

**Audit Report on
Consolidated Financial Statements
issued by an Independent Auditor**

**GLOBAL PIELAGO, SOCIMI, S.A.
AND SUBSIDIARIES**

Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2024



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AUDIT REPORT ON CONSOLIDATED 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 the shareholders of GLOBAL PIELAGO, SOCIMI, S.A.:

Opinion

We have audited the consolidated financial statements of GLOBAL PIELAGO, SOCIMI, S.A. (the parent) and its subsidiaries (the Group), which comprise the consolidated balance sheet at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive profit/loss, the consolidated statement of changes in equity, the consolidated cash flow statement, and the notes thereto, for the year then ended.

In our opinion, the accompanying consolidated financial statements give a true and fair view, in all material respects, of consolidated equity and the consolidated financial position of the Group at December 31, 2024 and of its financial performance and its consolidated cash flows, for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union (IFRS-EU), and other provisions in the regulatory framework applicable in Spain.

Basis for opinion

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

We are independent of the Group in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the consolidated 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.

More 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 consolidated financial statements of the current period. These risks were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these risks.

Valuation of Real Estate Investments

Description	The Group has registered under the heading of investment properties in the consolidated balance sheet as of December 31, 2024, assets for a net amount of 345,566 thousand euros corresponding mainly to land, buildings and other structures held for rental purposes or to obtain a capital gain on a future sale. The Group's management determines periodically, and minimally at year end, the fair value of investment properties by reference to valuations carried out by independent experts in accordance with the valuation standards of the Royal Institution of Chartered Surveyors "RICS" standards so as to reflect the market conditions of such investments. We have considered this area to be the most relevant aspect of our audit because the determination of the fair value of investment property requires significant estimates to be made by both, the independent expert and Group Management, involving the application of judgment in establishing the assumptions involved (in particular, the assumptions underlying the estimated rents, discount rates and exit yields used), as well as the significance of the amounts involved. Information related to the applicable valuation standards, the methodology and the main assumptions used for the valuation of investment property, as well as the related disclosures, is detailed in Notes 3.2 and 6 of the accompanying consolidated report.
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Our response	In relation to this area, our audit procedures have included, among others: ▶ Understanding of the process established by Group management for identifying indications of impairment and determining the fair value of assets recorded as "Investment property" and assessment of the design and implementation of the relevant controls established in this process ▶ Review of the reasonableness of the valuation models used by the independent expert, in collaboration with our specialists in real estate asset valuations, covering in particular, for a sample of the valuations performed, the mathematical analysis of the model, the identification and review of the hypotheses used, verification of the reasonableness of the rents used and/or the comparable used, the discount rates and exit yields used and the performance of comparison procedures on the valuations, if necessary. ▶ Verification that the attached consolidated report includes the related information disclosures required by the applicable financial reporting framework.
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Other information: consolidated management report

Other information refers exclusively to the 2024 consolidated management report for the year ended December 31, 2024, the preparation of which is the responsibility of the parent company's directors and is not an integral part of the consolidated financial statements.

Our audit opinion on the consolidated financial statements does not cover the consolidated management report. In conformity with prevailing audit regulations in Spain, our responsibility in terms of the consolidated management report is to assess and report on the consistency of the management report with the consolidated financial statements based on the knowledge of the Group obtained during the audit, and to assess and report on whether the content and presentation of the consolidated 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 consolidated management report is consistent with that provided in the consolidated financial statements for the year ended December 31, 2024 and its content and presentation are in conformity with applicable regulations.

Responsibilities of the parent company's directors for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the equity, financial position and results of the Group, in accordance with IFRS-EU, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the consolidated financial statements

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

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

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

- ▶ Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of the directors' 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors of the parent 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 directors of the parent company, we determine those that were of most significance in the audit of the consolidated 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.
(Registered in the Official Register of
Auditors under No. S0530)

(Signed in the original version in Spanish)

Leire Lácar Saldías
(Registered in the Official Register of
Auditors under No. 23566)

May 20, 2025

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated Financial Statements and Consolidated Director's Report for the year ended 31 December 2024, prepared in accordance with the International Financial Reporting Standards adopted by the European Union (EU - IFRS), and consolidated Directors' Report

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Consolidated balance sheet at 31 December 2024. (Figures in euros)

ASSETS	Notes	2024	2023
NON-CURRENT ASSETS		346,564,232	308,836,512
Investment property	6	345,565,803	308,280,851
Land		159,816,295	166,056,162
Buildings		182,966,042	139,441,223
Fixed assets in progress and advances		2,783,466	2,783,466
Financial derivatives	7.2	178,365	-
Non-current financial investments	7.1	820,064	555,661
CURRENT ASSETS		15,295,169	42,290,887
Inventory	8	5,624,724	19,334,823
Supplier advances		5,624,724	19,334,823
Trade and other receivables	9	361,117	966,821
Trade receivables for sales and services		361,117	966,821
Financial derivatives	7.2	-	2,145,390
Current financial investments	7.3	-	7,374,061
Cash and cash equivalents	10	9,309,328	12,469,792
Cash		9,309,328	12,469,792
TOTAL ASSETS		361,859,401	351,127,399

Notes 1-20 are an integral part of the Consolidated Financial Statements for the year ended 31 December 2024.

Consolidated balance sheet at 31 December 2024. (Figures in euros)

EQUITY AND LIABILITIES		Notes	2024	2023
EQUITY			219,993,965	199,031,419
CAPITAL AND RESERVES			219,993,965	199,031,419
Capital	11		8,830,637	8,830,637
Registered capital			8,830,637	8,830,637
Share premium	11		22,618,181	22,618,181
Other unitholder contributions	11		86,293,012	86,293,012
Prior years' profit/loss attributable to shareholders			81,289,589	52,337,573
Income attributable to shareholders	11 and 16		20,962,546	28,952,016
NON-CURRENT LIABILITIES			132,609,825	129,718,658
Non-current payables	12		127,906,751	129,718,658
Bank borrowings			127,124,874	128,926,667
Other non-current payables			781,877	791,991
Long-term provisions	13		4,703,074	-
CURRENT LIABILITIES			9,255,611	22,377,322
Current payables	12		1,866,500	1,746,734
Bank borrowings			1,866,500	1,746,734
Trade and other accounts payable			7,389,111	20,630,588
Trade payables	14		7,388,222	20,629,107
Public Entities, other payables	15		889	1,481
TOTAL EQUITY AND LIABILITIES			361,859,401	351,127,399

Notes 1-20 are an integral part of the Consolidated Financial Statements for the year ended 31 December 2024.

Consolidated Income Statement for the year ended 31 December 2024.
(Figures in euros)

INCOME STATEMENT	Notes	2024	2023
CONTINUING OPERATIONS			
Net turnover	16	13,486,584	10,809,017
Other net operating income (loss)	16	(1,406,423)	187,635
Other operating expenses	16	(17,907,216)	(11,392,584)
Outside services		(17,907,216)	(11,392,584)
Variation in fair value of investment property	6	36,695,864	38,883,550
PROFIT/LOSS FROM OPERATING ACTIVITIES		30,868,809	38,487,618
Finance income	7.3 and 15. f	45,938	64,778
Finance expenses	12 and 15 d.	(9,792,659)	(9,802,125)
Change in fair value of financial instruments	7.2	(159,542)	202,044
Exchange differences		-	(299)
FINANCE INCOME/(EXPENSE)		(9,906,263)	(9,535,602)
PROFIT/LOSS BEFORE TAXES		20,962,546	28,952,016
Income tax	15	-	-
INCOME ATTRIBUTABLE TO SHAREHOLDERS	16	20,962,546	28,952,016

Notes 1-20 are an integral part of the Consolidated Financial Statements for the year ended 31 December 2024.

Consolidated comprehensive profit/loss for the year ended 31 December 2024. (Figures in euros)

	Notes	2024	2023
Profit/loss for the year		20,962,546	28,952,016
Other comprehensive income:			
Items to be transferred to Equity		-	-
Other comprehensive income for the period		-	-
Comprehensive Income		20,962,546	28,952,016
Attributable to shareholders of the Parent Company	11 and 16	20,962,546	28,952,016

Notes 1-20 are an integral part of the Consolidated Financial Statements for the year ended 31 December 2024.

Consolidated statement of changes in equity for the year ended 31 December 2024. (Figures in euros)

	Share capital	Share premium	Profit/loss from prior years	Profit/loss for the year	Other unitholder contributions	Total
Balance at 1 January 2023	8,335,637	20,709,653	20,152,043	32,185,669	82,096,540	163,479,542
Total recognised income and expense	-	-	-	28,952,016	-	28,952,016
Other changes in equity:	495,000	1,908,528	32,185,530	(32,185,669)	4,196,472	6,599,861
Capital increases	495,000	1,940,400	-	-	-	2,435,400
Shareholder contributions	-	-	-	-	4,164,600	4,164,600
Profit/loss for the year	-	-	32,185,669	(32,185,669)	-	-
Other changes	-	(31,872)	(139)	-	31,872	(139)
Balance at 31 December 2023	8,830,637	22,618,181	52,337,573	28,952,016	86,293,012	199,031,419
Balance at 1 January 2024	8,830,637	22,618,181	52,337,573	28,952,016	86,293,012	199,031,419
Total recognised income and expense	-	-	-	20,962,546	-	20,962,546
Other changes in equity:	-	-	28,952,016	(28,952,016)	-	-
Profit/loss for the year	-	-	28,952,016	(28,952,016)	-	-
Balance at 31 December 2024	8,335,637	22,618,181	81,289,589	20,962,546	86,293,012	219,993,965

Notes 1-20 are an integral part of the Consolidated Financial Statements for the year ended 31 December 2024.

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated cash flow statement for the year ended 31 December 2024 (in euros)

	NOTES	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/Loss for the period before taxes		20,962,546	28,952,016
From continuing operations		20,962,546	28,952,016
Adjustments to profit/loss		(19,217,080)	(28,814,902)
Variation in fair value of investment property	6	(36,695,864)	(38,883,550)
Result of derecognition of investment property	6	1,406,421	-
Impairment corrections (+/-)	7.2	1,782,110	-
Change in fair value of financial instruments	15.g	(159,542)	202,044
Finance income	7.3 and 15.f	(45,938)	64,778
Finance expenses	15.d	9,792,659	9,802,125
Exchange differences	15.f	-	(299)
Change in provisions	13	4,703,074	-
Changes in working capital		362,690	(822,865)
Increase/(Decrease) in Inventories	8	13,710,099	54,867,364
Increase/(Decrease) in Trade and other receivables		(1,176,406)	(134,672)
Increase/(Decrease) in Trade and other accounts payable		(13,241,476)	(55,880,012)
Other non-current assets and liabilities (+/-)		1,070,173	324,455
Cash flows from operating activities		2,107,856	(685,751)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Disinvestment collections	6	10,131,899	1,427,528
Investment property	6	2,711,900	-
Other assets	7	7,419,999	-
Payments for investments	6	(4,707,411)	(27,123,690)
Investment property	6	(4,707,411)	(19,749,629)
Other assets		-	(7,374,061)
Cash flows from investment activities		5,424,488	(25,696,162)
CASH FLOWS FROM FINANCING ACTIVITIES			
Collections and payments for equity instruments	11	-	6,600,000
Issue of equity instruments	11	-	6,600,000
Collections and payments for financial liability instruments		10,692,809	1,022,850
Bank borrowings		10,692,809	1,022,850
Cash flows from financing activities		10,692,809	7,622,850
NET INCREASE / DECREASE IN CASH OR CASH EQUIVALENTS		(3,160,464)	(18,759,063)
Cash or equivalents at the start of the year	10	12,469,792	31,228,855
Cash or equivalents at the close of the year	10	9,309,328	12,469,792

GLOBAL PIÉLAGO, SOCIMI, S.A. and subsidiaries

Consolidated report for the year ended 31 December 2024.

1. GENERAL INFORMATION

Global Piélago, SOCIMI, S.A., hereinafter the Parent Company, is a Spanish public limited company, with VAT No. A88581251, incorporated for an indefinite period under a deed granted before a Madrid notary public on 29 January 2020; it is entered on the Madrid Companies Registry, volume 40,174, folio 110, sheet M713884, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

The Company serves as the Parent Company of a group consisting of itself, Global Piélago, SOCIMI, S.A., Global Sauco, SOCIMI, S.L., and Global Lucanor, S.L. The Parent Company maintains full control over the operations of all subsidiaries within the Group, with a 100% ownership stake.

The Parent Company was initially incorporated as a limited liability company under said public deed executed on 29 January 2020. It was converted into a public liability company under public deed of 5 March 2020, in Madrid.

Its registered offices at the time it was incorporated were located in Calle Suero de Quiñones 34-36, 1st floor, 28002 Madrid. On 25 June 2020, the registered offices were moved to Paseo de la Castellana 93, 13th floor, 28046 Madrid. Finally, on 10 April 2024, the Company changed its registered offices to Calle Orense 34, 8th floor, 28020 Madrid, by public deed, which is its current address.

