

# **Inmobiliaria Colonial SOCIMI, S.A. and Subsidiaries**

Interim Condensed Consolidated Financial  
Statements and Interim Consolidated  
Directors' Report for the six-month period  
ended 30 June 2025 (prepared in accordance  
with IAS 34, Interim Financial Reporting),  
together with Report on Limited Review

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

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## **REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

To the Shareholders of Inmobiliaria Colonial SOCIMI, S.A. (at the request of the Board of Directors),

### **Introduction**

We have performed a limited review of the accompanying interim condensed consolidated financial statements (“the interim financial statements”) of Inmobiliaria Colonial SOCIMI, S.A. (“the Parent”) and Subsidiaries (“the Group”), which comprise the condensed consolidated statement of financial position as at 30 June 2025, and the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for preparing the interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

### **Scope of the Review**

We conducted our limited review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying certain analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying financial statements.

### **Conclusion**

As a result of our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing came to our attention that might cause us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2025 have not been prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, pursuant to Article 12 of Royal Decree 1362/2007, for the preparation of interim condensed financial statements.

**Emphasis of Matter**

We draw attention to accompanying explanatory Note 1.2, which indicates that the aforementioned accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024. Our conclusion is not modified in respect of this matter.

**Report on Other Legal and Regulatory Requirements**

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2025 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in this period and their effect on the interim financial statements presented, of which it does not form part, and about the information required pursuant to Article 15 of Spanish Royal Decree 1362/2007. We have checked that the accounting information in the interim consolidated directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2025. Our work was confined to checking the interim consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Inmobiliaria Colonial SOCIMI, S.A. and Subsidiaries.

**Other Matter**

This report was prepared at the request of the Board of Directors of Inmobiliaria Colonial SOCIMI, S.A. in relation to the publication of the half-yearly financial report required by Article 100 of Spanish Securities Market and Investments Services Law 6/2023, of 17 July, implemented by Royal Decree 1362/2007, of 19 October.

DELOITTE AUDITORES, S.L.

# **Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries**

Condensed consolidated interim financial statements for the  
six months ended 30 June 2025  
and consolidated interim directors' report

Translation of interim condensed consolidated financial statements and interim consolidated management report originally issued in Spanish. In the event of discrepancy, the Spanish version prevails.

## Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries

### Condensed consolidated statement of financial position for the six months ended 30 June 2025

ASSETS	Note	Thousands of Euros	
		30 June 2025	31 December 2024
Intangible assets		6,306	6,409
Right-of-use assets		10,696	11,765
Property, plant and equipment	4	48,583	46,862
Investment property	5	11,516,618	11,314,725
Shares by the equity method		14,922	14,623
Non-current financial assets		25,769	24,576
Derivative financial instruments	11	10,086	--
Non-current deferred tax assets		528	486
Other non-current assets	7	178,432	155,906
<b>NON-CURRENT ASSETS</b>		<b>11,811,940</b>	<b>11,575,352</b>
Trade and other receivables	7	54,040	69,428
Financial assets at amortised cost		3,989	10,537
Derivative financial instruments	11	213	171
Tax assets		16,627	21,637
Cash and cash equivalents	10	273,670	542,717
<b>CURRENT ASSETS</b>		<b>348,539</b>	<b>644,490</b>
<b>Non-current assets classified as held for sale</b>	8	<b>16,834</b>	<b>16,660</b>
<b>TOTAL ASSETS</b>		<b>12,177,313</b>	<b>12,236,502</b>

EQUITY AND LIABILITIES	Note	Thousands of Euros	
		30 June 2025	31 December 2024
Share Capital		1,568,362	1,568,362
Share premium		1,847,691	1,847,691
Treasury shares		(97,138)	(61,187)
Other reserves		474,047	514,079
Retained earnings		1,926,312	1,808,375
<b>Equity attributable to shareholders of the Parent</b>		<b>5,719,274</b>	<b>5,677,320</b>
<b>Non-controlling interests</b>		<b>997,442</b>	<b>1,048,537</b>
<b>EQUITY</b>	9	<b>6,716,716</b>	<b>6,725,857</b>
Bank borrowings and other financial liabilities	10	291,146	291,172
Issue of debentures and similar securities	10	3,345,914	3,494,771
Derivative financial instruments	11	5,110	10,713
Lease liabilities		10,780	11,907
Non-current and deferred tax liabilities	13	187,606	237,825
Long-term provisions		1,741	1,509
Other non-current liabilities		80,364	83,021
<b>NON-CURRENT LIABILITIES</b>		<b>3,922,661</b>	<b>4,130,918</b>
Bank borrowings and other financial liabilities	10	497	355
Issue of debentures and similar securities	10	1,166,592	1,014,786
Issue of promissory notes	10	75,000	185,000
Derivative financial instruments	11	111	1,707
Lease liabilities		2,030	1,952
Trade and other payables		212,298	144,228
Tax liabilities		62,224	24,825
Current provisions		19,184	6,874
<b>CURRENT LIABILITIES</b>		<b>1,537,936</b>	<b>1,379,727</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>12,177,313</b>	<b>12,236,502</b>

Notes 1 to 17 to the financial statements are an integral part of the condensed consolidated statement of financial position for the six-month period ended 30 June 2025.

### Condensed consolidated Income statement and condensed consolidated statement of comprehensive income for the six-month period ended 30 June 2025

## Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries

INCOME STATEMENT	Note	Thousands of Euros	
		June 2025	June 2024
Revenue - Investment properties	14.1	201,930	191,567
Revenue - Inventories	6 and 14.1	--	106,218
Cost of sales - Inventories	6	--	(92,179)
Other revenue		6,585	2,363
Personnel expenses		(21,729)	(18,335)
Other operating expenses		(29,358)	(22,942)
Depreciation and amortisation		(3,043)	(3,803)
Result of entities through the participation procedure		796	1,022
Net gain/(loss) on sales of assets	14.2	82	12,737
Changes in value of investment property	14.3	118,933	(11,730)
Gains/(losses) on changes in value of assets due to impairment	14.3	(1,683)	(1,170)
<b>Operating profit</b>		<b>272,513</b>	<b>163,748</b>
Finance income	14.4	14,048	11,066
Finance costs	14.4	(53,797)	(55,030)
<b>Profit/(Loss) before tax</b>		<b>232,764</b>	<b>119,784</b>
Company tax		32,881	23,952
<b>Net consolidated income</b>		<b>265,645</b>	<b>143,736</b>
Net profit/(loss) for the period attributable to the Parent		249,101	85,939
Net result attributed to non-controlling interests	9.6	16,544	57,797
Basic earnings per share (Euros)	3	0.40	0.16
Diluted earnings per share (Euros)	3	0.40	0.16

STATEMENT OF COMPREHENSIVE INCOME	Note	Thousands of Euros	
		June 2025	June 2024
<b>Net consolidated income</b>		<b>265,645</b>	<b>143,736</b>
<b>Other items of comprehensive income recognised directly in equity – items that can be reclassified later to profit or loss for the period</b>		<b>10,643</b>	<b>46,139</b>
Change in fair value of financial instrument hedges	9.4	16,287	50,326
Transfer to the statement of comprehensive income of financial instrument hedges	9.4	(5,644)	(4,187)
<b>Consolidated comprehensive income</b>		<b>276,288</b>	<b>189,875</b>
Global profit/(loss) for the period attributable to the Parent		259,713	131,885
Comprehensive income attributable to non-controlling interests		16,575	57,990

Notes 1 to 17 to the financial statements are an integral part of the income statement and the statement of comprehensive income for the six months ended 30 June 2025.

## Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries

### Condensed consolidated statement of changes in equity for the six months ended 30 June 2025

Thousands of Euros	Note	Share Capital	Share premium	Treasury shares	Other reserves	Retained earnings	Equity attributable to shareholders of the Parent	Non-controlling interests	Equity
<b>Balance at 31 December 2023</b>		<b>1,349,039</b>	<b>1,463,600</b>	<b>(64,928)</b>	<b>462,272</b>	<b>1,725,573</b>	<b>4,935,556</b>	<b>1,011,646</b>	<b>5,947,202</b>
Total recognised income and expense for the year		--	--	--	45,946	85,939	131,885	57,990	<b>189,875</b>
Transactions with shareholders:									
Treasury shares portfolio		--	--	2,488	--	(499)	1,989	--	<b>1,989</b>
Distribution of profits (dividends)		--	--	--	69,257	(212,866)	(143,609)	(36,387)	<b>(179,996)</b>
Share-based remuneration payments		--	--	--	2,146	--	2,146	31	<b>2,177</b>
Changes in scope		--	--	--	(50)	(881)	(931)	(13,135)	<b>(14,066)</b>
Other changes		--	--	--	(406)	(894)	(1,300)	10	<b>(1,290)</b>
<b>Balance at 30 June 2024</b>		<b>1,349,039</b>	<b>1,463,600</b>	<b>(62,440)</b>	<b>579,165</b>	<b>1,596,372</b>	<b>4,925,736</b>	<b>1,020,155</b>	<b>5,945,891</b>

<b>Balance at 31 December 2024</b>	<b>9</b>	<b>1,568,362</b>	<b>1,847,691</b>	<b>(61,187)</b>	<b>514,079</b>	<b>1,808,375</b>	<b>5,677,320</b>	<b>1,048,537</b>	<b>6,725,857</b>
Total recognised income and expense for the year		--	--	--	10,612	249,101	259,713	16,575	<b>276,288</b>
Transactions with shareholders:									
Treasury shares portfolio		--	--	(36,766)	--	197	(36,569)	--	<b>(36,569)</b>
Distribution of profits (dividends)		--	--	--	(30,140)	(153,576)	(183,716)	(56,808)	<b>(240,524)</b>
Share-based remuneration payments		--	--	815	6,178	281	7,274	49	<b>7,323</b>
Changes in scope		--	--	--	(4,698)	--	(4,698)	(10,944)	<b>(15,642)</b>
Other changes		--	--	--	(21,984)	21,934	(50)	33	<b>(17)</b>
<b>Balance at 30 June 2025</b>	<b>9</b>	<b>1,568,362</b>	<b>1,847,691</b>	<b>(97,138)</b>	<b>474,047</b>	<b>1,926,312</b>	<b>5,719,274</b>	<b>997,442</b>	<b>6,716,716</b>

Notes 1 to 17 to the financial statements are an integral part of the condensed consolidated statement of changes in equity for the six-month period ended 30 June 2025.

## Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries

### Condensed consolidated statement of cash flows for the six months ended 30 June 2025

	Note	Thousands of Euros	
		June 2025	June 2024
<b>CASH FLOWS FROM OPERATIONS</b>			
<b>1. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net consolidated income		265,645	143,736
Adjustments to profit/(loss)			
Depreciation and amortisation (+)		3,043	3,803
Provisions (+/-)		(2,580)	(4,774)
Changes in value of investment property (+/-)	14.3	(118,933)	11,730
Gains/(losses) on changes in value of assets due to impairment (+/-)	14.3	1,683	1,170
Result of entities through the participation procedure (+/-)		(796)	(1,022)
Other (+/-)		(3,594)	(10,318)
Gains/(losses) on sale of investment property (+/-)	14.2	(82)	(12,737)
Net financial profit (+)	14.4	39,749	43,964
Company tax (+/-)		(32,881)	(23,952)
Adjusted profit/(loss)		151,254	151,600
Taxes refunded / (paid) (+/-)		(10,936)	(5,551)
Dividends received from associates (+)		410	
Interest received (+)		20,595	4,576
Increase/(decrease) in current assets and liabilities:			
Inventories (+/-)		--	61,614
Increase/(decrease) in receivables (+/-)		2,095	(11,156)
Increase/(decrease) in payables (+/-)		26,825	(5,191)
Increase/(decrease) in other assets and liabilities (+/-)		--	(4,212)
<b>Total net cash flows in operating activities</b>		<b>190,243</b>	<b>191,680</b>
<b>2. CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investments in (-)			
Intangible assets		(979)	(1,605)
Property, plant and equipment	4	(2,703)	(591)
Investment property and non-current assets classified as held for sale	5 and 8	(84,782)	(72,049)
Cash and cash equivalents in subsidiaries for which control is lost		--	(2,684)
Financial assets		(1,272)	--
		(89,736)	(76,929)
Divestments in (+)			
Investment property and non-current assets classified as held for sale	5 and 8	--	56,317
Financial assets		81	308
Receipts from government grants		9	9
		90	56,634
<b>Total net cash flows from investing activities</b>		<b>(89,646)</b>	<b>(20,295)</b>
<b>3. CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid (-)	9	(163,311)	(152,090)
Debt repayment (-)	10	(610,000)	(105,000)
Interest paid (+/-)		(45,721)	(71,735)
Redemption of financial instruments (-)		(5,810)	--
Own share transactions (+/-)		(36,841)	--
		(861,683)	(328,825)
Obtainment of new financing (+)	10	500,000	144,989
Expenses associated with capital increases and financial restructuring		(34)	--
Other proceeds/(payments) for current financial investments and other (+/-)		(7,927)	--
		492,039	144,989
<b>Total net cash flows in financing activities</b>		<b>(369,644)</b>	<b>(183,836)</b>
<b>4. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>			
Cash flow for the year		(269,047)	(12,451)
Cash or cash equivalents at beginning of the period	10.10	542,717	437,790
Cash or cash equivalents at end of the period	10.10	273,670	425,339

Notes 1 to 17 to the financial statements are an integral part of the condensed consolidated statement of cash flows for the six months ended 30 June 2025.



## **Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries**

Explanatory notes to the interim condensed consolidated financial statements for the six months ended 30 June 2025

### **1. Introduction, basis of presentation of the interim condensed consolidated financial statements and other information**

#### **1.1 Introduction**

Inmobiliaria Colonial, SOCIMI, S.A. (hereinafter, "the Parent") is a public limited company incorporated in Spain, for an indefinite period, on 8 November 1956. Its registered offices are at Paseo de la Castellana, 52, Madrid (Spain).

On 29 June 2017, the Parent's General Shareholders' Meeting resolved to adopt the REIT tax system. On 30 June 2017, the Tax Administration was requested to incorporate the parent company into the SOCIMI tax regime, which was applicable with effect from 1 January 2017.

The corporate purpose of the Parent Company, in accordance with its bylaws, is:

- the acquisition and development of urban properties for lease;
- the ownership of interests in the share capital of listed real estate investment companies (REITs) or other non-resident entities in Spain with the same corporate purpose, which are subject to a regime similar to that established for REITs in relation to the obligatory profit distribution policy stipulated by law or the bylaws;
- the ownership of interests in the share capital of other resident or non-resident entities in Spain, the main corporate purpose of which is the acquisition of urban properties earmarked for lease, which are subject to the regime established for REITs in relation to the obligatory profit distribution policy stipulated by law or the bylaws and meet the investment requirements stipulated for these companies; and
- the ownership of shares or equity interests in collective real estate investment undertakings governed by Law 35/2003, of 4 November, on collective investment undertakings, or any law that may replace it in the future.

In addition to the economic activity relating to the main corporate purpose, the Parent may also engage in any other ancillary activities, i.e. those that generate income representing less than 20%, taken as a whole, of the Company's income in each tax period, or those that may be considered ancillary activities under prevailing legislation, including, in any case, the management, restoration and operation of properties and the performance of all manner of studies, reports, appraisals, valuations and surveys; and in general, the provision of real estate consulting and advisory services, property asset management, development and marketing services, and technical assistance through contracts with other public or private companies or entities.

Those activities that are attributed exclusively to specific companies by law are expressly excluded as social activities.

All activities included in the corporate purpose will be carried out as authorised by current legislation at any given time, expressly excluding its own activities that are exclusively granted by prevailing legislation to individuals or legal entities other than this Parent.

The Parent may also carry out the aforementioned activities, in full or in part, indirectly through ownership interests in other companies with an identical or similar corporate purpose.

Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries ("the Group") carry out their activities in Spain (mainly in Barcelona and Madrid) and in France (Paris) through the group of which it is the parent Société Foncière Lyonnaise, S.A. (hereinafter referred to as the SFL subgroup or SFL for the subsidiary) listed on the Euronext Paris market.

Inmobiliaria Colonial, SOCIMI, S.A. has been listed on the Spanish electronic trading system and Stock Exchange since 19 June 2017, when it was included on the benchmark stock market index, the IBEX-35.

In the first half of 2025, the Parent maintained the credit rating obtained from Standard & Poor's Rating Credit Market Services Europe Limited (the "BBB+" long-term credit rating and the "A-2" short-term credit rating, both with a stable outlook). In addition, the Parent maintains the rating obtained from Moody's "Baa1" with a stable outlook. In the first half of 2025, the subsidiary SFL maintained its "BBB+" credit rating with a stable outlook and the "A-2" short-term credit rating.

Given its business activity, the Group has no environmental expenses, assets, provisions or contingencies that might be significant with respect to its equity, financial position and results. Therefore, no specific disclosures relating to environmental issues are included in these notes. However, the Group does apply a proactive environmental policy in relation to urban development, construction, maintenance and the preservation of its property portfolio.

