



IBERICA CAPITAL PARTNERS INVESTORS IN DISTRESSED REAL ESTATE TRANSACTIONS

Investor Presentation 2023
EXPERIENCED INVESTORS ONLY



ICP

EXECUTIVE SUMMARY

- Iberica Capital Partners (“ICP”) is a Spanish corporate venture dedicated to invest in the fast evolving real estate market, with a regional focus in the southern coastal areas of Spain.
- ICP was founded by a group of real estate veterans and finance professionals that firmly believe in the opportunities offered by the Spanish real estate market.
- The ICP team leverages its deep experience and expertise in real estate, finance and general business practice to identify and access unique investment opportunities.
- We focus on special situation opportunities that require a multi disciplinary approach for value creation.

1 The previous crisis in the Spanish banking system has created lots of opportunities to acquire distressed Spanish real estate specially in the residential housing sector.

- ICP Partners offers an opportunity to invest in distressed real estate assets in Spain, especially in the Málaga region.
- Spanish banks and funds still hold more than €197 billion worth of distressed real estate assets that they need to sell.
- The Spanish banking system still needs between €16-25 billion of equity capital injected.
- Distressed assets can still be acquired at very good price levels and after renovation, face lifts and marketing, be sold at much higher levels hence creating substantial yield for investors.

tors.

- ICP Partners focuses specially on the coastal region of Málaga where the team has substantial experience and a huge network.

2 ICP Partners offers an opportunity to invest in distressed real estate assets in Spain, especially in the Málaga region.

3 The previous crisis in the Spanish banking system, which created a collapse in the Spanish real estate market, has attracted the attention from a number of international distressed investment specialists.

4 These international distressed investment specialists have so far mainly focused on opportu-

nities in big cities like Madrid or Barcelona and the transaction volume is quite limited so far.

- Few distressed investors currently focuses on the Mediterranean area and the distressed opportunities in the residential real estate market in that area. This is mainly due to lack of capability, local knowledge and lack of local exit abilities.
- ICP Partners and its experienced team has the capacity, the local network and competence to capitalise on distressed real estate opportunities that currently exists specially in the Málaga region. We also have access to some off-market transactions in the bigger cities fromtime to time.

THE SPANISH REAL ESTATE MARKET

1 POST COVID RECOVERY DRIVERS

- Improved household wealth caused by delayed consumption.
- New working models : Work from home, digital nomads.
- Appetite for larger homes, outdoor spaces and energy efficiency.



2 MACRO DRIVERS

- Increased household formation.
- Demand for new homes is larger than supply.

3 EXTERNAL DRIVERS

- Wealthy seniors looking to retire with a superior quality of life.
- Advantageous Spanish tax regimes to attract foreign investors.
- Remote professionals under hybrid working models.

