Faifey Invest SOCIMI, S.A.
and subsidiaries

Audit report
Consolidated annual accounts as at 31 December 2025
Consolidated management report

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This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

Audit report on the consolidated annual accounts issued by an independent auditor

To the shareholders of Faifey Invest SOCIMI, S.A.:

Opinion

We have audited the consolidated annual accounts of Faifey Invest SOCIMI, S.A. (the parent company) and its subsidiaries (the Group), comprising the balance sheet as at 31 December 2025, the profit and loss account, the statement of changes in equity, the cash flow statement and the notes to the accounts, all of which are consolidated, for the financial year ended on that date.

In our opinion, the accompanying consolidated annual accounts present, in all material respects, a true and fair view of the Group's net assets and financial position as at 31 December 2025, as well as its consolidated results and cash flows for the financial year ended on that date, in accordance with the applicable financial reporting framework (as identified in note 5 to the consolidated financial statements) and, in particular, with the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with the regulations governing the audit of financial statements currently in force in Spain. Our responsibilities under those regulations are described below in the section *'Auditor's Responsibilities in Relation to the Audit of the Consolidated Annual Accounts*' in our report.

We are independent of the Group in accordance with the ethical requirements, including those relating to independence, which apply to our audit of the consolidated annual accounts in Spain, as required by the regulations governing the audit of accounts. In this regard, we have not provided any services other than the audit of the accounts, nor have there been any situations or circumstances which, in accordance with the provisions of the aforementioned regulations, have affected the necessary independence to the extent that it has been compromised.

We consider that the audit evidence we have obtained provides a sufficient and appropriate basis for our opinion.

Key aspects of the audit

The most significant aspects of the audit are those which, in our professional judgement, have been identified as the most significant risks of material misstatement in our audit of the consolidated annual accounts for the current period. These risks have been addressed in the context of our audit of the consolidated annual accounts as a whole, and in forming our opinion on them; we do not express a separate opinion on these risks.

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Madrid Commercial Register, sheet M-63,988, folio 75, volume 9,267, book 8,054, section 3. Registered in the Official Register of the Madrid Chamber of Commerce under number 50242 – Tax Identification Number (NIF): B-79031290

Key aspects of the Audit	How they were addressed in the audit
Valuation of property investments	
Property investments totalling 283,298 thousand euros relate mainly to the Parque Principado shopping centre and constitute 98 per cent of the Group's consolidated assets as at 31 December 2025. The Group measures its investment property at acquisition cost less accumulated depreciation and any impairment losses incurred, as set out in notes 6.2 and 7 to the consolidated financial statements. An impairment loss is recognised for the excess of the asset's carrying amount over its recoverable amount, the latter being defined as the higher of fair value less costs to sell and value in use. The fair value of the Group's investment property is based on valuations carried out by an independent valuer appointed by management. The valuations are carried out in accordance with international standards, the methodology for which is described in note 7 to the consolidated financial statements. The 2025 consolidated profit and loss account includes an expense associated with these valuation adjustments amounting to 2,075 thousand euros. In addition, the Group recognises depreciation on these investment properties on a straight-line basis in accordance with the estimated useful lives set out in note 6.2 to the consolidated financial statements. We consider the valuation of investment property to be the most significant aspect of the audit, primarily due to its materiality in relation to the consolidated financial statements as a whole and because it requires judgements and estimates by management.	Our audit procedures included gaining an understanding of the valuation process for investment property. In addition, we have verified that the useful life applied to investment property is consistent with the nature of the properties and have performed tests on the calculation of the depreciation charge for the financial year. With regard to potential impairment losses, we have obtained the valuation carried out by the independent expert engaged by management, in respect of which we have performed, amongst other things, the following procedures: • We have verified the competence, capability and objectivity of the independent expert by confirming and verifying their recognised standing in the market. • We have verified that the procedures and methodology used are as described in notes 6.2 and 7 to the consolidated financial statements. • We have assessed the reasonableness of the main key assumptions underlying the valuation, evaluating the consistency of the estimates and taking market conditions into account. • We have verified that the valuation estimated by the independent valuer is higher than the net book value recorded and that it does not indicate any impairment of the investment property. Finally, we have assessed the adequacy of the information disclosed in the consolidated annual accounts in this regard. The results of the procedures carried out have enabled us to reasonably achieve the audit objectives for which those procedures were designed.

Other information: Consolidated management report

The other information comprises solely the consolidated management report for the financial year 2025, the preparation of which is the responsibility of the directors of the parent company and does not form an integral part of the consolidated annual accounts.

Our audit opinion on the consolidated annual accounts does not cover the consolidated management report. Our responsibility in relation to the consolidated management report, in accordance with the requirements of the regulations governing the audit of accounts, is to assess and report on the consistency of the consolidated management report with the consolidated annual accounts, based on the knowledge of the Group obtained whilst carrying out the audit of those accounts, as well as to assess and report on whether the content and presentation of the consolidated management report comply with the applicable regulations. If, based on the work we have carried out, we conclude that there are material misstatements, we are obliged to report this.

On the basis of the work carried out, as described in the previous paragraph, the information contained in the consolidated management report is consistent with that of the consolidated annual accounts for the financial year 2025, and its content and presentation comply with the applicable regulations.

Liability of the directors of the parent company in relation to the consolidated annual accounts

The directors of the parent company are responsible for preparing the accompanying consolidated annual accounts, so that they give a true and fair view of the Group's equity, financial position and consolidated results, in accordance with the financial reporting framework applicable to the Group in Spain, as identified in note 5 to the accompanying notes to the financial statements, and for the internal control they deem necessary to enable the preparation of consolidated annual accounts free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual accounts, the directors of the parent company are responsible for assessing the Group's ability to continue as a going concern, disclosing, as appropriate, matters relating to going concern and applying the going concern accounting principle, unless those directors intend to wind up the Group or cease its operations, or there is no realistic alternative.

The auditor's responsibilities in relation to the audit of the consolidated annual accounts

Our objectives are to obtain reasonable assurance that the consolidated annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit report setting out our opinion.

Reasonable assurance is a high level of assurance, but it does not guarantee that an audit carried out in accordance with the regulations governing the audit of financial statements currently in force in Spain will always detect a material misstatement where one exists. Misstatements may 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 that users make on the basis of the consolidated annual accounts.

As part of an audit in accordance with the regulations governing the audit profession currently in force in Spain, we exercise our professional judgement and maintain an attitude of professional scepticism throughout the audit. Furthermore:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error; we design and implement audit procedures to address those risks; and we obtain sufficient and appropriate audit evidence to provide a basis for our opinion. The risk of failing to detect a material misstatement due to fraud is higher than in the case of a material misstatement due to error, as fraud may involve collusion, forgery, deliberate omissions, intentionally misleading representations, or the circumvention of internal controls.

- We obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- We assess whether the accounting policies applied are appropriate and whether the accounting estimates and the corresponding information disclosed by the directors of the parent company are reasonable.

- We form a conclusion as to whether the directors of the parent company have appropriately applied the going concern accounting principle and, based on the audit evidence obtained, we form a conclusion as to whether or not there is material uncertainty relating 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 audit report to the relevant disclosures in the consolidated financial statements or, if such disclosures are inadequate, to express a modified opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Group to cease to be a going concern.

- We assess 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 gives a true and fair view.

- We plan and carry out the audit of the Group to obtain sufficient and appropriate audit evidence regarding the financial information of the Group's entities or business units as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the work carried out for the purposes of the Group's audit. We are solely responsible for our audit opinion.

We communicated with the directors of the parent company regarding, amongst other matters, the planned scope and timing of the audit and the significant findings of the audit, as well as any significant internal control weaknesses that we identified in the course of the audit.

Among the significant risks that have been communicated to the directors of the parent company, we have identified those that were of the greatest significance in the audit of the consolidated financial statements for the current period and which are, consequently, considered to be the most significant risks.

We describe these risks in our audit report, unless legal or regulatory provisions prohibit us from disclosing the matter publicly.

PricewaterhouseCoopers Auditores, S.L. (S0242)

Maria Callejo Dosset (23866)

30 June 2026

FAIFEY INVEST SOCIMI, S.A.
AND SUBSIDIARIES

Consolidated annual accounts and management report for the financial year ended 31 December 2025

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Consolidated notes to the annual accounts for the 2025 financial year

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Consolidated balance sheet at the end of the 2025 financial year (expressed in euros)

	ASSETS	NOTES	2025	2024
A)	**NON-CURRENT ASSETS**		**284,191,045.66**	**290,452,647.77**
III.	**Investment property**	**7**	**283,297,914.11**	**290,137,465.36**
1.	Land		86,548,022.35	88,623,042.35
2.	Buildings		196,749,891.76	201,514,423.01
V.	**Long-term financial investments**	**9**	**893,131.55**	**315,182.41**
2.	Loans to companies		674,234.00	-
5.	Other financial assets		218,897.55	315,182.41
B)	**CURRENT ASSETS**		**5,370,653.03**	**10,017,509.31**
III.	**Trade receivables and other accounts receivable**		**849,185.05**	**2,061,615.91**
1.	Trade receivables from sales and services rendered	9.2	778,755.35	2,036,978.29
3.	Miscellaneous receivables		200.00	-
5.	Current tax assets		46,307.87	7,260.53
6.	Other receivables from public authorities		23,921.83	17,377.09
V.	**Short-term financial investments**	**9.2**	**276,252.23**	**203,667.61**
5.	Other financial assets		276,252.23	203,667.61
VI.	**Short-term accruals**		**41,542.25**	**77,134.25**
VII.	**Cash and other liquid assets**	**9.3**	**4,203,673.50**	**7,675,091.54**
1.	Cash		4,203,673.50	7,675,091.54
TOTAL ASSETS (A + B)			**289,561,698.69**	**300,470,157.08**

	NET EQUITY AND LIABILITIES	NOTES	2025	2024
A)	**NET EQUITY**		**86,578,678.45**	**105,769,331.04**
A-1)	**Equity**		**86,578,678.45**	**105,769,331.04**
I.	**Share capital**	**11**	**5,060,000.00**	**5,060,000.00**
1.	Registered capital		5,060,000.00	5,060,000.00
II.	**Share premium**	**11**	**80,022,166.65**	**93,690,662.85**
III.	**Reserves**	**11**	**(5,517,963.78)**	**(6,923,733.30)**
1.	Legal and statutory		1,012,000.00	1,012,000.00
2.	Other reserves		(6,529,963.78)	(7,935,733.30)
V.	**Retained earnings**		**(1.70)**	**(1.70)**
2.	(Losses from previous financial years)		(1.70)	(1.70)
VI.	**Other members' contributions**	**11**	**11,000,000.00**	**11,000,000.00**
VII.	**Profit for the financial year**		**2,459,347.41**	**7,675,338.81**
VIII.	**(Interim dividend)**	**4**	**(6,444,870.13)**	**(4,732,935.62)**
B)	**NON-CURRENT LIABILITIES**		**199,136,776.78**	**192,224,396.95**
II.	**Long-term liabilities**	**10.1**	**186,536,776.78**	**179,624,396.95**
2.	Debts to credit institutions		184,766,843.22	177,180,741.55
5.	Other financial liabilities		1,769,933.56	2,443,655.40
IV.	**Deferred tax liabilities**	**12**	**12,600,000.00**	**12,600,000.00**
C)	**CURRENT LIABILITIES**		**3,846,243.46**	**2,476,429.09**
III.	**Short-term liabilities**	**10.1**	**3,319,620.28**	**1,849,475.22**
2.	Debts to credit institutions		688,988.66	254,103.08
5.	Other financial liabilities		2,630,631.62	1,595,372.14
V.	**Trade payables and other payables**		**526,623.18**	**626,953.87**
3.	Miscellaneous creditors	10	346,858.86	480,878.69
6.	Other debts to public authorities	12	141,447.22	71,620.83
7.	Advances from customers	10	38,317.10	74,454.35
TOTAL EQUITY AND LIABILITIES (A + B + C)			**289,561,698.69**	**300,470,157.08**

Notes 1 to 20 to the accompanying financial statements form an integral part of these consolidated annual accounts

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Consolidated Profit and Loss Account for the financial year 2025 (expressed in euros)

		NOTES	2025	2024
A)	**CONTINUING OPERATIONS**			
1.	**Net turnover**	**13.1**	**26,477,556.98**	**25,506,570.19**
b)	Services rendered		26,477,556.98	25,506,570.19
7.	**Other operating expenses**	**13.2**	**(8,539,822.66)**	**(8,581,945.42)**
a)	External services		(6,841,692.56)	(7,024,293.93)
b)	Taxes		(1,401,937.37)	(1,401,991.41)
c)	Losses, impairment and changes arising from trading activities		(296,192.73)	(155,660.08)
8.	**Depreciation of fixed assets**	**7**	**(5,263,184.93)**	**(5,100,844.73)**
	Impairment of investment property	**7**	**(2,075,000.00)**	**-**
13.	**Other income**	**13.4**	**(73,067.58)**	**3,977.76**
A.1)	**OPERATING PROFIT**		**10,526,481.81**	**11,827,757.80**
15.	**Financial expenses**	**13.3**	**(8,067,134.40)**	**(4,152,418.99)**
b)	On debts to third parties		(8,067,134.40)	(4,152,418.99)
A.2)	**FINANCIAL RESULT**	**13.3**	**(8,067,134.40)**	**(4,152,418.99)**
A.3)	**PROFIT BEFORE TAX**		**2,459,347.41**	**7,675,338.81**
A.5)	**PROFIT FOR THE FINANCIAL YEAR**		**2,459,347.41**	**7,675,338.81**

Notes 1 to 20 to the accompanying financial statements form an integral part of these consolidated annual accounts.

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Statement of Changes in Consolidated Equity for the financial year ended 31 December 2025

A) Statements of recognised income and expenses (expressed in euros)

		NOTES	2025	2024
A)	**PROFIT OR LOSS**	4	**2,459,347.41**	**7,675,338.81**
Income and expenses recognised directly in equity				
B)	**TOTAL INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY**		**-**	**-**
Transfers to the profit and loss account				
C)	**TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT**		**-**	**-**
TOTAL RECOGNISED INCOME AND EXPENSES		**4**	**2,459,347.41**	**7,675,338.81**

Notes 1 to 20 to the accompanying financial statements form an integral part of these consolidated annual accounts.

