Audit Report on Financial Statements
issued by an Independent Auditor

SAGAX REAL ESTATE SOCIMI, S.A.
Financial Statements and Management Report
for the year ended December 31, 2024

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AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails

To sole shareholder of Sagax Real Estate SOCIMI, S.A.:

Opinion

We have audited the financial statements of Sagax Real Estate SOCIMI, S.A. (the Company), which comprise the balance sheet as at December 31, 2024, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended.

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at December 31, 2024 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those regulations are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

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

Most relevant audit issues

Most relevant audit issues are those matters that, in our professional judgment, were the most significant assessed risks of material misstatements in our audit of the financial statements of the current period. These risks were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Assessment of compliance with the REIT tax system requirements

Description	As indicated in Note 1 to the accompanying financial statements, on September 25, 2020 the Company's Sole Shareholder formally notified the Spanish Agency for Tax Administration of the decision to apply the special tax system for REITs, set forth in Law 11/2009, of October 26, regulating Real estate investment trusts, effective from January 1, 2020. One of the special characteristics of these entities is that they are taxed a 0% rate for income tax purposes. The REIT tax system is subject to meeting certain requirements regarding, among others, corporate purpose, minimum share capital, real estate investment, income from the said investment, trading on a regulated market or a multilateral trading system, disclosure and obligation to distribute profit. When assessing whether these requirements are met estimates must be made, which entails applying judgment in the determination of the assumptions considered by Company Management regarding those estimates. We have considered this area a most relevant audit issue due to the complexity inherent in the estimation process for assessing whether the aforementioned requirements are met, and because failure to comply with the requirements, if not corrected, may result in not being able to apply the REIT tax system, in which case the Company would have to pay income tax under the general tax system, which would have a significant impact on its financial statements. Disclosures regarding the REIT tax system and compliance with the corresponding requirements are provided in Notes 1, 3, 4.9, 9.f and 15 to the financial statements.
Our response	Our audit procedures for this area consisted, among others, in: ▶ Understanding the process followed by Company Management for assessing compliance with the REIT tax system requirements. ▶ Obtaining the documentation prepared by Company Management regarding compliance with the obligations associated with the REIT tax system. ▶ Reviewing and assessing, in collaboration with our tax experts, the reasonableness of the information obtained and its integrity with respect to all the aspects considered in applicable regulations at the date of the analysis. ▶ Reviewing the information disclosed in the notes to the financial statements in accordance with the applicable regulatory framework for financial information.

Measurement of investment property

Description

In the "Investment property" heading of the balance sheet at December 31, 2023 the Company has recorded assets amounting to 229.410 thousand euros, which account for 56% of total assets and mainly correspond to land and buildings held to earn rentals or obtain gains on their future sale.

Company Management regularly assesses, and at least at year end, whether any of the Company's real estate assets may be impaired. If any such indication exists, recoverable amounts are estimated based on appraisals carried out by independent experts in accordance with applicable standards set out by the Royal Institution of Chartered Surveyors (RICS).

We have considered this area a most relevant audit issue due to the materiality of the amounts involved and the complexity of the process for identifying impairment indications and measuring investment property in order to determine the recoverable amounts and assess potential impairment. This process requires both independent experts and Company Management to make significant estimates by applying judgment in the determination of the assumptions considered (in particular, basically about the assumptions on which estimated income, discount rates and terminal value or exit price used are based).

Disclosures regarding applicable measurement standards, as well as the methodology and main assumptions used when measuring investment property, are provided in Notes 4.2 and 4.3 to the financial statements, and the corresponding breakdowns are detailed in Note 6.

Our response

Our audit procedures for this area consisted, among others, in:

- Understanding the process established by Company Management for identifying impairment indications and determining the recoverable amount of the assets recorded as "Investment property".
- Obtaining the appraisal reports prepared by the independent experts hired by Company Management to measure the real estate portfolio, assessing the competence, capacity and objectivity of these experts for the purpose of using their work as audit evidence.
- In collaboration with our valuation specialists, reviewing the appraisal models used by the independent experts to determine the recoverable amounts, in particular covering the mathematical consistency of the models and the assessment of the reasonableness of income and/or comparables used, discount rates and terminal value or exit price used, for a sample of the appraisals carried out. To that end, we have considered, among others, available information on the sector and transactions related to real estate assets that are similar to the assets in the Company's real estate portfolio.
- Reviewing the disclosures provided in the notes to the financial statements and assessing that they are in accordance with the applicable regulatory framework for financial information.

Other information: management report

Other information refers exclusively to the 2024 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the management report is to assess and report on the consistency of the management report with the financial statements based on the knowledge of the entity obtained during the audit, and to assess and report on whether the content and presentation of the management report are in conformity with applicable regulations. If, based on the work carried out, we conclude that there are material misstatements, we are required to disclose them.

Based on the work performed, as described in the above paragraph, the information contained in the management report is consistent with that provided in the 2024 financial statements and its content and presentation are in conformity with applicable regulations.

Directors' responsibilities for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the 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 prevailing audit regulations 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 financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 Company to cease to continue as a going concern.

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

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

From the significant risks communicated with the Company's directors, we determine those that were of most significance in the audit of the financial statements of the current period and are therefore the most significant assessed risks.

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

ERNST & YOUNG, S.L.
(Signature on the original in Spanish)

Josep Martí Tarancón

April 30, 2025

SAGAX REAL ESTATE SOCIMI, SA

Annual Accounts for the year ended December 31, 2024
and Management Report

SAGAX REAL ESTATE SOCIMI, S.A.

BALANCE SHEET AS OF DECEMBER 31, 2024

(Euros)

ASSETS	Directors' Report Notes	31.12.2024	31.12.2023	EQUITY AND LIABILITIES	Directors' Report Notes	31.12.2024	31.12.2023
NON-CURRENT ASSETS		**401.877.633**	**417.299.476**	**EQUITY**	**Note 10**	**370.110.608**	**386.830.312**
Tangible fixed assets	**Note 5**	**86.361**	**43.400**	**SHAREHOLDER'S EQUITY-**		**370.110.608**	**386.830.312**
Property investments-	**Note 6**	**229.409.992**	**182.938.826**	**Share Capital**		**325.000.000**	**325.000.000**
Land		95.048.281	69.289.982	**Reserves**		**30.142.446**	**2.352.647**
Buildings		134.361.711	111.963.244	**Negative results from previous years**		**-**	**(289.520)**
Property investment prepayments		-	1.685.600	**Result of the exercise**	**Note 3**	**14.968.162**	**59.767.185**
Long-term investments in Group and associated companies	**Note 8**	**169.458.375**	**231.631.325**				
Equity instruments	Note 8	98.361.070	97.550.071	**NON-CURRENT LIABILITIES**		**32.373.160**	**31.668.935**
Credits to group and associated companies	Notes 8 and 14	71.097.305	134.081.254	**Long-term debts**	**Note 11**	**29.222.948**	**28.670.231**
Long-term financial investments	**Note 8**	**2.922.905**	**2.685.925**	Other financial liabilities		4.222.948	3.670.231
				Debts with credit institutions	**Notes 11 and 14**	25.000.000	25.000.000
				Long-term debts with Group companies and associates	**Notes 11 and 14**	**3.150.212**	**2.998.704**
CURRENT ASSETS		**5.316.243**	**6.842.547**	**CURRENT LIABILITIES**		**4.710.108**	**5.642.776**
Trade debtors and other receivables		**318.469**	**832.434**	**Short-term debts with Group companies and associates**	**Notes 11 and 14**	**123.882**	**172.957**
Receivables from sales and services	Note 8	318.469	832.434	**Debts with credit institutions**	**Note 11**	**-**	**318.857**
Short-term investments in Group and associated companies	**Notes 8 and 14**	**3.887.225**	**5.041.103**	**Trade creditors and other accounts payable**		**4.586.226**	**5.150.962**
Other	**Note 8**	**-**	**83.600**	Suppliers	**Note 11**	455.373	520.666
Short-term asset accruals		**632.084**	**537.266**	Various creditors		2.091.950	604.973
Cash and other cash equivalents	**Note 9**	**478.465**	**348.144**	Other debts with Public Administrations	**Note 12.1**	2.038.903	4.025.322
				Accruals of short-term liabilities		-	-
TOTAL ASSETS		**407.193.876**	**424.142.023**	**TOTAL NET WORTH AND LIABILITIES**		**407.193.876**	**424.142.023**

SAGAX REAL ESTATE SOCIMI, S.A.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31, 2024

(In euros)

	Notas de la Memoria	Exercise 2024	Exercise 2023
CONTINUED OPERATIONS:			
Net turnover	**Note 13.1**	**17.908.768**	**17.662.402**
Rentals		17.908.768	17.662.402
Personnel expenses	**Note 13.2**	**(868.940)**	**(748.447)**
Salaries, wages and similar		(745.542)	(648.243)
Social security contributions		(123.398)	(100.204)
Other operating expenses	**Note 13.3**	**(4.789.955)**	**(8.120.726)**
Outsourced services		(1.721.127)	(2.765.504)
Taxes		(2.838.142)	(5.234.676)
Losses, impairment and changes in provisions for commercial operations	Note 8	(230.686)	(120.546)
Depreciation of fixed assets	**Notes 5 and 6**	**(4.565.415)**	**(4.494.239)**
Impairment and results from disposals of fixed assets		(1.815.597)	47.344.855
Result from sales and others		**(1.815.597)**	**47.344.855**
OPERATING RESULTS		**5.868.861**	**51.643.845**
Financial income		**10.683.417**	**8.580.116**
Of shares in equity instruments	Note 8	6.796.192	4.022.539
For debts of group and associated companies	Note 13.4	3.887.225	4.557.577
Financial expenses	**Notes 11 and 13.4**	**(1.584.116)**	**(456.776)**
For debts with group and associated companies		(123.882)	(257.576)
For debts with credit institutions		(1.460.234)	(199.200)
FINANCIAL RESULT		**9.099.301**	**8.123.340**
EARNINGS BEFORE TAX		**14.968.162**	**59.767.185**
Income tax	**Note 12.2**		**-**
RESULT OF THE EXERCISE		**14.968.162**	**59.767.185**

Notes 1 to 19 described in the accompanying report form an integral part of the income statement for the year ended December 31, 2024.

SAGAX REAL ESTATE SOCIMI, S.A.

STATEMENT OF RECOGNIZED INCOME AND EXPENSES FOR THE YEAR ENDED DECEMBER 31, 2024

Euros

	2.024	2.023
RESULT OF THE PROFIT AND LOSS ACCOUNT (I)	**14.968.162**	**59.767.185**
TOTAL INCOME AND EXPENSES RECOGNIZED DIRECTLY IN EQUITY (II)	**-**	**-**
TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (III)	**-**	**-**
TOTAL RECOGNIZED INCOME AND EXPENSES (I+II+III)	**14.968.162**	**59.767.185**

Notes 1 to 19 described in the accompanying report form an integral part of the statement of recognized income and expenses for the year ended December 31, 2024.

SAGAX REAL ESTATE SOCIMI, S.A.