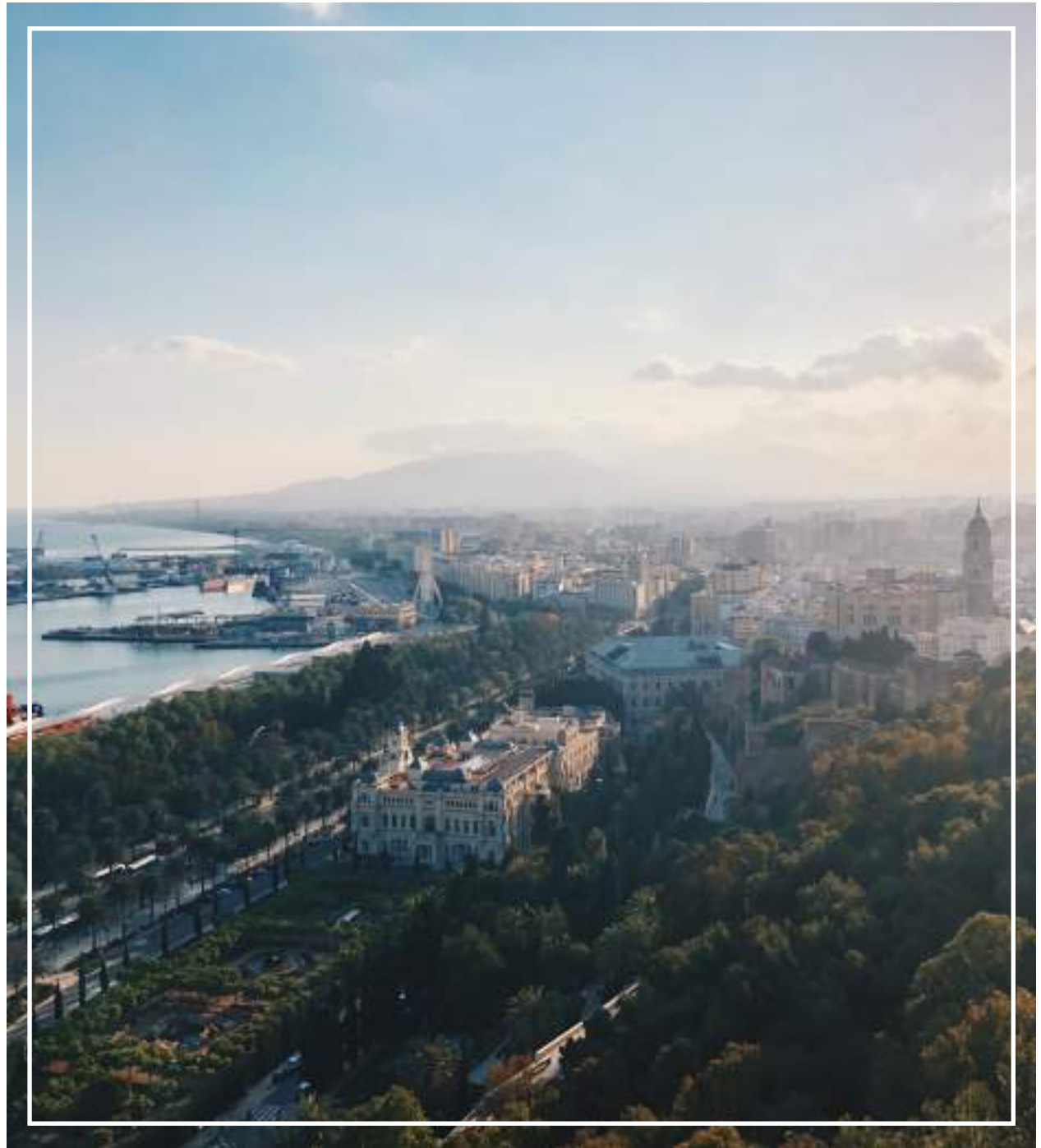


WHY THE MEDITERRANEAN COAST AREA?

First and foremost the Málaga coastal area attracts tourists and real estate buyers from all over the world. In 2019 more than 13 million people visited the Province of Málaga and the airport of Málaga has grown to become a real international airport hub.

Real estate buyers from all over the world invests in real estate in the Málaga Province due to its year around amazing climate and the superb quality of life that is being offered in the Málaga region. During 2019 more than 70 different nationalities bought properties in the Málaga province.

Málaga is also one of the fastest growing corporate regions in Spain and companies like Microsoft, Oracle, Google, Citibank, IKEA and many other big international companies other have chosen to open regional offices in the Málaga province recently. When large international companies are relocated to the Málaga region their employees and directors also starts buying real estate in the region.



WHY THE MEDITERRANEAN COAST AREA?

Spanish banks and funds have little scope or ability to offload meaningful quantum of 'toxic assets' in the coastal area.

- The volumes required, in order to make a meaningful impact on their balance sheets exceed that of the banks proprietary execution abilities given lack of property management platforms and international sale channels & expertise.

- The Coastal areas are considered the most 'toxic and distressed asset' and therefore banks, funds, service companies and distressed private vendors are willing to consider selling debt and assets in the wholesale market as they struggle to offload in the retail marketplace.