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Statement of changes in consolidated equity for the financial year ended 31 December 2025

B) Comprehensive statement of changes in equity (expressed in euros)

		Share capital Recorded	**Share premium**	**Reserves**	**Retained earnings from previous financial years**	**Other contributions from shareholders**	**Profit for the financial year**	**(Interim dividend)**	**TOTAL**
A)	**OPENING BALANCE FOR THE 2024 FINANCIAL YEAR**	**5,060,000.00**	**93,690,662.85**	**(3,929,336.29)**	**(1.70)**	**11,000,000.00**	**5,738,856.74**	**(6,475,189.37)**	**105,084,992.23**
I.	Total recognised income and expenses	-	-	-	-	-	7,675,338.81	-	7,675,338.81
II.	Transactions with partners or owners	-	-	(2,994,397.01)	-	-	(5,738,856.74)	1,742,253.75	(6,991,000.00)
4.	*(-) Dividend distribution*	-	-	*(2,994,397.01)*	-	-	*(5,738,856.74)*	*1,742,253.75*	*(6,991,000.00)*
B)	**OPENING BALANCE FOR THE 2025 FINANCIAL YEAR**	**5,060,000.00**	**93,690,662.85**	**(6,923,733.30)**	**(1.70)**	**11,000,000.00**	**7,675,338.81**	**(4,732,935.62)**	**105,769,331.04**
I.	Total recognised income and expenses	-	-	-	-	-	2,459,347.41	-	2,459,347.41
II.	Transactions with partners or owners	-	(13,668,496.20)	-	-	-	-	(1,711,934.51)	(15,380,430.71)
4.	*(-) Dividend distribution*	-	-		-	-		*(1,711,934.51)*	*(1,711,934.51)*
7.	*Other transactions with partners or owners*	-	*(13,668,496.20)*	-	-		-	-	*(13,668,496.20)*
III.	Other changes in net assets net	-	-	1,405,769.52		-	(7,675,338.81)	-	(6,269,569.29)
C)	**BALANCE, END OF THE 2025 FINANCIAL YEAR**	**5,060,000.00**	**80,022,166.65**	**(5,517,963.78)**	**(1.70)**	**11,000,000.00**	**2,459,347.41**	**(6,444,870.13)**	**86,578,678.45**

Notes 1 to 20 to the accompanying financial statements form an integral part of these consolidated annual accounts.

FAIFEY INVEST SOCIMI, S.A.

AND SUBSIDIARIES

Cash flow statement for the financial year ended 31 December 2025 (Expressed in euros)

		NOTES	2025	2024
A)	**CASH FLOWS FROM OPERATING ACTIVITIES**			
1.	**Profit for the financial year before tax**		**2,459,347.41**	**7,675,339.00**
2.	**Adjustments to profit**		**15,701,512.06**	**9,408,923.99**
a)	Depreciation of fixed assets	7	5,263,184.93	5,100,845.00
b)	Impairment losses	7	2,371,192.73	155,660.00
h)	Finance costs	8	8,067,134.40	4,152,418.99
3.	**Changes in working capital**		**226,124.21**	**(683,537.78)**
b)	Debtors and other receivables	9	675,859.27	690,303.22
c)	Other current assets		(36,992.48)	35,592.00
d)	Creditors and other payables	10	(100,329.63)	(1,409,433.00)
e)	Other current liabilities		1,035,259.63	
f)	Other non-current assets and liabilities		(1,347,671.39)	
4.	**Other cash flows from operating activities**		**(6,692,212.87)**	**(3,081,975.15)**
a)	Interest payments		(6,932,591.82)	(3,074,714.15)
d)	Payments (receipts) of corporate tax		240,378.95	(7,261.00)
5.	**Cash flows from operating activities (+/-1 +/-2 +/-3 +/-4)**		**11,694,770.81**	**13,318,750.06**
B)	**CASH FLOWS FROM INVESTING ACTIVITIES**			
6.	**Payments for investments**	7	**(498,633.68)**	**(5,362,814.04)**
d)	Investment property		(498,633.68)	(5,293,462.04)
e)	other financial assets		-	(69,352.00)
7.	**Proceeds from disposals**	9	**96,000.00**	**121,464.00**
e)	Other financial assets		96,000.00	121,464.00
8.	**Cash flows from investing activities (6+7)**		**(402,633.68)**	**(5,241,350.04)**
C)	**CASH FLOWS FROM FINANCING ACTIVITIES**			
10.	**Proceeds from and (payments for) financial liability instruments**	10	**6,886,444.05**	**(2,081,250.00)**
a)	Issue		6,886,444.05	-
2.	*Loans from credit institutions*		*6,886,444.05*	-
5.	*Other debts*		-	
b)	repayments and amortisation of		-	(2,081,250.00)
2.	*Loans from credit institutions*		-	*(2,081,250.00)*
11.	**(Payments) for dividends and returns on other equity instruments**		**(21,650,000.26)**	**(6,991,002.00)**
a)	Dividends		(21,650,000.26)	(6,991,002.00)
12.	**Cash flows from financing activities (+/-9 +/-10 -11)**		**(14,763,556.21)**	**(9,072,252.00)**
D)	**Effect of exchange rate fluctuations**		**-**	**-**
E)	**NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS**		**(3,471,418.04)**	**(994,851.98)**
Cash and cash equivalents at the start of the financial year			7,675,091.54	7,675,091.54
Cash and cash equivalents at the end of the financial year			4,203,673.50	4,203,673.50

Notes 1 to 20 to the accompanying financial statements form an integral part of these consolidated annual accounts.

FAIFEY INVEST SOCIMI, S.A.
AND SUBSIDIARIES

Report on the annual accounts for the financial year ended 31 December 2025

1. GROUP ACTIVITIES

Faifey Invest SOCIMI, S.A. and its subsidiaries (hereinafter, the "Group") were incorporated as a public limited company in Spain, for an indefinite period, on 12 November 2019 by means of a deed executed before the notary Mr Francisco Javier Piera Rodríguez under number 5,001 in his register. Its registered office is at Calle Príncipe de Vergara 112, 4th floor, 28002 Madrid.

It is registered in the Madrid Commercial Register, in volume 39903, folio 80, page M-708714. Its tax identification number is A88525563.

At the time of its incorporation, the company's shareholders, namely TMF PARTICIPATIONS HOLDING (SPAIN), S.L. and TMF SOCIEDAD DE PARTICIPACIÓN, S.L., subscribed to the company's entire share capital, that is, 30,000 shares each, with a nominal value of 30,000.00 euros, and paid up 25 per cent of the share capital, that is, 15,000.00 euros per shareholder.

On 16 January 2020, the Company was acquired by FAS PROP CO. A S.à r.l., incorporated and existing under the laws of the Grand Duchy of Luxembourg, with its registered office at 19 rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, and tax registration number N0187787G; and FAS PROP CO. B S.à r.l., incorporated and existing under the laws of the Grand Duchy of Luxembourg, with its registered office at 19 rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, and tax registration number N0187788E; and FAS PROP CO. C S.à r.l., incorporated and existing under the laws of the Grand Duchy of Luxembourg, with its registered office at 19 rue Edmond Reuter, L-5326 Contern, Grand Duchy of Luxembourg, and Tax Identification Number N0187789C.

On 17 January, by means of a notarial deed recording the Company's corporate resolutions, executed before the Madrid notary Ms María del Rosario de Miguel Roses under protocol number 204, the resignation of the joint directors was accepted, changing the Company's management structure to a board of directors.

On 29 January 2020, the Company's Annual General Meeting of Shareholders resolved to increase the share capital by a cash contribution of 5,000,000.00 euros through the creation of 5,000,000 new shares with a nominal value of 1.00 euro each, numbered consecutively from 60,001 to 5,060,000. This increase was carried out with a share premium of 165,944,251.46 euros, meaning that the sum of the share capital and the share premium amounted to 170,944,251.46 euros. This capital increase was formalised in a public deed executed on 30 January 2020 before the Madrid notary Ms María del Rosario de Miguel Roses, under number 356 in her register.

On 25 September 2020, the Annual General Meeting of Shareholders adopted the following resolutions: (i) to change the Company's name to its current one, (ii) to amend the Company's corporate purpose to its current one, as set out below, (iii) to amend the Company's dividend distribution policy; and (iv) to bring the Company (the parent company of the group) within the regime governed by Law 11/2009 of 26 October, regulating Listed Real Estate Investment Companies ("SOCIMI"), all of which entails the corresponding amendments to the Articles of Association.

On 1 February 2021, the aforementioned resolutions were formalised by means of a public deed executed before the Notary of Madrid, Mr Antonio Pérez Coca Crespo, under number 988 of his protocol register. The Company's corporate purpose became the current one, which is as follows:

- *The acquisition and development of urban property for letting or the refurbishment of buildings in accordance with the provisions of Law 37/1992 of 28 December on Value Added Tax.*

- *The holding of shares in the capital of listed property investment companies ("SOCIMIs") or in entities not resident in Spain that have the*

the same corporate purpose as those entities and which are subject to a regime similar to that established for SOCIMIs with regard to the mandatory, statutory or articles-of-association policy on the distribution of profits.

- *Holdings of shares in the capital of other entities, whether resident in Spain or not, whose principal corporate purpose is the acquisition of urban property for letting and which are subject to the same regime as that established for SOCIMIs with regard to the mandatory, statutory or articles-of-association provisions, regarding the distribution of profits, and which meet the investment requirements referred to in Article 3 of Law 11/2009 of 26 October, regulating Listed Public Limited Companies for Investment in the Property Market (the "SOCIMI Law").*

- *The holding of shares or units in collective real estate investment undertakings governed by Law 35/2003 of 4 November on Collective Investment Undertakings, or any legislation that may replace it in the future.*

Furthermore, by way of a notarial deed dated 1 February 2021, the Company's corporate resolutions were registered with the notary; these resolutions accepted the resignation of a director and appointed a new member, thereby establishing the Company's current board of directors:

Chairman	Mr Volker Kraft
Vice-Chairman	Mr Markus Oscar Schmitt-Habersack
Secretary	Mr José María Ortiz Lopez-Cámara
Deputy Secretary	Mr Christian Müller

Finally, on 30 June 2021, the General Meeting of Shareholders resolved to amend the Company's Articles of Association so that shares would henceforth be represented by book entries, following the Company's listing on the *Euronext Access Paris* regulated market, in accordance with *Royal Legislative Decree 4/2015 of 23 October,* which approves the *consolidated text of the Securities Market Act, and Royal Decree 878/2015 of 2 October, on the registration, clearing and settlement of transferable securities represented by book entries, on the legal regime governing central securities depositories and central counterparties, and on transparency requirements for issuers of securities admitted to trading on an official secondary market.* These agreements were formalised in a deed dated 12 July 2021, executed before the Madrid notary Ms María del Rosario de Miguel Roses under number 2,601 of her protocol register.

The Company is the parent company of two Spanish subsidiaries and forms part of a group in which the parent companies are the funds ECE European Prime Shopping Centre II A, SCSp SIF, ECE European Prime Shopping Centre II B, SCSp and ECE European Prime Shopping Centre II C, SCSp SIF, all of which have their tax and registered offices in Luxembourg. The presentation of consolidated annual accounts is necessary, in accordance with generally accepted accounting principles and standards, to give a true and fair view of the Group's financial position, results of operations, changes in equity and cash flows.

The Group's business activities are primarily concentrated in the property sector, specifically in the acquisition and development of urban properties for letting. Development activities include the refurbishment of buildings in accordance with the provisions of Law 37/1992 of 28 December on Value Added Tax. The business activities of the Company and its subsidiaries are confined solely to Spanish territory.

The financial year ends on 31 December each year.

The currency of the principal economic environment in which the Group operates is the euro; this is therefore its functional currency. All amounts included in these notes are stated in euros unless expressly stated otherwise.

2. SOCIMI REGIME

The parent company and its subsidiaries are subject to a special tax regime and must comply with, amongst other things, the following obligations:

1. Requirement regarding corporate purpose: their principal corporate purpose must be the holding of urban property for letting, the holding of shares in other SOCIMIs or companies with a similar corporate purpose and the same dividend distribution regime, as well as collective investment undertakings.

2. Investment requirement:

   - They must invest 80 per cent of their assets in property held for letting, in land for the development of property intended for this purpose, provided that development commences within three years of its acquisition, and in shareholdings in other entities with a corporate purpose similar to that of SOCIMIs.

   - This percentage shall be calculated on the basis of the consolidated balance sheet where the Company is the parent company of a group in accordance with the criteria set out in Article 42 of the Commercial Code, irrespective of its place of residence and of any obligation to prepare consolidated annual accounts. Such a group shall consist exclusively of SOCIMIs and the other entities referred to in Article 2(1) of Law 11/2009.

   - There is the option to replace the book value of the assets with their market value, or to include the cash and receivables arising from the disposal of those assets, provided that the maximum reinvestment periods set out are exceeded.

   - Furthermore, 80 per cent of its income must derive from income relating to (i) the letting of immovable property; and (ii) dividends from shareholdings. This percentage shall be calculated on the basis of the consolidated balance sheet where the Company is the parent company of a group in accordance with the criteria set out in Article 42 of the Commercial Code, irrespective of its place of residence and of any obligation to prepare consolidated annual accounts. Such a group shall consist exclusively of SOCIMIs and the other entities referred to in Article 2(1) of Law 11/2009.

   - The property must remain let for at least three years (for the purposes of this calculation, up to one year of the period during which the property was offered for let may be included). The shares must remain on the balance sheet for at least three years.

3. Obligation to trade on a regulated market or multilateral trading facility. SOCIMI shares must be admitted to trading on a regulated market in Spain or on a multilateral trading facility in Spain or in any other Member State of the European Union or the European Economic Area, or on a regulated market in any country or territory with which there is an effective exchange of tax information, on a continuous basis throughout the tax year. The shares must be registered shares.

4. Obligation to distribute profits. Companies must distribute the following as dividends, once the commercial requirements have been met:

   - 100 per cent of the profits arising from dividends or shares in profits distributed by the entities referred to in Article 2(1) of Law 11/2009.

- At least 50 per cent of the profits arising from the disposal of immovable property and shares or holdings referred to in Article 2(1) of Law 11/2009, carried out once the minimum holding periods have elapsed, in connection with the fulfilment of its principal corporate purpose. The remainder of these profits must be reinvested in other property or holdings relating to that corporate purpose within three years of the date of transfer.

- At least 80 per cent of the remaining profits. Where dividends are distributed out of reserves derived from profits for a financial year in which the special tax regime has been applied, such distribution must be made in the manner described above.

5. Disclosure requirements: SOCIMIs must include in the notes to their annual accounts the information required by the tax regulations governing the special regime for SOCIMIs.

6. Minimum share capital: The minimum share capital is set at 5 million euros.

An entity may opt to apply the special tax regime in accordance with the terms set out in Article 8 of the Act, even if the requirements laid down therein are not met, provided that such requirements are met within two years of the date on which the option to apply that regime is exercised.