STATEMENT OF CHANGES IN NET EQUITY FOR THE YEAR ENDED DECEMBER 31, 2024

(En euros)

	Capital	Reserves and Results from Prior Years	Profit and loss	Total
BALANCE AT THE END OF THE 2021 YEAR	**325.000.000**	**-**	**6.145.596**	**331.145.596**
Total recognized income and expenses	**-**	-	14.608.845	**14.608.845**
Transactions with shareholders and other changes in equity				
- Distribution of the result	-	6.145.596	(6.145.596)	-
- Dividends	-	(5.531.036)	-	**(5.531.036)**
- Other movements	-	(12.318)		**(12.318)**
BALANCE AT THE END OF THE 2022 YEAR	**325.000.000**	**602.242**	**14.608.845**	**340.211.087**
Total recognized income and expenses	**-**	-	59.767.185	**59.767.185**
Transactions with shareholders and other changes in equity				
- Distribution of the result	-	14.608.845	(14.608.845)	-
- Dividends	-	(13.147.961)	-	**(13.147.961)**
- Other movements	-	-		**-**
BALANCE AT THE END OF THE 2023 YEAR	**325.000.000**	**2.063.127**	**59.767.185**	**386.830.311**
Total recognized income and expenses	-	-	14.968.162	**14.968.162**
Transactions with shareholders and other changes in equity				
- Distribution of the result	-	59.767.185	(59.767.185)	-
- Dividends	-	(35.208.740)	-	**(35.208.740)**
- Other movements	-	3.520.875	-	**3.520.875**
BALANCE AT THE END OF THE 2024 YEAR	**325.000.000**	**30.142.446**	**14.968.162**	**370.110.608**

Notes 1 to 19 described in the accompanying report form an integral part of the statement of changes in equity for the year ended December 31, 2024.

SAGAX REAL ESTATE SOCIMI, S.A.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31, 2024

	Notes	2.024	2.023
CASH FLOWS FROM OPERATING ACTIVITIES		**21.203.585**	**19.894.584**
Result for the year before taxes		**14.968.162**	**59.767.185**
Adjustments to the result:		**(2.487.603)**	**(50.853.410)**
- Amortization of fixed assets (+)	**Notes 5 and 6**	4.565.415	4.494.239
- Results from write-offs and disposals of fixed assets (+/-)	**Note 6**	1.815.597	(47.344.855)
- Financial expenses (+)	**Notes 11 and 13.4**	1.584.116	456.776
- Financial income (+)	**Notes 13.4**	(10.683.417)	(8.580.116)
- Losses, impairment and changes in provisions for commercial operations	**Note 8**	230.686	120.546
Changes in working capital		**(376.275)**	**2.857.469**
- Debtors and other accounts receivable (+/-)		283.279	(644.057)
- Other current assets (+/-)		(94.818)	(356.859)
- Creditors and other accounts payable (+/-)		(564.736)	3.858.385
Other cash flows from operating activities		**9.099.301**	**8.123.340**
- Interest payments (-)	**Notas 11 y 13.4**	(1.584.116)	(456.776)
- Interest charges (+)		3.887.225	4.557.577
- Dividend collections (+)		6.796.192	4.022.539
CASH FLOWS FROM INVESTING ACTIVITIES		**10.278.308**	**4.628.950**
Collections for divestments (+)			
- Real estate investments	**Note 6**	5.250.000	190.000.000
- Other Financial Assets		1.418.617	487.224
Payments for investments (-)			
- Group and associated companies	**Note 8**	63.326.828	(164.077.736)
- Tangible Fixed Assets	**Note 5**	(70.233)	(10.057)
- Real estate investments	**Note 6**	(59.730.504)	(21.777.082)
- Other Financial Assets		83.600	6.601
CASH FLOWS FROM FINANCING ACTIVITIES		**(31.351.572)**	**(24.229.830)**
Collections and payments for financial liability instruments			
- Issue (+) / return and amortization (-)			
Repayment and amortization of debts with Group and associated companies		102.433	(16.543.059)
Debts with Group companies and associates			
Other financial liabilities	**Note 11**	552.717	(906.668)
Debts with credit institutions	**Note 11**	(318.857)	6.367.857
Dividend payments and remuneration of other equity instruments	**Note 3**	**(31.687.865)**	**(13.147.960)**
EFFECT OF EXCHANGE RATE VARIATIONS		**-**	**-**
NET INCREASE/DECREASE IN CASH OR CASH EQUIVALENTS		**130.321**	**293.704**
Cash or cash equivalents at the beginning of the fiscal year		**348.144**	**54.440**
Cash or cash equivalents at the end of the fiscal year		**478.465**	**348.144**

Notes 1 to 19 described in the accompanying report form an integral part of the statement of cash flows for the year ended December 31, 2024.

1. Company Activity

Sagax Real Estate SOCIMI, SA (hereinafter the Company) with CIF A-67228676, was incorporated as a limited liability company in Barcelona on May 24, 2018 under the name “ Casebix XXI SL”, for an indefinite period of time, being registered in the Mercantile Registry of Barcelona on May 24, 2018 with CIF B-67228676. On January 15, 2019, the company name was changed to Sagax Real Estate SLU, a Single-Member Company with registered office in Barcelona, 147 Roc Boronat Street, 10th floor, 08018 Barcelona.

On September 28, 2020, the Board of Directors of the Company agreed to relocate the registered office of the Company to Carrer del Mestre Nicolau, 19, Floor 3, 08021, Barcelona. On March 23, 2022, its name was changed to Sagax Real Estate SOCIMI, SA.

Its corporate purpose until the 2019 financial year included:

- The purchase, sale, rental, subdivision and development of plots, land and properties of any nature, including the construction of the same and their disposal, integrally, partially or under a horizontal property regime, CNAE 6810.

- The purchase, subscription, exchange, and sale of domestic and foreign securities, shares, and equity interests, on one's own account and without intermediation. Exceptions are those activities expressly reserved by law for collective investment institutions, as well as those expressly reserved by the Securities Market Law for brokerage firms and/or securities companies (CNAE 6420).

The company may carry out the activities comprising the corporate purpose specified in the preceding paragraphs, in whole or in part, directly or indirectly, through the ownership of shares and/or interests in companies or other types of entities, with or without legal personality, resident in Spain or abroad, with the same or similar purpose.

As of fiscal year 2020, the Company is subject to the tax regime regulated by Law 11/2009, of October 26, which regulates Listed Public Limited Companies for Investment in the Real Estate Market ("SOCIMI"), having opted to apply this special tax regime on June 30, 2020, through a decision of its Sole Shareholder at that date, AB Sagax . On September 25, 2020, the Company's Sole Shareholder formally notified the State Tax Administration Agency of its option to apply the aforementioned special tax regime for SOCIMIs with effect from January 1, 2020.

Due to the adoption of the legal and tax regime of Listed Public Limited Companies for Investment in the Real Estate Market (SOCIMI), Article 2 of the Bylaws regarding the Company's corporate purpose is amended as follows:

- The acquisition and promotion of urban real estate for leasing.

- Holding shares in the capital of listed real estate investment companies (SOCIMIs) or in other entities not resident in Spanish territory that have the same corporate purpose as those companies and that are subject to a similar regime to that established for SOCIMIs in terms of mandatory, legal or statutory profit distribution policy.

- Holding shares in the capital of other entities, whether resident in Spanish territory or not, whose main corporate purpose is the acquisition of urban real estate for leasing and which are subject to the same regime established for SOCIMIs regarding the mandatory, legal, or statutory profit distribution policy and meet the investment requirements for these companies.

- Holding shares or interests in Collective Real Estate Investment Institutions regulated by Law 35/2003, of November 4, on Collective Investment Institutions, or any future legislation replacing it.

The individual annual accounts for the year 2024 were prepared by the Directors at a meeting of their Board of Directors held on March 31, 2025.

As of December 31, 2024 and 2023, the sole shareholder of the Company is AB Sagax of Swedish nationality, holder of the shares representing 100% of the share capital of the Company, duly incorporated and existing in accordance with the laws in force in Sweden, legally domiciled at Engelbrektsplan 1, 6 tr . 114 34, Stockholm, and registered under company number 556520-0028, holder of NIE number N0304120I and listed on the Stockholm Stock Exchange.

its assets, financial position and results, because it has not incurred any actions from which any implicit or tacit obligation could arise.

The Company's fiscal year begins on January 1 and ends on December 31 of each year.

SOCIMI Regime

Law 11/2009, of October 26, which regulates Listed Public Limited Companies for Investment in the Real Estate Market ("SOCIMI"), establishes the requirements for companies that opt for the special tax regime for SOCIMIs, namely:

1. Corporate purpose obligation (for SOCIMIs) . Their main corporate purpose must be the holding of urban real estate for leasing, holding shares in other SOCIMIs or companies with a similar corporate purpose and the same dividend distribution regime, as well as in Collective Investment Institutions.

2. Investment obligation.

    - They must invest 80% of their assets in urban real estate for leasing, in land for the development of real estate intended for this purpose, provided that the development begins within three years of its acquisition, and in equity investments in other entities with a corporate purpose similar to that of the SOCIMIs.

      This percentage will be calculated on the consolidated balance sheet if the Company is the parent company of a group according to the criteria established in Article 42 of the Commercial Code, regardless of residence and the obligation to prepare consolidated annual accounts. This group will be composed exclusively of SOCIMIs and the other entities referred to in Section 1 of Article 2 of the SOCIMI Law.

      There is an option to replace the book value of the assets with their market value. Cash flow/credit rights arising from the transfer of such assets will not be included, provided that the established maximum reinvestment periods are not exceeded.

    - Likewise, 80% of its income for the tax period, excluding that derived from the transfer of real estate and shares related to its main corporate purpose, must come from income corresponding to: (i) the leasing of real estate; and (ii) dividends from shares in the entities described in article 2.1.c) related to its main corporate purpose. This percentage will be calculated on the consolidated balance sheet if the Company is the parent company of a group according to the criteria established in article 42 of the Commercial Code, regardless of its residence and the obligation to prepare consolidated annual accounts. Said group will be composed exclusively of the SOCIMIs and the rest of the entities referred to in section 1 of article 2 of the SOCIMI Law.

    - Real estate assets must remain leased for at least three years (for the calculation, up to one year may be added to the lease period). Shares must remain in the assets for at least three years.

3. Obligation to trade on a regulated market . SOCIMIs must be admitted to trading on a regulated market in Spain or on a multilateral trading system in Spain or on that of any other Member State of the European Union or the European Economic Area, or on a regulated market in any country or territory with which there is an effective exchange of tax information, uninterruptedly throughout the tax period . Shares must be registered. However, sub-SOCIMIs or entities that choose to apply the SOCIMI tax regime and that

are 100% subsidiaries of a listed SOCIMI or of a non-resident entity with a regime similar to that of SOCIMIs, such as the Company, do not have to comply with this listing requirement.

4. Obligation to distribute profits . Companies must distribute the profit obtained during the financial year as dividends once their commercial obligations have been fulfilled. The distribution must be agreed upon within six months of the end of each financial year, as follows :

    - 100% of the profits from dividends or profit shares distributed by the entities referred to in section 1 of article 2 of the SOCIMI Law.

    - At least 50% of the profits derived from the transfer of real estate and shares or participations referred to in section 1 of article 2 of the SOCIMI Law, carried out after the minimum holding periods have elapsed, are used to fulfill the company's main corporate purpose. The remainder of these profits must be reinvested in other real estate or participations used to fulfill said purpose, within three years of the transfer date.