We expect a total pool of €30-40bn of distressed asset still in the market

- Based on the total distressed property market stock of €197bn and the Mediterranean Coast share of the total market, we estimate the Fund's addressable market to be approximately €30 – 40bn.

Other distressed debt investors in the Spanish market are focused on prime locations in the major cities

- By focusing on the Province of Málaga ICP will be unique and will be of particu-

lar interest to Spanish banks who have exposure to this area.

ICP Partners is able to leverage its size and be a meaningful counterparty to selling banks

- The size would make the ICP Partners a meaningful and attractive partner for counterparties wanting to offload distressed assets in wholesale transactions.

ICP Partners is able to leverage its sales network and property management expertise to resell assets into the retail marketplace.

- Demand in the 2nd home market is increasing driven by foreign demand, especially UK and Scandinavian buyers for whom 2nd home mortgage credit is available in their home countries.
- ICP Partners is able to exploit and tailor a portfolio to meet this growing demand.

Recent local market developments have shown signs of increasing transaction volumes and liquidity.



THE HOUSING MARKET

Sales are rising steadily and home sales in Spain soared with **35,9%** during 2021 according to the National Statistics Office ("INE").

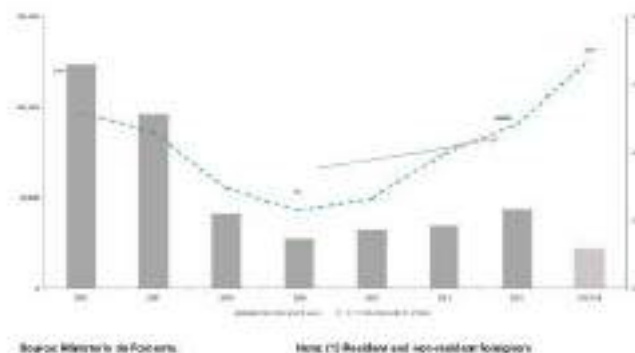
Eighteen out Spain's nineteen autonomous regions are seeing demand surging.

Property sales in Andalucía grew with **41,5%** year on year during 2021 and the demand was particularly strong in the Málaga region with a y-o-y growth of **46,1%**.



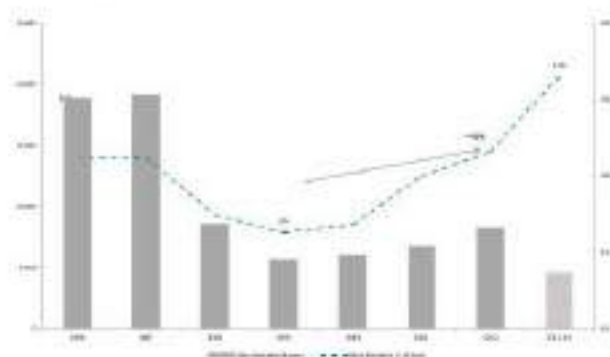
SALES VOLUMES OF NON-DOMESTIC BUYERS

NATIONAL



- 2010 once again saw a return of non-domestic buyers to the market(1) with a YoY increase of 21% in total volume.
- Annual sales volumes are up 163% since the low of 2009.
- The share of non-domestic buyers has recovered and even exceeded that of pre-crisis levels as funding remains available to buyers in their home countries.

ANDALUCIA



- The Andalucía region saw an equivalent collapse during the crisis and a similar but slower return of non-domestic buyers(1) since 2010.
- Total sales volumes saw an equivalent increase of +46% for the period 2009-2021, with volumes still between 143-156% below pre-crisis levels.
- Andalucía Since 2013, y-o-y, shows an increase of 132% in nondomestic sales volumes versus a national average of 19%

INVESTMENT STRATEGY

- The basic investment strategy of ICP Partners will be to acquire distressed properties that has a good value to purchase price ratio. The main focus will be on properties in the Province of Málaga.