Failure to comply with any of the above conditions will result in the group being subject to the general corporate tax regime from the tax period in which such non-compliance occurs, unless the situation is rectified in the following financial year. Furthermore, the Group would be obliged to pay, together with the tax liability for that tax period, the difference between the tax liability resulting from the application of the general regime and the tax paid as a result of applying the special tax regime in previous tax periods, without prejudice to any late payment interest, surcharges and penalties that may be applicable.

The corporate tax rate for SOCIMIs is set at 0%. However, where dividends distributed by the SOCIMI to its shareholders holding a stake of more than 5% are exempt or taxed at a rate of less than 10%, the SOCIMI shall be subject to a special tax of 19%—which shall be treated as a corporate tax liability—on the amount of the dividend distributed to the shareholders. Where applicable, this special levy must be paid by the SOCIMI within two months of the date on which the dividend is distributed.

As at 31 December 2025, Faifey Invest SOCIMI, S.A. is listed on Euronext, Paris, under ISIN ES0105553004, having been admitted to listing on 30 July 2021, as set out in the previous section.

3. SUBSIDIARIES AND SCOPE OF CONSOLIDATION

Subsidiaries are defined as all entities, including special purpose entities, over which the group exercises or may exercise, directly or indirectly, control, this being understood as the power to direct the financial and operating policies of a business with the aim of deriving economic benefits from its activities. When assessing whether the Group controls another entity, the existence and effect of potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are consolidated from the date on which control is transferred to the Group, and are deconsolidated on the date on which such control ceases.

As at 31 December 2025 and 31 December 2024, the subsidiaries included within the scope of consolidation, consolidated using the full consolidation method, are as follows:

2025		
Legal information		
Company name	**Asturias Propco Número Uno, S.L.**	**Wattenberg Invest, S.L.**
Activity	Development of urban property for letting	Property development
Percentage Direct shareholding	100%	100%
Net assets	**85,959,918.05**	**452,424.90**
Capital	5,098,708.37	333,006.00
Reserves	64,450,314.94	-
Other components of equity	11,719,961.51	2,219,819.60
Profit for the financial year	4,690,933.23	(2,100,400.70)
Data in the matrix		
Investment value	**95,610,210.74**	**452,424.90**
Cost	95,610,210.74	1,296,899.25
Accumulated impairment	-	(844,474.35)
Dividends paid to the Company	6,660,419.70	-

2024		
Legal information		
Company name	**Asturias Propco Número Uno, S.L.**	**Wattenberg Invest, S.L.**
Activity	Development of urban property for letting	Property development
Percentage Direct shareholding	100%	100%
Equity	**102,918,984.82***	**2,552,825.60**
Capital	5,098,708.37	333,006.00
Reserves	79,439,895.24	-
Other components of equity	10,496,372.25	2,259,933.09
Profit for the financial year	7,884,008.96	(40,113.49)
Data in the matrix		
Value of the investment	110,599,791.04	1,296,899.25
Cost	110,599,791.04	1,296,899.25
Accumulated impairment	-	-
Dividends distributed to the Company	6,438,125.95	-

* The carrying amount of the investment in Asturias Propco Número Uno, S.L. exceeds its net book value, mainly due to the existence of unrealised capital gains on property investments, which are taken into account in the consolidation process.

The registration details and registered offices of the subsidiaries are as follows:

- The company **Asturias Propco Número Uno, S.L.U.** was incorporated as a limited company in Spain under the name WXI Grupo Lar Parque Principado, S.L., for an indefinite period, on 28 October 1999, with its current registered office at 64 Paseo de la Castellana, Madrid. It is registered in the Madrid Commercial Register, in volume 14,702, folio 21, page 243,914. Its tax identification number is B82467754. Its main activity consists of the letting of premises located in the shopping centre known as Parque Principado, situated in the municipality of Siero (Asturias).

- **Wattenberg Invest S.L.U.** was incorporated as a limited liability company in Spain for an indefinite period on 7 November 2014, with its current registered office at Calle Príncipe de Vergara 112, 4th floor, 28002 Madrid. It is registered in the Madrid Commercial Register, in volume 32,835, folio 31, page 591034. Its tax identification number is B87140786. Its corporate purpose is the planning, implementation, management and operation –

in particular the development, construction, purchase and sale, conversion, letting and ownership – of all types of buildings.

The parent company acquired 100 per cent control of its subsidiaries by means of a deed of sale of shares, as detailed below:

- On 14 January 2020, the parent company acquired all the shares in the Spanish company Briscoe, S.L. On 27 January 2020, that company acquired all the shares in Asturias Propco Número Uno, S.L. by means of a private share purchase agreement.

- On 28 May 2020, a deed of merger by absorption was signed, whereby Asturias Propco Número Uno, S.L.U., as the absorbing company, absorbed Briscoe, S.L., as the absorbed company, with the result that Faifey Invest SOCIMI, S.A. became the sole shareholder of the absorbing company.

- Furthermore, on 27 January 2020, the parent company acquired all the shares in Wattenberg Invest, S.L.U. by means of a private sale and purchase agreement, which was subsequently formalised by a deed executed on 31 January 2020 before the notary Mr Antonio Perez-Coca Crespo, under protocol number 464.

As in the case of the parent company, all subsidiaries close their financial year on 31 December and are included in the consolidation.

4. ALLOCATION OF PROFITS

The proposed appropriation of profits for the parent company, Faifey Invest SOCIMI, SA, which has been drawn up by its Board of Directors and will be submitted for approval at its Annual General Meeting of Shareholders, is as follows:

Distribution base	**Amount**
Balance of the profit and loss account.	5,684,760.23
Total.	**5,684,760.23**
Distribution base	**Amount**
Interim dividends	5,684,760.23
Total.	**5,684,760.23**

In accordance with the minutes of the Annual General Meeting of Shareholders held on 20 March 2025, an interim dividend totalling 1,286,633.67 euros was distributed to shareholders, charged to the profit for the 2024 financial year, as well as an interim dividend charged to the profits for the 2025 financial year totalling 3,445,870.13 euros.

The interim financial statement, drawn up in accordance with legal requirements and confirming the existence of sufficient liquidity for the distribution of the aforementioned dividend, is set out below:

20 March 2025	Euros
Interim dividends paid (for the 2024 financial year)	1,286,633.67
Interim dividends paid (for the 2025 financial year)	3,445,870.13
Forecast distributable profits	
Projected net profit after tax at year-end	6,269,569.29
Allocation to the statutory reserve	-
Set-off of losses from previous financial years	-
Estimated distributable profits	6,269,569.29
Cash flow forecast	
Cash balance at the date of distribution	363,302.32
Estimated receipts up to the end of the financial year	6,000,000.00
Estimated payments until the end of the financial year, including the interim dividend	6,135,082.86
Projected cash balance at the end of the financial year	228,219.46

In accordance with the minutes of the Annual General Meeting of Shareholders held on 18 June 2025, an interim dividend totalling 250,000.00 euros was distributed to shareholders, charged to the profit for the 2024 financial year, as well as an interim dividend charged to the profits for the 2025 financial year totalling 1,003,000.00 euros.

The interim financial statement, drawn up in accordance with statutory requirements and showing that there were sufficient liquid funds to pay the aforementioned dividend, is set out below:

18 June 2025	Euros
Interim dividends distributed (for the 2024 financial year)	250,000.00
Interim dividends distributed (for the 2025 financial year)	1,003,000.00
Forecast distributable profits	
Projected net profit after tax at year-end	4,451,037.30
Allocation to the statutory reserve	-
Set-off of losses from previous financial years	-
Estimated distributable profits	4,451,037.30
Cash flow forecast	
Cash balance at the date of distribution	274,100.90
Estimated revenue up to the end of the financial year	2,218,000.00
Estimated payments up to the end of the financial year, including the interim dividend	2,325,574.86
Projected cash balance at the end of the financial year	166,526.04

In accordance with the minutes of the Annual General Meeting of Shareholders held on 12 September 2025, an interim dividend totalling 996,000.00 euros was distributed to shareholders, charged to the profit for the 2025 financial year.

The provisional financial statements, drawn up in accordance with legal requirements and showing that there were sufficient liquid funds to pay the aforementioned dividend, are set out below:

12/09/2025	Euros
Interim dividends distributed	996,000.00
Forecast distributable profits	
Projected net profit after tax at year-end	5,449,674.44
Allocation to the statutory reserve	-
Set-off of losses from previous financial years	-
Estimated distributable profits	5,449,674.44
Cash flow forecast	
Cash balance as at the date of distribution	246,890.22
Estimated receipts up to the end of the financial year	1,466,000.00
Estimated payments until the end of the financial year, including the interim dividend	1,546,802.93
Projected cash balance at the end of the financial year	166,087.29

In accordance with the minutes of the Annual General Meeting of Shareholders held on 28 November 2025, an interim dividend totalling 1,000,000.00 euros was distributed to shareholders, charged to the profit for the 2025 financial year.

The provisional financial statement, drawn up in accordance with legal requirements and confirming the existence of sufficient liquidity for the distribution of the aforementioned dividend, is set out below:

28/11/2025	Euros
Interim dividends distributed	1,000,000.00
Forecast of distributable profits	
Projected net profit after tax at the end of the financial year	6,504,645.87
Allocation to the statutory reserve	-
Set-off of losses from previous financial years	-
Estimated distributable profits	6,504,645.87
Cash flow forecast	
Cash balance at the date of distribution	243,608.96
Estimated receipts up to the end of the financial year	11,966,000.00
Estimated payments until the end of the financial year, including the interim dividend	12,043,957.01
Projected cash balance at the end of the financial year	165,651.95

These amounts to be distributed did not exceed the profits made by the parent company since the end of the last financial year, less the estimated corporation tax payable on those profits, in accordance with the provisions of Article 277 of the Consolidated Text of the Companies Act.

As at 31 December 2025, the amounts of the non-distributable reserves are as follows:

Non-distributable reserves	2025	2024
Legal reserve	1,012,000.00	1,012,000.00
Reserve for shares in the parent company	(6,511,167.48)	(7,916,937.00)
Total	**(5,499,167.48)**	**(6,904,937.00)**

Profits recognised directly in equity cannot be distributed, either directly or indirectly.

5. BASIS OF PRESENTATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

5.1. FINANCIAL REPORTING FRAMEWORK APPLICABLE TO THE GROUP

The consolidated annual accounts have been prepared by the Board of Directors of the parent company in accordance with the financial reporting framework applicable to the parent company, which is set out in:

- The Commercial Code, the Companies Act and other relevant commercial legislation.

- The General Accounting Plan approved by Royal Decree 1514/2007 and the amendments incorporated into it, the most recent of which were introduced by Law 7/2024 of 20 December, as well as the Rules for the Adaptation of the General Accounting Plan to Property Companies (Order of 28 December 1994), provided that they are not incompatible with the General Accounting Plan.

- The mandatory regulations approved by the Institute of Accounting and Auditing in implementation of the General Accounting Plan and its supplementary regulations.

- Any other applicable Spanish accounting regulations.

- Law 11/2009 of 26 October, regulating listed real estate investment companies (SOCIMIs) in relation to the information to be disclosed in the consolidated annual report, as amended by Law 16/2012 of 27 December, and Law 11/2021 of 30 June.

The figures included in these consolidated annual accounts are expressed in euros, unless otherwise stated.

5.2. FAIR PRESENTATION

The consolidated annual accounts have been derived from the accounting records of the parent company and the subsidiaries included in the consolidation, and include the adjustments and reclassifications necessary to bring them into line with the group's accounting policies in terms of timing and valuation.

These consolidated accounts are presented in accordance with current company law, as set out in the Commercial Code, as amended by Law 16/2007 of 4 July on the reform and adaptation of company law relating to accounting for the purposes of international harmonisation with European Union regulations, Royal Decree 1514/2007 of 20 November, which approves the General Accounting Plan, and Royal Decree 1159/2010 of 17 September, approving the rules for the preparation of consolidated annual accounts and their subsequent amendments—the most recent of which were incorporated by Royal Decree 1/2021 of 12 January, in force for financial years beginning on or after 1 January 2021— in all respects not inconsistent with the provisions of the aforementioned commercial law reform, with the aim of presenting a true and fair view of the Group's net assets, financial position and results, as well as the accuracy of the cash flows included in the consolidated cash flow statement.

5.3. NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED

No non-mandatory accounting principles have been applied, nor are there any mandatory accounting principles that have not been applied.

5.4. CRITICAL ASPECTS OF VALUATION AND ESTIMATION OF UNCERTAINTIES AND RELEVANT JUDGEMENTS IN THE APPLICATION OF ACCOUNTING POLICIES

As at 31 December 2025, the Board of Directors of the parent company is not aware of any uncertainties relating to events or conditions that could cast significant doubt on the parent company's ability to continue as a going concern.

In preparing these consolidated annual accounts, estimates made by the parent company's Board of Directors have been used. All estimates have been made on the basis of the best information available at the end of the financial year; however, it is possible that future events may require these estimates to be revised (upwards or downwards) in subsequent financial years, in which case such revisions would be made on a prospective basis.

Other assumptions regarding the future, as well as other relevant information concerning the estimation of uncertainty at the end of the financial year, which carry a significant risk of leading to changes, are as follows:

Impairment testing of investment property

The valuation of investment property requires the preparation of estimates in order to determine its fair value, for the purpose of assessing any potential impairment. To determine this fair value, the parent company has commissioned an independent valuer to carry out a valuation of the investment property, based on an estimate of the expected future cash flows from these assets and the application of an appropriate discount rate to calculate their present value.

Lease incentives

The parent company has entered into lease agreements with tenants under which certain incentives are granted in the form of rent-free periods, staggered rent payments and contributions. The parent company calculates revenue yet to be invoiced (rent-free periods) based on the estimated term of each lease agreement, and reassesses the situation at each balance sheet date.

Risks relating to the adoption of the SOCIMI regime

The parent company operates under the regime established by Law 11/2009 of 26 October, which regulates Listed Real Estate Investment Companies (SOCIMIs). In practice, this regime means that, provided certain requirements are met, the companies comprising the Group are subject to a 0% corporation tax rate. The parent company's Board of Directors monitors compliance with the requirements set out in the applicable regulations, with a view to maintaining the tax benefits associated with this regime. As at 31 December 2025, these requirements were met in accordance with the terms established by current legislation; consequently, no corporation tax expense needs to be recognised in these consolidated annual accounts.

Failure to meet the outstanding formal requirements within the period set for that purpose would result in the parent company being subject to taxation under the general corporation tax regime.

