Queka Real Partners PEF 1

Third Quarter 2022 Report

Issued in November 2022

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1. Fund Data

Fund Name	Queka Real Partners PEF 1
Fund Final size	€151,281,250
Fund Manager	Quadriga Asset Managers, S.A., S.G.I.I.C.
Fund Advisor	Queka Real Partners, S.L.
Website	www.quekarp.es *(new version just launched, you are welcome to visit it)*
First Closing	October 23, 2018
Final Closing	October 31, 2020
Vintage year	2018
Structure	Two linked co-investment vehicles: Queka Real Partners PEF 1 S.C.A., SICAV-RAIF based in Luxembourg, and Queka Real Partners PEF 1 S.C.R, S.A. based in Spain
Regulatory Bodies	The Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg and the Comisión Nacional del Mercado de Valores (CNMV) in Spain
Investment Focus (Stage)	Buy-Outs, Consolidation/Buy & Build, Expansion Capital, Replacement Capital
Investment Focus (Geography)	Spain and, opportunistically, Portugal
End of Investment Period	October 23, 2023
Termination Date	Ten years from first closing plus a maximum of two additional successive periods of one year each
Management Fee	2% p.a. (1% p.a. for first closers who paid a one-off 1% inception fee; 1.7% p.a. for investors with commitments of at least €20 million)
Preferred Return	8% IRR
Carried Interest	20% (15% for investors with commitments of at least €20 million)
Transaction fees	100% offset
Clawback	Yes
Auditors	KPMG Spain and Mazars Luxembourg
Legal Advisors	Cuatrecasas, Elvinger Hoss Prussen
Bank	Targo Bank, Banque Internationale à Luxembourg
Depositary and Transfer Agent	Banque Internationale à Luxembourg, Zedra Fund Services, BNP Paribas

2. Fund Executive Summary

Drawdown and distributions

As of September 30th, 2022, Queka Real Partners PEF 1 had called for €101.3 million, a 67% drawdown.

As of September 30th, 2022, Queka Real Partners PEF 1 has received €92.0 million proceeds from companies in the portfolio, mainly due to **Medac**[(1)] exit, thus a first distribution to investors was made on October 4th, 2021, amounting €91.6 million (0.9x DPI); current TVPI multiple – pre-carried interest - is 1.8x.

Investments

Queka Real Partners PEF 1 has closed six investments since inception being **Medac**[(1)], **LipoTrue**, **MN Program, Juan Navarro, Madrid Hifi** and **Factory Colchón**.

As of September 30th, 2022, the total investment amounted €89.6 million.

Divestments

Full divestments

Medac [(1)] : Total proceeds of €91.7 million (6.1x money multiple and 87% IRR). The full sale of this investment was signed on August 25th, 2021 and closing took place on September 22nd, 2021. The company was sold at a €190 million enterprise value meaning a 29.0x exit EBITDA multiple.

The portfolio valuation as of September 30th, 2022, is included in this report.

Management Fees, Other Fees and Expenses

As of September 30th, 2022, management fees amount €10.2 million (including €0.6m from the 1% subscription fee paid by first closers) and operating costs amount €2.1 million. The costs figure includes €0.5 million (including VAT) of inception costs, €0.8 million of expenses incurred in transaction monitoring, closing and abort costs, and finally on-going expenses amounting €0.8 million.

Carried Interest and Clawback

As of today, the Fund has not paid any carried interest, being €10.0 million the accrued one as of September 30th, 2022.

Fund Litigation

As of today, there are no legal proceedings or claims against the Fund.

(1) Queka has been awarded with SPAINCAP 2022 Best Private Equity deal in Spain (Middle Market) for Medac.

Valuation Principles

The Fund portfolio companies' valuations are produced quarterly following the International Private Equity and Venture Capital (IPEV) Reporting Guidelines. They are reviewed and approved by the Fund's Investment Committee, and reviewed, on an annual basis - as of year end - by the Fund´s auditor.

This quarterly report includes the fair market valuation of the four companies (one sold company) in the portfolio as of September 30th, 2022. A separate Valuation Report is produced quarterly and is available to investors upon request.

ESG

In accordance with Queka´s ESG policies, the portfolio companies are required to complete an ESG compliance questionnaire at the time of investment and to disclose any changes of circumstances that may result in a material breach of the ESG principles.

We also request a completed quarterly questionnaire from all current portfolio companies and monitor their progress to ESG goals. All current portfolio companies have completed their ESG questionnaires for this and the findings are presented in the companies´ summaries in section 4 of this report.

The Fund only divestment, Medac, has been sold to a Private Equity Impact Fund. Through the sale process, the portfolio company, and the Fund itself, underwent a thorough ESG due diligence process with satisfactory results.

Advisory Committee

The Fund Advisory Committee was formed after the final closing and comprises seven of the most relevant investors in the Fund.
Its last meeting has taken place on September 30th, 2021.

Investor Relations

Queka is committed to a detailed and regular investor communication, providing periodic portfolio updates to ensure transparency and strong dialogue with its Limited Partners.

General News

We are pleased to inform that Queka has been awarded with SPAINCAP 2022 Best Private Equity deal in Spain (Middle Market) for Medac.

3. Portfolio Report

3.1 Portfolio Valuation

3.2 Portfolio Key Data

Queka Real Partners PEF 1 – Key Performance Indicators

Queka Real Partners PEF 1- Key Net Performance Indicators as of 30.09.2022

	million €
Total committed QRP PEF 1	**151.3**
Commitment Target	**125.0**
Vintage year	**2018**

I.- Drawndown	
A.- Invested in companies	**89.6**
Medac - initial: €15.5m less €0.4m received from coinvestment	*15.1*
Lipotrue - initial: €9.6m less €1.87m received from coinvestment plus €15.7m add-on investment	*23.4*
MN Program	*11.0*
Juan Navarro - initial: €18.2m less proceeds received from coinvestment: -€50k	*18.1*
Madrid Hi-fi	*13.7*
Factory Colchón	*8.2*
B.- Fees and expenses	**12.1**
Management fees (includes Inception fee)	*10.2*
Inception costs	*0.5*
Operational expenses (auditor, depositary, accounting, transfer agent, etc.)	*0.8*
Monitoring, abortion and closing costs	*0.8*
C.- Less: reinvested or not distributed amounts (clauses 23.2 & 25.2)	**-0.3**
D.- Cash drawn in advance to be applied to A.- or B.- above or to C.- on right hand side	**0.0**
Total drawndown (A+B-C+D)	**101.3**

