

IPOSA PROPERTIES SOCIMI, S.A.
FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED ON
31st DECEMBER 2023

IPOSA PROPERTIES SOCIMI, S.A.

ABRIDGED BALANCE SHEET FOR THE FINANCIAL YEAR ENDED ON 31ST DECEMBER 2023

ASSETS			
	Explanatory Notes to the Financial Statements	2023	2022
A) NON-CURRENT ASSETS		8,222,165.14	6,514,380.02
II. Property, plant and equipment	5	425,334.33	406,037.94
III. Investment property	5	6,466,133.97	4,777,645.24
IV. Investments in Group and Associated Companies	7	1,314,794.08	1,314,794.08
V. Long-Term Financial Investments	7	15,902.76	15,902.76
B) CURRENT ASSETS		533,786.54	1,862,169.40
I. Inventories.		1,050.00	1,050.00
II. Trade and other receivables.		180,564.02	137,587.01
1. Trade receivables for sales and services.	7	176,608.11	133,631.10
6. Other tax receivables.	9	3,955.91	3,955.91
IV. Short-Term Financial Investments	7	128,425.17	97,807.17
V. Short-term prepayments and accrued income		-	-
VI. Cash and cash equivalents.		223,747.35	1,625,725.22
TOTAL ASSETS (A + B)		8,755,951.68	8,376,549.42
EQUITY AND LIABILITIES			
A) EQUITY		6,284,434.79	5,862,200.27
A-1) Shareholders' equity.		6,284,434.79	5,862,200.27
I. Share capital.	6	5,058,842.00	5,058,842.00
1. Authorised capital.	6	5,058,842.00	5,058,842.00
III. Reserves.		782,035.11	622,297.37
VII. Profit (loss) for the Financial Year.	3	1,730,340.13	1,478,433.45
VIII. Interim dividend	6	(1,286,782.45)	(1,297,372.55)
B) NON-CURRENT LIABILITIES		1,903,131.02	1,995,011.38
II. Long-term debts	8	1,903,131.02	1,995,011.38
1. Debts with credit institutions	8	1,626,615.11	1,713,945.78
3. Other financial liabilities	8	276,515.91	281,065.60
V. Long-term accruals and deferred income		-	-
C) CURRENT LIABILITIES		568,385.87	519,337.77
II. Short-term debts		91,632.38	40,111.32
1. Debts with credit institutions		87,330.67	36,054.22
3. Other short-term debts		4,301.71	4,057.10
IV. Trade and other payables.		476,753.49	479,226.45
1. Suppliers	8	27,243.85	27,258.01
2. Other payables		221,318.51	94,011.19
4. Staff (salaries payable)		19,398.77	5,787.67
6. Other tax payables	9	208,792.36	352,169.58
TOTAL EQUITY AND LIABILITIES (A + B + C)		8,755,951.68	8,376,549.42

IPOSA PROPERTIES SOCIMI, S.A.

**ABRIDGED INCOME STATEMENT FOR THE FINANCIAL YEAR ENDED ON 31ST DECEMBER
2023**

INCOME STATEMENT			
	Explanatory Notes to the Financial Statements	<u>2023</u>	<u>2022</u>
A) CONTINUING OPERATIONS			
1. Net turnover.	11.1	2,639,988.48	2,436,021.68
6. Staff costs.	11.2	(212,768.57)	(209,461.82)
7. Other operating expenses.	11.3	(598,054.49)	(652,031.88)
8. Depreciation and amortisation charge.		(94,940.47)	(94,179.35)
11. Other profit/loss		(2,033.74)	(12.41)
A.1) OPERATING PROFIT/LOSS (1+2+3+4+5+6+7+8+9+10+11)		1,732,191.21	1,480,336.22
12. Financial income.	11.4	20,820.86	20,847.19
13. Financial expenses.		(22,671.94)	- 22,749.96
A.2) FINANCIAL PROFIT/LOSS (12+13+14+15+16)		(1,851.08)	(1,902.77)
A.3) PROFIT/LOSS BEFORE TAXES (A.1 + A.2)		1,730,340.13	1,478,433.45
17. Corporation tax.	10	-	-
A.4) PROFIT/LOSS FOR THE FINANCIAL YEAR (A.3 + 17)		1,730,340.13	1,478,433.45

1. THE COMPANY

1.1 GENERAL INFORMATION

IPOSA PROPERTIES SOCIMI, S.A. hereinafter, the Company, was incorporated as a Public Limited Company in Spain on 28th December 2018 by means of an instrument executed before Iñigo Casla Uriarte, Notary Public of Madrid, with the corporate name of IPOSA PROPERTIES SOCIMI, S.A.

The Company is registered in the Business Registry of Madrid in volume 38,314, folio 149, section 8 and page M-681706, and its Tax Identification Number is A-88276829.

The Company is the result of the total spin-off of the trading company INMOBILIARIA DEL PASAJE DE OVIEDO, S.A. by dividing its assets into two parts and transferring them to two newly created companies called IPOSA PROPERTIES SOCIMI, S.A. and INMOBILIARIA DEL PASAJE DE OVIEDO, S.L. The operations of the predecessor company are considered performed for accounting purposes by the beneficiary companies as from 1st January 2018. This date will be the date on which control is acquired in accordance with the provisions of Section 2.2.2. of Standard 21 of the General Accounting Plan.

The registered office is at Calle Tambre 1, (28002 Madrid), with the activity and corporate purpose being the following:

- The acquisition and development of urban real estate for leasing. The development activity includes the refurbishment of buildings under the terms established in Act 37/1992 of 28th December 1992 on Value Added Tax.

All activities for the exercise of which the law lays down requirements that cannot be met by this Company are excluded.

The activities included in the corporate purpose may be carried out both in Spain and abroad.

The Company has no holdings in other Companies with which a group or associate relationship can be established in accordance with the requirements laid down in Article 42 of the Code of Commerce and in Rules 13 and 15 of Part Three of Royal Decree 1514/2007, which approved the General Accounting Plan, regarding the obligation to prepare Consolidated Financial Statements.

The functional currency in which the company operates is the euro. The Financial Statements have been drawn up in euros in accordance with the criteria established in the General Accounting Plan.

1.2. REIT Regime

The regime of *Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario* - SOCIMIs (Spanish REITs) is subject to Act 11/2009 of 26th October 2009, as amended by Act 16/2012 of 27th December 2012, which regulates REITs. Article 3 lists certain requirements for this type of company:

They shall have invested at least 80% of their assets in leasable urban real estate or land for real estate development for the same purpose, as long as the development begins within three years following acquisition, as well as stakes in the capital or equity of other companies referred to in Article 2(1) of the Act:

- a) At least 80% of the income for the tax period corresponding to each Financial Year, excluding income deriving from the transfer of holdings and real estate, both of which are used by the Company to fulfil its main corporate purpose, after the expiry of the maintenance period referred to in the following paragraph, must derive from the leasing of real estate and from dividends or shares in profits linked to the aforementioned investments.
- b) The real estate comprising the assets of the Company must be leased for at least three years. For the purposes of the calculation, the time that the properties have been offered for lease shall be added up to a maximum of one year.

The First Transitional Provision of the REIT Act allows the application of the REIT Tax Regime under the terms established in Article 8 of the REIT Act, even if the requirements of the REIT Act are not met at the date of incorporation, provided that such requirements are met within two years of the date on which said Regime is opted for. At the date of preparation of these Abridged Financial Statements, the Company's shares are listed on Euronext.