The Group's corporate purpose is:

- a) The acquisition and development of urban real estate for lease.
- b) The holding of shares in the capital of other SOCIMIs or in other companies non resident in Spain with the same corporate purpose and which are subject to a regime similar to the one established for SOCIMIs in relation to the obligatory policy on appropriation of profit stipulated by law or the bylaws.
- c) The holding of shares in the capital of other companies resident or non resident in Spain, whose main corporate purpose is the acquisition of urban real estate for lease, which are subject to the regime established for SOCIMIs in relation to the obligatory policy on distribution of dividends stipulated by law or the bylaws and meet the investment requirements referred to in Article 3 of Law on Spanish Real Estate Investment Trusts.
- d) The holding of shares or equity shares in Collective Real Estate Investment Undertakings governed by Law 35/2003, of 4 November, on Collective Investment Undertakings, or by future laws which may replace it.

In addition to the business activity deriving from the company's primary corporate purpose, SOCIMIs may also undertake ancillary activities, i.e., any activities the revenues from which account for less than 20% of the revenue in the company in any tax period, or any considered ancillary by law at any given time. The corporate purpose excludes any activities legally required to comply certain conditions not met by the Company or its bylaws.

These activities may be carried out, in whole or in part, indirectly by the Parent Company by holding shares or equity interests in companies with the same or a similar corporate purpose.

On 25 June 2020, a resolution of the General Shareholders' Meeting, resolving that the Parent Company would opt for the special regime for Spanish Real Estate Investment Trusts (SOCIMI, in Spanish), regulated by Law 11/2009 of 26 October, was executed on a public deed.

These Consolidated Financial Statements for 2024 have been prepared by the Directors of the Parent and will be submitted for approval by the General Shareholders' Meeting. It is expected that they will be approved without any changes. The Consolidated Financial Statements for 2023 were approved by the Group's General Shareholders' Meeting held on 30 June 2024.

We now list the primary elements defining the SOCIMI regime which applies to the Company.

SOCIMI Regime

Global Piélago SOCIMI, S.A. and its subsidiaries are governed by Law 11/2009 dated 26 October, as amended by Law 16/2012 dated 27 December, which regulates Spanish Real Estate Investment Trusts.

The primary characteristics defining the SOCIMI regime, which must be met for the regime to be applied correctly, are:

1-. Corporate Purpose.

The primary corporate purpose of the company must be that of holding real estate for lease, holding interests in other SOCIMI or companies having a similar corporate purpose and the same dividend distribution regime, and in Collective Investment Undertakings.

2-. Investment.

The company must invest at least 80% of its asset value in real estate for lease, in land for the development of real estate to be used for said purpose (providing that development commences within three years of its acquisition), and in interests in the capital of other companies having a similar corporate purpose to that of the company.

The asset value will be determined according to the average of the quarterly individual balance sheets for the financial year, and the company may choose to calculate that value by replacing the carrying amount with the market value of the elements comprising those balance sheets, which would be applied to all balance sheets for the financial year. This determination will not include any cash or credit rights issuing from the transmission of said properties or interests made in the same or previous years, providing, in this latter case, that the reinvestment term specified in Article 6 of the Law has not elapsed.

This percentage will be calculated on the basis of the Consolidated Financial Statements if the company is the parent of a Group according to the criteria established in Article 42 of the Spanish Code of Commerce, regardless of the place of residence and of the obligation to prepare consolidated financial statements. This group will be exclusively composed of the SOCIMIs and the rest of the companies to which Article 2.1 of the Law refers.

Likewise, 80% of its revenues within the tax period should be obtained from: (i) real estate leasing and (ii) dividends on interests. This percentage will be calculated on the basis of the consolidated income statement if the Company is the parent of a Group of companies according to the criteria established in Article 42 of the Spanish Code of Commerce, regardless of the place of residence and of the obligation to prepare Consolidated Financial Statements. This group will be exclusively composed of the SOCIMIs and the rest of the companies to which Article 2.1 of the Law 11/2009 refers.

Properties must be leased for at least three years (for calculation purposes, up to one year may be added from the period during which they were available for lease). Interests in the asset must be retained for at least three years.

3-. Trading on a regulated market.

SOCIMIs must be listed for trading on a regulated stock market in Spain or in any other country with which tax information is exchanged. Shares must be registered stocks.

On 20 April 2021 the Parent Company shares were listed for trading on the Euronext Paris Stock Exchange, and were registered shares as indicated by Law. The shares entered the regulated market at a price of 4.92 euros per share. The total number of shares was 5,000,000.

4-. Distribution of profit:

The Company must distribute the following dividends, after complying with the applicable business requirements:

- One hundred percent of the profits from dividends or profit sharing distributed by the companies to which Article 2.1 of Law 11/2009 refers.
- At least 50% of the profits from the transfer of real estate and public or private limited liability company shares referenced in Article 2.1 of Law 11/2009, made after the minimum holding period, subject to compliance with its primary corporate purpose. The remaining profits

should be reinvested in other real estate or shares subject to the fulfilment of that purpose, within three years as of the transfer date.

- At least 80 percent of the rest of the profits obtained. When the distribution of dividends is made out of reserves from profits of a year in which the special tax regime was not applied, their distribution must be adopted as described above.

5- Information.

SOCIMIs are required to include in the Notes to the Financial Statements the information required by the tax legislation governing the special regime for SOCIMIs (Note 15).

6- Minimum capital.

The minimum share capital is established at 5 million euros.

Companies may opt for the application of the special tax regime in the terms established in Article 8 of the Law, even when they do not meet the minimum requirements established therein, providing the requirements are met within two years of opting for the regime.

Failure to comply with any of said conditions will mean that the Company will be included under the general Corporate Income Tax regime from the year in which said failure comes about, unless it is remedied in the following year. Moreover, in addition to the quota for the year in question, the Company will also be required to pay the difference between the quota given by applying the general regime and the quota paid after applying the special tax regime in the previous years, in addition to any delay interest, surcharges and sanctions which may apply.

Following a resolution at the General Meeting, the Parent Company opted to apply for the SOCIMI regime and notified the Spanish Tax Agency on 25 June 2020. Subsequently, the subsidiaries applied for this regime in both 2020 and 2021.

The Company is the parent in a Group of companies and files Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standards adopted by the European Union (EU – IFRS).

The transitional period ended in 2021 and the Parent Company must fulfil all the requirements of the regime. The Group's management, assisted by the opinion of its tax advisers, has conducted an assessment of compliance with the requirements of the regime, concluding that at 31 December 2024 and 2023 all requirements are met.

Failure to adhere to any of the aforementioned conditions will result in the Company being subject to taxation under the general corporate income tax regime starting from the tax period in which such non-compliance is evident. However, the non-compliance can be rectified in the following year, except for instances of non-compliance with the obligation to distribute dividends or exclusion from listing, which are irrevocable requirements. If such non-compliance persists beyond the subsequent year, the Company will be taxed under the general corporate income tax regime from the same year onwards.

The Corporate Income Tax rate for SOCIMIs was set at 0%. However, should dividends be distributed by the SOCIMI to shareholders with a shareholding of 5% or more, and these dividends are either exempt or taxed at a rate lower than 10% for said shareholders, the SOCIMI becomes liable for a special tax of 19% on the distributed dividend amount. This special tax is treated as a corporate income tax liability. Where applicable, the SOCIMI must settle this special tax within two months from its accrual date, namely the date of the dividend distribution agreement. Furthermore, effective for tax periods commencing on or after 1 January 2021, pursuant to the amendment brought forth by the second final provision of Law 11/2021, dated 9 July, a new special tax of 15% is introduced. This tax applies to profits accrued in the year that remain undistributed to shareholders, particularly on the portion derived from income not subject to the standard corporate income tax rate or income covered by the reinvestment period outlined in Article 6.1.b) of the SOCIMI Law. Where applicable, the SOCIMI must settle this special tax within two months from its accrual date, namely the date of the dividend distribution agreement. This rate will be considered the Corporate Income Tax liability.

Effective for reporting periods commencing as of 1 January 2021, Law 11/2021, of 9 July, on measures for the prevention and fight against tax fraud amends section 9(4) of Law 11/2009, of 26 October, regulating Spanish Real Estate Investment Trusts (SOCIMIs). In particular, it introduced a special tax of 15% on the amount of undistributed profits for the year, arising from: a) income that is not taxed at the general Corporate Income Tax rate, and b) income that does not derive from the transfer of assets assigned at the end of the three-year holding period, without prejudice to the three-year reinvestment period provided for in section 6.1.b) of Law 16/2012, of 27 December. This special charge will be treated as corporate income tax and will accrue on the day on which the General Shareholders' Meeting or equivalent body resolves to apply the profit or loss for the financial year. The self-assessment and payment of the tax must be made within two months of its accrual.

1.1. Subsidiaries

The Company is the head of a corporate Group. At 31 December 2024 and 2023, it was the Parent Company of the following subsidiaries:

Company	Registered address	Activity	Holding %	Consolidation method
Global Sauco, SOCIMI, S.L. (*)	Spain	SOCIMI	100% - direct	Full Consolidation
Global Lucanor, S.L. (*)	Spain	SOCIMI	100% - direct	Full Consolidation

(*) Not audited.

GLOBAL SAUCO, SOCIMI, S.L.

On 5 March 2020, in Madrid, the Parent Company acquired 100% of the stock capital of Global Sauco, SOCIMI, S.L.U. (hereinafter, “the subsidiary”), also incorporated in 2020, under public deed No. 446.

Global Sauco, SOCIMI, S.L.U. is a Spanish limited liability company, with VAT No. B88581236, incorporated for an indefinite period under a deed executed before a Madrid notary public on 29 January 2020, number 297; it is entered on the Madrid Companies Registry, volume 40,174, folio 130, sheet M713886, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

The subsidiary is also a SOCIMI and has the same corporate purpose as the Parent Company. On 25 June 2020, a resolution of the General Unitholders' Meeting, under which it was agreed that the Company should be ruled by the special regime for Spanish Real Estate Investment Trusts (SOCIMI, in Spanish), regulated by Law 11/2009 of 26 October, was put on public deed.

The assets held by the Company at the end of 2020 were acquired by the subsidiary after joining the Group.

When Global Sauco, SOCIMI, S.L.U. was acquired by Global Piélagos, SOCIMI, S.A., the latter became the Parent Company of a corporate group, this 2020 being the first year in which Consolidated Financial Statements were filed.

GLOBAL LUCANOR, S.L.

On 2 March 2021 the Parent Company acquired 100% of the investee’s shares in Madrid by public deed. Global Lucanor, S.L., hereinafter, the “investee”, is a Spanish private limited company, with VAT No. B42864306, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 10 February 2021, under number 467 in his notarial records; it is entered on the Madrid Companies Registry, tome 41,492, folio 180, sheet M735229, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

The investee is also a SOCIMI and has the same corporate purpose as the Parent Company. On 5 March 2021, a resolution of the General Unitholders' Meeting, under which it was agreed that the Company should be ruled by the special regime for Spanish Real Estate Investment Trusts (SOCIMI, in Spanish), regulated by Law 11/2009 of 26 October, was put on public deed.

1.2 Management and Subscription Agreements

The following is a summary of the most important points of a series of management agreements issued originally in English.

1.2.1. Management and investment agreement

On 23 April 2020, the Parent Company (JVco), together with its subsidiaries Global Lucanor, S.L.U., Global Sauco, S.L.U. and Briks Residential (formerly, Global Marianela, S.L. as Asset Manager) and Talus Real Estate, S.L., signed an Asset Management Agreement (AMA), the term of which is subject to the parties determining its termination, which had not taken place at the date of preparation of these Consolidated Financial Statements.

The agreement is made for an unlimited time and may be terminated for any of the reasons stated in Point 9 therein, including withdrawal of either party, providing they give twelve months' notice.

The services provided by the management company to the Parent Company and investees include:

- a) General services. Coordination in the acquisition of properties. Formulation and implementation of business plan and yearly budget. Overseeing the requirement to send reports to banks and investors. Overseeing and coordinating the annual valuations of investment properties. Overseeing the appointment of service providers. Monitoring CapEx plans for investments. Implementing sales strategies. Assisting customers with insurance decisions. Overseeing accounts books and other tax obligations.
- b) Strategic services. Advisory services in regard to investment price policy. Recommendations in relation to the business plan in order to maximise yield. Overseeing agreements with regard to the selection of service providers, and supervising their performance.
- c) Asset management services. Providing precise instructions to Property Managers in relation to managing the properties. Liaising with regulatory agencies. Coordinating the delivery of the audited Financial Statements, as well as assisting the auditors.
- d) Property management services. Keeping a database of lessees. Keeping copies of legal documents relating to the properties. Ensuring compliance with all formal obligations in relation to the properties.
- e) Maintenance and Upkeep Services. Monitoring expenses in relation to the properties and working with the Property Managers to formulate reports in relation to said monitoring. Ensuring the upkeep of the properties.
- f) Rent and expense collection services. Negotiations and agreements with lessees. Monitoring financial ratios in relation to lessees. Making lease agreements. Overseeing rent and advances paid by lessees.
- g) Reporting services. Organising meetings and conferences in relation to the management of the properties. Sending reports to the Company and shareholders. Helping with the formulation of Financial Statements and audits.
- h) Financial Advisory Services. Working with a range of service providers to monitor project costs in relation to the business plan and advise accordingly.
- i) Disposals. Providing advisory services in relation to strategy and proceedings with regard to disposing of properties, and preparing material for marketing policy elements. Coordinating the Company's service providers in sales processes.

