professional category and gender at said reporting closes, was as follows:

	2020				2019			
	Male	Female	Total	Average headcount	Male	Female	Total	Average headcount
General management	46	4	50	49	48	4	52	53
University graduates	384	93	477	480	389	96	485	442
Clerical staff	8	49	57	65	5	50	55	50
	438	**146**	**584**	**594**	**442**	**150**	**592**	**545**

Personnel expenses payable at year-end 2020 – primarily bonuses – totalled EUR 41,382 thousand (EUR 46,326 thousand – primarily bonuses – at 31 December 2019) are included under "Trade and other payables – Other payables" on the liabilities side of the consolidated statement of financial position (see Note 19). At the date of preparing these financial statements, EUR 16,244 thousand of all amounts payable in connection with personnel expenses had been settled.

The average number of employees in 2020 and 2019 with a disability equal to or greater than 33%, by category, was as follows:

	2020	2019
General management	-	-
University graduates	-	-
Clerical staff	1	1
	1	**1**

27. Other operating expenses

a) Breakdown

Details of "Other operating expenses" on the consolidated statements of profit or loss for 2020 and 2019 are as follows:

	Thousands of Euros	
	2020	2019
Buildings and facilities rental	936	1,230
Communications	1,540	1,674
Advertising and publicity	1,052	2,781
Utilities	1,210	1,441
Repairs and maintenance	13	43
Independent professional services	8,186	10,452
Board remuneration (Note 5)	2,678	3,644
Levies and other taxes	1,380	1,340
Other expenses	8,441	14,125
	25,436	**36,730**

The balance of "Communications" in the above itemisation of operating expenses includes, in 2020, EUR 179 thousand in expenses incurred by the Group for access to information sources and services from Bloomberg, Reuters and others through the subsidiary Alantra Equities, Sociedad de Valores, S.A., (EUR 224 thousand in 2019 — see Note 2.14).

In the breakdown of operating expenses, the balance of "Other expenses" basically includes travel expenses, which in 2020 amounted to EUR 2,013 thousand (EUR 7,185 thousand in 2018) and vehicle rentals of EUR 533 thousand (EUR 516 thousand in 2019), "Other expenses" also includes remuneration to directors of certain group companies in the amount of EUR 376 thousand in 2020 (EUR 376 thousand in 2019).

Amounts payable by the Group to various suppliers in its normal operations are included under "Trade and other payables" on the liabilities side of the consolidated statement of financial position (see Note 19).

Information on the average payment period to suppliers, Additional provision three, "Disclosure requirement" of Act 15/2010 of 5 July

Disclosures at 31 December 2020 and 2019 required as per the second final provision of Act 31/2014 of 3 December, amending the Spanish Corporate Enterprises Act to improve corporate governance (which in turn, amends Act 15/2010 of 5 July, amending Act 3/2004 of 29 December establishing measures to combat defaults on commercial transactions) are as follows:

	Days	
	2020	2019
Average supplier payment period	29.96	17.13
Ratio of payments made	28.75	16.14
Ratio of payments pending	40.85	23.35

	Thousands of Euros	
	2020	2019
Total payments made	60,413	54,791
Total payments pending	3,882	8,710

The data in the table above in connection with payments to suppliers refer to trade payables to suppliers of goods and services. Accordingly, they include the "Trade and other payables – Payables to suppliers" figures in the consolidated statement of financial position.

According to Act 3/2004 of 29 December, establishing measures on combating late payment in commercial transactions, the statutory maximum payment period applicable to the Company in 2020 was 30 days.

b) Other disclosures

The fees for audit services provided to Alantra Group companies in Spain and abroad by its principal auditor, Deloitte, S.L., in 2020 amounted to EUR 458 thousand (EUR 375 thousand in 2019) and are recorded under "Independent professional services" in the section above. In addition, fees for other verification services related to auditing provided by the principal auditor in 2020 amounted to EUR 53 thousand (EUR 54 thousand in 2019). Fees for audit services provided to Alantra Group companies domiciled abroad by auditors other than its principal auditor in 2020 amounted to EUR 67 thousand (EUR 72 thousand in 2019).

28. Loss/reversal of loss on impairment of financial instruments and Gain (loss) on disposal of financial instruments – Other financial instruments

a) Loss/reversal of loss on impairment of financial instruments

Shown below is the breakdown of this heading of consolidated statement of profit or loss for 2020 and 2019:

	Thousands of Euros	
	2020	2019
Impairment goodwill Landmark (1)	-	(1,419)
Impairment of current and non-current financial assets (see Notes 9.4, 11, 12, 13 and 14)	(110)	353
Impairment customers (2)	(2,382)	(3,581)
Recovery impairment customers (2)	899	5,818
Provision for investment agreement (see Note 17)	-	(1,094)
	(1,593)	**77**

(1) In 2019 the Group recognised an impairment loss on the implicit goodwill generated from the acquisition of its investment in Landmark Capital. Said goodwill was fully impaired at 31 December 2019 (see Notes 2.14 and 8).

(2) In 2020 the Group recognised a net loss of EUR 1,483 thousand in respect of the financial assets carried under "Trade and other receivables – Trade receivables for sales and services" in the consolidated statement of financial position (see Note 11). In 2019 a net gain of EUR 2,237 thousand was recognised in this respect.

b) Gain (loss) on disposals of financial instruments – Other financial instruments

Shown below is the breakdown of this heading of consolidated statement of profit or loss for 2020 and 2019:

	Thousands of Euros	
	2020	2019
Minusvalías reembolsos Mutuafondo Corto Plazo, F.I. (véase Nota 9.1)	12	(38)
Beneficio venta Alantra Wealth Management (véase Nota 2.14)	36	19,984
Beneficio liquidación cuenta escrow Colegios Laude II, S.L. (véase Nota 12)	-	(1)
Beneficio liquidación préstamo Tamsi Spain, S.L. (véase Nota 9.3)	73	44
Minusvalía liquidación forward de divisa (1)	(88)	-
Resto de conceptos	(14)	-
	19	**19,989**

(1) Corresponded to the loss on settlement of the currency forward at two and three months held by the Group at 31 December 2019 (see Note 30).

29. Segment reporting

In line with IFRS 8, which establishes the obligation to apply and disclose segment reporting for those companies whose equity or debt securities are quoted on public markets, or for companies which are in the process of issuing securities for quotation on public securities market, the Group presented this information in five segments in the accompanying consolidated financial statements.

a) Basis and methodology for segment reporting

The Group's segment reporting forms the basis for internal management and oversight of the performance of the different business areas. The Board of Directors (along with the Group's governing bodies) is ultimately responsible for said information and for taking operating decisions concerning each of these business areas.

The Group's management segments its activity pursuant to the nature of the services provided and they correspond with the business units for which accounting and management information is available.

b) Basis of segmentation

The top tier of segment reporting for the Group is split into Investment Banking, Credit Portfolio Advisory, Asset Management, Structural, Portfolio and Other. In 2020, the Group broken down its segments in more detail, splitting the Investment Banking arm into two new business segments or units. This change in the presentation of segment reporting for the Group stems from the need to consider the Credit Portfolio Advisory business as a unit following its growth in recent years through the opening of offices in several countries and hiring of new teams. For the purposes of comparison, the information for 2019 is also broken down in the same way in this note.

- Investment Banking

  An identified business segment of Alantra, offering financial advisory services to companies or entities in corporate transactions (corporate finance), and stock brokering and analysis service to institutional investors.

- Credit Portfolio Advisory

  An identified business segment of Alantra, offering advisory services to financial institutions and institutional investors in transactions involving credit, real estate and other types of asset portfolios.

- Asset Management

  Management and advising in respect of assets of different types for institutional investors, high net-asset families and other professional investors and provided through specialised investment funds or through customer investment portfolios.

- Structural

  Alantra business segment that includes revenues and expenses related to the governance structure and development of the Alantra Group (corporate governance, strategic coordination, corporate and business development, and corporate services, such as accounting and reporting, risk control, IT systems, human resources management and legal services, amongst others) and which, because they refer to the parent company of the Group (as listed company) or the management of the Group itself, they are not directly attributable to the Investment Banking, Credit Portfolio Advisory, Asset Management, or Portfolio segments. The Structural segment also includes invoicing of services in respect of Alantra Group companies that are classified as associates, that is, that are not fully consolidated. In Alantra's current growth phase, both in corporate and business terms, the importance of services classified as Structural justifies its consideration as an independent segment.

  These three segments are identified in aggregate as the "Fee Business". It consists of the grouping or aggregation of Investment Banking, Credit Portfolio Advisory, Asset Management and Structural segments, and is defined as a whole as the service provision activity, be they advisory or management services, the revenue from which is in the form of remuneration or fees and the expenses of which are those needed for its pursuit, mainly personnel expenses, Specifically excluded from the Fee Business are losses or gains originating from investments of the Group's parent company in the companies that carry on said activities (for example, from the sale of interests in companies or businesses, impairment of goodwill or net financial income from foreign currency), where such is the case, which are included in the Rest segment.

The reason for attributing 100% of the activity of the Structural segment to the Fee Business is that the greater part of time and/or funds invested in Structural are used to manage the growth and complexity from the activity classified in the Investment Banking, Credit Portfolio Advisory and Asset Management segments. This concept is especially significant because several alternative performance measures (APMs) are constructed on it.

- "Portfolio", This is the Group's own portfolio investment activity.

  This Alantra business segment is defined, as stated in the Prospectus, as consisting in obtaining capital gains by investing and subsequently selling stakes in companies or in investment funds or vehicles managed by the Alantra Group management teams.

- "Rest"

  By default, includes the group of services not performed by the other five business segments (i.e. that are not Investment Banking, Credit Portfolio Advisory, Asset Management, Structural or Portfolio).

c) Basis and methodology for segment reporting

The Group's segment reporting forms the basis for internal management and oversight of the performance of the different business areas, The Board of Directors (along with the Group's governing bodies) is ultimately responsible for said information and for taking operating decisions concerning each of these business areas.

The Group's management segments its activity pursuant to the nature of the services provided and they correspond with the business units for which accounting and management information is available.

Segment information on these businesses is presented below.

Consolidated statement of profit or loss by segment:

	Thousands of Euros															
	Investment Banking		Credit Portfolio Advisory		Asset Management		Structural		Portfolio		Rest		Consolidation Adjustments		Total for Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	119,290	121,619	28,662	43,615	28,034	47,520	1,876	1,479	-	-	-	-	-	-	177,862	214,233
Ordinary income among segments	630	1,666	7,862	7,631	3,997	4,606	7,754	7,791	-	-	-	-	(20,243)	(21,694)	-	-
Other operating income	45	27	-	-	-	-	-	-	-	-	-	-	-	-	45	27
Personnel expenses	(70,218)	(67,551)	(20,039)	(22,358)	(12,752)	(15,840)	(5,835)	(6,333)	(147)	(253)	(617)	(6,045)	-	-	(109,608)	(118,380)
Other operating expenses	(11,248)	(17,032)	(4,875)	(6,776)	(3,133)	(4,143)	(6,158)	(8,590)	(22)	(189)	-	-	-	-	(25,436)	(36,730)
Other operating expenses among Segments	(5,577)	(6,368)	(6,975)	(7,368)	(6,986)	(7,952)	(705)	(6)	-	-	-	-	20,243	21,694	-	-
Amortisation and depreciation	(3,589)	(3,442)	(542)	(443)	(58)	(508)	(1,716)	(1,311)	-	-	(105)	-	-	-	(6,010)	(5,704)
Impairment of non-current assets	(58)	-	5	-	-	-	-	-	-	-	(1,000)	(10,717)	-	-	(1,053)	(10,717)
Gain (loss) on disposal of non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other income (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating profit (loss)	29,275	28,919	4,098	14,301	9,102	23,683	(4,784)	(6,970)	(169)	(442)	(1,722)	(16,762)	-	-	35,800	42,729
Finance income	-	-	-	-	-	-	-	-	2,180	2,712	277	101	-	-	2.457	2,813
Finance income among segments	-	-	-	-	-	-	-	-	-	-	-	27	-	(27)	-	-
Finance costs	(103)	(104)	(6)	-	-	(6)	(54)	(45)	(37)	-	(143)	(95)	-	-	(343)	(250)
Finance costs among segments	-	-	-	-	-	-	-	-	-	-	-	(27)	-	27	-	-
Changes in fair value of financial Instruments	-	-	-	-	-	-	-	-	-	48	252	(6)	-	-	252	42
Exchange differences	-	-	-	-	-	-	-	-	-	-	485	(697)	-	-	485	(697)
Loss/reversal of loss on impairment of financial instruments	(1,447)	1,251	(36)	1,299	-	-	-	-	-	-	(110)	(2.473)	-	-	(1,593)	77
Gain (loss) on disposal of financial instruments:	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities at amortised cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-	-	-	59	42	(40)	19,947	-	-	19	19,989
Net finance income (expense)	(1,550)	1,147	(42)	1,299	-	(6)	(54)	(45)	2,202	2,802	721	16,777	-	-	1,277	21,974
Share of profit (loss) of companies accounted for using the equity method	2,573	2,134	-	-	2,852	1,787	-	-	-	-	(1,313)	(1,005)	-	-	4,112	2,916
Profit (loss) before tax	30,298	32,200	4,056	15,600	11,954	25,464	(4,838)	(7,015)	2,033	2,360	(2,314)	(990)	-	-	41,189	67,619
Income tax	(6,362)	(7,908)	(755)	(3,305)	(2.457)	(6,406)	2,703	2,004	(508)	(574)	(155)	1,528	-	-	(7,534)	(14,661)
Consolidated profit (loss) for the period	**23,936**	**24,292**	**3,301**	**12,295**	**9,497**	**19,058**	**(2,135)**	**(5,011)**	**1,525**	**1,786**	**(2.469)**	**538**	-	-	**33,655**	**52,958**
Net profit (loss) attributable	**23,149**	**23,346**	**1,802**	**6,596**	**6,508**	**12,875**	**(2,135)**	**(5,011)**	**1,390**	**1,790**	**(1,688)**	**538**	-	-	**29,026**	**40,134**
Non-controlling interests	**787**	**946**	**1,499**	**5,699**	**2,989**	**6,183**	**-**	**-**	**135**	**(4)**	**(781)**	**-**	-	-	**4,629**	**12,824**

Non-current assets by segment:

	Thousands of Euros													
	Investment Banking		Credit Portfolio Advisory		Asset Management		Structural		Portfolio		Rest		Total for Group	
	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019	31-12-2020	31-12-2019
Statement of financial position:														
Assets-														
Intangible assets-														
Goodwill	61,418	64,769	1,371	2.409	47	47	-	-	-	-	-	-	62,836	67,225
Other intangible assets	61	32	196	311	72	1	70	121	-	-	-	-	399	465
Property and equipment	7,972	11,080	2,247	2.404	194	192	6,752	6,910	-	-	-	-	17,165	20,586
Investments accounted for using the equity method	12,177	11,240	-	-	33,089	27,785	-	-	-	-	-	-	45,266	39,025
Non-current assets held for sale	-	-	-	-	-	-	-	-	-	-	-	-	-	-

d) Geographical segment reporting

For geographical segment reporting, segment revenues are grouped according to the geographical location of the assets, Segment assets are also grouped according to their geographical location.

The following table provides a summary of ordinary income from each of the Group's assets, broken down by geographical area, in 2020 and 2019:

	Thousands of Euros					
	Revenue		Share of Profit (Loss) of Companies Accounted for Using the Equity Method		Total	
	2020	2019	2020	2019	2020	2019
National market	57,415	95,778	95	570	57,510	96,348
International market						
European Union:						
Eurozone						
Italy	9,699	7,134	-	-	9,699	7,134
Germany	14,165	13,482	-	-	14,165	13,482
France	22,004	9,981	(35)	-	21,969	9,981
Greece	-	115	-	-	-	115
Netherlands	168	388	-	-	168	388
Portugal	258	728	-	-	258	728
Belgium	178	2,650	1,479	344	1,657	2,994
Austria	1,888	883	-	-	1,888	883
Luxembourg	3,460	3,557	-	(132)	3,460	3,425
Ireland	213	-	-	-	213	-
Non-euro area:						
United Kingdom	41,156	38,241	2,655	2,378	43,811	40,619
Sweden	2,789	2,294	-	-	2,789	2,294
Switzerland	9,616	15,273	-	-	9,616	15,273
Other countries:						
United States	11,992	20,754	-	-	11,992	20,754
India	2,361	36	-	-	2,361	36
China	377	2,715	-	-	377	2,715
Chile	123	-	(82)	(244)	41	(244)
Mexico	-	222	-	-	-	222
Canada	-	2	-	-	-	2
	177,862	**214,233**	**4,112**	**2,916**	**181,974**	**217,149**

The following table provides a summary of non-current assets for each of the Group's assets, broken down by geographical area, at 31 December 2020 and 31 December 2019:

	Thousands of Euros							
	Intangible Assets - Goodwill		Intangible Assets – Other Intangible Assets		Property and Equipment		Investments Accounted for Using the Equity Method	
	2020	2019	2020	2019	2020	2019	2020	2019
National market	1,250	2,250	395	460	7,929	8,153	12,136	9,983
International market								
European Union:								
Eurozone:								
Italy	-	-	2	4	617	791	-	-
Germany	416	416	2	1	1,016	1,537	-	-
France	141	141	-	-	2,079	2,870	2,767	-
Greece	-	-	-	-	245	324	-	-
Netherlands	-	-	-	-	345	634	-	-
Portugal	-	23	-	-	18	29	-	-
Belgium	-	-	-	-	4	113	18,100	17,716
Austria	-	-	-	-	177	31	-	-
Ireland	-	-	-	-	316	310	-	-
Luxembourg	-	-	-	-	-	-	86	86
Non-euro area:								
United Kingdom	29,179	30,833	-	-	2,503	3,295	12,134	11,167
Sweden	94	91	-	-	571	414	-	-
Denmark	-	-	-	-	144	144	-	-
Switzerland	12,515	12.454	-	-	312	490	-	-
Other countries:								
United States	19,241	21,017	-	-	595	1,071	-	-
India	-	-	-	-	4	4	-	-
México	-	-	-	-	-	60	-	-
China	-	-	-	-	249	316	-	-
Hong Kong	-	-	-	-	41	-	-	-
Chile	-	-	-	-	-	-	43	73
	62,836	**67,225**	**399**	**465**	**17,165**	**20,586**	**45,266**	**39,025**

30. Fair value

The fair values of the Group's financial instruments at 31 December 2020 and 2019, by class of financial asset and liability, are broken down in the accompanying consolidated financial statements into the following levels:

- Level 1: Financial instruments whose fair value is determined using as a direct input the quoted price of the financial instrument on an active market (as defined in the Group's internal policies) that is observable and can be obtained from independent sources, which in the case of collective investment schemes corresponds to the net asset value published on the measurement date. This level includes any listed debt securities, listed equity/capital instruments and certain derivatives.

- Level 2: Financial instruments whose fair value is estimated by reference to quoted prices on organised markets for similar instruments or using other valuation techniques in which all the significant inputs are based on directly or indirectly observable market data, In the case of risk capital and hedge funds, this corresponds to the last net asset value available from the management company's statements.

- Level 3: Instruments whose fair value is estimated using valuation techniques in which most of the inputs are not based on observable market data, Control units that are not connected to the market areas are responsible for selecting and validating the valuation models used.

The methods used to calculate the fair value of each class of financial assets and liabilities are as follows:

- Non-current financial assets – At fair value through profit or loss (at fair value):

  - Investment funds and similar vehicles: fair value determined using the quoted price on official markets or net asset value of investment funds (Level 1).

  - Non-listed equity/capital instruments Private equity vehicles and similar and open-ended Investment Funds: fair value determined as the net asset value obtained from the statements provided by the company managing said vehicles (Level 2).

  - Credit agreements with employees: as returns depend on the performance of the underlying asset, which is a venture capital vehicle, the fair value of these assets has been calculated using the statements provided by the pertinent management company on this vehicle.

- Non-current financial assets – At fair value through other comprehensive income:

  - Hedge funds and closed-ended venture capital vehicles: their fair value is determined based on the net asset value obtained from the statements provided by the pertinent management company (Level 2).

- Current derivatives:

  - 2 and 3 month currency futures: fair value is determined on the basis of the nominal amount in foreign currency and the contractually established margins, plus the exchange rate at the calculation date (Level 2).

- Non-current financial liabilities (at fair value):

  - Unlisted equity instruments: their fair value has been determined by discounting future cash flows to present value (Level 3).

- Trade and other payables – Other payables (at fair value):

  - Unlisted equity instruments: their fair value has been determined by considering, if applicable, the net asset value obtained from the statements provided by the manager itself (Level 2).

Not all financial assets and liabilities are recorded at fair value, Consequently, there follows a breakdown of the information on financial instruments carried at fair value and, afterwards, the information on those measured at cost and their net book value.

Shown below is the fair value at 31 December 2020 and 2019 of the Group's financial instruments that are recorded at fair value, broken down by the measurement model used to estimate their fair value:

Financial assets and liabilities – fair value at 31 December 2020

	Thousands of Euros				
	Carrying Amount	Fair Value	Fair Value Hierarchy		
			Level 1	Level 2	Level 3
Non-current financial assets:					
At fair value through profit or loss	76,901	76,901	74,219	2,682	-
At fair value through other comprehensive income	44,355	44,355	-	44,355	-
Non-current financial liabilities	(8,110)	(8,110)	-	-	(8,110)
Trade and other payables					
Other payables	(280)	(280)	-	(280)	-
			74,219	**46,757**	**(8,110)**

Financial assets and liabilities – fair value at 31 December 2019

	Thousands of Euros				
	Carrying Amount	Fair Value	Fair Value Hierarchy		
			Level 1	Level 2	Level 3
Non-current financial assets:					
At fair value through profit or loss	4,213	4,213	-	4,213	-
At fair value through other comprehensive income	39,152	39,152	-	39,152	-
Current derivatives	295	295	-	295	-
Non-current financial liabilities	(9,450)	(9,450)	-	-	(9,450)
Liabilities associated with non-current assets held for sale					
Trade and other payables – Other payables	(998)	(998)	-	(998)	-
			-	**42,662**	**(9,450)**

In addition to the above, the balance of "Non-current financial assets – At fair value through profit or loss" in the consolidated statement of financial position at 31 December 2020 and 2019 included EUR 122 thousand and EUR 97 thousand, respectively, of financial assets carried at cost or at their net book value, which the Group considered the best estimate of their value.

"Current financial assets - At fair value through profit or loss" in the consolidated statement of financial position at 31 December 2019 includes a loan of EUR 11,116 thousand granted to Atlántida Directorship, S.L. Sociedad Unipersonal (see Note 2.14), carried at cost, which the Group considers to be the best estimate of fair value as the loan was formalised on 30 December 2019.

Also, "Non-current financial assets – At fair value through other comprehensive income" in the consolidated statement of financial position at 31 December 2020 and 2019 included EUR 248 thousand and EUR 70 thousand, respectively, of financial assets measured at cost.

Presented below are the main measurement methods, assumptions and inputs used to estimate the fair value of financial instruments carried at fair value and classified in Levels 2 and 3, by type of financial instrument, and the related balances at 31 December 2020 and 2019:

Level 2 financial instruments at 31 December 2020 and 2019:

	Thousands of Euros		Principal Measurement Techniques	Main Inputs Used
	Fair Value			
	2020	2019		
	76,901	4,213		
Non-current financial assets: At fair value through profit or loss	44,355	39,152	Net asset value	Net asset value provided by manager
Non-current financial assets: At fair value through other comprehensive income	39,152	28,130	Net asset value	Net asset value provided by manager
Current derivatives	-	295	Net asset value	Nominal amount in foreign currency and the contractually established margins, plus the exchange rate at the calculation date
Trade and other payables Other payables	(280)	(998)	Net asset value	Net asset value provided by manager
	120,976	**42,662**		

Level 3 financial instruments at 31 December 2020 and 2019:

	Thousands of Euros		Principal Measurement Techniques	Main Inputs Used
	Fair Value			
	2020	2019		
Liabilities associated with non-current assets held for sale	(8,110)	(9,450)	Present value method (Discounted future cash flows)	Market interest rates, discount rates, perpetuity rate and growth rates
	(8,110)	**(9,450)**		

(*) This asset has been derecognised following the disposal of Alantra Wealth Management (see Note 2.14).

Shown below is the quantitative information on unobservable inputs used to calculate the Level 3 measurements:

	Measurement Method	Significant Unobservable Inputs	Min	Max	Average	Units
Non-current financial liabilities	Present value method (discounted future cash flows)	Rate in perpetuity	0.0%	1.0%	0.5%	%

The principal technique used to measure the main instruments classified in Level 3, with the main unobservable inputs, is as follows:

- Present value method (discounted future cash flows): different assumptions are used, such as market discount rate, perpetuity rate, etc.

The movement in the balances of financial assets and liabilities classified in Level 3 that are carried on the consolidated statement of financial position is shown below:

	Thousands of Euros			
	2020		2019	
	Assets	Assets	Assets	Liabilities
Balances at start of the year	-	(9,450)	-	(17,947)
Changes in fair value recognised in profit or loss	-	-	-	-
Changes in fair value not recognised in profit or loss	-	1,340	-	152
Recovery recognised in profit or loss	-	-	-	-
Purchases, sales and liquidations	-	-	-	8,345
Net entries/ (removals) in Level 3	-	-	-	-
Balances at end of year	-	**(8,110)**	-	**(9,450)**

The sensitivity analysis is performed on assets with important unobservable inputs; that is, for those included in Level 3, in order to have a reasonable range of possible alternative measurements. That analysis is performed to establish, with an adequate degree of certainty, the valuation risk in relation to those assets without applying criteria of diversification between them.

At 31 December 2020 and 2019, the impact on consolidated income of changing the main assumptions used to measure Level 3 financial instruments with other reasonably possible assumptions, taking the highest value (most favourable assumption) or lowest value (least favourable assumption) of the range estimated as probably, is given below:

	Thousands of Euros			
	Potential Impact in the Consolidated Statement of Profit or Loss			
	2019		2018	
	Most Favourable Assumption	Least Favourable Assumption	Most Favourable Assumption	Least Favourable Assumption
Non-current financial liabilities	223	(192)	304	(190)

The fair value of other financial assets and liabilities is basically equal to their carrying amount, as it is understood that this fair value does not differ materially from the carrying amount of these items. The following points should be also made on the fair value of certain financial assets:

- Bank deposits: the Group estimated the fair value of these financial assets as their carrying amount, as it is considered that, given the nature of the counterparties, interest rates and terms thereof, this fair value does not differ materially from amortised cost.

- Loans and credits: the Group estimated there are no material differences between the fair value of these financial assets and their carrying amount.

31. Events after the reporting period

Impact COVID-19

On 3 March 2021, an agreement was announced to acquire 40% of MCH Investment Strategies, S.G.I.I.C., S.A. On completion of the deal, which is subject to the CNMV's approval, the firm will be rebranded and the executive team will retain a majority interest. MCH Investment Strategies is an independent firm specialised in the selection of international managers with a proven track record in a specific asset class and structuring of alternative investment vehicles to be sold to Spanish, Italian and Portuguese investors. Founded in 2008, the firm has over EUR 3 billion of assets under management and representation. The agreement enables Alantra to expand its offering of financial services by adding a new business line to is current Investment Banking, Asset Management and Credit Portfolio Advisory divisions.

No other significant events have arisen since the 2020 reporting close, other than those disclosed in the other notes to the consolidated financial statements.

32. Explanation added for translation to English

These consolidated financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Group in Spain (see Note 2-1). Certain accounting practices applied by the Group that conform with that regulatory framework may not conform with other generally accepted accounting principles and rules.

Appendix

Information on the Alantra Group in fulfilment of Article 192 of the revised text of Spanish Securities Market Act 4/2015 of 23 October ("Annual Investment Services Companies Report")

This information was prepared pursuant to the provisions of Article 192 of the Spanish Securities Market Act., approved by Royal Decree-Law 4/2015 of 23 October.

a) Company name, nature and geographical location of business

Alantra Partners, S.A. (hereinafter, the Company) was incorporated on 11 November 1997 as Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. The deed for the takeover of N Más Uno IBG, S.A. (hereinafter, N+1 IBG) by the Company was entered in the Madrid Companies Register on 20 July 2015. This transaction resulted in N Más Uno IBG, S.A. ceasing to exist and the Company changing its name to Nmás1 Dinamia, S.A., losing its status as a private equity firm, On 4 January 2017, as a result of the change to the Group's name, the Company changed its name to the present one (see further below).

The Company's corporate object encompasses the following activities:

1. The rendering of financial advisory services:

2. The management of any property or assets, in accordance with any prevailing legal requirements;

3. The acquisition and holding of shares and equity instruments in other companies whose corporate object is, pursuant to any prevailing legal requirements, financial brokerage, management of any type of asset including investment funds or portfolios of any type, and provision of all types of investment service.

4. Acquisition, holding and disposal of shares or equity stakes in any type of company; granting participating loans or other forms of finance to any type of company; investment in any securities or financial instruments, assets, movable property or real estate, or rights, in accordance with any prevailing legal requirements, in order to generate a return on said shares or equity stakes in companies and investments.

The activities comprising the corporate purpose may be performed by the Company in whole or in part, or indirectly through ownership of shares or equity stakes in companies with an identical or similar corporate purpose.

At 31 December 2020 and 2019, the Company carried out its business in Spain from its offices at calle José Ortega y Gasset 29 in Madrid.

The Company is the parent of a group (hereinafter, the Group or the Alantra Group) comprising various companies carrying out financial advisory and consultancy services to businesses and institutions in Spain and abroad. They also provide investment and associated services; advice on asset management; advice, administration and management for private equity firms, fund managers and collective investment institutions and companies involved in acquiring direct stakes in companies (see Note 2.14), At 31 December 2020 the Group also had a branch in China, in the UK and in Italy.

On 26 September 2016 the Company issued a Material Disclosure to the Spanish securities exchange authority, the Comisión Nacional del Mercado de Valores (CNMV), regarding the change in the trademark of the Group it heads, Since that date, the subsidiaries in the Alantra Group have approved the respective changes to their corporate names in order to replace “N+1”, “Nmás1” or “Nplusone” with “Alantra”, With respect to the Company, on 4 January 2017 there was entered in the Companies Registry the change of name from Nmás1 Dinamia, S.A. to Alantra Partners, S.A., previously approved by the General Meeting of 13 December 2016. With this new trademark, the Alantra Group (formerly known as the N+1 Group) has set the goal of creating a single distinctive mark that identifies a new stage in its development as a company with a strong international focus.

b) Turnover

This section provides information on turnover, by country, on a consolidated basis, for the Company, for the subsidiaries thereof, and for jointly-controlled entities and associated accounted for using the equity method, Turnover is taken as the figures for revenue presented in the Group’s 2020 consolidated statement of profit or loss and are as follows:

	Thousands of Euros
	Turnover
National market	57,415
International market	
European Union	
Eurozone	
Italy	9,699
Germany	14,165
France	22,004
Netherlands	168
Portugal	258
Belgium	178
Luxembourg	3,460
Ireland	213
Austria	1,888
Non-euro area	
United Kingdom	41,156
Sweden	2,789
Switzerland	9,616
Other countries	
United States	11,992
India	2,361
China	377
Mexico	123
	177,862

c) Number of full-time employees

Details of the full-time employees of the Company and its subsidiaries at 2020 year-end were as follows:

	Number of Employees
National market	260
International market	
European Union	
Eurozone	
Italy	29
Germany	32
Netherlands	4
France	27
Austria	7
Ireland	6
Belgium	3
Greece	15
Portugal	9
Non-euro area	
Sweden	7
Denmark	4
United Kingdom	111
Switzerland	12
Other countries	
United States	44
China	14
	584

d) Profit (loss) before tax

This section shows the pre-tax profit (loss), on a consolidated basis, for the Company, for the subsidiaries thereof, and for jointly-controlled entities and associated accounted for using the equity method.

	Thousands of Euros
	Pre-Tax Profit
National market	11,118
International market	
European Union	
Eurozone	
Italy	2,991
Germany	4,049
France	4,204
Portugal	544
Greece	258
Belgium	1,198
Luxembourg	(27)
Austria	629
Ireland	397
Netherlands	5
Non-euro area	
United Kingdom	10,650
Sweden	(189)
Switzerland	3,219
Other countries:	
United States	2,574
China	29
Chile	(82)
Brazil	(50)
Hong Kong	40
México	(368)
	41,189

e) Income tax

This section shows the corporate tax expense, on a consolidated basis, for the Company and its subsidiaries.

	Thousands of Euros
	Income Tax
National market	2,060
International market	
European Union	
Eurozone	
Italy	849
France	988
Germany	1,316
Belgium	1
Portugal	89
Greece	6
Ireland	49
Asutria	33
Non-euro area	
Sweden	15
United Kingdom	1,326
Switzerland	683
Other countries	
China	76
United States	43
	7,534

f) Public grants and state aid received

The Alantra Group received an immaterial amount of public grants and state aid in 2020 (See Note 26).

g) Return on assets

The return on the Alantra Group's assets at year-end 2020, calculated by dividing consolidated net profit for 2020 by total assets at 31 December 2020, was 7.12%.

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Alantra Partners, S.A. and companies comprising the Alantra Group

Consolidated Directors' Report for the year ended 31 December 2020

This directors' report was prepared pursuant to the "Guide for the preparation of management reports of listed companies" published by the CNMV in September 2013, and is broken down into the nine sections specified in said guide:

Situation of the Company

Organisational structure

Alantra Partners, S.A. (hereinafter, "the Company" or "Alantra") is the parent company of the Alantra Group, whose activities can be grouped into four major business lines involving: (i) providing advisory services to companies or institutions in corporate finance operations, and providing stock brokering and analysis services to institutional investors; (ii) advising financial institutions and institutional investors on operations involving credit, real estate and other types of asset portfolios; (iii) asset management and advising; and (iv) investments in companies, funds or other investment vehicles.

Under the applicable securities exchange laws and regulations, the Alantra Group is considered a consolidated group of investment firms, with Alantra as its parent company.

The Company, as parent company of the Alantra Group, provides strategic oversight and coordination of the group's activities, which allows pursuit of a unified management model and common action policy, Alantra also provides certain subsidiaries with central services that ensure the support and infrastructure needed to carry on the specific operating activities of each subsidiary.

Apart from the General Shareholders' Meeting, which has the authority attributed to that body by law given that Alantra is publicly traded, the main governance body of the Group is the Company's Board of Directors, which has two delegated committees: the Risk Control and Audit Committee and the Appointments and Remuneration Committee), The Board of Directors meets at least quarterly. The Company also has an Executive Chairman with the responsibilities of chief executive officer.

The powers, composition, structure and functioning of the Board of Directors are regulated by the Board Regulations, which are posted on the Company's website and on the CNMV's website, The Alantra Board of Directors strives to ensure with the best governance practices set out in business and securities exchange regulations and in the good corporate governance recommendations approved by the CNMV.

The Board of Directors has nine members, one of whom is an executive director and eight are external, Of the latter, four are independent, three proprietary and one is classified as "other external".