2. BASIS FOR PRESENTATION

2.1 Fair presentation

The Abridged Financial Statements have been obtained from the Company's accounting records and are presented in accordance with current commercial legislation and the standards set out in the Spanish General Accounting Plan approved by Royal Decree 1514/2007, and the amendments to the General Accounting Plan introduced by Royal Decree 1159/2010 and Royal Decree 602/2016, with the aim of presenting fairly the Company's net worth, financial position and results.

2.2 Non-mandatory accounting principles

No accounting principles which are not mandatory have been applied. In addition, the Directors have prepared these Abridged Financial Statements in accordance with all mandatory accounting principles and standards which have a material effect on the aforementioned Abridged Financial Statements. There is no accounting principle that is mandatory but no longer applied.

2.3 Critical aspects for measuring and estimating uncertainty

The preparation of the Abridged Financial Statements demands that the Company uses certain estimations and judgements regarding the future, which are continuously evaluated and based on historical experience and other factors, including expectations of future events that are deemed reasonable under the circumstances. The resulting accounting estimates will, by definition, rarely equal the corresponding actual results.

2.4 Comparing information

For the purposes of the obligation laid down in Article 35.6 of the Code of Commerce, and for the purposes of applying the principle of uniformity and for comparability, the financial Statements for the Financial Year ended on 31st December 2022 are presented in comparison with the previous financial year-end.

The information contained in these Financial Statements for Financial Year 2023 is presented solely and exclusively for comparative purposes with the information relating to Financial Year 2022.

The Explanatory Notes include events or variations that are significant for the explanation of the changes in the Company's financial position or results for Financial Year 2023.

2.5 Grouping of items

Items in the Abridged Balance Sheet and Abridged Income Statement are grouped together so as to facilitate understanding, with the necessary analysis included in the corresponding Explanatory Notes.

2.6 Changes in accounting estimates

The 2023 Financial Statements do not include changes in accounting estimates.

2.7 Correction of errors.

The 2023 Financial Statements do not include adjustments made as a result of errors detected during the year.

3. DISTRIBUTION OF PROFIT(LOSS)

The proposed distribution of profit(loss) for the Financial Year ended 31st December 2023, as formulated by the Directors and pending approval by the Shareholders, is as follows:

<i>(Stated in Euros)</i>		
BASE FOR DISTRIBUTION	2023	2022
D) PROFIT/LOSS FOR THE FINANCIAL YEAR	1,730,340.13	1,478,433.45
Interim dividend	(1,286,782.44)	(1,297,372.55)
Total	443,557.69	181,060.90
DISTRIBUTION		
Legal Reserve	173,034.01	147,843.35
Voluntary reserve	-	-
Dividends	270,523.68	33,217.55
Total	443,557.69	181,060.90

Article 6 of Act 11/2009, of 26th October, with the amendments incorporated into it by Act 16/2012, of 27th December, regulating REITs establishes the obligations for the distribution of profit (loss). The manner of distributing dividends to shareholders is as follows:

- 100% of the profits from dividends or shares in profits distributed by the entities referred to in Article 2(1) of Act 11/2009 of 26th October, as amended by Act 16/2012 of 27th December.
- At least 50% of the profits derived from the transfer of real estate and shares referred to in Article 2.1 of Act 11/2009 of 26th October, as amended by Act 16/2012 of 27th December.
- At least 80% of the remaining profits obtained.

4. ACCOUNTING CRITERIA

The main measurement standards used by the Company in preparing the Abridged Financial Statements, in accordance with those established by the General Accounting Plan, are as follows:

4.1 Property, plant & equipment and investment property

This is measured at cost, either the acquisition price or production cost, which includes, in addition to the amount invoiced after deducting any discount or rebate in the price, all the additional and directly related expenses until the asset is put into operation, such as levelling and demolition costs, transport, insurance, installation, assembly and similar costs.

The Company includes in the cost of assets that require a period of more than one year to be in a condition for use, operation or sale, the financial expenses related to specific or generic financing directly attributable to the acquisition, construction or production.

The value also includes the initial estimate of the present value of assumed decommissioning or retirement obligations and other obligations associated with the asset, such as rehabilitation costs, when these obligations give rise to the recognition of provisions, as well as the best estimate of the present value of the contingent amount. However, contingent payments that depend on performance-related factors are recognised as an expense in the Income Statement as they are incurred.

The Company has no decommissioning, retirement or rehabilitation commitments for its assets. No amount has been recorded in the value of these assets to cover such obligations in the future.

An impairment loss is recognised when the carrying amount of an item exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use or its market value.

The Company's Board of Directors believes that the carrying amount of the assets does not exceed their recoverable value or their market value.

The expenses arising during the year as a result of work performed by the Company will be charged to the corresponding expense accounts. The costs of expansion or improvements that result in an increase in production capacity or a lengthening of the useful lives of assets are capitalised. The accounts of property, plant and equipment under construction are charged by the amount of said costs, with a credit to the income line item of works carried out by the Company for itself.

Costs relating to major repairs of assets are recognised as replacements when incurred and are depreciated over the period until the next repair, and any amount associated with the repair that might remain in the carrying amount of the aforementioned assets is written-off.

Assets are depreciated on a straight-line basis over their estimated useful lives from the time they are available for use, with an estimated residual value of zero, based on their years of useful life.

At least at every reporting date, the Company assesses whether there are any indications of impairment that might reduce the recoverable value or market value of said assets to an amount lower than their carrying amount. If any indication exists, the recoverable amount or market value of the asset is estimated in order to determine the extent of any impairment loss.

If the asset does not generate cash flows that are independent of other assets or groups of assets, the Company calculates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

The recoverable amount of assets is the higher of fair value less costs to sell and value in use. Value in use is determined on the basis of the expected future cash flows to be derived from the use of the asset, expectations about possible variations in the amount or timing of the cash flows, the time value of money, the price to be paid to bear the uncertainty associated with the asset and other factors that market participants would consider in valuing the future cash flows associated with the asset.

In the event that the recoverable amount or estimated market value is lower than the carrying amount of the asset, a corresponding impairment loss is recognised in the Income Statement, reducing the carrying amount of the asset to its recoverable amount.

Once an impairment loss or reversal of impairment has been recognised, depreciation is adjusted in subsequent years to the new carrying amount.

Notwithstanding the above, if the specific circumstances of the assets reveal an irreversible loss, then that loss is recorded directly under losses in the Income Statement.

In 2023, the Company did not recognise any impairment losses on property, plant and equipment or investment property.

4.2 Financial assets

- Financial assets at amortised cost

A financial asset is included in this category, even when it is admitted to trading on an organised market, where the Company holds the investment with the aim of receiving the cash flows arising from performance of the contract, and the contractual conditions of the financial asset give rise, on specific dates, to cash flows that are solely payments of principal and interest on the principal amount

outstanding. Contractual cash flows that are solely payments of principal and interest on the principal amount outstanding are inherent to a basic lending arrangement, without prejudice to the transaction being agreed at a zero or below-market interest rate.

This category generally includes trade receivables (financial assets arising from the sale of goods and services in the ordinary course of business with deferred collection), and non-trade receivables (financial assets which are not equity and derivative instruments, do not have a commercial origin and for which the amount to be received is determined or determinable, which arise from loans or credit granted by the company). In other words, this category includes loans and accounts receivable as well as debt securities with a fixed maturity date and fixed or determinable payments which are traded on an active market and which the Company has the intention and capacity to hold until their maturity.