The management agreement establishes a series of fees, as follows:

Acquisition Fee:

As owner of the properties, the investee, Global Sauco, SOCIMI, S.L.U. will pay the management company management fees of 0.75% of the total individual acquisition price of assets in the "Alcazar I" development, the private acquisition contract over which was signed between the parties on 7 April 2020.

With regard to the acquisition of properties not included in said development, the company which acquires the properties will pay the management acquisition fees of 0.5% the individual acquisition price to the management company.

Asset Management Fees:

The management company will be entitled to receive annual fees calculated at 0.5% of the total acquisition price of each of the Company's properties, plus the CapEx expenses over each asset (plus VAT).

Under this contract, the management company is entitled to receive a promote fee linked to the return (measured in terms of the internal rate of return (IRR) that would be earned by the shareholders and which is mainly derived from the management of the real estate portfolios.

During 2024, since the foreseen conditions were met, the Group has recorded the provision for the variable amount linked to the promote fee, whose value is 4,703,074 euros (Note 13).

2.- BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements for the financial year ended 31 December 2024 were obtained from the accounting records of the Parent Company and its subsidiaries dated 31 December 2024. The previous financial year covered the period from 1 January to 31 December 2023.

Furthermore, both Financial Statements were prepared by the Parent Company's Directors in accordance with the International Financial Reporting Standards (IFRS) and the IFRS Interpretations Committee, adopted by the European Union as Regulation (EC) No. 1606/2002 of the European Parliament and of the Council and successive amendments thereto.

Comparative figures pertain to the financial year spanning from 1 January to 31 December 2023. The Parent Company's Directors prepared the 2024 and 2023 Consolidated Financial Statements in accordance with the going concern principle.

Preparing these Consolidated Financial Statements in accordance with the IFRS requires the use of certain critical accounting estimations. It also requires that the Directors use their knowledge in the process of applying the Group's accounting policies. Note 4 to these Consolidated Financial Statements stipulates those areas which require a high degree of understanding or complexity and the areas in which hypotheses and estimations have a material effect on these Consolidated Financial Statements.

The Consolidated Financial Statements are presented in euros, which serves as the Group's functional currency.

The figures contained in these Consolidated Financial Statements are expressed in euros to two decimal places, unless otherwise indicated.

2.1 Consolidation perimeter

In 2023 and 2024, the Group's Parent Company is GLOBAL PIELAGO, SOCIMI, S.A., which owns 100% of the shares of the subsidiaries GLOBAL LUCANOR, S.L.U. (acquired in 2021) and of GLOBAL SAUCO, SOCIMI, S.L.U. (acquired in 2020).

No type of goodwill arises from either acquisition nor are they considered business combinations, since at the time of acquisition the companies were not active.

2.2 Adoption of International Financial Reporting Standards

Standards and interpretations approved by the European Union and becoming effective in the year

The accounting policies used in preparing these Consolidated Financial Statements remain consistent with those employed in the Consolidated Financial Statements for the year ended 31 December 2023. None of the standards, interpretations, or amendments newly applicable in this financial year have affected the Group's accounting policies. The Group intends to adopt the standards, interpretations, and amendments issued by the IASB, which are not mandatory in the European Union, upon their effective dates, if applicable. While the Group is currently evaluating their implications, based on the analyses conducted thus far, the Group anticipates that their initial implementation will not significantly impact its Consolidated Financial Statements.

2.3 Functional currency

The euro is the currency in which the Consolidated Financial Statements are presented, as this is the functional currency of the environment in which the Group operates.

2.4 Comparison of information

The information contained in these Consolidated Financial Statements for 2023 is presented solely and exclusively for comparative purposes with information from the year ended 31 December 2024.

2.5 Responsibility for the information and estimates made

The information contained in these Consolidated Financial Statements is the responsibility of the Directors of the Parent Company. In the Group's Consolidated Financial Statements for 2024, estimates made by the Management of the Group and of the consolidated entities, subsequently ratified by their Directors, have occasionally been used to quantify some of the assets, liabilities, income, expenses and commitments recorded in them. Basically these estimates refer to:

- The market value of the Group's property assets (see Note 3.2). The Group has received estimates from independent valuers at 31 December 2024.
- The fair value of certain financial instruments (Notes 3.10 and 3.11).
- The measurement of equity provisions and contingencies (Note 3.4).
- Financial risk management and especially liquidity risk (see Note 5).
- Compliance with the requirements that regulate Spanish Real Estate Investment Trusts (see Note 1).

Changes to estimates: Although these estimates were made on the basis of the best available information at 31 December 2024 on the events analysed, events that take place in the future might make it necessary to modify these amounts (upward or downward) in coming years, which would be done, pursuant to IAS 8, on a prospective basis by recognising the effects of the change in estimate in the corresponding consolidated income statement.

2.6 Consolidation principles applied

Companies over which the Group can exercise effective control by holding a majority of the voting rights in their representation and decision-making bodies and the power to govern their financial and operating policies have been fully consolidated; and, where applicable, companies over which significant influence is exercised but not a majority of the voting rights and the interest held is more than 20% have been accounted for using the equity method.

Significant influence is also deemed to exist in investments that the Group holds with a shareholding of less than 20% if it maintains representation on the Boards of Directors of such companies by persons related to the Group.

In order to bring the accounting policies and principles of the Group companies into line with those used by the Parent Company, certain uniformity adjustments were made, including the application of International Financial Reporting Standards (IFRS) to all Group and associated companies. It has not been necessary to make any timing uniformity adjustments, as the reporting periods of all Group and associated companies end on 31 December each year.

2.6.1 Subsidiaries

Subsidiaries are deemed to be those over which the Parent Company exercises control, directly or indirectly through subsidiaries. The Parent Company controls a subsidiary when, due to its involvement in it, it is exposed to, or entitled to, variable returns and has the ability to affect those returns through its power over it. The Parent Company has power when it has substantive rights in force that provide it with the ability to direct relevant activities. The Parent Company is exposed to, or entitled to, variable returns due to its involvement in the subsidiary when the returns it obtains due to such involvement may vary depending on the economic performance of the entity. The Financial Statements of the subsidiaries are fully consolidated with those of the Parent Company. As a result, all material balances and effects of transactions between the consolidated companies have been eliminated on consolidation. The interests of third parties in the Group's equity and results are presented under the headings "Minority interests" of the consolidated statement of financial position, of the consolidated income statement and of the consolidated statement of comprehensive income, respectively. The profit

or loss of subsidiaries acquired or disposed of during the year is included in the consolidated income statements from the effective date of acquisition or until the effective date of disposal, where applicable. Note 1.1 includes information on Group companies and associates.

3-. ACCOUNTING POLICIES

The principal accounting policies and valuation standards adopted by the Group, in accordance with which these Consolidated Financial Statements have been formulated, were drawn up in accordance with the EU - IFRS and are given here below:

3.1 Cash and cash equivalents.

The Group classifies cash and cash equivalents as cash and current, highly liquid investments that are readily convertible to cash, have an investment term of less than three months and are not subject to significant risk of changes in value. The interest associated with these transactions is accounted for as income on an accruals basis, and interest not yet due at the close of the reporting period is included as an increase in "Cash and cash equivalents" in the consolidated statement of financial position.

3.2 Investment property

The investment property includes properties under construction and development for use as investment properties, investments are made partially or totally for the purpose of generating revenues, profits or both, instead of being used in the production or supply of good or services or for immediate sale in the ordinary course of business. They correspond to land, buildings and other constructions maintained for operation under a lease scheme or for capital gains for their sale as a result of any increases of their respective market prices that may take place in the future.

The Directors of the Parent Company do not intend to dispose of these assets within the time frame, having decided to retain these assets as investment properties in the consolidated statement of financial position.

Investment properties are initially measured at cost, including related transaction costs and financing costs, if any. After their initial measuring, investment properties are given at their fair value.

Investment properties are given at their fair value at the end of the reference period and are not depreciated as established in IAS 40.

Gains and losses arising from changes in the fair value of investment property must be included in net profit or loss for the period in which they arise.

While construction is in progress, the cost of construction works and finance expenses are capitalised. When the asset is ready to be put into operation, it is measured at its fair value.

Subsequent expenses are measured at their carrying amount only when it is probable that future economic benefits attributable to the expense will flow to the entity and the costs of the elements can be measured reliably. Other repairs and maintenance to the property are entered in the expenses for the year in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is cancelled.

As stipulated in IAS 40, the Group periodically determines the fair value of investment properties in such a way that at the end of the year they reflect the actual market state of the investment property elements on said date. This fair value is determined annually based on valuations conducted by independent valuers.

3.3 Recognition of income

Income and expenses are recorded according to the accrual principle, that is, at the moment the goods or services transactions represented by them take place, regardless of when actual payment or collection occurs. Lease income is evaluated at the fair value of the consideration received, less discounts and taxes.

When the Group acts as principal and is exposed to the risks associated with the transactions, the revenues are expressed in gross terms. When the Group acts as an agent and is exposed to the risks

associated with the transactions, the revenues are given on a gross basis. Income is calculated at the fair value of the consideration less trade discounts, volume discounts and rebates.

Revenue from rentals

Rental revenue is recognised on a straight-line basis on the best estimate of the term of the lease. When a lease agreement ends before expected, any pending grace period or discount is entered in the final period before the end of the contract.

3.4 Provisions

The provisions given in IAS 37 are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expected payments necessary to settle the obligation, using a pre-tax rate that reflects the current market value of money and the specific risks inherent in the obligation. Adjustments to update provisions are recognised as a finance expense as they are accrued.

Provisions settled within a year or less, whose financial effect is immaterial, and are not discounted. When it is expected that part of the payment necessary to settle the provision is to be made by a third party, the disbursement is recognised as an independent asset, provided its receipt is almost entirely guaranteed.

3.5 Corporate Income Tax

General Regime

The income tax expense for the year is calculated by adding the current tax resulting from the application of the corresponding tax rate to the tax base in the year less all existing bonuses and deductions, to the variations in deferred tax assets and liabilities during the year. It is recognised in the consolidated income statement, except when it relates to transactions that are recognised directly in equity, in which case the related tax is also recognised in equity, and on initial recognition of business combinations in which it is recognised in the same way as the other assets and liabilities of the acquired business.

Deferred tax assets are accounted in relation with the temporary differences arising between the carrying value and the taxable base of assets and liabilities on balance sheet date. The tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.

The tax effect of temporary differences is included in the "Deferred tax assets" and "Deferred tax liabilities" captions of the balance sheet.

The Group recognises deferred tax liabilities for all taxable temporary differences, except for, in the event, those exceptions provided in applicable legislation.

The Group recognises deferred tax assets for all deductible temporary differences, unused tax credits and tax loss carryforwards, to the extent that the Group is likely to obtain future tax profits allowing these assets to be applied, except for, in the event, the exceptions provided by applicable legislation.

At the conclusion of each reporting period, the Group evaluates both recognised and previously unrecognised deferred tax assets. Based on this assessment, the Group derecognises previously recorded deferred tax assets when recovery is no longer probable, or registers a previously unrecorded deferred tax asset to the extent that it is probable that future tax profit will enable its application.

Deferred tax assets and liabilities are measured at the tax rate expected at the time of their reversal, in accordance with approved regulations in force, and with the manner in which it may reasonably be expected to recover or pay the deferred tax asset or liability.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets or liabilities, irrespective of the expected date of realisation or settlement.

SOCIMI Regime

On 25 June 2020, applying retroactively from the year commencing on its incorporation on 29 January 2020, the Parent Company notified the Regional Office of the State Tax Administration Agency corresponding to its registered offices that its shareholders had agreed to adopt the special SOCIMI tax regime.

The special SOCIMI tax regime, after being amended by Law 16/2012 of 27 December, is based on a Corporate Income Tax rate of 0%, provided a series of requirements are met.

Nevertheless, the tax is accrued in proportion to the distribution of dividends. When tax loss carryforwards are generated, the Corporate Income Tax Act 27/2014 of 27 November is not applicable. The tax deduction and bonus schemes established in Chapters II, III and IV of the legislation are also not applicable. For anything else not envisaged in the Law on Spanish Real Estate Investment Trusts, the provisions of the Spanish Corporate Income Tax Act will also be applicable.

As established in Article 9 of the Law on Spanish Real Estate Investment Trusts, the entity is subject to a special rate of 19% on the total amount of dividends or profit sharing distributed to shareholders whose holding in the share capital of the entity is equal to or greater than 5%, provided that said dividends are exempt or taxed at a rate lower than 10% at their tax residences. This rate will be considered the Corporate Income Tax liability. In this regard, the Group has established a procedure by means of which it guarantees that its shareholders confirm the payment or withholding, when applicable, of 19% of the amount of the dividend paid to the shareholders who do not comply with the aforementioned tax requirements.

Furthermore, effective for tax periods commencing on or after 1 January 2021, pursuant to the amendment brought forth by the second final provision of Law 11/2021, dated 9 July, a new special tax of 15% is introduced. This tax applies to profits accrued in the year that remain undistributed to shareholders, particularly on the portion derived from income not subject to the standard corporate income tax rate or income covered by the reinvestment period outlined in Article 6.1.b) of the SOCIMI Law. This rate will also be considered a Corporate Income Tax liability.

Said SOCIMI Regime is considered as from the year beginning on 29 January 2020, independently of whether the Company complies with all the requirements for its application as, under Provisional Disposition One of Law 11/2009 on the SOCIMI Regime, the Company has a period of two years from the time it adopts the regime to comply with the same.