The Company carries on the activities included in its corporate objects through subsidiaries, some of which provide investment or the management of collective investment schemes and are therefore subject to regulation and supervision, The Alantra Group companies, in turn, have the governance and control bodies prescribed by the applicable laws and regulations.

The Group's different business areas also have their own bodies to coordinate and oversee their activities, in particular, the Alantra Asset Management Committee (in which the different business units in the asset management and advising area are represented), the Management Committee of Alantra ICA (with representatives of the different international activities and business units in the corporate finance area) and the CPA Committee, established to supervise the credit portfolio advisory business that advises banks and investors on matters related to loan portfolios, real estate and other types of asset.

The Group, moreover, has a Control and Risk Committee, whose primary objective is to control the main risks to Alantra and its group companies are exposed and, in that area, to keep an up-to-date risks map. The Control and Risk Committee proposes and coordinates the implementation of measures to mitigate risks and keep them within the risk tolerance limits approved by the Board of Directors and fosters a culture of sound risk management.

Functioning

The Company heads a group of entities that provide financial advisory services, asset management and advising services and invests in companies and special purpose vehicles. The Alantra Group specialises in the mid-market segment and provides its services independently to financial and industrial companies and entities, as well as to institutional and private investors.

Although the Company is responsible for the strategic management and coordination of the Group's activities, the different business units are responsible for carrying on said activities. These business units are grouped into two areas, for which accounting and management figures are available. The two areas correspond to the business segments identified earlier. The two main areas of the Alantra Group are:

- *Investment Banking*: offering financial advisory services to companies or institutions in corporate transactions (corporate finance); and stock brokering and analysis services to institutional investors.

- *Credit Portfolio Advisory*: offering advisory services to financial institutions and institutional investors in transactions involving credit, real estate and other types of asset portfolios.

- Asset Management/Advisory (Asset Management): this activity involves managing and advising assets of different types for institutional investors, wealthy family groups and other professional investors via specialised investment funds or through the investment portfolios of customers.

These three business areas, and the different units (differentiated by country or by product) that they comprise, receive a number of central services from the Company (legal, administration and accounting services, human resources, logistics and information systems, communication and risk control services) that ensure unified and consistent operation of the aforesaid management model, as well as the implementation and followup of a common action policy. The functions involving strategic coordination, provision of services and, in general, definition and implementation of Alantra's own management model comprise a business unit that corresponds to the segment identified as "Structural" (as defined in the notes to the consolidated financial statements and in the attached "Glossary of Terms").

That structure and, specifically, the strategic coordination and financial management departments also support the Board of Directors of the Company in its decisions regarding the fourth area of activity of the

Company, Portfolio or Investment; this activity comprises obtaining gains on investments and subsequent divestments in companies or in funds and vehicles managed by the Alantra Group's management teams.

Business performance and earnings

Summary of 2020

Activity

As a result of the Covid-19 pandemic, 2020 saw the end of the longest economic cycle in history, with GDP shrinking in all major economies except China, whose growth slowed compared to previous years. Spain's GDP plunged by 11% – far higher than the eurozone average decrease of 6.8% – as its economy was particularly affected by this crisis because of its greater exposure to tourism and the service sector, higher temporary employment rate and larger number of small enterprises and self-employed professionals. The markets were volatile, with more pronounced fluctuations than those recorded in 2008.

The prevailing uncertainty about the pandemic's impact on the various sectors and agents in the global economy combined with the position of and outlook for Alantra's clients, investors and investees has affected the business.

By area of activity, the financial advisory arm has performed well in a challenging environment. 2020 ended with this business providing advice in 120 deals – the same number as in 2019, receiving an average gross fee per transaction of EUR 1.2 million – up on the EUR 1.1 million in the prior year. In addition, a further 10 senior posts were created and filled during the year to continue strengthening the sector- and product-specific capabilities of this arm. The Alantra Group's strategic growth and expansion strategy launched in previous years has resulted in a diverse array of revenue streams for this business, which makes up over 8% in each of the seven main geographies in which the Group operates. Notable recognition includes placing second in the European Buyouts Independent Advisor 2020 ranking and fifth in the "2020 European Independent Financial Advisor" ranking (source: Mergermarket League tables FY 2020).

The Credit Portfolio Advisory business was affected by the decrease in the volume of deals in the European NPL market. A further eight senior posts were created and filled in 2020, and offices were opened in Brazil and China to continue growing the business. A team of securitisation specialists was also hired.

During a year in which the teams managing each class of assets in which Alantra holds positions, in both the equities and debt markets, continued to closely monitor the companies in which the funds and portfolios managed invest, the Asset Management arm reached the following key milestones:

- Strategic alliances, such as the entry of the Mutua Group as a strategic partner in the asset management business, and the acquisition of a 49% equity stake in Indigo Capital SaS (a pan-European private debt asset management company). Both deals form part of a strategy to build a market leading project in the management of European alternative investments.

- Launch of two new business lines: a fund specialising in the energy transition, in partnership with Enagas, which has committed to an investment of up to EUR 30 million; and the investment vehicle, EQMC Tech, with initial capital of USD 30 million to invest in mid-market listed tech companies.

- Market recognition: QMC was the most profitable Iberian fund in the last three years (Morningstar ranking), while Alteralia Debt Fund I was the fourth most profitable Spanish debt fund in 2020 (Morningstar ranking).

Results

Income and expenses

Since Covid-19 first appeared in China in early 2020 before spreading around the world in the following months, uncertainty about the pandemic's impact on the global economy and the situation of and outlook for Alantra's clients, investors and investees has shaped its performance during the year. As explained in several communiqués, revenue forecasts pointed to the crisis having an expected greater impact in the second and third quarters of the year, followed by somewhat of a recovery in the last quarter. Ultimately, revenue for the whole of 2020 was 17.0% lower than in 2019 at EUR 177.9 million.

By activity, Investment Banking, which includes providing advice to companies and other entities in corporate transactions (corporate finance) and the provision of stock brokerage and analysis services to institutional investors, generated EUR 119.3 million versus EUR 121.6 million in the previous year (a fall of 1.9%). An increasing proportion of these advisory services are being provided outside Spain, which is helping to offset the relatively poorer performance of the domestic market.

The Credit Portfolio Advisory arm posted revenues of EUR 28.7 million – down 34.3% year-on-year, against a market backdrop of the fewest transactions of this type in Europe in recent years.

Asset management and associated advisory services generated income of EUR 28.0 million – down 41% compared to 2019 when EUR 47.5 million was posted. The following factors contributed to this decrease:

- Management fees were down 6.1% at EUR 24.2 million mainly because of the lower net value of assets under management due to the pandemic.
- Income from performance fees fell sharply from EUR 18.8 million in 2019 to EUR 3.8 million in 2020 (-79.5%).
- Lastly, as a result of Mutua Madrileña taking control in June 2019 of the companies through which the Group carried out its private banking activity, this business – which generated revenue of EUR 3.0 million in the first few months of 2019 – is no longer fully consolidated.

Operating expenses totalled EUR 142.1 million – 17.2% lower than in 2019 – mainly due to a decrease in bonuses (29.2% down on 2019) directly linked to the business's performance.

Net profit

Net profit attributable to the Company generated in 2020 totalled EUR 29.0 million (-27.7%). It is notable that the net profit of the Fee business (profit generated from rendering advisory services and asset management) was down 22.4% compared to 2019 at EUR 29.3 million.

Below are the consolidated statements of profit or loss for 2020 and 2019:

Thousand of euros	31/12/2020	31/12/2019	%
Revenue			
Investment Banking	119.290	121.619	(1,9%)
Credit Portfolio Advisory	28.662	43.615	(34,3%)
Asset Management	28.034	47.520	(41,0%)
Management fees	*24.195*	*25.775*	*(6,1%)*
Success fee	*3.839*	*18.770*	*(79,5%)*
Private Banking fee	-	*2.975*	*(100,0%)*
Other	1.876	1.479	26,8%
Total Revenue	**177.862**	**214.233**	**(17,0%)**
Other operating income	**45**	**27**	**66,7%**
Personnel expenses	(109.608)	(118.380)	(7,4%)
Fixed Cost	*(72.687)*	*(66.196)*	*9,8%*
Variable Cost	*(36.921)*	*(52.184)*	*(29,2%)*
Other operating expenses	(25.436)	(36.730)	(30,7%)
Depreciation and amortisation	(6.010)	(5.704)	5,4%
Impairment losses and gains (losses) on disposal of non-current assets	(1.053)	(10.717)	(90,2%)
TOTAL expenses	**(142.107)**	**(171.531)**	**(17,2%)**
Operating profit (loss)	**35.800**	**42.729**	**(16,2%)**
Net finance income (expense) attributable to the portfolio	2.202	2.802	(21,4%)
Other net finance income (expense)	(925)	19.172	(104,8%)
Net finance income (expense)	**1.277**	**21.974**	**(94,2%)**
Share of profit (loss of companies accounted for using the equity method	4.112	2.916	41,0%
Non-Controlling interests	(4.629)	(12.824)	(63,9%)
Taxes	(7.534)	(14.661)	(48,6%)
NET PROFIT (LOSS) ATTRIBUTABLE TO THE PARENT	**29.026**	**40.134**	**(27,7%)**
NET PROFIT (LOSS) OF THE FEE BUSINESS	**29.324**	**37.807**	**(22,4%)**
NET PROFIT (LOSS) OF THE PORTFOLIO	**1.390**	**1.790**	**(22,3%)**
ORDINARY NET PROFIT	**30.714**	**39.598**	**(22,4%)**

Balance sheet

Equity attributable to the controlling company totalled EUR 248.4 million at the end of 2020 – a figure some 17.0% higher than the EUR 212.2 million reported at 2019 year-end. The key reason for this increase is the Mutua Group's acquisition of 20% of the Group's Asset Management division, which led to EUR 45 million being added to the Company's balance sheet.

Non-current assets in the consolidated statement of financial position amounted to EUR 253.4 million compared to EUR 176.7 million at 2019 year-end – up 43.4%. The net increase in this line item is primarily due to the investment of surplus cash totalling EUR 74 million in a money market fund. The remainder basically stems from fluctuations in the value of tangible and intangible assets held.

Current assets includes cash and cash equivalents of EUR 89.6 million which, combined with the investment in the money market fund mentioned in the paragraph above and the fact that the Group has no financial debt, is an illustration of the robustness of the balance sheet.

Environmental and personnel matters

Environment

Given the nature of the activity carried on by the Alantra Group companies, they have no environmental liabilities, expenses, assets, provisions or contingencies that could be significant in relation to their net assets, financial position and earnings.

For this reason, these notes to the consolidated financial statements do not include specific itemisations with respect to information on environmental issues.

Personnel

The information on questions relating to personnel of the entities in the Alantra Group is detailed in Notes 5 and 26 to the consolidated financial statements for 2020.

Liquidity and capital resources

The Alantra Group has a solid statement of financial position liquidity position. Furthermore, it has no financial indebtedness (see Glossary of Terms).

Capital is controlled and managed in consonance with the nature of the Alantra Group as a consolidated group of investment firms, analysing the capital bases (on a consolidated basis and separately for each of the regulated companies in the Alantra Group) and calculating capital adequacy ratios as provided in the rules and standards.

Note 22 to the consolidated financial statements includes more detailed information on capital management.

Main risks and uncertainties

Note 21 to the consolidated financial statements includes detailed information on risk management.

Significant post-statement of financial position events

There have been no material events between the close of the year and date of preparation of these consolidated financial statements other than those disclosed in the Notes.

Information on the projected performance of the entity

The Alantra Group's statement of financial position is strong, giving it a sound base for steady progress towards meeting the Company's strategic goals:

- The financial advisory services business will continue to help drive the Group's international expansion, with the opening of offices in new countries and the consolidation of the new branches opened and acquisitions made in the last three years, which are being reflected year-on-year in the Alantra Group's revenues.
- The Alantra Group's asset management business continues to make progress towards its goal of becoming a global leader in the mid-market sector with the recruitment of new professionals and the launch of a new generation of funds such as those detailed above in this management report.

All of the above should, in any event, be evaluated in light of the global macroeconomic and social situation, which has been gravely affected by the COVID-19 pandemic since early 2020.

This directors' report contains forward-looking statements on plans, projections and estimates by the directors that are based on assumptions they regard as reasonable. However, the user of this report should bear in mind that such forward-looking information offers no assurances as to the future performance of the entity, as those plans, projections and estimates are subject to numerous risks and uncertainties that imply that said future performance may differ from the initially projected performance. Those risks and uncertainties are described throughout the directors' report.

R&D and innovation activities

The Group and its member companies have not carried on any research and development activity.

Acquisition and disposal of treasury shares

The Alantra policy on treasury shares is approved by the Board of Directors of the Company on the basis of the general authorisation granted to the Board of Directors by the shareholders at the General Meeting of 27 April 2016 on the following terms:

a. Types: sale-purchase, swap, loan, acceptance of treasury shares as collateral and enforcement of those guarantees granted for the benefit of the Company or of any of the companies in its group, dation in payment and, in general, any other type of acquisition for valuable consideration of outstanding, fully paid in shares permitted by law.

b. Term of the authorisation: five years after the date of the resolution.

c. Maximum number of shares that can be acquired: up to 10% of the Company's share capital existing from time to time or, if applicable, such higher figure as may be legally admissible during the term of this authorisation.

d. Maximum and minimum prices: the minimum price will be equal to the nominal value and the maximum price will be up to 10% higher than the maximum price at which the shares were traded in the Continuous Market session of the day immediately preceding the acquisition. Notwithstanding the above, in the case of acquisition of own shares as a result of the exercise of rights or fulfilment of obligations under option, forward sale or similar contracts or agreements previously entered into by the Company or by members of its group (and, in particular, by way of illustration and without limitation, agreements with executives, employees or directors of the Company or its subsidiaries to buy back the Company they hold directly and indirectly in the event of departure from the group of said executives, employees or directors), the price or consideration per share will range between a minimum equal to EUR 0,01 and a maximum of up to 10% higher than the maximum price at which the shares were freely traded (including in the block market) in the Continuous Market session of the day immediately preceding the day on which the treasury shares acquisition transaction is agreed, signed or executed, as applicable.

e. Use of the shares: the shares acquired by the Company or its subsidiaries may, in full or in part, be disposed of or awarded to directors and employees of the Company, where such right has been recognised, either directly or as a result of the exercise of option rights they hold, for the purposes provided for in Article 146.1.a) of the Spanish Corporate Enterprises Act. They may also be used in programmes that foster equity ownership in the Company such as, for example, dividend reinvestment plans, loyalty bonuses or other similar arrangements.

The shares thus acquired will not have voting rights or any other non-financial rights, and their financial rights will be proportionally allocated to the rest of the shares, except for the right to bonus shares, in accordance with the terms of Article 148.a) of the Spanish Corporate Enterprises Act. The authorisation supersedes the authorisation granted by the General Meeting of shareholders of 11 June 2014 for derivative acquisition of treasury shares.

The Company's Internal Rules of Conduct regulate certain obligations which the Company must fulfil in development of its treasury stock policy, In this regard, Article 12.2 of the Internal Rules of Conduct provides the Company must always act within the limits of the authorisation granted by the General Shareholders' Meeting and the transactions must in all cases involve the execution of specific purchase programmes and plans; the delivery of treasury shares in future corporate deals; or other legitimate purposes admissible under the applicable laws and regulations, such as augmenting the liquidity and regularity of trading in the Company's shares.

In any event, the Company's treasury stock policy will in no event aim to intervene in the free formation of prices and will always be carried out in the interests of the Company and its shareholders.

The information on the Company's treasury shares is described in detail in Note 15 to the accompanying consolidated financial statements.

Other material information

9.1. Stock market performance

During 2020 the share price fell by 14.2%. The Ibex 35 fell by 16.7% and the Ibex Small Caps appreciated 15.8%.

The share had a trading volume of 1.56 million shares for the year.

9.2. Dividend policy

On 4 June 2020, the Company's Board of Directors agreed to propose to the General Meeting, the pay-out of a dividend to shareholders of EUR 0.44 per share (gross), distributed as follows:

- Final dividend with a charge to 2019 profit of EUR 0.18 per share (gross); and

- Interim dividend with a charge to 2020 profit of EUR 0.26 per share (gross).

On 28 October 2020 the General Meeting approved the distribution of a final dividend against 2019 profit of EUR 0.184 (gross) per share, as well as an interim dividend against 2020 profit of EUR 0.254. These were paid on 11 November 2020.

As in the previous three years, the Board of Directors intends to propose to the General Meeting (April 2021) that all the 2020 attributable profit be distributed (EUR 0.75 per share). A pay-out of EUR 0.40 per share is planned for May 2021 and of EUR 0.35 per share in November 2021. Shareholder remuneration for 2020 will therefore equate to a 100% pay-out.

These pay-outs reflect the Group's intention to keep shareholder remuneration high, which is expected to continue in the future even in adverse climates such as that experienced in 2020 due to the Covid-19 crisis.

Average payment period to suppliers

The information on the average payment period to suppliers is given in Note 27.a) to the accompanying consolidated financial statements.

Customer service office

The information on the customer service office is given in Note 2.12 to the accompanying consolidated financial statements.

GLOSSARY OF TERMS

Business sectors identified

- **"Business Segment"** refers to each operating segment or component identified and classified as such by Alantra that (a) engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the group); (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and (c) for which discrete financial information is available.
- **"Investment Banking".** An identified business segment of Alantra, offering financial advisory services to companies or entities in corporate transactions (corporate finance), and stock brokering and analysis service to institutional investors.
- **"Credit Portfolio Advisory".** An identified business segment of Alantra, offering advisory services to financial institutions and institutional investors in transactions involving credit, real estate and other types of asset portfolios.
- **"Asset management".** The identified Alantra business segment which, in accordance with the information provided in the Prospectus, consists of the management of and provision of advice in relation to various classes of assets for institutional investors, high net worth individuals/family offices and other professional investors through specialist investment funds or customer investment portfolios.
- **"Corporate".** The identified Alantra business segment which encompasses the universe of revenues and expenses corresponding to Alantra's governance and development structure (corporate governance, strategic management, corporate and business development and corporate services such accounting and financial reporting, risk management and control, human resource management and legal services, among others) and which, either because they relate to the Group parent - as a listed entity - or the management of the Group as a whole, are not directly attributable to the Investment Banking, Asset Management or Portfolio segments. The Corporate segment also includes the invoicing of services related to Alantra Group companies that are associates, i.e., not fully consolidated. In light of Alantra's ongoing growth at both the corporate and business levels, the significance of the services encompassed by the Corporate area justifies its classification as an independent segment.
- **"Portfolio",** The identified Alantra business segment which is defined, in keeping with that stated in the Prospectus, as the activity consisting of the pursuit of capital gains by taking ownership interests in companies, funds or investment vehicles managed by the Alantra Group's asset management teams and subsequently selling those interests.
- **"Other".** Defined, by default, as the host of items that do not correspond to any of the business segments (i.e. that are not Investment Banking, Credit Portfolio Advisory, Asset Management, Structural or Portfolio).
- **"Fee Business".** This is defined as the group or sum of the segments: Investment Banking, Credit Portfolio Advisory, Asset Management and Structural. Combined this is defined as the activity of providing advisory and management services that generate revenue in the form of a fee, and whose expenses are those needed to operate, mainly staff costs. Specifically excluded from the Fee Business are any gains or losses deriving from investments by the Group's parent in the companies that carry out these activities (such as generating value from stakes in companies or businesses, goodwill impairment or net finance income/(expense) in currencies other than the euro). These are included in the "Other" segment.

The decision to allocate 100% of the activity encompassed by the Corporate segment to the Fee Business reflects the fact that the vast majority of the time and/or investment of the resources included under Corporate are devoted to managing the growth and complexity emanating from the Investment Banking and Asset Management segments. This concept is all the more relevant as it underpins several of the alternative performance measures (APMs) used.

- **"Recurring Business".** The group or sum of segments comprising the Fee Business (Investment Banking, Credit Portfolio Advisory, Asset Management and Structural) plus the Portfolio segment.

<u>Alternative performance measures</u>

- **"Alternative performance measures",** A measure of the past or future financial performance, financial situation or cash flows of a company other than the financial measures defined or described in the applicable financial reporting framework.

- **"Fee Business Net Profit",** The profit generated from the provision of advisory or management services under the umbrella of the Fee Businesses (i.e., that corresponding to the Investment Banking, Asset Management and Corporate segments), whose revenues materialise in the form of fees and whose expenses are those necessary for their pursuit and development, mainly comprising staff costs.

  Fee Business Net Profit is calculated as the sum of profit attributable to owners of the parent corresponding to the above three segments.

  The markedly different nature of Alantra's two businesses (Fee Business and Portfolio) justifies the breakdown of Fee Business Net Profit attributable to owners of the parent in the Company's public financial disclosures.

- **"Portfolio Net Profit",** The profit deriving from the investment in and subsequent disposal of shareholdings in companies, funds or other investment vehicles managed by the Alantra Group.

  Portfolio Net Profit is equal to the profit attributable to owners of the parent corresponding to the Portfolio segment.

  The markedly different nature of Alantra's two businesses (Fee Business and Portfolio) justifies the breakdown of Portfolio Net Profit attributable to owners of the parent in the Company's public financial disclosures.

- **"Recurring Net Profit",** The profit derived from the Group's recurring or ordinary activities, i.e., that generated by the Investment Banking, Asset Management and Portfolio segments.

  Recurring Net Profit is the sum of Fee Business Net Profit and Portfolio Net Profit.

  Recurring Net Profit is an important indicator, in relation to net profit (or profit attributable to owners of the parent), insofar as it helps users assess what part of the Group's bottom line is attributable to the recurring businesses and not extraordinary accounting entries.

- **"Financial Leverage",** This metric is defined as the aggregate borrowings provided to the Group by banks, credit institutions and similar entities to fund its business operations. This measure excludes amounts due to employees, suppliers, companies within its scope of consolidation or their shareholders. It also excludes obligations to banks, credit institutions or similar entities when these obligations are specifically secured by assets in the same amount.

  Financial Leverage is calculated as the sum of the items carried in the consolidated statement of financial position under "Bank borrowings, bonds and other marketable securities" that meet the criteria contained in the definition of this measure, and therefore excludes liabilities of EUR 2,485 thousand carried in the consolidated statement of financial position at 31 December 2019. At 31 December 2020, the Group had no financial debt.

It is a key indicator for evaluating the Group's consolidated statement of financial position.

- **"Payout",** This metric is defined as the percentage of profits the Company pays out to its shareholders.

  It is calculated as the total sum distributed by the Company to its shareholders in respect of a given reporting period (whether in the form of a dividend or a distribution charged against reserves or the share premium account) and the consolidated net profit, attributable to the controlling company, generated during that same period.

  The payout indicates the extent to which shareholder remuneration is financed from profit for the year (or for the reporting period in question).

- **"Dividend yield",** The return earned by the Company's shareholders by means of the dividends they receive.

  The Dividend Yield is calculated as the ratio between the total per-share sum distributed by the Company to its shareholders in respect of a given reporting period (whether in the form of a dividend or a distribution charged against reserves or the share premium account) and the share price as of a given date (which date shall be that referenced when the AMP is disclosed).

Shareholders earn a return in two ways: gains in the price of the shares they hold and the remuneration they receive in the form of distributed dividends, reserves or share premium accounts. The Dividend Yield is the APM or benchmark indicator for the latter source of shareholder returns.

The Directors' Report, Annual Corporate Governance Report (see Annex I) and Statement of non-financial disclosures (see Annex II) are attached as annexes:

Annex I - Annual Corporate Governance Report

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

ANNUAL CORPORATE GOVERNANCE REPORT ON PUBLICLY TRADED COMPANIES

REFERENCE YEAR END DATE: 31/12/2020

ISSUER IDENTIFICATION A81862724

Registered Name:

ALANTRA PARTNERS,

Registered Address

C/ JOSÉ ORTEGA Y GASSET, 29 MADRID

A. OWNERSHIP STRUCTURE

A.1. Complete the following table on the company's share capital:

Date of last modification	Share capital (€)	Number of shares	Number of voting rights
21/09/2018	115,894,212.00	38,631,404	38,631,404

Indicate whether different types of shares exist with different associated rights:

[ ] Yes
[√] No

A.2. List the direct and indirect holders of significant ownership interests in your company at year-end, excluding directors:

Name or corporate name of shareholder	% of voting rights attributed to shares		% of voting rights via financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
RICARDO PORTABELLA PERALTA	0.00	18.12	0.00	0.00	18.12
STARR INTERNATIONAL AG	0.00	4.40	0.00	0.00	4.40
SANTA LUCÍA S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS	1.94	1.10	0.00	0.00	3.05

Breakdown of indirect holding:

Name or corporate name of indirect shareholder	Name or corporate name of direct shareholder	% of voting rights attributed to shares	% of voting rights via financial instruments	% of total voting rights
STAR INTERNATIONAL, AG	STAR INTERNATIONAL COMPANY, INC	4.40	0.00	4.40
SANTA LUCÍA S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS	SANTA LUCÍA ASSET MANAGEMENT SGIIC, S.A.	0.99	0.00	0.99

Name or corporate name of indirect shareholder	Name or corporate name of direct shareholder	% of voting rights attributed to shares	% of voting rights via financial instruments	% of total voting rights
SANTA LUCÍA S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS	SANTA LUCÍA VIDA Y PENSIONES, S.A.	0.08	0.00	0.08
SANTA LUCÍA S.A., COMPAÑÍA DE SEGUROS Y REASEGUROS	UNICORP VIDA COMPAÑIA DE SEGUROS Y REASEGUROS S.A.	0.03	0.00	0.03
RICARDO PORTABELLA PERALTA	TAIKO, S.A.	18.12	0.00	18.12

Indicate the most significant movements in the shareholder structure during the year:

A.3. Complete the following tables on company directors holding voting rights through company shares:

Name or corporate name of director	% of voting rights attributed to shares		% of voting rights via financial instruments		% of total voting rights	% of voting rights that can be transferred via financial instruments	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
MR. SANTIAGO BERGARECHE BUSQUET	0.01	0.03	0.00	0.00	0.04	0.00	0.00
MR. JOSÉ JAVIER CARRETERO MANZANO	0.05	0.00	0.00	0.00	0.05	0.00	0.00
MR. JORGE MATAIX ENTERO	0.50	6.63	0.00	0.00	7.13	0.00	0.00
MR. SANTIAGO EGUIDAZU MAYOR	2.68	14.81	0.00	0.00	17.49	0.00	0.00
MR. JOSÉ ANTONIO ABAD ZORRILLA	0.26	6.90	0.00	0.00	7.16	0.00	0.00

% total voting rights held by the board of directors	31.87

Breakdown of the indirect holding:

Name or corporate name of director	Personal or corporate name of direct owner	% of voting rights attributed to shares	% of voting rights via financial instruments	% of total voting rights	% of voting rights that can be transferred via financial instruments
MR. SANTIAGO BERGARECHE BUSQUET	KARENZA INVERSIONES SICAV, S.A.	0.03	0.00	0.03	0.00
MR. JORGE MATAIX ENTERO	VIVIENDAS VACACIONALES DE CANTABRIA, S.L.	6.63	0.00	6.63	0.00

Name or corporate name of director	Personal or corporate name of direct owner	% of voting rights attributed to shares	% of voting rights via financial instruments	% of total voting rights	% of voting rights that can be transferred via financial instruments
MR. SANTIAGO EGUIDAZU MAYOR	CERTIMAB CONTROL, S.L.	14.81	0.00	14.81	0.00
MR. JOSÉ ANTONIO ABAD ZORRILLA	AV MÁLAGA CAPITAL, S.L.	6.90	0.00	6.90	0.00

A.4. Indicate, as applicable, any family, commercial, contractual or corporate relationships between owners of significant shareholdings, insofar as these are known by the company, unless they are insignificant or arise from ordinary trading or exchange activities, except those indicated in A.6:

Personal or corporate name of related parties	Relationship	Brief description
None		

A.5. Indicate, as applicable, any commercial, contractual or corporate relationships between owners of significant shareholdings, and the company and/or its group, unless they are insignificant or arise from ordinary trading or exchange activities:

Personal or corporate name of related parties	Relationship	Brief description
None		

A.6. Describe the relationships, unless insignificant for the two parties, that exist between significant shareholders or shareholders represented on the board and directors, or their representatives in the case of legal person directors.

Explain, as the case may be, how the significant shareholders are represented. Specifically, state those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders or related to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of directors, or their representatives, as the case may be, of the listed company, who are, in turn, members of the board of directors or their representatives in companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders:

Personal or corporate name of related director or representative	Personal or corporate name of related significant shareholder	Corporate name of the group company of the significant shareholder	Description of relationship/post
MR. JOSEP PIQUÉ CAMPS	MR. RICARDO PORTABELLA PERALTA	TAIKO, S.A.	Mr. Josep Piqué was named proprietary director of Alantra Partners in representation of indirect shareholder Ricardo Portabella Peralta. Mr. Ricardo Portabella controls the company TAIKO, S.A., direct owner of the voting rights in Alantra Partners.

A.7. Indicate whether the company has been notified of any shareholders’ agreements pursuant to articles 530 and 531 of the Spanish Corporate Enterprises Act (Ley de Sociedades de Capital or LSC). Provide a brief description and list the shareholders bound by the agreement, as applicable:

[√] Yes
[ ] No

Parties to the shareholders' agreement	% of share capital involved	Brief description of the agreement	Expiry date of the agreement, if it has one
ALANTRA FRANCE CORPORATE FINANCE SAS, ALANTRA PARTNERS, S.A., ALANTRA INTERNATIONAL CORPORATE ADVISORY, S.L., MR FRANCK PORTAIS, MR FLORIAN TOUCHARD, MR FRANCK NOAT, MR OLIVIER GUIGNON, MS ORIANE DURVYE	1.57	As a result of the entry into the shareholder base of Alantra Partners, S.A. (the "Company") of the shareholders of the French subsidiary (the "French Shareholders") of the Alantra group (Alantra France Corporate Finance SAS) by way of subscription of 608,955 shares in a capital increase against a non-monetary contribution approved at the Extraordinary General Meeting of 25 July 2018, there came into effect certain shareholders' covenants that restrict or condition the free transferability of the French Shareholders' shares in the Company. Said covenants are contained in a shareholders' agreement signed on 4 July 2018 (the "Shareholders' Agreements of the French Shareholders").	01/01/2024
ALANTRA SRL, ALANTRA PARTNERS, S.A., ALANTRA INTERNATIONAL CORPORATE ADVISORY, S.L., MR STEFANO BELLAVITA, MR MARCELLO RIZZO,	0.72	As a result of the entry into the shareholder base of Alantra Partners, S.A. (the "Company") of the shareholders of the Italian subsidiary (the "Company") of the shareholders of Italian subsidiary ("Italian Shareholders") of the Alantra group (Alantra Srl) by way of subscription of 278,409 shares in a capital increase against a non-monetary contribution approved at the Extraordinary General Meeting of 25 July 2018, there came into effect certain shareholders' covenants that restrict or condition the free transferability of the Italian Shareholders' shares in the Company. Said covenants are contained in a shareholders' agreement signed on 4 July 2018 (the "Shareholders' Agreements of the Italian Shareholders").	01/01/2024

Parties to the shareholders' agreement	% of share capital involved	Brief description of the agreement	Expiry date of the agreement, if it has one
ALANTRA AG, ALANTRA PARTNERS, S.A., ALANTRA INTERNATIONAL CORPORATE ADVISORY, S.L. DON KURT RÜEGG, DON MARTIN MENZI	1.48	As a result of the entry into the shareholder base of Alantra Partners, S.A. (the "Company") of the shareholders of the Swiss subsidiary (the "Swiss Shareholders") of the Alantra group (Alantra AG) by way of subscription of 571,488 shares in a capital increase against a non-monetary contribution approved at the Extraordinary General Meeting of 25 July 2018, there came into effect certain shareholders' covenants that restrict or condition the free transferability of the Swiss Shareholders' shares in the Company. Said covenants are contained in a shareholders' agreement signed on 4 July 2018 (the "Shareholders' Agreements of the Swiss Shareholders").	01/01/2024
DON MARK TIMOTHY FARLOW, DON JAMIE RICHARD HOPE, DON RICHARD JOHN SANDERS, DON ANDREW JOHN SHELLARD, DON SIMON ROBERT PEACOCK, DON JEREMY HARRISON, DON ALEXANDER MARK WILSON, DON KEITH ANDREW PICKERING, DON STEPHEN PAUL CURRIE, DON JUSTIN PHILIP ROSS CROWTHER, DON ROBERT HUGH PEARCE, DON EMMET JAMES KEATING, DON RICHARD ALEXANDER DAVID HOLDEN, DON PAUL DAVID VANSTONE, DON JAMES ANDREW HILSTON CURRIE, ALANTRA PARTNERS, S.A.	4.23	In the context of the Company's acquisition of 100% of Catalyst Corporate Finance LLP ("Catalyst"), a company based in the United Kingdom, as a result of the entry in the Company's shareholder base of the shareholders of Catalyst ("Catalyst Shareholders") by way of the subscription of 1,635,592 shares (the "Shares") in a capital increase against a non-monetary contribution approved at the Extraordinary General Meeting of 21 November 2017, certain shareholders' agreements came into effect that restrict or condition of the free transferability of the Shares (the "Catalyst Shareholders' Agreement") and which are contained: i) In 15 "Lock-In and Call Option Deed" contracts dated 29 November 2017 signed by each of the 15 natural persons who have transferred 100% of Catalyst to the Company; and ii) In a "Warehouse LLP Deed" contract dated 29 November 2017.	30/06/2021

State whether the company is aware of any concerted actions among its shareholders. If so, provide a brief description:

[] Yes
[√] No

If any of the aforementioned agreements or concerted actions have been modified or terminated during the year, please specify expressly:

A.8. Indicate whether any individuals or bodies corporate currently exercise control or could exercise control over the company in accordance with article 5 of the Spanish Securities Market Act (Ley del Mercado de Valores). If so, identify:

[ ] Yes
[√] No

A.9 Complete the following tables on the company's treasury shares:

At year end:

Number of shares held directly	Number of shares held indirectly (*)	% of total share capital
284,283		0.74

(*) Through:

Personal or corporate name of the direct owner of the holding	Number of direct shares
No data	

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A.10. Give details of the applicable conditions and time periods governing any resolutions of the general shareholders' meeting to issue, buy back and/or transfer treasury shares:

The Annual General Shareholders' Meeting of 27 April 2016 authorised the Company's Board of Directors to, in the name of the Company, resolve to carry out a derivative acquisition of treasury shares and to subsequently dispose of those shares.
1.Types: sale-purchase, swap, loan, acceptance of treasury shares as collateral and enforcement of those guarantees granted for the benefit of the Company or of any of the companies in its group, dation in payment and, in general, any other type of acquisition for valuable consideration of outstanding, fully paid in shares permitted by law.
2.Term of the authorisation: five years after the date of the resolution.
3.Maximum number of shares that can be acquired: up to 10% of the Company's share capital existing from time to time or, if applicable, such higher figure as may be legally admissible during the term of this authorisation.
4.Maximum and minimum prices: the minimum price will be equal to the nominal value and the maximum price will be up to 10% higher than the maximum price at which the shares were freely traded in the Continuous Market session of the day immediately preceding the acquisition. Notwithstanding the above, in the case of acquisition of own shares as a result of the exercise of rights or fulfilment of obligations under option, forward sale or similar contracts or agreements previously entered into by the Company or by members of its group (and, in particular, by way of illustration and without limitation, agreements with executives, employees or directors of the Company or its subsidiaries to buy back the Company they hold directly and indirectly in the event of departure from the group of said executives, employees or directors), the price or consideration per share will range between a minimum equal to 0.01 euros and a maximum of up to 10% higher than the maximum price at which the shares were freely traded (including in the block market) in the Continuous Market session of the day immediately preceding the day on which the treasury shares acquisition transaction is agreed, signed or executed, as applicable.
5.Use of the shares: the shares acquired by the Company or its subsidiaries may, in full or in part, be disposed of or awarded to directors and employees of the Company, where such right has been recognised, either directly or as a result of the exercise of option rights they hold, for the purposes provided for in Article 146.1.a) of the Spanish Corporate Enterprises Act. They may also be used in programmes that foster equity ownership in the Company such as, for example, dividend reinvestment plans, loyalty bonuses or other similar arrangements.
The shares thus acquired will not have any non-financial right, including voting rights, and their economic rights will be proportionally allocated to the rest of the shares, except for the right to bonus shares, in accordance with the terms of Article 148.a) of the Spanish Corporate Enterprises Act.