- Initial measurement: They are initially measured at fair value plus directly attributable transaction costs.

However, trade receivables maturing in less than one year and which do not have an explicit contractual interest rate, as well as staff loans, dividends receivable, and calls for disbursement on equity instruments, whose amount is expected to be received in the short-term, may be measured at their nominal value when the effect of not discounting the flows is not material.

- Subsequent measurement: they are measured at amortised cost, and the interests accrued are recorded in the Income Statement, using the effective interest method.

However, receivables maturing in less than one year which, in accordance with the provisions of the above section, are initially measured at their nominal value, will continue to be measured at said amount, unless they are impaired. Generally, when contractual cash flows of a financial asset are modified due to financial difficulties of the issuing company, the Company analyses whether to proceed to record an impairment loss.

- Impairment: The Company records impairment losses for the difference between the recoverable amount of the receivables and the carrying amount at which they are recorded.

- Financial assets at fair value through profit or loss.

This category includes all financial assets, unless they are classified in one of the other categories. The financial assets held for trading are included on a compulsory basis in this category.

For equity instruments that are neither held for trading nor measured at cost, the Company may make an irrevocable choice at the time of initial recognition to present subsequent changes in fair value directly in equity.

At any event, the company may, at the time of initial recognition, irrevocably designate a financial asset as measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement inconsistency or accounting mismatch.

- Initial measurement: They are measured at fair value. The directly attributable transaction costs are recorded in the Income Statement for the Financial Year.
- Subsequent measurement: Fair value through profit or loss.
- Impairment: They are not impaired since they are at all times measured at fair value, with changes in value being charged to profit or loss for the year.

The disposal of the Company's cash is not restricted in any way.

4.3 Equity

The share capital is represented by ordinary shares.

The costs of issuing new shares are shown directly against equity as a reduction in reserves.

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

At the date of preparation of these Abridged Financial Statements, the Company's shares are listed on Euronext.

As part of the requirements for the REIT regime, the Company's shares must be admitted to trading on a regulated market or in a multilateral trading system in Spain or in any other jurisdiction with which there is exchange of tax information with Spain. Likewise, due to the requirements of the aforesaid regime, the Company's shares have become registered shares.

4.4 Financial Liabilities

- Financial liabilities at amortised cost

All financial liabilities are classified in this category except when they are to be measured at fair value through profit or loss. This category generally includes trade payables and non-trade payables.

Equity loans that have the characteristics of a basic lending agreement will also be included in this category without prejudice to the transaction being agreed at a zero or below-market interest rate.

- Initial measurement: They are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration received adjusted for directly attributable transaction costs.

However, trade payables maturing in less than one year and which do not have a contractual interest rate, as well as disbursements demanded by third parties on investments, whose amount is expected to be paid out in the short-term, are measured at their nominal value when the effect of not discounting the flows is not material.

- Subsequent measurement: at amortised cost. The interests accrued are recorded in the Income Statement, using the effective interest method. However, payables maturing in less than one year which, in accordance with the section above provisions, are initially measured at their nominal value, will continue to be measured at said amount.

- Guarantees provided and received

Deposits or guarantees provided for certain obligations are measured at the amount effectively paid, which does not differ significantly from their fair value.

In guarantees provided or received for operating leases or for the rendering of services, the difference between their fair value and the disbursed amount is considered an advance payment or collection for the lease or rendering of the service, which is taken to profit or loss during the lease period or during the service provision period, pursuant to the regulations on income from sales and the provision of services.

When estimating the fair value of the guarantee deposits, the remaining period is taken as the minimum committed contractual period during which the amount cannot be returned, without taking into account the statistical reimbursement trends.

In the case of short-term guarantees, it is not necessary to discount cash flows if the effect is not material.

4.5 Provisions and contingent liabilities

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount may be reliably estimated.

Provisions are valued at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

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

Contingent liabilities are defined as possible obligations arising from past events which will only materialise if one or more future events outside the Company's control takes place. These contingent liabilities are not recognised in the accounts and are disclosed in the Explanatory Notes.

4.6 Corporation Tax

4.6.1 General regime

The Corporation Tax expense or income includes the part relating to the expense or income for current tax and the part corresponding to the expense or income for deferred tax.

Current tax is the amount which the Company pays for settlements of Corporation Tax in a Financial Year. Tax deductions and other tax benefits, excluding tax withholdings and prepayments, and tax loss carryforwards from previous years that were actually applied in the year result in a lower amount of current tax.

Current tax assets and liabilities will be recognised at the amounts which are expected to be paid to or recovered from the tax authorities in accordance with legislation in force or approved and pending publication on the reporting date.

The expense or income for deferred tax corresponds to the recognition and cancellation of deferred tax assets and liabilities. These include the temporary differences which are identified as those amounts that are expected to be payable or receivable arising from the differences between the carrying amounts of the assets and liabilities and their tax value, as well as the tax loss carryforwards which have not been offset and the credits for tax deductions which have not been applied fiscally. These amounts are recorded by applying to the relevant temporary difference or credit the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised for all taxable temporary differences except those resulting from initial recognition of goodwill and other assets and liabilities in a transaction which affects neither accounting profit nor taxable profit and is not a business combination.

Deferred tax assets are only recognised to the extent that it is probable that the Company will have sufficient future taxable profit against which the temporary differences can be utilised.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity accounts are also recognised with a balancing entry in equity.

Deferred tax is determined by applying tax laws and rates enacted or substantively enacted at the reporting date and expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

4.6.2 REIT Regime

Pursuant to Act 11/2009 of 26th October 2009, as amended by Act 16/2012 of 27th December 2012, regulating Listed Real Estate Investment Companies, entities that meet the requirements defined in the regulations and opt to apply the special tax regime provided for in this Act will be taxed at a Corporation Tax rate of 0%. In the event that tax losses are generated, Article 25 of the Consolidated Text of the Corporation Tax Act shall not apply. Likewise, the system of deductions and allowances established in Chapters II, III and IV of the aforementioned regulation shall not apply. For all other matters not provided for in the REIT Act, the provisions of the Consolidated Text of the Corporation Tax Act shall apply on a subsidiary basis.

The Company shall be subject to a special tax of 19% on the full amount of the dividends or shares in profits distributed to shareholders whose stake in the Company's capital is equal to or greater than 5%, if the shareholders themselves are not taxed on these dividends or taxed at a rate of less than 10%. Additionally, the REIT shall be subject to a special tax of 15% on the amount of the profits obtained in the financial year that are not distributed, in the part that comes from income that has not been taxed at the general rate and is not income covered by the reinvestment period. If either or both of these special taxes are applicable, they shall be treated as Corporation Tax and must be paid by the REIT within two months from the date of distribution of the dividend.

4.7 Classifying assets and liabilities as current and non-current

Assets and liabilities are presented in the Abridged Balance Sheet classified as current and non-

current. For these purposes, assets and liabilities are classified as current when they are linked to the Company's normal operating cycle and are expected to be sold, consumed, realised or settled in the course of that cycle; they are different from the above and their maturity, disposal or realisation is expected to take place within a maximum period of one year. They are held for the purpose of trading or are cash and cash equivalents that are not restricted for use for a period of more than one year.

4.8 Income and expenses

The Company recognises income from a contract when control of the goods or services agreed upon with the customer is transferred.