II.- Proceeds	
A.- Received from companies	**92.0**
Medac	*91.6*
Lipotrue	*0.0*
MN Program	*0.3*
B.- Reinvested or not distributed amounts (clauses 23.2 & 25.2)	**0.3**
C.- Distributed	**91.6**
of which Temporary Distributions (clause 26)	***0.0***
D.- Available for distributions (A-B-C)	**0.0**

Invested / Commited capital	59%
Drawndown / Commited capital	67%
DPI	**0.9x**
TVPI (pre-carried interest)	**1.8x**
Total Unrealised Value QRP PEF 1	**92.2**
Total Value QRP PEF 1	**183.8**
Total drawndown	**101.3**
Total distributed	**91.6**
Amounts available for further drawdowns (Commitment-drawdown+temporary distributions)	**49.9**

III.- Cash position of the Fund	
Cash drawn in advance (I.- D)	0.0
Total	**0.0**

Notes

- Accrued carried interest as of September 2022 amounts €10.0 million

4. Portfolio Companies

3.1 Portfolio Valuation as of September 30th, 2022

PORTFOLIO VALUATION

(in €)

Company	% owned	% of Fund size	Date of Investment	Date of Divestment	Holding period (months)	Cost of Investment	Realized Value	Residual Value	Total Value	Money Multiple (x)	IRR (%)	Entry EBITDA Multiple	Current or Exit EBITDA Multiple	Exit route
REALISED														
Medac	52.7%	10.0%	Nov 2018	Aug 2021	33	15,114,194	91,770,664	0	91,770,664	6.1x	87%	8.9x	29.0x	Sold to a PE Impact Fund
Total Unrealised						15,114,194	91,770,664	0	91,770,664	6.1x	87%			
UNREALISED														
Lipotrue [1]	30.3%	15.5%	Oct 2019	n.a.	35	23,463,053	24,120	29,693,994	29,718,114	1.3x	20%	6.7x [2]	6.7x	n.a.
MN Program	20.0%	7.4%	April 2021	n.a.	17	11,047,182	171,468	22,549,696	22,721,164	2.1x	65%	13.2x	13.2x	n.a.
Juan Navarro [3]	73.7%	12.0%	November 2021	n.a.	10	18,112,420	0	18,112,420	18,112,420	1.0x	n.a.	9.2x	9.2x	n.a.
Madrid Hifi	80.0%	9.1%	November 2021	n.a.	10	13,692,787	0	13,692,787	13,692,787	1.0x	n.a.	9.6x	9.6x	n.a.
Factory Colchón	68.5%	5.4%	August 2022	n.a.	2	8,176,237	0	8,176,237	8,176,237	1.0x	n.a.	7.3x	7.3x	n.a.
Total Unrealised						74,491,678	195,588	92,225,134	92,420,721	1.2x	23%			
TOTAL QUEKA REAL PARTNERS PEF 1						**89,605,872**	**91,966,252**	**92,225,134**	**184,191,385**	**2.1x**	**68%**			

(1) i) €3.5 million add-on investment in July 2020; ii) €1.75 million sold to a coinvestor in March 2021 and €0.1 million in July 2022; iii) €8.4 million add-on investment in May 2022; iv) €7.35 million add-on investment in September 2022
(2) Considering €9m EBITDA Run Rate (estimated peak sales of current products portfolio)
(3) €50k sold to a coinvestor in February 2022

3.2 Portfolio Key Data as of September 30th, 2022

PORTFOLIO KEY DATA

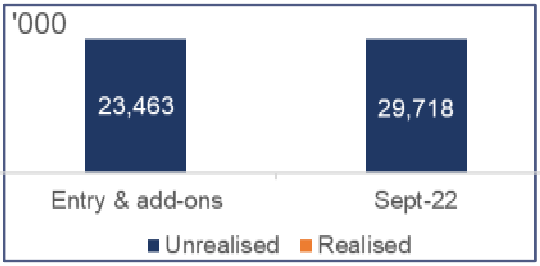
(in € thousand)

Company	Sector [1]	Address	SME / Non SME at entry [2]	Employment	Revenues	EBITDA	EBIT	Corporate Income Tax (CIT)	Intangible Assets	Total Assets	% Exports	Net Debt/EBITDA ratio
Lipotrue (consolidated figures)	Biotech and healthcare - Biotechnology - Life sciences - 72.1 Research and experimental development on natural sciences and engineering	Spain	SME	*39*	*10,703*	*3,599*	*2,643*	*(550)*	*3,873*	*10,936*	*79%*	*0.2x*
MN Program	ICT - Software - Application software - 62.01 Computer programming activities	Spain	SME	*128*	*8,763*	*3,513*	*2,858*	*(715)*	*5,331*	*6,101*	*0%*	*0.3x*
Juan Navarro	Consumer goods and services - Consumer products manufacturing - 10 Manufacture of food products	Spain	SME	*30*	*21,130*	*3,881*	*345*	*(564)*	*33,076*	*44,004*	*90%*	*3.0x*
Madrid Hifi	Consumer goods and services - Consumer products retailing - 47 Retail trade	Spain	SME	*52*	*27,025*	*3,033*	*2,978*	*(654)*	*19,116*	*29,744*	*3%*	*3.1x*
Factory Colchón	Consumer goods and services - Consumer products retailing - 47 Retail trade	Spain	SME	96	9,470	1,772	1,657	0	14,200	18,685	0%	2.9x

[1] As per Invest Europe & NACE sectoral classification
[2] As per EU criteria
P&L figures are LTM ones

4.1 LipoTrue

(LipoTrue, S.L.)
https://lipotrue.com/



Investment Summary

Business: Developer of Active Cosmetic Ingredients
Sector: Cosmetics
Sourcing: In-house
Value Creation Theme: International Growth
Deal Type: Controlled Minority
QRP Team: F. Elío, E. Martinavarro, N. Maraver and C. Álvarez

Investment Date: October 2019
QRP Investment (Entry; add-ons): €6.1m; €17.4m
Ownership (including co-investor): 30.3%

The Company

LipoTrue was founded in 2015 with the mission to develop highly technological ingredients for leading cosmetics of the future.