The authorisation supersedes the authorisation granted by the General Meeting of shareholders of 11 June 2014 for derivative acquisition of treasury shares.

A.11. Estimated free float:

	%
Estimated free float	14.60

A.12. Give details of any restriction on the transfer of securities or voting rights. Indicate, in particular, the existence of any restrictions on the takeover of the company by means of share purchases on the market, and such rules on prior authorisation or notification as may be applicable under sector regulations to acquisitions or transfers of the company's financial instruments.

[√] Yes
[ ] No

Description of restrictions
(A) The shareholders of Catalyst (the "English shareholders") subject to the "Shareholders' Agreements of the English Shareholders" of 29 November 2017, which came into force as a result of the entry into the Company's shareholder base through a capital increase approved at the Extraordinary General Meeting held on 21 November 2017, are subject to the following restrictions on assigning their shares: - 10 individuals (holders of 1,177,546 shares) may not assign their shares before 30 June 2023. - the contracts of 5 individuals (holders of 184,902 shares) contain a restriction stating they may not assign their shares before 30 June 2021. (B) The Italian Shareholders and the French Shareholders, both subject to the Shareholders' Agreements detailed in section A.7, may not assign their shares for 6 years from 1 January 2018. (C) The Swiss Shareholders, who are subject to the Shareholders' Agreements detailed in section A.7, may not assign their shares for 6 years from 1 January 2018.

A.13. Indicate whether the general shareholders' meeting has agreed to take neutralisation measures to prevent a public takeover bid by virtue of the provisions of Act 6/2007.

[ ] Yes
[√] No

If applicable, explain the measures adopted and the terms under which these restrictions may be lifted:

A.14. Indicate whether the company has issued securities not traded in a regulated market of the European Union.

[ ] Yes
[√] No

If so, identify the various classes of shares and, for each class of shares, the rights and obligations they confer:

B. GENERAL SHAREHOLDERS' MEETING

B.1. Indicate the quorum required for constitution of the general shareholders' meeting established in the company's Bylaws. Describe how it differs from the system of minimum quorums established in the LSC:

[ ] Yes
[√] No

B.2. Indicate and, as applicable, describe any differences between the company's system of adopting corporate resolutions and the framework established in the LSC:

[ ] Yes
[√] No

B.3. Indicate the rules governing amendments to the company's Bylaws. In particular, indicate the majorities required to amend the Bylaws and, if applicable, the rules for protecting shareholders' rights when changing the Bylaws.

Only the General Meeting can authorise any amendments to the Company's By-laws, in accordance with the Law, Article 13 of the Company's By-laws and Article 19 of the Regulations of the General Meeting. In this regard, Article 19.1 of the Regulations of the General Meeting establishes that an absolute majority would be required to approve any amendments to the By-laws if over 50% of the shares are present or represented at the Meeting. However, at least two thirds of the shares present or represented at the Meeting must vote in favour when at the second call, the meeting is attended by shareholders representing less than 50% of the issued capital with the right to vote.

B.4. Indicate the attendance figures for the general shareholders' meetings held during the year:

% remote voting – Electronic Means	% remote voting – Electronic Means	% remote voting – Electronic Means	% remote voting – Electronic Means	% remote voting – Electronic Means	% remote voting – Electronic Means
25/04/2018	51.33	28.68	0.00	0.00	80.01
Of which, floating capital	0.35	5.91	0.00	0.00	6.26
25/07/2018	49.29	29.79	0.00	0.00	79.08
Of which, floating capital	1.49	12.01	0.00	0.00	13.50
29/04/2019	19.05	63.46	0.00	0.00	82.51
Of which, floating capital	1.07	4.25	0.00	0.00	5.32
28/10/2020	52.27	29.55	0.00	0.00	81.82
Of which, floating capital	1.62	13.46	0.00	0.00	15.08

B.5. State whether any point on the agenda of the general shareholders meetings during the year has not been approved by the shareholders for any reason:

[ ] Yes
[√] No

B.6. Indicate whether the Bylaws impose any minimum requirement on the number of shares required to attend the general shareholders' meetings:

[ ] Yes
[√] No

B.7. State whether it has been stipulated that certain decisions other than those mandated by law exist that entail an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions that must be subject to the approval of the general shareholders meeting.

[ ] Yes
[√] No

B.8. Indicate the address and mode of accessing corporate governance content on your company's website as well as other information on general meetings which must be made available to shareholders on the website:

The Company's website address is www.alantra.com. It contains information for shareholders and investors and the legally required documents. There are two ways to access the Corporate Governance information:

1) click on the tab at the top left of the screen (next to the ALANTRA logo) to pull down a menu. Then click on "Shareholders & Investors", followed by "Corporate Governance" and "General Shareholders Meetings". This page is available in both Spanish and English.

2) a link in the footer (bottom right) goes directly to the Spanish language version of this page:

C. COMPANY MANAGEMENT STRUCTURE

C.1. Board of directors

C.1.1 List the maximum and minimum number of directors included in the Bylaws and the number set by the general meeting:

Maximum number of directors	12
Minimum number of directors	5
Number of directors set by the general meeting	9

C.1.2 Complete the following table with board members' details:

Name or corporate name of director	Representative	Category of director	Position on the board	Date of first appointment	Date of last appointment	Election procedure
MR. SANTIAGO BERGARECHE BUSQUET		Other External	VICE - CHAIRMAN	11/12/2002	25/04/2018	Vote in general shareholders' meeting
MR. LUIS CARLOS CROISSIER BATISTA		Independent	LEAD INDEPENDENT DIRECTOR	22/07/2015	28/10/2020	Vote in general shareholders' meeting
MR. JOSÉ JAVIER CARRETERO MANZANO		Independent	MEMBER	20/03/2012	25/04/2017	Vote in general shareholders' meeting
MS. MARÍA LUISA GARAÑA CORCES		Independent	MEMBER	17/12/2015	28/10/2020	Vote in general shareholders' meeting
MR. JORGE MATAIX ENTERO		Proprietary	MEMBER	09/07/2015	28/10/2020	Vote in general shareholders' meeting
MR. SANTIAGO EGUIDAZU MAYOR		Executive	CHAIRMAN - CEO	09/07/2015	28/10/2020	Vote in general shareholders' meeting
MR. JOSÉ ANTONIO ABAD ZORRILLA		Proprietary	MEMBER	09/07/2015	28/10/2020	Vote in general shareholders' meeting
MR. JOSEP PIQUÉ CAMPS		Proprietary	MEMBER	21/03/2018	25/04/2018	Vote in general shareholders' meeting
MS. DIANE SEGALEN		Independent	MEMBER	23/07/2019	28/10/2020	Vote in general shareholders' meeting

Total Number of Directors	9

State if any directors, whether through resignation, dismissal or any other reason, have departed from the board of directors during the reporting period:

Name or corporate name of director	Category of director	Date of last appointment	Date of departure	Board committees of which director was member	State whether departure was prior to end of term of office
No Data					

C.1.3 Complete the following tables on board members and their respective categories:

EXECUTIVE DIRECTORS		
Personal or corporate name of the director	Position held in the company	Profile
MR. SANTIAGO EGUIDAZU MAYOR	Executive Chairman	Santiago Eguidazu Mayor holds a licentiate in Economics and Business Studies and is a member of the State Corps of Trade Experts and Economists and holds a Master’s in Philosophy. Mr. Eguidazu is the founding partner of Alantra and Executive Chairman of the Board of Directors of the Alantra Group. He is author of the book *Creación de valor y gobierno de la empresa* (Creation of Value and Corporate Governance) and editor in the Avarigani Editores publishing house, which specialises in philosophy.

Total number of executive directors	1
% of the Board	11.11

EXTERNAL PROPRIETARY DIRECTORS		
Name or corporate name of director	Name or corporate name of significant shareholder represented or proposing appointment	Profile
MR. JORGE MATAIX ENTERO	VIVIENDAS VACACIONALES DE CANTABRIA, S.L.	Jorge Mataix Entero holds a licentiate in Law and Economics from the Universidad Pontificia de Comillas (ICADE). Mr. Mataix has worked at JP Morgan Chase (New York), in the corporate banking division, and at Acciona, as head of corporate development. In 1992 he joined the AB Asesores Group as head of the Private Equity area and from 2000 to 2016 he served as Vice Chairman of Alantra
MR. JOSÉ ANTONIO ABAD ZORRILLA	AV MÁLAGA CAPITAL, S.L.	José Antonio Abad Zorrilla holds a licentiate in Economics and Business Studies from the Universidad Autónoma de Madrid. Mr. Abad began his career in Arthur Andersen and has headed the Corporate Finance area and been a member of the management committee of AB Asesores and of Morgan Stanley Dean Witter. Mr. José Antonio Abad Zorrilla was a member of the boards of directors of the Hagemeyer España Group and of DHL España, as well as a member of the executive committee of the Asociación Española de Ejecutivos de Finanzas (Spanish Association of Finance Executives). He is one of the founding partners of Alantra and Vice Chairman from 2000 to 2016.
MR. JOSEP PIQUÉ CAMPS	TAIKO, S.A.	Josep Piqué Camps holds a licentiate and doctorate in Economics and Business Studies from the Universidad de Barcelona and a licentiate in Law from the same university. He has been a professor of Economics Theory since 1984 and Chief Economist at the research arm of “la Caixa”. In the political arena, he has served as Minister of Industry and Energy, Minister Spokesperson for the Government, Minister of Foreign Affairs and Minister of Science and Technology, as well as member of the Spanish Parliament and Senate and member of the Parliament of Catalonia. In the private sector, he has been the chairman of Ercros, Fertiberia and Erkimia, chairman of Vueling Airlines, and vice chairman and CEO of OHL, amongst other corporate responsibilities. He currently holds directorships in SEAT, VW Navarra and Abengoa, and is chairman of Industria de Turbopropulsores, S.A. In the past he served as president of Círculo de Economía and is currently Vice President of the Círculo de Empresarios and of the Fundación España Constitucional, and president of the Fundación Iberoamericana Empresarial, of the Fundación Consejo España-Japan, and of “CITPax”, amongst others.

Total number of proprietary directors	3
% of the Board	33.33

INDEPENDENT EXTERNAL DIRECTORS	
Name or corporate name of director	Profile
MR. LUIS CARLOS CROISSIER BATISTA	Luis Carlos Croissier Batista holds a licentiate in Economics from the Universidad Complutense de Madrid and graduated from the third cycle of Paris–Sorbonne University. He is a member of the General Technical Corps of the State Civil Administration (Cuerpo General Técnico de la Administración Civil del Estado) and, amongst other offices, has served as Chief Deputy Director General of the Budget Office of the Ministry of Industry and Energy and Undersecretary of the Ministry of Industry and Energy. He has also served as president of Spain's government industrial holding company, the Instituto Nacional de Industria, in the Minister of Industry and Energy and as president of the Spanish securities markets regulator (Comisión Nacional del Mercado de Valores or CNMV). Since 1996 Mr. Croissier has pursued his professional career as an
MR. JOSÉ JAVIER CARRETERO MANZANO	José Javier Carretero Manzano holds a higher industrial engineering degree from the Universidad Pontificia de Comillas (ICAI)) and Master's in Economics and Business Administration from IESE. Mr. Carretero has pursued his career in the industrial sector and, amongst other positions, has been Chief Executive Officer for LATAM in Iberia de Ferroli España, S.A., member of the Board of Directors of Metaliberica, High Tech Hoteles, Dinamia and General Manager of the Chamber of Commerce of Spain.
MS. MARÍA LUISA GARAÑA CORCES	Maria Garaña Corces holds a licentiate in Law and Business Administration from the Universidad de San Pablo (CEU). She earned her university degree with the highest honours and also has a diploma in International Trade from the University of California at Berkeley and a Master in Business Administration (MBA) from Harvard University (Boston). Since 1992, Ms. Garaña has pursued her professional career in diverse sectors, such as sales, marketing, distribution and business development in different countries. Until December 2017, Ms. Garaña was Vice President of EMEA Microsoft Business Solutions. She is currently Vice President of the Consultancy and Professional Services division of Adobe Incorporated with responsibility for Europe, the Middle East and Africa.
MS. DIANE SEGALEN	Diane Segalen holds a licenciate in Business and Tax Law from the Paris II Panthéon-Assas University and completed the "Young Management" at INSEAD. Ms. Segalen's began her business career in the investment banking sector working for Chase Manhattan Bank (New York) from 1987 to 1989, then moved to the private equity sector and Banque Arjil (Paris) in 1992. From 1992 she focused on the executive selection and recruitment sector, working for New York based headhunters York Heidrick & Struggles as their Europe correspondent, covering all their European offices, and as head of the Group's financial area from 1997. In 2005 she moved to the US group CTPartners, leading the opening of its Paris office. She was the group's first European partner and member of its Executive Committee. Under her leadership, CTPartners expanded to six new jurisdictions, opening offices in Paris, London, Geneva, Hong Kong, Shanghai and Singapore. In 2011, Ms. Segalen founded the company Segalen + associés, an executive search and recruitment firm. She remains the head of this business today.

Number of independent directors	4
% of the Board	44.44

List any independent directors who receive from the company or group any amount or payment other than standard director remuneration or who maintain or have maintained during the period in question a business relationship with the company or any group company, either in their own name or as a significant shareholder, director or senior manager of an entity which maintains or has maintained the said relationship.

If applicable, include a statement from the board detailing the reasons why the said director may carry on their duties as an independent director.

Name or corporate name of director	Relationship description	Statement
No data		

OTHER EXTERNAL DIRECTORS			
Identify all other external directors and explain why these cannot be considered proprietary or independent directors and detail their relationships with the company, its executives or shareholders:			
Name or corporate name of director	Reasons	Company, executive or shareholder with whom the relationship is maintained	Profile
MR. SANTIAGO BERGARECHE BUSQUET	Mr. Bergareche was appointed an independent director in 2002. After 12 years as a director, he is now classified as an external director in compliance with article 529.k.4.i of the Spanish Corporate Enterprises Act.	ALANTRA PARTNERS, S.A.	Santiago Bergareche Busquet holds a licentiate in Economics and Law from the Universidad de Deusto. He was Vice Chairman of Grupo Ferrovial, S.A. He joined the Ferrovial group as Chairman of Agromán and, in 1999, was appointed CEO of Ferrovial, an office that he held until 2002. He also holds a directorship in the Maxam and Deusto Business School and is a Trustee of the Fundación Casa Ducal de Medinaceli. He has served as chairman of Metrovacesa, Cepsa and Vocento, and general manager in BBVA.

Total number of other external directors	1
% of the Board	11.11

State any changes in the category of the directorship that have occurred during the period for each director:

Name or corporate name of director	Change date	Previous Category	Current Category
No data			

C.1.4 Complete the following table on the number of female directors over the past four years and their category:

	Number of female directors				% of total directors of each type			
	2020	2019	2018	2017	2020	2019	2018	2017
Executive					0.00	0.00	0.00	0.00
Proprietary					0.00	0.00	0.00	0.00
Independent	2	2	1	1	50.00	50.00	33.33	33.33
Other External					0.00	0.00	0.00	0.00
Total	2	2	1	1	22.22	22.22	11.11	11.11

C.1.5 State whether the company has diversity policies in relation to its board of directors on such questions as age, gender, disability and training and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Accounts Audit Act, will have to report at least the policy they have implemented in relation to gender diversity.

[ ] Yes
[ ] No
[√] Partial policies

Should this be the case, describe said diversity policies, their objectives, the measures and way in which they have been applied and their results over the year. Also state the specific measures adopted by the board of directors and the appointments and remuneration committee to achieve a balanced and diverse presence of directors.

In the event that the company does not apply a diversity policy, explain the reasons why.

Explanation of the measures
In this regard, following the recommendations of the Appointments and Remuneration Committee, the Board of Directors approved a board selection policy which includes, inter alia, the following principles to be followed when appointing board members: - Focus on making sure the knowledge, experience and gender of members of the Board of Directors is both varied and diverse. - Ensure selection procedures do not have any implicit bias, and do not discriminate because of race, gender or any other reason. - Encourage the presence of women on the Board, proactively searching for candidates with the right professional profile.

C.1.6 Explain the measures taken, if applicable, by the appointments committee to ensure that the selection processes are not subject to implicit bias that would make it difficult to select female directors, and whether the company makes a conscious effort to search for female candidates who have the required profile. Also indicate if these include measures to ensure that the company has a significant number of female senior executives:

Explanation of measures
The Appointments and Remuneration Committee assesses the capacity, competence and experience of the candidates for directorships, so the selection process is not subject to implicit biases. In this regard, the Board of Directors, upon prior report from the Appointments and Remuneration Committee, on 11 November2015 approved a director selection policy that includes, inter alia, the following principles for the director selection process: - Focus on making sure the knowledge, experience and gender of members of the Board of Directors is both varied and diverse. - Ensure selection procedures do not have any implicit bias, and do not discriminate because of race, gender or any other reason. - Encourage the presence of women on the Board, proactively searching for candidates with the right professional profile

When, despite the measures taken, there are few or no female directors, explain the reasons:

Explanation of the measures
As a result of the application of said principles (although they had not yet been approved by the Board of Directors for inclusion in the selection policy for directors), the Company began a recruitment process to fill empty posts on the Board, reviewing the candidacies of several women. The only woman from among those considered who fulfilled all the necessary requirements was Ms. María Luisa Garaña Corces. Consequently, at the proposal of the Appointments and Remuneration Committee, Ms. Garaña was appointed as an independent director of the Company at the Extraordinary General Meeting held on 17 December 2015. Following the departure of Mr. Alfred M. Vinton in 2019, the Appointments and Remuneration Committee began a search for a replacement. As a result of this search, the Committee proposed Ms. Diane Segalen be co-opted as an independent director of the Company, and her appointment was ratified by the General Shareholders’ Meeting on 28 October 2020. In 2019 the number of the Company’s female directors increased to 2 (of a total of 9 members), representing 50% of the independent directors, and 22.22% of the total number of Board members.

C.1.7 Explain the Appointments Committee's conclusions on the checks carried out to ensure compliance with the policy designed to ensure the Board has an appropriate composition.

There were no changes in the composition of the Board of Directors in 2020.

In 2019, however, in order to encourage the recruitment of more women directors, in accordance with the principles that inspire the director selection policy and following the departure of Mr. Alfred M. Vinton in 2019, the Appointments and Remuneration Committee began a search for a new director which culminated in the appointment of Ms. Diane Segalen by co-option to the Company's Board of Directors. The appointment of Ms. Diane Segalen was ratified by the General Meeting of Shareholders in October 2020.
With the recent appointment of Ms. Diane Segalen, the number of the Company's female directors increased to 2 (of a total of 9 members), representing 50% of the independent directors, and 22.22% of the total number of Board members. In any event, the Committee will continue to endeavour, when the occasion arises, to bring female directors onto the board, in accordance with the principles that inspire the director selection policy.
With regard to the selection, appointment and re-election process for directors, the Board of Directors and the Appointments and Remuneration Committee, within the scope of their competences, have always endeavoured to ensure that the persons proposed for appointment or re-election as directors are honourable, suitable, solvent, with recognised skills and experience and, as previously stated, said bodies have ensured that the shortlists include women that meet these professional criteria.
It should also be noted that the group of which the Company is the parent is a consolidated group of investment service companies as defined in Legislative Royal Decree 4/2015, of October 23, approving the revised Securities Market Law. Since the Group acquired this status, therefore, directors may only be appointed if the CNMV does not object to said appointment.

C.1.8 Explain, when applicable, the reasons why proprietary directors have been appointed upon the request of shareholders who hold less than 3% of the share capital:

Name or corporate name of the shareholder	Reasons
No data	

Provide details of any rejections of formal requests for board representation from shareholders whose equity interest is equal to or greater than that of other shareholders who have successfully requested the appointment of proprietary directors. If so, explain why these requests have not been entertained:

[ ] Yes
[√] No

C.1.9 Indicate what powers, if any, have been delegated to the chief executive officer(s):

Name or corporate name of director	Brief description
SANTIAGO EGUIDAZU MAYOR	The powers delegated to Mr. Santiago Eguidazu, as Chief Executive Officer of the Company, are those allowed under current legislation.

C.1.10 List the directors, if any, who hold office as directors or executives in other companies belonging to the listed company's group:

Name or corporate name of director	Corporate Name of the group entity	Position	Does he/she have executive duties?
MR. SANTIAGO EGUIDAZU MAYOR	Alantra International Corporate Advisory, S.L.U.	Member of the Board of Directors	NO
DON SANTIAGO EGUIDAZU MAYOR	Alantra Investment Managers, S.L.	Executive Chairman	YES
DON SANTIAGO EGUIDAZU MAYOR	Alantra Investment Pool, S.L.	Executive Chairman	YES

C.1.11 List any company board members who likewise sit on the boards of directors of other non-group companies that are listed on regulated markets in Spain, insofar as these have been disclosed to the company:

Name or corporate name of director	Name of listed Company	Position
MS. MARÍA LUISA GARAÑA CORCES	LIBERBANK, S.A.	MEMBER
MR. JOSEP PIQUÉ CAMPS	AMADEUS IT GROUP, S.A.	MEMBER

Mr. Piqué held a directorship in Aena SME, S.A. until the day he tendered his resignation as director of the company on 4 January 2019.

C.1.12 Indicate and, where appropriate, explain whether board regulations establish rules on the maximum number of company boards on which its directors may sit:

[√] Yes
[ ] No

Explanation of the rules and identification of the document where this is regulated

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, on 28 February 2019 approved an amendment to the Regulations of the Board of Directors of the Company to set the maximum number of directorships that can be held by an Alantra director in companies of public interest at 6.

C.1.13 List the total remuneration paid to the board of directors in the year:

Board remuneration (thousands of euros)	493
Amount of accumulated pension rights of current directors (thousands of euros)	
Amount of accumulated pension rights of former directors (thousands of euros)	

C.1.14 List any members of senior management who are not executive directors and indicate total remuneration paid to them during the year:

Name or corporate name	Position
MR. FRANCISCO ALBELLA AMIGO	General Secretary and Director of Legal Affairs
MR. FRANCISCO IGNACIO DE CACERES CABRERO	General Manager
MS. PATRICIA PASCUAL RAMSAY	Director of Operations

Total Remuneration received by senior management (thousands of euros)	1,834
Number of women in senior management posts	1
As a percentage of total senior management	33,33

C.1.15 Indicate whether any changes have been made to the board regulations during the year:

[√] Yes
[ ] No

Description of changes

On 28 October 2020, the Board approved amendments to certain articles of the Regulations of the Board of Directors to bring them in line with changes to the recommendations of the Good Governance Code of Listed Companies approved by the CNMV in June 2020.

C.1.16 Indicate the procedures for appointing, re-electing, evaluating and removing directors. List the competent bodies, procedures and criteria used for each of these procedures.

The selection of directors is based on principles that include fostering a plurality and diversity of knowledge, experience and gender, ensuring that selection procedures do not suffer from implicit biases and do not discriminate on the grounds of race, gender or any other reason. The Board of Directors and the Appointments and Remuneration Committee, within the scope of their competences, also endeavour to ensure that the persons proposed to General Meeting of Shareholders for appointment or re-election as directors are honourable, suitable, and solvent, with recognised skills and experience.
The Board of Directors will specify the category of directorship when asking the General Meeting of Shareholders to appoint a director or ratify an appointment.
The Board of Directors may not propose or designate a person as independent external director who does not meet the legal requirements to hold this position. Any director may ask the Appointments and Remuneration Committee to consider candidates for vacant directorship posts that he/she considers suitable.
Proposals for the appointment or re-election of directors that the Board of Directors puts to the General Meeting of Shareholders must be preceded by a proposal from the Appointments and Remuneration Committee, in the case of independent directors, and by a report from said Committee for all other directorships. Proposals for the appointment or re-election of non-independent directors are put forward by the Board of Director and must be accompanied by a report by the Board in all cases, and by a report from the Appointments and Remuneration Committee in the case of executive or proprietary directors. In all cases the proposal must be accompanied by a report from the Board of Directors, assessing the candidate's skills, experience and merits. Said report must be annexed to the minutes of the General Meeting of Shareholders or of the meeting of the Board of Directors. In all cases, the appointment of new directors is subject to there being no objection from the CNMV.

Directors are in post for the period agreed by the General Meeting of Shareholders, which may not exceed four years, at the end of which they must be re-elected, one or more times, for periods of the same or shorter duration. The appointment of directors by co-opting them is governed by the prevailing legislation.

Removal of directors:

Directors will cease to hold the post when the period for which they were appointed has expired or when so decided by the General Meeting of Shareholders. Directors must offer their post to the Board of Directors and, if the Board so deems, formally resign, in the situations stipulated in article 21, section 2, of the Regulations of the Board of Directors.

The Board of Directors may not propose the removal of independent directors before the expiry of their tenure, except where they find just cause, based on a report from the Appointments and Remuneration Committee, as mandated in article 21, section 3, of the Regulations of the Board of Directors. In all cases, the appointment of new directors is subject to there being no objection from the CNMV.

C.1.17 Explain, if applicable, to what extent this evaluation has prompted significant changes in its internal organisation and the procedures applicable to its activities:

Description of changes

During 2021 the Board of Directors of the Company conducted a self-assessment of the quality and efficiency of its operation in 2020, using the same self-assessment questionnaire used in previous years.

In view of the results of that self-assessment, which was subsequently approved by the Board, points for improvement were identified which were set out in a plan of action with measures for implementation by the Board during 2021. Those measures did not give rise to changes in the Board's internal organisation or in the procedures that apply to its activities.

Describe the assessment process undertaken by the board of directors and the areas evaluated, with the aid of an external facilitator, with respect to the composition, duties and powers of its committees, the performance of the chairman of the board of directors and the company's chief executive officer and the performance and contribution of individual directors.

Description of the assessment process undertaken

In order to carry out the assessment of the composition, competences and functioning of the Board and its Committees, the Board of Directors, at the proposal of the Appointments and Remuneration Committee, completed a self-assessment questionnaire which was sent to and completed by all the directors.

The questionnaire was set up so that the directors could complete it online via a link. The application required the director to score from 1 to 10 a series of statements, 1 indicating "I completely disagree" and 10 indicating "I completely agree". A space was provided for the director to add comments under each question.

The questionnaire covered four areas:

I. Quality and efficiency of the functioning of the Board of Directors. Composition and competences

II. The performance of the Chair

III. The performance of directors

IV. Functioning and composition of the Committees

Although points for improvement were identified and included in the action plan, the Board concluded that its performance in 2020 had been satisfactory.

C.1.18 Describe, in those years in which an external facilitator has participated, the business relationships that the external advisor or any company in its group maintains with the company or any company in its group.

The Company had for the first time used the services of an external facilitator for the 2018 annual assessment of the Board of Directors and of the Board Committees.

C.1.19 Indicate the cases in which directors must resign.

In accordance with Article 21, section 2 of the Board Regulations, a director will tender his or her resignation to the Board of Directors and formally resign from office, if the Board sees fit, in the following cases:
a) When they are subject to any of the conditions of prohibition or incompatibility pursuant to applicable laws or the By-laws.
b) When they receive a serious warning from the Board of Directors, following a report from the Appointments and Remuneration Committee, for infringing their duties as directors.
c) When remaining on the Board could jeopardise or prejudice the interests or discredit or damage the reputation of the Company, or when the reasons for their appointment no longer exist.
d) When the shareholder represented by a proprietary director sells all of their shareholding or the number of corresponding shares, when this shareholder reduces their stake to a level that requires a reduction in the number of directors.

C.1.20 Are qualified majorities other than those prescribed by law required for any type of decision?:

[ ] Yes
[√] No

If applicable, describe the differences.

C.1.21 Indicate whether there are any specific requirements other than those relating to the directors, to be appointed chairman:

[ ] Yes
[√] No

C.1.22 Indicate whether the Bylaws or the board regulations set any age limit for directors:

[ ] Yes
[√] No

C.1.23 State whether the articles of association or the board rules establish any term limits or other requirements stricter than the statutory limits for independent directors other than those required by law:

[ ] Yes
[√] No

C.1.24 Indicate whether the Bylaws or board regulations stipulate specific rules on appointing a proxy to the board, the procedures thereof and, in particular, the maximum number of proxy appointments a director may hold. Also indicate whether there are any restrictions as to what categories may be appointed as a proxy other than those stipulated by law. If so, give brief detail.

In accordance with Article 18 of the Board Regulations, directors will make every effort to attend Board meetings, and that whenever directors cannot attend meetings, they will try to appoint another member of the Board to act as their proxy, including the opportune instructions and reporting this to the Board Chairman. Non-executive directors can only appoint other non-executive directors to represent them.

C.1.25 Indicate the number of board meetings held during the year and how many times the board has met without the chairman’s attendance. Attendance will also include proxies appointed with specific instructions.

Number of board meetings	9
Number of board meetings held without the chairman´s attendance	0

Indicate the number of meetings held without the attendance or representation of any executive director and under the chairmanship of the lead director:

Number of meetings	0

Indicate the number of meetings of the various board committees held during the year:

Risk Control and Audit Committee	6
Appointments and Remuneration Committee	6

C.1.26 Indicate the number of board meetings held during the year with all members in attendance. Attendance will also include proxies appointed with specific instructions:

Number of meetings held with the personal attendance of at least 80% of directors	9
% of attendances of the total votes cast during the year	96.00
Number of meetings held with the attendance in person or by proxy with specific instructions of all directors	9
% of votes cast with attendance in person or by proxy with specific instructions, out of total votes during the year	100.00

C.1.27 Indicate whether the consolidated and individual financial statements submitted for authorisation for issue by the board are certified previously:

[√] Yes
[ ] No

Identify, where applicable, the person(s) who certified the company's individual and consolidated financial statements prior for their authorisation for issue by the board:

Name	Position
MR FRANCISCO IGNACIO DE CACERES CABRERO	General Manager

C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure the financial statements it presents to the General Shareholders' Meeting are prepared in compliance with current accounting standards.

Article 36.4 of the Board of Directors Regulations provides that the Board will strive to definitively formulate the accounts so that no qualifications arise in the audit report. Nevertheless, where the Board believes it should maintain its criterion, it will publicly explain the content and scope of the discrepancy.
In order to prevent the individual and consolidated financial statements laid before the General Meeting by the Board with a qualified audit report, before those accounts are formulated, Article 15.2 of the Board Regulations provides that the Risk Control and Audit Committee, amongst other duties, will have the following functions:

• Report to the General Shareholders' Meeting on questions posed in respect of matters within its competence, in particular regarding the results of the audit, explaining how it has contributed to the integrity of the financial information and the role played by the committee in this process.
• Bring before the Board of Directors, for submission to the General Shareholders' Meeting, the proposals for selection, appointment, reelection and replacement of the statutory auditors who will examine the annual financial statements, taking responsibility for the selection process, as well as for the terms of engagement, and regularly soliciting from the auditors information on the audit plan and its execution, in addition to preserving their independence in the performance of their functions.
• Review the Company's annual financial statements and periodic financial reporting, striving to ensure compliance with legal requirements and proper application of generally accepted accounting principles.
• Establish the appropriate relationships with the statutory auditors or audit firms to receive information on issues that could jeopardise their independence, for their examination by the Committee, and any others related to the conduct of the audit and, where applicable, authorisation of services other than those prohibited by the applicable laws and regulations, as well as those other disclosures provided for in the accounting and audit laws and standards.

In any event, annually it must receive from the external auditors a declaration of their independence as regards the Company and entities directly or indirectly related thereto, as well as detailed and individualised information on additional services of any kind provided to and the related fees received from such entities by the external auditors or persons or entities related thereto, pursuant to the laws regulating the activity of auditing accounts.

• Annually, before to the audit report is issued, issue a report stating an opinion as to whether the independence of the auditors of the accounts or audit companies has been compromised. This report must in all events contain a reasoned evaluation of the provision of each and every one of the additional services referred to in the preceding paragraph, taken individually and as a whole, other than the legal audit and in relation to scheme of independence of the auditors and to the laws governing the activity of auditing accounts.

• With respect to internal control and reporting systems:

a. Oversee the preparation and completeness of the prescribed financial information that the Board must periodically provide to the markets and supervisory authorities regarding the Company and, if applicable, its group, reviewing compliance with legal provisions, appropriate definition of the scope of consolidation and proper application of generally accepted accounting principles and presenting recommendations or proposals to the board in order to safeguard the integrity of that information. The Risk Control and Audit Committee will report to the Board, before it adopts decisions on the financial information that the Company must periodically make public as a listed company. The Committee must ensure that interim statements are drawn up under the same accounting principles as the annual statements and, to this end, may ask the external auditor to conduct a limited review.
b. Ascertain and monitor the effectiveness of the Company's internal control, the internal audit, if applicable, and risk management systems, and discuss significant weaknesses detected in the internal control system in the performance of the audit with the auditor, all without compromising the auditor's independence. For such purposes, the Committee if applicable may submit recommendations or proposals to the board of directors and the corresponding term for their monitoring. In particular, monitor the independence of the unit handling the internal audit function; propose the selection, appointment, reelection and removal of the head of the internal audit service; propose the service's budget; approve its priorities and work programmes, ensuring that it focuses primarily on the main risks the company is exposed to; receive periodic reports on their activities; and verify that senior management is acting on the findings and recommendations of its reports.
c. Monitor compliance with the Company's internal codes of conduct and corporate governance rules.
d. Evaluate all matters relating to non-financial risks of the company, including operational, technological, legal, social, environmental, political and reputational risks.
e. Establish and supervise a mechanism whereby staff can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect in the course of their duties, in particular financial or accounting irregularities.