    - At least 80% of the remaining profits obtained. When dividends are distributed from reserves derived from profits from a fiscal year in which the special tax regime was applied, their distribution must be carried out in the manner described above.

5. Information obligation . SOCIMIs and sub-SOCIMIs must include in their annual accounts the information required by the tax regulations governing the special tax regime for SOCIMIs.

6. Minimum capital. The minimum share capital of a SOCIMI (in this case, the Parent Company) is set at 5 million euros. This requirement does not apply to sub-SOCIMIs.

As established in the First Transitional Provision of the SOCIMI Law, the application of the special tax regime may be opted for under the terms established in Article 8 of said Law, even if the requirements established therein are not met, provided that such requirements are met within two years following the date of the option to apply said regime.

Failure to comply with any of the above conditions will result in the Company being taxed under the general Corporate Income Tax regime as of the tax period in which such non-compliance occurs, unless any of these requirements are remedied in the following tax year. Furthermore, the Company will be required to pay, along with the tax for that tax period, the difference between the tax resulting from applying the general regime and the tax collected resulting from applying the special tax regime in previous tax periods, without prejudice to any applicable late payment interest, surcharges, and penalties.

The Corporate Income Tax rate for SOCIMIs is set at 0%. However, when the dividends distributed by the SOCIMI to its shareholders with a 5% or greater stake are exempt or are taxed at an effective rate lower than 10%, the SOCIMI will be subject to a special tax of 19%, which will be considered a Corporate Income Tax rate, on the amount of the dividend distributed to said shareholders. If applicable, this special tax must be paid by the SOCIMI within two months of the date of the resolution to distribute profits by the general shareholders' meeting or equivalent body.

At the close of the **2024 financial year** , the Company's Directors declare that the Company complies with all the requirements of the SOCIMI tax regime.

2. Bases for presentation of the annual accounts

2.1 Financial reporting regulatory framework applicable to the Company

These annual accounts have been prepared by the Company's Directors in accordance with the financial reporting regulatory framework applicable to the Company, which is set out in:

- Commercial Code and other commercial legislation.

- The General Accounting Plan approved by Royal Decree 1514/2007, its sectoral adaptations and, in particular, the Sectoral Adaptation of the General Accounting Plan to Real Estate Companies, as well as the Annual Accounting Formulation Standards approved by Royal Decree 1159/2010, Royal Decree 602/2016 and Royal Decree 1/2021.

- The mandatory standards approved by the Institute of Accounting and Auditing of Accounts in development of the General Accounting Plan and its complementary standards.

- Law 11/2009, of October 26, amended by Law 16/2012, of December 27, regulating Listed Public Limited Companies for Investment in the Real Estate Market (SOCIMI).

- The rest of the applicable Spanish accounting regulations.

2.2 Faithful image

The accompanying annual accounts have been obtained from the Company's accounting records and are presented in accordance with the applicable financial reporting regulatory framework and, in particular, the accounting principles and criteria contained therein, so as to present a true and fair view of the Company's assets, financial position, results, and cash flows for the corresponding financial year. These annual accounts, which have been prepared by the Company's Directors, will be submitted to the Sole Shareholder for approval, and it is estimated that they will be approved without modification. The annual accounts for the year ended December 31, 2023, were approved by the Sole Shareholder on March 29, 2024.

2.3 Comparison of information

The annual accounts present, for comparative purposes, with each of the items in the balance sheet, the profit and loss account, the statement of changes in equity, the statement of cash flows and the notes, in addition to the figures for the financial year 2024, those corresponding to the financial year 2023.

2.4 Non-mandatory accounting principles applied

No non-mandatory accounting principles have been applied. Additionally, the Company's Directors have prepared these financial statements taking into account all mandatory accounting principles and standards that have a significant impact on them. No mandatory accounting principles have been discontinued.

2.5 Critical aspects of uncertainty assessment and estimation

In preparing the 2024 financial statements, estimates made by the Company's Directors were used to value some of the assets, liabilities, income, expenses, and commitments recorded therein. These estimates primarily relate to:

- The useful life of real estate assets (see Notes 4.2 and 6).

- The assessment of impairment of its real estate investments that could arise from a lower value obtained from real estate appraisals carried out by independent third-party experts with respect to the recorded book value of said assets, or through internal valuations applying similar parameters (see Notes 4. 3 and 6).

- The fair value of certain financial instruments (see Note 4.5)

- The evaluation of the requirements of the SOCIMI regime (see Note 1).

- The assumptions used in the calculation of provisions and the evaluation of litigation, commitments, and contingent assets and liabilities (see Note 4.8).

Although these estimates have been made on the basis of the best information available at the end of the financial year, it is possible that events that may occur in the future may require them to be modified (upwards or downwards) in the following periods or financial years, which would be done, if applicable, prospectively, recognizing the effects of the change in estimate in the corresponding profit and loss account.

2.6 Going concern principle

As of December 31, 2024, the Company It has positive equity of €370,110,608 (positive equity of €386,830,312 as of December 31, 2023) and negative working capital of €4,393,685 (negative working capital of €1,798,933 as of December 31, 2023). The Sole Shareholder provides, if necessary, the necessary financial support to enable the Company to meet its commitments and payment obligations and to ensure the continuity of its operations.

Therefore, the Company's Directors have prepared these financial statements on a going concern basis, assuming that the Company's activity will continue in the future and therefore that the assets will be realized and the liabilities settled at the amounts and classification shown in these financial statements.

2.7 Grouping of items

Certain items in the accompanying balance sheet, profit and loss account, statement of changes in equity and statement of cash flows are presented in a grouped form for ease of understanding, although, to the extent material, disaggregated information has been included in the relevant notes to the report.

2.8 Restatement of amounts

In the preparation of the accompanying financial statements, no significant errors were detected that would have led to the restatement of the amounts included in the financial statements for the 2023 financial year.

2.9 Change in accounting criteria

During the 2024 financial year, there were no significant changes in accounting criteria compared to the criteria applied in the 2023 financial year.

2.10 Functional currency

These financial statements are presented in euros, as this is the functional currency of the main economic environment in which the Company operates.

3. Distribution of the result

The proposal for the distribution of the profit for the year ending **December 31, 2024** , formulated by the Company's directors, pending approval by the Sole Shareholder, is as follows:

	Euros
Distribution base:	
Result of the exercise	14.968.162
Application:	
To legal reserve	1.496.816
To negative results from previous years	-
To dividends (for the sole shareholder)	13.471.346
	14.968.162

The distribution of the profit for the **2023 financial year** approved by the Sole Shareholder was as follows:

	Euros
Distribution base:	
Result of the exercise	59.767.185
Application:	
Other reservations	18.292.207
To legal reserve	5.976.718
To negative results from previous years	289.520
To dividends (for the sole shareholder)	31.687.866
Withholding of dividends by the Public Treasury	3.520.874
	59.767.185

Limitations on the distribution of dividends

SOCIMIs and Sub-SOCIMIs are required to distribute the profit obtained in the year in the form of dividends to their Shareholders, once the corresponding commercial obligations have been fulfilled, and their distribution must be agreed upon within six months after the end of each year, in the following manner:

- 100% of the profits from dividends or profit shares distributed by the entities referred to in section 1 of article 2 of Law 11/2009.

- At least 50 percent of the profits derived from the transfer of real estate and shares or participations referred to in section 1 of article 2 of Law 11/2009, carried out after the deadlines referred to in section 3 of article 3 of Law 11/2009, have elapsed, for the purposes of fulfilling its main corporate purpose. The remainder of these profits must be reinvested in other real estate or participations related to the fulfillment of said purpose, within three years of the date of transfer. Failing this, these profits must be fully distributed together with any profits, if any, arising from the year in which the reinvestment period ends. If the reinvested assets are transferred before the holding period expires, those profits must be fully distributed together with any profits, if any, arising from the year in which they were transferred. The obligation to distribute does not extend, where applicable, to the portion of these profits attributable to fiscal years in which the Company was not taxed under the special tax regime established in Law 11/2009.

- At least 80 percent of the remaining profits earned.

- When dividends are distributed from reserves derived from profits from a fiscal year in which the special tax regime has been applied, their distribution must be carried out in the manner described above.

The legal reserve of companies that have opted to apply the special tax regime established in Law 11/2009 may not exceed 20 percent of the share capital. The bylaws of these companies may not establish any other undistributable reserve other than the above.

Given its inclusion in the SOCIMI tax regime and, as set out in Article 29 of its bylaws, the Company will be obliged to distribute in the form of dividends to its Sole Shareholder, once the corresponding commercial obligations have been fulfilled, the profit obtained during the year in accordance with the provisions of Article 6 of the SOCIMI Law.

Once the requirements set forth by law or the bylaws have been met, dividends may only be distributed from the profit for the year, or from freely available reserves, if the value of the net assets is not, or as a result of the distribution, does not turn out to be, less than the share capital.

For these purposes, profits attributed directly to equity may not be distributed, either directly or indirectly. If losses from prior years cause the Company's equity value to be lower than the share capital, the profit will be used to offset these losses.

4. Registration and valuation rules

As indicated in Note 2, the Company has applied accounting policies in accordance with the accounting principles and standards set forth in the Commercial Code, which are further developed in the current General Accounting Plan (PGC 2007), as well as all other commercial legislation in force at the closing date of these financial statements. In this regard, only those policies specific to the Company's activities and those considered significant given the nature of its activities are detailed below.

4.1 Tangible fixed assets

Tangible fixed assets are initially measured at their acquisition price or production cost. They are subsequently measured at cost less the corresponding accumulated depreciation and, where applicable, any impairment losses. These assets are depreciated based on their useful lives. In this case, the company estimated a useful life of 25 years for all tangible fixed assets. Depreciation for the 2024 financial year amounted to €27,272 (*€18,455 in 2023).*

4.2 Real estate investments

The "Real estate investment" heading in the balance sheet includes the value of land and buildings held either for rental use or to obtain a capital gain upon sale as a result of future increases in their respective market prices.

These assets are initially valued at their acquisition price or production cost, and subsequently reduced by the corresponding accumulated amortization and impairment losses, if any, in accordance with the criteria mentioned in Note 4.3.

The costs of upkeep and maintenance of the various elements that make up real estate investments are charged to the profit and loss account for the year in which they are incurred. Conversely, amounts invested in improvements that contribute to increasing the capacity or efficiency or extending the useful life of said assets are recorded as a higher cost thereof .

The Society It amortizes real estate investments using the straight-line method, applying annual depreciation rates calculated based on the estimated useful life of the respective assets. The estimated useful life for these assets is 33 years, and therefore, the depreciation rate applied is 3%.

As indicated above, the Company amortizes assets in accordance with the estimated useful life years mentioned above, considering as an amortization base the historical cost values of the assets increased by new investments that are made and which represent an increase in their added value or their estimated useful life.

For real estate investments that require a period of more than one year to be ready for use, capitalized costs include finance costs incurred before the asset is put into operating condition and charged by the supplier or corresponding to loans or other external financing, specific or generic, directly attributable to the acquisition or manufacture of the asset . There are no capitalized finance costs.

Profits or losses arising from the sale or retirement of an asset are determined as the difference between its net book value and its selling price, and are recorded under the heading "Impairment and gains/losses from disposals of fixed assets" in the accompanying profit and loss account.