The proposal for the application of the results of the year of the Parent Company, as formulated by the Board of Directors of the Parent Company and pending approval by the shareholders, is to apply the losses of the year towards the negative results of previous years. The Board of Directors estimates that the loss generated in the Abridged Individual Financial Statements will be offset by the profits generated in subsequent years. Moreover, the Group's subsidiaries have not paid dividends to the Parent Company in either 2024 or 2023.

Other Taxes

The Group's main activity is the rental of residential properties to private individuals on the Spanish mainland and in the Canary Islands, which is a transaction subject to VAT or the Canary Islands General Tax (IGIC), but exempt from tax. The activity of the Group headed by the Parent Company is mainly the rental of dwellings, with the rental of premises being residual. Therefore it does not accrue VAT on most of its transactions that could give rise to an offsetting of VAT on services received. This is why it is covered by the pro-rata VAT regime of 100%, assuming this as a greater expense for the products and services received, and with this expense being considered tax deductible. In the case of subsidiaries, they are subject to the 99.9% VAT pro-rata regime.

The taxpayer in question may deduct 100% of the tax paid in operations which entitle them to a deduction; 0% in transactions which do not, and a percentage in transactions having to do with the overall management of the business. Said deduction percentage is determined on the basis of the total volume of transactions, giving rise to the right to a deduction or not, divided by the total volume of transactions giving rise to the right to a deduction.

3.6 Consolidation Policies

(a) Consolidation principles applied

The main consolidation and valuation principles applied by the Group to prepare the Consolidated Financial Statements were as follows:

1. The Consolidated Financial Statements were prepared on the basis of the accounting records of Global Piélago, SOCIMI, S.A. and its subsidiary companies. Companies are considered to be subsidiaries of the Parent Company when the latter has effective control of them, as indicated in Point 6 below.
2. The income of the subsidiaries for the period is included in the consolidated income statement as from the effective date of acquisition or incorporation.
3. All accounts payable and receivable and other transactions between consolidated companies have been eliminated in the consolidation process.
4. When necessary, the Financial Statements of the subsidiaries are adjusted to ensure that the accounting policies used are homogeneous with those used by the Parent Company of the Group.
5. Minority interests are reported at their share of the fair values of the identifiable assets and liabilities recognised. As of the year-end, the Group does not have any minority shareholders in its subsidiaries. The interests of minority shareholders in:
 - a. The assets of the investees: these are listed under the heading "External Shareholders" in the consolidated balance sheet, under the heading "Equity".
 - b. The profit or loss for the period are given under the heading "Income attributable to shareholders" in the consolidated income statement.
6. The criteria followed to determine the consolidation method applicable to the Group company is Full Consolidation:
 - The full consolidation method is used to consolidate all subsidiaries, defined as companies over which the Group has control to manage financial and operating policies, generally along with an interest of more than half the voting rights. The effect of any potential voting rights that are currently exercisable or convertible at year end are considered when assessing whether the Group exercises control over a company.
 - The initial measurement of subsidiaries is performed using the acquisition method. The acquisition cost is the fair value of the assets acquired, of the equity instruments issued and liabilities incurred or assumed on the date of exchange. The identifiable assets acquired and the identifiable liabilities and contingencies assumed in a business combination are evaluated initially at their fair value on the date of acquisition, independently of the scope of the minority interests. Any acquisition costs in excess of the fair value of the Group's interest in the identifiable acquired net assets is recognised as goodwill. If the acquisition cost is less than the fair value of the net assets of the acquired subsidiary, the difference is recognised directly in the consolidated income statement for the period.

At 31 December 2024 and 2023 all subsidiaries have been consolidated by the full consolidation method.

(b) Business combination

The Group's business combinations are accounted for by use of the acquisition accounting method, requiring judgements and estimations in allocating fair values to the assets acquired and liabilities assumed in the transaction and in allocating the acquisition price to said fair values.

To integrate the businesses into the Group's Financial Statements, current accounting standards were applied, allocating the purchase price to the assets acquired and liabilities assumed on the basis of estimating their fair value on the date of acquisition.

At 31 December 2024 and 2023 no business combinations have occurred within the Group.

(c) Subsidiaries

The subsidiaries are all those companies over which the Group holds control. The existence and effect of any potential voting rights that are currently exercisable are taken into account to assess whether the Group exercises control over a company. Subsidiaries are consolidated as of the date on which the control is transferred to the Group. They are excluded from the consolidation from the date on which it ends.

The acquisition accounting method is used to account for the Group's business combinations. The price paid for the acquisition of a subsidiary consists of the fair value of the assets transferred, the liabilities incurred by the previous owners of the concern and the shares issued by the Group. The transferred consideration includes the fair value of all assets and liabilities deriving from a contingent consideration agreement.

The acquired identifiable assets and the liabilities and contingencies assumed in a business combination are evaluated initially at their fair value on the date of acquisition. For each business combination, the Group may decide to recognise any interest not controlled in the acquired concern either at its fair value or in proportion to the non-controlling interest in the amounts recognised in relation to the interest in the identifiable net assets in the acquired concern.

The related costs are entered as expenses in the year in which they are incurred.

If the business combination is done in stages, it will be established at the carrying amount on the date of acquisition of the interest as previously determined by the acquirer, and be re-evaluated at its fair value on the date of acquisition. Any gain or loss resulting from this second valuation will be recognised in the profit or loss for the year.

Any contingent considerations to be transferred by the Group are recognised at their fair value on the date of acquisition. Subsequent changes to the fair value of the consideration classified as an asset or liability are recognised as established in IAS 39. Transactions between companies, balances and unrealised profits resulting from intragroup transactions between associates are eliminated. Unrealised losses are also eliminated if they have been adjusted and, if the amounts submitted by the subsidiaries must be adapted to the Group's accounting practices, the corresponding measures are applied.

(d) Changes in the ownership of subsidiaries with no change in control

Transactions involving non-controlling interests resulting in no loss of control are entered as asset transactions, in other words, as transactions with the owners in their capacity as such. The difference between the fair value paid for the consideration and the corresponding acquired proportion of the carrying amount of the subsidiary's net assets are entered in equity. Gains and losses resulting from the disposal of non-controlling interests are also recognised in the equity.

At 31 December 2024 and 2023, no change in control in the subsidiaries has occurred.

(e) Disposal of subsidiaries

When the Group relinquishes control, all interests held by the Group are adjusted to their fair value on the date on which control is relinquished, recognising the change in the recognised value in the consolidated income statement. Moreover, any amounts previously recognised in other comprehensive income with regard to the investee in question are entered as if the Group had directly sold the related assets and liabilities.

At 31 December 2024 and 2023, there have been no disposals of subsidiaries.

3.7 Share capital

Share capital consists of ordinary registered shares.

The costs of issuing new shares are entered directly into assets as a reduction in the share premium.

In the event that the Group acquires treasury shares, the consideration paid includes all directly attributable incremental costs and is deducted from equity until the shares are cancelled. When these shares are sold or reissued, all amounts received are entered directly into equity.

3.8 Earnings per Share

The basic earnings per share is calculated by dividing the balanced average number of ordinary shares in circulation during the year by the net profit for the year attributable to the Parent Company, not including the average number of shares in the Parent Company in the Group company portfolios.

3.9 Leases

Leases are classified as finance leases whenever the terms of the lease substantially transfer the risks and rewards incidental to ownership of the leased asset to the lessee.

All other leases are classified as operating leases. At 31 December 2024 and 2023, the Group does not possess any finance leases.

Operating lease

The income and expense deriving from operating lease contracts are charged to the consolidated income statement in the year in which they accrue.

Any collection that may be made when contracting an operating lease will be treated as an advance collection that will be allocated to profit or loss throughout the lease period, as the profits of the leased asset are assigned or received on a straight-line basis.

3.10 Financial assets

The Group recognises a financial instrument when it becomes a party to the agreement or legal transaction in accordance with its provisions. The Group has classified its financial assets in accordance with IFRS 9 "Financial Instruments". The criterion for classifying financial assets depend both on how an entity manages its financial instruments (its business model) and the existence and characteristics of contractual cash flows from financial assets. On this basis, the asset is measured at amortised cost, at fair value through other comprehensive income or at fair value through profit or loss for the period, as follows:

- a) If the objective of the business model is to hold a financial asset to collect contractual cash flows and, in accordance with the terms of the contract, cash flows are received at specified dates that are solely payments of principal plus interest on that principal, the financial asset is measured at amortised cost.
- b) If the objective of the business model is both to obtain contractual cash flows and to sell them and, in accordance with the terms of the contract, cash flows are received on specified dates that are solely payments of principal plus interest on that principal, the financial assets will be measured at fair value through other comprehensive income (equity). Outside of these scenarios, the rest of the assets shall be valued at fair value through profit or loss. All equity instruments (for example, shares) are measured in this category by default. This is because their contractual cash flows do not meet the condition of being solely principal and interest payments. Financial derivatives are also classified as financial assets at fair value through profit or loss, unless they are designated as hedging instruments.

For valuation purposes, financial assets must be classified into one of the following categories, the accounting policies of which are set out below:

- Financial assets at amortised cost: these assets are carried after initial recognition at amortised cost using the effective interest method. Said amortised cost will be reduced by any impairment losses. They will be recorded in the consolidated income statement for the period when the financial asset is derecognised or impaired, or for exchange differences. The interest calculated using the effective interest method is recognised in the income statement under the "Finance income" heading.
- Financial assets at fair value through profit or loss: financial assets at fair value through profit or loss are recognised initially and subsequently at fair value, excluding transaction costs, which are taken to the consolidated income statement. Gains or losses from changes in fair value are presented in the income statement under "Changes in fair value of financial instruments" in the period in which they arise. Any dividend or interest is also taken to financial profit or loss.

- **Financial assets at fair value with changes in equity:** financial assets at fair value with changes in equity are recognised initially and subsequently at fair value, excluding transaction costs. Any changes in fair value are directly recorded in equity, until the financial asset is derecognised in the balance sheet or is impaired, at which time the amount thus recognised is allocated to the income statement. Measurement corrections for value impairment and gains and losses resulting from exchange differences in monetary financial assets in foreign currency are recorded in the income statement and not in equity. The amount of interest, calculated according to the effective interest rate method, and accrued dividends (finance income) are also recorded in the income statement.
- **Financial assets at cost:** Financial assets that should be classified in the above category but whose fair value cannot be reliably estimated. Impairment of financial assets: the impairment model is applicable to financial assets measured at amortised cost that include the item "Trade and other accounts receivable". The impairment model is based on a dual valuation approach, whereby there will either be an impairment allowance based on expected losses over the following 12 months or based on expected losses over the lifetime of the asset. Switching from the first approach to the second is determined by a significant deterioration in credit quality.

3.11 Financial liabilities

This category includes trade payables and non-trade payables. These external resources are classified as current liabilities, unless the Group has the unconditional right to defer their settlement for at least 12 months after the date of the consolidated statement of financial position.

These liabilities are initially recognised at fair value, adjusted for directly attributable transaction costs, and are subsequently measured at amortised cost using the effective interest method. Said effective interest is the update rate equalling the carrying amount of the instrument with the expected flow of payments until maturity.

Notwithstanding the foregoing, trade payables maturing in less than a year and without a contractual interest rate are valued, both initially and subsequently, at their par value, when the effect of not updating the cash flows is not significant.

The Group derecognises financial liabilities when the obligations cease to exist.

When debt instruments are exchanged, provided that they have substantially different conditions, the original financial liability is derecognised and the new financial liability arising is recognised. Similarly, a substantial modification is recorded in the current conditions of a financial liability. The difference between the carrying amount of the financial liability, or the part thereof that has been derecognised, and the consideration paid, including attributable transactions costs, also including any assigned asset other than the cash or liability undertaken, is recognised in the consolidated income statement on the date it takes place.

When there is an exchange of debt instruments that do not have materially different conditions, the original financial liability is not derecognised from the consolidated statement of financial position, and the amount of fees paid are entered as an adjustment in the carrying amount. The new amortised cost of the financial liability is determined by applying the effective interest rate, which is the rate matching the carrying amount of the financial liability on the date of modification with the cash flows payable in accordance with the new conditions.

Should there be any renegotiation of existing payables, no substantial amendments of the financial liability are considered to exist when the lender of the new loan is the same party granting the initial loan and the present value of cash flows including net fees differs by less than 10% from the present value of the cash flows pending payment of the original liability, calculated using the same method.

3.12 Equity items of an environmental nature

Assets of an environmental nature are those which are used with lasting effect in the Group's activities and which have as their primary purpose to minimise environmental impact and protect and improve the environment, including by reducing or eliminating pollution in the future.

The Group's activity inherently has no significant environmental impact.

3.13 Consolidated Cash Flow Statement

The following expressions are used in the consolidated statement of cash flows prepared according to the indirect method in the following senses:

- Cash flows: inflows and outflows of cash and their equivalents, defined as current, highly liquid investments with low risk of changes in value.
- Operating activities: typical activities and other activities of entities making up the consolidated Group, which cannot be classified as investment or financing.
- Investment activities: activities for acquisition, sale or disposal by other means of non-current assets, and other investments not included in cash and cash equivalents.
- Financing activities: activities that cause changes in size and structure of the assets and liabilities that do not form part of the operating activities.