The Group's consolidated financial statements for the financial year 2024 have been approved by the general meeting of shareholders of the Parent held on 27 May 2025.

Merger by absorption between Inmobiliaria Colonial, SOCIMI, S.A. (as the absorbing company) and Société Foncière Lyonnaise (as the absorbed company), with the latter's extinction and the transfer en bloc of its assets, on a universal basis, to the absorbing company -

The common merger project between the two companies was approved by the respective boards of directors of the participating companies on 3 and 4 March 2025.

Colonial's board of directors resolved to set the exchange ratio at 13 Colonial shares for each SFL share (the "Exchange Ratio") and determined an exit price of 77.5 euros for each SFL share (to be adjusted by the amount of the SFL dividend that was submitted for approval ahead of the merger) (the "Exit Price") in respect of those SFL shareholders who decided to vote against the merger at the general shareholders' meeting of SFL and to exercise the corresponding share disposal mechanism under French law. In this regard, the Parent Company has registered an account payable for an amount of €15,642 thousand corresponding to the exit price of the 209,539 shares owned by SFL shareholders who have exercised this exit mechanism, which must be paid within two months of the registration of the merger in the Spanish Mercantile Registry (See Note 9.6).

Morgan Stanley & Co. International plc acted as financial advisor to Colonial's board of directors.

SFL's board of directors, acting on the recommendation of a committee of independent directors, also agreed to the same Exchange Ratio and Exit Price.

The committee of independent directors has been financially advised by Rothschild & Co, which has issued a fairness opinion on the financial terms of the merger.

The terms of the merger have been endorsed by the report drawn up by independent expert Ms. Agnès Piniot (Ledouble), who was appointed by the President of the Paris Commercial Court on 12 November 2024 as sole independent expert.

On 23 April 2025 (SFL) and 27 May 2025 (Colonial), the general shareholders' meetings of both companies approved the merger by absorption between Inmobiliaria Colonial, SOCIMI, S.A. (as the absorbing company) and Société Foncière Lyonnaise (as the absorbed company), with the latter's extinction and the transfer en bloc of its assets, on a universal basis, to the absorbing company, all in accordance with the terms of the joint merger project that was approved by the respective boards of directors of the participating companies.

## **1.2 Basis of presentation**

In accordance with Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of 19 July 2002, all companies governed by the laws of a Member State of the European Union and whose securities are traded on a regulated market in any European Union country must file consolidated financial statements for years beginning on or after 1 January 2005 in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

The Group's 2024 consolidated financial statements were prepared by the Parent's directors in accordance with the International Financial Reporting Standards as adopted by the European Union, applying the consolidation principles, accounting policies and measurement bases set forth in Note 4 to said consolidated financial statements in order to present fairly the Group's consolidated equity and consolidated financial position at 31 December 2024 and the

consolidated results of its operations, changes in consolidated equity and its consolidated cash flows for the year then ended.

These condensed consolidated interim financial statements for the six month-period ended 30 June 2025 are presented in accordance with IAS 34 Interim Financial Reporting, and were authorised for issue by the Parent's directors on 24 July 2025, all in accordance with article 12 of Spanish Royal Decree 1362/2007.

In accordance with IAS 34, the interim financial report is intended to provide an update on the latest complete set of the Group's annual consolidated financial statements, focusing on new activities, events and circumstances that took place during the six months and not duplicating information previously reported in the 2024 consolidated financial statements. Accordingly, for a proper understanding of the information included in these condensed consolidated interim financial statements, they must be read in conjunction with the Group's consolidated financial statements for 2024.

The accounting policies and methods used in preparing these interim condensed consolidated financial statements are the same as those applied in the consolidated financial statements for 2024.

However, since the accounting policies and measurement bases used in preparing the Group's interim consolidated financial statements for the six-month period ended 30 June 2025 may differ from those used by certain Group entities, the required adjustments and reclassifications were made on consolidation to unify such policies and bases and to make them compliant with IFRS and with the accounting policies and standards followed by the Parent.

The SFL Group, included in the scope of consolidation, underwent a limited review at 30 June 2025 on a joint basis between the audit firms Deloitte & Associés and Forvis Mazars.

#### *Standards and interpretations effective this year*

New accounting standards became effective during the six-month period ended 30 June 2025, and were applied accordingly in the preparation of these interim condensed consolidated financial statements. These new standards are as follows:

- IAS 21 (Amendments) "Lack of Exchangeability": This amendment establishes an approach that specifies when one currency can be exchanged for another and if not, the determination of the exchange rate to be used. This standard has been taken into account with effect from 1 January 2025, reflecting its impact on these consolidated summary interim financial statements, which has not been significant.

#### *Standards, amendments and interpretations that have not yet entered into force, but which may be adopted in advance*

- IFRS 7 and IFRS 9 (Amendments) "Classification and Measurement of Financial Instruments": This amendment clarifies the criteria for the classification of certain financial assets, as well as the criteria for the derecognition of financial liabilities settled through electronic payment systems. It also introduces further disclosure requirements. The application of this modification is mandatory from the financial years beginning on January 1, 2026.

#### *Standards, interpretations and amendments to existing standards which cannot be adopted in advance or which have not been adopted by the European Union*

At the date of authorisation for issue of these condensed consolidated interim financial statements, the following standards, amendments and interpretations have been published by the IASB and the IFRS Interpretations Committee and are pending adoption by the European Union.

- IFRS 18 "Presentation and disclosure in financial statements": The IASB has issued a new standard on presentation and disclosure in financial statements, which replaces IAS 1 "Presentation of Financial Statements". Many of the existing principles in IAS 1 are retained; however, the key new concepts introduced in IFRS 18 relate to:

- The structure of the profit and loss account, requiring specific totals and subtotals to be shown and requiring items in the profit and loss account to be classified into one of five categories: transaction, investment, financing, income taxes and discontinued operations;
- Required disclosures in the financial statements for certain performance measures reported in the financial statements (i.e. performance measures defined by management); and
- Enhanced principles on aggregation and disaggregation that apply to the main financial statements and notes in general.

IFRS 18 does not change the recognition or measurement of items in the financial statements, but it may change what an entity reports as its "operating profit or loss".

This new standard is effective for financial years beginning on or after 1 January 2027, including interim financial statements, and retrospective application is required. Early implementation is allowed, although the rule is pending approval by the European Union.

- IFRS 19 "Subsidiaries without public responsibility: Breakdowns": This new standard has been developed to allow non-publicly accountable subsidiaries with a parent that applies IFRS standards in its consolidated financial statements to apply IFRS standards with reduced disclosure requirements. IFRS 19 is a voluntary standard that eligible subsidiaries may apply in preparing their own consolidated, separate or individual financial statements, where permitted by applicable regulatory legislation. These subsidiaries shall continue to apply the recognition, measurement and presentation requirements of other IFRSs, but may replace the disclosure requirements of those standards with reduced disclosure requirements.

The new standard is effective for financial years beginning on or after 1 January 2027. Earlier application is permitted, although the standard is pending approval by the European Union.

- Amendments to IFRS 9 and IFRS 7 "Amendments to classification and measurement of financial instruments": These amendments to IFRS 9 and IFRS 7 are to:
  - a) Clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
  - b) Clarify and add additional guidance for assessing whether a financial asset meets the principal-and-interest-only criterion;
  - c) Incorporate new disclosure requirements for certain instruments with contractual terms that may change cash flows (such as some instruments with features linked to the achievement of environmental, social and governance (ESG) objectives); and
  - d) Update the disclosures for equity instruments designated at fair value through other comprehensive income.

The amendments in (b) are more relevant for financial institutions, although the amendments in (a), (c) and (d) are relevant for all institutions.

These amendments are effective for financial years beginning on or after 1 January 2026. Earlier application is permitted, although the standard is pending approval by the European Union.

- Annual Improvements (Volume 11): The aim of these improvements is to enhance the quality of the standards by amending existing IFRSs to clarify or correct minor issues.

The Parent has in any case reviewed the potential impacts of the future application of these standards and considers that they would not have a significant effect on the Group's interim condensed consolidated financial statements at 30 June 2025.

### **1.3 Responsibility for the information and use of estimates**

The information contained in these condensed consolidated interim financial statements for the first six months of 2025 is the responsibility of the Parent's directors, who have verified that the various controls established to ensure the quality of the accounting information prepared have been effective.

The consolidated results and the determination of consolidated equity must comply with the accounting policies and principles, measurement bases and estimates followed by the Parent's directors in the preparation of the condensed consolidated interim financial statements. The main accounting policies and principles and measurement bases applied are described in Note 4 to the 2024 consolidated financial statements, notwithstanding the stipulations of Note 1.2 above, "Standards and interpretations effective in the current year".

In the condensed consolidated interim financial statements, estimates were occasionally made by the management of the Parent and of the consolidated companies to quantify certain assets, liabilities, income, expenses and commitments reported herein. These estimates, made on the basis of the best information available, relate basically to:

- The market value of property for own use, investment property and non-current assets classified as held for sale has been derived from valuations carried out periodically by independent experts. These valuations have been performed as at 30 June 2025 and 31 December 2024 in accordance with the methods described in Note 5.
- Measurement of deferred tax liabilities recognised in the condensed consolidated statement of financial position (Note 13).
- The market value of derivative financial instruments (Note 11).

Although the estimates described were made on the basis of the best available information available to date concerning the facts analysed, in the light of future events it might be necessary to change these estimates (upwards or downwards). In accordance with IAS 8, any changes to accounting estimates would be made prospectively, with the effects of the changes recognised in the consolidated statement of comprehensive income.

During the six-month period ended 30 June 2025, there were no significant changes in the estimates made at the end of 2024.

### **1.4 Comparative information**

The information contained in these interim condensed consolidated financial statements for the first six months of 2025 is presented for comparative purposes with the information relating to the six-month period ended 30 June 2024 for the income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows, and is compared with the year-end 2024 information for the consolidated statement of financial position.

### **1.5 Seasonal nature of the Group's operations**

In view of the activities of Group companies, Group transactions are not significantly cyclical or seasonal. Therefore, no specific disclosures are provided in these explanatory notes to the condensed consolidated financial statements for the six-month period ended 30 June 2025.

### **1.6 Relative importance**

In deciding how to disclose items of the financial statements or other issues, in accordance with IAS 34, the Group assessed materiality in relation to the condensed consolidated half-yearly financial statements.

### **1.7 Negative working capital**

At 30 June 2025 the Group has negative working capital, including non-current assets classified as held for sale, amounting to 1,173 million euros.

The Group has 2,359 million euros in cash and cash equivalents and available lines of credit (Note 10).

## 1.8 Events after the reporting date

### Creation of a pan-European real estate platform dedicated to science and innovation jointly with Stoneshield Capital -

During the month of July 2025, the parent has partnered with Stoneshield Capital to create a pan-European real estate platform dedicated to science and innovation ("Deeplabs").

Along these lines, the Parent paid roughly 200 million euros to acquire 95.5% of the share capital of GS Jalor, the indirect owner of a series of real estate assets located in Madrid and Barcelona, with 138,000 square metres of predominantly scientific facilities, spread over three campuses in both cities.

In addition, both companies have set up the company GS Andes, in which both partners have an equal stake, which will be the entity in charge of setting the investment and management strategy of the company GS Jalor.

GS Jalor has its own ordinary management team, which will be in charge of implementing the annual budget approved by the company GS Andes. Any relevant deviation not contemplated in the approved annual budget of GS Jalor must be submitted to the approval of GS Andes.

In the event of a disagreement or deadlock between the owners of GS Andes, a number of mechanisms are in place to resolve the matter, with mediation by a third party as a last resort solution.

Based on the foregoing, the Parent's directors have considered that the shareholders exercise joint control over both companies GS Andes and GS Jalor. Therefore, these stakes will be accounted for in accordance with applicable accounting standards and using the equity method.

Finally, the business plan envisioned by the shareholders foresees that the Parent Company's stake in GS Jalor will be significantly reduced through the entry of new shareholders into the capital of that company via the investment in new assets envisaged in the business plan.

There have been no significant subsequent events in addition to the aforementioned one.

## 2. Changes in Group composition

The following changes in the scope of consolidation have occurred during the first six months of 2025:

- SFL has issued 59,080 free shares to meet its obligations under the employee share plans, with the relevant shares having been delivered to their intended beneficiaries.

The changes in the scope in 2024 are found in Note 2.6 to the consolidated financial statements for the year ended 31 December 2024. Likewise, in the Appendix to the consolidated financial statements for the year ended 31 December 2024, significant information was provided on the Group companies that were consolidated at that date.

## 3. Earnings per share

Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the Parent (after tax and non-controlling interests) by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares.

Diluted earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the Parent (after tax and non-controlling interests) by the weighted average number of shares outstanding (excluding treasury shares) for all dilutive effects inherent in potential ordinary shares.

Both at 30 June 2025 and 2024, there were no instruments that may have had a significant diluting effect on the Parent's average number of ordinary shares.

The long-term remuneration plans of the Parent are settled with shares that the Parent holds as treasury shares in advance. Such deliveries of shares have no relevant or material effect on diluted earnings per share (Note 17.4).

Details of the calculation of basic and diluted earnings per share are as follows:

	Thousands of Euros	
	30 June 2025	30 June 2024
Net consolidated profit attributable to equity holders of the Parent (thousands of euros)	249,101	85,939
Average number of ordinary shares outstanding excluding treasury shares (thousands)	615,366	531,706
<b>Basic earnings per share (in euros)</b>	<b>0.40</b>	<b>0.16</b>
Net consolidated profit attributable to equity holders of the Parent (thousands of euros)	249,101	85,939
Average number of potential ordinary shares outstanding (excluding treasury shares) (thousands)	615,366	531,706
<b>Diluted earnings per share (in euros)</b>	<b>0.40</b>	<b>0.16</b>

The calculation of the average number of ordinary shares outstanding or potential shares outstanding is as follows:

	Thousands of Euros	
	30 June 2025	30 June 2024
Ordinary shares outstanding at the beginning of the period	627,345	539,616
Average adjustment of treasury shares	(11,979)	(7,910)
Average adjustment for outstanding ordinary shares (excluding treasury shares)	--	--
<b>Average number of ordinary shares outstanding excluding treasury shares</b>	<b>615,366</b>	<b>531,706</b>
Impact of dilution on the average number of ordinary shares	--	--
<b>Average number of potential ordinary shares outstanding (excluding treasury shares)</b>	<b>615,366</b>	<b>531,706</b>

There have been no transactions involving ordinary shares or potential shares, other than those recorded between the closing date as at 30 June 2025 and the authorisation for issue of these condensed consolidated interim financial statements (Note 1.8), that significantly change the number of ordinary shares or potential ordinary shares outstanding.

As indicated in Note 1.1, within the framework of the merger by absorption process between the parent company (absorbing company) and SFL (absorbed company), an exchange ratio of 13 shares of Colonial for each share of SFL has been established. Considering the shares issued by SFL at the date of authorisation for issue of these consolidated interim financial statements, the SFL shares owned by the Parent at the same date and the SFL shares owned by shareholders who have opted for the exit mechanism, the SFL shares for which the share swap would apply would amount to 605,025, which would entail the delivery of 7,865,325 shares of the Parent currently held as treasury shares (Note 9.3).

#### 4. Property, plant and equipment

The movement in this non-current asset heading of the condensed consolidated statement of financial position is as follows:

	Note	Thousands of Euros		
		Properties for own use	Other tangible fixed assets	Total
<b>Balance at 31 December 2023</b>		<b>37,502</b>	<b>19,173</b>	<b>56,675</b>
<i>Acquisition cost</i>		43,821	34,607	78,428
<i>Accumulated depreciation and amortisation</i>		(6,319)	(15,434)	(21,753)
<i>Accumulated impairment</i>		--	--	--
Additions		225	732	957
Depreciation charge		(350)	(2,805)	(3,155)
Disposals acquisition cost		--	(656)	(656)
Disposals accumulated depreciation		--	615	615
Transfers acquisition cost		--	(12,827)	(12,827)
Transfers accumulated depreciation		--	5,372	5,372
Impairment		--	(119)	(119)
<b>Balance at 31 December 2024</b>		<b>37,377</b>	<b>9,485</b>	<b>46,862</b>
<i>Acquisition cost</i>		44,046	21,856	65,902
<i>Accumulated depreciation and amortisation</i>		(6,669)	(12,252)	(18,921)
<i>Accumulated impairment</i>		--	(119)	(119)
Additions		2,335	368	2,703
Depreciation charge		(269)	(625)	(894)
Disposals acquisition cost		--	(93)	(93)
Disposals accumulated depreciation		--	5	5
<b>Balance at 30 June 2025</b>		<b>39,443</b>	<b>9,140</b>	<b>48,583</b>
<i>Acquisition cost</i>		46,381	22,131	68,512
<i>Accumulated depreciation and amortisation</i>		(6,938)	(12,872)	(19,810)
<i>Accumulated impairment</i>		--	(119)	(119)

At 30 June 2025 and 31 December 2024, the Group used two floors of the building located at Avenida Diagonal, 530, in Barcelona, one floor of the building located at Paseo de la Castellana, 52, in Madrid and one floor of the building located at 42, *rue* Washington in Paris for its own use, while the rest of these buildings were used for leasing purposes. The cost of buildings earmarked for the Group's own use is recognised under "Properties for own use".