- ICP Partners will acquire many different types of properties as long as they fulfill the above mentioned criteria. These can be single villas, apartment buildings, hotels, development land areas as long as the price is really good compared to their current valuation and as long as we see a clear exit strategy. This goes in line with the opportunistic investment profile of ICP Partners.

The exit strategy for each property acquired will be defined in advance to maximize the value enhancement for the investors in ICP Partners.

- Before any acquisition ICP Partners and its legal team will carry out extensive due diligence on the property that is about to be acquired.

- ICP Partners aim to generate value for its investors through innovative thinking, good purchase price, asset development, repositioning and creative marketing strategies.



3 STEPS EXECUTION

1 STEP

The SPV vehicle of ICP Partners acquires the property from the selling party.

2 STEP

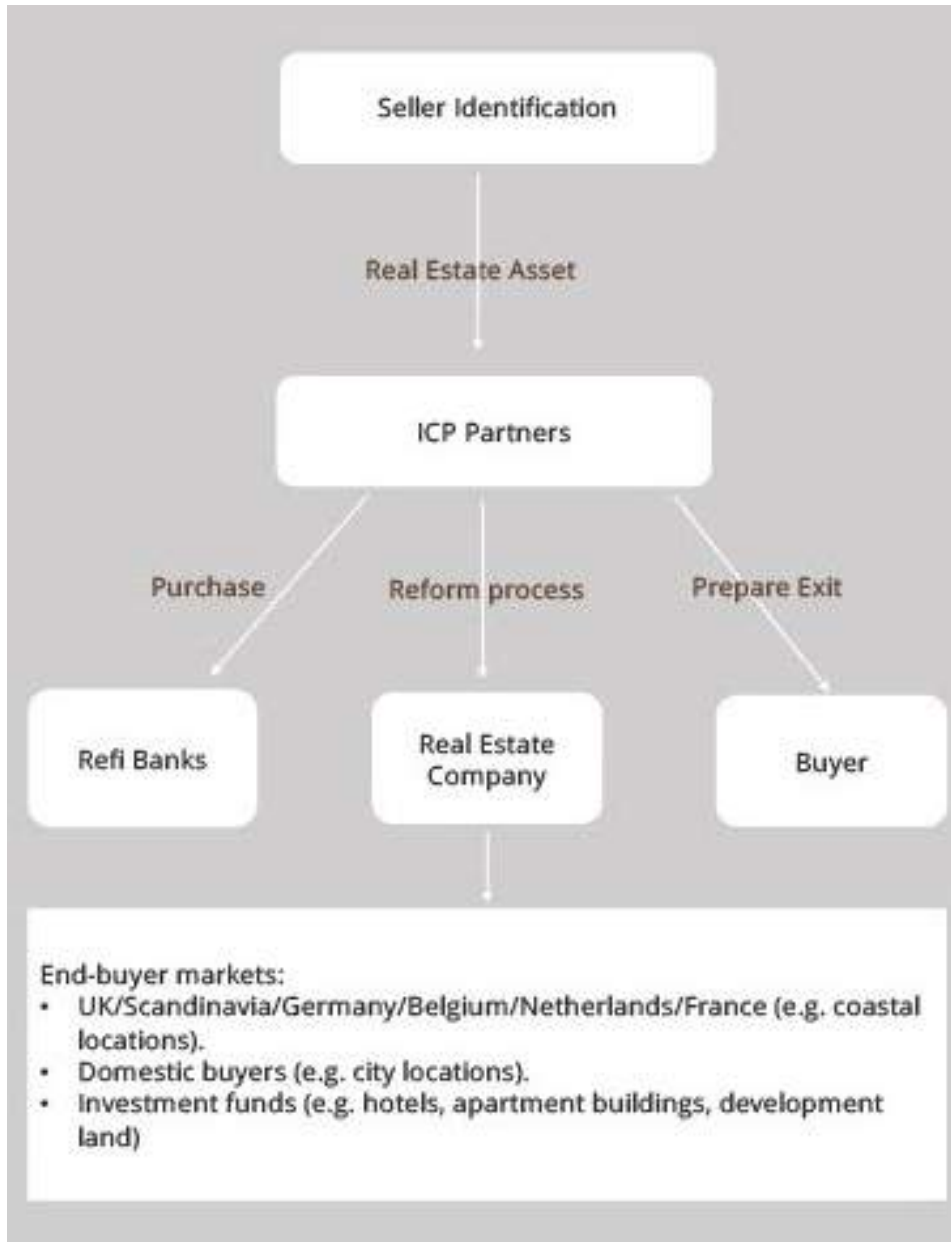
The SPV vehicle settles with debtors, renovates and reforms the property, adapts the property to green energy efficiency standards and markets the property through the massive network of ICP Partners. The property is then transferred to the real estate company of ICP Partners ("RECo").