4.3 Impairment of real estate investments

Whenever there are indications of a loss in value, or at least at the end of each financial year, the Company uses the so-called "Impairment Test" to estimate the possible existence of losses in value that reduce the recoverable value of said assets to an amount lower than their carrying amount. Therefore, it makes the appropriate provisions for depreciation of real estate investments when the recoverable value is lower than the recorded cost. To determine the recoverable value, the Directors have considered valuations performed by independent third-party experts (Savills Aguirre Newman).

These valuations were carried out using the “Term & Reversion” methodology. Method ”, which has been carried out following the Red Book “RICS (Royal Institute) Assessment Chartered Surveyor) – Professional Standards ” , published in 2021. Under this method, market value is obtained by capitalizing current income over the term of the current contracts, together with the valuation of each subsequent new income received after reviews of market rents discounted to present value. The interest applied to the different categories of income reflects all the perspectives and risks associated with the income stream and the investment.

Interest is derived from a combination of analysis of completed comparable transactions and market knowledge.

The valuation methodology performed by the independent third-party expert was based on individual appraisals without inspection of the properties. The discounted cash flow method was adopted for the valuation of each property, as these are assets that are being put into profit. Depending on the asset's occupancy status, the valuation was based on a discounted cash flow analysis of the income generated from the lease and the costs inherent to maintaining the asset (taxes, maintenance), as well as an estimate of the asset's rehabilitation cost once the lease contract ends and prior to its marketing for sale. This projection was made considering the lease term plus an estimated marketing period during which the asset will be divested within a 10-year period at a terminal value or exit price.

Regarding the terminal value or asking price, the methodology used was the Comparison Method, in order to obtain market witnesses for sales in the property's area of influence.

The recoverable amount is determined as the higher of fair value less costs to sell and value in use. Value in use is the present value of expected future cash flows, using risk-free market interest rates, adjusted for the specific risks associated with the asset. For assets that do not generate cash flows largely independent of those derived from other assets or asset groups, the recoverable amount is determined for the cash-generating units to which those assets belong.

When an impairment loss subsequently reverses, the asset's carrying amount is increased by the revised estimate of its recoverable amount, but in such a way that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized in prior periods.

At the end of fiscal year 2024, the Company recorded impairment losses on its real estate assets in the profit and loss account amounting to €2,640 thousand, as their recoverable amount was lower than their carrying amount. No impairment losses were recorded for this reason in fiscal year 2023.

4.4 Leases

Leases are classified as finance leases provided that their terms indicate that substantially all of the risks and rewards inherent in ownership of the asset subject to the lease are transferred to the lessee. Other leases are classified as operating leases. does not carry out financial leasing operations.

Operating lease

Income and expenses arising from operating lease agreements are charged to the profit and loss account in the year or period in which they are incurred and on a straight-line basis.

Likewise, the acquisition cost of the leased asset is presented in the balance sheet according to its nature, increased by the amount of the directly attributable contract costs, which are recognized as an expense over the term of the contract, applying the same criteria used for the recognition of lease income.

Any collection or payment that may be made under an operating lease will be treated as an advance collection or payment that will be charged to income over the lease term, as the benefits of the leased asset are transferred or received.

4.5 Financial instruments

4.5.1 Financial assets

Classification

The financial assets held by the Company are classified into the following categories:

a. Financial assets at amortized cost: includes financial assets, including those admitted to trading on an organized market, for which the Company holds the investment with the objective of receiving cash flows derived from the execution of the contract, and the contractual conditions of the asset give rise, on specified dates, to cash flows that are solely collections of principal and interest on the outstanding principal amount.

In general, this category includes:

i) Credits for commercial operations: originated from the sale of goods or the provision of services for traffic operations with deferred collection, and

ii) Credits for non-commercial operations: come from loan or credit operations granted by the Company, the collections of which are of a determined or determinable amount.

b. Financial assets at cost: This category includes equity instruments of Group, joint venture, and associated companies. Group companies are those linked to the Company by a control relationship, and associated companies are those over which the Company exercises significant influence. Additionally, the joint venture category includes companies over which, by virtue of an agreement, joint control is exercised with one or more partners.

Initial assessment

Financial assets are generally initially recorded at the fair value of the consideration paid plus directly attributable transaction costs. However, transaction costs directly attributable to assets recorded at fair value through profit or loss are recognized in the profit and loss account for the year.

Likewise, in the case of investments in the assets of Group companies that grant control over the subsidiary, fees paid to legal advisors or other professionals related to the acquisition of the investment are charged directly to the profit and loss account.

Post-assessment

Financial assets at amortized cost will be recorded using this valuation criterion, with accrued interest charged to the profit and loss account using the effective interest rate method.

At least at year-end, necessary impairment adjustments are made if there is objective evidence that not all amounts owed will be collected.

The impairment loss is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the effective interest rate at the time of initial recognition. Impairment adjustments, and any reversals, are recorded in the profit and loss account.

Investments classified in category b) above are measured at cost, less, where applicable, the accumulated amount of impairment losses. These losses are calculated as the difference between their carrying amount and their recoverable amount, the latter being the higher of their fair value less costs to sell and the present value of future cash flows arising from the investment. Unless there is better evidence of the recoverable amount of investments in equity instruments, the net equity of the investee is taken into account, adjusted for any unrealized gains existing at the measurement date, net of the tax effect.

Impairment reversals are recorded in subsequent years or periods to the extent that there is an increase in the recoverable value, limited to the carrying amount the investment would have had if the impairment had not been recognized. The loss or reversal of impairment is recorded in the profit and loss account, except in those cases where it must be charged to equity.

The Company derecognizes financial assets when they expire or the rights to the cash flows of the corresponding financial asset have been assigned and the risks and rewards inherent in their ownership have been substantially transferred, such as in outright sales of assets, transfers of commercial credits in " factoring " operations in which the company does not retain any credit or interest risk or securitizations of financial assets in which the transferor company does not retain subordinated financing or grant any type of guarantee or assume any other type of risk.

On the contrary, the Company does not derecognize financial assets and recognizes a financial liability for an amount equal to the consideration received, in the transfers of financial assets in which the risks and rewards inherent to their ownership are substantially retained, such as the discounting of bills, " factoring with recourse", sales of financial assets with repurchase agreements at a fixed price or at the sale price plus interest and securitizations of financial assets in which the transferor company retains subordinated financing or other types of guarantees that substantially absorb all expected losses.

Bail bonds delivered

For deposits issued for operating leases, the difference between their fair value and the amount disbursed will be considered an advance payment or collection for the lease or service, which will be charged to the profit and loss account over the lease term. The same criteria will apply to deposits received. The Directors consider the discounting effect of deposits issued and received to be immaterial.

4.5.2 Financial liabilities

Financial liabilities assumed or incurred by the Company are classified into the following valuation categories:

a. Financial liabilities at amortized cost: These are the Company's debts and payables arising from the purchase of goods and services through the company's trading operations, or those that, without having a commercial origin and not being derivative instruments, arise from loan or credit transactions received by the Company.

These liabilities are initially measured at the fair value of the consideration received, adjusted for directly attributable transaction costs. These liabilities are subsequently measured at their amortized cost.

Assets and liabilities are presented separately in the balance sheet and are only presented at their net value when the company has the enforceable right to offset the recognized amounts and, in addition, intends to settle the amounts net or to realize the asset and settle the liability simultaneously.

The Company derecognizes financial liabilities when the obligations that generated them are extinguished.

4.6 Cash and other cash equivalents

This heading includes cash on hand, bank current accounts, and temporary deposits and acquisitions of assets that meet all of the following requirements:

• They are convertible into cash.
• At the time of acquisition, its maturity was no more than three months.
• They are not subject to a significant risk of change in value.
• They are part of the Company's normal treasury management policy.

Cash and cash equivalents include cash on hand and demand deposits with credit institutions. Other short-term, highly liquid investments are also included under this heading, provided they are readily convertible into specified amounts of cash and are subject to an insignificant risk of changes in value.

For these purposes, investments with maturities of less than three months from the date of acquisition are included. This section also includes balances deposited in banking institutions.

As of December 31, 2024, the balances under the heading "Cash and cash equivalents" in the accompanying balance sheet correspond to balances that the Company has deposited in current accounts with banking entities.

4.7 Current and non-current items

Current assets are considered to be those linked to the normal operating cycle, which is generally considered to be one year, as well as other assets whose maturity, disposal, or realization is expected to occur in the short term from the year-end closing date, financial assets held for trading, with the exception of financial derivatives with a settlement period of more than one year, and cash and other cash equivalents. Assets that do not meet these requirements are classified as non-current.

Likewise, current liabilities include those linked to the normal operating cycle, financial liabilities held for trading, with the exception of financial derivatives with a settlement period of more than one year, and, in general, all obligations whose maturity or extinction will occur in the short term. Otherwise, they are classified as non-current.

4.8 Provisions and contingencies

The Company's Directors, when preparing the annual accounts, differentiate between:

- Provisions: Credit balances that cover current obligations arising from past events, the settlement of which is likely to result in an outflow of resources, but which are undetermined as to their amount and/or time of settlement.

- Contingent liabilities: potential obligations arising as a result of past events, the future materialization of which is conditioned on the occurrence or non-occurrence of one or more future events beyond the control of the Company.

These financial statements reflect all provisions for which the probability of meeting the obligation being met is estimated to be greater than the opposite. Unless considered remote, contingent liabilities are not recognized in the financial statements, but are disclosed in the notes to this report.

Provisions are measured at the present value of the best possible estimate of the amount necessary to settle or transfer the obligation, taking into account the information available on the event and its consequences, and any adjustments arising from the updating of said provisions are recorded as a financial expense as they accrue.

Compensation receivable from a third party upon settlement of the obligation, provided there is no doubt that such reimbursement will be received, is recorded as an asset, except in the case of a legal relationship through which part of the risk has been externalized, and under which the Company is not obligated to respond; in this case, the compensation will be taken into account when estimating the amount for which the corresponding provision will be recorded, if applicable.

4.9 Income Tax

General regime

Income tax expense or income includes the portion relating to current tax expense or income and the portion corresponding to deferred tax expense or income.

Current tax is the amount the Company pays as a result of the Income Tax assessments for a fiscal year. Deductions and other tax benefits, excluding withholdings and payments on account, as well as tax losses offset from prior fiscal years and actually applied in this fiscal year, result in a lower current tax amount.

Deferred tax expense or income corresponds to the recognition and settlement of deferred tax assets and liabilities. These include temporary differences, identified as amounts expected to be payable or recoverable arising from differences between the carrying amounts of assets and liabilities and their tax values, as well as tax losses pending offset and credits for tax deductions not applied for tax purposes.

These amounts are recorded by applying the tax rate at which they are expected to be recovered or settled to the temporary difference or credits that would correspond.

Deferred tax liabilities are recognized for all taxable temporary differences, except if the temporary difference arises from the initial recognition of goodwill or other assets and liabilities in a transaction, other than a business combination.

Deferred tax assets are only recognized to the extent that it is considered probable that the Company will have future taxable profits against which to realize them.

Deferred tax assets and liabilities arising from transactions with direct debits or credits to equity accounts are also recorded with a counterpart entry in equity.

At each accounting period, recorded deferred tax assets are reviewed, and appropriate corrections are made to them if there is any doubt about their future recovery. Likewise, at each accounting period, deferred tax assets not recorded on the balance sheet are evaluated and recognized to the extent that their recovery through future tax benefits becomes probable.