As of June 30, 2025 and 2024, the need to recognise impairment of assets based on valuations by independent experts has not been highlighted.

## 5. investment property

The movement in this non-current asset heading of the condensed consolidated statement of financial position is as follows:

	Note	Thousands of Euros	
		30 June 2025	31 December 2024
<b>Beginning balance</b>		<b>11,314,725</b>	<b>10,869,018</b>
Additions for subsequent capitalised disbursements		84,778	165,140
Non-monetary contribution		--	272,473
Changes in the scope of consolidation (to investments accounted for by the equity method)		--	(47,932)
Transfers to and from "Assets classified as held for sale".	8	--	(56,263)
Net gain/(loss) from fair value adjustments	14.3	118,763	106,106
Other transfers		--	7,505
Other entries	14.3	(1,648)	(1,322)
<b>Ending balance</b>		<b>11,516,618</b>	<b>11,314,725</b>

Additions for subsequent capitalised disbursements correspond to investments made in real estate assets, both in development and in operation, which amount to 84,778 thousand euros at 30 June 2025, including 5,029 thousand euros of capitalised financial expenses.

The other movements correspond to write-offs due to replacement of certain items of investment property amounting to 1,648 thousand euros (2024: 1,322 thousand euros; (Note 14.3).



## 5.1 Fair value measurement and sensitivity

In accordance with IAS 40, the Group periodically determines the fair value of investment property (Level 3 fair value hierarchy). This fair value is determined by taking as reference values the valuations carried out every six months by independent third-party experts, Savills and Cushman & Wakefield in Spain and CB Richard Ellis Valuation and BNP Paribas in France for 30 June 2025 and CB Richard Ellis Valuation and Cushman & Wakefield in Spain and CB Richard Ellis Valuation and BNP Paribas in France for 31 December 2024, such that, at the end of each six-month period, the fair value reflects the market conditions of the elements of the investment properties at that date. The valuation reports prepared by independent experts contain only the standard warnings and/or disclaimers concerning the scope of the findings of the appraisals carried out, referring to the comprehensiveness and accuracy of the information provided by the Group.

Details of assets at fair value and the hierarchy in which they are classified are as follows:

Valuations at fair value at 30 June 2025	Thousands of Euros			
	Level 1	Level 2	Level 3	Total
Property, plant and equipment – Own use	--	--	84,882	84,882
Investment property <sup>(*)</sup>	--	--	11,758,664	11,758,664
Non-current assets classified as held for The sale	--	--	16,834	16,834
<b>Total</b>	--	--	<b>11,860,380</b>	<b>11,860,380</b>

<sup>(\*)</sup> Includes the valuation of the asset Plaza Europa, 34 for 53,211 thousand euros of the associated company Inmocol Torre Europa, S.A. (Note 2).

At 30 June 2025, the Group's appraisals were updated, based on the contract portfolio to date and on the new yields. The breakdown of the variation in yields is shown in the following table:

Weighted Yields (%) - Offices	Gross	
	30 June 2025	31 December 2024
Barcelona – Prime Yield		
Operating portfolio	5.03	5.12
Total portfolio	5.01	5.10
Madrid – Prime Yield		
Operating portfolio	4.83	4.89
Total portfolio	4.84	4.89
Paris – Prime Yield		
Operating portfolio	4.05	4.09
Total portfolio	4.08	4.12

Assumptions made at 30 June 2025					
Rent increases (%) – Offices	1	2	3	4	Year 5 and thereafter
Barcelona –					
Operating portfolio	3.5	2.75	2.5	2.5	2.5
Total portfolio	3.5	2.75	2.5	2.5	2.5
Madrid –					
Operating portfolio	3.5	2.5	2.5	2.5	2.5
Total portfolio	3.5	2.5	2.5	2.5	2.5
Paris –					
Operating portfolio	1.5	2.4	2.4	2.4	2.4
Total portfolio	1.5	2.4	2.4	2.4	2.4

Assumptions considered at 31 December 2024					
Rent increases (%) – Offices	1	2	3	4	Year 5 and thereafter
Barcelona –					
Operating portfolio	3.5	2.75	2.5	2.5	2.5
Total portfolio	3.5	2.75	2.5	2.5	2.5
Madrid –					
Operating portfolio	3.5	2.5	2.5	2.5	2.5
Total portfolio	3.5	2.5	2.5	2.5	2.5
Paris –					
Operating portfolio	3.25	3.25	2.75	2.75	2.75
Total portfolio	3.25	3.25	2.75	2.75	2.75

In addition, developments in progress were valued using the dynamic residual method as the best approximation. This method begins with an estimate of the income yielded by the developed and fully leased property; from this value, development, planning, construction and demolition costs, professional fees, permit and marketing costs, borrowing costs and development profit, among other items, are then deducted, in order to arrive at a price that a developer might pay for the asset under development.

#### Sensitivity analysis of the hypotheses

A change of one-quarter of one point in yields has the following impact on the valuations used by the Group at 30 June 2025 and at 31 December 2024, to determine the value of its real estate assets (property, plant and equipment for own use, investment property, and non-current assets held for sale):

Valuation sensitivity to +/- 25 basis point changes in rates of return	Thousands of Euros		
	Measurement	Decrease of one quarter of a point	Increase of one quarter of a point
June 2025 <sup>(*)</sup>	11,860,380	664,176	(590,448)
December 2024 <sup>(*)</sup>	11,646,424	684,406	(614,225)

(\*) Includes the valuation of the asset Plaza Europa, 34 at 30 June 2025 and 31 December 2024 for 53,211 thousand euros and 52,300 thousand euros, respectively, of the associate company Inmocol Torre Europa, S.A.

A reconciliation of the valuations used by the Group to the carrying amounts of the condensed consolidated statement of financial position in which the appraised assets are located is as follows:

	Note	Thousands of Euros	
		30 June 2025	31 December 2024
<i>Condensed consolidated statement of financial position headings -</i>			
Property, plant and equipment – Own use	4	39,443	37,377
Investment property	5	11,516,618	11,314,725
Non-current assets classified as held for sale	8	16,834	16,660
Lease incentives	7	188,827	177,638
Trade and other receivables - Acquired lease rights		9	21
<b>Total condensed consolidated statement of financial position headings</b>		<b>11,761,731</b>	<b>11,546,421</b>
Other adjustments made to the valuation		336	335
Valuations of properties recorded using the equity method		53,211	52,300
Unrealised gains on assets recognised in property, plant and equipment		45,102	47,368
<b>Measurement</b>		<b>11,860,380</b>	<b>11,646,424</b>

Although the sensitivity of other key variables was considered, such analysis was not carried out given that reasonable changes that could arise would not lead to a material change in the fair value of the assets.

## 5.2 Other disclosures

As of June 30, 2025 and December 31, 2024, the Group has not delivered any assets as collateral for mortgage loans (Note 10.7).

## 6. Stock

In 2024, the shares of the subsidiary company Peñalvento (see Note 2.6 to the 2024 consolidated financial statements), which owns the asset classified under "Inventories" in the condensed consolidated statement of financial position, were sold. This sale had an impact of 106,218 thousand euros on Revenue – Inventories and the costs associated with the sale amounted to 92,179 thousand euros.

Taking into account the above, the balance under the heading of inventories as of June 30, 2025 and December 31, 2024 is 0.

## 7. Trade and other receivables and other non-current assets

The composition of these headings of the condensed consolidated statement of financial position is as follows:

	Note	Thousands of Euros			
		30 June 2025		31 December 2024	
		Current	Non-Current	Current	Non-Current
Trade receivables for sales and services	7.1	29,422	--	10,243	--
Trade receivables for sale of properties		156	--	22,293	--
Accrual of lease incentives	7.2	10,395	178,432	21,733	155,906
Other debit balances and advances to suppliers		21,062	--	22,082	--
Impairment of receivables -					
- Trade receivables for sales and services		(6,848)	--	(6,776)	--
- Other receivables		(147)	--	(147)	--
<b>Total trade and other receivables and other non-current assets</b>		<b>54,040</b>	<b>178,432</b>	<b>69,428</b>	<b>155,906</b>

### 7.1 Trade receivables for sales and services

This mainly includes the amounts receivable from customers, fundamentally from the Group's rentals business in France, that are billed monthly, quarterly or yearly with no significant overdue amounts.

### 7.2 Accrual of lease incentives

This includes the amount of the incentives in the operating lease agreements (grace periods, etc.) that the Group offers its customers, which are recognised in the income statement during the minimum operating lease term.

## 8. Non-current assets classified as held for sale

The movement in this heading of assets of the condensed consolidated statement of financial position at 30 June 2025 is as follows:

	Note	Thousands of Euros	
		Investment property	
		30 June 2025	31 December 2024
<b>Beginning balance</b>		<b>16,660</b>	<b>122,173</b>
Additions for subsequent capitalised disbursements		4	7,029
Transfers	5	--	56,263
Disposals or dispositions by other means		--	(165,098)
Net gain/(loss) from fair value adjustments	14.3	170	(3,707)
<b>Ending balance</b>		<b>16,834</b>	<b>16,660</b>

## 9. Equity

### 9.1 Share capital

At both 30 June 2025 and 31 December 2024, the share capital was represented by 627,344,687 fully subscribed and paid shares of 2.5 euros par value each.

Based on the notifications regarding the number of company shares to the Spanish National Securities Market Commission (CNMV), the shareholders owning significant direct or indirect interests in the Parent were as follows:

	30 June 2025		31 December 2024	
	Number of shares	% ownership	Number of shares	% ownership
Name or corporate name of the shareholder:				
Criteria Caixa, S.A.U.	108,661,559	17.32%	108,661,559	17.32%
Qatar Investment Authority <sup>(*)</sup>	102,675,757	16.37%	102,675,757	16.37%
Fernández González, Carlos <sup>(**)</sup>	80,028,647	12.76%	80,028,647	12.76%
Puig, S.A. <sup>(***)</sup>	50,508,520	8.05%	50,508,520	8.05%
Corporación financiera Alba, S.A.	31,419,968	5.01%	31,419,968	5.01%
Credit Agricole, S.A.	22,494,701	3.59%	22,494,701	3.59%
BlackRock Inc	21,737,914	3.47%	19,712,594	3.14%

\* Qatar Investment Authority is responsible for managing 21,782,588 shares of the Parent owned by DIC Holding, LLC.

\*\* Carlos Fernández González controls the majority of the capital and voting rights of Grupo Far-Luca, S.A. de C.V., the company that owns Grupo Finaccess, S.A.P.I. de C.V., and the latter in turn controls Finaccess Capital, S.A. de C.V., which controls the direct shareholders Finaccess Inmobiliaria, S.L. and Finaccess Capital Inversores, S.L.

Puig, S.A., which controls the capital of Exea Inversiones Inmobiliarias, S.L.

The Parent is not aware of any other significant shareholdings.

The ordinary General Shareholders' Meeting held on 30 June 2021 resolved to authorise the board of directors to issue, on behalf of the Parent and on one or more occasions, and for a maximum period of 5 years, bonds convertible into new shares of the Parent or other similar securities that may directly or indirectly entitle the shareholders to subscribe shares in the Parent, with the express power to exclude shareholders' pre-emptive subscription rights up to a maximum of 20% of the share capital, and to increase the capital by the amount necessary to cover the conversion. The total maximum amount of the issue or issues of the securities that may be performed under this authorisation may not exceed a combined amount of 500,000 thousand euros or its equivalent in another currency.

On 27 May 2025, the Annual General Meeting resolved to authorise the Board of Directors, in accordance with article 297.1 b) of the Spanish Companies Act (Ley de Sociedades de Capital), to increase the share capital through monetary contributions by up to half the amount of the share capital, within a maximum period of five years, on one or more occasions and at the time and by the amount it deems appropriate. Within the maximum amount indicated, the Board of Directors is empowered to exclude the pre-emption right up to a maximum of 20% of the share capital.

## 9.2 Share premium

At 30 June 2025, the share premium of the Company amounted to 1,847,691 thousand euros.

## 9.3 Treasury shares

The number of the Parent's treasury shares and their acquisition cost were as follows:

	30 June 2025		31 December 2024	
	No. of shares	Thousands of Euros	No. of shares	Thousands of Euros
Free tranche	15,507,240	95,907	9,110,154	59,606
Liquidity contracts	167,588	1,231	265,968	1,581
<b>Ending balance</b>	<b>15,674,828</b>	<b>97,138</b>	<b>9,376,122</b>	<b>61,187</b>

During the first half of 2025, 128,744 shares were delivered to the beneficiaries of the long-term incentive plan described in Note 17.4. In addition, as provided for in the terms and conditions of the plan, certain beneficiaries of the plan have opted to deliver part of their shares to the Company to meet the tax liability arising from such delivery. Shares received in this respect amounted to 19,688.

Also during the same period, the Parent acquired 2,200,000 shares in exchange for 12,016 thousand euros.

Lastly, the Parent initiated a share buyback plan aimed at fulfilling its obligations under the group's long-term incentive plans, with a maximum amount of 25,000 thousand euros and a maximum of 4,500,000 shares, representing 0.75% of the Parent's share capital. This programme ended on 30 June 2025. Under this plan, the Parent Company acquired 4,306,142 shares in exchange for 25,099 thousand euros, including acquisition costs.

## 9.4 Other reserves

The following table shows details of the consolidated statement of financial position item "Other reserves" and of the movements in these reserves during the year:

	Thousands of Euros					Total
	Legal reserve	Other reserves	Measurement of financial instrument hedges	Share-based payments	Transactions with non-controlling interests	
<b>At 31 December 2024</b>	<b>91,559</b>	<b>185,157</b>	<b>200,057</b>	<b>29,713</b>	<b>7,593</b>	<b>514,079</b>
Revaluation – gross	--	--	16,287	--	--	16,287
Deferred tax	--	--	--	--	--	--
Non-controlling interest in revaluation - gross	--	--	(67)	--	--	(67)
Deferred tax	--	--	--	--	--	--
Reclassification to profit - gross	--	--	(5,644)	--	--	(5,644)
Non-controlling interest in reclassification to profit/(loss) - gross	--	--	36	--	--	36
Deferred tax	--	--	--	--	--	--
Other comprehensive income	--	--	10,612	--	--	10,612
Transfer to/from retained earnings	15,333	--	--	(21,670)	--	(6,337)
<i>Transactions with owners in their capacity as such:</i>						
Share-based payments	--	--	--	5,889	--	5,889
Dividend distribution	--	(45,473)	--	--	--	(45,473)
Transactions with non-controlling interests	--	--	--	--	(4,698)	(4,698)
Other entries	--	(25)	--	--	--	(25)
Grants awarded	--	--	--	--	--	--
<b>At 30 June 2025</b>	<b>106,892</b>	<b>139,659</b>	<b>210,669</b>	<b>13,932</b>	<b>2,895</b>	<b>474,047</b>

On 27 May 2025, the general shareholders' meeting approved the proposed distribution of earnings for 2024, allocating 15,333 thousand euros to the Company's legal reserve and setting aside voluntary reserves totalling 45,473 thousand euros.

## 9.5 Retained earnings

The changes in retained earnings are as follows:

	Note	Thousands of Euros	
		30 June 2025	31 December 2024
<b>Balance at beginning of period</b>		<b>1,808,375</b>	<b>1,725,573</b>
Net profit/(loss) for the period attributable to the Parent	3	249,101	307,395
Allocation to the legal and voluntary reserve	9.4	(15,333)	(21,286)
Transfer to/from other reserves		21,670	(47,971)
<i>Other items of comprehensive income recognised directly in retained earnings:</i>			
Losses due to transactions using treasury shares		478	(9,456)
Dividends		(138,243)	(143,609)
Changes in scope		--	(881)
Other gains/(losses)		264	(1,390)
<b>Balance at end of period</b>		<b>1,926,312</b>	<b>1,808,375</b>

The results from treasury share transactions correspond to the transactions carried out by the financial intermediary under the liquidity contract.

On 27 May 2025, the general shareholders' meeting approved the proposed distribution of earnings for 2024, allocating 15,333 thousand euros to the Parent's legal reserve and 183,716 thousand euros to the dividend (of which 45,473 thousand come from other reserves).

## 9.6 Non-controlling interests

The movement in this heading of the condensed consolidated statement of financial position is as follows:

	Thousands of Euros	
	SFL Subgroup	Total
<b>Balance at 31 December 2024</b>	<b>1,048,537</b>	<b>1,048,537</b>
Profit/(loss) for the year	16,544	16,544
Scope change (Notes 1.1 and 2)	(10,944)	(10,944)
Dividends and other	(56,726)	(56,726)
Financial instrument hedges	31	31
<b>Balance at 30 June 2025</b>	<b>997,442</b>	<b>997,442</b>

As part of the merger process between the Parent and SFL (see Note 1.1), certain SFL shareholders holding a total of 209,539 shares between them availed themselves of the exit mechanism included in the merger plan, which will entail a payment of 15,642 thousand euros for the Parent. This amount must be paid to said shareholders during the two months following the date of registration of the merger in the Commercial Registry. The Parent has recorded a provision for this item and in return the non-controlling interests in SFL have been reduced.