The Company is deemed to transfer control of an asset when the customer simultaneously receives and consumes the benefits provided by the Company's business as the entity carries on the business.

The income from the sale of goods and the rendering of services is measured at the monetary value or when applicable, at the fair value of the consideration received or expected to be received, which, unless there is evidence to the contrary, is the agreed price of the assets to be transferred to the customer, less: the amount of any discounts, rebates or similar items that the company may grant; as well as interests incorporated in the face value of receivables. However, embedded interest on trade receivables maturing in less than one year that do not have a contractual interest rate may be included where the effect of not discounting cash flows is not material.

The taxes levied on the delivery of goods and rendering of services which the company must pass on to third parties, such as Value Added Tax and special taxes, as well as amounts received on behalf of third parties, do not form part of the income.

Incomes and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises.

4.9 Related-party transactions

In general, transactions between group and related companies are initially recognised at fair value. Where appropriate, if the agreed price differs from the fair value, the difference is recorded on the basis of the economic reality of the transaction. Subsequent measurements are performed in accordance with the corresponding standards.

5. Property, plant & equipment and investment property

The changes during the year in each of these Balance Sheet headings and the related accumulated depreciation and accumulated impairment losses is as follows:

5.1 Property, plant & equipment

<u>Fixed assets in construction and advances</u>	(Stated in Euros)
A) GROSS OPENING BALANCE, FINANCIAL YEAR 2022	406,037.94
(+) Extensions and improvements	-
(-) Disposals, derecognitions, reductions or conveyances	-
B) GROSS CLOSING BALANCE, FINANCIAL YEAR 2022	406,037.94
C) GROSS OPENING BALANCE, FINANCIAL YEAR 2023	406,037.94
(+) Extensions and improvements	19,296.39
(-) Disposals, derecognitions, reductions or conveyances	-
D) GROSS CLOSING BALANCE, FINANCIAL YEAR 2023	425,334.33
E) NET CARRYING AMOUNT AT END OF FINANCIAL YEAR 2022	406,037.94
F) NET CARRYING AMOUNT AT END OF FINANCIAL YEAR 2023	425,334.33

The balance of the heading of property, plant and equipment corresponds to improvements made to the installations of the elements of the investment property.

5.2 Investment property

	Land and natural assets	Buildings	Total
	(Stated in Euros)		
A) GROSS OPENING BALANCE, FINANCIAL YEAR 2022	328,152.61	5,434,420.76	5,762,573.37
(+) Acquisitions, extensions and improvements	-	676,078.24	676,078.24
(-) Disposals, derecognitions, reductions or conveyances	-	139,562.72	- 139,562.72
B) GROSS CLOSING BALANCE, FINANCIAL YEAR 2022	328,152.61	5,970,936.28	6,299,088.89
C) GROSS OPENING BALANCE, FINANCIAL YEAR 2023	328,152.61	5,970,936.28	6,299,088.89
(+) Acquisitions, extensions and improvements	-	1,783,429.20	1,783,429.20
(-) Disposals, derecognitions, reductions or conveyances	-		-
D) GROSS CLOSING BALANCE, FINANCIAL YEAR 2023	328,152.61	7,754,365.48	8,082,518.09
E) ACCUMULATED DEPRECIATION, OPENING BALANCE 2022	-	(1,427,264.30)	(1,427,264.30)
(+) Increases due to acquisitions or conveyances		(94,179.35)	(94,179.35)
(-) Decreases due to disposals, derecognitions, reductions or conveyances	-	-	-
E) NET CARRYING AMOUNT, CLOSING BALANCE FINANCIAL YEAR 2022	-	(1,521,443.65)	(1,521,443.65)
G) ACCUMULATED DEPRECIATION, OPENING BALANCE 2023	-	(1,521,443.65)	(1,521,443.65)
(+) Increases due to acquisitions or conveyances		(94,940.47)	(94,940.47)
(-) Decreases due to disposals, derecognitions, reductions or conveyances	-	-	-
H) ACCUMULATED DEPRECIATION, CLOSING BALANCE 2023	-	(1,616,384.12)	(1,616,384.12)
I) NET CARRYING AMOUNT AT END OF FINANCIAL YEAR 2022	328,152.61	4,449,492.63	4,777,645.24
J) NET CARRYING AMOUNT AT END OF FINANCIAL YEAR 2023	328,152.61	6,137,981.36	6,466,133.97

The Company is the result of the total spin-off of the trading company INMOBILIARIA DEL PASAJE DE OVIEDO, S.A. by dividing its assets into two parts and transferring them to two newly created companies called INMOBILIARIA DEL PASAJE DE OVIEDO, S.L. and IPOSA PROPERTIES SOCIMI, S.A.

At the time of the spin-off, an independent expert carried out a valuation of the non-cash assets of INMOBILIARIA DEL PASAJE DE OVIEDO, S.A., determining the market value of the investment property currently managed by IPOSA PROPERTIES SOCIMI, S.A.

These valuations have subsequently been updated on the basis of new appraisals of the value of the investment property carried out by independent experts.

Below is the list of real estate for leasing referred to in Article 2.1 of Act 11/2009, as amended by Act 16/2012, by net carrying amount and market value:

INVESTMENT PROPERTY	NET CARRYING AMOUNT	MARKET VALUE	DIFFERENCE
C/ Uria 12 Oviedo	724,382.55	14,260,000.00	13,535,617.45
C/ Uria 14 Oviedo	58,896.10	14,730,000.00	14,671,103.90
C/ Uria 16 Oviedo	2,035,635.47	15,380,000.00	13,344,364.53
C/ Milicias Nacionales 4 Oviedo	75,481.82	6,900,000.00	6,824,518.18

C/ Milicias Nacionales 6 Oviedo	2,079,420.23	5,860,000.00	3,780,579.77
C/ Milicias Nacionales 8 Oviedo	46,045.07	7,800,000.00	7,753,954.93
C/ Pelayo 11,13,15 Oviedo	1,423,817.24	22,740,000.00	21,316,182.76
Remodelling and works for the refurbishment of other fixed assets	20,648.79	n/a	n/a
Total	6,464,327.27	87,670,000.00	81,205,672.73

The Company complies with the investment requirement included in Article 3.1 of Act 11/2009.

6. SHAREHOLDERS' EQUITY

6.1 Share capital

On 28th December 2018, the Company was incorporated with a share capital of EUR 5,058,818.16, represented by 10,000 shares with a par value of EUR 505.881816 each, numbered consecutively from 1 to 10,000 inclusive, which were fully underwritten and paid up.

Subsequently, on 9th May 2019, the Company will split the nominal value of the shares into which it divides the share capital by reducing their nominal value to EUR 1.187516 per share, with the subsequent multiplication of the number of shares by 426, with no change in the reallocation and shareholding portion.

In accordance with Title I, Chapter III of the Companies with Share Capital Act, the Company has been registered in the Business Registry as a public limited company.

6.2 Legal Reserve

The Company is required to assign 10% of the profits for the year to the legal reserve until said reserve reaches at least 20% of the share capital. Until that limit is reached, it may only be used to offset losses in the event that there are no other sufficient available reserves for this purpose, and it must be replaced with future profits.

As of 31st December 2023, the legal reserve does not reach the legal minimum of 20% of the share capital.