3 STEP

Step 3: RECo applies targeted exit approaches by asset class.

PROPERTY IDENTIFICATION AND ACQUISITION

- Our differentiated product origination model ,built around long-established relations (30 years +) with market participants for a privileged access to opportunities and flow.
- The opportunities are filtered following rigorous qualitative and quantitative metrics.
- The property/ business valuations will always be done by Bank of Spain/RICS approved entities and will always be confirmed with third parties.
- The optimal financing model is defined for each opportunity.
- Setup of the ad-hoc investment vehicle.





CREATE & MONETIZE VALUE

- High quality renovations
- Energy efficiency
- Re-Branding
- Re-Positioning
- Efficient and targeted marketing

SUSTAINABILITY

- All our projects are implemented to achieve the highest level of energy efficiency and sustainability as a synonym of durable value.
- ICP's sustainable vision focuses on :
 - **People:** Improve quality of life and well-being.
 - **Prosperity:** Foster fair local economic development.
 - **Planet:** Promote the protection and conservation of our surroundings.
- 360° Assessment.
- Property's environment.
- Property's Living quality (air, light, noise, accessibility).
- Efficiency management (energy, water, materials).
- Efficiency rates validated by recognized labels.



SYNERGY RELATED CORPORATE INVESTMENTS

In addition to our real estate acquisitions, ICP Partners will supplement these investments with opportunistic buyouts in sectors related to the real estate market such as construction companies, engineering firms, project managements firms etc. ICP Partners sees a lot of opportunities in generational changes in such companies where the younger generation doesn't want to take over from the older generation even though the family company is very well positioned in their segment and market. We also see similar opportunities in companies that are well positioned in their sector and market but they are undermanaged and needs new management to continue to grow.



PROJECT
MANAGEMENT



TECHNICAL
ENGINEERING



CONSTRUCTION
COMPANIES

ICP Partners aim to unlock added value to our real estate investments through these synergy-related corporate acquisitions. The profits from such ventures are added to the total returns of the real estate investments.