In addition to the above, the impact of the dilution resulting from the capital increase carried out by SFL (see Notes 1.1 and 2) amounted to €4,698 thousand.

The breakdown of the items included in "Dividends and other" is as follows:

	Thousands of Euros
	30 June 2025
Dividend paid by the SFL subgroup to non-controlling interests	(2,295)
Dividend paid by subsidiaries of the SFL Group to their minority interests	(54,513)
Other	82
<b>Total</b>	<b>(56,726)</b>

## 10. Bank borrowings and other financial liabilities

The detail, by type of debt and maturity, of these headings in the consolidated statement of financial position is as follows:

30 June 2025	Thousands of Euros							
	Current	Non-current						Total
	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Older than 5 years	Total non-current	
Bank borrowings:								
Loans	--	--	--	--	300,000	--	300,000	300,000
Interest	419	--	--	--	--	--	--	419
Debt arrangement costs	(2,395)	(2,370)	(2,300)	(2,234)	(1,950)	--	(8,854)	(11,249)
<b>Total debts with credit institutions</b>	<b>(1,976)</b>	<b>(2,370)</b>	<b>(2,300)</b>	<b>(2,234)</b>	<b>298,050</b>	--	<b>291,146</b>	<b>289,170</b>
Other financial liabilities	2,473	--	--	--	--	--	--	2,473
<b>Total other financial liabilities</b>	<b>2,473</b>	--	--	--	--	--	--	<b>2,473</b>
<b>Total debts with credit institutions and other financial liabilities</b>	<b>497</b>	<b>(2,370)</b>	<b>(2,300)</b>	<b>(2,234)</b>	<b>298,050</b>	--	<b>291,146</b>	<b>291,643</b>
Issue of debentures and similar securities:								
Bond issues	1,150,000	649,000	599,000	1,125,000	1,000,000	--	3,373,000	4,523,000
Interest	28,611	--	--	--	--	--	--	28,611
Bond issue formalisation costs	(12,019)	(10,927)	(8,514)	(5,688)	(1,957)	--	(27,086)	(39,105)
<b>Total issue of debentures and similar securities</b>	<b>1,166,592</b>	<b>638,073</b>	<b>590,486</b>	<b>1,119,312</b>	<b>998,043</b>	--	<b>3,345,914</b>	<b>4,512,506</b>
Issuance of promissory notes	75,000	--	--	--	--	--	--	75,000
<b>Total issuance of promissory notes</b>	<b>75,000</b>	--	--	--	--	--	--	<b>75,000</b>
<b>Total</b>	<b>1,242,089</b>	<b>635,703</b>	<b>588,186</b>	<b>1,117,078</b>	<b>1,296,093</b>	--	<b>3,637,060</b>	<b>4,879,149</b>

31 December 2024	Thousands of Euros							
	Current	Non-current						Total
	Less than 1 year	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	Older than 5 years	Total non-current	
Bank borrowings:								
Loans	--	--	--	--	300,000	--	300,000	300,000
Interest	635	--	--	--	--	--	--	635
Debt arrangement costs	(2,753)	(2,702)	(2,525)	(2,368)	(1,233)	--	(8,828)	(11,581)
<b>Total debts with credit institutions</b>	<b>(2,118)</b>	<b>(2,702)</b>	<b>(2,525)</b>	<b>(2,368)</b>	<b>298,767</b>	--	<b>291,172</b>	<b>289,054</b>
Other financial liabilities	2,473	--	--	--	--	--	--	2,473
<b>Total other financial liabilities</b>	<b>2,473</b>	--	--	--	--	--	--	<b>2,473</b>
<b>Total debts with credit institutions and other financial liabilities</b>	<b>355</b>	<b>(2,702)</b>	<b>(2,525)</b>	<b>(2,368)</b>	<b>298,767</b>	--	<b>291,172</b>	<b>291,527</b>
Issue of debentures and similar securities:								
Bond issues	1,000,000	700,000	599,000	1,099,000	1,125,000	--	3,523,000	4,523,000
Interest	26,464	--	--	--	--	--	--	26,464
Debt arrangement costs	(11,678)	(10,222)	(8,759)	(5,767)	(3,481)	--	(28,229)	(39,907)
<b>Total issue of debentures and similar securities</b>	<b>1,014,786</b>	<b>689,778</b>	<b>590,241</b>	<b>1,093,233</b>	<b>1,121,519</b>	--	<b>3,494,771</b>	<b>4,509,557</b>
Issue of promissory notes	185,000	--	--	--	--	--	--	185,000
<b>Total issuance of promissory notes</b>	<b>185,000</b>	--	--	--	--	--	--	<b>185,000</b>
<b>Total</b>	<b>1,200,141</b>	<b>687,076</b>	<b>587,716</b>	<b>1,090,865</b>	<b>1,420,286</b>	--	<b>3,785,943</b>	<b>4,986,084</b>



The changes in net financial debt in the first half of 2025, which arose from cash flows and others, are detailed in the table below:

	Thousands of Euros		
	31 December 2024	Cash flows	30 June 2025
Loans	300,000	--	300,000
Issue of promissory notes	185,000	(110,000)	75,000
Bond issues	4,523,000	--	4,523,000
<b>Gross financial debt (nominal gross debt)</b>	<b>5,008,000</b>	<b>(110,000)</b>	<b>4,898,000</b>
Cash and cash equivalents	(542,717)	269,047	(273,670)
<b>Net financial debt</b>	<b>4,465,283</b>	<b>159,047</b>	<b>4,624,330</b>

### 10.1 Issues of the Parent's straight bonds

The breakdown of the issues of straight bonds by the Parent is as follows:

Issue	Duration	Maturity	Fixed coupon payable annually	Thousands of Euros		
				Issue amount	30 June 2025	31 December 2024
10-11-2016	10 years	11-2026	1.875%	50,000	50,000	50,000
28-11-2017	8 years	11-2025	1.625%	500,000	500,000	500,000
28-11-2017	12 years	11-2029	2.500%	300,000	500,000	500,000
17-04-2018	8 years	04-2026	2.000%	650,000	650,000	650,000
14-10-2020	8 years	10-2028	1.350%	500,000	500,000	500,000
22-06-2021	8 years	06-2029	0.750%	625,000	625,000	625,000
22-01-2025	5 years	01-2030	3.250%	500,000	500,000	--
<b>Total issues</b>					<b>3,325,000</b>	<b>2,825,000</b>

In January 2025, the Parent placed a green bond issue maturing in January 2030 and amounting to 500,000 thousand euros.

At 30 June 2025, the fair value of the bonds issued by the Parent was 3,246,782 thousand euros (2024: 2,719,198 thousand euros).

#### *Compliance with financial ratios -*

The straight bonds currently in force require compliance with certain ratios on a half-yearly basis. These ratios had been met at 30 June 2025 and 31 December 2024.

## 10.2 Issue of SFL straight bonds

The detail of the issues of non-convertible bonds made by SFL is as follows:

Issue	Duration	Maturity	Fixed coupon payable annually	Thousands of Euros		
				Issue amount	30 June 2025	31 December 2024
29-05-18	7 years	05-2025	1.500%	500,000	--	500,000
05-06-20	7 years	06-2027	1.500%	599,000	599,000	599,000
21-10-21	6.5 years	04-2028	0.500%	599,000	599,000	599,000
<b>Total issues</b>					<b>1,198,000</b>	<b>1,698,000</b>

In May 2025, SFL redeemed the 500,000 thousand euros bond issue, with final maturity taking place on 29 May 2025.

At 30 June 2025, the fair value of the bonds issued by SFL was 1,155,130 thousand euros (2024: 1,638,496 thousand euros).

*Compliance with financial ratios -*

The straight bonds currently in force require compliance with certain ratios on a half-yearly basis. These ratios had been met at 30 June 2025 and 31 December 2024.

## 10.3 Issue of promissory notes by the Parent

In December 2018, the Parent registered on the Irish Stock Exchange a commercial paper programme (European Commercial Paper) for a maximum limit of 300,000 thousand euros maturing at short term, subsequently extended to 500,000 thousand euros. This programme was renewed on 13 December 2024. As at 30 June 2025 and 31 December 2024 there were no issues outstanding.

## 10.4 Issuance of SFL promissory notes

In September 2018, SFL registered a short-term promissory note (NEU CP) issuance programme for a maximum amount of 500,000 thousand euros with a short-term maturity. This programme was renewed in May 2025. The issues outstanding at 30 June 2025 amount to 75,000 thousand euros (2024: 185,000 thousand euros).

## 10.5 Syndicated financing of the Parent

The detail of the parent company's syndicated financing is detailed in the following table:

Thousands of Euros	Maturity	30 June 2025		31 December 2024	
		Limit	Nominal drawn down	Limit	Nominal drawn down
Syndicated financing	06-2030	1,000,000	--	1,000,000	--
<b>Total parent company syndicated financing</b>		<b>1,000,000</b>	<b>--</b>	<b>1,000,000</b>	<b>--</b>

In June 2025, the maturity of the credit line has been extended until June 2030. This line is sustainable because its margin is linked to compliance with certain sustainability ratios. As of June 30, 2025, all sustainability targets have been met, resulting in a margin reduction of 3 basis points.

The interest rate set is variable with a margin referenced to the EURIBOR plus a spread.

*Compliance with financial ratios -*

At 30 June 2025 and 31 December 2024, the Parent complied with all the financial ratios envisaged in its loan agreements.

## 10.6 SFL Lines of Credit

SFL's credit facilities break down as follows:

Thousands of Euros	Maturity	30 June 2025		31 December 2024	
		Limit	Nominal drawn down	Limit	Nominal drawn down
Syndicated Line of Credit	06-2030	835,000	--	835,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 1	06-2027	--	--	145,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 2	07-2027	--	--	140,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 3	06-2029	--	--	100,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 4	10-2025	--	--	100,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 5	12-2028	100,000	--	100,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 6	03-2027	100,000	--	100,000	--
Bilateral loans in the Revolving Credit Facility (RCF) format 7	11-2027	50,000	--	50,000	--
<b>Total SFL credit lines</b>		<b>1,085,000</b>	<b>--</b>	<b>1,570,000</b>	<b>--</b>

In the first quarter of 2025, the maturity of the syndicated credit facility was extended to June 2030 and credit facilities totalling 485,000 thousand euros were repaid early.

### *Compliance with financial ratios -*

At 30 June 2025 and 31 December 2024, SFL complied with the financial ratios envisaged in its respective loan agreements.

## 10.7 Other loans

The Group holds other unsecured loans. The total limits and balances provided are detailed below:

Thousands of Euros	Company	Maturity	30 June 2025		31 December 2024	
			Limit	Nominal drawn down	Limit	Nominal drawn down
Loan	SFL	12-2029	300,000	300,000	300,000	300,000
<b>Total other loans</b>			<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>

### *Compliance with financial ratios -*

All loans of the Parent and SFL are subject to compliance with certain financial ratios on a half-yearly basis.

At 30 June 2025 and 31 December 2024, the financial ratios envisaged in its respective loan agreements were complied with.

## 10.8 Lines of credit

At 30 June 2025, the Group did not have any drawn-down lines of credit (2024: 0 thousand euros).

## 10.9 Guarantees given

The Group has granted certain guarantees to official bodies, customers and suppliers for a total amount of 6,532 thousand euros (2024: 6,680 thousand euros).

Of the rest of the collateral provided, the main guarantee granted, amounting to 4,804 thousand euros, corresponds to commitments acquired by the company Asentia. In this regard, the Parent and Asentia have signed an agreement whereby, if any of the guarantees are executed, Asentia must compensate the Parent for any loss incurred within a maximum period of 15 days.

## 10.10 Cash and cash equivalents

The condensed consolidated statement of financial position at 30 June 2025 included "Cash and cash equivalents" amounting to 273,670 thousand euros (2024: 542,717 thousand euros), of which 2,024 thousand euros are restricted or pledged (2024: 1,461 thousand euros).

Cash and cash equivalents include cash in banks and in hand, as well as highly liquid fixed income and/or money market investments that will be readily convertible to known amounts of cash with maturities of three months or less, as well as highly liquid money market investments and bank deposits with longer maturities, but with maturities or contractual redemption periods of three months or less without penalty. Due to the high credit quality and short term nature of these investments due to their redemption terms there is a negligible risk of change in value.

Details of "Cash and cash equivalents" are shown in the following table:

	Thousands of Euros	
	30 June 2025	31 December 2024
Cash in banks and savings banks	106,591	100,130
Fixed income and/or money market investments and bank deposits	167,079	442,587
<b>Total</b>	<b>273,670</b>	<b>542,717</b>

## 10.11 Debt arrangement costs

During the first half of 2025 and 2024, the Group has recognised 2,776 thousand euros and 2,839 thousand euros, respectively, in the condensed consolidated income statement for costs amortised during the year (Note 14.4).

## 10.12 Loan interest

The Group's average interest rate in the first half of 2025 was 1.56% (2024: 1.42%) or 1.89% including the accrual of fees (2024: 1.78%). The average interest rate on the Group's debt at 30 June 2025 (spot) is 1.78% (2024: 1.7%).

The accrued interest outstanding recognised in the condensed consolidated statement of financial position amounted to:

	Thousands of Euros	
	30 June 2025	31 December 2024
Debentures	28,611	26,464
Bank borrowings	419	635
<b>Total</b>	<b>29,030</b>	<b>27,099</b>

## 10.13 Capital management and risk management policy

The basic risks to which the Group is exposed and the risk management policies are detailed in the financial statements for the year ended 31 December 2024, and are reproduced in the interim consolidated directors' report which forms part of these interim financial statements.

## 11. Derivative financial instruments

The following table details the financial instruments and the fair value of each of them:

						(Thousands of Euros)
	Company	Interest rate	Early settlement	Maturity	Nominal	Fair value - Assets/(Liabilities) (*)
<b>Cash flow hedges-</b>						
Swap	SFL	2.4920%	--	2029	100,000	(1,739)
Swap	SFL	2.4925%	--	2029	200,000	(3,482)
<b>Cash flow hedges of planned future transactions-</b>						
Swap	Colonial	2.3190%	2025	2030	547,500	214
Swap	Colonial	2.2630%	2025	2030	200,000	-
Swap	Colonial	2.4350%	2027	2032	173,500	1,560
Swap	Colonial	2.4173%	2027	2032	173,300	1,696
Swap	Colonial	2.4820%	2028	2033	213,500	2,384
Swap	Colonial	2.4709%	2028	2033	213,350	2,488
Swap	Colonial	2.6400%	2028	2033	102,750	679
Swap	Colonial	2.4995%	2028	2033	101,470	1,278
<b>Total at 30 June 2025</b>					<b>2,025,375</b>	<b>5,078</b>

(\*) Interest accrued on cash flow hedges amounting to €111 thousand is included.

						(Thousands of Euros)
	Company	Interest rate	Early settlement	Maturity	Nominal	Fair value - Assets/(Liabilities) (*)
<b>Cash flow hedges-</b>						
Swap	SFL	2.6250%	--	2027	100,000	(1,417)
Swap	SFL	2.4920%	--	2029	100,000	(1,566)
Swap	SFL	2.4240%	--	2029	100,000	(1,244)
Swap	SFL	2.4925%	--	2029	200,000	(3,137)
<b>Cash flow hedges of planned future transactions-</b>						
Swap	Colonial	2.2790%	2025	2030	747,500	(1,707)
Swap	Colonial	2.4350%	2027	2032	173,500	(255)
Swap	Colonial	2.4173%	2027	2032	173,300	(124)
Swap	Colonial	2.4820%	2028	2033	213,500	(393)
Swap	Colonial	2.4709%	2028	2033	213,350	(297)
Swap	Colonial	2.6400%	2028	2033	102,750	(801)
Swap	Colonial	2.4995%	2028	2033	101,470	(205)
Swap	SFL	2.3750%	2025	2030	100,000	(1,103)
<b>Total at 31 December 2024</b>					<b>2,325,370</b>	<b>(12,249)</b>

(\*) Including accrued interest receivable on cash flow hedges amounting to 519 thousand euros.

As at 30 June 2025, a total of 5,644 thousand euros of income had been recognised under "Finance costs" in the condensed consolidated income statement in respect of the recycling of cancelled forward starting hedges (June 2024: 4,187 thousand euros). Likewise, a total of 289 thousand euros in interest expense on the hedges was also recognised under this heading in the first half of 2025 (June 2024: income of 3,571 thousand euros).

Cash flow hedges totalling 747,500 thousand on expected future transactions matured in the first half of 2025, while cash flow hedges amounting to 547,500 thousand euros and 200,000 thousand euros on expected future transactions were taken out.

Cash flow hedges amounting to 300,000 thousand euros were cancelled and discontinued at SFL in the first half of 2025.

### 11.1 Hedge accounting -

As of June 30, 2025 and December 31, 2024, the Parent and SFL apply hedge accounting to all derivative financial instruments.

