Renta Corporación Real Estate, S.A. and Subsidiaries

Consolidated Financial Statements
for the year ended
31 December 2024
prepared in accordance with the
International Financial
Reporting Standards and
Consolidated Directors' Report

RENTA CORPORACIÓN REAL ESTATE, S.A. AND SUBSIDIARIES
(RENTA CORPORACIÓN GROUP)

CONSOLIDATED BALANCE SHEET AT 31 DECEMBER 2024
(Thousands of euros)

ASSETS	Notes	31/12/2024	31/12/2023
NON-CURRENT ASSETS:			
Intangible assets		**689**	**708**
Property, plant and equipment–		**440**	**453**
Plant and other property, plant and equipment		440	453
Right-of-use assets	**Note 7**	**5,005**	**5,105**
Investment property	**Note 8**	**35,095**	**24,285**
Non-current financial assets–	**Note 11**	**3,503**	**2,198**
Equity instruments		3,431	2,119
Other non-current financial assets		72	79
Deferred tax assets	**Note 18**	**27,483**	**27,479**
Total non-current assets		**72,215**	**60,228**
CURRENT ASSETS:			
Assets held for sale	**Note 12**	**5,307**	**9,772**
Inventories–	**Note 13**	**21,294**	**27,282**
Buildings acquired for refurbishment and/or conversion		20,227	26,044
Purchase options		1,067	1,238
Trade and other receivables–		**2,963**	**1,694**
Trade receivables for sales and services	Note 14	1,381	48
Sundry accounts receivable	Note 14	357	320
Other accounts receivable from public authorities	Note 18	1,225	1,326
Current financial assets–		**984**	**315**
Other current financial assets		984	315
Cash and cash equivalents–	**Note 15**	**3,485**	**5,193**
Cash		3,485	5,193
Total current assets		**34,033**	**44,256**
TOTAL ASSETS		**106,248**	**104,484**

EQUITY AND LIABILITIES	Notes	31/12/2024	31/12/2023
EQUITY AND LIABILITIES:			
SHAREHOLDERS' EQUITY–	**Note 16**	**60,699**	**58,490**
Share capital–		**32,888**	**32,888**
Registered share capital		32,888	32,888
Share premium		**89,913**	**89,913**
Reserves of the Parent		**19,933**	**20,000**
Prior years' losses of the Parent		**(81,870)**	**(63,704)**
Consolidated reserves		**(2,134)**	**(2,913)**
Treasury shares		**(1,338)**	**(1,749)**
Consolidated profit/(loss) for the year attributable to the Parent		**3,307**	**(15,945)**
Valuation adjustments–		**50**	**46**
Equity instruments at fair value		50	46
Non-controlling interests	**Note 16**	**6,711**	**(1)**
Total equity		**67,460**	**58,535**
NON-CURRENT LIABILITIES:			
Non-current payables–	**Note 17**	**9,894**	**8,408**
Non-current bank borrowings maturing at long-term		8,028	5,982
Other non-current financial liabilities maturing at long-term		1,866	2,426
Deferred tax liabilities	**Note 18**	**3,916**	**3,215**
Total non-current liabilities		**13,810**	**11,623**
CURRENT LIABILITIES:			
Liabilities related to assets held for sale	**Note 12**	**819**	**3,310**
Current payables–	**Note 17**	**18,235**	**24,446**
Current debt instruments and other marketable securities		387	11,682
Current bank borrowings maturing at long-term		1,287	2,033
Current bank borrowings maturing at short-term		3,444	263
Other current financial liabilities maturing at long-term		1,700	—
Other current financial liabilities maturing at short-term		11,417	10,468
Trade and other payables–		**5,924**	**6,570**
Sundry accounts payable		4,122	5,826
Staff (remuneration payable)		894	149
Other accounts payable to public authorities	Note 18	450	255
Customer advances	Note 13	458	340
Total current liabilities		**24,978**	**34,326**
TOTAL EQUITY AND LIABILITIES		**106,248**	**104,484**

The accompanying Notes 1 to 24 and the Appendix are an integral part of the consolidated balance sheet at 31 December 2024.

RENTA CORPORACIÓN REAL ESTATE, S.A. AND SUBSIDIARIES
(RENTA CORPORACIÓN GROUP)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE YEAR ENDED 31 DECEMBER 2024
(Thousands of euros)

	Notes	2024	2023
CONTINUING OPERATIONS:			
Revenue	Note 19	25,718	41,825
Other operating income		747	124
Changes in inventories of buildings acquired for refurbishment and/or conversion	Notes 13 and 19	(12,641)	(36,085)
Staff costs	Note 19	(6,553)	(5,650)
Other operating expenses	Note 19	(6,864)	(6,780)
Depreciation and amortisation charge		(531)	(496)
Impairment and gains or losses on disposals of non-current assets and investment property	Note 8	(170)	(1,878)
Consolidated loss from operations		**(294)**	**(8,940)**
Changes in value of investment property, right-of-use assets and assets held for sale	**Notes 7, 8 and 12**	**8,183**	**(5,272)**
Finance income	Note 19	52	202
Finance costs	Note 19	(2,990)	(4,009)
Financial loss		**(2,938)**	**(3,807)**
Share in profit or loss of associates under the equity method		—	(29)
Disposals of investments accounted for under the equity method		—	218
Consolidated profit/(loss) before tax		**4,951**	**(17,830)**
Income taxes	Note 18	(855)	1,885
Consolidated profit/(loss) for the year		**4,096**	**(15,945)**
Consolidated profit/(loss) for the year attributable to the Parent		**3,307**	**(15,945)**
Consolidated profit for the year attributable to non-controlling interests		**789**	**—**
Basic earnings per share (euros)	**Note 5**	**0.10**	**(0.50)**
Diluted earnings per share (euros)	**Note 5**	**0.10**	**(0.50)**

The accompanying Notes 1 to 24 and the Appendix are an integral part of the consolidated statement of profit or loss for the year ended 31 December 2024.

RENTA CORPORACIÓN REAL ESTATE, S.A. AND SUBSIDIARIES
(RENTA CORPORACIÓN GROUP)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE YEAR ENDED 31 DECEMBER 2024
(Thousands of euros)

	2024	2023
CONSOLIDATED PROFIT/(LOSS) FOR THE YEAR (I)	**4,096**	**(15,945)**
OTHER COMPREHENSIVE INCOME:		
Total other comprehensive income recognised directly in consolidated equity (II)	**4**	**(1,481)**
Items that cannot be reclassified to the consolidated statement of profit or loss:		
- On valuation of financial instruments	**5**	**(1,974)**
Equity instruments at fair value through consolidated statement of comprehensive income (Note 11)	5	(1,974)
- Tax effect	**(1)**	**493**
Total transfers to consolidated profit or loss (III)	—	—
Total other consolidated comprehensive income (I+II+III)	**4,100**	**(17,426)**
Total other comprehensive income attributable to the Parent	**3,311**	**(17,426)**
Total other comprehensive income attributable to non-controlling interests	**789**	—

The accompanying Notes 1 to 24 and the Appendix are an integral part of the consolidated statement of other comprehensive income for the year ended 31 December 2024.

RENTA CORPORACIÓN REAL ESTATE, S.A. AND SUBSIDIARIES
(RENTA CORPORACIÓN GROUP)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE YEAR ENDED 31 DECEMBER 2024
(Thousands of euros)

	Share capital	Share premium	Reserves of the Parent	Prior years' losses of the Parent	Consolidated reserves	Treasury shares	Net consolidated profit/(loss) for the year attributable to the Parent	Non-controlling interests	Valuation adjustments	Total
Balance at 31 December 2022	**32,888**	**89,913**	**19,990**	**(67,529)**	**(1,193)**	**(2,014)**	**3,552**	**—**	**1,527**	**77,134**
Total comprehensive income	—	—	—	—	—	—	(15,945)	—	(1,481)	(17,426)
Allocation of 2022 profit/(loss)	—	—	—	3,825	(273)	—	(3,552)	—	—	—
Share-based payments	—	—	10	—	—	265	—	—	—	275
Recognition under "Reserves" of profit from the disposal of financial instruments measured as assets at fair value through the consolidated statement of other comprehensive income	—	—	—	—	(1,447)	—	—	—	—	(1,447)
Additions to the scope of consolidation	—	—	—	—	—	—	—	(1)	—	(1)
Balance at 31 December 2023	**32,888**	**89,913**	**20,000**	**(63,704)**	**(2,913)**	**(1,749)**	**(15,945)**	**(1)**	**46**	**58,535**
Total comprehensive income	—	—	—	—	—	—	3,307	789	4	4,100
Allocation of 2023 profit/(loss)	—	—	—	(18,165)	2,220	—	15,945	—	—	—
Share-based payments	—	—	(67)	(1)	—	411	—	—	—	343
Changes in the scope of consolidation	—	—	—	—	(1,441)	—	—	5,923	—	4,482
Balance at 31 December 2024	**32,888**	**89,913**	**19,933**	**(81,870)**	**(2,134)**	**(1,338)**	**3,307**	**6,711**	**50**	**67,460**

The accompanying Notes 1 to 24 and the Appendix are an integral part of the consolidated statement of changes in total equity for the year ended 31 December 2024.

RENTA CORPORACIÓN REAL ESTATE, S.A. AND SUBSIDIARIES
(RENTA CORPORACIÓN GROUP)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024
(Thousands of euros)

	Notes	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES (I):		**1,340**	**701**
Consolidated profit/(loss) for the year before tax–		**4,951**	**(17,830)**
Adjustments to profit/(loss)–		**(4,522)**	**11,860**
Depreciation and amortisation charge		531	496
Adjustments for impairment		22	623
Impairment and gains or losses on disposals of non-current assets and investment property		170	1,878
Impairment and gains or losses on disposals of financial instruments		—	(218)
Finance income	Note 19	(52)	(202)
Finance costs	Note 19	2,990	4,009
Changes in value of investment property, right-of-use assets and assets held for sale	Notes 7, 8 and 12	(8,183)	5,272
Other income and expenses		—	2
Changes in working capital–		**2,031**	**8,802**
Inventories		5,778	9,260
Trade and other receivables		(1,998)	1,686
Other current assets		(895)	—
Trade and other payables		(854)	(2,144)
Other cash flows from operating activities–		**(1,120)**	**(2,131)**
Interest paid (received)		(1,771)	(2,121)
Dividends received	Note 19	3	—
Income tax paid (received)		648	(10)
CASH FLOWS FROM INVESTING ACTIVITIES (II):		**4,931**	**16,209**
Payments due to investment–		**(4,985)**	**(6,421)**
Intangible assets		(160)	(208)
Property, plant and equipment		(107)	(75)
Investment property and right-of-use assets		(3,316)	(3,814)
Other financial assets		(1,308)	(1,631)
Assets held for sale	Note 12	(94)	—
Other assets		—	(693)
Proceeds from investment–		**9,916**	**22,630**
Group companies, net of cash in consolidated companies		4,775	—
Investment property and right-of-use assets		1,052	5,146
Other financial assets		162	17,484
Assets held for sale		3,927	—
CASH FLOWS FROM FINANCING ACTIVITIES (III):		**(7,979)**	**(26,698)**
Proceeds and payments relating to equity instruments–	**Notes 16 and 19**	**343**	**275**
Disposal of equity instruments		343	275
Proceeds and payments relating to financial liability instruments–	**Note 17**	**(8,322)**	**(26,973)**
Proceeds from issue of debt instruments and other marketable securities		962	17,179
Proceeds from issue of bank borrowings		5,323	2,497
Issue of other debts		9,900	10,347
Repayment of debt instruments and other marketable securities		(12,800)	(34,603)
Repayment of bank borrowings		(3,317)	(6,225)
Repayment of other borrowings		(8,390)	(16,168)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS (I+II+III)		**(1,708)**	**(9,788)**
Cash and cash equivalents at beginning of year	Note 15	5,193	14,981
Cash and cash equivalents at end of year	Note 15	3,485	5,193

The accompanying Notes 1 to 24 and the Appendix are an integral part of the consolidated statement of cash flows for the year ended 31 December 2024.

Renta Corporación Real Estate, S.A.
and Subsidiaries

Consolidated Financial Statements for
the year ended
31 December 2024

1. <u>Activities of Renta Corporación Group</u>

Renta Corporación Real Estate, S.A. (from its incorporation until 2 June 2001 Suatel XXI, S.L., and in the period from 2 June 2001 to 5 December 2003 Corporación Renta Antigua, S.A., as of when it acquired its current name), the Parent of Renta Corporación Real Estate Group (the “Group” or “Renta Corporación Group”) was incorporated as a private limited liability company in Barcelona (Spain) on 9 October 2000, and became a public limited liability company on 27 October 2001. Since October 2007 its registered office and tax domicile have been at Vía Augusta 252-260 in Barcelona (Spain), where its main offices are located as well.

The shares of Renta Corporación Real Estate, S.A. (the “Parent”) are traded on the Spanish Stock Market Interconnection System and are listed on the Madrid and Barcelona Stock Exchanges.

The corporate purpose of the Parent is the performance of all types of transactions involving movable property, except those regulated by special legislation, and real estate. The activity and business of the Parent consists of the acquisition of real estate assets for their conversion and sale. The principal objective of this conversion process is to create value by adapting the properties to demand in each market. As part of these conversion processes, the Parent acts on various elements that make up the real estate asset and its value. These conversion elements are the physical condition of the asset, its use and classification, its rental and profitability status, the conditioning urban development factors, certain legal aspects, the division or aggregation of properties, etc. The Group divides its activities into two business units: transactional business and asset business.

Transactional business

This business line relates to the acquisition, transformation and sale of property assets. The main purpose of this conversion process is to create value by adapting the properties to demand in each market. The process generally entails repurposing properties, improving their physical conditions and repositioning them by enhancing their returns, among others.

The transactional business has two sources:

a. *“Real estate purchase”* –

   It consists of the acquisition, refurbishment and sale of buildings to third parties, the entire transaction being recorded in the Group’s balance sheet.

b. *“Real estate project management”* –

   It consists of the acquisition of a right to purchase a property and developing the conversion project. The property is then sold to a third party; therefore, the transaction is not recognised in the Group’s balance sheet. The proposed improvements and conversions may be carried out at the buyer’s request.

Asset business

This business line encompasses revenue-generating properties that are owned either by the Group or by third parties. It comprises two divisions:

a. *"Asset Management" / "Fund Management"* –

   This division is engaged in creating and managing real estate vehicles with third parties, with fees being accrued from both the origination and management of properties and incentive fees on portfolio valuation.

b. *"Equity"* –

   This division encompasses the acquisition and management of any real estate investment intended to remain on the Group's balance sheet over the long term to generate recurring revenue.

During 2024 and 2023, following the strategic plan established by the Parent's directors, the Group reorganised the storage units business into a subsidiary company in order to boost and develop it in the medium to long term. To this end, in 2024, the following corporate transactions were carried out: merger by absorption of the subsidiary New Cabe Keep and Lock, S.L.U. by Cabe Keep and Lock, S.A.U.; the non-monetary contribution of a number of properties to New Cabe Keep and Lock, S.L.U. by the subsidiary Renta Corporación Real Estate ES, S.A.U.; the acquisition by Renta Corporación Real Estate ES, S.A.U. of the company Arsel Atlantic, S.L.; and the non-monetary contribution to the subsidiary Arsel Atlantic, S.L. of all the shares held by Renta Corporación Real Estate ES, S.A. in Cabe Keep and Lock, S.A.U. (Note 2-f).

Status of the Arrangement with Creditors and the effects of the lifting of the insolvency proceedings

On 19 March 2013, the Parent and three of its subsidiaries filed a petition for voluntary insolvency proceedings, which was given leave to proceed by Barcelona Commercial Court No. 9 on 27 March 2013. Also, on 8 July 2014, Barcelona Commercial Court No. 9 handed down a final judgement approving the Arrangement with Creditors.

The Arrangement with Creditors approved by Renta Corporación Group encompassed several alternatives or payment proposals in the case of both secured claims and ordinary and subordinated claims. All the loans under the Arrangement with Creditors having been fully settled, and the obligations assumed therein having been met, on 20 October 2023 the Parent filed a writ to Barcelona Commercial Court No. 9 to inform about the fulfilment thereof. The Court issued an enforcement order on 7 December 2023, and ordered its publication for the purpose of initiating a two-month period for creditors to exercise, where appropriate, actions to challenge the breach of the arrangement. Once this period elapsed, on 17 April 2024 the Court issued an order to conclude the insolvency proceedings on the grounds of fulfilment of the Arrangement with Creditors.

Other disclosures

Because of the nature of the activities performed by the Group, it does not have any environmental liability, expense, asset, provision or contingency that might be material to its equity, financial position or profit and loss. Therefore, no specific disclosures relating to environmental issues are included in these notes to the consolidated financial statements. However, the Group implements an active environmental policy in running its urban development, real estate construction, and maintenance and upkeep activities.

2. Basis of presentation of the consolidated financial statements

a) Basis of presentation

These consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, taking into account all the mandatory accounting principles and standards and measurement bases, and the Spanish Commercial Code, the Spanish Companies Act, the Spanish Securities Market Act and all other applicable Spanish corporate law, as well as the rules of the Spanish National Securities Market Commission (CNMV), and, accordingly, they present fairly Renta Corporación Group's consolidated equity and consolidated financial position at 31 December 2024 and the consolidated results of its operations, the changes in consolidated equity and the consolidated cash flows in the year then ended.

The consolidated financial statements of Renta Corporación Real Estate, S.A. and Subsidiaries for the year ended 31 December 2024, which were obtained from the accounting records kept by the Parent and by the other companies composing the Group, were authorised for issue by the Parent's directors at the Board meeting held on 27 February 2025.

However, since the accounting policies and measurement bases used in preparing the Group's consolidated financial statements at 31 December 2024 may differ from those applied by certain Group companies, the required adjustments and reclassifications were made on consolidation to unify the principles and criteria used and to render them compliant with IFRS.

With a view to presenting the various items of the consolidated financial statements in a uniform manner, the accounting policies and measurement bases used by the Parent were applied to all the consolidated companies.

The Group's consolidated financial statements for the year ended 31 December 2024 were approved by the shareholders at the Annual General Meeting of the Parent on 18 April 2024 and timely filed with the Barcelona Mercantile Register.

b) Adoption of International Financial Reporting Standards

Renta Corporación Group's consolidated financial statements are presented in accordance with IFRS, pursuant to Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002. In Spain, the requirement to present consolidated financial statements in accordance with IFRS as adopted in Europe is further regulated by Final Provision Eleven under Act 62/2003, of 30 December, on tax, administrative, labour and social security measures.

The principal accounting policies adopted by Renta Corporación Group are disclosed in Note 4.

(Amounts in thousands of euros)

Standards and interpretations applicable in 2024 –

In 2024 new accounting standards came into force that, accordingly, were taken into account in the preparation of the accompanying consolidated financial statements. The following standards were applied to these consolidated financial statements, with no significant impact on the presentation and disclosures thereof:

New standards, amendments and interpretations		**Mandatory application in years beginning on or after:**
Approved for application in the EU:		
New standards		
Amendment to IAS 1 – Classification of Liabilities as Current or Non-current and Liabilities with Covenants	Clarification regarding disclosures for liabilities classified as current or non-current and, particularly, liabilities subject to the fulfilment of covenants.	01/01/2024
Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback	This amendment clarifies how lease liabilities arising from sale and leaseback transactions should be accounted for.	01/01/2024
Amendment to IAS 7 – Statement of Cash Flows and Amendment to IFRS 7 – Financial Instruments: Disclosures: Supplier Finance Arrangements	This amendment introduces specific disclosure requirements in connection with supplier finance arrangements and their effects on liabilities, cash flows, including liquidity risk, and management of all related risks.	01/01/2024

Standards and interpretations issued but not yet in force –

At the date of preparation of these consolidated financial statements, the following standards and interpretations had been published by the IASB (International Accounting Standards Board) but had not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union:

(Amounts in thousands of euros)

New standards, amendments and interpretations		Mandatory application in years beginning on or after:
Approved for application in the EU:		
Amendments and/or interpretations:		
Amendment to IAS 21 – The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	This amendment contains guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.	01/01/2025
Not approved for application in the EU:		
Amendments to the classification and measurement of Financial Instruments (amendment to IFRS 9 and IFRS 7).	This amendment clarifies the criteria for the classification of certain financial assets, as well as the criteria for the derecognition of liquid financial liabilities through electronic payment systems. Additionally, it introduces additional breakdown requirements.	01/01/2026
Annual improvements to IFRS Accounting Standards – Volume 11	The purpose of these improvements is to enhance the quality of the standards by amending existing IFRS to clarify guidance and wording, or to correct for relatively minor unintended consequences, conflicts or oversights.	01/01/2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7 (published on 18 December 2024)	The aim is to better address the financial effects of contracts for which the source of electricity generation is dependent on natural conditions. These contracts are usually structured as Power Purchase Agreements (PPAs) and involve the generation of electricity from wind and solar energy sources, whose output can vary based on uncontrollable factors such as weather conditions. The amendments include: – Clarifying the application of the ‘own-use’ requirements; – Permitting hedge accounting if these contracts are used as hedging instruments; and – Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.	01/01/2026

(Amounts in thousands of euros)

New standards, amendments and interpretations		**Mandatory application in years beginning on or after:**
IFRS 18 – Presentation and Disclosure in Financial Statements	The aim of this standard is to set out the requirements for the presentation and disclosure of information in financial statements thereby replacing IAS 1 currently in force.	01/01/2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures:	The aim of this new standard is to disclose that a subsidiary may opt or not to prepare financial statements.	01/01/2027

The application of new standards, amendments and interpretations will be considered by the Group once they have been ratified and adopted, as the case may be, by the European Union. In any case, the Parent's directors have assessed the potential impact of applying these standards in the future and consider that their entry into force will not have a material effect on the Group's consolidated financial statements.

c) *Functional currency*

These consolidated financial statements are stated in euros, since this is the functional currency of the main economic environment where the Group operates.

d) *Responsibility for the information and use of accounting estimates and judgements*

The information contained in these consolidated financial statements is the responsibility of the Parent's directors. Estimates were made by the Parent's management based on objective information in order to quantify certain assets, liabilities, income, expenses and obligations reported herein. Said estimates and criteria relate to the following:

- The assessment of control over the investees and, consequently, over the consolidation method (Note 2-f).
- The assessment of the use of the going concern basis of accounting (Note 2-g).
- The useful life and impairment of intangible assets and of property, plant and equipment (Notes 4-a, 4-b and 4-c).
- The market value of investment property and certain lease-purchase contracts classified under "Right-of-use assets". This fair value was obtained from the appraisal conducted by an independent valuer at 31 December 2024 applying the methods disclosed in Note 4-e.
- The estimate of the appropriate allowances for doubtful debts (Note 4-f).
- The classification and valuation of assets held for sale (Note 4-h).
- The measurement and impairment of inventories (Note 4-i).
- The assessment of lawsuits, obligations and contingent assets and liabilities at year-end (Note 4-l).

– The recoverability of tax loss carryforwards and deferred tax assets recognised in the consolidated balance sheet (Notes 4-n and 18).

Although these estimates were made on the basis of the best information available at the date of authorisation for issue of these consolidated financial statements, events that may take place in the future might make it necessary to change these estimates (upwards or downwards). Changes in accounting estimates would then be applied prospectively, recognising the effects of the change in estimates in the related consolidated statement of profit or loss.

e) Basis of consolidation

These consolidated financial statements were prepared from the accounting records of Renta Corporación Real Estate, S.A. and Subsidiaries, whose financial statements were drawn up by the directors of each company.