SOCIMI Regime

On September 25, 2020, and effective January 1, 2020, the Company notified the State Tax Administration Agency Delegation at its tax domicile of the decision, adopted by its former Sole Shareholder, to adopt the special SOCIMI tax regime.

Under the SOCIMI Law, entities that meet the requirements defined in the regulations and opt for the special tax regime provided for in said Law will pay a 0% corporate tax rate. In the event of negative tax bases, Article 26 of Law 27/2014, of November 27, on corporate tax, will not apply.

Likewise, the deductions and bonuses established in Chapters II, III, and IV of Title VI of said law will not apply. For all other matters not provided for in the SOCIMI Law, the provisions of Law 27/2014 on Corporate Income Tax will apply as a supplement.

The Company will be subject to a special tax of 19% on the full amount of dividends or profit shares distributed to partners whose shareholding in the company's share capital is equal to or greater than 5%, when said dividends, at the headquarters of its partners, are exempt or taxed at an effective tax rate of less than 10%.

At the close of the 2024 financial year, the Company's Directors declare that the Company complies with all the requirements of the SOCIMI tax regime.

4.10 Income and expenses

Under the accrual principle, revenue is recorded when control over the promised goods or services is transferred to the customer, and expenses are recorded when they occur, regardless of the date of collection or payment.

For the accounting record of income, the Company follows a process consisting of the following successive stages:

- Identify the contract(s) with the client, understood as an agreement between two or more parties that creates enforceable rights and obligations for them.

- Identify the obligation or obligations to be fulfilled in the contract, representing the commitments to transfer goods or provide services to a client.

- Determine the transaction price, or the contract consideration to which the Company expects to be entitled in exchange for the transfer of goods or the provision of services agreed to with the client.

- Allocate the transaction price to the obligations to be fulfilled, which must be done based on the individual sales prices of each different good or service committed to in the contract, or, where appropriate, based on an estimate of the sales price when it is not independently observable.

- Recognize revenue from ordinary activities when the Company fulfills a contractual obligation through the transfer of goods or the provision of services; fulfillment occurs when the customer obtains control of those goods or services, such that the amount of revenue recognized will be the amount allocated to the satisfied contractual obligation.

For each identified obligation to be fulfilled, the Company determines at the beginning of the contract whether the commitment assumed is fulfilled over time or at a specific point in time.

Specifically, revenue from the sale of goods is recognized when control is transferred to the customer, in accordance with the delivery terms agreed upon with the customer.

Ordinary revenue from the sale of goods and the provision of services is measured at the monetary value or, where applicable, at the fair value of the consideration received or expected to be received. The consideration is the agreed price for the assets to be transferred to the customer, less the following: the amount of any discount, price reduction, or other similar items that the Company may grant, as well as any interest incorporated into the nominal value of the credits .

Interest received from financial assets is recognized as income in the profit and loss account using the effective interest rate method, provided that it has been accrued subsequent to the acquisition of the associated financial assets.

Dividends received are recognized as income in the profit and loss account unless they unequivocally arise from results generated prior to the date of acquisition of the associated financial asset, in which case they will reduce the cost of the investment.

Specific leasing conditions

Lease agreements include certain specific conditions linked to incentives or rental grace periods offered by the Company to its customers. The Company recognizes the aggregate cost of the incentives it has granted as a reduction in rental income over the lease term using a straight-line method. The effects of the grace periods are recognized over the minimum term of the lease.

Finally, compensation paid by lessees to terminate their leases before the minimum termination date is recognized as income in the profit and loss account on the date of payment.

4.11 Heritage elements of an environmental nature

Environmental assets are considered to be assets that are used on a lasting basis in the Company's activities, the main purpose of which is to minimize environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

The Company's activities, by their nature, do not have a significant environmental impact.

4.12 Transactions with related parties

The Company conducts all its transactions with related parties or entities at market prices.
Additionally, transfer prices are adequately supported, so the Company's Directors consider that there are no significant risks in this regard that could lead to significant liabilities in the future.

4.13 Equity

The share capital of the Company is represented by ordinary shares, all of the same class.

The costs of issuing new shares or options are presented directly against equity, as lower reserves.

In the case of the acquisition of the Company's own shares, the consideration paid, including any directly attributable incremental costs, is deducted from equity until cancelled, reissued, or disposed of. When these shares are subsequently sold or reissued, any amount received, net of any directly attributable incremental transaction costs, is included in equity.

5. Property, plant and equipment

The movement in this heading of the balance sheet during the 2024 and 2023 financial years, as well as the most significant information affecting this heading, was as follows:

2024

	In euros				
	Balance as of 12/31/2023	**Additions**	**Transfers**	**Other**	**Balance as of 12/31/2024**
Cost:					
Technical installations and other tangible fixed assets	87,515	70,233	-	-	157,748
Total cost	**87,515**	**70,233**	**-**	**-**	**157,748**
Accumulated amortization:					
Technical installations and other tangible fixed assets	(44.115)	(27.272)	-	-	(71,387)
Total accumulated amortization	**(44.115)**	**(27.272)**	**-**	**-**	**(71,387)**
Total tangible fixed assets	**43,400**	**42,961**	**-**	**-**	**86.361**

2023

	In euros				
	Balance as of 12/31/2022	**Additions/Provisions**	**Transfers**	**Other**	**Balance as of 12/31/2023**
Cost:					
Technical installations and other tangible fixed assets	77,458	10.057	-	-	87,515
Total cost	**77,458**	**10.057**	**-**	**-**	**87,515**
Accumulated amortization:					
Technical installations and other tangible fixed assets	(25.660)	(18.455)	-	-	(44.115)
Total accumulated amortization	**(25.660)**	**(18.455)**	**-**	**-**	**(44.115)**
Total tangible fixed assets	**51,798**	**(8.398)**	**-**	**-**	**43,400**

6. Real estate investments

The movement in this heading of the balance sheet during the 2024 and 2023 financial years, as well as the most significant information affecting this heading, was as follows:

2024

	In euros				
	31/12/2023	Additions/Provisions	Transfers	Disposals	Balance as of 12/31/2024
Cost:					
Land	69.289.982	27.239.491	-	(1.481.192)	95.048.279
Constructions	123.820.677	32.491.013	-	(6.002.809)	150.308.883
Advances for fixed assets	1.685.600	-	-	(1.685.600)	-
Total cost	**194.796.259**	**59.730.504**	**-**	**(9.169.601)**	**245.357.162**
Accumulated amortization:					
Constructions	(11.857.433)	(4.538.143)	-	448.406	(15.947.170)
Total accumulated amortization	**(11.857.433)**	**(4.538.143)**	**-**	**448.406**	**(15.947.170)**
Total Real Estate Investments	**182.938.826**	**55.192.361**	**-**	**(8.721.195)**	**229.409.992**

2023

	In euros				
	12/31/2022	Additions/Provisions	Transfers	Disposals	31/12/2023
Cost:					
Land	129.616.865	7.887.010	-	(68.213.893)	69.289.982
Constructions	193.523.100	12.204.472	-	(81.906.895)	123.820.677
Advances for fixed assets	-	1.685.600	-	-	1.685.600
Total cost	**323.139.965**	**21.777.082**	**-**	**-150.120.788**	**194.796.259**
Accumulated amortization:					
Constructions	(15.331.258)	(4.475.784)	-	7.949.609	(11.857.433)
Total accumulated amortization	**(15.331.258)**	**(4.475.784)**	**-**	**7.949.609**	**(11.857.433)**
Total Real Estate Investments	**307.808.707**	**17.301.298**	**-**	**(142.171.179)**	**182.938.826**

During the 2024 financial year, the Company mainly made the following acquisitions:

- On January 2024, it acquired an industrial warehouse located in Madrid for €18,560,000.
- On April 2024, it acquired an industrial warehouse located in Barcelona for €3,972,000.
- On May 2024, it acquired an industrial warehouse located in Madrid for €7,910,000.
- On May 2024, it acquired an industrial warehouse located in Madrid for €3,000,000.
- On September 2024, it acquired an industrial warehouse located in Madrid for €3,350,000.
- On September 2024, it acquired six industrial warehouses located in Madrid for €13,500,000.
- On December 12, 2024, it acquired an industrial warehouse located in Madrid for €6,000,000.

During the 2023 financial year, the Company mainly made the following acquisitions:

- On April 2023, it acquired an industrial warehouse located in Madrid for €1,700,000.
- On June 2023, it acquired an industrial warehouse located in Barcelona for €1,500,000.
- On July 2023, it acquired an industrial warehouse located in Barcelona for €6,100,000.
- On July 2023, it acquired an industrial warehouse located in Madrid for €2,000,000.
- On July 2023, it acquired an industrial warehouse located in Barcelona for €6,300,000.

In fiscal year 2024, income from real estate investments owned by the Company amounted to €17,908,768 (€17,662,402 in fiscal year 2023).

At the close of fiscal year 2024, there were no restrictions on making new real estate investments or collecting the income derived from them, nor on the proceeds obtained from such future disposals.

On December 20, 2024, the Company sold an asset with a net book value of €4,489,082 as of December 31, 2023. The sale price was €5,250,000, resulting in a gain on the sale of fixed assets of €824,581, recorded under "Gains from disposals and other" in the accompanying profit and loss account.

On April 19, 2023, the Company sold 36 assets with a net book value of €142,921 thousand as of December 31, 2022. The sale price was €190,000 thousand, with a gain on the sale of fixed assets of €47,344 thousand, recorded under "Gains from disposals and other" in the accompanying profit and loss account.

There are no commitments to purchase real estate investments or assets outside the national territory as of December 31, 2024.

The Company's Directors periodically assess, and at least at year-end, the existence of impairments on its real estate assets based on the information described in Note 4.3. As a result of this analysis, at year-end 2024, the Company recorded impairment losses on its real estate assets amounting to €2,640,178 in the Profit and Loss account, under the heading "Results from disposals and other."

The Company's policy is to maintain insurance policies to cover potential risks to which real estate investments are subject. As of December 31, 2024, the Company's Directors estimated that the coverage under these policies was sufficient.