5.5. COMPARISON OF INFORMATION

For comparative purposes, the consolidated annual accounts present, alongside each item in the consolidated balance sheet, the consolidated profit and loss account and the statement of changes in consolidated equity, the consolidated cash flow statement and the consolidated notes to the financial statements, alongside the figures for the 2025 financial year, those for the previous financial year, 2024.

5.6. GROUPING OF ITEMS

In order to facilitate understanding of the consolidated balance sheet, the consolidated profit and loss account, the consolidated statement of changes in equity and the consolidated cash flow statement, these are presented in aggregated form, with the required analyses set out in the relevant notes to the consolidated financial statements.

6. ACCOUNTING AND VALUATION PRINCIPLES

In preparing the consolidated annual accounts for the financial year 2025, the accounting principles and valuation rules set out in the Standards for the Preparation of Consolidated Annual Accounts (NOFCAC) have been followed.

A summary of the principles applied by the group in the preparation of its consolidated annual accounts is set out below:

6.1. SUBSIDIARIES

Subsidiaries are defined as those companies over which the parent company exercises control, either directly or indirectly through subsidiaries, in accordance with Article 42 of the Commercial Code. Note 3 contains certain information on the subsidiaries included in the Group's consolidation, as well as changes in the scope of consolidation that occurred during the financial year.

a) Acquisition of control

The acquisition by the parent company (or another group company) of control over a subsidiary constitutes a business combination that is accounted for using the acquisition method. This method requires the acquiring company to recognise, at the acquisition date, the identifiable assets acquired and liabilities assumed in a business combination, as well as, where applicable, the corresponding goodwill or negative goodwill. Subsidiaries are consolidated from the date on which control is transferred to the Group, and are deconsolidated on the date on which control ceases.

The cost of acquisition is determined as the sum of the fair values, at the acquisition date, of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued by the acquirer, together with the fair value of any contingent consideration that is contingent on future events or the fulfilment of certain conditions, which must be recognised as an asset, a liability or in equity, depending on its nature.

Expenses relating to the issue of equity instruments or financial liabilities transferred do not form part of the cost of the business combination and are recognised in accordance with the standards applicable to financial instruments (Note 6). Fees paid to legal advisers or other professionals involved in the business combination are recognised as expenses as they are incurred. Nor are internally generated costs in respect of these items included in the cost of the business combination, nor any such costs that may have been incurred by the acquiree.

Any excess, at the acquisition date, of the cost of the business combination over the proportionate share of the value of the identifiable assets acquired, less the value of the liabilities assumed, representing the equity interest in the acquired company, is recognised as goodwill. In the exceptional event that this amount exceeds the cost of the business combination businesses, the excess would be recognised in the consolidated profit and loss account as income.

b) Consolidation methods

The assets, liabilities, income, expenses, cash flows and other items in the individual financial statements of the Group's member companies are incorporated into the consolidated financial statements using the full consolidation method. This method has been applied in accordance with the following criteria:

1. Alignment of reporting dates

The consolidated annual accounts are drawn up as at the same date as the parent company's individual annual accounts.

The subsidiaries have the same balance sheet date and financial year as the parent company; therefore, no adjustment for differences in accounting periods is necessary.

2. Consistent valuation

Assets and liabilities, income and expenses, and other items in the individual financial statements of subsidiaries have been valued using consistent methods. Any assets or liabilities, or items of income or expense, that had been valued using criteria inconsistent with those applied in the consolidation have been revalued, with the necessary adjustments made, solely for the purposes of consolidation.

3. Aggregation

The various items in the individual financial statements, having first been standardised, are aggregated according to their nature.

4. Elimination of equity investments

The carrying amounts of the subsidiary's equity instruments held, directly or indirectly, by the parent company are offset against the proportionate share of the subsidiary's equity items attributable to those holdings, generally on the basis of the values resulting from the application of the acquisition method described above.

In consolidations subsequent to the financial year in which control was acquired, any excess or shortfall in equity generated by the subsidiary from the acquisition date that is attributable to the parent company is presented in the consolidated balance sheet under the headings 'Reserves' or 'Value adjustments', depending on its nature. The portion attributable to minority shareholders is recorded under the heading 'Minority shareholders'.

5. External shareholders' interest

External shareholders are valued on the basis of their effective share in the subsidiary's equity, once the above adjustments have been made. Goodwill is not allocated to external shareholders. The excess of the losses attributable to the external shareholders of a subsidiary over their proportionate share of equity is allocated to them, even if this results in a debit balance in that account.

As at 31 December 2025, the Group has no external shareholders, as the subsidiaries are wholly-owned by the parent company.

6. Elimination of intra-group items

Receivables and payables, income and expenses, and cash flows between Group companies are eliminated in full. Similarly, all profits and losses arising from internal transactions are eliminated and deferred until they are realised with third parties outside the Group.

7. Goodwill and business combinations

The acquisition by the parent company of control over a subsidiary constitutes a business combination to which the purchase method will be applied. In subsequent consolidations, the elimination of the equity investment in subsidiaries will generally be carried out on the basis of values resulting from the application of the purchase method described below as at the date of control.

Business combinations are accounted for using the acquisition method, whereby the acquisition date is determined and the cost of the combination is calculated, with the identifiable assets acquired and liabilities assumed being recognised at their fair values as at that date.

Goodwill or the negative difference arising from the business combination is determined as the difference between the fair values of the acquired assets and assumed liabilities recognised and the cost of the business combination, all as at the acquisition date.

The cost of the business combination is determined by aggregating:

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

- The fair value of any contingent consideration that depends on future events or the fulfilment of predetermined conditions.

Costs relating to the issue of equity instruments or financial liabilities handed over in exchange for the acquired items do not form part of the cost of the business combination.

Furthermore, with effect from 1 January 2010, fees paid to legal advisers or other professionals involved in the business combination, and of course any internally generated costs in this regard, are also excluded from the cost of the business combination. These amounts are recognised directly in the profit and loss account.

c) Change in ownership interest without loss of control

Once control of a subsidiary has been obtained, subsequent transactions that result in a change in the parent company's shareholding in the subsidiary, without any loss of control over the subsidiary, are treated in the consolidated financial statements as a transaction involving the parent company's own equity instruments, in accordance with the following rules:

1. The amount of goodwill or any recognised negative difference is not adjusted, nor is that of other recognised assets and liabilities;

2. Any profit or loss that would have been recognised in the separate financial statements is eliminated on consolidation, with a corresponding adjustment to the reserves of the company whose shareholding is reduced;

3. The amounts for "adjustments for changes in value" and "grants, donations and legacies" are adjusted to reflect the Group companies' shareholding in the subsidiary;

4. The interest of external shareholders in the subsidiary's equity is shown on the basis of the percentage interest held in the subsidiary by third parties outside the Group following completion of the transaction, which includes the percentage interest in the goodwill recognised in the consolidated accounts associated with the change that has taken place;

5. The necessary adjustment resulting from points (a), (b) and (c) above shall be recognised in reserves.

During the 2025 financial year, there were no changes in the shareholdings of subsidiaries (Note 3).

d) Loss of control

When control of a subsidiary is lost, the following rules apply:

- For consolidation purposes, the profit or loss recognised in the separate financial statements is adjusted;

- If the subsidiary is reclassified as a joint venture or an associate, it is consolidated and the equity method is initially applied, taking into account, for the purposes of its initial measurement, the fair value of the retained interest at that date;

- Any remaining interest in the net assets of the subsidiary retained following the loss of control and which falls outside the scope of consolidation shall be measured in accordance with the criteria applicable to financial assets (Note 5.6), with the initial measurement being the fair value at the date on which it ceases to form part of the scope of consolidation.

- An adjustment is recognised in the consolidated profit and loss account to reflect the external shareholders' share of the income and expenses generated by the subsidiary during the financial year up to the date of loss of control, and to reflect the transfer to the profit and loss account of income and expenses previously recognised directly in equity.

During the 2025 financial year, there were no losses of control over investee companies.

6.2. INVESTMENT PROPERTY

The parent company classifies under this heading property, including that under construction or development, intended wholly or partly to generate rental income, capital gains or both, rather than for use in the production or supply of goods or services, or for the parent company's administrative purposes, or for sale in the ordinary course of business. Investment property recognised prior to 1 January 2013 includes revaluations carried out in accordance with Law 16/2012 of 27 December, which adopts various tax measures aimed at consolidating public finances and stimulating economic activity.

The parent company recognises and measures investment property in accordance with the criteria established for property, plant and equipment.

Investment property comprises the shopping centre operated by Asturias Propco Número Uno, S.L.U. through the letting of the commercial premises within it, known as Parque Principado, and a service station – petrol station, as well as the plots of land owned by Wattenberg Invest, S.L.U. in the parishes of Viella and Lugonés, in the localities of Naón, Paredes, Folgueras, San Juto and Losa de la Villa, in the municipality of Siero.

Items included under this heading are initially measured at cost, whether this be the purchase price or the cost of production.

The acquisition cost includes, in addition to the amount invoiced by the seller after deducting any discounts or price reductions, all additional and directly related costs incurred until the asset is brought into working order.

Subsequently, these items of investment property are measured at their acquisition cost less accumulated depreciation and, where applicable, the cumulative amount of any impairment losses recognised.

The Group periodically compares – and at the very least at the end of the financial year or period – the net book value of the various components of investment property with the market value obtained through valuations by independent experts, or through internal studies using similar methodologies, and recognises the appropriate provisions for impairment of investment property where the market value is lower than the net book value.

Finance costs directly related to the construction of investment property with a completion period exceeding one year were capitalised as part of the cost until the asset was brought into use.

Repairs that do not extend the useful life of an asset, and maintenance costs, are charged to the profit and loss account in the financial year in which they are incurred. Costs relating to extensions or improvements that result in an increase in production capacity or an extension of the useful life of the assets are capitalised as an increase in their value, with the carrying amount of any replaced items being written off where applicable.

Depreciation of investment property is calculated on the basis of cost using the straight-line method, based on the estimated useful life of the various assets, which is as follows:

	Depreciation method	Estimated useful life in years
Construction	Straight-line	50
Technical installations	Linear	10 / 12

At each year-end, the Group reviews the residual values, useful lives and depreciation methods of investment property and, where appropriate, adjusts them prospectively.

Impairment of investment property

The Group periodically assesses whether there are any indications that a non-current asset or, where applicable, a cash-generating unit may be impaired. If such indications exist, their recoverable amounts are estimated.

The recoverable amount is the higher of fair value less costs to sell and value in use. Where the carrying amount exceeds the recoverable amount, an impairment loss is recognised. Value in use is the present value of expected future cash flows, calculated using risk-free market interest rates, adjusted for the specific risks associated with the asset.

Impairment losses and their reversals are recognised in the consolidated profit and loss account. Impairment losses are reversed when the circumstances that gave rise to them no longer exist, except in the case of goodwill. The reversal of an impairment loss is limited to the carrying amount of the asset that would have been recognised had the corresponding impairment loss not been recognised previously.

6.3. LEASES

Contracts are classified as finance leases where it is apparent from their economic terms that substantially all the risks and rewards inherent in the lease are transferred to the lessee to the ownership of the asset covered by the contract. Otherwise, contracts are classified as operating leases.

a) Finance leases

As at 31 December 2025 and 2024, the parent company did not have any finance leases.

b) Operating leases

Investment property is let to third parties. These leases are classified as operating leases.

Income from operating leases is recognised in the profit and loss account on a straight-line basis over the estimated term of the lease. Direct costs attributable to the contract are included as an increase in the value of the leased asset and are recognised as an expense over the term of the contract, using the same method as that applied to the recognition of lease income.

6.4. FINANCIAL INSTRUMENTS

Financial assets:

Financial assets at amortised cost

This category includes those financial assets, including those admitted to trading on an organised market, in which the Group holds the investment with the aim of receiving the cash flows arising from the performance of the contract, and where the contractual terms of the financial asset give rise, on specified dates, to cash flows that consist solely of principal and interest payments on the outstanding principal amount.

Contractual cash flows that consist solely of principal and interest payments on the outstanding principal amount are inherent in an arrangement that is in the nature of an ordinary or standard loan, notwithstanding that the transaction may be agreed at a zero or below-market interest rate.

This category includes trade receivables and non-trade receivables:

- Loans arising from commercial transactions: these are financial assets arising from the sale of goods and the provision of services in the course of the company's business operations, with deferred payment, and

- Loans arising from non-trading activities: these are financial assets which, whilst not being equity instruments or derivatives, do not arise from trading activities and whose receipts are of a fixed or determinable amount, arising from loans or credit facilities granted by the company.

Initial measurement

Financial assets classified in this category shall be initially measured at fair value, which, unless there is evidence to the contrary, shall be the transaction price, equivalent to the fair value of the consideration given, plus any transaction costs directly attributable to them.

However, receivables arising from commercial transactions with a maturity of no more than one year and which do not have an explicit contractual interest rate, as well as receivables from staff, dividends receivable and callable amounts on equity instruments, the amounts of which are expected to be received within the

Short-term items are stated at their nominal value to the extent that the effect of not *discounting the cash flows is not material.*

Subsequent measurement

Financial assets included in this category shall be measured at amortised cost. Accrued interest shall be recognised in the profit and loss account using the effective interest method.

However, loans with a maturity of one year or less which, in accordance with the provisions of the previous paragraph, are initially measured at their nominal value, continue to be measured at that amount, unless they have become impaired.

Where the contractual cash flows of a financial asset are modified due to the issuer's financial difficulties, the company assesses whether an impairment loss should be recognised.

Impairment

The necessary value adjustments are made, at least at the balance sheet date and whenever there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics valued collectively, has been impaired as a result of one or more events that have occurred since its initial recognition and that give rise to a reduction or delay in estimated future cash flows, which may be caused by the debtor's insolvency.

Generally speaking, the impairment loss on these financial assets is the difference between their carrying amount and the present value of the future cash flows—including, where applicable, those arising from the realisation of security interests and personal guarantees—that they are estimated to generate, discounted at the effective interest rate calculated at the time of their initial recognition. For financial assets at variable interest rates, the effective interest rate applicable at the balance sheet date of the consolidated financial statements is used, in accordance with the contractual terms. Formula-based models or statistical methods are used to calculate impairment losses on the group of financial assets.

Impairment losses, as well as their reversal where the amount of such a loss decreases due to reasons relating to a subsequent event, are recognised as an expense or income, respectively, in the profit and loss account. The reversal of an impairment loss is limited to the carrying amount of the asset that would have been recognised at the date of reversal had the impairment loss not been recognised.