• With regard to the external auditor:

a. Supervise compliance with the audit contract, seeking to ensure that the opinion on the annual financial statements and the principal content of the auditor's report are drafted clearly and accurately, and evaluate the results of each audit. In particular, it shall verify that the auditors' fees are fixed before they begin to perform their duties for the entire term of their engagement.
b. Investigate the issues giving rise to the resignation of the external auditor, should this come about.
c. See to it that the remuneration of the external auditor for its work does not compromise its quality or independence.
d. Supervise that the Company notifies any change of auditor to the CNMV as a material disclosure (*hecho relevante*), accompanied by a statement of any disagreements arising with the outgoing auditor, if any, and the content thereof.
e. Ensure that the external auditor has a yearly meeting with the board of directors in full to inform it of the work performed and developments in the Company's risk and accounting situation.
f. Ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

-Report to the Board on significant resolutions and developments that take place in its meeting

-Give the Board of Directors a prior report on the creation or acquisition of holdings in special purpose entities or entities domiciled in countries or territories considered tax havens.
-Give the Board of Directors a prior report on transactions with related parties.
-Such other functions as may be assigned to it by the Board of Directors of the Company, in particular as regards the group's risk management and control and policy thereon (taking into specific account the activities of the regulated entities in the group), the Law, the Bylaws or the internal Company regulations.

In addition, paragraphs 5, 6 and 7 of Article 15 of the Board Regulations lay down the following additional rules aimed, amongst other purposes, at avoiding qualifications in the individual and consolidated financial statements presented by the board to the General Meeting:
-Members of the management team and employees of the Company will be obliged to attend Committee meetings and provide their cooperation and access to the information in their possession when the Committee so requests. The Committee may likewise require that the Company's statutory auditors attend its meetings.
-Furthermore, the Risk Control and Audit Committee may engage the advice of outside experts when it deems necessary for the proper performance of its functions.
-At the proposal of the Risk Control and Audit Committee, or at its own initiative, the Board of Directors may set up, and determine its composition and functions, a specific committee to support the Risk Control and Audit Committee in its functions regarding the group's risk management and control and policies thereon. That committee, which will be called the Control and Risk Committee, may be composed of directors, executives and employees of the Company or of the group.

C.1.29 Is the secretary of the board also a director?

[ ] Yes
[√] No

If the secretary is not a director, complete the following table:

Name or corporate name of secretary	Representative
MR. FRANCISCO ALBELLA AMIGO	

C.1.30 Indicate and explain, where applicable, the specific mechanisms implemented by the company to preserve the independence of the auditor, financial analysts, investment banks and rating agencies, including how the legal provisions have been implemented in practice.

Articles 15 and 36 of the Board Regulations set out that the Board’s relations with external auditors will be channelled through the Risk Control and Audit Committee. This Committee will refrain from making proposals to the Board of Directors, and in turn the Board will refrain from proposing to the General Meeting the appointment of any audit firm as the accounts auditor of the Company if said firm is in any way affected by incompatibility pursuant to legislation governing accounts auditing.
Law 22/2015 of 20 July 2015 on the auditing of accounts, sets out that every year the accounts auditors or audit firms must send written confirmation to the Company with regard to their independence concerning the audited entity or related parties, directly or indirectly, as well as information on the additional services of any kind rendered to these entities by the aforementioned auditors or firms or by related parties, pursuant to the provisions set out in the Accounts Auditing Acts.
Annually, prior to the issue of the audit report, the Risk Control and Audit Committee issues a report stating an opinion regarding the independence of the statutory auditors or audit firms. That report must in all events pronounce itself on the additional services of any kind provided by the statutory auditors or audit firms, or by persons or enterprises related thereto.
The Board of Directors will also publicly report the overall fees paid to the audit firm, both for the audit services as well as any other services.
The Company also has a procedure whereby the Risk Control and Audit Committee must authorise any non-audit services provided to the Company or its group by its auditors.

The Risk Control and Audit Committee is therefore in charge of relations with the external auditors of the Company, and receives information on issues that could jeopardise the independence of these auditors and any other parties involved in the auditing, as well as other communications under audit legislation and technical auditing standards (Article 15 of the Board Regulations).
Moreover, Article 35 of the Board Regulations regulates the Company’s relations with the markets in general, which includes financial analysts and investment banks with whom the relationship of the Company is based on the principles of transparency and non-discrimination. As regards rating agencies, the Company is not subject to credit rating.

C.1.31 Indicate whether the company has changed its external audit firm during the year. If so, identify the incoming audit firm and the outgoing auditor:

[ ] Yes
[√] No

Explain any disagreements with the outgoing auditor and the reasons for the same:

[ ] Yes
[√] No

C.1.32 Indicate whether the audit firm performs non-audit work for the company and/or its group. If so, state the amount of fees paid for such work and the percentage they represent of all fees invoiced to the company and/or its group:

[√] Yes
[ ] No

	Company	Group	Total
Amount of non-audit work (thousands of euros)	51	37	88
Amount of non-audit work as a % of the total amount billed by the audit firm	9.34	6.78	16.12

C.1.33 Indicate whether the audit report on the previous year's financial statements is qualified or includes reservations. Indicate the reasons given by the chairman of the audit committee to explain the content and scope of those reservations or qualifications.

[ ] Yes
[√] No

C.1.34 Indicate the number of consecutive years during which the current audit firm has been auditing the financial statements of the company and/or its group. Likewise, indicate for how many years the current firm has been auditing the financial statements as a percentage of the total number of years over which the financial statements have been audited:

	Company	Group
Number of consecutive years	6	6

	Company	Group
Number of years audited by current audit firm/Number of years the company's financial statements have been audited (%)	33.00	33.00

C.1.35 Indicate whether there are procedures for directors to receive the information they need in sufficient time to prepare for meetings of the governing bodies:

[√] Yes
[ ] No

Procedures
Article 23 of the Board Regulation sets out that, for the purpose of being assisted in the performance of their duties, external directors may request the Company to hire legal, accounting, financial or other expert advisers. The commission must focus on specific problems of a certain size and complexity that occur in the performance of the job. The application to recruit outside experts must be notified to the Chairman of the Company and be approved by the Board of Directors, which may refuse to give authorisation if it considers: (a) that it is not required for the appropriate performance of the duties assigned to external directors; (b) that the cost of this is not reasonable in light of the importance of the problem and of the Company's assets and income; or (c) that the requested technical support can be adequately performed by the Company's own experts and technicians.

C.1.36 Indicate and, where appropriate, give details of whether the Company has established rules obliging directors to report any circumstances affecting them, whether or not related to their actions within the Company, that might harm the Company's name or reputation, tendering their resignation, if necessary:

[√] Yes
[ ] No

Details of rules
Directors must offer their resignation to the Board and, if considered appropriate, submitting their formal resignation in the cases stipulated in Article 21.2 of the Board Regulations. - When they are subject to any of the conditions of prohibition or incompatibility pursuant to applicable laws or the By-laws; - When they receive a serious warning from the Board of Directors, following a report from the Appointments and Remuneration Committee, for infringing their duties as directors. - When remaining on the Board could jeopardise or prejudice the interests or discredit or damage the reputation of the Company, or when the reasons for their appointment no longer exist. - When the shareholder represented by a proprietary director sells all of their stake or the number of corresponding shares, when this shareholder reduces their stake to a level that requires a reduction in the number of proprietary directors

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

[ ] Yes
[√] No

C.1.38 List the significant agreements entered into by the company which come into force, are amended or terminate in the event of a change of control of the company due to a takeover bid, and their effects.

N/A

C.1.39 Identify, in aggregate form and provide detailed information on, agreements between the company and its officers, executives and employees that provide indemnities for the event of resignation, unfair dismissal or termination as a result of a takeover bid or other.

Number of beneficiaries	0
Type of beneficiaries	Description of agreement
0	0

State if these contracts must be reported to and/or approved by management bodies of the company or of the group, other than in the events provided for by law. If so, specify the procedures, events and nature of the bodies responsible for their approval or for reporting them:

	Yes	No
Is the general shareholders' meeting informed of such clauses?		√

C.2. Board committees

C.2.1 Give details of all the board committees, their members and the proportion of executive, proprietary, independent and other external directors:

Risk Control and Audit Committee		
Name	Position	Category
MR. LUIS CARLOS CROISSIER BATISTA	MEMBER	Independent
MR. JOSÉ JAVIER CARRETERO MANZANO	MEMBER	Independent
MS. MARÍA LUISA GARAÑA CORCES	CHAIRMAN	Independent
MR. JOSÉ ANTONIO ABAD ZORRILLA	MEMBER	Proprietary

% executive director	0.00
% de proprietary directors	25.00
% de independent directors	75.00
% other external directors	0.00

Explain the committee's duties, describe the procedure and organisational and operational rules and summarise the main actions taken during the year. Rules and Regulations of the Board of Directors.

According to Article 15 of the Board Regulations, the Risk Control and Audit Committee is assigned the following duties:

• Report to the General Shareholders' Meeting on questions posed in respect of matters within its competence, in particular regarding the results of the audit, explaining how it has contributed to the integrity of the financial information and the role played by the committee in this process.
• Submit proposals to the Board regarding the selection, appointment, re-election and replacement of auditors.
• Review the Company's annual financial statements and periodic financial reporting.
• Establish the appropriate relationships with the statutory auditors or audit firms to receive information on issues that could jeopardise their independence, for their examination by the Committee, and any others related to the conduct of the audit and, where applicable, authorisation of services other than those prohibited by the applicable laws and regulations, as well as those other disclosures provided for in the accounting and audit laws and standards.
• Annually, before the audit report is issued, issue a report stating an opinion on the independence of the auditors.
• With respect to internal control and reporting systems:
a. Oversee and assess the preparation of financial and non-financial information and the completeness thereof, and the systems for controlling the financial and non-financial risks to which the Company and, where relevant, the Group, are exposed, including operational, technological, legal, social, environmental, political and reputational risks and those linked to corruption, reviewing compliance with legal provisions, appropriate definition of the scope of consolidation and proper application of generally accepted accounting principles.
b. Ascertain and monitor the effectiveness of the Company's internal control, internal audit, if applicable, and risk management systems (financial and non-financial).
c. Establish and supervise a mechanism whereby staff, shareholders, directors, suppliers, contractors and sub-contractors can report, confidentially and, if appropriate and feasible, anonymously, any significant irregularities that they detect within the Company, in particular financial or accounting irregularities.
• With regard to the external auditor:
Supervise compliance with the audit contract, seeking to ensure that the opinion on the annual financial statements and the principal content of the auditor's report are drafted clearly and accurately, and evaluate the results of each audit. In particular, verify that the auditors' fees are fixed before they begin to perform their duties for the entire term of their engagement.
Investigate the issues giving rise to the resignation of the external auditor, should this come about.
Ensure that the remuneration of the external auditor for its work does not compromise its quality or independence.
Ensure the Company notifies any change of auditor to the CNMV as a material disclosure (hecho relevante), accompanied by a statement of any disagreements arising with the outgoing auditor, if any, and the content thereof.
Ensure that the external auditor has a yearly meeting with the Board of Directors to inform it of the work performed and developments in the Company's risk and accounting situation.
Ensure that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.
• Submit a report to the Board of Directors prior to the creation or acquisition of holdings in special purpose entities or entities domiciled in countries or territories considered tax havens.
• Submit a report to the Board of Directors prior to transactions with related parties. Most important actions during 2020:
-Reviewed the quarterly half-yearly and annual financial reports and the completeness thereof.
-Issued a favourable report on the preparation of the annual financial statements prior to publication.
-Supervised the effectiveness of internal control systems related to the process of preparing and presenting statutory financial information ("ICFR"), reviewing compliance with legal provisions and the proper application of generally accepted accounting principles and submitting a proposal to the Board on amending the ICFR Manual.
-Supervised compliance with the audit contract, seeking to ensure that the opinion on the annual financial statements and the principal content of the auditor's report were drafted clearly and accurately.
- With regard to the Company's internal audit function, reviewed (i) the internal audit reports (half-yearly and annual) of the Alantra Group's regulated companies (collective investment schemes and investment service companies); (ii) the report on the activities of the internal audit function in 2020; (iii) the 2020 internal audit plan.
- Reviewed the implementation of cyber security measures.
- Reviewed amendments to certain internal policies: Policy on Reporting Infractions, the Internal Rules of Conduct, the Business Recovery Plan and the ICFR Manual.
- Reviewed the Company's treasury shares and transactions with treasury shares.

Identify the director of the audit committee who has been appointed chairman on the basis of knowledge and experience of accounting or auditing, or both and state the number of years they have been chairman.

Name of experienced director	MR. LUIS CARLOS CROISSIER BATISTA / MR. JOSÉ JAVIER CARRETERO MANZANO / MS. MARÍA LUISA GARAÑA CORCES / MR. JOSÉ ANTONIO ABAD ZORRILLA

Date of appointment of the current chairman	23/07/2019

Appointments and Remuneration Committee		
Name	Position	Category
MR. LUIS CARLOS CROISSIER BATISTA	CHAIRMAN	Independent
MR. JOSÉ JAVIER CARRETERO MANZANO	MEMBER	Independent
MR. JORGE MATAIX ENTERO	MEMBER	Proprietary
MS. DIANE SEGALEN	MEMBER	Independent

% de executive directors	0.00
% of proprietary directors	25.00
% of independent directors	75.00
% de other external directors	0.00

Explain the committee's duties, describe the procedure and organisational and operational rules and summarise the main actions taken during the year.

In accordance with Article 16 of the Board Regulations, the functions of the Committee are:

- Evaluate the abilities, knowledge and experience needed by the Board of Directors (the "Board"). Define the functions and skills needed by candidates and assess the time and dedication required to perform their duties.
- Establish a target for the percentage of Board members of the least represented gender and prepare recommendations to achieve this.
- Present the Board with proposed candidates for independent director, as well as proposals for the re-election or removal thereof.
- Inform the Board of the proposed appointments of the remaining Board members, and proposals for their re-election or removal. It will also report on the appointment and removal of the Secretary or Vice-secretary and senior managers of the Company, and the basic terms and conditions of the contracts of the latter.
- Review and arrange succession of the Board Chairman and CEO of the Company.
- Propose to the Board the remuneration policy for members of the Board and general managers or anyone in senior management positions who reports directly to the Board, and the individual remuneration and other contractual terms thereof.
- Review and uphold transparency vis-à-vis the remuneration policy of Board members and senior managers, and inclusion thereof in the board remuneration policy report and annual corporate governance report. The Appointments and Remuneration Committee will also have certain duties concerning corporate governance and corporate social responsibility, which include:
- Overseeing compliance with internal codes of conduct, corporate governance rules, and the strategy for shareholder and investor communications and relations.
- Evaluating the corporate governance system and reviewing the corporate responsibility policy, as well as the corporate social responsibility strategy and practices.
- Overseeing and evaluating the processes related with the various stakeholders, as well as matters concerning the Company's non-financial risks.
- Coordinating the process for reporting non-financial information and information on diversity, pursuant to applicable regulations and benchmark international standards.

Operating rules:
The Committee will normally meet every three months, and whenever a meeting is called by its Chairperson, which this individual must do if the Board Chairman so requests. The Committee will prepare an annual report on its performance, highlighting any key incidents that have arisen, and including any proposals to improve the governance rules of the Company. This report will be available to shareholders and investors through the Company's website. Minutes will also be taken at the Committee's meetings, and made available to all members of the Board. Members of the Company's management team and personnel will be obliged to collaborate and provide information whenever requested by the Committee.
The Committee may request advisory services from outsourced experts.

Most important actions during 2020:

- Resolved to give a favourable report to the Board regarding the re-election of all the members of the Company's Board of Directors whose tenure expired in 2020.
- Resolved to give a favourable report to the Board regarding the remuneration of senior managers, the Chief Executive Officer and the Board.

- Submitted with a favourable report to the Board the assessment performed of the category of each of the directors.
- Reported to the Board in favour of formally approving the Annual Remuneration Report of directors, for the purpose of its submission to a consultative vote at the General Shareholders' meeting.
- Conducted an analysis and review of the degree of individualised compliance with the recommendations of the Good Governance Code for Listed Companies.
- Resolved to give a favourable report to the Board regarding the annual assessment of the Board and its Committees, with the support of an external facilitator in performing the evaluation.
- Proposed to the Board an update of the "Identified Group", modification of the Remuneration Policy of the Alantra Group and modification of the Directors Remuneration Policy in relation to the compensation of the Executive Chairman.

Launched certain Human Capital initiatives.

C.2.2 Complete the following table on the number of female directors on the various board committees over the past four years:

	Number of female directors							
	2020		2019		2018		2017	
	Number	%	Number	%	Number	%	Number	%
Risk Control and Audit Committee	1	25.00	1	25.00	1	25.00	0	0.00
Appointments and Remuneration Committee	1	25.00	0	0.00	0	0.00	0	0.00

C.2.3 Indicate, as appropriate, whether there are any regulations governing the board committees. If so, indicate where they can be consulted, and whether any amendments have been made during the year. Also, indicate whether an annual report on the activities of each committee has been prepared voluntarily.

The Regulations of the Board of Directors of the Company regulates the rules that govern the functioning and organisation of the Risk Control and Audit Committee and of the Appointments and Remuneration Committee.
The Regulations of the Board of Directors of the Company is available for consultation in the "Shareholders and Investors / Corporate Governance / Internal Rules and Corporate Policies" section of the Company's website.
Each Committee has prepared a report on its activities in 2020, and those reports were subsequently approved by the Board for posting on the Company website.

D. RELATED-PARTY AND INTRAGROUP TRANSACTIONS

D.1. Explain, if applicable, the procedures for approving related-party or intragroup transactions.

Article 5 of the Board Regulations confers sole authority to the Board of Directors, which cannot be delegated, to approve on the recommendation of the Risk Control and Audit Committee (Article 15.2 of said regulations) any transactions that the Company or where applicable, its Group companies, carry out with Board members, in the terms of Articles 229 and 230 of the Spanish Limited Liability Companies Act, or with shareholders who individually or jointly hold a significant ownership interest, including shareholders represented on the Company's Board, or that of other companies, which form part of the same group or with parties related thereto, pursuant to Law.

As issuer and in accordance with Ministry of Economy and Finance Order EHA 3050/2004 of 15 September, the Company is required to provide quantified information on related-party transactions in six-monthly financial.

D.2. List any relevant transactions, by virtue of their amount or importance, between the company or its group of companies and the company's significant shareholders:

Personal or corporate name of significant shareholder	Personal or corporate name of the company or entity in its group	Nature of the relationship	Type of transaction	Amount (000s €)
No data				

Note 23 to the consolidated annual financial statements of the Company discloses information on the operations carried out by the Company or companies in the group in 2020 with the Company's significant shareholders.

In particular, it is noted that in 2020 the company Alantra Reim, S.L. (a group company) and certain companies indirectly controlled by Mr. Ricardo Portabella Peralta (an individual who controls the voting rights of Taiko S.A., a significant shareholder in Alantra Partners) holded a number of agreements to manage the financial aspects of certain real estate assets held by said companies, amounting to 449 thousand euros.

D.3. List any relevant transactions, by virtue of their amount or importance, between the company or its group of companies and the company's managers or directors:

Personal or corporate name of the directors or officers	Personal or corporate name of the related party	Relationship	Nature of the transaction	Amount (000s €)
No data				

D.4. List any relevant transactions undertaken by the company with other companies in its group that are not eliminated in the process of drawing up the consolidated financial statements and whose subject matter and terms set them apart from the company's ordinary trading activities.

In any case, list any intragroup transactions carried out with entities in countries or territories considered to be tax havens:

Registered corporate name of the Group entity	Brief description of the transaction	Amount (thousands of euros)
No data		

Note 23 to the consolidated annual financial statements of the Company discloses information on the operations carried out by the Company with other group entities in 2020.

In particular, with reference to its materiality, attention is drawn to an agreement for the provision of strategic advisory services to N+1 Singer amounting to 1,398 thousand euros.

D.5. State the amount of any significant transactions conducted between the company or entities in its group and other related parties that have not been reported in the previous sections:

Registered corporate name of the related party	Brief description of the transaction	Amount (thousands of euros)
No data		

Note 23 to the consolidated annual financial statements of the Company discloses information on the operations carried out by the Company or companies in the group in 2019 with other related parties.

In particular, with reference to the materiality thereof, attention is drawn to the following revenues received by Alantra Wealth Management AV, S.A.:

a) Referral fees from Alantra Corporate Finance totalling 454,881 euros.
b) Referral fees from Alantra Reim totalling 20,762 euros.

c) Sales commissions for the EQMC fund managed by Alantra EQMC Asset Management totalling 494,389 euros.

d) Sales commissions for the QMC III fund managed by Alantra Multi Asset totalling 237,522 euros.

e) Sales commissions for the PEF III fund managed by Alantra Capital Privado totalling 264,723 euros.

D.6. List the mechanisms established to detect, determine and resolve any possible conflicts of interest between the company and/or its group, and its directors, management or significant shareholders.

Article 25, section 4, point g) of the Board Regulations requires directors to take the necessary steps to avoid their interests, on their own behalf or that of third parties, conflicting with the Company's corporate interests and their duties towards the Company.

Article 27 of the Board Regulations adds the following:

1. In particular, the duty of avoiding conflicts of interest laid down in point g) of Article 24 of the Board Regulations requires each member of the Board to abstain from:
a) Performing transactions with the Company, except for ordinary transactions performed in standard conditions for customers and of scant importance, understood to be those whose information is not required to express fairly the Company's equity, financial position and results. In the event of transactions within the ordinary course of corporate business that represent standard or common practice, generic authorisation of transactions and of the conditions for execution by the Board will suffice.
b) Using the Company's name or invoking his/her status as director to unduly influence the performance of private operations.
c) Making use of Company assets, including confidential company information, for private purposes.
d) Taking advantage of company business opportunities.
e) Obtaining advantages or remuneration from third parties other than the Company associated with the discharge of their duties, except when such perks are mere courtesy.
f) Performing activities, for their own account or for the account of others, which involve effective competition, be it current or potential, with the Company or which, in any other way, place them in an on-going conflict vis-à-vis the Company's interests.
2. Directors must notify the Board of Directors of any conflicts of interest.
3. The foregoing provisions will also be applicable in the event that the beneficiary of the prohibited acts or activities is a person related to the director, as per the subsequent article.
4. Irrespective of the provisions set forth in the preceding paragraphs, the Company may relax the provisions established in this article in specific cases, by authorising a director or related party to conduct a certain transaction with the Company, use certain corporate assets, seize a specific business opportunity, or secure an advantage or remuneration from a third party.
5. Whenever the subject of the authorisation is the relaxing of the prohibition on obtaining an advantage or remuneration from third parties, or when the exemption affects a transaction whose value is in excess of ten percent (10%) of the corporate assets, authorisation must necessarily be given by the General Meeting in a separate specific agreement. In all other cases, the authorisation may also be issued by the Board of Directors, provided the independence of the members granting said authorisation with regard to the exempted director is guaranteed. Moreover, it will be necessary in the latter case to ensure that the authorised operation will not harm the corporate assets or, where applicable, guarantee the conduct thereof under market conditions and the transparency of the process.

6. The non-compete obligation with the Company may only be exempted in the event that no damage to the Company can be foreseen, or that the Company can expect to be compensated through the benefits it is assumed will be obtained through the exemption.
The Company's Internal Rules of Conduct also establish that anyone subject to or temporarily subject to these rules ("Subjects" or "Temporary Subjects" as defined in these rules) will act in the event of a conflict of interests (conflict between the Company's interests and their own, including "Closely Related Parties" as defined in these rules) and persons or entities that the proprietary directors represent) in accordance with the following principles:

a) Independence: They must perform their duties with loyalty, independently of any interests that may conflict with their own or third parties affecting them.
b) Abstention: They must refrain from participating in or influencing decisions related with any conflict of interests
c) Confidentiality: They must avoid being privy to any confidential information on the conflict of interests.
The Company's Internal Rules of Conduct stipulated that Subjects must sign and keep up to date a statement detailing any situations and relations that could give rise to conflicts of interest. In all instances, the statement will include performing, on their own account or that of a third party, similar or complementary activities to those of the Company and any organic or service relationship, and holding any direct or indirect stakes of over 3% in companies performing similar or complementary activities to those of the Company. In this regard, relationships with blood relations that are more than fourth removed or with relatives in law of more than second-degree affinity will not, in principle, be treated as a potential conflict of interest.

Any actual or potential conflicts of interest that are detected must be reported as quickly as possible and, in any event, before any decisions that could be affected by the possible conflict of interests are taken.

D.7. Indicate if the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

[ ] Yes
[√] No

E. RISK CONTROL AND MANAGEMENT SYSTEMS

E.1. Describe the risk management system in place at the company, including fiscal risks:

The entity has a corporate governance organisation and procedures designed, amongst other purposes, to control and manage risk, including tax risks. The Company has a Control and Risk Committee that is fully independent of the business lines and which reports directly to the Risk Control and Audit Committee. The Control and Risk Committee is headed up by the Compliance and Risks Officer. Its permanent members include the General Division (including the Technology Department and Human Resources area), General Secretary and the Director of Legal Affairs. In addition, risk control is taken into consideration in all strategic and operational decisions approved by the parent Company and by each of the subsidiaries. The Group continuously analyses its global risk profile using a risk map; identifying and registering new risk situations and monitoring exposure using risk indicators and the possible loss events due to process failures, possible legal action, etc. The materiality thereof is classified based on the potential impact on the financial statements. The potential impact on reputational risk is also assessed. This information can be used to set a risk tolerance threshold and take decisions to mitigate and transfer risks.

Alantra also has a map of criminal risks based on the potential criminal liability attached to legal persons. All the risks of this nature to which Alantra is exposed have been identified and classified by type, in order to review mitigating measures.

The working methodology is as follows:

1. The Compliance and Risks Officer meets regularly with business area heads to identify the risks that could affect achieving each area’s objectives.

2. Having identified each risk and conducted unification work across the areas with a view to aggregating and standardising risk control at Group level, possible metrics are identified to objectively monitor risk exposure.

3. In order to estimate impacts and the degree of cover, the areas’ past experience of losses from risks is considered alongside a qualitative benchmark compared to other entities and market best practices.

4. Existing risk mitigation measures are evaluated to estimate the degree of cover.

5. Risk thresholds are set to classify risks as low, moderate or high.

6. Risk mitigation and coverage measures are drawn up and put before the Control and Risks Committee for approval.

7. The effectiveness of measures in place is assessed, and the risk metrics for each factor are monitored.

8. Flags are raised when the coverage of a risk factor is below the approval threshold determined in the Risk Policy.

9. To evaluate tax risks, the Group receives advice from law firm Cuatrecasas, requesting opinions on the Group’s transactions whenever necessary.

E.2. Identify the bodies responsible for preparing and implementing the risk management system, including fiscal risks:

The Board of Directors holds ultimate responsibility for the existence and maintenance of an appropriate risk management system, delegating responsibility for supervision of this to the Risk Control and Audit Committee, while the Regulatory Compliance and Risk Department is responsible for its introduction and review. The Risk Control and Audit Committee's responsibilities include the following related with preparing and deploying the risk management system:

a) Supervise the process of preparing and the completeness of the obligatory financial reporting to be regularly supplied by the Board to the markets and to the supervisory bodies with regard to the Company and, where appropriate, the Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the consolidation perimeter and proper application of generally accepted accounting principles. The Risk Control and Audit Committee will report to the Board, prior to adoption by the Board of the corresponding decisions concerning financial reporting which, as a listed company, the Company must periodically publish. The Committee must ensure that interim financial statements are drawn up with the same accounting criteria as the annual financial statements and, to this end, will consider whether or not an external auditor should perform a limited review.
b) Supervise and be aware of the effectiveness of the Company’s internal control, the internal audit, where appropriate, and the risk management systems, including tax-related risks, as well as discuss with the accounts auditors any significant weaknesses in the internal control system detected during the audit.
c) Inform the Board of any resolutions or significant events at its meetings.
d) Notify the Board in advance of any related-party transactions.
e) Perform any other duties assigned to it by the Company’s Board of Directors, especially any relating to the Group’s risk management and control policy (paying particular attention to the activities of regulated Group companies), Law, the By-laws and the Board Regulations.
The Control and Risks Committee, reporting to the Board’s Risk Control and Audit Committee, is charged with:
a) Proposing the Group’s internal control and risk policy, setting out and evaluating the risks covered by the risk management system and providing evidence that the system is fit for purpose vis-à-vis each type of risk.
b) Preparing and submitting for approval internal control procedures, and overseeing compliance therewith.
c) Prepare regulatory compliance and risk reports and present them to the Control and Risks Committee and Risk Control and Audit Committee.

d) Coordinate and manage regulatory compliance and/or risk control units that are or may be established at Alantra Group subsidiaries.
e) Propose a risk map tailored to the Group's operations.
f) Report on whether any of the different types of risk (operational, technological, financial, legal, etc.) have arisen during the year that affect the Group, providing details of the triggers and performance of the systems in place to mitigate the effects of said risks.
g) Coordinate the application of the policy on managing conflicts of interest.
h) Coordinate the regulatory compliance functions, ensuring applicable laws are properly adhered to.
i) Foster a culture of regulatory compliance in the N+1 Group, with the Human Resources Department participating in running training programmes to provide the Group's personnel with the skills and experience needed to appropriately carry out their duties.

E.3. State the primary risks, including tax compliance risks, and those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant, which may affect the achievement of business objectives.

I See section H. OTHER INFORMATION OF INTEREST.

E.4. Identify any risks, including fiscal, which have occurred during the year:

The Company has a Risk Management System in place which comprises indicators of exposure to, probability of occurrence of, and the severity of any impact of such risk. These indicators are also classified according to the possible impact on profit (scores) and other qualitative factors such as the impact on reputation. The Company's tolerance to risk is very low.
The Risk Control and Audit Committee supervises the Alantra Group's risks map quarterly. That map includes the severity and probability of impact of all material risks identified according to the expectations that the risk will materialise and the level of Alantra's preparation and capacity to respond, for which purpose responses and controls are identified for the key risks. The risks map also includes fiscal risk. The Committee reports to the Board on the risks map every quarter.
The scoring scales applied in the risks map consider the potential financial impact (determined according to the impact on financial revenue and/or investment values), the potential reputational impact for Alantra, as well as the potential impact of regulatory non-compliance. This allows the Control and Risk Committee to make decisions to mitigate the risk.

E.5. State which risks, including tax compliance risks, have materialised during the year:

During 2020, some of the risks inherent in the Company's activities have manifested themselves, as a result of its operations, the nature of the business and the current economic environment.
The following circumstances, in particular, bear emphasis:
• COVID-19: As for all companies in the industry, the pandemic meant 2020 was an extremely complex year for Alantra. Details of the impact of COVID-19 on the Company are disclosed in Note 21 to the Annual Financial Statements. • Adverse exchange rate fluctuations. The Alantra Group has investments in different companies that carry out part or all of their operations in non-euro currencies. During 2020, rate movements had a negative impact of approx. 5.6 million euros on the measurement of those investments. Also, as translation differences are reflected in the Company's accounts, net income for the year was affected by positive exchange differences of approx. 485 thousand euros.
• Turbulence in the financial markets continued in 2020, in addition to issues due to the COVID-19 pandemic. The political context also saw significant changes, in Spain, Latin America and the USA, as well as the uncertainty in the UK up to 31 December associated with the agreements reached to implement Brexit. Details of the impact of Brexit on the Company are disclosed in Note 21 to the Annual Financial Statements.
Notwithstanding the above, the risk control mechanisms applied by the Company have worked properly, allowing the impact of those risks on its financial statements to be minimised.

E.6. Explain the response and monitoring plans for the main risks the entity is exposed to, tax compliance risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise:

The Risk Control Committee monitors the Group's exposure to each risk, approving action plans that ensure such exposure is kept within the established tolerance thresholds.
This committee registers agreed-upon action and monitors the degree of completion thereof. To evaluate tax risks, the Group receives advice from law firm Cuatrecasas. All transactions involving a tax risk are analysed by the firm, which advises on said risk.

The Group's risks map is kept up to date and supervised by the Risk Control and Audit Committee, which committee reports to the Board of Directors thereon.
The Alantra Group has an internal training programme on its internal procedures which all Group employees are required to.

F. INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR)

Describe the mechanisms which comprise the internal control over financial reporting (ICFR) risk control and management system at the company

F.1 The entity's control environment

Indicate the existence of at least the following components, describing their main characteristics:

F.1.1 The bodies and/or functions responsible for: (i) the existence and regular updating of a suitable, effective ICFR; (ii) its implementation; and (iii) its monitoring.

The Internal Control over Financial Reporting System (hereinafter, "the ICFRS"), forms part of the Alantra Group's general internal control system, and was set up to provide reasonable assurance as to the reliability of the financial information provided to the markets.
The Group has an Accounting Policies Manual and ICFRS Manual approved by the Board of Directors, setting forth the administrative and technical procedures that help to enhance internal control, and thereby raise operating efficiency. All with a view to obtaining more reliable, timely and true financial information, and issue reports that are invaluable to taking the right decisions. An oversight protocol and training procedure are also in place vis-à-vis the ICFRS. The Finance Department is responsible for keeping the Accounting Policies Manual and the ICFR Manual up to date. The various departments involved are responsible for implementing the ICFR. The Alantra Group's Risk Control and Audit Committee is responsible for supervising it through the Regulatory Compliance and Risks Department and the Internal Audit Area.
The Board of Directors Regulations (available on the Group's website) also set out a raft of policies concerning the ICFRS, which specify, among the Board's other competencies and responsibilities, reviewing and approving the financial information that is regularly published, and adopting the necessary measures to ensure that financial information is prepared as per the same principles, criteria and professional practices as those followed when preparing the financial statements, and that said information is equally as reliable. The Group's Board of Directors is ultimately responsible for financial information and the existence of an adequate internal control system for this information.
These regulations also stipulate the competencies and responsibilities of the RCAC, which include reviewing the Group's financial statements and regular financial reporting, ensuring legal requirements are fulfilled and generally accepted accounting principles applied properly. It is also responsible for overseeing the completeness of and process for preparing statutory financial information, checking compliance with regulatory requirements, appropriate demarcation of the scope of consolidation, and proper application of generally accepted accounting principles. The regulations also expressly refer to supervision of internal control and the risk management systems, and discussions with accounts auditors on any significant weaknesses in the internal control system identified during the audit of the Group's financial entities.
Specifically, Article 15.2 stipulates the following with regard to the RCAC competencies and responsibilities:
- Supervise the process of preparing and the completeness of the obligatory financial reporting to be regularly supplied by the Board to the markets and to the supervisory bodies with regard to the Company and, where appropriate, the Group, reviewing compliance with regulatory requirements, the appropriate delimitation of the consolidation perimeter and proper application of generally accepted accounting principles, and present recommendations or proposals to the board of directors to safeguard the integrity of that information. The RCAC will report to the Board, prior to adoption by the Board of the corresponding decisions concerning financial reporting which, as a listed company, the Company must periodically publish. The RCAC must ensure that interim financial statements are drawn up with the same accounting criteria as the annual financial statements and, to this end, will consider whether or not an external auditor should perform a limited review.
- Supervise and be aware of the effectiveness of the Company's internal control, the internal audit, where appropriate, and the risk management systems as well as discuss with the accounts auditors any significant weaknesses in the internal control system detected during the audit, all without compromising their independence

F.1.2 The existence or otherwise of the following components, especially in connection with the financial reporting process:

- The departments and/or mechanisms in charge of: (i) the design and review of the organisational structure; (ii) defining clear lines of responsibility and authority, with an appropriate distribution of tasks and functions; and (iii) deploying procedures so this structure is communicated effectively throughout the entity:

The Company avails of an Internal Control Organisation Procedure signed off by the Board of Directors on 24 February 2016. This specifies that the General Division will be responsible, when authorised by the Board, for designing and reviewing the organisational structure, and appropriate distribution of tasks and duties. They will carry out any necessary revisions and will check that all the Group's employees receive said procedure by email and other channels established for this purpose.