The criteria used to determine the consolidation method applicable to each Renta Corporación Group company were as follows:

Subsidiaries –

Subsidiaries are the entities over which the Group, directly or indirectly, controls the financial and operating policies, exercises power over the relevant activities, maintains exposure or rights to variable returns from involvement with the investee, and has the ability to use power over the investee to affect the amount of the investor’s returns. This is generally because it holds more than 50% of the voting power. Also, in order to assess whether the Group controls another entity, it is evaluated whether it has power over the investee; exposure or rights to variable returns from involvement with the investee; and the ability to use power over the investee to affect the amount of the investor’s returns. When assessing whether the Group controls another entity, the existence and effect of potential voting rights are considered. These include those held both by the Parent and by third parties, provided that those rights are substantive. Subsidiaries are consolidated from the date on which control is transferred to the Group and are excluded from consolidation on the date that control ceases to exist.

The financial statements of the subsidiaries are fully consolidated with those of the Parent. Where necessary, the financial statements of the subsidiaries are adjusted so that the accounting policies used are the same as those applied by the Group’s Parent.

The results of subsidiaries acquired during the year are included in the consolidated statement of profit or loss from the date of acquisition to year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated statement of profit or loss from the beginning of the year to the date of disposal.

Ownership by non-controlling interests is disclosed as follows:

– The equity of their investees is presented in the Group’s equity under “Non-controlling interests” in the consolidated balance sheet. Any losses applicable to the non-controlling interests in excess of the carrying amount of these non-controlling interests are recognised with a charge to the Parent’s investments.

– The profit/(loss) for the year is presented under “Consolidated profit/(loss) attributable to non-controlling interests” in the accompanying consolidated statement of profit or loss.

All accounts receivable, payable and other transactions between the consolidated companies were eliminated on consolidation.

Lastly, these consolidated financial statements do not include the tax effect that may arise from posting the results and reserves of the subsidiaries in the Parent's equity since, pursuant to IAS 12, it is considered that no transfer of reserves giving rise to additional taxation will be made. Given that the Parent controls the timing of distribution, it is not likely that such distribution will occur in the foreseeable future, but rather that the results and reserves will be used as financing resources at each company.

Joint ventures –

A joint venture is a contractual arrangement whereby two or more companies have interests in entities (jointly-controlled entities) or undertake joint operations or hold assets; therefore, any strategic financial and operating decisions affecting the joint venture require the unanimous consent of the venturers. As a result of applying IFRS 11 –Joint Arrangements–, the Group accounts for investments in jointly-controlled entities using the equity method, which are recognised under "Investments accounted for under the equity method" in the accompanying consolidated balance sheet. The share in the after-tax profit/(loss) of these companies is recognised under "Share in profit or loss of associates under the equity method" in the accompanying consolidated statement of profit or loss.

If, as a consequence of losses incurred by an associate, its equity were negative, the investment should be presented in the Group's consolidated balance sheet with a zero value, unless the Group is obliged to give it financial support.

The tax effect that may arise from including the results and reserves of the joint ventures in the Parent's equity is not posted in the accompanying consolidated financial statements since, pursuant to IAS 12, it is considered that no transfer of reserves giving rise to additional taxation will be made. Given that the Parent controls the timing of distribution, it is not likely that such distribution will occur in the foreseeable future, but rather that the results and reserves will be used as financing resources at each company.

Appendix I shows the main data relating to subsidiaries and joint ventures at 31 December 2024 and 2023.

f) Changes in the scope of consolidation

In 2024 the changes in the scope of consolidation were as follows:

– On 22 March 2024, the subsidiary Renta Corporación Real Estate ES, S.A.U. made a non-monetary contribution of certain real estate assets to the subsidiary New Cabe Keep and Lock, S.L. (Sole-Shareholder Company). On 15 July 2024, at the Annual General Meetings held by each company, they both adopted the resolution for the merger of the subsidiary Cabe Keep and Lock S.A.U., as the absorbing company, and the subsidiary New Cabe Keep and Lock, S.L. (Sole-Shareholder Company) as the absorbed company.

– On 5 November 2024, the subsidiary Renta Corporación Real Estate ES, S.A.U. acquired 100% of the company Arsel Atlantic, S.L. (Sole-Shareholder Company) for EUR 3,000. In this regard, a non-monetary contribution was made of all the shares of Cabe Keep and Lock, S.A.U. held by Renta Corporación Real Estate ES, S.A.U. in favour of the consolidated company Arsel Atlantic, S.L. This transaction was carried out waiving the application of the special regime for restructuring operations set out in Chapter VII of Title VII under the Income Tax Act.

  These transactions had no impact on the accompanying consolidated financial statements. The information required by current tax legislation is disclosed in the financial statements of the relevant companies.

– On 7 November 2024, the consolidated company Renta Corporación Real Estate ES, S.A.U. signed an agreement with the Luxembourg company BCP RE Lux Box Holding, S.à.r.l. ("BCP") whereby it sold 30% of the interest held in the consolidated company Arsel Atlantic, S.L. totalling EUR 4,775 thousand. In addition, on the same date, an Investment and Shareholders' Agreement (the "Investment Agreement") was executed among BCP, Renta Corporación Real Estate ES, S.A.U. and Arsel Atlantic, S.L., as well as an Asset Management Agreement (the "Management Agreement") between Renta Corporación Real Estate, S.A. and Cabe Keep and Lock, S.A.U.

  The Investment Agreement foresees that BCP will contribute up to EUR 35 million through future capital contributions, provided that investment opportunities aligned with the strategic plan are identified. At 2024 year-end, relevant decisions in Arsel Atlantic, S.L. were adopted by simple majority at its AGM meeting, with the Board of Directors at year-end being equal in number with a casting vote for Renta Corporación ES, S.A.U. Consequently, at 31 December 2024, the directors of the Parent deemed that they maintain control over Arsel Atlantic, S.L., having recorded the effect of this transaction as one with non-controlling interests with a negative charge to equity in the amount of EUR 1,441 thousand (Notes 16 and 24).

  The Management Agreement covers the provision of administrative, accounting and tax services, among others, as well as origination services on an exclusive basis for its real estate business including, in particular, the presentation of investment proposals and the development of real estate projects in the self-storage facilities sector. Since the execution of the Management Agreement on 7 November 2024 until the closing of 2024, income was earned on this account totalling EUR 60 thousand.

In turn, in 2023 the scope of consolidation of the Group changed as follows:

– On 23 October 2023, the Parent disposed of its entire ownership interest in Terra Green Living, S.A., resulting in the recognition by the Group of proceeds for EUR 218 thousand under the line item "Disposals of investments accounted for under the equity method" in the accompanying consolidated statement of profit or loss.

– On the same date, the Parent acquired 90% of the shares of Morlin Properties, S.L., an indirect investee of the Group through a 50% ownership interest in the share capital that the Parent held in Terra Green Living, S.A., which at 23 October 2023 owned 100% of the shares of Morlin Properties, S.L.

– On the other hand, on 13 July 2023, the consolidated company Renta Corporación Real Estate ES, S.A.U. acquired 100% of the shares of Tolber Solutions, S.L. for EUR 3 thousand, its company name having been subsequently changed to New Cabe Keep and Lock, S.L.U. The company purpose of New Cabe Keep and Lock, S.L.U. is the real estate rental business, among others.

– Also, on 22 December 2023, all of the shares of Cabe Keep and Lock, S.A.U. ("Cabe") held by the Parent were transferred to the consolidated company Renta Corporación Real Estate ES, S.A.U. This corporate restructuring within the Group had no impact on the accompanying consolidated financial statements.

g) *Financial position and going concern basis of accounting*

Despite the fact that 2024 continued to be marked by lingering geopolitical tensions, global economic activity showed remarkable resilience and certain acceleration driven by lower interest rates.

In the macroeconomic sphere, after a period of unprecedented monetary tightening that began in July 2022, the European Central Bank implemented four straight 0.25 b.p. interest rate cuts, with the aim of propelling the Eurozone economy and bringing inflation closer to its target of 2%. The gradual cuts caused interest rates to drop from 4.5% at the beginning of the year to 3.15% in December 2024.

Against this background, the Spanish economy experienced higher than expected growth, being the Eurozone leading economy with a GDP rise of 3.2% in 2024, surpassing the European average. Despite showing signs of normalisation, the unemployment rate fell to its lowest level in more than a decade and inflation slowed down to an annual average of 2.8%, driven by the stabilisation of energy and food prices. Although foreign trade slid down, tourism remained strong, contributing positively to economic growth.

The real estate sector is expected to continue picking up in 2025, bolstered by the aforementioned decline in interest rates and an economy that has shown gradual improvement. This continued reduction in interest rates will be instrumental to facilitate access to financing, for both buyers and investors, boosting the volume of transactions.

This context made it possible to increase the volume of transactions and investments during 2024, as well as to materialise the transactions envisaged in the strategic plan and consolidate the equity investment vehicles, this having an impact on the transactional business portfolio of the Group, the margin of its operations and, therefore, the result for 2024.

Profitability and liquidity remained a priority and cash forecasts for the year 2025 are monitored thoroughly by the Parent's management and directors on a regular basis. In relation to the financial situation, at 31 December 2024, the Group held current liabilities amounting to EUR 24,978 thousand, of which EUR 21,210 thousand must be paid in the short term, and which are largely linked to the execution of projects.

The transactions performed over the period brought corporate debt down and transformed short-term debt into long-term financing, aligning expiry terms with the maturity cycle and cash flows of projects, while also contributing to reducing the Group's leveraging ratio.

Cash is managed by the Group on a consolidated basis. The liquidity plan for 2025, which envisages a volume of transactions consistent with that of recent years, including the divestment of residential assets under the line items “Inventories” and “Assets held for sale” at 31 December 2024, indicates that the Group will be able to meet its financial and operating commitments in the short term. Also, it should be noted that the Group can draw down up to EUR 50,000 thousand through the Promissory Notes Programme Renta Corporación Real Estate 2024 placed on the Alternative Fixed-Income Market (MARF, Spanish acronym) disclosed in Note 17, of which only EUR 400 thousand had been drawn down at 31 December 2024 as stated above.

Finally, the 2025-2029 strategic plan was approved by the Board of Directors on 27 February 2025. This plan is based on a future strategy aimed at consolidating the Group's market positioning. To this end, the Group is taking the following approach:

a) Increasing Renta Corporación Group's operating margin through the transactional business by ramping up the number of transactions and, in particular, the average scale thereof.

b) Boosting the asset business as a result of increased investments foreseen in 2025 and thereafter derived from higher volumes coming from the new lines of business dedicated to managing both proprietary and third-party assets. Along these lines are the investments and management work carried out in recent years for the consolidation of the vehicles Wellder Senior Assets SOCIMI, S.A. that, in turn, is the sole shareholder of Wellder Alfa, S.A.U. and Arsel Atlantic, S.L. that, in turn, is the sole shareholder of Cabe Keep and Lock, S.A.U., with a new investment partner joining the former's shareholding structure on 7 November 2024.

c) Optimising overheads in accordance with the expected level of activity.

At 31 December 2024, these consolidated financial statements were authorised for issue by the Parent's directors following the going-concern principle and taking into account the budget and liquidity plan for 2025.

Thus, the Parent's directors deem that the Group stands on sound foundations and has a well-balanced financial position, which will enable it to tap into any future opportunities.

h) Comparative information

The information relating to 2024 contained in these notes to the consolidated financial statements is presented for comparison purposes with that relating to 2023.

i) Items included in several headings

Certain items in the accompanying consolidated balance sheet, consolidated statement of profit or loss, consolidated statement of changes in equity and consolidated statement of cash flows are grouped together for better understanding, even though such information, when significant, has been itemised in the corresponding notes to the consolidated financial statements.

j) Changes in accounting policies

In 2024, there were no significant changes in accounting policies with respect to those applied in 2023.

k) Correction of errors

In preparing the accompanying consolidated financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the consolidated financial statements for 2023.

3. Distribution of the Parent's profit

The proposed distribution of profit of the Parent, Renta Corporación Real Estate, S.A., for 2024 that its directors will submit for approval by the shareholders at the Annual General Meeting is as follows:

	Thousands of euros
Profit for the year of the Parent	**4,437**
To prior years' losses	4,437
Total distributed	**4,437**

4. Accounting policies and valuation standards

The principal accounting policies and valuation standards used in preparing these consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the interpretations in force when the consolidated financial statements were prepared, were as follows:

a) Intangible assets

Intangible assets are recognised initially at acquisition or production cost and are subsequently measured at cost less any accumulated amortisation and any accumulated impairment losses.

They can have an "indefinite useful life" –when, based on an analysis of all the relevant factors, it is concluded that there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the consolidated companies–, or a "finite useful life", in all other cases.

Intangible assets with indefinite useful lives are not amortised; rather, at the end of each reporting period, the consolidated companies review the remaining useful lives of the assets in order to ensure that they continue to be indefinite or, if this is not the case, to take the appropriate steps.

Intangible assets with finite useful lives are amortised over those useful lives using methods similar to those applied to depreciate property, plant and equipment.

Computer software –

The Group recognises under "Computer software" the costs incurred in the acquisition and development of computer software. Computer software maintenance costs are recognised with a charge to the consolidated statement of profit or loss for the year in which they are incurred. Computer software is amortised on a straight-line basis over a four-year period.

b) Property, plant and equipment

Property, plant and equipment are recognised initially at acquisition or production cost.

Replacements or renewals of complete items that lead to a lengthening of the useful life of the assets or to an increase in their economic capacity are recognised as additions to property, plant and equipment, and the items replaced or renewed are derecognised.

Periodic maintenance, upkeep and repair expenses are recognised in profit or loss on an accrual basis as incurred.

Work performed by the Group companies on their own property, plant and equipment is recognised at accumulated cost (external costs plus in-house costs, determined on the basis of in-house consumption of warehouse materials and manufacturing costs allocated applying hourly absorption rates similar to those used for the measurement of inventories). The costs capitalised in this connection are deducted from "Changes in inventories of buildings acquired for refurbishment and/or conversion" in the accompanying consolidated statement of profit or loss.

Depreciation is calculated, using the straight-line method, on the basis of the acquisition cost of the assets less their residual value. The land on which the buildings and other structures stand has an indefinite useful life and, therefore, is not depreciated.

The period's property, plant and equipment depreciation charge is recognised in the consolidated statement of profit or loss and is based on the application of depreciation rates determined on the basis of the years of estimated useful life.

The detail of the average useful lives of the Group's various items of property, plant and equipment is as follows:

	Depreciation
Facilities and furniture	10%
Computer hardware	25%
Other items of property, plant and equipment	10-16%

The Parent's directors consider that the carrying amount of these assets is not lower than their recoverable amount, which is calculated on the basis of the discounted future cash flows that the assets will generate.

Gains or losses arising from the disposal or derecognition of an asset are determined as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the consolidated statement of profit or loss.

c) *Impairment of intangible assets and property, plant and equipment*

The Group reviews the carrying amounts of its property, plant and equipment and intangible assets annually to determine whether there is any indication that those assets might have suffered an impairment loss.

If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where the asset itself does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Intangible assets with indefinite useful lives or those for which amortisation has not commenced are tested for impairment at least at each year-end and, in any case, prior to year-end if there are any indications of impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted at their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset or cash-generating unit is estimated to be lower than its carrying amount, the carrying amount of the asset or the cash-generating unit is reduced to its recoverable amount. Then an impairment loss is immediately recognised as an expense.

Where an impairment loss subsequently reverses, the carrying amount of the asset or the cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or the cash-generating unit in prior years. The aforementioned reversal of an impairment loss is recognised as income in the consolidated statement of profit or loss.

d) *Right-of-use assets*

Lease contracts are accounted for based on IFRS 16. Pursuant to IFRS 16, except for those contracts referring to a low-value asset or with a term of one year or less, the tenant must:

– Recognise the financial liability at the current value of the fixed payments to be made over the lease period, discounted at the lease implicit rate. If this rate cannot be determined easily, the Group applies its incremental borrowing rate.

– Recognise an asset in the consolidated balance sheet on account of its use, the value of which will be established as per the amount of the related financial liability, plus any direct costs incurred in performing the contract, any downpayments made and any future dismantling costs.

– Recognise in the consolidated statement of profit or loss the amortisation charge of the recognised asset and the annual financial burden derived from the financial liability (these two components in combination show the lease expense associated to fixed payments in the consolidated statement of profit or loss). The useful life of these assets is determined according to the duration or valid term of the relevant lease agreements.

– Recognise, in both the consolidated balance sheet and the consolidated statement of profit or loss, the tax effect resulting from the current difference between IFRS 16 principles and those applied for tax purposes.

Should the lease agreements be part of a business combination, the lease liability will be measured at the current value of the remaining lease payments, as if the lease acquired were a new lease on the business acquisition date. The right-of-use asset will be recognised for the same amount as the lease liability, and adjusted to evidence the lease favourable or unfavourable economic conditions on an arm’s length basis.

(Amounts in thousands of euros)

Right-of-use assets will undergo the corresponding impairment tests, similarly to the remaining assets with a finite useful life.

As for the consolidated statement of cash flows, payments in cash on account of principal of the lease liability will be classified in the heading "Cash flows from financing activities".

Non-residential assets –

During 2023 the Group entered into certain lease-purchase contracts for premises being refurbished into urban storage units in various cities in Spain. The establishments leased were empty and the Group undertook the relevant retrofit works.

The rights-of-use relating to the aforementioned premises held for rental purposes are stated at fair value at the reporting date and are not subject to annual depreciation. Gains or losses arising from changes in the fair value of such property are included in the profit or loss for the period in which they arise and are recognised under "Changes in fair value of investment property and right-of-use assets" in the accompanying consolidated statement of profit or loss.

The Group states the fair value of these right-of-use assets on an annual basis. Fair value is established by taking as reference values the appraisals performed by independent valuers at the date of preparation of the consolidated balance sheet and, accordingly, at each reporting period the fair value reflects the market conditions of such items at that date.

These right-of-use assets were valued in accordance with the methods and principles of the UK Royal Institution of Chartered Surveyors (RICS) and in accordance with generally accepted valuation principles. In 2024, appraisals were carried out by the third-party valuation company Instituto de Valoraciones, S.A. (2023: Sociedad de Tasación, S.A.). In order to determine the fair value of these right-of-use assets in 2024, the discounted cash flow ("DCF") approach was applied. For each asset, an average monthly rent revenue per m2 was considered based on the market rents estimated for each type of storage unit according to its surface area, in line with a market study on the supply of similar assets located in the same or similar areas, with a constant growth in rents of 2% in 2024 (2023: 2.8% in the first year; 2.6% in the second year and 2.5% in the third and subsequent years).

The calculation is carried out with a ten-year time horizon, as this is considered a reasonable period for estimating projections and sufficient for the asset to achieve a stabilised level of growth and profits, which will then be updated at the date of the balance sheet, using a market discount rate. The terminal value of the asset at the end of this period is the exit value obtained by capitalising the net rent of the prior year at an exit yield that is deemed appropriate for the level of risk of the asset when calculating such terminal value, in accordance with the specific characteristics of the property and real estate market conditions. At 31 December 2024, the discount rates applied, based on falling interest rates and the consolidation of the urban storage facility line of business, stood at7.50% (2023: between 8.75% and 9.25%).

Below is a sensitivity analysis taking into consideration the variables that could have the greatest impact on the valuation of the right-of-use assets, such as rent revenue and the discount rate:

31 December 2024

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Right-of-use assets	(249)	249	298	(259)
Total	**(249)**	**249**	**298**	**(259)**

(Amounts in thousands of euros)

31 December 2023

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Right-of-use assets	(183)	183	120	(115)
Total	**(183)**	**183**	**120**	**(115)**

The foregoing sensitivity analysis shows that the potential impairment in 2024 would be approximately EUR 249 thousand for a fall in rent revenue of 5%. On the other hand, an increase of 0.5% in the discount rate would imply an impairment loss of nearly EUR 259 thousand.

e) Investment property

"Investment property" in the consolidated balance sheet reflects the values of the land, buildings and other structures held to earn rentals.

Investment property is stated at its fair value at the closing of the reporting period and is not depreciated. Gains or losses arising from changes in the fair value of such investment property are included in the profit or loss for the period in which they arise and are recognised under "Changes in fair value of investment property and right-of-use assets" in the accompanying consolidated statement of profit or loss.

The Group determines the fair value of investment property annually, in accordance with IAS 40. Fair value is established by taking as reference values the appraisals performed by independent valuers at the date of preparation of the consolidated balance sheet and, accordingly, at the end of each reporting period the fair value reflects the market conditions of investment property at that date.

Investment property was valued in accordance with the methods and principles of the UK Royal Institution of Chartered Surveyors (RICS) and in accordance with generally accepted valuation principles. In 2024, appraisals were carried out by the third-party valuation companies Accode Business Influencers, S.L. and Instituto de Valoraciones, S.A. (2023: Accode Business Influencers, S.L. and Sociedad de Tasación, S.A.). In order to determine the fair value of the Group's investment property in 2024 and 2023, the discounted cash flow ("DCF") approach was mainly applied.

Leased residential assets –

As to the discounted cash flow method applied to rental residential assets, and unless the specific characteristics of an investment suggest otherwise, a 50-year time horizon is taken into account. This methodology does not vary significantly from the discounted cash flows of current lease contracts and the estimation of a final selling price. Cash flows are extrapolated over the period covered by the study on a month-to-month basis in order to reflect increases and the timing of rent revisions, lease expiries, etc. For each building projections are based on average occupancy and lease and marketing terms in line with market conditions, taking into account the properties' quality and location.

The exit yield or final capitalisation rate used in each case refers not only to the expected market situation at the end of each cash flow period, but also to the expected lease requirements and the physical condition of the property, taking into account any planned improvements thereof, as set out in the analysis. Regular market discount rates are used.

The properties were valued on a case-by-case basis, considering each of the lease contracts in force at year-end. The buildings with vacant areas were valued on the basis of their estimated future rent, less a marketing period.

(Amounts in thousands of euros)

The key variables of this method are the determination of net revenue, the time period over which net revenue is discounted, the value approximation at the end of each period and the rate used to discount cash flows, which depend mainly on the type and age of the properties and their location, as well as the technical quality of the asset, the tenant profile and the degree of occupancy, among others.

Projections are calculated within a 50-year time horizon, without considering perpetuity and foreseeing the full refurbishment of each unit after 30 years, as well as the rental situation of each dwelling (free, contract-tied, linked to indefinite contracts) with an annual rental growth rate of 2.5% applied for 2024 (2023: 2.5%). On completion of the study, a residual value of the building is taken into account based on its revised present value. In 2024 the aforementioned value was applied a 2.5% rental growth rate and a 6.5% discount rate (2023: 2.5% rental growth rate and 6.65% discount rate). Likewise, for homes with indefinite-term contracts, the date on which the last subrogated person reaches the life expectancy age in Spain was considered as the vacancy date.

At 31 December 2023, since the carrying amount of certain residential assets –which until then had been held under rental contracts–, was expected to be recovered through a sale transaction deemed to be highly probable in the short term, the Group classified the assets and liabilities associated with these properties under "Assets held for sale" and "Liabilities related to assets held for sale" in the accompanying consolidated balance sheet (Note 12). Also, in accordance with the Group's intention of immediate divestment as mentioned above, the valuation report took this aspect into account when determining the market value of the aforementioned properties.

Below is a sensitivity analysis taking into consideration the variables that can have the greatest impact on the valuation of investment property, such as rent revenue and the discount rate:

31 December 2024

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Investment property	(202)	121	754	(572)
Total	**(202)**	**121**	**754**	**(572)**

31 December 2023

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Investment property	(200)	200	625	(532)
Total	**(200)**	**200**	**625**	**(532)**

The foregoing sensitivity analysis shows that the potential impairment in 2024 would be approximately EUR 202 thousand for a fall in rent revenue of 5%. On the other hand, an increase of 0.5% in the discount rate would imply an impairment loss of nearly EUR 572 thousand.