Once the endowments established in the legal provisions and in the Articles of Association have been effected, dividends may only be distributed from the profit of the year or from unrestricted reserves if the value of the equity is not or does not become lower than the share capital as a result of the distribution. For these purposes, profits attributed directly to equity may not be distributed, either directly or indirectly. If there are losses from previous years which cause the value of the Company's equity to be less than the amount of the share capital, the profit must be used to offset these losses.

6.3 Dividends

The Company has distributed an interim dividend of EUR 1,286,782.45, as resolved by the Board of Directors on 22nd March 2023 (EUR 296,782.45), 21st June 2023 (EUR 310,000), 25th September 2023 (EUR 350,000), and 20th December 2023 (EUR 330,000).

Below is the projected cash statement, used for the last approved distribution of dividends, pursuant to Article 277 of the Companies with share Capital Act:

(Stated in Euros)	January	February	March	April	May	June	July	August	September	October	November	December	Total
1. Net turnover	211,838.07	207,863.32	208,344.29	208,792.37	211,057.41	209,721.73	214,004.28	215,173.88	214,476.12	214,289.30	204,131.11	219,316.79	2,639,988.48
7050000 INCOME WITH VAT	189,910.76	184,809.91	185,319.31	186,200.22	185,509.12	184,979.90	186,468.16	188,527.48	187,699.68	187,947.71	269,174.52	193,815.51	2,311,749.25
7050001 INCOME WITHOUT VAT	21,927.31	23,053.41	22,929.98	23,591.95	25,548.29	24,741.85	25,536.16	26,546.38	26,778.44	26,321.59	35,956.59	25,501.28	308,239.23
6. Staff costs	-11,531.32	-11,684.84	-11,684.84	-22,309.86	-11,823.90	-20,141.08	-21,772.04	-11,973.27	-11,973.27	-17,346.24	-12,083.70	-48,453.21	-212,768.57
6400000 WAGES AND SALARIES MADRID	8,551.64	8,827.90	8,827.90	19,443.92	8,066.96	17,284.14	19,335.10	9,116.33	9,116.33	14,489.30	9,726.76	25,304.13	159,620.41
6400004 REMUNERATION DIRECTORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00
6420000 SOC. SEC. OF THE COMPANY	2,979.68	2,856.94	2,856.94	2,856.94	2,856.94	2,856.94	2,436.94	2,856.94	2,856.94	2,856.94	2,856.94	2,856.94	33,748.16
7. Other operating expenses	-36,421.06	-34,948.85	-40,466.27	-47,812.63	-21,778.88	-25,824.22	-34,383.22	-21,194.74	-24,825.18	-41,052.15	-191,756.54	-77,880.74	-598,654.49
6210000 LEASES AND ROYALTIES	-4,425.15	-4,425.15	-4,425.15	-4,690.66	-4,690.66	-4,690.66	-4,690.66	-4,690.66	-4,690.66	-4,690.66	-4,690.66	-4,690.66	55,491.09
6220000 REPAIRS AND MAINTENANCE	-4,360.81	-7,201.61	-3,845.50	-7,879.25	-1,708.45	-2,744.87	-5,893.97	-1,156.88	-7,339.20	-2,449.47	-6,913.75	-7,031.02	58,524.78
6230000 PROFESSIONAL SERVICES	12,349.11	2,339.50	-237.97	19,201.56	-2,812.15	-2,492.65	8,194.30	3,026.23	-3,302.98	-17,277.53	-3,973.10	-2,339.50	77,546.58
6250000 INSURANCE PREMIUMS	0.00	0.00	11,748.27	0.00	0.00	130.88	883.60	0.00	0.00	0.00	0.00	0.00	12,762.88
6260000 BANKING AND SIMILAR SERVICES	384.06	-47.77	17.13	-314.55	-17.90	6.72	-369.26	-11.92	25.27	325.46	-21.70	-12.41	1,464.17
6280000 SUPPLIES	-11,724.08	-19,459.55	-18,123.85	-14,349.82	-10,245.54	-14,067.68	-13,005.97	-10,655.33	-6,533.41	-14,057.02	-4,970.02	-12,791.58	-151,283.85
6290000 OTHER EXPENSES	0.00	0.00	-126.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-126.50
6290001 COMMUNICATIONS	-36.43	-36.46	-36.62	-36.61	-36.96	-36.74	-36.24	-36.24	-36.24	-36.24	-36.24	-36.24	-437.26
6290004 RESTAURANTS	-240.28	0.00	0.00	0.00	-235.06	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-475.34
6290006 PETROL	-135.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-135.65
6290010 OFFICE SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6290012 CLEANING	-1,402.86	-1,438.81	-1,450.08	-1,440.18	-1,425.16	-1,379.22	-1,379.22	-1,417.48	-2,318.54	-1,415.75	-1,663.05	-1,408.75	-18,229.11
6290013 IT	-1,245.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-1,245.62
6290014 HOTELS	-146.81	0.00	0.00	0.00	-187.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-333.81
6290015 TRAINING	0.00	0.00	0.00	0.00	-425.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-425.00
6310000 OTHER TAXES	0.00	0.00	455.20	0.00	0.00	-275.00	0.00	0.00	0.00	0.00	-169,498.01	0.00	-170,218.21
6340000 NEGATIVE VAT ADJUSTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-2,461.62	-2,461.62
6500000 LOSSES ON IRRECOVERABLE TRADE RECEIVABLES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	46,818.96	46,818.96
6. Depreciation of fixed assets	-8,023.05	-7,260.57	-8,056.01	-7,796.14	-8,056.01	-7,796.14	-8,056.01	-8,056.01	-7,796.14	-8,056.01	-7,862.71	-8,125.67	-94,940.47
6810000 DEPRECIATION OF FIXED ASSETS	405.28	366.06	405.28	392.21	405.28	392.21	405.28	405.28	392.21	405.28	430.95	445.38	4,850.70
6820001 DEPRECIATION URBAN REMODELING	3,793.57	3,426.45	3,793.57	3,671.28	3,793.57	3,671.28	3,793.57	3,793.57	3,671.28	3,793.57	3,871.20	3,793.57	44,686.30
6820002 DEPRECIATION IMPROVEMENT PELAJO 15	1,874.55	1,693.14	1,874.55	1,814.08	1,874.55	1,814.08	1,874.55	1,874.55	1,814.08	1,874.55	1,814.08	1,874.55	22,571.36
6820003 DEPRECIATION WORKS PELAJO	-58.57	-52.90	-58.57	-58.57	-58.57	-58.57	-58.57	-58.57	-58.57	-58.57	-58.57	-58.57	-689.62
6820004 DEPRECIATION URBAN	-1,517.95	-1,371.05	-1,517.95	-1,468.98	-1,517.95	-1,468.98	-1,517.95	-1,517.95	-1,468.98	-1,517.95	-1,517.95	-1,518.03	-17,872.70
6820005 DEPRECIATION WORKS MILICIAS NACI	62.96	62.96	62.96	60.93	62.96	60.93	62.96	62.96	60.93	62.96	60.93	63.05	741.40
6820006 DEPRECIATION WORKS URBAN 16-2	-51.69	-46.60	-51.69	-49.53	-51.69	-49.53	-51.69	-51.69	-49.53	-51.69	-49.53	-51.69	-607.54
6820007 DEPRECIATION REMODELING PELAJO 15	-6.39	-5.77	-6.39	-6.18	-6.39	-6.18	-6.39	-6.39	-6.18	-6.39	-6.18	-6.39	-75.38
6820008 DEPRECIATION PELAJO 11	-201.87	-182.33	-201.87	-195.36	-201.87	-195.36	-201.87	-201.87	-195.36	-201.87	-195.36	-201.87	-2,376.93
6821037 DEPRECIATION OF INV. PROPERTY	-26.01	-23.49	-26.01	-25.17	-26.01	-25.17	-26.01	-26.01	-25.17	-26.01	-25.17	-26.01	-306.30
6821038 DEPRECIATION REMODELING MILICIA 4	-24.31	29.80	-32.77	-31.72	-32.77	-31.72	-32.77	-32.77	-31.72	-32.77	-31.72	-32.83	-377.47
6821041 DEPRECIATION PELAJO 11 REF 2 C	0.00	-2.38	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-9.24	-93.67
6821042 DEPRECIATION PELAJO 11 2 DERECHA	0.00	-3.23	-15.26	-14.76	-15.26	-14.76	-15.26	-15.26	-14.76	-15.26	-14.76	-15.32	-154.69
6821043 DEPRECIATION FLATS URBAN 12 4TH	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	22.60	-45.96
6821044 ROOF REPAIRS URBAN 14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-5.23	-5.42	-10.65
12. Other profit/loss	122.19	8.82	0.00	0.48	-1,252.48	-425.54	0.48	0.48	13.53	4.18	-504.00	0.00	-2,033.74
6780000 EXTRAORDINARY EXPENSES	0.00	0.00	0.00	0.00	-1,252.94	-435.54	0.00	0.00	0.00	0.00	-504.00	0.00	-2,192.48
7780000 EXTRAORDINARY INCOME	122.19	8.82	-9.50	0.48	0.48	10.00	0.48	0.48	13.53	4.18	-0.00	0.00	-158.74
A) OPERATING PROFIT/LOSS	159,884.83	153,977.98	148,137.17	131,782.02	168,148.36	155,534.77	149,783.50	173,950.32	170,093.05	147,818.08	81,924.16	85,087.17	1,732,181.21
13. Financial income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,820.86
13.1) Other financial income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,820.86
7620000 INCOME FROM LONG-TERM LOANS, GROUP COMPANIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,820.86
14. Financial expenses	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,888.04	-1,880.24	-1,872.42	-22,871.94
6623011 Interest on Banker's N Loan	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,895.83	-1,888.04	-1,880.24	-1,872.42	-22,871.94
B) Financial Profit/loss	1,895.83	1,895.83	1,895.83	1,895.83	1,895.83	1,895.83	1,895.83	1,895.83	1,895.83	1,888.24	1,872.42	1,895.28	22,871.94
C) Profit/Loss Before Taxes	154,089.00	152,082.15	146,241.34	129,887.19	166,250.33	153,638.94	147,887.67	172,054.49	168,205.91	145,938.84	80,051.74	104,013.43	1,730,340.13
D) Profit/Loss for the Financial Year	154,089.00	152,082.15	146,241.34	129,887.19	166,250.33	153,638.94	147,887.67	172,054.49	168,205.91	145,938.84	80,051.74	104,013.43	1,730,340.13