The procedure also includes an organisational chart and the main responsibilities of the following areas: General Division, Finance Department, HR Department, IT Department, Administration Department, Accounting Department, Legal Affairs Department, Corporate Development, Regulatory Compliance and Risks Department, and Internal Audit.
The Board Regulations set forth the functions of the Board and of the duties delegated to the RCAC and the Appointments and Remuneration Committee ("ARC").
The Group also has an Accounting Policies Manual, approved by the Board of Directors on 17 December 2015 and last updated on 20 December 2019, setting out the procedures governing the sub-processes involved in preparing financial information and those in charge of each of them.

- Code of conduct, approving body, dissemination and instruction, principles and values covered (stating whether it makes specific reference to record keeping and financial reporting), body in charge of investigating breaches and proposing corrective or disciplinary action:

The Group has a General Code of Ethics and Conduct (hereinafter, "the Code of Ethics") and Internal Rules of Conduct concerning securities market matters (hereinafter, "the IRC").
The Code of Ethics sets out a raft of basic principles and practices for professional conduct that must be adhered to by all the staff and management of Alantra and Alantra Group companies. Notwithstanding this, some individuals are also subject to other rules of conduct that are specific to the activity or business in which they carry out their duties. These individuals are referred to as "Subjects" and are required to adhere to rules governing the following:
1. Equal opportunities and non-discrimination
2. Compliance with the Law and internal rules
3. Non-compete and professional exclusiveness requirement
5. Conduct in the event of conflicts of interest: personal interests must not come before the interests of the Group or its customers
6. Control of information and confidentiality: general duty of secrecy; management of confidential documents
7. Responsible participation in forums, social networks, and political or trade association activities
8. Restricted access to insider information
9. Prohibition to trade with securities when party to related confidential or insider information
10. Commitment to report (where stipulated) any personal transactions
11. Appropriate use of devices, assets and other property of Alantra
12. Prohibition to give or promise to give public servants any type of payment or gift
13. Prohibition to give or promise to give any type of payment or gift to individuals that, in breach of its obligations when procuring products or services or buying and selling assets, give the Alantra Group an advantage over its competitors
14. Protection of intellectual property
15. Separation of duties and Chinese walls.

The Code of Ethics is available to all the Group's staff on the intranet, and they have all been informed of its existence, location, and their obligation to adhere to it. The Regulatory Compliance and Risks Department is responsible for ensuring all Alantra staff and executives are aware of the General Code. The Human Resources and Regulatory Compliance and Risks departments regularly report to the Control and Risks Committee on Subjects' following of and compliance with the rules. They are responsible for keeping an up-to-date register of Subjects, along with dates on which individuals join or leave the register.
The IRC is updated regularly by the Board of Directors. The Control and Risks Committee is an internal control body of the Company that operates under the auspices of the Board of Directors and reports to the ARC and the RCAC. With regard to the IRC, the Control and Risks Committee regularly reports to the ARC on its activities and any incidents of interest in relation to the rules and compliance therewith.
The main aspects covered by the IRC are as follows:
1. General duty of conduct
2. Insider information
3. Avoidance of market manipulation
4. Duties concerning analysis and negotiation of transactions that affect the markets
5. Authorisation and reporting of transactions
6. Blackout periods
7. Other duties related with trading
8. Conflicts of interest
9. Recording and confidentiality of actions
10. Reporting of material information
11. Rules on treasury share trading
12. Sanctions system

The IRC is available on Alantra's website. It is also available to all the Group's staff on the intranet, and they have all been informed of its existence, location, and their obligation to adhere to it.

- Whistle-blowing' channel, for the reporting to the audit committee of any irregularities of a financial or accounting nature, as well as breaches of the code of conduct and malpractice within the organisation, stating whether reports made through this channel are confidential:

An important aspect of responsibility and transparency is to ensure all matters concerning potential breaches of laws, rules, regulations or internal policies and procedures, and good faith reporting are managed appropriately and resolved as applicable. The Group therefore has a mechanism through which any employees can securely and confidentially report any irregularities that they consider have arisen when carrying out the Group's activities.
The Group has a procedure for reporting infractions, which has been approved by the Board of Directors and applies to all Alantra staff and management.
The main features of this procedure are:
1. Guarantee that the identity of the reporting party and alleged offenders will be kept confidential.
2. The main aspects that could be reported are: breaches of the IRC or Code of Ethics, employment obligations, fraud, violation of duty of confidentiality, failure to adhere to financial reporting standards, breaches of anti-laundering policy, market abuse, abuse of authority and workplace bullying.
4. Reports can be submitted via the whistleblowing@alantra.com mailbox.
5. The Group's Compliance and Risks Officer (hereinafter, "the CRO") is charged with receiving and managing any reports, informing the RCAC of any reports and the results of investigations carried out, and recommending to the committee any measures that could be adopted.
6. The RCAC may, in any event, launch new investigations and will, based on a report from the CRO, propose measures to be taken in relation to the reports received.
7. Any complainants who are found to have submitted unfounded claims in bad faith may be subject to disciplinary proceedings.

This procedure is available to all staff on the Alantra intranet, and can be accessed by suppliers and customers via its website. All employees have also been notified of the procedure. The Group assumes responsibility for ensuring all new hires (staff and management) are made aware of the whistleblowing policy, and of informing all staff by email on a yearly basis.

- Training and refresher courses for personnel involved in preparing and reviewing financial information or evaluating ICFR, which address, at least, accounting rules, auditing, internal control and risk management:

The ICFRS Manual, signed off by the Board of Directors on 17 December 2015 and subsequently amended on 28 March 2019 and 23 february 2021, includes the procedure for the provision of training on the ICFRS, and sets out the Group's commitment to ensuring staff involved in preparing and reviewing financial information have the right training, thereby fulfilling regulatory provisions.
The heads of Legal Affairs and Finance will regularly (at least annually) assess training requirements in order to fulfil commitments to provide appropriate training to staff involved in preparing and reviewing the Group's financial information.
These department heads will take into account, inter alia, the following when assessing training needs:
• Any relevant amendments to accounting legislation, internal control rules and/or reporting standards that affect the Group and its companies.
• Changes in the Group's structure that result in new legal obligations when preparing and reporting financial information relative to those applicable to the Group at the time.
• Introduction of new procedures in the Group to prepare and publish financial information.
• Roll-out of new software for preparing and publishing financial information and/or changes to the configuration of existing applications.
• Any other circumstances that the heads of these departments consider relevant to the analysis.
• The Group's strategic objectives.
Once the training measures needed have been determined, the Group's Human Resources Department, or alternatively the Regulatory Compliance and Risk Department, will be responsible for preparing the "Training Plan" document whose contents will include, but are not limited to, the following:
• Title of training to be provided.
• Group, participants and number of participants invited.
• Planned dates.
• Training hours.
• Method of training.
• Location of training.
• Trainer.
• Training cost.
• In-house or out-of-house course.
Each stage of every training plan will be subject to on-going improvements. Training provided over the course of each year will be evaluated for this purpose. All courses in the training plan will also be subject to feedback from participants in order to assess how relevant they are to their work, how the sessions were organised, and the quality and involvement of trainers.
During 2020, the Company gave all Group employees a training course on anti-money laundering matters, the general code of ethics and conduct, the internal code of conduct on matters relating to securities markets and the procedure for reporting infringements. All employees also received a training course on the prevention of occupational hazards, on issues of market abuse, the protection of personal data and cyber security.
All new employees receive training on the use of electronic devices, in addition to the training detailed above. Finally, those individuals considered part of the group of relevant persons for the purposes of MiFID II in the Group's investment services and collective investment schemes also receive the training needed to be able to perform selling services.

F.2. Risk assessment in financial reporting.

Report at least:

F.2.1 The main characteristics of the risk identification process, including risks of error or fraud, stating whether:

- The process exists and is documented:

The Regulatory Compliance and Risks Department is responsible for identifying risks based on a range of sources of information (heads of departments, internal audit reports, and its own control reviews performed as part of its duties). Said risks are collated in a risk map which is submitted each quarter to the Risks and Control Committee and the Risk Control and Audit Committee.

- The process covers all financial reporting objectives, (existence and occurrence; completeness; valuation; presentation, disclosure and comparability; and rights and obligations), is updated and with what frequency:

The scope of the methodology used to identify risks and design controls related with the generation of financial information covers the most relevant processes and areas following relevance criteria based on materiality and other qualitative aspects. Specifically, the Group has built its risk identification and evaluation process on key principles such as: existence and occurrence; accuracy; rights and obligations; measurement; presentation and disclosure; and comparability.

The inventory of processes and risks provided in the ICFRS Manual and the updating thereof is the responsibility of the Group's Control and Risks Committee, who must review it at least once a year. The Group's Internal Audit team is responsible for overseeing and validating the effectiveness thereof, checking whether there have been any significant changes in the risks associated with financial reporting specified in the aforesaid document. The RCAC will be notified of any changes.

- A specific process is in place to define the scope of consolidation, with reference to the possible existence of complex corporate structures, special purpose vehicles, holding companies, etc:

The Group has a procedure in place for determining the scope of consolidation – described in point 3 of the Accounting Policies Manual.

The Group's financial information is consolidated every quarter for the purpose of monitoring management control and reporting to Management and the Company's other control bodies. The principles set forth in prevailing accounting standards are followed when determining the scope of consolidation. The main stages of the consolidation process are as follows:

1. For each consolidation process, the Finance Department requests an updated organisational chart for the Group from the Legal Affairs Department. Any changes in scope will be taken into consideration by the person in charge of consolidation with a view to removing a company from the scope in the case of divestments, or including them when they are acquired (using the appropriate method of consolidation as per prior accounting standards). Legal Affairs will also be asked to provide any documentation on the transaction in question. This documentation will be used to determine the resulting ownership interest, type of investee, accounting treatment thereof, etc.

The Accounting Policies Manual contains the criteria used to measure significant influence and control, the concepts used to determine the consolidation methods used for the Group's investees.

2. Once the scope of consolidation has been defined for the period in question and the ownership interest in and method of consolidation of the new entity (in the case of acquisitions) determined, the individual reporting closes will be checked in conjunction with the officers in charge of the investees (both in Spain and abroad) that have closed their accounts and are ready to begin consolidation.

3. The officer in charge of consolidation does so using BM Cognos Controller software

- The process addresses other types of risk (operational, technological, financial, legal, reputational, environmental, etc.) insofar as they may affect the financial statements:

The main risk categories, defined in section E.3 of this report, explicitly or implicitly include operational, technological, financial, reputational and environmental risks.

- Which of the company's governing bodies is responsible for overseeing the process?

In the last instance, the Board of Directors is ultimately responsible for assessing financial reporting risks through the RCAC, who is charged with overseeing the process with the help of the Group's Internal Audit area.

F.3. Control activities.

Indicate the existence of at least the following components, and specify their main characteristics:

F.3.1 Procedures for reviewing and authorising the financial information and description of ICFR to be disclosed to the markets, stating who is responsible in each case and documentation and flow charts of activities and controls (including those addressing the risk of fraud) for each type of transaction that may materially affect the financial statements, including procedures for the closing of accounts and for the separate review of critical judgements, estimates, evaluations and projections:

The Board of Directors is responsible for approving the risk management and control policy and overseeing the in-house training systems. It is therefore ultimately responsible for financial information and the existence of an internal control over financial reporting system that is fit for purpose.
The Group has an ICFRS Manual providing flowcharts of the main processes with a material impact on the generation of financial information, identifying the risks involved, and measures and controls to prevent, mitigate and minimise these risks. This ICFRS Manual defines the principal risks affecting each procedure, showing the following fields for each of these risks:

- Type of risk identified (including fraud risk).
- Impact in the event said risk arises.
- Likelihood of said risk occurring.
- Control activity.
- Type of control.
- Individual responsible for implementing the control.
- Evidence of the control.
- Frequency of the control.
- Materiality indicator.

In addition, the Accounting Policies Manual sets out the ICFRS subprocesses.
The reporting close procedure is described in point 4 of the Accounting Policies Manual, approved by the Board of Directors.
The Alantra Group's accounting system (SAP) is, on the whole, shared by subsidiaries. This ensures a tighter control over accounting records and the generation of financial information. The Company's Finance Department can access the accounting records of all the Group companies' using this system. Due to the nature of the Alantra Group, the reporting close is split into two sub-processes:
- Reporting close of Spanish companies
- Reporting close of foreign companies

There is a number of important processes concerning the generation of financial information that must be followed by each participating area. Controls over and supervision of these processes ensure the completeness and accuracy of the financial information included in the reporting closes of the companies and the financial statements of each and of the Alantra Group (e.g. legal action, measurement of investees, etc.).
The Alantra Group also has an accounting consolidation tool (see F.4.2.) used in support of the information generated on an individual basis in SAP.

The Board Regulations also determine that the RCAC will normally meet every three months to review the regular financial information that must be submitted to the supervisory authorities, and the information that the Board of Directors must approve and include in the annual public reporting documents. It will also meet whenever it is convened by its Chairperson, who must call the meeting whenever the Board or Board Chairman requests the issuance of a report or the take-up of proposals and, in any case, whenever this is appropriate for its proper performance.

F.3.2 Internal control policies and procedures for IT systems (including secure access, control of changes, system operation, continuity and segregation of duties) giving support to key company processes regarding the preparation and publication of financial information.

The Group's IT systems used to prepare financial information either directly or indirectly ensure financial information is prepared and published properly at all times, using the SAP User Manual. Its content includes start instructions, access security, and instructions on all accounting processes.
Likewise, as part of the process for identifying financial reporting risks, the Group has a SAP User Manual, an ICFRS Manual and a Business Continuity Plan.
The ICFRS Manual features flowcharts for the main processes with a material impact on the generation of financial information, including those related with the disaster recovery plan, continuity plan, logical security and technology exploitation. These charts present each process in detail and describe the risks and controls implemented, along with the individuals who are involved in the process.
The Group also avails of a Business Continuity Plan which aims to specify the internal processes that will be triggered in the event of an internal or external threat, to ensure the business can continue to function. The plan identifies various possible scenarios and the measures and controls to prevent and mitigate the effects thereof and minimise response times.

This plan also refers to the existence of a business recovery team and the members thereof, which would be responsible for managing operations with a clearly defined functions and responsibilities in the event of a threat.

F.3.3 Internal control policies and procedures for overseeing the management of outsourced activities, and of the appraisal, calculation or valuation services commissioned from independent experts, when these may materially affect the financial statements.

The Group regularly reviews which outsourced activities are relevant to the process of preparing financial information.

Specifically, a Procedure for the Outsourcing of Essential Functions exists, which was approved by the Board of Directors on 24 February 2016, and applies to all essential activities that Alantra outsources to third parties. These include those identified when developing material processes that affect the generation of financial information, within the framework of the Internal Control over Financial Reporting System.

The basic points set forth in the procedure include a series of minimum requirements and criteria that suppliers must fulfil, essential service-level indicators to be included in each contract, reasons for penalties or contract cancellation, and lines of reporting and supervision in the process of outsourcing essential functions.

The procedure also specifies that the department in charge of the function or service being outsourced will carry out the controls needed to verify the assessments, calculations and valuations outsourced to third parties, paying close attention to any outsourced activities that could have a material impact on the generation of financial information. Incidents detected will be immediately reported to the Control and Risks Committee and the service provider, and corrective measures taken to resolve them.

F.4. Information and communication.

Indicate the existence of at least the following components, and specify their main characteristics:

F.4.1 A specific function in charge of defining and maintaining accounting policies (accounting policies area or department) and settling doubts or disputes over their interpretation, which is in regular communication with the team in charge of operations, and a manual of accounting policies regularly updated and communicated to all the company's operating units.

The Group has an Accounting Policies Manual that describes, inter alia, the accounting procedures and technical support that help achieve better internal control.
As indicated in the manual, the Finance Department will be responsible for defining, updating and disseminating the Group's accounting policies in order to obtain the most suitable, timely and accurate financial information. It will also be responsible for resolving any doubts or conflicts deriving from the interpretation and applications of the accounting policies.
The Accounting Policies Manual will be updated annually, or whenever any significant amendments to applicable legislation are introduced which require it to be updated.

The Finance Department will email the manual as well as any significant changes thereto to affected staff.

In both cases, employees will be required to provide formal written confirmation that they have read and understood the content thereof.

F.4.2 Mechanisms in standard format for the capture and preparation of financial information, which are applied and used in all units within the entity or group, and support its main financial statements and accompanying notes as well as disclosures concerning ICFR.

Practically the entire accounting information system of the Alantra Group companies is integrated in the same information system that is shared by all of them (SAP Business ByDesign). The parameters for the automated accounting are therefore the same across the Group. This parameterisation is defined and overseen from a technical and regulatory perspective by the Finance Department, which reports directly to the General Manager, thereby ensuring the Group's accounting policies and prevailing standards are adhered to. Since all the Alantra Group subsidiaries that are controlled (fully consolidated) use the same accounting information system, local charts of accounts can be used (pursuant to country-specific standards) and converted to a single chart of accounts in accordance with the Alantra Group's configurations. To a large extent, this Alantra Group chart of accounts formed using each of the local charts of accounts, includes the minimum disclosures needed to comply with the reporting requirements set forth by (local and foreign) authorities.
The consolidation process is automated using an application (IBM Cognos Controller) at the Alantra Group's parent, and brings together the month-end accounting information of all the Alantra Group companies. Once all the subsidiaries have completed the monthly close in the Alantra Group's accounting system (where applicable), the data is automatically loaded which informs the accounting consolidation tool as per the chart of accounts configured by the Alantra Group. The financial statements of companies that do not use the Alantra Group's functional currency (euros) are translated in the consolidation system by inputting the relevant exchange rates. The financial statements of all consolidated companies are then automatically aggregated:

- Intragroup items are identified and reconciled automatically, enabling any differences that could arise to be analysed and eliminated correctly.
- Adjustments are made automatically to eliminate own funds-investments.
- The Finance Department is able to input any accounting or off-balance sheet information and make any adjustments that might not be included in the automatic upload (companies not included in SAP, manual book entries, etc.).

This consolidation process is highly automated and involves different controls/reconciliations to ensure the process is carried out correctly. Moreover, once the consolidation process is finalised in the application, several reports are generated based on different previously defined criteria (by country, goodwill, etc.).

F.5. **Monitoring.**

Indicate the existence of at least the following components, describing their main characteristics:

F.5.1 The ICFR monitoring activities undertaken by the audit committee and an internal audit function whose competencies include supporting the audit committee in its role of monitoring the internal control system, including ICFR. Describe the scope of the ICFR assessment conducted in the year and the procedure for the person in charge to communicate its findings. State also whether the company has an action plan specifying corrective measures for any flaws detected, and whether it has taken stock of their potential impact on its financial information.

The Internal Audit Procedure, approved by the Board of Directors on 24 February 2016, establishes that the RCAC will be responsible for overseeing the work performed by the Internal Audit Committee, which is currently outsourced to Informa Consulting Compliance S.L. It must also supervise and be aware of the effectiveness of the Group's internal control, and the risk management systems, including those associated with tax-related risks.
Informa Consulting Compliance S.L.'s functions, meanwhile, as authorised by the Board of Directors and the RCAC, include providing independent verification that the activities performed by the Group comply with its general policy and principles in place. Internal Audit's principal objective is therefore to verify the degree of compliance with and effectiveness of the written procedures that have been designed, and detect any regulatory breaches or sources of risk. Internal Audit must also notify the RCAC of progress with the Annual Plan, activities performed, reports, possible deviations, planned work, and any relevant matters. It will also prepare proposals for any pertinent corrective measures, directly informing the Board of Directors and RCAC of such action.
In the second half of 2020, the Group's Risks and Control Committee presented a report to the Risk Control and Audit Committee on the extent to which the recommendations arising from the review of ICFR processes had been implemented, with proposals for changes to said processes. An assessment was likewise carried out by Internal Audit, currently outsourced to Informa Consulting Compliance S.L.

F.5.2 A discussion procedure whereby the auditor (pursuant to TAS), the internal audit function and other experts can report any significant internal control weaknesses encountered during their review of the financial statements or other assignments, to the company's senior management and its audit committee or board of directors. State also whether the entity has an action plan to correct or mitigate the weaknesses found.

The Group's Internal Audit Procedure established a relationship framework defining the lines of communication between Internal Audit and the RCAC and Board of Directors. Specifically, it is expressly stated that Internal Audit must notify the RCAC of progress with the Annual Plan, activities performed, reports, possible deviations, planned work, and any relevant matters. In turn, the RCAC must evaluate the results and responses of the management team, and serve as a conduit for communications between the Board of Directors and Internal Audit.
If the function is outsourced, the RCAC will also prepare an annual report on the performance of the company charged with internal audit – currently Informa Consulting S.L. – highlighting the main incidents arising, if any, with regard to its duties, and including improvement points in this report.
The RCAC will normally meet with the Board of Directors every three months to review the regular financial information that must be submitted to the authorities and the information that the Board of Directors must approve and include in the annual public reporting documents.
The Board Regulations also include a policy on reporting and relations with the Board (Title X), including the following points: Annual Corporate Governance Report, corporate website, shareholder relations, relations with markets and with accounts auditors. Lastly, one of the main duties of the RCAC is to oversee and remain abreast of the effectiveness of the Group's internal control, internal audit, and risk management systems, and discuss with the accounts auditors any significant weaknesses in the internal control system detected during their audit.

F.6. Other relevant information.

There is no further relevant information on the ICFR.

F.7. External auditor's report.

State whether:

F.7.1 The ICFR information supplied to the market has been reviewed by the external auditor, in which case the corresponding report should be attached. Otherwise, explain the reasons for the absence of this review.

Pursuant to the recommendation on the auditor's report on information concerning the internal control system included in the Guide on Internal Control over Financial Reporting in Listed Companies, published on its website by the Spanish securities markets regulator (Comisión Nacional de Mercado de Valores), the Group will present the content of information on the Internal Control over Financial Reporting System to the accounts auditor for review. The resulting report will be attached on issue as an appendix to the Annual Corporate Governance Report.

G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the degree of the company's compliance with the recommendations of the Good Governance Code of Listed Companies.

Should the company not comply with any of the recommendations or comply only in part, include a detailed explanation of the reasons so that shareholders, investors and the market in general have enough information to assess the company's behaviour. General explanations are not acceptable.

1. The Bylaws of listed companies should not place an upper limit on the votes that can be cast by a single shareholder, or impose other obstacles to the takeover of the company by means of share purchases on the market.

   Compliant [X]   Explain [ ]

2. When the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them, it should make accurate public disclosures on:

   a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.

   b) The mechanisms in place to resolve possible conflicts of interest.

   Compliant [ ]   Partially Compliant [ ]   Explain [ ]   Not Applicable [X]

3. During the annual general meeting the chairman of the board should verbally inform shareholders in sufficient detail of the most relevant aspects of the company's corporate governance, supplementing the written information circulated in the annual corporate governance report. In particular:

   a) Changes taking place since the previous annual general meeting.

   b) The specific reasons for the company not following a given Good Governance Code recommendation, and any alternative procedures followed in its stead.

   Compliant [X]   Partially Compliant [ ]   Explain [ ]

4. The company should draw up and implement a policy of communication and contacts with shareholders, institutional investors and proxy advisors that complies in full with market abuse regulations and accords equitable treatment to shareholders in the same position.

   This policy should be disclosed on the company's website, complete with details of how it has been put into practice and the identities of the relevant interlocutors or those charged with its implementation.

   Notwithstanding the legal obligations regarding the dissemination of insider information and other types of regulated information, the company should also have a general policy regarding the communication of financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

   Compliant [ ]   Partially Compliant [X]   Explain [ ]

   In 2019 this recommendation was fully complied with. However, the changes introduced in 2020 to the Good Governance Code of Listed Companies included the recommendation to prepare a communication policy for financial and non-financial information, and this task remains pending.

5. The board of directors should not make a proposal to the general meeting for the delegation of powers to issue shares or convertible securities without pre-emptive subscription rights for an amount exceeding 20% of capital at the time of such delegation.

   When a board approves the issuance of shares or convertible securities without pre-emptive subscription rights, the company should immediately post a report on its website explaining the exclusion as envisaged in company legislation.

   Compliant [X]   Partially Compliant [ ]   Explain [ ]

6. Listed companies drawing up the following reports on a voluntary or compulsory basis should publish them on their website well in advance of the annual general meeting, even if their distribution is not obligatory:

   a) Report on auditor independence.

   b) Reviews of the operation of the audit committee and the appointments and remuneration committee.

   c) Audit committee report on third-party transactions.

   .

   Compliant [X]   Partially Compliant [ ]   Explain [ ]

7. The company should broadcast its general meetings live on the corporate website.

   The company should also have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, allowing attendance and active participation in the General Shareholders' Meeting to be conducted by such remote means.

   Compliant [X]   Partially Compliant [ ]Explain [ ]

8. The audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. In cases in which the auditor has included a qualification in its audit report, the chair of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

   Compliant [X]Partially Compliant [ ] Explain [ ]

9. The company should disclose its conditions and procedures for admitting share ownership, the right to attend general meetings and the exercise or delegation of voting rights, and display them permanently on its website.

   Such conditions and procedures should encourage shareholders to attend and exercise their rights and be applied in a non-discriminatory manner.

   Compliant [X] Partially Compliant [ ] Explain [ ]

10. When an accredited shareholder exercises the right to supplement the agenda or submit new proposals prior to the general meeting, the company should:

    a) Immediately circulate the supplementary items and new proposals.

    b) Publish the attendance card credential or proxy form or form for distance voting with the changes such that the new agenda items and alternative proposals may be voted upon under the same terms and conditions as those proposals made by the board of directors.

    c) Put all these items or alternative proposals to the vote applying the same voting rules as for those submitted by the board of directors, with particular regard to presumptions or deductions about the direction of votes.

    d) After the general meeting, disclose the breakdown of votes on such supplementary items or alternative proposals.

    Compliant [X] Partially Compliant [ ] Explain [ ] Not Applicable [ ]

11. In the event that a company plans to pay for attendance at the general meeting, it should first establish a general, long-term policy in this respect.

    Compliant [X] Partially Compliant [ ] Explain [ ] Not Applicable [ ]

12. The board of directors should perform its duties with unity of purpose and independent judgement, according the same treatment to all shareholders in the same position. It should be guided at all times by the company's best interest, understood as the creation of a profitable business that promotes its sustainable success over time, while maximising its economic value.

    In pursuing the corporate interest, it should not only abide by laws and regulations and conduct itself according to principles of good faith, ethics and respect for commonly accepted customs and good practices, but also strive to reconcile its own interests with the legitimate interests of its employees, suppliers, clients and other stakeholders, as well as with the impact of its activities on the broader community and the natural environment.

    Compliant [X] Partially Compliant [ ] Explain [ ]

13. The board of directors should have an optimal size to promote its efficient functioning and maximise participation. The recommended range is accordingly between five and fifteen members.

Compliant [X]   Explain [ ]

14. The Board of Directors should approve a director selection policy aimed at favouring an appropriate composition of the Board and which:

a) Is concrete and verifiable.
b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives also favour gender diversity.

The results of the prior analysis of board required competences should be written up in the appointments committee's explanatory report, to be published when the general meeting is convened that will ratify the appointment and re-election of each director.

The appointments committee should run an annual check on compliance with the director selection policy and set out its findings in the annual corporate governance report.

Compliant [ ]   Partially Compliant [X]   Explain [ ]

The Company complied with all aspects of this recommendation except for the requirement that it introduces measures to ensure that it has a significant number of female senior executives. In 2019 the Company partially complied with this recommendation as it did not meet the target for the number of female members of the Board of Directors. This issue, with a different aim, was addressed in Recommendation 15 in the 2020 review of the Code.
However, as per the provisions of the Company's board selection policy, the principles applied to the processes to select board members must expressly:
- Ensure selection procedures do not have any implicit bias, and do not discriminate because of race, gender or any other reason.
- Encourage the presence of women on the Board, proactively searching for candidates with the right professional profile.

15. Proprietary and independent directors should constitute an ample majority on the board of directors, while the number of executive directors should be the minimum practical bearing in mind the complexity of the corporate group and the ownership interests they control.

The number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Compliant [ ]   Partially Compliant [X]   Explain [ ]

In 2019 the Company fully complied with this recommendation. However, following the amendment of the code we are now partially compliant as internal policies have not been adapted to take into account the target for the number of female members of the Board of Directors of 30% from 2020 to 2022 and at least 40% by the end of 2022.

In line with advice from the appointments and remuneration committee, the Board of Directors agreed, on 11 November 2015, not to include, for the time being, this principle in the board selection policy approved at that date. However, as per the provisions of the aforementioned selection policy, the principles applied to the processes to select board members must expressly:

- Ensure selection procedures do not have any implicit bias, and do not discriminate because of race, gender or any other reason.

- Encourage the presence of women on the Board, proactively searching for candidates with the right professional profile.

16. The percentage of proprietary directors out of all non-executive directors should be no greater than the proportion between the ownership stake of the shareholders they represent and the remainder of the company's capital.

This criterion can be relaxed:

a) In large cap companies where few or no equity stakes attain the legal threshold for significant shareholdings.

b) In companies with a plurality of shareholders represented on the board but not otherwise related.

Compliant [X] Explain [ ]

17. Independent directors should be at least half of all board members.

However, when the company does not have a large market capitalisation, or when a large cap company has shareholders individually or concertedly controlling over 30 per cent of capital, independent directors should occupy, at least, a third of board places.

Compliant [X] Explain [ ]

18. Companies should disclose the following director particulars on their websites and keep them regularly updated:

a) Background and professional experience.

b) Directorships held in other companies, listed or otherwise, and other paid activities they engage in, of whatever nature.

c) Statement of the director class to which they belong, in the case of proprietary directors indicating the shareholder they represent or have links with.

d) Dates of their first appointment as a board member and subsequent re-elections.

e) Shares held in the company, and any options on the same.

Compliant [X] Partially Compliant [ ] Explain [ ]

19. Following verification by the appointments committee, the annual corporate governance report should disclose the reasons for the appointment of proprietary directors at the urging of shareholders controlling less than 3 per cent of capital; and explain any rejection of a formal request for a board place from shareholders whose equity stake is equal to or greater than that of others applying successfully for a proprietary directorship.

Compliant [ ] Partially Compliant [ ] Explain [ ] Not applicable [X]

20. Proprietary directors should resign when the shareholders they represent dispose of their ownership interest in its entirety. If such shareholders reduce their stakes, thereby losing some of their entitlement to proprietary directors, the latters' number should be reduced accordingly.

Compliant [ ]   Partially Compliant [ ]   Explain [ ]   Not applicable [X]

21. The board of directors should not propose the removal of independent directors before the expiry of their tenure as mandated by the bylaws, except where they find just cause, based on a proposal from the appointments committee. In particular, just cause will be presumed when directors take up new posts or responsibilities that prevent them allocating sufficient time to the work of a board member, or are in breach of their fiduciary duties or come under one of the disqualifying grounds for classification as independent enumerated in the applicable legislation.

    The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate transaction alters the company's capital structure, provided the changes in board membership ensue from the proportionality criterion set out in recommendation 16.

    Compliant [X]   Explain [ ]

22. Companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects, as well as of how the legal proceedings subsequently unfold.

    If the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the appointments and remuneration committee, whether or not any measures must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. These events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This notwithstanding the information that the company must disseminate, if appropriate, at the time the corresponding measures are implemented.

    Compliant [X]   Partially Compliant [ ]   Explain [ ]

23. Directors should express their clear opposition when they feel a proposal submitted for the board's approval might damage the corporate interest. In particular, independents and other directors not subject to potential conflicts of interest should strenuously challenge any decision that could harm the interests of shareholders lacking board representation.

When the board makes material or reiterated decisions about which a director has expressed serious reservations, then he or she must draw the pertinent conclusions. Directors resigning for such causes should set out their reasons in the letter referred to in the next recommendation.

The terms of this recommendation also apply to the secretary of the board, even if he or she is not a director.

Compliant [X] Partially compliant [ ] Explain [ ] Not applicable [ ]

24. Whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

Although all this is reported in the annual corporate governance report, insofar as it is relevant to investors, the company must also publish details of the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Compliant [X] Partially compliant [ ] Explain [ ] Not applicable [ ]

25. The appointments committee should ensure that non-executive directors have sufficient time available to discharge their responsibilities effectively.

The board of director's regulations should lay down the maximum number of company boards on which directors can serve.

Compliant [X] Partially compliant [ ] Explain [ ]

26. The board should meet with the necessary frequency to properly perform its functions, eight times a year at least, in accordance with a calendar and agendas set at the start of the year, to which each director may propose the addition of initially unscheduled items.

Compliant [X] Partially Compliant [ ] Explain [ ]

27. Director absences should be kept to a strict minimum and quantified in the annual corporate governance report. In the event of absence, directors should delegate their powers of representation with the appropriate instructions.

Compliant [X] Partially Compliant [ ] Explain [ ]

28. When directors or the secretary express concerns about some proposal or, in the case of directors, about the company's performance, and such concerns are not resolved at the meeting, they should be recorded in the minute book if the person expressing them so requests.

Compliant [X] Partially compliant [ ] Explain [ ] Not applicable [ ]

29. The company should provide suitable channels for directors to obtain the advice they need to carry out their duties, extending if necessary to external assistance at the company's expense.

Compliant [X] Partially Compliant [ ] Explain [ ]

30. Regardless of the knowledge directors must possess to carry out their duties, they should also be offered refresher programmes when circumstances so advise.

Compliant [X] Partially Compliant [ ] Explain [ ]

31. The agendas of board meetings should clearly indicate on which points directors must arrive at a decision, so they can study the matter beforehand or gather together the material they need.

For reasons of urgency, the chairman may wish to present decisions or resolutions for board approval that were not on the meeting agenda. In such exceptional circumstances, their inclusion will require the express prior consent, duly minuted, of the majority of directors present.