The company has the following product lines: biotechnology (wild plants), peptides, marine ingredients, and botanical extracts, with a current portfolio of more than 30 unique products (either patented or unique formulations), seven of which are blockbusters with yearly sales above €0.5m. Lipotrue has a solid and recurrent customer base of 245 clients, including the most prestigious brands in the industry.

Ownership post transaction

Investment Thesis

- The company is led by the former management team of LipoTec, which was sold in 2012 to Lubrizol (Berkshire Hathaway) at an EV/EBITDA multiple of 19.8x for a total amount of €168m.
- Key roles for achieving the business plan were hired at the outset. Hence, LipoTrue will benefit from strong operating leverage throughout the business plan.
- €1.5b market growing >5% $CAGR_{17\text{-}21}$ per year even through economic downturns.
- 30 unique products and an additional 4-5 product launches per year (1-2 sector average), leveraging expertise, faster proprietary research process, and internal big data capability.
- Client diversification: blue chip ACI customers, cosmetics and luxury groups, and client lock-in: changing product formula is very complex and takes years.
- Growing industry in terms of valuation – average EV/EBITDA comparable companies above 21x.
- Terms: full control of the exit with drag-along rights and 8% preferred return.

Sources & Uses

Sources	m€	Uses	m€
Equity	77.2	Equity purchase price (*)	77.2
Queka Real Partners equity	23.3	Purchase price selling shareholders	23.3
Management Reinvestment	53.9	Remaining shareholders	53.9
Queka Real Partners (transaction costs)	0.2	Transaction costs	0.2
Debt with current shareholder	8.6	Debt with current shareholder	8.6
Financial debt pre-transaction	2.4	Financial debt post transaction	2.4
Cash pre-transaction	1.8	Cash post transaction	1.8
Total sources	**90.2**	**Total uses**	**90.2**

(*) Note: blended equity value considering the initial investment plus the subsequent add-ons
(**) Debt and cash figures shown are as of 30 September 2022

Summary Trading

Profit & Loss Account LipoTrue (Consolidated)

'000	Dec 2021	Sept 2021 (Q2 FY21)	Sept 2022 (Q2 FY22)	y-o-y growth
Revenues (*)	**7,703**	**5,620**	**8,620**	***53%***
Gross Profit	**5,419**	**3,834**	**6,080**	***59%***
Gross Margin	*68%*	*68%*	*71%*	
EBITDA (*)	**1,888**	**1,131**	**2,842**	***151%***
EBITDA Margin	*25%*	*20%*	*33%*	
EBIT	**997**	**459**	**2,105**	***359%***
EBIT Margin	*8%*	*8%*	*24%*	

Source: Management Information

Balance Sheet LipoTrue (Consolidated)

'000	Sept 30th 2021A	Sept 30th 2022A
Current Assets	3,549	6,020
(Current Liabilities)	(1,590)	(2,983)
Working Capital	1,960	3,037
Fixed Assets	4,821	4,916
Total Assets	8,370	10,936
Fixed Liabilities	10,758	9,402
Total Liabilities	12,347	12,385
Debt with shareholder	9,000	8,600
Net financial Debt (Cash)	1,172	600
Equity	(3,977)	(1,449)

Source: Management Information

- LipoTrue S.L. closed Q3 2022, with sales of €8.6m, representing 53% y-o-y growth and an EBITDA of €2.8m (151% y-o-y growth)
  i. Sales breakdown by geography: EMEA ((45%), USA (36%), APAC (17%), and LATAM (2%).
  ii. Sales breakdown by product category: Marine Bio-Research (25%), Wild Plants (44%), Peptides (19%) and Generics (11%).
- LipoTrue continues improving gross margin by renegotiating supply agreements.
- Regarding EBITDA margin, reported 13 percentage points y-o-y increase due to operating leverage as expected upon entry when preparing the business plan.
- Regarding Capex, LipoTrue invested €0.9m in Q3 2022, 97% of which corresponds to R&D and the other 3% to IT and equipment.
- LipoTrue closed at 30 September 2022 with a financial debt of €2.4m and a cash position of €1.8m, resulting in a NFD of €0.6m, 0.2x NFD/EBITDA LTM.
- As of 30 September 2022 the debt with Jose María García (non-executive chairman) reaches €8.6m which will be repaid in the following 5 years if the yearly amount to be repaid is below 50% of the generated free cash flow (after R&D investment and other capex). The agreed interest rate is 2% + EUR (with a 2% cap).

Company Developments & Investment

- In March 2022 Queka acquired an additional 10.2% in LipoTrue S.L. for €8.4m in the form of cash out to Jose María García (9.5%) and Raúl Jimenez (0.7%). Additionally, Queka was granted a call option to acquire, in the following 12 months, an additional 7.5% to Jose María Garcia (5%) and Raul Jimenez (2.5%) for a ticket of 7.4m€. Queka executed the option in September 2022 given the reported growth in sales and EBITDA.
- Due to the high interest of one recently launched product, LipoTrue is in negotiations with certain clients to grant exclusivity under a minimum order level, which will allow the Company to make strategic agreements that guarantee recurring sales.
- During Q3 2022, the company launched two unique products and attended various international fairs to introduce these new products and to continue capturing new clients.
- The R&D team continues working on the development of new formulations. Currently there is a pipeline of 9 unique products under development of which two are expected to be launched in the second half of 2022.

ESG Highlights

Environmental: A number of Lipotrue's active ingredients have already been approved by Cosmos (ECOCERT) one of the foremost certifying entities in the cosmetics industry. Lipotrue´s actives have been vegan certified by The Vegan Society.

In 2021 BSB Innovation Award edition two active ingredients from Lipotrue have been awarded by the independent BSB Consulting Services Agency. In the category "Most Innovative Natural Raw Material Microbiome targeted", Aeonome has been awarded with the gold prize, whereas iPetide has been awarded with the bronze prize in the category "Most Innovative Raw Material for skin and eye appearance".