In 2023 the potential impairment loss should have been approximately EUR 200 thousand for a rent revenue drop of 5%. On the other hand, an increase of 0.5% in the discount rate would imply an impairment loss of approximately EUR 532 thousand.

(Amounts in thousands of euros)

Non-residential assets –

In 2024 and in previous years the Group purchased several non-residential assets. On the one hand, the Group owns premises that have been, are being or will be refurbished into urban storage units in different cities in Spain, mainly in Madrid and Barcelona. The establishments acquired were empty and the Group undertook the relevant retrofit works.

– The discounted cash flow method was applied to premises that have already been fitted out, considering an average monthly rent revenue per m2 based on the market rents estimated for each type of storage unit according to its surface area in line with a market study on the supply of similar assets located in the same or similar areas, with a constant growth in rents of 2% in 2024 (2023: 2.8% growth rate in the first year, 2.6% in the second year and 2.5% in the third and subsequent years).

  The calculation is carried out with a ten-year time horizon, as this is considered a reasonable period for estimating projections and sufficient for the asset to achieve a stabilised level of growth and profits, which will then be updated at the date of the balance sheet, using a market discount rate.

  The terminal value of the asset at the end of this period is the exit value obtained by capitalising the net rent of the prior year at an exit yield that is deemed appropriate for the level of risk of the asset when calculating such terminal value, in accordance with the specific characteristics of the property and real estate market conditions. At 31 December 2024 the discount rates applied, based on falling interest rates and the consolidation of the urban storage facility line of business, ranged between5.80% and 7.50% according to each property (2023: 8.50% and 9.25%).

– For premises undergoing refurbishment or pending refurbishment, comparison methods have been used by verifying recent transactions, as well as offers available in the area of influence of the valued assets in accordance with Ministerial Order ECO 805/2003, of 27 March, as amended by Orders EHA/3011/2007, of 4 October, and EHA/564/2008, of 28 February, respectively, and in accordance with generally accepted valuation principles.

Below is a sensitivity analysis taking into consideration the variables that could have the greatest impact on the valuation of this investment property, such as rent revenue and the discount rate:

31 December 2024

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Investment property	(1,773)	1,773	2,240	(1,933)
Total	**(1,773)**	**1,773**	**2,240**	**(1,933)**

31 December 2023

	Rents		Discount rate	
Type	-5.0%	+5.0%	-0.5%	+0.5%
Investment property	(723)	723	457	(438)
Total	**(723)**	**723**	**457**	**(438)**

The foregoing sensitivity analysis shows that the potential impairment in 2024 would be approximately EUR 1,773 thousand for a fall in rent revenue of 5%. On the other hand, an increase of 0.5% in the discount rate would imply an impairment loss of nearly EUR 1,933 thousand.

In 2023 the potential impairment would have been approximately EUR 723 thousand for a selling price fall of 5%, and nearly EUR 438 thousand for a 0.5% discount rate increase.

f) Financial instruments

Financial assets and liabilities are recognised in the consolidated balance sheet when the Group becomes a party to the contractual provisions of the financial instrument.

The measurement bases applied by the Group to its financial instruments in 2024 and 2023 were as follows:

Financial assets –

Initial recognition –

Financial assets are initially recognised at the fair value of the consideration given, plus any directly attributable transaction costs.

Classification and subsequent measurement –

The Group classifies its financial assets by valuation category, which is determined on the basis of the business model and the characteristics of the contractual cash flows. Financial assets are classified on initial recognition into the following categories:

a) Financial assets at amortised cost: These are financial assets held by the Group in order to collect the cash flows derived from contract performance. Contractual terms give rise, on specific dates, to cash flows that only represent the collection of principal and interest over the total outstanding principal.

b) Debt instruments classified at fair value through the consolidated statement of comprehensive income: When debt instruments are held within a business model whose purpose is achieved by both collecting contractual cash flows (payments of principal and interest) and selling financial assets, they are, in general, measured at fair value through consolidated comprehensive income.

c) Equity instruments recognised at fair value through changes in the consolidated statement of other comprehensive income: These are equity instruments for which the Group makes an irrevocable decision to present subsequent changes in fair value in the consolidated statement of other comprehensive income, with the exception of dividends on such investments, which will be recognised in profit or loss for the period. Therefore, no impairment losses are recognised in profit or loss and no gains or losses are reclassified to the consolidated statement of profit or loss on disposal.

d) Financial assets at fair value through consolidated profit or loss: Debt and equity instruments that do not meet the conditions for being classified in any of the aforementioned categories are measured at fair value through the consolidated statement of profit or loss.

A financial asset is derecognised when the contractual rights to the cash flows therefrom expire or have been transferred and all the risks and rewards of ownership of the financial asset have also been transferred substantially. Financial assets are not derecognised, and a financial liability is recognised for an amount equal to the consideration received, in transfers of financial assets in which the risks and rewards of ownership are retained.

Impairment of financial assets is based on the expected loss model. The Group updates the expected loss and the changes therein at each reporting date to reflect the changes in credit risk since initial recognition, without waiting for an impairment event to occur.

The Group applies the general expected credit loss recognition approach for financial assets, except for trade receivables and other receivables without a significant financing component, for which it applies the simplified expected loss approach. In this context, the Group uses a provision matrix for the calculation of expected credit losses on trade receivables based on its historical credit loss experience, adjusted as appropriate in accordance with the standard in force to estimate the credit losses on its accounts receivable. The historical information obtained is adjusted considering market variables and the forecasts relating thereto at the calculation date.

***Financial liabilities* –**

All financial liabilities are measured at amortised cost using the effective interest method or as financial liabilities at fair value through consolidated profit or loss.

Financial liabilities subsequently measured at amortised cost –

Borrowings are initially recognised at fair value adjusted by directly attributable transaction costs. Any difference between the amount received and its repayment value is recognised in the consolidated statement of profit or loss over the repayment period of the borrowings, using the effective interest method, classifying the financial liabilities as subsequently measured at amortised cost.

The effective interest rate is used to calculate the amortised cost of a financial liability and in the allocation of the interest expense over the expected life of the financial liability at amortised cost. The effective interest rate is the rate that exactly discounts estimated future cash payments (including transaction costs) through the expected life of the financial liability or, where appropriate, a shorter period.

Current trade and other payables are current financial liabilities that are initially recognised at fair value, do not bear explicit interest and are recognised at their nominal value.

Non-current payables are considered to be those that mature within more than 12 months.

Financial liabilities at fair value through profit or loss –

Financial liabilities are classified at fair value through the consolidated statement of profit or loss when they relate mainly to financial liabilities held for trading. Derivatives are considered to be in this category unless they are designated as hedging instruments.

Financial liabilities at fair value through the consolidated statement of profit or loss are measured at fair value, and any gain or loss arising from changes in their fair value are recognised in the consolidated statement of profit or loss.

Financial liabilities are derecognised when the obligations giving rise to them cease to exist. Also, an exchange between the Group and a third party of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the original financial liability and the consideration paid, including any attributable transaction costs, is recognised in the consolidated statement of profit or loss.

The Group considers that the terms and conditions of the financial liabilities are substantially different if the discounted present value of the cash flows under the new terms and conditions, including any fees and commissions paid net of any fees and commissions received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

Changes in the contractual cash flows of a financial liability not leading to its derecognition must be recognised in the consolidated balance sheet as a change in estimate of the contractual cash flows of the liability, maintaining the original effective interest rate and adjusting its carrying amount at the date of the change and recording the difference in the consolidated statement of profit or loss.

Equity instruments –

Equity instruments represent a residual ownership in the Parent's equity net of liabilities.

Capital instruments issued by the Parent are recorded in equity at the amount received, net of issue expenses.

Treasury shares purchased by the Parent during the reporting period are recognised for the amount of the consideration directly as a lower value through equity. Gains and losses on the acquisition, sale, issue or retirement of treasury shares are recognised directly in equity and in no case are they recognised in the consolidated statement of profit or loss for the year.

g) Fair value hierarchy

Fair value measurements of assets and liabilities are classified according to the following hierarchy established in IFRS 7 and IFRS 13:

– Level 1: Inputs are based on unadjusted quoted prices in active markets for identical assets or liabilities.

– Level 2: Inputs are based on quoted prices for similar instruments in active markets not included in Level 1, quoted prices for identical or similar assets or liabilities in markets that are not active, and techniques based on valuation models for which all the significant inputs are observable in the market or may be corroborated by observable market data.

– Level 3: Inputs are generally unobservable and, in general terms, they reflect estimates of the market assumptions for determining the price of the asset or liability. The unobservable data used in the valuation models are significant inputs in measuring the fair values of the assets and liabilities.

31 December 2024

	Thousands of euros		
	Level 1	Level 2	Level 3
Right-of-use assets	—	—	3,985
Investment property	—	—	35,095
Financial assets at fair value through the consolidated statement of comprehensive income	3,406	—	—
Assets held for sale	—	—	5,307
Total assets	**3,406**	**—**	**44,387**

31 December 2023

	Thousands of euros		
	Level 1	Level 2	Level 3
Right-of-use assets	—	—	3,508
Investment property	—	—	24,285
Financial assets at fair value through the consolidated statement of comprehensive income	611	—	1,483
Assets held for sale	—	—	9,772
Total assets	**611**	**—**	**39,048**

h) *Assets held for sale and related liabilities*

Non-current assets or disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. Such assets must be available for immediate sale and the sale must be considered highly probable and must be completed within twelve months from the date of classification of the asset as held for sale.

They are measured in accordance with the valuation standard, applicable in each case, at the lower of fair value less costs to sell. In this regard, as disclosed in Note 4-e, when determining the fair value of the aforementioned assets, the valuation report drawn up by an independent third-party expert takes this aspect into account.

Non-current assets, including those that are part of a disposal group, are not depreciated while they are classified as held for sale; however, interest and other expenses attributable to the liabilities of a disposal group that is classified as held for sale continue to be recognised.

Non-current assets, or disposal groups, are presented separately from other assets in the consolidated balance sheet under “Assets held for sale”. Liabilities that form part of a disposal group classified as held for sale are also presented separately from other liabilities in the consolidated balance sheet under “Liabilities related to assets held for sale”. These assets and liabilities will not be offset or presented as a single amount.

When an asset, or disposal group, ceases to meet the requirements to be classified as held for sale, it will be reclassified to the appropriate balance sheet item and measured at the date of reclassification at the lower of the carrying amount prior to its classification as non-current asset held for sale as adjusted, if applicable, by the depreciation and value correction that would have been recognised had it not been classified as held for sale, and its recoverable amount, recording any difference in the corresponding line item in the consolidated statement of profit or loss.

i) *Inventories*

Inventories, consisting of property development projects in progress and completed properties, are measured at acquisition or construction cost. Execution costs include direct and indirect costs necessary for construction, as well as the finance costs incurred in financing works in the course of construction, but only if lasting for more than a year.

Any advanced delivery resulting from purchase options in force are recognised as “Purchase options” under “Inventories” in the accompanying consolidated balance sheet, and are based on fulfilment of the conditions rendering them enforceable. The acquisition of purchase option rights on properties is the Group’s usual way of implementing the first stage of the process of acquiring properties for inventories, prior to the formalisation of the deed of sale itself.

The Group recognises the appropriate inventory write-downs if the net realisable value of the inventories is lower than their carrying amount. Impairment losses arising after recognition of inventories are recorded in the consolidated statement of profit or loss. When the net realisable value exceeds the carrying amount, the Group recognises the difference in the consolidated statement of profit or loss as income from the reversal of impairment losses up to the limit of the amount of accumulated impairment on initial recognition of the asset.

The Group determines the net realisable value of its inventories periodically and mainly through internally performed valuations. The in-house valuations are conducted taking into consideration the estimated selling price in the normal course of business less the applicable variable costs of disposal. The market prices of the properties in each location are analysed, as well as the main costs of disposal, which consist mainly of fees and commissions that are agreed upon for each property.

Regarding those assets that at 31 December 2024 and had been appraised by the third-party valuation companies Accode Business Influencers, S.L. and Gloval Valuation, S.A.U. They were measured applying the dynamic residual method, which consists in determining the future selling price of completed products discounting flows to present value by subtracting all urban development, promotion, marketing and borrowing costs as they are incurred. The discount rates taken into account in 2024 ranged between 20% and 10.36%. The external valuation reports were carried out in accordance with the valuation methods and principles of the Royal Institution of Chartered Surveyors of Great Britain (RICS) and in accordance with Ministerial Order ECO 805/2003 of 27 March, as amended in EHA/3011/2007 of 4 October and in EHA/564/2008 of 28 February, and in accordance with generally accepted valuation principles.

On the other hand, at 31 December 2023, the valuation was carried out by the third-party valuer Accode Business Influencers, S.L. in accordance with the valuation methods and principles of the Royal Institution of Chartered Surveyors of Great Britain (RICS) and the generally accepted valuation principles following the dynamic residual method. The discount rates considered in 2023 were 18% and 20%.

Their classification as current assets is made taking into account the average operating period determined for each business segment, which is normally less than one year. The financing associated with these inventories is classified on the basis of such inventories (Note 4-k).

j) *Cash and cash equivalents*

This caption includes the balances held in bank accounts, which are measured at cost or market value, whichever the lower.

Cash and cash equivalents include the Group's cash on hand and short-term bank deposits initially maturing within three months or less. The carrying amount of these assets is close to their fair value.

k) *Current / Non-current classification*

The normal operating cycle is the time between the acquisition of assets for inclusion in the various project developments of the Group and their realisation in the form of cash or cash equivalents.

In the accompanying consolidated balance sheet, assets and liabilities maturing within no more than 12 months are classified as current items whereas those maturing within more than 12 months are classified as non-current items, except for inventories, which are classified as current assets since they are realised during the Group's normal operating cycle. The liabilities associated with these assets are classified as current liabilities, regardless of whether they mature in the short or long term.

Bank borrowings are classified as non-current, if the Group has an irrevocable capacity to meet these obligations within more than 12 months as from the end of the reporting period. Assets and liabilities that meet the conditions to be recognised under “Assets held for sale” and “Liabilities related to assets held for sale” are also classified as current, irrespective of their maturity.

l) Provisions and contingent liabilities

When preparing the consolidated financial statements, the Parent’s directors made a distinction between:

– Provisions: credit balances covering current obligations arising from past events, the cancellation of which is likely to generate an outflow that cannot be determined in terms of amount and/or timing.

– Contingent liabilities: possible obligations derived from past events, whose materialisation depends on the occurrence, or otherwise, of one or more future events falling outside the Group’s control.

Provisions, which are quantified on the basis of the best information available on the consequences of the event giving rise to them and are reviewed and adjusted at the end of each year, are used to address the specific and potential risks for which they were originally recognised. Provisions are fully or partially reversed when such risks cease to exist or are reduced. The provisions recognised relate to the estimated amounts required to address potential or actual liabilities arising from litigation in process, indemnity payments or other liabilities derived from the Group’s business activities that will lead to future payments, which were measured on the basis of the information currently available. These provisions are recognised when the third-party liability or obligation giving rise to the indemnity or payment arises, taking into consideration the other conditions established by IFRS.

Third-party compensation received upon settling an obligation, provided such reimbursement is to be received, is recorded as an asset, except in case of a legal bond whereby part of the risk was externalised, and for which the Group is not liable. In such a situation, the compensation should be used to estimate the amount, if any, of the corresponding provision.

m) Employee benefits

Termination benefits –

According to current legislation, the Group is under the obligation to pay termination benefits to those employees whose employment relationship is terminated under specific conditions. Therefore, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employment relationship is taken and valid expectations with regard to the termination are created on the part of third parties.

Share-based payments –

The Parent has various share-based payment plans in place granted to employees and executives of Renta Corporación Group, as approved by the Board of Directors on 9 May 2019, 13 May 2020, 3 May 2022, 24 February 2023, 11 May 2023 and 29 May 2024, respectively (Note 16).

The Parent has also granted a share-based payment plan to the CEO of Renta Corporación Group, as approved by the Ordinary General Meeting on 11 April 2019 (Note 16).

Furthermore, the Parent has granted a share-based payment plan to key personnel of Renta Corporación Group, which was approved by the Parent’s Board of Directors on 27 February 2019 (Note 16).

The Group recognises, on the one hand, the goods and services received as an asset or as an expense, depending on their nature when they are received, and, on the other, the related increase in equity if the transaction is equity-settled, or the related liability if the transaction is settled with an amount based on the value of the equity instruments.

In the case of equity-settled transactions, both the services rendered and the increase in equity are measured at the fair value of the equity instruments granted, with reference to the grant date, which is the market price of the Parent's shares at the time the plan is agreed upon. However, in the case of cash-settled share-based payments, the goods and services received and the related liability are recognised at the fair value of the latter, with reference to the date on which the requirements for their recognition are met.

n) Income tax

The expense or revenue for income tax includes the portion that refers to the expense or revenue arising from any current taxes, and the portion corresponding to the expense or revenue arising from any deferred taxes.

The current tax expense is the amount paid by the Group on account of income tax for a specific reporting period. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carryforwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carryforwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Based on the nature of certain deferred tax assets and liabilities, the Group determined that these taxes should be presented in the accompanying consolidated balance sheet at their net balance.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (loss).

Deferred tax assets are only recognised if it is considered likely that the Group will have future taxable profits to recover them.

The assets and liabilities for deferred taxes, arising from transactions with direct debits or credits to equity accounts are also booked with a balancing entry under equity.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made, if doubt exists as to their future recoverability. At each reporting date, the deferred tax assets not recognised in the accompanying consolidated balance sheet are assessed and recognised to the extent that their recovery against future taxable profits becomes probable, and the Group companies establish a finite time horizon for their recovery on the basis of the best estimates made (Note 18).

As a result of the Group filing a petition for voluntary insolvency proceedings on 19 March 2013 (Note 1), the Group lost the right to file consolidated income tax returns and consolidated VAT returns and, accordingly, the Group companies began to file individual tax returns.

o) Income and expenses

In accordance with IFRS 15, as a general rule, the Group recognises revenue so it may show the transfer of promised goods or services to customers for an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. In this connection, revenue is recognised as an entity fulfils its obligations, i.e. when the "control" of the goods or services underlying the obligation in question is transferred to the customer.

Revenue earned from the completion and sale of turnkey projects is recognised considering the degree of realisation of the service at the date of the balance sheet, provided that the result of the transaction can be estimated reliably.

Interest income is accrued following temporary financial criteria according to the principal outstanding and the effective interest rate applicable. Such interest rate discounts the estimated future revenue that could be earned from the financial asset concerned.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established, i.e. when the Annual General Meetings (of shareholders/members) of the investees approve the distribution of the related dividends.

Property sales and delegated turnkey development contracts –

Property sales are recognised when the ownership of the asset is transferred, i.e. when the public deed of sale of the property is executed, provided the control of the property has been transferred to the buyer.

The Group can sell a property undertaking to perform certain refurbishment work, hiring, coordinating and monitoring such work, with the related costs being included in the selling price agreed. In this event, the sale is recognised upon fulfilling each and every contractual obligation, as individually specified. Both in the case of sales or potential exchanges, should any condition precedent apply to the recognition of revenue, the latter will be deferred until such conditions precedent are met and the exchange or purchase are effected.

Expenses are recognised when accrued, regardless of their payment time. The cost of sales is recognised in the period when the relevant sale occurs.

As to revenue from the completion and sale of turnkey projects for third parties, and provided that the outcome of a construction contract can be estimated reliably, revenues and expenses are recognised by reference to the stage of completion of contract activity at the date of the balance sheet. The stage of completion of a contract can be determined based on the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, unless such a proportion does not reflect the stage of completion. Variations in the scope of the contract and claims are included insofar as they are agreed with the customer.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of recoverable contract costs incurred. Contract costs are recognised as expenses in the period when they are incurred. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Finally, should any circumstances arise changing the initially estimated ordinary revenue, costs or stage of completion, such estimations are revised. Revisions could result in higher or lower revenue and cost estimations and are reflected in the consolidated statement of profit or loss in the period when senior management become cognizant of such circumstances.

Services –

The Group renders advisory services in connection with both the sale and acquisition of real estate assets such as flats, buildings and land; and earns revenue from the lease of its own properties and from the advisory services provided. However, since the Group's core activity is the acquisition of assets for conversion and subsequent sale, and not for asset-management business purposes, the Group does not classify as investment any property intended for sale in the ordinary course of business or in the process of construction or development for such sale; for example, property acquired exclusively with a view to subsequent disposal in the near future or for development and resale. In the case of services for which the final outcome cannot be reliably estimated, revenue is recognised only to the extent of recognised expenses that are recoverable.

In relation to the advisory services derived from the management contracts of real estate vehicles which include fees for, among others, (i) proposing investment operations, (ii) arranging and negotiating purchase transactions, (iii) managing the properties and, eventually, (iv) selling the properties acquired by the vehicle or the vehicle itself, such services are recognised on an accrual basis.

Revenue from contracts arising from the provision of rental services is recognised at the rates stipulated in the contract and on a straight-line basis over the term of the contract.

p) Consolidated statement of cash flows (indirect method)

The following terms are used in the consolidated statement of cash flows with the meanings specified below:

– Cash flows: inflows and outflows of cash and cash equivalents, which are short-term highly liquid investments with an insignificant risk of changes in value.

– Operating activities: the principal revenue-generating activities of the Group companies and other activities that are not investing or financing activities.

– Investing activities: the acquisition and disposal of long-term assets and other investments not included in cash and cash equivalents.

– Financing activities: activities that result in changes in the size and composition of equity and liabilities that are not operating activities.

q) Transactions with related parties

The Group conducts all transactions with related parties on an arm's length basis. Also, transfer prices are adequately supported and, therefore, the Parent's directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

r) Equity items with an environmental dimension

The expenses arising from the business activities aimed at protecting and improving the environment are accounted for as an expense in the year in which they are incurred. When these expenses, the purpose of which is to minimise environmental impact and protect and improve the environment, give rise to additions to property, plant and equipment, they are capitalised to those assets.

5. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss attributable to the Parent, after tax and non-controlling interests, by the weighted average number of shares during that period.

Diluted earnings per share are calculated using a method similar to that applied to calculate basic earnings per share, but the weighted average number of shares outstanding is adjusted to take into account the potential dilutive effect of the convertible debt instruments in force at year-end. At 31 December 2024 and 2023, there were no obligations pending conversion into shares of the Parent.

	Thousands of euros	
	2024	2023
Consolidated profit/(loss) for the year attributable to the shareholders of the Parent:	**3,307**	**(15,945)**
- from continuing operations	3,307	(15,945)
	No. of shares	No. of shares
Average number of ordinary shares (in thousands) (*)	32,306	32,171
Average number of ordinary dilutive shares (in thousands) (*)	32,306	32,171
	Euros	Euros
Basic and diluted earnings per share:	**0.10**	**(0.50)**
- from continuing operations	0.10	(0.50)

(*) Pursuant to current standards, treasury shares are not included in this calculation.

6. Segment reporting

According to its business plan the Group runs its activities through two business units:

– The transactional business refers to all the properties for which, in the normal course of the Group's operations, the latter performs a purchase and sale transaction or provides a service.

– The asset business relates to the revenue-generating properties that the Group manages, either directly or through investment vehicles.

For geographical segmentation purposes, the Group operates exclusively in the Spanish market.

In 2024 and 2023, Vivenio Residencial SOCIMI, S.A. and Subsidiaries accounted for 11% and 2% of the Group's ordinary revenue, respectively (Note 20). In 2024 and 2023, Wellder Residencial SOCIMI, S.A. and Subsidiaries accounted for 7% and 3% of the Group's ordinary revenue, respectively (Note 20). Except for the specific case of SOCIMI Vivenio in 2024, no customer accounts for more than 10% of the Group's ordinary revenue.

There were no significant inter-segment transactions in 2024 or 2023.