7. Operating leases

At the end of the 2024 financial year, the Company has contracted the following minimum lease payments with the tenants, in accordance with the current contracts in force, without taking into account the impact of common expenses, future increases due to the CPI, or future updates of contractually agreed rents:

Operating leases Minimum fees	Euros	
	2024	**2023**
Less than a year	16,635,317	13,828,282
Between one and five years	42,430,492	31,907,419
More than five years	12,057,528	9,464,807
Total	**71,123,337**	**55,200,508**

8. Financial assets

The balance of financial assets, except for investments in the equity of group companies, classified entirely in the category "Financial assets at amortized cost" as of December 31, is as follows:

	Euros	
	2024	**2023**
Long-term financial investments-		
Long-term loans with Group companies and associates (Note 14.1)	71,097,305	134,081,254
Loans delivered	2,922,905	2,685,925
	74.020.210	**136,767,179**

(*) Does not include balances with Public Administrations

	Euros	
	2024	2023
Short-term financial investments-		
Trade debtors and other accounts receivable (*)	318,469	832.434
Short-term loans with Group companies and associates (Note 14.1)	3,887,225	5,041,103
Other short-term financial assets	-	83,600
	4,205,694	**5,957,137**
Total **short and long-term financial investments**	**78,255,904**	**142,724,316**

(*) Does not include balances with Public Administrations

As of December 31, 2024 and December 31, 2023, the heading "Long- and short-term loans with Group companies and associates" includes balances with related group companies (see details in Note 14.1), with the loan with SAGAX AB being the following:

Year	Amount pending collection	Maturity	Rate of interest	Accrued Financial Income
2024	9.870.021 -	31.01.2025	4.0%	1,338,177

Long-term investments in Group and associated companies

The balance and movement of the heading "Long-term investments in Group companies and associates" at the close of the financial years 2024 and 2023 are as follows:

Exercise 2024

	Euros			
	Balance to December 31, 2023	Additions	Lows	Balance to December 31, 2024
Cost	97.550.071	810,999	-	98.361.070
Impairment allowances	-	-	-	-
Total	**97.550.071**	**810,999**	**-**	**98.361.070**

2023

	Euros			
	Balance to December 31, 2022	Additions	Lows	Balance to December 31, 2023
Cost	62,331,775	35,218,296	-	97.550.071
Impairment allowances	-	-	-	-
Total	**62,331,775**	**35,218,296**	**-**	**97.550.071**

During the 2024 and 2023 financial years, there were no changes related to costs or valuation adjustments to the company's portfolio of investments.

On July 25, 2023, the Company acquired 100% of the shares in the companies Phoenix (Spain) Propco II, SL for an amount of 11,309,089 euros and Phoenix (Spain) Propco V for a net amount of 7,328,891 euros and by canceling previous loans from the company for 45,857,017 euros, the total price being 64,494,997 euros, the amount of which is fully disbursed.

In fiscal year 2024, the cost of the stake that the Company holds in its investee Phoenix (Spain) Propco II, SL and in Phoenix (Spain) Propco V, SL has increased by 290,119 euros and 230,879 euros, respectively, as a result of the additional payment for the update of the cost value of the stakes acquired in fiscal year 2023.

Legal information	**December 31, 2024**	**December 31, 2023**
Denomination	**Phoenix (Spain) Propco II, SLU**	
Country	Spain	
Activity	Real estate development, purchase and sale of properties	
Percentage Participation	100%	100%
Equity		
Capital	3,000	3,000
Legal reserve	600	600
Results from previous years	90.304	90.304
Other contributions from partners	8,924,474	8,924,474
Result of the exercise	1,248,095	337,510
Investment		
Book value of the investment	11,599,208	11,309,089

Legal information	December 31, 2024	December 31, 2023
Denomination	**Phoenix (Spain) Propco V, SLU**	
Country	Spain	
Activity	Real estate development, purchase and sale of properties	
Percentage Participation	100%	100%
Equity		
Capital	3,000	3,000
Legal reserve	600	600
Other Reserves	23,804	23,804
Other contributions from partners	5,623,745	5,706,276
Result of the exercise	1,009,602	82,531
Investment		
Book value of the investment	7,559,770	7,328,891

On November 13, 2023, the Company acquired 100% of the shares of Divial 10, SA for a net amount of €16,580,316, with a total price of €28,717,094 and through the cancellation of the company's previous loans for €12,136,778, which were fully disbursed.

In fiscal year 2024, the cost of the Company's stake in its investee increased by €290,000, reflecting the additional payment for updating the cost value of the shares acquired in fiscal year 2023.

Legal information	December 31, 2024	December 31, 2023
Denomination	**Divial 10, SA**	
Country	Spain	
Activity	Industrial premises rentals	
Percentage Participation	100%	100%
Equity		
Capital	60,000	60,000
Reservations	3,096,243	3,096,243
Results of previous years	258.195	258.195
Partner contributions	200,000	200,000
Result of the exercise	879.109	2,119,242
Investment		
Book value of the investment	16,870,317	16,580,356

The information relating to Group companies, obtained from their **2024 and 2023 financial statements** , is as follows:

Legal information	**December 31, 2023**	**December 31, 2023**
Denomination	**Huan , SL**	
Country	Spain	
Activity	Industrial premises rentals	
Percentage Participation	100%	100%
Equity		
Capital	66,953	66,953
Issue premium	1,133,186	1,133,186
Legal reserve	13.391	13.391
Other reservations	6,925,052	6,925,052
Result of the exercise	1,400,199	1,362,498
Investment		
Book value of the investment	20,860,000	20,860,000

The Company as the Sole Shareholder of Huan , SL approved on June 30, 2024 the distribution of the result for the 2023 financial year, allocating it entirely to dividends, recording an amount of 1,362,498 euros under the heading "Financial income from participations in equity instruments" in the accompanying profit and loss account for the 2024 financial year (1,188,132 euros in the 2023 financial year).

Legal information	**December 31, 2024**	**December 31, 2023**
Denomination	**Butarque Business Park, SL**	
Country	Spain	
Activity	Purchase, sale, leasing and exploitation of real estate	
Percentage Participation	100%	100%
Equity		
Capital	90,000	90,000
Legal reserve	18,000	18,000
Other Reserves	1,213,910	1,213,910
Result of the exercise	479,505	414,882
Investment		
Book value of the investment	4,657,214	4,657,254

The Company, as the Sole Shareholder of Parque Empresarial Butarque, SL, approved on June 30 , 2024, the distribution of the profit for the year 2023, allocating it entirely to dividends, recording an amount of 414,882 euros under the heading "Financial income from participations in equity instruments" in the accompanying profit and loss account for the year 2024 (331,500 euros in the year 2023).

Legal information	December 31, 2024	December 31, 2023
Denomination	**Assemblies and equipment, SL**	
Country	Spain	
Activity	Industrial premises rentals	
Percentage Participation	100%	100%
Equity		
Capital	24,044	24,044
Legal reserve	12.022	12.022
Other Reserves	5,943,055	5,768,096
Result of the exercise	2,653,205	2,479,486
Investment		
Book value of the investment	36,814,521	36,814,521

On June 30, 2024, the Company, as the Sole Shareholder of Montajes y equipos, SL, approved the distribution of the results for the 2023 financial year, allocating an amount of 2,479,486 euros to dividends, recorded under the heading "Financial income from participations in equity instruments" in the accompanying profit and loss account for the 2024 financial year (2,502,907 euros in the 2023 financial year).

The Company's Directors periodically assess, and at least at year-end, the existence of impairments in their investments in Group companies based on the information described in Note 4.5. As a result of this analysis, at year-end 2024, the Company has not recorded any impairment losses on any of its investments in Group companies in the accompanying 2024 profit and loss account.

Deposits delivered

The "Deposits Delivered" item includes the deposits received for the leased properties and deposited by the Company with the various official agencies according to their geographical location.

Trade debtors and other receivables

The balances under the heading "Trade and other receivables" as of December 31, 2024 and 2023, are detailed below.

	Euros	
	2024	**2023**
Customers for sales and services	318,469	832.434
Other credits with Public Administrations	-	-
TOTAL	**318,469**	**832.434**

This heading includes current ordinary balances pending collection from tenants.

At year-end, the Company assesses the need to set aside a provision for impairment of trade receivables through an individualized estimate of the risk of unpaid loans when the six-month period has elapsed since the loan's maturity.

As a result of this analysis, the Company has recorded impairment losses on trade receivables amounting to 230,686 euros, recorded under the heading "Losses, impairment and changes in provisions for trade transactions" in the accompanying profit and loss account for the year 2024 (impairment losses amounting to 120,546 euros in 2023).

9. Cash and other cash equivalents

The balances under the heading "Cash and cash equivalents" at the close of fiscal years 2024 and 2023 are detailed below:

	In euros	
	December 31, 2024	**December 31, 2023**
Treasury	478,465	348,144
Cash and other cash equivalents	**478,465**	**348,144**

As of December 31, 2024 and 2023 **,** the balances under the heading "Cash and cash equivalents" in the attached balance sheet correspond to balances that the Company has deposited in current accounts with banking entities.

Information on the nature and level of risk of financial instruments

The management of the Company's financial risks is centralized in the Company's Financial Department, which has established the necessary mechanisms to control exposure to exchange rate fluctuations, as well as credit and liquidity risks.

The main financial risks that impact the Company are indicated below:

a) Credit risk

The Company's principal financial assets are cash and cash balances, trade and other receivables, and investments in Group companies. These represent the Company's maximum exposure to credit risk related to financial assets, amounting to €177,697,523 in 2024 (€241,159,797 in 2023).

The Company's credit risk is primarily attributable to investments in group companies. Trade debts are shown net of provisions for bad debts, estimated based on experience and an assessment of the current economic environment. Bills to tenants are issued monthly, and there is no significant concentration of risk with third parties.

At year-end, the Company assesses the need to set aside a provision for impairment of trade receivables through an individualized estimate of the risk of unpaid loans when the six-month period has elapsed since the loan's maturity.

b) Liquidity risk

Taking into account the current financial market situation, the cash position as of December 31, 2024, and the Company's Directors' estimates of the Company's cash-generating capacity, they estimate that it has sufficient capacity to obtain third-party financing if necessary to make new investments.

Therefore, in the medium term, there are no sufficient indications that the Company faces liquidity problems. Liquidity is ensured by the nature of the investments made, the high credit quality of the tenants, and the collection guarantees existing in the current agreements.

c) Exchange rate risk

Regarding exchange rate risk, the Company, as of December 31, 2024, has no significant assets or liabilities in foreign currency, so there is no risk in this regard.

d) Interest rate risk

Regarding interest rate risk, as of December 31, 2024, the Company held a credit facility of €3,000,000 and a loan of €25,000,000 with a financial institution linked to the Euribor rate. The remaining financing of the Company corresponds to the financing received from the group or its sole shareholder.

e) Real estate business risks

Changes in the economic situation, both nationally and internationally, including employment and employment growth rates, interest rates, tax legislation, and consumer confidence, have a significant impact on real estate markets. Any adverse changes in these or other economic, demographic, or social variables in Europe, and in Spain in particular, could translate into a decline in real estate activity in these countries.

In this regard, the cyclical nature of the economy has been statistically proven, as has the existence of both micro and macroeconomic factors that, directly or indirectly, affect the performance of the real estate market, and in particular the rental market, which constitutes the Group's core investment activity.

f) Tax risk

As mentioned in Note 1, the Company is subject to the special tax regime for Listed Public Limited Companies for Investment in the Real Estate Market (SOCIMI). Following the end of the transitional period, compliance with all the requirements established by the regime (see Notes 1 and 12) has become mandatory. Among the obligations that the Company must comply with, some are identified in which a more formalistic nature predominates, such as the incorporation of the term SOCIMI to the company name, the inclusion of certain information in the notes to the individual annual accounts, listing on a stock market, etc., and others that additionally require the preparation of estimates and the application of judgment by the Directors (determination of taxable income, income test, asset test, etc.) that could become somewhat complex, especially considering that the SOCIMI Regime is relatively recent and its development has been carried out, fundamentally, through the response by the General Directorate of Taxes to the queries raised by different companies.

On the other hand, and for the purposes of also considering the financial effect of the Regime, it should be noted that according to the provisions of article 6 of Law 11/2009, of October 26, 2009, amended by Law 16/2012, of December 27, on SOCIMIs, companies that have opted for this regime are obliged to distribute in the form of dividends to their shareholders, once the corresponding commercial obligations have been fulfilled, the profit obtained in the year, their distribution having to be agreed upon within six months following the end of each year and paid within the month following the date of the distribution agreement.