Impairment of financial assets

At least at the end of the financial year, the necessary impairment losses are recognised whenever there is objective evidence that the carrying amount of an investment will not be recoverable. The amount of the impairment loss is the difference between its carrying amount and its recoverable amount, the latter being defined as the higher of its fair value less costs to sell and the present value of future cash flows arising from the investment, which, in the case of equity instruments, is calculated either by estimating the cash flows expected to be received as a result of dividends paid by the investee and the disposal or derecognition of the investment in that investee, or by estimating its share of the cash flows expected to be generated by the investee, arising from both its ordinary activities and its disposal or derecognition.

Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimated impairment loss on this class of assets is calculated as the investee's net equity and any unrealised gains or losses existing at the valuation date are recognised in net equity, net of the tax effect. This value is determined provided that the investee company has not previously invested in another entity; it is included in net equity as set out in the consolidated annual accounts prepared in accordance with the Commercial Code and its implementing regulations.

The recognition of impairment losses and, where applicable, their reversal, is recorded as an expense or income, respectively, in the profit and loss account. The reversal of an impairment loss is limited to the carrying amount of the investment that would have been recognised at the date of reversal had the impairment loss not been recognised.

However, where an investment in the company had been made prior to its classification as a group company, multi-group company or associate, and where, prior to that classification, valuation adjustments arising from that investment had been recognised directly in equity, such adjustments are retained following the classification until the investment is disposed of or derecognised, at which point they are recognised in the profit and loss account, or until the following circumstances arise:

a) In the case of previous revaluations due to increases in value, impairment losses shall be recognised against the equity account that reflects the revaluations previously made, up to the amount of those revaluations; any excess shall be recognised in the profit and loss account. An impairment loss recognised directly in equity shall not be reversed.

b) In the case of previous valuation adjustments due to reductions in value, where the recoverable amount subsequently exceeds the carrying amount of the investment, the carrying amount is increased up to the limit indicated by the reduction, provided that the offsetting entry has already recognised the previous adjustments; from that point onwards, the new amount is considered the cost of the investment. However, where there is objective evidence of impairment of investments, accumulated losses previously recognised directly in equity are recognised in the profit and loss account.

Assets designated as hedged items are subject to the valuation requirements of hedge accounting.

Cash and other cash equivalents

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

- They are convertible into cash.
- At the time of acquisition, their maturity did not exceed three months.
- They are not subject to significant risk of a change in value.
- They form part of the parent company’s normal cash management policy.

Financial liabilities

Financial liabilities at amortised cost

Generally speaking, this category includes trade payables and non-trade payables:

- Liabilities arising from commercial transactions: these are financial liabilities arising from the purchase of goods and services in the course of the company’s business operations on deferred payment terms, and

- Liabilities arising from non-trading transactions: these are financial liabilities which, whilst not being derivative instruments, do not arise from trading activities but rather from loans or credit received by the company.

Equity loans that have the characteristics of an ordinary or standard loan are also included in this category, regardless of the agreed interest rate (zero or below market rate).

Initial measurement

Financial liabilities included in this category are initially measured at fair value, which is the transaction price, equivalent to the fair value of the consideration received, adjusted for any transaction costs directly attributable to them.

However, trade payables with a maturity of one year or less and which do not have a contractual interest rate are measured, both on initial recognition and subsequently, at their nominal value when the effect of not discounting the cash flows is not material.

Subsequent measurement

Financial liabilities included in this category are measured at amortised cost. Accrued interest is recognised in the profit and loss account using the effective interest method.

However, liabilities maturing within one year that are initially measured at their nominal value continue to be measured at that amount.

6.5. PROVISIONS AND CONTINGENCIES

Provisions are recognised when the group has a present obligation, whether legal or constructive, arising from past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the outflows expected to be required to settle the obligation, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Adjustments to the provision arising from its revaluation are recognised as a finance cost as they accrue.

Provisions with a maturity of one year or less, where the financial impact is not material, are not discounted.

Where part of the outlay required to settle the provision is expected to be reimbursed by a third party, the reimbursement is recognised as a separate asset, provided that its receipt is virtually certain.

Contingent liabilities, on the other hand, are defined as potential obligations arising from past events, the realisation of which is contingent upon the occurrence or non-occurrence of one or more future events beyond the Group’s control. Such contingent liabilities are not recognised in the accounts; details of them are provided in the notes to these consolidated financial statements, except where the outflow of resources is remote.

6.6. INCOME TAX

The income tax expense or income comprises both current and deferred tax.

Current income tax assets or liabilities are measured at the amounts expected to be paid to or recovered from the tax authorities, using the tax laws and rates in force or approved but not yet published at the end of the financial year.

Current or deferred income tax is recognised in profit or loss, unless it arises from a transaction or economic event that has been recognised in the same financial year or in a different one, against equity, or from a business combination.

The parent company has opted to apply the special tax regime set out in Law 11/2009 of 26 October, as amended by Law 16/2012 of 27 December and subsequent amendments, which establishes the legal framework for Listed Real Estate Investment Companies (SOCIMIs), the principal activity of which is investment in urban property assets for rental purposes, including ‘commercial’ premises, amongst others.

On 25 September 2020, the parent company decided to opt into the regime governed by Law 11/2009 of 26 October, which regulates Listed Real Estate Investment Companies (“SOCIMI”), with effect from the tax year commencing on 1 January 2020. This decision to opt into the regime was notified to the State Tax Administration Agency by letter dated the same day.

As at 31 December 2025, Faifey Invest SOCIMI, S.A. is listed on Euronext, Paris, under ISIN ES0105553004, having been admitted to trading on 31 July 2021; consequently, all the requirements have been met within two years of the date on which the regime came into force.

Article 3 of the aforementioned Act sets out the investment requirements for this type of company, namely:

1. SOCIMIs must have invested at least 80 per cent of the value of their assets in urban property intended for letting, in land for the development of property to be used for that purpose, provided that development commences within three years of its acquisition, and in holdings in the share capital or equity of other entities referred to in Article 2(1) of the aforementioned Act.

   The value of the asset shall be determined on the basis of the average of the consolidated quarterly balance sheets for the financial year; the parent company may, when calculating this value, choose to replace the book value with the market value of the items comprising those balance sheets, and this shall apply to all balance sheets for the financial year. For these purposes, any cash or receivables arising from the disposal of such properties or shareholdings carried out during the same financial year or in previous years shall not be included, provided that, in the latter case, the reinvestment period referred to in Article 6 of the aforementioned Act has not yet elapsed.

2. Furthermore, at least 80 per cent of the income for the tax period, calculated on a consolidated basis – excluding income derived from the disposal of shareholdings and immovable property, both of which are used to fulfil the company’s principal corporate purpose – must, once the holding period referred to in the following paragraph has elapsed, derive from the letting of immovable property and from dividends or shares in profits arising from such shareholdings.

3. The property forming part of the SOCIMI’s assets must remain let for at least three years. For the purposes of this calculation, the period during which the property has been offered for let shall be included, up to a maximum of one year. The period shall be calculated:

a. In the case of immovable property forming part of the SOCIMI's assets prior to the date on which it opts into the scheme, from the start date of the first tax period in which the special tax regime established by the Act applies, provided that, on that date, the property was let or offered for let. Otherwise, the provisions of the following sub-paragraph shall apply.

b. In the case of immovable property developed or acquired subsequently by the parent company, from the date on which it was let or offered for let for the first time.

In the case of shares or holdings in entities referred to in Article 2(1) of the aforementioned Act, these must be held on the SOCIMI's balance sheet for at least three years from the date of acquisition or, where applicable, from the start of the first tax period in which the special tax regime established in the aforementioned Act applies.

Failure to comply with any of these conditions will result in the parent company being subject to the general corporation tax regime from the tax year in which such non-compliance becomes apparent, unless the situation is rectified in the following financial year. Furthermore, the parent company shall be obliged to pay, together with the tax liability for that tax period, the difference between the tax liability resulting from the application of the general regime and the tax paid as a result of applying the special tax regime in previous tax periods, without prejudice to any interest on arrears, surcharges and penalties that may be applicable.

4. The minimum capital requirement is 5 million euros, a requirement that applies only to entities listed on an official European secondary market.

5. SOCIMIs are obliged to distribute the following as dividends:

   a. 100 per cent of profits arising from dividends, shareholdings and profits distributed by other companies subject to the special tax regime applicable to SOCIMIs.

   b. At least 50 per cent of the profits derived from the disposal of property and shares or holdings that have met the three-year holding period requirement. The remainder of the profits must be reinvested in other property or holdings within the following three years.

   c. At least 80 per cent of the remaining profits realised.

6. SOCIMIs shall have as their principal corporate purpose:

   a. The acquisition and development of urban property for letting. Development activities include the refurbishment of buildings in accordance with the provisions of Law 37/1992 of 28 December on Value Added Tax.

   b. The holding of shares in the capital of other SOCIMIs or in that of other entities not resident in Spain which have the same corporate purpose as the former and which are subject to a regime similar to that established for SOCIMIs with regard to the mandatory, legal or statutory policy on the distribution of profits.

   c. Holdings in the share capital of other entities, whether resident in Spain or not, whose principal corporate purpose is the acquisition of urban property for letting and which are subject to the same regime as that established for SOCIMIs with regard to mandatory, statutory or statutory policy, profit distribution policy and meet the investment requirements referred to in Article 3 of this Act.

The entities referred to in this sub-paragraph (c) may not hold shares in the capital of other entities. Shares representing the capital of these entities must be registered shares, and their entire capital must be held by other SOCIMIs or non-resident entities referred to in sub-paragraph (b) above. In the case of entities resident in Spain, they may opt to be subject to the special tax regime under the conditions set out in Article 8 of this Act.

d. The holding of shares or units in collective real estate investment undertakings regulated by Law 35/2003 of 4 November on Collective Investment Undertakings.

The income tax expense for the financial year is calculated as the sum of the current tax—which results from applying the relevant tax rate to the taxable base for the financial year, less any applicable tax relief and deductions—and the changes during that financial year in the recognised deferred tax assets and liabilities. It is recognised in the profit and loss account, except where it relates to transactions that are recognised directly in equity, in which case the corresponding tax is also recognised in equity.

Deferred tax is recognised for temporary differences existing at the balance sheet date between the tax base of assets and liabilities and their carrying amounts, provided that these differences are considered taxable. The tax base of an asset or liability is taken to be the amount attributed to it for tax purposes.

The tax effect of temporary differences is included under the relevant headings *'Deferred tax* assets' and *'Deferred tax* liabilities' in the balance sheet.

The parent company recognises a deferred tax liability for all taxable temporary differences, except, where applicable, for the exceptions provided for in current legislation.

Without prejudice to the comments set out below regarding the SOCIMI regime, at the end of each financial year the parent company assesses recognised deferred tax assets and those that have not previously been recognised. Based on this assessment, the parent company writes off a previously recognised deferred tax asset if it is no longer probable that it will be recovered, or recognises any previously unrecognised deferred tax asset provided that it is probable that the parent company will have future taxable profits against which it can be utilised.

Deferred tax assets and liabilities are measured at the tax rates expected to apply at the time of their reversal, in accordance with current approved regulations, and in line with the manner in which the deferred tax asset or liability is reasonably expected to be recovered or settled.

Deferred tax assets and liabilities are not deducted from the tax base and are classified as non-current assets and liabilities, regardless of the expected date of realisation or settlement.

The parent company will be subject to a special tax of 19 per cent on the full amount of dividends or shares in profits distributed to shareholders whose holding in the company's share capital is 5 per cent or more, where such dividends, in the hands of the shareholders, are exempt or taxed at a rate of less than 10 per cent. This tax shall be treated as a corporate tax liability.

With effect from financial years beginning on or after 1 January 2021, Law 11/2021 of 9 July on measures to prevent and combat tax fraud amends Article 9(4) of

Law 11/2009 of 26 October, regulating listed public limited companies and investment in the property market (SOCIMI). Specifically, a special tax of 15 per cent is introduced on the amount of profit made during the financial year that is not distributed, in respect of the portion arising from: a) income that has not been taxed at the standard rate of corporation tax; and b) income not derived from the disposal of eligible assets, provided that, following the expiry of the three-year holding period, such assets have been included in the three-year reinvestment period provided for in Article 6.b) Law 16/2012 of 27 December.

This special tax shall be treated as a corporation tax liability and shall become chargeable on the date of the resolution to apply the results of the financial year by the general meeting of shareholders or an equivalent body. Self-assessment and payment of the tax must be made within two months of the date on which the liability arises.

The Company's Directors can confirm that these consolidated annual accounts have complied with the requirements set out in the regulations governing the application of the SOCIMI regime.

6.7. CLASSIFICATION OF ASSETS AND LIABILITIES AS CURRENT AND NON-CURRENT

Assets and liabilities are presented in the balance sheet classified as current or non-current. For these purposes, assets and liabilities are classified as current when they relate to the parent company's normal operating cycle and are expected to be sold, consumed, realised or settled within the course of that cycle; their maturity, disposal or realisation is expected to occur within a maximum of one year; they are held for trading purposes; or they are cash and other cash equivalents whose use is not restricted for a period exceeding one year. Otherwise, they are classified as non-current assets and liabilities.

6.8. INCOME AND EXPENSES

Revenue is recognised at the fair value of the consideration to be received and represents the amounts receivable for services rendered in the ordinary course of the Parent Company's activities, net of returns, rebates, discounts and value added tax.

<u>Provision of services</u>

The new standard is based on the principle that ordinary revenue is recognised when control of a good or service is transferred to the customer, for the amount reflecting the consideration to which the entity expects to be entitled. Thus, the concept of control, as a fundamental principle, replaces the current concept of risks and rewards.

To apply this fundamental principle, the following successive steps must be followed:

- identify contracts with customers;
- identify the obligations to be fulfilled;
- determine the price or consideration for the contract transaction;
- allocate the transaction price amongst the obligations to be fulfilled; and
- recognise revenue when (or as) the entity satisfies each obligation undertaken.

The Group provides letting services. According to the analysis carried out by the directors, all revenue is derived from the letting of properties recorded under the heading "Investment property" and classified as operating leases. This revenue is recognised on an accrual basis and upon fulfilment of the obligation to use the property, with the benefits arising from incentives and the initial costs of the lease agreements being allocated on a straight-line basis.

Costs relating to each lease payment, including impairment losses, are recognised as an expense.

6.9. ENVIRONMENTAL ASSETS AND LIABILITIES

Environmental assets are considered to be assets used on a long-term basis in the Group's operations, the primary purpose of which is to minimise environmental impact and to protect and improve the environment, including the reduction or elimination of future pollution.