The segment information on these activities for the accompanying consolidated balance sheet and consolidated statement of profit or loss headings for 2024 and 2023 is as follows (in thousands of euros):

(Amounts in thousands of euros)

2024

	Transactional business	Asset business	Not allocable	Total
Intangible assets, property, plant and equipment, right-of-use assets and investment property	—	40,100	1,129	41,229
Non-current financial assets	—	3,417	86	3,503
Deferred tax assets	293	—	27,190	27,483
TOTAL NON-CURRENT ASSETS	**293**	**43,517**	**28,405**	**72,215**
Assets held for sale	5,307	—	—	5,307
Inventories	21,287	7	—	21,294
Trade and other receivables	664	984	1,315	2,963
Current financial assets	64	920	—	984
Cash	—	—	3,485	3,485
TOTAL CURRENT ASSETS	**27,322**	**1,911**	**4,800**	**34,033**
TOTAL ASSETS	**27,615**	**45,428**	**33,205**	**106,248**
EQUITY	**—**	**—**	**67,460**	**67,460**
Non-current payables	—	8,028	—	8,028
Other financial liabilities	—	1,866	—	1,866
Deferred tax liabilities	—	3,916	—	3,916
TOTAL NON-CURRENT LIABILITIES	**—**	**13,810**	**—**	**13,810**
Liabilities related to assets held for sale	819	—	—	819
Current payables	10,639	716	6,880	18,235
Trade and other payables	4,082	721	1,121	5,924
TOTAL CURRENT LIABILITIES	**15,540**	**1,437**	**8,001**	**24,978**
TOTAL EQUITY AND LIABILITIES	**15,540**	**15,247**	**75,461**	**106,248**

	Transactional business	Asset business	Other	Not allocable	Total
CONTINUING OPERATIONS:					
Revenue	19,659	6,059	—	—	25,718
Other operating income	—	—	747	—	747
Changes in inventories of buildings acquired for refurbishment and/or conversion	(12,641)	—	—	—	(12,641)
Staff costs	(4,154)	(1,719)	—	(680)	(6,553)
Other operating expenses	(1,295)	(1,608)	(1,290)	(2,671)	(6,864)
Depreciation and amortisation charge	—	(7)	—	(524)	(531)
Impairment and gains or losses on disposals of non-current assets and investment property	(170)	—	—	—	(170)
Consolidated profit/(loss) from operations	**1,399**	**2,725**	**(543)**	**(3,875)**	**(294)**
Changes in fair value of investment property	(237)	8,420	—	—	8,183
Finance income	10	3	—	39	52
Finance costs	(703)	(428)	—	(1,859)	(2,990)
Consolidated profit/(loss) before tax	**469**	**10,720**	**(543)**	**(5,695)**	**4,951**
Income taxes	—	—	—	(855)	(855)
Consolidated profit/(loss) for the year	**469**	**10,720**	**(543)**	**(6,550)**	**4,096**

	Property sales	Real estate project management	Asset management	Total
Revenue	18,328	1,331	6,059	25,718

(Amounts in thousands of euros)

2023

	Transactional business	Asset business	Not allocable	Total
Intangible assets, property, plant and equipment, right-of-use assets and investment property	—	27,793	2,758	30,551
Non-current financial assets	—	2,105	93	2,198
Deferred tax assets	35	357	27,087	27,479
TOTAL NON-CURRENT ASSETS	**35**	**30,255**	**29,938**	**60,228**
Assets held for sale	—	9,772	—	9,772
Inventories	27,282	—	—	27,282
Trade and other receivables	123	154	1,417	1,694
Current financial assets	184	57	74	315
Cash	—	—	5,193	5,193
TOTAL CURRENT ASSETS	**27,589**	**9,983**	**6,684**	**44,256**
TOTAL ASSETS	**27,624**	**40,238**	**36,622**	**104,484**
EQUITY	**—**	**—**	**58,535**	**58,535**
Non-current payables	—	5,982	—	5,982
Other financial liabilities	—	969	1,457	2,426
Deferred tax liabilities	—	3,215	—	3,215
TOTAL NON-CURRENT LIABILITIES	**—**	**10,166**	**1,457**	**11,623**
Liabilities related to assets held for sale	—	3,310	—	3,310
Current payables	2,171	312	21,963	24,446
Trade and other payables	5,218	423	929	6,570
TOTAL CURRENT LIABILITIES	**7,389**	**4,045**	**22,892**	**34,326**
TOTAL EQUITY AND LIABILITIES	**7,389**	**14,211**	**82,884**	**104,484**

	Transactional business	Asset business	Other	Not allocable	Total
CONTINUING OPERATIONS:					
Revenue	38,422	3,403	—	—	41,825
Other operating income	—	—	124	—	124
Changes in inventories of buildings acquired for refurbishment and/or conversion	(36,085)	—	—	—	(36,085)
Staff costs	(4,456)	(835)	—	(359)	(5,650)
Other operating expenses	(715)	(1,022)	(2,001)	(3,042)	(6,780)
Depreciation and amortisation charge	—	—	—	(496)	(496)
Impairment and gains or losses on disposals of non-current assets and investment property	—	(1,878)	—	—	(1,878)
Consolidated profit/(loss) from operations	**(2,834)**	**(332)**	**(1,877)**	**(3,897)**	**(8,940)**
Changes in fair value of investment property	—	(5,272)	—	—	(5,272)
Finance income	—	—	102	100	202
Finance costs	(324)	(288)	—	(3,397)	(4,009)
Share in profit or loss of associates under the equity method	—	—	—	(29)	(29)
Disposals of investments accounted for under the equity method	—	—	—	218	218
Consolidated profit/(loss) before tax	**(3,158)**	**(5,892)**	**(1,775)**	**(7,005)**	**(17,830)**
Income taxes	—	—	—	1,885	1,885
Consolidated profit/(loss) for the year	**(3,158)**	**(5,892)**	**(1,775)**	**(5,120)**	**(15,945)**

	Property sales	Real estate project management	Asset management	Total
Revenue	37,861	561	3,403	41,825

(Amounts in thousands of euros)

7. Right-of-use assets

The changes of this heading in the accompanying consolidated balance sheet in 2024 and 2023 were as follows:

	Thousands of euros				
	Rental of office space and establishments		Transport items		Total
	Cost	Amortisation	Cost	Amortisation	
Balance at 1 January 2023	**1,881**	**(130)**	**152**	**(125)**	**1,778**
Additions and charge for the year	1,685	(205)	91	(29)	1,542
Changes in value	1,785	—	—	—	1,785
Balance at 31 December 2023	**5,351**	**(335)**	**243**	**(154)**	**5,105**
Additions and charge for the year	380	(212)	—	(35)	133
Write-offs	(505)	—	—	—	(505)
Changes in value	272	—	—	—	272
Balance at 31 December 2024	**5,498**	**(547)**	**243**	**(189)**	**5,005**

Right-of-use assets recognised based on IFRS 16 at 31 December 2024 and 2023 are related, chiefly, to lease contracts on office space located in Madrid and Barcelona, to establishments under lease-purchase contracts and to rental of various vehicles.

This change in 2024 relates, chiefly, to the relocation of the Group's office in Madrid, which gave rise to the recognition of the new lease contract and the derecognition of the old one.

The line item "Changes in fair value of investment property, right-of-use assets and assets held for sale" in the accompanying consolidated statement of profit or loss includes the changes in value of such right-of-use establishments for 2024 in the amount of EUR 272 thousand. This change in value relates to the change in the fair value of right-of-use assets as appraised by third-party valuers at 31 December 2024 (Note 4-d).

Additions recorded in 2023 were mainly due to certain lease-purchase contracts on establishments that were refurbished into urban storage units. These premises are held for rental purposes; therefore, they are stated at fair value at the reporting date and are not subject to annual depreciation.

In determining lease liabilities recognised in accordance with IFRS 16, the Group considered the payments agreed as per the estimated duration of the lease contracts, assuming that they will be fulfilled entirely and without taking into account any potential extensions thereof. The incremental interest rate applied in fiscal years 2024 and 2023 was 5.12%.

There are no future cash outflows to which the Group is exposed as lessee that have not been considered in the valuation of lease liabilities. On the other hand, the Group does not apply the practical expedient of IFRS 16 to a lease portfolio.

(Amounts in thousands of euros)

8. Investment property

The changes of this heading in the accompanying consolidated balance sheet in 2024 and 2023 were as follows:

	Thousands of euros
	Land and buildings
Balance at 31 December 2022	**44,324**
Additions	3,350
Transfers to assets held for sale (Note 12)	(9,772)
Write-offs	(6,560)
Changes in value	(7,057)
Balance at 31 December 2023	**24,285**
Additions	3,111
Transfers to Inventories	365
Write-offs	(815)
Changes in value	8,149
Balance at 31 December 2024	**35,095**

In 2024 and in prior years, the Group purchased several non-residential assets in the cities of Barcelona, Madrid, Zaragoza and Palma de Mallorca and started retrofit work to transform them into urban storage facilities and, ultimately, into revenue-generating units for rental.

At 31 December 2023, some property was reclassified to "Assets held for sale" in the amount of EUR 7,057 thousand, as the carrying amount of certain residential investment property, which until then had been held for rental purposes, was estimated to be recoverable through a sale transaction deemed to be highly probable in the short term. Also, in accordance with the Group's intention of divestment, when determining the market value of the aforementioned properties, the valuation report took into account immediate selling criteria.

On 28 December 2021, the Group acquired a set of assets in the city of Barcelona that were entirely leased and for which a public deed of sale was executed on 26 October 2023, transferring all of them to a third party. The proceeds on the transaction were recognised under "Impairment and gains or losses on disposals of non-current assets and investment property" in the accompanying consolidated statement of profit or loss.

The line item "Changes in fair value of investment property and right-of-use assets" in the accompanying consolidated statement of profit or loss includes the changes in value on investment property for 2024 and 2023, amounting to EUR 8,149 thousand and EUR -7,057 thousand, respectively. These changes in value correspond to the change in the fair value of investment property and, for the prior period, it includes the change in fair value of those assets that, at 31 December 2023, had been transferred to "Assets held for sale", as per the valuations conducted by third-party experts at 31 December 2024 and 2023 (Notes 4-e and 4-h).

(Amounts in thousands of euros)

Other disclosures

The total surface area of investment property at 31 December 2024 was 1,290 m2 of residential assets and 11,373 m2 of non-residential assets, respectively (2023: 1,290 m2 and 10,475 m2, respectively).

At 31 December 2024 and 2023, there was investment property secured by various mortgage loans recognised under "Non-current bank borrowings maturing at long-term" and "Non-current bank borrowings maturing at short-term" in the accompanying consolidated balance sheet, as there was a mortgage guarantee or pledge thereon, with the breakdown being as follows:

	Thousands of euros			
	31/12/2024		31/12/2023	
	Debt at amortised cost	Fair value	Debt at amortised cost	Fair value
Investment property	8,256	35,095	6,107	18,605
Total	**8,256**	**35,095**	**6,107**	**18,605**

Revenue earned in 2024 and 2023 from investment property rental amounted to EUR 991 and EUR 577 thousand, respectively, and is recognised under "Revenue" in the accompanying consolidated statement of profit or loss. Direct operating expenses relating to investment property in 2024 totalled EUR 792 thousand for leased property and EUR 25 thousand for non-revenue generating properties over the period. Direct operating expenses relating to investment property in 2023 totalled EUR 226 thousand for leased property and EUR 28 thousand for non-revenue generating properties over the period.

At 31 December 2024 and 2023, there was no restriction whatsoever to sell said investment property and the cash flows obtained shall be allocated to amortise the secured debt, where applicable. There are no other contractual acquisition, construction or development obligations nor any others on account of repair, upkeep or refurbishment work other than the debtor's obligation to preserve the property and prevent its deterioration.

The Group's policy is to take out insurance policies against the potential risks to which its investment property is exposed. At 31 December 2024 and 2023, the Group's investment property was fully insured.

9. Leases

As lessee –

At the closing of 2024 and 2023, the Group had not contracted with lessors for any future minimum lease payments that may be deemed significant, which are not included in the valuation of lease liabilities disclosed in Note 17.

As lessor –

The Company has not contracted for any minimum lease payments of significant amounts under non-cancellable leases.

(Amounts in thousands of euros)

10. Investments in associates and joint ventures

a. Investments accounted for under the equity method

As disclosed in Note 2-f to the accompanying consolidated financial statements, on 23 October 2023, the Parent transferred all of its ownership interest in Terra Green Living, S.A., representing 50% of its share capital, to a third party.

At 31 December 2023, the Group did not have any amount recorded under "Investments accounted for under the equity method" in the accompanying consolidated balance sheet in relation to this company, although it did have amounts under "Loans to associates and joint ventures" as a result of the participating loans granted to said company. The transaction gave rise to the recognition of income for EUR 218 thousand, which the Group recognised under "Disposals of investments accounted for under the equity method" in the accompanying consolidated statement of profit or loss.

The abridged financial disclosures on assets and liabilities, as well as the profit/(loss) for the year under consolidation at 31 December 2022 and until the date of disposal thereof in 2023, were not deemed significant; for that reason, they are not included in these consolidated financial statements.

b. Loans to associates and joint ventures

At 31 December 2024 and 2023, given the changes in the scope of consolidation disclosed in Note 2-f, no loans had been granted to companies classified as associates and joint ventures.

11. Non-current financial assets

At the closing of 2024 and 2023, the balance of the heading "Non-current financial assets" in the accompanying consolidated balance sheet was classified into the following categories for valuation purposes:

31 December 2024

	Thousands of euros		
	Equity instruments	Non-current deposits and guarantees	Total
Financial assets at fair value through the consolidated statement of comprehensive income	3,406	—	3,406
Financial assets at amortised cost	25	72	97
Total	**3,431**	**72**	**3,503**

(Amounts in thousands of euros)

31 December 2023

	Thousands of euros		
	Equity instruments	Non-current deposits and guarantees	Total
Financial assets at fair value through the consolidated statement of comprehensive income	2,094	—	2,094
Financial assets at amortised cost	25	79	104
Total	**2,119**	**79**	**2,198**

Vivenio Residencial SOCIMI –

On 10 April 2017, the Parent executed the deed of incorporation of Vivenio Residencial SOCIMI, S.A. (formerly, Rembrandt Activos Residenciales SOCIMI, S.A. and hereinafter “SOCIMI Vivenio”) with a share capital of EUR 60 thousand. On 3 May 2017, the Parent formalised the transfer of 98.059% of its ownership interest in the share capital of that investee to four new shareholders. As a result, Pylades Investments Holding, B.V., a company owned by APG Group (“APG”) became the new controlling shareholder with an ownership interest of 97.04% at the end of 2017. On 30 June 2021, the Parent reached an agreement with the Australian fund Aware Super PTY LTD, whereby the Parent transferred 8,996,774 shares.

In 2023 two transactions were carried out on 29 June and 27 September, respectively, whereby the Parent transferred a total of 14,623,178 shares to SOCIMI Vivenio. These transactions gave rise to the recognition of a loss of EUR 3,436 thousand and the reclassification to reserves of the revaluation recorded in the line item “Valuation adjustments” under equity in the accompanying consolidated balance sheet for a gross amount of EUR 1,989 thousand (EUR 1,492 thousand net of the tax effect). Both effects were recognised under “Consolidated reserves” in the accompanying consolidated balance sheet, the combined effect amounting to EUR 1,447 thousand. The aforementioned loss resulted from the difference between the price agreed by the parties and the share price registered on the date of the transaction.

At the closing of 2024, and following the various capital increases and share transfers mentioned above, the Parent held a total of 452,263 shares in SOCIMI Vivenio accounting for 0.06% of its share capital and amounting to EUR 615 thousand (2023: 452,263 shares representing 0.06% of its share capital and amounting to EUR 611 thousand). The Parent measures ownership interest at fair value according to the share price at each year-end, recognising any changes in value directly through equity, net of the tax effect. The gross increase in the investee’s share price in 2024 amounted to EUR 5 thousand, EUR 4 thousand net of the tax effect (2023: EUR 15 thousand of gross reduction, EUR 11 thousand net of the tax effect), which was recognised with a balancing entry under “Valuation adjustments” in equity of the consolidated balance sheet.

Since 3 May 2017 the Parent has been formalising various “Asset Management Agreements” and “Investment Management Agreements”, the last one being executed upon the Australian fund Aware Super PTY LTD becoming a shareholder of SOCIMI Vivenio, effective from 30 March 2022 to 31 December 2024.

(Amounts in thousands of euros)

Revenue from this activity in 2024 and 2023 amounted to EUR 2,941 thousand and EUR 739 thousand, respectively (Note 16), its breakdown being as follows:

2024

Thousands of euros	To be collected in cash
Origination fees	1,961
Asset sale fees	230
Incentive fees	750
Total	**2,941**

2023

Thousands of euros	To be collected in cash
Origination fees	711
Asset sale fees	28
Total	**739**

Wellder Senior Assets SOCIMI –

On 14 September 2022, the company Wellder Senior Assets SOCIMI, S.A. (“SOCIMI Wellder”) was incorporated through a public deed with a share capital of EUR 60 thousand, fully subscribed and paid-in by the Parent. Subsequently on 22 November 2022, the Parent transferred 97% of its ownership interest in the abovementioned investee to the company Figaria Investments Holding, B.V., a company owned by APG Group, thus becoming the new controlling shareholder thereof.

Finally, in accordance with the resolution adopted by the shareholders whereby a global investment of EUR 125 million was committed, on 27 December 2022, a total of EUR 210 thousand had been contributed by the Company, tantamount to its 3% interest. Such a capital contribution was aimed at the first capital increase in SOCIMI Wellder agreed by the Annual General Meeting held on 13 January 2023 in the amount of EUR 7,000 thousand, as formalised through a public deed on 27 January 2023.

On 27 February and 9 October 2023, two new capital increases were performed and an additional amount of EUR 1,271 thousand was paid up by the Parent corresponding to its 3% ownership interest. Lastly, on 28 March 2024 and 8 May 2024, two new capital increases were performed and an additional amount of EUR 1,308 thousand was contributed by the Parent as per its 3% ownership interest.

The Board of Directors of Bolsas y Mercados Españoles Sistemas de Negociación, S.A., in accordance with the powers provided in this regard by the Operating Regulations of BME MTF Equity and Circular 1/2023, of 4 July, on requirements and procedure applicable to the incorporation and exclusion in the BME Scaleup trading segment of BME MTF Equity, agreed to incorporate all the shares of the Company into said market segment as of 31 July 2024.

(Amounts in thousands of euros)

At 31 December 2024, the Parent held EUR 2,791 thousand shares of SOCIMI Wellder, representing 3% of its share capital, for an amount of EUR 2,791 thousand, such shares being measured at fair value as per the share price at the end of each reporting year and with the relevant changes in value, net of their tax effect, being recorded directly in equity. No price variations have occurred since the start of trading.

Additionally, on 22 November 2022, the Parent entered into an Asset Management Agreement ("AMA") with the aforementioned real estate investment trust SOCIMI Wellder, whereby it was agreed that the Parent would render administrative, accounting and tax services and exclusively manage all of its real estate business including, in particular, submitting property investment and project development proposals aimed at the senior residential homes sector. The aforementioned agreement will be effective for a five-year term and can be extended for two-year periods.

Pursuant to the AMA, management fees and real estate business development fees arising from investment proposals leading to the acquisition of an asset by SOCIMI Wellder should be settled in cash or through the issue and delivery of new shares by the REIT, according to the parameters set out under the agreement and depending on whether they be management fees, fees for origination and analysis of assets to be included, development fees or incentive fees. Should incentive fees apply, they should be fully settled through shares and calculated annually based on the fulfilment of certain parameters, including but not limited to, the return on the investment based on SOCIMI Wellder's NAV in each fiscal year.

Revenue from this activity in 2024 and 2023 amounted to EUR 1,861 thousand and EUR 1,404 thousand, respectively (Note 20), its breakdown being as follows:

2024

Thousands of euros	To be collected in cash
Management fees	840
Origination fees and Development fees	1,021
Total	**1,861**

2023

Thousands of euros	To be collected in cash
Management fees	750
Origination fees	654
Total	**1,404**

(Amounts in thousands of euros)

The main data relating to the aforementioned companies at the closing of 2024 and 2023 were as follows:

2024

2024	Address	Thousands of euros				Direct	Indirect
		Share capital (**)	Reserves (**)	Profit/(loss) (**)	Treasury shares (**)		
NON-CURRENT EQUITY INSTRUMENTS:							
Vivenio Residencial SOCIMI, S.A. and Subsidiaries (*) (**)	C/ Velázquez 51, 1º Izq. – 28001 Madrid	732,298	227,831	79,442	(16,600)	0.06 %	—
WELLDER Senior Assets SOCIMI, S.A. and Subsidiaries (*) (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona	93,035	160	4,561	—	3.00 %	—

(*) Group audited by Ernst & Young, S.L.
(**) Unaudited provisional data.

2023

2023	Address	Thousands of euros				Direct	Indirect
		Share capital	Reserves	Profit/(loss)	Treasury shares		
NON-CURRENT EQUITY INSTRUMENTS:							
VIVENIO Residencial SOCIMI, S.A. and Subsidiaries (*)	C/ Velázquez 51, 1º Izq. – 28001 Madrid	704,708	242,623	74,333	(16,605)	0.06 %	—
WELLDER Senior Assets SOCIMI, S.A. and Subsidiaries (*)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona	49,435	(132)	326	—	3.00 %	—

(*) Group audited by Ernst & Young, S.L.

12. Assets held for sale and related liabilities

The changes in the line item “Assets held for sale” in the accompanying consolidated balance sheet during 2024 were as follows:

	Thousands of euros
Balance at 31 December 2022	—
Transfers to investment property (Note 8)	9,772
Balance at 31 December 2023	**9,772**
Additions due to capitalised subsequent disbursements	94
Sales or disposals through other channels	(4,321)
Fair value variations	(238)
Balance at 31 December 2024	**5,307**

As disclosed in Note 8, at 31 December 2023, since the carrying amount of certain residential investment property, which until then had been held under rental agreements, was expected to be recovered through a sale transaction determined to be highly probable in the short term, the Group classified the assets and liabilities associated with the aforementioned properties under “Assets held for sale” and “Liabilities related to assets held for sale” in the accompanying consolidated balance sheet. Prior to their reclassification, changes in the value of the aforementioned assets were recognised for EUR -8,929 thousand.

(Amounts in thousands of euros)

The investment property classified under the aforementioned heading “Assets held for sale” is subject to a mortgage guarantee for loans classified under “Liabilities related to assets held for sale” in the amount of:

	Thousands of euros		Thousands of euros	
	31/12/2024		31/12/2023	
	Debt at amortised cost	Fair value	Debt at amortised cost	Fair value
Assets held for sale	819	5,307	3,310	9,772
Total	**819**	**5,307**	**3,310**	**9,772**

The detail by maturity of the aforementioned payables at 31 December 2024 was as follows:

2024

	Thousands of euros								
	Value at amortised cost	Current maturities	Non-current maturities						Total nominal value
		Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years	Total non-current	
Bank borrowings:									
Mortgage loans	819	38	40	41	43	45	612	781	819
Total liabilities related to assets held for sale	**819**	**38**	**40**	**41**	**43**	**45**	**612**	**781**	**819**

2023

	Thousands of euros								
	Value at amortised cost	Current maturities	Non-current maturities						Total nominal value
		Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years	Total non-current	
Bank borrowings:									
Mortgage loans	3,310	143	149	154	160	166	2,538	3,167	3,310
Total liabilities related to assets held for sale	**3,310**	**143**	**149**	**154**	**160**	**166**	**2,538**	**3,167**	**3,310**

13. Inventories

The changes in "Inventories" in the years ended 31 December 2024 and 2023 were as follows:

	Thousands of euros				
	Land and building lots	Buildings acquired for refurbishment and/or conversion	Purchase options	Write-downs	Total
Balance at 31 December 2022	**18,115**	**34,460**	**325**	**(68)**	**52,832**
Additions to the scope of consolidation	—	471	—	—	471
Additions and charge for the year	—	9,111	1,949	(124)	10,936
Write-offs	(18,115)	(17,874)	(1,036)	68	(36,957)
Balance at 31 December 2023	**—**	**26,168**	**1,238**	**(124)**	**27,282**
Additions and charge for the year	—	5,689	2,024	(4)	7,709
Transfers of purchase options to buildings acquired for refurbishment and/or conversion	—	1,500	(1,500)	—	—
Transfers of buildings acquired for refurbishment and/or conversion to investment property	—	(365)	—	—	(365)
Write-offs	—	(12,689)	(695)	52	(13,332)
Balance at 31 December 2024	**—**	**20,303**	**1,067**	**(76)**	**21,294**

Land and building lots

In 2023 the consolidated company Renta Corporación Real Estate ES, S.A.U. formalised an agreement to cancel the participating loan through the dation in payment of the building lot located in Cánovas, with a carrying amount of EUR 18,115 thousand in accordance with the Arrangement with Creditors disclosed in Note 1.