3.14 Financial derivatives and accounting hedges

The Group uses derivative financial instruments to hedge the risks to which its activities, operations and future cash flows are exposed. Essentially, these risks are changes in interest rates. Within the framework of these transactions, the Group enters into financial instruments for economic hedging.

Derivatives are initially recognised at fair value on the date the derivative contract is signed and subsequently remeasured at fair value on each balance sheet date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument and, if so, the nature of the item it is hedging.

The related gain or loss is recognised immediately in the consolidated income statement under "Changes in fair value of financial instruments" in the consolidated income statement.

Derivatives embedded in other financial instruments or in host contracts are recorded separately as derivatives only when their risks and characteristics are not closely related to the host contracts and provided that the host contracts are not measured at fair value by recognising changes in fair value in the consolidated statement of comprehensive profit/loss. The fair value of the various derivative financial instruments is calculated in accordance with the measurement techniques described in Note 4 below.

4-. ESTIMATIONS

Preparing these Consolidated Financial Statements requires the Directors of the Parent Company to make judgements, estimations and assumptions which affect how accounting policies are applied and asset and liability and income and expenditure balances. The real results may differ from said estimations.

The Parent Company's Directors review these estimations on an ongoing basis. However, in view of their inherent uncertainty, there is a risk that significant adjustments may have to be made to the future in relation to the value of the affected assets and liabilities, as well as changes in the assumptions, facts and circumstances on which they are based.

To prepare these Consolidated Financial Statements, the judgements made by the Directors of the Parent Company in applying the Group's accounting principles and the main areas of uncertainty in their estimations are the following:

Fair value of investment property

The fair value is determined by independent external valuers, using valuation techniques and assumptions, such as estimated future cash flows and estimated appropriate discount rate for said future cash flows, and also management assessments based on economic models.

Additionally, investment properties under development also require an estimation of construction costs. In this case, the fair value is determined on the basis of the most recent transactions involving properties of similar characteristics and locations as the property being assessed.

The best evidence of the fair value of investment properties on the market is their comparison with similar assets. When this information is not available, the valuer determines the fair value by applying a range of fair values. When making these judgements, the valuer uses a series of sources, including:

- i. Current prices in an active market with different types of properties, under different conditions and in different places, adjusting them to the differences with the Group's assets.
- ii. Recent prices of properties in other, less active markets, adjusting them to the changes in economic conditions since the date of the transaction.
- iii. Discounting cash flows based on estimations deriving from the terms and conditions of current rental agreements and, if possible, market price evidence for similar properties in the same place, using discount rates that reflect the uncertainty of the time factor.

Valuation and assumption techniques applied to measure fair value.

The fair value of financial assets and liabilities is determined as follows:

- The fair value of financial assets and liabilities with standard terms and conditions traded on active, liquid markets is determined in reference to market prices.
- The fair value of other financial assets and liabilities (not including derivatives) is determined using generally accepted valuation models based on discounting cash flows, using observable transaction prices on the market and quotes for similar instruments.

Financial instruments evaluated subsequently to their initial recognition at fair value are classified into levels 1 to 3, based on the degree to which the fair value is observed.

- Level 1: referenced to quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: referenced to other observable inputs (other than the quoted prices included in Level 1) for the asset or liability, whether directly (prices) or indirectly (deriving from prices).
- Level 3: referenced to valuation techniques including inputs for the asset or liability not based on observable market data (non-observable inputs).

There are no transactions in levels 1, 2 or 3.

Note 6 also provides detailed information on calculating the fair value of investment property which, according to Level 3, amounted in 2024 to 345,565,803 euros (in 2023 the amount corresponding to that level was 308,280,851 euros), without including the amount associated to advances for investment property.

Sensitivity analysis of assumptions

Assumptions used in the valuation. In relation to determining the fair value of investment property, the significant unobservable inputs used in the fair value measurement relate to lease rentals, future rates of return ("exit yield") and the rate used for discounting projected cash flows ("IRR").

Regarding the effect of the variation of one quarter, one half and one point in the rate used for discounting projected cash flows ("IRR"), in the consolidated assets and in the consolidated income statement, with respect to investment property, the decrease of half a point in the yield would mean an income of 31,308 thousand euros, and a quarter of a point 14,973 thousand euros, while the increase of half a point in said yield would mean a decrease of 26,491 thousand euros and a quarter of a point 13,775 thousand euros.

At 2024 year-end:

	Level 1	Level 2	Level 3	Total
Investment property	-	-	345,565,803	345,565,803
Non-current financial derivatives	-	178,365	-	178,365
	-	178,365	345,565,803	345,744,168

At 2023 year-end:

	Level 1	Level 2	Level 3	Total
Investment property			308,280,851	308,280,851
Non-current financial investments	-	-	555,661	555,661
Non-current financial derivatives	-	2,145,390	-	2,145,390
Current financial investments	-	-	7,374,061	7,374,061
	-	2,145,390	316,210,573	318,355,963

Corporate Income Tax

The Parent Company is covered by the tax regime established in Law 11/2009 of 26 October on Spanish Real Estate Investment Trusts (SOCIMI), which, provided they comply with a series of requirements, pay tax at a rate of 0%.

The Parent Company's Directors monitor compliance with the applicable legal requirements to ensure that the company is entitled to the tax gains established by law.

In this regard, the Parent Company's Directors consider that said requirements will be fulfilled within the established deadlines and, accordingly, have recognised no expenditure in relation to corporate income tax.

5-. MANAGING FINANCIAL RISK AND FINANCIAL INSTRUMENTS.

5.1 Financial risk factors

The Group's activities are exposed to a series of financial risks. The Group's global risk management programme focuses on uncertainty in the financial markets and aims to minimise potential effects on its return on equity. Risk management is handled by the management company Briks Residential, S.L.U.

5.1.1 Market risk

Due to the current situation of the real estate sector, and with the aim of mitigating its potential negative impacts, the Group has specific measures in place to reduce their impact on its balance sheet.

The application of these measures is subject to the results of the sensitivity analysis that the Group performs on a recurring basis. These analyses take into account:

- Economic environment in which it carries out its activity: Design of different economic scenarios modifying the key variables that can affect the group (interest rates, share prices, % occupancy of investment property, etc.). Identification of those interdependent variables and their level of linkage.
- The time frame in which the evaluation is being done: The time horizon of the analysis and its possible deviations will be taken into account.

The Group is exposed to market risk due to possible property vacancies or downward renegotiations of lease contracts when the rental contracts expire.

This risk would directly negatively affect the measurement of the assets (Note 6).

5.1.2 Liquidity risk

The liquidity risk is defined as the risk of the Group not fulfilling its obligations in relation to settled financial liabilities or other financial assets.

The Group implements a prudent liquidity risk management policy, having the sufficient liquidity to fulfil all due obligations, not just in normal market conditions, but also in times of uncertainty, without incurring unreasonable losses or endangering the reputation of the Group. At 31 December 2024, the Group had bank loans and borrowings. In 2023, the Group also had bank loans and borrowings (Note 12).

5.1.3 Currency risk

The Group is exposed to no risk with regard to possible exchange rate fluctuations, as it conducts all transactions in euros, its functional and accounting currency, and transactions with third parties are paid in other residual currencies.

5.1.4 Credit risk

The Group has cash and deposits in Spanish banks, being thus exposed to their stability and insolvency risks.

Another credit risk lies in the possible insolvency of tenants. Accordingly, the Group selects tenants with the highest possible credit rating. However, business units are occasionally acquired with tenants in place who, already installed, could not be assessed by the Group. The Group attempts to attenuate the risk of non-payment by having tenants pay advances.

5.1.5 Tax risk

As mentioned in Note 1, the Parent Company and its subsidiaries are covered by the special tax regime for Spanish Real Estate Investment Trusts (SOCIMI). Article 6 of Law 11/2009 on Spanish Real Estate Investment Trusts, as amended by Law 16/2012, establishes that dividends must be paid out to shareholders, providing certain trade obligations are fulfilled. Dividend payouts must be approved within six months of the end of the tax year, and paid within one month of their approval.

If the General Shareholders' Meeting of a SOCIMI does not approve the dividend share-out proposed by the Board of Directors, calculated in accordance with the requirements of the law, they may be infringing the law and, therefore, would be taxed in accordance with the general tax regime rather than the one that applies to SOCIMI.

5.1.6 Segment Financial Reporting

The Group groups its segments based on the nature of the assets in the various areas in which it pursues its strategy. In that regard, each operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses. The operating profit of each segment is regularly reviewed by the Group's management to decide on the resources to be allocated to each segment, to assess its performance and for which separate financial information is available. The Parent Company's Directors deem that the Group operates in a single segment, which is real estate, and all operations are conducted in Spain.

5.1.7 Environment

The Group conducts operations with the primary goal of preventing, reducing or repairing damage to the environment as a result of its activities; see climate change management policies in Note 17. Expenses arising from environmental activities are recognised as operating expenses in the period in which they are incurred. However, the Group's activity inherently has no significant environmental impact.

5.1.8 Consolidated Cash Flow Statement

The following expressions are used in the consolidated cash flow statements prepared according to the indirect method in the following senses: 1. Cash flows: inflows and outflows of cash and their equivalents, defined as current, highly liquid investments with low risk of changes in value. 2. Operating activities: typical activities and other activities of entities making up the consolidated Group, which cannot be classified as investment or financing. 3. Investment activities: activities for acquisition, sale or disposal by other means of non-current assets, and other investments not included in cash and cash equivalents. 4. Financing activities: activities that cause changes in size and structure of the assets and liabilities that do not form part of the operating activities.

6-. INVESTMENT PROPERTY

Investment properties include: apartments, lofts, storage rooms, parking spaces and business premises owned by the Group for long-term leases, and not occupied by Group affiliates.

The following are the movements occurring under this heading during the year in progress:

In euros	
Investment property	
Balance at 1 January 2024	308,280,851
Acquisitions/additions	4,707,411
Disposals (Note 16.a)	(4,118,323)
Investment property valuation result	36,695,864
Balance at 31 December 2024	345,565,803

The following are the changes occurring under this heading during the previous year:

In euros	
Investment property	
Balance at 1 January 2023	251,075,200
Acquisitions/additions	19,749,629
Disposals	(1,427,528)
Investment property valuation result	38,883,550
Balance at 31 December 2023	308,280,851

At 31 December 2024, the subsidiaries had 2,904 properties on their books. Of these, 2,251 properties belong to GLOBAL LUCANOR, S.L.U. and the remaining 653 to GLOBAL SAUCO, SOCIMI, S.L.U.

At 31 December 2023, the subsidiaries had 2,968 properties on their books. Of these, 2,307 properties belong to GLOBAL LUCANOR, S.L.U. and the remaining 661 to GLOBAL SAUCO, SOCIMI, S.L.U.

From the time the Parent Company was incorporated up to 31 December 2024, the Group had performed the following transactions:

GLOBAL SAUCO, SOCIMI, S.L.U. property purchases:

In 2024 and 2023 the subsidiary Global Sauco, SOCIMI, S.L. did not acquire any property. The amount of additions in 2024 corresponds to improvements made to various properties owned by the subsidiary.

GLOBAL LUCANOR, S.L.U. property purchases:

The subsidiary GLOBAL LUCANOR, S.L.U. did not acquire any property in 2024. However, in 2023, the Group acquired a total of 255 properties for a total amount of 14,202,733 euros through various deeds of sale executed before the notary public of Madrid, Mr. Ignacio Paz Ares Rodríguez. The remaining amount up to the additions in 2023 corresponded to improvements made to various properties owned by the Company.

Valuation procedure

At 31 December 2024, the investment properties were recognised at their fair value, this being understood as their market value. The market value of the Group's investment property at 31 December 2024, less advances on investment property, as calculated by independent valuers, amounted to 345,565,803 euros. At 31 December 2023, this amount came to 308,280,851 euros.

The results recognised in the consolidated income statement as a result of the variation in the fair value of the investment properties amounts to 34,978,871 euros. In 2023 this amount came to 38,883,550 euros. As indicated in IFRS 13, in certain cases, the transaction price may not reflect the fair value of the asset at initial recognition. The Group's investment properties have been valued by an independent, expert valuation firm, as per the standards of the Royal Institute of Chartered Surveyors (RICS) based in England.

The approach used to calculate the market value of the investment properties is the sales comparison. This method is based on the principle of substitution, meaning that the asset is compared to others whose value is known. The greater the similarity between them with regard to construction type, location, etc., the more reliable the result.

The primary variables that influence and affect the market, such as relative weighting, must be determined. This may be done directly or by using regression analysis applying the models. The commonly used factors are: location, build quality, build age, build status and condition, surface area and fitness for purpose.

Similar operations may include sales and lease arrangements in the area, the supply of land and buildings and the opinions of other valuers or agents. As a result, the value is determined by identifying comparable transactions for the sale and closure of operations, which are comparable in terms of location, as well as condition and functionality.

The first step towards obtaining a reliable comparison is to standardise the (comparable) unit market prices obtained, based on a series of parameters including surface area, location, asset quality/specifications, etc.; the second is the weighting of these values based on the degree of similarity

between the assets being compared. These are the main factors or variables used to determine variations in the specific market, such as the correct weighting.

The entirety of the Group's assets is classified within level 3 of the hierarchies outlined in IFRS 13.