At 30 June 2025, the accumulated impact recognised as a result of hedge accounting directly in consolidated equity gave rise to a payable balance of 210,669 thousand euros (Note 9.4), net of the tax effect (2024: payable balance of 200,057 thousand euros).

### 11.2 Fair value of derivative financial instruments -

The fair value of the derivative financial instruments was calculated by discounting estimated future cash flows based on an interest rate curve and on assigned volatility at 30 June 2025, using the appropriate discount rates established by an independent expert.

Changes of +/- 25 basis points in the interest rate curve have an effect on the fair value of derivative financial instruments at 30 June 2025 of 20,440 thousand euros and -20,873 thousand euros, respectively.

## 12. Trade creditors and other non-current liabilities

The heading "Trade and other payables" in the condensed consolidated statement of financial position at 30 June 2025 included a total of 77,213 thousand euros in respect of dividends approved by the governing bodies of various Group companies that have not yet been paid out.

## 13. Tax matters

The detail of the "Non-current and deferred tax liabilities" heading on the non-current liability side of the condensed consolidated statement of financial position is as follows:

	Thousands of Euros	
	30 June 2025	31 December 2024
Deferred tax liabilities	117,494	214,916
Non-current tax liabilities	70,112	22,909
	<b>187,606</b>	<b>237,825</b>

The breakdown of deferred tax liabilities and the changes therein are provided below:

Deferred tax liabilities	Thousands of Euros			
	31 December 2024	Inclusions	Write-offs	30 June 2025
Asset revaluation	210,580	(99)	(97,236)	113,245
Asset revaluations (Spain)-	113,344	(99)	--	113,245
Asset revaluations (France)-	97,236	--	(97,236)	--
Deferral for reinvestment	3,862	--	(87)	3,775
Other	474	--	--	474
<b>Total deferred tax liabilities</b>	<b>214,916</b>	<b>(99)</b>	<b>(97,323)</b>	<b>117,494</b>

During the first half of the 2025 financial year, the French subsidiaries Parchamps and Parhaus have opted for the SIIC tax regime. This option has entailed the registration of the corresponding Exit tax at the tax rate of 19%, amounting to €66,437 thousand and the reversal of the deferred tax on liabilities recorded for these companies, amounting to €97,236 thousand, recorded at the tax rate of 25,825%. The Exit tax will be paid in four equal annual instalments starting in December 2025.

## 14. Income and expenses

### 14.1 Revenue

The Group's revenue, which is basically concentrated in the Barcelona, Madrid and Paris markets, and their distribution by geographical segment are shown in the following table:

	Thousands of Euros	
	30 June 2025	30 June 2024
Barcelona	22,240	21,550
Madrid	47,649	39,561
Paris	122,563	121,578
<b>Total assets (traditional business)</b>	<b>192,452</b>	<b>182,689</b>
<b>Total flexible business</b>	<b>9,478</b>	<b>8,878</b>
<b>Revenue - Investment properties</b>	<b>201,930</b>	<b>191,567</b>
<b>Revenue - Inventories (Note 6)</b>	<b>--</b>	<b>106,218</b>
<b>Revenue</b>	<b>201,930</b>	<b>297,785</b>

The amount included in the item "Net turnover – Real estate investments" for the first half of the financial years 2025 and 2024 includes the effect of rental incentives throughout the minimum duration of the contract. Revenue also includes the accrued amounts received in connection to rights of entry. At 30 June 2025, the impact of previous accruals increased revenue by 11,339 thousand euros (2024: 12,871 thousand euros).

In 2024, revenue from the sale of the only item of inventory owned by the Group, namely the Peñalvento building, was included in revenue (Note 6).

The total amount of the minimum future lease charges corresponding to the Group's non-cancellable operating leases, in accordance with the contracts in force on each date, and without taking into account the impact of common expenses, future increases in the CPI or future income updates based on contractually agreed market parameters is as follows:

	Thousands of Euros	
	Nominal Value (*)	
	30 June 2025	30 June 2024
<i>Less than one year</i>	377,409	307,990
Spain	147,637	130,813
France	229,772	177,177
<i>Between one and five years</i>	995,830	966,232
Spain	259,788	260,309
France	736,042	705,923
<i>More than five years</i>	584,355	644,422
Spain	45,492	38,307
France	538,863	606,115
<b>Total</b>	<b>1,957,594</b>	<b>1,918,644</b>
<i>Spain</i>	452,917	429,429
<i>France</i>	1,504,677	1,489,215

(\*) Nominal value without taking into account the effect of rental incentives.

## 14.2 Net gains/(losses) on sales of assets

The breakdown of the Group's net gains/(losses) on sales of assets, and their geographical distribution, is detailed as follows:

	Thousands of Euros					
	Spain		France		Total	
	June 2025	June 2024	June 2025	June 2024	June 2025	June 2024
Sale price	--	58,067	--	--	--	58,067
Asset derecognition	--	(44,095)	--	--	--	(44,095)
Indirect and other costs	82	(1,235)	--	--	82	(1,235)
<b>Net result from asset sales</b>	<b>82</b>	<b>12,737</b>	<b>--</b>	<b>--</b>	<b>82</b>	<b>12,737</b>

## 14.3 Changes in the value of assets and impairment

The breakdown of "Changes in fair value of investment properties" in the condensed consolidated income statement, by type, is as follows:

	Note	Thousands of Euros	
		June 2025	June 2024
Investment property	5	118,763	(9,765)
Assets classified as held for sale – Investment property	8	170	(1,965)
<b>Changes in value of investment property</b>		<b>118,933</b>	<b>(11,730)</b>
Spain		111,754	(39,142)
France		7,179	27,412

The breakdown, by nature, of the impairment losses recognised under "Gains/(losses) due to changes in value of assets and impairment" in the condensed consolidated income statement is detailed in the following table:

	Note	Thousands of Euros	
		June 2025	June 2024
Net profit from the sale of property, plant and equipment	4	(35)	--
Derecognitions of replaced investment property	5	(1,648)	(1,170)
<b>Impairment charges and net gains/(losses) on assets</b>		<b>(1,683)</b>	<b>(1,170)</b>



## 14.4 Finance income and costs

The breakdown of the financial result broken down by type is as follows:

	Note	Thousands of Euros	
		June 2025	June 2024
Finance income:			
Financial income for updating		2,697	1,916
Other interests and similar income		11,351	9,150
<b>Total financial income</b>		<b>14,048</b>	<b>11,066</b>
Finance costs:			
Finance costs and similar expenses		(50,183)	(53,626)
Capitalised financial costs		5,029	3,151
Finance costs for updating		(346)	(414)
Financial expenses associated with the cancellation and restructuring of debt and derivatives		(5,810)	(4,873)
Finance costs associated with arrangement costs	10.11	(2,776)	(2,839)
Financial derivative expense	11	289	3,571
<b>Total Finance Costs</b>		<b>(53,797)</b>	<b>(55,030)</b>
<b>Total Financial Result (Loss)</b>		<b>(39,749)</b>	<b>(43,964)</b>

## 15. Segment reporting

All the Group's activities are carried out in Spain and France. Segment reporting was as follows:

Segment reporting, first six months of 2025	Thousands of Euros						
	Rentals (Traditional business)				Flexible business	Corporate Unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Revenue							
Revenue - Investment property (Note 14.1)	22,240	47,649	122,563	192,452	9,478	--	201,930
Other revenue	--	3	5,764	5,767	--	818	6,585
Net gain/(loss) on sales of assets (Note 14.2)	--	82	--	82	--	--	82
Changes in fair value of investment property (Note 14.3)	19,504	92,250	7,179	118,933	--	--	118,933
Gains/(losses) on changes in the value of assets and impairment (Note 14.3)	(240)	(1,408)	--	(1,648)	--	(35)	(1,683)
Operating profit/(loss)	38,807	131,465	131,289	301,561	5,609	(34,657)	272,513
Financial profit (Note 14.4)	--	--	--	--	--	(39,749)	(39,749)
Profit/(Loss) before tax	--	--	--	--	--	232,764	232,764
Net consolidated income	--	--	--	--	--	265,645	265,645
Net profit attributable to non-controlling interests (Note 9.6)	--	--	--	--	--	(16,544)	(16,544)
Net profit/(loss) attributable to the Parent (Note 3)	--	--	--	--	--	249,101	249,101

During the first half of the 2025 financial year, there were no transactions between segments.

None of the Group's customers represented more than 10% of the revenue from ordinary activities.

Segment reporting, first six months of 2024	Thousands of Euros						
	Rentals (Traditional business)				Flexible business	Corporate Unit	Total Group
	Barcelona	Madrid	Paris	Total Equity			
Revenue							
Revenue - Investment property (Note 14.1)	21,550	39,561	121,578	182,689	8,878	--	191,567
Revenue - Inventories (Note 14.1)	--	106,218	--	106,218	--	--	106,218
Cost of sales – Inventories (Note 6)	--	(92,179)	--	(92,179)	--	--	(92,179)
Other revenue	30	3	1,389	1,422	--	941	2,363
Net gain/(loss) on sales of assets (Note 14.2)	--	12,737	--	12,737	--	--	12,737
Changes in fair value of investment property (Note 14.3)	(21,875)	(17,267)	27,412	(11,730)	--	--	(11,730)
Gains/(losses) on changes in the value of assets and impairment (Note 14.3)	(511)	(654)	5	(1,160)	(5)	(5)	(1,170)
Operating profit/(loss)	(4,771)	42,073	151,486	188,788	4,043	(29,083)	163,748
Financial profit (Note 14.4)	--	--	--	--	--	(43,964)	(43,964)
Profit/(Loss) before tax	--	--	--	--	--	119,784	119,784
Net consolidated income	--	--	--	--	--	143,736	143,736
Net profit attributable to non-controlling interests (Note 9.6)	--	--	--	--	--	(57,797)	(57,797)
Net profit/(loss) attributable to the Parent (Note 3)	--	--	--	--	--	85,939	85,939

The most significant transactions carried out between segments during the first half of fiscal 2024 were as follows:

	Thousands of Euros			
	Traditional business	Flexible business	Corporate Unit	Total Group
Revenue				
Revenue – Investment property	4,002	--	--	4,002
Operating profit/(loss)	--	(4,906)	--	(4,906)

None of the Group's customers represented more than 10% of the revenue from ordinary activities.

## 16. Related-party transactions and balances

The information with related parties included in this note has been prepared in accordance with the applicable accounting regulations. This information may differ from the information on transactions with related parties included in the Annual Corporate Governance Report, which has been prepared under the corresponding current commercial regulations.

The directors of the Parent Company have considered their shareholders and the companies controlled by them as related parties.

As of June 30, 2025 and December 31, 2024, the Group does not have any transactions or balances with related parties except as set forth below.

### Related Party Transactions

During the first half of 2025, the Parent has accrued lease income with a company in which Criteria has a stake amounting to €160 thousand (June 2024: 0 thousand euros). This lease agreement was formalised on April 15, 2019.

Finally, the investee company Inmocol Torre Europa, S.A. has accrued rental income with two companies in which Puig has a stake amounting to €1,867 thousand (June 2024: 0 thousand euros).

#### Related Party Balances

At 30 June 2025, the Parent had balances payable to a Criteria investee in respect of a deposit received under the aforementioned lease contract amounting to 40 thousand euros (2024: 40 thousand euros). Meanwhile, at 31 December 2024, the Parent held a debit balance of 22,000 thousand euros with a Criteria investee in connection with a property purchase and sale transaction signed in 2023 and completed in the first half of 2025.

Finally, as of June 30, 2025, the consolidated company Inmocol Torre Europa, S.A. holds current receivables and guarantees received with certain companies in which Puig has a stake for amounts of €0 thousand and €497 thousand, respectively (2024: 22 and 409 thousand euros).

## **17. Director and senior management compensation and other benefits**

### **17.1 Composition of the Board of Directors**

As at 30 June 2025, the board of directors of the Parent Company consists of 7 men and 6 women (June 2024: 7 men and 5 women).

At 30 June 2025, the composition of the Parent's Board of Directors is as follows:

	Position	Director Type
Mr Juan José Brugera Clavero	Chairman	Other external
Mr Pedro Viñolas Serra	Vice-chairman	Chairman
Mr Sheikh Ali Jassim M. J. Al-Thani	Director	Proprietary
Mr Giuliano Rotondo	Director	Proprietary
Mr Carlos Fernández González	Director	Proprietary
Mr Manuel Puig Rocha	Director	Proprietary
Mr. Felipe Matías Caviedes	Director	Proprietary
Ms. Begoña Orgambide García	Director	Proprietary
Ms. Elena Salgado Méndez	Director	Proprietary
Ms. Silvia Mónica Alonso-Castrillo Allain	Director	Independent
Ms. Ana Lucrecia Bolado Valle	Director	Independent
Ms. Ana Cristina Peralta Moreno	Director	Independent
Ms. Miriam González Amézqueta	Director	Independent

The Board of Directors of the Parent Company has not undergone any changes during the 2025 financial year.

## 17.2 Remuneration of Board members

Remuneration received by members of the Board of Directors of the Parent, by item, was as follows:

	Thousands of Euros					
	30 June 2025			30 June 2024		
	Parent	Other group companies	Total	Parent	Other group companies	Total
<b>Remuneration accrued by executive directors (*):</b>	<b>827</b>	<b>--</b>	<b>827</b>	<b>834</b>	<b>--</b>	<b>834</b>
<b>Non-executive directors per diems:</b>	<b>701</b>	<b>12</b>	<b>713</b>	<b>687</b>	<b>3</b>	<b>690</b>
<b>Fixed remuneration for non-executive directors:</b>	<b>710</b>	<b>--</b>	<b>710</b>	<b>673</b>	<b>--</b>	<b>673</b>
Directors' remuneration	550	--	550	543	--	543
Additional compensation audit and control committee	63	--	63	71	--	71
Additional remuneration of the nomination and remuneration committee	63	--	63	59	--	59
Additional remuneration of the sustainability committee	34	--	34	--	--	--
<b>Total</b>	<b>2,238</b>	<b>12</b>	<b>2,250</b>	<b>2,194</b>	<b>3</b>	<b>2,197</b>

Amount of the remuneration obtained by the executive directors (*):	827	--	827	834	--	834
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(\*) Does not include the amount corresponding to expenses accrued in relation to the long-term incentive plan.

At 30 June 2025 and 2024, the Parent had taken out civil liability insurance policies covering all the directors, senior management and employees of the Parent, which include, for both years, the civil liability annual insurance premium for damage caused by acts or omissions. At 30 June 2025 and 2024, the Parent Company recognised 200 thousand euros and 225 thousand euros, respectively, in this regard.

The Annual General Meeting held on 28 June 2016 approved granting the executive directors a defined contribution scheme that covers retirement contingencies and, where appropriate, disability and death. As of June 30, 2025 and 2024, the Parent Company recorded €60 thousand and €60 thousand, respectively, under the heading "Personnel expenses" in the consolidated summary income statement.

In addition to that stated in the previous paragraph, the Group has not been awarded loans or taken out pension plans or life insurance for the previous and current members of the Board of Directors of the parent company.

At 30 June 2025 and 2024, one member of the Board of Directors had signed golden parachute clauses in the event of certain cases of termination or change of control, all of which were approved at the General Shareholders' Meeting.

In the first half of 2025 and 2024, there were no finalisations, modifications or early terminations of contracts outside of the normal business activities between the Parent and the members of the Board of Directors or any other person acting on their behalf.

## 17.3 Remuneration of senior management

The senior management of the Parent, excluding the Chief Executive Officer and other executive directors whose remuneration is included in the remuneration of the members of the board of directors, consists of all senior executives and other persons other than the Chief Executive Officer who, reporting directly to the Chief Executive Officer, assume the management of the Parent. The Company's senior management team was made up of three men and three women at 30 June 2025 and 2024.

The monetary remuneration received by senior management during the first half of the 2025 financial year amounted to €1,238 thousand (June 2024: 1,182 thousand euros).

The Board of Directors held on 27 July 2016 approved awarding a member of senior management a defined contribution scheme that covers retirement contingencies and, where appropriate, disability and death. As of June 30, 2025 and 2024, the Parent Company recorded €37 thousand and €36 thousand, respectively, under the heading "Personnel expenses" in the consolidated summary income statement.

At 30 June 2025 and 2024, one member of senior management had signed a golden parachute clause, in the event of termination under certain circumstances or a change of control.

#### **17.4 Long-term incentive plans**

The general shareholders' meeting approved various long-term incentive plans consisting of the delivery of shares in the Parent, aimed at executives, including the Parent's executive directors, and other employees of the Colonial Group (the "Plan").

The plan beneficiaries must subscribe to and accept the conditions of the plans in order to receive benefits thereunder, and the delivery of shares will depend on the beneficiaries having an employment or commercial relationship with any Group company on the dates on which the delivery occurs.

The Board of Directors, at the proposal of the Appointments and Remuneration Committee, has determined the level of payment for the 2022-24 plan, once the target measurement period has closed, based on its degree of compliance. The Company has delivered to the beneficiaries of the Plan 128,744 shares of the Parent that it held in treasury stock (See Note 9.3).