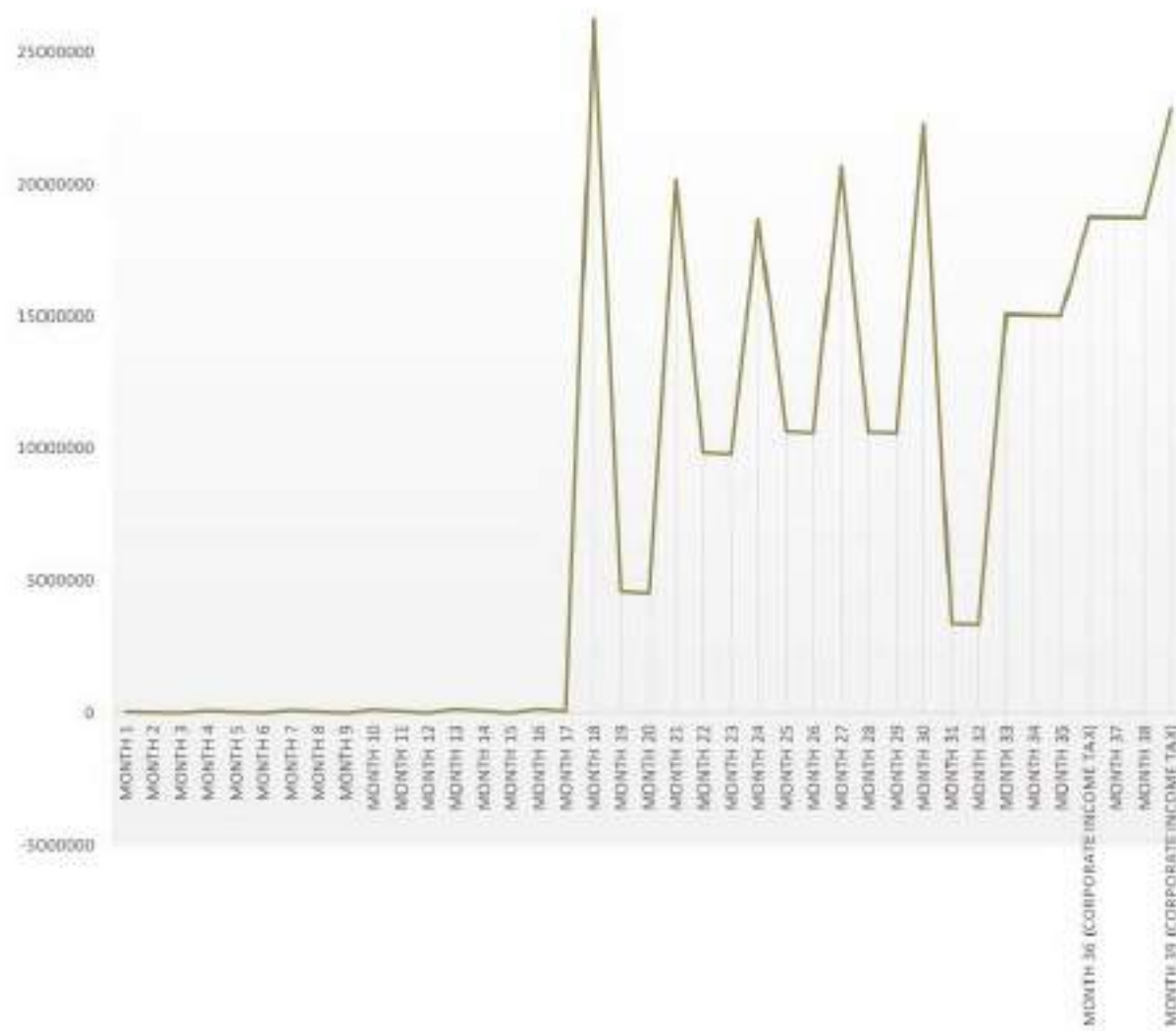


CASH FLOW

CONCEPTIONS	PAYMENT FOR PURCHASE OF "VILLAS-ASSETS"	INVESTOR CONTRIBUTIONS	INCOME FROM SALE	OTHER EXPENSES	INVESTOR RECOVERY	CASHFLOW
MONTH 1	17,671,500.00	17,779,174.50		57,671.50		50,003.00
MONTH 2				25,001.50		25,001.50
MONTH 3				25,001.50		-
MONTH 4	8,210,000.00	8,342,834.50		54,411.50		78,423.00
MONTH 5				39,211.50		39,211.50
MONTH 6				39,211.50		-
MONTH 7	4,260,000.00	4,416,314.50		57,371.50		98,943.00
MONTH 8				49,471.50		49,471.50
MONTH 9				49,471.50		-
MONTH 10	6,211,300.00	6,407,820.40		73,154.80		123,365.60
MONTH 11				61,682.80		61,682.80
MONTH 12				61,682.80		-0.00
MONTH 13	6,582,600.00	6,817,540.20		86,409.40		148,530.80
MONTH 14				74,265.40		74,265.40
MONTH 15				74,265.40		0.00
MONTH 16	6,582,600.00	6,831,616.50		98,992.00		150,024.50
MONTH 17				86,848.00		63,176.50
MONTH 18			26,250,000.00	63,176.50		26,250,000.00
MONTH 19	6,582,600.00			87,903.10	15,000,000.00	4,579,496.90
MONTH 20				75,759.10		4,503,737.80