Advances for investment property acquisitions

Concerning the procurement and divestment of properties conducted in GLOBAL LUCANOR, S.L., the Group executed an initial payment of 5,327,864 euros for the acquisition of properties within the new portfolios. At 2023 year-end, the remaining balance stood at 18,083,129 euros, recorded under inventories (Note 8).

These advances are amounts paid as earnest money, making the offers irrevocable and obliging the Group to acquire the properties in question. This notwithstanding, the final implementation of the contract is subject to a series of conditions precedent contingent on the legal, property and tax reviews being satisfactory after reviewing the corresponding legal documents.

Any unjustified failure by the Group to perform the sale contracts within the specified time, will entitle the sellers to terminate the contract and retain the advances.

Disposal of Properties:

In 2024, the Group disposed of 31 properties by means of several deeds of sale. The fair value of the properties disposed amounted to 4,118,323 euros at the date of sale. The Group recorded a loss from the sale of 1,406,423 euros, 875,314 euros in GLOBAL LUCANOR, S.L.U. and 531,109 euros in GLOBAL SAUCO, SOCIMI, S.L.U.

In 2023, the Group disposed of 24 properties by means of several deeds of sale. The fair value of the properties disposed amounted to 1,427,528 euros at the date of sale. The total profits resulting from the sale of investment property in 2023 amounted to 187,635 euros. This figure comprises profits of 260,744 euros for GLOBAL LUCANOR, S.L.U. Conversely, GLOBAL SAUCO, SOCIMI, S.L.U. incurred a loss of 73,109 euros.

Operating leases

The revenue recognised in the year by the group has its origin in rental revenues deriving from lease agreements, as stated above.

The total amount of minimum future receivables for non-cancelled operating leases is as follows:

Year 2024

Expiry of Leases	EUROS
Under one year	14,672,679
From one to two years	17,749,703
From two to three years	19,749,914
Over three years	19,749,914
TOTAL	71,922,211

Year 2023

Expiry of Leases	EUROS
Under one year	9,597,441
From one to two years	13,591,802
From two to three years	12,926,701
Over three years	12,926,701
TOTAL	36,115,945

Insurance

The Group's policy is to cover all possible risks which may affect its investment properties by taking out insurance policies having coverage considered sufficient by the Directors of the Parent Company.

7-. OTHER FINANCIAL ASSETS

7.1 Non-current financial investments

By virtue of the Subsidiaries operating lease agreements, at 31 December 2024 the Group recognised the sum of 818,398 euros as advances deposited with official bodies. At 31 December 2023, the amount came to 554,603 euros.

In turn and under this heading, the subsidiaries recognised certain advances to third-party service providers amounting to 1,666 euros (in 2023 the amount came to 1,058 euros).

7.2 Financial Derivatives

At 31 December 2024 this sum corresponds to two financial derivatives entered into by the subsidiaries on 12 February 2024 with the financial institution J.P. Morgan. These financial instruments entail a premium payment of 545,400 euros and 161,600 euros respectively and allow the subsidiaries to hedge risk of interest rate escalation concerning the mortgage loans held with J.P. Morgan.

At 31 December 2023 this sum corresponded to three financial derivatives entered into by the subsidiaries on 12 August 2024, maturing on 12 October 2024, with the financial institution J.P. Morgan. These financial tools entail a single premium payment of 906,000 euros, enabling the subsidiaries to hedge risk of interest rate escalation concerning the mortgage loans held with J.P. Morgan.

The Group values these financial instruments at the end of each year, using as a reference observable prices from recent transactions for the same asset being valued or using prices based on observable market data or market indices that are available and applicable.

This gives rise to a fair value hierarchy that classifies estimates into three levels:

- Level 1: Estimates that use unadjusted quoted prices in active markets for identical assets or liabilities available to the company at the valuation date.
- Level 2: Estimates that use quoted prices in active markets for similar instruments or other valuation methodologies where all significant inputs are based on directly or indirectly observable market data.
- Level 3: Estimates where a significant variable is not based on observable market data.

The fair value of the derivative financial instruments recorded by the Group is determined on a level-2 basis based on estimates that use quoted prices in active markets for similar instruments or other valuation methodologies where all significant inputs are based on directly or indirectly observable market data.

The financial instruments, CAP (confirmation of maximum interest rate option) derivatives have the following characteristics:

	31.12.2024	31.12.2023
Single premium	707,000 euros	906,000 euros
Transaction date	12 February 2024	12 August 2022
Maturity date	14 January 2026	14 October 2024
Notional amount	140,000,000 euros	130,000,000 euros
CAP rate	2.75%	1.50%
Variable rate	3-month EURIBOR	3-month EURIBOR

The fair value of the derivatives recorded under this item at year-end 2024 is 178,365 euros (2,145,390 euros recorded in the short term in 2023, matured and cancelled during 2024) and the loss recorded in the consolidated income statement came to 159,542 euros (whereas at year-end 2023, a profit of 202,044 euros was recorded).

7.3 Current receivables

On 21 August 2023, the Group engaged in a series of promissory notes with maturities spanning 3 months, 6 months, and 9 months, each bearing varying interest rates.

During 2024, the principal of the outstanding promissory notes was repaid in full and the accrued interest was also collected. The finance income recorded in the consolidated income statement stood at 45,938 euros.

The particulars of the promissory notes at 31 December 2023 are outlined below.

Maturity	Maturity date	Balance at 31/12/2023		Interest accrued at 31/12/2023	
		LUCANOR	SAUCO	LUCANOR	SAUCO
6-month promissory note	07/02/2024	1,509,834	467,235	9,524	2,948
9-month promissory note	15/05/2024	3,257,009	2,084,721	26,090	16,700
TOTAL		4,766,843	2,551,956	35,614	19,648

In November 2023, Banco Sabadell repaid the 3-month promissory notes, yielding accrued and collected interest of 9,515 euros.

However, at 31 December 2023, the principals of 7,318,799 euros remained outstanding, as well as an outstanding amount of 55,262 euros in accrued but uncollected interest. Consequently, the finance income recorded in the consolidated income statement for 2023 stood at 64,778 euros.

8-. INVENTORY

At 31 December 2024, the Group has recorded under this heading supplier advances amounting to 5,624,724 euros (19,334,823 euros at year-end 2023), of which 5,327,724 euros are associated with the purchase of property assets (18,083,129 euros at year-end 2023) (Note 6).

9-. TRADE AND OTHER RECEIVABLES

Under Trade receivables for sales and services, the Group recognises the sum of 361,117 euros as rents owed by customers (at the end of 2023 that amount came to 966,821 euros), less certain advances received from tenants, as well as what was owed for the settlement of the sales of financial rights to the third party that sold them.

During 2024, the Group recorded impairment of trade receivables totalling 1,782,110 euros (Note 16.c) (938,584 euros at 2023 year-end). The total impairment of trade receivables on the consolidated balance sheet at 31 December 2024 amounted to 2,720,694 euros, while at year-end 2023 it was 938,584 euros.

The criteria for recognising impairment meet one of the following conditions:

- A twelve-month period has transpired since the maturity of the obligation.
- The debtor is undergoing insolvency proceedings.
- The debtor is facing prosecution for misappropriation of assets.
- The obligations have been legally claimed or are under judicial or arbitration proceedings upon which their collection hinges.

10-. CASH AND CASH EQUIVALENTS

This heading includes cash and cash equivalents of the Group in cash, banks and short-term deposits maturing in three months or earlier. The carrying amount of these assets is equivalent to their fair value.

At 31 December 2024, the balance of "Cash and cash equivalents" came to 9,309,328 euros, of which 1,638,501 euros is fully available, while the balance in restricted bank accounts is 7,670,827 euros. The cash balance at the end of 2023 was 12,469,792 euros, of which 4,536,991 euros was fully available, while 7,932,801 euros were in pledged bank accounts.

11. EQUITY AND SHAREHOLDERS' EQUITY

Share capital and share premium

At 31 December 2024 and 2023 the share capital of the Parent Company amounted to 8,830,637 euros, represented by 8,830,637 shares, each with a par value of 1 euro. All shares are the same class and fully subscribed and paid up. The share premium at the end of both years was 22,618,181 euros.

At 31 December 2021 the share capital of the Parent Company amounted to 5,000,000 euros, represented by 5,000,000 shares, each with a par value of 1 euro. All shares are the same class and fully subscribed and paid up. The share premium at the end of the year comes to 7,602,083 euros. Heimdall Luxembourg Holdings II S.à R.L. held 4,925,000 shares, representing 98.5% of the share capital and with a share premium of 7,488,052 euros. Welcomechance, S.L.U. held 75,000 shares, accounting for 1.5% of the share capital and with a share premium of 114,031 euros.

On 12 July 2022, a capital increase was approved by issuing 1,018,137 new shares, each with a par value of 1 euro. These shares are issued with a share premium of 3.92 euros/share; the total amount is 3,991,098 euros. After the abovementioned share capital increase and share premium, the shares are distributed as follows: Heimdall Luxembourg Holdings II S.à R. L. holds 5,943,137 shares, representing 98.75% of the share capital. Welcomechance S.L. holds 75,000 shares, representing 1.25% of the remaining share capital.

Furthermore, during the same year 2022, on 22 November, another capital increase is carried out; increasing the capital by 1,537,500 euros, as 1,537,500 shares each with a par value of one euro are issued. These shares are issued with a share premium of 3.92 euros/share; the total amount is 6,027,000 euros. After the abovementioned share capital increase and share premium, the shares are distributed as follows: Heimdall Luxembourg Holdings II S.à R. L. holds 7,480,637 shares, representing 99.01% of the share capital. Welcomechance, S.L. holds 75,000 shares, representing 0.99% of the remaining share capital.

On 21 December 2022, the Parent Company makes a third capital increase during 2022, issuing 780,000 new shares, each with a par value of 1 euro and a share premium of 3.92 euros/share, for a total amount of 3,057,600 euros. After this transaction, Heimdall Luxembourg Holdings II S.à R. L. holds 8,260,637 shares representing 99.10% of the share capital. Welcomechance, S.L. retains 75,000 shares, representing 0.90% of the share capital. The latest capital increase was registered on 10 January 2023, without any modifications to the resolution approved by shareholders at their General Meeting in 2022.

Subsequently, on 29 June 2023, the Parent Company executed a capital increase, issuing 495,000 new shares, each with a par value of 1 euros and a share premium of 3.92 euros per share, culminating in a total sum of 1,940,400 euros. After this transaction, Heimdall Luxembourg Holdings II S.à R. L. holds 8,755,637 shares representing 99.15% of the share capital. Welcomechance, S.L. retains 75,000 shares, representing 0.85% of the share capital.

Legal reserve and other reserves

The Spanish Corporate Enterprises Act requires that the limited company transfers 10% of profits for the period to a legal reserve until this reserve reaches an amount equal to at least 20% of share capital. This legal reserve can be used to increase capital in the part exceeding 10% of capital after the increase. Apart from the purpose mentioned above, the legal reserve may only be used to offset losses, providing it does not exceed 20% of the capital and taking into account the limits in place under the SOCIMI regime , provided no other sufficient reserves are available for the purpose.

Under Law 11/2009, regulating Spanish Real Estate Investment Trusts (SOCIMI), the legal reserves of companies subject to the special tax regime established therein may not exceed 20% of their share capital. The bylaws of these companies may not establish any restricted reserve other than the foregoing one.

The legal reserve will be allocated in compliance with Article 274 of the recast text of the Corporate Enterprises Act, which requires that companies in all cases transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of the share capital. It cannot be distributed and if used to offset losses because there are insufficient other reserves for this purpose, it must be replenished with future profits.

At 31 December 2024, the Group had not funded this reserve to the minimum limit established by the recast text of the Spanish Corporate Enterprises Act.

Unitholder contributions

At 31 December 2024 and 2023, the total amount of unitholder contributions amounts to 86,293,012 euros, with 85,482,043 euros corresponding to majority shareholder Heimdall Luxembourg Holdings II, S.à.R.L., and 810,969 euros to Welcomechance, S.L.U.

The unitholder contributions received since the incorporation of the companies have been as follows:

- Heimdall Luxembourg Holdings II, S.À.R.L.

Date	Contributions
16/06/2023	4,164,600
21/12/2022	6,562,400
22/11/2022	12,935,500
12/07/2022	10,658,893
22/06/2022	6,698,000
15/06/2022	8,077,000
01/03/2022	4,235,500
23/11/2021	21,177,500
13/05/2021	2,758,000
16/10/2020	5,861,172
27/03/2020	2,353,478
TOTAL	85,482,043

- Welcomechance, S.L.U.

Date	Contributions
08/07/2022	31,875
30/06/2022	102,000
13/06/2022	123,000
03/03/2022	64,500
23/11/2021	322,500
13/05/2021	42,000
16/10/2020	35,838
27/03/2020	89,256
TOTAL	810,969

Shareholder structure

At 31 December 2024 and 2023, the direct shareholders of the Group were:

- Heimdall Luxembourg Holdings II, S.à r.l., majority shareholder holding 99.15% of the shares.
- Welcomechance, S.L.U., minority shareholder, holding 0.85% of the capital.