LipoTrue has received GMP certification (Good Manufacturing Practices) which ensures high quality standard.

Social: Women represent 54% of the total 39 employees (which represents a 44% increase since Queka Fund 1 entry). 99% of the employees have fixed contracts. Both the rate of absenteeism and occupational accidents are currently 0%.

LipoTrue has signed co-operation agreements with Gava and Viladecans city halls supporting Local Social Projects in order to assist & mentor teenagers in entrepreneurial projects.

LipoTrue also offers support to young students to develop a project and enter into the labour market and promotes tradership and job creation.

Up to 6% of the Company's shares are held by non-executive employees.

LipoTrue has been evaluated and awarded by EcoVadis with the 2021 Gold Medal after rating the company´s sustainability management system and its corporate social responsibility policy. With this result Lipotrue is placed among the top 5 percent of evaluated worldwide companies assessed by Ecovadis Sustainability Rating with this recognition.

Governmental: LipoTrue has written policies concerning regulation compliance and ethical codes. The company has never faced any legal proceedings or claims against the business.

Valuation

'000	Oct 19 Entry	Dec 19	Dec 20	Dec 21	September 22 Current
Investment cost	(6,108)	(6,108)	(9,623)	(7,873)	(23,463)
Realised value	-	-	-	-	-
Dividends	-	-	-	-	-
Interests	-	-	-	24	24
Loan repayment	-	-	-	-	-
Sale of shares	-	-	-	-	-
Unrealised FMV	6,108	6,108	9,623	12,240	29,718
Methodology	*Cost*	*Cost*	*FMV*	*Third party transaction*	*Third party transaction*
Multiple (*)	6.7x	6.7x	6.7x	6.7x	6.7x
Total QRP PEF 1	**6,108**	**6,108**	**9,623**	**12,264**	**29,718**
Realised Value / Cost	0.0x	0.0x	0.0x	0.0x	0.0x
Gross MoIC	1.0x	1.0x	1.0x	1.6x	1.3x
Gross IRR	N/A	N/A	N/A	23%	20%

MoIC: (realized + unrealized FMV)/cost
(*) Assuming run rate EBITDA of €9m considering the estimated peak sales of the current portfolio of products

4.2 MN Program

MN program

(MN PROGRAM SOFTWARE S.L.)
www.mnprogram.com

Investment Summary

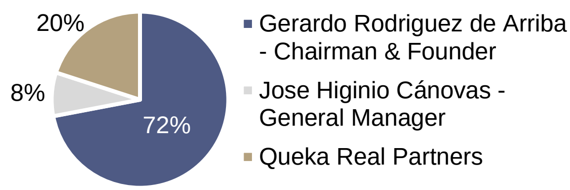
Business: Multi-sector Management Software (SaaS)
Sector: Software
Sourcing: In-house
Value Creation Theme: Organic Growth
Deal Type: Controlling minority with 2.2x MOIC preferred return
QRP Team: F. Elío, N. Maraver, I. Resusta and P. Lázaro

Investment Date: April 2021
QRP Investment (Entry): €11.0m
Ownership: 20% with full exit ownership

The Company

MN Program, headquartered in La Coruña, with approximately 130 employees, is the leading management SaaS (Software as a Service) provider in the Spanish legal and healthcare SME market with over 8.5k clients.

Ownership post-transaction



Investment Thesis

- Strong management team and very robust sales force able to untap and develop new markets
- Diversified and broad customer base: more than 7.7k clients (at investment date) in the SME segment (≈10 employees or less, €10m revenue) with a market share in the legal and healthcare verticals of 18% and 6%, respectively
- Company growth driven by the following tailwinds: i) SME management: SaaS market is expected to grow 14% CAGR 22-26E; ii) low customer sensitivity to price increase due to the company's ability to launch new functionalities and the high stickiness of MN's software; iii) option to develop and grow new customer verticals: education, architecture, engineers, consulting, advisory and NGOs
- High barriers to entry due to the Company's unique product portfolio covering all SME customer needs (e.g.: case and project management, CRM, budgets, reservation, accounting, billing, taxes, electronic signature)
- The Company has a track record of steady historical growth (17% CAGR 19-21), high profitability (approx. 48% EBITDA margin), strong cash conversion, and low customer attrition rates
- Downside protection: 2.2x MOIC preferred return shares

Sources & Uses

Sources	m€	Uses	m€
Existing debt	2.4	Existing debt not refinanced	2.4
Cash at closing	1.6	Cash at opening	1.6
Managment rollover	**41.3**	**Equity purchase price**	**51.6**
Queka Ticket	**11.1**		
Queka Equity	10.3		
Transaction costs	0.9	Transaction costs	0.9
Total Sources	**56.5**	**Total Uses**	**56.5**

Summary Trading

Profit & Loss Account MN Program

'000	Dec 2021	Sept 2021 (Q3 YTD21)	Sept 2022 (Q3 YTD22)	YoY growth (%)
ARR [1]	**7,836**	**7,166**	**8,763**	***22%***
Revenue	7,672	5,859	5,451	*(7%)*
Personnel costs	(3,660)	(2,622)	(3,164)	*21%*
OPEX	(1,045)	(865)	(773)	*(11%)*
EBITDA ARR	**3,131**	**2,517**	**3,513**	***40%***
% over sales	*40%*	*35%*	*40%*	
EBITDA PF [2]	2,968	2,372	1,514	*(36%)*
% over sales	*39%*	*40%*	*28%*	
EBIT	2,263	1,821	1,013	*(44%)*
% over sales	*29%*	*31%*	*19%*	

Source: Management Information

Balance Sheet MN Program

'000	Dec 31st 2021	Sept 30th 2022
Accounts receivables	972	498
(Accounts payable)	(1,478)	(713)
Working Capital	(506)	(215)
Fixed Assets	5,917	6,101
Total Assets	7,074	7,286
Fixed Liabilities	-	-
Payable dividends	-	658
Total Liabilities	2,416	3,206
Net Debt (Cash)	753	1,148
Equity	4,658	4,080

Source: Management Information

1) *Note: ARR = Annual Recurring Revenue*
2) *Note: Pro-Forma EBITDA excluding non recurring/going-forward costs*