Compliant [X] Partially Compliant [ ] Explain [ ]

32. Directors should be regularly informed of movements in share ownership and of the views of major shareholders, investors and rating agencies on the company and its group.

Compliant [X] Partially Compliant [ ] Explain [ ]

33. The chairman, as the person charged with the efficient functioning of the board of directors, in addition to the functions assigned by law and the company's bylaws, should prepare and submit to the board a schedule of meeting dates and agendas; organise and coordinate regular evaluations of the board and, where appropriate, the company's chief executive officer; exercise leadership of the board and be accountable for its proper functioning; ensure that sufficient time is given to the discussion of strategic issues, and approve and review refresher courses for each director, when circumstances so advise.

Compliant [X] Partially Compliant [ ] Explain [ ]

34. When a lead independent director has been appointed, the bylaws or board of directors regulations should grant him or her the following powers over and above those conferred by law: chair the board of directors in the absence of the chairman or vice chairmen give voice to the concerns of non-executive directors; maintain contacts with investors and shareholders to hear their views and develop a balanced understanding of their concerns, especially those to do with the company's corporate governance; and coordinate the chairman's succession plan.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

35. The board secretary should strive to ensure that the board's actions and decisions are informed by the governance recommendations of the Good Governance Code of relevance to the company.

Explain [ ]

36. The board in full should conduct an annual evaluation, adopting, where necessary, an action plan to correct weakness detected in:

a) The quality and efficiency of the board's operation.

b) The performance and membership of its committees.

c) The diversity of board membership and competences.

d) The performance of the chairman of the board of directors and the company's chief executive.

e) The performance and contribution of individual directors, with particular attention to the chairmen of board committees.

The evaluation of board committees should start from the reports they send the board of directors, while that of the board itself should start from the report of the appointments committee.

Every three years, the board of directors should engage an external facilitator to aid in the evaluation process. This facilitator's independence should be verified by the appointments committee.

Any business dealings that the facilitator or members of its corporate group maintain with the company or members of its corporate group should be detailed in the annual corporate governance report.

The process followed and areas evaluated should be detailed in the annual corporate governance report.

Compliant [X] Partially Compliant [ ] Explain [ ]

37. If there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Compliant [ ] Partially Compliant [ ] Explain [ ] Not applicable [X]

38. The board should be kept fully informed of the business transacted and decisions made by the executive committee. To this end, all board members should receive a copy of the committee's minutes.

Compliant [ ] Partially Compliant [ ] Explain [ ] Not applicable [X]

39. The members of the audit committee, in particular its chairman, must be appointed taking into consideration their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Compliant [X] Partially Compliant [ ] Explain [ ]

40. Listed companies should have a unit in charge of the internal audit function, under the supervision of the audit committee, to monitor the effectiveness of reporting and control systems. This unit should report functionally to the board's non-executive chairman or the chairman of the audit committee.

Compliant [X] Partially Compliant [ ] Explain [ ]

41. The person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

42. The audit committee should have the following functions over and above those legally assigned:

1. With respect to internal control and reporting systems:

   a) Supervising and evaluating the preparation process and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.

   b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.

   c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.

   d) Generally ensuring that internal control policies and systems are effectively applied in practice.

2. With regard to the external auditor:

   a) Investigate the issues giving rise to the resignation of the external auditor, should this come about.

   b) Ensure that the remuneration of the external auditor does not compromise its quality or independence.

   c) Ensure that the company notifies any change of external auditor to the CNMV as a material event, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same.

   d) Ensure that the external auditor has a yearly meeting with the board in full to inform it of the work undertaken and developments in the company's risk and accounting positions.

   e) Ensure that the company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.

Compliant [X]   Partially Compliant [ ]   Explain [ ]

43. The audit committee should be empowered to meet with any company employee or manager, even ordering their appearance without the presence of another senior officer.

Compliant [X]   Partially Compliant [ ]   Explain [ ]

44. The audit committee should be informed of any fundamental changes or corporate transactions the company is planning, so the committee can analyse the operation and report to the board beforehand on its economic conditions and accounting impact and, when applicable, the exchange ratio proposed.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

45. Risk control and management policy should identify at least:

a) The different types of financial and non-financial risk the company is exposed to (including operational, technological, financial, legal, social, environmental, political and reputational risks), with the inclusion under financial or economic risks of contingent liabilities and other off- balance-sheet risks.

b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.

c) The setting of the risk level that the company deems acceptable.

d) Measures in place to mitigate the impact of risk events should they occur.

e) The internal reporting and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

Compliant [X] Partially Compliant [ ] Explain [ ]

46. Companies should establish a risk control and management function in the charge of one of the company’s internal department or units and under the direct supervision of the audit committee or some other dedicated board committee. This function should be expressly charged with the following responsibilities:

a) Ensure that risk control and management systems are functioning correctly and, specifically, that major risks the company is exposed to are correctly identified, managed and quantified.

b) Participate actively in the preparation of risk strategies and in key decisions about their management.

c) Ensure that risk control and management systems are mitigating risks effectively in the frame of the policy drawn up by the board of directors.

Compliant [X] Partially Compliant [ ] Explain [ ]

47. Appointees to the appointments and remuneration committee - or of the appointments committee and remuneration committee, if separately constituted - should have the right balance of knowledge, skills and experience for the functions they are called on to discharge. The majority of their members should be independent directors.

Compliant [X] Partially Compliant [ ] Explain [ ]

48. Large cap companies should operate separately constituted appointments and remuneration committees.

Compliant [ ] Explain [ ] Not applicable [X]

49. The appointments committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors.

When there are vacancies on the board, any director may approach the appointments committee to propose candidates that it might consider suitable.

Compliant [X] Partially Compliant [ ] Explain [ ]

50. The remuneration committee should operate independently and have the following functions in addition to those assigned by law:

a) Propose to the board the standard conditions for senior officer contracts.

b) Monitor compliance with the remuneration policy set by the company.

c) Periodically review the remuneration policy for directors and senior officers, including share-based remuneration systems and their application, and ensure that their individual compensation is proportionate to the amounts paid to other directors and senior officers in the company.

d) Ensure that conflicts of interest do not undermine the independence of any external advice the committee engages.

e) Verify the information on director and senior officers' pay contained in corporate documents, including the annual directors' remuneration statement.

Compliant [X] Partially Compliant [ ] Explain [ ]

51. The remuneration committee should consult with the company's chairman and chief executive, especially on matters relating to executive directors and senior officers.

Compliant [X] Partially Compliant [ ] Explain [ ]

52. The terms of reference of supervision and control committees should be set out in the board of director's regulations and aligned with those governing legally mandatory board committees as specified in the preceding sets of recommendations. They should include at least the following terms:

a) Committees should be formed exclusively by non-executive directors, with a majority of independents.

b) They should be chaired by independent directors.

c) The board should appoint the members of such committees with regard to the knowledge, skills and experience of its directors and each committee's terms of reference; discuss their proposals and reports; and provide report-backs on their activities and work at the first board plenary following each committee meeting.

d) They may engage external advice, when they feel it necessary for the discharge of their functions.

e) Meeting proceedings should be minuted and a copy made available to all board members.

Compliant [ ] Partially Compliant [ ] Explain [ ] Not applicable [X]

53. The supervision of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct, must be assigned to one or more of the committees of the Board of Directors, which may be the audit committee, the appointments committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. Said committee must be composed exclusively of non-executive directors, of which a majority are independent directors, and at least the functions indicated in the next recommendation must be specifically assigned to it.

Compliant [X]   Partially Compliant [ ]   Explain [ ]

54. The minimum functions referred to in the foregoing recommendation are the following:

a) Monitoring compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.

b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium-sized shareholders must also be monitored.

c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, to ensure that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.

d) Supervision of the company's environmental and social practices to ensure that they are in alignment with the established strategy and policy.

e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Compliant [X] Partially Compliant [ ] Explain [ ]

55. Environmental and social sustainability policies must identify and include at least the following:

a) Principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct.

b) Means or systems for monitoring compliance with these policies, their associated risks, and management.

c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.

d) Channels of communication, participation and dialogue with stakeholders.

e) Responsible communication practices that prevent the manipulation of data and protect integrity and honour.

Compliant [X] Partially Compliant [ ] Explain [ ]

In 2019 the Company fully complied with this recommendation. However, we are now partially compliant as the Company's corporate social responsibility policy has not yet been adapted in line with the new approach and terminology proposed in the Code following the changes introduced in 2020.

Compliant [X] Partially Compliant [ ] Explain [ ]

56. Director remuneration should be sufficient to attract individuals with the desired profile and compensate the commitment, abilities and responsibility that the post demands, but not so high as to compromise the independent judgement of non-executive directors.

Compliant [X] Explain [ ]

57. Variable remuneration linked to the company and the director's performance, the award of shares, options or any other right to acquire shares or to be remunerated on the basis of share price movements, and membership of long-term savings schemes such as pension plans should be confined to executive directors.

The company may consider the share-based remuneration of non-executive directors provided they retain such shares until the end of their mandate. The above condition will not apply to any shares that the director must dispose of to defray costs related to their acquisition.

Compliant [X] Partially Compliant [ ] Explain [ ]

58. In the case of variable awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind.

In particular, variable remuneration items should meet the following conditions:

a) Be subject to predetermined and measurable performance criteria that factor the risk assumed to obtain a given outcome.

b) Promote the long-term sustainability of the Company and include non-financial criteria that are relevant for the company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

c) Be focused on achieving a balance between the delivery of short-, medium- and long-term objectives, such that performance-related pay rewards ongoing achievement, maintained over sufficient time to appreciate its contribution to long-term value creation. This will ensure that performance measurement is not based solely on one-off, occasional or extraordinary events.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

59. The payment of variable remuneration components must be subject to sufficient verification that previously established performance targets or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used to verify this, depending on the nature and characteristics of each variable component.

Additionally, companies should consider including a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Compliant [ ] Partially Compliant [X]Explain [ ] Not applicable [ ]

In 2019 the Company fully complied with this recommendation. However, we are now partially compliant as the changes to the Code in 2020 included the establishment of a "malus" clause that the contract of the Executive Chairman does not contain.

60. Remuneration linked to company earnings should bear in mind any qualifications stated in the external auditor's report that reduce their amount.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

61. A major part of executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

Although it is envisaged that future variable remuneration will be linked with the awarding of shares, this has not been set up. It should nevertheless be noted that the Chairman and CEO (the Company's only executive director) is a significant shareholder of the Company, so the alignment of interests pursued by this variable remuneration structure is largely achieved.

62. Once shares or options or financial instruments have been allocated under remuneration schemes, executive directors should be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the appointments and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Compliant [ ] Partially Compliant [ ] Explain [ ] Not applicable [X]

63. Contractual arrangements should include provisions that permit the company to reclaim variable components of remuneration when payment was out of step with the director's actual performance or based on data subsequently found to be misstated.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

64. Payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments which accrue or the company is obliged to pay as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested in long-term savings schemes and amounts paid in respect of post-contractual non-competition agreements.

Compliant [X] Partially Compliant [ ] Explain [ ] Not applicable [ ]

- Highly regulated sector (regulatory risk and compliance risk): the activities of the Alantra Group are subject to a high

H. OTHER INFORMATION OF INTEREST

1. If you consider that there is any material aspect or principle relating to the Corporate Governance practices followed by your company that has not been addressed in this report and which is necessary to provide a more comprehensive view of the corporate governance structure and practices at the company or group, explain briefly.

2. You may include in this section any other information, clarification or observation related to the above sections of this report.

   Specifically indicate whether the company is subject to corporate governance legislation from a country other than Spain and, if so, include the compulsory information to be provided when different from that required by this report.

3. Also state whether the company voluntarily subscribes to other international, sectorial or other ethical principles or standard practices. If applicable, identify the code and date of adoption. In particular, expressly state whether the Company has endorsed the Code of Good Tax Practices of 20 July 2010:

SECTION A.2
The information in this section has been taken from the records of shareholders as at 31 December 2020 provided to the Company by IBERCLEAR (given that the Company's shares are registered shares) and from the information in the official registers of significant shareholdings of the Spanish securities markets regulator (Comisión Nacional del Mercado de Valores or CNMV).

SECTION C.1.25
For the sake of clarity, it is placed on record that during 2020 the Board of Directors met physically or by telephone on nine occasions and adopted resolutions in writing without a meeting on two occasions.
It is likewise noted for the record that the Risk Control and Audit Committee met physically or by telephone on six occasions, and the Appointments and Remuneration Committee met physically or by telephone on six occasions.
It is placed on record that each year the Board approves a calendar or schedule of Board meetings and Committee meetings for the year with the aim of facilitating and encouraging attendance at those meetings by the Directors.

For the sake of clarity, it is placed on record that, during 2020, the Board of Directors met physically, by telephone or by video conference on nine occasions and adopted resolutions in writing without a meeting on one occasion.
It is likewise noted for the record that the Risk Control and Audit Committee met physically, by telephone or by video conference on five occasions, and the Appointments and Remuneration Committee met physically, by telephone or by video conference on five occasions.
It is placed on record that each year the Board approves a calendar or schedule of Board meetings and Committee meetings for the year with the aim of facilitating and encouraging attendance at those meetings by the Directors.
SECTION E.3. Indicate the main risks, including tax risks, which may affect the achievement of business objectives.
The Company is exposed to a range of risks that can be divided into two types: those strictly related to its financial statements (credit, liquidity and market risk) and those inherent in its activities, which can in turn be classified as risks related to the industry in which the Company operates and risks that are specific to Alantra.
Information on the first type of risk, credit, liquidity and market risk, is disclosed in Note 21 to the Annual Financial Statements. Said note discloses details of the Company’s exposure to two situations arising in 2020 which had, and have, a material impact on. markets: Brexit and the COVID-19 pandemic.
With regard to risks inherent in the Company’s activities, those related to the industry in which it operates, i.e. financial consultancy and asset management, are as follows:
- Highly competitive sector: the mid market sector, in which the Alantra Group mainly operates, is a very competitive market with margins constantly under pressure. The Alantra Group’s strategy to mitigate this risk is one of strategic, geographical and sector diversification. The Company’s management also considers ensuring the quality of the products and services provided to customers and investors to be a fundamental aspect of its work.
- Dependence on key staff (risk of loss of human capital): the Alantra Group’s main asset is its staff. Managing talent by means of an appropriate remuneration policy and career planning, including a training plan, and the implementation of various retention schemes are key to managing and mitigating this risk.
- Reputation risk: potential conflicts with customers, incidents detected by regulatory authorities or claims against suppliers could affect the Group’s reputation. The Group has a Code of Ethics and an anti-corruption policy setting out the principles that govern the behaviour of all employees and management.

degree of regulation and supervision. Regulatory compliance is fundamental for the Group. The Group has appropriate procedures and tools for combating money-laundering and the financing of terrorism including customer acceptance procedures and the ongoing monitoring of risk. Legislative changes are reviewed to assess their potential impact on the businesses.

The internal audit function constantly monitors to ensure compliance with legislative requirements and reports any potential non-compliance directly to the Risk Control and Audit Committee.

- Operational risk: failures in the Group's processes could lead to losses. Information systems infrastructures are outsourced to highly respected suppliers. The Group has a customer service function and an investor relations department. The operational procedures in each of its businesses are also subject to regular reviews. One of the main operational risks is that of cyber security. Alantra considers this to be a strategic risk. If the businesses are unable to access data, or said data was compromised by a cyber attack, this would impact the achievement of business objectives. To mitigate this risk, the Group has developed a strategic cyber security plan which is reviewed quarterly by the Risk Control and Audit Committee. The Group also has a data security officer, a policy on the use of electronic devices, a protocol for handling security incidents, specific, ongoing training for all Group employees on cyber security, and procedures for fully managing this risk. The measures in place include a specific insurance policy for cyber security events.

Finally, the risks that are specific to Alantra, and the corresponding management and mitigation factors are:

- Risks related to international expansion: in recent years the Alantra Group has developed an ambitious plan to expand internationally and grow its portfolio of products and services, which necessarily involves implementation risks. The implications of this strategy include significant pressure on the Group's management resources and its IT, technology and management systems. The opening of new offices or new businesses that do not generate profits, or difficulties in integrating and managing said offices or new businesses, could have a negative effect on the Group's operating results. To mitigate this risk the Alantra Group has a corporate development department that specialises in identifying new opportunities and integrating them into the business. The effects of the pandemic have tested the effectiveness of the Group's systems, which have enabled the business to continue and all teams to keep working, even when they couldn't physically access their offices.

- Conflicts of interest: Alantra operates a number of business lines in different countries. The expansion and internationalisation processes could lead to situations in which two or more Alantra Group business units have interests in the same transaction, resulting in a potential conflict of interest. Alantra has a policy for managing conflicts of interest in order to minimise them, identifying them and, if required, implementing measures to mitigate them. - Tax risk: the regulatory complexity surrounding the services provided by the Alantra Group's businesses, and its management of assets in a number of countries, expose the Group to the risk of non-compliance with tax obligations where they arise. To mitigate this risk, the Group receives advice from specialist firms in all the markets in which it operates. In specific cases, furthermore, in addition to these ongoing services, the Group seeks a second opinion from specialist tax consultants. Since 2016 the Company has had a transfer pricing policy which is regularly reviewed and reported on. All these activities form part of the Alantra Group's policy on tax matters.

- Risks related to being listed on a securities market: as a listed company, Alantra Partners, S.A. is subject to specific supervision and regulations, giving rise to additional regulatory compliance risks. Furthermore, the fact that its market capitalisation fluctuates with the share price represents an additional risk when capital increases are needed, so the situation of the markets could affect the Group's growth plans. The Company's management regularly monitors this risk.

This Annual Corporate Governance Report was adopted by the Company's Board of Directors at its meeting held on 24 March 2021.

List whether any directors voted against or abstained from voting on the approval of this report.

[ ] Yes
[√] No

Alantra Partners, S.A. and companies comprising the Alantra Group

Statement of Non-Financial Information
For the year ended
31 December 2020

This Statement of Non-Financial Information is published in compliance with Spanish Law 11/2018 of 28 December 2018, which amended the Spanish Commercial Code (Código de Comercio), the consolidated text of the Spanish Corporations Act (Ley de Sociedades de Capital) approved by Legislative Royal Decree 1/2010 of 2 July 2010 and Spanish Law 22/2015 of 20 July 2015 on the auditing of accounts, as regards non-financial information and diversity.

This document refers to the activity of Alantra Partners, S.A. and companies comprising the Alantra Group, hereinafter "Group", "Alantra" or "the Company". This Statement of Non-Financial Information has been prepared on the basis of the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, the internationally recognised reporting standard, following the principles and content defined in the most recent update (GRI Standards).

The sector regulation and context have also been taken into account to determine the non-financial issues that are significant for Alantra, as have the main demands of stakeholders, industry trends and best practices.

There follows, in response to those material issues, a description of the main contours of the Company's non-financial performance regarding environmental, social, labour and human rights issues and those relating to the fight against corruption and bribery.

I. BRIEF OVERVIEW OF ALANTRA: BUSINESS MODEL, ORGANISATION AND ACTIVITIES

Alantra is a global investment banking and asset management firm that operates in the so-called 'mid-market'. At year-end 2020 it had 584 employees of more than 35 different nationalities, working out of 24 offices in 16 different countries. Alantra is present in the European market as well as in the United States, Latin America and Asia. This structure allows Alantra to offer services with global reach and deep local penetration.

Alantra was founded in 2001 under the name N+1. In 2015 the Company merged with Dinamia Capital Privado (a listed private equity firm managed by the Group) and became a publicly traded company. This represented, amongst other changes, a step forward in the evolution of its culture of transparency and professionalisation of processes. The following year, the Group adopted its current trade name, Alantra, to integrate all the professionals working in numerous countries who in the preceding years had joined the Company as it grew and internationalised.

Alantra has three core business areas:

a) Investment Banking: financial advising to enterprises and entities in corporate transactions (mergers and acquisitions, advisory services on debt, restructuring, capital markets, strategic advising, etc.) and investment services (analysis and intermediation).

   This business area, with more than 270 professionals working in 16 countries, since 2013 has advised in over 1,100 successfully concluded transactions.

b) Corporate Portfolio Advisory: advisor to financial institutions and institutional investors in credit and real estate transactions, and advising on transactions in asset management platforms.

   This area has more than 170 professionals in eight countries and since 2013 has advised customers in over 260 successful transactions.

c) Asset Management: specialised asset management via diverse investment strategies (direct investment, funds of funds, co-investments, secondary transactions, etc.) and different asset classes (private equity, private debt, active management funds, infrastructure, energy transition, venture capital, etc.).

Alantra Asset Management has more than EUR 2,600 million euros in assets under management (at 31 December 2020), raised EUR 11,700 million of capital for funds of funds and has over 350 institutional investors. This activity is currently carried on by more than 60 professionals.

II. CULTURE AND VALUES

"*Culture may even be described simply as that which makes life worth living". T.S. Elliot, Notes Towards a Definition of Culture.*

Alantra's culture is its main integrating and, ultimately, motivating force. Our culture is the combination of the objectives, values and general ideas shared by the members of our organisation. Our culture is our "mind", while our "body" is the way we organise our resources and people to achieve our goals. The Alantra corporate culture is the tool for creating and maintaining tight-knit groups, an indispensable requirement for a global company such as ours.

Alantra's culture rests on a series of key values that constitute the essence of what we aspire to be as a corporate institution:

- Alantra is, and wishes to remain, a partnership, even though it is traded on the stock market. In a partnership, the executive partners assume ultimate responsibility for the enterprise's actions; that responsibility is borne collectively as partners, but also individually. A fundamental principle of our culture is respect for individual autonomy and for independent thinking. In exchange, we expect individuals to be accountable for their decisions and for their work performance. This principle extends to our partners and affects all our professionals.
- In Alantra, duty comes before results. The legitimate aspiration and determination to achieve solid results must never take precedence over duty. We believe that, even in such a competitive environment, it is possible to work productively and profitably while always doing what is right. The company's culture aims to foster, not to blunt, this sense of duty.
- Our interests must never come before our customers. Our customers' interests come first, but respecting ours. The interrelation between the two must be equitable.
- An essential value in the Alantra culture is that our professionals work in an environment that puts a premium on respect, autonomy, critical thinking and respect for other people's ideas, opportunities to learn and advance based on one's merits, reasonable expectations of time and effort, a good working environment, ethical behaviour and, above all, the sense of participating in a project designed by and for all.
- Alantra seeks to be a global company with global perspective and outlook, without physical or mental borders, striving for communication and understanding despite distances and regional and national differences, and with the aspiration that each and every one of our professionals play a key role in the pursuit of our collective project regardless of their position or location.

III. MAIN RISKS AND POLICIES

Alantra's corporate governance procedures and organisation are focused, among other matters, on managing and controlling risks, including tax risks. The Company has a Risk and Control Committee with total independence of the business lines and reporting directly to the Audit and Risk Control Committee). The Risk and Control Committee (RCC) is headed by the head of risks and regulatory compliance and has as permanent members the general manager (including the technology department and human resources area), general secretary, chief legal officer and an associate from the risks and regulatory compliance department. Furthermore, risk control is taken into consideration in all strategic and operating decisions adopted by the parent Company and by each of the subsidiaries.

The Group continuously analyses its global risk profile using a risks map to identify and record new risk situations and monitor exposure by means of risk parameters and indicators of possible loss events due to failed processes, possible litigation, tax risk, etc. The materiality of those risks is classified according to their possible impact on the income statement and in terms of reputational risk. This information is used to establish the risk exposure materiality threshold and for making decisions on risk mitigation or transfer.

The work methodology for identifying and monitoring risks is described in the Annual Corporate Governance Report for 2020, attached as Annex I to the Consolidated Directors' Report in section E.3.

1. Materiality

The Company is exposed to a series of risks that can be classified into two groups: first, those strictly relating to the Group's financial statements (credit, liquidity and market risks); and second, those risks inherent to its activity, which may be classified in turn into risks of the industry in which the Company operates and risks that are specific to Alantra. The information on the first —credit, liquidity and market risks— is detailed in Note 21 to the Annual Financial Statements.

<u>Risk factors specific to the industry</u>:

- Highly competitive sector
- Dependence on key employees (risk of loss of human capital)
- Reputational risk
- Highly regulated sector (regulatory and compliance risk)
- Operational risk

<u>Risk factors specific to Alantra</u>

- Risks arising from international expansion
- Conflicts of interest
- Tax risk
- Risks associated with being traded on the stock market

The risks mentioned above are broken down in section E.3 of the 2020 Annual Corporate Governance Report attached as Annex I to the Consolidated Directors' Report.

With the risks identified, Alantra views their materiality as part of the aforesaid analysis and places priority focus on the possible specific risks according to their potential repercussions both for Alantra's activity and for its stakeholders: customers, suppliers, society, employees and shareholders. This analysis allows the plan of action to be prioritised according to the severity of the risks and their likelihood of materialising within a time horizon of 12 months. In addition, taking into account the sector context and regulation, along with the main demands of our stakeholders and industry trends, it is concluded that the non-financial matters of significance for Alantra fall into four broad groups: ethics and compliance, risk management, attracting and retaining talent, and investment guided by environmental, social and governance (ESG) criteria.

2. Business Risks and Key Policies

Both the existence of a structured process and the policies and procedures in place are key measures for reducing risks. Another important measure is raising the awareness of employees and the in-service training offered by Alantra, including mandatory training actions on regulatory compliance questions, either through in-class sessions or on e-learning platforms.

The Risks and Regulatory Compliance Department is responsible for continuously reviewing the internal control system, both with an eye to improving the system and to ensuring compliance with external rules and internal policies and procedures. The Risk and Control Committee, with the support of the Legal Department and the Risks and Regulatory Compliance Department, conducts an assessment of regulatory changes and compliance with the prevailing regulations, in order to adopt the necessary measures for ensuring observance of those rules and, where their material impact is especially significant, for their inclusion in the risks map.

Alantra also has a criminal risks map. That map identifies all possible risks of criminal wrongdoing to which Alantra may be exposed, classifies them and sets out the associated mitigation policies.

The following tables details the principal measures, policies and procedures Alantra has in place for controlling and mitigating some of the risks discussed in the preceding section. For all types or risks, Alantra considers that the impact may possibly be felt by all our stakeholders, but from the standpoint of non-financial information the impact is likely to be higher for the stakeholders mentioned in the third column of the table.

TYPE OF RISK	MITIGATION MEASURES, POLICIES AND PROCEDURES	STAKEHOLDER
Highly regulated sector (regulatory risk and compliance risk)	Internal Code of Conduct on Securities Market Matters (ICC) Money-Laundering Prevention Manual (and ad hoc schedules) System of Internal Control over Financial Reporting (ICFR system) Handbook of Accounting Policies of the Alantra Group ARCC RCC	Customers, employees, suppliers, society, shareholders
Highly competitive sector and reputational risk	General Code of Ethics and Conduct (Code of Ethics) Anti-corruption Policy Money-Laundering Prevention Manual (and ad hoc schedules) Procedure for Evaluating Alantra Group Directors and Executives Policy on Managing Conflicts of Interest	Customers, shareholders, employees
Dependence on key employees (risk of loss of human capital) and reputational risk	Code of Ethics Internal Code of Conduct (ICC) Alantra Group Remuneration Policy Director Remuneration Policy Global Procurement Protocol Manual on Career Paths and Promotion Criteria Whistleblowing Policy	Employees, suppliers

	Anti-corruption Policy	
Operational risks (including environmental risk and risks to cybersecurity and protection of data and assets)	Policy on Managing Conflicts of Interest CSR policy Data Protection Policy Policy on Use of Electronic Devices Cybersecurity Process Security Incidents Process Business Continuity Plan ARCC RCC	Customers, shareholders, suppliers, society, employees
Risks associated with international expansion	Code of Ethics Internal Code of Conduct Money-Laundering Prevention Manual Policy on Managing Conflicts of Interest	Shareholders, customers, employees
Conflicts of interest	Policy on Managing Conflicts of Interest	Employees, society

In addition to the types of risk and measures identified in the preceding table, the following table shows the primary measures, policies and procedures implemented to control those risks in Alantra's main activities:

TYPE OF RISK	MITIGATION MEASURES, POLICIES AND PROCEDURES	STAKEHOLDER
Relating to our Capital Markets business	Internal Control Procedure Capital Markets Procedures Procedure for Registering Customers and Contracting Services Procedure for Selecting Financial Intermediaries Policy on Procedures for Reporting Suspicious Transactions Underwriting Procedure Customer Care Regulation	Employees, customers
Relating to Investment Banking	Customer Acceptance Policy Alantra Product Management Procedures and Operating Procedures in Corporate Finance Activities. Customer Care Regulation	Employees, customers
Relating to Asset Management	Management and Administration Procedure Procedure for Exercise of Voting Rights Procedure of the Regulatory Compliance Unit Procedure of the Risk Control Unit Procedure for Selecting Financial Intermediaries Procedure on Related Party Transactions Management and Administration Procedure Policy on Managing Conflicts of Interest Delegation of Functions and Oversight of Delegated Activities Subscriptions and Redemptions Procedure Customer Care Regulation	Customers Employees Society
Relating to intermediation and analysis	Procedure for Evaluating Alantra Group Directors and Executives Best Execution Policy Procedure for Receipt of Buy/Sell Orders Procedure for Mandatory Recordkeeping Procedure on Personal Transactions Market Research Procedure Organisation of Outsourcing of Essential Services Procedure for Management of Middle Office Operations Procedure for Creation, Publication and Distribution of Analysis Products Limits Management Procedure Procedure for Recording and Controlling Errors Registration and Control of Authorisations Customer Care Regulation	Customers Employees

IV. BUSINESS ENVIRONMENT

The year 2020 was marked by the outbreak of the Covid-19 pandemic. The impact of the global health crisis greatly conditioned Alantra during the year as the Company strove to run its business safely and efficiently in an unprecedented situation.

As soon as the coronavirus began signalling its potentially destructive effects, Alantra activated a two-pronged strategy. First, it put into play a policy of transparency in communicating the Group's view of the situation to its people. That vision was based on three initial hypotheses: the crisis and its economic impact would be long-lasting and possibly involve very severe moments; the economic and business disruption would be global; and those who were capable to read the crisis well and spot the opportunities that could arise would emerge better positioned in the post-pandemic world. Second, the overarching principle in Alantra's management of the crisis was to protect people's health by implementing measures decided at the top level and coordinated by persons specifically designated for that purpose, in tandem with the continuity of the service to our customers.

During the initial phase of the crisis, indepth analyses were conducted of the Group's financial position and the business prospects by area, and IT systems were reviewed and adapted for remote work. The information thus obtained was used to draw up a roadmap primarily aimed at preserving the Group's human capital to the utmost, protecting margins and the financial position at yearend, maintaining services for customers and investors and preparing our company to emerge from the crisis as a stronger and better organised firm.

The Group closed its offices and started working remotely and as gradually became possible in the different countries, plans were implemented to lift lockdowns with the appropriate safety measures (diagnostic testing, protective equipment and reorganisation and disinfection of spaces).

Despite this complicated environment in 2020, Alantra managed to achieve important strategic objectives such as maintaining its margins, bringing in new talent and intensifying its digital culture. During the year, the Group closed the partnership with Mutua Madrileña for Alantra Asset Management, the addition of new areas of activity and teams, and the launch of new investment vehicles.

Furthermore, the business environmental brought the three letters of the ESG acronym into close scrutiny. Far from halting this trend, the global crisis has actually led to greater corporate awareness of environmental, social and governance questions. Businesses have pondered the consequences of climate change and promoted a more diverse and inclusive corporate environment, with greater social awareness and a clearer corporate governance focus.

In this area, Alantra is committed to sustainable growth in its different business areas. In particular, Alantra AM, the Alantra Group's alternative asset management division, in line with the principles that inspire the ESG policy of the entire Group, makes a determined bid to offer benefits to society and to all its stakeholders by pursuing responsible investment criteria. Alantra AM's goal is to achieve solid long-term financial performance in its activity, embracing an integral approach attuned to sustainability issues.

Alantra AM follows the six Principles for Responsible Investment charted by the United Nations, and, through its different management areas, is signatory to the 2011 declaration and a consolidated signatory through Alantra AM since 2018. In 2020, Alantra AM made efforts to unify the responsible investment policies of the different businesses, leading to a new common responsible investment policy on sustainability matters (ESG).

The EQMC and QMC 'active funds' managed by Alantra AM have pursued a strategy of close collaboration with the management teams and boards of directors of their investees (publicly traded companies) on ESG matters for the creation of value.

In addition, a new tool has been developed in-house that continuously analyses and monitors key performance indicators (KPIs) for the three ESG letters, tracking their evolution during recent years and comparing them with similar companies. This proprietary tool forms an intrinsic part of the Alantra AM investment process, from the investment's due diligence phase to the creation of value stage. The influence and contribution of value have not only been concentrated on governance issues (alignment of interests of managers and shareholders in long-term incentive schemes, or questions of transparency, for example), but have also acquired greater significance in the dialogue and collaboration with investee companies in environmental and social matters, addressing areas for improvement, dissemination and disclosure.

As regards environmental matters, there is ever greater momentum towards energy transition. Thirty years ago, the idea of renewable energies fuelling our economy was science fiction and as recently as 10 years ago it was still considered too expensive. Today renewable energies cost less and create more jobs than fossil fuel energy in many parts of the world. On the demand side, concern over climate change is increasing and there is greater individual awareness and new consumer habits that are moving toward clean energies. Authorities are issuing ever stricter regulations with ambitious goals for cutting CO2 emissions and curbing global warming. On the supply side, meanwhile, an incipient technology is coming to the forefront at competitive costs, accompanied by increased integration of energy systems with lower carbon emissions and greater electrification with better energy storage solutions to achieve the climate objectives. Lastly, stepped up financing to ESG areas of impact is also being observed.

V. GLOBAL INITIATIVES – UNITED NATIONS GLOBAL COMPACT (UNGC)

1. Human Rights

Principle 1 of the United Nations Global Compact (UNGC): Businesses should support and respect the protection of internationally proclaimed human rights in their sphere of influence.

Principle 2 of the UNGC: Businesses should make sure that they are not complicit in human rights abuses.

Alantra is committed to the UNGC principles and the compact is reflected in the Group's Code of Ethics, which is of mandatory compliance for all our employees in all countries. Alantra incorporates those principles into its corporate policies and has an internal channel for confidential reporting of breaches of any kind (whistleblowing@alantra.com). In 2020 no reports were received through the whistleblowing channel of cases involving violations of human rights.

In the asset management area, as signatory of the United Nations Principles for Responsible Investment (UNPRI), Alantra has undertaken to uphold the UNPRI objectives and use our influence in investments to achieve a positive and prolonged impact..

The Alantra ESG policies are a working framework aligned with the most internationally recognised initiatives for the protection of human rights, such as those of the UN, the Global Compact and the Sustainable Development Goals and Principles of Corporate Governance of the OECD.