During the month of April 2025, the Board of Directors approved a new cycle of the long-term incentive plan consisting of the delivery of shares of the Parent, aimed at executives, including the Executive Director of the Parent and other employees of the Colonial Group.

## **Inmobiliaria Colonial, SOCIMI, S.A. and Subsidiaries**

### **Interim Consolidated Directors' Report for the six-month period of 2025**

#### **1. Group outlook**

##### ***Rental market outlook***

###### ***Barcelona***

In Barcelona, demand within the CBD office market grew by +176% compared with the same period last year. This phenomenon is partly due to the signing of 14,000m<sup>2</sup> in a single major operation. Office space availability in the CBD fell to 4.4% and to 1.2% for Grade A office space. Prime rent was unchanged at €30/m<sup>2</sup>/month (€30/m<sup>2</sup>/month as at December 2024).

In Barcelona the return on prime property was 4.80%, giving a price of 7,500 €/m<sup>2</sup>.

###### ***Madrid***

In Madrid in the first half of 2025, the demand for office space reached 253,650m<sup>2</sup> (+2% compared to the first half of 2024). Total take-up in the CBD segment amounted to 77,228 m<sup>2</sup>. Vacancy in the CBD stood at 2.6%, marking a ten-year low. This shortage of available space increases the prime rent to €43.25/m<sup>2</sup>/month (€42.25/m<sup>2</sup>/month as of December 2024).

In Madrid, the return on prime property stood at 4.70%, while the impact per square metre was €11,043/m<sup>2</sup>.

###### ***Paris***

Take-up of office space in Paris amounted to 768,400m<sup>2</sup> in the first half of 2025, of which 156,897m<sup>2</sup> was in the CBD area; this level of demand was broadly consistent with the previous year, albeit with a slight correction of 1%. Vacancy in the CBD is at levels of 5%, with an availability of Grade A buildings of 1%. The prime rent, corresponding to the best buildings in the CBD, amounts to €1,250/m<sup>2</sup>/year (€1,200/m<sup>2</sup>/year as of December 2024).

The volume of investment in offices in the Paris metropolitan region reached €2,040 million in the first half of 2025. The prime yield is 4.10% and the impact per square metre amounts to €30,488/m<sup>2</sup>.

##### ***Organisational structure and functioning***

Colonial is the benchmark SOCIMI in the quality office market in Europe and since the end of June 2017 it has been a member of the IBEX 35, which is the reference index of the Spanish stock market.

The company has a stock market capitalisation of approximately 3,700 million euros with a free float of around 50%, and manages an asset volume of more than 11,800 million euros.

The Company's strategy focuses on creating an industrial value through the creation of prime high-quality products, through the repositioning and transformation of real estate assets.

In particular, the strategy is based on the following pillars:

- A business model focused on the transformation and creation of high-quality offices in prime locations, mainly central business districts (CBD).

- Maximum commitment in creating offices that respond to the best demands in the market, with special emphasis on efficiency and sustainability.
- A diversified pan-European strategy in the Barcelona, Madrid and Paris office markets.
- An investment strategy that combines core acquisitions with prime factory acquisitions and value-added components.
- A clear industrial real estate approach to capture value creation that exceeds the market average.

Today Colonial is a leading European company that specifically focuses on areas in city centres and leads the Spanish property market in terms of quality, sustainability and efficiency in its portfolio of offices.

Likewise, it has adopted a comprehensive approach to all areas of Corporate Social Responsibility, aiming at the highest standards of (1) sustainability and energy efficiency, (2) corporate governance and transparency, as well as (3) excellence in HR and social actions and making them an integral part of the Group's strategy.

In recent years, the Colonial Group has made significant divestments of non-core assets. These divestments are part of the "flight to quality" strategy which, based on active portfolio management, divests mature and/or non-strategic products in order to recycle capital for new value creation opportunities and continuously improve the Group's risk-return profile.

Likewise, within the framework of improving the Group's Prime portfolio, Colonial has made investments in core CBD properties, identifying assets with added value potential in market segments with solid fundamentals.

At the close of the first half of 2025, the Colonial Group had a robust capital structure with a solid "Investment Grade" rating. The Group's LTV (Loan to value) stood at 36.6% in June 2025.

The company's strategy is to consolidate itself as the leader of prime offices in Europe with special emphasis on the Barcelona, Madrid and Paris markets:

- A solid capital structure with a clear commitment to maintaining the highest credit rating standards – investment grade.
- An attractive return for the shareholder based on a recurring return combined with creating real estate value from value-added initiatives.

## **2. Business performance and results**

### ***Introduction***

As of June 30, 2025, the Group's turnover was €202 million.

The revaluation of real estate investments and assets classified as held for sale, in accordance with the independent valuation carried out by Savills, Cushman & Wakefield, CB Richard Ellis and BNP Paribas in Spain and France during the first half of the year, was €119 million.

Net financial profit was (40) million euros.

Profit before taxes and minority interests at the end of the first half of 2025 amounted to €233 million.

Lastly, after subtracting profit attributable to non-controlling interests (17) million euros, and income tax of 33 million euros, the profit after tax attributable to the Group amounted to 249 million euros.

## **H1 2025 Results**

### **1. Increase of +17% in EPRA earnings**

The Colonial Group closed the first half of 2025 with an increase in the Recurring Results mainly driven by the strong growth in rental income.

- Gross Rental Income of €197m, +5% like-for-like vs. the previous year
- EBITDA rents of €181m, +6% like-for-like vs. the previous year
- Recurring net profit/ EPRA Earnings of €107m, +17% vs. the previous year
- Recurring EPS/ EPRA EPS of €17.1cts3, +1% vs. the previous year

The Colonial Group registered double-digit growth in EPRA earnings thanks to solid rental growth from its prime portfolio, delivered projects, and acquisitions, as well as significant improvements in financial results.

These positive effects have offset the temporary rental decrease caused by the entry into refurbishment of two assets in Paris: the 12,000 sqm Haussmann renovation program and the urban transformation project at Condorcet, exceeding 25,000 sqm.

At the close of the first half of 2025, the asset value amounted to €11,860m, registering an increase of +5% compared to the previous year. Consequently, the net result of the Colonial Group amounted to €249m, an increase of +€163m compared to the previous year.

### **2. Gross Rental Income and EBITDA rents with strong growth**

#### Revenue growth: Polarisation & Pan-European Prime Positioning

Colonial closed the first half of 2025 with €197m in Gross Rental Income and €181m in Net rental Income.

The Colonial Group's rental income grew by +2% compared to the same period of the previous year and by +5% like-for-like, demonstrating the strength of the Colonial Group's prime positioning.

Worth highlighting is the increase in the Paris portfolio with +6% like for like, and in Madrid with a +4% like for like. The increase in like for like income clearly reflects the market's polarization toward the best office product.

Net rental income (EBITDA rents) increased by +6% like for like, combining the growth in rents with efficiency improvements in the assets.

1. In the Madrid portfolio, Net Rental Income increased by +22% compared to the same period of the previous year, mainly due to the income generated by the acquisitions completed in 2024, as well as the entry into operation of the Madnum project. In like-for-like terms, Net Rental Income increased by +7%, due to higher income from the Discovery Building, Recoletos 37, Castellana 163, Martínez Villergas, and José Abascal 45 assets, among others, based on a combination of higher rents and improved occupancy levels.

2. In the Barcelona portfolio, Net Rental Income increased by +5% compared to the same period of the previous year, while remaining stable in like-for-like terms, mainly due to the acquisitions completed in 2024, and the slight improvement in occupancy levels.

3. The Net Rental Income in the Paris portfolio decreased by 5% compared to the previous year, mainly due to the client rotation and subsequent renovations of the Condorcet and Haussmann – Saint Augustin assets. In like-for-like terms, rental income increased by +7%, due to higher rents in the Edouard VII, Louvre Saint Honoré, #Cloud, Cézanne Saint Honoré, and Washington Plaza assets, among others.

#### Revenue growth based on strong prime positioning



At the close of the first half of 2025, the rental income increased +€5m compared to the same period of the previous year. This increase is based on a business model with:

(1) A clear focus on the best prime product offered in the city centre

(2) The proven capacity to generate profit through urban transformation projects

1.Pricing Power: Growth in signed rents + indexation: a +4% contribution to total growth

The Core portfolio contributed +€8m in revenue growth, based on solid like-for-like growth of +5%, driven by strong pricing power that fully captures the impact of indexation, as well as rents signed at maximum market prices.

2.Project deliveries and acquisitions: a +4% contribution to total growth

Project deliveries and the renovation program, as well as the acquisitions carried out in 2024, contributed +€7m to revenue growth.

The entry into refurbishment of two assets in Paris, the Haussmann renovation program and the Condorcet urban transformation project, resulted in a (6%) decrease in rental income.

It is worth highlighting that these initiatives form part of the Colonial Group's growth strategy through urban regeneration projects. Once completed, the projects are expected to generate more than €28m in additional annual rental income (a +17% increase in rents compared to the initial rental levels).

### **3. Continued growth in asset values**

The Gross Asset Value of the Colonial Group at the close of the first half of 2025 is €11,860m (€12.521m including transfer costs), an increase of +5% in 12 months (+2% in the first half of the year).

In like-for-like terms, Colonial's portfolio has increased by +4% in 12 months (+2% in the first half of the year).

After a highly volatile environment and interest rate hikes, market conditions have begun to stabilize, marking a turning point which commenced in 2024.

During 2024, asset values began to stabilize, laying the foundation for sustained recovery. In the second half, this trend was consolidated with an acceleration of growth, reflecting a positive and homogeneous evolution across all the markets in which the company operates. The Madrid market, in particular, has led this recovery.

### **4. Resilient Net Asset Value (NTA)**

The Net Asset Value at 30 June 2025 amounted to €6,025m, (€9.60/share). The Net Disposal Value (NDV) amounted to €5,986m, (€9.54/share).

During the first half of the year, the Group's activity contributed positively to the evolution of the net asset value, reflected in the increase in the NTA and NDV per share. Specifically, the main factors driving this evolution are as follows:

1-The growth in asset values was driven by the prime positioning of the portfolio and the ability to capture rental increases, as well as the value generated through asset transformation. Together, these factors resulted in a significant €59m increase in the NDV, representing a +1% growth compared to the close of 2024.

2-The recurring net profit generated amounted to €107m, contributing positively with an additional +2%.

3-After the dividend payment and the positive impact of the mark to market of the debt (market value of the debt including the favorable impact of the hedging strategy), the net value per share, before applying the tax optimization strategy, stands at €9.71 per share for the NTA (+1% vs 12/24) and €9.49 per share for the NDV.

During this first half of the year, the Colonial Group carried out the conversion to the French SIIC tax regime (Sociétés d'Investissements Immobiliers Cotées) of two companies in Paris: Parchamps and Parhaus.

This operation involved an exit tax of €67m, which will be paid in instalments over the next four years. In return, the Group gains access to the tax benefits of the SIIC regime, which exempts corporate income tax on profits derived from the real estate activity of these two companies.

The net impact of this SIIC conversion represents a positive impact on value creation for the shareholder, which is reflected in the evolution of the Net Disposal Value (NDV), a metric that incorporates the tax effects derived from this optimization strategy.

### ***Strong operating fundamentals in all segments***

#### **1. Increase in letting volumes compared to the previous year**

Colonial closed the first half of 2025 with solid letting activity, capturing significant rental price increases in the contracts signed, reflecting Colonial's robust positioning in prime offices.

In particular, the Colonial Group signed 48 rental contracts corresponding to 87,438 sqm, a figure +33% higher than the surface area signed during the first half of the previous year. Of these, 40 contracts correspond to office leases, totalling 66,941 sqm.

Of special mention is the high volume of activity registered in the second quarter of 2025 with more than 54,000 sqm signed, which represents an increase of +69% compared to the first quarter, reinforcing the positive trend in the commercialization dynamic.

Of the total letting activity of offices, 54% (47,556 sqm) corresponds to new contracts, while 39,883 sqm corresponds to contract renewals and revisions.

Of special mention is the high volume registered in the Barcelona market, amounting to 46,871 sqm, of which 60% (28,106 sqm) corresponds to new contracts signed. In Madrid, 29,997 sqm were signed, with 62% (18,747 sqm) corresponding to contract renewals. In the Paris market, 10,570 sqm were signed, of which 8,200 sqm were new contracts.

The letting volumes reached in the first half of 2025 correspond to annualized rents of €34m, of which 69% correspond to the portfolios in Madrid and Barcelona and 31% to the Paris portfolio.

#### **2. Solid rental price increases in the contracts signed in 2025**

At the close of the first half of the year, signed rents showed a +9% increase on relet spaces (release spread) and stand 7% higher than market rents at 31 December 2024.

The solid results are a clear reflection of the market polarization trend, characterized by a demand that prioritizes top-quality Grade A product in the best locations.

Noteworthy is the Paris market, with a 20% increase in relet office surfaces (release spread) and rents +8% above market levels.

In the asset portfolio in Spain, the Madrid portfolio captured a +8% growth compared to market rents, as well as a +6% increase in relet office spaces (release spread). In Barcelona, the contracts signed show a +6% increase compared to market rents.

The signed rents are at maximum levels, clearly setting the benchmark for prime product.

In Paris, maximum rental prices reached €1,125/sqm/year, while in Spain, maximum rents stood at €43/sqm/month in Madrid and €30/sqm/month in Barcelona.

### **3. Sound occupancy levels**

The Colonial Group's office occupancy stands at 94.5%, one of the highest ratios in the sector.

Of special mention is the Paris portfolio with full occupancy at 100%, followed by the Madrid portfolio at 92% (97% in the CBD), and the Barcelona portfolio at 80% (94% in the CBD).

It is worth noting that the current availability in the Barcelona portfolio is concentrated in the entry into operation of the renovated space in the Diagonal 197 asset, as well as in the Torre Marenosturm building and tenant rotation in the Sant Cugat building. Excluding these three assets, the occupancy of the Barcelona portfolio stands at 96%.

#### ***Active portfolio management – Reactivating future growth***

### **1. Urban transformation: Creation of a new Joint Venture in Science and Innovation**

In 2025, Colonial completed a key strategic transaction aligned within the framework of its urban transformation plan and its diversification strategy towards high-growth sectors.

On July 10th, after obtaining all the necessary regulatory authorisations, Colonial formalised an alliance with Stoneshield Capital for the creation of a pan European real estate platform specialised in Science and Innovation (S&I) assets. This joint venture combines Colonial's expertise in the development and management of prime assets with Stoneshield's ability to scale operating platforms and generate value through the transformation of properties in thematic sectors with high demand.

As a first step in this alliance, Colonial has invested €200m in Deeplabs, a leading operator in the S&I segment in Spain. Deeplabs has a consolidated asset portfolio valued at approximately €400m, located in Barcelona and Madrid, and a team specialized in the management of Science and Innovation infrastructures. Deeplabs operates more than 138,000 sqm of space specifically designed for scientific and technological activities and has a diversified base of high-quality tenants.

In the short term, the platform plans to double its volume through new joint investments, activating a selective pipeline of opportunities in strategic European locations such as Berlin, Cambridge, Paris, Amsterdam and Lisbon. These operations will be supported by long term rental contracts, indexed to the CPI, with leading companies requiring specialized, high value added facilities.

The transaction responds to a scarce availability of suitable spaces for science and innovation in Europe and positions Colonial as a key player in a segment with high levels of demand. The platform will offer assets with an expected return (IRR) of over 15%, providing immediate value for shareholders and generating a positive impact on both earnings per share (EPS) and net tangible assets (NTA), in the short and long term.

With this operation, Colonial strengthens its urban transformation strategy and position itself as a reference in the creation of scientific and innovation ecosystems in Europe, aligning financial profitability with strategic impact in key sectors for the continent's sustainable development.

### **2. New phase of pan European growth: the merger of Colonial and SFL**

Colonial has begun a new phase of pan European growth following the approval of the merger by absorption with its French subsidiary SFL, consolidating a single real estate platform that is a leader in the prime segment in Europe.

The Ordinary General Shareholders' Meeting of Colonial, held on 27 May 2025, approved the merger by absorption of Société Foncière Lyonnaise (SFL). This key transaction will create the leading pan European organisation in the prime real estate sector, with a portfolio of mixed use assets and urban projects, opening up a new phase of growth. This new phase, which begins with the integration of SFL and the consolidation under a single pan European brand, will strengthen the company's position in strategic markets and accelerate its growth strategy on the basis of a solid and profitable business model.

Following completion of the merger, the first in which a French real estate company has been integrated into a Spanish one, the Group will be able to leverage the experience of both teams and the prestige of their brands. It will generate new synergies through greater efficiency thanks to a fully integrated platform and a simplified legal structure, which is perfectly positioned to capture new growth opportunities. It will also improve access to equity and debt capital markets through a larger, more diversified platform with a solid credit profile and corporate rating.

The operation was also approved by the SFL Shareholders' Meeting held on 23 April 2025. The agreed exchange ratio is 13 Colonial shares for each SFL share, and the merger will be carried out through the delivery of treasury shares, including a payment of €15m to shareholders who exercised their right of withdrawal under the new application of the European Directive in cases of merger.