Costs incurred in acquiring systems, equipment and facilities designed to eliminate, limit or control any potential environmental impacts arising from the Group's normal business activities are treated as capital expenditure.

All other environmental-related expenditure, other than that incurred for the acquisition of fixed assets, is treated as an expense for the financial year.

With regard to any potential environmental contingencies that may arise, the Board of Directors of the parent company considers that, given the nature of the Group's business, their impact is immaterial and, in any event, they are adequately covered by the insurance policies taken out.

6.10. TRANSACTIONS BETWEEN RELATED PARTIES

Generally speaking, transactions between group companies are initially recognised at fair value. Where applicable, if the agreed price differs from fair value, the difference is recognised in accordance with the economic substance of the transaction. Subsequent measurement is carried out in accordance with the relevant accounting standards.

However, in transactions relating to a business – which includes equity interests that confer control over a company constituting a business – the Group applies the following criteria:

a) Non-monetary contribution

- In the case of non-monetary contributions to a group company, both the contributing company and the acquiring company measure the investment at the carrying amount of the assets transferred, as shown in the consolidated financial statements on the date the transaction takes place. For these purposes, the consolidated financial statements of the larger group or sub-group comprising the assets in question, where the parent company is Spanish, are used.

b) Mergers and demergers

- In transactions between group companies involving the parent company (or the parent of a sub-group) and its direct or indirect subsidiary, the assets acquired are measured at the amount corresponding to them in the consolidated financial statements of the group or sub-group. Any resulting difference is recognised against a reserve item.

- In the case of transactions between other group companies, the assets acquired are valued at their carrying amounts in the consolidated annual accounts of the larger group or sub-group to which they belong and whose parent company is Spanish.

- The accounting effective date for mergers and demergers between group companies is the start of the financial year in which the transaction is approved, provided that this is after the date of joining the group. If one of the companies involved in the transaction joined the group during the financial year in which the merger or demerger takes place, the accounting effective date shall be the date of acquisition.

- Comparative information for the previous financial year is not restated to reflect the effects of the merger or demerger, even if the companies involved in the transaction had formed part of the Group during that financial year.

c) Capital reduction, dividend distribution and winding-up

- In cases where the business in respect of which the capital reduction takes place, the dividend payment is agreed or the partner's liquidation share is cancelled remains within the Group, the transferring company shall recognise the difference between the debt owed to the partner and the carrying amount of the business transferred in a reserve account. The transferee shall account for the business in accordance with the rules governing mergers and demergers.

6.11. EQUITY

The parent company's share capital consists of ordinary shares, all of the same class.

The costs of issuing new shares or options are recognised directly against interim equity, as a reduction in reserves.

6.12. BUSINESS COMBINATIONS

Mergers, demergers and non-cash contributions of a business between group companies are accounted for in accordance with the provisions for transactions between related parties (Note 6.10.).

Mergers, demergers and non-cash contributions other than those mentioned above, and business combinations arising from the acquisition of all the assets and liabilities of a company or of a part thereof constituting one or more businesses, are accounted for using the acquisition method (Note 6.1).

6.13. CONSOLIDATED CASH FLOW STATEMENT

In the consolidated cash flow statement, the following terms are used:

- Cash flows: Inflows and outflows of cash and cash equivalents, the latter being defined as current investments that are highly liquid and subject to a low risk of changes in value.

- Operating activities: activities typical of day-to-day operations, as well as other activities that cannot be classified as investing or financing activities.

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

- Financing activities: activities that result in changes to the size and composition of equity and liabilities that do not form part of operating activities.

For the purposes of preparing the consolidated cash flow statement, *'Cash and cash* equivalents' have been defined as cash on hand and demand deposits with banks, as well as those highly liquid current investments that are readily convertible into specific amounts of cash and are subject to an insignificant risk of changes in value.

6.14. SEGMENT INFORMATION

In defining the segments, account is taken of the criteria and classifications used by the parent company's Board of Directors for the analysis of the group's operations. Specifically, a distinction is made between the property leasing business described in the section of these notes relating to the Group's operating leases, and corporate-type operations.

6.15. FINANCIAL RISK MANAGEMENT

The Group's risk management policies for the financial year 2024 were established by the Board of Directors. Based on these policies, a series of procedures and controls have been put in place to identify, measure and manage the risks arising from the Group's activities.

- **Credit risk**

Credit risk arises from the potential loss caused by the failure of the Group's counterparties to meet their contractual obligations; in other words, from the possibility of not recovering financial assets at the amount recognised in the accounts and within the established timeframe.

Operational activities

A breakdown of the age of each outstanding balance is prepared periodically to serve as a basis for managing their collection. The Property Manager sends out monthly reminders for overdue accounts. For those outstanding for more than three months, a debt recovery procedure is initiated; at this stage, the cases are referred to the legal department for monitoring and, where appropriate, subsequent legal action.

Investment activities

The group's policies stipulate that no financial investments (such as repos, money market funds and short-, medium- and long-term fixed-income investment funds) should be made unless specific circumstances warrant it.

- **Market risk**

Market risk arises from potential losses caused by changes in the fair value or future cash flows of financial instruments due to changes in market prices. Market risk includes interest rate risk, foreign exchange risk and price risk.

- **Interest rate risk**

Interest rate risk arises from potential losses caused by changes in the fair value or future cash flows of financial instruments due to changes in market interest rates. The group seeks to mitigate the risk of changes in interest rates by entering into derivative financial instruments.

- **Exchange rate risk**

The group is not exposed to the risk of exchange rate fluctuations as it conducts its operations within the eurozone, which is its functional currency.

- **Price risk**

With regard to price risk, the group has established a series of rental pricing policies based on the type of premises to be let, with the aim of monitoring an appropriate level of income that allows demand for space to be matched to vacant premises. Any changes to this pricing policy must be authorised in advance by the Commercial Department of the relevant group.

- **Liquidity risk**

Liquidity risk arises from the possibility that the group may be unable to hold, or access, sufficient liquid funds at an appropriate cost to meet its payment obligations at all times.

The group carries out regular estimates of its cash flow requirements, and no short-term requirements have come to light.

- **Fair value**

The fair value of financial instruments traded on active markets (such as securities held for trading and those available for sale) is based on market prices at the date of the consolidated balance sheet. The market quotation used for financial assets is the best bid price.

The fair value of financial instruments that are not quoted in an active market is determined using valuation techniques. The Group uses its judgement to select a range of methods and makes assumptions based on prevailing market conditions at each balance sheet date. For long-term debt, quoted market prices or quotes from market participants are used. To determine the fair value of other financial instruments, other techniques are used, such as estimated discounted cash flows. The fair value of interest rate swaps is calculated as the present value of estimated future cash flows.

The fair value of forward exchange contracts is determined using forward exchange rates quoted on the market at the date of the consolidated balance sheet.

It is assumed that the carrying amount of trade receivables and payables approximates their fair value. The fair value of financial liabilities for financial reporting purposes is estimated by discounting future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

7. INVESTMENT PROPERTIES

The composition and movements in the accounts included under ‘Investment property’ during the 2025 and 2024 financial years were as follows:

Financial Year 2025	Euros				
	Balance at 31 December 2024	**Additions**	**Transfers**	**Disposals**	**Balance as at 31 December 2025**
Cost					
Land	88,623,022.35	-	-	-	88,623,022.35
Construction	265,839,288.89	298,633.68	-	-	266,137,922.57
Furniture	14,963.57	-	-	-	14,963.57
Other facilities	266,546.68	-	-	-	266,546.68
Technical Equipment	2,793,387.88	200,000.00	-	-	2,993,387.88
Property Investments in Progress	313,773.33	-	-	-	313,773.33
	357,850,982.70	**498,633.68**	**-**	**-**	**358,349,616.38**
Depreciation					
Buildings	(47,716,122.16)	(3,549,452.57)	-	-	(51,265,574.73)
Furniture	(10,852.97)	(1,496.40)	-	-	(12,349.37)
Other facilities	(160,386.42)	(31,076.40)	-	-	(191,462.82)
Technical Equipment	(19,826,155.79)	(1,681,159.56)	-	-	(21,507,315.35)
	(67,713,517.34)	**(5,263,184.93)**	**-**	**-**	**(72,976,702.27)**
Impairment					
Land	-	(2,075,000.00)	-	-	(2,075,000.00)
	-	**(2,075,000.00)**	**-**	**-**	**(2,075,000.00)**
Net book value	**290,137,465.36**	**(6,839,551.25)**	**-**	**-**	**283,297,914.11**

Financial year 2024	Euros				
	Balance as at 31 December 2023	**Additions**	**Transfers**	**Disposals**	**Balance as at 31 December 2024**
Cost					
Land	88,623,022.35	-	-	-	88,623,022.35
Construction	245,676,087.16	20,163,201.73	-	-	265,839,288.89
Furniture	14,963.57	-	-	-	14,963.57
Other facilities	266,546.68	-	-	-	266,546.68
Technical Equipment	2,793,387.88	-	-	-	2,793,387.88
Property Investments in Progress	15,183,513.02	-	-	(14,869,739.69)	313,773.33
	352,557,520.66	**20,163,201.73**	**-**	**(14,869,739.69)**	**357,850,982.70**
Depreciation					
Buildings	(43,527,583.50)	(4,188,538.66)	-	-	(47,716,122.16)
Furniture	(9,356.57)	(1,496.40)	-	-	(10,852.97)
Other facilities	(128,619.30)	(31,767.12)	-	-	(160,386.42)
Technical Equipment	(18,947,113.24)	(879,042.55)	-	-	(19,826,155.79)
	(62,612,672.61)	**(5,100,844.73)**	**-**	**-**	**(67,713,517.34)**
Net book value	**289,944,848.05**	**15,062,357.00**	**-**	**(14,869,739.69)**	**290,137,465.36**

As at 31 December 2025, the group's investment property comprises the following assets:

- A shopping centre located in Siero (Asturias) which the Group operates by letting the retail units within it, known as Parque Principado, as well as a service station – petrol station. The property was acquired by the company Asturias Propco Número Uno on 23 May 2001 by means of a deed executed before the notary Ms María del Rosario Algora Wesolowski, under protocol number 1,347, and is registered in the Land Registry of Pola de Siero as property number 96,185 in Volume 1034, Book 881, folio 156. The Group recorded it in its accounts on 27 January 2020, following the purchase of the shares in Asturias Propco Número Uno.

- Plots of land acquired by Wattenberg Invest, S.L.U. on 20 January 2016, adjacent to the shopping centre known as Parque Principado, situated in the parishes of Viella and Lugonés, in the localities of Naón, Paredes, Folgueras, San Justo and Llosa de la Villa, in the municipality of Siero.

As at 31 December 2025, the market value of the shopping centre, as determined by the independent valuer, is 339,236,000.00 euros (330,204,000.00 as at 31 December 2024).

The total amount under the heading "*Investment* property" at the end of the 2025 and 2024 financial years corresponds to the net book value of the shopping centre, situated in Asturias, which the Group operates by letting the commercial premises comprising it, known as Parque Principado, and the adjoining plots in the parishes of Viella and Logonés, in the localities of Naón, Paredes, Folgueras, San Justo and Llosa de la Villa, in the municipality of Siero.

All the properties included under this heading serve as security for the financial debt identified in Note 10 to these financial statements.

The group has taken out several insurance policies to cover the risks to which its investment property assets are exposed. The cover provided by these policies is considered sufficient.

KEY ASSUMPTIONS USED BY THE INDEPENDENT VALUERS IN CALCULATING THE VALUE IN USE:

The valuation approach used for income-generating property assets is the capitalisation of income based on the Discounted Cash Flow and Exit Multiplier method (*"Discounted Cash Flow ")*, which estimates the value of an investment using projected future cash flows.

To determine the market value of the properties, the following steps were taken (*"Exit* Yield"):

- The income and expenditure flows over a 10-year period derived from the letting of the properties were determined, and an exit yield of 6.00% was applied, net of the costs associated with the sale. The current rents were taken for the duration of the existing tenancies, and the market assumptions detailed in the relevant report by the independent valuer were used.

- Based on the above assumptions, a net operating income stream has been estimated for the 10-year period, including the exit value (a hypothetical sale price at the end of the cash flow period).

- Discount the cash flow to the valuation date using a discount rate of 8.00 per cent.

- Finally, standard acquisition costs are deducted from the gross amount to obtain the net value, i.e. the market value.

A sensitivity analysis has been carried out on the value of property investments, taking into account reasonable variations in the main assumptions (discount rates, expected rental income and occupancy rates). This analysis shows that, in the event of moderate adverse changes in these variables, there would be no significant impact on the valuation recorded in the annual accounts, although the Company continuously monitors the market to detect any potential impairment.

For the year 2025, if the discount rate used in the discounted cash flow analysis were to differ by 50 basis points from management's estimates, the market value of the property investments owned by the company would have been estimated at 12.8 million euros less (11.7 million euros less in 2024) or 11.9 million euros higher (12.3 million euros higher in 2024).

8. OPERATING LEASES

As noted above, part of the investment property is let to third parties under operating leases. The lease agreements have terms ranging from 1 to 22 years, with some featuring graduated rent payments and rent-free periods.

Rental income amounted to 26,477,556.98 euros in the 2024 financial year (25,506,570.19 euros at the end of the 2024 financial year).

The breakdown of income and expenses generated by investment property is as follows:

	2025	2024
Rental income	26,477,556.98	25,506,570.19
Operating expenses		
from income-generating investments	(8,383,236.84)	(8,373,275.27)
from non-revenue-generating investments	(25,400.70)	(40,113.49)
Net	**18,068,919.44**	**17,093,181.43**

The minimum future lease payments under non-cancellable lease agreements as at 31 December 2025 and 2024 are as follows, taking into account the earliest termination dates agreed with each tenant. These figures do not take into account any potential future inflationary increases:

	2025	2024
Up to 1 year	19,305,000.00	18,648,000.00
Between 1 and 5 years	39,171,000.00	47,014,000.00
More than 5 years	14,644,000.00	12,983,000.00
Total	**73,120,000.00**	**78,645,000.00**

9. FINANCIAL ASSETS

9.1. CLASSIFICATION OF FINANCIAL ASSETS BY CATEGORY

The classification of long-term and short-term financial assets as at 31 December 2025 and 2024, by category, is as follows:

Classes	Long-term Financial Instruments	
	Loans, Derivatives and Other	
Categories	2025	2024
Financial assets at cost	893,131.55	315,182.41
Total	**893,131.55**	**315,182.41**

Classes	Short-term financial instruments	
	Loans, Derivatives and Other	
Categories	2025	2024
Financial assets at cost	1,055,207.58	2,240,645.90
Total	**1,055,207.58**	**2,240,645.90**

Fair value

There are no significant differences between the fair value and the carrying amount of the financial assets.