2. The Fight Against Corruption and Bribery

In line with the points made in the preceding section, Alantra supports the fight against corruption and bribery through the provisions of its Code of Ethics and its Anti-Corruption Policy. In this regard, employees undergo mandatory training on the current principles, which are common and apply to all members of the Alantra organisation and its companies, in order to adopt a unanimous stance across the entire Group. Toward this end, a series of guidelines and rules are established to regulate the use of corporate credit cards, contracting of suppliers, relations with the private sector, dealings with authorities and public employees and possible conflicts of interest.

In this area, Alantra is particularly conscientious in relation to the prevention of money laundering and this concern is embodied in specific policies that are also addressed in employee training courses. These policies involve specific due diligence measures for formally identifying customers in order to detect any irregularities or infringements. Protocols are also established for analysing, acting on and mandatorily reporting suspicious operations.

The whistleblowing channel received no reports of any breaches in these areas during 2020.

VI. ALANTRA'S IMPACT ON THE ENVIRONMENT AND SOCIETY

With its global presence and broad portfolio of customers and institutional investors, Alantra's advising and asset management activities, and the way they are pursued, are important for achieving inclusive, responsible and sustainable development.

1. Environmental Impact

"We must work together as a global community to drive the ambitious change and investment we need to protect our shared planet and the glorious, rich and diverse life within it." Boris Johnson, Prime Minister of the United Kingdom

In Alantra we care about the world and our impact on it, and our commitment to sustainable development is reflected in our environmental awareness. Our impact is not only direct; we also have an indirect impact through the activities we carry on. We must be respectful with the environment and continuously seek out initiatives to mitigate any negative impact, make responsible use of resources and promote the circular economy. We likewise recognise the influence we exert when advising our customers and managing our investments.

1.1. Direct impact — Our environmental footprint

1.1.1. Sustainable use of resources

The resources used by Alantra in our activity primarily consist of office material and electricity. The Group measures consumption in its biggest offices in terms of number of employees and turnover; that minimum perimeter of main offices is considered to include the offices in Germany, Spain, United States, France, Italy (included in 2020), United Kingdom and Switzerland (hereinafter, the "core countries").

We strive to consume resources responsibly and efficiently through careful control and recurring initiatives. We work to spot new opportunities for efficiency gains. One example would be the Boston office, which, with this goal in mind, we are converting into a "paperless" office. This year the expense reports that were previously printed out and signed have been replaced by electronic authorisations. The Madrid office has started working with suppliers to recycle coffee capsules.

With respect to electricity consumption, the Spain, Italy, France, Germany, United States and Switzerland offices use LED lighting. All offices within the core countries, with the exception of Italy, have motion detectors to turn lights on and off in different zones of their buildings. In the Madrid headquarters, lights are automatically turned off every day at 9:00pm.

The Switzerland, Germany and Spain offices are working to optimise their heating systems. Switzerland uses energy programming for its non-office hours and in Germany this year the room temperature was lowered by 1º C.

The table below shows the main consumptions within the core countries and their reduction from the previous year, highlighted by a sharp curtailment of travel due to the pandemic:

	2019	2020	Var
Gasoil consumed (l)*	30,442.52	26,553.79	-13%
Electricity consumed (kWh)	1,029,103.28	634,496.04	-38%
Employee travel (km)**	6,739,022.29	2,321,355.29	-66%

*2019 figure recalculated to make the comparison more consistent. The 2020 figure includes consumption in USA and Italy in addition to Spain and Germany.

**Calculated using estimates for France and Switzerland.

Alantra has also curbed the use of resources and materials to the amounts strictly needed and thus avoided wasteful underutilisation. In Alantra Madrid, there is department-by-department accounting for expenses of paper and other materials. Printers are operated with personal codes for each employee to record all use, leading to a reduction in the amount of paper consumed.

In 2020, inputs consumed dropped significantly as a result of remote working due to the pandemic. In the Madrid office along, by way of example, the use of paper was down 36%.

Water consumption has been reduced to the level strictly necessary by installing specific sensors in the taps of the offices in the United Kingdom, United States and Spain.

Shown below is a summary of the levels of consumption of water and paper. While paper consumption has been cut significantly, water consumption was up due to the inclusion of Italy among the core countries:

	2019	2020	Var
Other inputs			
Paper	29,537.18	11,366.98	-62%
Water	6,117.48	7,703.97	26%

1.1.2. Circular Economy

Given the nature of its business, Alantra has a smaller environmental impact than companies in industrial sectors. We nevertheless believe the financial sector has a fundamental responsibility that should be discharged by supporting the circular economy via investments, advising and lending to companies that take a more sustainable approach to production and consumption.

Alantra's office in Paris holds an environmental safeguard certificate precisely due to its paper recycling efforts.

In Alantra waste products are processed integrally to be recycled. We have two firms that help us with recycling in the Madrid office and there are similar waste management initiatives at the Group's other offices. Confidential papers are shredded and recycled and there is separate recycling of trash, toners, batteries, metal, cardboard, organic waste, plastics, paper and glass.

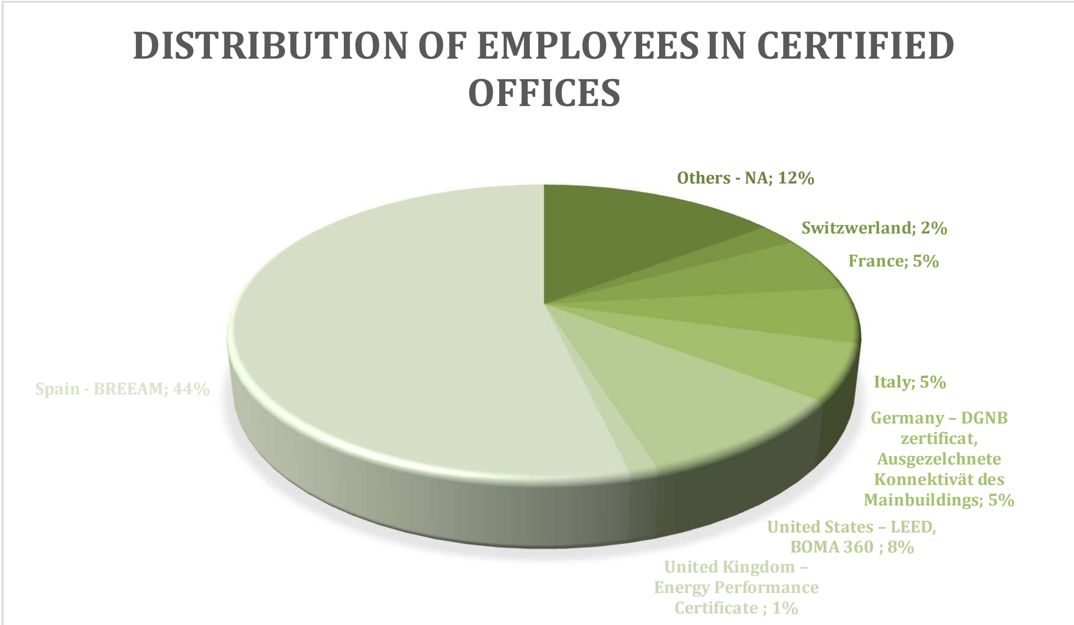
	2019	2020	Var
Waste			
Paper	21,148.00	9,656.29	-54%
Toner	-	128.30	N/A
Batteries	-	24.15	N/A
Waste from Electrical and Electronic Equipment (WEEE)	4,355.00	300.00	-93%

The sharp drop in WEEE collected is mainly due to all the waste generated by the relocation of the Madrid office in 2019.

Likewise marked by the pandemic lockdown and partial return to the workplace, the amount of office waste for recycling, measured by weight, was decreased 50% during the year. In Madrid, the biggest reduction comes from the natural decline in the use of packaging and plastics by close to 80%.

Of note in the offices in other countries is that nearly all of them have filtered water dispensers, completely eliminating the use of plastic water bottles (except for sparkling water).

1.1.3. Properties



The Beatriz Building in Madrid, where Alantra is located in Spain and which houses the largest number of employees (44%), conforms to our sustainability proposition and complies with strict criteria for energy efficiency, waste and management, and a healthy work environment. It holds a BREEAM ES environmental certificate with a rating of “Very Good” and the highest score, “Exceptional”, in efficient management of the building. That certification involves a private and voluntary evaluation of environmental impact in 10 categories.

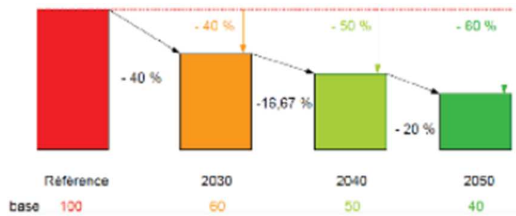
By size according to the number of employees, the London office (15%) has an energy performance certificate with a high rating of “B” (with A+ being the highest rating grated to buildings with less than zero emissions, and G being the least efficient in terms of CO2 emissions).

The United States offices are LEED-certified at the highest “Gold” level. They also have a sustainable commitment from the building's owner that includes charging stations for electric cars, parking spaces for bicycles, service centres for shared vehicles, recycling, monitoring of internal air, water efficiency programmes and various prestigious certificates such as the BOMA 360 Performance Building, Energy Star Certified – 89 and LEED EB O&M platinum Certified.

Of note in Germany is the grant of the *“DGNB Zertifikat in Gold”* certificate for office and administrative buildings. That certification involves assessment of functional, sociocultural and economic ecological quality to counsel a general performance level of close to 70%, which earns the “Gold” distinction. The building where Alantra Germany is located also holds the *“Ausgezeichnete Konnektivität des Mainbuildings”* certification for the excellent connectivity of the main building, also rated “gold” for its digital infrastructure, which allows it to meet high-level connectivity requirements. The building is managed by the owner paying special attention to sustainability criteria, applying measures to guarantee sustainability and ensuring reasonable utilisation by the users. Those measures range from waste management to saving water to addressing issues of occupational health and welfare.

The building where the Alantra France office is located in Paris is subject to specific additional obligations because it has a floor area of more than 1000 m². As such, it is required to cut emissions by up to 90% as shown below:

- - 40% in 2030
- - 50% in 2040
- - 60% in 2050



1.1.4 Emissions and plan of action against climate change

In Alantra we are convinced that we are moving toward a more sustainable economy and that we must consider our own impact on climate change and our need to respond to this challenge. This drives us to make greater efforts to raise awareness internally and to be ambitious in reducing our own footprint, as well as to closely track environmental objectives in the countries where we operate.

In relation to emissions, our greatest impact comes from employee travel to face-to-face meetings, which have been reduced significantly (by 66%) as a result of the pandemic and global lockdowns. In line with so many other companies, we have promoted the use of videoconferencing and acquired advanced systems to allow virtual meetings in all offices. Independently of this circumstance, and with an eye toward resumption of mobility in the future, during 2020 we organised training to promote a more sustainable policy on business travel. The training was given by SAP, supported by a panel of experts that included EY, Facebook, Lufthansa and BNP Paribas.

	2019	2020	Var
Scope 1			
Emissions (tonnes $CO_{2\ eq}$)	77.51	67.61	-13%
Scope 2			
Emissions (tonnes $CO_{2\ eq}$)	421.93	147.93	-65%
Scope 3			
Emissions (tonnes $CO_{2\ eq}$)	1,932.25	292.52	-85%

Regulation (EU) 2018/842 of the of the European Parliament and of the Council on binding annual greenhouse gas emission reductions by Member States from 2021 to 2030 forms part of the Energy Union strategy and the application of the EU Paris Agreement. This agreement lays down a general framework for avoiding dangerous climate change. The goal is to keep global warming well below 2℃ as first objective and to pu rsue efforts to cap it at 1.5℃. It also seeks to strengthen the capacity of countries to deal with the effects of climate change and support them in their efforts.

Some of the geographical areas where Alantra operates have specific policies with precise objectives regarding climate change, all of which are characterised by the overriding goal of accelerating the pace of decarbonisation over the coming decade. Although we do not have specific emissions reduction targets, we are committed to contributing to achievement of the national objectives stipulated in each of the areas where we have a presence. Thus:

- In Spain, the national targets for cutting greenhouse gas emissions are set by law and now stand at a 20% reduction by 2030 with respect to the 1990 levels. The objective was confirmed in 2020 and reflects a more ambitious Spanish approach to climate matters in line with the European Union's guidance. It is also a response to the Paris Agreement.

- The United Kingdom aims to bring greenhouse gases down 61% by 2030, again in relation to the 1990 levels, and the UK government in late 2020 voiced its desire to go even further and reach a 69% reduction, which implies a 50% increase in the pace of decarbonisation during the next decade.
- The United States, under the Obama administration in 2009, committed to curtailing emissions to 17% below the 2005 levels by 2020. Massachusetts, the state where Alantra's main US office is located, has set a target of cutting emissions to 85% below the 1990 levels and proposes to achieve zero net greenhouse gas emissions in 2050. The state has also set legal targets of reducing greenhouse gas emissions to 25% below 1990 levels in 2020 and 80% below 1990 levels in 2050.
- Germany's policy aims to cut emissions a minimum of 55% by 2030 from 1990 levels, according to the Effort Sharing Decision (ESD) approved by European Union Member States. The nation's first climate law, approved in 2019, announced reduction targets for individual sectors through 2030 that are in line with European greenhouse gas emissions reduction plans. The aim is to achieve emissions neutrality ("zero target") in 2050. This initiative should allow Germany to reduce greenhouse gas emissions of some 1,250m tonnes of CO2 equivalent in 1990 by 40% in 2020, with a maximum of 750m tonnes of CO2 equivalent emissions.
- Italy has the same emissions reduction objectives as the European Community. The country has already achieved the agreed reduction of 17% by 2020. The next stage to 2030 entails a reduction of 28%. Though ambitious, this target seems feasible and includes that 28% of total consumption come from renewable energies.
- In Switzerland, Alantra's offices is located in Zurich, which, above and beyond the objectives set by the country, has an environmental policy that seeks to preserve the city's quality of life and environment. This policy supports ecologically sustainable development and strives to create conditions that protect the health of Zurich's inhabitant. The city's proposals include initiatives to protect and conserve natural resources and promote their careful use, and the "objective of a 2,000-watt city", with an environmental outlook originally promoted by the Federal Institute of Technology of Switzerland.
- France recently unveiled a Climate Law bill, which includes notable restrictions on air travel. It maintains the goal of being carbon neutral by 2050, but its targeted reduction of 40% by 2030 is still far from the 55% objectives set by the European Union.

1.2. Indirect Impact

Alantra also has significant indirect impact on the fight against climate change through its activity with customers, investors and the companies in its investment portfolio. By taking an environmentally responsible approach in our advisory and investment management activities, we are contributing to sustainable development goals.

1.2.1. Advising in transactions with environmental impact

Some examples of Alantra Investment Banking's operations that involve indirect impact are:

- Advising ASR–Air Homes on the development of 5,000 homes, with green areas to be developed in the coming 10-15 years, with a BREEAM Platinum rating. This rating aims to stimulate demand for more sustainable communities and town planning, providing an internationally respected certification of integral environmental sustainability. This new residential concept, which is already being developed, aspires to become one of Europe's largest sustainable cities.

- Advising Solaria Energía y Medioambiente on the refinancing of two photovoltaic solar plants with installed capacity of 23MW in Uruguay. The Spanish company Solaria is leader in independent photovoltaic development and generation of green energy, 100% carbon neutral, with more than 410MW throughout the world and working toward an ambitious goal of reaching 3.3GW by the end of 2023. Solaria designated Alantra for this refinancing with three objectives in mind: maximising the debt's weighted average life through an innovative structure; improving the capital structure of both projects; and optimising financial assets on more competitive terms.
- Advising Laboratorios Ferrer on obtaining a sustainable loan of €220m to finance the transformation plan for the group, which is present in more than 120 countries. Advised by Alantra, the agreement bears out Ferrer's commitment to generate a positive environment with global impact. The financing ties the interest rate to sustainable indicators such as the reduction of carbon dioxide emissions and improvements in waste management.

In the asset management area, Alantra has a common ESG policy for its diverse vehicles and asset classes. The different management teams take environmental aspects into account in the due diligence measures prior to investment and disinvestment decisionmaking. ESG risks are monitored during the life of the investments. Specifically, in 2020:

- In the management teams for the EQMC and QMC funds, the investment process is guided by a rigorous risk policy for environmental matters framed within its own ESG policy. The team analyses a series of key points relating to environmental footprint and management, weighing their materiality for the investments (or companies considered for possible investment). The figures for each company are benchmarked against its competitors in the industry and other publicly traded companies. In 2020 these practices allowed areas for potential improvement to be pinpointed in several companies in the portfolio, mainly in regard to transparency in environmental reporting. These initiatives have been pursued in coordination with the management teams of the investee companies.
- The different funds managed by Alantra are invested in various companies that contribute to sustainable development goals; for example, a manufacturer of vehicle electrification parts and a company that makes energy-efficient windows for homes. The investments made by Alantra vehicles also include companies with a negative environmental footprint and circular economy and recycling companies. Alantra participates in those companies as manager of a partner that is actively and positively engaged in the evolution of the business to create value.
- In 2020, Alantra Private Equity managed equity investments in two companies of ESG significance: Salto, leader in developing electronic access systems, and Surexport, manufacturer and distributor of high-quality soft fruits. In line with responsible investment policies, a prior ESG due diligence review was conducted, with the support of specialised external advisors. No significant risks, including environmental risks, were identified. Action plans were charted for the areas with the most room for improvement. Both companies are recognised for their good practices and relevant certifications in their respective sectors (for example, the ISO 140001 environmental certification in the case of Salto and the Global GAP GRASP certificate of good agricultural practices at Surexport),

bearing out the dedication of their management teams and advanced level of their ESG management practices.

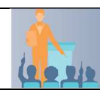
1.2.2. Energy Transition Fund

Bringing together financial and industrial capacities, in 2020 Alantra closed a deal with Enagás to take part in the market's movement towards energy transition, giving rise to Klima, a fund for investing in energy transition technology projects. The project aims to contribute financing, governance and technological excellence to the decarbonisation of energy demand, including the 75% that cannot be achieved through electrification (mobility and low-CO2-emissions solutions).

2. Social Impact

2.1. Direct Impact

								
Advising	Countries present	Transactions	Financing	Assets managed directly	Salaries	Dividends paid to shareholders	Revenues for suppliers	Generation of tax obligations
€30.2bn	**18**	**150+**	**€380m**	**€2.5bn**	**€93m**	**€16.6m**	**€21.3m**	**€51.4m**

								
Employees	Partners	Shareholders	Customers	Society – universities with which we collaborate	Professionals advising start-ups	Start-ups	Cumulative pro-bono hours	Donations
584	**76**	**3.043+**	**100+**	**c.10**	**50+**	**14**	**2000+**	**c.€0.5m**

Alantra's values are people-oriented. In this regard, we look for professionals who are well-prepared and committed. Hence the great emphasis we place on managing talent, training, evaluations and career development. We aspire to offer our customers and investors the best service with solid investment credentials and track records, and we measure our activity's direct impact on society through our tax contributions, by working with universities to integrate our youth and by volunteer social work. We likewise generate business for our suppliers with the same criteria of excellence and efficiency. In addition, our dividend policy is attractive for shareholders.

2.1.1. Talent Management

"Systems do not change systems, people change systems." Achim Steiner, Head of Development Programmes in the UN

a) *Employees and Contracts*

A full 93% of Alantra employees work under permanent contracts and the average seniority is 4.42 years. The latter figure is naturally skewed by the firm's growth and by the recruitment of young people to the company (employees younger than 30 years have less than two years seniority, while those over the age of 50 average seniority of more than 10 years).

	Sex		Age			Professional Category		
	Men	Women	<30	30-50	>50	Executive	Degree holder	Administrative
2019	442	150	224	316	52	52	485	55
2020	438	146	205	324	55	50	477	57
Var.	-1%	-3%	-8%	3%	6%	-4%	-2%	4%

	2019			2020			Var.
	Men	Women	TOTAL	Men	Women	TOTAL	
Germany	30	8	**38**	25	7	**32**	-16%
Austria	6	2	**8**	6	1	**7**	-13%
Belgium	3	1	**4**	3	-	**3**	-25%
Brazil	1	-	**1**				N/A
China	7	4	**11**	8	6	**14**	27%
Denmark	2	-	**2**	4	-	**4**	100%
Spain	179	70	**249**	187	73	**260**	4%
United States	37	5	**42**	41	3	**44**	5%
France	23	7	**30**	21	6	**27**	-10%
Greece	17	2	**19**	12	3	**15**	-21%
India	-	1	**1**				N/A
Ireland	5	1	**6**	5	1	**6**	0%
Italy	21	9	**30**	21	8	29	-3%
Mexico	3	-	**3**				N/A
Netherlands	5	1	**6**	3	1	**4**	-33%
Portugal	6	2	**8**	6	3	**9**	13%
United Kingdom	83	34	**117**	80	31	**111**	-5%
Sweden	4	1	**5**	6	1	**7**	40%
Switzerland	10	2	**12**	10	2	**12**	0%
TOTAL	442	150	**592**	438	146	584	-1%

Employees per type of contract

	2019		2020	
	Men	Women	Men	Women
Permanent contract	390	141	405	136
Temporary contract	29	8	27	9
Commercial contract	23	1	6	1

	2019			2020		
	<30	30-50	>50	<30	30-50	>50
Permanent contract	194	295	42	173	317	51
Temporary contract	30	4	3	32	3	1
Commercial contract	-	17	7	-	4	3

	2019			2020		
	Executive	Degree holder	Administrative	Executive	Degree holder	Administrative
Permanent contract	41	438	52	46	441	54
Temporary contract	-	34	3	-	33	3
Commercial contract	11	13	-	4	3	-

Number of dismissals

	Sex		Age			Professional Category		
	Men	Women	<30	30-50	>50	Executive	Degree holder	Administrative
2019	8	8	5	11	-	-	11	5
2020	35	16	15	30	6	1	43	7

b) Remuneration

In Alantra, employee remuneration is divided into two components: fixed pay, which is set according to each employee's job category based on experience, responsibility and functions to be discharged, and is competitively designed within the labour market; and variable remuneration determined by the profitability of each business and the employee's contribution, according to a performance evaluation system. The variable remuneration is decided by the company at its discretion. When determining variable pay, Alantra also takes into account the main constraints that apply under the applicable laws and regulations.

The Alantra Group remuneration policy fosters long-term career and professional development and is overseen by the Appointments and Remuneration Committee.

That said, most of the Group's employees earn salaries above the Collective Bargaining Agreement for Office Work and the Agreement for Consultancy Firms that apply in Spain, and all receive pay above the minimum interprofessional salary in each country. Only interns and trainee employees receive the salary set in the collective bargaining agreement.

The accompanying tables show the average salaries by job category, age and sex.

	2019					
	Men			**Women**		
	<30	30-50	>50	<30	30-50	>50
Executive	-	595,317.19	691,221.70	-	368,321.67	-
Degree Holder	63,093.84	190,286.93	186,446.76	52,620.57	118,495.70	144,037.50
Administrative	-	23,375.00	34,000.00	36,019.92	47,414.08	44,331.33

Due to data protection rules, as there is only one female executive over the age of 50, this information is not broken down in the tables.

In addition, 23 professionals (21 men and 2 women, 86% of the Executive category and 30-50 age range) received an aggregate additional performance fee of 11 million euros in 2019. These data are not included in the tables as they are considered to skew the average employee remuneration as a whole.

	2020					
	Men			**Women**		
	<30	30-50	>50	<30	30-50	>50
Executive	-	399,321.48	609,883.75	-	494,500.00	136,862.50
Degree Holder	69,561.26	178,512.37	249,921.27	51,945.13	109,123.55	159,345.20
Administrative	-	33,430.50	15,902.50	40,897.25	46,769.27	49,369.71

In addition, 11 professionals (10 men and 1 women, 64% of the Degree Holder category and 30-50 age range) received an aggregate performance fee of 864,275 euros in 2020. These data are not included in the tables as they are considered to skew the average employee remuneration as a whole.

The gender salary gap narrowed six percentage points from the previous year and stood at 53% in 2020. This percentage is skewed by the differences in roles and responsibilities, in positions that have different variable components and length of service within the categories.

c) *Work Organisation*

Without prejudice to the applicable legal and contractual requirements, Alantra generally seeks to allow flexible working hours so that employees can balance their work lives with their aspirations in their personal lives.

Although Alantra does not have a specific policy on 'work disconnection', the Group is committed to respecting employee free time and rest periods, as well as their authorised leaves and holidays.

There are other initiatives along these lines, such as encouragement that meetings in non-work hours be avoided and promoting remote work.

Some 2.2% of employees work part time. This figure includes persons working half-time or with reduced hours. It includes permanent and temporary contracts, as well as internships and commercial contracts. This category does not take into account trainee employees working under agreements with universities. Reduced hours reflect the commitment to a work-life balance and contribute to striking a harmonious balance between the work and personal life of employees who so request.

	Sex			**Age**			
	Men	**Women**	**Total**	**<30**	**30-50**	**>50**	**Total**
Full-time	437	134	**571**	203	316	52	**571**
Part-time	1	12	**13**	2	8	3	**13**
			584				**584**

In addition, in Spain lights are automatically turned off at 9:00pm in the Alantra building, with the aim of ensuring that employees leave work no later than that time. The encouragement of telework based on the employee's autonomy and responsibility allow employees to make their professional lives compatible with specific personal needs.

Nevertheless, the Group's activity requires that employees be available for meetings and calls that may arise in different time zones, which can limit the implementation of work and digital disconnection.

During 2020, some 27 employees in Spain and Italy enjoyed a parental leave, for a total of 1,534 days contributed to the goal of equal opportunities.

	Total number of employees	Total number of days
Women	4	345
Men	23	1,189
Total	**27**	**1,534**

d) *Organisation of relations with employees*

Within the core countries of Alantra's business, collective bargaining agreements are applied in Spain, Italy and France. In Spain, the Collective Bargaining Agreement (CBA) that applies to the workforce is the CBA for Office Work in the Region of Madrid (except for UDA Real Estate, which is subject to the CBA for Consultancy and Market and Public Opinion Research Firms). In the Italy office, all employees are protected by the *Contratto Collettivo Associazione Bancaria Italiana* and the France office is covered by the SYNTEC National Collective Bargaining Agreement. These three CBAs cover 54% of Alantra Group employees.

Employees at Alantra Switzerland are subject to Swiss Federal Law and in particular to the provisions regarding equality between women and men. Article 8 on Equal Rights provides: “Men and women shall have the same rights”. The law provides for de facto and de jure equality, especially in the family, education and work. Men and women are entitled to receive the same salary for work of equal value.

Lastly, countries like Germany, United Kingdom and United States are governed by state laws to protect the rights of workers and their rest time.

At present, none of our employees belong to any Works Council or labour union of any kind.

e) *Health and Safety*

As reflected in the Alantra General Code of Ethics and Conduct, the prevention of occupational hazards for our employees is one of our Company's essential ethical principles.

Alantra employees undergo training in on-the-job safety and health.

As part of its employee benefits package, Alantra offers medical insurance 50% paid by the Company and that allows coverage of the employee's family.

Starting in 2020, the Beatriz Building has a medical service for basic consultations and emergencies run by Quirón Prevención. The service is free of charge for employees and is open all business days.

In addition, in Spain Alantra offers an annual medical checkup for all its employees that is conducted by Quirón Prevención and which is widely used by the workforce.

The Madrid office offers varied lunch menus that promote healthy eating habits.

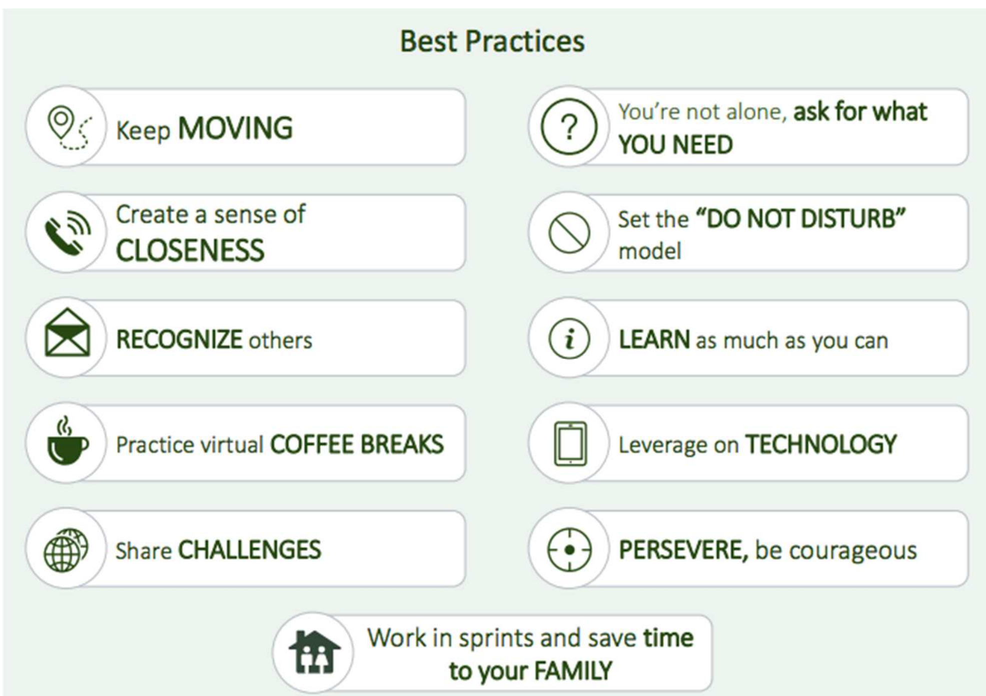
The most common accidents suffered by Group employees are while commuting. In 2020, with mobility greatly reduced, there were no accidents involving lost work time in the core offices analysed. Nevertheless, in Spain the sick leaves of four employees with Covid-19 (three women and one man) were considered occupational accidents due to the length of their leaves. In 2020 no leaves were recorded for occupational illnesses in the core countries analysed. In addition, there were a total of 4,744 hours of absenteeism during the year in the core countries, considering sick and accident leaves.

f) *Employee health and safety in times of Covid-19*

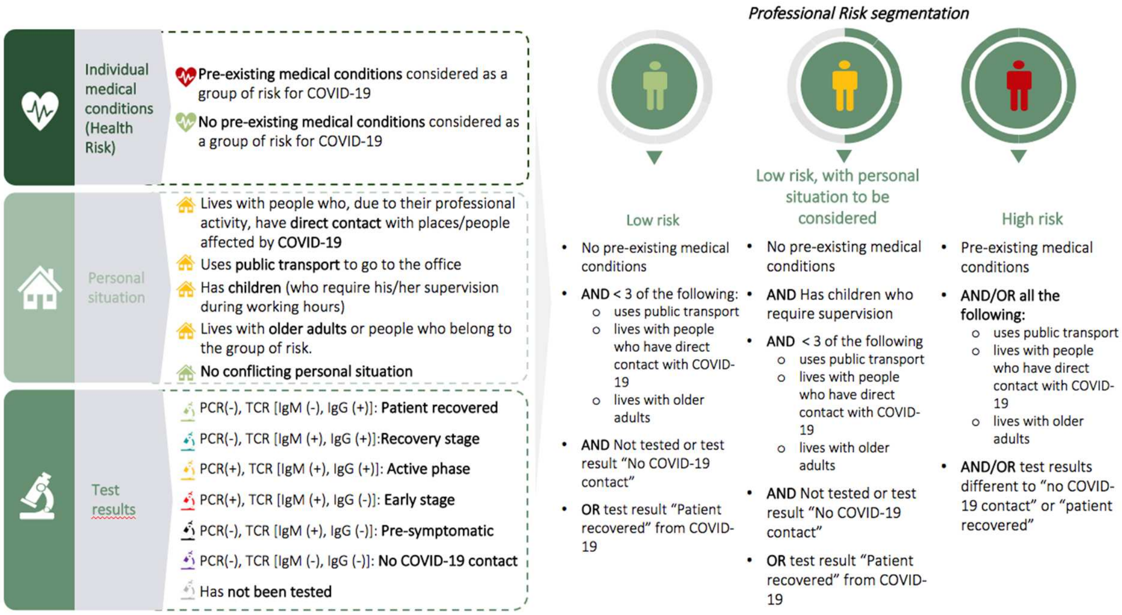
During 2020, the health crisis unleashed by the Covid-19 pandemic brought issues of employee health and safety front and centre. Since the start of the outbreak Alantra's priority has been to protect the health of our employees, customers and all stakeholders in general.

By January 2020 the Alantra China team had already switched over to remote work. In our other offices, preparations began in February and remote work was implemented across the Group in the first half of March.

The Alantra Human Capital department produced and distributed guidelines with helpful suggestions for dealing with the unprecedented situation. At the same time, employees were consulted regarding their working conditions at home and were provided with the IT and other items needed to work remotely in the best possible conditions.



The Company made telework its top priority from February through September and designed a plan for return to properly protected office work to be applied in the different countries according to their respective health situations. The plan was designed taking into account the circumstances and preferences voiced by the employees in the consultations. The safety measures also include limiting the capacity of meeting rooms.



The plan for return to the offices is based on three pillars: diagnostic testing, protective equipment and social distancing.

In addition to Alantra's measures, the buildings where our different offices are located also implemented safety measures such as taking temperatures, instructions on entering and circulating through the buildings, ventilation and control of capacity in common areas.

The Madrid offices has conducted weekly PCR tests for all employees. From March to December 2020, a total of 4,637 PCR and 200 antigen tests were performed on a total of 250 persons. In addition, masks, gloves and hydroalcoholic gel are made available to all personnel. The offices were rearranged to limit contact, for example, using sensors for individualised use of lavatories and automatic opening systems for doors to avoid manual contact with door handles and knobs. One additional measure was the agreement reached with a laboratory to conduct diagnostic testing of family relations and friends on favourable terms.

The Human Capital department has carried out varied initiatives to foster communication and closeness between our people online, as well as several, likewise remote, sessions that offered information on the pandemic's impact on Alantra and on the Company's situation and prospects.

g) *Developing human capital*

"Your potential is our ambition and our duty" – corporate website.

In Alantra we work to attract, recruit and keep the best talent, with value propositions that contribute to the growth of our people. The Group's success depends on the capacity and development of its professionals.

Our approach to managing talent stems from our commitment to accompany employees throughout their careers so that they can each achieve their utmost potential. In Alantra we firmly believe that by providing the appropriate tools in an intellectually stimulating and healthy environment we help our professionals to feel fulfilled at the same time as they contribute to the collective project of building our company — the pride of creating instead of working for something that has already been created.

Talent management is a priority for Alantra and our strategy is focused on the following major areas:

- **Autonomy and clarity in career paths**:

  With the appropriate accompaniment, Alantra offers its professionals the capacity to design their career in the company. Great efforts are made to know the professional concerns of each employee and there is clarity as regards what is expected of them and how they can continue advancing.

- **In-service training:**

  For Alantra, continuous learning and curiosity are essential for personal growth. The Group is therefore always analysing the training needs of its employees, and different training formats are offered: i) sharing internal knowledge, ii) outsourcing training to providers with specialised expertise in different area, and iii) providing professional coaching sessions.