Earnings per Share

At 31 December 2024 and 2023, the details to be taken into account to calculate earnings/(losses) per share were:

	2024	2023
Net profit for the period attributable to the shareholders	20,962,546	28,952,016
Total number of shares in circulation	8,830,637	8,830,637
Basic earnings per share (euros)	2.37	3.28
Diluted earnings per share (euros)	2.37	3.28

Appropriation of profit/loss

The proposed appropriation of profit/loss of the Parent Company to be submitted to the General Shareholders' Meeting is as follows:

APPROPRIATION OF PROFIT/LOSS	EUROS	
	2024	2023
Basis of appropriation		
Profit/loss in Income Statement	(5,004,249)	(584,672)
TOTAL	(5,004,249)	(584,672)
Appropriation of profit/loss		
Prior years' losses	(5,004,249)	(584,672)
TOTAL	(5,004,249)	(584,672)

This appropriation of profit/loss is expected to be approved by the General Shareholders' Meeting in early 2025. The distribution of profit/loss for 2023 was approved on 30 June 2024, against prior years' losses.

Dividend distribution policy

Dividends will be paid in cash when available, and recognised as a liability in the Consolidated Financial Statements in the period in which they are approved by the shareholders of the Parent Company or the subsidiary.

After fulfilling the corresponding commercial obligations, SOCIMIs must distribute the profit obtained in the year to its shareholders, in the form of dividends, and should resolve on this distribution within six months of the end of each year as follows:

- a) 100% of the profits from dividends or profit sharing distributed by the companies to which Article 2.1 of this Law refers.
- b) At least 50% of the profits from the transfer of real estate and public or private limited liability company shares referenced in Article 2.1 of this Law, performed following the end of the periods to which Article 3.3 of this Law refers, subject to the fulfilment of its main corporate purpose. The remaining profits should be reinvested in other real estate or shares subject to the fulfilment of that purpose, within three years of the transfer date. Otherwise, these profits should be distributed in their entirety and together with any profits, as appropriate, from the year in which the reinvestment period ends. If the elements for reinvestment are transferred prior to the maintenance period, any profits should be distributed in their entirety together with any profits, as appropriate, from the year in which they were transferred. The distribution obligation does not cover, where appropriate, that part of the profits attributable to years in which the company was not taxed by the special tax regime established in this Law.
- c) At least 80 percent of the rest of the profits obtained.

When the distribution of dividends is made out of reserves from profits of a year in which the special tax regime was not applied, their distribution must be adopted in terms of the resolution referenced in the preceding paragraph.

The legal reserve of companies subject to the special tax regime established in the Law may not exceed 20% of their capital. The bylaws of these companies may not establish any restricted reserve other than the foregoing one.

No dividends were paid out during 2024 and 2023.

12-. FINANCIAL LIABILITIES

12.1 Non-current payables

Bank borrowings:

GLOBAL SAUCO, SOCIMI, S.L.U.

On 14 July 2022, the subsidiary arranged a mortgage loan over investment property in a public deed, for which it received the sum of 31,849,000 euros. As arrangement expenses for the new loan, the Group recorded an amount of 447,342 euros at the time of the loan arrangement.

The essential terms of the financing agreement in GLOBAL SAUCO, SOCIMI, S.L. are described below:

- The principal of the loan will be repaid in full on the maturity date of 14 January 2026; following an extension agreement with J.P. Morgan from the original maturity date of 2024.
- The subsidiary shall pay the interests on the borrowing in quarterly instalments, in January, April, July and October, until the expiry date.
- The interest rate applied will be the EURIBOR rate plus a fixed market rate.
- The Subsidiary undertakes to comply with a series of given financial ratios.

During 2024, the subsidiary repaid 427,114 euros of loan principal (716,287 euros during 2023), leaving an outstanding principal amount of 30,705,599 euros at 31 December 2024 (31,132,713 euros at 31 December 2023). The Group recognised 11.509 euros in loan arrangement expenses in the consolidated income statement for the year 2024 (300.058 euros for the year 2023).

GLOBAL LUCANOR, S.L.U.

On 24 November 2021, the Subsidiary executed a mortgage loan via a public deed, with an available limit of 185,000,000 euros secured against certain investment properties owned by the Company. Over previous years, various principal contributions and amortisations were made, resulting in a balance of 96,419,275 euros at 31 December 2024, Compared to 97,881,079 euros at the end of 2023.

The Group recognised 75,616 euros in arrangement expenses for this loan in the income statement for 2024 (609,318 euros for 2023).

The essential terms of the financing agreement in GLOBAL LUCANOR, S.L. are described below:

- The principal of the loan will be repaid in full on the maturity date of 14 January 2026; following an extension agreement with J.P. Morgan from the original maturity date (14 January 2024).
- The subsidiary shall pay the interests on the borrowing in quarterly instalments, in January, April, July and October, until the expiry date.
- The interest rate applied will be the EURIBOR rate plus a fixed market rate.
- The Subsidiary undertakes to comply with a series of given financial ratios.

At the end of 2023 and 2024, there were no significant differences between the fair value and the carrying amount of the bank borrowings.

Based on said borrowings, at 31 December 2024, the Group recognised the sum of 127,124,874 euros in non-current liabilities (128,926,667 euros in 2023) as principal pending repayment and 1,866,500 euros (1,746,734 euros in 2023) in current liabilities as accrued, unpaid interest. The Group records the outstanding principal amount in non-current liabilities, and the amount payable in the coming 12 months and accrued and unpaid interest in current liabilities.

(Euros)	Long-term balance at 31 December	Arrangement expenses	Current interest
2023	128,926,667	87,125	1,746,734
2024	127,124,874	-	1,866,500

The Group's loans mature on 14 January 2026.

The breakdown of debt by maturity at year-end:

31 December 2024	Mortgage Loans	Total
2025	1,866,500	1,866,500
2026	127,124,874	127,124,874

31 December 2023	Mortgage Loans	Total
2024	1,746,734	1,746,734
2026	128,926,667	128,926,667

The interest accrued on these loans in the subsidiaries was as follows:

(Euros)	2024	2023
GLOBAL SAUCO, SOCIMI, S.L.	2,273,479	2,436,286
GLOBAL LUCANOR, S.L.	7,519,180	7,365,839
TOTAL	9,792,659	9,802,125

Financial covenants must be covered on a quarterly basis and, at the date of these Consolidated Financial Statements, they are in compliance. The covenants are as follows: loan to cost, loan to value, debt yield, debt service coverage ratio and delinquency ratio.

Other non-current payables and other financial liabilities

a) *Other financial liabilities:*

By virtue of the subsidiaries' operating lease agreements at 31 December 2024, the Group recognised the sum of 781,877 euros (the balance at 31 December 2023 was 791,991 euros) for deposits and additional guarantees from tenants.

13-. LONG-TERM PROVISIONS

On 23 April 2020, the Parent Company (as JVco), together with the subsidiaries Global Lucanor, S.L.U., Global Sauco, S.L.U. as well as Briks Residential (formerly, Global Marianela, S.L. as Asset Manager) and Talus Real Estate, S.L., signed an "Asset Management Agreement" (AMA). The agreement is made for an unlimited time and may be terminated for any of the reasons stated in Point 9 therein, including withdrawal of either party, providing they give twelve months' notice.

Pursuant to clause 4.7 of this agreement, the management company is entitled to receive a promote fee (variable management fee) linked to the return, measured in terms of the internal rate of return (IRR), which would be owned by the shareholders and which is mainly derived from the management of the real estate portfolios if a minimum return is achieved. When one or more of the established IRR bands are achieved, the Parent Company will be legally obliged to pay them once they materialise. In this sense, the IRR bands are activated when the return reaches a minimum of 10%.

Distributions of funds may take the form of both the payment of dividends and the return of funds obtained from disinvestments. These disinvestments can be carried out through asset sales or through the sale of shares in subsidiaries. The DFI Fund has already indicated its intention to sell the assets according to a tentative schedule starting at the end of 2025, with a deadline of 29 May 2027, when the term of the DFI Fund expires.

At 31 December 2024, the Parent Company's directors considered that although there are future factors and uncertainties beyond their control and whose quantitative and temporary variations could significantly affect the amount of the Promote Fee, it is likely that there will be an outflow of resources for the Company in the future since, according to the latest available information, the minimum return that would trigger this variable remuneration to the asset manager has been reached. Therefore, the Parent Company has recorded a provision of 4,703,074 euros, which corresponds to the most likely disbursement amount estimated at year-end.

This provision has been calculated on the basis of the following assumptions: (i) distributions of funds already carried out up to the date of these financial statements, (ii) EPRA NNNV at 31 December 2024, (iii) dividends and other distributions expected to be distributed during 2025, (iv) calculation of the potential tax impact (if the minimum requirements established in the SOCIMI Regime are not met at the estimated date of sale).

In this regard, the Group's management and the Parent Company's directors will continue to update these calculations at each reporting date and, in principle, following a similar methodology, provided that there are no reasons that would lead management and directors to consider that a change in this methodology is required in order to improve the reasonableness of the estimate.

14-. TRADE PAYABLES

The carrying amount of the trade payables is equivalent to their fair value.

At 31 December 2024 the Group has an amount of 7,388,222 euros, of which 5,327,864 euros relate to invoices pending payment related to the purchase and sale of investment property. At the conclusion of the preceding year, the Group had an outstanding debt of 20,629,107 euros, with 18,083,129 euros attributed to pending invoices related to the acquisition and divestment of investment property.

Trade payables includes commercial creditors of debts for goods or services supplied, included in the "Sundry payables" items of the current liabilities.

15. PUBLIC ENTITIES AND TAX POSITION

The structure of current balances with Public Entities at 31 December 2024 was as follows:

In euros	In euros	
	Accounts receivable	Accounts payable
<u>Balances with the Taxation Authorities</u>		
Withholdings from professionals (Personal Income Tax)	-	602
Value Added Tax (VAT)	-	287
	-	889

The structure of current balances with Public Entities at 31 December 2023 is as follows:

In euros	In euros	
	Accounts receivable	Accounts payable
<u>Balances with the Taxation Authorities</u>		
Withholdings from professionals (Personal Income Tax)	-	1,107
Value Added Tax (VAT)	-	374
	-	1,481

Corporate Income Tax calculation

The reconciliation between consolidated profit/loss and the aggregate taxable income of the companies forming the Group for 2024 and 2023 is presented below:

	EUROS	
	2024	2023
Accounting profit/loss before taxes	20,962,546	28,952,016
Temporary differences	(30,275,797)	-
Corrections to the result	-	-
Tax loss carryforwards	-	-
Tax base (tax profit/loss)	(9,313,251)	28,952,016
Tax at 0%	-	-
Withholdings	-	-

The temporary differences recorded in 2024 relate to the allocation of the Promote Fee provision (Note 13) and the fair value adjustment of property assets (Note 6).

The tax base given in the table is the sum of the tax bases of the Group's companies, after adjusting the consolidated profit or loss for the year by consolidation adjustments and eliminations.

Under the Law on SOCIMIs, the current Corporate Income Tax is the result of applying a rate of 0% to the tax base.

Additionally, in accordance with Article 9 of Law 11/2009 of 26 October on Spanish Real Estate Investment Trusts, Article 26 of the recast Law on Corporate Income Tax does not apply to tax losses and, accordingly, they are not accumulated to offset future years.

Years open to inspection and tax audits:

As established by legislation in force, taxes cannot be deemed as definitively settled until the tax returns filed have been audited by tax authorities or until the 4-year statute of limitations has concluded. At 2024 year-end, the tax returns of the subsidiary Global Lucanor for all the years since its incorporation (2021-2024) were open for review by the tax authorities. The tax returns of the companies Global Pielago SOCIMI and Global Sauco SOCIMI are open to inspection for all years from their incorporation for corporate income tax purposes (2020-2023), while the years 2021-2024 are open for the rest of the taxes applicable to them.

The Parent Company's Directors deem that the settlements of the aforementioned taxes have been appropriately undertaken whereby, even if discrepancies arise over the existing regulatory interpretation of the tax treatment given to the transactions, any possible resulting liabilities, should they materialise, would not have a significant impact on these Consolidated Financial Statements.

Regarding the reporting obligations stemming from SOCIMI status, as per Law 11/2009, amended by Laws 16/2012 and 11/2021

The disclosure requirements arising from the SOCIMI status of the Parent Company and its subsidiaries are incorporated within the respective Notes accompanying the Individual Financial Statements.

16. INCOME AND EXPENSES

a) Gains in the fair value of investment property:

The breakdown of the fair value of the investment properties is given in Note 6.

b) Income from investment property

The breakdown of the income from the subsidiaries' investment properties is given below.

INCOME FROM LEASES AND SALES	EUROS	
	2024	2023
Lease income	13,486,584	10,809,017
Income/(losses) from disposals of investment property (Note 6.)	(1,406,423)	187,635
TOTAL	12,080,161	10,996,652

Notwithstanding the foregoing, the Group considers the Net Turnover to include only the incomes deriving from its lease activities, this being the group's primary activity. Accordingly, the Net Turnover for the year 2024 is 13,486,584 euros. Meanwhile, the amount of that item at 31 December 2023 was 10,809,017 euros. All income arising from its leasing activity is generated in Spain.

c) Operating expense

The breakdown of this item of the consolidated income statement is as follows:

OPERATING EXPENSE	2024	2023
Independent professional services	11,464,582	7,106,625
Insurance premiums	399,242	426,998
Banking services	162,789	150,812
Other services	3,156,750	2,129,685
Taxes	941,743	639,880
Impairment of trade receivables	1,782,110	938,584
TOTAL	17,907,216	11,392,584

The increase in 2024 is mainly due to the provision for the Promote Fee, which is explained in more detail in Note 13 of these notes to the financial statements.

d) Finance expenses

At 31 December 2024, the Group's total finance expenses amount to 9,792,659 euros, pertaining to bank loans.