- MN ended Q3 YTD22 with 8.4k customers, representing 8% y-o-y growth (vs. 7.8k customers in Q3 YTD21)
- In September 2022, Annual Recurring Revenue increased 22% y-o-y growth to €8.8m (vs. €7.2m in September 2021), due to price increase, onboarding of new clients and low attrition rates
- Accounting revenue dropped by 7% in Q3 YTD22 vs. Q3 YTD21 due to changes in invoicing and collection, namely, the transition from a single annual invoice to customers to a subscription and monthly fee strategy, which results in a one-off revenue loss during 2022. This strategic move leads to higher future growth, an increase in new customer adds and lower churn rates
- Q3 YTD22 personnel expense increase of €542k (21% y-o-y growth) is related to the reinforcement of the sales and support teams to accelerate growth. Regardless of this cost increase, EBITDA^{ARR} Margin Q3 YTD22 was 40% (5 pp y-o-y growth)
- On September 30th 2022, MN Net Financial Debt was €1.1m (debt position of €1.8m and cash position of €0.7m)

Company Developments & Investment

- MN achieved its monthly growth targets during Q3 YTD22, for both number of customers and average price increase, while also improving customer attrition rate
- Incorporation of new CFO with more than 8 years audit experience at a Big Four company

ESG Highlights

Environmental: Given the type of business run by the company (SaaS) there are extremely low environmental risks in its daily development.

Social: Since Queka Fund entry, Full Time Employees (FTE) have increased from 105 to 128 which represents a 22% growth. Women represent approximately 77% of total employees, moreover, women represent 80% of top management positions which is quite remarkable.

Both, absenteeism and occupational accidents rates, are very low.

Equality plan implementation in progress.

Governmental: MN Program has written policies concerning regulation compliance and ethical codes. The company has never faced any legal proceedings or claims against the business.

Valuation

'000	Apr 21 Entry	Dec 21	Sept 22 Current
Investment cost	(11,047)	(11,047)	(11,047)
Realised value	-	-	171
Dividends	-	-	171
Interests	-	-	-
Loan repayment	-	-	-
Sale of shares	-	-	-
Unrealised FMV	11,047	11,120	22,550
Methodology	*Cost*	*Cost*	*2.2x MoM downside protection*
Total QRP PEF 1	**11,047**	**11,120**	**22,721**
Realised Value / Cost	0.0x	0.0x	0.0x
Gross MoIC	1.0x	1.0x	2.1x
Gross IRR	N/A	N/A	65%

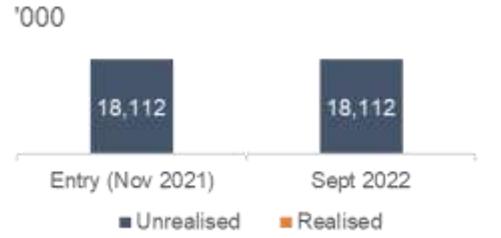
MoIC: (realized + unrealized FMV)/cost

4.3 Juan Navarro

"A world of natural colour, aroma and flavour"

(JUAN NAVARRO GARCÍA S.A.U.)

www.juannavarro.com



Investment Summary

Business: Producer of paprika, oleoresins and other spices

Sector: Food ingredients

Sourcing: In-house

Value Creation Theme: Organic Growth

Deal Type: Leveraged Management Buyout

QRP Team: F. Elío, E. Martinavarro, S. Martí, C. Álvarez-Novoa and P. Lázaro

Investment Date:	November 2021
QRP Investment (Entry):	€18.1m
Financial Leverage:	€12m
Ownership:	74%

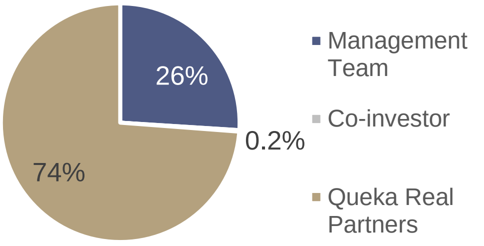
The Company

JNG, founded in 1865 in Murcia, is a successful capsicum processor specialising in the production and distribution of paprika powder, cayenne and oleoresin.

The Company has a broad international blue chip client-base, mainly composed of top European fragrance and flavour multinationals.

JNG is a sixth generation company with an excellent management team, an outstanding reputation, and a product portfolio highly valued by its clients with relationships spanning decades.

Ownership post transaction



Investment Thesis

- $600m addressable market with expected growth of 4% CAGR 20-25, driven by solid fundamentals such as ongoing advancement towards the food industry, investment in natural ingredients and clean labels, and a consumer trend favouring convenience and ethnic foods.
- Relevant presence with top clients, but with room to gain share of wallet. Ability to serve clients globally with efficient service. High barriers to exit for customers given the end-product quality risk that changing capsicum suppliers entails for them.
- Stable margins since the Company is able to pass on raw material price increases to clients.
- High and predictable profitability and cash generation (above competition).

Sources & Uses

Sources	m€
Total Equity	**24.6**
Queka investment	18.2
Management reinvestment	6.5
Aquisition debt	12.0
Existing non-refinanced debt	0.1
Cash at closing	0.8
Total Sources	**37.5**

Uses	m€
Puchasing price selling shareholder	29.5
Reinvestment Management	6.5
Existing non-refinanced debt	0.1
Cash post-transaction	0.8
Fees and Expenses	0.7
Total Uses	**37.5**

Summary Trading

Profit & Loss Account Juan Navarro (1)

'000	Dec 2021	Sept 2021 (Q3 FY21)	Sept 2022 (Q3 FY22)	YoY Growth
Revenues	**17,474**	**12,813**	**16,469**	***29%***
Gross Profit	**6,859**	**5,144**	**6,234** [2]	***21%***
% over sales	*39%*	*40%*	*38%*	
EBITDA	**3,699**	**2,935**	**3,117** [2]	***6%***
% over sales	*21%*	*23%*	*19%*	
EBIT [3]	2,119	2,927	345	*(88%)*
% over sales	*12%*	*23%*	*2%*	

Source: Management Information

Balance Sheet Juan Navarro (1)