The maximum exposure to credit risk, at the reporting date, is the fair value of each of the categories of receivables indicated above. The group holds certain guarantee instruments to cover any contingency arising from a possible default on rental payments.

9.2. FINANCIAL ASSETS AT AMORTISED COST

Guarantees, deposits lodged and loans to companies:

As at 31 December 2025 and 2024, the amounts of the items comprising the heading 'long-term and short-term financial investments' are as follows:

	2025	2024
Long-term financial investments	**218,897.55**	**315,182.41**
Guarantees and deposits	218,897.55	315,182.41
	218,897.55	**315,182.41**

	2025	2024
Short-term financial investments	**276,252.23**	**203,667.61**
Guarantees and deposits	276,252.23	203,667.61
Trade receivables from sales and services rendered	778,755.35	2,036,978.29
	1,055,007.58	**2,240,645.90**

Long-term and short-term security deposits primarily correspond to those lodged with the Government of the Principality of Asturias in connection with the letting of property investments. In accordance with the provisions of Article 36 of Law 29/1994 of 24 November on urban tenancies, the obligation to deposit security deposits with the Administration of the Principality of Asturias is hereby abolished. Security deposits previously lodged will be refunded as the contracts expire.

Trade receivables from sales and the provision of services:

The Group presents the following breakdown of receivables at the balance sheet date:

	2025	2024
Trade receivables from sales and services rendered	792,862.74	2,239,939.03
Provision for impairment of trade receivables	(14,107.39)	(202,960.74)
Total	**778,755.35**	**2,036,978.29**

The fair values of loans and receivables are the same as their carrying amounts.

As at 31 December 2025, the following is recorded under the heading 'Trade receivables from sales and services rendered':

- The straight-line allocation of rental income from certain lease incentives (grace periods and staggered rent payments) and of the costs associated with the signing of lease agreements, amounting to 383 thousand euros (1,452 thousand euros in the 2024 financial year).

- The balance of receivables from customers for services rendered amounting to 235 thousand euros (509 thousand euros in the 2024 financial year).

- The balance of invoices yet to be issued, amounting to 173 thousand euros (279 thousand euros for the 2024 financial year).

Trade receivables that are less than three months past due are not considered to be impaired.

The movement in the provision for impairment losses on trade and other receivables is as follows:

Balance at 1 January 2024	**(47,300.66)**
Additions	-
Uses	(155,660.08)
Balance as at 31 December 2024	**(202,960.74)**
Additions	296,192.73
Uses	(107,339.38)
Balance as at 31 December 2025	**(14,107.39)**

The maximum exposure to credit risk at the reporting date is the fair value of each of the categories of receivables set out above. The Group does not hold any collateral as security.

The fair values of loans and receivables are the same as their carrying amounts.

9.3. CASH AND CASH EQUIVALENTS

The breakdown of this heading as at 31 December 2025 and 2024 is as follows:

	2025	2024
Current accounts	4,203,673.50	7,675,091.54
TOTAL	**4,203,673.50**	**7,675,091.54**

The balance under the heading *'Cash and cash* equivalents' is freely available.

10. FINANCIAL LIABILITIES

10.1. CLASSIFICATION OF FINANCIAL LIABILITIES BY CATEGORY

The classification of long-term and short-term financial liabilities as at 31 December 2025 and 2024 by category and class is as follows:

Classes	Long-term Financial Instruments			
	Loans from credit institutions		Derivatives and Other	
Categories	**2025**	**2024**	**2025**	**2024**
Financial liabilities at amortised cost	184,766,843.22	177,180,741.55	1,769,933.56	2,443,655.40
Total	**184,766,843.22**	**177,180,741.55**	**1,769,933.56**	**2,443,655.40**

Categories	Short-term financial instruments			
	Loans from credit institutions		Derivatives and Other	
Categories	**2025**	**2024**	**2025**	**2024**
Financial liabilities at amortised cost	688,988.66	254,103.08	3,015,807.58	2,150,705.18
Total	**688,988.66**	**254,103.08**	**3,015,807.58**	**2,150,705.18**

All financial liability balances are denominated in euros and their carrying amount does not differ significantly from their fair value.

Classification by maturity:

The amounts of debts with a fixed or determinable maturity, classified by year of maturity, are as follows:

Categories	1 year	2 years	3 years	4 years
Debts	***3,319,620.28***	***603,000.00***	***125,000.00***	***237,000.00***
Debts to credit institutions	*688,988.66*	-	-	-
Other financial liabilities	*2,630,631.62*	*603,000.00*	*125,000.00*	*237,000.00*
Trade payables and other payables	***385,175.96***	**-**	**-**	**-**
Miscellaneous creditors	*346,858.86*	-	-	
Advances from customers	*38,317.10*	-	-	-
Total	**3,704,796.24**	**603,000.00**	**125,000.00**	**237,000.00**

Categories	5 years	5-year MFIs	Total
Debts	***184,838,843.22***	***732,933.56***	**189,856,397.06**
Debts to credit institutions	*184,766,843.22*	-	185,455,831.88
Other financial liabilities	*72,000.00*	*732,933.56*	4,400,565.18
Trade payables and other accounts payable	**-**	**-**	**385,175.96**
Miscellaneous creditors	-	-	346,858.86
Advances from customers	-	-	38,317.10
Total	**184,838,843.22**	**732,933.56**	**190,241,573.02**

The amount included under *'other financial* liabilities' (both long-term and short-term) relates to deposits and guarantees received in connection with the letting of premises held as investment property.

10.2. LOANS FROM CREDIT INSTITUTIONS

On 13 December 2024, by deed, Asturias Propco Número Uno, S.L.U. formally recorded the amendment to the financing agreement dated 31 January 2020, for an original amount of 185,000,000 euros, with the entities Allianz Debt Fund SCSP SICAV-SIF and Allianz Investments I Luxembourg S.A.R.L. (lenders) and CBRE Loan Services Limited (agent), for the purpose of:

- Refinance the existing loan agreement, the principal of which to date amounted to 177,369 thousand euros, with accrued interest outstanding amounting to 528 thousand euros. The principal amount of the loan therefore stands at 188,000 thousand euros

- Extension of the maturity date to 31 January 2030.

- The effective date of this loan was 31 January 2025.

- Lenders: Allianz Debt Fund SCSP SICAV-SIF (29.26 per cent) and Allianz Investments I Luxembourg S.A.R.L. (70.74 per cent)

- The fixed interest rate is 3.998%.

- Repayment schedule: A single payment in the fifth year following the signing of the contract.

- Covenants established: i) Debt Yield Covenant: to maintain a debt-to-net-operating-income ratio of 7.50 per cent; ii) Loan-to-Value: to maintain a maximum ratio of 55 per cent between the capital drawn down and the market value of the properties mortgaged as security for this financing agreement.

The main terms of the financing agreement dated 31 January 2020 were as follows:

a) To refinance the existing finance agreement, which amounted to 121,000 thousand euros, entered into with Credit Agricole Corporate and Investment Bank, Spanish Branch, on 3 November 2016.

b) Lenders: ALLIANZ DEBT FUND SCSP SICAV-SIF (83.78 per cent) and ALLIANZ S.P.A. (16.22 %)

c) Principal: 185,000,000 euros. Divided into three tranches: 126,000,000 euros; 52,500,000 euros and 6,500,000 euros.

d) Maturity: 5 years (31/01/2025).

e) Repayment schedule: A single payment in the fifth year following the signing of the contract.

f) Interest rate: 1.70% fixed per annum, accrued quarterly.

g) Guarantees provided: i) On 31 January 2020, before the notary Mr Antonio Perez Coca Crespo, a first-ranking mortgage was registered on the properties owned by Asturias Propco Número uno, S.L.U, 96183, 96184 and 96185, was registered as security for the repayment of 240.5 million, to cover up to a maximum of 185 million in principal, 11.1 million in interest, 29.6 million in default interest, and 14.8 million in costs and expenses.

h) Covenants established: i) Debt Yield Covenant: to maintain a debt-to-net-operating-income ratio of 7.50 per cent; ii) Loan-to-Value: to maintain a maximum ratio of 55 per cent between the capital drawn down and the market value of the properties mortgaged as security under this financing agreement.

As at 31 December 2025, the Company is in compliance with the covenants set out in the agreement.

At the end of the financial year ended 31 December 2025, the Company recorded an outstanding amount, measured at amortised cost, on the liabilities side of 184,767 thousand euros in principal, with the outstanding nominal amount as at 31 December 2025 standing at 188,000 thousand euros.

At the end of the financial year ended 31 December 2024, the Company recorded an outstanding amount, measured at amortised cost, of 177,435 thousand euros in principal under liabilities, with the outstanding nominal amount as at 31 December 2024 standing at 177,369 thousand euros.

The finance costs accrued in 2025 on the loan with Allianz acting as agent bank amount to 8,067 thousand euros. The finance costs accrued in 2024 on the loan with Allianz acting as agent bank amount to 4,152 thousand euros.

10.3. INFORMATION ON THE NATURE AND LEVEL OF RISK ARISING FROM FINANCIAL INSTRUMENTS

Quantitative information

The maximum exposure to the main risks as at 31 December 2025 and 2024, excluding exposure to exchange rate risk, was as follows:

Equity group	2025	2024
Loans		
Long-term financial investments	893,131.55	315,182.41
Short-term financial investments	276,252.23	203,667.61
Trade receivables and other receivables	849,185.05	2,061,615.91
Cash and other liquid assets	4,203,673.50	7,675,091.54
Liquidity		
Long-term liabilities	186,536,776.78	179,624,396.95
Short-term liabilities	3,319,620.28	1,849,475.22
Trade payables and other accounts payable	526,623.18	626,953.87
Market		
Fixed assets and investment property	283,297,914.11	290,137,465.36
Stock	-	-
Total	**479,903,176.68**	**482,493,848.87**

11. EQUITY

The composition and movements in equity are presented in the statement of changes in equity.

Share capital

As at 31 December 2025, the parent company's share capital amounted to 5,060,000.00 euros, represented by 5,060,000 ordinary bearer shares with a nominal value of 1.00 euro each (the same amount and value as in the 2024 financial year). The movement in the number of shares in issue is as follows:

	Ordinary shares	
	2025	**2024**
Opening balance	5,060,000.00	5,060,000.00
Total	**5,060,000.00**	**5,060,000.00**

Cash contribution

Pursuant to a deed executed on 30 January 2020, the resolutions of the General Meeting of Shareholders of the parent company were registered with the notary; these resolutions approved an increase in the parent company's share capital, which had stood at 60,000.00 euros since its incorporation as a public limited company. This increase was fully subscribed and paid up in the amount of 5,000,000.00 euros, bringing the share capital to 5,060,000.00 euros, through the issue of 5,000,000 new shares with a nominal value of 1.00 euro each, numbered from 60,001 to 5,060,000, both inclusive.

All of the new shares were fully subscribed and paid up by the shareholders of the parent company.

Share premium

The capital increase referred to in the previous paragraph entailed a share premium totalling 165,944,251.46 euros.

On 12 June 2020, the parent company's Annual General Meeting of Shareholders approved a distribution of reserves totalling 52,500,000.00 euros, charged to the share premium account.

On 13 December 2021, the General Meeting of Shareholders of the parent company approved a distribution of reserves totalling 2,000,000.00 euros, charged to the share premium account.

On 14 March 2022, 9 June 2022 and 16 September 2022, three distributions from reserves totalling 14,985,588.61 euros were approved, charged to the share premium.

On 9 March 2023, the General Meeting of Shareholders of the parent company approved a distribution of reserves totalling 2,768,000.00 euros, charged to the share premium.

Finally, pursuant to the minutes recording the resolutions adopted by the General Meeting of Shareholders of the parent company dated 20 March 2025, 18 June 2025, 12 September 2025 and 28 November 2025, reserves have been distributed charged to the share premium account totalling 13,668,496.20 euros.

Following these transfers, as at 31 December 2025, the share premium amounted to 80,022,166.65 euros (93,690,662.85 euros in 2024).

Reserves

Legal reserve

In accordance with the Companies Act, and in accordance with the provisions of Article 6.2 of Law 11/2009 of 26 October, which regulates listed public limited companies investing in the property market, the company must allocate an amount equal to 10 per cent of the profit for the financial year to the legal reserve until the latter reaches 20 per cent of the share capital. The legal reserve may only be used to increase the share capital. Except for the purpose mentioned above, and provided that it does not exceed 20 per cent of the share capital, this reserve may only be used to offset losses, provided that there are no other sufficient reserves available for this purpose.

In accordance with Law 11/2009 regulating listed real estate investment companies (SOCIMIs), the legal reserve of companies that have opted to apply the special tax regime established by this Law may not exceed 20 per cent of the share capital. The articles of association of these companies may not provide for any restricted reserve other than the one mentioned above. Furthermore, once they have fulfilled their relevant commercial obligations, they shall be obliged to distribute to their shareholders, in the form of a dividend, the profit made during the financial year in accordance with the provisions of Article 6 of Law 11/2009 of 26 October, regulating listed real estate investment companies (see note 1).

Once the payments required by law or the articles of association have been met, dividends may only be distributed out of the profit for the financial year or from freely available reserves if the value of the net assets is not, or does not become, as a result of the distribution, less than the share capital. For these purposes, profits allocated directly to net assets may not be distributed, either directly or indirectly. If there are losses from previous financial years which would cause the value of the Parent Company’s net assets to fall below the amount of the share capital, the profit shall be allocated to offsetting these losses.

As at 31 December 2025, the statutory reserve amounts to 1,012,000.00 euros (the same amount as in 2024).

Reserve for shares in the parent company

The Group has set aside a reserve for shares in the parent company.

The reserve for shares in the parent company has been established in accordance with Article 148 of the Consolidated Text of the Companies Act, which stipulates that a restricted reserve equivalent to the value of the parent company’s shares recognised in the assets must be set aside. The reserve set aside for shares in the parent company is restricted and must be maintained until such time as they are disposed of or written off, and must be maintained at an amount equal to their net book value.

The movements in the parent company's shareholding portfolio during the financial year were as follows:

Non-distributable reserves	2025	2024
Statutory reserve	1,012,000.00	1,012,000.00
Reserve for shares in the parent company	(6,511,167.48)	(7,916,937.00)
Total	**5,499,167.48**	**6,904,937.00**

Discretionary reserves

Voluntary reserves are freely available. As at 31 December 2025, the parent company's voluntary reserves correspond to the costs of incorporating the companies and those arising from the capital increase carried out, and amount to 18,796.30 euros (the same amount as in 2024).