If the company fails to meet the requirements of the SOCIMI tax regime and fails to remedy this non-compliance, it will be subject to the general corporate tax regime at a rate of 25%.

10. Net Worth and Equity

10.1 Share capital

On May 24, 2018, the company was incorporated with a share capital of €3,500, represented by 3,500 shares, each with a par value of €1, numbered consecutively from 1 to 3,500, inclusive, cumulative and indivisible, with the same voting and economic rights, and which may not be incorporated into negotiable instruments or denominated in shares. This share capital was fully subscribed and paid up.

On July 10, 2019, the Company's Sole Shareholder agreed to a capital increase for a total amount of 32,290,127 euros, through the issuance of 32,286,127 new shares with a par value of 1 euro.

On October 1, 2019, the Sole Shareholder agreed to a capital increase for a total amount of 3,846,000 euros, through the issuance of 3,846,000 new shares with a par value of 1 euro.

On June 8, 2020, the Sole Shareholder agreed to a capital increase for a total amount of 38,860,373 euros, through the issuance of 38,860,373 new shares with a par value of 1 euro.

On October 29, 2021, the Sole Shareholder agreed to a capital increase for a total amount of €250,000,000, through the issuance of 250,000,000 new shares with a par value of €1, which was disbursed through the offsetting of fully liquid, matured, and payable loans with the Sole Shareholder. This capital increase was made public on December 16, 2021.

As of December 31, 2024 and 2023, the Company's subscribed capital consists of 325,000,000 shares with a par value of €1 each, indivisible and cumulative, fully assumed and paid up, representing a registered share capital of €325,000,000.

The Company complies with all legal requirements regarding its sole proprietorship.

10.2 Legal reserve

According to the revised text of the Capital Companies Act, an amount equal to 10% of the profit for the year must be allocated to the legal reserve until it reaches at least 20% of the share capital. The legal reserve may be used to increase capital to the extent that it exceeds 10% of the already increased capital. Except for the aforementioned purpose, and as long as it does not exceed 20% of the share capital, this reserve may only be used to offset losses and only if there are no other reserves available sufficient for this purpose.

As of December 31, 2024, the legal reserve amounts to €8,329,365 (as of December 31, 2023, the legal reserve was €2,352,647).

11. Current and non-current financial liabilities

The balances of financial liabilities as of December 31, classified entirely in the category of "Financial liabilities at amortized cost", are as follows:

	2023				2023			
	Debts with Group Companies	Debts with credit institutions	Long-term debts	Total	Debts with Group Companies	Debts with credit institutions	Long-term debts	Total
Long-term debts and payables	3.150.212	25.000.000	4.222.948	32.373.160	2.998.704	25.000.000	3.670.231	31.668.935

	2023				2023			
	Debts with Group Companies	Debts with credit institutions	Trade creditors (*)	Total	Debts with Group Companies	Debts with credit institutions	Trade creditors (*)	Total
Short-term debits and payables	123.882	-	2.547.323	2.671.205	172.957	318.857	1.125.640	1.617.454

(*) Does not include balances with Public Administrations

The item "Long-term debts" includes an amount of 4,222,948 euros as of December 31, 2024 mainly the deposits received from clients (3,670,231 euros as of December 31, 2023).

The long-term "Bank borrowings" line item includes, in its non-current component, the principal of a loan granted to the Company in June 2022 for €18,000,000 by a financial institution. This loan matured on January 21, 2024, and was extended to €25,000,000. The first €5,000,000 matured on July 31, 2025, and the remaining amount matured on January 31, 2026. The interest rate is variable (Euribor +1.2%) throughout the term and is payable quarterly. The principal of the loan will be repaid at maturity, although partial repayments are contemplated. The interest accrued in the 2024 financial year amounts to 1,460,234 euros (199,200 euros in the 2023 financial year).

The current component of the "Debts with credit institutions" short-term item includes all balances to be settled with credit institutions, which have a maturity of less than one year, for an amount of 5,000,000 euros (318,857 euros as of December 31, 2023).

Debts with Group companies and associates

The details of the items included in the heading "Long-term debts with Group companies and associates" including outstanding interest are as follows:

	Amount pending payment	Maturity	Rate of interest	Accrued Financial Expenses
2024	3,150,212	31.01.2026	4.0%	123,882
2023	3,171,661	31.01.2025	4.0%	111,882

During 2019, a line of credit was formalized with the parent company of AB Sagax for a maximum amount of €500,000,000. This line of credit accrues interest at market rates and matures on January 31, 2025.

The amount drawn on the credit line with AB Sagax is €0 (€0 at the end of 2023). The accrued interest as of December 31, 2024, is €0 (€145,694 as of December 31, 2023).

As of December 31, 2024, the heading "Short-term debts with Group companies and associates" includes current account balances with subsidiaries, corresponding to the interest accrued during the 2024 financial year, pending settlement at the end of the financial year (see Note 14.1).

12. Public Administrations and fiscal situation

12.1 Current balances with Public Administrations

The details of the balances with Public Administrations are as follows:

	2024		2023	
	Debtors	Creditors	Debtors	Creditors
Public Treasury for Personal Income Tax	-	15.411	-	26.374
Public Treasury withholding tax on dividends	-	1,757,618	-	3,516,000
Public Treasury for VAT and others	-	265,874	-	482,948
TOTAL	**-**	**2,038,903**	**-**	**4,025,322**

12.2 Breakdown of Corporate Income Tax Expenses and Reconciliation of Accounting Results and Taxable Base

The reconciliation between the accounting result and the taxable base (tax result) of the Corporate Income Tax in the years 2024 and 2023 is as follows:

	In euros	
	December 31, 2024	**December 31, 2023**
Accounting result before taxes	14,968,162	59,767,185
Permanent differences	-	-
Time differences:	-	-
Non-deductible financial expenses (art. 20. LIS)	-	-
Taxable base	**14,968,162**	**59,767,185**
Taxable base for general tax regime	**-**	**-**
Taxable base for SOCIMI regime	**14,968,162**	**59,767,185**

Corporate income tax is calculated based on the economic or accounting result obtained by applying generally accepted accounting principles. This does not necessarily have to coincide with the taxable income, which is understood as the taxable base.

Since the Company is subject to the SOCIMI regime (0% tax rate), no deferred tax assets or liabilities have been recorded.

12.3 Exercises pending verification and inspection actions

According to current legislation, taxes cannot be considered definitively settled until the filed returns have been inspected by the tax authorities or the four-year statute of limitations has elapsed. At the close of the 2024 financial year, the Company's Directors consider that the aforementioned taxes have been properly settled. Therefore, even if discrepancies arise in the interpretation of current regulations due to the tax treatment granted to the transactions, any resulting liabilities, if they materialize, would not significantly affect the accompanying financial statements.

13. Income and expenses

13.1 Net turnover

The total net turnover for the financial years ending December 31, 2024, and 2023 is broken down by activity as follows:

	Euros	
	2024	**2023**
Income from services	17,908,768	17,662,402
TOTAL	**17,908,768**	**17,662,402**

All of the Company's income has been obtained within national territory.

13.2 Personnel expenses

The details of this heading for the years 2024 and 2023 are as follows:

	Euros	
	2024	**2023**
Salaries and Wages	745,542	648,243
Social security	123,398	100.204
TOTAL	**868,940**	**748,447**

As of December 31, 2024, the Company has 8 employees, 6 men and 2 women (as of December 31, 2023, it had 8 employees, 6 men and 2 women).

13.3 Other operating expenses

The details of this heading for the fiscal year ending December 31, 2024 and 2023 are as follows:

	Euros	
	2024	2023
Lease	114,735	120,090
Maintenance and repairs	247,465	200,382
Independent professional services	1,087,635	2,016,986
Insurance premiums	109.123	114,523
Bank fees	64,399	60,800
Supplies	89,837	243,310
Other services	7.933	9.413
Taxes (Dividend Withholding and Property Tax)	2,838,142	5,234,676
Losses, impairment and changes in provisions for commercial operations	230,686	120,546
TOTAL	**4,789,955**	**8,120,726**

It is worth noting that in fiscal year 2024, "Independent Professional Services" expenses include accrued fees from appraisers, auditors, notaries, legal services, and asset management tasks.

The remaining headings primarily reflect expenses related to the Company's real estate investments, homeowners' association expenses, and municipal taxes levied on the Company's real estate assets.

13.4 Income and expenses and financial income

The breakdown of financial income for the year (notes 8 and 14) is as follows:

	Euros	
	2024	2023
Interest income with AB Sagax (Note 8)	1,338,177	3,321,074
Interest income from Montajes y Equipamientos, SA (Note 8)	361,663	372,339
Interest income with Phoenix (Spain) Propco II, SLU (Note 8)	1,041,074	486.177
Interest income with Phoenix (Spain) Propco V, SLU (Note 8)	664,908	314,802
Interest income with Divial 10, SA (Note 8)	481.403	63.185
TOTAL	**3,887,225**	**4,557,577**

The breakdown of financial expenses for the year (notes 11 and 14) is as follows:

	Euros	
	2024	2023
Interest expense on intragroup loan (Note 11)	-	-
Interest expense with AB Sagax (Note 11)	-	145,694
Interest expense with Huan , SLU (Note 11)	98,717	90,793
Interest expense with Parque Empresarial Butarque, SLU (Note 11)	25.165	21,089
Interest expense on loans from financial institutions (Note 11)	1,460,234	199,200
TOTAL	**1,584,116**	**456,776**

1 3.5 Audit fees

During the years 2024 and 2023, the fees related to the auditing services of annual accounts and other services provided by the company's auditor have been as follows:

	In euros	
	Exercise 2024	Fiscal Year 2023
Audit Services	54,784	53.188
Other verification services	-	-
Total	**54,784**	**53.188**

14. Operations and balances with related parties

14.1 Balances with related parties

The balance sheet balances with related parties as of December 31, 2024, and December 31, 2023, are as follows:

	Euros	
	2024	2023
Dependent entity - Group Company (Montajes y Equipamientos, SLU)		
Investors in Group companies and long-term associates (Note 8)	8.584.053	8.775.470
Investors in Group companies and associates Short term (Note 8)	361.663	855.865
Parent Entity - Sole Shareholder (AB Sagax)		
Long-term debts in Group companies and associates (Note 11)	-	-
Short-term debts in Group companies and associates (Note 11)	-	-
Dependent entity - Group Company (Butarque Business Park, SLU)		
Long-term debts in Group companies and associates (Note 11)	677.354	587.581
Short-term debts in Group companies and associates (Note 11)	25.165	33.376
Dependent entity - Group Company (Huan, SLU)		
Long-term debts in Group companies and associates (Note 11)	2.472.858	2.411.123
Short-term debts in Group companies and associates (Note 11)	98.717	139.581
Parent Entity - Sole Shareholder (AB Sagax)		
Investors in Group companies and long-term associates (Note 8)	9.870.021	69.223.947
Investors in Group companies and associates Short term (Note 8)	1.338.177	3.321.074
Dependent entity - Group company (Phoenix (Spain) Propco II, SLU)		
Investors in Group companies and long-term associates (Note 8)	24.647.960	26.743.286
Investors in Group companies and associates Short term (Note 8)	1.041.074	486.177
Dependent entity - Group company (Phoenix (Spain) Propco V, SLU)		
Investors in Group companies and long-term associates (Note 8)	15.533.437	17.197.024
Investors in Group companies and associates Short term (Note 8)	664.908	314.802
Dependent entity - Group Company (Divial 10, SA)		
Investors in Group companies and long-term associates (Note 8)	12.461.834	12.141.529
Investors in Group companies and associates Short term (Note 8)	481.403	63.184

1 4.2 Operations with related parties

The details of transactions carried out with related parties during the years 2024 and 2023 are detailed in note 13.4.