Buildings acquired for refurbishment and/or conversion

"Additions" at the end of 2024 and 2023 related mainly to the acquisition of properties to be converted and subsequently sold. In many cases, properties are converted and sold within the same year. In this connection, in 2024 the Group sold various projects, either through the sale of entire buildings or the sale of properties in fractions, resulting in cost derecognition of EUR 12,689 thousand in aggregate (2023: EUR 17,874 thousand).

In 2024 interest was capitalised in the amount of EUR 107 thousand at a rate arranged on an arm's length basis. In 2023 no interest was capitalised.

Purchase options

The heading "Inventories" includes the premiums paid by the Group for purchase options recognised under "Purchase options". The following table details the purchase options held, their cost and the associated investment rights at 31 December 2024 and 2023:

	31/12/2024	31/12/2023
Number of purchase options	8	9
Premiums on at-risk purchase options (in thousands of euros)	1,067	1,238
Investment rights associated with purchase options (in thousands of	23,519	55,725

(Amounts in thousands of euros)

The balance of the purchase options recognised relates to transactions that are studied in depth and for which Group management consider the continuation of the projects on expiry of the option based on their adaptability to market conditions.

The purpose of the purchase options is to enable the Group to acquire properties for its business operation. Usually the price to exercise the option is fixed and the term is mutually agreed by and between the parties on an arm's length basis. Sometimes such term may be extended by paying an additional premium. At 31 December 2024 and 2023, there were no purchase options that were unrelated to the Group's ordinary business.

Write-downs

At 31 December 2024, the Group had recognised impairment losses associated with property inventories amounting to EUR 76 thousand (2023: EUR 124 thousand), relating to the write-down of inventories whose net realisable value is lower than their carrying amount based on valuations conducted as disclosed in Note 4-i. In this regard, the Parent's directors do not foresee any relevant changes to the key assumptions that could alter the value of the aforementioned portfolio.

Finally, at 31 December 2024 and 2023, the Group had not recognised any write-down associated with purchase option premiums that are not expected to be exercised on the established expiry date.

Other matters

At 31 December 2024, the Group held prepayments by customers for property reservation and downpayments of housing units and/or commercial premises totalling EUR 458 thousand, recorded under "Customer advances" in the accompanying consolidated balance sheet (2023: EUR 340 thousand).

Revenue recognised in 2024 and 2023 and recorded as "Customer advances" at the beginning of such fiscal years amounted to EUR 1,339 and EUR 2,424 thousand, respectively.

At 31 December 2024 and 2023, properties earmarked to loans under the headings "Non-current bank borrowings" and "Current bank borrowings", "Other current financial liabilities maturing at long-term" and "Other current financial liabilities maturing at short-term" in the accompanying consolidated balance sheet were included as there was a mortgage guarantee or pledge thereon, with the breakdown being as follows:

	Thousands of euros			
	31/12/2024		31/12/2023	
	Debt at amortised cost	Net carrying amount	Debt at amortised cost	Net carrying amount
Buildings acquired for refurbishment and/or conversion	9,162	16,396	2,171	6,553
Total	**9,162**	**16,396**	**2,171**	**6,553**

At 31 December 2024 and 2023, the Group did not have any inventories securing litigation involving third parties.

All of the inventories held by the Group are short-cycle units.

(Amounts in thousands of euros)

14. Trade receivables for sales and services and sundry accounts receivable

At 31 December 2024 and 2023, the breakdown of these headings was as follows:

	Thousands of euros	
	31/12/2024	31/12/2023
Trade receivables	1,381	48
Sundry accounts receivable	357	320
Total	**1,738**	**368**

All the amounts in the chart above are classified as financial assets at amortised cost at 31 December 2024 and 2023 for measurement purposes. At 31 December 2024 and 2023 this line item did not include any amounts arising from contractual assets.

The ageing of the balances of trade receivables for sales and services and sundry accounts receivable at 31 December 2024 and 2023 was as follows:

	Thousands of euros	
	31/12/2024	31/12/2023
Unmatured balance	1,721	321
Past-due by 1 to 90 days	8	31
Past-due by 91 to 180 days	9	16
Past-due by more than 180 days	241	171
Provisioned balance	(241)	(171)
Total trade receivables and sundry accounts	**1,738**	**368**

15. Cash and cash equivalents

At 31 December 2024 and 2023, “Cash and cash equivalents” totalled EUR 3,485 and EUR 5,193 thousand, respectively, and related in full to cash on hand and current accounts with financial institutions.

At the closing of 2024 and 2023, this heading included a restricted amount of EUR 11 and EUR 46 thousand, respectively.

16. Equity

Share capital

In 2024 and 2023 there were no changes in the share capital of the Parent. Therefore, at 31 December 2024 and 2023, the Parent’s share capital was represented by 32,888,511 fully subscribed and paid-in ordinary registered shares of EUR 1 par value each.

(Amounts in thousands of euros)

The Parent's shares were admitted to trading on the Spanish Stock Market Interconnection System of the Madrid and Barcelona Stock Exchanges on 5 April 2006 (Note 1). As a result of the Parent having filed for voluntary insolvency proceedings on 19 March 2013, the trading of its shares on the Spanish Stock Market Interconnection System was suspended. The suspension was lifted on 30 October 2014, once the insolvency proceedings came to an end on 8 July 2014 (Note 1).

As per the disclosures on the number of shares filed with the Spanish National Securities Market Commission, the holders of significant direct and indirect ownership interest in the Parent's share capital at 31 December 2024 and 2023 were as follows:

	31/12/2024			31/12/2023		
	Number of directly held shares	Number of indirectly held shares	% of ownership	Number of directly held shares	Number of indirectly held shares	% of ownership
Name or company name of the shareholder:						
Luis Hernández de Cabanyes	292,281	3,882,281	12.69%	292,281	3,882,281	12.69%
Oravla Inversiones, S.L.	1,645,099	—	5.00%	1,645,099	—	5.00%
Clervaux Invest, S.a.r.l.	1,644,426	—	5.00%	1,644,426	—	5.00%
Blas Herrero Vallina	1,342,207	—	4.08%	1,342,207	—	4.08%
Ms. Vanesa Herrero Vallina	1,342,207	—	4.08%	1,342,207	—	4.08%
Fundación Renta Corporación	1,151,098	—	3.50%	1,151,098	—	3.50%
María Iria Urgell Calderón	—	2,258,349	6.87%	—	2,258,349	6.87%
Concerted action	—	1,000,000	3.04%	—	1,000,000	3.04%

The Parent is unaware of any other significant ownership interest.

Article 13 of the bylaws in force does not provide for share transfer restrictions.

Share premium

There were no changes in the share premium in 2024 or 2023.

The Spanish Companies Act expressly allows the use of the "Share premium" balance to increase capital and does not establish any specific restrictions as to its use.

Legal reserve

Under the Spanish Companies Act, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The portion of the legal reserve balance that exceeds 10% of the already increased capital may be used to increase capital. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

At 31 December 2024 the Parent's legal reserve totalled EUR 6,578 thousand, and therefore had reached the legally required minimum.

Distribution of dividends

No dividend pay-out was approved in 2024 and 2023.

(Amounts in thousands of euros)

Treasury shares

The detail of treasury shares and of the changes therein in 2024 and 2023 was as follows:

	Number of shares	Thousands of euros	
		Par value	Cost
Balance at 31 December 2022	**777,626**	**778**	**2,014**
Treasury share-based payments	(102,152)	(102)	(265)
Balance at 31 December 2023	**675,474**	**676**	**1,749**
Treasury share-based payments	(158,913)	(159)	(411)
Balance at 31 December 2024	**516,561**	**517**	**1,338**

On 21 April 2021, the Annual General Meeting resolved to authorise the Board of Directors to acquire treasury shares as per the provisions set out in Articles 146 and 506 of the Spanish Companies Act, under the following conditions:

a) The shares may be acquired directly by the Parent or indirectly through its subsidiaries.

b) Acquisitions can be made through purchase, exchange or any other method provided by law.

c) The shares may be acquired at any given time up to the limit permitted by law.

d) The shares must be acquired for a price equal to the market price at the closing of the trading day immediately preceding the day on which the acquisition takes place, within a maximum range of +/-20% of the abovestated closing market price.

e) This authorisation is granted for a maximum of five years.

It was expressly placed on record that the shares acquired as a result of the authorisation could be sold or retired, or else used in the remuneration systems under the Spanish Companies Act, as well as in the implementation of programmes fostering investment in the Parent's share capital such as dividend reinvestment plans, loyalty bonuses or other similar instruments.

No treasury shares buyback programmes were approved in 2024 and 2023.

The Parent has the following share-based payment plans in place granted to employees and executives of Renta Corporación Group, as approved by the Board of Directors, respectively:

– The plan approved on 09 May 2019 that initially envisaged the delivery of 28,454 shares between 2019 and 2024.

– The plan approved on 13 May 2020 that initially envisaged the delivery of 8,535 shares between 2020 and 2025.

– The plan approved on 03 May 2022 that initially envisaged the delivery of 17,070 shares between 2022 and 2027.

– The plan approved on 24 February 2023 that initially envisaged the delivery of 230,000 shares between 2023 and 2027.

(Amounts in thousands of euros)

– The plan approved on 11 May 2023 that initially envisaged the delivery of 23,225 shares between 2023 and 2028.

– Two plans approved on 29 May 2024 that initially envisaged the delivery of 230,000 shares between 2024 and 2028 and the delivery of 61,380 shares between 2024 and 2029.

In addition, the Parent has granted a deferred share-based payment plan to the Chief Executive Officer of Renta Corporación Group, which was approved on 11 April 2019 by the Annual General Meeting and that initially envisaged the delivery of 20,000 shares between 2019 and 2024.

Furthermore, the Parent has granted a share-based payment plan to key personnel of Renta Corporación Group, which was approved by the Parent's Board of Directors on 27 February 2019 and that initially envisaged the delivery of 155,000 shares between 2019 and 2024.

The aim of these plans is to remunerate the beneficiaries thereof, encourage them to work with a focus on the medium term and foster and incentivise their long-term engagement. The delivery of the shares is contingent upon the beneficiaries remaining in the Group's employ at the share delivery date.

In 2024, a total of 158,913 treasury shares were delivered (2023: 102,152 shares) in accordance with the share-based payment plans, the value of which on the delivery date amounted to EUR 411 thousand (2023: EUR 265 thousand), which were recognised under "Other employee benefit costs". The difference between the value on delivery and the cost of the shares granted in 2024 and 2023 was recognised as a reduction of EUR 67 thousand under "Reserves of the Parent" in 2024 and as an increase of EUR 10 thousand under the same line item in 2023.

Non-controlling interests

The balance under total equity shows the shares held by non-controlling interest in the fully consolidated companies. Likewise, the balance shown in the accompanying consolidated statement of profit or loss under "Consolidated profit/(loss) for the year attributable to non-controlling interests" accounts for their share in the profit/(loss) for the period.

The changes in 2024 and 2023 for the Group's non-controlling interests were as follows:

2024

	Thousands of euros			
	Opening balance	Changes in the scope of consolidation	Share in profit/(loss) for the year	Closing balance
Arsel Atlantic, S.L.	—	5,923	790	6,713
Morlin Properties, S.L.	(1)	—	(1)	(2)
Total non-controlling	**(1)**	**5,923**	**789**	**6,711**

(Amounts in thousands of euros)

2023

	Thousands of euros			
	Opening balance	Changes in the scope of consolidation	Share in profit/(loss) for the year	Closing balance
Morlin Properties, S.L.	—	(1)	—	(1)
Total non-controlling	**—**	**(1)**	**—**	**(1)**

17. Non-current and current payables

At 31 December 2024 and 2023, the breakdown of maturities relating to "Non-current and current payables", both at amortised cost and nominal value, is a follows:

31 December 2024

	Thousands of euros								
	Value at amortised cost	Current maturities	Non-current maturities						Total nominal value
		Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years	Total non-current	
Bank borrowings:									
Mortgage loans	8,028	—	376	499	532	568	6,145	8,120	8,120
Other financial liabilities:									
Participating loans	48	—	—	—	—	—	48	48	48
Finance lease	1,818	—	288	1,269	216	214	106	2,093	2,093
Total non-current payables	**9,894**	**—**	**664**	**1,768**	**748**	**782**	**6,299**	**10,261**	**10,261**
Debt instruments and other marketable securities:									
Issue of promissory notes	387	400	—	—	—	—	—	—	400
Bank borrowings:									
Mortgage loans	4,731	3,452	131	137	144	152	784	1,348	4,800
Other financial liabilities:									
Mortgage loans	1,295	1,295	—	—	—	—	—	—	1,295
Other loans	10,998	9,298	1,700	—	—	—	—	1,700	10,998
Fees and interest	480	480	—	—	—	—	—	—	480
Other liabilities	98	98	—	—	—	—	—	—	98
Finance lease	246	286	—	—	—	—	—	—	286
Total current payables	**18,235**	**15,309**	**1,831**	**137**	**144**	**152**	**784**	**3,048**	**18,357**

(Amounts in thousands of euros)

31 December 2023

	Thousands of euros								
	Value at amortised cost	Current maturities	Non-current maturities						Total nominal value
		Within 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	After 5 years	Total non-current	
Bank borrowings:									
Mortgage loans	5,982	—	228	336	361	388	4,765	6,078	6,078
Other financial liabilities:									
Participating loans	48	—	—	—	—	—	48	48	48
Finance lease	2,378	—	349	353	1,337	282	584	2,905	2,905
Total non-current payables	**8,408**	**—**	**577**	**689**	**1,698**	**670**	**5,397**	**9,031**	**9,031**
Debt instruments and other marketable securities:									
Issue of promissory notes	11,682	12,200	—	—	—	—	—	—	12,200
Bank borrowings:									
Mortgage loans	2,296	264	146	153	162	170	1,413	2,044	2,308
Other financial liabilities:									
Other loans	9,459	10,000	—	—	—	—	—	—	10,000
Fees and interest	550	550	—	—	—	—	—	—	550
Other liabilities	124	124	—	—	—	—	—	—	124
Finance lease	335	343	—	—	—	—	—	—	343
Total current payables	**24,446**	**23,481**	**146**	**153**	**162**	**170**	**1,413**	**2,044**	**25,525**

All the liabilities disclosed in the tables above relate to debits and other payables, the Group not holding nor having arranged any financial liability instrument at fair value. In this regard, bank borrowings have been obtained by the Group on an arm's length basis; therefore, there is substantially no difference between their fair value and their carrying amount.

Participating loan

In accordance with the Arrangement with Creditors disclosed in Note 1, upon the loan maturity, the creditors had to accept the land located in Cánovas in lieu of payment of the participating loan, after which they would not be entitled to claim any further amount from debtors. A mortgage on the aforementioned building lot was raised to secure this participating loan.

Although the building lot should have been awarded three months after the last payment by ordinary creditors, the transaction could not be completed before the end of 2022 as the property was still subject to various formal procedures. Finally, on 27 April 2023, the Group formalised the dation in payment of the aforementioned loan on the Cánovas building lot (Note 13) with a carrying amount of EUR 18,115 thousand at the date of the public deed.

Bond issues

On 2 October 2018, the Parent issued a series of 165 ordinary unsecured non-convertible bonds amounting to EUR 16,500 thousand, maturing on 2 October 2023 and fully issued at par value. The bonds' annual coupon rate was 6.25%, payable yearly in arrears.

As disclosed in Note 4-f, the bonds issued were measured at amortised cost. Consequently, the interest accrued and the arrangement expenses were recognised in the consolidated statement of profit or loss using the effective interest method.

On 2 October 2023, and in accordance with the contractually established maturity date, the Parent formalised the repayment and full cancellation of the aforementioned bonds, and no new bonds were issued in the year ended 31 December 2024.

Issue of promissory notes

On 30 April 2024, the latest promissory note programme on the Alternative Fixed-Income Market (MARF) was placed for a 12-month term with a maximum outstanding balance of EUR 50,000 thousand. The nominal interest rate and maturity date of the promissory notes is established on each issue date. The maximum maturity or repayment term of the promissory notes within the scope of the aforementioned programme is two years from their issue date.

At 31 December 2024, the nominal amount drawn down by the Company under the 2024 promissory notes programme totalled EUR 400 thousand.

Mortgage and other loans

Non-current –

The amount recognised in connection with non-current mortgage loans in the accompanying consolidated balance sheet relates to the non-current loans arranged by the Group to finance certain investment property (Note 8).

Current –

At 2024 year-end, the Group held mortgage-backed loans earmarked to finance the purchase and/or development of assets acquired and recognised under “Inventories” at 31 December 2024 (Note 13) in the amount of EUR 5,798 thousand at amortised cost, the amount of principal being EUR 5,868 thousand. Also, out of the amounts recorded under “Other loans”, at 31 December 2024 there was a mortgage pledge of EUR 3,364 thousand at both amortised cost and nominal value, of which EUR 1,700 thousand are set to mature in 2026. At 31 December 2023, the amounts under “Other loans” had no mortgage pledges thereon.

At 31 December 2024, the current mortgage loans heading also included EUR 228 thousand at amortised cost of the loan maturing in the short term, which was obtained for a principal of EUR 228 thousand to finance certain investment property.

In 2024, the Group held two loans, one of them with a private financing firm for EUR 6,000 thousand at amortised cost, and a second one with another private entity in the amount EUR 1,336 thousand, the principal amounts totalling EUR 6,000 thousand and EUR 1,336 thousand, respectively. Both loans are set to mature in 2025.

Pursuant to IAS 7 below is a reconciliation of the cash flows arising from financing activities, together with the associated liabilities in the accompanying opening and closing consolidated balance sheets, distinguishing between changes that give rise to cash flows and those that do not:

(Amounts in thousands of euros)

2024

	Thousands of euros					
	01/01/2024	Cash flows (*)	No impact on cash flows: Accrued interest	No impact on cash flows: Reclassifications	No impact on cash flows: Other	31/12/2024
Non-current and current payables:						
Non-current mortgage loans	8,015	2,116	700	(2,087)	103	8,847
Non-current loans	—	298	—	(298)	—	—
Non-current loans with related parties	48	—	—	—	—	48
Short-term promissory note issues	11,682	(11,838)	543	—	—	387
Current mortgage loans	263	2,381	—	2,087	—	4,731
Other short-term loans	9,459	2,016	935	298	(415)	12,293
Finance lease	2,713	(804)	9	—	146	2,064
Fees and interest and other current liabilities	674	(1,771)	803	—	872	578
Total liabilities arising from financing	**32,854**	**(7,602)**	**2,990**	**—**	**706**	**28,948**

(*) The cash outflows due to the mortgage debt related to the assets held for sale in the amount of EUR 2,491 thousand are not included.

2023

	Thousands of euros						
	01/01/2023	Cash flows (**)	No impact on cash flows: Finance costs (*)	No impact on cash flows: Reclassification of non-current to current payables	No impact on cash flows: Reclassifications (***)	No impact on cash flows: Other (****)	31/12/2023
Non-current and current payables:							
Non-current mortgage loans	14,634	(3,622)	577	(407)	(3,167)	—	8,015
Long-term debt under Arrangement with	566	—	137	—	—	(703)	—
Other long-term loans	—	48	—	—	—	—	48
Short-term promissory note issues	12,788	(1,621)	542	—	—	(27)	11,682
Short-term note issues	16,355	(17,531)	904	258	—	14	—
Current mortgage loans	609	(610)	—	407	(143)	—	263
Other short-term loans	32,700	(5,611)	1,175	—	—	(18,80	9,459
Finance lease	1,824	(281)	84	—	—	1,086	2,713
Interest and other at short term	447	(63)	552	(258)	—	(4)	674
Total liabilities arising from financing activities	**79,923**	**(29,291)**	**3,971**	**—**	**(3,310)**	**(18,43 9)**	**32,854**

(*) Finance costs do not include EUR 38 thousand on account of debt under the Arrangement with Creditors.
(**) Cash flows do not include the settlement of EUR 5 thousand on account of interest under the Arrangement with Creditors nor EUR 202 thousand of interest earned.
(***) Reclassification of liabilities related to assets held for sale (Note 12).
(****) The changes in the line item "Other short-term loans" include the derecognition of the participating loan recorded at 2022 year-end amounting to EUR 18,248 thousand due to the dation in payment of the Cánovas building lot.

Guarantees

At 31 December 2024, the Group had guarantees granted in favour of third parties amounting to EUR 482 thousand to secure the fulfilment of obligations arising from the purchase and refurbishment of properties and lease contracts. At 31 December 2023, the Group had guarantees granted in favour of third parties amounting to EUR 521 thousand to secure, in addition to the aforementioned obligations, those incurred through the issue of guaranteed promissory notes.

Interest

At 31 December 2024 and 2023, accrued interest payable amounted to EUR 480 and EUR 550 thousand, respectively.

Purpose of the risk management policy

The Group's activities are exposed to various risks: market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk, capital risk and operational risk.

The global risk management programme focuses on the uncertainty of the financial markets and aims to minimise any potential adverse effects on the Group's earnings. The aim of the Group's risk management policy is for the Group to remain solvent by addressing the types of risk described below. Risk management is controlled by the General Management department, which evaluates and oversees risks closely together with the Group's operating units as per the policies approved by the Board of Directors.

<u>Market risk: foreign exchange risk</u>

The Group defines foreign exchange risk as the potential negative impact of changes in exchange rates on its results, equity or cash flows.

The Group's exposure to this type of risk is scant, since it does not have any international subsidiaries nor does it perform any transactions in currencies other than the euro.

<u>Market risk: interest rate risk</u>

Interest rate risk is managed in accordance with the policies approved by the Board of Directors, which establish whether hedging instruments must be maintained to minimise the impact of interest rate volatility. The Group has not arranged any interest rate hedges.

Rising interest rates could negatively affect the Group in different ways, including that investors may demand a higher return on the real estate assets they intend to acquire, which in turn could lead to a potential adjustment of the target selling price. Also, on the supply side, there could be a slowdown.

Finally, interest rate hikes could affect the discount rate used to calculate the fair value of investment property. Therefore, any increase in interest rates generally has a negative impact on the fair value of the Group's property portfolio and any developments in this regard would require the Group to recognise any such impact on the fair value of its real estate properties.

Market risk: prices

During 2024, the Group was exposed to price risks stemming from the performance of the real estate market. The prices of land and property assets fluctuated due to factors such as the evolution of demand, urban planning policies and access to mortgage loans. In this context, the Group adjusted its investment strategy accordingly, with a focus on high-demand locations and diversifying its asset portfolio to reduce exposure to market volatility.

In terms of regulation, changes in urban planning standards, taxation of real estate assets and government housing policies stoked uncertainty in the sector. The Group actively monitors regulatory developments and is a member to industry associations to foresee any potential changes that might affect its business.