'000	Dec 31st 2021	Sept 30th 2022
Current Assets	8,399	10,529
(Current Liabilities)	(4,599)	(5,752)
Working Capital	3,800	4,777
Fixed Assets	33,798	33,474
Total Assets	42,197	44,004
Fixed Liabilities	10,921	10,140
Total Liabilities	15,520	15,892
Net Financial Debt	12,433	11,433
Equity	26,677	28,111

Source: Management Information

(1)*Note: Consolidated figures for PEF 1 JNG Holding SL and Juan Navarro García SAU*
(2)*Gross Margin Proforma excluding extraordinary transport and FX impact*
(3)*EBIT post-goodwill depreciation*

- The impact caused by the macroeconomic environment resulting from the Ukrainian war and persisting COVID19 restrictions in Asia remain major roadblocks for Q3 2022.
- Notwithstanding the negative economic conditions, JNG’s sales increase endured, resulting in a 29% sales growth y-o-y driven by a 18.8% price increase and a 9.7%% increase in tonnes of both paprika and oleoresin sold.
- Regarding gross margin, the Company has incurred in an extraordinary cost due to the increase in raw material transportation costs (1.8x 2021 and 2.7x 2019 transport costs) and FX variations. JNG decided to absorb this one-off expense to reinforce its relationship with its customers. Presented gross margin & EBITDA figures include an adjustment of +€715k (4.3 p.p. of sales) to neutralize these one-off costs.
- As a result of management's foresight holding high inventory levels to prevent raw material shortages given the economic uncertainty, the Company has been able to successfully supply all its customers. Although the inventory level has also been impacted by transport costs and FX (+€323k of inventory), stock volumes are already returning to normal, in line with the Company’s growth plan.
- JNG closed at 30 September 2022 with a financial debt of €12.7m and a cash position of €1.3m, resulting in a NFD of €11.4m, 2.95x NFD/EBITDA LTM.

Company Developments & Investment

- Onboarding of a new CFO with over 20 years of experience in the food industry to JNG’s management team.
- JNG has successfully completed the installation of solar panels that will result in energy savings of 33%. In addition, the company has conducted an in-depth analysis to identify potential areas of improvement in the digitalization of operations that will enable the company to maximize day-to-day efficiency.
- The management team has attended the ESA General Assembly (European Spice Association) to broaden their foresight of the industry's upcoming movements and to build business relationships.
- Together with the above-mentioned, JNG continues its new client capture and international network expansion with focus in the USA.

ESG Highlights

Environmental: One of the main drivers of Juan Navarro is the traceability of the entire production process – from the origin of the raw material – complying with all the legal requirements applicable within its activities.

The main environmental risks for this company are the management and access to key resources such as water supply.

The company is monitored by EcoVadis, a Business Sustainability Rating Issuer.

JNG has successfully completed the installation of solar panels that will result in a significant reduction of kwh consumed and energy savings up to 33% annual basis.

Social: Since our entry in the company, JNG employees increased from 22 to 30, representing a 36% increase. Absenteeism and occupational accident rates are zero.

The company is member of Sedex, one of the world´s leading ethical trade membership organization that works with businesses to improve working conditions in global supply chains, with 65,000+ members and presence in 180+ countries.

Governmental: The company has never faced any legal proceedings or claims against the business.

Valuation

'000	Nov 21 Entry	Dec 21	Sept 22 Current
Investment cost (1)	18,112	18,112	18,112
Realised value	-	-	-
Dividends	-	-	-
Interests	-	-	-
Loan repayment	-	-	-
Sale of shares	-	-	-
Unrealised FMV	(18,112)	(18,112)	(18,112)
Methodology	*Cost*	*Cost*	*Cost*
Total QRP PEF 1	**(18,112)**	**(18,112)**	**(18,112)**
Realised Value / Cost	0.0x	0.0x	0.0x
Gross MoIC	1.0x	1.0x	1.0x
Gross IRR	N/A	N/A	N/A

MoIC: (realized + unrealized FMV)/cost

4.4 Madrid Hifi

MADRIDHIFI

(Digital Audimagen BQ S.L.)
https://www.madridhifi.com/

Investment Summary

Business: Sound and music electronics

Sector: E-commerce

Sourcing: M&A

Value Creation Theme: National and International Growth

Deal Type: Leveraged Management Buyout

QRP Role: Lead

QRP Team: S. Martí, C. Álvarez, P. Gandarias and I. Resusta

Investment Date: November 2021

QRP Investment (Entry; add-ons): €13.7m

Financial Leverage: €9.0m

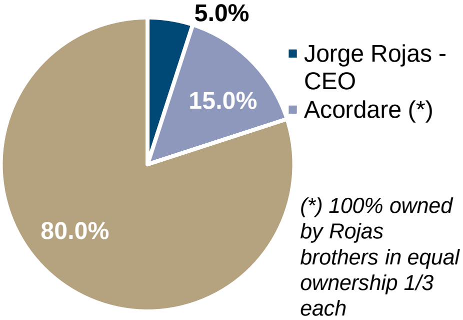
Ownership: 80%

The Company

MadridHifi is a leading Spanish vertical e-commerce company focused on the sale of sound equipment, musical instruments, and accessories. Headquartered in Madrid, most of its sales come from Spain, both through their physical store and through their different online channels, such as their own website and different marketplaces (e.g. Amazon / eBay). Online sales accounted for roughly 85% of total revenues in 2021.

The Company's product portfolio can be divided into five subgroups: sound (46% of sales), instruments (27%), music production (17%), lighting (3%), and other (9%).

Ownership post-transaction



(*) 100% owned by Rojas brothers in equal ownership 1/3 each

Investment Thesis

- MadridHifi is well positioned to benefit from favourable market trends (increasing online penetration and growth of value-added segments of the market), while its hybrid retail model fits best across all client profiles.
- Experienced and aligned management team, highly motivated to move the company into the next level.
- Significant room for growth as the company expands its catalogue of new and existing brands and increases its portfolio of proprietary brands.
- Relevant initiatives will boost the company's business plan including: i) developing a new B2B business line; ii) opening an additional experience store in Spain; and iii) online and physical expansion into another European country.
- Cash generative business model with limited capex requirements.