According to Act 16/2012, of 27th December, Art. 6:

1. REITs and entities resident in Spanish territory in which they have an interest, as referred to in Article 2(1)(c) of this Act, which have opted for the application of the special tax regime established in this Act, shall be obliged to distribute the profit obtained in the financial year to their shareholders in the form of dividends, once the corresponding commercial obligations have been met, and the distribution must be agreed within the six months following the end of each financial year, in the following manner:

a) 100 per cent of the profits from dividends or shares in profits distributed by the entities referred to in Article 2(1) of this Act.

b) At least 50 per cent of the profits derived from the transfer of real estate and shares referred to in Article 2(1) of this Act.

c) At least 80% of the remaining profits obtained.

7. Financial assets

Information on the financial instruments on the assets side of the Company's balance sheet, classified by category, is as follows:

7.1 Long-term financial instruments:

	Equity Instruments		Loans, derivatives and other items		Total	
<i>(Stated in Euros)</i>	2023	2022	2023	2022	2023	2022
Assets at fair value through profit or loss	15,902.76	15,902.76	-	-	15,902.76	15,902.76
Financial assets at amortised cost	-	-	1,314,794.08	1,314,794.08	1,314,794.08	1,314,794.08
Total	15,902.76	15,902.76	1,314,794.08	1,314,794.08	1,330,696.84	1,330,696.84

There have been no changes in non-current financial assets during Financial Years 2022 and 2023.

7.2 Short-term financial instruments:

	Equity Instruments		Loans, derivatives and other items		Total	
<i>(Stated in Euros)</i>	2023	2022	2023	2022	2023	2022
Assets at fair value through profit or loss	5,901.28	5,901.28	-	-	5,901.28	5,901.28
Financial assets at amortised cost	-	-	299,132.00	225,536.99	299,132.00	225,536.99
Total	5,901.28	5,901.28	299,132.00	225,536.99	305,033.28	231,438.27

No impairment losses arising from credit risk were recognised during Financial Year 2023. In 2022, an impairment for credit risk amounting to EUR 95,030.77 was recorded.

8. Financial Liabilities

Information on the financial instruments on the liabilities side of the Company's balance sheet, classified by category, is as follows:

8.1 Long-term financial instruments:

	Debts with credit institutions		Derivatives and Other Items		Total	
<i>(Stated in Euros)</i>	2023	2022	2023	2022	2023	2022
Financial liabilities at amortised cost	1,626,615.11	1,713,945.78	276,515.91	281,065.60	1,903,131.02	1,995,011.38
Total	1,626,615.11	1,713,945.78	276,515.91	281,065.60	1,903,131.02	1,995,011.38

8.2 Short-term financial instruments:

(Stated in Euros)	Derivatives and Other Items		Total	
	2023	2022	2023	2022
Financial liabilities at amortised cost	359,593.51	167,168.19	359,593.51	167,168.19
Total	359,593.51	167,168.19	359,593.51	167,168.19

The classifications by maturity of the company's financial liabilities and the amounts that mature in each one of the following years at year-end up to their final maturity, are shown in the following table:

	Maturity in years						Total
	2024	2025	2026	2027	2028	>2028	
Debts	91,632.38	88,472.74	89,629.78	90,801.93	91,989.42	1,542,237.15	1,994,763.40
Debts with credit institutions	87,330.67	88,472.74	89,629.78	90,801.93	91,989.42	1,265,721.24	1,713,945.78
Other financial liabilities	4,301.71	-	-	-	-	276,515.91	280,817.62
Trade and other payables	267,961.13	-	-	-	-	-	267,961.13
Suppliers	27,243.85	-	-	-	-	-	27,243.85
Sundry payables	221,318.51	-	-	-	-	-	221,318.51
Staff	19,398.77	-	-	-	-	-	19,398.77
Total	359,593.51	88,472.74	89,629.78	90,801.93	91,989.42	1,542,237.15	2,262,724.53

The breakdown of the financial instruments of long-term liabilities, corresponding to guarantees, is as follows:

MILICIAS NACIONALES 4, 33003 OVIEDO		
Property	2023	2022
Premise 1	-	-
2nd left	540.91	540.00
2nd right	521.00	521.00
3rd right	700.00	-
4th left	900.00	-
4th right	-	168.28
5th left	700.00	-
5th right	-	168.28
6th left	650.00	650.00
	4,011.91	2,047.56
MILICIAS NACIONALES 6, 33003 OVIEDO		
Property	2023	2022
Premise 1	-	-
MILICIAS NACIONALES 8, 33003 OVIEDO		
Property	2023	2022
Premise 1	22,000.00	22,000.00