In order to address market volatility, the Group has strengthened its risk analysis and management strategy through price modelling tools, monitoring of macroeconomic trends and geographical investment diversification. In addition, flexible sales and rental pricing policies have been implemented to maintain a competitive stance in the sector.

Credit risk

Credit risk refers to both the ability to obtain financing and the ability to access cash and deposits with banks and financial institutions, as well as collections from customers, including outstanding accounts receivable and committed transactions.

The Group has a diversified financial structure consisting of bank and non-bank financing. This diversified structure provides more flexibility to address those transactions that, given their nature, traditional banks are more reluctant to finance as they are now more restrictive.

Customer credit risk is managed based on a well-established sales policy whereby properties are transacted by collecting the relevant amount upon transfer of the title deed. Should such payments be deferred, as a general rule, the debt must be secured by a bank guarantee, an agreement for retention of title, conditions subsequent or similar in rem guarantees that may entitle the Group to recover ownership of each property in case of default.

Liquidity risk and financial capacity

This risk is associated with the capacity to meet payment obligations in the short term and the effective management of any surplus amounts. Financial risk refers to a company's financial position to meet its payment obligations in the medium and long term and the availability of sufficient economic resources to fulfil its strategy.

Both risks are managed by the General Management by:

– Monitoring liquidity to meet payments in the short term.

– Monitoring the Group's financing capacity to fulfil its commitments in the medium and long term, and to remain as a going concern and deliver on its strategy.

– Monitoring the fulfilment of any debt-related conditions and obligations.

– Seeking credit facilities under the best possible conditions to optimise the Group's financial structure.

– Adapting the debt structure and size to the business performance and current conditions.

– Planning and following up on cash inflows and outflows.

– Searching for new ways to obtain liquidity and financial capacity, such as the placing of promissory notes programmes on MARF on 25 March 2019, 7 May 2020, 7 May 2021, 6 May 2022, 5 May 2023 and 30 April 2024.

The Group acquires a property after having analysed the possibility of selling it in its entirety, so that the need and timeline for financing is reduced and the date of purchase and sale are closer together. Also, property conversion activities are financed through equity, cash generation or external debt.

The business continues to be closely linked to the possibility of obtaining external financing. The Group's ability to obtain new financing depends on a large number of factors, some of which go beyond its control, such as general economic conditions, the availability of credit from financial institutions or monetary policies in force.

The possibility of forging different types of financial partnerships could also be explored, which would enable the Group to expand its financing sources in order to carry out larger-scale projects with higher margins in the future.

The accompanying chart summarises the Group's payment commitments relating to its financial liabilities at 31 December 2024, based on undiscounted contractual cash flows:

31 December 2024

	Thousands of euros				
	Less than 3 months	Between 3 and 12 months	Between 1 and 5 years	After 5 years	Total
Bank borrowings	296	3,907	6,017	8,175	18,395
Other financial liabilities	8,014	5,704	15	—	13,733
Total debt	**8,310**	**9,611**	**6,032**	**8,175**	**32,128**

31 December 2023

The Group's payment commitments relating to its financial liabilities at 31 December 2023, based on undiscounted contractual cash flows (in thousands of euros), were as follows:

	Thousands of euros				
	Less than 3 months	Between 3 and 12 months	Between 1 and 5 years	After 5 years	Total
Bank borrowings	260	790	6,070	9,937	17,057
Other financial liabilities	—	22,750	—	—	22,750
Total debt	**260**	**23,540**	**6,070**	**9,937**	**39,807**

The average interest rate accrued on these financial liabilities at 31 December 2024 and 2023, respectively, was arranged on an arm's length basis.

<u>Capital risk</u>

The Group's exposure to capital risk is determined by the difficulty of maintaining sufficient levels of equity and borrowings to continue operating as a going concern, to generate returns for equity instrument holders, and to maintain an optimal capital structure that allows containing or reducing the cost of capital.

(Amounts in thousands of euros)

Operational risk

The Group's activity hinges upon the performance of the real estate and the financial sectors and its business may be subject to changes in certain variables significantly affecting the property market, such as the employment rate, demography, interest rates, inflation, tax regulation on the sale and purchase of properties, access to loans or financing by buyers and the terms and conditions thereof, current property supply, demand preferences, price stability and investors' trust in the real estate sector, among others.

In addition, to this date the Group's entire business is carried out in Spain; therefore, any change in the country's economic scenario might have a direct impact on its business performance.

18. Tax matters

At 31 December 2024 and 2023, the detail of current tax receivables and payables was as follows:

	Thousands of euros			
	Tax receivables		Tax payables	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Taxes	16	16	240	193
VAT	1,056	496	—	—
Current tax	153	812	151	—
Social Security bodies	—	2	59	62
Total current balances	**1,225**	**1,326**	**450**	**255**
Deferred tax liabilities	—	—	3,916	3,215
Tax loss carryforwards	25,232	25,058	—	—
Other deferred tax assets	2,251	2,421	—	—
Total non-current balances	**27,483**	**27,479**	**3,916**	**3,215**

The Parent and the subsidiary Renta Corporación Real Estate ES, S.A.U. file VAT returns under the advanced consolidated special deductible proportion system. Both companies file VAT returns applying the special deductible proportion system.

Article 29 under Act 27/2014 of 27 November on corporate income tax, in force as from 1 January 2015, established a standard tax rate of 25%.

Also, Royal Decree-Act 3/2016 on Income Tax, of 2 December, sets forth a limit on the offsetting of tax loss carryforwards of 25% of the pre-offset tax base for companies whose revenue is equal to or higher than EUR 60 million, of 50% if their revenue is between EUR 20 million and EUR 60 million, and of 70% if their revenue is less than EUR 20 million. In any event, tax losses of up to EUR 1 million could be offset in a tax period.

On 18 January 2024, the Constitutional Court handed down a ruling declaring unconstitutional certain measures introduced by the aforementioned Royal Decree-Act 3/2016 of 2 December, including those that raised the thresholds for the offsetting of tax losses. As a result, in 2023 such new limits were not applied.

(Amounts in thousands of euros)

Notwithstanding the above, following the publication in the Official Gazette of Act 7/2024 of December 22, which provides for the levying of a Complementary Tax to guarantee a minimum global level of taxation for multinational groups and large national groups, a tax on net interest income and fees charged by certain financial institutions, and of a tax on liquids for electronic cigarettes and other tobacco-related products, several major amendments were made to Income Tax provisions. To this end, the aforementioned regulation enforces, once again, the measures timely approved by Royal Decree-Act 3/2016, effective as of 2024, and which in January 2024 were declared unconstitutional, including those relative to the setting of higher thresholds for the offsetting or tax loss carryforwards or double taxation deductions.

At 31 December 2024 and 2023, the reconciliation of accounting profit/(loss) to taxable profit 2023 was as follows:

31 December 2024

	Thousands of euros		
	Increase	Decrease	Amount
Profit for the year before tax (aggregate of separate companies)			**2,211**
Permanent differences:			
Non-deductible costs	16	—	16
Donations	90	—	90
Temporary charge to expenses (Art. 11, Income Tax Act)	—	(2,531)	(2,531)
Special valuation standards – Art. 17 under Income Tax Act	14,981	—	14,981
Effects of accounting versus tax measurement	—	(2,423)	(2,423)
Special tax scheme applied to company restructuring transactions	—	(6,904)	(6,904)
Impairment of ownership interest in Group companies	2,530	(5,948)	(3,418)
Loss from transfer of ownership interest in Group companies	1	—	1
Temporary differences:			
Provisions	250	—	250
30% deduction of amortisation cost	—	(16)	(16)
Liabilities related to non-current assets held for sale	—	(346)	(346)
Write-down of property inventories	—	(48)	(48)
Non-deductible finance costs	—	(508)	(508)
Tax base (taxable profit/(loss))	**17,868**	**(18,724)**	**1,355**

(Amounts in thousands of euros)

31 December 2023

	Thousands of euros		
	Increase	Decrease	Amount
Loss for the year before tax (aggregate of separate companies)			**(24,731)**
Permanent differences:			
Non-deductible costs	31	—	31
Incorporation costs	—	(4)	(4)
Donations	155	—	155
Impairment of ownership interest in Group companies	11,315	—	11,315
Temporary differences:			
Arising in prior years–			
Reversal of write-down of purchase options	—	(40)	(40)
Reversal of write-down of property inventories	—	(25)	(25)
Tax adjustments – Insolvency proceedings	1,415	—	1,415
30% deduction of amortisation cost	—	(16)	(16)
Arising in current year–			
Liabilities related to assets held for sale	1,427	—	1,427
Write-down of property inventories	124	—	124
Non-deductible finance costs	171	—	171
Tax base (taxable profit/(loss))	**14,638**	**(85)**	**(10,178)**

The reconciliation of accounting profit/(loss) to income tax cost recognised in profit or loss in the accompanying consolidated statement of profit or loss for 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Profit/(loss) for the year before tax (aggregate of separate companies)	2,211	(24,731)
Permanent differences	(188)	11,497
Negative individual tax bases not offset during the period	1,616	—
Adjusted accounting result	**3,639**	**(13,234)**
Tax charge at 25%	(910)	—
Impact of unrecognised temporary differences	4	(350)
Offsetting of tax credits for tax loss carryforwards	—	354
Deferred tax liabilities arising from revaluation of investment property, right-of-use assets, assets held for sale and other	(707)	1,461
Other adjustments	758	420
Total tax expense/(income) recognised in profit or loss	**(855)**	**1,885**
- Current tax	(159)	—
- Deferred taxes	(696)	1,885

(Amounts in thousands of euros)

The adjustment due to temporary differences not recognised in 2024 and 2023 relates to the increased taxable profit effect arising from tax adjustments in connection with the Arrangement with Creditors. The tax reversal of the taxable base of negative adjustments on account of debt composition and rescheduling of insolvency claims was finalised in fiscal year 2023, while the reduction resulting from the reversal of the time limit to deduct 2013 and 2014 amortisations, which can be recovered within the next ten years pursuant to Act 16/2012, was completed in 2024.

The heading "Other adjustments" for 2024 relates, mainly, to the capitalisation of tax credits for tax losses incurred by the Group's investee Cabe Keep and Lock, S.A.U., as well as the application of tax deductions in the various tax settlements.

The line item "Deferred tax liabilities arising from revaluation of investment property, right-of-use assets, assets held for sale and other" for fiscal year 2024 relates, chiefly, to deferred tax liabilities arising from the revaluation of the Group's real estate assets, amounting to EUR 2,094 thousand, as well as the reversal of liabilities relating to certain assets of the subsidiary Cabe Keep and Lock, S.A.U., amounting to EUR 1,387 thousand, since its tax value was partially consolidated after the contribution of shares of said company in favour of its current shareholder, Arsel Atlantic, S.L.

The data relating to the income tax return for 2024 constitute the best available estimate at the date of formal preparation of these consolidated financial statements, and may differ from the final tax return. The period for filing the final tax return runs from 1 to 25 of July 2025.

Net deferred tax assets

At 31 December 2024 and 2023, the breakdown of changes in the balances of deferred tax assets was as follows:

	Thousands of euros						
	31/12/2022	Additions	Disposals	31/12/2023	Additions	Disposals	31/12/2024
Deferred tax assets:							
Tax loss carryforwards (gross)	25,412	—	(354)	25,058	717	(543)	25,232
Limit on the deductibility of finance costs and other	1,997	439	(15)	2,421	62	(232)	2,251
Deferred tax liabilities	(354)	—	354	—	—	—	—
Total tax assets and other net deferred tax assets	**27,055**	**439**	**(15)**	**27,479**	**779**	**(775)**	**27,483**

As a result of the ruling passed on 8 July 2014 approving the Arrangement with Creditors, the Group companies recognised the debts thereunder at their fair value. This situation led to the recognition in 2014 of finance income amounting to EUR 54,985 thousand at Renta Corporación Real Estate, S.A. and to EUR 56,417 thousand at Renta Corporación Real Estate ES, S.A.U., on account of debt composition and rescheduling and the related interest cost.

Consequently, and pursuant to the Spanish Income Tax Act, the Group made the corresponding negative adjustments in the income tax return for the period, arising from the income recognised in connection with debt composition and rescheduling under the Arrangement with Creditors. These adjustments will be included in the future tax bases as the finance costs resulting from the Arrangement are subsequently recognised, up to the limit of the aforementioned income. However, if the aforementioned income exceeds the total amount of the finance costs not yet recognised resulting from the Arrangement, the income will be included in the tax base at a rate proportional to the finance costs recognised in each tax period as a percentage of the total finance costs not yet recognised arising from the Arrangement.

As a result, the deferred tax liabilities associated with these temporary differences, which would reverse up to the debt maturity (2022 for ordinary claims and 2030 for subordinated claims) initially amounted to EUR 27,850 thousand. At 31 December 2014, the Group had tax losses incurred in prior years amounting to EUR 301,972 thousand in relation to which no deferred tax assets had been recognised. The directors then considered that, due to the nature of the tax losses, the fact that they fall under the same jurisdiction, with a time horizon in excess of that over which the deferred tax liabilities will reverse, and that in part they stemmed from the conclusion of the insolvency proceedings, they should be recognised for an amount equal to that of deferred tax liabilities, i.e. EUR 27,850 thousand.

As stated above, in 2023 the Group completed the reversal of temporary differences relating to debt composition and rescheduling amounting to EUR 1,415 thousand. The related deferred taxes totalled EUR 354 thousand.

At 31 December 2024, the Group had a deferred tax asset of EUR 27,483 thousand. The deferred tax assets mentioned above were recognised in the accompanying consolidated balance sheet as the Parent's directors believe that, based on the Group's best future estimates, such assets are likely to be recovered. Furthermore, based on applicable accounting and tax standards, it is probable that such assets will be recovered. In fact, it is estimated that they will be recovered for each company (Note 4-n) based on the strategic plan approved by the Board of Directors for the 2025-2029 period, as disclosed in Note 2-g to these consolidated financial statements, as well as on the directors' best estimates on the Parent's results for the subsequent periods that take into account, in broad terms, the same assumptions as those used in the strategic plan.

In particular, the key assumptions considered in the aforementioned ten-year earnings projections, which were reviewed by an independent third party, are as follows:

– A normalised economic environment from 2025 onwards, driven mainly by (i) the fall in interest rates that began in the second half of 2024, which will facilitate access to financing, both for buyers and investors, favouring the Group's transactional activity; and (ii) an economic scenario that has shown a gradual uptick, with Spain's economic dynamism exceeding expectations and leading growth among the Eurozone's largest economies.

– Stronger Company's position in the market by boosting the operating margin of Renta Corporación Group through its transactional business leveraging itself on the portfolio on its balance sheet and raising the average size of transactions; and by advancing the asset business based on the increased investment management that the Group forecasts for 2025 onwards, through both own and third-party investment vehicles.

– Normalised profit before tax by 2030 to 2034 on the basis of the last year considered in the strategic plan.

– Optimised overheads in accordance with the expected level of activity.

Based on current regulations, it is clear that the Group can adequately recover tax assets within less than ten years.

On the other hand, following the consolidation of the business model of the investee Cabe Keep and Lock, S.A.U., and given the estimated projections with the entry of the new investor, it can be concluded that said company can adequately recover its tax assets within less than ten years. For this reason, the corresponding tax asset was recognised.

In this regard, should the assumptions that could have the greatest impact when assessing the amount of capitalised deferred tax assets –such as estimated business volume and average margins, as well as the potential materialisation of planned corporate transactions– be subject to changes or sensitivities, it could be inferred that the capitalised amount could bear a reduction of 12% of the Company's projected profit before tax without, in any case, indicating the non-recoverability of deferred tax assets in the projected ten-year period. However, in such a scenario, a 15% or 20% reduction of the profit before tax considered in the business plan would imply that currently capitalised tax assets amounting to EUR 1,771 thousand and EUR 3,269 thousand, respectively, would have to be written off, taking into account the ten-year period mentioned above.

(Amounts in thousands of euros)

Deferred tax assets relating to tax loss carryforwards

The Spanish Income Tax Act in force provides that prior years' tax losses can be offset in future years without any time limit.

The following table shows the tax losses incurred by the Group companies at 31 December 2024, recognised and not recognised in the accompanying consolidated balance sheet:

Arising in:	Thousands of euros		
	31/12/2023	Tax losses incurred (offset)	31/12/2024
2008	26,673	(1,000)	25,673
2009	15,254	—	15,254
2010	22,026	—	22,026
2011	7,213	—	7,213
2012	42,095	(1,173)	40,922
2013	2,873	—	2,873
2014	42,976	—	42,976
2020	4,128	—	4,128
2022	2,118	—	2,118
2023	10,333	—	10,333
2024	—	1,616	1,616
Total	**175,689**	**(557)**	**175,132**

Therefore, the tax asset for tax loss carryforwards for which the deferred tax asset associated with the aforementioned events was recognised at 31 December 2024 amounts to EUR 100,928 thousand out of a total tax loss carryforward of EUR 175,132 thousand.

(Amounts in thousands of euros)

Deferred tax assets relating to tax credit carryforwards

The following table shows the finance costs generated by the Group that had not been deducted at 31 December 2024, which were recognised in the accompanying consolidated balance sheet:

Arising in:	Thousands of euros		
	31/12/2023	Additions	31/12/2024
2012	275	(275)	—
2013	3,917	(233)	3,684
2014	463	—	463
2015	785	—	785
2016	640	—	640
2017	635	—	635
2018	735	—	735
2019	96	—	96
2021	242	—	242
2022	77	—	77
2023	171	—	171
Total	**8,036**	**(508)**	**7,528**

Deferred tax liabilities

	Thousands of euros						
	31/12/2022	Additions	Dispos	31/12/2023	Additions	Dispos	31/12/2024
Changes in value of investment property, right-of-use assets and assets held for sale	4,660	—	(1,461)	3,199	2,094	(1,394)	3,899
Financial assets at fair value through the consolidated statement of comprehensive income	509	4	(497)	16	1	—	17
Total deferred tax liabilities	**5,169**	**4**	**(1,958)**	**3,215**	**2,095**	**(1,394)**	**3,916**

They relate mainly to the difference between the carrying amount of the investment property and right-of-use assets measured at fair value and their tax base measured at acquisition cost, net of depreciation. The positive effect of the subsequent valuation at fair value of SOCIMI Vivenio's ownership interest is included as well. Such an effect was calculated according to the share market price at each year-end, recognising both the change in value and its positive effect through equity.

The line item "Changes in fair value of investment property, right-of-use assets and assets held for sale" for 2024 relates, chiefly, to deferred tax liabilities arising from the revaluation of the Group's real estate assets, amounting to EUR 2,094 thousand, as well as the reversal of liabilities relating to certain assets of the subsidiary Cabe Keep and Lock, S.A.U., amounting to EUR 1,394 thousand, since its tax value was partially consolidated after the contribution of shares of said company in favour of its current shareholder, Arsel Atlantic, S.L.

(Amounts in thousands of euros)

Years open for review and tax audits

Under current legislation, taxes cannot be deemed to be definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. At the closing of 2024, the Group had the last five fiscal years open for review for income tax and the last four years for the other taxes applicable to it.

The Parent's directors consider that the tax returns for the abovementioned taxes have been filed correctly and, therefore, even in the event of discrepancies in the interpretation of current tax legislation in relation to the tax treatment afforded to certain transactions, any resulting liabilities would not have a material effect on the accompanying consolidated financial statements.

19. Income and expenses

Net revenue

Net revenue for 2024 and 2023 was entirely obtained in the domestic market and its breakdown by line of business is as follows:

	Thousands of euros	
	2024	2023
Property sales	18,328	37,861
Real estate project management	1,331	561
Services	4,802	2,143
Rentals	1,257	1,260
Total	**25,718**	**41,825**

At 31 December 2024 and 2023, the Group had not recognised any contractual assets.

Changes in inventories of buildings acquired for refurbishment and/or conversion

The detail of "Changes in inventories of buildings acquired for refurbishment and/or conversion" in the accompanying consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2024	2023
Additions to buildings acquired for refurbishment and/or conversion (Note 13)	(5,689)	(9,111)
Transfer of purchase options (Note 13)	(1,500)	—
Changes in inventories due to additions and transfers	7,189	9,111
Impairments recognised	(4)	(124)
Impairments derecognised	52	28
Reversal of inventory write-downs (Note 13)	(12,689)	(35,989)
Total	**(12,641)**	**(36,085)**

(Amounts in thousands of euros)

Staff costs

The detail of “Staff costs” in the accompanying consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2024	2023
Wages, salaries and similar expenses	5,494	4,668
Employer social security costs	681	648
Other employee benefits costs	378	334
Total	**6,553**	**5,650**

At 31 December 2024 and 2023, “Other employee benefit costs” included, among others, a total of EUR 343 and EUR 275 thousand corresponding to the amount vested in the year under the deferred share-based payment plans for employees, executives, the CEO and key personnel, as disclosed in Note 16.

Other operating expenses

The disclosure of “Other operating expenses” in the accompanying consolidated statement of profit or loss is as follows:

	Thousands of euros	
	2024	2023
Rent and royalties	—	6
Repair and conservation	666	652
Third-party professional services	2,446	2,555
Other external services	1,918	2,014
Other	822	869
Total external services	**5,852**	**6,096**
Other taxes	942	549
Total taxes	**942**	**549**
Impairment of trade receivables	70	135
Total losses, impairment and changes in trade provisions	**70**	**135**
Total other operating expenses	**6,864**	**6,780**

The heading “Third-party professional services” shows, mainly, the fees paid by the Group to advisers on account of general services, research, analysis and sale of operations, among others. The line item “Other external services” includes the expenses associated with the loss of purchase options or termination of contracts, among others.

(Amounts in thousands of euros)

Finance income and finance costs

The breakdown of finance income and finance costs in 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Finance income:		
Other finance income	52	202
Total finance income	**52**	**202**
Finance costs:		
Interest cost associated with debts to third parties	(65)	(222)
On bank and other borrowings	(3,032)	(3,787)
Capitalised borrowing costs (Note 13)	107	—
Total finance costs	**(2,990)**	**(4,009)**
Total financial loss	**(2,938)**	**(3,807)**

The Parent received dividends from the company Vivenio Residencial SOCIMI, S.A. amounting to EUR 3 thousand (Note 20), which were recognised under "Other finance income" in the heading "Finance income" in the accompanying consolidated statement of profit or loss.

20. Related-party transactions and balances

Related-party transactions

The breakdown of related-party transactions in 2024 and 2023 is as follows:

2024

	Thousands of euros			
	Services rendered	Services received	Donations	Dividends received
Other related parties:				
Closa Asociados Correduría de Seguros, S.L.	—	(170)	—	—
Fundación Renta Corporación	—	—	(90)	—
SOCIMI Vivenio Group (*)	2,941	—	—	3
SOCIMI Wellder Group (**)	1,861	—	—	—
Total	**4,802**	**(170)**	**(90)**	**3**

(*) SOCIMI Vivenio Group includes the transactions with all the companies owned by Vivenio Group.

(**) SOCIMI Wellder Group includes the transactions with all the companies owned by Wellder Group.

(Amounts in thousands of euros)

2023

	Thousands of euros		
	Services rendered	Services received	Donations
Other related parties:			
Closa Asociados Correduría de Seguros, S.L.	—	(149)	—
Fundación Renta Corporación	—	—	(150)
Luis Conde Moller	—	(10)	—
SOCIMI Vivenio Group (*)	739	—	—
SOCIMI Wellder Group (**)	1,404	—	—
Total	**2,143**	**(159)**	**(150)**

(*) SOCIMI Vivenio Group includes the transactions with all the companies owned by Vivenio Group.
(**) SOCIMI Vivenio Group includes the transactions with all the companies owned by Wellder Group.

Most transactions with related parties in 2024 and 2023 correspond to services rendered to SOCIMI Vivenio Group and SOCIMI Wellder Group, as per the agreements disclosed in Note 11.