Other contributions from shareholders

As at 31 December 2025, the parent company recorded the sum of 11,000,000.00 euros under this heading (the same amount as in 2024).

12. FISCAL SITUATION

12.1. CURRENT BALANCES WITH PUBLIC AUTHORITIES

The breakdown of balances with public authorities is as follows:

	2025		2024	
	Balances receivables	Balances payables	Balances accounts receivable	Balances payables
Value Added Tax	23,921.83	141,425.35	17,377.09	71,216.40
Withholdings made	-	21.87	-	404.43
Current tax	46,307.87	-	7,260.53	-
Liabilities arising from taxable temporary differences	-	12,600,000.00	-	12,600,000.00
Total balances with public authorities	**70,229.70**	**12,741,447.22**	**24,637.62**	**12,671,620.83**

Under current legislation, taxes cannot be considered definitively settled until the tax returns filed have been audited by the tax authorities, or the four-year limitation period has elapsed. As at 31 December 2025, the Group has all financial years for the main taxes applicable to it pending audit by the tax authorities, dating from the following years:

	Financial year
Value Added Tax	2022–2025
Personal Income Tax	2022–2025
Corporation Tax	2016–2025

However, the right of the tax authorities to verify or investigate tax losses that have been offset or are pending offset, deductions for double taxation and deductions to encourage the pursuit of certain activities, whether applied or pending application, shall lapse 10 years from the day following the expiry of the deadline for submitting the tax return or self-assessment relating to the tax period in which the right to offset or apply them arose. Once this period has elapsed, the Group must provide evidence of the tax loss carry-forwards or deductions by producing the tax assessment or self-assessment and the accounting records, together with proof of their filing with the Commercial Register within the aforementioned period.

As a result, amongst other factors, of the various possible interpretations of current tax legislation, additional liabilities could arise following a tax audit. In any event, the parent company's Board of Directors considers that such liabilities, should they arise, would not have a material impact on the consolidated annual accounts.

As at 31 December 2025 and 2024, the Group recognised a deferred tax liability of 12,600,000.00 associated with the merger carried out in 2020, corresponding to the tax effect of the revaluation of the assets acquired in that merger.

12.2. CORPORATE INCOME TAX

The reconciliation between the net income and expenses for the financial year and the tax base that the Group expects to report following the due approval of the consolidated annual accounts is as follows:

2025	**Profit and Loss Account**	
Balance of income and expenses for the financial year	2,459,347.41	-
	Increases	Decreases
Taxable base (taxable profit)	2,459,347.41	-
Tax rate:	0.00%	0.00%
Total tax liability	-	-
Net tax:	-	-
Amount payable / (refundable)	**-**	**-**

2024	**Profit and loss account**	
Balance of income and expenditure for the financial year	7,675,338.81	-
	Increases	Decreases
Taxable base (taxable profit)	7,675,338.81	-
Tax rate:	0.00%	0.00%
Total tax liability	-	-
Net tax:	-	-
Amount payable / (refundable)	**-**	**-**

On 25 September 2020, and with effect from 1 January 2020, the Group companies notified the branch of the State Tax Administration Agency responsible for their tax domicile of the decision taken by the Sole Shareholder of the parent company to opt into the SOCIMI regime.

Under the SOCIMI regime, and in accordance with Article 9 of Law 11/2009 governing that regime, it is established that entities opting to apply the special tax regime shall be taxed at a rate of zero per cent (0%) for Corporation Tax; in matters not provided for by Law 11/2009, they shall be governed by the general provisions set out in Royal Legislative Decree 4/2004 of 5 March, which approves the consolidated text of the Corporation Tax Act.

Losses arising from the impairment of tangible fixed assets, intangible fixed assets and investment property shall not be deductible until such assets are disposed of or written off.

However, tax is accrued in proportion to the distribution of dividends. Where tax losses arise, Law 27/2014 of 27 November on Corporation Tax shall not apply. Nor shall the schemes for deductions and reliefs set out in Chapters II, III and IV of that law apply.

As set out in Article 9 of the SOCIMI Act, the company shall be subject to a special tax rate of 19 per cent on the full amount of dividends or shares in profits distributed to shareholders whose holding in the company's share capital is 5 per cent or more, provided that such dividends, at the shareholders' end, are exempt or taxed at a rate of less than 10 per cent. This tax shall be treated as a corporate tax liability.

In the event of a breach of any of the conditions, the Group would be subject to taxation under the general regime, provided that it does not rectify such deficiencies in the financial year following the breach.

Given that the parent company and its subsidiaries were incorporated in the same financial year in which the tax regime established by Law 11/2009, as amended by Law 16/2012 of 27 December, came into force, there are no negative tax bases prior to the application of this regime.

13. INCOME AND EXPENSES

13.1. NET TURNOVER

The group's net turnover from continuing operations as at 31 December 2025 and 2026 is as follows:

	2025	2024
Real Estate Investment Leasing	26,477,556.98	25,506,570.19
Total	**26,477,556.98**	**25,506,570.19**

Contract balances.

The opening and closing balances of trade receivables, contract assets and contract liabilities arising from agreements with customers for the financial years 2025 and 2024 are as follows:

Amounts relating to contracts arising from agreements with customers	2025	2024
Opening balances of accounts receivable	2,036,978.29	2,231,321.64
Closing balances of accounts receivable	778,755.35	2,036,978.29

13.2. OTHER OPERATING EXPENSES

The breakdown of the heading *"Other operating* expenses" in the profit and loss account for the financial years 2025 and 2024 is as follows:

Description	2025	2024
External services	**6,841,692.56**	**7,024,293.93**
Leases and fees	4,768,096.08	4,627,580.88
Services provided by self-employed professionals	2,005,391.64	2,321,171.56
Insurance premiums	35,592.00	48,805.11
Banking and similar services	5,885.04	4,847.63
Advertising, publicity and public relations	26,727.80	21,888.75
Taxes	**1,401,937.37**	**1,401,991.41**
Other taxes	1,401,937.37	1,401,991.41
Other administrative expenses	**296,192.73**	**155,660.08**
Losses on bad trade debts	296,192.73	155,660.08
Total	**8,539,822.66**	**8,581,945.42**

13.3. FINANCIAL RESULTS

The breakdown of the financial results as at 31 December 2025 and 2024 is as follows:

Finance costs	2025	2024
Interest on borrowings from credit institutions	7,247,119.40	3,074,714.15
Loan arrangement fees	820,015.00	1,077,704.84
Total	**8,067,134.40**	**4,152,418.99**

13.4. OTHER INCOME AND EXPENSES

The breakdown of the results within the *'other comprehensive* income' category as at 31 December 2025 and 2024 is as follows:

Description	2025	2024
Extraordinary non-deductible expenses	74,953.32	23.74
Exceptional income	(1,885.74)	(4,001.50)
Total	**73,067.58**	**(3,977.76)**

14. ENVIRONMENTAL INFORMATION

As at 31 December 2025, there are no significant assets dedicated to the protection and improvement of the environment, nor have any material expenses of this nature been incurred during the financial year.

The Board of Directors of the parent company considers that there are no significant contingencies relating to the protection and improvement of the environment, and does not consider it necessary to recognise any provision for environmental risks and expenses at the end of the 2025 and 2024 financial years.

During the financial years 2025 and 2024, no environmental grants were received.

15. SUBSEQUENT EVENTS

Pursuant to the minutes recording the resolutions adopted by the General Meeting of Shareholders of the parent company on 18 March 2026, it was resolved to make a distribution from reserves drawn from the share premium account amounting to 1,582,000.00 euros.

In the opinion of the members of the parent company's Board of Directors, no significant events have come to light since the end of the 2025 financial year other than those mentioned in this section.

16. TRANSACTIONS WITH RELATED PARTIES

16.1. BALANCES WITH RELATED PARTIES

As at 31 December 2025 and 2024, there were no balances or transactions between the parent company and related parties.

Information regarding the Group's Board of Directors and senior management

During the financial years ended 31 December 2025 and 2024, the members of the Board of Directors did not receive any remuneration, nor were they granted any advances or loans, and no obligations were assumed on their behalf by way of guarantee. As at 31 December 2025 and 2024, there were no accrued liabilities in respect of pensions or similar obligations in relation to the members of the parent company's Board of Directors, nor were there any outstanding receivables or payables with them.

17. OTHER INFORMATION

As at 31 December 2025, PricewaterhouseCoopers Auditores, S.L. was the audit firm for both the parent company's separate financial statements and the group's consolidated financial statements. It also audited the parent company's separate financial statements for the 2024 financial year. The audit firm charged fees and expenses for professional services during 2025 and 2024, as detailed below:

	2025	2024
For audit services on the accounts	46,819.48	46,227.07
Total	**46,819.48**	**46,227.07**

18. SEGMENT INFORMATION

There is no segmentation or differentiation based on relevant criteria; such segmentation or differentiation would not provide any useful information not already presented in the other notes to these consolidated financial statements, as all income and expenses relate to the same segment: property lettings.

19. INFORMATION ON PAYMENT DEFERRALS GRANTED TO SUPPLIERS – THIRD ADDITIONAL PROVISION 'DUTY OF DISCLOSURE' OF LAW 15/2010 OF 5 JULY

The information required is set out below in accordance with Additional Provision 3 of Law 15/2010 of 5 July, prepared in accordance with the ICAC Resolution of 29 January 2016 on the information to be included in the notes to the consolidated annual accounts regarding the average payment period to suppliers in commercial transactions. The information on the average payment period to suppliers is as follows:

	2025	2024
Item	**Days**	**Days**
Average payment period to suppliers	5.32	15.00
Ratio of paid transactions	5.21	15.04
Ratio of transactions pending payment	30.09	11.04
	Amount (euros)	**Amount (euros)**
Total payments made	11,132,212.98	17,583,901.13
Total outstanding payments	47,478.24	172,055.01

In compliance with Law 18/2022 of 28 September on the Creation and Growth of Businesses, the monetary value and number of invoices paid within a period shorter than the maximum established in the regulations on late payment, and the percentage these represent of the total number of invoices and the total monetary value of payments to its suppliers, are as follows:

Monetary value and number of invoices paid within a period shorter than the maximum set out in the regulations on late payment	**2025**		**2024**	
Total paid within the statutory period (amount)	16,351,914.34	93.00%	16,351,914.34	93.00%
Total paid within the statutory period (invoices)	267	93.36%	267.00	93.36%
Total paid (amount)	17,583,083.29		17,583,083.29	
Total paid (invoices)	286		286.00	

20. DISCLOSURE REQUIREMENTS ARISING FROM SOCIMI STATUS, LAW 11/2009.

In compliance with the provisions of Law 11/2009 regulating listed public limited companies investing in the property market (SOCIMI), the following information is provided below:

1. Reserves arising from financial years prior to the application of the tax regime established in the aforementioned Law 11/2009: FAIFEY INVEST SOCIMI, S.A. has negative reserves of 663.57 euros as a result of the losses incurred by the company in 2019.
2. Reserves arising from financial years in which the tax regime set out in the aforementioned Law 11/2009 has been applied: FAIFEY INVEST SOCIMI, S.A. has negative reserves of 18,132.73 euros as a result of the losses incurred by the company in 2020.
3. Given the positive results of the Parent Company and its subsidiaries to date, dividends have been distributed out of profits.
4. No resolution has been passed to distribute dividends charged against reserves; therefore, it is not necessary to specify the financial year from which the reserve applied originates, nor whether such reserves have been taxed at the 0% rate, the special rate of 19%, or the standard tax rate.
5. No date has been set for the resolution to distribute the dividends referred to in points 3) and 4) above.
6. Dates of acquisition of the shareholdings in the capital of the subsidiaries referred to in Article 2(1) of the Act.
7. Reserves arising from financial years in which the tax regime established by this Act was applicable, which have been drawn down during the tax year, and which are not intended for distribution or to set off losses, specifying the financial year from which such reserves originate: not applicable.

<u>MANDATORY DIVIDEND DISTRIBUTION</u>

Given its status as a SOCIMI, and as set out in Article 27 of its articles of association, the Parent Company shall be obliged to distribute, in the form of dividends, once the relevant commercial obligations have been met, the profit made during the financial year in accordance with the provisions of Article 6 of Law 11/2009 of 26 October, as amended by Law 16/2012 and Law 11/2021, regulating Listed Public Limited Companies Investing in the Property Market (SOCIMI).

Management report for the financial year ended 31 December 2025

Business performance and the Group's position

For the financial year ended 31 December 2025, the Group's profit and loss account shows *'Net* turnover' of 26,477,556.98 euros from its business activities consisting of the letting of its investment property (25,506,570.19 euros in 2024).

Prospective development of the Group

For the 2026 financial year, a significant improvement in the Group's operations and business is forecast compared with the 2025 financial year, stemming primarily from an increase in rental income compared with the previous financial year; however, it is difficult to make a clear forecast given the rise in costs resulting from inflation and armed conflicts, as well as their potential impact on the economy as a whole and on the group of companies covered by this report.

Financial risk management and the use of financial instruments

The Group faces the risks and uncertainties inherent to the sector in which it operates, as detailed in Note 6.15 to the Annual Report.

Research and development activities

The Group has not carried out any research and development activities during the current financial year or in previous financial years.

Acquisition of own shares

As at 31 December 2025, none of the Group's companies had carried out any transactions involving its own shares during the financial year.

Significant events occurring after the balance sheet date

No further significant events have occurred since the end of the financial year, other than those mentioned in Note 15 to these Financial Statements.

Use of financial instruments

During the financial years 2025 and 2024, none of the group companies entered into any interest rate hedging financial instruments.

Measures to be taken to reduce the average payment period to suppliers

Given that none of the group's companies exceeds the maximum legal payment period of 60 calendar days applicable under Law 3/2004 of 29 December, which establishes measures to combat late payment in commercial transactions, no measures to this effect need to be adopted.

FAIFEY INVEST SOCIMI, S.A.
AND SUBSIDIARIES

Preparation of the consolidated annual accounts for the financial year 2025

DECLARATION ON THE PREPARATION OF THE CONSOLIDATED ANNUAL ACCOUNTS:

On 29 June 2026, in compliance with the requirements set out in Article 253 of the Companies Act and Article 37 of the Commercial Code, the members of the Board of Directors hereby draw up the consolidated annual accounts and the Management Report covering the period from 1 January 2025 to 31 December 2025. The consolidated annual accounts consist of the attached documents preceding this document.

Madrid, 29 June 2026.

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Mr Volker Kraft