Premise 2	10,000.00	10,000.00
Premise 3	12,000.00	12,000.00
	44,000.00	44,000.00
PELAYO 11, OVIEDO-33003		
Property	2023	2022
Premise 1	31,200.00	30,742.70
1st left	-	-
1st right	1,050.00	1,050.00
2nd left	1,600.00	1,600.00
2nd right	600.00	600.00
3rd right	800.00	800.00
5th right	1,000.00	2.70
6th left	1,000.00	1,936.06
6th right	-	1,200.00
7th right	-	32.06
	37,250.00	37,963.52
PELAYO 13- 15, OVIEDO-33003		
Property	2023	2022
Premise 1	14,000.00	14,000.00
Premise 2	33,000.00	34,000.00
Premise 3		
Office A	1,100.00	1,100.00
Office B	1,800.00	1,800.00
Office C	2,600.00	-
2nd left	11,800.00	12,200.00
2nd right		
3rd left		
3rd right		
4th left		
4th right		
	64,300.00	63,100.00
URIA 12, OVIEDO-33003		
Property	2023	2022
Premise 1	2,000.00	1,200.00
Premise 3	8,000.00	-
Premise 6	-	7,200.00
Mezz 1	3,554.00	3,000.00
Mezz 3	-	400.00
Main	2,200.00	2,200.00
Mezz Right	340.00	340.00
Mezz Left	-	1,400.00
2nd floor	4,800.00	1,800.00
Basement, Ground Floor and Loft	-	3,816.05
	20,894.00	21,356.05
URIA 14, OVIEDO-33003		
Property	2023	2022

Premise 1	24,000.00	24,000.00
Premise 2	24,400.00	24,400.00
1st Floor		
2nd floor		
3rd Floor		
4th Floor		
Premise 3	10,000.00	-
	58,400.00	48,400.00
URIA 16, OVIEDO-33003		
Property	2023	2022
Premise 2	-	-
Premise 3	24,000.00	24,000.00
2nd office 1	1,150.00	1,150.00
2nd office 2	1,160.00	1,160.00
2nd office 3	2,000.00	2,000.00
2nd office 4	-	1,000.00
2nd office 5	1,800.00	1,800.00
3rd A	750.00	750.00
3rd B	750.00	750.00
3rd C	450.00	450.00
3rd D	-	2,000.00
4th A	1,900.00	1,900.00
4th G	550.00	550.00
4th H	-	188.47
5th I	450.00	450.00
5th J	-	1,400.00
5th K	700.00	650.00
Premise 1	12,000.00	24,000.00
	47,660.00	64,198.47
Total	276,515.91	281,065.60

8.3 Information on the kind and level of risk arising from financial instruments

The following information, both qualitative and quantitative, for the types of risk is broken down below:

- Market risk: the Company is not exposed to market risk on non-financial assets.
- Exchange rate risk: the Company does not operate internationally and is therefore not exposed to exchange rate risk on currency transactions. Exchange rate risk arises from recognised assets and liabilities and net investments in foreign operations.
- Credit risk: the Company's financial assets consist mainly of loans to related companies. The Company estimates that it has no significant credit risk on its financial assets.
- Liquidity risk: the Company manages liquidity risk prudently, based on the maintenance of sufficient cash and the availability of funding through a sufficient amount of committed credit facilities and sufficient capacity to liquidate market positions.
- Cash flow and fair value interest rate risk: the Company's interest rate risk arises from long and short-term borrowings. Borrowings issued at floating rates expose the Company to cash flow interest rate risk.

9. Public Authorities

As a result of various legal obligations, the Company has relationships with the Public Authorities, from which debit and credit positions will arise with respect to government agencies, as detailed below:

<i>(Stated in Euros)</i>	2023	2022
- Tax receivables for Corporation Tax	3,955.91	3,955.91
- Tax payables for VAT	(123,926.89)	(125,347.55)
- Tax payables for Personal Income Tax	(79,499.22)	(221,419.16)
- Tax payables for Corporation Tax		-
- Social Security payable	(5,366.25)	(5,402.87)
Total	(204,836.45)	(348,213.67)

10. Tax situation

The reconciliation between the net income and expenses for the year and the tax base for Corporation Tax is as follows:

<i>(Stated in Euros)</i>	2023	2022
Profit/loss before taxes	1,730,340.13	1,478,433.45
Permanent differences Temporary differences	2,192.48	-
Tax base (taxable income)	1,732,532.61	1,478,433.45
Corporation Tax	-	-

Pursuant to Act 11/2009 of 26th October 2009, as amended by Act 16/2012 of 27th December 2012, regulating Listed Real Estate Investment Companies, entities that meet the requirements defined in the regulations and opt to apply the special tax regime provided for in this Act will be taxed at a Corporation Tax rate of 0%.

Current legislation establishes that taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities, or the four-year statute of limitations period has elapsed. The Company Directors do not expect any significant additional liabilities to accrue to the Company as a result of any inspection.

As a consequence, *inter alia*, of the different possible interpretations of current tax legislation, additional liabilities may arise as a result of an inspection. At any event, the Directors believe that said liabilities, should they arise, will not have a material effect on the Abridged Financial Statements.

The main taxes applicable to the Company are pending inspection by the tax authorities since Financial Year 2018, for which the settlement period has elapsed.

Pursuant to the provisions of Article 11 of Act 11/2009, the requested information is included in detail in the Annex to these Abridged Financial Statements, amended by Act 16/2012 of 27th December.

11. Income and expenses

11.1 Income

The Company has obtained the following income during the periods ending on 31st December 2023 and 2022:

<i>(Stated in Euros)</i>	2023	2022
Income from commercial premises	2,331,749.25	2,189,782.79
Income from dwellings	308,239.23	246,238.89
Total	2,639,988.48	2,436,021.68

11.2 Staff costs

The Company had employees during the periods ended 31st December 2023 and 2022, for which the following staff costs were incurred:

<i>(Stated in Euros)</i>	2023	2022
Salaries and wages	179,020.41	179,336.70
Social Security	33,748.16	30,125.12
Other	-	-
Total	212,768.57	209,461.82

11.3 Other operating expenses

The breakdown of this item in the Income Statement as of 31st December 2023 and 2022 is as follows:

<i>(Stated in Euros)</i>	2023	2022
Other taxes	170,218.21	169,888.78
Professional Services	77,546.58	116,308.27
Supplies	151,283.85	143,733.20
Repair and maintenance	58,524.78	32,367.88
Leases	55,491.39	52,378.68
Insurance premiums	12,762.55	11,030.50
Cleaning	18,229.11	16,976.44
Negative VAT adjustments on non-current assets	2,461.62	231.68
Positive VAT adjustments on non-current assets	-	1,848.05
Banking and similar services	1,464.17	1,538.49
Communications	437.26	478.76
Restaurant and travel	611.19	-
CREDIT IMPAIRMENT LOSSES	46,818.96	95,030.77
Other expenses	2,204.82	13,916.48
Total	598,054.49	652,031.88

12. BOARD OF DIRECTORS AND SENIOR MANAGEMENT

12.1 Remuneration of the members of the Governing Body

During the Financial Years ended on 31st December 2023 and 2022, the Company Directors have received an annual remuneration of EUR 20,000.00.