  The training offered to employees in 2020 was adapted to the restrictions imposed by the pandemic, with 100% of training initiatives being conducted online. Employees were thus able to continue with their learning uninterrupted and the training was made optimally more flexible to fit the circumstances.

  In 2020, Alantra spent an average of €770 per employee, for a total of 4.17 hours.

  In order to stay permanently abreast of developments, and to meet Alantra employee training needs that change in pace with the market and new technologies, evaluations and monitoring are conducted to ascertain the degree of employee satisfaction. During 2020 the average satisfaction with training was 4.4 on a scale of 1 to 5. The most successful training areas involve interaction with fellow employees, relevance to their day-to-day work, and the competence and quality of the trainers. The areas with most room for improvement are more related to the desire of part of the staff for more training time and for exclusive dedication.

	Training hours during 2020		
	Total	**Men**	**Women**
Administrative staff	319	19	300
Degree holders	4,489	3,649	840
Executives	225	192	32
Total	**5,033**	**3,861**	**1,172**

	Num. of employees who underwent training during 2020		
	Total	**Men**	**Women**
Administrative staff	43	5	38
Degree holders	473	376	97
Executives	46	43	3
Total	**562**	**424**	**138**

- **International Mobility:**

  In Alantra we believe that exposure to different and varied professional experiences contributes to professional growth. That is why Alantra offers and provides opportunities at the global level within each division.

- **Continuous evaluation of performance:**

  In Alantra we approach performance evaluations as a tool for continuous improvement by fostering communication between all team members. Feedback, dialogue and exchange of tools between supervisors and professionals is pivotal for achieving our goals.

  The process of continuous evaluation is critical for developing our human capital. Performance evaluations set clear individual objectives aligned with the business goals. Alantra nurtures constructive and frequent conversations between professionals in which the important thing is not just achieving the objective but also how it is achieved.

h) *Employment*

As shown in the tables in section “a) Employees and Contracts”, at 31 December 2020 there were a total of 584 professionals working in Alantra. Some 25% are women and 75% men; 260 personas (28% women and 72% men) work in the Alantra offices in Spain and 324 outside Spain, (23% women and 77% men).

In 2020 some 175 professionals joined Alantra, pursuant to our strategy of attracting, selecting and recruiting diverse profiles. The new employees bring new capacities to Alantra's project of responsible and sustainable growth.

Sex	
Men	Women
138	37
175	

Age		
<30	30-50	>50
124	47	4
175		

i) *Diversity and Inclusion*

As proclaimed by the Code of Ethics of the Alantra Group, the organisation's ethical principles, good corporate governance and professional ethics are the pillars of our activity. All our actions must be guided by those ethical standards, which include, amongst others, personal and professional honesty, knowledge of and respect for the law, equal opportunities and non-discrimination between customers and, in general, between persons, and respect for people, so that harassment, abuse, intimidation, lack of respect and consideration and any type of physical or verbal aggression are unacceptable and are neither allowed nor tolerated at work.

- **Diversity**

  As a highly internationalised company doing business in numerous countries spanning different cultures, at Alantra we view diversity as having undeniable, recognised and useful value for providing advisory and investment management services to a likewise highly diverse clientele.

  Alantra has an Equality Plan in the corporate advisory area in Spain and is preparing a general equality policy for the Group. Those plans seek to ensure respect for diversity in the employment area by means of applying flexibility measures that allow the principles of freedom, autonomy and work commitment to be made compatible with the different professional demands of Alantra employees. This policy inspires plans of action that promote effective equality been men and women to guarantee they have equal opportunities for their professional development; in particular, plans aimed at increasing the percentage of women in our organisation through affirmative actions that favour the recruitment of women and their promotion to positions of greater importance with as yet little or no female presence.

We have employees of 18 different nationalities, men and women, with broad racial, age and cultural diversity. In this environment, equality of opportunities is a cornerstone in all phases of the selection process.

Although our workforce is predominantly male, this is not the result of any implicit bias in the selection or evaluation process. We believe the trend is toward change in this regard. According to a study by Oliver Wyman, the percentage of women in leadership positions in finance is currently 20%, up twofold since 2003. We have seen that trend in Alantra, where women now account for 23% of our people.

Alantra has a whistleblowing channel to detect any circumstance that could entail discrimination, abuse of authority, sexual, labour or any type of harassment or any other demeaning treatment. Reports are submitted by e-mail (whistleblowing@alantra.com) and received by the Director of Risks and Regulatory Compliance of the Group, who handles them according to a protocol with due safeguards. The whistleblowing channel is open for use not just by employees but also to other stakeholders and its existence is made public via internal communications and on the Alantra website.

In 2020, as in previous years, no incidents were detected or reported involving potentially discriminatory acts.

- **Inclusion**

Alantra lives up to its commitment to employment inclusion for persons with disabilities and participates, with Fundación Mapfre and Konecta, in the "*Juntos somos capaces*" ("Together We Can") programme to integrate disabled persons. Mapfre defines the project as "A transformational engine for integration". The programme's primary goal is job placement for persons with mental disabilities or mental illnesses, by designing and developing new methods for their labour integration and to try to remedy the discrimination and inequality they face. The initiative fosters relations between businesses and social organisations and takes an innovative approach to job integration of handicapped persons.

Alantra is also party to a collaboration agreement to find employment for disabled persons. Our commitment helps the employees integrate into their jobs, facilitates the task of employment coaches and provides internal support for job placement, while promoting the employee's professional career. We have also endorsed and embraced the Code of Ethics of the Fundación A La Par.

Pursuant to that commitment, in 2020 Alantra hired two disabled persons through that Foundation for temporary assignments and has one disabled person on staff in the Madrid office. That person has now been at the company for 1.9 years and has a permanent contract. His level of integration is very positive and the scope of his functions as gradually increased.

- **Accessibility**

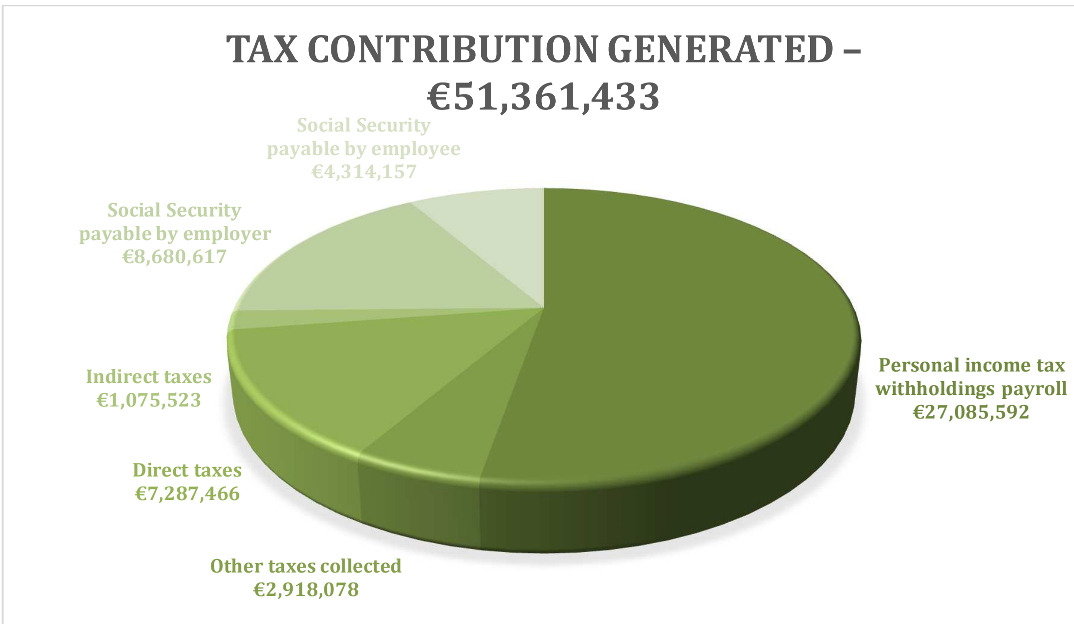
  Alantra's office buildings have measures to facilitate access by persons with limited mobility, including ramps, properly sized doorways and lavatories adapted for wheelchairs.

2.1.2. <u>Contribution to social progress</u>

Alantra's activity has significant impact and value for societies, customers and investors and shareholders through the promotion of responsible and sustainable development and in its operational excellence. The Group is also committed to pro bono work.

a) *Tax contribution*

By complying with the tax obligations in respect of its activities in different countries, Alantra makes an economic and social contribution to those diverse communities. In 2020 its tax contribution totalled €51.4 million. Nearly 67% of that amount was in respect of tax withholdings for employees and social contributions payable by employees. Alantra paid a total of €17 million in direct and indirect taxes.



b) *Pro bono commitment*

“More and more for those who operate at the intersection of law and business, pro bono is both a humane act and a wise investment that strengthens our ties to communities and consumers.” David Leitch. Bank of America

Durante 2020, the initiatives pursued by Alantra pro bono were hurt by the pandemic. Nevertheless, the health and social crisis roiled by the Covid-19 outbreak has spawned new Alantra initiatives.

Alantra contributed €305,000 to acquire two high-performance robots used for molecular diagnosis of Covid-19 and nine kits of reagents and consumable items to be able to perform the first 10,000 diagnostic tests. The high-performance equipment was earmarked for the Alberto Sols Biomedical Research Institute (IIBM–CSIC), a prestigious joint facility of the Spanish government's Higher Council for Scientific Research and the Universidad Autónoma de Madrid. Alantra's funding allowed the laboratory to acquire capacity to perform nearly 200 PCR tests per hour, thus helping relieve one of the most pressing problems in Spain at that time when the pandemic was peaking in the country and there was a marked absence of such testing. This made the IIBM-CSIC one of the largest non-hospital PCR diagnostic centres in Spain. It should be noted that the funding for this initiative was supported by the members of the Alantra board of directors and executive partners and professionals and was raised in less than one week.

"The Alantra donation gives CSIC decisive momentum to conduct diagnostic testing for Covid-19 in the Genomic service of the Biomedical Research Institute at a pivotal time for ascertaining the actual scope of the pandemic". "I want to convey my most profound and sincere gratitude for this support to all those who participated in this initiatives» Rosa Menéndez, president of the CSIC

This contribution to the CSIC was followed by another Alantra initiative also involving research into the new disease. The new project was spearheaded by Alantra Germany and supported by our teams in China, France, Austria and the United States. More than €100,000 were raised to purchase a high-performance fluorescence microscope. The project's execution was led by the Medical University of Essen in Germany and was supported by another five internationally renowned medical institutions. The donation made it possible for the scientists involved to have the critical equipment they needed to advance in the main line of research focused on using alpha-interferon hybrids to treat Covid-19.

In the Medical University of Essen the project was headed by Professor Ulf Dittmer, a leading expert on viral infections with more than 300 works published on the subject. His team works closely with China's "Wuhan Union Hospital" as part of a scientific partnership that began years before the current crisis. That longstanding collaboration meant a qualitative leap in the applied research and endowed the project with critical vision precisely at the time the epidemic was expanding.

Alantra Germany has also collaborated, contributing €5,000 euros, with "Hilfe für krebskranke Kinder e.V.", a non-profit association that supports children with cancer. Founded in 2007, the association is dedicated to helping the children and counselling and supporting their family relations who are affected by the disease.

Hilfe
für krebskranke Kinder e.V.

For years now Alantra in the United Kingdom has been working to support non-profit initiatives by participating in fundraising events. That work was reined in by the pandemic during 2020. Even so, Alantra UK was able to collaborate with Fruidel Limited to form an association called Fareshare that cooperates with food banks throughout the United Kingdom. Even though employees were working from home, it was decided to continue purchasing fruit for the office and donating it to the needy. More than 500 kilos of fruit were donated.

Other initiatives were also undertaken in the United Kingdom to raise funds to purchase protective garments for frontline healthcare workers. Over 2,000 articles were distributed (masks, visors, aprons, robes and reusable coveralls) to ten different organisations of healthcare workers and firefighters deployed to hospitals and senior citizen homes.

Thank you

Your donations funded high grade visors, masks, coveralls and aprons

Face visors

Worn by ICU surgeons and community nurses

Washable/reusable coveralls

Delivered to the Fire Service

Video

Hear from nurses at the Birmingham Women's and Children's Hospital

"I wish to reiterate our appreciation for your kindness and for your generous efforts in supplying us with infection-protection equipment. Rest assured that we will make good use of them. All our employees are working hard and adapting to unprecedented circumstances. The positive and humble impact of organisations such as yours is impossible to quantify. Please, accept our gratitude and give our thanks to your

generous colleagues and members” LT Col Tom Rowlands. FRCS RAMC. Traumatologist and orthopaedic surgeon

Alantra France has for some years now supported Telemaque, a pioneering non-profit organisation working to ensure equal opportunities for youth since 2005. The programme's objective is to develop the potential and possibilities of youngsters in underprivileged or risk situations.

Alantra's contribution is not only monetary. Volunteers from Alantra can dedicate part of their work hours to fostering young persons struggling to overcome socioeconomic obstacles and supporting them in cultural activities and academic or employment orientation. Four youths received this support in 2020 and Alantra intends to continue collaborating with Telemaque in the coming years.

In the Madrid office, at the beginning of the year the Group continued with its *Alantra Emprende* project, after having successfully closed the fifth edition. The initiative had to be suspended due to the lockdown. The pro-bono project will support three 'scale-ups', i.e., start-ups in the stage of scaling up their business and which already generate some cash flow or have near to medium term prospects of generating cash flow and are faced with obtaining their first round of institutional financing. Alantra offers the scale-ups, at no charge, the work time of Alantra employees. The project thus involves contributing volunteer time to advise and support business initiatives in the early or launch stages. The aim is to help those enterprises strengthen their investment goals and help them prepare to raise funds, including as regards optimum debt and capital structures, valuations and presentations to investors, and other aspects.

Alantra Emprende was started in 2017 as part of the Group's corporate social responsibility activities. Apart from creating social value by supporting enterprises destined to be future mid-market players, the initiative strengthens the company's internal culture and training. It is pursued in collaboration with the Fundación Empresa y Sociedad.

“The Alantra Emprende programme has allowed Indigital to rethink its strategy, better organise our ideas, question some commercial and growth issues, as well as prepare a new high-value pitch. This excellent experience has allowed us at the same time to get to know an excellent team of professionals.” Juan Carlos de la Vela, CEO of Indigital (participating company)

“Alantra Emprende is a pioneering initiative, designed with an innovative profile to create value in the business world and is destined to become an international standardbearer. All entrepreneurs who have been involved in this programme agree that it has provided global, strategic and technical vision at the highest level and has helped them carry their projects through into the next stage of their development”. Francisco Abad, General Manager of Fundación Empresa&Sociedad (project partner and coordinator)

Lastly, in the Italy office, the Covid-19 crisis has not allowed Alantra to participate in the volunteer work done in the previous years taking advantage of the provisions made in Italian employment contracts that allow employees who so wish to dedicate some of their paid work time to activities in an NGO. As soon as circumstances allow, that initiative will continue.

c) *Collaboration with Universities*

Alantra works with different universities in the countries where we operate through agreements that bring young talent into the company. We set up monitoring and specific training plans that vary in each country and invite recent graduates to participate in mentorship programmes that allow continuous oversight, which has emerged as a key feature during the 2020 transition to remote work in response to the lockdown.

Alantra teams up with various universities to participate in job fairs, give presentations of the company to students and offer work via job placement pools that normally fill internship and analyst positions.

There are agreements with universities and business schools such as Bocconi University in Italy, Northeastern University in the United States, Frankfurt School of Finance and European Business School in Germany, Universitat St Gallen in Switzerland and IE University, Cunef, ICADE, IESE in Spain.

d) *Impact in our Suppliers*

Alantra has a number of basic guidelines for its procurement of goods and services based on objective and impartial criteria to avoid any type of conflict of interests and favouritism in supplier selection. All acquisitions of good and services must be done according to principles of honesty, integrity, transparency, respect, necessity, fitness, austerity in spending and social responsibility, and be governed by the guidelines specified in the Alantra Code of Ethics. Procurement of services and goods must be done following objective criteria and always ensuring equal opportunities among the different competitors and, as a general rule, by soliciting several offers, except for transactions involving small sums. The policy favours suppliers who display due diligence in matters regarding sustainability in environmental, social and corporate governance questions.

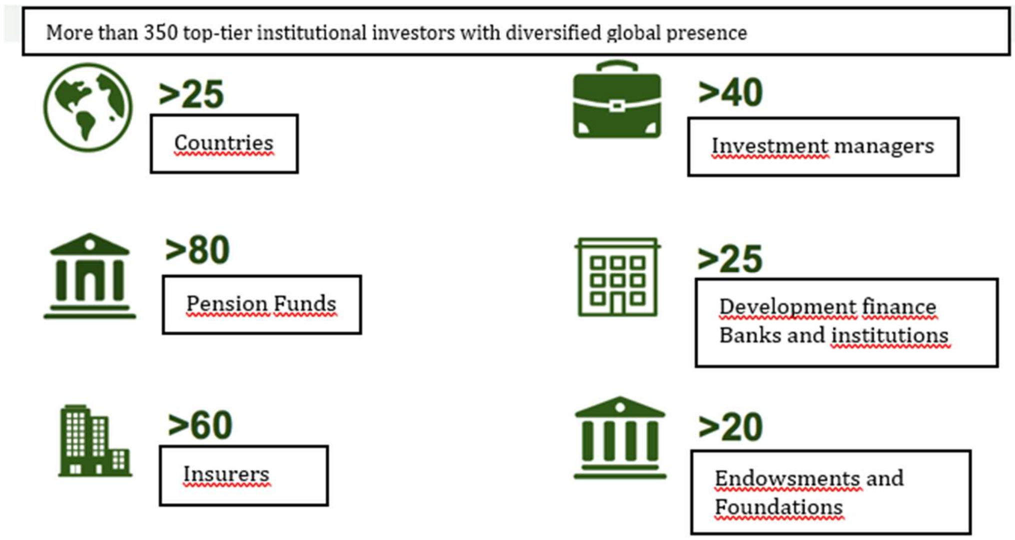
With the contracting of these suppliers, Alantra has provided a total of EUR 32.9m for these business, promoting excellence and responsible and sustainable growth criteria in society. The lion's share of our suppliers (84%) are local, thus increasing the impact our business has in the communities where Alantra operates.

In view of the activity of the Group and its suppliers, no audits or certifications of suppliers are carried out.

2.1.2. Value for our Customers

With the pursuit of its activities, Alantra has global positive impact on our customers and investors, contributing to their development and to generating returns.

In the investment management area, we serve more than 350 institutional investors with a global presence.



Alantra Asset Management has subscribed to the Principles for Responsible Investment of the United Nations and thus seeks to minimise risks while maximising returns for investors. The generation of value impacts the underlying investor. Alantra has more than €2,500 million in assets under direct management for institutional investors from more than 25 countries, including investment management companies, pension funds, foundations, insurers and banks, and public finance institution.

Against a backdrop of equity markets in which the yields on leading European indices were negative -3.2% (EuroStoxx50) or slightly positive (+0.3% in the FTSE EU small cap total return index), the EQMC recorded a return of-0.1% (denominated in euros) and +8.5% (denominated in USD). If we look at these figures from a long-term perspective, as we believe we should given the short-term volatility of equities, since being launched in 2009, EQMC, appreciated 329.9% for its investors, far above the aforesaid indices, which were rising 63.8% (EuroStoxx50) and 208.1% (FTSE Eur SC TR).

QMC III, which invests in listed medium-caps on the Iberian peninsula, appreciated +0.5% (Euros), versus the 12.7% decline recorded by the IBEX for the year. Since it was launched in 2017, it has achieved a return of +11%, giving investors some 320bp or 270bp in added value over the indices. Ibex and Ibex Mid Caps in the same period. QMC III was recently recognised by the journal FundsPeople" as "consistent". At the same time, the daily financial newspaper *Expansión*, with data from Morningstar, has tabbed it as the best performing Spanish stock market fund compared with its peers over the last three years.

Our Alteralia I debt funds recorded cumulative IRR of +5.9% for the year. Alteralia II was recognised as the fourth most profitable debt fund in Spain in 2020 by the journal FundsPeople on 14 January 2021.

Alantra's Investment Banking area participated in advising 153 transactions with an aggregate value of €30,248 million for 132 different clients.

"Alantra ranks amongst the top 5 independent advisors to private equity houses across the globe in 2020", according to Mergermarket

This year we have also been distinguished outside Spain with two prestigious awards:

- "Unquote British Private Equity Awards 2020" Winner, Corporate Finance Adviser of the Year

- Sommet Des Leaders de la Finance – Conseil en Transaction Fonds DÍnvestissement 2020.

Alantra uses diverse channels for communicating with customers and other stakeholders:

- The Alantra website includes an Investor Relations section with contact information.
- The website also includes, on all pages, a link to the privacy policy, with the contact information of the Data Protection Officer (DPO). https://www.alantra.com/es/data-protection-policy/
- Employees have at their disposal the whistleblowing channel described above in section "6. Information on the fight against corruption and bribery".
- The Group's regulated companies have a customer care department and customer protection regulation that is available on the website of the Spanish securities exchange commission, the CNMV.

No claims or complaints were received during 2020 through any of those channels.

2.1.3. Shareholder Value

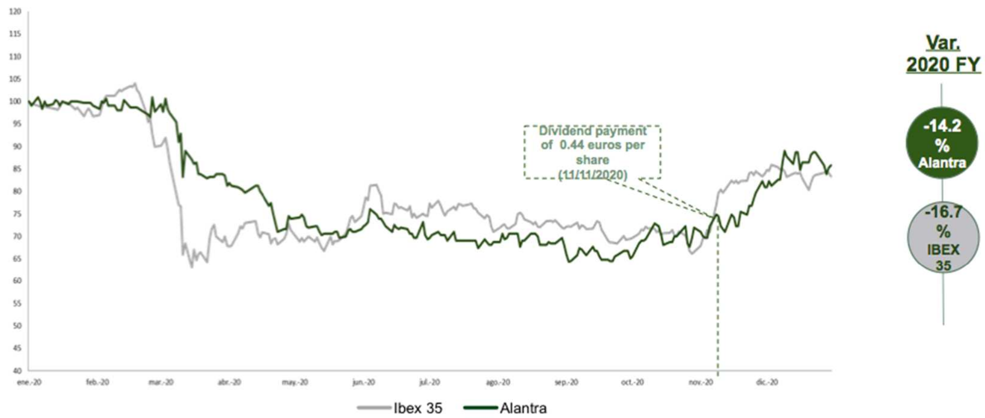
Alantra's shares are admitted to trading through the Spanish Continuous Market on the Madrid and Barcelona Stock Exchanges. Its share capital stands at €115,894,212 and is represented by 38,631,404 shares, each with a par value of €3. All shares are of the same class and carry the same financial and voting and other non-financial rights. At 22 December 2020, Alantra had 3,043 shareholders.

In line with the applicable laws and regulations and corporate governance recommendations, Alantra permanently offers its shareholders and investors transparency and complete information on its activities and financial information through its corporate website (www.alantra.com). The "Shareholders and Investors" section carries information on the share capital and share, financial information, notices and disclosures to the CNMV on inside information and other material information, disclosures regarding shareholders' agreements, shareholders with significant holdings and on corporate governance (general meetings, board of directors, corporate policies and internal regulations). During 2020, Alantra reported a total of 17 material disclosures, some three of which involved disclosure of inside information and 14 disclosures of other material information.

Another publicly available communication channel with Alantra shareholders and investors is a telephone and e-mail address for direct contact with the Investor Relations department, all without prejudice to scrupulous observance of the obligations to inform shareholders regarding general meetings. The general meetings are always transmitted live on the corporate website.

Due to the safety measures imposed by the pandemic, in 2020 the general meeting of shareholders was held online in order to safeguard the health of the shareholders and members of the Board of Directors. The proceedings were conducted entirely on an electronic platform in which shareholders could register and then follow and actively participate in the general meeting.

The 2020 share performance was affected by the pandemic crisis, with a 14.2% decline in the share price, some 250 basis points less than the drop recorded by the IBEX general index, which fell 16.7% during the year. At yearend 2020 Alantra had a market capitalisation of €514 million, with a share price of €13.3.



2020 FY evolution	Price	Marketcap (€Mn)
Min	9.98	386
Max	15.65	605
Avg.	12.16	470

Share price 31/12/2019	
Price	Marketcap (€Mn)
16.31	630

Share price 31/12/2020	
Price	Marketcap (€Mn)
13.30	514

As for the share's long-term performance, the Alantra share has appreciated by approximately 87% (at 31 December 2020) since it was first listed for trading in July 2015, versus the 26% decline recorded by the IBEX 35 in that same period.

Alantra's dividend policy is to distribute nearly all consolidated earnings of each year to shareholders.

2.2. Indirect Impact

Alantra's indirect impact is mainly found in the value the company generates for society.

The social impact is measured directly in employees, but also in other stakeholders via the provision of advisory and asset management services insofar as these foster the development of projects by Alantra customers and drive the local economies where suppliers and shareholders operate.

Managing debt funds and advising on borrowing transactions also impact society indirectly given that those activities provide access to credit for corporate projects whose characteristics make them unlikely recipients of bank financing.

The concentration of the banking market in Spain, which has gone from more than 100 banks in 2008 to fewer than 15 at present, has resulted, along with other factors, in a more than 40% reduction in corporate bank financing since 2008. The increasing recourse to finance from non-bank sources, such as those provided by Alantra through its managed funds, has helped these types of companies to raise capital. Alteralia, one of the debt funds that is most active in the Spanish market, participated in transactions in 2020 such as Arteche (manufacturer of medium and high-voltage transformers) and CTL (manufacturer of flexible plastic tubes for the cosmetics industry), which have spurred disinvestments during the year with their prompt repayments. In those cases, Alteralia financing allowed the aforesaid companies to undertake their investment plans and achieve their targeted growth objectives. Since 2015, Alantra Private Debt has closed 26 transactions.

In a year marked by the deep crisis unleashed by health alarms, Alantra Private Equity, the Group's private equity manager, continued supporting the companies in its portfolio, with the consequent positive impact on the maintenance of employment and consolidation of growth.

Against this backdrop, in 2020 Alantra Private Equity announced that Salto Systems (portfolio company specialising in electronic access) was acquiring the Austrian company Gantner, with financial backing from Alantra and three other investors. After the integration with Salto, the combined workforce rose to 1,200 employees in 40 countries, including more than 230 in R&D, with revenue of €260m.

The support provided by EQMC to its investees has also contributed to maintaining jobs in those companies. In addition, the EQMC and QMC strategy of engaging in close dialogue with the management bodies of the investees, and of promoting good practices (especially as regards remuneration), also helped create value.

SCHEDULE
Content of the Statement of Non-Financial Information - GRI

Content of Spanish Law 11/2018 on SNFIs		Standard used	Page of the Report
Business Model			
Description of the group's business model	- Description of the business model - Geographical presence - Objectives and strategies - Main factors and trends affecting future performance	GRI 102-2, GRI 102-4, GRI 102-6, GRI 102-7, GRI 102-15	Pg. 2-8
Reporting on environmental topics			
Policies	Management approach	GRI 103-2, GRI 103-3	Pg. 4-7
Key risks	Key risks and impacts arising from the group's activities and their management.	GRI 102-11, GRI 102-15	Pg. 4-7
General	Effects of the enterprise's activity on the environment, health and safety	GRI 102-15, GRI 102-29, GRI 102-31	Pg. 9-16
	Environmental evaluation and certification procedures	GRI 102-11, GRI 102-29, GRI 102-30	Pg. 11-13
	Resources devoted to environmental risk prevention	GRI 102-29	Pg. 9-16
	Application of the precautionary principle	GRI 102-11	Pg. 9-16
	Provisions and guarantees for environmental risks	Not material for the Company	Does not apply
Pollution	Measures to prevent pollution	GRI 103-2, GRI 302-4, GRI 302-5, GRI 305-5,	Pg. 9-16
Circular economy and waste prevention and management	Measures for preventing and managing waste	GRI 103-2, GRI 301-1, GRI 301-2, GRI 301-3, GRI 303-3, GRI 306-1, GRI 306-2, GRI 306-3	Pg. 11-12
Sustainable use of resources	Water consumption	GRI 303-5	Pg.
	Consumption of raw materials	GRI 103-2, GRI 301-1, GRI 301-3	Pg.
	Energy: Consumption, direct and indirect; Measures taken to improve energy efficiency, use of renewable energies	GRI 103-2, GRI 302-1, GRI 302-4, GRI 302-5	Pg. 10
Climate change	Greenhouse Gas Emissions (GGE).	GRI 305-1, GRI 305-2, GRI 305-3	Pg. 13
	Measures to adapt to Climate Change	GRI 102-15, GRI 103-2, GRI 305-5	Pg. 13-14
	GGE emissions reduction targets	GRI 103-2	Pg. 14
Protection of biodiversity	Measures taken to preserve or restore biodiversity	Not material for the Company	Does not apply
	Impacts caused by the activity	Not material for the Company	Does not apply
Reporting on labour and employee-related topics			
Policies	Management approach	GRI103-2, GRI 103-3	Pg. 4-7
Key risks	Key risks and impacts arising from the group's activities and their management	GRI 102-15, GRI 102-30	Pg. 4-7
Employment	Total number and distribution of employees by gender, age, country and professional classification	GRI 102-7, GRI 102-8, GRI 401-1, GRI 405-1	Pg. 17
	Total number and distribution of types of employment contract		Pg. 18
	Annual average number of permanent, temporary and part-time contracts by gender, age and professional classification		Pg. 18 and 20
	Number of dismissals by gender, age and professional classification		Pg. 18
	Average remuneration by gender, age and professional classification or equal value	GRI 102-36, GRI 201-3, GRI 405-2	Pg. 18-19
	Gender pay gap		Pg. 19
	Remuneration of equivalent jobs or average remuneration in the company		Pg. 19
	Average remuneration of directors and executives, broken down by gender		Note 5.1 to Annual Financial Statements
	Work disconnection measures	GRI 103-2	Pg. 19-20
	Employees with disabilities	GRI 405-1	Pg. 26
Work organisation	Organisation of working hours	GRI 102-8, GRI 103-2	Pg. 19-20
	Absenteeism (hours)	GRI 403-2	Pg. 21
	Measures to facilitate work-life balance	GRI 103-2, GRI 401-3	Pg. 19-20
Health and safety	Occupational health and safety conditions	GRI 403-1, 403-3, 403-5, 403-6	Pg. 21-23
	Accident indicators broken down by gender	GRI 403-2	Pg. 21
	Occupational illnesses	GRI 403-2	Pg. 21
Industrial relations	Organisation of relations with employees	GRI 102-43, GRI 403-4	Pg. 20-21
	Percentage of employees covered by collective bargaining agreements	GRI 102-41	Pg. 20-21

<table>
<tr><th colspan="2">Content of Spanish Law 11/2018 on SNFIs</th><th>Standard used</th><th>Page of the Report</th></tr>
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<tr><td>Total training hours by occupational category</td><td>GRI 404-1</td><td>Pg. 24</td></tr>
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<tr><td rowspan="7">Equality</td><td>Measures to promote equality between men and women</td><td>Pg. 25-26</td></tr>
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<tr><th colspan="4">Reporting on respect for human rights</th></tr>
<tr><td>Policies</td><td>Management approach</td><td>GRI 103-2, GRI 103-3</td><td>Pg. 4-7</td></tr>
<tr><td>Key risks</td><td>Key risks and impacts arising from the group's activities and how they are managed</td><td>GRI 102-15, GRI 102-30</td><td>Pg. 4-7</td></tr>
<tr><td rowspan="4">Human rights</td><td>Application of due diligence procedures</td><td rowspan="4">GRI 102-17, 103-2, GRI 419-1</td><td rowspan="4">Pg. 8-9</td></tr>
<tr><td>Measures for preventing and managing possible instances of abuse</td></tr>
<tr><td>Reporting of human rights infringements</td></tr>
<tr><td>Promotion of and compliance with ILO provisions</td></tr>
<tr><th colspan="4">Reporting on the fight against corruption and bribery</th></tr>
<tr><td>Policies</td><td>Management approach</td><td>GRI 103-2, GRI 103-3, GRI 205-2</td><td>Pg. 4-7</td></tr>
<tr><td>Key risks</td><td>Key risks and impact arising from the group's activities and their management</td><td>GRI 102-15, GRI 102-30,</td><td>Pg. 4-7</td></tr>
<tr><td rowspan="3">Corruption and bribery</td><td>Measures taken to prevent corruption and bribery</td><td rowspan="2">GRI 103-2</td><td rowspan="2">Pg. 9</td></tr>
<tr><td>Measures to combat money laundering</td></tr>
<tr><td>Contributions to not-for-profit foundations and organisations</td><td>GRI 103-2, GRI 201-1</td><td>Pg. 16 and 27</td></tr>
<tr><th colspan="4">Reporting on society</th></tr>
<tr><td>Policies</td><td>Management approach</td><td>GRI 103-2, GRI 103-3</td><td>Pg. 4-7</td></tr>
<tr><td>Key risks</td><td>Key risks and impacts arising from the group's activities and their management</td><td>GRI 102-15, GRI 102-30</td><td>Pg. 4-7</td></tr>
<tr><td rowspan="4">Company’s commitments to sustainable development</td><td>Impact of the company’s activity on local employment and development</td><td rowspan="2">GRI 203-1, GRI 203-2, GRI 413-1</td><td>Pg. 25 and 31</td></tr>
<tr><td>Impact of the company’s activity on local populations and the local area</td><td>Pg. 27-31</td></tr>
<tr><td>Relations with local communities</td><td>GRI 102-43, GRI 413-1</td><td>Pg. 27-31</td></tr>
<tr><td>Association and sponsorship actions</td><td>GRI 102-13, GRI 203-1, GRI 201-1</td><td>Pg. 27-31</td></tr>
<tr><td rowspan="3">Subcontracting and suppliers</td><td>Inclusion of ESG questions in purchasing policy</td><td rowspan="3">GRI 102-9, GRI 103-3, GRI 414-1</td><td rowspan="3">Pg. 31-32</td></tr>
<tr><td>Attention given to social and environmental responsibility in relations with suppliers and subcontractors</td></tr>
<tr><td>Supervision and audit systems and their results</td></tr>
<tr><td rowspan="2">Consumers</td><td>Measures to protect consumer health and safety</td><td>Not material for the Company</td><td>Does not apply</td></tr>
<tr><td>Management system for claims and complaints received</td><td>GRI 102-17, GRI 103-2, GRI 418-1</td><td>Pg. 33-34</td></tr>
<tr><td rowspan="3">Tax information</td><td>Profits obtained per country</td><td rowspan="2">GRI 207-4</td><td>Annex Annual Report of Investment Firms d) and e) of Annual Financial Statements</td></tr>
<tr><td>Corporate income tax paid</td><td>Annex Annual Report of Investment Firms e) of Annual Financial Statements</td></tr>
<tr><td>Government grants and subsidies received</td><td>GRI 201-4</td><td>Annex Annual Report of Investment Firms f) and Note 26 to Annual Financial Statements</td></tr>
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