## **Capital structure**

### **1. Solid capital structure**

At the close of the first half of 2025, the Colonial Group reported a solid balance sheet with an LTV of 36.6% and €2,359m in liquidity, including cash and undrawn credit lines. This enables the Colonial Group to cover all its debt maturities until 2028.

At the close of the first half of 2025, the Group's net debt stood at €4,624m. The spot financing cost of the Group's gross and net debt stood at 1.78% and 1.77% respectively, thanks to its interest rate and risk management policy.

The Colonial Group maintains a solid credit rating from Standard & Poor's of BBB+ with a stable outlook, which was confirmed in April 2025 for both Colonial and SFL. In September 2024, Moody's revised and upgraded Colonial's rating to Baa1, also with a stable outlook.

#### New issuance of green bonds with record demand

In January 2025, Colonial carried out a green bond issuance totaling €500m, maturing in 2030.

The success of this issuance, which was oversubscribed by 8.1 times, highlights investors' strong confidence in Colonial's financial discipline and strategy, the quality of its portfolio, its track record, and its solid credit profile.

The issuance was backed by leading international institutional investors, present in previous issuances and once again demonstrating their support for the Company.

The coupon for this new issuance stands at 3.25%, but thanks to Colonial's effective pre-hedging strategy, the average effective rate for this issuance is 2.75%.

The funds from this issuance will be used to repay debt maturing in the coming months. As a result, Colonial is refinancing short-term debt with a new five-year maturity.

### **3. Liquidity and capital resources**

See "Capital Management and Risk Management Policy" in Note 15.12 to the consolidated financial statements for the year ended 31 December 2024 and Note 10.13 to these condensed interim financial statements.

### **4. Objective and risk management policies**

Asset management is exposed to various internal and external risks and uncertainties that can impact Colonial's activity. Colonial therefore seeks to generate sustainable value through the strategic management of its business activity, taking into account the associated risks and opportunities, which helps to strengthen its leadership in the sector and consolidate its position in the long term. Risk management is a central part of Colonial's organisational culture, and for this reason, the Group has a Risk Control and Management Policy that sets out the basic principles and guidelines for action to ensure that any risks that could threaten the achievement of the Group's objectives are identified, analysed, evaluated, managed and controlled systematically, with uniform criteria and within the thresholds or tolerance levels established. Likewise, Colonial has developed the Risk Control and Management System (hereinafter referred to as SCGR), which lays the foundation for efficient and effective management of financial and non-financial risks throughout the organisation.

In order to meet these corporate objectives, the risks to which the Group is exposed are identified, analysed, assessed, managed, controlled and updated. With the objective of maintaining an effective and updated RCMS, Colonial has prepared a corporate risk map, which identifies the main risks that affect the Group, and evaluates them in terms of impact and probability of occurrence. This map is reviewed and updated periodically every year, with the aim of having an integrated and dynamic risk management tool, which evolves with changes in the environment in which the company operates and changes in the organisation itself.

The main responsibilities in relation to the RMCS correspond to the board of directors, the audit and control committee and the internal audit unit. The RCMS also explicitly determines the responsibilities of senior management, operational management and risk owners in relation to risk management.

The Board of Directors is also responsible for determining the risk control and management policy, including tax risks, identifying the Group's main risks and implementing and overseeing the internal information and control systems, in order to ensure the Group's future viability and competitiveness, while adopting the most relevant decisions for its best development. For the management of this function, it has the support of the Audit and Control Committee, which performs, among others, the following functions related to the field of risk control and management:

- Submit a report on risk policy and risk management to the Board for approval.
- Regularly monitor financial and non-financial risk management and control systems so that major risks are identified, assessed and measures are put in place to accept, mitigate, eliminate or manage any risks.
- Supervise and evaluate the process of preparation, completeness and presentation of mandatory public information (financial and non-financial).

In addition, Colonial has set up the compliance unit and the internal audit unit as tools to reinforce this objective. The compliance unit is responsible for ensuring adequate compliance with the norms and laws that may affect it to undertake its activity, and the internal audit function is responsible for carrying out the necessary supervision activities, contemplated in its annual plans approved by the audit and control committee, to evaluate the effectiveness of the risk management processes and the action plans and controls implemented by the corresponding management teams to mitigate said risks.

For better risk management, Colonial differentiates in two broad areas the different types of risks to which the Group is exposed based on their origin:

- External risks: risks related to the environment in which Colonial carries out its activity and that influence and condition the company's operations.
- Internal risks: risks originated from the company's own activity and its management team.

The main external risks that Colonial faces to achieve its objectives include:

- Economic risks arising from the geopolitical and macroeconomic climate in the countries in which it operates and changes in investors' own expectations and capital markets.
- Market risks, derived from transformation in the industry and the business model itself, the greater complexity to develop the investment/divestment strategy, and the fluctuation of the real estate market with an impact on the valuation of real estate assets.
- Financial risks, related with restrictions on financial markets, fluctuating interest rates, the impact of changes in tax regulations and those of the counterparty of the main clients.
- Environmental risks, such as those related to crisis management, those arising from regulation and more stringent ESG demands, and mainly those related to physical and transition risks caused by climate change with consequences for the Group's activity.

The main internal risks that Colonial faces to achieve its objectives include:

- Strategic risks in relation to the size and diversification of the Group and the composition of the asset portfolio.
- Diverse operating risks related with the maintenance of occupancy levels of properties and the level of rental agreements, with the cost of the works projects, as well as the timeframe for their execution, with the management of debt levels and the current credit rating, with cyberattacks or failures in reporting systems, together with those specific to the management of the organisational structure and talent.
- Risks arising from compliance with all applicable regulations and contractual obligations, including tax risks related to the loss of the status of SOCIMI by the Colonial Group in Spain or its status as a Listed Real Estate Investment Company (SIIC) by the Colonial Group in France.

The inherent risks defined in the Colonial Group's business model in accordance with the different activities it carries out are susceptible to materialise during the course of each financial year. Below we highlight the main risks or events of this first half of 2025:

- In the geopolitical sphere, it is worth highlighting the continuity and escalation of the different military conflicts and geopolitical tensions. Political uncertainty has increased in this period, among other causes, due to the impact of the policies of the new government in the United States, as well as at the local level due to the inconsistent support of the governments of France and Spain. As a result, there has been a notable increase in legal uncertainty and various proposed regulatory changes have been put forward, including proposals to amend the special tax regimes, SOCIMIs and SIICs. The reduction in interest rates has materialised in this period, although it has suffered a longer delay than expected due to the possible impact of new tariffs in the United States and the continuation of inflation control in Europe. This decrease in rates could result in an improvement in asset valuations and a return to better expectations of the real estate cycle, in a context of transformation of this and adaptation of assets to transform or incorporate new uses.
- It is also worth noting the continuity and increase in the effects of climate change worldwide, moving away from the commitments made in the Paris agreements. The physical and transition risks linked to climate change have led to the implementation of policies and strategies along these lines at the Colonial Group, more precisely in the form of the approved decarbonisation plan (which remains a strategic priority for the Group), as well as specific actions aimed at improving the quality of buildings and measuring their energy consumption levels, in order to optimise their environmental impact.
- Adapting to the growing reporting requirements for non-financial information has led to a review of compliance with these and the definition and implementation of control and management systems. In relation to ESG, the imminent application of the Corporate Sustainability Reporting Directive (CSRD), as well as the European Taxonomy Directive, has required an analysis and monitoring process to enable the Colonial Group to gradually adapt and ensure compliance with these new requirements.
- Sound human capital management and talent development in this complex environment is a key priority, especially with the organisational structure of the teams in Spain and France becoming further integrated following of the merger of Colonial and its French subsidiary SFL, in order to address and overcome the changes and new challenges in the business model, and manage the risks mentioned earlier, along with the new growth and development opportunities for the Group.

In this context, Colonial continues to carry out a dynamic follow-up and monitoring of the evolution of these risks and the effectiveness of the functioning of the control systems in place, which allows for an adequate management of the risks, in order to adequately develop the Group's strategy, achieve its objectives, guarantee its operations and preserve the Group's value.

## **5. Events after the reporting period**

### Creation of a pan-European real estate platform dedicated to science and innovation jointly with Stoneshield Capital -

During the month of July 2025, the parent has partnered with Stoneshield Capital to create a pan-European real estate platform dedicated to science and innovation ("Deeplabs").

Along these lines, the Parent paid roughly 200 million euros to acquire 95.5% of the share capital of GS Jalor, the indirect owner of a series of real estate assets located in Madrid and Barcelona, with 138,000 square metres of predominantly scientific facilities, spread over three campuses in both cities.

In addition, both companies have set up the company GS Andes, in which both partners have an equal stake, which will be the entity in charge of setting the investment and management strategy of the company GS Jalor.

GS Jalor has its own ordinary management team, which will be in charge of implementing the annual budget approved by the company GS Andes. Any relevant deviation not contemplated in the approved annual budget of GS Jalor must be submitted to the approval of GS Andes.

In the event of a disagreement or deadlock between the owners of GS Andes, a number of mechanisms are in place to resolve the matter, with mediation by a third party as a last resort solution.

Based on the foregoing, the Parent's directors have considered that the shareholders exercise joint control over both companies GS Andes and GS Jalor. Therefore, these stakes will be accounted for in accordance with applicable accounting standards and using the equity method.

Finally, the business plan envisaged by the shareholders foresees that the Parent Company's stake in GS Jalor will be significantly reduced through the entry of new shareholders into the capital of that company.

There have been no significant subsequent events in addition to the aforementioned one.

## **6. Outlook**

This last period has been characterised by an economic context marked by moderate but persistent inflation and some geopolitical uncertainty. Factors such as the conflict between Russia and Ukraine, together with energy tensions and the rise in the cost of credit, have influenced the evolution of the European real estate market. However, signs of stabilisation and recovery are beginning to emerge, especially in the more resilient segments with higher quality standards.

After a period of low activity in transactions of large office buildings, there is a progressive reactivation of the market, especially in high-quality assets located in prime areas. In cities such as Madrid and Barcelona, the leasing of office space has been steadily growing, reaching levels close to or higher than those seen prior to the pandemic. This upturn reflects a sustained demand for workspaces, with particular interest in the most exclusive locations.

The office market in Europe is moving decisively towards greater flexibility, sustainability and adaptation to new social and labour dynamics. Future strategies focus on the modernisation of the office stock, the implementation of technology, ESG certification and the creation of spaces that favour the well-being of workers.

In this new context, companies are looking for spaces that are more efficient, flexible and aligned with their sustainability objectives. Owners, for their part, are adapting their assets to the new demands of the market, through processes of rehabilitation, digitalisation and improvement of energy efficiency.

### ***Future strategy-***

In this environment, Colonial's strategy remains firmly focused on long-term value creation within the prime asset segment in urban environments. With a strong credit rating, low debt and high liquidity, the company is well positioned to take advantage of market transformation. Colonial is committed to buildings with high standards of quality, sustainability and technology, concentrating on strategic locations in Madrid, Barcelona and Paris. The rehabilitation of assets, the integration of digital solutions and the commitment to ESG criteria are fundamental pillars of its value proposition, consolidating its role as a benchmark in the high-end office market in Europe.

## **7. Research and development activities**

Due to the nature the Group's business and its structure, research and development activities are not typically carried out at Inmobiliaria Colonial, SOCIMI, S.A.

## **8. Treasury shares**

At 30 June 2025, the Parent held a closing balance of 15,674,828 shares with a par value of 39,187 thousand euros (2.5 euros per share), representing 2.50% of the Parent's share capital.

## Alternative Performance Measures (European Securities and Markets Authority)

The following glossary of the Alternative Performance Measures includes the definition and relevance thereof for Colonial in accordance with the guidelines of the European Securities and Markets Authority (ESMA) published in October 2015 (ESMA Guidelines on Alternative Performance Measures). These *Alternative Performance Measures* have not been audited or revised by the Company's auditor (Deloitte Auditores, S.L.).

Alternative Performance Measure	Calculation method	Definition/relevance
<b>Market Value including transaction costs or GAV including Transfer costs</b>	Valuation of all assets in the Group's portfolio made by appraisers outside the Group, before subtracting transaction costs or transfer costs.	Standard analysis ratio in the real estate sector.
<b>Market Value excluding transaction costs or Gross Asset Value (GAV) excluding Transfer costs</b>	Valuation of all assets in the Group's portfolio made by appraisers outside the Group, deducting transaction costs or transfer costs.	Standard analysis ratio in the real estate sector.
<b>Like-for-like Valuation</b>	Amount of market valuation excluding transaction costs or market valuation including transaction costs comparable between two periods. In order to obtain it, income from rentals from investments or divestitures made between both periods is excluded from both periods.	This permits the changes in the Market Value of the portfolio to be compared on a like-for-like basis.
<b>EPRA NTA</b> <b>(EPRA Net Tangible Assets)</b> EPRA (European Public Real Estate Association) which recommends the standards for best practices to follow in the property sector. The calculation of these APMs follows the instructions set by EPRA.	This is calculated on the basis of Equity attributable to equity holders of the Parent and adjusted for certain items in accordance with EPRA recommendations.	Standard analysis ratio in real estate and recommended by EPRA.
<b>EPRA NDV</b> <b>(EPRA Net Disposal Value)</b> EPRA (European Public Real Estate Association) which recommends the standards for best practices to follow in the property sector. The calculation of these APMs follows the instructions set by EPRA.	Calculated by adjusting the following items in the EPRA NTA: the market value of the financial instruments, the market value of the financial debt, the taxes that would accrue on the sale of the assets at their market value, applying the tax credits available to the Group on a going concern basis.	Standard analysis ratio in real estate and recommended by EPRA.
<b>Gross Financial Debt (GFD)</b>	Calculated as the sum of the items " <i>Debts to credit institutions and other financial liabilities</i> ", " <i>Issuances of debentures and similar securities</i> ", and " <i>Issuances of promissory notes</i> " excluding " <i>Interest</i> " (accrued), " <i>Formalisation expenses</i> " and " <i>Other financial liabilities</i> " of the consolidated summary statement of financial position.	Relevant indicator for analysing the Group's financial position.
<b>Net financial debt (NFD)</b>	Calculated by adjusting the item <i>Cash and cash equivalents</i> under " <i>Gross financial debt (GFD)</i> " in the condensed consolidated balance sheet.	Relevant indicator for analysing the Group's financial position.



Alternative Performance Measure	Calculation method	Definition/relevance
<b>Loan to Value Group or LtV Group</b>	Calculated as the result of dividing " <i>Net financial debt (NFD)</i> " by the sum of the " <i>Market Valuation including transaction costs of the Group's asset portfolio</i> " plus the "treasury shares of the Parent valued at EPRA NTA".	This makes it possible to analyse the relationship between net financial debt and the valuation of assets in the Group's portfolio.
<b>Like-for-like Rents</b>	Amount of rental income for rentals included in " <i>Revenue</i> " comparable between two periods. In order to obtain this amount, income from investments or divestitures made between both periods, those from assets included in the project and renovation portfolio, as well as other atypical adjustments (for example, compensation for early termination of rental agreements) are excluded from both periods.	This makes it possible to compare, on a like-for-like basis, the change in rental income of an asset or group of assets.
<b>Analytical EBITDA</b>  <b>(Earnings Before Interest, Taxes, Depreciation and Amortisation)</b>	Calculated as "Operating profit" adjusted for the items in the consolidated condensed income statement: " <i>Net turnover – Inventories</i> ", " <i>Cost of sales – Inventories</i> ", " <i>Depreciation and amortisation</i> ", " <i>Net gains/(losses) from asset sales</i> ", " <i>Net change in provisions</i> ", " <i>Reversal of provisions for early retirements</i> ", " <i>Changes in the fair value of investment property</i> ", and " <i>Result from changes in asset value and impairment losses</i> ", as well as extraordinary overheads and expenses related to " <i>Leases under IFRS 16 finance lease accounting</i> ", " <i>Depreciation under IFRS 16 finance lease accounting</i> ", and " <i>Financial result under IFRS 16 finance lease accounting</i> ", associated with the flexible workspace (co-working) business.	Indicator of the Group's capacity to generate profits considering only its productive activity, eliminating depreciation allowances, the effect of indebtedness and the tax effect.
<b>EBITDA from rents</b>	Calculated as " <i>Analytical rental income</i> " minus " <i>Analytical net operating expenses</i> ".	Indicator of the Group's earning capacity considering only its leasing activity, before depreciation, provisions, the effect of indebtedness and the tax effect.
<b>Analytical rental income</b>	Calculated as " <i>Revenue – Investment property</i> " in the condensed consolidated income statement adjusted by " <i>Income from the flexible business relating to non-Group-owned sites</i> ", by " <i>Revenue eliminated on consolidation associated with the flexible business</i> " and by " <i>Reversal of provisions for early retirements</i> ".	Relevant magnitude for analysing the Group's results.