As of 31st December 2023, the Company Directors have not received any shares or share options during the Financial Year, nor have they exercised any options, or have any options outstanding.

Similarly, no contributions were made to pension funds or schemes in favour of the Directors.

12.2 Conflicts of interest involving Directors

In order to avoid situations of conflict with the interests of the Company, during the Financial Year, the directors who have held office on the Board of Directors have complied with the obligations set forth in Article 228 of the Consolidated Text of the Companies with Share Capital Act. In addition, both they and the persons related to them have abstained from incurring in the cases of conflict of interest provided for in Article 229 of said Act, except in those cases in which the corresponding authorisation has been obtained.

13. RELATED-PARTY TRANSACTIONS:

Balances and transactions with related parties are as follows:

	2023	2022
Investments in Group and Associated Companies	(Stated in Euros)	
Loan IPOSA S.L.	1,314,794.08	1,314,794.08

Investments in Group and Associated Companies

INMOBILIARIA DEL PASAJE DE OVIEDO, S.L., in the above-mentioned representation, expressly and irrevocably acknowledges that it owes IPOSA PROPERTIES SOCIMI, S.A. the amount of EUR 1,314,794.07, and said amount is liquid, due and fully payable.

INMOBILIARIA DEL PASAJE DE OVIEDO, S.L. shall pay the aforementioned amount to IPOSA PROPERTIES SOCIMI, S.A. within a maximum period of ten (10) years from the date of the Agreement, i.e. before 31st December 2028.

The contract shall bear a fixed interest rate calculated at the rate of 1.70% per annum, from the date of the document until the expiry of the Contract and/or its early termination. Interest will be payable and due annually, and will be paid by INMOBILIARIA DEL PASAJE DE OVIEDO, S.L. on 31st December of each year until full repayment of the debt. During Financial Years 2023 and 2022, the Company has recorded EUR 22,671.94 and EUR 20,820.86 respectively for interest.

14. ENVIRONMENTAL INFORMATION

In view of the Company's business activities, it has no environmental liabilities, expenses, assets, provisions and contingencies that could be material with respect to its equity, financial position and results.

15. OTHER INFORMATION

The average number of persons employed during the year is as follows:

	2023		2022	
	MEN	WOMEN	MEN	WOMEN
PERMANENT	1	2	2	2

16. AVERAGE PAYMENT PERIOD

	2023	2022
Average supplier payment period	239.66	113.84

17. INFORMATION REQUIREMENTS DERIVING FROM THE STATUS OF REIT, ACT 11/2009

a) Reserves from years prior to the application of the tax regime established in this Act.

Profit/loss for the Financial Year	Reserves	
	Legal	Voluntary

2018	0.00	-781,437.33
2019	102,670.59	924,035.34
Adjustments after 2019 against reserves from Financial Years prior to the application of the REIT Regime	0.00	-139,346.49
Total	102,670.59	3,251.52

- b) Reserves from Financial Years in which the tax regime established in this Act has been applied, differentiating the part that comes from income subject to a tax rate of zero per cent, 15 per cent or 19 per cent, with respect to that which, where applicable, has been taxed at the general tax rate.

Profit/loss for the Financial Year	Reserves		Tax rate
	Legal	Voluntary	
2019	155,804.44	17,631.53	0%
2020	139,613.10	31,517.91	0%
2021	132,180.82	39,627.46	0%
2022	147,843.35	11,894.39	0%
2023*	173,034.01	0.00	0%
Total	748,475.72	100,671.29	

- c) Dividends paid out of profits for each Financial Year in which the tax regime laid down in this Act has been applicable, differentiating the part that comes from income subject to a tax rate of zero per cent, 15 per cent or 19 per cent, with respect to that which, as the case may be, has been taxed at the general tax rate.

Date of resolution	Dividend	Tax rate
14/10/2019	1,162,716.00	0%
10/02/2020	219,512.38	0%
16/06/2020	220,000.00	0%
01/10/2020	280,000.00	0%
14/12/2020	350,000.00	0%
17/03/2021	375,000.00	0%
16/06/2021	325,000.00	0%
29/09/2021	175,000.00	0%
19/03/2022	650,000.00	0%
22/06/2022	39,627.46	0%
23/03/2022	277,000.00	0%
22/06/2022	360,372.55	0%
28/09/2022	260,000.00	0%
15/12/2022	400,000.00	0%
21/06/2023	33,217.55	0%
22/03/2023	296,782.45	0%
21/06/2023	310,000.00	0%
25/09/2023	350,000.00	0%
20/12/2023	330,000.00	0%
Total	6,414,228.39	0%

- d) In the case of distribution of dividends out of reserves, designation of the Financial Year from which the reserve was appropriated and whether the reserves were taxed at the zero per cent, 15

per cent, 19 per cent or general rate.

The Company has not distributed dividends out of reserves.

- e) Date of the resolution to distribute the dividends referred to in (c) and (d) above.

The dates of the resolutions where dividends have been distributed are indicated in the notes above.

- f) Date of acquisition of real estate intended for leasing and of shares in the capital of entities referred to in Article 2(1) of this Act.

The date of acquisition of the real estate intended for leasing coincides with the date of incorporation of the Company on 28th December 2018.

- g) Identification of the asset that counts as part of the 80 per cent referred to in Article 2(1) of this Act.

Below is the list of real estate for leasing referred to in Article 2.1 of Act 11/2009, as amended by Act 16/2012, by net carrying amount and market value:

INVESTMENT PROPERTY	NET CARRYING AMOUNT	MARKET VALUE	DIFFERENCE
C/ Uria 12 Oviedo	724,382.55	14,260,000.00	13,535,617.45
C/ Uria 14 Oviedo	58,896.10	14,730,000.00	14,671,103.90
C/ Uria 16 Oviedo	2,035,635.47	15,380,000.00	13,344,364.53
C/ Milicias Nacionales 4 Oviedo	75,481.82	6,900,000.00	6,824,518.18
C/ Milicias Nacionales 6 Oviedo	2,079,420.23	5,860,000.00	3,780,579.77
C/ Milicias Nacionales 8 Oviedo	46,045.07	7,800,000.00	7,753,954.93
C/ Pelayo 11,13,15 Oviedo	1,423,817.24	22,740,000.00	21,316,182.76
Remodelling and works for the refurbishment of other fixed assets	20,648.79	n/a	n/a
Total	6,464,327.27	87,670,000.00	81,205,672.73

The Company complies with the investment requirement included in Article 3.1 of Act 11/2009.

- h) Reserves arising from years in which the special tax regime established in this Act has been applicable, which have been drawn down in the tax period, other than for distribution or to offset losses, identifying the year from which such reserves arise.

During the tax period, the Company did not draw down any reserves from years in which Act 11/2009 was applicable.

18. EVENTS AFTER THE REPORTING PERIOD

No significant events have occurred after the closing date of the Financial Statements which, due to their importance, require their inclusion in the Explanatory Notes.



José Carlos Rodríguez San
Pedro y Márquez
Chairman



Ignacio Rodríguez San Pedro and
Márquez



Pablo Rodríguez San Pedro
Baselga



María Beatriz Heredia Rodríguez
San Pedro



María Sintés Rodríguez San
Pedro



Carlos Luis Rodríguez San Pedro y
Martos
Non-Board Member Secretary

Madrid, 20th March 2024