MONTH 21			15,750,000.00	61,549.10		20,192,188.70
MONTH 22	3,291,301.43			73,912.40	7,000,000.00	9,826,974.86
MONTH 23				67,840.40		9,759,134.46
MONTH 24			9,000,000.00	57,580.40		18,701,554.06
MONTH 25				57,580.40	8,000,000.00	10,643,973.66
MONTH 26				57,580.40		10,586,393.26
MONTH 27			10,128,800.00	45,369.10		20,669,824.16
MONTH 28				45,369.10	10,000,000.00	10,624,455.06
MONTH 29				45,369.10		10,579,085.95
MONTH 30			11,757,600.00	32,786.50		22,303,899.45
MONTH 31				32,786.50	18,896,053.53	3,375,059.42
MONTH 32				32,786.50		3,342,272.92
MONTH 33			11,757,600.00	20,203.90		15,079,669.02
MONTH 34				20,203.90		15,059,465.12
MONTH 35				20,203.90		15,039,261.22
MONTH 36 (CORPORATE INCOME TAX)			11,757,600.00	7,621.30	8,036,771.98	18,752,467.94
MONTH 37				7,621.30		18,744,846.64
MONTH 38				7,621.30		18,737,225.34
MONTH 39 (CORPORATE INCOME TAX)			5,878,802.56	4,330.00	1,757,768.99	22,853,928.91
TOTALES	59,591,901.43	50,595,300.60	102,280,402.56	1,959,278.33	68,690,594.49	22,853,928.91

CASH FLOW



EXECUTED TRANSACTIONS

Since May 2022 the ICP team has executed the following distressed real transactions in the Province of Málaga:



Villa El Real

Valuation: €2.700.000
Executed Purchase Price: €1.300.000
Capex: €400.000
Market re-entry price sold: €4..250.000



Villa Guadalmina

Valuation: €11.000.000
Executed Purchase Price: €2.600.000
Capex: €600.000
Market re-entry price sold: €5.300.000



Villa Guadalmina Baja

Valuation: €7.035.000
Executed Purchase Price: €3.600.000
Capex: €1.000.000
Market re-entry price sold: €11.500.000



OCR

ORC MARBELLA is a company that manages your entire project with experience and responsibility.

“From the first stone to the final touch”.



ORC Marbella is a Malaga-based construction and integral services company established in San Pedro de Alcántara (Marbella) since 2018 and aims to satisfy our customers in order to realize the project of their dreams.

We offer land search and purchase services, project execution and construction with the help of our team of engineers and the company's human resources.

“A good building directs life through its walls.”

We carry out new works as well as renovations in all types of buildings, houses, villas, hotels, etc.

Among our most outstanding works are 3 villas in Sierra Blanca, two villas in urb. Monte Halcones, another villa in urb. Montecarlo. We are currently carrying out the following projects: townhouses in urb. Alborada, villa Limonar in Sotogrande and several projects planned for investment and own promotion.

ORC MARBELLA views each construction project as a completely transparent process to ensure that the end result is successful in its entirety

A successful construction depends on a coherent and universal vision of all the elements included in the project: design, landscaping, installations, furnishings, etc.

We incorporate our clients' lifestyle preferences with state-of-the-art technology and a personalized choice of furnishings and accessories. Every aspect of our construction exudes quality,

“quality is created in the details”



“level construction and design”



ORC MARBEL LA begins each project with care, studying the client's needs and preferences. We take care of translating your ideas and instructions into precise designs through the use of drawings or images made by a team of professionals

Style, design and quality



“designs that set the standard”

ORC Marbella knows that things should look beautiful but they should also look good. Made to stand the test of time.