Related-party balances

Detailed below are the related-party balances recognised in the accompanying consolidated balance sheet at 31 December 2024 and 2023:

2024

	Thousands of euros
	Non-current participating loans
Other related parties:	
JV 20 Advisory, S.L.	(48)
Total	**(48)**

2023

	Thousands of euros
	Non-current participating loans
Other related parties:	
JV 20 Advisory, S.L.	(48)
Total	**(48)**

(Amounts in thousands of euros)

At 31 December 2024 and 2023, the Group held accounts receivable with the company JV 20 Advisory, S.L., resulting from participating loans granted by the latter to Morlin Properties, S.L.

21. Compensation and other benefits of Members of the Board of Directors and Senior Management

The members of the Parent's Board of Directors at 31 December 2024 and 2023 were as follows:

2024

Director	Position	Status
Luis Hernández de Cabanyes	Chairman and CEO	Executive
David Vila Balta	Deputy Chairman and CEO	Executive
Ainoa Grandes Massa	Director	Non-executive
Manuel Valls Morató	Director	Non-executive
Blas Herrero Fernández	Director	Proprietary
Baldomero Falcones Jaquotot	Director	Proprietary
Cristina Orpinell Kristjansdottir	Director	Proprietary

During 2024 Baldomero Falcones Jaquotot was appointed as director. In turn, in 2024, Gregoire Augustin Bontoux Halley, Elena Hernández de Cabanyes, Oravla Inversiones, S.L. and Luis Conde Moller ceased as Board members. M. Isabel Meléndez Crespo was appointed as Non-director Secretary. In 2023 there were no new appointments or dismissals of directors.

2023

Director	Position	Status
Luis Hernández de Cabanyes	Chairman and CEO	Executive
David Vila Balta	Deputy Chairman and CEO	Executive
Ainoa Grandes Massa	Director	Non-executive independent
Luis Conde Moller	Director	Non-executive independent
Manuel Valls Morató	Director	Non-executive independent
Blas Herrero Fernández	Director	Proprietary
Oravla Inversiones, S.L.	Director	Proprietary
Cristina Orpinell Kristjansdottir	Director	Proprietary
Gregoire Augustin Bontoux Halley	Director	Proprietary
Elena Hernández de Cabanyes	Director	Other non-executive directors

(Amounts in thousands of euros)

At 31 December 2024 and 2023, the members of the Board of Directors held or controlled the following ownership interest:

	31/12/2024			31/12/2023		
	Direct	Indirect	Total	Direct	Indirect	Total
Luis Hernández de Cabanyes (*)	0.89%	11.80%	12.69%	0.89%	11.80%	12.69%
Oravla Inversiones, S.L.	n/a	n/a	n/a	5.00%	—	5.00%
Gregoire Augustin Bontoux Halley (**)	n/a	n/a	n/a	—	5.00%	5.00%
Ms. Elena Hernández de Cabanyes (**)	n/a	n/a	n/a	1.37%	—	1.37%
Baldomero Falcones Jaquotot	—	5.00%	5.00%	n/a	n/a	n/a
David Vila Balta (*)	0.38%	—	0.38%	0.38%	—	0.38%
Manuel Valls Morató	0.08%	—	0.08%	0.08%	—	0.08%
Ms. Ainoa Grandes Massa	0.06%	—	0.06%	0.06%	—	0.06%

(*) Executive directors.
(**) N/A: Does not apply as they were not Board members at 31 de December 2024 or 2023, respectively.

Pursuant to Article 229 of the Spanish Companies Act, at the end of 2024, the Parent's directors did not communicate to the other Board members any situation of direct or indirect conflict of interest that they or any persons related to them, as defined in the aforementioned Act, might have with the Company.

Directors' remuneration

The detail of the remuneration earned by the members of the Parent's Board of Directors in 2024 and 2023 is as follows:

	Thousands of euros	
	2024	2023
Remuneration earned by executive directors (*)	934	796
Remuneration for attendance at Board meetings	252	270
Remuneration for participation in Executive Committees	83	73
Total	**1,269**	**1,139**

(*) Including the remuneration earned by the directors for discharging senior executive duties. Including the deferred share-based payment plan of the Deputy Chairman and CEO, for the 2023 reporting period only.

At the end of 31 December 2024 and 2023, the Parent had arranged a third-party liability insurance policy for all the Group's directors, senior executives and employees, the premium for which amounted to EUR 68 and 68 thousand, respectively. This amount includes, for both reporting periods, the premium paid under the third-party liability insurance policy for damages caused by acts or omissions. In 2024 and 2023, the Group did not pay any health or life insurance premiums in connection with the Parent's senior executives and executive directors. The Group has not granted any loans to, or arranged any additional pension plans or life insurance policies for, the members of the Parent's Board of Directors.

At 31 December 2024 and 2023, two members of the Board of Directors, who are also two senior executives, had signed guarantee or golden parachute clauses for certain cases of termination or change of control, all of which were timely approved by the Annual General Meeting.

Also, in 2024 and 2023 there was no conclusion, amendment or early termination of any contract between the Parent and the members of its Board of Directors or any persons acting on their behalf affecting operations outside the course of the Parent's ordinary business operations.

(Amounts in thousands of euros)

Remuneration of senior executives

According to the definition of senior executives in the Unified Good Governance Code, the Parent's key executives are those people who form part of senior management, specifically the two Executive Directors and the Corporate General Manager.

The remuneration of senior executives in 2024 amounted to EUR 1,262 thousand, of which EUR 934 thousand correspond to remuneration of the executive directors (2023: EUR 1,149 thousand and EUR 796 thousand, respectively).

The remuneration stated above includes, for 2024, the delivery of 2,500 shares amounting to EUR 2 thousand to the Corporate General Manager (2023: 5,000 shares for EUR 7 thousand granted to the Corporate General Manager), by virtue of the share-based payment plans established by the Company as disclosed in Note 16.

22. Other disclosures

Employees

The number of Group employees at 31 December 2024 and 2023 and the average number of employees in both years, by category and gender, are as follows:

Professional category	No. of employees at 31 December 2024		No. of employees at 31 December 2023		Average number of employees in 2024		Average number of employees in 2023	
	Men	Women	Men	Women	Men	Women	Men	Women
Management	3	2	4	1	2	2	4	1
Graduates, line personnel and clerical staff	14	24	12	26	14	25	12	26
Total	**17**	**26**	**16**	**27**	**16**	**27**	**16**	**27**

Additionally, at 31 December 2024 and 2023, the Parent had one employee with a disability equal to or greater than 33%.

Fees paid to auditors

In 2024 and 2023, the fees for financial audit and other services provided by the auditor of the Group's financial statements (Deloitte Auditores, S.L.), by a company in the same group or by a company related to the auditor, were as follows:

Description	Thousands of euros 2024	Thousands of euros 2023
Audit services	122	116
Other verification services:		
Services required by current regulations	13	7
Other attest services	5	5
Other attest services	—	14
Total audit and related services	**140**	**142**

23. Disclosures on the average period of payment to suppliers

Set forth below are the disclosures required by Final Provision Two of Act 31/2014, of 3 December, amending the Spanish Companies Act to improve corporate governance, and which amended Additional Provision Three of Act 15/2010, of 5 July, amending Act 3/2004, of 29 December, which sets forth measures for combating late payment in commercial transactions, all in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 on the disclosures to be included in the notes to the financial statements on the average period of payment to suppliers in the commercial transactions of the various Spanish Group companies.

Disclosures on the average period of payment to suppliers are as follows:

	2024	2023
	Days	Days
Average period of payment to suppliers	21	17
Ratio of transactions settled	21	17
Ratio of transactions not yet settled	26	17

	Amount (thousands of euros)	
	2024	2023
Total payments made	14,905	25,482
Total payments outstanding	813	3,745

The information concerning payments settled within 60 days is as follows:

	2024	2023
Amount (in thousands of euros)	14,355	23,739
Percentage over the total settled	96%	93%
Number of invoices	4,869	5,246
Percentage over total invoices	91%	93%

In line with ICAC Resolution, the business transactions involving delivery of goods or services accrued as from the entry into force of Act 31/2014, of 3 December, were taken into account to calculate the average period of payment to suppliers. For the sole purpose of the disclosures provided for in the Resolution, suppliers are considered to be the trade creditors for the supply of goods or services included in “Payable to suppliers” and “Sundry accounts payable” under “Current liabilities" in the accompanying consolidated balance sheet.

“Average period of payment to suppliers” shall be understood as the time elapsed between the delivery of products or services by the supplier and the effective payment of the transaction. The average period of payment to suppliers was calculated as the quotient whose numerator is the sum of the ratio of transactions settled and the total amount of payments made plus the ratio of transactions not yet settled multiplied by the total amount of payments outstanding at year-end, and whose denominator is the result of adding the total amount of payments made to the total amount of payments outstanding at year-end.

The ratio of transactions settled was calculated as the quotient whose numerator is the result of the sum of the products of multiplying the amounts paid by the number of days of payment (the number of calendar days between the receipt of the invoice and the date of effective payment of the transaction) and whose denominator is the total amount of the payments made in the year.

Also, the ratio of transactions not yet settled was calculated as the quotient whose numerator is the result of the sum of the products of multiplying the amounts of the transactions not yet paid by the number of days in which payment has not been made (the number of calendar days between the receipt of the invoice and the accounting close) and whose denominator is the total amount of the payments made at year-end.

Act 11/2013 on measures to support entrepreneurs and to foster business growth and the creation of employment, amending Act 3/2004, of 29 December, on combating late payment in commercial transactions, came into force on 26 July 2013. This amendment established that the maximum period of payment to suppliers should be 30 days from 29 July 2013 onwards, unless there is an agreement between the parties increasing this period to a maximum of 60 days.

24. Events after the reporting period

After the closing of 2024, the resolutions adopted on the substantive decisions concerning Arsel Atlantic, S.L. were modified, the latter becoming jointly controlled by the subsidiary Renta Corporación Real Estate ES, S.A.U. and the Luxembourg company BCP RE Lux Box Holding, S.à.r.l. and, therefore, said company will now be consolidated under the equity method. As a result of this transaction, it is estimated that there is no significant difference between the net value of the consolidated net assets, which are recorded at their fair value, and the fair value of the ownership interest therein.

No additional events after the reporting period have taken place that might have a significant impact on these consolidated financial statements other than those described herein.

(Amounts in thousands of euros)

APPENDIX 1

SUBSISIARIES AND JOINT VENTURES

2024	Address	31/12/2024 Thousands of euros			% of ownership		Shareholder/Partner	Activity
					Direct	Indirect		
		Share	Reserves	Profit/(loss)	31/12/2024	31/12/2024		
SUBSIDIARIES:								
Renta Corporación Real Estate ES, S.A.U. (*)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	204	22,546	(1,475)	100%	—	Renta Corporación Real Estate, S.A.	(1)
Arsel Atlantic, S.L. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	60	7,781	(15)	—	70%	Renta Corporación Real Estate ES, S.A.U.	(2)
Cabe Keep and Lock, S.A.U. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	60	8,957	(875)	—	100%	Arsel Atlantic, S.L.	(3)
Morlin Properties, S.L. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	3	(12)	(9)	90%	—	Renta Corporación Real Estate, S.A.	(4)

(Amounts in thousands of euros)

2023	Address	31/12/2023			% of ownership		Shareholder/Partner	Activity
		Thousands of euros			Direct	Indirect		
		Share	Reserves	Profit/(loss)	31/12/2023	31/12/2023		
SUBSIDIARIES:								
Renta Corporación Real Estate ES, S.A.U. (*)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	204	30,097	(5,054)	100%	—	Renta Corporación Real Estate, S.A.	(1)
Cabe Keep and Lock, S.A.U. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	60	957	(516)	—	100%	Renta Corporación Real Estate ES, S.A.U.	(3)
New Cabe Keep and Lock, S.L.U. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	3	698	(574)	—	100%	Renta Corporación Real Estate ES, S.A.U.	(5)
Morlin Properties, S.L. (**)	Vía Augusta 252 – 260, 5ª planta – 08017 Barcelona · España	3	(4)	(8)	90%	—	Renta Corporación Real Estate, S.A.	(4)

(*) Company audited by Deloitte, S.L.

(**) Unaudited company.

(1) Transactions, management and delivery of real estate services.

(2) Holding.

(3) Storage facility rental services.

(4) Real estate development.

(5) Real estate rental.

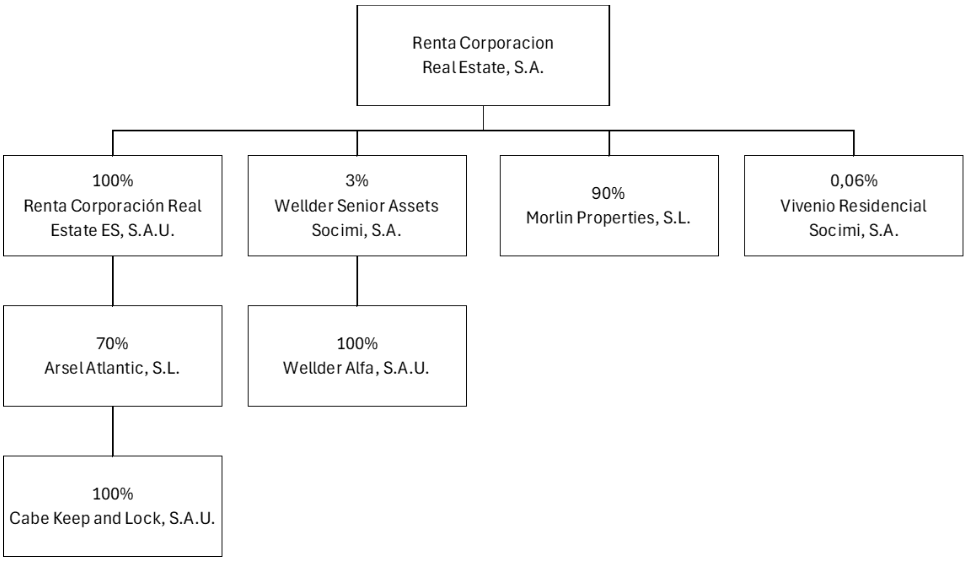
Renta Corporación Real Estate, S.A.
and Subsidiaries

Consolidated Directors' Report
for the year ended
31 December 2024

1. ***Situation of the Group***

Renta Corporación Group has over 30 years' experience and a distinctive edge in the Spanish real estate sector. Its core business is run mainly in Madrid and Barcelona.

The corporate structure of Renta Corporación Group is as follows:



The organisational structure of Renta Corporación Group consists of a Board of Directors that, in turn, encompasses an Audit Committee and an Appointments and Remuneration Committee reporting to it. In addition, there is a Management Committee at internal level that, among other functions, reviews and approves the selection of projects to be undertaken and included in the investment portfolio. The transaction review and approval process is highly streamlined to enable the Group to seize the opportunities identified in the market, which is part of the Group's competitive advantage.

Renta Corporación Group runs two distinct business units that are regularly adapted to the Spanish real estate market conditions, yet without losing the essence of the business model of each one.

Transactional business

The transactional business consists in adding value to the various asset-related transactions. The purpose of this business is to create added value by purchasing outdated properties and maximising their value through different actions.

The key added-value generating drivers, that may occur separately or concurrently, according to market demand and available supply requirements, include:

- Conversion design
- Subdivision or aggregation of units
- Partial or full refurbishment
- Lease management (negotiation with tenants)
- Marketing
- Repurposing/use redistribution
- Legal improvements and permit updates

The Group's extensive knowledge of demand, on the one hand, and of the supply stock available in the markets in which it operates, on the other, enables it to spot transaction-value generating opportunities. The Group has expertise across assets. The product mix used at each point in time depends on the market situation, investors' interest and value-creating capacity.

During 2024 the transactional business was mainly focused on the residential and commercial segments, which continue to show the highest investing growth potential.

The Group designs the projects from start to finish, which, depending on the type of product, are then executed by the Group or by the buyer on its own account. In general, the Group acquires the right to purchase a property for a period of time, during which it designs and executes the value-creating project.

The transactional business has two sources:

a. "Real estate purchase"

The Group buys a building, refurbishes it and sells it to a third party, with the entire process being reflected in the Group's consolidated balance sheet. The average lead-time of these projects is around 12 months.

b. "Real estate project management"

Renta Corporación Group acquires the right to purchase property, designs the entire conversion project and then sells it to a third party. In this case, the process is not recognised in the Group's consolidated balance sheet. The proposed improvements and conversions may be carried out at the buyer's request.

The typical lead-time of these projects is usually lower than that for the purchase and sale of property.

Asset business

Since 2017, the Company's asset management activity has been focused on developing a business less exposed to the cyclical nature of the real estate sector, in order to consolidate recurring revenue by leveraging itself on the Group's vast capillarity and access to real estate transactions that in the past were usually disregarded given their size or the fact that they did not add value.

This line of business consists of two divisions:

a. "Asset Management" / "Fund Management" division

This division is engaged in creating and managing real estate vehicles with third parties, with fees being earned from both the origination and management of properties and incentive fees on portfolio valuation.

Under the umbrella of this division is SOCIMI Vivenio, established in 2017 and specialised in rental residential assets, with APG Dutch pension fund manager holding a controlling interest. In 2021, the Australian fund Aware Super PTY LTD became a shareholder of SOCIMI Vivenio. As a result, the latter increased its investment capacity to over 700 million euros reaching a GAV of EUR 1,590 million euros at 31 December 2023.

On the other hand, at 2022 year-end, APG and the Group partnered up once again to create SOCIMI Wellder, specialised in homes for the elderly. This vehicle, which Renta Corporación manages on an exclusive basis, was created with the aim of acquiring premium real estate assets in Spain with high ESG standards, starting with an investment of EUR 250 million. SOCIMI Wellder will invest in assets found in locations with over 75,000 inhabitants, preferably in capital cities and with a surface area between 4,000 and 7,500 m2 accommodating between 80 to 140 beds per facility. Investments are made by purchasing current facilities or developing new projects.

At 2024 year-end, after the agreements to acquire six new assets, SOCIMI Wellder had a portfolio of 12 senior living homes representing a property investment of EUR 115 million, with a total of 1,801 beds.

In addition, in 2021 Cabe was created as a new investment vehicle engaged in the rental of urban digitalised storage facilities. An increasing urban population, ongoing rising property prices, high availability of establishments at competitive prices after the Covid-19 crisis, a low level of investment in the segment, the resilience to economic cycles and the high growth margin of this business are some of the reasons why the Group has decided to probe this sector.

Since the end of 2021 a total of 20 commercial premises located in Barcelona, Madrid and other Spanish cities have been purchased and commissioned. Cabe offers a differentiated product with establishments located in the city centre, with a high digital component when both hiring and using the product. At 31 December 2024, a total of 18 of these establishments were fully operational.

On 7 November 2024, the institutional investor BC Partners, became a partner by acquiring 30% of the share capital of Arsel Atlantic, S.L., which until then was the sole shareholder of Cabe Keep and Lock, S.A.U. This strategic transaction is intended to reinforce the shareholding structure and provide the financial resources needed to boost the growth and expansion plan of the storage facility line of business.

b. "Equity" division

This division encompasses the acquisition and management of any real estate investment intended to remain in the Group's balance sheet over the long term. The asset strategy will be further consolidated in the coming years to render steady revenue flows.

Within this division and through its investee Renta Corporación Real Estate ES, S.A.U., the Company owns residential assets with a market value of EUR 5,572 thousand, classified as "Property investment" under lease.

2. Business performance and results

Despite the fact that 2024 continued to be marked by lingering geopolitical tensions, global economic activity showed remarkable resilience and certain acceleration driven by lower interest rates.

In the real estate sector, interest rate variations and macroeconomic indicators made it possible to increase the volume of transactions and investments during 2024, as well as materialise the transactions envisaged in the strategic plan and consolidate the equity investment vehicles, this having a direct impact on the transactional business portfolio of Renta Corporación Group, the margin of its operations and, therefore, the result for 2024.

Renta Corporación Group closed 2024 posting an **accumulated net profit** of EUR 4,096 thousand against EUR -15,945 thousand (net) in 2023. Out of such profit, a total of EUR 3,307 thousand corresponds to the Parent. This comeback to the profitability path is due to an increase in the volume of transactions, an optimised asset portfolio and the consolidation of the real estate vehicles, which have been key pillars for the Group in recent years.

Revenue in 2024, which includes sales and income from project management, services and rentals, amounted to EUR 25,718 thousand against EUR 41,825 thousand in 2023. For accurate comparison purposes with the previous year, the dation in payment made in 2023 for EUR 18,879 thousand should be excluded. Thus, ordinary revenue in 2023 would have stood at EUR 22,946 thousand, which implies that 2024 recurring revenue rose by EUR 2,772 thousand, i.e. up 12% year-on-year.

In turn, other operating income totalled EUR 747 thousand against EUR 124 thousand in 2023.

During the period analysed, the volume of the Transactional business amounted to EUR 19,659 thousand, with transactions being materialised 47% in the residential segment and 46% in the commercial segment. Among the aforementioned transactions, the following stand out: the sale of commercial premises in Santa María de la Cabeza and Embajadores (Madrid), the sale of an office building in Carrera de San Jerónimo (Madrid), and a real estate development in Mijas (Malaga). Additionally, transactions were carried out in the residential segment, including homes in Roig and Picalquers and in Vía Augusta (Barcelona).

In terms of the Asset business, revenue increased by EUR 2,656 thousand compared to 2023 coming, to a large extent, from the fees accrued for the management of both Wellder and Vivenio. These fees accrued mainly for origination for the purchase of assets, management of the vehicle and success fees.

The rest of the revenue in the Asset business arose mainly from the rental of Company-owned assets and the Cabe urban storage facilities business. At the closing date of this report, this business unit has 20 assets on its portfolio, of which only one is pending opening.

In 2024, the Group's **staff and overhead costs** totalled EUR 9,154 thousand against EUR 8,557 thousand in 2023, excluding the impairment of trade receivables. This increase arose from the need to meet a significant activity growth, ensuring an efficient operation in line with the business expansion.

Changes in fair value of investment property and right-of-use assets resulted in a revaluation in 2024 of EUR 8,183 thousand, relating chiefly to the increase in value of Cabe's urban storage units due to the consolidation of those already operational, progress of the investment and purchase of new premises, against the capital loss recognised in 2023 amounting to EUR 5,272 thousand that arose, among others, from the effect of valuing non-strategic and low-return assets following immediate sale criteria, such assets being reclassified as "Assets held for sale" and whose sale is currently in progress.

(Amounts in thousands of euros)

Net financial profit/(loss) for the period comprises net expenses of EUR 2,938 thousand. The cancellation of the participating loan in 2023 and completed transactions allowed reducing corporate debt and switching corporate short-term borrowings for long-term ones, aligning their maturity terms with the cash flow generating period of the projects. As a result, finance costs fell by EUR 1,019 thousand.

The Group recognised an **income tax** expense of EUR 855 thousand, which in 2023 accounted for revenue of EUR 1,885 thousand. On the other hand, in 2024 an additional tax asset was recognised corresponding to tax loss carryforwards to be offset against future profits of the investee company Cabe Keep and Lock, S.A.U. in the amount of EUR 717 thousand.

Non-current assets totalled EUR 72,215 thousand and are broken down as follows:

Thousands of euros	31/12/2024	31/12/2023	Variation
Non-current assets and right-of-use assets	6,134	6,266	(132)
Investment property	35,095	24,285	10,810
Equity instruments	3,431	2,119	1,312
Other financial assets	72	79	(7)
Deferred tax assets	27,483	27,479	4
Total non-current assets	**72,215**	**60,228**	**11,987**

The total amount grew by EUR 11,987 thousand compared to December 2023, due mainly to the following:

– An increase of **investment property** up to EUR 35,095 thousand against EUR 24,285 thousand in 2023 as a result, mainly, of the following: (i) acquisition of new commercial establishments for operation as storage units of the Cabe business; and (ii) a rise in market value of the assets classified under this heading, due to the consolidation of the facilities that are currently operational, and further investment in new premises.