Sources & Uses

Sources		Uses	
Queka	13,676	Price paid	25,500
Investment CEO	855	Pre-transaction dividend	3,000
Reinvestment shareholders	2,564		
Total equity	**17,096**		
New Debt	9,000	Transaction expenses	596
Existing debt not refinanced	187	Existing debt not refinanced	187
Cash at closing	4,780	Cash at opening	1,780
Sources	**31,063**	**Uses**	**31,063**

Summary Trading

Profit & Loss Account Madrid Hifi

'000	Dec 2021A	Sep 2021 (Q3 FY21)	Sep 2022 (Q3 FY22)	y-o-y growth	2022E
Revenues	**24,070**	**16,334**	**19,288**	**18%**	**28,510**
Gross Profit (1)	**6,071**	**4,184**	**5,360**	**28%**	**7,777**
Gross Profit	*25.2%*	*25.6%*	*27.8%*		*27.3%*
EBITDA (1)	**2,650**	**1,705**	**2,087**	***22%***	**3,016**
EBITDA Margin	*11.0%*	*10.4%*	*10.8%*		*10.6%*
EBIT	2,582	1,651	2,047	*24%*	2,956
EBIT Margin	*10.7%*	*10.1%*	*10.6%*		*10.4%*

(1) In 2022, adjusted for 0,4m extraordinary transportation expenses in imports of own brand products from China

Source: Management Information

Balance Sheet Madrid Hifi

'000	Dec 31st 2021A	Sep 30th 2022A
Current Assets	8,081	8,897
(Current Liabilities)	(3,074)	(2,659)
Working Capital	5,007	6,238
Fixed Assets	20,409	19,687
Total Assets	30,415	29,744
Fixed Liabilities	4,971	7,560
Total Liabilities	13,161	13,234
Net Financial Debt	8,162	9,414
Equity	17,254	16,510

Source: Management Information

- MadridHifi closed Q3 FY22 with sales of €19.3m, representing 18.1% y-o-y growth. Sales have grown mainly as a result of (i) the increase in sales of the B2B segment where the company has been focusing over the previous months and that has recovered strongly from previous year; and (ii) the continuous professionalization of the sales and marketing departments resulting in better client conversion and retention metrics.
- The growth of the company contrasts with the general decrease in sales of the sector that continues to suffer from raising prices, reduced consumer spending after the surge in consumption during COVID and supply chain disruptions.
- Gross margin as a % of sales grew during H1 FY22 supported by the increase in sales of own brands that already represent 15% of sales that has been partially offset by the reduction in margins of third party brands as the increase in supplier prices is passed on to consumers with some delay.
- Madrid Hifi closed Q3 FY22 with an EBITDA of €2.1m, representing 18.1% y-o-y growth. We have adjusted in these figures the extraordinary transportations expenses of China imports suffered during the first 9 months of the year and that has normalized in October.
- MadridHifi closed at 30 Sep with net financial debt of €9.4m. The debt consists mainly of the €9m in bank financing from CaixaBank at 2.25% payable interest rate, 6-year maturity, 27% bullet obtained during the acquisition.

Company Developments & Investment

- We are continuing to implement the different initiatives in the growth plan that we aligned with the management team. By hiring new management team members, the company is accelerating its implementation and is starting to see results. The main levers under development include:
  1. The company has created a new B2B-oriented business line. To ensure a distinctive proposal, the company is enriching its product catalogue, adapting its website for professional users, and reorganising its operations to allow for financing and other services valued by professional clients. With an initial team of 3 people, the company is already increasing sales from existing clients and enriching its professional client base.
  2. The company has secured the rental of a new facility for its showroom and warehouse. With more than 10,000 sqm, the new facility will allow the company to increase its product portfolio, enter into new categories (such as drums or classical instruments), enhance the in-store customer experience and reduce warehousing costs with third-party logistics partners. The relocation will take place in Q1 2023.
  3. With the help of the new e-commerce manager, the company is currently implementing a number of marketing initiatives, as well as segmenting and enriching its customer database to increase client recurrence and reduce client acquisition costs. The company has also started selling its own brands through Amazon Vendor and is expected to execute a mayor update of its website in the coming weeks which should drive better conversion rates and lower customer acquisition costs.
- In the IT front the company has successfully updated its ERP to Sage X3.

ESG Highlights

Environmental: The main environmental risks for this company are supply chains and customer demands and is currently working on how to manage both risks (i.e. reducing the $C0_2$ impact of its logistics).

Social: Since December 2020, Madrid Hifi employees have increased from 32 to 52, representing a 63% increase, being 87% of them full time employees. While women represent only 19% of total employees, women represent 50% of top management positions.

Absenteeism rate is extremely low.

Governmental: The company has never faced any legal proceedings or claims against the business.

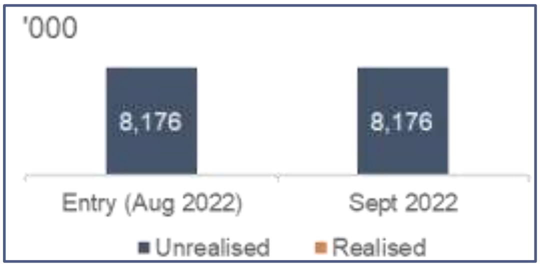
Valuation

'000	Nov 2021 Entry	Dec 2021	Sep 2022 Current
Investment cost	(13,693)	(13,693)	(13,693)
Realised value	-	-	-
Dividends	-	-	-
Interests	-	-	-
Loan repayment	-	-	-
Sale of shares	-	-	-
Unrealised FMV	13,693	13,693	13,693
Methodology	*Cost*	*Cost*	*Cost*
Multiple	9.6x	9.6x	9.6x
Total QRP PEF 1	**13,693**	**13,693**	**13,693**
Realised Value / Cost	0.0x	0.0x	0.0x
Gross MoIC	1.0x	1.0x	1.0x
Gross IRR	N/A	N/A	N/A

MoIC: (realized + unrealized FMV)/cost

4.5 Factory Colchon

(FACTORY COLCHON S.L.)
www.factorycolchon.es



Investment Summary

Business: Specialised retailer of bedding products
Sector: Retail
Sourcing: In-house
Value Creation Theme: Organic Growth
Deal Type: Leveraged Management Buyout
QRP Team: I. Resusta, E. Martinavarro, S. Martí, and P. Lázaro