In contrast, the total financial expenses for 2023 amounted to 9,802,125 euros, related to the mortgage loan.

e) Exchange differences

There have been no exchange rate differences. In 2023, negative exchange rate differences totalled 299 euros recorded as expenses.

f) Finance income

At 31 December 2024, the Group's total finance income has been 45,938 euros, corresponding to the interest accrued on the promissory notes issued by GLOBAL SAUCO, SOCIMI, S.L. and GLOBAL LUCANOR, S.L. (Note 7.3). At 31 December 2023, this amount came to 64,778 euros.

g) Audit fees

The fees for the auditing and review services provided by Ernst & Young, S.L. in 2024 amount to 112,405 euros. In 2023 these expenses were 96,405 euros. No non-audit services are provided.

h) Share in consolidated profit or loss

The Financial Statements for the period from 1 January 2021 to 31 December 2024 for the companies included in the consolidation perimeter are as follows:

Companies	In euros
Full Consolidation	2024
Global Piélagos, SOCIMI, S.A. (Parent Company)	(5,004,249)
Global Sauco, SOCIMI, S.L. (*)	6,032,815
Global Lucanor, S.L. (*)	19,933,980
Total	20,962,546

**Not audited*

The Financial Statements for the period from 1 January 2021 to 31 December 2023 for the companies included in the consolidation perimeter are as follows:

Companies	In euros
Full Consolidation	2023
Global Piélagos, SOCIMI, S.A. (Parent Company)	(584,672)
Global Sauco, SOCIMI, S.L. (*)	2,376,738
Global Lucanor, S.L. (*)	27,159,950
Total	28,952,016

**Not audited*

17. OTHER INFORMATION

Environmental information

In view of the business activities carried out by the Group, companies, they do not have any environmental liability, expense, assets, provisions or contingencies that might be material with respect to their equity, financial position or results.

Therefore, no specific disclosures relating to environmental issues are included in these Consolidated Financial Statements.

Staff costs

At 31 December 2024 and 2023, the group companies had no employees or Senior Management.

Information on deferred payments to suppliers in trade transactions

In accordance with the ICAC Resolution of 29 January 2016, regarding information to be included in the Notes to the Financial Statements in relation to the average payment period to suppliers in trade operations, the Group supplies the following information:

	2024	2023
	Days	Days
Average supplier payment period	56	53
Ratio of transactions paid	96.86%	99.02%
Ratio of outstanding payment transactions	3.14%	0.98%
	Amount	Amount
Total payments made	15,088,492	84,635,714
Total payments outstanding	488,789	836,189
Monetary volume of invoices paid in a period below the maximum established in the late payment regulations	3,772,123	21,158,928
Percentage of payments below the maximum amount paid out of the total payments made	25%	25%
Total number of invoices paid in the period	10,428	7662
Number of invoices paid in a period below the maximum established in the late payment regulations	8,937	5,500
Percentage of total invoices	85.70%	71.78%

The Group is taking appropriate measures to reduce the average payment period, by improving the payment terms it offers to its suppliers and by addressing internal approval processes that may delay payment of outstanding amounts.

18. RELATED PARTY TRANSACTIONS AND BALANCES

At 31 December 2024 and 2023 there were no balances or open items between related companies.

The Parent Company's Directors consider that the operations with affiliate companies have been conducted under market conditions and on the basis of agreements between the parties.

The prices of related-party transactions are properly supported, so the Company Directors consider there are no risks that might cause material tax liabilities.

Transactions carried out between Group companies and related companies are generally measured initially at fair value. Where the agreed-upon price differs from fair value, the difference is recognised taking into account the economic substance of the transaction. Subsequent measurement is carried out as established in the related standards.

Regarding the management and investment contract with BRIKS RESIDENTIAL, S.L., the companies have accrued the following expenses in 2024 and 2023:

(euros)	2024	2023
GLOBAL SAUCO, SOCIMI, S.L.	242,947	240,092
GLOBAL LUCANOR, S.L.	842,654	954,164

19. INFORMATION CONCERNING CONFLICTS OF INTEREST ON THE PART OF THE DIRECTORS

Shareholdings, posts and activities of members of the Board of Directors

Article 229 of Spanish Corporate Enterprises Act obliges company Directors to notify the company's governing bodies of any direct or indirect conflicts of interests potentially affecting the interests of the Group companies.

Likewise, the Directors are required to notify any direct or indirect interests held by themselves or related persons in any company having a corporate purpose that is similar, analogous or complementary to that of the Company, as well as notify any positions or functions they may hold in them.

In this regard, in order to comply with the obligations established in the Spanish Corporate Enterprises Act and particularly with those established for Directors, certain members of the Board have reported that they may possibly incur in conflict of interest as they directly or indirectly hold an interest in the Management Company or in companies having a corporate purpose that is analogous or complementary to that of the Group companies.

Notwithstanding the foregoing, during the period in which the Parent Company's Directors held their positions on the Board of Directors, no resolutions were passed which could have involved a conflict with the interest of the Company and, accordingly, none was obliged to abstain from voting in order to comply with applicable legislation.

Remuneration of the Board of Directors

In 2024, the Directors of the Company received and accrued no amounts as salaries, remuneration or expenses as directors. Neither did they receive shares or stock options in those years, and they did not exercise any options and did not have any options pending exercise.

Likewise, no contributions were made to funds or pension schemes on behalf of the Parent Company's Board of Directors.

At 31 December 2024 and 2023 there were no outstanding advances or loans to the members of the Board of Directors, nor were there any obligations assumed on their behalf by way of guarantee.

In 2024 and 2023, no civil liabilities insurance premiums were paid on behalf of directors for damages incurred while discharging their duties.

20- SUBSEQUENT EVENTS

In the opinion of the Group Directors, no other issues that could have had a material effect on these Consolidated Financial Statements have been revealed subsequently to the year ending 31 December 2024.

Consolidated Director's Report for the year ended 31 December 2024.

This Consolidated Directors Report for 2024 is filed by the Directors of the Parent Company, in compliance with Articles 253 and 262 of the recast Corporate Enterprises Act for approval by the shareholders.

1. Situation of the Group

Global Piélago, SOCIMI, S.A., hereinafter, the Parent Company, is a Spanish public limited company, with VAT No. A88581251, incorporated for an indefinite period under a deed granted before a Madrid notary public on 29 January 2020; it is entered on the Madrid Companies Registry, volume 40,174, folio 110, sheet M713884, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

The Parent Company was initially incorporated as a limited liability company under said public deed executed on 29 January 2020. It was converted into a public liability company under public deed of 5 March 2020, in Madrid.

On 5 March 2020, in Madrid, the Parent Company acquired 100% of the stock capital of Global Sauco, SOCIMI, S.L. (Hereinafter, the "subsidiary").

Global Sauco, SOCIMI, S.L. is a Spanish limited liability company, with VAT No. B88581236, incorporated for an indefinite period under a deed executed before a Madrid notary public on 29 January 2020; entered on the Madrid Companies Registry, volume 40,174, folio 130, sheet M713886, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

On 2 March 2021 the Parent Company acquired 100% of the investee's shares in Madrid by public deed.

Global Lucanor, S.L., hereinafter, the "investee", is a Spanish private limited company, with VAT No. B42864306, incorporated for an indefinite period under a deed delivered before a Madrid notary public on 10 February 2021, under number 467 in his notarial records; it is entered on the Madrid Companies Registry, tome 41,492, folio 180, sheet M735229, entry 1. Its current registered offices are located at Calle Orense, 34, 8th floor, 28020 Madrid.

The corporate purpose of both Group companies is that of SOCIMIs (outlined below), both being covered by said regime. On 25 June 2020, a resolution of the General Unitholders' Meetings, resolving that the Companies would opt for the special regime for Spanish Real Estate Investment Trusts (SOCIMI, in Spanish), regulated by Law 11/2009 of 26 October, was recorded in a public deed.

The corporate purpose is:

- a) The acquisition and development of urban real estate for lease.
- b) The holding of shares in the capital of other SOCIMIs or in other companies non resident in Spain with the same corporate purpose and which are subject to a regime similar to the one established for SOCIMIs in relation to the obligatory policy on appropriation of profit stipulated by law or the bylaws.
- c) The holding of shares in the capital of other companies resident or non resident in Spain, whose main corporate purpose is the acquisition of urban real estate for lease, which are subject to the regime established for SOCIMIs in relation to the obligatory policy on distribution of dividends stipulated by law or the bylaws and meet the investment requirements referred to in Article 3 of Law on Spanish Real Estate Investment Trusts.
- d) The holding of shares or equity shares in Collective Real Estate Investment Undertakings governed by Law 35/2003, of 4 November, on Collective Investment Undertakings, or by future laws which may replace it.

2. Progress of the Business

2.1 Business Progress and Results in 2024.

The Parent Company (GLOBAL PIELAGO, SOCIMI, S.A.) as well as the subsidiary GLOBAL SAUCO, SOCIMI, S.A. were incorporated in 2020. The subsidiary GLOBAL LUCANOR, S.L. was incorporated in 2021.

During the year, the subsidiary GLOBAL LUCANOR, S.L. acquired a total of 255 assets, 7 of which were disposed of in 2023. While the subsidiary GLOBAL SAUCO, SOCIMI, S.L. did not acquire any properties, it transferred 17 of those it already held during the year as it deemed it profitable for the business.

In 2024, the Group had an average payment period of 56 days, which is precisely within the maximum limit of 60 days established in Law 15/2010, of 5 July, amending Law 3/2004, of 29 December (Note 17).

2.2 Managing Financial Risk and Financial Instruments.

In order to finance its investment property, the Group has received external financing.

Credit risk arises from potential losses caused by failure to comply with contractual obligations on the part of the Group's counterparties, in other words, the possibility of not recovering financial assets in the amount accounted for and in the period agreed. This risk lies mainly in the possible insolvency of tenants. Accordingly, the Group selects tenants with the highest possible credit rating. However, business units are occasionally acquired with tenants in place who, already installed, could not be assessed by the Group. The Group attempts to attenuate the risk of non-payment by having tenants pay advances.

Market risk arises from potential losses due to changes in the fair value or in future cash flows of a financial instrument as a result of changes in market prices. The Group has no foreign exchange risk because it issues its invoices to customers in local currency. Invoices received are also in local currency.

With regard to liquidity risk, the company currently has financial support from the Group and its shareholders Heimdall Luxembourg Holdings II S.à R.L. and Welcomechance, S.L.U.

2.3 Expectations for 2025

The Group intends to continue with its activity, obtaining revenues from its subsidiaries from their investment property leasing activities.

We justify these expectations by: The growth in the number of leased units, the re-valuation of the lease agreements and the implementation of a cost reduction plan.

Based on these expectations, the policy of the Group will be to optimise its costs and maintain an ongoing control of its fund flow. The total number of assets at 2025 year-end is estimated to be approximately 3,000 properties.

3. Environmental Issues

The Group's activity inherently has no significant environmental impact.

4. R&D&i Activities

The Group has not conducted any research and development activities during the financial year ended 31 December 2024.

5. Acquisition and Disposal of Treasury Shares

Throughout 2024, the Group has conducted no operations involving the acquisition or disposal of treasury shares.

6. Other Relevant Information

The shares of the Parent Company are listed on the Euronext Paris Stock Exchange. In compliance with the legal requirements for SOCIMIs.

See all the information regarding the average payment period required by Final Provision Two of Law 31/2014, in Note 17 of the Consolidated Financial Statements. The average payment period in 2024 was 56 days (53 days in 2023). The Group is taking appropriate measures to reduce the average payment period by improving the payment terms it offers to its suppliers and by addressing internal approval processes that may delay payment of outstanding amounts.

7. Subsequent events

In the opinion of the Company Directors, no other issues that could have had a material effect on these Consolidated Financial Statements have been revealed subsequently to the year ending 31 December 2024.

Preparación de las Cuentas Anuales Consolidadas del periodo terminado el 31 de diciembre de 2024, preparadas de acuerdo con la "International Financial Reporting Standards (IFRS)" adoptada por la Unión Europea.

En virtud de la legislación vigente, los administradores de la Sociedad Dominante han preparado las Cuentas Anuales Consolidadas del periodo comprendido entre el 1 de enero y el 31 de diciembre de 2024 de acuerdo con la "International Financial Reporting Standards (IFRS)" adoptada por la Unión Europea, la cual comprende:

- Balance de situación consolidada
- Cuenta de resultados consolidada
- Estado del Resultado Global Consolidado
- Estado de Cambios en el Patrimonio Neto Consolidado
- Estado de Flujos de Efectivo Consolidado
- Notas de la Memoria Consolidada
- Informe de Gestión Consolidado

Madrid, 31 de marzo de 2025



Zubin Phiroze Irani



Juan Ignacio Gómez Vega



Blueseat Trust Services Spain, S.L.U. actuando Rima Yousfan Moreno
como representante persona física