ORC Marbella is a company that provides a complete service in the field of construction carrying out medium and high level projects from the construction of new buildings, foundations, special structures, concrete walls.

The objective of ORC Marbella is to offer our clients a good service by taking part in the project from the beginning and to offer different options in the finishing of the materials,





SOME OF OUR WORK



DETACHED VILLA IN URB. MONTECARLO



VILLA IN URB. SIERRA BLANCA (MARBELLA)



VILLA IN URB. CAPANES GOLF



VILLA IN URB. MARBELLA CLUB



PEOPLE

THE ICP TEAM



Mr. Fredrick Faberklev

Started as a trainee in the banking world in 1991. Fredrik has since worked for First European Group, UBS, Banque Morval and ICA Capita. He has also founded a private equity fund the Alpe-Adria Balkan Fund Ltd.



Mr. Pablo Anderson

A lawyer by training, founding partner of ASC Group Holding in 1997, and he has a vast experience in international corporate, finance and Real Estate transactions. He has also been promoting AIFMD regulated vehicles under EU regulators to access Spanish debt and real estate.



Mr. Yves Horoit

Veteran serial entrepreneur with over 30 years of experience in real estate as an investor, developer and promoter in Spain and Switzerland. He founded ITS Europe in 1995, a global telecommunication company that went public on Nasdaq New York.



Mr. Michael Atzmon

Michael, an entrepreneur and passionate deal-maker, has a wealth of experience in international finance & banking, cross-border deal advisor as well as in the diamond and jewelry industry. He developed his finance career working on deals with international institutional investors, families and entrepreneurs in various sectors including energy, resources, tech, financial services, luxury, real estate, blockchain and web3. Michael is also a 3rd generation diamond merchant, his family's legacy business. Currently, Michael is the Managing Partner of TRIA Advisor & CEO of TRIA Labs, Founder of Heritage Diamonds Group, as well as a Partner at Elite Diamond Traders and sits on the Advisory boards of Reserve Currency Solutions/PayFoot/Israeli Blockchain Association and Iberica Capital Partners. Michael holds a dual degree; a BBA from the United Business Institutes - a BA from the University of Wales and has followed MBA Courses at the United Business Institutes.

THE ICP ADVISORY BOARD



MR. Philip Swire

Philip has more than 30 years of experience in raising capital for investment funds. During the course of his highly successful career Philip held senior positions at major capital firms like Bankers Trust Deutsche Bank, Donaldson Lufkin & Jenrette (DLJ) and Hambros Bank. He was a Senior Adviser to The Redwood Group now ESR, APAC's leading Logistic Real Estate manager and was an Independent Non-Executive Director of The Raven Property Group until it de-listed from the LSE in December 2022. Before his commercial career, Philip served as an officer in the British Army and retired with the rank of Captain.



Mr. Pablo López

Pablo is a Director and Private Banker at Citibank Private Bank covering Ultra High Net Worth individuals and families. Prior to Citibank, Pablo spent 8 years with Goldman Sachs covering quasi-institutional UHNW clients across Latin America. Pablo holds an advance degree in Private Real Estate Asset Management from the Instituto de Empresas.



Mr. Sami Benchoufi

Sami has got a vast experience within the international financial sector. He has worked many years for Rothschild Bank and Banque Cantonale in Geneve, Switzerland. He has collaborated with Fuchs&Associates and Nemesis and advised large family offices in Luxembourg and Monaco. Sami is the founder and CEO of SB Partners, based in London, a finance advisory firm specialized in debt structuring.



Mr. Rafael Benzaquen

Rafael is a Barrister of the Supreme Court of Gibraltar and a Member of the Middle Temple. He has also an Advisor to the Government of Gibraltar in the Development of the Gibraltar's Experienced Investor Funds legislation. Rafael is the advisor to many holding companies and funds.

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