– The heading **equity instruments** includes mainly the Group's interest in the share capital of SOCIMI Vivenio and SOCIMI Wellder. The variation is principally due to the capital contributions made in SOCIMI Wellder to formalise the purchase of four new assets during the reporting year.

– An increase in **deferred tax assets** of EUR 4 thousand. Net deferred tax assets recognised totalled EUR 27,483 thousand relating largely to tax assets from tax loss carryforwards, with EUR 74,204 thousand in tax losses pending recognition.

As mentioned above, the amounts of the line item **assets held for sale** relate to residential investment property, which until the closing of 2023 had been held for rental purposes and whose carrying amount is highly likely to be recovered through a sale transaction in the short term. In 2024 these assets began to be sold resulting in a drop for this line item of EUR 4,465 thousand. As a result of this movement on the assets side of the balance sheet, the debt associated to these properties was also reclassified to current liabilities.

Inventories stood at EUR 21,294 thousand, down EUR 5,988 thousand against 2023, mainly due to the sales performed during the reporting period.

Noteworthy are the sale of commercial premises in Santa María de la Cabeza and Embajadores (Madrid), an office building in Carrera de San Jerónimo (Madrid), and a fraction of the real estate development in Mijas (Malaga). The amount of inventories also includes purchase options totalling EUR 1,067 thousand that give rise to future purchase rights on assets for EUR 23,519 thousand.

(Amounts in thousands of euros)

The detail of "**Trade and other receivables**" is as follows:

Thousands of euros	31/12/2024	31/12/2023	Variation
Trade receivables for sales and services	1,381	48	1,333
Sundry accounts receivable	357	320	37
Other accounts receivable from public authorities	1,225	1,326	(101)
Total trade and other receivables	**2,963**	**1,694**	**1,269**

At 2024 year-end, the total balance was EUR 2,963 thousand, up EUR 1,269 thousand compared to the closing of 2023, mainly due to an increase in the line item "Trade receivables for sales and services", the deferred payment of a sale transaction, and the recognition of accounts receivables accrued at year-end for various services rendered to the investment vehicles.

Equity totalled EUR 67,460 thousand, up EUR 8,925 thousand year-on-year compared EUR 58,535 thousand in equity at 31 December 2023 primarily due to the following:

– The profit attributed to the Parent in the amount of EUR 3,307 thousand.

– The impact of the transfer of 30% of the shares held in Arsel Atlantic, S.L. to the Luxembourg company BCP RE Lux Box Holding, S.à.r.l. for EUR 4,775 thousand (Note 2-f). The effect thereof was recognised as a transaction with non-controlling interests charged to equity for EUR -1,441 thousand and to their share in consolidated reserves. As result, non-controlling interests were recognised in the amount of EUR 5,923 thousand, with their share in the fiscal year's profit totalling EUR 789 thousand.

– The granting of treasury shares as per the share-based plans approved.

The breakdown of **other non-current payables** other than financial liabilities is as follows:

Thousands of euros	31/12/2024	31/12/2023	Variation
Other non-current financial liabilities maturing at long-	48	48	—
Long-term non-current finance lease payables (*)	1,818	2,378	(560)
Deferred tax liabilities	3,916	3,215	701
Total other non-current payables	**5,782**	**5,641**	**141**

(*) The accompanying consolidated balance sheet includes "Other non-current financial liabilities maturing at long-term".

– Long-term non-current finance lease payables: This line item amounts to EUR 1,818 thousand, posting a decrease against the previous year mainly due to the change of location of the Group's office in the city of Madrid during 2024, which led to the recognition of a new contract under more favourable conditions and the termination of the old one.

– Deferred tax liabilities: This line item stands at EUR 3,916 thousand and relates mainly to the difference between the carrying amount of the investment property, right-of-use assets and assets held for sale measured at fair value and their tax base measured at acquisition cost, net of depreciation.

(Amounts in thousands of euros)

The breakdown of **other current payables** other than financial liabilities is as follows:

Thousands of euros	31/12/2024	31/12/2023	Variation
Short-term current finance lease payables (*)	246	335	(89)
Sundry accounts payable	4,122	5,826	(1,704)
Staff (remuneration payable)	894	149	745
Other accounts payable to public authorities	450	255	195
Customer advances	458	340	118
Total other current payables	**6,170**	**6,905**	**(735)**

(*) The accompanying consolidated balance sheet includes "Other current financial liabilities maturing at short-term".

There was a decrease of EUR 735 thousand year-on-year, due to the combined effect of a reduction in payables relating to the purchase, transformation and sale of the Group's operations as several conversion projects were completed, and an increase in unpaid remunerations.

Customer advances include pre-sale downpayments and prepayments totalling EUR 458 thousand, up EUR 118 thousand compared to the end of the previous year. If eventually materialised, they would result in future revenue of EUR 4,639 thousand in Barcelona.

Finally, in 2024 a strategy to optimise the Group's financial structure was implemented. Cash flows from transactions and portfolio management contributed to reducing corporate debt, mainly due to the repayment of promissory notes. This reduction was partially offset by arranging new debt instruments extending the maturities and aligning them with the project execution schedule. It is worth mentioning that the Company maintains a promissory notes programme with a drawdown capacity of up to EUR 50 million, although it prioritises asset-backed debt.

Current and non-current **financial debt** totalled EUR 26,836 thousand, down EUR 6,567 thousand compared to the closing of 2023. Debt for the period stood at 25% of total assets against 32% in the previous year.

The breakdown of financial debt is as follows:

Thousands of euros	31/12/2024	31/12/2023	Variation
Mortgage debt (*)	14,873	11,588	3,285
Other payables	11,963	21,815	(9,852)
Total financial debt	**26,836**	**33,403**	**(6,567)**

(*) It includes the mortgage loan classified as liabilities related to assets held for sale.

(Amounts in thousands of euros)

Net financial debt fell to EUR 22,367 thousand in line with a reduction in financial debt mainly due to the net effect resulting from the repayment of promissory notes, the fall in corporate debt and the increase in mortgage debt tied to projects, partially offset by a treasury reduction.

Thousands of euros	31/12/2024	31/12/2023	Variation
Mortgage debt (*)	14,873	11,588	3,285
Other payables	11,963	21,815	(9,852)
Total financial debt	**26,836**	**33,403**	**(6,567)**
(-) Cash and current financial assets	(4,469)	(5,508)	1,039
Total net financial debt	**22,367**	**27,895**	**(5,528)**

(*) It includes the mortgage loan classified as liabilities related to assets held for sale.

3. *Matters relating to the environment and employees*

Environment

The Group's activities do not have a significant environmental impact. The Group has adopted appropriate measures in relation to environmental protection and enhancement and the minimisation, where necessary, of its environmental impact, and complies with current environmental legislation.

The Group did not deem it necessary to recognise any provisions for environmental contingencies and charges since there are no contingencies relating to environmental protection or improvement or any liability of an environmental nature.

Employees

For the Group people are the foundation to build true value and the key to achieving business excellence. The contribution of the Group's team, formed by highly-qualified and specialised professionals, has been acknowledged and cultivated as a key success factor from day one, with a strong commitment to diversity, equal opportunities and continuous training.

In this regard, the Group places special emphasis on maintaining an effective, agile and flexible organisation that follows highly professional procedures and benefits from knowledge sharing while promoting the well-being and work-life balance of its employees.

4. *Liquidity and capital resources and contractual obligations and off-consolidated balance sheet transactions*

The Group is currently obtaining financing for the acquisition of its operations equivalent to approximately 50% of the investment where the Company has opted for a financing scheme.

Liquidity and capital resources

In addition to mortgage loans to purchase and refurbish assets, the Group has a liquidity promissory notes programme in place on the Alternative Fixed-Income Market (MARF) as of 30 April 2024. Furthermore, it has arranged loans with a private financing firm amounting to EUR 3,364 thousand at amortised cost and nominal value with mortgage pledge thereon at 31 December 2024, of which EUR 1,700 thousand are set to mature in 2026.

In 2024, the Group held two loans, one of them with a private financing firm for EUR 6,000 thousand at amortised cost, and a second one with another private entity in the amount EUR 1,336 thousand. Both loans are set to mature in 2025.

Analysis of contractual obligations and off-consolidated balance sheet transactions

The Group did not have any contractual obligations at 31 December 2024 that might give rise to a future cash outflow, other than the obligations related to its core business.

At 31 December 2024, the Group had not performed any significant off-consolidated balance sheet transactions that had, or could foreseeably have, an effect on the Group's financial position, income and expense structure, the results of its operations, its liquidity, capital expenditure or equity.

In any case, it should be noted that the Group incurred off-consolidated balance sheet tax losses of EUR 74,204 thousand in prior years that, if recognised, would constitute a tax asset of EUR 18,551 thousand.

5. *Main risks and uncertainties*

The Group's activities are exposed to various risks: market risk (including foreign exchange risk and interest rate risk), credit risk, liquidity risk, capital risk and operational risk.

The global risk management programme focuses on the uncertainty of the financial markets and aims to minimise any potential adverse effects on the Group's earnings. The aim of the Group's risk management policy is for the Group to remain solvent by addressing the types of risk described below. Risk management is controlled by the General Management department, which evaluates and oversees risks closely together with the Group's operating units as per the policies approved by the Board of Directors.

Market risk: foreign exchange risk

The Group defines foreign exchange risk as the potential negative impact of changes in exchange rates on its results, equity or cash flows.

The Group's exposure to this type of risk is scant, since it does not have any international subsidiaries nor does it perform any transactions in currencies other than the euro.

Market risk: interest rate risk

Interest rate risk is managed in accordance with the policies approved by the Board of Directors, which establish whether hedging instruments must be maintained to minimise the impact of interest rate volatility. The Group has not arranged any interest rate hedges.

Rising interest rates could negatively affect the Group in different ways, including that investors may demand a higher return on the real estate assets they intend to acquire, which in turn could lead to a potential adjustment of the target selling price. Also, on the supply side, there could be a slowdown.

Finally, interest rate hikes could affect the discount rate used to calculate the fair value of investment property. Therefore, any increase in interest rates generally has a negative impact on the fair value of the Group's property portfolio and any developments in this regard would require the Group to recognise any such impact on the fair value of its real estate properties.

Market risk: prices

During 2024, the Group was exposed to price risks stemming from the performance of the real estate market. The prices of land and property assets fluctuated due to factors such as the evolution of demand, urban planning policies and access to mortgage loans. In this context, the Group adjusted its investment strategy accordingly, with a focus on high-demand locations and diversifying its asset portfolio to reduce exposure to market volatility.

In terms of regulation, changes in urban planning standards, taxation of real estate assets and government housing policies stoked uncertainty in the sector. The Group actively monitors regulatory developments and is a member to industry associations to foresee any potential changes that might affect its business.

In order to address market volatility, the Group has strengthened its risk analysis and management strategy through price modelling tools, monitoring of macroeconomic trends and geographical investment diversification. In addition, flexible sales and rental pricing policies have been implemented to maintain a competitive stance in the sector.

Credit risk

Credit risk refers to both the ability to obtain financing and the ability to access cash and deposits with banks and financial institutions, as well as collections from customers, including outstanding accounts receivable and committed transactions.

The Group has a diversified financial structure consisting of bank and non-bank financing. This diversified structure provides more flexibility to address those transactions that, given their nature, traditional banks are more reluctant to finance as they are now more restrictive.

Customer credit risk is managed based on a well-established sales policy whereby properties are transacted by collecting the relevant amount upon transfer of the title deed. Should such payments be deferred, as a general rule, the debt must be secured by a bank guarantee, an agreement for retention of title, conditions subsequent or similar in rem guarantees that may entitle the Group to recover ownership of each property in case of default.

Liquidity risk and financial capacity

This risk is associated with the capacity to meet payment obligations in the short term and the effective management of any surplus amounts. Financial risk refers to a company’s financial position to meet its payment obligations in the medium and long term and the availability of sufficient economic resources to fulfil its strategy.

Both risks are managed by the General Management by:

– Monitoring liquidity to meet payments in the short term.

– Monitoring the Group’s financing capacity to fulfil its commitments in the medium and long term, and to remain as a going concern and deliver on its strategy.

– Monitoring the fulfilment of any debt-related conditions and obligations.

– Seeking credit facilities under the best possible conditions to optimise the Group’s financial structure.

– Adapting the debt structure and size to the business performance and current conditions.

– Planning and following up on cash inflows and outflows.

– Searching for new ways to obtain liquidity and financial capacity, such as the placing of promissory notes programmes on MARF on 25 March 2019, 7 May 2020, 7 May 2021, 6 May 2022, 5 May 2023 and 30 April 2024.

The Group acquires a property after having analysed the possibility of selling it in its entirety, so that the need and timeline for financing is reduced and the date of purchase and sale are closer together. Also, property conversion activities are financed through equity, cash generation or external debt.

The business continues to be closely linked to the possibility of obtaining external financing. The Group’s ability to obtain new financing depends on a large number of factors, some of which go beyond its control, such as general economic conditions, the availability of credit from financial institutions or monetary policies in force.

The possibility of forging different types of financial partnerships could also be explored, which would enable the Group to expand its financing sources in order to carry out larger-scale projects with higher margins in the future.

Capital risk

The Group's exposure to capital risk is determined by the difficulty of maintaining sufficient levels of equity and borrowings to continue operating as a going concern, to generate returns for equity instrument holders, and to maintain an optimal capital structure that allows containing or reducing the cost of capital.

Operational risk

The Group's activity hinges upon the performance of the real estate and the financial sectors and its business may be subject to changes in certain variables significantly affecting the property market, such as the employment rate, demography, interest rates, inflation, tax regulation on the sale and purchase of properties, access to loans or financing by buyers and the terms and conditions thereof, current property supply, demand preferences, price stability and investors' trust in the real estate sector, among others.

In addition, to this date the Group's entire business is carried out in Spain; therefore, any change in the country's economic scenario might have a direct impact on its business performance.

6. ***Outlook for the Group***

In 2025 the real estate sector is expected to continue its upward trend driven by the interest rate cuts implemented as of the second half of 2024 and an economic environment that has been showing gradual improvement. This continued fall in interest rates will facilitate access to financing for both buyers and investors, boosting the volume of transactions.

In the real estate sector, interest rate variations and macroeconomic indicators made it possible to increase the volume of transactions and investments during 2024, as well as materialise the transactions envisaged in the strategic plan and consolidate the equity investment vehicles, this having an impact on the transactional business portfolio of the Group, the margin of its operations and, therefore, the result for 2024.

Finally, the update of the 2025-2029 strategic plan was approved by the Board of Directors on 27 February 2025. This plan is based on a future strategy aimed at consolidating the Group's market positioning. To this end, the Group is taking the following approach:

a) Increasing Renta Corporación Group's operating margin through the transactional business by raising the number of transactions and, in particular, the average scale thereof.

b) Boosting the asset business through an increase in investment management forecasted for 2025 and thereafter derived from higher volumes coming from the new lines of business dedicated to managing both proprietary and third-party assets. Along these lines are the investments and management work carried out in recent years for the consolidation of the vehicles Wellder Senior Assets SOCIMI, S.A. that, in turn, is the sole shareholder of Wellder Alfa, S.A.U. and Arsel Atlantic, S.L. that, in turn, is the sole shareholder of Cabe Keep and Lock, S.A.U., with a new investment partner joining the former's shareholding structure on 7 November 2024.

c) Optimising overheads in accordance with the expected level of activity.

7. Disclosures on periods of payment to suppliers

The average period of payment to suppliers at 31 December 2024 was 21 days.

8. Research and Development

The Group did not incur any research and development expenditure in 2024.

9. Treasury shares and stock market information

In 2024 a total of 158,913 treasury shares were delivered to employees, all amounting to EUR 411 thousand and being recognised under "Other employee benefit costs".

At 31 December 2024, the Group held a total of 516,561 treasury shares against 675,474 shares at the closing of 2023. The par value of such shares amounts to EUR 517 thousand.

The share market price at 2024 year-end was EUR 0.65 per share, 18.75% lower than the price of EUR 0.80 per share at 2023 year-end.

(Amounts in thousands of euros)

10. *Alternative performance measures*

Alternative performance measures	Unit	Definition	31 December 2024	31 December 2023	Use relevance
EBITDA	Thousands of euros (k€)	Consolidated profit or loss from operations + changes in value of investment property, right-of-use assets and assets held for sale + depreciation and amortisation + losses, impairment and changes in trade provisions	8,490 k€ = -294 k€ + 8,183 k€ + 531 k€ + 70 k€	-13,581 k€ = -8,940 k€ - 5,272 k€ + 496 k€ + 135 k€	Measure of operating profit without considering interest, taxes, provisions and amortisation and depreciation
EBIT	Thousands of euros (k€)	EBITDA - depreciation and amortisation - losses, impairment and changes in trade provisions	-7,889 k€ = 8,490 k€ - 531 k€ - 70 k€	-14,212 k€ = -13,581 k€ - 496 k€ - 135 k€	Measure of operating profit without considering interest and taxes
Operating margin of transactional business (*)	Thousands of euros (k€)	Revenue + other operating income - changes in inventories of buildings acquired for refurbishment and/or conversion - other operating expenses - impairment and gains or losses on disposals of non-current assets and investment property + changes in fair value of investment property	5,316 k€ = 19,659 k€ - 12,641 k€ - 1,295 k€ - 170 k€ - 237 k€	1,622 k€ = 38,422 k€ - 36,085 k€ - 715 k€	Measure of operating profit of transactional business without considering the allocation of staff and overhead costs
Operating margin of asset business (*)	Thousands of euros (k€)	Revenue - other operating expenses - impairment and gains or losses on disposals of non-current assets and investment property + value adjustments of investment property, right-of-use assets and assets held for sale	12,871 k€ = 6,059 k€ - 1,608 k€ + 8,420 k€	-4,769 k€ = 3,403 k€ - 1,022 k€ - 1,878 k€ - 5,272 k€	Measure of operating profit of asset management business without considering the allocation of staff and overhead costs
Strategic inventories	Thousands of euros (k€)	Buildings acquired for refurbishment and/or conversion	20,227 k€	26,044 k€	Measure of size of investment in property inventories
Portfolio (**)	Thousands of euros (k€)	Strategic inventories + assets held for sale + right to purchase assets in the future through net purchase options + assets held for sale	49,053 k€ = 20,227 k€ + 5,307 k€ + 23,519 k€	81,769 k€ = 26,044 k€ + 55,725 k€	Measure of future business-generating capacity
Net financial loss	Thousands of euros (k€)	Finance income - Finance costs	-2,938 k€ = 52 k€ - 2,990 k€	-3,807 k€ = 202 k€ - 4,009 k€	Measure of finance costs
Net financial debt (***)	Thousands of euros (k€)	Non-current bank borrowings maturing at long-term + liabilities related to assets held for sale + current payables - current finance leases - cash and cash equivalents - current financial assets	22,367 k€ = 8,028 k€ + 819 k€ + 18,235 k€ - 246 k€ - 3,485 k€ - 984 k€	27,943 k€ = (8,408 k€ + 3,310 k€ + 24,446 k€ - 2,713 k€) - 5,193 k€ - 315 k€	Current and non-current financial debt - Cash on hand and cash-equivalent financial assets

(*) Segment reporting is disclosed in Note 6 to the accompanying consolidated financial statements.

(**) Assets held for sale are included for fiscal year 2024 but not for 2023.

(***) In 2023 the ratio considered was: (Total non-current payables + total liabilities related to assets held for sale + total current payables - finance leases) - cash and cash equivalents - current financial assets.

11. *Events after the reporting period*

After the closing of 2024, the resolutions adopted on the substantive decisions concerning Arsel Atlantic, S.L. were modified, the latter becoming jointly controlled by the subsidiary Renta Corporación Real Estate ES, S.A.U. and the Luxembourg company BCP RE Lux Box Holding, S.à.r.l. and, therefore, said company will now be consolidated under the equity method. As a result of this transaction, it is estimated that there is no significant difference between the net value of the consolidated net assets, which are recorded at their fair value, and the fair value of the ownership interest therein.

No additional events after the reporting period have taken place that might have a significant impact on these consolidated financial statements other than those described herein.

12. *Annual Corporate Governance Report*

The Annual Corporate Governance Report prepared by Renta Corporación Real Estate, S.A. for 2024 is an integral part of the Directors' Report, albeit it is presented separately.

The document will be available on the CNMV's website as of 27 February 2025, in the section "Corporate Governance Report of Issuing Entities", as well as on the Group's website. The aforementioned report can be accessed through the following links:

CNMV website: https://www.cnmv.es/Portal/Consultas/ee/informaciongobcorp?TipoInforme=1&nif=A-62385729

Company website: https://www.rentacorporacion.com/es/informe-anual-de-gobierno-corporativo/

13. *Annual Report on the Remuneration of Directors*

The Annual Remuneration Report prepared by the directors of Renta Corporación Real Estate, S.A. for 2024 is an integral part of the Directors' Report, albeit it is presented separately.

The document will be available on the CNMV's website as of 27 February 2025, in the section "Corporate Governance Report of Issuing Entities", as well as on the Group's website. The aforementioned report can be accessed through the following links:

CNMV website: https://www.cnmv.es/portal/Consultas/ee/informaciongobcorp?TipoInforme=6&nif=A-62385729

Company website: https://www.rentacorporacion.com/es/remuneraciones-los-consejeros/

Renta Corporación Real Estate, S.A. and Subsidiaries

Authorisation for issue of the consolidated financial statements for the year 2024

Certificate of directors' signatures in a document separate from the financial statements and the directors' report

On 27 February 2025, the Board of Directors of Renta Corporación Real Estate, S.A., in compliance with current trade regulations, authorised for issue the Consolidated Financial Statements and the Consolidated Directors' Report for 2024 in accordance with the format requirements (and tagging) established in the European Commission's Delegated Regulation EU 2019/815.

The members of the Company's Board of Directors hereby state that the Consolidated Financial Statements and the Consolidated Directors' Report for the year 2024, prepared unanimously for verification by the auditor and subsequent approval by the Annual General Meeting, have been duly signed.

Luis Hernández de Cabanyes
Chairman and CEO

David Vila Balta
Deputy Chairman and CEO

Manuel Valls Morató
Director

Ainoa Grandes Massa
Director

Cristina Orpinell Kristjansdottir
Director

Blas Herrero Fernández
Director

Baldomero Falcones Jaquotot
Director

María Isabel Meléndez Crespo
Non-director Secretary

STATEMENT OF DIRECTORS' LIABILITY

The members of the Board of Directors of Renta Corporación Real Estate, S.A. (Renta Corporación or the Company), at the meeting held on 27 February 2025, and in accordance with the provisions of Article 8.1.b) of Royal Decree 1362/2007, of 19 October, declare that, to the best of their knowledge and belief, the Individual Financial Statements and the Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31 December 2024, prepared by the Board of Directors at its meeting on 27 February 2025 and drawn up in accordance with the applicable accounting principles, provide a true and fair view of the Company's equity, financial position and results of the Company and of the consolidated companies, and that the directors' reports supplementing the Individual and Consolidated Financial Statements (including the Annual Corporate Governance Report and the Annual Report on Directors' Remuneration) include a true and fair view of the business performance and results and of the position of Renta Corporación and the consolidated companies, together with a description of the main risks and uncertainties they face.

Luis Hernández de Cabanyes
Chairman and CEO

David Vila Balta
Deputy Chairman and CEO

Manuel Valls Morató
Director

Ainoa Grandes Massa
Director

Cristina Orpinell Kristjansdottir
Director

Blas Herrero Fernández
Director

Baldomero Falcones Jaquotot
Director