	Nature of the link
AB Sagax	Parent company of the group
Butarque Business Park, SLU	Group company
Huan , SLU	Group company
Assemblies and equipment, SLU	Group company
Phoenix (Spain) Propco II, SLU	Group company
Phoenix (Spain) Propco II, S. LU	Group company
Divial 10, SA	Group company

14.3 Remuneration of the Board of Directors and Senior Management

The Company considers senior management personnel to be those individuals who perform functions related to the Company's general objectives, such as the planning, direction, and control of activities. They carry out their duties with autonomy and full responsibility, limited only by the criteria and instructions of the Company's legal owners or the governing and administrative bodies that represent said owners. The Company maintains two employees on its payroll who may be considered senior management according to the definition set forth above.

During the years 2024 and 2023, the Company's Senior Management received remuneration of 335,000 and 335,000 euros, respectively, and did not carry out any transactions with the Company outside of ordinary business or under conditions other than market conditions.

During the years 2024 and 2023 **,** the Board of Directors of the Company has not received remuneration from the company for said work and has not carried out any transactions with the Company outside of ordinary traffic or under conditions other than market conditions.

During the 2024 and 2023 financial years, the Company's Board of Directors did not receive any remuneration or other compensation in the form of per diems, profit-sharing allowances, or share premiums. They also did not receive any shares or stock options from the company during the financial year, nor did they exercise any options or have any options pending exercise. Likewise, no contributions were made to pension funds or plans.

At the close of the 2024 financial year and on the date of preparation of these annual accounts, the Company's Board of Directors consists of three individuals.

In relation to Article 229 of the Capital Companies Act, the Board of Directors reports that it has no conflicts with the interests of the Company.

15. Information requirements arising from the status of SOCIMI, Law 11/2009

a) Reserves from years prior to the application of the tax regime established in Law 11/2009.

   Not applicable

a) Reserves from years in which the tax regime established in Law 11/2009 has been applied , differentiating the part that comes from income subject to the tax rate of zero percent, or 19 percent, from those that, where applicable, have been taxed at the general tax rate.

   Legal reserve amounting to 8,052,163 euros.

b) Dividends distributed from the profits of each fiscal year in which the tax regime established in this Law has been applicable , differentiating the part that comes from income subject to the tax rate of zero percent or 19 percent, with respect to those that, where applicable, have been taxed at the general tax rate.

Distribution of 100% of dividends from the results of the 2023 financial year.

c) In the case of distribution of dividends charged to reserves, designation of the fiscal year from which the applied reserve comes and whether they have been taxed at the tax rate of zero percent, 19 percent or the general rate.

Not applicable

d) Date of the agreement to distribute the dividends referred to in letters c) and d) above.

The distribution of the 2023 profit, allocating an amount of €35,208,740 to dividends, was approved on June 30, 2024.

e) Date of acquisition of the properties intended for leasing referred to in section 1 of article 2 of Law 11/2009.

Indicated in Note 6.

f) Identification of the asset that counts within the 80 percent referred to in section 1 of article 3 of Law 11/2009.

All of the real estate investments that are included in the 80% are mentioned in Notes 6 and 8 of the report and amount to 330,411,000 euros.

g) Reserves from fiscal years in which the special tax regime established in Law 11/2009 has been applicable , which have been made available in the tax period , other than for distribution or to offset losses , identifying the fiscal year from which said reserves originate.

Not applicable.

16. Staff structure

The details of the people employed by the Company, distributed by category, are as follows:

	Number of people employed end of the fiscal year			Average number of people employed in the exercise	Average number of people with disability > 33% of the total number of in the exercise
	Men	**Women**	**Total**		
2024					
Senior management	2	-	2	2	-
Engineers and	4	2	6	6	-
	6	2	8	8	-
2023					
Senior management	2	-	2	2	-
Engineers and	4	2	6	2	-
	6	2	8	8	-

1 7. Information on the environment

Given the Company's activities, it has no environmental liabilities, expenses, assets, provisions, or contingencies that could be significant to its equity, financial position, or results. For this reason, specific disclosures regarding environmental matters are not included in this annual report. The Company did not receive any environmental subsidies during the 2024 and 2023 financial years.

18. Information on the average payment period to suppliers

Regarding the information required by the Third Additional Provision of Law 15/2010, of July 5, as of December 31, 2024, the outstanding balance due to suppliers has been slightly deferred beyond the legally established deadline. The information on deferred payments to suppliers for the 2023 financial year is as follows:

	2024	2023
	Days	**Days**
Average payment period to suppliers	6	9
Paid Operations Ratio	99	8
Ratio of pending operations to be paid	1	77

Amount	(In euros)	(In euros)
Total payments made	61,835,352	22,404,886
Total pending payments	361,051	65,039

The monetary volume and number of invoices paid within the established legal deadline are detailed below:

	2024	2023
Monetary volume (thousands of euros)	61,835,352	20,570,567
Percentage of total payments made	99%	92%
Number of invoices	1,713	1,604
Percentage of total invoices	99%	73%

Pursuant to the ICAC Resolution, the average payment period for suppliers in these annual accounts is calculated using commercial transactions corresponding to the delivery of goods or services accrued since the date of entry into force of Law 31/2014, of December 3.

For the sole purpose of providing the information provided for in this Resolution, suppliers are considered to be trade creditors for debts with suppliers of goods or services, included in the "suppliers" and "other accounts payable" items of current liabilities on the balance sheet.

The "Average supplier payment period" is understood to be the period between the delivery of the goods or the provision of services by the supplier and the actual payment for the transaction.

19. Subsequent events

During the months of 2025 until the preparation of these annual accounts, no events of relevance to them have occurred that are not detailed in these annual accounts.

Management report for the financial year ending December 31, 2024

This Management Report for the year 2024 is submitted by the Company's Directors, in compliance with the provisions of Articles 253 and 262 of the Consolidated Text of the Capital Companies Act, for approval by the shareholders.

1. Group Situation

Organizational structure and operation

Sagax Real Estate SOCIMI, SA (hereinafter the Company), was incorporated as a limited liability company in Barcelona on May 24, 2018 under the name “ Casebix XXI SL”, for an indefinite period of time.

The Company is included in the regime regulated by Law 11/2009, of October 26, which regulates Listed Public Limited Companies for Investment in the Real Estate Market ("SOCIMI"), having adopted this special regime on July 29, 2020, through a deed executed before a Notary Public and registered in the Mercantile Registry of Madrid. On September 25, 2020, the Company's Sole Shareholder formally notified the State Tax Administration Agency of its option to apply the aforementioned special regime for SOCIMIs, effective January 1, 2020.

During the current fiscal year, the Company has carried out its activities in a single segment: the leasing of urban properties for use as industrial warehouses in multiple geographical areas throughout the country.

As of December 31, 2024, the Company owns the properties described in Note 6 of the accompanying financial statements.

2. Business evolution and results

The net book value of the real estate assets (including investments) acquired by the Company amounts to €330,411,000 as of December 31, 2024 (€280,489,000 as of December 31, 2023).

As of December 31, 2024, the average occupancy rate of the Company's assets designated for leasing is 99% based on the square meters leased (98% occupancy as of December 31, 2023).

In fiscal year 2024, income from real estate investments owned by the Company amounted to €17,908,768 (€17,662,402 in fiscal year 2023).

3. Environmental issues

Given the Company's activities, it has no environmental liabilities, expenses, assets, provisions, or contingencies that could be significant to its equity, financial position, or results. For this reason, specific disclosures regarding environmental matters are not included in this report to the consolidated financial statements.

4. Liquidity and capital resources

In order to ensure liquidity and meet all payment obligations arising from its activities, the Company has access to the cash flow shown in its attached balance sheet and the financing facilities with the Sole Shareholder mentioned in the attached Annual Report.

5. Significant circumstances occurring after the end of the financial year

During the months of 2025 until the formulation of this management report, no events of relevance to it have occurred.

6. R&D&I activities

The Company did not incur any research and development expenses during the 2024 and 2023 financial years.

7. Acquisition and disposal of own shares

The Company did not operate with its own shares during the financial years 2024 and 2023.

8. Other relevant information

8.1 Dividend Payment Policy

SOCIMIs are regulated by the special tax regime established in the SOCIMI Law. They are required to distribute the profit obtained during the fiscal year in the form of dividends to their shareholders, once the corresponding commercial obligations have been fulfilled. Their distribution must be agreed upon within six months of the end of each fiscal year, as follows:

a) He 100 for 1 00 of the benefits coming from of dividends or shares in benefits distributed by the entities to the that HE refers he paragraph 1 of the article 2 of this Law.

b) At least 50 percent of the profits derived from the transfer of real estate and shares or participations referred to in section 1 of article 2 of this Law, carried out after the deadlines referred to in section 3 of article 3 of this Law have elapsed, are used to fulfill its main corporate purpose. The remainder of these profits must be reinvested in other real estate or participations used to fulfill said purpose, within three years of the date of transfer. Failing this, these profits must be distributed in full together with any profits, if any, arising from the year in which the reinvestment period ends. If the reinvested assets are transferred before the holding period expires, those profits must be distributed in full together with any profits, if any, arising from the year in which they were transferred. The obligation to distribute does not extend, where applicable, to the portion of these profits attributable to years in which the company will not be taxed under the special tax regime established in said Law.

c) To the less he 80 by percent of the remaining profits obtained.

When dividends are distributed from reserves derived from profits from a fiscal year in which the special tax regime has been applied, their distribution must be carried out with the agreement referred to in the previous section.

The legal reserve of companies that have opted to apply the special tax regime established in this Law may not exceed 20 percent of the share capital. The bylaws of these companies may not establish any other undistributable reserve other than the above.

8.2 Average payment period to suppliers

Regarding the information required by the Third Additional Provision of Law 15/2010, of July 5, as of December 31, 2024 and 2023, the outstanding balance due to suppliers has been slightly deferred from the legally established deadline. The information on deferred payments to suppliers for the 2024 financial year is as follows:

	2024	**2023**
	Days	**Days**
Average payment period to suppliers	6	9
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Number of invoices	1,713	1,604
Percentage of total invoices	99%	73%

Formulation of Annual Accounts
corresponding to the annual period ending on
December 31, 2024

The directors of the company SAGAX REAL ESTATE SOCIMI SA, on date On March 31, 2025, and in compliance with the requirements established in Article 253 of the Capital Companies Law and Article 37 of the Commercial Code, the annual accounts for the 2024 financial year are hereby prepared. The accounts consist of 41 pages in the attached documents preceding this document.

Eva Agneta Segerhammar

Administrator

Bjorn Mathias Garat

Administrator

Carlos Galofre Maristany

Administrator

Barcelona, March 31, 2025