Alternative Performance Measure	Calculation method	Definition/relevance
<b>Analytical net operating expenses</b>	Calculated as the sum of "Personnel expenses" and "Other operating expenses" in the consolidated condensed income statement adjusted by "Personnel expenses and Other operating expenses not associated with the corporate segment", by "Personnel expenses and other operating expenses not associated with the flexible business net of cost pass-through", by "Extraordinary personnel expenses and other operating expenses", by "Other operating expenses eliminated in consolidation associated with the flexible business" and by "Change in provisions".	Relevant magnitude for analysing the Group's results.
<b>Other analytical income</b>	Calculated as the sum of the items "Other income" and "Result of entities accounted for using the equity method" from the consolidated condensed income statement, adjusted for "Other income attributable to the corporate segment", "EBITDA from the flexible workspace business corresponding to centres not owned by the Group", "Leases recognised under IFRS 16 finance lease accounting", "Net turnover, Personnel expenses, and Other operating expenses eliminated on consolidation associated with the flexible business", "Net turnover eliminated on consolidation associated with the flexible business", and "Depreciation, amortisation and financial result recognised under IFRS 16 finance lease accounting".	Relevant magnitude for analysing the Group's results.
<b>Spending structure analytics</b>	Calculated as the sum of items "Other revenue", "Personnel expenses" and "Other operating expenses" in the condensed consolidated income statement and adjusted by "Analytical net operating expenses", "Personnel expenses and Other operating expenses associated with the flexible business net of pass-through costs", "Personnel expenses and Other extraordinary operating expenses", "Net change in provisions", "Other operating expenses eliminated on consolidation associated with the flexible business" and "Other revenue associated with the leasing business".	Relevant magnitude for analysing the Group's results.

Alternative Performance Measure	Calculation method	Definition/relevance
<b>Analytical extraordinary expenses</b>	Calculated as the sum of the items "Personnel expenses" and "Other operating expenses" of the consolidated summary income statement and adjusted for "Analytical Net Operating Expenses", "Personnel Expenses and Other Operating Expenses Associated with the Corporate Segment", "Personnel Expenses and Other Operating Expenses Associated with the Flexible Business Net of Expense Impact", "Other operating expenses eliminated in the consolidation process associated with the flexible business" and "Net change in provisions".	Relevant magnitude for analysing the Group's results.
<b>Revaluations and sales margin of analytical properties</b>	Calculated as the sum of the items "Net income from the sale of assets" and "Changes in value in real estate investments" of the consolidated summary income statement and adjusted for "Net turnover – Inventories" and "Cost of sales – Inventories".	Relevant magnitude for analysing the Group's results.
<b>Analytical depreciation and provisions</b>	Calculated as the sum of "Depreciation and amortisation", "Net change in provisions" and "Gains/(losses) on changes in asset values and impairment" in the condensed consolidated income statement, adjusted by "Financial result, leases, depreciation and amortisation arising from the recognition of finance leases under IFRS 16", "Net change in provisions" and "Reversal of provisions for early derecognition".	Relevant magnitude for analysing the Group's results.
<b>Analytical financial result</b>	Calculated as the sum of the items "Financial income" and "Financial expenses" of the consolidated summary income statement and adjusted for the "Financial result derived from the recognition according to IFRS 16 financial leases".	Relevant magnitude for analysing the Group's results.
<b>Recurrent analytical financial result</b>	Calculated as the "Analytical Financial Result" and adjusted for the "Extraordinary Financial Income and Expenses"	Relevant magnitude for analysing the Group's results.
<b>EPRA Earnings and Recurring net income</b>	Calculated in accordance with EPRA recommendations, adjusting certain items to the net profit for the year attributable to the Parent.	Standard analysis ratio in real estate and recommended by EPRA.

Alternative Performance Measures included in the foregoing table arise from items in the consolidated financial statements and in the condensed consolidated interim financial statements of Inmobiliaria Colonial, SOCIMI, S.A. and subsidiaries or from the breakdowns of the items (sub-items) included in the corresponding explanatory notes to the report, except as indicated below.

Below follows a reconciliation of those alternative performance measures whose origin does not fully derive from items or sub-items in the consolidated annual financial statements of Inmobiliaria Colonial, as provided for in paragraph 28 of the aforementioned recommendations.

#### **Market Value including transaction costs or GAV including transfer costs**

Market Value including transaction costs or GAV including Transfer costs	Millions of euros	
	30/06/2025	2024
Total Market Value excluding transaction costs	11,860	11,646
Plus: transaction costs	661	630
<b>Total Market Value including transaction costs</b>	<b>12,521</b>	<b>12,276</b>
Spain	4,330	4,201
France	8,191	8,075

#### **Market Value excluding transaction costs or GAV excluding transfer costs**

Market Value excluding transaction costs or GAV excluding transfer costs	Millions of euros	
	30/06/2025	2024
Barcelona	1,333	1,305
Madrid	2,227	2,152
Paris	7,144	7,098
<b>Leased out</b>	<b>10,704</b>	<b>10,386</b>
Projects	1,156	1,091
<b>Total Market Value excluding transaction costs</b>	<b>11,860</b>	<b>11,646</b>
Spain	4,211	4,076
France	7,650	7,571

#### **Like-for-like Valuation**

Like-for-like Valuation	Millions of euros	
	30/06/2025	2024
Valuation at 1 January	11,646	11,336
Like-for-like Spain	135	75
Like-for-like France	79	239
Acquisitions and divestitures	--	(4)
<b>Total Market Value excluding transaction costs</b>	<b>11,860</b>	<b>11,646</b>

## EPRA NTA (EPRA Net Tangible Assets)

EPRA NTA (EPRA Net Tangible Assets)	Millions of euros	
	30/06/2025	2024
<b>"Equity attributable to shareholders of the Parent"</b>	<b>5,719</b>	<b>5,677</b>
<i>Includes/Excludes:</i>		
Adjustments from (i) to (v) with respect to strategic alliance interests	--	--
<b>Diluted NTA</b>	<b>5,719</b>	<b>5,677</b>
<i>Includes:</i>		
(ii.a) Revaluation of investment assets	--	--
(ii.b) Revaluation of assets under development	--	--
(ii.c) Revaluation of other investments	196	137
(iii) Revaluation of finance leases	--	--
(iv) Stock revaluation	--	--
<b>Diluted NTA at Fair Value</b>	<b>5,916</b>	<b>5,814</b>
<i>Excludes:</i>		
(v) Deferred taxes	114	210
(vi) Market value of financial instruments	(5)	12
<b>EPRA NTA</b>	<b>6,025</b>	<b>6,036</b>
Number of shares (millions)	627.3	627.3
<b>EPRA NTA per share</b>	<b>9.60</b>	<b>9.62</b>

## EPRA NDV (Net Disposal Value)

EPRA NDV (EPRA Net Disposal Value)	Millions of euros	
	30/06/2025	2024
<b>"Equity attributable to shareholders of the Parent"</b>	<b>5,719</b>	<b>5,677</b>
<i>Includes/Excludes:</i>		
Adjustments from (i) to (v) with respect to strategic alliance interests	--	--
<b>Diluted NDV</b>	<b>5,719</b>	<b>5,677</b>
<i>Includes:</i>		
(ii.a) Revaluation of investment assets	--	--
(ii.b) Revaluation of assets under development	--	--
(ii.c) Revaluation of other investments	196	137
(iii) Revaluation of finance leases	--	--
(iv) Stock revaluation	--	--
<b>Diluted NDV at Fair Value</b>	<b>5,916</b>	<b>5,814</b>
<i>Excludes:</i>		
(v) Deferred taxes	--	--
(vi) Market value of financial instruments	--	--
(ix) Market value of debt	70	113
<b>EPRA NDV</b>	<b>5,986</b>	<b>5,927</b>
Number of shares (millions)	627.3	627.3
<b>EPRA NDV per share</b>	<b>9.54</b>	<b>9.45</b>

## Loan-to-Value Group or LtV Group

Loan to Value Group or LtV Group	Millions of euros	
	30/06/2025	2024
Gross financial debt	4,898	5,008
Commitments of deferrals for transactions selling real estate assets	--	--
Minus: "Cash and cash equivalents"	(274)	(543)
<b>(A) Net financial debt</b>	<b>4,624</b>	<b>4,465</b>
Market Value including transaction costs <sup>(*)</sup>	12,482	12,238
Plus: Treasury shares of the Parent valued at EPRA NTA	150	90
<b>(B) Market value including transaction costs and the Parent's own shares</b>	<b>12,633</b>	<b>12,328</b>
<b>Loan to Value Group (A)/(B)</b>	<b>36.6%</b>	<b>36.2%</b>

(\*) Shares recorded by the equity method are valued at EPRA NTA.

## Like-for-like Rentals

Like-for-Like Rentals	Millions of euros			
	Barcelona	Madrid	Paris	Total
<b>Analytical rental income 30/06/2024</b>	<b>23</b>	<b>42</b>	<b>127</b>	<b>192</b>
Like-for-like	0	1	7	8
Projects and inclusions	(0)	2	(7)	(5)
Investments and divestitures	1	4	0	5
Other and compensation	0	1	(4)	(3)
<b>Analytical rental income 30/06/2025</b>	<b>24</b>	<b>50</b>	<b>123</b>	<b>197</b>

## Analytical EBITDA

Analytical EBITDA	Millions of euros	
	30/06/2025	30/06/2024
Operating profit	273	164
Adjustments: "Revenue - Inventories"	--	(106)
Adjustments: "Cost of sales – Inventories"	--	92
Adjustments: "Depreciation and amortisation"	3	4
Adjustments: "Net gain/(loss) on sales of assets"	--	(13)
Adjustments: "Net change in provisions"	(2)	(5)
Adjustments: "Reversal of provisions for early retirements"	--	5
Adjustments: "Changes in value of investment property"	(119)	12
Adjustments: "Gains/(losses) on changes in value of assets due to impairment"	2	1
Adjustments: "Extraordinary Income"	4	1
Adjustments: "Lease arising from the recognition in line with the IFRS 16 finance lease standard"	(1)	--
Adjustments: "Depreciation and amortisation arising from the recognition in line with the IFRS 16 Finance lease standard"	--	(1)
Adjustments: "Financial profit arising from the recognition in line with the IFRS 16 Finance lease standard"	--	(0)
<b>Analytical EBITDA</b>	<b>160</b>	<b>153</b>

## EBITDA from rents

EBITDA from rents	Millions of euros	
	30/06/2025	30/06/2024
Revenue – Investment properties	202	192
Adjustments: "Income from the flexible business corresponding to centres not owned by the Group"	(5)	(9)
Adjustments: "Revenue eliminated on consolidation associated with the flexible business"	--	4
Adjustments: "Reversal of provisions for early retirements"	--	5
<b>Analytical rental income</b>	<b>197</b>	<b>192</b>
Personnel expenses	(22)	(18)
Other operating expenses	(29)	(23)
Adjustments: "Personnel expenses and Other operating expenses associated with the corporate segment"	30	28
Adjustments: "Personnel expenses and other operating expenses associated with the flexible business net of cost pass-through"	3	3
Adjustments: "Personnel expenses and Other extraordinary operating expenses not associated with the flexible business"	4	1
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	--	1
Adjustments: "Net change in provisions"	(2)	(5)
<b>Analytical net operating expenses</b>	<b>(16)</b>	<b>(14)</b>
<b>EBITDA from rents</b>	<b>181</b>	<b>178</b>

## Other analytical income

Other analytical income	Millions of euros	
	30/06/2025	30/06/2024
Other revenue	7	2
Result of entities through the participation procedure	1	1
Adjustments: "Other corporate segment revenues"	(1)	(1)
Adjustments: "EBITDA of the flexible business corresponding to centres not owned by the Group"	2	--
Adjustments: "Lease arising from the recognition in line with the IFRS 16 finance lease standard"	(1)	--
Adjustments: "Revenue and Personnel expenses and Other operating expenses eliminated on consolidation associated with the flexible business"	--	7
Adjustments: "Revenue eliminated on consolidation associated with the flexible business"	--	(4)
Adjustments: "Depreciation and amortisation arising from the recognition in line with the IFRS 16 Finance lease standard"	--	(1)
Adjustments: "Financial profit arising from the recognition in line with the IFRS 16 Finance lease standard"	--	(0)
<b>Other analytical income</b>	<b>8</b>	<b>3</b>



### Spending structure analytics

Spending structure analytics	Millions of euros	
	30/06/2025	30/06/2024
Other revenue	7	2
Personnel expenses	(22)	(18)
Other operating expenses	(29)	(23)
Adjustments: <i>"Analytical net operating expenses"</i>	16	14
Adjustments: "Personnel expenses and other operating expenses associated with the flexible business net of cost pass-through"	3	2
Adjustments: "Personnel expenses and Other extraordinary operating expenses not associated with the flexible business"	4	1
Adjustments: <i>"Net change in provisions"</i>	(2)	(5)
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	--	1
Adjustments: <i>"Other revenue associated with the leasing business"</i>	(6)	(1)
<b>Spending structure analytics</b>	<b>(29)</b>	<b>(28)</b>

### Analytical extraordinary expenses

Analytical extraordinary expenses	Millions of euros	
	30/06/2025	30/06/2024
Personnel expenses	(22)	(18)
Other operating expenses	(29)	(23)
Adjustments: <i>"Analytical net operating expenses"</i>	16	14
Adjustments: <i>"Personnel expenses and Other operating expenses associated with the corporate segment"</i>	30	28
Adjustments: "Personnel expenses and other operating expenses associated with the flexible business net of cost pass-through"	3	3
Adjustments: "Other operating expenses eliminated on consolidation associated with the flexible business"	--	1
Adjustments: <i>"Net change in provisions"</i>	(2)	(5)
<b>Analytical extraordinary expenses</b>	<b>(4)</b>	<b>(1)</b>

### Revaluations and sales margin of analytical properties

Revaluations and sales margin of analytical properties	Millions of euros	
	30/06/2025	30/06/2024
Net gain/(loss) on sales of assets	--	13
Changes in value of investment property	119	(12)
Adjustments: <i>"Revenue - Inventories"</i>	--	106
Adjustments: <i>"Cost of sales – Inventories"</i>	--	(92)
<b>Revaluations and sales margin of analytical properties</b>	<b>119</b>	<b>15</b>

## Analytical depreciation and provisions

Analytical depreciation and provisions	Millions of euros	
	30/06/2025	30/06/2024
Depreciation and amortisation	(3)	(4)
Net change in provisions	2	5
Gains/(losses) on changes in value of assets due to impairment	(2)	(1)
Adjustments: "Financial profit arising from the recognition in line with the IFRS 16 Finance lease standard"	--	--
Adjustments: "Lease arising from the recognition in line with the IFRS 16 finance lease standard"	1	--
Adjustments: "Depreciation and amortisation arising from the recognition in line with the IFRS 16 Finance lease standard"	--	1
Adjustments: "Reversal of provisions for early retirements"	--	(5)
<b>Analytical depreciation and provisions</b>	<b>(2)</b>	<b>(4)</b>

## Recurrent analytical and analytical financial result

Analytical financial result	Millions of euros	
	30/06/2025	30/06/2024
Finance income	14	11
Finance costs	(54)	(55)
Adjustments: "Financial profit arising from the recognition in line with the IFRS 16 Finance lease standard"	(0)	(0)
<b>Analytical financial result</b>	<b>(39)</b>	<b>(44)</b>
Adjustments: "Extraordinary financial income and expenses"	3	3
<b>Recurrent analytical financial result</b>	<b>(36)</b>	<b>(41)</b>

## EPRA Earnings and Recurring Net Income

EPRA Earnings and Recurring Net Income	Millions of euros	
	30/06/2025	30/06/2024
<b>Net profit attributable to the Group</b>	<b>249</b>	<b>86</b>
<b>Net profit/(loss) attributable to the Group - €cts/share</b>	<b>39.71</b>	<b>15.93</b>
<i>Includes/(excludes):</i>		
(i) Changes in value of investments, investment projects and other interests	(117)	13
(ii) Gains or losses on sales of assets, investment projects and other interests	0	(27)
(iii) Gains or losses on sales of assets held for sale including changes in the value of such assets	--	--
(iv) Taxes on sale of assets	--	0
(v) Impairment of goodwill	--	--
(vi) Changes in the value of financial instruments and cancellation costs	3	5
(viii) Deferred tax for considered EPRA adjustments	(32)	(26)
(ix) Adjustments (i) to (viii) in respect of strategic alliances (except if included by proportionate consolidation)	--	--
(x) Minority interests in respect of the above items	(2)	39
<b>EPRA Earnings (company-specific pre-adjustments)</b>	<b>101</b>	<b>90</b>
<i>Company-specific settings:</i>		
(a) Extraordinary contingencies and charges	7	4
(b) Non-recurring profit/(loss)	0	(2)
(c) Tax credits	--	--
(d) Minority interests in respect of the above items	(0)	(0)
<b>Recurring Net Income (post company specific adjustments)</b>	<b>107</b>	<b>92</b>
Average number of shares (millions)	627.3	539.6
<b>Recurring Net Profit (post company specific adjustments) - €cts/share</b>	<b>17.12</b>	<b>17.01</b>