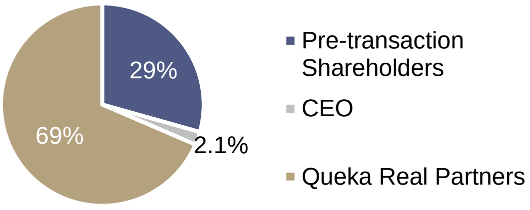
Investment Date: August 2022
QRP Investment (Entry): €8.2m
Financial Leverage: €4.1m
Ownership: 69%

The Company

Factory Colchón is an independent specialized retailer of mattresses and bedding products with 37 own stores in Valencia and Madrid and an e-commerce platform. Its product portfolio includes mattresses, storage beds, bed frames, bed bases, pillows, and complements

Product portfolio is designed and developed by the Company while the production is externalized to local independent manufacturers which are closely monitored and advised by the Company

Ownership post transaction



Investment Thesis

- High growth, highly profitable and scalable business with 37 stores at time of entry; 6 of which opened during due diligence process in 2022.
- Nationwide roll-out capacity launching 45 stores/year.
- 30% Store EBITDA margin: #1 in the industry | increased gross margin by 57% during 2018–2021.
- Low capex €40k per store and < 6 months payback period.
- USP: i) Value pricing strategy ii) Diversified product portfolio with >10 patented own-brands iii) Same-day delivery service iv) 5-10 years warranty.
- Resilient performance through economic cycles; outperformed competitors during 2008 crisis.
- Spanish bedding and mattress market size €907m in 2022.
- Favorable health trends and demand for better quality sleep solutions.
- E-commerce platform with significant growth potential.

Sources & Uses

Sources	m€
Total Equity	**11.9**
Queka investment	8.2
Current shareholders reinvestment	3.5
CEO Investment Financing	0.3
Acquisition debt	4.1
Existing non-refinanced debt	1.1
Cash at closing	1.3
Earnout 2024	3.0
Total Sources	**21.4**

Uses	m€
Total sellers proceeds	**18.2**
Price paid at acquisition	15.2
Earnout 2024	3.0
Existing debt not refinanced	1.1
Cash post-transaction	1.3
CEO Investment Financing	0.2
Fees and Expenses	0.6
Total Uses	**21.4**

Summary Trading

Profit & Loss Account Factory Colchón (*)

'000	Dec 2021	Sept 2021 (Q3 FY21)	Sept 2022 (Q3 FY22)	YoY Growth
Revenues	**9,814**	**7,509**	**7,165**	***(5%)***
Gross Profit	**5,582**	**4,246**	**4,251**	***0%***
% over sales	*57%*	*57%*	*59%*	
EBITDA	**2,048**	**1,608**	**1,331**	***(17%)***
% over sales	*21%*	*21%*	*19%*	
EBIT	1,953	1,537	1,241	*(19%)*
% over sales	*20%*	*20%*	*17%*	

Source: Management Information

Balance Sheet Factory Colchón

'000	Dec 31st 2021	Sept 30th 2022
Current Assets	825	1,242
(Current Liabilities)	(781)	(1,153)
Working Capital	44	90
Fixed Assets	712	15,926
Total Assets	2,363	18,685
Fixed Liabilities	41	164
Total Liabilities	1,218	6,524
Net Financial Debt (Cash)	(474)	3,601
Equity	1,149	12,161

Source: Management Information

Note: Consolidated figures for PEF Factory Colchón SL and Laris Descanso SL

- Factory Colchón closed Q3 FY22 with 5 additional stores, amounting to a total of 42 in Madrid, Valencia and Castellon. The company successfully proved its streamlined store format, reaching a launch rate of one store per week by the end of the quarter.
- Despite macroeconomic uncertainty, the company closed Q3 FY22 with €7.2m sales compared to €7.5m in Q3 FY21 (5% y-o-y drop). Like-for-like store YTD22 sales 8% decline outperformed estimated Spanish industry fall of 15%.
- Gross margin up by 2p.p. to 59% fuelled by the management's supplier diversification strategy, with the aim to secure product supply to achieve envisioned growth and increasing competition between suppliers to reduce costs. Gross margin for the last quarter reached 61% and is expected to remain stable going forward.
- EBITDA margin drop is explained by two factors: an increase in structure costs due to the incorporation of a Chief Purchasing Officer, a Chief People Officer and the promotion of the Marketing Officer, so as to reinforce the Management Team needed to face the company's aggressive expansion plan (in terms of supply securement, talent acquisition and store opening marketing campaigns, among others). Secondly, an operating leverage penalization due to the decrease in sales per store, thereby increasing unit fixed costs.
- On September 30th, 2022, Factory Colchón Net Financial Debt was €3.6m (debt position of €5.1m and cash position of €1.5m).

Company Developments & Investment

- Expansion across the centre and southern Madrid regions replicating current store opening model and pace.
- Online business development enhancement as a complementary tool to accelerate customer acquisition and increase product sales through traditional channels.
- Technological consultancy support to develop IT tools so as to enhance the professionalization and automation of the Company's operations.
- Throughout past months, the company has implemented the recommendations that emerged from the 100-day plan developed during the due diligence process.

ESG Highlights

Environmental: Company based in Valencia and Madrid with low environmental risk attending to its business niche.

Social: Total employees at our entry sums 96, being women 56% of them; moreover, 62% of middle management positions are held by women.

Absenteeism and occupational accident rates are extremely low.

The company has a gender equality plan in place.

Governmental: The company has never faced any legal proceedings or claims against the business.

Valuation

'000	Aug 22 Entry	Sept 22 Current
Investment cost (1)	8,176	8,176
Realised value	-	-
Dividends	-	-
Interests	-	-
Loan repayment	-	-
Sale of shares	-	-
Unrealised FMV	(8,176)	(8,176)
Methodology	*Cost*	*Cost*
Total QRP PEF 1	**(8,176)**	**(8,176)**
Realised Value / Cost	0.0x	0.0x
Gross MoIC	1.0x	1.0x
Gross IRR	N/A	N/A

MoIC: (realized + unrealized FMV)/cost